UNITED STATES OF AMERICA

Congressional Record

PROCEEDINGS AND DEBATES OF THE 78th CONGRESS
FIRST SESSION

VOLUME 89—PART 2

MARCH 2, 1943, TO APRIL 5, 1943
(PAGES 1459 TO 2940)

UNITED STATES GOVERNMENT PRINTING OFFICE, WASHINGTON, 1943

AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 78th CONGRESS, FIRST SESSION

SENATE

TUESDAY, MARCH 2, 1943

(Legislative day of Monday, March 1, 1943)

The Senate met at 12 o'clock noon, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

God of our fathers,

"Standing in the living present,
Memory and hope between,
Lord, we would with deep thanksgiving
Praise Thee most for things unseen.
For the priceless gift of freedom,
For the home, the church, the school;
For the open door to manhood
In a land the people rule.

"For the armies of the faithful,
Souls that passed and left no name;
For the glory that illumines
Patriot lives of deathless fame;
For our prophets and apostles,
Loyal to the living Word;
For all heroes of the Spirit,
Give we thanks to Thee, O Lord.

"God of justice, save the people
From the clash of race and creed,
From the strife of class and faction:
Make our Nation free indeed.
Keep her faith in simple manhood
Strong as when her life began,
Till it find its full fruition
In the brotherhood of man."

Amen.

THE JOURNAL

On request of Mr. HILL, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, March 1, 1943, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Taylor, its enrolling clerk, announced that the House had passed without amendment the bill (S. 739) to amend the act entitled "An act to authorize the attendance of personnel of the Army of the United States as students at educational institutions and other places."

The message also announced that the House had passed the bill (S. 621) to authorize the Secretary of the Navy to grant to the city of San Diego for street purposes a parcel of land situated in the city of San Diego and State of California, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 332. An act to revise the Alaska game law;

H. R. 338. An act to authorize the incorporated city of Anchorage, Alaska, to purchase and improve the electric light and power system of the Anchorage Light & Power Co., Inc., an Alaska corporation, and for such purpose to issue bonds in the sum of not to exceed $1,250,000 in excess of present statutory debt limits;

H. R. 702. An act to permit the prepayment of the purchase price of certain housing sold to individuals by the Farm Security Administration, and for other purposes;

H. R. 1691. An act to authorize the Secretary of the Navy to pay the costs of transportation of certain civilian employees, and for other purposes; and

H. R. 1749. An act to amend Veterans Regulation No. 10, as amended.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (S. 641) to amend section 6 of the Pay Readjustment Act of 1942 relating to the payment of rental allowances to certain officers, and it was signed by the Vice President.

CALL OF THE ROLL

Mr. HILL. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Austin	Gerry	Overton
Bailey	Gillette	Radcliffe
Ball	Green	Reed
Bankhead	Gurney	Revercomb
Barbour	Hatch	Reynolds
Barkley	Hawkes	Russell
Bone	Hayden	Scrugham
Brewster	Hill	Smith
Brooks	Holman	Stewart
Buck	Johnson, Calif.	Taft
Burton	Johnson, Colo.	Thomas, Idaho
Bushfield	La Follette	Thomas, Okla.
Butler	Langer	Thomas, Utah
Byrd	Lodge	Truman
Capper	Lucas	Tunnell
Caraway	McCarran	Tydings
Chavez	McKellar	Vandenberg
Clark, Idaho	Maloney	Van Nuys
Clark, Mo.	Maybank	Wagner
Connally	Mead	Wallgren
Danaher	Millikin	Walsh
Davis	Moore	Wheeler
Eastland	Murray	White
Ellender	Nye	Wiley
Ferguson	O'Daniel	Wilson
George	O'Mahoney	

Mr. HILL. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from Virginia [Mr. GLASS], and the Senator from West Virginia [Mr. KILGORE] are absent from the Senate because of illness.

The Senator from Kentucky [Mr. CHANDLER], the Senator from California [Mr. DOWNEY], the Senator from Arizona [Mr. MCFARLAND], and the Senator from Utah [Mr. MURDOCK] are detained on official business for the Senate.

The Senator from Mississippi [Mr. BILBO], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Arkansas [Mr. MCCLELLAN], and the Senator from Florida [Mr. PEPPER] are necessarily absent.

Mr. VANDENBERG. The Senator from Oregon [Mr. MCNARY] and the Senator from Minnesota [Mr. SHIPSTEAD] are absent because of illness.

The Senator from New Hampshire [Mr. BRIDGES], the Senator from Wyoming [Mr. ROBERTSON], and the Senator from Indiana [Mr. WILLIS] are necessarily absent.

The Senator from Vermont [Mr. AIKEN] is unavoidably detained.

The VICE PRESIDENT. Seventy-seven Senators have answered to their names. A quorum is present.

EXECUTIVE COMMUNICATIONS

The VICE PRESIDENT laid before the Senate the following communications, which were referred as indicated:

DAMAGE CLAIM INCIDENT TO THE OPERATION OF NAVAL VESSELS (S. DOC. NO. 9)

A communication from the President of the United States, transmitting an estimate of appropriation submitted by the Navy Department to pay claims for damages by collision or damages incident to the operation of vessels of the Navy, in the sum of $1,044.83 (with accompanying papers); to the Committee on Appropriations and ordered to be printed.

DAMAGE CLAIM INCIDENT TO THE OPERATION OF A COAST GUARD VESSEL (S. DOC. NO. 10)

A communication from the President of the United States, transmitting an estimate of appropriation submitted by the Navy Department to pay a claim for damages by collision or damages incident to the operation of a vessel of the United States Coast Guard, in the sum of $70 (with accompanying papers); to the Committee on Appropriations and ordered to be printed.

CLAIMS FOR DAMAGES DUE TO MILITARY OPERATIONS (S. DOC. NO. 11)

A communication from the President of the United States, transmitting an estimate of appropriation submitted by the War Department to pay claims for damages due to military operations, amounting to $4,451.50 (with accompanying papers); to the Committee on Appropriations and ordered to be printed.

JUDGMENTS RENDERED BY THE COURT OF CLAIMS (S. Doc. No. 12)

A communication from the President of the United States, transmitting, in compliance with law, a schedule of judgments rendered by the Court of Claims which have been submitted by the Treasury Department and require an appropriation for their payment, amounting to $35,283.79 (with accompanying papers); to the Committee on Appropriations and ordered to be printed

CLAIMS ALLOWED BY THE GENERAL ACCOUNTING OFFICE (S. Doc. No. 13)

A communication from the President of the United States, transmitting, in compliance with law, an estimate of appropriation for the payment of certain claims allowed by the General Accounting Office, amounting to $1,215.98, as covered by certificates of settlement, etc. (with accompanying papers); to the Committee on Appropriations and ordered to be printed.

PAYMENT OF JUDGMENT RENDERED AGAINST THE GOVERNMENT (S. Doc. No. 14)

A communication from the President of the United States, transmitting, pursuant to law, record of a judgment rendered against the Government by the district courts as submitted by the Department of Justice through the Treasury Department, which requires an appropriation of $525.35, together with an indefinite appropriation to pay interest (with accompanying papers); to the Committee on Appropriations and ordered to be printed.

CLAIMS FOR DAMAGES TO PRIVATELY OWNED PROPERTY (S. Doc. No. 15)

A communication from the President of the United States, transmitting estimates of appropriations submitted by the several executive departments and independent offices to pay claims for damages to privately owned property, in the sum of $52,917.36 (with accompanying papers); to the Committee on Appropriations and ordered to be printed.

CLAIMS ALLOWED BY THE GENERAL ACCOUNTING OFFICE (S. Doc. No. 16)

A communication from the President of the United States, transmitting, in compliance with law, a schedule of claims amounting to $302,011.33, allowed by the General Accounting Office, as covered by certificates of settlement, etc. (with accompanying papers); to the Committee on Appropriations and ordered to be printed.

PETITION

Mr. CAPPER presented a petition of 63 citizens of Topeka, Kans., praying for the enactment of legislation to prohibit liquor sales and to suppress vice in the vicinity of military camps and naval establishments, which was referred to the Committee on Military Affairs.

SALE OF GOVERNMENT-OWNED WHEAT FOR FEED

Mr. CAPPER. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a telegram and a letter received by me from Harry Ridlen, chairman of the Greeley County (Kans.) U. S. D. A. War Board, asking early congressional action to allow the sale of more Government-owned wheat for feeding to animals, at prices comparable to corn. I also ask that a similar telegram from Harry J. Clark and Virgil Patterson, of Boicourt, Kans., be printed, and that immediately following the first-mentioned telegram and letter my answer to Chairman Ridlen's letter be printed.

While I have the floor, I want to call attention to the necessity for early action by Congress to authorize the Commodity Credit Corporation to sell an additional amount of Government-owned wheat for feed at low prices, if such a policy is to be continued, in order to promote increased hog and cattle production. I present the telegrams and letters for printing in the RECORD and appropriate reference.

There being no objection, the telegrams and letters were referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

TRIBUNE, KANS., *February 24, 1943.*

Senator ARTHUR CAPPER,
Care of Senate, Washington, D. C.:

Feed-grain situation in Greeley County with sale of feed wheat stopped is serious. No feed grains were harvested in the county in 1942 due to early freeze. Farmers have moved most of their wheat off the farms and have depended upon feed wheat to finish their stock. Many were not financially able to lay in a large enough supply to carry their hogs and cattle through to finish for market. Whether or not farmers can properly finish livestock for market depends upon whether or not feed grain is available. Transportation facilities are inadequate to haul or ship grain in, and there is none available to be brought in that we are able to find. Have 70,000 bushels of Commodity Credit Corporation wheat in bins in Greeley County. Need Congress to authorize sale of feed wheat to livestock feeders. Some action is imperative.

HARRY RIDLEN,
Chairman, Greeley County United States Department of Agriculture War Board.

UNITED STATES DEPARTMENT OF AGRICULTURE,
U. S. D. A. DEFENSE BOARD,
Tribune, Kans., February 24, 1943.

Hon. ARTHUR CAPPER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR CAPPER: We sent you a night letter regarding the feed grain situation in Greeley County.

We have many farmers who have 60 to 100 head of hogs on feed, and a number of farmers who have cattle on feed. Our feed grain crop in 1942 was practically a complete failure, due to the early freeze in the fall, and this feed wheat has been all of the grain available to our feeders. Our main purchasers of feed wheat have been fellows who did not have a lot of wheat of their own, and what they did have has been sold. They were not financially able to buy enough to last them until their hogs and cattle were finished out and are left with a lot of unfinished livestock on hand.

There are no transportation facilities available to bring grain into the county if it could be found. Counties within trucking distance of Greeley County do not seem to have feed grains for sale, if there were trucks to bring it in. Therefore, it seems to our feeders that their only salvation is a continuation of the sale of feed wheat. We have 70,000 bushels of wheat stored in Commodity Credit Corporation bins, and up to the time feed wheat sales had stopped we had disposed of around 54,000 bushels to our feeders.

I hope it will be possible to have some definite action on this situation before our feed lots are emptied of unfinished livestock. I dislike seeing a lot of unfinished stock placed on the market, because of lack of feed when we have the wheat in bins in the county. It will be hard to get these farmers to fill their feed lots again if they are not able to find feed grain for this stock.

I know you are confronted with many, many problems every day, but of course this one seems very drastic to us, and it is drastic when we take into consideration the apparent need for finished animals for meat. If we are to finish what we have in the feedlots here, we must have grain to do it with, and the only source of grain that is visible to us is the wheat in the Commodity Credit Corporation bins.

We have had a very satisfactory response to the request for planting feed grains and grain sorghums under the 1943 Agricultural Conservation program and very favorable reaction to the proposed program.

Yours very truly,

HARRY RIDLEN,
Chairman, Greeley County
U. S. D. A. War Board.

FEBRUARY 27, 1943.

Mr. HARRY RIDLEN,
Chairman, Greeley County
United States Department of
Agriculture War Board,
Tribune, Kans.

DEAR MR. RIDLEN: I thank you for your telegram of February 24 and following letter in regard to the feed situation in Greeley County. I have been keeping in touch with this matter for some time, and believe that it is going to be worked out. I would like to say worked out immediately, but the fact is, the sale of more Commodity Credit Corporation-owned wheat at 85-percent-corn-parity price has run into a snag in the House Committee on Agriculture.

Secretary Wickard issued an order last Tuesday which releases for feed or marketing (without penalty payments) all excess wheat, including volunteer wheat. But this order does not take care of sales of Government wheat by the Commodity Credit Corporation, which, apparently, requires legislation.

As you know, last fall the Commodity Credit Corporation was authorized to sell 125,000,000 bushels of wheat at 85 percent of corn parity for feeding and certain other purposes. Secretary Wickard says that is practically all sold, and has asked for authority to sell 100,000,000 more on the same terms.

That bill is pending in the House Committee on Agriculture. Secretary Wickard has spent 3 days before that committee, and is returning Monday morning, I am informed. It seems that this request has opened up the entire problem of price ceilings, sales of Government wheat, incentive payments, and Office of Price Administration violation of parity requirements in the price control and anti-inflation acts of 1942.

From what I hear from the House side, it is going to take some little time to get committee action on the request, and the bill may take in some more territory before it gets through. Therefore, I cannot hold out hope for immediate release of more Government-owned wheat for feeding at the 85-percent-of-corn-parity price, although we are doing all we can to get speedier action.

The fact is, the resentment and confusion brought about by the Office of Price Administration attempts to hold down farm prices has become centered on this one measure—as sometimes happens—and that is what is holding up action. Otherwise the bill could be passed within a week or 10 days, as I do not believe there is any real opposition to it except from the Corn Belt. The Grange, the Farmers Union, the Cooperative Council, and the dairy organizations are all for the sale of feed wheat below parity; the Farm Bureau Federation is opposing it, on principle, Mr. Ogg tells me, but perhaps also because of Corn Belt influence in the Farm Bureau at the top.

Sincerely yours,

ARTHUR CAPPER.

PLEASANTON, KANS., *March 1, 1943.*

Senator CAPPER,
Washington, D. C.:

Talking with farmers in Linn County, find general feeling that a Congress that would

stand for 40-hour week with strikes and walk-outs in key munition plants would also decide against incentive payments to farmers going over the top under strain of shortage of help and machinery in raising extra hazardous war crops. Also think 100,000,000 bushels more wheat sold for feed would be useful twice. Would use what was burdensome surplus of wheat and also help overcome serious shortage in meat. Hoping the Kansas delegation listened to this whisper from the grass roots.

HARRY J. CLARK,
VIRGIL O. PATTERSON,
Boicourt, Kans.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. GEORGE, from the Committee on Finance:

S. Res. 102. Resolution to create a Special Committee on Post-War Economic Policy and Planning; without amendment.

By Mr. REYNOLDS, from the Committee on Military Affairs:

S. Res. 107. Resolution authorizing a study of the possibilities of better mobilizing the national resources of the United States; without amendment, and, under the rule, the resolution was referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

ENROLLED BILLS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that that committee presented to the President of the United States the following enrolled bills:

On February 25, 1943:

S. 158. An act to amend the Communications Act of 1934, as amended, to permit consolidations and mergers of domestic telegraph carriers, and for other purposes;

S. 167. An act for the relief of Charles F. Kegel;

S. 304. An act for the relief of Capt. Richard Rothwell, United States Marine Corps;

S. 305. An act for the relief of Master Gunnery Sgt. Eugene M. Martin, United States Marine Corps;

S. 306. An act to provide for the reimbursement of certain Navy personnel for personal property lost as a result of the disaster at the east base, Antarctica, on March 21, 1941;

S. 418. An act for the relief of Howard M. Sandus; and

S. 493. An act for the relief of Emiliano Lopez and Eliza R. Lopez.

On March 1, 1943:

S. 707. An act to provide for the appointment of an additional Assistant Attorney General.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CLARK of Idaho:

S. 808. A bill for the relief of Thomas W. Bennett; to the Committee on Claims.

S. 809. A bill authorizing the Mixed Bands of Bannocks and Shoshonees of the Shoshone Nation of Indians to sue in the Court of Claims; to the Committee on Indian Affairs.

By Mr. BUTLER:

S. 810. A bill for the relief of William Weitz; to the Committee on Claims.

By Mr. REED:

S. 811. A bill to amend the Fair Labor Standards Act of 1938 to provide for an exemption of certain small newspapers; to the Committee on Education and Labor.

By Mr. JOHNSON of Colorado:

S. 812. A bill for the relief of James C. Gaskin; to the Committee on Civil Service.

By Mr. CONNALLY:

S. 813. A bill to extend for 1 year the provisions of an act to promote the defense of the United States, approved March 11, 1941; to the Committee on Foreign Relations.

(Mr. WHITE (for himself and Mr. WHEELER) introduced Senate bill 814, which was referred to the Committee on Interstate Commerce, and appears under a separate heading.)

HOUSE BILLS REFERRED OR PLACED ON CALENDAR

The following bills were severally read twice by their titles and referred or ordered to be placed on the calendar as indicated:

H. R. 332. An act to revise the Alaska game law; and

H. R. 338. An act to authorize the incorporated city of Anchorage, Alaska, to purchase and improve the electric light and power system of the Anchorage Light & Power Co., Inc., an Alaska corporation, and for such purpose to issue bonds in the sum of not to exceed $1,250,000 in excess of present statutory debt limits; to the Committee on Territories and Insular Affairs.

H. R. 702. An act to permit the prepayment of the purchase price of certain housing sold to individuals by the Farm Security Administration, and for other purposes; to the Committee on Agriculture and Forestry.

H. R. 1691. An act to authorize the Secretary of the Navy to pay the costs of transportation of certain civilian employees, and for other purposes; to the calendar.

H. R. 1749. An act to amend Veterans Regulation No. 10, as amended; to the Committee on Finance.

THE SUPREME COURT'S REVERSAL OF CONVICTION OF GEORGE SYLVESTER VIERECK

Mr. LANGER. Mr. President, the Supreme Court has announced the reversal of the conviction of George Sylvester Viereck, and, in a manner almost unprecedented, condemned the attitude of the attorney representing the Department of Justice who prosecuted him.

I desire to praise the members of the Supreme Court who in these days refused to be carried away by war hysteria and who by their decision gave Mr. Viereck his freedom.

I do not know Mr. Viereck, but I do know what persecution means. I myself have been State's attorney of a county and attorney general of a State and realize that a prosecuting official in the United States is supposed to be in a case for the purpose of doing justice and to see that the defendant gets a fair trial.

In my judgment, no fair-minded person who reads the concluding speech of Mr. Maloney can help but be impressed by the fact that his speech was highly prejudicial to the defendant's rights, that it was inflammatory, and a disgrace to American jurisprudence. As the majority of the Supreme Court said, Judge Letts ought to have stopped the delivery of that kind of speech.

Mr. President, because of that wrongful conviction, Mr. Viereck has been put to a tremendous expense. Besides that, he has served about a year in jail. I am, therefore, giving notice that I shall submit a resolution asking for a full and complete investigation of this persecution and asking that a committee be appointed to determine the amount of costs that Mr. Viereck was put to, and to decide on a sum which in their opinion will reasonably compensate him for the time he spent in jail, and to ask for that sum of money so that Mr. Viereck will get such justice as Congress may be able to give him, inadequate as it may be, to wipe out the wrong which has been done.

EDITORIAL COMMENT ON CONTINUATION OF NATIONAL RESOURCES PLANNING BOARD

[Mr. WAGNER asked and obtained leave to have printed in the RECORD excerpts from editorials in support of the continuance of the National Resources Planning Board, which appear in the Appendix.]

ADMINISTRATION ATTITUDE TOWARD BEET SUGAR INDUSTRY—LETTER FROM E. W. RISING

[Mr. THOMAS of Idaho asked and obtained leave to have printed in the RECORD a letter received by him from E. W. Rising, executive vice president, Western Beet Growers Association, under date of March 2, 1943, which appears in the Appendix.]

ELIGIBILITY OF CHIROPRACTORS FOR COMMISSIONS IN MEDICAL CORPS

[Mr. BARBOUR asked and obtained leave to have printed in the RECORD a letter addressed to him by Dr. William S. Voorhees, of Plainfield, N. J., on the eligibility of chiropractors for commissions in the Army Medical Corps, which appears in the Appendix.]

WAR LOAN DEPOSIT ACCOUNTS—SUSPENSION OF ASSESSMENT AND RESERVE REQUIREMENTS

The Senate resumed the consideration of the bill (S. 700) to amend section 12B and section 19 of the Federal Reserve Act during the continuance of the war and for 6 months after its termination.

The VICE PRESIDENT. The question is on agreeing to the first committee amendment, which will be stated by the clerk.

The CHIEF CLERK. In section 1, page 1, line 8, after the word "That", it is proposed to strike out "during the continuance of the present war and for 6 months after its termination" and to insert "until 6 months after the cessation of hostilities in the present war", so as to make the section read:

That the second sentence of paragraph (1) of subsection (h) of section 12B of the Federal Reserve Act (U. S. C., title 12, sec. 264 (h) (1)), as amended, is hereby further amended by substituting a colon for the period at the end thereof and adding the following: "*And provided further*, That until 6 months after the cessation of hostilities in the present war any balance payable to the United States by any insured bank, whether represented by a deposit account or otherwise, arising solely as a result of subscriptions made by or through such insured bank for United States Government securities issued under authority of the Second Liberty Bond Act, as amended, shall be excluded from the definition of 'deposit' for the purpose of determining the assessment base."

The amendment was agreed to.

The next amendment was, in section 2, page 2, line 8, at the beginning of the section, to strike out "That the" and to insert "The."

The amendment was agreed to.

The next amendment was, in section 2, page 2, line 11, after the word "That", to strike out "during the continuance of the present war and for 6 months after its termination" and to insert "until 6

months after the cessation of hostilities in the present war", so as to read:

SEC. 2. The last sentence of section 19 of the Federal Reserve Act (U. S. C., title 12, sec. 462a–1) be amended by substituting a colon for the period at the end thereof and by adding the following: "*Provided*, That until 6 months after the cessation of hostilities in the present war no deposit payable to the United States by any member bank arising solely as the result of subscriptions made by or through such member bank for United States Government securities issued under authority of the Second Liberty Bond Act, as amended, shall be subject to the reserve requirements of this section."

The amendment was agreed to.

Mr. TAFT. Mr. President, I should like to ask a question about the amendment reading "until 6 months after the cessation of hostilities in the present war." Usually when we insert that clause we include a provision reading, "As determined by Presidential proclamation or concurrent resolution of the Congress," because, unless there is some such determination, it seems to me the decision as to the time of the cessation of hostilities might be in question.

Mr. WAGNER. If the Senator wishes to have the bill amended to that extent, I am quite willing to have that done.

Mr. TAFT. Merely for the sake of clarity, and to conform to other bills passed by the Congress, I think such an amendment should be inserted in both places where the language occurs.

Mr. WAGNER. What is the Senator's suggestion?

Mr. TAFT. Where it reads "until 6 months after the cessation of hostilities in the present war" I think there should be inserted the words "as determined by proclamation of the President or concurrent resolution of the Congress."

Mr. WAGNER. I have no objection to the insertion of that amendment.

Mr. TAFT. Mr. President, I ask unanimous consent that the votes by which the amendment on page 1, line 8, and the amendment on page 2, line 11, were agreed to be reconsidered.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the votes are reconsidered.

Mr. TAFT. I now propose an amendment to the committee amendment on page 1, line 10, after the word "war", to insert the words "as determined by proclamation of the President or concurrent resolution of the Congress."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. TAFT. I now propose the same amendment, on page 2, line 14, after the word "war", to insert the words "as determined by proclamation of the President or concurrent resolution of the Congress."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill suspending certain provisions of section 12B and 19 of the Federal Reserve Act until 6 months after the cessation of hostilities in the present war as determined by proclamation of the President or concurrent resolution of the Congress."

SHIP CONSTRUCTION RESERVE FUNDS

Mr. RADCLIFFE. Mr. President, I move that the Senate proceed to the consideration of Senate bill 163, relating to ship-construction reserve funds.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 163) to amend section 511 of the Merchant Marine Act, 1936, as amended, relating to ship-construction reserve funds, and for other purposes, which had been reported from the Committee on Commerce with amendments, on page 5, line 2, after the word "war", to strike out "has been proclaimed" and to insert "or until such earlier time as the Congress by concurrent resolution or the President may designate", and on line 7, after the word "war", to insert the words "or such earlier date as may be so designated", so as to make the bill read:

Be it enacted, etc., That section 511 of the Merchant Marine Act, 1936, as amended, is hereby amended as follows:

(a) The first sentence of subsection (b) of such section is amended to read as follows: "For the purposes of promoting the construction of vessels necessary to carrying out the policy set forth in title I of this act, any citizen of the United States who is operating a vessel or vessels in the foreign or domestic commerce of the United States or in the fisheries or owns in whole or in part a vessel or vessels being so operated, or who, at the time of purchase or requisition of the vessel by the Government, was operating a vessel or vessels so engaged or owned in whole or in part a vessel or vessels being so operated or had acquired or was having constructed a vessel or vessels for the purpose of operation in such commerce or in the fisheries, may establish a construction reserve fund, for the construction or acquisition of new vessels, to be composed of deposits of proceeds from sales of vessels, indemnities on account of losses of vessels, earnings from the operation of vessels, and receipts, in the form of interest or otherwise, with respect to amounts previously deposited."

(b) The second sentence of subsection (c) of such section is amended to read as follows: "For the purposes of this subsection no amount shall be considered as deposited in a construction reserve fund unless it is deposited within 60 days after it is received by the taxpayer except that (1) in the case of amounts received before December 10, 1940, the deposit may be made not later than February 7, 1941, and (2) in the case of amounts received at any time between May 27, 1941, and the date of enactment of this amendatory clause, the deposit of which by the taxpayer is authorized by the amendments to subsection (b), the taxpayer may make such deposit at any time within 120 days from such date of enactment, and the Commission may approve any such deposit previously made if, in other respects, it complies with the provisions of this section, as amended."

(c) Subsection (g) of such section is amended to read as follows:

"(g) The provisions of subsections (c) and (f) shall apply to any deposit in the construction reserve fund only to the extent that such deposit is expended or obligated for expenditure, in accordance with rules and regulations to be prescribed jointly by the Commission and the Secretary of the Treasury, under a contract for the construction or acquisition of a new vessel or vessels (or in the discretion of the Commission, for a part interest therein) entered into after October 10, 1940, and on or before December 31, 1943, with respect to deposits made prior to January 1, 1943, or not later than 1 year after the date of such deposit with respect to deposits made on or after January 1, 1943, and in either case only if under such rules and regulations—

"(1) within such period not less than 12½ percent of the construction or contract price of the vessel or vessels is paid or irrevocably committed on account thereof and the plans and specifications therefor are approved by the Commission to the extent by it deemed necessary; and

"(2) in case of a vessel or vessels not constructed under the provisions of this title or not purchased from the Commission, (A) said construction is completed, within 6 months from the date of the construction contract, to the extent of not less than 5 percent thereof (or in case the contract covers more than one vessel, the construction of the first vessel so contracted for is so completed to the extent of not less than 5 percent) as estimated by the Commission and certified by it to the Secretary of the Treasury, and (B) all construction under such contract is completed with reasonable dispatch thereafter."

(d) Subsection (h) of such section is amended to read as follows:

"(h) The Commission is authorized under rules and regulations to be prescribed jointly by the Secretary of the Treasury and the Commission to grant extensions of the period within which the deposits shall be expended or obligated or within which construction shall have progressed to the extent of 5 percent of completion as provided herein, but such extension shall not be for an aggregate additional period in excess of 2 years with respect to the expenditure or obligation of such deposits or more than 1 year with respect to the progress of such construction: *Provided, however*, That until the termination of the present war or until such earlier time as the Congress by concurrent resolution or the President may designate, in addition to the extensions hereinbefore permitted, further extensions may be granted ending not later than 6 months after such termination of the present war or such earlier date as may be so designated."

Mr. RADCLIFFE. Mr. President, this bill contemplates certain amendments to the existing law in reference to ship construction reserve funds. For example, when a ship is sold, or funds are paid over to the owner as the result of the loss of the ship, then the question arises as to what should be done with any excess in the amount of proceeds over what was the insurable basis of the ship. Let me illustrate: Suppose a ship has an insurable basis of $200,000; let us say that $600,000 is realized from the ship; ordinarily the difference, the $400,000, of course, would be chargeable for accounting purposes as profits subject to taxation. It was considered wise when the present law on the subject was passed that there should be a provision that the owner would not be required to pay taxes on the $400,000, provided he deposited the fund in a certain way with the Government, and that fund, subject to certain conditions, was later used for construction of new ships. The idea was to stimulate the building of ships. So in the instance which I have mentioned, the owner would not be charged, on an accounting, with excess profits of $400,000, provided he made the deposit with the Federal Government, under certain conditions, and provided also that within a certain period of time the money was used for new ship construction. Then

later on the Government could recoup from certain taxes as the result of the fact that the taxable basis of the new ship enlarged because of smaller amounts of depreciation. That was agreed upon as being the acceptable thing to do, and legislation to that effect was passed.

The law has been in operation for some time, and it has been deemed advisable that there should be certain changes made in the law as it now exists. For instance, the funds which, under the present law, were deposited with the Federal Government have to be used within 2 years for new construction unless the Federal Government sees fit to make a further extension of 2 years. In other words, the owner has an arbitrary right to withhold his new construction for 2 years, and if at the end of the 2 years he has not started construction, then a further extension of 2 years may be granted by the Federal Government, provided it deemed it wise to do so.

The existing provision seems to be rather arbitrary, and in one respect too liberal. Therefore the pending bill provides that the first grant of time of 2 years shall be reduced to 1 year. In other words, the owner within the period of 1 year has to make up his mind to go on with this construction and to take certain action to show progress, unless the extension as to time is given in the discretion of the Government.

Under the existing law, only one extension can be given, but under the pending bill extensions can be given until the termination of the war. In other words, if the Maritime Commission, acting in concurrence with the Treasury Department, should deem it wise to give an extension or extensions, and not insist upon the owner going on with his construction within a certain time limit, that could be done.

To summarize, the law as it stands at present provides for an arbitrary limit of time of 2 years, which might, in the discretion of the Government, be extended for 2 more years. Under the bill as it is drafted, the arbitrary period would be cut down from 2 years to 1 year, but further extensions could be given from time to time during the continuation of the war, and within a period of 6 months thereafter.

The Maritime Commission feels that this would give wholesome elasticity, and the Senate Commerce Committee has reached that conclusion also.

There are also several other extensions in the scope of the existing law. At present the funds, in order to be made available for deposit, must be from a ship actually in service. The following situation might arise: The Government might either take over a ship, or might purchase from an owner a ship before it is actually completed. In such an event the funds, we think, should be treated exactly as though the ship were completed and in operation. In other words, if the Government steps in and takes over the ship, or buys the ship before it is fully constructed, the provisions of the law should apply to those funds as well as to receipts from vessels in operation.

Then, Mr. President, there is another provision in the pending bill which seems to be a wise one. Under existing law, if a ship belongs to several owners it might be that one owner is willing to go along with a new ship-construction program and to make deposits accordingly. Some other part owner might not be willing to do so. The bill would permit a part owner to take his share of the funds and to deposit them, and handle them just as though he had been the sole owner of the ship. In other words, if there were three owners, each having a third interest in a ship, and $900,000 should be realized from the ship, it might be that two of the owners having interests aggregating in amount $600,000, would prefer to get out of the picture entirely on the $600,000 of profits and to pay their taxes. One of them, however, who has a $300,000 interest in the ship, might prefer to avail himself of the provision of the law, and therefore come in and make the deposit in the ship-construction reserve fund. Therefore the law which now applies to the whole should also apply to a part.

Mr. President, there has been no objection raised to that feature of the measure, and it would seem to be a desirable thing to do. It is reasonable from the standpoint of the owner, and it is also reasonable from the standpoint of the Government, and I think it is highly desirable from the standpoint of the Maritime Commission that a man who is a part owner should have the opportunity to enter into this arrangement for reserve funds and ship construction.

The PRESIDING OFFICER (Mr. WALLGREN in the chair). The question is on the first amendment reported by the committee, which will be stated.

The CHIEF CLERK. On page 5, line 2, after the word "war", it is proposed to strike out "has been proclaimed" and to insert in lieu thereof "or until such earlier time as the Congress by concurrent resolution or the President may designate."

Mr. AIKEN. Mr. President, the bill under consideration, and the one following it on the calendar, are two measures about which I have had considerable apprehension, and I must confess that since those bills have been placed on the calendar only 2 or 3 days ago, I simply have not had time to study them to see whether my fears with respect to them are well grounded or are groundless. For that reason I should like to ask for a little information from the Senator from Maryland. Perhaps the Senator has already given the information I seek. I was engaged in a subcommittee of the Committee on Agriculture and Forestry and just came into the Senate Chamber. What I should like to know is what moneys any shipowner, or part owner of a single ship, or owner or part owner of a line, may deposit in the construction fund which is authorized by paragraph (a) of the bill.

Mr. RADCLIFFE. I would be grateful if the Senator would speak a little louder.

Mr. AIKEN. What I should like to know is what moneys a shipowner, or a part owner of a ship, or the owner of a steamship line, or part owner of such a line, may deposit in the construction fund under the provisions of the pending measure.

Mr. RADCLIFFE. He may deposit all the funds which he has received from sale or loss of the ship. He may also deposit any earnings or any interest which has accrued on the earnings.

Mr. AIKEN. I understand the Senator to say that that will include all earnings from the ship. That will include all earnings which would ordinarily go back to the Maritime Commission and into the Federal Treasury—that is, the recapture accrual earnings—will it not, as well as those which permanently belong to the shipowner or the steamship line owner?

Mr. RADCLIFFE. Yes; it will, on the theory that it is desirable that the shipbuilding program of the Government should be continued, and therefore it is to the Government's interest that as large amount as possible of that fund should be deposited and utilized in new construction.

Mr. AIKEN. And do I correctly understand that all the moneys deposited in the fund would be exempt from taxation?

Mr. RADCLIFFE. They would be exempt for the time being, but the exemption would tend to work itself out in the end. For instance, suppose the amount to be deposited was $400,000. Let us assume that a little later, acting within the requirements laid down in the law, that the $400,000, plus, let us say, $600,000 additional, was then put into a new ship. The taxable basis of the new ship would be $1,000,000, and the depreciation in taxable basis would be based upon the entire $1,000,000 except for existing law and under proposed legislation as to ship reserve construction fund. But in the light of legislation as to reserve funds the depreciation would be based only on the part of the cost which did not come from the reserve fund. Let me illustrate what I mean by that statement.

Suppose, for illustration, a ship cost $1,000,000 and this kind of a deposit transaction were not resorted to. Let us also assume that the depreciation for taxable purposes was on the basis of 10 percent. I am taking that figure in a purely arbitrary way. At the end of the first year, instead of being $1,000,000, the taxable basis of the ship would be $900,000, that is, if the transaction stood apart and were not included in a prior transaction as contemplated under the existing law and as this act would amend. However, in this particular instance, if out of $1,000,000, $400,000 came from the previous reserve fund, the depreciation percentage would then be based only on $600,000 and not on $1,000,000. In other words, the taxable basis at the end of the first year, instead of being $900,000 would be $940,000. Thereby in that way the Government in time would, through increased taxable basis of the ship, get back the benefit of the taxes which it would surrender temporarily by reason of the operations of this ship construction reserve fund.

Mr. AIKEN. As I understand, any money put into the construction fund might be used later to be applied on the cost of any ships contracted for between October 10, 1940, and December 31, 1943. Would not the effect of the bill be to permit steamship lines to deposit in their construction fund money now due the

Federal Government for recapture accruals on subsidized operations, and also excess profits which are now due the Federal Government? Once that money were deposited in that fund, could not the lines then use it for any construction purpose they wish, at almost any time in the future, under the terms of the pending bill?

Mr. RADCLIFFE. No; they could not use it at any time they chose, because they could use it only subject to the provisions and conditions contained in the law. For instance, the funds must be used within a certain time and also must be expended in accordance with the rules and regulations of the Maritime Commission and the Secretary of the Treasury. The Commission must approve the transaction by which the reserve funds are used in later construction of ships.

Mr. AIKEN. I understand that. That is one of the objections to the bill. If my information is correct—and I believe it to be because it comes from the Comptroller General's Office—there is now due the United States Government on recapture accruals the sum of $28,568,244.63.

On the recapture of excess profits and additional charter hire accrued, there is due $39,069,900.86. Under the terms of the pending bill that money could be deposited in the construction fund, and it would belong to the same lines which have it in their possession as excess profits. They would not be required to turn it back to the Government.

Mr. President, as I have already said, I have not had an opportunity to study these bills. I am very apprehensive about them. While there is only $39,000,000 involved in this particular bill, if we continue along these lines, the taxpayers of the country are likely to lose about $500,000,000 because of shipyard concerns, steamship operators, and others who are subsidized. Some of these concerns really have made excess profits without the subsidy which was granted to them. I do not like the idea of making them a further present of $39,000,000, properly due the Federal Government, and which would be tax-exempt as well.

Mr. President, I ask leave to insert in the RECORD at this point as a part of my remarks, a list of the operating subsidy contractors, showing the operating results under permanent agreements to December 31, 1941. We entered the war at about that time, and we had to do business under different methods. I should like to have the list printed in the RECORD. I do not think the pending bill should be acted upon today. Senators should have an opportunity to study these bills and know what they are asked to vote on. I believe we are being asked to start a policy or program which may take $500,000,000 from the taxpayers and put it into the hands of subsidized contractors, some of whom are already making excess profits without the subsidy.

There being no objection, the list was ordered to be printed in the RECORD as follows:

List of operating subsidy contractors, showing operating results under permanent agreements to Dec. 31, 1941

Period	Contractor	Schedule	Total subsidy accrued (1)	Total profit (2)	Recapture accrual (3)	Net profit to contractor (4)	Dividends paid to stockholders
1938-41	American Export Lines, Inc.	5-a	$5,084,756.13	$23,419,348.44	[1] $5,084,756.13	$18,334,592.31	$1,962,687.50
1940-41	American Mail Line, Ltd.	5-b	710,446.73	3,681,780.94	None	[2] 2,011,655.77	103,337.00
1938-41	American President Lines, Inc.	5-c	8,598,917.56	13,493,216.82	6,631,850.22	6,861,366.60	0
1940-41	American South African Line, Inc.	5-d	365,698.31	4,701,771.11	[1] 365,698.31	[2] 4,253,889.62	435,318.00
1938-41	Grace Line, Inc.	5-e	4,269,350.79	10,495,924.17	2,839,696.20	[2] 7,415,474.16	7,010,300.00
1938-41	Lykes Bros. Steamship Co., Inc.	5-f	5,612,050.45	15,112,581.35	[1] 5,612,050.45	9,500,530.90	3,385,000.00
1938-41	Mississippi Shipping Co., Inc.	5-g	1,701,939.39	6,826,752.64	[1] 1,701,939.41	5,124,813.23	1,287,000.00
1938-41	Moore-McCormack Lines, Inc.	5-h	3,898,227.89	24,971,412.17	3,267,543.91	[2] 16,346,211.26	1,304,375.00
1938-41	New York & Cuba Mail Steamship Co.	5-i	1,690,686.98	2,277,989.38	668,130.54	[2] 1,594,562.01	125,000.00
1938-41	The Oceanic Steamship Co.	5-j	2,456,636.00	3,955,784.95	386,891.20	3,568,893.75	0
1938-41	Seas Shipping Co., Inc.	5-k	1,107,937.96	9,078,788.51	[1] 1,107,937.96	7,970,850.55	125,506.00
1938-41	United States Lines Co.:						
	(1) Operating-differential subsidy agreement, dated Dec. 31, 1937	5-l	6,008,232.91	4,928,093.09	834,861.49	4,093,231.60	1,912,729.88
	(2) Charter party agreement, dated Sept. 27, 1939	5-m	245,180.65	1,247,083.87	None	[2] 642,105.93	0
	(3) Charter party agreement, dated Mar. 1, 1940	5-n	980,565.04	6,491,707.72	66,888.81	[2] 3,894,156.61	0
	Total		42,730,626.79	130,682,235.16	28,568,244.63	91,612,334.30	17,651,253.38

[1] 50 percent of the profits in excess of 10 percent of the capital employed in business exceeded this amount, but the total subsidy accrued is the maximum amount that can be recovered.

[2] When the sum of columns (3) and (4) is less than column (2), the difference is made up of "additional charter" hire (sec. 709 (a)) accruing to the Commission annually, as follows:

American Mail Line, Ltd.*	$1,670,125.17
American South African Line, Inc.*	82,183.18
Grace Line, Inc.*	240,753.81
Moore-McCormack Lines, Inc.*	5,357,657.00
New York & Cuba Mail Steamship Co.*	15,296.83
United States Lines Co., charter party dated Sept. 27, 1939 *	604,977.94
United States Lines Co., charter party dated Mar. 1, 1940 *	2,530,662.30
Total	10,501,656.23

The amount of "Recapture accrual" is payable to the Commission at the end of a 10-year period or upon termination of the contract. The actual amount of recapture apparently depends upon the status of "Capital reserve funds" and the "Special reserve funds" at the time of termination of the subsidy contracts or at the end of any 10-year period. (See secs. 606 and 607 of the Merchant Marine Act, 1936, as amended.)

*These companies had charter contracts where the recapture clause was not applied as the provision was omitted from the contracts.

Mr. AIKEN. Mr. President, I also ask to have printed in the RECORD at this point as a part of my remarks a statement furnished by the Comptroller General's Office, showing the balances on deposit as of December 31, 1941, in capital and special reserve funds, representing money which is already in the reserve fund. The statement shows $39,069,900.86 due the Federal Government.

There being no objection, the table was ordered to be printed, as follows:

Balances on deposit as of Dec. 31, 1941, in capital and special reserve funds

Name of company	Deposits			Withdrawals—mortgage payments and down payments on vessels	Balance on deposit Dec. 31, 1941	Recapture of excess profits and additional charter hire accrued to Commission
	Profits—subsidized operations	Proceeds of sale of vessels, depreciation accruals, and profits, other operations	Total			
American Export Lines, Inc.	$20,955,554.52	$5,567,567.32	$26,523,121.84	$12,521,164.75	$14,001,957.09	$5,084,756.13
American Mail Line, Ltd.	1,777,173.80		1,777,173.80		1,777,173.80	1,670,125.17
American President Lines, Inc.	12,839,645.80	4,225,839.66	17,065,485.46	11,648,189.36	5,417,296.10	[1]6,631,850.22
American South African Line, Inc.	4,210,447.15	3,055,513.50	7,265,960.65	2,317,423.77	4,948,536.88	447,881.49
Grace Line, Inc.	8,011,057.35	10,125,076.27	18,136,133.62	8,109,030.04	10,027,103.58	3,080,450.01
Lykes Bros. Steamship Co., Inc.	12,694,782.00	17,764,139.33	30,458,921.33	18,220,760.88	12,238,160.45	5,612,050.45
Mississippi Shipping Co.	6,008,633.49	3,008,828.51	9,017,462.00	3,489,110.60	5,528,351.40	1,701,939.41
Moore-McCormack Steamship Co.	17,039,922.99	9,816,429.59	26,856,352.58	18,923,884.31	7,932,468.27	[1]8,625,200.91
New York & Cuba Mail Steamship Co.	1,185,939.64	3,072,625.10	4,258,564.74	3,371,132.57	887,432.17	683,427.37
Oceanic Steamship Co.	3,998,923.81	4,642,153.67	8,641,077.48	4,090,500.00	4,550,577.48	386,891.20
Seas Shipping Co.	8,656,837.43	1,759,777.78	10,416,615.21	4,835,415.77	5,581,199.44	1,107,937.96
United States Lines Co.:						
Operating-differential subsidy agreement dated Dec. 31, 1937	2,965,739.41	9,771,866.77	12,737,606.18	6,615,602.45	5,188,549.47	4,037,390.84
Charter party agreement, dated Sept. 27, 1939	123,991.51		123,991.51			
Charter party agreement, dated Mar. 1, 1940	339,180.40	173,873.83	513,054.23	1,570,500.00		
Grand total	100,807,829.30	72,983,691.33	173,791,520.63	95,712,714.50	78,078,806.13	39,069,900.86

[1] Accruals for account of the Commission exceeds balance on deposit.

Mr. AIKEN. Mr. President, I should like to impart further information to the Senate. If the Senate wishes to pass these bills today, I realize that it will pass them today. I cannot vote for them without having an opportunity to study them. I believe we are being asked to do something which is wrong. It is proposed to open the way to a wholesale taking of tax money by subsidized contractors.

Mr. President, that is all I have to say. I have not had an opportunity adequately to study the question.

Mr. RADCLIFFE. Mr. President, it is obviously essential that everything reasonable should be done in order to stimulate the building of more ships. The operation of a ship construction reserve fund to which I have referred is now authorized by the law of the land. If the existing law is not repealed, the following situation will develop: Suppose there is a profit of $400,000 on a certain transaction from sale or loss of a ship. Let us assume that the owner of the ship has to pay taxes immediately on that $400,000. He is thereby precluded from putting the money paid out on such taxes into a new ship which he otherwise might do. He is certainly discouraged from building new ships. So long as he is willing to put to work the funds which come from this transaction and use them for the purpose of constructing ships, especially when he would pay it back gradually, as he would do under the depreciation clause, it seems to me that he should be encouraged to go on using the fund in new construction. At the present time, when ships are so urgently needed, it would be very unfortunate for the Government if we should change our policy by enacting legislation which would have a deterrent effect on the owner doing what is so highly important to the Government at this time.

Mr. AIKEN. Mr. President, I do not believe that the ship operators would be unduly discouraged. Between 1938 and December 31, 1941, as a result of their operating subsidy contracts, 12 of them made a total profit of $130,682,235.16. They paid to their stockholders in dividends $17,651,253.38.

The recapture accruals, or the amount due the Federal Government, were $28,568,244.63; leaving net profits to the contractors of $91,612,334.30. It will take a lot of discouragement to force those 12 companies to give up a profit of $91,000,000. I do not believe we should give them $28,000,000 which properly belongs to the United States Government, when we are thinking day after day of new ways to raise money. There is $28,000,000 due on recapture accruals on operating subsidies, and there is about $11,000,000 due the Federal Government from the excess profits which the contractors made in other ways.

Mr. VANDENBERG. Mr. President, will the Senator yield for a question?

Mr. AIKEN. I yield.

Mr. VANDENBERG. Is not the statement which the Senator is making addressed to the fundamental subsidy legislation rather than to the pending bill?

Mr. AIKEN. The fundamental subsidy legislation is probably all right. The Comptroller General is insisting that the Maritime Commission follow it. I am very fearful that the pending bill is a start toward breaking down our fundamental subsidy policy.

Mr. VANDENBERG. Will the Senator indicate to me the relationship between the figures he has just quoted and the pending bill? That is what I find it difficult to follow.

Mr. AIKEN. The pending bill would permit the subsidized operators to deposit all their earnings in a construction fund. Included in those earnings is approximately $28,000,000 which should accrue to the Federal Government.

Mr. VANDENBERG. Is not that in accordance with the existing law?

Mr. AIKEN. No; that money goes back to the Federal Government. Fifty percent of all earnings over a return of 10 percent on the capital necessarily employed is supposed to be returned to the Federal Treasury. My understanding is that the pending bill would permit the operators to put that money into a construction fund instead of returning it to the Federal Treasury.

Mr. VANDENBERG. May I ask the Senator from Maryland what he has to say in that regard?

Mr. RADCLIFFE. Congress may desire to repeal the existing legislation and change what has been our policy as to ship construction reserve fund. However that question is not before the Senate at this time. The pending bill merely makes more workable the existing arrangements. Every provision in the pending bill is aimed at making the existing law more workable.

Mr. VANDENBERG. The Senator from Vermont makes the point that under existing law approximately $28,000,000 would inure to the Treasury of the United States, and that that sum would be affected by the pending bill. I confess that I am unable to see precisely how that occurs, but I should like to have the Senator from Maryland address himself directly to that figure.

Mr. RADCLIFFE. I have no idea how that could be done. I do not see how the bill would change the existing general arrangements as to taxation. It would reduce the period from 2 years to 1 year and permit an extension beyond the first extension. It also provides for part-owners. It provides that the funds shall be made applicable in cases in which the ship is not in operation, but the Government takes it over at some prior intermediate stage. That has nothing whatever to do with the suggestion of the Senator from Vermont.

Mr. VANDENBERG. As I understood the bill when it was pending before the committee, that is all the bill would do. It would take the situation under existing law, which I apprehend is the thing to which the Senator from Vermont alludes and which is not involved in the pending question, and merely refine the rules to the extent that a ship operator would have only 1 year instead of 2 years in which to elect whether or not to pay taxes on the one hand or take advantage of the ship-construction immunity on the other. It would then permit him more than one subsequent extension in the discretion of the Maritime Commission.

Mr. RADCLIFFE. What the Senator from Michigan states is exactly my understanding of the pending bill.

Mr. VANDENBERG. And there is nothing else in it.

Mr. RADCLIFFE. I know of nothing else.

Mr. VANDENBERG. I cannot see anything else in it.

Mr. AIKEN. The Senator from Maryland, in reply to my question, stated that the bill would permit the shipowners to deposit in the construction fund all their earnings, including the money which has accrued to the Federal Government, and which should be returned to the Federal Government.

Mr. RADCLIFFE. The bill would not prevent the deposit of any funds which should not be deposited at this time. The question is what can now be deposited. I see no objection whatever to the amount to be deposited or as to the source of the money to be deposited insofar as the deposit complies with the law.

Mr. AIKEN. Mr. President, I still think these are dangerous bills to pass offhand; and, with other substantial subsidy contracts, I think they will lead to the loss of possibly half a billion dollars to the taxpayers of the country. I have nothing further to say on the bill, because I have not had time to study the bills and to get together the material which I should like to present to the Senate.

Mr. RADCLIFFE. Mr. President, I do not know how the Government is going to lose $1 as the result of the passage of the bill. As brought out very forcefully a moment or two ago, by the Senator from Michigan, the bill simply states new conditions under which the fund would operate and they are an improvement on the existing provisions of the law.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 5, line 2.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment of the committee.

The CHIEF CLERK. On page 5, line 7, after the word "war", it is proposed to insert "or such earlier date as may be so designated."

The amendment was agreed to.

The PRESIDING OFFICER. If there be no further amendment to be offered, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

Mr. LANGER. I ask for the yeas and nays.

Mr. AIKEN. I ask for the yeas and nays on the bill. It is one of the most important bills we have had before us.

The yeas and nays were ordered, the legislative clerk proceeded to call the roll, and Mr. AIKEN voted in the negative when his name was called.

Mr. OVERTON. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Chair will state to the Senator from Louisiana that at the time he suggested the absence of a quorum the roll call had already begun, and one of the Members of the Senate had indicated his vote.

Mr. OVERTON. I thank the Chair.

The legislative clerk resumed the calling of the roll.

Mr. BARKLEY (when Mr. CHANDLER'S name was called). My colleague the junior Senator from Kentucky is necessarily absent on official business. If present, he would vote "yea."

Mr. DAVIS (when his name was called). I have a general pair with the junior Senator from Kentucky [Mr. CHANDLER]. I understand that he would vote as I am about to vote. Therefore, I am at liberty to vote. I vote "yea."

The roll call was concluded.

Mr. BARKLEY. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from Virginia [Mr. GLASS], and the Senator from West Virginia [Mr. KILGORE] are absent from the Senate because of illness.

The Senator from Washington [Mr. BONE], the Senator from Virginia [Mr. BYRD], the Senator from Arkansas [Mrs. CARAWAY], the Senator from Missouri [Mr. CLARK], the Senator from California [Mr. DOWNEY], the Senator from Arizona [Mr. MCFARLAND], and the Senator from Utah [Mr. MURDOCK] are detained on official business for the Senate.

The Senator from Mississippi [Mr. BILBO], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Arkansas [Mr. MCCLELLAN], and the Senator from Florida [Mr. PEPPER] are necessarily absent.

The Senator from Idaho [Mr. CLARK] is detained on business in one of the Government departments.

The Senator from Texas [Mr. CONNALLY], the Senator from Alabama [Mr. HILL], the Senator from Illinois [Mr. LUCAS], the Senator from Tennessee [Mr. MCKELLAR], the Senator from North Carolina [Mr. REYNOLDS], the Senator from Utah [Mr. THOMAS], the Senator from Indiana [Mr. VAN NUYS], and the Senator from Montana [Mr. WHEELER] are detained in committee meetings.

The Senator from Utah [Mr. THOMAS] has a general pair with the Senator from New Hampshire [Mr. BRIDGES].

The Senator from Tennessee [Mr. MCKELLAR] is paired with the Senator from Indiana [Mr. VAN NUYS]. I am advised that if present and voting, the Senator from Tennessee would vote "yea" and the Senator from Indiana would vote "nay."

Mr. VANDENBERG. The Senator from Oregon [Mr. MCNARY] is absent because of illness. If present, he would vote "yea."

The Senator from Vermont [Mr. AUSTIN] is detained in the Committee on Military Affairs. If present, he would vote "yea."

I announce the following general pairs:

The Senator from New Hampshire [Mr. BRIDGES] with the Senator from Utah [Mr. THOMAS]; and

The Senator from Wyoming [Mr. ROBERTSON] with the Senator from Arkansas [Mr. MCCLELLAN].

The Senator from Minnesota [Mr. SHIPSTEAD] is absent because of illness.

The Senator from New Hampshire [Mr. TOBEY], the Senator from Nebraska [Mr. WHERRY], and the Senator from Indiana [Mr. WILLIS] are necessarily absent.

The result was announced—yeas 54, nays 7, as follows:

YEAS—54

Bailey	Gerry	Overton
Ball	Gillette	Radcliffe
Bankhead	Green	Reed
Barbour	Gurney	Russell
Barkley	Hatch	Scrugham
Brewster	Hayden	Smith
Buck	Holman	Stewart
Burton	Johnson, Colo.	Taft
Bushfield	Lodge	Thomas, Idaho
Butler	McCarran	Thomas, Okla.
Capper	Maloney	Truman
Chavez	Maybank	Tunnell
Danaher	Mead	Vandenberg
Davis	Millikin	Wagner
Eastland	Moore	Wallgren
Ellender	Murray	Walsh
Ferguson	O'Daniel	White
George	O'Mahoney	Wiley

NAYS—7

Aiken	Langer	Tydings
Brooks	Nye	Wilson
Hawkes		

NOT VOTING—35

Andrews	Glass	Pepper
Austin	Guffey	Revercomb
Bilbo	Hill	Reynolds
Bone	Johnson, Calif.	Robertson
Bridges	Kilgore	Shipstead
Byrd	La Follette	Thomas, Utah
Caraway	Lucas	Tobey
Chandler	McClellan	Van Nuys
Clark, Idaho	McFarland	Wheeler
Clark, Mo.	McKellar	Wherry
Connally	McNary	Willis
Downey	Murdock	

So the bill S. 163 was passed.

LAND IN SAN DIEGO, CALIF.

The PRESIDING OFFICER (Mr. WALLGREN in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 621) to authorize the Secretary of the Navy to grant to the city of San Diego for street purposes a parcel of land situated in the city of San Diego and State of California, which was, on page 2, to strike out lines 8 and 9.

Mr. WALSH. I move that the Senate concur in the House amendment.

The motion was agreed to.

CLARIFICATION OF FUNCTIONS OF WAR SHIPPING ADMINISTRATION

Mr. RADCLIFFE. I move that the Senate proceed to the consideration of Calendar No. 57, House bill 133, known as the bill to amend and clarify certain provisions of law relating to the functions of the War Shipping Administration, and for other purposes.

The PRESIDING OFFICER. The question is on the motion of the Senator from Maryland.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 133) to amend and clarify certain provisions of law relating to functions of the War Shipping Administration, and for other purposes, which had been reported from the Committee on Commerce with amendments.

The first amendment was, on page 3, line 25, after the name "United States", to insert:

In cases of claims referred to in clauses (2) and (3) hereof asserted against the Administrator, War Shipping Administration, or any agent of the Administrator, if the claim is settled, adjusted, or paid without suit, the aggregate fee to attorneys or agents on account of legal or other similar services rendered in connection with the claim shall not exceed $100 except that the Administrator may approve an aggregate fee not in excess of $250 when he deems such services to be of an extraordinary character, and if judgment or decree is rendered in favor of the claimant in a suit based upon such claim or a compromise of such suit is effected, the aggregate fee or payment shall not exceed such reasonable amount as the court may approve which shall not be more than 20 percent of the amount recovered. Before the payment of any such claim or judgment or decree, the attorney or agent of the claimant shall, if required by the Administrator, file an affidavit or affidavits of the attorney, agent, or the recipient or beneficiary in such form and manner as the Administrator may prescribe, showing that the aggregate fee in respect of such claim or suit does not exceed the maximum herein specified or the amount approved by the court or the Administrator, as the case may be.

The amendment was agreed to.

The next amendment was, on page 11, line 14, after the word "vessel", to strike out "owned by citizens of the United States."

The amendment was agreed to.

The next amendment was, on the same page, line 17, after the word "owner", to strike out "Upon the written recommendation of the Secretary of State, such a determination may be made by the Administrator, War Shipping Administration, with respect to any vessel, the title to which has been requisitioned pursuant to the act of June 6, 1941 (Public Law 101, 77th Cong.), which shall have been lost or destroyed or converted to naval or military use by the United States."

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments.

Mr. BAILEY. Mr. President, I call up and move the adoption of an amendment heretofore presented by me to the bill now under consideration and request that the proposed amendment be read for the information of the Senate before I make some explanatory remarks.

The PRESIDING OFFICER. The amendment offered by the Senator from North Carolina will be stated.

The LEGISLATIVE CLERK. On page 11, at the end of subsection (b), it is proposed to add the following:

"Such a determination may be made by the Administrator, War Shipping Administration, with respect to any vessel title to which has been requisitioned pursuant to the act of June 6, 1941 (Public Law 101, 77th Cong.), except as provided by Executive Order No. 9001–A, December 27, 1941, and which vessel thereafter has been lost or destroyed or converted to naval or military use by the United States upon certification by the Secretary of State that understanding had been reached between the United States and the diplomatic

representatives of the country of which the owner of such vessel was a national, that such title requisition instead of requisition for use was necessitated by the circumstances existing at the date of requisitioning, but that such vessel should be returned after the termination of the national emergency declared by the President on May 27, 1941."

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from North Carolina.

Mr. BAILEY. Mr. President, this amendment relates, with one exception, to the 40 ships which the Government of the United States under the act of Congress of June 6, 1941, seized and took from the possession of the Kingdom of Denmark. I take it a good many Senators will recall the discussion at the time of the passage of the act authorizing the taking. It would clarify the matter, and, I think, fully explain the amendment, if I should read a rather brief letter from Mr. Berle, Assistant Secretary of State, who prepared the amendment at my instance and who appeared before the Committee on Commerce on November 28, 1942, and asked that the committee incorporate such an amendment in one of the shipping acts. I read the letter:

As I explained to the members of your committee the rider—

That is the pending amendment—

to the amendment which I proposed is expected to assist the Department in finalizing an agreement now being worked out with the Danish Minister in Washington, who is acting on behalf of his Government.

Pursuant to the law of June 6, 1941, requisition was made by the United States of 40 Danish merchant ships. This requisition was made with the approval of the Danish Minister with the understanding that for the ships requisitioned Denmark would receive from the United States Government just compensation as provided in the act of June 6, 1941.

Although requisition of the ships in question was made for title by the Maritime Commission, it was understood by all parties concerned that the Maritime Commission was disposed to agree to the return of these ships to the former owners upon the termination of the national emergency, and that efforts would be made to see that compensation for the requisition of the ships should be paid on the basis of use rather than for transfer of title.

Seventeen of the 40 ships which were requisitioned have already been lost permanently to Denmark in enemy action.

The purpose of the rider which I suggested to the War Shipping Administration amendment was so worded that just compensation could be made to Denmark for the use of ships which were requisitioned from the time they were taken over until the time they were sunk or converted into Army transports by the United States. The vessels were requisitioned, it should be emphasized, from a friendly nation at a time when the United States was not at war.

The Department is still working on an agreement with the Danish Government on the question of just compensation for these ships and the passage of the proposed legislation should aid materially in the satisfactory finalization of this agreement.

Sincerely yours,

ADOLF A. BERLE, Jr.,
Assistant Secretary.

The intent and effect of the amendment will be to give to the State Department discretionary power to change the requisition for title to requisition for use, the difference being that when we requisition for title we take possession and ownership. In the requisition for use we charter and pay rent, or "charter hire," as it is called.

We took these ships, I think, under necessity but by force; arbitrarily, one might say, unjustly, although in a great emergency what is just and what is unjust is a matter of debate. At any rate, our action was analogous to the action, if I may use an old legal phrase, of an executor de son tort. Denmark was under duress; she was under the heel of the German tyrant. Her ships were in our waters. We not only needed them, but if they should put out to the high seas some other nation might get them. Very directly, Great Britain might get them. We did not have time to enter into negotiations, nor was it possible to enter into negotiations with the Kingdom of Denmark, which was occupied by the German ruler and his party. So we took the ships.

At the time we undertook to say that we had taken them by right of angary, and I said on the floor of the Senate, notwithstanding one representative of the State Department had taken a different view, that the right of angary could not arise except under the conditions of actual war; and we were not at war. I think the State Department is now inclined not to insist that the right of angary existed.

However that may be, the ships were in our harbors and we took them. Denmark was not at arm's length with us, she was not negotiating. We took the ships by right of our power to do it and by reason of the necessity which existed.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. BAILEY. Just one word more, and I shall certainly yield.

I said here, at the time the requisition act in this case was passed, that under the circumstances I have narrated we were under obligation to treat the Kingdom of Denmark not only with justice, but with the utmost generosity. I think a court of equity would impose such generosity upon us. As I stated a moment ago, the man who undertakes to administer upon an estate without right, who, when someone dies steps in and takes charge of the affairs of the decedent, is held to a far higher degree of care and to a far greater degree of liability than the executor who qualifies under a will or an administrator who is appointed by the court, because he is acting of his own power, he is acting arbitrarily, he is acting without authority of the law; and the rule of strict conduct and the highest degree of care is applied to that type of executors.

Here was Denmark, stricken down and helpless. Her ships were in our possession. We took them. It is very important to me that the United States of America shall always present to all the other nations of the world the spirit and the example of justice, of fairness, and of generosity.

If the amendment shall be adopted, the State Department will be authorized to proceed with the minister from Denmark, and, through him, with the owners of these vessels, with a view to treating them with absolute justice, and generous justice at that.

I now yield to the Senator from Vermont.

Mr. AIKEN. I wanted to ask the Senator from North Carolina whether these ships were not acquired through a White House order, in accordance with an order from the President.

Mr. BAILEY. I do not think so. They were acquired in pursuance of an act passed by the Congress. Probably the White House, or, we may say, the President, issued the order, but I see no reason to undertake to involve the President of the United States in this matter. If anything should be said concerning him, it must be said that he came to the Congress for the authority, and we gave him the authority.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. BAILEY. Certainly.

Mr. VANDENBERG. The Senator will probably recall that in the Committee on Commerce I was the one who was responsible for delaying this particular amendment for a week or two.

Mr. BAILEY. I will say to the Senator that in the long period during which I have been associated with him in the Committee on Commerce I have never known him to delay any matter unnecessarily, and if he delayed this matter, he delayed it in what he conceived to be the public interest. I yield again.

Mr. VANDENBERG. I thank the Senator for his very generous and undeserved compliment. I held the amendment up temporarily because I was in doubt about some of its terms, but in the final analysis, when I received a personal letter from Assistant Secretary of State Berle setting down categorically the fact that this amendment does nothing more than validate the promise made by the Government of the United States to the utterly brave Danish Minister, who dared to stand out from under his home government and take the responsibility in his own hands to deliver us these 40 ships we needed, plus the delivery agreement—when I discover that this is nothing more than a validation of our promise to the Danish Minister under those circumstances, I have no interest in what the amendment may cost. The Danish Minister is entitled to 100-percent reciprocity and good faith, in the presence of the courageous stand which he took, not only to his jeopardy, but to our everlasting advantage.

Mr. BAILEY. The Senator is correct.

Mr. BURTON. Mr. President, will the Senator yield?

Mr. BAILEY. I yield to the Senator from Ohio.

Mr. BURTON. Speaking to the point which has just been raised by the Senator from Michigan, and agreeing entirely with it, I have, however, a question I should like to address to the Senator from North Carolina. As I understand, these ships were privately owned.

Mr. BAILEY. I think we placed in the act, at my instance, an amendment for-

bidding the seizure of ships belonging to any government, it being my view that that would be an act of war. I think they were all privately owned ships.

Mr. BURTON. Starting with the premise that these ships were privately owned by Danish owners, there is included in lines 12 to 17 the clause with regard to sound ships, ships still on the seas, that "no such determination" on our part—namely, to turn them over from a status of requisition for title to one of requisition for use—"shall be made with respect to any vessel after the expiration of a period of 2 months after the date of delivery of such vessel pursuant to title requisition except with the consent of the owner." That is, no such determination would be made, as to one of these Danish ships which is on the high seas, to convert our theory from one of requisition for title to one of requisition for use, except with the consent of the owner. That is in the bill. The clause we are referring to deals, as I understand, only with those ships which have been "lost or destroyed or converted to naval or military use."

Mr. BAILEY. That is correct.

Mr. BURTON. I should like to address a question to the Senator. Would it not be in accordance with the understanding between our Secretary of State and the Danish Government, and would it not be in accordance with our desire to recognize most fully and generously and appropriately the right of the owners of these ships, if we were to make provision with respect to sunken ships on the same basis as we do with respect to the sound ships, and make the action with respect to sunken ships also subject to the owners' consent and the certification of the Secretary of State and the Danish Minister? That would be accomplished by inserting in the Senator's amendment the words "owner's consent and." Would the Senator agree that that be done?

Mr. BAILEY. I do not think so, Mr. President. Of course, I realize the force of the suggestion, but if we examine it, we find that it would put the State Department in the position of dealing with the owners. That can be done, but that would bring on no end of complications.

Mr. BURTON. May I suggest that that is what we are doing as to the sound vessels?

Mr. BAILEY. We have the question as to the owners, and we have the question as to whether or not they may be under duress in one way or another. The United States Government should deal in so large a matter through its State Department with the representatives of the Danish Government at Washington. That is the proper procedure. I can assure the Senator—I feel perfectly assured of it myself—that the Danish Minister will protect the rights of the nationals of his Government. I can assure the Senator that the State Department feels—I think pretty much as I have expressed myself here—that in this matter we must be not simply legally and strictly just, but we must be so just in our actions that there will be no question, there will be no misgiving. I would never have agreed to support the bill authorizing the requisitioning under the circumstances unless I had had such assurance. When I spoke on that subject on the floor of the Senate I quoted with a great deal of satisfaction some paragraphs from a statement made by President Woodrow Wilson on the same subject during World War No. 1. It is my view that we must put the owners of the ships and the Danish Government in position to go ahead with business the moment the war is over and the seas are clear.

We must not take any advantage of them, because we took the ships, not by their consent, but by our power. We took them on account of our own necessities, and not theirs. We have used the ships. Let us now treat the owners, not simply justly, as we might say with respect to a defendant in a court, but let us treat them so fairly that the record of history will say that the Government of the United States in its dealings under necessity may exercise arbitrary power, but that we shall not fail to make just and generous amends. That is the sort of Government over which I think, my flag flies.

Mr. BURTON. Mr. President, will the Senator yield?

Mr. BAILEY. Yes, I yield.

Mr. BURTON. It is in complete accordance with that policy that I recognize the propriety of the certificate from the Secretary of State and from the Danish Government, but will the Senator explain why in the case of the sound vessel, in carrying out this same policy, we depend upon the consent of the owner, but in the case of the sunken vessel we omit the consent of the owner of the vessel.

Mr. BAILEY. I think the basis of the distinction lies in the fact that the Government of the United States deals directly with its own nationals, its own citizens, but when we come to deal with a body of citizens of another nation, we deal through the duly constituted powers representing the other nation. We trust that the other nation, or its representative, will see that the cause of its nationals is properly presented. I think we can trust the State Department to make a proper disposition of their rights when dealing with their Minister and their Government.

Mr. BURTON. I can follow the Senator along that line, but in the case of the sound vessel the law provides that we shall deal directly with the owner of the vessel, and I am merely inquiring as to why there should be a different rule applied when dealing with the owner of the sound vessel than when dealing with the owner of the sunken vessel.

Mr. BAILEY. My amendment relates only to the vessel which has been sunk.

Mr. BURTON. The preceding sentence provides that we may make this conversion from requisition for title to requisition for use in the case of the sound vessel only with the owner's consent.

Mr. BAILEY. That is correct.

Mr. BURTON. If the Senator feels he cannot consent to the amendment I suggest, and if this matter goes to conference, as I presume it will, based on the amendments presented by the Senator, I wonder whether it might be appropriate to give consideration to the two sections which are being amended, and the possibility of making them treat alike the owners of ships which are sunk and the owners of ships which are not sunk.

Mr. BAILEY. Mr. President, I see no objection to taking the matter to conference, and I will also say to the Senator from Ohio that in the conference we will treat what he has to say seriously. We will not take it to conference for the purpose of burying it.

Mr. BURTON. I appreciate what the Senator says.

Mr. BAILEY. If I had authority to do so, I would be glad to name the Senator from Ohio a member of the conference committee, but, of course, the rules of the Senate provide who shall be conferees. I am perfectly willing, however, to take the matter to conference and to take it to conference in good faith.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. BAILEY. I yield.

Mr. AIKEN. I should like to ask the Senator from North Carolina if the proposed amendment, which mentions specifically the little country of Denmark, with which we are all in sympathy, applies to vessels under the registry of any other nation as well?

Mr. BAILEY. Yes. I am glad the Senator prompted me on that point. I might have taken my seat without calling attention to the exception beginning in line 6:

> Except as provided by Executive Order No. 9001-A, December 27, 1941.

Mr. AIKEN. What Executive order is that?

Mr. BAILEY. That relates wholly to the *Normandie*.

Mr. AIKEN. Does the Senator understand that this amendment would apply to vessels under American registry, or simply foreign registry?

Mr. BAILEY. This amendment relates to the ships of Denmark which we seized from Denmark and put under our registry, and then makes an exception as to the *Normandie*, for which provisions have already been made.

Mr. AIKEN. Then this amendment would not apply to American-built and American-owned ships?

Mr. BAILEY. Oh, no. It relates only to the ships which were seized from Denmark.

Mr. AIKEN. I thank the Senator.

Mr. BURTON. Mr. President, will the Senator again yield, so that I may place in the RECORD some suggestions which I should like to have considered in conference?

Mr. BAILEY. I yield.

Mr. BURTON. The amendment which I would suggest would be in line 9 of the amendment presented by the Senator from North Carolina. Following the words "military use by the United States upon" I would insert the words "owners' consent and." That language would come immediately preceding the words "certification by the Secretary of State."

Mr. BAILEY. Pursuant to the assurances I gave the Senator, I shall accept the Senator's modification of my amend-

ment with the view that it be taken to conference in good faith.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from North Carolina.

Mr. BURTON. Am I to understand that the words I propose have been inserted in the amendment?

Mr. BAILEY. I agreed to do so, yes. I have accepted the Senator's modification of my amendment, and the amendment is now presented as modified.

Mr. BURTON. Has the amendment been modified?

Mr. BAILEY. Yes; by the junior Senator from Ohio.

Mr. BURTON. Mr. President, I believe it has not been modified. In order to clarify the situation I will say that I did not actually present the proposed modification, but the Senator from North Carolina accepted the words which I proposed to insert, and lest there be any confusion about it I shall make the request again.

The PRESIDING OFFICER. The Senator from North Carolina has the right to modify his amendment.

Mr. BAILEY. I have accepted the modification, and I hope that whatever may be necessary to be done in order to show that in the RECORD will be done.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from North Carolina, as modified.

Mr. AIKEN. I should like to have the Senator from North Carolina clarify the matter a little further. Under the Executive order taking over these foreign ships, the President directed that they be taken in accordance with section 902 of the Merchant Marine Act. The amendment offered by the Senator from North Carolina would not be consistent with that order but would permit the Maritime Commission to arrive at what they considered a fair price for the ships with the representatives of the foreign countries. That is the effect of the amendment, is it not?

Mr. BAILEY. The effect of the amendment is to enable the Secretary of State, by negotiation, and as the amendment is modified now, by consent of the owners, and with certification by the Secretary of State, to make a just settlement with the Danish Government with respect to these ships. It is in contemplation that when they are sunk they are not to be paid for as if taken by title. We are to pay charter hire and also carry the insurance, as well as pay for the ship if lost while in our possession.

Mr. AIKEN. That would apply only to a foreign ship.

Mr. BAILEY. It would apply only to Danish ships. An exception is made with respect to the *Normandie*, for which other provision has been made.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from North Carolina [Mr. BAILEY], as modified.

The amendment, as modified, was agreed to.

Mr. BAILEY. Mr. President, I offer another amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from North Carolina will be stated.

The LEGISLATIVE CLERK. On page 15, line 2, after the word "amended", it is proposed to insert "by striking out the words 'section 222' and inserting in lieu thereof the words 'sections 222 and 229 and' "; and on page 17, line 9, after the word "any", to strike out "public or private vessel" and insert in lieu thereof "American or foreign flag vessel, public or private, or any naval vessel of a foreign government."

Mr. BAILEY. Mr. President, the intent and purpose of the amendment, which I have offered at the request of representatives of the War Department, and which has been agreed to and approved by the Maritime Commission, is to give to ships in our ports, in our care, and under repair in our navy yards, the benefits of the insurance provisions of the proposed new section 229 of the act. As I understand, those ships now have the benefit of the protection afforded by section 222 of the present law. The amendment would merely extend the benefits of section 229.

At the present time a great many foreign ships are in our yards for repair. They may not be in there at our risk. I do not know as to that. They are in our yards at someone's risk. If they should be destroyed or injured in such a way as to raise the question of legal liability, and there were no insurance, the loss would then be absolute and without remedy. All the proposed amendment would do would be to provide insurance for vessels of that nature.

Mr. President, I ask for the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from North Carolina.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill (H. R. 133) was read the third time and passed.

AMENDMENT TO COMMUNICATIONS ACT OF 1934

Mr. WHITE. Mr. President, on behalf of the Senator from Montana [Mr. WHEELER] and myself, I ask unanimous consent, out of order, to introduce for appropriate reference a bill to amend the Communications Act of 1934.

There being no objection, the bill (S. 814) to amend the Communications Act of 1934, and for other purposes, introduced by Mr. WHITE (for himself and Mr. WHEELER) was read twice by its title and referred to the Committee on Interstate Commerce.

Mr. WHITE. Mr. President, I ask unanimous consent to have printed in the RECORD as a part of my remarks a statement explaining the purposes and provisions of the bill which I have just introduced.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The radio bill today introduced by Senator WHEELER and Senator WHITE has its source in S. 1268, a bill introduced by Senator WHEELER in a previous Congress; in S. 1806 and S. 1520, introduced in previous sessions by Senator WHITE; in recommendations made to the Federal Communications Bar Association by a committee thereof; in court decisions; and in recommendations found in the Report of the Attorney General's Committee on Administrative Procedure.

This measure should not be regarded as a general revision of our Communications Act of 1934, but the changes in the organization of the Federal Communications Commission, in its procedure, in the sections of present law with respect to appeals to the courts, in the efforts made to assure equality of right and opportunity among those who utilize radio for public discussion, in the attempt to further provide against censorship and in the authorization of declaratory judgments, make this bill of supreme importance and justify its study and approval in substantially its present form by the present Congress.

There follows an explanation of the sections of the bill.

SECTION 1

This section defines the terms "license", "station license", or "radio station license" appearing throughout the act as that instrument of authorization required by the act or the Commission's rules and regulations for the use or operation of radio apparatus. This definition is made necessary because of a recent tendency upon the part of the Commission to treat what are in fact licenses as instruments of a different character and lesser import, thereby making possible avoidance of compliance with procedural and appellate provisions of the act intended as safeguards against arbitrary administrative action, provisions necessary to be respected if orderly procedure is to be had. This broad definition of the term "license" tends to insure that result.

SECTIONS 2 AND 3

Sections 2 and 3 basically change the administrative set-up and functions of the Commission. They can be summarized as the separation of the Commission of seven members into two statutory divisions of three members each and a clarification of the status and functions of the Chairman of the Commission.

Under this plan the whole Commission would have power and authority to adopt and promulgate any rule or regulation of general application required or authorized by the act, including procedural rules and regulations for the Commission and each division. The whole Commission would have plenary authority over amateur services, emergency services, the qualification and licensing of operators, the selection and control of personnel, the assignment of bands of frequencies to the various radio services and many other subjects and services as at present. But the present judicial and quasi-judicial functions of the Commission would be vested in the proposed divisions insofar as those functions relate to the most important and controversial subjects within the present jurisdiction of the Commission.

Jurisdiction to hear and determine all cases arising under the act or regulations, relating to broadcast, television, facsimile, and kindred communications intended for public reception is vested in the Division of Public Communications. Similar jurisdiction with respect to common carriers and communications intended for a designated addressee is vested in the Division of Private Communications. This plan not only recognizes the basic and fundamental differences between the two types of communications involved

and the nature of the questions presented by each, but it also provides a method for obtaining proper consideration of those cases by persons who will be able to devote their time and attention to the questions committed to them without undue interruption or interference occasioned by the demands of basically different problems.

Under the plan proposed, the status of the chairman would be that of an executive officer and coordinator participating fully in all matters within the jurisdiction of the Commission except the determination and decision of contested matters which are made the exclusive business of the divisions. Experience has amply demonstrated that the chairman cannot be expected to devote the time and attention necessary to the proper handling and disposition of these matters and also efficiently to discharge the many other duties which are unavoidably his under the act. As to these other duties, an attempt has also been made to clarify the status of the chairman and to make him, and him only, the official spokesman and representative of the Commission in certain important respects.

When the present act was before the Congress in 1934, the bill passed by the Senate provided for a mandatory separation of the Commission into divisions as is now proposed but this plan was later abandoned and the present Commission has been operating under a law which permitted but did not require it to organize itself into divisions. In recent years, the division plan has been entirely abandoned by the Commission and it seems certain that such abandonment has operated to the detriment of orderly procedure and to wise administration and regulation. We believe students of our legislation are thoroughly convinced of the wisdom of the mandatory division plan for at least two important reasons. They recognize that there are fundamental differences in the two classes of communications above referred to; that rate making and public utility concepts are the very essence of private communications but have little, if any, application to communications with the public directly; that there has been a tendency upon the part of the Commission to confuse the two and to apply the same concepts and philosophies in the regulation of the two. This must be avoided. In the second place, it is apparent that the subject of public or mass communications and the problem incident to the regulation thereof are so interesting and attractive that they draw public attention; that on the other hand, there is very little of news value or opportunity for publicity in the regulation of common carriers and this has had the result of centering the attention of the Commission and its personnel almost exclusively on broadcasting and related problems and of preventing the giving of sufficient attention to equally important problems relating to private communications.

The changes proposed in these two sections would bring about a much needed and desired separation of the judicial and legislative functions of the Commission; would contribute to a sounder knowledge on the part of the commissioners of the communication problems committed to them; would make for orderly procedure and harmony of decision; and would speed up the disposition of cases before the Commission and the divisions thereof.

The last paragraph of section 3 gives definite authority to the Commission or to either division to assign or refer to an individual commissioner or to a board composed of an employee or employees, any portion of its work, business, or functions but with an assured right of review by the Commission or the appropriate division. This obviates the necessity for full Commission or division action in cases where this is not believed necessary. It should result in speedier consideration and decision.

SECTIONS 4 AND 5

These sections propose certain amendments to the procedural sections of the present act (secs. 308 and 309). These amendments are made necessary by the restrictive character of the language now employed and by the disposition of the Commission to give that language an extremely literal rather than a broad interpretation. The result has been to deprive applicants for certain types of licenses of the right to be heard before their applications are denied and also to deprive persons who are adversely affected by the action of the Commission in granting the application of others, of an opportunity to be heard before the Commission.

The first amendment to section 308 will make it clear that all instruments of authorization granted by the Commission entitling the holders to construct or operate radio apparatus should in general be the subject of a written application. The next amendment adding new language to paragraph (a) of section 308 authorizes in emergencies or in time of war the issuance of construction permits of stations or the operation of radio apparatus during the emergency or war without the filing of a formal application.

The amendments to section 309 make it clear that any person filing an application described in section 309 is entitled as a matter of right to have his application handled in a definite procedural way. This is not assured under present practice of the Commission.

The procedure to be followed in the handling of applications is that which was successfully followed by the Commission for a considerable period of time pursuant to rules and regulations enacted by it, but which method was recently abandoned apparently upon the theory that the Commission was according to applicants and others in interest greater rights than those which the act guaranteed to them. Since the right to notice and hearing is the very essence of orderly procedure, amendments to the act which leave no doubt that such right is secured are absolutely imperative. The amendments proposed would assure this result.

SECTION 6

This section proposes a redraft of the transfer section of the present act (section 310 (b)). As now drafted, this section in terms relates only to station licenses and does not apply to construction permits or other instruments of authorization which the Commission may issue under its rules and regulations. The redraft would remedy this deficiency. The present transfer section is also silent concerning the procedure to be employed by the Commission in passing upon such applications and the proposed amendment would remedy this defect by providing that transfer applications be handled in the same manner and in accordance with the same procedure employed in the handling of applications for original instruments of authorization.

Aside from these questions of procedure, the decisions of the Commission relating to transfer applications have given rise to the theory that the proposed transferee of a station license may be subjected to conditions not required of an applicant for an original license. This is believed to be unsound and has been due, at least in part, to the fact that the statutory standard employed in the present transfer section differs slightly in phraseology from that used elsewhere in the act. By providing for the use of the same statutory standard in the proposed amendment and by the use of other clarifying language, it is believed that this cause for controversy will be eliminated. Language is included to make the paragraph apply not only to the instrument which may be the subject of assignment, but to any rights the holder of the license may have by virtue of his license.

SECTION 7

This section proposes amendments to section 315 of the present act relating to the use of broadcast facilities by candidates for public office. The amendments proposed are the deletion of the proviso clause now appearing in that section which provides that the licensee shall have no power of censorship over the material broadcast under the provisions of this section and the substitution therefor of clearer language to the same purpose found in a proposed new section 330. This present proviso has been the source of much uncertainty and controversy. We believe the change urged clarifies and enforces the congressional intent.

SECTION 8

Section 8 of the bill proposes a new sentence as an amendment to section 326 of the present act, which codifies an interpretation placed upon the act by the Supreme Court of the United States in the case of the *Federal Communications Commission* v. *Sanders Brothers Radio Station*, decided March 25, 1940. In this case the Supreme Court said:

"But the act does not essay to regulate the business of the licensee. The Commission is given no supervisory control of the programs of business management or of policy. In short, the broadcasting field is open to anyone, provided there be an available frequency over which he can broadcast without interference to others, if he shows his competency, the adequacy of his equipment, and financial ability to make good use of the assigned channel."

Notwithstanding this pronouncement of the Supreme Court, notwithstanding the fact that no language can be found in the act which confer. any right upon the Commission to concern itself with the business phases of the operation of radio broadcast stations and notwithstanding the further fact that section 3 (h) of the act provides that a person engaged in radio broadcasting should not be regarded as a common carrier, the Commission has nevertheless concerned itself more and more with such matters. The charge is made that the Commission is attempting to control both the character and source of program material and the contractual or other arrangements made by the licensee for the acquisition of such material.

The amendment proposed spells out in black and white what it is believed was not only the original intention of Congress but is its present intention, with respect to this subject, in the hope that confusion and controversy can be eliminated. The amendment preserves the prohibition now contained in the act against interference with the right of free speech and that against the utterance of obscene, indecent, or profane language by means of radio communication.

SECTION 9

This section of the bill proposes the addition of an entirely new section to the act (sec. 330), which will require the identification of the speaker in the case of broadcasts dealing with public or political questions either local, State, or national in their scope and application. Ever since the enactment of the Radio Act of 1927, the law has carried a provision requiring that in the case of the commercial use of a station the person or organization sponsoring such broadcast be identified in connection with the broadcast. Such a provision is found in section 317 of the present act. The proposed new section would merely carry the principle of identification further and make it obligatory in the

discussion of political or public questions to make clear not only who the speaker is but whose views he expresses. It is unfortunately a fact that most propaganda by radio is found in sustaining programs or programs which have no commercial sponsor. The adoption of this new section would carry the salutary principle of identification into a field where it is much needed.

SECTION 10

Section 10 of the bill proposes the inclusion of a new section (sec. 331) the effect of which would be to require the licensee of any station to afford a right of reply where public officers, other than the President of the United States, use his station for the discussion of public or political questions. This right of reply is to be exercised by the accredited representatives of the opposition political party or parties, and is to be afforded upon the same terms and conditions as the initial discussion. This substantially enlarges the scope of section 315 of the 1934 act. The subject matter of this proposed section merits immediate consideration.

SECTION 11

Section 11 of the bill proposes the addition of another new section (sec. 332), the effect of which would be to clarify the duties and responsibilities of a licensee where his station was used by a candidate for public office or by public officers or others for the discussion of public or political questions. The no-censorship clause of section 315 of the present act does not adequately define the duties of a licensee under such circumstances. The proposed new section (sec. 332) affords the licensee an opportunity to examine the material to be broadcast before its intended use and to delete therefrom any material which is slanderous or libelous or which the licensee may have reason to believe would subject him or his station to any action for damages or to a penalty or forfeiture under any local, State, or Federal law or regulation. This section specifically provides that no licensee of any broadcast station shall have the power to censor, alter, or in any way affect or control the political or partisan trend of any material submitted by a candidate for public office or by public officers or others discussing public and political questions. With the exception of material which might subject the licensee to damages or penalties or material which is submitted for broadcast by or upon behalf of any person or organization which advocates the overthrow of government by force or violence, the licensee has no control over the subject matter of any broadcast.

SECTION 12

Section 12 is designed to clarify provisions of existing law relative to proceedings to enforce or set aside orders of the Commission and in appeals from decisions of the Commission. The present law upon this subject is now found in section 402 of the act.

Paragraph (a) of section 402 of the pending bill deals with actions to enforce or set aside orders of the Commission except those appealable under paragraph (b) of that section. More specifically, paragraph (a) of this section as it now stands relates to those orders of the Commission entered in matters involving common carriers and certain other orders relating to radio broadcast stations not now appealable to the United States Court of Appeals for the District of Columbia under paragraph (b) of section 402. Under the proposed amendment, all orders entered by the Commission in the performance of its licensing functions would be appealable under paragraph (b) and would not be brought before a statutory three-judge district court. Moreover, suits brought before a statutory three-judge court to enjoin the enforcement of an order of the Commission could be brought in the District Court of the District of Columbia as well as in other judicial districts.

The principal changes proposed in paragraph (b) of section 402 can be summarized as follows: (1) Persons desiring to appeal from orders of the Commission entered in all cases where the Commission exercises its licensing functions, must appeal to the United States Court of Appeals for the District of Columbia; (2) language is adopted which will remove doubt as to which cases are appealable and which will extend the right of appeal to persons which should have such right but which have been excluded due to imperfections in the present act; (3) the time in which an appeal must be taken is made 30 rather than 20 days, as at present, and the contents of the notice of appeal are specified with particularity along the lines now provided by the rules of the United States Court of Appeals for the District of Columbia; (4) jurisdiction is expressly conferred upon the court to which an appeal is taken to grant temporary relief either affirmative or negative in character; (5) the court is given authority to specify by rule what the record upon appeal shall contain; (6) the questions which can be raised upon appeal and which the court must consider in determining an appeal are specifically enumerated; and (7) the Commission will be required to comply with the mandate or decision of the court upon the basis of the record upon which an appeal is taken unless the court upon petition shall otherwise determine. Other provisions of the present act relating to the right of persons to intervene in an appeal are retained.

All of these changes are, in our opinion, not only desirable but necessary if adequate judicial review of the Commission's exercise of its licensing function is to be made effective. Present language of section 402, and particularly paragraph (b) thereof, is so vague as to result in great doubt concerning the proper court in which to seek judicial review in many cases. Moreover, recent decisions of the United States Court of Appeals for the District of Columbia and of the Supreme Court of the United States are such as to cast further doubt upon the meaning and application of these provisions.

Generally speaking, the same considerations which controlled the Attorney General's committee on administrative procedure in the making of its recommendations concerning judicial review of the decisions and orders of other administrative tribunals have prompted the amendments to section 402 here proposed. But we have gone further in certain respects than the Attorney General's committee and have attempted to adapt the theory of that report to the peculiar problems incident to the licensing of radio stations and the review of decisions and orders of the Commission in licensing such stations.

An important instance of an adaptation peculiar to the subject matter has to do with judicial review of actions instituted by the Commission against the holder of a license.

It is unfortunately the fact that since the organization of the Federal Radio Commission in 1927 certiorari has not been granted by the Supreme Court in any case upon the application of an individual litigant, while on the other hand only one such request for review has been denied when made by the Commission. From 1927 to 1942 the Supreme Court granted a review in seven cases upon petition by this governmental agency and denied only one; it granted no review in behalf of a private litigant, although many were requested. Obviously the road to the Supreme Court for persons unsuccessful before the Court of Appeals is a one-way street.

We have attempted to deal with this situation and subject in such a way as to insure review by the Supreme Court in a limited but most important class of cases, namely those cases in which the Commission on its own motion proceeds against the holder of an existing license. This is by a provision which would make Supreme Court review in this class of cases obligatory upon the Court rather than optional with it. Such a provision is not unique or without precedent. In other important classes of cases it has been in effect and it should be adopted here if judicial review of Commission action is to be a meaningful rather than an empty term.

SECTION 13

Section 13 of the bill provides for such changes in section 405 of the present law relating to the subject of rehearings as are necessary to conform to the changes in the administrative organization of the Commission proposed in sections 2 and 3 of the bill. Further provision is made for delaying the effective date of any decision, order or requirement made in any case which is the subject of petition for rehearing until after final decision upon such petition. An attempt has also been made to eliminate doubt now prevalent concerning when his petition for rehearing must be filed before judicial review of the Commission's order can be had. Under the provisions of the amendment proposed, the petition for rehearing will not be a condition precedent to judicial review except where the party seeking such review was not a party to the proceedings before the Commission resulting in such order or where the party seeking such review relies upon questions of law or fact upon which the Commission has been afforded no opportunity to pass.

SECTION 14

Section 14 of the bill proposes an amendment to paragraph (a) of section 409 of the present act which deals with the cases heard by less than a quorum of the Commission or either division thereof. The procedure employed by the Commission in cases of this character has led to a great deal of controversy and there has been a decided lack of uniformity both in the handling of such matters and the character of reports submitted by the hearing officer. The proposed amendment requires not only the submission of a uniform type of report setting out in detail and with particularity all basic or evidentiary facts developed as a result of the evidence taken but also conclusions of fact and law upon each issue submitted for hearing. It further makes mandatory the hearing of oral argument by the Commission or the division having jurisdiction of any case upon request of any party before the entry of a final order. The Commission or division is also required to accompany any final order with a full statement in writing of all the relevant facts as well as conclusions of law upon those facts.

Here again an attempt has been made to conform to the recommendations of the report of the Attorney General's committee on administrative procedure, and these provisions, if enacted, would be wholly consistent with those recommendations or any legislation which may result therefrom.

SECTION 15

Section 15 authorizes the issuance of declaratory rulings respecting the rights and the legal relations of any person who is the holder of or applicant for a license or a construction permit.

It is proposed that whenever necessary to end a controversy or to remove substantial doubt and uncertainty as to the application of this act or of any regulation of the Commission to any such person, the Commission upon petition therefor, may hear and determine the matters and things in issue and

may enter a judgment ruling, which shall have, in the absence of reversal after judicial proceeding, the same force and effect as a final order of the Commission and in the case of proceedings by the Commission having as their purpose the revocation, modification, or failure to renew or extend an existing permit or license, the Commission shall be required to entertain such petition for declaratory relief.

Provision is made for notice and hearing upon any such petition and for appeal to the Court of Appeals of the District.

This proposal provides a means by which applicants and licensees may have a judicial determination as to questions of vital importance to their business without putting in jeopardy their very business existence.

SECTION 16

Section 16 of the bill proposes the addition of an entirely new section. This section is designed to curb an alleged tendency upon the part of the Commission to discriminate in a manner not authorized by the statute between applicants for broadcast and other radio facilities and to require as a condition to grants made, the doing of acts which the Commission has no authority under the statute to require.

When the Congress enacts a law creating an administrative tribunal and defines its powers, duties, and functions, we consider it as fundamental that the authority conferred must be limited by the enabling act. Such a tribunal has and must exercise those powers which are specifically enumerated. In addition, it must exercise those powers which are necessarily incident to the exercise by it of those powers expressly enumerated. It is not, however, authorized or permitted to set itself up as a general legislative body making its own rules of conduct and decision wholly apart from and beyond the language of the statute. The tendency to do this, prevalent among virtually all administrative tribunals, has recently become very aggravated at the Commission. This, in our opinion, must be arrested by the enactment of specific legislation along the lines here suggested.

AUTHORIZATION FOR THE COMMITTEE ON FINANCE TO FILE REPORTS

Mr. CLARK of Missouri. Mr. President, I ask unanimous consent to submit two reports from the Finance Committee, one on Senate bill 230, with amendments, and one on Senate bill 786, with an amendment. I do not have the physical reports with me at the moment, because I did not know that the Senate was still in session. I ask unanimous consent that I may be permitted to file the reports in the course of the afternoon.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL REPORTS OF A COMMITTEE

Mr. CLARK of Missouri subsequently, from the Committee on Finance, to which were referred the following bills, reported them, as indicated:

S. 230. A bill to amend Veterans Regulation No. 10, as amended, to grant hospitalization, domiciliary care, and burial benefits to certain World War No. 2 cases; with amendments (Rept. No. 77); and

S. 786. A bill to amend title I of Public Law No. 2, Seventy-third Congress, March 20, 1933, and the Veterans Regulations to provide for rehabilitation of disabled veterans, and for other purposes; with an amendment (Rept. No. 78).

EXECUTIVE SESSION

Mr. McKELLAR. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. GEORGE, from the Committee on Finance:

The following-named passed assistant dental surgeons to be dental surgeons in the United States Public Health Service, to rank as such from the date set opposite their names:

James S. Miller, February 1, 1943; and
Gordon G. Braendle, February 16, 1943.

By Mr. JOHNSON of Colorado, from the Committee on Finance:

Moses E. Smith, of Ault, Colo., to be superintendent of the mint of the United States at Denver, Colo., in place of Mark A. Skinner, deceased.

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

The PRESIDING OFFICER (Mr. WALLGREN in the chair). If there be no further reports of committees, the clerk will proceed to state the nominations on the Executive Calendar.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

Mr. McKELLAR. I ask that the nominations in the Army be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the Army nominations are confirmed en b'oc.

THE NAVY

The legislative clerk read the nomination of Ernest L. Gunther to be rear admiral for temporary service.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Spencer S. Lewis to be rear admiral for temporary service.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. McKELLAR. I ask unanimous consent that the President be immediately notified of all confirmations of today.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

That completes the calendar.

ADJOURNMENT TO FRIDAY

Mr. McKELLAR. As in legislative session, I move that the Senate adjourn until Friday next.

The motion was agreed to; and (at 1 o'clock and 41 minutes p. m.) the Senate adjourned until Friday, March 5, 1943, at 12 o'clock noon.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 2 (legislative day of March 1), 1943:

IN THE ARMY

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

To Adjutant General's Department

Maj. Harold Victor Roberts
Capt. Thomas Joseph Marnane

To Ordnance Department

Capt. James Lee Massey

To Air Corps

First Lt. Henry Brooks Wilson
Second Lt. John Munroe Anderson
Second Lt. John Marion Baker
Second Lt. Robert William Beers
Second Lt. Leon Bilstin
Second Lt. Jack Lester Bogusch
Second Lt. James Savage Braden
Second Lt. Richard Patrick Brice, Jr.
Second Lt. Phillip Marshall Costain
Second Lt. Charles Campbell Ettlesen
Second Lt. Charles Carroll Fishburne, Jr.
Second Lt. Thomas Taylor Galloway
Second Lt. John Emory Gimperling
Second Lt. Samuel Hampton Henton, Jr.
Second Lt. Carl Columbus Hinkle, Jr.
Second Lt. Fred Ernest Holdrege, Jr.
Second Lt. George Chambers Hozier
Second Lt. Philip Simon Isis
Second Lt. Chester Reed Ladd
Second Lt. George Thomas Mehalko
Second Lt. Bliss Leon Mehr
Second Lt. Lowell Stanley Nickodem
Second Lt. Campbell Palfrey, Jr.
Second Lt. Charles Eugene Robbs
Second Lt. Frank Clark Scofield, Jr.
Second Lt. Richard Martin Scott
Second Lt. Robert Bryan Short
Second Lt. Howard Westley Slaton
Second Lt. William Franklin Smith, Jr.
Second Lt. Wilbur Deane Snow
Second Lt. Albert John Wetzel, Jr.
Second Lt. Paul Berkshire Woodward

PROMOTIONS IN THE REGULAR ARMY

Frank William Milburn to be colonel, Infantry.
Isaac Gill, Jr., to be colonel, Infantry.
John Kennard to be colonel, Cavalry.
John Bellinger Thompson to be colonel, Cavalry.
Hamner Huston to be colonel, Signal Corps.
Jens Anderson Doe to be colonel, Infantry.
Lester Leland Lampert to be colonel, Infantry.

APPOINTMENTS IN THE REGULAR ARMY

To be first lieutenants, Medical Corps

Albert Junior Bauer
John Barry Brady
Arthur Abbitt Kirk

IN THE NAVY

TEMPORARY SERVICE

To be rear admirals

Ernest L. Gunther
Spencer S. Lewis

POSTMASTERS

ALABAMA

James G. Brown, Atmore.
Melvin L. Gill, Normal.
Leon W. Richardson, Oakman.
Claude P. Johnston, Somerville.

ARIZONA

Robert B. Anderson, Ajo.
Ralph H. Trueblood, Glendale.

CALIFORNIA

Harry A. Hall, Bigpine.
Barbara J. Slack, Boron.

Louis H. Little, Fairfield.
Eva C. Disinger, Imperial Beach.
Howard Edwin Cooper, La Canada.

FLORIDA

Carrie B. Flowers, Crescent City.
Robert G. Crosby, Yukon.

ILLINOIS

Herbert R. Whitsitt, Knoxville.
Ralph Van Matre, Olney.
Clarence A. Holl, Sadorus.

LOUISIANA

Nora F. Zeringue, Destrehan.
Gladys C. Dragon, Pointe a la Hache.

MARYLAND

Henry J. Paul, Linthicum Heights.
Mary G. Van Edsinga, North Beach.
Lawrence M. Taylor, Perryman.
Charles W. Elgin, Poolesville.

MINNESOTA

Thomas Hughes, Bemidji.
Oscar L. Flo, Bricelyn.
Johannes H. Risius, Brownsdale.
Harriet E. Pederson, Clements.
John R. Forsythe, Cohasset.
Gladys M. Freeman, Franklin.
Isaac C. Stensrud, Hartland.
Joseph R. Keefe, Redwood Falls.

NORTH DAKOTA

Robert A. McLean, Niagara.

OKLAHOMA

Branson N. Bills, Gotebo.
Priscilla P. Edgar, Langston.
Dennis F. Almack, Moore.

OREGON

Louis C. Bliem, Dufur.
Claude H. Reavis, Enterprise.

PENNSYLVANIA

Wilbert E. Rankin, Black Lick.
Leo Walker, Clairton.
John A. McShane, Clifton Heights.
Viola Primozic, Curtisville.
Dorothy M. Nice, Esterly.
William P. Kohler, Glassport.
Robert A. Rupp, Hamburg.
Laura M. Caughey, Haysville.
Harry E. Trout, Mercersburg.
Mary C. Adams, Milesburg.
Anna E. Hinkel, Milford.
Ralph B. Mushler, Norwood.
Mayme A. Moore, Oakdale.
Walter A. Ringler, Reading.
Oliver L. Young, Warrendale.
Charles L. Druschel, Zelienople.

SOUTH CAROLINA

Hattie C. Sherard, Calhoun Falls.
John A. Howell, St. George.
William A. Powell, Yemassee.

TENNESSEE

Robert R. Andrews, Morristown.
Marshall Lee Partridge, Western State Hospital.

TEXAS

Andrew J. McDonald, Alvord.
Martin N. Guest, Aspermont.
Helen E. Arrington, Boyd.
Earl E. Frost, Bridgeport.
Naomi E. Ballard, Channelview.
Alva Spencer, Crowell.
Chester L. Woods, Hitchcock.
Henry W. Hoffer, Kaufman.
John R. Gantt, Princeton.
George J. Bolton, Schertz.

WASHINGTON

James F. Tostevin, Retsil.

WYOMING

Edward N. Greff, Chugwater.
Lena M. Wilson, Midwest.
Walter H. Sieczkowski, Monarch.

HOUSE OF REPRESENTATIVES

TUESDAY, MARCH 2, 1943

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Thou who coverest Thyself with light as with a garment, grant that we may go forth today, not in criticism nor in despondent mood, but in faith, sharing our sympathies in common service. With understanding minds we would realize our opportunities and our duties which we owe our country. Let the sense of personal responsibility lay its hand upon us and impartially and justly administer our labors, the things which gladden and make for the enrichment of life.

O Son of Saint Mary, Thou who didst walk toward Emmaus and made Thyself known to sad and lonely ones, reveal Thyself to those who are oppressed by the world, to those who are toiling through the night, to those who are worried with burdens imposed by others. Oh, chart the inner course of their journey in the paths of peace and comfort. We adore Thy watchful care and ask that Thou pervade every heart and sanctify every failure. Increase the loaf in the hands of love for those who possess the least of this world's treasure and its natural enjoyments, then we shall hear the chant: "Raise the stone and thou shalt find Me, cleave the wood and here am I." In Thy holy name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 17. An act to provide for a temporary adjustment of salaries of the Metropolitan Police, the United States Park Police, the White House Police, and the members of the Fire Department of the District of Columbia; and

S. 18. An act to provide additional compensation for teachers and all other educational employees of the public schools of the District of Columbia whose salaries are fixed in the Teachers Salary Act.

The message also announced that the Vice President had appointed Mr. BARKLEY and Mr. BREWSTER members of the Joint Select Committee on the part of the Senate, as provided for in the Act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers in the following departments and agencies:

1. Department of Agriculture.
2. Department of War.
3. Executive Office of the President (Office of War Information).
4. Federal Works Agency.
5. The National Archives.

CONTESTED ELECTION CASE, JOHN B. SULLIVAN AGAINST LOUIS E. MILLER

The SPEAKER laid before the House the following communication from the Clerk, which was read, and referred to the Committee on Elections No. 3 and ordered printed.

MARCH 2, 1943.

The honorable the SPEAKER,
House of Representatives.

SIR: This office is in receipt of a further communication with reference to the contested election case of *John B. Sullivan* v. *Louis E. Miller* for a seat in the Seventy-eighth Congress from the Eleventh Congressional District of the State of Missouri, wherein the contestant is making application for an extension of time for taking testimony in said case.

This being a request that can only be granted by action of the House, the letter and application of the contestant in this case are transmitted herewith for consideration by the appropriate committee.

Very truly yours,

SOUTH TRIMBLE,
Clerk of the House of Representatives.

EXTENSION OF REMARKS

Mr. FAY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein the tribute to Gen. Douglas MacArthur by the Rainbow Division Veterans on Washington's Birthday.

The SPEAKER. Is there objection?

There was no objection.

Mr. D'ALESANDRO. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an article from the New York Times.

The SPEAKER. Is there objection?

There was no objection.

CONTINUATION OF SPORTS

Mr. WEISS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

[Mr. WEISS addressed the House. His remarks appear in the Appendix.]

REVISION OF THE LAWS

Mr. KEOGH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. KEOGH. Mr. Speaker, during the last session of Congress, the Committee on Revision of the Laws, approved the inauguration of a program designed to create a body of the general and permanent laws which will be admissible in evidence and which will, by reason of its arrangement according to subject matter, be the basis for future amendatory and new legislation. I introduced a number of bills, each intended to codify and enact into absolute law a separate title of the present prima facie United States Code.

With the cooperation of the membership of the House four of these bills—those relating to titles 1, 4, 6, and 9 of the code—were passed unanimously on June 15, 1942. Unfortunately for the progress of this work, the other body was unable to act upon those bills. However,

I have reason to be confident that such failure to report those bills was occasioned only by pressure of other work and not by any opposition to the enacting of the bills.

I have today reintroduced those 4 bills and intend in the near future to introduce at least 3 more such bills so that at least 7 to 10 of the present 50 titles of the United States Code will be enacted into absolute law. These titles are to be enacted without material substantive change or revision.

I earnestly solicit the renewed cooperation of the Members in getting this program under way and if we are successful in enacting these bills, I feel that the Congress will have rendered the courts, the legal profession, and all branches of the Government and the public a distinct service.

EXTENSION OF REMARKS

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an address delivered to the Vermont Legislature by the junior Senator from the State of Vermont, the Honorable GEORGE W. AIKEN.

The SPEAKER. Is there objection?

There was no objection.

HON. FRED R. MING, OF CHEBOYGAN, MICH.

Mr. BRADLEY of Michigan. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. BRADLEY of Michigan. Mr. Speaker, I learned only this morning with profound sorrow that the dean of Republican public servants in northeastern Michigan, the Honorable Fred R. Ming, of Cheboygan, passed away a week ago. Michigan and the Nation have lost a loyal and true servant.

Fred Ming was a member of the Michigan State Legislature for 16 years. He was a State senator for 4 years and a member of the house of representatives for 12 years. He served as president pro tempore of the senate and speaker of the house. He was a friend of people in high and lowly stations of life.

Fred Ming is noted in Michigan above all for his winning battle to secure a sanitarium for tubercular patients in northern Michigan. He was a triumphant crusader in a battle against the white plague of tuberculosis, which was claiming 150 to 200 people a year in 37 northern counties, when he succeeded in getting through the legislature in 1931 a bill for a tax on malt to finance construction of a sanitarium at Gaylord, Mich.

His district fame is commemorated in the northern Michigan 4–H Club camp at Gaylord. He and his coworker, the late Senator Calvin A. Campbell of Indian River, were largely responsible for the appropriation of the funds for this camp.

Fred Ming came to Cheboygan over 60 years ago from Ontario, where he was born on October 12, 1865. Though his chief interest was politics, he served in a long list of occupations. At various times he was a veterinary surgeon, fruit grower, livestock dealer, livery stable proprietor, police and fire chief, county supervisor, and a member of the Cheboygan Board of Education.

Having been honored to the election and appointment of almost every office in the gift of the home city and county, his record in those positions is such that any community can point to it with pride. It is the kind of a record that has caused the State press, great and small, to pay the highest tribute to his memory.

May his soul rest in peace.

EXTENSION OF REMARKS

Mr. MASON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix and include a short editorial.

The SPEAKER. Is there objection?

There was no objection.

CALENDAR WEDNESDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the call of the calendar on Wednesday of this week be dispensed with.

The SPEAKER. Is there objection?

There was no objection.

THE PRIVATE CALENDAR

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the call of the Private Calendar today be dispensed with.

The SPEAKER. Is there objection?

There was no objection.

ORDER OF BUSINESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. McCORMACK. I do this, Mr. Speaker, to announce to the House that the lend-lease bill assigned to come up tomorrow will come up next Monday. That change is the result of the fact that some of the members of the Foreign Affairs Committee would like to have a little more time, and they feel the members ought to have a little more time in which to study the evidence submitted at the various hearings. Fortunately, that could be done, and at the same time we are able to dispense with another important bill because I have talked with the chairman of the subcommittee of the Committee on Appropriations, having in charge the naval appropriation bill, the gentleman from California [Mr. SHEPPARD] and also the ranking member on that committee, the gentleman from Pennsylvania [Mr. DITTER], and they tell me that the Navy appropriation bill, which is very important, could be brought up on Thursday of this week, and they will probably agree—although I am not stating any agreement as to time because that is a matter that is up to the membership of the committee—on 1 day's general debate, Thursday, and taking the bill up under the 5-minute rule on Friday, hoping thereby that the bill may be disposed of by Friday night.

Mr. MARTIN of Massachusetts. I understand the lend-lease bill will have 2 full days of general debate and the bill will be read on Wednesday?

Mr. MICHENER. The rule provides for 2 days, ample and sufficient debate, but the rule provides that debate is to be confined to the bill. It will not be general debate.

Mr. McCORMACK. I thank the gentleman from Michigan. It is not more than 2 days, but 2 full days?

Mr. MICHENER. Two definite days.

Mr. MUNDT. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. MUNDT. I want to take this opportunity to announce to the House that the hearings on the lend-lease bill are now available and anybody can secure them who wants them.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

EXTENSION OF REMARKS

Mr. LUTHER A. JOHNSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an article by Mr. Victor Schoffelmayer, agricultural editor of the Dallas Morning News, upon the subject Need More Cottonseed Meal to Offset National Protein Shortage Threat in 1943.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. GATHINGS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an editorial from the Washington Post.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

TEXAS INDEPENDENCE DAY

Mr. MAHON. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. MAHON. Mr. Speaker, today is Texas Independence Day. One hundred and seven years ago Texans declared their independence, and fighting Texans won their independence under the leadership of Sam Houston. Today Texans are in another war, and they are fighting with the same fervor and spirit which characterized them in 1836. I think it not inappropriate to call attention to the glorious record which Texans made in 1836 and to point out that Texans are today distinguishing themselves in this great war just as gloriously as they did in the struggle for freedom 107 years ago. May victory come again—victory for the United States of America and for all peace-loving people everywhere.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. LANHAM. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. LANHAM. Mr. Speaker, in addition to the very pertinent remarks which have been made by my friend and colleague from Texas [Mr. MAHON], I think attention might well be called to the fact that from the very beginning they who

declared and established the independence of Texas and they who have maintained that independence came from the various States of the Union. The President of the first provincial government of Texas hailed from New Jersey. The last President of the Republic of Texas, and the one, in my judgment, most responsible for the annexation of Texas to the Union, came from Massachusetts. "Old Betsy," the rifle with which David Crockett fought so valiantly at the Alamo, was presented to him by the Young Men's Club of Philadelphia.

The more you read the history of Texas the more you will realize it is not provincial but a great American history in which we can all take pride.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. PLUMLEY. Mr. Speaker, as the sole Representative of the only other independent republic now represented on this floor, I wish enthusiastically to congratulate Texas on its anniversary and the record it made as an independent republic and ever since; and for having taken advantage to its everlasting glory of the example which was set it by that other and earlier independent republic, Vermont.

EXTENSION OF REMARKS

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an item appearing in the Boston Sunday Post of February 28, The Old Home Town, Chelsea, Mass., by Bob Coyne.

The SPEAKER. Is there objection?

There was no objection.

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my remarks to include an address made by the Fourth Assistant Postmaster General, Mr. Myers, before the Indiana Democratic Editorial Association.

The SPEAKER. Is there objection?

There was no objection.

Mr. COFFEE. Mr. Speaker, I ask unanimous consent to extend my remarks on two topics, in one to include an editorial and in the other to include a brief address by D. L. Marlett, of the Bonneville Power Administration.

The SPEAKER. Is there objection?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent that on tomorrow, after the conclusion of the legislative program and any other special orders heretofore entered, I may address the House for 20 minutes.

The SPEAKER. Is there objection?

There was no objection.

TEXAS INDEPENDENCE DAY

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, I just want to bring the history of Texas down to date.

In the Washington Times-Herald of February 23, 1943, appeared a full-page ad, carrying, on the left, a picture of Hon. Coke Stevenson, Governor; on the right, one of Hon. John Lee Smith, Lieutenant Governor; and, below, under a caption of "Texas Speaks," the following:

I

The newly reelected Governor of Texas, Hon. Coke Stevenson, has issued this public declaration:

"Texans understand that in time of war we must have unity of command; but that does not mean that Congress, and the States through their legislatures and Governors, should cease giving consideration to economic and internal administrative issues. Would it be fair to our young men, that while they fight and die in strange lands in the very name of democracy, we should submit to a course of internal administration of our civic affairs that might destroy the democracy we have?"

At the same time, our newly elected Lieutenant Governor, Hon. John Lee Smith, issued this public declaration:

"Washington, we demand the utter loyalty of the Government itself to these men who are now rendering the last full measure of devotion to the cause of human liberty. We frankly do not believe you have been loyal to them, when you have turned your head and refused to stop war strikes even as they died."

II

These two men have been elected recently by the people of Texas.

We believe it safe to say that these public declarations represent the vast majority opinion of our people.

For more than a year of war we have heard from various public officials about the need for a conscientious effort from our civilian population.

There is no controversy about that.

But it is long past time to have an accounting from Government officials on their own performance.

III

Why does the Government still permit strikes, slow-downs, and absentee periods in war industry?

IV

We have heard much about social gains.

We believe that the American system itself (constitutional government, Bill of Rights democracy) is the greatest social gain the world has ever seen.

We ask of every public official this point-blank question:

Have you been faithful to your oath of office to support and defend the Constitution of the United States?

It would be a fruitless thing—a disastrous thing—while fighting the war abroad, to lose it at home.

For the sake of our men in uniform—for the sake of ourselves and our children—we are determined to preserve the American system against all enemies, foreign and domestic.

(Sponsored by Texans from every part of the State who admire courage and forthrightness of speech in public officials.)

Apparently Texas has again declared its love for freedom and liberty.

The SPEAKER. The time of the gentleman has expired.

EXTENSION OF REMARKS

(By unanimous consent, Mr. VAN ZANDT was granted permission to extend his own remarks in the RECORD.)

Mr. BENDER. Mr. Speaker, I ask unanimous consent to have printed in the RECORD an article entitled "Absenteeism, the New National Malady," in the March issue of Fortune Magazine.

The SPEAKER. Is there objection?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. BENDER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. BENDER. Mr. Speaker, I am opposed to the Congress taking any drastic measures in relation to absenteeism. I think that we need to know much more about the causes of absenteeism than we now know. I hope that other Members will take the time to read the article on absenteeism in the March issue of Fortune Magazine.

That article indicates that there is a lack of information about absenteeism. It indicates that there are numerous causes, varying from locality to locality and from area to area, for absenteeism, among which the article mentions:

First. Improper scheduling of the flow of materials.

Second. The hoarding of employees.

Third. Sickness, which accounts for probably half of all absences.

Fourth. Bad housing.

Fifth. Poor transportation.

Sixth. Practice of migrant workers to take a week end off to visit their family.

Seventh. Failure of management to undertake proper steps to cure petty irritations on the job.

Eighth. Failure to develop proper morale in the plants.

This article states:

The primary obligation for correcting absenteeism must rest with the people in the local plants and community.

In other words, we need proper manpower organization and leadership in the localities.

THE TEXAS ADVERTISEMENT

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection it is so ordered.

There was no objection.

Mr. PATMAN. Mr. Speaker, in answer to the gentleman from Michigan [Mr. HOFFMAN] the advertisement referred to appearing in Washington newspapers was not sponsored by the Governor or the Lieutenant Governor of Texas; that is, they did not sign the article, as stated by the gentleman. In this he was mistaken. It is not known who sponsored the advertisement; in fact, many of us would like to know who sponsored it. It was quite an extensive and expensive advertisement, costing several thousand dollars, appearing in different newspapers in full page spread, but it was not signed by either the Governor or the Lieutenant Governor, and there was no evidence that they were sponsoring it. Thinking and patriotic citizens will give very little consideration to an anonymous advertisement usually resorted to

by selfish interests operating under cover and who would not hesitate to borrow the names of public officials.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

The SPEAKER. The time of the gentleman from Texas has expired.

EXTENSION OF REMARKS

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a recent radio address.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LEFEVRE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a letter.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HOEVEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a letter.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MADDEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial from the Gary Post Tribune.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD by inserting an article on President Lincoln written by James Morgan, which appeared in the Boston Globe.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

CALL OF THE HOUSE

Mr. DONDERO. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 17]

Angell	Hinshaw	Reece, Tenn.
Buckley	Horan	Reed, Ill.
Cochran	Johnson, Ward	Sadowski
Courtney	Knutson	Steagall
Culkin	Lambertson	Stewart
Cullen	Lemke	Sumners, Tex.
Douglas	Lewis, Colo.	Tolan
Engel	McGehee	Towe
Fernandez	McGregor	Treadway
Gibson	Magnuson	Vursell
Gore	Merrow	
Hagen	Miller, Pa.	
Hall, Edwin Arthur	O'Toole	
	Poage	

The SPEAKER. Three hundred and ninety-seven Members have answered to their names. A quorum is present.

On motion of Mr. McCORMACK, further proceedings, under the call, were dispensed with.

EXTENSION FOR 1 YEAR OF THE PROVISIONS OF THE ACT TO PROMOTE THE DEFENSE OF THE UNITED STATES

Mr. SABATH, from the Committee on Rules, submitted the following privileged resolution (H. Res. 142, Rept. No. 199), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 1501), to extend for 1 year the provisions of an act to promote the defense of the United States, approved March 11, 1941, and all points of order against said bill are hereby waived. That after debate, which shall be confined to the bill and continue not to exceed 2 days, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

EXTENSION OF REMARKS

Mr. ANDERSON of New Mexico. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include an address on the Veterans' Administration.

The SPEAKER. Is there objection to the request of the gentleman from New Mexico [Mr. ANDERSON]?

There was no objection.

PERSONAL PRIVILEGE

Mr. HOFFMAN. Mr. Speaker, I rise to a question of personal privilege.

The SPEAKER. The gentleman will state it.

Mr. HOFFMAN. Mr. Speaker, I will wait until after the legislative business has been disposed of, if it can be taken up then.

The SPEAKER. The Chair, of course, will recognize the gentleman at any time on a question of personal privilege.

AMENDING RULES X AND XI OF THE HOUSE OF REPRESENTATIVES

Mr. SABATH. Mr. Speaker, I call up House Resolution 23 and ask for its immediate consideration.

Mr. NICHOLS. Mr. Speaker, I wonder if the gentleman will yield so that we can get an agreement on time?

Mr. Speaker, I ask unanimous consent that the time for debate on this resolution be extended 1 hour, that when the time is closed the previous question will be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma [Mr. NICHOLS]?

Mr. FISH. Mr. Speaker, reserving the right to object, and that the time be equally divided?

Mr. NICHOLS. Yes; the time to be equally divided.

The SPEAKER. The gentleman from Oklahoma asks unanimous consent that the time for debate on House Resolution 23 be extended for 1 hour, half of that hour to be controlled by the gentleman from Oklahoma [Mr. NICHOLS] and half by the gentleman from New York [Mr. FISH], and that the previous question be considered as ordered. Is there objection?

Mr. SHERIDAN. Mr. Speaker, I object.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

Resolved, That the Rules of the House of Representatives be, and they are hereby, amended as follows:

To rule X add the following:

"40 B. On Aviation, to consist of 21 members."

To rule XI add the following:

"40 B. To Aviation, other than appropriations therefor, including all commercial and civil aviation."

The SPEAKER. The Chair recognizes the gentleman from Oklahoma [Mr. NICHOLS].

Mr. NICHOLS. Mr. Speaker, I yield such time to the gentleman from Illinois [Mr. SABATH] as he may desire.

Mr. SABATH. Mr. Speaker, I am not anxious to have any special time. My only desire is that the time be equally divided, that those for and those against may have the right to an equal amount of time. I know the gentleman from Oklahoma is for the resolution, so is the gentleman from New York, and I want to see to it that those who are opposed shall have time. I understand that the gentleman from Oklahoma has agreed with those who are opposed to the resolution on the time?

Mr. NICHOLS. That is right.

Mr. SABATH. If that is the case, I do not desire to take up any time.

Mr. NICHOLS. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, we finally come to a consideration of House Resolution 23. As the House of Representatives starts the consideration of this matter which means so much to the American people, present and future, I hope that the people's best interests will be the controlling consideration. I hope that personal ambitions and selfishness and personalities and politics and influence and fear of influence will not be the controlling consideration. This is bigger than individuals. This matter is bigger than committees. It is bigger than parties. As a matter of fact, Mr. Speaker, I would like to say that the decision of this House today may be the difference between a healthy and an unhealthy American aviation in the post-war world.

Before we start, let us get the issue clear. The issue is this and this alone: Is civil aviation of enough importance to require the undivided attention of 21 good men of this House? If it is, then set up this committee and pick 21 of the best Members of this body to constitute the committee.

Also, let us understand three things at the outset. The committee would have no jurisdiction over military aviation. The committee, if created, would have no jurisdiction over naval aviation, and, finally, if the committee is set up I am not a candidate for the chairmanship of the committee.

Mr. Speaker, I yield 7 minutes to the gentleman from West Virginia [Mr. RANDOLPH].

Mr. RANDOLPH. Mr. Speaker, there shall be no inflammatory or ill-tempered innuendoes in my remarks. I have separated this subject entirely from the cross winds of personalities and the downdrafts of partisanship. It shall be my purpose to proceed on principle with the hope of executing a three-point landing, based on lessons of the past, problems of the present, and our responsibility to the future.

This history-making debate takes place at a time when we are, by airplane, only 10 hours from England, 12 hours to South America and 40 hours to Africa. We understand, however, that man has always desired to fly. He gave power of flight to his mythical gods. He expressed his far-reaching concept of the Unseen with the words "If I take the wings of the morning and fly to the uttermost parts of the earth, lo Thou art there." Twenty years before Columbus discovered America we know Leonardo da Vinci dreamed, wrote, and experimented with airplanes. Tennyson, more than 100 years ago, wrote that he "saw the heavens filled with commerce." Practical flight was brought to the world, during our generation, by our own Wilbur and Orville Wright.

The incontrovertible witness to the need for a standing committee on aviation in the Congress is the unhappy history of aviation development in the United States over a period of two decades. If any man thinks that development truly represents foresight, vision or understanding of this vital force, he has less confidence in our capacity than have I. There has been neglect and confusion. Neither is a sound foundation on which to continue. There is no defense of the lack of conception of the significance of aviation which characterized the years from 1919 to 1942.

The total national budget for all aviation, military, naval, and civil, for a 20-year period following the last war, was less than $3,000,000,000, about one-sixth of the public cigarette bill. Rarely in those years was there a genuine attempt to lay the vital foundation stones for an air age. The practical and realistic steps which should have been taken were lacking.

In aerodynamic research we had a lone laboratory at Langley Field. Of aircraft engine laboratories we had not a single one and are even now but building the first. In the field of meteorology we had so little that many of our accidents were directly due to insufficient weather reporting. As late as the fiscal budget of 1940 a proposal was made to curtail the maintenance funds of the Federal Airways by a million dollars and thus wipe out 3,000 miles of air highway when we were on the brink of this terrible war. Only the watchful eye of the National Aeronautic Association, of which I am a member, prevented that curtailment from slipping through.

When Hitler turned loose his mechanized legions we had not a single aircraft capable of holding its own in a war sky. On that day our domestic air lines combined owned but 265 aircraft and operated a route mileage of less than 37,000 miles, some of it without the benefit of Federal airway facilities. Even now we have not the high-frequency radio ranges so necessary to ultimate safety in operation.

Although a report on the necessity for a national airport system was made to the Congress 10 years ago, nothing was done to develop it until war forced the issue. Even now that network is being built with military necessity as the prime objective. The several thousands of airports listed by the Civil Aeronautics Administration were in the vast majority of cases barely more than glorified cow pastures. When our Flying Fortress first took to the air there were not a dozen airports which could sustain squadrons of military bombers.

For 20 years we turned out less than 300 military pilots per year and we did nothing for civil pilot training. The dominant philosophy of the Government interest in aviation was regulation rather than promotion. If a wealth of experience was accumulated in civil flying and exploration and development it was almost completely due to the individual initiative of patriotic zealots, rather than to any foresight by Government.

At the time of Munich we were producing less than 100 planes a month of all useful military classes. We had no real procurement program and the manufacturing aviation was a mad scramble to determine what companies could survive on the few orders. This Nation will probably never realize what it owes to the industry which fought so valiantly to save a nation when none knew salvation would be necessary.

I do not stand before you as a recent convert to the importance of aviation development. You have heard me on this subject many times over the past 10 years. The facts I recite are not pleasantries, but they are facts.

I have known and said that this Nation was in danger because of the lack of understanding of the significance of air power, and by air power I mean both military and civil development. Why little was done about this situation I trace to the fact that on Capitol Hill we had no specific organization which made aviation development its prime business. Had aviation been given the dignity and status of a standing committee surely great goals would have been reached. A comprehensive picture would have been developed. A continuing accumulation of information and perspective would have been available. The exponents of aviation would have had a haven to present their viewpoints and recommendations. There would have been no necessity for the various special committees on investigation which have been created from time to time.

Congress has not had the facts—all of the facts. Our information has been piecemeal. We have had no data and knowledge on which to form far-reaching conclusions about aviation. Had we possessed that knowledge surely we should not have been found in such conditions as have prevailed, conditions which nearly cost this Republic its life.

Aviation is not a mere emergency utility to us. The art of flight was born in this country. Our distances and the travel between our centers of population are fertile fields. Our international trade routes are natural enticements for operation. We are masters of mechanical ingenuity. We have had abundant material supplies for aviation industry. We have had cheap and abundant fuels and lubricants. Our young people have knocked consistently at the door for places in the vocations of aviation. A group of individuals has crusaded unselfishly to educate the public to the use and meaning of flight. All of this has fallen on comparatively deaf ears. Congress has not been organized to capitalize on the public interest. Government has been far behind the people. Aviation has had but an auxiliary status be it either in Federal administration where it is represented by a bureau or in this body where it is represented by a subcommittee. I say this with due deference to my friends, the chairman the gentleman from California [Mr. LEA], and the gentleman from North Carolina, Major BULWINKLE. Both are splendid Members of this House.

I have sought to have a standing committee created because I feel aviation is a revolutionary factor in civilization. I do not feel the Congress should be content with the passing of a few laws as it has time to catch up with the requirements of commerce. In fact I do not think legislation is as important to aviation at this time as knowledge. Congress requires deep and intensive and continuous study of this world-shaking force. Who can say today what law aviation development will require tomorrow? Civil aviation is merged completely in the war effort. Its development needs no basic law now. It needs understanding and planning and vision. I do not want the House of Representatives to face the air age with only a handful of laws. We earnestly desire an orderly organization and an abundant knowledge.

It is my firm faith that the creation of a standing committee on aviation would serve notice to the American people that Congress is awake and has ended its sleep walk, and understands the potentialities of their future and is prepared to lead the Nation into the air age.

Each one of us is today cloaked with the mantle of responsibility. In truth and with reverence I say, Blessed are the courageous and far-visioned. They shall inherit not only the earth, but the heavens wherein are shaped the leadership and the destiny of mankind.

Mr. FISH. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Speaker, from the sense of detachment that comes from an extended service in this body, it has occurred to me as rather axiomatic that the real test of action by Congress is not measured on the day on which it is taken

but a year hence or 2 years hence or 5 years hence. In the light of that observation, I propose today to support the pending resolution.

I do this for the very good reason that at no time in the future do I care to charge my conscience with having permitted a single stone to be unturned or failed to give affirmative action to any endeavor on the part of this House that will keep American airplanes in the skies of the world.

I am thinking now of the millions who are identified with the aircraft industry, men and women everywhere. I am thinking of the hundreds of thousands of pilots and bombardiers and mechanics who after the war will want to keep their place in the sky. To do that job and to make provision for them, and to make provision for keeping our place in the international aviation sun, it occurs to me that it does require the full time of a committee of this House.

Mr. FISH. Mr. Speaker, I yield 5 minutes to the gentleman from New Jersey [Mr. WOLVERTON].

Mr. WOLVERTON of New Jersey. Mr. Speaker, the question now before the House is of such a character that it cannot in any proper sense be considered a party matter. Neither side of the aisle has held a party caucus or conference with reference to it. Consequently, expression of opinion should be considered as nothing more than an expression of individual opinion no matter who the individual may be.

Speaking for the Republican side, I can say that if it had been intended to make this question a party matter, then, by all the rules of custom and precedence the minority leader would have called a party conference. He has done so in the past and I therefore assumed he would have done so in this case. The fact that he has not done so makes certain that it is not a party matter. Furthermore, no Republican member of the Committee on Interstate and Foreign Commerce was contacted with respect to the matter. This likewise is evidence plainly indicating that there has been no intention on the Republican side of the aisle to make it a party question that would bind Members regardless of their individual opinion. Certainly if there had been an intention to make it a party question both of the courses I have indicated would have been followed. Therefore it leaves every individual Member to do as his judgment dictates to be best. I am assuming that the same is true of the Democratic side. This is as it should be. Both sides of the aisle are interested in aviation. Both sides wish to see its continued development and progress. The only question before the House today is, How can it be done to the best advantage in these critical times? We cannot afford in times such as these to permit either personal or political considerations to control our decision. If a proper decision is to be rendered then no other consideration should prevail than what is best in the public interest.

In presenting my views I trust that the reasons I advance for opposing the establishment of a new committee on aviation will be found to be based upon fundamental principles and thereby remove any thought that they are prompted merely by a jealous regard for the prerogatives of a committee of which I happen to be a member.

It is my intention to present several reasons why, in my opinion, the resolution now before the House should not be adopted. I have sought to base them upon fundamental and what seems to me should be controlling principles, so that no one would feel that my viewpoint is based merely upon a jealous regard for the prerogatives of the committee, of which I am a member.

NO REASON ALLEGED FOR CHANGE

First. In the first place I wish to ask each of you to answer within yourselves: 1. What has the Committee on Interstate and Foreign Commerce done that it should not have done with reference to aviation? 2. What has it left undone that it should have done? Certainly they are proper questions to ask of those who seek to divorce the committee of its present jurisdiction. A decree of divorcement is never granted without a showing of justification upon the part of the applicant. And yet the applicants in this proceeding for divorcement have made no charge of either omission or commission against the Committee on Interstate and Foreign Commerce. In fact it is admitted on all sides that the committee has done a mighty fine job. The most that has been said is that the committee is too busy to give aviation the attention it will require in the post-war period. Well, if that kind of reasoning is to be applied, then it will be the first time that a decree of divorcement has been granted upon the theory that possible future wrong or shortcoming is sufficient to set aside past faithfulness. A safer theory for this House to stand upon would be that worth-while service in the past is a guaranty of faithful and worth-while service in the future.

NO DEMAND FROM ANYONE FOR CHANGE

Second. There is no demand from either the public, the industry itself, the pilots, or other workers engaged in the aviation industry for any change in the present legislative jurisdiction of the Committee on Interstate and Foreign Commerce.

AVIATION INDUSTRY SATISFIED WITH PRESENT COMMITTEE

Third. The Committee on Interstate and Foreign Commerce has had jurisdiction over civil and commercial aviation ever since the inception of the latter. During this time by well considered legislation the aviation industry has been protected, encouraged, and developed until, today, it is the most outstanding in all the world. Leaders in the aviation industry, as well as the pilots, are unstinted in their praise and expressions of appreciation to the Committee on Interstate and Foreign Commerce for the careful and attentive consideration it has given to aviation, and, for the type and character of legislation it has reported to the House, and all of which has had the support and approval of the House.

COMMITTEE HAS PROVIDED COORDINATED SYSTEM OF TRANSPORTATION

Fourth. After several years of study and effort the Committee on Interstate and Foreign Commerce has finally provided, through the approval of Congress and the President, a coordinated system of transportation in this country that is second to none. By means of this regulatory method the railroads, motortrucks, domestic shipping, air carriers, and freight forwarders have been woven into a coordination that preserves to each of these different forms of transportation its inherent advantages, prevents discriminations as between each, and enables each working as a unit, and together, in the transportation field, to give the public the greatest possible service.

A NEW COMMITTEE ON AVIATION WOULD JUSTIFY A COMMITTEE FOR RAILROADS, MOTORS, AND SO FORTH

Fifth. Once the coordinated system of jurisdiction of one committee over all methods of transportation is broken down by the appointment of a committee to have special jurisdiction over aviation, then it would be logical and just to have another committee created to have jurisdiction over railroads, another over motortrucks, another for domestic shipping and freight forwarders. It can be readily seen what a confused, conflicting, and chaotic legislative situation would be created. We would be faced again with the same unsatisfactory condition that prevailed before the Committee on Interstate and Foreign Commerce worked out the present satisfactory condition.

Furthermore, it should also be borne in mind that the advocates of the present Resolution 23 also introduced a resolution that would have included civil and commercial aviation in its relationship to the Army and Navy. Well, with the Army and Navy having practically taken over civil aviation for the duration it can be readily seen how the new committee would have had jurisdiction to meddle with the jurisdiction now exercised by the House Military Affairs Committee as well as the Naval Affairs Committee. The proponent of the resolution, however, has said he would drop the latter part of the resolution for the present. What about the future?

PUBLIC INTEREST BEST SERVED BY ONE RATHER THAN SEVERAL COMMITTEES

Sixth. This worth-while accomplishment in the interest of the carriers and the public would not have been possible if there had been a division of legislative jurisdiction between, we will say, a committee on railroads, a committee on motor vehicles, a committee on aviation, and so forth. Each of such committees would of necessity have been a special pleader for the particular type of transportation within its jurisdiction. Each would have been familiar with that one and no other type. Such an arrangement would have made impossible that over-all viewpoint that would come as a result of one committee having jurisdiction of all. Therefore, to take away from the Committee on Interstate and Foreign Commerce its present jurisdiction and give it to a new committee with no

jurisdiction other than aviation, would break down the present structure that protects each mode of transportation in its particular field, and throw aviation out on its own to face the fierce competition that exists in the transportation industry. Of all the different methods of transportation there is none that needs so much the protecting influence of a committee with general jurisdiction over all, such as the Committee on Interstate and Foreign Commerce now holds, as aviation. It would be no service to aviation to place it at this time under the jurisdiction of a new committee. It would be a disservice. This fact is recognized by the air industry and its employees. This is the reason that they are not asking for it, and do not want the change to come about.

UNWISE TO MAKE ANY CHANGE DURING PROGRESS OF THE WAR

Seventh. It would, furthermore, be extremely unwise to make such a change at this time. We are in the midst of a great national emergency. The transportation industry as a coordinated system is doing a fine job. No finer nor more important job is being done by any civilian agency. To break it down at this time or to create the confusion and dissension that can readily result by taking any one of the component parts out of the coordinated system would be very unwise. There is still truth in the old adage, "Let well enough alone," or, "Don't swap horses in the middle of the stream." The transportation agencies of the country are doing well, and, the Committee on Interstate and Foreign Commerce has done its part well. Why, then, should any change be made?

NEW COMMITTEE WOULD LACK EXPERIENCE

Eighth. A new committee, no matter how carefully selected, could not be expected to have the reservoir of experience that has been gained by the present Committee on Interstate and Foreign Commerce. The chairman of the committee, the distinguished gentleman from California [Mr. LEA] is undoubtedly the most outstanding and best informed Member in this House on the subject of aviation from a legislative standpoint. For upwards of 25 years he has studied and had a principal part in every investigation, study, and survey that has been made of aviation by this House. His service started at the close of the last war when he was a member of the investigating committee appointed by this House to inquire into the subject of aviation. He wrote the report for that committee, although a member of the minority party at the time. The report that he wrote was so well considered that it has been used since in both the Army and Navy War Colleges. And, even until today, because of the far-sighted viewpoints expressed by him in that report it is looked upon as a safe and sound document to guide the thought and study of others. From that time until the present he has counseled, assisted, and had a large part in drawing the legislation that has enabled the aviation industry in this country to develop and outstrip in stability and efficiency that of any other country. The Civil Aviation Act of 1926 and that of 1938 are the work of his hands, assisted by others on the committee of long standing, including Messrs. CROSSER, BULWINKLE, CHAPMAN, BOREN, KENNEDY, HOLMES, REECE, HALLECK, HINSHAW, and myself. The service of these men on this committee runs all the way from 8 to 26 years. The average is nearly 14 years. The experience gained by these men, as members of this committee, in matters of aviation, as well as all other systems of transportation, during their years of service constitute them experts. Likewise, it insures the same safe, sound, and wise legislation in the future that has characterized their service in the past.

COMMITTEE SYSTEM OF HOUSE CONTINUITY OF SERVICE AS BEST CALCULATED TO PRODUCE WORTH-WHILE LEGISLATION

Ninth. The committee system of the House is based upon the thought that continuity of service on a committee creates a background of experience that results in good legislation, and likewise accords to seniority of service the prominence and dependence that years of service entitle it to have. The Members of this House who serve on their respective committees through a series of years become acquainted with the subject matter in a far more intimate way than others who do not serve upon such committee. Thus they are entitled to the respect and confidence of the membership of the House. The Committee on Interstate and Foreign Commerce has always enjoyed the confidence of this House. The committee has tried to merit that confidence. Notwithstanding all this, today the effort is being made to take from it jurisdiction over a matter with respect to which it has rendered unimpeachable service. To do so would be not only unfair but unwise.

IS THE COMMITTEE "TOO BUSY"?

Tenth. There has been no complaint made by anyone, not even by the proponents of the new committee, as to the type and kind of service rendered by the Committee on Interstate and Foreign Commerce. One and all admit that the committee has rendered worth-while service. No charge is made that anything done should not have been done nor anything left undone that should have been done. The only reason given for this unusual effort to discharge the committee is that it is "too busy." No facts or conditions have been cited by anyone to justify the charge. None could be given. The fact is that every important piece of legislation that has ever been referred to the committee has been properly considered and reported to the House as promptly as careful consideration would justify. Never has a complaint been made against the committee based upon delay or inactivity.

Never has there been a petition filed upon the Speaker's desk to discharge the committee from further consideration of any bill or resolution. It is true the jurisdiction of the committee covers many important subjects of legislation but, by a system not unlike that of the Appropriations Committee, the committee has a practice of holding hearings by the main committee on all important legislation and after the conclusion of the hearings a subcommittee will draft the bill. When completed it is returned to the full committee for consideration and report to the House. Matters, however, that are not of great importance are immediately referred to a subcommittee to conduct the hearings and report to the main committee. Furthermore, the several subcommittees make studies and surveys of their respective subjects even though no proposed legislation is immediately before them. Thus, there are Subcommittees on Aviation, Bridges, Communications, Food and Drugs, Public Health, Securities, Transportation, and others as occasion requires. As an illustration the Subcommittee on Aviation is composed of Messrs. BULWINKLE, LEA, BOREN, BECKWORTH, MYERS, HARLESS of Arizona, HOLMES, HINSHAW, HOWELL, O'HARA, and myself.

Never, until the present urge for a new committee on aviation has it ever been said that the Committee on Interstate and Foreign Commerce was "too busy." The facts do not justify the charge and it would seem that the proponents were driven to finding some reason, other than personal or political, to base their demand. Consequently they advance the thought that the committee is "too busy."

POST-WAR PROBLEMS DO NOT REQUIRE NEW COMMITTEE

Eleventh. It has been urged that post-war problems affecting aviation make it necessary that a new committee be set up to make certain that in such period American aviation shall predominate the airways of the world. In passing, permit me to observe that some of the advocates of this policy have been heretofore our most outspoken isolationists. However, on this subject they have become imperialistic if not internationalists. I leave to the distinguished gentleman from New York [Mr. FISH] to explain this apparent discrepancy with respect to the isolationist views previously expressed by him.

In this connection one of the strangest arguments advanced, during the last few weeks by those who advocate a new committee on aviation, has been that because money has been expended by us under lend-lease or otherwise, for military purposes, that we are therefore entitled to take over such fields after the war for civil aviation purposes. Well, if that be true, then we better have a new Committee on Roads to plan for the future taking over of the roads we have built elsewhere. Or maybe a new Committee on Banking and Currency to deal with the post-war problem of getting back all the money we have advanced to enable other nations to carry on their war effort. The absurdity of the position taken by the advocates of such a position is sufficiently demonstrated by its mere statement.

Furthermore, no advocate of our domination of the airways of the world has yet shown how it can be accomplished without the consent of the nation who has sovereignty over the land or air we expect to dominate. Certainly we cannot exercise such a right without assuming an ownership we do not have. No one has yet given any concrete suggestion how this plan of world-wide domination can be accomplished by a

new House Committee on Aviation, by the old Committee on Interstate and Foreign Commerce, or any other committee of this House. It cannot be done other than by negotiation between the respective nations, and this is not within the province of any legislative committee of the House. This is a function to be exercised in the first instance by the executive branch of our Government and by no other. Thus, it is folly to provide for a new committee upon any such basis as had been advocated by the proponents of this resolution.

THEORY OF NEW COMMITTEE TO DEAL WITH POST-WAR PROBLEMS WOULD APPLY AS WELL TO OTHER COMMITTEES OF HOUSE

Twelfth. The arguments advanced by advocates of a new committee on aviation to take care of post-war problems would apply with equal force to all other committees of this House.

There is no committee of this House that will not have post-war problems to deal with. Therefore it would be just as plausible to appoint a new committee to deal with post-war problems of agriculture, banking, foreign affairs, taxes, veterans, military and naval affairs, and all the varied subjects that now come within the jurisdiction of the numerous committees of the House.

CONCLUSION

In conclusion I urge the membership of the House to cast aside all personal and political considerations and decide the question on the basis of what will prove best in the public interest. The fact that no charge or complaint has been made by either the aviation industry, its pilots or employees, or by any other person or interest gives assurance that the faithful and worth-while service rendered by the Committee on Interstate and Foreign Commerce in the past will be rendered in the future, and that the problems of the future, post-war and otherwise, are safe in the hands of this experienced and trustworthy committee.

Mr. NICHOLS. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. LUTHER A. JOHNSON].

Mr. LUTHER A. JOHNSON. Mr. Speaker, I am opposed to the resolution to create a standing committee of the House on aviation, believing that it is both illogical and unwise to create such a committee at this time.

The problem of aviation and air policy is not a separate problem. In its foreign aspects, it is an integral element of our foreign policy as to commerce and transportation. It is likewise intimately bound up with the problem of international relations and international defense. It will be as difficult to separate air policy and foreign relations on the one hand, and foreign commerce on the other, as it would be to segregate sea policy from these same subjects. Yet a proposal to establish a separate body to consider maritime sea policy, apart from transport, commerce, and defense, would be absurd.

Air policy is no different. One or two illustrations may help.

Air routes, either commercial or military, do not take care of themselves by air alone. They depend on airports and landing fields and bases placed at proper intervals. These intermediate ports have to service and supply the planes. But the gasoline, the machinery, the spare parts and the equipment, under present conditions, have to go by sea or by land. It takes a large tonnage of shipping to supply the service stations along the air route. In consequence, the air route has to be worked out in connection with a shipping policy which can assure continued supply to the planes. A body which could deal only with the air route would find itself helpless unless it could also work out the supporting shipping policy.

On the military side, the same situation exists. You cannot have an air route for military defense merely "in cold storage" against the time when you need it. It has to be alive; and the way it is kept alive is by using the proposed military air route for commercial purposes. In this way, stocks of supplies, ground crews, and necessary organization can be maintained. Without this, your defense route is merely a paper plan taking a long time to be put into execution.

The air touches every country on the planet. Every nation has access to it. Every other country having aviation interests considers those interests as a part of its entire commercial and economic picture.

In fact, it is impossible to take any other viewpoint. This is particularly so in the United States. We have, rightly, subsidized our shipping. We have, rightly, subsidized our aviation. We do not subsidize a battle between our own ships and our own aircraft, but hope to get a balanced and capable administration of both. For instance, it would be impossible to determine the utility of highly specialized, extremely fast ships unless we considered that subject in relation to the still faster traffic which could be carried by airplane. High development of airplane traffic might lead to a revision in the shipping policy, and vice versa.

The policy both of the Congress and of the administration has been to coordinate the entire subject of transportation. As long as aviation was a novelty and a toy, it could be regarded as a separate subject, just as automobiles were once regarded in that light and were separately dealt with. But now that aviation has come into its own, it has to be considered as an integrated part of the commerce and transport of the United States in time of peace, and in time of war as an integral part of the general air defense of the country. It would be as illogical to separate aviation from foreign commerce and transportation as it would be to segregate military aviation from the general consideration of the national defense.

One trouble we are having today in our executive departments is that there are too many different bureaus and divisions; they overlap and step on each other's toes. We know now the folly of duplications of power in different departments of the executive branch of the Government. Let us not make that mistake in the legislative branch of the Government. Instead of having more committees that will overlap and duplicate existing committees, if any change is to be made there should be a reduction rather than an increase of the number of committees in the House.

I am especially concerned at the danger of creating a separate committee on aviation at this time, inasmuch as it is conceivable that it might affect our relations with foreign governments, which are most delicate, and the foreign policy should be vested in our committee of the House, that of Foreign Affairs, and to create another, which would of necessity affect our air policy and our foreign policy with other governments relating thereto, would be exceedingly unwise, especially while we are at war, and I sincerely hope that the resolution may be defeated.

Mr. NICHOLS. Mr. Speaker, I yield 2½ minutes to the gentleman from California [Mr. LEA].

Mr. LEA. Mr. Speaker, I am going to depart from what I intended to say at the beginning because of the brief time available.

There has been a lot of superficial talk about the problems of aviation. Three things I want you to think of above anything else that may be said here—three facts which will answer much of what will be said here. The first is that America now has the best commercial aviation the world has ever known. In the next place, my thought is of its contribution to war. I call attention to the fact that the air lines of this country contributed 515 air transport planes to the military service of this and our allied countries. When the war began, 169 of these planes then under contract with the manufacturers of this country were delivered over to war purposes.

Today our planes are flying over 40 countries. The magnificent young men who man those ships are the pilots who are giving their earnest opposition to this resolution here today. They are flying in every climate of the earth. Talking about nothing being done, I call attention to the fact that in this very year over $350,000,000 has been contributed by the Federal Government in aid of civil aviation. Plans for meeting our post-war air problems are now being studied.

To go back, for over a quarter of a century I have been deeply interested in aviation. Twenty-five years ago I went down here to Potomac Park and saw the first plane leave the ground carrying air mail. That was the beginning of civil aviation in this country. Shortly after that I was appointed on the War Investigating Committee, and out of 15 members on that committee it so happens that I am the only survivor in this House. The subject of the subcommittee on which I served was aviation in the war. I gave nearly a year's time to that subject. I prepared a 70-page printed report, which I am advised is at times used for reference by the General Staff and in the War College of the United States.

In 1924 I was appointed to the Lampert Investigating Committee on Aviation. Some difference arose on that committee. I was a minority member, but its

members unanimously agreed that I should write the main body of the report of that committee. We made recommendations, some of which were written into the Air Commerce Act of 1926 and others into the Civil Aeronautics Act of 1938.

I served on the subcommittee of the Interstate and Foreign Commerce Committee, which wrote the Air Commerce Act of 1926. I became chairman of that committee before it wrote the Civil Aeronautics Act of 1938.

The SPEAKER. The time of the gentleman from California has expired.

Mr. FISH. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. VORYS].

Mr. VORYS of Ohio. Mr. Speaker, I started to fly 27 years ago, in 1916. I was a pilot in the Naval Air Service for 2 years in the last war, flew with both the French and the British, was Ohio's first Director of Aeronautics, wrote papers for the Air Law Journal, and flew this summer as a pilot in the C. A. P. on antisubmarine patrol. I know something about aviation, and its development, and what helped it, and what obstructed it.

Aviation exerts an influence in war and will exert an influence in peace far more profound than any other invention of man. Everybody will be affected by aviation; everybody knows something about aviation. Every House committee will need to consider the effects of aviation on our life, but we need one House committee to study, and foster, and promote, and develop aviation. Whenever the control of aviation has been tied up to something else, it has been tied down. Nearly every Member has his own idea of what this committee should be and how it should function and who should be on it. My idea is somewhat different from the present proposal, but I am supporting this resolution because it represents the best we can get now and we need action now.

There is no question in this House about the importance of aviation, or the need for the House to aid in its post-war development. The only question is who should do it. We are witnessing here a jurisdictional fight. I recognize the importance of our committee system and yet I remember that the committees exist to serve the House in serving the public. We are all insisting that jurisdictional disputes between unions should not interfere with the war effort. I think the public has a right to insist that jurisdictional disputes between committees should not impede our post-war efforts and development.

We need not regulation but action, discussion, planning, promotion—development by such a committee now. Our Interstate and Foreign Commerce Committee is making a strenuous attempt to retain jurisdiction of the field of post-war planning for our commercial aviation all over the world. They are fine men but they are apparently too busy for the job that needs to be done. When we ask this committee what they are doing about this planning and development right now with the jurisdiction they have, the answer is in round figures, "Nothing." They have turned it over to C. A. B. under the bill they propose. We are told that the Executive has set up a committee of junior cabinet officers to make plans for post-war aviation. During the lend-lease extension hearings, when we asked Mr. Berle of this committee what they were accomplishing, the answer was generally speaking, "Nothing." We already have an Air Commerce Act and a C. A. B.; we do not need more laws and rules to regulate post-war aviation, we need to take the steps to create, encourage, and promote post-war air commerce at a time when too much regulation and too little encouragement may destroy it. Some responsible group had better be doing something about this vast and difficult subject now.

Whether this new committee accomplishes anything will depend upon its membership, and we individual Members of Congress who vote on it will have little or nothing to do with that decision. The House leadership will select the members of this new committee, if it is authorized. If we create this committee and if it is given able and experienced personnel, its possibilities for accomplishment are enormous. If we create this committee and the leadership does not place on it members of ability and experience sufficient to measure up to its great possibilities, we will have merely created another committee. I have sufficient confidence in our leadership, in carrying out this heavy responsibility, to believe that they will select wisely.

We are dealing today with a question that goes down into personal jealousies and rivalries, committee prestige, party politics, and also extends up into the sky above and into the years of the future. In time to come, when the petty bickerings and embarrassments in today's decision will have been long forgotten, the question will be simply, "Did you vote for an aviation committee—or did you not?" I want to be one of those who can then say, "I voted for it. I voted to give aviation a chance for special encouragement and development when I had the chance in the House of Representatives."

Mr. NICHOLS. Mr. Speaker, I yield 1 minute to the gentleman from Georgia [Mr. VINSON].

Mr. VINSON of Georgia. Mr. Speaker, I respectfully invite the attention of this House to the few words I have to say, which I hope will at least be borne in mind by the members of the Military and Naval Affairs Committees. The gentleman from Oklahoma [Mr. NICHOLS] said this resolution did not apply to the Army and the Navy. If you will read the resolution before the House, there can be but one conclusion and that is that it does apply. This is not a committee on civil aeronautics. This is a committee on aeronautics, and what is its jurisdiction? Its jurisdiction is the entire subject of aeronautics, including commercial aviation. So, therefore, if this rule is adopted, the Parliamentarian and the Speaker will be required to refer every bill relating to aeronautics to this committee, because the rule creates a committee on aeronautics, and specifically says it must have jurisdiction of civil and commercial aviation.

Mr. FISH. Mr. Speaker, I yield 3 minutes to the gentleman from Missouri [Mr. SHORT].

Mr. SHORT. Mr. Speaker, for the past few years and especially the past several months we have been growling, grumbling, and bellyaching about boards, bureaus, and commissions that are harassing the war effort, and now we come in here and propose to set up an additional committee of Congress, when we all should realize in the interest of economy and efficiency, what the Congress needs is not more committees but fewer committees, because we now have more machinery than we have the power to drive.

It is unpleasant and difficult for me to oppose my leader. Certainly I find it painful to turn a deaf ear to the sweet and intelligent pleadings of the gentlewoman from Connecticut [Mrs. LUCE]. But there comes a time when you have got to decide a thing on its merits, not on friendship or personal feelings, and I cannot, in good conscience, or honest judgment, support this resolution, because I see no need for it. What we want is a unified, coordinated, integrated system of transportation and communication—airways, waterways, railways, busses, and trucks—that has been admirably and efficiently handled by the able and outstanding Committee on Interstate and Foreign Commerce.

I love JOE MARTIN just as I do my wife, but I do not always have to agree with either one of them. Often I disagree with my best friends, but that does not prevent my loving them. I am against this resolution because it sets up more unnecessary machinery. It will add expense to the taxpayers of the Nation. Anyone who has read or heard the able and convincing speeches delivered on the floor of this House by the gentleman from Tennessee [Mr. REECE], the gentleman from Massachusetts [Mr. HOLMES], the gentleman from California [Mr. LEA], the gentleman from Georgia [Mr. VINSON], or the gentleman from New Jersey [Mr. WOLVERTON] it seems to me could not vote for this resolution. I trust you will not think that merely because I am a member of the Committee on Military Affairs I am opposing it. Naturally and rightly, each committee of this House is jealous of its rights, prerogatives, and functions, and the gentleman from Georgia [Mr. VINSON] has clearly shown that this proposed new committee is to deal with the broad subject of aviation. Military and naval, as well as all commercial and civil aviation, are included. The resolution is worded very cleverly, if not deceptively.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. SHORT. Yes; I yield to the gentleman.

Mr. O'CONNOR. Does the gentleman know of any group of American people who are demanding this legislation? I know I do not.

Mr. SHORT. No. The industry does not want it. The pilots do not want it. In the past 20 years we have built up the greatest commercial air line in all

the world. Let us leave well enough alone and not muddy the waters now. This is no time to upset the apple cart.

No new committee will aid aviation. The least Government regulation and control will be of the greatest benefit to the air industry. Let us keep our hands of restriction and strangulation off the greatest and most important of American industries. It will go forward if we leave it alone. However, it must be coordinated and integrated with other systems of transportation.

Let us win the war first and then bring about any changes or reforms that are necessary.

The SPEAKER. The time of the gentleman from Missouri has expired.

Mr. FISH. Mr. Speaker, I yield 1 minute to the gentleman from Kansas [Mr. WINTER].

Mr. WINTER. Mr. Speaker, I served in the first World War in the Air Service and had a great many hours of flying. I am a new member of the Committee on Interstate and Foreign Commerce. I came here with a free and open mind. After becoming a member of this committee I discovered to my great surprise, after listening to some of these pseudo-experts who have been trying to tell what should be done and should not be done in regard to aviation, that the Committee on Interstate and Foreign Commerce has a special committee within itself that has been there for 7 years, studying this situation very much, and that today we have the best aviation laws of any nation in the world. We have not only that, but we have the very happy situation of a committee that is working with the other departments of the Government wherein aviation is concerned. One of the things I want to impress upon the minds of the membership of the House is that the very thing that the advocates of this resolution are saying we as a nation need, from a foreign standpoint of world-wide aviation, devolves down to a treaty between nations and will be handled by the State Department and not by any committee of this House. It will be a matter of treaty and confirmation by the Senate.

I hope the resolution will be defeated.

The SPEAKER. The time of the gentleman from Kansas has expired.

Mr. NICHOLS. Mr. Speaker, I yield 1 minute to the gentleman from Kentucky [Mr. MAY].

Mr. MAY. Mr. Speaker, I oppose House Resolution 23 on a number of grounds, only one of which is sufficient to justify its rejection.

This Congress has already declared a policy by the enactment of three separate pieces of legislation to authorize coordination and consolidation of Government agencies and bureaus. That was a declaration of wise policy. We now propose to reverse ourselves, go right into our own House and disintegrate and decentralize one of the able committees of the House of Representatives, led by a profound statesman and expert on transportation questions, the gentleman from California [Mr. LEA].

I oppose the resolution because of the fact that by reasonable analysis it includes a committee of 21 members on aviation, which includes all forms of aviation, but it then specifically includes also commercial and civil aviation. Therefore it disrupts the whole situation. Furthermore, this crucial time is the wrong time to muddy the water.

The SPEAKER. The time of the gentleman from Kentucky has expired.

Mr. FISH. Mr. Speaker, I yield 1 minute to the gentleman from Minnesota [Mr. O'HARA].

Mr. O'HARA. Mr. Speaker, I am opposed to the adoption of this resolution at this time for the reasons that have been so ably stated including the fact that we have a correlated system of committees. If you are going to start dividing up committees now, as the gentleman from Missouri [Mr. SHORT] pointed out, we would have no end of committees. For example, you might take the great Committee on Agriculture and say that dairying, which is the third largest industry in this country, should be given a separate committee. You might go to the Committee on the Judiciary and say that we should have a separate committee to consider admiralty questions.

I think the history of aviation in this country, both as to the past and in the future, has been amply taken care of by the present Committee on Interstate and Foreign Commerce. I am opposed to this resolution.

The SPEAKER. The time of the gentleman from Minnesota has expired.

Mr. FISH. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. REED].

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks and include therein a telegram and a letter.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. REED of New York. Mr. Speaker, it is my opinion that one of the worst mistakes we could possibly make is to endeavor in the midst of a great war to hippodrome this subject of aviation. It is my opinion that the creation of a standing committee on civil aviation would be most unwise, particularly at this time.

I am glad to see that one of the chief proponents of the move for such a committee stated the other day that the Interstate and Foreign Commerce Committee has made a great record and contribution to the advancement of civil aviation. Thus the argument for a new standing committee is reduced to this point: That the members of the Interstate and Foreign Commerce Committee are too busy to keep up with civil aviation.

I think it is true that the members of that committee have no disposition to keep the civil aviation industry constantly involved with legislative proposals. One of the dangers, indeed, of creating a new committee is that, in order to justify itself, it will have to keep things constantly stirred up. The civil aviation industry will be involved constantly in legislative hearings and in appearances before such a committee. Such a situation would be tragic, especially at this time with the aviation industry so preoccupied with its war activities.

One of the best features of the Interstate and Foreign Commerce Committee has been that it has tried not to keep the industry constantly embroiled with legislative proposals. The industry appeared before that committee in connection with the omnibus transportation bill and requested that it be relieved from constant legislative changes. The Committee on Interstate and Foreign Commerce respected that request. The result has been that since 1938 for the first time in the industry's history it has not been compelled to deal with some new legislative activities affecting civil aviation almost every year.

If a new committee is formed, the only excuse for its existence, after the arguments that have been made here in support of its formation, would be to take up constant legislative measures and keep the industry constantly on the griddle.

Moreover, the formation of an entirely new committee will mean that an entirely fresh group will have to be educated. The Interstate and Foreign Commerce Committee has been handling civil aviation matters for 20 years and handling them well. It knows from experience what the problems are and what the history of civil aviation's problems has been. If a new committee is formed at this time, that committee will have to start from scratch. It will be many sessions of the Congress before that committee will have accumulated the knowledge and experience which the Interstate and Foreign Commerce Committee already has.

If ever there is need for going through such a process of reeducation, that need certainly does not exist now. What we need now, while the war is on, is a group of men who already know the problems of civil aviation, who already are fully cognizant of civil aviation's history and of its evolution during the past 20 years. In the interest of economizing the time of Congress, the Civil Aviation Board, and the aviation industry in these pressing days, we should not take a step which would make it necessary to start all over again with a fresh committee.

There is no question about the splendid record of the Interstate and Foreign Commerce Committee. It has protected civil aviation against the railroads. Despite the railroads' efforts to absorb civil aviation into the Transportation Act of 1940 the Interstate and Foreign Commerce Committee stood out stanchly against the move and put a stop to it at its very inception. The committee, moreover, fought manfully for the retention of the Air Safety Board at the time of the President's reorganization of the Civil Aeronautics Authority.

The industry itself is and always has been unanimous in its commendation of the legislation which the present committee has drafted. The industry has never been neglected by that committee; it has never been delayed by that committee. It has been helped in every way.

In these critical days, when the industry is embroiled in our great war effort,

when we should be concentrating upon first things first, it would be most ill-advised completely to change the leadership for civil aviation. This is no time to impose on the industry and the C. A. B. the burden not only of fighting the war but also of having to spend day after day before a new committee reeducating that new committee on problems that are 20 years old.

And this is certainly the worst of all possible times to create a new committee for the express reason of devoting the full time of a standing committee of this House to civil-aviation legislation. The industry would be driven frantic.

WASHINGTON, D. C.,
February 28, 1943.

Hon. DANIEL A. REED,
House of Representatives,
Washington, D. C.:

The pilots that man our country's air liners domestically, hemispherically, and globally are against resolution No. 23. They have every confidence in the fitness, willingness, and ability of the Interstate and Foreign Commerce Committee to continue to deal successfully with the legislative problems of civil aviation and air transportation, both foreign and domestic, fully as well in the future as they have in the past to keep our country's civil flying in the forefront of world aviation. I respectfully invite your attention to a letter mailed you Saturday, February 27, which discusses this very important subject more in detail. The pilots, all of them, will be most deeply appreciative for your help to defeat Resolution No. 23 in the best interest of the industry, the public, and the working people in the industry.

DAVID L. BEHNCKE,
President, Air Line Pilots Association.

AIR LINE PILOTS ASSOCIATION,
Chicago, February 27, 1943.

Hon. DANIEL A. REED,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN REED: Resolution No. 23 to create a new and separate committee on civil and commercial aviation is on the calendar awaiting action by the House.

When a measure seriously affecting the development and regulation of air-line transportation, both domestic and foreign, is before the lawmakers of the Nation, those most vitally interested, the air-line pilots and the other masses of air workers, would indeed be derelict in their duty if they did not let Congress know their feelings on so important a subject. When a subject so important and so far-reaching in its effects is up for a decision, it is almost sure to be clouded by the usual fog of misinformation and distortion, inadvertent or otherwise, obscuring the true issues. Then, too, there is always the question: What is and what is not political expediency?

If we, the Nation's air-line pilots, can help to clear away this fog and help to present the true picture to you, whose vote may decide this vital question, then we shall feel we have at least done our part in the best interest of a great new industry to which we have contributed so much.

Resolution No. 23 proposes to amend the rules of the House as follows: "To rule X add '40 B. On Aviation, to consist of 21 members.' To rule XI add '40 B. To Aviation, other than appropriations therefor, including all commercial and civil aviation.'"

At first glance, it would seem to be assumed from the resolution introduced by Representative JACK NICHOLS that we have no House committee for the consideration of measures relative to civil aviation and air transportation. This is not true. There is such a committee, thoroughly seasoned and well experienced—the House Interstate and Foreign Commerce Committee which now has complete jurisdiction over all civil aviation and air transportation legislation. The members of the Interstate and Foreign Commerce Committee are outstanding Members of Congress, able, and of long experience in the regulation of all forms of transportation, including that by air. This committee's jurisdiction extends to air, rail, bus, and waterways, and it has considered well the problems of civil aviation and air-line transportation. It has legislated wisely and thoroughly in this field to place our country's commercial air transportation irrefutably in the No. 1 position in world aviation.

Outstanding examples of this committee's work are: (1) The Civil Aeronautics Act of 1938, which is without question the greatest civil aeronautics regulatory law ever enacted; and (2) title II of the Railway Labor Act, the provisions of which have developed peaceful and harmonious relations between employer and employees in the air-line industry.

Air safety is the life blood of the industry. Let us review very briefly what the Interstate and Foreign Commerce Committee has done about this all-important subject.

In 1938 this committe sponsored, and was successful in securing, the enactment of provisions of law creating the Air Safety Board. This action on the part of Congress abruptly stopped the most terrible series of air-line accidents ever experienced on the air lines costing many lives. There followed a period of 17 months with not a single air-line accident and no loss of life—a world's air-safety record.

Then came Reorganization Plan No. IV which, among other things, threatened to destroy the Air Safety Board. The House Interstate and Foreign Commerce Committee lost no time in springing into action and with outstanding aggressiveness bitterly fought the adoption of Reorganization Plan No. IV in the interest of safeguarding human life on the air lines. Congress agreed with this committee and Reorganization Plan No. IV was defeated in the House on May 8, 1940 by a comfortable plurality. Unfortunately Reorganization Plan No. IV was approved in the Senate on May 14, 1940 by a narrow margin but only after strong intervention.

Since that time there have been again many crashes and much loss of life. To say that the efforts of the Interstate and Foreign Commerce Committee have saved many lives, including those of the pilots, in air transportation is putting it extremely mildly.

Yet, we are told that the pilots don't know what the issues involved in Resolution No. 23 are all about. They not only know these issues but the safety of their human cargo and their own lives are involved. Certainly, no group of men could have a greater interest. Their interest is the same as that of the public because the lives of the public and pilots are as one when an airliner goes aloft.

Quite naturally we all have ideas of our own, expound different theories, and oftentimes our arguments may become heated but, in the final analysis, the results obtained are the real answer to any question. Our country's air-line transportation development and commercial aviation generally have resulted in the most highly developed planes, power plants, aids and related equipment in the world, and these developments are destined to be the deciding factor in the present war. Even our enemies have feverishly copied these advancements. Surely all this could not have happened under an improper and neglected civil and commercial aviation legislative program—a program that has always been through the years under the jurisdiction of the Interstate and Foreign Commerce Committee. Why, therefore, should it be proposed to take the jurisdiction of aviation from this veteran group of legislators, who have legislated wisely and well to obtain this kind of result, for the purely experimental notion contained in the Nichols Resolution No. 23 which is wholly untried and purely speculative.

The people in the industry, those who do the flying and servicing of the planes, in other words, those who perform the work and are the real backbone of the business of air transportation, say that if this move is successful and Resolution No. 23 is approved, then civil and commercial air transportation legislative problems will be taken from the hands of the real aviation legislative experts of Congress—the members of the Interstate and Foreign Commerce Committee.

Due to the war, commercial aviation, especially air transportation, is at the moment passing through dangerous channels. The real truth of the matter is that civil flying has gone to war. Certainly now is not the time for the industry to change legislative pilots. Commercial aviation is primarily speedy transportation. Eliminate the transportation aspects and there will be nothing left but a vehicle of the sportsman. Let us not forget that air transportation is only one part of our country's transportation system. We have railways, we have busses and trucks, and we have the oceangoing and inland waterways—all interrelated and vital to the best interest of the Nation. In the past some parts of our railroad system have been referred to as strips of rust. It's a different story now. We are in a cruel and relentless war and where would we be without our well-developed rail transportation system? Where would we be without our busses and trucks? Where would we be without our air transportation? The plain truth is that without all of our modern transportation facilities we would be whipped.

All transportation is nationally interrelated, all necessary, and the legislation for and regulation of each mode bear a definite relationship nationally to all the other modes. The legislative problems of all are now dealt with in one committee, the Committee on Interstate and Foreign Commerce of the House, and that is the way it should be. Common sense enables us to realize this. Why, then, should we take one branch of transportation from this veteran, seasoned, and thoroughly experienced transportation committee and place it in an entirely new and separate committee on civil aviation and air-line transportation? It is just as reasonable to say that we should have a standing railroad transportation committee of Congress, a standing bus and truck committee of Congress, and a water transportation committee. Instead of having one committee dealing with all transportation legislative problems, we would then have a multiplicity of congressional committees on Capitol Hill, all dealing with separate branches of transportation. The conflicting results are not difficult to visualize.

We already have plenty of conflict among governmental regulatory agencies. Are we to add to this by creating the same situation on Capitol Hill? The pilots and the people in the industry say, "Heaven forbid."

Domestic air transportation in the past has generally been subsidized by the Government. Because of wise legislative policies of the House Interstate and Foreign Commerce Committee, the greater part of this development is now self-sustaining and paying dividends into the Federal Treasury. For the fiscal year ending June 1942, it is estimated that the Post Office Department's Air Mail Division will have written $8,000,000 on the black side of the ledger.

There are certain problems in the field of intercontinental flying that must be solved in much the same way as the problems of domestic air-line transportation have been solved. There is not the slightest doubt that the House Interstate and Foreign Commerce

Committee is fully capable of meeting every problem in the foreign field of air transportation. They are already well on their way to the solution of these problems.

It would certainly be a calamity to take from the thoroughly tried and highly experienced Interstate Commerce Committee the jurisdiction over civil, commercial, and air transportation and place it in the hands of a new committee wholly inexperienced

Consider who are on the House Interstate and Foreign Commerce Committee. The six top-ranking Democrats are: CLARENCE F. LEA, 26 years a Member of Congress; ROBERT CROSSER, 26 years; ALFRED L. BULWINKLE, 20 years; VIRGIL CHAPMAN, 15 years; MARTIN J. KENNEDY, 12 years; and LYLE H. BOREN, 6 years. The six top-ranking Republicans are: B. CARROLL REECE, 20 years a Member of Congress; CHARLES A. WOLVERTON, 16 years; PEHR G. HOLMES, 12 years; CHARLES A. HALLECK, 8 years; CARL HINSHAW, 4 years; and CLARENCE J. BROWN, 4 years.

Chairman LEA has passed the quarter century mark of congressional service as has his veteran committee colleague, ROBERT CROSSER. Both of these men's records are well known to the Members of Congress—and so reads the roster of this powerful, and thoroughly experienced transportation committee, on which is represented a grand total of 214 years of legislative experience.

One point more and I shall end this letter. When I say all branches of civil flying and air transportation have gone to war, I speak of facts. A large percentage of air line pilots is in uniform. The same is true of officials, owners, and mechanics. Even the greater part of the commercial air line equipment has gone to war. Many of our airmen are flying global routes, transporting men and material to the armed forces fighting on our far-flung battle fronts. The prime interest of the pilots and other air workers is to win the war, but when they left and when they write, it is always on the theme, "While we are away don't let them tear down nor destroy what we have built up—the pre-war civil aviation legislative and regulatory set-up. This is what we are fighting to preserve."

In closing, the pilots plead, "Don't be misled by high sounding speeches discussing highly imaginative notions, and theorizing on post-war aviation." Post-war aviation, global and intercontinental in nature, will be limited strictly by reciprocal arrangements with other countries. In other words, our foreign air line transportation system will expand in proportion to the number of foreign air lines we permit to land on our soil.

Private initiative and privately invested capital will do the rest. No matter what happens we need our experienced aviation legislators. The pilots say, "Keep them on the job and we shall have little to worry about."

The pilots—more than 3,000 of them—who man the country's air liners from coast to coast, and to some 40 foreign countries, over both oceans, (domestically, hemispherically, and globally) respectfully urge you to vote against the Nichols Resolution No. 23 and keep our country's civil and commercial aviation moving ahead on a sound footing and with the greatest possible degree of air safety.

The air line pilots have appealed to Congress in the past for aid in their problems and their pleas have never fallen on deaf ears, but never before have we brought a more important subject before the country's legislators.

Your help in defeating what the pilots regard as the most destructive and illogical move ever attempted will be long remembered and thoroughly appreciated by each and every one of them.

Respectfully yours,

AIR LINE PILOTS ASSOCIATION,
DAVID L. BEHNCKE, *President.*

The SPEAKER. The time of the gentleman from New York has expired.

Mr. FISH. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. MAAS].

Mr. MAAS. Mr. Speaker, I think this resolution ought to be adopted. I want to point out that before the war in Europe that this body, the Congress of the United States, was the only major legislative body in the world that did not have a standing committee on civil aeronautics.

This Nation has become great by recognizing changes and taking advantage of it. Aviation is going to be the most important single problem with which the world will deal when this war is over. We have been criticized for not planning properly for the post-war period. The one responsibility and opportunity above all others that Congress does have is to make plans for the post-war world, and this is one field in which we can and should be making the plans right now. This is essentially a continuing program. The Congress is a continuing body. Administrations come and go with consequent changes in programs and policies, but the Congress will be continuous. It should begin its studies now.

I warn you that to attempt these studies when the war is over will be too late; other nations will have made their plans; world air commitments will have been made.

So far as jurisdiction is concerned, the resolution will be qualified so that it will eliminate any question of conflicting jurisdiction, but if the time ever comes when this House, which would have to amend the rule, is ever convinced that this new committee could handle military and naval aviation better than the Naval and Military Affairs Committees, then, for heaven's sake, let that committee do it. Let us get the job done the best way it can be done without squabbling about jurisdiction. I do not believe that military and naval aviation can be handled better by this committee; I do not think it ever will be. However, that is a challenge to the Military and Naval Committees. Let them do their committee work so well that there will never arise the occasion for requesting a change in their status so far as military and naval aviation is concerned.

So far as the Interstate and Foreign Commerce Committee is concerned, if they are doing their full job of regulating surface transportation on land and afloat, and dealing adequately with all of the other varied matters under their jurisdiction, they do not have time to deal with aviation from now on as it ought to be dealt with.

It is a full-time subject. Does anyone in this House mean to say that if the subject matter of dealing with the disposal of useless executive waste paper merits the existence of a standing committee of this House, if two separate committees are needed to deal with pensions, that the all-important matter of the future of our commercial and civil aviation does not justify a separate standing committee?

The main concern of the Interstate and Foreign Commerce Committee is one of regulation and control of stabilized forms of transportation.

Aviation is still in a developmental stage, even experimental in some respects.

It needs entirely different treatment, both in legislation and administration, than the old, established forms of competitive transportation systems.

Aviation must not be held down, choked off, and regulated into impotence in the United States while it is being fostered, encouraged, subsidized, and pushed everywhere else in the world.

Other wars have been fought for seaports. This war is being fought for airports, throughout the whole world. These airports are being sought in order to control post-war world air routes.

Are we to throw everything we have into this war in order to win a victory on the battle line, only to lose it in the air forevermore in the post-war period to follow?

You can be very sure that every other country, Axis as well as United Nations, is making its plans now for its place in the air world to follow this war.

This House had better recognize its responsibility in this matter and set up the machinery for our participation in those plans while the plans are being made.

The most far-fetched argument in opposition that I have ever heard is that setting up such a committee now would in some mysterious way endanger our war effort. Stuff and nonsense. That is the hackneyed cry set up now upon the slightest provocation to scare off anything that is opposed by the administration, even things not even remotely connected with the war. How can planning for the post-war period possibly endanger victory in the war? No; that cry is a subterfuge, Members of the House; let us not pull another Billy Mitchell affair.

The SPEAKER. The time of the gentleman from Minnesota has expired.

Mr. FISH. Mr. Speaker, I yield 1 minute to the gentleman from Massachusetts [Mr. HOLMES].

Mr. HOLMES of Massachusetts. Mr. Speaker, I have had the benefit of 10 years' experience on the Interstate and Foreign Commerce Committee. I want to say just a brief word or two in reply to the gentleman from Minnesota, if he does not know it, that extensive plans are being made now by the Civil Aeronautics Authority so that we shall have a proper place in the picture when this war is over.

I am not speaking selfishly because I am a member of the committee, but I am speaking broadly from general business experience. I am a manufacturer, a small manufacturer in my own community, and I have lived with industry for a long time. I know that industry for a generation has been developing in the foreign countries of the world goodwill which will enable them to dispose of their manufactured products and agriculture; but here you are planning to set up an international sounding board; put it in politics. Its reverberations will destroy the value of the work of a generation.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. FISH. Mr. Speaker, I yield myself 1 minute.

Mr. FISH. Mr. Speaker, it is inevitable that there should be a permanent standing committee on civil and commercial aviation in the House in order to help solve the post-war aviation problems and to maintain our control over airways to South America, Africa, and Asia. If we establish a permanent committee on aviation today to study the problems of aviation for the duration of this Congress, I do not believe it would have more than sufficient time in which to outline a constructive program and policy to cover the conversion of the war aviation industry into a peacetime industry. There are at least 2,000,000 men and women employed in war aviation, and by the time the war is over there will be 2,000,000 in the Army and Navy Air Forces, including pilots, mechanics, and skilled labor. This raises a tremendous problem which we cannot ignore or fall down on, as we did in 1919.

We must have a workable plan to utilize our huge aviation war plant for commercial needs and to provide employment for a million skilled and highly specialized wage earners after the war.

I do not believe any American wants to put any obstacle in the way of the development of civil aviation or to block the progress and promotion of commercial aviation in the United States. It is only in its infancy and the morning of its destiny. Within a few years planes will be flying from New York to San Francisco in 6 hours at less than $40 per person for the trip.

There has been a great deal of discussion as to what the future relationship between the progress of commercial aviation and the maintenance of our railroads will be. Personally I do not believe the railroads will be seriously affected. It may even mean that the transportation of goods will be increased through aviation expansion which would probably also increase the amount of freight circulated and handled by the railroads. The railroads have been the backbone of the American transportation system and I believe will continue to be for many years to come, but I do not believe the railroads themselves want to put any obstacle in the way of legitimate aviation development and expansion. Certainly I do not believe it is the function of any railroad executive or employee to try to tell the House whether we should create a permanent committee on aviation or not, any more than we should try to tell railroads or labor organizations what kind of committees they should have in their organization. This is a question of the internal organization of the House and should be decided solely on the basis of what is best for America.

In answer to the question raised by the gentleman from Georgia [Mr. VINSON], as a member of the Rules Committee I thought this resolution dealt purely with civil and commercial aviation. I rise, therefore, to ask the gentleman from Oklahoma [Mr. NICHOLS] in charge of the resolution if he will accept an amendment to insert in line 4 before the word "aviation", the words "civil and commercial" in order that there may be no misunderstanding of the intent of the Rules Committee and of the resolution.

Mr. NICHOLS. Yes. Mr. Speaker, if I am in order, I ask unanimous consent that the resolution be amended by adding in line 4 the words "civil and commercial" before the word "aviation."

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. THOMASON. Mr. Speaker, I object.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. NICHOLS. Mr. Speaker, I yield 1 minute to the gentleman from Louisiana [Mr. BROOKS].

Mr. BROOKS. Mr. Speaker, I assume that the fact the gentleman from Oklahoma was willing to change his resolution here after it had been presented to us in order to correct it and has failed, which in effect brands it what it is, an attempt to cover all aviation, civil, military, and naval, under the terms of the resolution.

Mr. Speaker, this resolution ought to be voted down. Under the supervision of a program submitted through the years to this body and adopted by the Congress, we have seen American aviation grow in the United States from a business employing some 29,000 workmen to one today which employs millions of workmen and is truly one of the greatest industries of all times. Under the benign effect of the legislative program presented to us by the Interstate Commerce Committee, American aviation is in the forefront of all aviation in the world. It would be wrong at this critical time to change a legislative set-up which has made this possible.

The SPEAKER. The time of the gentleman has expired.

Mr. NICHOLS. Mr. Chairman, I yield myself 1 minute, in order to clear up the question of whether or not this resolution includes military and naval aviation. It absolutely and positively does not.

The resolution was prepared by the drafting service of this House, and any attempt to becloud this issue by saying that some conniving has been done by the author of the resolution to slip in military and naval aviation is just not the fact. The resolution does not contemplate anything except civil and commercial aviation.

Mr. VINSON of Georgia. Why did the gentleman offer the amendment then?

Mr. NICHOLS. Just to clarify the situation. I did it for the purpose of pacifying my friend from Georgia and other people who might think that there could be any question. I submit that I did it in fairness, trying to make fair play the order of the day. The fact it was objected to by a member of the Committee on Military Affairs, of course, is a matter over which I have no control.

Mr. NICHOLS. Mr. Speaker, I yield 2½ minutes to the gentleman from Ohio [Mr. CROSSER].

Mr. CROSSER. Mr. Speaker, if there ever was a resolution fraught with evil consequences to the American people I think the resolution now pending before the House is such. To take an industry which, in its nature, is probably the most technical of all those engaging the attention of the Government in the country today and permit the determination of policies regarding the industry by persons most of whom will have had no experience with the regulation of transportation and will have had only a very brief service in the House, is, to say the least, unwise.

Members of the House will remember that time after time the Interstate Commerce Committee has brought before this House measures calculated to coordinate all the different branches of transportation. This is necessary to the sound development of a transportation system. Those who would have a separate committee for every kind of transportation do not realize the very perplexing problems we frequently meet when we are required to legislate in regard to any one branch of the transportation business. In order to avoid harm to other agencies of the transportation system while endeavoring to serve the best interests of one branch of the transportation industry, we must keep in mind at the same time the industry as a whole. To do justice to all the same minds must weigh the problems in order to assure the application of like principles to all branches of the industry.

The Howell committee appointed by the President some years ago to investigate the whole subject of transportation recommended that the regulation of all forms of transportation should be carried on by one agency of the Government. Surely if the administration of regulatory laws should be under one head, the legislative policy should be determined by the one set of minds who shall have devoted their minds to this great subject as a whole.

The SPEAKER. The time of the gentleman has expired.

Mr. NICHOLS. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. KLEBERG].

Mr. KLEBERG. Mr. Speaker, my time is too short to attempt to support my position with assumptions. The facts are that commercial aviation is playing a great part in the war. There can be absolutely no doubt but that commercial aviation will play a major part in the post-war period and will play a deciding part in just where we stand at the peace table.

Mr. Speaker, the assumption that the Committee on Interstate and Foreign Commerce can handle all of the business of this House, following the theory that we have too many committees, is too clear to require further comment. There is no assumption involved when the statement is made by me that that committee is busy.

If this Congress does not have genius enough to recall the statement of the founders of our country that without vision the people will perish, we are in a tough spot.

The question resolves itself purely and simply down to the issue of whether or not the matter of commercial and civil aviation is of sufficient importance to assign it to a committee with time to

give the American people what they are entitled to on that subject, and that is all.

Mr. NICHOLS. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. RAYBURN].

Mr. RAYBURN. Mr. Speaker, I trust you will believe me when I say that I appear for nobody but myself and have no reason except reasons that I have within me. This is not a leadership fight, because the gentleman from Massachusetts and I agreed not to make it so.

I trust also that you will believe me when I say that I am not influenced by my love and respect for a committee on which I served for 24 years, 6 years as its chairman. I do appear and impose myself upon you for this brief moment to say that someone has said, "Do not change horses in the middle of the stream." Why change committees in the middle of this war?

What has the great Committee on Interstate and Foreign Commerce done or failed to do that it should have this seeming repudiation at this time by the House of Representatives? I think this is an unwise thing to do. In my opinion, if there were ever a reason for the formation of a separate committee, that should be taken up at some other time than a time like this. Therefore, I trust that you on both sides of the aisle, freed of prejudice, will consider this question well and long before you vote for this resolution, with all the implications that I think it must bear. As has been so well said, we have the best aviation laws in the world and the best civil aviation setup of any country on the face of the earth. Why change this rule at this time?

Mr. NICHOLS. Mr. Speaker, I yield myself the remainder of the time on this side.

Mr. Speaker, I presume the House will accord me good faith as I am willing to accord all those in opposition to this resolution good faith. I offered this resolution years ago. It finally came out of the Committee on Rules. I have never been ashamed of my support of the resolution. I have always been proud of it.

I yield to nobody in this House in my love for the House of Representatives. I yield to nobody in this House in my love for the people of this country and in my love for aviation. I would not do a thing here today or any other day that I myself was not convinced was not for the best interests of the people of this country and for the best interests of aviation.

Let me sound this warning to you: As long as aviation is an integral part of surface transportation, that long aviation will not get the growth to which it is entitled. Aviation is as strange to other forms of transportation as day is to night. If aviation is going to succeed, it cannot be earth-bound. Railroads and other forms of surface transportation cannot be intermingled with the interests of aviation. That is my answer as to whether or not there should be, as the gentleman from Missouri [Mr. SHORT] said, a great unified transportation committee in this House.

I have the highest respect for the Committee on Interstate and Foreign Commerce, but I submit in all fairness that in 1941 and 1942 there were but two little unimportant bills reported from the Committee on Interstate and Foreign Commerce.

Mr. BULWINKLE. Mr. Speaker, will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from North Carolina.

Mr. BULWINKLE. The gentleman surely does not call the bill providing for the training of civilian air pilots a minor bill?

Mr. NICHOLS. Maybe they were important bills; at any rate, there were only two.

The bill H. R. 1012 will be before the House for consideration in just a few days. I think it was because the committee was too busy, but the Committee on Interstate and Foreign Commerce did not hear the final oral testimony of the Administrator of the Civil Aeronautics Administration. I have before me his letter as proof of that statement. It is a letter to the gentleman from California [Mr. LEA], chairman of the Committee on Interstate and Foreign Commerce.

Mr. BULWINKLE. Mr. Speaker, will the gentleman yield?

Mr. NICHOLS. I yield.

Mr. BULWINKLE. The gentleman is mistaken.

Mr. NICHOLS. No; I am not.

Mr. BULWINKLE. Mr. Stanton appeared before the committee.

Mr. NICHOLS. Yes.

Mr. BULWINKLE. He spent the entire morning before the committee, as every member of the committee knows.

Mr. NICHOLS. That is right. Mr. Stanton did appear before the committee to testify as to generalities. He asked additional time to come back, and they said, "No, you will have to file that in writing." Here it is. He said, "All right, I can have 2 days, I guess?" No; the committee advised him that the time was so short he would have to file his report in 1 day. Here is his report and his letter. I can quote from it. It is addressed to the gentleman from California [Mr. LEA]. He said:

> I am submitting this report to you without securing the clearance of either the Department of Commerce or the Bureau of the Budget.

He said further:

> Our review of H. R. 1012 indicates that no attempt has been made to clarify in the basic legislation the existing relationship between the Civil Aeronautics Board, the Civil Aeronautics Administration, and the Department of Commerce created by Reorganization Plans III and IV.

There follows his testimony on that subject.

I received a letter only yesterday from Mr. Stanton, which is here for your perusal.

The SPEAKER. All time has expired on the gentleman's side.

The gentleman from New York has 8 minutes remaining.

Mr. FISH. Mr. Speaker, I yield the balance of the time on this side to the distinguished minority leader, the gentleman from Massachusetts [Mr. MARTIN].

Mr. MARTIN of Massachusetts. Mr. Speaker, I know the Members of the House will believe me when I say that I rise here only because of a sense of patriotism and because of a real desire to contribute to the welfare of my country. I have no selfish motive when I arise to plead for the adoption of this resolution.

Mr. Speaker, there has been a great deal of confusion and misunderstanding about this proposal. Let us get down to facts and forget personalities. What are we asked to decide upon today?

We are asked to determine whether the House wishes to have an intelligent and comprehensive part in the post-war aviation planning. We are asked to decide whether we believe this great industry, this industry which has already changed the political and economic status of the world and which will even more greatly shape the future destiny of people and of governments, is worthy of a special standing committee in the Congress of the United States. Establish this standing committee and we have provided the means by which we can obtain a real voice in determining the future of aviation which is aiding materially in winning the war and which will shape the pattern of peace.

I realize there is strong opposition to the proposal. There is always strong opposition to any progressive forward-looking suggestion. Aviation through the years has always been forced to fight "stand-patism."

Let us look at the opposition for a moment. There is the opposition of some members of the committee which would be shorn of some of its jurisdiction. That is quite natural and I want to say here that I have a profound respect for the personnel of the Interstate and Foreign Commerce Committee. It is an able committee and it has done honest, conscientious work.

I believe civil aviation is of sufficient importance to the people to dignify it with a committee to deal exclusively with its problems. One can have that opinion without reflecting upon a committee which is overwhelmed with more problems than any other committee of the House, with the possible exception of the Appropriations Committee. No; this proposal must not be considered as any reflection upon the Interstate and Foreign Commerce Committee.

There is the opposition of the stand-patter—the one who believes in letting things be as is—the one who never would emerge into new horizons. Then there is the usual group of selfish interests who fear any change may be detrimental to them. I can see no good reason why they should be unduly excited. I certainly have confidence any committee this House will name will be one which will give fair, honest, and intelligent consideration to the problems involved. No one should ask more than that. I know the Republicans will have a strong, able representation. I believe the democratic Ways and Means Committee can be depended upon to recognize the great importance of the committee and select a strong personnel.

Aviation is a contribution America gave to the world. The Government has lagged behind in giving it the proper encouragement. It remained for brave, courageous individuals to blaze the trails

and keep America in the front ranks of this dynamic industry—the industry which will be so potent in the years ahead.

You can block aviation; you can slow down its advancement; you can cripple its expansion but eventually aviation will emerge triumphant because it is destined to be of service to the people of the world.

When this war is over, millions of boys will come back, devotees of aviation and air travel. Air bases will dot every part of the globe. The value of air passenger and cargo transportation will be enormously increased. Aviation will be the means by which we will be brought into closer touch with the rest of the world and present to us greater opportunities of trade and commerce. Recluse nations will be opened to travel.

Shall we take the fullest advantage of this opportunity? I hope so, and the way to do it is to have a committee of air-minded Congressmen who can give the many hours of study needed for us to acquire the full benefits of this modern and expanding industry.

In every part of the world brave Americans are fighting for freedom, for security, and to make the world a better place for the average man and woman.

We who have been left behind must keep faith with these fighting men and women. We must give them the tools to fight with; we must mak. certain of the preservation of our way of life, and we must do all possible to provide a better future.

The service men and women, when they return, will want jobs—good jobs. Intelligent utilization of aviation will help achieve their desires. Aviation, properly directed, can provide millions of jobs. We must not halt the march of progress.

The bureaucrats will be ready with their post-war aviation plans. They have them now resting in their desks. Does the House want to share in making this decision? Do we want to help define the future policy, or do we want the bureaucrats to assume the entire responsibility? The House can have a voice if we have the plans and a committee which through study shall include many members who will become specialists in this particular field.

Several have said to me: "Of course, we must have this committee, but not now; wait until the war is over." That is the familiar voice of those who try to block progress. After the war will be too late. Now is the time to get ready.

No subject will be more prominent at the peace table than aviation, because it will determine, in a large measure, the future world position of the various nations. It may well be the subject over which will be involved the greatest differences.

We have our chance today. Pass this resolution, create the committee, and we will make a forward, progressive step in putting America in a position to fully utilize this dynamic industry in providing jobs, trade, security, and greater progress and prosperity for the people. Do not let them say a year from now, "Congress failed us."

We were not prepared at the outset of the war to use aviaton to the fullest extent. We are paying a heavy price for that failure. Let us not repeat the same mistake in the field of commercial aviation. Pass this resolution and give the House the opportunity to make a real contribution to America's progress.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. NICHOLS. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. NICHOLS: On page 1, line 4, after "on" and before "aviation", insert "civil and commercial."

Mr. BULWINKLE. Mr. Speaker, I rise in opposition to the amendment.

The SPEAKER. The gentleman from North Carolina is recognized for 1 hour.

Mr. BULWINKLE. Mr. Speaker——

RECESS

The SPEAKER. Pursuant to the inherent power lodged in the Presiding Officer in case of emergency, the Chair declares this House in recess subject to the call of the Chair for the purpose of participating in a practice air-raid drill. The alarm has sounded. Members will leave the Chamber as rapidly as possible, and the galleries will be cleared.

Accordingly (at 2 o'clock and 10 minutes p. m.) the House stood in recess, subject to the call of the Speaker.

AFTER RECESS

At 3 o'clock and 4 minutes p. m., the House was called to order by the Speaker.

The SPEAKER. The gentleman from North Carolina [Mr. BULWINKLE] has the floor.

Mr. BULWINKLE. Mr. Speaker, in taking the floor just now before the practice air-raid drill, I did so for this purpose. For an hour or half an hour I had listened to the proponents of this resolution who got up and said, "Take it as it is," and then we saw the most surprising spectacle of the proponents of the resolution saying to the membership of the House, "It is wrong; I am offering an amendment." Mr. Speaker, I have the amendment in my hand, and I say that it does not amount to anything on the resolution at present.

Mr. GORE. Mr. Speaker, will the gentleman read the amendment?

Mr. BULWINKLE. The amendment is as follows:

Page 1, line 4, after the "on" and before the word "aviation", insert "civil and commercial."

Well and good, but that is not the point in this. If you will look down the resolution further, beginning on line 6, it will be seen that that is the portion of the resolution which should have been amended, and the amendment should have been to insert the words "civil and commercial" before the word "aviation." Imagine a resolution being introduced in the House creating a new committee, and its never saying where legislation affecting the subject should go, just merely saying:

To aviation, other than appropriations therefor, including all commercial and civil aviation.

Mr. NICHOLS. Mr. Speaker, will the gentleman yield?

Mr. BULWINKLE. I yield for a question.

Mr. NICHOLS. The resolution of course in 1 and 3 provides for the amendment of Rule X.

Mr. BULWINKLE. Ask the question, if you please.

Mr. NICHOLS. Oh, I was trying to explain to the gentleman.

Mr. BULWINKLE. I am not asking for an explanation. The resolution speaks for itself.

Mr. NICHOLS. I know that the gentleman wants to be fair.

Mr. VINSON of Georgia. Mr. Speaker, will the gentleman yield?

Mr. BULWINKLE. I yield first for a question, to the gentleman from Oklahoma.

Mr. NICHOLS. The gentleman says that this amendment should have been offered to line 6. I point out to the gentleman that line 6 is the beginning of a new sentence. Line 4 is the only place the amendment should be offered to accomplish the purpose suggested by the gentleman from Georgia.

Mr. BULWINKLE. I think it is wrong.

Mr. VINSON of Georgia. Mr. Speaker, will the gentleman yield?

Mr. BULWINKLE. Yes.

Mr. VINSON of Georgia. Under the amendment now, there is no committee that would have jurisdiction of civil aeronautics. Is not that correct?

Mr. BULWINKLE. That is correct. We do not know whether it was military or naval aviation.

Mr. NICHOLS. Mr. Speaker, will the gentleman yield?

Mr. BULWINKLE. I yield for a question.

Mr. NICHOLS. I do not want to ask a question. I want to fairly discuss this thing with the gentleman. The gentleman has the time of course.

Mr. BULWINKLE. I realize that I have the time, and I say to the gentleman and I call it to the attention of the House, and say right now, vote for this amendment offered by the gentleman and then vote against the resolution, for I say on my own responsibility as a Member of this House that the Legislative Drafting Service, for whom I have the highest respect, the highest regard, had nothing to do with the drafting of this resolution.

Mr. NICHOLS. Mr. Speaker, will the gentleman yield to me?

Mr. BULWINKLE. Mr. Speaker, I move the previous question on the the amendment and resolution.

The SPEAKER. The question is on ordering the previous question on the amendment and resolution.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the amendment.

Mr. MARTIN of Massachusetts. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. KENNEDY. Mr. Speaker, a parliamentary inquiry. Do I understand that we are now voting on the amendment?

The SPEAKER. We are voting on the amendment to the resolution.

Mr. KENNEDY. And not the resolution itself?

Mr. MICHENER. Mr. Speaker, a parliamentary inquiry. If this amendment is agreed to, it will remove the objection to much——

The SPEAKER. That is not a parliamentary inquiry.

Mr. BOREN. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BOREN. I understood the gentleman from North Carolina to move the previous question on the amendment and resolution. Does it mean, if we vote "yea" now, that we set up a separate committee?

The SPEAKER. No. The Chair has stated that the roll call has been ordered on the amendment to the resolution.

Mr. NICHOLS. Mr. Speaker, I ask unanimous consent that the amendment be again reported.

The SPEAKER. Without objection, the Clerk will again report the amendment.

The Clerk read as follows:

Amendment offered by Mr. NICHOLS: Page 1, line 4, after the word "on" and before the word "aviation", insert "civil and commercial."

The SPEAKER. The Clerk will call the roll.

The question was taken; and there were—yeas 207, nays 191, answered "present" 1, not voting 35, as follows:

[Roll No. 18]

YEAS—207

Abernethy	Dirksen	Jeffrey
Allen, Ill.	Ditter	Jenkins
Andersen, H. Carl	Domengeaux	Jensen
Anderson, Calif.	Dondero	Johnson, Anton J.
Andresen, August H.	Dworshak	Johnson, Calvin D.
Andrews	Ellis	Johnson, Ind.
Angell	Ellsworth	Johnson, J. Leroy
Arends	Elmer	Johnson, Okla.
Arnold	Elston, Ohio	Jones
Auchincloss	Englebright	Jonkman
Baldwin, N. Y.	Fellows	Judd
Barden	Fenton	Kean
Barrett	Fish	Kearney
Barry	Gale	Kee
Bates, Mass.	Gallagher	Keefe
Beall	Gamble	Kefauver
Bell	Gathings	Kilburn
Bender	Gavin	Kinzer
Bennett, Mo.	Gearhart	Kleberg
Bishop	Gerlach	Kunkel
Blackney	Gifford	LaFollette
Bolton	Gilchrist	Landis
Bradley, Mich.	Gillette	LeCompte
Brehm	Gillie	LeFevre
Brown, Ohio	Goodwin	Lewis, Ohio
Buffett	Graham	Luce
Busbey	Grant, Ind.	McCowen
Butler	Griffiths	McLean
Canfield	Gross	McWilliams
Carlson, Kans.	Guyer	Maas
Carson, Ohio	Gwynne	Magnuson
Carter	Hagen	Mahon
Case	Hale	Martin, Iowa
Chenoweth	Hall, Edwin Arthur	Martin, Mass.
Chiperfield	Halleck	Michener
Church	Hancock	Miller, Conn.
Clason	Harness, Ind.	Miller, Mo.
Clevenger	Hart	Miller, Nebr.
Cole, Mo.	Hartley	Monkiewicz
Cole, N. Y.	Heidinger	Morrison, La.
Compton	Herter	Mott
Courtney	Hess	Mruk
Cox	Hill	Mundt
Crawford	Hoeven	Murray, Wis.
Culkin	Hoffman	Nichols
Cunningham	Holmes, Wash.	Norman
Curtis	Hope	O'Brien, Mich.
Day	Horan	O'Brien, N. Y.
Dewey	Hull	O'Brien, Ill.
Pace	Schiffler	Taylor
Phillips	Schwabe	Thomas, N. J.
Pittenger	Scott	Tibbott
Ploeser	Shafer	Troutman
Plumley	Sheppard	Van Zandt
Poulson	Short	Vorys, Ohio
Powers	Simpson, Ill.	Vursell
Pracht	Simpson, Pa.	Weichel, Ohio
Ramey	Smith, Maine	Welch
Randolph	Smith, Wis.	West
Rankin	Springer	Wheat
Reed, N. Y.	Stanley	Whitten
Rees, Kans.	Stearns, N. H.	Whittington
Robsion, Ky.	Stefan	Wickersham
Rockwell	Stevenson	Wigglesworth
Rodgers, Pa.	Stockman	Willey
Rogers, Calif.	Sundstrom	Wilson
Rogers, Mass.	Taber	Winstead
Rohrbough	Talbot	Wolcott
Rolph	Talle	Wolfenden, Pa.

NAYS—191

Allen, La.	Grant, Ala.	Newsome
Anderson, N. Mex.	Green	Norrell
Baldwin, Md.	Gregory	Norton
Bates, Ky.	Hall, Leonard W.	O'Brien, Ill.
Beckworth	Hare	O'Connor
Bland	Harless, Ariz.	O'Hara
Bloom	Harris, Ark.	O'Konski
Bonner	Harris, Va.	O'Leary
Boren	Hays	O'Neal
Bradley, Pa.	Hébert	Outland
Brooks	Heffernan	Patman
Brown, Ga.	Hendricks	Peterson, Fla.
Bryson	Hobbs	Peterson, Ga.
Bulwinkle	Hoch	Pfeifer
Burch, Va.	Holifield	Philbin
Burchill, N. Y.	Holmes, Mass.	Price
Burdick	Howell	Priest
Burgin	Izac	Rabaut
Byrne	Jackson	Ramspeck
Camp	Jarman	Richards
Cannon, Fla.	Jennings	Rizley
Cannon, Mo.	Johnson, Luther A.	Robertson
Capozzoli	Johnson, Lyndon B.	Robinson, Utah
Celler	Kelley	Rowan
Chapman	Kennedy	Russell
Clark	Keogh	Sasscer
Coffee	Kerr	Satterfield
Colmer	Kilday	Sauthoff
Cooley	King	Scanlon
Cooper	Kirwan	Schuetz
Costello	Klein	Sikes
Cravens	Lane	Slaughter
Creal	Lanham	Smith, Ohio
Crosser	Larcade	Smith, Va.
Curley	Lea	Smith, W. Va.
D'Alesandro	Lemke	Snyder
Dawson	Lesinski	Somers, N. Y.
Delaney	Ludlow	Sparkman
Dickstein	Lynch	Spence
Dies	McCord	Starnes, Ala.
Dilweg	McCormack	Sullivan
Dingell	McGranery	Sumner, Ill.
Disney	McKenzie	Tarver
Drewry	McMillan	Thomas, Tex.
Durham	McMurray	Thomason
Eberharter	Madden	Tolan
Elliott	Maloney	Vincent, Ky.
Fay	Manasco	Vinson, Ga.
Feighan	Mansfield, Mont.	Voorhis, Calif.
Fisher	Mansfield, Tex.	Wadsworth
Fitzpatrick	Marcantonio	Walter
Flannagan	Mason	Ward
Fogarty	May	Wasielewski
Folger	Merritt	Weaver
Forand	Merrow	Weiss
Ford	Mills	Wene
Fulbright	Monroney	Whelchel, Ga.
Fulmer	Morrison, N. C.	White
Furlong	Murdock	Winter
Gavagan	Murphy	Wolverton, N. J.
Gordon	Murray, Tenn.	Woodrum, Va.
Gore	Myers	Worley
Gorski		Wright
Gossett		Zimmerman
Granger		

ANSWERED "PRESENT"—1

Doughton

NOT VOTING—35

Bennett, Mich.	Johnson, Ward	Rivers
Boykin	Knutson	Rowe
Buckley	Lambertson	Sabath
Cochran	Lewis, Colo.	Sadowski
Cullen	McGehee	Sheridan
Davis	McGregor	Steagall
Douglas	Miller, Pa.	Stewart
Eaton	O'Toole	Sumners, Tex.
Engel	Patton	Towe
Fernandez	Poage	Treadway
Gibson	Reece, Tenn.	Woodruff, Mich.
Hinshaw	Reed, Ill.	

So the amendment was agreed to.

The Clerk announced the following pairs:

Mr. Bennett of Michigan for, with Mr. McGehee against.

Mr. Miller of Pennsylvania for, with Mr. Sadowski against.

General pairs:

Mr. Doughton with Mr. Treadway.

Mr. Cullen with Mr. Eaton.

Mr. Steagall with Mr. Knutson.

Mr. Gibson with Mr. Reece of Tennessee.

Mr. Buckley with Mr. Woodruff of Michigan.

Mr. Cochran with Mr. Ward Johnson.

Mr. Patton with Mr. Douglas.

Mr. O'Toole with Mr. Lambertson.

Mr. Poage with Mr. McGregor.

Mr. Rivers with Mr. Engel.

Mr. Boykin with Mr. Reed of Illinois.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on agreeing to the resolution.

Mr. BOREN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BOREN. On the vote now to be taken, the question is to determine whether or not we shall establish a separate committee by adopting the full resolution.

The SPEAKER. The gentleman is correct.

The question is on agreeing to the resolution.

Mr. MARTIN of Massachusetts. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 143, nays 256, answered "present" 1, not voting 34, as follows:

[Roll No. 19]

YEAS—143

Allen, Ill.	Gamble	Miller, Mo.
Andersen, H. Carl	Gathings	Miller, Nebr.
Andresen, August H.	Gavin	Monkiewicz
Andrews	Gearhart	Morrison, La.
Arends	Gillette	Mundt
Arnold	Gbodwin	Nichols
Auchincloss	Grant, Ind.	Norman
Baldwin, N. Y.	Griffiths	O'Brien, Mich.
Barry	Hagen	Phillips
Bates, Mass.	Hale	Pittenger
Beall	Halleck	Ploeser
Bender	Hart	Poulson
Bennett, Mo.	Hartley	Powers
Bishop	Herter	Pracht
Boykin	Hill	Ramey
Bradley, Mich.	Hoeven	Randolph
Brehm	Hoffman	Rankin
Brown, Ohio	Holmes, Wash.	Rockwell
Buffett	Horan	Rodgers, Pa.
Busbey	Jeffrey	Rogers, Calif.
Canfield	Jenkins	Rogers, Mass.
Carlson, Kans.	Jensen	Rohrbough
Carson, Ohio	Johnson, Anton J.	Rolph
Case	Johnson, Calvin D.	Rowe
Chenoweth	Johnson, J. Leroy	Schiffler
Chiperfield	Johnson, Ind.	Schwabe
Church	Jones	Scott
Clason	Kean	Simpson, Pa.
Clevenger	Kee	Smith, Maine
Cole, Mo.	Kefauver	Springer
Compton	Kilburn	Stanley
Culkin	Kinzer	Stefan
Curtis	Kleberg	Stockman
Day	Kunkel	Sundstrom
Dewey	LaFollette	Talbot
Dirksen	Landis	Thomas, N. J.
Ditter	LeCompte	Troutman
Dondero	Lewis, Ohio	Van Zandt
Dworshak	Luce	Vorys, Ohio
Ellis	McCowen	Vursell
Ellison, Md.	McLean	Weichel, Ohio
Ellsworth	McWilliams	Welch
Elmer	Maas	West
Englebright	Martin, Iowa	Wigglesworth
Fenton	Martin, Mass.	Willey
Fish	Michener	Wilson
Gale	Miller, Conn.	Wolcott
Gallagher		Wolfenden, Pa.

NAYS—256

Abernethy	Grant, Ala.	Norton
Allen, La.	Green	O'Brien, Ill.
Anderson, Calif.	Gregory	O'Brien, N. Y.
Anderson, N. Mex.	Gross	O'Connor
	Guyer	O'Hara
Angell	Gwynne	O'Konski
Baldwin, Md.	Hall, Edwin Arthur	O'Leary
Barden	Hall, Leonard W.	O'Neal
Barrett	Hancock	Outland
Bates, Ky.	Hare	Pace
Beckworth	Harless, Ariz.	Patman
Blackney	Harness, Ind.	Peterson, Fla.
Bland	Harris, Ark.	Peterson, Ga.
Bloom	Harris, Va.	Pfeifer
Bolton	Hays	Philbin
Bonner	Hébert	Plumley
Boren	Heffernan	Price
Bradley, Pa.	Hendricks	Priest
Brooks	Hess	Rabaut
Brown, Ga.	Hobbs	Ramspeck
Bryson	Hoch	Reed, N. Y.
Bulwinkle	Holifield	Rees, Kans.
Burch, Va.	Holmes, Mass.	Richards
Burchill, N. Y.	Hope	Rizley
Burdick	Howell	Robertson
Burgin	Hull	Robinson, Utah
Butler	Izac	Robsion, Ky.
Byrne	Jackson	Rowan
Camp	Jarman	Russell
Cannon, Fla.	Jennings	Sadowski
Cannon, Mo.	Johnson, Luther A.	Sasscer
Capozzoli	Johnson, Lyndon B.	Satterfield
Carter	Johnson, Okla.	Sauthoff
Celler	Jonkman	Scanlon
Chapman	Kearney	Schuetz
Clark	Keefe	Shafer
Coffee	Kelley	Sheppard
Cole, N. Y.	Kennedy	Sheridan
Colmer	Keogh	Short
Cooley	Kerr	Sikes
Cooper	Kilday	Simpson, Ill.
Costello	King	Slaughter
Courtney	Kirwan	Smith, Ohio
Cox	Klein	Smith, Va.
Cravens	Lane	Smith, W. Va.
Crawford	Lanham	Smith, Wis.
Creal	Larcade	Snyder
Crosser	Lea	Somers, N. Y.
Cunningham	LeFevre	Sparkman
Curley	Lemke	Spence
D'Alesandro	Lesinski	Starnes, Ala.
Dawson	Ludlow	Stearns, N. H.
Delaney	Lynch	Stevenson
Dickstein	McCord	Sullivan
Dies	McCormack	Sumner, Ill.
Dilweg	McGranery	Taber
Dingell	McKenzie	Talle
Disney	McMillan	Tarver
Domengeaux	McMurray	Taylor
Drewry	Madden	Thomas, Tex.
Durham	Magnuson	Thomason
Eberharter	Mahon	Tibbott
Elliott	Maloney	Tolan
Elston, Ohio	Manasco	Vincent, Ky.
Fay	Mansfield, Mont.	Vinson, Ga.
Feighan	Mansfield, Tex.	Voorhis, Calif.
Fellows	Marcantonio	Wadsworth
Fisher	Mason	Walter
Fitzpatrick	May	Ward
Flannagan	Merritt	Wasielewski
Fogarty	Merrow	Weaver
Folger	Mills	Weiss
Forand	Monroney	Wene
Ford	Morrison, N. C.	Wheat
Fulbright	Mott	Whelchel, Ga.
Fulmer	Mruk	White
Furlong	Murdock	Whitten
Gavagan	Murphy	Whittington
Gerlach	Murray, Tenn.	Wickersham
Gifford	Murray, Wis.	Winstead
Gilchrist	Myers	Winter
Gillie	Newsome	Wolverton, N. J.
Gordon	Norrell	Woodrum, Va.
Gore		Worley
Gorski		Wright
Gossett		Zimmerman
Graham		
Granger		

ANSWERED "PRESENT"—1

Doughton

NOT VOTING—34

Bell	Engel	Lambertson
Bennett, Mich.	Fernandez	Lewis, Colo.
Buckley	Gibson	McGehee
Cochran	Heidinger	McGregor
Cullen	Hinshaw	Miller, Pa.
Davis	Johnson, Ward	O'Toole
Douglas	Judd	Patton
Eaton	Knutson	Poage
Reece, Tenn.	Steagall	Treadway
Reed, Ill.	Stewart	Woodruff, Mich.
Rivers	Sumners, Tex.	
Sabath	Towe	

So the resolution was rejected.

The Clerk announced the following pairs:

Mr. Treadway for, with Mr. Doughton against.

Mr. Knutson for, with Mr. Steagall against.

Mr. Judd for, with Mr. Douglas against.

Mr. Bennett of Michigan for, with Mr. McGehee against.

General pairs:

Mr. Cullen with Mr. Eaton.

Mr. Gibson with Mr. Reece of Tennessee.

Mr. Lewis of Colorado with Mr. McGregor.

Mr. Buckley with Mr. Woodruff of Michigan.

Mr. Cochran with Mr. Ward Johnson.

Mr. Davis with Mr. Reed of Illinois.

Mr. O'Toole with Mr. Lambertson.

Mr. Rivers with Mr. Engel.

Mr. Patton with Mr. Miller of Pennsylvania.

Mr. Stewart with Mr. Heidinger.

Mr. Poage with Mr. Towe.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. DINGELL. Mr. Speaker, I ask unanimous consent to insert in the RECORD a brief editorial, with my comment.

The SPEAKER. Is there objection?

There was no objection.

TEXAS INDEPENDENCE DAY

Mr. McCORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. McCORD. Mr. Speaker, this morning we joined with Texas in extending our felicitations on their birthday. The history of Texas is one of the most romantic of all of our American development. The history of Texas in its romance produced some of the most colorful characters among American statesmen and soldiers. I refer to the Alamo, to San Jacinto, to David Crockett and to Sam Houston, two of the most colorful characters in all history.

Being a Tennessean, naturally I have pride in the part that Tennessee has contributed to the development of this great Commonwealth of the West. It is worth while to think for a moment that three distinguished Members of this body of the Texas delegation are Tennesseans. It is also interesting to note that one of the outstanding statesmen of the world today, one who could wear any honor that his country could confer upon him, is a Texan, and first a Tennessean—the Speaker of the House of Representatives of the Seventy-eighth Congress.

The SPEAKER. The time of the gentleman from Tennessee has expired.

EXTENSION OF REMARKS

Mr. MILLER of Connecticut. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. McGRANERY. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein a splendid statement on labor by Rev. Jerome A. Drolet.

The SPEAKER. Is there objection?

There was no objection.

(Mr. HOLIFIELD asked and was given permission to revise and extend his own remarks.)

PREVENTION OF SPECULATION IN COLUMBIA BASIN LANDS

Mr. WHITE submitted a conference report on the bill (H. R. 839) entitled "An act to amend the act approved May 27, 1937 (ch. 269, 50 Stat. 208), by providing substitute and additional authority for the prevention of speculation in lands of the Columbia Basin project, and substitute an additional authority related to the settlement and development of the project, and for other purposes," for printing under the rule.

EXTENSION OF REMARKS

Mr. MAGNUSON. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Missouri [Mr. COCHRAN] may have permission to extend his own remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. WHITE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an article on money by Mr. Sidney Norman.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. KEFAUVER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a speech by former Senator Prentiss Brown.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. NORRELL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include therein a short poem.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. DWORSHAK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a brief statement by the Idaho Farm Bureau Federation.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I ask unanimous consent that the special order I had today of 30 minutes may be transferred to tomorrow following the business of the day and other special orders.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

GEN. FRANK T. HINES

Mr. CASE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. CASE. Mr. Speaker, today marks the twentieth anniversary of the commencement of service in the Veterans' Administration of Gen. Frank T. Hines. He has served under four Presidents, coming to the position under President Harding, and serving under Presidents Coolidge, Hoover, and Roosevelt, almost equally under Republican and Democratic administrations. That would be an unusual record in any position. It is particularly so in a position calling for the tact, understanding, and executive ability needed in the administration of veterans' affairs. On this occasion, the twentieth anniversary of his entering upon this work, I want to extend to him congratulations.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. CASE. I yield.

Mr. McCORMACK. I am very glad to join my distinguished friend in congratulating General Hines. I know of no public official whom I have met in my 15 years of service in Washington for whom I have a more profound respect, nor do I know of any man who has administered the responsibilities of his office—very serious responsibilities—in a finer manner or in a manner which has received greater commendation than has General Hines, whom my friend from South Dakota so properly honors today.

The SPEAKER. The time of the gentleman from South Dakota has expired.

ORDER OF BUSINESS FOR WEDNESDAY, MARCH 3, 1943

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I understand the majority leader has assigned a new subject for consideration tomorrow. Will he be good enough to tell the House what the program for tomorrow will be?

Mr. McCORMACK. Yes. The conference report on the Columbia Basin bill that has just been filed will be called up tomorrow. I imagine it will not take long.

Mr. MARTIN of Massachusetts. That is the only legislation to be brought up tomorrow?

Mr. McCORMACK. That is the only thing that will come up tomorrow.

EXTENSION OF REMARKS

Mr. MAGNUSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a letter.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

(Mr. BOREN asked and was given permission to extend his own remarks in the RECORD.)

ORDER OF BUSINESS FOR THURSDAY AND FRIDAY OF THIS WEEK

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to proceed for 30 seconds.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. McCORMACK. Mr. Speaker, in view of the many inquiries made of me, although I have announced it before, I announce again that on Thursday and Friday of this week the Navy Department Appropriation bill will be before the House for consideration.

PERSONAL PRIVILEGE

Mr. HOFFMAN. Mr. Speaker——

The SPEAKER. For what purpose does the gentleman from Michigan rise?

Mr. HOFFMAN. Mr. Speaker, I rise to a question of personal privilege.

The SPEAKER. The gentleman will state it.

Mr. HOFFMAN. Mr. Speaker, on page 10 of Marshall Field's paper known as PM, published on Friday, December 11, 1942, there is an editorial which contains the following statement:

> Representative CLARE HOFFMAN, of Michigan, * * * who cooperated with the Nazi propaganda ring before Pearl Harbor, wants to investigate us.

That charge calls in question the loyalty, the patriotism, the integrity of the Member from the Fourth District of Michigan and reflects upon him in his representative capacity.

The SPEAKER. The Chair thinks the gentleman states a point of personal privilege and he may proceed.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to include in my remarks various newspaper articles and letters and a part of the record on Walter Winchell as well as court opinions and decisions.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. HOFFMAN]?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, the writer of that editorial, Kenneth Crawford, of PM, who seems to have been an ardent interventionist, in the same editorial further wrote, referring to the Member from Michigan:

> He says we conspired to beat him and other splendid Americans of his stripe for reelection to Congress last month. He is right. We did so conspire.

Inasmuch as there cannot be a conspiracy unless several are involved, and this writer admits that he is engaged in such a conspiracy, and, as on the occasion to which he refers, it was my privilege to call the attention of the House to certain actions of one Dillard Stokes, alias Quigley Adams, alias Jefferson Breem, a reporter for the Washington Post; to the articles printed by the Washington Post, by PM; to certain statements made by the convict, Earl Browder, and to certain acts of William Power Maloney, recently in charge of grand-jury investigations here in Washington, and an assistant to the Attorney General; and to the actions of Walter Winchell, who holds rank of lieutenant commander in the Navy, subsequent actions of these individuals may be of interest to the public.

The Washington Post of January 19, 1943, carries an editorial captioned "HOFFMAN's charges." The Washington Post admits that its reporter, Stokes, wrote a story telling what happened in the grand-jury room, but claims that he got the information in open court 3 months before the story was written.

If that were true and the story was 3 months old, unless the Post was engaged in a smear campaign against Congress and Congressmen, why did it reprint it 3 months after it happened? It certainly was no longer news.

Moreover, does the Post mean to charge that William Power Maloney or one of the Government prosecutors in open court, to members of the public who might be present, disclosed testimony which had been given before the grand jury? Under what law had the prosecutor the right to repeat in open court testimony which Hill or anyone else had given before them, when sworn to secrecy?

On December 8, from the floor of the House, attention was called by me to another instance where a columnist writing for the Washington Post quoted the testimony of a grand jury witness, Mrs. Goode, and the statement made in the grand jury room, according to the columnist, by a grand juror. The columnist wrote as follows:

> Mrs. Letitia Goode, president of the Dames of the Legal (Loyal) Legion, was a witness before the Federal grand jury investigating Nazi propaganda. Prosecutor William P. Maloney asked her, "What is your organization against?" "Communism," replied Mrs. Goode. "And where do you find it?" continued Maloney. "In the schools," Mrs. Goode told the grand jury. "I find it in all the schools here in Washington. Communism is taught in every school in the Capital." One of the grand jurors, Mrs. Henry Grattan Doyle, stirred in her seat. "Mrs. Goode," she coldly informed, "I think you should know this: I happen to be president of the Board of Education here."

Will the Washington Post tell us where its columnist got the information which enabled him to quote questions to and answers by a grand jury witness?

That Maloney or someone connected with the grand jury or having access to its records was engaged in handing out secret information is shown by an article published in the Detroit News on April 10, when was given to the public the story that copies of Don't Haul Down the Stars and Stripes had been sent to Mrs. Beatrice Knowles, of Detroit, an officer of the American Mothers of Detroit, affiliated with United Mothers of America. That information did not come from Mrs. Knowles. It came from the grand jury room.

Mr. Speaker, this all tends to show that there has been, that there is now, a conspiracy not only against individual Members of Congress but against the Congress itself to destroy the confidence of the people in their chosen representatives. Before I finish, I want to show some of the falsehoods that have been circulated in furtherance of that conspiracy.

Stokes, Maloney, the Washington Post, Eugene Meyer, and Winchell are all tarred with the same stick. They are all mixing the same sort of paint to smear anyone who prior to Pearl Harbor wanted to keep us out of this war.

On the 8th of December last, from the floor of the House, attention was called by me to the acts of certain individuals and to articles printed in certain publications which tended to show that there was a conspiracy to destroy the confidence of the people in the Congress.

One of those named as engaged in disseminating that propaganda was William Power Maloney, a special prosecutor directing the activities of the grand jury which later indicted some 28 persons for sedition.

Two days later, the majority leader, the gentleman from Massachusetts, who is on the floor, evidently thinking Mr. Maloney needed a defense, from the floor of the House said—RECORD of December 10, page 9457:

> The Assistant Attorney General, Mr. Maloney, has established a record of prosecution of persons engaged in subversive activities in this country that makes him stand out very prominently in the eyes of the American people.

Mr. McCORMACK. Will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman.

Mr. McCORMACK. I repeat the statement.

Mr. HOFFMAN. I assumed you would. Some have queer tastes.

Mr. McCORMACK. I stand for that statement now.

Mr. HOFFMAN. I repeat, some have queer tastes.

Mr. McCORMACK. I stand by that statement.

Mr. HOFFMAN. You better.

Mr. McCORMACK. Do not worry; I will.

Mr. HOFFMAN. You stand for Biddle, too, I assume you stand by the persecution that has been indulged in by Maloney.

Mr. McCORMACK. I stand by the statement I made then and the statement is one that in my opinion is correct. I certainly do not stand up defending men like Viereck who 7 years ago, as chairman of a special committee, I found engaged in subversive activities against my country then, and I do not undertake directly, and I would not undertake indirectly, to defend him.

Mr. HOFFMAN. Have you finished? I do not stand here to defend Mr. Viereck, and you understand that too. I did not and I do not express an opinion as to the guilt or innocence of any one of the 34 who have now been indicted. I know nothing about Mr. Viereck. I never saw Mr. Viereck so far as I know and I have no knowledge whatever about the guilt or the innocence of any one of the 34 people who have been indicted. But I say that Viereck and every one of the others is entitled to at least the same kind of a trial that was given to the rapists who came before the United States Supreme Court in the Scottsboro case and each of whom that Court said was entitled to a trial in accordance with the law of the land.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. For a question.

Mr. McCORMACK. I did not want to make any statement which would indicate that the gentleman was defending anyone guilty of subversive activities. I realize that such a construction might be placed upon my extemporaneous remark. I want the RECORD to show that under no conditions would I in any way want it to appear that the gentleman was in that position. On the contrary, I know that he like anyone else, like myself, would condemn anyone he felt was engaged in subversive activities. I simply wanted to say that I stand by the statement I made previously with reference to Mr. Maloney.

Mr. HOFFMAN. Years ago I happened to be a prosecuting officer in my little county. There are many Members of this House who have been prosecuting officers in their respective counties or districts. I say to the gentleman from Massachusetts that I never used a claimed confession from any man who was accused of a crime, and I never permitted a sheriff to use third-degree methods.

I say that if a man lacks the ability, if he is not industrious enough, when he has the power of a county, of a State, of a Nation behind him, to secure a conviction while giving to a man charged with a criminal offense the protection the Constitution and custom throw around him, he ought to resign his office or be removed. It is a poor specimen of humanity who finds it necessary to hold a man accused of a crime in jail and deny to him the benefit of counsel, to haul him clear across the country, rather than try him near his home, as Maloney did in these cases, when he knew that some of those people could not get bail, when he knew that they had no funds to employ attorneys, and keep them down here waiting month after month.

Let me repeat, I know none of these people. I have no knowledge of the merits of their cases. But I say it is an outrage to have a man like Maloney in the service of the Federal Government. It is a disgrace to the Bar of the District to have a man who has acted as has Maloney on the roll of attorneys.

The gentleman from Massachusetts made his statement after I had placed in the RECORD the opinions of two Federal courts condemning Maloney for his unprofessional and unethical practices. I may say to the gentleman that Maloney has secured convictions. Strange indeed would it be if he had not done some good work during all the time he has been employed in the Federal Government. Grant him that. More than strange if his record was wholly bad. But what excuse is there for his conduct as outlined in those two Federal cases. In his record as given by the Supreme Court yesterday?

Mr. WRIGHT. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. Just for a question.

Mr. WRIGHT. Is it the gentleman's philosophy as was expressed in his remarks the other day that we are at fault in this war and that we got into this war by meddling in the foreign policies of other nations? Does the gentleman still hold that opinion?

Mr. HOFFMAN. I have never claimed that we were in this war because of any fault of the American people. I do say, as I have said before, that the President told the Congress to let him handle foreign affairs, as he was thoroughly advised and that the Congress was not; that many things were known to him which the Congress did not know and which could not be disclosed to it. It is a matter of history that, with all his knowledge, the President did not keep us out of war. I have many times given my views. If the gentleman just wants to heckle in asking a question like that, I have no further answer for him at this time. The House is thoroughly familiar with my views, as are the people of my district. If the gentleman wants to ask something about the matter in question, all right. Anything else I will answer at some other time.

Mr. FISH. The gentleman did his best to keep this country out of war.

Mr. HOFFMAN. Certainly. Eighty percent of the people did not want this or any other war. Those who wanted it do not seem overly anxious to take active part in it.

I will say that Ralph Ingersoll, editor of PM, and his boss, Marshall Field, asked for Ingersoll's deferment though both were interventionists, just as Walter Winchell asked to be excused from active service when he was called recently, another warmonger.

While we are talking about that subject, let me just read here—it is a little out of order—what Walter Winchell said in 1939 when he was an isolationist.

Out in the country around the farmhouses, once in a while as you drive past the farmhouse down the road, out will come a little whiffet dog, yipping and snapping at everything that goes passing by. I always think of that when I listen to this man Winchell, always finding fault with someone, making a lot of noise, and always accomplishing really nothing by what he does. This is what Winchell said in 1939, this man who now abuses those who wanted to stay out of war. Said Winchell, according to the April 24, 1939, issue of Life, page 25, and the Reader's Digest of the June following:

> Once again Europe is rolling the loaded dice of destiny. And once again America is asked to play the role of international sucker.

That was Walter. I continue to read:

> The time has come for us to pause and consider. If we must have another Unknown Soldier, let us not ask him to die for an unknown reason. And just what will be accomplished by dying in the mud? He will not increase America's resources; the last war nearly ruined our fertile lands. He will not increase America's wealth; in the last war we loaned our gold and were gold-bricked in return. America must learn that her sons abroad will bring monuments to her glory—but her sons at home are a monument to her common sense. The future of American

youth is on top of American soil—not underneath European dirt.

That was the Winchell who condemns those of us who wanted to avoid this war.

But let us go back to Maloney. Six days after, on the floor of the House, attention had been called to the actions of Stokes, the Washington Post, Earl Browder, Winchell, various publications, and the man Maloney, the gentleman from Kansas [Mr. HOUSTON], from the floor of the House, criticized me because I had charged that Maloney was engaged in a smear campaign and praised Mr. Maloney's conduct as an attorney.

Both the majority leader, Mr. MCCORMACK, and the gentleman from Kansas [Mr. HOUSTON] evidently thought they knew more about Mr. Maloney than did the three Federal courts which had criticized his conduct as an attorney.

Let me quote from two of those Federal cases.

In one it was said:

> Even from the printed record we can see the vigor with which the prosecutor pressed the case, vigor which at times went beyond the canon of decorum and dignity which an officer of the United States should observe. The prosecutor was not averse to indulging his talent for spectacle; chorus girls and movie stars were paraded to the stand to prove only minor portions of the Government's case. Theatrical demonstrations, however diverting to the spectators and jury, have no place in a United States courtroom. Nor was the intemperance of several attacks made upon defendants and their counsel in keeping with the Supreme Court's reminder that the prosecutor is to regard himself as "the servant of the law" (*United States* v. *Buckner* (108 Fed. 2d, 921, 928)).

In another case, the court said a witness testified that—

> His former testimony had been given under an arrangement made with him by a post-office inspector and two assistant district attorneys that, if he testified falsely in support of the Government's case, he would be given executive clemency. * * * As matters turned out, it became plain enough that the witness had told the assistant district attorney and others before he was called to the stand that he had testified falsely before and would not do so again.

The court then sanctioned the impeachment of the witness on the ground that the prosecutor was surprised by his statement in court that the testimony he had previously given was false, saying:

> And so we think the court was well justified in accepting the assurance of surprise and permitting the examination to run its course until the accusation of subornation of perjury was made (*United States* v. *Graham* (102 Fed., 2d, 436, 441, 442)).

Another case, if you are interested, is that of *United States* v. *Dubren* (93 Fed. 2d. 499).

On March 1, 1943, yesterday, the Supreme Court of the United States had something to say about Mr. Maloney and his conduct in securing the conviction of George Sylvester Viereck.

Let me repeat once more that I do not know George Sylvester Viereck. I have no recollection of ever having even seen the man. I have no knowledge whatever of his guilt or his innocence; nor have I any information as to the guilt or the innocence of any one of the other 34 individuals indicted for sedition; nor am I either condemning or defending any one of them.

The question of their guilt or of their innocence is one for the determination of a court and a jury. My interest grows out of the fact that the proceedings in which they are involved have been used by Dillard Stokes, alias Quigley Adams, alias Jefferson Breem, by the Washington Post, by New Republic, by Marshall Field's PM, and other publications to call in question the loyalty and the patriotism of Members of Congress—of whom I happen to be one—and to smear the Congress as a whole.

As a lawyer and a citizen I am also interested in constitutional government and in the constitutional guaranty that every person accused of crime shall be given a fair and impartial trial.

Time and time again the Supreme Court of the United States has reversed convictions because of the improper action of prosecuting officials. Yesterday convictions in three cases were reversed because of improper conduct, unfair and prejudicial conduct on the part of Federal officials.

Here is what the Supreme Court said yesterday, Monday, about this man Maloney down here, who is so highly praised by the majority leader, and I read from the official opinion and will be glad to have my friend the gentleman from Massachusetts [Mr. MCCORMACK] listen to it. It should alter his opinion of Maloney. I read from page 9:

> As the case must be remanded to the District Court for further proceedings we direct attention to conduct of the prosecuting attorney which we think prejudiced petitioner's right to a fair trial, and which independently of the error for which we reverse might well have placed the judgment of conviction in jeopardy. In his closing remarks to the jury he indulged in an appeal wholly irrelevant to any facts or issues in the case, the purpose and effect of which could only have been to arouse passion and prejudice. The trial judge overruled, as coming too late, petitioner's objection first made in the course of the court's charge to the jury.
>
> At a time when passion and prejudice are heightened by emotions stirred by our participation in a great war, we do not doubt that these remarks addressed to the jury were highly prejudicial and that they were offensive to the dignity and good order with which all proceedings in court should be conducted. We think that the trial judge should have stopped counsel's discourse without waiting for an objection.

Mr. FISH. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. Yes.

Mr. FISH. Will the gentleman please state the name of the judge that the Supreme Court criticized?

Mr. HOFFMAN. I do not know the name of the judge, but if the gentleman from New York knows it and wants to insert the name, it is all right with me.

Mr. FISH. The name of the judge is Hon. J. Dickinson Letts.

Mr. HOFFMAN. Note further, that that conduct was so reprehensible, it was so unfair, so unjust, that the Supreme Court said that the trial judge should have stopped the discourse without waiting for an objection. Then the opinion continues as follows:

> The United States attorney is the representative not of an ordinary party to a controversy, but of a sovereignty whose obligation to govern impartially is as compelling as its obligation to govern at all; and whose interest, therefore, in a criminal prosecution is not that it shall win a case, but that justice shall be done. As such, he is in a peculiar and very definite sense the servant of the law, the twofold aim of which is that guilt shall not escape or innocence suffer. He may prosecute with earnestness and vigor and indeed, he should do so. But, while he may strike hard blows, he is not at liberty to strike foul ones.

Mr. MCGRANERY. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. Yes.

Mr. MCGRANERY. Was that a divided opinion or a unanimous opinion?

Mr. HOFFMAN. This is the opinion of the Court, 5 to 2.

Mr. MCGRANERY. A divided opinion.

Mr. HOFFMAN. I agree with that. To continue the reading:

> It is as much his duty to refrain from improper methods calculated to produce a wrongful conviction as it is to use every legitimate means to bring about a just one.

Does the gentleman from Pennsylvania [Mr. MCGRANERY] disagree with that statement of the law?

Mr. MCGRANERY. If the gentleman is asking me a question, whether I agree with that statement——

Mr. HOFFMAN. I am. The gentleman asked me whether it was a divided opinion or not. I answered that it was a 5-to-2 decision. Does the gentleman agree with that statement of legal principles?

Mr. MCGRANERY. I can agree only with the law, as I understand it, and as the Supreme Court has stated it. That is the law, and we must abide by that, but I point out to the gentleman that this case went to the Supreme Court after a new trial asked before the lower court, and after an appeal before the circuit court of appeals, in which you have a unanimous opinion, going up. I merely point out to the gentleman that he may be the sanctum sanctorum, about what is or is not the law, but in this particular matter there is a divided opinion in the Court

Mr. HOFFMAN. That is right. Is the gentleman a lawyer?

Mr. MCGRANERY. Well, we have a distinction up there as between a lawyer and a member of the bar.

Mr. HOFFMAN. No; no. Is the gentleman a member of the bar?

Mr. MCGRANERY. We have lawyers, and we have members of the bar.

Mr. HOFFMAN. The gentleman does not mean a brass-rail bar?

Mr. MCGRANERY. I might not subscribe to perhaps the gentleman's definition of what is a lawyer.

Mr. HOFFMAN. A lawyer, as I take it, is a man who has been admitted to the bar by the authorities of his State.

Mr. MCGRANERY. We do not agree with that.

Mr. HOFFMAN. The gentleman has been admitted to the bar?

Mr. McGRANERY. Yes.

Mr. HOFFMAN. Does the gentleman agree that the statement in the opinion of the Court is sound doctrine?

Mr. McGRANERY. The gentleman is asking me to agree. If I should perhaps have heard some of the reasoning—I would like to know what the records show. I do not want to take the opinion of the Supreme Court without a review of the record. I did not attend these trials, and I do not know what was said. I want the record.

Mr. HOFFMAN. Aside from the record, does the gentleman think that the opinion of Maloney's conduct as given in the majority opinion is a statement of principle with which he can agree?

Mr. McGRANERY. I can agree, as must every other citizen agree, that that language by the Supreme Court is the law. I merely point out to the gentleman that it is a divided opinion.

Mr. HOFFMAN. That is right, and my question is, then, Do you, as a matter of common sense and fair play, agree that that is a good statement, a fair statement, of the kind of trial that a man accused of a crime should have.

Mr. McGRANERY. The gentlemen who voted on that opinion——

Mr. HOFFMAN. Oh, there is the lawyer for you.

Mr. McGRANERY. I did not review the record, and I did not hear the argument, but I should agree, going to Mr. Maloney, as I said, that he is a good, sound lawyer, and an able representative of the United States, before any court.

Mr. HOFFMAN. I regret that the Supreme Court does not agree with you, but they do not.

Mr. FISH. Will the gentleman point out that it was a unanimous opinion on the conduct of Maloney?

Mr. HOFFMAN. Here is what the other two Justices said. One of the papers said that Black came to the rescue of Maloney. You have not read the dissenting opinion, have you?

Mr. McGRANERY. No; I did not. I have not read the opinion at all.

Mr. HOFFMAN. No. Well, you will be surprised when you read it. You have heard me read what 5 of the Justices said of Maloney's conduct. Now, listen to the dissenting opinion by Justice Black. Here is what he said. I quote:

> The reversal here apparently does not rest on the concluding remarks of counsel for the Government set forth in the Court's opinion. I am in accord with the sentiments expressed in *Berger* v. *United States* (295 U. S. 78, 88), which the Court today repeats.

The two dissenting justices are in accord with the statement of the majority when it quoted from the Berger case, and this is the statement of the majority:

> The United States attorney is the representative not of an ordinary party to a controversy.

And so on.

> He may prosecute with earnestness and vigor—indeed, he should do so, but while he may strike hard blows, he is not at liberty to strike foul ones.

And Justice Black and Justice Douglas say they are in accord with that statement.

Mr. McGRANERY. In accord with the statement in what case?

Mr. HOFFMAN. In this case.

Mr. McGRANERY. No, sir. You said in some other case—295 United States, if I understood you correctly.

Mr. HOFFMAN. Listen, now. Said Justice Black:

> I am in accord with the sentiments expressed in *Berger* v. *United States*—

Which is quoted and from which I read. In that case the court declared—now, this is the direct language of Justice Black:

> In that case the Court declared that counsel had misstated the facts; put words into the mouths of witnesses which they had not said; intimated that statements had been made to him personally out of court in respect of which no proof was offered; pretended to understand that a witness had said something which he had not; bullied and argued with the witnesses; and committed other offenses. This court properly declared that his conduct called for stern rebuke by the trial judge, for repressive measures, and "perhaps, if these were not successful, for the granting of a mistrial."
>
> A prosecutor must draw a careful line. On the one hand he should be fair; he should not seek to arouse passion or engender prejudice. On the other hand, earnestness or even a stirring eloquence cannot convict him of hitting foul blows.

Mr. McGRANERY. Will the gentleman yield?

Mr. HOFFMAN. No. I think we have spent enough time on that.

Mr. CREAL. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. I yield.

Mr. CREAL. All you have read would lead the membership to believe that the reversal was because of what the prosecuting attorney said.

Mr. HOFFMAN. Oh, no, no.

Mr. CREAL. You have not mentioned anything else. You have not given this body the reason why the Court reversed that case. That remark was an incidental spanking to the commonwealth attorney, with which I agree. He overstepped himself. But the reversal was because this man Viereck said that that was his own propaganda and not Germany's, but was exactly alike. That is the reason and that is what the Court said, and you have not mentioned that up to this minute. The only reason you gave was the misconduct of the commonwealth attorney.

Mr. HOFFMAN. Now, you have said that twice, have you not?

Mr. CREAL. Yes.

Mr. HOFFMAN. Now let me show you how wrong you are. The case was not reversed because of the conduct of Maloney. With that correction, you are correct about the reason for the reversal of the case. What I started to read, the first sentence I read was:

> As the case must be remanded to the district court for further proceedings, we direct attention to the conduct of the prosecuting attorney.

The case was not reversed because of the action of the prosecuting attorney. It was reversed for another reason.

Mr. CREAL. Then why did you not tell this body that?

Mr. HOFFMAN. Because I am not arguing the question of the guilt or innocence of Viereck.

Mr. CREAL. No. You are just stating the reason of the court's finding, and you gave this audience a reason other than the real reason for the reversal.

Mr. HOFFMAN. No; that is not correct. I did not give a reason as to why the case was reversed. I was and I am talking about Maloney's unfitness as shown by the Supreme Court's opinion to act as a prosecuting officer. I am not arguing about the guilt or innocence of Viereck. If I had been arguing that question I would discuss the reason for the reversal. What I am showing you is that Maloney is not fit to be a prosecuting official of the United States. That is what I am showing you, and nothing else, except that he is engaged in this conspiracy with Winchell and the Washington Post and Dillard Stokes and Earl Browder and PM, Marshall Field's publication, and the New Republic, and all of those people who are guilty of slandering and libeling Members of Congress, the Congress, and some patriotic organizations. That is what I am trying to show. I do not hold any brief and you cannot put me in the position of holding a brief for Viereck or anyone else.

Mr. CREAL. But I want to ask you about the court——

Mr. HOFFMAN. I cannot yield any further.

Mr. CANNON of Florida. Will the gentleman yield to me?

Mr. HOFFMAN. I yield.

Mr. CANNON of Florida. If the case you referred to was reversed and remanded for other reasons, what you just said the judges said was simply dicta and was not to be listened to in the first place. It was just dicta.

Mr. HOFFMAN. Oh, no; it was not. It was a directive from the United States Supreme Court straight through to Mr. Maloney and incidentally to all other prosecutors to give defendants, guilty or innocent, a fair trial. Just let Maloney try a similar stunt again and see if a conviction will be reversed or not.

Now, the gentleman from Florida [Mr. CANNON] can call it dicta if he wishes but the Court was telling the prosecutor that he had better watch his step next time; that is what it was telling him.

That is the fourth time that Maloney's conduct has been commented upon unfavorably by a United States court. The Viereck case is the fourth case of record where Maloney has transgressed the rules which guarantee a fair trial under the Constitution; where he has been guilty of unethical conduct.

Let me add, if an accurate transcript of the proceedings of the grand jury is produced, I will show that Maloney willfully and deliberately failed to state the truth to the grand jury.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. I yield.

Mr. McCORMACK. It might interest the gentleman to know that in 1934 the special committee of which I was chairman uncovered evidence showing that the German Consul in New York was

paying Mr. Viereck $500 a month for propaganda purposes in the United States, and that as a result of that testimony and testimony obtained showing that the late Ivy Lee was indirectly in the pay roll of the German Reich for propaganda purposes, and that one other man whose name I forget, a man connected with an organization in New York was also directly or indirectly in the employ of the German Government, the Nazi Government through the German railways, the McCormack Act, compelling persons in such employ directly or indirectly to register, was passed. I have, of course, read the opinion of the Supreme Court, and read it with a great deal of interest, because it does not declare the act unconstitutional, as I understand it; it states that the act of 1941 did not cover this particular type of case.

Mr. HOFFMAN. That it was indefinite.

Mr. McCORMACK. I beg pardon?

Mr. HOFFMAN. The Court stated that the law was indefinite.

Mr. McCORMACK. Yes; we have amended it since that time. Viereck, of course, was prosecuted under the original act. The Supreme Court's decision is final and we all have respect for the Court.

Mr. HOFFMAN. Well, the gentleman does not disagree with the general principle laid down or the criticism of Maloney's conduct, I am sure.

Mr. McCORMACK. When we talk about a man's conduct we talk about his conduct not only on a specific occasion but over the entire period of time.

Mr. HOFFMAN. No; I mean in this case.

Mr. McCORMACK. The Supreme Court has spoken; it is a divided opinion.

Mr. HOFFMAN. Mr. Speaker, I cannot yield further.

Mr. McCORMACK. Does the gentleman want to take that arbitrary attitude?

Mr. HOFFMAN. No, but the gentleman from Massachusetts is getting so far away from the point and, though asked, has not yet said he agreed or did not agree with the Court's opinion of Maloney's conduct in the Viereck case.

Mr. McCORMACK. The gentleman interrupted my observation.

Mr. HOFFMAN. But it is so long; it is like one of those 70-car freight trains.

Mr. McCORMACK. I am sorry it is long, but my dear friend's proximity is a powerful influence on me at times.

Mr. HOFFMAN. I know it is a good example; go ahead.

Mr. McCORMACK. I am sure it is a good example; but with all due respect, we have got to accept the Supreme Court's opinion. I know that at the time the bill was drafted it was the intention of the author of the bill to cover just such cases as properly should be covered against any person engaged in subversive activities in this country. I am sure the amendment to the law makes it sufficiently strong that had this violation occurred under the amended law the decision on the basic question involved would have been different.

Mr. HOFFMAN. Let me say to the gentleman from Massachusetts that he is entitled to the thanks of all the people of the United States for the work he did on that committee to which he makes reference, and whose work was completed so long ago. No one has overlooked that. I think it was good work. We all acknowledge it. But I am sure that the gentleman when he thinks about this thing seriously will agree with the statement of the Supreme Court that a man is entitled to a fair trial under the Constitution and regular procedure. I do not think there is any question in his mind but that the Supreme Court says this man did not have that kind of trial.

Do not misunderstand my position. I am not defending Viereck or any one of these people they have arrested. So far as I am concerned, it makes no difference to me whether they convict Viereck or all the rest of them if they can do it legally; but I do say that the humblest citizen in the land—and the Supreme Court has said it time and time again, and no fair-minded man will deny it—that anyone, no matter who he is, is entitled to a trial in accordance with the law of the land.

I say it is a cowardly, dastardly thing for a prosecuting official with the power of the United States Government behind him to deprive a defenseless man or woman who is accused and brought before a court or a grand jury of his or her constitutional rights. One of the Supreme Courts—I think it was the Supreme Court of the United States—recently decided that, even where an adult in his right mind said he did not want counsel, he had to have counsel in order that protection might be given him.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. I yield.

Mr. KEEFE. A reading of this opinion would impress anyone who is a lawyer that the Supreme Court has gone out of its way to call attention to the conduct of the prosecutor even when it was not necessary to do it in order to decide the issues of the case.

They say:

> As the case must be remanded to the district court for further proceedings, we direct attention to conduct of the prosecuting attorney which we think prejudiced petitioner's right to a fair trial and which independently of the error for which we reverse might well have placed the judgment of conviction in jeopardy.

They were so impressed by the dastardly character of the conduct of this trial by the prosecutor that they went our of their way in writing this opinion to direct attention to it and to condemn it, even though it was not necessary to a determination of the issues of that case and to describe such a statement as mere dicta is to indicate that the gentleman who makes that charge is perhaps a neophyte in the law.

Mr. McCORMACK. Will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman.

Mr. McCORMACK. Now that the supreme court of the House of Representatives has spoken, I just want the record to show, and I do not want my friend to even himself leave the impression, that I on this side am trying to put him in the position of defending Viereck. I am not. I have specifically stated before that I know that the gentleman is not in that position, although, unfortunately, it is difficult to differentiate between Viereck and Maloney when my friend is engaged in a little battle of his own with Maloney. But I want to defend my friend from Michigan.

Mr. HOFFMAN. Do not go to defending me. Somebody will think I am guilty.

Mr. McCORMACK. I do not want the gentleman to defend Viereck.

Mr. HOFFMAN. I have told you three times that I was not defending Viereck nor any one of the defendants charged with sedition. You have said once, and I think, twice, that you knew I was not defending Viereck, so just forget Mr. Viereck and devote your attention to Mr. Maloney.

I appreciate your offer to defend me, but until I have done something I do not ask for any defense. I am not one of those fellows who, when asked by the judge whether he was guilty or innocent, had to ask his lawyer.

For the last time, let me say to the gentleman and all others, including the smear-purge artists, that none of you, or all of you together, can put me in the position of defending any of those who have been arrested. They may be guilty. On the other hand, they may be absolutely innocent. The least the humblest, the poorest, the most defenseless, one is entitled to receive at the hands of the United States Government is a fair trial, equal justice under law. The gentleman knows that I have no connection with any of those arrested.

Mr. McCORMACK. Of course not.

Mr. HOFFMAN. To show you how unreliable and how shifty this man Winchell is, I want to read you two of his broadcasts and Jergens lotion will not pay me for it either. This was on February 8:

> The Roosevelt-Churchill Casablanca confab was used by Federal authorities to uncover a leak spouting from Washington. The Feds dropped the rumor that Roosevelt and Churchill were out of the United States and England. Twenty-four hours later the German short-wave sent it out over the air. Then the Feds circulated a phony rumor that the meeting would take place in Canada. The German short-wave radio announced this, too. How the Feds managed to do it is their secret, but as a result—they trapped 22 men, some of whom are said to be high in United States Government circles.

I referred to that on the floor and I supposed, in my ignorance, coming from the country and not being used to the white lights of New York, the night clubs, and the liquor up there, when he said "Feds" and the press referred to the F. B. I., that Winchell meant the F. B. I., because I do not know of any other outfit that would have that name. I assumed as did the reporters that the people who arrest folks and to whom Winchell referred were agents of the F. B. I. Look at what he says when he got caught at

it. When I accused him of stating a falsehood, listen to what he says:

A week ago in this space the opening paragraph dealt with counterespionage efforts of Federal authorities on the whereabouts of the President. A Washington correspondent wired a statement that the story "was repudiated by the Federal Bureau of Investigation." Question of grammar and a question of fact for his New York editor: How can someone repudiate that which was never attributed to them? Our paragraph never mentioned the Federal Bureau of Investigation. It didn't say the Federal Bureau of Investigation took anybody into custody nor did it mention (as befits newspaper ethics) any specific source. The actual words used in our story were "Federal authorities" and "Federal men." The misinformation, however, is forever immortalized (and privileged) in the CONGRESSIONAL RECORD, where Congressman HOFFMAN used the misleading newspaper report as the basis for an allegation of falsehood by us. HOFFMAN said in Congress: "In his broadcast Sunday night Winchell stated that the Federal Bureau of Investigation," and so forth. Praise the Lord and check the information.

We will check that. I ask Mr. Winchell to tell us next Sunday night who it was that trapped 22 men if it was not the F. B. I. If it was the Feds, let him come clean and tell us who they are, we would like to know what that "Feds" stands for. If he is not a liar by the clock, let him explain that one and tell us. Or let him for once be honest and admit no one was trapped, that no false information was put out by the Feds, or anyone else.

Now, in order that you may know something of this man Winchell, who is yelling for war all the time but who does not fight any of it, although he still, as I understand it, on special occasions has the right to wear a Navy uniform, I am going to put in the RECORD his record in the Navy. But let me call your attention to just one thing here:

June 24, 1941: Director of Public Relations, Third Naval District, memorandum to Winchell quoting BuNav dispatch 132209 of June 13, 1941, in which Naval Reserve officers in an inactive status were requested to submit requests for deferment of active duty if they so desired.

Here is Winchell the lieutenant commander, the fighting lieutenant commander:

June 27, 1941: Winchell letter to BuNav, via Com3, requesting deferred status as he believes he can best serve interests of Navy by remaining in an inactive status.

In the Navy—in uniform—but asking on June 27, 1941, to be deferred—never yet, so far as we know has he smelled powder, unless it was from the powder puff of a scented lady.

His complete Navy record follows:

TRANSCRIPT OF RECORD OF LT. COMDR. WALTER WINCHELL, D–V(S), U. S. NAVAL RESERVE

The records in the Bureau of Naval Personnel indicate:

Born: April 7, 1897, New York City, N. Y.

July 22, 1918: Enrolled as apprentice seaman, U. S. Naval Reserve Force, at New York City, N. Y. Ordered to inactive duty.

August 1, 1918: Rating changed to landsman for yeoman.

September 9, 1918: Ordered to active duty by the commandant, Third Naval District, in the office of the commander, Cruiser Force, Squadron 2.

December 5, 1918: Released from active duty. Proficiency marks: 4.0 in proficiency in rating; 4.0 in sobriety; 4.0 in obedience.

July 1, 1921: Inactive duty, rating changed from landsman for yeoman to apprentice seaman.

September 30, 1921: Discharged from the Naval Reserve Force in accordance with Secretary of the Navy's general letter of September 29, 1921, explaining that owing to drastic cuts in Naval Reserve appropriations it was necessary to reduce the Naval Reserve Force.

March 23, 1934: Submitted application for commission in Naval Reserve as a lieutenant or lieutenant commander, class I–V(S), via commandant, Third Naval District.

May 24, 1934: Examined at headquarters, Third Naval District, found to be physically qualified to perform active duty at sea or on foreign service in the rank for which he is a candidate for appointment.

August 8, 1934: Com 3 letter to Winchell advised that no action can be taken on his application for commission as no vacancies now existent in the Third Naval District.

August 24, 1934: Com 3 first endorsement to BuNav forwarding application of Winchell in compliance with telephone conversation between the Office of Naval Intelligence and the district intelligence office.

August 28, 1934: BuM&S second endorsement to BuNav approving action of board of medical examiners in that Winchell be found physically qualified for appointment in the rank applied for.

September 6, 1934: CNO third endorsement to BuNav recommending Winchell be appointed lieutenant I–V(S) and assigned to the quota of the Office of Naval Intelligence.

September 12, 1934: Appointed lieutenant, class I–V(S), to rank from September 10, 1934—commission dated September 11, 1934.

September 24, 1934: Accepted appointment as lieutenant, I–V(S), U. S. N. R.

September 24, 1934: Issued U. S. Naval Reserve courtesy card.

September 24, 1934: Request to BuNav, via Com 3, for correspondence course in Naval Intelligence.

September 28, 1934: Enrolled in correspondence course in Naval Intelligence.

April 4, 1938: Physically examined and found to be qualified to perform his duties in his rank at sea.

October 5, 1930: Issued Naval Reserve courtesy card to replace one previously issued which was returned for cancelation.

December 26, 1940: SecNav (Frank Knox) letter to Winchell via Com 3, expressing appreciation of assistance rendered in disseminating constructive news concerning the Navy.

February 7, 1940: CNO (ONI) (H. R. Thurber) memorandum to Admiral Nimitz expressing appreciation of dissemination of news concerning naval activities.

December 18, 1940: Appointed lieutenant commander (promotion) class I–V(S), U. S. Naval Reserve, to rank from October 10, 1940.

February 11, 1941: Accepted appointment as lieutenant commander, I–V(S), U. S. N. R.

June 24, 1941: Director of Public Relations, Third Naval District, memorandum to Winchell quoting BuNav dispatch 132209 of June 13, 1941, in which Naval Reserve officers in an inactive status were requested to submit requests for deferment of active duty if they so desired.

June 27, 1941: Winchell's letter to BuNav, via Com 3, requesting deferred status as he believes he can best serve interests of Navy by remaining in an inactive status.

July 18, 1941: Com 3 Dispatch to BuNav requesting two weeks' training duty for Winchell.

July 18, 1941: BuNav letter to Com 3 authorizing commandant to order Winchell to training duty, with pay and allowances, at the Public Relations Office, Third Naval District, for the period August 1 to August 14, 1941.

July 22, 1941: Com 3 to Winchell active duty orders directing he report for duty period August 1 to August 14, 1941.

July 30, 1941: Special board convened in Bureau to consider requests for deferment and related matters determined Winchell "available for active duty at any time."

August 1, 1941: Reported to Commandant, Third Naval District, for training duty. Assigned to the district office of public relations.

August 15, 1941: Training duties completed; returned to inactive duty.

August 23, 1941: Deferment board action, "You will not be ordered to active duty until your services are urgently needed."

February 13, 1942: Chief of Naval Operations recommended that the classification of Lieutenant Commander Winchell be changed from "Intelligence, volunteer, special, to "Deck, volunteer, special" because of the transfer of the office of public relations from the office of the Chief of Naval Operations to the office of the Secretary.

March 17, 1942: Ordered to active duty under the Commandant, Third Naval District (confidential orders).

April 1, 1942: Classification changed from "Intelligence, volunteer, special" to "Deck, volunteer, special," U. S. Naval Reserve.

May 12, 1942: Found physically qualified for active duty in the Naval Reserve.

November 20, 1942: Bureau of Naval Personnel issued orders to report to Commandant, Seventh Naval District, on December 1, 1942, and await transportation to further report to commander, south Atlantic force, with active-duty pay and allowances. Found physically qualified for this duty.

December 1, 1942: Reported to Commandant, Seventh Naval District.

December 6, 1942: Arrived Recife, Brazil, and reported to commander, south Atlantic force.

January 13, 1943: Duty, south Atlantic force, completed.

February 17, 1943: Returned to inactive duty.

There is the Navy's record of your fighting man requesting that he be deferred from active service. That is the boy. I should think Knox would not want him. If I understand the press reports right, and if they are accurate, Knox said that he would not have him as a reporter because he could not rely on his word, but he leaves him in the Navy to put out broadcasts throughout the country on Sunday nights.

To show you just how low, just how dirty, just how nasty this man is, who, shall we say, takes refuge under the White House porch or under the coattails of Knox, to show you what he will do, to show you what he is, let me read from Winchell's column on February 3, 1934. Listen to this. He is speaking of Joan of Arc:

The fact is, according to an authority of Joan, too much sex appeal forced her to discard her dresses for male apparel, and too much sex appeal forced her to fasten them down with plenty of buttons.

Now, I ask you, in view of the fact he wrote that about one whom many of us regard as a saint, and that he still is a Reserve officer in the Navy, is there anything so low, is there anything so dirty that someone in this administration will not tolerate it? Why do they not get him out of the Navy? Why do they not get him out of the Reserves?

I have no criticism of Winchell as a columnist, as a radio announcer; I mean here from the floor I have not. Let him say what he will, but get out of the Navy,

get out of the United States service. Then if he wants to go on, let him go on on his own responsibility, paid by the Jergens Co., for his nasty, dirty work.

Mr. McGRANERY. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. No; I cannot yield any more.

The RECORD will show, if you will pass Resolution No. 13 which I introduced the first of the year to inquire, as to who is engaged in this conspiracy to destroy the confidence of the people in their Representatives, where the money comes from and what their ultimate purpose may be. Is it not time that Biddle, Maloney's superior, gets rid of Maloney?

Mr. MAGNUSON. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. Yes; I will yield to the gentleman.

Mr. MAGNUSON. I just wanted to point out to the gentleman knowing a little bit about the Navy record of the man about whom the gentleman is speaking, that, of course, a man in the Naval Reserve is punished or promoted or commended on his naval record and his naval record alone. If there is anything in this gentleman's naval record for which he deserves dismissal from the Navy, I am sure the Navy Department would be glad to entertain that. Of course, I know the gentleman wants to be fair about this.

Mr. HOFFMAN. More than fair.

Mr. MAGNUSON. I am sure that our committee would be glad to know anything in this gentleman's naval record.

Mr. HOFFMAN. All right. While he was in the Navy on active duty he said that "Hitler is losing on the ground in Russia, in the air over Germany, and on the sands of Africa. He seems to win only in Congress."

There is a law on the statute books which provides that if a man in the Army made that kind of a statement he would be fired; he would be court-martialed. The Navy does not happen to have that one, but it has others.

I call this to your attention. Winchell over the radio charged Smith up in Detroit with having been indicted. Within 30 days he had to eat that, and the retraction was published. You have in your Navy regulations the telling of falsehood as a cause for court-martialing a man and kicking him out.

Mr. MAGNUSON. Yes; that is true.

Mr. HOFFMAN. Winchell, while serving in the Navy, gave currency to that falsehood. There are others. Why does not the Navy get rid of him? What has he got on Knox?

Mr. MAGNUSON. Well, of course——

Mr. HOFFMAN. Yes, I guess so, "Well, of course." What has he got on somebody high in the administration? Why are they keeping that rattlesnake there? What is he doing for the commander in chief of the Navy that he continues in the service? Does the stink he creates cover up something worse; is that it?

Mr. MAGNUSON. I think the gentleman misunderstands when a man is in the Navy and when he is out of the Navy.

Mr. HOFFMAN. I sure do, then, because when he wears the uniform I thought he was in the Navy. When he is on active service, I thought he was in the Navy.

Mr. MAGNUSON. He was not wearing a uniform when he was making a broadcast.

Mr. HOFFMAN. I have a picture from a magazine and I will show it to you, where he stands up there writing "Lotions of love" to this actress that he was signing for after a broadcast according to the printed legend. He had a Navy uniform on.

Mr. MAGNUSON. That is not the broadcast the gentleman speaks about. As I understand, he made a broadcast while on Navy relief.

Mr. HOFFMAN. Is it right for an officer in uniform to run around to night clubs and that kind of places? Does the gentleman know of any decent, respectable Navy man who wants him in there now?

Mr. MAGNUSON. He is on inactive duty now.

Mr. HOFFMAN. Does the gentleman know of any decent, respectable Navy man who wants him in the Navy now?

Mr. MAGNUSON. I do not know of anybody who has any opinion one way or the other about him. I am asking for information.

Mr. HOFFMAN. Oh, you do not? You ask any man in uniform.

Mr. McGRANERY. Mr. Speaker, may I again humiliate myself by asking the gentleman to yield? I am humiliating myself to ask the gentleman to yield.

Mr. HOFFMAN. Then do not do it.

Mr. McGRANERY. Will the gentleman yield?

Mr. HOFFMAN. Not so long ago, Republicans found it necessary to clean house in the Attorney General's Department. The new dealers evidently will do no housecleaning of their own. Perhaps the Democratic Party will take cognizance of the situation and, as spring comes on, do a little cleaning of its own and induce the President to fire Attorney General Biddle or Maloney. A little information showing the necessity of such a housecleaning is found in the Washington Times-Herald of this morning, a part of which reads as follows:

BIDDLE SHOULD BE FIRED

(By Frank C. Waldrop)

The President should fire Francis Biddle, the Attorney General of the United States. He is, on his record, not fit to be trusted. His judgment is bad.

There are numerous examples of his incompetence available, but none surpassing his faith in William Power Maloney as a man who can be depended upon to see that people accused of crimes against the United States are fairly tried.

That Mr. Biddle thinks Mr. Maloney a fit instrument of justice is a revelation. Mr. Biddle is said by his friends to have high principles. Presumably, because he has a high arch in his nose. If he has those high principles, why has he allowed the aforesaid William Power Maloney to work for him?

More than that—why has he promoted Maloney to a key position directing all Federal criminal prosecutions?

If you want a line on Mr. Maloney you may examine the following analysis of him by Chief Justice Stone, of the United States Supreme Court, given in the course of reversing the conviction of one George Viereck on charges of violating the law on registration of foreign agents.

If you are interested in Mr. Maloney's curious career further, here is his official biography, sanctified by the Department of Justice:

"He conducted a small private law practice until 1934, when he gave up the struggle to make a living on his own and got aboard the New Deal as an assistant to the United States attorney in New York City.

"He held on there for 6 years, then shifted to Washington as a trial counsel for the Securities and Exchange Commission, but his strange talents soon made him counsel for a Senate committee on wiretapping.

"In 1941 he became one of many special assistants to Attorney General R. H. Jackson."

In June 1941 Jackson was nominated to the Supreme Court and Biddle became acting Attorney General. Then Maloney began to percolate.

The remarks various judges had made up to then concerning his legal craftsmanship did not rank his legal talent as even near his talent for getting his name in print. He was, and is, a publicity hound.

Mr. Biddle had all the facts on Maloney's past, including the comments of the judges, when it came time to assign somebody to handle the cases on foreign agents and to check into all the accusations bound to pop up in a fight as momentous as that on foreign policy in 1941. The job called for a man of proven high standing.

Biddle chose Maloney, a small-caliber expert on wiretapping.

Now the chickens are flapping home to roost. You may be sure that what the Supreme Court has said about Maloney in the Viereck case will not be lost on Congress.

There is only one way to restore confidence in the Department of Justice, and that is by the firing of Biddle, who put Maloney up to all this.

Mr. McGRANERY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. If other Members who have special orders, have no objection, the Chair will recognize the gentleman from Pennsylvania for 1 minute.

There was no objection.

Mr. McGRANERY. Mr. Speaker, now that my good friend the gentleman from Michigan [Mr. HOFFMAN] has closed his argument with his point of special privilege, I am wondering in my mind what he said, and what he has been talking about. He started off by telling us that every man, the most humble man, is entitled to a fair trial in any court under our laws, and then he winds up, "Kick Winchell out, kick Winchell out." After all, let him do something, choose one or the other, and as between Viereck and Winchell, give me a hundred thousand Winchells.

SPECIAL ORDERS

The SPEAKER. Under previous order of the House, the Chair recognizes the gentleman from New York [Mr. DICKSTEIN] for 25 minutes.

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent that my time today be transferred to tomorrow.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. Under previous order of the House, the Chair recognizes the gentleman from Michigan [Mr. DONDERO].

FLORIDA BARGE CANAL—LOBBY VERSUS TAXPAYERS

Mr. DONDERO. Mr. Speaker, last Wednesday the proponents of an extra Florida barge canal ran a full page advertisement in a Washington morning paper in an attempt to stampede the average American into believing that an additional canal would solve all his oil difficulties. It would be interesting to know whether the biggest construction firms in the country of which the advertisement speaks, and which propose to build the canal have paid for this full-page advertisement. It would be interesting to know whether special interests along the site of the proposed canal and waterway contribute to this so-called missing link canal lobby.

Some of us would like to know just who is this John H. Perry, over whose name the advertisement was run. Why is it that the president of the Western Newspaper Union and the American Press Association should suddenly begin to run full-page advertisements in the newspapers of the Nation's Capital dealing with the Florida barge canal? What is this newspaper union, a press association or a second canal lobby? Can it be that the head of a newspaper association is so intensely interested in the construction of this second canal that he should pay for this advertisement? Or can it be that the large contractors whom he quotes so willingly have supplied the modus operandi in the hope of a $44,000,000 windfall?

I wish that the opponents of this boondoggle had the large sums of money at their disposal that those in favor of the canal seem to have, so that the public could learn the true facts about the situation. Unfortunately the average citizen of the Nation has no highly subsidized lobbies to present the true facts in metropolitan newspapers. Therefore, I must appeal to you, my colleagues, to circumvent this insidious lobby by opposing with full vigor such a needless waste of time, money, manpower, and material. I must ask you further to assume the responsibility of informing your constituents—the people who must pay the bill—of the true facts. These are the people who, if an appropriation is authorized, will eventually want to know why so much money, so much manpower, so much vital material have been wasted on a dream ditch which promised much but resolved itself into a 3-year nightmare.

As the advocates of the canal have stated: The truth is simple to any reasonable man who learns a few facts about the proposed barge canal. The truth is that the canal must not be built at a time when it will further aggravate the strain on the already hard-pressed technical resources of the country.

In their newspaper article the lobbyists made three statements to prove the necessity for this second canal. All of these are either mistaken ideas or deliberate misstatements. Let us examine each in turn. First, they insist that it can be built in 10 months. To substantiate this they constantly quote—indirectly of course—the so-called biggest contractors in the country who are wrapped in the safe and convenient guise of anonimity. I have already refuted this argument. On February 3, 1943, in this Chamber, I quoted the estimate made by Major General Reybold, Chief of Engineers in the War Department, to the effect that another Florida barge canal would take at least 3 years to construct. At that time I was violently assailed by proponents of the canal as to the correctness of my figures. I reiterated the 3-year estimate and substantiated my remarks by extending them in the CONGRESSIONAL RECORD of February 8. These remarks, quoting direct testimony from hearings before the subcommittee of the Committee on Commerce, United States Senate, and the same testimony was presented before the Rivers and Harbors Committee of this House, leave no shadow of doubt as to how long it will require to build this second canal across Florida. Despite repeated attempts to have him lower his estimate, Major General Reybold insisted that it will require a minimum of 3 years to dig this canal, even if three shifts of men work 24 hours a day. Moreover, when the proponents of this canal pressed him, he admitted that this 3-year estimate was his own and was not that of his own staff, for these engineering members believed that the canal could not be built in less than 3½ years.

I leave it to you whether it would be wiser to trust the estimates made by those best fitted to know, the staff of engineers in the War Department, or whether we may safely disregard these studied estimates of our best minds and trust to the figures supposedly submitted by anonymous contractors who stand to gain financially through this deal.

Second. The barge bill people state that hauling oil by wooden barges is the answer to the problem—that substantial amounts of critical materials, such as steel, will not be necessary. The lobbyists like to speak of wooden barges, entirely disregarding testimony of Major General Reybold, Chief of Engineers, and J. R. Parten, Director of Transportation, Office of Petroleum Coordinator for War, to the effect that only steel barges would be practicable for such a hazardous undertaking because of the low flash point of petroleum products. I should like to quote Major General Reybold's remarks as found on page 60 of the Senate hearings before the subcommittee of the Committee on Commerce:

> The high-powered oil men tell me that nothing can be carried in these wooden barges except heavy residual products.

I quote Mr. J. R. Parten, Director of Transportation, Office of Petroleum Coordinator of War, whose testimony appears on page 76 of the same hearings:

> Our office and our industry committees have examined thoroughly the use of substitute materials for steel in barge construction. An extensive study of the feasibility of the wooden tank barge has been made. Barge experts recommend against the use of the wooden barge for general transportation of petroleum and its products. "The explosive and inflammable gases that accompany gasoline and other "low flash point" oils present such enormous hazards of fire and explosions in wooden barge operation that all experts advise against the use of the wooden barge for such cargo.

The lobbyists disregard the fact that manufacturers of war materials will be wantonly robbed of this steel, if the lobbyists are to have their way. They even speak of having available existing equipment for this work.

Now, gentlemen, these barge people really know better. They know that this is not true. Let me read to you a statement made by the distinguished Senator from North Carolina [Senator BAILEY] in his admirable summation of testimony before the subcommittee of the Committee on Commerce regarding the construction of this same barge canal. I now read from page 5:

> I gathered from the testimony that there was not a great deal to be hoped for from barge transportation. A canal across Florida would aid to some extent. Whether or not it would aid to any substantial extent would depend upon the barges and the availability of tugs and of engines. Engines are competitive in the general war effort, and they are not available now. We need the steel. Tugs are largely of steel construction. It is agreed that barges could be used for carrying petroleum and fuel oil, but it is certainly very debatable whether they could be used for carrying gasoline or oil that ignites at 150 degrees Fahrenheit.
>
> If there is any dispute about those statements, I suggest that the gentlemen who wish to dispute them will dispute them with me. I am taking the words of the Petroleum Coordinator and of the chief of engineers as to everything that I have said.

When a Senator quotes the word of the Petroleum Coordinator as well as the word of the chief of engineers, are we to accept the proponents' statement that "wooden barges in great numbers can be built quickly and can haul the necessary oil"?

In their third point the lobbyists accuse the railroads of the Nation of selfishly fighting against this proposed canal. The second canal people further assert that the railroads are breaking down under the strain. I question this statement. If the railroads are failing, then Director James F. Byrnes, of the Office of Economic Stabilization, is wrong when he said on December 30:

> We have to look for relief from the immediate situation as to oil to the railroads and railroad tank cars. The railroads have done a magnificent job. Before Pearl Harbor there were 5,000 barrels of oil delivered in eastern seaboard territory a week. Two weeks ago it was 761,000 barrels a day.

Director Joseph B. Eastman, of the Office of Defense Transportation, stated on January 19:

> I have been happy in the performance of the carriers. To my certain knowledge, ever since 1939 there have been recurrent predictions in responsible circles, particularly in Washington, that the railroads would soon break down, and these predictions are current again. But they have not broken down.

Should we accept the word of paid lobbyists over the statements of the Director of Economic Stabilization and the statements of the Director of Defense Transportation?

We all know the railroads are doing a splendid job. It is not the railroads who are interested in blocking the construction of this lobbyists' paradise, it is the taxpayers of the Nation. They, not the railroads, would suffer from the increased tax burden.

Forty-four million dollars is just a beginning. There is the cost of steel barges, of wooden barges, of tugs to be considered. Our beloved chairman of the Rivers and Harbors Committee, the gentleman from Texas [Mr. MANSFIELD], has estimated that the 2,286 wooden barges and 1,143 steel barges, together with 1,170 tugboats necessary to move 900,000 barrels of oil and gasoline per day from Texas to the northeastern area would cost $260,550,000.

There is now an existing waterway—a present canal—which "serves a substantial commerce and is capable of carrying a much greater volume of traffic in vessels of limited draft. It will not accommodate large barges." It has been recommended that it be deepened to 8 feet. This will cost $208,000—not $44,000,000.

The second-canal people argue that it will take from 10 to 20 years to adapt this canal to the purposes of barge transportation. Ten to twenty years, mark you; not months. Yet it will require, according to them, only 10 months to build a brand new canal. From such a remark it is obvious that the statements made by the proponents of canal No. 2 are not to be relied upon. I say, if a barge canal will solve our problems of oil shipment, let us repair and use the one we have. We do not build a new home so that the one we have next door may stand empty.

Congress authorized this barge canal 8 months ago, and the lobbyists demand to know why it has not been started. They know the answer as well as we do. They know that the original bill was for a ship canal to cost at least $197,000,000.

When the proponents of the ship canal were beaten, they sought refuge in a barge canal bill. They attempted to hitch this barge bill to a pipe-line proposal, despite the fact that the bill did not have the recommendation of the War Production Board nor the Bureau of the Budget. Congress realized the impracticability of the idea and refused to waste millions of dollars on it. That is why the canal has not been started, and the canal people know it.

I repeat what I have said before: No one wishes more eagerly than I to prosecute the war to a quick and successful conclusion; no one is more eager than I to find some method of bringing petroleum to the east coast in time to alleviate the shortage of oil. I have stated my objections to this pork bill. Full-page advertisements in a Washington newspaper is a revelation of the length some vested interests will go to sacrifice national unity on the altar of their own personal desires. I ask you again to repeal the authorization of the proposed duplicating canal which will take at least 3 years to complete.

Once again I refer you to H. R. 1669, now in the Rivers and Harbors Committee. This bill, when approved, will prevent such frauds as are now proposed by the "Biggest" contractors working smoothly under the guise of oil for our homes.

The SPEAKER. Under previous order of the House, the Chair recognizes the gentleman from Illinois [Mr. VURSELL] for 15 minutes.

CURBING POWER OF EXECUTIVE DEPARTMENTS

Mr. VURSELL. Mr. Speaker, the people expect courageous action of this Congress. First, to win the war; secondly, to keep the home front as strong economically and productively as is possible while carrying the financial burden of the war. This Congress must apply a greater portion of the doctrine of common sense to government, compel the elimination of waste and extravagance to the end that when our boys return home from the war they will find this country strong and unchanged, holding out for them in a civilian life of free enterprise the opportunities it has always offered to its people.

To render its greatest force in accomplishing these two objectives, Congress must bring the powerful bureaus into the closest possible control. It will be a difficult job, by reason of the grant of power given to the executive department during the war, but when the Congress with determination sets its hand to the task and follows through, waste, extravagance, and maladministration will rapidly give way. If reason and the patriotic urge are not sufficient, the power to withhold appropriations, the language they understand, should be applied vigorously.

The serious and considered move of the many House farm Members Saturday, attended by 125 Representatives who arranged for a committee to call upon the President in an attempt to impress upon him the serious farm situation that will most likely terminate, unless remedied, in a tragic food shortage in 1943, is a courageous step in the right direction.

The President, heading the military war effort, is a very busy man, and it is entirely possible that he is being misled by his subordinates and is really not aware of the seriousness of the farm food shortage facing the Nation.

Congress delegated powers to the executive department, which in turn delegated these powers to heads of departments. Most departments and bureaus have gone further in control than was the intent of Congress. Some have flouted the intent and will of Congress and have refused to follow the plain language of the statutes.

There has been excuses and buck passing from one department to the other; jealousies; and, in many instances, bickering and bitter warfare between department heads. The result has been, in some cases, connivance, evasion, confusion, failure, and the loss of the confidence of Congress in heads of departments.

Bungling by the Department of Agriculture, the War Manpower Commission, and the O. P. A. open up another field of failure which goes beyond ordinary bureaus. Each of these departments needs the special and vigorous attention of the Congress, for the desperate food shortage that threatens to envelop the Nation is in large part the creature of their misguided policies.

Failure has caught up with them. Testimony before the Senate Agriculture Appropriations subcommittee disclosed that instead of an increase of 7 percent as predicted for 1943 by the Department of Agriculture, we are most likely to have a 20-percent drop in food production. This estimate is based on a poll of 2,780 county agricultural agents of the Nation.

Think what this will mean to the war effort. Testimony before the committee last week on lend-lease, was to the effect that there had been a very great increase in food exports to Russia. Russia is helping to win the war against Germany. Above everything else it is said she needs food. We must export greater quantities of food also to the Near East, to Africa, China, and to every nation as well, in 1943 that will be wrested from control of the Axis forces as the Allied Nations make progress. North Africa is now an example in point.

Added to this is the plan of our Government to raise a military force of maybe 11,500,000 men by the end of this year which will take from the farms, business, and industry 3,500,000 men, this added tremendous load taken out of production and placed on the consuming list.

What has the Department of Agriculture, and the War Manpower Commission done to help the American farmer to meet this great challenge and produce "Food for Victory"? They have done very little. What they have failed to do, would require too much time to enumerate.

The Secretary of Agriculture either did not see that a food shortage was inevitable or he was too timid to successfully champion the rights of the farmers and the people.

He made little effort early in an attempt to have the Government, through selective service, exempt young men from the service who should have remained on the farm. His efforts made for a greater percentage allotment for farm machinery, were too litte and too late. He has insisted on keeping the farmers regimented and subsidized, refused to grant them, in some instances, parity prices in disregard of the will and intent of the Congress. All of the above major, and many minor, factors have discouraged the farmer, have caused his sons to go to the Army as volunteers or to the high-wage paying industries, until by such practices with millions of young men being drafted into the service, the farmer has been stripped of manpower and machinery. Then O. P. A. came along and completed his discouragement by causing him to sign numerous long questionnaires if he needed gasoline, machinery, or repairs for his machinery, with large fines and jail penalties threatened to boot if he made a mistake in asking for something he needed to equip him to produce the crop Secretary of Agriculture Wickard said was necessary to win the war.

The War Manpower Commission appointed a year too late, while the President was handling the labor situation, has not changed the policy, if there was one, and this is as most Members of Congress and the Nation had a right to expect. Commissioner McNutt has talked much. The more he talks the worse has become the situation, the more confusion has spread.

The much talking for 2 years about hours and wages has continued, while

the young men, and the older ones for that, from all over the Nation have gone to the industrial and war plants, draining by the high wages and short hours the manpower away from the farms.

Price control to combat inflation has unwisely clamped prices and restrictions on the little merchant, the backbone of the Nation, that has driven many of them out of business and many are ready to quit. And among the wholesalers—the meat packers, a case in point—the arbitrary prices set are stagnating the distribution of farm products. There is a meat shortage in nearly every city and town in the Nation which is caused by unfair prices set by O. P. A. and Secretary Wickard which have discouraged production and broken down distribution.

Volumes of testimony recently given before the Ploeser Small Business Committee of the House attest to the fact that the packers of the Nation are losing approximately $3 on every animal they slaughter. This because of O. P. A. freezing the price the packer can charge on processed meat out of hogs at $13.50 when the price was set, the price of hogs later going up to $15.75. O. P. A. and the Department of Agriculture could cure this by raising the imaginary base price of the packer to $15.75. They have refused to move, the result, the ultimate ruin of the smaller packers of the Nation which constitute over 50 percent of the industry and a break-down of distribution.

The power of Congress has recently caused the lifting of quotas on wheat. The power of Congress has opposed Secretary Wickard's idea of subsidy instead of the exercise of parity, till subsidy is about out, or will likely be knocked out as fast as bills providing for it reach the floor of the House. In fact, Congress should insist now that every regimentation and restriction not necessary that prevents the farmer from all-out production should be lifted at least for the duration.

Congress should exert its thought and influence to prevent the expansion of our military forces to a point where we are not able to feed and supply them, our allies through lend-lease, with the further danger of straining our civilian economy to a point where our striking power to win the war will be weakened, prolonging the struggle, increasing the loss of life and threatening our financial structure.

No more farm workers should be taken into the Army, and the suggestion of furloughs for experienced farm workers now in the Army for short periods of use on the farm should be given serious consideration.

The Allied countries have vast armies nearer the war fronts, anxious to fight if America will feed and equip them. We should make an effort to contribute to their use before exhausting our entire reserves of American food and manpower.

Returning to farm subsidy may I say, the honor, as well as the welfare, of the farmer is at stake. He does not want to be forced into the position of accepting a subsidy from his Government in time of war. He realizes it would put the farmer in a false position and bring down upon him, unjustly, Nation-wide criticism by the press of the Nation. He wants, with his patience, brawn and brain, to fight his own way through to success or failure. He asks nothing at this time when his Nation is reeling under the terrible impact of war more than the hope that he may have a favorable season, that he may have a reasonable plentiful of sunshine and rain when needed. That he may have machinery with which to work. That he may have as many moonlit nights as possible so that he may toil on late into the night, so that he may produce a great bumper crop for victory. He disregards sanitary working conditions, refuses a short work day or week, his overtime alone will run over 40 hours per week. He is willing to go all-out for production. He gambles against the weather but he does not want to gamble upon winning the war with a short crop. His and his neighbors' sons are in this war. They are, or will likely be, at the battle front. He wants to produce the food that will sustain them and bring to us victory. All that he asks is that the Government free him from unnecessary quotas, restrictions and subsidy, so that he may be free to put out a greater effort with better results in crop yields. He is becoming fearful of the economic policy of subsidy and regimentation. He would like to have his farm and the opportunities for his sons when they return from the war intact, a form of free government, a free enterprise, a government though loaded with debt, still fundamentally and financially sound, so that they may again take their place in a government of liberty and free enterprise with confident hope in the future.

SPECIAL ORDER

The SPEAKER. Under previous order of the House, the Chair recognizes the gentleman from Michigan for 15 minutes.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent that at the conclusion of business and other special orders on Thursday next, I be permitted to address the House for 20 minutes, and yield back the time allotted to me today.

The SPEAKER. Is there objection?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted as follows:

To Mr. REED of Illinois, for 10 days, on account of illness.

To Mr. DINGELL, indefinitely, on account of illness.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 641. An act to amend section 6 of the Pay Readjustment Act of 1942 relating to the payment of rental allowances to certain officers.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 17. An act to provide for a temporary adjustment of salaries of the Metropolitan Police, the United States Park Police, the White House Police, and the members of the Fire Department of the District of Columbia; to the Committee on the District of Columbia.

S. 18. An act to provide additional compensation for teachers and all other educational employees of the public schools of the District of Columbia whose salaries are fixed in the Teachers' Salary Act, District of Columbia.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5'clock and 2 minutes p. m.) the House adjourned until tomorrow, Wednesday, March 3, 1943, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a hearing of the Committee on Immigration and Naturalization on Wednesday, March 3, 1943, at 10:30 a. m., for the consideration of H. R. 1607.

COMMITTEE ON ROADS

There will be a hearing of the Committee on Roads on Thursday, March 4, 1943, at 10:30 a. m.

COMMITTEE ON RIVERS AND HARBORS

The Committee on Rivers and Harbors will meet Tuesday, March 9, 1943, at 10:30 a. m., to begin hearings on H. R. 1880, a bill providing for the construction of a ship canal across the State of New Jersey, connecting New York Bay with the Delaware River, and forming the last link in the Intracoastal Waterway from Boston to the Mexican border.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

You are hereby advised that the hearing on H. R. 134, to provide for the suspension, during the war, of operating-differential subsidy agreements, and attendant benefits, under title VI of the Merchant Marine Act, 1936, as amended, and for other purposes, which was previously scheduled for Thursday, March 4, 1943, has been postponed until Thursday, March 11, 1943, at 10 a. m.

The committee will also hold a public hearing on Thursday, March 18, 1943, at 10 a. m., on H. R. 1361 (Mr. LANE) and H. R. 1409 (Mr. FOGARTY), conferring upon men in the merchant marine the same rights, privileges, and benefits accruing to those serving in the armed forces, and on H. R. 1858, to confer the same rights, privileges, and benefits upon members of the United States merchant marine who served during the World War as are conferred upon members of the armed forces of the United States who served during such war.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce, at 10 a. m., Tuesday, March 16, 1943.

Business to be considered: Public hearing on H. R. 149.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

216. A letter from the Clerk of the House of Representatives, asking an extension of

time with regard to the contested-election case of John B. Sullivan against Louis E. Miller, for a seat in the Seventy-eighth Congress, from the Eleventh Congressional District of the State of Missouri (H. Doc. No. 122); to the Committee on Elections No. 3, and ordered to be printed with accompanying papers.

217. A communication from the President of the United States, transmitting a supplemental estimate of appropriations for the District of Columbia, fiscal year 1944, involving a net decrease of $334,966, in the form of amendments to the Budget for said fiscal year (H. Doc. No. 121); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SABATH: Committee on Rules. House Resolution 142. Resolution for the consideration of H. R. 1501, a bill to extend for 1 year the provisions of an act to promote the defense of the United States, approved March 11, 1941; without amendment (Rept. No. 199). Referred to the House Calendar.

Mr. REES of Kansas: Committee on Immigration and Naturalization. H. R. 812. A bill providing for the insurance of documentary evidence of United States' citizenship; without amendment (Rept. No. 201). Referred to the Committee of the Whole House on the state of the Union.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on World War Legislation was discharged from the consideration of the bill (H. R. 1439) for the relief of Luis Ortiz, and the same was referred to the Committee on Ways and Means.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. KEOGH:

H. R. 2037. A bill to codify and enact into absolute law, title 9 of the United States Code, entitled "Arbitration"; to the Committee on Revision of the Laws.

H. R. 2038. A bill to codify and enact into absolute law title 4 of the United States Code, entitled "Flag and seal, seat of government, and the States"; to the Committee on Revision of the Laws.

H. R. 2039. A bill to codify and enact into absolute law title 6 of the United States Code, entitled "Official and penal bonds"; to the Committee on Revision of the Laws.

H. R. 2040. A bill to codify and enact into absolute law, title 1 of the United States Code, entitled "General provisions"; to the Committee on Revision of the Laws.

By Mr. KEEFE:

H. R. 2041. A bill to authorize appropriations to the Children's Bureau of the United States Department of Labor for payments to States for medical, nursing, and hospital maternity and infant care for wives and infants of enlisted men in the armed forces of the United States of the fourth, fifth, sixth, and seventh grades; to the Committee on Labor.

By Mr. CARLSON:

H. R. 2042. A bill to provide for the payment currently of individual income taxes; to the Committee on Ways and Means.

By Mr. POULSON:

H. R. 2043. A bill to increase the pay and retired pay of certain enlisted personnel of the armed forces by allowing double credit for foreign service in computing length of service; to the Committee on Military Affairs.

H. R. 2044. A bill to provide equality in pension and compensation benefits to all veterans of our wars; to the Committee on Invalid Pensions.

By Mr. HEIDINGER:

H. R. 2045. A bill to provide direct Federal old-age pensions to all citizens of the United States 60 years of age or over; to the Committee on Ways and Means.

By Mr. POULSON:

H. R. 2046. A bill to establish the office of Military Commander in Chief and to provide for the appointment of a general officer of the United States Army Air Forces to such office; to the Committee on Military Affairs.

By Mr. DEWEY:

H. Res. 143. Resolution to create a Special Committee on Post-War Economic Reconstruction; to the Committee on Rules.

By Mr. PATMAN:

H. Res. 144. Resolution authorizing the printing of 5,000 additional copies of the final report of the Special Committee on Small Business of the House of Representatives on the Wartime Problems of Southern Industry for the use of the committee; to the Committee on Printing.

By Mr. BALDWIN of New York:

H. Res. 145. Resolution for the consideration of H. R. 987; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BISHOP:

H. R. 2047. A bill to correct an error and to confirm, as of March 2, 1861, the title to certain saline lands in Jackson County, State of Illinois, to Edward Holden; to the Committee on the Public Lands.

By Mr. BATES of Kentucky:

H. R. 2048. A bill granting a pension to Daniel W. Perkins; to the Committee on Pensions.

By Mr. CULKIN:

H. R. 2049. A bill granting a pension to Agnes Crawford; to the Committee on Invalid Pensions.

H. R. 2050. A bill granting a pension to Ella E. Dennis; to the Committee on Invalid Pensions.

H. R. 2051. A bill granting an increase of pension to Maggie Sanford; to the Committee on Invalid Pensions.

H. R. 2052. A bill granting an increase of pension to Delila Ortlieb; to the Committee on Invalid Pensions.

H. R. 2053. A bill for the relief of Thomas Devine; to the Committee on Pensions.

H. R. 2054. A bill granting an increase of pension to Nellie Pettengill; to the Committee on Invalid Pensions.

H. R. 2055. A bill granting an increase of pension to Anna M. Curtis; to the Committee on Invalid Pensions.

H. R. 2056. A bill granting an increase of pension to Anna M. Dennison; to the Committee on Invalid Pensions.

H. R. 2057. A bill granting an increase of pension to Martha Brownell; to the Committee on Invalid Pensions.

H. R. 2058. A bill granting an increase of pension to Mary H. Ackley; to the Committee on Invalid Pensions.

H. R. 2059. A bill granting an increase of pension to Jane M. French; to the Committee on Invalid Pensions.

H. R. 2060. A bill granting an increase of pension to Mary Gavin; to the Committee on Invalid Pensions.

H. R. 2061. A bill granting an increase of pension to Ella A. Hart; to the Committee on Invalid Pensions.

H. R. 2062. A bill granting an increase of pension to Cora A. Townsend; to the Committee on Invalid Pensions.

H. R. 2063. A bill granting an increase of pension to Kate L. Schultze; to the Committee on Pensions.

H. R. 2064. A bill granting an increase of pension to Mary Delane; to the Committee on Invalid Pensions.

By Mr. McLEAN:

H. R. 2065. A bill for the relief of Jose Penna y Garcia; to the Committee on Immigration and Naturalization.

By Mr. REED of Illinois:

H. R. 2066. A bill for the relief of A. L. Rinkenberger and John Floering; to the Committee on Claims.

By Mr. VINSON of Georgia:

H. R. 2067. A bill conferring jurisdiction upon the United States District Court for the Middle District of Georgia to hear, determine, and render judgment upon the claim of H. M. Reid & Co., of Macon, Ga.; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

211. By Mr. FITZPATRICK: Petition of a number of registered voters of Mount Vernon, N. Y., urging the adoption of the Ruml pay-as-you-go income-tax plan; to the Committee on Ways and Means.

212. By Mr. MERRITT: Resolution of the Painting and Decorating Contractors of America, stating that the association commends the action of the President in attempting to extend the benefits of the Social Security Act; to the Committee on Ways and Means.

213. By Mr. MICHENER: Petition transmitted by Donald J. Mowrer, Parma, Mich., and signed by 176 residents of Jackson County, Mich., urging repeal of the Agricultural Adjustment Administration program; to the Committee on Agriculture.

214. By Mr. LANE: Resolution of the Board of Aldermen of Chelsea, Mass., approved by Mayor Bernard L. Sullivan, urging the establishment of a self-sustaining national pension system; to the Committee on Ways and Means.

215. Also, a resolution of the Board of Aldermen of Chelsea, Mass., approved by Mayor Bernard L. Sullivan, asking that members of the draft boards in the United States be provided with remuneration for their services; to the Committee on Military Affairs.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MARCH 3, 1943

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Father in heaven, most glorious, we lift our voice to Thee, for Thou art the maker of heaven and earth and art whispering in the mysterious spaces of the universe; do Thou come to our lowly estate. We are most grateful for that religion which makes us fit to serve and fit for the kingdom of heaven, the holy cross being the symbol of our faith. Trial, severity, and sin are forgotten in the Christ, whose sublime nature reached the heights of vision and consecration.

Dear Lord, we rejoice that in the front door of the Book of Redemption are the immortal words: "Made in His image." Because of this divine endowment the sensitive soul can stand forth bravely in the declaration of principle and loyalty.

We pray that in this complex world we may ever be free and living hearts, copartners in a great cause; walking not in selfish ways nor forgetting the ties which bind us one to another like the moving waves of the sea, yet bound by the shores which unite them. As life is a most sacred trust, may it be expended in redemptive toil; voices from the souls of men, from the ends of nature, and from the throne of a good God are calling, "We are brothers all." We pray in the name of our Saviour. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 163. An act to amend section 511 of the Merchant Marine Act, 1936, as amended, relating to ship construction reserve funds, and for other purposes; and

S. 700. An act suspending certain provisions of sections 12B and 19 of the Federal Reserve Act until 6 months after the cessation of hostilities in the present war as determined by proclamation of the President or concurrent resolution of the Congress.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 133. An act to amend and clarify certain provisions of law relating to functions of the War Shipping Administration, and for other purposes.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 621. An act to authorize the Secretary of the Navy to grant to the city of San Diego for street purposes a parcel of land situated in the city of San Diego and State of California.

EXTENSION OF REMARKS

Mr. BURGIN. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein the address delivered last night over the radio by Mme. Chiang Kai-shek. I am informed by the Public Printer that it will require more than the customary two pages, but I ask unanimous consent that it may be included nevertheless.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

MEETING OF COMMITTEE ON NAVAL AFFAIRS

Mr. DREWRY. Mr. Speaker, I am directed by the Naval Affairs Committee to ask unanimous consent that the committee may sit while the House is in session today and tomorrow.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

VETERANS' HOSPITALS

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. O'CONNOR. Mr. Speaker, realizing that there is a grave likelihood of a shortage of hospitals and hospital beds to care for and accommodate our marines, soldiers, sailors, and coast guardsmen, many of whom will come out of this war wounded, as well as for the veterans of other wars, to that end I am today introducing a resolution providing that the House of Representatives establish a committee composed of five Members to be appointed by the Speaker who shall thoroughly investigate the hospital problem and immediately make a survey of all hospital beds available for the wounded as heretofore mentioned. It is my thought that in addition to the present Army and Navy hospitals which are being utilized as well as the hospitals of the Veterans' Administration there are undoubtedly civilian institutions such as hotels, summer resorts, and dude ranches which can be converted into hospitals and used as such and that all should be utilized to the fullest extent. Fortunately for the wounded and suffering, we of the West have many dude ranches to accommodate them.

The SPEAKER. The time of the gentleman from Montana has expired.

SUPPLEMENTAL NAVAL APPROPRIATION BILL, FISCAL YEAR 1943

Mr. SHEPPARD, from the Committee on Appropriations, reported the bill (H. R. 2068, Rept. No. 202) making additional appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1943, and for other purposes, which was read a first and second time and, with the accompanying report, referred to the Committee of the Whole House on the state of the Union, and ordered printed.

Mr. DITTER reserved all points of order on the bill.

EXTENSION OF REMARKS

Mr. STEARNS of New Hampshire. Mr. Speaker, I ask unanimous consent to extend my remarks and include a newspaper article.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent to extend my remarks and include an address by N. K. Carnes, manager, Central Cooperative Association, St. Paul.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. ROWE. Mr. Speaker, I ask unanimous consent to extend my remarks and include an editorial.

The SPEAKER. Is there objection?

There was no objection.

LEWIS DESCHLER

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. RAMSPECK. Mr. Speaker, today I understand is the birthday of one of the men who serves us in the House. He has spent most of his adult life in serving the House of Representatives. He is kind and courteous. He is efficient. He is one of the most lovable characters I have ever known. I doubt if any man in the history of this Congress has ever been of more service to the Members of this House who have served here from year to year, than this gentleman whose birthday is today. I refer to our competent, efficient, and lovable Parliamentarian, Lew Deschler, as we affectionately know him. I extend my congratulations to him.

The SPEAKER. The time of the gentleman from Georgia has expired.

EXTENSION OF REMARKS

Mr. COFFEE. Mr. Speaker, I ask unanimous consent to extend my remarks and include a statement by Capt. H. Y. Williams.

The SPEAKER. Is there objection?

There was no objection.

Mr. RAMEY. Mr. Speaker, I ask unanimous consent to extend my remarks and include an article entitled "If You Can't Pay Your Taxes by March 15th," from the United States News.

The SPEAKER. Is there objection?

There was no objection.

SLOGAN OF FACTORY AND MUNITION WORKERS

Mr. BURDICK. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. BURDICK. Mr. Speaker, I never lost faith in the fact that the workers in munition factories would finally demonstrate to the American people the same loyalty to the Government that our soldiers have. I have here a poem written by a marine. The Butler Manufacturing Co. of Kansas City has adopted it as their motto. It is as follows:

And if our lines should form and break
Because of things you failed to make—
The extra tank or ship or plane
For which we waited, all in vain,
And the supplies that never came—
Will you then come and take the blame?
For we, not you, will pay the cost
Of battles you, not we, have lost.

And here is the motto:

The lines that form shall never break because of things we failed to make.

The SPEAKER. The time of the gentleman from North Dakota has expired.

EXTENSION OF REMARKS

Mr. SCHIFFLER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an editorial.

The SPEAKER. Is there objection?

There was no objection.

(By unanimous consent, Mr. SHAFER was granted permission to extend his own remarks in the RECORD.)

Mr. SHAFER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a newspaper article.

The SPEAKER. Is there objection?

There was no objection.

Mr. CARLSON of Kansas. Mr. Speaker, I ask unanimous consent to have

printed in the Appendix of the RECORD a copy of H. R. 2042, which I introduced yesterday, an analysis of it, and a short statement of my own.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. COMPTON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a letter from a first lieutenant to his mother, one of my constituents.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. CHIPERFIELD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a short biographical sketch of Col. K. B. Bush, a former resident of Quincy, Ill., which appeared in the November 5 edition of the Daily Empire, Juneau, Alaska, and his opening remarks at the dedication of the Alcan international highway, November 20, 1942.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LAMBERTSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a letter from a friend.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

FRANKLIN D. ROOSEVELT, JR.

Mr. LAMBERTSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LAMBERTSON. Mr. Speaker, Walter Winchell, over the radio Sunday night, said I had not apologized to the White House about the "jerkings." I wonder how he knows. He has not asked me. He said I jumped on the President when he was in Casablanca, just as if I knew where he was or even knew that he was out of the city.

He dwelt on the magnificent soldiery of Franklin, Jr., in Africa, intimating that he had been there from the beginning except for a few days, when the facts are that he landed by plane here the 3d of December and stayed till sometime in January, going back in time to be photographed with his father.

While Walter was talking Sunday night, Franklin, Jr., and his du Pont wife were doing the night clubs of New York. I quote from Dorothy Kilgallen's column of Saturday, February 27:

Lt. Franklin D. Roosevelt, Jr., and his wife, the handsomest couple at Armando's.

Louis Sobol, in the New York Journal-American of February 20, says:

Navy Lt. F. D. Roosevelt, Jr., is back in town. "A few more trips," he observed, "and I'll catch up with mom and pop in mileage."

When Rommel started west, so did Franklin, Jr., again. Of course it took orders to do this. Yet the gentleman from Massachusetts [Mr. MCCORMACK] and the brilliant young knight from Tennessee [Mr. GORE] will probably insist that the Roosevelt boys have no preferential treatment.

EXTENSION OF REMARKS

Mr. RANKIN. Mr. Speaker, I have three requests: First, to extend my own remarks in the RECORD on the power situation in Arkansas.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that at the conclusion of the other special orders of the day I may address the House for 30 minutes, on the electric power development we are faced with in Japan.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

THE PRESIDENT'S SONS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my own remarks.

Mr. HOFFMAN. Mr. Speaker, reserving the right to object, will the gentleman tell us when he is going to bring out that Rickenbacker resolution?

Mr. RANKIN. Just as soon as I can get it out of the Rules Committee.

Mr. HOFFMAN. I thank the gentleman.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, I presume that every Member of the House felt as I did when the gentleman from Kansas [Mr. LAMBERTSON] again attacked the sons of the President of the United States who are now in the armed services. I was shocked. I cannot understand the mentality of any man who will rise on this floor and attempt to belittle the services of anyone now wearing the uniform of the United States. Those boys are not asking any special favors and are not getting any.

To me it seemed as though the gentleman from Kansas were whistling by the cemetery. Some time ago on that side of the aisle they appeared to be feeding upon the ambrosia of anticipation; today they are gnawing the corncob of stern reality, The figure of Wendell Willkie is again rising not only in Connecticut and Indiana, but all over the country to dampen and cool Republican hopes. Shakespeare says:

As whence the sun 'gins his reflection
Shipwrecking storms and direful thunders break,
So from that spring whence comfort seem'd to come
Discomfort swells.

Probably the gentleman from Kansas is attacking the sons of the President of the United States to try to get his mind off the danger of the Republicans nominating Wendell Willkie again in 1944—or having him again nominated for them.

I admit it is enough to run them crazy.

The SPEAKER. The time of the gentleman from Mississippi has expired.

EXTENSION OF REMARKS

Mr. MILLER of Connecticut. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a resolution received from Hartford Post No. 45, the Jewish War Veterans of the United States.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

THE SONS OF THE PRESIDENT

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my own remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LAMBERTSON. Mr. Speaker, will the gentleman yield for a question?

Mr. HOFFMAN. I yield.

Mr. LAMBERTSON. I was called a liar before and a fool today. The gentleman from Massachusetts [Mr. MCCORMACK] should be an authority on what constitutes a fool, since his speech the other day attacking Herbert Hoover. Can the gentleman from Michigan tell me why Lieutenant Colonel Elliott was the only man who was decorated in recognition of that particular exploit? Not even the pilot of the plane was decorated; yet they say there is no preferential treatment. Why was it that for 6 months the marines stayed in Guadalcanal, but Jimmy Roosevelt only stayed 6 days or thereabout? Did General Vandegrift send him home because he had too many men? Can the gentleman answer those questions? Whose other mother's sons could fare so well?

Mr. HOFFMAN. I do not know anything about that. I was wondering why the gentleman from Mississippi criticized the gentleman from Kansas for talking about someone who is engaged in the war service when every so often the gentleman from Mississippi [Mr. RANKIN] jumps all sprawled out over Wendell Willkie, who was the President's special envoy on a war mission. I wish the gentleman would practice what he preaches.

Mr. RANKIN. Willkie is our secret political weapon against the Republicans.

EXTENSION OF REMARKS

Mr. BARRETT. Mr. Speaker, I ask unanimous consent to extend by own remarks in the RECORD and to include an editorial which appeared in the March 1 issue of the Christian Science Monitor relative to the wonderful showing made by the people of Rock Springs, Wyo.

The SPEAKER. Is there objection to the request of the gentleman from Wyoming [Mr. BARRETT]?

There was no objection.

PREVENTION OF SPECULATION IN COLUMBIA BASIN LANDS

The SPEAKER. The Chair is prepared to recognize someone to call up the conference report on the Columbia River Basin bill. It was announced that this conference report would be called up today.

Mr. MURDOCK. Mr. Speaker, I call up the conference report on the bill (H. R. 839) to amend the act approved May 27, 1937 (ch. 269, 50 Stat. 208), by providing substitute and additional authority for the prevention of speculation in lands of the Columbia Basin project, and substitute and additional authority related to the settlement and development of the project, and for other purposes, and I ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the full report.

The SPEAKER. Is there objection to the request of the gentleman from Arizona [Mr. MURDOCK]?

There was no objection.

The Clerk read the statement of the managers on the part of the House.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 839) to amend the Act approved May 27, 1937 (ch. 269, 50 Stat. 208), by providing substitute and additional authority for the prevention of speculation in lands of the Columbia Basin project, and substitute and additional authority related to the settlement and development of the project, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows: That the House recede from its disagreement to the amendment of the Senate and agree to the same with amendments as follows:

On page 12 of the Senate engrossed amendment, in line 13, after the comma insert the word "and."

On the same page, in line 14, strike out "and providing for the general welfare,".

On the same page, lines 17 to 21, strike out "to improve such lands, or other lands within the project under contract with the owners or organizations thereof as herein provided, by clearing, leveling, and preparing them for handling of irrigation water;".

On page 13 of such amendment, lines 13 to 17, strike out "Contracts for repayment of costs incurred by the United States in clearing, leveling, and preparing lands for the handling of irrigation water may, in the Secretary's discretion, be made with individual water users or any form of water users' organization satisfactory to him."

And the Senate agree to the same.

COMPTON I. WHITE,
J. W. ROBINSON,
JOHN R. MURDOCK,
DEWEY SHORT,
ROBERT F. ROCKWELL,
Managers on the part of the House.

PAT MCCARRAN,
DENNIS CHAVEZ,
CHAN GURNEY,
JOSEPH C. O'MAHONEY,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 839) to amend the act approved May 27, 1937 (ch. 269, 50 Stat. 208), by providing substitute and additional authority for the prevention of speculation in lands of the Columbia Basin project, and substitute and additional authority related to the settlement and development of the project, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Most of the provisions of the Senate amendment are identical with those of the House bill. All of the differences between the two are in sections 4 and 5.

Section 4 of the Senate amendment contained a provision including provision for the general welfare among the purposes for which the Secretary of the Interior is authorized to administer the lands within the Columbia Basin project area. The House bill did not contain this language, and the conference agreement follows the House bill in this respect.

Section 4 of the Senate amendment also contained provisions authorizing the Secretary to improve lands within the project, under contract with owners or organizations thereof, by clearing, leveling, and preparing them for handling of irrigation water. These provisions were not contained in the House bill, and the conference agreement follows the House bill in this respect by omitting these provisions.

Section 5 in the House bill and section 5 in the Senate amendment both relate to payments in lieu of taxes, assessments by irrigation districts, and taxation by the State and its political subdivisions of lands within the project area. There were a number of technical differences between the language of this section in the House bill and in the Senate amendment. However, there were no substantial differences in the purposes of the two sections. The conference agreement adopts the Senate language for this section.

COMPTON I. WHITE,
J. W. ROBINSON,
JOHN R. MURDOCK,
DEWEY SHORT,
ROBERT F. ROCKWELL.
Managers on the part of the House.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to, and a motion to reconsider was laid on the table.

SPECIAL ORDERS

The SPEAKER. Under previous order of the House, the gentleman from North Dakota [Mr. BURDICK] is recognized for 15 minutes.

Mr. BURDICK. Mr. Speaker, the farm situation at the beginning of this coming crop year is dangerous; that is, if we recognize the need of food in our war effort. This war is no different from the last war or any war in the history of the world. It is the side with the last loaf of bread that wins.

Several times on the floor of this House I have spoken to you about our greatest defense—that of food—and except for the fact that a great number of the Members of the past four Congresses realized that, our farm situation would have been infinitely worse than it is today.

When people have plenty to eat, no thought is given to those millions engaged in food production—at least no thought other than to get the food as cheaply as possible. Unless legislation is passed almost immediately, we shall know what it is to be short of food. To ask the food producers to feed the Army, the Navy, our Air Forces, and the civilian population, furnish 10 percent of all the food Great Britain uses, and scatter food throughout the world, is asking too much of loyal citizens unless the sentiment of the people of the United States demands action to maintain and encourage these producers.

I list here some of the things which must be done if the food producers are to win their fight for food for our cause:

First. Food cannot be produced without labor—and lots of it. Farming is a skilled business, and not every man you see can operate a farm or even assist in doing so. Those best fitted for the business are the farmers themselves. This being so, do you feel that our selective-service operations have been just and fair?

As early as last July I found out what was the matter with our selective-service machinery as applied to farmers. Farm boys were being drafted right and left in North Dakota and other farming States. I contacted the selective-service headquarters here in the Capital and was told that farm boys engaged in essential farm production would not be drafted; that the local boards had full power to defer these farmers. Still the process went on unabated. I asked the Director to issue instructions to the local boards to leave this farm help on the farms. No such order was issued at that time. The Director said it was all in the hands of the local boards. I then contacted the local boards of my State, and they informed me that they were given a certain quota and must fill it regardless—and they did. In some instances—many instances—the farm boys were dragged away from the farms to such an extent that the aged fathers were compelled to give up all farm operations and sell out. The newspapers of the United States testify to the thousands of sales held everywhere in the farm area. Farms were given up; good dairy and beef herds went to market, and the efforts of a lifetime of these owners were destroyed.

I understood the Selective Service had the absolute right to leave those boys on the farm if they were of the opinion that they were doing necessary work. I asked if they had sent out an order to these local boards to that effect, but no definite order was sent; they have never sent it out since, and I do not believe they ever intended to send it out. They say the local boards have full authority.

I then contacted the local boards in North Dakota and I told them they had the authority, they had the power to defer these men if they wanted to; but they felt sort of patriotic and did not defer them. They said the authorities here in Washington were the ones that demand that they fill their quotas, so they filled them, and there are many, many instances I could point out where they took the last boy from aged farmers who were then compelled to sell their herds and abandon the farms. I know of only two counties in the State that had the courage to exercise the power that the board here in Washington said they had and they refused to draft these boys. When they said, "You are not filling your quota," these boards said, "Never mind your quotas—we are not going to let this grain remain in the

field." But there were only two counties that did that. Whatever they did was not disturbed, you understand. If your local boards have deferred workers nothing would have been done, but you know when a body of men are called upon by the Government to furnish a quota they naturally want to do it out of patriotic purposes if for no other reason.

Now the situation has developed to the point where it is beyond our power to remedy the situation. We can help, but we cannot restore those farms that have gone, and we cannot return those herds that have been sold. That has been done and the Selective Service here in Washington and the local boards must now take the responsibility for that situation.

Mr. WRIGHT. Will the gentleman yield?

Mr. BURDICK. I yield to the gentleman from Pennsylvania.

Mr. WRIGHT. I believe last year when the Selective Service Act was amended there was some provision put in for the deferment of farm workers if in the opinion of the local board they were necessary; is that correct?

Mr. BURDICK. Yes; there was an order to that effect sent out. But you know what that means. When you put an "if" in anything it does not do much good. When you put an "if" in the law you destroy the law.

Mr. WRIGHT. Is not the fault in the quota system? The quota system is too rigid. I take it that your local boards in trying to fill their quotas decide against the deferment of these men who are nevertheless necessary for the farm?

Mr. BURDICK. That is right.

Mr. ROBSION of Kentucky. Will the gentleman yield?

Mr. BURDICK. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. I have had this experience; you take the matter up with General Hershey's office in Washington and they say they will investigate. They refer it to the State director. The State director refers it to the local board. The local board stands pat, the State director sustains him, and then the board here in Washington or the headquarters in Washington sustains the State director. So you do not get anywhere except you go in a circle. I want to make this suggestion:

Many young men on the farms who might be deferred hesitate to be deferred because the finger is pointed at them indicating that they are derelict or unpatriotic. It seems to me something ought to be worked out to prevent that. Of course, every man and woman should be willing to do whatever they can do best to expedite the winning of the war, and they should be regarded as patriotic citizens if they are producing food or making guns, just like those who are carrying guns, and like my own son, who is carrying a gun in the service.

Mr. BURDICK. I guess I was not making a very good speech, because my colleagues insist on making it for me.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. BURDICK. I yield to the gentleman from Montana.

Mr. O'CONNOR. We have the same situation in Montana with respect to the training of farm help as the gentleman has in North Dakota. Many of our farms are being sold, and many of our herds of cattle and sheep are being sold because no one is left to do the work. You cannot make sheepmen or cattlemen or farmers out of green help in any short period of time. It is almost a scientific job.

As the gentleman from Kentucky has pointed out, many of the boys on the farms have left the farm because they were afraid of being called slackers or duckers, or whatever you wish to call them. I have always felt that if the boys on the farms were given some sort of a military status, if they were given something in the way of an emblem or something else to show that they were in the service, that would relieve them of embarrassment when they go to town and mingle with the other boys in uniform and relieve them of the feeling that they were not doing their duty as American citizens in this emergency.

Mr. STEFAN. Mr. Speaker, will the gentleman yield?

Mr. BURDICK. I yield to the gentleman from Nebraska.

Mr. STEFAN. May I say that I took that matter up with General Hershey's office and he told me that that was a matter for the local communities to take care of, that public opinion in the local community should be so arranged as not to point the finger of slacker at a man who had been deferred because he was absolutely needed to run a farm to produce food. I agree with the gentleman from Montana, however, that he should have some card or letter or some other form of recognition indicating that he was deferred. He wants to go into the service.

Mr. O'CONNOR. Sure, they all want to go. That is what makes them want to go.

May I say that I also took this matter up with General Hershey in regard to giving these boys some sort of a military status and recognizing them as doing their duty by giving them some sort of an emblem. His reply was that that was a matter for legislation, a matter for the Congress to consider, that he did not have any authority along that line. I am inclined to think he is right. I believe the Congress should take some action towards giving the boys on the farms who are deferred when they are necessary to produce food some sort of military status so that they may be recognized as doing their duty in this war.

Mr. BURDICK. I hate to interrupt this fine conversation among the Members, but I should like to make a few feeble remarks here myself.

Second. Foreclosures against farmers by Government agencies should be suspended during this war. We have witnessed the spectacle of Federal land banks and other farm financing agencies foreclosing and evicting farmers, and at the same time we have had to employ another Government agency to replace them on the farm. A great many Members of Congress are determined to abolish the Farm Security Administration—the Government agency that has performed the task of reviving farms, but at the same time those same Members would refuse to vote for a moratorium to stop the foreclosures, that have made the Farm Security Administration necessary. An out-and-out moratorium law should be passed immediately, a law that would prevent all foreclosures against farmers until this war is over.

Third. Cancel old feed and seed loans that now hang around the farmer's neck. Most of these loans were made in the Dust Bowl area where to avoid asking for this credit was beyond the power of any human being. Loaded down with these debts, the farmer cannot see where he will be able to even live and provide for his family, because at threshing time the Government collectors will sit at the end of the grain spout to collect the old debts. I have personally seen Government collectors bunched around threshing machines as thick as buzzards around a carcass. A bill should be passed to cancel these loans outright; the Government should not follow the farmer to the brink of the grave to make him repay them. We are a great and generous Government when it comes to dishing out billions to other governments, but we pursue a pusilanimous policy with respect to our own people.

Fourth. The farmer must have machinery. The present allotment of steel for farm-machinery construction will give 2 binders, 1 bull rake, and 1 drill to counties raising 15,000,000 bushels of grain. If our war effort is not to be shattered, this allotment of steel must be revised. We must realize that fighting men with food are dangerous, and that hungry soldiers are easy victims. If we are to have the support of the countries which we liberate, we must first stop the famines—and that means food. Experiences have demonstrated that no argument—religious or otherwise—is ever received by people who are hungry. This allotment of steel should be revised and enlarged at once.

Fifth. Lastly, there is no sense in trying to cover up the mistakes we have made in the draft by sending soldiers back to the farm—unless it is to their own farms. It is also doubtful if any young man now in the Army would want to return to the farm as a soldier to be humiliated by constant jibes from the citizens generally. There is no sense in sending dentists out to run a dairy; there is no sense in sending soda-fountain jerkers out to run combines, or bar tenders out to husk corn. The situation can be solved—at least in part—by stopping the draft of farm boys now, and by returning those now in training to their own farms for this crop season.

We must pay the farmer enough for his products to cover his expense, including a living for himself and family while he is turning out the food. The farmer must have some assurance that his efforts will be insured and that, because of some act of God, over which he has no control, he will not be left unprotected to shoulder the loss alone.

This Congress can write these laws that will greatly remedy the damage we have already done. It can write the conditions to be followed, and, above all else, we should not give any board or

administrative agency the power to make such rules and regulations as they think proper. We have tried that; it is an easy way to legislate; but we have discovered that many times these rules and regulations rule and regulate the act of Congress out of existence, and we have nothing left but the bare whim and caprice of some administrator. We should get down to business and write these conditions, rules, and regulations in the bill itself. All these remedies are before this Congress in concrete bills.

If we intend to represent the people, let us tackle the job. If we intend to leave it all to others, let us pack up and go home. Some of us know how to farm; and if bureaus are to run the Government, we can at least get busy and do something material to our war effort. If we could take back with us the thousands and thousands of expert economists and professors who are interrupting the farmer in his work by telling him what to do; if we could take home with us all these so-called expert farmers—providing they would work and knew how—and put them to work in the field, leaving the farm owners alone, we could materially aid in the production of food and assist in solving the labor shortage on the agricultural front. On the other hand, if we are here to represent the people back home, why cannot we forget all about politics and the next election and do a job of legislating that every good, loyal citizen will welcome?

Mr. RIZLEY. Mr. Speaker, will the gentleman yield?

Mr. BURDICK. I yield to the gentleman from Oklahoma.

Mr. RIZLEY. Without saying that the Farm Security Administration should be abolished or retained, does not the gentleman feel that some of the competing agencies the Government has set up should be abolished? I refer particularly to the Farm Security Administration, the Production Credit Association, and the R. A. A. C., whatever that means, all of which have the same function, to help the small farmer, the farmer in whom the gentleman seems to be interested, and which are functioning in the same way, by granting small loans, having for their purpose aiding the farmer. Should not some of these agencies be abolished or some consolidation be made of them so that we would not have all these agencies competing with each other in the various communities?

Mr. BURDICK. I think it would be a good thing for the American farmer if we had less bureaus dictating to the farmers and permitted the farmers to go ahead in a united purpose to produce food.

Remember, we are headed for hunger right here in America unless we are willing to correct the evils that are fast destroying the farm homes of America. Some have said to me, "Well, if the farm home is put out of business, the crops will be put in by bigger concerns and we shall have just as much crop as before. The work will be done by machinery on a large scale." Can this country continue its existence with bigger and better machines and no farm homes? What has been the bulwark of the strength of the United States? It is the homes we have had. Where do we get the fine young men to defend us in the South Pacific, in Africa, in China, and every point of the globe? We get them from our homes—millions from our farm homes. Can machinery ever take the place of a farm home? In my own State we have suffered a fearful loss of life in the South Pacific, because our boys were ready—because they were trained. They went first under dangerous handicaps. Most of these boys—yes, all of them—came from the farms and the small country towns that serve farmers.

Suppose we let the farm homes die out; will anything else die with them? Yes, all else will die. Not only business, churches, schools, manufacturing concerns, and transportation companies, but the Government itself. Let us take a different attitude toward the farm home and protect it now while we can.

I wonder why old women and old men in Russia carry ammunition on their back and trek hundreds of miles through the snow and wade through the gore of battle to deliver ammunition to their sons? They are doing it because they are fighting for their homes. If we think we can replace farm homes with machinery, we will discover that we shall have nothing to fight for.

Edgar Guest has given the best definition of a home that I have ever read. Here it is:

It don't make any difference how rich ye get t'be,
How much yer chairs an' tables cost, how great yer luxury;
It ain't home t'ye, though it be the palace of a king,
Until somehow yer soul is sort o' wrapped round everything.

* * * * *

Ye've got t' love each brick and stone from cellar up t' dome;
It takes a heap o' livin' in a house t' make it home.

The SPEAKER. Under previous order of the House, the gentleman from Illinois [Mr. SIMPSON] is recognized for 10 minutes.

AGRICULTURAL MACHINERY

Mr. SIMPSON of Illinois. Mr. Speaker, in my hand is the December 12, 1942, overseas edition of the London Daily Mail.

On page 13 it contains British advertisers of world-wide repute conveying Christmas and New Year's greetings to their friends and clients in all parts of the world.

The greetings from Ransomes, Sims & Jefferies, Ltd., of Ipswich, England, is especially interesting. This concern, in addition to their greeting, states:

Finest agricultural machinery. For all countries, crops, and conditions.

At one side of the greeting they continue:

That they have the pleasure in stating they and their agents are still able to serve their clients with essential requirements in implements and spares.

Coming from an agricultural district as I do, this is difficult to believe, and yet here it is. No one contends our ally, England, produces as much food as America, which naturally makes this advertisement all the more confusing. Today we are asking and expecting the American farmers to produce more with less. It simply does not make sense. Are we being led back into the wilderness in place of out of it?

It is never my intention to contribute toward creating disunity, either during peace or war. There is no question but that our farmers are producing all possible under extreme handicaps. They have produced through the centuries, with nothing but toil and sweat, and no doubt tears. They realize the fact that we are at war, and they appreciate the allotted increase in farm machinery recently made available, even though it is only 40 percent of the amount produced by manufacturers in 1940. Why let routine take the place of common sense?

The American farmer cannot help but feel that the allotment is too little in keeping with the asked for farm program. Why not increase it before it is again too late? All Americans feel that material for combat purposes should come first. They also know that food and rubber should come next. Surely no one can find fault with that. My information is that under war conditions the farmer prefers the necessary amount of machinery to subsidies.

If our estimated war costs for the fiscal year of 1943 are more than Germany, England, Russia, Italy, Japan, and Canada combined, we can surely make our farmers understand they will not be let down in any manner whatsoever.

It seems impossible to me that we cannot do for our farmers as much as Sims Jefferies in England are advertising to do for the agriculturists of all countries. They cannot feed the Allied Nations and a post-war world regardless of their machinery production. Our farmers' food contribution, if allowed to be adequate, will go a long way toward creating confidence at the much-talked-of permanent world peace conference, which is bound to come and with the Allied Nations the victors.

A full stomach of American food might be of great help in the peace negotiations. At least let us assure the farmer that we are back of him and those in the armed forces 100 percent.

Mr. DITTER. Will the gentleman yield?

Mr. SIMPSON of Illinois. Yes.

Mr. DITTER. I should like to make the observation that I think the gentleman has touched upon a very pertinent matter, and I think the people he represents are to be congratulated on the aggressive way in which he has entered into the duties of his office by calling attention to a matter of tremendous concern to the Nation.

Mr. ANTON J. JOHNSON. Will the gentleman yield?

Mr. SIMPSON of Illinois. Yes.

Mr. ANTON J. JOHNSON. The gentleman has made a very interesting speech on a most vital subject affecting agriculture and food production for the peoples of the world.

I want to ask the gentleman if he does not think it would be far better to abolish the present quota system of farm implements that is being figured out and planned by some college professors and not practical farmers and not practical farm implement men? Do you not think it would be much better to abolish the present quota system with reference to farm implements and let the implement men themselves, who know the needs better than anybody else, exercise their judgment and send into areas where machinery is needed which machinery is what the farmers must have to produce and harvest their crops?

Mr. SIMPSON of Illinois. I think so, but I am not in position to say definitely. I do think that we should give the farmer enough and that we should increase the quotas.

Mr. STEFAN. Will the gentleman yield?

Mr. SIMPSON of Illinois. Yes.

Mr. STEFAN. You read some advertisement out of a paper published in Great Britain indicating that a certain farm implement house in Great Britain had sufficient farm machinery for distribution to practically every place in the world.

Mr. SIMPSON of Illinois. No; that is not what I said.

Mr. STEFAN. I did not quite understand the quotation.

Mr. SIMPSON of Illinois. I will read it to you again. The advertisement stated:

Finest agricultural machinery for all countries, crops, and conditions.

Mr. STEFAN. Yes. Has the gentleman any information as to what deliveries have been made of farm machinery?

Mr. SIMPSON of Illinois. I have not.

Mr. CRAWFORD. Will the gentleman yield?

Mr. SIMPSON of Illinois. I yield.

Mr. CRAWFORD. I do not think, in fact, I am sure, the gentleman does not desire to create any disunity by pointing out that the British firm of Sims & Jefferies are trying to promote international trade and to maintain trade for the post-war period. I am sure he would not criticize any firm for trying to do that. But what I understand from your statement is this, and I think you are correct in that: That while you are not criticizing their general approach to the solution of the problem of raising food and following a policy of sending a great deal of farm machinery to countries where they can raise more food which we would not have to ship to them, the point you make is that in doing that that we should determine upon a policy which, at the same time, would preserve American economy and agriculture and the social structure the same as the British firm to which the gentleman has referred is attempting to preserve those structures in Great Britain. That I understand is what the gentleman has in mind.

Mr. SIMPSON of Illinois. I am simply making the point that they are advertising agricultural machinery for all countries, crops, and conditions.

Mr. CRAWFORD. Yes.

Mr. SIMPSON of Illinois. I am simply using that as a basis to say that our machinery production should be increased.

Mr. CRAWFORD. So that our people can produce more food.

Mr. SIMPSON of Illinois. Yes.

BOTTLENECKS IN PRODUCTION

Mr. RIZLEY. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. RIZLEY. Mr. Speaker, I take this 1 minute and direct my remarks to the attention of someone on the Banking and Currency Committee who has charge of price control legislation in this country and consquently over the O. P. A. This morning before the Committee on Agriculture we had certain representatives of the canning industry of the country, also representatives of the O. P. A., and after listening to the statements of those gentlemen, it is my opinion that the greatest bottleneck in production today, and the greatest bottleneck toward reaching any goals for the next year is right in the O. P. A. According to the statements made before our committee today, the O. P. A. have so delayed any agreement or arrangement, with respect to canned fruits and vegetables, that it is altogether probable that a huge shortage of canned fruits and vegetables will result in precluding our armed forces and those allied with us, in obtaining the amount actually necessary to sustain them for 1943. They are violating not only the spirit but the written letter of the price control law and ignoring in many respects the mandate of Congress. I think the Banking and Currency Committee should investigate the matter, and investigate it immediately.

The SPEAKER. Under previous order of the House, the Chair recognizes the gentleman from Tennessee [Mr. JENNINGS] for 30 minutes.

MORE ABOUT JUDGE DARR

Mr. JENNINGS. Mr. Speaker, on February 18 of this year, under the caption of "A slugged citizen, 400 disfranchised voters, 3 sluggers, and a 3-cent fine," I called the attention of this House and of the country to the fact that as a culmination of more than 2 years' effort on my part, on the part of the splendid citizenship of McMinn and Monroe Counties in my district and the Department of Justice to outlaw force and fraud in elections in those counties, 3 men, Spurgeon Simpson, Ralph Lattimore, and Frank Green, were convicted by a jury of 12 men in the United States District Court at Chattanooga. Judge Leslie R. Darr, United States district judge, presided at this trial. These defendants were convicted on the charge of depriving the citizens of the Claxton precinct of McMinn County of the right to vote in the November 1940 election, in violation of section 52, of title 18, of the Federal Criminal Code. The defendants, after having slugged a citizen when he attempted to vote, by force and violence closed the polls at 10 a. m. and carried the ballot box to the town of Etowah, miles away, thereby depriving some 400 citizens of the county of the right to cast their votes in the election which involved the election of a Member of Congress and a United States Senator, and a President.

In passing on the motion for a new trial made on behalf of these three convicted criminals, Judge Darr stated from the bench, in open court, that he knew about the repeated violations of the election laws in that county, which, to use his language, had become "the practice up there," and, notwithstanding that section 52 of title 18 of the Federal Criminal Code provides that persons found guilty of the offense for which the defendants had been convicted "shall be fined not more than $1,000, or imprisoned not more than 1 year, or both," he, as I stated in my speech of February 18 last, "placed his blessing on the convicted offenders, fined the criminals a penny each, said they were men of good character, and, in effect, told the people of that county who had been robbed of their votes, blackjacked, and driven from the polls at the point of a pistol, to go to hell."

Judge Darr gave as his excuse for thus virtually turning these criminals loose that one of them was in the armed services and the other two were employed in a defense industry.

I quoted from an editorial of the Knoxville Journal of February 9, 1943, which, in part, said:

On the same theory either service in the armed forces or holding a job in some war industry could be with equal justice used as a defense against conviction on charges of theft, arson, or murder. It is disappointing in the extreme to have a Federal court assume a position which, by implication, says to the public that, for the duration of the war, crime has a completely different status from that it occupies in time of peace.

In the area in which these citizens were deprived of their right to vote by the defendants in this case, it is true that there is no such thing at the moment as the right to vote. It is a right which is completely at the whim of the Burch Biggs political organization. The sentence handed down by Judge Darr is exactly in line with the value put upon the franchise by Mr. Biggs and his machine; it is the kind of sentence one would have expected Mr. Biggs himself to have handed down, with a jovial smile, if he had been on the bench.

But this wasn't Mr. Biggs appraising the value of a voter's ballot in McMinn County—it was a judge clothed in the sanctity of the Federal bench. We are indignant at the view the court took of this election fraud and we hope others will be. If his verdict breeds no indignation, then this talk of fighting a world war to preserve our own constitutional rights is all eyewash.

In a few minutes after I had thus exposed the attitude of Judge Darr toward the rights of the law-abiding citizens of this country to cast a ballot for the candidate of their choice without being driven from the polls by armed force, I met the gentleman from Tennessee, Representative ESTES KEFAUVER, who represents the Third District of Tennessee and who resides in Chattanooga, the home of Judge Darr, on the street floor of this House, just opposite the Sergeant at Arms' office, and he said to me, in substance: "I am surprised at the action of Judge Darr in the matter you have just

discussed. I wonder what made him fine these defendants only 1 penny each." I then stated to him what I stated in my speech, that it was openly stated by those associated with the defendants that they would not be punished, that the case had been fixed. And I further stated to him that this was not the first instance in which Judge Darr had sanctioned a violation of the Federal election laws by imposing a fine of 1 cent on a convicted defendant.

About 4 o'clock on the afternoon of Tuesday, February 23, the gentleman from Tennessee [Mr. KEFAUVER] called me on the telephone and stated that Judge Darr was very much distressed about what I had said about his disposal of the case against these three defendants, and that a good many lawyers who practiced in his court wanted him, the gentleman from Tennessee [Mr. KEFAUVER] to say something in defense of Judge Darr. He asked me if I desired to see what he proposed to say before he said it on the floor of the House. I replied to him that I did not care to see what he proposed to say on the floor of the House; that I felt able to take care of myself; and that there were further disclosures which I proposed to make with respect to Judge Darr's attitude toward those who had been convicted in his court on the charge of violating the Federal election laws.

I have read Representative KEFAUVER'S remarks, and nowhere in them does he challenge a single fact stated by me on February 18 of this year. I entirely agree with him in his statement that—

> The independence, purity, and the honesty of the Federal judiciary is one of the most blessed bedrocks of our democracy. The Federal courts have deserved and won the approbation of the people throughout the history of this Republic. That confidence must be preserved.

That is just exactly what I am driving at in this matter. And there is no better way for the judge of a Federal court to preserve the confidence of the people in the Federal judiciary than to use his vast powers not in the protection of criminals but in the protection of the sacred rights of the decent, patriotic, law-abiding men and women of McMinn County to vote in the elections of that county without being subjected to the terrorism of the blackjack and the pistol in the hands of election outlaws, and then to have their votes counted as they were cast. And then he goes on to say:

> I think it ill becomes any Member of Congress to criticize the action of a Federal judge when he was not present at the trial, did not hear the testimony, and did not see the witnesses as they appeared in court.

Thereupon my friend the gentleman from Nebraska, Congressman CARL CURTIS, who is a distinguished and able lawyer, asked the gentleman from Tennessee [Mr. KEFAUVER] this question:

> Is it not true that our colleague from Tennessee [Mr. JENNINGS] has spent a number of months working on this case, gathering up the evidence presented to the Department of Justice, and was to a very great extent familiar with the facts in the case, whether or not the gentleman from Tennessee agrees with what he said about the sentence or not?

The gentleman from Tennessee [Mr. KEFAUVER] did not answer this question of the gentleman from Nebraska, Congressman CURTIS. I had discussed the facts of the case with the gentleman from Nebraska, Congressman CURTIS. And I have every reason to believe that the gentleman from Tennessee, Representative KEFAUVER, knew that I, for more than 2 years, have been waging an aggressive fight along with the men and women of McMinn and Monroe Counties to restore honest elections and to safeguard the sacred right of suffrage in their counties.

As stated in my speech of February 18:

> Through the vigorous efforts of the Attorney General of the United States and his assistants here in Washington a Federal indictment was returned against these offending election officials.

The Department sent one of its ablest trial attorneys to Chattanooga to assist the district attorney in the trial of the case against these three defendants. The Department of Justice sent its representative from Washington to Chattanooga to oppose the motion for a new trial made on behalf of these convicted defendants, and when I informed the Assistant Attorney General in charge of the prosecution of offenses against the rights of citizens to vote of Judge Darr's action in fining these three defendants only 1 cent each, placing them on probation for 2 years, and virtually turning them loose, he was astounded and said to me:

> This is not the first time that Judge Darr has done a thing like this.

He looked up the record of the case and gave it to me. It is the case of the United States of America against William C. Moses, and the facts of that case are as follows:

William C. Moses had been a W. P. A. foreman on the McMinn County sanitation project from August 1936 to December 3, 1939. He was reassigned on December 23, 1939.

During the time he was off the W. P. A. rolls, he solicited political contributions from W. P. A. employees and turned over the moneys collected, $23, to the campaign fund of Hammond Fowler, who was running against the gentleman from Tennessee, JOHN JENNINGS, Jr., in the special election held in December 1939 to elect a successor to the late Congressman J. Will Taylor.

Mr. Moses was indicted in the Eastern District of Tennessee by the grand jury sitting at Chattanooga in November 1940. The indictment contained eight counts under section 5 of the Hatch Act. The defendant entered a plea of guilty, and was sentenced to an hour in the custody of the United States marshal and fined 1 cent in lieu of costs.

Judge Leslie R. Darr presided at the trial of Mr. Moses. And in fining the defendant only 1 cent he was running true to form.

The offense for which this man, Moses, pled guilty was that of extorting money for political purposes from the poverty-stricken men who were working on relief in McMinn County. The offense is the more revolting because it was done at the Christmas season, when, of all times, these unfortunate men desired to use their meager wages to provide not only the necessities for their wives and children but a Christmas dinner for the family and presents for their children. It is not hard to visualize the return of those men to their humble homes and to hear the question of the wife, "What have we for the Christmas dinner?" and the eager inquiry of the expectant children, "What are we to have for Christmas?" This man, Moses, had taken from the withered hand of want and had snatched from the pale lips of hunger the bread and meat with which these unfortunate workers were struggling to keep the souls and bodies of their wives and children together.

A ghoul robs graves and plucks the bodies of the dead, but the dead do not suffer the pangs of hunger nor the chill of winter's blast. And the Congress, when it wrote the penalty for such dastardly conduct as that of Moses, provided that any person guilty of doing what Moses did, upon conviction, "shall be fined not more than $1,000, or imprisoned for not more than 1 year, or both." And yet, Judge Darr, when this minion and tool of those who were making of elections a farce in McMinn County, and in so doing were oppressing the poor, turned his back upon the good people of that county and placed his benediction and approval upon Moses by sentencing him "to an hour in the custody of the United States marshal" and fined him 1 cent in lieu of costs. The fine was one twenty-three hundredths of the amount Moses took from the W. P. A. workers.

What was the purpose of Congress in writing into law the provision: "If two or more persons conspire to injure, oppress, threaten, or intimidate any citizen in the free exercise or enjoyment of any right or privilege secured to him by the Constitution or laws of the United States, the person found guilty of so doing shall be fined not more than $5,000 and imprisoned not more than 10 years, and shall, moreover, be thereafter ineligible to any office or place of honor, profit, or trust created by the laws of the United States"?

What was the purpose of the Congress in writing into law the provision: "Whoever, under color of any law, statute, regulation, or custom, wilfully subjects, or causes to be subjected, any inhabitant of any State to the deprivation of any rights, privileges, or immunities secured or protected by the Constitution and laws of the United States, shall, upon conviction, be fined not more than $1,000, or imprisoned not more than 1 year, or both"? And what was the purpose of the Congress in enacting the Hatch law, just above referred to? These laws speak for themselves. They were enacted in order to preserve and protect the sacred right of the citizen to vote, the sacred right of the citizen to a voice in the Government for which their boys are today fighting and dying all over the world. For what purpose are courts constituted, and why are judges appointed and clothed with the great powers with which they are invested by law? It is not to

suspend laws, to disregard laws, to nullify laws passed by Congress. No Federal judge has the right to substitute his own peculiar whim or to substitute the will of a corrupt political machine for the declared purpose of Congress as embodied in the law of the land.

The purpose of law is to make it as easy as possible to do right, and as hard as possible to do wrong. Punishment of the guilty is mercy to the innocent. What oath does a United States district judge take when he assumes the duties of that great office? I quote the oath of office taken and subscribed to by Judge Leslie R. Darr when he assumed the high office which he now occupies:

I, Leslie R. Darr, do solemnly swear that I will administer justice without respect to persons, and do equal right to the poor and to the rich, and that I will faithfully and impartially discharge and perform all the duties incumbent on me as District Judge of the Eastern District of Tennessee according to the best of my abilities and understanding, agreeably to the Constitution and laws of the United States. So help me God. (Sec. 372, title 28, of the Judicial Code.)

The supreme question that any judge is called upon to answer in the determination of any lawsuit before him is, What saith the law? By what law, in the disposal of the cases now under discussion, was Judge Darr bound? Was it the law of expediency which the safety and perpetuation of the Burch Biggs machine of Polk County dictated? Was it the law of the land or was it the higher up who shivered in his boots for fear Moses would squawk if he was imprisoned that produced a 1-cent fine?

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. JENNINGS. Yes.

Mr. ROBSION of Kentucky. When I was a young lawyer in my community, and that is a good many years ago, we had a justice of the peace who would frequently fine persons convicted of crime or misdemeanor 1 cent and costs. We thought that was rather ridiculous, but as I understand it this Judge Darr did not even require this defendant to pay the costs.

Mr. JENNINGS. No.

To determine this question, Judge Darr had but to turn to article 6 of the Constitution which he swore to uphold and defend, and I now quote it:

This Constitution, and the laws of the United States, which shall be made in pursuance thereof * * * shall be the supreme law of the land; and the judges in every State shall be bound thereby, anything in the Constitution or laws of any State to the contrary notwithstanding.

Due to local conditions existing in Monroe and McMinn Counties, with which every well-informed citizen in those two counties is familiar, the United States district court was the only tribunal on this earth to which the people of those two counties could go for relief against the intolerable conditions which had stripped them of the right to exercise a voice in their Government through the ballot for the past 6 years.

More than 4,000 of the flower of the young manhood of McMinn and Monroe Counties are now in the armed service of the United States, on every battle front, everywhere in the world. While the boys from these two splendid counties are facing the guns of the Germans, the Italians, and the Japs, in defense of the liberties of their country, their fathers, mothers, brothers, and sisters in McMinn and Monroe Counties, when they go to the ballot box to vote, must face the guns and must be beaten by the blackjacks of the coterie of criminals who have usurped free government in these two counties.

In November 1942, when the men and women who dared to do so, went to the ballot box in McMinn County, many of their boys had made the supreme sacrifice. Shortly after the November election Leslie Dooley, a 21-year-old lieutenant from Athens, Tenn., came back to his father and mother and to his girl wife in Athens, weak from the loss of blood, with an empty sleeve. He had lost an arm in the north African campaign. And, in the face of conditions like this, Judge Darr, in fining the three convicted defendants at Chattanooga for their violation of the rights of the people of that county to vote, thumbed his nose at the father and mother of young Dooley, and thumbed his nose at every relative of every soldier from that county, and gave aid and comfort to those who, in the election of November 3, 1942, with pistols and violence, again thwarted the will of the people of that splendid county.

In saying what I have heretofore said, I am not actuated by any personal animosity toward Judge Darr, or toward anyone else. The good people of these counties, both Republicans and Democrats, have declared war on this kind of misconduct. They have asked me to help them. For more than 2 years I have fought side by side with them. The people in Polk County, in McMinn County, in Monroe County and in Bradley County, are aroused. They are making war upon those who have robbed them of their vote. They who are not for them are against them. The battle lines are drawn. There will be no turning back. The people know where every public man in the State stands upon this question. In turning the white light of publicity on Judge Darr's complicity in these matters, I am not alone. I am not undertaking, as the gentleman from Tennessee [Mr. KEFAUVER] states in his speech, to try a lawsuit on the floor of this House. The lawsuit that I am talking about has already been tried. It was tried before Judge Darr and a jury in open court. They had the facts that I made available to them.

The gentleman from Tennessee [Mr. KEFAUVER], in his remarks on the floor of the House, stated, in his reference to me, that I did not have full information with respect to the case in which Judge Darr fined the defendants 1 cent each and put them on probation for 2 years. He then said, referring to himself:

I do not know the details of the case against the three defendants from McMinn County to which the gentleman from Tennessee alluded. No one who was not present at the trial is in a position to pass judgment on the fairness of the sentence imposed.

And then he proceeds to testify to the high character of Judge Darr and tells us that Judge Darr "has made a remarkable record as a jurist of the best and highest type," and then states:

I regret that anyone has seen fit to disparage a man whom I consider one of the Nation's finest district judges.

In reply to these statements may I say good character does not excuse wrongdoing.

Here are the facts:

Immediately after the November election of 1940, the people in McMinn County who had been deprived of their votes in that election by the use of the pistol and the blackjack appealed to me for assistance in bringing the guilty parties to justice. I immediately obtained the affidavits of citizens of unimpeachable integrity, setting out the violations of the law in that election at the Claxton precinct, and at other precincts in that county. These affidavits set out the fact that the election officials who were tried and convicted at Chattanooga in Judge Darr's court had slugged a citizen who came to vote, closed the polls at 10 o'clock in the morning, carried the ballot box miles away, to Etowah, and prevented some 400 qualified voters of that precinct from voting. In November and December of 1940 I placed these affidavits in the hands of the Department of Justice. The charges were investigated by the F. B. I. The Department of Justice in Washington prepared indictments against those who perpetrated this outrage, along with indictments against other persons in my district who had been guilty of like offenses in that election. These charges were repeatedly submitted to the grand jury at Chattanooga in the District Court of which Judge Darr is the judge. The defendants and those who were conspiring with them were, on every occasion that these indictments were submitted to the grand jury, able to suppress indictments. And finally, in October 1942, almost 2 years after these offenses were committed, I was notified by an Assistant Attorney General in the Department of Justice in Washington that the grand jury in the district court at Chattanooga had again failed to indict these defendants. In order to avoid these sinister influences, the Assistant Attorney General sent another indictment against these defendants to the district attorney at Chattanooga, with orders to resubmit the indictment before a grand jury at Winchester, Tenn., the other place in the Chattanooga district where the Federal Court meets.

This move evidently took the defendants and their fellow conspirators by surprise, and the indictment upon which they were tried in January of this year, in Judge Darr's court, was returned against them. Had it not been for my efforts and those of the citizens of McMinn County interested in these prosecutions, these men would never have been indicted; they never would have been tried. I daily followed the course of the trial which was reported in the Chattanooga Times. I knew the facts, because I developed the facts and brought

them to the attention of the Department of Justice. I placed in the hands of the Department of Justice information before the trial that the man who is the head and front of the violations of the Federal election laws of McMinn County had paid the defendant, Spurgeon Simpson, the sum of $75 to break up that election. The defendant, Simpson, admitted on the trial of the case that he offered one of his fellow officers $75 to assist him in breaking up the election at the Claxton precinct, but he explained it by saying that he was only joking. I also placed in the hands of the Department of Justice a letter from one of the leading citizens of McMinn County, in which he makes this statement, with reference to the indictment and trial of these defendants:

We know that the mills of the gods grind slowly, and we should not expect a clean-up too quickly. However, there is a growing impatience here as to the part the Justice Department has promised to play. The men who have been contributing to the expenses are asking if after all we can or will accomplish anything. They are skeptical of the courts, and they have some basis for their skepticism. It has been reported that the local officials have said the case was already "fixed" for the ones indicted. They also say they have nothing to fear, that their Congressman will take care of them.

When these men claim they had a Congressman who would take care of them they certainly were not referring to me.

I, therefore, say to the Representative from Chattanooga that I was in full possession of the facts upon which these defendants were convicted. And I further state to him that when a Federal judge nullifies the acts of Congress, there is no better place than the floor of this House to tell about it. The protection of the rights of the citizens of my district and of the State of Tennessee to vote and have their votes counted as cast transcends all personal considerations.

The case that I am now discussing is not lightly regarded by the people of Tennessee, by the press of Tennessee, nor by the Department of Justice here in Washington. Assistant Attorney General Roy C. Frank, sent by the Department of Justice from Washington to Chattanooga to try this case, upon the return of the jury's verdict, said:

The successful conclusion of this case represents an important victory for civil liberties, not only in Tennessee, but everywhere else in the country as well. At the same time it serves notice on our detractors among the Axis Nations that democracy is a dynamic faith, fully capable of putting up a fight for its preservation.

The Department of Justice has waged an active war against violations of civil liberties during the last 12 months. The present case is one in a series in which we have fought against peonage, slavery, lynching, vote frauds, and other crimes against the Bill of Rights.

In the same issue of the Chattanooga Times appeared the following news article from Athens:

M'MINN VOTE FRAUD CONVICTIONS HAILED AS PRELUDE TO CLEAN-UP

ATHENS, TENN., January 28.—Federal court convictions in Chattanooga of three defendants charged with election irregularities in McMinn County in 1940 were hailed tonight by Judge C. S. Brown, of Athens, as an important victory for clean elections in Tennessee and McMinn County. "It looks like the United States Department of Justice wants a square deal in Tennessee elections," said the veteran Republican jurist, formerly presiding judge of the fourth judicial circuit.

Judge Brown expressed belief that prosecution in the McMinn County cases would be the forerunner of other prosecutions. "It is the first move on the checkerboard," he observed.

While declining to comment on the convictions, Col. E. B. Madison, prominent McMinn County attorney and secretary of the McMinn County Democratic Executive Committee, declared that he had been out of sympathy from the outset with the prosecutions, feeling that they represented a dangerous tendency of the Federal Government to interfere in the internal affairs of the State and the counties. Colonel Madison characterized the prosecutions as undemocratic.

John Cate, McMinn County Democratic leader and chairman of the McMinn County Election Commission, declined to make any comment when apprised of the convictions.

Wallace D. Hitch, attorney and Republican, who stated that he had not followed the case closely, expressed belief that the convictions would tend to clean up the situation in McMinn County. He said he believed that permanent improvement in election conditions in the county would result.

H. A. Vestal, prominent Republican and manager of the Van-Raalte Hosiery Mills here, declared he saw nothing improper in the prosecution of alleged election frauds in McMinn County by the Federal Government. "I only wish," he said, "that they—the Government—had come in about 4 years ago."

Asked if he thought definite improvement of election conditions in McMinn County would follow, Mr. Vestal stated: "There's plenty of room for improvement. There are many other cases besides this one which would bear inquiry."

Mayor Paul Walker, of Athens, stated tonight that he had not familiarized himself with the case just concluded in Federal court, but added that he had been watching with a great deal of interest the apparent intention of the Federal Government, through the Department of Justice, to enforce honest elections within the States.

"It is an obvious truth," Mayor Walker declared, "that if we are to have an enduring democracy in America one of the foundations upon which it must rest is a clean ballot box."

And this is not all. The Chattanooga Times is a great Democratic daily, with a circulation of some 50,000. It goes all over Representative KEFAUVER'S district and a large part of mine. And upon the conviction of the defendants in this case the editor of the Chattanooga Times wrote and published the following editorial:

SANCTITY OF VOTE UPHELD

Three election officials were convicted in Federal court here yesterday of preventing voting at an established polling place in McMinn County while acting "under the color of the law." There was no conviction on the first count of the indictment, which charged conspiracy, but Ralph Lattimore and Frank Green, election clerks, and Spurgeon Simpson, officer of the election, were found guilty on the second count.

This famous case touched upon only one incident which has occurred in McMinn County in recent years whereby voters were either intimidated or absolutely denied their privilege of voting. The evidence proved that at the Claxton School polling place, on the morning of the general election of November 5, 1940, the ballot box was removed and the polls were closed at about 10 a. m. Disorder in and around the polling booth was given as the reason for closing the polls.

An angle not developed in this case, of course, is the frequent failure of officers of the law in that county to maintain order at the most sacred shrine of citizenship—the polling booth. But whatever the situation, election officers have no right to close the booths arbitrarily, and thus to deny the vote to those who come after the booth has been closed.

The conviction in this case serves notice on petty political bosses that they will interfere with citizens in their right to vote only at their own peril.

The sanctity of the ballot is given a ringing reaffirmation by this finding in the Federal court here.

McMinn County may have orderly elections hereafter—at least in Federal elections. And what is not permitted by officers of the law in general elections should not be permitted in State elections.

You can, therefore, imagine the feeling of let-down, amazement, and righteous indignation on the part of the people of McMinn County and of that whole section of the country and on the part of the press when Judge Darr nullified the action of the jury and freed these defendants. Following his action, the Chattanooga Times carried this editorial:

STERN MEASURES NEEDED

Three McMinn County election officials, convicted in Federal court here of acting under color of the law in depriving certain citizens of the right to vote, were fined 1 cent each and given suspended sentences of 2 years by United States District Judge Leslie R. Darr.

The clemency shown was chiefly prompted, said Judge Darr, by the fact that this is wartime and the convicted persons are needed in the war effort.

Judge Darr mentioned the background of the case. "Practices of this type," he said, "especially in that county are not uncommon, and elections in that section have acquired the reputation of not being conducted in conformity with the law, strictly speaking. It's getting pretty bad when a citizen considers it a natural thing to go to an election equipped with a blackjack and a pistol."

Precisely because those things which we have just quoted from Judge Darr's statement are true, many will regret that a more stern corrective was not imposed than a 1-cent fine and a suspended sentence.

The McMinn election outrages doubtless contributed to the Napoleonic complex developed by Sheriff Biggs, of Polk County, whose methods have the earmarks of having been encouraged, if not suggested, by the attempts made in McMinn County to sway elections by terrorism. From there it was but a step to the present Biggs method of upsetting election results by legislative acts.

The Biggs phenomenon may not have been caused directly by the McMinn County election scandals, but the pattern is much the same.

The Times believes this wave of totalitarianism can only be stopped by stern measures.

I call the attention of this House especially to the reference made in this editorial to Sheriff Burch Biggs, of Polk County. Sheriff Biggs is the author of election outrages in this section of Tennessee. Through them he has absolutely abolished free elections in Polk County. Polk County, at the time Burch Biggs supplanted the will of the people, through force and fraud with his own

peculiar brand of Hitlerism, was and is now a Republican county by a majority of not less than 1,000. As an example of the brazen effrontery and disregard for law with which he does things, let me give you these facts: Burch Biggs is the Democratic Party in Polk County. In the Democratic primary for the nomination of a candidate for Governor and United States Senator held in that county on August 6, 1942, Biggs gave Gov. Prentice Cooper 3,970 votes and to Ridley Mitchell, one of the most popular Democrats in Tennessee and a former Member of this House, only 50 votes. In that same primary Biggs returned a vote of 3,899 for his candidate for the United States Senate and gave his two Democratic opponents only 122 votes. In the election of November 3, 1942, Biggs returned a vote of 3,560 for Governor Cooper and only 86 for the Honorable E. N. Frazier, his Republican opponent. And thereby hangs a tale.

After the marvelous showing of Biggs in the Democratic primary of August 6, 1942, he threw a party in celebration of his prowess. He gave a $1,000 barbecue. And to that barbecue he invited as a guest of honor the distinguished gentleman from Chattanooga, who graced the occasion with his presence. The news of this barbecue and of the attendance of our friend from Chattanooga moved the Knoxville News-Sentinel to lament editorially the fact that the gentleman from Tennessee, Congressman KEFAUVER, had condescended to attend a celebration of such a gigantic fraud, and, almost in the words of the Saviour, in his lamentations over Jerusalem, that paper said, in effect, "O, KEFAUVER, KEFAUVER, how oft have we taken thee under our wing as a hen hovereth her chickens, but now you have gone astray with Burch Biggs."

And many have been made to wonder, on what beef did our friend feed at the Burch Biggs barbecue that the bowels of his compassion are so moved that he must rush into print in defense of the election frauds perpetrated by Biggs and his satellites—frauds that stink to high heaven.

Having subjugated Polk County, Biggs has moved into McMinn and Monroe Counties in my district, and now into Bradley County in Congressman KEFAUVER'S district. He has habitually sent armed deputy sheriffs from Polk County into McMinn and Monroe Counties to aid in the terrorism of their citizens on the day of the election. And now, in Bradley County, the good citizens, both Democrats and Republicans, have joined in a legal attack on his effort to take over the county government of Bradley County through the medium of a ripper bill, legislating elected officials out of office and supplanting them with the choice of Burch Biggs through an act, the passage of which was secured by his son, Broughton Biggs, as a member of the Tennessee Legislature just closed. Burch Biggs and his satellites refer to McMinn and Monroe Counties in my district as "occupied counties." They are seeking to put them on the level on which Hitler has placed France, Belgium, Holland, Norway, Poland, Czechoslovakia, and other conquered countries of Europe. And, at this point, I make a part of this address an editorial of the Knoxville News-Sentinel of February 21, 1943:

CHEAP FINES WORSE THAN NONE

We can agree with Congressman JOHN JENNINGS, who has put his expostulations in the CONGRESSIONAL RECORD, that it was not expected that the convicted McMinn County men who closed up a polls would be let off with fines of 1 cent each. We said at the time that the convictions for violating Federal election laws were salutary. But the effect is nullified by the disposal made in the sentencing by Federal Judge Leslie Darr at Chattanooga.

The address of the gentleman from Chattanooga was carried in the press of Tennessee. The Knoxville News-Sentinel, published the following editorial:

THE JURY HEARD IT

Representative ESTES KEFAUVER told the House it "ill becomes a Member of Congress to criticize the action of a Federal judge when he was not present at the trial, did not hear the testimony, and did not see the witnesses as they appeared in court." He was chiding Congressman JENNINGS, who had criticized Judge Leslie Darr for letting off two men with fines of 1 cent each and a third altogether since the latter was in the Army. The three had been convicted of violating the Federal election laws in McMinn County.

Perhaps Judge JENNINGS didn't hear the case. But the jury did. It said the men were guilty.

And on February 26 the Knoxville Journal published the following editorial:

KEFAUVER SHOULD REALIZE UNITED STATES FIGHTING WAR TO PROTECT CITIZENS' VOTE RIGHT

No man may be criticized justly for being loyal to his friends, and from that standpoint none of us will be inclined to score Representative ESTES KEFAUVER for defending Judge Leslie Darr's 1-cent fines imposed on citizens of McMinn County convicted in his court of depriving other citizens of their votes.

Representative KEFAUVER proved in a speech of defense delivered on the floor of the House that it was the emotions of loyalty rather than his reason which prompted him to go to the judge's defense.

"The newspaper accounts indicated the men proved good character, that one was in the armed forces and the other two working in a vital defense industry," asserted Congressman KEFAUVER, "and these considerations were undoubtedly taken into account by the judge in fixing sentence, as they should have been."

We would suggest, as a matter of reason, that persons who have been convicted of fraud of any kind in an election cannot prove "good character," certainly not in the same court where their misconduct has also been established. Further, we would ask the Congressman if he would have considered working in a war plant adequate legal defense if these men had been charged with grand larceny?

We return to the original question involved in this and other cases of its kind, namely, the worth of the citizen's vote. If it isn't worth anything—and we're fighting a world war to prove it is—then Judge Darr's decision was exactly what it should have been. If our vote does have the value many of us place upon it, then the decision was a mockery of justice. One may take his choice, but he can't be on both sides of the question.

We now quote the following editorial from a great Democratic daily, the Nashville Tennessean:

BUT THINKING MAKES IT SO

While this newspaper readily appreciates the ties of personal friendship and respect that may exist between Representative ESTES KEFAUVER and Federal Judge Leslie Darr, of Chattanooga, we cannot commend the alacrity with which Mr. KEFAUVER has placed in the CONGRESSIONAL RECORD a defense of Judge Darr's featherweight rebuke of the McMinn County people convicted of obstructing an election by closing and removing a ballot box.

The McMinn people may indeed be good citizens, nevertheless—as political moralities in those parts go. But such golden assumptions as the sanctity of the ballot become hollow jokes, to be fed only to the children or the politically innocent, unless the people guard that sanctity with a stern and heavy sword. And the last place on earth to find a whimsical view of the importance of the vote should be in a United States court.

And in the Chattanooga Free Press, a great daily paper published in Chattanooga, an outraged taxpayer referred to the action of Judge Darr as "a travesty": "Found guilty by jury, sentence suspended; 1-cent fine; a nice way to waste taxpayers' money paying jurors just to have jokes made of their findings."

And in the Chattanooga Times of Monday, February 15, appeared a letter written by Clay S. Matlock, of Athens, Tenn., one of the finest citizens of that county. He is a farmer, a devout member of the Methodist Churcl., and he and his good wife took their lives in their hands at the last November election and aided in restoring the semblance of honest elections in Athens, Tenn. The letter follows:

ELECTIONS IN M'MINN—WRITER SEEMS TO DESPAIR OF ANY REFORM DESPITE RECENT CONVICTIONS

To the EDITOR OF THE CHATTANOOGA TIMES:

I have been a reader of the Times for over 50 years and have never asked for space. But I read your editorial of February 10, Stern Measures Needed, and we thank you for your stand for liberty and freedom at the ballot box in McMinn County, which is a thing of the past. The average person has no idea of the conditions that exist, it is unbelievable. The three citizens just tried in Federal court deprived other citizens of their rights to vote.

Following one election the church people and the preachers took the lead, held public meetings, and wrote letters to the press making strong appeal for a clean election, and public sentiment was with them. People went out by the hundreds to vote because the church people were behind the movement, the salt of the earth. Most of them believed they would have a clean election, but instead, gunmen stood at both sides of the doors—you had to walk between them to get your ticket—their big guns sticking out on both sides, some of them from Biggs County. You were not allowed to watch the count. It was a shame and outrage and disgrace to a free people anywhere on earth. This last November election in some places was a safe and peaceable election and in others it was disorder. We will visit the courts later and see if the Constitution of the United States will weigh over 1 cent.

These three men violated the State constitution and the Constitution of the United States. The right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of sex. The above amendment was submitted by Congress to the legislatures of the several States on June 5, 1919, and was proclaimed by the Secretary of State on August 26, 1920, to have been duly ratified.

From Federal Judge Leslie R. Darr came the sentence in the case. Violators must be good for 2 years and pay a fine of 1 cent.

This is a wartime judgment, the judge declares.

I heard over the radio the other night a soldier said, "I am in Africa fighting for freedom and if I lose my lifeblood over here, there is something back home to do, live for freedom."

CLAY S. MATLOCK.

ATHENS, TENN.

I learned of the intention of those who had theretofore violated the election laws to perpetrate a gigantic steal in Monroe and McMinn Counties in the November 1942 election. I took vigorous steps to prevent this wholesale violation of the laws and was aided in my efforts by the good citizens of these two counties, both Democrats and Republicans. At my own expense, and through the aid of my friends of both parties, I distributed the day before the election and on the day of the election a circular setting out in detail the laws of the United States for the protection of voters in the exercise of their right to vote, a copy of which I here insert as a part of this address:

WARNING

The United States laws make it a felony to threaten or intimidate any citizen or to interfere in any way with the right of any citizen to cast his or her vote in an election in which a Member of Congress is voted for.

The laws of the United States declare it to be a felony for any State officer, under the color of or acting under any State law, to interfere with any citizen in voting.

The United States statute known as the Hatch Act makes it a felony for any person to intimidate, threaten, or coerce any voter in an attempt to interfere with the right of such voter to vote as he may choose.

It is a felony for a deputy sheriff to intimidate, by force of arms or otherwise, a voter in casting his vote or in watching the counting of the votes.

These laws apply to the election of November 3, 1942.

Go to the polls and vote. Stay at the polls and watch the votes counted. Take the names of any armed men you see at the polls. No man has any right to go into, or be in the polling place when armed.

Report any and all threats, acts of violence, presence of armed men at the polls to me.

Report the act of any officer in marking the ballots of voters except those physically disabled to mark their ballots or the blind.

Six men in McMinn County have been indicted in the Federal court for violating these laws. Many others will be indicted. The violation of these laws is punishable by a fine of $1,000 and/or a year in prison.

I will be elected for another term in Congress today. I intend to fight for clean elections until they are restored.

Go to the polls, vote, and stay and watch the count as you have a right to do. The law protects you in so doing, and I will see that it is enforced.

JOHN JENNINGS, Jr.,
Member of Congress from the Second District and Candidate for Reelection.

Now let us see what occurred in Judge Darr's court on the hearing of the motion of these convicted defendants for a new trial. In the argument of this motion, Mr. Frank, the Assistant Attorney General from Washington, answered all the objections of the trial court to the binding force of the jury's verdict finding these defendants guilty. And when Judge Darr announced that he overruled the motions of the defendants for a new trial, he made the following statement:

And now comes the question of the punishment. Do you gentlemen want to talk to me about that for the Government, make any recommendation either way?

Mr. FRANK. If the court please, I have not discussed the question of recommendation of sentence with anybody in Washington, so I am going to take it on my own responsibility to tell the court what I think about the matter.

In a case like this the law provides there may be a fine of $1,000 and a year in jail, or both. Under the facts of the case as were developed by the former sheriff, I do not think a fine would have any effect in this case. A fine would be paid by a collection of certain people up in McMinn County, who were the ones to be benefited by the acts of the defendants. The defendants, in my estimation, would not be punished at all. It is my opinion that punishment by levying a fine would not be sufficient. I think to have any effect whatsoever in a case of this kind, in view of the background of elections in McMinn County, there should be a jail sentence imposed, and the jail sentence should be the maximum provided by law.

The COURT. Do you want to say anything other than I might know?

Major WHITAKER. I have said everything I know about this case already, and whatever I might say would be useless repetition.

Mr. THRASHER. If your honor please, I would like to say this: You have three defendants here that proved good reputations. They have never been in trouble before. Two of them work at defense plants and one is serving his Government, as your honor knows, in the armed forces. I think during these kind of times that ought to be taken into consideration, especially the reputations.

The COURT. Well, gentlemen, I have been thinking about this matter whenever I could. I know a good deal about the situation, which I think I am entitled to take into consideration, when I investigate about the violation of the election laws.

In the first place, this court is strongly impressed with the idea that it is the duty of local communities to take care of their own elections, clean up their own houses, and not bring their troubles to the Federal Government to clean up for them. That is, as a matter of policy. But, of course, I am not saying that this law should not be administered, which it should. So far as I can find out, it only affects votes in one respect, that of Congressmen, perhaps Senators, but it does not affect the Presidential elections, because of a peculiar wording of the Constitution. They come under these laws that were passed after the War between the States, principally, of course, because of bringing in of a great number of former bondmen into citizenship, to undertake to protect their rights. All that is water over the dam. And the laws are perhaps wholesome in seeing a citizen of the United States is protected in his rights guaranteed to him by the Constitution and by the laws of the United States. At least the States have perhaps granted that through the thirteenth, fourteenth, and fifteenth amendments, which we know were adopted in a time of hysteria in the country, but it is the law in the Constitution nevertheless.

I submit that the foregoing observations of Judge Darr carry a more severe condemnation of what he did than anything that any newspaper said or that I have said about his action on that occasion.

In the first place, he states that he—

is strongly impressed with the idea that it is the duty of local communities to take care of their own elections, clean up their own houses, and not bring their troubles to the Federal Government to clean up for them.

Just what does Judge Darr mean by this? Can he mean anything else than that he proposes to shut the door of the United States district court in the face of the good citizens of McMinn and Monroe Counties when they seek the protection of the laws of this Government in their effort to vote and to be protected against the violence of those who have been depriving them of that right? To what other tribunal could the Department of Justice take such cases as the one which he had just tried? He, of course, was familiar with section 2, of article 3, of the Constitution of the United States extending the judicial power of the Government to all cases arising under the Constitution and the laws of the United States. He knew that the violation of the Federal statutes, passed for the protection of the citizens in the exercise of their right to vote, can be enforced only in the courts of the United States. He knew that there was no tribunal in McMinn County that could enforce these laws, and yet he said to the Government of his country and to the outraged citizens of McMinn County, in effect: "Don't you bring lawsuits of this character into my court—you take care of your own elections, clean up your own houses, do not bring your troubles to my court to clean up for you." But he did remark:

I am not saying this law should not be administered, which it should.

And then he observed that:

So far as I can find out, it only affects votes in one respect, that of Congressmen, perhaps Senators, but it does not affect the Presidential elections, because of a peculiar wording of the Constitution.

And then he goes on to say that these cases—

come under laws that were passed after the War Between the States, principally, of course, because of bringing in of a great number of former bondmen into citizenship, to undertake to protect their rights.

Are not the people of McMinn County "bondmen" today, just as much as were the slaves before they were freed, insofar as their right to vote is concerned? And then the judge sagely remarks:

All that is water over the dam.

Yes, if left to Judge Darr, it is "water over the dam." And then he further remarks:

And the laws are perhaps wholesome in seeing a citizen of the United States is protected in his rights guaranteed to him by the Constitution and by the laws of the United States.

Note the word "perhaps"—the more astounding because coming from the lips of a United States district judge. And then he goes on to observe:

At least the States have perhaps granted that through the thirteenth, fourteenth, and fifteenth amendments, which we know were adopted in a time of hysteria in the country—

And then he makes the remarkable concession, for him—

but it is the law in the Constitution nevertheless.

You, of course, caught the significance of his statement that the thirteenth, fourteenth, and fifteenth amendments were adopted "in a time of hysteria in the country." Let us see what are the provisions of the Constitution of the United States which Judge Darr says were adopted "in a time of hysteria in the country." Of course, the implication is, and the plain inference to be drawn from the language he used is, that but for the existence of "a time of hysteria in the country" the people of this Nation, through the machinery set up by the Constitution, would not, by the thirteenth amendment, have abolished involuntary servitude, and would not have clothed Congress with the power to enforce this provision against human slavery by appropriate legislation. Nor would the people of this Nation, through the fourteenth amendment, have provided that:

All persons born or naturalized in the United States, and subject to the jurisdiction thereof, are citizens of the United States and of the State wherein they reside. No State shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States; nor shall any State deprive any person of life, liberty, or property without due process of law; nor deny to any person within its jurisdiction the equal protection of the laws.

In this connection, may we not here observe that again and again, in the history of this Nation, have men been snatched by the power of the Federal courts from the very shadow of the gallows. And again and again have the lives and property of our citizens been preserved to them through the protection of the fourteenth amendment. And, mark it now, by the fifteenth amendment it is provided:

The right of citizens of the United States to vote shall not be denied or abridged by the United States or by any States on account of race, color, or previous condition of servitude.

This provision, which Judge Darr says would not have been enacted but for the fact that it was done at a time of hysteria, has been held to protect the right of a white citizen as well as the right of a colored citizen to vote.

And then Judge Darr goes on to say:

I think I can safely say that elections up in this county for some years have not, according to the general reputation the court gets, been conducted in conformity with the laws, strictly speaking, and there have been political factions fighting against each other for quite a while. And that has created quite a lot of feeling, quite a lot of intensified conduct, I am afraid quite a lot of wrongdoings in elections from what I can hear.

Judge Darr thus admitted that he knew about the terrible conditions that existed up in McMinn County for years. And then he proceeds:

Of course, we all agree that there should be honesty in politics just the same as honesty in individual life. Otherwise the country cannot exist without we have fair, square government, and the only way we can have that is to enforce the laws pertaining thereto. But it has to be done in reason.

But the question is: Did Judge Darr enforce the laws made for the punishment of men who had slugged citizens and deprived hundreds of them from voting? And then he goes on to say:

Now, we have three individuals who were holding an election out at a country place. They have been sought out by the Government and indicted in this particular investigation. Doubtless if there is wrongdoing up there, the high pressure is put on by somebody else other than these who had been picked out to hold the election.

I submit that these are amazing statements coming from a judge. Does he mean to imply that people who vote at a country place are not protected by the law? Is what he said in criticism of the Federal Government in seeking out and indicting the defendants who robbed country people of their right to vote? And, by his last statement, he recognized the fact that these convicted defendants were cogs in a political machine, the purpose of which was to rob citizens of their right to vote. And then he goes on to say:

These men, otherwise under the proof, have good reputations, good characters. One of them is in the armed services, the other two are in work that promotes the war effort.

So, I do not feel like following the Government's recommendation and send these men to the penitentiary. I would not feel easy to do it. But, I agree with the Government on the proposition that perhaps a fine would not be the thing to do, because that would be paid and all over with.

So, I believe it would be wise to impose sentence and reserve execution of that sentence, and put these defendants on probation.

In doing that, I have mentioned several reasons why that is done. One of the large reasons is that the practices up there of this type, I am satisfied have occurred. While it can be said practice does not warrant these men in violating the law, that is true as a matter of law, whether guilty or innocent. But, when it comes to punishment, those matters should be considered by the court.

Now, I was just wondering about this man in the armed services. I want this man to go back to the Army under some sort of supervision. Do you gentlemen know if we give a sentence and reserve execution of that sentence, whether he can get back in?

Major WHITAKER. I do not think that would affect his status.

The COURT. It would not on probation, but I think I would rather assess punishment and suspend execution of punishment rather than probation without punishment. I would want him to go back into the armed service, and I am willing to sign an order releasing his civil custody during service in the Army. Do you gentlemen have anything to say?

General FRAZIER. I think if Your Honor did that the defendant Lattimore would be received back in the armed services. I have a letter before me signed by Major Christian asking advice as to what disposition was made of the case against Lattimore, and if he was acquitted to return him to the armed forces, or to return him after he had served such sentence as was imposed.

The COURT. Well, I assume then he can get back in under those conditions.

Thus out of Judge Darr's own mouth is he condemned. By his own words is he convicted. I call your special attention to the reasons which he gives for letting these defendants go scot free. He says that what they did was the practice in their county. And then he says that while practice does not justify men in violating the law that when it comes to punishment the fact that what they did was habitual on the part of lawbreakers in that county should induce him to set them free, disregard the verdict of the jury, who were in court throughout the entire trial, and the recommendation of the Government's Attorney General, who was in court throughout the trial, because what they did was what election officials customarily do in that county.

Under the law of Tennessee, a man can acquire title to his neighbor's farm if he holds it for more than 7 years openly, notoriously, continuously, claiming it as his own under color of title. A person likewise, through adverse user for a period of 20 years, can acquire the right to use a roadway over his neighbor's property. But this is the first time in the history of the jurisprudence of this Nation that a judge has advanced the idea and acted upon the theory that a criminal can acquire a prescriptive right to violate the law.

And then Judge Darr proceeds to address himself to the defendants:

Now you gentlemen; you, the defendants, I will talk to you for just a moment, personally.

The court has been very much concerned about this case, as I have outlined to you the reasons why. Ordinarily I might have sent you to prison, but I cannot make up my mind that men of your type and in secondary positions up there in an election, should be sent to prison.

Of course people holding an election in that county and other counties, should be of such character that men should not have to go to the ballot box with pistols, blackjacks, things of that kind. That is a very bad thing for the country and entirely out of order. But, in view of the circumstances and the background, I have outlined, the work you gentlemen are engaged in, one in the Army serving his country, and the others in war work.

It is the judgment of the court that you serve 1 year in some institution properly designated, and pay a fine of 1 cent in lieu of costs. That judgment of the court is suspended and each of you placed on probation for a term of 2 years. You will see the probation officer. That closes the case as far as I can close it, gentlemen.

He just could not get the consent of his judicial mind to send these men to prison, despite the fact that conduct such as theirs had brought about the reign of the pistol and the blackjack in McMinn County and had superseded free elections by force and fraud. He actually says in his remarks to these men that elections should be of such character "that men should not have to go to the ballot box with pistols, blackjacks, and things of that kind." And he opines "that is a very bad thing for the country and entirely out of order." And then, with a wave of the hand, he says, "in view of all that has occurred in McMinn County in violation of the people's rights, that he proposes to send two of these men back to their work and one to the Army."

Mr. Speaker, I yield to no man in my respect and veneration for a court of justice. But courts are instituted and judges are paid to enforce the law, not to suspend it. Congress writes the laws. Congress, as the legislative branch of this Nation, wrote the laws for the protection

of our citizens under which these defendants were convicted. Judge Darr had no right to set aside or nullify the provisions of the thirteenth, fourteenth, and fifteenth amendments to the Constitution, nor the statutes enacted by Congress pursuant to them. He had no right to set them aside and disregard them on the theory that these constitutional provisions were adopted and that these statutes were enacted by the people of the United States and by the Congress in a time of hysteria. If the law of the land is to be nullified on that sort of ground, what will become of the Bill of Rights? Is it a nullity and a dead letter? And shall we say that King John's rebellious barons wrung from him at Runnymede the great charter of human liberty in a time of hysteria? Does the Declaration of Independence pale in a setting sun because Jefferson penned it and the Continental Congress adopted it at a time of hysteria? Is the Constitution and the laws made pursuant to it a nullity because adopted and written at a time of hysteria?

Yes; we believe in the sanctity of the courts. Our ideal of a court is one in which in the corrupted currents of this world, offense's gilded hand cannot shove by justice; in a court where every action lies in its true light; in a court the doors of which shall always be open to the aggrieved citizen or to the Department of Justice seeking to protect the rights of its citizens.

Yes, Mr. Speaker, we believe in a court where justice is administered without sale, denial, or delay; a court with an arm long enough and strong enough to reach the collar of every offender beneath the flag and bring him to justice regardless of his power; a court whose heart and mind are so attuned to and are so in sympathy with right and truth and justice that it can hear the faintest cry of the weakest citizen in all the land, and throw around him or her the strong arm of the law's protection; a court that shall suspend above the ballot box, as it does the home, the shield of the law's protection; a court that will not stay the hand of justice when it descends upon the man or the machine that has robbed the manhood and womanhood of McMinn County of the right to vote and the right of the people of that county to live their lives and exercise their rights in ordered liberty under law.

THE MOTION-PICTURE INDUSTRY

Mr. ROGERS of California. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. ROGERS of California. Mr. Speaker, recently the Congress was shown a film from our north African expedition. After the picture several remarks of a political nature were made, and a few criticisms were passed about the motion-picture industry.

I suppose I represent as much of the motion-picture industry as anyone, and I should like to rise in defense of that industry. I would like the Members to know some of the things the motion-picture industry is doing in the war.

First. Colonel Lawton, Chief of the Army's Pictorial Division, said:

> I know of no other industry turning over to the Government items of war material absolutely without profit.

He further stated that the Signal Corps had yet to reject a single film from the Hollywood studios.

Second. I want the House to know what a tremendous aid these training films have been. I was recently in the Army. I was trained by these films. I later used these films to train other men. The use of training films has cut the training time by 30 to 80 percent.

These training films are excellent. The Army could never have made them alone. It takes the full resources of great studios, the skill of rare technicians, and a judgment which only comes from years of familiarity, to make the type of training film which our Army is getting.

For example, these films have beautiful cutaway animated drawings, showing how the recoil system of a 105 mm. howitzer works. We have animated drawings of how a spark plug works, what to do when a machine gun jams, how a Diesel motor works. These training films have little, light humorous touches which hold the interest of the men. The use of Hollywood-made training films has, I would like to reemphasize, cut the time of certain Army training from 30 to 80 percent.

Third. On the home front we are prone to take the work of our motion-picture studios for granted. We see a patriotic short and we forget that this is not just a run-of-the-mill picture, it is a contribution to the war. In total war, morale is as necessary as munitions. There have been hundreds, thousands of pictures, which are more than just entertainment—they are a war contribution. Motion pictures have aided in all war relief drives, the bond drives, the scrap-metal drives. The industry has made pictures on recruiting, defense against saboteurs, against rumors and loose talk, and on all phases of the war and the home front.

Fourth. One most important morale builder—and a versatile gift from the industry—are the army-camp tours which the motion-picture stars are constantly making. At their own expense of time, money, and energy, the stars have brought humor and fun to army camps from Alaska to north Africa.

Monotony and drudgery are as basic a part of army camp life as are hard work and sacrifice. It is a great alleviation to this routine to witness the arrival of professional entertainment, and such a show is greeted with joy and boundless appetite by the men in the ranks. As one who has sat and relished these shows from the Army private's viewpoint, I want you to know how deeply the men appreciate this contribution to them from the industry.

Fifth. A little known contribution of the industry to the war are the films for men overseas and in small defense outposts. At its own expense, the industry has made 16 mm. prints of its current feature pictures. I have been present and have seen the thrill of anticipation which runs through a camp when the portable projection truck rolls up, the portable screen is put out at a distance, and a late, current movie hit is shown. From Iceland, from India, from Egypt, from all over the world, ranking officers write that motion pictures are "as necessary to the men as rations."

Sixth. In conclusion, may I point out that one reason why America had, before this war began, a reservoir of good will was because of the skillful propagandizing by the motion picture industry. The skill of this propaganda lay in the fact that it never propagandized at all. Our movies entertained. If they showed that people in America were free to move about, free to speak, free to make use of our resources, that was just incidental. The audience could draw its own conclusions.

All over the world the people did draw their own conclusions. The motion pictures, more than anything else, have shown the world that Americans are basically people of good will, with no desire to impose anything on anyone.

This is total war. It uses propaganda as well as bombs; cameras as well as cannon. In this total war, fought by the united will of a whole people, the motion-picture industry has done a magnificent wartime job. No industry has cooperated more fully with the war, its effort and its purposes.

LEAVE TO ADDRESS THE HOUSE

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that, after the close of business tomorrow and the disposition of other special orders, I be permitted to address the House for 20 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. J. LEROY JOHNSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including therein a report on the rent situation in Vallejo, Calif., appearing in the San Francisco Chronicle of Sunday, January 31, 1943.

The SPEAKER pro tempore. Is there objection?

There was no objection.

LEAVE TO ADDRESS THE HOUSE

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent to proceed for 8 minutes after the other special orders today.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. Under special order heretofore made, the Chair recognizes the gentleman from New York [Mr. CELLER] for 10 minutes.

OTTO VON HAPSBURG AND THE AUSTRIAN BATTALION

Mr. CELLER. Mr. Speaker, I have asked for this time to call attention to a practice of the War Department which requires, I am sure, some immediate correction. I refer to the so-called formation or the alleged formation of the

Austrian Battalion in the United States Army. Unfortunately that battalion had been tied up with the pretensions of Archduke Otto von Hapsburg, a descendant of the old Emperor Franz Josef of the Austro-Hungarian Empire, and this pretender, now in this country, is making of our country a political arena to further his ambitions to ascend the old throne of the Austro-Hungarian Empire. His pretensions, and the machinations of the flunkies surrounding him, and the monarchists surrounding him, are driving deeply a wedge between our own country and our allies, the governments in exile of the Czechs, Yugoslavs, and the Poles. Frequent protest has been made to the State Department against the activities of this pretender, and now we have the more anomalous situation of finding that Otto von Hapsburg claims the responsibility and the honor of the so-called formation of this cadre, or Austrian Battalion, in the United States Army.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. CELLER. Yes.

Mr. KNUTSON. I am very much interested in what the gentleman said. It is my recollection that the plans that this pretender has under way were submitted to the State Department and approved.

Mr. CELLER. No, indeed. The State Department has indicated to me in no uncertain terms that it deprecates the activities of this "chocolate" soldier, this Poo-Bah and they do not want him to continue his activities, especially with reference to any battalion in our Army.

Mr. KNUTSON. I think the gentleman is right. I was in error. It was the White House that approved it.

Mr. CELLER. I will not sanction that statement. I don't know whether the White House does or does not approve.

Mr. DICKSTEIN. Mr. Speaker, will the gentleman yield?

Mr. CELLER. Yes.

Mr. DICKSTEIN. I state to the gentleman that a number of young men, just because they were born in Austria, were forced into this so-called Austrian Battalion even though they do not want to have anything to do with this battalion.

Mr. CELLER. I thank the gentleman. This anomalous situation has developed. When permission to recruit voluntarily this Austrian Battalion was conceived, unfortunately the Secretary of War wrote a letter to this fellow Otto and said he welcomed his aid. That letter was exaggerated out of all proportions and was sent broadcast, and the impression was given that Otto von Hapsburg was organizing and was to be the official recruiting agent of this battalion. That was a dastardly lie. It has created a great deal of difficulty and has embarrassed, even now, the War Department. Only 29 Austrians volunteered to become a part of this battalion. Then the War Department was faced with the alternative of either disbanding the battalion or trying to recruit its strength otherwise. Now, they devised a very peculiar scheme of forcing boys who are in the United States Army as draftees, who are nationals of countries in the old Austro-Hungarian Empire, to go to Camp Atterbury and to wear the stripe of Austria on them; to see the flag of Austria flying in that camp—the red, white, and red flag of Austria. They are compelled to learn German, although most of them do not know anything about German. They may have been born in Austria but brought here when very young. Now, it seems strange that Czechs and Poles, loyal Italians and loyal Slovaks, and others of the countries within the old Austro-Hungarian Empire borders, should be compelled to go to that battalion, thus furthering the interests of this pretender, Otto von Hapsburg. The War Department may say this is not the effect. But let us call a spade a spade. That is the effect. Many letters from these coerced lads indicate such effect beyond doubt.

Mr. STEFAN. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield.

Mr. STEFAN. I am glad to hear the gentleman say the State Department has not approved of this action on the part of this Hapsburg gentleman. Do I understand the gentleman from New York to say that nationals of Bohemia are forced to go into a battalion over the control of which will be this Austrian? Can the gentleman conceive of anything more horrible than that?

Mr. CELLER. I do not say that this Austrian, Otto, is ruling or controlling or commanding this battalion. But these Czechs are compelled to go into this battalion by order of the War Department or somebody in the War Department, against their will. That is the vice of the situation. I have scores of letters from these boys whose morale is greatly reduced because thereof. They say that they feel it an honor to fight under the American flag, but they never dreamed that they would be compelled to do anything which, by the wildest stretch of the imagination, could further the interests of this pâpiér mache monarch, Otto von Hapsburg.

Mr. STEFAN. Will the gentleman yield further?

Mr. CELLER. I yield.

Mr. STEFAN. Under what visa did this man Otto come into this country?

Mr. CELLER. He came into this country seeking asylum after he had been ousted by Austria, by decree of the Republic of Austria, which has never been repealed. He came in here by the back door, by virtue of a passport issued by the Belgian Embassy. How under the sun this puppet can come into this country on a Belgian passport, presumably representing Belgian interests, is beyond me. That passport should be recalled, in all honor, by the Belgian Embassy.

Mr. STEFAN. Is it true that the objective of Otto is to regain control of the throne of Austria and that he is here for the purpose of securing friendship, and fomenting intrigue in a political program, in order to put himself back into dominant power in Austria?

Mr. CELLER. The gentleman expresses it most eloquently and succinctly and properly.

Now, this man Otto holds court in Washington and New York. He is surrounded by a great many of these social satellites who ought to know better. He demands and receives allegiance from his followers. He is called "Your Majesty." He bestows decorations, like the Order of the Golden Fleece, the Order of Emperor Josef, and the Order of St. Leopold. Some of the things that are happening in New York are outrageous, where this man holds forth. A secret meeting of the so-called Free Austria movement, presided over by this man Otto——

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

Mr. CELLER. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes. A great deal of my time has been taken up in answering questions.

The SPEAKER pro tempore Is there objection to the request of the gentleman from New York?

Mr. RANKIN. Mr. Speaker, I announced awhile ago that I would not yield for any further extensions of time.

Mr. CELLER. Well, my time has largely been taken up in answering questions.

Mr. RANKIN. Very well. If they punished you with that, I will withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. CELLER]?

There was no objection.

Mr. CELLER. This secret meeting was held on the second floor of the Hotel Diplomat, New York. About a hundred invited guests were present, and the room was extremely crowded. The meeting was opened by Mr. Rott—R-o-t-t—head of the so-called Free Austria movement, the committee of this emperor, Otto von Hapsburg. He warned all those present that the meeting was to be strictly confidential. He introduced Otto von Hapsburg as "Our Emperor, our Kaiser," and claimed that the Austrians had to thank him for their position as friendly aliens in the United States.

Then Hapsburg began his address. After a short review of the success of the Free Austria movement during last November, he proceeded to attack the Czechoslovak Government in exile. Imagine his hardihood and nerve. He accused that Government of organizing resistance to his movement, to his government, presuming that he was already back on the Austrian throne. He claimed that anti-Hapsburg influence in the New York press was due to Czechs. He accused the Czechoslovak Government of continually interfering with Hitler methods in Austrian affairs till 1938. He called the Czechoslovak Government a pseudo-government, living only from lend-lease.

Imagine the presumption of this man attacking our ally, our ally in exile, the Czechoslovak Government that has given the people of their country a republican form of government, a people to whom the very name "Hapsburg" is anathema because it means a feudal minority, a feudal aristocracy with a sort of dual class of people, divided—as Hitler divides—into herren-volk, master people,

and sklaven-volk, slave people. Now, this fellow wants to bring back into Europe amongst the old Austro-Hungarian people the principle of slave people and master race, just as Hitler is doing. He gave much attention to the Austrian Battalion, which he called "his battalion." He mentioned the difficulties of raising volunteers—only 29 in all volunteered—and blamed it on the negligence and ignorance of some of the draft boards. Imagine an alien here by our sufferance accusing our officials of negligence and ignorance. In the discussion the main issue was whether to come out openly as monarchists or not. It was decided not to come out openly as monarchists. In the debate the statement "Masaryk is a traitor" and demands for "the complete restoration of the Hapsburg empire" were enthusiastically applauded by the audience.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield.

Mr. KNUTSON. Has the gentleman any information as to how this movement is being financed?

Mr. CELLER. I have information which I have submitted to the F. B. I. There are, I am informed, five or six ruling families in Germany today who have been contributing large sums to the attempts of the Empress Zita, the mother of Otto, and her son Otto to restore the Austro-Hungarian Empire.

Mr. KNUTSON. Are they benefiting from Lease-Lend? Does the gentleman know?

Mr. CELLER. I do not think that is the situation.

Mr. DICKSTEIN. No.

Mr. KNUTSON. Do not prompt the witness.

Mr. CELLER. The witness does not need any prompting, the witness can speak for himself. I am quite sure that is not the case; but this fellow, Otto, wants to go back into Europe, presumably on a white charger at the expense probably, of Lease-Lend, bestowing largesse, and feeding and clothing the needy in his so-called empire, thereby getting their support; I presume that is his intention and ambition.

I assure you, Mr. Speaker, efforts should be made by all of us to prevail upon the War Department to do one of two things: Either to disband this Austrian Battalion or to preclude forcing men against their will into this battalion. I shall put in the RECORD a number of letters, appealing letters, from lads who have been coerced to wear this Austrian stripe to do homage to the Austrian flag they hate, these Czechs, these Poles, these Croats, these Slovenes. It is a situation that cries loudly. They should have some sort of relief. Here is one letter, for example, that a boy writes. It is typical:

I am a soldier and I want to fight fascism, but I do not want to fight as an Austrian for Otto von Hapsburg and the restoration of his empire. I would rather fight against the Austrians. I do not want to fight for something that is contrary to everything I believe in. I want to fight for America. America is first a democracy and a free country. I do not know what to do. I am disturbed. Everybody throughout the unit wants to get out of here and everybody is writing home. You can imagine the atmosphere and the morale that instills in this battalion. I am willing to be in any branch of the Army but the Austrian Battalion.

Here is another letter from a mother of a lad in the Austrian Battalion. I omit names:

NEW YORK, N. Y., *February 26, 1943.*

The Honorable EMANUEL CELLER,
Representative United States Congress,
Washington, D. C.

MY DEAR CONGRESSMAN: This is to inform you of the following facts:

My son Peter, 21, born in Vienna, Austria, has been inducted into the United States Army on January 20, 1943, and after a period of 2 weeks he spent in Camp Upton, N. Y., was transfered to the One Hundred and First Infantry Battalion (Sep.) in Camp Atterbury, Ind., known as the Austrian Battalion.

Born in New York City I am an American citizen by birth and renaturalization. Living in Vienna, Austria, where my late father was general representative of the B. F. Goodrich Co., Akron, Ohio, for many years I fled after the Anschluss with my husband and son to my native country.

After the experience we have had there we don't want to have anything to do with Austria. My husband and my boy are only too anxious to become full-fledged United States citizens and to fight for this free country.

But none of us is interested in fighting and dying for Austria's or Hapsburg's cause, since we are convinced that a restoration of this ill-fated house would inevitably cause a new catastrophe for the whole world.

My boy was feeling very well in Camp Upton among his American comrades, but in Camp Atterbury he feels very unhappy as do all his other buddies there. They have the feeling of being in a kind of foreign legion and being purposely separated from the rest of the United States Army.

Consequently I ask you to do everything in your power toward the entire dissolution of this Austrian Battalion and the transfer of its members into regular United States outfits where they would be much more useful than in the outfit they heartily dislike.

Thanking you in advance for your kindness, I am, my dear Congressman,

Respectfully yours,

——— ———.

Under date of February 24, I sent the following letter to the Secretary of War:

FEBRUARY 24, 1943.

Hon. HENRY L. STIMSON,
Secretary of War, Washington, D. C.

MY DEAR MR. SECRETARY: I am receiving letters from parents of boys who have been inducted into the service and who are nationals of countries formerly embraced within the Austro-Hungarian Empire. These letters contain complaints by these selectees who are not necessarily Austrian, but who are of the nationality of countries which, prior to World War No. 1, were within the boundaries of the empire presided over by Emperor Franz Joseph. Appended hereto are extractions from letters which have been sent which clearly indicate the tremendous dissatisfaction created in the minds of these lads.

Unfortunately, the formation of this Austrian battalion has been tied up with the pretender, Otto von Hapsburg. This is, indeed, not the fault of the War Department, but the letter which you sent to this pretender has been exaggerated out of all proportion by this Otto von Hapsburg and his followers.

A lad who phrased one of the letters offered to volunteer as a paratrooper but was rejected and ordered into the Austrian battalion. His parents, at the present time, are in Switzerland. One of the other lads who has his first citizenship papers, attempted to volunteer, but could not do so because he had been born in Austria. He was subsequently inducted. A number of these boys who have been forced to go into the Austrian battalion asked for a transfer, but such applications were rejected.

The morale of these lads is greatly lowered and they are very much bewildered. Some of them are Slavs, others Czechs, still others Poles, and even Italians. Frankly, they express anxiety and even fear. They presume they are furthering the cause of this pretender, Otto von Hapsburg. Apparently, while Otto von Hapsburg is not officially in the position of directing the battalion, his name is frequently mentioned, unofficially, by noncommissioned and commissioned officers, who tell the men all about him.

Numerous of these lads are as American as you and I. They know no German, but are compelled to study German and to learn Austrian customs and traditions.

They want to fight for America, and I agree that they should not, by any stretch of the imagination, be forced into a position where they feel they are furthering the cause of Otto von Hapsburg.

I have the names of a number of these men, but I don't think it is proper to divulge them.

This situation is very serious, and I do indeed hope that appropriate orders will be forthcoming to the effect that no man shall be compelled to serve in this Austrian battalion against his wishes.

It was my impression that only volunteers of Austrian extraction would be embraced within the Austrian battalion. I got this information from the War Department. Apparently, the situation is changed.

I would appreciate word from you on this important matter.

Very truly yours,

EMANUEL CELLER.

His reply follows:

MARCH 1, 1943.

Hon. EMANUEL CELLER,
House of Representatives,
Washington, D. C.

DEAR MR. CELLER: I have your letter of February 24 with regard to the recently formed Austrian Battalion.

The context of your letter has been taken under study, and when a report is rendered to me I will communicate with you further.

Thank you for bringing your interest in this matter to my attention.

Sincerely yours,

HENRY L. STIMSON,
Secretary of War.

Feeling sure that the flock surrounding Otto von Hapsburg are violating our immigration and other statutes, particularly with reference to the requirement that agents of foreign governments register as such, under date of December 16, 1942, I sent the following letter to J. Edgar Hoover, Director of the Federal Bureau of Investigation. Mr. Hoover replied that the matter was receiving earnest investigation and that he had referred the subject matter as well to the Department of Justice and Department of State.

DECEMBER 16, 1942.

J. EDGAR HOOVER,
Director, Federal Bureau of Investigation,
Washington, D. C.:

Enclosed please find copy of CONGRESSIONAL RECORD, a portion of which contains my speech delivered over station WHN on Monday, December 14 and which I have marked for your attention. It concerns itself with Otto von Hapsburg and his committee.

I am submitting a group of names to you. It might be well to have those named investigated for violation of visa regulations and to see whether they are agents of a foreign government and, if so, whether they have registered as such.

The names follow:

Hans Rott, chairman of Free Austrian Movement, Hotel Diplomat, 105 West Forty-third Street, New York, N. Y.

Edmund Czernin in Washington.

Walter V. Schuschnigg, 120 East Thirty-fourth Street, apartment 3R (f), New York.

Prince Francis Windischgraetz, Hotel Pierre, New York, N. Y.

Count Heinrich Degenfeld, Hotel Essex House, New York, N. Y.

Dr. Koganowski, alias G. M. Carst, Hotel Essex House, New York City.

Dr. Otto Kallir, alias Nierenstein, 45 West Fifty-seventh Street, New York City.

Hans Rott is called bund minister of Otto of Haspburg's military committee.

In addition, I wish to submit the name of Guido Zernatto, who is a great and trusted friend of Mussolini. There is likewise Richard Schuller, who is called the Plenipotentiary Minister of the committee and Frederic Taylor, all in care of the Committee for the Liberalization of Austria at 1775 Broadway, New York, N. Y., room 831. The committee has a post-office box No. 4866, Cleveland Park Station, Washington.

I should like to direct your attention to Dr. Tibor von Eckhardt. Apparently, he is liaison officer between the monarchists in Hungary and those in this country. He is an arch anti-semite and the originator of the Nazi concentration camp idea. While in Hungary, he was guilty of dreadful excesses against minorities. He was of the terrorist gang that terrorized the whole Hungarian countryside. Such a man is now operating in this country under the guise of Free Hungary Movement.

I submit likewise the name of Dr. Milan Hodza, former Prime Minister of Czechoslovakian Republic. He now opposes the Czechoslovakian Government in exile and is making strenuous efforts to undermine President Benes. He has a vicious record in Europe for terrorism and is closely connected with Otto of Hapsburg.

I have other names and I shall submit them to you later. I shall appreciate your reaction to my proposals, as aforesaid, to investigate rigidly the men hereinabove set forth.

Very truly yours,

EMANUEL CELLER.

The SPEAKER pro tempore. The time of the gentleman from New York has expired. Under the previous order of the House, the gentleman from Michigan [Mr. HOFFMAN] is recognized.

Mr. STEFAN. Mr. Speaker, will the gentleman yield for a unanimous consent request?

Mr. HOFFMAN. I yield.

EXTENSION OF REMARKS

Mr. STEFAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD at this point.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. STEFAN. Mr. Speaker, the terrible sufferings of the Czechs and Slovaks during the past 4 years have been beyond description. It was my privilege to see the effects of a protectorate in Bohemia when I was there in 1939. I know something of the feelings of the Czech people. I also am convinced that these terrible sufferings of the Czechs and Slovaks have tended to more and more unify the Czechoslovak peoples. Twenty years of freedom helped to strengthen that unity. The alleged activities of the Hapsburgs who are here in our own country planning and conspiring political programs for Europe are distasteful. Just why we in free United States should allow foreign political refugees to take advantage of our hospitality to organize political groups and intrigues which they plan to take into Europe to regain political power over there I cannot understand. Such activities should have no assistance from people of the United States. We can take a lesson from the great work done in north Africa by our capable minister, Robert Murphy, on whose shoulders was heaped much abuse by the various foreign factions, because Murphy refused to meddle in French politics; because he would not take sides with the various political factions over there; because he made it plain to the people over there that he was a representative of the United States Government which did not and would not meddle in the internal political problems of those foreign people; because all we were there for was to help win the war against oppressors of mankind; because we wanted no new land, no profits, nothing but the defeat of a common enemy of mankind.

All we ask of these foreign political refugees who come to our country for their own safety is to stop fomenting trouble in our own land. To stop putting class against class and if they want to fight their own political campaigns some place—they should go back to their own countries and fight and plan and intrigue because we cannot afford at anytime to have such intrigues going on in our country.

There has been sufficient information given to this House to the effect that these Hapsburgs are planning to regain control of their own country in Europe after we win the war. So it all appears that they are making their political battleground here in the United States. Where it affects the peace and tranquillity of our own country it should be eliminated. American people generally have no use for the ambitions of antiquated royalty which has been tumbled from its throne. A throne from which it has caused the enslavement and suffering of millions of people. Many of their subjects have come to us to be free and to live their individual lives without fear. These have made good citizens. But they have not forgotten the wounds which some of these rulers have inflicted upon them. Wounds which are partially healed because the victims are tasting and consuming with great appreciation the blessings which come with American citizenship. In my opinion it is dangerous to allow alien politicians who are here as refugees for a temporary stay in order that their lives can be spared from the wrath of ungodly dictators in Europe to continue political activities on American soil.

The Czechoslovak people will be free again. The republic founded under American democratic principles will live again. Anything that tends to interfere with the program for such a rehabilitation must be erased. At a time when Czechoslovaks are working out their own problems for democratic unity let no foreign political group which by heredity is opposed to the freedom of Czechs and Slovaks operate in our republic to destroy the Czechoslovak march to liberty.

Those who have some sympathy with the Hapsburgs must not forget that many of us expect that all criminals responsible for this Second World War which is costing the lives of hundreds of our fine American men will not go unpunished. That issue is not going to be avoided as it was after the last World War. At that time the Hapsburgs went unpunished although they were as responsible for the war as were the Hohenzollerns. In my opinion some of them are now parading as democrats.

Mr. Speaker, we have in our midst the nationals of many foreign countries. Thousands of foreigners who are here enjoying our hospitality and refuge from persecution and oppression. Thousands who are here just waiting to go back to what they call home, when this war is over. More than eight governments in exile and 10 or more free foreign movements will present many claims later. Let our State Department work out these foreign problems.

PERMISSION TO ADDRESS THE HOUSE

Mr. HOFFMAN. Mr. Speaker, I understand there are two other special orders and that the Members who have them are in somewhat of a hurry. I am not in any hurry. I ask unanimous consent that I may be shifted to the bottom of the list.

The SPEAKER pro tempore. That would make the gentleman follow the gentleman from Michigan [Mr. WOODRUFF]. Is there objection to the request of the gentleman from Michigan?

There was no objection.

EXTENSION OF REMARKS

(Mr. HOFFMAN asked and was given permission to extend his own remarks in the RECORD.)

SPECIAL ORDERS

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from New York [Mr. EDWIN ARTHUR HALL] is recognized for 30 minutes.

Mr. REES of Kansas. Will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield to the gentleman from Kansas.

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent that I may extend my remarks in the RECORD and include a letter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kansas [Mr. REES]?

There was no objection.

Mr. EDWIN ARTHUR HALL. Mr. Speaker, the Seventy-eighth Congress has been in session now for a little over 2 months. On several occasions since it convened I have referred to two vital problems which I think the country is facing today and I have attempted to introduce measures for their correction. I refer particularly to a bill which I introduced to unharness the farmer in order to enable him to produce and to

give him full sway, which he is not able to do at this time. I also introduced, at the request of a number of people back home, a bill which would make illegal any of the penalties which the Office of Price Administration has placed upon the population at large.

As I have said, we have been in session over 2 months now and I have received a lot of complaints from home which from time to time I have tried to give to the House. I am sure a great many other Members have also had complaints from home and I know they reflected the wishes and desires of their people. It all boils down to one proposition, Mr. Speaker. If the Congress is going to survive, if we are going to remain a deliberative body which makes the law of the land, if we are going to remain a body which decides the great questions of the day and takes priority over the various agencies and departments which Congress has itself created, we are going to have to get busy before very long because time is slipping and so are our prerogatives.

Mr. Speaker, I have attempted to place before the House the various questions which have come to my attention and which I have been asked as a Representative to ask the Congress to take action upon. I refer today to the agricultural situation, and if I seem to be pessimistic I hope that the membership will bear with me, because after a number of trials and errors I have come to the conclusion that many of us have been ineffective in trying to cure these evils as the agricultural situation is presented.

I am going to make a rather bold statement at this time, a prognostication, if you would like to call it that. In 5 years, if the United States keeps on the same course we are now pursuing in agriculture, we are going to be under a system of collective farming whether we like it or not. Last year the President called upon the Congress to formulate a program for agriculture, and he called upon the farmers throughout the country to produce food for victory. Unfortunately that has been impeded by innumerable regulations from the departments, which have hampered the farmer and have kept down the full production we should have.

We have also had to face the problem of regulations from the Office of Price Administration that have not been pleasant to the folks back home, and although I myself along with every other Member have approved the system of rationing, nevertheless, I regret that action of an enforcement nature has been taken. This is illegal and contrary to the interpretation of the laws which the Congress intended. So it is today that I face the House in a rather pessimistic mood.

I have done everything that I can to correct the situation. Yesterday I listened intently to the testimony of agricultural officials before the Committee on Agriculture of which I am a member. I heard Secretary Wickard say 6 months ago that he felt it would be a deplorable situation if farm owners and farm managers were ever drafted from the farm. I felt then that he was going to take a definite stand to see that this was prevented. Unfortunately, the farm owner has been drafted—along with farm labor. In cases where he has not been drafted off his farm he has abandoned it because he has found it impossible to produce and to continue to participate——

Mr. CUNNINGHAM. Will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield to the gentleman from Iowa.

Mr. CUNNINGHAM. A moment ago the gentleman said that the Congress was ineffective against these bureaucrats. What reason does the gentleman assign for the ineffectiveness of Congress?

Mr. EDWIN ARTHUR HALL. I believe the main reason is that we have not brought legislation in here to deal with the very trouble we are complaining about. Scarcely a day goes by but that some Member with very good intentions gets up on the floor of the House and justly finds fault with the treatment the folks back home are getting through the increased regulations and unnecessary rules which are being imposed upon them. We have every opportunity, and we certainly have the approval of the people of the United States, to come here and enact laws and above all to see that those regulations and laws are carried out, because they are certainly being skimped over today. As time goes on, the laws which we enact I fear will become ignored entirely unless we see that the will of the Congress is carried out and that they are properly enforced.

I mentioned to the Secretary of Agriculture the other day that America is on its way toward collective farming. I based my contention upon several obvious factors. First of all, it is evident that farm machinery is being withheld from 90 percent of the applicants which have applied for it. I cite figures that were submitted not long ago; for instance, that out of 200,000 applications less than 20,000 applications for farm machinery had been granted.

When one thinks of the tremendous demand for farm equipment in ordinary times, and that this demand naturally increases in a year when everything is dependent upon food production for victory, it is amazing to note that we have only 10 percent of those applications granted. It is apparent, then, that the production program is not going along according to schedule.

Mr. CUNNINGHAM. Has the gentleman observed recently in the CONGRESSIONAL RECORD copy of the form that the farmer is required to fill out and send in in order to get machinery and parts?

Mr. EDWIN ARTHUR HALL. I believe I did see it.

Mr. CUNNINGHAM. Does the gentleman blame any farmer for not signing such a form?

Mr. EDWIN ARTHUR HALL. No. On top of all the extra work that the farmer is expected to do, he is asked to sit up all night to fill out the forms that have been made for his benefit or for his detriment I might better say. It is extremely unfortunate that he has to be penalized and hampered at a time when every ounce of his energy is needed for the production program.

Mr. MILLER of Nebraska. Will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. I want to make the observation that in the Fourth District of Nebraska last week there were 75 calls out on farm sales because of the condition the gentleman is speaking of.

Mr. EDWIN ARTHUR HALL. In the dairy district which I represent, about 450 head of dairy cows are being sold for slaughter each week. That is an amazing figure but it is true and it is based upon figures that I have received from home.

If farm machinery is going to be withheld from the private farmer much longer he is just going out of business. There can be but one alternative, collective farming. I think the present administration is welcoming this.

The next point I made to the Secretary of Agriculture when he appeared before the committee was that the rapid disappearance of labor from our farms either through the draft or through their going into defense industries—and I am not disputing which is taking more, because that is beside the point—is rendering it impossible for private farmers to operate the family-size farm.

Add to that the auction sales we see on every hand, and the other hindrances the Government is placing in the farmer's way, and there can be no question but that the eventual outcome will be collective farming on a large scale.

I for one regret that such a time has come. I for one have raised my voice several times, although little action has been taken, to make it easier for the privately owned farm to exist.

I can only come to the conclusion, after having made these observations, that the Government is deliberately attempting to take the small farmer, as it is the small businessman, out of business and to farm large tracts of land for collective farming. These will be operated by Government overseers using the whiplash around the neck of the independent farmer, reducing him to the status of a serf.

What the outcome will be I have no way of knowing. I can simply do my best to offer measures and make proposals to prevent this catastrophe, and the Congress can do with them as it sees fit. But I sincerely hope that before this session is over or before it is too late something will be done to correct the present unfortunate predicament which we are now in, lest our food-for-victory program fail. It must be corrected and aided not by supervision but by cooperation.

The Office of Price Administration is becoming increasingly potent and is making more and more inroads on the rights of the population at home. For a time, after a number of Members took the floor of the House and complained about the unreasonable regulations they were imposing upon the people, these bureaucrats drew back into their shells.

They retreated and gave the air a chance to clear. But we see them now encroaching more and more upon the privileges and the prerogatives of the people of the United States. For a time the right of pleasure driving was being exploited, and then after the House raised its voice the O. P. A. again retreated and little was done about it for a while; but now they have raised their heads again, and as time goes on I fear that the Office of Price Administration will take over more and more power.

Mr. BUFFETT. Mr. Speaker, will the gentleman yield for an observation?

Mr. EDWIN ARTHUR HALL. Gladly.

Mr. BUFFETT. I have listened to the gentleman's remarks about the farm situation, and in connection therewith I should like to mention one point I have run across in studying the O. P. A. of an earlier day, relating to the law of the maximum in France.

In 1795 in France there was complaint about the shortage of corn, and in a letter to the committee of public safety the dearth of corn was ascribed to the selfishness of the farmers, to a more or less genuine shortage of labor, to the greed of the agricultural laborers, who found they could earn more by other work, and to the fear of the country people that they might be short of bread in a few months' time. The letter also stated that the maximum was being openly evaded.

France at that time had a price-fixing law much the same as ours, but the people would not obey it, just as they will not obey our price-fixing regulations, which endeavor to change human nature.

I see in this morning's paper that the mayor of New York suggests the death penalty for anyone guilty of operating a black market. France had the death penalty for that offense at that time. The farmers did not bring in enough food products so a regulation was passed requiring them to bring in so much food every week, but the regulation would not work because it violated the law of supply and demand.

The question is whether this Congress will learn from that earlier experience before it is too late. I am glad to hear the gentleman's timely remarks on this subject.

Mr. EDWIN ARTHUR HALL. I thank the gentleman for his contribution. His remarks are strangely appropriate to the present-day situation here in America.

I cannot see any particular solution ahead unless you open the manufacture of farm machinery so that the privately held farm, the family-sized farm, can obtain the needed farm machinery.

Mr. H. CARL ANDERSEN. Mr. Speaker, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. I wonder if the gentleman has any figures showing how large a percentage of the total steel production would be necessary to allow a sufficient production of farm machinery to do the job.

Mr. EDWIN ARTHUR HALL. I cannot cite any definite figure as to that, but I talked with an official of the War Production Board not long ago who happened to be in another line than farm machinery. He indicated that he was having no trouble getting priorities in iron and steel. I will not disclose which line it is. He spoke as though there were all kinds of pig iron available for priorities if those who are in charge want to make them available.

Mr. H. CARL ANDERSEN. In the last 2 weeks I have had occasion to appear before certain parties in the W. P. B. and I have found them very cooperative in doing something that I think they should have done a long time ago. We have a small firm in our State whose allotment of its machinery production was cut approximately 50 percent. This firm had on hand sufficient material to create that additional amount of finished machinery, but it could not receive the right to assemble those parts and sell the machinery. Does the gentleman feel that if in America anywhere there is machinery that is ready to be assembled and put to work, every single implement there is today in America ought to be released?

Mr. EDWIN ARTHUR HALL. It certainly should be released. As I understand, there is also an extensive order going through before long for tools for victory gardens. They are going to make available a lot of steel tools, the manufacture of which is going to get priority. Why is it that farm machinery cannot get priority? Why is it deliberately being bottled up by the officials of this civilian commissariat?

Mr. STEFAN. Mr. Speaker, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. Yes.

Mr. STEFAN. I call attention to the fact that the entire Nebraska delegation is on the floor listening to the very able discussion of farm machinery, and I inform my colleague that our delegation has had before it experts from the War Production Board and the Department of Agriculture, and they tell us the reason they cannot get the machinery is that they do not have the steel. They have promised us that they will issue shortly, in time for spring plowing, an additional amount of farm machinery for the gentleman's State and ours, and the other States that produce the food. There was a bottleneck in parts for repairs. We were told that the bottleneck in steel is in small parts. They tell us that the bottleneck is in steel, but they also tell us the fact that bessemer steel production has not been had to its full capacity, and they will have more bessemer steel which may be used in some cases for badly needed repairs for farm machinery. The gentleman's statement is timely at this time, because every one of us is getting letters from farmers saying that what they want now more than anything is parts for repairs.

Mr. EDWIN ARTHUR HALL. I thank the gentleman, but I am wondering if that is correct in view of the fact that I have heard a number of reports that the steel is available, but that it is not being made available for farm machinery.

Miss SUMNER of Illinois. Mr. Speaker, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. Yes.

Miss SUMNER of Illinois. I have made a study of this subject and I am satisfied that what is happening is this: They have gotten their men down there in the supply division who come from the big operators, and those operators are chiefly interested in power farming, in tractors and combines, and they think in terms of power farming. They have not thought of parts at all, but just the big machines. They will take a certain type of machinery, and forget that they need parts to go into it, and the consequence is that today the situation is such that I am informed by every competent authority that it is already too late to get relief.

Mr. EDWIN ARTHUR HALL. That is what I am maintaining, and the gentlewoman is making a point to my argument, that the objective of the departments is collective farming. They want to do it on a big scale; they do not think that the private farmer is doing the job; they want to see all that revolutionized, and collective farming brought into being. That may work all right in Germany and in central Europe, but it will never work in America, because American agriculture was built upon the independent family sized farm.

Miss SUMNER of Illinois. Do not misunderstand me. Where I come from it is the big farm that produces the bulk of the stuff, and those are efficiently run. I do not know anything about collective farming. I am talking about farms of 160 acres, or at least over 80 acres. They use machinery, and up to 1,000 acres, and every day a man will have to go two or three hundred miles to one town or another, to retailer or distributor, to get parts, and today those parts are not available, and I have been informed by the president of a canning organization that we may expect food riots in this country within the next 12 months.

Mr. EDWIN ARTHUR HALL. There is a strong possibility of that.

Mr. CUNNINGHAM. I also want to thank the gentleman for what he is saying to us this afternoon in respect to the parts of farm machinery. I have received many letters along this line from farmers. A mower or a combine has broken down, and a small part for repairs is needed. It may cost 50 cents or $1.50, but in order to get it he has to drive to town and then fill out an application and sometimes wait 24 or 48 hours before he can get that little part, and his whole program is held down. Does not the gentleman believe that no farmer would ever ask for such repairs unless it is actually needed. He would not want to go through all of this red tape to get it, and it is not only unfair to food production, but it is unjust to the farmer himself.

Mr. EDWIN ARTHUR HALL. The average farmer is busier than ever these days. He just cannot be bothered with this nonsense.

Mr. CURTIS. I would like to make this observation that perhaps the year 1943 will be the most crucial year in the production of food. All farm machines, every place, should be put to use. We should not have any unused machines of any kind left in warehouses or in re-

tailers' stores. They should all be put to use.

The housewives of Washington are having to go from store to store today to try to get some butter. Yet in one of the towns in my district a farmer went into a hardware store to get a little part for a cream separator without a permit. I am informed that the F. B. I. are checking into the alleged violation of this hardware dealer and the farmer. As a matter of fact, all they were trying to do was to keep the cream separator going so that city folks could have some butter.

Mr. EDWIN ARTHUR HALL. I thank the gentleman. As I said, we are heading for collective farming, whether we are familiar with it or not. Collective farming is run by the Government. Government overseers crack the whip over the farmers, the formerly independent farmers, and it is about as abject and distasteful a condition as anyone cares to imagine. It is entirely un-American, but it is inevitable in the future unless we do something to remedy the farm-machinery bottleneck or the farm-labor shortage, or do something to keep the entrepreneur, the farm owner, on his farm. We should do something drastic with the draft law so that he will be able to stay on his farm. After all, the regulations made between the Department of Agriculture and the Selective Service System to exempt certain groups are not working out, from my observation. They are paying little attention to the regulations and they are simply passing the buck back to the local draft boards, and then they crack down on the board if they violate an order which they may have made previous to that. So it is not working as far as the draft end of it goes. Certainly it is not working as far as taking the farmers into defense plants and making it more attractive for them is concerned.

Mr. BALDWIN of Maryland. Mr. Speaker, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield.

Mr. BALDWIN of Maryland. I just want to correct an impression about the farm-draft situation. It may be that it is local in the State of Maryland, but since the Tydings amendment has been passed they have not only not drafted any farm help, but they have allowed people who had been farming to go back on the farm, and they have deferred them.

Mr. EDWIN ARTHUR HALL. That is true in isolated cases; yes. The percentage of farmers going into defense industry may be greater than those going into the draft. But they are drafting them just the same.

Mr. BALDWIN of Maryland. That may not be true where some State directors have a different viewpoint. In our own State of Maryland the draft situation is working out very nicely.

Mr. EDWIN ARTHUR HALL. Not so in my section, because they have denuded the farms of farm labor. It may be as high as 50–50. I am not denying that some of them have left the farms for more attractive situations in defense industries.

Unless something is done soon we are going to lose private agriculture in America. I am hoping for the best.

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

Under previous order of the House, the gentleman from New York [Mr. DICKSTEIN] is recognized for 25 minutes.

NAZI ATROCITIES

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include therein certain excerpts from periodicals and newspapers.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. DICKSTEIN. Mr. Speaker, I rise today in protest against the slaughter of millions of people in Europe under the yoke of the Hitler regime. Every civilized country in the world today is demanding that something be done to save these unfortunate people. America has not yet joined this public protest until this very day.

Within recent months the civilized world has been stunned by the reports of the atrocities against the inhabitants of the unfortunate countries conquered by the Nazis. To top the unorganized activities of his troops who had been using the method of plunder, rape, and murder to convert the subjugated people of Europe to the Nazi philosophy of life, Hitler ordered an object lesson—he issued an edict calling for the systematic extermination of all the Jews in occupied territory. This edict, which could only have been concocted by the diseased brain of a madman and executed by his cohorts who no longer can be called human beings, resulted in the most cruel destruction of millions of innocent men, women, and children. The whole of Europe has been turned into a bloody concentration camp, and the innocent victims of such unprecedented barbaric wrath have no hope, no future, except for the hope that the United Nations will win this struggle and destroy this monster. In their hour of deepest anguish and despair these victims of nazi-ism are praying for a speedy victory of our arms, are calling to us, their last hope on earth, to do all in our power to rescue them.

Is there anyone here, anyone who has a heart and a conscience, who would dare to say "no" to the outcry of a people in such pain and agony? Is there any human being who would dare to break faith with millions of innocent fellow beings who are going through the tortures of hell because their forefathers dared to give divine law to the world, because their prophets dared to give ideas to this world upon which a basic part of our civilization rests?

These people who are being sacrificed upon the altar of greed and racial superiority; these people who are being annihilated by a mad man who wants to destroy anything and everything that challenges his right to proclaim himself God, these people who are dying for the principles for which we are fighting; these people turn to us in their hour of need, begging us with the last breath on their lips to save their children, to save the few who can be snatched from certain doom.

America and England must do something to keep faith with all these unfortunate victims of our common enemy. They must do everything in their power to save as many human beings as possible.

The Nazi Government, as recently as a month ago when the latest figures were available, had murdered and killed 3,400,000 human beings. Of that number there were 2,000,000 and more Jews—women, children, and old and sick people. Under this program of killing they have not even spared the women and babies and the sick. Every nation has protested except the United States of America. England has openly proclaimed its sympathy with the victims of our common enemy. As a matter of fact, the British Government, as has been stated in Parliament, has had this problem under consideration. Several members of the Government have stated, however, that it is too great a problem for one country to tackle and that action must be taken by the United Nations if it is to be solved and solved in time. Millions of people are scheduled to be murdered by a bunch of sadists and yet we have said nothing in this Congress to protest against this; we have taken no steps to join the other Allied Nations to save as many as we can.

It is most unfortunate that in the treatment of this grave problem, affecting so many millions of human lives, there is such painful distinction between the silence shown by the American people at large and the energetic and enthusiastic efforts and expressions on the part of the people of Great Britain. In the latter country, priests, church leaders, members of Parliament, and members of the House of Lords speak out in no uncertain terms and with concrete suggestions for action. There, the newspapers constantly speak of the problem and describe movements directed toward rescue and alleviation. In England this has become a public problem of the first degree. An example may be taken from a London newspaper dispatch dated January 28, in which it is reported that a delegation representing all parties and both Houses of Parliament had a long conference with Ministers to urge that Britain should take immediately what steps she can for the relief of persecuted Jews in enemy-occupied countries. The delegation was led by Arthur Greenwood, and among its members were Lord Melchett, Eleanor Rathbone, S. S. Silverman, H. Graham White, Dr. A. V. Hill, Q. McG. Hogg, and Herbert Holdsworth. This delegation which had been appointed by a larger group, including the Archbishop of Canterbury, met in Foreign Secretary Anthony Eden's room in the House of Commons with Clement R. Attlee, Dominions Secretary; Herbert Morrison, Home Secretary; Oliver Stanley, Colonial Secretary; and Mr. Eden. This delegation presented the following proposals:

First. To request the Hitler regime—through the proper neutral authorities—that it permit the Jews to leave Nazi-occupied territory.

Second. To make public that England, its dominions and colonies, and all other United Nations, including the United

States, will provide a haven for these Jews.

Third. The means for transporting these Jews are to be provided.

Fourth. To prevail upon neutral countries to permit the Jews to enter their territories.

As a matter of fact, many members of the British Government have stated that England is doing everything it possibly can, but that much depends upon united action by all of the Allied Governments. Clement Attlee and Anthony Eden have themselves made statements to this effect, emphasizing that these actions must assume an international character. Obviously, the strongest and most powerful of all the United Nations is the United States.

In America, on the other hand, there is virtual silence and this can only injure and retard the efforts of the other nations who would want to act but who look to America to set the example and to take the initiative.

It must never be said that we failed to attempt every possible method of rescue. Furthermore, vigorous attempts, actions, protests, and suggestions are such as to emphasize to the Nazis that the free world is unalterably opposed to their program of shedding innocent blood.

I remember when a similar protest was made by our Government to the Russian Government at the time of the pogroms during the days of the Czar. This country also sent a protest to the Rumanian Government when that Government saw fit to indulge in violent and vicious anti-Semitic activities. The protest of this country was heard not only in Rumania but all over the world, and put a stop to these nefarious activities.

We have always been considered the guardian of humanity; have always preached human decency, and did not deem it improper to voice our views and protests to any nation which indulged in activities against human liberties. Our historical position has always been, Mr. Speaker, that we were the guardians of human liberty and against flagrant violations of decent human relationships no matter what the cause or the place may have been. Yet millions of people are being slaughtered today and nothing has been done, nor has this Congress gone on record to express its views on this question since this wholesale slaughter was started.

There are thousands of human beings who can be taken away from this slaughterhouse if the Allied Nations will only get together. It is up to America to take the initiative. There are millions of people, Jews, Catholics, Protestants, under the same Hitler yoke, who are scheduled for extermination unless we remove them to some neutral countries.

The United Nations should make some arrangements to provide a haven for some of these unfortunate victims of Nazi barbarism. Neutral countries near the occupied territory should be prevailed upon to permit these refugees to enter their countries until final arrangements can be made for them, and all necessary arrangements should be made to care for these refugees while they have to stay in neutral countries so as to guarantee that they will not become public charges.

They can be kept there until after the war, until we find some haven of refuge for those unfortunate victims. Nothing has been done up until the present time, although some of our allies are ready and willing to cooperate with America, whom they consider to be the outstanding individual power among the United Nations.

Mr. Speaker, America can play a great role by using its power and its influence upon the rest of the world. Our Nation can secure the undying gratitude of millions of unfortunate victims of Nazi barbarism by uniting the efforts of the United Nations in their behalf.

It has been stated in the Bible that what God has brought on this earth is worth preserving, but unfortunately too many people do not think it necessary to follow the teachings of the Bible these days.

If I could only give you a little picture of what has happened in Poland, what has happened in Belgium, what is happening in all these countries under Hitler's yoke where the Storm Troopers are shooting children on the streets, robbing old people of all they possess, forcing innocent people into gas chambers and killing them that way. Can you imagine a bunch of mad sadists forcing people to dig their own graves and then shooting them in cold blood? Heavenly Father! Where is the Christian world? Where are all the fine Christian people? Where is America, which is supposed to be the champion of liberty? Why has not our voice been raised in protest against the inhuman treatment of millions of innocent victims of nazi-ism?

I spoke on this question once before on the floor of this House, and I shall continue to bring it to your attention until something is done to save as many of these unfortunate victims of Nazi aggression as possible.

I propose to the United Nations and to my country that a committee be appointed by the Allied Nations to do this very thing, to salvage as many human beings as we can, be they Jew, Catholic, or Protestant. It can be done; we can still save many now, but tomorrow may be too late; now is the time. I appeal to this Congress and to the American people that at the earliest possible moment we go on record protesting against this wholesale slaughter inaugurated by the Nazis. This can be done through some neutral nation. We should warn the German people that they will be held to strict accountability for their crimes. If an appeal to their conscience and fear of God does not stop their murderous activities, maybe fear of threatened retributions will. Mr. Speaker, the thing is too tragic even to discuss; it would be humanly impossible for me, even if I had enough time and extraordinary power of speech, to relate what is happening in Czechoslovakia, Belgium, Holland, Poland, and France; and do not believe for one moment that the Jews are the only ones who suffer. Naturally the Jew is the first target of Nazi propaganda, but you are next, you Catholics, you Protestants. I have just received information concerning the case of a Christian family. Because that family picked up a little girl of Jewish blood and harbored her in their home, the whole family was wiped out by Hitler.

Mr. Speaker, we are living in the darkest age of history. The least we can do is to alleviate the hardships we know of to the best of our ability. We can join with other nations that think as we think to help salvage what is left.

Mr. CAPOZZOLI. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. I yield.

Mr. CAPOZZOLI. Is the gentleman acquainted with the claim of the Rumanian Government that it has 70,000 Jewish people whom it is ready to transport to safe havens?

Mr. DICKSTEIN. I have heard that the Rumanian Government is ready to release 70,000 people of Jewish blood and send them to Palestine at a certain price, which is all right; but as it happens the area where those Jews are now in concentration camps is expected to be controlled very soon by the Russian Government. I would rather release 70,000 who are now in Rumania and have no immediate hope to be released by the forces of one of the United Nations, although I am for taking anyone away if he can be gotten away to some neutral place. This does not apply to the Jew alone but to every human being.

Mr. CAPOZZOLI. I certainly agree with all that the gentleman has stated. Surely every decent person must abhor the countless slaughter of innocent people who have done nothing to deserve such treatment.

Does the gentleman know whether England is ready to open Palestine to these 70,000 Jews of Rumanian extraction?

Mr. DICKSTEIN. In my opinion, if this country joins with England, the two cannot only take care of the 70,000 but probably several hundreds of thousands who are within reach of the borders of neutral countries but who cannot get into these countries except with the help of the Allied Governments. By salvaging human beings we shall gain the respect of the world because we try to do something for humanity. I am not worried about feeding them; I am sure of the American people, the people in this country and every civilized country in the world, sure they will gladly give something to feed these victims.

Mr. CAPOZZOLI. Mr. Speaker, I wish to compliment the gentleman upon the sympathy and understanding with which he is presenting this matter.

Mr. DICKSTEIN. Mr. Speaker, in all of our history the American people have always come to the defense of the weak and the persecuted. I remember the last World War in which my own flesh and blood was killed on the battlefield of the Argonne. After that war was over Germany was starving. It had no food. It needed medicine. Famine and disease were spreading over all of Germany. This Congress in 1924 supported a program of about $10,000,000 to feed the German people, the hungry people over there, and to take care of the sick people.

I was proud of being one who supported that proposition.

In 1926 or 1927 there was a bloody outrageous massacre in Mexico where Catholics were being persecuted, and I was one of the first men on the floor of this House to protest against the treatment of these poor unfortunate people.

I am appealing to you today not because my people are getting the worst of this, but on a human basis, following the policy that we have pursued since the time of George Washington, in assisting the innocent victims of oppression. We have always helped the weak, the poor, and the oppressed. Now is the time, and the time is very short, for America to join her allies and the Allied Nations to salvage such men and women who are still alive, who can still be saved, so that we can proudly say we upheld our traditions, our policies, and our principles. Nothing will save these human beings, nothing can be done for them unless we, the Congress of the United States, the war Congress, the greatest Congress in the history of any country, will do something to help, with Great Britain and other nations, to salvage these human beings.

As America is one of the most important and influential members of the United Nations, it is up to us to take the initiative.

As human beings, as a democratic people, we cannot afford to let the cry for help go unheeded. The United Nations have pledged that they will liberate all the Nazi enslaved people; they have pledged that they will permit the liberated people to live as decent human beings after the chains of their oppressor have been broken. Here is a chance to show the world, and especially the millions of unfortunate victims of Nazi brutality, that we are going to live up to our promise.

Mr. Speaker, I thank the membership for listening to me.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Mississippi [Mr. RANKIN] is recognized for 30 minutes.

Mr. CAPOZZOLI. Will the gentleman yield?

Mr. RANKIN. I yield to the gentleman.

Mr. CAPOZZOLI. Mr. Speaker, I ask unanimous consent to extend my own remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. CAPOZZOLI]?

There was no objection.

Mr. CAPOZZOLI. Mr. Speaker, it is a sad thing to contemplate the plight of the many Jews, who, from all the information available, are scheduled for extermination. One might well wonder whether the information conveyed to us, thus far, in connection with this subject, could be accurate. It seems to defy every concept of decency with which human beings have been endowed by the Almighty God. Yet, there can be no question as to the accuracy of this information, because our own State Department has confirmed it on the basis of confidential reports received by it.

It has been further stated that, thus far, amongst the millions of innocent persons slaughtered in German-occupied Europe, there are found 2,000,000 Jews. Human slaughterhouses have been organized by the Nazis. They have been used to put innocent men, women, and children to death. Their only crime has been to have been born of races or of lands that the Nazis regard as being inferior to their so-called pure-blooded strain. The victims have not been only Jewish. Christians have also been massacred along with the Jews.

Of course, it makes no difference whatever whether the victims be Jew or Christian. Suffice it to say that they were human beings and, as such, were entitled to the right to live.

Some of the stories which have come out of the German-occupied countries defy human credulity. Not that these stories are untrue but, rather, that they run counter to every concept of common decency. We Americans, who have always been taught to respect human beings, irrespective of race or color, find it hard to listen to these stories or read about them without boiling over with rage and indignation.

One of the stories which has come out of Europe is that the Nazi doctors have contrived diabolical means with which to put victims to the slaughter. For instance, Nazi doctors inject air bubbles into the veins of the victim and, in this fashion, it is claimed that more than 100 persons an hour can be slaughtered.

Another method is to strip the victim, order him to have a bath, and then lead him to a barrack with a metal floor. The door is then locked and an electric current is turned on. The result is death for all the victims who are on that metal floor.

The foregoing, and many other methods, have been employed to exterminate these innocent people. Is it any wonder why Americans find it hard to appreciate the existence of such terrible cruelty in the world?

I suppose that it is useless now to speak of what has happened. However, the knowledge of what has taken place is an accurate indication of what millions of other innocent persons in Nazi-occupied Europe can expect and it is for that reason that I have called attention to some of the things which are now history. While nothing can be done to bring back the dead, something should, and must, be done to save those who are alive from these similar fates.

All the United Nations should join in an effort to obtain, through neutral countries wherever possible, the release of Jewish victims and others who will unquestionably meet the terrible fate which millions have already met. Our own country should lose no time in initiating whatever steps may be productive of this result. I have no doubt that every decent American will stand four-square behind his Government in this effort.

ELECTRIC POWER DEVELOPMENT IN JAPAN

Mr. RANKIN. Mr. Speaker, it seems that the average American does not realize that Japan is not only our permanent enemy and probably the most dangerous one our civilization has ever known, but that she has been growing in strength through the increase of modern machinery and equipment and the use of electric power.

When I came to this House in 1921, the people of the United States were using 40,000,000,000 kilowatt-hours of electricity a year. Twenty years later—1941—we used 139,000,000,000 kilowatt-hours, or about 3½ times as much as we did in 1921. I claim a large part of the responsibility for the creation of the Tennessee Valley Authority so far as the House is concerned. If it had not been for my efforts here, the T. V. A., as now constituted, would not be in operation today; and if it had not been for the creation of the T. V. A. and the development of the Columbia River, the Empire of Japan would today be ahead of the United States in the production of electric power.

Not only that, but Japan has taken equipment from the United States, and from Europe and extended her power lines throughout the Japanese Empire until today she can run her machinery almost anywhere in Japan proper, or in the conquered provinces she now controls. I pointed out a few years ago that in 1935 the record showed that 90 percent of the farmers of Japan had electricity, while at that time only 10 percent of the American farmers had electricity in their homes. Since that time we have continued the battle to develop our waterpower and to spread rural electrification until today something like 40 percent of our farms are electrified. I hope the day is not far distant when every farm home in America will be supplied with electricity at rates the farmers can afford to pay.

A little more than a year ago I led the fight for the construction of Douglas Dam on the Tennessee River, and I am glad to know that Douglas Dam is now completed and producing power. I led the fight on this floor for the full completion of the Grand Coulee Dam, which is now completed and producing power.

I want to give some facts with reference to the development of electric power, and especially hydroelectric power, in Japan and in the territories which Japan has overrun.

Mr. MURDOCK. Will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Arizona.

Mr. MURDOCK. A few days ago I took occasion here to compliment the gentleman from Mississippi on the splendid work he has done in electrifying rural America. I want to repeat that today. I recognize the gentleman as being one of the coauthors of the T. V. A. and of that expanded program throughout the West which means so much not only to the farmers of America but to urban population as well. When the gentleman said a moment ago that Japan had reached a proportion in the use of electric power comparable to our own country, I was wondering whether

he had reference to the per capita consumption of electric power or the total output.

Mr. RANKIN. I am speaking of the total output.

It was stated recently that the Japanese had started a large hydroelectric development in Manchukuo. This statement aroused my curiosity and I, therefore, embarked on what turned out to be an interesting and profitable research. I found that there were numerous references made in consular reports covering Japanese power developments. I also discovered that the Bureau of International Research at one of our leading universities had gathered together a mass of valuable facts which fit in with consular reports. I also found technical descriptions of the Japanese developments in English power magazines, which in turn had been translated from German accounts. I will give you the conclusions of this investigation which are highly important at this time.

JAPANESE INDUSTRIAL DEVELOPMENT

From the time of Admiral Perry's entrance into Japan about 90 years ago up until the latter part of the 1920–29 period Japanese industry lived within the boundaries of the coal and iron age.

As early as 1914, the Japanese Government began looking toward new industrial developments, and in that year initiated a series of investigations, which formed the basis of actual developments started within the last few years. The Japanese military party, something like 10 years ago, decided that Japanese destiny would be decided by changing from old conventional industrial processes to new electric techniques on which the modern developments of chemicals, light metals, alloys, machinery processing depended; and that low-cost power would form the base for such modern development.

Japan's new program was so planned that it depended on low cost, and abundant electric power. Accordingly, the Japanese military party sponsored what has been called the 4-year industrial-expansion plan. The thought behind this plan was to make the Japanese Empire self-sufficient in all the materials of war. The plan was based on starting modern peacetime industries which could be quickly converted into war plants.

RECENT INDUSTRIAL DEVELOPMENTS

The 4-year industrial plan was started with governmental pump priming. Before sizable arms, ammunitions, and war implements could be manufactured the Japanese had to construct the basic industries which would control the manufacture of modern materials, alloys, chemicals, machinery, and aircraft.

In 1926, according to the Oriental economists, the value of all Japanese manufactures amounted to 7,150,000,000 yen, or about $1,644,000,000. In 1937 the value of Japanese manufactures rose to 16,500,000,000 yen—an increase of two and one-quarter fold in 11 years, with wholesale prices practically stationary. That was the last year that Japan released official figures.

In connection with this 10-year increase was the increasing proportion occupied by chemicals, modern materials, machinery, and aircraft. In 1926 these types of manufacture only amounted to 28 percent of the total Japanese industrial production, whereas the proportion rose to nearly 81 percent in 1939—20 percent representing airplane production, and 61 percent chemicals, modern materials, and machinery. The depreciation of the yen in this period made imports costly, and with the development of cheap hydro power, Japan could make the transition from an import nation to a home-producing country. The importation of scrap iron permitted Japan to get away from the old conventional iron-ore processes and to utilize the energy formerly so used in the production of chemicals, modern materials, machinery, and aircraft.

How much of those chemicals were poison gases for the destruction of American lives we do not know.

That will give you some idea of how much these alleged patriots who were shipping scrap iron to Japan were contributing to the death of our boys who are fighting Japan in this war.

POWER

Japan early realized that her world position would depend on the quick development of hydro power. Accordingly, to further this basic idea, the Japanese Diet in 1938 passed their electric-power control bill as a part of the national mobilization bill brought on by what the Japanese termed "the China incident," which they used as an excuse for their brutal attack on China.

This enactment gave the Japanese Government authority to control generation and transmission of all electric power for three stated purposes, namely:

First. Lowering the cost of power to consumers.

Second. Providing adequate generating sources to meet the planned industrial load.

Third. Promoting increased use.

To carry out the plan outlined in the 1938 electric-power control bill, the Japanese Government organized a corporation termed "the Japanese Power Generation & Transmission Co." Since the organization of this corporation the output of this company has been largely turned over to the chemical industry. The latest reports available show that a short time prior to Pearl Harbor 50 percent of all the low-cost power in Japan was being used in her chemical industries, which probably includes the production of poison gas.

In Japan proper the kilowatt-hour output in 1935 was 22½ percent of that of the production in the United States. In 1937 it was the same proportionate amount compared to the production in this country in spite of the fact that we were bringing into production large amounts of hydroelectric power.

Remember, that was at a time when we were building dams on the Tennessee River and on the Columbia River, and bringing into production Boulder Dam, the greatest dam ever built on earth up to that time and surpassed now only by Grand Coulee.

The consular reports show that by the following year, 1938, Japan had stepped up her electric production 20 percent.

In 1936 the available generating capacity of Japan power amounted to 6,800,000 kilowatts, or an annual production of more than 50,000,000,000 kilowatt-hours, of which 56 percent was hydropower. In other words, in 1936 Japan had surpassed by 10,000,000,000 kilowatt hours a year the amount of electric power produced in this country in 1921.

In that same year the Japanese electric corporation authorized 2,100,000 kilowatts additional capacity for the following year. The consular reports indicate that Japan had expanded her power capacity to over 8,000,000 kilowatts by 1940, or an annual production of about 70,000,000,000 kilowatt-hours, thus making Japan rank third among world powers in the matter of power production. The 5-year power plan initiated by the Japanese Government in 1939 contemplated an expansion of 3,200,000 additional hydro kilowatts by January 1943, and 2,250,000 kilowatts of steam capacity.

In 1939 and 1940 the Japanese Government-owned power corporation built 17 new generating stations with a total capacity of about one-half million kilowatts. The 1939 and 1940 plan of the Japanese Government provided for the expansion of steam capacity only up to an ultimate projected coal consumption of 10,000,000 tons annually.

DEVELOPMENTS IN KOREA AND MANCHUKUO

The Japanese-dominated territories of Korea and Manchukuo have been recently developed into rich producers of mineral and chemical basis. In 1933 the electric plant capacity of these 2 countries amounted only to 304,000 kilowatts, being fed from 56 small stations. This relatively small amount indicates that in 1933 the industrial development of Korea and Manchukuo had not been started. Between 1933 and 1935, however, 225,000 kilowatts were added to the power capacities of these 2 countries.

The Japanese Government as early as 1922—listen to this—as early as 1922 the Japanese Government surveyed water-power possibilities in Korea and Manchukuo, evidently with the idea of invading those countries.

Mr. JENNINGS. Will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Tennessee.

Mr. JENNINGS. For some time I lived side by side with Col. Grant Trent, who for 18 years was a member of the Supreme Court in the Philippine Islands, and before Japan attacked us he told me she had been preparing for this war for 30 years.

Mr. RANKIN. Yes; I have said that repeatedly. Everyone knows now what Japan has been preparing to do. If you had been in Hawaii, as I was, in 1937, and investigated what was going on there, you would understand that. From what was told us by the Army and Navy men and by the white civilians I was

convinced that Japan was not friendly to the United States. She was getting ready for war then, and as the gentleman from Tennessee says had been for 30 years.

Mr. MURDOCK. Will the gentleman yield?

Mr. RANKIN. Yes.

Mr. MURDOCK. For one or two historical questions. I would like to know, Mr. Chairman, as a background of what the gentleman is saying, if it is not true that about 100 years ago a Mr. Farraday, who was not a Japanese, discovered the principle of the dynamo and the electric motor; and that Thomas A. Edison, a quarter of a century later, invented the arc lamp, the electric light, and other electric facilities? Is it not a sad commentary on something in our economy that the American spirit of progress in discovering the great laws of nature has been so slowly followed up in extending to all the people nature's benefits, that America is about to be outclassed in use of electric power by an imitative enemy?

Mr. RANKIN. The gentleman is absolutely right, and I will say to him that the Japanese are not creative or inventive people; Japan is an imitating nation—an aping people. Someone wrote me a letter from California and called them J. Apes. They are aping America and trying to get ahead of us at our own game. That is what I have been saying here, year in and year out.

From the consular reports it is apparent that this 1922 survey resulted in the location of 147 hydro-power sites with a potential firm capacity of 2,400,000 kilowatts, which equals our present production at both Bonneville and Grand Coulee on the Columbia River.

The most promising sites were found on the Choskin and Kossuiin tributaries of the Yalu River. This survey also showed that the main water course of the Yalu River has a potential capacity of 1,600,000 hydro kilowatts or an annual production of about 14,000,000,000 kilowatt-hours, located in Korea and Manchukuo.

If you want to know how much 14,000,000,000 kilowatt-hours a year amounts to, it is as much as the entire State of Pennsylvania is now using for all purposes.

The Choskin development was commenced in 1933, and by 1935 the first station, with 140,000 kilowatts capacity, was put into operation. By January 1937 a second Choskin development, with three out of four generators, was completed, totaling 112,000 kilowatts. In 1938 work was started on the third Choskin station. There have been no reports since 1938 on this station, but it can be safely concluded that it has been completed. In 1940, a 220,000-kilowatt station was started on the Kossuiin River. It evidently is completed by this time.

YALU RIVER POWER

This Yalu River power development was the one I referred to on the House floor a few days ago. In 1937 the Yalu River Power Co. was organized by the Japanese Government for the joint development of the Yalu River by the subordinate states of Korea and Manchukuo. The authorization for this work carried with it a capitalization of 100,000,000 yen, to be secured by the Manchukuo and Japanese Governments, together with the Noguchi family interests. Work was started on the largest development at Suihodo in 1939. The Suihodo development was based on a plant with an ultimate capacity of 700,000 kilowatts, comprising seven units slightly smaller per unit than those now in operation at the Grand Coulee Dam. This ultimate plant of 700,000 kilowatts is about one-third the capacity of Grand Coulee and about half the capacity of Boulder Dam. The initial schedule for the Suihodo-Yalu plant contemplated the completion of three 100,000 units by the end of 1941 and 400,000 additional kilowatts by January 1943.

In Japan proper all this industrial development was financed on a joint basis between the Government and a series of older financial family groups such as Mitsabhi and Mitsui. These older family groups did not operate outside of Japan. In the outlying territory younger Japanese financial groups like Nugchi and Nisson operated, respectively, in Korea and Manchukuo. All the financing for the Yalu River development was provided by the above-named governments and the Nugchi financial family. The machinery for these hydro developments was designed and built in Germany by the Simemes-Schuckert Co.

CONSULAR REPORTS

The following additional briefed information was obtained from noted sources covering the 700,000-kilowatt hydroelectric development on the Yalu River.

A United States consular report made on June 17, 1936, reported that Manchukuo had a potential hydro capacity of 1,600,000 kilowatts, but that none of this capacity was in use. This was evidently the Yalu River power to which I have referred.

The Monthly Economic Review of Manchukuo, July 1941, was quoted in the consular despatch dated August 9, 1941, from Dairen, Manchukuo, as follows:

> The Chosen-Manchukuo hydroelectric generating station increased its capital from 100,000,000 to 200,000,000 yen for the purpose of building a new hydroelectric plant at Suihodo in northern Korea on the boundary between Korea and Manchukuo. The first Suifeng plant on the Yalu was scheduled to start operation in August 1941 with four 100,000-kilowatt units, and that three such units would be added later.

From the August 1941 Monthly Economic Review a consular despatch dated September 10, 1941, from Dairen noted that the Suifeng plant was started in August 1941, in accordance with the proposed schedule.

These hydroelectric units have been described in an English magazine under the caption "100,000 hydroelectric generator units for Manchukuo" by H. Winkelstrater, in English Engineering, dated August 8, 1941.

This article was translated from a German engineering magazine of June 7, 1941, and gave a description of these large generators and water wheels. These machines were built by the Simemes-Schukert Co., of Germany. Also, new designs had to be worked out owing to transportation restrictions and it was necessary to design the generator stators so they could be cut into six parts for shipment and welded together at the power site. The generator housing was also transported in sections and connected together by welding. The rotating elements of these large machines were divided into three wheels because of transportation, which were arranged one above the other in an axial direction and each wheel was divided into two parts for shipment.

These German-made Yalu units are 20 percent larger than the Boulder Dam units and something like 10 percent smaller than the largest American hydro units, which are now installed at Grand Coulee. I give you these figures to let you know that Japan has not only been preparing for this war for years, but is today preparing for it by developing not only her own water power, but the water power she finds in countries she occupies, while here in America, with 230,000,000,000 kilowatt hours of annual production of undeveloped water power, we are met at every turn by organized groups of power racketeers who are endeavoring to prevent us from developing the latent water power throughout the United States, and preventing her from finishing the projects begun on the Tennessee, the Columbia, and the Colorado Rivers.

The Japanese power program for Japan, which I have indicated, delivers 16,000,000 installed kilowatt capacity, or 145,000,000,000 kilowatt-hours a year, if running at a 100-percent load factor, or 103,000,000,000 kilowatt-hours running at 71-percent load factor; and I understand that 71 percent is the lowest factor on which they are running today—while the power produced in this country in 1941 amounted all told to only 139,000,000,000 kilowatt-hours.

The outline of Korean and Manchukuoan development which I have given totals 1,750,000 additional installed kilowatts, with most probably 900,000 additional hydro kilowatts under construction. These 1,750,000 kilowatts installed are capable of turning out 12,000,000,000 kilowatt-hours a year at a 71-percent load factor, or 15,500,000,000 kilowatt-hours at a 100-percent load factor. The evidence we have, therefore, indicates that Japan now has this power capacity working and turning out something like 115,000,000,000 kilowatt-hours a year, or 63 percent of this Nation's 1942 output. The evidence we have clearly indicates that Japan has increased her electrical output from about 22 percent of that of the United States in 1937 to more than 60 percent of our output at the beginning of 1943.

The power generated by that 16,000,000 installed kilowatt capacity, would equal the physical strength of more than 200,000,000 Japanese men working 24 hours a day, and running 24 hours a day, it would equal the physical strength of more than 600,000,000 Japanese men working 8 hours a day.

Mr. MURDOCK. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. Yes.

Mr. MURDOCK. It is a real indictment which the gentleman has brought by this alarming comparison against certain elements in this country responsible for the slowness of our power development. The gentleman indicated that as early as 1922 Japan had taken steps for the development of power in Korea, a conquered province, and in Manchukuo, a province yet to be conquered. How does the gentleman feel about our lack of utilizing our water-power resources in the great Rocky Mountain area? Relatively, and in spite of T. V. A. and such, our inventive Nation has not done as much for her very own as the imitating Japs have done to exploit regions they proposed to enslave.

Mr. RANKIN. I think we are far behind. If I had my way, we would pass the bill that I have introduced to develop all water-power of the Nation.

I call attention to the fact that while Japan was attacking and conquering the provinces of Korea and Manchukuo, she was also preparing to conquer the Hawaiian Islands, California, Washington, and Oregon, and was filling them with Shinto temples, which are nothing in the world but centers for the dissemination of Japanese propaganda; while she was using her power facilities to produce the materials of war, including poison gas for our destruction.

We should not hesitate to develop our own water-power resources to the fullest extent and use them to the best advantage of all the American people now and for all time to come.

But in the meantime we must wipe Japan from the face of the earth, drive the Japanese from American soil and save America for Americans.

The SPEAKER pro tempore. The time of the gentleman from Mississippi has again expired.

EXTENSION OF REMARKS

Mr. KLEIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include two resolutions from the Italian-American Labor Council, one on Eddie Rickenbacker and the other on political strategy.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Michigan [Mr. WOODRUFF] is recognized for 8 minutes.

HISTORY UP TO DATE

Mr. WOODRUFF of Michigan. Mr. Speaker, an event in Washington reported in the Washington Times-Herald of February 27, 1943, was not given a great deal of publicity, but it certainly will serve to disquiet many Americans if and when they hear of it. It was a rather full report of a Russian challenge to the Atlantic Charter which is supposed to set the moral pace and tone during this conflict and after. On the date mentioned, the Soviet Embassy in Washington declared a most emphatic claim to rich industrial and agricultural areas of pre-war Poland.

The official Soviet bulletin reproduced ar article originally published in the Moscow newspaper Pravda, laying claim to that area of Poland around the city of Lwow and the region bordering White Russia.

Thirteen days ago, says this newspaper article, the Soviet Embassy bulletin published a firm territorial claim of the Soviet Union to Bessarabia, Estonia, Latvia, and Lithuania.

These claims come as a great shock in the face of the fact that the first three articles of the Atlantic Charter upon which President Roosevelt and Winston Churchill agreed, ostensibly for all the allies, were:

First. America and Britain seek no aggrandizement, territorial or other.

Second. Those two Nations desire to see no territorial changes which would not accord with the freely expressed wishes of the people concerned.

Third. The two Nations respect the right of all peoples to choose the form of government under which they will live; and wish to see sovereign rights of self-government restored to those who have been forcibly deprived of them.

The rest of the charter discussed the outlook for a peaceful and happy life for everybody after the Nazis had been destroyed.

It is most disquieting, in view of these declarations by President Roosevelt for the United States and Winston Churchill for the British Empire, that the Soviet Embassy should now lay claim to the territory of other nations which have been overrun by the Germans and the Russians since Hitler marched into Poland.

It will be recalled that on March 24, 1939, Germany made demands on Poland for the return to Germany of the free city of Danzig and assured to Poland a "free zone" in Danzig.

Germany further demanded the right to construct a German motor highway and railroad across the Polish Corridor, separating East Prussia from the rest of Germany.

Hitler also demanded a 25-year nonaggression pact in which Germany would recognize as permanent the boundaries of Poland as adjusted to the demands Hitler made.

On March 31, 1939, Prime Minister Chamberlain announced in London that in the event of any action which clearly threatened Polish independence and which the Polish Government accordingly considered as vital to resist with their national forces, that the British would feel themselves bound at once to lend the Polish Government all support possible. Chamberlain stated that the British Government had given Poland that assurance. Premier Joseph Beck, for Poland, depending upon the British promises, signed up a mutual assistance pact with Britain.

On August 19, 1939, Germany and Russia signed their commercial treaty and pacts of nonaggression. This pact expedited the German move against Poland. The shooting started officially on September 1, 1939, when German planes bombed Warsaw, Lwow, and Cracow, and German armored divisions tore into Poland across the border in four places.

On September 17, 1939, Russian Premier Molotov announced that Poland had ceased to exist, whereupon a Red army of at least a million men marched into Poland. On September 28 Germany and Russia officially partitioned Poland by a treaty signed in Moscow. Following that the Germans herded the Poles they permitted to live into a small area in central Poland to starve.

The Russians killed thousands of Poles and drove other thousands into Kazakstan and other territories of Siberia and Asiatic Russia.

Now we are confronted, in the face of the Atlantic Charter and the alleged war aims of the United States and Britain, with this gravely disquieting and bold notice by the Soviet Embassy that Russia does not intend to be a party to the Atlantic Charter or to recognize a single one of its provisions. Anyone who believes Russia would look with complacence upon the policing of Europe by American and British military forces after the war must be an optimist, indeed.

This development certainly will give the American people food for grave thought.

On Monday, March 1, 1943, the Soviet Embassy at Washington complicated and befogged the whole question by a declaration exactly contradicting their previous territorial claims. This may mean much or exactly nothing.

The SPEAKER pro tempore. The time of the gentleman from Michigan has expired.

ABSENTEEISM

Mr. BENDER. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. BENDER. Mr. Speaker, I trust that every Member of the House will read the excellent article on absenteeism in the January issue of the Monthly Labor Review. This article makes the following points, which I think must be considered by the Congress in any discussion of absenteeism: First, we do not have accurate figures on absenteeism in war industry; second, the increased employment of women has tended to increase absenteeism because of sickness and home responsibilities; third, absenteeism is higher among older workers because of greater fatigue and sickness; fourth, longer workweek is increasing absenteeism; fifth, the shortage of doctors and medical facilities in many war areas is a factor increasing absenteeism; sixth, housing and transportation difficulties are responsible for a large amount of absenteeism; seventh, some part of absenteeism seems to be due to poor morale.

The War Production Board and the War Manpower Commission announced yesterday that they will undertake jointly a national drive to reduce absenteeism through cooperation of management and labor in the various plants and localities by removing the specific causes as far as possible in each area. This campaign seems to me to be the proper approach to this problem. I trust

that management and labor will give it their wholehearted cooperation.

The SPEAKER. The time of the gentleman from Ohio has expired.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. HINSHAW (at the request of Mr. HOLMES of Washington), for the week of March 1, 1943, on account of illness.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 700. An act suspending certain provisions of sections 12B and 19 of the Federal Reserve Act until 6 months after the cessation of hostilities in the present war as determined by proclamation of the President or concurrent resolution of the Congress; to the Committee on Banking and Currency.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 621. An act to authorize the Secretary of the Navy to grant to the city of San Diego for street purposes a parcel of land situated in the city of San Diego and State of California; and

S. 739. An act to amend the act entitled "An act to authorize the attendance of personnel of the Army of the United States as students at educational institutions and other places."

ADJOURNMENT

Mr. ROWAN. Mr. Speaker, I ask unanimous consent that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 16 minutes p. m.) the House adjourned until tomorrow, Thursday, March 4, 1943, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON ROADS

There will be a hearing of the Committee on Roads on Thursday, March 4, 1943, at 10:30 a. m.

COMMITTEE ON RIVERS AND HARBORS

The Committee on Rivers and Harbors will meet Tuesday, March 9, 1943, at 10:30 a. m., to begin hearings on H. R. 1880, a bill providing for the construction of a ship canal across the State of New Jersey, connecting New York Bay with the Delaware River, and forming the last link in the Intracoastal Waterway from Boston to the Mexican border.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

You are hereby advised that the hearing on H. R. 134, to provide for the suspension, during the war, of operating-differential subsidy agreements, and attendant benefits, under title VI of the Merchant Marine Act, 1936, as amended, and for other purposes, which was previously scheduled for Thursday, March 4, 1943, has been postponed until Thursday, March 11, 1943, at 10 a. m.

The committee will also hold a public hearing on Thursday, March 18, 1943, at 10 a. m., on H. R. 1361 (Mr. LANE) and H. R. 1409 (Mr. FOGARTY), conferring upon men in the merchant marine the same rights, privileges, and benefits accruing to those serving in the armed forces, and on H. R. 1858, to confer the same rights, privileges, and benefits upon members of the United States merchant marine who served during the World War as are conferred upon members of the armed forces of the United States who served during such war.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m. Tuesday, March 16, 1943.

Business to be considered: Public hearing on H. R. 149.

EXECUTIVE COMMUNICATIONS, ETC.

218. Under clause 2 of rule XXIV, a letter from the Secretary of War, transmitting the annual report of the Chief of Engineers, United States Army, for the fiscal year ending June 30, 1942, on river and harbor and flood control operation under the direction of the Corps of Engineers, and commercial statistics on water-borne commerce of the United States, for the calendar year 1941, was taken from the Speaker's table, and referred to the Committee on Rivers and Harbors.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SHEPPARD: Committee on Appropriations. H. R. 2068. A bill making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1943, and for other purposes; without amendment (Rept. No. 202). Referred to the Committee of the Whole House on the state of the Union.

Mr. RAMSPECK: Committee on the Civil Service. H. R. 1025. A bill to amend section 1753 of the Revised Statutes to create a board of legal examiners in the Civil Service Commission, and for other purposes; without amendment (Rept. No. 206). Referred to the Committee of the Whole House on the state of the Union.

Mr. STEAGALL: Committee on Banking and Currency. H. R. 1698. A bill to amend the act entitled "An act to aid in stabilizing the cost of living" (Public Law No. 729, 77th Cong.); without amendment (Rept. No. 207). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PITTENGER: Committee on Claims. H. R. 401. A bill for the relief of James W. Kelly; without amendment (Rept. No. 203). Referred to the Committee of the Whole House.

Mr. CHENOWETH: Committee on Claims. H. R. 944. A bill for the relief of Douglas R. Muther; with amendment (Rept. No. 204). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 2003. A bill for the compensation of Edwin Fairfax Naulty and Leslie Fairfax Naulty; with amendment (Rept. No. 205). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BYRNE:

H. R. 2069. A bill to provide that the unexpended proceeds from the sale of 50-cent pieces coined in commemoration of the two hundred and fiftieth anniversary of the founding of the city of Albany, N. Y., may be paid into the general funds of such city; to the Committee on Coinage, Weights, and Measures.

By Mr. RANDOLPH:

H. R. 2070. A bill to effectuate the intent of the Congress as expressed in section 1, paragraph (k), of Public Law 846, Seventy-seventh Congress, approved December 24, 1942, by adding to the list of institutions named in said paragraph the name of the American Tree Association, an institution similar to the institutions so named; to the Committee on the District of Columbia.

By Mr. RUSSELL:

H. R. 2071. A bill to prescribe 48 hours as the standard workweek during the present war; to the Committee on Labor.

By Mr. J. LEROY JOHNSON:

H. R. 2072. A bill to extend the benefits of the Emergency Officers' Retirement Act of May 24, 1928, to officers honorably discharged from the Army under Public No. 259 (67th Cong., June 30, 1922); to the Committee on Military Affairs.

By Mr. DICKSTEIN:

H. R. 2076. A bill to authorize the deportation of aliens to countries allied with the United States; to the Committee on Immigration and Naturalization.

By Mr. O'CONNOR:

H. Res. 146. Resolution establishing a select committee to investigate hospital facilities within the United States of America; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ROLPH:

H. R. 2073. A bill for the relief of Joseph Arreas (also known as Joseph Arraes); to the Committee on Immigration and Naturalization.

By Mr. TREADWAY:

H. R. 2074. A bill for the relief of Thomas J. O'Connor; to the Committee on Claims.

By Mr. VOORHIS of California:

H. R. 2075. A bill for the relief of Charles R. Hooper; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

216. By Mr. ANGELL: Memorial of the Oregon State Legislature; to the Committee on Agriculture.

217. By Mr. HOLMES of Washington: Resolution of 14 dairymen of Sunnyside, Wash., community, regarding the dairy industry and urging a remedy; to the Committee on Agriculture.

218. By Mr. STOCKMAN: Resolution of the House of Representatives of the State of Oregon (the Senate jointly concurring therein), urging that the Congress of the United States be memorialized to enact such legislation as will lead to the adequate reimbursement of the State of Oregon and its political

subdivisions and governmental agencies for the revenue derived from the taxes upon the real property so acquired by the Federal Government, which action endorses House bill 1305, by Congressman STOCKMAN, providing for taxation by the States and their political subdivisions of certain real property acquired for military purposes; to the Committee on the Public Lands.

HOUSE OF REPRESENTATIVES

THURSDAY, MARCH 4, 1943

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Heavenly Father, we praise Thee in the name of Him who is high above the pride of this mortal state. Give us vision that will shame present realities, believing that it is better to trust Thee than to fret our hearts in brooding desire. In prosperity let us be glad; and in mocking adversity then, too, we would consider and give Thee thanks.

We pray that the sufferings of war may make for the redemption of this world, cherishing the vision and living by the light of the prophets afar. O hear the unspoken prayers, the quivering faith that in silence and loneliness look up to Thee. Remind us that in the catalog of wrongdoing, ingratitude is the broad highway of offense. Bless us with the mercy of grateful hearts, owning that we are debtors to the millions unknown, to the lowly workers in the murky mists of poverty and obscurity, to all who feel the drudgery of unromantic toil, as well as to the greatest of mankind. Dear Lord, these all are beckoning and reaching for our hands, challenging us to press with new vigor toward that freedom for which the years have been struggling; reveal to us Thy will, and may we love to follow it. In the name of the Christ, our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS

Mr. BLOOM. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an editorial from this morning's Washington Post on the unanimous report of the Foreign Affairs Committee on the bill to extend the Lend-Lease Act for another year.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

(Mr. REED of New York, Mr. BEALL, Mr. CURTIS, and Mr. MAGNUSON asked and were given permission to extend their own remarks in the RECORD.)

Mr. GAMBLE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include therein a speech by the Honorable William S. Bennett, a former Member of this House from the State of New York.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. ANDREWS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD on the subject of the original Agricultural Credit Corporation and to include therein a short statement from the current issue of the Saturday Evening Post.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that I may address the House for 10 minutes today after the disposition of the business of the day and other special orders.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

INCOME-TAX PAYMENT

Mr. CURTIS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my own remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. CURTIS. Mr. Speaker, the wrath of the American people is going to be on this Congress for its failure to enact some form of pay-as-you-go tax legislation prior to March 15. The tax burden will be so heavy for everyone that they will be justified in criticizing the failure of the Government to provide a way in which these taxes could be paid monthly. It is regrettable that the majority leadership did not make pay-as-you-go tax a part of their program early in the Seventy-eighth Congress. I want to read to you portions of a letter from one of the leading bankers of the State of Nebraska:

> My experience has been such that possibly I gave a little more thought to the future than the average man. I only mention this because I think I can take care of myself and can budget my taxes. My association with various individuals is intimate enough so that I know a great many people have not the funds to even make a first quarterly payment on their 1942 income tax. Individuals generally are shocked when they appreciate the amount of their tax liabilities. I would even go so far as to say that I know instances where people have been made physically ill when they first got this information as regards the taxes.
>
> We should have some sort of tax legislation which will permit the collection of taxes monthly. It will raise a greater sum for the Treasury, and I believe it is the only method that can be employed, by which substantial amounts can be extracted from the public. I am a believer in high taxes—I believe by their payment they will prevent inflation and reduce the sale of Government obligations.

Mr. Speaker, I urge that some sort of pay-as-you-go tax plan be rushed through this Congress without further delay.

EXTENSION OF REMARKS

Mr. WEISS. Mr. Speaker, I desire to extend my own remarks on two subjects, in one to include a letter, and in the other to include an editorial.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MICHENER. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. VAN ZANDT] may extend his own remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

THE PRESIDENT'S SONS

Mr. MILLER of Connecticut. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my own remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MILLER of Connecticut. Mr. Speaker, I dislike to hear the services of any man wearing the uniform of the country criticized, whether he be a son of the President of the United States or a recently naturalized citizen.

In 1917 a great American, an ex-President named Roosevelt, had four sons in the service. We heard then: "The Roosevelt boys all have commissions." But, before that war ended, three of those four had been wounded and one had given his life in an airplane crash. In the half minute remaining I want to tell you a true story about Quentin Roosevelt. Quentin Roosevelt wore thick eyeglasses. How he got in the air service was something of a mystery. He completed his training at Issodun, France. The rest of his class was ordered to the front, but his name was not on the list. He went to his commanding officer to find out why and was told that because of his defective vision they expected to keep him in the rear.

During the next week he went to the office of the Chief of the Air Service in France and, by using some influence, he received his orders to go to the front. In less than 1 week at the front Quentin Roosevelt gave his life to his country.

I hope that criticism of the services of any man in the service of his country will cease. Let us show respect toward the President and his patriotic sons. They are doing their duty, and I, for one, respect them.

Let us stop petty sniping and get together that this war may be won as speedily as possible.

PERMISSION TO ADDRESS THE HOUSE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my own remarks in the RECORD and to include a clipping from the Daily Corinthian of Corinth, Miss.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. RANKIN]?

There was no objection.

[Mr. RANKIN addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. ROBERTSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an excerpt from the Christian Science Monitor.

The SPEAKER. Is there objection to the request of the gentleman from Virginia [Mr. ROBERTSON]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. SHAFER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. SHAFER]?

There was no objection.

[Mr. SHAFER addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. SMITH of Ohio. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and in another instance to extend my own remarks in the RECORD and to include an editorial from the News Sentinel of Fort Wayne, Ind.

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. SMITH]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. SMITH of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. SMITH]?

There was no objection.

[Mr. SMITH of Ohio addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. BENDER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an article on factory management and maintenance.

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. BENDER]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. SABATH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois [Mr. SABATH]?

There was no objection.

[Mr. SABATH addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. SABATH. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Illinois [Mr. SABATH]?

There was no objection.

BUREAUCRATS

Mr. BULWINKLE. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina [Mr. BULWINKLE]?

There was no objection.

Mr. BULWINKLE. Mr. Speaker, I heard my friend the gentleman from Ohio just now talk about bureaucrats. I have heard others on both sides of the Chamber talk about them, especially on the Republican side.

I would like to know what they mean by it. I saw in the papers yesterday the name of my friend, General Hines, who has been here for 20 years. Is he one of the bureaucrats you talk about? Are you talking about some of the new agencies, in which I venture to say 80 percent of them are Republicans? Are you talking about your own?

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. BULWINKLE. I yield to the gentleman from Massachusetts.

Mr. MARTIN of Massachusetts. I would like to know who appointed these bureaucrats.

Mr. BULWINKLE. Now you have it. Then you are sore because a Democratic President appointed Knox and Stimson, and these others.

Mr. MARTIN of Massachusetts. How can the gentleman who appointed them get away from the responsibility?

Mr. BULWINKLE. Get away from responsibility? No. You have talked about bureaucrats here; you have spread it all around, and you do not dare to name a single person whom you would term a bureaucrat.

EXTENSION OF REMARKS

Mr. O'BRIEN of New York. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial based on authentic reports of the marvelous work done by the Higgins boats in Guadalcanal.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

ANDREW JACKSON HIGGINS

Mr. O'BRIEN of New York. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. O'BRIEN of New York. Mr. Speaker, today I have inserted in the RECORD an editorial based on accurate and authentic information concerning the marvelous work done by the Higgins invasion boats at Guadalcanal.

These two distinguished gentlemen who testified before the Merchant Marine and Fisheries Committee saw strenuous action in this particular theater of war and praised the Higgins invasion boats in the most enthusiastic manner.

Right at this point may I state that there have been occasions during the past year when Andrew Jackson Higgins has been criticized vigorously and unjustly and some have even gone so far as to say that the reason for the Higgins contract cancelation was due to poor management. I, for one, inform the membership of this House that there is no shipyard in the country managed more efficiently than the Higgins Shipyards of New Orleans.

The particular individual who made that observation in the nature of a criticism in my estimation is one who gloriously exemplifies the old saying, "What he lacks in intelligence he makes up in stupidity."

Within the next few months Andrew Jackson Higgins will be producing planes with such amazing rapidity that we can all bask in the sunshine of his ability to make contributions to this war effort far beyond our expectations. Any further comment on my part at this time concerning Andrew Jackson Higgins is entirely uncalled for.

THE PRESIDENT'S FAMILY

Mr. SCOTT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SCOTT. Mr. Speaker, the gentleman from Connecticut has already expressed better than I can my sentiments with reference to a certain type of criticism. When we indict the administration for mistakes we are, I conceive, in the position of counsel for the people, or prosecutors, if you prefer. The Supreme Court has just said that "a prosecutor may hit hard blows but not foul ones."

We may often disagree with the President, sometimes on his war policies, more often on matters of domestic or internal concern, but the President and the Congress and the people have a war to win. Neither the President nor the Congress nor the people ought to be harassed by irrelevant matters. For heaven's sake, let us leave the President's family out of it.

EXTENSION OF REMARKS

Mr. HARTLEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein some correspondence I have had with the Wage and Hour Administrator.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. BALDWIN of New York. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a speech I made last night.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

BUREAUCRATS

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

[Mr. HOFFMAN addressed the House. His remarks appear in the Appendix.]

REPRESENTATIVE ROBERT L. DOUGHTON

Mr. FOLGER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. FOLGER. Mr. Speaker, I call attention to the fact that 32 years ago today the gentleman from North Carolina, Hon. ROBERT L. DOUGHTON, who wants me to call him Bob, but I cannot do it, although he is very young, took the oath as a Member of this House. I would not make any comparison, but I think I will have the agreement of the Members here and those who have been here during his time in office that he has been one of the most valuable Members of the House of Representatives, Nationwide in his considerations, hardworking, intelligent, and a fine, fine man. North Carolina is proud of him.

PERMISSION TO ADDRESS THE HOUSE

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent that on Monday next, at the conclusion of the legislative program of the day and following any special orders heretofore entered, my colleague the gentleman from Missouri [Mr. PLOESER] be permitted to address the House for 30 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

Mr. DAY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

PAY OF RURAL CARRIERS

Mr. COLE of Missouri. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. COLE of Missouri. Mr. Speaker, I am introducing a bill today to provide temporary additional pay for equipment maintenance for each carrier in the rural mail delivery service. Under the present law, the rural mail carrier is allowed only 5 cents per mile per day for each mile or major fraction thereof scheduled. This amount is wholly inadequate under conditions such as now exist, because, under present conditions, the rural carrier cannot get new equipment as needed, but must maintain the truck or automobile that he has subjected to hard usage since before the war. His cost of equipment maintenance and operation has greatly increased and now amounts to between 8 and 10 cents per mile. The bill that I have introduced provides an increase of only 1 cent per mile, beginning May 1 this year and continuing for the duration of the war and for 6 months thereafter. I hope that you will support this much-needed legislation.

The SPEAKER. The time of the gentleman from Missouri has expired.

LEAVE TO ADDRESS THE HOUSE

Mr. BARDEN. Mr. Speaker, I ask uanimous consent that at the conclusion of any other special orders today, I be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. PATMAN. Mr. Speaker, on Monday next, after the disposition of matters on the Speaker's table and any other special orders, I ask unanimous consent to proceed for 30 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. DICKSTEIN. Mr. Speaker, I ask uanimous consent that on Wednesday next, after the disposition of business on the Speaker's table and any other special orders, I may be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection?

There was no objection.

REPEAL OF AGRICULTURAL ADJUSTMENT ACT

Mr. DWORSHAK. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. DWORSHAK. Mr. Speaker, I have received a copy of a memorial from the Idaho State Legislature, urging Congress to take steps to pass necessary legislation to suspend the operation of the Agricultural Adjustment Act for the duration of the present emergency. The memorial points out that the emergency for which this act was passed no longer exists, and that the unwarranted expenditure of money and demand upon the services of manpower that might better be diverted to the war effort is not necessary.

The memorial referred to follows:

We, your memorialists, the Legislature of the State of Idaho, respectfully represent that—

Whereas the Agricultural Adjustment Administration has, during the period from May 12, 1933, to June 30, 1942, expended $5,660,400,000 of which $213,100,000 was for administrative expense; and

Whereas during the fiscal year of 1942 the total administrative expense of said Agricultural Adjustment Administration was $4,596,872; and

Whereas during the fiscal year of 1942 the administrative expense for State officers administering this act in the State of Idaho was $181,576, not taking into consideration the county administrative expense; and

Whereas we have requested the administrative office for such act in Boise, Idaho, to furnish us with figures and number of personnel required to administer the act in Idaho; and

Whereas said office has refused to furnish such information; and

Whereas this enormous expenditure of moneys requires the services of a vast number of employees, the exact or approximate number of which we have been unable to obtain; and

Whereas the emergency for which this act was passed to alleviate has ceased to exist; and

Whereas we, your memorialists, feel that such an unwarranted expenditure of money and demand upon the services of manpower that might be diverted to the war effort is not in any way necessary at this time and could be made available to furthering the war effort: Now, therefore, be it

Resolved by the Senate of the Twenty-seventh Session of the Legislature of the State of Idaho (the house of representatives concurring therein), That we most respectfully urge the Congress of the United States to take steps to pass the necessary legislation to suspend the operation of the Agricultural Adjustment Act for the duration of the present emergency.

JURISDICTIONAL DISPUTES IN LABOR

Mr. KLEBERG. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. KLEBERG. Mr. Speaker, I regret very much that I do not have with me a clipping from the Washington Herald of the day before yesterday afternoon and I ask unanimous consent that clipping may be inserted in the RECORD of Monday morning. It was disclosed in that clipping that there was a strike or rather a row between two unions in a new rubber plant in Pittsburgh because of the moving of a pole. One of the labor groups of the A. F. of L. threw the power switch and gave orders that if the switch was thrown back they would cut the main current off the rubber plant. There are boys everywhere in this world facing death, and to permit things like that to go forward is something I do not believe is going to continue. It must be stopped.

The SPEAKER. The time of the gentleman from Texas has expired. Is there objection to the request of the gentleman from Texas?

There was no objection.

EXTENSION OF REMARKS

Mr. VORYS of Ohio. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a letter from the Assistant Secretary of State, Mr. Dean Acheson.

The SPEAKER. Is there objection?

There was no objection.

SUPPLEMENTAL NAVAL APPROPRIATION BILL, FISCAL YEAR 1943

Mr. SHEPPARD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 2068) making additional appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1943, and for other purposes. Pending that I wish to make an agreement with respect to general debate today with the gentleman from Pennsylvania [Mr. DITTER], and I ask unanimous consent that general debate continue for the rest of the day, the time to be equally divided between the gentleman from Pennsylvania [Mr. DITTER] and myself, and that we read the first paragraph of the bill before the Committee rises.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from California.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the supplemental naval appropriation bill H. R. 2068, with Mr. BULWINKLE in the chair.

The Clerk read the title of the bill.

Mr. SHEPPARD. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. SHEPPARD. Mr. Chairman, I ask that during the time I am making my statement I be permitted to proceed without interruption, and at this time I have a very high pleasure, Mr. Chairman. Before proceeding I call attention of the Members to the fact that today is the tenth anniversary of the membership in this body of the distinguished gentleman from Pennsylvania, the ranking minority member on the naval subcommittee of the Committee on Appropriations, the gentleman from Pennsylvania [Mr. DITTER]. I am sure that the Members present join in felicitating the gentleman from Pennsylvania [Mr. DITTER] on his service and in commending him for the reputation that he has established in this House over the long period of his service. Also, I know they will join me in the hope that he enjoys all of the time in the future that his constituents may permit him to remain a Member of this House.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. SHEPPARD. I yield.

Mr. McCORMACK. All Members of the House join with the distinguished chairman of the subcommittee on naval affairs in that fine expression, congratulating our friend from Pennsylvania on his tenth anniversary in this House. We on this side have a profound respect for him. We recognize that he is always a foeman worthy of our steel.

Mr. GRAHAM. Mr. Chairman, will the gentleman yield?

Mr. SHEPPARD. I yield.

Mr. GRAHAM. As a colleague of the gentleman from Pennsylvania [Mr. DITTER], we appreciate the compliment you have paid him and the great Commonwealth of Pennsylvania. He has been of invaluable help to the younger Members of our delegation. He has not only ably represented us on the floor, but he is a profound student, a marvelous debater, as his antagonists well realize, but throughout it all he has been helpful, kindly, and gentle toward every new Member. We deeply appreciate the compliments you have paid him.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. SHEPPARD. I yield.

Mr. VORYS of Ohio. I merely want to say that we not only appreciate the fine things the gentleman from California has said about our distinguished friend from Pennsylvania [Mr. DITTER], but today is also historic in another respect. This is the first appearance on the floor in charge of the naval appropriation bill of the distinguished new chairman of the subcommittee, the gentleman from California [Mr. SHEPPARD]. We feel sure that he will carry on with the splendid ability in this new task that he has shown in other capacities in this House.

Mr. SHEPPARD. I thank the gentleman most kindly.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. SHEPPARD. I yield.

Mr. WRIGHT. As a Democratic Member from Pennsylvania, I think it is only fitting that I should join in the congratulatory remarks extended to my colleague [Mr. DITTER] on his anniversary.

Mr. SHEPPARD. In response to the courtesy that was extended to me by my friend, the gentleman from Ohio [Mr. VORYS], may I say to him and to all Members of this House here assembled that I thoroughly appreciate the fact that this is my first appearance in charge of a bill, and undoubtedly you are going to find some rough spots in which I have a lack of all the knowledge that you gentlemen may inquire into. So I am going to ask you to stretch your imagination and your friendship that you have so kindly expressed when the going gets tough, and just remember that friendship.

I also want to take this opportunity to thank my friends on the committee, the men who have worked with me, the gentlemen, the gentleman from Washington [Mr. COFFEE], and the gentleman from Mississippi [Mr. WHITTEN]. The gentlemen were fine and most cooperative. Their attendance was perfect. They have all been of most material help to me.

I also want to take this opportunity to thank the gentleman from Vermont [Mr. PLUMLEY], one of the minority members of the committee, and the gentleman from Indiana [Mr. NOBLE J. JOHNSON], another member of the committee, for the fine and splendid cooperation those gentlemen have given in the handling of the bill which I had so much to learn about.

Mr. Chairman, we are called upon today to make further financial provision for the sea branch of our armed services.

Not since last October have we had before us a measure appropriating for the defense establishments as such.

Prior to that there had been a continual succession of war appropriation measures. We were paving the way for the big war machine advocated by our military and naval leadership as essential to successfully overcome the forces allied against the United Nations.

As the program became better crystallized and organized, long-range appropriations became more practicable. That is why we have had a brief defense appropriation holiday.

The maximum objectives, however, still lie ahead, and while expanding, there must be considerable expending.

The bill we bring to you today very largely is responsive to those two considerations and is to augment prior appropriations in divers directions over the period to next July 1.

I fear the impression prevails in some quarters that we have reached or about reached the peak of annual naval budgets, and that we should be meeting with a scaling downward. I wish that were so, but I cannot see the ceiling yet. It is my considered judgment that only until peace definitely is at hand may we look for a downward trend in naval and defense budgets.

The Navy is expanding. We have in course of construction today over 10,000 vessels for the Navy of all types. True, there are some lend-lease craft in that number, but until the vessels are finished and actually turned over for operation, there is no way of telling whether or not we or some allied power will be charged with their maintenance and operation. Our allies may man some of them, but it is my judgment that it will devolve upon us to keep all of them operating.

Turning from ships, let me remind you that operating naval aircraft are scheduled to be increased many, many fold, which will entail a far heavier expense for maintenance and operation than we have yet been confronted with, and, not at all unlikely, a large recurring expense for replacement planes.

Ships and aircraft make up our Navy, Mr. Chairman. They dictate the manpower requirements, they dictate the shore establishment requirements at home and overseas, they dictate the maintenance, operation, and repair bills.

This measure makes provision for an enlisted force of 1,450,000 persons. By the end of the next fiscal year we are told that the strength will need to be 2,250,000. What the other added expenses will be we are without information at this time. The Navy's 1944 budget is now being processed downtown. But the point I want to impress upon you is that it is all one integrated program, ramifying in many directions, and it is a program, irrespective of the cost, that we have got to support until the kind of peace we are fighting for has been achieved.

Mr. Chairman, it is my judgment that the American people predominantly are in back of that sort of support. They want nondefense spending cut out, but they want this Navy of ours ready in all respects to do the job that must be done.

Some people would have you believe that this is not a popular war with some of our people. God forbid that war should ever be popular with civilized people, but I know this, that when war is thrust upon the American people they will fight to the last one to preserve our freedom and our cherished institutions.

This war is not over in any sense of the word. The Navy's part in it, I should say, has been infinitesimal compared with that which lies ahead. So, I submit, Mr. Chairman, that our approach to the consideration of naval estimates must still be one of wholehearted support of the judgment of those upon whom we must rely to achieve victory.

We may see an item that bulks large, or we may see a project that looks like too much money, but the occasions are rare that the items under scrutiny are

not part and parcel of the integrated program, the efficient and effective accomplishment of which is dependent upon each individual component.

We have made some reductions in the Budget estimates. In the main, they may be only deferments. If not, we are that much ahead. If so, there can be no harm, because within the month we shall have before us the estimates for the regular 1944 bill, in which rectification may be made.

Mr. Chairman, the Budget estimates upon which this bill is based contemplate additional appropriations for the current fiscal year of $4,000,000,000, and contractual authority of $460,000,000. The latter is all responsive to legislation of the present session, classing as such the naval Public Works bill which passed the House but a few days ago. As of yesterday noon that bill had not been reported to the Senate, but I should like to call your attention to the fact that the provision we carry specifically is made subject to that authorization becoming law.

The committee has made reductions in the cash part of the estimates, that is, in the $4,000,000,000, we cut $183,793,417, and reduced the contractual authority part of the Budget submittal of $460,000,000 by $9,009,600.

Members will find on page 2 of the committee's report on the bill a segregation of the cash part of the estimates into general objects of expenditure, and, if you will turn to page 3 of our report, you will find commencing there a table wherein we list all of the money changes we have effected, with a very concise statement after each as to why the reductions are proposed. For the most part, I think those statements will suffice, but there are some of them I feel I should bring to your particular attention.

First, you will see an addition for the Naval Research Laboratory, maintained over here across the river at Bellevue, D. C. That is the only addition we have made. Our action is explained at the bottom of page 6 of our report.

This really is a great institution, ladies and gentlemen, staffed with some of the best scientific minds in the country, including the inventor of Radar, Dr. Taylor. That development alone, has proven of inestimable value. It is to this establishment to which we must mainly look for progress in ways that will give us an invincible fleet and a jump on our enemies.

The next item I should like to speak about pertains to the naval petroleum reserves. We had before us an estimate for an entirely new proposition, namely, the purchase of private holdings and leases in naval petroleum reserve No. 1, in California, predicated upon an agreement that upon consummation of such acquisition, the largest land holder, the Standard Oil Co. of California, would thereafter operate the reserve for the Navy's account under certain prescribed conditions and restrictions, compensation for so doing to be effected, principally, by oil and other products in kind.

We have struck the item out. I am not certain whether the agreement is binding or not. It was entered into in advance of a specific appropriation for its fulfillment. If there be legal authority to proceed under the agreement, my thought is that the money should be paid from the naval emergency fund or any other fund which might have been considered available when the agreement was executed. If there is not such availability, and I believe there is not, I feel that the whole matter should be thoroughly investigated by disinterested parties, because, very frankly, I question whether or not the Navy is getting a good deal. Standard may be depended upon to have had the most expert advice and counsel, and they no doubt are not intending to lose anything. I just do not feel that we should be a party to the matter, if an appropriation be necessary, and I am inclined to believe it is, then, until we are perfectly satisfied that the proposition appropriately looks after the public's interest, the subject should rest.

I should like to discuss with you next the "Naval Reserve" item. The Budget estimate calls for $48,000,000. That applies to the major projects which you will find enumerated at the top of page 8 of our report. I think your chief interest will be in the item applying to the college training program.

As we say on page 8 of our report, the amount earmarked for that purpose, namely, $4,913,340, is intended for equipment and alterations necessary to prepare educational institutions to care for a maximum of 63,000 trainees, consisting of college graduates or students in intermediate stages of college training, and, possibly, some high school graduates, all of whom will pursue their further education in the light of Navy needs and then enter specialized schools already established. Selection of the educational institutions is now in progress. Procedure as to procurement or designation or selection of trainees had not been determined upon at the time of our hearings of the matter on February 17.

The per capita cost for equipment and alterations has been estimated as $117.10.

In the next fiscal year, of course, we shall meet with the student cost, and we have been told that we may expect a bill in the neighborhood of $120,000,000.

This is a very costly program, Mr. Chairman, but the Navy feels that it is essential in order to make certain that it will have an adequate feeder of young officer material possessing proper educational and physical requirements, because selective service naturally will diminish the supply of material of that type. Of course, it will serve incidentally to prevent our educational institutions from becoming defunct, or many of them practically so, and we should not lose sight of the fact that there is later national defense in that angle.

Independently of the college training program is a large program for preparing new officer pilot material. This is new only in respect of lads under 18 years of age and in the method of handling C. A. A. training. Otherwise it is a continuation of the program already inaugurated and operating.

The C. A. A. under the new plan will continue to give flight training, but the trainees will have assumed a naval status and the Navy will pay the C. A. A. for conducting the training.

The aviation training program now will operate in this way: Boys will be entered in flight preparatory training—a 12-week course in ground training at some 20 universities. Next they will be processed through primary and secondary C. A. A. courses, covering about 16 weeks. Then they will undertake preflight training, which consists of physical and Navy indoctrination training, lasting 12 weeks, after which they will be processed through the regular naval aviation training centers.

I should like to turn now to the clothing item. This bill provides for a maximum enlisted strength of 1,450,000, and no more. We are advised that the next Budget will include provision for a force of 2,250,000 persons, to be recruited by the end of June 1944. In anticipation of that increase we are asked to appropriate now for the clothing outfits for that projected total.

We have examined, not as fully as we should like to, the operating force plan upon which it is based. I am inclined to the view that it is somewhat extravagant and possibly out of step with the material expansion that makes more men necessary. Personally, I think the program should be inquired into by the Naval Affairs Committee. When I say that, I am not trying to dodge any responsibility. Like the House membership generally, I have great confidence in that committee and its distinguished chairman, the gentleman from Georgia [Mr. VINSON], and it always is helpful to have the advantage of the studied views of both upon important subjects with which we are called upon to deal, even though they do not require further legislative authorization.

Before recommending the full amount for clothing for such a force, I should like at least to have more time myself to analyze the operating force plan; and, so we are recommending for the present but $100,000,000 of the $147,240,000 requested. If need be, we can provide the difference earlier than next July 1, by including an immediately available provision in the 1944 regular bill. I do not think that will be necessary.

There is one other matter involving the appropriation of money to which I wish to direct especial attention. The House on February 23 passed a new naval public works authorization bill, H. R. 1692. It provides for projects to cost a total of $1,256,607,000. That bill passed the House unanimously.

We had before us for consideration a supplemental estimate of $250,000,000 of contractual authority to get that program under way. We were supplied with a break-down of the projects, and I may say that they touch practically every section of the country, as well as areas beyond our shores. It would have taken a week or more to have examined into each one of the projects properly. All of them, it was represented to us, had been reviewed by the Committee on

Naval Affairs, and on the recommendations of that committee, the House passed the authorization, and passed it as I already have stated, unanimously and on a record vote. True, the authorization bill is not yet law, but I wish to impress upon you this thought—we are not appropriating any money for the program—we merely are authorizing the Navy to get a part of the whole program under way, subject specifically, mark you, to the final enactment of the authorizing legislation.

All of the projects embraced by the Budget submission, I may state, have been approved by the vice chief of naval operations. Possibly there are items among them we might not think are essential to the war effort. Admiral Horne, who acts for Admiral King in such matters, has given them his endorsement, and we have recommended the estimate, except as modified by Admiral Moreell, the chief of the Bureau of Yards and Docks, who called our attention to seven projects, as I recall, which he found it was necessary to start out of an available reserve of a prior appropriation. Their cost will be $9,009,600, and that amount we have deducted.

Mr. Chairman, I do not want to occupy too much time, but possibly, before closing, I should briefly comment upon some relatively minor provisions of a legislative character of fiscal year duration.

If Members will turn to page 11 of the report, they will see a number of such provisions we are proposing. Those on page 11 are sponsored by the committee. Those on page 12 came down to us in the Budget estimates. The explanation with respect to two of the three provisions on page 11 is given on that page. The provision not explained on that page is explained on page 6 of the report, just ahead of the paragraph pertaining to communication expenses.

The bases for the provisions on page 12, briefly, are as follows:

No. 1 extends to Public Health Service officers on duty with the Coast Guard, the right to per diem enjoyed by Coast Guard officers when absent from their official stations.

No. 2 is designed to take full advantage of the time of inspectors of naval material in course of manufacture. An inspector using his own automobile in his district can cover several plants in the course of a day. If he had to rely on public transportation, his contacts in the course of a day very evidently would be considerably fewer.

No. 3. In the 1943 Naval Appropriation Act provision was included, at the instance of the Department, limiting the number of inductees into the naval forces to 200,000, and into the Marine Corps to 20,000. Since the bulk of additional men must now come through selective service, obviously this limitation should be lifted.

No. 4, the last item, is proposed to simplify accounting procedure in connection with work performed for the Navy by other Government departments, particularly the War Department as it regards ordnance. The Army and Navy have gotten together and have worked out a procedure that will reduce paper work and accounting work without in any way disturbing proper accounting procedure. The plan proposed has the endorsement of the very efficient and capable Navy budget officer, Rear Admiral Ezra Allan, who has the admiration and respect of all who are privileged to know him.

Mr. Chairman, the report on this measure directs attention to all of its salient features. I have endeavored to focus attention upon those in which it seemed to me the Members would be particularly interested. I should be very happy to supply such details as are at my command when the bill is considered under the 5-minute rule.

In my judgment, it is a sound measure and warrants the approval of the House. Such approval would carry with it a message of trust, and faith, and confidence to our men all over the seven seas who are fighting your battle and my battle for victory.

Mr. ROLPH. Mr. Chairman, will the gentleman yield?

Mr. SHEPPARD. I yield.

Mr. ROLPH. Mr. Chairman, I have the honor to be a member of the delegation to which the distinguished gentleman from California also belongs. As a fellow Californian, I want to compliment him on his splendid presentation of this bill. It is a pleasure to be in this Chamber the day he handles his first legislation on the floor. I am sure I voice the sentiment of the entire delegation when I say that we are very proud of the able way in which he is presenting this bill.

Coming from San Francisco, I want to thank not only this Appropriations Subcommittee but also the entire Committee on Naval Affairs for the splendid improvements that have been made in San Francisco. I visited the Hunters Point drydock last fall, and wish every Member of this House could have the privilege of visiting this facility, which I understand will be one of the largest repair yards in the entire world.

I also thank, Mr. Chairman, the two members of a subcommittee, the gentleman from Washington [Mr. MAGNUSON] and the gentleman from California [Mr. ANDERSON], who recently visited San Francisco. I had the pleasure of seeing them there. The gentleman from Washington, Representative MAGNUSON, and the gentleman from California, Representative ANDERSON, have just finished a report to the House covering shipbuilding on the Pacific coast. I commend my two colleagues on the full and complete report, as well as for the splendid work they are rendering in helping to build up the Navy of the United States.

Mr. SHEPPARD. I thank the gentleman for his kind remarks, and assure him that the committee is vitally interested in both the Atlantic and Pacific coasts.

Mr. DICKSTEIN. Mr. Chairman, will the gentleman yield?

Mr. SHEPPARD. I yield.

Mr. DICKSTEIN. Speaking about trainees in certain colleges, there are a number of high-class schools that have the teachers, the equipment, fine research departments, the facilities to equip the trainees for specialized work in both the Army and the Navy. Is it the intention of the gentleman or the gentleman's committee to completely wipe them out and confine the training program to certain colleges, or will you continue the established schools that have already trained thousands of men to the satisfaction of the Navy?

Mr. SHEPPARD. It is not the intention of the committee to which the gentleman addresses his question to eliminate any particular school or to foster any particular college; in other words, I may say to the gentleman that the Navy Department has sent throughout the Nation a questionnaire to all educational institutions. Each one of them has the right and the privilege of submitting its qualifications and ability to serve. I understand there has been set up a board for the express purpose of selecting the schools that are most adaptable to the personnel requirements without any favoritism in the matter of selection.

Mr. DICKSTEIN. I thank the gentleman.

Mr. MAGNUSON. Mr. Chairman, will the gentleman yield?

Mr. SHEPPARD. I yield.

Mr. MAGNUSON. I may also say to the gentleman from New York that our committee has had this matter under consideration for some time. We deliberately, as a matter of policy—you know sometimes it is better to use a club than a planer on some of these things—cut off the Navy's request for the enlargement of certain colleges for training periods; we even went so far, I may say to the gentleman from New York—and I know my good friend from California will back us up—that even if it costs more money to go throughout the United States to various small colleges that we are saving money in the long run, because if the small colleges of the United States go down because of the war effort and the concentration, the extra amount we spend now will be multiplied hundreds of times after the war; and this committee is trying to spread out this matter of education.

Mr. DICKSTEIN. Will the gentleman yield further?

Mr. SHEPPARD. I yield to the gentleman from New York.

Mr. DICKSTEIN. We have two or three fine schools in New York and in New Jersey. They have been doing some splendid work. They have machinery of various kinds, almost every kind of equipment for trainees. They have not received one contract, while some people outside on the prairie some place have received a contract for five or ten thousand students and they have not the teachers and they have not the equipment.

Mr. MAGNUSON. I will give the gentleman an example of what I mean. The Navy Department decided to train

WAVES at various colleges throughout the United States. They named four or five. Finally they got concentrated up in Brooklyn; at Hunter College, where there were 9,000 they were going to train up there in Brooklyn. They were transporting women from my home town, from the gentleman's section in California and elsewhere, across the continent to train them in Brooklyn. They even went out and leased apartment houses all around Brooklyn to train these WAVES. The Committee on Naval Affairs decided to put a stop to that. I know the Chairman will not mind my telling the House that in the 30 years that the gentleman has been chairman and member of the Committee on Naval Affairs nothing has ever happened in his district, but finally they decided to put some WAVES down in his home town and he got $50,000. The gentleman from Georgia cut out an appropriation in his own home town in Georgia, so serious is he about this matter of changing it around and putting it all over the country.

Mr. SHEPPARD. I am happy to see that that is the attitude of the splendid gentleman from Georgia, because knowing his proclivities and ability if he decided he wanted WAVES in his district undoubtedly they would be there.

Mr. DITTER. Mr. Chairman, I yield myself 45 minutes.

Mr. DITTER. Mr. Chairman, I express with a very grateful heart the kind compliment of my distinguished chairman and of the majority leader and of my colleagues from Pennsylvania. My hope is that in the time that is mine to serve in the future I may continue to merit not only the kind comment of my friends but that the ties of friendship that have already been established may be perpetuated through the years.

At the meeting of the full committee yesterday I congratulated the majority on the selection of the man who is chairman of the Subcommittee on Naval Appropriations. For the benefit of the House as a whole I want to repeat that I believe the majority is to be complimented in the selection which was made and which brought to the chairmanship of the committee the very able, conscientious, and painstaking Member from California. On behalf of the minority members of the subcommittee, may I express to him and to those on the majority side who joined with him, our appreciation for the courtesies and kindnesses extended to us at all times throughout the hearings.

We do not always agree. After all, it is easy to be friendly if we are always in agreement. The sure test of friendship is the friendship that can persist despite seeming differences at times. Out of those differences, I believe, there came compromises that have been beneficial not only to the Naval Establishment but to the country as well.

I want to stop at this time to pay a well-deserved word of appreciation to the clerk of the committee, Mr. John Pugh. Some of you may feel that it is your intellectual approach to the problems of legislating and appropriating which ultimately brings order out of chaos. May I say in a humble way, after long years of service, that were it not for the work of one John Pugh, than whom there is no better clerk on the hill, I can hardly imagine what an appropriation bill for either the Army or the Navy would look like.

While we are extending compliments, Admiral Allen of the Navy deserves the commendation of every man who is interested in the service that the Navy provides. Admiral Allen is forthright and frank. There is nothing about him of the cunning which gives half-truths and withholds the rest. He inspires confidence, people believe in him, because there is about him that fine trait of character that if he is wrong he will admit it and if he does not know he will say so. For myself, I found rare occasions when he was either wrong or when he did not know. As the budget officer of the Navy, he renders an invaluable service.

No better opportunity could be afforded than the present one to make some reference to the circumstances surrounding the initiation of our rearmament program and its intensified development under the pressure of our abrupt entry into the war.

Such reference will throw some light on certain conditions which prevail today and which many of us feel should be corrected. You will remember that nothing was done of any consequence looking toward an expansion of our armed forces so that they would be in line with the administration's course in world affairs until the collapse of France. Up to that time little, if anything, had been done to adjust our domestic economy to the rigorous exactions which were soon to make their demands upon it. Even that calamity failed to disturb those in high places who insisted that security could only be found by an enforced scarcity of the providences of God. Crops continued to be curtailed. Nor did it disturb those who insisted that artificial stimulation was necessary to keep the wheels of our domestic economy in motion. Made-work programs were continued.

As we reflect further on the initiation of our expansion program and the demands that it might make on our domestic economy, we cannot help but be impressed with the seeming reluctance of the administration to disclose what the program would entail. There seemed to be a studied effort to make the dose more palatable by giving it a sugar coating. Assurances were given that the women need have no concern about the supply of cosmetics, lipsticks, and chocolate sodas and no one need be "discomboomerated" as a result of the rearmament program. When suggestions were made that the social objectives of a peacetime world and the economic restoratives prescribed for depression days should give way to the sterner demands of preparedness, they were met by stubborn resistance—a resistance which at times took on a vituperative vein.

The President may have been justified in the spring of 1940 for approaching the rearmament program leisurely and with an evident desire to give it a pleasing and attractive appearance. He may have had in his possession information, not available to the Congress, which prompted him to resort to the easy-going policy which he adopted. He may have known better than the Congress the temper of the people and what they were willing to accept at that time as the necessary privations for preparedness. It is a debatable question whether or not the approaching election influenced in any way the decision to prepare the program with the least amount of offense. The fact remains, however, that the leisureliness of 1940, aggravated to a large degree the extreme pressure which prevailed as the chocolate-soda phase of our rearmament gave way to the sterner and stricter demands of practical preparation.

As the time for our actual entry into the war became shorter, as the time of our own needs for meeting force with force approached, a feverish haste was fanned into flames. Of necessity some methods of procedure had to be adopted to the exigencies which we faced and which exigencies were made the more acute by reason of our leisurely approach to the problems of preparation. The presence or absence of "discomboomeration" meant nothing then. We could brook no delay. Action was imperative. As a result, huge appropriations were made for the Army and the Navy, many of them carrying extraordinary delegations of authority and the widest latitude of discretion, with only a hurried and superficial examination into the justifications for them.

The strides which we have made since then is a most favorable reflection on the resourcefulness of a free people to meet the dangerous threat of tyranny. Private enterprise assumed and continues to discharge a tremendous responsibility in a noteworthy way. The Army has demonstrated its adaptability. The Navy has lived up to her finest traditions. By and large, our people have shown a will to work. We are moving, moving surely and steadily toward a certain victory.

I submit, Mr. Chairman, that the superficiality of examination which was an incident of the pressing need for prompt action when hostilities broke out should now give way to a more thorough and exacting scrutiny. Ours is the duty to provide the necessary funds for the expeditious and efficient prosecution of the war. And ours is also the duty to see to it that those funds are spent wisely and well, and not wasted. I would not be misunderstood, Mr. Chairman, I am not urging or even suggesting the disallowance of a single dollar that is necessary for winning the war quickly, decisively, and completely. I believe in economy in government. I always did. Unlike some of my friends on the other side of the aisle, I am not a recent convert to this faith. It did not take the wastages of war and the costs of prosecuting it to impress me with the fallacy of trying to spend ourselves into prosperity. I need have no remorse today, as some may have whose conscience troubles them, because of their advocacy of spendthrift poli-

cies. I opposed such policies when they were adopted. And I continue in my opposition to them. But economy is not the primary objective in waging war. The primary objective is the winning of the war—winning it decisively and completely—at a minimum loss of life.

I repeat, Mr. Chairman, we have the duty to assure ourselves and the country that the money which is appropriated for the prosecution of the war is wisely and well spent. That duty cannot be discharged faithfully if information is not available from which reasonable conclusions can be reached as to probable needs. That duty cannot be discharged honestly if a careful inquiry is not made into the details of the justification presented to us. That duty cannot be discharged conscientiously if we are unwilling to reassume the responsibilities which are ours and which were surrendered by the last Congress under the stress of extraordinary circumstances.

I am supported, Mr. Chairman, in the position which I take, by the Secretary of the Navy. In his appearance before the committee he declared that in his speeches to the Navy council he had given instructions that "we have got to justify everything you ask for, and notwithstanding the fact that we are in the war, we are no longer in the early war enthusiasm." I do not feel that our enthusiasm is waning, but I do believe that the pressure of earlier days has been relieved and that more orderly processes can be pursued in making appropriations.

After the able presentation of detail by the distinguished chairman, I feel that addressing myself to those details is not necessary. I shall rather address myself to what I shall call the administrative policies of the Navy.

I shall first direct the attention of the House to the policy that has developed in the Navy and that can be labeled the employment of contract and intermittent employees. Let me direct your attention to how this policy developed. In the early stages of the rearmament program the Navy came to the Congress with the suggestion that it would be necessary from time to time to employ specialists in certain fields, that it would be necessary for them to call upon technicians of one type or another, so that these skilled specialists, these technicians, might bring to the Navy the benefit of their training and experience.

The matter of how much compensation might be paid to them was a matter of debate. Suffice it to say that we ultimately placed a certain salary ceiling, and then in the course of the development the Navy coined the phrase and set in motion the policy of employing individuals on a per diem basis. They were supposed to come for a day or two and then go. The supposition was that they would approach a particular problem and having directed attention to that problem they would go on their way and in due time, if necessary, be recalled.

"Intermittent" means something to me and I think it means something to all of us.

"Intermittent" means from time to time. It is the direct opposite of "continuous." An intermittent employee is one who comes and goes. A continuous employee is one who stays.

We have discovered that intermittency has become continuity; that the casual, occasional contribution of these technicians has become a regular, fixed habit. Whether they get a small or a large per diem, they are kept on the roll from the time of their appointment uninterruptedly. I say that practice should stop. I served notice on the Department that if it did not stop, when the regular supply bill comes before the Committee on Appropriations I shall object, and strenuously object, to the appropriation of one penny for the purpose of circumventing—and that is the word—circumventing the clear intention of the Congress in providing for these technicians.

Mr. FITZPATRICK. Mr. Chairman, will the gentleman yield?

Mr. DITTER. I yield to the gentleman from New York.

Mr. FITZPATRICK. Are these specialists included in the list of absentees when they are away from the Department?

Mr. DITTER. As far as we have been able to learn, they are so delighted with their tenures that they are not inclined to be absent. I will answer my distinguished friend from New York by saying that if he had a pleasant berth, if he had a delightful surrounding provided for him under the most pleasant circumstances, the chances are he would not absent himself very frequently. No; they are there to stay, and they continue uninterruptedly. They are paid by the day, so why be absent.

Let me call the attention of the House to some of these technicians. I am very happy that the distinguished chairman of the Committee on Naval Affairs graces this occasion with his presence. I do not know whether or not my distinguished friend happens to know about one of the technicians to whom the attention of the committee was directed.

Mr. VINSON of Georgia. Mr. Chairman, will the gentleman yield?

Mr. DITTER. I yield to the gentleman from Georgia.

Mr. VINSON of Georgia. May I state that the entire Committee on Naval Affairs adjourned a very important hearing to come to listen to the debate this morning.

Mr. DITTER. May I say to my distinguished friend from Georgia that I hope it is for the purpose of supporting the bill which prompts the attention and the attendance of this distinguished committee.

Mr. VINSON of Georgia. It is. That is what we are here for.

Mr. DITTER. I hope that when the bill is considered under the 5-minute rule the Committee on Appropriations will have the wholehearted and unanimous support, not only of my distinguished friend from Gecrgia but of all the Members of the House Committee on Naval Affairs.

Mr. BRADLEY of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. DITTER. I could never decline to yield to my very able friend from Pennsylvania.

Mr. BRADLEY of Pennsylvania. I have heard the gentleman express his profound regard for the opinion of Admiral Allen of the Navy's budget section. Can the gentleman inform the House as to Admiral Allen's opinion with respect to the need of the Navy for these employees of whom he speaks?

Mr. DITTER. I had supposed that my distinguished friend from Pennsylvania, with his long service here and his intimate knowledge of what the traditions of the Navy require, would hardly propound that question. After all, a part of naval tradition, as I understand it, is that no officer, be he warrant or commissioned, should presume to question what the policies of the Secretary's office may be. The suggestion almost smacks of insubordination. So I could hardly imagine that the very able budget officer would presume to tell a Member of Congress what his opinion of these technicians and specialists might be—these intermittent individuals.

I direct the attention of the House to one of the specialists who is employed. The Department provided us a list of these specialists. I am not certain whether or not it was a complete list, but in glancing through the list my eye fastened itself upon the name of Ina. The lady's full name is Ina S. Lindman. I thought Ina was a girl, and probably that intrigued me a bit. I was curious to know what the girl technicians and specialists were doing. I could see that probably the WAVES might provide a reason. But I want to tell you what Ina is doing. Bless your hearts, Ina's job as a specialist, as a supertechnician, as one of these intermittents who supposedly come in and go out, these specialists who are supposed to tell us how Diesel engines would operate and what the strength of steel might be, and how projectiles should be made—no; that is not Ina's job. Ina's job is to prepare palatable dishes and to edit the Navy cookbook.

I ate with the Navy long before Ina appeared on the scene. The meals have always been palatable. I have eaten at shore stations and afloat. I have enjoyed the meals; whether they were beans or ham. The meals were palatable. They were nutritive. They provided a balanced diet. But we have gone to the point in this abortive process—and no other word fits it—in this abortive process adopted down there at the other end of the Avenue of taking these specialist privileges and twisting them in any fashion.

Mr. SCOTT. Mr. Chairman, will the gentleman yield?

Mr. DITTER. I yield to the gentleman from Pennsylvania.

Mr. SCOTT. May I comment at this point that the gentleman seems to be "cooking on the front burner" himself now.

Mr. DITTER. I take it the gentleman intends a compliment and I do appreciate his kindness.

Mr. VINSON of Georgia. Mr. Chairman, will the gentleman yield?

Mr. DITTER. I yield to my friend from Georgia.

Mr. VINSON of Georgia. I think the gentleman has rendered a distinguished service to the House in pointing out how there has been a complete circumventing of the intent in authorizing specialists in the Navy. His indictment is well founded. It is a matter I am frank to say has disturbed me for a long time. We have, and so has the gentleman, a complete list of all these people who have been employed as specialists. It never was the intention of Congress to classify this group now employed as specialists.

The intention was that the engineers and the draftsmen whom we need in very high, technical positions should be employed. There is no doubt about it, this privilege has been abused, and the indictment is well founded. The question I rise to propound to the distinguished gentleman is, What remedy does the gentleman propose?

Mr. DITTER. I suggest two things. I suggest first that the Committee on Naval Affairs under the able leadership of the distinguished gentleman from Georgia should direct its attention to the problem so that legislation might be brought here limiting the privileges of those who presently are chargeable with the indictment I have framed.

If that will not correct the condition, let us put a limitation in the regular Department appropriation bill when it comes up.

Mr. VINSON of Georgia. Yes.

Mr. DITTER. And provide that any money provided for in that bill should not be used for an abortion of the clear intent of the Congress.

Mr. VINSON of Georgia. Now, in reference to the limitation: Is it not true that the Navy Department's justification for doing this—in my judgment, it is not a justification—but did the gentleman not find they justified their position because the Appropriations Committee had a limitation of $5,000 as the top sum?

Mr. DITTER. I am glad the gentleman brought that up; I do not agree with it.

Mr. VINSON of Georgia. Is not that the Navy Department's position?

Mr. DITTER. That is the Navy's position; yes; the gentleman is quite right. But the Navy finds itself in this very unfortunate position. After it advanced this argument to the Appropriations Committee it compared Navy salaries with other Government salaries. The Navy suggested that these top salaries be compared with the top salaries of some of the other agencies of the Government.

That is a bad argument to advance at this time when the country as a whole feels that economy should be the order. To suggest that what the O. P. A.'ers are getting or some of the rest of the alphabetical jugglers and trapeze artists are receiving should be the basis upon which salaries in the Navy Department should be paid is not convincing.

Mr. BENNETT of Missouri. Mr. Chairman, will the gentleman yield?

Mr. DITTER. I yield to the gentleman from Missouri.

Mr. BENNETT of Missouri. In regard to the economies to which the gentleman referred, am I to understand from his remarks that the Navy is to publish a cookbook in competition with Aunt Sally's Recipe Book, issued by the Department of Agriculture?

Mr. DITTER. No; I do not believe so. I do not believe they will do that. They possibly want to get out a new cookbook for the use of the Navy. They have a good Navy cookbook now and I doubt if any "Inas" can improve on it very much.

Mr. COLE of New York. Mr. Chairman, will the gentleman yield?

Mr. DITTER. I yield to my friend from New York.

Mr. COLE of New York. Is the gentleman in position to tell us the per diem pay of this specialist?

Mr. DITTER. I think she is paid $12. I do not know whether she is on a 48-hour-week basis or not. I do not know how long she has been busy preparing or editing this cookbook or the time it will take to reach a final conclusion as to the sort of palatability desired. I am not certain on that score. But at least she is here; for how long, I do not know.

Mr. VINSON of Georgia. She is on the pay roll somewhere between $5.20 and $25 per day?

Mr. DITTER. Well, she is betwixt and between. Maybe ultimately she will come to the $25 level.

Now let us pass the matter of specialists for the moment. I want to direct the attention of the House to a situation which I think is slightly embarrassing. My very able chairman has already referred to a contract entered into by the Government and related to oil deposits in California. The committee saw fit to delete from this bill the amount that was to be provided for that purpose.

I am not necessarily, at the present time, taking violent exception to the action of the committee, but I am pointing out what I believe to be a rather dangerous situation. I want to direct the attention of the House to the fact that the committee was not satisfied that the rights of the Government were protected under the terms of the contract.

I have here a photostatic copy of that contract. I find the Secretary of the Navy has entered into the contract on behalf of the Government of the United States. I find something more; I find that the contract has been approved by the President and that the contract bears the signature of the President.

What are we to infer? I have no interest in the parties to the contract, but I do believe that it is a loose practice, that it is a practice that should be correced.

The careful, painstaking, conscientious chairman of the Appropriations Committee is not convinced as to the conditions and terms of this contract. He does not feel warranted in appropriating money for it. Nevertheless the executive branch of the Government saw fit to enter into the contract and binds by contractual obligation the United States, as evidenced by the signature approving the contract. It is time that we put our house in order. Approval should not be given as a perfunctory matter.

The executive branch of the Government is chargeable with the same degree of care in approving contracts as that exercised by this committee. Contractual obligations should not be lightly entered into or approved.

Mr. VINSON of Georgia. Mr. Chairman, will the gentleman yield for a question with reference to naval oil reserves?

Mr. DITTER. I do not care to discuss the merits of the contract.

Mr. VINSON of Georgia. Is the point the gentleman raises that of whether there is legal authority to justify the action?

Mr. DITTER. I am not questioning the legal authority. I submit there should have been legal authority before this contract was entered into which would satisfy the Secretary of the Navy and which would satisfy the President that the rights of the Government were protected. And further, I contend that the contract should not have been entered into or approved unless there was such legal authority provided in advance of the execution of the contract.

I make the point that contracts should not be entered into unless there is enough at hand in the way of legal interpretation to satisfy those who enter into those contracts that the rights of the Government have been protected.

Mr. VINSON of Georgia. Does the gentleman by that statement mean to convey to the House that there is doubt in his mind as to the legality of the contract?

Mr. DITTER. Did the gentleman follow me? I believe the gentleman is trying to place me in an awkward position.

Mr. VINSON of Georgia. I am trying to get the matter straight.

Mr. DITTER. I very definitely said that the issue which I was raising was that contracts should not be entered into unless all doubts were removed. There should be nothing which would permit of a lingering doubt in the mind of the able chairman of our committee.

Mr. VINSON of Georgia. If the gentleman reaches that conclusion, we are forced to conclude that the gentleman from California shall be confined by his position as to all kinds of contracts that the Secretary makes.

Mr. DITTER. No; hardly. May I suggest that entirely unlike my distinguished friend from Georgia, I do not feel that my friend from California is at all ambitious. I might tell my distinguished friend from Georgia that at the present time he enjoys a rather unusual privilege. He and his committee are the final arbiters to determine whether real estate shall be bought by the Navy or not.

Mr. VINSON of Georgia. Not altogether, if the gentleman will permit.

Mr. DITTER. We will not discuss that. My friend from California is not presumptuous. I believe he is careful and cautious. He has not tried to set himself up as an arbiter. I insist, however, that if there was sufficient doubt to warrant the chairman in taking the course which he did, the contract should not have been approved in the first place.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. DITTER. No; I cannot yield at this time, but I will in a moment. I want now to say a word about the training program. I think the training program is one of the finest things that has been projected by the Navy. Faced as it was with many difficulties, the Navy adjusted itself, and a large part of the credit for the adjustments that were made is due to Admiral Jacobs. He had the nucleus, and from that nucleus he has built wisely and well. His program provides for the training of enlisted men and commissioned officers.

The college training program, the aviation program, the basic-training program—all of them have been integrated and fitted together. I believe that it deserves the commendation of the House and its fullest support. The training program contemplates a broad, comprehensive program which will utilize the available resources of manpower to the best advantage for the needs of the Navy. It takes into account the needs and the best methods of meeting those needs.

I regret that the committee saw fit to delete a certain small item from the training program. I refer to the appropriation for Great Lakes. Enlisted personnel should not be used for work which civilians could do. By disallowing certain sums for the Great Lakes Training Station, enlisted men will have to be used for civilian tasks. We should provide funds to make this practice unnecessary.

I now direct the attention of the House to the fact that Uncle Sam is realtor No. 1. He is the largest owner of real estate in the world. We have gone into the real-estate business. We have bought real estate everywhere.

Somebody said that the distinguished chairman of the Naval Affairs Committee was so humble that he rejected a project in his district. Maybe he rejected it because of the WAVES that were coming. I can hardly think of any other reason. He is unique in this respect. He is certainly a most unusual exception.

Mr. VINSON of Georgia. Mr. Chairman, will the gentleman yield?

Mr. DITTER. Let me finish. I say the time has come when the real-estate acquisitions should be stopped. Despite what the House did by its vote a few days ago, I question the wisdom of giving to the Naval Affairs Committee of the House the final jurisdiction to determine whether more real estate should be bought for naval purposes. I am concerned about the ends to which the policies might reach. I have perfect confidence in the members of the Naval Affairs Committee. I believe they will discharge faithfully the responsibilities they have assumed. I would not want the responsibility. As I understand it, the Secretary of the Navy, if he contemplates the purchase of real estate, need only report to the Naval Affairs Committee.

Mr. COLE of New York. Mr. Chairman, will the gentleman yield?

Mr. DITTER. Yes.

Mr. COLE of New York. It is the gentleman's thought that the Navy Department should be required to obtain congressional approval for the acquisition of any parcel of real estate, no matter how small?

Mr. DITTER. I think the Navy Department ought to be guided by Admiral Moreell's statement to this committee when he said in no uncertain terms that the peak of shore-facility production has passed. That means the acquisition of real estate. I am not concerned about the acquisitions beyond the continental limits of the United States. Strategy may require, war needs may require, such acquisitions. It is my firm conviction that the practice of purchasing real estate on the scale that the Navy has in the past, should be stopped. The Army and Navy have bought acreage equivalent to the acreage of all the New England States. The Bureau of Yards and Docks has become a colossal agency in itself as a result of this shore-station expansion. It is high time we emphasized fighting rather than fence building.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. DITTER. I yield.

Mr. MAY. I am not only going to agree with the gentleman that the Government should quit acquiring real estate but when the gentleman was discussing the contract which he had on the desk a while ago I think he made a statement that he did not intend to make. That was to this effect, that he has no interest whatsoever in the contract or any of the parties to the contract, which I assume he meant applied particularly to the Secretary of the Navy and to the President. Now, the Government is a beneficiary of the contract, and I am sure the gentleman is looking out for the Government.

Mr. DITTER. I meant I had no interest in the petroleum company, the Standard Oil Co. of New Jersey, or any other. I need make no profession of my interest in or my concern for my own Government. I shall let my record stand on that score. I shall make no profession with reference to my interest in what I believe to be the welfare of my own country. I do emphatically say that I represent no private interest that may profit from the contract. I have but one interest at heart—the interest of the Government.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. DITTER. I yield to the gentleman from Michigan.

Mr. MICHENER. I am wondering if the gentleman is not attributing to the Naval Affairs Committee authority which it does not possess by reason of the legislation passed within the last few days, to which he has referred, because that legislation simply provides that the Navy Department shall report to the Naval Affairs Committee before it makes a purchase of real estate. It is not stopped from purchasing real estate, and the only way it could be stopped from purchasing is for the Naval Affairs Committee to bring in legislation and the House would then pass upon the matter.

Mr. DITTER. Well, I question whether the gentleman's interpretation is correct. I think he is in error. I remember the bill. I do not intend to enter into a discussion of that at the present time. Suffice it to say that the gentleman from Michigan is not as convincing as the chairman of the Naval Affairs Committee might be on this point.

Mr. VINSON of Georgia. Will the gentleman yield there?

Mr. DITTER. I yield no further.

Mr. VINSON of Georgia. The gentleman has all the time he wants.

Mr. DITTER. No, I do not.

Mr. VINSON of Georgia. I will ask my distinguished friend to give him a minute to answer a question.

The gentleman from Michigan [Mr. MICHENER], has correctly stated the effect of the amendment which was passed and which I discussed with the distinguished gentleman from Pennsylvania.

Mr. DITTER. The effect of an amendment and its practical operation are two vastly different things. The gentleman from Michigan has offered the gentleman from Georgia a technicality. Let us see how the operation will take place.

Mr. VINSON of Georgia. I am not hiding behind any technicality. It operates just exactly as the gentleman from California [Mr. SHEPPARD] stated a few moments ago.

Mr. DITTER. Now, I am performing this operation and I will let the gentleman, if he cares to, take on the job of sewing up the patient.

This is how it operates: The Navy comes and reports to the Naval Affairs Committee its intention to purchase real estate. If the Naval Affairs Committee says "Yes," the Navy proceeds to acquire the ground. Then my distinguished friend from Georgia comes here. A finer technician, a more capable draftsman, a better mariner for legislative procedure cannot be found in the House than the distinguished gentleman from Georgia. And so, passing over any of the rocks and reefs of the technicalities suggested by my distinguished friend from Michigan [Mr. MICHENER], my friend from Georgia [Mr. VINSON] steers the boat through, and what he approves the House accepts.

Mr. VINSON of Georgia. Including the gentleman from Pennsylvania.

Mr. WOODRUM of Virginia. Will the gentleman yield?

Mr. DITTER. I cannot yield further. I do want to get on.

Mr. WOODRUM of Virginia. I will get the gentleman some time.

Mr. DITTER. Of course, I cannot help but yield to my distinguished friend from Virginia.

Mr. WOODRUM of Virginia. I appreciate the gentleman's kindness in yielding to me.

Mr. DITTER. I hope the gentleman will be kind.

Mr. WOODRUM of Virginia. I think the gentleman, in his eloquent and honeyed phrases, in heaping tribute on the gentleman from Georgia [Mr. VINSON], shields a rather unfair insinuation.

Mr. DITTER. I hope that I was not unfair.

Mr. WOODRUM of Virginia. Well, I think the gentleman was.

Mr. DITTER. I would not be unfair to my friend from Georgia.

Mr. WOODRUM of Virginia. I do not think you would, but I think the gentleman has been.

Mr. DITTER. I withdraw any inference or innuendo that might have about it the construction of unfairness. I do want to compliment the gentleman as a mariner.

Mr. VINSON of Georgia. Because the gentleman always follows the mariner.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. DITTER. Mr. Chairman, I yield myself 15 additional minutes.

Mr. WOODRUM of Virginia. Will the gentleman yield further?

Mr. DITTER. I yield to the gentleman from Virginia.

Mr. WOODRUM of Virginia. Here is the point I wanted to make, and I think the gentleman and I will be in agreement on this. The gentleman has paid high tribute to the gentleman from Georgia, a deserved tribute, as perhaps knowing more about naval affairs, the needs of the Navy, what they should have and what they should not have, than any Member of the House, flanked on each side as he is by the majority members and the distinguished minority members. I do not think we should assume at all that because the gentleman is a good technician that he would come in here for an instant, as the gentleman has insinuated, and get anything for the Navy that they ought not to have.

Mr. DITTER. I take violent exception to the interpretation that the gentleman from Virginia has attempted to place on my remarks. There was no insinuation that the gentleman from Georgia would get anything that the Navy should not have. The gentleman from Georgia is enthusiastic for the needs of the Navy. The Navy feels it needs certain things. It convinces the chairman of Naval Affairs. He is honestly persuaded of the needs. I inferred in no way that the gentleman from Georgia got anything for the Navy which it should not have. I resent the effort made by the gentleman from Virginia to draw inferences which are groundless and unfounded.

Mr. Chairman, I address myself at this time to a phase of the war effort which has caused me much concern. I approach the subject with reluctance. I regret that I feel called upon to refer to it. I wish it were not necessary to question the indiscretion. I was shocked a week ago when my attention was directed to the March issue of a certain magazine, carrying an article by the Vice President of the United States. The article was entitled "What We Will Get Out of the War." I want to read to you one statement from that article. In directing your attention to this statement, may I emphasize the thought that in my opinion the Vice President is chargeable with the greatest possible degree of care in making public utterances. The statement is as follows:

> The war with all its hardship and pain has brought one blessing: it is providing a job for everybody who wants a job.

Let me reread that statement to you so that you may get the full significance of it.

> The war with all its hardship and pain has brought one blessing: it is providing a job for everybody who wants a job.

As you reflect upon that I want you to think of the homes throughout the length and breadth of this land; I want you to think of the homes where there are mothers tormented and tortured by the one thing that is the hardest thing for folks to bear, and that is waiting, just waiting and wondering about their boys. I want you to think of that mother who sees a bit of a toy, probably a bat or a ball, to remind her of that boy who is gone. Ask her about a blessing in the way of a job for someone as she worries about her boy, buffeted by the storms of the high seas, lashed by the winds of that storm, aboard a ship dodging a treacherous submarine.

Ask the mothers as they bow on bended knee beside the empty cot of a boy, pouring out their hearts in supplication to heaven for protection for that boy, whether the blessing of a job for someone means anything to them. Ask these mothers what solace or comfort to them in their hours of longing is brought by the suggestion that the surety of a job is a blessing. Ask these mothers whether this suggested blessing will mean anything to them to ease their anguish or their pain. Ask these mothers as they listen to the long tick-tock, tick-tock of the hours of the day and night of separation what they think of this blessing.

Have we come to that point where we are so impervious to heart throbs that jobs—providing jobs—can be counted as a blessing, when the loss of loved ones pays the price of these blessings? Providing a job at the price of heart throbs. I care not what others may think. I deplore that the Vice President has seen fit to suggest that our economic structure, this matter of making jobs, depends on the making of war.

We are in this war and we are going to win this war; we are not going to win it by a dependency upon a philosophy that satisfies itself by saying that a blessing of the war is the making of jobs. We are going to win it because of the hardihood, because of the unquailing courage—yes, because of the unfaltering faith—of free men that our way of life is worthy of the sacrifice which heroes are making.

I repeat, Mr. Chairman, I deeply regret that the Vice President fell into the grievous error of referring to jobs as a blessing of the war. I regret that he permitted his enthusiasm for social objectives to carry him to the lengths that it did. Our people are enduring hardships and privations because of their faith, because of their spirit. Men are willing to suffer because of a confidence in spiritual values, not because of material worths. Jobs mean nothing to men who are called upon to make the supreme sacrifice. Nor do they mean anything to those who suffer by separation as a result of this supreme sacrifice. Material things mean nothing when we pass through the valley of the shadow of death. Search your hearts today. Will jobs mean anything to the men who are forever deprived of the joy of seeing a sunrise or of hearing the laughter of a child? Will jobs mean anything to the men who are robbed of their reason by the shock of shrieking shells? I believe the Vice President himself on reflection will hesitate to evaluate tears and toil and sweat and blood in terms of material advantage. The suggestion strikes at the very soul life of the Nation—the soul life without which sacrifice would have no purpose and suffering no meaning.

The war which we wage today—the war which we will win is a war to defend a priceless heritage—the heritage of freemen—the heritage which is ours because of the dedication of those who have gone before us, those who have inspired and challenged us to serve, to suffer, and to sacrifice.

The CHAIRMAN. The gentleman yields back 2 minutes.

Mr. SHEPPARD. Mr. Chairman, I yield 10 minutes to the gentleman from Georgia [Mr. RAMSPECK].

Mr. RAMSPECK. Mr. Chairman, there are two minorities in this country relative to the subject I want to discuss briefly this afternoon, neither of which I expect will approve of much of what I have to say. I want to discuss for a few minutes the question of labor relations.

There exists a minority in this country which believes that labor can do nothing wrong. There is likewise a minority in this country which believes that labor can do nothing right. In fact, some of them believe that they have no right to exist. I am not concerned with either of these minorities, but am intensely concerned with some of the problems which, it seems to me, will face this Congress in the next 30 to 60 days.

Within a few days negotiations will begin with reference to the contract which expires in the coal industry, the expiration date of which I believe is the last of this month. If we have a stoppage of work in the coal mines of this country, it will involve the entire production facilities of our war effort, or certainly a major part of it. We are having some difficulties in the aircraft industry over wage adjustments. We have a wage case going on now in the railroad industry. Both of these have an effect on the question of inflation control.

We have growing up in this country, right at this moment, a hysterical build-up over the question of absenteeism and threats to deal with that subject by the use of a "meat ax" instead of finding out what the real causes are. Frankly, I do not know what the real causes of absenteeism may be. I have read some things about it, I have some ideas which I have formed from what I have read, but I doubt seriously whether anybody has made a comprehensive study yet of this problem, which apparently has come to be the greatest problem in connection with our war production.

It is for these reasons that I suggested in a letter written to the chairman of the House Committee on Labor, the dis-

tinguished gentlewoman from New Jersey [Mrs. NORTON], that that committee undertake at once a thorough, searching, and painstaking factual survey of the entire field of labor relations. I think it has been too long postponed. I know that the gentleman from West Virginia [Mr. RANDOLPH] has recently voiced similar opinions on the floor. I have discussed the matter with some other Members of the House, and I feel that we should undertake this investigation immediately and bring the facts to this House, because it is my judgment that within 30 to 60 days the Congress of the United States may be faced with the necessity of legislating in this field. Certainly we ought to have the facts available to us and the public is entitled to have those facts. I think most of the membership of this House feels as I do, that in any question involving production for our war effort, no matter where the acts of Congress may strike, we must keep our factories turning and we must not permit any stoppage of work that interferes with that.

In connection with this question of absenteeism which is being built into a hysterical question today, one of our distinguished committees of the House is considering a bill that they call a work-or-fight bill. Perhaps it may be all right as far as it goes. I have not read it. Certainly I am opposed to absenteeism, as I know you are, but I point out the fact that threatening to draft men into the Army is not an answer to this question. I point out the fact to you that it probably could not reach 25 percent of the cases that exist because we have employed in these production places older men and women today who cannot be reached by that method. Writers in whom I have confidence say that many other causes exist for absenteeism than simply a desire on the part of the worker to be absent. I do not know what all the facts are but I think we should find out.

Mr. MAY. Will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from Kentucky.

Mr. MAY. I would like to say to the gentleman that as the result of the studies made by the House Military Affairs Committee of the manpower problem generally, it is disclosed that there are only about 20 percent of the workers in any factory who are within draft age and that would be affected by the work-or-fight provision. The other 80 percent are not affected.

Mr. RAMSPECK. I thank the gentleman from Kentucky for that information. It verifies an opinion I had formed.

Mr. JOHNSON of Oklahoma. Will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from Oklahoma.

Mr. JOHNSON of Oklahoma. I may say to the gentleman that I am sure every Member of this House appreciates the observations and constructive suggestions being made by the distinguished gentleman from Georgia, one of the ablest Members of this body. May I also add that the country knows there is no better friend of labor in either House of Congress than is the gentleman. I have been delighted to work with him and vote with him on matters affecting the welfare and protecting the interests of laboring men and women. Let me add that I am also pleased to know that he has written a letter to the chairman of the Labor Committee urging that a full and fair investigation of this very distressing question of absenteeism be made. I am sure that the Members of this body, as well as the fathers and mothers of sons in the armed forces, will be glad to know that such an investigation will be made and I am sure the gentleman from Georgia, who is a member of that committee, will give it his very careful and unbiased consideration.

Let me call the gentleman's attention to the fact, however, that absenteeism in the various industries of the country is by no means a hysterical matter built up by somebody but is a shocking reality, when we take into consideration that in the shipbuilding industry alone there has been enough absenteeism to build 42 merchant ships and that in the airplane industry the man-hours lost would build 4,004 bombers. Of course, a vast majority of the workers in industry are loyal, sincere patriotic men and women. Nevertheless these figures of losses are tremendous and cannot be passed over lightly as hysterical.

Mr. RAMSPECK. The gentleman is known by those having served with him here as a true friend of labor and of all people who work. Let me say to him that if he understood me to say that this is a hysterical question he misunderstood me. I realize that it is a very serious problem, that it has reached serious proportions, and that hysteria is being built up about this serious problem which may result in forcing Congress to deal with it with a meat ax instead of in a skillful, competent manner. We have to find out what is causing it, just as Great Britain has done and just as some management people in industry in this country have done in particular places, and not undertake to deal with it without knowledge and without skill and without information.

Mr. JOHNSON of Oklahoma. May I say to the gentleman, if he will yield further, that I agree with him, and I am delighted to know that the gentleman is interesting himself in this very important matter, but I do call attention to the fact that there is approximately 10 percent of the people working in the various war industries of the country absenting themselves voluntarily or otherwise and that a vast majority of those who are absenting themselves from work do so on either Saturdays or Mondays. Again, let me say that a vast majority of workers are loyal to their tasks, but I have many letters from workers themselves strongly indicating that too many workers actually have hang-overs from the night before.

Mr. RAMSPECK. I realize that what the gentleman says is what has been reported in the press. I do not know, and I doubt whether any gentleman on this floor knows whether those reports are based upon fact or information. I think we should find out the facts. We should not make the mistake, Mr. Chairman, of dealing with this thing until we do have the facts.

Mr. WRIGHT. Will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from Pennsylvania.

Mr. WRIGHT. The gentleman spoke earlier in his address about attempting to stabilize wages.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SHEPPARD. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. WRIGHT. Does the gentleman think that if the ceiling or the top is blown off farm prices and food prices, as it is threatened to be at the present time, there is any chance of keeping wages anywhere in line and preventing inflation?

Mr. RAMSPECK. I would not like to get into a discussion of that here this afternoon. We have to deal with the whole price question as one problem. You cannot let one part go up and the other stay down. You have to deal with it as a whole problem, and I do not feel competent to discuss that question now.

Mr. WHITTINGTON. Will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. As a member of the Committee on Labor, I believe the House would be interested to know just what hearings and just what investigations the Committee on Labor is now making and has been making toward a solution of the problems to which the gentleman has referred.

Mr. RAMSPECK. The gentleman evidently did not hear all that I said, because I started by saying I had written a letter to the chairman of the committee urging that this investigation be made.

Mr. WHITTINGTON. I did hear what the gentleman said, but the fact remains that the Committee on Labor has done nothing this session up to this time.

Mr. RAMSPECK. I agree with the gentleman, and I think that is unfortunate. It is due, in part at least, to the illness of the chairman, which we all regret.

Mr. VINSON of Georgia. If the gentleman will yield, may I say to my colleague from Georgia that last week the Committee on Naval Affairs started an investigation and hearing on the subject of unauthorized absenteeism, and on Wednesday of this week we started a hearing dealing with the Maritime Commission, the War Department, and the Navy Department on the whole phase of this subject matter. We have had Admiral Land before us, who this morning testified that unwarranted and unauthorized and illegal absenteeism in the last year had prohibited the construction of 100 Liberty ships, and that all absenteeism has had the effect of prohibiting the construction of 200 Liberty ships.

We are approaching this matter in two phases. We propose that as to those within the draft age information shall be sent by the Government and the employer on each employee to the respective draft boards. As to the large number who are not within the draft age, which constitutes probably 50 percent of the employees of the country working in war industries, that information will be sent to a Government agent, so that Government agent can find out what is bringing on absenteeism, such as inadequate transportation, lack of housing, and things of that character. We propose to have before the House within the next week a bill that goes to the very heart of the unauthorized absenteeism in this country.

Mr. RAMSPECK. I appreciate the sincerity of the purpose the gentleman from Georgia has in mind and the purpose of his bill. Insofar as he can, he is trying to reach the problem. The point I am making here is not a defense of absenteeism, for of course I do not defend it, but that the gentleman's committee has not found out what causes absenteeism. The witness to whom the gentleman referred, for whom I have great respect, does not know what causes it.

Mr. VINSON of Georgia. As soon as you get the information that will be sent in by the various employers of the country, you will be able to determine whether the absenteeism is due to this, that, or the other, as concerns those who are not in the draft-age group.

Mr. RAMSPECK. I think the Congress of the United States should have this information and find out what is causing absenteeism before undertaking to prescribe a cure for it.

Mr. VINSON of Georgia. But if a man within the draft age who has been given a deferment to do a particular piece of work does not do that work, then it is proper at any time for the draft board to know about it.

Mr. RAMSPECK. Will the gentleman answer a question for me?

Mr. VINSON of Georgia. Yes.

Mr. RAMSPECK. Suppose the reason he was absent was because he was ill or could not secure transportation?

Mr. VINSON of Georgia. That is not an unauthorized absenteeism.

Mr. RAMSPECK. Who is going to determine that question?

Mr. VINSON of Georgia. The local draft board.

Mr. RAMSPECK. Are they going to give him a trial?

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield to a member of the Committee on Labor?

Mr. RAMSPECK. Yes; I yield to my friend from Michigan, a member of the Labor Committee.

Mr. HOFFMAN. Did I correctly understand the gentleman to say that nobody knew what this absenteeism was about?

Mr. RAMSPECK. That is what I said.

Mr. HOFFMAN. If the gentleman will refer to the United States News of last week he will find that they sent a reporter around the country, and he learned that the boys were getting so much money that, as long as they could not spend it for food or gas or tires and go somewhere, they had to frequent places where there was dancing and where liquor was sold, and on Monday morning they could not work. That accounted for the absenteeism.

The CHAIRMAN. The time of the gentleman from Georgia has again expired.

Mr. SHEPPARD. Mr. Chairman, I yield 5 additional minutes to the gentleman from Georgia.

Mr. RAMSPECK. Let me say this about that article in the News: I do not question that the causes which the gentleman has recited are partly true, but the point I am making is that nobody has any accurate or authentic information except what has been gathered by some man who wanted to write a story about it. We ought to find out about it, and we ought to prescribe the remedy on the basis of the facts, instead of simply using a meat ax, which may do more harm than good.

Mr. HOFFMAN. Let me say that I support the gentleman on that.

Mr. BRADLEY of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from Pennsylvania.

Mr. BRADLEY of Pennsylvania. May I say to the gentleman that he is absolutely right. There has been no witness before our committee so far who has given any concrete information as to the cause of absenteeism.

Mr. RAMSPECK. Is it not true that all the evidence the Committee on Naval Affairs has had is as to how many absences there were and what the effect has been on production, not as to the cause?

Mr. BRADLEY of Pennsylvania. They all say they do not know why there is this absenteeism.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield to me again?

Mr. RAMSPECK. I yield.

Mr. HOFFMAN. The gentleman will agree with me that in spite of the fact that this great Dies committee has been functioning, and the Committee on Military Affairs, the Committee on Labor has not had its finger in the pie at all. I should like to go along with the gentleman and see if the Committee on Labor cannot do something sometime.

Mr. RAMSPECK. We are going to have a meeting next Tuesday, and we will see what we can do about it.

Mr. HOFFMAN. We are just going to see about it; we are not going to do anything.

Mr. COLMER. Mr. Chairman, will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from Mississippi.

Mr. COLMER. With all due deference to the gentleman, whom I love, and to his committee, for whom I have profound respect, I am just wondering if that committee is the proper committee to make this study. Thirty days ago I discussed this matter with some members of the Committee on Rules. I think the gentleman is absolutely correct; some study ought to be made of it, I think it ought to be made by a committee of this House, a special committee of this House, and not the Committee on Labor, because, as the gentleman knows—and I know and everybody else knows—that committee is not the committee to make that study.

Mr. RAMSPECK. I would say to the gentleman this, and I think that is what he has in mind, that the Committee on Labor made a mistake in the past in not going into the questions of labor relations that have been boiling up in this war effort.

Mr. COLMER. Has the gentleman any reason to think that the Labor Committee is not going to make the same mistake in the future?

Mr. RAMSPECK. I have reason to believe that, and that is one reason why I am making this speech, because I want to put as much force as I could behind the suggestion I have made, to have the Labor Committee do this job as it ought to be done.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. RAMSPECK. Yes.

Mr. RANDOLPH. I appreciate the gentleman yielding to me, I am appreciative of his observation in mentioning the fact that 2 weeks ago I called on the Labor Committee to take action. Following the statement of the gentleman from Georgia [Mr. VINSON], the able chairman of the Committee on Naval Affairs, I know we can commend that committee and other committees for their initiative and industry in going into the subject of wartime labor relations, but I agree with the gentleman from Georgia [Mr. RAMSPECK] in his answer to the gentleman from Mississippi [Mr. COLMER], that it is the responsibility of the House Committee on Labor.

Because of their pertinency to the subject now being discussed, I include my remarks in this House on February 11:

THE HOUSE COMMITTEE ON LABOR AND CONGRESSIONAL RESPONSIBILITY

Mr. RANDOLPH. Mr. Speaker, the 48-hour week order set forth by the administration, through the President and the heads of agencies, causes me to once again say publicly what I have said on many occasions in the past, and that is that the House Labor Committee has itself a responsibility to consider corrective legislation in the field of labor during the prosecution of this terrible conflict.

Desirable as this longer work week is to our war production, it is regrettable that Congress was not the leader in securing its adoption. We should have acted months ago.

I regret exceedingly the illness of the distinguished gentlewoman from New Jersey, the chairman of that committee. I know I express the feeling of her friends in this body when I hope for her complete recovery and an early return to this forum. I feel, however, that the Labor Committee should proceed promptly to survey the production field and take appropriate action at an early date to correct many of the inequities now existent.

Mr. Speaker, during the Seventy-seventh Congress the Labor Committee, of which I am a member, was charged with failure to properly consider desirable legislation. I trust that condition will not again exist. Rightful gains of the worker must be preserved. Our committee can be constructive and propose desirable corrective measures.

If we fail to assume leadership, I am certain enemies of unionism and sound labor prac-

tice will act destructively and thus impair unity during the war effort. That must not take place.

Mr. RAMSPECK. And may I conclude by saying that when we get into the House I am going to put into the RECORD, if I get permission, a very fine discussion of absenteeism by Richard L. Strout, of the Christian Science Monitor, which I hope everyone will read, and also an article by T. E. Murphy, who is connected with the Employment Service of the State of Connecticut, which I think furnishes valuable information.

I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. RAMSPECK. Mr. Chairman, I commend to the attention of my colleagues the following articles concerning the question of absenteeism in war plants:

[From the Christian Science Monitor of March 2, 1943]

INTIMATE MESSAGE: WASHINGTON

(By Richard L. Strout)

SUMMARY JUDGMENT ON ABSENTEEISM

Absenteeism is growing in American factories and it is likely to grow. It is a phenomenon that accompanies long hours, unsettled war conditions, bad housing, poor transportation, and employment of women, elderly persons, and groups not normally used to the discipline of industrial life.

The problem is a big one, but it should be approached rationally and impartially. There is a tendency in Congress just now to bait labor over the increase in absenteeism. This criticism may be justified against certain individuals. But to open up a new attack on trade unions and American workers in general as somehow less patriotic than the rest of the Nation is not only silly, it is dangerous. It increases just that poor morale which is one of the causes of absenteeism.

Great Britain has splendid morale, but it has absenteeism too, and despite everything that is being done about it, it is taken as a problem that can be kept in bounds but probably not cured while the war continues. It is obvious from the British experience that a good deal can be done about it in the United States.

Drastic work-or-fight laws, however, are not the best method of proceeding. They are apt to produce an attitude of defiance which defeats their own end.

The best way to meet the problem is to win worker support, and that worker support can achieve a great deal may be seen in present strike statistics. Despite everything that is said to the contrary, the plain fact is that man-hours lost from strikes are at a remarkably low point right now; the figure is something around one-tenth of 1 percent of total time worked, and a better average than we made in World War No. 1.

"Slackers" in war industry, as in the Army, should be given short shrift under any arrangement and this is not intended as a defense of them.

That there is plenty of slacking among war workers is all too evident and so far as absenteeism is due to unpatriotic loafing it should be dealt with summarily. Many workers, who seem to forget the country is at war, and who have never before earned so much money, stay away from their jobs after 3 or 4 days. Many when they are on their jobs do their work carelessly, or extend it wastefully.

So-called "feather bed" rules are designed to increase employment, often at the expense of the job. Another particularly dangerous kind of absenteeism is that which increases over week ends, indicating that liquor and hangovers are two of the big problems holding back full war production.

But it does no good to dismiss absenteeism simply as a form of moral delinquency, because it really is more complicated than that, as studies by the Labor Department point out.

Take the case of a patriotic married woman who has taken a war job. Most war jobs now run to about 48 hours a week. When can this woman go out and shop, or carry on her minimum of household duties? What frequently happens is that she takes an extra afternoon off, and is guilty of absenteeism. Then again the United States Public Health Service finds that women generally are absent for physical causes to a considerably higher degree than men, and women are replacing men more and more. In the same way the vigorous young men are being drafted and the average age of workers is going up. That promotes absenteeism, too.

Take the case of a man living in a trailer, a rooming house, or temporary barracks at a war job, a long way from home. He is going to take time off occasionally to visit his family. That makes absenteeism. Better housing would help cure that, for his family could join him. Take the case of Jimmy Jones, who rides 20 miles to work every day in a carpool with four other men. In the last cold spell the car wouldn't start, and there was no other transportation. That caused five cases of absenteeism.

We all know that public transportation is under a big strain these days, but many of us don't realize just how bad it is in some of the congested factory districts. Consider the effect on workers' stamina of putting in a 48-hour week over a machine—and some men in Detroit are working 60 or 70 hours—and then having to stand up in an overcrowded, fetid trolley or bus for an hour each way. I saw some of the workers in the Detroit district recently, and they seemed dazed as they hung onto straps. That makes absenteeism.

A good many of the problems the United States is running into now, curiously enough, are just about what Britain had a year or so ago. Our point rationing system, for example, which we are all getting used to, is old stuff to the British. The British housewives have known how to play points for 2 or 3 years.

In the same way, the British have been battling absenteeism. It seems rather silly to say it, but one of the ways to meet the problem is just to make factories more attractive: greater regard for toilet facilities; better arrangement for lunches; music during meals and right while people work—anything to boost morale, including pep talks from men who have been at the front. Inasmuch as women are bound to come more and more into factories, shifts in city store hours to aid them shopping may help, and for mothers, communal care for children, and communal meals. It seems strange that the House should knock out a $2,973,000 item for a State-aid program for children of employed mothers just at this time.

The problem has come, and is likely to stay and there is no rule-of-thumb way to end it. Accidents and injuries cause absenteeism; material shortages indirectly produce it; so does hoarded labor. The theoretical absentee figure will go up also if a worker quits without notice and is carried for 3 or 4 days as "absent" when he is really on another job.

It seems too bad that the House threw out a $337,000 item last week advocated by Secretary of Labor Frances Perkins to investigate the problem, and to promote better working conditions. Using absenteeism simply as a club with which to beat labor, while neglecting to investigate basic causes, will simply delay the remedies which the war effort requires.

THIS THISTLE OF ABSENTEEISM

(By T. E. Murphy)

(Some observations on what is considered by many to be the most critical question of the day—absenteeism. Is the American worker shirking his duty? Analyses of some of the factors entering into the problem of absenteeism shows that there are many contributing causes—and that responsibility does not always rest with the worker.)

Absenteeism, which rose to 20 percent in some factories during the last war, is again appearing as an important factor in "all out" production. In Hartford County, according to recent figures released by the Manufacturers' Association, absenteeism has risen to 6.2 percent, a figure which is certainly no worse than most areas and better than many.

Horseback opinions given out by some personnel managers indicate that there is no general appreciation of absenteeism as a result having not one cause, but many causes. Some of these publicly expressed opinions paint the worker as a wastrel, spending his week end elbow-bending or lying abed, regardless of his country's welfare. Another states that "So many of these people have been on relief so long, they have developed bad work habits." Others state that the present financial security of the worker has removed his driving force; that ease in procuring a new job has made him careless about reporting for work.

All of these opinions are true to a certain extent. Workers are in the main as patriotic and anxious to win the war as any manager and such expressions of opinion indicate a superficial understanding of absenteeism. Management usually places the blame for absenteeism on workers, without considering manifold contributing factors to absenteeism, many of them directly traceable to lack of leadership in management itself and is thereby missing the opportunity to improve conditions.

For example, not even the fact that Monday morning absences exceed all other days is an indication that workers have spent their week ends unwisely. Competent industrial physicians have pointed out repeatedly that men who have fought off a cold or feeling of malaise, during the working week keep "fighting it off" until the letdown of the Sunday lay-off. When Monday comes they don't have the drive to get back to work.

Monday morning absences are as likely to result from excessive fatigue, the cumulative result of 12- or 13-hour days or nights over a period of days.

The first step in combating absenteeism intelligently is to make an inventory of the causes of absenteeism, and then to set about correcting these causes.

In one New England factory recently, where an intelligent study was made of absenteeism, it was discovered that one department suffered more from colds than any other, with consequent increased absenteeism. Further study indicated that these colds resulted from the practice of leaving a large door open all day so that workers were standing in a draft. When the door was closed, absenteeism dropped. That was a relatively simple problem, but illustrates the principle of seeking causes and eliminating them.

In another factory, a study of absenteeism disclosed the fact that chronic absenteeism was confined to a relatively small group of people. Specific study of these offenders disclosed the fact that most of them suffered from chronic malnutrition—not because of lack of money—but because of poor eating habits. When these people were instructed in the principle that doughnuts and coffee for breakfast, hamburger and coke for lunch were insufficient for efficiency, absenteeism dropped abysmally.

There is a definite connection between good health and good work habits, and while sickness causes more lost days than accidents,

many Connecticut factories, which have "safety" drives, have no intelligently directed drive against poor health.

During the latter part of January, the Connecticut State Labor Department conducted a survey of one highly industrialized community to ascertain what facilities were afforded workers who were employed 12 and 13 hours a night, 7 nights a week, week in and week out.

Quoting directly from the report of Edna Purtell, industrial investigator for the State labor department:

"These 12 plants engage a total of 18,596 workers and the only eating facilities were lunch wagons which served hot drinks, sandwiches, and pastry. In one, only cold drinks and packaged cookies were available.

"Two plants were on a 13-hour night shift for men, and all operated 11- and 12-hour day shifts in some departments. One plant employed men on 2 shifts of 12 hours each, 7 days and 84 hours a week. Weekly hours ranged from 60 to 84. The average hours were about 65 per week.

"The day-shift workers have 1 full hour for lunch, but those on the night shift, most of whom are on piece work or premium production, eat on the job. 'They usually take 20 or 25 minutes to eat. They can take longer but don't like to lose the time, I was told.'"

In another plant, apparently reaching the Charlie Chaplin "machine age" optimum, the investigator was informed that workers who were on a 13-hour night shift were to be the subject of experimentation by a professor from Yale, who was to feed them vitamin pills three times a night.

In conclusion, Miss Purtell said: "This lack of satisfactory eating facilities and of a specific meal period which would provide the worker with rest as well is representative of a large percentage of war-production plants in Connecticut. It is not unreasonable to attribute some of the absenteeism so widely discussed here at the moment to the effects on the worker of long hours without a break for adequate nourishment or the time to digest it.

"Connecticut labor laws do not require a meal period. In many States employers in manufacturing operations are required to allow time for rest or meals or both and some States specify a maximum number of hours, usually 5 or 6 beyond which no employee may work without a pause for rest or a meal."

In view of these findings, absenteeism in many Connecticut factories is not difficult to understand. It is not due to "poor work habits," but because many workers are now being employed beyond the optimum, and the law of diminishing returns in human endeavor comes into play. The British Medical Research Council recently reported, "The time lost due to sickness, injury, and absence without permission varied with the weekly hours of work. It was usually reasonably low when the hours of work were less than 60 per week, but was higher, and in some cases excessive, when the hours were from 65 to 73 per week."

Some Connecticut factories are attacking the problem of absenteeism in a forthright manner, not merely pinning blame on workers and assuming nonresponsibility themselves. Mr. C. G. Mitchell, assistant manager of service at the Remington Arms Co. of Bridgeport, recently told the American Management Association that "absenteeism is a problem to be solved by the foreman and not one to be handled directly by the personnel or industrial relations department." The fact that Mr. Mitchell claims a 50-percent reduction in absenteeism warrants a hearing:

"Many factors exist at present that did not exist in peacetime which affect attendance; employees are experiencing shift work for the first time; a large number of women have home responsibilities; pay checks are large but employees have little time off to spend the money; many employees live in day-to-day expectation of being drafted; plenty of other jobs are readily available; transportation difficulties and housing shortages exist in many areas."

To effectuate this program Mr. Mitchell stated that each foreman personally interviews each absentee upon his return to work, asking certain pertinent questions; once each month the shift supervisor and the foremen hold a conference on absenteeism. Specific problems are brought up and efforts made to develop corrective measures to meet them. The individual who becomes a chronic absentee is interviewed off the job by the foreman and the supervisor. Every effort is made to discover the source of his difficulties and to devise means of assisting him. If this fails and the employee is absent again, he is put on probation. Only after the most exhaustive efforts have been made to help him is he subject to dismissal.

Another factor affecting absenteeism is the entry of women into Connecticut industry. Many of these women have answered numerous appeals to their patriotism to report for war work. They have other ancillary responsibilities which they take seriously. Many of them have children; most of them have homes to maintain in addition to this extra burden which they have assumed.

Again we can profit by the experience in England, where women have been employed on heavy duty jobs for a longer period of time. Women workers in British shipyards are three times as numerous today as they were a year ago. On the railroads of Britain, 105,000 employees are women. In a tank factory in England, one worker in every five is a woman. Here they grind and mill and shape component parts for 28-ton Matilda tanks.

A woman must sometimes go shopping, and this factor was responsible for much absenteeism among married women who were otherwise satisfactory workers. One big aircraft factory found that absenteeism rose to 13 percent from the normal 4 percent when the total number of its women employees had reached 70. The firm remedied the situation by providing women with special shopping facilities and with a hairdressing establishment on the premises.

Again, we revert to the statement that "Former relief workers have difficulty in developing new work habits." Many of the men who are now working in Hartford factories at lathes, drill presses, and burring machines were, a few months ago, operating their own businesses behind desks, but have cheerfully assumed new duties; many of these men have a long background of management experience, are intelligent and critical.

Recently, in one local factory where workers were citicized specifically for their absenteeism because of "poor work habits," a worker on the night shift complained because, as he said, "I'm sick and tired of sitting around at night without a thing to do. Some of the men go home because they get tired of sitting around. We don't work more than 2 or 3 hours a night."

Materials shortages perhaps was the cause, but it illustrates that absenteeism frequently has its roots in the sterile soil of management that never explains, as well as in the soil of selfishness and laziness of workers.

Labor-managements committees have sturdily tried to combat absenteeism. They have devised spectacular but fumbling methods of combatting it. They have tied crepes on machines; inserted German marks in the pay envelopes of delinquent workers; have utilized high-pressure publicity with methods of combatting it. They have tied the high pressure of fellow workers and the importation of war heroes into the factory to bring the war home.

These are all excellent measures but they do not get to the root of absenteeism, which is a personal problem. Frequently the causes are fatigue, family obligations, or boredom and the need for diversion.

Fatigue may be due to the job itself, or to working conditions, or too active a social life. Among women workers fatigue is found to be often caused by the attempt to run two jobs at once; one at the plant and another in the home.

Family obligations play an important role in the absenteeism of women. Women frankly say they need the time off to "clean the house" or because a dependent or collateral relation is ill.

Boredom or the need for diversion affects younger workers and particularly the young man who expects to go into the Army in a few days.

Frances M. Smith, of the Murray Manufacturing Corporation, of Brooklyn, recently put her finger on the nub of the situation. She said, "Management will be quick to agree that there is no foolproof method of eliminating absenteeism, as the problem is made up of many complex factors * * *. We must be on guard against the assumption that absenteeism is always wholly the worker's fault. The fatigue element and its concomitants—boredom, need for diversion—are ever present. Management must continually review conditions of work on specific jobs to be sure they are not causing absenteeism. The personnel department must be familiar with the resources of the community—the location of day nurseries, for instance—in order that it may help married women make the adjustments that are necessary when they take jobs."

An inventory of causes, and an intelligently directed campaign toward the elimination of these causes might produce results here in Connecticut.

Absenteeism can never be eliminated by horseback decisions or a sluggish adherence to old static ways of thinking.

Absenteeism can be reduced in Connecticut and will be reduced in Connecticut, when there is an objective, intelligently directed campaign in this direction.

When you conjure a picture of a worker, as in a typical Connecticut area, where the hours may well range from 60 to 80 hours a week, working without sustenance from his employers, as is true in many instances, one must arrive at the conclusion: Labor is doing all right.

What about management? Is it still feeding on old prejudices, or is it adapting its work plant to new conditions, to women, to the feeding of workers, or is management sitting back, wailing at labor's lack of patriotism?

Imagination—not only for workers, but management, as well, is sorely needed in solving this problem.

It will not be solved by a recourse to old prejudices, or old bogies. Where these are raised, either by labor or management, there is definite evidence of a lack of leadership.

Absenteeism can and will be solved only by mutual exploration and definitive action, by labor and management working together. It is a nettle to be grasped firmly, by labor and management together.

Mr. PLUMLEY. Mr. Chairman, I yield myself so much time as I desire.

Mr. Chairman, my leader of the subcommittee, the gentleman from Pennsylvania [Mr. DITTER] has discussed the bill at length before us and with some enthusiasm in respect to his opposition to certain items. I generally agree, if that helps, though he needs no help. I do not propose to take much of your time at this time to rediscuss those items we agreed to oppose, for I am in general accord with the position of my colleague the gentleman from Pennsylvania [Mr.

DITTER] and the gentleman from Indiana [Mr. JOHNSON], with whom I have the honor to serve as minority members of the subcommittee which is responsible for this bill today. We did what we could to bring in a bill limited by dollars and sense.

I am one of those who sincerely believe that time is running in our favor, provided we run with it.

The more time we have and can take to make up for the deficiencies and delinquencies of a rubber-stamp Congress and the inability of this administration to function rapidly, the better it will be.

However, the time is short, and it is an essential element for victory. We are late now.

I have sat for weeks listening to attempted justification of the items in this bill. We cut out a lot. I reserved the right to object to some that are included, but shall not do it. It will be done if necessary. In comparison with the issue involved in getting going and keeping rolling and sailing and flying and winning this war, my objections are of minor importance. Time is important and the element.

I am, therefore, supporting the bill substantially as reported, with some mental reservations, but shall vote for it as it comes out of the considered debate and judgment of the House unless somebody, misguided, attempts to hamstring it by useless and senseless amendment at this time.

My ranking member has covered the needs for amendment, if any, very specifically. I substantially agree.

I wish to assure all my colleagues that I am not tongue-tied nor do I refrain from talking about this bill in particularity because I am afraid to disclose my hand. The truth is there is a great opportunity afforded to take an alleged greedy group for a ride, and it could well be done, except that we are at war. The committee is not unmindful of a lot of things about which the less said about it, perhaps the better, and to everybody's advantage. There is, however, nothing or very little in the bill of which I do not approve with mental reservations as to just why the Navy is trying today to get everything in sight while the going is good, or why this or that is so presently necessary when they can come again soon, and will. As a general proposition, the advocates representing the Navy were forthright; they put their cards on the table. One or two had an ace up their sleeves, but more experienced members of the subcommittee than I saw them, if you know what I mean. It is too bad for the country that we have to spend so much of the taxpayers' money, but it would be worse for the taxpayers if we did not do it now, and the sooner the quicker, and the faster the better for the taxpayers and victory.

SABATH'S SABBATICAL WITHOUT LEAVE

If it be not out of tune, in view of certain remarks made by the gentleman from Illinois [Mr. SABATH] this very morning, typical of the spirit which controls the district he has so long represented, and has so ably represented for many years, else he would not have been here from that district—I wish to say now.

A SHOCKING STATEMENT

Mr. Chairman, I was shocked at what I read the other day, and then, as now, considered it a violation of proprieties, when I read what the New Deal Dean SABATH quoted the President as saying, or suggesting, with respect to Republican members of his Cabinet.

In the first place, I did not suppose you were expected to come out of a White House conference to tell the world all about what anybody said there. That is not the way I "heered" it.

In the second place, I find it difficult to believe that the President was correctly quoted as suggesting by innuendo that he tried to get the best, but as to their loyalty as Republicans he was not too sure. That is a type of Chicago political practice I cannot let go unnoticed. That is the implication carried in the statement attributed to the President by the distinguished dean of the majority. I doubt that the President said anything susceptible of any such construction, or that if he did do it, he authorized any such quotation.

In the third place, if he did say it, it is no alibi. No more able men ever served a President, or more loyally, and they need no defense from me before Congress or the country.

This may be a New Deal anniversary. We have heard enough of this Sabath kind of cheap personal publicity stunts in these days when all depends on unity of purpose and intent to win this war.

Mr. Chairman, I now yield 10 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, I have in my hand a magazine, or so-called magazine, entitled "The Life of Franklin D. Roosevelt, the Thirty-second President of the United States." Over on the back I see, "Published by the Government of the United States." Inside for 16 pages there are all sorts of caricatures and comments on the life of Franklin D. Roosevelt, from the time he was born until now. That document was printed at Government expense. It was gotten out under the direction of the Office of War Information. It has been distributed overseas to soldier boys, and it was from that source that it came to me, soldier boys who had to see divisions and organizations of this Government not supporting the war effort, but trying to promote by cheap propaganda, something else. The whole set-up of the thing has the appearance that it might have been gotten up by an artist of the type who gets up the Tarzan pictures for the funny papers. It cost thousands of dollars to get that thing up and distribute it. Let me say to you that the organization or the man that got that thing up and distributed it is in the same position as a cashier, a defaulting cashier of a bank, who runs off with the depositors' money—spending money for something that it was not authorized to be spent for. How much longer are the American people going to be ground in that way; how much longer are the people going to have that kind of stuff pulled on them? There is nothing in it, absolutely nothing, with reference to the war, and there is absolutely nothing in the nature of anything that would help the war effort about the document. No one in Congress was told that any of that money would be used in any way for any such purpose as this. It is purely political propaganda, purely political propaganda designed entirely to promote a fourth term, and a dictatorship. I wonder, Are the American people going to have to put up with that sort of thing any longer?

Mr. BENDER. Mr. Chairman, will the gentleman yield?

Mr. TABER. Not at this time. I do not wish to seem unduly critical, but let me read you one or two things haphazardly:

> It was only natural with his love for boats that Franklin should go out for the crew when he entered Harvard.
>
> One day he was visited by his famous cousin, President Theodore Roosevelt, who had a powerful influence on Franklin's future.

And there is a picture of Franklin sitting at his desk, and the President of the United States standing up. Further:

> At the Roosevelt summer home at Campobello Island the youth studied books on navigation and naval history.
>
> Roosevelt conducted an unusual campaign by automobile. Cars were a rare sight in those days. Horses shied, but the voters were impressed.

And there are the horses rearing up at the sight of the automobile.

Mr. GILLIE. Is there anything in there about Superman?

Mr. TABER. It is perfectly evident that the gentleman must think himself a superman or he would not have had the audacity to permit such a thing to be printed.

Now, in all seriousness, it is time for us to force bureaucratic organizations to stop the use of public funds in such a way. Is there no longer any faith, is there no longer any respect for truth and honesty and square dealing? Are we to continue to have our public servants violating the trust that has been imposed upon them by the Government of the United States and getting out a lot of cheap political propaganda? From what I get the men who wear the uniform of the United States resent such a waste. They resent the failure of the bureaucrats to keep faith with them and to devote themselves wholeheartedly to the war effort.

I again call upon the President of the United States and those who are under his control to keep faith with the people to support the war effort and to stop this sort of thing without even a further request from the Congress.

Mr. CURTIS. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman.

Mr. CURTIS. In this 16-page booklet do you find any pages devoted to instructions to soldiers, or anything of that sort, or is it all of the type you have read?

Mr. TABER. The things I have read would be the most favorable things you could pick out of it.

Mr. CURTIS. It is all like that, is it?

Mr. TABER. And worse.

Mr. CURTIS. It has nothing to do with the war?

Mr. TABER. Nothing at all.

Mr. BENDER. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. BENDER. Is it possible the gentleman is mistaken about the organization issuing that publication?

Mr. TABER. I called Elmer Davis, head of the Office of War Information, last evening. He told me he would check up on it and find out if his organization put it out. This morning he called up and said that they did put it out. So I have it straight. There is no mistake.

Mr. BENDER. It was not the Democratic National Committee?

Mr. TABER. Oh, no, no; it is Elmer Davis and the Office of War Information.

Mr. MAGNUSON. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. MAGNUSON. How many of those were distributed?

Mr. TABER. I do not have any idea. One would be enough to damn it.

Mr. MAGNUSON. I wonder if the gentleman also found out whether or not the President himself knew anything about it?

Mr. TABER. I do not see how he could help it, but maybe he did not.

Mr. HOFFMAN. Will the gentleman yield to me?

Mr. TABER. I yield.

Mr. HOFFMAN. Since yesterday noon, through yesterday afternoon and this morning, I have been trying to get a copy of that pamphlet. I asked the Office of War Information; I asked the Public Printer; I called the Congressional Library. I was unable to get a copy. Will the gentleman tell me how I can get a copy of that publication, which was paid for by tax money?

Mr. TABER. I do not know. This came from a soldier boy over in Africa.

The CHAIRMAN. The time of the gentleman from New York [Mr. TABER] has expired.

Mr. PLUMLEY. Mr. Chairman, I yield such time as he may desire to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Chairman, in these days when all segments of our economy are confronted with curtailments and shortages which vitally affect their ability to carry on, it is highly important that we properly determine the values of each. Those which are vital and essential in the war effort should be designated as such and should be given such reasonable preferences as their needs require.

To my mind, the newspapers of the country, both dailies and weeklies, are one of the most essential and vital factors in the winning of the war. We have always cherished the freedom of our press as the ultimate guaranty of our fundamental liberties. We have jealously guarded the freedom of the press in peace. With the Nation at war, we must be doubly sure that the freedom of the press is maintained.

But beyond that, with the Nation at war, we should also recognize the very definite and direct contribution that the press of the Nation is making to the war effort. That it is a real and valuable contribution cannot be denied by anyone who observes the newspapers from day to day. It is a contribution which should clearly indicate that the press must be classed as an essential industry and given consideration as such. That certain recent actions on the part of some governmental agencies and administrators have seemingly failed to consider the press of the country, leads me to ask your indulgence while I recount some of the things our newspapers have been doing and are now doing to step up our war effort and hasten the day of victory.

All of us have been sobered by the aspects of the tremendous task which this country faces in managing its domestic economy. Review and calculate, if you can, the thousands of communications and regulations about which the public must be immediately informed. To distribute such information quickly to every city and farm, to set it out in proper detail, to define and explain and interpret—these are in large measure beyond the scope of personal interviews, the telephone, the mails, periodicals, and the radio. Such media can be most helpful, but cannot adequately meet this need. Only newspapers, through their printed pages, can set out quickly and in detail, the lengthy and complicated regulations which can be studied by, and kept before, the individual citizen. Only newspapers can keep pace with day-to-day changes.

Last week, food rationing registration provided just one example of the indispensable position occupied by the newspaper in relationship to the Government and the people. In some communities, not only were the blanks to be filled out by the housewives of America unavailable in the quantities required, but the explanations sought by the housewives were in such volume that the staffs set up could not cope with the gigantic task. Newspapers stepped into the breach and printed forms in their own columns so that housewives could clip them and use them when they visited their rationing boards. Where confusion developed in local bureaus, newspapers printed copious explanations. They supplied a service for which there is no substitute.

How the newspapers rallied to meet this emergency and helped lift the country over one of the most critical periods in civilian life is eloquent testimony of their importance.

This instance could be multiplied again and again. We only need to recall a similar situation when the Army began to induct men into our armed services. Despite the energetic efforts of the various departments of the Government and the civilian boards, only through the newspapers could the millions of men involved get the immediate information they required.

Day in and day out, throughout the weeks, as new instructions were developed, the newspapers printed them. One needs but to look at the back files to know the great and all too quickly forgotten aid rendered by the newspapers.

Another splendid example of the power of the newspapers to aid the Government in the prosecution of the war is written in the records of voluntary enlistment. The campaigns, feature material, and special promotions instituted by the newspapers have been repeatedly cited by the recruiting officers as being of incalculable aid.

Currently the country is engaged in working out a manpower program. Here again the newspapers provide the Government with a medium through which to secure the cooperation of the workers of our country. In cities, on farms, in large cities, and in villages newspapers are making plain to the people on whose cooperation our success in war depends the urgent need for intelligent and voluntary cooperation.

War is costly. The requirements of the Treasury Department stagger the imagination. In this field the newspapers have supplied the means by which the Treasury Department has been able to reach its goals again and again. I confidently assert that but for the efforts of the press, sales of bonds would have fallen far short of the hoped-for funds. Newspapers provided the vehicle through which the Treasury Department can and does explain its position and need. Further, newspapers have repeatedly undertaken promotional programs at their own cost. They have contributed millions of dollars in space to stimulate the sale of war bonds.

The success of the fat salvage and the scrap-metal drives is largely due to the unselfish manner in which the newspapers of the United States donated their space, time, and energy.

To the inspiring records of the newspapers' contributions in bringing about husbanding of rubber tires and oil, in winning ready cooperation in the rationing of gasoline and food, in promoting the sale of bonds, in increasing recruiting, and in expediting the selective-service operations, should be added their very important work in stepping up war production. Newspapers were quick to present the problem to the American people and have labored steadily to help government and suppliers set up an efficient program of production. Because of the news and feature matter run by the newspapers, workers have been made to see the importance of increasing their production and in finding their places in the production line.

The output of American factories has eclipsed expectations and due credit can be given to the newspaper through its focusing of public attention on this crucial need.

The list of newspaper accomplishments is endless. Newspapers are helping us through the shortages in foods by educating readers to buy the proper foods and to plant gardens. They are cooperating with the intelligence departments to prevent harm to our factories. They cooperate with all branches of government. They have been without equal in preparing the public mind for change and in keeping it helpfully responsive.

With such a record before us, it is incomprehensible that there should be some who should incline to classify newspapers as nonessential and dispensable, and, for instance, should mistakenly and unnecessarily seek to reduce the amount of paper which they may use.

I have referred to the aid given by newspapers to some of the departments of government during these days of war. The acknowledgment should be extended to include the services rendered to this body which has discovered anew a stanch supporter and effective aid in the press. Without newspapers, the voice of Congress would be virtually unheard beyond the walls of its chambers. Its aims and labors would be distorted and misunderstood. To refute the falsehoods of the propagandists who have attempted, and will continue to attempt, to minimize and discredit the legislative branch there has been the press which, with a very few exceptions, has reported fairly and fully the deliberations of the Congress. Through these reports of the newspapers the public has been correctly informed.

Our sessions draw daily strength and clarity because of the invisible presence of the electorate who, through their newspapers, sit with us formulating wise legislative measures to meet the great problems of the day. Our legislative acts which seek to interpret the public will are enlivened because they are made known through the newspapers.

Congress has been forced to assert its prerogatives against an ever encroaching bureaucracy whose serpentine coils seek to draw tighter about the affairs of the Nation. The various inquiries undertaken by us in the discharge of our responsibilities would fail of public support and of much effect if the newspapers did not carry to the public the facts which necessitate such investigations, and which are disclosed by such investigations.

Great as are the resources of Congress, it is extremely difficult for us to keep abreast of all the activities and developments in our great country. Newspapers through their own inquiries bring to us knowledge of mistakes and wrongs which demand attention. They are a constant check on the expanding ambitions of those who use the delegated power of government for private purposes or personal theories, and who attempt to arrogate to themselves unauthorized power.

We have seen in the past several years a mushrooming of bureaus and offices designed to direct the lives of the people. We have seen such bureaus and offices multiply in numbers and in the scope of their operations. We have watched the rise of men who now lay exclusive claim to every virtue so that they may better further their own ambitions. They talk smoothly of public need. They are the self-anointed—but if I were to choose between the bureaucrats and the newspapers for a guardian of the rights of men, I would unhesitatingly choose the newspapers.

There are some in the various offices of government who decry the importance of the newspaper, who sneer at them as an institution, yet I cannot help but observe the steps they take to surround themselves with writers and publicists whose sole purpose is to see that their daily output is printed by the newspapers. Strangely enough, certain of the most bitter enemies of the press are those who sedulously seek publicity in the newspaper for themselves and their programs. It is not inappropriate to suggest that some of the pulp and paper materials used by the bureaucrats might be more properly allotted to the newspapers for which they have decreed shortages. And I might include the one we just saw a moment ago.

Let us not tolerate any carelessness and groundless opinions on the part of those who drafted these regulations which have been released and who threaten further curtailment in the amounts of paper which newspapers can use. And if there are some whose animosity leads them to attempt to destroy the newspapers which stand between them and their goal, let us seek them out and render them harmless. For when you destroy the newspapers, you destroy one of the most effective internal implements of war and of peace which this Nation possesses. Destroy them and you destroy the confidence of the people in their Government—and with it that Government. Destroy the newspapers and, in effect, you make possible an Axis victory—a victory for ignorance and oppression in our assembly halls, in our schools, and in our homes, if not on the field of battle.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. SHEPPARD. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. HOLIFIELD].

The CHAIRMAN. The gentleman from California is recognized for 10 minutes.

Mr. HOLIFIELD. Mr. Chairman, I have asked for permission to address the House for 10 minutes on an important subject to every Member of this House and to every constituent in their districts.

As a new Member, I have hesitated to take the time of this honorable body, and would not do so today unless I believed the occasion warranted it, and that my remarks would be constructive.

For many years as a businessman and an extensive direct-mail advertiser, I have had occasion to use the postal services. I have had the opportunity of knowing a great number of postal employees, not in an impersonal way but in a personal way. I have talked with them and know something of their financial problems. I know from the lips of their wives how hard it has been to clothe, feed, and educate their children; to pay dad's insurance premiums, to pay mother's hospital bills, and to meet all the other costs of maintaining an American family on a scale which will assure good citizenship. These good people have long occupied the role of the "forgotten man" among Government employees. Ah, but someone may rise and say, "We passed Senate Joint Resolution 170 on December 15, which provided a 10-percent raise to the postal employees."

Let me state emphatically: Letter carriers, clerks, and the vast majority of the postal personnel did not receive a 10-percent temporary wage boost.

Let us remember that Senate Joint Resolution 170 was rushed through both the Senate and the House of Representatives on December 15, 1942, just 1 day prior to the adjournment of the Seventy-seventh Congress. There were no public hearings, and I dare say that few Members of Congress were familiar with the provisions contained in that enactment.

Admittedly, some of the postal workers were granted the 10-percent upward revision, but that provision was not made applicable to those employees who work longer than 40 hours per week. Letter carriers, clerks, and the others were actually granted a 23-cent hourly increase on their overtime rates, which amounts to $1.84 per week additional for 8 hours' extra service. In 52 weeks the increase will amount to exactly $95.68 added to the pay of an employee in the $2,100 grade. Yes, my friends, after waiting more than 18 years for an upward salary revision, your letter carrier and post-office clerk were granted a niggardly increase approximately 5 percent per annum providing they perform 8 hours' additional service per week. The increase under Senate Joint Resolution 170 is even smaller for the village delivery letter carrier and the others in the extreme low grades.

It is an indisputable fact that the cost of living enters into every wage adjustment. Although not necessarily the determining factor, yet the percentage by which living costs increase must at all times be considered before a wage award is granted or refused. It matters not what yardstick or scientific measurements are used to determine the extent into which the question costs of living enters. Regardless of the policy finally adopted, it is my firm conviction that the ultimate finding will be ample justification for the contention that these unprecedented conditions under which we are now living makes it imperative that postal salaries be revised upward.

The last reclassification of postal employees' salaries was signed on February 28, 1925, to be effective as of January 1, 1925. It would take a very scant knowledge of mathematics to calculate the difference between the years 1925 and 1943; in fact, 18 years have elapsed since letter carriers and other postal workers received an increase in pay. Many of my colleagues will remember the postal employee back in 1932, when the cost-of-living principle was applied in reducing wages, not once but several times, during those dark depression years.

On June 30, 1932, President Herbert Hoover signed the bill known as appropriations for legislative branches of the United States Government, which embodied certain economy measures applicable to postal employees. The specific

section affecting the lower paid employees provided that during the fiscal year ending June 30, 1933, employees receiving annual salary of more than $1,000 shall be furloughed without pay for 1 calendar month, for which purpose 24 working days shall be considered as 1 calendar month. This procedure was justified on the grounds that our country was in the throes of an economic depression brought on by the stock-market crash of October 1929. Following in the wake of the market crash, living costs fell below the standards maintained during the so-called boom years, and letter carriers were required to cooperate in bringing about national recovery. A payless furlough committed postal workers to adjust their level of living from the basic maintenance level to an emergency level. In view of the general rise in wages throughout private industry during the past few years, letter carriers and other postal employees are still maintaining their existence on an emergency level.

March 20, 1933, marked the day President Roosevelt signed the bill H. R. 2820, which, briefly stated, was intended to maintain the credit of the United States. Under the terms of the law it was provided that beginning April 1, 1933, and continuing until June 30, 1934, the President was authorized to investigate and determine an index figure of the cost of living for the first 6 months of 1928 and also make a similar determination of the index figure of the cost of living for each succeeding 6 months thereafter. For any percentage reduction in the cost-of-living index a similar percentage reduction not to exceed 15 percent was to be levied against the employees during the following 6 months' period. Upon finding the increase of 21.7 percent below the 1928 base period, the President, in an Executive order dated March 28, 1933, directed a wage reduction of 15 percent to be levied against employees for the period covered from April 1, 1933, to June 30, 1933. In compliance with the law and authorized by same, another ascertainment was made to determine the continuance of this reduction, and when it was proved that an increase of 23.9 percent below the 1928 base period existed, an extension of the order was directed, dating from July 1, 1933. On January 9, 1934, a third Executive order was issued sustaining the 15-percent reduction because an increase of 21.1 percent below the 1928 base period prevailed. The third Executive order brought the percentage up to and including June 30, 1934. For the purpose of accuracy it must be remembered that although H. R. 2820 superseded the 30-day payless furlough order, nevertheless many of the employees were never reimbursed for the payless furlough time they took prior to the enactment of H. R. 2820.

The independent offices appropriation bill was enacted into law on June 16, 1933, and became effective July 1, 1933. Section 9 of that bill having to do with rotative furloughs, authorized the heads of the several executive departments of the Government to furlough without pay, on a rotative basis, such employees as they deemed necessary, in order to meet the requirements of rigid economy. Soon thereafter, definite action was taken by the Post Office Department to give this legislation effect. In the Postal Bulletin of June 20, 1933, there appeared an order directing a payless furlough of 9 days for each employee to be taken over a 3-month period. The entire schedule was to run for 1 year.

It is interesting to show a summary of happenings during a time when the Department of Labor published statistics showing a decrease of 20 to 30 percent in the cost of living:

a. Postal workers were given a 30-day payless furlough.

b. Postal workers were given an outright 15 percent cut in salary. This cut, however, superseded the 30-day payless furlough but without restoration for those who had already completed their 30-day furlough.

c. Postal workers were given an additional 9-day payless furlough.

Payless furloughs were discontinued May 1, 1934; a partial restoration—10 percent—of salaries was made February 1, 1934. The remaining 5 percent was eventually restored April 1, 1935. None of these restorations became effective until the index on the cost of living showed an upward trend, as the final date will clearly indicate.

Thus, on a precedent established by the Government itself, I now contend that a postal employee pay raise is long overdue. If the argument is used that conditions in industry or costs of living have declined to a point as to justify a reduction in wages without causing hardship, it is logical to assume that a reversal of these conditions of industry, accompanied by an upward trend in the cost of living, is every reason for an increase in wages.

The postal workers, country-wide, have been performing a yeomanlike service to our great Nation. They do not have the right nor do they desire to strike. The global war in which we are now engaged has placed heavier loads on the shoulders of letter carriers and greater burdens upon all postal employees. All of them are willing and anxious to work longer hours in behalf of the war effort. Thousands of the experienced postal personnel have been forced to leave the Service to take up more gainful employment in private industry. Thousands of other postal workers have been called to the colors. The chaotic conditions among those who remain in the service of the Post Office Department can be directly charged to substandard wages and the failure of Congress and the administration to take the necessary remedial steps.

As I have stated, I am personally acquainted with a number of the postal people in Los Angeles County offices. A more loyal, faithful group of workmen never lived. Conditions are already deplorable and becoming increasingly worse in these offices because Congress and the administration has failed to grant them a deserved salary increase. The postal employee meets all the requirements exacted from others of our citizenry. He willingly pays the new 5-percent Victory tax. The Seventy-seventh Congress increased his retirement deductions to 5 percent of his annual salary commencing on July 1, 1942, and the Government demands that he purchase his own uniforms. Soon he will probably be required to sacrifice a 20 percent pay-roll deduction, if the Ways and Means Committee tax plan is enacted. On his meager earnings he strives to purchase his share of War bonds and Defense stamps, and like other public-spirited citizens he makes his contributions to the Red Cross drives and Community Fund campaigns. These deductions will reduce his expendable income from 25 to 40 percent.

I am certain that conditions similar to those prevailing in Los Angeles County exist throughout the Nation. According to the Bureau of Labor Statistics, United States Department of Labor, the cost of living has increased 21 percent since 1939. The present rate of increase is said to be one-half of 1 percent per month—Time, February 1, 1943. The Postal Service is the basic line of communication and is so essential to the Nation's welfare in either peace or war times. Simple justice demands that the Seventy-eighth Congress take immediate steps to correct the unwholesome situation that now exists within the Postal Service.

The Post Office and Post Roads Committee has been considering H. R. 1366, introduced by my colleague the gentleman from Michigan [Mr. O'BRIEN]. This resolution is identical with Senate bill 360, introduced by the distinguished Senator from New York [Mr. MEAD]. Both bills request a flat $300 per annum increase for all postal employees during this emergency period of the war and extending this payment for 6 months thereafter.

We have had extensive public hearings. The postal organizations have approved the principle involved, numerous Members of this House have given their approval. There has not been one protesting voice among my colleagues at the committee hearings. This bill, properly amended to include and protect all classes of postal employees, was reported today. I have confidence that the Members of this House will pass this legislation quickly and for the first time since 1925—18 long years—give these patient, loyal public servants not a bonus but a justified wage increase—as one of my colleagues has said, "Justice long denied." Let us show the forgotten men in the Postal Service that we appreciate the loyalty so eloquently portrayed by their slogan:

> Neither rain, nor snow, nor heat, nor gloom of night stays these couriers in the swift completion of their appointed rounds.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. DITTER. I yield 10 minutes to the gentlewoman from Massachusetts [Mrs. ROGERS].

The CHAIRMAN. The gentlewoman from Massachusetts is recognized for 10 minutes.

Mrs. ROGERS of Massachusetts. Mr. Chairman, it is very likely that in the near future the subcommittee handling the appropriation for the Department of

Commerce will consider recommending a cut on all the field offices and field personnel in the Bureau of Foreign and Domestic Commerce of the Department of Commerce. For some reason that I cannot understand, the Budget has recommended that that service which for years has been an integral part of the Bureau of Foreign and Domestic Commerce be eliminated.

Field offices of the Bureau—

I am reading from the Budget message—

now located in the 12 headquarters cities of Federal Reserve districts and in 18 other cities, were originally established to facilitate the promotion of the country's commerce, both foreign and domestic. Because of war-time impediments to normal business, these field offices cannot perform their basic functions and the 1944 estimates contemplate their discontinuance.

Mr. Chairman, these offices are all over the country. There are 18 regional offices and 22 district offices and they prove very efficient.

As a matter of fact, Mr. Chairman, 25,000 additional services are being performed in these Foreign and Domestic Commerce offices in the districts; 25,000 more services were performed during the past year over 1941. During 1941 509,000 services were performed and 534,000 services were performed in 1942. That is an increase of 5 percent in the services that were performed, not only for large business, but most of it for small businesses, the businesses that cannot afford to have research personnel.

It seems to me the Budget Bureau in making that statement has disregarded the increase in the services which have been performed. It is clearly another severe blow to small business.

We know big business has the money to send its personnel to Washington to get information from the various departments, whereas the small businessman has no staff of experts and he cannot afford to pay even the transportation expenses of any person to come to Washington. Also the sending of personnel to Washington overtaxes the railroads. I should like to point out some of the services that have been performed by the district and regional offices. There are 12 regional offices and 18 district offices, and I doubt if there is a Member of Congress today who does not know of the services that have been rendered to business as a result of these offices. Letter after letter attests the high approval in which these activities and the work are held.

I will list a few of the services that are now being performed.

They have gathered material for the Foreign Service under the Department of State, which as you now know is now handling our trade in foreign countries, so far as our business people are concerned, and this Bureau furnishes data and acts as a clearing house for business with the Department of State.

Their problem, of course, is to keep regular business going. It is of particular importance at this time to keep regular business going and to decide what business is most necessary for the war effort.

I should like to point out also that this Bureau acts as a clearing house for the Board of Economic Warfare and business.

In other words, these offices of the Bureau tell the Board of Economic Warfare what both large and small business can do, and in turn the Board of Economic Warfare tells foreign and domestic commerce what essential supplies can be spared for immediate war efforts and for regular business not concerned primarily in the war effort. These offices tell business the restrictions on foreign and domestic trade, and actual results have been accomplished through a greater use of all of these offices during the past few years. I have just talked with the Board of Economic Warfare and they stated to me they have found their use of the field offices of the Bureau of Foreign and Domestic Commerce very helpful. They told me the field offices sell their export control books giving information regarding export control. Through them they send out their regulations, and so forth, to merchants and trades people. They have lessened their load of work very much. Through them they secure special information from returned travelers. They also feel it is important to have continuity of service in trade which is now operating. They have performed many beneficial services for the Board of Economic Warfare and other commissions and saved money for that commission. It is the focal point for manufacturers and trade people for many services. They have been valuable in looking up many contracts.

I have had a great many communications from trade organizations and they cannot understand why this action should be taken. Business has confidence in these offices because they have used them for years, and they find them thoroughly satisfactory.

Foreign and Domestic Commerce offices gather materials for the Bureau of the Census. The materials which they gather for the Bureau of the Census are for manufactures, population, agriculture, housing, retail wholesale trade. This material is made available to the Bureau of the Census through the trained personnel. It is very valuable because they know how to secure it and to give it to this Bureau.

So far as agriculture is concerned, the county agents find these offices extremely useful. The Office of Statistics has proved very valuable to them.

They get up material for the Office of Price Administration, the War Production Board, the Manpower Commission, the Bond Division of the Treasury Department.

They notify other bureaus, Government agencies, and trade people of essential materials they must bring in for conduct of the war.

They are familiar with all conditions abroad, high tariff, trade restrictions, import quotas, food and drug regulations. On top of that Commerce has its own restrictions.

EXPORT CONTROL, FUND CONTROL

They have and give information as to blacklists or lists of firms with which certain consignees cannot deal; information on shipping control; lack of shipping; determine which things are essential for the war effort of other countries and for our own.

I hope, Mr. Chairman, the membership of the House will feel like putting this item into the appropriation bill even if the subcommittee does not decide to do so. The sum is very small, only $430,000. It is a mere pittance considering the service rendered.

Mr. CHURCH. Mr. Chairman, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield.

Mr. CHURCH. I want to commend the gentlewoman from Massachusetts for bringing this matter so forcefully to the attention of the Committee and the House. It is nothing more than shortsightednesses to omit money for this use, when it is so much needed and when such large results flow from its expenditure. The gentlewoman is to be congratulated for urging it at this time.

Mrs. ROGERS of Massachusetts. I appreciate the gentleman's contribution. We must do things positive and definite for the small businessman.

Mr. CHURCH. The Chicago area is very much interested in this item. I hope the gentlewoman has included Chicago among the names of the offices she has listed.

Mrs. ROGERS of Massachusetts. That is included in the list of offices. Boston has an office.

Mr. ROLPH. Mr. Chairman, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield.

Mr. ROLPH. I have received communications from San Francisco asking me to request that these offices be continued. I join in the gentlewoman's request that these appropriations be granted.

Mrs. ROGERS of Massachusetts. It is a very small amount for the magnitude of the work done. I thank the gentleman for his interest.

Mr. ANGELL. Mr. Chairman, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield.

Mr. ANGELL. I should like to add also, coming from the Portland, Oreg., district, that my people are very much interested in this agency. Various industrial enterprises testify to the great service that is being performed. They hope it will be continued and urge that the appropriation be granted. I want to compliment the gentlewoman for the fine presentation she has made of this very important subject.

Mrs. ROGERS of Massachusetts. I thank the gentleman from Oregon. I believe more letters will be coming in from all over the country just as soon as people realize that it is contemplated to discontinue this greatly valued Government service.

I cannot understand just why the cut was recommended, because instead of

there having been a decrease in useful service there has been a 5 percent increase during the last year, and I know the intense interest the Members of the House have, and all the impassioned speeches made by Members in behalf of small business would seem absurd if they allowed small business the benefit of this assistance. My colleagues will not agree to give up this aid for business.

I have here letters from small businessmen of Massachusetts, and also from men who represent large business, all saying it is a very valuable service and begging that the foreign and domestic field offices be kept open.

The contemplated elimination of the appropriation for its continuance would be not only a serious handicap to both large and small business but would result in an additional expenditure to the Government and to the taxpayer, because, in my judgment, it will be only a question of time when Government agencies who avail themselves of information from the field offices of the foreign and domestic commerce, must set up sections in their own departments to handle this far-reaching service for trade.

The CHAIRMAN. The time of the gentlewoman has expired.

Mr. DITTER. Mr. Chairman, I yield 10 minutes to the gentlewoman from Illinois [Miss SUMNER].

Miss SUMNER of Illinois. Mr. Chairman, I ask unanimous consent to proceed out of order.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Miss SUMNER of Illinois. Mr. Chairman, representatives of the American people about to feel the pangs of hunger will begin soon to take an interest in the problems of food production. I think we shall wish we had known what food canners are thinking today of the way Government is messing up the food problem.

Cherished theory of the O. P. A. which, canners think, is going to help force Americans to try to keep fit and do best work on a reducing diet, is the idea of making the food-canning industry label each can of food according to grade. The Agricultural Department approves grade labeling. The so-called experts advance arguments which sound practical, except to canners.

The administration says that because the trade grades its products in selling to distributors according to whether a batch of cans is choice or standard, that the trade should not object to having Government inspectors over them making them grade each little can. You have to know the canning business to understand how disgusted canners are at the thought of undertaking such a difficult and delicate job. The O. P. A. insists that this is necessary to prevent chiseling.

In addition, planners in the Agricultural Department hope to buy most of the American canned food packed this year, shipping what the armed forces do not use to foreign nations. They are playing with the idea of having each can labelled "U. S. A." in big letters. This, they seem to think, will advertise and glorify America, giving it glamour. The fact that the canner's trade-name may have taken him 50 years to build, is a valuable property asset to him, and that if he chisels too much he may lose his clientele in a few months means little to the experts. It means everything to the women of America. Without the firm's name on a can they cannot tell what they are buying. They know what is good for the canner's business better than he does, they think. They say that all this will help him grab foreign markets in a post-war world. They are even toying with the idea of sending pretty Government lady dietitians on a junket to London and other foreign cities to demonstrate American cooking of American foods. They do not foresee that it may not be such a pretty spectacle on the streets of London and elsewhere if, at the same time, newspapers there are carrying the news of food riots in America. Canners think it is likely that within 12 months we shall see food riots in America.

Mr. HOFFMAN. Mr. Chairman, will the gentlewoman yield?

Miss SUMNER of Illinois. I yield.

Mr. HOFFMAN. Did the gentlewoman hear the speech made by the gentleman from New York [Mr. TABER]?

Miss SUMNER of Illinois. I was called from the room at that time.

Mr. HOFFMAN. He showed us a book that had been sent him containing the picture of our Chief Executive. Did the gentlewoman see that?

Miss SUMNER of Illinois. No.

Mr. HOFFMAN. Seriously, does the gentlewoman think it might be contemplated to have the President's picture on the cans also?

Miss SUMNER of Illinois. I expect if they want glamor they will get it.

Mr. HALLECK. Will the gentlewoman yield?

Miss SUMNER of Illinois. I yield to the gentleman from Indiana.

Mr. HALLECK. My recollection is that this matter of grade labeling was before the Congress a few years back when the Pure Food and Drug Act was revised and that the Congress at that time, having heard many of these same arguments, refused to go along with the proposal to write that into the act.

Miss SUMNER of Illinois. I thank the gentleman for recalling that to my mind.

Mr. PHILLIPS. Will the gentlewoman yield?

Miss SUMNER of Illinois. I yield to the gentleman from California.

Mr. PHILLIPS. Where is the authority in the O. P. A. for this grade-labeling?

Miss SUMNER of Illinois. The bill is very broad and without further study I would not undertake to say they had not the authority, although I do know that in rent cases and in other cases they made the most fantastic interpretations of law that I have ever seen, the kind of interpretations that only a man a few months out of law school could make.

Canners are warning the public now that grade labeling is one of the restrictions thought up by the administration that will help cause food shortages. Like many bureaucratic schemes, this plan is predestined to cause damage because, as usual, the Government planners are underestimating one of the most significant and potent factors in business—psychology.

Canners have been hamstrung, inspected, quiz-kidded, and red-taped until they are groggy. They never know what fantastic rule the Government will foist upon them next. Neither does Government. Canners have come to think that whatever Government chooses to do will probably hurt them. Normal times, a canner makes good money in his business. It is a highly speculative business, however. You gamble a lot of money every year. In one season you may, as the saying is, "lose your shirt."

Last week the O. P. A. finally summoned the canners to Washington, having waited until the season for making planting plans was almost over. O. P. A. told the canners it would fix price ceilings which would take into consideration some, but not all, of their increased costs. Canners are discouraged. They cannot see their way ahead. The one who worries them most, apparently, is Dr. Galbraith of the O. P. A., who has been well advertised as a man who is an expert on all kinds of businesses. A walking encyclopedia. This peripatetic pedant should have gotten his walking papers the same time as Leon Henderson, who should have gotten his sooner.

The canners do not know what they can depend upon from Government. They fear to assure the growers that they will have the facilities to transport vegetables from farm to factory. How can they be sure what the Government will do to prevent it? The canners are losing their key employees. Into the factories, however, have come Government inspectors and accountants. The accountants stay in the factory week after week, nosing into accounts, pretending to understand them, hanging about like the man who came to dinner and stayed on for months, eating at taxpayers' expense, creating manpower shortages by dodging draft or essential war work. The canners, bound and gagged by O. P. A. restrictions, never know when they will unintentionally violate one of the innumerable restrictions carrying penal consequences with which Government has been pleased to fetter them. They have to hire high-priced lawyers to chaperon their activities. Canners are not even certain that they will have storage for this year's pack. Their warehouses are still filled with last year's pack, left there by America's worst hoarder, the Government.

Representatives of city people and newspapers which serve city people have often talked as if the farm industry were the enemies of city people, maybe because farm representatives boast too much of the little they are able to do in behalf of the food industry. All of the American people should be as interested in the success of those who produce, process or distribute food as a little calf is interested in its mother and

for the same reason. This correlation was not plain enough, perhaps a year or so ago when we had our chance on the first and second price control bill. Maybe it is still obscure but tomorrow you may hear hungry people demanding why you thought price or politics more important than food.

With your permission I quote as follows from a letter written by a man of high caliber who was formerly president of the National Association of Canners:

The chances are that we will make up estimated costs of the coming year and submit same to Office of Price Administration trying to get a readjustment. At these costs they have shot at us there is a question whether we will lose more money operating heavily than we would light and naturally we will operate the way we are going to lose the least money. In 1941 our factory had out 8,000 acres; 1942, 7,000 acres. This year on account of the labor situation, we feel that 6,000 acres would be the top and if we cannot get by under these Government regulations will drop down to 5,000 acres. The feeling in Office of Price Administration, we understand, is that by holding down on the price the canners would be inclined to get maximum production, the same as we have the last 2 years, in order to get by. This is a nice way to think, but it just won't work practically.

The way the total picture in Office of Price Administration is working out is they have now reduced everybody in the Middle West to the same price for the same grade, regardless of what kind of quality they pack. They are putting a limit on each grade as to price and the good canners in the same boat as the poor canners. This, of course, is what many of the boys down there want and it is pure socialism and is certainly doing more damage to our war effort than good.

The canning industry want to produce everything they can and will if given a decent chance, but it cannot be done with a rope around our necks at every turn we make. If this is what Washington wants, let it ride this way and take our punishment and possibly we will learn when it is too late.

Mrs. BOLTON. Will the gentlewoman yield?

Miss SUMNER of Illinois. I yield to the gentlewoman from Ohio.

Mrs. BOLTON. Does the gentlewoman know whether there is any protection given to the consuming public against poor canning, which is often poison in this leveling down?

Miss SUMNER of Illinois. I undertook to point out briefly that there is no protection for the housewife when she goes down to shop on a can that says only "U. S. A."

Mr. COOLEY. Will the gentlewoman yield?

Miss SUMNER of Illinois. I yield to the gentleman from North Carolina.

Mr. COOLEY. Is not the gentlewoman familiar with the Pure Food and Drugs Act and does she not know that under the law we have Federal inspectors to inspect the food from the standpoint of health in an effort to protect the health of the people?

Miss SUMNER of Illinois. I am no expert on that, but as I understand it the idea is that there is a minimum standard and you cannot let your food get any worse than that or you are out.

Mr. COOLEY. In addition to that may I call attention to the fact that the Agricultural Marketing Association or servicing bureau in the Department of Agriculture likewise provides grading services in the different canneries of the country in order to protect the housewife.

Miss SUMNER of Illinois. I understand the situation is very different from what they apprehend in the Department as to what will happen under this provision.

Mr. COOLEY. The House Committee on Agriculture for the past 2 or 3 days has been hearing representatives of the canning industry.

Miss SUMNER of Illinois. I understood so.

Mr. COOLEY. Also the O. P. A., and at this morning's meeting it was agreed that the representatives of the industry would meet with the officials of O. P. A. in the office of the Commodity Credit Corporation for the purpose of trying to work out all of the matters and things in controversy.

Miss SUMNER of Illinois. I had lunch with the chairman in the dining room this noon and he informed me of that. I was very glad to hear it, and I was glad to be informed of the committee's interest; at the same time, as I pointed out in these remarks, the industry has met with the O. P. A. before. I appreciate the committee's help and I hope it will do more good than I expect.

Mr. COOLEY. I hope the gentlewoman knows I am not defending O. P. A. in making the few remarks I did.

Miss SUMNER of Illinois. I would not expect the gentleman to turn into a Benedict Arnold to the food production program of this country at this late hour.

Mr. GWYNNE. Will the gentlewoman yield?

Miss SUMNER of Illinois. I yield to the gentleman from Iowa.

Mr. GWYNNE. If this controversy and uncertainty is not settled soon, the pack for this year will be reduced to almost nothing, is not that about the situation?

Miss SUMNER of Illinois. There are about 2 or 3 weeks left. If they do not have their acreage in then, it is gone. As one canner said to me, "Washington has to learn that Mother Nature does not wait for politicians."

Mr. ANTON J. JOHNSON. Will the gentlewoman yield?

Miss SUMNER of Illinois. I yield to the gentleman from Illinois.

Mr. ANTON J. JOHNSON. This morning we learned in the Committee on Agriculture that already deep in Texas, where there are early spring crops, the canners have already closed their doors because they have no idea what price they can get for their goods. We were told that 10 had already closed. That is the information we have and some more are going to close in the next few days. Now, if I may make this further observation: The average housewife is accustomed to buying not on grade but on packer's integrity behind his canned goods, by his brand, and when you remove that packer's integrity which stands behind that brand, which has as much to do with the continuation of his business as the high standards, you take away that so-called protection and the consumer does not know what to expect when she opens a can.

Miss SUMNER of Illinois. She will see one good product, we do not advertise names here, say from Chicago. She will buy that can of meat or vegetable for her family thinking she will give them a good dinner, and she will buy a product canned by another canner to feed her dog.

To conclude, I understand a resolution introduced by the gentleman from Indiana [Mr. HALLECK] is now before the Committee on Rules to investigate grade labeling. I urged the committee to give the House a chance to adopt it. I personally am willing to do anything I can to remedy this situation, and I know the House feels the same way.

Mr. HALLECK. Mr. Chairman, will the gentlewoman yield?

Miss SUMNER of Illinois. I yield to the gentleman from Indiana.

Mr. HALLECK. I certainly wish to commend the gentlewoman on the fine statement she has made about this problem, and to suggest that, in my opinion, while at the moment the most critical matter seems to involve so-called grade labeling, there is very definitely in the background a trend in the direction of doing away with all brand names and trade-marks and doing a lot of other things throughout our whole economy of production in respect to standardization and simplification which, in my opinion, will not do one thing to promote the war effort but, on the contrary, will hinder the war effort.

I take this occasion to thank the gentlewoman for her fine contribution to the solution of this problem in which we are all interested.

Mr. HOFFMAN. Mr. Chairman, will the gentlewoman yield?

Miss SUMNER of Illinois. I yield to the gentleman from Michigan.

Mr. HOFFMAN. I understood the gentlewoman to say that someone said Mother Nature would not wait for the politicians in Washington.

Miss SUMNER of Illinois. The gentleman is correct.

Mr. HOFFMAN. Have not the politicians in Washington been at war with the laws of Mother Nature and Mother Nature herself for the last 6 or 7 years, since they started in to kill the pigs and plow under the cotton and all that restricted wheat acreage?

Miss SUMNER of Illinois. I thought they were fighting windmills, but maybe it is Mother Nature.

Mr. SHEPPARD. Mr. Chairman, I yield 15 minutes to the gentleman from North Carolina [Mr. FOLGER].

Mr. FOLGER. Mr. Chairman, I have sought this time, not that I felt myself capable of enlightening the Members of the House on the importance of the bill under consideration but for another purpose. As to this bill, I was entirely satisfied when I read the bill and the report, and especially heard the presentation of the matter by the chairman of the subcommittee. I am, therefore, ready to vote.

I must be frank and tell you that I have sought this time impressed with the

idea that we are in war. You and I may not so fully realize it, but I suspect right now the men and the boys in the Solomon Islands, in north Africa, and on other battlefields of the world are quite sure we are in war. What is disturbing me perhaps as much as anything else and maybe a little bit more, is the callous disposition I find evidenced on the floor of this House, a disposition to forget to give importance to the realization of the fact that men and boys, our own men and boys, are dying upon the fields of battle. It brings to me a great regret that we should find it possible to take the time to indulge in petty politics, we Members of the great Congress of the United States of America, a country which is at war.

If I were minded to debate the subject today I might suggest that as a Democrat I would be happy to realize that the only complaint that could be raised against my party is that the Navy Department has been allowed to provide a cookbook for some of the people who are engaged in this terrible conflict. I might congratulate myself also as a member of that party that it was only found important to bring attention to the shortcomings of the party in power by stating that the Vice President of the United States had said that amidst all these hardships and the pains war has brought to us there is one happy contemplation, that it necessarily provides jobs for some people.

Maybe a great deal of consolation would not be found in that realization to the rich, but it is not hard for me to visualize the young boy of the unpretentious parents coming back, being spared in the providence of God from the worst, to our own country and to his home, walking in at the door of the house and saying, "Pa, I know you are poor, and mother did not have much. How have you got along since I have been in the war?" The father might say, "Son, this war has brought great distress to our souls. We have thought about you and prayed for you every night and a great many times in the day. But there is some incidental blessing; your dad and your mother have had something to eat and to wear, and I have had a job."

I do not see anything so bad in Mr. WALLACE's making mention of a thing like that.

Mr. DITTER. Mr. Chairman, will the gentleman yield?

Mr. FOLGER. I yield to the gentleman, for whom I have an affection.

Mr. DITTER. Does the gentleman mean to convey the impression to the House that he endorses the statement of the Vice President that the war, with all its hardship and pain, has brought one blessing, and that the blessing of the war is the sordid thing of providing a job? Does he mean to convey the impression to the mother who has lost a boy at Bataan or in the Philippines or in the Solomons that the blessing to her, the solace to her heartsore, is the fact that somebody else got a job? If he does, then I stand on my original denunciation of the declaration by the Vice President that the blessing of the war can be the making of a job.

Mr. FOLGER. Mr. Chairman, I conclude that the gentleman did not want to ask a question but wanted to argue. I am through with that.

I want to read you something about this war. Let us have unity. Let us forget this partisan politics business and rise to the requirements of an American citizen, and remember the boys and the men who have yielded themselves willingly to the last measure of devotion that is necessary to protect our land and our homes. I want to read you something about what is going on.

Ira Wolfert, a newspaper reporter who saw the biggest naval battle that has taken place up to this time, unless it be the one that took place yesterday, was present in this great airplane fight as a spectator. I read what he has to say in this article that appears in the Reader's Digest of March 1943:

FOUR-MOTORED DOG FIGHT

(Condensed from Battle for the Solomons)

(By Ira Wolfert)

(Ira Wolfert, a newspaper reporter, had a front seat from which to watch the only big naval battle ever fought within full view of shore (A Grandstand View of Jap Naval Disaster, the Reader's Digest, February 1943). He was in St. Pierre-Miquelon when the Free French seized it, and he scooped the world on the news. Aboard a Flying Fortress on what was to be a routine patrol, he was participant in one of the strangest of dog fights, which he here describes. And perhaps most amazing coincidence of all, he was in a plane just above the transport *President Coolidge* when it hit a mine and sank. Wolfert, who is 33, has been on the staff of the North American Newspaper Alliance since 1929, covering important assignments. Aside from his newspaper job he is an accomplished short-story writer whose work has appeared in magazines and anthologies.)

First Lt. Ed Loberg was scheduled to take his B–17, an old Flying Fortress, on a routine search mission from Guadalcanal and I decided to go along.

Loberg is a farm boy from Tigerton, Wis. Copilot was Lt. Bernays K. Thurston, an accountancy-minded, guitar-playing, blues-loving youth of 23 from Indianapolis. First Lt. Robert D. Spitzer, 26, of Anderson, Ind., was navigator and the bombardier was Second Lt. Robert A. Mitchell, 24, of Washington, D. C. Five noncoms completed the personnel.

We took off in a tropical noontime swollen with weather. There were patches of steaming sun lying breathless on glassy water and patches of squalls and cloudbursts rising in thick pillars over heaving seas. We searched low for a while, then climbed to 6,000 feet to give some Jap a chance to sneak in under us if he wanted to.

Suddenly Lieutenant Loberg called for battle stations. I looked out of the glass-enclosed nose where I stayed through all that followed. Far below us was one of our PBY Navy planes. It turned and lifted and fell like a bird in trouble. Near it was a Kawanishi 97, the best four-motored bomber the Jap Navy has. It, too, looked like a bird—an eagle bunching itself for the kill, its propellers glinting like claws. Quickly we muscled in and took the fight over.

We dived so rapidly that I fell on my knees and couldn't get up. As we pulled out, I could feel my cheeks drawn far down below my eyes and everything that was inside of me pressed into a tight little bundle. I became aware that the bottom turret guns were chugging; this made the nose buck like a riveting machine. Then a curtain of sooty gray dropped over my eyes—the beginning of black-out.

When we got on an even keel, I could stand up again and look out. We were in a squall. The rain drummed all over us with a sound like running feet. The plane was being thrown around so much that I had to hold onto the navigator's table with two hands.

"We lost him," Lieutenant Spitzer shouted. "He ran into a cloud."

And we, it seemed, had gone in headfirst after him—almost vertically, like a dive bomber. At every window men stood straining to see through the scudding mass of wind-blown water. We hurtled through the cloud and into blinding sunlight and there the Jap was, right alongside of us, maybe 50 feet away.

Both planes were firing full broadsides at each other. Thousands of bullets criss-crossed through the narrow spread of air. The planes rocked along side by side. It was a fantastic spectacle. We shuddered under the impact of bullet after bullet, and teetered and bucked from the recoil of our own guns.

The thousands of explosions seemed one vast unending blast. I could see a cannon firing at us, smoke blowing from its open mouth like frosted breath, and I could see our red tracer bullets pelt like darts into the Jap, ricochet off his armor, and streak straight up into the air. I saw the Japs clearly, shrunken figures huddled over their guns. Our men and their men, in that terrible fire, were bent over as if before a high wind, their faces wrinkled and gray, but they stood to it and kept at it.

The Jap made a tight turn. To keep away from the deadly sting in his tail and give our nose and side guns a chance to work him over, we had to turn inside him. This could have broken a B–17 in half, but Lieutenant Loberg did it neatly.

Then the whole wild scene was blotted out as a cloudburst fell upon us like a mountain of loose rocks. Lieutenant Spitzer stepped away from his gun, dripping with perspiration. "Oh me, oh my," he said, as he pulled and pinched at his sweatshirt and blew a current of air from pursed lips. I looked at him, startled that he should utter such mousy words at such a time, and stand there plucking at himself like some plump woman fretful about a hot afternoon. He took off his sweatshirt, threw it on the floor and went back to his gun.

The Jap had dived into the cloudburst either to lose us or to maneuver into a position to kill us. We lost him five times in the fight, sometimes for 3 or 4 minutes. He was very brave and also very smart. But Lieutenant Loberg and Lieutenant Thurston outthought him every time. They had marvelous help from the crew, who kept looking to the very last flicker of he disappearing Jap and reporting his maneuverings. Every time he plunged into a cloud and went racing along behind it as if it were a board fence, we went after him and caught him again just as he was breaking into the clear.

The Jap kept close to the water, to make sure we wouldn't come in under him. He has no guns there and we could tear his belly open with our top turrets. We were both flying so low that a hit on the controls meant the end. There would not be time for anybody to bail out or even get through the escape hatch if we hit the water. This was "git or git got," as they call it out here.

I kept thinking of that and kept wishing that our crew would not be so damned smart every time the Jap got lost. I would say good riddance to him and let him stay lost. It was not only a question of fighting in weather that no pilot in his senses cares to meet, and of stunting and half-rolling and power-diving the big Fortress as if it were one of those BB-size pea shooters meant for such dog fights. It was also a question of trying to remember what Intelligence had said about this spectacular Jap plane, so that we could maneuver our strong points against his weak points—trying to remember where his

guns were, and which of ours were shot out. And the two pilots had to do all this with a sergeant firing two guns right across in front of their eyes.

Lieutenant Spitzer got burned on the legs five times by hot shells, not one of which broke the skin. I don't know just when it happened. Bullets were whisking and smacking all around us throughout the fight. I remember once he rounded his lips as if howling, but I couldn't hear his voice in all that noise, and he went right back to his guns, so I didn't think any more about it.

Lieutenant Mitchell was hit by fragments from an armor-piercing bullet that buried itself deep in the side of his machine gun and made a smack that could be heard above everything else. We both looked at him frightened. He was standing dazed over the gun, his head bowed and his face stunned and loose-looking. I tried to get to him, but the plane was bucking terribly, and I couldn't move across the few inches of floor without falling. He was trying to balance himself, his head rolling slackly on his neck. Then he tried to work the trigger. No bullets came out and he tried to lift off the top cover to see what was jamming it, but the cover had jammed, too.

I thought he must be all right if he was fussing with the gun. Then, I don't know how long later, I noticed he was standing alongside me. He put his lips close to my ear. "Where am I hit, please?" he asked. His voice sounded very soft.

Blood was coming down his eye and dropping down his neck into the golden hairs of his bare chest. I wiped the blood away with my finger and saw that his wounds were only gashes. "My foot hurts, too," he said. "I can't stand on it." He seemed to think it was bad luck that the only gun in the nose he could work lying down had been shot out.

Twice we passed right over the Jap, so close I could see the jagged bullet holes we had torn in him. I looked apprehensively at the floor, expecting a spew of bullets and cannon shells to come up through it. Then Lieutenant Spitzer shouted, "He's smoking. One of his motors is gone." I could see the propeller windmilling idly.

I looked at my watch and noted the time—1:01—and thought how silly it was to measure such time as we were living through in the standard units of minutes and hours. Such moments as these are timeless things flung out of the ordinary orderliness of the universe.

A moment later Lieutenant Spitzer, who was still working his two guns, shouted, "He's down!" Lieutenant Mitchell was sitting quietly in a corner on a parachute pack. I asked him if he'd like to have a look. There was an aching silence in the nose of the plane. Anyway, it seemed like silence. We had all been deafened.

I helped Lieutenant Mitchell to his feet and held him as we looked at the somber spectacle on the sea below. He was steadying himself against me with one hand and trying to clear the blood out of his eye with the other. Lieutenant Spitzer had dropped his guns and was grinding away on a movie camera to provide headquarters with proof of the kill.

The three of us stood like that in the smother of quiet, pressed against each other, looking out. The Jap was burning like a tanker. There was an oval of flame laid like a blister over a sea as smooth as skin. The orange-red flames rolled up in big, unfurling billows, flapping like a flag into clouds of black smoke.

There must have been acres of flame when we first passed over. In the center lay the Jap plane, skinny and black like the bones of a skeleton. Two small, black objects that could have been men or maybe were just bits of debris were on the edge of the oval. They were either trying to get away from the flames or maybe just being swirled away by the currents created by the heat.

We circled and came back at 500 feet. The smoke mushroomed high above us. The skeleton of the Jap plane had disappeared completely and flames covered the place where the two black objects had been.

We headed home, a bullet in one motor, two flowering holes as big as derby hats in our wings, uncounted smaller holes, and five guns shot out. The plane, one of the oldest models still in use in this war, had, in weather calculated to hack any ordinary plane apart, done spiral dives, banks past the vertical, and power dives that put us on the edge of blackout. Maybe Rear Admiral John McCain didn't overshoot his landing so much when he called the Fortress the best fighter plane for this part of the world.

On the way back, after we had powdered Lieutenant Mitchell with sulfanilamide and made him as comfortable as we could and had jellied over Lieutenant Spitzer's burns, I wanted music. Music seemed to be the only thing that would do and Lieutenant Thurston obliged over the interphone system, singing a marvelous little song.

And when the war is over, we shall see those spared, returning home, saying: "I am glad I am an American citizen and have been privileged to dare every danger for my country."

Mr. DITTER. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Chairman, several times in recent days we have heard Members of the House deplore the fact, if it be a fact, that from the Well some Members indulge in what is referred to as petty politics, and if it would not be presumptuous, most respectfully and humbly, it may be suggested that those who so characterize the speeches or the observations of their colleagues, should give the Members a chart to guide them so that each and every Member of the House might avoid the error of carping political criticism, of indulging in petty political talk. Probably it would be admitted by most, at least, that whatever a Member says from the Well of the House, is by him considered important, otherwise it would not be said. A gentleman sitting on the left here said to me awhile ago, "Why is it that some Members do not stay and listen to me?" He said there were only a few present whenever he talked. My suggestion to him was this, "Why do you not follow the course that I take—talk so often that after a while you get a majority of the Members, because they cannot all stay away all the time." I said to him, "Now, perhaps you may walk out today when I talk, but tomorrow, when another Member from California happens to be here, he will listen to me, and I get him, and the next day another, and so on down the line, and eventually several have listened to me, because they will not feel that they can walk away when there are so few here, because their departure would be so much more noticeable."

Today I heard something well worth while from the distinguished gentleman from Georgia [Mr. RAMSPECK], a member of the Labor Committee, who is also chairman of the Committee on Civil Service. He seemed to deplore the fact that the Labor Committee was given the run-around. I, too, deplore that fact, but I am inclined to agree with the gentleman from West Virginia [Mr. RANDOLPH] that the Labor Committee deserves that run-around. I recall that for something like 2 years the Labor Committee has not been doing anything. I can understand why it is that the Committee on Naval Affairs, and the committee charged with legislation having to do with the operation of the War Department, have grown impatient when they find production for the Army and Navy has been hindered and curtailed because of labor troubles.

We all realize that this question of production of food is a vital one, and we all realize that the labor situation raises issues here which must be decided and decided correctly. We can start with the assumption that the Army and the Navy will do their part. We need not worry about them, about those in charge of the fighting end of the war. In the first place, we do not know anything about the fighting or how to do it, and in the second place, we have the utmost confidence not only in the courage but in the ability of those charged with the task of carrying on. So let us just forget for the moment the Army and the Navy, and remember that we have many problems that confront us other than those that have to do with the actual fighting and one of them is this problem of getting the men to perform the work in the factories.

I notice another member of the Labor Committee here, the gentleman from North Carolina [Mr. BARDEN]. The gentleman from Georgia [Mr. RAMSPECK] told us that there was in prospect a meeting of the Labor Committee, but that committee will not have anything to do, I am afraid, unless it avoids further delay. The gentleman from Georgia [Mr. RAMSPECK] suggests that we should learn what is the underlying cause of a lack of a full measure of production; why it is that, for example, we have absenteeism, and why it is that we have had strikes all through the duration, and why it is that we have a shortage of production. He was correct in stating that we have here no official record made before a committee of Congress showing why we are not getting production as we should, although we have surprised the world with the production we are getting. In my judgment, most Members know why. It goes back to the sit-down strikes which began the last day in December 1936, when certain organizers and labor politicians—do not confuse those, gentlemen, with the workers; they are not workers; they are just skimming the cream off the workers' pay checks—when certain organizers and labor politicians took over those factories in Michigan and were sustained in their efforts by the State government in Michigan, and the National Government in Washington, and were permitted to carry on those sit-down strikes. It was then that we started a snowball of carelessness rolling downhill, gaining impetus with every foot it rolled, and from that time on those racketeers and politicians have been in the saddle, and they

are the source of the trouble that we now have.

Here is an article which I will ask the permission of the House to extend in the RECORD, in today's press, an A. P. dispatch. It says at the top, "Admiral says union forced ship walkout." The substance of it is that out in California the unions suspended one man and fined three others because they worked on a Christmas week end in violation of a union order. So the union suspended one and fined three and some of them walked out because of that suspension. Others, it is said, walked out in support of the union. There was a union order punishing men who wanted to work and perform their jobs as usual.

The suggestion I want to make is that the labor committee might look into that, and similar incidents. The gentleman from North Carolina [Mr. BARDEN], the gentleman from Georgia [Mr. RAMSPECK] of the majority party—the majority party has control of that committee—are here and I am sure they are greatly worried over the situation. Some of us on the minority side will go along. That committee has not performed its duty in the past. So the Labor Committee, I believe, has become known as the sit-down committee of the House. We just do not function. Now, do we? If I am in error, I hope the gentleman from North Carolina will correct me. I would like to hear what he has to say on that.

Mr. BARDEN. I am just wondering why the gentleman keeps referring to me when the gentleman is on that same sit-down committee and is sitting down for the same reason the gentleman from North Carolina is sitting down. That is because the committee has not been called together and the chairman has not seen fit to put us to work. I do not know that the gentleman from Michigan or myself could do very much about running the committee at all one way or the other until the chairman of the committee calls a meeting of the committee.

Mr. HOFFMAN. I can agree with what you said except one thing. You said, "Because the chairman has not put us to work." I will go one step further. The chairman has not let us work. The gentleman will accept that correction, will he not? You are not waiting to be put to work any more than I am. You are rarin' to go but you cannot get started because the chairman will not open the door and let us out. She will not call a meeting.

Mr. RAMSPECK. Will the gentleman yield?

Mr. HOFFMAN. I yield.

Mr. RAMSPECK. I think in all fairness there ought to be a distinction made between last session and this session on that particular point. The gentleman from Michigan knows that the gentlewoman from New Jersey was quite ill around the first of the year and just came back to the House the middle of this week.

Mr. HOFFMAN. That is right. Let that show in the RECORD. She has been ill this session; but last session she was around all right. And this year the gentleman from Georgia [Mr. RAMSPECK], the ranking member on that committee, has been here. She was right here, as I recall, as was the gentleman from Georgia, who is the next ranking member, and yet we did not get anywhere. We did not get started.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. DITTER. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. HOFFMAN. I have introduced several bills which I think would help on this situation, but they have been shifted around, the Labor Committee over to the Committee on the Judiciary. That committee so far has not taken any action on them. I agree with the gentleman from Georgia [Mr. RAMSPECK] in his remarks made a moment ago that we should have a hearing on the whole matter, but I fear the action comes too late. I think we are about 3 years late on starting our hearings. But "better late than never," as the saying goes.

If the gentleman can tell me anything I can do to hasten a meeting or get a hearing so that the Labor Committee can get out from under this—would you call it a cloud of distrust, or whatever it is we stand in before the House—the House does not have any use for the Labor Committee. I will be glad to help.

Mr. RAMSPECK. I will say it is true that a great many Members of the House and a great many people in the country have felt that the Labor Committee was not willing to legislate. I think that is an unfortunate situation.

Mr. HOFFMAN. But true, is it not?

Mr. RAMSPECK. Well, there is some justification for it, yes; although not as much as some people would say. We did bring in a bill here in December 1941, and the House rejected it and substituted the Smith bill, which I think was too drastic. If we had passed a more moderate bill, we might have gotten some legislation at that time. But this is a new Congress and a new committee. The Republicans have a larger representation. We have some new Democrats on the committee. The chairman has called a meeting for next Tuesday, and I hope we are going to work.

Mr. HOFFMAN. I am glad of that and I hope the gentleman from Georgia and the gentleman from North Carolina—he wanted to know why I referred to him. I referred to him because occasionally when the Labor Committee met I noticed he was familiar with the question of labor legislation and labor conditions and that his views were sound and he wanted to do something—will insist that the Labor Committee do some real work.

Mr. BARDEN. Is the gentleman fussing with me or is he my friend?

Mr. HOFFMAN. Well, if you do not tell anyone who said it, I will say I am not fussing with you and I am honored to be considered your friend. In my district, where labor is organized, the rank and file pay no attention at all to the so-called leaders. They go along, do their work, pay their taxes and their debts, take care of their families, go to church on Sunday and vote the way they please. The prospect of the Labor Committee going to work next Tuesday is an encouraging one. Let the Speaker assign to us for consideration some of the bills which have been offered. Mr. Chairman, I yield back the balance of my time.

Mr. SHEPPARD. I yield 15 minutes to the gentleman from North Carolina [Mr. BARDEN].

Mr. BARDEN. Mr. Chairman and ladies and gentlemen of the House, I want to discuss for a few minutes a problem confronting this Nation which, I think, is being dealt with in a very inadequate manner. I speak of the food problem. The question is not now one of profit to the farmer; it is a question of food for the Nation.

We may pass orders, rules, and regulations for rationing, but if we have no food the rationing card would provide a rather poor diet. I have just been to the O. P. A. I went down for a conference with Mr. Brown. I have conferred with others in that Department. They are perfectly delightful gentlemen. I do not wish to indict them personally, but I have yet to find a single one of them who can speak the farmer's language or who seems to be familiar with the farmer's problems.

The particular commodity we discussed at the time I called on the Director happened to be Irish potatoes. In one county in my district there are approximately one-half million bags of potatoes produced.

All around this county there are located defense projects. The Department of Labor has been very solicitous of the conditions in those projects, but not one minute's time has been given to trying to solve the problems of the men who are feeding the men who are doing the work.

Up went labor prices. Certainly I am not opposed to improving living standards, living conditions, or increasing wages to a reasonable degree. All my life I have tried to earn more in order that I might be better prepared to take care of my family, and that is the ambition of every honorable man. Yet the wages have gone up until day labor draws, I think now, approximately 80 to 90 cents an hour in some cases. That is all right if the Government wants to pay it, and certainly the man who labors is not to be blamed for trying to get it, but how is a man in that same community going to produce an agricultural commodity with the price fixed on that commodity by the O. P. A. which will not permit him to pay 15 cents an hour? The man who does not have any better sense than to work on one side of the road at 15 cents an hour when he can get 75 cents on the other I doubt has sufficient judgment to be of much use on the farm. To me it is fundamental that if you increase labor cost, then the price of those products of which labor is a part must of necessity be increased in proportion, and that is true whether the product happens to be shoes or potatoes.

Mr. DURHAM. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. I yield to my colleague from North Carolina.

Mr. DURHAM. The gentleman has mentioned the price of potatoes. This morning I received a complaint from a farmer that he is having to pay $6.50 a bag for seed potatoes. Who is receiving that profit?

Mr. BARDEN. I do not know, but if the profit is going to the right crowd my guess is that there will not be one word said or one thing done to correct it. They have fixed the minimum price. In other words, the Government will protect the price at $2.25 per hundred; the maximum price they have fixed at $2.40. Seed potatoes are selling today in my district for $7.50 per bag. On last Saturday evening I bought 4 pounds of potatoes and paid 25 cents for them.

I submitted some prices and figures to Mr. Brown. I am going to tell you the frank, honest truth about this and I challenge any man in this House to deny it: Because some organized minorities in this country have called for cheap food at the farmer's expense, the O. P. A. is willing to gamble with the proposition of having enough food and are willing to use the farmer's labor at less than a living wage in order to gratify the desires and demands of those small minorities.

It is not a question of profit to the farmer; I tell you it is a question of food for this country.

One man who for 10 years has planted 300 acres of potatoes told Mr. Brown:

I have cut my crop to 50 acres because I cannot raise potatoes at the price you have fixed and I am going to sell my seed for eating potatoes.

I sometimes wonder if we are not confronting a more serious shortage of common sense than of labor. The young farmers of America are going into the service and answering the draft call unhesitatingly. They are not calling for exemptions, but by permitting them to go we are losing our best food producers and then trying to substitute rationing for production which has resulted in using thousands of men, many of them young men, to handle the program.

Any man worthy of being called a man is willing to make whatever sacrifice necessary to furnish food and comfort for his family, likewise he should be willing to make any sacrifice necessary for the safety and protection of his country—but I am sorry to say there are still too many people in this country who have their eyes more closely fixed on profits, money, shorter hours, less work and more pay than on the American flag and the boys who are defending it.

The average farmer works from 10 to 14 hours per day. If the other 100,000,000 people in America would work the same number of hours per week as the farmers and their helpers, there would not be any labor shortage. Now let someone deny that. I would like to read here a statement made recently in a speech by Capt. Eddie Rickenbacker:

If 12 men work 10 hours a day instead of 8, they gain 24 hours—a day and a night. If 12,000,000 men work on the same basis, they gain 1,000,000 days and nights.

Assuming 300 work days to a year, the total gain of those men—in 1 day—is 3,333 work years, the equivalent of 3,333 men working 24 hours a day for a year or 10,000 men working 8 hours a day for a year.

Those figures seem unbelievable—but they are true. Figure it out for yourself. Let the men who are walking out of war production plants at the end of 8 hours of work figure it out.

The most valuable weapon we can develop is time—precious hours and days which will speed production of ships and planes and all the munitions of war. That is the biggest advantage which Germany and Japan had over us—the time to prepare for war.

Time is the essence of our victory. That is why the enemy seeks to war on civilians—to destroy production time.

Men who destroy time by refusing to work are equally as effective in their result as a completely successful air raid by the enemy.

The hideous part of our time destruction is that it is being done by men who call themselves loyal Americans. They do not seem to realize that by their very acts they are putting themselves, their families, their liberty, and freedom in peril.

If they can't understand that, then a way must be found to make them understand. We must gain time.

For minutes are lives—they're falling—brave American boys—soldiers, sailors, marines, and aviators—yes; even civilians.

Those men are going to continue to fall, and the sorrow will continue to spread until we do something about it. The longer the war continues, the more boys will fall. That is the story of war. It kills—and kills—and kills.

Can't you see what it all means? Surely we are fighting treacherous, ruthless foes to protect our country, and to preserve our liberty. But every hour of effort, every Defense bond we buy, every bit of material we save, everything we do right now can be measured in lives

Time—what we do now—that is the important thing. Every day we move closer and closer to victory; every hour we save, yes, every minute we cut from the length of the war, means lives—lives of our American boys—boys who will not be killed because the war will have ended.

What further inspiration do we need to do something about it—now?

And yet the farmer is called upon to produce more with less labor, less machinery at more cost to be sold for less than cost of production in many cases. But you can count on him to do his best. He will not be among those who make the newspaper headlines, by walking out of airplane plants, refusing to work over 40 hours per week or 48 hours per week without double pay, and so forth.

Mr. Chairman, it is going to be too late in just a few days, not a few weeks, it is going to be too late.

The Department of Agriculture is not either directing or influencing the prices fixed. I make that statement after some very careful investigations with the Department of Agriculture. They are taking orders, not giving them.

There is being raised quite a hullabaloo about the solution of the farm labor problem. Some propose to solve it by enlisting about 3,000,000, I think they say, farm laborers from the cities, and then they are going to have the high-school boys and girls help end the farmers' labor problems.

I just want to say this to you gentlemen, that the average farmer down in my district just laughs at any such statement. Necessity has forced him to be a practical man. It takes longer to train farm workers than it does electric welders. You cannot go out on the streets and pick up just anybody and make a farm worker out of him. I am inclined to think that even the mules would show resentment against any such practice. They just simply would not know which end of a mule to put a bridle on. The farmers are not going to mortgage their homes and borrow money to put seed in the ground on any such assurance as that.

You have heard the story about the rancher who hired a city boy to herd his sheep. The boy was out until way late in the afternoon, in the evening, and even after dark. Finally he came in with the sheep. He went to the house and reported to the man and said: "I did not have much trouble with the sheep, but those lambs were the worst things I ever tried to drive."

The rancher said, "Lambs? I haven't any lambs."

The boy said, "Well, you've got some now; you come out to the barn and look."

So out he went to see the lambs, and found that the city boy had rounded up nine big jack rabbits along with the sheep. This may be a little extreme, but it is not much of an exaggeration of the type of experience they would have if they tried to work entirely with city labor.

Mr. DURHAM. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. I yield.

Mr. DURHAM. The gentleman was raised as a farm boy; so was I. From the gentleman's remarks I should assume that these people would not know which end of the mule to put the crupper on.

Mr. BARDEN. The gentleman is about right.

The farmers must have not only trained labor, but equipment. I am not here just fussing; I do not want to be just quarreling. I have talked to North Carolina four times in the last 3 days, spent 3 weeks' time, and have already talked twice today trying to get a piece of tractor equipment for a man to finish planting his crop. I know these O. P. A. and W. P. B. folks are confused, but I think it is high time somebody began to talk some farm sense down there in the department. At this point I want to read a letter from one of my farmers and a card from the company he refers to:

NEW BERN, N. C., *February 27, 1943.*

Hon. GRAHAM A. BARDEN,
Washington, D. C.

DEAR SIR: We, the farmers of America, have been called on to produce all the foods and other war essentials possible, which we will gladly do; but we must have the necessary farm equipment.

Since my brother was drafted from the farm in May 1942, I had to sell out my service station and return to the farm.

I received my call and reported to Fort Bragg on December 6, 1942, for medical examination, but rejected, due to physical condition.

In my check-up of farm equipment, my truck was in very bad condition (1931 Model A Ford truck) and my tractor tandem harrow was beyond repair, being purchased in 1920.

After filing an application for purchase of a new tractor harrow and two-horse farm

wagon with the county war board on December 10, 1942, I received a certificate for purchase of harrow and wagon on January 8, 1943.

I contacted the McCormick-Deering dealer here, but he didn't have a harrow or wagon in stock. He called by phone to dealers in Washington, Raleigh, and Charlotte, N. C., but couldn't locate either.

A few days later a salesman informed me that he saw a harrow of my description in Fayetteville, N. C. (130 miles). The next day I drove my car, with farm trailer, to Fayetteville, but the harrow had been sold. On my return, I stopped in every town and all farm-equipment dealers in each town, but no luck.

On February 1, 1943, I received a report that I could buy a wagon in Goldsboro, N. C. (70 miles), but the only wagons there were old Army wagons from World War No. 1, without body. It was very necessary that I get a wagon of some kind, as my only other means of hauling on the farm was with my old 1931 Ford truck; therefore I bought a wagon for $110, without body.

On this same trip I located a tractor harrow, so returned for it the next day.

A few days later I wrote the Hackney Wagon Co., Wilson, N. C., for a wagon body, but received a reply that they were allowed only 25 percent production of their 1940 business. Now lumber is frozen, so I can't buy the necessary lumber to build a wagon body.

Two weeks ago I bought a pair of mules, to make a total of six on my farm, but find it is very difficult to buy harness. Couldn't buy bridles or hames in seven stores in New Bern, so after calling other towns, located bridles in Morehead City (35 miles), and hames in Washington, N. C. (35 miles).

To buy farm equipment is very serious as we get the same answers from all of the dealers: "We have had it ordered from 3 to 6 months," or "the company has gone out of business for the duration."

At this particular time the manufacturers of farm equipment should be forced to make our implements, rather than be cut 75 percent on production.

It is also expensive locating this equipment as I drove my car over 700 miles, and at present it is very necessary that I get a wagon body, and a fertilizer distributor to carry on my farm operations for 1943.

This is a summary of the larger equipment we are in need of, as it would require a book to list the smaller articles that could be necessary in farm operation.

Yours very truly,

JOE D. WILLIAMS.

WILSON, N. C., *February 13, 1943.*

Mr. J. D. WILLIAMS,
New Bern, N. C.

DEAR SIR: We thank you for your inquiry of the 10th, relative to wagon bodies. Am sorry to have to advise that we are not in position at this time to ship a body. Our quota on them is only 25 percent of 1940 business, which isn't anything like enough to fill the orders we have on hand.

Regretting that we cannot supply your needs at this time, we are

Yours truly,

THE HACKNEY WAGON CO., INC.

The farmers are cutting the potato crops; they are going to cut the next crop. The farmer must have equipment; he must have labor. The average man does not stop to think that the fertilizer for 1 acre of potatoes, which is just a little plot of dirt 70 yards square, costs $37.50 and the seed costs $28.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. SHEPPARD. Mr. Chairman, I yield 5 additional minutes to the gentleman from North Carolina.

Mr. BARDEN. According to the 1942 figures of the Department of Agriculture and the experiment station of the State College of North Carolina, in actual tests the results showed that an acre of potatoes at the prevailing price of $1 per bushel, which is only about $1.75 per hundred, and figuring 15 cents an hour for the preparatory work, not counting other labor which amounted to 87 hours on that 1 acre of potatoes, when they sold the potatoes off that acre they had $8.29 with which to pay for 87 hours of labor; yet Mr. Brown, in his statement to me, said he used those figures in arriving at the present price of potatoes.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. Gladly.

Mr. CRAWFORD. In connection with the same type of calculations, what do the county agents show, for instance, in the allowance of wages per man-hour and per mule-hour on the cotton crop in that area, for instance?

Mr. BARDEN. I have the figures here, but I do not want to go into that right now because cotton is going to be considered later.

Mr. CRAWFORD. It will show up in the gentleman's statement then?

Mr. BARDEN. I can do that; I have those figures on cotton.

Mr. BALDWIN of Maryland. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. I yield.

Mr. BALDWIN of Maryland. Has the gentleman ever found a county agent who knew what it did cost?

Mr. BARDEN. Before they made chief clerks out of the county agents I found them to be pretty helpful fellows. For 2 or 3 years they have just made them chief clerks in the office. The policy has been changed this year and they are back in the field doing a good piece of work. I cannot quarrel with them now since they are back in the field, but I have done a great deal of talking about them during the 3 years before they went back to their field work.

Getting back to this price-fixing business, I suggested to the Department of Agriculture, one of the higher-ups, that if it was true, as they contended, that such a large percentage of the crop was needed for lend-lease and so many bushels of potatoes were needed for the armed forces, why did they not estimate the number of bushels they were going to need and contract for them at a fair price? That is the way private business would do it.

Here we are lumbering into this season with no assurance of an adequate supply, hoping that the people will raise enough potatoes and enough other commodities to feed not only our country but the world, yet they say, "No; we must not raise the price of potatoes to $2.50 or $2.75 per hundred, but we want $100,000,000 to subsidize it." That does not make sense to me. If the price of $2.25 and $2.40 is a fair price, then the subsidy is not needed, and if it is not a fair price, why did they fix the price to be $2.25 and $2.40?

What difference does it make if the Government subsidizes the clothes I have on to the extent of $10? I will get the suit temporarily $10 cheaper, but in the long run I will pay back to the Government not only the $10 they paid on my suit but all handling charges, which will amount to almost $10. Now, why do we not go ahead and fix these prices and take into consideration the labor cost? I am going to give you the figures furnished me by the Department showing how they arrived at $2.40 per bag, and in so doing I want to assure you that, in my opinion, the figures are more humorous than informative:

In the case of North Carolina, the pertinent figures are repeated as follows:

	Cents per cwt.
United States parity as estimated for July 1, 1943	$1.92
State-wide farm price differential for North Carolina as compared with United States average	+7
Early commercial farm price differential from State average	−2
Calculated early commercial parity price equivalent	1.97
Calculated normal farm price to f. o. b. price spread	.30
Adjusted farm price to f. o. b. price spread	.43
Calculated f. o. b. price equivalent to 100 percent of parity	2.40

In the case of North Carolina, it is not necessary to adjust the final figure in the smoothing operation.

It would have been much less trouble for them if they had simply added the cost of seed, fertilizer, labor and marketing plus reasonable profit.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SHEPPARD. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. BARDEN. Mr. Chairman, why do we not take into consideration this increased labor cost? What is holding it up? Food is worth or should be to the man who eats it what it cost to produce it. This suit of clothes probably cost $40 and there is not $5 worth of wool in it, but there is $35 worth of labor in it. It would be just as reasonable and just as sensible for me to say that the man who put the $35 worth of labor in this suit should not be paid as it would be to say that the farmer should not be paid for his labor costs in connection with the food he produces.

Mr. Chairman, I am going to make the statement that unless the policy of the O. P. A. price-fixing department on agricultural crops is changed, you are going to have not only rationing but you are going to be hungry. I suggest, Mr. Chairman, that a crime of this type if committed should not be investigated by a congressional committee. It ought to be by a grand jury. It is a crime, and I say right now this is such a serious and dangerous problem that I am unwilling to continue to let a group deal with it who have up to this date shown such a total lack of knowledge about the cost and production of agricultural products.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DITTER. Mr. Chairman, I yield 8 minutes to the gentleman from Indiana [Mr. HARNESS].

Mr. HARNESS of Indiana. Mr. Chairman, I ask the indulgence of the House to add just a bit more testimony to the already overwhelming and convincing

evidence that some of these little bureaucrats in the Department of Agriculture are not only contributing to a food shortage but through some of their orders and directives are actually wasting food in this country.

After mauling the subject about for some 2 weeks more, the Food Distribution Administration has reaffirmed its arbitrary directive that bakeries must not slice bread. This decision was reportedly reached after consultation with the War Production Board and an advisory committee of bakers supposedly representing the interests of the industry.

Thus the effort is made to lend an appearance of justice and necessity to an order which mounting evidence convinces me is wasteful and injurious. And the single valid excuse for the order offered to date is that it is expected to save paraffin and paper, common bread-wrapping materials. No one objects to any saving in waxed paper which may be necessary, but I, like most people, resent the dictatorial abuse of power which attempts to make this saving indirectly by declaring bread slicing at the bakery to be an unlawful act.

American industry has demonstrated time after time its ingenuity in overcoming obstacles, and I am sure that it can find a way to market sliced bread and still make whatever savings are necessary in waxed paper. What difference does it make, and what business is it of these little dictators how the baking industry meets this problem, just so long as it does manage to effect the required saving in waxed paper? If we are still a free people, I insist that the baking industry be permitted to continue slicing bread if it can contrive to do so within reasonable limitations upon the supply of waxed paper.

In the meantime, the evidence grows that this order is sure to waste food and manpower right at a time when we are dangerously short of both. In fact it is as impractical, wasteful, and harmful as was the practice of the Agriculture Department a few years ago in killing pigs and plowing under cotton, corn, and wheat. One statistician estimates that the waste of bread will average at least 500,000 pounds daily. When restaurants, hotels, and institutions start slicing their own bread March 18, it is conservatively estimated the loss in time is going to run at least a half million mandays per year. And all of this loss is forced upon us for no sensible reason by little dictators who go entirely beyond the spirit and intent of the special authority which Congress has granted. These arbitrary men are apparently unaware of, or indifferent to, the loss they are causing. Worse, they apparently cannot realize how seriously these senseless directives shake the people's confidence in the administration and hamper the war effort. Each unnecessary and ridiculous order adds a little to the people's suspicions and jeopardizes the sound and necessary orders which must have wholehearted support if we are to win the war.

I fully intend to take whatever further means I have at my command to force the withdrawal of this order.

Mr. JOHNSON of Oklahoma. Will the gentleman yield?

Mr. HARNESS of Indiana. I yield to the gentleman.

Mr. JOHNSON of Oklahoma. I desire to commend the gentleman on the fight that he is making, a very splendid fight, that is causing Nation-wide attention. I may say to the gentleman that I have letters from several bakers in Oklahoma who state that they have already bought their wax paper a year in advance, that on the paper is marked "Sliced," so instead of helping them to sell their bread at the same price it is actually costing them more money because in many instances they cannot buy additional wax paper. May I also say that a few days ago we had former Senator Brown before our committee here in Congress.

I personally raised this question with him and pointed out how impractical it was, and he assured me it would be given consideration. I am hopeful that this order will be rescinded before March 18.

Mr. HARNESS of Indiana. I am glad to hear the gentleman say that, and I hope he will do something to help us get it rescinded. The gentleman understands that the cost to the baker of slicing bread is practically nothing. The net cost to the baker, as I pointed out here the other day, is about 1 cent per thousand loaves, and it is not claimed that the slicing ban would save anything to the bakers. The only official justification for the order is to save waxed paper. Of course, nobody objects to the saving of waxed paper if we are short of paraffin. But why do they impose the slicing ban because of a shortage of waxed paper. Why do they not leave the problem of wrapping to the industry. Industry has been quite ingenious heretofore in providing substitutes for critical materials.

Mr. JOHNSON of Oklahoma. I agree with the gentleman. In my judgment, the order was issued by the predecessor of Mr. Brown, Mr. Henderson, for the avowed purpose of making somebody war-conscious, as if the people of the United States were not already war-conscious.

Mr. HARNESS of Indiana. The gentleman is in error about who issued the order. The order was issued by the Secretary of Agriculture. It came from the office of Mr. Roy Hendrickson, Chief of the Food Distribution Administration of the Department of Agriculture.

Mr. JOHNSON of Oklahoma. I am told it was on the recommendation of Mr. Henderson.

Mr. HARNESS of Indiana. I hope the Members of the House will use their influence with the Department of Agriculture to get rid of this senseless, ridiculous, and unnecessary order and directive.

Mr. DITTER. Mr. Chairman, I yield such time as he may desire to the gentleman from Indiana [Mr. SPRINGER].

Mr. SPRINGER. Mr. Chairman, at the very outset I desire to state that I intend to support the pending bill, H. R. 2068. This bill makes additional appropriations for the Navy Department and for the naval service. We are engaged in a serious war, and we must win this war. Those in positions of responsibility have determined that the various items contained in this bill are both essential and necessary for the prosecution of this war to victory, and we, who do not have access to that same information, cannot set our personal judgment up against that of the so-called experts on that subject. They have demanded that the various sums of money contained in this bill be secured for the purpose of this war, and they have stated that such additional sums of money are highly necessary now—therefore I will not place my own personal viewpoint against the studied information and considered judgment of those in command.

These are truly serious days in our country. We face tragic days ahead. We will face them as Americans. Whatever may be necessary to win this war—and to win it decisively—the people of this Nation will do. We go forward demanding a complete surrender of the enemies. Nothing short of this will satisfy the people of this Nation. In the end, ours must be an all-out victory—and the peace which must follow most certainly must be a lasting and a permanent peace. That is the wish and the will of all of the people of this Nation.

As these huge appropriation bills come before the House, we are appalled as we read the staggering amounts contained in them. We know—and the generations to come will realize—the tragic cost of this war. That cost is not alone in dollars and cents, but the cost is in the lives and the disabilities suffered by our boys who are at the battle front. The casualty lists are coming in with a startling regularity, and the people—some of them—are thinking seriously of the terrible ravages of this war. May I say that a vast majority of the people are thinking seriously of these tragic losses. They are appalling, and they are frightful. As we view these losses, today, we contemplate the views of some groups in this country who, regardless of this war, and regardless of our serious situation at the moment, would seek to inject the thought of personal gain—who would seek to retain advantages heretofore obtained—who would forget the war, and the victory which must come to us, for the glory of personal aggrandizement. This is not the time to inject personal gains or selfish interests into our governmental policies; this is the time to do whatever may be necessary to win this war—this is the time to forget personal interests and think of national interests; this is the time when all Americans must forget any and every selfish motive and plan, and get behind the war effort with vim and vigor; this is the time when we must fight to retain our country, our form of government,

our libery and freedom, and our opportunity to go forward as free men after this awful carnage is over.

So, Mr. Chairman, whatever the demand may be to win a complete victory in this war—the American people will do it—if it is necessary, and if it will lend aid to a speedy and complete victory. But those things which are not essential to our speedy victory, in this war, should not be demanded of our people. The people are burdened with almost every form of rationing—they have faced the ravages of priorities of every kind—they are facing the payment of taxes of unprecedented proportions—they are buying bonds and they are purchasing stamps—they are contributing to the Red Cross, and every other agency for the relief and entertainment of our soldiers; and they are not complaining. Whatever is necessary for our victory in this war, and for a speedy and complete victory therein, they will do. They want their money spent wisely and judiciously, and they want $1 in value for every dollar that is spent. The people know what is transpiring in this war effort, and they know there is a frightful waste involved in it. They want that waste stopped, and they want all extravagance to come to an end. They want the money they are providing to be used to win this war, and they want the leaks stopped.

So, Mr. Chairman, as we debate this highly important measure, let us not forget the people of this Nation. They are appealing to us to win this war, to stop the waste, to forget selfishness, to go forward as a united people in our all-out effort to save our Nation, and to preserve liberty and freedom forever.

Lest we forget the intimate relations that each one bears to the fighting men at the front—let us stand firm, as a people, resolved to give all, and do all, to win this war; that we will back up our fighting men without any omission; that we will go forward as a united people to accomplish that result. With this resolution on our part we will win this war speedily and decisively, and we will save the United States of America.

Mr. DITTER. Mr. Chairman, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. GAVIN].

Mr. GAVIN. Mr. Chairman, Judge Robert R. Lewis, of Coudersport, Potter County, Pa., has advised me that Potter County is one of the outstanding potato-growing counties of Pennsylvania and has accepted the challenge of the Department of Agriculture to grow more potatoes.

They had a crop last year of more than a million and a half bushels but they are on record to produce two and a half million bushels this year, or a 40-percent increase, providing, they are able to secure through the War Production Board the necessary equipment to do the job which they have been unable to secure, although all of the necessary equipment to increase production is available at the present time.

Time is essential; but the dilatory tactics of bureaucracy are impeding honest American farm efforts to increase our food production.

The American farmer and the American businessman have for the past several years been the test tube for the scientific research theorists who are experimenting on them to discover a formula by which Utopia might be found. Even though they know that we are in the midst of an all-out war with our American boys being sacrificed in the springtime of their lives at Bataan, Corregidor, north Africa, on the high seas, and in the air, bureaucracy continues to issue the directive orders, as they are called, without any thought as to the consequences, the disturbance, and the confusion they might cause the war effort. The only war they know of is the war for social reform.

They try a little of this by directive order and if that does not work on us American guinea pigs, they try a little of that, and if that does not work they go into a huddle between the different boards, divisions, and departments, and they issue another directive order which just about strangles the patient.

Bureaucracy, even with this all-out war, must continue its social reform, even if it kills off the American farmer and businessman and breaks the Nation.

The Congress points out that the laws are clear as to what the departments can or cannot do, but little or no attention has been paid to laws in the last several years because they have been given a free hand and have become so drunk with power that they would try anything; and what is more they get away with it, running hog-wild without any interference in their efforts to remake America and revolutionize the agricultural and industrial life with but one thought, to regiment the farmer and businessman in a planned program they feel would be good for him and the boys when the boys are back from World War No. 2.

It is almost unbelievable; recently I have been attending hearings of the Agricultural Committee, listening to the interrogations and answers, and from the testimony given this whole bureaucratic set-up just does not make sense.

Food, food, and more food to win the war is the cry in Washington. Bureaucracy sat down to figure out a way to confuse and conflict and muddle up the American farmer with directive orders that the farmer, the food packer, the canner, the container manufacturer or anyone else knows what to do or what it is all about with the result that the growing season is almost upon us and in many places under way and the theorists in the Department of Agriculture are still playing around unwilling to cut out the crackpot stuff that is hampering the war effort to produce the food to keep our boys on the fighting fronts and home fronts to do the job of winning the war.

The businessman is crying to the high heavens for relief. He patiently sits around by the hour; he waits and waits, and after several weeks of waiting and going from one department to another some young smart mind tells him he is sorry but it cannot be done. The businessman is enraged; action is what he wants and if any body of men can give him relief it will be the Congress reasserting its prerogatives and restoring the country back into the hands of the people, where it belongs.

Mr. SHEPPARD. Mr. Chairman, I yield 15 minutes to the gentleman from Pennsylvania [Mr. WRIGHT].

Mr. WRIGHT. Mr. Chairman, a visitor to the House of Representatives during the last 2 months would scarcely realize that we are at war. He might have heard statements to that effect in addresses on the floor dropped almost as an afterthought by the Members in their discussion of their more serious concerns. He certainly could not have believed from the discussions that we are in the greatest and most terrible war of our existence—a total war in which the stake is our national life. A war which is being prosecuted by our enemies with a malignance and a desperation which leaves us no choice except a shameful defeat or a complete destruction of their armies. He would think that this Congress, whose function it is to guide the destinies of this great American Republic, had much more important matters before it than the decision as to whether we should live or perish.

In the last 2 months a visitor would have listened day after day to our Representatives bitterly attack the Executive appointees whose duty it is to administer our wartime economy, accusing them of being despotic, impractical, and subversive of our constitutional form of Government. He would have seen the House of Representatives debate for 2 days, while our armies were crashing desperately with the Nazis in North Africa and while the Russians were rolling their gigantic offense against the German line, as to whether or not a Negro who was helping to sell War bonds was formerly affiliated with the Communist Party. He would have listened to speeches about the restrictive effect of O. P. A. regulations upon businessmen, to representatives of farm groups trying to crack the ceiling on food prices and to all the old familiar attacks upon organized labor in which the few slackers were held up as typical of the entire loyal and hard working class, and all the while our young soldiers were facing enemy fire on the far-flung battlefields of the war.

But most of all he would have heard the word bureaucrat and uttered in the same breath the words Communist and crackpot. These names reiterated so often and with so much bitterness that he would think the great battle of the century was not against the Nazis and the Japs but against those public office holders who were appointed by our President. In all these speeches against administrative abuses was a rancor against President Roosevelt which usually satisfied itself with an attack upon his subordinates but which sometimes indeed did not even attempt concealment of its real object. Generally these foes of the President welcomed disaffected Democrats in their ranks and in each measure that was before the House shrewdly appealed to one segment after another in the Democratic Party. They took advantage of the overconfidence and the slackness

which had temporarily overcome the Democrats by reason of their large majorities in the past.

These gentlemen made no attempt to differentiate between the good and bad of the New Deal. Everything that was was wrong. All the legislation which had been studied so patiently and built up with so much effort over the past 10 years must be repealed or drastically curtailed. They refused to appropriate money for the War Manpower Commission. The Government departments, including the War Department, were deprived of the right of free use of the mails. The Post War Planning Commission, headed by the President's uncle, was refused its appropriation. So recklessly did these gentlemen proceed that Senator TAFT, a Republican stalwart, bade them to pause lest they impede the ordinary processes of government.

All this must have been bewildering to this visitor of whom I speak and completely past all understanding unless he should be sufficiently literate in American politics to know and to remember that America again elects a President in November 1944. He should keep in mind while considering the events of the last 2 months that the foes of Roosevelt are also not forgetful of the importance of this election. They are planning now in 1943 the grand strategy of the campaign—that the issue is Democratic bureaucracy, and they do not intend to let a day pass without showing up its shortcomings. If this be remembered, the sound and fury so unintelligible at first then acquires a meaning and a significance. The constant exasperated criticism of minor officials becomes important to him as he understands how all these details fit into the grand campaign of 1944. We learn from our enemies that if a statement, be it true or false, is repeated often enough the people will believe it. It is by this repetition, this constant criticism, these gentlemen hope that the voters of America will lose faith in the Democratic Party and elect a Republican President.

I am wondering all the while about the effect of these tactics upon our national morale and upon the winning of the war. I am wondering whether or not these attempts to cause people to lose faith in the Democratic Party do not go further than perhaps they are intended and shake their faith in the Democratic process. If this be the case then these gentlemen are paying too great a price for political success. I feel certain that every Member of the House is an American before he is a Republican or a Democrat and that every gentleman wishes most earnestly to reach a successful conclusion of this war although at times some of us might lose sight of this objective in the pursuit of less important goals.

I am also perturbed as to the effect of our conduct upon the prestige of our country abroad. This is an age of dictators and, for this reason, we know foreign countries almost entirely by the actions and statements of their leaders. We think of Germany and we inevitably think of Hitler. Russia means Stalin to us, and China, Chiang Kai-shek. Even the democratic countries, England and America, are identified in the public mind chiefly with the figures of Churchill and Roosevelt. Any legislative defeat, therefore, even any campaign of criticism, must cause our allies and enemies both to question whether or not our Commander in Chief has the American people behind him in the prosecution of the war. This fact, perhaps unfortunate, but nevertheless true, has been brought home to me lately in recent conversations which I have had with those from other countries. There is the fear abroad that America will not fight this war through to the finish and will not stick to its avowed task of writing a decent and durable peace. Many of these people feel that there is a latent isolationism in America which might show itself when events are either too bright or too dismal abroad. This suspicion might well injure our effectiveness both in fighting the war and in bargaining at the peace table for our own future security. These debates of ours, however innocent the intent and however small the issue, cannot help but bring satisfaction to our enemies and confusion to our allies.

We have a two-party system in America with all its virtues and disadvantages. I think that in times of peace when we are secure from foreign foes this system provides an admirable vehicle for the expression of public will. We present at election time an issue simply and squarely to the people. Our voters are asked, "Do you like the manner in which you have been governed?" If the answer be "Yes," the same party is returned. If they are dissatisfied then with a great voice they throw the incumbents out. In America we are used to this way of doing things, and the people take our partisanship not too seriously. They realize there are good and bad in both parties and that most of our great figures are merely trying to do a decent job of government.

But we know the situation is different today. Our two-party system of government is facing a tremendous task. In despotic governments there is no place for a difference in policy or even for criticism of the party in power. In warfare such governments concentrate their entire peoples—both civil and military—and their entire economy for the winning of the war. It is with such governments that we are embattled to death and to defeat them we must concentrate our entire economy and the entire efforts of our people. These nations plan secretly and strike swiftly. We must be equally resolute and united. I am afraid that we are facing this war with a divided people. I know we are facing it with a divided House. It is idle to say that we are united in foreign affairs and divided in domestic affairs. In total war there is no distinction between domestic and foreign affairs.

All our wealth, all our manpower, and all our energy must be concentrated upon victory.

This situation places a great responsibility upon both the majority and minority parties. Upon the majority it places the duty of self-criticism and a frequent examination of conscience. I think we in the majority have been remiss in allowing our mushroom bureaucracy to get beyond our control. As we passed from a free economy to a war economy it was inevitable that our administrative staff must rapidly expand. But we as a party must join with sincere elements of the minority to attempt to control its growth and keep it in proportion with our national needs. We must insist, however, that these agencies, even though they may at times perform their work badly, are necessary to our national effort. Our aim should be to correct and not to destroy. If a bureaucrat is a bad servant then let us dismiss him, but we must remember at the same time that another bureaucrat must take his place. We must not, in attempting to prune the branches of our Government, strike at the vital trunk of the tree. This is just one of our obligations to our country.

The minority party has a more difficult responsibility. It must, while properly aspiring for success in the forthcoming election, control its political zeal so that in advancing the cause of its party it do no injury to the Nation. This line is rather fine and hard to draw. It must be drawn, however, if we in the House wish to do our utmost in our legislative duties as our soldiers are doing in a far more dangerous capacity. There are many members of the minority who have constantly tried to do this and I wish to commend them for their patriotism. There are others, however, and I fear that they may be in the ascendancy, who are so politically zealous that they are unmindful of their country's peril and of our great need for unity.

I would profess only a portion of my political faith if I did not testify at this time to my admiration and devotion to the genius and gallantry of our great Commander in Chief, President Roosevelt. I have been a consistent follower of his peacetime policies, except as to a minor few upon which I have been in disagreement. It is not my purpose to discuss these policies today. Many sincere Americans have differed with them. I wish to speak rather of his great leadership in war, of his resoluteness and sagacity. While Hitler shouted his hate by radio from Berchtesgaden and chilled the blood of the world, two brave gentlemen, Mr. Roosevelt and Mr. Churchill, laughed at his pretensions and at his threats. When Japan struck treacherously while our State Department tried to preserve our peaceful relations and by this treacherous blow paralyzed our Pacific Fleet, our leader was not dismayed. Rallying his people behind him, he held our ocean outposts until we could consolidate our defenses and with energy, astuteness, and high bravery has started us on our great offensive which must terminate in the streets of Tokyo. None of our great wartime Presidents have been immune to criticism. Washington, Lincoln, and Wilson all were castigated by certain of their contemporaries, but with the passage of time, after the domestic issues of the day had passed

into insignificance and the cold, appraising eye of history looked in retrospect upon what had gone before, these men have stood out like giants in our national life and their critics' names are unremembered.

I feel confident that in the history of the future our President will be judged of a stature equal to those great men of whom I have spoken.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Arizona.

Mr. MURDOCK. I appreciate what the gentleman has said. It is a logical and timely address. I, too, feel as the gentleman seems to indicate, that although we have had a lot of talk here about adjourning politics, there has nevertheless been a lot of sniping at the administration's conduct of this war. Yes; we have had blundering by governmental agents but I wonder if some of these slaps at so-called bureaucrats are not slaps at the administration for a political purpose.

I recognize the fact, as the gentleman has said, that every great President in wartime has had his critics. In searching American history I find, too, that this body, Congress, has sometimes fiercely opposed the President as, for instance, following the Civil War, Lincoln; following the First World War, Wilson; and now in this war, Roosevelt. It seems during war to be the part of wisdom for the President to lead but when the danger lessens, the Congress wants to reassert itself and possibly with a vengeance.

I call attention to the fact, however, that when the swing of the pendulum came, usually after the war—after victory had been won—all the hate and venom that was the outgrowth of that struggle did not do the country any good. Lincoln was a martyr to it, Wilson was a victim of it, and Roosevelt is an object of it today. I think we would be wise indeed to watch our step to see that our pride and prejudice do not hamper the war effort and thus prevent the total and complete victory which all of us must desire.

I compliment the gentleman on the splendid presentation he has made.

Mr. WRIGHT. I thank the gentleman.

Mr. DITTER. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. SHAFER].

Mr. SHAFER. Mr. Chairman, while a passenger on one of the Capital Transit Co. busses the other day I noticed a woman "breaking in" as an operator. It impressed me. It was symbolic of the way the women of America have come forward to take the places of men in essential industries during this emergency. I use the word "essential" without reservation, but think perhaps a stronger word to express the necessity of the local transit company's activities in Washington's war effort is better described as vital.

One does not need an active imagination to picture what would happen here if the bus and trolley lines were to stop operation for 24 hours. Thousands of Government workers, so necessary to keeping the wheels of the Government turning, hundreds of key men upon whom the boys on our fighting fronts are depending for decisions, for supplies, and matériel, would be stranded. A day's work lost in the War Department, the Navy Department, and the other Government agencies would set back the war effort for days and possibly weeks. The transit lines of this city are the most important home front that I can think of at this moment.

I take this time to point out these things, Mr. Chairman, only because I feel very strongly that everything must be done within our means to encourage the personnel of the local transit company to continue to do a good job. To do that job they must have a peace of mind in the knowledge that there is no doubt that they are in an industry essential to the war effort. They are not going to have that peace of mind if we are going to take "pot shots" at them.

I went to the trouble, after seeing the woman "breaking in" as an operator of a bus, to inquire as to the state of the manpower situation of the local transit company. I did so because I realized that if women are taking the place of men on the city's busses and streetcars, their manpower must be draining off to the armed services..

I found that close to 700 of the Capital Transit Co.'s employees are in the armed services today. These men either enlisted or were drafted. Of the 2,924 employees actually engaged in the operation of the company's streetcars and busses, only a few are under 30 years of age and have been temporarily deferred for occupational or dependency reasons. What concerns me is how this company is going to continue to operate its streetcars and busses if the draft officials continue to take more of their employees, because a few people refuse to understand the seriousness of the situation and what might happen if more of the Capital Transit Co.'s manpower is drained.

I have noticed that the Capital Transit Co. has been advertising in the newspapers for help. I think that company deserves our commendation on the character of this advertising and for its obvious cooperation with the War Manpower Commission in attracting and absorbing into work declared essential those in Washington who are now engaged in an activity nonessential to the war effort. The company offers an opening to those people who are faced with the need of getting into an essential job because of the work-or-fight order. I am assured the Capital Transit Co. is also a great help to the United States Employment Service in placing workers who want to do their share in helping to win this war.

From the information I have been able to obtain, the company is short upward of 600 full-time operators to maintain its schedules. It is attempting to make up this shortage by recruiting full and part-time employees. There are part-time workers, men and women, now in training to make up some of the shortage, but the recruiting program is slow, and training is long. Not everyone who applies is physically able to assume the responsibility for the safety of hundreds of lives entrusted to their care every day, nor have they the other necessary qualifications successfully to handle the war workers who ride the vehicles of the Capital Transit Co. in the morning and evening rush hours.

It seems that almost as fast as the company trains its men the armed forces or other industries take them. This condition should be stopped and stopped immediately. During 1942, the year just ended, the Capital Transit Co. trained 1,171 streetcar and bus operators. Of these 976 were full-time employees and about 195 were part-time employees. The company is using part-time employees during the rush hours to supplement its regular service. Part-time work should appeal to Government employees in Washington who find themselves with nothing to do after, or just before, they start their regular work. Government employees who so desire can get themselves jobs driving streetcars and busses during their off hours and not only supplement their present incomes but also further aid the war effort. It is not too hard, and, as I understand it, they are paid while they are in training.

In the last year the Capital Transit Co. lost as many men as it trained. This is a terrific turn-over. Local transportation has been declared by the National Selective Service System to be an essential industry. Last September it issued Occupational Bulletin 21, stating that the one-man streetcar and bus operators in highly congested defense areas where local transportation facilities are overtaxed should be given consideration by local draft boards. In asking for deferment for some of its employees the Capital Transit Co., I have been assured, did not ask for preferential treatment, but merely called the attention of the local draft boards to the essentiality of its service already mentioned by the occupational bulletin issued by the Selective Service System.

For the past year, from the information I obtained from the company, it has not hired, nor is it willing to hire now, any man whose status in the draft subjects him to being called into service. It hires only men in 3–A or higher classifications for streetcar or bus operators, or other deferrable jobs. It costs several hundred dollars to train each man and it would be poor business to train men who may go into the Army.

Of the 2,900 operators the company now has, approximately 1,500 are within the age group and within the dependency group of those having wives, children, and others dependent on them for support that would make them likely to be called into service ultimately. Five hundred of these are likely to be called into the service in the near future. These 500 individuals are between the ages of 21 and 38 and are single, with collateral dependents only, or married and have no children. Of the remaining number, approximately 1,000 are married and have

children. About 1,400 others are over the age of 38 years.

I submit, Mr. Chairman, that the Capital Transit Co. needs the encouragement and the cooperation of all Members of this House. As Representatives of the people, we should be alive to the grave manpower shortage that now confronts the Capital Transit Co., and render it every possible assistance. At the present time I learn from operating officials of the company there are between 100 and 150 streetcars and busses left standing in the barns and in bus garages each morning because of the lack of operators to take them on the streets. That is one of the principal reasons for the crowded conditions on the streetcars and busses during rush hours. Are we going to stand by and permit this condition to exist without rendering aid when every piece of available equipment is needed to carry the war workers to and from their jobs? We should all help the transit company to obtain, or at least retain those employees that they have, and none of us should sabotage their effort to provide the city of Washington with adequate transportation facilities.

It requires at least 4 weeks to train a man or a woman to operate a streetcar or bus, all things being equal. They must pass a physical examination and be so constituted that they can deal with the public. The company must necessarily be careful in its selection of employees. It cannot take everyone. After employees have completed their training they are made fully responsible for the carrying of hundreds of people daily. They have our lives and their lives in their hands at all hours of the day and night. The employees of the transit company carry more than 1,250,000 people every day within the District and surrounding suburbs.

Mr. Chairman, for your information, I would like to present these few mathematical facts which I have been able to gather so that you may have something to think about and, perhaps, something more to worry about.

At the end of last year the Capital Transit Co. had approximately 2,924 full- and part-time employees engaged in the operation of streetcars and busses. Of this number there are approximately 1,500 full-time operators available for service under the Selective Service Act. If these men go into the armed services the company will be short more than one-half of its full-time streetcar and bus operators. Think of what that will mean to Washington, with no available replacements.

Let me impress you with the importance of our local transit service as it has impressed me. Let us not depress those employees now in the service of the local transit company with "scare" headlines about the transit company not being essential to the war effort, or scare individual employees by pointing them out as being individuals who should be in the armed services. Let us help local transit officials where we can to retain those employees they now have and recruit others from those Government employees who now have the time to work part time as streetcar and bus operators.

Mr. DITTER. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. BENDER].

Mr. BENDER. Mr. Chairman, I trust that many Members of the House will find time to read the February issue of Factory Management and Maintenance on How to Reduce Absenteeism. This article is a case history of how absenteeism was reduced by more than half in 9 weeks' time through the free cooperation of labor and management in a single plant.

It was found that the causes of absenteeism among women workers were fatigue, poor housing, lack of time to do shopping, visiting back home with their families, and sickness.

Better health facilities were provided, a recreational center was established, full information on absenteeism in each department was made public. Rivalry among plant departments and plant divisions was employed to reduce absenteeism, and every effort was made to bring home to the workers and to management the critical importance of the work being done in the plant.

In 9 weeks absenteeism was reduced by more than half.

This experience demonstrates the intelligent way to reduce absenteeism by removing its causes with the cooperation of management and labor.

Mr. DITTER. Mr. Chairman, I have no further requests for time.

Mr. SHEPPARD. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read to the bottom of page 1.

Mr. SHEPPARD. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and Mr. RAMSPECK having assumed the chair as Speaker pro tempore, Mr. BULWINKLE, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration the bill H. R. 2068, and had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. MICHENER. Mr. Speaker, I ask unanimous consent that my colleague from New York [Mr. BALDWIN] may extend his remarks in the RECORD and include a statement issued by the National League of Women Voters.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. SHEPPARD. Mr. Speaker, I ask unanimous consent that the gentleman from West Virginia [Mr. RANDOLPH] have permission to include in his remarks made today a speech made on February 11.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. SHEPPARD. Also, Mr. Speaker, I ask unanimous consent that the gentleman from Georgia [Mr. RAMSPECK] be permitted to extend his remarks made this afternoon and include two newspaper articles.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. COMPTON. Mr. Speaker, I ask unanimous consent to extend and revise my remarks and include an editorial from the New Haven Register.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. SHAFER. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Michigan [Mr. BRADLEY] be permitted to extend his remarks and include an address by Col. Robert R. McCormick on The Fate of the Republic.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent to extend my remarks and include a radio address delivered by me over the National Broadcasting Co. February 26, 1943.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a statement by Mr. A. G. Cox, of the University of Texas, on the subject The Cotton Surplus, a Fact or Fancy.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. LAMBERTSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. SMITH of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my own remarks and include an excerpt from an editorial.

The SPEAKER pro tempore Is there objection?

There was no objection

Mr CARLSON of Kansas. Mr. Speaker, I ask unanimous consent to extend my remarks and include an article appearing in the Evening Bulletin of Philadelphia entitled "The Ruml Plan in Canada."

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. BENDER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include an article.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I ask unanimous consent that my colleague [Mr. BOREN] may have permission to extend his remarks in the RECORD.

The SPEAKER pro tempore. Is there objection?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. HARE, for Friday, March 5, on account of important business.

To Mr. McGREGOR (at the request of Mr. BROWN of Ohio), indefinitely, on account of illness.

To Mr. MILLER of Nebraska, for 1 week, commencing March 5, on account of official business.

ADJOURNMENT

Mr. SHEPPARD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 57 minutes p. m.) the House adjourned until tomorrow, Friday, March 5, 1943, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON RIVERS AND HARBORS

The Committee on Rivers and Harbors will meet Tuesday, March 9, 1943, at 10:30 a. m., to begin hearings on H. R. 1880, a bill providing for the construction of a ship canal across the State of New Jersey, connecting New York Bay with the Delaware River, and forming the last link in the Intracoastal Waterway from Boston to the Mexican border.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the subcommittee on bridges of the Committee on Interstate and Foreign Commerce, at 10 a. m., Tuesday, March 9, 1943.

Business to be considered: Public hearing on H. R. 877, to authorize the charging of tolls for the passage or transit of Government traffic over the Golden Gate Bridge.

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m. Tuesday, March 16, 1943.

Business to be considered: Public hearing on H. R. 149.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

You are hereby advised that the hearing on H. R. 134, to provide for the suspension, during the war, of operating-differential subsidy agreements, and attendant benefits, under title VI of the Merchant Marine Act, 1936, as amended, and for other purposes, which was previously scheduled for Thursday, March 4, 1943, has been postponed until Thursday, March 11, 1943, at 10 a. m.

The committee will also hold a public hearing on Thursday, March 18, 1943, at 10 a. m., on H. R. 1361 (Mr. LANE) and H. R. 1409 (Mr. FOGARTY), conferring upon men in the merchant marine the same rights, privileges, and benefits accruing to those serving in the armed forces, and on H. R. 1858, to confer the same rights, privileges, and benefits upon members of the United States merchant marine who served during the World War as are conferred upon members of the armed forces of the United States who served during such war.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

219. A letter from the Archivist of the United States, transmitting lists of papers recommended to him for disposal by certain agencies of the Federal Government; to the Committee on the Disposition of Executive Papers.

220. A letter from the secretary of the American Chemical Society, transmitting the annual report of the American Chemical Society for the calendar year 1942; to the Committee on the Judiciary.

221. A letter from the Secretary of the Interior transmitting a draft of a proposed bill to authorize the Secretary of the Interior to exchange certain lands within the Navajo Indian Reservation, Ariz.; to the Committee on Indian Affairs.

222. A letter from the Secretary of the Interior transmitting a draft of a proposed bill which would extend the date set forth in the act of June 4, 1920 (41 Stat. 755), for repayment to the Crow Indian Tribe of the revolving fund established by that act, and would authorize an increase in the amount of the fund; to the Committee on Indian Affairs.

223. A letter from the Acting Secretary of the Navy transmitting a draft of a proposed bill to authorize certain officers of the Navy, Marine Corps, and Coast Guard to act as notaries public during the existence of war or a national emergency and 6 months thereafter; to the Committee on Naval Affairs.

224. A letter from the Secretary of the Interior, transmitting a draft of a proposed bill to authorize travel on ships at next higher available first-class rate when accommodations at the lowest first-class rate are not available; to the Committee on Expenditures in the Executive Departments.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FULMER: Committee on Agriculture. S. 660. A bill to prevent certain deductions in determining parity or comparable prices of agricultural commodities, and for other purposes; without amendment (Rept. No. 208). Referred to the Committee of the Whole House on the state of the Union.

Mr. FULMER: Committee on Agriculture. House Joint Resolution 83. Resolution to permit additional sales of wheat for feed; with an amendment (Rept. No. 209). Referred to the Committee on the Whole House on the state of the Union.

Mr. ALLEN of Louisiana: Committee on Immigration and Naturalization. H. R. 2076. A bill to authorize the deportation of aliens to countries allied with the United States; without amendment (Rept. No. 211). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MILLER of Missouri: Committee on Claims. H. R. 1463. A bill for the relief of Florence B. Hutchinson; with an amendment (Rept. No. 210). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GALE:

H. R. 2077. A bill to extend the times for commencing and completing the construction of a bridge across the St. Croix River at or near Hudson, Wis.; to the Committee on Interstate and Foreign Commerce.

By Mr. HOWELL:

H. R. 2078. A bill to amend paragraph (1) of section 2 of the Securities Act of 1933, as amended, relating to the definition of the term "security" contained therein; to the Committee on Interstate and Foreign Commerce.

By Mr. McMILLAN:

H. R. 2079. A bill to provide Spanish War veterans wartime pension rates for service-connected disability or death of certain veterans of the Spanish-American War recognized by Veterans Regulations as "veterans of any war," and for other purposes; to the Committee on Pensions.

By Mr. COLE of Missouri:

H. R. 2080. A bill to provide temporary additional pay for equipment maintenance for each carrier in Rural Mail Delivery Service; to the Committee on the Post Office and Post Roads.

By Mr. MAGNUSON:

H. R. 2081. A bill to amend the National Service Life Insurance Act of 1940, as amended, so as to make insurance under such act available to merchant seamen; to the Committee on Ways and Means.

By Mr. BRYSON:

H. R. 2082. A bill to reduce absenteeism, conserve manpower and speed production of materials necessary for the winning of the war; to the Committee on the Judiciary.

By Mr. SPENCE:

H. R. 2083. A bill to amend title IV of the National Housing Act, and for other purposes; to the Committee on Banking and Currency.

By Mr. HAGEN:

H. R. 2084. A bill to extend the status of veterans of the World War to persons enrolled or enlisted and serving on United States Shipping Board vessels during the World War in war zones; to the Committee on Naval Affairs.

By Mr. PITTENGER:

H. R. 2085. A bill to provide for the disposition of tribal funds of the Minnesota Chippewa Tribe of Indians; to the Committee on Indian Affairs.

H. R. 2086. A bill to authorize refunding to the Chippewa Indians of Minnesota certain moneys heretofore appropriated and expended out of the principal funds of said Indians; to the Committee on Indian Affairs.

By Mr. SUMNERS of Texas:

H. R. 2087. A bill to provide for the punishment of certain hostile acts against the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. MARCANTONIO:

H. Res. 147. Resolution requesting Henry Jensen, Tom Fitzsimmons, and John Adams Carpenter to address a joint session of the Congress; to the Committee on Rules.

By Mrs. NORTON:

H. Res. 148. Resolution authorizing the Labor Committee to investigate labor conditions, labor and employer practices, and for other purposes; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of North Dakota, memorializing the President and the Congress of the United States to pass legislation relative to the cancelation of seed and feed loans prior to 1937; to the Committee on Agriculture.

Also, memorial of the Legislature of the State of Oregon, memorializing the President and the Congress of the United States to take steps in regard to milk shortage; to the Committee on Banking and Currency.

Also, memorial of the Legislature of the Territory of Puerto Rico, memorializing the President and the Congress of the United States to end the colonial system of govern-

ment and to decide democratically the permanent political status of Puerto Rico; to the Committee on Insular Affairs.

Also, memorial of the Legislature of the Territory of Puerto Rico, declaring to the President and the Congress of the United States that the majority of the people of Puerto Rico have and do support Guy Tugwell; to the Committee on Insular Affairs.

Also, memorial of the Legislature of the State of Utah, memorializing the President and the Congress of the United States to pass legislation relative to social security to all, including the military forces of our country; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Utah, memorializing the President and the Congress of the United States to investigate all activities and practices of the Rent Section of the Office of Price Administration; to the Committee on Banking and Currency.

Also, memorial of the Legislature of the State of Wyoming, memorializing the President and the Congress of the United States to enact legislation relating to reviews by United States district courts of decisions by Federal boards, commissions, and other agencies; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BATES of Kentucky:

H. R. 2088. A bill for the relief of John Rhoden; to the Committee on Claims.

By Mr. COFFEE:

H. R. 2089. A bill for the relief of Jennie Walker; to the Committee on Claims.

By Mr. LAMBERTSON:

H. R. 2090. A bill for the relief of C. N. Bunds, of Winchester, Kans., by reason of certain claims arising within the World War period; to the Committee on War Claims.

By Mr. LANE:

H. R. 2091. A bill for the relief of Mrs. Gladys M. Greenleaf and the estate of Ralph Alton Greenleaf, deceased; to the Committee on Claims.

By Mr. McMILLAN:

H. R. 2092. A bill granting an increase of pension to William E. McIntosh; to the Committee on Pensions.

By Mr. WELCH:

H. R. 2093. A bill for the relief of Ray L. Smith; to the Committee on Claims.

By Mr. WRIGHT:

H. R. 2094. A bill for the relief of Peter M Roune; to the Committee on Claims.

By Mr. JEFFREY:

H. R. 2095. A bill for the relief of Robert Stewart; to the Committee on Military Affairs.

By Mr. MILLER of Connecticut:

H. R. 2096. A bill for the relief of Dominick LeRose; to the Committee on World War Veterans' Legislation.

By Mr. WOODRUM of Virginia:

H. R. 2097. A bill for the relief of W. J. Cox; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

219. By Mr. ANDREWS of New York: Resolutions passed by the Greater Buffalo Associated Meat Industry, having to do with price ceilings and black-marketing conditions in the meat industry; to the Committee on Banking and Currency.

220. By Miss STANLEY: Petition of residents of the Bronx, N. Y., urging Congress (1) to appropriate adequate funds for Office of Price Administration enforcement of price-control regulations; (2) to subsidize the production of basic commodities whose costs are increased by the war, so that the price ceilings will remain stable, (3) to restore and extend the food-stamp plan for needy families, so that a well-nourished America may produce for victory at peak strength; to the Committee on Banking and Currency.

221. By the SPEAKER: Petition of Francis Jean Reuter, specialist in management and statistical control, petitioning consideration of a resolution with reference to United States Army Air Corps against Francis Jean Reuter; to the Committee on the Judiciary.

SENATE

FRIDAY, MARCH 5, 1943

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O God, our shelter from the stormy blast and our eternal home, in the stillness may we grow more sure of Thee. If for any of us duty has lost its high solemnity, if the fires of devotion and a sense of the unseen have burned to faint embers because altar fires have been untended, kindle a flame of sacred love in these cold hearts of ours. If the peril that walketh at life's noonday has spoiled the splendor of ideals that once lured us to far horizons, if our fairest dreams have turned to dust, if tinted morning glories have faded with the scorching rays of the ascending sun, may our jaded souls be restored; may we find at the renewing altar of Thy mercy oil of joy for sadness and beauty for ashes. So may our thought grow reverent again, so may the trivial round be transfigured with an inner light as, with common bushes on fire with Thee, daily duties become sacraments of service and love. We ask it through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, March 2, 1943, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, who also announced that the President had approved and signed the following acts:

On February 26, 1943:

S. 304. An act for the relief of Capt. Richard Rothwell, United States Marine Corps;

S. 305. An act for the relief of Master Gunnery Sgt. Eugene M. Martin, United States Marine Corps;

S. 306. An act to provide for the reimbursement of certain Navy personnel for personal property lost as a result of the disaster at the East Base, Antarctica, on March 21, 1941; and

S. 418. An act for the relief of Howard M. Sandus.

On March 1, 1943:

S. 167. An act for the relief of Charles F. Negel.

On March 2, 1943:

S. 493. An act for the relief of Emiliano Lopez and Eliza R. Lopez; and

S. 707. An act to provide for the appointment of an additional Assistant Attorney General.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Megill, one of its clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 839) to amend the act approved May 27, 1937 (ch. 269, 50 Stat. 208), by providing substitute and additional authority for the prevention of speculation in lands of the Columbia Basin project, and substitute and additional authority related to the settlement and development of the project, and for other purposes.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 621. An act to authorize the Secretary of the Navy to grant to the city of San Diego for street purposes a parcel of land situated in the city of San Diego and State of California; and

S. 739. An act to amend the act entitled "An act to authorize the attendance of personnel of the Army of the United States as students at educational institutions and other places."

DEATH OF FORMER SENATOR FRANK C. PARTRIDGE, OF VERMONT

Mr. AUSTIN. Mr. President, Hon. Frank C. Partridge, of Proctor, Vt., passed away on March 2 after a brief illness.

The American public, including the Congress of the United States, has suffered a loss by the termination of the life of this great public servant.

He was a Senator of the United States in 1930–31. He was my predecessor.

His long and distinguished public service included his being secretary to the Secretary of War, Solicitor of the Department of State, Minister to Venezuela, consul general at Tangier, member of the Vermont State Senate, chairman commission to propose amendments to the Vermont constitution; he rewrote consular regulations; was appointed umpire British-Venezuela Claims Commission and Netherlands-Venezuela Claims Commission, but was unable to serve; was delegate of the United States to the Fifth Pan American Conference at Santiago, Chile, member executive council, American Society of International Law, member New England Council, president Vermont Flood Credit Corporation.

Vermont holds his memory in highest esteem. He was president for many years of one of the basic industries of our State, the Vermont Marble Co., and at the time of his death was chairman of the board of the Vermont Marble Co., as well as a senior director of the National Life Insurance Co.

He was an active supporter of our churches, colleges, schools, and eleemosynary institutions, and was an inspiring example of good citizenship.

He was a man of high ideals, and he had the courage to fight for them. His memory will be kept fresh by the enduring effect of his good life and works.

We share with his family and his intimate friends a great sorrow, and we extend to them our deep sympathy.

TRIBUTE TO SENATOR TRUMAN AND THE WORK OF THE TRUMAN COMMITTEE

Mr. HILL. Mr. President, Shakespeare tells us—

> The evil that men do lives after them;
> The good is oft interred with their bones.

Let us take a leaf from the great bard's book and reverse the thought of that quotation. Let us give praise to the living where praise is due.

One of our distinguished colleagues has been greatly instrumental in performing one of the most valuable services to the Government and the country, in that he suggested and has personally led a committee that has contributed mightily toward keeping our National Government house in good order. In the expenditure of billions of dollars under the most careful supervision there might be some misappropriation of funds; there might be some wanton use of money; there might be some unnecessary waste; but, through the instrumentalities of the Truman committee, headed by the able and distinguished junior Senator from Missouri [Mr. TRUMAN], there has been a vigilance over the activities of all branches of the Government that has assured honesty in Government.

In the last issue of Time magazine the Truman committee is credited with the saving of $1,000,000,000 and our able colleague, Senator TRUMAN, has been designated as "a billion-dollar watchdog." The committee, in its own activities, has practiced what it has preached in watching governmental expenditures, as its own expenditures have been most economical.

In paying tribute to the distinguished chairman of the committee there should not be overlooked the devoted service of the other members of the committee who have assisted the chairman in bringing about its notable work. The committee, which is officially known as the Special Committee to Investigate the National Defense Program, is composed of the following Senators:

The Senator from Missouri [Mr. TRUMAN], the Senator from Texas [Mr. CONNALLY], the Senator from New York [Mr. MEAD], the Senator from Washington [Mr. WALLGREN], the Senator from New Mexico [Mr. HATCH], the Senator from West Virginia [Mr. KILGORE], the Senator from Maine [Mr. BREWSTER], the Senator from Ohio [Mr. BURTON], the Senator from Minnesota [Mr. BALL], and the Senator from Michigan [Mr. FERGUSON].

I offer for the RECORD an article from the March 8 issue of Time magazine, and I join in statement that the Senator from Missouri [Mr. TRUMAN] is "a happy crusader and a billion-dollar watchdog." I ask that the article from Time magazine be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BILLION-DOLLAR WATCHDOG

Anywhere but in a democracy, the Senate's irreverent Truman committee would be fair game for liquidation. In a perfect state, free from butterfingers and human frailty, it would be unnecessary. In the United States, democratic but far from perfect, the Truman committee this week celebrated its second successful birthday as one of the most useful Government agencies of World War No. 2.

Had they had time, its 10 members might have toasted their accomplishments all night. They had served as watchdog, spotlight, conscience, and sparkplug to the economic war-behind-the-lines. They had prodded Commerce Secretary Jesse Jones into building synthetic-rubber plants, bludgeoned the President into killing off doddering old Supply Priorities and Allocations Board and setting up War Production Board.

They had called the turn on raw-materials shortages, had laid down the facts of the rubber famine 4 months before the famed Baruch report. One single investigation, of graft and waste in Army camp building, had saved the United States $250,000,000 (according to the Army's own Lt. Gen. Brehon B. Somervell). Their total savings ran into billions, partly because of what their agents had ferreted out in the sprawling war program, partly because their hooting curiosity was a great deterrent to waste.

The Truman committee was too busy to celebrate. In its sixteenth month of war, the United States had still not digested some of war's first readers. The first annual Truman report, with its shocking evidence of all-around bungling (Time, January 26, 1942), had not spelled the end of bungling. This week the committee worked on its second annual report, which would have to recite much the same story, chastise many of the same men, pose some of the same old problems. How big should the Army be? How could the manpower tangle be solved? Where would the Nation get its food this year? What was wrong with War Production Board?

Over these basic questions, which the Truman committee, on behalf of all American citizens, had hoped would be solved 2 years ago, the committee still sweated, glowed, and tried to shed light.

CLOSEST THING YET

The bigger the United States arsenal grew, the more important the Truman committee became. As the arsenal turned into a modern-day great pyramid, most Washington officials still lugged just one stone, and many carried it in the wrong direction.

The closest thing yet to a domestic high command was the Truman committee. Its members had no power to act or order. But, using Congress' old prerogative to look, criticize, and recommend, they had focused the strength of public opinion on the men who had the power. They had a fund of only $200,000 (some still unspent) only 12 investigators, 18 clerks and stenographers. But it was an obscure war plant that had never been visited by the committee. Its members had heard hundreds of witnesses, taken 4,000,000 words of testimony. With battle-royal impartiality, they had given thick ears and red faces to Cabinet members, war agency heads, generals, admirals, big businessmen, little businessmen, labor leaders.

In wartime, even more than in peace, a democracy must keep an eye on itself. This eye the Truman committee has kept unblinkingly and, by and large, well. It has made mistakes. Some of its data have been gathered too quickly, then reduced to generalities that glittered without illuminating. Its members, including Chairman HARRY S. TRUMAN, have sometimes failed to look before they leaped to conclusions. But it has never strayed too far off the beam, nor stayed there too long.

Said one Washingtonian last week: "There's only one thing that worries me more than the present state of the war effort. That's to think what it would be like by now without TRUMAN." For a congressional committee to be considered the first line of defense—especially in a nation which does not tend to admire its Representatives, in Congress assembled—is encouraging to believers in democracy. So is the sudden emergence of HARRY TRUMAN, whose presence in the Senate is a queer accident of democracy, as the committee's energetic generalissimo.

MAKING OF A SENATOR

Neat, grey HARRY SHIPPE TRUMAN was sworn in as Senator from Missouri in 1934. The only men seen to smile during the ceremony were two husky lieutenants of Boss Tom Pendergast's notorious Kansas City Democratic machine, who sat beaming in the gallery.

In a perfect democracy, free from bosses, string-pulling and finagling at the polls, HARRY TRUMAN would probably never have reached Washington. He was Tom Pendergast's hand-picked candidate, yanked out of obscurity so deep that few Missouri voters had ever heard of him. He was nominated, over two more deserving candidates, largely by a vast plurality rolled up in Boss Pendergast's Jackson County, whose registration lists were loaded with dead men and men who had never lived. Thanks to the Boss's great power and the New Deal's 1934 popularity, his election was then automatic.

No one yet knows exactly why Boss Pendergast picked TRUMAN for the Senate. One theory: the Boss was in the whimsical mood of a socialite sneaking a pet Pekingnese into the social register. A better theory: the Boss was impressed by the midwestern adage that every manure pile should sprout one rose—he saw in TRUMAN a personally honest, courageous man whose respectability would disguise the odors of the Pendergast mob. Certainly TRUMAN was no statesman in 1934. Neither had he ever been touched by scandal.

MAKING OF A MAN

TRUMAN grew up on a Jackson County farm 15 miles from Kansas City. He tried for West Point, was rejected for one weak eye, gave up the thought of college and went to work instead. He dusted bottles in a drugstore, wrapped papers for the Kansas City Star, clerked in Kansas City banks. Five years out of high school he was droning along at $100 a month and ready to go back to his father's farm for good.

World War No. 1 pulled him off the farm again. He went to France a lieutenant, became captain of the One Hundred and Twenty-nineth Field Artillery's rough-and-tumble Battery D. He was shy, reserved, wore big shell-rimmed glasses; to his pugnacious Irish privates he looked like something of a milquetoast.

At the start he was perhaps the most unpopular captain in France. But he led his men doggedly through St. Mihiel and the Argonne, spiked a panic when German artillery once drew a bead on his battery, lost only one soldier killed and one wounded, was promoted to major. On the ship back from France his men took a cut out of all crap games, bought him a monstrous loving cup four feet high and big enough to hold ten gallons.

The war, brightest spot in TRUMAN's pre-Senate record, was soon followed by the saddest. With a soldier buddy and $15,000 saved and borrowed, he opened a haberdashery on Kansas City's sporty Twelfth Street, roamed behind the counters selling socks, neckties and garters. In 12 months the store went broke, with debts it took years to pay off.

At 37, HARRY TRUMAN, bottle duster, bank clerk, and would-be haberdasher, was bogged deep in failure. All he had to show for his career was an old army uniform and a loving cup too ostentatious to keep on the mantel.

ERRAND BOY

Most United States political machines, however disreputable, have two saving graces to their credit: (1) they are close enough to the people to know basic human desires, tragedies, and needs; (2) their bosses, earthy

and disillusioned men, have sometimes found talent where more snobbish souls would never have thought to look. In 1921, with his haberdashery under the hammer and black days ahead, TRUMAN looked up some old servicemen friends in the Pendergast organization. TRUMAN was a veteran, a farmer, a Mason, a Democrat from three generations back; he had friends all over Jackson County. The machine made him road overseer, then county judge (an administrative post), finally United States Senator.

TRUMAN was no ball of fire in his first term. He sat meekly in the freshman row, blinked when critics called him Pendergast's "errand boy," was second only to Pennsylvania's JOSEPH GUFFEY, whose vote for New Deal measures was pure automatic reflex, in unswerving support of administration policies.

On BURT WHEELER'S Interstate Commerce Committee he showed unexpected talents as an investigator of railroad high shenanigans. (He and canny BURT WHEELER are still good friends, despite their schism on foreign policy.) But this was too esoteric an assignment to impress many voters back home. They saw him chiefly in another light.

A young United States attorney named Maurice M. Milligan was cleaning up Kansas City, sending one Pendergast henchman after another to jail for vote frauds, getting closer and closer to the big boss himself. When Milligan came up for reappointment, TRUMAN did his best to ease him out; made one of the bitterest speeches ever heard on the Senate floor. Milligan got the reappointment anyway, promptly sent Pendergast to prison for evading income taxes on some of his slush money. TRUMAN shouted: "Purely political. * * * I won't desert a ship in distress."

MAN WITH ERRAND

In a perfect democracy, run without hitch, TRUMAN would never have been returned to the Senate in 1940. A majority of Missouri Democrats, in full revolt against the machine, opposed him in the primary. But attorney Milligan and ex-Gov. Lloyd Crow Stark split the opposition vote, and TRUMAN slipped in with an 8,000-vote plurality. For a Nation whose administration, Army, and war contractors are not perfect either, it has turned out to be a good thing.

The Senate Committee Investigating National Defense was TRUMAN'S own idea. As county judge he had awarded $60,000,000 in contracts; he knew how hard it had been to get honest performance. Up rose the Senator to demand that Congress keep an eye on war expenditures: he had never yet found a contractor who, left unwatched, "wouldn't leave the Government holding the bag."

At first nobody took the Truman committee seriously. The Senate gave him $15,000 (about as much as the Dies committee spends every 7 weeks) and a group of colleagues chosen mostly from junior Senators, such as Minnesota's young JOSEPH BALL, Washington's first-terming MON C. WALLGREN, New York's busy JAMES M. MEAD. Also on the committee went cagey old TOM CONNALLY, of Texas, to see that the juniors kept their heads. For its first assignment, the committee chose a modest chore: delving into the more flagrant charges of graft in camp and war-plant construction, plugging some of the more open sewers down which Government money drained.

But TRUMAN had bigger ideas. In selecting the committee's chief counsel, he rejected all political recommendations, went instead to Attorney General (now Justice) Robert H. Jackson for advice. Thus he got a top-flight investigator, rotund, brilliant, young Hugh Fulton, a Justice Department prosecutor who had sent Howard C. Hopson, head of Associated Gas & Electric Corporation, to prison.

TRUMAN'S junior Senators, hungry for tough assignments, went to work with a will. HARRY TRUMAN, a shrewd politician, a maker of friends, a great man for shooting trouble, always kept his committee happy and on the ball. It got more money, branched out, found itself deep in every phase of the war. Today few committees, and few men, wield such power.

DISAPPOINTED WARRIOR

HARRY TRUMAN would rather be fighting the war than policing it. At 58 he still goes solemnly through his setting up exercises every morning, can still get into his World War No. 1 uniform. In 1939, like any old soldier, he dug out his old artillery maps, hung them on his office wall to help follow the fighting. He applied for active duty after Pearl Harbor, still likes to think the Army was wrong to say no. When Senate Office Building janitors began marking off air-raid shelters, he fetched his two rusty World War No. 1 helmets to his office, announced that he was ready to serve as warden. No planes came over Washington, so he finally stacked the helmets in his office fireplace and redoubled his efforts on the committee.

To a man once called errand boy, those efforts have produced gratifying results. The St. Louis Post-Dispatch, which once threw at him everything its angry editors thought fit to print, recently called him "one of the most useful and at the same time one of the most forthright and fearless" of today's Senators. In Kansas City he was feted by the Chamber of Commerce, which once fought him tooth and nail. A naturally shy and self-effacing man, HARRY TRUMAN brushes off the praise; instead of speaking himself in Kansas City, he introduced the members of his committee, let them talk. But even a perfect Democrat could not have helped being pleased.

HAPPY CRUSADER

TRUMAN is still a politician, would be loyal to the Pendergast machine today if it still existed. "Tom Pendergast never asked me to do a dishonest deed," he says. "He knew I wouldn't do it if he had asked me. He was always my friend. He was always honest with me, and when he made a promise he kept it. I wouldn't kick a friend when he was down."

But HARRY TRUMAN has many another quality not usually associated with machine politicians. He is scrupulously honest; when a magazine paid him $750 for an article on his committee he added the money to the committee's funds. His only vices are small-stakes poker, an occasional drink of bourbon.

As committee chairman he is a man with a crusade; he says, "The goal of every man on the committee is to promote the war effort to the limit of efficiency and exertion. It doesn't do any good to go around digging up dead horses after the war is over, like the last time. The thing to do is dig this stuff up now and correct it. If we run this war program efficiently there won't be any opportunity for someone to stir up a lot of investigations after the war, and cause a wave of revulsion that will start the country on the downhill road to unpreparedness and put us in another war in 20 years. * * *"

In many ways HARRY TRUMAN and his committee, celebrating their anniversary this week by poring over another report, seemed the best living proof that democracy, even when imperfect, can be a success.

REPRESENTATION OF SENATE COMMITTEE ON MILITARY AFFAIRS ON BOARD OF VISITORS TO THE MILITARY ACADEMY

Mr. REYNOLDS. As chairman of the Committee on Military Affairs, by virtue of the authority vested in me by the act approved May 17, 1928, Public Law No. 416 of the Seventieth Congress, I desire to state that I have appointed the Senator from Wyoming [Mr. O'MAHONEY], the Senators from West Virginia [Mr. KILGORE and Mr. REVERCOMB], the Senator from Massachusetts [Mr. LODGE], and the Senator from North Carolina [Mr. REYNOLDS] to represent the Committee on Military Affairs on the Board of Visitors to the United States Military Academy during the first session of the Seventy-eighth Congress.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

SUPPLEMENTAL ESTIMATE, DEPARTMENT OF COMMERCE (S. DOC. NO. 17)

A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Department of Commerce, fiscal year 1943, amounting to $390,000 (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

PROTECTION OF INDIAN TRIBAL ORGANIZATIONS

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation for the protection of Indian tribal organizations (with an accompanying paper); to the Committee on Indian Affairs.

REVOLVING FUND, CROW INDIANS

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation extending the time for repayment and authorizing increase of the revolving fund for the benefit of the Crow Indians (with accompanying papers); to the Committee on Indians Affairs.

LANDS WITHIN THE NAVAJO INDIAN RESERVATION, ARIZ.

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to authorize the Secretary of the Interior to exchange certain lands within the Navajo Indian Reservation, Ariz. (with an accompanying paper); to the Committee on Indian Affairs.

PURCHASE OF LOGS, LUMBER, ETC., BY THE SECRETARY OF THE INTERIOR

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to authorize the Secretary of the Interior, in carrying out the purposes of the act of May 18, 1916 (39 Stat. 137), to purchase logs, lumber, and other forest products (with an accompanying paper); to the Committee on Indian Affairs.

TRAVEL RATE FOR ACCOMMODATIONS ON SHIPS

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to authorize travel on ships at the next higher available first-class rate when accommodations at the lowest first-class rate are not available (with an accompanying paper); to the Committee on Expenditures in the Executive Departments.

PURCHASE OF FOOD, CLOTHING, SUPPLIES, ETC., FOR RESALE TO INTERIOR DEPARTMENT EMPLOYEES IN ALASKA

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation authorizing the Secretary of the Interior to purchase food, clothing, supplies, and materials for resale to employees of the Department of the Interior stationed in Alaska (with an accompanying paper); to the Committee on Territories and Insular Affairs.

REPORT OF MIGRATORY BIRD CONSERVATION COMMISSION

A letter from the Secretary of the Interior, chairman of the Migratory Bird Conservation Commission, transmitting, pursuant to law, a report of the Migratory Bird Conservation Commission for the fiscal year ended June 30, 1942 (with an accompanying report); to the Committee on Agriculture and Forestry.

REPORT OF FEDERAL COMMUNICATIONS COMMISSION

A letter from the Chairman of the Federal Communications Commission, transmitting, pursuant to law, the annual report of

that Commission for the fiscal year ended June 30, 1942, including a summary of the Commission's war activities for the calendar year 1942 (with an accompanying report); to the Committee on Interstate Commerce.

DISPOSITION OF EXECUTIVE PAPERS

Two letters from the Archivist of the United States, transmitting, pursuant to law, two lists of papers and documents on the files of the Departments of State, War (4), Navy (3), Agriculture (6), and Commerce; the Federal Security Agency, Federal Works Agency (6), The National Archives (2), the Panama Canal, United States Employees' Compensation Commission, National Housing Agency (3), and Tennessee Valley Authority which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. BARKLEY and Mr. BREWSTER members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A petition of the Militant Mothers and Wives of America, signed by Mrs. Amanda M. Paxson, president, praying for the enactment of legislation to outlaw strikes in war industries and to control the sale of alcoholic liquor; to the Committee on Education and Labor.

A memorial of Wayne County Clerical, Professional, and Miscellaneous Local, No. 595, American Federation of State, County, and Municipal Employees, of Detroit, Mich., remonstrating against the enactment of legislation to require Senate confirmation of appointments to Federal positions with compensation of $4,500 per annum or more; to the Committee on the Judiciary.

A letter in the nature of a petition from Arnold S. Zander, general president of the American Federation of State, County, and Municipal Employees, of Madison, Wis., praying for a congressional investigation of the Christian American Association, of Houston, Tex., and similar organizations; to the Committee on the Judiciary.

Resolutions of Arrowhead Parlor, No. 110, Native Sons of the Golden West, of San Bernardino; Compton Parlor, No. 258, of Compton; East Los Angeles Parlor, No. 266, of Los Angeles, and Santa Maria Parlor, No. 276, of Santa Maria, Native Daughters of the Golden West, all in the State of California, protesting against the formation of a Japanese unit of the United States Army; to the Committee on Military Affairs.

A telegram embodying a joint resolution of the Legislature of the State of Washington; to the Committee on Military Affairs:

OLYMPIA, WASH., *March 3, 1943.*

SECRETARY OF THE UNITED STATES SENATE,
Washington, D. C.:

The Washington State Legislature in legislative session assembled have passed the following senate joint resolution:

Whereas there is now pending in the Congress of the United States, House bill No. 997 and Senate bill No. 216 to create a pharmacy corps in the United States Army; and

Whereas there is a definite need in this war emergency for the capable handling of drugs, medicines, and pharmaceutics which are used in the treatment of diseases of our men and women in the armed forces; and

Whereas at the present there is no law providing for the creation of such a pharmacy corps; Now, therefore, be it

Resolved, That we memorialize the Congress of the United States to put forth every effort to urge that these two bills be enacted into law.

H. H. HENNEFORD,
Secretary of the Senate.

A resolution of the General Assembly of the State of New Jersey; to the Committee on Commerce:

"Assembly resolution urging and petitioning the Congress of the United States to enact appropriate legislation to preserve and safeguard the shad fishing industry in the Hudson River

"Whereas the house of assembly is advised that the Port Director of the Third Naval District, which includes the Hudson River south of Yonkers, has prohibited the placing of fishing nets in said portion of the Hudson River, except in the shallow water shoreward of the 18-foot contour on the New Jersey side of the river in order to increase the space in said river available for anchorage purposes; and

"Whereas by reason of said prohibition, shad fishing in said portion of the Hudson River, an industry which has been conducted for approximately 50 years last past, would practically be prohibited because the catch which might be obtained in the shallow waters shoreward of said 18-foot contour would not be sufficient to warrant the installation of the necessary equipment to take the same; and

"Whereas said nets are maintained in said river for a period not exceeding 6 weeks and under the regulations previously in force, the width of the nets located in the area south of One Hundred and Twenty-fifth Street from the southernmost boundary of the fishery boundary opposite Sixtieth Street in New York City, has been limited to 500 feet, and they have been required to be placed 1,500 feet apart, thus permitting ample space in the river at this point and between the nets for the anchorage of vessels; and

"Whereas prohibition of shad fishing in this area will prevent a substantial contribution to the national food supply by preventing an estimated catch during the shad fishing season of approximately 3,000,000 pounds of fish, and will work great hardship upon those engaged in this industry; and

"Whereas the shad fishing season in said river is of short duration, extending from approximately the 5th day of April to the 20th day of May in each year: Therefore be it

"Resolved by the General Assembly of the State of New Jersey:

"1. The General Assembly of the State of New Jersey urges and petitions the Congress of the United States to enact appropriate legislation to preserve and safeguard the shad fishing industry in the Hudson River.

"2. The clerk of the house of assembly be and he is hereby directed to transmit copies of this resolution to the President of the United States, to the Secretary of the Senate of the United States, to the Clerk of he House of Representatives of the United States, and to each Member of the Senate of the United States and the House of Representatives of the United States from the State of New Jersey."

A joint memorial of the Legislature of the State of Idaho; to the Committee on Agriculture and Forestry:

"Senate Joint Memorial 6

"Joint memorial to the honorable Senate and House of Representatives of the United States Government in Congress assembled, urging the suspension of all operation under the Agricultural Adjustment Act, known as the A. A. A., for the duration of the present war, in order that the moneys expended thereunder and the help required for the administration of such act might be diverted to the war effort

"We, your memorialists, the Legislature of the State of Idaho, respectfully represent that

"Whereas the Agricultural Adjustment Administration has, during the period from May 12, 1933, to June 30, 1942, expended $5,660,400,000, of which $213,100,000 was for administrative expense; and

"Whereas during the fiscal year of 1942 the total administrative expense of said Agricultural Adjustment Administration was $4,596,872; and

"Whereas during the fiscal year of 1942 the administrative expense for State officers administrating this act in the State of Idaho was $181,576, not taking into consideration the county administrative expense; and

"Whereas we have requested the administrative office for such act in Boise, Idaho, to furnish us with figures and number of personnel required to administer the act in Idaho; and

"Whereas said office has refused to furnish such information; and

"Whereas this enormous expenditure of moneys requires the services of a vast number of employees, the exact or approximate number of which we have been unable to obtain; and

"Whereas the emergency for which this act was passed to alleviate has ceased to exist; and

"Whereas we, your memorialists, feel that such an unwarranted expenditure of money and demand upon the services of manpower that might be diverted to the war effort is not in any way necessary at this time and could be made available to furthering the war effort: Now, therefore, be it

"Resolved by the Senate of the twenty-seventh session of the Legislature of the State of Idaho (the house of representatives concurring therein), That we most respectfully urge the Congress of the United States in session assembled to take steps to pass the necessary legislation to suspend the operation of the Agricultural Adjustment Act for the duration of the present emergency; and be it further

"Resolved, That the Secretary of State of the State of Idaho is hereby requested and directed to send a copy of this memorial to the Congress of the United States and copies of this memorial to the Members of the Idaho delegation in Congress."

A concurrent resolution of the Legislature of Puerto Rico; to the Committee on Territories and Insular Affairs:

"Substitute for Senate Concurrent Resolution 1

"Concurrent resolution to lay before the President and the Congress of the United States of America the right of the people of Puerto Rico that the colonial system of government be ended and to decide democratically the permanent political status of Puerto Rico as expeditely as possible, immediately if feasible

"Whereas in all political parties and civic and economic sectors of Puerto Rico the unanimous opinion prevails that the colonial system of government should be totally and definitely abolished;

"Whereas the form of definite political status which, on the basis of this unanimous anticolonial conviction, the people of Puerto Rico are to have, should be democratically decided by the free vote of the people of Puerto Rico; and

"Whereas it is the unanimous desire of the people of Puerto Rico that, in accordance with their will set forth in the programs of the political parties, the permanent political status be decided as expeditely as possible, immediately if feasible, or at the latest when the war ends and peace is established, whichever shall be most compatible with the best conduct of the war against the totalitarian powers: Therefore be it

"Resolved by the Senate of Puerto Rico (the house of representatives concurring):

"SECTION 1. That the Legislature of Puerto Rico, in the name and in representation of the people of Puerto Rico, by this concur-

rent resolution, lays before the President and the Congress of the United States of America the right of the people of Puerto Rico that the colonial system of government be ended and to decide, in special free and democratic elections, by the free will of the people of Puerto Rico themselves, their permanent political status, as expeditely as possible, immediately if feasible.

"SEC. 2. That if the President and the Congress of the United States of America consider that in order to make effective this right and to act favorably regarding this petition, we should wait for the moment when victory is won and peace is being organized, the people of Puerto Rico will wait with patriotic resignation until that decisive moment for their natural aspirations.

"SEC. 3. That a copy of this concurrent resolution be transmitted to the President of the United States of America, the President of the Senate, and the Speaker of the House of Representatives of the United States of America, the Secretary of the Interior, the Resident Commissioner of Puerto Rico in Washington, the Governor of Puerto Rico, and to the press."

A resolution of the Senate of Puerto Rico; to the Committee on Territories and Insular Affairs:

"Senate Resolution 2

"Whereas certain political leaders and certain economic forces wage an organized campaign in Washington against the Governor of Puerto Rico, the Honorable Rexford G. Tugwell;

"Whereas this campaign is being waged in Washington on the grounds that Governor Tugwell is forcing his own personal ideas upon the people of Puerto Rico;

"Whereas on the basis of such an assertion a part of the public opinion of the United States might be brought to believe that Governor Tugwell is acting contrary to the wishes of the people of Puerto Rico;

"Whereas the Legislature of Puerto Rico, as sole power democratically representative of the people of Puerto Rico, is in duty bound to make public its views and its will in order to give expression to the democratic reality of Puerto Rico and disabuse the minds of our fellow citizens of the United States of America as regards the true significance of the attacks against Governor Tugwell and his administration: Now, therefore, be it

"Resolved by the Senate of Puerto Rico:

"1. To declare, as it hereby declares, that Gov. Rexford G. Tugwell has the support of the majority of the people of Puerto Rico and of the Legislature of Puerto Rico.

"2. To make it a matter of record that the fundamental legislation for the improvement of the living conditions of the Puerto Rican people was discussed directly with the people during the election period, received the votes of the people, and was passed by the Legislature of Puerto Rico before Mr. Tugwell was appointed Governor of Puerto Rico or had come to have any official contact with our country.

"3. To declare, as it hereby declares, that all the legislation approved was part of the political platform on which the majority of this legislature, and also the greater part of the minority of this legislature, were elected.

"4. To transcribe in evidence of the foregoing, the following excerpts from the platforms of the various parties represented in this legislature, which took part in the last election held in Puerto Rico:

"'Platform of the Popular Democratic Party

"'The Popular Democratic Party will supply the executive branch of the government with all the means to insure the enforcement of the 500-acre law. Its legislature will make regulations therefor, to the end that corporations may not scoff at the rights of the people, and will base such regulations on policies that will benefit directly the greatest number of families consistent with the efficiency and production of the lands made a subject of distribution as a result of the enforcement of this law. We will strive to the end that the land subject to the provisions of this law be recovered for the benefit of laborers, of small farmers, and of cooperatives of farmers and workers.

"'Legislation to insure that sugarcane growers receive the full amount they are entitled to receive from the product of their effort and their land. If necessary, the grinding of sugarcane and its processing into sugar will be declared a public-service industry, and its duty toward the farmer, the workman, and the sugar consumers of the island will be regulated in order to establish a fair distribution of the profits derived from such activity, guaranteeing the permanent operation thereof for the benefit of the Puerto Rican community on the basis of reasonable profits for the owners of the sugarcane-grinding industry, and abolishing all existing monopolies in the matter.

"'Effective steps toward the reformation of the banking system in order to establish the Banco de Puerto Rico, liberalize credit to farmers, businessmen, manufacturers, and workers of the island, and facilitate the development and improvement of Puerto Rican economy.

"'An ample program will be submitted with all the necessary requirements for the development and utilization of water resources.

"'Legislation will be enacted so that all agregados may acquire without cost to themselves a piece of land that will serve to guarantee their individual freedom and be the source of their civic awareness.

"'Measures for the protection of our industries so that they may develop and prosper.

"'Platform of the Socialist Party of Puerto Rico

"'The Socialist Party of Puerto Rico declares that the natural wealth and the riches produced in Puerto Rico by labor in its manifold and varied manifestations are monopolized by resident and nonresident natural and artificial persons; that the vast latifundia, inventions, and the prodigious applications of machinery to sugar production and other industries are monopolized by absentee capital;

"'That the industrial and social wealth which is the product of the effort and labor of all the citizens who in the past and the present have applied and are applying their intelligence and muscle to produce it is not only not enjoyed by those citizens, but is also sent out of the country in the form of incomes, dividends, and profits, thereby compelling the producing community of Puerto Rico to suffer dire and painful conseqences; and for these reasons:

"'The Socialist Party of Puerto Rico, upon making this declaration of redeeming and humane doctrine, resolves to declare before the public conscience of Puerto Rico and of the United States that the industrial-economic system which predominates in this island is directed and controlled by selfish and baneful monopolies of absentee and resident capital, and that it does not fulfill the civilizing purpose and the design of human justice that our country demands.

"'Measures for economic, social, and human advancement: To increase the powers of the Legislature of Puerto Rico to adopt solutions of the problems of the centralization of lands and absenteeism.

"'Technical organization of industry: The Socialist Party, well aware of the need for the technical organization of industries, considers that the promulgation of legislation has become necessary, and to that end will strive to obtain the establishment of credit institutions in harmony with the requirements and development of industries.

"'Public ownership of public utilities: A part of the natural resources of the people of Puerto Rico is in the hands of public utilities. The capital represented is nonresident. If Puerto Rico were able to connect public utilities with the administration of the government the majority of the economic and social ills from which it is suffering would be suppressed.

"'The services rendered by these public utilities represent, for the community in general, an annual outlay of a considerable sum of money, amounting to millions of dollars, which not only is not reinvested but which migrates, serving to pay dividends, interest, and compensation to persons, while the industrialization of our island, the telephone and telegraph, steam and electric railroads, and other resources continue undeveloped in Puerto Rico.

"'These resources in the possession of the state would be an invaluable source of advancement and of general comfort and welfare.

"'The Socialist Party advocates that the state, through well-planned and carefully considered enactments of the Legislature of Puerto Rico, take over the utilization of the natural resources of the island, including land and maritime communications, piers, and warehouses all along our coast line, operation of water resources—considering this is the white coal that we can produce for steam and electric industrialization—and the other resources that so far remain unexploited in Puerto Rico.

"'Platform of the coalition of the Union-Republican and Socialist Parties

"'Examination and survey of all the natural resources and other factors, as a foundation for the possible establishment, promotion, and development of industries capable of producing successively for export.

"'Continuation of the agricultural policy initiated by the coalition (of the Union-Republican and Socialist Parties).

"'Establishment of business cooperatives, of the barter of products for consumption, and of agencies for the creation abroad of markets for our agricultural and industrial production.

"'Continuance of our program of extension and development of subsistence farms, furnishing them with agricultural implements, seeds, livestock, and homes, and providing the necessary means for the enforcement of homestead laws.

"'To promote and contract a loan of not less than $1,500,000 to be applied to the construction of homes for laborers and to the improvement of those already in existence, and to the purchase of land and the creation of farms to be supplied with all the required agricultural implements, animal power, seeds, fertilizers, and everything else needed.

"'The natural resources of the land, such as waterfalls (water resources), forests, mines, fisheries, etc., should be conserved and developed under the direction of the state.'

"'Platform of the Puerto Rican Tripartite Unification, now the Puerto Rican Liberal Party

"'Extension of the farm and homestead program.

"'Amplification of the system of subsistence farms.

"'Industrial promotion, not only by means of protective legislation, but also by means of such financial assistance as may be required.

"'Establishment of credit facilities for agriculture and industry for the purpose of affording them cheaper credit by the creation of the necessary organizations.

"'Establishment of such relations between the colono and the central, and between the

laborers and employers in sugarcane and other agricultural products, as will guarantee to each the enjoyment of that share of the profits to which each of them may be entitled from the standpoint of a fair conception of contribution to production.

" 'Maintenance and enactment of such laws concerning land tenure as consolidate and strengthen the foundations of our general economy.

" 'Establishment of a water resources administration that will assist our agriculture and furnish the people cheap irrigation and electric energy in the rural and the urban districts. This policy does not imply the elimination, or a merger with the general system, of those public systems which, as in the case of the Guayama irrigation system, are operating in a solvent and efficient manner.'

"5. To declare that, as is very well shown by the platforms hereinabove transcribed, Governor Tugwell, far from arbitrarily forcing ideas upon the people of Puerto Rico, is carrying out, as behooves an executive under the democratic system defended in this war, a program of reforms known to and ardently desired by the people of Puerto Rico, which was discussed with the people when their votes were solicited during the election campaign, which was sanctioned directly by the people, and which the Legislature of Puerto Rico enacted in democratic compliance with the mandate of the people.

"6. To declare, further, that such program, far from being anything new, aims at securing for the people of Puerto Rico the enjoyment of measures enacted either for Puerto Rico, or the United States, or numerous States, a good many years ago, and which are opposed only by a certain group in Puerto Rico because of the habitual belief of this group that our people can be deprived of rights won long ago by the people of the United States and by the civilized peoples of the world in general.

"7. To declare that, for all the foregoing reasons, Governor Tugwell, as a democratic executive, and until such time as the people of Puerto Rico elect their own executive, represents the democratic forces of Puerto Rico and the democratic principles the defense of which is involved in this war.

"8. And to request from the President of the United States as a democratic expression, as it is hereby requested, that the Honorable Rexford G. Tugwell remain in the governorship of Puerto Rico until our people have the opportunity of electing their own chief executive, this latter being the only democratic alternative to the permanence in Puerto Rico of a Governor who effectuates the program of the people and of the Legislature of Puerto Rico.

"9. That a copy of this resolution be transmitted to the President of the United States, the Presiding Officers of the Senate and the House of Representatives of the United States, the chairman of the Committee on Insular Affairs of the House of Representatives, the chairman of the Committee on Territories and Insular Affairs of the Senate, the Secretary of the Interior, the Governor of Puerto Rico, the Resident Commissioner for Puerto Rico in Washington, and to the American press."

By Mr. STEWART:

Resolutions of Compton Parlor, No. 258, of Compton, and East Los Angeles Parlor, No. 266, of Los Angeles, both of the Native Daughters of the Golden West, in the State of California, protesting against the formation of a Japanese unit of the United States Army; to the Committee on Military Affairs.

By Mr. HAYDEN:

A memorial of the House of Representatives of the State of Arizona; to the Committee on Agriculture and Forestry:

"House Memorial 3

"Memorial requesting an investigation by Congress of the problem of marketing, transporting, and distributing farm products

"To the Congress of the United States:

"Your memorialist respectfully represents:

"The marketing and distributing of farm products has long been the major problem of the agricultural industry.

"The excessive price spread separating producer and ultimate consumer, attributable to the intervention of numerous middlemen and inadequate facilities for finding and reaching the markets for agricultural products has worked to the serious detriment both of growers and the consuming public, depriving the farmer of a fair profit and affecting the standards of living and the health of millions of people.

"A thorough survey of this condition and systematic investigation of the problem involved might well be classified as post-war planning of the highest order.

"Wherefore your memorialist, the House of Representatives of the State of Arizona, respectfully prays:

"1. That the Congress authorize a survey and study of conditions affecting the marketing and distributing of agricultural products, by the Committee on Agriculture of the House of Representatives, and to that end adopt House Resolution 38, introduced January 8, 1943."

By Mr. GILLETTE (for himself and Mr. WILSON):

A concurrent resolution of the General Assembly of the State of Iowa; to the Committee on Military Affairs:

"Senate Concurrent Resolution 20

"Whereas upon the shoulders of American boys, 18 years of age or over, has been placed the responsibility of forming a part of the armed forces engaged in the present titanic struggle for world liberty; and

"Whereas apart from the physical aspects of the sacrifice our younger men are thus called upon to make is the matter of their education. It is a serious and momentous thing, to them and to their country, to interrupt, perhaps to prevent, their academic and professional training; and

"Whereas it now appears that it is the purpose of the War Relocation Authority of the United States to accord eligibility to some 2,500 young Japanese-American students, located in war relocation centers, to leave such centers and enter any of a large number of colleges and universities—in other words, to accord the privileges of higher education to a group of young people, citizens by virtue of their birth in this country, whose loyalty and patriotism are rendered doubtful because of their racial extraction, thereby unfitting them to be soldiers, while denying a similar opportunity to our own young men of unquestioned loyalty; and

"Whereas it is admitted that particularly all of the Japanese-Americans to whom higher education is to be afforded are physically fit and capable of performing services which would be useful to the war effort, where their patriotism might be demonstrated without placing them in a position where possible disloyalty might be perilous: Therefore be it

"Resolved by the senate (the house concurring):

"1. That no discrimination be shown in the matter of educational advantages between America's young citizens, of whatever race or nationality—in short, while young men of undoubted loyalty and Caucasian extraction are required to serve in the armed forces, that these young men of Japanese ancestry and less certain loyalty be given opportunity to serve the war effort in ways in which their racial extraction will prove no impediment.

"2. That steps be taken, through executive intervention or order, or by means of legislation if necessary, to prevent allowing Japanese-American youths the privilege of leaving concentration centers and securing an education in American colleges and universities, while the same privilege is denied to loyal American young men called to military service.

"3. That if any Japanese-American youths have already been given the privilege of attending colleges and universities, they be returned to their relocation camps; and be it further

"Resolved, That a copy of this resolution be sent to the President of the United States, also to the two Iowa Senators, and to the eight Iowa Members of the House of Representatives, and that they thus be petitioned to use their influence and best offices that the injustices mentioned may be avoided."

By Mr. GILLETTE (for himself and Mr. WILSON):

A concurrent resolution of the General Assembly of the State of Iowa; to the Committee on Agriculture and Forestry:

"House Concurrent Resolution 19

"Whereas in the present emergency which exists relative to the limited supply of food in our country, it has been intimated by members of our administration that the United States might permit the importation into this country of livestock products infected with foot-and-mouth disease; and

"Whereas millions of dollars have been spent and thousands of animals have been killed in the United States to free this country from the ravages of this dreaded disease, and laws in the interest of public health have been enacted by Federal and State governments to require farmers to eliminate such disease from their farms and prevent its spread; and

"Whereas this dreaded contagious disease can be transmitted by fresh and frozen meats as well as by live animals, and strictest regulations and restrictions should be maintained to prevent infection of our domestic herds from such contagious disease now present in foreign countries; and

"Whereas there has been no treatment effective yet conceived in foreign countries to combat and prevent the spread of this disease; and

"Whereas inasmuch as rigid inspection of slaughtering and sale of meat for human consumption is required of our citizens, such condition should also apply to any meat or meat products brought into this country from foreign lands: Now, therefore, be it

"Resolved by the house (the senate concurring), That for the reasons stated in the preamble of this resolution, the Congress of the United States is respectfully requested to continue the embargo against foreign countries now in force until such countries are free from, and have established and have in force adequate sanitary conditions to prevent the spread of, the foot-and-mouth disease; and be it further

"Resolved, That a copy of this preamble and resolution be forwarded to Secretary of Agriculture Claude R. Wickard, to the United States House and Senate Committees on Foreign Relations, to Vice President Henry A. Wallace, to the Honorable George A. Wilson and Honorable Guy M. Gillette, United States Senators from Iowa, and the eight Iowa members of the House of Representatives."

(The VICE PRESIDENT laid before the Senate a concurrent resolution identical with the foregoing, which was referred to the Committee on Agriculture and Forestry.)

By Mr. THOMAS of Utah:

A joint memorial of the Legislature of the State of Utah; to the Committee on Banking and Currency:

"House Joint Memorial 3

"Joint memorial relating to Federal rent-control legislation and memorializing the President and Congress of the United States to investigate all activities and practices of the Rent Section of the Office of Price Administration

"Whereas rent-control legislation was designed by the Congress to aid in the effective prosecution of the war by avoiding and correcting gross inequities and by preventing speculative, unwarranted, and abnormal rents; and

"Whereas rentals of apartments, homes, motor lodges, rooming houses, hotels, and other rental property in certain Utah areas have been frozen by the Office of Price Administration as of March 1, 1942, effective in most defense rental areas on August 1, 1942; and

"Whereas demand for housing accommodations in various Utah defense areas has not been uniform, that is, some areas received large defense projects as early as 1940, others not until after the rent-freeze date; and

"Whereas agricultural prices and wages paid to labor were not frozen until September 15, 1942, as compared to the freeze date for residential rents March 1, 1942; and

"Whereas landlords have been urged to create additional dwelling units through remodeling of existing structures in order to save critical materials in the expansion of utilities services. Rental rates on such units are established by the War Production Board and the National Housing Agency and landlords have made loans to complete such housing only to have the rents thereon reduced by order of the Office of Price Administration; and

"Whereas costs of operating apartment houses, motor lodges, rooming houses, and other rental property have materially increased, resulting in hardship for many small rental property owners and in some instances property owners who derive their entire livelihood from rental income cannot operate their properties and meet expenses at existing rentals; and

"Whereas the rental housing industry in this State was suffering a great vacancy immediately prior to the war emergency due to the great number of residential units constructed under the Federal Housing Administration program, and rentals existing on the freeze date, March 1, 1942, were only slightly higher than those existing during the depths of the depression in 1934: Be it

"Resolved by the Legislature of the State of Utah, That we respectfully urge the Congress of the United States to pass, and the President of the United States to approve, an act requiring a complete investigation of the whole rent-control program, and that area rent directors be given more authority in the administration of the rent-control program, so as to eliminate the inequities in rental rates which now exist; be it further

"Resolved, That a certified copy of this memorial be sent to the President of the United States, the President of the Senate, and the Speaker of the House of Representatives of the United States, to the Secretary of State, and to each Senator and Representative of the United States Congress from this State."

(The VICE PRESIDENT laid before the Senate a memorial identical with the foregoing, which was referred to the Committee on Banking and Currency.)

By Mr. BAILEY:

A joint resolution of the General Assembly of the State of North Carolina; to the Committee on Military Affairs:

"House Joint Resolution 544

"Joint resolution endorsing the Pharmacy Corps bill (H. R. 997, S. 216) to create a Pharmacy Corps in the United States Army, now pending in the Congress of the United States

"Whereas there is now pending in the Congress of the United States H. R. 997, S. 216, to create a Pharmacy Corps in the United States Army; and

"Whereas there is a definite need in this war emergency for the capable handling of drugs, medicines, and pharmaceutics which are used in the treatment of diseases of our boys and girls in the armed forces; and

"Whereas at the present there is no law providing for the creation of such a Pharmacy Corps: Now, therefore, be it

"Resolved by the house of representatives (the senate concurring):

"SECTION 1. That the General Assembly of North Carolina does hereby unanimously endorse the Pharmacy Corps bill (H. R. 997, S. 216) and requests the members of Congress to enact the same into law.

"SEC. 2. That a copy of this resolution be sent to the President of the United States, President of the United States Senate, the Speaker of the House of Representatives, the Secretary of War, the Surgeon General of the United States Army, and to the North Carolina Members of Congress.

"SEC. 3. That this resolution shall be in full force and effect from and after its ratification."

(The VICE PRESIDENT laid before the Senate a joint resolution identical with the foregoing, which was referred to the Committee on Military Affairs.)

By Mr. McNARY:

A joint memorial of the General Assembly of the State of Oregon; to the Committee on Finance:

"Senate Joint Memorial 4

"To His Excellency the Honorable President of the United States and to the Honorable Senate and House of Representatives of the United States of America, in Congress assembled:

"We, your memorialists, the Forty-second Legislative Assembly of the State of Oregon, in regular session assembled, respectfully represent as follows:

"Whereas the supply of teachers, for the proper and efficient education of the children of Oregon and other States is being rapidly and materially reduced by the higher and unusually attractive compensation offered to employees in war industries and related activities; and

"Whereas such depletion of teaching staffs is augmented by the high standards of living demanded of teachers, coupled with the rising cost of living and the failure of teachers' salaries to be increased proportionately; and

"Whereas the salaries of Oregon teachers, under existing conditions, are so low as automatically to eliminate any possibility of laying by savings in an amount sufficient to provide for old age; and

"Whereas greater security for teachers is in line with the trend of the times and the general movement throughout the Nation is toward liberalizing and broadening the scope and effectiveness of social security; and

"Whereas it is imperative that teachers, like other people, should have that freedom from fear and guaranty of security which come with the reasonable assurance of a job which will prevent want and enable them to live through their declining years in reasonable comfort, with dignity and self-respect and with at least those simple necessities which are essential for peaceful living; and

"Whereas with the single exception of the city of Portland there are no retirement-pay provisions in Oregon for teachers who have given the best years of their lives in the education and training of the children who are to guide the destinies of this great Nation in the trying years to come; and

"Whereas in order that the highest standards of education shall be maintained, that the schoolroom shall not be forsaken for the employment of higher pay and more alluring promise of future security, and that more, instead of fewer, people shall be prompted and inspired to prepare themselves for, enter into, and remain in that great calling, than which there is none more noble, it is imperative that adequate assurance and dependable safeguards be provided by law in order that those who have served mankind by their loyalty and devotion to the classroom shall not, in their declining years, be made to depend, for the merest existence, upon charity or the meager contributions of relatives; and

"Whereas there is need to make such provisions uniform throughout the several States, and the Federal Social Security Act and provisions, in their general character and purpose, offer the most likely plan or means available for the accomplishment of the aims herein recited: Now, therefore, be it

"Resolved by the Senate of the State of Oregon (the house of representatives jointly concurring therein): That the Forty-second Legislative Assembly of the State of Oregon hereby respectfully petitions and memorializes the President and the Congress of the United States forthwith to cause to be enacted into the Federal laws such provisions as will include and make suitable provisions for teachers in the social-security plan, or make it permissible for teachers to be included, and thus render it possible and proper for the members of that profession to retire in reasonable competency when their time has arrived for ceasing active duties in the schoolroom; be it further

"Resolved, That a copy of this memorial be sent by the chief clerk of the senate to United States Senators CHARLES L. MCNARY and RUFUS C. HOLMAN, and to Congressmen JAMES W. MOTT, HOMER D. ANGELL, LOWELL STOCKMAN, and HARRIS ELLSWORTH, and that they be, and they hereby are, urged to support such legislation as will achieve the aims and purposes of this memorial; and be it further

"Resolved, That the secretary of state of the State of Oregon be authorized, and he hereby is directed, to forward immediately a certified copy of this memorial to the President of the United States, to the President and Chief Clerk of the United States Senate, and to the Speaker and Chief Clerk of the House of Representatives of the United States."

(The VICE PRESIDENT laid before the Senate a joint memorial identical with the foregoing, which was referred to the Committee on Finance.)

By Mr. McNARY:

A joint memorial of the General Assembly of the State of Oregon; to the Committee on Public Lands and Surveys:

"House Joint Memorial 3

"Whereas during the present national emergency the Federal Government has acquired, by purchase and otherwise, large quantities of lands within the State of Oregon; and

"Whereas the counties and other governmental subdivisions and agencies in the State of Oregon are dependent largely upon ad valorem taxes upon real estate for revenue to cover their expenses; and

"Whereas in certain counties and other governmental subdivisions and agencies the removal of real estate from the tax rolls has been so extensive as to cause a serious loss of

revenue and to threaten the proper functioning of such counties and agencies: Now, therefore, be it

"Resolved by the House of Representatives of the State of Oregon (the senate jointly concurring therein), That the Congress of the United States be, and it hereby is, memorialized to enact such legislation as will lead to the adequate reimbursement of the State of Oregon and its political subdivisions and governmental agencies for the revenue derived from the taxes upon the real property so acquired by the Federal Government; and be it further

"Resolved, That a copy of this memorial be sent to United States Senators CHARLES L. MCNARY and RUFUS C. HOLMAN, and to Congressmen JAMES W. MOTT, HOMER D. ANGELL, LOWELL STOCKMAN and HARRIS ELLSWORTH, and that they be and they hereby are requested to support legislation which will make the objective of this memorial effective; and that the secretary of state of the State of Oregon be and he hereby is instructed to forward a certified copy of this memorial to the President of the United States, the President and Chief Clerk of the United States Senate, and to the Speaker and Chief Clerk of the House of Representatives of the United States."

(The VICE PRESIDENT laid before the Senate a joint memorial identical with the foregoing, which was referred to the Committee on Public Lands and Surveys.)

JOINT RESOLUTION OF GENERAL ASSEMBLY OF RHODE ISLAND—FLORIDA BARGE CANAL

Mr. GREEN. Mr. President, I present for appropriate reference a joint resolution passed by the General Assembly of the State of Rhode Island requesting the Senators and Representatives in Congress from Rhode Island to make every effort to have passed by Congress the necessary appropriation making funds available to complete the barge canal across Florida, in order that oil may be brought by barges from Texas to New Jersey and transshipped there to New England and other northeastern points.

The joint resolution was referred to the Committee on Appropriations, and, under the rule, ordered to be printed in the RECORD, as follows:

House Joint Resolution 693

Joint resolution requesting the Senators and Representatives in Congress from Rhode Island to use every effort to have passed by Congress the necessary appropriation making funds available to complete the barge canal across Florida in order that oil may be brought by barges from Texas to New Jersey and transshipped there to New England and other northeastern points

Whereas there is now pending in the House Ways and Means Committee in Congress a bill appropriating $44,000,000 for the construction of the Florida barge canal as a practical way of helping assure a more adequate supply of fuel for New England and other northeastern points next winter; and

Whereas all that is necessary to complete the route from the oil field area to New Jersey is the barge canal across Florida, tying together the two existing waterways; and

Whereas construction of the canal was authorized by vote of Congress last July, but the beginning of work awaits the passage of the appropriation making funds available: Now, therefore, be it

Resolved, That the Senators and Representatives from Rhode Island in the Congress of the United States be and they hereby are requested to use every effort to have passed by Congress the necessary appropriation making funds available to complete the barge canal across Florida in order that oil may be brought by barges from Texas to New Jersey and transshipped there to New England and other northeastern points; and be it further

Resolved, That duly certified copies of this resolution be transmitted by the secretary of state to the Senators and Representatives from Rhode Island in the Congress of the United States.

CANCELATION OF CERTAIN FARM LOANS—RESOLUTION OF NORMA FARMERS UNION, LOCAL 726, NORTH DAKOTA

Mr. LANGER. Mr. President, I present and ask to have printed in the RECORD and appropriately referred a resolution adopted by the Norma Farmers Union, Local 726, signed by Albert G. Lahlum, president, and Clarence Langem, secretary, of Fingal, N. Dak., urging the enactment of legislation to provide for the immediate cancelation of all seed, feed, and crop-production and harvesting loans.

There being no objection, the resolution was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

Whereas the farmers of our country are urged to produce as much crops and livestock as possible this year, and which they are willing to do as far as possible; and

Whereas more operating capital is needed due to higher-priced seed, machinery, and labor than in former years; and

Whereas there is now a measure before Congress, S. 574, which provides for immediate cancelation of all seed, feed, and crop-production and harvesting loans made to farmers from 1937 to 1939: Therefore, be it

Resolved, That we the members of Norma Farmers Union, Local 726, urge our Senators and Representatives in Congress to use their best efforts to secure the passage of this measure, and that copies of this resolution be sent to our Senators and Representatives in Congress, namely: GERALD P. NYE, WILLIAM LANGER, USHER L. BURDICK, and WILLIAM LEMKE.

THE FOOD PRODUCTION PROGRAM

Mr. LANGER. Mr. President, I present and ask to have printed in the RECORD and appropriately referred a letter received by me from Mr. Kelly Williams, a well-known farmer of Hankinson, N. Dak.

There being no objection, the letter was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

HANKINSON, N. DAK., *February 22, 1943.*

Hon. WILLIAM LANGER,
Washington, D. C.

DEAR SENATOR: I am naturally taking a very keen interest in the progress of the food-production program, and, in noting what is being said and done, one is reminded of the three blind men that went to examine the elephant. They can't seem to see the problem clearly or see it as a whole, but they are wrestling with it. But time is running out awful fast.

They seem to know that adequate prices must be offered to produce the greatest possible efforts by the farmers, and they are finding out that the labor factor is a vital one, but they don't seem to know that spring is here and that any action, to be effective, must be taken at once. They are responsible for the machinery shortage and for the labor shortage, and now by delaying action they are creating a time shortage, and that is the most vital factor of all, as the planting time of any grain extends over only a few days and any later planting cannot, and will not, yield and mature a full crop, so it would seem the only course open is to make available to the farmers—starting right now—farm machinery and competent farm labor, and as between an army without food and food without an army, it would seem that to furlough soldiers to the farms through the rush seasons of seed time and harvest—2 or 3 months—and hold them in training the balance of the year would be the best solution, but steps should be taken to send farm-raised boys only that understand all kinds of farm work. But there is another angle to the problem, more obscure, that has not been raised, which I believe ought to be brought to the attention of both Mr. Wickard and Mr. McNutt. To illustrate: I have two cousins, both in the North Dakota Legislature—Williams, of Richland, and Williams, of Sargent County. Both are progressive, diversified farmers, turning off annually up to $8,000 or $10,000 in grain, meat animals, and dairy and poultry products. They are both past working age, and both have a younger son on their farms that are up to date, ambitious master farmers. Such men are vital to maximum food production, and if drafted could not possibly be replaced, and the farms they operate would be forced out of full production; and these are not exceptional cases but rather the rule in every farming community from coast to coast, so it follows that indiscriminate drafting of farm men can conceivably result in a tragic food shortage for which there would be no visible cause.

I firmly believe this angle should receive the most careful attention, as it seems to me to be entirely overlooked.

Personally we are sitting pretty to carry on our own farm operations, and are speaking only for the good of the country as a whole.

If this will be of any use to you down there in your labors, I will be very happy.

As ever,

TULLY WILLIAMS.

CANCELATION OF SEED AND FEED LOANS—RESOLUTION OF NORTH DAKOTA LEGISLATURE

Mr. LANGER. Mr. President, on behalf of my colleague the senior Senator from North Dakota [Mr. NYE] and myself I present and ask to have appropriately referred a house concurrent resolution adopted by the North Dakota Legislature relative to the cancelation of seed and feed loans.

The resolution was referred to the Committee on Agriculture and Forestry, and, under the rule, ordered to be printed in the RECORD, as follows:

House Concurrent Resolution N

Concurrent resolution memorializing Congress to take action for the enactment into law of Senate bill 574 now pending in United States Congress

Whereas the farmers of the United States by producing the food products of the Nation are rendering society a great service; and

Whereas this country is now engaged in a great conflict and the farmers of the State of North Dakota are eager to contribute every effort to winning the war by planting the largest acreage of a wartime crop in the history of this State; and

Whereas for several years the farmers of this State of North Dakota suffered extreme drought which made it necessary for them to go on relief, to borrow money to purchase seed and feed, and due to such economic emergencies it cost them more to operate their farms than they received from the producing of crops: Now, therefore, be it

Resolved by the House of Representatives of the State of North Dakota (the senate concurring), That we memorialize, petition, and urge the United States Congress to take such steps as are necessary to enact into law Senate bill No. 574, which provides for the cancelation of seed and feed loans prior to 1937; and be it further

Resolved, That a copy of this resolution be transmitted to each Member of Congress from North Dakota, the President of the Senate, the Speaker of the House of Representatives, Secretary of the United States Department of Agriculture, chairman of the Senate Committee on Agriculture, and to the chairman of the Committee on Agriculture of the House of Representatives.

(The VICE PRESIDENT laid before the Senate a concurrent resolution identical with the foregoing, which was referred to the Committee on Agriculture and Forestry.)

LIMITATION OF INCOMES—PETITION OF JAMES TRUSLOW ADAMS

Mr. MALONEY. Mr. President, I ask unanimous consent that there may be printed in the RECORD and appropriately referred a petition, in the form of a letter, which I have received from James Truslow Adams, of Southport, Conn. Mr. Adams, as everyone here knows, is an outstanding historian. I do not endorse the salary limitation order—or Mr. Adams' petition.

There being no objection, the letter in the nature of a petition was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

SOUTHPORT, CONN., *February 25, 1943.*

Senator F. T. MALONEY,
The Willard, Washington, D. C.

A FIRE BELL IN THE NIGHT

MY DEAR SENATOR MALONEY: In 1820 Thomas Jefferson said of the passage of the Missouri Compromise that it startled him like "a fire bell in the night." It did so because its brazen tongue rang out the news that a great national and constitutional crisis was approaching.

Occupied with war, and endeavoring to unify our effort to win it, we Americans of today have again been startled by "a fire bell in the night," the amazing letter of the President to Chairman DOUGHTON of the Ways and Means Committee of the House of Representatives. To many it appears as one of the most pernicious and dangerous communications ever transmitted from the Executive to the legislative branch of government. It is of vital importance to every American, but in part its contents are the more immediate and primary concern of Congress, and in part of the citizens themselves.

It is for Congress to consider its economic implications. The limitation of all incomes, net after taxes, to $25,000 is not anti-inflationary. That has been shown. It is not a new revenue measure, for Colin F. Stam, expert of the Joint Congressional Committee on Internal Revenue Taxation, reports that official Treasury figures show that it will result in a loss of $100,000,000 of taxes to the Treasury. Such, and other technical financial problems, are in the domain of our elected representatives in both the Houses.

What concerns the citizen is the appeal in the letter to class hatred when the need of the time is for unity; its misleading suggestions, such as that anyone in the Nation is now getting a net salary of $500,000; its comparison of such a falsely assumed income with that of the $600 of a soldier, whereas nothing is suggested as to the inequity of real income of labor at home in safety as contrasted with the pay of the soldier at the front; its plan of coddling home labor at the expense of the soldier who risks his life and the executive who has the responsibility for invention and for organizing the vast turnover of industry from civilian to military use; its demagogic and alliterative appeal in such a phrase as "coupon clipper" when the Treasury is appealing to all to become coupon clippers; in a word, its setting of class against class by means of misrepresentation to many of those who will read it without knowledge.

Above all, however, the letter is the concern of the citizen because of its open threat to our whole form of government, which has been based on the separation of powers. The theory of that separation has been well understood, as balanced between the executive, the judicial, and the legislative departments. Today the President, owing in part to his unexampled years of tenure of office, has made not only a majority of the Supreme Court but also a great majority of all Federal judges his appointees. Congress, for a while, largely abdicated its functions, which it handed over not merely to the Executive but to his petty minions, the devisers of rules in innumerable boards and commissions.

The President asked Congress for legislation limiting incomes to $25,000. Congress disapproved and declined to pass any such law. Then the President, making use of a verbal loophole, which leaders of Congress had been assured he would not use for the purpose, made his own law by Executive decree. Now he tells Congress he will rescind his decree if they will pass the law he demands. Already largely in control of the courts, having assumed many of the functions of Congress, he now publicly intimates that he has the whip hand over that body, which is to do his bidding, or else.

I do not know what the reactions of the Members of Congress were, but I believe that that of the average old-fashioned real American, conversant with the history and theory of Government of his country, was that he had been slapped in the face. "What is the use," he asked himself, "of electing nearly 500 Members of a Congress, at a salary of $10,000 a year each, to legislate for us, if their wishes are flouted, on the one hand, and they are merely told, on the other, how to vote, by one man?" If the Executive can control the courts and the Congress, then what are we fighting this war for?

Other peoples, with far longer political experience and as much love of liberty as our own, are thinking the same thoughts. A few years ago a Lord Chief Justice of England wrote in his book, The New Despotism, that—

"Of all methods of administration, that is worst whereby real power is in the hands of one set of persons while public responsibility belongs to another. * * * It is a method, as all experience shows, well calculated to encourage the performance of acts which either set of persons, if they had both the responsibility and the power, would be astute to avoid."

Recently another Englishman has written that—

"Next to the supreme calamities of abandoning the Christian religion, or defeat in war, none could be greater than that Britain and America should become regimented nations. The lights would indeed go out. A merciful Providence has given the Americans a sense of the dangers. But in Britain there is cause for anxiety. The nation must beware lest the deadly influence of some un-English creeds sap our strength."

Are we in America indeed so blessed by Providence? Are we so sure of our future? Are we too sure? When we hear the "firebell in the night," are we to turn over and go to sleep, murmuring "it's not my house," or rise and gird ourselves to fight what may yet become a conflagration that shall consume all which we have held dear?

As individual citizens we cannot all write letters or articles? We cannot march en masse to Washington. We have elected our Members of Congress, Senators and Representatives alike, to legislate wisely but, above all, we count on them to preserve those institutions for us and our children which in the past have made America free and great. Today on Congress there lies heavy the greatest responsibility possible in all its long and great history. On it alone can we count.

I have done my modest best both by written and also many unwritten words, to maintain unity and to forward the national effort for victory. I shall continue to do so, but there are occasions so momentous that they force a man to speak even when he would rather keep silence. I cannot assume to speak for all America, but I am confident that I do speak for a very much larger number of Americans than perhaps even Congress itself realizes, when, with all the fervor of patriotism I possess, I beg the Members of that body on behalf of myself and the other citizens who have elected them to their posts of responsibility and national duty, to resume into their own hands those powers which are theirs under our form of government and which, duly exercised, can alone preserve us as a nation of free, self-governing, and self-respecting men.

We still have the right of petition, and this is the petition which I am convinced is in the minds and hearts of millions of your constituents, "Win us freedom by victory over our enemies; and preserve that freedom afterward by a government of laws and not of men and minions."

Sincerely yours,

JAMES TRUSLOW ADAMS.

MEMORIAL OF MONTANA LEGISLATURE—GRANT OF CIVIL RIGHTS TO INDIANS

Mr. WHEELER. Mr. President, I present and ask consent to have printed in the RECORD and appropriately referred a resolution memorializing the Congress of the United States to enact suitable legislation to grant full civil rights to Indians who are members of or who have served the United States in any war in which the United States was engaged.

The joint memorial was referred to the Committee on Indian Affairs, and, under the rule, ordered to be printed in the RECORD, as follows:

House Joint Memorial 7

Joint memorial memorializing the Congress of the United States to enact suitable legislation to grant full and complete civil rights to all Indians who are members of or who served in the United States in any war in which the United States is a part

To the honorable Senate and House of Representatives of the United States in Congress assembled:

Whereas on December 7, 1941, when Pearl Harbor was so treacherously attacked by the Japs, all hearts were stirred to their depths all over America, and our Heavenly Father knows that many Indian people were on their knees that day, the same as many sons' mothers bended the knee throughout our beloved land; and

Whereas the American Indians have proven undivided loyalty to the principles of democracy, justice, and equality to all men by enlisting in the armed forces of the United States of America in the First World War and in the present global conflict; and

Whereas the honored dead of the Montana Indians represents a proud record equal, and sometimes even surpassing, the zeal of other races, and attestation of this is confirmed by the awards granted by many nations for distinguished service and valor; and

Whereas subsequent to the First World War the Congress of the United States, recognizing these undeniable facts, enacted the Indian Citizenship Act of June 2, 1924, granting a limited right of franchise; and

Whereas the American people in many ways have manifested a desire that the American

Congress recognize the Indian soldiers and others in the various services as an integral part of the American people by granting the many privileges enjoyed by all soldiers of other services; and

Whereas, notwithstanding the fact that the American Indian is the smallest minority of all the many races in the United States—less than one-half million—and specific peace treaties signed with the Government not to take up arms again and pledging undying devotion and loyalty "from where the sun now stands," the rate of enlistment is the highest throughout the Nation; and

Whereas such devotion and loyalty to a protecting Nation such as the Stars and Stripes have represented must be persuasive to the American people and the American Congress compelling them to bring them under the glorious folds of the Atlantic Charter, proclaimed to the world as a milepost in the progress of humanity to a better world: And now, therefore, be it

Resolved by the House and Senate of the Twenty-eighth Legislative Assembly of Montana, assembled at the State capitol at Helena, Mont., That it memorializes the first session of the Seventy-eighth Congress of the United States of America now assembled in session that it enact into law H. R. 5212, Seventy-seventh Congress, or some such similar legislation for the purpose of granting full and complete civil rights to all Indians who are members of or otherwise served in the armed services of the United States in any war that the United States is a party thereto;

Provided further, That in granting full rights enjoyed by other citizens of the United States, all acts, or parts of acts, found in conflict with this proposed legislation found to deny the said American Indian soldier the free exercise of control of all personal and real estate shall be considered inapplicable or repealed in such cases; and

Provided further, That copies of this memorial be furnished by the Secretary of State to each of our Senators and Congressmen from Montana, with the request that legislation be immediately introduced and pressed for passage in order to adjust an error of long standing, and to give a legal right that justly belongs to the American Indian soldier, who in many cases has paid dearly for this American right.

VOCATIONAL REHABILITATION OF CERTAIN PERSONS

Mr. WHEELER. Mr. President, I ask unanimous consent that several letters, postal cards, and telegrams with reference to Senate bill 180 be inserted in the RECORD and lie on the table.

There being no objection, the communications were ordered to lie on the table and to be printed in the RECORD, as follows:

GREAT FALLS, MONT., *February 24, 1943.*

Please work for a separate veterans' bill providing for vocational rehabilitation for disabled World War No. 2 veterans, to be administered by the Veterans' Administration.

MARGARET HOLLAND,
American Legion Auxiliary Legislative Chairman.

DEAR SENATOR: Your support of H. R. 801 will be appreciated. Also support of a separate veterans' bill providing vocational rehabilitation for disabled World War No. 2 veterans, to be administered by the Veterans' Administration. Please reply.

Thank you,

Mrs. J. R. SIMPSON,
Culbertson, Mont.

MILES CITY, MONT., *March 2, 1943.*

Senator B. K. WHEELER:

We desire your support of veterans' bill, S. 786, by Clark Walsh or veterans' section in S. 180, La Follette bill, but separate from civilian section. Our desire that civilian and veterans' benefits be subjects of separate legislation.

CHARLES M. HATCH, *Adjutant,*
Custer Post No. 5, American Legion.

HOMESTEAD, MONT., *March 3, 1943.*

Senator BURTON K. WHEELER,
Washington, D. C.:

Your support and aid in passage of Clark-Walsh bill, S. 786, or separate veterans from civilian section in La Follette bill, S. 180, will be greatly appreciated.

AMERICAN LEGION POST, NO. 49,
V. E. JOHNSON, *Commander.*
G. J. PATTISON, *Adjutant.*

HAMILTON, MONT., *March 2, 1943.*

Senator B. K. Wheeler,
Washington, D. C.:

Legion Post No. 47 favors supporting S. 786, or the separation of veterans section from S. 180.

A. L. POST NO. 47.

CHOTEAU, MONT., *February 27, 1943.*

Senator B. K. WHEELER,
United States Senate, Washington, D. C.:

Respectfully request you oppose passage Senate bill S. 180, which would combine vocational rehabilitation for civilians and veterans. We ask that you support the Clark-Walsh measure, S. 786, or have veterans section in La Follette bill, S. 180, separated from civilian section. Our post most strenuously opposes any measure combining civilian and veterans' benefits.

C. JAMES SMITH POST NO. 6,
By WALTER J. HITCHCOCK,
Post Commander.

BILLINGS, MONT., *February 27, 1943.*

B. K. WHEELER,
Senator from Montana:

Our post wishes passage of Clark-Walsh S. 786, or veterans section in S. 180, La Follette, if separated from civilian section. Violently opposed to civilian and veterans rehabilitation combined in one bill.

YELLOWSTONE POST, NO. 4, AMERICAN LEGION.

KALISPELL, MONT., *March 1, 1943.*

Senator B. K. WHEELER:

Urge opposition S. 180, unless civilians section eliminated. Favor S. 786.

UNIT NO. 7, AMERICAN LEGION AUXILIARY.

CONRAD, MONT., *March 3, 1943.*

Senator B. K. WHEELER,
Washington, D. C.:

Pondera Post No. 37 on record favoring passage of Clark-Walsh S. 786; asking you to support it and oppose any move to combine civilian and veteran rehabilitation.

DAVE HUMBLE,
Adjutant, Pondera Post, American Legion.

BAKER, MONT., *February 28, 1943.*

Senator BURTON K. WHEELER,
Montana Senator, Washington, D. C.:

Legion desires passage S. 786, or veterans section in S. 180, La Follette bill, be separated from civilian section.

J. E. PUGH,
Commander, Fallon Post, No. 35, American Legion.

WASHINGTON, D. C., *February 28, 1943.*

Hon. BURTON K. WHEELER,
Senate Office Building, Washington, D. C.:

We earnestly urge that when Senate bill 180 comes up in Senate today you vote to delete title one and all reference to disabled veterans and Veterans' Administration in other titles or to defer action on such bill until Senate Finance Committee completes hearings and reports bill now being considered to provide vocational rehabilitation to disabled veterans which latter bill we much prefer.

MILLARD W. RICE,
National Service Director,
Disabled American Veterans.

STATE OF MONTANA,
DEPARTMENT OF PUBLIC INSTRUCTION,
Helena, Mont., February 15, 1943.

The Honorable BURTON K. WHEELER,
The United States Senate,
Washington, D. C.

MY DEAR SENATOR WHEELER: The Seventy-seventh Congress closed without the Barden committee having made a report. However, on January 6, 1943, Representative BARDEN introduced H. R. 699, while Senator LA FOLLETTE introduced the companion bill, S. 180, on January 7, 1943.

This new bill, while it provides for active participation by the Veterans' Administration in the rehabilitation of disabled soldiers, still retains nearly every objectionable feature of last fall's bill, since it provides that all vocational rehabilitation services to disabled civilians, with the exception of the actual training, are to be rendered directly by a new, completely federalized service in the office of the Federal Security Administrator. While State boards for vocational education are to give the training, such training can be given only to such persons as are certified by the Federal Security Administrator.

To show how far the trend toward complete federalization is authorized, and also to indicate that such legislation as is proposed would sooner or later strip the State board of vocational education of their responsibility for the training of handicapped persons, it may be pointed out that in section 401 (f) of H. R. 699 and S. 180, the Federal Security Administrator and the Administrator of the Veterans' Affairs "are respectively authorized * * * to delegate to any officer or employee, or to any agency, * * * of any State, Territory, or possession of the United States, or of any political subdivision of any of them such of their respective powers and duties * * * as they find necessary or expedient in carrying out the purposes of this act." Under such sweeping authority a State staff could be federalized overnight by arbitrary fiat, or a welfare agency could be given the responsibility for training.

I am registering for the State department of public instruction of Montana and many others who are wholly in accord with our opinion, opposition to S. 180 and H. R. 699 and ask that any legislation providing for an expansion of vocational rehabilitation facilities be in harmony with the three following fundamental principles:

1. Full responsibility for all services needed by disabled veterans, including physical and vocational rehabilitation, should be vested in the Government's agency for veterans—the Veterans' Administration.

2. All educational and training services for disabled civilians should be provided by the established agencies for education, Federal and State.

3. All medical services needed by disabled civilians to fit them to profit from vocational rehabilitation should be rendered by the United States Public Health Service and the State departments of health.

The acceptance of these three vitally important principles will keep educational or training functions for civilians where they should be, namely, in the United States Office of Education and the State boards for vocational education. As pointed out above, the proposed legislation would establish in the Federal Security Agency a new Federal or-

ganization to administer both medical services and training. If this happens, how long do you suppose it will be before a similar new organization will be set up in each State?

Sincerely yours,

ELIZABETH IRELAND,
State Superintendent of Public Instruction.

AMERICAN LEGION AUXILIARY,
Laurel, Mont., February 24, 1943.

Hon. BURTON K. WHEELER,
United States Senator,
Washington, D. C.

DEAR SENATOR WHEELER: Two general bills, providing vocational rehabilitation, have been introduced in the House and Senate: H. R. 699 by Congressman BARDEN, of North Carolina, and S. 180 by Senator LA FOLLETTE, Wisconsin. These are in two sections, the first providing vocational rehabilitation for members of the armed forces disabled during the present war and the second section provides vocational rehabilitation for certain disabled civilians.

The Laurel unit of the American Legion Auxiliary desires that the veterans' section be separated from the civilian section in the La Follette bill. We also wish to point out that vocational rehabilitation for those disabled veterans now being discharged is of immediate concern and should not be confused with any other subject which might delay passage of our legislation.

Will you please give this your careful consideration?

Sincerely yours,

Mrs. G. R. OLMSTEAD,
Unit Legislative Chairman,
Laurel American Legion Auxiliary.

KALISPELL, MONT.,
February 25, 1943.

Hon. BURTON K. WHEELER,
Senator from Montana,
Washington, D. C.

DEAR SENATOR WHEELER: May I call your attention to Senate bill No. 180, introduced by Senator LA FOLLETTE, Wisconsin? This bill is in two sections, the first providing vocational rehabilitation for members of the armed forces disabled during the present war and the second section provides vocational rehabilitation for certain disabled civilians.

The American Legion requests that vocational rehabilitation for service-connected disabled veterans and for civilians be the subject of separate legislation, and that the veterans' section be separated from the civilian section in the La Follette bill.

I believe that vocational rehabilitation for those disabled veterans now being discharged is of immediate concern and should not be confused with any other subject which may delay its passage.

As a member of the American Legion Auxiliary and also the mother of a boy in the service, may I urge your active support of a separate veterans' bill providing vocational rehabilitation for disabled World War No. 2 veterans, to be administered by the Veterans' Administration?

Sincerely yours,

Mrs. LELAND AGGSON.

VETERANS OF FOREIGN WARS
OF THE UNITED STATES,
Washington, D. C., February 26, 1943.

To all Members of the United States Senate:

It is understood an effort will be made on Monday, March 1, to bring before the Senate for a vote S. 180, a bill to provide vocational rehabilitation, education, training, and other services to persons disabled while members of the armed forces, or disabled in war industries or otherwise and to render such persons fit for service in war industries, agriculture, or other useful civilian industry.

The Veterans of Foreign Wars of the United States, and other veteran organizations, are not opposed to vocational rehabilitation of industrial workers and others whose disabilities are not the result of military and naval service, but we are definitely and unalterably opposed to the inclusion of such persons in a bill which covers the rehabilitation of war veterans. We maintain that the rehabilitation of nonveterans should be covered by a separate bill and the question decided upon its own merits—not as an adjunct to the long-established principle of rehabilitation of veterans.

Veteran organizations are supporting S. 786, a bill to amend title I of Public Law No. 2, Seventy-third Congress, March 20, 1933, and the Veterans Regulations to provide for rehabilitation of disabled veterans, introduced by Mr. WALSH (for himself and Mr. CLARK of Missouri), and we respectfully, but urgently, request that Members of the Senate take whatever action is necessary to delay active consideration of S. 180 until S. 786 has been reported out by the Committee on Finance and all Members have had an opportunity to study its provisions and the committee report.

We urge that preference be given to S. 786 insofar as the problem of rehabilitation of veterans is concerned. If, in the consideration of S. 180 it is forced to a vote, may we suggest that title II and all other reference to disabled war veterans be deleted from the bill.

Your cooperation to this end will be deeply appreciated by the Veterans of Foreign Wars of the United States.

Respectfully yours,

OMAR B. KETCHUM,
National Legislative Representative.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. THOMAS of Oklahoma, from the Committee on Indian Affairs:

S. 23. A bill authorizing the Western Bands of the Shoshone Nation of Indians to sue in the Court of Claims; without amendment (Rept. No. 79);

S. 24. A bill to authorize the Secretary of the Interior to issue patents for certain lands to certain settlers in the Pyramid Lake Indian Reservation, Nev., without amendment (Rept. No. 80);

S. 170. A bill for the relief of W. Cooke; without amendment (Rept. No. 81);

S. 169. A bill designating the fourth Saturday in September of each year as American Indian Day; without amendment (Rept. No. 84);

S. 445. A bill authorizing an appropriation for payment to the Osage Tribe of Indians on account of their lands sold by the United States; without amendment (Rept. No. 82); and

S. 670. A bill conferring jurisdiction upon the Court of Claims to hear and determine the claims of the Prairie Band or Tribe of Pottawatomie Indians of Kansas and Wisconsin against the United States; without amendment (Rept. No. 83).

By Mr. WHEELER, from the Committee on Indian Affairs:

S. 168. A bill conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and render judgment in any and all claims which the Confederated Salish and Kootenai Tribes of Indians of the Flathead Reservation in Montana, or any tribe or band thereof, may have against the United States, and for other purposes; without amendment (Rept. No. 85);

S. 409. A bill authorizing the Arapahoe and Cheyenne Indians or any band thereof to submit their claims against the United States to the Court of Claims, and for other purposes; without amendment (Rept. No. 86); and

S. J. Res. 19. Joint resolution to amend the act of July 3, 1926, entitled "An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and render judgment in claims which the Crow Tribe of Indians may have against the United States, and for other purposes" (44 Stat. L. 807); without amendment (Rept. No. 87).

By Mr. WALSH, from the Committee on Naval Affairs:

H. R. 1692. A bill to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes; with an amendment (Rept. No. 88).

By Mr. WILEY, from the Committee on Claims:

H. R. 598. A bill for the relief of Thelma Cannon McGroary; without amendment (Rept. No. 89);

H. R. 1276. A bill for the relief of Raymond W. Baldwin, Mattie Baldwin, and Clement B. Baldwin; without amendment (Rept. No. 90); and

H. R. 1459. A bill for the relief of Albertine Nast; without amendment (Rept. No. 91).

By Mr. EASTLAND, from the Committee on Claims:

S. 743. A bill for the relief of Mr. and Mrs. Walter H. Kindon; without amendment (Rept. No. 94).

By Mr. TUNNELL, from the Committee on Claims:

S. 652. A bill for the relief of Joseph A. Lassiter; with an amendment (Rept. No. 95).

INVESTIGATION OF VARIOUS BRANCHES OF THE NATIONAL HOUSING AGENCY

Mr. THOMAS of Utah, from the Committee on Education and Labor, to which was referred the resolution (S. Res. 112) to investigate the various branches of the National Housing Agency, reported it without amendment and submitted a report (No. 92) thereon; and on request of Mr. THOMAS of Utah, the resolution was referred to the Committee on Banking and Currency.

DEFERMENT FROM MILITARY SERVICE OF PERSONS ENGAGED IN AGRICULTURAL OCCUPATIONS—REPORT OF COMMITTEE ON MILITARY AFFAIRS: MINORITY VIEWS

Mr. JOHNSON of Colorado, from the Committee on Military Affairs, to which was referred the bill (S. 729) providing for the deferment from military service of persons engaged in agricultural occupations, reported it with an amendment and submitted a report (No. 93) thereon.

Mr. O'MAHONEY, as a member of the Committee on Military Affairs, submitted the views of the minority of that committee on the bill (S. 729) providing for the deferment from military service of persons engaged in agricultural occupations, which were ordered to be printed in connection with Senate Report 93.

REPORTS ON DISPOSITION OF EXECUTIVE PAPERS

Mr. BARKLEY, from the Joint Select Committee on the Disposition of Executive Papers, to which were referred for examination and recommendation two lists of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted reports thereon pursuant to law.

ENROLLED BILL PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on March 2, 1943, that committee presented to the President of the United States the enrolled bill (S. 641) to amend section 6 of the Pay Readjustment Act of 1942, relating to the payment of rental allowances to certain officers.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CLARK of Missouri:

S. 815. A bill to amend section 301, World War Veterans' Act, 1924, as amended, to authorize renewal of expiring 5-year level premium term policies of those in active military or naval service and certain others outside the continental limits of the United States, and for other purposes; to the Committee on Finance.

By Mr. GREEN:

S. 816. A bill permitting the naturalization of certain persons not citizens whose husbands, sons, or daughters have served with the land or naval forces of the United States; to the Committee on Immigration.

By Mr. BONE:

S. 817. A bill for the relief of George A. Rogers; to the Committee on Claims.

S. 818. A bill for the relief of Anne Loacker; to the Committee on Civil Service.

S. 819. A bill to revise the military record of George M. Grubacich; to the Committee on Military Affairs.

By Mr. BYRD:

S. 820. A bill relating to the acquisition and use of certain motor vehicles by the various agencies of the Government; to the Committee on the Judiciary.

By Mr. HAYDEN:

S. 821. A bill to amend the Act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes," approved July 11, 1916, as amended and supplemented, and for other purposes; to the Committee on Post Offices and Post Roads.

By Mr. TRUMAN:

S. 822. A bill to amend the Bituminous Coal Act of 1937, as amended, and for other purposes; to the Committee on Interstate Commerce.

By Mr. CAPPER:

S. 823. A bill transferring the administration of the Federal Credit Union Act to the Federal Home Loan Bank Administration; to the Committee on Banking and Currency.

By Mr. McNARY:

S. 824. A bill for the relief of Dr. J. W. Goin; to the Committee on Claims.

S. 825. A bill authorizing and directing the Secretary of War to convey to the port of Cascade Locks, Oreg., certain lands for municipal purposes; to the Committee on Military Affairs.

By Mr. WILEY:

S. 826. A bill for the relief of John F. L. O'Leary; to the Committee on Claims.

S. 827. A bill to amend the act of December 17, 1919, as amended and supplemented, so as to provide for payment of 6 months' gratuity benefits to the parents of persons without wives or children who die in line of duty in the active military service; to the Committee on Military Affairs.

S. 828. A bill to prohibit the mailing of propaganda disseminated by agents of foreign principals unless the source of such propaganda is identified therein; to the Committee on Post Offices and Post Roads.

By Mr. WALSH:

S. 829. A bill to amend Sections 6 and 11 of the act approved July 24, 1941, entitled "An act authorizing the temporary appointment or advancement of certain personnel of the Navy and Marine Corps, and for other purposes", as amended, to provide for the grade of commodore, and for other purposes; to the Committee on Naval Affairs.

By Mr. WALSH (for himself and Mr. LODGE):

S. 830. A bill to provide for the reimbursement of the town of Lancaster, Mass., for the loss of taxes on certain property in such town acquired by the United States for use for military purposes; to the Committee on Claims.

By Mr. REYNOLDS:

S. 831. A bill to permit the shipment tax-free of certain tobacco products to Territories of the United States for the use of members of the military and naval forces of the United States; to the Committee on Finance.

By Mr. BRIDGES:

S. 832. A bill relating to the sale of horse meat or food products thereof in the District of Columbia; to the Committee on the District of Columbia.

By Mr. JOHNSON of California:

S. 833. A bill to provide for an additional naval academy to be located on the Pacific coast of the United States; to the Committee on Naval Affairs.

By Mr. BARKLEY (for Mr. ANDREWS):

S. 834. A bill for the relief of Josefa M. Grandal; to the Committee on Immigration.

By Mr. EASTLAND:

S. 835. A bill to exclude from gross income, for purposes of Federal income tax, amounts received as compensation for active service in the military or naval forces of the United States, and for other purposes; to the Committee on Finance.

By Mr. LODGE:

S. 836 (by request). A bill to provide for the payment of overtime compensation to Government employees, and for other purposes; to the Committee on Civil Service.

By Mr. TYDINGS:

S. 837. A bill for the relief of the leader of the Naval Academy Band; to the Committee on Naval Affairs.

By Mr. LA FOLLETTE:

S. 838. A bill to provide vocational rehabilitation to persons disabled in war industries or otherwise and to render such persons fit for service in war industries, agriculture, or other useful civilian industry, and for other purposes; to the Committee on Education and Labor.

DEFERMENT FROM MILITARY SERVICE OF PERSONS ENGAGED IN AGRICULTURAL OCCUPATIONS—AMENDMENT

Mr. O'MAHONEY submitted an amendment in the nature of a substitute intended to be proposed by him to the bill (S. 729) providing for the deferment from military service of persons engaged in agricultural occupations, which was ordered to lie on the table, to be printed, and to be printed in the RECORD, as follows:

Amendment intended to be proposed by Mr. O'MAHONEY to the bill (S. 729) providing for the deferment from military service of persons engaged in agricultural occupations, viz: Strike out all after the enacting clause and insert the following:

"That section 5 (k) of the Selective Training and Service Act of 1940 as amended be amended by adding the following proviso:

"*Provided further*, That for the purposes of this subsection, a registrant shall be found by his selective service local board to be necessary to and regularly engaged in an agricultural occupation or endeavor essential to the war effort (1) if he is engaged substantially full time in the production of agricultural commodities certified to the Selective Service System by the Secretary of Agriculture as being essential to the war effort and set forth in local board release No. 164, effective January 16, 1943, and (2) if the production of such commodities attributable to such registrant is at least equal to the minimum standard of production per person as set forth in such release No. 164: *Provided further*, That the Secretary of Agriculture may from time to time certify to the Selective Service System for the purposes of this subsection such additional agricultural commodities as in his judgment are essential to the war effort, together with the minimum standard of production per person which he determines to be applicable to such additional agricultural commodities."

CHANGE OF REFERENCE

Mr. GEORGE. Mr. President, I ask unanimous consent that the Finance Committee be discharged from the further consideration of the bill (S. 659) prohibiting loss of retired pay to certain persons who accept essential employment during the present war, introduced by the Senator from Florida [Mr. PEPPER] and that the bill be referred to the Committee on Military Affairs. The bill seems to me to be an appropriate one for consideration by the Committee on Military Affairs, rather than by the Committee on Finance.

The PRESIDING OFFICER (Mr. BANKHEAD in the chair). Is there objection?

Mr. GEORGE. I have talked with the author of the bill, and he agrees. I had the impression that, by an order of the Senate, the bill had been transferred.

The PRESIDING OFFICER. Without objection, the Committee on Finance will be discharged from the further consideration of the bill, and the bill will be referred to the Committee on Military Affairs.

CONDEMNATION OF OUTRAGES INFLICTED UPON CIVILIANS IN NAZI OCCUPIED COUNTRIES AND PUNISHMENT OF PERSONS RESPONSIBLE THEREFOR

Mr. BARKLEY. Mr. President, I submit a concurrent resolution, and ask that, for the time being, it lie on the table without reference. I may ask later to have it taken up by unanimous consent.

The concurrent resolution (S. Con. 9) was ordered to lie on the table, as follows:

Whereas the American people view with indignation the atrocities inflicted upon the civilian population in the Nazi-occupied countries, and especially the mass murder of Jewish men, women, and children; and

Whereas this policy of the Nazis has created a reign of terror, brutality, and extermination in Poland and other countries in eastern and central Europe: Now, therefore, be it

Resolved by the Senate (the house of representatives concurring). That these brutal and indefensible outrages against millions of helpless men, women, and children should be and they are hereby condemned as unworthy of any nation or any regime which pretends to be civilized:

Resolved further, That the dictates of humanity and honorable conduct in war demand that this inexcusable slaughter and mistreatment shall cease and that it is the sense of this Congress that those guilty, directly or indirectly, of these criminal acts shall be held accountable and punished in a manner commensurate with the offenses for which they are responsible.

Mr. WAGNER. Mr. President, I should like to say a few words in connection with the concurrent resolution

which has just been submitted by the Senator from Kentucky.

In this formal resolution, if adopted, the Congress of the United States, following the example set by the British Parliament, will express the reaction of the civilized world toward Hitler's campaign of deliberate murder of millions of Jews in occupied Europe. I am certain that every Member of this body, and every right-thinking American of all races and creeds, concurs wholeheartedly in the terms of the resolution itself. The American people spoke their minds at a great mass meeting last Monday night in Madison Square Garden in New York City, under the auspices of the American Jewish Congress, American Federation of Labor, Congress of Industrial Organizations, the Church Peace Union, and the Free World Association. Rather than take the time of the Senate with an extended statement, I ask unanimous consent to have printed as part of my remarks some of the major addresses delivered at the meeting, including one by myself transmitted by direct wire from Washington.

The Acting Secretary of State, Mr. Sumner Welles, has already announced that a meeting will be held at Ottawa between representatives of our own and the British Government to explore the possibilities of further aid and rescue. I am convinced that some further practical measures can still be taken to rescue many thousands of these innocent, unfortunate people from Hitler's vengeance. I pray that a definite practical program may be promptly adopted as a cooperative United Nations effort. This would be democracy's answer to Hitler's campaign of barbarism, and an example of our unity, our strength, and our common resolve to perpetuate the ideals for which we fight.

The PRESIDING OFFICER. Without objection, the addresses referred to will be printed in the RECORD.

The addresses are as follows:

HON. WILLIAM O. DOUGLAS, ASSOCIATE JUSTICE OF THE SUPREME COURT OF THE UNITED STATES

In recent decades we have seen this great civilization of ours challenged more than once. We have seen it withstand the ravages of an economic depression which served as the occasion or excuse for throwing Germany into the arms of a modern Genghis Khan. Now our society is being tested in the crucible of war—a war distinguished not only by the magnitude of its military machines but also by new techniques of terror employed by our enemies.

At such a time it is but natural that we should feel the need for a restatement of our ideals. What kind of people are we? Why are we such a disturbing and dangerous symbol to the aggressors? What is the foundation of this society which today faces the mechanized might of the totalitarian states?

The foundation of our society is the minority. It is not merely the minority based on race, creed, or color. It is first and foremost the smallest minority of all—the individual conscience. Hitler would say: "What a weak rod on which to lean in comparison with the forced unanimity of my people. How can one man dare to hold out against the state?"

We know the answer. America has always known the answer. Recognition of the smallest minority is written in blood as well as ink in our Bill of Rights. That precious document represents a great historic struggle to make men free. It is the cornerstone on which our cultural and spiritual values rest. It is a constant reminder to us that once we strike down the expression of ideas which we despise we have forged an instrument for the suppression of ideas which we cherish. We know that the constitutional safeguards of equal justice under the law are absolutely essential to the preservation of liberty. For history has shown that once persecution is unloosed on one minority it spreads like a blight. We know that man is strong only when man is free, that man is free only when he has those inalienable rights proclaimed by our Declaration of Independence.

America, like the individual American, has gained its great and unique strength from this respect for the smallest minority. Some of the ancients had as a symbol of unity and strength bundles of sticks which, built together, could not be broken. That has been our symbol, too. We display it with pride alongside the oldest slogan of our Nation—"E pluribus unum"—out of many, one. We have always been a Nation of minorities. No one group can control this free peoples.

Again and again protest and rebellion against unjustified power have strengthened, not weakened this Nation. It has helped to create the great United America that we are today. The Puritans rebelled against the haughty power of the Anglican Church. But when they themselves became intolerant, there was a Roger Williams to challenge them. And so it has happened over and over again in the history of this country. At times it was but a single voice which later swelled into a chorus. So it was over 30 years ago when the Nation first heard the mighty voice of a great dissenter, Louis D. Brandeis. He said to those who were using financial and economic power for purposes of exploitation: "You shall not encroach upon the people's freedom. Power and responsibility must go hand in hand. Mankind, not the corporation, comes first."

Hitler has challenged this society of ours. In blind obedience to his pagan lust he has wrecked the culture that has nourished our civilization for 2,000 years. Japan has challenged it in her savage defiance of any right other than that which the sword creates. Both are attempting to weaken us at home by wrenching at the bonds which unite our innumerable minorities into one indivisible America.

They cannot succeed. For we believe in and are dedicated to majority rule. We know that our majority is created out of minorities who know how to live together, how to work together, and how to stick together. That is our training, our tradition, our experience, our strength. That art is one of America's unique contributions to the history of government. It is that art which will not only win the war. It will also preserve the peace we earn.

THE RIGHT REVEREND HENRY ST. GEORGE TUCKER, D. D., PRESIDING BISHOP OF THE EPISCOPAL CHURCH IN THE UNITED STATES AND PRESIDENT OF THE FEDERAL COUNCIL OF CHURCHES OF CHRIST

Those who profess belief in the fatherhood of God thereby accept the brotherhood of man as the true goal of human society.

We Americans have to confess that prejudice, pride, and self-interest too frequently have led us to disregard in practice this moral obligation to deal with all men in the spirit of brotherhood.

Yet even when we are guilty of the most flagrant violation of the principle of brotherhood we recognize its validity. This recognition often serves to hold within limits the injustice which we inflict upon those who differ from us in race or creed or class.

During the nineteenth century the scope of our application of the principle of brotherhood was greatly widened, so that we were led to look forward to the realization of the ideal of the brotherhood of man throughout the world. This hope has received a rude shock in the present war.

The Germans, under the leadership of Hitler, have not only been guilty of the most flagrant violation of the principle of brotherhood but they have openly repudiated the validity of this principle. The persecution of the Jewish race by the Germans and by those associated with them in the present conflict is not simply an instance of brutality caused by the excitement of war—it represents a deliberate policy based on the repudiation of any obligation to deal with the Jewish people as children of the one God, and therefore as men and women who should be treated as brothers. Such an attitude is a repudiation of one of the basic principles of the religion which lies behind our western civilization.

The Christian people of America, therefore, must join with our Jewish fellow citizens not only in protesting against this brutal and cruel persecution but also in using every means in our power for putting an end to it. Since it is obvious that protest and criticism will not of themselves induce the Germans and their allies to abandon this deliberate policy of persecution, we shall have to rely upon victory in the present war as the only ultimate means of saving the Jewish people of Europe from the brutal treatment which they are receiving and of restoring them to their proper place in human society.

Meanwhile we should be eager to do whatever is possible to alleviate their sufferings. Unfortunately under war conditions it is difficult to find ways of doing much either along the line of removing individuals from the area of persecution, or of giving succor to those who are compelled to remain in those areas.

At the present time the Federal Council of Churches is conferring with leaders among Jews in this country with a view to finding out what can be done, and with the purpose of giving the utmost cooperation possible in efforts to relieve these persecuted Jews in Europe.

The attitude of a large body of Christian people in this country in regard to this question was given formal expression in the following resolution, passed by the biennial meeting of the Federal Council of the Churches of Christ in America, held recently in Cleveland, Ohio:

"The reports which are reaching us concerning the incredible cruelties toward the Jews in Nazi-occupied countries, particularly Poland, stir the Christian people of America to the deepest sympathy and indignation. It is impossible to avoid a conclusion that something like a policy of deliberate extermination of the Jews in Europe is being carried out. The violence and inhumanity which Nazi leaders have publicly avowed toward all Jews are apparently now coming to a climax in a virtual massacre. We are resolved to do our full part in establishing conditions in which such treatment of the Jews shall end.

"The feelings of the Jewish community throughout the world have recently been expressed in a period of mourning, fasting, and prayer. We associate ourselves with our Jewish fellow citizens in their hour of tragic sorrow, and unite our prayers with theirs.

"We confess our own ineffectiveness in combating the influences which beget anti-Semitism in our own country, and urge our constituencies to intensify their efforts in behalf of friendly relations with the Jews.

"We urge that all plans for reconstruction in Europe shall include measures designed to secure full justice for the Jews and a safe and respected place for them in western civilization. For those who, after the war, will have to emigrate from the war-ridden

lands of Europe, immigration opportunities should be created in this and other lands.

"We recommend that the officers of the Federal Council transmit this action to the Jewish leaders in person."

May I take this opportunity of appealing to the Christian people of America to join with the Federal Council of Churches and the leaders of the Jewish people, and I am sure I can say with confidence, the leaders of Christian churches not associated with the Federal Council, in the effort to give practical effect to this resolution. First of all it is urgently important to call the attention of the people of America to the terrible nature of the persecutions which Jews in Europe are suffering. If we people of America really believe in the brotherhood of man as we profess to do, we will not only be moved to indignation by the brutality of these persecutions but we will also be moved to demand that everything possible to bring it to an end shall be attempted at the earliest possible moment.

There is much discussion at the present time in regard to our war aims. Surely those who know about the persecution of the Jews in Europe will agree that one of our aims in this present struggle should be to secure for the Jewish people in Europe a safe and honorable place in the structure of human society. Nothing less than this would be consistent with our loyalty to the principle we profess to believe of a brotherhood of man based on our common belief in the fatherhood of God.

DR. HENRY A. ATKINSON, GENERAL SECRETARY, CHURCH PEACE UNION

Those of us who remember the last war will recall the many atrocity stories that were told. The other day I turned up one of the books which had been written by an eminent English diplomat who had made a close study of the situation. He gave facts and well authenticated accounts in regard to the brutalities practised by the German Army. These stories were pretty bad. They were stories of cruelties practised by barbarians, but were mostly of individual mutilations and other acts such as the cutting off of hands of little children, breaking down doors and shooting defenseless old men and women just for the "sport" or to satisfy a blood lust. There were charges of even more serious nature. It is not pleasant reading even today, but the reaction to it on the part of many of our own people was either an expression of incredulity and attack upon the veracity of those who made the charges, or else a futile shrugging of shoulders on the part of the more tough-minded, who said, "Well this is war—what can you expect in time of war?" From Germany and the other nations associated with her in the war there came emphatic denials and bitter complaints that all these stories were a part of the propaganda aimed to discredit Germany and put her in a bad light before the rest of the world. There are people now who are still discussing those stories and are trying to parallel them with the stories that are coming from Germans as well as Allied sources in regard to what is happening at the present time.

The difference, however, is staggering. In 1914–18 the Germans denied everything. Today the Germans are glorifying crimes that are many, many times more atrocious and are honoring those murderers "who are liquidating the Jewish problem." This is not war. It is cold-blooded murder and it is official murder. It is murder of which Hitler and his gang boast, and behind their boasts there is a threat of worse yet to come.

No wonder the world is aroused. In this week's Time magazine is a picture of a statue erected in Berlin, in memory of the "Jew-baiter" Theodore Fritsch, and inscribed in German Gothic letters are the words, "Fundamentally the Jewish question is the conflict between the honorable and dishonorable." Cynically enough, this is true, for the conscience of the world knows that the statue of this butcher perpetuates in metal on a substantial granite base the dishonor of Germans and others everywhere who connive at the slaughter of the Jews now being continued.

We are not here tonight merely to call names, nor only to express our wrath—nor are we here primarily to mourn at the fate of the Jewish people and their suffering communities. We are here as free American citizens to pledge ourselves that we will continue the war until those who are responsible for this tragedy are destroyed, and that the empire of hate which they have tried to build in the heart of Europe (with out stations throughout the world) is liquidated.

This tragedy which theatens and saddens the very existence of the whole Jewish world should rest heavily upon the conscience of Christians everywhere. There is not a Jewish home in any land free from the sting and hurt of the suffering and slaughter that has already occurred and is occurring right now in Europe. The revelations that have been made recently of the bestial cruelty practiced upon the Jews by order of Hitler and his murdering mob make more clear than anything else the horror and real meaning of Nazi rule. The Archbishop of York recently characterized as "the greatest crime in history" the deliberate extermination of the Jews in Europe. It is conservatively estimated that 2,000,000 have been murdered, and for the remainder there seems to be no hope. There is ever present danger of wholesale death. The Nazis without mercy are killing defenseless men, women, and children and to quote again from the Archbishop's New Year message: "These people have committed no crime. Their only offense is that they belong to the race of which our Lord and His Apostles were members." Five million Jews in Europe are involved in this terrible tragedy. Hitler has used anti-Semitism as a motive and persecution of the individual Jew as the spearhead of his thrust against the liberties of free men everywhere. Under his brutal blows anti-Semitism has flared up in almost every land.

The Jewish problem is almost exclusively a Christian problem. It is only in those lands called Christian that anti-Semitism runs riot. Therefore, we in America must take our stand strongly and resolutely that this time we will continue not only in full cooperation with the peace-loving nations of the world in winning this war, but in building up a community of nations. We must commit our Nation to a world organization which will have as its basis the principles of the "four freedoms" written into the Atlantic Charter, and these principles must be expanded into a Bill of Rights for the world.

The political form of such a world organization is not of so much importance to mankind right now or hereafter as is the loyal and continued membership of the United States of America. Our Nation should be foremost in helping to perfect that organization, and perfection can only be achieved through the functioning and not the idealizing of the world community. Whatever plan is worked out by the United Nations and agreed to by the member states, including Great Britain, Russia, and China, should be accepted heartily by the United States. The moment we begin to pick flaws and try to find ways of avoiding our responsibilities we head toward disaster for ourselves and the rest of the world.

A huge task awaits us at the end of the war. There will be universal hunger. There will be sickness and death in every land, and the terrible specter of blood, revolution, and anarchy threatens. We must be prepared to do our part in helping to feed a hungry world, clothe a naked world, house a homeless world, and help people in all lands to reconstruct their lives on a normal basis.

Not only are we interested in these material and immediate humanitarian efforts; what the world wants and what the world is demanding is security.

We want security against the kind of thing that has thrown us into this global conflict.

Let us not forget that those who thrust this war upon us use anti-Semitism as the basis of attack not only upon our way of life but upon all our freedoms of men and women everywhere. Just as Hitler used anti-Semitism as the opening wedge in his attack, so we must turn our attention to the means and methods by which anti-Semitism shall be forever wiped out, and its emergence at any point within any nation shall be a crime against the common good.

Therefore, I would like to suggest the following program for the consideration of our Nation and the nations of the world and all people:

1. Let us demand insistently that this slaughter of the Jews be stopped at once, and that those directly responsible for carrying out these decrees of death be marked down for punishment at the end of the war.

2. That the United States, England, and such other countries as have the facilities open their doors at once as places of sanctuary, especially for the orphans, children, the old, and the sick.

3. That the United Nations make the financial and other material losses sustained by the Jews expelled from Germany and other countries under Nazi rule one of the chief charges on their restitution and resettlement program.

4. That the refugee Jews be assured of their right to return at the end of the war to those countries of which they were formerly citizens, with the restoration of the privileges and rights of citizenship; and as an alternative that those who so elect be allowed to settle in the Jewish homeland of Palestine.

Finally, that the United Nations in drawing up the bill of rights for the world accept the particular responsibility of making its provisions for life, liberty, and the pursuit of happiness apply to the Jew in all lands, and that the nations jointly and severally guarantee to all Jewish communities freedom from fear, persecution, and deportation. Such a guaranty should and must be more than a matter of internal regulation. Now that the propagation of political anti-Semitism has been recognized as a danger to international security, such propagation of anti-Semitism must be treated as evidence of incitement to crime and as such punishable under international law.

DR. STEPHEN S. WISE, PRESIDENT OF THE AMERICAN JEWISH CONGRESS

This meeting of tonight is first and last and above all an expression of the will of American Jews to stand with and for all that may be done by our country and the United Nations in order to break the power of murderous tyranny.

We American Jews have the right to feel that the heroic life and the gallant death of Staff Sgt. Meyer Levin are for us and for the whole American people a symbol of the spirit of American Jews, ready to risk and do and dare all that our country may be victorious and that liberty may live for us and for all men and nations.

It may bring some understanding of what has happened to the Jewish people in Hitler-conquered Europe, when you are told that more Jews have been slain in every brutal way in Hitler Europe within this year than will be the number of deaths in the English and the American Armies throughout this war. The number of Jews slain in one way

or another stands between two and three million. I pray God we shall have no such list of casualties in the course of the war.

The month of March begins today. Only 30 days remain and the month will be ended. It has been decreed by the Nazis that Jews shall be exterminated by the end of March in such lands as Czechoslovakia, perhaps even in Poland, where one-fifth of the Jews of earth dwelt before 1939. It is very late; too late to save many; not too late to save some.

We are met tonight, together with the great church and labor organizations, because of the common conviction that the time has arrived for a public and forthright demand addressed to the United Nations, including our own Government, for action now to save the Jews of Europe. It is the responsibility of every decently self-respecting Jew in America to let his voice be heard in support of the demand of Jews and Christians alike that the United Nations make real their promise to the end that those who may be rescued shall be rescued and that the murderers of the civilian peoples of Europe, including the Jews, be held to strictest accountability.

Knowing how Catholics and Protestants have stood out in all the Hitler-scourged lands of Europe on behalf of Jews when Jews and only Jews were Hitler victims, I dare to say that Christians worthy of the name understand that it is not the physical security of Christianity that is challenged but its moral and spiritual survival. A Christian world dare not permit millions of Jews to be slain without seeking to move heaven by prayer and earth in every human way to save the threatened Jews. Or shall it be that the one people of earth, left to extermination without organized, united, effective intervention, shall be the Jews? That would be as truly a Christian as a Jewish tragedy.

Is it not of the very essence of Americanism to beg the United Nations to stop Hitler now? To stop Hitler now is the hope and is become the supreme effort of our country and of the United Nations. Hitler's proposed extermination of the Jews of Europe and his success in murdering one-third or more of the Jewish people of Europe—these are added and most potent reasons for stopping Hitler now.

For 5 or 6 years, from 1933 to 1939, the democracies refused to stop Hitler, in part, alas, because only Jews were being exterminated. Hitler must be stopped and he will be stopped. He has been stopped in Russia by the armies of Stalin. He is being stopped in Tunisia by the armies of Eisenhower and Montgomery. He will be stopped everywhere. Stop him now, before he can execute his threat to exterminate the Jewish people. He would destroy us solely because we are the oldest of warriors for human freedom and the ideals for which the United Nations today stand. Stop him now, before he can visit his wrath over defeat upon and against the civilian populations of brave Poland, of heroic Czechoslovakia, of unconquerable Greece, of invincible Austria, Belgium, Holland, Denmark, Norway. He would exterminate the Jews. Other evil men before him have been obsessed by the same evil dream of executing the Jewish people. Their evil dreams, from Pharaoh to Pobiedonosteff, were in vain. We were not destroyed! We will not be destroyed! We cannot be destroyed, for we are an eternal people! Hitler can be destroyed! He will be destroyed! Stop him! Destroy him now!

There are three ways of stopping Hitler: (1) Defeat him! That is the complete way to stop him. (2) Open another, a second, a third, a fourth, front now, an indirect and withal rightful way of stopping him. (3) Take every human measure to rescue and save all whom he would destroy. This last is the American way and the United Nations way.

Certain things may be done and others may not be done. But some day the problem of peace will have to be taken up, after the unconditional surrender of the Axis Powers demanded by Roosevelt and Churchill. Cannot the United Nations make clear to Hitler and his adjutants at home, and his coadjutors in the Hitler-scourged territories not only that the doers of these awful crimes will, in the language of our President, be held to the strictest accountability, but that the continuance of these crimes now will constitute an unbridgeable barrier beween the United Nations and the Axis nations of tomorrow?

What can be done? Children can and must be saved. Havens of refuge must be provided for those who are able to escape within the British Empire and the western world. The six neutral nations, including the Argentine, must be enabled to admit and safeguard whosoever knocks at their doors, the United Nations to bear the burden of such hospitality. Normal immigration regulations must for a time be waived or suspended by the United Nations. The doors of Palestine must be opened, despite all the White Papers in the world.

If we tonight are in earnest, and we are, the Jewish people, the great labor organizations here represented, and the strong church groups, which speak here tonight, may move our country and the United Nations to act now, in order that a halt may be called to the direst, the most damnable, crime of history.

SENATOR ROBERT F. WAGNER, OF NEW YORK

Throughout these trying times, thoughtful men and women have been looking ahead to the day when our armies come home victorious, and peace reigns triumphant over a brave new world. Under the leadership of President Roosevelt, principles have been laid down, and discussions are going forward to feed the hungry, to assure freedom of worship, free institutions, and economic security in every land on earth. For the conquered peoples of Europe and Asia, in the darkness of their suffering and sorrow, these plans offer at least a continuing hope of a better day to come. But for the small minority of helpless Jews in conquered Europe, Hitler is doing the planning. He is deciding their future, now, the Hitler way, by a ruthless campaign of unlimited murder. This minority is simply being wiped out—now.

The American people of every creed, race, and color, who have lived together in harmony and brotherhood, stand aghast at this horror overseas. Only a Nazi mind could conceive it; only Nazi beasts could carry it out. Since Hitler's armies began their march of conquest, 2,000,000 Jews in Europe have been killed by his orders, and the 5,000,000 that remain are being rapidly liquidated. At this moment, as I speak over this microphone, such mass murder is going on with incredible efficiency that leaves no doubt of the Nazi intention to carry the plan through to its bloody, terrible end.

This is the last act of the Nazi drama, an act of which Goebels has given us fair warning. The pattern is plain from reports received only yesterday from the great city of Kharkov, recaptured by the fighting armies of the Soviet Union. When the Nazis first entered the city, thousands of its leading citizens were hanged. During the Nazi occupation 70,000 Russian residents died of hunger, and 110,000 were sent to Germany for forced labor. The 14,000 Jewish residents were forced into a ghetto and slaughtered in cold blood.

The advance of Hitler's armies turned all Europe into a torture chamber; now as they retreat, they are turning it into a slaughterhouse. Picture if you can the mass murders that will ensue, of all nationalities and faiths, when Hitler's defeated armies take the road back through western Russia, Poland, the Balkans, France, Norway, and the Low Countries. This is the Nazi master plan. Win or lose on the battlefield, they propose to wipe out all other peoples who cannot serve them as slaves. Win or lose, they plan to keep the master race the dominant factor on the Continent of Europe.

In the early days, Nazi outrages against the Jews diverted the minds of the German people from the chains of slavery being placed around their feet. Now this frenzied blood bath is devised to divert their minds from the doom of another 1918.

In contemplating this terrible tragedy, my mind goes back 10 years to another mass meeting, in this very hall, when I joined with speakers of every faith in an appeal to the Christian world and to the better element among the German people—an appeal to stop this persecution before it dragged the whole world down into bloodshed and despair. Those pleas broke in vain against the massive prison wall which the Nazis had built around the borders and the conscience of a once great land. Many well-meaning people urged us then to be silent. These outrages against Jews were a local problem, we were told—a matter of self-government within the Reich. America was supposed to be isolated from all that.

We know better now. We have learned the bitter truth that democracy and fascism cannot exist peacefully side by side in the same world. In recent weeks, President Roosevelt has said of the Axis forms of government: "Never again." The United Nations have pledged to find and punish all those responsible for the mass murders of innocent civilians. But the killing goes on at a quickening pace. The Nazis say, "Any discussion on this score is superfluous."

In the name of the sacred cause that binds the United Nations, in the name of every principle of Christianity, we must discuss it, and we must act now to rescue those who can still be rescued.

In this task, a loaf of broad or an immigration visa speaks louder than the most heartfelt expression of sympathy. This is no problem for the Jews alone; it is a United Nations problem, and it must be dealt with through the most vigorous action of a united conscience, working through an international rescue agency. We should bring food to those within reach, under careful supervision, as we have done to relieve suffering in Greece, Spain, and north Africa. We should seek the aid of the neutral countries and the unoccupied lands in the Balkans—where many stricken refugees can still find shelter. We should utilize the full capacity of the Jewish National Home in Palestine, without waiting until all the red tape is unwound, without clinging to all the artificial barriers and policies of a colonial era that is dead and past.

No appeal for mercy and succor has ever been made in vain to the American people. I am confident that they and their Government will do their full part in this work of humanity—as their small contribution now toward a happier future—as a token of their faith in the brotherhood of man and the eternal freedom of the human spirit.

HON. THOMAS E. DEWEY, GOVERNOR OF THE STATE OF NEW YORK

I greatly regret that the pressure of State business and matters before the legislature, which is in session as I speak to you, makes it impossible for me to be with you tonight. The purpose of this meeting goes to the hearts of everyone in the United States and the United Nations. The problem at issue is without precedent; without even a parallel since time began. Not in the dark ages, not even in the history of barbaric peoples was there such selective savagery as the Nazis

are even now perpetrating in eastern Europe. Neither Huns nor Tartars nor Mongols of old were as methodically unspeakable as the minions of Adolf Hitler. Never heretofore has the complete extermination of an entire people been compassed deliberately, officially, systematically, wantonly. The Nazi Fuehrer not only admits what he is doing, but now he boasts of it. His leaders have put it on paper in pseudo scientific jargon as an explicit policy of state. One such, Werner Best, a mouthpiece for the Nazis. Speaking officially for Heinrich Himmler's Gestapo, he wrote a recent article in which he used these words: "Historical experience has shown that the destruction and elimination of a foreign nationality are not in the least contrary to the laws of life, provided that such destruction and elimination are complete." This is not the sadism of one isolated individual. There is no such thing as isolated opinion in Germany today. It is the official dogma of the Nazi that murder of a people is the law of life provided the whole of such a people be murdered. Such a blasphemous concept can only serve to speed the day when the wrath of the Lord God of Hosts will destroy its exponents. But during the process of their destruction it is our high duty to frustrate to the limit of our capacity the savage purpose of the murderers.

It is our duty and our will to do everything we can to protect American prisoners. Many prisoners of the United Nations are in enemy camps. To this end we are committed not only by human feeling but by military practice. By the same token we are justified in doing all we can to save those internal prisoners of slave nations—those whom the Nazis are wiping out. The Nazis exterminate them because they look upon them as enemies of the Nazi state. That makes them our allies. Every victim of Nazi hate is an American ally. Every life we save will speed the victory—will aid in the task of creating a free world after the war. Therefore, we have a right to call upon the United Nations for action—action now. We ask for the immediate pursuing of every negotiation possible by the foreign officers of the United Nations to prevent the continuance of the monstrous process of extermination of minorities. In our growing might, we, too, can carry out reprisals. But ours should be for acts in violation of the laws of humanity. As we speed ultimate victory, we too can bomb and punish. We can also bargain for freedom for many of the victims and provide places of refuge for them. And so, too, can we serve notice through the governments of the United Nations, that the people of the Axis Powers will pay now and later by every means at hand for every act of savagery, for every failure to permit the passage of their victims to a place of refuge. The one purpose of all of us in the United Nations today is victory. Without victory the ultimate objective toward which we dedicate ourselves tonight cannot be attained. We must, we shall, devote ourselves with ever greater vigor to the prosecution of the war to the end that we shall win that victory speedily. Each of us has his part to do in the forefront of battle, either in combat or in production in the battle of supplies and food. And for those in combat we shall preserve here at home the sacred freedoms for which we fight, as we seek to procure freedom for all, now and in the future. Nothing less would prove us worthy of the pledge we make tonight to our fellowmen overseas.

HON. FIORELLO H. LAGUARDIA, MAYOR OF THE CITY OF NEW YORK

Mr. Chairman, ladies and gentlemen, the auspices under which this meeting is held is proof absolute that we in America are united.

When I asked Dr. Wise this morning what is the theme of the meeting, he said, "Stop Hitler now."

I said, "Schlog zol ihm trefen."

Well, if I had not been busy in 1937 cleaning the streets of New York, if I had been Secretary of State, I would have stopped Hitler then.

It did not require a statesman or a great student of European politics to know that this brown-shirted fanatic was leading the world into war.

As Dr. Weizmann said, and perhaps it was more applicable then than it is today, if there had not been a hush-hush policy he would never have been permitted to make the preparations and get the headway which permitted him to conquer Europe as he did.

Oh, some people believe it was only the Jews that were involved, and today some of the nations closer to Germany than we are paying their terrible price for their mistake.

Now, I want to be frank. There is a way to stop Hitler. We are going to do it. But it is not going to be done by talk or speeches.

Hitler and his gang have invented a new method of scientific mass murder and we must use the same method.

This is war. This is no debating society. This is war! They are killing our people and we must kill their people.

No, my friends. The time of seeking to crystallize public opinion by logic with facts is past. The time of impressing Hitler and his gang by appeal, by oratory, is past.

I'll tell you how you can stop Hitler—by working hard, by producing more materials, by sending more tanks, more planes, more guns, by having fewer holidays.

Have no illusions about it. We will never stop him until you have a greater force than his. You can't appeal to the sentiments of a murderer. We must have no illusions about the task we have undertaken. At no time in the history of the world did any commander of the army have the resources that Hitler has today dominating all of Europe.

So, my friends, we will never stop him with reason or appeal. There's one thing I want to warn you about. The time will come when this Hitler will recognize the supremacy of force, just like a skilled chess player knows that he is about to be checkmated in 2 or 3 months. That's the time that we must guard against, because there may be some isolationists who will start to dish out the isol-hash and say, "Oh, let's sit at a peace conference and talk it over."

Insofar as I am concerned, if it takes from now until the Judgment Day, my country will never sit at a peace table with Adolf Hitler. The quicker he knows that, the better. Our great President—and he's got everything that Hitler and all his ancestors never had—and the head of the British Empire have declared that we will take nothing but an unconditional surrender.

Now, you and me and the rest of us common folks in this country—and there are a lot of them like us—we must back that. We must back it to the very limit and let the whole world know that the American people are standing by the President in that declaration.

Dr. Weizmann has described graphically and touchingly of the wholesale murders, of the planned mass executions.

Yes, we know that is true. There's nothing we can do to wipe that out. It has happened. However, that can serve us as an incentive, give us courage to march on and let us tell Hitler—and I apologize for using the name "Mr." for that swine—let's tell this swine, "we are not going to do to you what you have done to innocent women and children."

"We will give you a chance first. We will try you for the murder of just one of these children" and when we fight together we will do that as the king did when Haman built a gibbet for Mordecai.

"We will use the same thing as you did," and execute him for murder.

We will hang him higher than Haman.

Nonetheless, the time is critical. The situation is dangerous. It requires the effort of every man and woman in this country. Let us not equivocate, let us not complain of trifling sacrifice. Let us give everything that is in us to provide the force to crush the greatest menace this world has ever seen and to insure to our children wherever they may be, to the children of the world, a future and a happy, peaceful world.

DR. GEORGE N. SHUSTER, PRESIDENT, HUNTER COLLEGE

We have come here tonight, it seems to me, not only to mourn for the fallen, but also, above all, to strengthen our own courage and determination with the example set for us by some of the bravest and most helpless of Adolf Hitler's victims. They have been led to slaughter, not because they are criminals, but because theirs has been the privilege of high purpose and ancient wisdom. They died having no weapons they could raise against the foe. But they will have their good share in the immortality of our triumph, because they performed the important task of unmasking the Nazi fully for what he is. His true face is mirrored in their blood.

It so happens that it has been my business to travel a great deal in the Old World. Many of the cities in which the Nazis have built their horrible ghettos and places of execution are well known to me. And, therefore, it seems to me a solemn obligation to give testimony. No; the Jewish men, women, and children against whom the tyrant of Braunau has waged unequal war are not people against whom any lawful charge has ever been made. Their crime is to have believed in the abiding dignity of human civilization. They have shown remarkable fortitude and an almost unbelievable faith. Some were, of course, wealthy once, but the vast majority of them were poor folk, rich only in the fidelity with which they kept a great tradition alive in their hearts.

During the comparatively distant days when Hitler invaded Austria and instigated the great Viennese pogrom of 1938, Christians marveled at the resolution with which some of these Jews faced prison and the darkness of the concentration camp. It was not seldom that other captives felt humble in the presence of men whom no constraint of their jailers could induce to disregard the slightest jot or tittle of the ancient law—men who during weeks and months ate only bread and water because taking such other food as was provided would have indicated surrender of their deepest convictions. Others we knew who clung through poverty and ignominy to the cultural tasks which they had set for themselves. Nothing could tear them away from the music and the art, the philosophy and science, the ethical or religious studies to which they had dedicated their lives. One illustrious scholar I particularly remember who during 5 years lived in seclusion, receiving no tidings from any other human being, and nevertheless strove despite Hitler to complete the book on which he had spent so many sacrificial seasons of his life. It is heartrending to think that now he, too, has probably been carted off to the slaughterhouse where Hitler's victims die in droves. For gentlewomen with illustrious names have been hurtled off in the night with guardians of the Torah, scholars, and men of mercy.

But of the vast majority of these people we in America have virtually no knowledge. They dwelt in the large cities of central Europe, of the Balkans and the Ukraine. The Sabbath stillness was the only treasure in their lives. And yet despite their desperate poverty, they kept a deep reverence for the mind and the spirit of man. Their children were reared to know the holiness of the

prophets. They shrank from no toil that they could do. And even in their shabby clothing and their distress, they were dark-eyed serious little boys and girls of whom one of my belief thinks reverentially tonight, because they were so like unto the little ones among whom Jesus went in Galilee 2,000 years ago.

In whatever opinion we may hold human history or the human race—and neither is now a pleasant spectacle—none with whom that history or that race claims the slightest kinship will for a moment doubt that the ruthless extermination of such a people as this is one of the major disasters of all time. The hand of Hitler has lain heavy on others, too. As I stand here tonight I know that the illustrious prelates who in these years of persecution have added so much to the fortitude of the Catholic Church in Germany, and the courageous pastors whose names are jewels in the crown of German Protestantism—Cardinal Faulhaber, Bishop Von Galen, Pastor Niemoeller, to name a few—would if they could join with us in saying that here is a crime against which the whole world cries out in utter amazement and deep righteous anger.

Nothing that we can say here will of course change the bloody purposes which the demon of Berchtesgaden fosters in his mind. The clatter of the machine gun will end the screams of orphans wherever his henchmen are in command. There will, to be sure, be a day of liberation. Then all Europe will breathe at last once more in the sunlight. I am reminded of Chesterton's lines as I think of that victorious morning, which may the Lord God send us soon:

"The throeing of the thousands up who labor under sea
White for bliss, and blind for sun, and stunned for liberty."

In that victory and the delirious joy it will bring only those European Jews whom we can rescue now will share. How many can we save? I do not know the answer. But it seems to me self-evident that every Christian who remembers the value of age-old works of mercy will try as best he can to aid in the ransoming of these dire captives. Surely we all know that the coming peace will be a hollow achievement unless men and women survive to whom the basic values of our common civilization will be as dear as life itself.

My own contribution cannot be an important one, but perhaps it is possible for me to testify to the righteousness of those who have perished in this mass murder and to the value of those whom it may be possible to snatch from the grasp of the assassin. Let us declare once more that there is no reason whatever, not the slightest semblance of a reason, for this brutal tragedy. The Jew was no threat to Germany. Indeed, he enriched its commerce and science, its art and its spiritual aspiration. And what harm had ever come to Germans from the Jewish folk of the eastern countries? No, all of the guilt rests wholly on Adolf Hitler and his henchmen. They alone, and not any Treaty of Versailles or any burden that was ever imposed upon Germany must be adjudged responsible for a holacaust which baffles one's understanding.

Let us say to the Jewish soldiers and sailors who now do battle with the armed forces of free America that to them there has been given a special trust of glory and righteous pride. For upon them descends the benediction which was spoken in the dying prayer of the innocent just. Upon them rest all the hopes and aspirations, all the dreams of beauty and of virtue, which once stirred in the hearts of multitudinous little ones now asleep in horrible death forever. They will prove not unworthy of that trust.

MR. WILLIAM GREEN, PRESIDENT, AMERICAN FEDERATION OF LABOR

It seems inconceivable, after centuries of developing civilization, that the world can be thrown into reverse gear and forced back to a time when the elementary right to live is denied to any law-abiding human being by government. The sacredness of human life has been recognized since the beginning of history and is proclaimed in the language of Holy Writ, which declares that God made man "in His own image." In our day we have been taught to believe that the primary purposes of government is to protect human life, to safeguard it and to punish those who would wantonly and wickedly destroy it.

Yet, as we meet here tonight we find all our concepts of civilization, of religion, and of government challenged and defiled by the hideous atrocities of Hitler. We behold the perpetration of mass murders throughout the Axis-dominated nations of Europe—the murder of hundreds of thousands of men, women, and children guilty of no wrong, but condemned to torture and death merely because they are Jews.

Can any crime be more ghastly or despicable? Can any action by our enemies stir us to greater wrath? Isn't it clear to us that the Hitler way of death threatens the American way of life with the same fate as he has meted out to the Jews?

We hear the suffering cry of the helpless victims of the world's most infamous madman as it reaches us from across the seas. Our hearts are filled with grief and we are moved by the deepest indignation. In Germany, in Austria, in Poland, in France, in the Balkans, and in every Nazi-controlled nation of Europe the same brutal routine has been repeated. The Jews have been starved, humiliated, persecuted, and systematically exterminated. Families have been broken up, whole populations have been uprooted from their home communities and transported to foreign wastes where they are left to die of hunger and disease. Murders are committed in the homes, villages, cities, and along the streets and highways of Europe. Concentration camps and ghettos are filled to overflowing with hopeless human beings who look forward only to death as release from insupportable anguish.

Only fragmentary parts of the whole terrible truth reach us. The tragic story of death and agony inflicted upon helpless Jews will only be fully known when our brave soldiers break open the sealed tomb which Hitler has created in continental Europe. As we view the situation from afar, our minds cannot fully comprehend the little we have learned. We cannot understand the type of mind that glories in hate, that derives savage pleasure from the sufferings of others, that is devoid of the instincts of mercy and justice which distinguish men from beasts.

That lack of understanding, my fellow Americans, has been the chief reason for our mistakes to date in dealing with Hitler and his followers. We have tried to reason with people who are deaf to logic. We have appealed for justice to people who do not know the meaning of the word. We thought we were talking to human beings when, in fact, we were addressing creatures who personified bestial hate.

Now, at last, we are speaking to the Nazis and the Fascists in the only language they understand—the language of force. Now, at last, we are exerting pressure upon the only human instinct they still possess—fear. Now, at last, we are employing the only weapon which they respect—total war.

The time for exhortation, for argument, and for negotiation is over. Hitler and his fellow criminals must be destroyed. We will accept nothing but unconditional surrender.

America and the other free nations of the world have arisen in their might. Regardless of the cost to ourselves and to those we love, we will bomb, we will invade, we will destroy, and we will fight until the gates of Berlin and Rome and Tokyo are crashed down by our armed forces and our enemies lie completely vanquished.

Every one of us wants peace. But we know now that there is no short cut to peace except through total victory. We know now that there is no hope of lasting peace and security for humanity until the last vestige of hateful nazi-ism and fascism is wiped from the face of the earth.

And so, every one of us who loves freedom, who despises the evil works of Hitler, who believes in the law of God and the triumph of the right, must join hands in a united effort for that victory. Regardless of race, color, or religion, regardless of political persuasions, regardless of whether we are rich or poor, we must work, suffer, sacrifice, and pull together until this war is won. Under the inspirational leadership of our great Commander in Chief, President Roosevelt, we cannot fail.

On behalf of more than 6,000,000 workers who are enrolled in the American Federation of Labor, I assure you that America's soldiers of production will more than uphold their end of the war effort. Last year, despite numerous obstacles and handicaps, American labor succeeded in quadrupling our Nation's war production. Skeptics told us that the goals set for us by the President were impossible and fantastic. We refused to be dismayed. Our loyal men and women faced the facts, applied themselves to the task and through the utilization of all the skill and strength they possessed made the impossible and the fantastic come true.

This year the Government has doubled last year's quota. Again labor is rallying to its tremendous responsibilities with a vigorous and unconquerable spirit. I pledge you, fellow Americans, that before this year is out the workers of this Nation will exceed the new goals and deliver to the armed forces of the United Nations fighting Hitler abroad the greatest and the finest supply of the weapons of war the world has ever seen. I pledge you that the workers of our country, who hate Hitler and the things he stands for, will do everything within their power to win this war in the shortest possible time.

I am not a prophet, nor the son of a prophet and, therefore, I will not attempt to predict how long it will take to achieve victory. But the die is cast. We must win and we will win. Let us not mistake the fact that the road ahead is long and hard. The experiences of our soldiers and sailors in Africa and in the Pacific make that clear. The enemy is fighting stubbornly for every inch of ground and while we may feel, with some justification, that the tide of war has changed in our favor, it has not yet reached the proportions of a tidal wave. We still have a long way to go and we on the home front will be required to match in part the heroism and the sacrifices of our courageous boys in uniform on the battle fronts.

Meanwhile, time is running out for the helpless prisoners of nazi-ism and fascism—the Jews and the hostages who are being slaughtered at an ever-increasing tempo by our desperate enemies. We must try to do everything possible to save them before it is too late.

First, it seems evident that the United Nations must serve notice—official notice—that every Nazi and Fascist crime against innocent civilians will be punished with uncompromising justice and with equal severity. President Roosevelt has made it clear that this is the position of our Government. I endorse without reservation the demand of the American Jewish Congress that the

United Nations set up at once an official commission to inquire into each enemy atrocity, place the blame where it belongs and record the names of the criminals for future and implacable action. Such action will have a profound and perhaps deterring effect. The brutal Nazi leaders will know that when they slaughter Jewish people, shoot hostages, and commit unspeakable crimes they will be branded as criminals and treated as such when the war is over.

Second, I officially join with the American Jewish Congress and all its friends in urging, appealing, and demanding that the open door be established in Palestine. Let it be the homeland for Jewish refugees for the duration at least. It is no longer a question of political considerations or territorial status. Instead it is a question of saving human life. There should no longer be any quibbling over technical interpretations of the Balfour Declaration. Instead, let the immigration barriers to Palestine be removed, the door of admission to tortured, distressed, maltreated human beings be thrown wide open. The exigencies of the situation call for quick action, immediate action, if Hitler's victims are to be saved.

Third, let us examine our own situation at home and ascertain if the quota restrictions will permit the entry of war refugees and if it is possible to secure exit privileges for these refugees from conquered countries. We should do all that lies within our power to be helpful along these lines.

These are immediate steps and vitally important. But we cannot rest there. We must also plan now for the future. We must prepare a constructive post-war program which can be placed in effect the moment the war ends.

The American Federation of Labor is giving earnest attention to this post-war program and it is determined that labor shall be fully represented at the peace conferences so that the will of the great masses of the people will not be ignored. I am not giving away any secrets when I inform you that foremost among American Federation of Labor's post-war objectives stands a plank calling for immediate relief and rehabilitation of the Jews and other oppressed minorities of Europe; full restoration to them of their economic and political rights, and a guarantee, backed by the power of the United Nations, that never again will they be denied the primary freedoms of thought, expression, and religion.

In a broad sense, even this is a temporary measure. No nation, no people on earth can ever again feel secure if our peacemakers permit a return to the kind of international anarchy which existed before this war—the kind of irresponsible isolationism which permitted Hitler to wade through blood to dictatorship, which permitted Mussolini to seize Ethiopia, which permitted Japan to invade helpless China, and which permitted justice to be trampled upon by tyrants anywhere. All that must go forever. The conscience of the free men and women of the world is aroused. We know that if we blind our eyes and stop our ears to human suffering, that suffering will be visited upon us a thousandfold before our days are done. We know that the bloodshed and the sacrifices which this war has forced upon us will be in vain unless a new order of international brotherhood is established following victory—an order based upon peace and justice, an order humanized by universal application of the four freedoms, an order buttressed and protected by the vigilant might of the United Nations. That is the supreme goal of labor, the great hope of free people everywhere which gives us the inspiration and the invincible strength for victory.

MR. JAMES B. CAREY, SECRETARY-TREASURER OF THE CONGRESS OF INDUSTRIAL ORGANIZATIONS

The people of the civilized world, no matter what their belief, are aghast at the horrible record of the Nazis in the deliberate slaughter of the Jewish population of the lands they have conquered or invaded—including the Jews of the Axis nations themselves.

No parallel in history shows a more calculated policy of massacre than the policy of the Nazi rulers of Germany. Their aim, which they do not attempt even to conceal, is to wipe out entire generations and entire races of their victims.

Organized labor in America and in all lands has long recognized this outstanding fact of fascism—that it is the sworn enemy of all mankind, that its persecutions of one group or one minority do not end with that group. The slaughter of the Jews in occupied Europe is an atrocity that moves us all; it is also a warning of what the Nazi murderers have in store for every people that resists them or that stands in their way in any manner.

Our answer, as organized workers devoted to our country and to the freedom of all people, is given in the words of the president of the Congress of Industrial Organizations, Philip Murray, who said some months ago:

"In answer to this mass horror being inflicted on our brothers and sisters in Europe, we pledge in the name of humanity to redouble our work for the utter destruction of nazi-ism and all its legions of death throughout the Axis.

"We renew our pledge of devotion to the cause of complete United Nations victory. We reaffirm our pledge of unity with the workers and the plain people of all nations, including the occupied nations, in the common struggle for freedom and for life itself."

The Fascist rage against mankind cannot be cured by our tears and regrets alone. It can only be cured by the complete military annihilation of the armed forces of nazi-ism and fascism. For this reason, the Congress of Industrial Organizations stands pledged behind the historic statement of our aims made by President Roosevelt at Casablanca—the unconditional surrender of the enemies of the United Nations.

At the same time we reiterate the warning that has been pronounced against these monsters; the warning that they must face trial and punishment for their crimes. We reiterate our appeal to the people of the Axis countries to rise against their slave masters before it is too late and for the sake of their own future among nations.

While we mourn for the men and women and little children sent to death by the insane blood-lust of the Nazis, we extend our greetings and our solidarity to those heroic people who continue to resist under the most unimaginable difficulties—the guerilla heroes and heroines of the underground.

Mankind is a stubborn species; it prefers to die fighting against tyranny rather than to die accepting it. Even in Poland, the slaughterhouse of Europe, there are men and women who fight Hitler with arms in their hands far behind the lines. The same indomitable spirit motivates the people of China, Russia, of Yugoslavia, of every occupied and invaded land.

They fight Hitlerism with arms, under inconceivable difficulties. Here in America we fight Hitlerism with production, production achieved by the unity of all our people in one common struggle. Abroad, our soldiers are carrying the struggle to Hitler's armies. The United Nations are moving toward the great offensive that will forever wipe fascism from the face of the earth.

In honor to the martyred dead, in honor to the Jewish peoples of all the world, in honor to all of Hitler's victims—and for our own future—we pledge with all our strength that we shall not stop short of complete victory.

SPECIAL COMMITTEE ON POST-WAR POLICY—AMENDMENT AND REFERENCE OF SENATE RESOLUTION 102

Mr. GEORGE. Mr. President, I ask unanimous consent that Senate Resolution 102, which was reported favorably from the Finance Committee on Monday, may be referred to the Committee to Audit and Control the Contingent Expenses of the Senate, after adoption of an amendment simply setting out in blank the sum to be appropriated.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. LUCAS. Did I correctly understand the Senator to say that an amendment is attached to the resolution?

Mr. GEORGE. An amendment simply providing that a sum not exceeding blank dollars shall be appropriated.

Mr. LUCAS. Speaking only for myself, I should like to make an observation in connection with the resolution. Section 3 is rather broad in its language insofar as the employment of officers, experts, and employees is concerned. When the committee determines what amount is necessary to carry on the highly important work which the Senator from Illinois believes should be done, it may want to hear from the chairman of the committee or from the committee as a whole that is finally appointed by the Vice President.

Mr. GEORGE. I think the chairman of the Committee to Audit and Control the Contingent Expenses of the Senate is entirely correct. I had in mind that the resolution might be agreed to and that a subsequent separate resolution asking for an appropriation might be referred to the committee. However, I am advised by the Parliamentarian that the resolution as a whole should go to the Committee to Audit and Control the Contingent Expenses of the Senate; and I am asking that it be referred to that committee. The resolution does not call for any specific appropriation.

Mr. LUCAS. I so understand.

Mr. GEORGE. The amendment which has been proposed is not to modify the general broad powers granted in the resolution, but adds the words "not exceeding the sum of $——."

Mr. BARKLEY. Mr. President, if the Senator will yield, let me say that I understand that under the rule some amount must be fixed when the resolution is reported by the Committee to Audit and Control the Contingent Expenses of the Senate, and that that will have to be done before the committee provided for in the resolution is appointed. It might be well to have the chairman of the Finance Committee and other Senators on the committee, or anyone else who has an opinion about the matter, appear before the Committee to Audit and Control the Contingent Expenses of

the Senate to suggest an appropriate amount to be provided in the resolution when it shall be reported from the committee.

Mr. GEORGE. I shall be very happy to do so.

Mr. BARKLEY. However, under the rule it is impossible to wait until the appointment of the committee provided for under the resolution, and then ask it to provide for the amount which may be needed.

Mr. LUCAS. Mr. President, I should like to state that it would seem to me to be urgent to have the Committee to Audit and Control the Contingent Expenses of the Senate arrive at a determination as to the amount necessary to be appropriated in order to carry on the work. I can appreciate that we can make any sort of appropriation—we can start with $5,000, $10,000, $15,000, $20,000, or $25,000—and then as the work proceeds, and perhaps is found to require an additional appropriation, the committee could add to the amount appropriated. However, under the rule, if I correctly understand it—I may be wrong regarding the matter—in the first instance the limitation as to the amount to be appropriated is set by the committee which reports the bill, and then the Committee to Audit and Control the Contingent Expenses of the Senate can either increase or decrease the amount.

Mr. BARKLEY. That is correct. It is customary to have a resolution, as it comes from a legislative committee, fix an amount as a maximum. Then it goes to the Committee to Audit and Control the Contingent Expenses of the Senate, and as a rule that committee determines whether the amount suggested or a lesser amount should be appropriated.

Mr. LUCAS. Of course, I do not follow the Senator from Kentucky in his statement that a committee could not be appointed in the first instance by the Vice President, and thereafter meet and go over the resolution thoroughly. It would seem to me that the members of the committee should be the ones who in the first instance should make the determination as to the initial amount of money needed.

Mr. BARKLEY. Of course, as I understand the rule, a resolution cannot be agreed to until it has gone to the Committee to Audit and Control the Contingent Expenses of the Senate and has been reported from that committee to the Senate with an amount suggested. It is customary for a committee reporting a resolution which subsequently must go to the Committee to Audit and Control the Contingent Expenses of the Senate to fix an amount. In the present case that has not been done, because no specific amount was requested. I have an idea that as the work proceeds, probably from time to time it will be necessary to add to the appropriation. In that sense, I should not see any objection to providing an amount in the amendment which will go to the Committee to Audit and Control the Contingent Expenses of the Senate; but the resolution cannot be agreed to and the committee cannot be appointed until there has been a report from the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. GEORGE. Mr. President, let me say to the distinguished majority leader and to the distinguished chairman of the Committee to Audit and Control the Contingent Expenses of the Senate that I should be pleased to appear before the committee with such data and such schedule as I have been able to devise, which I think would fairly well indicate the size of the appropriation which would be necessary. The resolution simply leaves the amount in blank; and I think that any appropriate amendment to the resolution may be made by the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. BARKLEY. That is true.

Mr. GEORGE. So I ask that the resolution be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

The PRESIDING OFFICER. Without objection, the amendment proposed will be agreed to, and the resolution as amended will be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

PREVENTION OF SPECULATION IN LANDS OF COLUMBIA BASIN PROJECT

Mr. McCARRAN submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H R. 839) to amend the act approved May 27, 1937 (ch. 269, 50 Stat. 208), by providing substitute and additional authority for the prevention of speculation in lands of the Columbia Basin project, and substitute and additional authority related to the settlement and development of the project, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows: That the House recede from its disagreement to the amendment of the Senate and agree to the same with amendments as follows:

On page 12 of the Senate engrossed amendment, in line 13, after the comma insert the word "and".

On the same page, in line 14, strike out "and providing for the general welfare."

On the same page, lines 17 to 21, strike out "to improve such lands, or other lands within the project under contract with the owners or organizations thereof as herein provided, by clearing, leveling, and preparing them for handling of irrigation water;".

On page 13 of such amendment, lines 13 to 17, strike out "Contracts for repayment of costs incurred by the United States in clearing, leveling, and preparing lands for the handling of irrigation water may, in the Secretary's discretion, be made with individual water users or any form of water users' organization satisfactory to him."

And the Senate agree to the same.

PAT MCCARRAN,
DENNIS CHAVEZ,
CHAN GURNEY,
JOSEPH C. O'MAHONEY,
Managers on the part of the Senate.

COMPTON I. WHITE,
J. W. ROBINSON,
JOHN R. MURDOCK,
DEWEY SHORT,
ROBERT F. ROCKWELL,
Managers on the part of the House.

The report was agreed to.

Mr. BONE subsequently said: Mr. President, today the Senate agreed to a conference report on House bill 839, which deals with a reclamation project in the State of Washington. It is desirable to authorize the Vice President to sign the bill during the recess or adjournment of the Senate. Therefore, I ask unanimous consent that the Vice President be authorized to sign the bill during the recess or adjournment of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

LIAISON BETWEEN CONGRESS AND THE EXECUTIVE—EDITORIAL FROM THE NEW YORK HERALD TRIBUNE

Mr. MALONEY. Mr. President, on Saturday, February 27, there appeared in the New York Herald Tribune an editorial entitled "Congress Must Be Informed." In the concluding paragraph of the editorial the Tribune writer states:

A method for establishing such liaison was suggested by Senator MALONEY in the last session. It was lost in the shuffle, but before the meeting of the present Congress the Senator announced he would reintroduce his measure. This newspaper applauded his intention then; it still considers that a carefully selected committee, representing both Houses and both parties, maintaining close and candid relations with the administration, is an urgent necessity.

Mr. President, I should like to point out, for the benefit of the New York Herald Tribune, whose interest I greatly appreciate, that the Senator from Connecticut did reintroduce the resolution. It was resubmitted to the Senate on January 7. Since that time a subcommittee of the Committee on Military Affairs held a hearing on the resolution. The witnesses appearing before the hearing were the distinguished Senator from Michigan [Mr. VANDENBERG] and myself. The hearings have been printed—and I am very hopeful that the Military Affairs Committee will further consider the resolution at an early date and thereafter give the Senate a chance to consider the proposal.

I ask that the editorial from the Herald Tribune be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Herald Tribune of February 27, 1943]

CONGRESS MUST BE INFORMED

Major George Fielding Eliot, in reiterating forcefully the necessity of consolidating the direction of the war through the institution of a war cabinet (a point which he, like this newspaper, has often urged before) makes much of the equal necessity of establishing closer liaison between Congress and the President. That any major improvement in the national administration must concern itself with both these objectives, and that such an improvement is imperatively demanded by the military situation, is becoming plainer with each passing day.

Congress has accepted the results of the last election—and correctly—as a mandate to take its rightful place in controlling American policy. But Congress, as a body, has now no policy of its own, and under war-time conditions, plus the close balance of parties and the fluid state of party discipline, it is not in a good position to create

one. Moreover, the ideal of war administration is certainly not an open and prolonged conflict between the President and the legislature; it is, rather, the harmonious cooperation of the two branches of government.

These conditions have been acknowledged, expressly or implicitly, by Republican leaders. Senator Taft, for example, warning that Congress might go too far in its revolt against New Deal policies, suggested that a policy committee be set up by Senate Republicans to plot the course of the opposition. Senator VANDENBERG, in a letter to Major Eliot, showed an even better appreciation of the difficulties faced by Congress at this juncture. He wrote:

"There can never be a full disclosure of executive plans and purposes to a 'town meeting' of 531 Senators and Representatives. Yet the lack of total information and total candor between these two constitutional partners constitutes an utterly dangerous gap in our democratic machinery."

Obviously, if Congress, or the Republicans in Congress, wish to formulate a policy that will be in the national interest at this time, the gap mentioned by Mr. VANDENBERG must be closed. Otherwise the opposition can only clash blindly with the Administration and parallel in the legislature the confusion apparent in the various executive agencies. Congress has many committees undertaking many investigations; often they overlap, almost always they take busy men away from important tasks. Congress is also taking action on many isolated segments of war activity without it, would seem, fitting them into any settled policy of over-all action. Both of these tendencies are inevitable unless Capital hill has some means of obtaining accurate information from the White House concerning all phases of the war.

A method for establishing such liaison was suggested by Senator MALONEY in the last session. It was lost in the shuffle, but before the meeting of the present Congress the Senator announced he would reintroduce his measure. This newspaper applauded his intention then; it still considers that a carefully selected committee, representing both Houses and both parties maintaining close and candid relations with the Administration, is an urgent necessity.

SMALL BUSINESS AND WAR PRODUCTION

Mr. MALONEY. Mr. President, a few days ago I received an interesting letter from Mr. Joseph L. Weiner, Director of the Office of Civilian Supply, of the War Production Board. In the letter Mr. Weiner, appreciating the very serious situation confronting the country's civilian supply problem, which, in my judgment, has suffered to the point of danger, told me that he would like to have my cooperation in arranging for civilian supply studies in certain of the seriously distressed areas of the State which I in part represent. Since the receipt of that letter the able Senator from Montana [Mr. MURRAY] has appointed a subcommittee of the Senate Committee on Small Business, to make a study of the civilian supply situation. The subcommittee is composed of the able Senator from Ohio [Mr. TAFT], the able Senator from Nevada [Mr. SCRUGHAM], and myself.

In order that Senators may be to some extent informed of what the Office of Civilian Supply is attempting to do, I ask that there be printed at this point in the RECORD the letter which I received from Mr. Weiner, a copy of my reply to Mr. Weiner, and a copy of a letter which I addressed to the mayors of Hartford, Waterbury, New Britain, and Bridgeport, Conn.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

WAR PRODUCTION BOARD,
Washington, D. C., February 23, 1943.

Senator FRANCIS MALONEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MALONEY: I have followed with great interest your efforts, both official and personal, on behalf of so-called small business. I write to acquaint you with an activity of the Office of Civilian Supply which I believe will be of interest to you.

An important function of the Office of Civilian Supply is to use its best efforts to assure and maintain an effective system of service trades in this country. Unless we make plans for such seemingly prosaic businesses as laundries, restaurants, shoe repair shops, plumbing and heating establishments, and the like to insure that they will be both adequate in number and in a position to effectively serve their communities, we will find that our war program will be adversely affected.

There is a serious problem arising in regard to these industries as the result of diversion of raw materials to war uses, the gradual exhaustion of inventories, and increasing manpower shortages. In many overcrowded industrial areas the problem is already acute.

This Office proposes to undertake to determine as definitely as possible, the minimum requirements of these trades for manpower, equipment, supplies, fuel, and other essentials of operation. We then propose to see that full consideration is given to these requirements when allocations are made among military and civilian needs as well as between competing civilian needs.

We are preparing to make such a survey in three or four of the important cities of Connecticut, which appear to us to have service trades hard hit by the demands of war production. It is our plan to have Washington representatives from the Office of Civilian Supply visit Bridgeport, Hartford, Waterbury, and New Britain. They will call meetings of the representatives of four or five service trades which at present appear most seriously endangered. Specifically this investigation will endeavor to determine requirements for laundries, restaurants, garages, shoe repair shops, and electric repair establishments. We have decided to conduct the above-mentioned investigation in the four cities listed since these cities have been designated by the War Manpower Commission as critical labor areas.

It would be most helpful to us if you would be willing to get in touch with those people most appropriately situated in the above-mentioned communities and advise them of our proposed survey to begin within the next 2 or 3 weeks. If you believe as we do that this effort would redound to the benefit of the merchants in those cities, as well as to the work of this Office, will you be good enough to let me know?

Thanking you in anticipation for your cooperation, I am,

Sincerely yours,

JOSEPH L. WEINER,
Director, Office of Civilian Supply.

MARCH 2, 1943.

Mr. JOSEPH L. WEINER,
Director, Office of Civilian Supply,
Social Security Building,
Washington, D. C.

MY DEAR MR. WEINER: Your letter of February 23, advising me of your desire to make a survey of service trades in four of the important cities of Connecticut, touches on problems which I consider among the most vital unsolved questions before us.

It is of the utmost importance that we immediately reappraise our ability to produce necessary services and provisions for the civilian population. As the war continues the civilian population is more and more literally fighting on the home front. To continue this fight they must be provided, not luxuriously, but with the necessities of life.

The increased drains on our labor by the armed forces and by essential war production plants raises the question of the ability of the remaining labor force to supply the civilian population. It also raises another question to which I have given considerable attention in connection with the work of the Small Business Committee of the Senate. Mass liquidations of smaller business at this time would be disastrous to our country. Every effort must be made to continue the existence of the independent businessman. Should your proposed survey develop significant facts with reference to these problems, it will be a most worthy contribution.

I am, therefore, pleased to accede to your request that I inform the mayors of Bridgeport, Hartford, Waterbury, and New Britain, Conn., of your proposed survey in order to facilitate their cooperation with you, and to urge, although I am sure it is unnecessary, their complete cooperation.

Sincerely yours,

FRANCIS MALONEY.

P. S.—Enclosed herewith is a copy of a letter which I have sent to the mayors of Bridgeport, Hartford, New Britain, and Waterbury, Conn.

MARCH 2, 1943.

Hon. JASPER MCLEVY,
Mayor, Bridgeport, Conn.

MY DEAR MAYOR: I have been asked to write to you about a problem which is becoming increasingly important with the progress of the war. It is the one to which I know you have given serious thought and earnest consideration, as it is a problem which must affect every person in your city.

With the draft taking more and more of our men, and war industry properly asserting a first claim on the remainder, it is apparent that an effort must be made to assure the maintenance of sufficient industry to supply the necessities of those who are fighting on the home front. Obviously we must have some clothing, some food, some laundries, and retain some mechanics; some of almost every trade and skill. Moreover, unless we are to feel the shock and suffer the misery of depression, we must preserve our small independent businesses.

Officials of the War Production Board have advised me that they desire to make a survey in your city of the service trades which have been hard hit by loss of personnel and lack of materials. They desire to call meetings of the representatives of four or five service trades, particularly the laundries, restaurants, garages, shoe-repair shops, and electric-repair establishments. Their purpose is to attempt to obtain sufficient information to enable them to work out a program which would achieve the objectives I have outlined.

I believe such a survey would be in line with what you and I have been trying to do for the people of Bridgeport. For this reason I am advising you of the plan so that you will be able to make arrangements to cooperate fully with the representatives of the War Production Board. These will be employees of the Division of Civilian Supply.

It is my understanding that representatives of the War Production Board will communicate with you within a few days.

Trusting that you will accept this communication in the spirit in which it is offered, an attempt to give what aid I can to the solution of a difficult problem, I am,

Sincerely yours,

FRANCIS MALONEY.

P. S.—Enclosed herewith is a copy of a letter which I have received from Mr. Joseph L. Weiner, director, Office of Civilian Supply. Also enclosed is a copy of my reply to Mr. Weiner's letter.

PRODUCTION OF RUBBER FROM ALCOHOL

Mr. GILLETTE. Mr. President, a year ago the 6th of January there was allocated to the petroleum industry $650,000,000 for the purpose of developing a synthetic-rubber program. Nothing was allocated to the alcohol process.

Since that time a subcommittee of the Committee on Agriculture and Forestry of the Senate, aided by some governmental agencies which have cooperated very fully, has been trying to bring agricultural sources into the program. Yesterday there was announced by Rubber Director Jeffers the location of five new plants for the production of alcohol.

Today I received from the Carbide & Carbon Chemicals Corporation, over the signature of Harold E. Thompson, vice president, a letter from which I wish to read two excerpts. This company has a plant which is making butadiene from alcohol derived from grain sources at the city of Institute, W. Va., the first unit going into production last month. I read from the letter:

> Shipments for the month of February amounted to twelve 11,500-gallon tank cars, holding an average weight of 57,000 pounds per tank car, the month's shipments amounting to 342 tons of specification grade butadiene.

Then there is this additional paragraph:

> We now plan on placing the second 20,000 tons per year butadiene unit at Institute plant in operation during the week of March 7.

Mr. President, I ask unanimous consent that the letter be printed in the RECORD in full at this point in amplification of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CARBIDE & CARBON
CHEMICALS CORPORATION,
New York, N. Y., March 3, 1943.

Hon. GUY M. GILLETTE,
United States Senate,
Washington, D. C.

DEAR SENATOR: In your letter of January 8, 1943, you requested us to advise you when our first 20,000 ton per year butadiene unit was placed in operation, and we are at this time pleased to give you a brief report on the starting of the first unit producing butadiene from alcohol in our plant at Institute, W. Va.

January 29 is the official date upon which operations were started, since at that time all of the utilities, such as power, steam, and water services, were in shape to supply one unit, and alcohol feed stock was fed to the beginning of the process on that date.

February 1. The adjustment of the instruments, controls, regulators, and other equipment had proceeded to a point where butadiene converters were placed in operation. From that time on the recovery, purification, and distillation systems, respectively, were started and the plant was brought into complete operation as rapidly as the various pieces of equipment could be adjusted and regulated.

February 19. The first tank car was filled with finished butadiene of 99.5 percent purity, meeting Rubber Reserve Company's specifications in every respect. From that time on shipments have been made at the rate of from one to two cars a day.

March 1. Shipments for the month of February amounted to twelve 11,500 gallon tank cars, holding an average weight of 57,000 pounds per tank car, the month's shipments amounting to 342 tons of specification grade butadiene.

During the starting-up period we have had days in which the output of the plant was somewhat in excess of nominal rated capacity. On the basis of experience gained thus far, certain minor changes will be made in the plant during the next two weeks, after which tests will be run to determine the potential producing capacity of the unit.

We now plan on placing the second 20,000 ton per year butadiene unit at Institute Plant in operation during the week of March 7.

The alcohol used as feed stock was that supplied to us by Defense Supplies Corporation. It was received by tank car from most of the distillery centers, and so far as we know all of this alcohol was fermentation alcohol.

Respectfully yours,
CARBIDE & CARBON
CHEMICALS CORPORATION,
H. E. THOMPSON,
Vice President.

SILVER

Mr. MURDOCK. Mr. President, recently there was a meeting at one of the great metal-mining camps in my State. The meeting was held in the change room of the miners, where they change as they come off shift. Those gathered there were addressed by two members of the R. A. F. and one of our Army pilots. The purpose of the meeting was to give the R. A. F. pilots and our own pilots a chance to inform the miners of that great metal-mining section of the importance of keeping a steady flow of strategic metals into our war plants.

As a result of the meeting I received a letter from one of the miners dated February 6, giving in his own eloquent language his idea of the importance of silver in the mining in my State of complex ores such as zinc, lead, and copper. In my opinion, the letter is very significant and important at this time. I call the attention of the Members of the Senate to it and ask that it be included at this point in the RECORD as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEBRUARY 6, 1943.

The Honorable ABE MURDOCK,
Senator, Utah.

COMPTON I. WHITE,
Representative, Idaho,
United States Congress.

SILVER

GENTLEMEN: To our western Congressman and to our eastern Congressman, I am moved to write this letter by the continued fight against silver and the Silver Purchasing Act, by our eastern friends whom I am led to believe do not understand what this metal has meant prior to the war and its meaning to all of us now that we are all at war with a common enemy.

Silver has again been attacked and called a slacker metal, traitor metal, subsidy to mine operators, and many other names that are intended to crucify its standing in our monetary system.

Just last week I was called into the change room of the miners to listen to two Royal Air Force pilots and one of our own pilots plead for more production from our miners for our boys out front.

These boys revealed many frightful engagements and called for more lead, zinc, and copper from our miners and those connected with the mining industry. After their talk not much was said, but the determination written on the miners' faces was more than any writer can explain.

At this point, with no apology to the reader or listeners of this communication, the Silver Purchasing Act has taken its place in our western mines as a V metal legislation. The ore we so badly need was blocked out under the inspiration of the Silver Purchasing Act. These ores we need now, classed as critical defense metals, lead, zinc, and copper, carry with them our precious metals, silver and gold.

The content of lead, copper, and zinc in a ton of ore in the first stages of development in our mines invariably does not contain sufficient of all three combined metals classed as critical to warrant profitable operations to the companies or individuals, but with the price of silver and gold standardized for any specific period of time you create an incentive to prospect and develop your natural resources of your western country.

Therefore, silver, if used only in money, has done its duty to the mankind of these United States at these critical times, so, gentlemen, think, consider, and place silver as your V metal, as you read or listen to these few lines, tons of lead, copper, zinc are flowing steadily into the war efforts and the slacker metal so much referred to has made this possible.

To our esteemed Congressman from the East who is condemning silver, I respectfully say, study your silver metal in our complex ores and in our monetary system and now in our global war period, you will find a western man who supports silver, your friend, and a friend of your boys on our far-flung battle fronts.

Silver has done its duty to mankind, it has blocked out your lead, zinc, and copper in these Rocky Mountains, and those men who have dedicated themselves to mining are your friends, and tons upon tons of critical metals are moving forward to our boys.

To my esteemed friend, Senator MURDOCK, and to my friend COMPTON I. WHITE, of Idaho, I say, carry this message to both floors of our congressional body and I feel certain many of our esteemed eastern friends will listen to this message before they cast a death knell to a metal that was their friend before the war and now during this war.

I will close with sincerity and best wishes to all Americans.

TOM P. COSTAS,
Miner, Park City, Utah.

A DECADE OF ACHIEVEMENT

[Mr. BARKLEY asked and obtained leave to have printed in the RECORD a statement entitled "A Decade of Achievement," reviewing the 10 years of the Roosevelt administration in the matter of legislation and executive policies in domestic and foreign relations, which appears in the Appendix.]

WHY WE ARE FIGHTING—ADDRESS BY SENATOR ANDREWS

[Mr. BARKLEY asked and obtained leave to have printed in the RECORD a radio address entitled "Why We Are Fighting," delivered by Senator ANDREWS in Washington, D. C., February 18, 1943, which appears in the Appendix.]

ASSISTANCE TO REFUGEES—NOTE FROM SECRETARY OF STATE TO BRITISH GOVERNMENT

[Mr. CONNALLY asked and obtained leave to have printed in the RECORD a note delivered on February 25, 1943, by the Secretary of State to the British Government, which appears in the Appendix.]

FUNCTION OF TAX DOLLARS IN A WAR ECONOMY — STATEMENT BY SENATOR VANDENBERG

[Mr. VANDENBERG asked and obtained leave to have printed in the RECORD a statement on the subject The Function of Tax Dollars In a War Economy, made by him Tuesday, March 2, 1943, and broadcast over the radio, which appears in the Appendix.]

OUR ARMED FORCES AND VICTORY—ADDRESS BY SENATOR REYNOLDS

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD an address entitled "Our Armed Forces and Victory," delivered by him at the Waldorf Astoria Hotel, New York City, at the annual banquet of the New York Board of Trade, which appears in the Appendix.]

RURAL ELECTRIFICATION—ADDRESS BY SENATOR RUSSELL

[Mr. HILL asked and obtained leave to have printed in the RECORD an address on rural electrification delivered by Senator RUSSELL at the first annual convention of the National Rural Electric Cooperative Association, Inc., at St. Louis, Mo., January 19, 1943, which appears in the Appendix.]

INVESTIGATION OF MANPOWER BY SUBCOMMITEEE OF COMMITTEE ON APPROPRIATIONS—REPORT BY SENATOR GREEN

[Mr. GREEN asked and obtained leave to have printed in the RECORD a report submitted by him on the investigation of manpower conducted by a subcommittee of the Committee on Appropriations of the United States Senate, which appears in the Appendix.]

MAINTENANCE OF MERIT SYSTEM FOR EMPLOYEES OF TENNESSEE VALLEY AUTHORITY

[Mr. HILL asked and obtained leave to have printed in the RECORD a letter addressed by him to the Chairman of the Senate Committee on the Judiciary with reference to maintaining a merit system for the employees of the Tennessee Valley Authority, which appears in the Appendix.]

TRADE AND COMMERCE WITH SPAIN—STATEMENT BY SENATOR HILL

[Mr. HILL asked and obtained leave to have printed in the RECORD a statement with reference to trade and commerce with Spain made by him on the March of Time program, on Thursday, March 4, 1943, which appears in the Appendix.]

WORK OF THE SELECTIVE SERVICE BOARDS—ADDRESS BY SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the RECORD an address entitled "The Job of the Selective Service Boards," delivered by him on February 13, 1943, which appears in the Appendix.]

LINCOLN-DAY ADDRESS BY SENATOR BROOKS

[Mr. WILLIS asked obtained leave to have printed in the RECORD a newspaper article including excerpts from a Lincoln Day address delivered by Senator BROOKS on February 12, 1943, which appears in the Appendix.]

COMMENDATION OF SENATOR BROOKS' SPEECH ON LINCOLN—EDITORIAL FROM KOKOMO (IND.) TRIBUNE

[Mr. WILLIS asked and obtained leave to have printed in the RECORD an editorial entitled "Senator BROOKS' Speech," published in the Kokomo (Ind.) Tribune of February 13, 1943, which appears in the Appendix.]

UNITY—ARTICLE BY SENATOR BARBOUR

[Mr. BARBOUR asked and obtained leave to have printed in the RECORD an article written by him and published in the January 1943 issue of the Newslet, relative to the necessity for unity of all races, creeds, and colors, which appears in the Appendix.]

GEORGE WASHINGTON DINNER ADDRESS BY HON. FRANK C. WALKER

[Mr. LUCAS asked and obtained leave to have printed in the RECORD an address delivered by Hon. Frank C. Walker, Chairman of the Democratic National Committee, at the George Washington dinner held on February 26, 1943, at the Book-Cadillac Hotel, Detroit, Mich., which appears in the Appendix.]

ADDRESS BY MR. JUSTICE DOUGLAS TO THE AMERICAN JEWISH CONGRESS

[Mr. MEAD asked and obtained leave to have printed in the RECORD a radio address delivered by Mr. Justice William O. Douglas, to a meeting of the American Jewish Congress at Madison Square Garden, New York City, March 1, 1943, which appears in the Appendix.]

ADDRESS BY THE POLISH AMBASSADOR AT STATE CHAMBER OF COMMERCE MEETING, RUTLAND, VT.

[Mr. AUSTIN asked and obtained leave to have printed in the RECORD an address delivered by Hon. Jan Ciechanowski, Polish Ambassador to the United States, at a meeting sponsored by the State Chamber of Commerce, Rutland, Vt., on February 22, 1943, which appears in the Appendix.]

ESSENTIAL REQUISITES FOR FOOD PRODUCTION—ADDRESS BY ALBERT S. GOSS

[Mr. AIKEN asked and obtained leave to have printed in the RECORD a radio address on the essential requisites for food production, delivered by Mr. Albert S. Goss, master, the National Grange, on February 20, 1943, which appears in the Appendix.]

RURAL ELECTRIFICATION—ADDRESS BY HON. STEVE C. TATE

[Mr. RUSSELL asked and obtained leave to have printed in the RECORD an address delivered on January 19, 1943, by Steve C. Tate, president of the National Rural Electric Cooperative Association, at the annual convention at St. Louis, which appears in the Appendix.]

RATION AND DRAFT FORMS—LETTER FROM ALVIN HAAS

[Mr. LA FOLLETTE asked and obtained leave to have printed in the RECORD a letter dated February 26, 1943, addressed to him by Mr. Alvin Haas, president, Yates-American Machine Co., regarding ration and draft forms, which appears in the Appendix.]

MARTIN ADOPTS NEW DEAL IDEA—ARTICLE FROM THE PHILADELPHIA RECORD

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD an article from the Philadelphia Record of March 5, 1943, entitled "Martin Adopts New Deal Idea. Plea for Post-War W. P. A. reveals trend," which appears in the Appendix.]

TESTIMONY OF CHARLES DIEBOLD, JR., BEFORE THE SENATE SMALL BUSINESS COMMITTEE

[Mr. MEAD asked and obtained leave to have printed in the RECORD the testimony of Charles Diebold, Jr., president, Western Savings Bank, Buffalo, N. Y., before the Special Committee to Study Problems of Small Business, on February 24, 1943, which appears in the Appendix.]

WASTAGE OF LABOR—EDITORIAL FROM THE SIOUX FALLS DAILY ARGUS-LEADER

[Mr. GURNEY asked and obtained leave to have printed in the RECORD an editorial entitled "How Labor Is Wasted," from the Daily Argus-Leader, of Sioux Falls, S. Dak., under date of February 27, 1943, which appears in the Appendix.]

LETTER FROM MONTGOMERY WARD & CO. TO NATIONAL WAR LABOR BOARD

[Mr. HOLMAN asked and obtained leave to have printed in the RECORD a letter addressed by Montgomery Ward & Co. to the National War Labor Board, Washington, D. C., under date of February 27, 1943, which appears in the Appendix.]

CONSERVATION OF GASOLINE AND RUBBER IN NEW ENGLAND

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD a statement by members of the taxicab industry of Boston and editorials from several Boston newspapers, indicating cooperation in the effort to conserve gasoline and rubber, which appear in the Appendix.]

JOHN B. HAWLEY, JR., OF MINNESOTA—EXCERPTS FROM ARTICLE IN SATURDAY EVENING POST

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD excerpts from an article published in the Saturday Evening Post of February 20, 1943, under the title "Minnesota's Blitz Producer," referring to John B. Hawley, Jr., of Minnesota, which appear in the Appendix.]

HANDICAPPED WORKERS—ARTICLE BY SAUL W. ABEL

[Mr. DAVIS asked and obtained leave to have printed in the RECORD an article entitled "Handicapped Man Entire Unit," by Saul W. Abel, published in the January 1943 issue of Manpower Review, which appears in the Appendix.]

PROPOSED CONSTRUCTION OF PIPE LINE FROM TEXAS TO INDIANA

The PRESIDING OFFICER (Mr. TUNNELL in the chair). The Chair lays before the Senate a resolution coming over from a previous day, which will be stated.

The CHIEF CLERK. A resolution (S. Res. 103) to investigate certain matters in connection with the proposed construction of an additional pipe line from Texas to Indiana, submitted by Mr. CLARK of Missouri (and other Senators) on February 15, 1943.

Mr. BARKLEY. Mr. President, by agreement that resolution is to go over without prejudice. I ask that it go over.

The PRESIDING OFFICER. Without objection, it is so ordered.

That concludes the routine morning business.

VOCATIONAL REHABILITATION OF CERTAIN DISABLED PERSONS

Mr. LA FOLLETTE. Mr. President, I move that the Senate proceed to the consideration of Senate bill 180, calendar number 48.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 180) to provide vocational rehabilitation education, training, and other services to persons disabled while members of the armed forces, or disabled in war industries or otherwise and to render such

persons fit for service in war industries, agriculture, or other useful civilian industry, and for other purposes, which had been reported from the Committee on Education and Labor with an amendment to strike out all after the enacting clause and to insert:

Be it enacted, etc., That this act may be cited as the Vocational Rehabilitation Act of 1943.

PURPOSES

SEC. 2. The purposes of this act are—

(a) To make more effective and efficient the program of vocational rehabilitation of disabled individuals and their return to productive employment, by increasing Federal participation in grants to States for rehabilitation training and by making other vocational rehabilitation services available, through State plans and otherwise, at Federal expense;

(b) To insure rehabilitation training to disabled veterans and certain war-disabled civilians, by providing for their training at Federal expense during the present war and the period ending 6 years thereafter;

(c) To integrate rehabilitation training of disabled veterans during the present war and the period ending 6 years thereafter, their pension adjustment, and assistance in their placement in employment, with their physical restoration and other rehabilitation services under laws pertaining to veterans, by making determination of their entitlement to benefits under this act, authorization of such benefits, and supervision of training and placement of disabled veterans, the responsibility of the Administrator of Veterans' Affairs, and for this purpose, title I of this act, and the other provisions of this act insofar as they provide for discharging such responsibility with respect to such veterans of the present war during such period, shall be administered by the Administrator of Veterans' Affairs;

(d) To avoid unnecessary expense and duplication of services, facilities, and personnel, by providing for cooperative utilization of all appropriate facilities and personnel.

TITLE I—VOCATIONAL TRAINING OF VETERANS DISABLED IN THE PRESENT WAR

SEC. 101. Section 1 of the act approved March 20, 1933, Public, No. 2, Seventy-third Congress, is amended by adding at the end thereof the following new subsection:

"(f) Any person who served in the active military or naval service on or after December 7, 1941, and prior to the termination of hostilities in the present war shall be entitled to vocational training and other services, subject to the provisions and limitations of part VII, Veterans Regulation No. 1 (a), as amended, and the provisions of title IV of the Vocational Rehabilitation Act of 1943."

SEC. 102. Veterans Regulation No. 1 (a), as amended, is hereby amended by adding at the end thereof the following new part:

"PART VII

"1. Any person who served in the active military or naval service at any time after December 6, 1941, and prior to the termination of the present war as declared by Presidential proclamation or concurrent resolution of the Congress, who is honorably discharged therefrom, and who is disabled as a result of disease or injury, or aggravation of a preexisting disease or injury, incurred in line of duty in such service after September 16, 1940, and prior to 6 months after termination of the war as so declared, for which disability a pension is payable under laws administered by the Veterans' Administration, or would be but for receipt of retirement pay, and who is in need of vocational rehabilitation to overcome a material and permanent handicap due to such disability, in addition to medical and hospital treatment and services, or pensions to which he may be entitled under laws administered by the Veterans' Administration, shall receive such other services, including training, as may be prescribed by the Administrator of Veterans' Affairs to fit him for and assist him in securing suitable employment, taking into consideration the degree of his disability: *Provided,* That no course of training in excess of a period of 4 years shall be prescribed nor shall any training or other services provided for under this part be afforded beyond 6 years after the termination of the present war as so declared.

"2. The Administrator of Veterans' Affairs shall have the power and duty to prescribe and provide suitable training and other services for persons entitled thereto under paragraph 1. While pursuing training prescribed hereunder, and for 60 days after completion of training, the veteran, if entitled to pension in an amount less than the amount payable in accordance with the compensation rates for total and temporary disability, provided by section 202, World War Veterans' Act (U. S. C., title 38, sec. 475), shall be paid increased pension which, when added to the amount of pension to which he is otherwise entitled, will aggregate an amount equal to such rates.

"3. There is hereby authorized to be appropriated, out of any money in the Treasury of the United States not otherwise appropriated, to be available immediately and until expended, the sum of $500,000 to be utilized by the Veterans' Administration under such rules and regulations as the Administrator of Veterans' Affairs may prescribe, as a revolving fund for the purpose of making advancements not exceeding $100 in any case, to persons commencing or undertaking training under this part, such advancements to bear no interest and to be reimbursed in such installments as may be determined by the Administrator by proper deductions from any future payments of pension or retirement pay."

TITLE II—WAR-DISABLED CIVILIANS

SEC. 201. This title shall apply with respect to—

(a) Any civilian (except a person who is paid by the United States, or any department, agency, or instrumentality thereof, for services as a civilian defense worker) who served at any time after December 6, 1941, and prior to the termination of the present war as declared by Presidential proclamation or concurrent resolution of the Congress—

(1) in the Aircraft Warning Service; or

(2) as a member of the Civil Air Patrol; or

(3) as a member, in accordance with regulations prescribed by the Director of the Office of Civilian Defense, of the United States Citizens Defense Corps in the protective services engaged in civilian defense, as such protective services are established from time to time by regulation or order of such Director; or

(4) as a registered trainee taking training in accordance with regulations prescribed by such Director for such protective services, and

(b) Any civilian who served at any time after December 6, 1941, and prior to the termination of the present war as so declared as an officer or member of the crew of a vessel owned or chartered by the Maritime Commission, or the War Shipping Administration, or operated under charter from such Commission or Administration.

SEC. 202. If any civilian with respect to whom this title applies is disabled as a result of disease or injury, or aggravation of a preexisting disease or injury, incurred in line of duty in such service during such period, not due to his own misconduct, and is in need of vocational rehabilitation services not available to him under any other Federal law, to overcome a handicap due to such disability, he may be certified by the Federal Security Administrator to the State agency administering a State plan for vocational rehabilitation approved under title III of this act as a "war disabled civilian" entitled to receive under such State plan such vocational rehabilitation as may be prescribed by the Federal Security Administrator to fit him for and assist him in securing suitable employment, taking into consideration the degree of his disability: *Provided,* That no course of training in excess of 4 years shall be prescribed under this title, nor shall any services prescribed under it be afforded beyond 6 years after the termination of the present war as so declared.

TITLE III—COOPERATIVE PLANS FOR VOCATIONAL REHABILITATION

Effective with respect to the period beginning July 1, 1943, the act entitled "An act to provide for the promotion of vocational rehabilitation of persons disabled in industry or otherwise and their return to civil employment," approved June 2, 1920, as amended (U. S. C., title 29, ch. 4), is amended to read as follows:

"TITLE III—COOPERATIVE PLANS FOR VOCATIONAL REHABILITATION

"AVAILABILITY OF FUNDS

"SEC. 301. Moneys made available for the purpose pursuant to this act shall be used for making payments to States (and Alaska, Hawaii, Puerto Rico, and the District of Columbia herein referred to as 'States') which have submitted, and had approved by the Federal Security Administrator (herein referred to as the 'Administrator'), State plans for vocational rehabilitation of disabled individuals.

"STATE PLANS

"SEC. 302. (a) A State plan for vocational rehabilitation must—

"(1) provide for rehabilitation training, and may also provide for any other vocational rehabilitation services;

"(2) designate the State board of vocational education (herein referred to as the State board) as the sole agency for the administration, supervision, and control of the State plan; except that where under the State's law the State blind commission or other agency which provides assistance or services to the adult blind is authorized to provide them any vocational rehabilitation service, the plan shall provide for administration by such State blind commission or other State agency of the part of the plan under which such service is provided the blind: *Provided further,* That in any State which by law has established a rehabilitation commission prior to the date of enactment of this act, with authority to provide rehabilitation services to disabled persons, the State board may delegate to such commission all or any part of the operation of the State plan, under a written agreement of cooperation approved by the Administrator;

"(3) provide that the State treasurer (or, if there be no State treasurer, the officer exercising similar functions for the State) be appointed as custodian of funds received under this act from the Federal Government and receive and provide for the proper custody of such funds;

"(4) show the plan, policies, and methods to be followed in carrying out the work under the State plan and in its administration and supervision;

"(5) provide that no rehabilitation service under the plan shall be available to an individual unless he meets the requirements of eligibility therefor established by the Administrator;

"(6) provide such methods of administration (including methods relating to the establishment and maintenance of personnel standards on a merit basis, except that the

Administrator shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with such methods) as are found by the Administrator to be necessary for the proper and efficient administration of the plan;

"(7) provide that the State board will make such reports, in such form and containing such information, as the Administrator may from time to time require, and comply with such provisions as he may from time to time find necessary to assure the correctness and verification of such reports:

"(8) provide that no portion of any money paid to the State under this title shall be applied, directly or indirectly, to the purchase, preservation, erection, or repair of any building or buildings, or for the purchase or rental of any land for administrative purposes;

"(9) provide for compliance with such rules, regulations, and standards as the Administrator may from time to time establish;

"(10) provide that any rehabilitation service provided under the State plan shall be available under such rules and regulations as the Administrator shall prescribe, to any civil employee of the United States disabled while in the performance of his duty and to any individual certified to the State under section 202 as a war disabled civilian.

"(b) The Administrator shall approve any plan which he believes to be feasible and which fulfills the conditions specified in subsection (a) of this section, except that he shall not approve any plan which he finds contains such restrictions with respect to the expenditure of funds under such plan as would (1) substantially increase the costs of rehabilitation services under the State plan, or (2) seriously impair the effectiveness of the State plan in carrying out the purposes of this title.

"PAYMENTS TO STATES

"SEC. 303. (a) From the sums made available pursuant to section 301, the Secretary of the Treasury, from time to time upon certification by the Administrator, shall pay to each State which has an approved plan for vocational rehabilitation the amounts determined by the Administrator to be equal to—

"(1) the necessary cost (exclusive of administrative expenses) to such State under the plan of providing rehabilitation training during the period for which such payment is to be made to disabled individuals certified to the State through or by the Administrator or his designate as disabled veterans or as war-disabled civilians for such training;

"(2) two-thirds of the necessary cost (exclusive of administrative expenses) to such State under the plan of providing rehabilitation training during the period for which such payment is to be made to other individuals;

"(3) the necessary cost (exclusive of administrative expenses) to such State under the plan of providing rehabilitation services other than training during the period for which such payment is to be made;

"(4) the cost of the proper and efficient administration of the plan during the period for which such payment is to be made.

"(b) In the case of any State found by the Administrator to be financially unable to provide the funds to meet its share of the cost described in paragraph (2) of subsection (a), he may increase the share of Federal participation for such periods and under such conditions as he shall prescribe, in accordance with schedules of participation based on comparative State per capita incomes established in regulations promulgated by him: *Provided*, That the increased share of Federal participation under authority of this subsection shall not in any case result in the payment by the Federal Government of more than 90 percent of the cost described in such paragraph (2), and no amounts shall be paid under authority of this subsection with respect to rehabilitation services rendered after the expiration of 6 months following the termination of the present war, as declared by Presidential proclamation or concurrent resolution of the Congress.

"(c) The method of computing and paying such amount shall be as follows:

"(1) The Administrator shall from time to time estimate the amount to be paid to each State under the provisions of this title, such estimate to be based on (A) a report filed by the State containing its estimate of the total sum to be expended for vocational rehabilitation during the period for which such estimate is made, and stating the amount appropriated or made available by the State and its political subdivisions for such expenditures in such period, (B) a report filed by the State containing its estimate for such period of the administrative expenses to be incurred by the State board in carrying out its functions under such State plan for vocational rehabilitation, (C) records showing the number of individuals in the State needing rehabilitation services, and (D) such other investigation as the Administrator may find necessary.

"(2) The Administrator shall then certify the amount so estimated by him for any period to the Secretary of the Treasury, reduced or increased, as the case may be, by (A) any sum by which he finds that his estimate for any prior period was greater or less than the amount which should have been paid to the State for such prior period and (B) any sum by which he finds that amounts paid to the State under the act of June 2, 1920, as amended and extended, with respect to operations prior to July 1, 1943, were greater or less than the amounts which should have been so paid, except that such increases or reductions shall not be made to the extent that such sums have been applied to make the amount certified for any prior period greater or less than the amount estimated by the Administrator for such prior period.

"(3) The Secretary of the Treasury shall, upon receiving such certification, pay, through the Division of Disbursement of the Treasury Department and prior to audit or settlement by the General Accounting Office, to the State, at the time or times fixed by the Administrator, the amounts so certified. The money so received by the State shall be paid out in accordance with the provisions of the State plan.

"OPERATION OF STATE PLANS

"SEC. 304. Whenever the Administrator, after reasonable notice and opportunity for hearing to the State board, finds that in the administration of the plan there is—

"(1) a failure to comply substantially with any provision required by section 302 (a) to be included in the plan, or any restriction on expenditures imposed in conflict with section 302 (b), or

"(2) a failure to comply substantially with any regulation of the Administrator with respect to the rehabilitation training of disabled veterans or rehabilitation services for civilian war-disabled individuals certified for such training or services under such plan, or

"(3) a failure to afford reasonable cooperation with other Federal and State agencies providing rehabilitation or other benefits to disabled individuals,

the Administrator shall notify such State board of such finding, setting forth in detail the reasons therefor, and shall notify such board that further payments will not be made to the State under this title until he is satisfied that there will no longer be any such failure. Until he is so satisfied the Administrator shall make no further certification to the Secretary of the Treasury with respect to such State under this title: *Provided*, That when the Administrator determines that such failure relates to only a part of the services under such plan, he shall make payment with respect to other services which he determines may be satisfactorily provided under the plan and shall notify such State board and make certification hereunder accordingly.

"IMPOSSIBILITY OF FULL COMPLIANCE BY STATE

"SEC. 305. If any State cannot fully comply with the conditions of this title on the date of enactment of the Vocational Rehabilitation Act of 1943, and its legislature has not met in regular session after such date, and more than 60 days prior to June 30, 1943, such State may secure the benefits of this title, if it complies therewith to the extent possible, until 60 days after the legislature of such State first meets after such date of enactment."

CITATIONS

SEC. 306. Sections 301 through 305, inclusive, of the act of June 2, 1920, as amended by this title, may be respectively cited as sections 301 through 305 of this act.

SAVING PROVISION

SEC. 307. Notwithstanding the amendment made by the foregoing provisions of this title, the provisions of such act of June 2, 1920, as amended and extended prior to the date of enactment of this act, shall remain in effect with respect to the period ending June 30, 1943.

INCREASED GRANTS PRIOR TO JUNE 30, 1943

SEC. 308. Appropriations are hereby authorized, for the making of payments to the several States and Alaska, Hawaii, and Puerto Rico, in addition to payments now authorized, of such sums as may be necessary to enable them to augment during the remainder of the fiscal year ending June 30, 1943, services under their vocational rehabilitation plans approved under the act of June 2, 1920, as amended and extended. Appropriations are also authorized in addition to sums now authorized under the act of February 23, 1929, as amended, to augment during the remainder of such fiscal year rehabilitation services in the District of Columbia. Authority is hereby given to the Administrator to modify or waive the requirements of expenditures of funds of the States and Alaska, Hawaii, Puerto Rico, and the District of Columbia in connection with expenditures from such additional sums.

PROVISION OF REHABILITATION SERVICES BY ADMINISTRATOR

SEC. 309. (a) Effective 90 days after the date of enactment of this act, whenever the Federal Security Administrator, after reasonable notice and opportunity for hearing to the State board of vocational education of any State (including Alaska, Hawaii, Puerto Rico, and the District of Columbia), finds that any type of vocational rehabilitation service (except training) needed by disabled residents of a State, or by war-disabled civilians certified for rehabilitation services under its plan, is not otherwise adequately provided in such State, the Administrator may, to the extent that such service is not otherwise adequately provided and until he is satisfied that such service will be otherwise adequately provided, provide such service to disabled residents of such State, and to war-disabled civilians so certified, who are in need of and eligible for vocational rehabilitation. Physical restoration and repair, physical and occupational therapy, and hospitalization and medical care shall be provided by the Administrator under this section solely through contractual arrangements made by him with public and private agencies and private individuals. Nothing in this section shall be construed to authorize the Administrator to construct,

lease, or otherwise acquire or operate any hospital, clinic, or other medical facility, or to authorize any personnel employed or appointed by the Administrator under authority of this act to engage in rendering medical or hospital care or treatment to any individual.

(b) For the purposes of section 302 (a) (4) and for the purposes of this section, the Administrator, in establishing requirements of eligibility, shall provide that—

(1) no person shall be eligible for vocational rehabilitation until he has attained the age of 16 years;

(2) except in the case of individuals certifiable as war-disabled civilians under section 202, no physical restoration or repair, medical care, prosthetic or other devices or training allowance shall be provided an individual unless it has been determined that he needs financial assistance with respect thereto; and that in making such determination full consideration shall be given to the eligibility of the individual for benefits from pension, compensation, and insurance, and also to the probable earning capacity of the individual in the work for which he is being rehabilitated;

(3) no training allowance shall exceed the estimated cost of reasonable subsistence of the trainee during his training, including the cost of any books or other training material necessary for such training.

(c) The Federal Security Administrator is authorized, through appropriate public agencies, to assist in securing suitable employment for individuals for whom vocational rehabilitation is provided under this act.

DISTRICT OF COLUMBIA

SEC. 310. (a) The Board of Education of the District of Columbia is hereby designated the Board of Vocational Education for purposes of this act.

(b) Such Board is hereby authorized to submit plans pursuant to sections 301 through 305, inclusive, of this title, to provide rehabilitation training in accordance with such plans through schools of the District of Columbia and other public and private agencies, out of funds made available to it under this act and from appropriations for the District of Columbia, and to exercise all functions necessary for such purpose. Such Board is also authorized to enter into agreements pursuant to this act and, pursuant to such agreements or to the extent that authority is delegated to it by the Federal Security Administrator, to administer other vocational rehabilitation services.

(c) There is hereby authorized to be appropriated from revenues of the District of Columbia for the fiscal year ending June 30, 1944, and for each fiscal year thereafter, a sum sufficient to enable the Board of Vocational Education to carry out the purposes of this section.

(d) The act entitled "An act to provide for the vocational rehabilitation of disabled residents of the District of Columbia, and for other purposes," approved February 23, 1929, as amended, shall not be effective with respect to any period after June 30, 1943.

TITLE IV—ADMINISTRATION

SEC. 401. (a) In carrying out their respective duties under this act, including the amendments made by titles I and III hereof, the Administrator of Veterans' Affairs, and the Federal Security Administrator are each authorized—

(1) to utilize existing facilities of appropriate units of their respective agencies, and to enter into agreements and cooperative working arrangements with each other and with public agencies and private persons, agencies, and institutions, within the United States, its Territories and possessions, for services and use of facilities of such persons, agencies, and institutions and to compensate them and such units for such services and use;

(2) to make or cause to be made by other agncies, including foreign agencies, studies, investigations, and reports with respect to abilities, aptitudes, and capacities of handicapped individuals, development of their potentialities, and their utilization in gainful and suitable employment.

(3) to call in consultants and to pay their traveling expenses, and to pay their other necessary expenses while away from their homes, or not to exceed $10 per day in lieu thereof;

(4) to detail any of the personnel of their respective agencies to attend, for not more than 12 weeks in any one year, appropriate courses of instruction conducted by other public agencies and private agencies and organizations, which detail shall be part of the official duties of such employees;

(5) to provide personnel so detailed with necessary books and other material and pay their tuition, or reimburse them for expenditures therefor; and, in any case where such detail is away from an employee's official station he may, for purposes of subsistence and traveling expenses, be deemed on travel status;

(6) to enter into joint agreements respecting any of the above, including the mutual use of their designated respective personnel, and to provide in any contracts entered into for joint or several use of services thereunder.

(b) Experts and consultants, when deemed necessary in the discretion of the Administrator of Veterans' Affairs or the Federal Security Administrator, respectively, may be employed without regard to the civil-service laws or the Classification Act of 1923, as amended. For the purposes of this title, the Administrator of Veterans' Affairs and the Federal Security Administrator may accept uncompensated services upon such agreement as they may deem feasible.

(c) There shall be in the Federal Security Agency a Rehabilitation Service under the management of a Director of Rehabilitation appointed by the Federal Security Administrator. Under the supervision and direction of the Federal Security Administrator, such Director and Service shall administer functions vested in the Federal Security Administrator by this act, pursuant to appropriate delegation of authority by him, and also provide such services in connection with rehabilitation of disabled veterans as may be authorized by the Administrator of Veterans' Affairs pursuant to agreement with the Federal Security Administrator.

(d) In providing rehabilitation training for disabled veterans entitled thereto under title I, the Administrator of Veterans' Affairs shall, as far as practicable, utilize training provided under State plans approved pursuant to title III, where satisfactory training can be provided under such plans. For such purpose, disabled veterans to be trained under such plans shall be certified as such to the State board by the Administrator of Veterans' Affairs or his designate, through the Federal Security Administrator or his designate, and the expense, on an actual cost basis, of the services rendered shall be reimbursed by the Veterans' Administration out of the appropriation applicable.

(e) Payment for use of facilities and services obtained pursuant to this act by the Federal Security Administrator from units of the Federal Security Agency or other Federal agencies shall be by check, either in advance or as reimbursement, for the actual or estimated cost of such facilities and services, and amounts so paid shall be credited, as determined by such Administrator, either to special working funds as provided in existing law or to the appropriation or appropriations against which charges are to be made or have been made in providing the facilities or services, and payment for services and facilities of other agencies shall be made by check to the payee or payees specified by such agencies.

(f) The Federal Security Administrator and the Administrator of Veterans' Affairs are respectively authorized to promulgate such regulations, and to delegate to any officer or employee, or to any agency, of the United States or of any State, Territory, or possession of the United States, or of any political subdivision of any of them, such of their respective powers and duties, except the promulgation of regulations, as they find necessary or expedient in carrying out the purposes of this act.

TRAINING ALLOWANCES—LIMITATIONS

SEC. 402. Training allowances or increased pension shall be granted a trainee hereunder only during training, or authorized leaves of absence therefrom, and not to exceed 60 days after completion of training, and shall not be payable for any period he fails to pursue his training as required by regulations.

MISCONDUCT AND NONCOOPERATION OF TRAINEES

SEC. 403. The Administrator of Veterans' Affairs and the Federal Security Administrator shall each include in their regulations provisions designed to secure good conduct, regular attendance, and cooperation of trainees.

In case of misconduct or failure of attendance or cooperation of a trainee, his training allowance or increased pension may be reduced or discontinued, or his training and training allowance or increased pension discontinued, temporarily or permanently, in accordance with the applicable regulations, at the discretion of the Administrator of Veterans' Affairs or the Federal Security Administrator, as the case may be.

ADJUSTING ALLOWANCES DURING ON-THE-JOB TRAINING

SEC. 404. When on-the-job training with an employer is provided a trainee receiving a training allowance or increased pension, such employer shall be required to report any maintenance provided, or remuneration in money or goods, given or promised the trainee by him, directly or indirectly. Equitable reduction shall be made in any training allowance or increased pension provided such trainee where any substantial amount of such maintenance or remuneration is received by the trainee. The form and manner of making reports under this section, and the reduction in training allowance or increased pension, shall be in accordance with appropriate regulations, which shall be prescribed by the Administrator of Veterans' Affairs, in the case of veterans receiving training prescribed under title I, and by the Federal Security Administrator in other cases.

SEC. 405. (a) Where any disabled veteran or any civilian certifiable as a war-disabled civilian suffers an injury, or an aggravation of any injury, as a result of the pursuit of a course of training prescribed for him pursuant to this act, and not the result of his own misconduct, and such injury or aggravation results in additional disability or death of such person, benefits as to such person, if such training was prescribed under section 102 of this act, shall be awarded in the manner and to the extent and subject to the limitations provided in section 31 of Public, No. 141, Seventy-third Congress, March 28, 1934, as amended, or benefits as to such person, if such training was prescribed under title II of this act, shall be awarded in the manner and to the extent and subject to the limitations provided in the act of February 15, 1934 (48 Stat. 351), as amended: *Provided*, That where such injury or aggravation or death results in payment of benefits under State employees' compensation laws, or recovery from or settlement with or on behalf of the employer, the Administrator of Veterans' Affairs or the Federal Security Administrator, as the case may be, is hereby authorized and directed, under regulations to be

prescribed by him, to reduce the benefits authorized by this section by such amount as will offset such other payment received on account of such injury, aggravation, or death.

(b) Where any person suffers an injury, or an aggravation of an injury, as a result of hospitalization or medical or surgical treatment provided him pursuant to section 309 of this act or prescribed for him under title II of this act, and not the result of his own misconduct, and such injury or aggravation results in additional disability or death of such person, benefits as to such person shall be awarded in the manner and to the extent and subject to the limitations provided in the act of February 15, 1934 (48 Stat. 351), as amended: *Provided*, That where such injury, aggravation, or death results in any recovery from or settlement with or on behalf of the person chargeable therewith, a reduction in benefits shall be made as provided in subsection (a) of this section.

SEC. 406. Annual reports shall be made to the Congress by the Administrator of Veterans' Affairs and the Federal Security Administrator as to the administration of their respective functions under this act.

SEC. 407. There are hereby authorized to be included in the appropriations for the Veterans' Administration and the Federal Security Agency such sums as are necessary to carry out the provisions of this act, and the appropriations "Salaries and expenses, medical and hospital, and compensation and pensions", Veterans' Administration, and the appropriations "Salaries and expenses, vocational rehabilitation," Federal Security Agency, for the fiscal year 1943 are hereby made available for administering the respective provisions of this act.

SEC. 408. In the selection of cases to be served, in the character of service to be provided, and in the general administration of this act, there shall be no discrimination for or against any individual eligible for the benefits of this act because of sex, race, creed, color, national origin, or membership or nonmembership in an industrial, fraternal, or private organization of any kind.

SEC. 409. The amendments made by this act shall be deemed to be a part of this act; and the term "this act," when used in such amendments or elsewhere in this act, shall be deemed to include the provisions of such amendments and the other provisions of this act.

SEC. 410. For the purposes of this act, the terms "vocational rehabilitation" and "rehabilitation services" mean any services necessary to render a disabled individual fit to engage in a remunerative occupation, including physical restoration and repair, medical examination and care, prosthetic and other devices, physical and occupational therapy, training, allowances for support and maintenance during training, assistance in securing employment, and other appropriate services.

Mr. LA FOLLETTE. Mr. President, the measure under consideration is the product of many months of study of a very important question, which has long constituted a problem, but which has become accentuated as a result of war, shortage of manpower, and the increase in industrial accidents due to the tremendous acceleration of our production program. The measure is presented to the Senate in the form of a substitute committee amendment. It seeks to deal with all phases of the rehabilitation problem.

Title I of the measure deals with the problem of vocational rehabilitation of the veterans of this war, World War No. 2, who have service-connected disabilities. There are controversies over other titles of the bill, but I think it is fair to say that the chief controversy is over title I of the measure.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. CLARK of Missouri. I should like to suggest to the Senator that there is also very serious disagreement as to committee jurisdiction over title II, because there is in the Finance Committee a measure which has been referred to it by the Senate itself, reported from the Committee on Education and Labor, and then referred to the Finance Committee, dealing with the very subject of title II.

Mr. LA FOLLETTE. Mr. President, there may be some controversy over title II, but I still think it is fair to say that the chief controversy is over title I of the measure.

Mr. CLARK of Missouri. I agree with that statement.

Mr. LA FOLLETTE. When I came to introduce the bill, Mr. President, I was confronted with a problem which is becoming of growing importance to the Senate. It is a problem of overlapping and conflicting committee jurisdiction. As all Senators know, the Senate has no rule covering reference of bills to committees, and it has always been the traditional policy of the Senate that bills should be referred to committees which because of their nature have had original jurisdiction of similar proposed legislation in the past.

However, in recent years, especially during the time when Hon. John Garner was Vice President, a rule was established by him that a Senator could have a bill referred to any committee to which he requested to have it referred, if the Senate did not object.

Mr. President, in many ways I was an admirer of the former Vice President, but I think that rule was an error in judgment, because it has served only further to confuse the situation of committee jurisdiction. At some other time I hope to go into this problem at greater length because I think it is of vital importance in the future service of the Congress as an instrumentality of democracy. I merely touch upon it at this time in order to say that, desiring to introduce a bill dealing with the problem as a whole and constituting a comprehensive program to affect all phases of rehabilitation, I felt it necessary to treat one phase of the problem, namely, that concerning veterans of World War No. 2 who have service-connected disabilities.

I introduced a bill on the 13th of August 1942, and, without any consultation on my part with the Presiding Officer or with officials of the Senate, the bill was referred to the Committee on Education and Labor. There was some justification for sending it there because that committee originally had jurisdiction of the questions involved, and through the years has had jurisdiction of all legislation touching upon the rehabilitation of civilians through the Federal-State-supported system which has been in existence since 1920.

I do not wish to quarrel over the question of jurisdiction. I merely make this statement in order that it may be clear to the Senate that I have no desire to "submarine" the jurisdiction of the Finance Committee. I have had long service as a member of that committee. I regard my service upon that committee as a great honor conferred upon me by the Senate, and I would be the last to attempt in any way, for any hidden reason, to try to avert the jurisdiction of that committee.

Nevertheless, Mr. President, I think it is fair to say that much could be said in favor of an approach to this problem which takes into account all the aspects of vocational rehabilitation if it is to be supported by the Federal Government, whether it be rehabilitation of veterans with service-connected disabilities, the entire cost of which, of course, under any measure would be paid by the Federal Government, or whether it be rehabilitation of so-called war-disabled civilians who are maimed or suffer from disease as a result of their voluntary unpaid service in behalf of the community at war against the common enemy. I have reference to the Civil Air Patrol, the Aircraft Warning Service, the Civilian Defense Service, and the heroic men who are going down to the sea in ships for the War Shipping Administration or the Maritime Commission. I have been informed, Mr. President, that up to the present time, in proportion to the numbers involved, those men have suffered greater casualties than have the members of any of our armed services. That statement may have to be qualified after the conclusion of the operations in north Africa, but I believe that prior to the north African campaign the statement would be accurate. It seems to me that no one would question the desirability—nay, the obligation—of the people of the country providing rehabilitation services to those who have been incapacitated, or who have had their earning capacity for the support of their families crippled or destroyed as a result of voluntary service in the common defense of the Nation in war.

The reason for a combined program, Mr. President, is that, after all, the Federal Government has been paying at least 50 percent of the cost of all the vocational rehabilitation which has been undertaken in this country. Therefore, since the Federal Government has inaugurated and supported the Federal-State system of vocational rehabilitation for individuals, it seemed well to me, at least in considering the problem, to introduce a comprehensive measure.

Mr. LODGE. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Massachusetts?

Mr. LA FOLLETTE. I yield.

Mr. LODGE. I should like to propound a question to the able Senator from Wisconsin relating to section 303 (b) on page 37 of Senate bill 180. I believe this to be the appropriate time to ask the question. I shall read the language about which I desire to interrogate the Senator:

In the case of any State found by the Administrator to be financially unable to pro-

vide the funds to meet its share of the cost described in paragraph (2) of subsection (a), he may increase the share of Federal participation for such periods and under such conditions as he shall prescribe, in accordance with schedules of participation based on comparative State per capita incomes established in regulations promulgated by him.

I should like to ask the Senator whether there is language of this nature on the statute books at the present time.

Mr. LA FOLLETTE. Mr. President, the answer to the question of the distinguished Senator from Massachusetts is that so far as the provision for increased financial aid over and above any stated amount of matching is concerned, there is no such provision. At the present time the matching basis is 50–50, that is, $1 of Federal money for every dollar of State money. Under the terms of the bill reported from the Committee on Education and Labor it is proposed to make the matching $2 of Federal money for each State dollar, with the provision that the amount available, exclusive of administrative expenses for rehabilitation training, may be increased in those States where the need for such increase is demonstrated.

I will say to the Senator from Massachusetts that such a provision has been incorporated for the reason that, considering this subject as a whole and in view of the general national manpower crisis, it was deemed advisable to provide that in States which might be unable, because of their financial condition, to meet their share of the cost, for the duration of the war there should be opportunity for the Federal Security Administrator to increase the amount available to the State up to 90 percent of the cost. That is the general limitation.

Let me state in justification of that provision that, as the Senator well knows, the war program has been spotty in its distribution.

Some States have had a tremendous economic stimulus as the result of industrial activity due to the war. Other States have, on the whole, suffered from an economic standpoint as a result of the war. The financial situation in some States has been particularly adversely affected because they have placed great reliance upon their gasoline taxes, for example, not only for the construction of roads and highways, but as a source of general revenue, not only for building and maintaining roads and highways, but also for their schools, retirement and interest funds for their bonds, and other matters. By reason of the Government rationing gasoline, a State which had placed great reliance upon revenues from the consumption of gasoline now finds itself in a worse financial position during the war than prior to the war.

Briefly, that is the justification for the provision to which I have referred.

Mr. LODGE. Mr. President, may I pursue the point a little further?

Mr. LA FOLLETTE. I am glad to yield.

Mr. LODGE. I believe the distinguished Senator from Wisconsin will remember that 3 or 4 years ago, when Director of Economic Stabilization Byrnes was a Member of the Senate, he sought to widen the field of distribution of benefits throughout the States. He proposed a system of allocating funds on a per capita income basis. The proposal created a great deal of controversy at the time, some of us contending that it would be fairer to allocate funds on a cost-of-living basis than on a per capita income basis. It developed at that time that certain States with larger populations, greater natural resources, and greater wealth in every way than other States, did not make to the Federal Government the same contribution that was being made by other States which, by the same standards, were much poorer. Some of us felt that the per capita income standard was not a dependable standard.

I do not desire to make a speech in the Senator's time, but I am leading up to a question. I observe that under the paragraph a great deal of discretion is to be left to the Administrator. He is to be the one to decide whether a State is financially able to participate. The matter is not to be decided by an impartial agency. He is to be the one to prescribe the conditions under which the share of Federal participation shall increase; and that would be a new departure. He is to be the one to decide how per capita income shall be determined. As I recall, in Senator Byrnes' scheme that question was to be determined by a detached statistical agency, which, as I recall, was the Bureau of Labor Statistics. But under this particular paragraph he is to be the one to determine it.

Can the Senator give me any idea how that would be done? Can he insert in the RECORD a statement showing how the various States would be graded in accordance with language of that kind?

Mr. LA FOLLETTE. Let me say very frankly to the Senator that I cannot do so. All States now receive 50 percent Federal money for that purpose. The bill would make available to all States two-thirds Federal money for the purpose; and, as the committee has reported the bill, we have provided that the power to take care of situations which have developed or which may develop as the war progresses, impairing the financial ability of States to participate in the program, shall be exercised only during the duration of the war or for 6 months thereafter.

Mr. LODGE. Let me ask a further question, and then I shall subside. Does not the Senator fear that in setting up such a system he is establishing for the matching of State and Federal payments a new philosophy which may be followed in all the other systems we now have for Federal-State participation?

Mr. LA FOLLETTE. No, Mr. President; I am not concerned about that; or, if I am concerned about it, my feeling is that the desirability of getting under way work of this type outweighs any fear of consequences—certainly so, at least, as the committee has reported the measure. In other words, let me say to the Senator from Massachusetts that now we are doing a great many things concerning the ultimate consequences of which I have grave apprehensions. There are potentially in the United States, according to the best information the committee was able to obtain, 2,000,000 persons, exclusive of the veterans who will come back from this war, who, if they were given rehabilitation and vocational training, could become useful in the war effort. In view of the stringent shortage of manpower and in view of information in our possession concerning the adverse effect of the war upon certain States, so far as I was personally concerned and so far as the majority of the committee was concerned, we were willing to make this provision.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. Yes; I am glad to yield to the Senator from Ohio.

Mr. TAFT. Is not the justification for the 90-percent provision, as to which I was willing to go along, perhaps the fact that the authority terminates with the end of the war, so that the measure is strictly a war one, not in any sense a precedent for peacetimes?

Mr. LA FOLLETTE. I was trying to make that point. I thank the Senator for emphasizing it.

Mr. TAFT. That is the only ground on the basis of which I favored that particular section.

I should like to ask the Senator a further question. The increase from 50 percent to 66⅔, and the payment of 100 percent of the cost of administration, and 100 percent of the cost of providing rehabilitation services other than training, appear to be a permanent plan which would not terminate with the end of the war. It seems to me that does afford a precedent which certainly should be modified so far as the 100-percent idea is covered in those two sections.

In the substitute bill which I propose to offer I have provided that in that case the Federal participation shall be only 66⅔ percent, although during the emergency I am willing to provide up to 90 percent Federal participation.

I desire to ask a further question. Does not the Senator feel that subsection (b) is intended to be availed of only in very rare cases in which a State is absolutely and completely financially unable to assist?

Mr. LA FOLLETTE. It is my understanding that it was the intent of the committee, as we discussed the matter—and I think I am entitled to place, for what it is worth, that interpretation on the record for the Senate—to take care of, as I have just stated to the Senator from Massachusetts, cases in which States are unable to carry on the program, and are adversely affected by the war, from a fiscal and financial standpoint.

Let me say that I do not wish to make any invidious references, if they might be so construed in particular States; but the Senator from Massachusetts, by making brief inquiry of some of his colleagues, will find that some of them are

very much worried about the effect of the war upon the financial structure of their States, and particularly in respect to curtailment of gasoline-tax revenue.

Mr. LODGE. No one is more worried about it than I am, let me say to the Senator.

Mr. LA FOLLETTE. But on the other hand, I assume, without knowing intimately about it, that the State of Massachusetts has many other sources of revenue, whereas that is not so in the case of some of the other States which, under their financial and budgetary policies, have placed their main reliance upon revenue derived from gasoline sales.

Mr. LODGE. There is nothing to stop such States from tapping the same sources of tax revenue which are used by other States.

Mr. LA FOLLETTE. But I doubt if they will obtain as much revenue from such sources as Massachusetts does.

Mr. LODGE. I think some of them can obtain more.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. LUCAS. Could the Federal Security Administrator force the program upon a State, whether it wanted it or not?

Mr. LA FOLLETTE. No; he could not. There is nothing in the measure which would require any State to accept the program or to participate in it.

Mr. LUCAS. In other words, there is to be a mutual understanding between the State and the Federal Government before the program can become operative; is that correct?

Mr. LA FOLLETTE. Precisely; and let me say that today the program is operated on that basis. As a matter of fact, the original statute required the States by statutory enactment to accept the plan provided by the Federal statute. So the respective States had to take affirmative legislative action in order to have a part in the program.

Mr. TAFT. Mr. President, will the Senator yield for a moment?

Mr. LA FOLLETTE. I am glad to yield.

Mr. TAFT. Answering the Senator from Illinois, the Senator said nothing could be done without the consent of the State. My interpretation of section 309 (a), on page 42, is that if a State did not act, the Federal Security Administrator could step in and set up Federal operation of such services. Whether he could also do it with respect to training, I am not certain, but certainly he could step in and undertake to make a direct Federal grant of 100 percent of Federal money to citizens within the State.

Mr. LA FOLLETTE. It is my interpretation that section 309 is the only section which authorizes the Federal Security Administrator to take any action, and that authorization is confined solely to physical rehabilitation and restoration of indigent persons who meet a means test. But as I understood the question of the Senator from Illinois, it was whether there is anything in the measure which would force a State to come in and participate with the Federal Government. There is no such provision in the measure. As a matter of fact, in respect to making the States take legislative action, the bill does not go so far as the original law did.

Mr. LUCAS. Mr. President, will the Senator yield further?

Mr. LA FOLLETTE. I yield.

Mr. LUCAS. In making the inquiry in regard to the States'-rights proposition about which we hear so much in connection with all these arguments, my thought was this: In the event a State refused to cooperate, and the Federal Government had decided that in, let us say, the State of Arkansas there was a situation requiring aid or help, and the Arkansas Legislature or the authorities there decided they did not want to help, under the terms of the bill the Federal Government could do nothing which would force the people of Arkansas to accept such aid; is that correct?

Mr. LA FOLLETTE. That is correct. As a matter of fact, the bill proposes an offer to the States to match every dollar contributed by the States with $2 contributed by the Federal Government. Today every State participating on a 50–50 basis in the program has had to pass a legislative enactment authorizing its participation.

Mr. LUCAS. In other words, if a State said "No," the Federal Government would have no right to go into the State and set up its own independent training center for vocational rehabilitation; is that correct?

Mr. LA FOLLETTE. The Federal Government would have no right to undertake any vocational training. In my opinion, under no circumstances would the Administrator ever take advantage of section 309 to provide physical restoration and repair unless the State had a going program for vocational training; because it would be absurd to provide vocational rehabilitation affecting a person's physical restoration or repair and then not be in a position to provide him with any vocational training.

I desire to emphasize the necessity of considering the matter against the background of 23 years of experience under a joint Federal program for vocational education. This is not something new. If Senators will examine the original act, I think they will find that in the pending bill we have spelled out the provisions relating to the powers of the Administrator with regard to vocational training in more detail and more definitely than is done in the existing law. In other words, when this bill passes the States will know very much better the area, the limit, and the reach of the administrative power under S. 180 than they know now under the existing law which has been on the statute books for 23 years, and, so far as I know, no State has ever complained of an abuse of power on the part of the administrative agency.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I am glad to yield.

Mr. TAFT. I want to suggest that, far from knowing more, the States will know much less, because this bill gives the administrator the power to make any regulations as to the operation of a State-Federal system of vocational training, and any failure to comply with any regulation of the Administrator subjects a State to the penalty of having its funds cut off.

Mr. LA FOLLETTE. He now has that power, I will say to the Senator from Ohio, and he has had it since 1920.

Mr. TAFT. I do not believe the present law gives anything like the power proposed by the pending bill. Furthermore, the present law provides that if a State is dissatisfied with the Administrator's ruling, it may appeal to Congress, and Congress may determine whether it is right. The Senator has eliminated that provision in rewriting the law, so that the State is absolutely subject to the arbitrary discretion of the Federal Security Administrator.

Mr. LA FOLLETTE. That provision of law has been eliminated, but in regard to the question of physical rehabilitation, the pending bill provides something which under existing law the States do not now have except as a matter of Federal largess—namely, the right of a hearing. The Federal Administrator may cut off the funds from the State of Ohio, and the State of Ohio could not get money distributed by the Federal Government until it came to the Congress and the Congress passed a law providing that it should have its share of the funds. The pending bill is comparable with the provisions of the Social Security Act.

I will say that the sanctions in the Social Security Act are, in my opinion, more drastic than they are in the pending measure, but every Senator knows that the Federal Government has been very reluctant to invoke those sanctions. So far as I know, since 1938 when we passed the Social Security Act, there have been only two instances of the funds of any State of the Union having been cut off under the Social Security Act.

All I am saying is that this bill is now being scrutinized, and, in my opinion, some persons are reading things into it that do not exist in it as if this were a new piece of legislation, in which we were proposing to give to the Federal Security Administrator more power than he now has under existing law.

When I come to the details of the measure, I shall go a little more fully into the question of physical restoration and repair. There we have given the Federal Security Administrator greater power than he now has, but, as a matter of fact, Mr. President, in my opinion, after months of study of this question, the greatest and quickest increment we can provide to the labor forces of this country for industrial and agricultural production and for rehabilitation must come as a result of the physical restoration, rehabilitation, and repair of indigent persons who cannot now obtain such service. This bill provides that a State may go into that field, and receive money from the Federal Government for doing so, and thus supplement its own program if it desires to do so, but, in order that we may provide some additional help to the States which may not have the facilities or may not desire to go into the work, we have provided that,

after 90 days, the Federal Security Administrator may take action.

The Congress of the United States has got to seize either one horn of the dilemma or the other in the manpower situation. It does not do us any good to shout ourselves hoarse here condemning what is happening in the manpower muddle and then turn around and use our legislative power to hamstring efforts to do something about manpower. I do not think the people of this country are going to be fooled about it very long. They are going to find out, after awhile, whether our actions conform with our words.

Mr. LUCAS. Mr. President——

Mr. LA FOLLETTE. I yield to the Senator from Illinois.

Mr. LUCAS. I merely wish to make an observation with respect to the arbitrary power that is lodged in the Federal administration under the present act. I am not familiar with the language of the pending bill, and that was the reason that prompted my inquiry with respect to the arbitrary power that might be lodged in the Federal Administrator. I do know, however, that under the present act they have plenty of arbitrary powers to cut off the funds under the Social Security Act which are provided for a State. That happened in Illinois when the Administrator cut off funds, in my opinion—and I am thoroughly familiar with the case—absolutely without justification, and we have literally had to get down on our hands and knees and beg the Social Security Administration before we could get money we were entitled to in that State under the matching arrangement. There could not be placed in the hands of the Federal Administrator in any kind of a bill which might be written in respect to that point much more arbitrary power than what the Social Security Administrator has at the present time.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. Let me make a brief comment on the statement of the Senator from Illinois, and then I shall yield.

I want to say, Mr. President, that I do not question the sincerity, and, of course, I do not question the right, of any Senator to be against the Federal-State cooperative program. That is a question of major policy, and if one is opposed to that kind of an approach to any of our mutual programs of this kind then I honor the Senator who sincerely takes a position against it and fights it; but when the Federal Government puts up 50 percent of the money, it seems to me it is a perfectly illogical position to say that the Federal Government should put up such a sum or, as we are proposing to do in this bill, to put up two-thirds of the money, and then deny to the Government any check upon the question of whether the money is being spent jointly by the States properly and whether the administration of the fund is producing the general objectives which were in mind when the legislation was passed.

Mr. LODGE. Mr. President——

Mr. LA FOLLETTE. I yield first to the Senator from Ohio [Mr. TAFT].

Mr. TAFT. It seems to me, however, that the distinction is this: If Congress chooses to lay down certain conditions with which the State must comply, and the State fails to comply with the conditions, then, I say that Federal money should be withheld. That is the provision of the Social Security Act. There may be latitude in construction on the part of the Administrator as to whether the State has complied with Congressional restrictions, but the Senator in this bill has gone further and has provided that the State plan must specify that the State will abide by any regulation issued by the Administrator himself. It is expressly provided in this bill that the failure to comply with the regulation of the Administrator shall be cause for withholding the funds. I say the Senator has gone further in that respect than the original act or any provision of the Social Security Act went, and that it is fundamentally an incorrect method of dealing with the Federal and State participation plan.

Mr. LA FOLLETTE. I cannot agree with the Senator from Ohio. That power exists now under the act, but it has not been spelled out in as much detail in existing law as it is spelled out in the pending measure. Furthermore I may say that I think we should consider this matter against the background of 23 years' experience.

Mr. President, if we do not give the power to the Federal Security Administrator or whoever has the power under the law to force compliance with the rules and regulations which are issued, then, I say that we have tied the hands of the executive arm of the Federal Government, that we have made it impossible to secure an efficient or an honest administration of the Federal Government's funds.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. TAFT. Has there been any charge that under the present system, with the existing powers, there has been any failure to cooperate on the part of the States? Why does the Senator add to those powers? That is what I cannot understand.

Mr. LA FOLLETTE. I contend that except so far as section 309 is concerned, as to the physical rehabilitation service, if I may so term it, there is no more power in this bill than there is in existing law, and, as a matter of fact, we have broken down the general, sweeping power given under existing law into certain specified categories, at least, of things in which the State shall cooperate so that the Administrator cannot be wholly unrestrained in pointing out to the States wherein they have failed to comply and cooperate.

Mr. TAFT. If the Senator will yield, I should like to call his attention to section 32 of title 29 of the United States Code, the original act, in which there are set out as conditions of a State plan five fairly definite requirements. Nothing is said about the compliance with rules and regulations, whereas, in the Senator's bill, one of the requirements of the State plan on page 35, paragraph 9, is that the State plan must "provide for compliance with such rules, regulations, and standards as the Administrator may from time to time establish." A revocation of the plan is provided for, and a failure to comply with the regulations is made a cause for withholding the money.

I cannot find that any such power is granted in the existing law. There is merely power given the Administrator to construe the law, and then power given to the States to appeal to Congress against his construction, if they see fit to do so.

Mr. LA FOLLETTE. Mr. President, I do not have the code before me, but I have the print of the act issued by the Office of Education, and section 4 provides:

> That the Federal Board for Vocational Education shall have power to cooperate with State boards in carrying out the purposes and provisions of this act, and is hereby authorized to make and establish such rules and regulations as may be necessary or appropriate to carry into effect the provisions of this act in order to provide for the vocational rehabilitation of disabled persons and their placement in employment; and to cooperate, for the purpose of carrying out the provisions of this act, with such public and private agencies as it may deem advisable.

Mr. TAFT. However, no requirement is contained that this regulation must be obeyed by the States, and no requirement is contained that the money may be withheld if the regulations are disobeyed. As I understand, this regulation was the customary kind of regulation, providing for carrying out the provisions of the act, whereas the pending bill would grant power to make any regulation which the Administrator thought was in line with the purposes of the act, and would give such regulation the force of congressional enactment for all purposes of dealing with funds under the pending bill.

Mr. LA FOLLETTE. It is my contention, Mr. President, that under the power given in the basic law the Administrator may, without giving any reason, withhold the money, and the only redress a State has is to come to Congress and have its Senators and Representatives introduce a bill, and go through the laborious process of having passed a bill providing that the States shall have money for this purpose.

Mr. President, the law is so interpreted now, and I contend that the necessary power exists, to be exercised without let or hindrance by the Federal Security Administrator.

I had not intended to enter upon a detailed discussion of the pending measure. I had intended rather to discuss it at the outset more in its broad general outlines. To return to my original theme, the purpose was to draw a comprehensive measure which would deal with all phases of the rehabilitation problems which were confronting the Federal Government, and to provide, insofar as possible, a system of Federal and State vocational and rehabilitation services which would be suitable for all types of persons who were handicapped as the result of birth injury or other accident.

In order that the system might be as economical as possible, the committee reported the pending measure with the idea that, so far as title I was concerned, the Administrator of Veterans' Affairs should have complete administrative control over the physical and the educational rehabilitation of veterans with service-connected disability. We did provide that in giving the training provided, as distinguished from physical rehabilitation, if the Veterans' Administrator determined that the State-Federal system was adequate for that purpose, he should utilize it, and certify veterans to the State-Federal system for their vocational rehabilitation training as distinguished from physical rehabilitation, which, of course, would be undertaken for the veterans in their own veterans' hospitals, clinics, and other centers.

So far as concerns the so-called civilian disabled, those in the aircraft warning service, the civilian air control service, the maritime sea service, and the civilian defense corps, the bill as reported from the committee provided that the Federal Security Administrator could certify any person in those categories requiring vocational rehabilitation to a State-Federal system for vocational rehabilitation and for vocational training.

The veterans' organizations have taken violent exception to title I of the measure, not, as I understand, because of the phraseology in its present form, as reported from the committee. So far as I know, the language of the bill is satisfactory to them.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. CLARK of Missouri. The Senator's statement in general is correct, as to the effect of title I as at present introduced. That was not true so far as the bill introduced in the last Congress was concerned. However, it is only fair to say that all the veterans' organizations——

Mr. LA FOLLETTE. If the Senator will permit me, I prefer to make that statement myself, rather than have it appear that it was elicited from me. I was about to make a very frank statement about this matter.

Mr. CLARK of Missouri. The Senator did make the statement just a moment ago that, so far as he knew, the veterans' organizations, and others interested in veterans' affairs, were just as well pleased with title I of Senate bill 180 as they were with Senate bill 786. That is not correct.

Mr. LA FOLLETTE. All I said—and if the Senator will go to the record he will find that I am correct—was that as I understood it they did not take exception to the language or to the powers which were conferred upon the Administrator in title I.

Mr. CLARK of Missouri. But they do much prefer the language of Senate bill 786.

Mr. LA FOLLETTE. A line-by-line comparison will show that the language is very similar in most respects. The point is that they do take violent exception to the fact that a bill dealing with Veterans' Administration matters, any portion of it, should have gone to the Committee on Education and Labor instead of to the Senate Committee on Finance. They have contended from the outset that they desired physically separate bills, with different bill numbers, and different public law numbers. They want two physically separate pieces of legislation. They take that position, if I understand their statement, because they fear that in the future some question of committee jurisdiction might arise as a result of the Committee on Education and Labor having reported Senate bill 180.

Very frankly, I think their apprehensions in that regard are unfounded. I think that, so far as legislation is concerned, it would be better legislation if it were passed as a comprehensive whole. I think that in the end in all probability, so far as the actual administration of the act is concerned, the veterans would be as well satisfied with it under title I of Senate bill 180 as they would under Senate bill 786, if it should pass.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. AIKEN. I should like to ask the Senator from Wisconsin at what time he became aware of the opposition of the veterans' organizations to Senate bill 180?

Mr. LA FOLLETTE. I became aware of the opposition of the Disabled American Veterans when we had the first measure under consideration last fall. Mr. Millard Rice appeared before the subcommittee of the Senate Committee on Education and Labor and, speaking for his organization, said he desired to have separate legislation. When it became apparent that the bills could not be acted upon at the last session because of the late date in the session at which any measure dealing with the subject passed the House, and because it was not possible to finish the consideration of the bill in the Committee on Education and Labor until so near the end of the session that it was obvious to all that no action could be taken at that time, I tried to secure some harmonious resolution of the situation by asking General Hines, the able and respected Administrator of Veterans' Affairs, to try to bring together all the persons who were interested in the proposed legislation, to see if some bill could not be worked out which would meet their objections.

However much progress may have been made in the direction of securing legislation in language which would satisfy them, the representatives of the veterans' organizations, so far as I know, continue to maintain that they desire two separate pieces of legislation, no matter how satisfactory title I of Senate bill 180 might be made in its terminology.

Mr. AIKEN. Will the Senator yield further?

Mr. LA FOLLETTE. I yield.

Mr. AIKEN. Let me ask whether representatives of other veterans' organizations appeared before the committee and registered opposition to the bill?

Mr. LA FOLLETTE. No; no representatives of other veterans' organizations came before the Senate Committee on Education and Labor, with the exception of the gentleman who represents the Regular veterans' organization. About the time, or after the time, we had concluded our hearings last fall before the Committee on Education and Labor, the House passed the so-called Rankin bill, which went to the Committee on Finance of the Senate, and was referred to the Subcommittee on Veterans' Legislation, and the Senator from Missouri [Mr. CLARK] held some hearings, at which time representatives of other veterans' organizations appeared and voiced the same opinion that had been expressed by Mr. Rice before our committee, and if my recollection serves me correctly, Mr. Rice came to the Committee on Education and Labor on the same day, after he had been before the Subcommittee on Veterans' Legislation of the Committee on Finance.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. CLARK of Missouri. Merely to refresh the Senator's recollection, as a matter of fact, while Senate bill 2714, introduced by the Senator from Wisconsin at the last session, was pending before the Committee on Education and Labor, the House bill having to do with the straight veterans' rehabilitation was pending before the Committee on Finance, and entirely without my knowledge, and I am sure entirely without the knowledge of the Senator from Wisconsin, who was the chairman of the subcommittee of the Committee on Education and Labor, the two subcommittees handling the bills happened to have hearings on the same day. The Senator from Wisconsin was naturally not present at the meeting of the veterans' subcommittee of the Finance Committee, of which he was a very distinguished member, and, of course, I was not present at the other meeting, because I was not a member of the Committee on Education and Labor. The coincidence of the two hearings being had on the same day, entirely without any previous knowledge on the part of the Senator from Wisconsin or myself, is certainly an illustration of the fact that the Committee on Education and Labor was invading the jurisdiction which has been held by the Committee on Finance ever since the last World War.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. AIKEN. A short time ago the Senator from Wisconsin stated that only representatives of regular veterans' organizations appeared. The Senator meant the disabled veterans' organizations, did he not?

Mr. LA FOLLETTE. No.

Mr. AIKEN. Did representatives of the Veterans of Foreign Wars and of the American Legion appear in opposition to the bill?

Mr. LA FOLLETTE. They did not appear before our committee. They voiced their opposition to the bill before the Finance Committee.

Mr. AIKEN. That is what I wanted to have clear on the record, because I was a member of the Committee on Education

and Labor. Recently opposition has been registered with me by members of the American Legion and the Veterans of Foreign Wars; but their opposition was not registered with me until after the bill had been considered. No representative of those organizations appeared in opposition to the bill, and it was favorably reported. Until a short time ago I had not received any communications from these organizations, and, so far as I knew, they had not registered opposition to it. I should like to have that appear clear on the record.

Mr. LA FOLLETTE. I think that is true. I refer to the statement of Jack Kyle, national educational director of the Regular Veterans Association.

Mr. CLARK of Missouri. He is now the president of that organization.

Mr. LA FOLLETTE. Yes. That organization represents the veterans in the Regular Establishment of the United States Army. In using the word "Regular" I was using the title of their organization, and not a descriptive term. The Senator is correct. Mr. Rice was the only representative of veterans' organizations who appeared before the Committee on Education and Labor.

Mr. President, so far as I am concerned, I am simply trying to state what actually happened, and to state the fact that the veterans, so far as I know, have from the beginning taken the position that they wanted a physically separate piece of legislation.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. CLARK of Missouri. Of course the Senator is familiar with the fact that the House Committee on Education yesterday, I believe, in reporting the Barden bill, which is identical, as I understand, to the text of the bill introduced by the Senator from Wisconsin, struck out title I from the bill and reported it without title I.

Mr. LA FOLLETTE. That is correct.

Mr. CLARK of Missouri. If the Senator were willing to do that he might be able to obviate a good deal of opposition to his bill.

Mr. LA FOLLETTE. Mr. President, I was about to come to that phase of the matter. I wanted the record to show that it is my firm conviction that it is a mistake to separate these matters. I feel that it would be better to have the legislation passed as a whole. I think in the end the systems might be more integrated without detriment to the veterans, because, I reemphasize, title I gives complete control to the Veterans' Administrator. I think it might result in some economies and savings in the total cost.

I may say that the cost of rehabilitating veterans of this war will be a staggering sum. We spent $640,000,000 in rehabilitating veterans of the last war who had service-connected disabilities. The use of sulfa drugs and blood plasma results in a larger percentage of recoveries of persons who are wounded in this war, and a larger number of persons will no doubt ultimately be involved; so our program for veterans' rehabilitation will undoubtedly be very large.

Mr. President, in view of the action which has been taken by the committee at the other end of the Capitol, which has legislation of this character under consideration, I feel that I am justified in recognizing that even if the majority of the Senate should agree with my position and retain title I, in all probability the House committee which handles these matters would be in such a position that it would not have power to deal in conference with title I of the bill, in view of the action of the House and the division of the responsibility between the Veterans Committee and the Committee on Education in the House.

Therefore, Mr. President, I am going to offer as a substitute for the committee amendment, an amendment which retains titles II, III, and IV, as they were reported from the Committee on Education and Labor, but retains only one portion of title I. I trust that it will not meet with any objection. But in any case it will be open to amendment if it does. The substitute which I am now offering, I will say to the Senator from Missouri [Mr. CLARK], proposes to retain only one portion of title I, and reads as follows:

In providing rehabilitation training for disabled veterans entitled thereto under laws administered by the Veterans' Administration, the Administrator of Veterans' Affairs shall, as far as practicable, utilize training provided under State plans for vocational rehabilitation, in cases in which in his judgment satisfactory training can be provided under such plans. In such cases the veterans to be trained under such plans shall be selected by the Veterans' Administration and the training to be provided shall be that prescribed by the Veterans' Administration, and the expense, on an actual cost basis, of the services rendered shall be reimbursed by the Veterans' Administration out of the appropriation applicable. The Administrator is authorized, pursuant to agreement with the Federal Security Administrator, to utilize the facilities and services of the Federal Security Agency in carrying out the provisions of this section.

Mr. President, my only purpose in desiring to retain that portion of title I, I may say to the Senator from Missouri and other Senators who may be interested, is that it seems to me it is highly desirable in the interests of economy, wherever the system is adequate, to prevent duplication, and to provide for the utmost utilization of such systems, where, in the judgment of the Veterans' Administrator, it can be done without any sacrifice of the character or the type of service to be rendered.

I may say that there is a provision in Senate bill 786 which gives power to the Veterans' Administrator to utilize existing agencies. The only difference is that this language states it as a legislative policy, but gives him full power. I may say, and I am at liberty to say, that this portion of the bill was worked out in conjunction with General Hines, and is satisfactory to him, although of course he takes no position as to whether it should be incorporated in one bill or the other.

Mr. President, I may say for the information of the Senate that titles II, III, and IV are exactly as reported from the Senate Committee on Education and Labor, except that they eliminate the references in the other titles of the bill which were made necessary when title I was still a part of the measure.

Mr. President, I offer the amendment and ask unanimous consent that it be considered in lieu of the amendment of the committee.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment will be stated for the information of the Senate.

Mr. LA FOLLETTE. I ask unanimous consent that the amendment may be considered as having been read.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment offered by Mr. LA FOLLETTE is as follows:

That this act may be cited as the "Vocational Rehabilitation Act of 1943."

PURPOSES

SEC. 2. The purposes of this act are—

(a) To make more effective and efficient the program of vocational rehabilitation of disabled individuals and their return to productive employment, by increasing Federal participation in grants to States for rehabilitation training and by making other vocational rehabilitation services available, through State plans and otherwise, at Federal expense;

(b) To insure rehabilitation training to certain war disabled civilians, by providing for their training at Federal expense during the present war and the period ending 6 years thereafter;

(c) To avoid unnecessary expense and duplication of services, facilities, and personnel, by providing for cooperative utilization of all appropriate facilities and personnel.

TITLE I—USE OF STATE PLANS FOR VOCATIONAL TRAINING OF DISABLED VETERANS

SEC. 101. In providing rehabilitation training for disabled veterans entitled thereto under laws administered by the Veterans' Administration, the Administrator of Veterans Affairs shall, as far as practicable, utilize training provided under State plans for vocational rehabilitation, in cases in which in his judgment satisfactory training can be provided under such plans. In such cases the veterans to be trained under such plans shall be selected by the Veterans' Administration and the training to be provided shall be that prescribed by the Veterans' Administration; and the expense, on an actual cost basis, of the services rendered shall be reimbursed by the Veterans' Administration out of the appropriation applicable. The Administrator is authorized, pursuant to agreement with the Federal Security Administrator, to utilize the facilities and services of the Federal Security Agency in carrying out the provisions of this section.

TITLE II—WAR-DISABLED CIVILIANS

SEC. 201. This title shall apply with respect to—

(a) Any civilian (except a person who is paid by the United States, or any department, agency, or instrumentality thereof, for services as a civilian defense worker) who served at any time after December 6, 1941, and prior to the termination of the present war as declared by Presidential proclamation or concurrent resolution of the Congress—

(1) in the Aircraft Warning Service; or

(2) as a member of the Civil Air Patrol; or

(3) as a member, in accordance with regulations prescribed by the Director of the Office of Civilian Defense, of the United States Citizens' Defense Corps in the protective services engaged in civilian defense, as such protective services are established from time to time by regulation or order of such Director; or

(4) as a registered trainee taking training in accordance with regulations prescribed by such Director for such protective services; and

(b) Any civilian who served at any time after December 6, 1941, and prior to the termination of the present war as so declared as an officer or member of the crew of a vessel owned or chartered by the Maritime Commission, or the War Shipping Administration, or operated under charter from such Commission or Administration.

SEC. 202. If any civilian with respect to whom this title applies is disabled as a result of disease or injury, or aggravation of a preexisting disease or injury, incurred in line of duty in such service during such period, not due to his own misconduct, and is in need of vocational rehabilitation services not available to him under any other Federal law, to overcome a handicap due to such disability, he may be certified by the Federal Security Administrator to the State agency administering a State plan for vocational rehabilitation approved under title III of this act, as a "war disabled civilian" entitled to receive under such State plan such vocational rehabilitation as may be prescribed by the Federal Security Administrator to fit him for and assist him in securing suitable employment, taking into consideration the degree of his disability: *Provided*, That no course of training in excess of 4 years shall be prescribed under this title, nor shall any services prescribed under it be afforded beyond 6 years after the termination of the present war as so declared.

TITLE III—COOPERATIVE PLANS FOR VOCATIONAL REHABILITATION

Effective with respect to the period beginning July 1, 1943, the act entitled "An act to provide for the promotion of vocational rehabilitation of persons disabled in industry or otherwise and their return to civil employment," approved June 2, 1920, as amended (U. S. C., title 29, ch. 4), is amended to read as follows:

'TITLE III—COOPERATIVE PLANS FOR VOCATIONAL REHABILITATION

"AVAILABILITY OF FUNDS

"SEC. 301. Moneys made available for the purpose pursuant to this act shall be used for making payments to States (and Alaska, Hawaii, Puerto Rico, and the District of Columbia herein referred to as 'States') which have submitted, and had approved by the Federal Security Administrator (hereinafter in this act referred to as the 'Administrator'), State plans for vocational rehabilitation of disabled individuals.

"STATE PLANS

"SEC. 302. (a) A State plan for vocational rehabilitation must—

"(1) provide for rehabilitation training, and may also provide for any other vocational rehabilitation services;

"(2) designate the State board of vocational education (herein referred to as the State board) as the sole agency for the administration, supervision, and control of the State plan; except that where under the State's law the State blind commission or other agency which provides assistance or services to the adult blind is authorized to provide them any vocational rehabilitation service, the plan shall provide for administration by such State blind commission or other State agency of the part of the plan under which such service is provided the blind: *Provided further*, That in any State which by law has established a rehabilitation commission prior to the date of enactment of this act, with authority to provide rehabilitation services to disabled persons, the State board may delegate to such commission all or any part of the operation of the State plan, under a written agreement of cooperation approved by the Administrator;

"(3) provide that the State treasurer (or, if there be no State treasurer, the officer exercising similar functions for the State) be appointed as custodian of funds received under this act from the Federal Government and receive and provide for the proper custody of such funds;

"(4) show the plan, policies, and methods to be followed in carrying out the work under the State plan and in its administration and supervision;

"(5) provide that no rehabilitation service under the plan shall be available to an individual unless he meets the requirements of eligibility therefor established by the Administrator;

"(6) provide such methods of administration (including methods relating to the establishment and maintenance of personnel standards on a merit basis, except that the Administrator shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with such methods) as are found by the Administrator to be necessary for the proper and efficient administration of the plan;

"(7) provide that the State board will make such reports, in such form and containing such information, as the Administrator may from time to time require, and comply with such provisions as he may from time to time find necessary to assure the correctness and verification of such reports;

"(8) provide that no portion of any money paid to the State under this title shall be applied, directly or indirectly, to the purchase, preservation, erection, or repair of any building or buildings, or for the purchase or rental of any land for administrative purposes;

"(9) provide for compliance with such rules, regulations, and standards as the Administrator may from time to time establish;

"(10) provide that any rehabilitation service provided under the State plan shall be available under such rules and regulations as the Administrator shall prescribe, to any civil employee of the United States disabled while in the performance of his duty and to any individual certified to the State under section 202 as a war-disabled civilian.

"(b) The Administrator shall approve any plan which he believes to be feasible and which fulfills the conditions specified in subsection (a) of this section, except that he shall not approve any plan which he finds contains such restrictions with respect to the expenditure of funds under such plan as would (1) substantially increase the costs of rehabilitation services under the State plan, or (2) seriously impair the effectiveness of the State plan in carrying out the purposes of this title.

"PAYMENTS TO STATES

"SEC. 303. (a) From the sums made available pursuant to section 301, the Secretary of the Treasury, from time to time, upon certification by the Administrator, shall pay to each State which has an approved plan for vocational rehabilitation the amounts determined by the Administrator to be equal to—

"(1) the necessary cost (exclusive of administrative expenses) to such State under the plan of providing rehabilitation training during the period for which such payment is to be made to disabled individuals certified to the State by the Administrator as war-disabled civilians for such training;

"(2) two-thirds of the necessary cost (exclusive of administrative expenses) to such State under the plan of providing rehabilitation training during the period for which such payment is to be made to other individuals;

"(3) the necessary cost (exclusive of administrative expenses) to such State under the plan of providing rehabilitation services other than training during the period for which such payment is to be made;

"(4) the cost of the proper and efficient administration of the plan during the period for which such payment is to be made.

"(b) In the case of any State found by the Administrator to be financially unable to provide the funds to meet its share of the cost described in paragraph (2) of subsection (a), he may increase the share of Federal participation for such periods and under such conditions as he shall prescribe, in accordance with schedules of participation based on comparative State per capita incomes established in regulations promulgated by him: *Provided*, That the increased share of Federal participation under authority of this subsection shall not in any case result in the payment by the Federal Government of more than 90 percent of the cost described in such paragraph (2), and no amounts shall be paid under authority of this subsection with respect to rehabilitation services rendered after the expiration of 6 months following the termination of the present war, as declared by Presidential proclamation or concurrent resolution of the Congress.

"(c) The method of computing and paying such amount shall be as follows:

"(1) The Administrator shall from time to time estimate the amount to be paid to each State under the provisions of this title, such estimate to be based on (A) a report filed by the State containing its estimate of the total sum to be expended for vocational rehabilitation during the period for which such estimate is made, and stating the amount appropriated or made available by the State and its political subdivisions for such expenditures in such period, (B) a report filed by the State containing its estimate for such period of the administrative expenses to be incurred by the State board in carrying out its functions under such State plan for vocational rehabilitation, (C) records showing the number of individuals in the State needing rehabilitation services, and (D) such other investigation as the Administrator may find necessary.

"(2) The Administrator shall then certify the amount so estimated by him for any period to the Secretary of the Treasury, reduced or increased, as the case may be, by (A) any sum by which he finds that his estimate for any prior period was greater or less than the amount which should have been paid to the State for such prior period and (B) any sum by which he finds that amounts paid to the State under the Act of June 2, 1920, as amended and extended with respect to operations prior to July 1, 1943, were greater or less than the amounts which should have been so paid, except that such increases or reductions shall not be made to the extent that such sums have been applied to make the amount certified for any prior period greater or less than the amount estimated by the Administrator for such prior period.

"(3) The Secretary of the Treasury shall, upon receiving such certification, pay, through the Division of Disbursement of the Treasury Department and prior to audit or settlement by the General Accounting Office, to the State, at the time or times fixed by the Administrator, the amounts so certified. The money so received by the State shall be paid out in accordance with the provisions of the State plan.

"OPERATION OF STATE PLANS

"SEC. 304. Whenever the Administrator, after reasonable notice and opportunity for hearing to the State board, finds that in the administration of the plan there is—

"(1) a failure to comply substantially with any provision required by section 302 (a) to be included in the plan, or any restriction on expenditures imposed in conflict with section 302 (b), or

"(2) a failure to comply substantially with any regulation of the Administrator with respect to rehabilitation services for civilian

war-disabled individuals certified for such services under such plan, or

"(3) a failure to afford reasonable cooperation with other Federal and State agencies providing rehabilitation or other benefits to disabled individuals,

the Administrator shall notify such State board of such finding, setting forth in detail the reasons therefor, and shall notify such board that further payments will not be made to the State under this title until he is satisfied that there will no longer be any such failure. Until he is so satisfied the Administrator shall make no further certification to the Secretary of the Treasury with respect to such State under this title: *Provided*, That when the Administrator determines that such failure relates to only a part of the services under such plan, he shall make payment with respect to other services which he determines may be satisfactorily provided under the plan and shall notify such State board and make certification hereunder accordingly.

"IMPOSSIBILITY OF FULL COMPLIANCE BY STATE

"SEC. 305. If any State cannot fully comply with the conditions of this title on the date of enactment of the Vocational Rehabilitation Act of 1943, and its legislature has not met in regular session after such date, and more than 60 days prior to June 30, 1943, such State may secure the benefits of this title, if it complies therewith to the extent possible, until 60 days after the legislature of such State first meets after such date of enactment."

CITATIONS

SEC. 306. Sections 301 through 305, inclusive, of the act of June 2, 1920, as amended by this title, may be respectively cited as sections 301 through 305 of this act.

SAVING PROVISION

SEC. 307. Notwithstanding the amendment made by the foregoing provisions of this title, the provisions of such act of June 2, 1920, as amended and extended prior to the date of enactment of this act, shall remain in effect with respect to the period ending June 30, 1943.

INCREASED GRANTS PRIOR TO JUNE 30, 1943

SEC. 308. Appropriations are hereby authorized, for the making of payments to the several States and Alaska, Hawaii, and Puerto Rico, in addition to payments now authorized, of such sums as may be necessary to enable them to augment during the remainder of the fiscal year ending June 30, 1943, services under their vocational rehabilitation plans approved under the act of June 2, 1920, as amended and extended. Appropriations are also authorized in addition to sums now authorized under the act of February 23, 1929, as amended, to augment during the remainder of such fiscal year rehabilitation services in the District of Columbia. Authority is hereby given to the Administrator to modify or waive the requirements of expenditures of funds of the States and Alaska, Hawaii, Puerto Rico, and the District of Columbia in connection with expenditures from such additional sums.

PROVISION OF REHABILITATION SERVICES BY ADMINISTRATOR

SEC. 309. (a) Effective 90 days after the date of enactment of this act, whenever the Administrator, after reasonable notice and opportunity for hearing to the State board of vocational education of any State (including Alaska, Hawaii, Puerto Rico, and the District of Columbia), finds that any type of vocational rehabilitation service (except training) needed by disabled residents of a State, or by war-disabled civilians certified for rehabilitation services under its plan, is not otherwise adequately provided in such State, the Administrator may, to the extent that such service is not otherwise adequately provided and until he is satisfied that such service will be otherwise adequately provided, provide such service to disabled residents of such State, and to war-disabled civilians so certified, who are in need of and eligible for vocational rehabilitation. Physical restoration and repair, physical and occupational therapy, and hospitalization and medical care shall be provided by the Administrator under this section solely through contractual arrangements made by him with public and private agencies and private individuals. Nothing in this section shall be construed to authorize the Administrator to construct, lease, or otherwise acquire or operate any hospital, clinic, or other medical facility, or to authorize any personnel employed or appointed by the Administrator under authority of this act to engage in rendering medical or hospital care or treatment to any individual.

(b) For the purposes of section 302 (a) (5) and for the purposes of this section, the Administrator, in establishing requirements of eligibility, shall provide that—

(1) no person shall be eligible for vocational rehabilitation until he has attained the age of 16 years;

(2) except in the case of individuals certifiable as war-disabled civilians under section 202, no physical restoration or repair, medical care, prosthetic or other devices or training allowance shall be provided an individual unless it has been determined that he needs financial assistance with respect thereto; and that in making such determination full consideration shall be given to the eligibility of the individual for benefits from pension, compensation, and insurance and also to the probable earning capacity of the individual in the work for which he is being rehabilitated;

(3) no training allowance shall exceed the estimated cost of reasonable subsistence of the trainee during his training, including the cost of any books or other training material necessary for such training.

(c) The Administrator is authorized, through appropriate public agencies, to assist in securing suitable employment for individuals for whom vocational rehabilitation is provided under this act.

DISTRICT OF COLUMBIA

SEC. 310. (a) The Board of Education of the District of Columbia is hereby designated the Board of Vocational Education for purposes of this act.

(b) Such Board is hereby authorized to submit plans pursuant to sections 301 through 305, inclusive, of this title, to provide rehabilitation training in accordance with such plans through schools of the District of Columbia and other public and private agencies, out of funds made available to it under this act and from appropriations for the District of Columbia, and to exercise all functions necessary for such purpose. Such Board is also authorized to enter into agreements pursuant to this act and, pursuant to such agreements or to the extent that authority is delegated to it by the Administrator, to administer other vocational rehabilitation services.

(c) There is hereby authorized to be appropriated from revenues of the District of Columbia for the fiscal year ending June 30, 1944, and for each fiscal year thereafter, a sum sufficient to enable the Board of Vocational Education to carry out the purposes of this section.

(d) The act entitled "An act to provide for the vocational rehabilitation of disabled residents of the District of Columbia, and for other purposes," approved February 23, 1929, as amended, shall not be effective with respect to any period after June 30, 1943.

TITLE IV—ADMINISTRATION

SEC. 401. (a) In carrying out his duties under this act, the Administrator is authorized—

(1) to utilize existing facilities of appropriate units of the Federal Security Agency, and to enter into agreements and cooperative working arrangements with public agencies and private persons, agencies, and institutions, within the United States, its Territories and possessions, for services and use of facilities of such persons, agencies, and institutions and to compensate them and such units for such services and use;

(2) to make or cause to be made by other agencies, including foreign agencies, studies, investigations, and reports with respect to abilities, aptitudes, and capacities of handicapped individuals, development of their potentialities, and their utilization in gainful and suitable employment;

(3) to call in consultants and to pay their traveling expenses, and to pay their other necessary expenses while away from their homes, or not to exceed $10 per day in lieu thereof;

(4) to detail any of the personnel of the Federal Security Agency to attend, for not more than 12 weeks in any 1 year, appropriate courses of instruction conducted by other public agencies and private agencies and organizations, which detail shall be part of the official duties of such employees;

(5) to provide personnel so detailed with necessary books and other material and pay their tuition, or reimburse them for expenditures therefor; and, in any case where such detail is away from an employee's official station he may, for purposes of subsistence and traveling expenses, be deemed on travel status.

(b) Experts and consultants, when deemed necessary in the discretion of the Administrator, may be employed without regard to the civil-service laws or the Classification Act of 1923, as amended. For the purposes of this act, the Administrator may accept uncompensated services upon such agreement as he may deem feasible.

(c) There shall be in the Federal Security Agency a Rehabilitation Service under the management of a Director of Rehabilitation appointed by the Federal Security Administrator. Under the supervision and direction of the Federal Security Administrator, such Director and Service shall administer functions vested in the Federal Security Administrator by this act, pursuant to appropriate delegation of authority by him, and also provide such services in connection with rehabilitation of disabled veterans as may be authorized by the Administrator of Veterans' Affairs pursuant to agreement with the Federal Security Administrator.

(d) Payment for use of facilities and services obtained pursuant to this act by the Federal Security Administrator from units of the Federal Security Agency or other Federal agencies shall be by check, either in advance or as reimbursement, for the actual or estimated cost of such facilities and services, and amounts so paid shall be credited, as determined by such Administrator, either to special working funds as provided in existing law or to the appropriation or appropriations against which charges are to be made or have been made in providing the facilities or services, and payment for services and facilities of other agencies shall be made by check to the payee or payees specified by such agencies.

(e) The Administrator is authorized to promulgate such regulations, and to delegate to any officer or employee, or to any agency, of the United States or of any State, Territory, or possession of the United States, or of any political subdivision of any of them, such of his powers and duties, except the promulgation of regulations, as he finds necessary or expedient in carrying out the purposes of this act.

TRAINING ALLOWANCES—LIMITATIONS

SEC. 402. Training allowances shall be granted a trainee hereunder only during training, or authorized leaves of absence therefrom, and not to exceed 60 days after

completion of training, and shall not be payable for any period he fails to pursue his training as required by regulations.

MISCONDUCT AND NONCOOPERATION OF TRAINEES

SEC. 403. The Administrator shall include in his regulations provisions designed to secure good conduct, regular attendance, and cooperation of trainees.

In case of misconduct or failure of attendance or cooperation of a trainee, his training allowance may be reduced or discontinued, or his training and training allowance discontinued, temporarily, or permanently, in accordance with the applicable regulations, at the discretion of the Administrator.

ADJUSTING ALLOWANCES DURING ON-THE-JOB TRAINING

SEC. 404. When on-the-job training with an employer is provided a trainee receiving a training allowance, such employer shall be required to report any maintenance provided, or remuneration in money or goods, given or promised the trainee by him, directly or indirectly. Equitable reduction shall be made in any training allowance provided such trainee where any substantial amount of such maintenance or remuneration is received by the trainee. The form and manner of making reports under this section, and the reduction in training allowance, shall be in accordance with appropriate regulations, which shall be prescribed by the Administrator.

SEC. 405. (a) Where any civilian certifiable as a war-disabled civilian suffers an injury, or an aggravation of any injury, as a result of the pursuit of a course of training prescribed for him pursuant to title II of this act, and not the result of his own misconduct, and such injury or aggravation results in additional disability or death of such person, benefits as to such person shall be awarded in the manner and to the extent and subject to the limitations provided in the act of February 15, 1934 (48 Stat. 351), as amended: *Provided*, That where such injury or aggravation or death results in payment of benefits under State employees' compensation laws, or recovery from or settlement with or on behalf of the employer, the Administrator is hereby authorized and directed, under regulations to be prescribed by him, to reduce the benefits authorized by this section by such amount as will offset such other payment received on account of such injury, aggravation, or death.

(b) Where any person suffers an injury, or an aggravation of an injury, as a result of hospitalization or medical or surgical treatment provided him pursuant to section 309 of this act or prescribed for him under title II of this act, and not the result of his own misconduct, and such injury or aggravation results in additional disability or death of such person, benefits as to such person shall be awarded in the manner and to the extent and subject to the limitations provided in the act of February 15, 1934 (48 Stat. 351), as amended: *Provided*, That where such injury, aggravation, or death results in any recovery from or settlement with or on behalf of the person chargeable therewith, a reduction in benefits shall be made as provided in subsection (a) of this section.

SEC. 406. Annual reports shall be made to the Congress by the Administrator as to the administration of his functions under this act.

SEC. 407. There are hereby authorized to be included in the appropriations for the Federal Security Agency such sums as are necessary to carry out the provisions of this act, and the appropriations "Salaries and expenses, vocational rehabilitation," Federal Security Agency, for the fiscal year 1943 are hereby made available for administering the provisions of this act.

SEC. 408. In the selection of cases to be served, in the character of service to be provided, and in the general administration of this act, there shall be no discrimination for or against any individual eligible for the benefits of this act because of sex, race, creed, color, national origin, or membership or nonmembership in an industrial, fraternal, or private organization of any kind.

SEC. 409. The amendments made by this act shall be deemed to be a part of this act; and the term "this act," when used in such amendments or elsewhere in this act, shall be deemed to include the provisions of such amendments and the other provisions of this act.

SEC. 410. For the purposes of this act, the terms "vocational rehabilitation" and "rehabilitation services" mean any services necessary to render a disabled individual fit to engage in a remunerative occupation, including physical restoration and repair, medical examination and care, prosthetic and other devices, physical and occupational therapy, training, allowances for support and maintenance during training, assistance in securing employment, and other appropriate services.

Amend the title so as to read: "A bill to provide vocational rehabilitation to persons disabled in war industries or otherwise and to render such persons fit for service in war industries, agriculture, or other useful civilian industry, and for other purposes."

Mr. LA FOLLETTE. Mr. President, I can state positively that the amendment which I have offered has been gone over with a fine-tooth comb. Senators may rely on the report. The only thing that has been taken out of it is the references in the titles following title I to the Administrator of Veterans' Affairs, which, of course, were necessary when the administrative titles of the bill provided for veterans' rehabilitation as well as that of civilians.

Mr. CLARK of Missouri. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CLARK of Missouri. I understand that the Senator from Wisconsin merely asked unanimous consent to substitute the new amendment for the amendment reported by the committee. Am I correct in that understanding?

Mr. LA FOLLETTE. The Senator from Missouri is correct. That is all I ask to have done.

Mr. CLARK of Missouri. The Senator is not asking that the amendment be adopted at this time?

Mr. LA FOLLETTE. Of course not. It will be pending, like any other amendment.

Mr. CLARK of Missouri. I feel it incumbent upon me to say at this time that it is my purpose, as soon as I can properly obtain the floor, to move that the Senate proceed to the consideration of Senate bill 786, which was reported from the Finance Committee, which would have the effect of displacing Senate bill 180 as the unfinished business until such time as Senate bill 786 has been disposed of. I have no objection to the amendment being offered by the Senator from Wisconsin as a substitute for the committee amendment, although I will say that it seems to me to be a rather startling procedure, after notice has been given and the bill has been taken up, to submit an entirely new draft, with which, so far as I know, only the Senator from Wisconsin is familiar. So far as I know, no other Senator has had an opportunity to examine it. I certainly have not had an opportunity to examine it, and I reserve any objection I may have to the so-called substitute, because it seems to me to be a very startling procedure.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. WHITE. I understand that the amendment offered by the Senator from Wisconsin is his own amendment, and is offered in his individual capacity. Will the Senator indicate to us what the attitude of the committee is toward the procedure he is now following?

Mr. LA FOLLETTE. So far as I have been able to ascertain, after conferring with individual Senators, this action is satisfactory to them. It has not been possible to have a meeting of the committee since the House committee acted upon the matter. However, I do not offer the amendment as a committee amendment. I asked unanimous consent that it may be considered in lieu of the committee amendment. I will say to the Senator from Maine that the purpose of offering the amendment in this form is that otherwise a large number of technical amendments would be required to eliminate the references to the Administrator of Veterans' Affairs which occur in the administrative titles of the bill. From the standpoint of parliamentary procedure, I thought that would be a very much more orderly process than to offer the technical amendments which would be necessary to eliminate the references to the Veterans' Administration which occur in the other titles of the measure.

Let me say further that the amendment which is now pending is identical in language with titles II, III, and IV of the original bill, with the exception that reference to the Administrator of Veterans' Affairs has been removed from those titles.

Mr. President, I feel that this question is one which should have the earnest consideration of Congress. I am satisfied that if the proposed legislation is enacted and the appropriate legislative action is taken to provide funds to carry out the joint Federal-State program on a larger scale within a relatively short space of time we can begin to offer to the labor markets for both industry and agriculture rehabilitated persons who will add tremendously to the war effort, and who will have the satisfaction of becoming self-sustaining individuals. I feel that we could take no more important step at this time in helping to build up the morale of this group of persons. I feel that we are doubly justified in acting upon this problem because of the tremendous increase in industrial accidents growing out of the greatly expanded war-production effort. According to figures which I obtained a few months ago, industrial accidents have increased by 70 percent, although industrial employment in this country has not risen anywhere near that figure in proportion.

Furthermore, many persons who have been rejected for military service by the Army or Navy are now finding their way

to the added list of persons seeking rehabilitation service from the Federal-State system as it exists today.

For all these reasons, Mr. President, I believe that the Congress should act as boldly and vigorously in this field as in every other field in connection with the war effort. It is entirely possible, if this system is expanded, and if funds are made available on a sufficiently large scale, that we can increase the number of persons who are being rehabilitated and made available for the agricultural and labor forces of the country from the mere 50,000 who are now being rehabilitated each year to 10 times that number.

In short, Mr. President, within a reasonable length of time we ought to be able to rehabilitate 500,000 persons in this country. To do so would be to make a real contribution to the war effort.

Senators who have not had time to look into this situation may have the impression that this is some type of social service work. The other day I talked with an industrialist from my own State. He told me that if he did not have in his plant today rehabilitated persons with physical handicaps he would not be able to maintain his high record of production. So industry is learning in this shortage of manpower that men who were rejected for military service because of physical handicaps, and who have been properly rehabilitated and trained, are a very important addition to the national effort for production at the present time.

So, Mr. President, I hope the pending measure will be considered upon its merits. I hope no one will gain the impression which I fear has been created, that an effort is being made to seize upon the war emergency for the purpose of accomplishing social objectives. So far as I am personally concerned, I believe we should maintain and advance our social objectives; but I also assert that we have before us a measure which would contribute greatly to the immediate future so far as manpower is concerned.

Mr. GUFFEY obtained the floor.

Mr. CLARK of Missouri. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gillette	O'Mahoney
Austin	Green	Overton
Bailey	Guffey	Radcliffe
Ball	Gurney	Reed
Bankhead	Hatch	Revercomb
Barbour	Hayden	Reynolds
Barkley	Hill	Russell
Bone	Holman	Scrugham
Brewster	Johnson, Calif.	Smith
Bridges	Johnson, Colo.	Stewart
Brooks	Kilgore	Taft
Buck	La Follette	Thomas, Okla.
Burton	Langer	Thomas, Utah
Bushfield	Lodge	Tobey
Byrd	Lucas	Truman
Capper	McCarran	Tunnell
Caraway	McClellan	Tydings
Chavez	McNary	Vandenberg
Clark, Idaho	Maloney	Van Nuys
Clark, Mo.	Maybank	Wagner
Connally	Mead	Walsh
Danaher	Millikin	Wheeler
Davis	Moore	White
Eastland	Murdock	Wiley
Ferguson	Murray	Willis
George	Nye	Wilson
Gerry	O'Daniel	

Mr. HILL. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from Louisiana [Mr. ELLENDER], the Senator from Virginia [Mr. GLASS], and the Senator from Tennessee [Mr. MCKELLAR] are absent from the Senate because of illness.

The Senator from Mississippi [Mr. BILBO] and the Senator from Florida [Mr. PEPPER] are necessarily absent.

The Senator from Kentucky [Mr. CHANDLER], the Senator from California [Mr. DOWNEY], the Senator from Arizona [Mr. MCFARLAND], and the Senator from Washington [Mr. WALLGREN] are detained on official business for the Senate.

Mr. MCNARY. The Senator from Nebraska [Mr. BUTLER], the Senator from New Jersey [Mr. HAWKES], the Senator from Wyoming [Mr. ROBERTSON], the Senator from Idaho [Mr. THOMAS], and the Senator from Nebraska [Mr. WHERRY] are necessarily absent.

The Senator from Minnesota [Mr. SHIPSTEAD] is absent because of illness.

The PRESIDING OFFICER (Mr. BONE in the chair). Eighty Senators having answered to their names, a quorum is present.

TEN YEARS OF ROOSEVELT

Mr. GUFFEY. Mr. President, 10 years ago—on March 4, 1933—Franklin Delano Roosevelt first took the oath of office as President of the United States, and entered upon his historic administration as Chief Executive of this great Republic.

Then, as now, it was a time of great crisis, emotional confusion, and political turmoil.

Then, as now, there were those who sought to play politics with the national safety and the public welfare.

Then, as now, there were some who cried "dictator," when the President sought to put first things first and to straighten out the unholy mess he inherited from his predecessor, Herbert Hoover, and from 12 years of Republican misrule.

Then, as now, the great majority of plain Americans followed his lead, not because they thought of him as a superman, but as a neighbor, as their friend, as a man who was doing his best to bring Democratic order out of Republican chaos.

Those were the days when the banks were closing, the bread lines were lengthening, the farmers were threatening to lynch judges, and honest businessmen were going broke.

Those were the days when millions faced hunger, eviction, foreclosures, homelessness, misery, and hopeless debt.

Those were the days when Mr. Hoover had ordered his Chief of Staff to lead the United States Army, with tanks, bayonets, and fire, against the wretched encampment of the hungry veterans who had risked their lives for their country.

Those were the days when this country faced repeated disappointments at home, as prosperity refused to come around the corner of Broad and Wall Streets, and faced humiliations abroad, as the far-eastern war began, the war debtors went off the gold standard, and Hitler surged forward to power in Germany.

It is well for Americans to remember those days of doubt and despair, when the ultrarich were stocking canned goods in well-concealed hide-outs in the country, when shaky millionaires held tank-filled airplanes for a quick get-away, and when the rumble of social revolt was in the air, in the headlines, and in the hearts of Americans.

Then came Roosevelt and the New Deal.

The New Deal has been often defined and sometimes derided; but to me it represented a willingness to do what had to be done in order to save America, without regard to habit of government or tradition of thought.

The banks had to be closed, to save America. Roosevelt closed them, and the bankers went down on their knees and said, "Thank God for Roosevelt."

The hungry had to be fed; the naked had to be clothed; the homeless had to be housed. Roosevelt fed, clothed, and housed them; and the bankers held up their hands in holy horror and said, "This will undermine their moral stamina."

Great public works, such as dams, bridges, and waterways were long overdue. Roosevelt built them, and the bankers cried aloud, "It's not constitutional."

The farmers faced economic and social disaster. Roosevelt saved them; he preserved their homes and their way of life; and the opposition screamed with rage, "This is regimentation."

Through all the years of effort and experiment, of trial and error, of success and failure, like a great river the public support of the American people sustained Roosevelt, while the insults and the opposition were just so much froth and driftwood on the face of the waters.

In 1936, the Republicans dreamed that the Roosevelt administration was over; but the American people "took" Governor Landon like Russia took Hitler at Stalingrad. They kept Roosevelt in power.

In 1940, the Republicans despaired of having any Republican defeat the President, so they nominated a former Democrat for the Presidency, Mr. Wendell L. Willkie.

This time, the opposition thought they had Roosevelt because of what they called "third-term tradition."

The American people "took" Mr. Willkie, and again kept Roosevelt in power.

Today, the opposition is desperate, for it knows there is no American tradition which says that a good President cannot serve four terms in the White House.

Just as there is no American tradition which says a bad President is entitled to two terms in the White House.

We judge our Presidents by what they do and what they are, and we keep them and get rid of them to suit ourselves—not to suit the convenience of party ambition or "politics as usual."

Ten years after Roosevelt's first inaugural there are countless Americans, rich and poor, of every race, creed, and color — bankers included — who say, "Thank God for Roosevelt."

Their impatience with the tricks and trades, with the sneers and jibes, of partisan opposition to the President, is growing every day. They respect the Congress of the United States, but they do not love it, except as it serves the public welfare and promotes the common defense.

They neither respect nor love the majority of the newspapers which lend themselves to the bought-and-paid-for sniping of the ultrarich, playing the same old game of "business as usual," "profits as usual," "tax-exemption as usual," "down with labor and let's get that man out of the White House, so we can make some money."

For on March 4, 1943, as on March 4, 1933, we face a great crisis.

This crisis is a great world war; a great world revolution; a total challenge to everything we believe, everything we mean by freedom and democracy.

We can all remember how President Roosevelt's voice—almost alone—was raised in warning against the coming Axis war. We can remember how the opposition called him a warmonger when he called for a quarantine of the aggressor nations in his famous Chicago speech in 1937.

Today, what would we not give if we had heeded Roosevelt's warning and quarantined Hitler, Mussolini, and Hirohito?

We can remember in 1939 how Roosevelt urged the Congress to remain in session and amend the so-called neutrality law; and we can remember, too, how the late Senator Borah, of Idaho, leader of the Republican isolationists, refused to listen to the President and said that he had superior sources of information which assured him that there would be no war.

We can remember how Roosevelt called for larger armaments for the defense of America—and how the so-called economizers of the opposition took pride in cutting them down, even after the war began, until the very week that France fell.

We can remember how they carped and complained at Roosevelt's historic deal with Winston Churchill, when we swapped overage destroyers for 99-year leases on the Atlantic bases which are necessary to our defense as a nation.

We can remember the long, grim months, as war came nearer, and as the opponents of President Roosevelt screamed that he was a warmonger whenever he made a move for our safety and welfare.

And we can remember—all of us remember—how, when war came, in the dastardly attack on Pearl Harbor December 7, 1941, there were still voices raised to complain that the President was to blame for not having warned our forces of the danger of attack.

We can remember how a large and notorious newspaper sought to spread the belief that Roosevelt wanted Gen. Douglas MacArthur to be smashed at Bataan for fear that MacArthur might run for President in 1944.

And I have just seen a singularly blasphemous column, written by the pet columnist of the appeaser press, attacking the President for his great and humble Washington Day speech by accusing him of comparing himself to our Lord and Saviour Jesus Christ.

Somebody should tell Joe Patterson to call off his dog before he befouls the altar of our common faith in God and our common trust in the decency of the average man.

Yet, in all this, President Roosevelt has been uncomplaining and has given the country which has three times elected him to our highest office the very best he has.

Here and now I should like to pay tribute to Roosevelt's war leadership.

Here and now I should like to remind the opposition that Roosevelt's wise diplomacy has assured that the war we wage is being fought far from our borders and at the side of great and powerful Allies.

The Nazis pride themselves on what they call practical policy.

Thanks to Roosevelt, we are allied with the greatest nations of the earth—the British Empire, the Soviet Union, and free China.

Thanks to Roosevelt, we have not had to fight a bloody battle, house by house, and street by street, in Boston, Chicago, or Los Angeles.

Thanks to Roosevelt, no hostile bomb, after 15 months of war, has dropped on the soil of the United States.

Thanks to Roosevelt, the nations of the Western Hemisphere, with one exception, and the free peoples of Europe, are with us in this war, because Roosevelt kicked out dollar diplomacy and substituted the good neighbor policy.

Thanks to Roosevelt, we have today the most powerful Army in our history, the greatest Navy in our history, and a tremendously powerful Air Force.

Thanks to Roosevelt, we have carried the war against the Axis to the Axis countries themselves. We have bombed Tokyo. We have bombed Naples. We have bombed the cities of German-occupied Europe, side by side with Britain's magnificent Royal Air Force.

Side by side with the mighty British Navy, our warships are fighting in every ocean and have already administered historic defeats to the proud Japanese Navy.

At Midway, Coral Sea, the Solomons, Guadalcanal, Wake Island, North Africa, our men and our ships, our guns, our tanks and our planes have been making and are now making history and saving America.

Here and now, I also wish to call to the Nation's attention the fact that President Roosevelt himself has four sons in the armed forces of the United States; that three of them are now serving in active war zones; that two of them have fought in several theaters of the war; and that there is not a commanding officer of our forces who would order one of the Roosevelt boys out of danger into some soft, safe, job behind the lines.

Here and now, I wish to call the Nation's attention to the fact that Roosevelt has faced the dangers of the Atlantic crossing to confer with Winston Churchill in North Africa, under the nose of the German Air Force, and that his diplomacy brought to an end a period of tension and cross purposes in North Africa which threatened for a while the success of the whole campaign.

Here and now I wish to call the Nation's attention to the fact that in Roosevelt we have a Chief Executive who can meet and deal with the leaders of other nations on equal—on better than equal—terms. Kings and queens, presidents and prime ministers, have come and gone at the White House. Madame Chiang Kai-shek is only the latest of a series of world leaders who have come and will come to Washington to meet the man who has voiced for America its iron will to defend our freedom, and who has also voiced the American demand for a world at peace, under justice, with freedom from want, freedom from fear, freedom of speech, and freedom of religion, everywhere in the world.

This, then, is Roosevelt, after 10 years in the White House.

I know there are Republicans whose business it is to oppose him, but you know, and they know, and I know, that if Franklin Delano Roosevelt had been a Republican there would be no praise they would not heap upon him, no pride they would not take in him, or honor they would not accord him. You know, and they know, and I know, that unless the war is won in 1944 President Roosevelt will again be drafted and chosen to lead our country, as he has been three times in the past 10 years, by the votes of millions upon millions of patriotic Americans, rich and poor, high and low—farmers, workers, businessmen, Republicans, and Democrats, men and women, because they know that Roosevelt is their friend, their good neighbor, and their good and faithful servant.

VOCATIONAL REHABILITATION OF CERTAIN DISABLED PERSONS

The Senate resumed the consideration of the bill (S. 180) to provide vocational rehabilitation education, training, and other services to persons disabled while members of the armed forces, or disabled in war industries or otherwise, and to render such persons fit for service in war industries, agriculture, or other useful civilian industry, and for other purposes.

Mr. DAVIS. Mr. President, it is one of the prime functions of any responsible government to provide full and adequate protection to its citizens. This protection, while it should never assume the proportions of benign paternalism, should, nevertheless, extend to every individual and every group which stand in need of sustenance and support from time to time. While the protection which a government owes to its citizens assumes many different complexions and extends into many different fields, I feel that the matter of vocational rehabilitation is one of the most progressive, necessary, and beneficial functions that any government can be called upon to perform.

During my many years in public life, and in all my private pursuits, I have always advocated sound rehabilitation for every group which stands in need of it.

At the close of the last World War, this Nation was confronted with a tre-

mendously large rehabilitation program, and, as Secretary of Labor and Chairman of the Board for Vocational Education, I willingly and enthusiastically participated in those programs which laid the groundwork for the present system of vocational rehabilitation, which has done so much for many of the less fortunate citizens of our Nation.

In this system we have paid particular attention to the needs of those who have lost their sight, their hearing, or some necessary member of their body. We have also made great and sincere efforts in behalf of those of our citizens who suffered incapacitating injury in the last war for freedom.

Today America is again involved in an unrelenting and globe-girdling war—a war designed to settle for all time whether or not free men and free governments are to endure upon the face of the earth. It goes without saying that in this tremendous struggle our casualties will be heavy, and the demands for rehabilitation will be unprecedented. It is in the stark realization of these facts that we must now prepare to lay the groundwork for a system of rehabilitation which will be both constructive and adequate.

Americans are proud people—schooled in democracy. Stimulated by the incentive of free enterprise, they have attained a degree of self-reliance and ambitious creation far superior to that which has marked the history of any other people. All those who for one reason or another find themselves handicapped, deterred, or unable to compete thoroughly and fully with their fellows in this free and democratic Republic, must be given the equipment they need to work out for themselves a self-respecting and progressive station in life.

In the ever-expanding economy of America, we shall have need for every trained and every competent person obtainable; for, in the developments that will come with the war's end, the production powers of America in every field and every industry, will be taxed to the utmost; and the demands for skilled and capable manpower will be of unprecedented proportions. While America has always been, and probably always will be, the most charitable, the most understanding, and the most free-hearted nation in the world, the fact remains that our own people prefer self-reliance and self-attainment to the most warm-hearted of charities.

I urge, therefore, that the pending bill providing for the vocational rehabilitation of disabled persons be speedily enacted, to the end that the close of this war will find that the American Government has the machinery, the system, and the funds necessary to carry out its inherent obligations to those of its citizens who have become disabled in their country's service, and to all those who, without rehabilitation, would be unable to assume their full and dynamic roles as self-reliant and self-supporting American citizens.

Mr. TAFT submitted an amendment in the nature of a substitute intended to be proposed by him to the bill (S. 180) to provide vocational rehabilitation education, training, and other services to persons disabled while members of the armed forces, or disabled in war industries or otherwise, and to render such persons fit for service in war industries, agriculture, or other useful civilian industry, and for other purposes, which was ordered to lie on the table and to be printed.

SHORTAGE OF MEAT

Mr. DAVIS. Mr. President, I am prompted to speak concerning a situation which commands the interest and serious consideration of every Member of this body. It is a situation which concerns a large and important segment of the economic structure of my own State, Pennsylvania, as well as that of practically every State in the Union. It concerns, as well, the welfare of all the people of the United States. I refer to the present deplorable and inexcusable shortage of meat throughout the Nation.

Notwithstanding the fact that I have been importuned constantly for the past 2 months by people all over the State of Pennsylvania—by letters, by telegrams, and in personal interviews—to speak with respect to this grave matter, I have refrained deliberately until now from so doing for a number of reasons.

It has been my custom, in matters of the character involved, to look for an equitable solution from the administrative bureaus or departments responsible for hardship, distress, or confusion that may result from administrative action. I have not deviated from that practice in this instance. In fact, I have endeavored diligently, persistently, and patiently to secure relief for my constituents from the Office of Price Administration. This procedure, I regret to report, has been completely barren of results. Officials at O. P. A. have been courtesy personified. I have been assured and reassured that they, too, have the interests and welfare of my constituents and the Nation at heart. But still I find my constituents without meat; still I find that literally hundreds of nonslaughtering meat wholesalers and processors in my State have been compelled to close their doors—many after years and years of productive and efficient service to their respective communities, and I am forced to the reluctant conclusion that, like many of my colleagues here in this body, and on the House side, I am the victim of what colloquially is known as the administrative "brush-off," which in nowise differs from the common variety of "brush-off" except that at O. P. A. they say it with flowers.

The present Price Administrator, Prentiss Brown, is a former colleague of ours. I have unbounded admiration for his ability, for his integrity, for his sincerity of purpose, and for his deep and abiding desire to be of assistance to his country. When he agreed to take over the reins from Leon Henderson, I felt that at long last businessmen of the Nation—large and small—had a real friend at court, one who would regard their trials and tribulations with sympathy and understanding. I felt also that somehow, someway, Prentiss Brown would carve a straight path through the jungle of administrative red tape that has beset the phase of the war effort that has been entrusted to O. P. A. Nothing has arisen since his appointment to alter my opinion of the new Price Administrator, and nothing that is said in these remarks should be construed as a reflection upon his effort to date. The meat problem is manifold and complex in ramifications. It is a subject only for technicians with a background as practical meat men; not for a recent appointee with multitudinous and diverse headaches in the various other phases of his work.

It has been my conviction also that the problem, as well as the current situation about the Nation, transcends the realm of politics. Most of my colleagues on the Republican side of this Chamber are of like mind. We have felt—until now—that there was too much at stake, so far as the Nation at large is concerned, to permit even a thought that someone in the Republican Party sought to grasp at an opportunity to make political capital. Therefore, to eliminate that possibility, to make certain that no one could cry "politics," we have remained silent, hoping and trusting that our distinguished colleagues on the opposite side of the Chamber would initiate a real discussion that could be productive of definite remedial action. But it seems we have waited in vain. As far as I am concerned, we have remained inarticulate too long. Permit me to anticipate, at this point, possible indignant protestations from colleagues that letters have been written and telephone conversations had with various O. P. A. officials. With what result, may I inquire? Has a single letter or a single telephone call brought one more ounce of meat to civilian dinner tables? Has it improved by one iota the plight of hundreds of nonslaughtering processors and wholesalers who are victims of the O. P. A. bungling? I hardly need remind my colleagues who are experienced in matters of the character involved that the solution of a problem so involved, so complex, and of such immense proportions and ramifications, can hardly be found in letter-writing or telephone conversations. The time has come for a showdown. The morale of the civilian population may be in the balance. The continuance in business or the financial ruin of hundreds of nonslaughtering processors and wholesalers about the Nation most certainly is in the balance.

The situation before us is simple. O. P. A. has issued a series of meat regulations which have been proven, beyond peradventure of a doubt, to be unsound, impractical, and ruinous to the industry; regulations that have created a "black market," which makes meat available to the rich but not to the poor; regulations which tend to hand the entire industry over to the big packers by squeezing out competition from nonslaughtering processors and wholesalers. These regulations are the academic brain-child of a group of theorists and experimentalists

with little or no practical experience in the meat industry. Conceding the general break-down of these measures this group, I am informed, stubbornly refuses to take any action that will improve the situation. That, I submit, transfers the responsibility to the President, or to the Congress; and no indication of action being apparent from the White House, the responsibility for definite, immediate action reposes with those of us who constitute the Congress.

The people of the Nation—the civilian population and the small business interests—are well aware where the responsibility for action now lies. Letters I have received and reports from various sources in my State attest to that fact. I feel it is no exaggeration to state that all the people of the Nation are doing a lot of thinking and wondering why we, in the Congress, have not acted sooner.

During the time of the first Administrator of O. P. A.—and thereafter, when his shadow still hovered, benignly or otherwise, over the deliberations of the aggregation which regulates the lives, habits, and customs of 132,000,000 humans—a series of regulations was born. The regulations were concerned with meat. Their fundamental purpose and prime objective, namely, to prevent inflation, is commendable, provided the modus operandi, that is, the means adopted for accomplishment of that end, is based on sound and practical premises.

Another O. P. A. measure, known as the meat restriction order, limited slaughterers, for their 1943 operations, to 70 percent of their 1941 kill. The purpose of the order, as suggested by O. P. A., was to insure an equitable share of available meat for all—for the armed forces, for lend-lease, and for the civilian population. That, too, was basically and theoretically a commendable aim; and one undoubtedly necessary during the wartime emergency.

Mr. President, I make no claim to being a meat economist, as some of the group at O. P. A. are designated, and neither could I qualify as a meat expert from the standpoint of having had practical experience in the business, but it seems elementary that before tampering with an industry which is inseparably linked with the success or failure of the economic structure of the Nation as well as the war effort, and produces a commodity which is indispensable to the national health and welfare, due regard should be accorded such important fundamentals thereof as production, standardization, and distribution. Most certainly, all are integral and necessary parts of the whole, and to dislocate one or two obviously would tend to dislocate the entity. The man who breeds and fattens livestock, the man who dresses and prepares it for the market, the man who processes it into sausage and other byproducts, the man who distributes it through long-established and efficient wholesale channels, and, finally, the man who retails it, who gets it to our dinner tables—all of these have essential roles in the meat picture that cannot and should not be ignored if the Government is to regulate the industry in an efficient, effective, and equitable manner. No sane person would start out to build a three-story house and decide to omit the first story. But that appears to be the design of O. P. A. architecture so far as the meat regulations are concerned. I hope that my friend, Administrator Brown, will correct this design.

The meat restriction order, as I have stated, limits the slaughterer, that is, the packer, to 70 percent of his 1941 kill. But the nonslaughtering processors and wholesalers have helped him build the volume of business upon which his present quota is based. Their business with him through the years—their volume of purchases running into the millions of pounds per week—played an important and vital part in the quota which he has received. In other words, his present quota, without the volume of business given him by the nonslaughtering group, would have been considerably less. O. P. A. ignored that fact in setting his quota. The packer enjoys the entire volume of his 1941 kill—that which went for his own use and that which he sold to nonslaughtering processors and wholesalers. Has he manifested appreciation for the contribution from the nonslaughtering processors and wholesalers to his present favorable position? Most certainly not. The packer is utilizing his 70 percent for his own processing plants and wholesale branch houses. Since the regulations have been in effect the nonslaughtering group has received little or no meat from him. Many have been forced to go out of business. The O. P. A. restriction order literally hands the packer complete monopoly of the meat industry. Neither the regulations nor the restriction order contain any provision requiring the packer to sell meat to the nonslaughtering processor or wholesaler. In other words, they provide him the means for the elimination of competition, and a complete monopoly of the meat industry.

The nonslaughtering processors represent 37 percent of the poundage of meats utilized in the Nation's processing plants. The nonslaughterers, as distinguished from the slaughtering processors, hire others to do their slaughtering. They are formidable competitors of the big packers, and it does not take much of an imagination to visualize the proportions of the picture that will be evolved for the packer with competition of that character out of the way.

First, O. P. A. and the Department of Agriculture joined in telling the people of the Nation that there was plenty of meat. But now—now that something has gone awry with O. P. A. regulations, a suddenly discovered shortage of meat has become apparent. That, plus the "black market" and other convenient alibis, constitutes the answer to the all-important, Nation-wide query of why there is not any meat.

Mr. President, I wonder if the theorists at O. P. A. have considered the role that the nonslaughtering processor plays in adding to an available meat supply. One official at O. P. A., a Mr. Madigan, who came to O. P. A. with a 20-year background with Armour & Co., one of the Big Four in the packing industry, was quoted in the Philadelphia Record as stating that the nonslaughtering processors and wholesalers are "necessary war casualties." But are they necessary war casualties? If Mr. Madigan is sincere in this estimate of their usefulness—and he should know something about the meat business with a 20-year background as a big packer—he apparently chooses to forget that the average processor takes 100 pounds of meat and, in the sausage alone, turns out 15 pounds more product. In other words, processors add to, increase, an existing meat supply. Thus, when, as O. P. A. would have the Nation believe, a meat shortage is upon us, O. P. A. itself has closed the door to a large and important branch of the industry which possesses the facilities for increasing the supply of meat that is available. The basis for that, it would appear, falls into the category of reasoning that was described as "pons asinorum" or "the bridge of asses."

Mr. Walter Seiler, president of the National Association of Non-Slaughtering Meat Processors and Wholesalers, operates in Philadelphia a processing plant that was established, years ago, by his father. It has grown up with Philadelphia. It is known far and wide through the State and the Nation, for that matter, for the excellence of its products, for its high degree of business ethics, and for its contribution to the economic progress of our State. Under normal conditions, the Seiler firm operated 42 trucks about the streets of Philadelphia. It now operates, as the result of O. P. A. regulations, 12 trucks. And whereas before the regulations it employed 150 men, its pay roll now carries about 58. On February 19 last, Mr. Seiler appeared before the Patman small business committee of the House and made the following statement:

> So the packer being curtailed to 70 percent of his 1941 quota and having an unprecedented demand for his products, as a good businessman, sees to it that all of the available supply of civilian meat is processed through his own establishment, and instead of 531 registered quota slaughterers in this country who have under their control all the civilian meat in this country who did distribute it prior, like the 10 and 20 cars we had previously, that meat is now being processed by the slaughtering packers because it is more profitable for them to process than to sell to us in the fresh state. This means that 37 percent of the poundage of the industry has its business life imperiled.

Mr. Seiler's present condition is that of hundreds of other nonslaughterers from Maine to California, who find themselves in the same desperate situation—unnecessary and unwarranted victims of impractical planning at O. P. A.

However, there exists another class—another important and vital segment of the meat industry—which is suffering extreme hardship and is being threatened with extinction by the regulations. I refer to the nonslaughtering wholesalers, whose number is legion throughout the Nation, whose distributive facilities are extensive, and whose efficient distributive efforts through the years have built up vast retail outlets. The wholesalers are not alone affected disastrously by the meat-restriction order. They are

pinned on the horns of the twin dilemma by both the order and the price ceiling. In other words, if one does not put them completely out of business, the other will. Perhaps some farsighted "expert" at O. P. A. was more practical than academic; and if that particular individual desired to make certain that the meat wholesaler could not possibly survive the regulations, he certainly did a most thorough and effective job.

Among other things, the price regulations provide that for sales to wholesalers in less-than-carlot lots the packer must extend to the wholesaler a discount of 50 cents per hundredweight. This discount, note well, is not made applicable to sales under similar conditions to hotel-supply houses, to processors, or to retailers. What is the packer doing as a result thereof? The answer is obvious. He is not selling to the wholesaler at all. He does not have to so long as profitable markets are available with the hotel- and restaurant-supply people, and certain big retailers. Wholesale houses in your community, in my community, and in communities all over this land of ours are closing their doors for no other reason than that they have the misfortune to be on the wrong side of O. P. A. reasoning.

On February 17 last, there appeared before the Patman small business committee of the House a Mr. C. M. Elkinton, who is Price Executive of the Food Division at O. P. A. Mr. Elkinton has supervision of the development of price regulations covering meats, fats, oils, fish, and fish products. It was Mr. Elkinton who fathered the present price regulations which have contributed to the present chaos in the meat industry. Mr. Elkinton was a college professor. His subject was agricultural economics. In testifying, he described his practical background in the meat industry as follows:

> I never worked in the packing industry except for a very brief experience. My first employment was in the abattoirs in a small town, but I have not had an extensive experience of any kind in the packing plants.

At another point in his testimony Mr. Elkinton said:

> The counsel of one of the groups of wholesalers asked me about 3 weeks ago, "Do you believe we are going to be necessary in the distribution of meats for the war period?"
>
> I do believe it absolutely. One reason we are not getting good distribution in many areas is because they are not getting the meat and not serving the retailers they formerly served.

This statement constitutes an admission by a key official at O. P. A. that nonslaughtering wholesalers are a necessity in the success of the war effort, and that due to their present inability to obtain meat, distributive facilities have broken down. But what has Mr. Elkinton done to get meat for the wholesalers and thus remedy the break-down of the distributive situation which he deplores? He is the price executive concerned with meat. He possesses the power to act. The answer is, nothing.

On December 19 last, the Pennsylvania Grocers' Association, which comprises within its membership 8,000 individual independent grocers throughout the State, wrote a lengthy letter to Mr. Leon Henderson, who was then Price Administrator. This communication set forth clearly, comprehensively, and forcefully the difficulties and hardships which resulted from the regulations, not only to nonslaughtering processors and wholesalers, but to consumers as well.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks the letter from the Pennsylvania Grocers' Association.

The PRESIDING OFFICER (Mr. TUNNELL in the chair). Is there objection?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

PENNSYLVANIA GROCERS' ASSOCIATION,
Philadelphia, Pa., December 19, 1942.

Hon. LEON HENDERSON,
Administrator, Office of Price Administration,
Washington, D. C.

DEAR SIR: Recently the attention of our State association, which has a membership of over 8,000 individual, i. e., independent retail grocers, has been called by both our members and our affiliated local organizations to which they belong to a dangerous shortage of meat and meat products in our member stores due to the fact that local nonslaughtering meat processors and wholesalers are unable to supply them. To a large extent these local or sectional meat processors and wholesalers are the only factors in the meat business who maintain adequate distributive machinery through which meat supplies can be obtained by our grocer members. This is particularly true as regards meat products such as hams, bacon, sausage, lunch meats, etc.

Our headquarters office immediately began to look into this situation, and in this connection the writer conferred with Mr. Walter Seiler, of Karl Seiler & Sons, Philadelphia, Pa., who is a director of the American Meat Institute, a member of the Meat Section of the War Production Board, chairman of the board of the National Independent Association of Nonslaughtering Meat Processors and Wholesalers, vice president of the Pennsylvania Independent Meat Packers Association, and chairman of the sausage committee of the American Meat Institute. In reply to our inquiries regarding the cause of the dangerous situation which we have outlined, Mr. Seiler handed us a copy of the enclosed letter which we understand he has forwarded to the appropriate officials of our Government and others.

It must be recognized that if retail grocery stores are the ultimate channels of distribution upon which our civilian population must depend for its meat requirements, and if, as we believe them to be, they are an essential and vital part of the meat distributive system of our Nation, then, representing over 8,000 such stores, our State association has a vital interest in the problem presented by Mr. Seiler's letter and a fair and adequate solution thereof. Even if our over 8,000 retail grocers were considered only as consumers of meat and meat products, so large a segment of the population of our State, solely as consumers, would be substantially and rightfully interested in this problem.

But over and beyond these facts, the criticism and the condemnation of the public, where shortages of food supplies exist, are visited by consumers upon the retail grocers with whom they deal. The fault may be, and in most instances is, further back in the distributive line, often originating with production, but the minds of average consumers, as far as our distributive system is concerned, do not go beyond the retail counter, and hence retail grocers are held accountable for any failure of our distributive system to function in accordance with consumers' needs and for any degree of maldistribution that may develop.

It is apparent from Mr. Seiler's letter that the entire meat supply for civilian consumption has, as he says, been left completely within the control of the large packers and subject to their whim and desires, notwithstanding the fact that the distributive machinery of these channels has never been and is not now geared in a manner that will permit them to distribute the total supply of meat and meat products.

There seems to be another corollary to this situation. The United States Government, through its Department of Justice, has been engaged in many activities under the antitrust laws to prevent the growth and development of monopoly in food distribution, and now, under claims of wartime necessity, we find that other bureaus and agencies of our Government are prescribing rules and regulations which tend to bring about a monopoly of meat distribution in the hands of a few large packers. We do not believe that the problems confronting food distribution require action so drastic as will result not only in effecting monopolies in food distribution but which will deny to thousands of smaller packers and processors the right to carry on and maintain their business as an essential and vitally necessary part of our food distributive system.

The problem as outlined in Mr. Seiler's letter seems to us to be but another instance of our Government engaging in the destruction of business vital to the contentment, well-being, and morale of our people which, if it proceeds much further, will mean the elimination in our country of the very principles and institutions which our armed forces are supposed to be fighting to preserve. We feel certain that the Members of Congress to whom a copy of this letter is being sent will, in view of their responsibilities to their constituents, be interested in the destruction of local industry and distributive business enterprises which will doubtless ensue as a result of the manner in which the meat supply of our country is being handled under the Office of Price Administration Restriction Order No. 1.

If the nonslaughtering processors and wholesalers of meat were not so many in number (42 percent of all the people engaged in the meat business in this country), and if it were not for the fact that they handle approximately 39 percent of the total tonnage, the usual claim that is advanced by the Office of Price Administration that they must expect to put out of business under present conditions, might be anticipated, but when so large and so essential and so necessary a segment of the meat distributive machinery of our country is placed in jeopardy and consequently a situation is created which strikes at the very heart of our democracy and which, we are sure, will be protested against not only by those who are being forced out of business but by the consuming public as well, it constitutes a condition which we cannot conceive will be tolerated by our representatives in Congress. In our opinion, the great problem of supplying food to our civilian population cannot be solved by breaking down or destroying the distributive machinery upon which our citizens must depend.

From previous conferences on similar matters, we feel we can predict the statements that will be made by various governmental agencies. It goes something like this: "Well, if these restrictions result in putting inefficient merchants out of business, so much the better for the efficient operators." Of course, this statement is based upon the theory that it is the inefficient merchants who will be put out of business, but after quite a great deal of thought and consideration it is our opinion, and we find it is the opinion of many

others, that orders such as this will not put the smaller-type inefficient merchants out of business. In the language of our trade, they will arrange for Mom to conduct the store while Pop goes to work in a war industry and makes more money than he ever did in his business.

It is the class of merchant who has a real investment in his business, who performs a real distributive service to his community, but who is unable to decrease or unload any of the usual fixed charges incident to the conduct of his business, which fixed charges, by the way, are increasing instead of decreasing, who will be put out of business by regulations most of which are largely experimental and are not in consonance with either factual or practical conditions. The elimination of the character of stores which orders of this kind will destroy cannot be viewed solely as a loss to the proprietor as an individual but rather, in each instance, as depriving the community of a vital service upon which the community must depend and as decreasing the effective distribution of essential food to our civilian population.

Therefore, representing over 8,000 individual retail merchants, all of whom will ultimately be affected by the present manner in which the meat distributive situation is being handled by the Office of Price Administration, the Pennsylvania Grocers' Association desires hereby to protest in the most emphatic terms against a continuation of Office of Price Administration Restriction Order No. 1, and to demand that it be forthwith revised and amended in a manner which will enable local nonslaughtering processors and wholesalers to obtain their quota of meat in the proper ratio to the percentage allowed slaughterers in order that our member stores and the consumers who deal with them may obtain an equitable supply of meat through the only distributive channels that can adequately supply them—namely, local meat processors and wholesalers.

Respectfully yours,

CHARLES H. VON TAGEN,
Secretary and Director of Organization.

Mr. DAVIS. Mr. President, the result of the regulations and the meat-restriction order is unbridled and unabated chaos. Prior to the issuance of the O. P. A. measures in question, meat was available for all. However, little or no meat has since been available, except at prices beyond the reach of the poor, and even of the middle class. Prior to the adoption of the measures under discussion, the slaughtering and distribution of meat was orderly and efficient. A black market has been born since, which, for lawlessness and danger to the health and welfare of the people of the Nation, promises to overshadow the evils of the prohibition era. At this very moment not only do we have sky-high bootleg meat prices, but a serious sanitation problem as well. Cattle are being slaughtered clandestinely; that means without Government inspection. Some of the cattle so slaughtered may carry tubercular and other deadly germs that are a danger to the civilian population. Meat is being dressed in bootleg establishments with equally dangerous possibilities to the health of our people. Millions of pounds of meat are being wasted by employees of these plants who are untrained and unfamiliar with the technique of meat-cutting. "Hijacking" and other criminal activities reminiscent of the prohibition era are reported prevalent, and probably are, because whenever there is demand among humans for a commodity—especially a vital commodity—and when the Government undertakes to regulate the supply downward to make it more difficult of procurement, illicit supply agencies are the inevitable result.

What is the answer to it all? I have it before me. Both O. P. A. and Agriculture have had it before them for several months. Primarily, it is to restore the distributive channels to status quo. Place the meat in the hands of members of the industry who know how to get it to the armed forces, to lend-lease, and to the civilian population promptly and effectively. They were doing it before the O. P. A. measures which have clogged distributive channels; they can still do it. How can this be accomplished? The answer is—equitable allocation.

I am told that at least 2 months ago the National Association of Non-Slaughtering Meat Processors and Wholesalers, through its Washington representatives, submitted to O. P. A. and to the Department of Agriculture a plan for "allocation" of the existing and available meat supply. The plan was worked out carefully by members and counsel, at an association meeting. It contemplates, so far as the nonslaughtering group is concerned, an equitable supply of available meat, based upon their 1941 purchases from the packers. In other words, instead of having all the available supply under his complete control, the large processing packer would be compelled to honor requests from nonslaughtering processors and wholesalers for the same percentage of each type of controlled meat delivered to them during each base period within which the packer is entitled to kill under his permitted civilian allotment.

I am informed that this plan has been gathering dust in O. P. A. and the Department of Agriculture files for the past 2 months, though pronounced the best solution of the problem yet presented, in off-the-record statements by officials at Agriculture. I wish to present it here in detail, and seek thereby to secure from O. P. A. and the Department of Agriculture a definite and complete statement explaining why this plan has not been adopted.

I ask unanimous consent to have the plan printed in the RECORD at this point as a part of my remarks.

There being no objection, the plan was ordered to be printed in the RECORD, as follows:

Every nonslaughtering processor and wholesaler shall prepare for each slaughterer or nonquota slaughterer a statement of all controlled meat delivered to him by such slaughterer or nonquota slaughterer during each base period in 1941 in deliveries of more than 1,000 pounds each. Such statement shall list the deliveries chronologically according to invoice date and shall show with respect to each delivery the following:

1. The date and number of the invoice accompanying such delivery;

2. A description of the controlled meat;

3. The location of the plant or branch house from which such meat was delivered; and

4. The location of the processor's or wholesaler's plant.

Such statement shall be prepared in four parts. Parts 1, 2, 3, and 4 shall each include deliveries made during each respective base period.

On or before January 2, 1942, every nonslaughtering processor and wholesaler shall send by registered mail, return receipt requested, the original of part 1 of each statement to the slaughterer or nonquota slaughterer who made the deliveries described therein. On or before March 1, 1943, every such processor and wholesaler shall send by registered mail, return receipt requested, the original of parts 2, 3, and 4 of each statement to the slaughterer or nonquota slaughterer who made the deliveries described therein.

Every nonslaughtering processor and wholesaler shall attach to a duplicate of each statement sent by him the return receipt for the original of such statement, and shall file parts 1, 2, 3, and 4 of all such duplicate statements with the Office of Price Administration.

Within 5 days after receipt of any statement from such processor or wholesaler, a slaughterer or nonquota slaughterer may send to such processor or wholesaler by registered mail, return receipt requested, a demand for a written statement correcting any existing inaccuracy.

If a slaughterer or nonquota slaughterer shall fail, refuse, neglect, or be unable to deliver to such processor or wholesaler his allotment of controlled meat, then such slaughterer shall:

At least 10 days before the commencement of each quota period notify such processor or wholesaler of his inability or intention not to deliver said controlled meat. Such slaughterer shall immediately mail by registered mail, return receipt requested, to such processor or wholesaler a certificate showing the amount of controlled meat that such processor or wholesaler is entitled to receive from any other slaughterer or slaughterers. The amount of controlled meat stated in the certificate shall be deducted from such slaughterer's quota. Any slaughterer or nonquota slaughterers may sell and deliver controlled meat upon presentation of said allotment certificate for endorsement or surrender. Said sale and delivery shall be considered quota exempt.

Mr. DAVIS. Mr. President, I feel it is important at this point to cite a few of the reasons given to date by O. P. A. officials for failure, or refusal, which is a better word, to adopt the plan.

Mr. John Madigan, who is one of the chiefs of the Rationing Division at O. P. A., is reported to have stated:

My legal division advises that it would take them 6 months to work it out.

The answer to a statement of that character is simple. If I had a legal division that was incapable of working out a remedial measure at a moment when time was of the essence I should lose no time in dismissing it. I cannot visualize any sane businessman who would accept that sort of an answer from an attorney. In that connection, it seems that sitting up a few nights on a matter of vital interest to all concerned in the war effort would be no more arduous for the legal luminaries at O. P. A. than a week or more of sleepless nights on some battle front.

Another objection voiced by a spokesman for O. P. A. is that the plan presents "too great an administrative problem." Too great an administrative problem if it will accomplish the very thing that the O. P. A. meat restriction order was designed to accomplish—insure an equitable supply of available meat for the armed forces, for lend-lease, and for the civilian population? Too great an ad-

ministrative problem if it will eliminate the black market which promises to cost the Government millions of dollars for investigations. Is it better to accept a workable immediate solution of a most serious national problem or to flounder around in administrative uncertainty while people are undergoing unnecessary privation, while long-established business houses are folding up by the score, and while the entire meat industry, with its potentially vast distributive facilities, rapidly is approaching a state of complete confusion and disorganization? Up to this time O. P. A. apparently prefers the latter. It prefers to flounder, and that, I submit, is the personification of bureaucracy running wild, which I trust Prentiss Brown will correct.

In his testimony before the Patman small business committee on February 17 last, Mr. David Ginsburg, general counsel of O. P. A., made reference to another suggested solution by another witness, and appeared to endorse the suggested solution. Mr. Ginsburg said:

I saw in Mr. LaRoe's statement yesterday—

Mr. LaRoe is the representative of the independent packers—

one suggestion which he made and which I had not seen before. It struck me that it might be possible to do in this country what has been done, as I understand it, in Britain. That is, the cattle should be purchased by the Government from the farmer and then distributed through normal channels of trade. This would enable the Government, through its differential price on its sale and procurement, to provide the necessary leeway and stability.

Chairman PATMAN asked:

That would stop the black markets, would it not? It would have a tendency to do so?

Mr. Ginsburg replied:

I think that is true. I am just talking now as one who has seen the suggestion for the first time.

There you have a solution—suggested and endorsed by the general counsel of O. P. A. It seems practical and workable. I can anticipate objection to it from only one source in the industry—the big packer. Why? Because it will pry him loose from his present hold on the available meat supply. The Government—very likely the Department of Agriculture—would take over, and would see to it that the animals for slaughter sold to the packer by the Government would go to him with a string attached—namely, the condition that the meat would have to be allocated by the packers to normal markets. The men at the Department of Agriculture who deal with meat are career men. They have been in contact with the industry for years. Most of them are practical men, not theorists. Their approaches to meat problems are practical, not academic, because they know the industry and are familiar with all its ramifications.

Another solution, another means for equalizing the meat picture, is possible. This solution rests squarely and unequivocally with the Rationing Division of O. P. A.—Mr. Madigan's division. Regulations concerned with the rationing of meat now are in the process of preparation. Directing this big and important job, I am informed, is a young law school graduate whose practical experience in the meat industry consists of some 8 months or so with the legal staff of one of the four big packers. Why is it that representatives of the packers play such an important role in all the meat ectivities at O. P. A.? A packer representative either has written, is writing, or is administering all the regulations concerned with the industry. I have made diligent inquiry, but thus far have been unable to find one nonslaughtering processor or wholesaler in the entire meat set-up at O. P. A. I do know of an experienced wholesaler—a man who operated an establishment of his own for many years—who thought he could be of service in the preparation of the existing meat regulations, and accordingly made written application for a position in the Meat Division. His application was rejected.

But to return to the meat-rationing regulations now in process of preparation, let me say, incidentally, that O. P. A. has stated time and again that consumer rationing will be the remedy for existing ills. I find, however, that the regulations, as now being written, will leave nonslaughtering processors and wholesalers in the same plight in which they now find themselves. To illustrate: The packer will be left in control of the meat supply, as under present conditions. A nonslaughtering processor or wholesaler may have coupons; but what steps are being taken by O. P. A. to insure against having the packer state, when such coupons are presented, that his supply of meats is exhausted? What will prevent the packer from using his supply entirely for his own processing plants and wholesale branch houses. Will a retailer take coupons to a nonslaughtering processor or wholesaler; will the retailer deal with such houses when he knows that the packer has all the meat and can very easily penalize him for trading with a competitor?

O. P. A. has the power and the authority to prevent all such things. It can, if it so desires, accord protection to the nonslaughtering processor and wholesaler. But will it? Will Mr. Madigan, who seems to be the supreme arbiter in the Rationing Division of O. P. A., see to it that that important segment of the meat industry is restored to its rightful place in the industry? I shall be profoundly interested in the imminent consumer-rationing regulations for meat, and I shall be especially interested in observing what will be done about the nonslaughtering processor and wholesaler. If some definite and adequate provision is not made to make meat available to them, I intend to refer the matter to the Small Business Committee of the Senate, and request them to make an investigation of the conditions and circumstances involved in the preparation of the regulations.

Back in 1933, the present majority political party—the Democratic Party—came into power as the friend, champion, and protector of the little fellow in business and elsewhere. It told the electorate that we of the Republican Party were the big, bad wolves of business who sought to gobble up the little fellow, that we were ruthless vested interests, predatory interests, economic royalists, tories, and what not. They said that they would give unwavering and eternal devotion to the hitherto "forgotten man," that there would be a new deal. While the Democrats were in the saddle, said they, no more could the little fellow be pushed around.

Let me now humbly and respectfully inquire what is happening to the little fellow—and at the hands of an agency that functions under the blessing of the New Deal. Ask the thousands of small businessmen—the meat processors and wholesalers and countless others. Who, I ask, has forgotten the forgotten man?

PROHIBITION OF MAILING OF PROPAGANDA DISSEMINATED BY AGENTS OF FOREIGN PRINCIPALS

Mr. WILEY. Mr. President, earlier today I introduced a bill intended to prohibit the mailing of propaganda disseminated by agents of foreign principals unless the source of such propaganda is identified.

On June 27, 1941, I introduced a similar measure. At that time we were not at war, and it seemed desirable to provide a means of identifying propaganda so that we could properly evaluate any material distributed to the American public by the agents of any foreign principals.

At the present time, the objectives of identifying all foreign propaganda still appear to be desirable in view of the fact that already we are thinking in terms of an eventual peace and a post-war period.

I do not want the measure I introduced to be misinterpreted as implying a suspicion of any of our allies or of any of the neutral countries from whom we may receive information which is distributed to the American public. The purpose of the measure is merely to enable the American public to identify any material which is distributed in this country in an effort to influence our thinking with respect to the peace or the post-war period.

At every crossroads store in America, people are gathering together to talk about the questions which will have to be answered when peace comes, and during the period which will follow the coming of peace. All over the land women's clubs, discussion groups, and service organizations, including a great many church groups, are discussing these matters in their meetings. These groups naturally utilize any and all information which they can secure, and consider any and all proposals which have been made. Undoubtedly some of the material originates with agents of foreign principals. Those principals may be allies of ours, and it may be that our own best interests are common to the same interests which they represent.

Nevertheless, it is obvious that we should be able to identify any proposals which may be made by the agent of any foreign principal so that we can evaluate them properly.

Furthermore I want to see our thinking clarified in respect to any material which relates to the conduct of the war.

If any such material is being distributed in this country, we should know its source. Of course, such identification will be even more vital with reference to material relating to the peace or to the post-war period.

FIGHTING MEN OR FOOD?

Mr. NYE. Mr. President, I hesitate to interrupt consideration of the pending bill, but I feel that in speaking for a few minutes I shall be devoting my remarks to a subject constituting a challenge with which Congress must deal at the present time—a challenge so serious that there must be no discounting of the facts contributing to it. In meeting it every one of us will, first of all, direct his energies in a way that will contribute most largely to our ultimate success in the present war emergency.

Many of those who, when our military leadership asked for a military establishment of 11,000,000 men, felt that there would be no serious question of our ability to properly back up a force of that size, are going to wake up with a start when they are confronted with certain facts which have been developed. There has been, for instance, a general impression that all our authorities including the Secretary of Agriculture, were convinced that we would be able to supply the food required by the military plans for 1943. But Secretary Wickard has very recently made it clear that the possibility is great that we shall not be able to produce the food requirement originally contemplated for this year.

LESS PRODUCTION OF FOOD

On Tuesday of this week I asked Secretary Wickard this question:

Is there the slightest prospect of our ability to get the same acreage into production this spring that we had last spring?

The Secretary's response was:

It doesn't look very good now.

Again I asked him:

Wouldn't we be honest with ourselves and everybody else if we admitted right now that we cannot increase last year's acreage?

Secretary Wickard responded:

The prospects are we cannot; that is right.

I pursued the question a bit further, and suggested that unless the Lord was as good to us as he was last year when he gave us the most bountiful production of all time, we would have a lesser yield than last year.

Mr. Wickard said in response to my statement: "That is right."

RAG-DOLL STRATEGY

Fighting men, or food? That, Mr. President, is without a rival as the No. 1 challenge confronting this Congress today. The American people, "filled up" from day to day with contradictions concerning our ability to produce, are expecting us to meet that challenge head-on and without compromise. It will not be a sufficient excuse to these people, for us as legislators to say that so long as the Commander in Chief and his military staff in this hour of extreme emergency asked for an establishment of 11,000,000 men in our Army and Navy, we must give that number of men without regard to the dire consequences which we fear might necessarily follow. I have too much regard for the American people to believe that they would tolerate thinking and acting of that kind, and if we were to conduct ourselves in that manner, the American people would be quite justified in saying to us all, "Come home and stay home. Washington is no place for rag dolls at a time like this."

DEFEATING OUR FIRST PURPOSE

Mr. President, I have the utmost respect for those in command in this hour. To General Marshall and all the others on down the military line I will give my complete confidence and support in their conduct of the task which has been assigned to them. Under circumstances resembling reasonableness were those in command to ask for a Military Establishment of 11,000,000 men I would give them every help and appropriation they asked in order to attain the strength they desire. But when I stand, as I now stand, in gravest doubt concerning our ability to back up such a force with the necessary complements of food, of machines, and of ships, and when that doubt is multiplied by reason of the apparent doubts of some of the military leaders themselves, I cannot find it in me to do other than rebel, and so to direct my effort as to prevent what occurs to me to be a policy which is likely in large measure to bring catastrophe to us, when what we seek and work for is victory and success.

SIXTY-FIVE MILLION "ESSENTIALS"

It is possible, of course, that even yet someone shall come this way and disprove what so many witnesses, including high military authorities, Manpower Commissioner McNutt, Secretary of Agriculture Wickard, and others have stated to us as a fact, that a military force of 11,000,000 men requires a total of approximately 65,000,000 workers in the Military Establishment, in munitions plants, shipyards, on the farms, and in industries considered essential to the prosecution of the war. This figure alone should cause every one of us to stop and ponder our ability to do the job which has been outlined.

WHO ARE AND ARE NOT "ESSENTIAL"

In the 48 States our total population over 15 years of age is only 100,000,000. This 100,000,000 total includes men and women, boys 15 years of age, men 70, 80, and 90 years old. It includes girls of 15, and women 80 and 90. It includes the population confined in our jails, our hospitals, our asylums, the boys and girls in school, the women who make homes for husbands and families, whether they reside in cities, towns or on the farms, the ill, the halt, the blind, the invalids—100,000,000 includes all of us in the United States over 15 years of age. Those in command in this emergency are now demanding that out of these 100,000,000 people we provide 65,000,000 for the Army, the Navy, and the industries considered "essential" to the conduct of the war.

I am afraid that not too many people stop to ponder what this demand means. Let it be noted, and noted carefully, that these 65,000,000 counted as "essential" do not include people in civilian life engaged in such occupations as that of the community doctor, his helpers, the banker and his clerks, the dry-goods merchant and his staff, the harness maker, the milliner, the lawyer, the confectioner, the baker, the hardware merchant, the schoolteacher, the newspaper publisher and his printers, the cream buyer, the junk dealer, the hide buyer, the street and highway maintenance men, the creamery operator and his helpers, the dray and livery man, the grain dealer, the elevator operator, the cheesemaker, the butcher, the barber, the grocer and his clerks, the hotel proprietor and his help, the filling station operator, the blacksmith, the machinery or farm implement dealer or repairman, the clothing merchant, the fuel dealer, the lumber dealer, the cattle buyer and shipper, the operator of community water and sewer systems, the well driller, the garage owner and his staff of repairmen, the undertaker, the grave-digger, the druggist, the dentist, the watch repairer or jewelry man. None of these, mind you, Mr. President, is counted as essential or as among the 65,000,000 whom the 1943 plan calls for in the way of manpower. It counts none of these as essential, however essential they may appear to be to the life of every community in our land. Men in such occupations and the wives who maintain their homes are not counted among the 65,000,000 essential people, I repeat, by those who are demanding a war program calling for 65,000,000 workers in the war industries.

MOVE WHOLE POPULATIONS

If every Senator would let his mind's eye run through the establishments in his own home community that make up the population of the community he would have difficulty in finding any one of them who is counted as essential in this present undertaking to afford an essential manpower force of 65,000,000 people out of our total population of those who are over 15 years of age.

Obviously if we are going to afford the 65,000,000 essential workers we shall have to move in a large degree the whole nonrural populations of States such as my own, where little or no war industry exists, a condition which prevails in all the States which are devoted largely to agricultural pursuits, excepting of course that there could be no undertaking to place in essential industry the aged, the blind, the ill, and the mothers and housewives who could not possibly devote themselves to additional cares beyond those which are already theirs.

BLIND TO POSITIVE LIMITATIONS

Mr. President, the plan to build a military order that calls for 65,000,000 workers in the so-called essential industries alone, when our total population over 15 years of age, including men and women alike, numbers but 100,000,000, is to blind ourselves to the very emphatic limitations which are upon our country of 130,000,000 people.

After all, there are limitations upon us. We can stretch our production capabilities just so far; we can get just

so much efficiency out of anybody or any machine. This is a regrettable thing in an hour such as this. Indeed, it would be comparatively simple to conduct this war if only there were no population or other limitations upon us. Then we could make our war manpower what we would. But, unfortunately, the limitations still are upon us and we are forced to realize that declaring the conditions to prevail in the conduct of a war, is not nearly so easy as declaring war.

FOOD LIMITATION IS REAL

There are upon us limitations as real as conditions can be real. I rise to plead with the Senate today to recognize these limitations, however much we may want to stretch available power and ability, to make power and ability do the job which is given our Nation to do most quickly and most successfully.

For the moment I pass over the subject of the very real limitations which are upon us in shipping supplies across the seas, in getting men and supplies into the foreign theaters of war. For the moment I ignore the limitations upon our manufacture of machines and supplies for which the war is calling. For this moment I want to confine myself to the subject of that very positive limitation which is upon us in the matter of food production, a production line which is as important as any front line in any military engagement. This I say without in the least bit discounting the wonderfully courageous work which is being done in those military engagements to the east and to the west by our own American boys, and the sons of our Allied Nations.

EXPECTING THE IMPOSSIBLE FROM FARMERS

There was never a greater requirement upon America for food production than there is this year. Testimony before congressional committees reveals that the military strategy of this year is calling for more food in 1943 than we produced in 1942. With the fact recognized that 1942 was the most bountiful year of food production our Nation has ever known, authorities have been most assuring about the possibilities of larger production. It has been planned that we could produce more this year than we did last year with the same number of workers on the farms of America, even though many of these workers in 1943 would be far less efficient than the hands that were available in 1942. I have been impressed by the tremendous gamble that has been involved in this 1943 strategy. It is a gamble with threatened hunger and even thin supply lines of food to our men and to our allies.

Authorities to whom we must look for authentic advice have told us that farm machinery cannot possibly be made available to the farms this year in any such amount as was available last year. But the same authorities say that we "must and will" do the farm production job in a bigger way than ever before. Again the element of human limitations is quite completely frowned upon.

The same authorities tell us that a military set-up of 11,000,000 men is going to require the calling of virtually every physically fit man in the country between the ages of 18 and 38, including men on the farms and men in essential industries. That means that every farm hand within those age limits, every physically fit man, will be called into the military ranks and must be replaced in his farm job by one of less efficiency. Obviously there will be those with no knowledge whatsoever of farming received in substitution of the efficient men who go to the front. Upon this inefficient sort of manpower have the authorities placed the responsibility of producing more food this year than was produced in 1942, our banner year.

FACE EMBARRASSING FACTS NOW

It has all presented a rather preposterous picture—this determination that a job could be done when vital facts were being completely ignored. Sometimes facts are embarrassing. Realism, too, is embarrassing, especially so after a departure from it. But I much prefer to be embarrassed by facts now and to deal with those facts than to deal with the humiliating embarrassment which with continued ignoring of facts seems certain to follow if we go on just hoping and trusting that things are not as they seem to be. The spirit of "we must, we can, we will" is "swell stuff" in its place, but we happen to be in a dangerous quarter on this food challenge; we are dealing with an element that just is not going to respond to the good old "Rah, Rah, Rah" school-day, Boy Scout spirit. Unfortunately, this seems to have been the spirit moving many who were contributing to the strategy of 1943.

Here was Vice Admiral William A. Glassford, head of the United States mission in Dakar, quoted in an Associated Press dispatch from London under date of January 8 as asserting that "the American forces in Algeria are nothing but the beginning—nothing but a symbol. At present we have 5,000,000 men, but eventually we can have fifteen to twenty millions, and we can send them whenever the necessity arises." Such utter childishness as this has not place in our planning for the task ahead of us. And it does not fool the enemy. Yet there is much of the very same kind of blindness to first things in a great deal of the global thinking in high and responsible circles.

Senators, look to the facts. They will hurt a whole lot less now than they will hurt if we go on ignoring them. Continued ignoring of the facts and pursuing a policy that just blindly hopes that what we see is not true will destroy the very thing for which our sons fight and for which we, every one of us, labors—the safety and salvation of America.

HUNGER AND FOOD RIOTS

To permit the full program in outline for 1943, with its 65,000,000 manpower requirement in essential quarters, to be consummated is to deny our allies all the help they need on the machinery and food fronts, and means bringing hunger and food riots to our own country, unless our God lets two or three blades grow where only one has grown before, under circumstances which find the agriculturist less prepared to aid in production than has been true in the past.

FOOD RATIONING AFTER MOST BOUNTEOUS PRODUCTION

Who dares longer ignore the fact that last year brought to America the greatest harvest of all time? The weather was right, the rains came when they would do the most good, American farmers gave their best effort, yet could not harvest and save all that grew. These farmers enjoyed skilled help last year in far greater measure than they can hope to have it this year. Yet, with all these blessings combined in 1942, what do we find to be the result today? First, we do not begin to have enough food to avoid a rationing program for our own people, a program more severe by far than those people yet realize. Second, there is want in our military training camps for some of the foods that build brain, brawn, and morale—want because there has not been enough to go round. Third, we are not furnishing our allies with such food help as they seem to have been given cause to feel we had committed ourselves to furnish. All this, mind you, after the most plentiful year of production in all American history.

And now our leaders propose that American farmers increase production this year over last year by at least 8 percent. This increase must be accomplished under far less favorable growing conditions, with far less skilled help than prevailed last year, with less machinery, and with existing machinery in a much poorer state of repair, and with discouragements slowing the farmer in no uncertain way.

MUCH LATE AND HURRIED PLANTING

What I mean is just this: First, with respect to growing conditions, we already know that the odds are against early planting this spring. The shortage of help last fall and the rush to get the bountiful crop harvested did not permit of the usual amount of fall plowing that would be ready for early working and planting this spring. This is bound to mean reduced acres of planting and it is bound to mean reckless preparation of ground by farmers in their endeavor to get in as much as they can. I presume there will be much grain drilled into the stubble, and we all know that, generally speaking, this means greatly reduced harvests in the fall. In the Northwest a great deal of agricultural success depends upon getting seed into the ground early, to the end that it can have the benefit of the spring moisture. Definitely that condition is not going to prevail this spring with regard to thousands of acres that have not been made ready in the usual way by fall plowing.

KEEN SHORTAGE OF FARM HELP

Second, I need not speak here of the terrific shortage of farm help that is prevalent. It is a shortage far more acute than was that which confronted the farmer last year, and that was bad enough, particularly in the fall. Many of the farm hands of last year are now

in the Army and in the Navy. Others have been prevailed upon to go into defense industries, where most lucrative pay was to be had, but where men were made to feel they could do a worth-while thing for the cause in this hour. The United States Employment Bureau is still recruiting men for industry in the rural areas.

Just how many thousands less of farm hands there will be to undertake the farm work this spring than were available last spring remains a question that cannot be accurately determined for another month. But we know that the loss of manpower on the farms during the past 12 months has been terrific. The shortage of help last fall was sufficient to make the farmer's task of harvesting most discouraging, and in that hour of discouragement many of them vowed that they just would not and could not another year plant more than they knew they and their immediate families could take care of through the year and then harvest.

However much a farmer desires to make the fullest possible contribution in this hour, these human limitations are definitely upon him. It gives him some encouragement, though it is rather limited, to know that the high-school boys and girls will be drafted to help him, because he has used that kind of help before. It means little to the farmer to be told that there will be 50,000 Mexican farm laborers brought in, for he realizes that they will not even be enough to take care of labor shortages in southern California, southern Arizona and southern New Mexico. He appreciates knowing that there will be available to him, when harvest time arrives, the business people and the clerks engaged by business in the community in which he resides. But he has had his experiences with this outlook before, and he knows how definite are the limitations. This shortage of efficient help, or the lack of any help at all, is bound to result in a short planting this spring. About that there can be no mistake.

MACHINERY SHORTAGE ACCUTE

Then there is the machinery shortage moving so definitely against normal production this year. Last year the machinery problem was a serious challenge. Repairs were difficult to obtain by reason of shortages and priorities. I doubt that the situation is improved materially this year. Many people write me of utter inability to get some of their machinery back in repair, stating that they have used it to the last possible turn of the wheel, and new machinery is not to be had in any such quantity as is desperately needed. Some steps have been taken to make more machinery available, but, obviously, that is going to be slow in delivery, and much of it cannot possibly be made to reach the farmer before he needs it for his spring operation.

FARM PRICES AND COSTS

Another thing that is slowing up the prospect of large production in 1943 is the need for adequate farm prices. Prices last year were satisfactory only because there was such bountiful production. Unit costs were low because of the large production, and the farmer did very well with prices as they were. But when he had finished with his harvest and paid the costs of harvesting, he found himself quite frequently up against the obligation to meet burdens of debt which had been accumulating through past years, meeting accumulated taxes which he had not been able to pay through the hard years, and then having to pay an income tax without regard or respect for the fact that his income had gone to the payment of debt. It was not a happy experience. The farmer is left gambling so largely this year with respect to ability to produce that his unit costs will again be low, and permit prevalent prices to bring him a profitable return.

FARMERS GO OUT OF BUSINESS

All these things are contributing no end of obstacles to the prospect of large agricultural production this year. Yet authorities, those who plan our 1943 strategy, are counting on larger agricultural production this year than last year. Mr. President, there is not a community in agricultural America that is not showing definite reasons why we cannot anticipate this larger production. Last fall witnessed more farm sales than has been true in our farm States in any other year. The farmers, coping with these insurmountable problems which the day is affording, very frequently took advantage of a good market and sold their farm machinery and their livestock, and moved off the farm. Good prices were available at the auction sales which were held in greater numbers than ever before known. Farmers who were short of machinery found in these auction sales their opportunity to buy old and second-hand machinery, and premium prices were paid. The sales at these auctions were not made to new farmers who will be following up in the production field this year. They were made instead to existing farmers who will be cultivating no more ground this year than they cultivated last year, if as much. The farms from which this livestock and this machinery was sold will very often stand idle.

FORCED TO CUT ACREAGE

A young man was in my office only a week or two ago, returning to his marine base after a brief furlough which had permitted him to return home to the farm where he had labored last year. He told me how he and his father had last year operated two quarter-sections of land and made it produce abundantly. When asked about the help his father was able to get to take this boy's place he told me that he had not been able to get any help, and that he was simply abandoning one quarter-section of the land from operation this year and would do the job on the remaining quarter as best he could. How many instances of this kind there are we will have to wait to know, but there are undoubtedly many.

DAIRY AND POULTRY FARMERS QUIT

Community after community bears testimony concerning the lesser farm undertaking that will prevail this spring than was true last year by reason of the abandonments of farm operations by men who could not carry on without the help they previously had.

Mr. President, I could portray the situation in endless communities, but here before me is a splendid sample from the largest county in my State. I have a letter from a man who is well conversant with the facts. He is C. C. Wattam, a member of a very prominent law firm in Fargo, Cass County, N. Dak. He is also secretary of the North Dakota Bankers' Association. He writes me as to what has happened in his community. Among other things he says:

> During the past year, we have had 3 dairies go out of business and a fourth is rapidly closing out its business. They are Meyer Dairy, Alford Dairy, Acme Dairy and Morgan's Dairy. In addition to that Gus Lemke, a farmer south of town, has advised me that he and 5 or 6 other farmers of whom he knows who have been selling milk in town quit owing to the shortage of help.
>
> I am also advised that Ernest Lakey, a veteran of the First World War, whose son was recently drafted, is going out of the turkey business. He marketed 23,000 No. 1 turkeys this year for approximately $9,000.
>
> Gilbert N. Hagen, who farmed 4 sections of land near Ayr, has had an auction sale this fall and states he cannot continue on account of the inability to get farm labor.
>
> A client of mine at Page, whose name I am not at liberty to mention by reason of the fact this business has not as yet been closed up, is working on a proposition to dispose of 190 cattle and go out of the cattle business for the same reason.
>
> The same situation holds true all over North Dakota and I believe if you think it important enough, hundreds of specific instances such as those mentioned above can be furnished.

Mr. President, that is only a rough approximation of the conditions prevalent in one lone agricultural community.

NO HARVEST WORRIES—SPRING PLANTING IS SHORT

It is certainly too late now to avoid food shortages this year if we persist with 1943 program and strategy which has been laid down. Remedy in the labor field and remedy in the machinery field cannot possibly come fast enough to enter into the spring-planting work. It is not a harvest problem that we need to worry about right now. Instead it is a planting problem, and without plantings there are going to be no harvests. In my mind there is only one remedy available to us now, and that is the slowing up of the programs that are going to require a greater food obligation from fewer producers. No one likes to do this. I certainly do not relish the thought of standing in the way of fulfillment and pursuit of the strategy which our military leaders have charted, but heaven help us, shall we move blindly into these programs knowing that we are marching straight to catastrophe?

CARELESS, THOUGHTLESS STRATEGY

I hardly trust myself to speak of the responsibility for this nightmare which blind planning has brought to us. Obviously those who plan the strategy of this war have had worse than bad advice concerning American ability to supply the food requirements called for by the strategy. What earthly good is strategy

even though it be backed with twice as many men in arms as are actually needed, even though it be backed by thrice as many machines of war as the strategists declare need for. What earthly use is strategy if there is not food and plenty of food, first, for the men who are to make use of the guns, planes, tanks, and ships, and, second, to provide adequately for those who must maintain these production lines? A policy of no strategy at all, such as prevailed at Pearl Harbor, where twice as many men and 10 times as many ships, planes, tanks, and guns, would only have meant twice and 10 times the loss we actually suffered there. A policy of no strategy at all is better and far safer than strategy not amply backed by food, to keep the armies going and to keep the health, strength and morale of those back of the lines sufficient for them to carry on producing the things that war calls for as first essentials.

COUNTY AGENTS PREDICT TREMENDOUS REDUCTION

I repeat that those who plan the strategy of the war have had worse than bad advice on the subject of food supply. Seemingly the war leaders have counted as sure the ability of the country to meet the food goals fixed by the Department of Agriculture for 1943, goals calling for 8 percent more of production than in that banner year of 1942. Authorities somewhere have given these war leaders reason to believe that possible. They have assured committees of Congress that the goals could be attained in spite of adverse circumstances to which I, and others, have referred. But it is now rather clear that the assurances given are not substantiated by those authorities best able to measure the possibilities of 1943 production.

None are closer to production possibilities than the county agents—one in each county of the 48 States—men who are close to the farm prospect, who measure it, and know its factors. The subcommittee of the Appropriations Committee, which has been dealing with the manpower subject under the leadership of the Senator from Alabama [Mr. BANKHEAD], chose to inquire of these county agents concerning prospects for 1943. Their response in answer to questionnaires submitted has been summarized and compiled by the Department of Agriculture itself, and the answers appear, starting at page 384 of the hearings by the committee. The study has brought to the surface frightfully disturbing facts—facts which cannot be discounted, facts which we must not ignore. In a word, these county agents, over 2,700 in number, have asserted that there would be a most positive reduction in agricultural acreage this spring, and, of course, a reduction in production as well.

Twenty-one percent of these county agents have estimated that acreage reduction would be from 1 to 10 percent below last year. Twenty-eight percent of these county agents have declared that the reduced acreage would be somewhere between 10 and 19 percent. Eleven percent have declared their belief that the reduction would be from 20 to 29 percent. Four percent of the county agents reporting estimated that acreage would be reduced by more than 30 percent. This then gives us 65 percent of all the county agents reporting, estimating reduced plantings this spring of from 1 to more than 30 percent.

Even more startling than this are the estimates of these agents concerning production this year. Five percent of the agents estimate a reduction in production of more than 30 percent. Fourteen percent of the agents say that the reduction will be somewhere between 21 and 30 percent. Thirty percent of the agents are estimating that the reduction in production will be somewhere between 11 and 20 percent. Thirty-one percent of the agents estimate a reduction in production of something less than 10 percent. This means, then, that a total of 80 percent of all the county agents estimate some cut in 1943 production, a cut running to even more than 30 percent.

LAW OF AVERAGES MUST BE CONSIDERED

Mr. President, having dealt with these facts it is fair for us to deal for the moment with the law of averages, which plays so large a part in agricultural production. We have no right to hope for a repetition of last year's exceptional growing conditions. In our estimates we shall have to be content with average production. Average production does not begin to approach the returns with which we were blessed last year.

It was all these facts which finally brought Secretary Wickard to our committee with the statement that we shall have a lesser yield this year than we had last year, and with the prediction that we cannot increase last year's acreage and production.

CONGRESS MUST BRING ORDER TO PLANNING

Sad indeed is the day if, with facts what they are, this Congress does not exercise its power to determine the size of the Military Establishment available to the strategists. The responsibility is ours to make that determination. Surely we shall not lay down a determination now so fraught with dangerous possibilities as is the planning to which we have been devoting our thinking and our hand.

When those in command of our Military Establishment seem to be ignoring the facts and limitations to which I have referred, and cause us to wade out to a depth that could mean national suicide, I must ignore—indeed I am in duty bound to ignore—their commands, however good a soldier I wish to be, or however great may be the need for good soldiers on and behind the fighting lines.

COMMANDER MISERABLY ADVISED

I am not inclined to hold the President, our Commander in Chief, responsible. Instead I am inclined to the conclusion that the President has been miserably advised. Whether the advice has come from the Army, the Navy, the Department of Agriculture, the Department of Commerce, the Department of Labor, or from Winston Churchill, does not matter.

DISHONEST WITH OUR MEN

I ask only that Senators be realistic about the definite limitations with which we must deal, and that we cut our war pattern from the cloth with which we have to work. It would be unfair to the 11,000,000 boys we are asked to call to the colors if we could not write a pretty definite guaranty of ability to back up these boys with the first essentials. Did I say it would be unfair? More properly should I have said that we would be dishonest if we did not make sure that we knew what we were doing, or were able to do to back them up. If there be those who feel that the enemy will look upon any changes in our strategy as being an acknowledgment of weakness, let it be noted that the enemy will probably have far greater respect for us if he finds us actually measuring our step and knowing that we can complete our step.

ENGLAND BLUNDERED ON MANPOWER TOO

We have the example of Great Britain to look to in this hour. Britain started out with a strategy that called for more men than she had. After she had drafted them she went into the Army and the Navy and withdrew the men who were necessary in the operation of the mines and the farms so as to enable them to produce sufficiently to back up the military effort. British authorities, like Liddell Hart, have been realistically pointing out that mere numbers count for nothing in modern war, that it is a mistake to try to create a large army rather than a strong army, and that advantage should be taken of opportunities to curtail the size of armies.

Mr. President, I desire to quote very briefly from the most recently published work of Liddell Hart, which is entitled "This Expanding War." In this book Mr. Hart warns as follows:

> When even statesmen cling to the habit of enumerating military strength by count of heads, it is hardly surprising that the men in the street, from whom the details of equipment are hidden, should be slow to realize that mere numbers count for nothing in modern war. The total of men under arms is quite meaningless; it conveys no guide to the essential questions—what kind of arms; what is the power of the newer arms; what is the number of units equipped with them—only then can we gage a country's military strength in terms of modern "power units." And the final question is, What is the spirit and training of the men who are handling these arms?

Again Mr. Hart is found cautioning with the following language:

> From 1939 onward we—

Meaning Great Britain, of course—

> made the mistake of trying to create a large army rather than a strong army—in the modern sense. We should be in a better position today if we had concentrated our efforts on producing a more fully mechanized army of smaller size, while using much of our manpower that has been turned into infantry to develop, instead, the resources of the civil front—on the security of which the issue fundamentally depends.

I quote once more from Mr. Hart's work:

In the sphere of land warfare, we should take the opportunity to curtail the size of our army—which, although not large enough for a continental campaign, absorbs so large a part of our total resources as to impair war capacity in other fields. At the same time, too small a proportion of the army is composed of fully mechanized forces. They should be developed—not least, as the best counter to any invasion. By contrast, the infantry mass is excessive. Part of the equipment now being produced for infantry divisions that are surplus to our real needs might well be diverted to provide Turkey with the means to become an effective land block in the Near East.

And so on throughout this volume, Mr. President, we find this British authority warning again and again against the notion that our strength is dependent upon the size of our military arms.

More and more I sense that this war will resolve itself into an exhaustion race. We can easily lose this race if we do not carefully measure our step and keep our steps within the limitations which, after all, are imposed upon us.

Recognizing these limitations does not make us pessimists. I am sure that I entertain a fair share of the "we can" and "we will" spirit. I have tried hard to convince myself that the authorities knew what they were doing in their 1943 planning. I have done my best to disprove my own convictions on the theory that maybe I did not know, and to weigh all the factors. But try as I have, I stand doubly convinced today that we are riding to a fall if we do not more carefully weigh our own limitations.

Primarily, Mr. President, in the beginning we thought that our job in this war would be to supply only the arms—not necessarily the men but the arms—for which our allies were crying desperately.

I have just encountered a most interesting article entitled "Produce or Perish," written by C. D. Fawcett, professor of electrical engineering at the University of Pennsylvania. I shall not take the time of the Senate to read any part of the article, but I ask unanimous consent that this enlightening article may appear in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, the article may be printed in the RECORD.

(See exhibit A.)

PROPOSE COLLECTIVE FARMING

Mr. NYE. Finally, Mr. President, what are our opportunities, our chances to do this food-production job which a Military Establishment of 11,000,000 men will require? I think I have stated my mind in no uncertain terms with respect to the task being an impossible one. But there are authorities who still feel that the job can be done. For example, Col. Lewis Sanders, the efficiency engineer with the Selective Service Board, says, "Consolidate the small farms. Reform American farming from a single farm unit basis to county farm units. Pool and move farm labor. Pool and use farm machinery." This, he says, is the way to do this production job. Whatever there is to be said for this sort of policy and program, I think it fair to venture that this degree of collectivism will hardly be accomplished in time for the March and April plantings in agricultural America.

FIVE THINGS NECESSARY BY CONGRESS

To me it seems that there are definite things which Congress must do.

First. We must reorganize our military strategy and cut our strategy from the cloth at hand, even though it means possibility of a longer war but surer victory.

Second. Defer from reach by the military or by industry such farm hands as are left on the farm.

Third. So far as we can, bring back from the military training camps the farm hands who are now there.

Fourth. Recognize and honor those farm hands as doing a service quite as important as any other service being performed in the winning of the war. We cannot expect farm boys to stay on the farms if we let them go on dreaming of the day when, with the war ended, those who fought it will be organizing new legions, and when those who worked at home not only will be left out of such organizations but possibly will be looked down upon as boys and men who cowardly sought security against involvement in the war.

Fifth. We must find the way to reward farm labor with higher wages, so that there will be less occasion and less excuse for farm hands to move into industrial fields where higher wages and shorter hours of employment are to be enjoyed.

Those are things which in this hour we can do to our great and lasting advantage.

I am sure that the farmers' desires which will be satisfied by having the Senate take the position which I choose to take are not selfish. The farmer and his sons are eager to win this war. They will do everything within their power to do the job that is given them to do. But there are positive limitations upon them and upon their machines and upon their lands. If there is any degree of selfishness in the representation which I afford, it is purely a selfishness concerning the welfare of our country and the welfare of our fighting sons who in the four quarters of the globe are so ably performing the tremendous task assigned to them.

EXHIBIT A

PRODUCE OR PERISH

(By C. D. Fawcett, professor of electrical engineering, University of Pennsylvania)

At the present time there is definite evidence that the United States can be of the greatest value to the war effort of the United Nations if our country will concentrate on production rather than press for a greater Army or Navy. The following paragraphs present such evidence.

On December 31, 1942, Secretary of War Henry L. Stimson issued the following official statement:

"Despite some initial defeats in the year just past, America has now firmly set its feet on the way to victory. * * * Fortunately, our Army—in its equipment, its training, its leadership, and the provisions made for the health and safety of its men—is more powerful with each passing day."

On that same day, December 31, Chinese Lt. Gen. Hsiung Shih-fei and his special military mission to secure aid from the United States bade farewell to President Roosevelt after futile efforts to obtain military aid. The Chinese have 11,000,000 trained and hardened soldiers in the field, essentially without equipment. * * * Also, on that same day Gen. Henri Giraud, of the French Colonial Army in Africa, begged for food and fighting equipment for a French army rapidly being built up to 300,000 men. * * * Continuously during the past year, Premier Joseph Stalin has pleaded for substantial quantities of food, industrial machinery, and military supplies for an estimated 8,000,000 poorly equipped Russian men, of a total of perhaps 12,000,000. * * * On December 31, also, Prime Minister John Curtin of Australia said the "armies of the United Nations in the Pacific Area are being denied resources for their total-war effort." Allied troops and naval forces in Australia and the South Pacific are estimated at about 300,000. * * * It is well known that additional Allied Nations fighting forces in India, Burma, and Africa—totaling probably 350,000—are marking time without military supplies.

The above data, and data in the remainder of this article, are not military secrets, since they have been collected from the public press over the past few months. These figures are changing daily, due to battle casualties and new enlistments. A few million, either added or subtracted, will not change the net conclusions presented later.

A comparison of the facts presented in the above paragraphs leads to the conclusion:

A. Fighting men are now available in ample number and,

B. Production of food, military equipment, and sustained transportation is needed more than military manpower.

Therefore, if the United States should add to its present armed personnel for combat on foreign fronts, our allies would contend that we had failed them in their desperate struggle against carnage and nation-wide destruction. This contention would be justified. They need our food and ammunition now, and deliveries must be continued until the war ends. Ours is the only Nation that has large-scale productive capacity without enemy interference. We must produce and deliver or they will perish by the millions.

Each soldier needs 160 pounds of total supplies each day. One million soldiers need 160,000,000 pounds or 80,000 tons per day, or 29,200,000 tons per year. * * * What is the total allied shipping capacity per year? What tonnage can be delivered, to supply how many millions of soldiers? * * * Total allied merchant marine cargo space (including half of the total new ships to be constructed in 1943) will be approximately 28,000,000 tons. Assuming 2,000 miles to the average delivery point, and estimating nine trips per year per ship, the total maximum annual delivery would be 252,000,000 tons. Since each million men require 29,000,000 tons annually, the total annual deliveries—furnished by all allied ships—would support only 8,000,000 men.

One might ask if some of this tremendous tonnage of food and military supplies could not be obtained from Allied and enemy territory in Europe or Asia. Supplies not under enemy control are being rationed out to the starving civilian population and to the soldiers actually in contact with the enemy. Furthermore, the land transportation of even these meager supplies in Europe, Asia, and Africa is almost impossible, because of enemy action. The very large reserves of trained army and navy men of all Allied Nations at present in Europe, Asia, and Africa, cannot be sent to battle fronts until they have equipment. Thousands of them, in many places, are unable to avoid contact with the enemy and are being slaughtered.

Now, let us retabulate the millions of Allied soldiers and sailors actually waiting now for production and delivery of equipment:

Allied Nations	Forces lacking adequate equipment	Tons required per year
Chinese	11,000,000	319,000,000
Russian	8,000,000	252,000,000
French (in Africa)	300,000	8,700,000
Allies in South Pacific	300,000	8,700,000
Allies in India, Burma, Africa	350,000	10,000,000
United States (present total)	6,800,000	197,000,000
Great Britain	1,000,000	29,000,000
Total	27,750,000	824,400,000

Since the maximum possible cargo space per year (in 1943) is 252,000,000 tons for all allied shipping, it is obvious that 824,000,000 tons cannot be delivered. Less than one-third of the 27,750,000 soldiers and sailors now suffering and being murdered, because they lack equipment, can be supplied by the Allied Nations by all available cargo space. Attention is called to the fact that our available ship cargo space will be reduced by submarines and air bombing, but no allowances are made for this in the above figures. Actually submarine sinkings in the past year have accounted for not less than 3,000,000 tons of allied cargo space. These shipping losses, if continued, would limit the Allies to a total of only 7,000,000 effective men on foreign soil and in enemy waters.

While it is apparent that our land forces are already adequate in number (approximately 5,000,000), it is estimated that our naval forces must expand only to the extent of manning new fighting and auxiliary ships. Likewise civilian personnel and naval enlistments must be increased to operate and to protect our new merchant vessels. The Air Force must likewise expand to insure effective combat use of new planes, and to deliver them to other allied forces waiting impatiently for them.

There is, in all this, an implied criticism of the over-all World War strategy. Civilians are prone to "leave military matters to military men." To this the writer thoroughly agrees. But, perhaps, many civilians do not realize that military experts are not experts in many other things upon which victory depends. Get clearly this distinction: The training and experience of Army and Navy men—in our service schools, on our proving and training grounds and waters, and in actual combat—is concerned with the manipulation and movements of fighting men and materials. They do not study or practice technical problems involving actual basic design, manufacture, production, and delivery of the innumerable types of guns, munitions, planes, tanks, trucks, and other supplies. They have practically nothing to do with the technical design of battleships, merchant ships, or railway equipment. Their training and practice gives them profound knowledge and understanding of what they need to win battles and to win wars, and how to manipulate their expendable men and materials to that end. This practice in manipulation—covered largely by courses and training in gunnery and fire control, navigation, maneuvers, seamanship, communications, naval and military history, logistics, strategy, and tactics—tells them, for example, that a gun, a plane, a ship, or a tank is in some degree imperfect, or that auxiliary equipment is needed to improve its performance.

Perfection of military equipment and quantity production of it, however, including transportation and routing, is accomplished by civilian managements and men.

Today's World War presents a major problem in production and delivery. There is in this country at this time a steady tearing away of keymen from this vital industrial battle front. Another expert tool maker is drafted, to be added to a regiment of men who can be trained, but this man cannot be equipped with his 160 pounds per day. Unlimited "expendables" can be drafted, or forced to apply for officer commissions because otherwise they will be drafted as privates—and many of these latter are so driven from their vital war work in industry, or from their technical education in college. These are not isolated cases. They are occurring by the tens of thousands. Look in the published lists of local draft board inductees, and count the "riveters, machine operators, clothing cutters, industrial engineers, industrial foremen, engineering students, optical experts, mechanics, etc., etc." Men of similar professions and trades—Chinese, Russian, British, French—and millions of their less skilled countrymen are even now waiting and praying for help from us. They plead for food and ammunition. Their plight is almost hopeless.

The United States must produce or our allies will perish. If the United States delays to expand our military might and attempts to support on foreign soil any more than 3,000,000 United States fighting men (with 2,000,000 in reserve), our allies will suffer additional years of murder and starvation before the war is won. It can be won quickly by all-out production.

The greatest asset the United States and the world could have at the peace table would be the good will of our allies—because we deserve it.

VOCATIONAL REHABILITATION OF CERTAIN DISABLED PERSONS

The Senate resumed the consideration of the bill (S. 180) to provide vocational rehabilitation education, training, and other services to persons disabled while members of the armed forces, or disabled in war industries or otherwise and to render such persons fit for service in war industries, agriculture, or other useful civilian industry, and for other purposes.

Mr. CLARK of Missouri. Mr. President, in all fairness to the Senators who have left the Chamber, before I move, as I intend to do, that the Senate proceed to the consideration of Senate bill 786, I feel honor bound to suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gillette	O'Mahoney
Austin	Green	Overton
Bailey	Guffey	Radcliffe
Ball	Gurney	Reed
Bankhead	Hatch	Revercomb
Barbour	Hayden	Reynolds
Barkley	Hill	Russell
Bone	Holman	Scrugham
Brewster	Johnson, Calif.	Smith
Bridges	Johnson, Colo.	Stewart
Brooks	Kilgore	Taft
Buck	La Follette	Thomas, Okla.
Burton	Langer	Thomas, Utah
Bushfield	Lodge	Tobey
Byrd	Lucas	Truman
Capper	McCarran	Tunnell
Caraway	McClellan	Tydings
Chavez	McNary	Vandenberg
Clark, Idaho	Maloney	Van Nuys
Clark, Mo.	Maybank	Wagner
Connally	Mead	Walsh
Danaher	Millikin	Wheeler
Davis	Moore	White
Eastland	Murdock	Wiley
Ferguson	Murray	Willis
George	Nye	Wilson
Gerry	O'Daniel	

The PRESIDING OFFICER. Eighty Senators having answered to their names, a quorum is present.

Mr. CLARK of Missouri. Mr. President, the essential issue presented by the bill introduced by the Senator from Wisconsin and reported from the Committee on Education and Labor, Senate bill 180, as contrasted with the bill reported from the Senate Committee on Finance, S. 786, introduced by the Senator from Massachusetts [Mr. WALSH] and myself, reported from the Subcommittee on Veterans Legislation by a vote of 7 to 1, and reported from the full Committee on Finance by a vote of 16 to 1—the only dissenting vote in each case being that of the distinguished Senator from Wisconsin, who is a member of both the subcommittee on Veterans' Legislation and of the Committee on Finance—is whether veterans' affairs should be transferred, or intermeddled, I should say, because there has been a change in the La Follette bill since its introduction in the last session of Congress. The question now is as to whether the question of rehabilitation of the veterans of this war should be mixed up and intermeddled with the question of civilian rehabilitation. Of course, incidental to that is the question of the agencies which are to administer the act. Further incidental to it is the question of the committees of the Senate or of the House which are to handle those problems. The essential question is a simple one of whether the Government owes a different and preferential obligation to the boys taken out of school, to the men taken out of industry, who have had guns put on their shoulders and packs on their backs, men who have been disabled during their service in the armed forces of the United States, and who return incapacitated in comparison with their previous ability to earn a living. The question is whether the Government owes a different obligation to the men whom it has taken and forced into the armed service in many cases, or received into the armed service, in the case of volunteers, as against the ordinary citizen.

I doubt if there is a Member of the Senate who would stand on this floor today and deny the special obligation which the Government owes to the men who are coming back from service with the armed forces. I believe that if the motion which I am presently to make, to proceed to the consideration of Senate bill 786, dealing solely with the rehabilitation program for veterans, should prevail, there would not be 5 minutes of debate in opposition to the bill.

The other alternative is that the veterans, the men who have this special right, the men who have this special claim on the United States Government, are to be tied in with a general social rehabilitation scheme, which may or may not be proper, but which certainly contains a great many controversial issues.

I say, Mr. President, that it is not fair that the special rights of the veterans, whose claims for recognition and for treatment are already developing, and which will develop at an increasingly

rapid rate, should be tied up and be connected with a very controversial subject, with which they have nothing to do, that is to say, the duty of the Federal Government to cooperate with State governments in the general rehabilitation of civilians.

Mr. President, before I make my motion and take my seat, I wish briefly to mention the matter of committee jurisdiction in the Senate, which I realize is always a very ticklish and painful subject.

Unfortunately the Senate, unlike the House, does not have any rule providing by limitation and definition the jurisdiction of committees, but from the very inception of veterans' legislation after the last war the Committee on Finance has always had complete jurisdiction of veterans' legislation. The Finance Committee has always had a separate standing subcommittee on veterans' legislation. I have been a member of that subcommittee for 10 years, ever since I entered the Senate. There are at present three members of that standing subcommittee who were on it when I entered the Senate—the Senator from Georgia [Mr. GEORGE], who was chairman of the subcommittee until he became chairman of the full committee, the Senator from Massachusetts [Mr. WALSH], and the Senator from Wisconsin [Mr. LA FOLLETTE]. I think they are now the only members of that committee who are senior to me in point of service. That subcommittee, and the full Committee on Finance, have always had jurisdiction of the subject of veterans' affairs.

Mr. President, I am authorized to speak for the veterans' organizations of the United States, who are very much interested in this whole matter not only because they are veterans of the last war, but because several hundred thousand of them will also be veterans of this war, and because the sons of nearly all of them will be veterans of this war, and I am authorized, not only because I am a member of nearly all these organizations, to speak for them when I say that I have never seen the veterans' organizations of the United States as much wrought up, as unanimous, and as bitter, about any proposition, as they are about the proposal to take a simple matter of veterans' rehabilitation and pitchfork it into a general scheme of social rehabilitation affecting all the people of the United States, which, whether it is justifiable or not, has nothing in common with the question of military rehabilitation.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield.

Mr. BARKLEY. I desire to ask the Senator a question pertaining both to the matter of committee jurisdiction, and also regarding the merits of the respective bills upon which we are required to vote.

As I recall, following the last war, or during the last war, in the other branch of the Congress the Committee on Interstate and Foreign Commerce handled most of the veterans' legislation, because such legislation came in the form of amendments to the War Risk Insurance Act, which had been originally passed for the insurance of ships, and until there was a separate Committee on World War Veterans' Legislation created in the House, the Committee on Interstate and Foreign Commerce handled the vocational rehabilitation legislation, as I now recall.

Mr. CLARK of Missouri. The Senator is entirely correct.

Mr. BARKLEY. When the first veterans' bill came to the Senate, a bill under which the vocational program was put into effect following the last war, the Committee on Education and Labor of the Senate handled it. Outside that one instance, I think the Committee on Finance has handled all veterans legislation, probably growing out of the fact that it involved the bonus legislation, which necessitated bond issues, a financial matter, and it was naturally referred to that committee, which assumed jurisdiction, and has exercised it ever since.

I have been apprised of an effort, which I understand is to be made, to take away from the Committee on Finance jurisdiction of all veterans legislation, and to put it into the hands of the Committee on Pensions.

Mr. CLARK of Missouri. I, too, have been apprised of that, and I am also apprised right now of an effort to take jurisdiction away from the Committee on Finance and put it into the hands of the Committee on Education and Labor, and I am opposed to both efforts.

Mr. BARKLEY. I do not know that there is any such plan to take jurisdiction from the committee.

Mr. CLARK of Missouri. I am opposed to both plans.

Mr. BARKLEY. I can understand the natural desire of the Committee on Education and Labor to write a comprehensive bill affecting everyone.

Mr. CLARK of Missouri. They have never been backward about asserting jurisdiction over any subject.

Mr. BARKLEY. I understand the pending bill was drawn by all the agencies interested in rehabilitation, including the Veterans' Administration, of which General Hines is the head.

Mr. CLARK of Missouri. Will the Senator allow me to interrupt him at that point?

Mr. BARKLEY. Certainly.

Mr. CLARK of Missouri. General Hines testified before the veterans' subcommittee of the Committee on Finance, at the last session, in behalf of what is essentially Senate bill 786. He was in favor of a separate bill at that time.

Of course, we all can take judicial notice of the fact that General Hines, able as he may be, is not an entirely free agent in all matters, and sometimes the Budget Bureau "puts the heat" on him. I have never wanted to put General Hines on the spot in connection with any testimony he has given before my subcommittee, because I know he has to change his position from time to time when the Budget Bureau tells him to do so. The Senator is as familiar with that fact as I am.

Mr. BARKLEY. I am not arguing one way or the other; I am seeking to elicit from the Senator the facts of the situation, because I am a member of the Committee on Finance, and if I had not been confined to my bed by a cold on the day when the bill was before the committee, I would have made the seventeenth member to vote to report it.

Mr. CLARK of Missouri. I was about to state that if the Senator had been present—and we all regretted his illness—I am satisfied he would have voted with the other members of the committee.

Mr. BARKLEY. I would have voted to report the bill. I wish to say now that under the present circumstances I would oppose any effort on the part of any other committee to take away from the Committee on Finance jurisdiction over veterans' legislation, which it has exercised for over a quarter of a century, because it is inseparably connected with means of financing whatever obligation we undertake in behalf of the veterans. I feel very strongly on that subject. Aside from the question of committee pride, and aside from the attitude of the veterans and their representatives, who naturally, I can understand, for many reasons, want a separate bill, I wonder what is the essential difference between title I of the La Follette bill and the Senator's bill?

Mr. CLARK of Missouri. Mr. President, the differences between title I of the La Follette bill and the bill introduced by the Senator from Massachusetts [Mr. WALSH] and myself are not essential, except that we in our bill go into somewhat more detail. The difference in the matter of the passage of the bills is of very great consequence. In other words, it seems to me there has been an intention on the part of some persons—and I acquit the Senator from Wisconsin of any such intention, because he has been one of the best friends of the veterans I have known in my 10 years' service in the Senate—to ride on the coattails of the veterans. I think the veterans share that feeling. In other words, the proposal in respect to Senate bill 180 is to pass a bill which includes a great many controversial issues, because no one is disposed to oppose the just rights of veterans of this war to a rehabilitation program. The two things involved are essentially different. The men coming back from the armed services, many of whom have been drafted, and the others of whom have volunteered and have equal rights, certainly have very essential claims on the Government's consideration, and Senate bill 180, as it stands now, with title I in it, simply means that the other features, the controversial features of this bill, are going to take a free ride on the coattails of the veterans, and I am opposed to that.

Mr. BARKLEY. Senate bill 180 is now before the Senate.

Mr. CLARK of Missouri. That is true.

Mr. BARKLEY. And the Senator's motion, if carried, will displace Senate bill 180, and will result in taking up his bill, and the other bill will then go back to the Calendar where it was previously.

Mr. CLARK of Missouri. The Senator from Kentucky is really in control of that matter. The Senator from Ken-

tucky, regardless of the fact that the Finance Committee was considering this matter and had reported out certain other bills, arranged for recognition of the Senator from Wisconsin [Mr. LA FOLLETTE] to take up Senate bill 180.

Mr. BARKLEY. That is true. That is not what I was driving at.

Mr. CLARK of Missouri. If my motion to proceed to the consideration of Senate bill 786 should be carried, of course it would displace the other bill, Senate bill 180, as the unfinished business. Of course, the Senator from Wisconsin made a nondebatable, nonamendable motion today to take up his bill. I could have filibustered on that bill, which I did not desire to do, because I desired to afford the Senate at the first opportunity a fair chance to decide which measure it desired to consider first. If the motion which I propose to make at the conclusion of my remarks, should be adopted, of course it would automatically displace Senate bill 180. But the Senator from Kentucky, in his all-powerful position, can again arrange for recognition of the Senator from Wisconsin to take up his bill again, and then we can consider the La Follette bill on its merits, so far as civilian rehabilitation is concerned, instead of trying to have that provision take a free coattail ride on the veterans' bill.

Mr. BARKLEY. Mr. President, I did arrange with the Senator from Wisconsin [Mr. LA FOLLETTE] and the chairman of the Committee on Education and Labor [Mr. THOMAS of Utah] as I frequently do, for the taking up of a bill. It was then the only bill dealing with the subject on the calendar. It was favorably reported 2 or 3 weeks ago.

Mr. CLARK of Missouri. I am not criticizing the Senator from Kentucky. I am merely suggesting that if my motion to proceed to the consideration of the Finance Committee bill which has to do solely with veterans, is carried, and if that bill should be disposed of, as I believe it can be disposed of very quickly if we can have it considered——

Mr. BARKLEY. I do not want to delay it.

Mr. CLARK of Missouri. I should like to see the color of the hair of the Senator who is going to vote against it. I apprehend that after that, the Senator from Kentucky, in his all-powerful position, can make it in order again for the Senator from Wisconsin to take up Senate bill 180 with the veterans provisions deleted.

Mr. BARKLEY. I am trying to clear up the parliamentary situation. Of course I did arrange, as I said, with the committee chairman and with the Senator from Wisconsin that the bill be taken up.

Mr. CLARK of Missouri. I hope the Senator from Kentucky understands that I am not criticizing him at all.

Mr. BARKLEY. Yes; I understand that. If the motion of the Senator from Missouri is adopted, Senate bill 180 will go back to the calendar, and can be taken up again under the same arrangement.

Mr. CLARK of Missouri. Certainly.

Mr. BARKLEY. And if the bill of the Senator from Missouri is adopted then of course title I would naturally come out of Senate bill 180.

Mr. CLARK of Missouri. Yes. That is what I am trying to do.

Mr. BARKLEY. And Senate bill 180 would be considered on its merits when it comes up under those circumstances.

Mr. CLARK of Missouri. Yes.

Mr. BARKLEY. There is another amendment, or a substitute, which is in the offing, to be proposed by the Senator from Ohio [Mr. TAFT]. If the motion of the Senator from Missouri is adopted, what effect will it have upon the offering of the substitute proposed by the Senator from Ohio?

Mr. CLARK of Missouri. I will say to the Senator from Kentucky that as he well knows, it will have no effect at all. It will leave the question of civilian rehabilitation to be fought out on its merits. If the Senator from Ohio can offer a substitute which appeals to more Members of the Senate than the original bill of the Senator from Wisconsin, then that will be the bill which will be passed. But there will be eliminated from consideration in connection with that measure the veterans who have a special claim on the Federal Government, and the veterans' bill will be passed and probably signed by the President.

Mr. BARKLEY. I am perfectly willing that the Senator's motion be voted on at once, and for that reason I shall not take up any more of his time. I wanted to clear up the parliamentary situation, however, in either event.

Mr. CLARK of Missouri. The Senator and I are entirely in agreement on the parliamentary situation.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield.

Mr. TAFT. I merely wanted to say with respect to the substitute I have proposed—it has not been offered as yet—that it was prepared for the purpose of being offered only after the Senate had passed the veterans' bill, and Senate bill 180 was again before the Senate. So the adoption of the Senator's motion has no relation whatever to my bill, except that my bill presupposes that the veterans will be taken care of by separate legislation.

Mr. BARKLEY. The Senator from Ohio just handed me a copy of his bill, which is as big as my foot. I did not know whether it covered the veterans.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield.

Mr. LUCAS. I merely wanted to add a statement to the proposition which has been submitted by the able Senator from Missouri. There is one thing which he forgot to tell the Senate, which I think is important, and it had something to do with controlling my vote as a member of the subcommittee which handled this very important proposed legislation. As I recall—and the Senator from Missouri will correct me if I am wrong—the testimony of General Hines before our subcommittee was to the effect that some 700 or 800 men are now back from the conflict in hospitals of this country and are in a position now to receive vocational training through the proposed rehabilitation program as soon as the Congress passes the legislation.

Mr. CLARK of Missouri. The Senator from Illinois is entirely correct in that statement.

Mr. LUCAS. If we consider the La Follette bill as it is written at the present time, it would mean, as the Senator from Ohio [Mr. TAFT] said earlier today, and previously said before the committee, perhaps an interminable delay, not only because of the debate which will result in the Senate, but because of the parliamentary situation in which the House may find itself, and every day's delay in connection with the veterans who have already been returned is just that much delay toward their rehabilitation so far as the vocational training is concerned. I thought the Senate ought to know that, because it is very important.

Mr. CLARK of Missouri. The Senator from Illinois is entirely correct.

Mr. President, I now move that the Senate proceed to the consideration of Senate bill 786, Calendar 74.

The PRESIDING OFFICER (Mr. HILL in the chair). The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 786) to amend title I of Public Law No. 2, Seventy-third Congress, March 20, 1933, and the Veterans Regulations to provide for rehabilitation of disabled veterans, and for other purposes.

Mr. LA FOLLETTE. Mr. President, I do not desire to prolong this debate, but for the purposes of the record I wish to make a brief statement in relation to the statement made by the Senator from Missouri [Mr. CLARK]. The Senator said that the issue overshadowing all others was the obligation which this country owes its disabled veterans, and I agree with that statement. I wish to say that in any connections I have had with this matter, there never has been any doubt in my mind that the Federal Government owed such an obligation, and should pay whatever may be the costs of rehabilitation and vocational training for veterans. But I contend that, in the light of our past experience and in the light of the cost of the program, there was ample justification for attempting to work out a comprehensive program which would deal, as I said earlier today, with the three important phases of vocational rehabilitation, namely, the vocational rehabilitation of veterans who have a service-connected disability, and vocational rehabilitation of citizens who voluntarily or otherwise offered their services in connection with the war, such as the Civilian Defense Corps, the Civilian Air Patrol, the Air Raid Warning Service, and the brave men who are going to sea and dying in the service of the Maritime Commission and the War Shipping Administration, as well as other citizens—civilians if you choose to call them such—who are in need of vocational rehabilitation and vocational training, and who, if given the opportunity, can help in the war effort.

Mr. President, I make no apologies to any veterans' organization or to any citizen for having made a conscientious effort, after studying the question for

many months, to adopt a comprehensive program, which, in my opinion, in the end would be a less expensive program, and which at the same time would give adequate service in rehabilitation to the veterans who are disabled, and whose service-connected disability is acknowledged by the Veterans' Administration.

In this connection, Mr. President, let me say that thousands of veterans who will suffer disabilities in this war will never be able to offer sufficient evidence of a medical character to satisfy the Veterans' Administration, and would never be taken care of under the bill which the Senator from Missouri [Mr. CLARK] now offers to displace the pending bill.

I also wish Senators who may not have been present earlier in the day to know that when I secured agreement to the motion to proceed to the consideration of Senate bill 180, I abandoned title I thereof. I did not do so because of the campaign carried on by the veterans' organizations, but because the House Committee on Education, which had before it a companion bill to this one, has already reported its bill with title I stricken out. I knew that even if the fight could be won here it would avail nothing, because, in all probability, the House conferees would be instructed, in the light of separate action in that body on a separate piece of legislation, not to consider in conference any subject matter which we might have dealing with it.

Mr. TAFT. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Ohio?

Mr. LA FOLLETTE. I yield.

Mr. TAFT. I have been informed that the House committee has not reported the House companion bill to Senate bill 180. The House committee struck out title I, but the bill is still resting in the House committee, and I think it is very doubtful whether it will be reported.

Mr. LA FOLLETTE. The Senator's information may be more nearly current than mine, but the statement was made to me by someone in whom I have confidence, and who I believe had the correct information this morning; and it was later confirmed by the Senator from Missouri.

Mr. CLARK of Missouri. My information was that the House committee had stricken out title I, but I did not know whether it had reported the bill.

Mr. LA FOLLETTE. Be that as it may, it was the action of the House committee which clearly convinced me that there was no longer any hope of passing a comprehensive bill which would deal with all phases of the veterans' problem.

Mr. TYDINGS. Mr. President——

Mr. LA FOLLETTE. I should like to have the Senate know, before it votes on the pending motion, that I have pending an amendment which would eliminate from Senate bill 180 the veterans' provision with one slight exception, which I shall be glad to explain if it becomes necessary. I now yield to the Senator from Maryland.

Mr. TYDINGS. May I ask the Senator from Wisconsin if there is any essential difference between the treatment of disabled veterans in his bill and the treatment of the same question in the bill being sponsored by the Senator from Missouri [Mr. CLARK]?

Mr. LA FOLLETTE. I believe it is fair to state that there is only one important difference, and that is that in title I of Senate bill 180 a legislative policy is enunciated, that in affording veterans vocational training, wherever in the judgment of the Veterans' Administrator he finds that the Federal-State system is providing adequate training suitable to the veteran—I am paraphrasing the language—he shall utilize such training; whereas in the bill to be taken up if the motion of the Senator from Missouri should prevail, the Veterans' Administrator would be given permission, if he should desire to do so, to use any other agencies which he might deem advisable.

Mr. TYDINGS. Will the Senator further yield?

Mr. LA FOLLETTE. I yield.

Mr. TYDINGS. However, in either case the rehabilitation of the disabled veterans would be under the jurisdiction of the Veterans' Administration, would it not?

Mr. LA FOLLETTE. It would be, and it would be paid for 100 percent by the Federal Government.

Mr. TYDINGS. Am I correct in drawing what seems to me to be the obvious deduction, namely, that if the Senator's bill should pass, almost the identical treatment, with the exception which he has noted, would be accorded to veterans by the Veterans' Administration as would be accorded if we should pass the bill sponsored by the Senator from Missouri?

Mr. LA FOLLETTE. General Hines testified before the veterans' subcommittee of the Senate Committee on Finance at the hearing preceding the reporting by the committee of the bill of the Senator from Missouri, that so far as the administration of the law and treatment of the veterans was concerned he would operate practically the same under either bill.

Mr. TYDINGS. So the remaining difference is twofold: First, that it might not be advisable to connect the two features, if that viewpoint should be taken; and, second, that one measure is permissive as to the agencies which might be employed, and the other is mandatory as to the agencies which might be employed for rehabilitation of disabled veterans.

Mr. LA FOLLETTE. The statement of the Senator is correct, except that the judgment of the Veterans' Administrator would prevail in the utilization of agencies.

Mr. TYDINGS. That is, in the bill sponsored by the Senator from Wisconsin.

Mr. LA FOLLETTE. A legislative policy is enunciated, but the hands of the Veterans' Administrator are not tied.

Mr. TYDINGS. As I understand the explanation, the Veterans' Administration would be free to take either the existing Federal-State vocational agencies, or to set up an independent agency of its own under the provisions of Senate bill 180.

Mr. LA FOLLETTE. Yes, but the Veterans' Administrator would have to find that in his judgment the directive of Congress could not be carried out because he did not believe the training was adequately provided for under such a system.

Mr. TYDINGS. I have one more question to propound to the distinguished Senator from Wisconsin, and then I shall be through. In the event that Senate bill 180 should become a law, would there be a mixture of disabled veterans and those who are not veterans in any particular place where rehabilitation work is taking place, or would the two groups who are to have rehabilitation, namely, the veterans on the one hand, and nonveterans on the other, be separated?

Mr. LA FOLLETTE. The physical rehabilitation under Senate bill 180 would take place under the Veterans' Administration and in the veterans' hospitals.

Mr. TYDINGS. For the disabled veterans?

Mr. LA FOLLETTE. For the disabled veterans with service-connected disabilities. If the Veterans' Administrator should find that the Federal-State system could satisfactorily provide the educational and vocational training after the physical rehabilitation had taken place, under the terms of Senate bill 180 he would more or less be directed to follow that procedure. Under the terms of the bill sponsored by the Senator from Missouri he would be given permission to do so.

Mr. President, I consider this issue very much more important than the social ends to which the Senator from Missouri has alluded. As I have already said—and I will repeat the statement for the benefit of Senators who may not have heard me—2,000,000 persons in this country could be rehabilitated. With the manpower shortage which now exists, any persons who can be rehabilitated and made available for agricultural or industrial production represent a vital part of the war effort.

I make no apologies to anyone for my desire to see social ends and objectives maintained and extended wherever it can be done on a sound basis. However, this whole subject matter has a very definite relationship to the war effort. While it is true that many of the provisions of the proposed legislation are drawn on a permanent basis, I wish to point out that if one will take the trouble to examine the testimony, in my opinion, he will be unable to come to any other conclusion than that there is a reservoir of manpower which, with proper legislation and financial support, we can tap within the probable duration of this war, unless it should end very shortly; and I am not one of those who so believe.

Mr. TYDINGS. Will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. TYDINGS. Is it contended in any quarter that the rehabilitation training which disabled veterans would receive would be more efficient under the bill

sponsored by the Senator from Wisconsin than under the bill sponsored by the Senator from Missouri; or is it assumed that the training would be about the same, no matter which of the two bills were passed?

Mr. LA FOLLETTE. My frank and candid opinion is that, so far as the veteran himself is concerned, it would make very little difference to him as an individual whether title I of Senate bill 180 were adopted, or whether the bill which the Senator from Missouri [Mr. CLARK] has moved to consider were passed. I believe that by attempting to deal in a somewhat comprehensive way with this question, and by expressing legislative policy, we might have a more economical and more efficient system under a comprehensive general bill than would be the case under two separate bills.

I wish to repeat what I have already said. In light of the action taken by the committee which has companion jurisdiction, and in light of the action taken by the author of the companion bill in the House, I have come to the conclusion that there is no hope of securing legislation dealing with all phases of the subject. Therefore, earlier in the day I offered to abandon that controversial field, although I then stated—and I now repeat—that I think that to do so would be a mistake in legislative policy, the views of veterans' organizations to the contrary notwithstanding.

Mr. WALSH. Mr. President, let me say that the arguments in favor of the bill have been so ably presented by the distinguished senior Senator from Missouri [Mr. CLARK] that no further comment seems to me to be necessary. However, I should like to read into the RECORD a statement of the position of the veterans, which has been concurred in by the majority members of the Committee on Finance.

Mr. Omar B. Ketchum, legislative representative, Veterans of Foreign Wars, testified as follows:

So when we find legislation designed to cover not only the war disabled veterans but also the disabled civilians, even though they are in a sense divided into two categories in the one bill, we still believe that they should be separate, that each group should stand on its own legs and on its own merit, and there should be at no time any legislation dealing jointly with disabled war veterans and with disabled civilians regardless of how these civilians were disabled, whether it was in war industry or whether it was the result of an accident at birth, as long as the disability was not incurred as a member of the personnel of the armed forces.

Consequently we are deeply concerned when we see a serious effort being made to tie up disabled veterans and disabled civilians in the same piece of legislation regardless of the contention that they are going to be handled separately by, first, the Veterans' Administration and, second, by the Federal Security Agency.

Again, the same witness testified:

If it is logical to tie up the two problems here in this one bill, then why don't they tie up under veterans' compensation and pension, other legislation such as railroad retirement and employees compensation, unemployment compensation, old-age pensions—why don't they tie all that up with legislation dealing with compensation and pensions for veterans? Why do they suddenly come along and decide that when we are going to deal with a strictly veterans' problem we are also going to tie in with that problem others dealing with civilians and establish a new precedent in the Congress? That simply means if S. 180 becomes law then in the future any amendment that may come before the Congress in connection with this would undoubtedly be referred to the Committee on Education and Labor in the Senate. It would mean the same thing in the House. It means then that more and more the problems of the veterans are going to be distributed through the various committees of Congress instead of confining them to the committees that are established to deal specifically with the veterans' problems. That is, I will tell you frankly, Senator, what I am honestly afraid of in this bill.

* * * * *

I will make you this prophecy, that if S. 180 is the bill which becomes law, that then within a year they will come back to the Congress, the Federal Security Agency, and those people who are interested in it, will come back to the Congress and will ask for an amendment, stating that it is unnecessary to have two separate administrations; that the cost is excessive and that the sensible and sound administration method of handling this thing would be to channel it all through the Federal Security Agency and cut out the separate administration for the veterans, and they will point out how they can save money in the overlapping and duplicating cost of this program, and inasmuch as the bill has once been passed linking the two together, it will sound reasonable to the Congress that maybe it should be changed. Then you are right back to where we were in the Seventy-seventh Congress when the original bill was introduced.

We are striving, Senator, not to defeat your social objectives, not to defeat rehabilitation for disabled civilians in this country—but we are striving desperately to keep the problems of veterans segregated from the problems of civilians. I know once legislation of this character is enacted into law it is only the first step, the preliminary step to start lumping all of their problems together. That is the desperate fight we are making.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. CLARK of Missouri. I should like to make a suggestion particularly in response to what the Senator from Maryland said a moment ago in asking his question. It is very difficult to understand Senate bill 180 of the Seventy-eighth Congress without taking into consideration the history of Senate bill 2714 of the Seventy-seventh Congress, which was introduced by the Senator from Wisconsin [Mr. LA FOLLETTE] on August 13, 1942, and which absolutely and boldly raped the Veterans' Administration of any jurisdiction over veterans' rehabilitation, and conferred exclusive jurisdiction over the program for veterans, as well as for civilians, upon the Federal Security Administration, Mr. Altmeyer and Mr. McNutt.

Mr. WALSH. I think that is the basis of a great deal of the objection.

Mr. CLARK of Missouri. There is no question about that. I have a fear, the veterans have a fear, and everyone else has a fear, that the undertaking is to remove jurisdiction over the veterans from the Veterans' Administration; and it is feared that if the two problems are linked together there will be a repetition of such an attempt.

Mr. WALSH. I have nothing more to say except that in the last season the House passed a similar bill to this. The Senate failed to pass the bill because we did not reach it until the last few weeks of the session. It is clear to my mind that the House intends to be ready speedily and quickly to pass a bill of this kind—a bill proposing a division of such legislation.

Without discussing the merits of the bill introduced by the able senior Senator from Wisconsin, it is clear that it involves many questions which are certain to arouse much confusion, dispute, and disagreement. It looks to me as if there would be great delay in obtaining legislation such as he proposes.

Let us pass Senate bill 786 and send it to the House. Then there will be no reason why, within a week or two, we cannot have the veterans taken care of by appropriate legislation enacted in the form in which they wish to have it enacted, and giving them the care to which they think they are reasonably entitled.

Mr. BARKLEY. Mr. President, I rise to make a brief statement, not for the purpose of influencing the vote of any other Senator, but lest there might seem to be some inconsistency in connection with my own vote.

When Senate bill 180 was reported from the Committee on Education and Labor, I waited for the Senator from Wisconsin to move to take it up as soon as possible. We were ready to take it up a few days ago, but for some reason or other it went over.

I should be prepared to vote for the bill as a whole if it were before the Senate without any controversy as to the question of a division into two separate bills. However, since the bill has been reported it has become obvious that the Senate will have to pass two separate bills.

In the House there is a Committee on World War Veterans' Legislation which corresponds, so far as the handling of veterans' legislation is concerned, to the Senate Committee on Finance. The House also has a Committe on Education, which, as has been indicated here, has stricken out the part of the bill relating to the matter dealt with by the companion bill.

If Senate bill 180 were to be passed by the Senate and go to the House, the House would proceed—as it has already done in connection with its own bill—to strike out title I, the part relating to veterans, and to handle that matter in a separate bill. In view of that situation, the Senator from Wisconsin has offered to delete title I from Senate bill 180.

Under the circumstances, it is obvious that we must pass two separate bills. The only question before the Senate is, Which bill shall the Senate take up first? That is the only question which remains to be decided.

The motion of the Senator from Missouri is for the Senate to proceed to consider Senate bill 786, and to dispose of it. I think that can be done very promptly.

Later we can take up the other bill and dispose of it. In view of the fact that we must handle the questions involved in two separate bills, it seems to me that the sensible thing to do is to take up first the bill which the Senator from Missouri has moved to consider, dispose of it, and then take up the other bill.

REHABILITATION OF DISABLED VETERANS

The PRESIDING OFFICER (Mr. HILL in the chair). The question is on agreeing to the motion of the Senator from Missouri that the Senate proceed to the consideration of Senate bill 786.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 786) to amend title I of Public Law No. 2, Seventy-third Congress, March 20, 1933, and the veterans regulations to provide for rehabilitation of disabled veterans, and for other purposes, which had been reported from the Committee on Finance, with an amendment, on page 4, line 22, before the word "handicap", to strike out "material and permanent."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

Mr. LA FOLLETTE. Mr. President, I offer an amendment to appear as a new section at the end of the bill, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. At the end of the bill it is proposed to add the following new section:

SEC. 4. In providing rehabilitation training for disabled veterans entitled thereto under laws administered by the Veterans' Administration, the Administrator of Veterans' Affairs shall, as far as practicable, utilize training provided under State plans for vocational rehabilitation, in cases in which in his judgment satisfactory training can be provided under such plans. In such cases the veterans to be trained under such plans shall be selected by the Veterans' Administration and the training to be provided shall be that prescribed by the Veterans' Administration; and the expense, on an actual cost basis, of the services rendered shall be reimbursed by the Veterans' Administration out of the appropriation applicable. The Administrator is authorized, pursuant to agreement with the Federal Security Administrator, to utilize the facilities and services of the Federal Security Agency in carrying out the provisions of this section.

Mr. LA FOLLETTE. Mr. President, the language of the amendment is taken verbatim from the part of Senate bill 180 to which I referred in the colloquy just concluded with the Senator from Maryland. The language was very carefully worked out, and I am in a position to say is, from the administrative standpoint, entirely satisfactory to General Hines.

All the amendment seeks to do is to express as a legislative policy that State-Federal rehabilitation training which is now being supported, and will continue to be supported, out of Federal funds, under existing law, even if Senate bill 180 never comes up again, shall be utilized by the Veterans' Administrator in providing vocational training for veterans when, in his judgment, the State-Federal plan is adequate and efficient to give the veterans that type of training.

Mr. TAFT. If the Senator will yield, I see no objection to the first sentence in the amendment, but the last sentence reads:

The Administrator is authorized, pursuant to agreement with the Federal Security Administrator, to utilize the facilities and services of the Federal Security Agency in carrying out the provisions of this section.

What are the facilities of the Federal Security Administration?

Mr. LA FOLLETTE. I was about to explain that this language was put into the section at the request of the Administrator of Veterans' Affairs for the simple reason that if he finds that after a veteran has been physically rehabilitated in a veterans' hospital, the Federal-State program in Ohio, let us say, is perfectly adequate for training a veteran in that State, affording vocational rehabilitation and vocational training, he can certify the veteran to the State system. That would mean, of course, that the Federal Government would have to provide 100 percent of the money, and the Veterans' Administration does not want to have added fiscal relationships with a large number of States in making payments to individual veterans who may be in training.

The Administrator requested that language be placed in the bill which would permit him to utilize the Federal Security Administration, which now, under existing law, makes the payments to the States for the Federal Government's share of the present Federal-State program. This would merely eliminate making of direct payments to the State systems by the Veterans' Administrator. The payments would be made by the Federal Security Administrator, and the Administrator of Veterans' Affairs would reimburse the Federal Security Administrator out of his funds, in lump sum, for any veterans who had been so trained.

Mr. TAFT. I do not think the Veterans' Administrator, in certifying a veteran to a State, should have to go through the Federal Security Administrator. I do not see what facilities the Federal Security Administrator is going to have to certify men to the State system. I cannot understand what his relations to the veterans will be which will put him in a position to certify in any better way than the Veterans' Administrator can himself certify. In Senate bill 786, on page 3, it is provided already that the Administrator may utilize the facilities of any governmental agency, as well as those maintained by joint Federal and State contributions. There may be some service the Federal Security Administrator may render, but I do not know what facility he has, unless the Senator is contemplating setting up a system of Federal Security Administration which will be applicable.

Mr. LA FOLLETTE. Of course not, and the Senator knows I have no such intention, and Senate bill 180 specifically prohibits any such thing. The fact of the matter is that the only objective of the amendment is to give a legislative directive concerning the Federal-State systems, which are supported by both the Federal and State Governments. Half the money is now coming out of the Federal Treasury, and will continue to do so even though Senate bill 180 is never heard of again. The amendment is offered merely to provide that where the State systems are adequate, in the judgment of the Administrator of Veterans' Affairs, he shall utilize them, and thus save the Congress and the Treasury the burden of passing appropriations to provide separate facilities.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. TAFT. I agree with the Senator in part, and I think the first portion of his amendment is all right. I do not know why the Veterans' Administrator should not, so far as he can, use all existing State facilities. But there are no Federal Security facilities that I know of which could be utilized, and I do not see why every veteran should have to pass, first, through the Veterans' Administration; second, through the Federal Security Administration; and third, through the State procedure.

Mr. LA FOLLETTE. The Federal Security Administration now has the Office of Education, which is the office which administers the present Federal-State vocational rehabilitation program He has all the financial relationships with the various State vocational boards for education. He pays the money into the State treasuries, or it is paid into them on his direction from the Federal Treasury.

All I can state to the Senator from Ohio is that General Hines does not want to have to establish a system of fiscal relationship with every State agency for each and every individual veteran, and to handle the individual checks which will have to be paid to each State agency for every veteran who is under training under each State agency. That is all that is involved in the amendment.

It cost $5,000 a man to rehabilitate the veterans of the last war; we spent $640,000,000 in that work, and it seems to me it would be the better part of wisdom to give to the Veterans' Administrator a direction that where he can save any money, and at the same time not impair the type of vocational service given to a disabled veteran, he should do so.

If the Senate does not want to do it, so far as I am concerned, I have discharged what little responsibility I have in this matter by offering the amendment.

Mr. CLARK of Missouri. Mr. President, I certainly do not desire to detain the Senate at this hour with an undue discussion of this matter; I merely desire to call attention to paragraph 2 of section 2 on page 2 of Senate bill 786, which is now before the Senate. That provision is as follows:

The Administrator shall have the power and duty—

I do not know how to use any stronger words—

The Administrator shall have the power and duty to prescribe and provide suitable training to persons included in paragraph I, and for such purposes may employ such additional personnel and experts as are deemed

necessary, and may utilize and extend existing Veterans' Administration facilities and utilize those of any other governmental agency as well as those maintained by joint Federal and State contribution; and, in addition, he may, by agreement or contract with public or private institutions or establishments, provide for such additional training facilities as may be suitable and necessary to accomplish the purposes of this part.

Mr. President, that seems to me to be as far as the Congress should go in this matter. If we go further, as suggested by the amendment of the Senator from Wisconsin, we will simply be hamstringing the Veterans' Administration and any independent administration of the act, throwing it into the hands of the Social Security Administration, which seems to be the purpose of most of the proposals introduced on this subject.

The veterans do not wish to be under the Social Security Administration. They know from bitter experience following the last war what happened to them when they had half a dozen different agencies passing on them. I personally have had the experience of some of my own men coming in to see me and asking me to fill out blanks for them, to write governmental agencies for them in an effort to obtain benefits to which they were entitled for services about which I knew personally. I have had the experience of writing seven or eight different governmental agencies, and having each of them "pass the buck" to some other. It was not until we established the Veterans' Administration, it was not until we got the Committee on Veterans' Affairs in the House of Representatives, and it was not until the Finance Committee of the Senate created a standing subcommittee known as the Subcommittee on Veterans' Legislation, that we ever began to get any justice from the Government of the United States for the veterans.

Mr. President, I say that the adoption of the amendment of the Senator from Wisconsin, which would make it mandatory on the Administrator of Veterans' Affairs to submit himself to the Social Security authority, which is the only way in which I can read the amendment of the Senator from Wisconsin, instead of laying down a broad general policy for the Administrator of Veterans' Affairs, as is provided in Senate bill 786, would be a very serious mistake, and I hope the amendment will be voted down.

Mr. LA FOLLETTE. Mr. President, I cannot let the statement made by the Senator from Missouri go unchallenged, for the language of my amendment is not subject to the interpretation the Senator places upon it. I wish to read it:

In providing rehabilitation training—

That has nothing to do with physical rehabilitation:

In providing rehabilitation training for disabled veterans entitled thereto under laws administered by the Veterans' Administration, the Administrator of Veterans' Affairs shall, as far as practicable—

That leaves it entirely within his discretion—

utilize training provided under State plans for vocational rehabilitation—

Those are the plans for which the Federal Government is putting up 50 percent of the money—

In cases in which in his judgment—

That is in the judgment of the Administrator of Veterans' Affairs—

satisfactory training can be provided under such plans.

That leaves the decision entirely to him. But it does give a legislative direction that where such plans are satisfactory he should utilize them. If Senators want a repetition of what has happened, if they want separate facilities set up all over the United States, that is the responsibility of Congress and of the majority of Congress. But I think it the better part of wisdom, when we are appropriating the money, that if in the judgment of the Administrator of Veterans' Affairs, a Federal-State agency can give training which he believes to be satisfactory, he should utilize it.

In such cases the veterans to be trained under such plans shall be selected by the Veterans' Administration and the training to be provided shall be that prescribed by the Veterans' Administration; and the expense, on an actual cost basis, of the services rendered shall be reimbursed by the Veterans' Administration out of the appropriation applicable.

Up to that point the Federal Security Administrator has not been mentioned. Now listen to the last sentence:

The Administrator—

That is the Administrator of Veterans' Affairs—

is authorized—

He is not directed; he is authorized—

pursuant to agreement with the Federal Security Administrator, to utilize the facilities and services of the Federal Security Agency in carrying out the provisions of this section.

As I have said, that provision was put in at General Hines' request, in order that he should not be obliged to have detailed financial relationships with each of the States in which he determined to utilize their training facilities, and send individual checks to reimburse the States for the training of individual veterans. That is all that is involved in this whole matter, so far as the amendment is concerned.

Mr. BROOKS. Mr. President, I think perhaps the interpretation made by the Senator from Wisconsin [Mr. LA FOLLETTE] of his own words is entirely correct, but we have had many instances of quite different interpretations having been made of measures after they have left the legislative halls. I wish to agree with the Senator from Missouri [Mr. CLARK] when he says that veterans who are able to establish their disability in connection with active combat or war service, are in a separate class, and that the hands of the Federal Security Administrator should not be put upon them.

We should leave this matter entirely to the Veterans' Administration, which has proved to be satisfactory to every veterans' organization in America, and we should not open the door and permit the feet of any other agency to come in. There will be thousands of service men, hundreds of thousands possibly, who will not be able to establish a war connection to their disability, and their cases should not be handled by other groups. But so long as they can establish that they were singled out, either by their own request, or by orders of their Government, and given guns and told to go out and kill men or be killed—and war is a killing business, Senators—their cases should be dealt with by the Veterans' Administration. We place men in a plane or in a tank, or give them guns, and send them out to meet other men in planes, or tanks, and with guns. We ought to give our men special treatment, and we ought to keep the administration of their cases entirely in the hands of the Veterans' Administration. Although I believe the Senator from Wisconsin gives the proper interpretation to his own words, as he sees them yet, so far as our men are concerned, I believe their cases should be placed in the hands of the Veterans' Administration and left there.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wisconsin [Mr. LA FOLLETTE].

The amendment was rejected.

Mr. GURNEY. Mr. President, referring to page 3 of Senate bill 786, I call attention to the paragraph beginning in line 10. Senators will notice that the language refers only to men soldiers. It is quite unusual for the people of the United States to think of any soldiers excepting men soldiers, but in our armed services today, in the Navy, the Army, the Marine Corps, and in the Coast Guard we have women; so we should make the language take care of them also, because they do come under the proposed veterans' legislation.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. GURNEY. I yield.

Mr. CLARK of Missouri. I will say that if the Senator from South Dakota will suggest an amendment to conform to his suggestion, I shall be glad to accept it.

Mr. GURNEY. I offer an amendment on page 3, line 11, after the word "his", to insert the words "or ner"; on the same page, line 15, after the word "wife", to insert "husband"; and on page 4, in line 12, after the word "his", to insert the words "or her."

Mr. CLARK of Missouri. Mr. President, I accept that amendment.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 3, line 11, after the word "his", it is proposed to insert "or her"; on the same page, line 15, after the word "wife", it is proposed to insert "husband"; and on page 4, line 12, after the word "his", it is proposed to insert the words "or her."

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

If there be no further amendments, the question is on the engrossment and third reading of the bill.

The bill (S. 786) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 1, title I, Public, No. 2, Seventy-third Congress, approved March 20, 1933, be amended by adding at the end thereof a new subsection known as subsection (f) and to read as follows:

"(f) Any person who served in the active military or naval forces on or after December 7, 1941, and prior to the termination of hostilities in the present war shall be entitled to vocational rehabilitation, subject to the provisions and limitations of Veterans Regulation No. 1 (a), as amended, part VII."

SEC. 2. Veterans Regulation No. 1 (a), as amended, is hereby amended by adding at the end thereof a new part to be known as part VII and to provide as follows:

"PART VII

"1. Any person who served in the active military or naval service at any time after December 6, 1941, and prior to the termination of the present war, who is honorably discharged therefrom, and who has a disability incurred in or aggravated by such service for which pension is payable under laws administered by the Veterans' Administration, or would be but for receipt of retirement pay, and is in need of vocational rehabilitation to overcome the handicap of such disability, shall be entitled to such vocational rehabilitation as may be prescribed by the Administrator of Veterans' Affairs to fit him for employment consistent with the degree of disablement: *Provided*, That no course of training in excess of a period of 4 years shall be approved nor shall any training under this part be afforded beyond 6 years after the termination of the present war.

"2. The Administrator shall have the power and duty to prescribe and provide suitable training to persons included in paragraph I, and for such purposes may employ such additional personnel and experts as are deemed necessary, and may utilize and extend existing Veterans' Administration facilities and utilize those of any other governmental agency as well as those maintained by joint Federal and State contribution; and, in addition, he may, by agreement or contract with public or private institutions or establishments, provide for such additional training facilities as may be suitable and necessary to accomplish the purposes of this part.

"3. While pursuing training prescribed herein, and for 2 months after his or her employability is determined, each veteran, if entitled to pension in an amount less than the amount payable in accordance with the compensation rates for total and temporary disability, including additional amounts for wife, husband, child, or children and dependent parents, provided by section 202, World War Veterans' Act, 1924, as amended (U. S. C., title 38, sec. 475), shall be paid increased pension which when added to the amount of pension to which he is otherwise entitled will aggregate an amount equal to such rates: *Provided*, That when the course of vocational rehabilitation furnished to any person as herein provided consists of training on the job by an employer, such employer shall be required to submit monthly to the Administrator a statement under oath showing any wage, compensation, or other income paid by him to such person during the month, directly or indirectly, and based upon such sworn statements, the Administrator is authorized to reduce the pension of such person to an amount considered equitable and just, but not below the amount of pension or retirement pay to which he would be entitled for service-connected disability if not following a course of vocational rehabilitation.

"4. Where any person while following a course of vocational rehabilitation as provided for in this part suffers an injury or an aggravation of any injury, as a result of the pursuit of such course of vocational rehabilitation, and not the result of his or her own willful misconduct, and such injury or aggravation results in additional disability to or death of such person, the benefits under laws applicable to veterans of the present war shall be awarded in the same manner and extent as if such disability, aggravation, or death were service-connected within the meaning of such laws; except that no benefits under this paragraph shall be awarded unless application be made therefor within 2 years after such injury or aggravation was suffered, or such death occurred.

"5. The purpose of rehabilitation to restore employability lost by virtue of a handicap due to service-incurred disability. The Administrator shall have the power and duty to cooperate with and employ the facilities of other governmental and State employment agencies for the purpose of placing in gainful employment persons trained under the provisions of this part.

"6. The Administrator is hereby authorized to make such rules and regulations as may be deemed necessary in order to promote good conduct and cooperation on the part of persons who are following courses of vocational rehabilitation provided by this part. Penalties for the breach of such rules and regulations may, with the approval of the Administrator, extend to a forfeiture by the offender for a period of 3 months of such portion of the pension herein provided as will leave him not less than the amount of the monthly pension or retirement pay to which such person is entitled for service-connected disability, and such penalties may also extend to permanent discontinuance of all further benefits of this part.

"7. The Administrator is hereby authorized to make such rules and regulations as may be deemed necessary for the granting of leaves of absence to those following courses of vocational rehabilitation provided by this part where in his opinion such leaves do not materially interfere with the pursuit of such courses. Such leaves of absence shall not in the case of any person be granted in excess of 30 days in any consecutive 12 months except in exceptional circumstances as determined by the Administrator: *Provided*, That during leave of absence under this paragraph such person shall be considered to be pursuing his course of vocational rehabilitation under this part.

"8. There is hereby authorized to be appropriated, out of any money in the Treasury of the United States not otherwise appropriated, available immediately and until expended, the sum of $500,000 to be utilized by the Veterans' Administration under such rules and regulations as the Administrator may prescribe, as a revolving fund for the purpose of making advancements not exceeding $100 in any case, to persons commencing or undertaking courses of vocational rehabilitation under this part, and advancement to bear no interest and to be reimbursed in such installments as may be determined by the Administrator by proper deductions from any future payments of pension or retirement pay.

"9. The Administrator shall have the power to provide courses of instruction for personnel and may detail employees to attend the same and may detail any such personnel to attend courses conducted by other than Veterans' Administration agencies, including private organizations, and such employees in addition to their salaries shall be entitled to the payment of expenses incident to such detail, including transportation and tuition, as the Administrator by rules and regulations shall provide; and also in his discretion, to make, or, as by agreement with other agency or institution, cause to be made studies, investigations, and reports inquiring into the rehabilitation of disabled persons and the relative abilities, aptitudes, and capacities of the several groups of the variously handicapped and as to how their potentialities can best be developed and their services best utilized in gainful and suitable employment, including the rehabilitation programs of foreign nations engaged in the present war. For this purpose he shall have the power to cooperate with such public and private agencies as he may deem advisable and to call in consultants who shall receive as compensation for their services a reasonable per diem, which the Administrator shall by rules and regulations provide, for each day actually spent in the work provided for herein and shall in addition be reimbursed for their necessary traveling and other expenses. For the purposes of this part, the Administrator may accept uncompensated services upon such agreement as he may deem feasible."

SEC. 3. The appropriations for the Veterans' Administration, "Salaries and expenses, medical and hospital, and compensation and pensions," shall be available for necessary expenses, including but not confined to necessary medical care, and pension payment, payment of reimbursement of expenses in connection with supplying suitable training under this act; and there is hereby authorized to be appropriated such additional amount or amounts as may be necessary to accomplish the purposes of this act.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. HILL in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. HAYDEN, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

By Mr. WHEELER, from the Committee on the Judiciary:

Chase A. Clark, of Idaho, to be United States district judge for the district of Idaho, vice Charles C. Cavanah, retired.

By Mr. KILGORE, from the Committee on the Judiciary:

Curtis L. Waller, of Florida, to be judge of the United States Circuit Court of Appeals for the Fifth Circuit, additional position.

By Mr. HATCH, from the Committee on the Judiciary:

Thurman W. Arnold, of Connecticut, to be an associate justice of the United States Court of Appeals for the District of Columbia, vice Wiley Blount Rutledge, resigned.

Mr. BAILEY, from the Committee on Commerce:

Sundry employees of the Coast and Geodetic Survey to be appointed hydrographic and geodetic engineers with the rank of lieutenant commanders in that Survey.

By Mr. REYNOLDS, from the Committee on Military Affairs:

Sundry officers for appointment and appointment, by transfer, in the Regular Army.

By Mr. WALSH, from the Committee on Naval Affairs:

Several citizens and a meritorious noncommissioned officer to be second lieutenants in the Marine Corps.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will proceed to state the nominations on the calendar.

MINT OF THE UNITED STATES

The legislative clerk read the nomination of Moses E. Smith, of Ault, Colo., to be superintendent of the mint at Denver, Colo.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

THE JUDICIARY—NOMINATION OF CHASE A. CLARK

Mr. CLARK of Idaho. Mr. President, the Judiciary Committee today reported unanimously the nomination of Chase A. Clark, of Idaho, to be the United States district judge for the district of Idaho. There is a term of court approaching, and this office has been vacant for some time. I ask unanimous consent that the Senate proceed to the immediate consideration of this nomination.

Mr. BARKLEY. Mr. President, will the Senator defer his request until we conclude consideration of the nominations on the Executive Calendar?

Mr. CLARK of Idaho. Very well.

The PRESIDING OFFICER. The clerk will state the next nomination on the calendar.

UNITED STATES PUBLIC HEALTH SERVICE

The legislative clerk read the nomination of James S. Miller, to be dental surgeon.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Gordon G. Braendle to be dental surgeon.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. BARKLEY. I ask that the nominations of postmasters on the calendar be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the postmaster nominations are confirmed en bloc.

THE JUDICIARY—NOMINATION OF CHASE A. CLARK

Mr. CLARK of Idaho. Mr. President, referring to my statement of a few moments ago as to the nomination of Chase A. Clark, of Idaho, to be United States district judge for the district of Idaho, which was favorably reported from the Committee on the Judiciary earlier in the day, I ask unanimous consent for the present consideration of the nomination.

The PRESIDING OFFICER. The nomination will be stated for the information of the Senate.

The legislative clerk read the nomination of Chase A. Clark, of Idaho, to be United States district judge for the district of Idaho.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Idaho? The Chair hears none. Without objection, the nomination is confirmed.

Mr. BARKLEY. I ask that the President be immediately notified of all nominations confirmed today.

The PRESIDING OFFICER. Without objection, the President will be immediately notified.

ADJOURNMENT TO TUESDAY

Mr. BARKLEY. As in legislative session, I move that the Senate adjourn until 12 o'clock noon on Tuesday next.

The motion was agreed to; and (at 5 o'clock and 20 minutes p. m.) the Senate adjourned until Tuesday, March 9, 1943, at 12 o'clock noon.

NOMINATIONS

Executive nominations received by the Senate March 5, 1943:

DIPLOMATIC AND FOREIGN SERVICE

Harold E. Montamat, of New Jersey, now a Foreign Service officer of class 7 and a secretary in the Diplomatic Service, to be also a consul of the United States of America.

NATIONAL LABOR RELATIONS BOARD

John M. Houston, of Kansas, to be a member of the National Labor Relations Board for the unexpired term of 5 years from August 27, 1938, vice William M. Leiserson.

REGISTER OF LAND OFFICE

George Abild, of South Dakota, to be register of the land office at Pierre, S. Dak., vice Fred S. Minier.

UNITED STATES PUBLIC HEALTH SERVICE

The following-named passed assistant surgeons to be surgeons in the United States Public Health Service to be effective from the date set opposite their names:

Mason V. Hargett, February 16, 1943.
Cassius J. Van Slyke, March 3, 1943.
Erwin W. Blatter, April 4, 1943.

POSTMASTERS

The following-named persons to be postmasters:

ALABAMA

Joseph G. Hardin, Hillsboro, Ala. Office became Presidential July 1, 1942.

ARIZONA

Jessie L. Beyard, Seligman, Ariz., in place of S. B. Boner, resigned.

Sara O. Delgado, Tiger, Ariz. Office became Presidential July 1, 1941.

ARKANSAS

Chester C. Stokes, Buckner, Ark. Office became Presidential July 1, 1942.

Jessie Garner, Kingsland, Ark. Office became Presidential July 1, 1942.

Mildred T. Akin, Proctor, Ark. Office became Presidential July 1, 1942.

CALIFORNIA

Albert C. Rist, Bradley, Calif. Office became Presidential July 1, 1942.

Janet R. Carroll, Pebble Beach, Calif., in place of J. R. Carroll. Incumbent's commission expired May 4, 1942.

COLORADO

Loudene Humeston, Collbran, Colo., in place of A. E. Humeston, retired.

DELAWARE

John D. J. Lewis, Edge Moor, Del. Office became Presidential July 1, 1938.

GEORGIA

Victor L. Howe, Tallapoosa, Ga., in place of V. L. Howe. Incumbent's commission expired April 29, 1942.

IDAHO

Violet O. Brown, Smelterville, Idaho, in place of A. G. Waggoner, resigned.

ILLINOIS

Mary L. Mears, Bellflower, Ill., in place of O. W. Ashworth, transferred.

R. Verne Westervelt, Buda, Ill., in place of E. R. Webb, resigned.

Hardy E. Altig, Cullom, Ill., in place of S. J. Kiley. Incumbent's commission expired February 6, 1941.

Harold E. Price, Grant Park, Ill., in place of F. B Laking, removed.

William W. Sloan, Rockton, Ill., in place of W. W. Sloan. Incumbent's commission expired June 23, 1942.

Charles H. Green, Vandalia, Ill., in place of G. L. Hausmann, deceased.

INDIANA

Breck E. Leach, Merom, Ind. Office became Presidential July 1, 1942.

Bernice Bales, Modoc, Ind. Office became Presidential July 1, 1942.

Charles A. Good, Monterey, Ind., in place of C. A. Good. Incumbent's commission expired June 23, 1942.

Martin W. Smith, Mount Vernon, Ind., in place of L. W. Thomas, deceased.

IOWA

Mary E. Coons, Carson, Iowa, in place of G. P. Killinger, resigned.

Orange J. DeVault, Earlham, Iowa, in place of W. R. Price, transferred.

Albert B. Mahnke, Greene, Iowa, in place of A. B. Mahnke. Incumbent's commission expired June 23, 1942.

Martha E. Radford, Hancock, Iowa. Office became Presidential July 1, 1942.

James M. Hirl, Princeton, Iowa. Office became Presidential July 1, 1942.

KANSAS

M. Madge Sheddy, Chetopa, Kans., in place of O. E. Heath, resigned.

Aletha Hawkins, Quenemo, Kans., in place of R. E. Elder, removed.

KENTUCKY

Edwin P. Terry, Cave City, Ky., in place of T. L. Gorby, deceased.

LOUISIANA

Paul T. Thibodaux, Donaldsville, La., in place of P. T. Thibodaux. Incumbent's commission expired May 28, 1941.

Robert Lane Colvin, Dubach, La., in place of W. O. Woodward. Incumbent's commission expired March 16, 1941.

Joy Pate, Hornbeck, La. Office became Presidential July 1, 1942.

Henry J. Smith, Mandeville, La., in place of H. J. Smith. Incumbent's commission expired February 18, 1941.

George C. Berly, Marthaville, La., in place of A. C. Locke, resigned.

Esther J. Mohr, Pearl River, La., in place of C. A. Crawford, resigned.

Susie L. Ristom, Starks, La. Office became Presidential July 1, 1942.

Leland J. DeVary, Vinton, La., in place of S. A. Fairchild, retired.

Thelma M. Fleming, Westlake, La., in place of T. M. Fleming. Incumbent's commission expired February 18, 1941.

MAINE

M. Louise Miller, Waldoboro, Maine, in place of A. D. Thompson, removed without prejudice.

Alton B. Gerrish, Winter Harbor, Maine, in place of J. M. Gerrish, deceased.

MARYLAND

Charles H. Wilson, Forest Hill, Md., in place of C. H. Wilson. Incumbent's commission expired June 23, 1942.

Rebecca B. Leaman, Germantown, Md. Office became Presidential July 1, 1940.

James A. Currier, Havre de Grace, Md., in place of G. H. Hergenrother, deceased.

Wilma M. Berg, Mount Hays, Md. Office became Presidential July 1, 1942.

MICHIGAN

LaVange M. Taggart, Cement City, Mich. Office became Presidential July 1, 1942.

Margaret C. Cryan, Mendon, Mich., in place of G. P. Riley, removed.

Bert F. Taylor, North Adams, Mich, in place of R. C. Wolcott, transferred.

MINNESOTA

Esther C. Saam, Cleveland, Minn. Office became Presidential July 1, 1942.

Gilbert P. Finnegan, Eveleth, Minn., in place of G. P. Finnegan. Incumbent's commission expired June 23, 1942.

Ada L. Davies, Kasota, Minn., in place of A. L. Davies. Incumbent's commission expired June 18, 1942.

Arthur P. Rose, Marshall, Minn., in place of A. P. Rose. Incumbent's commission expired June 18, 1942.

MISSOURI

Elisha O. Bryeans, Oran, Mo., in place of E. O. Bryeans. Incumbent's commission expired June 23, 1942.

MONTANA

Lovell E. Whitmore, Whitefish, Mont., in place of L. T. Dennis, resigned.

NEVADA

Frank F. Garside, Las Vegas, Nev., in place of F. F. Garside. Incumbent's commission expired June 23, 1942.

NEW JERSEY

Bradford D. Coffey, Bayville, N. J. Office became Presidential July 1, 1942.

Elizabeth Massey, Franklin, N. J., in place of W. C. Nestor, Jr., resigned.

John B. Braun, Jr., Hightstown, N. J., in place of C. S. Grover. Incumbent's commission expired July 26, 1939.

Xavier H. Walter, Palmyra, N. J., in place of H. W. Barry, deceased.

Lebbeus Potter, Sussex, N. J., in place of A. M. Kimble, deceased.

NEW MEXICO

Melvin O. Shockey, Mountainair, N. Mex., in place of B. C. Melton, resigned.

NORTH CAROLINA

William B. Flake, Lilesville, N. C. Office became Presidential July 1, 1942.

Eunice M. E. Blalock, Longhurst, N. C. Office became Presidential July 1, 1936.

OHIO

Orpah M. Geeding, Addyston, Ohio. Office became Presidential July 1, 1942.

George M. Hanlon, Hamersville, Ohio, in place of S. N. Caron, retired.

William E. Steck, New Lebanon, Ohio, in place of H. A. Haber. Incumbent's commission expired March 25, 1942.

OKLAHOMA

Jesse W. Keith, Haileyville, Okla., in place of J. W. Keith. Incumbent's commission expired June 23, 1942.

David S. Williams, Purcell, Okla., in place of D. S. Williams. Incumbent's commission expired May 14, 1942.

Loyd Barclay, Tryon, Okla. Office became Presidential July 1, 1942.

OREGON

Mae M. Humphrey, Boring, Oreg., in place of M. M. Humphrey. Incumbent's commission expired June 18, 1942.

F. Sylvia Brennan, Hines, Oreg., in place of J. T. Brophy, resigned.

PENNSYLVANIA

J. Raymond Stratton, Blossburg, Pa., in place of E. D. Bermingham. Incumbent's commission expired June 6, 1942.

Mary R. Yocom, Douglassville, Pa., in place of M. R. Yocom. Incumbent's commission expired June 8, 1942.

Flora E. Falter, Glassmere, Pa. Office became Presidential July 1, 1942.

Russell D. Stein, Kutztown, Pa., in place of Llewellyn Angstadt, retired.

Richard H. Ziegler, Red Lion, Pa., in place of P. A. Tschop, resigned.

Harold E. Burnham, Wattsburg, Pa. Office became Presidential July 1, 1942.

Delia L. Meckly, West Milton, Pa. Office became Presidential July 1, 1942.

SOUTH CAROLINA

Hall H. Armstrong, Bath, S. C., in place of F. L. Armstrong, retired.

SOUTH DAKOTA

Anna A. Dithmer, Kadoka, S. Dak., in place of A. A. Dithmer. Incumbent's commission expired May 14, 1942.

Charles E. Stutenroth, Redfield, S. Dak., in place of C. E. Stutenroth. Incumbent's commission expired May 14, 1942.

B. Maynard Christenson, Volin, S. Dak. Office became Presidential July 1, 1942.

Gertrude M. Matteson, White Rock, S. Dak., in place of F. B. Kargleder, transferred.

TENNESSEE

Robert T. Sterchi, Chattanooga, Tenn., in place of E. F. Dennis. Incumbent's commission expired May 28, 1942.

John L. Marshall, McKenzie, Tenn., in place of O. K. Martin, deceased.

Paul B. Andrews, Sparta, Tenn., in place of J. R. Hennessee. Incumbent's commission expired June 8, 1942.

James W. Howard, Spring Hill, Tenn., in place of I. M. Cheairs, retired.

TEXAS

Maud English, Kennard, Tex., in place of H. P. English, retired.

Lawrence O. Reardon, Mason, Tex., in place of J. W. Reynolds, retired.

Hilmar H. Wagner, Rowena, Tex., in place of Joseph Marecek, transferred.

Verda L. White, Royalty, Tex., in place of N. M. Lewis, resigned.

Willie R. Goodwin, Stinnett, Tex., in place of W. R. Goodwin. Incumbent's commission expired June 23, 1942.

VIRGINIA

Andrew W. Cameron, Hot Springs, Va., in place of A. W. Cameron. Incumbent's commission expired June 23, 1942.

WASHINGTON

Carl V. Elliott, Brewster, Wash., in place of L. M. Tyler, retired.

Roy R. Nottage, Sprague, Wash., in place of J. F. Brislawn, removed without prejudice.

WEST VIRGINIA

John B. Forinash, Huttonsville, W. Va. Office became Presidential July 1, 1942.

Stella G. James, Institute, W. Va., in place of S. G. James. Incumbent's commission expired June 23, 1942.

Cassius O. Shafer, Sr., Lundale, W. Va. Office became Presidential July 1, 1942.

WISCONSIN

Wallace J. Milsap, Shawano, Wis., in place of W. J. Milsap. Incumbent's commission expired June 23, 1942.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 5, 1943:

UNITED STATES DISTRICT JUDGE

Chase A. Clark to be United States district judge for the district of Idaho.

MINT OF THE UNITED STATES

Moses E. Smith to be Superintendent of the Mint of the United States at Denver, Colo.

UNITED STATES PUBLIC HEALTH SERVICE

TO BE DENTAL SURGEONS

James S. Miller
Gordon G. Braendle

POSTMASTERS

NEBRASKA

Plato C. Redfern, Big Spring.
Edmund A. Hall, Fairmont.
Marion M. Kenroy, Long Pine.
Charles F. Beushausen, Loup City.
Mary E. Krisl, Milligan.
Marie Weeks, Norfolk.
George C. Thurman, Peru.
Beth H. Clary, Seneca.
Charles E. Major, Trenton.
Hester E. Lowe, Wolbach.

NEW YORK

Jeannette S. Catalano, Derby.

HOUSE OF REPRESENTATIVES

FRIDAY, MARCH 5, 1943

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, when chastened by pain and doubt we would lean on Thee for Thou art the shadow of a great rock in a world of peril. Along with the years we marvel and wonder why life is life. O to see a little clearer where we cannot see. Grant that we may draw nearer to Thee when thoughts of doubt crowd and no hand reaches out to help.

Dear Lord, the coveted higher life is far, far away, if we fail to take Thee at Thy word: "I will go with Thee all the way." To be unloved and uncared for by the God of our immortal souls would be blighting to our hopes and chilling to our upward-seeking desires. We rejoice that to this weary, anguished world, our Saviour is the bread which cometh down from Heaven and fear is mastered and subdued, and care no longer eateth as doth a canker. We humbly pray that His spirit may harmonize the powers of our natures. O mold them into a beautiful service of righteousness, that our influence may be felt and others may taste the joy of doing good and promote the Kingdom of God in human hearts and homes, and Thine shall be the praise forever. In our Redeemer's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS

Mr. PRIEST. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a statement by the gentleman from Alabama [Mr. SPARKMAN] on Town Hall of the Air and two brief excerpts from newspaper articles.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

GIVING CREDIT FOR VICTORY

Mr. ALLEN of Louisiana. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. ALLEN of Louisiana. Mr. Speaker, in a communique on the results of the great victory in the Pacific this week in which our forces destroyed a huge enemy convoy with very little loss to ourselves, General MacArthur, in commenting on the victory, made this significant statement:

Merciful Providence has guided us to this victory.

I know it will be heartening to the Christian people all over this Nation and all over the world to have a great military leader who is willing to give Providence this credit. I think it is the duty of the American people to work for victory to the very limit of our human ability and also to invoke the leadership and blessings of God upon our efforts, and when victory does come, like General MacArthur, we should be careful to give God the credit which is due Him.

The SPEAKER. The time of the gentleman from Louisiana has expired.

TRIBUTE TO THE FIVE SULLIVAN BROTHERS WHO WERE LOST TOGETHER IN BATTLE AT SEA

Mr. SULLIVAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

[Mr. SULLIVAN addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein an article by David Lawrence.

The SPEAKER. Is there objection?

There was no objection.

Mr. SHAFER. Mr. Speaker, on yesterday I obtained permission to insert in the RECORD tables and notes on estimates of minimum civilian requirements, and I find that the matter is in excess of the matter I am permitted to insert. I have an estimate from the printer as to the additional cost, which is $272.50. I ask unanimous consent that I may be permitted to extend it notwithstanding.

The SPEAKER. Is there objection?

There was no objection.

Mr. GILLIE. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein a joint memorial of the Legislative Assembly of the State of Montana, protesting against the recent reorganization of the Bureau of Animal Industry, Department of Agriculture.

The SPEAKER. Is there objection?

There was no objection.

Mr. PACE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in two respects, in one to include a radio address by Secretary Wickard, regarding wheat quotas, and in the other a statement by Secretary Wickard, regarding food supplies.

The SPEAKER. Is there objection?

There was no objection.

Mr. FLANNAGAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a statement appearing in the morning press by Senator HERRING.

The SPEAKER. Is there objection?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix on four different subjects and to include certain newspaper clippings and letters.

The SPEAKER. Is there objection?

There was no objection.

GENERAL MACARTHUR'S REPORT

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, I simply want to read to the House one paragraph from the report of General MacArthur, as reported in the Daily News of last night:

The battle of the Bismarck Sea now has been decided. We have achieved a victory of such completeness as to assume the proportions of a major disaster to the enemy. His entire force was practically destroyed. His naval component consisted of 22 vessels, comprising 12 transports and 10 warships—cruisers or destroyers.

Mr. Speaker, I simply want to take this occasion to express my admiration and my thankfulness for the valor and effectiveness of those men of the American armed forces who achieved that victory.

The SPEAKER. The time of the gentleman from California has expired.

EXTENSION OF REMARKS

Mr. POULSON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include therein a report from the Department of Agriculture.

The SPEAKER. Is there objection?

There was no objection.

Mr. O'BRIEN of New York. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an editorial appearing in the Rochester Times-Union. In view of the fact that this is a very important subject and the distinguished gentleman from Indiana [Mr. HALLECK] has given a great deal of study to it, I suggest that every Member read this editorial because of the significance attached to his statement.

The SPEAKER. Is there objection?

There was no objection.

BUREAU OF FOREIGN AND DOMESTIC COMMERCE, DEPARTMENT OF COMMERCE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks and include a part of a letter from the Boston Chamber of Commerce regarding the fear of elimination of the field offices of the Bureau of Foreign and Domestic Commerce, Department of Commerce.

The SPEAKER. Is there objection?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, the Boston Chamber of Commerce says, in part, in this letter:

BOSTON CHAMBER OF COMMERCE,
Boston, Mass., March 3, 1943.

Hon. EDITH NOURSE ROGERS,
House of Representatives,
Washington, D. C.

DEAR MADAM: The Boston Chamber of Commerce respectfully asks for your interest and cooperation in favor of restoring to the 1943 budget of the Department of Commerce sufficient funds to enable the essential field work of the Bureau of Foreign and Domestic Commerce to be continued.

We believe that the necessary activities of this Bureau should be maintained by providing for the operation of 1 field office in each of the 12 Federal Reserve districts.

In the course of its 30 years' existence the field service of this Bureau has rendered unique and efficient service to business and the public. Its work will be needed in full measure after the war. It would be a grave mistake, therefore, to require at this time that its long experience, the skill of its personnel and its well-organized channels of service should be abandoned.

The Boston Chamber recognizes the urgent need of eliminating all unessential Government expenditures, and we are heartily in favor of this policy. We believe, nevertheless, that a very large part of the present field work of the Bureau of Foreign and Domestic Commerce is of an indispensable character, particularly in relation to its operations concerning current export distribution, its work in behalf of the Bureau of Economic Warfare and the war programs of other Government agencies.

The SPEAKER. The time of the gentlewoman from Massachusetts has expired.

ABSENTEEISM

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my own remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. REES of Kansas. Mr. Speaker, there has been a considerable amount of discussion in the newspapers and on the floor of the House recently on the subject of absenteeism. A committee of this House, I am advised, is investigating the question.

Absenteeism, unfortunately, is on the increase in many sections in our war industries. The output is lowered where it should be increased. I am informed that investigations show that there is from 5 to 15 percent absenteeism in our war industries and that during peacetime it was 2 percent. I know conditions are abnormal and many factors enter into the question. It is observed that a great percentage of absenteeism occurs during the first part of the week and this is attributed, to a great extent, to "hangovers" on the part of employees.

I call your attention to an article on this subject in the magazine Fortune, of March this year. That article, among other things, says that younger men who go on a "binge" suffer "24-hour pneumonia" after pay day.

It is not claimed that excessive drinking is the primary cause of absenteeism among the big majority of workers. As a matter of fact, absenteeism does not occur among most of them. It is done by a minority. But absenteeism caused by excessive drinking should not be tolerated.

The prevention of the sale and use of liquor in and around places where people are employed in war work ought to at least be regulated, and excessive drinking by people engaged in such important work should be stopped.

The SPEAKER. The time of the gentleman has expired.

PERMISSION TO ADDRESS THE HOUSE

Mr. MICHENER. Mr. Speaker, I ask unanimous consent that on Monday next, after the disposition of the business of the day and other special orders, the gentleman from Illinois [Mr. WHEAT] may address the House for 10 minutes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include an editorial from the Norwich Sun of March 2, 1943.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PROTECTION OF AMERICAN HOME

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. EDWIN ARTHUR HALL. Mr. Speaker, the gestapo has thundered upon the doors of our American homes. The O. P. A. has illegally entered the residences and houses of people in my district. I stand here today to protest the illegal action taken by the O. P. A. in its high-handed act of illegal entry. I wonder just how much the boys who are fighting our country's battles on many fronts of the world would approve of such action. I wonder how they would feel if they knew that their folks, their parents, and loved ones were finding their country invaded by the super-snoopers who have been coming into their homes.

We can win this war; the American people can win it, but never by the use of arbitrary methods that have been followed in this case. You cannot pour cold water on people's patriotism and get away with it.

Do these bureaucrats realize that the folks back home are as anxious for victory as they are? Let them stop insulting Americans and get busy trying to solve the problem of food rationing and food distribution.

In forcing their way in the houses of our citizenry these agents are violating the Anglo-Saxon conception of common law described by the time-honored adage, "A man's home is his castle." I hope they will cease this dangerous practice lest it have dire consequences among the patriotic rank and file of our people.

The SPEAKER. The time of the gentleman has expired.

EXTENSION OF REMARKS

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include an editorial from the Atlanta Constitution of Sunday, February 28, 1943.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent that on Monday next, upon the conclusion of the legislative business and other special orders, I may address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

EXTENSION OF REMARKS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include therein a statement from the Under Secretary of the Navy on what the Navy is doing for small business, and also another statement from the Treasury Department on what the Procurement Division of the Treasury is doing for small business, and include therein certain tables.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. KNUTSON. Mr. Speaker, several days ago I asked and was granted permission to extend my remarks and to include an address by N. K. Carnes, general manager, Central Cooperative Association. I have been advised by the Government Printer that the article will run approximately two-thirds of a page over the limitation of two pages, at a cost of $120. I ask unanimous consent that the article may be printed.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. WOLVERTON of New Jersey. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include an article by Helen Essary of February 28, 1943.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. GEARHART. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include a brief article by Mr. Dewey Carson, of Santa Barbara, Calif.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. McMURRAY. Mr. Speaker, I have two requests to submit: First, I ask unanimous consent to extend my own remarks in the RECORD and to include two resolutions adopted by the Great Lakes Harbors Association; second, to extend my own remarks in the RECORD and include a very significant statement by the United States judge, F. Ryan Duffy, of Milwaukee.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

(Mr. RANKIN asked and was given permission to extend his own remarks in the RECORD.)

MARCH ANNIVERSARIES

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. RANKIN addressed the House. His remarks appear in the Appendix.]

RESIGNATION FROM THE COMMITTEE ON THE DISTRICT OF COLUMBIA

The SPEAKER laid before the House the following resignation:

Hon. SAM RAYBURN,
Speaker, House of Representatives,
Washington, D. C.

MY DEAR SPEAKER RAYBURN: I hereby tender to you my resignation as a member of the District of Columbia Committee of the House of Representatives. This action is taken because I do not have time to give proper attention to the important duties of this committee.

Respectfully yours,

ED GOSSETT.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

EXTENSION OF REMARKS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a copy of a resolution recently adopted by the Needham Forum.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

ORDER OF BUSINESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. McCORMACK. Mr. Speaker, it is very important that debate on the lend-lease bill start on Monday. I realize at the same time that Members have had a very hard legislative week and I know how much Saturday means to me in handling my mail. Every one of us is working hard. I am hopeful that the supplemental naval appropriations bill will be disposed of today, because if it is not I shall feel constrained to have the House sit tomorrow to dispose of it finally.

One of the main reasons I rise at this time is to seek information from the chairman of the committee and the ranking minority member of the committee as to whether they believe the bill can be disposed of this afternoon.

Mr. SHEPPARD. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. Gladly.

Mr. SHEPPARD. Insofar as I know, I may say to the distinguished gentleman from Massachusetts I see no reason why the bill cannot be concluded early this afternoon. We have rather extensive discussion of the bill. Does the gentleman from Pennsylvania know any reason why it should not be completed this afternoon?

Mr. DITTER. Will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman.

Mr. DITTER. I feel with the fine evidence of support for the bill which has already been shown here that within a very reasonable time this afternoon the bill will be disposed of.

Mr. HOFFMAN. Will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Michigan.

Mr. HOFFMAN. If memory serves me correctly, it was only a few short weeks ago that the majority leader objected so strenuously when I suggested that if necessary we work a little on Saturday, sometimes on a Friday. Has the gentleman seen the light, and does he think we ought to get down to business now?

Mr. McCORMACK. The gentleman from Michigan on some occasions is a beacon of light to all of us.

Mr. HOFFMAN. That is good, and I am glad to hear it. The gentleman may be assured that I do not try to keep that light under a bushel, as does the gentleman from Massachusetts.

Mr. McCORMACK. The gentleman shows some evidences of friendly distemper perhaps.

Mr. HOFFMAN. The gentleman just misunderstood me. We have always been friendly.

Mr. McCORMACK. I said "friendly distemper."

Mr. HOFFMAN. That is a bad disease that afflicts horses and dogs.

Mr. McCORMACK. Of course, it is bad.

Mr. HOFFMAN. I never had that.

Mr. McCORMACK. They usually kill dogs with distemper.

Mr. HOFFMAN. I am glad the gentleman shows evidence of conversion.

EXTENSION OF REMARKS

(Mr. VAN ZANDT, Mr. LUDLOW, and Mr. FORAND asked and were given permission to extend their own remarks in the RECORD.)

Mr. CHURCH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include an article and address by O. W. Dynes.

The SPEAKER. Is there objection to the request of the gentleman from Illinois [Mr. CHURCH]?

There was no objection.

SUPPLEMENTAL NAVAL APPROPRIATION BILL, FISCAL YEAR 1943

Mr. SHEPPARD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 2068) making additional appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1943, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 2068, with Mr. BULWINKLE in the chair.

The Clerk read the title of the bill.

The Clerk read as follows:

NAVY DEPARTMENT

For additional amounts for appropriations for the Navy Department and naval service, fiscal year 1943, to be supplemental to the appropriations and funds in the Naval Appropriation Act, 1943, including the objects and subject to the limitations specified under the respective heads and subject to the provisions under the head "General provisions" contained in said act, except as otherwise provided herein, as follows.

Mr. LANHAM. Mr. Chairman, I move to strike out the last word, and I ask unanimous consent to proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas [Mr. LANHAM]?

There was no objection.

Mr. LANHAM. Mr. Chairman, day before yesterday the gentleman from Kansas resumed his self-assumed role of criticizing the war service of the sons of the President. I am very much surprised and disappointed at his repetition of this attack. It so happened that I was busy in another part of the Capitol when his remarks were made.

It is not a sufficient basis for the unjust criticism in which the gentleman from Kansas has indulged that he disagrees with policies of the President. I doubt if any Member serving here has been in accord with every proposal the President has made. Differences of opinion naturally inhere in human nature and in the independence of American thought and judgment. But it is not becoming of anyone in this body in these trying times to criticize loyal Americans who are wearing the uniform of our country. Aside from the impropriety of its effect upon morale, there are three additional reasons among others why such attacks should not be made.

In the first place, these boys are rendering a patriotic service to the land they love in fighting for the defense and protection and preservation of the American ideals we cherish. In the second place, without minute investigation no one of us can know in detail all the facts concerning the record of anyone in the armed forces. In the third place, it is distinctly unfair because these boys have no opportunity whatever to reply to such unwarranted attacks.

I feel impelled to read to you a letter which I received recently from Elliott Roosevelt. It is as follows:

NORTH AFRICA, *January 22, 1943.*

The Honorable FRITZ LANHAM,
House of Representatives,
Washington, D. C.

DEAR FRITZ: I am writing you this note because, first of all, you are my Congressman and, secondly, you have known me for a long time and can speak for me as a citizen of the State of Texas.

I have just had an opportunity of seeing my father over here, and he gave me the first American newspapers I have seen since I left the States last September.

In the papers I read something which deeply disturbs me. A fellow Congressman of yours has undertaken to criticize some of my brothers and their war records by stating that two of them were pulled out of combat zones so that they would not be exposed to danger. Inasmuch as I know the Congressman could not be referring to me, because I am here with the troops in North Africa, and because I know that my brother Franklin has been on a destroyer in the north Atlantic and still is, there can be only two brothers to whom the gentleman in question refers, my brothers James and John.

I happen to know that James has insisted on carrying on, on active duty, even though he is not physically up to the strain of combat. He could easily sit back and not be exposed to actual combat, because if he were anybody else's son he would be exempted from such duty. He is a hell of a fine officer and has plenty of guts. Ask any man who has served with him—that is the test. John, my youngest brother, is in the Naval Supply Corps. He's been fighting like hell ever since he got in to go on foreign service, and I know that my father or anyone else isn't going to stop him before this show is over.

The fact that my brother James has won the Navy Cross for gallantry in action speaks for itself.

Such criticism aimed at men who are fighting for their country strikes me as sort of unfair. They can't answer back. We feel we are fighting for all America. We are not in politics. In the forces there is a unity of purpose—the continuation of American freedom and American ideals.

Please explain this fact to your colleague, and try to explain to him that we, as soldiers, don't care whether or how much he disagrees with the President, but for God's sake let us fight without being stabbed in the back for the sake of politics.

If I ever get home and am out of the Army I'll be glad to stand up for my own honor, but in the meantime see if he won't lay off until such time as a fair fight can be made of it.

I don't care whether a man is a Republican or a Democrat. Let's get together and get this damn war won. I'm tired and I want to go home and live in peace on my ranch with my family. The sooner the better, too.

If the Congressman questions my service, you might tell him that I have spent over two-thirds of my service in the past 2 years on foreign duty. I've been in every lousy spot the Air Corps can think of to send its men. It's not much fun I can tell you, especially the butterflies that fly around in your stomach when the German gets the range and lets loose everything he's got at your plane.

Thank you, sir, for passing on these personal sentiments to your honored colleague in the House.

Sincerely your friend,

ELLIOTT ROOSEVELT,
Lieutenant Colonel, Air Corps.

That sounds like a letter of a true American soldier. You will note it does not contain one word disrespectful of the gentleman from Kansas. Elliott Roosevelt is fighting the enemy, not Members of Congress. And surely it is the duty of all Members of Congress to help such boys fight the enemy and not be directing attacks against the boys themselves.

On the day I received that letter I sought out the gentleman from Kansas and read it to him and pleaded with him to desist from such unwarranted criticism. I repeat I am surprised and disappointed at its renewal.

Because of the former utterances of the gentleman from Kansas in this regard, I made it a point to make some personal investigation of the service of the President's sons. I want to give it for you and for the RECORD in order that we may get on about winning this war and stop attacking one another.

James is now a lieutenant colonel in the Marine Corps. He has been promoted from the captaincy he had when the war began. When he was first commissioned in the Marine Corps, before the war, he was a lieutenant colonel. However, when the war began he asked to be reduced to a captaincy. His request was complied with and now he has, by

his service with the marines in action in the southwest Pacific, been twice promoted and risen again to the rank of lieutenant colonel in his own right. He has been decorated for gallantry in action.

When he was serving as one of the secretaries to his father, he had to resign because of ill health. He underwent a major operation at the Mayo Clinic in Rochester, Minn. His stomach was ulcerated, and the surgeons removed a dangerous and sizable ulcer.

When he was discharged from the hospital in Rochester, the surgeons and doctors advised him to remain on a very restricted diet. The marines in the southwest Pacific eat what they can get in the way of field rations, and dieting in accordance with doctors' orders is impossible. James Roosevelt was one of them and ate with them and lost 30 pounds in weight.

He was second in command of a detachment of marine commandos. They went on a combat mission. He refused to leave his command and remained with it until the mission had been accomplished. The doctors with his detachment then ordered him to a service hospital for observation. As a result, he was returned to the United States and has been instructing marines in commando tactics at a training station on the west coast. My information is that he has asked to be relieved of his duties as an instructor and to be returned to the southwest Pacific for further active service there.

Franklin, Jr., entered the Navy as a reservist, following his graduation from Harvard, where he had taken the course of studies prescribed for naval reservists and had passed successfully. He has been promoted to a lieutenancy and is serving at the present time as the gunnery officer aboard a destroyer. His ship was in action at Casablanca, and I have heard it said that his destroyer fired more shells than any other ship of its class that saw action at Casablanca. After that action, his destroyer was ordered to a navy yard on the Atlantic coast for repairs. While these repairs were being made, Franklin, Jr., was given a few days' leave and it was then that he visited Washington to see his father and mother.

Franklin, Jr., was assigned to neutrality patrol work in the North Atlantic before Pearl Harbor. While on this duty he suffered an attack of appendicitis. His destroyer, as was the case with many others at that time, did not have a full complement of officers. He carried on, standing his watches with his brother officers, and he remained on duty despite his illness until his ship returned to the home port.

Standing watch on a destroyer in the wintry waters of the North Atlantic is a man's job any time. But standing such watch when a man is ill and running a fever takes something of real Americanism. And that is what this boy did.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. LANHAM. Mr. Chairman, I ask unanimous consent to proceed for 4 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BALDWIN of New York. Mr. Chairman, will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from New York.

Mr. BALDWIN of New York. Can the gentleman tell me whether he has investigated the record of the gentleman from Kansas to see what contribution he made in the last war?

Mr. LANHAM. I have not done so. I am speaking of the accusation made by the gentleman from Kansas against the sons of the President and their service. May I say again that there is not one disrespectful word in the letter of Elliott Roosevelt in regard to the attack made by this Member of Congress, despite the fact that the criticism of this Member was directed at his own brothers.

Mr. BALDWIN of New York. Does the gentleman from Texas know that in the city of New York we have made every effort to have the men of the forces on leave entertained, just as the President's son was entertained, soldiers, sailors, officers, all of them?

Mr. LANHAM. To be sure, and you have done a fine and commendable job. Goodness knows it is as little as we can do to entertain these boys on leave and give them a little of the comforts and pleasures of life.

Mr. BALDWIN of New York. I hope the gentleman knows the Members on this side of the House concur in what he is saying.

Mr. LANHAM. I certainly appreciate the contribution of the gentleman from New York and thank him for it.

John Roosevelt does not have normal eyesight. He could not pass the physical examination as a Navy line officer. He was accepted, however, as a supply officer, receiving his commission as an ensign after he had passed the course of studies given by the Navy business school at Harvard University, of which institution John is a graduate.

He was at one time in charge of the supplies for a squadron of ships in Pacific waters. He was attached at the time to a shore station, the home port of his squadron. However, he had asked for a transfer of duty from shore to sea. He has recently been transferred from the San Diego area to the vicinity of San Francisco, and he is still greatly interested in carrying out his naval ambition to serve as supply officer on an airplane carrier in the Pacific.

Elliott Roosevelt also was unable because of defects of vision to get a commission as a fighting pilot in the Air Corps. It was for this reason that he was assigned to photographic work. As an Air Corps photograph officer, he has flown and photographed the North Atlantic coast, Newfoundland, Greenland, Iceland, and has had photograph missions in England, over occupied France, and has done extensive work in Africa. For his splendid service he has received a decoration.

On one trip to Africa, before the American forces landed on that continent, he brought back a great mass of photographs of African terrain. His plane was fired on and chased by German pilots. Fortunately he was able to escape the enemy pursuers by maneuvering and concealing his ship in the clouds. The photographs he made assisted greatly in the planning that preceded the landing of our forces in Africa.

When it was necessary for him to go to a hospital for an operation, he brought the African films back to the United States. On his mission to Africa he was taken ill, but he completed his mission and returned home before he reported to the Army doctors or was treated for the illness which finally led to the operation in Fort Worth.

It is a very easy matter to "bob up serenely" on the floor of this Chamber and indulge in unjustified criticism, but it is a difficult task to perform the service which our valiant boys are rendering for their country. I am properly proud of every loyal American boy in our armed forces who is bravely doing his part to achieve the victory for liberty we crave, and an examination of the facts of the record will disclose that the sons of the President have shown by their deeds that they belong in this patriotic and courageous class.

Mr. MAY. Mr. Chairman, I rise in opposition to the pro forma amendment and ask unanimous consent to proceed out of order.

The CHAIRMAN. Is there objection to the request of the genteman from Kentucky?

There was no objection.

Mr. MAY. Mr. Chairman, I think this tragic war has brought to the world two of the most outstanding instances of the trend toward real democracy the world has even seen. Let me say here that I concur in all the gentleman from Texas [Mr. LANHAM] has just said. I believe the fact that the four sons of the President of the United States, who undoubtedly, if they had desired to avoid service to their country in this war could have found a way to do so, have on the contrary volunteered their services to their country, ought to receive the commendation of every one of us and the criticism of no one. I call attention to that as the first example of real, genuine democratic patriotism.

The other thing to which I wish to call your attention at this time as an instance similar to their services is the fact that George VI of England has just recently laid aside the purple robes and the crown and stepped down from the most powerful throne on the face of the earth to become a democrat in blue overalls as a worker in a British war factory. I think his action, along with that of the sons of President Roosevelt, ought to be at least a gentle admonition to us and to the people of this country who are suspected of unjustifiable absenteeism from their work in our war effort.

If the time has come when a king can step down from his throne to become a toiler, to work with his hands from the setting sun to the rising sun, all through the weary hours of the night, if the time has come when the sons of a President

of the United States can brave the perils of the sea and of the air and of the land and of the jungles, as well as the battle fronts, that ought to be an admonition to the men of this country who are able-bodied and in good health, well-fed, well-clothed, and well-housed, that they should go to work on time and continue on time.

I heard considerable discussion here yesterday on this subject. To my mind, this Congress has more perplexing and difficult problems with which to deal than any Congress in the history of America. Therefore, I rise merely for the purpose of leaving one admonition with the Members of the House, that instead of knocking the boys in the service, let us extend a helping hand henceforth, and leave off our criticism. Let us devote ourselves wholly to the task of solving the great problems which confront us and not spend our time in political criticisms of the family of the President, every one of whom has proven his loyalty and patriotism time and again.

Mr. ARENDS. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, it was my privilege last Saturday to be in Detroit, Mich., where with six other Members of the House we spent the day in visiting the Ford Willow Run airplane plant and the Chrysler-operated tank factory. As a member of the House Military Affairs Committee, I was extremely interested in making this trip. To say that the picture of production methods and results being obtained were a revelation to me would be putting it mildly. I sincerely wish every Member of Congress might have the same opportunity as was mine in going through these two plants. I am sure your eyes would be opened at the remarkable progress that has been made in so relatively a short space of time and the record of production which we note coming from the assembly lines. Truly, seeing is believing, and because I did see I desire to relate to you, at least in part, some of the findings and facts as I noted them on my travel through these huge plants.

As we are all aware, much criticism and much questioning has gone on regarding the Willow Run plant and the fact that it has been so long in getting into production. Yes, many individuals have wise-cracked by saying, "Not Willow Run but will it ever run?" I want to report it is running. When one considers that only about 18 months ago the place where we now see airplanes being produced was a meadow or pasture, any such observer must realize that great progress has been made. As you start through this huge plant so recently erected and follow through part by part all the necessary items and materials needed to put planes into the air, you again begin to wonder how they are able to do it. Please remember that all the battery of tools, huge machine tools, had to be designed, patterned, built, and installed before a finger could be turned. Then workers had to be hired. There are now about 38,000 such employees and it is hoped to build the force to 88,000. Hardly any of these individuals had any previous knowledge on how to build airplanes. They had to be schooled and taught. In fact, out of a group of 16,000 who completed training courses, over 9,000 have already left the plant for various reasons, primarily, of course, because of the draft. Another important factor is the lack of housing facilities. As I understand it, many are already driving 40 or 50 miles to work at the plant. Some Government housing is now going up, but it is needed immediately. Surveys have been made to locate all and any available rooms in the vicinity of Willow Run. The results are negligible.

Today approximately 35 percent of the employees are women. The management hopes and desires to step up this percentage as fast as possible. Women workers are proving very efficient. Men classified in I–A are no longer placed on the pay roll, due to the short space of time they can work before being called into the service. There have been some shortages of materials, but the best opinion now is that they are over the hump as to any real bottlenecks. The matters of securing sufficient labor and adequate housing appear to be the real handicaps to speedy results.

I am not at liberty to disclose what the production records are to date. It suffices, I think, to state that over the period of the last few months, on a percentage basis, the increase in production is good. Such increases are expected to continue to the end that the objective goals will be met sooner than many might suppose.

As to the workers—and from figures given me, I might add that there is too much absenteeism in the plant, amounting for the month of February to approximately 10 percent for all employees—there is room for improvement in application and determination to work harder, longer, and more effectively in order to produce more. Only an extremely small minority of the employees are responsible for such a state of affairs. Somehow there must be instilled in all workers, whether in the plants I visited or all others, a determination to do their best. The time has come when every hour of manpower must be utilized to the best of our obility.

Management appears to be doing their utmost to meet and fulfill the goals set for them by the War Department. I truly marvel at the ingenuity, ability, and resourcefulness of the men at the helm who unselfishly and patriotically are trying their best to do as good a job as can be done for their Government, in order that we win the war as expeditiously as possible. Theirs is not a pleasant job and I know they much prefer the day to come when they again can be building and delivering automobiles which add joy to your and my everyday life.

The Chrysler plant, building General Sherman tanks, was most interesting. From the time we entered the one door where we noted the raw material, right on to the end of the assembly line where the finished M–4 came off, there was a story in production ability which one could not fail to recognize. The production here is apparently up to schedule and does and can meet requirement goals of the War Department. And the ride in one of the finished tanks, parts of which are made like a clock, demonstrates what creatures of destruction these tanks can really be.

Mr. Chairman, American ingenuity, initiative, private enterprise, and know-how methods, coupled with the efforts of patriotic, loyal, determined workers, are going to get the production job done for America. I am convinced of this since visiting the two above-mentioned plants. Again let me state, I wish every Member of Congress, the press, the radio commentators and columnists could visit such places as I did last Saturday. I feel sure there would be far greater understanding on the part of all.

Mr. CELLER. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from New York is recognized for 5 minutes.

Mr. SHEPPARD. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 5 minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. CELLER. Mr. Chairman, on all sides we hear much about absenteeism, and in that regard what I have to say at this juncture may make me feel as lonesome as a slice off a loaf of bread. On all sides we hear charges against labor. Labor is cuffed around, chastised, castigated, criticized as though it were a whipping boy. We hear very little these days about the tremendous efforts labor is putting into war work and its many sacrifices, its perseverance, its keeping its nose to the grindstone. Its nonstrike pledge, with few exceptions, has been rigidly maintained. Indeed, the loss of man-hours during October and November and December was less than three one-hundredths of 1 percent as a result of this no-strike pledge, but here we now have Capt. Eddie Rickenbacker, a real hero, for whom I have abundant regard, who comes forward as a new Daniel come to judgment. Mr. Chairman, he speaks out of his element when he lambastes labor from hell to breakfast. I repeat, I respect his unflinching courage and stamina, but that does not require my agreement with him on all his observations.

High-ranking officials likewise hurl all sorts of invective at labor, and the abuse and billingsgate flow freely in this Chamber. Labor baiters abound everywhere. But why visit the sins of the few upon the many? The slightest lapse from grace is exaggerated out of all proportions. The merest slip or indiscretion causes an hysterical press to screech to high heaven. One would imagine that all hewers of stone and carriers of water; all men who toil, are racketeers, or shirkers, or good-for-nothings. Absenteeism, legitimate or illegitimate, is bunched together and is grossly misrepresented. Absenteeism is propagandized as a sort of catch-all phrase with which to beat and strafe labor. I have

no excuse for the willful absentee, either because of laziness, recovery from a binge, or just cussedness. I hold no brief for labor leaders at aircraft plants who threaten to hold continuous unfinished business labor mass meetings until their demands for higher wages are satisfied. I denounce any deliberate work stoppage on war appliances. But such cases are isolated and rare. They are highly exceptional. The honest labor man and woman should not be blamed for the dereliction of a few self-seeking or misguided leaders.

Absenteeism, if you are going to apply it, should be applied fairly and squarely. Apply it to everyone, to the Congressman, for example, who is absent without real reason. I have clients who come to my office in New York, and I tell them to their teeth, that they have no right to go to Florida at this juncture of our national affairs and spend vacations there. They have no right to do it, especially when they are engaged in war work, and I have a right to say that to them. If they are absent from war work, deal the same with them as you would with the laboring man, who has no right to be absent from his bench. I think it is just as important that the bosses and managers stay on the job as it is for the employees. We should apply the work-or-fight rule to everybody, lawyers, doctors, ministers, newspapermen, reporters, editors, and Congressmen, as well as laborers.

Why dump the slackers into the Army? The Army is a sacred arm of the Nation. I do not want any slackers in the Army, or at the war front. It is an honor to serve in the armed forces. Should the Army be made a receptacle into which can be dumped unpatriotic human refuse? Furthermore, coercion never gets you anywhere. Voluntary methods to cure absenteeism have not been properly explored or tested. Efforts should be made on the part of the Government, upon the part of labor, to prevent absenteeism, and until that is explored we should not apply any coercive methods.

Force will not produce more work hours or more production.

There should be a three-way attack on inexcusable absenteeism:

First. Educational campaigns should be vigorously carried out in plants to impress the workers with the importance of their jobs. Merchants should keep stores open at night to enable both men and women to do appropriate shopping. Hours of the day should not be used for shopping if they require absence from jobs. One plant significantly awards swastikas to those departments having the most absentees. Another plant requires an absentee to work as many hours as he was away from the plant without adequate excuse. These extra hours are paid in War bonds and stamps. These and other methods could be well devised to impress upon the workers the seriousness of their tasks and the necessity for them to give unlimited toil.

Second. Labor leaders and union periodicals should appeal to the workers to stay on their jobs. Indeed, Philip Murray, the C. I. O. president, and William Green, the American Federation of Labor president, have already warned their members that absenteeism is a serious menace. They tell their unions that absenteeism affects not only an individual worker's production, but freezes whole departments out of gear and precludes proper materials from coming to crews on time. Labor-management committees have been eminently successful in hundreds of plants. These committees constantly prod the workers and impress them with the necessity of keeping on the job. Undue absences have been cut down materially.

Third. Various agencies of the Government, particularly the War Manpower Commission, can render yeoman service in this regard. They can work with the unions and with management to solve the problem. It might be well to refer to the local War Manpower Commission officers any flagrant cases of absenteeism and the director of the local offices can summon the worker who has been tardy or unduly absent and tell him of the enormity of his wrong. The Army and the Navy and the Maritime Commission might well undertake health and safety programs designed to remove the causes of much of the absenteeism.

There are many causes of absenteeism:

First. Inadequate supervision of personnel.

Second. Material shortages.

Third. Mismanagement.

Fourth. Bad nutrition.

Fifth. Bad housing.

Sixth. Inadequate transportation.

Seventh. Improper work schedules.

In many industrial areas workmen and their families must live in trailers, and to get out of these trailers ofttimes in rainy weather they wade ankle deep in mud. Lack of housing accommodations was undoubtedly the principal cause of absenteeism in many yards, particularly in the Gulf and Pacific areas. It is the tendency of workers to take time off for week-end visits to their families. In some areas workers bringing their families with them were forced to live in trailer or tent camps without adequate facilities for water supply and sewage disposal, and being accustomed to and able to pay for decent housing, took time off to look for better accommodations or, in extreme cases, quit their jobs because housing conditions were intolerable.

Shortage of housing facilities has caused many workers to commute as much as 50 to 150 miles—round trip—daily. Rationing of tires and gasoline have resulted in workers forming car pools, and a blow-out or engine trouble may keep five or six workers away from work.

More women are absent than men. That is due to biological reasons.

I am informed that in a large plant the other day Mr. H. V. Kaltenborn was scheduled to speak. He did not appear at the scheduled time. The workers were held in assembly until he came and delivered his speech. That was deliberate absenteeism on the part of the workers caused by the management. They lost a great number of man-hours. I wonder what Mr. Kaltenborn can say of that? What can the labor baiters say about this inspired loss of work hours?

Give credit where credit is due. Under Secretary of War Patterson says we have produced 5,000 planes in January, of which 65 percent were combat planes. The February production was even better. That assuredly could not have been accomplished without strenuous efforts on the part of the laboring man as well as on the part of management. Labor aided in the building of 8,000,000 tons of shipping in 1942. These tons will be doubled in 1943. This has been accomplished despite the unfair charges hurled about that labor is derelict in its duties.

Providing harsh penalties for absenteeism can lead to horrible abuses. Some vindictive bosses, vindictive employers, can use it as a weapon to prevent collective bargaining. In short, it can be used to do away with all the gains that labor has made over the years.

A large percentage of absenteeism results from carrying on the pay roll persons who had quit work without giving notice to the company. Such workers are counted as absentees for varying periods—in some yards for as long as a month—until their names are removed from the pay roll. Detailed records of one shipyard, employing more than 2,500 workers and reporting an absenteeism rate of 9 percent, illustrates the effect of unreported quits in absenteeism rates. Approximately one-fifth of this company's absenteeism was caused by keeping on the pay roll persons who were probable terminations.

Weather is probably a more important factor of absenteeism in shipbuilding than in any other industry with the possible exception of the construction industry. Much shipbuilding work is in the open and is affected by heavy rains and severe heat or cold. (February issue of Monthly Labor Review.)

In all this let us be fair. Give labor its due. Crack its knuckles when it errs, and once in a while I hope that we can have a voice raised in this Chamber to praise labor.

The Clerk read as follows:

NAVAL ESTABLISHMENT

OFFICE OF THE SECRETARY

Miscellaneous expenses

Miscellaneous expenses, Navy, including not to exceed $300 (total annual expenditure rate) for extension telephones between the telephone switchboards at the official stations of naval officials and the living quarters of such officials, $6,723,117: *Provided*, That no appropriation for the Navy Department or naval service for the fiscal year 1943 hereafter shall be obligated for the services of experts, such as provided for under this head in title V of the Naval Appropriation Act for the fiscal year 1941: *Provided further*, That no appropriation for the Navy Department or naval service available during the fiscal year 1943 (except funds transferred or made available to other executive agencies for use for naval purposes) shall be used after March 31, 1943, for the employment of persons for the performance of service in other than the Navy Department or elsewhere than under the Navy Department, except employees who had been employed by and performing service under the Navy Department for 3 months or more immediately prior to their detail for service elsewhere.

Mr. VINSON of Georgia. Mr. Chairman, I reserve a point of order on the proviso on line 17, page 2.

Mr. RANKIN. Mr. Chairman, I move to strike out the last word.

Mr. VINSON of Georgia. I have been recognized.

Mr. RANKIN. The gentleman merely reserved the point of order.

Mr. VINSON of Georgia. Mr. Chairman, I reserve the point of order, and after the reservation on this point of order I shall insist upon it, due to the reason that the provision to which it is directed is legislation on an appropriation bill. The motive that prompts me to make this point of order is that I think that these business experts whom the Secretary has employed to make a survey looking to economy and efficiency in the conduct of the business of the Navy Department should have an opportunity to finish or pursue their work. Oftentimes we are critical of the Navy Department, and rightly so. The Navy Department needs the help of Congress, because it is one of the largest establishments of the Government. The Appropriations Committee wisely gave something like $200,000 to the Secretary of the Navy to employ men who are qualified to make a survey with reference to the management of the internal affairs of the Navy Department, with the objective of economy and improved business methods.

Not long ago, by direction of the Naval Affairs Committee, I was requested to appoint, and did appoint, a committee headed by the gentleman from Virginia [Mr. DREWRY], the gentleman from New York [Mr. COLE], and other members, to see if we could not make a worthwhile inquiry into the Navy Department to bring about some beneficial economies in the management of the Department's business methods and procedure. You must bear in mind that the Navy Department is not only a great fighting organization but it and the Army are the largest industrial organizations in the country in time of war.

I hope that these business experts whom the Secretary has employed may be given a little more time, that they may have at least until the regular appropriation bill comes in, in order that our subcommittee from the Naval Affairs Committee may have the benefit of the work and the knowledge they have gathered. If, by the end of the fiscal year, sufficient studies and information have been obtained, I think that would be the time, if at all, to insert or advocate a provision of this character.

So, unless the gentleman from California [Mr. SHEPPARD] desires to make some statement on the point of order, I am going to insist on the point of order.

Mr. SHEPPARD. Mr. Chairman, our report states why we have advocated the provision, but I must concede the point of order. It is legislation on an appropriation bill.

The CHAIRMAN. The Chair sustains the point of order.

Mr. SHEPPARD. Mr. Chairman, as long as that language has been stricken from the bill I should like to ask that, in line 21, following the word *"Provided"*, that the word *"further"* be stricken from the text of the bill.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. RANKIN. Mr. Chairman, I move to strike out the last word, and I ask unanimous consent to follow the example of the gentleman from New York [Mr. CELLER] and speak out of order for 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

CRITICS OF CAPT. EDDIE RICKENBACKER

Mr. RANKIN. Mr. Chairman, the gentleman from New York [Mr. CELLER] in his attack on Capt. Eddie Rickenbacker a moment ago stated that Captain Rickenbacker was "no Daniel come to judgment." If I am going to follow either the gentleman from New York [Mr. CELLER] or Captain Rickenbacker as a "Daniel come to judgment," I will take Eddie Rickenbacker.

Why these attacks on him? Eddie Rickenbacker has never attacked honest labor. I submit the gentleman from New York has no more right to speak for labor from his tenth-floor office in New York City than Capt. Eddie Rickenbacker, who came from the rank and file of American laboring people.

Eddie Rickenbacker has not attacked honest labor, but he has attacked labor racketeers who have interfered with our war program, slowing down production and causing the deaths of our boys on every battle-ground in the world.

Who is Eddie Rickenbacker? I do not care whether he is a Democrat or a Republican, he is one of the great Americans of all time. He is one of the greatest heroes of this age. I can remember as a young man when I thrilled to read of Eddie Rickenbacker and Barney Oldfield, the speed demons of that day; but I thrilled more when, during the last World War, Eddie Rickenbacker went into the Air Force and became the leading ace of the Allies in that conflict. He shot down more German planes in the first World War than any other man on the side of the Allies.

Some years ago when our distinguished colleague, the gentleman from Maryland, Mr. Byron, along with many others, was killed in an airplane accident between here and Atlanta, Ga., the hero on that occasion was Eddie Rickenbacker. Lying there broken and suffering the agonies of death, he had the presence of mind to take command and prevent any of them from striking matches, igniting the gasoline, or doing anything else that might have brought about the destruction of those helpless people who were lying there injured, or dying, during the dark hours of that terrible night.

In this present conflict, when Eddie Rickenbacker was sent out on an important mission, when his plane was wrecked far out at sea and he and his companions enveloped, as Victor Hugo says, "by those two terrible infinities, the ocean and the sky," for days and days and days, he not only suffered agonies of starvation but he and his comrades were kept alive by eating a sea gull. It kept them from literally starving to death. He prayed for it in a moment when despair was in the heart of every man, and Almighty God sent that benediction to him, if you please, answered his prayer, and sent them that sea gull that they ate in order to sustain life until they could get relief from other sources.

But the gentleman from New York [Mr. CELLER], and others who are criticizing Eddie Rickenbacker, come here, or take to the press, to accuse him of ulterior motives. Let them go through the same ordeal, and they will know. Then they will have a right to criticize a man who is out spending his own time and his own money and his own wasted strength, when he ought to conserve it, in order that we may win this war as quickly as possible.

Mr. CASE. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from South Dakota for a question.

Mr. CASE. Does not the gentleman feel that in view of the miraculous way in which Eddie Rickenbacker's life has been preserved on more than one occasion that it might be possible that he has been preserved for such a time as this?

Mr. RANKIN. I do not parade my religion in the Well of this House, but as a Christian, from Christian parents, I am as convinced as I ever was of anything on earth, that God Almighty saved Eddie Rickenbacker in order that he might come back here and do the very things for which the gentleman from New York [Mr. CELLER] and others are now criticizing him.

God send us more Eddie Rickenbackers.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. VOORHIS of California. Mr. Chairman, I move to strike out the last word.

Mr. SHEPPARD. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto end in 5 minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

The CHAIRMAN. The gentleman from California [Mr. VOORHIS] is recognized for 5 minutes.

Mr. VOORHIS of California. Mr. Chairman, throughout the length and breadth of this land today there are people at work; there are people at work on the farms; there are people at work in the factories. Without them, without loyal, efficient, and spirited work on their part this war cannot be won. The appropriation bill that comes before us at the present time is for the Navy Department for planes, ships, and other items vital to the Navy. We are confronted inevitably in the midst of this war with problems to be worked out and things that do not go right, with evidences of human selfishness and of human failure to do our full duty for our country and its cause. Not one of us is perfect. Not one does all he should. All should strive to do more.

It is part of the job of Congress to try to correct shortcomings, failures, and mistakes as best it can. It is also part

of the job of Congress to give to every group of people within this country a distinct impression that Congress is doing its dead level best to be perfectly fair. It is even more important that the Congress give the impression that it has the confidence in each group of people which they deserve and which they have got to know we have in them if they are to do their part.

Mr. Chairman, I rise at this time for two or three reasons. In the first place I want to suggest that a lot of the people that are doing the job of building planes, tanks, guns, and ships today are people who have had to leave their homes, give up the comfort of their homes, and in many cases live under extremely difficult conditions to do this war industry work. Many of them are older people, many are women, many are traveling very long distances under conditions of gasoline rationing and rubber shortage. Many are people whose past experience has not prepared them for the heavy work some of them are doing under these circumstances. Ill health is inevitable in some cases.

In the second place, I want to point out that last night's papers carried an article worthy of our attention. The article told of action that was no more than what it should have been on the part of one important group of our people. They are doing what is their patriotic duty—no more than that. But this was an article that stated that although the aircraft workers on the Pacific coast did not agree with the decision of the War Labor Board and although they believed they should have received an increase in pay which was not granted, nevertheless they had no intention whatsoever of permitting this to interfere with the doing of their all-important work for a single hour. And may I say so far as the workers in southern California are concerned—and I want the RECORD to show—that they never did lose an hour of time as a result of the recent controversy over the War Labor Board decision.

I do not think this is a time when there should be even any suggestion of strikes. I want to take this opportunity to compliment labor leaders in Texas who just signed an agreement with their Governor to the effect that there would be no strikes, no slowdowns, no slackening of war production for the duration of the war.

One thing we should do today is to let the rank and file of the workers of America know how much we are depending upon them to get the job done. And by and large it is being done. Every production record has been broken and some of the goals set have even been exceeded. We cannot be satisfied for a moment. But the record should be straight. I should like to say, in connection with proposed legislation with regard to absenteeism, that two things are important, not just one; but one of them, and a most important one, is that all the facts regarding the reasons and causes for loss of work time should be brought out, and the legislation that comes before this Congress should be of such character as to lead to a removal of those causes. Wherever there may be willful malingering or willful absenteeism on the part of people who are not concerned about doing their job when they could perfectly well be on the job, who are wasting time when they should be on the job, that is a different matter and must be treated as such. For such action today cannot be excused. But, for heaven's sake, let us give to labor the impression that the legislation that the Congress enacts is legislation that is fair and that sees the problem they are up against and seeks to bring out the facts regarding not only the failures of the few which we seek to correct, but the problems of health, housing, transportation, which we must seek to solve.

I do not agree with the point of view that sometimes is expressed by labor groups and others which is to this effect: "Well, we agree that there is something wrong here, but if you attempt to do something about it then that will be regarded as a blow against all workers." I think it is much more constructive to say: "Well, if there are things wrong we want to see that they are cleared up, but we want to see it done in a fair and unbiased way."

But we cannot fight this war without the work of the men and women on our farms and in our mills and factories. Now workers in the plants of this country read in the magazines of cases such as this concrete ship-construction company which had a huge contract from the Government but has not yet, after more than a year of time has elapsed, produced a single concrete ship.

The letters I receive from working people complain not that there is too much work for them to do, but that there is not enough. They complain because their plants or yards are not doing faster work.

Someone might estimate how many bombers or tanks or ships we might have had had better use been made of some of the smaller plants, or fuller use of patented processes, or if we had had better coordinated production, or faster housing construction.

I am not excusing the worker who is at fault—least of all the one who deliberately stays off the job. I am saying this is a great big problem and that workers are by no means the only ones who could do better.

There is loss of time from many causes, every one of which we should seek to correct. We might estimate how many ships could have been afloat by this time if there had been greater efficiency in some of the shipyards, and everyone knows that a great deal of time that is lost in our plants is due not to the fault of either worker or management but due to the fact that material was just not there to be used.

In closing, may I say again, the all-important thing is that we show no favoritism to any group but that we be fair in what we do and what we say, and also that we be thorough in our dealing with these problems.

The CHAIRMAN. The time of the gentleman from California has expired.

The Clerk read as follows:

NAVAL RESEARCH LABORATORY

Naval Research Laboratory, $529,270: *Provided,* That the compensation of the senior head physicist, as established in the Naval Appropriation Act, 1943, shall be construed as placing the incumbent of such position in the initial rate of grade 8, professional and scientific service, and subject to the provisions of the Classification Act of 1923, as amended.

Mr. RAMSPECK. Mr. Chairman, I reserve a point of order on the language beginning with the word *"Provided"* in line 7 and ending with the word "amended" in line 13.

The CHAIRMAN. The gentleman is recognized.

Mr. RAMSPECK. Mr. Chairman, I do this for the purpose of asking the chairman of the subcommittee for an explanation of the necessity for this language. On first reading apparently this would legislate a given employee into a particular grade under the Classification Act. Will the gentleman explain why that language is necessary?

Mr. SHEPPARD. Mr. Chairman, I may say that that language applies to Dr. A. H. Taylor, who is the inventor of Radar and who is employed as a specialist in the experimental laboratory down here in the Navy Department. We formerly fixed his pay at the rate of $8,000 per annum, which is the initial rate, as I understand it, for grade A professional and scientific services; is that correct?

Mr. RAMSPECK. I think that is correct.

Mr. SHEPPARD. Without this provision in the law it places him in a category where he is not permitted, of course, to participate under the law with other Federal employees in such grade. Dr. Taylor would be barred from further advancement which the law permits other Federal employees to participate in.

Mr. RAMSPECK. May I ask the gentleman from California this question: The purpose of this provision is not to arbitrarily assign him to a grade to which his duties would not entitle him?

Mr. SHEPPARD. Oh, no; it is not that. Let me read the proviso in the act which was the original set-up that placed him in the $8,000 category:

Provided, That the compensation of senior physicist shall be at the rate of $8,000 per annum as long as such position is held by the present incumbent.

I think the gentleman, with his complete knowledge of the acts to take care of our people in Government positions, will agree that that is unfair, and we are attempting to correct it.

Mr. RAMSPECK. I think that the type of legislation such as the gentleman has indicated is always bad legislation within an appropriation bill.

Mr. SHEPPARD. I think so, too.

Mr. RAMSPECK. Congress in 1923 established a policy by passing the Classification Act of regulating salaries in accordance with the duties, with the opportunity of securing increases where services are satisfactory. That is why I raised the question. I do not want the Classification Act to be set aside by special provisions in an appropriation bill.

Mr. SHEPPARD. I can assure the gentleman that is not the intent of the language or the committee.

Mr. RAMSPECK. I thank the gentleman, and, Mr. Chairman, I withdraw the point of order.

The Clerk read as follows:

BUREAU OF SHIPS

Maintenance, Bureau of Ships, $737,230,464.

Mr. MAGNUSON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to call attention to an action on the part of the Naval subcommittee in relation to the Bureau of Ships which I think should not go unnoticed at this time. I notice that the subcommittee has reduced the amount for the Bureau of Ships for the building of what we call district craft. District craft, I may say to the Members of the House, are the small patrol boats, the various local boats, that are used in and about and around the continental limits of the United States. Normally that is the function of the Coast Guard. Am I correct?

Mr. SHEPPARD. Not quite, if I may say so to the gentleman. The particular instance to which the gentleman refers covers tugs, barges, lighters and craft of that type, not the type craft that the gentleman has in mind I am sure.

Mr. MAGNUSON. But you cover district craft in this appropriation?

Mr. SHEPPARD. Yes; but of a different type than what I think my friend has in mind.

Mr. VINSON of Georgia. Will the gentleman yield?

Mr. MAGNUSON. I yield to the gentleman from Georgia.

Mr. VINSON of Georgia. As a matter of fact it struck out all money for district craft and I think the committee did a wise thing because that is a matter that should be authorized by legislation.

Mr. MAGNUSON. I want to point out to the committee that it was a wise thing to do, referring to district craft. There has been too much of that in this country.

Mr. SHEPPARD. May I say to the gentleman and to the other Members of the House, and I think I am voicing undoubtedly the reaction of all Members of the committee, that we ought to have authorizations for all procedure of this kind. We feel that there is an orderly procedure that should be followed and insofar as I am personally concerned, as long as I remain Chairman of this committee, with the fine assistance of my colleagues, we will follow that course and I want you to know it.

Mr. MAGNUSON. I am sure the gentleman from Georgia and I appreciate that, because those things involve a matter of policy. Here is what I want to bring out to the House.

In the beginning of this war we had some apprehension that possibly we would be invaded and we thought that we needed a great deal of these coastal defenses, so-called, but the tenor of the war now is such that we ought to review the question of policy on the part of the Navy in particular in appropriating vast sums of money for these so-called inland waters. I refer to places like Puget Sound, and Lake Washington, in my own district. If a citizen of my town goes out in a little rowboat to catch a few catfish out of Lake Washington, about 17 Coast Guard boats swoop down on him and ask him, "What are you doing here in these waters?"

In the beginning, as I said, we wanted to be very careful, we did not want anything to happen in way of defense, but the situation now is such that the action of the subcommittee was wise because now the tenor of the war is such that we ought to again review that policy. A vast amount of money has been spent for civilian defense. I know the gentleman from Pennsylvania will agree with me. We have spent thousands of dollars in the inland States for civilian defense. Sure, something might happen in those States, but somebody has to weigh these things, somebody has to weigh the inconveniences and the cost as against the possibilities. That is why this policy should rightly be reviewed.

Mr. DITTER. Mr. Chairman, will the gentleman yield?

Mr. MAGNUSON. I yield to the gentleman from Pennsylvania.

Mr. DITTER. I think my distinguished friend will be glad to learn that we reduced an item called passive defense. Passive defense was a part of that program when we were fearful of invasion and when in the Mississippi Valley and all over the country we were going to have all types of protection against the raids we anticipated. So it is a real source of satisfaction to me as a member of the committee to know that I have the support of the distinguished gentleman and the chairman of the Committee on Naval Affairs in the action we have taken.

Mr. MAGNUSON. We have only so much with which to fight this war. It is a question of allocation. Someone has to review these things and determine where the scales balance. To use a homely illustration, and I think the gentleman from Pennsylvania will agree with me, it might be that within the next few years someone might punch me in the jaw, but that would not justify me to go to a gymnasium every day and take up prize fighting.

The Clerk read as follows:

Public works, Bureau of Yards and Docks, $798,300,000, toward contract authorization of $1,474,634,000 heretofore granted, to remain available until expended, which, together with unexpended balances of appropriations heretofore made under this head, shall be accounted for as one fund, and, in addition to all other amounts heretofore appropriated under this head, the Secretary of the Navy is hereby authorized to enter into contracts for public-works equipment, materials, and construction, including collateral, public-works items, in an amount not to exceed $239,740,400, subject to authorization thereof by other law.

Mr. SHEPPARD. Mr. Chairman, I ask unanimous consent that in line 17, following the word "collateral", the comma be stricken.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read as follows:

GENERAL PROVISIONS

SEC. 102. Appropriations available for the fiscal year ending June 30, 1943, for travel expenses of civilian inspectors of the Navy Department shall be available for reimbursement, at not to exceed 3 cents per mile, for travel performed by such employees in privately-owned automobiles within the limits of their official stations.

Mr. MURRAY of Wisconsin. Mr. Chairman, I move to strike out the last word.

OBSTACLES TO MAXIMUM FOOD PRODUCTION

Mr. MURRAY of Wisconsin. Mr. Chairman, if we are going to legislate for unity and live up to our obligations, it is first necessary to face the facts. Then by effective legislation, we should correct the abuses which exist. I have in mind definitely two situations.

One is the matter of subsidies. The other is whether or not it is the intent of Congress to provide any agency with funds to dominate or take over any business.

I do not care to argue the merits or demerits of the subsidy plan. If it is the wisest plan, as far as food production is concerned, we should all support it. The farm organizations and the public at large have indicated their opposition to these subsidies. The subcommittee of the House Appropriations Committee voted 6 to 1 against them. Businesses, like the canning industry, are being pressured into accepting them, even after the lowly peanut crawled back into its shell. If one subsidy is wrong what justifies another? We do not want to be put in a position of favoring subsidies that benefit only our own constituents. The subsidy, which is in reality only a part of the normal price of a product, was thrust onto the cheese industry without the approval of either the farmer or the industry as a whole. Evidently the people, the farm organizations, and Congress are not in a position to operate on the principle that the will of the people is the law of the land.

In regard to the practice of Government taking over business, the O. P. A. presented to the canners of the country a plan which they had little choice but to accept. It provided that the C. C. C. was to take over the entire crop, arbitrarily fixed the price and sell the crop, taking whatever loss resulted from this procedure. It was intended to do the same under the peanut bill.

The O. P. A. is also going to give the canners a dose of grade labeling—a controversial question for 20 years—regardless of the effect it may have on production.

After 2 days of hearings before the Agricultural Committee, at which the canners fully explained their handicaps in securing maximum production, Mr. J. B. Hutson of the Commodity Credit Corporation blandly announced that he was in a position to state prices that the C. C. C. would pay for these canned products. I am not questioning the interpretation of the law on this particular activity. You will find in Public Law

147 Seventy-seventh Congress, chapter 270—H. R. 4972—

SEC. 4. Whenever during the existing emergency the Secretary of Agriculture finds it necessary to encourage the expansion of production of any non-basic agricultural commodity, he shall make public announcement thereof and he shall so use the funds made available under section 3 of this act or otherwise available to him for the disposal of agricultural commodities, through a commodity loan, purchase, or other operation taking into account the total funds available for such purposes for all commodity loan, purchase, or other operation, taking into account the total funds available for such purposes for all commodities so as to support a price for the producers of any such commodity with respect to which such announcement was made of not less than 85 percent of the parity or comparable price therefor.

You can use your own judgment as to whether this authority or not, to pay a price regardless of parity is in the hands of the C. C. C. There should be sufficient legal talent to decide this question.

Please note the following questions and answers from the discussions of the hearings:

Mr. HOPE. In view of the inference which has been in some of the testimony here that it is not known what the position of Congress and of your organization might be on the question of subsidies, as to whether there will be any money available for subsidies, I would like to ask you if it is a proper question, whether or not the Commodity Credit Corporation has the funds at this time to pay any subsidy that might be necessary under this arrangement?

Mr. HUTSON. We have ample funds to carry out this project.

Mr. PACE. How much in money?

Mr. HUTSON. That would amount to approximately, as I recall, $15,000,000.

Frankly, do you know where Mr. Hutson obtained the power he evidently has? He was never elected by the people—he was appointed. It appears that one must be among the annointed or get a "lame duck" appointment in order to have responsibility thrust upon him.

There are two conclusions I come to on this situation. One is that the great Banking and Currency Committee should immediately bring in legislation to correct the abuses that have sprung up under legislation brought out by this committee. The second is that the Office of Price Administration had better follow the letter as well as the spirit of the laws that we pass or they will be in greater disrepute than they are now. We should remove the obstacles that are preventing maximum food production.

If we are properly functioning as a legislative body, we should correct these situations. We can do no less and live up to our obligation to the people of our country.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Several members of the Committee on Banking and Currency are on the floor at the present time. I think all of them will agree with me that that committee should take up these matters immediately, without any further delay. There are before that committee several proposals which should be given attention without further delay, in addition to the proposal which has been mentioned by the gentleman. It is now the 5th of March 1943. The O. P. A. is under fire. The people are interested in these questions. We have not been conducting hearings of any consequence in our committee since the first of the year. Personally, I do not like it a little bit. I hope the other members of this committee will rise to the occasion and state their position in the matter, so that beginning next Monday at 10:30 we may proceed with hearings in that committee along the lines we have discussed.

Mr. MURRAY of Wisconsin. Does the gentleman know of any law brought from his committee that gives the Commodity Credit Corporation the authority to buy at a high price and sell at a low price? Can that be construed as a part of the law under which they are given the opportunity of providing a 90 percent parity price?

Mr. CRAWFORD. I would not attempt to put my humble opinion up against the legal lore and the technical qualifications of the various attorneys who represent these departments and who claim they have this authority.

Mr. ROLPH. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield to the gentleman from California.

Mr. ROLPH. May I supplement the remarks of my colleague the gentleman from Michigan [Mr. CRAWFORD] by saying that as a member of the Committee on Banking and Currency I believe we should have hearings on this O. P. A. matter at once.

Mr. MURRAY of Wisconsin. I thank the gentleman.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I should like to supplement the remarks of my distinguished friend from Wisconsin. All Members of Congress and the people of the country are interested in production, in producing ships, implements of war, food, and everything necessary to bring our war to a speedy and victorious conclusion.

My colleague from Wisconsin referred to some committee hearings we have held during the past 2 or 3 days in which we have been discussing the whole food problem. Some of the officials from the O. P. A. have appeared before our committee—Dr. Galbraith and Mr. Hoffman; and Mr. Ginsberg was invited but was unable to attend. However, several others of the key policy makers of the O. P. A. appeared. After listening to those hearings and to the testimony of the policy makers, I have just about come to the conclusion that they are more interested in putting over their reforms and in trying out social experiments on the American people than they are in securing the production of food. Their inaction on important and critical problems which face the producers of food in this country will cause a scarcity in the production of food.

We are now under a rationing program where we are allowed three cans of vegetables and fruits a month. We will find that before the canning season is over this year on fruits and vegetables the consumers, instead of getting three cans a month, will be lucky if they get one can a month. Already, this year, in the State of Texas 15 canneries have closed down and 10 more are about to be closed. They are in the growing season, but because of inaction and the untimely policies of the O. P. A. the canners have not been able to secure production from the farmers to keep their canneries operating. As the planting and growing season progresses northward, with inaction on the part of the O. P. A., you will find that many canners of the North and other parts of the country will not be able to operate. This means that the American people will go on a scarcity diet as far as canned fruits and vegetables are concerned, all because of the policies of the O. P. A.

Mr. ANDERSON of California. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. Yes.

Mr. ANDERSON of California. Does not the gentleman agree with me that if there had been a deliberate plan to sabotage the food situation in this country, it could not have worked out better?

Mr. AUGUST H. ANDRESEN. I say that it is a deliberate effort to bring chaos into the production of food, so as to give these policy makers an opportunity to take over the entire economy of our country.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. Yes.

Mr. HOFFMAN. The Michigan canners have been in the habit of producing hundreds of thousands, if not millions, of cans of food every year. Last summer they were down here to Washington, and they could not get out of the Government any indication of the price at which they would be permitted to sell their products.

Mr. AUGUST H. ANDRESEN. The canners ordinarily go out and contract their acreage for vegetables in January and February. This year not one single acre of vegetables has been contracted for in the Northern States.

Mr. HOFFMAN. And will the gentleman tell us why?

Mr. AUGUST H. ANDRESEN. Because the O. P. A. has not announced its policy as to what canned fruits and vegetables can be sold at. It is all because of inaction and the withholding of an announced policy on the part of the O. P. A., that we are going to have a canned food famine in this country.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. PITTENGER. Mr. Chairman, I ask unanimous consent that he may proceed for 1 minute more.

The CHAIRMAN. Is there objection? There was no objection.

Mr. PITTENGER. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. Yes.

Mr. PITTENGER. And I ask the gentleman if his remarks in reference

to the canning situation does not apply also to the fluid-milk situation, where the O. P. A. has done nothing and nothing and nothing?

Mr. AUGUST H. ANDRESEN. I say to my colleague that it applies to every line of production, whether in agriculture, dairy products, or in business. These groups, these key policy makers, are determined to destroy the economy of the entire country, and to use the chaotic condition that will prevail as a result of it, as an excuse for taking over control. Let me say in conclusion, that most of the policy makers in O. P. A. do not have any practical experience in food production or business. However, they are the officials who make the rules and issue decrees to govern the destiny of America. God pity the people if they are permitted to continue in power.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. SHEPPARD. Mr. Chairman, will the gentleman yield for a request?

Mr. GROSS. Yes.

Mr. SHEPPARD. Mr. Chairman, I ask unanimous consent that all debate upon this paragraph and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. GROSS. Mr. Chairman, I see by the newspaper of yesterday the charge was made that the farmers are not cooperating to the extent that they should. It was charged that they are not using their heads. The farmers of this country are cooperating to the extent that it is possible. We should be realistic about this thing and take into consideration the sources of such charges, when charges like that are made. The facts are that governmental regulations are going to cut down production, and the farmer as well as everybody else may well be concerned and alarmed at this curtailment.

It is not going to be possible to have as much production in 1943 as we had in 1942. Recently in one case I know of a man who purchased a new tractor. He had to sign an agreement with the Government that he would use that tractor for custom work. Under that agreement with the Government he cannot refuse to work for his neighbors. Maybe he will not be able to use it in his own work at all, and the contract is so drawn that if he refuses to help his neighbors the O. P. A. can come and take the tractor away from him. I ask, "Who wants to buy any new equipment in a situation like that?" I also have information about a public sale where a tractor was sold for $1,200. A man gave a check for it and then went home. Later he stopped payment on the check and mailed the seller a check for $800, which was the ceiling price fixed by O. P. A. Under the O. P. A. rules the purchaser was right, but that man who sold that tractor maybe never had a break before like that in his life. He was forced to accept $400 less than the sale price by the O. P. A. ruling.

I know of country sales where they put numbers in a hat and draw to determine who the lucky man will be and who gets the tractor. How can the man who really needs the tractor get it by that procedure?

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. Yes.

Mr. HOFFMAN. If the gentleman will look at Form R-20, he will find that, under the contract with the Government, a man must sign to the effect:

I will agree to rent or do custom work.

Mr. GROSS. That is right; we understand that, and this program, this recommendation for community farming, is doing nothing but bringing in a program we have been always against—something entirely un-American. It is true there are many small farmers who cannot produce much, but most of those little farmers work in the neighborhood helping the larger farmers. They are doing what they can. They take that kind of a viewpoint. This thing of urging the farmers to drop one crop and farm another crop always gets them into trouble. I will never forget during the last war when I went to raising beans, something I never had done before. I had about a hundred bushels of beans. I was never able to sell them. We had beans, beans, beans, and more beans for 5 years, and at the end of 5 years we still had those damned beans on our hands. That is the way it is today in this country. The country is full of soya beans that cannot be moved. They are asking us to plant more soya beans. The farmers are not placing orders for machinery or for seed or for fertilizer today, because they do not believe they can harvest the crops. They are not dumb.

Then the next thing another fellow in the Government wants to give them insurance so that if they cannot harvest their crops they will not lose anything. That is just another racket and a means of allowing a crooked farmer to plant all he can plant, never intending to harvest it, and get the insurance money. These Government officials should have sufficient interest in this country and in winning the war to make sensible recommendations to the farmers, and then to trust to their patriotism after making it possible for them to produce. We certainly can get the food if they will do that.

Mr. AUGUST H. ANDRESEN. Will the gentleman yield?

Mr. GROSS. I yield to the gentleman.

Mr. AUGUST H. ANDRESEN. The gentleman has indicated the specification that this man who purchases a tractor must rent it out for hire. In ordinary times farmers exchange work and machinery without any directive from Washington.

Mr. GROSS. Yes. They have done that before they ever received any orders from Washington telling them they had to do it.

On this matter of howling about surplus, these boys downtown talk about a surplus of corn, for instance. They cannot see anything in a pile of corn but just a pile of corn, but the farmer can see in that corn beef, pork, mutton, hide, leather, brushes, milk, butter, cheese, cream, and ice cream. He can see wool, and clothes for the Army and civilians. He can visualize any number of things in that pile of corn. Eggs and chickens galore. There is going to be a tremendous curtailment in poultry. The farmers are refusing to put in chicks because they cannot get the proper concentrates to balance the ration. This will have a serious reflection in the production of poultry and poultry products.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GROSS. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

The CHAIRMAN. All time has expired. The Clerk will read.

The Clerk concluded the reading of the bill.

Mr. SHEPPARD. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with amendments, with the recommendation that the amendments be agreed to and the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BULWINKLE, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 2068, directed him to report the same back to the House with sundry amendments with the recommendation that the amendments be agreed to and the bill as amended do pass.

Mr. SHEPPARD. Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the amendments.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. MURRAY of Wisconsin. Mr. Speaker, I make the point of order that a quorum is not present, and I object to the vote on the ground that a quorum is not present.

The SPEAKER. Evidently a quorum is not present. The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 346, nays 0, not voting 88, as follows:

[Roll No. 20]

YEAS—346

Abernethey	Angell	Bennett, Mo.
Allen, Ill.	Arends	Bishop
Allen, La.	Arnold	Blackney
Andersen, H. Carl	Baldwin, N. Y.	Bland
Anderson, Calif.	Barrett	Bloom
Anderson, N. Mex.	Barry	Bolton
Andresen, August H.	Bates, Ky.	Bonner
Andrews	Bates, Mass.	Boren
	Beall	Boykin
	Beckworth	Bradley, Mich.
	Bell	Bradley, Pa.

Brehm	Guyer	Mundt
Brooks	Gwynne	Murdock
Brown, Ga.	Hale	Murphy
Brown, Ohio	Hall, Edwin Arthur	Murray, Wis.
Bryson	Hall, Leonard W.	Newsome
Buffett	Halleck	Norman
Bulwinkle	Hancock	Norrell
Burch, Va.	Harness, Ind.	Norton
Burchill, N. Y.	Harris, Ark.	O'Brien, Ill.
Burdick	Harris, Va.	O'Brien, Mich.
Busbey	Hart	O'Connor
Canfield	Hartley	O'Hara
Cannon, Fla.	Hays	O'Konski
Cannon, Mo.	Hébert	O'Leary
Capozzoli	Heffernan	O'Neal
Carlson, Kans.	Heidinger	Outland
Carter	Hendricks	Pace
Case	Hess	Patman
Celler	Hill	Peterson, Fla.
Chapman	Hobbs	Peterson, Ga
Chenoweth	Hoeven	Pfeifer
Chiperfield	Hoffman	Phillips
Church	Holifield	Pittenger
Clark	Holmes, Wash.	Ploeser
Clason	Hope	Plumley
Clevenger	Horan	Poage
Coffee	Hull	Poulson
Cole, Mo.	Izac	Powers
Cole, N. Y.	Jackson	Pracht
Colmer	Jeffrey	Price
Compton	Jenkins	Priest
Cooley	Jensen	Rabaut
Cooper	Johnson, Anton J.	Ramey
Costello	Johnson, Luther A.	Ramspeck
Courtney	Johnson, Lyndon B.	Randolph
Cox	Johnson, Okla.	Rankin
Cravens	Johnson, Ward	Reed, N. Y.
Crawford	Jones	Rees, Kans.
Creal	Judd	Richards
Crosser	Kean	Rivers
Culkin	Kearney	Rizley
Cunningham	Kee	Robertson
Curley	Keefe	Robinson, Utah
Curtis	Kefauver	Robsion, Ky.
D'Alesandro	Kennedy	Rockwell
Day	Keogh	Rodgers, Pa.
Delaney	Kerr	Rogers, Mass.
Dewey	Kilburn	Rolph
Dickstein	Kilday	Rowan
Dies	King	Rowe
Dilweg	Kinzer	Russell
Dirksen	Kirwan	Sadowski
Disney	Klein	Sasscer
Ditter	Knutson	Sauthoff
Domengeaux	Kunkel	Schwabe
Dondero	LaFollette	Shafer
Doughton	Lambertson	Sheppard
Drewry	Landis	Short
Durham	Lanham	Sikes
Dworshak	Larcade	Simpson, Ill.
Eberharter	LeCompte	Simpson, Pa.
Elliott	LeFevre	Slaughter
Ellis	Lemke	Smith, Maine
Ellison, Md.	Ludlow	Smith, Ohio
Elmer	Lynch	Smith, Va.
Elston, Ohio	McCord	Smith, Wis.
Engel	McCormack	Snyder
Englebright	McKenzie	Somers, N. Y.
Fay	McMillan	Sparkman
Feighan	McMurray	Spence
Fellows	McWilliams	Springer
Fernandez	Magnuson	Stanley
Fish	Mahon	Stearns, N. H.
Fisher	Maloney	Stefan
Fitzpatrick	Manasco	Stevenson
Flannagan	Mansfield, Mont.	Stockman
Fogarty	Mansfield, Tex.	Sullivan
Forand	Marcantonio	Sumner, Ill.
Ford	Martin, Iowa	Sumners, Tex.
Fulbright	Mason	Sundstrom
Fulmer	May	Taber
Furlong	Merritt	Talbot
Gallagher	Michener	Talle
Gamble	Miller, Conn.	Tarver
Gathings	Miller, Mo.	Taylor
Gavagan	Mills	Thomas, N. J.
Gavin	Monkiewicz	Thomas, Tex.
Gearhart	Morrison, La.	Thomason
Gerlach	Morrison, N. C.	Tibbott
Gifford	Mott	Tolan
Gilchrist	Mruk	Troutman
Gillette	Murdock	Van Zandt
Gillie	Murphy	Vincent, Ky.
Goodwin	Murray, Wis.	Vinson, Ga.
Gordon	Newsome	Voorhis, Calif.
Gore	Norman	Vorys, Ohio
Gorski	Norrell	Vursell
Gossett	Norton	Walter
Graham	O'Brien, Ill.	Ward
Grant, Ala.	O'Brien, Mich.	Wasielewski
Gregory	O'Connor	Weaver
Griffiths	O'Hara	Welch
Gross	O'Konski	Wene
West	Willey	Wolverton, N. J.
Wheat	Wilson	Woodruff, Mich.
Whittington	Winstead	Worley
Wickersham	Wolcott	Wright
Wigglesworth	Wolfenden, Pa.	Zimmerman

NAYS—0

NOT VOTING—88

Auchincloss	Hinshaw	O'Toole
Baldwin, Md.	Hoch	Patton
Barden	Holmes, Mass.	Philbin
Bender	Howell	Reece, Tenn.
Bennett, Mich.	Jarman	Reed, Ill.
Buckley	Jennings	Rogers, Calif.
Burgin	Kelley	Rohrbough
Butler	Kleberg	Sabath
Byrne	Lane	Satterfield
Camp	Lea	Scanlon
Carson, Ohio	Lesinski	Schiffler
Cochran	Lewis, Colo.	Schuetz
Cullen	Lewis, Ohio	Scott
Davis	Luce	Sheridan
Dawson	McCowen	Smith, W. Va.
Dingell	McGehee	Starnes, Ala.
Douglas	McGranery	Steagall
Eaton	McGregor	Stewart
Ellsworth	McLean	Towe
Fenton	Maas	Treadway
Folger	Madden	Wadsworth
Gale	Martin, Mass.	Weichel, Ohio
Gibson	Merrow	Weiss
Granger	Miller, Nebr.	Whelchel, Ga.
Grant, Ind.	Miller, Pa.	White
Green	Monroney	Whitten
Hagen	Murray, Tenn.	Winter
Hare	Myers	Woodrum, Va.
Harless, Ariz.	Nichols	
Herter	O'Brien, N. Y.	

So the bill was passed.

The Clerk announced the following pairs:

Until further notice:

Mr. McGehee with Mr. Reece of Tennessee.
Mr. Cullen with Mr. Bennett of Michigan.
Mr. Cochran with Mr. Lewis of Ohio.
Mr. Lane with Mr. Shiffler.
Mr. O'Toole with Mr. Miller of Nebraska.
Mr. Whitten with Mr. Auchincloss.
Mr. Weiss with Mr. Carson of Ohio.
Mr. Buckley with Mr. Fenton.
Mr. Kelley with Mr. Douglas.
Mr. Byrne with Mr. Reed of Illinois.
Mr. Hoch with Mr. Miller of Pennsylvania.
Mr. Starnes of Alabama with Mr. Ellsworth.
Mr. Kleberg with Mr. Grant of Indiana.
Mr. Cox with Mr. Howell.
Mr. Patton with Mr. Jennings.
Mr. Lewis of Colorado with Mr. Treadway.
Mr. Jarman with Mr. O'Brien of New York.
Mr. Steagall with Mr. Eaton.
Mr. Woodrum of Virginia with Mr. Holmes of Massachusetts.
Mr. Satterfield with Mr. McGregor.
Mr. Barden with Mr. Martin of Massachusetts.
Mr. Hare with Mr. Winter.
Mr. Schuetz with Mr. Butler.
Mr. Baldwin of Maryland with Mr. McLean.
Mr. Green with Mr. Maas.

The result of the vote was announced as above recorded.

The doors were opened.

PERMISSION TO ADDRESS THE HOUSE

Mr. BULWINKLE. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes at the close of the legislative business of the day.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

ORDER OF BUSINESS FOR WEEK OF MONDAY, MARCH 8, 1943

Mr. MICHENER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute to inquire of the majority leader what the program will be for next week.

Mr. McCORMACK. I have set aside Monday, Tuesday, and Wednesday of next week for consideration of the lend-lease bill. If consideration of that bill is completed early Wednesday, we will take up the debt-limit bill; otherwise the debt-limit bill will be considered Thursday and Friday. As early in the week as I know what the balance of the program will be I will announce it to the House.

EXTENSION OF REMARKS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and to include therein a radio address delivered by the distinguished gentleman from Texas [Mr. DIES].

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. FLANNAGAN. Mr. Speaker, I ask unanimous consent to extend my own remarks at this point in the RECORD.

The SPEAKER. Without objection, it is so ordered.

MARY'S LITTLE LAMB

Mr. FLANNAGAN. Mr. Speaker—

Mary's little lamb,
Though she went to school,
Never learned that the laws of nature
Could be changed by a government rule.
But the dear little lamb's schooling
Was back in the long ago days,
Before the advent of the wonder boys
Who have changed so many of our ways.
And so when it was discovered
By these boys of wisdom and might
That lambing season came in winter
They decided that it was not right
Said they: "For little lambs to be born in such weather
Is simply without reason or rhyme,"
And forthwith they changed the season
To the good old summer time.

Mr. Speaker, this trivial, empty, ill-made verse, which I admit to be pure, unadulterated doggerel, came to me not by inspiration, but from a grouch that seized me after reading a newspaper clipping a western sheep raiser sent me the other day. The clipping is as follows:

YES; SPEAK TO THE SHEEP—WAR PRODUCTION BOARD "EXPERT" SUGGESTS FARMER CHANGE LAMBING SEASON

(By the Associated Press)

BOISE, IDAHO. February 19.—An Idaho rancher tells this one.

Unable to get a priority to buy lumber to construct lambing pens, he decided to try to use canvas. But, he said, the War Production Board gave him this answer:

"It is impossible to allow you such a large amount of canvas for the purpose of making lambing sheds. As an alternative, we suggest that you postpone your lambing season until more favorable weather."

Yes, Mr. Speaker; the progenies of Mary's little lamb are today, under the tutelage of the wonder boys of the W. P. B., learning all about the mystic process of changing the laws of nature and are being taught that if the blessed

event is about to take place in bad weather, why, the thing to do is to just postpone the blessed event until weather conditions are more favorable. Oh, it all sounds quite simple, but, somehow, the more I think about the thing the more complex it grows. Something is wrong; either I am mutton-headed or the wonder boys are mutton-headed, and, you know, I hesitate to impute mutton-headedness to these latest models of the human family. Yes; evidently the trouble is with me. I reckon I am simply suffering from an old-fashioned complex. Anyway, call it what you will, it is mighty hard for me to get away from the experiences, teachings, and observations of a lifetime. Why, you know, and probably it is just plain ignorance that prompts me to say it, but I had a closed mind on the subject. Rightly or wrongly, I had long ago definitely arrived at the conclusion that when nature's period of gestation comes to an end that, in spite of hell and high water, the blessed event would take place. The thing just couldn't be postponed, was the way I had it figured out.

Well, being in a quandary, I again read the wonder boy's decree, decision, edict, or whatever you call it, postponing lambing season, thinking that, perhaps, a second reading would bring light. Instead it brought on another grouch, and under the spell of the second grouch I translated the wise and scintillating decision of the wonder boys into verse, thinking, perhaps, that somewhere in the translation I would see the light. Alas! My effort proved useless. However, I am going to give you the benefit of the translation, in order to find out if you can get any more sense out of the decision since it has been set to verse:

Mary's little lamb at last grew into a ewe
And gave birth to a little lamb, the natural thing to do.
But the little fellow's fleece, while snow white, was mighty thin
And needed protection from the bitter cold and biting wind.
So to the W. P. B. little Mary quickly fled
With a plea for canvas to make the lamb a shed.
Being short of canvas caused the wonder boys no alarm
They know all the answers: Solve all problems without harm.
"Why, Mary," said they, "your claim is entirely without reason,
Go tell the foolish little ewe to change her lambing season."

The translation into verse did, however, start me to exploring another thought. It is this: If you change the lambing season, necessarily you will have to change the mating season. Is there anything wrong with my reasoning so far? If there is, let me know, because I need guidance. Now, having been raised on a farm I knew that sheep mated at a certain season. And I thought that they mated, not through habit or custom, but because the good Lord had something to do with the mating season. And when the urge to mate came to the sheep, well, according to my reckless thinking, I just supposed there wasn't anything the poor dumb things could do about it except respond to the call of nature and go ahead and mate. Such an urge, even among dumb animals, I thought, was all compelling. And when it comes to sheep, you know, they have not too much sense anyway, and too, they seem to have what I term, not having a better expression, a collective complex; that is, when the urge strikes one it strikes all. I had observed on the farm, for instance, that when the urge strikes the bell wether to jump the fence, the same urge takes possession of all the other sheep, and if you know your sheep, why, you will just stand back and let them go ahead and jump, knowing that in a few minutes another urge, the urge to quiet down, will take possession of them, and that they will become quiet and docile. And when the urge came to mate, why, I thought that the only thing to do was to stand back, assume a hands-off policy, and let them mate.

Now, when I lived on the farm the sheep had a habit of mating in the late summer and early fall, and the period of gestation being about 5 months, lambing season had a mean habit of coming in bad weather, the ewes usually picking out the worst days in the winter for the blessed event. Of course, we did not exactly like the season, but we accepted it, like we did the other laws of nature, in our ignorance not knowing that there was anything we could do about it. Of course, since I have found out from the decision of the W. P. B. "wonder boys" that the seasons can be postponed, I am going to pass the information on to my sheep farmers, and suggest to them that they authorize me to file a petition for a rehearing of the case in order that the time and place may be made specific, and suggesting that the time be postponed to the good old summer time and the place fixed at some convenient spot in or adjacent to the feed lot and shelter. When I file the petition, I contemplate no trouble in securing the needed corrections, because the opinion as it stands settles the great question that the season can be postponed. This being true, time and place become mere questions of detail.

Now, my colleagues, do not get it into your heads that I have been poking fun at the "wonder boys." You know they may be right, and I may be the one that is mutton headed. Lawyers, you know, are strong on precedents, and in fairness to the "wonder boys" I want to state that I found one precedent for the laws of nature being set aside or suspended. But I did not find the precedent in legal writ. I found it in Holy Writ, so it would seem that the precedent is entitled not only to great respect, but would be binding except for one reason, which reason I will get to a little later. In the Book of Joshua it is recorded that old Joshua, who had gotten mixed up in battle with five Amorite kings and, in the language of Charlie McCarthy, was "mowing them down," needed a little more daylight with which to finish the job. No doubt old Joshua, who had five kings on the run, was, as they say back home, "feelin' his oats," and thought that he could order about anything around and so he looked up at the sun and said, "Sun, stand thou still upon Gideon; and thou, moon, in the valley of Ajalon. And the sun stood still, and the moon stayed."

Now, my colleagues, do not get it into your heads that Joshua stayed the laws of nature single handed. Just read a verse or two more in your Bible, and you will find that old Joshua accomplished this great feat through his contact with the Lord who, being on Joshua's side, obligingly carried out the command. Yes, my colleagues, the Good Book hastens to record:

And there was no day like that before it or after it, that the Lord harkened unto the voice of man.

Now, I said the precedent would be binding but for one thing. That thing is this: I do not believe the "wonder boys" have close enough contacts with the good Lord to cause Him to harken to their voices. Oh, I know we poor mortals down here on the lowly earth have to harken to the voices of some of these "wonder boys," but I am mighty thankful that they cannot order the Lord around, and nightly pray that the good Lord will deliver the American people not only from temptation and sin, but from the clutches of the "wonder boys."

Now, before I take another grouch and afflict you with another poem, let me tell you another mountain story. Sometimes when I am worrying around with the wonder boys and reach the explosion point, I believe I would bust if it were not for the great truths these stories tell and the pleasant recollections that they bring to mind. The biggest thing about these stories is that they help me to keep my perspective. They help me to see that after all these wonder boys are only ants in my pants and that sooner or later I am going to have sense enough to take my pants off and send them to the cleaners; and that the American people still look to their common sense for guidance and, sooner or later, will clean the wonder boys out. Yes, Uncle Sam's pants need to be thoroughly renovated in order to get rid of the wonder boys, and sooner or later this is going to happen. Senator Herring's great statement appearing in the morning press is a healthy sign. I am for you, Senator, the American people are for you, so go to it and we will back you up 100 percent.

Years ago I was commonwealth attorney for one of the counties in my district. As such attorney I had to prosecute all kinds of cases. Some of them made your blood boil until you felt like crying for vengeance, others played upon the heartstrings until you felt like pleading for mercy, while still others broke the strain under which you labored by staging a good vaudeville. Well, the case of Mrs. Nelly Paul was a vaudeville with all of the actors playing their part with a technique that would have brought envy to a Fields or a Weber.

The facts in the case were simple, and were these: Mrs. Nelly Paul, commonly known as Aunt Nelly, was a woman of parts. In stature she was about 6 feet, straight as an arrow, slim, rawbone, with a masculine countenance, and a he-man

way about her. She asked no quarter from man or beast, and gave none. While I am a strong believer that the laws of Nature's God are immutable and that everything happens according to a wise and unchangeable plan, somehow I have secretly entertained the fool notion that something went wrong in Aunt Nelly's specifications and she turned out to be a woman when the blueprints really called for a man. Be that as it may, she acted like a man, worked like a man, chewed tobacco like a man, cussed like a man, and fought like a man. She had one, only one, womanly trait, and that was her talent for assisting in bringing mountain babies into the world. She was a midwife and, according to reputation and report, a good one. In fact, her reputation for skill on these blessed events extended far beyond her neighborhood, and her services were sought far and wide.

Enough about Aunt Nelly. Let me get back to my story. Aunt Nelly's daughter had married a mountain boy who, at times, was addicted to drink, and who, rumor stated, did not treat her at all times with the consideration a husband should treat his wife. Well, one thing led to another, and the daughter, tiring of her inconsiderate husband, pulled up stakes and moved back to her childhood home. In the course of a few days her husband came over to Aunt Nelly's after his wife. Words ensued, tempers rose to the boiling point, and the upshot of the whole thing was that Aunt Nelly, glorying in her strength, picked up a stick of wood and knocked her obstreperous son-in-law in the head.

And at this point I came into the picture. At the next term of court the son-in-law showed up, demanding that he be sent before the grand jury to indict Aunt Nelly. After much hesitation I finally consented for him to go before the grand jury. Well, as I expected, the family fuss, like most family fusses, quieted down, Aunt Nelly's daughter went back to live with her husband, Aunt Nelly and her son-in-law became reconciled, and no further attention was paid to the indictment which the grand jury had duly brought in against her, although the case of the Commonwealth against Nelly Paul appeared on the court docket. For a term or two of court the case was continued, no one interposing an objection. And then at one term of court the judge took a hand, and wanted to know if the defendant had been apprehended. I meekly told him that I had instructed the clerk to issue several capiases, that the capiases had been duly placed in the hands of the sheriff to be executed, but that the sheriff had reported on each capias that he could not find Aunt Nelly. Well, the judge was not feeling very well that morning, and after dressing me down, read the riot act to the sheriff, directed the clerk to issue another capias, and then told the sheriff in no uncertain terms to go at once after Aunt Nelly and not to return until he brought her into court.

A few mornings after in walked the sheriff with Aunt Nelly, and I knew something out of the ordinary was going to happen, and, believe me, it did. Aunt Nelly, who had not even employed an attorney, asked that she be permitted to give bond pending the trial. The judge, however, had worked up a big grouch, and had several things on his chest that he wanted to get off before considering the application for bail. To begin with, he wanted to know from the sheriff why it had taken so long to apprehend Aunt Nelly. The sheriff meekly explained that it looked like Aunt Nelly had been trying to evade him, that he had chased her from place to place over the mountains, and only succeeded in overtaking her the night before at one McClannahan's. The sheriff having made his explanation, the judge then turned to Aunt Nelly and wanted to know what she had to say, but before giving her an opportunity to answer, started out lecturing her on the power and majesty of the law and the duty of the citizen with respect thereto. It was a beautiful lecture, but for the good it was doing the judge had as well been pouring water on a duck's back. During the lecture, every now and then, Aunt Nelly, who stood as rigid and straight as a Roman soldier and who held an old straw hat in her hand, tried to break in by waving her hat in the direction of the judge and observing, "Now, judge, you have had your say, let me talk a while." Of course, these observations only fired the judge up and sent his temperature up a point or two. Well, finally the judge talked out and Aunt Nelly had her say; and while her say brought laughter from the court room and a $25 fine for contempt from the judge, I have always thought that it should have brought an acquittal. After acquainting the court with the fact that she was a midwife, and that she had gone to McClannahan's in response to a professional call, she made this observation:

"Now, Judge, courts can adjourn, ain't that so? You didn't have to try me in this court, you could adjourn the case over. Yes, sir; you could adjourn the case over. But, Judge, let me tell you this: Law or no law, court or no court, I had to go to McClannahan's, because, Judge, when a young one takes a notion to come into the world there ain't no adjourning in it, he just comes ahowling, and that is all there is to it."

And until the advent of the "wonder boys" I thought the same thing was true about lambs.

Mr. Speaker, some may think that it is downright cussedness that prompts me to keep on after the "wonder boys" that have drifted into our war set-up here in Washington and are bogging down our war effort on the home front. If it is, then I confess that I am plum full of cussedness, because I am determined to keep up the fight until we run them out of our governmental departments. And when we run them out you will find that General Marshall has made considerable progress in recruiting his army of 11,000,000. Yes, many of the "wonder boys" who now hold directive positions and are trying to tell the farmers, for instance, how to use a pitchfork on the home front, should be in uniform with an old-time sergeant over them teaching them to use a bayonet on the battle front.

In making the fight I am prompted by but one motive, the bringing of the war to a speedy and all-out victory. This cannot be done if we permit the home front to bog down at any point. Misfits on the home front are just as costly as misfits on the battle front. General Marshall would not countenance for a moment turning the north African campaign over to some of these learned professors—doctors I should say, and I stand corrected—or the job of chasing Rommel back through the Kasserine Pass over to some young prodigy in the law just because he has graduated from Harvard with the blessings of a Frankfurter. Well, then, why should we do such things here on the home front? General Marshall demands trained men, men of experience, men of common sense, and we should make our demands here on the home front no less exacting. If experience and common sense count on the battle front, it stands to reason that, to say the least, they will not hurt here on the home front.

Now, I hate to criticize. I despise carping, bickering critics. I am not mad at anyone. I am not trying to even up some actual or fancied grievance. I am not going around with a chip on my shoulder hoping that I will become so offensive that some one will knock it off. All I am trying to do is to straighten out some of the kinks here on the home front, especially on the agricultural front. I am a member of the House Committee on Agriculture, and I feel keenly my responsibility. I know we cannot keep the planes flying and the tanks rolling unless we first keep our boys eating. I know that the Egyptians fell down trying to get the Israelites to make brick without straw, and I know we are going to fall down in our victory-food program trying to get the American farms to produce food without labor, without farm machinery, without fertilizer, and at a price that is under the cost of production. Well, you ask, Why do not you go down to the Department of Agriculture and get things straightened out? Why, my colleagues, did you know that the Department of Agriculture these days is the last place to go to take up an agricultural question? Why today if you have a matter to take up affecting the farmer you have to chase all over Washington and half of the Pentagon Building. Yes, as strange as it may sound, the Agriculture Department has taken a lap seat and is simply acting the Charley McCarthy for the O. P. A., the W. P. B., and the W. M. P. C., the Selective Service, ad infinitum. Yes, today everyone seems to be telling the farmer what to do except those who really know and appreciate his problems. Now, we have some mighty good men in the Agriculture Department, men who know agriculture and are capable, if let alone and given a free hand, of putting over our food-for-victory program. Why not use them? Not long ago I had the question up as to whether a ceiling should be placed upon the price of the farmer's burley tobacco. Where did I have to go? To the Department of Agriculture? Oh, no, down to the O. P. A. before a bunch of fellows that knew about as much about burley tobacco as a pig knows about chemistry. I had the question of getting horseshoes for my farmers and had to go before a Harvard paper man down in the W. P. B. I had

the question of securing an adjustment in the milk prices down in my district, and I had to go back before the O. P. A. I have had numerous complaints about the drafting of farm help, and I have had to take such matters up with the Selective Service, W. M. P., the soldier's commanding officer, everyone, it seems, except the Department of Agriculture. And so it goes.

Now, having gotten a few of these things off my chest, let me say this: Even a bad farm plan with unity of purpose behind it and a directing head is better than the best farm plan in the world without a directive head and that has a dozen or more agencies trying to administer it. Now, I try to never criticize unless I can offer a few constructive suggestions. My suggestions are these:

First. Bring the chairmen of the Senate and House Committees on Agriculture, the Secretary of Agriculture, the heads of the O. P. A., the W. P. B., the W. M. C., and the Selective Service, and the heads of any other agency that has, or thinks it has, anything to do with agriculture together and let them remain together until they agree upon a definite farm plan covering at least these things:

(a) Farm labor.
(b) Farm machinery and parts.
(c) Fertilizer.
(d) Price levels of farm products.
(e) The quantity of each farm product needed for the war effort and to feed our civilian population.

Second. The plan having been agreed upon, then put someone in charge to administer the plan, so this thing of divided authority will come to an end. And let the someone put in charge be somebody who knows the farm problems and will really go to bat for the farmers.

Third. Take the wonder boys out of the farm picture from top to bottom, and in this connection may I be permitted to express the hope that the good Lord will strengthen and uphold the hand of Senator Herring as he purges the O. P. A. of these wonder boys, these theoretical and crack-pot leeches that have been sucking the lifeblood out of our war efforts here on the home front.

If such a plan is worked out, and the farmers are told definitely what is expected of them, what prices they are to receive, and what labor, farm machinery and parts, and fertilizer they can count on, no matter what the program is—even if it calls for blood, sweat, and tears—I say to you the farmers of America will put the program over.

EXTENSION OF REMARKS

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include an address I prepared for delivery, which was read at a town meeting in Vermont last Tuesday.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent that today, after the other special orders are concluded, I may be permitted to address the House for 10 minutes.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. Under the previous order of the House, the gentleman from North Carolina [Mr. BULWINKLE] is recognized for 10 minutes.

STATUE OF SIR WILLIAM BLACKSTONE

Mr. BULWINKLE. Mr. Speaker, I take this opportunity to address the House because I have today introduced the following resolution authorizing the acceptance of a statue of Sir William Blackstone:

Resolved, That the Secretary of the Interior is authorized and directed to accept, on behalf of the United States, the bronze statue of Sir William Blackstone, the work of the late Paul W. Bartlett, as a gift from Mrs. Paul W. Bartlett, and, with the advice of the Commission of Fine Arts, to provide for the erection of such statue at a suitable location on the north side of Judiciary Square in the District of Columbia.

SEC. 2. There is authorized to be appropriated the sum of $10,000, or so much thereof as may be necessary, for carrying out the provisions of this act, including the procurement of a suitable pedestal for such statue.

Judge Lawrence D. Groner, chief justice of the United States Court of Appeals for the District of Columbia, told me about this and sent me a brief statement which I desire to read to the House, because I feel it is extremely fitting at this time.

The purpose of the bill is to authorize the acceptance of the gift of Mrs. Paul W. Bartlett, of Washington, of a heroic bronze statue of Sir William Blackstone and an appropriation of $10,000 for a suitable pedestal on which it may rest. The statue is the work of her late husband, Mr. Paul W. Bartlett, who in his life was one of the most eminent American sculptors.

In 1924 Mr. Bartlett was commissioned by the American Bar Association to design a statue of Sir William Blackstone, for presentation by the American bar to the English bar, as a lasting memorial of the meeting of the bars of the United States and England, in London, in the summer of 1924. Upon the completion of the plaster model it was discovered that the statue was too large to be placed in the English court, and Mr. Bartlett designed a smaller statue to accomplish this purpose.

The original plaster model was subsequently taken by Mrs. Bartlett to Belgium, where at her own expense it was cast in bronze, and just prior to the present war was shipped to the United States and is now in Mrs. Bartlett's studio in Washington. The bronze statue which Mrs. Bartlett offers as a gift to the Nation portrays the lineaments of the great author, clad in the robes of the judicial office, and bearing in one hand a volume of the work which had so great an influence in the development of the American Constitution and American law. "It is a symbol of law and justice. It is a symbol of the influence of law over nations and peoples who, though seas divide and ocean roll between, remain united in their reverence for liberty regulated by law."

When the colonists first came to America they brought with them from their old into their new homes all the rights of Englishmen which had been acknowledged in Magna Carta, confirmed in the petition of right and established as their inheritance in the revolution of 1688.

The revolution by which the Colonies were converted into independent States grew out of the determination of the colonists to insist upon these rights, and the most effective weapon in the revolution against the mother country was Blackstone's Commentaries. For it was in America, rather than in England, that the greatest and most far-reaching influence of Blackstone's work was realized. The first volume was published in November 1765, followed within a period of 4 years by the three-edition volume, and within 2 or 3 years after the publication of the first English edition more than a thousand sets were sold in America at £10 per set. Among the 831 original subscribers in America were John Jay, John Adams, Richard Stockton, James Wilson, and Caesar Rodney, all signers of the Declaration of Independence. The list also included Gouverneur Morris, Robert Morris, George Clinton, Nathaniel Green, Peletiah Webster, St. George Tucker, Sir William Johnson, and Oliver Wolcott. The Commentaries, during the 5 or 6 years preceding the Revolution, were used by Chancellor Wythe, of the College of William and Mary in Virginia, in courses of instruction attended by John Marshall, James Madison, James Monroe, and Thomas Jefferson. And the rights of British subjects as described by Blackstone were the basis of the claimed rights of the American Colonies, and the Declaration of Independence was the assertion by the Colonies of the right to abolish any form of government which was destructive of those rights.

No other writer on the law exerted so wide an influence over the people of the American Colonies in the hour of the birth of the United States, and during the years in which it attained its full maturity.

So long as the principles of the common law endure as the basis of our jurisprudence; so long as the great conceptions of civil liberty which are embodied in Magna Carta and the Petition of Right and in the Habeas Corpus Act, and which have been translated into the American Constitution, continue to express the fundamental principles of the common civilization of the men of English speech throughout the world, so long will the English-speaking nations owe an unpayable debt to the great commentator, Blackstone. And the acceptance of the statue in the Capital City of the Nation is a proper, fitting recognition of these facts.

Mr. Speaker, I cannot add anything to what Judge Groner has said.

The SPEAKER. The time of the gentleman from North Carolina has expired.

Mr. BULWINKLE. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks and include the resolution referred to.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

MORALE OF OUR BOYS IN NORTH AFRICA

Mrs. BOLTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my own remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mrs. BOLTON. Mr. Speaker, we all are very much interested in what comes to us in the way of reaction from our boys overseas. I want to read into the RECORD parts of a letter received this morning from a first lieutenant in north Africa:

I've been in north Africa for a long time. Naturally censorship is very rigid—I censor about 150 letters a day from my own squadron, but I can say that the "kids" are fine. They're lonesome as all get-out—homesick,

too—but not one of them if given the opportunity to go home tomorrow would accept—because they feel there is a job to do.

* * * * *

The people are delighted to have us here. Actually our arrival was almost on the tear-jerking side. But to feel in a populace a restored pride and love for the tricolor and France is sufficient repayment to carry on indefinitely. I wish sometimes that a few (I hope) people in the United States could see what privation and despair really is—what malnutrition and the taking away of everything personal and financial can do to a people. And then, since our arrival, what a little it takes for people to live again.

The SPEAKER. The time of the gentlewoman from Ohio has expired.

PERMISSION TO ADDRESS THE HOUSE

Mr. DIMOND. Mr. Speaker, I ask unanimous consent to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the Delegate from Alaska [Mr. DIMOND]?

There was no objection.

Mr. DIMOND. Mr. Speaker, in the closing days of the last session of Congress I undertook to tell the House something about the construction of the Alaska-Canada International Highway and of its strategic and economic consequence. On that occasion I expressed my respectful admiration for our own agencies and agents—officers, troops, civilians, workers—who contributed with such fine spirit, and with such energy and efficiency, to the accomplishment of this remarkable piece of work. What they did is truly beyond the ordinary.

Recently an able, eminent, and unbiased engineer, not in Government service, when I asked his opinion of the construction job, used the following language:

In the beginning, I did not think that anybody could do it in that length of time.

It is to be remembered that the road to Alaska is not yet a completed highway. I anticipate that when the frost leaves the ground next spring considerable stretches of the road will not be usable until surfaced with gravel or crushed rock.

Nevertheless we are justified in taking satisfaction in what has been already done and may confidently look forward to the completion of the highway at a reasonably early date.

Although this project has been so far carried through and will be finished by our own Government, and at our own expense, more than five-sixths of the new construction on the highway lies in the Dominion of Canada. The Canadian Government undertook to furnish only the right-of-way for the highway, and most of that right-of-way is on public land, but the Government and the people of Canada have cooperated fully and unreservedly in the endeavor to bring the project to fulfillment. That cooperation is deserving of special note in connection with our traditional relations with Canada.

Friendship between the United States and Canada has brightened the history of our continent. Mention has often been made of the 3,000 miles and more of unfortified boundary line between the several States and the Dominion as an example of what can be done by nations to maintain good relations with each other and to help keep the peace of the world.

We of Alaska are particularly aware of this enduring neighborliness between ourselves and the Canadians, for it is daily demonstrated, as before our very eyes, by the more than 1,000 miles of unfortified boundary between the Territory of Alaska and Canada's Yukon Territory. The unity of purpose of these two great nations of North America has again been emphasized by the construction of the highway which extends between Dawson Creek, British Columbia, and Fairbanks, Alaska, a distance of 1,632 miles.

The building of this artery of commerce for war and peace, mutually beneficial to Canada and Alaska, and of much benefit also in varying degrees to other nations of North America and of northern and central Asia, was observed last week in a significant ceremony in the Canadian capitol at Ottawa when Brig. Gen. James A. O'Connor presented to Prime Minister Mackenzie King one blade of the scissors used to cut the highway ribbon at the formal opening; the other blade will be given to President Roosevelt. General O'Connor, who played a vital role in the construction of this highway, heads our Army's Northwest Service Command, in charge of the highway and of all that concerns it, with headquarters at Whitehorse in Yukon Territory.

In accepting this gift, the Prime Minister declared that one blade of a scissors was of little use, but that joined with its mate—as Canada is allied with the United States—it attains immeasurable strength.

The Prime Minister also received from General O'Connor a copy of the journal and letters kept by Col. Charles S. Bulkley of the United States Army engineers, when he headed the famous Telegraph Trail Expedition in 1865. This expedition set out to string lines through British Columbia, through Russian-America (as Alaska then was called), and into the vast expanse of Siberia. The maps and information collected by Colonel Bulkley and his associates were before Secretary of State William H. Seward, when he completed the momentous purchase of Alaska in 1867. The Prime Minister commented on the journal as foreshadowing the present military alliance of Canada, the United States, and Russia. The Bulkley journal is one of the most significant documents associated with Alaska and, accordingly, I was much pleased to receive a copy of this valuable material from General O'Connor and his staff.

In Ottawa, General O'Connor was entertained by Hon. Ian Mackenzie, Canadian Minister of Pensions and National Health, who comes from Vancouver, British Columbia, and by many other distinguished citizens of the Dominion. General O'Connor was accompanied to Ottawa by Col. K. B. Bush, Northwest Service Command chief of staff; First Lt. Richard L. Neuberger, aide-de-camp to General O'Connor; and Mr. J. Lance Rumble, of Toronto, special technical expert. The ceremony in the Prime Minister's office was under the auspices of the American Legation, now headed by Mr. Lewis Clark, Chargé d'Affaires.

While in Ottawa on this occasion, Brigadier General O'Connor made two brief but singularly appropriate addresses: one on the occasion of the presentation to the Prime Minister of one blade of the scissors used at the opening of the highway; and the other over the network of the Canadian Broadcasting Corporation.

Those addresses are as follows:

ADDRESS ON OCCASION OF PRESENTATION TO THE PRIME MINISTER OF CANADA AT OTTAWA ON FEBRUARY 18, 1943, ONE BLADE OF THE SCISSORS USED AT THE OPENING OF THE ALCAN INTERNATIONAL MILITARY HIGHWAY

Mr. Prime Minister and our friends of Canada, I will not attempt to be formal today. We are old friends, neighbors of long standing, and stanch allies. We are bound together by tradition, by culture, and by a common way of life.

This friendship has recently resulted in the construction of a great 1,630-mile highway to Alaska. Most of this highway is on the land of Canada. As the Honorable Ian Mackenzie said at the highway's dedication, "You of the United States provided the toil, we of Canada provided the soil."

We are highly appreciative of the privilege of thrusting this road over Canadian ground for 1,200 miles. Probably no other place in the world could this occur. Where else would one nation be allowed to construct a highway for 1,200 miles on its neighbor's soil and be given such outstanding cooperation?

Because this road knits our two lands so firmly, it is appropriate that a symbol of its completion should be in the possession of Canada's Prime Minister. I have brought with me from our headquarters in the far north one blade of the scissors which were used to sever the ribbon opening the road at Kluane Lake in the Yukon Territory on November 20, 1942. This blade is engraved, on a plate of Alaskan gold, with a brief description of the occasion.

When the ribbon was cut, the scissors were wielded jointly by Mr. Mackenzie of your cabinet and by Mr. E. L. Bartlett, the secretary of Alaska. The other blade will be presented to President Roosevelt at the White House. Thus the leaders of our two Nations—nations united in war as in peace—will come into possession of the instrument which symbolizes the construction of the Alcan Military Highway.

I also have brought with me another token of Canadian-American friendship. Nearly eight decades ago far-sighted men in our two lands dreamed of a route northwestward across our continent toward Asia. This was the Telegraph Trail, an expedition which was to string telegraph wires through British Columbia, through Alaska, and into Siberia and Europe. This was one of the first expeditions ever to explore the vast and scenic mountain wilderness of northwestern America.

President Lincoln authorized American participation in the undertaking. Queen Victoria granted a right-of-way through British Columbia. The Russians built a line 7,000 miles across Siberia to join our efforts.

Recently we have found the original journal kept by Col. Charles S. Bulkley of the United States Army Engineers when he led that historic adventure. It has been photostated

by our War Department, and I am pleased to have a copy with me today to present to the Prime Minister. I am sure it will claim a merited place in Canadian archives.

The Bulkley journal underscores only one phase of the historic friendship between the United States and Canada. This friendship has made possible in North America the longest unfortified boundary in the world. Some day our alliance in this war will also be a part of the history of our two lands. And I feel sure that the construction of the Alcan Highway, a project of great importance in both war and peace, will be one of the brightest chapters.

Mr. King, we of the Northwest Service Command are proud to give you the Bulkley journal and one-half of the scissors which cut the ribbon opening the Alcan Highway.

ADDRESS OVER CANADIAN BROADCASTING CORPORATION, THURSDAY NIGHT, FEBRUARY 18, 1943

The Canada-Alaska victory road

It has been an honor for me to come to your Capital today to present to Prime Minister King one blade of the scissors which cut the ribbon at the dedication of the Alcan International Highway. The other blade of the same scissors will be presented to President Roosevelt at the White House. Possession of these blades by the heads of our respective Governments is a further symbol of the friendship between our two lands, a friendship which the Honorable Ian Mackenzie described at the highway opening ceremony as mutual trust, mutual good will, and mutual understanding.

No one who attended that ceremony could have failed to appreciate the bonds which tie together Canada and the United States. Khaki-clad American soldiers and your scarlet-coated mounted police stood shoulder to shoulder. A Canadian priest gave the invocation and an American Army chaplain pronounced the benediction. The ribbon was cut jointly by Mr. Mackenzie of your Cabinet and Secretary Bartlett of Alaska, our largest Territory. As the thin strand was severed, first God Save the King and then The Star-Spangled Banner called the group to salute. The occasion was characterized by Gen. George R. Pearkes, V. C., of the Canadian Army when he referred to our eternal alliance.

We are now in a period of transition on the Alcan Highway. The pioneering construction phase is over. We have turned to the improvement of the road, to maintenance, and to operation. These tasks involve problems all their own. Men have learned to operate vehicles in severe subzero temperatures, across frozen rivers, on snow packed as hard as iron, and through snow as soft as down.

The drivers of the trucks are but a small part of the personnel required. The drivers must be fed. Trucks must be serviced and repaired. Bridges must be maintained, and snow cleared away. Cargo must be loaded and unloaded. We are building barracks, depots, and repair shops all along the highway's 1,630 miles. The lumber, glass, nails, and bolts for this job alone will fill many trucks.

Drivers are assigned to definite divisions, like engineers on a railway. No driver goes all the distance from Dawson Creek to Fairbanks. This plan enables men to become familiar with one stretch of road. Barracks are scattered along the highway like railroad division points. At these barracks the drivers and maintenance crews are stationed.

We have some trying difficulties. All our supplies must reach us over two railways—one northwestward from Edmonton, Alberta; the other up the mountains from Skagway, Alaska. Blizzards and low temperatures often interfere with the most carefully laid preparations. Yet we feel that such hazards are merely a challenge. The building of the road and its operation were made possible by the spirit and valor of our soldiers and civilian workers, with the magnificent assistance of the Canadian people. That same determination is with us in the operation of the road. I think this quality has best been expressed by our Northwest Service Command chaplain, Maj. Willis Bergen. In his New Year's greeting to the troops he said:

"The test of your heart and test of your pluck
isn't skies that are sunny and fair,
But how do you stick by the truck that is
stuck, and how do you battle despair?
It's the way you hold out against odds that
are great that proves what your courage is worth,
For victory is nothing but proof of your skill,
veneered with a glory that's thin,
Unless it is proof of your faith and your will
and unless you have suffered to win."

These are historic hours, and up there in the Yukon solitudes we feel each fleeting moment of them. The fierce compulsion of war has been responsible for many of mankind's greatest strides. The barbarians shoved the Anglo-Saxons out of Europe, but the English then proceeded to establish a vast empire on the seven seas. The barbarians of our own era, the Nazis, have pushed into Russia, yet the valiant answer of the Russians has been to organize an immense industrial and agricultural commonwealth behind the bulwark of the Ural Mountains. The brave people of China, harried for 6 years by Japanese savagery, have put their factories on their backs and reared new cities far up their mountain gorges.

War's urgent demands have impelled us to build the Alcan Highway, the first land route in history to Alaska. In doing so we are penetrating a limitless wilderness in northern British Columbia, in the Yukon Territory, and in the interior of Alaska. Who can now prophesy what developments this will make possible? Perhaps a new shift is taking place in the focus of the world's transportation. Delegate ANTHONY J. DIMOND, of Alaska, has urged that the Alcan Highway be extended to the shores of the Bering Sea. Perhaps this will be the new northwest passage, the land and air route linking America and Asia across the roof of our planet. Who knows but that Fairbanks, Alaska, may become the great union station of the world?

Eight decades ago an American Army colonel, Charles S. Bulkley, led an expedition which intended to string an overland telegraph from America to Asia. Queen Victoria granted the right to build the line through British Columbia. Russia advanced is own telegraph system to Nikolayevsk in Siberia. I have had the pleasure of presenting to the Prime Minister a copy of Colonel Bulkley's journal, a journal which tells of this joint project among three great nations to provide an intercontinental line of communication via the Arctic.

Under the goad of war's stern lash, we are completing the job which Colonel Bulkley and his associates began in the 1860's. The Alcan Highway—along with the airfields dotting it—is a route to our allies in Russia and China and it is a sword pointed at our enemies in Japan. Transportation developments of immeasurable importance have followed other wars. Perhaps the Alcan Highway, as a thoroughfare to Asia and as a conduit to the riches of Alaska and the Yukon, is destined to be one of the lasting and significant results of the conflict in which the whole earth is now engaged.

This road, extending for 1,650 miles through the wilderness, has captured the imagination of many people. I confess that my own pulse beat faster that cold morning in November when the first trucks started for Fairbanks.

Yet one did not have to be at Kluane Lake on that occasion to appreciate the spirit and meaning of the event. To my desk recently came a poem composed by a school teacher in your Canadian city of Toronto, Miss Hazel A. McEwan. She wrote it from a sickbed, nearly a continent removed from the events which were her inspiration. Yet I believe she has captured the spirit of the builders of the road. I can think of no better way to conclude than to read this inspiring message from one of your fellow citizens:

"Canalaska, Athabaska, Dawson City, Nome!
Do they thrill you as they thrill me, and call
your feet to roam?
Athabaska, Canalaska, Dawson City, Nome!
They stir longings in my very heart for ways
I've never known.

"Canalaska, Athabaska, Peace, and Yukon,
too!
The new road shows to heathen men what
Christian men can do;
It's a symbol and a warning to that black-
hearted race
That drives a dagger in your heart while
smiling in your face.

"Oh, the Canalaska Highway leads to far Attu.
To Dutch Harbor and the Aleutians in a sea
more grey than blue.
For sixteen hundred mountain miles, from
the prairie to the sea,
It's the road that freedom travels that the
helpless may be free.

"Canalaska, Athabaska, White Horse, and
Great Bear,
Mackenzie and the Yellowknife—they're all
up there!
There's music in those lovely names—can't
you hear them call?
But the Canalaska Highway is the loveliest
of all."

Mr. Speaker, without deprecating in any manner what has been so successfully achieved, most of us who live in Alaska have always believed, and still are confident, that the highway to Alaska which will best serve both military and economic purposes for the Canadians as well as for ourselves, is one that still remains to be built; from Prince George, British Columbia, to Whitehorse, there to intersect the existing highway. The construction of such a truly Alaska-Canada Highway, giving reality to the geographic and economic unity of Alaska with the western regions of Canada and of the United States, is yet to be brought into being.

The construction of such a highway between Prince George and Whitehorse would be much less expensive in money and in the use of critical material than would be the construction of a railroad. Its construction, with suitable development and enlargement of capacity of that part of the existing highway between Whitehorse and Fairbanks would render unnecessary the building of a railroad to Alaska as has been proposed.

Since my remarks today were suggested by the ceremony which recently took place in Ottawa, it seems appropriate on this occasion to pay deserved tribute to a number of the eminent citizens of Canada who have aided in one fashion or another in the construction of the highway, many of whom join in the view that a highway should be built without delay between Prince George and Whitehorse. But I am sure that they all rejoice, as I do, in the existing highway between Dawson Creek and Fairbanks which will soon be brought to completion. The list which I shall give is far from being complete, but I nevertheless express my appreciation of the vision and good will and cooperation of

the following-named distinguished citizens of Canada. The first five named are the members of the Canadian International Highway Commission, the official positions of the others will be designated:

Hon. Charles Stewart, chairman; Brig. Gen. T. L. Tremblay, Quebec; Mr. J. M. Wardle, Department of Mines and Resources, Ottawa; Mr. Arthur Dixon, Public Works Department, Victoria, British Columbia; Mr. J. W. Spencer, Vancouver, British Columbia; Hon. T. D. Pattullo, former Prime Minister of British Columbia; Hon. George M. Murray, former member of the Legislative Assembly of British Columbia; Hon. John Hart, Prime Minister of British Columbia; Capt. George Black, representative of Yukon Territory and Canadian House of Commons, former speaker of the house; Hon. Gerald Grattan McGeer, member of the Canadian House of Commons from Vancouver-Burrard, British Columbia; Hon. T. J. O'Neill, member of the Canadian House of Commons, representing Kamloops, British Columbia; Hon. J. G. Turgeon, member of the Canadian House of Commons, representing Cariboo, British Columbia.

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. DIMOND. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. May I inquire of the gentleman to what extent this highway is now being used?

Mr. DIMOND. It is being used daily and it is being used to a large extent by plenty of trucks for the transportation of supplies over the highway. I can assure the gentleman from Kentucky that the greatest possible use is being made of the highway at the present time because the frost, which penetrates to a depth of several feet in the ground in that country, furnishes the pavement. The highway is in excellent shape right now.

Mr. ROBSION of Kentucky. When does the thaw begin?

Mr. DIMOND. The thaw will begin in April.

Mr. ROBSION of Kentucky. There will be some repairs?

Mr. DIMOND. Yes. The principal repairs that will be necessary, if they may be called repairs, will be in the surfacing of the highway with crushed gravel or rock. Most of it will be gravel. Practically one-half of the highway was so surfaced during the past summer, but on account of the length of it and the immense amount of work necessary for construction otherwise, it was not found possible last summer to surface the entire length of the highway, so some of it must be done next spring.

Mr. ROBSION of Kentucky. I think it is a great project. I would like to inquire now what use our citizens may make of it after the war? What I am especially trying to find out is if it is to be a toll road or free road?

Mr. DIMOND. I am sorry to say I am unable to give the gentleman any assurances upon that point. I believe, however, it will be a free road. Before the highway was commenced, in fact under date of March 17, 1942, the State Departments of the United States and Canada made an agreement covering the building of the highway, giving us permission to build it. I note in that agreement, of which I have a copy, the following paragraph:

> The American Government agrees that at the conclusion of the war that part of the highway that lies in Canada shall become in all respects an integral part of the Canadian highway system, subject to the understanding that there shall at no time be imposed any discriminatory conditions in relation to the use of the road as between Canadian and United States civilian traffic.

As I understand it, the proposal is that the citizens of the United States will be treated in all respects like the citizens of Canada when it comes to the use of that road.

Mr. ROBSION of Kentucky. They have free roads up there?

Mr. DIMOND. I do not know of any toll roads in Canada.

Mr. ROBSION of Kentucky. I want to commend the gentleman for his efforts in getting this highway built.

The SPEAKER. The time of the gentleman has expired.

Mr. DIMOND. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include two addresses made by Brig. Gen. James A. O'Connor, United States Army, commanding Northwest Service Command.

The SPEAKER. Is there objection to the request of the gentleman from Alaska [Mr. DIMOND]?

There was no objection.

Mr. MAGNUSON. Mr. Speaker, I ask unanimous consent to insert in the RECORD at this point after the address of the gentleman from Alaska a letter written to me by Lt. Richard L. Neuberger, who is aide to General O'Connor, Northwest Service Command.

The SPEAKER. Is there objection to the request of the gentleman from Washington [Mr. MAGNUSON]?

There was no objection.

The letter referred to follows:

NORTHWEST SERVICE COMMAND,
Whitehorse, Yukon Territory, Canada, March 3, 1943.

Hon. WARREN G. MAGNUSON,
United States Congress, Chairman, Alaskan-Yukon International Highway Commission, Washington, D. C.

DEAR WARREN: This is an unofficial report—very unofficial—on the splendid cooperation between the United States and Canada in the construction, operation, and maintenance of the Alcan International Military Highway. This road stretches for 1,630 miles from Dawson Creek, British Columbia, to Fairbanks, Alaska; 1,200 of those miles are on the land of Canada.

No time could be more appropriate for this report to you, as Chairman of the Alaskan-Yukon International Highway Commission. At Ottawa last week Brig. Gen. James A. O'Connor, commanding the American Army's Northwest Service Command, presented to Prime Minister W. L. Mackenzie King one blade of the scissors used to cut the ribbon at the highway's opening.

This brief ceremony symbolized the atmosphere of friendly cooperation which has attended the construction of the road. Col. K. B. Bush, the Northwest Service Command chief of staff, insists that spontaneous cooperation is the only adequate description.

In Ottawa General O'Connor, Colonel Bush, and I—along with J. Lance Rumble, of Toronto, the general's technical adviser—were guests of honor at a dinner given by the Honorable Ian Mackenzie, of Vancouver, British Columbia, Minister of Pensions and National Health.

That dinner was a further indication of the good will, understanding, and admiration between the two great Nations. I had the honor to sit next to Capt. George Black, former speaker of the Canadian House of Commons, who represents the Yukon Territory. Captain Black at once asked me if I knew you and Tom Riggs, who also is a member of your commission. He spoke most highly of you both, and told of meeting you at a reception given at the home of Gov. Ernest Gruening in Juneau, the Alaska capital.

Near us at the table were many other members of the Canadian Parliament, the bulk of them from British Columbia and Alberta, the Provinces most interested in the Alcan Highway. They asked about you and ANTHONY J. (TONY) DIMOND, Alaska's veteran Delegate in our Congress. Most of them knew Tony and referred to him as one of the outstanding and sincere men of their acquaintance. A British Columbia Member of Parliament told me, "You know, lieutenant, the boundary line between Alaska and British Columbia isn't rigid enough to prevent us from often thinking of TONY DIMOND as practically a representative of British Columbia as well as his own constituency. In fact, we all remember the years when Tony was crusading for adequate defense of our whole north Pacific seacoast."

Many Canadians referred to the long association of the American and Dominion commissions studying plans for an international highway. They inquired after you and Mr. Riggs and Governor Gruening and James Carey and Donald MacDonald. All of them remembered MacDonald's persistent fight for a land route northward.

I think that every American connected with the building the Alcan Highway, be he soldier or civilian, feels a kinship with the people of Canada as the result of the experience. From the Dominion and Provincial governments, from the Royal Mounted, from the people in cities and settlements and countryside—from all of Canada—we have received the utmost in friendliness and cooperation. It is the real epitome of the good neighbor policy.

I recall the time the temperature hit 61 degrees below at Whitehorse in December. The mounties, the townspeople; Mr. Horace Moore, the editor of The Whitehorse Star; Bishop Jean Louis Coudert, O. M. I.; Rev. W. G. Chappell—everyone, in fact—were solicitous about us and wondered how we were weathering the biting Arctic climate.

The evidences of cooperation are legion. As Ian Mackenzie stated at the highway opening: "You of the United States provided the toil, we of Canada provided the soil." We have had the honor of sending small bits of the historic opening ribbon to many Canadian citizens, average people as well as public officials. Col. W. F. Von Zelinski, Maj. Mendel Silverman and other Army doctors at Whitehorse have provided attention for Canadians who are ill. J. Lance Rumble of Toronto is on General O'Connor's staff as a technical expert and adviser.

Let me describe the most human incident of all. To my desk in November came a poem sent by a Toronto businessman. He said the author of the poem was Miss Hazel A. McEwan, a school teacher of his city who had been ill for some time. The poem told, in vivid and inspiring terms, what the new highway meant to Miss McEwan. I showed the poem to General O'Connor. He liked it at once. In fact, he committed it to memory that very afternoon. He had Sergeant McNeill, an artist in our headquarters company,

letter it on a card illustrated with mountains and Alaskan totem poles.

Congressman HOMER ANGELL, of Oregon, placed Miss McEwan's poem in the Appendix of the CONGRESSIONAL RECORD. Then, from Ottawa last week, General O'Connor read the entire poem in a talk broadcast nationally by the Canadian Broadcasting Corporation.

From Miss McEwan, in Toronto, we have recently had this letter, "This has been such a happy experience all the way through that it warms my heart. I could fill pages telling you of all the happy contacts which General O'Connor's use of the poem has brought me."

The episode is an indication of the many pleasant relationships which we have had with the people of Canada. I am sure this friendly atmosphere of harmony and understanding must be pleasing to you, in view of your long experience and contact with Canadians as chairman of the Alaskan-Yukon International Highway Commission.

The evening of the dinner tendered us by Mr. Mackenzie, we listened for a few minutes to a debate taking place in the Canadian House of Commons. It was on an issue of relatively minor importance, yet the mere existence of the debate in the historic chamber, beneath the lofty and imposing peace tower, seemed a symbol of free government and constitutional liberty—ideals which Canada and the United States are mutually committed to preserve and defend.

With best wishes.

Faithfully,

DICK NEUBERGER.

INCREASE IN DEBT LIMIT OF THE UNITED STATES

Mr. CLARK, from the Committee on Rules, submitted the following privileged resolution (H. Res. 149, Rept. No. 214), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 1780), to increase the debt limit of the United States, and for other purposes, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking member of the Committee on Ways and Means, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit.

PERMISSION TO ADDRESS THE HOUSE

Mr. MAGNUSON. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Washington [Mr. MAGNUSON]?

There was no objection.

EXTENSION OF REMARKS

Mr. JENSEN. Will the gentleman yield?

Mr. MAGNUSON. I yield to the gentleman.

Mr. JENSEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein Iowa Senate Concurrent Resolution 20, which reads as follows:

Senate Concurrent Resolution 20

Whereas upon the shoulders of American boys, 18 years of age or over, has been placed the responsibility of forming a part of the armed forces engaged in the present titanic struggle for world liberty, and

Whereas apart from the physical aspects of the sacrifice our younger men are thus called upon to make is the matter of their education. It is a serious and momentous thing, to them and to their country, to interrupt, perhaps to prevent, their academic and professional training; and

Whereas it now appears that it is the purpose of the War Relocation Authority of the United States to accord eligibility to some 2,500 young Japanese-American students, located in war relocation centers, to leave such centers and enter any of a large number of colleges and universities—in other words, to accord the privileges of higher education to a group of young people, citizens by virtue of their birth in this country, whose loyalty and patriotism are rendered doubtful because of their racial extraction, thereby unfitting them to be soldiers, while denying a similar opportunity to our own young men of unquestioned loyalty; and

Whereas it is admitted that practically all of the Japanese-Americans to whom higher education is to be afforded are physically fit and capable of performing services which would be useful to the war effort, where their patriotism might be demonstrated without placing them in a position where possible disloyalty might be perilous: Therefore be it

Resolved by the senate (the house concurring):

1. That no discrimination be shown in the matter of educational advantages, between America's young citizens, of whatever race or nationality—in short, while young men of undoubted loyalty and Caucasian extraction are required to serve in the armed forces, that these young men of Japanese ancestry and less certain loyalty be given opportunity to serve the war effort in ways in which their racial extraction will prove no impediment.

2. That steps be taken, through executive intervention or order, or by means of legislation, if necessary, to prevent allowing Japanese-American youths the privilege of leaving concentration centers and securing an education in American colleges and universities, while the same privilege is denied to loyal American young men called to military service.

3. That if any Japanese-American youths have already been given the privilege of attending colleges and universities, they be returned to their relocation camps; and be it further

Resolved, That a copy of this resolution be sent to the President of the United States, also to the two Iowa Senators, and to the eight Iowa Members of the House of Representatives, and that they thus be petitioned to use their influence and best offices that the injustices mentioned may be avoided.

Mr. CRAVENS. My Speaker, I ask unanimous consent to extend by own remarks in the Appendix of the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas [Mr. CRAVENS]?

There was no objection.

Mr. WILSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include a resolution from the farmers of Dearborn County, Ind., and others.

The SPEAKER. Is there objection to the request of the gentleman from Indiana [Mr. WILSON]?

There was no objection.

The SPEAKER. The gentleman from Washington [Mr. MAGNUSON] is recognized for 5 minutes.

Mr. MAGNUSON. Mr. Speaker, the Delegate from Alaska has made a very able presentation of the studies made of the so-called Alaskan Highway. As the gentleman from Kentucky so well pointed out, he has been zealous in all the years he has been here in trying to get this means of transportation to his own section of the country, Alaska.

This Congress in 1937 appointed an Alaskan Highway Commission of which I was chairman of the American section, and we worked on the matter along with the Delegate from Alaska.

Like the Delegate from Alaska, this Commission and many of us do not yet believe that the main highway has been built to Alaska. There is a pilot road, a service road that serves a great military purpose. It was completed with dispatch. They will have a little trouble with it when the thaw comes, but things are moving over the road. Primarily, it connects a series of airfields which go over the top, and of course they are vitally important.

The Delegate from Alaska and I, as well as members of this Commission, believe there should also follow a connection from Prince George, which is in about the geographical center of British Columbia, north to this present road into Whitehorse and on into the gentleman's territory. The Delegate from Alaska [Mr. DIMOND] has introduced a bill to that effect and I have introduced some bills. We have all introduced bills, but never seem to get any place.

Mr. DIMOND. Mr. Speaker, will the gentleman yield?

Mr. MAGNUSON. I yield to the gentleman from Alaska.

Mr. DIMOND. I have no desire to trade compliments, Mr. Speaker, but justice impels me to say that nobody has been more active or more effective in the project for the construction of the highway to Alaska than the distinguished gentleman from Washington.

With respect to the bills we have introduced severally, and perhaps even collectively, I was reassured the other day by being advised by the House Committee on Roads that the Secretary of the Interior had given a resounding declaration in favor of the construction of this highway between Prince George and Whitehorse in Canada. This morning I was somewhat saddened by receiving another communication through the House Committee on Roads, a letter from the Secretary of War advising against the building of the highway.

Mr. MAGNUSON. Apparently the Secretary of War and the Secretary of the Interior are in conflict on this project. This is what I wanted to bring out. Of course, the responsibility of the Secretary of War is primarily military. It must be, as equipment and men and materials would be used on this connection

with the highway of Alaska. I do not know but that the Canadians, who have a group of men stationed in British Columbia, might use some of those men at this time to make this connection, so that you would have the Pacific coast and all the rest of that territory connected with a road going up to the so-called terminal point, Whitehorse.

The Secretary of the Interior did give us a resounding declaration for the highway. I shall read it to the House. He states:

> The location of the route proposed for this supply highway, designated as the A route, would afford a direct line of communication between Seattle, Wash., and Fairbanks, Alaska, and could easily be expanded to serve coastal points—

That is very important—

> which would afford transportation facilities for equipment and supplies required in the construction of this highway. Moreover, the terrain to be traversed by the proposed highway would permit expeditious completion.

That is what the gentleman from Alaska and I have always contended.

> Although a military highway is now being constructed by the War Department from St. John to Alaska, in my opinion it is still necessary that the President be authorized to proceed with the construction of a direct highway connection between the west coast and Alaska. While the highway from the west coast to Alaska is urgently needed, under the bill the decision as to the commencement of actual construction is properly left discretionary with the President since it is dependent upon the availability of materials, equipment, and labor.

Then the Secretary goes on and accordingly recommends that the bill be passed with an amendment he suggests, and that is what the Delegate from Alaska and I are going to strive to do, despite the objection from the Secretary of War. I hope we shall have the backing of this House when the matter comes before us.

EXTENSION OF REMARKS

Mr. MANSFIELD of Montana. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a resolution memorializing the Congress of the United States to enact suitable legislation to grant full and complete civil rights to all Indians who are members of, or who served in the United States forces in any war in which the United States is a part.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, I listened a few moments ago with great interest to the gentleman from North Carolina [Mr. BULWINKLE] discussing William Blackstone, who gave to us the great treatise on the common law, the greatest system of jurisprudence the world has ever known.

I have been shocked to learn lately that many of our law schools are not teaching Blackstone. I hope they will return to it. This is a time when we need to return to the Constitution of the United States; this is a time when we need to hark back to the common law; this is a time when we need to get back to Christianity and those great fundamental principles upon which our civilization is built.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, the gentleman from Mississippi [Mr. RANKIN] and the gentleman from North Carolina [Mr. BULWINKLE] have been talking about Blackstone. I do not know why they go away back there to talk about a man who has been dead for so many years, even though the principles he advocated are so fine, just so long as you keep men like Rexford Tugwell in this Government and he performs as he has been doing. Why does not the gentleman from Mississippi and the gentleman from North Carolina get around and clean up some of these men who are violating every principle, every good rule that Blackstone ever thought of or laid down. Why not do something about those who live here now?

Mr. RANKIN. I went back there because the gentleman from North Carolina was discussing Blackstone. I did not want to speak about or discuss latter day figures, such as Forbes or Fall or Doheny and all that crowd they had back there in the twenties.

Mr. HOFFMAN. Why not go straight through and come down to the present and get rid of those fellows who are violating those rules?

Mr. RANKIN. The gentleman knows that I am one who has advocated getting rid of everybody on the Federal pay roll who is trying to destroy, or who is even ostensibly trying to destroy American institutions.

Mr. HOFFMAN. The gentleman's party over there has control of that bill before the Committee on Insular Affairs. Why not do something about it?

Mr. RANKIN. I am not on the Committee on Insular Affairs.

Mr. HOFFMAN. But the gentleman can speak to them, and he has a powerful influence on that side.

Mr. RANKIN. And the gentleman from Michigan can also speak to them.

Mr. HOFFMAN. But they do not listen to me, they just pass it on.

Mr. RANKIN. I am not on the Committee on Insular Affairs, but I do not mind discussing the Puerto Rican situation.

The SPEAKER. The time of the gentleman from Michigan has expired.

THE PUERTO RICAN SITUATION

Mr. RANKIN. Mr. Speaker, I want to get a little time myself. I ask unanimous consent to address the House for 5 minutes on the subject of Puerto Rico.

The SPEAKER. Is there objection?

Mr. HOFFMAN. I reserve the right to object. Will the gentleman yield to me when he gets through?

Mr. RANKIN. Oh, the gentleman can get all of the time he wants.

The SPEAKER. Is there objection?

There was no objection.

Mr. RANKIN. Mr. Speaker, it is about time that some of these gentleman who are talking about Puerto Rico learned something about it. I know Dr. Tugwell and I am not a Tugwell fan. The gentleman knows that Dr. Tugwell and I disagree violently on many things, but we have a condition and not a theory confronting us in Puerto Rico. Not one of you gentlemen has ever offered a solution, with all the criticism that you have hurled at Dr. Tugwell. Puerto Rico is under our flag. It is not a foreign country.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. No; not now. I ask the Speaker to keep the gentleman from Michigan quiet until I can give him some information about the conditions in Puerto Rico.

There are more than 500 people to the square mile in Puerto Rico. If Texas were as thickly settled as Puerto Rico, it would contain more people than are now living in the whole United States; and if Mississippi or Pennsylvania or New York were as thickly populated as Puerto Rico, they would contain, any one of them, more than 20,000,000 people. Half of that island is as barren as this floor and produces absolutely nothing. Those rich valley lands have been gobbled up by the Sugar Trust, and they are using them to produce sugarcane and sending the raw sugar to the United States to have it processed or refined here, leaving those people down there without work to do, and many of them without anything to eat. Some of them are near starvation. and some of them were 20 years ago when I was down there, when the gentleman's own party was in power, and my distinguished friend, Judge Horace M. Towner, from Iowa, was Governor of the island.

What are you going to do? I said then that those rich lands should be cut up and sold to those people, so that they could use them to make a living and feed themselves and their children. I saw hungry children, numbers of them, who hardly had a square meal a week. What are you going to do about those people?

I would not want Dr. Tugwell to run Mississippi, and I do not think the gentleman would want him to run Michigan, because you have a State government there, and you have ample supplies, and ample farm lands. It is all very well to talk, when you are well fed, well housed, and well clothed, it is all very well to criticize something that somebody else has said or done. But it is a different proposition when it comes to suggesting a remedy.

I am not underwriting Tugwell's program, but I am saying to you that, as representatives of the American people, it is our duty to see that the people of Puerto Rico are given an opportunity to

make enough to keep them alive. If we do not, then they will come to the United States. Does Michigan want them? No. Does Mississippi want them? No. Does New York want them? No. They have as many now as they can take care of. So when the gentleman from Michigan undertakes to read the riot act to me about Puerto Rico, I say to him that he should suggest a remedy.

Mr. HOFFMAN. Will the gentleman yield?

Mr. RANKIN. Yes; I yield.

Mr. HOFFMAN. The gentleman said Puerto Rico was under the American flag.

Mr. RANKIN. Yes.

Mr. HOFFMAN. That is no excuse for keeping them there as guinea pigs. You said that for 20 years they have been starving to death. Tugwell has been down there how many years? They are still starving. Why do you not get rid of him?

Mr. RANKIN. I am not Dr. Tugwell's keeper; but I must say that he is the only man who has gone down there who has offered to do anything to make it possible for those poor people to do anything to make a living out of their own ground. Whether he is right or wrong I do not know; but this is your responsibility as well as mine. You are not going to bring those people to Michigan or to Mississippi or New York. Then what are you going to do about them?

Mr. HOFFMAN. I know what I would do. I would get rid of the mismanagement that Tugwell has been giving them down there.

Mr. RANKIN. I am not saying what to do——

Mr. HOFFMAN. You do not stand for him. Why do you not get rid of him?

Mr. RANKIN. Oh, you need not talk to a man about mismanagement when his children are hungry. Do not talk about mismanagement when they see their emaciated children actually crying for something to eat.

Mr. HOFFMAN. Who is to blame for it?

Mr. RANKIN. You are.

Mr. HOFFMAN. I am to blame for it?

Mr. RANKIN. Yes; as a Member of Congress, the gentleman is partly responsible.

Mr. HOFFMAN. You must be crazy. I do not have anything to do with Puerto Rico. We have voted money for those people down there. Tugwell has the pocketbook, there is money in it, and if the people there are starving it is not my fault—it is the result of his lack of ability.

Mr. RANKIN. I am not as crazy as you might think. You are a Member of Congress and you stand here and criticize what is being done without offering any solution.

Mr. HOFFMAN. Oh, yes; we do. The first thing is to get rid of Tugwell. You admit there is nothing good about him as far as you know.

Mr. RANKIN. No, I do not.

Mr. HOFFMAN. Well, what is good about him?

Mr. RANKIN. I said I did not want him to run Mississippi, but I will say God help the Puerto Ricans if the gentleman from Michigan takes them over.

Mr. HOFFMAN. They would not need any help from God if I took them over and had the funds Tugwell has had. They would not be forced to starve as the gentleman says they are starving now. I can tell you that.

Mr. RANKIN. They would need something.

The SPEAKER. The time of the gentleman from Mississippi has expired.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. STARNES of Alabama, for 10 days, on account of official business.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 163. An act to amend section 511 of the Merchant Marine Act, 1936, as amended, relating to ship construction reserve funds, and for other purposes; to the Committee on the Merchant Marine and Fisheries.

ADJOURNMENT

Mr. MANSFIELD of Montana. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 52 minutes p. m.), pursuant to its order heretofore entered, the House adjourned until Monday, March 8, 1943, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON RIVERS AND HARBORS

The Committee on Rivers and Harbors will meet Tuesday, March 9, 1943, at 10:30 a. m., to begin hearings on H. R. 1880, a bill providing for the construction of a ship canal across the State of New Jersey, connecting New York Bay with the Delaware River, and forming the last link in the Intracoastal Waterway from Boston to the Mexican border.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the subcommittee on bridges of the Committee on Interstate and Foreign Commerce, at 10:30 a. m., Tuesday, March 9, 1943.

Business to be considered: Public hearing on H. R. 877, to authorize the charging of tolls for the passage or transit of Government traffic over the Golden Gate Bridge.

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m., Tuesday, March 16, 1943.

Business to be considered: Public hearing on H. R. 149.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

You are hereby advised that the hearing on H. R. 134, to provide for the suspension, during the war, of operating-differential subsidy agreements, and attendant benefits, under title VI of the Merchant Marine Act, 1936, as amended, and for other purposes, which was previously scheduled for Thursday, March 4, 1943, has been postponed until Thursday, March 11, 1943, at 10 a. m.

The committee will also hold a public hearing on Thursday, March 18, 1943, at 10 a. m., on H. R. 1361 (Mr. LANE) and H. R. 1409 (Mr. FOGARTY), conferring upon men in the merchant marine the same rights, privileges, and benefits accruing to those serving in the armed forces, and on H. R. 1858, to confer the same rights, privileges, and benefits upon members of the United States merchant marine who served during the World War as are conferred upon members of the armed forces of the United States who served during such war.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

225. A letter from the chairman of the United States Circuit Court of Appeals, transmitting a draft of two proposed bills to provide a correctional system for adult and youth offenders convicted in courts of the United States, and to provide for waiver of indictment and waiver of trial by jury in criminal cases; to the Committee on the Judiciary.

226. A letter from the Secretary of the Interior, transmitting a draft of a proposed bill for the protection of Indian tribal organizations; to the Committee on Indian Affairs.

227. A letter from the Secretary of the Interior, transmitting a draft of a proposed bill to authorize the Secretary of the Interior to purchase, with funds appropriated to the Department of the Interior, for expenditure in the Territory of Alaska, food, clothing, supplies, and materials for resale to employees of this Department stationed in Alaska; to the Committee on the Territories.

228. A letter from the Archivist of the United States, transmitting report of the Archivist on lists of papers recommended to him for disposal by certain agencies of the Federal Government; to the Committee on Disposition of Executive Papers.

229. A letter from the chairman of the Federal Communications Commission, transmitting annual report of Commission for the fiscal year ended June 30, 1942; to the Committee on Interstate and Foreign Commerce.

230. A letter from the Secretary of the Interior, transmitting a draft of a proposed bill which would authorize the Secretary of the Interior, or his authorized representative, to purchase logs, lumber, and other forest products for processing, manufacture, and sale at the Red Lake Indian Mills on the Red Lake Indian Reservation, Minn.; to the Committee on Indian Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MURRAY of Tennessee: Committee on the Post Office and Post Roads. H. R. 324. A bill to place postmasters at fourth-class post offices on an annual salary basis, and fix their rate of pay; and provide allowances for rent, fuel, light, and equipment, and fix the rates thereof; with amendment (Rept. No. 212). Referred to the Committee of the Whole House on the state of the Union.

Mr. O'BRIEN of Michigan: Committee on the Post Office and Post Roads. H. R. 1366. A bill to provide temporary additional compensation for employees in the Postal Service; with amendment (Rept. No. 213). Referred to the Committee of the Whole House on the state of the Union.

Mr. CLARK: Committee on Rules. House Resolution 149. Resolution, providing for consideration of H. R. 1780, a bill increasing

the debt limit of the United States, and for other purposes; without amendment (Rept. No. 214). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. POWERS:

H. R. 2098. A bill to provide for the award to civilians of the Lincoln Cross and the Lincoln Medal, and for other purposes; to the Committee on Coinage, Weights, and Measures.

H. R. 2099. A bill to amend the Railroad Retirement Act of 1937 so as to provide for payment of benefits with respect to the month in which an annuitant or pensioner dies; to the Committee on Interstate and Foreign Commerce.

By Mr. PATMAN:

H. R. 2100. A bill to mobilize the scientific and technical resources of the Nation, to establish an Office of Scientific and Technical Mobilization, and for other purposes; to the Committee on Patents.

By Mr. POWERS:

H. R. 2101. A bill for the better assurance of the protection of persons within the several States from mob violence and lynching, and for other purposes; to the Committee on the Judiciary.

By Mr. ABERNETHY:

H. R. 2102. A bill to exclude from gross income, for purposes of Federal income tax, amounts received as compensation for active service in the military or naval forces of the United States, and for other purposes; to the Committee on Ways and Means.

By Mr. HOBBS:

H. R. 2103. A bill to punish the willful injury, destruction, or defective manufacture of property used or intended for use in the preparation for or carrying on of war or national defense, and for other purposes; to the Committee on the Judiciary.

By Mr. SCHWABE:

H. R. 2104. A bill to provide free vegetable seeds for Victory gardens for congressional distribution; to the Committee on Agriculture.

By Mr. O'CONNOR:

H. R. 2105. A bill extending the time for repayment and authorizing increase of the revolving fund for the benefit of the Crow Indians; to the Committee of Indian Affairs.

By Mr. BULWINKLE:

H. R. 2106. A bill to provide for the acceptance on behalf of the United States of a statue of Sir William Blackstone, the work of the late Paul W. Bartlett, and for other purposes; to the Committee on the Library.

By Mr. CURTIS:

H. R. 2107. A bill to prohibit occupational deferment in the case of individuals working less than 48 hours per week and receiving overtime pay for work in any workweek of not more than 48 hours and individuals guilty of absenteeism, striking, or work stoppage; and to provide for a 48-hour workweek instead of a 40-hour workweek; to the Committee on Military Affairs.

By Mr. LEMKE:

H. J. Res. 89. Joint resolution relating to Public Law 74 (77th Cong.) and the Agricultural Adjustment Act, 1938, as amended, and providing for the refund of all penalty taxes collected, and for the cancelation of all uncollected penalty taxes on so-called excess wheat for the years 1941 and 1942; to the Committee on Agriculture.

By Mrs. ROGERS of Massachusetts:

H. Res. 150. Resolution requesting the President to give certain information relative to the amount of petroleum sent to Spain and other countries in the past 2 years; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Idaho, memorializing the President and the Congress of the United States to suspend the operation of the Agricultural Adjustment Act for the duration; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. JOHNSON of Indiana:

H. R. 2108. A bill for the relief of Raymond Nelson Hickman; to the Committee on Naval Affairs.

By Mr. CALVIN D. JOHNSON:

H. R. 2109. A bill for the relief of the estate of Mrs. Minerva C. Davis; to the Committee on Claims.

By Mr. PETERSON of Georgia:

H. R. 2110. A bill for the relief of Henry Burch Montford, Jr.; to the Committee on Naval Affairs.

By Mr. POWERS:

H. R. 2111. A bill to provide for the sale of certain real property owned by the United States to Howard L. Emmons; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

222. By Mr. ANGELL: House Joint Memorial No. 4, of the Oregon Legislature, memorializing the Congress to enact legislation providing for the acquisition by the United States of certain bridges across the Columbia River; to the Committee on Rivers and Harbors.

223. By Mr. GILLIE: Memorial of Charles Billman and 40 other citizens of Monroeville, Ind., urging the immediate passage of national old-age-pension legislation, providing pensions of at least $40 per month for all needy elderly citizens; to the Committee on Ways and Means.

224. By Mr. MOTT: House Joint Memorial No. 4, of the Forty-second Legislative Assembly of the State of Oregon, petitioning the Congress of the United States to enact and approve at the earliest practicable moment legislation providing for the acquisition by the United States of the interstate bridges, including the approaches thereto, across the Columbia River between Rainier, Oreg., and Longview, Wash., and between Cascade Locks, Oreg., and Stevenson, Wash., and for the operation of said bridges, after such acquisition, free of tolls; to the Committee on Interstate and Foreign Commerce.

225. By the SPEAKER: Petition from the secretary of the Fraternal Monitor, Rochester, N. Y., petitioning consideration of the resolution adopted by the New York Fraternal Congress on January 22, 1943, of Maryland, and also the New York Fraternal Congress at its 1943 session; to the Committee on Foreign Affairs.

226. By Mr. PFEIFER: Petition of the Industrial Home for the Blind, Brooklyn, N. Y., favoring consideration and passage of the Barden bill (H. R. 699); to the Committee on Education.

227. By Mr. FOGARTY: Memorial of the Rhode Island General Assembly, calling for the necessary appropriation to complete the barge canal across Florida; to the Committee on Rivers and Harbors.

228. By Mr. FORAND: Resolution of the General Assembly of the State of Rhode Island, requesting necessary appropriation for funds to complete the barge canal across Florida in order that oil may be brought by barges from Texas to New Jersey and transshipped there to New England and other northeastern points; to the Committee on Appropriations.

229. By the SPEAKER: Petition from the clerk of the house of representatives, from the executive office of Arizona, petitioning consideration of their resolution with reference to marketing, transporting, and distributing farm products; to the Committee on Rules.

HOUSE OF REPRESENTATIVES

MONDAY, MARCH 8, 1943

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Blessed Lord, we are grateful for life and for the opportunity of having a part in the world's school of character. We pray that we shall be triumphantly equal to our duty, to temptation and sacrifice, joyfully leveling ourselves to the best. Do Thou send forth truth unto victory, seeing in our vision the tranquil face of our Master, catching the infection of His glorious confidence and His undaunted spirit for the fashion of a better world.

Inspire us to hold fast the eternal truth that throughout the ages one increasing purpose runs and the goal of human life is not personal enjoyment, but the design is for the perfection of the spirit of man. Heavenly Father, these days are tremendous and we beseech Thee that waiting hours shall not be permitted to drag like a cumbersome load, but the labor for victory speed like a weaver's shuttle. With minds generous and open, bind together all citizens in their purpose for the mobilization of mercy, realizing that the heart speaks a language which only the heart can understand; crown us with devotion to the afflicted and wounded and grant that we may forsake all selfishness and prejudice. Deliver humanity from the pestilence that walketh in darkness and from the destruction that wasteth at noonday. Through Christ. Amen.

The Journal of the proceedings of Friday, March 5, 1943, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 786. An act to amend title I of Public Law No. 2, Seventy-third Congress, March 20, 1933, and the Veterans Regulations, to provide for rehabilitation of disabled veterans, and for other purposes.

The message also announced that the Vice President had appointed Mr. BARKLEY and Mr. BREWSTER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for

the disposition of executive papers in the following departments and agencies:

1. Department of Agriculture.
2. Department of Commerce.
3. Department of the Navy.
4. Department of State.
5. Department of War.
6. Federal Security Agency.
7. Federal Works Agency.
8. The National Archives.
9. The Panama Canal.
10. United States Employees' Compensation Commission.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 839) entitled "An act to amend the act approved May 27, 1937 (ch. 269, 50 Stat. 208), by providing substitute and additional authority for the prevention of speculation in lands of the Columbia Basin project, and substitute and additional authority related to the settlement and development of the project, and for other purposes."

The message also announced that the Vice President had appointed Mr. BARKLEY and Mr. BREWSTER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers in the following department and agencies:

1. Department of Agriculture.
2. Federal Works Agency.
3. National Housing Agency.
4. Tennessee Valley Authority.
5. The National Archives.

OMNIBUS SHIPPING BILL—CONFERENCE

Mr. BLAND. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 133) to amend and clarify certain provisions of law relating to functions of the War Shipping Administration, and for other purposes, with Senate amendments, disagree with the Senate amendments, and ask for a conference with the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. BLAND, RAMSPECK, MANSFIELD of Texas, WELCH, and O'BRIEN of New York.

MEAT SHORTAGE IN CALIFORNIA

Mr. ELLIOTT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

[Mr. ELLIOTT addressed the House. His remarks appear in the Appendix.]

Mr. ELLIOTT. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include certain newspaper articles to which I have referred.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

JURISDICTIONAL STRIKES

Mr. KLEBERG. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my own remarks, and to include a short article from the Washington Times-Herald of Tuesday, March 2.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. KLEBERG addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. MASON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on two separate subjects and to include in each short editorials.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a letter from Mr. Stettinius, the Administrator of the lend-lease program, regarding aviation in China and something of what we have done.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a short editorial.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

CURTAILMENT OF NEWSPRINT PAPER

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. DONDERO. Mr. Speaker, every Member of this House knows that not one-third of the reading material that reaches his desk from day to day can be read by the Members of Congress. The volume of printed matter that reaches our offices is enormous. It fills the wastebaskets. Its contents cannot be noted. There is not time enough in the day to permit its reading.

The various departments, agencies, boards, bureaus, and commissions of the Federal Government are the chief contributors to this vast amount of printed matter.

Now we observe, through the public press, that newsprint is to be curtailed and that the press of the country will be adversely affected by such a ruling. Some estimates indicate that there will be a reduction of as much as 80 percent in newsprint, other statements indicate 50 percent, while others mention a much smaller amount.

Freedom of the press is one of the guaranties under the Constitution of the United States. Curtailment of newsprint is an indirect method of suppressing and destroying freedom of the press.

In order that we may be informed whether or not there is any justification for the contemplated reduction, I have introduced a resolution today asking the Speaker of this House to appoint a committee of seven Members to determine whether or not the Federal Government has placed its own house in order and to see whether there has been any curtailment in the amount of printed matter sent out by the Government. Let Washington point the way and set the example before the freedom of the press is strangled by indirection.

I hope this resolution will receive the support of every Member of this body.

ABSENTEEISM

Mr. FITZPATRICK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute on the subject of absenteeism and to revise and extend my own remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. FITZPATRICK addressed the House. His remarks appear in the Appendix.]

SYNTHETIC RUBBER

Mr. O'BRIEN of New York. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. O'BRIEN of New York. Mr. Speaker, I want to elaborate further on the remarks of the distinguished gentleman from Texas concerning the strike just outside of Pittsburgh, Pa., with reference to the synthetic-rubber plant. Mr. Jeffers stated publicly over the air not more than 5 days ago that every effort was being made by him and his organization to construct these synthetic-rubber plants and to get them into production as soon as possible so that the military forces would be the recipient of all possible benefits. Incidentally, he also informed us that just as soon as these synthetic-rubber plants were put into operation the civilians would participate in some of the benefits.

It seems exceedingly odd to me, having an organization to make this synthetic rubber, knowing full well that rubber is seriously short in this country—in fact, the condition of the rubber situation at the present time is perilous—that the President of the United States and the Department of Labor should not be looking into these jurisdictional fights. It is not a fight between the men in the different unions. It is due to the unscrupulous racketeers who are causing these troubles.

The SPEAKER. The time of the gentleman has expired.

COMMODITY CREDIT PROVISION

Mr. HILL. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Colorado [Mr. HILL]?

There was no objection.

Mr. HILL. Mr. Speaker, I take this time to read to the House a resolution passed by the Thirty-fourth General Assembly of the State of Colorado now in session, as follows:

To the Secretary of Agriculture of the United States of America and the Members of the Seventy-eighth Congress, first session:

Whereas the Congress of the United States enacted Public Law No. 674 as an amendment

to the commodity credit provision permitting the sale of 125,000,000 bushels of wheat, etc., approved July 22, 1943; and

Whereas the available evidence indicates Colorado farmers have greatly increased their inventory numbers of livestock and poultry, in accordance with an appeal from Federal officials necessitated by the need for foodstuffs to be used in the war effort; and

Whereas there exists an ample supply of wheat in storage in the United States, and the 125,000,000 bushels of wheat authorized to be sold have been sold and no more of such wheat is available for feeding the augmented number of livestock and poultry in the State of Colorado, and such wheat for feeding purposes is sorely needed: Now, therefore, be it

Resolved by the House of Representatives of the Thirty-fourth General Assembly of the State of Colorado (the senate concurring herein), That the Congress of the United States is hereby respectfully memorialized and urged to authorize and empower the Secretary of Agriculture to arrange for the sale of additional wheat to the producers of livestock and poultry in the United States in such amounts as to alleviate the present protein feed shortage which has become an emergency threatening the supplies of foodstuffs now vital to the furtherance of the national war effort; and be it further

Resolved, That a copy of this memorial be forwarded to the Secretary of Agriculture of the United States and to each of the Senators and Representatives in Congress from the State of Colorado.

HOMER L. PEARSON,
Speaker of the House of Representatives,
WILLIAM E. HIGLEY,
President of the Senate.

PERMISSION TO ADDRESS THE HOUSE

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent that after the business of the day has been disposed of and following any previous special orders heretofore granted, I may be permitted to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Kansas [Mr. REES].

There was no objection.

EXTENSION OF REMARKS

Mr. KIRWAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an editorial from the Youngstown Vindicator entitled "Mr. Roosevelt's Place in History."

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. KIRWAN]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. LARCADE. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana [Mr. LARCADE]?

There was no objection.

[Mr. LARCADE addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. LARCADE. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD and to include copy of an editorial which appeared in El Mundo, a newspaper published in Habana, Cuba.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana [Mr. LARCADE]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. FLANNAGAN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Virginia [Mr. FLANNAGAN]?

There was no objection.

[Mr. FLANNAGAN addressed the House. His remarks appear in the Appendix.]

FARM PRODUCTION IN MONTANA

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Montana [Mr. O'CONNOR]?

There was no objection.

Mr. O'CONNOR. Mr. Speaker, I want to call the attention of the House to the fact that in our section of the country we are not going to be able to produce the food and farm products this year that we did in 1942 due to lack of farm labor and owing to the fact that we have not sufficient farm machinery.

I have a letter here from a wool-and-sheep grower in Montana that I ask unanimous consent to insert in the RECORD at this point.

The SPEAKER. If it is a short letter it may be included.

Mr. O'CONNOR. Mr. Speaker, it is a short letter of only a page and a half.

The SPEAKER. Is there objection to the request of the gentleman from Montana [Mr. O'CONNOR]?

There was no objection.

Mr. O'CONNOR. Mr. Speaker, this letter shows that his production has been cut down 25 percent because of the rationing of processed foods and because of lack of farm help.

The letter referred to follows:

L. & P. HENSEN,
Zortman, Mont., March 1, 1943.

The Honorable JAMES O'CONNOR,
House of Representatives,
Washington, D. C.

MY DEAR MR. O'CONNOR: Subject: Sheepherder the Goat.

In October 1941 we shipped out 25 percent of our ewes, as it had become impossible to run that many sheep without herders and ranch hands. That left us with 12,000 sheep here and 9,000 in North Dakota.

During the summer months, which is the heavy canned vegetable-consumption period, the above-mentioned sheep, plus their lambs, are run in nine bands, therefore requiring nine herders.

Normal rationing for our herders, June to October, among other foods is: Thirty-six 2-pound 4-ounce cans processed vegetables per month; twenty 8-ounce cans of processed meats and fish per month.

A herder lives in his sheep wagon, 5 to 50 miles or more from the home ranch, prepares his own meals, and is not able to prepare any fancy dishes for substitutes, such as cakes, pies, and puddings, etc. He starts out with his sheep at sunrise and returns to camp at sunset, with temperatures ranging from 90° to 100° on the prairie, while the temperature in the wagon with a cooking fire going is often up to 120°, and so it is necessary that his meals be prepared quickly.

We have been in the sheep business in Montana for 43 years and many of our herders have been with us for 5 to 20 years and longer, and it is my honest opinion that they will quit and try to find lines of work where they are sure of enough to eat under the present rationing system. Their reaction to it is very definite. For example: On my rounds to our camps yesterday, I was greeted everywhere with "What the hell are we going to eat?"

I believe that unless rationing is radically changed, running sheep on the range will be impossible. Why not give the herders a break, giving them 80 percent of their normal consumption in 1942 of processed foods, the same as the new rationing allows restaurants?

Yours very truly,

L. & P. HENSEN,
By PAUL HENSEN.

CONTROL OF OFFICE OF PRICE ADMINISTRATION

Mr. BARDEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina [Mr. BARDEN]?

There was no objection.

Mr. BARDEN. Mr. Speaker, once again I call to the attention of the Members of this House the fact that it is high time the Department of Agriculture begin to function in its proper capacity and take from the O. P. A. the control which it apparently has assumed over all agricultural commodities.

I am putting in the RECORD today a resolution adopted by the North Carolina State Legislature in which it asks the Congress and the O. P. A., as well as the Department of Agriculture, for relief in connection with the dairy situation and recites the fact that just recently 56 herds of dairy cattle have been liquidated in the State. In the town in which I live, a town of approximately 15,000 people, they are now importing from the State of New York 4,000 gallons of milk per week, for which, I am told, the local distributor is paying 45 cents per gallon, while he is permitted to pay only 31½ cents per gallon for milk produced locally on account of the O. P. A. freezing order. The local milk contains 4 percent butterfat while the milk imported from New York contains only 3 to 3½ percent butterfat. Increased cost of dairy feed and labor is forcing local dairymen out of business. I do wish the O. P. A. would be more practical.

The SPEAKER. The time of the gentleman has expired.

EXTENSION OF REMARKS

Mr. BARDEN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include therein a resolution passed by the Legislature of the State of North Carolina.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina [Mr. BARDEN]?

There was no objection.

Mr. ROWE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a letter.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. POAGE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an address delivered by Dr. R. B. Craig at a meeting at St. Louis.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

FOOD PRODUCTION

Mr. WICKERSHAM. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. WICKERSHAM. Mr. Speaker, I take this brief minute to call the attention of the Members of the House, especially the 48 committeemen dealing with the food, labor, and machinery situation, that at 3 o'clock this afternoon these 48 Members are to meet in the committee room of the House Committee on Agriculture. Much has been accomplished and much more can be accomplished.

EXTENSION OF REMARKS

Mr. GATHINGS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a short editorial.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. RIZLEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a short newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

PERMITTING OLD-AGE PENSIONERS TO PERFORM CASUAL LABOR

Mr. ROCKWELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. ROCKWELL. Mr. Speaker, the following memorial adopted by the Colorado House of Representatives has been sent to me and the other Members of the House:

House Joint Memorial 3

Joint memorial memorializing the Congress of the United States to amend the Social Security Act to permit old-age pensioners to perform casual labor

Whereas our American people, collectively as a Nation, are waging the greatest all-out contest of all time; and

Whereas the able-bodied manhood of America is either under arms or engaged in producing the sinews of war; and

Whereas this has resulted in an acute labor shortage, threatening curtailment of the vital food supplies of our Nation, and increasing the costs of living; and

Whereas it is next to impossible for old-age pensioners to live on what they are now receiving; and

Whereas they desire as patriotic American citizens to do their part by contributing to this great war effort to the best of their abilities: Now, therefore, be it

Resolved by the House of Representatives of the Thirty-fourth General Assembly of the State of Colorado (the senate concurring herein), That the Congress of the United States be, and it is hereby, memorialized to amend, or at least suspend for the duration of the war and a reasonable time thereafter, the present restrictions in the Social Security Act to the end that any person who receives or is eligible to receive old-age assistance shall be permitted to do and perform odd jobs of labor, caretaking, and similar classes of casual work not in the general course of a trade or business, at such rates of pay commensurate with their abilities to perform the same, but in any event, in an amount not to exceed $25 in any 1 month without being penalized therefor; and be it further

Resolved, That a copy of this memorial be transmitted to the President of the United States, to the Vice President of the United States, to the Speaker of the House of Representatives of Congress, and to our congressional representatives in the Congress of the United States.

HOMER L. PEARSON,
Speaker of the House of Representatives.
WILLIAM E. HIGLEY,
President of the Senate.

STOPPING WASTE IN AGRICULTURE

Mr. STEFAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

[Mr. STEFAN addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a recent radio address.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MICHENER. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. BRADLEY] be permitted to extend his own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

TAX LAW REVISION

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GROSS. Mr. Speaker, I am daily receiving letters wondering why the House does not adopt a different tax system. Typical of many of these letters is one I received from a lady the other day, which stated:

I owe $500 income tax. I have no money, I have no property. Must I go to jail?

A tax system that puts a penalty on thrift is wrong. A tax system that creates a problem like that is wrong. I think it is time for the Republican Members of this House and the Republican leadership to take a stand and bring in here legislation that will set up a system that will collect the most taxes from the most people and collect it by the simplest possible methods.

WORLD WAR VETERANS' LEGISLATION

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. RANKIN. Mr. Speaker, I do so to announce to the members of the Committee on World War Veterans' Legislation that that committee will meet tomorrow morning at 10:30 o'clock in the new House Office Building to consider a bill just passed by the Senate.

EXTENSION OF REMARKS

Mr. COFFEE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

ELMER DAVIS AND THE FOURTH TERM

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, it is with mingled feelings of regret, disappointment, and humiliation that I rise to defend Elmer Davis, of the O. W. I., against the charge of attempting to elect President Roosevelt to a fourth term.

It looks to me as if Mr. Davis might be trying to destroy the Democratic Party. I understand he is neither a Democrat nor a Republican.

In my opinion, Elmer Davis is doing more to injure this administration with the white people of the Southern States than any other man alive, as you will see from a communistic pamphlet published by the O. W. I. and circulated among the Negroes of the South at the expense of the Federal Treasury.

Without the support of the white people of the South, no man can be elected on the Democratic ticket. Without the white people of the South, the Democratic Party would have been dead long ago. In fact, it never would have been created.

If President Roosevelt expects to see his administration succeed itself, he had better crack down on these crackpots who are constantly harassing and insulting the white people of the Southern States.

EXTENSION OF REMARKS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks on three different subjects and to include therein certain statements and excerpts.

The SPEAKER. Is there objection?

There was no objection.

AMENDING LEND-LEASE ACT

Mr. SABATH. Mr. Speaker, I call up House Resolution 142 and ask its immediate consideration.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 1501), to extend for 1 year the provisions of an act to promote the defense of the United States, approved March 11, 1941, and all points of order against said bill are hereby waived. That after debate, which shall be confined to the bill and continue not to exceed 2 days, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SABATH. Mr. Speaker, I wish to be notified when I have consumed 5 minutes, and then I shall reserve the remainder of my time and yield 30 minutes to the gentleman from New York [Mr. FISH].

This resolution makes in order the lend-lease bill. It provides for 2 full days of debate. The bill extends the time of the present act for 1 year, and I fervently hope that by that time a further extension will not be necessary, feeling that with the favorable reports coming to us, the unscrupulous, fiendish Axis Powers will have met their deserved defeat, notwithstanding their 20 years of preparation and nearly catching us unprepared.

I know that nearly all of us are greatly pleased to know that the Committee on Foreign Affairs reported the bill by a unanimous vote and that the Committee on Rules acted likewise in reporting the resolution for a rule providing for its immediate consideration. The unanimous action of the two committees should be gratifying to all who are interested in aiding the administration in prosecuting the war to an early and successful conclusion. I presume that during general debate some questions will be raised as to how much lend-lease aid has been granted to Great Britain and the other United Nations. I have heard these questions asked before and insinuations made as to the tremendous quantities of airplanes, tanks, food, and war materials that are being furnished to our allies, and anticipating that the gentleman from New York [Mr. FISH] will again question these outlays, may I state that many months ago, when these charges were made, I took the matter up with those in charge, inquiring whether Great Britain was receiving greater quantities of war materials and supplies than she needed, and whether she was disposing of some of these supplies. After a conference lasting for an hour and a half, I was satisfied that our interests are being safeguarded by those who have been appointed and instructed for that purpose.

Mr. Speaker, the only rumors I have heard or articles I have read lately refer to the question whether China has been receiving the needed aid to enable her to continue. Personally, I am satisfied that everything humanly possible is being done to aid China. Unfortunately many of those, or some of those at least, who were clamoring that China be given greater support and be furnished with more airplanes, tanks, and supplies are doing it perhaps to harass and embarrass the administration. I have the utmost confidence in our military and naval gentlemen, who, after all, are working under the direction of our President and Commander in Chief. I know that they are doing whatever they can to help wherever they believe it is necessary to bring about an early victory.

On the other hand, there are some persons who claim that Russia is entitled to greater aid than she has been receiving, maintaining that she is not asking for any manpower. They contend that she is deserving of greater assistance by reason of her heroic and determined efforts not only in that she is driving the Nazis out of her country but bringing crushing defeats to the Nazi hordes, and is therefore rendering tremendous aid to the United Nations.

Mr. Speaker, I feel that the President and his military and naval leaders here and abroad surely are in better position to know where help is most needed and where war materials can be delivered with the least possible loss not only of supplies but of the lives of those from the countries on whom we rely to make the shipments and the deliveries. Admittedly they possess greater knowledge of actual conditions and are in possession of more authentic information than is possible for us or writers and radio commentators to obtain. I know that you, the same as I, recognize the enormity of our war effort and are fully aware of the dangers that still confront us, and therefore I hope and urge that all work in unison and harmony to the fullest extent to defeat our real, resourceful, and determined enemies. It is high time that differences be forgotten and bickering and sniping cease, and I appeal to those who harbor prejudice and resentment against the President and his policies to recognize that it is not his future, but our country's future which is at stake, and to demonstrate that they are actually interested and will cooperate in the winning of the war.

I reserve the remainder of my time and yield 30 minutes to the gentleman from New York.

Mr. FISH. Mr. Speaker, although this bill made in order by the rule has been reported by a unanimous vote of the Foreign Affairs Committee, it does not mean that no amendments will be offered, nor does it mean that the Congress should not feel free to analyze it and debate and discuss the lend-lease program. That will be the order of the day, not only throughout the day, but tomorrow as well.

Mr. CASE. Mr. Speaker, will the gentleman yield?

Mr. FISH. Yes.

Mr. CASE. The gentleman just said that the bill will be open to amendment. I am wondering what the gentleman thinks will remain to be offered in the way of amendment, in view of the fact that the bill confines itself to amendments to subsections (c) and (b) of the Lend-Lease Act, Public Law 11, passed by the Seventy-seventh Congress, the first one of which relates entirely to the period of time in which the power may be exercised, and the second subsection deals entirely with the handling of the money they can receive for defense articles loaned or leased.

Mr. FISH. Mr. Speaker, my guess would be, and it is only a guess, that any amendment that is germane to the Lend-Lease Act would be in order inasmuch as we are extending the entire Lend-Lease Act, and not just these two paragraphs, for a period of 1 year, and, therefore, under that, certainly any amendment to the original Lend-Lease Act should be in order.

Mr. CASE. I hope the gentleman is correct.

Mr. FISH. I am not quite sure.

Mr. CASE. Under repeated decisions of the House, I doubt very much that that is correct. I think the Chair would be constrained to hold in order only amendments to the two subsections referred to.

Mr. FISH. Then I think the gentleman should direct his inquiry to the Speaker or to the Chair at the beginning of the debate to determine the parliamentary procedure.

Mr. McCORMACK. I doubt if a parliamentary inquiry addressed to the Speaker would be controlling on the Chairman of the Committee of the Whole.

Mr. FISH. I agree. I substituted the word "Chair" after using the word "Speaker."

Mr. Speaker, it is like going back to school for me to open a debate on any measure coming from the Committee on Foreign Affairs, on which I served for 22 years. At the very outset of my remarks, I want to make very clear in answer to some rabid interventionists and Reds who have gone out of their way to spread falsehoods in the public press to the effect that I was forced off the Committee on Foreign Affairs, that no one ever asked me to get off or to resign or to retire from the Committee on Foreign Affairs. I only did so because I believe that no Member of Congress should be the ranking minority member on two such important standing committees as the Committee on Rules and the Committee on Foreign Affairs. I did not think it was fair to the new Republican Members of the House, who came here in large numbers and who wanted committee assignments, for any one Member to be the ranking member on two such committees. There were, of course, additional reasons. One is that I did not believe the Committee on Foreign Affairs would have very many controversial issues during this session

of Congress. This bill, the major bill that has been before that committee, has been reported by a unanimous vote; but I want to make it very clear, because if you do not answer these charges, by mere repetition of falsehoods people in the future may be led to believe that somebody had requested me or forced me to get off of the committee when the facts are that members of that committee and other Members of the House either wrote or saw me and urged me to stay on the Committee on Foreign Affairs. I think it is only a matter of justice to myself and to the House that I should make this statement. Unfortunately these days, some people do not care about the value of the truth and they repeat these falsehoods until other people believe them.

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield.

Mr. ROBSION of Kentucky. As a member of the Committee on Committees of the House, I remember very well when we were making up the committees, the gentleman's statement was submitted that he did not desire to continue on Foreign Affairs. Furthermore, I want to ask the gentleman this question: Was there any way to force the gentleman off the Committee on Foreign Affairs?

Mr. FISH. There is none whatever and in addition nobody ever asked me or suggested that I resign from the committee.

Mr. ROBSION of Kentucky. I never heard it suggested except in the press and on the radio.

Mr. FISH. Of course, that is a part of the smear program.

Mr. CASE. Will the gentleman yield?

Mr. FISH. I yield.

Mr. CASE. I might say in that connection, whatever may have been the reasons which led the gentleman from New York to make his decision, I can state that along in the summer, a year ago, I was told on good authority by another Member of the House that the gentleman from New York had made his decision at that time on his own initiative, and had communicated it to him. Since that antedated several months the whole discussion of any reference to the matter publicly, I can state on my own authority that I have good reason for believing that the gentleman acted in good faith and on his own initiative.

Mr. FISH. The gentleman is correct. I made the decision almost a year ago and have no reason to regret it. The Rules Committee has been meeting almost every day on very important legislation, particularly curbing bureaucratic rule and trying to restore representative and constitutional government.

Mr. Speaker, this measure, I believe, will have the general support of the loyal opposition, but that does not mean that the minority is entirely satisfied with some of the things that are happening under lend-lease. I believe the lend-lease program is being efficiently and honestly handled by the Administrator, Mr. Stettinius, and he deserves a great deal of credit. On the other hand, the testimony before the Foreign Affairs Committee disclosed that an attempt was being made to build up the fact that we were getting a great deal in return for our lend-lease program, under which approximately $10,000,000,000 have been spent for foodstuffs, equipment, and armament for our allies. We wholeheartedly support the lend-lease program of furnishing much-needed war materials and foodstuffs to our allies in order to win the war as soon as possible, with the least casualties. But there apparently has been a deliberate effort to try to make it appear that Great Britain and other nations were paying back to us a very large share of the lend-lease program. Now, having gone out of the way to build that idea up and to make people back home believe that was the case, then it is the duty of the Lend-Lease Administrator and those who are upholding and playing up reverse lend-lease to back it up with figures and facts. I submit that they gave no figures, not even any estimates, and refused to give any estimates. They were either unwilling or unable to present the data. Major Spiegelberg was brought back from England and appeared before the Committee on Foreign Affairs as a witness and was supposed to know how much money and goods are being returned to us in reverse lend-lease by the British Government. He said he had an idea what the estimate was, but he was not permitted by his superiors to give it. So he refused to give this vital information to the Committee on Foreign Affairs. But you can read in almost any newspaper back home how Great Britain has given us or our Army 4,000,000 pairs of socks and 2,000,000 blankets, and some food amounting, of course, to very little—4,000,000 pairs of socks and 2,000,000 blankets, as compared with $10,000,000,000 that we have lend-leased to 44 nations. This is a part of the ballyhoo.

Mr. O'HARA. Mr. Speaker, will the gentleman yield for a question?

Mr. FISH. I yield for a brief question.

Mr. O'HARA. Does the gentleman think that possibly "lend-lease" might be a misnomer, the way it has operated?

Mr. FISH. The gentleman is taking the words out of my mouth. The gentleman from Minnesota wants to know whether "lend-lease" is a misnomer. Of course, it is a misnomer. It is a gift, to a very large extent—at least nine-tenths or more of it is a gift.

It is not a two-way street. To be more specific, it is not even a one-way street; it is a one-way avenue; it is a one-way grand boulevard, and we are pouring billions of dollars of American money down this boulevard, almost into a bottomless pit. We are spending at the rate of a billion dollars a month under the lend-lease program. We have already spent $10,000,000,000 and apparently before we get through, it will be between 40 and 60 billions and less than one-tenth of it is coming back our way. I believe in finding out what the facts are and presenting them to the American people.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield.

Mr. O'CONNOR. No doubt the distinguished gentleman read in the press about Great Britain's or England's reselling lend-lease goods. I am just wondering if the gentleman has any knowledge other than what we saw in the press about Great Britain reselling the goods we are sending her.

Mr. FISH. Yes, indeed; I have very definite knowledge.

Mr. O'CONNOR. I should like to have the gentleman put that information in the RECORD.

Mr. FISH. There is no question of doubt in anybody's mind, and the Director of Lend-Lease, Mr. Stettinius, publicly stated that the British Government was selling our goods directly to the English people, and that they were taking the money they received from the English people and putting it into their own exchequer and not returning one cent to us for the goods that we had given to them which they, in turn, sell and take the money and put it into their own national treasury. Those are facts which nobody has even attempted to deny.

Mr. BLOOM. Will the gentleman yield?

Mr. FISH. Yes.

Mr. BLOOM. I know the gentleman from New York wants to be fair. I wish he would complete the sentence and the information just by telling the House what England is doing with the money when it goes into the English exchequer—tell how she is using it for the purchase of things for our use. That is the fact.

Mr. FISH. The gentleman is not at all correct in that statement. The money goes into their exchequer for any use the Government cares to make of it.

Mr. BLOOM. Yes.

Mr. FISH. And it is used by the British Government the same as any other money. It is not earmarked at all to buy commodities for the use of our forces; it goes into their exchequer, which is their treasury, for their own use and is not earmarked for lend-lease in reverse.

Mr. BLOOM. And they give us credit——

Mr. FISH. No; they do not. The British Government may use it for war purposes, for the conduct of the war, for their own arms, but not for our Army specifically. It is not earmarked for that purpose, and I do not believe the gentleman from New York seriously contends that it is. It may be used for any purpose not even connected with the war.

Mr. BLOOM. I mean just exactly that it is earmarked for that purpose; they purchase goods and give them to our soldiers over there, to the equivalent in pounds sterling. There is no question about it.

Mr. FISH. That is not the fact at all. I repeat that none of the money paid for our lend-lease food is earmarked for the use of our armed forces in England.

Mr. BLOOM. It is the fact.

Mr. FISH. The gentleman cannot mean that, as it is not a fact and can easily be verified by the Lend-Lease Administrator. I am endeavoring merely

to present the facts to the House and that is all I am interested in doing.

Mr. EBERHARTER. Will the gentleman yield?

Mr. FISH. Yes.

Mr. EBERHARTER. Will the gentleman say something about how the goods are sold through the post exchanges to our soldiers in all these foreign countries? That stuff is furnished to us by Great Britain and other countries and the money goes into the United States Treasury.

Mr. FISH. I hope the money our soldiers pay for goods they purchase at our post exchanges goes to our own post exchanges and not into the British Exchequer.

Mr. EBERHARTER. The money paid by our soldiers in foreign countries for goods they get in the post exchanges goes to our own Treasury.

Mr. FISH. I hardly suppose the British Government would take our goods and sell them back to us. Certainly the gentleman does not understand that they are selling our own goods back to us.

Mr. EBERHARTER. No; but I want to make it clear that many, many of the items sold in the post exchanges to our soldiers, the money for which goes to the United States Treasury, are furnished to us absolutely free by those countries where our soldiers are located.

Mr. FISH. I have spent a good part of the morning today trying to find out if there was any single person in our Government under the Lend-Lease, in the Army, or in the Navy—there are three arms to this lend-lease program, Army, Navy, and the Lend-Lease Administration—who can present a reliable estimate of lend-lease in reverse.

I tried to get in touch with Major Spiegelberg today, for he was the one man who was sent over from England to give these estimates to the Foreign Affairs Committee, but I found he had been sent back. I was informed that he was one of the passengers who was injured in the crash of the airplane at Lisbon only last week.

Mr. BLOOM. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield.

Mr. BLOOM. Major Spiegelberg, the way I understand his testimony, said that he could not give the exact information but that if he were permitted by his superiors he would be glad to give the information to us. He stated that he could not convert or transform the amount that he had in the books into dollars; and he said it would take too long to calculate all the different amounts that have been credited to lend-lease. Now, that is what Major Spiegelberg said.

Mr. FISH. I hold in my hand the very testimony in which he said that he was not permitted to do so.

Mr. BLOOM. That is right; that is what I say.

Mr. FISH. He testified that he was not allowed to do so.

Mr. BLOOM. He did not have permission.

Mr. FISH. And I am making the point that when Lend-Lease officials appear before committees of Congress and play up reverse lend-lease that they have a definite duty to tell us the amounts and give us all available data or estimates and it is deplorable for a witness to state that he is not permitted to even present an estimate which he claims to have.

The fact is they have no real estimates and nobody in this Government has a reliable estimate, because they told me so point-blank today; yet there is every reason why they should have, for they have built up this reciprocal lend-lease issue to support this bill.

Mr. O'HARA. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield.

Mr. O'HARA. When will we be given information on this subject?

Mr. FISH. I am fearful that we shall never be given the facts unless Congress insists that the American people are entitled to them. I doubt if any Member of Congress will know what they are before this bill goes through this House and probably not before it is approved in the Senate. That is why I want the bill discussed in detail. I want it scrutinized and analyzed from all angles so that the American people may know what is being done with their money. Already we have spent $10,000,000,000 which means a burden in taxation of $300 on every family in the United States. Have they not a right to know what is going on? Have not you as Representatives in Congress the right to know what the facts are?

We are for this bill; we of the minority are going to vote for this bill, very largely. It is a war measure; it is designed to help our allies win the war as quickly as possible; but we have a right certainly to know how this money is being spent and what we are getting in return instead of all this ballyhoo and propaganda about reciprocal lend-lease. We are not getting one-tenth of a dollar back on what we are spending; and that is why I say it is a one-way grand boulevard.

Mr. CRAWFORD. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from Michigan.

Mr. CRAWFORD. The President has submitted to us 7 of these 90-day reports in which he gives general figures. Can the gentleman tell us whether or not our various departments of the Government are keeping a sufficient number of accounts broken down properly to show in detail how much dollar value is going to these respective countries? That is the first question.

The second question is this: On the other side of the balance sheet of trading accounts, are these other countries who are now claiming to be giving us these vast amounts of goods keeping similar accounts to show what they deliver to us? I would like to submit those two questions.

Mr. FISH. Those are the very questions I asked the Government officials and those are the very questions that the Lend-Lease Administration was unable to answer. They have not got the figures. They admit they have not got them but they claim they will get them eventually.

Mr. CRAWFORD. The figures have not been compiled?

Mr. FISH. They claim they have not got them—that they have not been compiled. That is their answer to the charge they are trying to deceive the Congress and the country, to camouflage the issue, and not give us the information. They merely say, "We have not got the information; therefore, we cannot give it out." The answer to the gentleman's question is, "Nobody in the Government either has the information or is willing to present it," but they say now, "We are trying to compile it." I asked for some estimate. Congress is entitled to at least an estimate but none has been forthcoming. You will hear later on from the gentleman from Ohio [Mr. VORYS] and others that the estimate is far less than 10 percent. My own estimate is about 5 percent or one-twentieth.

Mr. CRAWFORD. I do not hesitate to say at the very beginning of this debate that if there are no figures or accounts being kept I do not know of any reason why I should vote for this bill.

The SPEAKER. The gentleman has consumed 22 minutes.

Mr. CRAWFORD. We are going to put everything we have into this war anyway, so why all this shadow-boxing?

Mr. FISH. The gentleman has to decide for himself, and everybody else has to decide how to vote on this bill.

I believe the members of the committee will do their best to give whatever information they have, although it was not given to them and they cannot hand it on to you. They will even tell you that the British Government is charging off against us the barracks that are being used for our troops. I do not think I am giving any secret away when I tell this House that our contractors went over to England, Scotland, and North Ireland, the George A. Fuller Co., one of our biggest contractors, and others, and built bases and barracks for our men 1 year before we entered the war. We could not give that information out before, but certainly I do not think that is a secret that should be kept any longer. Our American contractors went over there and built these barracks for our men 1 year before we entered the war and not only did that occur in one place but in all three countries, northern Ireland, Scotland, and England. These bases and barracks were built by the George A. Fuller Co., one of our largest contracting firms and others.

Mr. Speaker, another phase of this bill that should be gone into and analyzed by every farmer in this House and back home is the question of the amount of farm products that is being sent abroad under the lend-lease. Four and a half to five percent of our farm products were shipped to foreign nations last year. It is stated by the Lend-Lease Administrator that he proposes to double that up, making 9 or 10 percent. We have a serious shortage of food at home and we are not receiving the farm products from foreign countries that we used to before the war. We formerly received dairy products and foodstuffs from Denmark, Holland, and even from

China, Australia, and New Zealand. Australia and New Zealand are giving meat and flour to our Army, but we are not importing from those countries since the war. On the other hand, we exported 5 percent last year of our total food supply and it is now proposed to double that amount.

I am going to offer an amendment to the bill, provided an amendment is in order, empowering the Secretary of Agriculture, or the Food Administrator, to prohibit the shipment of any food under the lend-lease that may be necessary to protect the health, the morale, and food supply for the American people. The Food Administrator has not that definite authority at the present time, but he should have it and be held responsible for any food shortages that may exist in the United States.

I am going to offer two other amendments to the bill which I will discuss later, as I have not time to do so at present.

Mr. O'CONNOR. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from Montana.

Mr. O'CONNOR. In connection with what the gentleman is discussing about this food problem, I want to call the gentleman's attention to the fact that, before an unofficial committee of this House, there was offered testimony the other day that less than 1 percent, to be exact six-tenths of 1 percent, of the steel has been allocated to the production of farm implements for the year 1943, which of itself shows that we are going to have an acute food shortage right here in the United States.

Mr. FISH. I may say to the gentleman that $17,000,000 of farm equipment has been sent out of this country already—I do not know how much has been allocated—to foreign nations for this year, thereby depriving our farmers of that amount of farm equipment.

Mr. Speaker, I believe practically every Member is in favor of this bill. It is their patriotic duty to support all war measures that will help win the war. Besides, it is a nonpartisan measure. In the old days of 2 years ago it was a fight between the noninterventionists and the interventionists. That issue was killed at Pearl Harbor. There is no longer any division of opinion between the noninterventionists and interventionists in regard to winning the war. Those of us who opposed the bill at that time thought it was a step toward war and opposed it upon that ground. We wanted to reserve 50 percent of the defense weapons for our own use. What would not General MacArthur have given in the Philippines if he could have had 1,000 airplanes to keep the Japanese transports away from the Philippines? We opposed the lend-lease bill 2 years ago because we thought it was a step toward war. None of us that I know of has changed his mind or our reasons given at that time. We believe we were right. Forty-one Democrats who voted for the lend-lease were left at home by their constituents. Today conditions have changed. We are in the war, and we have got to supply our allies with food, equipment, and weapons. In doing so we help ourselves and our allies to win the war. That is the main objective of all of us regardless of party affiliations.

I doubt that there will be more than a handful of Republicans and Democrats who will vote against the extension of the lend-lease bill for 1 year. I hope the bill will be passed by an overwhelming vote. It is a nonpartisan measure; it is a practical issue of aiding our allies; it is a war measure to win the war at the earliest possible moment and with the fewest possible casualties. My main regret is that we are extending so little lend-lease aid to China—less than 1 percent.

Twenty-three months ago President Roosevelt, after the passage of the original Lend-Lease Act, said, "The main thing now is speed, more speed, and still more speed. China wants help and needs it. We shall find a way." The fact is, we have not found a way. We have lost control of the Burma Road. Our aid to China is pitiful in view of the urgent need for airplanes. Where there is a will there is a way. Why not concentrate on getting airplanes to China, and why not place General MacArthur in supreme command in the Far East, and he will find a way to fly airplanes to China.

Mr. SABATH. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. McCORMACK] the majority leader.

Mr. McCORMACK. Mr. Speaker, I want to compliment the Committee on Foreign Affairs and all its members, without regard to party, from the chairman down, on the very thorough and statesmanlike manner in which they conducted the hearings on this bill. I also want to compliment them on the example of leadership they have given to the country in this great crisis by reporting this bill out of committee unanimously and by agreeing unanimously upon the committee report. I am proud of the record made by the Committee on Foreign Affairs on this bill.

The members of this committee of the House of Representatives, of which I am so proud to be a member, lifted themselves above the political and other considerations that enter into the emotions of life and kept uppermost in their minds this one question: What course of action in connection with the consideration of this bill is for the best interests of our country? I cannot too strongly express the deep feeling of commendation I entertain for the Committee on Foreign Affairs because of the courageous and statesmanlike action they have taken on this bill. It is not only an example and an inspiration to the country but an example and inspiration to the Members of this House.

I regretted very much hearing the remarks of my distinguished friend from New York [Mr. FISH]. I have here a copy of the report of the committee. It is a report that is going to live. This report will go down in the history of our country. The gentleman from New York very frequently uses the word smear when someone says anything about him. I regret very much that as a member of the Committee on Rules he used the time that committee is given for the purpose of attempting—he cannot possibly do it—to smear the great work done by the Committee on Foreign Affairs on this bill and this magnificent report, which in my opinion will stand out as one of the most statesmanlike reports ever made by any committee of the Congress in the entire constitutional history of our country.

Mr. FISH. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. FISH. Will the gentleman explain wherein I ever attempted any smear of the committee or made any statement derogatory to the committee? I said that the Government witnesses had not produced these facts. I made no attack at all on the Committee on Foreign Affairs.

Mr. McCORMACK. I did not say the gentleman did.

Mr. FISH. The gentleman said I smeared the committee. He used those words. I made no attack on the committee, I referred to those who appeared before the committee.

Mr. McCORMACK. As to the difference between "attack" and "smear," we understand the subtleness of some people's minds and also the subtleness of their remarks. Subtlety is a very clever means of subterfuge.

Mr. FISH. What I am complaining about is the subtlety. The gentleman knows perfectly well I made no attack on the Committee on Foreign Affairs.

Mr. McCORMACK. My friend is a very fine example of that, but I am stating that the gentleman's remark constitutes an attempt to smear the very fine results obtained by the Committee on Foreign Affairs.

Mr. FISH. Not the committee.

Mr. McCORMACK. Probably the gentleman is incapable—although I think he is capable of it—of distinguishing between the results and the intent to smear the committee itself, but it is hard to divorce one from the other, in my mind, as far as the results are concerned.

Mr. FISH. All I should like to ask is that the gentleman kindly not put words in my mouth that were not spoken, not even thought.

Mr. McCORMACK. I would never think that I could ever arrive at the day that I could put words into the gentleman's mouth that he does not think.

Let us analyze this matter briefly. Mr. Stettinius made a very able report. It was a report made to the people of the United States. He frankly stated we were in an all-out total war. How is it possible to give a minute report from day to day when we consider the world conflict in which we are engaged?

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. SABATH. Mr. Speaker, I yield 1 additional minute to the gentleman from Massachusetts.

Mr. McCORMACK. The gentleman from New York [Mr. FISH] very cleverly suggested innuendoes which, circulating

throughout the country, would tend to bring division among our people. That is the result. It is dangerous in these days.

The lend-lease bill was a part of our national defense. Many Members of this House honestly opposed it, but they have retraced their steps and now, based upon sound premises, are supporting it wholeheartedly, not sniping here and sniping there, recognizing the substance of the bill and what it has done toward defeating Germany, for example, in Russia.

How would we feel if Russia were fighting on the side of Germany, how would we in America and the other decent countries of the world feel if instead of Germany and Russia fighting one against another they ganged up together against the rest of the world? Lend-lease has contributed to the success in Russia, it has contributed to the resistance of China, and I hope it will increase the aid to China, and it has been a valuable contribution to the change that has taken place in world affairs during the past year.

One year ago the chances were a thousand to one in their darkness against us, but now the clouds are breaking aside and the sun is shining in our favor, and lend-lease has been a powerful contribution to that.

I hope that when the bill is considered in the Committee of the Whole, despite the unfortunate attempt to smear the fine work of the Committee on Foreign Affairs, the Committee on Foreign Affairs will——

Mr. FISH. I deny that statement.

Mr. McCORMACK. The gentleman can deny all he wants to. He denies everything.

Mr. FISH. I deny it absolutely.

Mr. McCORMACK. I do not yield. The gentleman can deny in his own time.

Mr. FISH. The gentleman is not speaking the truth.

Mr. McCORMACK. The gentleman's alibi is always that, that somebody else does not speak the truth. I hope the Committee on Foreign Affairs will disregard his argument and conduct the debate on a high plane.

The SPEAKER. The time of the gentleman from Massachusetts has again expired.

Mr. SABATH. Mr. Speaker, I yield myself 2 minutes. In view of the statement of the gentleman from New York [Mr. FISH]—and I hope he will listen to me—because of statements and information that came to me that there was recklessness on the part of those entrusted to carry on under the lend-lease bill, and having had some experience during the last war, and I hold no brief for Great Britain, I took it upon myself to make an investigation. I had a conference with Mr. McCabe and three or four other outstanding, high-minded American gentlemen in that department. After they informed me that three different committees check up on all of the needs on the part of Great Britain and the supplies that are being furnished, I was satisfied that the rumors I had heard and the statements made were not correct. I was indeed gratified to learn how carefully these men are safeguarding and protecting our interests, and doing everything in their power to see that every dollar's worth of goods and materials that is being sent or lent to Great Britain is being properly checked and accounted for and charged to Great Britain as against the things that we have been receiving from her in turn.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. SABATH. Yes.

Mr. MASON. I call the attention of the gentleman to the fact that the gentleman from New York [Mr. FISH] did state that Mr. Stettinius had carried on this lend-lease program both efficiently and honestly, and I wish to add to that that in my personal opinion it has been carried on wisely, and that the allocation of the provisions of the different countries is not a particular matter for the Members of Congress but is particularly a matter for strategy, and that all I think most of us want to be assured of is that after it has gotten into their hands it has been effectively used to prosecute the war.

Mr. SABATH. I thank the gentleman, and that is what I sought to convey to the House.

Mr. FISH. Mr. Speaker, I yield the remainder of my time to the gentleman from Ohio [Mr. SMITH].

The SPEAKER. The gentleman from Ohio is recognized for a minute and a half.

Mr. SMITH of Ohio. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. SMITH of Ohio. Mr. Speaker, I am opposed to this measure, and I shall vote against both the rule and the bill. No vote that I have cast in this House has caused me less anxiety or worry than this one, nor have I ever cast a vote with more pleasure and satisfaction than I expect to enjoy by voting against H. R. 1501.

The SPEAKER. The time of the gentleman has expired.

Mr. SABATH. Mr. Speaker, I move the previous question on the resolution to final passage.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. BLOOM. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 1501) to extend for 1 year the provisions of an act to promote the defense of the United States, approved March 11, 1941.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 1501, with Mr. GORE in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Without objection, the first reading of the bill will be dispensed with.

There was no objection.

Mr. BLOOM. Mr. Chairman, I yield myself 15 minutes. Several questions have been asked this morning with reference to the lend-lease aid going to different countries. I wish the Members would acquaint themselves with the different statements that have been rendered to the Congress and submitted by the Lend-Lease Administrator. I hold in my hand the report to the Seventy-eighth Congress of lend-lease operations through the passage of the act March 11, 1941, to December 31, 1942, submitted by Mr. Edward R. Stettinius, Jr., the Lend-Lease Administrator. I believe that if the Members would search the different committee reports that they would find, at least up to date as nearly as possible, the answers to the questions they are asking, and I wish the Members would do so before criticising the legislation now under consideration.

Lend-lease has proven its necessity and usefulness in the prosecution of the war. The extension of lend-lease is not a matter of controversy.

The full and detailed hearings before the Foreign Affairs Committee have been of great value to the committee. I am confident that they will be of equal value to the Congress and the public. They evidence the kind of sound and effective administration that is often hoped for but seldom achieved.

And let me say right here, Mr. Chairman, that we had more hearings and took more time for the consideration of this extension of lend-lease than we did in the consideration of the original bill, and as long as our majority leader has referred to the report, I say to the members of the Committee here, and they will appreciate this fact, that the confidential committee report was printed and the committee met in two executive sessions for 2 days so as to go over the report, and to be sure that the report contained information that would give the House and the Members an opportunity to know what the committee was really thinking about. It was a unanimous report of the Committee on Foreign Affairs.

Mr. BUFFETT. Mr. Chairman, will the gentleman yield?

Mr. BLOOM. I prefer not at this time.

The Foreign Affairs Committee began its hearings on January 29, 1943. These hearings covered a period of almost a month. The record of the hearings covers 345 pages. Almost every conceivable question about the administration of the act was asked and gladly and fully answered.

The committee not only had the full testimony of Mr. E. R. Stettinius, Jr., the Lend-Lease Administrator, but he was present during practically all of the hearings. Throughout he was most frank and cooperative in aiding the committee. He made full and helpful disclosures on all points about which the committee wished to be informed.

The committee also heard the testimony of the Secretary of War, Mr. Stimson; the Secretary of the Navy, Mr. Knox; the Secretary of Agriculture, Mr. Wickard; the Chairman of the Maritime Commission, Admiral Land; Assistant Secretaries of State Acheson and Berle, and Major Spiegelberg, the Army officer who handles reverse lend-lease matters in the United Kingdom. Several Mem-

bers of this House, Messrs. DEWEY, HARTER, JUDD, and MAAS, and the gentlewoman from Connecticut, Mrs. CLARE BOOTHE LUCE, were interested and good enough to let us have their views.

All of the witnesses testified in favor of H. R. 1501.

The committee reported out the present bill unanimously.

The way in which the Lend-Lease Administration has fully informed and is willing to inform and cooperate with the Congress is illustrated by an interesting side light which developed during the hearings. As you know, the original Lend-Lease Act had a life of more than 2 years. The bill before the committee only provided for a 1-year extension. Several of the committee members during the hearings thought that fact sufficiently unusual to the point of asking about it.

In reply, the Administrator and his counsel explained to the committee that no one could foretell the future with certainty and that they felt that the Congress might like to pass upon the matter again within the next year. With that in mind, they asked only for a 1-year rather than a 2-year extension. All of the committee members appreciated that attitude. I am sure that all the members of the House will be as grateful for such a spirit on the part of the Lend-Lease Administration.

Our full and detailed hearings were not designed to justify or attack the principles of lend-lease. We were interested in the operation of these principles. We went into them thoroughly. We wanted to know—and we wanted the Congress and the public to know—the full truth about how lend-lease works and what it does.

We got not only the magnificent picture of how lend-lease helped our friends when they were in dire need and on the defensive, but we also saw in detail how lend-lease aided and is aiding the United Nations to take and carry on the offensive.

From time to time, we had received reports about the sins committed in the name of lend-lease. There were rumors about lend-lease depleting the country of its beef and butter and other foodstuffs. We found how untrue were these rumors. We learned that only 1 pound of every 500 of our beef supply was shipped out under lend-lease in 1942. We found that in the same year we received from Australia and New Zealand for our forces under reverse lend-lease 8,000,000 pounds more beef than we had sent to all the lend-lease countries. We learned that the butter shortages could hardly be due to lend-lease. In 1942, we shipped seven-tenths of 1 percent of our butter. This butter went to the Russian soldiers. In the same year, we received about 6,000,000 pounds—more than one-third of what we had lend-leased—from Australia and New Zealand alone on reciprocal lend-lease.

We had heard tales that Britain was making money on the sale of lend-lease food, but we learned that the sterling received for the food was used to procure food and shelter and other vital supplies for our troops. Stories were running rampant that beer and powder puffs were being supplied under lend-lease. In the case of these and similar stories the answers were clear—they are not true.

But the affirmative story is far more telling. Russia in her heroic fight has been aided by lend-lease planes, tanks, and guns. She has also been helped by copper and aluminum for her munitions factories and food for her soldiers. The published report of the Lend-Lease Administration to the Seventy-eighth Congress gives many of the details of this aid. I would have thought that too much detail had been given because some of it might be of aid to the enemy.

No one can adequately value the damage which the Russian people have done to our common enemy. If there is any criticism of lend-lease—and by the same token it is a self-criticism of all of us for not recognizing and preparing for the Nazi menace sooner—it is that we have not helped Russia enough; at least, lend-lease started our forges and arsenals going 9 months before we were in the war.

The full story of the part which lend-lease played in the march of the British Eighth Army across the Middle East and in the North African offensive also illustrates the brilliant effectiveness with which lend-lease has worked. Some of the planes and tanks and ammunition used by the Eighth Army in its offensive started moving to it under lend-lease long before the offensive started. Some of the British planes and tanks used in the offensive were manufactured in England with lend-lease machine tools, aluminum, and other supplies. Many of the bombs being used by the R. A. F. to pound Rommel and some of the equipment being used to close the pincers on him came from lend-lease. One can hardly imagine how our men and equipment could be better and more effectively joined with those of our allies.

China has been helped under lend-lease, but the Lend-Lease Administrator was the first to admit that we had not helped her enough in the light of her long and heroic struggle and the importance of her part in the war. Mr. Stettinius took the view that we must do the impossible in aiding China. The committee was assured and felt that every human effort was and should be exercised to give more aid to China.

The spirit of lend-lease has been matched in the aid rendered to us on a reciprocal lend-lease basis by our allies. They have supplied our forces without the asking and without payment with everything possible from socks to planes and housing accommodations. Unlike the last war, when our forces paid for virtually everything, in this war we have seen bargaining on the dollar sign and the pound-sterling sign removed as a bar to the swift procurement of the sinews of war. That alone would be a sufficient reason for the extension of lend-lease. But that is as naught compared to Russian and Chinese and British and American lives saved by the effective pooling of resources. That pooling has been made possible in no small part by lend-lease.

Many of the planes and guns and food being used by our soldiers and sailors were made or processed in plants built by our allies, and by lend-lease funds before we were in the war. Lend-lease did not merely give us time to arm. It has saved and is saving the lives of our boys.

I could cite you more detailed chapter and verse on how lend-lease works and what it has done. All of that information is in public documents available to you.

I think it is noteworthy to call to your attention again the fact that under the original bill, the President was asked to submit a report every 90 days on the operations of Lend-Lease. Eight of these reports have been submitted to the Congress every 3 months, in addition to the full testimony on three different occasions before the Appropriation Committees of both Houses. The reports and this testimony have been full and complete in presenting the past history and the future plans of lend-lease.

I think it significant that I have never seen a Federal agency whose activities have been so thoroughly explained to the Congress. Our hearings had a similar result. The information which we received was complete and understandable. The cooperation of the entire organization from the Administrator, Mr. Stettinius, on down made it a pleasure to work with them. I want to take this opportunity to publicly express our appreciation and to compliment the gentleman and his capable staff.

The committee is convinced that the Lend-Lease Act should be extended. Lend-lease aided in sustaining and strengthening the United Nations in days of defeat and retreat. Lend-lease has helped and will continue to help in equipping and supplying the armed forces of the United Nations, now beginning a relentless offensive. Lend-lease has made it possible for the resources of the United Nations to be pooled and made available at the points where they can do most harm to the enemy.

As an essential part of our mechanism for waging war, the Lend-Lease Act has operated with brilliant effectiveness. As an experiment in cooperative effort by the partners in a war of alliance, the Lend-Lease Act has been one of the most inspiring achievements of the war. For any group of nations to fight an enemy which is both disciplined and ruthless requires mutual trust and close cooperation. Lend-lease has been a powerful agency in developing that relationship.

The cooperative efforts of free people have achieved through lend-lease and reverse lend-lease an instrument which is more effective than the Axis method of conscripting the supplies and resources of vassal states. There is no substitute for belief in the cause of freedom and the determination of free people to retain that freedom. Lend-lease is not only in the democratic tradition; it will prove a vital factor in the inevitable victory of the United States and the United Nations.

I feel confident that the Congress will corroborate its wisdom and foresight by extending the Lend-Lease Act.

Mr. BUFFETT. Mr. Chairman, will the gentleman yield?

Mr. BLOOM. I yield.

Mr. BUFFETT. I have two brief questions. First, do you not agree that the Congress of the United States should be absolutely honest with the American people?

Mr. BLOOM. I do not think the gentleman should ask a question like that. Certainly, I believe it.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. BLOOM. Mr. Chairman, I yield myself 1 additional minute.

Mr. ROLPH. Mr. Chairman, will the gentleman yield?

Mr. BLOOM. I yield.

Mr. ROLPH. I want to compliment the gentleman on the splendid report he has made on the lend-lease operation.

Coming from the Pacific coast, I was particularly interested in the remarks of the gentleman regarding China. I note that the Lend-Lease Administrator, who is in the gallery at the present time, stated to the committee that more consideration will be given to China. I want to compliment the committee for seeing to it that China gets more relief.

Mr. BLOOM. I will say to the gentleman from California that China was given more consideration by the committee than any other country. The entire committee felt at all times that every consideration possible should be given to China and every effort made to see that China gets the aid she needs at this time.

Mr. ROLPH. I know that because the distinguished chairman himself lived in San Francisco for many years and he knows how very much interested we are in China.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. EATON. Mr. Chairman, I yield myself sufficient time to make a brief statement and I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. EATON. Mr. Chairman, on March 11, 1941, the so-called lend-lease bill became law. It was designed primarily to aid in the defense of the United States by extending aid to the nations which at that time were standing alone against the murderous assault of the Axis Powers.

In December 1941 we entered the war. Since then the lend-lease program has been greatly expanded and has become of vital and increasing importance in our war efforts and in that of our allies.

The sole purpose of this bill, H. R. 1501, is to extend the original lend-lease bill in its operation for 1 year.

After exhaustive and sometimes exhausting hearings, and all very informative, the bill comes before the House with the unanimous vote of the Foreign Affairs Committee. Copies of these hearings are in the hands of the Members, and they are accompanied by a very comprehensive report dealing with certain problems that may arise in the future and the possibility of our dealing with them through lend-lease.

I join with my colleagues on the committee of both parties in the hope that this House will pass this bill by a unanimous vote, and I do that for the reason that such discussion as we will have and such a vote will have a tremendous effect in clarifying public opinion here at home and will greatly hearten our allies to carry on to the end of the war.

Mr. BUFFETT. Mr. Chairman, will the gentleman yield?

Mr. EATON. I yield.

Mr. BUFFETT. In justice to the American people, does not the distinguished gentleman from New Jersey feel that nothing would inspire the American people more than to have a title for this bill that would properly reflect what we are doing? We are not leasing or lending this material. I think that title is absolutely unfit for what this bill does.

Mr. EATON. What would the gentleman suggest?

Mr. BUFFETT. There are a number of titles that could be used. It might be "Contribution to Victory," or some title that adequately reflects what we are doing. Certainly the American people, with billions of their money being expended, are entitled to have an honest title placed on the measure.

Mr. EATON. Does the gentleman think this title is dishonest?

Mr. BUFFETT. Yes, sir.

Mr. EATON. The gentleman has a very acute ethical intelligence.

Mr. BUFFETT. I think this Congress needs that.

Mr. EATON. Evidently it will be uplifted by the gentleman's presence.

Mr. WADSWORTH. Will the gentleman yield to me?

Mr. EATON. I yield to the distinguished gentleman from New York.

Mr. WADSWORTH. With my apologies for interrupting the gentleman's excellent statement, I agree with the gentleman that the title "lend-lease" is inadequate. The strange thing is that the term is not used in the law itself. It does not appear in the act of March 11, 1941. It has become a nickname. The one who invented the nickname was the President, who, in an Executive order, I think it was, appointing Mr. Stettinius, or having something to do with the organization of the administration of the act, referred to it as the lend-lease act. Otherwise it never would have had that official name given to it. I had always believed, and I am in grave danger of being voted down almost unanimously, that a better name for this act would be the "War-Aid Act."

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. EATON. Now, I am trying to make a speech, and if you all interrupt me I do not know when I can finish. However, I yield to the gentleman.

Mr. VORYS of Ohio. Just at this point, for the sake of historical accuracy, I believe the nickname "lend-lease" was first used on the report from the committee, a copy of the committee hearings, in 1941. So that while the Chief Executive may have suggested it to the chairman of our committee, our great chairman, I think, still has prior rights on the nickname.

Mr. LUTHER A. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. EATON. I am puzzled to know who is making this speech. I yield.

Mr. LUTHER A. JOHNSON. Everybody calls it lend-lease. The distinguished gentleman from Ohio persists in calling it lease-lend.

Mr. EATON. Now may I interrupt the general flow of oratory? It has been referred to as the lend-lease and the lease-lend bill, and because we deal largely in tweedledee and tweedledum in this place, great discussion has been held on which was right. My answer is that both of those horses are trained to work equally well on either side of the pole. You city slickers probably do not know what that means.

I should be remiss in my duty if I did not take this opportunity to express for myself and for my colleagues our sense of appreciation and indebtedness to Mr. Ernest Stettinius, Jr., for the able manner in which he has handled this lend-lease proposition.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. EATON. I yield.

Mrs. ROGERS of Massachusetts. There seems to be unanimous opinion about the ability of the Administrator of Lend-Lease. I wish he had more to do with its operation than he has in the final decisions.

Mr. EATON. I envy Mr. Stettinius and congratulate him upon that expression.

He has brought to a very difficult task a fine, practical business experience, sound economic judgment, almost incredible in these days in Washington, and a cooperative spirit which with his untiring industry entitles him to our confidence and our gratitude.

Mr. Chairman, in the brief time at my disposal I want to sketch, if I can, the background of omnious and challenging world realities against which lend-lease must function now as a war measure, and which constitute the only adequate ground for its possible continuance as a factor in establishing permanent world peace when the war is won.

Lend-lease is not a device by which Uncle Sam proposes to become the starry-eyed, gullible Santa Claus of the whole world. Nevertheless, it must be admitted that we are not extending lend-lease aid, and we cannot at this time, to our allies primarily on a dollar-and-cents basis. The grim fact is that we Americans are fighting for our own national existence. Do not forget that. I have heard men talk as if we were performing an act of charity to send help to our allies, as if we were not in this war up to our necks, and higher than that sometimes. The fact is that we are in this war fighting for our national existence, exactly as Russia, Britain, China, and our other allies are fighting for their national existence. In common with all other peoples we are facing the most deadly danger in our entire history. It is impossible to overestimate the menace that confronts at this moment the homes and hearts and lives and businesses and institutions of this country of ours. The

fate of one of our allies will be the fate of all. We win or lose together.

This war is being fought for one purpose only, to decide whether all the peoples of the world in all the hundreds of years to come are to be forced, at the point of the sword, into ignominious slavery to their Nazi and Japanese conquerors, or whether they are to be freemen in a free world.

There can be no compromise, no negotiated peace in this conflict. We cannot compromise very well with a cobra that attacks us in the dark, nor can we negotiate with a blood-maddened pack of hungry wolves. We must destroy our enemies, make no mistake about that, Mr. Chairman, or they will destroy us, just as they have robbed and ravaged and slaughtered millions of innocent victims in Europe and in the Orient. The stark, inescapable fact is that this is a war to the death, involving the fate for good or ill of every man, every woman, and every child in the world.

Under the terms of the original Lend-Lease Act, the President is authorized to extend this aid to those countries which he considers helpful to our defense and 43 such countries he so considers eligible; 31 of them are now at war with the Axis powers and 29 are receiving lend-lease aid.

For reasons as sound as they are self-evident the volume of lend-lease aid is largest to the British Commonwealth of Nations.

Russia ranks next in the value and importance of lend-lease aid and will continue to receive, both from the United States and Great Britain continuous aid.

These contributions to Russia are not being made simply as an expression of our admiration for the courage, endurance, and sacrifices of the Russian people, and the heroism of her fighting men and women. Nor can our aid to Russia be conceived as an expression of our preference for any ideology of communism as against the ideology of nazism or fascism. We have a political and social ideology of our own, which in spite of its acknowledged imperfections expresses the genius of our people and which we do not propose to abandon or change for any other on earth.

We are extending lend-lease aid to our ally, Russia, for one reason; because the Germans have conquered in Russia an enormous area of territory containing unbelievable natural resources. If the Germans succeed in holding and utilizing that territory and its resources for their murderous end, it would be years before we could win this war. They would be practically invincible. So, in the face of these realities it becomes self-evident that one of the most important ways for us to help ourselves in this global war is to help Russia drive the Nazis out of Russian territory.

Primarily the Russian people are fighting to save themselves. Primarily the American people are fighting to save themselves, but as allies we are both fighting to help save each other. Unless this is true our alliance has no meaning.

The one instance in which the lend-lease program has been a failure is in China. Compared with what we have done for other people, the best we have done for China is a mere trickle.

The first reason for this tragic failure is to be found in the years immediately preceding the outbreak of war, when the peoples and the governments of Great Britain and the United States were surrendered to a moral flabbiness, and consequent mental imbecility, under which they persisted in substituting the ostrich for their ancient and honorable national emblem of the lion and the eagle; and the white flag of appeasement was hoisted without shame or apology in place of the Union Jack and the Stars and Stripes. At the same time we in America were feverishly wrapping grave clothes of futile domestic neutrality legislation around our Government, in the vain hope that thus we could save ourselves from being sucked into the cosmic current of revolution which was and still is sweeping us and the rest of the world irresistibly toward a bottomless abyss of disunity and ruin.

That is the first reason why we were not prepared to aid China or anyone else when war broke out. The second reason for our failure to get aid to China was the bold, far-visioned war strategy of our Japanese conquerors. Because, do not forget, Mr. Chairman, the Stars and Stripes, your flag and mine, that has never been stained with dishonor, has been clutched in the filthy hands of these hateful people and dragged in the dust of defeat. I sincerely hope it will not be long before it is wrenched from their grasp.

First of all, the Japs were able to close all sea approaches to China. Then they took Indochina from the dazed and divided French and seduced Thailand into submission. They drove us, the proud United States, out of the Philippines after a hell of a fight, let me tell you, but they drove us out. They drove the proud British out of Singapore, Malaya, and Burma. They annexed the Dutch Island Empire. They took over the far-flung archipelagoes of the South Pacific and built many strong air bases for further aggression. By the conquest of Burma they effectually closed the Burma Road, the only practicable approach to China.

In spite of this somber chapter of failure, Mr. Chairman, our people are insisting that we increase our aid to China. There is not a man or woman in this body who is not strongly in favor of that. In my judgment, the greatest single disaster which could overtake us in this war would be the weakening of those sentiments of confidence and friendship which have animated the citizens of China toward the United States for so many long years. Unless we send them something more substantial than pious promises and fine phrases, we are in deadly danger of facing the disaster of losing the confidence of the Chinese people.

I venture, therefore, at this time to suggest to our President and our State Department and our war leaders a procedure which, if adopted, will give fresh courage to China and strengthen the ties which have bound our two countries together for so long.

Why not put China promptly and completely on a protocol basis?

We have protocols with Russia covering in detail what we propose to give her; we have protocols with England covering in detail what we propose to give her and in some respects what she will give us. We have nothing like that with China. The result is that when China asks for something it is lost in the shuffle downtown here, and the Chinese are discouraged and disappointed. So I should like to see our Government give China a protocol arrangement which would strengthen their confidence in themselves and clear up their misunderstanding with us.

It is impossible to overestimate the importance of a complete unity of thought and purpose and action between this country and China when this war is won. There are in the Pacific area about a billion orientals. These people are of different types and standards of culture. Without exception, however, they are all stirred now by new ideals of economic well-being and political freedom. Naturally they will look to oriental leadership when the war is over in the achievement of these ideals. If China, in cooperation with the United States, becomes the recognized oriental leader there will in after years flow out from the Orient to the rest of the world forces vivifying and uplifting and enlarging our culture and our lives. If, on the other hand, Japan becomes the overlord of these billions of oriental peoples and their almost unbelievable natural resources, you can absolutely guarantee that your children and grandchildren will be plunged into a racial war that will threaten to extinguish the light of civilization in every part of the world.

A few days ago, there stood in this Chamber the wonderwoman of the world, Mme. Chiang Kai-shek. Her epoch-making address carried a spiritual appeal of profound power and import. But she herself is the real messenger of China addressed to every American mind and heart. She stood there as the embodiment of 5,000 years of China's culture modified and vivified by an infusion of the finest culture of America, made possible by her residence here during the formative period of her youth.

I ask any sane American if for one moment he can be blind to the implications involved in establishing the type of civilization represented by Mme. Chiang, in the Orient and beyond the Orient in the whole world as against the triumph of that represented by the bloody handed Japanese conquerors who have shaken the foundations of civilization to its center.

Mr. Chairman, when this war is over, and how long that will be no one can predict, the whole world will have entered upon a new age. This upheaval is like the convulsions accompanying a change in geologic ages long ago. For thousands of years civilization has had a norm of progress unchanged, around which it has advanced. That era, Mr. Chairman, is gone. Neither you nor your

children nor your children's children to the tenth generation will ever see it again.

When this war is over we will have entered upon a world age. Every economic, political, social, spiritual, cultural force and formula and purpose of every civilized country will have to be cast on a world scale. No longer can an American businessman make his plans and commitments without reference to the rest of mankind. No longer can a Britisher think only in terms of Britain. Whether we like it or not the world will be one in process and destiny.

Mr. Chairman, to me that is simply the flowering of those divine ideas of brotherhood that were liberated in the minds and hearts of men 2,000 years ago by the Divine Founder of the Christian religion. It is only the historic fulfillment of that vision of Bobby Burns, the inspired interpreter of the mysteries of common life, when he sang:

> So let us pray that come it may
> As come it will for a' that,
> When man to man the world o'er
> Shall brothers be for a' that.

Mr. Chairman, being a believer in the universality and individuality of the Christian message and the Christian gospel, I look forward with joy and hope, although I may not be here to see it, when the sons of men everywhere shall find a common spiritual understanding and common moral ground, and I am confident that when they find that spiritual common ground it will be the great universal principles of the kingdom of God on earth as taught by the Man of Nazareth, and when they find that common moral principle on which to stand it will be the Golden Rule that He gave us in the Sermon on the Mount.

I hear all sorts of ready-made plans for remaking the world. I wish it could be done that easily, that we could just pass an act of Congress and have it signed by the President. We used to think we could do anything that way, even to making people sober.

First of all, as we face the future, we cannot do anything until we have won this war. We have got to defeat our enemies, disarm them, justly punish their leaders for their crimes, and restore to their victims the loot and territory that has been taken from them by these bloody-handed robbers. No one can tell how long that will take and what it will cost, but I firmly believe that the cost in men and money and material, no matter what it will be, is necessary and must be paid.

When this tremendous task of winning the war is over, we face the fact that the entire world will be shot to pieces, and out of the universal ruin, suffering, and unrest, a new world civilization must be set up. That civilization must be based upon sound principles of justice and law, political, economic, and spiritual, and this can only be done by slow degrees, Mr. Chairman. It will probably take a couple of hundred years before we get nicely started at it, so that we will here have to be elected a number of times before we can join in the final glory.

The first condition under which these new economic, political, and spiritual institutions can function will be world peace, national and international; and this world peace can only be established and upheld by a world police force. That world police force can only have jurisdiction when it comes under the sanction of recognized international law that expresses a recognized standard of justice and liberty among all men. That law cannot be interpreted and applied except by properly organized international courts.

The other day my friend, Sumner Welles, Under Secretary of State, announced that he was going to call a council of the Allied Nations of the world. I, without reservation, applaud and endorse that. It should have been done months ago. When they come together, we have something to lay at the foundation of the new organization. We have on these North and South American Continents a solidarity of opinion and understanding today that never existed before, and we have these two continents united with the far-flung British Empire, except that portion which has already been dismembered by some of our enthusiastic citizens here. We have China united with us in ideal and destiny. With that combination to begin with I am confident that this council called by Mr. Welles will lay the foundation and devise the means for at least the beginning of a world civilization.

Now, I close what I have to say by laying down two principles of action which must govern our American people and our American Government in this great crisis of the world. You may ask, "Well, what has all this got to do with lend-lease?" Why, I think of lend-lease today as a symbol of this world unity that has been thrust upon us apparently by Mr. Hitler and by the Japanese, but really, I believe, by the hand of God; and out of the enlarged life and thought and character that will take the place of parochialism and provincialism and narrowness of life that has blotted out the sky for so many people in the world, we will be able to think in world terms with an intellectual and moral skyline as wide as the universe itself.

There are two principles which must guide us in the development of our new world civilization. First, for our safety as a Nation and for the safety of the world we Americans must accept without reservation the call of God and of humanity to take our place of leadership among the nations of the earth, and assume without hesitation the responsibilities which inhere in the power that we possess of manhood and material. We must stay with the task until the job is done, and we ought now by resolution of Congress make known to the world that this is our fixed purpose.

And second, we must set our faces with adamantine determination against any attempt to abandon those ideals and principles of personal and public life which have made America the hope of the world for 150 years. We cannot get our fellow men out of the abyss by jumping in with them. Let us keep our feet firmly planted upon the rock of our own material and spiritual strength and ideals, and no matter what we have to do or give or take, let us see to it that as the world enters upon a new era of world civilization we Americans keep America American.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield for a question?

Mr. EATON. I will not guarantee to answer it, but I am of a yielding disposition.

Mr. CRAWFORD. On page 7 of the committee report it appears to me there is a contradiction, and I want to clear it up for my own information. It states this:

> On stations occupied both by British and United States troops no records are maintained as to whether the articles issued on the stations are delivered to United States or British troops, and particularly in the case of shared airfields the problem of allocating value would also be very difficult.

I can thoroughly comprehend that difficult situation, the shortage of manpower and all that goes with it, but later we find this language:

> Descriptions of the articles and services received by the United States armed forces are recorded and these records are maintained by the Office of Lend-Lease Administration in such form as to permit a valuation to be made at some later date if such a valuation is determined to be necessary.

Which of those statements is true? I think they conflict. I can understand why both statements would get into the report, but I think the gentleman should clear them up, because I know there are plenty of people in my district who will interrogate me on this very bookkeeping procedure. Can the gentleman give us light on that?

Mr. EATON. No. Light on bookkeeping is not my specialty. But the gentleman from New York [Mr. WADSWORTH] is here. I always refer difficult matters to him. I did not touch on such technical matters because we have the gentleman from Ohio [Mr. VORYS], who is steeped in them, and the gentleman from South Dakota [Mr. MUNDT], and the gentleman from New York [Mr. WADSWORTH], and the gentleman from Pennsylvania [Mr. EBERHARTER], and Mr. JOHNSON. So if the gentleman will just turn his batteries on them and let me off, I will appreciate it very much.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. EATON. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. The gentleman spoke of aid to China. Does it not seem important for the House to express its desire that planes sent by this administration to China should reach their destination rather than be diverted somewhere else from arriving in the Chinese theater of war?

Mr. EATON. My answer is that that is why I want a protocol agreement.

Mrs. ROGERS of Massachusetts. Does not the gentleman also feel that it would be very helpful to have a munitions board consisting of the United States, Britain, and China, in order that China may have a more complete opportunity to make its requests and express its desires for airplanes and munitions? Today China is not on any board.

Mr. EATON. I can understand the value of such a board, but being bored by

the infinite number of boards and slabs we have around here now, I do not feel like advocating starting another one—national or international.

Mr. BLOOM. Mr. Chairman, I yield 25 minutes to the gentleman from Montana [Mr. MANSFIELD].

Mr. MANSFIELD of Montana. Mr. Chairman, I rise today to speak on China and the Far East and I feel that the sentiments which I am about to express are those of the great majority of the American people. We, on the Foreign Affairs Committee, have interrogated many witnesses about aid to China and, while we have received no concrete satisfaction, we have received assurances from Mr. Stettinius, Dean Acheson, Mr. J. Franklin Ray, and others that we will not stop until all our ingenuity and every effort is expended to move more aid into China.

Before I go into this matter of the importance of the Pacific, I want you to know something of my background. During the last war, at the age of 14, I enlisted in the United States Navy for the duration. After that I served a year in the Army and later several years with the marines in the Far East. Since that time I have had 10 years of teaching experience at Montana State University especially in the fields of the Far East and Latin America. I feel I am here not only representing those who live in my district whether they be Republican or Democrat, but also those of our boys and girls who are fighting and serving in all parts of the globe. While we sit here and argue about all too many "wooden" and personal matters these young folks are giving their lives for us. The least we can do is to help them win this war just as quickly as it is humanly possible.

The war in the Pacific area is just as important and more significant than is the war in the Atlantic area. In this struggle the matter of distance is of great importance. The Pacific is the greatest of the world's 5 oceans. It measures almost 10,000 miles from east to west at its broadest point and about 7,000 miles from north to south. It has an area of roughly 68,000,000 square miles, or nearly one-half the total water surface of the globe. Along its northern rim the Soviet Union and the United States are only a few miles apart. It is flanked by 3 British dominions: Canada, Australia, and New Zealand, by 11 American republics in addition to the United States, and by the more than 4,000 volcanic islands that form the Japanese Archipelago, and by China, the Philippine Islands, and the Netherlands East Indies. It is a tremendous depository of wealth and commerce, the crossroads of a dozen trade routes, the scene of many adventures in national policy, and at the present time the conflict in that area will settle our future for generations to come.

In respect to the Pacific we should not lose sight of the fact that we are extremely fortunate to have China as our friend and ally. Many of us wonder why this great nation has not been given more of an opportunity to assert herself as she very much desires to do against our common enemy, the Japanese. I know there are questions in your minds. You think of the almost insurmountable difficulties of flying supplies across the Himalayas from India to China. You think of the fact that all of China's coast line is now under the control of Japan and many of you say to yourselves, "It is impossible to do more than we are doing."

With that thesis I thoroughly disagree. Nothing is impossible any more. It was impossible for Japan to conquer Singapore, Malaya, Burma, and the Dutch East Indies in the short while she did. It was impossible for the Japanese to attack Pearl Harbor, the most strongly fortified position in the world. It was impossible for a small second-rate nation like Japan to tackle, and for the time being, successfully tackle, a great, proud, and mighty Nation like the United States. But was it? This war is going to be won by doing the impossible and this war will never be won by fighting along 1918 lines. It will be won by men who have vision, courage, the audacity to dare, and the realism to look into the future. This war will be won by tearing down the preconceived ideas of brass hats, both in the Army and Navy and giving to younger men the opportunity to assert themselves and prove their worth. This war will be won by an increase in the development of air power through the use of the military cargo and transport plane. Many of our leaders have looked upon the Japanese as a people easy to handle and easier to conquer. Today they are awake to their mistaken calculations and they should realize now that Japan is our most dangerous and particular enemy and that the Japanese will be the most difficult to defeat. Who are these Japanese whom we fight today? They are a fanatical, determined, and brutal people. They consider themselves semidivine; they are ruled by an Emperor, Hirohito, who is the direct descendant of the sun goddess and the one hundred and twenty-sixth ruler in a divine dynasty. They consider their islands the choicest on the face of the earth and the closest in location to heaven.

The area of Japan proper is just a little larger than the State of Montana, from which I come, and the population is approximately 75,000,000. Not more than 20 percent of the Japanese land is arable, and the country is poor in natural resources. The present policy of expansion is nothing new for the Japanese, but is in effect the continuation of a policy years in the making. This war did not begin with Hitler's invasion of Poland in 1939. It began with the September 18 incident on the night of that date in 1931 when the Japanese invaded Manchuria. In that month and year the Japanese began their drive into Manchuria and since that time a well-defined pattern has been developed leading to the present struggle. Prior to that, in 1927, Premier Baron Tanaka is supposed to have presented a memorial to the Emperor in which he stated that it was the duty of Japan to conquer Manchuria and Mongolia. When that was accomplished China could be conquered. When that was done the South Sea area would be taken, and when that was done Japan would conquer the world. The authenticity of the Tanaka Memorial has been denied by the Japanese Foreign Office, but events since 1931 give more than a grain of proof to its supposed contents.

Although the Emperor is, in theory, the head of the Japanese Government, as a matter of fact the control lies not in his person but in the hands of a military clique. In Japan the soldier has always occupied, and still does, the highest position in society, in contrast to China, where the soldier, until comparatively recently, occupied one of the lowest rungs in the social structure. The Army of Japan is an army trained on the German model, and its morale is high. Military training, in effect, begins down in the high school and in some cases in the late grades. Very few of the Japanese men are able to evade some sort of military training and whether or not the Japanese Army is a really good or bad army we cannot as yet definitely state. We do know on the basis of its career to date that it has performed extraordinary deeds, and we likewise realize that before this war is over we are going to be in a position to thoroughly and completely evaluate the Japanese military machine.

As many of us well know, the Japanese have expanded tremendously since their country was opened to the outside world in the middle of the last century. Up to the outbreak of December 7, 1941, they had acquired control of the Loochoo Islands just south of the Japanese Empire proper, the island of Formosa, the Pescadores, the Kwantung tip of the Liaotung Peninsula in Manchuria. They acquired the southern half of the island of Sakhalin, known as Karafuto; they annexed Korea. They took over the mandated islands—the Carolines, Mariannes, and Marshalls. In 1931, as you know, they took over Manchuria and precipitated the present conflict because immediately after that Hitler moved into the Rhineland and Mussolini moved into Ethiopia and brought about its temporary subjugation. The pattern continued down to 1939, when Herr Hitler invaded Poland. In 1937 Inner Mongolia was taken over by the Japanese, in 1938 Canton, in 1939 the island of Hainan and the Spratley group, and in 1940 French Indochina was brought under its control.

Broken down, the figures show that 99,792,535 people and 1,222,060 square miles were brought under Japanese control from the period 1879 to 1941, inclusive.

Since the outbreak of the present conflict, insofar as our participation in it is concerned, the Japanese have acquired control of Hong Kong, Thailand, Malaya, Shanghai, Sarawak, Brunei, Borneo, the Philippines, Singapore, Sumatra, Celebes, Java and Madura, New Guinea, Solomons, New Britain, Timor, Andaman Islands, Burma, China, in which must be included the period before and after December 7, 1941, the Gilbert and Ellice Islands, and the islands of Attu, Kiska,

Little Kiska, and possibly Agattu in the Aleutian group, islands which are American possessions and islands which represent a direct threat to our Pacific Northwest. Incidentally, when we consider that Attu is only 1,800 miles by air from Tokyo, the capital of Japan, we begin to see that the Aleutians are not only the surest and quickest route to Japan but the most logical road to launch an offensive against our enemy.

What do these figures since December 7, 1941, mean? Well, they mean, for one thing, that the Japanese have conquered 2,070,530 square miles of territory containing 262,698,919 people. Compare these figures with the area of the continental United States at roughly 3,000,000 square miles and a population of 132,000,000. From the viewpoint of economics we know, as Mme. Chiang Kai-shek pointed out to the Members of the House 2½ weeks ago, that Japan now has practically everything it needs to wage a war for many years to come. She cannot be starved into submission because she is able to get all the foodstuffs she requires, especially in places like Thailand and French Indochina. She has all the rubber and tin that she will ever need to carry on a war of long duration and insofar as such metals as copper, iron, gold, and others are concerned, she has sources in the Philippines and elsewhere upon which she can now draw to her heart's content. Before this war broke out Japan could not supply 10 percent of its needs in oil. She was dependent in that respect upon the development of shale deposits in Manchuria, which were too expensive and too difficult to work, and also on agreements with the Russians for the buying of oil from the northern half of the Island of Sakhalin, and agreements with the Royal Dutch people in the Netherlands East Indies. Since the occupation of the Netherlands East Indies Japan is entirely self-sufficient in oil and is no longer dependent on outside sources.

These figures mean a great deal because they show that for perhaps the first time in its modern national existence Japan is living on a solid economic foundation, and that alone will make it appear that the Japanese are going to be difficult to overcome.

From the viewpoint of strength, the Japanese conquest of so many of these areas has allowed them to develop unhindered the resources which are now in their hands and, while they have extended these conquests considerably, they have done so very possibly with the idea of buying time for the development of basic material needs. Japan is closer to consolidating her gains for years to come than she ever dared dream our stupidity would permit. The war in the South Pacific has given us successes in Guadalcanal and in the Papuan portion of New Guinea, but those victories were hard won and long drawn out. Those victories took over 6 months to achieve and they were confined to relatively small areas. The Japanese troops in Papua and Guadalcanal did fulfill the missions they were evidently sent out to do. They kept much of our air, sea, and land power in the Pacific tied up for a long period and that time was invaluable to Tokyo in allowing it to organize and exploit the reserve of basic materials in the other sections under Japanese domination. In retrospect, it would appear that we are, in spite of splendid victories at Guadalcanal, Midway, Coral and Bismarck Seas, and Papua, just getting by in the South Pacific, and, while we are concentrating our small forces there, the Chinese are being starved out and worn out because of our inability to get materials to them. It is not a matter of too late and too little for China, it is a matter of almost nothing at all. When we think of the struggle in the Pacific, we think of China more and more these days, and so far as I am concerned, I have been emphasizing China's need—great need—both before I came here and since I have been in Washington. It is nothing new with me. I am not a new-found friend of China, but I am one who realizes the tremendous significance of giving China the weapons and the material to bring this war in the Pacific to a conclusion.

The Chinese have accomplished wonders in their 5½-year fight against Japan. They constitute a huge population—the estimate is 475,000,000—but they have little developed resources. They have been defeated time and time again, but they remain unconquered. However, China cannot go on indefinitely without outside aid. She may, if starved of necessary materials, cease to fight. In that case I need not point out to you the perilous consequences to us. It is gratifying indeed to hear Mr. Stettinius, the very able Administrator of Lend-Lease, say in regard to China that—

> Everyone concerned with lend-lease aid programs has been struggling for more than a year with the problem of developing new routes from India into China. Now more planes are being made available and airborne shipments into China are increasing. Transportation and other difficulties have made it seem impossible to step up the flow of aid to China. But we must do the impossible, and every human effort and ingenuity will be exercised to get lend-lease supplies into China. At the same time no stone is being left unturned to aid China by other military means.

Before this war is over we shall be fighting side by side with the Chinese, depending upon the Chinese to a greater extent all the time, making China's war our war, and considering China as a full-fledged ally and on a par, as she should be now, with Great Britain and Russia. It may be that before this war is over China will become our most important ally because it is a foregone conclusion that the war in the Pacific will take far longer than the war in Europe. It is up to us to get just as much help to our gallant friends in China as we possibly can, and if it means performing the impossible, well, we can do it. For instance, we are producing, according to Newsweek, standard transport planes, in quantity, that can carry 6-ton cargoes at 200 miles an hour. It is not fantastic to foresee planes that will carry 100 tons at a speed of 400 miles an hour. These flying boxcars may well be our answer to China's cry for aid. Whether help will be flown directly over the Himalayas or sent in perhaps by way of Alaska is something which will have to be determined by the American and Chinese high commands.

In the Far East we find, also, that Russia occupies a very important position. Many of our people seem to think Russia should be fighting Japan or at least let us use her Siberian bases. From the Russian point of view, and perhaps the long-range Allied point of view, they are justified in what they are doing. They are fighting a successful war on the European front; why wage a perhaps unsuccessful war on two fronts. The Russians and the Japanese are going to war. It is not a question of "if"; it is only a question of "when." Russia has around 800,000 of its best soldiers on the Manchukuoan-Korean frontier—they have not fought except in limited numbers in Europe. Japan has around 600,000 soldiers—and they are Japan's best—on the Siberian frontier. These Russian and Japanese troops are located where they are for one purpose and that is to come to grips when war breaks out.

The Japanese and Russians are realists. The Japanese know that when war comes the 60 or 70 submarines located at Vladivostok will be able to do tremendous damage in the Yellow and adjacent seas; they know also that Tokyo, Osaka, Kobe, Nagoya and the other centers of Japanese industry are located from 600 to 700 miles by air from the underground airdromes of the Russians at Vladivostok. They know, too, that their cities could easily be razed by incendiaries and blockbusters—so, they hesitate. Russia knows also that in case of hostilities Vladivostok would not last very long because the Japanese would immediately converge on it and put it out of the war. On the basis of what has been said it should be easier to appreciate and understand the Russian point of view. Further, we might learn something from Russia when we consider that she, with 192,000,000 people, is fighting on one front only, while the United States with 132,000,000 is fighting all over the world. Have we the resources and the manpower to continue such a policy? I think not.

So much for this brief and inadequate survey of the situation in the Pacific and the Far East. Today we are Democrats and Republicans secondarily; Americans first. Our primary object is to win this war. It is a cause that stands above everything else, above party, above viewpoint, above affiliations, above all other loyalties. It is a matter of life or death. Since Pearl Harbor every man, woman, and child is involved in this war deeply and irrevocably. Nothing much will matter for them and for generations yet unborn if we lose this war.

With our production up we are rapidly reaching the stage where we will have to assume the offensive. The President has told us, and rightly, that we are in this war all the way, not just to fend off and hit back, but to hit often and hit hardest. That means that everyone must dig in and do his full share. Words will not win this war but hard fighting will. Sniping at each other will not win the

war but national unity and hard work will. We are here as the representatives of the farmers, the businessmen, the housewives, and the workers of all America, and we have a job to do in behalf of them and our country.

This is total war. It will be fought unfortunately not only in the Pacific and the Atlantic, in the jungle and the desert, but also in every home, every office, every factory and every farm of all America. The final result will be decided in large part by the help which we send under this act being considered today to our allies in all parts of the globe. We must produce everything possible for victory or perish in the sea of our failure. We must all work as one and with national unity we must cultivate the spirit of individual sacrifice. What matter tires, taxes, canned beans, or coffee, if we can maintain our liberties? We who stay at home should think it disgraceful even to mention these little things which we have to undergo. We have come a long way since December 7, 1941, but the fact remains that the way ahead is longer and tougher and more exacting than any we have traveled thus far. Success will come for this country only if all of us shake off our dreamy optimism, our sleepy reasoning, and face realistically the shortcomings which must be overcome and the need for working together, all of us, in one cause and that is final and complete victory.

TERRITORIES TAKEN BY JAPAN, 1879–1900

Date	Land	Territories (area, square miles)	Population: Then	Population: Now	Nationality
1879	Loo Choos	935		570,000	Japanese.
1895	Formosa	13,807		5,870,000	Japanese, aborigines, Chinese.

TERRITORIES TAKEN BY JAPAN SINCE 1900 [1]

1905	Kwantung	1,221	[2] 157,720 (1906)	[3] 1,225,570 (1938)	Manchurian.
1905	Karafuto	[4] 12,489	[4] 12,361 (1906)	331,943 (1935)	Siberian.
1910	Korea	85,246	[5] 17,264,000 (1920)	22,633,851 (1938)	Korean.
1914	Mandated islands:				
	Carolines	[6] 307		30,915 (1935)	German-Malay, etc.
	Marianne		[7] 829	[8] 55,000	44,025 (1935)	
	Marshalls			10,446 (1935)	
1931	Manchuria	503,013	[9] 29,969,000 (1932)	[3] 39,454,000 (1939)	Manchurian.
1937	Inner Mongolia: Jehol and Chohar.	304,508		2,123,000	Chinese-Mongolian.
1938	Canton	[9] 12		[10] 1,145,285	Chinese.
1939	Hainan	[11] 14,000		[11] 2,500,000	Do.
1939	Spratley Islands	[11a] 247		(11)	French.
1940	French Indochina	286,000		23,853,500 (1939)	Malay, etc.
1941	Hong Kong	391		1,800,256	British-Chinese.
1941	Thailand	200,148		14,464,489	Thai.
1941	Malaya	27,540		2,169,313	Malay, etc.
1941	Shanghai	[12] 320		[13] 3,703,430	Chinese.
1942	Sarawak	50,000		450,585	British-Malay.
1942	Brunei	2,226		30,135 (1940)	Do.
1942	Borneo	237,785		2,439,084	British, Dutch Malay.
1942	The Philippines	114,400		16,356,000	Filipinos.
1942	Singapore	220		750,805	British-Malay.
1942	Sumatra	164,147		7,677,826	Dutch-Malay.
1942	Celebes	72,986		4,231,906	Do.
1942	Java and Madura	51,032		41,718,366	Do.
1942	New Guinea	69,700		388,977 (1939)	Australian-Malay.
1942	Solomons	3,910		46,482 (1939)	Do.
1942	New Britain	14,600		93,219 (1939)	Do.
1942	Timor	24,449		1,657,376	Dutch-Malay.
1942	Andaman Islands	2,508		21,028 (1940)	British-Indian.
1942	Burma	233,492		14,667,146	British-Burmese.
1942	Total China [11] [14]	1,000,000		150,000,000	Chinese.
1942	Gilbert Islands	166		28,265	British-Malay.
1942	Ellice Islands	14		4,151	Do.
1942	Aleutian Islands:				
	Attu	[15] 295		[17] 12	American-Aleutian
	Agattu	[15] 95		[17] 50 (?)	
	Kiska	[15] 102		[17] 20 (?)	
	Little Kiska	[16] 4			

[1] All statistics, unless otherwise noted, are from the Statesman's Year Book, 1941. Malay is used generically for all Polynesian races.
[2] The New International Year Book, 1907, New York, Dodd, Mead & Co., 1908, p. 445.
[3] The Manchukuo Year Book, 1941, Hsinking, the Manchukuo Year Book Co., p. 116.
[4] The New International Year Book, 1907, p. 704.
[5] The Japan Times Year Book, 1933, p. 274.
[6] The New International Year Book, 1916, p. 121.
[7] The World Almanac, 1942, p. 245, gives the area for all three groups.
[8] This is inclusive of the South Manchurian Railway Zone. The Manchukuo Year Book, 1941, p. 116.
[9] The area occupied around the city is approximately 10,000 square kilometers, see footnote 11, infra.
[10] The Chinese Year Book, 1940–41, p. 46.
[11] These figures are from an official Government source, the identity of which may not be disclosed.
[11a] Acres.
[12] The Chinese Year Book, 1940–41, p. 121.
[13] Ibid., p. 49.
[14] This figure is a rough estimate of the territory enclosed in a line drawn through the westernmost cities occupied by Japan. The control is actually only nominal in this district which represents one-tenth of Chinese territory. Actually there is only 3 percent of Chinese territory under effective Japanese administrative control.
[15] The Division of Maps, Library of Congress.
[16] The Alaskan Branch of the U. S. Geological Survey.
[17] The New York Times, Aug. 16, 1942, p. 17.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD of Montana. I yield to the gentleman from Arizona.

Mr. MURDOCK. I wish to compliment my colleague on the splendid presentation he has made, and to ask this question: Is it not true that certain islands, the Marshall and Caroline Islands and others, were mandated to Japan at the close of the First World War?

Mr. MANSFIELD of Montana. That is true.

Mr. MURDOCK. Will the gentleman indicate what Japan immediately began to do with those islands?

Mr. MANSFIELD of Montana. Right away Japan shut those islands to outside intercourse. You had to get a very special kind of permit to visit them, and when you visited them, as a few Americans did, you were shown some certain selected portions only.

Mr. MURDOCK. The gentleman in his remarks spoke of the beginning of the war as occurring in 1931 with the conquest of Manchukuo.

Mr. MANSFIELD of Montana. That is right.

Mr. MURDOCK. I wonder if the gentleman does not feel, however, that Japan's preparations began much earlier, immediately after the World War.

Mr. MANSFIELD of Montana. Very possibly, because if there is any authenticity to the so-called Tanaka Memorial, that would seem to bear out the gentleman's point.

Mr. MURDOCK. The great mistake made for civilization was in permitting Japan to get that hold upon those islands.

Mr. MANSFIELD of Montana. Absolutely.

The CHAIRMAN. The time of the gentleman from Montana has expired.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield 20 minutes to the gentleman from Ohio [Mr. VORYS].

WAR AID

Mr. VORYS of Ohio. Mr. Chairman, I am for continuing the power of the President to furnish war aid to nations who need it to fight the enemies of the United States. While the President may have the power to do this in wartime without this particular law, and while, as I shall show, he is not using all the powers conferred by this law, I am for extending the so-called Lend-Lease Act for another year as a war measure.

The report of Mr. Stettinius and the testimony of the witnesses showed great accomplishments by our country in rendering war aid to the United Nations. Many misconceptions were cleared up. The amount of food exported is far less than many people believed. The system of distribution of our food supplies in Britain was thoroughly explained. The export of farm machinery was clearly justified as conserving our own food supplies and saving shipping space. The amount of reciprocal lend-lease, or

lend-lease in reverse, was shown to be very substantial.

Considering the difficulties and confusion and overlapping with which he must contend daily, I think the Administrator of Lend-Lease, Mr. E. R. Stettinius, Jr., has done a fine job. He prepared a most helpful report. I do not agree with all of his accounting, but I recognize that he does not have complete control over this. He was an excellent witness. He was always ready to answer questions and his promptness and willingness to consider complaints, general and specific, concerning lend-lease aided in eliminating many of them. Outside of our hearings, and not through him, but from other sources, I have learned that in addition to being a good witness, he is a good administrator, tireless and tactful, and able to keep things going and get things done under difficulties. His conduct at the hearings, his willingness to spend time with a congressional committee, his willingness to hear complaints and investigate them were so different from the typical Washington bureaucrat, and so refreshing, that I feel it my duty to make special mention of him.

This act is so broad that its extension opens up a wide field of discussion and possible legislation. Our committee felt, however, that to attempt to hold up the continuation of this act, while we debated all of its ramifications, would be a mistake. I agree. We must put through this extension as a war measure without any amendments that would hamstring the Commander in Chief in rendering war aid as military necessities require.

I have, however, six constructive suggestions for administering the act. Only the last two of them, in my judgment, require action by Congress.

My suggestions are:

First. For purposes of national unity and governmental honesty, the label on this act should be changed from lend-lease, which is phony, to war aid.

Second. For reasons of both efficiency and clarity, the administration of war aid should be simplified and coordinated.

Third. The accounting for the war supplies and materials we are furnishing other countries, and the war materials and supplies we are receiving from other countries should be kept in a single account, instead of in a number of separate accounts, and in dollars and cents, instead of ship-tons and other vague terms.

Fourth. We should furnish more aid to China and not just talk about it, or about why we have not done it.

Fifth. All agreements with other countries of a permanent nature made under this act should be approved by Congress. This should be insured by amending the act.

Sixth. The arms we furnish should not be used to suppress the rights of people to govern themselves. This should be insured by amending the act.

I wish to explain these suggestions.

THE LABEL SHOULD BE WAR AID

Lend-lease has come to mean three things in this country:

First. A pre-Pearl Harbor policy.

Second. A war measure.

Third. A post-war plan.

During the weeks of the hearings on extension of lend-lease, it became apparent to the committee that, while there still existed wide differences of opinion on lend-lease as a pre-Pearl Harbor policy and while our views on lend-lease as a post-war plan had not yet crystallized, there was unanimous agreement that the President should continue to have the power to furnish munitions and supplies to nations fighting our common enemies. We therefore attempted by our committee action and by the report to center attention on this immediate problem and to make it clear that the debatable aspects of lend-lease were not involved.

PRE-PEARL HARBOR LEND-LEASE

I opposed this bill 2 years ago when it was proposed as a measure to keep us out of war. Two years—the majority report on the lend-lease bill said, "The probable effect of the bill will be to keep us out of war, rather than to get us into it." The minority thought the probable effect would be to get us into war. The minority report 2 years ago did not require "cash on the barrel head," as insinuated by certain witnesses before our committee, but recommended a $2,000,000,000 credit to Britain and a 1-year time limit on all powers granted. The lend-lease report shows that just $1,954,000,000 total aid was rendered in the first year of lend-lease. When Mr. Stettinius was asked in our hearings this year why the present bill called for an extension of only 1 year, he answered:

> It was felt that that would be best because it was impossible to ascertain at the present time what world events would be, and that the Congress, perhaps, could have a second look. (Hearings, p. 1.)

These sound reasons for only 1 year's extension now were as valid in 1941.

Of the 260 who voted for lend-lease 2 years ago 183, or approximately 70 percent, are now Members of this House; of the 165 who voted against lend-lease 132, or approximately 80 percent, are now Members of this House. It might be interesting to analyze these figures as a scientific sampling of American opinion on lend-lease as a measure to keep us out of war, in contrast with some unscientific generalizations made before our committee on this subject, but this would not be helpful in accomplishing what is needed now—extending for at least a year the war-aid powers of the President.

Lend-lease is a new word in our vocabulary. Its various tenses are described by the New Deal as follows:

Lend-lease—Past, perfect; present, perfect; future, perfect.

My own analysis would be:

Lend-lease—Past, imperfect and contrary to fact; present, imperative; future, conditional.

Without delaying to appraise the past, or solve the future, let us extend this act for a year as a necessary war measure.

Mr. BELL. Mr. Chairman, will the gentleman yield?

Mr. VORYS of Ohio. Yes.

Mr. BELL. It was called to my attention recently that $25,000,000 had been lend-leased to Puerto Rico. I have been wondering whether there was any discussion of that item in the gentleman's committee, and if so, whether or not the reason or the authority for that under this act was explained?

Mr. VORYS of Ohio. There was no discussion of that particular item. Seventeen of our South American neighbors have concluded lend-lease agreements, but they are secret.

Mr. BELL. But this is an extension of lend-lease to one of our own possessions. For instance, there has been no lend-lease extended to Alabama or to Iowa or to Nebraska, and I am wondering under what authority lend-lease was extended to Puerto Rico.

Mr. VORYS of Ohio. I have heard of no lend-lease being extended to Puerto Rico.

Mr. BELL. Twenty-five million dollars went down there.

Mr. EBERHARTER. Mr. Chairman, will the gentleman yield?

Mr. VORYS of Ohio. Yes.

Mr. EBERHARTER. I am certain that if any lend-lease was extended to Puerto Rico, it would not be confidential, and the gentleman from Missouri could get complete facts and figures from the Administrator, because I am quite certain that he is willing to give them.

Mr. BELL. And I got it from another member of the Cabinet, that $25,000,000 was sent to Puerto Rico but I could not in my own mind reconcile that act with the act that was passed by Congress.

Mr. BLOOM. Mr. Chairman, will the gentleman yield?

Mr. VORYS of Ohio. Yes.

Mr. BLOOM. I will get that information for the gentleman from Missouri.

Mr. BELL. I asked for it 10 days ago, but I have not yet gotten it.

Mr. VORYS of Ohio. Mr. Chairman, this loose use of the expression lend-lease and the mix-up in administration which I am about to describe have caused many of our own officials to become confused as to what lend-lease is, and have also confused the public in the use of the phrase lend-lease. For instance, here in a Washington store a clerk asked me if I wanted to buy a lend-lease chicken. I told him I did and I asked him where he got it. He said it was lend-lease surplus. I ran down that particular item with Mr. Stettinius and found that there had not been any lend-lease frozen chicken, there had not been any chicken except a little potted chicken sent over for hospital purposes. Another instance that came before our committee is where the newspapers in Bermuda referred to lend-lease being furnished to Bermuda to the extent of $400,000. Mr. Stettinius tells me that no lend-lease has been furnished to Bermuda and a member of the State Department suggests that it may have been confusion on the part of the reporters as to what type of American aid they were receiving.

Mr. O'HARA. Mr. Chairman, will the gentleman yield?

Mr. VORYS of Ohio. Yes.

Mr. O'HARA. I presume the gentleman has been concerned about the administration of lend-lease over this situation. We have here a bill for food or

munitions or supplies or whatever it may be. We have our own armed forces, and we have our own 130,000,000 people. Who determines what allocations shall be made with reference to the shortage or the adequate supply of the troops and who determines for our own people?

Mr. VORYS of Ohio. I am just coming to that at this point. Just before this period of interruptions I was about to read to you the Executive order by which the President authorized and directed the Lend-Lease Administrator to exercise any power or authority conferred upon the President by the Lend-Lease Act.

Mr. O'HARA. Mr. Chairman, will the gentleman yield there?

Mr. VORYS of Ohio. Yes.

Mr. O'HARA. Does a British board decide what we need for our own troops and our own people?

Mr. VORYS of Ohio. The gentleman will find on pages 337, 338, and 339 of the hearings a description of the way these boards operate. It is confusing to describe it to you, because it is confusing to me, but the gentleman will find that in each case the official decisions are made by the combined boards. On those boards there are representatives of Britain and the United States, and the gentleman will find back in the testimony of Mr. Stettinius, in answer to questions from me, that the action of the boards must be unanimous, and these boards not only make decisions with reference to the production of resources, raw material, food, shipping, and munition assignments for our country and for Britain, and for all of the 26 United Nations.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. VORYS of Ohio. Yes.

Mrs. ROGERS of Massachusetts. I was very anxious to hear Mr. Milo Perkins or some other representative from the Board of Economic Warfare. They seem to play a very advisory part in everything that is done regarding lend-lease.

Mr. VORYS of Ohio. As I was just going to say, contrary to the impression we obtained at the hearings, the President by Executive order gave the Board of Economic Warfare specific duties under the Lend-Lease Act.

Mrs. ROGERS of Massachusetts. May I read from the hearings, where I interrogated the Assistant Secretary of State, as follows:

Mrs. ROGERS. Does the Board of Economic Warfare play any part in your decisions?

Mr. ACHESON. In connection with the lend-lease matters?

Mrs. ROGERS. Yes.

Mr. ACHESON. The Board of Economic Warfare is not concerned with lend-lease operations, so far as I know, but it does advise the Department of State on the terms of master agreements, under paragraph 2 of the Executive order of October 28, 1941, establishing the office of Lend-Lease Administration.

I find in discussing the matter with various persons and with some of our allies they seem to feel that the Board of Economic Warfare plays a great deal of part. The Board of Economic Warfare has very far-reaching powers.

Mr. VORYS of Ohio. The Board of Economic Warfare has an authorization of $5,000,000,000 that could be used for purposes similar to lend-lease. I remember how our distinguished colleague from Massachusetts [Mrs. ROGERS] attempted to get the head of the Board of Economic Warfare, Milo Perkins, before our committee. I think it is a pity we did not have his description of the part he plays in lend-lease. I also think it was a great pity that we could not obtain Mr. Harry Hopkins, who is chairman of the combined Munitions Assignment Board, which has the vital function of issuing munitions to all the United Nations.

Mr. CHIPERFIELD. Will the gentleman yield?

Mr. VORYS of Ohio. I yield.

Mr. CHIPERFIELD. That is the point I wanted to ask the gentleman from Ohio. Can the gentleman tell this Committee what the functions of Harry Hopkins are in connection with lend-lease?

Mr. VORYS of Ohio. Yes. The gentleman can read it on page 337 of the hearings.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield 10 additional minutes to the gentleman from Ohio.

Mr. VORYS of Ohio. You will find on page 337 these words from Mr. Stettinius, in his supplementary statement:

The Board—

That is, the Munitions Assignment Board—

is composed of military experts, headed by a civilian chairman, Mr. Harry L. Hopkins.

You will find that not the Lend-Lease Administration but this Board makes assignments of munitions. I read at the bottom of page 337:

The Lend-Lease Administration has no voice in determining how many tanks, planes, or guns shall be furnished to various lend-lease countries.

You will find that the Lend-Lease Administration does not lend or lease anything; the only thing that is leased is ships, and that is done by six different boards and bureaus, ending up with the combined Shipping Board. On the other hand, at least eight different Government Departments, Agencies, and Bureaus, in addition to the Lend-Lease Administration, are exporting war materials or have control of such exports.

THE ADMINISTRATION OF WAR AID

The so-called Lend-Lease Act gave the President broad powers to furnish war materials "to any country whose defense the President deems vital to the defense of the United States," and to arrange for "payment or repayment in kind or property," and to acquire arms and munitions from other countries. By Executive order, the President authorized and directed the Lend-Lease Administration "to exercise any power or authority conferred upon the President by the Lend-Lease Act and the appropriations made under it." I therefore thought that the Lend-Lease Administration had charge of all matters connected with furnishing war materials to other countries, acquiring war materials from them, and arranging payment or benefits both ways. This, however, is not the case. The Lend-Lease Administrator does not lend or lease anything. He does not make lend-lease agreements. These are made by the State Department with the advice of the Board of Economic Warfare. All strategic decisions and all allocations are finally decided by six combined boards, consisting of an equal number of British and American representatives. Their decisions must be unanimous. On the other hand, at least eight different Government departments, agencies, and bureaus, in addition to the Lend-Lease Administration, are exporting war materials, or have control of such exports. These agencies are the Departments of War, Navy, Treasury, Agriculture, the Maritime Commission, the Board of Economic Warfare, the Office of the Coordinator of Inter-American Affairs, and the Secretary of State. At least five others are authorized "to make emergency purchases of war material abroad." These are the Departments of War, Navy, Treasury, and Agriculture—including corporations operated by it—and the Board of Economic Warfare also has important responsibilities in this field amounting to $5,000,000,000.

Perhaps this is all very confusing to you. It certainly is to me. It is quite apparent that the Lend-Lease Administration, instead of controlling all of this, is the "Loose-End Administration," which takes care of the loose ends that are not covered by other Government agencies. There are sound reasons for using existing agencies in wartime, but a great many of the agencies above described have been set up since the war. Straightening out this administrative tangle is not a job which Congress can well do, but I venture to suggest that it is exceedingly embarrassing and confusing to have a half dozen or more separate civilian agencies representing our country in foreign lands, in addition to our diplomatic representatives in wartime, and that it is incongruous at least, to have our war supplies or food supplies to all of the United Nations, including China and Russia, subject to the veto of one of the United Nations—Great Britain.

Mr. BRADLEY of Michigan. Will the gentleman yield?

Mr. VORYS of Ohio. I yield.

Mr. BRADLEY of Michigan. What was the testimony before your committee justifying the fact, as you have just pointed out, that here apparently is a joint board, composed of American and British officials, that has the determination of what goods should go to each of these separate countries? What right has Great Britain in effect to have a veto power on how we are spending American dollars?

Mr. VORYS of Ohio. Of course, as Mr. Churchill said some time ago, the affairs of our country and Great Britain are mixed up and have been and will be for some time. Somebody has to make

decisions. While these boards are stated in the testimony to have final control, I have an idea that we also have veto power on these boards.

Mr. BRADLEY of Michigan. But what right have they to have veto over the expenditure of American dollars?

Mr. VORYS of Ohio. When you are in a war of alliance you have to work with your allies. However, it is peculiar to me that we have these binding arrangements with only one of the United Nations and have not worked out some plan, although I concede it is extremely difficult—it seems to me that in the administration of this we could work out some plan where other United Nations are in on the decisions, and where matters that concern even our own supplies are not subject to veto by one of the United Nations.

Mr. BRADLEY of Michigan. Who is the deciding office in reverse lend-lease? It is my understanding we are getting a certain amount of reverse lend-lease. Who makes the decision there? Do we have any veto power over the decisions there?

Mr. VORYS of Ohio. Oh, there are American officers on those boards, too. In this country there is a board and there is another in Great Britain.

Mr. O'HARA. But do they sit on the board that determines what England will furnish us?

Mr. VORYS of Ohio. Oh, yes; I think so.

Mr. ROBSION of Kentucky. Will the gentleman yield?

Mr. VORYS of Ohio. I yield.

Mr. ROBSION of Kentucky. This bill fixes a limitation of 1 year. It extends the time for 1 year. What limitation, if any, is there in allocating or entering into protocols or agreements or arrangements as to the amount of lend-lease we will give to these various nations, or commit ourselves to?

Mr. VORYS of Ohio. Well, we speak about extending lend-lease for 1 year. We must all remember that if extended another year, up to July 1, 1947, any of such powers may be exercised to the extent necessary to carry out a contract or agreement with such a foreign government made before July 1, 1944.

Mr. ROBSION of Kentucky. My question is, What limitation is there on any of these boards or the President to even arrange to give away twenty-five billion or fifty billion or even one hundred billion? Is there any limit?

Mr. VORYS of Ohio. Yes; the limits are fixed by the appropriations made by Congress. I am coming to that point.

Mr. ROBSION of Kentucky. In an appropriation bill report filed with the House some time ago it was stated there and stated on the floor that commitments of some sort had been made up to around $66,000,000,000. I mean, that the President could give away as much as $66,000,000,000.

Mr. VORYS of Ohio. No; the situation is this, as to accounting. Of course, you understand that while we had long hearings we had no real investigation or audit of lend-lease accounts and there were many things that we did not go through completely. We depended upon the evidence brought to the hearings. However, the situation is this: Under lend-lease we have about $18,000,000,000 of direct appropriation by Congress and through the series of authorizations the total amount of lend-lease authorized is $63,000,000,000. Then we have $5,000,000,000 authorized to the Board of Economic Warfare which, so far as I have been able to find out, can be used for similar purposes for war aid, and about $2,000,000,000 which can be allocated to foreign building and property extensions, so that the total is about $70,000,000,000.

In the Lend-Lease Act, you will remember there is no dollar limit. It is one of the few authorizations that have ever passed through Congress with no dollar limit.

I inquired of the Administrator what the prospective deficiency would be to finish this year and the answer, which you will find in the hearings, was that that amount had not yet been determined but that there would probably be a deficiency.

I also asked how much lend-lease appropriation would be required for next year and I was again told that no estimate had been made.

The control, however, over the amount of lend-lease that the President is authorized to use remains in the Congress under its appropriation and authorization powers. That has been the experience throughout.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. VORYS of Ohio. I yield.

Mr. ROBSION of Kentucky. But this is another one of the two or three measures passed by the Congress containing no dollar limitation under the authorization.

Mr. VORYS of Ohio. That is true.

Mr. CURTIS. Will the gentleman yield for a question?

Mr. VORYS of Ohio. I yield.

Mr. CURTIS. Do I understand that this Munitions Assignment Board, made up of four British officers and four American officers, and presided over by Harry Hopkins, does have jurisdiction to allocate our implements of war, all of them from our total output, or just those that have been set aside for lend-lease?

Mr. VORYS of Ohio. The description of the Munitions Assignment Board and its functions are set out on page 337 of the hearings. Here is what it states:

> The munitions resources of both countries are pooled. Tanks, planes, and other implements of war produced in this country are distributed among the various United Nations, including the United States, in accordance with their strategic needs by a board sitting in Washington. A coordinate combined board operates in London, performing the same functions in respect of munitions produced in the United Kingdom.
>
> Munitions are assigned by the Board in accordance with strategic directives issued by the Combined Chiefs of Staff.

The CHAIRMAN. The time of the gentleman has expired.

Mrs. ROGERS of Massachusetts. I yield the gentleman 10 additional minutes.

The CHAIRMAN. The gentleman from Ohio is recognized for 10 additional minutes.

Mr. WADSWORTH. Mr. Chairman, will the gentleman yield?

Mr. VORYS of Ohio. I yield.

Mr. WADSWORTH. Did not the gentleman get the same impression I received as a result of these long hearings, that that decision with respect to the distribution of munitions of war was a military decision reached by the Chiefs of Staff through the Munitions Board? It is not a political decision.

Mr. VORYS of Ohio. The answer I think is right here; I believe this summarizes the understanding that both the gentleman and I have of this rather confusing description of all these combined boards:

> The decisions of other combined boards in respect of matters over which they have jurisdiction must conform to the basic strategy developed by the combined chiefs of staff.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. VORYS of Ohio. I yield.

Mrs. ROGERS of Massachusetts. I believe it was brought out in the hearings and also it has been brought out many times by information that has been given to us that the Board of Economic Warfare and others have a part in deciding where some of the military matériel shall go in our own country as well as abroad. I believe this will not be contradicted by anyone.

Mr. WADSWORTH. I am sorry to say I shall have to contradict the gentlewoman's statement. Having listened to the testimony, I never heard a word to that effect.

Mrs. ROGERS of Massachusetts. I think the gentleman will find I am correct if he follows the testimony through to its ultimate conclusion.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. VORYS of Ohio. I yield.

Mr. MICHENER. I have been deeply interested in the gentleman's statement and will agree that it was regrettable that Milo Perkins of the Board of Economic Warfare was not before the committee, and that Harry Hopkins was not before the committee. The debate since that statement was made has shown clearly that they should be before the committee. They undoubtedly have the answers to the particular questions that have been asked; and may I express the hope that when this bill gets to the Senate that those gentlemen will be before the committee so that Congress, before it finally votes on this bill, may have the benefit of the information they must have.

Mr. VORYS of Ohio. I join in the gentleman's hope and regret that we were unable to obtain their testimony before our committee.

Mr. MUNDT. Mr. Chairman, will the gentleman yield?

Mr. VORYS of Ohio. I yield.

Mr. MUNDT. The gentleman started to answer the question as to what Mr. Hopkins had to do with this, but he was interrupted. I wish the gentleman would complete his answer.

Mr. VORYS of Ohio. I read from the statement of Mr. Stettinius. Mr. Harry Hopkins is the Chairman of the American branch of the Munitions Assignment

Boards; and I have read to you a description of the duties of that board at some length.

Mr. MOTT. That is the extent of it? He is simply Chairman of it?

Mr. MUNDT. Mr. Chairman, will the gentleman yield?

Mr. VORYS of Ohio. I yield.

Mr. MUNDT. I just want to supplement the statement of the gentleman from Michigan. While I join him in the hope that the Senate will call Milo Perkins or some member of the Board of Economic Warfare before them, I was greatly alarmed and disappointed the other day on reading in the papers that the Senate committee has virtually bowed itself out of the picture and approved the measure as it is with virtually no hearings.

Mr. O'HARA. Mr. Chairman, will the gentleman yield?

Mr. VORYS of Ohio. I yield.

Mr. O'HARA. I am impressed by the gentleman's statement as to the various boards that pass on these matters that are of importance to us, but let us get this plain: Does the gentleman mean to leave with the Congress the impression that upon the munitions which are used by our own forces a board of British officers sit to determine the amount?

Mr. VORYS of Ohio. Rather than say what impression I want to leave in a situation which I confess has me confused, I simply refer the gentleman to the statement of Mr. Stettinius and the witnesses.

There is no question, of course, but what we have got to have coordinated action between the important members of the United Nations. I think also that it is highly important that the Congress should understand something of the way this works or does not work.

In an attempt to give a constructive suggestion, may I say that I would urge that we coordinate the eight war-aid agencies for exports and imports in our own country—all these lease-lend operations that might be included in the broad term of "lend-lease." When lend-lease was originally proposed one of the big arguments was that it would serve to coordinate and simplify our purchasing and avoid competition in our markets from foreign nations. I hope that the competition which exists between these agencies will be eliminated by a more thorough coordination.

On this matter of accounting on which I have touched, as has been said, we were unable to obtain a dollars and cents value for the reverse lend-lease which has come to us from the British. As was pointed out heretofore, Major Spiegelberg was brought here from Britain to testify on this subject and he stated—

> My superior officers have not permitted us to make estimates. Others are free to do so, but I am not.

Secretary Stimson saw fit not to give him permission.

I have attempted to make the best estimate I could.

Major Spiegelberg testified to the number of ship tons of materials we had received by way of reverse lend-lease and I have found the average amount of an American ship ton based on the number and value of ship tons of materials we have sent to Russia. That comes to $477 per ship ton. I will not take the time to give my computations. I will let you check me by looking at pages 58 and 335. Allowing for the difference between the purchasing power in this country and in Britain, and again I will not assume to go through the steps that I used and I may be off if I have made the wrong allowance, my figure is that the British have furnished us $264,975,000 of value in materials other than building materials. Major Spiegelberg put a figure of $560,000,000 on the building materials we had received or would receive for the cantonments over there, a total of around $824,000,000 for reverse lend-lease.

We all realize that the contributions that each nation is making in blood, tears, and suffering are incalculable and priceless. No dollar sign can be put on that.

The CHAIRMAN. The time of the gentleman has expired.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield the gentleman an additional 10 minutes.

Mr. VORYS of Ohio. Mr. Chairman, we all realize that we should not take time out in the war to do useless figuring, but let me call attention to the fact that while we have incalculable benefits that cannot be estimated in dollars and cents in the relations between our Federal Government and the States, when we do go into matters of Federal aid we figure it in dollars and cents. Let me call your attention to the fact that our Army cannot lend-lease something to our own Navy, or vice versa, in such terms as the lend-lease arrangements we have with the United Nations. A man and his wife have incalculable benefits to each from their partnership together; yet one of the partners would not be justified in refusing to say what he or she paid for supplies bought for the couple.

It seems to me just good business that in these matters of material contribution toward the war effort we should keep a book account and keep it in dollars and cents. It seems to me good business and an aid to our seeing the whole picture that the accounts of all these various agencies furnishing war aid should be kept together and a balance kept on what we buy and what we sell and what we give away and what is given to us, so that we will know where we are, because I cannot see how we can enter into a post-war period where the international currency is ship-tons or some other vague term and still remain on a dollar basis in our own country. Therefore, I would suggest that we attempt soon to get on a sounder accounting basis on war aid.

Mr. LUTHER A. JOHNSON. Will the gentleman yield?

Mr. VORYS of Ohio. I yield to the gentleman from Texas.

Mr. LUTHER A. JOHNSON. The gentleman will recall that Major Spiegelberg did say that it could be computed in dollars and cents, but that it would take quite a long while to do it. They have the figures and facts by which it can be done and their bookkeeping will permit them to do so, but it would take too long to do it now.

Mr. VORYS of Ohio. I cannot believe for a minute that the British are so slipshod and slovenly that they do not have some place a fairly accurate book account of what they are turning over to us.

Mr. LUTHER A. JOHNSON. The gentleman understands that our bookkeeping of the lend-lease has the figures by which it can be arrived at definitely. Major Spiegelberg said it would take so long to compute the figures, that they could only be estimated that way.

Mr. VORYS of Ohio. We were given the reason that it would take a half division of men to make an accurate statement on that. On the other hand, it would not take a half division of men, only Major Spiegelberg, to make a fair guess or a decent estimate. Under those circumstances I am constrained to feel that the failure to have this figure is not due to military considerations but to political considerations. I think it is felt that the American people would be shocked if they knew that amount and saw the great discrepancy, at least at the present time, between the $63,000,000,000 authorized to go out and less than a billion dollars that has come in.

I hold the American people in higher esteem. I think they understand that the primary benefit of all this expenditure on our part is to win the war and that any other benefits will be secondary. I think they understand that this is not the time when reverse lend-lease can amount to anything like the sum that pours from the arsenal of democracy. However, they will be more disturbed, in my opinion, by an evasion or failure to put this into dollars and cents so that they can see what it is than they would be by the amount, whatever it may be. They would fear a period of unrest when the partners may not have such friendly relations, and the time came to put in the respective bills. If we do not know what one of the partners is going to put on his bill, that would be more disquieting than to have the facts and the plain business account. We ought to be as realistic in dealing with the United Nations as we are in dealings between our own States or between our own Army and Navy Departments.

Mr. CRAWFORD. Mr. Chairman, will the gentleman permit one question to which I have tried to get an answer all afternoon?

Mr. VORYS of Ohio. I heard the gentleman's question directed to the gentleman from New Jersey [Mr. EATON]. I cannot answer it. I cannot make any further explanation than the statement the gentleman read from Major Spiegelberg as to the situation on the accounts over there.

Mr. CRAWFORD. If the gentleman will permit, I did not read it from his statement, I read it from the committee

report. If the gentleman wants to admit that the committee does not understand its own report, I will accept that as an answer to my question.

Mr. VORYS of Ohio. I am free to admit that this report, which was arrived at through great struggle, toil, and tribulation, and as a result of many compromises, is not wholly satisfactory or may not be wholly comprehensible to any one man, although as a total document it represents the best we could do in a strong effort to present a report which would not require any minority reports.

I mentioned three other suggestions on which I want to touch before I take my seat.

AID TO CHINA

We ought to render more aid to China. I am not satisfied with the excuses given for our failure to render aid. It is apparent that right now what is needed is aircraft and things that could be transported by aircraft. I believe that a sufficient number of transports, bombers, and fighters diverted to aid China could change the course of the war in the Orient in a few months. It is my earnest hope that this can be accomplished.

CONGRESS SHOULD APPROVE PERMANENT ARGEEMENTS

Congress should approve all agreements of a permanent nature entered into under the Lend-Lease Act. My specific suggestion is that section 3 (b) of the original act be amended by adding to it these words: "but all agreements of a permanent nature under this act shall be submitted to Congress for approval by concurrent resolution."

Article VII of such master lease-lend agreement is as follows:

> In the final determination of the benefits to be provided to the United States of America by the Government of the Union of Soviet Socialist Republics in return for aid furnished under the act of Congress of March 11, 1941, the terms and conditions thereof shall be such as not to burden commerce between the two countries, but to promote mutually advantageous economic relations between them and the betterment of world-wide economic relations. To that end, they shall include provision for agreed action by the United States of America and the Union of Soviet Socialist Republics, open to participation by all other countries of like mind, directed to the expansion, by appropriate international and domestic measures, of production, employment, and the exchange and the consumption of goods, which are the material foundations of the liberty and welfare of all peoples; to the elimination of all forms of discriminatory treatment in international commerce, and to the reduction of tariffs and other trade barriers, and, in general, to the attainment of all the economic objectives set forth in the Atlantic Charter.

We are just starting to explore the post-war possibilities opened up by article VII of the lend-lease master agreements. This is a difficult and delicate undertaking. Our report attempts to summarize our discussion with representatives of the executive departments and among ourselves as to the respective functions of Congress and the Executive in making these agreements. I urge you to study this summary on pages 13 and 14. You will not find in it any assurance that agreements with other nations affecting our sovereignty, our security, or our domestic affairs are to be submitted to Congress. We all know that our Constitution provides ample checks so that one branch of the Government cannot go forward without the other, but it does not and cannot provide machinery that both should go forward together. This must be done by cooperation. We know that the President cannot completely ignore the House and Senate in making peace. We also know that Congress cannot make peace by passing a law. Cooperation is needed. One thing is clear. We must sometime or other decide how we are going about working out our international relationships. This will involve not only the form of our international participation, but the form of our domestic Government. Through what lies ahead, we will either preserve our Republic or we will not. I feel there is no occasion for a fight on this point yet.

I think that the Executive is still determined to preserve this a republic. It is very difficult to put into words the pattern for this relationship, but until we do the possibility of a great constitutional struggle exists. I believe that this amendment will go far toward avoiding such a struggle. First, this does not tie the hands of the Executive, for construction of which of our agreements are of a permanent nature must be left to him, and there is no way to review his decisions in a court or otherwise. In general, this amendment merely carries into law the substance of the assurances the Executive has already given. Therefore, if Congress passes this bill with this amendment and the President signs it, one great cause for strife will have been eliminated. Second, if this amendment is adopted, Congress will be kept sufficiently informed of negotiations as they proceed, so that Congress may act promptly. In this way, machinery for the cooperation of the two branches having responsibilities in foreign affairs is set up.

LEGALIZING ATLANTIC CHARTER RIGHTS

Section 4 of the original Lease-Lend Act should be amended to provide that no foreign government receiving arms from us shall use such arms to suppress the rights of peoples to choose the form of government under which they will live. This is the first attempt, I believe, to write the Atlantic Charter into international law. This is the only right referred to in the charter itself as a right. Article III of the charter is as follows:

> Third, they respect the right of all peoples to choose the form of government under which they will live; and they wish to see sovereign rights and self-government restored to those who have been forcibly deprived of them.

This amendment does not interfere in other nations' international affairs. By this amendment, we undertake to refrain from such interfering, when we ask the recipient of lend-lease arms, which we have furnished for use against our common enemies not to use them for suppression of the freedom we are all fighting for.

Under section 4 of the present act, we require an undertaking that no recipient of lend-lease will transfer such defense articles to other nations. Under section 8, we require recognition of our patent rights. We can ask at least as much for the sacred right of men to be free.

The Atlantic Charter is incorporated in the declaration of the 26 United Nations. These vast commitments are now described as political commitments, not legal commitments. We either mean them or we do not. By this amendment we say that we are in earnest about liberty. We concede that there are delicate and difficult international problems each nation must solve without interference, although we realize that such problems may affect the course of the whole war. We do not say that the British must not use their arms to quell civil strife in Burma or India, that Russia, or China, or our South American neighbors must not defend their regime by using their military power. We just say, "Do not do it with our arms without our consent." We do not tie the hands of our own Government. Our President is still free to decide whether there has been a violation of the undertaking, or whether there should be a release from the undertaking. By this amendment, however, we show that the Atlantic Charter is a real charter of freedom.

Let us take the first step now to show the people of this small new world, we come as friends and neighbors, not as suppressors of their freedom.

We want this war-aid bill to lead to peace and freedom for all the world.

Mr. BLOOM. Mr. Chairman, I yield myself 5 minutes. First, let me answer the gentleman from Missouri [Mr. BELL] who asked the question about the Lend-Lease giving $25,000,000 to Puerto Rico. I advised the gentleman that no money has been given to Puerto Rico, no lend-lease money, but there is a revolving fund for use for military and naval purposes in the islands of the Caribbean, and Puerto Rico is considered to be one of the islands of the Caribbean. That is where the impression must have originated, that they obtained $25,000,000 of lend-lease money which was given to Puerto Rico. No lend-lease money was given to Puerto Rico.

Mr. COLE of New York. Mr. Chairman, will the gentleman yield?

Mr. BLOOM. Yes.

Mr. COLE of New York. Can the gentleman tell us how much this revolving fund is?

Mr. BLOOM. Twenty-five million dollars.

Mr. COLE of New York. And that is the total amount?

Mr. BLOOM. Yes; that is the total amount. The thing that I want to bring out is that no money under lend-lease has gone to Puerto Rico.

Mr. COLE of New York. What is there about the operation of this fund that makes it a revolving fund?

Mr. BLOOM. I do not know.

Mr. LUTHER A. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. BLOOM. Yes.

Mr. LUTHER A. JOHNSON. A revolving fund means a fund that is to be repaid by the country to which it is given, and this $25,000,000 was for that area down there. Most of it has been repaid, or the major portion of it.

Mr. BLOOM. It is to advance money to them?

Mr. COLE of New York. Is the gentleman advising us that some of the funds out of this revolving fund were actually expended in Puerto Rico for military and naval purposes?

Mr. BLOOM. I do not know. I simply say that no money was given under the lend-lease to Puerto Rico.

Mr. COLE of New York. From out of the revolving fund or otherwise?

Mr. BLOOM. Oh, the gentleman is far afield. I say to the gentleman and to any member or member of the committee that if there are any questions they would like to ask in which they are particularly interested about anything pertaining to lend-lease, or any moneys expended by lend-lease in any country, I should be very glad to try to get the information, but I am only answering the question specifically. I am sorry but I cannot yield further.

Mr. COLE of New York. I was getting a clear explanation of the question asked by the gentleman from Missouri.

Mr. BLOOM. And I am answering the gentleman that no money under lend-lease was given to Puerto Rico. I do not think anything can be any clearer than that. I would like to clear up if I can to the gentleman who asked them—the questions about Harry Hopkins and also Milo Perkins. I shall read a letter to the committee dated February 17, and this is addressed to the chairman of the committee. It is as follows:

FEBRUARY 17, 1943.

DEAR MR. BLOOM: I understand that one of the members of the House Foreign Affairs Committee was possibly interested in having me testify on the extension of the Lend-Lease Act. The Board of Economic Warfare has virtually no direct operating relationships which are primarily concerned in the extension of the Lend-Lease Act.

If the committee, however, should wish to know about the powers, functions, and operations of the Board of Economic Warfare, I will, of course, be glad to appear any time at the committee's convenience to tell them about these things. If the committee wishes me to appear, I would suggest that my testimony be had in executive session. Because of the military implications of much of our work, I could speak much more freely and fully in such a session.

Sincerely yours,

MILO PERKINS,
Executive Director.

There you will see that Mr. Perkins specifically stated that he has nothing to do with the operating relationships which are primarily concerned with the extension of the Lend-Lease Act.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. BLOOM. Yes.

Mrs. ROGERS of Massachusetts. I think if the gentleman will reread the letter, he will see that the letter said "no direct."

Mr. O'HARA. Did Mr. Harry Hopkins write such a letter?

Mr. BLOOM. No; but I have a letter here from Mr. Stettinius about Mr. Hopkins, which I will read now.

Mr. O'HARA. Would the gentleman also yield for another question?

Mr. BLOOM. Yes.

Mr. O'HARA. Under what theory is it necessary for a board of officers composed partly of British officers to determine the amount of munitions that are furnished to our forces?

Mr. BLOOM. That question I have not brought up, and I think the gentleman from Ohio was stumped in trying to answer that question. I do not want to answer his questions, and I ask the gentleman to kindly ask him. That was a controversy on the gentleman's side of the aisle, and I am willing to let it stay there.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. BLOOM. I regret that I cannot yield to the gentleman. He did not yield to me. The letter of Mr. Stettinius is as follows:

FEBRUARY 17, 1943.

DEAR CONGRESSMAN BLOOM: I understand that a member of the committee is interested in obtaining the facts with respect to the relationship of Mr. Harry Hopkins to the Office of Lend-Lease Administration.

When I was before the committee, I testified as follows:

"The relationship with Lend-Lease has been as follows: During the early days before the Lend-Lease Administration was established the Office of Defense Aid Reports had limited powers with reference to lend-lease operations. Many powers granted under the act to the President were reserved by him. Maj. Gen. James H. Burns was executive officer of the Office of Defense Aid Reports. At that time Mr. Hopkins was special assistant to the President on lend-lease, as well as on other defense matters. The Office of Lend-Lease Administration was established on October 28, 1941. Under the order establishing the office, the President delegated to me all the power and authority granted to him under the Lend-Lease Act and the appropriation act to carry it out, subject to the President's direction on policy. Since the establishment of the Lend-Lease Administration, Mr. Hopkins has had no executive duties relating to the administration of lend-lease. We have consulted him from time to time, but we have taken the initiative. On those occasions when we have consulted Mr. Hopkins, his advice and assistance have been exceedingly constructive and beneficial."

Until October 28, 1941, the Lend-Lease Act was administered by the Division of Defense Aid Reports, established by Executive Order No. 8751, of May 21, 1941. General Burns was the executive officer of the Division of Defense Aid Reports.

On October 28, 1941, the President established the Office of Lend-Lease Administration by Executive Order No. 8926, and appointed me Lend-Lease Administrator on that date. This Executive order vested in me full responsibility, subject to the policies prescribed by the President, for the administration of the Office of Lend-Lease Administration.

A great deal of misunderstanding with respect to the relationship of Mr. Hopkins to lend-lease activities has, in my judgment, resulted from the publicity accorded his trips to England and to Russia in the late summer of 1941. Those trips were taken by Mr. Hopkins as a personal representative of the President. They were so dramatic and so important that they tended to fix in the minds of many people that Mr. Hopkins was charged with the responsibility of executing the lend-lease program. This, of course, is not the case.

I trust that the foregoing information will clarify any misunderstanding that there may be with respect to Mr. Hopkins and the Office of Lend-Lease Administration.

Sincerely yours,

E. R. STETTINIUS, Jr.

Mr. BLOOM. Mr. Chairman, I yield myself 3 additional minutes.

Mr. MICHENER. Will the gentleman yield for a question right there?

Mr. BLOOM. I shall be pleased to yield to the gentleman.

Mr. MICHENER. I have understood that while Mr. Hopkins has not anything to do with preliminary arrangements, that all lend-lease shipments, after they clear through Mr. Stettinius and after they clear through the Army and Navy, are not shipped or sent until Mr. Hopkins approves. Am I right or wrong? That is, he determines as to the time when the shipments go.

Mr. BLOOM. I dislike to say the gentleman is wrong, but he is.

Mr. MICHENER. Well, the gentleman from New York ought to know.

Mr. BLOOM. I dislike to say it, but the gentleman is wrong.

Mr. Chairman, I just want to say to the Committee that I did not want the thought to go out that the Foreign Affairs Committee did not want to call Mr. Hopkins or anyone else. We gave longer hearings on this resolution extending the lend-lease than we did on the original lend-lease bill. But what is the use of calling a lot of witnesses before the committee who just want to talk or just to waste time? If Mr. Stettinius could give us the information or he would tell us that Mr. Hopkins could give us any information or was connected with lend-lease, I would have been glad to call him. If Milo Perkins could have enlightened the committee in any way I would have been glad to call him, but what is the use of sitting there for 5 weeks and calling a lot of witnesses who could not give us any valuable information?

Mr. O'HARA. Mr. Chairman, will the gentleman yield?

Mr. BLOOM. I yield.

Mr. O'HARA. What is the date of the letter from Mr. Stettinius?

Mr. BLOOM. I am glad you asked me that, because it gives me another chance. February 17, 1943.

Mr. O'HARA. And the one from Mr. Perkins?

Mr. BLOOM. February 17, 1943.

Mr. O'HARA. Can the gentleman tell us what Mr. Hopkins does do? We have had a lot of testimony as to what he does not do.

Mr. BLOOM. I have just read the letter, and the letter speaks for itself.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. EATON. Mr. Chairman, I yield 1 minute to the gentleman from Ohio [Mr. VORYS].

Mr. VORYS of Ohio. Mr. Chairman, I just want to quote from Executive Order No. 9128, dated the White House, April 13, 1942:

1. In addition to the responsibilities and duties heretofore conferred, the Board of Economic Warfare is authorized and directed to:

* * * * *

c. Advise the State Department with respect to the terms and conditions to be included in the master agreement with each nation receiving lend-lease aid * * *.

d. Provide and arrange for the receipt by the United States of reciprocal aid and benefits (other than arms, munitions, or weapons of war * * *) from the government of any country whose defense shall have been determined by the President to be vital to the defense of the United States pursuant to the act of March 11, 1941.

Those seem to me to be very direct operations under the act of March 11, 1941.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. BLOOM. Mr. Chairman, I yield 10 minutes to the gentleman from North Carolina [Mr. BURGIN].

Mr. BURGIN. Mr. Chairman, I hope that I may be able to contribute something to this debate. H. R. 1501, and also the report, is a unanimous report from your Committee on Foreign Affairs. I can prove by the gentleman from New Jersey, Dr. EATON, that this is some accomplishment, when a unanimous report comes out of the Committee on Foreign Affairs of the House of Representatives. It is a very fine committee but a very individualistic committee. The members have their own ideas about various things and they do not hesitate to express them freely in the committee and on the floor of the House, as has been evidenced here today. That is significant and I hope the resolution will be passed unanimously. I was under the impression it would be until one gentleman took the floor today and said he would vote against it. That was a surprise to me because I think it meets the approval of Congress. I think it meets the approval of the people of America. Certainly it does where I come from. This is the unanimous opinion of your Committee on Foreign Affairs. May I say that I think this is indeed gratifying, because that committee was somewhat divided 2 years ago when the act was passed, but now the entire committee approves its extension.

We first passed this act before we entered the war in the interest of the defense of our country, and now that we are in the war, it is still an act in defense of our country, only more so, and it might well be called a war act, and that has been suggested, but whatever we call it does not make very much difference. It is part of our all-out effort to win the war. I think this is well understood by the people of our country, or should be. We are determined to win the war, we are determined to win the peace, and we are relying on lend-lease to be a factor in winning the war and winning the peace.

We are not out of the war yet and it may be a long time before we are. Let us not get at loggerheads with ourselves or with those who compose the United Nations. I am sorry to see a tendency to want to check up on our allies, as to whether they are doing their duty or whether they are doing all they can, making a contrast between what they are doing and what we are doing. That is unfortunate now. We will have plenty of time to discuss that and wrangle about that after the peace terms are settled. Please, please let us not inject that into our deliberations on this bill now. I doubt very seriously that we will ever have a settlement with our allies of the differences in dollars and cents—that is, by striking a balance and charging up credits and debits as we did before. To my surprise, during the testimony of Secretary Stimson before our committee, he said he did not know of an instance in history where one country had ever charged her allies with the money they let them have during war.

President Roosevelt appointed Hon. Edward R. Stettinius as Administrator of the Lend-Lease Act. Mr. Stettinius gave your committee a very exhaustive report on the operation of the act. I, for one, and I think the other members of the committee feel the same way, think that the administration of the act under Mr. Stettinius has been the very best, and the committee has expressed itself in the report to that effect.

So much has been said recently about bureaus and bureaucrats until one might think they are some strange kind of gremlin. I am not going to inject myself into that discussion only to say that, in my opinion, bureaus or administrators are necessary, and the Congress has provided the necessary machinery for all these various bureaus or administrators. Some bureau heads may not be carrying out the mandate of Congress but I submit that this is no valid reason why all bureaus or administrators should be condemned en masse. So far as I know, most of them have done a good job. I am certain that this Bureau, under the administration of Mr. Stettinius, has. The fact of the business is that he has done such a fine job that down my way we call him a bear cat instead of a bureaucrat, and that, to us, is a very high compliment.

Mr. LUTHER A. JOHNSON. Will the gentleman yield?

Mr. BURGIN. Yes.

Mr. LUTHER A. JOHNSON. The testimony of Mr. Stettinius shows that if he had wanted to he could have set up a very large personnel in his organization but that he availed himself of already existing Government agencies and, as I recall, the total personnel on this staff was not more than about 400. Is that your recollection?

Mr. BURGIN. I think the gentleman is correct.

Mr. LUTHER A. JOHNSON. And I agree with you about its being well administered.

Mr. BURGIN. I think he made on every member of the committee the finest impression. We were convinced that he had administered this Bureau in the very highest and best interests of America.

There are a few things that I would like to mention that are not embraced in this resolution. It is not a peace treaty. That is a matter for the President and the Senate after this war is over. Under our Constitution, peace treaties are made by the President with the advice and consent of the Senate. I think it unfortunate that the House of Representatives does not have to be consulted but under our Constitution this is not required.

It would be well for the American people, through their different organizations—the church, civic clubs, lodges, and the farmers' cooperative—to get together now and discuss and study postwar problems, and that there should come up from the people a ground swell so that the Congress would know what they are thinking and what they feel should be done. I fear they will not do this. I fear that we are headed in the same direction we were before, when 33 or 35 men, a minority in the Senate, perhaps could block what the masses of people would like to see come to pass—security from another war.

I do not think we should try to write into this bill any bargaining powers. I do not think we should go into an argument as to how much they are paying or how much they have to pay or whether they are going to pay so much now. For God's sake let us not get into that discussion.

Mr. LUTHER A. JOHNSON. Will the gentleman yield?

Mr. BURGIN. Yes.

Mr. LUTHER A. JOHNSON. I am very much interested in the gentleman's statement about the post-war conditions of the world with reference to security. Does the gentleman not think that the American people now, although they may not be very vociferous about it, feel that the United States should agree with other nations after the war is over and should enter into some compact that will preserve the peace of the world and prevent another war in the coming generation?

Mr. BURGIN. I hope the gentleman is right. I am not prepared to say but I hope the gentleman is right.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. BLOOM. Mr. Chairman, I yield 2 additional minutes to the gentleman from North Carolina.

Mr. BURGIN. Please, please—although this may be idle pleading—let us not inject into this discussion these minor things. We have spent billions of dollars; I think the country approves it. The other day a man said to me: "We shall go bankrupt." My reply was that if we have to go bankrupt to win this war, we had better go bankrupt than have to go on our hands and knees and beg Tojo or Hitler for peace terms.

We cannot afford to go backward; there is no going back anyway; we never go back. We may change leaders but there is no going back. While our boys are fighting and dying in the muck and mire of Africa, the islands of the Pacific, and all around the world, we are standing here talking about having a check-up to see whether or not we may not be

paying too much and the other fellow not enough. For God's sake, let us avoid that.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. BLOOM. Mr. Chairman, I yield 20 minutes to the gentleman from South Carolina [Mr. RICHARDS].

Mr. RICHARDS. Mr. Chairman, this is the second chapter in the Lend-Lease Act, an act designated by the great Mr. Churchill as the most "unsordid" act by any government in all history. The proposed extension does not and should not change the terms of the original act one jot. It only continues its provisions for another year through June 1944.

The original act was well termed unsordid because its terms were unmarred by any desire for pecuniary or business or other selfish gains—rather an unusual act for a nation sometimes designated by the beneficiaries thereof as Shylock.

Under the Lend-Lease Act of 1941 $7,000,000,000 was appropriated to carry out its purposes in that year. Since that time 11,000,000,000 additional dollars have been appropriated to advance the purposes of the original act.

Total lend-lease aid to our allies through November 1942 amounting to $8,253,000,000 has been given, of which goods valued at approximately $6,550,000,000 have been exported. Most of these goods arrived at their destination. For the 3 months ending January 31, 1943, goods transferred and services rendered to lend-lease totaled $2,249,000,000, as compared with $830,000,000 for the 3 months ending January 31, 1942, so we see that lend-lease is just now shifting into high gear.

By the end of 1942 the United States had furnished the United Kingdom under this act with articles and services to the amount of $3,959,950,000.

To Russia, by the beginning of 1943, we had supplied under the Lend-Lease Act goods and services valued at $1,532,230,000. We had sent the Soviet Union 2,600 planes—more than to any other country; over 3,200 tanks—more than all other countries combined; and 81,000 trucks and other motor vehicles. During this same period Britain had sent Russia more than 2,000 planes and approximately 2,600 tanks.

Lend-lease aid to China up until 1943 amounted to $156,738,000. I, as well as other members of the Foreign Affairs Committee, and Mr. Stettinius, Lend-Lease Administrator, fully concur that more aid and materials must be sent to China, and there is no doubt that this desire will be accomplished even though it be over many obstacles. At present all lend-lease aid to China is being flown there by planes over some of the highest mountains in the world. The number of planes engaged in this transportation are being increased weekly and the goods going to China gradually increased in proportion. It is apparent from the testimony before our committee that goods in great volume will not reach China until the Burma Road or some other ground avenue is reopened. This brings us to the field of military strategy and certain confidential information given the committee in executive session, discussion of which on the floor of the House at this time would serve no useful purpose. It is pertinent to quote what our Commander in Chief said recently in this connection:

> Great and decisive actions against the Japanese will be taken to drive the invader from the soil of China. Important actions will be taken in the skies of China—and of Japan itself. * * * There are many roads that lead right to Tokyo. We shall neglect none of them.

Furthermore, lend-lease in other theaters of war, Africa, New Zealand, Australia, and India, had reached a value of $2,393,193,000 at the end of 1942.

To Egypt to supply the British Eighth Army went over 1,000 planes, 20,000 trucks, hundreds of tanks, and hundreds of pieces of artillery. In addition, we have helped to meet the essential needs of the civilian population of Africa. The cream of the things necessary to conduct war and sustain life in the African area has been systematically skimmed by the Axis.

It was rather disappointing that exact figures are not available as to reciprocal aid furnished us by other United Nations at this stage of the game. Mr. Stettinius informed us that figures in this regard were gradually being completed through information furnished by our military authorities in the combat areas daily, and convinced us that these figures would be supplied at a later date.

It is known, however, that the British have supplied the United States forces with over 1,500,000 pounds of flour, nearly 50,000,000 pounds of butter, over 25,000,000 pounds of fruits and vegetables, 26,000,000 pounds of marmalade and jam, and over 50,000,000 pounds of sugar. During 1943 the British have agreed to supply us with 134,833 tons of food.

Our badly damaged merchantmen have been repaired in the United Kingdom as a reciprocal aid. For the American-African campaign the British supplied to the American troops over 38,000 tons of ammunition, artillery for a complete division, 80,000 tons of coal, 2,000 tons of rations, 30,000 tons of engineering equipment, balanced medical units for 100,000 men. They also furnished 168 Spitfires, airfields, runways, bombs, ammunition, 6,000 ambulances, hundreds of small boats, and 41,000 hospital beds. Australia has furnished our armed forces in the South Pacific 15,000,000 pounds of beef and veal, 3,000,000 pounds of lamb and mutton, 8,000,000 pounds of pork, 20,000,000 pounds of potatoes, 25,000,000 pounds of vegetables and fruits, 2,000,000 dozens of eggs, 4,000,000 pounds of butter, and over 5,000,000 quarts of milk. Australia has also furnished such important items as finished airfields, repair depots, and so forth.

New Zealand has furnished to the United States forces 16,000,000 pounds of New Zealand beef, pork, veal, lamb, and mutton, 2,000,000 pounds of butter, 3,000,000 pounds of sugar, and 1,400,000 dozen eggs, as well as many other items.

These figures in no small measure go to show that lend-lease to a degree is now working both ways.

I think I should say here that the choice of Mr. Stettinius, appointed Administrator of Lend-Lease by Executive order of the President on October 28, 1941, when the Lend-Lease Administration was created, has proved to be a happy and wise one. It is my opinion, and I think the opinion of the majority of the committee, that his record in the handling of this vast delegation of powers by the President could not have been excelled by any other man now in public life.

It should be remembered that when the original Lend-Lease Act was passed in 1941 many sincere and patriotic Members of Congress voted against it because they believed it was an unneutral act, or because its terms delegated such vast authority to the President of the United States. I voted for the act primarily on the ground that it was for the best interest of the United States to do so, and in the further hope that the expenditure of our money and the financial support given the European democracies through the act would make it unnecessary later on to send American youth to die on foreign battlefields. I have always been an advocate of preparedness in time of peace as a measure to preserve the peace, and it was apparent, even to the casual observer in 1941, with a world gone war-mad all around us, that this country must arm to the teeth as quickly as possible. We were confronted in this country with the age-old problem of a democracy geared to peacetime production and its slowness and distaste to change over to war production. As I saw it, we could not justly or reasonably expect American industry to change overnight to production of armaments of war unless our country was willing to underwrite, so to speak, the venture. It is true that England, France, and other United Nations had placed large orders with our industry at that time for armaments, but it must be remembered that all save Britain had bowed to the enemy and Britain's credit and chances of victory were not sufficient to expect industry here to continue to fill her orders for armaments with any reasonable expectation of payment.

Through the guaranties of the Lend-Lease Act, American industry began overnight the transition from peacetime production to war production, and the United States began from that date to stretch her sinews and to show what she could really do as a military power. The lie was then given to those who had said that democracies never prepared until it was too late.

The situation as to the United States has entirely changed since the original Lend-Lease Act was passed. We are in war now, and the only question is whether or not a policy of united effort by the United Nations in both the fields of men and dollars and materials will be continued. We loaned and leased dollars and materials before we became involved in the war. Now we have given our men and women to the hungry maw of the battlefields, and all agree it would be folly not to continue the policy of lend-lease. That is why we have a

unanimous favorable report from the Foreign Affairs Committee on this bill.

It would serve no useful purpose now to enter into any extended discussion as to what particular nation is doing most to win this war. Heroic China has fought longer, under more disadvantageous circumstances and against greater obstacles than any other nation. For 5½ years her unconquerable spirit has held aloft the beacon light of liberty and faith in the democratic ideal, even when the situation seemed hopeless. Today we say to China: "Hold, you eagles in vision, you children in faith; we are coming, even though late."

To Mr. Churchill and Britain we say: "We are heartened and inspired by your example. You stood as the only democracy left in Europe and flung your challenge in the teeth of Hitler and his satellites, even when reason and blood and sinew cried 'give up, your cause is hopeless.'" Ringing down through the ages, Mr. Churchill, will be your defiant cry during England's greatest hour: "We shall fight on the beaches, we shall fight on the landing grounds, we shall fight in the fields and in the streets, we shall fight in the hills. We shall never surrender." The British at Dunkerque, Malta, and a thousand quiet places far from the maddening strife will always be remembered by those who love faith and courage.

To Russia we say: "You came into the battle late but to your eternal glory you have fought well. Yours has been the major share of actual battle and victory. Through your sacrifice came the first major land victories against Hitler's hordes."

To those groups who are still fighting on while their countries are under Hitler's heel we send this message. "Be of good faith. We are coming to free you."

To our sister South American republics we say: "We are heartened by the grasp of your hand."

All of the 29 nations which have signed the United Nations declaration are doing their part nobly. There will be glory enough for all in common victory. This is no time for recriminations or for any nation to claim a major share of victories already won. There is still much to do. Nevertheless, pride demands that I say that our own country has met the challenge nobly and unselfishly. How much greater would have been the problem of England after Dunkerque had we not before we entered this war stripped our armories and sent to her 1,000,000 rifles with ammunition, 60,000 machine guns, and 895 pieces of artillery. Those contributions may have well turned the tide back from the cliffs of Dover.

It is not difficult to imagine that had we not sent under lend-lease to Russia 2,600 planes, 3,200 tanks, and 81,000 trucks the German army would not have been broken and retreating now on the Caucasian front.

It is not difficult to arrive at the conclusion that had we not under lend-lease sent 1,000 planes, 20,000 trucks, hundreds of tanks, and hundreds of pieces of artillery to Egypt the British Eighth Army would not have been able to win its great victory and drive Rommel back to the Tunisian peninsula.

One would not have to stretch his imagination to come to the conclusion that had not troops and lend-lease supplies gone to Australia the banner of the Rising Sun might well be now floating over the land of our brothers in Australia and in New Zealand.

The role now being played by the United States in this war is more gigantic than that of any other nation on our side. We have set out with the avowed purpose of assembling an 11,000,000-man Army and a Navy of two and one-half million men. We are the arsenal for our allies. From our factories are coming the greater part of the implements of war. At the end of this fiscal year we will have expended for the cause approximately $80,000,000,000, while the war budget of the United Kingdom will come to $20,000,000,000; Canada, $3,000,000,000; Australia, $1,500,000,000. In addition we are providing the greater part of the food for both ourselves and our allies.

This brings us to the weakest link in our war setup, and it should be the strongest. The problem of manpower and production on farm and factory has been badly bungled, and the American people know it and are becoming confused. They want to know, as best they can be told in such uncertain days, what lies ahead. They know and we know that those in administrative authority over the war program must decide firmly and at once the question of definite allocations of manpower to and between our armed forces, industrial production, and agricultural production. We are having no trouble getting the men for our armed forces, and industry is getting the needed men for production because of high wages. But the American farmer who is to fill the bellies of the world is being drained of his labor by both the service and the factory and at the same time is not being given a fair price for his product. Under such circumstances how can he feed the world?

Mr. Chairman, there is another connected matter I want to mention now—the matter of what the American people have a right to expect from our present friends when victory is won. The people of the United States, by their contribution in blood, in supplies, and in vast sums of money, which will place a mortgage over the heads of generations of Americans yet unborn, have a right to expect, yea, a right to demand, that through this war their idealism be fulfilled and that the peace to follow victory shall prove to be a permanent peace.

The memories of the American people in that connection are not so happy. They went into a great world war in 1917 to fight for democracy. As the great French statesman Briand said in later years, "Until the United States came into the war, none here could believe that victory would perch upon our banner." The United States was the final factor in the winning of that war, but thereafter, disillusioned by the selfishness of Europe, we washed our hands of the whole thing and muffed a great chance to cinch peace for the world.

The predominant majority of Americans became embittered and disillusioned because of the selfish bickerings of our erstwhile allies and the lack of appreciation on their part of our contribution to the great cause. We decided then to live to ourselves, and, to implement that desire, we passed various neutrality acts. But destiny stands aside for no nation. Regardless of the determination of a burned people to stay out of European fires, notwithstanding our neutrality laws, the Macedonian cry of free people going into slavery was heard and heeded again. We have found that the world is so small and our responsibility in it so great that liberty endangered anywhere endangers ours here. It finally dawned upon us that Hitler was right when he said, "Nazi socialism and the ideal of democracy cannot exist in the same world."

We also have come to realize that just as we became involved in this war against our wishes, so certainly we will become involved in future world wars unless we help and assume responsibility in charting the international course of peace.

To that end we do not intend to withdraw into our shell again. After this war there must be an international police force to prevent rearmament by the bloodthirsty. If the United States is to join the police force of the world after this war, she must have police stations from which to operate. To this end, negotiations should be entered into at once with our allies, as suggested by Secretary Knox, for acquisition of naval bases and air fields both in the Atlantic and in the Pacific in order that we may fulfill our peaceful destiny.

I do not feel that the proposed extension for an additional year of the original provisions of the Lend-Lease Act should be the vehicle for congressional mandates as to post-war settlements. The Lend-Lease Act should not be hamstrung by questions of negotiations with foreign governments and questions of post-war policies. There is, however, now lying before the eyes of the President and the State Department a great field of exploration with permanent peace the objective. They should strike now, while the iron is hot, not wait until it cools.

So, Mr. Chairman, we have dared all to gain all that really matters now—the right to live in a peaceful, unsordid world, under the four freedoms of the Atlantic Charter, if you please.

We are a united Nation. Liberty to us is a priceless possession. Being priceless it is worth fighting for, and if it is worth fighting for, it is worth fighting for with all we have. That is the course we have chartered, that is the course we shall pursue to the victorious end. How well did the poet say:

> He either fears his fate too much,
> Or his deserts are small,
> That dares not put it to the touch,
> To gain or lose it all.

The Lend-Lease Act itself incarnates the principles upon which a decent post-war world may be built. Lend-lease incarnates the spirit of give and take—not give by duress, not take by force; rather

give through spiritual aid and sympathy, and take through appreciation and understanding.

I doubt that there is a member of this parliamentary body so naive as to believe that we will receive full return of, or full material payment for, the materials and articles leased and loaned to our brethren under this act; and I hope there is no Member here so short-sighted as to expect it. The people of this Nation, though, have a right to expect, and we as their representatives are duty bound to impress that expectation upon the world, that, when this war is won and the immediate danger from our common enemies is over, history not repeat itself at the peace conference. The spirit of lend-lease must still be there. Our enemies must be punished, disarmed, and kept disarmed. Our friends must be kept from breeding another war by following a policy of "take what you can and the devil take the hindermost."

We cannot but be disturbed, even at this early stage of the game, by word coming from those in authority in Russia making claims to Besserabia, Estonia, Latvia, Lithuania, and a section of Poland. I am disappointed, too, that Stalin in his February proclamation extolling the Red army for its recent amazing and inspiring victories made no mention of or hint of appreciation for the thousands of lend-lease tanks, vehicles, guns, and tons of food that contributed so much to the victory of the Red army.

Neither could the American people be heartened by these recent words by Mr. Churchill:

> Let me, however, make this clear, in case there should be any mistake about it in any quarter: We mean to hold our own. I have not become the King's first minister in order to preside over the liquidation of the British Empire.

I applaud the last sentence of that statement. I do not applaud the first, because it is not in harmony with the spirit of the Lend-Lease Act which we will almost unanimously renew here today or tomorrow and to which Britain's valorous survival from the shadows of defeat owes so much. That sentence of Mr. Churchill's flies into the teeth of the Atlantic Charter of which he was one of the enunciators.

There are those who seem to contend that there should be no discussion in this body now of post-war problems of a controversial nature. With this theory I do not agree. Frankness now, particularly between the two great English-speaking nations while the blood of their sons pours out together on the far-flung battlefields of the earth in a common cause, is essential to the preservation of unity after common danger is over. There must be no disunity between Britain and the United States after this war. Peace for generations to come depends upon a common unselfish purpose. Frank and friendly discussion is needed to solidify that purpose.

The British Parliament even during war has never failed to discuss post-war problems that might affect the future welfare of the Empire. That is one reason why Britain for 500 years has weathered the storms that wrecked other European empires. The British Parliament has intermittently for many months been frankly discussing, not always with complimentary reference to the United States, the objective of air supremacy for Britain after the war. During the last great war her continued domination of future sea trade was prepared for then. While Britain fights for existence she always plans for her Empire after victory. We should do the same for our own country. The United States should now be turning the grounds for complete unity among the United Nations after this war and frankness should be the plow used.

Victory, with God's help, will surely come to us because our cause is just. It follows that there will be another peace conference. If the spirit of lend-lease is there among all the victor nations the conference will not fail to bring a new era of peace to a suffering world. If that spirit is not there and, instead, the spirit of "take care of yourself and the devil take the hindermost" reigns supreme, the United States had better not be the hindermost because possession of strategic military and naval positions, which we have neither coveted nor held before, in far-flung corners of the world will then be our only hope of permanent peace.

Mr. LESINSKI. Mr. Chairman, I am heartily in accord with the principles of the bill under consideration for the extension of the lend-lease agreements to our allies. It is essential for the security of this Nation that all possible assistance be furnished to those nations who in common with us are fighting the Axis Powers. The report of the very able Lend-Lease Administrator, Mr. Stettinius, which was submitted to the Congress on January 25, 1943, gave in detail the strategy of the lend-lease program and the assistance that has been given our allies under its provisions as well as the reciprocal aid our country has received. This report has been printed as a House document and on pages 74 and 75 will be found the declaration by United Nations, stating their adherence to the Atlantic Charter. This joint declaration is a common program of purposes and principles of the United Nations now engaged in a common struggle against the savage and brutal forces of the Axis Powers. The fact that the declaration by the United Nations and the signatories thereto are set forth in full in the Stettinius report is evidence of the fact that the Lend-Lease Act itself and the principles of the Atlantic Charter are equally in force.

I have referred to this Atlantic Charter because of the situation that has arisen between two of our allies—Poland and Russia—in regard to a boundary dispute. You will recall that the first nation to be invaded by the German hordes—and to put up a fight—was the Republic of Poland on September 1, 1939, and on September 17 of the same year, while the Polish Army was fighting with its back to the wall, the Russian Army invaded Poland from the rear. With the Germany Army in their front and the Russian Army in their rear, the collapse of the Republic of Poland was inevitable. Then Von Ribbentrop went to Moscow and divided the territory of Poland with Commissar Molotov, the then Premier of Russia, and as the result over 14,000,000 Poles and almost one-half of the Polish territory came under the domination of the Russian Government. The Russians, however, were in turn attacked by Hitler, and as a result thereof became our allies and signatories to the Atlantic Charter. After Russia became one of our allies, the Republic of Poland was the first to extend the hand of friendship to their former foe, and on July 30, 1941, the Russian-Polish treaty was signed at London providing that the partition of Poland operated by Messrs. Von Ribbentrop and Molotov was declared null and void. A few months later the Polish Prime Minister, General Sikowski, went to Moscow and on December 4, 1941, signed with Mr. Stalin himself, the Premier of Russia, a declaration pledging both countries to "fight together until complete victory is achieved" and committing themselves to "neighborly collaboration, friendship, and mutual honest observance of the undertaking they have assumed."

These relationships have continued until a few months ago, when first unofficially, and since March 4, 1943, it was officially stated in an information bulletin issued by the Embassy of the Union of Soviet Socialist Republics in the city of Washington that claims have been raised contending that the Polish territory presented by Von Ribbentrop to Molotov were considered as lawful acquisition. That the Russian Government, one of our allies in the midst of a common fight, should make such claims is astounding. This territory was recovered by Poland after the World War in an agreement with Russia. The Russian-Polish treaty signed in Riga on March 18, 1921, brought about a delimitation between both countries, and neither by Russia nor by the population of those territories for a full 20 years was the question of territorial changes ever voiced until Hitler unleashed his barbarous hordes on Poland.

The Government of the United States has never recognized unlawful acquisition of territory. In the White Book, published last month by our Department of State, the basic statement of policy made by the Secretary of War, Henry L. Stimson, in connection with the annexation of Manchuria by Japan is declared to be still regarded as a basic statement of policy still in operation. When Russia, also illegally, acquired in the summer of 1940 the territories of the three Baltic republics, Lithuania, Latvia, and Estonia, Mr. Sumner Welles, as Acting Secretary of State at that time, reiterated Mr. Stimson's formula. Subsequent thereto, our able Secretary of State, Mr. Cordell Hull, speaking in Washington before the National Press Club, once more, with full force and vigor, declared unchangeable the policy of nonrecognition of territorial acquisition by force. That is the very principle upon which the Atlantic Charter is founded and for which American blood is being shed today in every theater of war throughout the world. That the

Russian Government should declare valid the acquisition of unlawfully acquired lands belonging to a brave ally without a voice being raised in her behalf by the Government of the United States is detrimental to the unity of the United Nations. That close cooperation and confidence between all of the Allies is indispensable for victory and permanent peace, and the claim of the Russian Government to Polish territory tends to weaken the common front of the United Nations. Poles are fighting in every theater of the war for the principles of the Atlantic Charter and today with their country invaded are the fifth strongest army of the United Nations. Russia has been demanding a second front in Europe and we have been assured by our Government that such a front will be brought about in the very near future. The fact is that there is already a second front in Europe, and the Russians should be the first to recognize this because it is right behind the German Army where the undaunted Polish Nation, despite 3 years of most inhuman persecution, still fights underground, printing secret papers, sabotaging German munition factories, and wrecking trains bringing troops and supplies to the front. In other words, day in and day out the Poles are assisting the Russians in achieving their great victories, which we so greatly admire.

The battle cry of these legions of brave Poles is the old battle cry of Poland that has resounded throughout the centuries, "For your liberty and ours." These Polish legions dream of the day when Poland shall live again within its legal boundaries. It must be, indeed, disheartening for this fifth strongest army of the United Nations, and the untold numbers fighting in the underground and carrying on effective guerrilla warfare to learn that there has been an official communication of one of its allies to the effect that one-half of its territory, unlawfully acquired by Russia, would not be restored to them after the victory.

Do not think for one minute that Mr. Hitler's mouthpiece, Herr Goebbels, his Minister of Propaganda, has not been making the most of this unpleasant situation. This is indeed a very serious matter. I want to draw your attention to the fact that the foreign broadcast listening posts of our Federal Communications Commission, right here in Washington, is recording every minute of the day German radio propaganda directed toward the Polish armies and toward the Polish people in occupied Poland, telling them that they have been sold out to the Bolsheviks by one of their allies—the Americans. Goebbels' stooges are telling the Poles about the Soviet Embassy in Washington and their claims, and that it has the approval of the Government of the United States, about the fact there has been no protest to Russia by the United States nor has there been a restatement by the United States Government of its principle of nonrecognition of conquest.

We have under consideration here a bill to extend the lend-lease agreements to our allies. This bill will assure Russia of further assistance from the United States. The report of our able Lend-Lease Administrator, Mr. Stettinius, discloses that this assistance has been very material. The total money value of the lend-lease aid sent to Soviet Russia through December 31, 1942, is stated at $1,532,230,000. The able Associated Press staff writer, Mr. Henry C. Cassidy, in an article which appeared in the Washington Post Saturday, March 6, 1943, states that the Nazis have been unable to stop the flow of lend-lease material to Russia. He has just returned from Russia, and in the article he mentions that American trucks and war equipment are a common sight in Russia; jeeps scuttle everywhere; the Red Army depends largely for the supplies it receives from America; American tanks are on every Russian front; they are assembled deep in the rear and sent directly to the front; the city of Moscow has not had an air raid since April 5, 1942, because swarms of American Tomahawks, Kittyhawks, and Airacobras protect not only that city but other cities, as well as give coverage to the Russian Army. In addition to war weapons, Mr. Cassidy stated, that he had seen numerous other items of American supplies, including field telephones, woolen blankets, granulated sugar, and lard on the shelves of a Moscow store—all of it being given good use. I was delighted to read this column by this very able Associated Press staff writer, and I sincerely trust that such aid as he describes therein shall continue to go forth into Russia and to our other allies. In giving such aid to Russia, however, it must be remembered that each airplane, tank, gun, or other piece of war equipment that we sent to them has been taken away from the American Army and from the American soldier. Our hearts fill with pride when we read of the gigantic reverses the Red army has inflicted on the Nazis on the various Russian fronts. I yield to no man for my profound admiration of the fighting spirit of that glorious Russian Army, but in the same breath I yield to no man for my admiration of the abilities of the American soldier who can make as good a use as any other fighting man of any implement of war.

I want Russia and all of our allies to continue to receive this aid from the United States, but, at the same time, I want the Republic of Poland to receive an assurance from this Congress that when giving this extension of lend-lease aid to Russia, Russia must recognize that in receiving this lend-lease material she must keep the faith and stand by her pledge to restore Poland's sovereign rights and territory in full. This—and only this—is in accordance with the Russian-Polish treaty signed in the Kremlin by Premier Stalin and General Sikorski, the Premier of Poland. The Russian Government, as I have before stated, is a signatory to the Atlantic Charter, and the Atlantic Charter is the basic principle of the Lend-Lease Act and is incorporated in the report of the very able Administrator of Lend-Lease, Mr. Stettinius.

The faithful adherence to the principles of the Atlantic Charter is a condition for every Allied Power of being included in the lend-lease pool, and I desire that to be stated clearly by this Congress before we give final approval to the extension of the Lend-Lease Act. I thank you.

Mr. EATON. Mr. Chairman, I yield such time as he may desire to the gentleman from Connecticut [Mr. MONKIEWICZ].

Mr. MONKIEWICZ. Mr. Chairman and members of the Committee, I take this opportunity in the debate upon this all-important measure not to find fault with this law. I do not propose to make any suggestions as to how it can be improved. I am not going to offer any amendments, nor am I going to criticize the purpose for which the original act was created.

Everyone agrees that, as far as the prosecution of the present World War is concerned, the United States has opened the way and furnished the means to bring about the so-called turning point of the war. No one can nor does anyone even endeavor to underestimate the far-reaching effects brought about by the philosophy of lend-lease and its corollary lend-lease in reverse, or as it is technically known, reciprocal lend-lease.

The passage of this law was timely. Its accomplishments were devastating to our enemies. We have performed a magnificent service to ourselves. We have not fallen down on the world—that world which had faith in us and had learned from us the value of true democratic principles, which mean so much to the happiness of the people living under its function. We have seen how the relative aid furnished under this law has served to stop the totalitarian hordes in their ambitions of conquest and the desire to rule the world.

Let us not fool ourselves, the war has not yet been won. There is much more to do in order to bring about its end. Victory is not yet achieved. We have reached the corner and while victory is within sight, it seems far away. We have smoked out the conniving powers into the open. We have stopped them all with proper action.

So Mr. Chairman, as I have stated, I do not oppose this measure and its extension. I do not criticize the administration of it. I have not sufficient facts to compliment or to find fault with the allocation of lend-lease products. I have read the report made by Mr. Stettinius to the House Foreign Affairs Committee and there is no question in my mind that the results obtained from the operation of lend-lease have been far-reaching. Whether better results could have been obtained, I do not know. All the pertinent facts are military secrets, some of which were given to the House Foreign Affairs Committee off the record and therefore, not known to the rest of us, unless some of us are fortunate enough to have some personal way of obtaining this information. I might say in passing that I am very much impressed with Mr. Stettinius' statement. He seems to be one gentleman who knows his business thor-

oughly. He seems to know what it is all about and his report gives one the impression that he knows where he is going. I find no fault with his testimony and the House Foreign Affairs Committee seemed to be impressed with the way he presented his case. I do, however, Mr. Chairman and Members of the House, voice a word of caution. A word of caution to those who are charged with the administration of this law and those who have assumed the obligation of parceling out the allotments of war materials and all essentials to the various participants.

Now, Mr. Chairman, I find upon reading the testimony of Mr. Dean Acheson of the State Department, whose testimony also impresses me, the following:

Our foreign policy has two basic objectives: To help in winning the war, and to prepare for an enduring peace. The powers created in the Lend-Lease Act and the programs of action which have been developed under it are of crucial importance in our work to fulfill both these purposes. Lend-lease has become the cornerstone of our wartime relations with friendly powers. The lend-lease agreements under which the lend-lease programs are conducted in war also lay foundations upon which peace can be built. Lend-lease is an indispensable instrument of our foreign policy today.

I find further in his testimony on page 84 of the hearings, that so-called master agreements have been signed with the following nations: Great Britain, China, the Soviet Union, Belgium, Poland, the Netherlands, Greece, Czechoslovakia, Norway, and Yugoslavia.

Article VII of these master agreements in substance reads as follows:

In the final determination of the benefits to be provided to the United States of America by the Government of ——— in return for aid furnished under the act of Congress of March 11, 1941, the terms and conditions thereof shall be such as not to burden commerce between the two countries, but to promote mutually advantageous economic relations, between them and the betterment of world-wide economic relations. To that end, they shall include provision for agreed action by the United States of America and the United Kingdom, open to participation by all other countries of like mind, directed to the expansion, by appropriate international and domestic measures, of production, employment, and the exchange and consumption of goods, which are the material foundations of the liberty and welfare of all peoples; to the elimination of all forms of discriminatory treatment in international commerce, and to the reduction of tariffs and other trade barriers; and, in general, to the attainment of all the economic objectives set forth in the joint declaration made on August 12, 1941, by the President of the United States of America and the Prime Minister of the United Kingdom.

At an early convenient date, conversations shall be begun between the two Governments with a view to determining, in the light of governing economic conditions, the best means of attaining the above-stated objectives by their own agreed action and of seeking the agreed action of other like-minded Governments.

This in effect makes all the countries signing the various agreements partners in this great undertaking of winning the war. I specifically call your attention to the last paragraph of article VII that at an early convenient date conversations shall be begun between the two Governments with a view to determining, in the light of governing economic conditions, the best means of attaining the above-stated objectives by their own agreed action and of seeking the agreed action of other like-minded governments.

Now let me call your attention to paragraphs 1 and 2 of the Atlantic Charter:

First, their countries seek no aggrandizement, territorial or other; second, they desire to see no territorial changes that do not accord with the freely expressed wishes of the peoples concerned.

Now let us see what has happened since the signing of the master agreement with the Soviet Union on June 11, 1942. On March 2, 1943, the Official Information Bulletin issued and circulated by the Soviet Embassy, Washington, D. C., states that Russia considers almost one-half of the territory of Poland occupied by her troops in 1939 as being a part of Russia as well as the three Baltic republics and part of Rumania.

Russia is making claim to territory not belonging to her present opponent in the war, but the territory of a partner of hers in this war. If we are engaged in protecting our declarations in the Atlantic Charter, can we agree that one or more of our allies should become the victim or victims of another one of our allies?

Upon what basis does the Soviet Union make claim to the territory of Poland and the Baltic countries? Must we not now interpret Russia's acts as serving us notice that she does not intend to live up to her agreements? Time and again we have, through the Secretary of State and other officials, asserted that we do not recognize the acquisition of land by force. This act of Russia's disagrees with the official policies of our Government as stated in the latest White Book issued by the State Department.

Mr. EATON. Mr. Chairman, I yield such time as he may desire to the gentleman from Iowa [Mr. GWYNNE].

Mr. GWYNNE. Mr. Chairman, in the original lend-lease law we adopted the role of arsenal of the democracies. We undertook to furnish the nations fighting aggression with the supplies and equipment necessary to keep their armies and navies in effective action. Even though we are now organizing and equipping a great force of our own, these nations are still looking to us for a continuing flow of these supplies.

The evidence at the hearings on this bill shows how well we have been performing this vital function. Apparently lend-lease has been well administered. The record is full of figures indicating the amount of food and the number of planes, tanks, and guns we have furnished our allies.

These are only the cold figures. Back of them is another story now only partly known of the skill and courage of those who have had the responsibility of actually delivering the goods. Through dangerous waters, in all kinds of weather, our convoys have fought their way with a devotion to duty that makes every American proud.

Our principal concern now is to increase the amount of food produced and supplies manufactured. If that is done we may rest assured that they will be somehow delivered.

In this great undertaking we begin with many things in our favor. On the food production front we have the advantage of fertile land. We have the most efficient and energetic farmers in the world. The same is true in regard to industry. No other country has such a proportion of trained workers or of managers accustomed to doing things in a big way.

It only remains for the Government to adopt a sound and constructive program so that agriculture and industry may be allowed to put forth the maximum effort.

Unfortunately the officials of the Government have not always done that. Many times they harass the people with unnecessary and useless regulations which definitely interfere with the war effort.

A good example is the dispute now going on with the canning industry. The Government has directed the canners to pay a certain price to producers. Yet at the same time the Office of Price Administration declines to indicate the price at which the finished product may be sold. In addition they have revived the old argument about grade labeling—a proposition which was considered in the Congress in time of peace and rejected. As a result the entire canning industry is in a state of uncertainty. Some plants in the South have closed. Unless there is a change in the attitude now being taken by those in authority there will be a definite reduction in the amount of canned goods packed this year. Surely if the O. P. A. cannot assist in the production of food, it should not adopt policies which hinder it.

Indications are that the whole food production program is becoming a serious one. Even Secretary Wickard apparently feels some doubt about reaching our announced goals.

The difficulty is due first to the shortage of machinery. The new machinery available is pitifully small considering the tremendous needs due to the expanded food program. In addition, what we have is being very poorly distributed and often without much real consideration to the requirements of particular sections of the country.

Still unsettled also is the problem of manpower on the farms. Farmers are working long hours. But they need more help. We must recognize the need of the Army, Navy and Air Force for men, but we must adopt a well-balanced program which will also guarantee adequate manpower on the farms and in the factories. Otherwise the renewal of this lend-lease law will be an idle gesture.

In industry we are faced with the possibility of disastrous strikes. Yet we have not enacted adequate laws to meet such a situation.

I am glad the proper committees of the Congress are now giving consideration to the problem of absenteeism. We should of course be very careful how we proceed in this important matter. Not all of this difficulty is due to individual misconduct. Studies already made indicate that some of it is

traceable to inadequate housing, transportation and to other things that prevent the worker from giving full time to his work. So far as possible these conditions must be removed. Having done so, we should then not hesitate to apply whatever remedy is necessary to those people who willfully absent themselves from their jobs.

There is still bungling and inefficiency in many departments of Washington. The situation would be greatly improved if we laid away for the duration the program to make the Nation over. If many of the civilian employees of the Government in the military-age bracket were put in the Army, the whole country would be better off. It might at least spare us from the voluminous orders and regulations now hampering people who really want to work. They need something else besides advice as to when horseshoes should be removed, or as to how long a matchstick should be. The producers of the country will deliver the goods if they are given a chance.

I hope that as soon as this bill is passed we will turn our attention to these problems which must be solved before we are in a position to meet our full responsibilities under this lend-lease program.

Mr. EATON. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. CHIPERFIELD].

Mr. CHIPERFIELD. Mr. Chairman, when the Lend-Lease Act was originally before the Congress 165 Members of the House voted against it, and many believed it was a measure more likely to get us into war than keep us out. But since we are now in the war I favor its continuance, as I believe it will hasten the winning of the war and more quickly bring about the peace we all so much desire. To suddenly stop the flow of munitions and other materials vital to our allies would only prolong the war and further delay victory. Under the circumstances which now exist there seems to be no alternative but to continue this act.

The committee report recognizes "there were sincere differences of opinion as to the wisdom of its passage" when the Lend-Lease Act was originally brought to the floor, nearly 2 years ago, and at a time when we were at peace.

The majority felt that the passage of this act would keep us at peace. I quote from their report:

> It is the considered view of your committee, insofar as human minds can evaluate the situation, that the probable effect of the bill will be to keep us out of war rather than to get us into it.

On the other hand, the minority believed the passage of the act might bring us closer to war. I quote two passages from the minority report:

> The oldest and last constitutional democracy surrenders its freedom under the pretext of avoiding war, with the probable result that the newest dictatorship will soon go to war.
>
> If instead of coordination we demand domination, if we assume what Secretary Stimson called the general strategy of the war, we assume the responsibility for its outcome—and that leads to sending an expeditionary force overseas.

But no matter how you voted then, the situation is changed, now that we are at war, and you can vote for the continuance of this act and still be entirely consistent. This is best illustrated by a colloquy which took place between the gentleman from Ohio, Congressman VORYS, and Secretary of the Navy, Mr. Knox—page 201 of hearings:

> Mr. VORYS. Mr. Secretary, there were a lot of us who opposed lend-lease when it was proposed as a measure to keep us out of the war who, now that we are in the war, are strongly in favor of continuing to give our Government the power to furnish arms without stint to those who will help us kill Japs and Germans. Do you see anything inconsistent about our position?
>
> Secretary KNOX. Not a bit; not a bit.

Just a word about the report accompanying the bill. As is usually the case when 25 Members have suggestions to put into a report and their views differ upon important items, the result must be a compromise. I am not entirely satisfied with every detail, nor can I accept some of its conclusions and implications. For example, the report states "the Lend-Lease Act has operated with brilliant effectiveness." I feel it would be a much more appropriate time to judge its results when the war is over and the final chapter of lend-lease has been closed rather than now. But, for the sake of national unity, I feel it is better not to have a minority report, as we still have the opportunity here on the floor to make suggestions or amendments that may be desired.

COMBINED BOARDS

In the first place, I believe China and Russia should have representation on the combined boards. At the present time these boards consist of members for the United States and members representing the United Kingdom. Our two other major allies, China and Russia, who are fighting so valiantly, have no representation on these boards. The record speaks for itself. Cumulative through December 31, 1942, the United Kingdom received $3,959,950,000 of lend-lease aid; Australia, New Zealand, India, Egypt, and other British territories received $2,393,193,000. This makes a grand total for the British Empire of $6,353,143,000; while Russia received only $1,532,230,000, or approximately one-fourth as much as the United Kingdom; and China received only $156,738,000, or less than 2½ percent as much as the British Empire.

I am perfectly aware of the tremendous transportation difficulties in getting supplies to Russia and China and make no pretense that every effort is not being made to increase the supplies to these two countries. Nevertheless, I can see no reason why representatives from these two countries should not be members of the combined boards. They should be recognized as full and equal partners, and not merely consulted by the combined boards for recommendations on matters of interest to them. If all aid possible is being given to China and Russia, if representatives of these two countries were on the combined boards, they would be more satisfied. If that is not the situation, then they would have an equal voice in determining the allocation and assignment of lend-lease supplies.

CONGRESSIONAL APPROVAL

In giving the President power to determine the benefits which this country is to receive from its lend-lease aid we have placed on him virtually no restrictions. Under section 3–B of the original Lend-Lease Act, benefits to be received from foreign countries—

> shall be those which the President deems satisfactory; and the benefit to the United States may be payment or repayment in kind or property or any other direct or indirect benefit which the President deems satisfactory.

At the time this act was passed I thought this section gave the President too broad powers, and I am still of that opinion.

Under the authority of section 3–B, the United States has entered into a series of agreements with foreign countries which are known as the master agreements. They are practically identical and all contain article 7, which is as follows:

> In the final determination of the benefits to be provided to the United States of America by the Government of the Union of Soviet Socialist Republics in return for aid furnished under the act of Congress of March 11, 1941, the terms and conditions thereof shall be such as not to burden commerce between the two countries, but to promote mutually advantageous economic relations between them and the betterment of world-wide economic relations. To that end, they shall include provision for agreed action by the United States of America and the Union of Soviet Socialist Republics, open to participation by all other countries of like mind, directed to the expansion, by appropriate international and domestic measures, of production, employment, and the exchange and consumption of goods, which are the material foundations of the liberty and welfare of all peoples, to the elimination of all forms of discriminatory treatment in international commerce, and to the reduction of tariffs and other trade barriers; and, in general, to the attainment of all the economic objectives set forth in the joint declaration made on August 14, 1941, by the President of the United States of America and the Prime Minister of the United Kingdom, and basic principles of which were adhered to by the Government of the Union of Soviet Socialist Republics on September 24, 1941.
>
> At an early convenient date, conversations shall be begun between the two Governments with a view to determining, in the light of governing economic conditions, the best means of attaining the above-stated objectives by their own agreed action and of seeking the agreed action of other like-minded governments.

It is apparent to me from the language used in article 7 there is an attempt on the part of the administration to use the Lend-Lease Act as a vehicle to solve economic post-war problems, and I am afraid that will be done without the approval of the United States Senate or the Congress even in contracts which require such approval. Already we have executed 17 agreements with South American countries and the final benefits to the United States have been determined without any congressional approval.

This is entirely our fault in giving the President such wide discretionary powers. While the State Department has repeatedly assured the members of the committee there will be no attempt to bypass the Congress, and all agreements which properly come within the jurisdiction of the Senate or the Congress will be presented for approval, I feel we should place some limitation in this bill to guarantee the Congress its prerogatives.

The President has indicated in his fifth report to the Congress on lend-lease operations, dated June 11, 1942:

> It is hoped plans will soon develop for a series of agreements and recommendations for legislation in the fields of commercial policy, money and finance, international investments, and reconstruction.

If the intention of the President is carried out such a restriction can do no harm but would guarantee such a program was carried out, regardless who might be President at that time. This could be accomplished by an amendment that all final agreements entered into under lend-lease with other nations, involving the fields indicated by the President, should depend for their validity upon the ratification by the Senate or by appropriate legislation of the Congress.

Personally I feel we should go further and make all final agreements which involve the sovereignty, security, commercial policy, rights, and privileges of the United States and its citizens depend for their validity on the ratification by the Senate or by appropriate legislation of the Congress.

Since the line of demarcation between the executive and legislative functions are not sharply defined under the Constitution in matters dealing with international agreements, it seems to me it is only proper that we should limit the wide discretionary powers under section 3–B of the Lend-Lease Act by reserving to the Congress those subjects in which it deems there should be congressional approval.

FOOD DISTRIBUTION

I dislike the system used by lend-lease in the distribution of food in England because of its utter lack of an accounting from which we could readily determine just where we stand. This is the way the present system works. We use the taxpayers' money to purchase lend-lease food to be used by the British. She sells it to wholesalers for distribution, collects payments from them and keeps the money. England in turn uses at least part of this money to purchase food in England and other parts of the world to give our troops quartered there. What happens? Have not you all received letters saying in substance that with severe rationing necessary in this country why should we give England food and then have her keep the money she receives for it. The answer is that we are reimbursed to the extent that England is using the money collected from her citizens to purchase food for our soldiers. To that extent we are not giving England lend-lease food for which we are not receiving payment.

But what is England claiming? She says she is using huge sums of money collected from her own citizens to feed American troops. She points with pride to the reciprocal lend-lease she is giving us in this manner. A considerable part of the hearings were devoted to this situation. But the joker is she is using money that is owed to the United States to render this aid. She is taking credit for something she is doing with our funds. Suppose England paid us the money she owes us for food and then we furnished our troops food with this money. Certainly she could not then take credit for feeding our troops. Whatever amount of food we furnish England, if she furnishes a similar amount to our troops, to that extent one transaction washes out the other.

But look at the confusion. Our people claim we are furnishing food to England without receiving compensation for it. England is pointing with pride to the reciprocal aid she is giving us. The only way to correct the situation is to make a simple accounting of what we furnish her and what she furnishes our troops.

Members of the committee asked repeatedly for this information but were told it would take a half division of men to make this accounting. It seems almost ridiculous to say we do not know the exact value of what we have furnished England, and that she does not know what she has furnished our troops. I am speaking of material things and leaving out imponderables, services, and the like. Those can be considered in the final settlement, but there is nothing imponderable about the price of meat for example. It certainly can be easily ascertained.

I firmly believe such an accounting system is not made public because it would disclose a situation so preponderantly favorable to the United States that the aid given to our soldiers by England would be a relatively small percentage. This, in my opinion, is the main reason the committee has not been furnished these figures.

POST-WAR PROBLEMS

Under Secretary of State Sumner Welles, in a speech in Toronto on February 26, made a plea for a plan to "start now to work out post-war economic problems." There should be set up now the necessary machinery to begin negotiations, and I quite agree with Mr. Welles when he said:

> Failing to begin such organized study and discussion now, there is danger that divergent views and policies may become crystalized, to the detriment of the common war effort, and to the detriment of efforts to bring about a peace that will be more than a brief and uneasy interlude before another even more horrible and even more destructive war devastates and depopulates the world.

The whole purpose of lend-lease is to help win the war and bring about a permanent peace. Why, then, should we not use lend-lease as a vehicle to obtain these results and attempt to negotiate with our allies to bring about an economic situation after the war which will do much to bring about permanent peace? As I have pointed out, my only objection to this course is not with the results we hope to accomplish, but I want to make sure that Congress takes its rightful place in these post-war settlements.

I would go further and take steps now, while we are still furnishing aid under lend-lease to secure for the United States necessary bases in the Pacific and elsewhere which are vital for our own defense and the preservation of a permanent peace.

In making this suggestion, I am only following the testimony of the Secretary of the Navy, Mr. Knox, before our committee. On page 204 of the hearings he said:

> One of the measures of defense which we must take and in which the present situation of lend-lease will aid us is a provision for a series of air bases and naval bases throughout the Pacific area. * * * It will take some statesmanship to work out an equitable way. We are not aggressively demanding and we are not avid for more territory. We do not want to take sovereignty of anything. But it would be wise to insist upon complete control and possession of a sufficient number of bases in the Pacific to insure that both our naval and air strength will be effective as against any future aggression in that quarter of the world. And, I think, as I have just said, that the psychology which follows on the heels of so unprecedentedly generous a measure as the lend-lease law will make an atmosphere that will be a very great help to us in attaining that objective.

I also agree with Secretary Knox that now is the time to undertake these negotiations. On page 207 of the hearings the following colloquy took place:

> Mr. FULBRIGHT. Don't you think those negotiations might be very well carried on at the same time as the lend-lease is functioning? In other words, do you believe that all of that should be left to after the war is over or could it not be tentatively begun now, we will say, and investigated?
>
> Secretary KNOX. Now, you are dealing with a human element and it is always easier to make a deal with a man when he is still anxious about what you are going to do for him in the future than to enter into a deal with the man after all of your usefulness is past.

I believe we should also immediately begin to negotiate with our allies with the purpose in view of securing equitable right in air bases and trade routes which will play such a tremendously important part in the post-war trade of the world. This should not be done in an imperialistic manner which would jeopardize the sovereignty of any nation but on a cooperative and reciprocal basis.

Assistant Secretary of State, Mr. Berle, has indicated to your committee that there has been appointed a committee to study this problem, consisting of Hon. Robert Lovett, Assistant Secretary of War; Hon. Artemus Gates, Assistant Secretary of the Navy; Hon. Wayne Taylor, Under Secretary of Commerce; Hon. Welch Pogue, Chairman of the Civil Aeronautics Board; and himself. While this committee is now properly carrying on this work, I think it is of all importance that while we are still rendering aid under lend-lease that these decisions be reached for the reasons indicated by Secretary Knox.

I feel, however, that this problem is of so great importance it should not be left only to the attention of this committee set up by Secretary Hull, but that the proper committees of the House and Senate should make a comprehensive study of this entire air problem and make recommendations or suggest legislation to accomplish the desired result.

There is even a more important field to be studied now if we are to have permanent peace, and that is entire political settlement of the post-war problems. Already we have Great Britain demanding that the British Empire remain in status quo. Already we hear the rumblings from Russia that it will take over the Baltic States, Estonia, Latvia, Lithuania, part of Poland, and perhaps Rumania and other territory. Is the Atlantic Charter just some high-sounding phrase or is it part of our post-war policy? Does the second of the "four freedoms," namely, that the signatories "desire to see no territorial changes that do not accord with the freely expressed wishes of the people concerned" mean what it says? Is the declaration by the United Nations of January 1, 1942, subscribing to the purposes and principles embodied in the joint declaration known as the Atlantic Charter to be carried out? Is it going to be necessary to revise the Atlantic Charter to arrive at a new balance of power?

I think the time to be finding the answers to these questions is now. If we cannot settle these problems now, how much less chance will we have to do so after the war? Our State Department must not only start now to find the solution to our economic post-war problems but our political post-war problems as well.

In the meantime I can see no reason why the Congress, through its Foreign Affairs Committee, should not immediately give its attention to these problems. While we in the legislative field are not able to negotiate directly with foreign countries, I believe with the proper study we could make recommendations that would be helpful in determining the kind of post-war cooperation that is going to be necessary to maintain the peace and what our part in it should be. There is no reason why the Congress, the direct representatives of the people, should not give study and voice to our war aims and the problems of permanent peace, as well as the Executive. I believe the Congress will agree with your committee when it said:

> Your committee stands ready to cooperate in any and every effort to achieve a peace which will bless us and our decendants.

RATIONING

I would like to try to clear up a rather wide-spread misconception. If my letters are any indication, it is rather generally believed that the lend-lease of food to our allies is a major cause for rationing in this country. This belief was given further emphasis a few days ago when Prentiss Brown, Administrator of the Office of Price Administration, announced:

> According to estimates rationing will cut purchases of canned goods in the next 19 months by 57 percent from the 1941–42 average. This slash is necessary, he asserted, because of lend-lease and military requirements.

The facts disclose that shipment of food to our allies under lend-lease play a minor part in our present food shortage. In the first place shipments of food of every kind under lend-lease to the end of 1942 only amounted to 6 percent of our supply. Even less of those foodstuffs of which there is a shortage were sent abroad under lend-lease, and only two-tenths of 1 percent of our beef; eight-tenths of 1 percent of our canned vegetables; and 1.7 percent of our canned fruits and juices, seven-tenths of 1 percent of our butter. We have been told it is hoped to double our supply of food to our allies next year. Even if we accomplish this objective it would only mean an over-all reduction of 12 percent of our food supply, and of the rationed foods which I mentioned only 6⅔ percent.

The chief reason for rationing food in this country is the huge demand for supplies by our armed forces. Not only has it been stated that the average soldier eats from 20 to 25 percent more than a civilian, but according to a statement appearing in the Times-Herald of February 27, Maj. Gen. Edmund B. Gregory, Quartermaster General, said:

> Most of these soldiers will be in areas where they cannot live off the civilian population. Every soldier requires about 3 cans of food a day. From 45 to 60 days' reserve is always figured in any campaign, plus about 30 days' supplies en route and a 2-months' base reserve supply at this end of the supply pipe line. That means that the Army will need a supply of about 500,000,000 cans of food on hand by the end of this year.

The result is that approximately 90 percent of the canned supplies not reserved for civilians goes to the armed forces of the United States.

It may be of interest to know that the only butter exported by lend-lease in 1942 went to the Russian soldiers fighting on the eastern front. Mr. Stettinius, on page 235 of the hearings, makes this statement:

> We have not yet shipped butter to any country other than the Soviet Union, but we have shipped some oleomargarine to the United Kingdom.

He has further pointed out:

> The shortage of canned fruits and vegetables is due to a combination of heavy United States military requirements, increased consumer purchasing power in 1942, and limitations on the amount of tin plate allocated for canning. Almost all of that part of the 1943 pack reserved for Government purposes will go to the United States armed forces, not to lend-lease.

But nevertheless, even though the amount of lend-lease food to be sent abroad is a relatively small percentage, we must be very careful it is not more than our domestic economy can stand. It would be much easier to reduce the amount of food sent under lend-lease than it would be to reduce the requirements of our armed forces. They must come first. We do not want the additional requirements of lend-lease food to be the straw that breaks the camel's back. I believe we are rapidly approaching the place beyond which our domestic economy will not stand the strain. Somewhere there is a limit, and if we attempt to do more than we are capable of doing efficiently we will be hindering our war effort rather than helping it.

Mr. BLOOM. Mr. Chairman, I yield such time as he may desire to the gentleman from Alabama [Mr. MANASCO].

Mr. MANASCO. Mr. Chairman, today one of the foremost subjects in the minds of the American people, next to winning the war as quickly as possible, is the problem of feeding our military forces, our own population, our allies, and the rest of the world. A few months ago when representatives from the farming districts warned the Congress and the Nation that we would be face to face with a serious food shortage unless farm prices were adjusted to compare favorably with industrial wages, and unless farmers were assured of an adequate supply of labor, farm implements, and fertilizer, they were laughed at, called alarmists, and accused of being members of the selfish Farm Bloc, interested only in making a profit out of the war and causing destructive inflation.

Our so-called experts advised the Nation that we would never have a food shortage; that we could feed our allies and the peoples of occupied territories without having to adjust our belts. They told our people that we could keep down inflation by placing a ceiling on consumer goods, by keeping down the price of food at its source without including other major factors making up the price of the finished product. The people were led to believe that we could pay any price for war materials without affecting the cost of living and without diminishing the food supply. This war was to be different from all others. We were all to enjoy unheard-of prosperity without giving up any of our social gains. We would be able to pay fabulous wages to our shipyard workers, aircraft workers, and all workers in war plants, sell them bonds with which to pay their wages, and everybody grow fat and live a life of luxury during the war. To make us conscious of the war we were supposed to give up a cup of coffee, a little sugar, have our tires inspected and fill out some senseless questionnaires, but we would all come out of the war rich, never have to work again, and as a reward for our terrible sacrifices, we would be considered by future historians as missionaries who carried to the farthest reaches of the earth the benefits of the "four freedoms," without the recipients having to work or pay for those benefits.

Our industrial workers have been led to believe that during war they should have the best housing available, the best furniture, the most up-to-date facilities, the best food, the best clothes, and a community nurse to look after the children while mamma goes shopping or has her hair waved. Mind you, this was not the idea of our patriotic workers, but the idea of our superduper planners.

When the farmers asked for parity for their commodities they were accused

of impeding the war effort. When they wanted to figure the price of their own labor in the cost of their products, they were attacked by the administration, the press, radio, and the public in general. It was generally believed that the farmer was one person whose status would be undisturbed by the prosecution of the war. He would be satisfied with an annual income of less than $1,000, but unfortunately for the wonderful dreams of our planners, some of the farm boys wandered from the soil and discovered greener fields.

What is the cause of our pending food shortage? Many answers have been given. Some say that selective service is responsible. The proponents of this theory believe the solution would be to permanently defer all farm labor. Our military authorities say we need a much larger Army to win the war. They say that without sufficient men to bring the war to an early end, we will lose thousands upon thousands of lives that would not be lost otherwise. Some authorities suggest our city populations be sent to the farms to harvest crops. The farmers come back with the argument that the curbstone farmer would be in the way and would destroy more than he harvested.

Our farm women were urged to take up the hoe and the guano strewer. The proponents of this idea did not know that the farmer's wife has always worked in the field and around the barn. She cannot leave her little ones at a nursery school while Bossie is being milked or when she is dodging roots in a new ground. Her little ones are taken to the field without benefit of a warm bottle every few hours and without the advantage of a playground supervisor. When the little ones get large enough to eat raw turnips, work is found for them to do around the farm. On a farm everyone works, but under our present system we figure meager parity wages for only one person.

Still other higher authorities suggest that the farmer be drafted; that is, mobilized for total war, and give up his farm and go from farm to farm where labor is needed. Proponents of this view lose sight of the fact that the farmer is the only true rugged individualist still in existence. All of the panaceas yet offered fail to take weather into consideration. They have forgotten the droughts, floods, pests, and winds.

The farmer does not want to get rich out of this war. He has as high or higher proportion of sons in our armed forces than any other class. The blood of his sons has been spilled in every sea and on many lands. He wants his son to have the best food and best equipment available. He is not going to strike for higher wages but if he does not receive a fair return for his products he is going to the munitions factory and feast while the feasting is good. He is human just like everyone else. When the grabbing is popular, he wants his fair share and no more.

If the proponents of farm mobilization are serious about their suggestion, we must begin now to insure fair treatment to the farm worker who will be called from his home to cultivate lands in other parts of the country. We must realize that the farmer is a skilled worker. Beans, peas, peanuts, corn, wheat, cabbage, and other foods do not grow by merely placing a seed in the ground. They must be cultivated by a person who knows when to plow deep, when to scratch the top soil, and when to thin them. Under total mobilization we must pay him by the hour on the basis of 40 hours per week and time and a half for all overtime.

When you men who live in cities eat a nice steak, pork chop, chicken, or roast leg of lamb, you do not realize that the man who grew it for you got up at four in the morning to feed it, sat up with it during freezing nights when it was young to prevent its mother from killing it, worked all day in all kinds of weather to grow feed for it and prepare it for market. You do not realize that this same animal gets hungry on Sundays and holidays and must be looked after as much as on any other day. There is no 5-day week on the farm. You do not realize that the producer cannot pay $4 per day to his hired hands and be able to sell the animal at the price you are now paying for it.

The farmers are not all going into the Army. A larger percentage of those who have left the farms have gone to munitions factories where they can make from ten to fifteen dollars a day, work 8 hours and have Sundays and holidays off. If you paid the skilled farmer a comparable wage, he would be making a minimum of $20 per day. Of course, the farmer is not asking for such a fabulous increase. He is willing to work. All he wants is a fair return for his labors and equality of sacrifice. Is this asking too much by the man who means the difference between famine and plenty? He will not stand for being drafted to work on the farm unless you treat him the same as the industrial worker. The farmer will live, but does he owe us a living? Remember who is responsible for our fearful plight before you condemn the farmer.

Mr. BLOOM. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. HOLIFIELD].

Mr. HOLIFIELD. Mr. Chairman, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include a resolution from the Board of Supervisors of the County of Los Angeles, Calif.

The CHAIRMAN. Is there objection to the request of the gentleman from California [Mr. HOLIFIELD]?

There was no objection.

Mr. EATON. Mr. Chairman, I yield such time as he may desire to the gentleman from Wisconsin [Mr. O'KONSKI].

Mr. O'KONSKI. Mr. Chairman, one of the major occurrences of international importance will take place May 9, at Superior, Wis., when the Dionne quintuplets will christen five ships to be launched on that day by the Walter Butler Shipbuilders, Inc.

This shipbuilding company, through the efforts of its public-relations director, Aaron Litman, succeeded in putting over the greatest launching program of all time. So successful has this shipbuilding company been, through the alertness of Aaron Litman that in the entire Nation, and especially here in Washington, questions are being asked how in the world did Superior succeed in putting it over the entire country. The coming event at Superior on May 9 has not only the city of Superior all "agog," but the entire Nation as well.

This program which will be put on by the Walter Butler Shipbuilders, Inc., with the aid of State, National, and international officials will really be a United Nations rally. The fact that the Dionne quintuplets will christen the five ships to be launched, the fact that the chief Canadian officials will be present, the fact that representatives of many of the United Nations will be present, and the fact that the national officials in Washington are planning an elaborate journey to that event gives May 9 a date of international meaning.

For many reasons a better city and a better shipbuilding company could not be found to sponsor such a program. The Walter Butler Shipbuilding Co., Inc., through its president, Robert Butler, who is the powerhouse behind the whole idea, deserves the honor which is going to be given them. Robert Butler has established the fame of being one of the greatest shipbuilders in America. There is no graft, there is no dishonesty in the building of ships when Robert Butler builds them. Fortunate, indeed, is the city of Superior in having such a leader, and fortunate is our country in having such a shipbuilder. There is nothing but satisfaction evidenced in Washington regarding the shipbuilding efforts of the Walter Butler Shipbuilding Co. As far as the management is concerned, it is tops in the Nation, if not in the world. What better concern could be had for such a great occasion?

And the same thing must be said about the labor in this Superior Shipbuilding Co. The head of the Lakes Shipbuilders Joint Council through its chairman, Holger Modeen, are going to make May 9, Labor Victory Day and rightfully so, because these five ships are a gallant monument to the cause of labor which built those five ships. Every day you and I, ladies and gentlemen, hear criticism of labor, but not one iota of criticism can be hurled at labor in the shipbuilding industries in the city of Superior. During the entire lifetime of that shipbuilding company, there has not been a single strike or even a threat of one. During all this time in the city of Superior there has been not a single hour of work stoppage. During all this time in the city of Superior there has been nothing but unity in our war effort. As a consequence the shipyards in the city of Superior are far ahead of production schedules; and on top of that the shipbuilding unions have established an enviable record in the purchase of War bonds. What a great country we would have if labor all over the United States of America could point to the enviable record of organized labor in the city of Superior.

To top off their 100-percent Americanism, the organized labor in the city of

Superior is using May 9 as Labor Victory Day, and organized labor in the city of Superior is proposing that each and every shipbuilding employee give one full day's pay into a fund for the purchase of a shipload of food for war-stricken Europe. This fund will exceed approximately $50,000 and organized labor in the city of Superior is proposing that one of the quint ships christened on that day be used to send this $50,000 carload of food to war-stricken Europe. Ladies and gentlemen of the House, I challenge any Member to produce a better labor record than this which is found in the city of Superior shipbuilding companies. Not only do they refuse to strike in this time of war, not only do they refuse to slow down or to cease work in this time of war, not only do they refuse to issue threats in this time of war, not only do they buy an unbelievable sum of War bonds each month during time of war, but here we have an example of where they propose to go even further and donate one full day's wages, which will amount to about $50,000, to buy food and ship it to war-stricken Europe. I again issue the challenge to any Member of this House to find me a place where labor has a better record than that. The labor organizations in this shipbuilding company, I understand, are affiliated with the American Federation of Labor. I take my hat off to them and I am sure that every red-blooded American citizen will do likewise.

Yes, May 9, 1943, will be a big day in Superior. It is an example of what capable and honest leaders and 100-percent American laborers can do for their country.

So that the Members of this House might become further acquainted with the coming big event May 9 to be held in the city of Superior, I am asking permission to reprint a letter which I have received from the head of the Lakes Shipbuilders Joint Council and also an editorial which appeared recently in the Superior Telegram of Superior, Wis.

The matter referred to follows:

HEAD OF THE LAKES
SHIPBUILDERS JOINT COUNCIL,
Superior, Wis., March 4, 1943.

HON. ALVIN E. O'KONSKI,
Member of Congress,
Tenth District, Wisconsin,
Washington, D. C.

MY DEAR SIR: Local shipyards in Superior will launch from five to eight ships on May 9. This should achieve a world record for multiple launchings in one port on 1 day. To celebrate this event, the Dionne quintuplets will make their first visit to the United States in order to sponsor five sister ships in a "quint launching" at the Butler yards, and the local Shipbuilders Council, representing union labor, has declared that May 9 will be Labor Victory Day.

It is the hope of our committee that Labor Victory Day will commemorate a real day of victory in the battle of production, and a day of which laboring men everywhere will be proud. In the past labor has received some unpleasant publicity, but on this day, it is our hope, labor will receive some recognition of its cooperation with management. Here in Superior, for example, there has not been one strike, nor one work stoppage, in our entire shipbuilding war effort. As a consequence, our shipyards are far ahead of production schedules, and, in addition, the shipbuilding unions have established an enviable record in the purchase of War bonds.

To make Labor Victory Day amount to something more than just another name-observance day, to give it some tangible expression, all shipbuilding employees will donate 1 full day's wages into a fund for the purchase of a ship-load of food for war-stricken Europe. We estimate that this fund should approximate $50,000, and it is our hope that one of the "quint ships" may be secured to carry the cargo, thus underlining the fact that the supplies are from the workmen of Superior to the starving families of oppressed workingmen in Europe. In this connection, we have a real need for your support.

In general, we would appreciate any publicity which you may be able to give our enterprise. In particular, we would like you to approach the National Headquarters of the International Red Cross on our behalf. Will you kindly advise us of their attitude? Finally, though we are entirely willing to turn the whole problem of transportation over to the Red Cross, we definitely feel that local community support would be stronger, and the publicity value greater, if we could secure one of the "quint ships." These freighters from the Butler yards happen to be earmarked under lend-lease for Great Britain. After consultation with the Red Cross, we would appreciate you contacting the British lend-lease officials, the American State Department, or any responsible parties who would be in a position to give us an opinion on the feasibility of this plan.

Though we realize that this is asking you to do a great deal, we believe that you will agree it is for a worthy cause, and we assure you of our geniuine appreciation for anything you may do for us.

Respectfully yours,

HOLGER MODEEN,
Chairman, Superior Shipbuilders Council.

[From the Superior Telegram of March 6, 1943]

THE QUINT FLEET

May 9 is more than 2 months ahead, but already Superior is eagerly awaiting the arrival of the famed Dionne quintuplets to christen five ships to be launched on that day by Walter Butler Shipbuilders, Inc. The quintuple launching undoubtedly will be the greatest event that has ever transpired in Superior. That is saying much for a city that has on several occasions been host to Presidents of the United States. Outstanding among these was President Calvin Coolidge, who established a summer white house in Central High School. There have been other internationally known celebrities who have focused attention upon Superior, such as Crown Prince Olav and Crown Princess Martha, but important as these celebrities have been, the Dionne quintuplets have a world-wide appeal all their own. What these five girls say and do in Superior on May 9 will strike a responsive chord in every part of the globe. The Dionnes are the only quintuplets in existence, and Superior will be the first city outside of Canada to be honored by a visit from them. Even in Canada they have been away from home only on two occasions.

But equally significant is the fact that by christening five vessels at the Butler yards in Superior, the quintuplets are aiding the war program of the United Nations immeasurably. When these ships splash into the waters of Lake Superior, the whole world will know it. The vessels will become symbols—they will emphasize the combined effort the allies are extending to win the war against the Axis.

It goes without saying that Superior is indebted to the Butler organization for the international recognition the city will receive by the ceremonies on May 9. And to Robert Butler, president of the firm, is due individual credit because he is the man who is the powerhouse behind the whole idea. The quintuple launching naturally has gained him many new friends in Superior, but he had already won the warm regard of the community even before the idea was conceived.

Robert Butler is today recognized as one of the Nation's top-flight construction men, playing a major role in the wartime building program of the United States. This dynamic man maintains offices in New York, Miami, Oakland, Calif., St. Paul, and Superior. His governmental contracts run high into the millions. The whole Nation has read of the work he has done on such projects as the Farragut naval training station in Idaho where he employed as many as 25,000 men, of the Army arsenal at Huntsville, and many other notable contracts. In Superior, he has established a reputation as a leading shipbuilder. The ships under construction in Superior will go to Great Britain under the lend-lease program. Thus, vessels from the Butler yards will demonstrate to the world how the United States is helping to bring the war to a successful conclusion.

Those who know Robert Butler attribute much of his success to a vast reservoir of kinetic energy which sets into motion all the forces of his organization. Loyalty is a watchword among his thousands of workers. It is apparent that he has at his fingertips an up-to-the-minute comprehension of the functioning of his plants, regardless of where he may be located.

Fortunate is the community that gains Robert Butler as an industrialist. He immediately makes himself part of that community. Of that there is ample evidence in Superior. And busy though he may be, he finds time to share the enthusiasm of his employees. This was well demonstrated Thursday night when he and Mrs. Butler made a special trip to Superior to attend the home-talent production of Abie's Irish Rose staged by the shipyard employees. Mrs. Butler possesses the same democratic and enterprising qualities as her husband. A point very much in favor of the Butlers is their ideal family life.

The Telegram joins in congratulating Robert Butler for a most unique idea in ship launchings. Superiorites are sure that after the Dionne quintuplets have christened the five Butler vessels, it will be an event that won't be remembered just for a few weeks, but will go down in history as long as ships are built.

Mr. BLOOM. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. KLEBERG].

Mr. KLEBERG. Mr. Chairman, I recall the situation on this floor when the original piece of legislation came up for the first time, a time before this country was involved in war, at a time, however, when with the usual perspicacity and intelligence of the American people this measure was adopted. We have had time since then not only to see the horrible results of this mass malignity which has spread over the world but at the same time to be heartened by the results that have come from the entry of the United States into this conflict, a total war, in a totally American way.

In this debate no one has said or even ventured a guess as to just how many American lives might have been saved, and have been saved, by the passage of this legislation when it was passed. No one can say what this legislation is going

to mean not only in saving life but in the expeditious and successful conclusion of this horrible war. Of course, any thoughtful person knows that a Chinaman will fight harder in China and for China than any other person. The same is equally true with reference to the Russians. The same is true in the case of any of the peoples of our allies who are attacked, even those who have been overthrown. The combination of American armies, of American forthright generosity and of the generous expenditure of American funds goes away back deep into the history and hearts of our people.

This bill is typically a product of the United States of America. There can be no doubt in the mind of any person, after hearing the expressions on the floor this afternoon concerning the administration of this act, but that it has been administered in the American way by an able American. There can likewise be no doubt but that it would be bad judgment on the part of this Congress to cavil among ourselves concerning what might be termed either the fruits of victory or the protection of American investment. America has invested in this war her everything. There is no young man in Guadalcanal or in Africa or elsewhere from the United States of America who does not have with him in spirit the solid backing of every true patriot and thoughtful citizen of the United States. A vast majority of our men who possess even one leg, were it the best way to defend our country and could they be there with him, would be with him wherever he is and take whatever is dished out to them as he will take it.

In the matter of winding up this debate and passing this bill, let me say to you as one who was raised as a boy out in the cow country, in camp, that we in this House have for a long time almost lived the life of a cow hand. You stay so long in camp, you see the same faces so regularly every day, you eat the same stew whenever it is available, not often enough, but you always have beans. We always have debates. We always have sourdough in camp. We have sourdough in a different form here.

Let us not be "sour pusses" about this thing. Let us look the facts in the face and recognize that this war is at its very penultimate height. The Members here, charged with voicing what the people of the United States would express, must approach and act on what they say in the spirit of these times. They must guard what they say just as they would a military secret. Dissension as it spreads is just like rot spreading from a rotten apple in a barrel.

For my part, I have the deepest of hope that the debate on this bill will not be marred by anything that will mar the cohesive, determined coalition of Allied peoples that are fighting not only for what each of them at home prizes, their respective liberties at home, but truly in the broader and more effective vision for the basic, fundamental things; standing by each other to the bitter end to see to it that the unholy, godless, ruthless, selfish, regimented, driven might of men's brains and arms and legs shall not overcome free enterprise, free expression, and the right of a man, wherever he lives, in whatever country he lives, to live as the majority of those in his homeland would like to live and in a way that they accept.

As to this matter of saying, "We are not getting enough out of this, we ought to insist now that we may be able to have some things after the war," that never occurred to us before the war, and it seems to me to be as definitely out of place as a fellow on a football team continuously being offside, with the umpire continually, as a consequence, moving the team back. When they cannot move the team back any farther than the goal itself, which would happen here if we followed that practice, then they are in a tough spot.

We know that this is a total war. We are in it totally, completely. This is the time to give our best in our best way. How do you think we would fare if Eisenhower and Montgomery would stop to argue over who would get the credit for the winning of a battle while the battle was at its height—Rommel would win it.

We have enough trouble here on the home front to straighten out without holding up aid to those who are on the actual fighting fronts.

If we adopt the attitude of haggling over returns for expended contributions, we are apt to find the price not just lost yardage, or a lost battle, but the loss of the game, the loss of the war, the loss of everything we hold worth while.

If our team mates are discouraged and lose faith, they and we lose all. This is our war as much as theirs. We can expect, in honor, just reward in accordance to how we play this desperate game, with all at stake if we fail.

The gang that are fighting together in this war are entitled not only to the most effective and generous aid this Nation can give but to know our continued and real feeling, expressed as between comrades in arms, "Old boy, you have fought a good fight. We are with you until hell freezes over, and we do not mean maybe."

Mr. EATON. Mr. Chairman, I yield the gentleman from Oregon [Mr. ANGELL] such time as he may desire.

Mr. ANGELL. Mr. Chairman, I intend to vote for this bill extending the lend-lease law for another year. We are in the war, and we must win. However, to implement this law we must have material, tools, and food. Mr. Chairman, my State of Oregon is an agricultural State. We contribute heavily to the food basket of the Nation. In this critical time, when we are all fighting for the preservation of our country and the American way of life, every citizen, every community, and every industry must be mobilized to help win the fight. Those in charge of our war program are face to face with the critical problem of providing necessary food with which to feed our men in the service, care for the minimum needs of our civilian population, including the workers in our war industries, and contribute, as far as supplies will permit, to the needs of our allies. It is becoming more evident every day that essential manpower to run our farms must be provided, or we will face a serious shortage, if not a famine in food supplies, following the ensuing harvest.

Millions of men have been drained away from the farms of America, either by draft in the armed services or by the lure of high wages and glamor in war industries. The prices permitted to farmers for their products have been wholly insufficient to permit them to compete on a parity with war industries for essential labor to run the farms. Those of us who were raised on farms or have had farm experience know that farm labor must be experienced and semiskilled in farming industries if it is to be effective. In my judgment no one enactment or regulation at this late time will meet the critical problem facing our farmers in the lack of farm labor and farm machinery. There must be a unified effort on the part of all organizations, Federal agencies, and citizens working together to solve the farm problem and make available the necessary farm labor.

The dairy industry in Oregon is of major importance. The mild climate, open winters, extensive grazing areas, particularly in the Willamette Valley and the coastal areas, make of the State an ideal location for dairy herds. Unfortunately, in the past year many of these fine dairy herds are being disposed of and the dairies closed, owing to the inability of the operators to secure efficient and trained help and to secure a price for their product that will permit the operation of their plants without a loss. One of the outstanding dairies in my district which for years has occupied an important place in supplying milk in the Portland area of the highest grade and run on the most scientific and up-to-date methods is now disposing of its herd by auction and discontinuing milk production, the reason being that it is impossible to continue to operate without a heavy loss. This is just one instance which could be duplicated by dozens, not only in my own State but by thousands and perhaps hundreds of thousands throughout the Nation. The cause is the lack of sufficient experienced help, fair price for the product, and sensible and fair rules for operation promulgated by the war agencies in control.

In Oregon, Gov. Earl Snell has made a forthright, sensible appeal to the high-school students of Oregon and to the people of Oregon to cooperate in helping to find the solution for the farm problem. It is worthy of consideration by all of us dealing with the problem.

According to the authority heretofore given, I include as a part of these remarks this appeal made by Governor Snell, which is as follows:

FOOD APPEAL

(By Earl Snell, Governor of Oregon)

To the high-school students of Oregon:

As the Governor of the State, realizing the world-wide seriousness of the food production problem, I make this appeal to you, particularly of the rural high schools, to stay on the farms this summer and to make yourselves felt in the food production of Oregon as an aid in winning the war.

I am aware that you could find work in other places, where you might feel yourselves more a part of the war program, but let me say to you very seriously that a big part of this war is being fought on the farms. Moreover, farming takes special skills and specialized services such as are being sought to advance the cause of the United Nations.

The food you and your brothers, sisters, and parents help to produce will provide for home needs, for the people of the State, and will add to the food supply of the world. Older brothers and many fathers are "frozen" in their occupations, some of them on the farm. You are not. But please remember that when men are giving their lives elsewhere, you can give services in the production of food.

Postpone other plans. No other boy or girl can take your place at home, and if you stay and work and produce you will not be crowding the means of transportation; you will not be complicating the employment situation; but you will be doing your part as a patriot in a truly important phase of the war and still be ready for other duties when the time comes. Your country needs you most, now, on the farm.

Mr. EATON. Mr. Chairman, I yield 10 minutes to the gentleman from Wisconsin [Mr. SAUTHOFF].

Mr. SAUTHOFF. Mr. Chairman, the original lend-lease bill passed the House of Representatives February 8, 1941. I appeared against this bill and voted against it on the grounds that it constituted an undeclared declaration of war. I had some outstanding witnesses as authority for that position. Some of the prominent advocates of the intervention of the United States in the war at that time appeared before the House Committee on Foreign Relations and expressed themselves unhesitatingly in favor of the Lend-Lease Act on the grounds that if the act was passed a declaration of war would not be necessary. I had no intention to isolate the United States from her intercourse with foreign relations, but I did have the purpose and intent to isolate the United States from a Second World War. Under conditions then existing, I felt that the passage of this act would be a mistake. However, those conditions do not obtain at the present time, and therefore I shall cast my vote in support of the bill.

Two years ago we were not in war. Today we are.

Two years ago we were unprepared. Today we are.

Two years ago our Air Force was practically nonexistent. Today it is second to none in the world.

Two years ago we had no American boys on foreign soil. Today we have over 1,500,000 American boys on foreign soil, and we will have several million more before this war is over.

Our fighting ships sail the seven seas, while our airplanes are to be found hovering over every continent and the seas that wash their shores.

What is the reason for this? It is because our country is united with some 30 other nations in a desperate struggle with the Axis Powers, and this struggle must be fought to a successful conclusion. The President has found the defense of 43 countries to be vital to the defense of the United States. Those countries are, therefore, eligible for lend-lease aid. Many of these countries, like Russia and China, have sufficient manpower but lack the proper mechanized implements, such as tanks, aircraft, motor vehicles, and so forth, and they look to us for the production of these materials to aid them in their fight with the Axis Powers. It will mean the saving of the lives of hundreds of thousands of American boys if we furnish this material and put into use the gigantic manpower of China and Russia. For every Chinese boy and every Russian boy who would battle on the front against these powerful foes, there would be two American boys who would not have to take their places. Therefore it is vital and it is urgent that we furnish everything we can spare to Russia and China.

In addition to the foregoing, we have been called upon for vast quantities of munitions, ordnance, aircraft, motor vehicles, and watercraft to the United Kingdom, and we have also furnished her with 10 percent of her food requirements under lend-lease. The United Kingdom depends to a great extent upon importations to feed her population and maintain her armed forces. This food, to a great extent, must be obtained from the outside, and this we are furnishing to the best of our ability.

In addition to aiding our allies with munitions and food, we have deemed it a wise policy to aid peoples in territory occupied by our troops with all the food we can spare, so as to create and maintain a friendly attitude. Take the case of northern Africa where our forces are waging a terrific fight with the Afrika Korps under General Rommel. If the Moroccan chiefs should be unfriendly to our forces and should attack us from the rear, it takes no vivid imagination to picture what the results would be. Fortunately we have won the friendship of the Moroccan chiefs with timely aid in the matter of food to their peoples, and it is highly essential that we maintain that friendly attitude.

A similar situation exists in Spain. If Franco's forces should join with Hitler and cut off our supplies to northern Africa and attack our boys through Morocco and Algiers, our forces would be in grave danger. Therefore, we maintain a friendly relation with Spain by furnishing her with all the food and other supplies that we can spare.

From the foregoing, we see the necessity for maintaining a stream of supplies in both armaments and munitions of war, and also in the matter of food, to not only belligerents fighting on our side but also to occupied areas friendly to our people. In this respect we enjoy a much better position in Europe than we do in the Far East. The tremendous distances in the Pacific, and the long water routes over which we must transport both men and munitions and supplies makes our problem manifoldly more serious in Australia and the East Indies than in other theaters of war.

We have a gallant ally in China. The Chinese have waged an unremitting struggle against their ruthless and aggressive invader for more than 5½ years. That struggle has been maintained under most adverse conditions. When they could not fight in the air, they fought on the ground. When they had no guns, they used swords, scythes, and knives. When they did not even have these, they fought with stones and clubs, but never for one instant did they slacken their efforts or lay down and quit. The small dribbles of supplies which we were able to send over the Burma Road have frequently been interrupted by heavy bombings of that highway, which damage was repaired by the courageous Chinese as quickly as it occurred, with pick and shovel when they had them, and when they did not have them, with their bare hands.

The fight of the Chinese Nation against the Japanese and their mechanized units will go down in history as one of the greatest and most courageous struggles ever fought by a peace-loving people against fearful odds.

ASIA SAVES EUROPE

It has been truly said that "Asia has saved Europe." When Russia was invaded by Hitler and his hordes, the Russions were forced to retreat almost to the Ural Mountains. As they retreated, they dismantled their factories of their machinery and transplanted them on the Asiatic side of those mountains. Their achievements in that respect have been amazing, and they have fought so fiercely against the ruthless invader that they have clipped Hitler's wings so that he will never soar again.

The Chinese have kept the Japanese occupied to such an extent that the latter have not been able to carry out their well-laid plans for Asiatic conquest. As a result, it may well and truly be said that China in blocking the Japanese, and Russia in blocking Hitler, that Asia has saved Europe.

Unfortunately, only about 20 percent of the lend-lease supplies have gone to these two nations.

LEND-LEASE AID

Let us examine the record. According to the report of the House Committee on Foreign Affairs, from the date of the approval of the Lend-Lease Act in March 1941 to February 1, 1943, the United States has transferred goods and services under lend-lease to the total amount of $8,935,000,000, of which goods valued at approximately $6,500,000,000 have been exported. Most of these goods arrived at their destination in spite of submarine menace.

United Kingdom: As of December 31, 1942, United States had furnished the United Kingdom, under the Lend-Lease Act, with articles and services to the amount of $3,959,950,000. This aid includes all types of goods and services.

Soviet Union: Since the autumn of 1941, we have supplied the Soviet Union, under lend-lease, with goods and services valued at $1,532,230,000. We sent the Soviets almost 2,600 planes—over 3,200 tanks—and 81,000 trucks, jeeps, and other motor vehicles. During the same period, Britain sent Russia more than 2,000 planes and about 2,600 tanks.

China: To December 31, 1942, the aid to China amounted to the trifling sum of $156,738,000.

This amount is pitiably inadequate. Those of us who feel that Japan is a more

serious menace than Hitler think that China should be given every possible aid, because China has an almost inexhaustible source of manpower and can drive the Japanese into the sea, if and when she has the machinery with which to fight. The handful of troops that we now have in the islands of the Pacific cannot possibly get anywhere in the present struggle, nor will it be of any advantage to us to pick off a dribble here and a dribble there as we did at Guadalcanal. To reach Tokyo by these means is much too slow and the cost in men and munitions would be enormous. How much simpler and easier for us, if we furnished the tools to the Chinese and let them do the rest. Furthermore, with the Japanese driven out of China, we would have the advantage of land-based air power with which we could destroy every city in Japan of any consequence; destroy every factory; destroy all of her shipping, her Navy, her docks, and her railroad yards, her fortifications, and her armaments. We could devastate the Japanese Islands from one end to the other and leave her a barren waste, if we felt so inclined.

It must be remembered, and this fact is frequently overlooked, that the Japanese have conquered more territory and have come into possession of a much greater supply of critical war material than Hitler has with all his much publicized invasion of defenseless peoples in Europe. Great sources of tin, rubber, and oil, so necessary to modern warfare, are dominated completely by Japan. If she is permitted, through delays, to entrench herself, it will take years and cost millions of lives before we can drive her out. Therefore, we believe that it is vital to our own interest, to the preservation of the lives of our American boys in vast numbers, to the saving of years of time and billions of dollars, to smash Japan before she gets set.

Mme. Wellington Koo, wife of the Chinese Ambassador to Great Britain, has suggested the imminent danger of aid to China being too long delayed.

> The relentless pressure of war which makes itself felt in hunger and cold and worthless money, the grinding burden of increasing scarcity are more dangerous to the cause of the United Nations than the Japanese.

It would be disastrous to us if China were put out of the war, either by her enemies or through her economic collapse.

To date China has only received 2 percent of lend-lease materials, nearly all the rest going to England and Russia. Of this pitiful 2 percent, only about one-half ever got to Burma, and of that amount only one-half got to the Chinese forces in China. Not a pound of food has been sent to China although there is much starvation. Such supplies as did get to China were made up of war equipment and medical supplies. It would seem that the fighting forces of Russia and Great Britain are sufficient to take care of Hitler. Then why not bend our energies to aid the Chinese, who are becoming thoroughly disgusted with us and resentful of our attitude? After all, China is the only ally we have on the Pacific, and we ought not to sacrifice her good will, because we are going to need that good will for generations to come.

If China's economy should collapse, or if Japan, seeing the benefit of such a course, should make peace with China, just think of the years of fighting we would have ahead of us to drive Japan out of the East Indies and the Philippines. Of course, we could always make peace with Japan and leave her the territory she has already taken, but such a course would be stupid in the extreme, for it would mean building up a very powerful, formidable, and ruthless foe who hates us with a fierce and burning hatred that will mean our eventual destruction if we do not take care of her now. And so I urge that we help China now with everything possible, not only for the building up of China's morale, but to make it impossible for Japan to entrench herself in invaded territory.

CONCLUSION

Many of the Members of this Congress are fathers and mothers of boys now in the armed services of our country. Every one of us, irrespective of party, wants to see the American boys now fighting abroad returned to their homes as speedily and as safely as possible, and after they have been returned we want for them, and their children and their children's children, a world that is safe from terror and brutal aggression.

In that post-war era, especially immediately following the close of hostilities, lend-lease can be invaluable in establishing the best of relations with foreign nations. It can aid in the collection and distribution of food to starving peoples abroad. It can aid in giving medical supplies to those sorely afflicted. It can aid not only in rehabilitating the casualties of this war, but also in restoring seeds for the fields and machinery for the factories in the pursuits of peace, and can give much needed aid in stabilizing the currency of those nations whose economy has been wrecked by the devastations of a total war.

Mr. EATON. Mr. Chairman, I yield 10 minutes to the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Chairman, we have just listened to an eloquent speech by a wise and fine soldier, a veteran of the First World War, having a background of experience which makes his message decisively penetrating and especially significant for us at this time. I know all of us in this House have in mind the veterans of this war, their strength, their heroic deeds, their sacrifices, their suffering, and the tears and heartaches of those at home. America today has many men in many lands. They are not being held back for that is not our way. Millions strong the Yank is going all-out to win this titanic struggle, not stay back and permit somebody else to do his fighting for him. No one knows which country, before the war is over, will suffer the most in blood and sweat and tears, but you know and I know our forces are made of a fearless combination of bone and muscle and determination. We are doing our share and the world knows it.

America today carries the burden of winning this war for ourselves and our allies. Our responsibility demands fighting men, working men, and equipment. If we should fail to provide these our allies would be doomed to defeat. Let no country and no person fail to recognize that fact. They must not fail to recognize this fact in the years to come.

I think lend-lease has a great deal of genius in its inception. I understand that the President of the United States formed this plan. It constitutes the essence of leadership. It saved England and is saving Russia and China. It fails, however, in one very important element. It fails to protect America. This fact was brought to the attention of Congress many times in the initial consideration and Congress refused to write into this legislation any protection for America. It is my duty as a member of the committee and as an American to again bring this fact to the attention of Congress. When lend-lease came up for action in the beginning, I strongly favored it as a means to an end but I believed then and I believe now that we should write into the bill protective factors for America in the form of agreements to provide America with certain vital property rights on the part of those countries having such property, for the materials and equipment necessary to save them from defeat, willingly provided by our industries and capital. And need I say that this capital comes from the pockets of every citizen of America. We not only had a right then but we have a right and duty now to demand something for that which we are giving. It is our duty to protect America in the same way as other countries consider it their duty to protect themselves. I voted in committee for this measure, to continue lend-lease, but I should like to have written into this bill some measure of protection for America. Our men throughout the world are fighting for America. Our job is to do our fighting here. If lend-lease stopped tomorrow Britain would go down, so would China, so would Russia. Is it not worth something to be saved?

It is my hope that Members of the Congress during the consideration of the bill this time, will make some protective amendments. On several occasions we have failed to take advantage of efforts on the part of some of the countries to return good will. Some countries have offered things we did not accept, in reverse lend-lease. For example, Russia has received a great deal of food and munitions, and in the early days offered us a very important and valuable secret formula for synthetic rubber. America did not accept. I wish that those vested with the authority had accepted the formula. We need it.

Everyone has nothing but praise and good words for Mr. Stettinius, the able Administrator of Lend-Lease. I say to the House today that before he was Lend-Lease Administrator he made very

valuable suggestions as to what should be done regarding our supply of raw materials such as aluminum, and so forth, and we owe him a great debt of gratitude. I wish his recommendations had been followed. I wish he had more final authority in carrying out the provisions of this act.

Now I am going to mention one phase of lend-lease, and it is very controversial, but I think it is my duty to do so. I know Members agree with me that it is not the measure of success that they may have had in the Congress, or in their work that they think about, but it is the failure to have taken some action that would have been beneficial to the Nation. Those are the things that haunt us. We have read a great deal about air bases. I suppose that there is very little real protection in agreements which we now have, so-called gentleman's agreements, if you may so regard them, even so far as the 99-year leases are concerned. These were made as a result of giving away much-needed destroyers, ships, to England. Upon looking at the Atlantic Charter it is to be noticed that it is a joint declaration of the President of the United States and the Prime Minister of England, Mr. Churchill. We discover that neither England nor the United States seeks aggrandizement nor do they desire territorial changes, and so forth, and furthermore it is stated that England and the United States will endeavor, with due respect for their existing obligations, to further the enjoyment by all states, great or small, victor or vanquished, of access, on equal terms, to the trade and to the raw materials of the world that are needed for their economic prosperity.

Quoting the seventh principle of the charter:

> Such a peace should enable all men to traverse the high seas and oceans without hindrance.

There is no mention of commerce by air. I should like to point out that in Senate Resolution 91, introduced by Senator GILLETTE, which he introduced for the purpose of having a treaty, embodying the pronouncements of the Atlantic Charter by President Roosevelt and Winston Churchill, in the last paragraph on pages 2 and 3, it provides for a just and equitable collaboration by all signatories, to secure for all nations economic advancement, improved labor standards, social security, and access on fair and equal terms by all peoples to the raw materials and the international commercial channels of the world.

This would include, of course, air commerce, which was omitted in the Atlantic Charter. In the joint charter declaration of President Roosevelt and Winston Churchill the seventh common principle stated in the charter reads: "Such a peace should enable all men to travel the high seas without hindrance."

Mr. Chairman, we should constantly stress the feeling and determination that the United States shall be allowed to use these air bases for which we have loaned money. We must demand that our rights and privileges be observed. You will remember the controversy that has been going on between England and the United States, which England started in debate in Parliament by speaking her determination that the United States should not become strong in air commerce. I should like to call the attention of the House to a statement by Lord Stanley, Minister for the Colonies. He said, in effect, that he wished it distinctly understood that he, as the Cabinet member for the colonies, would brook no interference and no suggestions as to how the colonies were run or what took place in those colonies in any way whatsoever. The British Empire belongs to the British and it is no business of America how the empire is to be managed. It was throwing down the gauntlet, Mr. Chairman.

What chance would the United States have for air commerce if Mr. Stanley's ideas were carried out? Certainly we are not going to throw away our opportunity for the pursuance of our trade, Lord Stanley should know that.

Conferences should be arranged with our allies immediately in order that the country will know exactly the position of the United States in regard to her air commerce, in regard to the protection of her trade, and to find out exactly what Great Britain or any other of the Allied Nations has in mind. The Congress must be constantly on the alert to safeguard the economic life of our country.

Mr. EBERHARTER. Mr. Chairman, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield.

Mr. EBERHARTER. I wonder whether the gentlewoman is familiar with the clause that is in article 7 of the master agreement entered into between Great Britain and the United States, which provides for the elimination of all forms of discriminatory treatment in international commerce? That is one of the master agreements. It seems to me when they say "international commerce" it means air commerce.

Mrs. ROGERS of Massachusetts. The gentleman knows that has no binding validity in law. The United States should have more than a master agreement. It should have a treaty that protects its commerce.

I shall vote for a continuation of lend-lease, with the hope and prayer that it will help as speedily as possible to end the most horrible war that the world has ever known.

The CHAIRMAN. The time of the gentlewoman from Massachusetts has expired.

Mr. EATON. Mr. Chairman, I yield 10 minutes to the gentlewoman from Illinois [Miss SUMNER].

Miss SUMNER of Illinois. Mr. Chairman, I have hastily jotted down some comments upon a phase of the lend-lease policy which has worried me deeply.

To fight a war, I suppose, you have to get yourself into a hip-hurrah mood of enthusiasm. In your attitude toward allies in the common cause you are somewhat like a suitor in the moonlight who is apt to make vows he may later have to repudiate in the daylight of a courtroom or more like a man with a suffering wife who says to the doctor, "I'll give you anything I have to save her," but later fights against paying gross overcharges.

I am worried about the statements made by various personages in the hearings, echoed in the report, to the effect that we are pooling all the resources of the Allies, letting anybody get what they ask for, because, it is said, there is no sacrifice we would refrain from making in order to win the war. I quote Mr. Stettinius, page 11:

> Mr. STETTINIUS. No, it is not a trade. It is a pooling of resources, a pooling of manpower, a pooling of our strength. It is the spirit of the thing, Mrs. ROGERS, that I think has the tremendous weight. I feel that Major Spiegelberg, when he talks to you, will impress you tremendously with the spirit of the British effort. For example, British officers were assigned to his office in preparation for the North African campaign, with instructions, "Anything you want that we have, we will give you."
>
> We have kept from all the transactions anything of the spirit of commercial trade.

That is too broad a statement. I wish to make it clear that some, perhaps many of us, on this floor who will vote for lend-lease are not thinking of the war alliance in quite those munificent terms. There will be elections. The majority of the American people may want to repudiate any commitment, concession, or donation to foreign countries that was not reasonably necessary to win the war. The people have that right.

The attitude expressed in the hearings which I criticize takes the position that we are partners with the Allies. Careful people, when they enter partnerships, draw up contracts specifying exactly how much share each partner has in the partnership assets as well as his share in the mutual obligations. A rich man does not want to go into partnership with a beggar on a 50–50 basis, he needs contract protection against the beggar's lifting all the assets out of the partnership. I think that it is not the intention in this war alliance to say to other countries, "All you have is ours, all America has is yours." Mr. Churchill wisely indicated in a speech that the partnership did not embrace an obligation for Britain to do things which would have the effect of liquidating the British Empire.

I seem to remember that Britain originated a legal concept in common law which would more nearly express the true relationship between ourselves and the Allies. It is called, if I remember correctly, the limited partnership. The word "limited" placed in the partnership name, for example Smith & Brown, Ltd., gives notice that it is not a partnership where Smith is liable for all demands that may be made on Brown or vice versa, as is the case in some legal partnerships.

That, I think, is the true concept of our war alliance with foreign nations. It is a limited partnership organized for the purpose of winning the war. We do not necessarily feel under any obligation to them to forfeit everything we have. Our attitude is that we wish to do our fair share, yes, our generous share, to

win. The Allies have no right to expect more than that of us. We expect that and no more than that from them.

Mr. EBERHARTER. Mr. Chairman, will the gentlewoman yield?

Miss SUMNER of Illinois. I yield.

Mr. EBERHARTER. As I take it from her statement, the gentlewoman would expect this country only to go into the war in a limited capacity? That is, somebody should say, "We will just go in a little bit, but not altogether." Is that what the lady means?

Miss SUMNER of Illinois. I think the gentleman must not have listened to my speech.

Mr. EBERHARTER. I certainly did. The gentlewoman likened our position to a limited partnership.

Miss SUMNER of Illinois. Right.

Mr. EBERHARTER. We should go in to a limited extent. That is, we should go in a little bit but we should not make an all-out war effort; not use all of our resources as was said in our declaration of war. Am I correct or incorrect?

Miss SUMNER of Illinois. Let us take an example. The gentleman and I are partners. We are building a bridge. The gentleman puts in 20 percent of the assets and I put in 50 percent. We say, "You do 20 percent and I will do 50 percent." Then we find it takes more work than we thought. You put in 10 percent more and I put in my proportionate share more. That is fair?

Mr. EBERHARTER. Should we do that day by day or month by month or year by year? When would we decide?

Miss SUMNER of Illinois. I am sure if the gentleman went into a partnership with me he would try to estimate the amount of work to be done so that we would not have to operate on a day-to-day basis.

The CHAIRMAN. The time of the gentlewoman from Illinois has expired.

Mr. BLOOM. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. GORE, Chairman of the Committee of the Whole House on the state of the Union, reported that the Committee, having had under consideration the bill H. R. 1501, directed him to report that it had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. MANSFIELD of Montana. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks and to include therein a statistical table.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

TO PROTECT TRADE AND COMMERCE AGAINST INTERFERENCE BY VIOLENCE

Mr. COLMER from the Committee on Rules, submitted the following report on the bill (H. R. 653) to amend the act entitled "An act to protect trade and commerce against interference by violence, threats, coercion, and intimidation," approved June 18, 1934 (H. Res. 154, Rept. No. 229) for printing, under the rule:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 653) to amend the act entitled "An act to protect trade and commerce against interference by violence, threats, coercion, or intimidation," approved June 18, 1934. That after debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

EXTENSION OF REMARKS

Mr. KLEBERG. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a very splendid and informative article by Edward R. Stettinius, Lend-Lease Administrator, which will give the House considerable information which not even his report to the committee contained.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include an editorial entitled "Planning for Free Enterprise."

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. VORYS of Ohio. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made in the Committee of the Whole today and to include therein certain quotations.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

LEND-LEASE INFORMATION

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for half a minute to ask a question of the gentleman from Texas.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mrs. ROGERS of Massachusetts. The gentleman from Texas has received permission to include in the RECORD an article by Mr. Stettinius. Did Mr. Stettinius state why he did not give this information to the Foreign Affairs Committee?

Mr. KLEBERG. This article was printed in the American Magazine; it was public property and members of the committee had read it or could read it and avail themselves of it. In this article Mr. Stettinius boils down the situation and presents it in a succinct and very informative way.

Mrs. ROGERS of Massachusetts. It is very good and I am indeed glad the gentleman is going to place it in the RECORD, but I feel he should have given us that information in the committee.

EXTENSION OF REMARKS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. DIRKSEN] may revise and extend his own remarks and include therein certain excerpts and letters.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. TALBOT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a letter written by my colleague the gentlewoman from Connecticut [Mrs. LUCE].

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. ANGELL. Mr. Speaker, I have two requests to submit: First, I ask unanimous consent to extend my own remarks in the RECORD and include certain statements; and, secondly, I ask unanimous consent to revise and extend my own remarks and to include certain excerpts.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. STEVENSON. Mr. Speaker, I ask unanimous consent to extend my own remarks on two subjects: In the first extension to include a letter from a constituent indicating the value of the feed-wheat program to the farmers in the Middle West; and in the second extension to include a telegram I received from the Richland County farmers in my district indicating how much they are wrought up by the present bungling administration in the bureaus in Washington.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. O'KONSKI. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial from the Superior Telegram and a letter from labor unions in the city of Superior.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BENNETT of Missouri. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a memorial from the Missouri State House of Representatives to the Congress of the United States.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The SPEAKER. Under the previous order of the House, the gentleman from Missouri [Mr. PLOESER] is recognized for 30 minutes.

POST-WAR PLANNING

Mr. PLOESER. Mr. Speaker, it is an interesting fact that almost everybody under the sun in this country has been making plans for the world and for America when the war ends—everybody

but the one agency in this country which is most interested and which, in fact, will have to do the planning when the time comes. This is the Congress of the United States.

I have a volume which has just been published which lists 109 commissions, agencies, committees, and associations and institutes which are making plans for America and the world when the war ends.

It strikes me, therefore, that it is about time that the Congress of the United States began to do something about this subject. Unfortunately, the whole subject of planning for the post-war world has been brought into disrepute because of some of the fantastic schemes which have had the most advertising. It has been hurt also by the fact that the very word planning is associated with the philosophy of those who want to run the country and the world by vast armies of bureaucracies and by the baleful institution of executive directives.

I think the Congress of the United States would be very much surprised if it could take a little time to look at some of these plans. Because some of them—and plans proposed by some very influential people in this Government—include stripping from the Congress most of its powers to legislate and to perform its functions under the Constitution.

There are two agencies in the Government that have been authorized to do the official planning for this Administration. One of them is the National Resources Planning Board. The other is the Board of Economic Warfare. The National Resources Planning Board is supposed to be making plans for the United States when peace returns. The Board of Economic Warfare, in addition to handling the war problems of the Government on the economic front, is also planning for the social and economic set-up of the whole world after the war. "Global planning" is the mouth-filling word that is used by these gentlemen to describe their function.

But there is one thing about the plans that are being made by these bodies which ought to excite the apprehension of this House. I think it is a fair statement that what the overwhelming majority of the Members of this House on both sides of the aisle want is some program that is designed to make the present economic and social system work—not a program to substitute some other economic system in its place. I believe—and I feel that every Member of this House will agree with me—that no planning group should be entrusted with this grave subject which starts out with the conviction that the present system is done for, is out-dated and ought to be scrapped. The only result which we can hope for from such planners is a program to destroy our system.

Now, Mr. Speaker, I assert that both these agencies—the National Resources Planning Board and the Board of Economic Warfare, so far as their planning activities are concerned, are convinced that the present economic system is finished. Of course, they do not tell us that frankly. They do not dare to say that to us in the literature they put out. As a matter of fact, they are continually protesting that their plans are all made to rehabilitate the capitalistic system. But if you will go to their writings and addresses and their books, you will find that they have already put themselves on record that our present system is just about all washed up and that the only hope of the free enterprise system surviving is by taking the Government in as a partner. Mind you the Government is to be the senior partner, and, by the way, the partner who will put up all the money.

They have advertised to the world that our frontier is gone, that our population expansion has slowed down to a snail's pace, that our technological development has matured and that there are, therefore, no important inventions or devices or changes in forms of production in sight. Mr. Speaker, I, for one, think such statements are utterly insupportable. I think that no considerable portion of the Members of this House believes that invention and ingenuity and science is done in this country. Why, Mr. Speaker, I read a piece the other day written nearly 15 years ago by one of the greatest scientists in this country—Dr. Whitney, then head of the laboratories of the General Electric Co.—the man who was for years the associate and colleague of the famous Dr. Steinmetz, in which he said that in the field of electricity alone, in spite of all the wonderful progress that has been made, we have hardly scratched the surface. Dr. Whitney listed a group of subjects on which scientists were working which he said were certain to be developed and which would produce the greatest revolution in the ways of life and methods of production that this country has ever known. Can you imagine entrusting the planning of the future of this country to a group of men who begin with the defeatest assumption that our free enterprise system is dying and that science has already exhausted itself in the field of industry? While they are making these pronouncements the world is at war and the fertile mind of man is spawning incredible improvements in transportation and production, which will recast the world in times of peace. The psychology of these planners is in no way progressive. On the contrary, it is a psychology of a dark age advocated only by defeatists.

These men—these economists of the National Resources Planning Board and the Board of Economic Warfare—have decided that our only hope is to throw private business into the arms of the Government, to make the Government of the United States the great investor, to have this Government go on year after year when the war ends, borrowing countless billions of dollars and spending these dollars in order to create income for the American people. Business, industry, they say, will no longer borrow the savings of the people because the opportunity for profitable investment has disappeared or at least has become so limited that a man with money to invest cannot find a place to invest it. Therefore, the Government must do the borrowing and spend these billions year after year in order to keep our people at work. Such is the defeatist philosophy.

For the last 10 years we have been rocking along spending yearly borrowed billions and spending them on W. P. A. and P. W. A. and other alphabetical agencies to keep people at work. A great many perfectly honest men believed that this was necessary. They said we had gotten into a jam, that the great pump of American business which pumps wages and other payments out to the American people that constitutes the national income had broken down. They thought that this pump was out of order and that it needed priming, and they said: "Let us spend a few billion dollars to get this pump—the pump of private industry—started again." And so Congress authorized the expenditure of around three billions. But that did not work. Then it authorized the expenditure of still more billions, and it kept it up right up to 1940, before the war, until we had poured, all told, about $27,000,000,000 into the pump. Well, obviously, after that a lot of honest-minded men began to ask themselves if this was such a good plan. The Government did not have any other plan. The Government today has no other plan. And then along came the apostles of the new economics, some of them from Harvard University, if you please, and said: "Why, gentlemen, what you have been doing is the correct thing. You have been proceeding according to the principles of science as developed by the new economics. The only trouble is that you have not been spending enough. You should spend more."

Mr. Rexford Tugwell said, "We have not produced recovery because we have borrowed and spent only three billions a year." He declared that we should borrow and spend at least $12,000,000,000 a year. Some of these economists say we should spend ten billions and others go as high as thirty billions, but they all say unless the Government does this our whole economic life will collapse.

Now, you can imagine how pleasant all this was to those who have been spending without effect and who were getting discouraged when these economists patted them on the back and told them: "Do not be discouraged. You are on the right track. All you have to do is to double and triple and quadruple your spendings."

Well, you know what they did. They brought these men here and they made them the thinkers in chief of these planning groups that I have been talking about. These are the men who are making plans. Of course, they are planning projects—bridges, roads, tunnels, through the mountains and under the rivers, vast enterprises of all sorts which will cost 10, 15, 20, or 30 billion a year, but the projects they plan are not the important thing. The important thing is the principle, the theory that is at the bottom of all their planning, namely, that it must all be done in order to provide the Government with means for borrowing and spending more billions.

Now, Mr. Speaker, I wish to add merely one more thought. These men have not been planning. Their plans were made before they got here. They are doctrinaires. They are a bunch of schematic philosophers who have a theory as to how our Government, our society, our economic system ought to be revolutionized. They have not invited anybody in to confer with them. They have not sought to bring together the best experts in all fields, to get the product of the best brains in the country on this greatest and most baffling of problems. They have their minds made up and they have been scheming and contriving to put their own new school of social thought into operation in this country. They have been using planning as a cloak to change our economic life. They have been using the planning function as a cover to put into effect their own peculiar doctrines—doctrines, mind you, which the overwhelming weight of economic opinion rejects. Moreover, Mr. Speaker, these same doctrines, I wish to emphasize, were the very ones put into operation by those misguided thinkers across the ocean who brought into existence the totalitarian and Fascist states. We are now at war with the fruits of their evil policies and yet their disciples—either from ignorance or intent—are roosting in our midst and, under cover of the distractions of war, are preparing to build in America what our soldiers are tearing down with bayonet, hand grenade and machine gun in Europe. Enormous spending by the Government, and an illimitable public debt was the womb and body of fascism and totalitarianism—a tragic economic philosophy which is in fact thousands of years old in the history of dictatorships.

Now, I urge, Mr. Speaker, that this Congress take measures to do some American planning. To do this we do not have to create another bureau. We do not have to put up another big building across the Potomac to house another swarm of bureaucrats. We can utilize instruments which are already here and ready. We can use an existing agency of the Government to do this job. We have in Washington an institution that was set up for the precise purpose of protecting the free competitive enterprise business system. I speak of the Federal Trade Commission. The Federal Trade Commission believes in our system. It thinks as does the overwhelming majority of the Members of this House. It thinks as does the overwhelming majority of our people. It does not concede that capitalism is through in the United States. It is one place in Washington that has never harbored any nest of Fascist or Communist doctrinaires using Government funds to undermine our system. It has for the last quarter of a century slowly built up a staff of economists, accountants, lawyers, statisticians, and experts in almost every branch of industry. It has for a quarter of a century been engaged in a ceaseless and intensive study of the problems of American industry. It has made hundreds of investigations and studies. It has built up a vast body of knowledge on all the fundamental facts underlying our present economic society. In the Commission is a great staff already at hand. The Commission, of course, has its regular duties to perform, but one of the most important duties which it was set up to perform was to act as the agent of the Congress in making objective studies of important economic problems about which the Congress desired facts and information.

Though the staff of the Commission has been somewhat curtailed by the war, the addition of a moderate staff of trained men would enable it to collect for this Congress all of the facts that Congress needs and will urgently need for the great job which Congress and Congress alone can do. We do not want one set of doctrinaire professors to seize this job and organize it for their special set of revolutionary objectives. We want to draw here to our aid the help of the wisest and most patriotic academic and practical men who can provide this body with the fullest and most impartial and objective basis for our task. The Federal Trade Commission is, of all the governmental bodies now in existence, the most eminently equipped for this task. You cannot bring into existence another body which will compare with it in its preparations for such a job.

There is another weighty reason, however, why this investigation should be made by the Federal Trade Commission. To my mind it is the all-controlling reason. One of the fundamental objectives that Congress had in mind when it established the Commission was to create an investigative agency which would be neither under the domination of Congress or the Executive. Investigations by congressional committees or by executive departments of the Government ran the risk of being tainted by partisan politics. What was needed was an agency, the heads of which would enjoy a definite tenure of office and the staff of which would be protected by civil-service status. Congress, therefore, established the Federal Trade Commission with the definite idea in mind that the Commission could render invaluable service to the Congress by making investigations of important economic questions which investigations would be removed as far as possible from the pressure of partisan politics. A study of post-war planning is a subject that could easily become a football of party politics in the hands either of a congressional committee or a department of the Executive. What we want, what the country wants is a fearless, impartial treatment of this subject. We want neither the views of Republicans or Democrats. We want the facts to be gathered by a body of experts skilled in collecting economic data, familiar with the intricate problems which beset our capitalistic economy, and a body that will undertake this immense task in a scientific manner. Never before in the history of the Federal Trade Commission has there been a greater justification of the political wisdom of the men who founded it, or a more imperative need for the kind of impartial investigation which its governmental structure was so specifically designed to secure. I am unalterably opposed to turning a study of post-war planning—a subject so freighted with party interests at the present hour—over to the sole responsibility of either a committee of the House or Senate or to any department of the executive. I believe such a study should be undertaken by the Federal Trade Commission, and if it is, I believe, that the Commission will give Congress the facts uncolored by political considerations. It is in that belief that I make this recommendation.

In its long history the Commission has many times put the facts on the line and braved the resentment of those whose political interests were adversely affected. I know of no instance where the Commission has ever been charged with being politically minded in its conduct of an investigation requested by Congress. I feel confident that the Commission with its great traditions for investigating honestly and scientifically would not fail this Congress in giving to us a disinterested and honorable report on a subject that affects so profoundly the future welfare of our people.

I have today, Mr. Speaker, introduced a resolution in this body which will direct and authorize the Federal Trade Commission to make a study of post-war planning with the cooperation of the Small Business Committees of both the House and Senate. This enables the Congress to take into its hands the all-important task of successfully rehabilitating the American economic system. The reason for delegating this task to the Small Business Committees of the House and Senate is that I firmly believe that the small business unit is the keystone in the arch of free competitive economic enterprise. The purpose is not to diminish the important role that big business plays in a free competitive business economy, but rather to make sure of the survival of typically free American small business. The role which the Small Business Committees in the House and Senate would play in this investigation is one of cooperation with the Federal Trade Commission. Members designated by the chairmen of these committees would attend all public hearings conducted by the Commission and would thereby be in the position to maintain continual congressional contact with the progress of the investigation.

I introduce this resolution so that upon completion of the Federal Trade Commission's study of post-war planning, which would be July 1, 1944, the Congress would be in a position to proceed, immediately upon cessation of hostilities, to steer our democracy clear of the reefs of those pernicious foreign economic philosophies which have already worked such a tragedy before our eyes.

Mr. Speaker, the great hope of the American people is American post-war security. It becomes the task of the Congress to protect this democracy from economic failure after the war.

Mr. Speaker, destroying the enemy on the field of battle will not alone guarantee the preservation of our democratic

form of Government. The greatest battle which must be won is the economic battle for America. That battle comes after we have triumphed over our enemies on foreign battlefields. We have yet to win the economic battle for America.

I do not introduce this resolution as a partisan, but as an American determined that we shall not have shed the blood of thousands of American boys on the battlefields of the world in vain.

Mr. Speaker, I ask unanimous consent to include a copy of the resolution to which I referred in the RECORD at this point and also to extend in the RECORD at this point a long list of various private and public agencies, all of which are today planning in some fashion the post-war economy for America.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. PLOESER]?

There was no objection.

The matter referred to follows:

Joint resolution to provide for an investigation and study by the Federal Trade Commission of plans and problems with respect to the effective post-war operation of our economic system

Whereas the preservation of democracy in our Government and of the free-enterprise system in our economic society is a fundamental objective of the present war; and

Whereas the democratic form of government can survive only in a free competitive enterprise economic society which can afford full employment to both capital and labor and, through full production, assure the high standard of living to the American people which our natural resources, our technological superiority in the world, and the enterprise of our people justify; and

Whereas the ending of the war will present numerous problems affecting the restoration and effective operation of our economic system, the transition from a war to a peacetime economy, the full use of our great resources, and the full employment of our people; and

Whereas numerous plans have been proposed both by public and private agencies looking to these objectives; and

Whereas the Federal Trade Commission was founded to promote and protect the free-enterprise system and has an organized staff of experts in the legal, economic, accounting, statistical, and other professional branches widely experienced in dealing with all the problems involved in this subject, and has, through numerous investigations and studies, accumulated a body of knowledge and experience about the structure and workings of the free enterprise system and the examination thereof: Therefore be it

Resolved, etc., That the Federal Trade Commission (hereinafter referred to as the "Commission") is authorized and directed to conduct an investigation and study for the purpose of furnishing the Congress with the following:

(a) An analysis of the causes underlying the depression beginning in 1929 and the reasons for the failure of the free enterprise system to recover from such depression;

(b) An analysis of all the plans for post-war reconstruction;

(c) A report setting forth (1) the number and kinds of plants and utilities which have been acquired by the United States to aid in the prosecution of the war, (2) the value of such plants and utilities, (3) the cost of operating such plants and utilities and the types of products or services derived from such operation, and (4) recommendations for the conversion of such plants and utilities to the uses of peace and for their return to private ownership;

(d) A program of policies and measures designed to remove the obstacles to recovery of peacetime prosperity, to stimulate our producing and distributing mechanisms to full operation, and to provide full post-war reemployment of our working population;

(e) A program for the demobilization of those activities connected with the prosecution of the war which may be no longer required and the resumption of the normal peacetime activities of our society;

(f) A program for the economic rehabilitation of former members of the military and naval forces and their return to private industry, including recommendations of ways and means to take care of the unemployed during the period of transition from war to peace which will not interfere with the free functioning of our democratic system of government; and

(g) A program for the economic post-war rehabilitation of the smaller business units of the Nation.

SEC. 2. Two members (one member to be of the majority party and one to be of the minority party) of the Special Committee to Study and Survey Problems of Small Business Enterprises of the Senate and two members (one member to be of the majority party and one to be of the minority party) of the Select Committee to Conduct a Study and Investigation of the National Defense Program in its Relation to Small Business of the House of Representatives, shall be appointed by the chairmen of these respective committees and shall sit with the Commission at all hearings and executive sessions of the Commission held in connection with the carrying out of the purposes of this joint resolution.

SEC. 3. The Commission shall submit to the Special Committee to Study and Survey Problems of Small Business Enterprises of the Senate and the Select Committee on Small Business of the House of Representatives at the end of each 90-day period after the date of enactment of this joint resolution a report on the progress of its investigation and study under this joint resolution and shall submit its final report to such committees not later than June 30, 1944.

SEC. 4. (a) Insofar as may be appropriate to carry out the purposes of this joint resolution, the Commission, the Attorney General, and the courts of the United States shall have and may exercise all of the powers and jurisdiction severally conferred upon them by the act entitled "An act to create a Federal Trade Commission, to define its powers and duties, and for other purposes," approved September 26, 1914, as amended.

(b) Every officer and employee of the United States is authorized and directed to supply the Commission with such information relating to the investigation and study provided for by this joint resolution and contained in the records of such officer or employee as the Commission may request.

(c) The Commission may avail itself of the use of the services of officers and employees of any executive department or independent establishment in the executive branch of the Government, in carrying out the provisions of this joint resolution, but the compensation of any such officer or employee shall, during the period of his service with the Commission, be paid out of funds appropriated under the authority of this joint resolution.

SEC. 5. There is authorized to be appropriated such sum as may be necessary to carry out the provisions of this joint resolution.

AGENCIES

Agriculture Department.
American Association of University Women.
American Bar Association.
American Business Congress.
American Committee for International Studies.
American Council, Institute of Pacific Relations.
American Federation of Labor.
American Jewish Committee.
American Law Institute.
American Library Association.
American Peace Society.
American Society of Planning Officials.
American Youth Commission.
Army Industrial College.
Association of American Railroads.
Association of Reserve City Bankers.
Automotive, Transportation, and Farm Equipment Branch, War Production Board
Belgian Commission for the Study of Post-War Problems.
Board of Economic Warfare.
Board of Investigation and Research.
Bureau of the Budget.
Bureau of Labor Statistics.
Business Advisory Council.
Campaign for World Government.
Carnegie Endowment for International Peace.
Catholic Association for International Peace.
Civil Aeronautics Authority.
Commerce Department.
Commission to Study the Organization of Peace.
Committee for National Morale.
Committee on World Organization.
Corps of Army Engineers.
Council for Democracy.
Council on Foreign Relations, Inc.
Economic Policies Council.
Federal Council of Churches.
Federal Housing Administration.
Federal Power Commission.
Federal Public Housing Authority.
Federal Reserve Board.
Federal Security Agency.
Federal Union, Inc.
Federal Works Agency.
Fletcher School of Law and Diplomacy.
Food Research Institute.
Foreign Policy Association.
Fourth House Committee.
General Electric Co.
Government Agencies.
Harvard-Radcliffe Bureau of International Research.
Industrial and Financial Organizations.
Inland Waterways Corporation.
Institute of International Studies.
Institute of Jewish Affairs.
Institute of World Economics.
Institute on World Organization.
Inter-Allied Information Center.
International Chamber of Commerce.
International Committee for Cooperative Reconstruction.
International Economic Research Bearing on Domestic Problems.
International Labor Office.
International Student Service.
Joint Economic Committees of Canada and the United States.
Justice Department.
Labor Department.
League for Industrial Democracy.
League of Nations.
Liberty Bank of Buffalo.
Library of Congress.
Machinery and Allied Products Institute.
Market Research Corporation of America.
National Association of Manufacturers.
National Automobile Manufacturers Association.
National Bureau of Economic Research.
National Industrial Conference Board.
National Lumber Manufacturers Association.
National Planning Association.
National Policy Committee.
National Resources Planning Board.
New School for Social Research.
New York State Post-War Employment Committee.

New York University Graduate School Seminar.
Office of the Coordinator of Inter-American Affairs.
Office of Government Reports.
Office of Population Research.
Post-Emergency Economic Advisory Commission.
Post-War Economic Planning Committee.
Post-War Planning in England.
Private Agencies.
Progressive Education Association.
Public Roads Administration.
Public Work Reserve.
Railroad Division of the Reconstruction Finance Corporation.
Research Institute on Peace and Post-War Problems.
Rotary International.
Selective Service System.
Social Science Research Council.
State Department.
State Planning Boards.
Tennessee Valley Authority.
Tolan Committee on Interstate Migration.
Trade Associations.
Transportation Agencies.
Treasury Department.
Twentieth Century Fund.
United States Chamber of Commerce.
United States Committee on Educational Reconstruction.
United States Junior Chamber of Commerce.
United States Maritime Commission.
United States Tariff Commission.
University of California, Institutes for Social Science Research.
World Peace Foundation.

Mr. SMITH of Ohio. Will the gentleman yield?

Mr. PLOESER. I yield to the gentleman from Ohio.

Mr. SMITH of Ohio. I have been greatly disturbed about this thing of the Congress undertaking post-war planning or any kind of planning. To me it seems that the only thing that is going to solve our problem is statesmanship, and I do not think there is any relation at all between statesmanship and planning. The gentleman made a very good speech and I can understand his approach. However, if we give this over to the Federal Trade Commission, it is still economics, it is still political planning, and I do not see how you are going to keep it out of factions. I do not see how you are going to solve it any better that way than if we leave it with any group of planners.

Mr. PLOESER. May I say to the gentleman this resolution would permit the Federal Trade Commission to bring in all of the present-day plans made by other agencies of the Government and to bring in all of the present-day plans made by private agencies. Many of these plans undoubtedly have very fine features, but many of them have some very dangerous features, and I am hopeful that such program would bring to the public light the secret planning that is going on in high places in this Government which threatens the very existence of our economy. As I said before, they are doctrinaires who have come into the Government service with a plan or device devoted to the same type of what I call vampire economy which puts the Government in as the principal business partner of business and makes everyone subservient to the Government and prohibits the free enterprise system from working. They even go so far as to recommend certain things in this direction, and I have quotations before me that I could spend almost all night reading to you, to point out how these doctrinaires are even planning the destruction of the Congress, turning everything over to the executive department to run, so that they can bring in their plans to revolutionize America.

Mr. SMITH of Ohio. I understand all of that and I also understand that the same group of people or the very same group of people is using lend-lease to bring about the same thing throughout the world, not in a small way but in a very, very large way.

Mr. SUMNERS of Texas. Will the gentleman yield?

Mr. PLOESER. I yield to the gentleman from Texas.

Mr. SUMNERS of Texas. Are we to understand that these persons charged with the responsibility of planning a post-war economy seem to be engaged in planning how they can get their preconceived notions adopted by this country after the war?

Mr. PLOESER. That is exactly what I said and that is exactly what I mean. For example, we have aiding as the chief thinker of the National Resources Planning Board a Dr. Hansen who, according to the pay roll, is the economist of the Federal Reserve Board. Dr. Hansen makes it very clear in many of his public statements and in books he has written that the day of free enterprise has passed and the time has come now for the Government to become the principal partner in business. That is a preconceived idea. Before Hansen came to the Government he believed in that.

We have Dr. Merriam, of the National Resources Planning Board, who believes and preaches the same doctrine. We have in the Board of Economic Warfare, for example, a Milo Perkins who believes in that same thing, and I can quote his exact words.

Mr. SUMNERS of Texas. We understand that these boards are not searching for the economic needs of our country and for things that the people need to have done for which they can be paid. Are they devoting themselves to that sort of search?

Mr. PLOESER. These boards are devoting themselves to establishing in this country a system whereby the Government will run the business of the Nation. It will be the principal investor. They say that we have come to the end of private investment; the people no longer can find a sufficient number of enterprises in which to invest their private funds so the Government must be the investor. And when the Government becomes the investor, the Government becomes the principal partner in the business, and when the Government becomes the principal partner in business, business becomes the tool of politics. When that happens, we have the same kind of economy that Hitler runs in Germany.

Mr. SUMNERS of Texas. That is a pretty serious statement, of course. If these people have already arrived at a conclusion as to what the plans are going to be that they will recommend to those in responsibility after the war, I cannot see any reason for hiring them or paying them any more; that is, if they have arrived at their conclusions. What are they doing with their time?

Mr. PLOESER. Dreaming, I should say.

Mr. SUMNERS of Texas. I thought they had already dreamed.

Mr. PLOESER. The House has already cut the appropriation of the National Resources Planning Board entirely. It is up to the other body to show its action or for us to stand firm by our original decision.

The SPEAKER. The time of the gentleman has expired.

SPECIAL ORDER

Under a previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 30 minutes.

Mr. PATMAN. Mr. Speaker, on account of the lateness of the hour I will not use the time allotted me except to say that I am tremendously interested in the proposal suggested by our colleague the gentleman from Missouri [Mr. PLOESER], although I was not privileged to hear his full explanation of it. I do know that the gentleman from Missouri [Mr. PLOESER] is a diligent and sincere worker in the interests of small business and is a member of our Committee on Small Business of the House. I will study his proposal carefully.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Indiana.

Mr. HALLECK. I should like to take this opportunity to suggest that the statement just made by the gentleman from Missouri [Mr. PLOESER] is clear evidence of the fact that he has given much serious thought and study to the very troublesome problem of what we are going to do with our country and our domestic economy after the war is won. I think the gentleman should be commended on the splendid contribution he has made.

Mr. BENNETT of Missouri. Mr. Speaker, will the gentleman yield.

Mr. PATMAN. I yield to the gentleman from Missouri.

Mr. BENNETT of Missouri. I join my colleague the gentleman from Indiana [Mr. HALLECK] in complimenting the gentleman from Missouri [Mr. PLOESER] on his fine presentation of what seems to me a very excellent idea. The gentleman from Missouri has a well-deserved reputation as a champion of private enterprise, small business, and representative government, and as an opponent of overlapping bureaucracy. I hope his resolution will be approved.

The SPEAKER. Under a previous order of the House, the gentleman from Illinois [Mr. WHEAT] is recognized for 10 minutes.

FEDERAL AUTOMOBILE USAGE MUST BE CUT

Mr. WHEAT. Mr. Speaker, while our citizens count their mileage and their gasoline ration coupons and wonder whether their cars will get them to work,

our Federal bureaucracy continues to ride as usual.

The Joint Committee on Nonessential Expenditures recently made a study of the use of automobiles by employees and officials of the Federal Government. The committee finds that, despite the growing automobile crisis in tires and gasoline, the various agencies of the Government, exclusive of the Army and Navy, between July 1 and November 1 of last year continued for the most part to use as many passenger cars and drive as many miles as before Pearl Harbor.

The committee believes the same standard of strictly essential driving should be observed by Government employees as is applied to individual citizens. With that we must all agree. In a democracy those entrusted with government are not a privileged class. We are of the people and for the people. If, in war or peace, we cannot ourselves observe the laws we enact for the Nation, we have no right to be here. The people notice these little things which are part of their everyday lives. They have a right to expect that Government should set an example and not consider itself above the law.

If the figures reported for the first 4 months are a criterion for the current fiscal year, our executive agencies and bureaus are setting a bad example while they tell our citizens what not to do. The number of Federal cars in use has increased instead of diminished.

In the last fiscal year, exclusive of trucks and motorcycles and the Army and Navy, the Federal Government owned and operated 17,305 passenger automobiles. It now owns and operates 18,953, which is an increase of more than 1,600 cars over the number in use during fiscal 1942.

In the last fiscal year, the committee reports, the cost of operating these cars, exclusive of interest and depreciation, was $4,243,602. The cost for the first 4 months of the current fiscal year was $1,308,023. On a yearly basis this would be $3,924,069, which is substantially the same as last year.

It is the same with mileage. In the last fiscal year these Government-owned cars traveled 203,550,280 miles. In the first 4 months of the current year they traveled 66,610,310 or 199,830,930 on a yearly basis; the gasoline used last year was 13,793,594 gallons, compared with 12,853,533 gallons this year.

But this is not all. The various departments, bureaus, and agencies of the executive branch allow their employees to use privately owned cars on a reimbursable basis. The figures on only 5 agencies out of 47 were available to the committee. These 5 reported the use of privately owned cars during fiscal 1942 to the extent of 145,606,241 miles at a total cost of $7,261,856.32. If we add these figures to those of Government-owned cars it would appear that in fiscal 1942 the various Government agencies operated passenger cars to the extent of from 400,000,000 to 500,000,000 miles and used from 25,000,000 to 30,000,000 gallons of gasoline.

The report of the joint committee states:

At this time the committee regards as most important the complete elimination of nonessential operation of motorcars by the Government. In a crisis such as this the Government itself must set an example to the people. It should not ask sacrifices of the people which the employees of the Government do not themselves make. The committee has had presented to it many instances of duplicated travel of these thousands of Government employees who travel in separate cars instead of using the same car. The committee finds this practice especially reprehensible in the Department of Agriculture, which in the fiscal year 1942 traveled 143,206,000 miles in rented cars and 49,856,594 miles in Government-owned cars. The committee is of the opinion that much of this travel is unnecessary and should be dispensed with. In the judgment of the committee, there is no justification for an increase of nearly 100 cars in the Agriculture Department, which already had 4,359 passenger cars; or an increase of 120 cars in the Federal Works Agency, as in this latter agency the activities have been greatly reduced.

The committee also recommends substantial economies in the employment of full-time and part-time chauffeurs. Full-time chauffeurs have increased from 403 in the last fiscal year to 439 this year; part-time chauffeurs in the same period have been reduced from 695 to 693, a reduction of 2. In the last fiscal year the salaries of full-time chauffeurs totaled $555,295. This year the figure is estimated at $590,000.

Among the other Federal departments, agencies, and bureaus which are large users of passenger cars are: Federal Security Agency, with 1,983; Interior Department, with 3,911; Justice Department, with 2,367; and the Treasury Department, with 2,505.

The committee mentions a plan adopted by the Office of Emergency Management to regulate the use of its automobiles and believes it is a step in the right direction. This office requires every person using a car to sign a statement for permanent record that the person is traveling on official business and to give the destination and reason for use of the car. Such a plan adopted by the other agencies and departments, the committee says, would do much, if combined with a decentralized pooling arrangement, to reduce the use of Government-owned automobiles and to reduce their cost to the Government. The Bureau of the Budget and the Office of Defense Transportation have adopted a similar plan. Director of the Budget Harold D. Smith, in a statement to the press on February 7 said that preliminary surveys conducted by the Bureau and data provided by the Byrd committee indicated approximately 100,000 tires will be pooled as a result of the order, which means that until now Government cars have had an average of 6½ tires each. Director Smith said in his pooling order:

This may be a normal supply of tires in normal times but it is hoarding in times like these. I dislike to spank Government agencies publicly, but conditions like these will not be tolerated. We intend to survey all Government agencies for surplus supplies of any kind and put them to their best use.

All of us are glad that this waste of rubber, gasoline, and money has been brought to light. And unless Government profits by this exposure and matches the sacrifice demanded of our citizens, we in Congress must devise more effective means to compel a solution.

The SPEAKER. Under a previous order of the House, the gentleman from Indiana [Mr. LUDLOW] is recognized for 20 minutes.

COMMITTEE ON PEACE AIMS

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein the text of a resolution.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. LUDLOW. Mr. Speaker, what is most needed at the present juncture in the cosmic struggle for the vindication of human freedom and the rights of man is a modern Thomas Jefferson capable of stating the case of the Allied Nations in the court of world opinion.

That case has never been stated. The only attempt made to state it was in the Atlantic Charter but that document, noble as was its conception, has proven unsatisfactory and ineffective because of being too vague, nebulous, indefinite, and lacking in "teeth."

What is needed now is someone endowed with the vision and power of a Jefferson to draft a ringing indictment that will be heard around the world against the arch criminals who have seized the governments of Germany, Italy, and Japan and are ruthlessly stamping out "life, liberty, and the pursuit of happiness" in vast sections of the earth. That indictment should be a powerful appeal to the conscience of mankind. It should include a statement in plain, simple, understandable terms, telling the world what it may expect in the form of universal guaranties of human rights when the war is over and the peace aims of the United Nations are put into effect.

It was the Declaration of Independence, more than military might, that won the Revolutionary War. Without the clear-cut, challenging indictment against British oppression drawn by Jefferson it is very doubtful whether that war could have been won. The Declaration of Independence was the magnetic spark that raised the fighting spirit of the colonists to fever heat and made them believe that right and God were on their side. The Declaration of Independence was the inspiration that prompted every lover of freedom from Boston to Georgia to reach for his flintlock rifle and swear an eternal oath never to lay it down until every redcoat was chased from the American continent.

DECLARATION OF INDEPENDENCE THE FIRST STEP TOWARD VICTORY

When the Continental Congress appointed a committee to draft a statement

of grievances and peace aims of the American people it took the first important step toward winning the Revolutionary War, and when a tall, lank, sandy-haired Virginian of 35 sat up at nights in a room in Philadelphia which he had rented for 35 shillings a week and with a quill pen put into writing the immortal declaration of the committee of which he was spokesman, he did more toward victory than any number of battalions could have done, because he created in the hearts of the colonists a spirit that nothing could defeat.

It seems to me that the time is now at hand when history might well repeat itself and when the Congress of the United States, representing the people, might very properly take the lead in creating a committee on peace aims, the function of which would be to draft a statement that would set forth clearly and definitely the reasons that impelled us and the other Allied Nations to enter the present conflict and that will state in language so clear that he who runs may read exactly why we are fighting and what we are fighting for. I have accordingly introduced today a joint resolution, the text of which is as follows:

Joint resolution to create a committee on peace aims

Be it resolved, etc., That a committee on peace aims is hereby created, to be composed as follows: Three Members of the Senate to be chosen by the Vice President; three Members of the House to be chosen by the Speaker and six Members at large to be chosen by the President. Of the six members to be chosen by the President, one shall be a woman, one shall be a representative of labor, one shall be a representative of the Federal Council of Churches in America, one shall be a representative of the Catholic Churches of America, one shall be a representative of the Jewish religion, and the other shall be a representative of the State Department, trained in the field of foreign service.

SEC. 2. This committee shall prepare a clear, definite statement of what the United Nations are fighting for and the peace aims which they will faithfully execute when victory comes to Allied arms.

SEC. 3. When this statement is completed the Secretary of State shall transmit the text thereof to the Governments of Great Britain and British Dominions, Russia, and China. If those governments consent to become signatories no further negotiations will be required and the statement will be regarded as a finished document expressing the views and purposes of all of the United Nations. The statement shall also be submitted to friendly governments under Axis subjugation, whose adherence may be desired.

SEC. 4. If any one of the United Nations dissents to the statement or any of its provisions, the President shall invite the governments of the United Nations to send delegates to a conference to be held in the city of Washington to compose existing differences and agree on a modified statement which all can sign.

SEC. 5 When the statement is completed and approved it shall be promulgated as an official declaration stating the United Nations' peace aims and copies of it shall be widely distributed throughout the world.

STARTING AT THE GRASS ROOTS OF AMERICA

I have provided for congressional representation on the peace aims committee because Congress is the branch of government closest to the people, and I have always believed that in matters connected with the transcendently important business of making war and peace, the people who have to offer their lives and endure the griefs and heartaches of war and bear the burdens of peace, should be consulted, if not directly by referendum, at least through their chosen representatives. I would like to have this statement of peace aims originate at the grass roots of America, among the common people. Another reason for congressional representation, which I believe is founded in wisdom, is that if congressional authorization and sanction are given in advance, the way will be opened for senatorial ratification of the treaty of peace, a very practical consideration.

I have provided for representation of the great religious groups on the committee because the nearer our statement of peace aims comes to reflecting spiritual convictions, the better it will be for the world.

TWO WEAPONS AVAILABLE BUT ONLY ONE USED

We of the United Nations have two powerful weapons which we can use in winning this war—

First. The weapon of military might.

Second. The weapon of propaganda.

We are making effective use of the former weapon, the weapon of military might. The products of our war factories are on every front. Our men are giving a splendid accounting of themselves in every theater of war.

Of the latter weapon—the weapon of propaganda—we are making no adequate use, nor hardly, any use at all, compared with the possibilities such a weapon really affords. The weapon of military might is limited by manpower, natural resources, and technological equipment. The weapon of propaganda is limited only by the validity of our cause and the range of our ingenuity.

When I speak of propaganda I do not mean a propaganda of falsehood and deceit. I mean a propaganda of truth. I mean a propaganda that will offer to a sorely afflicted world the consoling philosophy of Jesus of Nazareth: "Ye shall know the truth and the truth shall make you free."

I do not mean a propaganda of malevolence and hate. I mean a propaganda of love. I mean a propaganda that has its origins in the deepest well-springs of Christian faith. The world sorely needs this kind of propaganda. It is time to bring up our Christian reserves and put them in action on a world-wide front as an auxiliary of our military might.

A FRIGHTFUL AND FRIGHTENING ENTERPRISE

All around the earth our far-flung forces are busy with the enterprise of killing men and destroying property. This statement sounds startling to ears not attuned to war, but it is true. Our big bomber airplanes are flying over cities and dropping the missiles that wreck and kill. It is a frightful and a frightening enterprise. With amazing speed our factories are turning out more and more airplanes and more and more tanks to further kill and destroy. To our already enormous army we are adding millions more men and equipping them to the last minute in order to carry on and extend the campaign of death.

It would be stark madness to do these things unless back of them is a purpose that justifies the means and there can be no justification unless the purpose is the grandest the mind and heart of man can conceive. As a member of the Appropriations Committee and a Member of the House I could never vote the funds to raise these vast armies and to fabricate these instruments of death unless I believed that we have such a purpose.

HUMANITY VERSUS THE FORCES OF EVIL

The cause of ourselves and our allies is justifiable only on the grounds that we do have such a purpose. The portentous events of the last year have clarified the issue, which is humanity versus the forces of evil. Our purpose is to establish a new and better order in the world. Our purpose is to enthrone justice based on law. Our purpose is to set men free—to see that tyranny, shorn of its authority, slinks into the shadows never to emerge again; to see that the lanes of opportunity are opened and are kept open, not only to those of the present time but to their children and their children's children down to the remotest generation. This new order is to be not only for ourselves and for our allies but for humanity everywhere—it must be all-inclusive.

We know what our purpose is, but do the other nations know, particularly the nations we are fighting? I am sure they do not and we can make a big contribution to winning the war if we will let them know. It is time to give the war-wearied peoples of the earth some plans and specifications of the better world which we envision. We must show them—and convince them—that what we stand for is democracy versus totalitarianism; that what we propose means their own salvation; that what we propose would make it possible for them to shake off their cruel masters and enable them to walk erect and order their lives as free men and women. We must make it manifest to the peoples of enemy countries that we do not hate them but that we sympathize with them and that our quarrel is only with their tyrannical rulers who grind them and enslave them.

STATEMENT OF PEACE AIMS WILL HASTEN ALLIED VICTORY

This is what makes it so important that we on the United Nations' side shall lose no time in presenting to the world a statement of peace aims. The quicker we get such a statement widely circulated in the enemy countries the sooner we may expect the internal collapses that will hasten the day of victory.

We should be able to say to the downtrodden people of the world:

"This is a statement of peace aims subscribed to by all of the United Nations. This is exactly what you may expect when the United Nations win the war. Join us and help to make these promises good."

Such a statement of peace aims, broadcast by short-wave radio and dropped by the millions from airplanes over enemy countries, would seem to the poor, beleaguered slaves of totalitarian masters like a message from heaven. It would be worth many battalions and battleships in breaking down enemy resistance and hastening the day of Allied victory. In my opinion we now have a golden opportunity, which may never recur, to serve mankind by making a frank declaration to the world, defining and publicizing the Allied peace aims. By so doing we can help to bring the war to a satisfactory conclusion and stop the slaughter which is taking a frightful toll of the world's finest young men.

EXTENSION OF REMARKS

Mr. HENDRICKS. Mr. Speaker, I ask unanimous consent that the gentleman from Louisiana [Mr. MORRISON] be permitted to extend his own remarks in the RECORD and include therein a letter from his constituents.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The SPEAKER. Under a previous order of the House, the gentleman from Florida [Mr. HENDRICKS] is recognized for 15 minutes.

INTRACOASTAL WATERWAY

Mr. HENDRICKS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein a telegram received from Hon. John H. Perry, a brief news item from the New York Times, and a letter received from the Citizens Emergency Committee for Eastern Transportation Relief.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. HENDRICKS. Mr. Speaker, on March 2 our colleague the gentleman from Michigan [Mr. DONDERO] attempted to drag a red herring across the floor of this House to detract your attention from the demand by the people, particularly in the Eastern States, for the completion of the Intracoastal Waterway, which would provide fuel for the oil-famished Atlantic seaboard. The gentleman from Michigan [Mr. DONDERO] deplored the fact that the Honorable John H. Perry had inserted a full-page advertisement in a Washington newspaper pointing out the need for the completion of this waterway and exploding the theory that this waterway could not be completed in less than 3 years. He stated:

> Some of us would like to know just who is this John H. Perry, over whose name the advertisement was run. Why is it that the president of the Western Newspaper Union and the American Press Association should suddenly begin to run full-page advertisements in the newspapers of the Nation's Capital dealing with the Florida barge canal?

I should be glad to tell this House that the Honorable John H. Perry is an outstanding businessman and, in addition, I would like to say that his offices are at 304 East Forty-fifth Street, New York City. Mr Perry also has a home in Palm Beach, Fla. He owns many newspapers and is president of the Western Newspaper Union and the American Press Association. The Western Newspaper Union is, I understand, a chain of some five or six thousand newspapers throughout the country. I know Mr. Perry personally and know that he is a man who is interested in those things which would benefit the public. I may say to the gentleman from Michigan [Mr. DONDERO] that Mr. Perry's reason for inserting this advertisement in the paper may be that Mr. Perry has had to live in New York, where there has been a fuel shortage all winter and where he himself has suffered and has been able to understand the experience of others. I attribute a high purpose to Mr. Perry's advertisement and certainly no one can question his right to insert such an advertisement if he so desires. Mr. Perry is a man who has always been interested in the completion of this waterway, not for any individual benefit which he would receive but because he has been convinced that it would be of benefit to this Nation, and his faith in the necessity for the project has been emphasized by the fuel shortage in the East.

I received a telegram from Mr. Perry today in which he said:

> Referring to the recent speech of Congressman DONDERO of Michigan as reported in the CONGRESSIONAL RECORD, please be advised that the Florida barge-canal advertisements published over my name were paid for by me personally as a contribution to the information of the public. As a publisher of newspapers I regard Mr. DONDERO's remarks as an attack on the right of free expression of honest opinion and an attempt to mislead Congress and the public. He is quoted as expressing the wish that the opponents of the completion of this system for inland water transport of petroleum had money with which to advertise. The only opponents I know of are the railroads and the major oil companies which Secretary Ickes has said are represented in the Petroleum Administration for War. If Mr. DONDERO is speaking for these he knows that there is now being diverted to them by the Federal Treasury over $250,000,000 annually from the proceeds from our war taxes, bonds, and stamps as subsidies for carrying by rail a tragically inadequate supply of petroleum to the East, which subsidies they would lose just as soon as this Florida barge canal is completed. They are at liberty to use as much of this money as they dare in honest advertising against the project. But I am confident that Congress will not agree with Mr. DONDERO that the whole country should continue to be taxed for this purpose nor that the civilian population and our armed forces overseas should pay the added price of continued failure of petroleum transport which can be promptly and permanently cured by this project. Mr. DONDERO seems much more perturbed over John H. Perry's spending a few hundred dollars of his own personal funds for honest, truthful advertising than he shows concern for the funds of the American people who are being forced to pay an extra $253,000,000 annually or $700,000 dollars daily as an unnecessary subsidy to railroads for transportation charges.

The gentleman from Michigan [Mr. DONDERO] goes on with the further question:

> What is this newspaper union, a press association or a second canal lobby? Can it be that the head of a newspaper association is so intensely interested in the construction of this second canal that he should pay for this advertisement? Or can it be that the large contractors whom he quotes so willingly have supplied the modus operandi in the hope of a $44,000,000 windfall?

I submit in reply to that question that the press association is not a Florida Canal lobby and therefore whatever they have to say should carry more weight than if they were a canal lobby. It so happens that a press association is one way to inform the public. That is why we fight for the freedom of the press, and if Mr. Perry as president of that association wishes to keep the public informed no one should object. In regard to that portion of the question as to whether Mr. Perry paid for the advertisement or whether the contractors whom he "quotes so liberally" could have paid for it, I wish to say that Mr. Perry paid for this advertisement, and I may say that the contractors, beyond their willingness to do the work, have no interest in the matter and that they did not have anything to do with this advertisement.

If we are going to speak of lobbyists, may I say that I have found Members of this House willing to accuse any individual who was a proponent of a project to which he was opposed, of being a lobbyist. In other words, from my 7 years of observation here I would say that the definition of a lobbyist is one who has a different view on a subject than what you may have. In that case I am sure that Mr. Perry or anyone else connected with the proposed intracoastal waterway could be called a lobbyist by my colleague from Michigan. On the other hand, I may say that the American Association of Railroads are lobbyists against the canal if we were willing to follow such a definition. I recall distinctly that shortly after I was nominated for Congress I made my first appearance before the Army engineers in behalf of this project and at that time a representative of the American Association of Railroads was present and admitted that he was representing the association in opposition to the canal. I did not call them lobbyists. The association has a perfect right to oppose the canal and any other association has a perfect right to support the canal.

The question before this Congress now is not who is opposed to or a proponent of the canal. The question is: When will we deliver fuel to the East and why we have not already done so? My friend, the gentleman from Michigan [Mr. DONDERO], is attempting to persuade this Congress to delay further something which we have now delayed too long. The fact of the matter is if this work had been started when it should have, there would be no question of the grave fuel shortage on the Atlantic seaboard at this time and if anyone doubts that there is a grave shortage I would like to refer you to the hearings on the recent deficiency appropriation bill in which a representative from the Petroleum Coordinator's office, as I recall, made the statement that during the past winter on many occasions we had only 1 day's supply of fuel in the Eastern States and the next day's supply depended upon tankers arriving and, that

had they not arrived we would have had a major disaster.

As to whether or not a barge canal could transport all types of fuel is neither here nor there. No one can deny that if we have barges on this intracoastal protected waterway they could transport some of the fuels, with the railroads with tankers and the pipe lines making up the difference in other types of fuel.

I want to point out one inconsistency of the gentleman from Michigan. He has made every effort to convince this House and the people of the country that it would take at least 3½ years to complete this intracoastal waterway and he gives as evidence statements made by General Reybold, Chief of Engineers. The gentleman from Michigan [Mr. DONDERO], is willing to accept these statements 100 percent and insists that they are correct. On the other hand, may I say that on previous occasions, if I recall correctly and I am sure that I do, the gentleman from Michigan [Mr. DONDERO] has been one of those who was perfectly willing to question the reports of the engineers and experts in regard to their statements on this canal. This, I think, is begging the question. It seems to me that if on one occasion he would attempt to persuade us the engineers are correct and should not be questioned that on the other hand we should use our judgment as to whether the gentleman from Michigan [Mr. DONDERO] is consistent in persuading us that an engineer cannot be wrong.

Mr. Speaker, the engineers and the gentleman's own colleague at the other end of the Capitol have let him down terribly in the last few days. I quote a brief statement from the New York Times:

> Senator VANDENBERG said that Maj. Gen. Eugene Reybold, Chief of Army Engineers, asserted February 24 that he had had a study made of the project (Florida Canal) indicating that it probably could be built in 2 years.

I think we can even go further and prove to the engineers that this canal can be built in less than a year.

The gentleman from Michigan [Mr. DONDERO] goes on to mention the fact that certain contractors have stated that the canal can be finished in 10 months and says:

> The so-called biggest contractors in the country who are wrapped in the safe and convenient guise of anonymity.

Well, I may say to the gentleman from Michigan that the contractors may be wrapped in the safe guise of anonymity because they made such a request, but I can also say to the gentleman that they themselves will remove that guise within a short time and he will be at perfect liberty to question their intelligence, their responsibility, and their ability to perform. I may also say to the gentleman that I do not believe that the United States Army engineers can question their ability to perform because these contractors have already performed $200,000,000 worth of contracts for the War Department.

And while we are on the subject of what the engineers have to say, I may say that the gentleman from Michigan [Mr. DONDERO] ought to remember the fact that General Reybold gave testimony in the record that this canal should be started as an emergency measure. Then if we should grant that General Reybold is correct in saying that it would take 3 years, why should we not also give him the credit for knowing that it should be started as he suggested. Why have we not started it? The gentleman from Michigan makes an amazing statement when he says:

> Congress realized the impracticability of the idea and refused to waste millions of dollars on it. That is why the canal has not been started, and the canal people know it.

Why, only last July both Houses of this Congress passed a measure authorizing this canal, and it passed with a very good margin in this House, and it is now a public law. This is no indication that the Congress realized the impracticability of the idea, but is just the contrary.

Now, in regard to the proponents of the canal being lobbyists, as the gentleman would infer, let us pursue that question a little further. Communications have come to the chairman of the Rivers and Harbors Committee from all over the country commending him on his stand for the completion of the canal. Communications have come to me commending me. In addition to this, many newspapers have deplored the fact that we have ignored this project so long. Ernest K. Lindley, in an article recently, said that Congress was to blame for not having gone ahead with this work long ago and also stated that no one could question the great benefit that it would be at this time. Recently both the house and senate of the Rhode Island Legislature—and incidentally the senate is Republican—passed a resolution, which has been inserted in the RECORD, urging Congress to complete this waterway. I hold in my hand a letter addressed to me by H. W. Nelson, chairman of the Citizens Emergency Committee for Eastern Transportation Relief, in which he points out that every Member of Congress is responsible for this delay and urges an immediate appropriation for the completion of the waterway.

The letter reads as follows:

> CITIZENS' EMERGENCY COMMITTEE
> FOR EASTERN TRANSPORTATION RELIEF,
> *New York, March 3, 1943.*
>
> Hon. JOE HENDRICKS,
> *House Office Building,*
> *Washington, D. C.*
>
> MY DEAR MR. HENDRICKS: Legislation looking toward the appropriation of funds for completion of the Cross-Florida Barge Canal is pending in Congress. Legislators have been completely fooled by the testimony to the effect that 3 years will be required for building this 12-foot ditch. We feel certain that you are not among those who have been misled.
>
> Should you wish to make a personal check on the situation, we respectfully suggest that any owner of a small shovel or dragline will verify that a single unit, with one to two-yard dipper capacity, such as the machines used on highway and foundation work, will average over 50,000 cubic yards of excavation monthly in the Florida material. Therefore, 200 such units would dig 10,000,000 yards monthly, completing the entire excavation of 80,000,000 yards in 8 months. About one-quarter of these machines should be the typical small dragline, which would dig the bottom 12 feet of channel waterway. The remainder could all be small shovels. Four to five trucks per unit would haul the dirt from the shovel or dragline to spoil banks from 200 to 800 feet away. Two small dredging outfits would speedily complete the deepening of channel necessary in the Gulf of Mexico.
>
> There are literally thousands of these machines available. Two hundred could no doubt be assembled in the State of Florida alone, and more are becoming idle, from time to time, as construction has decreased by about 50 percent since the peak of 5 or 6 months ago.
>
> You must know parties who own small shovel and dragline equipment. You have great influence with the committee which will pass on this appropriation. Do you not think that you would be justified in asking two or three practical excavators whether the above are true facts? It would be very easy to bring before your committee at least a hundred excavators from Baltimore and Washington who would testify that 200 small machines of this type would complete the canal in within 8 to 10 months. There is no question about completion of the locks within that length of time. It will, indeed, look very suspicious to voters all over the country if this canal construction is deferred for another season and completed in the fall of 1944, instead of in time for relief during the coming winter, which Mr. Ickes recently said would bring worse conditions than this winter, so far as fuel is concerned.
>
> Of course there is a great amount of larger equipment which can do faster work than the small units we are talking about, but every Congressman and every citizen has at least some knowledge of what a small shovel or dragline plant will do, or, at any rate, can easily find out by inquiring of someone in the business.
>
> As to construction labor, on January 3, 1943, Mr. Dan W. Kimball, president of the Associated General Contractors of America, said: "During 1943 the volume of construction is expected to decline to approximately $7,000,000,000 (from $14,000,000,000 in 1942) mostly for direct war use. One of the important problems this year for the Nation and the industry will be how to transfer many of the more than 2,500,000 men who have been working in construction to other types of war production." The number of men needed for this canal construction is relatively very small—under 10,000 men at all times.
>
> Enclosed herewith you will please find copy of resolutions recently adopted by this committee.
>
> Our members and friends will be very grateful to you for the support which we feel certain you will give the pending legislation.
>
> Respectfully yours,
> CITIZENS EMERGENCY COMMITTEE FOR
> EASTERN TRANSPORTATION RELIEF,
> By H. W. WILSON, *Chairman.*

I can give you many other examples of proponents of the canal who are not lobbyists except under the definition which I gave a few minutes ago and who have only one interest in mind and that is relief of the fuel shortage and the transportation system.

Let me say to the Members of this House that from time to time I have seen newspaper editorials in Washington papers and in fact full-page advertisements for or against certain proposals. These came from groups of citizens who were for or against certain proposals

and certain ideas. They are not lobbyists but they certainly have a right to purchase space in a newspaper to say to the public that which they could not otherwise say and I think that it is poor taste on the part of the gentleman from Michigan to cast a reflection upon these people simply because he is opposed to the project.

In conclusion let me say to the Members of this House as I have said before that the military forces are going to draw on the fuels from the nearest source possible. The north African campaign no doubt had a lot to do with the shortage in the East at the present time. We are well aware of the fact that plans are made for the invasion of the continent of Europe. When that comes there will be a bigger drain on the supply of the Atlantic seaboard and the Secretary of the Interior, who is the Petroleum Administrator, has recently said that conditions in the East will in all probability be worse next winter than they have been this winter. I have no doubt but that many people throughout this section are going to ask why we haven't taken more concrete steps to meet this emergency which is going to face us.

Let me ask the Members of this House whether we shall make an appropriation to break this bottleneck in the intracoastal waterway system by cutting the small strip across Florida, which is about 4 percent of the entire waterway, or whether we are going to fold our hands and say, "No; it takes a little money and it takes a little time so you people in your homes, in the churches, and in the schools and you who are in need of fuels for your industry and gas for your automobiles will just have to do without." That question is for every Member of Congress to decide for himself.

When the Florida Ship Canal was proposed, the opponents said it would ruin the water supply of lower Florida and would cost over $200,000,000. The engineers have now revised their plans so that this will be a barge canal. No one can say that this will damage the water supply of Florida, and the cost has been reduced to $44,000,000.

Now the opponents fall back on the objection of time, saying it will take too long. If that objection is removed, then they will fall back on priorities and say priorities should not be granted for this project. If that objection is removed, the truth will finally out, and they will have to say that they absolutely do not want this canal under any circumstances.

The SPEAKER. Under previous order of the House, the Chair recognizes the gentleman from Kansas [Mr. REES] for 10 minutes.

WAR CABINET

Mr. REES of Kansas. Mr. Speaker, the time is long past due for the selection and organization of a war cabinet within our Government. We all understand, of course, that the President is the directing head of our war effort. As Commander in Chief he is responsible for all our plans that are worked out in cooperation with our allies. As Chief Executive he gives general direction to our war production, price control, food production, and manpower policies. The President is one individual. It is impossible for him to supervise all of our vast undertakings, or even keep the numerous individual wartime agencies working in harmony.

During the First World War every government involved had a war cabinet, and every one engaged in the present war except the United States has some form of war cabinet. The idea is not new. Prime Minister Churchill has a war cabinet with which he consults almost daily. President Wilson finally after a year approved one of his own. The question is not one of individuals or of bureaus, but one of organization and coordination. Under our present system there are many cases where the left hand does not know what the right hand is doing, and too many instances where all hands are trying to do the same thing in a different way.

Mr. Speaker, we need centralization of authority and coordination of action. We have too many departments attempting to reach the same objective, and we have too much bickering and jockeying for power in our Government agencies.

Unity of purpose and effort is one of the leading factors to be considered in the successful prosecution of the war. Unity of purpose calls for a unified internal organization that will give the highest degree of capacity and accomplishment in the prosecution of this war.

It has been suggested the President has a sort of war cabinet, being the Byrnes-Hopkins-Leahy-Rosenman group. As one commentator aptly puts it, this is more of a kitchen cabinet, something useful, but does not comply with the war need. These men can help the President in the study of various problems, but with the exception of Mr. Byrnes, do not have definite official status or special responsibility. The President has final authority, and that authority can be delegated only to those who have official status in a particular field.

The President is now dealing directly with about 75 or 80 agencies and bureaus affecting the war effort that are responsible to him for their actions. It is impossible for any one man to handle such a task and do it well. If the President confers even with just the majority of the heads of these numerous agencies he does not have time to give his attention to the more vital decisions that are required from day to day and hour to hour. Either the important decisions are neglected or the agencies and bureaus responsible to him for their actions are not working at the maximum of efficiency.

It is absolutely necessary that the President be assisted and advised by a properly organized war cabinet. This cabinet should be composed of men of experience who are the most capable and competent that can be found anywhere in this country and without consideration of party affiliation. Each of them would be charged with an important part of the war effort and would consult together daily under the direction of the President, then go out and put into execution the plans that have been adopted by the cabinet. The war cabinet would represent every important element required in the conduct of the war. It should be kept as small in number as practicable, the fewer there are to consult of course, the greater will be the speed with which decisions are reached. It is also important that no one man shall have too great or varied responsibility. The war cabinet should consist of probably 8 or 10 members. I have no fixed idea as to the exact number. I have in mind that the following, at least, be represented: The Army, Navy, Air Corps, Finance, Production, Transportation, Economic Warfare, and Manpower. This would obviously include at least three members of the regular Cabinet.

The entire war administration would be reorganized so that all its activities would be brought directly under the control of one of the members of this cabinet. That member would have final control over the particular group organized under his direction.

The war cabinet must be more than just a collection of individuals; it must be an organized group or team, operating under a schedule of daily meetings, with power and authority not only to carry out the policies to be followed in the prosecution of the war but also to iron out the differences among the various agencies of the Government, and to see that they are streamlined for action and made to operate just as efficiently as possible. That would do away with a lot of bickering, misunderstanding, and cross-purposes that are now hindering our war effort. Under present methods the question of war economy and strategy of war problems must be threshed out separately with the President. It naturally would be necessary for the Chief of Staff of the Army and the commander in chief of the fleet and the Air Corps to attend most of the meetings of the cabinet and to advise in their particular capacities. Other heads of various agencies would be called in from time to time for consulation and advice. The important thing we need, Mr. Speaker, is a unified direction of our war effort in order that the existing confusions and duplications may be eliminated, so our Commander in Chief may have the time and opportunity to give consideration to important problems of leadership without having to consider the lesser complex problems that should be disposed of by members of his cabinet in direct charge of such matters.

Mr. Speaker, I have a feeling that the President could help himself and thereby be of more assistance to his country, if he would consult more intimately and regularly with the leaders of both political parties. This plan would provide the mechanism to repair such deficiency.

Mr. Speaker, let me repeat that I think it is humanly impossible for one man to keep a controlling hand on every phase of the war effort and expect it to work at the highest degree of efficiency. It has become so necessary for the President to give his attention to the question of direct war policy that there is a lack of cohesion, cooperation, and leadership

in our domestic administration. We ought to have an effective working group of men operating as a cabinet and acting as an advisory council, meeting and working together with the President and giving the greater share of their time to the consideration of plans and policies that will work for more efficiency in the operation of the prosecution of the war.

The war cabinet is of course not a military body. It is not a substitute for the joint chiefs of staff, it is a general staff for total war of which the military effort is an important part. Military plans, of course, should be handled by the Chief of Staff and the heads of the Army, the fleet and air forces. These officers would have joint responsibility of advising with the President and the war cabinet on military matters.

It ought to be understood that they will speak out and express their views and opinions on the problems confronting them and the country, and the members of the war cabinet likewise should be in a position to express opinions with a view of giving their best judgment on the matters considered.

The plan for the formation of a war cabinet of approximately 10 members to end bungling, inefficiency, duplication, and red tape, and to help insure victory, would include the following:

First. It would delegate definite responsibility with full power to assume control over Government agencies operating in the same field.

Second. It would reduce from an impossible 75 or 80 agencies and bureaus to a practicable 10 or 12 department heads with whom the President must deal directly.

Third. Unify under one executive responsible to the President, complete control of the fighting forces. In other words, a unified command. Place under executive head responsible to the President, full control of war production, including the War Production Board facilities, wages, and industries, as well as transportation, agriculture, and other major activities. Place under one executive all foreign relations activities of every kind except military operations, under another executive the budgeting, planning, and operation as well as checking the President's control agencies that serve him directly. Eliminate all unnecessary mechanisms, codirectors, and associate chairmen. Abolish all separate agencies that are unnecessary instead of making new ones. Put the execution and carrying out of policies under individuals and make them responsible for their actions.

Fourth. The President would have final decision. The war cabinet would carry out the decision after the policies had been formulated. The President certainly would be in better position to make decisions after he had discussed the problems with his war cabinet.

Almost every day we are informed through the press and otherwise about conflicts of jurisdiction and authority among our agencies. The situation is growing worse instead of better. For example, we have the War Production Board clashing with the Army. The Manpower Commission is having its problems with Agriculture. The incident of Mr. Jeffers on the one hand and the Army and Navy on the other is one of the many examples to which I refer. Most of these difficulties could be eliminated if the President together with a war cabinet as outlined herein would sit around a table and discuss these problems frankly with each other. They would get rid of a lot of existing confusion and duplication of effort that is putting a brake on the things that must necessarily be accomplished just as promptly as possible. It is definitely unfortunate that in the middle of the war we are not running our economy as efficiently as we could.

Mr. Speaker, it might be well to observe that about 60 or 70 agencies in the executive department of our Government and dealing with the war effort are neither under the direction of nor very closely associated with the President's Cabinet. I cite, for example, the United States Maritime Commission, the Interstate Commerce Commission, and the Social Security Administration as having no direct connection with Cabinet officials. Neither the Maritime Labor Board nor the National Mediation Board come under the direction of the Secretary of Labor, but are directed by the President; also, the War Production Board, the O. C. D., and the National War Labor Board, together with a number of others, answer to the President and are not directly connected with the Secretary of War.

Mr. Speaker, what can we expect from groups on the outside if we continue to have discord, misunderstandings, and bickering among the agencies and departments of our own Government?

Too many functional heads overlapping at many points even when their functions are supposed to be clearly marked out. Mr. Jeffers must consult Mr. Nelson on the allocation of scarce materials, pumps, and equipment necessary to the synthetic rubber program, Mr. Wickard must deal with Mr. Eastman about transportation, Mr. Ickes must deal with the manpower chief—and so it goes.

Mr. Speaker, I have today introduced a bill providing for the creation of a war cabinet along the lines I have suggested. I do not regard this bill as a model, but it would at least provide an outline or vehicle that may be followed in considering such legislation. As a matter of fact, I believe the President could provide for a war cabinet by Executive order, if he saw fit to do so.

I want it distinctly and clearly understood that in suggesting a war cabinet I am doing it with one sincere purpose—that of making a contribution that I trust will be helpful in a still more efficient prosecution of the war, including an improved domestic program that will contribute more fully to our war effort.

I also want to state that this is not my exclusive idea. The organization of a war cabinet has been suggested many times by some of our leading political writers and responsible men of both parties interested in bringing about the highest efficiency possible for the carrying on of the war.

We must fix our minds on the fact that under the Constitution the President is Commander in Chief and upon him rests the responsibility of directing the war effort. The object here is not to divide his powers or delegate them to others, but to make his exercise of them just as efficient and direct as possible.

Mr. Speaker, we must get rid of the existing confusion and duplication of effort that has a tendency to put a brake on the things that must necessarily be done just as promptly as possible. After all, the people have a right to demand that there should be no waste of time, no bungling or lost motion, but that clear-cut lines of authority and responsibility, such as are necessary and as are provided in the plan I have suggested be made, so that every group, every organization and every person, including every great enterprise, shall operate with a maximum of efficiency and speed and with a minimum of hindrance of any kind. Loss of time, bungling, and inefficiency mean unnecessary loss of life, and certainly we have no lives to waste.

Mr. Speaker, my suggestion is not one of adverse criticism. It is intended as a constructive plan to aid in the prosecution of the war so that the administration will more effectively gear itself and streamline its cumbersome methods of carrying on its business. Under its present methods, they overlap, are inefficient, wasteful, and dilatory. We are right in the middle of a war—the most terrible struggle at arms that the world has ever known. Everything possible must be done to see to it that every agency and every individual connected with the affairs of our Government so far as it can be done is made to operate with the highest degree of efficiency and cooperation and coordination, with one thing in view—that of bringing this terrible crisis to a victorious conclusion at the very earliest date possible.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr NEWSOME, from March 12 to March 19, on account of official business in his district.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 786. An act to amend title I of Public Law No. 2, Seventy-third Congress, March 20, 1933, and the Veterans Regulations to provide for rehabilitation of disabled veterans, and for other purposes; to the Committee on World War Veterans' Legislation.

ENROLLED BILL SIGNED

Mr. KLEIN, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 839. An act to amend the act approved May 27, 1937 (ch. 269, 50 Stat. 208), by providing substitute and additional authority for the prevention of speculation in lands of the Columbia Basin project, and substitute and additional authority related to the settlement and development of the project, and for other purposes.

ADJOURNMENT

Mr. BLOOM. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 13 minutes p. m.) the House adjourned until tomorrow, Tuesday, March 9, 1943, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

The Committee on World War Veterans' Legislation will meet in executive session at 10:30 a. m., Tuesday, March 9, 1943, in room 356, House Office Building.

COMMITTEE ON RIVERS AND HARBORS

The Committee on Rivers and Harbors will meet Tuesday, March 9, 1943, at 10:30 a. m., to begin hearings on H. R. 1880, a bill providing for the construction of a ship canal across the State of New Jersey, connecting New York Bay with the Delaware River, and forming the last link in the Intracoastal Waterway from Boston to the Mexican border.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the subcommittee on bridges of the Committee on Interstate and Foreign Commerce, at 10:30 a. m., Tuesday, March 9, 1943.

Business to be considered: Public hearing on H. R. 877, to authorize the charging of tolls for the passage or transit of Government traffic over the Golden Gate Bridge.

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m., Tuesday, March 16, 1943.

Business to be considered: Public hearing on H. R. 149.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

You are hereby advised that the hearing on H. R. 134, to provide for the suspension, during the war, of operating-differential subsidy agreements, and attendant benefits, under title VI of the Merchant Marine Act, 1936, as amended, and for other purposes, which was previously scheduled for Thursday, March 4, 1943, has been postponed until Thursday, March 11, 1943, at 10 a. m.

The committee will also hold a public hearing on Thursday, March 18, 1943, at 10 a. m., on H. R. 1361 (Mr. LANE) and H. R. 1409 (Mr. FOGARTY), conferring upon men in the merchant marine the same rights, privileges, and benefits accruing to those serving in the armed forces, and on H. R. 1858, to confer the same rights, privileges, and benefits upon members of the United States merchant marine who served during the World War as are conferred upon members of the armed forces of the United States who served during such war.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

231. A letter from the second vice president, the American National Theater and Academy, transmitting the annual report for 1942 of the American National Theater and Academy; to the Committee on the Judiciary.

232. A letter from the Secretary of the Interior, transmitting the report of the Migratory Bird Conservation Commission for the fiscal year ended June 30, 1942 (H. Doc. No. 123); to the Committee on Agriculture and ordered to be printed.

233. A letter from the Secretary of the Navy, transmitting a proposed bill to amend sections 6 and 11 of the act approved July 24, 1941, entitled "An act authorizing the temporary appointment or advancement of certain personnel of the Navy and Marine Corps, and for other purposes," as amended, to provide for the grade of commodore, and for other purposes; to the Committee on Naval Affairs.

234. A letter from the Secretary, United States Employees' Compensation Commission, transmitting the Annual Report of the United States Employees' Compensation Commission covering the fiscal year ended June 30, 1942; to the Committee on the Judiciary.

235. A letter from the Attorney General, transmitting a report stating all the facts and pertinent provisions of law in the cases of 431 aliens whose deportation has been suspended for more than 6 months, together with a statement of the reason for such suspension; to the Committee on Immigration and Naturalization.

236. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the legislative establishment, House of Representatives, fiscal year 1944, involving an increase of $7,500, in the form of an amendment to the Budget for said fiscal year (H. Doc. No. 125); to the Committee on Appropriations and ordered to be printed.

237. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for emergency rubber project, Department of Agriculture, in the form of an amendment to the Budget for the fiscal year ending June 30, 1944 (H. Doc. No. 124); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 215. Report on the disposition of records by sundry departments of the United States Government. Ordered to be printed.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 216. Report on the disposition of records by sundry departments of the United States Government. Ordered to be printed.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 217. Report on the disposition of records by sundry departments of the United States Government. Ordered to be printed.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 218. Report on the disposition of records by sundry departments of the United States Government. Ordered to be printed.

Mr. CELLER: Committee on the Judiciary. H. R. 2087. A bill to provide for the punishment of certain hostile acts against the United States, and for other purposes; without amendment (Rept. No. 219). Referred to the Committee of the Whole House on the state of the Union.

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 777. A bill to amend an act entitled "An act to regulate the hours of employment and safeguard the health of females employed in the District of Columbia," approved February 24, 1914; without amendment (Rept. No. 220). Referred to the Committee of the Whole House on the state of the Union.

Mr. DOUGHTON: Committee on Ways and Means. H. R. 2030. A bill to permit the shipment tax-free of certain tobacco products to Territories of the United States for the use of members of the military and naval forces of the United States; without amendment (Rept. No. 225). Referred to the Committee of the Whole House on the state of the Union.

Mr. COLMER: Committee on Rules. House Resolution 154. Resolution for consideration of H. R. 653, a bill to amend the act entitled "An act to protect trade and commerce against interference by violence, threats, coercion, or intimidation," approved June 18, 1934; without amendment (Rept. No. 229). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. JENNINGS: Committee on Claims. H. R. 1219. A bill for the relief of Fred Taylor; with amendment (Rept. No. 221). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 1278. A bill for the relief of Dr. and Mrs. Richard Stever; with amendment (Rept. No. 222). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 1942. A bill for the relief of Henry B. Tucker; without amendment (Rept. No. 223). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 1724. A bill to provide for the reimbursement of certain civilian personnel for personal property lost incident to the emergency evacuation of the United States Antartic Service Expedition's East Base, Antarctica, on March 21, 1941, and for other purposes; without amendment (Rept. No. 224). Referred to the Committee of the Whole House.

Mr. LESINSKI: Committee on Immigration and Naturalization. H. R. 176. A bill for the relief of Morris Burstein and Jennie Burstein; without amendment (Rept. No. 226). Referred to the Committee of the Whole House.

Mr. LESINSKI: Committee on Immigration and Naturalization. H. R. 441. A bill for the relief of Charles Molnar; without amendment (Rept. No. 227). Referred to the Committee of the Whole House.

Mr. LESINSKI: Committee on Immigration and Naturalization. H. R. 850. A bill for the relief of George M. Louie; without amendment (Rept. No. 228). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GOSSETT:

H. R. 2112. A bill to grant to former owners of real property acquired by the United States the first opportunity to purchase such property at a reasonable price; to the Committee on Public Buildings and Grounds.

By Mr. ROBINSON of Utah:

H. R. 2113. A bill to amend the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes," approved July 11, 1916, as amended and supplemented, and for other purposes; to the Committee on Roads.

By Mr. ANGELL:

H. R. 2114. A bill to amend title I of Public Law No. 2, Seventy-third Congress, March 20, 1933, and the Veterans Regulations to provide for rehabilitation of disabled veterans, and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. McGEHEE:

H. R. 2115. A bill to amend the District of Columbia Unemployment Compensation Act to provide for unemployment compensation in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. RANDOLPH:

H. R. 2116. A bill to amend the laws of the District of Columbia relating to exemption of property from judicial process, the assignment of salary or wages, and the advance payment of salary or wages for the purpose of preventing attachment or garnishment; to the Committee on the District of Columbia.

By Mr. REES of Kansas:

H. R. 2117. A bill to establish a war cabinet and to define the jurisdiction and authority thereof; to the Committee on Military Affairs.

By Mr. PRIEST:

H. R. 2118. A bill to provide for universal service and total mobilization during any war in which the United States is now engaged; to the Committee on Military Affairs.

By Mr. POULSON:

H. R. 2119. A bill to provide for the promotion of officers on the retired list of the Army after specified years of service on active duty; to the Committee on Military Affairs.

By Mr. DIMOND:

H. R. 2120. A bill to amend section 9 of the act of Congress approved August 24, 1912 (37 Stat. 514); to the Committee on the Territories.

By Mr. PLOESER:

H. J. Res. 90. Joint resolution to provide for an investigation and study by the Federal Trade Commission of plans and problems with respect to the effective post-war operation of our economic system; to the Committee on Interstate and Foreign Commerce.

By Mr. LUDLOW:

H. J. Res. 91. Joint resolution to create a committee of peace aims; to the Committee on Foreign Affairs.

By Mr. COLMER:

H. Res. 151. Resolution to create a special committee on post-war economic policy and planning; to the Committee on Rules.

By Mr. DONDERO:

H. Res. 152. Resolution to investigate curtailment of Government publications; to the Committee on Rules.

By Mr. BLAND:

H. Res. 153. Resolution providing additional compensation for chief pages of the House; to the Committee on Accounts.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred, as follows:

By the SPEAKER: Memorial of the Legislature of the State of Colorado, memorializing the President and the Congress of the United States to amend the Social Security Act to permit old-age pensioners to perform casual labor; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Wyoming, memorializing the President and the Congress of the United States to extend the time for which Montana, Wyoming, and North Dakota may negotiate and enter into a compact or agreement for division of the waters of the Yellowstone River to June 1, 1947; to the Committee on Irrigation and Reclamation.

Also, memorial of the Legislature of the State of North Carolina, memorializing the President and the Congress of the United States favoring the passage of House bill 997 and Senate bill 216; to the Committee on Military Affairs.

Also, memorial of the Legislature of the State of Utah, memorializing the President and the Congress of the United States relating to its waters and the use thereof by the adjoining States and the United States; to the Committee on Irrigation and Reclamation.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

230. By Mr. LUTHER A. JOHNSON: Petition of Miss A. Campbell, of Hillsboro, Tex., favoring House Resolution No. 123; to the Committee on Labor.

231. By Mr. LECOMPTE: Resolution of Local No. 1116, United Electrical, Radio, and Machine Workers of America, opposing the Hobbs antiracketeering bill; to the Committee on the Judiciary.

232. By Mr. SULLIVAN: Memorial of the Legislature of Nevada, regarding statehood for the Territory of Alaska; to the Committee on the Territories.

233. By Mr. WHITE: Senate Joint Memorial No. 6, of the Idaho State Legislature; to the Committee on Agriculture.

234. By the SPEAKER: Petition of the Clerk of the House of Representatives, United States of America, State of Washington Legislature, petitioning consideration of their resolution with reference to House bill 997 and Senate bill 216; to the Committee on Military Affairs.

235. By Mr. BARRETT: Memorial of the Twenty-seventh Legislature of the State of Wyoming, memorializing the Congress of the United States of America to extend the time within which the States of Montana, Wyoming, and North Dakota may negotiate and enter into a compact or agreement for division of the waters of the Yellowstone River to June 1, 1947; to the Committee on Irrigation and Reclamation.

SENATE

TUESDAY, MARCH 9, 1943

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal God, who putteth down the mighty from their seat and exalteth the humble and the meek, Thy providence has led us as a nation across stern and stormy years to the very vestibule of destiny. In spite of our own shortcomings, which we confess with contrition, in this hour of world crisis Thou hast summoned us as trustees of civilization to defend the heritage of the ages and to help create institutions essential to human progress.

More and more may our strength be dedicated to the fulfillment of the ancient commission now put into our hands, to bind up the brokenhearted, to proclaim liberty to the captive and the opening of prison doors to them that are bound, to build the old wastes, to repair the ruined cities and the desolation of many generations. Forbid that our favored land throned in richness between the seas should in such an hour be tempted to ask "Who is to be the greatest in the coming kingdom of humanity?" May she be the greatest as she becomes the servant of all.

We ask it in the name of that One who for the joy that was set before Him despised the shame and endured the cross. Amen.

THE JOURNAL

On request of Mr. HILL, and by unanimous consent, the reading of the Journal of the proceedings of Friday, March 5, 1943, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, who also announced that on March 6, 1943, the President had approved and signed the following acts:

S. 158. An act to amend the Communications Act of 1934, as amended, to permit consolidations and mergers of domestic telegraph carriers, and for other purposes;

S. 621. An act to authorize the Secretary of the Navy to grant to the city of San Diego for street purposes a parcel of land situated in the city of San Diego and State of California;

S. 641. An act to amend section 6 of the Pay Readjustment Act of 1942 relating to the payment of rental allowances to certain officers; and

S. 739. An act to amend the act entitled "An act to authorize the attendance of personnel of the Army of the United States as students at educational institutions and other places."

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Taylor, its enrolling clerk, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 133) to amend and clarify certain provisions of law relating to functions of the War Shipping Administration, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and Mr. BLAND, Mr. RAMSPECK, Mr. MANSFIELD of Texas, Mr. WELCH, and Mr. O'BRIEN of New York were appointed managers on the part of the House at the conference.

The message also announced that the House had passed a bill (H. R. 2068) making additional appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1943, and for other purposes, in which it requested the concurrence of the Senate.

DEATH OF PVT. MAX E. McCLELLAN

Mr. BARKLEY. Mr. President, I rise to call the attention of the Senate to the fact that the junior Senator from Arkansas [Mr. McCLELLAN] has just received a message from North Africa advising him of the death of his son, Max E. McClellan, a private soldier in the Army of the United States, who volunteered for service to his country. I am sure that I speak the sentiments of all Senators, and all the friends and acquaintances of Senator McCLELLAN, when I say that we deeply sympathize with him in his great loss. I need not say that we are all deeply affected by the

sacrifice made by the Senator's son in behalf of his country in that far off land.

Mr. President, I felt that under these sad circumstances I should like to say this much, and I am sure I speak the sentiments of all Members of the Senate in expressing our profound grief over the sad news which has come to our friend the Senator from Arkansas.

CAPT. CLYDE E. HERRING

Mr. CLARK of Missouri. Mr. President, in connection with what the Senator from Kentucky has said, I am sure that every friend of former Senator Herring, of Iowa, noted with profound regret the statement in the newspaper this morning that news had come to Mr. Herring that his son, a captain in the American expeditionary forces abroad, had been reported missing in action. Every Member of this body, particularly those of us who served here with Senator Herring, have learned with very deep regret that this outstanding young man, formerly a captain in the Iowa National Guard, has been reported missing in action.

Mr. BARKLEY. Mr. President, I wish to say that I share the feeling the Senator from Missouri has expressed. I had not heard about former Senator Herring's son, or I would have mentioned him in connection with what I said regarding the death of young Mr. McClellan. I appreciate the Senator from Missouri bringing the matter to our attention.

Mr. CLARK of Missouri. I am sure the Senator would have mentioned the news about young Captain Herring if he had heard the report.

AMENDMENT OF ORGANIC LAW OF PUERTO RICO—ELECTION OF GOVERNOR

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read by the legislative clerk and referred to the Committee on Territories and Insular Affairs:

To the Congress of the United States:

Several months ago the Governor of Puerto Rico recommended that the organic law of Puerto Rico be amended so as to permit the people of Puerto Rico to elect their own Governor. This recommendation was brought to me by the Secretary of the Interior with his approval. The Governor's suggestion has been under consideration since that time.

It has long been the policy of the Government of the United States progressively to reinforce the machinery of self-government in its Territories and island possessions.

Puerto Rico has universal suffrage and an elective legislature which considers and enacts measures governing its internal affairs. Laws enacted by its legislature, however, including laws of purely local concern, have been subject to approval or disapproval by Governors appointed by the President with the advice and consent of the Senate of the United States.

In accordance with the general policy of this Government, I recommend to the Congress that it consider as soon as possible an amendment of the organic law of Puerto Rico to permit the people of Puerto Rico to elect their own Governor, and to redefine the functions and powers of the Federal Government and the government of Puerto Rico, respectively.

I have appointed a committee composed of an equal number of Puerto Ricans and of continental residents to advise me concerning changes in the organic law.

The recommendations of this committee will be promptly submitted to the Congress for its consideration.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *March 9, 1943.*

Mr. TYDINGS. Mr. President, I think the President's recommendation is worthy of the consideration of the Senate, and I believe that every desire of the Puerto Ricans which is reasonably possible of attainment should always be considered by this body. However, I cannot escape the belief that the proposal referred to in the message is not going to solve the Puerto Rican problem. I think it might be well for the Congress to begin approaching the inevitable right now, which, in my judgment, would be to give Puerto Rico her independence, retaining for ourselves such naval and military bases as are essential, and granting Puerto Rico for a period of time certain trade preferences in this country equal to those she now enjoys, which would permit her to readjust her internal and external economy to suit the changed condition.

Puerto Rico was won by the United States by conquest. Its people never agreed by any sort of plebiscite to become a part of this country; and I should like to see the Puerto Ricans given their freedom, the right to determine in full their own destiny, subject always, of course, to the retention, with their consent, of military and naval bases on the island of Puerto Rico, for their protection as well as ours, and to give them such help as we could in order to make possible the transition from a state of dependence to a state of independence, as we have done in the case of the Philippine Islands. I should like to see the Puerto Ricans ask for that; I should like to see them go the whole length rather than merely to ask to elect their own Governor. I believe if such a course is taken, an end to the Puerto Rican problem will be reached, and until such a course is taken we will face a perpetual and never-solved problem pending continually before the Congress of the United States as well as with the Puerto Rican people.

ENROLLED BILL SIGNED

Under authority of the order of the 5th instant,

During the last adjournment of the Senate the Vice President signed the enrolled bill (H. R. 839) to amend the act approved May 27, 1937 (ch. 269, 50 Stat. 208), by providing substitute and additional authority for the prevention of speculation in lands of the Columbia Basin project, and substitute and additional authority related to the settlement and development of the project, and for other purposes, which had been signed previously by the Speaker of the House of Representatives.

COLUMBIA HOSPITAL FOR WOMEN

The VICE PRESIDENT reappointed the Senator from Maryland [Mr. RADCLIFFE] a director of the Columbia Hospital for Women for the Seventy-eighth Congress.

COLUMBIA INSTITUTION FOR THE DEAF

The VICE PRESIDENT reappointed the Senator from Utah [Mr. THOMAS] a director of the Columbia Institution for the Deaf for the Seventy-eighth Congress.

CLARIFICATION OF FUNCTIONS OF WAR SHIPPING ADMINISTRATION

The VICE PRESIDENT laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H. R. 133) to amend and clarify certain provisions of law relating to functions of the War Shipping Administration, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. BAILEY. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. BAILEY, Mr. RADCLIFFE, and Mr. MCNARY conferees on the part of the Senate.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

PROVISION RELATING TO BOARD OF INVESTIGATION AND RESEARCH—TRANSPORTATION (S. DOC. NO. 17)

A communication from the President of the United States, transmitting draft of a proposed provision relating to an existing appropriation for the Board of Investigation and Research—Transportation, fiscal year 1943 (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

SUSPENSION OF DEPORTATION OF ALIENS

A letter from the Attorney General transmitting, pursuant to law, a report stating the facts and pertinent provisions of law in the cases of 431 aliens whose deportation has been suspended for more than 6 months under authority vested in the Attorney General, together with a statement of the reasons for such suspension (with an accompanying report); to the Committee on Immigration.

REPORT ON PERSONNEL OF THE LAND FORCES

A letter from the Secretary of War, submitting, pursuant to law, a confidential report of the number of men in active training and service in the land forces on January 31, 1943, under the Selective Training and Service Act of 1940; to the Committee on Military Affairs.

REPORT OF UNITED STATES EMPLOYEES' COMPENSATION COMMISSION

A letter from the secretary of the United States Employees' Compensation Commission, transmitting, pursuant to law, the annual report of the Commission for the fiscal year ended June 30, 1942 (with an accompanying report); to the Committee on Education and Labor.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

Petitions of sundry citizens of Fort Bragg and Fayetteville, N. C., praying for the enactment of legislation to prohibit liquor sales in the vicinity of military camps and naval establishments; to the Committee on Military Affairs.

A letter in the nature of a memorial from Local Union No. 9, Minneapolis city and county employees, Minneapolis, Minn., remonstrating against the enactment of legislation to require Senate confirmation of appointees to Federal positions with compensation of $4,500 per annum or more; to the Committee on the Judiciary.

A letter in the nature of a memorial from the Washington State Department of Social Security Employees, Pierce County, Tacoma, Wash., remonstrating against the enactment of legislation to require Senate confirmation of appointees to Federal positions with compensation of $4,500 per annum or more; to the Committee on the Judiciary.

By Mr. CAPPER:

A petition of sundry citizens of Kansas City, Kans., praying for the enactment of legislation to prohibit liquor sales and to suppress vice in the vicinity of military camps and Naval Establishments; to the Committee on Military Affairs.

By Mr. THOMAS of Utah:

A memorial of the Legislature of the State of Utah; to the Committee on Irrigation and Reclamation:

"Senate Joint Resolution 1

"A joint resolution memorializing Congress respecting the policy of the State of Utah relating to its waters and the use thereof by the adjoining States and the United States

"Be it resolved by the Legislature of the State of Utah (the Governor concurring therein):

"Whereas in the State of Utah there are rights of immense proportion which have been acquired in reliance upon State laws governing the use of water, and there are many enterprises awaiting development, which is possible only through the use of water; and

"Whereas differences of opinion have arisen regarding the respective rights and powers of the Federal and State Governments to control and administer the use of waters within the several States, with the result that the stability of existing property rights and the future development of the water resources of this State are threatened, and doubt is cast upon the authority of this State to exercise control over such use; and

"Whereas in order to remove all causes, present and future, which might lead to litigation, the welfare of this State requires that action be taken to insure interstate comity in the use of water, and to promote joint action by the States and the United States in the efficient use of water and the control of floodwaters to the end that litigation be avoided and the use and control of water be continued in the manner and under the laws as heretofore exercised: Now, therefore, be it

"Resolved by the senate and house of representatives in session assembled (the Governor concurring therein), That it is the policy of this State of Utah to maintain its jurisdiction and control over the rights to the use of the waters in this State, and to protect such rights as have been established under the laws thereof; be it further

"Resolved, That it is the policy of this State to protect rights to the beneficial use of water within this State as against threatened uses outside of the State; be it further

"Resolved, That it is the policy of this State to promote harmonious relations with the United States and with other States in respect to the beneficial use of water, and to encourage the making of compacts with respect to such relationship; be it further

"Resolved, That the secretary of state forward copies of this memorial to the President of the United States, the Vice President of the United States, the Speaker of the House of Representatives of the United States, Senators, and Representatives from the State of Utah, and the Governors of the States of Idaho, Wyoming, Colorado, Arizona, New Mexico, and Nevada."

(The VICE PRESIDENT laid before the Senate a memorial identical with the foregoing, which was referred to the Committee on Irrigation and Reclamation.)

By Mr. MILLIKIN:

A joint memorial of the Legislature of the State of Colorado; to the Committee on Agriculture and Forestry:

"House Joint Memorial 2

"To the Secretary of Agriculture of the United States of America and the Members of the Seventy-eighth Congress, first session:

"Whereas the Congress of the United States enacted Public Law No. 674 as an amendment to the commodity credit provision permitting the sale of 125,000,000 bushels of wheat, etc., approved July 22, 1942; and

"Whereas the available evidence indicates Colorado farmers have greatly increased their inventory numbers of livestock and poultry, in accordance with an appeal from Federal officials necessitated by the need for foodstuffs to be used in the war effort; and

"Whereas there exists an ample supply of wheat in storage in the United States, and the 125,000,000 bushels of wheat authorized to be sold, have been sold and no more of such wheat is available for feeding the augmented number of livestock and poultry in the State of Colorado, and such wheat for feeding purposes is sorely needed: Now, therefore, be it

"Resolved by the House of Representatives of the Thirty-fourth General Assembly of the State of Colorado (the Senate concurring herein), That the Congress of the United States is hereby respectfully memorialized and urged to authorize and empower the Secretary of Agriculture to arrange for the sale of additional wheat to the producers of livestock and poultry in the United States in such amounts as to alleviate the present protein feed shortage which has become an emergency threatening the supplies of foodstuffs now vital to the furtherance of the national war effort; and be it further

"Resolved, That a copy of this memorial be forwarded to the Secretary of Agriculture of the United States and to each of the Senators and Representatives in Congress from the State of Colorado."

A joint memorial of the Legislature of the State of Colorado; to the Committee on Finance:

"House Joint Memorial 3

"Joint memorial memorializing the Congress of the United States to amend the Social Security Act to permit old-age pensioners to perform casual labor

"Whereas our American people, collectively as a nation, are waging the greatest all-out contest of all time; and

"Whereas the able-bodied manhood of America is either under arms or engaged in producing the sinews of war; and

"Whereas this has resulted in an acute labor shortage, threatening curtailment of the vital food supplies of our Nation, and increasing the costs of living; and

"Whereas it is next to impossible for old-age pensioners to live on what they are now receiving; and

"Whereas they desire as patriotic American citizens to do their part by contributing to this great war effort to the best of their abilities: Now, therefore, be it

"Resolved by the House of Representatives of the Thirty-fourth General Assembly of the State of Colorado (the senate concurring herein), That the Congress of the United States be, and it is hereby memorialized, to amend, or at least suspend for the duration of the war and a reasonable time thereafter, the present restrictions in the Social Security Act to the end that any person who receives or is eligible to receive old-age assistance shall be permitted to do and perform odd jobs of labor, caretaking, and similar classes of casual work not in the general course of a trade or business, at such rates of pay commensurate with their abilities to perform the same, but in any event, in an amount not to exceed $25 in any 1 month without being penalized therefor; and be it further

"Resolved, That a copy of this memorial be transmitted to the President of the United States, to the Vice President of the United States, to the Speaker of the House of Representatives of Congress, and to our congressional representatives in the Congress of the United States."

(The VICE PRESIDENT laid before the Senate a memorial identical with the foregoing, which was referred to the Committee on Finance.)

By Mr. O'MAHONEY (for himself and Mr. ROBERTSON):

A joint memorial of the Legislature of the State of Wyoming; to the Committee on the Judiciary:

"Enrolled Joint Memorial 1

"Joint memorial memorializing the Congress of the United States of America to enact legislation relating to reviews by United States district courts of decisions of Federal boards, commissions, and other agencies of the United States

"Whereas the heads of departments, independent establishments, boards, commissions, and other agencies of the United States, with the approval of the President of the United States, are vested with various and divers judicial powers over the life, liberty, and property of the people of the several States; and

"Whereas many of the decisions of said commissions and other agencies of the United States are arbitrary, capricious, and result in the taking of property without due process of law; and

"Whereas in most instances the decisions of these men are reviewed by the heads of the several departments of government and from their decisions no appeals can be taken to a court of competent jurisdiction; and

"Whereas the said Federal boards, commissions, and other agencies of the United States frequently disregard the law and the facts and arrive at arbitrary and capricious decisions: Now, therefore, be it

"Resolved by the senate (with the house of representatives concurring), That the Congress of the United States be, and it is hereby, memorialized to enact legislation permitting appeals to be taken from the decisions of all boards, commissions, and other agencies of the United States to the United States district court in the district wherein the controversy arises, for hearing de novo upon the issues of law and fact; and be it further

"Resolved, That copies of this memorial be sent to the President of the United States Senate, the Speaker of the House of Representatives, and to United States Senators JOSEPH C. O'MAHONEY and E. V. ROBERTSON, and to Representative FRANK A. BARRETT."

A joint memorial of the Legislature of the State of Wyoming; to the Committee on Irrigation and Reclamation:

"Enrolled Joint Memorial 2

"Joint memorial memorializing the Congress of the United States of America to extend the time within which the States of Montana, Wyoming, and North Dakota may negotiate and enter into a compact or agreement for division of the waters of the Yellowstone River to June 1, 1947

"Whereas the Congress of the United States by the act of Congress approved August 2, 1937 (50 Stat. 551), as amended by the act of Congress approved June 15, 1940 (Public, No. 632, 76th Cong., 3d sess.), has granted authority to the States of Montana, Wyoming, and North Dakota to negotiate and enter into a compact or agreement for division of the waters of the Yellowstone River; and

"Whereas said States have diligently endeavored to negotiate such a compact, have appointed commissioners for that purpose and the commissioners did negotiate a tentative compact, which said compact was not approved by the legislatures of said States; and

"Whereas said States desire to continue such negotiations: Now, therefore, be it

"Resolved by the senate (with the house of representatives concurring), That the Congress of the United States be, and it is hereby, memorialized to enact suitable legislation for the purpose of extending the authority granted by the act of Congress approved August 2, 1937 (50 Stat. 551), as amended by the act of Congress approved June 15, 1940 (Public, No. 632, 76th Cong., 3d sess.), to June 1, 1947; and be it further

"Resolved, That copies of this memorial be sent to the President of the United States Senate, the Speaker of the House of Representatives, and to the United States Senators JOSEPH C. O'MAHONEY and E. V. ROBERTSON, and to Representative FRANK A. BARRETT."

By Mr. CLARK of Missouri:

A memorial of the House of Representatives of the State of Missouri; to the Committee on Finance:

Memorial to the Congress of the United States:

"Whereas the Sixty-second General Assembly of Missouri is now convened in regular session; and

"Whereas this body experiences much difficulty in the execution of the Social Security laws of our State when drawn in conformity with the Federal Social Security Act; and

"Whereas much confusion and dissatisfaction is evidenced on the part of recipients and charges of unfairness and discrimination are rumored, thus casting many reflections upon the officers in charge of the Social Security operations in each county organized under said Social Security Act; and

"Whereas we feel that the fundamental principle of any democracy is vested in the voice of the people; and

"Whereas we believe the strongest counteracting force of political evil is public resentment when based upon the opinion of a well informed constituency; and

"Whereas we feel that exacting of burdensome taxes by any group of appointive officials only to be disbursed also by a like group of appointive officials with the taxpayer being deprived of the right to know who is the beneficiary, one bold step has been made in defiance of the principles of democracy and the American way of life which is the goal for which the greatest war in history is being waged; we therefore memorialize the Congress of the United States to amend the Federal Social Security Act to the effect that any citizen in any county in any State thus organized under the Federal Social Security Act may be informed upon request made to his local Social Security Board of the names of any recipients in any branch of the Social Security Department and the respective amounts of money each is receiving, or has received during the past year, and to liberalize the Social Security Act so as to remove the many limitations and conditions placed upon the States before they may obtain Federal funds, also to allow the States and local boards to exercise greater authority in the administration and payment of assistance to the needy."

A resolution of the Senate of the State of Missouri; to the Committee on Military Affairs:

"Senate Resolution 26

"Whereas many Missouri communities are faced with dire economic distress and virtual abandonment due to the failure of national governmental agencies to use the natural resources and manpower of great areas of our State in the war program to the end that our population and economy be stabilized; providing employment near the homes of our people and thereby preventing the current migration of our population to the metropolitan areas where they are now being drawn by lucrative positions in war plants concentrated in those areas; and

"Whereas there are no governmental installations in the whole northern section of the State of Missouri and only four in the southern section, thereby leaving an area greater than that of any of the New England States with the exception of Maine, and having a population greater than that of at least four States in the Union without any governmental installation of any kind; and

"Whereas such Government contracts and installations in the war program in the State of Missouri have been concentrated in the metropolitan areas of St. Louis and Kansas City, the skilled labor from these inland sections has been taken from our communities and farms to live in crowded and less wholesome environmental conditions causing acknowledged housing shortages and because of such concentrations resulting in increased living costs and the needless disruption of homes, thereby increasing the social problems in these metropolitan areas; and

"Whereas the facts disclose that by every comparison our sister States have been more favored than the State of Missouri as for example:

"In the dollar valuation of war contracts per dollar of manufacturing activity in the States as of 1939 Kansas was awarded contracts in the amount of $16.39 for every dollar of manufacturing activity which she had before the war. Nebraska received contracts equivalent to $6.38 for every previous dollar that she had in manufacturing before the war. Arkansas received $6.06. Oklahoma received $3.02. But Missouri received contracts equivalent to only $2.91.

"In the all-over value of war contracts thus far awarded the national per capita average is $710.85. Our sister to the west, Kansas, has received from a bounteous government in war contracts a per capita average of $1,083.21 as compared with a per capita average in Missouri with her two large cities included of $452.24.

"As of September 30, 1943, war contracts had so changed the rank of our States in their relative manufacturing positions that we find Kansas advanced 15 places in the rank of manufacturing among the States.

"Oklahoma has bettered her position 6 places among the 48 States, Arkansas and Nebraska likewise are in an improved rank and though Missouri has always been further advanced in manufacturing than any of these she has, during the same period, fallen from her former position so that she has lost 5 places in her manufacturing rank with the other States; and

"Whereas Missouri is unselfishly furnishing her share of her youth to the Nation's armed forces and desires further to place her manpower and other resources to work in the war effort, and it seems incredible that such vast resources of men and natural materials cannot be employed within the area, not only to stabilize the present economy of the State but to provide a great employment opportunity for our young men in service when they return after victory; inasmuch as such installations could then be converted to peacetime operations as now planned in the sister States which have thus far been favored; and

"Whereas it has been the enunciated policy of our National Government to provide every possible means of securing the production of war matériel with a minimum of disruption and dislocation of the family life, the foundation of our democratic way, it then seems to us reasonable that more careful consideration of sites, facilities, labor, and resources of this State should be given by the agencies of our Government in Washington charged with the responsibility of locating these essential war enterprises: Now, therefore, be it

"Resolved by the Senate of the Sixty-second General Assembly of Missouri, That we call upon the elected representatives of the people of our State in the Senate and the House of Representatives of the Congress of the United States, and upon such other of our citizens in Washington as now hold offices of high trust, upon our elected State officials, and upon the commercial and civic leaders of all sections of the State that they act in concerted unison to bring these facts and these conditions to the attention of the President of the United States and to all departments and agencies of the Government dealing with the problems of securing war matériel, the acquiring of facilities, the establishing of training bases and the installation of war production units, to the end that the great State of Missouri may contribute in larger measure to the war effort and that her people and her resources may be fully utilized in speeding our Nation's effort to victory; and be it further

"Resolved, That certified copies of this resolution be placed in the hands of our representatives in Washington, our elective State officers and the appropriate departmental, commercial, and civic executives as set forth above."

By Mr. BUSHFIELD:

A concurrent resolution of the Legislature of the State of South Dakota; to the Committee on Finance:

"House Concurrent Resolution No. 7

"Concurrent resolution memorializing the Congress of the United States to relieve all persons in active military service of the United States from payment of income taxes or gross income taxes on their compensation received from the Government for such service

"Whereas the United States is now engaged in the prosecution of war activities on every continent and on the high seas in every corner of the globe against the totalitarian forces of Germany, Italy, Japan, and their satellites; and

"Whereas several million American citizens are aiding the Nation in this titanic struggle, by serving in the Army, Navy, Marine Corps, Coast Guard, and Public Health Service detailed for duty with the Army or the Navy; and

"Whereas thousands of such loyal and brave Americans have already lost their lives in this war, and those living will expose theirs to the risk of loss of life; and

"Whereas it is difficult for members of the armed forces to devote full energy to the struggle at hand, if they are beset by finan-

cial worries such as the payment of taxes, etc.; and

"Whereas it would be fitting and proper that certain taxes such as net income taxes and gross income taxes imposed by the Federal Government and the various States and Territories of the United States and the political subdivisions thereof not be required of such members of the armed forces: Now, therefore, be it

"Resolved by the House of Representatives of the State of South Dakota (the senate concurring), That the Congress of the United States further amend the Soldiers' and Sailors' Civil Relief Act by exempting all compensation received by persons while on active duty as members of the Army of the United States, the United States Navy, the Marine Corps, the Coast Guard, and all officers of the Public Health Service detailed by proper authority for duty either with the Army or the Navy from the payment of income taxes thereof either net income or gross income, imposed under the authority of the laws of the United States or the laws of any other State or Territory or any public or any political subdivision thereof; and be it further

"Resolved, That a copy of these resolutions be transmitted to each Member of Congress from South Dakota, including both Senators and Representatives, and to the presiding officer of each branch of Congress with the request that this matter receive their most earnest consideration."

(The VICE PRESIDENT laid before the Senate a concurrent resolution identical with the foregoing, which was referred to the Committee on Finance.)

Two concurrent resolutions of the Legislature of the State of South Dakota; to the Committee on Agriculture and Forestry;

"Senate Concurrent Resolution 5

"A concurrent resolution memorializing the Congress of the United States; His Excellency, the President of the United States; the Vice President of the United States; the honorable the Secretary of Agriculture of the United States; the Bureau of Animal Industry of the Department of Agriculture of the United States, and the Office of Price Administration of the United States, to oppose any modification of the existing sanitary pacts provided for embargo against the importation of fresh and frozen meats from countries known to be infested with foot-and-mouth disease

"Be it resolved by the Senate of the State of South Dakota (the house of representatives concurring therein):

"Whereas were it not for the Federal embargo, foot-and-mouth disease would be the greatest disease menace to the livestock industry of South Dakota and the Nation; and

"Whereas from time to time a movement has developed to import fresh and frozen meat products from countries infested with foot-and-mouth disease; and

"Whereas the most eminent livestock sanitary authorities of this Nation agree that freezing will not surely destroy the germ of foot-and-mouth disease, and

"Whereas an outbreak of foot-and-mouth disease would be an incalculable menace to the war effort: Now, therefore, be it

"Resolved, That all Federal authorities be urgently requested to oppose any modification of the existing embargo against the importation of fresh and frozen meat products from any and all countries known to be infested with foot-and-mouth disease, be it further

"Resolved, That copies of this Resolution be forwarded to the President and Vice President of the United States, to all representatives in the Congress and Senate of the United States, to the Secretary of Agriculture, to the Bureau of Animal Industry, and to the Office of Price Administration."

(The VICE PRESIDENT laid before the Senate a concurrent resolution identical with the foregoing, which was referred to the Committee on Agriculture and Forestry.)

"Senate Concurrent Resolution 11

"Concurrent resolution memorializing the Congress of the United States to investigate the alcohol production plant of the Yankton Industrial Alcohol Corporation, of Yankton, S. Dak., with a view of determining the possibility of establishment of a synthetic rubber plant at Yankton, S. Dak.

"Be it resolved by the State Senate of the Twenty-eighth Legislative Session of the State of South Dakota (the house of representatives concurring):

"Whereas the Yankton Industrial Alcohol Corporation, organized under the laws of the State of South Dakota, with its principal place of business at Yankton, Yankton, County, S. Dak., will, on or after the 1st day of April 1943, be in production of alcohol from corn products; and

"Whereas the operating capacity of the plant of said corporation will be the reduction of approximately 2,000 bushels of corn per day, with a daily output capacity of 6,000 gallons of alcohol; and

"Whereas the production and manufacture of synthetic rubber is of the highest importance to the Nation in the present war emergency: Be it

"Resolved, That the Congress of the United States of America should investigate the Yankton Industrial Alcohol Corporation, its plant and equipment at Yangton, S. Dak., with a view to determining the advisability and possibility of establishing at Yankton, S. Dak., a synthetic rubber manufacturing plant; be it further

"Resolved, That a copy of this resolution be forwarded to the Presiding Officers of both Houses of Congress and to the Senators and Representatives from the State of South Dakota."

Two concurrent resolutions of the Legislature of the State of South Dakota; to the Committee on Indian Affairs:

"House Concurrent Resolution 4

"Concurrent resolution of the South Dakota Legislature memorializing the President and Congress to revise the Federal laws and regulations relating to Indian affairs

"Be it resolved by the House of Representatives of the State of South Dakota (the senate concurring), That we hereby memorialize the President and the Congress of the United States to revise the laws and regulations relating to the administration of Indian affairs for the following reasons and along the following lines:

"(a) That most of the said existing laws and regulations were formulated at a time when all the Indians were considered as wards and dependents of the Federal Government and incapable of assuming the duties, obligations, and station of citizenship;

"(b) That most of the Indian inhabitants of the Nation have now been accorded the legal status of citizenship, and have advanced in education and progress along the lines of racial development to a point where they should be treated as full citizens, and most of the restrictions and regulations limiting their rights and freedom of action should be removed;

"(c) That many of the Indian inhabitants of the Nation are now graduates of high schools and colleges, and all of them are capable of receiving full high school and college education;

"(d) That most of our Indian citizens have entered loyally into the present war and assumed the risks and duties of active warfare on the same basis as other citizens of the Nation, and their efforts should be recognized and rewarded accordingly.

"We therefore earnestly memorialize the President and Congress of the United States to consider the changed condition of Indian affairs and to revise the laws and regulations concerning them accordingly; be it further

"Resolved, That a certified copy of this concurrent resolution be transmitted to the President of the United States, to the Senate and House of Representatives of the national Congress, and to each member of the congressional delegation from South Dakota; all to be done by the Secretary of State upon the passage and approval of this resolution."

(The VICE PRESIDENT laid before the Senate a concurrent resolution identical with the foregoing, which was referred to the Committee on Indian Affairs.)

"Senate Concurrent Resolution 10

"Concurrent resolution memorializing Congress concerning the condition of Indians

"Whereas deplorable conditions continue on the Indian reservations of South Dakota, with low living standards, lack of agricultural or other occupations, and impaired health; and

"Whereas these conditions appear to be steadily growing worse instead of better, with the Indian gradually becoming more dependent and more poorly equipped for either a happy or prosperous living, despite increased Federal appropriations for the Bureau of Indian Affairs; and

"Whereas the South Dakota Indian has shown his patriotism and his love for the American flag in the present world crisis: Now, therefore, be it

"Resolved by the Senate of the State of South Dakota (the house of representatives concurring), That the Indian Bureau recognize its obligations in the postwar period by conducting a thorough study in South Dakota of the Indians' health, living standards, and vocational opportunities, to the end that they may live a happier and more useful life; and be it further

"Resolved, That a copy of this resolution be forwarded to South Dakota Congressmen and to John Collier, Commissioner of the Bureau of Indian Affairs."

JOINT RESOLUTION OF VERMONT LEGISLATURE—AIR COMMERCE LEGISLATION

Mr. AUSTIN. Mr. President, I present and ask to have appropriately referred a joint resolution adopted by the General Assembly of the State of Vermont relating to Federal legislation affecting air commerce.

The joint resolution was referred to the Committee on Commerce, and, under the rule, ordered to be printed in the RECORD, as follows:

Whereas the Congress of the United States has before it for consideration House bill H. R. 1012 and Senate bill 246 affecting air commerce; and

Whereas air commerce (air lines) represents a minor part and private flying and fixed base operations represent a major part of civil aviation whose operations are not interstate in character and therefore are of no concern of the Federal Government, the pending legislation would deny to the States their inherent rights to govern within their own State and would seriously jeopardize private flying and fixed base operations; and

Whereas by applying the intent of this legislation to other forms of transportation our national economy would be seriously affected; and

Whereas there is no immediate need for this legislation as the President of the United States is vested with full power under the Defense Act to regulate all aircraft, civilian or otherwise if necessary; and

Whereas those men who are serving their country in the various branches of service are unable to voice their sentiments or opinions on this proposed legislation at this time; and they are the persons who have contributed more to the development of aviation and are entitled to their place in aeronautics when and if they return from active duty; and

Whereas there is ample time for such legislation to be considered in the future since consideration has not been given future developments and improvements which will change methods now used in the regulation of aircraft: Therefore be it

Resolved by the senate and house of representatives, That the Congress be respectfully requested that no favorable action be taken on the above-mentioned bills or any similar bill or bills by Congress until the present war is over and peace is established; and be it further

Resolved, That a copy of this resolution be forwarded to Hon. WARREN R. AUSTIN, and Hon. GEORGE D. AIKEN, Senators, and Hon. CHARLES A. PLUMLEY, Representative, from Vermont.

ASA S. BLOOMER,
Speaker of the House of Representatives.
MORTIMER R. PROCTOR,
President of the Senate.

Approved March 5, 1943.

WILLIAM H. WILLIS,
Governor.

RESOLUTION OF NATIONAL ASSOCIATION OF FARMERS—SUSPENSION OF A. A. A. ACTIVITIES

Mr. BALL presented a resolution of the National Association of Farmers relating to the total suspension of A. A. A. activities for the duration of the war, which was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

Whereas the Secretary of Agriculture has recently raised the restrictions and penalties incidental to production of wheat, thereby admitting the folly of the doctrine of scarcity previously advocated by the Department of Agriculture; and

Whereas the present and threatened food shortages have been largely brought about by the insistence of the Department of Agriculture upon restricted production and by its lack of capacity to appreciate and recognize the needs of the farmer as to farm machinery and manpower; and

Whereas there is a manifest tendency to add to the duties and powers of State and local Agricultural Adjustment Administration committees under the guise of war emergency and whereas these additional duties and powers are apparently designed to strengthen and perpetuate the Agricultural Adjustment Administration program; and

Whereas these above-mentioned factors are detrimental to increased farm production and consequently are hampering our whole war effort; and

Whereas these additional duties and powers could be more efficiently performed by local officials elected by popular vote and whereas the method of selection of the present Agricultural Adjustment Administration and allied boards is destructive of public confidence in the operation of said boards: Therefore be it

Resolved by the National Association of Farmers, That we recommend to Congress, legislation looking to the total suspension of Agricultural Adjustment Administration activities for the duration of the war, as we feel that the enormous reservoir of manpower now immobilized in Agricultural Adjustment Administration activities would be immensely more valuable if employed in actual farm production.

PAUL F. WARBURTON,
President of Free Farmers of Minnesota.

PROHIBITION OF LIQUOR SALES AND SUPPRESSION OF VICE AROUND MILITARY CAMPS

Mr. REYNOLDS. Mr. President, I present for appropriate reference a letter dated Homestead, Fla., February 28, 1943, and signed by seven church pastors. I read the letter, as follows:

HOMESTEAD, FLA., *February 28, 1943.*

Hon. ROBERT R. REYNOLDS,
Chairman of the Senate
Military Affairs Committee,
Senate Building, Washington, D. C.

DEAR SENATOR REYNOLDS: We are writing to you, not personally, but as chairman of the Military Affairs Committee of the Senate of the United States.

The congregation assembled at a union service at the First Methodist Church at Homestead, Fla., February 28, 1943, requested the undersigned pastors to write to you stating that the congregation desire and urge the passage by Congress of protective legislation for our armed forces—the sons of our homes—from the liquor and vice traffic, similar to that enacted by Congress in 1917 which Secretaries Baker and Daniels both declared to be exceedingly effective.

The congregation also requests that you read this action on the floor of the Senate and have it incorporated in the CONGRESSIONAL RECORD.

Respectfully yours,

O. SEWELL PALMER,
Pastor, Methodist Church.
J. E. JOHNSTONE,
Pastor, First Baptist Church.
R. E. HASTINGS,
Pastor, Church of God.
EARL P. SCOTT,
Church of the Nazarene.

Mr. President, I have complied with their request.

The VICE PRESIDENT. The letter presented by the Senator from North Carolina will be referred to the Committee on Military Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McCARRAN, from the Committee on the District of Columbia:

S. 791. A bill to effectuate the intent of the Congress as expressed in section 1, paragraph (k) of Public Law 846, Seventy-seventh Congress, approved December 24, 1942, by adding to the list of institutions named in said paragraph the name of the American Tree Association, an institution similar to the institutions so named; without amendment (Rept. No. 97).

By Mr. HAYDEN (for Mr. MCKELLAR), from the Committee on Appropriations:

H. R. 1975. A bill making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1943, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1943, and for other purposes; with amendments (Rept. No. 98).

REPORTS ON DISPOSITION OF EXECUTIVE PAPERS

Mr. BARKLEY, from the Joint Select Committee on the Disposition of Executive Papers, to which were referred for examination and recommendation four lists of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted reports thereon.

ENROLLED BILLS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on March 6, 1943, that committee presented to the President of the United States the following enrolled bills:

S. 621. An act to authorize the Secretary of the Navy to grant to the city of San Diego for street purposes a parcel of land situated in the city of San Diego and State of California; and

S. 739. An act to amend the act entitled "An act to authorize the attendance of personnel of the Army of the United States as students at educational institutions and other places."

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BAILEY:

S. 839. A bill for the relief of Etta Houser Freeman; to the Committee on Claims.

(Mr. REED introduced Senate bill 840, which was referred to the Committee on Banking and Currency, and appears under a separate heading.)

By Mr. WILEY:

S. 841. A bill for the relief of J. P. Woolsey; to the Committee on Claims.

By Mr. STEWART:

S. 842. A bill for the relief of J. H. Atkins; to the Committee on Claims.

By Mr. LANGER:

S. 843. A bill making certain regulations with reference to fertilizers or seeds that may be distributed by agencies of the United States; to the Committee on Agriculture and Forestry.

S. 844. A bill to amend the Railroad Retirement Act of 1937 so as to provide a minimum annuity of $50 per month for annuitants who have completed 30 years service; to the Committee on Interstate Commerce.

By Mr. McNARY:

S. 845. A bill to define the exterior boundaries of the Warm Springs Indian Reservation in Oregon, and for other purposes; to the Committee on Indian Affairs.

By Mr. MEAD:

S. 846. A bill to provide for post-war planning, and for other purposes; to the Committee on Finance.

By Mr. BILBO:

S. 847. A bill to provide for certain payments to needy blind individuals;

S. 848. A bill to provide for certain payments to dependent children;

S. 849. A bill to extend provisions of the act of March 20, 1933, and veterans' regulations applicable to World War veterans and dependents to veterans and dependents of the present war, and for other purposes; and

S. 850. A bill to provide for the payment of old-age pensions, and for other purposes; to the Committee on Finance.

By Mr. McCARRAN:

S. 851. A bill to provide adequate aeronautical training for the youth of the United States; to the Committee on Commerce.

S. 852. A bill to provide for the establishment of a fortified facility at or near the naval depot at Hawthorne, Nev.; to the Committee on Naval Affairs.

By Mr. WALSH:

S. 853. A bill to amend the act of March 3, 1909, as amended by the act of January 23, 1942, providing for the sale of naval stores, in order to authorize the Secretary of the Navy to permit the sale of naval stores in the continental United States during the war and 6 months thereafter to civilian officers and employees of the United States, and to other persons at stations where purchase from private agencies is found to be impracticable; to the Committee on Naval Affairs.

By Mr. CONNALLY:

S. 854. A bill for the relief of the First National Bank of Huntsville, Tex.; to the Committee on Claims.

By Mr. REYNOLDS:

S. 855. A bill to amend the Railroad Retirement Act of 1937 so as to provide for an

annuity for total and permanent disability after 10 years' service; to the Committee on Interstate Commerce.

By Mr. KILGORE:

S. 856. A bill for the relief of the heirs of Henry I. Brown; to the Committee on the District of Columbia.

APPEALS FROM PRICE-CONTROL ORDERS

Mr. REED. Mr. President, I introduce a bill to amend the Price Control Act of 1942, to aid in preventing inflation, and for other purposes. This is not a farm-bloc bill. This is not in the interest of or of any benefit to the farmer. It is a bill in the interest of the consumer whose supply of food, especially meat, is being threatened by impossible orders issued by the O. P. A., in violation of the plain intent of Congress.

The original Price Control Act of 1942 set up an emergency court of appeals and gave it exclusive jurisdiction over all appeals from orders and regulations of the O. P. A. The difficulty is that policies and practices of the O. P. A. makes appeal almost impossible under existing law. Appeal may be delayed by amendment and change in the orders and regulations, or by requiring additional information before an order is made final. In spite of great dissatisfaction with the many orders of the O. P. A., not a single appeal, so far as my information goes, has been able to reach the emergency court.

This bill provides appeal to any district court having jurisdiction of the parties.

The bill (S. 840) to amend the Emergency Price Control Act of 1942, to aid in preventing inflation, and for other purposes, was read twice by its title and referred to the Committee on Banking and Currency.

VOCATIONAL REHABILITATION OF CERTAIN DISABLED PERSONS—BILL RECOMMITTED

Mr. LA FOLLETTE. Mr. President, I ask unanimous consent that Calendar No. 48, Senate bill 180, to provide vocational rehabilitation, education, training, and other services to persons disabled while members of the armed forces, or disabled in war industries or otherwise, may be recommitted to the Committee on Education and Labor, together with all amendments which may be pending or on the table relating thereto.

The VICE PRESIDENT. Without objection, the bill and amendments will be rereferred to the Committee on Education and Labor.

HOUSE BILL REFERRED

The bill (H. R. 2068) making additional appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1943, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

DEFERMENT FROM MILITARY SERVICE OF PERSONS ENGAGED IN AGRICULTURE—AMENDMENT

Mr. JOHNSON of Colorado submitted an amendment intended to be proposed by him as an amendment to the committee amendment to the bill (S. 729) providing for the deferment from military service of persons engaged in agricultural occupations, which was ordered to lie on the table and to be printed.

NOTICE OF MOTION TO SUSPEND THE RULE—AMENDMENTS TO FIRST DEFICIENCY APPROPRIATION BILL

Mr. HAYDEN (for Mr. MCKELLAR) submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 1975) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1943, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1943, and for other purposes, the following amendments, namely:

Page 4, after line 17, insert the following:

"Office of Defense Health and Welfare Services: For payments to States for expenditure in accordance with State plans for the wartime care and protection of children of employed mothers, approved by the Office of Defense Health and Welfare Services, upon recommendation of the Children's Bureau, Department of Labor, or Office of Education, Federal Security Agency, and for payments to subdivisions of States for expenditure in accordance with such plans, such payments to be made by the Secretary of the Treasury in accordance with certification to him by any office of the Government designated for such purpose by the Director of the Office of Defense Health and Welfare Services, fiscal year 1943, $2,884,000: *Provided*, That any plan so approved shall itemize by classes and amounts the total funds required for the plan and the amount of Federal funds requested; shall provide for such methods of administration as are necessary for the efficient operation of the plan; shall set out a schedule of fees to be charged; shall state the extent of State and local participation in providing necessary funds, facilities, and services; shall provide for the inclusion and financing of any projects for care of children of employed mothers, now financed in whole or in part from Federal funds, upon the expiration of existing Federal grants, when such projects are essential to the prosecution of the war; and the Director of the Office of Defense Health and Welfare Services shall not approve any plan except upon his determination that the schedule of fees is the maximum practicable in view of the wages paid in the areas served, and his determination that the State and local participation is adequate in view of the financial status of the State or subdivisions: *Provided further*, That payments shall not exceed 50 percent of the total estimated expenditures, including expenditures from fees received, but excluding expenditures for purchase, renovation, construction, repair, or equipment of any building or premises in excess of $1,000 for each project: *Provided further*, That no payment from this appropriation shall be available for the purchase or erection of buildings; for alteration, repair, and equipment for any single project in excess of $1,000; or for operating expense, alteration, repairs, or equipment except in areas with special needs because of substantial increase in employment of women arising out of the war: *Provided further*, That the term "States" as used herein shall include the District of Columbia, Puerto Rico, and Hawaii: *Provided further*, That any equipment which is under the control of the Federal Works Agency and which is necessary to a project for the care of children of employed mothers already in operation and in use at the time such project is placed under this program may be transferred for the purposes hereof to other Federal agencies as the Director of the Office of Defense Health and Welfare Services may prescribe, and the appraised value thereof shall be covered into the Treasury as miscellaneous receipts.

"For all necessary expenses of the Office of Defense Health and Welfare Services, and other Federal agencies upon transfer thereto in accordance herewith, in connection with the foregoing approval of plans and payments to States, including personal services in the District of Columbia; actual transportation and other necessary expenses and not to exceed $10 per diem in lieu of subsistence of persons serving, without other compensation from the United States, while away from their homes in an advisory capacity to the Office of Defense Health and Welfare Services; and printing and binding; fiscal year 1943, $89,000: *Provided*, That section 3709 of the Revised Statutes shall not be construed to apply to any purchase from this appropriation when the aggregate amount involved does not exceed $100."

Page 6, after line 1, insert the following:

"BOARD OF INVESTIGATION AND RESEARCH—TRANSPORTATION

"Notwithstanding the limitations in section 203 of the First Supplemental National Defense Appropriation Act, 1943, the appropriation for the Board of Investigation and Research contained in said act shall be available for travel expenses and printing and binding in amounts not exceeding $11,000 and $23,000, respectively."

Page 8, after line 24, insert the following:

"Emergency preparation of high-school students for wartime service, Office of Education (national defense): For payments to States through certification from time to time by the United States Commissioner of Education (hereinafter referred to as the "Commissioner") to the Secretary of the Treasury of the name of each State to which payment is to be made and the amount to be paid, in accordance with regulations promulgated by the Commissioner under the supervision and direction of the Federal Security Administrator, with the approval of the Chairman of the War Manpower Commission and the President, such payments to be made prior to audit and settlement by the General Accounting Office, as follows:

"(1) For assistance to the States in adjusting the organization and curriculum of the high schools to a program for the preparation of high-school students for wartime service, such assistance to consist of (1) medical examination of students, and (2) the improvement of teachers in service in the fields of physical education, aeronautics, science, and mathematics through local district teacher-training institutes, demonstrations, visitations, publication, and other means; as provided by State departments of education pursuant to plans submitted by them and approved by the Commissioner, fiscal year 1943, $2,390,000: *Provided*, That each State department and local board of education shall continue to expend, on an annual basis, such sums as it has spent therefor in the year preceding the enactment hereof.

"(2) For assistance to State departments of education in providing State administration and instructional services in adjusting the organization and curriculum of the high schools to a program for the preparation of youth for wartime service, such administrative and instructional services to include salaries of State directors of a High School Victory Corps, of supervisors of physical fitness, aeronautics, mathematics, science, and occupational information and war service counseling, and of clerical and stenographic services; necessary travel expenses; and printing; in accordance with plans submitted by State departments of education and approved by the Commissioner, fiscal year 1943, $678,000: *Provided*, That the State departments of education shall continue to expend for such purposes, on an annual basis, such amounts from State funds as were available therefore in the year preceding the enactment hereof.

"Salaries and expenses, emergency preparation of high-school students for wartime

service, Office of Education (national defense): For all expenses necessary to enable the Office of Education to carry out the foregoing program for the emergency preparation of high-school students for wartime service, including personal services in the District of Columbia and elsewhere, traveling expenses, printing and binding, not to exceed $7,500 for the payment of actual transportation expenses, and not to exceed $10 per diem in lieu of subsistence and other expenses of persons serving, while away from their homes, without other compensation from the United States, in an advisory capacity to the Commissioner, fiscal year 1943, $114,000: *Provided*, That section 3709 of the Revised Statutes shall not apply to any purchase from this appropriation when the aggregate amount involved does not exceed $100: *Provided further*, That the Commissioner shall transmit to Congress within 30 days after the close of the fiscal year ending June 30, 1943, a report of the emergency program for the preparation of high-school students for wartime service as provided for in this act, such report to show the distribution of Federal funds by States, types of expenditures, and numbers of persons involved."

Page 21, after line 9, insert the following:

"CHILDREN'S BUREAU

"Grants to States for emergency maternity and infant care: For grants to States, including Alaska, Hawaii, Puerto Rico, and the District of Columbia, to provide, in addition to similar services otherwise available, medical, nursing, and hospital maternity and infant care for wives and infants of enlisted men in the armed forces of the United States of the fourth, fifth, sixth, or seventh grades, under allotments by the Secretary of Labor and plans developed and administered by State health agencies and approved by the Chief of the Children's Bureau, fiscal year 1943, $1,200,000."

Page 25, line 24, after the figure "$491,000", insert the following: ": *Provided*, That cost of living and representation allowances, as authorized by the act approved February 23, 1931, as amended, may be paid from this appropriation to American citizens employed hereunder."

Page 28, after line 8, insert the following:

"Special melting and coinage: To enable the Secretary of the Treasury to carry out the provisions of section 4 of the act entitled "An act to further the war effort by authorizing the substitution of other materials for strategic metals used in minor coinage, to authorize the forming of worn and uncurrent standard silver dollars into bars, and for other purposes", approved December 18, 1942 (Public Law 815), the expenses or adjustments in connection with the forming of worn and uncurrent standard silver dollars into bars shall be charged against the gain arising from the coinage of such bars."

Mr. HAYDEN also (for Mr. MCKELLAR) submitted amendments intended to be proposed by Mr. MCKELLAR to House bill 1975, the first deficiency appropriation bill, 1943, which were severally referred to the Committee on Appropriations and ordered to be printed.

(For text of amendments referred to, see the foregoing notice.)

MULTIPLE SHIP LAUNCHINGS IN SUPERIOR, WIS.

Mr. WILEY. Mr. President, a few days ago I received a letter from a group of workers in the shipyards of Superior, Wis., stating that on May 9 they would launch from five to eight ships. The letter states that this will be a world record for multiple launchings. It is expected that the Dionne quintuplets will be present, and the Lakes Ship Builders Joint Council is preparing for a great celebration. I ask that the letter of the head of the Lakes Ship Builders Joint Council, together with my reply, be inserted in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

HEAD OF THE LAKES
SHIPBUILDERS JOINT COUNCIL,
Superior, Wis., March 4, 1943.

Senator ALEXANDER WILEY,
United States Senate, Washington, D.C.

DEAR SENATOR: Local shipyards in Superior will launch from five to eight ships on May 9. This should achieve a world record for multiple launchings in one port on one day. To celebrate this event, the Dionne quintuplets will make their first visit to the United States in order to sponsor five sister ships in a "quint" launching at the Butler yards, and the local Shipbuilders Council, representing union labor, has declared that May 9 will be Labor Victory Day.

It is the hope of our committee that Labor Victory Day will commemorate a real day of victory in the battle of production, and a day of which laboring men everywhere will be proud. In the past labor has received some unpleasant publicity, but on this day, it is our hope, labor will receive some recognition of its cooperation with management. Here in Superior, for example, there has not been one strike, nor one work stoppage in our entire shipbuilding war effort. As a consequence, our shipyards are far ahead of production schedules, and, in addition, the shipbuilding unions have established an enviable record in the purchase of war bonds.

To make Labor Victory Day amount to something more than just another name-observance day, to give it some tangible expression, all shipbuilding employees will donate one full day's wages into a fund for the purchase of a shipload of food for war-stricken Europe. We estimate that this fund should approximate $50,000, and it is our hope that one of the "quint" ships may be secured to carry this cargo, thus underlining the fact that the supplies are from the workmen of Superior to the starving families of oppressed workingmen in Europe. In this connection we have a real need for your support.

In general, we would appreciate any publicity which you may be able to give our enterprise. In particular, we would like you to approach the national headquarters of the International Red Cross on our behalf. Will you kindly advise us of their attitude? Finally, though we are willing to turn the whole problem of transportation over to the Red Cross, we definitely feel that local community support would be stronger, and the publicity value greater, if we could secure one of the "quint" ships. These freighters from the Butler yards happen to be earmarked under lend-lease for Great Britain. After consultation with the Red Cross, we would appreciate your contacting the British lend-lease officials, the American State Department, or any responsible parties who would be in a position to give us an opinion on the feasibility of this plan.

Though we realize that this is asking you to do a great deal, we believe that you will agree it is for a worthy cause, and we assure you of our genuine appreciation for anything you may do for us.

Respectfully yours,
HOLDER MODEEN,
Chairman, Superior Shipbuilders Council.

MARCH 8, 1943.

MAJ. RALPH W. OLMSTEAD,
Deputy Director, Food Distribution Administration,
Washington, D.C.

DEAR MAJOR OLMSTEAD: Pursuant to our telephone conversation I am attaching herewith a self-explanatory letter which I received this morning from the Superior Shipbuilders Council, 1005 Tower Avenue, Superior, Wis.

You will recall I discussed this matter with you in a telephone conversation and you assured me the matter could be arranged in accordance with the request outlined in this letter.

I am taking the liberty of sending a copy of this letter to Mr. Roy F. Hendrickson and also to Lease-Lend Administrator E. R. Stettinius, and War Shipping Administrator E. S. Land.

As I understand it from my telephone conversation with you, it will not be necessary for these men to take any action since your department can handle the matter in its entirety. I am, however, sending them copies of the letter from the Superior Shipbuilders Council together with this letter so they may be fully advised in the event you may have to call on them for cooperation.

I regard this matter as extremely urgent, and I would greatly appreciate having a reply by telephone as soon as you can give me definite information or assurance these plans can be carried out.

Yours for victory,
ALEXANDER WILEY.

SLOGAN AGAINST ABSENTEEISM BY MISS CAROL GRAGG

Mr. CAPPER. Mr. President, the Cessna Aircraft Co., of Wichita, Kans., has been doing an excellent job of production in the war effort. I am informed that its campaign to reduce absenteeism has been attended with remarkably successful results.

As a part of its campaign against absenteeism, the Cessna plant held a contest for the best slogan. More than 1,000 slogans were entered. The winner of the contest was Miss Carol Gragg, a war worker in the electrical department of the plant. The splendid original slogan she suggested is this:

"You can't spell vicTory with an absent-T."

I think the slogan is pat, to a Tee, as we used to say. I am glad to call the attention of the Senate to Miss Carol Gragg, of the Cessna Aircraft Co., Wichita, Kans., and hope that her slogan, "You can't spell vicTory with an absent-T" does its bit toward victory.

GOVERNMENT BY REGIMENTATION AND BUREAUCRACY—ARTICLE BY WALTER E. CHRISTENSON

Mr. WHERRY. Mr. President, on Thursday, February 25, I addressed the Senate relative to a nomination the confirmation of which was resisted by the junior Senator from Wyoming [Mr. ROBERTSON].

In my remarks I stated that those of us who came from Nebraska came on a mandate from the people that we should cooperate with the President in the war effort 100 percent, but also that we should oppose to the utmost a government by regimentation and bureaucracy. As I said at that time, this mandate was given to us in no uncertain terms, and in the brief remarks I made to the Senate I called attention to my belief in the fundamental principles of representative government. I advised that these principles were reflected by the people of my State, and that it has been my experience that they extend quite generally into the other Midwestern States.

Since then an article has been written by Walter E. Christenson, an associate

editor of the Omaha World Herald, which sets forth in forceful and dramatic language the ideology of government of our Nebraska people and, I would say, of the voters of the Middle West.

I ask unanimous consent that this splendid article by Mr. Christenson be printed in the body of the RECORD at this point as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE DECAY OF LIBERALISM—THE CITIZEN VERSUS EXECUTIVE DECREE

(By W. E. Christenson)

To some people liberalism means Eugene Debs; to some it means George Norris; to some it means Joe Stalin; and to some it means Franklin Roosevelt.

To me it doesn't mean any of those, but it means a lot of people who, through the ages, have been leading the fight for the liberty of human beings—and particularly those who have been fighting against enslavement of people by their government.

It's nothing new. Dionysius said, "A love of liberty is implanted by nature in the breasts of all men." Tacitus wrote, "Liberties and masters are not easily combined." Thirteen centuries later William Wallace said to the Scots, "I tell you true liberty is the best of all things; never live beneath the noose of a servile halter."

But while this feeling for liberty appears to be almost universal, it flourishes more luxuriantly on American soil than anywhere else on the globe. The reasons are not obscure. From the earliest settlements our country has been populated and repopulated by fugitives from tyranny. And when the time came for separation, it is noteworthy, I believe, that the colonists in their bill of complaint did not dwell on physical hardships. They did not say, "You have not protected us from the Indians," or "You have not taken care of our old people," or "You haven't allowed us to have enough tea." The thing that caused them to rebel was that they were being treated as inferiors and dependents. They were revolting against the usurpations of the king and the violations of their liberties.

"He has refused his assent to laws the most wholesome and necessary * * * He has dissolved representative houses repeatedly * * * He has made judges dependent on his will alone * * * He has erected a multitude of new offices and sent hither swarms of officers to harass our people and eat out their substance * * * He has combined with others to subject us to a jurisdiction foreign to our constitution * * *"

The colonists were fighting, not the particular brain trust which happened to be in power in London at that moment, but a totalitarian system.

ECONOMIC DESPOTISM OUR NEW TYRANNY

The war against the mother country was won, but the battle for human liberty did not end. It continued until our own times.

But when the decades arrived which most of us look back upon as the days of our youth—the decades which marked the turn of the twentieth century—the nature of the battle had changed. Political authoritarianism had been vanquished, we thought, for all time. But in its place there had come a sort of economic despotism which many free Americans found no less galling than earlier types of tyranny. The natural wealth of the land had been plundered to a considerable extent by the robber barons who flourished after the Civil War. Great wealth and great economic power became concentrated in a few hands. Workers in great industrial centers were ground down into a state of servility. The historical avenue of escape—flight to the west—narrowed and finally closed as the cheap land was occupied.

That was when modern liberalism was born.

Most westerners were liberals in those days. We were the sons of wild jackasses, we had the breath of freedom in our nostrils, and we didn't want to see ourselves or our children shackled into an industrial class system of society. We wanted to live in a republic in which there was real opportunity for all—economic opportunity as well as political opportunity. We wanted every child, even if born in the humblest home, to have a chance to become a congressman or a president or a chairman of the board—according to the stuff there was in him.

Our thoughts in those days were largely concerned with what we called the trusts and the malefactors of great wealth; with swindlers who impudently sold worthless stocks; with manipulators who threw great railroad systems into bankruptcy so that they might plunder them; with sweatshops and company stores and kick-backs and blacklists and insolently juggled tariffs and adulterated food and short weight and all the other manifold evils that had attached themselves to the economic and political system.

WE DID NOT TIRE OF INDIVIDUAL LIBERTY

But let this point be made—to borrow a phrase—"again and again." Most of us were not tired of individual liberty; we wanted more of it. We wanted the rules of living in a free land to be changed a little so that we, the people, would be more secure in our freedom and less endangered by the irresponsible authority of autocrats.

It is only fair to say that there were crackpots in the liberal movement—socialists, anarchists, syndicalists and "ists" of many stripes who even then were thinking in terms of a dictatorship of the proletariat. But they were an insignificant minority. The great American liberal movement was libertarian in its aims and constitutional in its methods. Nothing was further from its purpose than a return to the days when bureaucrats swarmed over the land, eating the substance of the people.

Ten years ago American liberalism thought it had won its greatest political victory. But as time was to prove, that was in reality its hour of greatest danger.

For the men and women who crowded into places of power in the next decade were not in every case believers in the traditional American concept of liberty. They were not in every case well grounded in the practical mechanics of modern society. There were experimenters in their ranks, and uplifters and social workers and dreamy-eyed doers of good—and a few zealots who had borrowed their ideas from other climes and non-American cultures.

"Liberalism," so-called, was in the saddle, but it was not the pure, historical American liberalism. In too many instances it had overtones of the other kinds of isms then being advocated in Europe.

OVER-ALL TREND TOWARD ARBITRARY AUTHORITY

The strange thing about this new, left-wing, self-styled liberalism was that it proposed to set up bureaucratic government controls, backed by executive directives, to preserve the liberties of the people. The founding fathers would have turned in their sacred graves if they had heard such heresy.

Perhaps the harassed businessman when he accepted the temporary shelter of the National Recovery Act, the farmer when he took a Federal check for what he had raised or had not raised, the humble Work Projects Administration worker when he thanked Washington for his pittance, did not have time to think about the fundamental conflict involved. But the conflict was there, as clearly etched as ever it had been in history: The Taxpayer versus the Bureaucrat, the Citizen versus the Executive Decree.

This is not an indictment of an administration. It should be said in fairness that many items in the program of the New Deal were beneficial changes in the rules—changes designed to permit the average American a chance to lead a better and more useful and freer life.

But the over-all trend of the decade has been toward strengthening the arbitrary authority of the State. The power of the courts has been assailed and the power of the Congress has been usurped and bypassed. Today no prudent attorney would dare to advise a client on any matter relating to the economic life of the Nation merely on the basis of what he could find in the statutes or in his volumes of judicial opinions. More important by far than these are the decrees and directives which come from the bureaucracy, and the rulings thereon which have been handed down by various ones of 2,500,000 civil employees of the Central Government.

THEIR GOAL SECURITY BUT NOT LIBERTY

It is argued that a vast extension in the authority of the Government is necessary in time of war to make the Nation more efficient and more productive. On that point we should be particularly careful to think clearly.

The American people do not object to the discipline demanded by total war or to the so-called hardships which result for the civilian population. A temporary lack of gasoline or rubber or shoes or coffee or whatever is trivial incident in the life of a Nation. But the kind of government that may result from these strictly temporary conditions—that is a matter of the deepest interest to all of us and to our children. What is happening today should be viewed in the light of what has gone before and what is promised for the future. And that view is not entirely reassuring.

These former liberal brethren who are now in authority in Washington had charted their course long before total war had imposed its demands upon the Nation. They had said in substance: "Our goal is security. Not liberty, but security. We are going to see to it that everyone, the shirker equally with the toiler, has plenty to eat and a comfortable place in which to live. It is not our purpose merely to create a society in which all will have a fair chance to produce and earn. We propose to take charge of society, we propose to direct its economic operations in such a way that the social objectives which we in our wisdom deem proper shall be guaranteed to every citizen by the central authority."

And if the voice of Benjamin Franklin cried from the tomb: "They that can give up essential liberty to obtain a little temporary safety deserve neither liberty nor safety"—if that voice was raised, surely no one in all the land heard.

THE ROAD FRANCE TROD

We moderns have a tragic illustration before us of what may happen if the search for national leisure and security—under the auspices of a bureaucracy—is carried to an extreme. In his report on the reasons for the fall of France, General Giraud, our present aide and ally, spoke realistically of conditions within that country before the war. He said:

"It was easier to succeed by intrigue than work. Politics became a career of compromise, arrangement, betrayal. Many lawyers, professors, and journalists suddenly believed themselves statesmen, as soon as they had taken their first degree—but above all, as soon as they had managed to get into the office of some undersecretary of state, or into the reception room of some woman of importance.

"From 1918 to 1940 France luxuriated in every kind of regime that might be called

republican—from horizon blue to the Red popular front. Ministries fell like houses of cards, scandals accumulated, riots caused the spilling of French blood even on the paving stones of the capital; but always the same men trod the boards. The ruin which the popular front caused France is immeasurable, but its greatest responsibility was to teach the people of France laziness under the grandiose name of leisure."

In a similar report, issued sometime before France was destroyed, two Premiers of that Republic—the Messrs. Daladier and Reynaud—expressed similar sentiments. They said:

"Actually that part of the French population which created wealth, which labors for the future, is continually diminishing, while that part which, directly or indirectly, lives on the state is constantly growing. * * * There is a steady fall in the number of Frenchmen who are ready to bear the risks of enterprise and creation. * * * That everyone should work more and that the state should spend less—for ourselves we see this as the only formula of salvation; it is elementary, but it is inescapable."

WE MUST BRAVE SOME EPITHETS

And at another point this report continues:

"The problem, then, is not to choose between preserving or repealing the recent social reforms, whose generous inspiration nobody disputes. The problem is to prevent them from automatically dwindling to nothing, to prevent their benefits from evaporating in the high cost of living, to prevent employers and employed, in a country which is still poor, from having nothing to share but poverty."

They were writing about France, but their message was for America, too.

It is a little difficult to discuss such matters without seeming to defend some of the piratical practices which attached themselves to our economy during the earlier years of easy prosperity. The one who questions steps taken since 1933 is likely to be answered with, "Oh, so you prefer the Hoover depression." The one who questions the all-seeing, all-knowing wisdom of the bureaucracy is likely to be branded as a tory and a latter-day edition of Mark Hanna. Yet those taunts will have to be braved if we are going to save the kind of personal liberty Americans love.

Only the naive will expect that the law-making and directive-issuing bureaucracy will meekly disband after the war and that its many practitioners will return forthwith to their studies and their social service settlements. So far as I am aware no such miracle has ever transpired in the long record of the struggle between the people and government. Rousseau was speaking for history when he said: "Liberty is never recovered if it is once lost."

"PLANNING" IS NEW WORD FOR DESPOTISM

There are plentiful signs that those former liberals who now are directing the managed economy do not propose to go against the tide of history. They propose, when victory is won, that "planning"—that new word for despotism—shall be carried to new heights.

Only a few weeks ago HENRY A. WALLACE, that most lovable and most amazing of all planners, gave a glimpse of what is running through his mind. In the post-war world, he said, there will be a new type of government which might be called, "the democracy of the common man." And this new democracy, he said, will be made up of approximately equal parts of our traditional (it is his phrase) "Bill of Rights democracy" and the newer—again quoting Mr. WALLACE—"economic democracy" as exemplified in the Government of Soviet Russia.

If economic democracy fits the needs of Russia—whose history and traditions are far different from our own—then certainly no one in America should utter one word of criticism. Americans have reason to be eternally grateful for the stout Red Army which that economic democracy has produced. But does that mean that we, also, should adopt the democracy of the commissars and the collective farms? That we should consider borrowing for our own use any part of a type of regime whose final authority is based upon the firing squad? Perhaps some Americans will not agree with their Vice President.

Another post-war dreamer who is not an official but who sometimes speaks for the prevailing attitude in Washington, said only a few days ago: "Soviet Russia is now functioning as a complete democracy within an over-all totalitarian scheme."

Possibly as you think it over you may conclude that is a fair statement of the program which some of these totalitarian-minded citizens may have in view.

Any talk about what those now in authority propose in the way of a post-war program for our own country—I am not now speaking of any international organization—must necessarily be speculative. No one has stated it formally. We can only see what is happening, read what is being said—and then use our God-given intelligence.

Perhaps that points to one of the greatest dangers of the times. We are not fighting a tangible program which can be faced and debated, but only an insidious trend. Trends are mighty tricky things to fight, as the people of Germany discovered in 1933.

This would be a grand hour for the old-time, fighting American liberals—if they were still on the scene. But unfortunately the movement in which they once joined is bankrupt. Some of its leaders have been shanghaied and taken on a political cruise which was never charted. Others are tired and dejected. The political power which they built up has been dissipated or subverted to opposite uses. The great American liberal movement which once spread its beneficent influence over both great parties has disappeared.

True, there are political leaders in both parties who take a strong stand agin' what is being done. But if they should be put in power, would they be strong enough morally to junk the enormously powerful and (to the driver) attractive governmental machine that has been created? Historically a mere policy of throwing the rascals out has never been entirely successful.

A demand from a few political leaders can be forgotten after the election; a demand from the American people can never be ignored. The thing that is needed is to bring about a reawakening of embattled American liberalism so that the people themselves will insist upon and get a restoration of the kind of liberty that made America great.

If we, the people, don't resist, day by day, the insinuating power of the Government directive, the time may come in America when every lawyer will work for the bureaucracy and every newspaperman will get his copy from the ministry of propaganda, and every citizen will get his marching orders from Washington.

If that time should ever come, it will not be because, to borrow another phrase, anyone "planned it that way" but because we, the liberty-loving people, were too complacent—because we didn't start fighting in time.

PROPOSED RESTRICTION OF NEWSPRINT

Mr. LODGE. Mr. President, I have received a most illuminating letter from Mr. A. Warren Norton, manager of the Christian Science Monitor, regarding the proposed restriction of newsprint. This letter is such a valuable contribution to this subject that I ask that it be printed in the RECORD as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE CHRISTIAN SCIENCE
PUBLISHING SOCIETY,
Boston, Mass., March 5, 1943.

The Honorable HENRY CABOT LODGE, Jr.,
United States Senate, Washington, D. C.

DEAR MR. LODGE: I am glad to learn from your recent letter that you are endeavoring to keep in close touch with the newsprint situation as it seems to be developing in Washington, for there is no doubt but what it has far-reaching implications.

It would seem that the freedoms which were fought for and became the basis of this Republic are continually being encroached upon. There is no doubt but that if we wish to retain our freedom we must never give up freedom of the press and must in every turn overcome any encroachments upon it, regardless of the directions from which they come.

Freedom of the press without newsprint would obviously vanish. Any unnecessary restrictions upon its supply does, without a doubt, restrict the dissemination of the news to a public which should always be fully informed. Your job and mine is to see to it that no one at any time does anything to keep our great Nation from being informed.

I would like to say, and unselfishly, too, that sacrifices in the use of paper should be made in other lines first rather than with newsprint; where the use of paper is not strictly for war or military purposes.

We have all seen how through radio licensing restrictions may be placed, or could be placed, upon the radio stations of the country to the extent that they really do not enjoy the same freedom that the newspapers of the country now have.

I might direct your attention to the point that newspapers need advertising to offset a large part of the expenses involved in publication. This being the case, any restrictions in newsprint must reduce the size of newspapers thus limiting, and in a measure reducing the amount of money available, not only to print, but to gather news so that the public may be informed.

As I see it, there is a further danger that throughout the country there are many small newspapers, their size may already be small in number of pages, which would be harmed by a too drastic cut in the use of newsprint. In other words, with a large number of pages, a newspaper could easily cut 10, 20, or even 50 percent and wind up with, let us say, 18 or 20 pages which under normal conditions might be sufficient for news purposes. However, a publication starting out with the same number of pages, the reductions being up to 50 percent, would force many newspapers out of business.

Let us also not penalize those publishers who by virtue of their foresight protected themselves from such a war emergency as we now find ourselves in, and those newsprint manufacturers who also contemplated the same restrictions and foresaw the need of following a pattern which was not apprehended by others at that time.

There are perhaps many other things I could think of but possibly the above will be helpful. To be invincible we must be informed.

With kindest regards, I am,
Yours sincerely,

A. WARREN NORTON,
Manager.

FARM SECURITY, NATIONAL SECURITY, AND POST-WAR PLANNING—ADDRESS BY THE VICE PRESIDENT

[Mr. THOMAS of Oklahoma asked and obtained leave to have printed in the RECORD an address entitled "Farm Security, National

Security, and Post-War Planning," delivered by the Vice President before a meeting of farmers and representatives of civic organizations, Columbus, Ohio, March 8, 1943, which appears in the Appendix.]

LET US DEFEND THE AMERICAN HOME—ADDRESS BY SENATOR WHEELER

[Mr. WHEELER asked and obtained leave to have printed in the RECORD a radio address entitled "Let Us Defend the American Home," delivered by him on March 5, 1943, which appears in the Appendix.]

WAR GUILT AND PUNISHMENT FOR WAR CRIMES — ARTICLE BY SENATOR THOMAS OF UTAH

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD an article having to do with war guilt and punishment for crimes against humanity, written by him, published in the American magazine, which appears in the Appendix.]

PLANTING THE VICTORY GARDEN—ADDRESS BY SENATOR LUCAS

[Mr. O'MAHONEY asked and obtained leave to have printed in the RECORD an address entitled "Planting the Victory Garden," delivered by Senator LUCAS at a banquet of the Catholic Charities of Rockford, Ill., on March 7, 1943, which appears in the Appendix.]

TASKS OF CONGRESS—ARTICLE BY SENATOR MURRAY

[Mr. GREEN asked and obtained leave to have printed in the RECORD an article by Senator MURRAY relating to the tasks facing Congress, which appears in the Appendix.]

ADDRESS BY THE UNDER SECRETARY OF STATE AT CONVOCATION OF UNIVERSITY OF TORONTO

[Mr. RADCLIFFE asked and obtained leave to have printed in the RECORD an address delivered by Hon. Sumner Welles, Under Secretary of State, at the convocation of the University of Toronto, Toronto Canada, February 26, 1943, which appears in the Appendix.]

TRADE AGREEMENTS IN A NEW WORLD—ARTICLE BY SUMNER WELLES

[Mr. HATCH asked and obtained leave to have printed in the RECORD an article entitled "Trade Agreements in a New World," by Sumner Welles, Under Secretary of State, published in the Atlantic Monthly for March 1943, which appears in the Appendix.]

RURAL ELECTRIFICATION—ADDRESS BY HON. GEORGE W. NORRIS

[Mr. HILL asked and obtained leave to have printed in the RECORD an address on rural electrification delivered by Hon. George W. Norris, of Nebraska, at the National Rural Electric Cooperative Association meeting at St. Louis, Mo., on January 19, 1943, which appears in the Appendix.]

WASHINGTON DINNER ADDRESS BY AMBROSE O'CONNELL

[Mr. O'MAHONEY asked and obtained leave to have printed in the RECORD an address delivered by Hon. Ambrose O'Connell, vice chairman of the Democratic National Committee, at the George Washington dinner, March 6, 1943, at Milwaukee, Wis., which appears in the Appendix.]

BOUNDARIES OF SMALLER NATIONS—ARTICLE BY CONSTANTINE BROWN

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD an article concerning the boundaries of smaller nations written by Constantine Brown and published in the Washington (D. C.) Star of March 1, 1943, which appears in the Appendix.]

SECRECY IN DIPLOMACY—ADDRESS BY HUGH M. GRANT

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD an article by Charles Pennington embodying an address delivered by Dr. Hugh G. Grant, former United States Minister to Albania, in Chattanooga, Tenn., which appears in the Appendix.]

THE NATIONAL YOUTH ADMINISTRATION—LETTER FROM HOWARD D. GREGG

[Mr. TUNNELL asked and obtained leave to have printed in the RECORD a letter from Howard D. Gregg, president of the State College for Colored Students at Dover, Del., advocating continuance of the National Youth Administration, which appears in the Appendix.]

VOLUNTARY EMPLOYMENT—EDITORIAL FROM HARTFORD (CONN.) COURANT

[Mr. MALONEY asked and obtained leave to have printed in the RECORD an editorial entitled "To Keep Employment Voluntary," published in the Hartford (Conn.) Courant of March 6, 1943, which appears in the Appendix.]

REVIEW OF NATIONAL DAIRY SITUATION

[Mr. AIKEN asked and obtained leave to have printed in the RECORD a review of the national dairy situation issued by the National Cooperative Milk Producers' Federation under date of March 8, 1943, which appears in the Appendix.]

THE MOST DESPICABLE SABOTEUR—EDITORIAL FROM FORT WAYNE (IND.) NEWS-SENTINEL

[Mr. WILLIS asked and obtained leave to have printed in the RECORD an editorial entitled "The Most Despicable Saboteur" published in the Fort Wayne (Ind.) News-Sentinel of March 6, 1943, which appears in the Appendix.]

PROPOSED CONSTRUCTION OF PIPE LINE FROM TEXAS TO INDIANA

The VICE PRESIDENT. The Chair lays before the Senate a resolution coming over from a previous day, which will be stated.

The CHIEF CLERK. A resolution (S. Res. 103) to investigate certain matters in connection with the proposed construction of an additional pipe line from Texas to Indiana, submitted by Mr. CLARK of Missouri (and other Senators) on February 15, 1943.

Mr. CLARK of Missouri. Mr. President, I ask that the resolution may be passed over without prejudice.

The VICE PRESIDENT. Without objection, it is so ordered.

HOSPITALIZATION, DOMICILIARY CARE, AND BURIAL BENEFITS IN CERTAIN WORLD WAR NO. 2 CASES

Mr. CLARK of Missouri. Mr. President, from the Committee on Finance I report back with amendments the bill (H. R. 1749) to amend Veterans Regulation No. 10, as amended, and I submit a report (No. 96) thereon. The bill is known as the act granting hospitalization, domiciliary care, and burial benefits in certain World War No. 2 cases.

I now move that the Senate proceed to the consideration of Calendar No. 73, Senate bill 230, a companion bill to the bill which I have just reported from the Committee on Finance.

The VICE PRESIDENT. The bill will be read by title.

The CHIEF CLERK. A bill (S. 230) to amend Veterans Regulation No. 10, as amended, to grant hospitalization, domiciliary care, and burial benefits to certain World War No. 2 cases.

The VICE PRESIDENT. The question is on the motion of the Senator from Missouri.

Mr. McNARY. Mr. President——

The VICE PRESIDENT. The motion is not debatable.

Mr. McNARY. I thought the Senator had asked unanimous consent.

The VICE PRESIDENT. No; the Senator made a motion. The question is on agreeing to the motion of the Senator from Missouri.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 230) to amend Veterans Regulation No. 10, as amended, to grant hospitalization, domiciliary care, and burial benefits to certain World War No. 2 cases, which had been reported from the Committee on Finance with an amendment, on page 1, line 6, after the word "following" and the colon, to strike out "Any officer, enlisted man, member of the Army Nurse Corps (female) or Navy Nurse Corps (female) employed in the active military or naval service of the United States on or after December 7, 1941, and before the termination of the present war," and to insert: "World War No. 2—Any person who served in the active military or naval service of the United States on or after December 7, 1941, and before the termination of hostilities in the present war as determined by proclamation of the President or by concurrent resolution of the Congress: *Provided*, That the term 'active military or naval service', as used herein, shall include active duty as a member of the Women's Army Auxiliary Corps, Women's Reserve of the Navy and Marine Corps, and the Women's Reserve of the Coast Guard", so as to make the bill read:

Be it enacted, etc., That paragraph IV of Veterans Regulation No. 10, as amended, is hereby amended by striking out the period at the end thereof and substituting therefor a colon and the following: "World War No. 2—Any person who served in the active military or naval service of the United States on or after December 7, 1941, and before the termination of hostilities in the present war as determined by proclamation of the President or by concurrent resolution of the Congress: *Provided*, That the term 'active military or naval service', as used herein, shall include active duty as a member of the Women's Army Auxiliary Corps, Women's Reserve of the Navy and Marine Corps, and the Women's Reserve of the Coast Guard."

Mr. CLARK of Missouri. Mr. President, House bill 1749 was passed by the House of Representatives unanimously, has been considered at length by the veterans' subcommittee of the Committee on Finance and unanimously reported by that subcommittee to the full committee, and unanimously reported by the full committee to the Senate.

The purpose of the bill is to extend to veterans who are now being discharged, who may have suffered disability, and who have become veterans of World War No. 2, the same opportunity for hospitalization, domiciliary care, and burial benefits as those which have hitherto been granted to veterans of World War No. 1.

Mr. President, it is an emergency matter for the reason that there are many men now being discharged from the armed forces after service in World War War No. 2 as to whose status in veterans' hospitals, under the present law, there is some doubt. As a result thereof, men are being discharged—and this is particularly true of mental cases and tuberculosis cases—from the armed forces, and their families are being notified to come and get them; that they are not entitled under the present law to hospitalization in veterans' hospitals. Many men have been sent to State insane asylums, or efforts have been made to place them in State insane asylums, but the State authorities have been reluctant to take them, on the ground that this is purely a Federal obligation. I am ashamed to say, Mr. President, that in a considerable number of cases, particularly mental cases, the families of the men have been unable to take care of them, the State institutions have been unwilling to receive them, and so the men themselves, after being discharged from the Army, Navy, Marine Corps, and the Coast Guard of the United States, have actually been confined in common jails, through no other fault of their own than that they had suffered serious mental derangement, in many cases as the direct result of their service in the armed forces of the United States.

So, by the proposed legislation it is our purpose simply to do now at the outset of the emergency the same thing that was done 5½ years after the last war, and which has been the policy of the United States Government ever since as to veterans of World War No. 1. I say it would be a disgrace to the United States to permit this situation to continue.

Mr. President, in fairness I should say that the Veterans' Bureau proposed an amendment which would require the disabilities to have been noted in the service. Neither the Veterans' Subcommittee nor the full House committee, nor the Finance Committee of the Senate were willing to accept such an amendment for the reason that under the present law and regulations, which are simply extended to the veterans of World War No. 2, the Administrator of Veterans' Affairs has the power and the right and the duty, by regulation, to prescribe priorities in acceptances into hospitals and the extension of the facilities of the hospitals, so, under the proper regulations prescribed by the Veterans' Bureau, there is no danger of a man coming home with flat feet and crowding out mental cases or tubercular cases, or men who are bitterly and urgently in need of hospitalization.

Mr. President, I hope the committee amendment may be adopted. It provides simply for the status of the WAAC's, the WAVES, the SPARS, and members of other organizations, entitling them to hospitalization, but not to any pecuniary benefits.

The VICE PRESIDENT. The question is on agreeing to the committee amendment to Senate bill 230.

The amendment was agreed to.

Mr. CLARK of Missouri. Mr. President, I now ask unanimous consent to substitute for the Senate bill, House bill 1749, which has just been favorably reported with an amendment.

The VICE PRESIDENT. Is there objection to the request of the Senator from Missouri [Mr. CLARK]?

There being no objection, the Senate proceeded to consider the bill (H. R. 1749) to amend Veterans Regulation No. 10, as amended, which had been reported from the Finance Committee, with an amendment to strike out all after the enacting clause and to insert the following:

That paragraph IV of Veterans Regulation No. 10, as amended, is hereby amended by striking out the period at the end thereof and substituting therefor a colon and the following: "World War II—Any person who served in the active military or naval service of the United States on or after December 7, 1941, and before the termination of hostilities in the present war as determined by proclamation of the President or by concurrent resolution of the Congress: *Provided*, That the term 'active military or naval service,' as used herein, shall include active duty as a member of the Women's Army Auxiliary Corps, Women's Reserve of the Navy and Marine Corps, and the Women's Reserve of the Coast Guard."

The VICE PRESIDENT. The question is on agreeing to the committee amendment.

Mr. CLARK of Missouri. Mr. President, the committee amendment to the House bill strikes out all after the enacting clause, and substitutes therefor the language of the Senate bill, as amended.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The VICE PRESIDENT. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill (H. R. 1749) was read the third time and passed.

The title was amended so as to read: "An act to amend Veterans Regulation No. 10, as amended, to grant hospitalization, domiciliary care, and burial benefits in certain World War II cases."

The VICE PRESIDENT. Without objection, Senate bill 230 will be indefinitely postponed.

FREEDOM OF THE PRESS

Mr. BROOKS. Mr. President, I wish to occupy a few minutes of the time of the Senate, and for the sake of continuity I ask the privilege of not being interrupted until I shall have finished my remarks at which time I shall be glad to answer questions.

Mr. President, America is engaged today in the greatest war effort in its entire history, an effort which will tax the human, and the material, as well as the spiritual resources of a hundred and thirty-five million people to a greater extent than ever before. The restrictions and restraints, the sufferings and the sorrows of a global war are not only apparent but are becoming very real.

This war touches every shore, encompasses every sky, and takes in every body of water on the face of the earth. We are in to win, we must win, we will win, and America and its entire citizenry are willing to make every necessary sacrifice to that end.

But the question constantly arising in loyal American minds is how a free people can best utilize their form of government, their manpower, and their resources to win in a global war.

War is the most costly and devastating activity of man, and there must be a definite purpose for which men are willing to make supreme sacrifices. Our liberty, our right to be free was the result of a war. The purpose of that war was not entirely clear nor defined until there was a meeting of the minds resulting in the Declaration of Independence. With that defined determination, the armies of the colonies were united under one flag and victory was won. Out of victory came a government of written rules, of distributed authority, of divided powers made permanent by the writing and adoption of the Constitution of the United States.

Even the written Constitution was not satisfactory to the people who had made such great sacrifices for liberty. They demanded in addition what is commonly known as the Bill of Rights in which they enumerated the rights of the people. The first amendment provided as follows:

Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the Government for a redress of grievances.

Under this written form of government with guaranteed human rights, we have become outstanding among those nations of the earth where men of every nationality, creed, and color, have assembled and live in harmony. Now we must stand our greatest test, "trial by battle" on all the seas, in all the skies, and on the battle fronts of the entire world.

Early in this war, the President of the United States formulated two pronouncements as the laudable objectives for which our citizens are fighting and dying. First, the "four freedoms," and second, the Atlantic Charter.

There are some who fear that there are persons in this country, both in and outside our Government service, who would pull the flag of the Atlantic Charter so high that it would supersede our Constitution, and there are those who would elevate the banner of the "four freedoms" to such an extent that we would lose sight of our own Bill of Rights.

When we engage in war we engage to win. War follows the rule of necessity; we do the things that are necessary to win. The strategy of the war, the type and size of our Army, our Navy, and Air Corps, the type of weapons and their

number, are determined by the necessities of the hour and the turn of events, but we must be sure that in all this unprecedented war effort we follow the rules laid down in the Constitution and continue to guard the human protection provided for in our Bill of Rights.

It is significant that the founding fathers included in the rights to be demanded for the people the following language:

Congress shall make no law * * * abridging the freedom of the press.

It can be truthfully said that the precious rights of individual men and the fundamental institution of our representative form of government have been fostered and defended by the free press of America more than by any other element of our national life, and that so long as we remain freemen and are individually willing to fight, to suffer, and to die to preserve a free form of government, we must recognize no emergency as being so great as to necessitate the destruction or unnecessary abridgement of the free press of America.

Recent orders and counterorders issued in connection with the amounts of paper to be used by newspapers arrest attention and cause concern regarding what seem to be related events going back over a number of years. Their character provokes inquiry and comment.

Approximately 10 years ago an attempt was made under the guise of national emergency to regulate all the industries of America. So-called codes of fair competition were drawn up for the various industries. But the bright minds who developed the codes of fair competition forgot to take into consideration that the press is one industry and the only industry that was guaranteed its freedom from abridgement by the Constitution of the United States. The Bill of Rights was never intended to guarantee the freedom of the press only for the benefit of the publisher. The importance of the guaranty was the people's right to have the publisher free for their protection and their benefit.

Notwithstanding the provision of protection of the press in the Bill of Rights, a code of fair competition was drawn up for the newspaper industry of America. Each publisher assenting to this code without reservation would have thereby waived his constitutional rights and would have submitted himself to the future regulations and arbitrary rulings of an administrator.

The newspapers of the country, which have always guarded the rights provided for the people, waged a successful fight to have inserted a saving clause in the code affecting newspapers, which read as follows:

Those submitting this code recognize that pursuant to section 10–B of the act, the President may from time to time cancel or modify any order approving this code but in submitting or subscribing to this code, the publishers do not thereby consent to any modification thereof, except as each may thereto subsequently agree, nor do they thereby waive any constitutional rights or consent to the imposition of any requirements that might restrict or interfere with the constitutional guaranty of the freedom of the press.

The President declared that no one consenting to this code waived any constitutional rights, adding:

The recitation of the freedom of the press clause in the code has no more place than would the recitation of the whole Constitution or the Ten Commandments.

The publishers, however, insisted that if this added section made no modification, there should be no objection to its inclusion, and it was included.

It is well that it was included, for shortly thereafter the Attorney General, the appointed legal officer of the administration, included the following paragraph in his brief in the case of the United States against the Weirton Steel Co., as follows:

The defendant having applied for approval under the Recovery Act of a code of fair competition and having obtained the benefits accruing to it under the act, by reason of such approval, cannot attack the constitutionality of the provision of that code.

It is a well-settled rule in the Federal courts that—

One who has himself voluntarily invoked a statute, who has received the benefits flowing from a statute, is estopped to assert its unconstitutionality.

In other words, the Attorney General did contend that those who had accepted the code without reservation had waived their constitutional objections.

The predominant fear in the minds of the publishers of this country at that time was the fear of licensing by the Government of the press of America. It might be well to point out that at the time of the drafting of the Constitution and the adoption of the Bill of Rights, there were three agencies in this country which were predominant in the building of public opinion. They were the press, the public platform, and the pulpits of America. It is significant that the people insisted that all three be guaranteed freedom in the written Bill of Rights.

It might be well further to point out that at that time there were no motion pictures, and there was no radio. Both are now subject to licensing or regulation by the Government today.

It was the predominant fear of the publishers, confronted with this bureaucratically developed code, that there might be an insistence later on licensing the press of America.

We find some evidence later that would bear that out. Last spring when the Office of Defense Transportation issued its early orders restricting the use of rubber-tired vehicles for the very laudable purpose of saving rubber, no mention was made in those original orders of newspapers specifically. No recognition was given to their importance as an essential industry.

The drastic restrictions originally contemplated would have reduced the press of America to one edition a day, which would have resulted in putting many newspapers out of business.

After long periods of negotiation, modifications were adopted, resulting in a 40 percent reduction in the mileage of newspaper trucks.

Not only were the constitutional guaranties of the press overlooked, but their importance to the national welfare was likewise overlooked and ignored. It might be pointed out here that in our modern civilization, the right to distribute the news is a part of the right to print it.

The freedom of the press can be abridged in many ways, namely, by denying access to the news, denying the facilities to print, or denying the facilities to distribute the printed work to the people by unnecessary and arbitrary regulations, restrictions, or restraints.

This attitude of disregard for the rights of the press was repeated in November in the issuance of Office of Defense Transportation Order No. 21. Under this order, a certificate of war necessity was required for every commercial motor vehicle. Under its provisions, the Administrator had the power to designate the manner, the purpose, and the points between which each and every vehicle should be operated. He also had the power to force the lease or rental of one owner's truck to another person or corporation.

Under this order the foregoing powers were to be given to the Administrator—

notwithstanding any contract, lease, or other commitment expressed or implied.

Again, in applying for certificates of war necessity under this order, the press of America was required to waive constitutional and legal rights under a provision whereby it agreed to surrender these certificates upon demand. With eternal vigilance, it insisted upon a paragraph as follows:

In filing the attached application for a certificate of war necessity the undersigned does not waive any constitutional rights or consent to the imposition of any requirements that might restrict or interfere with the constitutional guaranteed right of a newspaper publisher to distribute his publication.

Since that time there have been further curtailments and restrictions through the rationing of rubber, gasoline, metals, machinery, and other materials essential to the newspaper industry.

In the drafting of the Emergency Price Control Act of 1942, it was only after continued vigilance on the part of the press of America that exemptions from price fixing of advertising and circulation rates were obtained.

The interference on the part of the Government by the use of F. B. I. agents in visiting members of the Associated Press in an attempt to intimidate them and cause them to change their rules, and the subsequent suit brought by the Attorney General against the Associated Press, are continued evidence of harassment of the press by some men in the present administration.

Censorship of the press in time of war is most difficult, and at the same time most dangerous. In theory, it should be

used only to prevent valuable information from reaching the enemy. In practice, however, it can be used to keep bad news from reaching the American people, as was the case in the suppression of the facts regarding Pearl Harbor for a whole year after they were fully known to our enemies. Its use never should be tolerated to protect incompetence or to conceal mistakes and failures on the part of public servants. The press cannot discharge its duty to the public if censorship is wrongfully administered.

The action on the part of the Federal Communications Commission since 1941 in preventing a newspaper from securing a license to operate a radio station—not because the public would not be well served, but only because the applicant was a publisher of a newspaper—is indicative of a continued bias and hostility against the press of America.

From time to time, the W. P. B. has issued orders curtailing the use of many materials important to the production of newspapers, such as metals, machinery, inks, and so forth. The one material which forms the very life-blood of a newspaper is newsprint, or the paper upon which the news is printed and distributed to the people.

For more than 18 months, various bureaus and departments of the Government have threatened to issue orders restricting the use of newsprint to an extent varying from 10 to 70 percent. These threats have all been under the guise of war necessity, using the vaguest generalities in justification. Up to date, no genuine justification for these threatened curtailments has been made public.

The first order limiting the consumption of newsprint was issued by the W. P. B. effective January 1, 1943. It provided for an over-all reduction of approximately 10 percent. This the press accepted, although it questioned the necessity for such a reduction. Since then there have been various reports and conflicting suggestions of further curtailment. However, it was officially announced on February 9 that an order was soon to be issued, effective April 1, for a further curtailment of newsprint amounting to another 10 percent, and it was intimated that further curtailments might follow.

Through the continued vigilance of the press, aided by Members of the House of Representatives, a demand was made for the facts upon which this order was to be issued and proof of the necessity for any further cut.

The facts to prove that a further cut was necessary were not submitted, and on February 20, 10 days following the announcement by the Government that a further cut was absolutely necessary, it was officially announced that any further cut would be postponed indefinitely.

It is, of course, possible that this proposed curtailment was the unplanned result of the confusion which comes with the war effort. But it is fitting to inquire whether orders for a curtailment of use of paper by newspapers is a continuation of the harassment which has marked the present administration's attitude toward newspapers, or is because of the necessities imposed by a national war economy.

What are the facts which demand the impairment of one of the most important contributors to our successful drive for victory over our enemies? Do our war needs truly require this reduction? Or is there some other plan behind this move—some animus or group which schemes by this device to strangle American newspapers?

The rescinding of the order only 10 days after it was announced is evidence of further hostility to the press and the desire by some people holding responsible positions in the Government to unnecessarily interfere with the proper and all-important functioning of the press of America.

While these threats were being made to seriously limit consumption of newsprint, the disclosure was made on the Senate floor by the junior Senator from Oregon [Mr. HOLMAN] of the fabulous and extravagant use of paper to print the now famous magazine called "Victory," for the self-glorification of the present administration.

It was further disclosed by the junior Senator from Indiana [Mr. WILLIS] that the Government is using nearly 10 times as much paper today as it did in 1941.

I believe that a full disclosure of this increased use of paper by the Government would show a determined desire on the part of some men in our present Government to supplant the free press of our country by Government dominated "news," through the use of handouts from the various Government bureaus.

I believe that a full investigation of the publications issued by Government bureaus would show that enough paper is wasted to print all of the newspapers in a sizable percentage of the States of this entire Nation.

As we move on in this gigantic effort of global war, there will be constant demands for regulations and restrictions of every manner and kind, and the people will be looking constantly to their Representatives in Congress to protect them and the press through which they may be constantly advised and informed of every phase of our war effort.

In campaigns for enlistments, in scrap and salvage drives, in the sale of Government bonds and securities, in aiding the people concerning the details of rationing and restrictive orders, the press of America has contributed its full share to the magnificent war effort of our country.

This unprecedented service, presenting complete daily, visual coverage of national objectives, could not have been accomplished by any other medium or agency.

Today and in the future, the housewives of America will be determining the daily diet under the point system of rationing the food of our entire population through the aid of a page out of some newspaper hanging on the kitchen wall or on the cupboard door.

A newspaper is not a warship, a plane, a tank, or a battalion of infantry, but it serves in its field just as fittingly and importantly.

Modern war has spread from the land and the sea to a third dimension—the sky. It may also be said to have extended to a fourth dimension—the human mind. In the last-mentioned field of warfare there can be no more successful weapon than the newspaper. It carries the war to our enemies—not by explosive bomb or torpedo, but by the greater impact of concrete expressions of the ideals of truth and liberty.

In these times of national peril, the American people look rightfully to their Government for light and leadership. Reciprocally, a representative government in its own self-interest is impelled to seek contact with its citizens. Neither can exist in peace or in war without the other, and there is no channel of communication which is so mobile, so potent, and so mutually helpful as the newspapers of our country.

The newspaper has already had its valuable contributions to this Nation reduced by the shortages of rubber and the rationing of gasoline. We cannot stand by now and watch new handicaps unjustly imposed. We cannot tolerate those stupid minds which fancy they can do without the newspaper—or who want to bend it to their selfish purposes.

The destruction of the newspaper in Germany was one of the steps taken to put Hitler's gangsters into power. Without a strong, free press in the United States, the American people will be without one of their most vigorous protagonists, one which more than any other force, save perhaps this Congress, has remained true to the idea of American liberty.

Weaken the press, and the people will be without a means through which they can give fullest support to their Government in the grim fight ahead. On its side, the Government will be without one of its most potent means to achieve an early victory.

Congress shares today equal responsibility with the other branches of the Government in the successful prosecution of the war and in setting up means by which the civilian public may preserve the rights and liberties guaranteed them under the Constitution. We cannot abdicate. We cannot shrug off our responsibilities. The fate of this Republic is as much in our hands as it is in the hands of those bureaucrats who have been placed in official positions under the war powers granted by this body, but who are not directly answerable to the electorate of this Nation as we are. We cannot stand by trustingly in the assumption that the purposes for which we enacted legislation are the sole preoccupation of those who are active in carrying out administration of the laws. Experience has shown that we can place little confidence in the claims of certain individuals that the war wholly engrosses their attention and that the vast powers granted them are used solely to achieve victory over the Axis Powers.

The vital importance and essentiality of our American press increases as the shadows of this global war begin to lengthen. The importance and essentiality of our American press will grow as the rays of peace begin to dawn. It

will be doubly important that all our people be well informed by a free and alert press concerning the various proposals of suggested programs for the future peace of the world.

Congress has no greater responsibility than to assure the people that the press of this country will be protected and preserved in full vigor, and to notify the heads of the bureaus that we, the representatives of the people, will not tolerate any further unnecessary or arbitrary restrictive or restraining order that will cause the press of America to become either ineffective or impotent.

The newspapers of America stand in the shadow of no other group's patriotism. They have been marked for their loyalty and for their energy and devotion to the cause you and I serve. But there is a persistent effort to brand them as pariahs, to smear and assail them, to separate them from their Government and from the people they serve.

The movement should be seen for what it is. If there is malice, let us ascertain the reasons for it. If it comes as the clumsy result of inexperienced administrators, let that fact be known—what coterie, what clique, or what group of men constantly seek to impose these restrictions on America's first and last line of freedom.

The newspapers of America, I say, are ready to share in any deprivation required by the war; but prudence demands that we inquire whether through the instrumentality of war regulations the newspapers are being made the target of an attack by enemies of America—saboteurs who seek to destroy the newspapers and, through destroying them, to destroy one of the most treasured rights of American citizens.

When the Government established the recent base for the use of newsprint, they chose the amount used by the various newspapers in 1941 when the interests of the American people were concerned with wars between foreign nations. That base ignored the present interest and increased demands for news on the part of the American people when our own flesh and blood and our own country now are engaged in the death struggle of this global war.

We need but to turn our eyes toward the countries of our enemies to see what follows the destruction of a free press. We have only to remember the oppression of the peoples of other lands to know what comes as the result of Government control of newspapers by emergency regulations. Yes; we have only to read the history of our country to recall from what conditions our forefathers fled and why they surrounded the press with these constitutional guaranties.

Any step falsely taken which impairs the freedom and usefulness of newspapers is a perfidious act. Those who join any such conspiracy are enemies of this Republic and active supporters of those alien philosophies against which the whole military and civilian power of this country is now being mustered and marshaled.

Attempts to hamstring newspapers strike at the very principles on which this country was founded. Our forefathers foresaw the double importance of a free press as an inalienable right of the people and as a dynamic force in promulgating the ideals and idea of liberty. If they did not, why would they have given it such singular mention in that great document under which this country has risen to a state which is the inspiration of—yes, the hope of the world today?

Let me review and summarize: First, the attempt to limit the press under N. R. A.; then the hostile attitude of the Federal Communications Commission; the tactics used by the F. B. I., and the subsequent suit against the Associated Press by the Department of Justice; the restrictions placed in the original draft of the Price Control Act and in the Office of Defense Transportation orders; the arbitrary censorship of the news and orders from the Office of War Information; the rationing of rubber, gasoline, metals, and other materials; then the 10-percent cut of newsprint, and the subsequent trend to cut the use of newsprint by 10 percent in addition, which threatened order was withdrawn when a demand for a justification was made; the failure of the War Manpower Commission to declare the press of the Nation as one of our essential industries. Here is the evidence of the progression of a restrictive hand reaching out to limit and curtail the one instrument of information that was guaranteed its freedom in the Constitution under which we live. Each restrictive step shrewdly progressed under the cover of some ascribed emergency, but always short of a showdown, and always with a passing, soothing assurance of "only this, and nothing more."

The newspaper is the voice of freedom. The great minds which built a refuge and bastion for freemen in the United States perceived the necessity of keeping the press free, and they took steps to implement that freedom. Are we to permit the use of sly, indirect methods through which the press is now to be brought finally under control?

The fact that we are in a global war magnifies rather than minimizes the importance of the press of this country.

As we move deeper and deeper into this global war, our people are looking with increasing anxiety and interest for the unadulterated news of each day to be brought to them by a press free from unnecessary and vicious bureaucratic, efficiency-destroying restrictions. Yes, Mr. President; the people of America are looking to the Congress, their elected officials and representatives, to protect their precious, priceless right to be served as freemen by the free press of America.

LEND-LEASE MATERIALS FURNISHED TO RUSSIA

Mr. CONNALLY obtained the floor.

Mr. McNARY. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Gerry	O'Mahoney
Austin	Gillette	Overton
Bailey	Green	Pepper
Ball	Guffey	Radcliffe
Bankhead	Gurney	Reed
Barkley	Hatch	Revercomb
Bilbo	Hawkes	Reynolds
Bone	Hayden	Scrugham
Brewster	Hill	Shipstead
Bridges	Holman	Smith
Brooks	Johnson, Calif.	Stewart
Buck	Johnson, Colo.	Taft
Bushfield	Kilgore	Thomas, Okla.
Byrd	La Follette	Thomas, Utah
Capper	Langer	Tunnell
Caraway	Lodge	Tydings
Chavez	McCarran	Vandenberg
Clark, Idaho	McClellan	Wagner
Clark, Mo.	McNary	Walsh
Connally	Maloney	Wheeler
Danaher	Maybank	Wherry
Davis	Mead	White
Downey	Millikin	Wiley
Eastland	Moore	Willis
Ellender	Murdock	Wilson
Ferguson	Nye	
George	O'Daniel	

Mr. HILL. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from Virginia [Mr. GLASS], the Senator from Tennessee [Mr. MCKELLAR], and the Senator from Indiana [Mr. VAN NUYS] are absent from the Senate because of illness.

The Senator from Kentucky [Mr. CHANDLER], the Senator from Illinois [Mr. LUCAS], the Senator from Arizona [Mr. MCFARLAND], the Senator from Montana [Mr. MURRAY], the Senator from Missouri [Mr. TRUMAN], and the Senator from Washington [Mr. WALLGREN] are absent on official business for the Senate.

The Senator from Georgia [Mr. RUSSELL] is necessarily absent.

Mr. McNARY. The Senator from Wyoming [Mr. ROBERTSON], the Senator from Idaho [Mr. THOMAS], the Senator from Nebraska [Mr. BUTLER], the Senator from New Jersey [Mr. BARBOUR], and the Senator from Ohio [Mr. BURTON] are necessarily absent.

The Senator from New Hampshire [Mr. TOBEY] requested that announcement be made that he is necessarily absent today attending the last surviving forum of pure democracy in the United States, the annual New England town meeting in his home town of Temple, N. H.

The VICE PRESIDENT. Seventy-nine Senators have answered to their names. A quorum is present.

Mr. CONNALLY. Mr. President, the country was no doubt astounded to read in this morning's newspapers reports as to what Admiral Standley, our Ambassador at Moscow, is reported to have said with respect to the failure of the Russian people to receive information regarding the aid which the United States has been giving to Russia during the course of the present war.

Mr. President, there is now pending before the Committee on Foreign Relations a bill to extend the operations of the lend-lease law for 1 year. It is expected that tomorrow the Committee on Foreign Relations will give consideration to the extension of that act. The Foreign Affairs Committee of the House of

Representatives has already unanimously, I understand, reported favorably a similar bill to the House, and it is now under discussion in that body.

Mr. President, I regard the statement of Admiral Standley as a most unfortunate one. As a matter of fact, information of aid extended by the United States to the Russian armies has been given to the Russian people. I am advised that Pravda, which is the official newspaper of the Communist Party and the Government of Russia, on the 27th day of January printed in its columns a report made by Mr. Stettinius, the Lend-Lease Administrator, as to the aid which had been extended up until that date. I am furthermore advised that the Russian press, from time to time, carries the addresses and speeches of Mr. Churchill and President Roosevelt with respect to what we have been doing and what we purpose to do with regard to Russia.

I desire to submit a brief statement of what we have been doing in that regard within the scope of the war.

For the morning newspapers of March 8 Mr. Stettinius released a press statement which I ask that the clerk read.

The VICE PRESIDENT. Without objection, the clerk will read as requested.

The legislative clerk read as follows:

E. R. Stettinius, Jr., Lend-Lease Administrator, made public today the following facts and figures on lend-lease aid to Russia:

In addition to the many thousand planes, tanks, and guns shipped to the Soviet Union the United States has provided: (1) Considerable quantities of raw materials for Russia's munitions industry: (2) important transportation and communications equipment for use along and behind the long Russian front.

Up to February 1, 1943, we had shipped to the Union of Soviet Socialist Republics more than 580,000 tons of steel, 46,000 tons of aluminum and duraluminum, 21,500 tons of zinc, 94,000 tons of copper and brass, and other industrial materials such as nickel and molybdenum for Soviet factories making planes, tanks, and other war equipment. We have shipped 50,000 tons of toluol and TNT and 75,000 tons of other chemicals for Soviet production of bombs, high explosive shells, and other munitions.

For Soviet railroads we have sent 75,000 tons of rails and 17,000 tons of other railroad equipment. We have sent 140,000 field telephones in addition to hundreds of thousands of miles of field telephone wire. We have shipped 268,000 tons of petroleum products for the operation of Soviet planes and trucks.

Of the 99,000 military motor vehicles other than tanks shipped to Soviet Union from the United States tens of thousands of trucks are employed in maintaining supply lines behind the Russian front. We have shipped 72,500 trucks, 17,500 jeeps and armored cars, 7,700 motorcycles and 1,300 military tractors.

We have shipped nearly 3,000,000 pairs of army boots for Soviet soldiers who battle in snow and ice and mud in addition to 18,000 tons of sole leather for Red Army shoes made in Soviet factories.

Mr. CONNALLY. Mr. President, my authority for referring to the action of Pravda, the newspaper of Moscow, is that the New York Times on January 24, 1943, reported that Pravda, one of the leading newspapers of the Soviet Union, contained a news item about the planes, tanks, motor vehicles, and like articles, supplied to the Soviets by the British and ourselves.

I wish to call attention to the fact that those who use such articles—soldiers and others—are bound to know that they are from the United States, because they have characteristics and individualities which distinguish them from articles manufactured in other countries. The people of Russia, seeing and using a great multitude of United States and British lend-lease supplies, must of necessity know of the lend-lease aid which has been supplied to Russia.

I think it is of interest to note that a recent story by Mr. Henry Cassidy, who is head of the Associated Press Bureau in Moscow, clearly indicates that the people of Soviet Russia not only know of but appreciate the supplies which have been sent to them under lend-lease. The full report of Mr. Cassidy's article, which appeared in the New York Times of March 6, indicates that the people of Russia know a good deal about the lend-lease aid which is reaching them. Mr. Cassidy also had an article in the February 28 issue of the Washington Star, which points out substantially the same facts about the knowledge of the Russian people as to lend-lease aid.

The Russian newspapers generally report in full the speeches of President Roosevelt and Prime Minister Churchill, many of which relate to lend-lease aid.

I should like to have Senators observe that up to March 1, 1943, the United States had sent 3,250,000 tons of lend-lease supplies to Russia, covering such a great variety of items of distinctly American type that the Russian soldiers and people, as I observed a moment ago, are bound to know whence these articles come.

We have sent to Russia more than 2,600 airplanes, more than 3,000 tanks, more than 130,000 submachine guns, about 90,000 jeeps, armored cars, and other military vehicles, hundreds of thousands of field telephones, thousands of miles of field telephone wire, and 580,000 tons of steel and steel products.

We have also sent them American motorcycles, gas-driven generators, chemicals and chemical products, army boots and sole leather, and other industrial products. In addition to these munitions, large quantities of American food have been sent to Russia, and as to much of this there are various indications to the Soviet Army and the Russian people that the food has come from this country.

Mr. President, I ask to have inserted in the RECORD without reading a brief report prepared by Mr. Stettinius, issued on January 20, 1943, with respect to expenditures in behalf of Russia. The statement gives an outline of supplies furnished up to the time of the report.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

The United States made important progress in 1942 in sending arms and other supplies to the Soviet Union under lend-lease. We have not yet been able to send as much as we should like—or as much as the Soviet Army needs—and part of what we have sent has been lost on the way. But, after a slow start, lend-lease shipments have greatly increased. They are continuing to increase in spite of the shortage of shipping and enemy attacks along the difficult supply routes to Russia.

Lend-lease shipments of war supplies to the Union of Soviet Socialist Republics in November 1942 reached a new high. In November 1942 the exports to Russia were 13 times the total sent in January 1942. Two-thirds of the value of November shipments were accounted for by military items. The balance were industrial materials for Soviet munitions factories and food for the Soviet Army.

Up to January 1, 1943, the United States has shipped to the Soviet Union under lend-lease more than 3,200 tanks. This is more than have been sent under lend-lease to any other country since the beginning of the lend-lease program in March 1941, although lend-lease aid to Russia did not begin until October 1941—8 months later.

We have sent to the Soviet Union under lend-lease almost 2,600 planes. This is more than we have shipped to the United Kingdom or any other military theater. We have sent 81,000 trucks and jeeps and other military motor vehicles to the Union of Soviet Socialist Republics.

The United Kingdom has also supplied the Soviet Union with quantities of military equipment produced in Great Britain. The United Kingdom has shipped to Russia more than 2,600 tanks and more than 2,000 planes. These arms are being supplied to Russia by the United Kingdom on a lend-lease basis.

Lend-lease shipments of food to the Soviet Union from the United States are rapidly growing in importance. We have now begun sending food to the Soviet Union in greater quantities than to the United Kingdom. As the Soviet armies take the offensive a sufficient supply of food is as vital to their success as planes and tanks.

The people of the Soviet Union have so far waged their magnificent battle against the Nazis principally with their own arms. But lend-lease aid to Russia has started to grow to sizable proportions. It will grow still more in 1943.

Mr. CONNALLY. Mr. President, I also ask unanimous consent to have inserted in the RECORD another report by Mr. Stettinius for release February 19, 1943.

There being no objection, the report was ordered to be inserted in the RECORD, as follows:

Since the beginning of the Soviet aid program the United States has shipped more than 2,900,000 tons of war supplies to the Soviet Union.

Lend-lease shipments of war supplies to the Soviet Union in January were almost 10 percent greater than in the previous month.

The great majority of the supplies that we have shipped to Russia are reaching their destinations. In December 1942 and January 1943 there were no losses, although further losses in later months are to be expected.

Two-thirds of all shipments to the Soviet Union from the United States have been made in American ships.

The Soviet Army continues to sustain its great offensives principally with Russian-produced weapons. Lend-lease supplies have played a small but important part. American tanks, planes, and trucks are continuing to go forward. In addition we have sent to the Soviet Union many other vital military supplies. For example, we have sent hundreds of thousands of miles of field telephone wire which have been of major importance in the maintenance of Soviet Army communications on the 3,000-mile Russian front. We have shipped a considerable

amount of steel, which Soviet factories have made into Russian tanks, and chemicals, which they have used in the manufacture of Russian bombs and high-explosive shells that are now ripping apart the Nazi lines.

January shipments of food to Russia were one-fifth larger than in December. This food is urgently needed by the Soviet Army. We sent many thousands of tons of wheat and flour, sugar, canned pork, dried beans and other vegetables, lard, and vegetable fats. We have so far been able to send only very small amounts of butter, which the Russians have requested especially for their wounded soldiers in military hospitals. In January butter shipments amounted to 682 tons. This was the equivalent of less than one-sixth of an ounce from each man, woman, and child in the United States.

We shall continue to make every effort to increase the flow of lend-lease supplies for Russia to greater proportions.

Mr. CONNALLY. Mr. President, the Committee on Foreign Relations of the Senate has had interim reports from the Lend-Lease Administrator and his assistants and has a full and complete report, partly in public hearings and partly in executive hearings, the reports of which are not yet printed, as to the volume of aid which we have been sending to Russia.

It is most unfortunate that any incident might be provoked at this time which would in anywise cause any friction or unpleasant reaction as between Russia and the United States.

Mr. VANDENBERG. Mr. President, will the Senator yield for one question?

Mr. CONNALLY. I yield.

Mr. VANDENBERG. I am very happy that the Senator has presented the record this morning in the fashion in which he has presented it. The able Vice President of the United States sounded a timely warning yesterday about the necessity for our future friendly relationship with Russia. He said, among other things, that in connection with future contacts it is very necessary that we do not "double-cross" Russia. At least on the fact of the record up to date I am sure we can all agree—can we not—that we have not double-crossed Russia as yet?

Mr. CONNALLY. The Senator is absolutely accurate in his implication, and I thank him for the interruption.

Mr. President, I hold in my hand a copy of the report of Mr. Stettinius up to December 31, 1942, which reveals that we have extended aid, in terms of dollars, in the amount of $1,532,230,000 for arms, munitions, and supplies for Russian account.

I wish to observe that great volumes of these supplies intended for Russia had to be carried by convoy through the Arctic Sea to the northern ports of Russia. In the past we have suffered very severe losses in those convoys. Some of the munitions intended for Russia never reached her because of the dangers and hazards of sea transportation; but in recent months our losses have greatly declined, and for the past 2 or 3 months they have been insignificant. With the opening of spring, however, the Lend-Lease Administrator is quite frank in saying that the percentage of losses may increase over the low point which we have been experiencing in the immediate past.

Mr. President, I wish to say to the American people and to the Russian people that, regardless of what Admiral Standley may have said, regardless of what his reactions may be, the people of the United States and the Congress will not be deterred in going ahead with the reenactment of lend-lease, and in continuing to supply to Russia every available ounce of material and food necessary to the winning of the war. We recognize the magnificent contribution which Russia has made to the war effort. We gladly, and without any reluctance, have been sending these supplies, and we shall not be deterred by any incident of the nature quoted in the press this morning.

We are doing this not simply as an act of generosity to Russia, but because we are acting as her ally, and every supply and munition which we can give to the Russians lessens the burden which otherwise we should have to bear in making war.

It is highly important that we maintain this cordial relationship with Russia, not alone during the dark days of the war, but when peace at last shall come. Russia is bound to know that she will need the moral support and cooperation of the United States and the other United Nations when the war shall come to an end no less than she needs them now. She will never be able to forget that at a time when she thought she was enjoying cordial relationships, relationships of friendship, practically the relationship of an ally with Germany, the Germans treacherously assailed her, invaded her soil, and destroyed the lives of her citizens. When peace shall come she cannot ever lie down to slumber at night, with Germany at her flank, without the consciousness of the assurance of aid from the other Allied Nations in some form of collective security, so as to make sure that the world shall not again be drenched in blood by such a war and such a tragedy as we are now witnessing in the world.

I would remind Admiral Standley, and all others who are interested, that while there is no western front already established by military force, the establishment of a front in north Africa has been of tremendous aid and succor and assistance to the Russian armies. With the establishment of an American and British force in north Africa, which is a potential and perhaps an ultimate threat toward the western front, Germany has been compelled to recall from the Russian front many of her divisions in order to anticipate and to be ready to meet any attack on the west, and that has contributed substantially to Russian military operations.

Mr. President, I glory in the exploits of the Russian armies. Nothing finer in all the history of modern warfare has ever been written than the heroic and gallant defense of Stalingrad, and the courageous rallying of Russian forces, whose fortunes therefore had not been of the best, to drive from Russian soil the invaders and violators of their homes. I wish to see Russia and the United States continue to cooperate. I wish to see them cooperate after this war shall have come to an end.

Mr. President, it seems to me that any man who is undertaking to look into the future with a view to the world's welfare and to the peace of the earth must reach the inevitable conclusion that when the war shall have come to an end the United Nations and the people who want to preserve the peace, who want to harness ambitions of conquest and of world dominion, must form some character of association or instrumentality for concerted action for the preservation of the peace and for the curbing of wild ambitions which threaten the life and the security of peaceful people and the destruction of free government everywhere on the earth. In that association, in that instrumentality, which I feel will be set up, Russia must be at the council table along with the other nations who have borne the burden and the brunt of the present war.

Mr. President, while we do not agree with her political philosophy, Russia has made a notable struggle for 25 years in working out her own domestic policies at home. After centuries of wandering in the darkness and the wilderness she has been struggling to work out some form of government suited to her own needs and agreeable to her conceptions of political philosophy.

We are not concerned directly with what Russia may do with respect to her own domestic affairs, but in an international sense we cannot ignore a great people with a population of 160,000,000, holding dominion over the wide sweeps of Europe and Asia. We cannot ignore her, and I for one shall welcome the cooperation of Russia in after-the-war conferences and agreements as we have welcomed her cooperation in the struggle we are now making for the survival of free government and democratic institutions.

Mr. President, I regret the necessity to criticize the ineptness of our Ambassador to Russia. I cannot understand why he should make such a statement as he did without having had accurate information about the matter. But the information which has come to me—not in a great volume—convinces me that the Russian people and the Russian Government do know of the aid which the United States is undertaking to send to Russia. Perhaps in its volume it is disappointing. I can understand how the Russians want some troops to stand by their side, troops from the other United Nations. I can understand how Russia would like to have swarms of American and British and other airplanes hovering along the flanks of her armies as they advance across the snows of Russia. I can understand how Russia would like to feel that the navies of the other United Nations are ringed about her in support of her war effort. But, Mr. President, the United States is doing all that it possibly can to get supplies to Russia. We do not command the seas, because there, lying in wait, is the deadly submarine. We do not command the coasts of Norway and the far Arctic from which land-based planes have

soared out and assaulted our convoys and sunk our ships. We are not only sending supplies through the northern ports, but we have been sending them up through the Middle East, through Iraq, from Basra on the Persian Gulf, and we shall continue to send them to the limits of our ability to secure and to transport them.

We all know that transport is the so-called bottleneck of the whole situation. It not only hampers us in aiding Russia but hampers us in our own military and naval operation in the South Pacific, and in the Atlantic, and in the European theater, and in north Africa. God knows that if we had the shipping, secure from successful enemy attack, it would be loaded with men and arms and munitions, and it would carry them to the battle fronts where our men, whenever given the opportunity, have performed so handsomely and so gallantly.

I trust that no unfavorable reactions may result from the incident provoked by the remarks of Admiral Standley in Moscow. I know that they came as a shock and a surprise to those who are in authority here in the United States.

Mr. President, I want this parting message to go to the Russian people: The Russians may not have given to our aid the publicity which we might feel was due it. That, however, is a matter for the internal administration of the Russian people and their government. As we know, they have been more or less secretive from the beginning with respect to their military operations. It is not unlikely that Mr. Stalin does desire the Russian people to know that large amounts of supplies and munitions have been produced by the Russians themselves, and, after all, Russian production has accounted for the large percentage, of course, of the munitions and supplies used by the Russian armies. But, regardless of all those considerations, I want to give the assurance that we shall not hesitate to go on with the renewal of the Lend-Lease Act; we shall not hesitate in supplying food and arms and munitions and supplies to the Russian armies in the future, as we have undertaken to do in the past. We pray God that as we look into the future of the months ahead we may be able to increase the volume of arms, and to increase the volume of munitions, and to increase the volume of food and succor to the gallant and brave armies of Russia, which are driving the enemy before them on the eastern front, as we shall, I hope, when ready, be able to drive him on the western front.

DEFERMENT FROM MILITARY SERVICE OF PERSONS ENGAGED IN AGRICULTURE

Mr. JOHNSON of Colorado. Mr. President, I move that the Senate proceed to the consideration of Senate bill 729.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 729) providing for the deferment from military service of persons engaged in agricultural occupations, which had been reported from the Committee on Military Affairs with an amendment, to strike out all after the enacting clause, and insert in lieu thereof the following:

That section 5 (k) of the Selective Training and Service Act of 1940, as amended, is amended to read as follows:

"(k) Until January 1, 1944, every registrant who is regularly engaged in an agricultural occupation or endeavor on a farm, or whose principal occupation consists of employment on a farm in connection with the production or harvesting of any agricultural commodity shall, while he continues to be so engaged or employed, be deferred from training and service under this act in the land and naval forces of the United States; and until January 1, 1944, no such registrant shall leave such occupation or endeavor or cease to be employed in connection with such production or harvesting unless, prior thereto, he requests his selective service local board to determine, and such local board, subject to appeal in accordance with section 10 (a) (2), determines, that it is in the best interest of the war effort for him to engage in some other occupation or endeavor, to be employed in some other work, or to become a member of such land or naval forces: *Provided*, That each man who is deferred pursuant to this subsection shall receive from his selective service local board at the time of such deferment a certificate stating that such deferment has been found by such board to be in the best interests of the war effort."

Mr. JOHNSON of Colorado. Mr. President——

Mr. BARKLEY. Mr. President, I think that during the consideration of this bill there should be a quorum of the Senate present. I therefore suggest the absence of a quorum.

Mr. JOHNSON of Colorado. Will the Senator from Kentucky withhold the request for a minute?

Mr. BARKLEY. Yes.

Mr. JOHNSON of Colorado. Mr. President——

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I will yield in a moment. I wish to offer an amendment in the nature of a substitute, Mr. President.

Mr. BARKLEY. Mr. President, the bill is not yet before the Senate, is it?

Mr. JOHNSON of Colorado. Yes; it is.

The PRESIDING OFFICER (Mr. HILL in the chair). The bill is before the Senate. The motion of the Senator from Colorado has been agreed to, and the bill is now the pending business before the Senate.

The committee amendment, which is a substitute for the original bill, has been read. The Senator from Colorado now offers a substitute for the committee amendment.

Mr. O'MAHONEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. O'MAHONEY. Senate bill 729 is before the Senate now by virtue of a majority report of the Committee on Military Affairs, which was accompanied by a minority report in which notice was given that a substitute would be offered on the part of the minority. The Senator from Colorado now acting, not as the spokesman of the minority, but in an individual capacity, as I understand, offers another substitute than that proposed to be presented by the minority.

Mr. President, the parliamentary inquiry is whether the offering of the amendment now by the Senator from Colorado in his individual capacity deprives the minority of its opportunity to offer the substitute which was discussed in the committee?

The PRESIDING OFFICER. The Chair advises the Senator that it does not. The Senator from Colorado offers his amendment as a substitute for the committee amendment. That is an amendment only in the first degree. It will then be in order for the Senator from Wyoming, or any other Senator, to offer a further amendment, or a further substitute. That is because of the fact that the amendment proposes to strike out all after the enacting clause.

Mr. McNARY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McNARY. What is the pending business before the Senate?

The PRESIDING OFFICER. The pending business before the Senate is the consideration of Senate bill 729, commonly known as the Bankhead farm deferment bill. The bill has been reported by the committee with an amendment, to strike out all after the enacting clause and insert new language. The Senator from Colorado has offered an amendment in the nature of a substitute for the committee amendment.

Mr. McNARY. That is perfectly in order, of course.

The PRESIDING OFFICER. It is also in order for the Senator from Wyoming, or any other Senator, to offer a further substitute.

Mr. McNARY. I think it is very important legislation. I suggest the absence of a quorum.

Mr. BARKLEY. Mr. President, I had already done so.

The PRESIDING OFFICER. The Senator from Kentucky had risen for that purpose. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gerry	O'Mahoney
Austin	Gillette	Overton
Bailey	Green	Pepper
Ball	Guffey	Radcliffe
Bankhead	Gurney	Reed
Barkley	Hatch	Revercomb
Bilbo	Hawkes	Reynolds
Bone	Hayden	Scrugham
Brewster	Hill	Shipstead
Bridges	Holman	Smith
Brooks	Johnson, Calif.	Stewart
Buck	Johnson, Colo.	Taft
Bushfield	Kilgore	Thomas, Okla.
Byrd	La Follette	Thomas, Utah
Capper	Langer	Tunnell
Caraway	Lodge	Tydings
Chavez	McCarran	Vandenberg
Clark, Idaho	McClellan	Wagner
Clark, Mo.	McNary	Walsh
Connally	Maloney	Wheeler
Danaher	Maybank	Wherry
Davis	Mead	White
Downey	Millikin	Wiley
Eastland	Moore	Willis
Ellender	Murdock	Wilson
Ferguson	Nye	
George	O'Daniel	

The PRESIDING OFFICER. Seventy-nine Senators having answered to their names, a quorum is present.

Mr. WILEY obtained the floor.

Mr. O'MAHONEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Wyoming?

Mr. WILEY. I yield only that the Senator from Wyoming may offer an amendment.

Mr. O'MAHONEY. Mr. President, I offer an amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The CHIEF CLERK. In lieu of the language proposed to be inserted by the Senator from Colorado [Mr. JOHNSON], it is proposed to insert the following:

That section 5 (k) of the Selective Training and Service Act of 1940 as amended be amended by adding the following proviso: *"Provided further,* That for the purposes of this subsection, a registrant shall be found by his selective-service local board to be necessary to and regularly engaged in an agricultural occupation or endeavor essential to the war effort (1) if he is engaged substantially full time in the production of agricultural commodities certified to the Selective Service System by the Secretary of Agriculture as being essential to the war effort and set forth in local board release No. 164, effective January 16, 1943, and (2) if the production of such commodities attributable to such registrant is at least equal to the minimum standard of production per person as set forth in such release No. 164: *Provided further,* That the Secretary of Agriculture may from time to time certify to the Selective Service System for the purposes of this subsection such additional agricultural commodities as in his judgment are essential to the war effort, together with the minimum standard of production per person which he determines to be applicable to such additional agricultural commodities."

PROPOSED FOREIGN RELATIONS ADVISORY COUNCIL—FREEDOM OF THE PRESS AND RADIO

Mr. WILEY. Mr. President, today we have been privileged to hear two stimulating addresses, one of them being on the subject of freedom of the press. I did not know that the distinguished junior Senator from Illinois [Mr. BROOKS] was to speak on that subject, or I should not have prepared my address.

We heard another address, relating to the question of foreign policy. In my opinion, all the "fuss and feathers" about Ambassador Standley is only a tempest in a teapot. Joseph Stalin is the greatest realist in the world. I am sure he appreciates what America has done for Russia. He knows that a second front was opened in north Africa. He knows that Germany has been compelled to take from the front in Europe division after division of her best troops and put them in Africa. Moreover, Mr. President, Stalin knows that we have split the German air force, and that the terrific bombardment which Germany is now receiving has divided her air force so that it cannot repel the attacks of the Russians on the eastern front.

As I have already said, Stalin is a realist, and there is no need of trying to befuddle our own people. I think what we had better do is to recognize that now, as well as in the post-war period, there will be no "selling short" by anybody. We know that we are all in the same boat, and that if we do not row and work together the boat will go down. It seems to me that that is the proper analysis of the situation.

I wish now to speak concerning freedom of the press.

Mr. VANDENBERG. Mr. President, before the Senator leaves the other subject, will he yield?

Mr. WILEY. I yield.

Mr. VANDENBERG. I should like again to comment along the line of my interrogatories to the able Senator from Texas [Mr. CONNALLY] when he was speaking.

While the statement of Ambassador Standley was amazing, I believe it was equally amazing for the distinguished Vice President of the United States yesterday to suggest that America is even capable of double-crossing Russia, or double-crossing anyone. I desire to make it perfectly clear that in my opinion American policy in connection with the war will never result in double-crossing anyone; and certainly the record up to date clearly indicates that on our part, at least, there has been no double-crossing of anyone.

Mr. WILEY. I thank the distinguished Senator for his contribution. I agree with his conclusions. Of course, there can be no thought of America ever engaging in any double-crossing. We and our allies are engaged in a fight for our very lives. If anyone realizes that fact, it is Joe Stalin. He is a realist, and he knows the meaning of war. His country has given over 6,000,000 lives to this contest, and it is doing a tremendous job. As was suggested by the distinguished Senator from Texas [Mr. CONNALLY], the people of Russia know that our matériel has been an important element in determining the reverses so far as the Germans are concerned. For us to use the statement made by Ambassador Standley, which was undoubtedly made under circumstances about which we know nothing, to give our own people the impression that we are about to weaken the association between us and the other United Nations, to me is mere folderol, and does not sound sensible or reasonable. Certainly it is not realistic.

Mr. WHEELER. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. CLARK of Idaho in the chair). Does the Senator from Wisconsin yield to the Senator from Montana?

Mr. WILEY. I yield for a comment.

Mr. WHEELER. I simply want to say that I agree with what the Senator from Michigan [Mr. VANDENBERG] said about the astounding statement which was made by the Vice President, when he intimated that we might double-cross Russia. The American people will not double-cross Russia or any other country. Russia can be sure of that. I was equally astounded by the statement made by the distinguished Vice President when he said that today no one in this country will admit that he is an isolationist. I do not know what the Vice President meant by that, but if he meant that no one in this country will admit that, before we got into the war, he stood for trying to keep this country out of it, then he is sadly mistaken in that viewpoint, because I did everything I could do to try to keep this country out of war. I thought we should keep out of it before we entered the war and I think we could have kept out had we followed the right foreign policies. I am proud of the part I took in trying to keep our country out of war, and I have no apologies to make to anyone in this country for the position I took.

With reference to Admiral Standley's statement, let me say that it so happens that I have been in Russia on two different occasions, and spent some little time there. I was one of the first Senators to come back here and advocate the recognition of the Russian Government. When I advocated doing that, many newspapers that now are shouting for Russia and proclaiming Stalin the greatest man in the world, criticized me. Some of them went so far as to suggest that I be deported because I was for the recognition of the Russian Government.

However, I was in favor of recognizing it, not because I believed in that form of government, but because I felt that the kind of government the Russians should have was none of our business. The position I took, which seems to me to be the correct American position not only now but in the future, is that we should not attempt to tell Stalin and the Russians what kind of a government they should have, or tell the Greeks or the Chinese, or any other peoples what kind of a government they should have. When we start on such a program we not only will have a war every 20 years, but we will have a continuous war on our hands.

I do not know what was the purpose of Admiral Standley's statement. I must confess that I was surprised at his statement, but I have not the slightest doubt that his statement was correct and true, because otherwise he would not have made it.

Incidentally, Admiral Standley, it should be remembered, was one of the strongest—should I say?—intervenionists in the United States prior to Pearl Harbor. Admiral Standley was one of those who thoroughly approved of the President's foreign policy, and made speeches in favor of it from one end of the country to the other. So it cannot be said that he was an "isolationist," whatever that is.

The reason why Stalin is not telling the Russians of the aid we are giving them is because, as the distinguished Senator from Wisconsin said, Stalin is a realist. Stalin is for the Communist Party and its principles first; and, secondly, Stalin is for Russia, and Russia alone. He is a realist. He has stated repeatedly that what he wanted to do was to recover Russian territory. He is not for the four freedoms, and he has never committed himself as being for them. He could not commit himself to the "four freedoms" and still be for communism. He is a realist to the extent that he knows that he could not put the "four freedoms" into effect even if he wanted to do so.

So we should be frank and honest with the American people. They are not children. They know more than many of the so-called leaders in Washington give them credit for knowing. They are not fooled by the foolish statements which are being made by many people who say that they are going to reform the world or that they aim to reform the world. The American people want to know now what Stalin intends to do after the war. What is his program?

A short time ago a man came into my office, and I asked him to sit down. He said, "You know, I do not agree with you, and so I do not want to get into an argument with you."

I asked, "What do you not agree with me about?"

He replied, "I do not agree with you on your post-war views."

I said, "Will you tell me what my post-war views are? I do not know what they are. If you will tell me what part Russia is going to play and what part England is going to play and what part Germany is going to play, then I will tell you what my views are."

For anyone to say today what his views are on the post-war situation, without knowing the part that the realist Stalin is going to play, is nonsensical and silly; and the American people are being misled if they believe what is said by anyone who thinks he can tell them what part Stalin is going to play or how much he has departed from the philosophy of Lenin and Trotsky. I do not believe Stalin has changed or that he will change. Stalin is no fool; he is clever. He knows that Churchill is not for communism, and he knows America is not for communism. The American people believe the Russians are a great race, great fighters, and good people, but we also know that communism was forced upon them. Stalin does not dare to let his people know all we have done for them. He does not dare to let them know how much better off the people in America are. He knows he could not hold them if he did.

I apologize for taking up so much time.

Mr. WILEY. Mr. President, apropos of what the distinguished Senator from Montana has said, a long time ago, speaking on the floor of the Senate, I drew the conclusion that no one could cut the cloth until an international pattern had been devised. Of course, that pattern is not definite. Because of the various factors mentioned by the distinguished Senator, and because of other imponderables which will arise in the future, we do not know what the pattern will be.

However, now that this matter has been brought into the picture, I desire to mention something else before I proceed with my remarks. It appears that in the near future, Mr. President, a number of conferences are going to be held in Washington—conferences on problems dealing with international food supplies, with economic problems in reconstruction, with freedom of the air, and with the so-called world order. A number of those conferences are going to be held in Washington.

Let me say that I am glad to see the chairman of the Foreign Relations Committee again in the Chamber. Last week I called attention to the fact that the Foreign Relations Committee had not given any consideration to the resolution which I have heretofore offered, Senate Resolution No. 22. I am hopeful that the resolution will receive consideration soon. I mean to say that I hope the Chief Executive of the Nation will give the resolution the green light. He and the Secretary of State are the ones who are holding it up. The resolution provides for a liaison committee between the Executive and the Senate; and it provides that the President shall appoint from the liaison committee one or more Senators to serve with other conferees representing this Government at the various conferences which are going to be held in Washington in the near future.

See how important that is? The President or his advisers certainly are slipping in their political acumen if they do not appreciate the fact that the country does not want the planning for the post-war period to be a one-man show. The people are fighting this war, paying for it in blood, sweat, tears, and cash; and they want something to say about the international planning. They want to be heard in the conferences which are to be held in Washington. They are sick and tired of all this national planning, which in so many instances has missed the boat. They want their representatives in on what is being planned internationally.

Therefore, Mr. President, I repeat that I hope the distinguished Senator from Texas will see to it that my resolution is given consideration before his committee.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. WILEY. I yield.

Mr. CONNALLY. Let me say to the Senator that the Senator from Texas will be very glad to contribute to that end. I feel sure that the committee will give the Senator's resolution consideration; but the Senator realizes, I am sure, that the committee has been under a great deal of pressure, and continues to be under a great deal of pressure at the moment. We shall certainly be very happy to afford the Senator an opportunity to appear before the committee and to present his views, and we shall be glad to appoint a subcommittee to consider the measure. I do not want the Senator to feel that the committee will in any wise exhibit any discourtesy or lack of appreciation.

Let me say to the Senator, if he will permit me to speak for a moment in relation to what the Senator from Montana said about Russia and in relation to what was stated this morning by the Senator from Michigan about some reported remarks of the Vice President relative to what would be the situation if we were to double-cross Russia, that I have not read the Vice President's remarks in detail, so I do not know exactly what he said. However, I desire to say that the United States is not going to double-cross Russia; it is not going to double-cross any other nation. It is not going to double-cross any nation either in war or in the peace conference. I do not think there is any possibility of having such a thing happen. The United States in all the negotiations and in this war is not pursuing a sordid policy. Its policy is not one of selfishness; it is not one of being covetous of our neighbors' lands; it is not one of seeking indemnity. We want to bring under our sway no foreign citizen as a subject of the United States. We are fighting for our institutions and for our life; and let me say to the Senator from Michigan that the United States will not, with my consent, and I do not believe with his consent, ever double-cross the great Russian people or any other people with whom we may be associated in the joint enterprise of winning this war and winning the peace after the war.

I thank the Senator for yielding to me.

Mr. WILEY. Mr. President, I am very grateful to the distinguished Senator from Texas for his assurance that he will give me an opportunity to be heard before his committee on the question of my resolution, Senate Resolution No. 22. If I may have the attention of the Senator from Texas for a moment further, I should like to impress upon him the fact that the resolution is not merely an ordinary resolution. Lawyer as he is, he knows that the treaty-making power of this country is lodged in the Senate and in the President. Historian as he is, he has in his mind the situation which has run down through the years, that when there was lack of cooperation between the Executive and the Senate, treaties did not come into being.

All my resolution would do would be to create what I call a foreign relations advisory council. It would request the President to create such a council, made up of the chairman and the ranking minority member of the Foreign Relations Committee of the Senate and of the Foreign Affairs Committee of the House of Representatives, the Secretary of State, the Under Secretary of State and his experts and such other Senators as the President might desire to designate. Thus a liaison committee would be created. I repeat, every great newspaper in this country and many magazines have acknowledged the practicability of this proposal, and yet, for some months, no action has been taken. Now let us go into action on it and create such a committee.

To all the conferences, Mr. President, which will be held in the city of Washington in the near future the President would appoint from such liaison committee one Senator who would then virtually be the representative of the Senate and would feed back into the committee the information obtained. In other words, the thing we are talking about today and which we are fearful will be lacking between Russia and the United States, to-wit, collaboration and coop-

eration, would exist if there were such a liaison committee. I repeat, some of the best minds of this country have been in favor of it, and yet I have been able to get nowhere.

FREEDOM OF PRESS AND RADIO

Now, Mr. President, I desire to proceed to the subject of the freedom of the press and radio. In recent months we have heard a great many comments concerning the curtailment of news pulp for newspapers, the censorship policies of the Government, the F. C. C. licensing policies, Government use of the press, Government use of radio, and the invasion of government into the publishing business. Perhaps it will serve a constructive purpose for us to briefly review these subjects today. I may say, parenthetically, that I shall not repeat anything which the distinguished Senator from Illinois [Mr. BROOKS] said.

Before presenting this review, it may also serve some constructive purpose to survey the chronology of Nazi press and radio control in Germany and to study Fascist control of the press in Italy, along with the control of wireless telegraphy and telephony in Italy.

We should likewise be conversant with the control of the press and radio in Japan.

Mr. President, no comprehensive, inclusive survey of the control of press and radio in Japan and Italy and Germany has ever been made. In the past few weeks I have been working with the Library of Congress in an effort to assemble such a survey which I believe should be available to every Member of Congress.

The Library of Congress has had made for me translations from which there has been culled the information contained in the remarks I am now making.

First, let us consider the chronology of Nazi press and radio control in Germany.

In Germany the press law of May 7, 1874, recognized the principle of freedom of the press and merely prescribed certain rules for the exercise of this right.

In 1919 the republican constitution in Germany included in its definite statement of the freedom of publication—

> * * * there shall be no censorship * * * (except) against obscene literature for the protection of minors.

In 1922, when the Republic and its institutions were under serious attack, legal measures were provided for matters which might endanger the Republic, but publications were considered private affairs over which the state had only such control as was absolutely necessary to safeguard the public welfare.

By February 25, 1920, the National Socialist Party program had been adopted and demanded—point 23:

> Legislative combat against conscious political lies and dissemination thereof through the press.

By 1924 Hitler, in Mein Kampf, wrote:

> It (the state) has to watch especially the press * * * not temporarily, but permanently; * * * must assure itself with ruthless determination of this means for educating the people, and put it into the service of the state and nation.

In 1931 the N. S. D. A. P. demanded measures to make the press German—that is, free from Jewish influence—and the suppression of newspapers which injure the public welfare.

By March of 1931 there was a German presidential decree for defense against political excesses, permitting police measures against publications endangering public security. The execution of this decree was left to local authorities, but the minister of the interior could request police action.

On January 30, 1933, the National Socialists came into power. By February 4 of 1933 there was a presidential decree for the defense of the German people which said:

> Printed matter, the contents of which might endanger the public security and order, may be seized and withdrawn by the police.

On February 28, 1933, there was a presidential decree for the defense of the people and state which declared various articles of the constitution inoperative. That included the statement of 1919 about the freedom of publication and the freedom from censorship. Various articles of the constitution, including this one, were declared inoperative until further notice and the decree further declared:

> Therefore limitations * * * of the right of free expression of opinion, including freedom of the press * * * are permissible even beyond the legal limitations otherwise applicable.

By March 17, 1933, there was a presidential order for the creation of a Reich Ministry for Public Enlightenment and Propaganda.

By June 30, 1933, there had been a clarification of tasks and jurisdiction of the propaganda ministry including jurisdiction and legislative authority over the press, radio, art, and the theater.

This group, incidentally, was headed since its creation by Dr. Goebbels. As a matter of fact, it grew out of Goebbels' Reich propaganda division of the National Socialist Party.

On September 22, 1933, there was a law written for the creation of the Reich Chamber of Culture. Point 25 in that law provides for the corporate state structure. Provision is made in this law for the creation of six chambers, namely, literature, press, radio, theater, music, and fine arts. The propaganda minister is given full legislative and administrative power for carrying the law into effect.

On November 1, 1933, Dr. Goebbels issued the first decree under the authority of the law I have just mentioned. His decree provided for organization and mandatory membership for anyone connected with any "intellectual creation or achievement presented to the public by means of print, film, or radio." That decree of November 1, 1933, was put into effect by a further decree of the propaganda minister on November 9, 1933.

On October 4, 1933, we find a law policy in existence relating to all newspapers and publications and terming them a "public task regulated by the state in this law."

On December 20, 1933, a decree put that law into effect as of January 1.

On November 12, 1934, there was a regulation to implement the unity of party and state. The control of the propaganda minister was established over the activities of the various chambers and the press chamber and radio activities.

Between January 1933 and December 1934 hundreds of leftist newspapers and periodicals were suppressed. Periodically, religious and semireligious publications were banned. Some publications, such as the famous Ullstein and Mosse newspapers, were reorganized.

Every important newspaper has a representative in Berlin. Once every day these representatives are given instructions by the Propaganda Ministry relative to the treatment to be accorded various news items. These conferences are secret and the revelation of the proceedings outside the circle is said to have cost one newspaper representative penal servitude for life.

Newspapers of lesser importance receive their instructions from the local offices of the Propaganda Ministry.

The German News Agency, DNB, usually termed the "official German news agency," is practically an agency of the Government and it is recognized as a means of controlling the news at its source. This news agency has a monopoly in the distribution of news in Germany.

On April 10, 1935, the control of nonperiodical literature was channeled through the Literature Chamber and there is evidence that nonperiodical literature was brought under complete control.

On May 31, 1938, a decree was issued to provide that prior to any definite registration in the professional list, the chairman of the state unit of the Press Federation must afford the gauleiter—the chief of the National Socialist Party in each district of the Reich—an opportunity to examine the question whether the applicant is politically reliable.

They start with the Constitution to protect them, but in the course of 5 years it is swept aside and they are told that a gauleiter shall determine whether they are for the regime in control; that is, whether they are politically reliable.

Briefly, Mr. President, Germany started with a press law which recognized the principle of freedom of the press. Germany had a constitutional provision which provided for freedom of publication. Then control was extended wherever it was deemed necessary to "safeguard the public welfare." Then the National Socialist Party began to fight "conscious political lies and dissemination thereof through the press." Then Hitler began to express his doctrine that the press must be "put into the service of the state and nation."

Ah, Mr. President, I say again, we come to the time in Germany when, instead of being a free agent, the press must be put into the service of the state and the nation.

Then there was a broadening of the definitions against newspapers which "injure the public welfare," then a decree

to permit police measures against publications endangering public security. Then there was a presidential decree that printed matter could be seized and withdrawn by the police. Then there was further censorship, and finally there was created a ministry for public enlightenment and propaganda. The authority of this agency was extended over press, radio, art, theater, and films. Then gradually certain publications were banned and some newspapers were "reorganized." Finally newspaper representatives were told by the propaganda ministry what they could print, and there was created a news agency—an official news agency—which began to be a means of controlling the news at its source. Finally there was control of nonperiodical literature, and ultimately there was investigation as to whether or not writers were "politically reliable."

That, Mr. President, is the history of Nazi press and radio control.

It is not my purpose to find any disastrous parallel in our Nation, nor is it my purpose to contend that writers in this country who are not "politically reliable" are scrutinized very sharply by the administration. I merely present this chronology of Nazi press and radio control in Germany as a document which I believe warrants study by every thinking American who is concerned with the maintenance of the "four freedoms."

Now let us briefly consider the control of the press and radio in Japan.

In Japan the press and radio met with government difficulties almost from their earliest existence, in 1861. The Japanese press was not well established until 1872. From its very inception it was used to serve imperialistic interest, and for administration propaganda. Most of the newspapers were founded by government officials, and publications which did not champion one of the government departments found themselves either confined solely to cultural and social affairs or, if any approach was made toward independence in political matters, found themselves subject to severe governmental punishment.

Even those newspapers which were consistently conservative earned the opposition of the bureaucrats. The press laws were stringent, and there was almost no Socialist and labor press.

The constitution of 1890 gave to the people of Japan the right of "freedom of speech in publication, printing, assemblage, and association within the scope of the law," but in practice this was not workable because of stringent laws which were applied. Laws and orders and decrees controlled the press, even to the extent of possible suspension. Until 1897 the Minister of Interior was allowed to judge and punish the violators of both laws and ordinances. Later the punishment of an editor or publisher was turned over to the courts, but the censorship of all publications is in the hands of the Police Bureau of the Department of Interior, and has been since 1921. Newspapers, as well as scientific and literary circles, have felt the pressure of government, and controls are exercised by means of police bans on the discussion of certain subjects.

It was inevitable that this control should be extended to the radio. Radio broadcasting in Japan began privately in 1921. By December 1923 there were regulations. Through the assistance of the Department of Communications there was created a trust which incorporated three private broadcasting systems by 1925. In August of 1926 the Japanese Broadcasting Corporation absorbed these three systems into one merger. After that a 1-yen initiation fee was required of radio owners and collected by the Government. In 1930 there were eight stations, and in 1932 the Government imposed an additional levy. By 1933 there were four Japanese radio stations outside of Japan proper—two in Formosa, one in Korea, and one in Manchuria. The whole system was nationalized. It was a very official proposition. It was government-made, government-controlled, and government-exploited by 1933.

In 1936 a news agency was created. It was known as the Domei Tsushin Sha. The business of this group was to "circulate correct information or the raw material for the formation of sound public opinion." A man named Shohei Fujinuma was Chief Secretary of the Cabinet. He was the Japanese Dr. Goebbels. At that time there was an Army, Navy, and Cabinet Information Bureau. It was a kind of propaganda ministry, and it encouraged the merging of small news agencies, so that the Allied News Agency was placed completely under official direction.

Penalties for evading government direction became increasingly severe. By 1937 control was established in the Home Office and War Office. The fines became heavier, and by 1939 it was a criminal offense to be found in possession of a radio set capable of receiving broadcasts from the outside world. Foreign residents were not exempt. Incidentally, in 1941 one observer wrote of the control of the Japanese military clique as "journalistic string pulling of bureaucrats which colors news beyond belief."

The Japanese legislation in 1939 included laws and regulations of a more stringent nature than any which preceded World War No. 2, and on March 25, 1939, there was enacted a law for safeguarding secrets of military material resources. It included a provision for the inspection of books, and it enabled officers to conduct investigations and ask questions.

This law was supplemented by another law on June 23, 1939, and by still another law on April 11, 1939, which placed all international telecommunications at the disposal of the Government.

On April 1, 1939, there was a national general mobilization law which controlled communications materials and services concerning information, enlightenment and propaganda. This law was revised by the law of March 1, 1941.

On March 6, 1941, another national defense security law was enacted and on March 8, 1941, there was a new peace preservation law which related to propaganda.

On March 28, 1941, the foreign exchange control law was enacted, and this law, of course, could reach the press through its official inspection of business conditions.

That, Mr. President, is a chronology of the control of press and radio in Japan. It is interesting to note that the Japanese press has never tolerated independence in political matters. It is interesting to note that the bureaucrats of Japan would not permit a free and independent press.

The chronology of Fascist control of the press in Italy is equally interesting.

On July 8, 1924, there was an Italian decree which empowered the police prefects to confiscate any issue of a newspaper without bringing a charge before the court.

On July 12, 1924, there were issued certain regulations concerning the promulgation of the edict of 1848 which dealt with the press.

By early December of 1924 the minister of justice prepared a decree which has been applied to all opposition papers, and which defines as a crime the publication of news "which might have an injurious effect on national credit at home and abroad, or cause alarm among the population or give rise to disturbance of the public peace or prejudice the diplomatic activities of the government and its relations abroad." That, Mr. President, is interpreted as granting government officials immunity from criticism for acts of office. This measure also reintroduced preventive confiscation, and provided for the suspension of the paper.

On January 8, 1925, 111 members of the opposition read a document attacking the regime, and the paper was suppressed for publishing it. By the early part of January, 1925, 102 newspapers had been suppressed under the new regulations, and the following month other editions were confiscated. In February of 1925 still more editions were confiscated.

In October there were further reprisals against an attempt to issue independent newspapers, and by October 23, 1925, George Seldes, an American correspondent, was expelled for publishing the document of the opposition. He was expelled for "representing the Mussolini government in the worst possible light and giving the views of the political opponents of the Duce."

By November 18, 1925, other so-called antinational papers were suppressed, and by December 31, 1925, the public prosecutor had authority to prohibit the appearance of any paper twice condemned for press offenses. The printers themselves were made liable for all fines incurred by the papers they printed, and the local press association had to enroll the names of all editors. Only Fascist unions were permitted to enroll.

By January 7, 1926, the Home Secretary had issued a circular which indicated that in ordering the confiscation of an issue, the prefects need not trouble to determine whether an item was false or true. "The preservation of order is an elementary and primary duty of every government and is independent of any opinion that may be held as to the bad faith of the person who endangers the order."

By October 1926 there were only 27 papers left after a general suspension by

Fascists. Sixteen of these papers were dailies.

By October 31, 1926, after Anteo Zamboni had tried to kill Mussolini, all 27 papers were suspended for an indefinite period, and 4 were suspended for 20 days.

By March 12, 1927, the Central Executive Board of the National Federation of the Press had divided newspapermen into four classes: (1) Fascist Party members, (2) nonparty members with a clean past, (3) former anti-Fascists who had repented, and (4) the unredeemed. All other newspapermen were divided into two classes: Those officially recognized by the party, and the remainder.

By February 26, 1928, Law No. 384 had provided that no editor or any journal or journalist could exercise his profession except after enrollment in the official register, which is permitted only by the Government. There is no appeal from a refusal.

On June 13, 1935, a representative of the Chicago Tribune was expelled from Rome for an article on the shakiness of Italian finance. As far as I know, incidentally, no representative of the Chicago Tribune has ever been barred from Rome for any articles on the shakiness of New Deal finance.

By December 7, 1935, the powers of censorship of the Minister of Propaganda and the press were extended, and propaganda officials were empowered to order police anywhere to seize newspapers and books without instruction from the Minister of the Interior—who, by the way, was also Il Duce.

By August of 1936 the press had received instructions concerning some 25 explicit items which they could not mention, and throughout 1937 there were more specific instructions to the press dealing with certain detailed news items which must be treated in a certain way.

By 1938 the Italian Minister of Education had set up a committee to examine all post-war publications in order to eliminate all elements politically hostile to the principles of the Italian regime. A list of banned books was to be prepared and in the future publications were to be censored before issued.

I am sure that all can recall that on April 29, 1940, the Italians put the pressure on the Osservatore Romano for its pro-ally stand, and by May 14, 1940, the street sales of the Osservatore Romano outside the Vatican City were prohibited, and the paper dropped its war news column.

Mr. President, the control of wireless telegraphy and telephony in Italy is another very interesting subject to all those who are interested in the preservation of freedom, but it is a detailed subject, and I will not attempt to discuss it at this time, though I am now preparing a memorandum which I expect to insert in the RECORD at a later date. I can say that there are very rigid Italian regulations for broadcasting, and that the penalties for violation of the Italian code in this connection are extremely rigid.

I have given, Mr. President, the story of Fascist control of the press in Italy. It is the story of a political party and a political leader, who permitted no criticism, and who divided all newspaper writers into classifications in respect to the degree of their loyalty to him and to his party. It is the story of a leader who was very intolerant of those who in their writings or in their verbal utterances disagreed with him or with his party.

Senators are all familiar with the First War Powers Act and with the Second War Powers Act, and with the provisions in these acts which relate to the utilization of vital war information.

We are familiar with the sweeping Executive orders which clapped secrecy and censorship rules on hundreds of commercial plants. We can recall that away back in 1939 there were protests of the Federal Communications Commission against any restrictions on the free flow of information to the United States from any source whatever within or outside the United States.

In 1939, as this Nation observed the 150th anniversary of the Bill of Rights, there was apprehension over the fate of some parts of our charter of liberty in the event that we should be drawn into war. The first among the 10 amendments which were enacted more than a century and a half ago provided that Congress should make no law respecting an establishment of religion or prohibiting the free exercise thereof; or abridging the freedom of speech or of the press; or the right of the people peacefully to assemble, and to petition the Government for a redress of grievances.

The whole question of press censorship was discussed the latter part of February 1941 after the Chief of Staff of the Army, Gen. George C. Marshall, had testified before the Senate Military Affairs Committee. The publication of that testimony brought up the whole question of the place of the press and the radio in times of war. High ranking officials in the national defense organization submitted plans for the censorship of press and radio which would have established a tight central control by officers of the armed services over information about national defense, but that plan was discarded early in 1941. According to reports it had been presented to the Chief Executive in June of 1940.

By the latter part of February 1941 the American press was cooperating voluntarily with the United States, Canada, and England, and voluntarily withholding certain items in the public interest. By October of 1941 there appeared to be a general agreement that we needed a clearly defined censorship policy rather than a voluntary policy.

When the foremost editors of the Nation gathered in Washington for their annual conference on April 17, 1941, the biggest problem confronting them was Government news censorship. At that time most of official Washington was free from censorship, though there were certain notable exceptions. When the President sent a message to the American Society of Newspaper Editors he went all out for a free press. It was evident, however, that in a democratic country which was technically at peace it was impossible to keep the lid on military secrets.

By the latter part of May 1941 newspapers were editorializing on the creation of the Office of Government Reports, apparently designed as a permanent superpublicity agency clothed with statutory authority. This agency was closely scrutinized as a funnel of all Government information which might technically have been a step toward the abandonment of the freedom of the press in America.

This agency, incidentally, in no way supplanted all the other publicity bureaus and press agencies in the various Government departments. More recently the Byrd Committee on Executive Reorganization reported more than 300 general publicity writers in the Federal agencies, and their number at that time was estimated at as high as 700. The propaganda at that time amounted to about 100,000,000 pounds a year and cost about $25,000,000 for paper and printing. I will return to this subject a little later.

The Chief Executive made an excellent start toward the right sort of censorship. He picked out a good man to be the Director of Censorship when he selected Mr. Byron Price, of the Associated Press. The cooperation of the fourth estate was complete and enthusiastic.

The whole theory of press censorship in the closing days of 1941 was that it would be used to keep essential military information from the enemy, and it was distinctly understood that it would not be used to keep any incompetency from public discussion. The American press and the publishing world in general accepted in good faith the code issued by the Director of Censorship. This code was issued by the 15th of January in 1942. Broadcasting stations, incidentally, were under more stringent censorship than the press, because radio is not domestic in any sense of the word.

By February 8 of last year the White House had ordered all Cabinet and other high-ranking officials to submit their future speeches to the Office of Facts and Figures for advance clearance. Shortly after that the Office of Censorship issued regulations concerning international communication.

By March 19 regulations adapting the 1917 Trading with the Enemy Act to the needs of the present war were issued by the Secretary of the Treasury in conjunction with Byron Price, the Censorship Director. By April 1 there seemed to be some confusion about our censorship policies, and there was talk of reorganizing the overlapping and contradictory wartime information services, perhaps into a centralized agency with a unified policy for the dissemination of war news.

Three months after our entry into the global war our military censorship of news was more stringent than ever before in our history. There was some public confusion in March of 1942 because there had been a suppression of facts already known to the enemy, and a number of editorial writers throughout the Nation began to talk about the incompetence and the blundering of our press-relations policy.

By April of 1942 it was evident that freedom of the press was on trial. It was

also evident that we were standing at the crossroads between voluntary censorship and compulsory censorship, and the newspaper industry was facing a supreme crisis. There was some apprehension by May of last year that the administration was attempting to cripple the newspapers and suppress all criticism of its policies.

On June 25, 1942, the Office of Censorship published a revision of the code of wartime practices for newspapers and radio stations, which placed channels of public information more firmly under the administration control. Under the revised code important news relating to the operation of the war effort could not be printed or broadcast unless it had been released by appropriate authority or passed by censorship. The new sections of the radio code paralleled the press code in most particulars. Also new restrictions of a general nature were added.

By the latter part of September of last year there were grave issues as to what information endangered the security of the United States, and whether military censorship was being used to conceal nonmilitary purposes. Capital correspondents began to call for a showdown on censorship policies, and there were a number of protests on the way silence was imposed under the voluntary code. There was a continual expression of alarm over the creeping suppression which many people felt was a threat to a free press in wartime.

By December of last year the Office of Censorship was on a hot spot in connection with censorship legislation. It will be recalled that on November 30 of last year the Senate recalled from the House of Representatives a bill it had unanimously adopted authorizing the censorship of all communications between the United States and its Territorial possessions.

The withholding by the administration of the details concerning damages suffered in the sneak Japanese attack on Pearl Harbor met with widespread criticism.

The Office of War Information, originally intended to coordinate and control the release of war information, was helpless when the Office of Price Administration and the Office of Petroleum Administration battled over the wording of a press release on the suspension of gasoline rationing cards in the East. We are told that as a consequence, news of the suspension leaked out prematurely. The same kind of muddling occurred on the announcement of canned goods rationing more recently.

By the 5th of last month the Office of Censorship had issued new and consolidated regulations governing all communications entering and leaving this country. There was a great deal of comment concerning the Allied censorship in north Africa early this year.

My own feeling is that our censorship of news must not be permitted to destroy the faith of the people in their Government. There is no excuse for the muddling of administration announcements concerning recent rationing policies. Today press and radio are regulated as to what they can tell the public, and we have a pretty definite organization to see that voluntary censorship is followed.

The Chief of the Office of War Information has authority to control all war information, but I do not believe that he has ever exercised this control of the War and Navy information services. It is my understanding that they still issue all their own releases, and that the Office of War Information intervenes only when the War and Navy Departments make joint announcements with other war agencies.

GOVERNMENT PROPAGANDA

Mr. President, I now desire to speak about Government propaganda, which was somewhat stressed by the distinguished Senator from Illinois [Mr. BROOKS], but I have some additional information which might supplement what he has already said.

At the present time old-line Government departments like the Department of Labor, the Treasury, and the others, maintain their own publicity organizations, as does every agency. It has been said that there are more than 30,000 press agents and publicity aides on the pay roll. How many million dollars a year that costs it is hard to say. The Office of War Information this year may need a total of about 4,400 people to conduct propaganda activities at home and abroad. That would cost about $37,000,000. Our overseas propaganda by the Office of War Information may cost about $27,000,000 in this fiscal year.

Mr. President, I believe that the American press has retained a remarkable degree of freedom in a world war of rigid restrictions, and I believe that the American press has done an outstanding job of self-government. I have no quarrel with the general censorship provisions, though I do believe it is apparent that we need a further clarification of policy and a definite coordination of all activities relating to press and radio. It is obvious that even our present system offers possibilities for potential abuse. Against these possibilities we must constantly be on the alert.

Along with the censorship policies of Government, I think we must be aware of certain mechanical limitations which have been imposed upon the press. I think it is apparent that some of the attempts of Government to put press associations under the power of Congress to regulate commerce had in them the germ of rigid Government control.

The restrictions on news pulp also have in them the germ of rigid Government control. American newspapers began rationing newsprint with the new year, and our rationing has been on the basis of 1941 usage. The rationing of newsprint may be a necessary step, but it is certainly inconsistent with the extended publication activities of Government itself, and with the fact that Government itself is utilizing more and more space in American newspapers which leaves less and less space available for a free American press.

As every Senator knows, in January of this year the W. P. B. ordered the use of newsprint in 1943 limited to the tonnage used by each publisher to produce his net paid circulation in 1941 plus a 3-percent spoilage allowance.

During the last war, when there were shortages, the Government laid the facts before the representatives of all the industries involved. The plans were drafted and put into effect on a voluntary basis. These were cooperative restrictions, and they were by and large successful. That policy has not been followed effectively in the present war.

The amount of print paper which big publishers may use during the present year has also been cut by a pattern similar to that which was applied to newspaper and magazine publishers. It is apparent that this curtailment order could seriously threaten the press of the Nation.

Perhaps the best evidence of any need for curtailment in the amount of news pulp available to newspapers should be given by Government itself. Here in Washington the Government issues a snowstorm of news releases which are apparently still considered as essential. It has been said that the Public Printer in Washington is estimating a 50-percent increase in the use of paper in 1943 over 1942.

Think of it; we are telling the citizens of this country to curtail, yet these agencies are flooding the country, and a large percentage of what they use in flooding it is mere rot.

There have also been rumors in Washington that the Office of War Information would begin to issue a 4- to 6-page summary of the week's news in Washington. I am not going to comment on the pulp outlook, though a number of experts contend that the pulp outlook has improved. I am going to comment briefly on the publishing activities of Government itself.

Remember, in Germany, Italy, and Japan the government took over publishing activities. In this country we have gone wild in putting into the hands of Government some 50,000 paid newspapermen to publicize Government activities. On top of that we flood this country with carloads of material every day. Then the Government is reaching down and buying space in the newspapers of the country, getting space, interfering with the free press. As stated by the Senator from Illinois [Mr. BROOKS], the Government publication, Victory, has already been discussed on the floor of the Senate. It is only a small part of the material coming from the presses of the Government itself as a war publisher.

There are tens of millions of posters issued by the Office of War Information.

The Office of War Information maintains a publications and graphic bureau, and some of their publications run to almost 3,000,000 copies. Their pamphlets range from 16 to 32 pages. Some of them are simple, pocket-size numbers, and some of them are profusely illustrated publications.

Some of the volume of Government publicity was cut late last year, but it still has not stopped the torrent of Government publications, and it cannot be

denied that some of the O. W. I. publications reflect party politics. I must confess also that I am alarmed by the statement of the O. W. I. last month to the effect that the O. W. I. was going to take over all Government farm news.

Mr. President, I am alarmed also by the statement of the O. W. I. that it would take over the control of almost all Government news agencies.

I refuse, however, to believe that this administration is contemplating the publication of a Government-owned daily newspaper published at the taxpayers' expense.

It is apparent from all of the foregoing that Congress must closely scrutinize all the publication activities of Government, and it is equally apparent that the behind-the-scenes conflicts between the O. W. I. and the Office of Strategic Services must be definitely and permanently settled so that we do not have conflicts in the field of our psychological warfare. At the outset of 1943 we still had no agreed policy or coordinated program for psychological warfare—we still had no completely unified effort, though we had a half dozen agencies working on parts of the job.

It is equally apparent that we must separate our propaganda and censorship activities or else correlate them so that they do not create confusion.

We are fighting for the four freedoms and we must fight for freedom of the press at home. Last September the American press blew the lid off the issue of censorship, and one of our great journalists wrote about the creeping paralysis of that censorship and wrote about power-hungry bureaucrats.

Last February there was a proposal which would have made it a criminal offense to divulge the contents of any Government document marked "confidential." If that proposal had been enacted into law, then any officeholder with something to conceal could have gotten out of the reach of journalistic investigators.

Mr. President, we know that the press has continually endeavored to expose any bureaucratic and brass-hat incompetence. We know that the press exposed the misuse of the W. P. A. for political purposes. We know that the press stopped the plan to pack the Supreme Court. We know that the press ruined the 1938 congressional purge, but we also know that the press has played a major role in the war effort. It has made the American people aware of the menace of inflation. It made it possible to amend the selective service legislation. It made it possible to have gasoline rationing and it made the scrap drive successful.

The American press has donated nearly $100,000,000 in space for war purposes. The American press made it possible for Henry Kaiser to do a job in the face of mossback opposition.

The American press made it possible to secure a clarification of the rubber issue. It exposed the early fan-dancer defects in the Office of Civilian Defense. It has continually pounded away on the issue of one-man control over war production. It does not regard the New Deal and the war, in the words of Stanley High, as "joint and inseparable enterprises."

Mr. President, in conclusion, the encroachments on a free and untrammeled expression of public opinion elsewhere have sometimes been very gradual. They usually begin as propaganda for a particular administration or a particular leader and they end in complete control of all forms of social communication, so that today German newspapers are mouthpieces of the state, and German newspapers, according to Goebbels, are "sharp instruments of policy" ready to be played on "like a piano."

There, Mr. President, is a master of analysis, telling how the German people are being fooled through the newspapers, because the newspapers are used to be played on "like a piano."

The first freedoms to be lost by any people who are controlled by dictators were the freedom of expression and the freedom of a free press.

The tremendous increase in the publicity and informational activities of the Federal Government, the tremendous increase in material publicizing the Government activities, carries with it a distinct menace for the future.

Today the Federal Communications Commission has a life-and-death power which it can wield over every radio station in the land, and we know that the Chief Executive has the authority to seize any and all radio apparatus and equipment.

Mr. President, we find engraved on the Archives Building in this city the words, "The past is prologue." The only thing that stands between the menace of that absolute power is the Congress of the United States. So, I repeat: It is for us to be alert. We must make sure that on the home front there are no more Pearl Harbors.

Mr. President, we know that the twin threat of censorship and propaganda led France down the long road, from which there was no turning, to ultimate disaster.

I do not believe that these things will happen here. They will not happen here because an enlightened people and a vigilant Congress will never permit them to happen. They will not happen here because no man and no party can be so blind as to eliminate a great safeguard for the perpetuation of freedom.

Mr. President, if "the past is prologue," let us realize that we must take steps different from those taken by the so-called Axis Powers, because there the people lost their rights.

Nevertheless, it is well for us to be conscious of these problems and to pursue a policy of vigilance which will insure the perpetuation of a free press.

In other lands we have seen the first gray afternoon haze of government curtailments and censorship darken into the lengthening twilight shadows of an increasingly inflexible control, and eventually into the thick black night of fettered oblivion, with a dominant competitive government in the propaganda publishing business financed by the public.

Mr. President, that must never happen here, and it never will if the American people and the American Congress remain alert.

PRACTICAL RELIGION IN THE WORLD OF TOMORROW—ADDRESS BY THE VICE PRESIDENT

Mr. THOMAS of Oklahoma. Mr. President, very much has been said today about a certain address delivered by the Vice President recently. I now ask unanimous consent to have printed in the body of the RECORD at this point the address which has been referred to so often today. The address was on the subject of practical religion in the world of tomorrow, and was delivered by the Vice President at the Conference on Christian Bases of World Order, held under the auspices of the Board of Missions and Church Extension of the Methodist Church, at Delaware, Ohio, on March 8, 1943.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

There are three great philosophies in the world today. The first, based on the supremacy of might over right, says that war between nations is inevitable until such time as a single master race dominates the entire world and everyone is assigned his daily task by an arrogant, self-appointed fuehrer. The second—the Marxian philosophy—says that class warfare is inevitable until such time as the proletariat comes out on top, everywhere in the world, and can start building a society without classes. The third—which we in this country know as the democratic Christian philosophy—denies that man was made for war, whether it be war between nations or war between classes, and asserts boldly that ultimate peace is inevitable, that all men are brothers, and that God is their Father.

This democratic philosophy pervades not only the hearts and minds of those who live by the Christian religion, both Protestant and Catholic, but of those who draw their inspiration from Mohammedanism, Judaism, Hinduism, Confucianism, and other faiths. When we look beneath the outer forms, we find that all these faiths, in one way or another, preach the doctrine of the dignity of each individual human soul, the doctrine that God intended man to be a good neighbor to his fellow man, and the doctrine of the essential unity of the entire world.

Those who think most about individualism preach freedom. Those who think most about unity, whether it be the unity of a nation or of the entire world, preach the sacred obligation of duty. There is a seeming conflict between freedom and duty, and it takes the spirit of democracy to resolve it. Only through religion and education can the freedom-loving individual realize that his greatest private pleasure comes from serving the highest unity, the general welfare of all. This truth, the essence of democracy, must capture the hearts of men over the entire world, if human civilization is not to be torn to pieces in a series of wars and revolutions far more terrible than anything that has yet been endured. Democracy is the hope of civilization.

To understand the significance of these three philosophies dominant in the world today, let us look at each one in turn. During the last 80 years, the outstanding exponent of the sacredness and inevitability of war has been Prussia. By nature the common people of Prussia are simple and hard-working, and make excellent citizens

except where they have become infected by the Prussian doctrine that might makes right. The Prussian philosophy causes its adherents to practice many of the highest virtues, but these virtues are all ultimately placed at the disposal of supreme evil. Hitler, seizing the Prussian militaristic tradition as a powerful instrument in his hands and putting it to use with his own religious frenzy, has become the anti-Christ of this generation—perhaps the most complete anti-Christ who has ever lived. It is not enough to bring about the downfall of Hitler. We must understand the origin and growth of the Prussian spirit, and do something to counteract that spirit, if we wish to bring permanent peace.

The Prussian attitude toward war and supremacy has strong roots. Whether it reaches back to the days of Caesar or whether it first took form under the guidance of the Teutonic knights in the Middle Ages, we are certain of this: by the time of Frederick the Great, the Prussians consciously adopted the doctrine of total war and the total state as the chief end of man. Bismarck and Kaiser Wilhelm II modernized and made completely deceitful and ruthless that which Frederick the Great had founded.

Shortly after Kaiser Wilhelm II rose to power, a generation before the First World War, one of the more tender-hearted of the German generals said, in addressing his troops: "Our civilization must build its temple on mountains of corpses, an ocean of tears, and the groans of innumerable dying men."

We know now, to our sorrow, that those were not just idle words. But God grant they will not be true much longer.

Bernhardi and Treitschke, through the printed page and through the classroom, preached the glory of war and the necessity of Germany picking a quarrel with England or France. Frederick the Great, Moltke, and Bismarck were proclaimed as being superior to Goethe, Schiller, Bach, and Beethoven. Hegel laid broad and deep the philosophy of the totalitarian state. Other philosophers, and especially Nietzsche, seized on the Darwinian doctrines of natural selection and survival of the fittest to erect a seemingly scientific but false materialism to justify their ruthless acts.

In saying all of this, I do not mean to indicate that Prussia was the only wicked State in the world. England, France, Russia, Spain, and the United States were not always perfect. But Prussia and Japan were the only countries which systematically devoted the highest virtues of their citizenry, generation after generation, to the glorification of the state and to the ruthlessness of war.

The ancestors of many of the people of German origin in the United States were members of the minority in Germany who dissented from the extremist tendencies toward militarism. Thousands of these dissenters migrated to this country in the 20 or 30 years after the failure of the revolution of 1848. Their children, grandchildren, and great-grandchildren today are among our finest American citizens. They are patriotically doing their part in the present war for freedom, and we honor them for the spirit they have shown.

It is in the years since 1848 that the liberal culture of the old Germany has been so completely submerged by the worship of strength and power. In this period of less than a century, under Bismarck, Kaiser Wilhelm II, and Hitler, Germany has launched five aggressive wars.

The result has been that, over the last 30 years, the spirit of Prussianism has cost the lives of at least 20,000,000 men, has crippled at least 10,000,000 others, and has caused the nations of the world to squander hundreds of billions of dollars on death, destruction, and hate. How different things would have been if this money had been spent instead on peace, prosperity, and understanding.

Germans by blood are neither better nor worse than Englishmen, Americans, Swedes, Poles, or Russians. But the Prussian tradition of the last century, and especially the Nazi education of the last 10 years, have created a psychic entity so monstrous and so dangerous to the entire world that it is absolutely vital to exercise some control over German education when the war comes to an end. Prussian schoolmasters have been of greater importance to the German Army than Prussian captains, and Prussian textbooks have had greater value than ammunition. It is the disciplined will to power and the worship of war as the method of power that have made the German Army such a terrible instrument of force.

Just as Hitler took the Prussian military tradition and organized it into gangsterism, so he took the Prussian education system and streamlined it to marshal the millions of German boys and girls behind his evil conspiracy of world conquest. Hitler's children have been trained to believe implicitly that the State is more important than the individual, and that the individual must be willing and ready to sacrifice himself for the German Nation and for the Fuehrer. Starting with the young mothers and fathers, married or unmarried, and taking the children through the day nurseries and a series of schools for different ages, Hitler has indoctrinated the German children with what he calls his leadership principle—that among men as in nature there is an eternal struggle between the weak and the strong, and that the decadent democracies are destined to crumble before the superior might of the Nazi elite. German boys have been systematically trained in brutality. German girls have been systematically trained to believe that their supreme duty is to be mothers, married or unmarried, of children dedicated to the service of the fatherland and the Fuehrer. Through the use of mystic ceremonies—pagan dances, bonfires, sun festivals on mountain tops, and many other types of ritual—both boys and girls have been trained to look upon Hitler as divine and they pray to him as God.

The evil influence of this systematic degradation of millions of German boys and girls cannot be counteracted in a short time. Even Hitler's death will not end it, because many of Hitler's children, conditioned as they are, will believe that he is still their leader, in the spirit if not in the flesh. Hitler dead may be almost as dangerous as Hitler alive.

This, then, is the vastly difficult problem with which the United Nations will have to cope, if the victory which now is coming closer is to bring more than just a short breathing spell before another Prussian attack is launched upon the world.

It is not up to the United Nations to say just what the German schools of the future should teach, and we do not want to be guilty of a Hitler-like orgy of book burning. But it is vital to the peace of the world to make sure that neither Prussianism, Hitlerism nor any modification of them is taught. There are many cultured German scholars with an excellent attitude toward the world who should be put to work on the job of rewriting the German textbooks in their own way. I believe these men would glorify peace and international honesty, reestablishment of the German culture of Beethoven, Schubert, Schiller, and Goethe, and the gradual preparation of the German spirit for an appreciation of the fact that a bill of rights for the individual is as vital as a bill of duties toward the state.

Doubtless thousands of German boys will come home from the war bitterly disillusioned of Prussianism and Hitlerism. Thousands of both young and old at home will feel the same way. They will honestly want to help build up a new democratic Germany, and we, without yielding at all to the old warlike spirit of Prussia, should encourage them to try. We shall need the help of all Germans who give convincing evidence that they do not subscribe to the master-race myth and are genuinely opposed to the doctrine that might makes right. The reeducation we insist upon should not crush out any sincere desire to practice democracy and live at peace among the world family of nations.

It will not be necessary for Americans to teach in the German schools. The all-important thing is to see that the cult of war and international deceit is no longer preached as a virtue in the schools. We cannot countenance the soft, lazy forgetfulness which characterized England and France in their treatment of Germany in the thirties. The cost of such short-sighted appeasement is too great in men and money. We must not go down that mistaken, tragic road again.

All of my discussion thus far has been concerned with Prussianism. Now I want to talk about Marxianism. This philosophy in some ways is the child of Prussianism, because Marx, its high priest, was molded in his thinking by Hegel, the great philosopher of the Prussian state. Marxianism has used the Cheka, just as Prussianism has used the Gestapo, but it has never preached international war as an instrument of national policy. It does not believe one race is superior to another. Many of the Marxian activities of the last 10 years which people of the West have most condemned have been inspired by fear of Germany. The Russian people, who are the chief believers in Marxianism, are fundamentally more religious than the Prussians. The great mass of the Russian people is still hungry for spiritual food. The Russians have a better opportunity to find that spiritual food than have the Prussians under their regime, which glorifies the violence of the old Teutonic gods.

This question of religious freedom in Russia has been getting attention from the Church of England and from the Roman Catholic Church in this country. In a recent issue of the magazine Commonweal, which surely cannot be said to have Marxian leanings, the managing editor discussed two books by exiled Russians on the status of religion in Russia. Quoting from both books, one written under the auspices of the Church of England, and the other by a professor at Fordham University, the editor came to the conclusion that the position of the Christian Church in Russia has definitely improved.

The future well-being of the world depends upon the extent to which Marxianism, as it is being progressively modified in Russia, and democracy, as we are adapting it to twentieth century conditions, can live together in peace. Old-line Marxianism has held that democracy is mere words, that it serves the cause of the common man with platitudes rather than with jobs, and that belief in it results in a weak governmental organization. And we who believe in democracy must admit that modern science, invention, and technology have provided us with new bottles into many of which we have not yet poured the wine of the democratic spirit.

In some respects both the Prussians and the Russians have perceived the signs of the times better than we—and I hope that reactionary politicians will not quote this sentence out of its context, in an effort to prove that I have come out for dictatorship. The fact is that the Prussians have done an effective job of making their bureaucrats efficient in coordinating the social forces in the service of the state. The Russians have put great emphasis on serving and gaining the enthusiastic adherence of the common man. It is my belief that democracy is the only true expression of Christianity, but if it is not to let Christianity down, democracy must

be tremendously more efficient than it has been in the service of the common man, and in resistance to selfish pressure groups.

After this war is over the democratic capitalistic nations will need to prove that they are supremely interested in full employment and full utilization of natural resources. They will need to demonstrate that the consuming power of their people can be made to equal their productive power. The right to work at a regular job and for a decent wage is essential to the true dignity of man.

If the western democracies furnish full employment and an expanding production, they need have no fear of a revival of old-line communistic propaganda from within. If they do not furnish full employment, communistic propaganda of this kind is inevitable and there is nothing which the Russian Government or our Government or any other government can do to stop it. In the event of long-continued unemployment, the only question will be as to whether the Prussian or Marxian doctrine will take us over first.

I believe in the democratic doctrine—the religion based on the social message of the prophets, the heart insight of Christ, and the wisdom of the men who drew up the Constitution of the United States and adopted the Bill of Rights. By tradition and by structure we believe that it is possible to reconcile the freedom and rights of the individual with the duties required of us by the general welfare. We believe in religious tolerance and the separation of church and state, but we need to light again the old spirit to meet the challenge of new facts.

We shall decide some time in 1943 or 1944 whether to plant the seeds for World War No. 3. That war will be certain if we allow Prussia to rearm either materially or psychologically. That war will be probable in case we double-cross Russia. That war will be probable if we fail to demonstrate that we can furnish full employment after this war comes to an end and Fascist interests motivated largely by anti-Russian bias get control of our Government. Unless the western democracies and Russia come to a satisfactory understanding before the war ends, I very much fear that World War No. 3 will be inevitable. Without a close and trusting understanding between Russia and the United States, there is grave probability after this war is over of Russia and Germany sooner or later making common cause.

Of course the ground for World War No. 3 can be laid by actions of the other powers, even though we in the United States follow the most constructive course. For example, such a war would be inevitable if Russia should again embrace the Trotskyist idea of fomenting world-wide revolution, or if British interests should again be sympathetic to anti-Russian activity in Germany and other countries.

Another possible cause of World War No. 3 might rise out of our own willingness to repeat the mistakes we made after World War No. 1. When a creditor nation raises its tariffs and asks foreign nations to pay up, and at the same time refuses to let them pay in goods, the result is irritation of a sort that sooner or later leads first to trade war and then to bloodshed.

The gospel of Christ was to feed the hungry, clothe the naked, comfort the sick, and visit those who were in hard luck. He said that treating your neighbor decently was the way to show that you loved God. The neighborhood in Christ's day was a few miles in diameter. Today the airplane has made the whole world a neighborhood. The good-neighbor policy, whether at home or abroad, is a Christian policy. Those who preach isolationism and hate of other nations are preaching a modified form of Prussian nazism, and the only outcome of such preaching will be war.

If we want peace, we must treat other nations in the spirit of democratic Christianity. We must make our religion practical. In our relations with China, for example, we must act in such a way as to enhance the material as well as the spiritual well-being of her people. So doing will not only be of spiritual advantage to ourselves, will not only do much to prevent war, but will give us more material prosperity than we can otherwise enjoy. And in saying this, I do not preach the missionary spirit as a forerunner of a new imperialism.

Nearly half the people of the world live in eastern Asia. Seven-eighths of them do not know how to read and write, but many of them listen to the radio and they know that the world is on the move and they are determined to move with it. We can at their request help them to move in knowledge toward a higher standard of living rather than in ignorance toward confusion and anarchy.

Throughout history, every big nation has been given an opportunity to help itself by helping the world. If such an opportunity is seized with a broad and generous spirit, an infinitude of practical possibilities opens up. Thousands of businessmen in the United States have seen this kind of thing happen on a smaller scale in their own businesses, as their broad and enlightened policies have increased their prosperity and given jobs to their neighbors. Christianity is not star gazing or foolish idealism. Applied on a world-wide scale, it is intensely practical. Bread cast upon the waters does return. National friendships are remembered. Help to starving people is not soon forgotten. We of the United States who now have the greatest opportunity that ever came to any people do not wish to impose on any other race or to thrust our money or technical experts or ways of thought on those who do not desire them. But we do believe that if we measure up to the responsibility which Providence has placed on our shoulders, we shall be called on for help by many peoples who admire us. When we respond to this cry for help, we shall be manifesting not only a Christian spirit but also obeying a fundamental law of life.

We of the western democracies must demonstrate the practicality of our religion. We must extend a helping hand to China and India; we must be firm and just with Prussia; we must deal honestly and fairly with Russia and be tolerant and even helpful as she works out her economic problems in her own way; we must prove that we ourselves can give an example, in our American democratic way, of full employment and full production for the benefit of the common man.

By collaborating with the rest of the world to put productive resources fully to work, we shall raise our own standard of living and help to raise the standard of living of others. It is not that we shall be taking the bread out of the mouths of our own children to feed the children of others, but that we shall cooperate with everyone to call forth the energies of everyone, to put God's earth more completely at the service of all mankind.

ARTISTS FOR VICTORY

Mr. WAGNER. Mr. President, I have been greatly impressed by the splendid voluntary contribution of the artists of America in dedicating their talents in our united effort for victory. In that connection, I ask unanimous consent to have printed in the RECORD, as a part of my remarks, a statement I have prepared on the Nation-wide organization of American artists known as Artists for Victory.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

At the outbreak of the war, 20 art societies formed an organization, known as Artists for Victory, Inc., for the purpose of doing what they could, in their own field, to assist the country in its war effort. Artists for Victory has since grown to 28 societies, comprising a membership of over 10,000 artists from all parts of the country. All these artists are imbued with a spirit of patriotism and a sincere and strong desire to use their talents for the winning of the war.

As you all know, the war morale is being impressed upon the public with appeals and exhortations via radio, the press, the movies, and other channels. Effective as these means are, they leave little lasting impression. Since the conduct of the war is affected by our fears and passions, our bravery and devotion, our loyalty and courage, and by our sacrifices, the graphic visualization of the themes of the war—to impress them continuously upon our hearts and minds—is a necessary factor in civilian morale. Graphic presentation is in fact a war weapon.

Artists for Victory has effectively demonstrated this in its national war poster competition, out of which 300 posters were selected for exhibition at the National Gallery of Art in Washington from January 17 to February 17. In this exhibition the war slogans which have been resounding throughout the country were given form and color. Artists from practically every State in the Union took part in the great undertaking of making the issues of the war clearly and simply understandable. In this effort fully half a million dollars' worth of art production was created by the artists. They devoted over 100,000 man-hours to this work, which they gave unselfishly and without thought of personal gain.

The themes selected for the posters are based on the President's first war message on the state of the Union, made to Congress on January 6, 1942. They deal effectively with important issues on the home front, such as Production, War Bonds, The Nature of the Enemy, Loose Talk, Deliver Us From Evil, Slave World or Free World, The People Are on the March, and Sacrifice.

The program of Artists for Victory includes distribution and dissemination of these vital messages in the widest possible ways. Its object is also to assist the Federal, State, and local governments in the prosecution of the war and, to that end, it commits the entire artistic profession to the united will to victory. Artists for Victory embraces the fields of the graphic arts, painting, sculpture, mural painting, architecture, landscape architecture, decoration, and all the kindred arts and crafts. On the Board are Hobart Nichols, president of the National Academy of Design, who is president of Artists for Victory, Inc.; John Taylor Arms, etcher; A. F. Brinkerhoff, landscape architect; Arthur Crisp and Hugo Gellert, mural painters; Irwin D. Hoffman, painter and etcher; Julian Clarence Levi, architect; Paul Manship, sculptor; and J. Scott Williams, painter, as well as other distinguished men of art.

Under these auspices and with the cooperation of numerous Government agencies and private industry, the results obtained are placing Artists for Victory in a position of growing responsibility in relation to the war.

With support from private industry, Artists for Victory was able to set up the national war poster competition, to mobilize the artists of the country for the purpose of obtaining inspirational fighting posters on the vital issues of the war. The artists who participated in the competitions were not motivated by any prize considerations but responded spontaneously out of a deep desire to help our country in this perilous period. Up to now, 18 posters have been reproduced, 13 of which are being used by Government agencies such as Office of War Information, War Production Board, the Treasury Department, and the Office of Inter-American Affairs. Additional posters were issued by

R. Hoe & Co., of New York, who also underwrote the expenses of the war poster competition and awarded prizes to four artists aggregating $1,200. The Council for Democracy, of New York, offered four more prizes, and the I. B. M. Corporation another prize—a total of $2,700 in awards. Copies of these posters are being distributed and shown in many places throughout the country.

President Roosevelt has lauded the patriotic spirit that dominated the efforts of Artists for Victory, Inc., and its artists, in a letter addressed to the president of the organization, as follows:

THE WHITE HOUSE,
Washington, November 16, 1942.

DEAR MR. NICHOLS: I have seen the report by Artists for Victory on its national war-poster competition. It is proof of what can be done by groups whose ordinary occupations might seem far removed from war. More than 2,000 war posters were produced by the artists of the country, not as a chore they were asked to do but as a voluntary, spontaneous contribution to the war. The very name of your organization is symbolic of the determination of every man and woman in every activity of life throughout the Nation to enlist in the cause to which our country is dedicated.

Very sincerely yours,
FRANKLIN D. ROOSEVELT.

It is gratifying for me to note that letters expressing enthusiastic interest in this patriotic exhibition have been received from many Senators and Congressmen by Artists for Victory, among whom are Senators JOHN H. BANKHEAD, SHERIDAN DOWNEY, GEORGE D. AIKEN, WARREN AUSTIN, JAMES M. MEAD, HARRY S. TRUMAN, Congressmen J. HARDIN PETERSON, JAMES P. MCGRANERY, JOHN SPARKMAN, and many others.

The program of Artists for Victory is national in scope. Fully 100,000,000 impressions of the war posters have already appeared in magazines, newspapers, and periodicals—such as Life, the New York Times, trade, and art publications, etc. The United States Treasury Department is sponsoring a traveling exhibit of the posters which were shown at the National Gallery. This exhibit will be sent on tour to key cities throughout the country. Through this exhibit local War bond committees can dramatize the sale of War bonds and stamps.

The program of industrial cooperation is being continued through the printing in full color of 50 selected posters from the competition as war-poster labels available in perforated sheets. These labels will, it is expected, reach almost every man, woman, and child in the country with their powerful patriotic messages concerning the issues of the war. In this effort Artists for Victory has secured the cooperation of the Ever-Ready Label Corporation, of New York, which will print and distribute 5,000,000 of these war labels immediately. Artists for Victory expect that over a billion copies of these labels will be distributed throughout the country—through banks, retail stores, war-industry plants, schools, and many patriotic committees and organizations.

All sections, all factions, and all creeds are thus being welded together in a full awareness of the dangers that threaten the American way of life. The wide distribution of these war labels will, in addition, keep our people aware of the ideals for which we entered the war—ideals which might otherwise be forgotten in the stress of the struggle.

Artists for Victory is making valuable contributions to the country's war effort, and it contemplates as full a participation in the solution of the cultural and social problems of the peace.

DEFERMENT FROM MILITARY SERVICE OF PERSONS ENGAGED IN AGRICULTURE

The Senate resumed the consideration of the bill (S. 729) providing for the deferment from military service of persons engaged in agricultural occupations.

Mr. JOHNSON of Colorado. Mr. President, on November 13 last a bill was approved amending the Selective Service Act. That bill contained the so-called Tydings amendment. A few days ago the Senator from Alabama [Mr. BANKHEAD] introduced a bill in which he was joined by 36 other Senators to amend the Tydings amendment. The Bankhead bill was referred to the Senate Military Affairs Committee. There was a close division in the committee for and against the Bankhead bill as presented. The bill was amended in the Military Affairs Committee by the Wilson amendment, presented by the Senator from Iowa [Mr. WILSON], and was reported by a 9-to-7 vote. The minority presented a report which was prepared by the Senator from Wyoming [Mr. O'MAHONEY], and offered another amendment in the form of a substitute for the Bankhead bill as amended.

After this bill was placed on the calendar the members of the Military Affairs Committee, and others who were interested in the Bankhead bill, met with Senators who favored other versions, and worked out a second substitute. Today that amendment was offered by me as a substitute for the pending bill. As Senators will recall, the Senator from Wyoming [Mr. O'MAHONEY] then offered a second amendment, in the form of a substitute for the substitute which I had previously offered. That is the parliamentary situation before the Senate at the present time.

The difference between the so-called O'Mahoney amendment and the last form of the Bankhead amendment is not very great. The O'Mahoney amendment proposes to amend the portion of the act known as the Tydings amendment by affixing thereto an appendix. It would not change the language of the Tydings amendment at all. It would merely add a provision at the end of the Tydings amendment. The Tydings amendment contains certain language which is objectionable because of the experience we have had with the operation of the act since the 13th of November. The objectionable language to which I have reference is as follows:

Every registrant found by a selective-service local board—

And so forth—

shall be deferred from training and service in the land and naval forces so long as he remains so engaged and until such time as—

This is the language which in my opinion is not satisfactory—

satisfactory replacement can be obtained.

That language sounds all right; in theory perhaps it is all right, but in actual practice it does not work satisfactorily. In the first place, to whom shall the replacement be satisfactory? Shall it be the selective-service board, or the applicant for deferment? What is to be the nature of the satisfaction? A man on a farm might ask for deferment because his services were required in the production of farm commodities, and the board could say:

No; we cannot defer you yet, but we will see. If we can find a satisfactory replacement for you, then, of course, we will not defer you.

The board could then send out to that farm some young person—perhaps a woman or some inexperienced farmer—and say, "That is a satisfactory replacement," while, of course, it would not be satisfactory to the farmer in any sense of the word. Therefore, that language is important and, in my opinion, very objectionable. It is retained in the O'Mahoney amendment.

Mr. TYDINGS. Will the Senator yield?

Mr. JOHNSON of Colorado. I will yield in a moment.

I wish to point out another difference between the O'Mahoney amendment and the pending amendment.

Mr. TYDINGS. I wished to try to define the O'Mahoney proposal a little more clearly, perhaps, than the Senator has done.

Mr. JOHNSON of Colorado. I have no doubt the distinguished Senator from Maryland can do so, but I should like to point out the other difference, and then I will yield to him.

Mr. TYDINGS. I shall do as the Senator suggests. I am not taking issue with anything he has said about the O'Mahoney proposal, but I believe that under the regulations of the Selective Service System, pursuant to the so-called Tydings amendment, it must appear, after consultation between the agricultural manpower officials and other officials, that the agricultural worker produces so many units a month of essential agricultural products. Essential agricultural employment is defined. What the O'Mahoney amendment does——

Mr. JOHNSON of Colorado. I was coming to that point.

Mr. TYDINGS. If the Senator from Colorado will allow me——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Maryland?

Mr. JOHNSON of Colorado. I do not yield.

The PRESIDING OFFICER. The Senator from Colorado declines to yield.

Mr. JOHNSON of Colorado. The second difference between the so-called O'Mahoney amendment and the Bankhead amendment is with respect to the standards to which the Senator from Maryland has referred. The Bankhead amendment does not contain those standards. It provides for a formula. Something is multiplied by something else, and the result is divided by some other factor to find out whether or not a man is to be deferred. The formula is complicated and not practical in its application. The Bankhead amendment would endeavor to accomplish the same result by a different method. The Bank-

head amendment has a limitation substantially as follows:

Substantially full time on a farm in connection with the production or harvesting of any agricultural commodity set forth in local board release No. 164—

Instead of the complicated and difficult formula to which I have made reference, and which was worked out by the "brain trust" in the Department of Agriculture and the Selective Service Division, we have a sensible application in this amendment which any board can understand:

Substantially full time on a farm in connection with the production or harvesting of any agricultural commodity set forth in local board release No. 164—

and listed in a certain list prepared by the Department of Agriculture. That is the difference between the two amendments in those particulars. Otherwise they are similar in their effect and purpose. Both of them are mandatory in their provisions and direct the Selective Service Board to make certain deferments.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. VANDENBERG. What does the word "substantial" mean?

Mr. JOHNSON of Colorado. The Senator from Michigan is an expert on words. If there is such an expert in the Senate, it is the Senator from Michigan. I would not attempt to define for the Senator from Michigan what "substantially" means.

Mr. VANDENBERG. If the Tydings amendment fell down because its language was susceptible of wide latitude in interpretation, it seems to me that the word "substantially" is likely to fall down for the same reason.

Mr. JOHNSON of Colorado. I do not think it is quite so wide open as the language contained in the act. The wording occurs in the O'Mahoney amendment and also in the Bankhead amendment.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. TYDINGS. Is it not true that the question of what is "substantially full time" will have to be decided by the draft board, and that the very defect contained in the Tydings amendment will be written in bold English words into the substitute now pending?

Mr. JOHNSON of Colorado. I do not think it will take much judgment on the part of anyone to determine whether a worker is employed substantially full time. At least the mathematical formula which has been applied by the Department of Agriculture and the Selective Service System will not be required to determine the matter.

On December 7, 1941, the Japanese struck at us in a most dastardly manner and involved us in two great wars. Up to that time most pantry shelves were full of supplies of all kinds. The small merchant had an ample stock of goods on his shelves and in his warehouse. The wholesaler was likewise stocked with necessities. The packers had their storage space full of beef and meats of all kinds. The elevators, mills, warehouses, and storage places throughout the country were filled to overflowing with agricultural commodities. In fact, they were so full that they were a burden upon the storage facilities. Then came December 7, 1941.

Let us see what the situation is today. There is hardly a pantry in the country which is not empty. There is hardly a grocery store anywhere which does not have bare shelves.

There is hardly a meat case in any retail establishment which is not devoid of meats of all kinds. The packers are short of meat. They cannot supply the demand. The agricultural surpluses which were so burdensome a few months ago seem to be disappearing very rapidly. The other day the Department of Agriculture stopped the sale of wheat below parity price for livestock feed, which indicates that we do not have the huge surpluses we once thought we had.

What do we find the situation to be in the rest of the world? We find the people of China starving. We find the people of Russia living mostly on dark bread. In Poland, Denmark, Holland, and Belgium, little children are starving for lack of food. In Spain a serious situation exists. In France conditions are even worse. According to reports received from our soldiers, conditions in north Africa are deplorable. The other day I received a letter from a soldier stating that Arabs sat around the camps of American soldiers with their legs crossed, waiting like buzzards for some one to give them a morsel of food, and that they made raids on the garbage cans of the American soldiers. Famine everywhere throughout the world, except in North America. Unless something is done, very shortly we also shall experience famine. That is the inspiration, the cause, the objective, and the purpose back of the pending bill.

Some say, "Well, let us see what the Army has to say about this." Mr. President, this matter is one which does not concern the Army. The bill has nothing whatever to do with the size of the Army. It simply has to do with the production of agricultural commodities. It is not the business of the Army. The Army has a very important business. That business is to fight the two most difficult wars America has ever waged. It is not up to the Army to produce the needed food. That task is up to the American people; and it is up to the Congress of the United States so to handle the situation that the farmers of the country may produce the food. That is not the Army's job. It is our job. The place where action must be taken is right here in the Senate, and the time is right now, this very day. In a few days it will be time for planting; in fact, in many sections of the country it is already time for planting.

One difficulty arises from the fact that there is a certain glamour about being a soldier, and there is a certain feeling of obligation on the part of all the citizens to serve in the armed forces. That feeling is not peculiar to any one group of our people or to any people of any particular employment. The farmers have that urge the same as do the men who live in the city; and the farmers feel that they have a duty to perform in the service of their country. However, I desire to say that at the present time, under all the present circumstances, the successful farmer who has his farm organized and is producing sizable quantities of food, producing meat of all kinds, and grain of all kinds, is just as necessary, if not more necessary, to the war effort than is any general we have in the Army at the present time.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I am glad to yield.

Mr. WILEY. I have listened with interest to what the Senator has said and have obtained a great deal of light from his remarks. I was wondering how the bill would change the situation in relation to farm help, in view of the fact that on the 6th of this month Mr. McNutt issued a directive. What would be the difference in effect upon the farm help of the country?

Mr. JOHNSON of Colorado. The difference in effect, I think, would be considerable. The difference in the correct approach today is important, as well. The Congress, not Mr. McNutt, should lay down the laws, so far as that is concerned; but, as a matter of fact, the directive worked out between the Department of Agriculture and Mr. McNutt on the 6th day of March should have been worked out under the Tydings amendment on the 13th day of November. They neglected to issue that directive to the selective service boards. They waited all those months without issuing it. I am of the opinion that the only reason they finally issued it on the 6th day of March is the Bankhead bill, which came from the Senate Military Affairs Committee.

Mr. BANKHEAD. Mr. President, let me point out to the Senator that the directive also continues the provisions of the Tydings amendment for farm units and for provision of replacements.

Mr. JOHNSON of Colorado. That is correct. I was going to mention that in further answer to the Senator from Wisconsin. The directive which has been issued still has the difficult formula of dividing and multiplying in finding an answer for all the selective service boards before a farmer can be deferred. But under the Bankhead amendment it is mandatory that farm workers, if they are engaged in the production of agricultural commodities essential to the war effort, be deferred. They cannot even be taken into the Army if they volunteer.

Mr. WILEY. Mr. President, will the Senator yield further?

Mr. JOHNSON of Colorado. I yield.

Mr. WILEY. The other day I listened to a radio commentator who described the situation. I wonder whether this particular bill would provide any relief.

I refer particularly to the fact that, apparently, different cities and different counties are called upon for quotas which have been arrived at by means of some method of mathematical computation. The result is that in many States and in many cities there are still young men between the ages of 18 and 38 years who have not been taken into the service because in those places there is a larger percentage of single men of such ages than there is in places where men in the married group have been taken. On the other hand, in other States and in other cities the selective service boards now are drawing on the group of married men who have dependent children.

A few days ago I received a telegram from my own county, stating that a whole contingent of farmers was leaving from Milwaukee to go into the service. I wonder whether there is any provision that when the number of men counties and States are supposed to furnish under a certain call is apportioned, consideration shall be given to whether in those areas the group of available single men is already exhausted, and that, if so, the area should not be called upon to furnish married men under a quota until the number of available single men in other areas is exhausted.

Mr. JOHNSON of Colorado. Mr. President, of course the Senator brings up the difficulty under the Tydings amendment. However, before we leave the question originally propounded to me as to the difference between the legislative act and procedure and the directive or the document issued by Mr. McNutt, let me say that the directive which has been issued can be changed tomorrow, whereas if we make provision by law it will be on the statute books and will not be changed until we get ready to change it. That, I think, is a very, very important difference.

Now, returning to the Senator's question as to quotas, let me say that of course he has pointed out what has broken down the Tydings amendment and operations under it. The Tydings amendment is before the draft boards. Then the State is called upon to fill a certain quota; but the boards are down at the bottom of the barrel so far as single men are concerned, and they have to select married men. They have to fill their quotas. They have to take married men. They see a farm boy out in the country, and they say, "Well, we should get that rosy-cheeked fellow. He will make a good soldier." So they put him in class I–A. That is exactly what has happened. That is exactly what has happened in my State; and, as the Senator has stated, that is exactly what is happening right now in the State of Wisconsin.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. VANDENBERG. Will the Senator comment on this point for me: My situation, as the Senator has outlined, is that I have a basic prejudice against occupational deferment by class. I think legislation to that effect in respect to the selective service is bad legislation. I think selective service ceases to be such when there is general occupational deferment.

On the other hand, I recognize the complete truth of everything the Senator says about the necessity of conserving an adequate farm-labor supply. As a result of all the inquiries which have been made, will the Senator say to me that there is no way effectively to protect indispensable farm labor under the theory by which we tried to proceed via the Tydings amendment, except by general occupational deferment?

Mr. JOHNSON of Colorado. In my opinion, it could have been worked out by the Selective Service System; but they did not do it. They could have worked it out under the Tydings amendment, but they failed to do so—they miserably failed. As evidence of that fact, I call attention again to the administrative directive which was issued on March 6, which must condemn them. Why was it not issued on November 13?

Mr. VANDENBERG. I completely agree with the Senator; but I ask him again——

Mr. JOHNSON of Colorado. The real answer, of course, to the Senator's question——

Mr. VANDENBERG. That is what I should like to have—the real answer.

Mr. JOHNSON of Colorado. The real answer is that the crisis is so severe that we must have blanket deferment; that is, we must keep on the farm every boy who is on the farm. Senators can call it blanket deferment if they want to do so. The workers must be kept on the farms, and we must get more help on the farms.

A few days ago Secretary Wickard, in testifying before one of our committees, said:

> Since I appeared before you a month ago, I have become increasingly alarmed about our inability to get enough farm labor to reach the goals that we have established for farm production this year. I am more alarmed today than I was yesterday—

And so on. The Secretary of Agriculture is alarmed, and so am I alarmed.

Mr. VANDENBERG. So am I; and I agree with what the Senator says; and I agree with Secretary Wickard's conclusion about the situation. I agree that the directive of March 6 has been insufferably delayed.

Then I come back to the question, Is it not possible to implement the Tydings amendment by legislation in the fashion of a directive, so that we may reach the problem directly without a general blanket deferment? That is my question.

Mr. JOHNSON of Colorado. That is what we want to do. We want to try to implement the Tydings amendment so that it will be effective. The only way we can implement it so that it will be effective is to make it mandatory. If we leave it optional, the same conditions will continue which have prevailed during the past many months.

Mr. VANDENBERG. If the Tydings amendment is changed in the fashion the Senator recommends there is no necessity that the deferred draftee shall be indispensable to the farm. All he has to do is to work on it. As a result, it seems to me that anybody who wants to avoid the draft can get a job on a farm, whether he is indispensable or not in respect to the particular farm operation. It seems to me that a test finally has got to be applied to determine the indispensability of the individual who finds himself on a particular farm where he works.

Mr. JOHNSON of Colorado. Has the Senator read the so-called Bankhead amendment?

Mr. VANDENBERG. No; I have been listening to the Senator's explanation of it.

Mr. JOHNSON of Colorado. I should like to read it, for I think it states the case in strong language. It says:

> (k) Every registrant who is engaged or employed substantially full time on a farm in connection with the production or harvesting of any agricultural commodity set forth in local board release No. 164 of the Selective Service System as being a commodity essential to the war effort shall, while he continues to be so engaged or employed, be deferred by his selective service local board from training and service under this act in the land and naval forces of the United States.

Mr. VANDENBERG. The commodity has to be indispensable, but the worker does not have to be.

Mr. JOHNSON of Colorado. The commodity has to be indispensable, yes.

Mr. VANDENBERG. But the worker does not have to be.

Mr. JOHNSON of Colorado. Oh, yes.

Mr. VANDENBERG. The amendment does not say so.

Mr. JOHNSON of Colorado. It says he has to be producing an indispensable commodity, and if he is not producing such a commodity he is not indispensable, and he is not deferred.

Mr. VANDENBERG. Is the Senator willing to have the bill read that the worker must not only be "engaged substantially full time," but that he must be indispensable?

Mr. JOHNSON of Colorado. I should like to know who would determine the question of indispensability.

Mr. VANDENBERG. The same person who will determine whether the worker is engaged substantially full time.

Mr. JOHNSON of Colorado. Oh, no; the question is to be determined by certain facts, such as, Is the worker substantially making his living by the production of certain foods, certain commodities?

Mr. VANDENBERG. Suppose a farmer has 10 workers when he needs only 5; the proposal would defer all of them.

Mr. JOHNSON of Colorado. I am not going to suppose for a moment that farmers would be so asinine. They do not do business in that way. I think we have to have a little faith in the farmers of this country and concede that they will play fair, and at least will not hire more men than they need. I know industry does that when they get cost-plus contracts which are charged to the Treasury of the United States; but the farmer does not have that privilege; he cannot reach into the Treasury of the United States and do that. If he

hires labor, he has to pay for it out of his own pocket, and he does not hire a single man more than he needs at any time.

Mr. VANDENBERG. That is undoubtedly so, but the Senator can see what I am trying to get at. I may have used an unfortunate illustration. Let me use the illustration of a man in town who, when his draft number is up, wants to do anything he can in order to avoid service under the draft; all he has to do is to get a job on the farm, and he is safe under the language of the proposal.

Mr. JOHNSON of Colorado. He would have to remain on the farm.

Mr. VANDENBERG. For how long?

Mr. JOHNSON of Colorado. Whenever he quit the job on the farm he would have to go to his draft board and report. What we want him to do is to stay on the farm and "hit the ball."

Mr. VANDENBERG. All he has to do is to remain on the farm and he is exempt.

Mr. JOHNSON of Colorado. He has to work at the production of essential commodities; that is all he has to do. In that sense he does not have to go into the draft; but we have to have men on the farms.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Wyoming?

Mr. JOHNSON of Colorado. I yield.

Mr. O'MAHONEY. The question which was addressed to the Senator from Colorado by the Senator from Michigan pointed directly at the divergence between the amendment now offered by the Senator from Colorado and the amendment which is recommended by the minority of the Committee on Military Affairs. That amendment takes careful consideration of the individual contribution of each individual registrant to the production of an essential commodity. It makes the difference between a broad occupational deferment to which the Senator objects, and a deferment, which is based upon the individual contribution of each individual registrant to the production of an essential agricultural commodity. When that condition exists under the amendment proposed by the minority the local selective-service board has no discretion except to grant deferment.

Mr. VANDENBERG. Why would not that achieve the same purpose as a general occupational deferment? I should like to hear what the Senator from Colorado has to say about that.

Mr. JOHNSON of Colorado. The rule we have applied to agriculture is a rule which has been applied to industry. We have done nothing other than to apply a rule which has been in effect right along insofar as industry is concerned.

In regard to the contention of the Senator from Wyoming, that he has a better formula for determining whether or not a man is doing something worth while on the farm, let me point out that our amendment reads—

> Shall be engaged or employed substantially full time on a farm in connection with the production of any agricultural commodity set forth in local board release No. 164 of the Selective Service System as being a commodity essential to the war effort.

That is the way we state it—"substantially full time."

I shall state the way the formula of the Senator from Wyoming works out. It is a complicated, confused, mathematical formula, the production of the "brain trust."

> WAR UNIT
>
> A war unit is a measure of production of essential farm products. In the attached table essential farm products are given a relative value in terms of war units. The following, for example, are each equivalent to one war unit: 1 milk cow, 20 feed lot cattle, 1 acre in beets, 5 acres in dry beans, 20 acres in wheat, 1 acre in carrots, and so forth.
>
> CONVERSION FACTOR
>
> The conversion factor is the percentage that a given product, whether it be a single animal or a single acre of special type production, bears to a war unit, for example: 1 acre of wheat is 0.05 of a war unit; 1 acre of onions is 1.00 of a war unit; 1 acre of strawberries is 1.50 of a war unit, and so forth.
>
> The number of acres given to a certain type of production or the number of animals of a specified type multiplied by the conversion factor results in the war unit value, for example: 3 range cattle multiplied by the conversion factor of 0.07 results in a 0.21 war unit; 19 acres of Irish potatoes multiplied by the conversion factor of 0.50 is equivalent to 9.50 war units, and so forth.

There is the difference between the O'Mahoney approach and the Bankhead approach. The Senator from Alabama says "substantially full time on a farm in connection with the production of food that is needed in the war effort." The O'Mahoney amendment goes back to the unit rule. It is a difficult formula, and I suppose when the farmer reads it he will say, "I had rather go into the Army than try to figure out this provision."

Mr. TAFT and Mr. WHEELER addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Colorado yield; and if so, to whom?

Mr. JOHNSON of Colorado. I yield first to the Senator from Ohio, who was on his feet first.

Mr. TAFT. I should like to ask a question as to the application of this to a farmer who is married and deferred because of dependency. Does the second part of the amendment apply to him so that a man would be prevented from going into a war industry, we will say, or does he still retain deferment by reason of dependency over and above any deferment given him by this bill.

Mr. JOHNSON of California. He may have two cars. I do not know whether he has or not. Not being a lawyer I cannot very well answer that. At least, however, this is the situation.

Mr. TAFT. The bill says every registrant engaged in farming shall be deferred.

Mr. JOHNSON of Colorado. Very well. A farmer who is married is deferred under this bill so long as he remains on the farm and produces certain agricultural commodities. If he decides that he wants to change his occupation and go to the city and get a job, he can go to his local selective board and present the matter to them. They will render final judgment whether he is more valuable on the farm than he would be working in a war industry in town.

Mr. TAFT. That is what I do not understand. I do not think the bill is clear as to whether a man who is married and deferred on the ground of dependency is covered by this bill or is not covered by it.

Mr. JOHNSON of Colorado. He is covered by it. Of course, every farmer, every registrant, is covered by it; it is all-inclusive. Whether a farmer has two children and a wife would not make a particle of difference.

Mr. TAFT. Would the Senator say that the intention of the bill is to treat a man who is deferred for dependency just as if he were a single man so far as saying to him, "You can stay on the farm or go into the Army" is concerned?

Mr. JOHNSON of Colorado. So far as this bill is concerned, that is true. The question is not exactly as the Senator states it, "stay on the farm or go into the Army." He has another opportunity; he can go to town and go into industry, if the board approves such a change.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield first to the Senator from Montana.

Mr. WHEELER. Mr. President, I was about to say that it seems to me that under the O'Mahoney amendment the farmer has to come to Washington and get a clearance from the Department of Agriculture, as I understand the amendment.

Mr. O'MAHONEY. I am sure the Senator from Colorado will say that that is not the case.

Mr. WHEELER. That is true if I read it correctly. It provides:

> *Provided further*, That the Secretary of Agriculture may from time to time certify to the Selective Service System——

Mr. O'MAHONEY. That is in the substitute offered by the Senator from Colorado.

Mr. JOHNSON of Colorado. This is the language for which the Senator is looking. It is on the second page of the O'Mahoney amendment:

> If the production of such commodities attributable to such registrant is at least equal to the minimum standard of production per person as set forth in such release No. 164.

Mr. WHEELER. That is correct.

Mr. JOHNSON of Colorado. That is the formula I have just read. So the O'Mahoney amendment ties the farm worker to that unit rule, and that is the objection some of us had to the O'Mahoney amendment.

Mr. AIKEN. Mr. President, will the Senator from Colorado yield?

Mr. JOHNSON of Colorado. I yield.

Mr. AIKEN. I think we might as well realize that the bill deals primarily with married men. The farms of the country have been nearly stripped of the single men, and if we took every last single man left on the farms between the ages of 18 and 38, we would not get over 250,000. Those are the figures which applied a

month ago, and the number is probably considerably less than that today. So the bill deals primarily with married men on the farm. There are about 2,600,000 married men between the ages of 18 and 38 on the farms, and probably between a million and a quarter and a million and a half of them would be physically qualified for duty in the armed services. So when we consider this matter, I think we should consider that we are concerned primarily with men who have been classed in 3-A for family reasons.

Mr. JOHNSON of Colorado. I thank the Senator from Vermont, and I call the attention of the Senator from Ohio to the fact that we are about down to the bottom of the barrel in all categories, so far as single men in the United States are concerned. Therefore, if this bill did not deal with the married men, it would be worthless, as the Senator from Vermont has pointed out.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield to the Senator from Kentucky.

Mr. BARKLEY. I felt, at the time of the adoption of the Tydings amendment, and I have felt more strongly ever since, that, though it probably was the best we could do at the time, one of its defects in fixing 6 months as the maximum deferment for a man engaged in essential agriculture was that the 6 months might terminate in the midst of a harvest.

Mr. JOHNSON of Colorado. That was taken out.

Mr. BARKLEY. I was thinking of it as it was first offered. But aside from that, my theory has been—and I have not been thoroughly convinced that I am wrong about it—that probably it was not started in time. If the local boards had been given full authority from the beginning to determine whether a man should be left on the farm or should be drafted, it would have been better than our belated effort now to correct the situation, because all the draft boards, in all the counties, are patriotic men, they are level-headed men, and they are doing a good job under the law and under the instructions which they have received from the selective service authorities in Washington. They know the men in their localities or, if they do not know them, they can find out all about them. They have facilities for learning whether the work of these men is essential, whether they should be deferred indefinitely, or for a period which they might themselves fix.

Many young farm hands have already gone into the Army. I would hesitate a long time, under the present circumstances, to vote for any bill which would take them out of the Army and put them back on the farms, although I understand that is being advocated. I am somewhat in sympathy with the attitude of the Senator from Michigan toward wholesale occupational deferment. I doubt the wisdom of saying by law that any class of citizens of this country shall be relieved from military service, because the war we are in is a war in which we are all engaged, it affects all of us, and to the extent necessary for all classes to render service, I think it is in the interest of the country, and it is certainly in compliance with our theories of democracy and universal service, that that should be the rule.

I am wondering now whether we should enact the proposed legislation, and provide that all those now on the farm shall stay there, or that any others who are not on the farm but who go there before they are inducted into the service shall remain there, provided they are engaged in agriculture substantially for full time, leaving it up to the board.

In thinking about it, in connection with the farmers whose helpers have already gone into the Army, I wonder how they are going to feel about this freezing of other farm hands on the farm, when theirs have not been frozen on the farm but are frozen in the Army, insofar as that may be possible.

I am a little in doubt about the wisdom of the proposal. I am on the fence about it. I told the Senator from Alabama this morning that I thought his bill was half wrong and half right. There are certain features of it about which I cannot enthuse, yet I realize the necessity of conserving farm labor as much as we can. Can the Senator from Colorado relieve my mind of some of the difficulties which I face?

Mr. JOHNSON of Colorado. In the first place, of course, the bill does not do anything about the man already in the Army. As the Senator from Kentucky has already stated, he is frozen in the Army.

Mr. BARKLEY. I understand the bill does not deal with those men.

Mr. JOHNSON of Colorado. It is unfortunate that the bill was not enacted before December 7, 1941, but few of us thought that the farm crisis would develop the way it has developed. We did not have sufficient foresight; our hindsight is much better. Now we find ourselves in a very difficult situation. We find famine facing us on every hand. We find famine all over the world. We know that we will be facing famine here in the United States. We are attempting to be the breadbasket for the world, and we know the world needs some country to be its breadbasket, and to take care of its breadbasket for it. We have that additional problem facing us, and this crisis has developed.

Simply because we were wrong in the first place, shall we say we are going to continue wrong to the bitter end, that we are not going to make any change simply because of the inequities between the boy who was drafted before the bill was enacted and the boy who was drafted afterward?

Mr. BARKLEY. I should say "No" to that question. Of course, we all have been compelled, in view of the novelty of the situation and the circumstances which we have faced, to grope more or less in the dark in seeking to solve many of these problems. In addition to that, sometimes we have not had the courage even to go in where the light of experience and wisdom would have directed us to go, because we are tender-footed and cautious, and we are not always sure what the reaction on the morale of the people will be in a given situation. We cannot ignore all that. I am not speaking of political fear or caution, or the desire to walk on eggshells so as not to break any of them. I am talking about really following the lamp of experience in trying to devise wise laws which cannot be interpreted as a species of class legislation beyond absolute necessity in a war in which all classes and all citizens, regardless of politics, religion, color, or condition, are interested in the result. I want us to follow, as far as we can, the ideals of a democratic nation, in preserving what we are trying to preserve of democracy and equality.

Frankly, I am somewhat bothered about both the bill as offered and the amendment offered by the Senator from Wyoming. I mean that I cannot be sure of myself in voting for either of them.

Mr. JOHNSON of Colorado. I am very certain that had such a bill as this been proposed to the Senate a year ago, it would have been overwhelmingly defeated. At that time we did not realize what the food situation would be. There was no way by which we could foretell it. As I have said, our pantry shelves were full, our stores were loaded down with food, our warehouses and storage places were filled, and we never thought we would be facing famine so soon; but we are.

Mr. BARKLEY. Let me ask the Senator about that. I see that famine is predicted, and all that, but I am wondering how close to famine we really are, as a matter of fact. I know it is always desirable, when we want the whole people to do something, probably to overestimate the necessity, so that they will come up promptly to what they should do.

Speaking of meat, I was told by the Secretary of Agriculture not more than a week ago that, while many dairy cows have been slaughtered because of the economic situation of the dairy industry, there are 500,000 more beef cattle in this country today than there were a year ago. If that is true that would not indicate a famine in meat. I realize that the Army eats more meat and more solid, substantial food than the same number of men would eat at home. A different kind of food is required for the men in the Army. Of course, we cannot neglect them in any regard. Then, too, we have sent food to our allies; but the testimony before the Committee on Foreign Relations a few days ago was that our shipments amounted to only about 6 percent of our total production. The increased consumption of the Army and the Navy, and the increased shipments abroad, which are somewhat offstep by reason of lack of shipping, or because commerce has been interfered with, result in a total percentage of increase in consumption which on the surface does not present an alarming figure. It may be that in some other commodities, of which there is not a surplus, or of which there may be a shortage, such a situation exists, but in the heavier, more substantial meat products, unless I either misunderstood the Secretary of Agriculture, or he was mistaken——

Mr. JOHNSON of Colorado. No, the Senator from Kentucky did not mis-

understand the Secretary. The Secretary's statement is correct, according to all the statistics, but the Secretary has also stated that this year, 1943, we need a 5 percent greater production than we had in 1942, and 1942 was the greatest farm food production year this country has ever had. I presume that is so, generally speaking.

Mr. BARKLEY. Is that 5 percent greater production an over-all 5 percent, over everything?

Mr. JOHNSON of Colorado. Yes, that is an over-all 5 percent increase of everything which the Secretary said we must have.

Recurring to the meat situation, I do not think there is any doubt at all that we have more cattle in this country today than we have ever had.

Mr. BANKHEAD. Mr. President, will the Senator let me interrupt him at that point?

Mr. JOHNSON of Colorado. Yes, I shall be glad to.

Mr. BANKHEAD. The number of cattle, as has been pointed out, is not the decisive factor. The weight of the cattle is the decisive factor. The Secretary has stated in recent days that there is a shortage of protein feed for the cattle, and that the estimate is that the cattle crop—if it may be so termed—now in existence in bulk for slaughter will be less in weight by several hundred million pounds than it was last year, notwithstanding the increased need. The Secretary also pointed out that the protein feeds the cattle had been feeding on are less because the people, by reason of scarcity of other foods, are eating much of the protein food which it was intended should be consumed by cattle.

Mr. BARKLEY. We all know, of course, that it takes more protein feed to feed cattle until they are 2 years old than it does to feed them until they are 1 year old, and then sell them. At the same time more meat is obtained from 2-year-old cattle than from 1-year-old cattle.

Mr. BANKHEAD. But if we follow the statement of the Secretary with respect to the number of cattle we must also follow his statement with respect to the weight of the cattle. He said that, notwithstanding the number of cattle, it is inevitable that there will be a very large meat reduction because of the reduction in the weight of the cattle.

Mr. BARKLEY. That might be contributed to by two situations. One is that we have killed the cattle at a younger age when they have a lesser weight. Another is that we have run short of the type of feed necessary to produce the extra weight in cattle.

Mr. CLARK of Missouri. Mr. President, will the Senator yield to me at that point?

Mr. JOHNSON of Colorado. I yield.

Mr. CLARK of Missouri. On the question raised by the Senator from Kentucky, I cannot speak for any other State than my own, but I am familiar with conditions in my State. I have been speaking in the Senate about this very manpower problem for over a year. I pointed out more than a year ago on this floor exactly the situation which was developing, which has culminated in the present very dangerous and tragic situation. I have received letters by the hundreds from Missouri. A man wrote me and said:

> I have been in the habit of feeding 100, 200, sometimes 300 cattle. I have been feeding cattle for a great many years. I am 68 years old. My two boys have been drafted. I cannot obtain any farm labor. The farm labor has gone to the munitions plants. I cannot run my place and feed my cattle. I am going to sell off my cattle and put in a truck garden to support myself and the old woman until this thing is over and the boys come home.

The result is that while there may have been some increase in the actual number of cattle, the farmers are selling their feed upon which the beef cattle of the United States were always dependent, instead of feeding it to the cattle.

Mr. President, this is a situation which should have been perceived a year or a year and a half ago. Some of us have been talking about it on the floor of the Senate that long. I have had this matter up repeatedly with the Department of Agriculture and the Selective Service Administration, pointing out that exactly this situation was going to develop, but we have been pushed away.

Since I am on my feet I wish to say that I doubt very much that any of the proposed measures are going to do any more than lock the barn door after the horse has been stolen, because many farms have gone out of production. The young men working on the farms are in the Army. I think, instead of this being a legislative matter, it should have been an administrative matter, because it is very difficult to legislate with all the contingencies in mind. It is much more difficult to handle it as a matter of legislation than it would have been to handle it as a matter of administration.

The whole situation, from the point of view of selective service, of manpower, and the Department of Agriculture, has, in my opinion, resulted in the most tragic failure this country has ever known. I do not know anything the Congress can do to correct it, except to pass legislation on the subject, halting and clumsy and doubtful as the legislation may be.

Mr. BARKLEY. Mr. President, let me ask another question of the Senator from Colorado. I do not wish to take too much of his time.

Mr. JOHNSON of Colorado. I am always glad to be interrupted by the Senator from Kentucky. I thank the Senator from Missouri [Mr. CLARK] for his contribution.

Mr. BARKLEY. Mr. President, the bill and also the substitute offered by the Senator from Wyoming [Mr. O'MAHONEY] propose to leave it to the local boards to determine, first, whether any given draftee or registrant is engaged, especially in agriculture, substantially at full time. That is awkward language, but that is what it means. Then also they are to determine whether he can go to a munitions factory, or to any other industry outside agriculture. Suppose that a man at any given time is working on a farm, and is certified as being essentially and substantially on full time engaged in agriculture. He would be deferred. Suppose later on he decides that he wants to quit farming and go into an industry, where many farmers have gone. I have been told that for every man the Army has taken from the farm, industry has taken anywhere from three to five. I think three to one is a conservative estimate, and probably it is four to one.

Mr. BANKHEAD. I will say to the Senator that it probably is three to seven.

Mr. BARKLEY. Three to seven? The Senator means seven to three.

Mr. BANKHEAD. Seven to industry and three to farming.

Mr. BARKLEY. That is a little more than two to one. Of course, they have already gone, hundreds of thousands of them, and they are working, and probably would be certified, if the board had any such power, as being engaged in an essential industry, to wit, turning out munitions of one kind or another. Suppose any given man who now is deferred by the local board on the ground that his whole time, or substantially all his time, is taken up in agriculture wants to go to a munitions factory, and applies to the board, and the board turns him down. Let us assume he decides he can get around that situation by simply quitting farming altogether, so that he could not any longer be certified as being engaged in an essential agricultural industry. There is no way of making him work on the farm if he does not want to. In that situation what would this bill do?

Mr. JOHNSON of Colorado. He would lose his deferment, and he would be classified I–A.

Mr. BARKLEY. But suppose the board then were authorized, or suppose it exercised the authority, to determine whether he should go to the Army or go to some industrial plant where he could get a job.

Mr. JOHNSON of Colorado. The board can do that.

Mr. BARKLEY. The board can do that in either case.

Mr. JOHNSON of Colorado. Yes; the board can do that in either case. It can determine whether he shall go in the Army or into industry. He may decide whether he will stay on the farm, but the board decides whether he shall go into the Army or into industry. It can determine the question either way.

Mr. President, I wish to call the attention of the Senator from Kentucky to a matter in regard to shortage of food which perhaps he has not thought about. The fundamental difference between the United States forces and Hitler, for instance, lies in the way they handle captured or occupied countries. Whenever Hitler captures a country he steals all the food the country has. He takes it right away from the people. He robs them of food and of everything else. When the United States forces capture enemy-occupied territory they feed the people. We not only let them have what they

previously possessed but we bring in other supplies for them.

We expect to take considerable territory during the next months, and undoubtedly will, and as we take territory we must step in and feed the citizens of the countries we occupy. We want to do it and we will do it. It will require immense quantities of food.

Then, in regard to the beef, the people of the country have more money now than ever before. There is practically no unemployment in this country. Workers have money to buy beef. They do not use substitutes for beef. They take the real thing. Our Army is using an immense quantity of beef, and we are trying to get some for lend-lease purposes. As a result, even though we are in a statistically good position, so far as cattle are concerned, we are in a bad situation because of the great demand.

Mr. BARKLEY. Mr. President, may I ask the Senator a further question?

Mr. JOHNSON of Colorado. I yield.

Mr. BARKLEY. I glanced over the Secretary's testimony in which he details the agricultural situation in somewhat pessimistic terms, but I do not find where he advocates this bill. What would the Senator say with respect to his position on the bill now before the Senate?

Mr. JOHNSON of Colorado. I do not know that he was asked about this particular bill.

Mr. BANKHEAD. Mr. President, I will say that naturally the Secretary did not want to make any statement in direct conflict with the attitude of the President or the administration, but the Secretary said that no more men should be taken from the farms.

Mr. BARKLEY. Yes; I saw that statement.

Mr. BANKHEAD. He agrees to the principle of the bill, whether he approves it in this form or not. He gives warning that this situation is growing worse all the time; that we cannot hope to have as much production as we had last year, not only because of the shortage of labor but because of the shortage of farm implements and the fact that the best workers, the young men on the farm, have gone and the replacements are not equal to the ones who have gone. He points out that we cannot get as much production per man this year as we had last year. With all these factors he positively asserts that no more men should be taken from the farms this year.

Mr. PEPPER. Will the Senator from Colorado yield?

Mr. JOHNSON of Colorado. I yield to the Senator from Florida.

Mr. PEPPER. Mr. President, my sentiments are somewhat the same as those expressed by our able leader [Mr. BARKLEY]. I have just returned from my State, and I know there is a very severe and acute shortage of labor. The State is engaged primarily in the production of food.

It seems to me that in considering legislation of the nature proposed three principles should be apparent. The first is that the country should be dealt with fairly, because the military forces have their imperative needs.

The second is that the legislation should be fair as between man and man in regard to the duty to perform military service.

The third is that it must be fair to agriculture, upon which such imperative demands are being made at the present time.

Leaving out the first principle, I am afraid that the proposed legislation does not deal fairly as between man and man in respect to their several obligations to perform military service. As the able Senator from Michigan [Mr. VANDENBERG] has said, if a man went from the city to the farm and obtained a job he would be exempt by virtue of the proposed legislation. As I understand, all that the bill or the O'Mahoney amendment does is to require that a man be engaged substantially in the performance of farm work. That does not mean that he must be diligent, or do a good job, or necessarily be faithful in the performance of his work.

Mr. O'MAHONEY. Mr. President, will the Senator from Colorado yield? I must interrupt the Senator from Florida at this point.

Mr. JOHNSON of Colorado. I yield.

Mr. O'MAHONEY. The characterization which has been employed by the distinguished Senator from Florida does not apply to the minority amendment. I think that should be clear.

That is the substantial difference between the amendment offered by the Senator from Colorado [Mr. JOHNSON] and the one offered by the minority. The minority amendment would require a minimum of individual contribution. The amendment offered by the Senator from Colorado would not.

Mr. PEPPER. I have the language of the O'Mahoney amendment before me. It reads as follows:

> That for the purposes of this subsection, a registrant shall be found by his selective-service local board to be necessary to and regularly engaged in an agricultural occupation or endeavor essential to the war effort (1) if he is engaged substantially full time in the production of agricultural commodities certified to the Selective Service System by the Secretary of Agriculture as being essential to the war effort and set forth in local board release No. 164, effective January 16, 1943, and (2) if the production of such commodities attributable to such registrant—

Mr. O'MAHONEY. That makes it individual contribution.

Mr. PEPPER. Indeed, it does not, if I read it correctly. Let me finish the clause—

> and (2) if the production of such commodities attributable to such registrant is at least equal to the minimum standard production per person as set forth in such release No. 164.

Does the Senator believe that that requires the individual worker to turn out a certain amount of work a day, a week, or a month?

Mr. O'MAHONEY. Absolutely; it requires the production of the minimum individual contribution set forth in release No. 164, and because it does, certain Members of the Senate object to it. They want to eliminate the second qualification.

Mr. PEPPER. Does that apply to the number of cows a farmer has to milk, the number of hands he shall use in milking, and matters of that nature? Are they laid down in the circular?

Mr. O'MAHONEY. The proper standard is laid down.

Mr. PEPPER. Assuming that I am in error about that, the other question is whether or not these criteria would exempt a man who should be exempt to carry on the farm operation. What is the standard to be applied to an individual worker on the farm to determine whether or not the farm could get along without him? Would the Senator say that there may not be cases in which a worker could be spared, and that in every case on every farm every man not yet drafted should be deferred?

Mr. JOHNSON of Colorado. I have been a farmer all my life, and I have never hired a man for 1 minute whom I did not need. I believe the answer to the question of the Senator from Florida will have to be left to the judgment of the farmer. As I have already stated, the farmer is not operating on a cost-plus basis.

Mr. PEPPER. If I correctly understand, it is not left to the judgment of the farmer.

Mr. JOHNSON of Colorado. If a farm laborer is working for a farmer, so long as the laborer remains on the farm and works for the farmer, he is deferred.

Mr. PEPPER. Regardless of whether the farmer can get along without him?

Mr. JOHNSON of Colorado. The farmer can determine whether he can get along without the man.

Mr. PEPPER. As I understand the language of the bill which the able Senator is now sponsoring, it contemplates a blanket deferment, and a man could not be taken away from the farm unless he requested his selective service board to allow him to go somewhere else. Is that not correct?

Mr. JOHNSON of Colorado. No; that is not entirely correct. A man must be making his living off the farm and must be engaged in the production of certain specified farm commodities.

Mr. PEPPER. I invite the Senator's attention to the following language:

> Until January 1, 1944, every registrant—

Mr. JOHNSON of Colorado. That is not the amendment that is before us at the present time. A substitute has been offered for that amendment, and we are now discussing the latest Bankhead amendment.

Mr. PEPPER. The language in italics in Senate bill 729 is not now before the Senate?

Mr. JOHNSON of Colorado. No.

Mr. PEPPER. Will the Senator kindly refer to the language and indicate the standard with respect to the need of the individual person on the farm?

Mr. JOHNSON of Colorado. I will read the language:

> Every registrant who is engaged or employed substantially full time on a farm in connection with the production or harvesting of any agricultural commodity set forth in local board release No. 164—

That release lists all the essential farm commodities important to the war industry, and nothing else.

Mr. PEPPER. So it is not required that the particular person be found by a disinterested agency to be essential to the operation of the farm. There are many sons of farmers throughout the country who have no more right to be deferred than have the sons of other farmers who have gone to war. If a farmer can obtain another man to take the place of his son, or if the father is not sick and can carry on the farm operation, why should the Congress, without giving anyone any discretion to pass upon a particular case, say that the boy on the farm shall be deferred?

Mr. JOHNSON of Colorado. If he is producing substantial amounts of the food supplies which the country needs, he ought to be deferred.

Mr. PEPPER. He ought not to be deferred if someone else can be put in his place.

Mr. JOHNSON of Colorado. Merely because he is the son of a farmer, that should be no reason for not deferring him.

Mr. PEPPER. Does the Senator regard the pending bill as one which would be of very much help to the farmer if it were passed?

Mr. JOHNSON of Colorado. Indeed I do, or I should not be trying to have it passed.

Mr. PEPPER. Would the bill give the farmers all the assistance the Senator wants to give them in cultivating and harvesting their crops?

Mr. JOHNSON of Colorado. I am not trying to give the farmers anything. I am trying to do something which will result in the production of food for the people of the United States, for our armed forces, and to fulfill our responsibilities in enemy territory.

Mr. PEPPER. I am entirely in sympathy with the objectives of the bill, but what I am suggesting is that it is only a partial solution of the problem. In some cases it may actually do injustice, in favor of one man as against someone who has already gone to war.

I mean to suggest, with apologies to the Senator and in compliment to the spirit of the proposed legislation, that I do not believe it would guarantee labor to the farmer. The farm labor problem in Florida would not be solved if we should pass the pending bill. I should like to see the able Senator and his committee and the very able and distinguished Senator who is responsible for the bill try to draft more comprehensive legislation which would guarantee an adequate supply of labor to the farmer and give proper discretion to some one—either the agricultural representatives in a given county or to the draft board—to pass on particular cases so that injustice would not be done anyone.

Mr. JOHNSON of Colorado. As the Senator from Florida has said, the pending bill may not be a cure-all. We may realize only a part of the results we are hoping for; but it would certainly be of some value.

Mr. PEPPER. With the permission of the Senator I should like to make one further comment. We are freezing farm boys on the farms and in the jobs where they are now, without any regard to the wages which they are being paid in the jobs they now occupy. I am in favor of the principle of occupational deferment. I think we should have had it from the beginning. Not only should industrial occupational deferment be provided for by a board which knows something about industry, but agricultural deferment should be taken care of by a committee or agency which knows something about the needs of agriculture. As I understand, in England the authorities do not freeze a worker in a factory unless they are satisfied about the wage rate and the working conditions in the factory. We know very well that there are places in this country where the wages which farm laborers receive are pitiful. In some sections of my State farm wages have barely reached $3 a day.

I am not sure that it is altogether fair to a farm boy who is diligent and faithful in the performance of his duties to compel him to accept any rate of wage which a farmer may be willing to pay him, or which he may have been willing to accept for work in the past, and say to him that he cannot leave that particular job and accept employment where he would be paid more—essentially out of the public treasury of his country—than he has been receiving on the farm. As I have already said, we should be fair as between man and man. I do not believe it is fair to a farm boy to allow a neighbor's son to work in an airplane or tank factory and receive $8 to $10 a day, or work in a shipyard and receive $300 a month, while the first boy is frozen by law and required to work on the farm and receive not more than $1.50 or $2 a day when he is able to make more.

I believe those factors are entitled to consideration, and I am afraid that under the terms of the able Senator's bill discretion is not vested in anybody to make fair adjustments as between man and man. I am afraid the committee has not gone quite far enough to take comprehensive steps which would guarantee labor to the farmers. I agree that it is the job of the Food Administrator to see to it that the farmer has labor, but this bill would not accomplish that end.

Mr. JOHNSON of Colorado. Mr. President, of course we differ with the Senator from Florida with regard to the effectiveness of the bill. We know it will help and will provide labor on the farms; and we know the importance of producing food for the Army. In my opinion, as I have already stated, it is just as important to produce food as it is to carry a gun, and there is no difference between the two services so far as the war effort is concerned.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. WHEELER. The Senator from Florida [Mr. PEPPER] said we should work out a comprehensive plan so that the farmers in Florida and the farmers in California and the farmers in Montana and the farmers throughout the other sections of the country may be assured of having sufficient help. I agree with him that that should be done. It should be done for the simple reason that anyone who views the present picture knows that at the present time we are having to furnish food to Russia; and, as a matter of fact, Russia has indicated, as I understand from reliable authority, that at the present time she is more anxious to have food shipped to her than to have equipment. We are having to ship food to north Africa, not only to our armies, but to the armies of other nations there, and also for the natives.

In addition, we have to send food to Great Britain. That food is being sold in the stores there, as has been pointed out here. We are sending food all over the world to keep people from starving and to keep them friendly.

We have to send food abroad to feed our soldiers. Furthermore, we are the arsenal of democracy, and we are trying to furnish a part of the equipment needed by Russia. We have sent Russia over a billion dollars' worth of equipment. We are not only helping to equip the Russian Army, the British Army, the Chinese Army, our Army in north Africa, the French Army in north Africa, and our armed forces elsewhere, but we are shipping equipment to South America and we are shipping machinery to Russia. We are undertaking to do that, and at the same time we are undertaking to raise an armed force of 11,000,000 men. The truth about it—and we ought to face it—is that we are not going to be able to furnish men to go to work on the farms in Florida, in Montana, and in California; we are not going to be able to furnish the men needed by our factories that are turning out war equipment, and we are not going to be able to have enough food to feed the people of Europe when we go into Europe, so that we can keep the people of Europe and of other foreign countries from "going Communist," unless we have a surplus of food in the United States.

We are the richest and the most powerful Nation on the face of the globe. We all admit it, and everyone recognizes it. However, regardless of how rich or how powerful we may be, we are not going to be able to keep all those people supplied with food and clothes and equipment, and at the same time fight a war and raise an Army of 11,000,000 men. We must not only raise this huge armed force but we must send them to the four corners of the world, and build the ships in which to send them there. The failure to realize that is what is fundamentally wrong today in connection with the production of our food supply.

I agree with the Senator from Missouri when he says that we are locking the door after the horse is stolen. The boys on the farms have left. Single men and married men have left the farms of Montana; they have left the farms all over the country. They have left them to go into factories in Seattle, Portland, Los Angeles, and San Diego, in Connecticut, and Massachusetts. They have left them because the factories are paying higher wages. No one objects to their receiving high wages; but some of the manufacturers who are operating on a cost-plus basis have more men than they need; and the more they pay them and

the more men they have, the more money they receive. Under those circumstances we are not going to do the job we should do.

The other day the New York Times published a very potent editorial, which I had printed in the RECORD. If the Senator will pardon me——

Mr. JOHNSON of Colorado. Mr. President, I should like to proceed with the matter I have been discussing.

Mr. WHEELER. If the Senator will yield further for a moment, I simply desire to call attention to the editorial which was published in the New York Times. Certainly the New York Times has supported the administration's farm policy all down the line. It could not be classified by the Vice President or anyone else as being isolationist. Even Walter Winchell could not classify it as an isolationist publication. It was one of the strongest supporters of the administration's foreign policy, and probably was more of an interventionist than even the President himself. Yet the New York Times has taken the position that an army of 11,000,000 men may be too large. It calls attention to its position in an editorial entitled "The Size of the Army." The editorial is one of the longest editorials which have been published in that newspaper in a long time. The editorial calls attention to the fact that an army of 5,000,000 men may be more effective than an army of 10,000,000 or 11,000,000. It is one of the strongest and best and most recent editorials relative to the whole situation I have seen anywhere. It states that the fact that a man is in favor of a small army is no reason why he should be considered to be suggesting that he wants a soft war—nothing of the kind—but that he wants an effective army.

Everyone who visits the camps and who has traveled over the country knows that there is a waste of manpower in the factories and also in the bureaus in Washington. Go down to any one of them—I care not which may be selected—there will be found employees falling all over themselves—some of them single men, others married men whose wives are working and drawing large salaries and wages. There is no justification for that situation.

That is one reason why we have a shortage of farm workers; and the shortage will continue regardless of whether or not we pass the pending bill.

I shall vote for the bill, but I simply say that we should not delude ourselves by believing that the passage of the bill will solve the problem; for it will not solve it. Nothing else will solve it, and it will grow worse and worse if we attempt to raise an Army of 11,000,000 men. Someone has said, "We should do whatever the military authorities say." The New York Times says that the present problem is not simply a military one, and that in figuring out what we should do and what size Army we should have we must take into consideration the needs of agriculture, the needs of our war production in munitions factories, and the over-all picture throughout the country. If we do not take all those factors into consideration we shall bring about disaster to our own system of government.

We have gone about the job in a hodgepodge way. Probably no one is particularly to blame for that; we are all to blame for it. Someone has blamed the local draft boards. They are not to blame for the situation. They were told to get so many men, and they went out and got them.

Let me say that I have prepared an amendment which I think I shall offer to the pending bill, providing that married men with children shall be exempted. Why do I favor doing so? Simply because of the fact that when we draft young married men we seriously affect the welfare of their wives and children. Someone has said that we should be fair, and that we should not exempt anyone by law. However, the President of the United States exempted some persons. I am not criticizing him; but I say he exempted men between the ages of 38 and 45 years. He did so by Executive order. He said that such men should not be taken, whether they are single men or married men with dependent children or otherwise. Why should we exempt a single man between the ages of 38 and 45 years? When we talked to the representatives of the Army who appeared before our committees they said that single men between the ages of 38 and 45 years should be exempted because a great many of them broke down and had to be sent to hospitals after they were trained for active service and were made to march 20 miles while carrying a heavy pack, and that of course they could not stand up under such service.

However, we shall have to use more than a million men in our army, not in combat service, but in doing mechanical work, in service at the airports, and so forth. A million or a million and a half men will be needed in such work. Men between the ages of 38 and 45 years employed in such work are doing a hard day's work. They are being taken into the service; but if a married man with dependent children is taken in, will his mind be on the war effort? When he is stationed at a camp, what kind of a soldier will he make? What will he be thinking about? He will be thinking about the mother and his children.

By way of illustration let me point out that I have working in my office two young men——

Mr. JOHNSON of Colorado. Mr. President, I must proceed with my remarks.

Mr. WHEELER. I assure the Senator that I shall finish in a moment or two.

The PRESIDING OFFICER. Does the Senator from Colorado yield further to the Senator from Montana?

Mr. JOHNSON of Colorado. I do not want to yield very much longer. I will yield in order to hear the Senator's story.

Mr. WHEELER. I merely want to finish what I was saying. As I said, two young men are now working in my office. Each of them is married and has two children. When those young men are taken into the Army, their wives will have to go to work in order to support the children, and the children will have to be placed in some kind of an institution. I say that we should exempt the young married men who are raising families; because if we do not do so we shall destroy homes and shall adversely affect children; and in addition to all that, the fathers who are taken into the armed forces will not make good soldiers, anyway.

I shall vote for some kind of legislation on this subject, but I fear that what we may enact will not do the work which we desire to have done.

Mr. JOHNSON of Colorado. Mr. President, I sincerely hope the Senator will not offer his amendment with relation to family deferment.

I promised to yield to the Senator from Iowa [Mr. GILLETTE] very briefly and then to the Senator from North Dakota. After that, I should like to proceed. I desire to speak only for a few minutes longer, and I should like to finish. I now yield to the Senator from Iowa.

Mr. GILLETTE. Mr. President, I dislike to interrupt the Senator, but I have heard several Senators this afternoon express great concern over the evils of group deferment, and I thought it would be well to remind them that in the original selective service we deferred 20 or 25 groups, and one of the outstanding groups deferred as a group is made up of Members of the Congress of the United States.

Mr. JOHNSON of Colorado. I thank the Senator for that contribution. I think it is a complete answer to those who are greatly disturbed by blanket deferment. Now I yield to the Senator from North Dakota.

Mr. LANGER. Mr. President, the Senator from Iowa [Mr. GILLETTE] has made the statement I was going to make.

Mr. JOHNSON of Colorado. I shall proceed with the bill. I have only a little more to offer. The Tydings amendment, in my opinion, was enacted in good faith. It was thought at the time it would solve the problem. I thought it would solve it; I thought it was a great achievement and a marked step forward; I thought the farmers would be given an opportunity to remain on the farm and that the adoption of the amendment would result in keeping men on the farm. Unfortunately, it has not worked in that way. I have received numerous telegrams and letters on this subject. I have picked out 3 from my correspondence, because I received them today and because they come from 3 different quarters of my State. First, I read a telegram received this morning from the southeastern section of Colorado addressed to me:

ROCKY FORD, COLO., *March 9, 1943.*
Senator EDWIN C. JOHNSON,
Washington, D. C.:

Say, Ed., who in Washington outranks a local draft board? Saturday by radio and Sunday by Associated Press we are told that local boards are to defer farm workers. It took a big load off my mind, and thought that all we had to do now was to go ahead and feed the Army. The time of the year to plant is here and we are all ready to start planting onions and beets and carrots. And now I am advised by the local draft board's attorney that the press report was baloney.

G. A. BLOTZ.

Mr. Blotz is well known to me as a farmer in the Arkansas Valley. He

farms a very large acreage, and is very sincere in his statements. I now read from a letter I received from Durango in the southwest corner of the State. The letter is addressed to me. The writer and her husband, who are engaged in the cattle business, applied for deferment for their son. The father is in bad health, and without the boy's help they cannot continue to produce beef on their farm. I read one of the paragraphs of the letter. It is addressed to me by Mrs. Wayne McCaw of Durango, Colo.:

John Craig, clerk of our local draft board, said that the farm draft-deferment talk was mostly propaganda or "candy coating to appease the farmers." He made light of the whole affair and said that all that is wanted is to defer the head of the farm family. If Mr. Craig is right, farmers and the general public certainly have been deceived. Business people here and other generally well informed people are under the impression that farmers and their sons and other farm workers are to be deferred. Just any number of people have said to us, "Your boy won't be called now—I see by the papers that all necessary farm workers are to be deferred."

The clerk of the local draft board says that deferment talk is "candy coating to appease the farmers."

I have a letter from my own section of the State, the northwest corner of the State. It is from R. F. Magor, Jr., who is president of the Western Slope Cattle Growers' Association, with headquarters at Rifle, Colo. I quote from the letter as follows:

It seems to me that there are a great many bartenders, clerks, restaurant workers, filling station men, and dozens of others whose jobs could be filled by women and these men could go to Army or defense plants, leaving experienced farm labor, whether married or single, to carry on production. I can't see the idea of sacrificing the livestock industry or farming industry at this time.

This is really becoming serious and production will show it next year. For instance, they have just taken another of my farm hands, who is feeding 800 cattle and cannot be replaced, in class A-1.

At present we are running 2,000 head of cattle, 9,600 sheep, and 350 hogs. I asked for exemption of only 4 men, one of them 36 years old and married. This one they just put in 1-A is 1 of the 4. I don't see how I can run with any less experienced men. I have to step now to keep old men and cripples enough in to keep going.

And so on. These are recent letters. I could spend the day reading into the RECORD what is happening in my State.

I wish to concur in what has been said about the draft boards. They are composed of good and patriotic citizens, excellent businessmen, the finest kind of men. They are our neighbors, and they know about their communities. Unfortunately, however, in Colorado almost every board is made up entirely of professional and businessmen, lawyers, dentists, doctors, and others. Very few farmers are on the draft boards. Only in rare cases is a farmer found on one of the draft boards. A draft board receives an order from the State Selective Service Board that calls for a quota. The local board is told, "You have got to fill this quota." It is a temptation to them which they cannot resist; they have no way of getting away from it. They take in one neighbor's boy, but here is another boy and they have to take him; they have no choice in the matter. They have to fill the quota and right now they are scraping the bottom of the barrel in order to fill the quota. It is only natural for them to take boys from the farm and send them away to the Army. A boy is not going to object.

So it is up to the Congress to meet this situation squarely and fairly. This bill does it. It takes the burden from the shoulders of the local selective service boards. They can depend upon the mandatory direction contained in this bill to answer the queries which will come to them from their neighbors and friends as to why they took one boy and did not take another. We must not leave this matter to their discretion because they are under too much pressure to stand up under that sort of a discretionary power. They have taken boys all over the country; now they are trying to stop, but it is pretty hard for them to stop; indeed they cannot do it. So if we are going to keep any boys on the farm at all, if we are going to make it possible for the farmers to continue operations we must put into the law a mandatory deferment provision for their protection.

Mr. MALONEY. Mr. President, I am so much concerned with the constantly changing views and continuously changing regulations of the Selective Service System and the War Manpower Commission that I want briefly to discuss a matter which is tearing at the heartstrings of millions of Americans.

Particularly disturbing, and none too clear to me, are the very recent announcements of the War Manpower Commission concerning farm labor, and news stories further referring to the drafting of married men. All of us are aware, Mr. President, that it is necessary in time of war that Government operate to a considerable extent on the basis of trial and error; and Heaven knows we have had our full share of that. No fair person would deny that in connection with the manufacture of the munitions of war and the rationing of food and other products and materials errors are unavoidable. We expected them, many of them, but I never expected, and I doubt that many others did, that we would practice the trial and error procedure to the extent that it has been followed with human beings. For month after month we have been kept in constant turmoil in connection with the drafting of men for service in the armed forces and in the handling of the manpower problem. And while this seemingly endless confusion has gone on men and women have suffered great mental anguish and wondered when their Government might adopt a policy that would permit them to make further plans for themselves and for their children. They want to know where they stand.

For all of the years that I have been a Member of Congress I have made it a practice to avoid indulging in personalities. I have avoided the criticism of individuals—and have ever been anxious to pass over unsound and unwise and sometimes silly statements and regulations or rulings. It has seemed to me that in time of war criticism for the sake of criticizing should be avoided, but I have never been unmindful of the fact that we here in the Senate are in the principal watchtower and that in the final analysis we are charged with all of the mistakes of the Federal Government. We have the power, as well as a solemn responsibility, and while war makes it necessary that we delegate great powers to the Chief Executive, which he in turn delegates to certain of the departments of Government, when there is evidence that the powers are being abused—or when mistakes are obvious—we are chiefly to blame if we do not insist upon the correction of the abuses or mistakes.

If we insist that all young men who have been engaged in agriculture or any other of the great industries of our country are to be denied active association with their fellow Americans of the armed forces, we undertake a procedure and policy that is not in keeping with the fundamental and sound and age-old practices of our Government.

There are tens of thousands of farm families in my State—and I am not in the least unmindful of our reliance upon agriculture. I know that if farmers were to organize as labor has organized and should take advantage of the force at their command regardless of consequences, the results might well be disastrous. But I anticipate no such attitude on the part of those solid Americans on whom America has so much depended for more than 300 years.

No man can make me believe that there is less patriotism on the farms than in the urban communities of our land, and none can make me believe that our farm problem can be adjusted only by placing the heaviest burden of war upon those who live in the cities, or that it is at this time necessary to promiscuously draft the heads of families in order to win the war. Most Senators know that thousands of young men from the farms have temporarily abandoned their agricultural pursuits to engage in the manufacture of the munitions of war. Is it fair, because of this migration from the farm, that only the city dweller, even though he has four or five children, shall engage in conflict? I fail to see wisdom or necessity in the proposal, and, while it may be the easy way from the standpoint of those who are writing the regulations, and giving the orders, I think that it is a grievous mistake for which we may never forgive ourselves unless we undertake to correct it at once. I cannot believe that those in charge of selective service, and the manpower problem, are unable to develop a more sound policy, if it can be called a policy, than has been practiced up to now.

It seems to me that it is possible to work out a plan whereby people in the cities, or near the farms, can contribute a portion of their time to agriculture. It will mean some inconvenience, of course, but there are thousands and thousands of people sufficiently skilled who can contribute a large part of their time to the

planting and harvesting of crops, and to the other farm work which must be carried on. Some time ago the President suggested that those below the draft ages could contribute, and although some disagreed with his opinion, I know that in my State, much to my regret, even little children have in the past done much work on farms. And every Senator knows that men and women not particularly skilled have harvested the crops in certain parts of our country for many, many years.

Mr. President, I will not now attempt to discuss the farm question in detail—because committees of the Senate are now devoting much of their time to that study—but I am particularly concerned with the great problem presented as it is proposed to call married men into the armed forces.

Earlier this year I engaged in correspondence with the Director of Selective Service on the question of drafting family men. At that time I expressed the view that, subject to military necessities, family men should not be called into the armed service while single men were still available. I also proposed that when and if it became necessary to take family men into the Army, it should be done on a sliding scale, with appropriate recognition given to the age of the family man and the number of his children.

I felt impelled to express these views because I had become convinced that under demands for an Army of great numbers, the Selective Service Act, enacted in peacetime, did not provide a rational basis for the orderly drafting of large groups of family men. The Selective Service Act was conceived as a method for providing military training to approximately 2,000,000 men a year during peacetime for the purpose of building up a reserve for time of war. But I doubt that any Member of the Senate at the time supposed that our armed forces, even in time of war, would ever exceed five or six million men.

Upon that basis, the mechanisms for selection as provided by the act seemed reasonable. We would have a registration of men within stated age limits. We would establish their order of call by a lottery, and then we would rely upon broad classifications of exemption to take care of the particular cases of hardship which the lottery system necessarily would create. If we were taking only 2,000,000 men a year out of a civilian population of in excess of 130,000,000, such a system could be made to work without disturbing dislocations of community or family life.

But what has happened within the 3 years which have intervened? We are now at war; and our obligations in that war are not merely to create the manpower necessary for a victorious Army and Navy, but also to feed in substantial measure a majority of the people of the civilized world not at war with us; to equip in great measure the armed forces of our allies; and to maintain this country as the heart of the great battle—a heart which must be kept pulsating strongly and regularly.

To be concrete, we are asked not only to man the greatest arsenal of warfare the world has ever known, to man the creation and maintenance of the bread basket of the world, but also to build, equip, and maintain armed forces of our own which already are estimated in excess of 10,000,000 men.

These are gigantic, unprecedented tasks. They involve responsibilities which can be fulfilled only with a truly united America whose morale is not meanwhile shattered through the arbitrariness and, if I may say so, the ineptitude of a bureaucracy gone hog wild.

I am not passing judgment upon the decision of our military leaders. They continue to hold my confidence. I can realize that, especially in time of war, theirs is the responsibility for anticipating every emergency. I can understand that while molding divisions and tank forces for offensive operations, they must also be erecting new bulwarks of defense which probably never will be needed, but which if needed would be ready. I can realize, too, that in the far-flung strategy of this war, the United States becomes the hub—the nerve center—and the reservoir of ready reserves in men and equipment to be available for transport in all directions at once. I can even imagine that our salvation may ultimately be in our own national strength as a military power, and that for all the matériel and men we send to our allies, we must still keep here an undiminished nucleus of our own power.

With full recognition of these military necessities, I still am privileged, as a Member of the Senate, to question the methods which are announced to meet the undisclosed requirements.

For instance, having participated in the enactment of a peacetime Selective Service Act, I certainly am privileged to study the operation of that statute in time of war. And, since the recent announcement of the War Manpower Commission as to the imminence of drafting family men between the ages of 18 and 38, I have considered it my duty to study the proposals under which men shall now be taken from their children.

Do not consider for a moment that in these broader questions of national policy the military bureaus of this Capital City are endowed with an omniscience which is withheld from those of us who ponder the problems of the country in civilian roles.

When appropriate study and report are compatible with national welfare, I am certain that the headlong drafting of men over 38 years into the Army during the first year of the war will be shown to have been ridiculous. There is already testimony of our military leaders to support that statement. In spite of that testimony, they are going to try it again.

But why was the mistake made? In my opinion it was based in the short-sighted self-assurance of the Selective Service Bureau, which felt qualified to administer under stress of war a draft system designed for military training in peace. It seems that the same superabundance of self-assurance still exists. This time it appears to be in the War Manpower Commission.

I am afraid the same bureau is making still another such mistake in its now rather hysterical warnings about the drafting of family men. I have read with great care the recent pronouncements of the War Manpower Commission and the public addresses of its spokesmen. I am mindful that as yet the list of so-called nonessential industries and enterprises and nondeferable occupations is small and covers hardly more than the obvious. But if the necessities for a large Army are truly stated, and if the statements are true that most family men of draft age will within the year be called upon to move either into essential work or be drafted into the armed service, then this list of nonessential occupations is going to grow very rapidly. And so, unless we are not being told the truth, the family men up to 38, or perhaps 45, years of age are today faced with the necessity of reorganizing their lives and the lives of their families right now.

Upon that basis I want to know how this Selective Service System is going to work. Let us consider a concrete example.

Under registration you have two men: One, 37 years old with six children; another 25 years old with one child. The family of each is wholly dependent for support upon the earnings of the father. If the man 37 years old with six children has a low number, he is drafted ahead of the man 25 years old with one child.

Is there any sensible person who believes that the mother of six dependent children should be required to shift for herself before the mother with one? I know that we cannot weigh family anxieties quantitatively, but I also know that it is easier under all the circumstances for the young mother with one child to make the unfortunate adjustments involved in this war than it is for the older mother with six children.

Yet, with all the press releases, the promulgation of rules and regulations, and the Nation-wide hook-ups, I have yet to be informed of how the Selective Service authorities intend to meet this question. I know that to local boards is delegated authority to make deferments in cases of hardship, but that is not enough. Our manpower draft is becoming so gigantic, so widespread, so pervasive in every community of the land, that if uniform regulations are not soon prepared, we of the Congress will have to legislate them.

Mr. WHEELER. Mr. President——

The PRESIDING OFFICER (Mr. CLARK of Idaho in the chair). Does the Senator from Connecticut yield to the Senator from Montana.

Mr. MALONEY. I yield.

Mr. WHEELER. I wish to say that, in addition to the inadequacy of the law as it presently exists, there may be in one county a great many single men and in the adjoining county there may be no single men, or comparatively few single men. Under such conditions one county would take married men with children and in the adjoining county married men with children would be exempt.

Mr. MALONEY. That is quite true.

Mr. WHEELER. The same statement applies to States. In some States most of the single men have gone to work in factories. Possibly only married men

with children are left. Consequently married men with children in some States will be taken first, while in other States many single men will not be taken.

Mr. MALONEY. Even with all his great knowledge, I think the able Senator from Montana would be greatly surprised if he knew exactly how many tens of thousands—I dare say hundreds of thousands—of the young men from the farms of this country have turned their backs upon the farms to go into the munitions plants.

Mr. WHEELER. I know that is absolutely true.

Mr. MALONEY. Mr. President, to me it is a relatively simple problem to solve. For instance, if we are to take married men, all family men between, let us say, the ages of 18 and 25, should be taken first. Within that group, those with the least number of children should be taken first. Then would follow the second age group, between 25 and 30, and finally the last group over 30. I fail to see where there is any complication in that very simple proposition.

It will be said that such a plan is unnecessarily complicated since all are to be taken within the year. Such a rejoinder seems to me to smack of the bureaucratic arbitrariness which is becoming this country's greatest political evil.

Let no bureaucrat tell me that even a year's deferment to a family man of 37 years with 6 dependent children is not something to be insisted upon.

I shall have more to say on this subject. It seems to me the time has come for a constructive survey of our Selective Service System. I ask each Senator to search his own experience, his own knowledge, and his own understanding, to find whether the following questions are answered to his satisfaction:

First. Have all available single men, uniformly in all parts of the country, been made properly subject to military call?

Second. Are the local draft boards functioning with sufficient freedom and, consequently, fairness?

Third. Are the millions in public service called as quickly and as readily to the Army as their fellow citizens in private life?

Fourth. Will the expanding list of nonessential industries and occupations include unnecessary governmental bureaus and offices as well as units of our private economy?

I have said before and I repeat with great emphasis: Our fighting morale will be measured by the common sense, the fairness and the honesty of our draft laws. The time has come when a committee of the Congress should look very carefully into the matter.

Mr. REVERCOMB obtained the floor.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. REVERCOMB. I yield.

CONDEMNATION OF AND PUNISHMENT FOR OUTRAGES INFLICTED UPON CIVILIANS IN NAZI-OCCUPIED COUNTRIES

Mr. BARKLEY. Mr. President, obviously the Senate cannot today finish consideration of the bill now before it. I desire to have an executive session, and I also wish to have considered a concurrent resolution which I submitted last Friday. Therefore, I hope the consideration of the pending bill may be temporarily suspended.

I ask unanimous consent for the present consideration of Senate Concurrent Resolution 9, which is on the table.

The PRESIDING OFFICER. The concurrent resolution will be read.

The legislative clerk read the concurrent resolution (S. Con. Res. 9) as follows:

Whereas the American people view with indignation the atrocities inflicted upon the civilian population in the Nazi occupied countries, and especially the mass murder of Jewish men, women, and children; and

Whereas this policy of the Nazis has created a reign of terror, brutality, and extermination in Poland and other countries in Eastern and Central Europe: Now, therefore, be it

Resolved, etc., That these brutal and indefensible outrages against millions of helpless men, women, and children should be, and they are hereby, condemned as unworthy of any nation or any regime which pretends to be civilized:

Resolved further, That the dictates of humanity and honorable conduct in war demand that this inexcusable slaughter and mistreatment shall cease and that it is the sense of this Congress that those guilty, directly or indirectly, of these criminal acts shall be held accountable and punished in a manner commensurate with the offenses for which they are responsible.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. BARKLEY. Mr. President, I wish to say simply a word regarding the concurrent resolution. We are all familiar with the fact that the Nazis, under the pagan domination of Hitler, have brought about the slaughter of more than 2,000,000 Jews in occupied countries of Europe. There is in the world a total population of about 15,000,000 Jews. Six and a half million of them are in the United States and the British Commonwealth of Nations, leaving approximately eight and one-half million in other countries. It is almost unbelievable that since the war was brought on by Hitler, more than 2,000,000 of these Jewish men, women, and children have been slaughtered—not killed in battle, but murdered, slaughtered outright—for no reason except that they are members of the Jewish race or religion. The Parliament of England recently adopted a resolution condemning that sort of conduct which does not conform with any honorable conception of warfare among nations. The Secretary of State last week issued a statement which called attention to the fact that the representatives of the United States and Great Britain are to meet soon in Ottawa to discuss this problem, with a view to trying to find some solution or remedy. Last week the Governor of New York set today as a day of mourning all over the State of New York for and on behalf of the 2,000,000 Jews who have been slaughtered by Hitler and by the Nazi regime. It seemed to me appropriate that on this day the Senate of the United States should adopt a resolution condemning that sort of conduct. It is for that reason that I ask for its present consideration.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution was unanimously agreed to.

The preamble was agreed to.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. HILL in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. HAYDEN, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

By Mr. THOMAS of Utah, from the Committee on Education and Labor:

John M. Houston, of Kansas, to be a member of the National Labor Relations Board for the unexpired term of 5 years from August 27, 1938, vice William M. Leiserson.

By Mr. REYNOLDS, from the Committee on Military Affairs:

Stephen R. MacRae, from the State of North Carolina, to be field supervisor at $5,600 per annum in the Washington regional office of the War Manpower Commission;

Wallace P. Studencki, from the State of Indiana, to be field supervisor at $5,600 per annum in the Chicago regional office of the War Manpower Commission;

Luke White, from the State of Indiana, to be senior attorney at $4,600 per annum in the office of the general counsel of the War Manpower Commission;

Bernard L. Gorfinkle, from the State of Massachusetts, to be field supervisor at $5,600 per annum in the Boston regional office of the War Manpower Commission;

Russell C. McCarthy, from the State of New York, to be area director at $5,600 per annum in the Rochester area office of the War Manpower Commission;

Wilberforce D. Simmons, from the State of New York, to be senior manpower utilization consultant at $4,600 per annum in the New York regional office of the War Manpower Commission;

Olaf K. Fjetland, from the State of Michigan, to be area director at $4,600 per annum in the Saginaw area office of the War Manpower Commission;

Paul N. Devine, from the State of Maine, to be area director at $4,600 per annum in the New Bedford-Fall River area office of the War Manpower Commission;

James K. Johnson, from the State of Ohio, to be field supervisor at $5,600 per annum in the Cleveland regional office of the War Manpower Commission;

Grafton L. Brown, from the State of Maryland, to be field supervisor at $4,600 per annum in the Washington regional office of the War Manpower Commission; and

Charlotte E. Carr, from the State of Illinois, to be assistant to the deputy chairman

at $6,500 per annum in the War Manpower Commission.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will proceed to state the nominations on the Executive Calendar.

THE JUDICIARY

The legislative clerk read the nomination of Curtis L. Waller to be judge of the United States Circuit Court of Appeals for the Fifth Circuit.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. PEPPER. I ask that the President be immediately notified of the confirmation of this nomination.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

THURMAN W. ARNOLD

The legislative clerk read the nomination of Thurman W. Arnold to be associate justice of the United States Court of Appeals for the District of Columbia.

Mr. LANGER. Mr. President, I shall vote to confirm the nomination of Thurman W. Arnold, but I desire the country to know that I do so with deepest reluctance and regret, because to me his elevation to the Court of Appeals is more like a funeral than a celebration.

It is my belief that no lawyer holding an official position in recent years has begun to approach the magnificent work which has been accomplished by Mr. Arnold as Assistant Attorney General of the United States. He comes from the State of Wyoming. He was educated in an eastern college and has lived in Washington for several years. He is conversant with the economic problems of the country. I agree with almost everything he has done except entering into consent decrees, and particularly those relating to the major oil companies.

Saddened as I am, nevertheless I realize that each man lives his own life. Mr. Arnold has made the decision that he desires this position, so who am I to say that I am right and he is wrong?

Only last week the distinguished junior Senator from Tennessee [Mr. STEWART] delivered an address in the Senate against super-big-business monopolies following the war. Mr. Arnold deals with the subject in chapter 2 of his book entitled "Democracy and Free Enterprise," under the heading "The efficiency of industrial democracy."

Mr. President, I believe this chapter to be the greatest which has ever come from the pen of Thurman Arnold. I believe it should be made compulsory reading in every high school and college in America. I ask that the chapter be printed in the RECORD at this point as a part of my remarks.

There being no objection, the chapter referred to was ordered to be printed in the RECORD, as follows:

DEMOCRACY AND FREE ENTERPRISE

II. THE EFFICIENCY OF INDUSTRIAL DEMOCRACY

This war has often been described as a struggle between capitalism and totalitarian economy. In the past few years totalitarian economy, judged on the basis of results without regard for the desirability of the means, has been a better producer than the capitalistic system. And thus arises the myth of totalitarian efficiency.

Yet, if we analyze this so-called totalitarian efficiency, we find that our capitalistic economy, with all its faults, was always more efficient in the techniques of production than Germany. Our industrial technicians had outstripped those of every other country in the world. We had greater production per man-hour of labor than any other country in the world. In other words our capitalistic economy was not less efficient in production; it was lagging behind in spite of the fact that it was more efficient. This is a paradox that needs explanation.

The answer, as I see it, is that we were suffering from an economic disease which is endemic in all commercial civilization—the disease of cartelization, or hardening of the arteries of commerce. The cause of that disease is the desire of the leaders of industry to protect themselves against new enterprise. They have struggled to the top after exhausting efforts. They want to make their achievement permanent. They feel they need a rest. Therefore, they think that it is their right to stop newcomers from getting into the charmed circle and bothering them. The stuff which newcomers have to sell at prices which endanger their dividends is called a surplus, or distress production. The only way to get rid of that surplus is to keep newcomers from producing. But you can't stop newcomers from producing in order to stabilize their price structure unless you organize and merge and then organize and merge all over again. It takes a lot of power to stabilize the economy in a new enterprise. For example, in 1920, 25 percent of copper was produced by three companies in the United States. In 1930, 40 percent was concentrated in the same hands. Today the three companies control 81 percent. It took that much concentration of power to stabilize copper prices and eliminate the surplus. Incidentally, it was also necessary for the cartel to combine with Chilean interests and control the foreign market. Without these superhuman efforts, extending all over the world, our present shortage would not have been possible. It was all done by business leaders who thought that surplus spelled economic disaster.

In the same way the disease of cartelization progressed in other industries; concentration grew to an alarming extent, particularly in the basic materials which are the source of all industrial production. The building up of these organizations did more than simply create shortages in basic war materials. It led to the development of an economy divided into two economic worlds.

The first was the world of organized industry; the second was the world of small, unorganized businessmen, farmers, laborers, and consumers. In the first world, there was the power to maintain high prices no matter how much the demand for the product fell off. When this power was exercised, purchasing power was curtailed, production dropped, men were laid off. This, in turn, lowered purchasing power and made demand drop still further. A vicious downward spiral was set in operation. In the second world, unlimited competition still existed and could not be controlled. In this world lived the farmers, retailers, and small businessmen who supply the consumers with both goods and labor. Here, when the supply increased or the demand fell off, prices dropped to the bottom, but the people went right on producing as much as the conditions of the market would permit. In the first world we had concentrated control, which makes possible high and rigid prices. These, in turn, led to restriction of production and wholesale discharge of labor. In the second world, we found competition among these groups, low flexible prices, large production, and labor standards often at starvation levels.

The final result, before the unbalanced industrial boom created by the present war, has nowhere been better described than by President Roosevelt in his monopoly message of 1935. He said:

"Statistics of the Bureau of Internal Revenue reveal the following amazing figures for 1935:

"Ownership of corporate assets: Of all corporations reporting from every part of the Nation, one-tenth of 1 percent of them owned 52 percent of the assets of all of them.

"And to clinch the point: Of all corporations reporting, less than 5 percent of them owned 87 percent of all the assets of all of them.

"Income and profits of corporations: Of all the corporations reporting from every part of the country, one-tenth of 1 percent of them earned 50 percent of the net income of all of them.

"And to clinch the point: Of all the manufacturing corporations reporting, less than 4 percent of them earned 84 percent of all the net profits of all of them."

All this is history. It is an old story to the farmers of this country. However, I present it as background, since it bears on the economic problem which the present has forced on the unorganized industries of this country. Billions of dollars had to be poured into this unbalanced economic structure under the pressure of sheer immediate necessity. This necessity brought into sharp relief how our antiproductive monopoly control had been working.

We suddenly woke up to find acute shortages in every basic noncompetitive industry. We are short of power in a country abounding in power; we are short of metals and chemicals; we are short of transportation; we are short of skilled labor. In every industry which has been able to restrict supply in order to put a floor under prices, we find a lack of capacity. This lack of capacity is not hurting the industries which are responsible for these shortages. The burden is being borne entirely by independent businessmen and farmers whose supplies are being cut off by the imposition of priorities.

Prior to the war America had developed the greatest industrial efficiency and skill in the world. When war broke out it was handicapped in the use of that efficiency only because of a lack of basic materials—which would have been just as useful in building cheap houses for the city or cheap equipment for the farm as for tanks and airplanes. In other words, failure to fill housing and farm needs in peace was one of the reasons why we were short of materials in war.

For years, our economic system and that of the British had been overwhelmingly concerned with preserving the security and the income of established and dominant groups. These groups stifled new productive enterprise in order to protect themselves against competition. They limited their own output to prevent what they called "a surplus." They failed to expand their productive capacity because they feared expansion might lead to future competition or future surpluses. They were afraid of industrial plenty, which alone can give a nation wealth in peace or strength in war.

Let me illustrate. In 1931 there was a growing world surplus of aluminum which threatened to invade American markets and disturb the monopoly control and the price structure of the Aluminum Co. of America. So that company formed a Canadian affiliate called Aluminum Limited, thinking that in this way it could escape the antitrust laws and could join with the aluminum monopolies of other countries to prevent threatened world competition by eliminating the surplus. World production was drastically limited to prevent new surpluses. Minimum world prices were fixed.

The plan to keep up prices by restricting world production rolled merrily along, until

Hitler came into power. He had no patience with any limitation on German production, but he was delighted with the idea of limiting production abroad. And so Hitler, in return for permission to produce unlimited quantities at home, promised that he would not increase his exports and thus disturb the world prices which the cartels were trying to maintain. And so the democracies were free to pursue their policy of eliminating what they foolishly thought was a dangerous domestic surplus without fear of invasion of their markets by German competition. Under this arrangement, Hitler doubled and tripled aluminum production for aircraft and war materials. The democracies stood still. When the war came, Germany was producing one-third to one-half more aluminum than America.

Even the collapse of France failed to wake up the aluminum industry to the dangerous shortage which its policy of limiting production had created. In 1940, when the Antitrust Division was attempting to prove a shortage of aluminum for war needs, the Aluminum Co. of America denied it. Wishful thinkers in industry, instinctively fearing over-production of basic materials, swallowed these statements with relief. And thus the pressure to build up competing production was momentarily relieved.

Now we know there is a shortage, but we could have saved precious time and precious materials had we not listened to the wishful thinking of the men whose financial interest lay in preventing new production in order to preserve their monopoly control after the war.

In 1940 steel was already running from 92 to 97 percent of capacity. But those in control of the industry did not like to think of a coming shortage, because it meant that we should have to build new plants, each of which, after the war, would be a competitive threat to the orderly control of the industry by those already established in it.

In other words, perhaps we had better not build up the steel production that we so imperatively need today because it might give steel to buyers of automobiles and tin cans and steel construction at too low prices after the war. Steel companies during the war should not be expected to expand plants which might hurt their dividends after the war.

Not only did cartelization create an unbalanced economy between different groups of producers and consumers, it also prevented the development of the resources of the South and West. It created a geographical unbalance of our economy as well as an unbalance between farmers and industry.

For the past 20 years the economy of the South and West has been developing along colonial lines. The industrial East has been the mother country. The South and West have been the colonies. The colonies have furnished the mother country with raw material. The mother country has been exploiting the colonies by selling them manufactured necessities at artificially controlled prices. New York City has been the financial and industrial center of the Nation. The industrial East has been the principal source of both capital and organization to develop the South and West. Under such conditions, it has been natural enough that the South and West have been developed in a way which would contribute the most to the domination of the industrial East. Wherever it has interfered with eastern industrial domination, the competitive energy of the South and West has been stifled. Local independent capital in the South and West has been gradually disappearing. Local independent enterprise has been under a constant handicap. The farmer has been the chief victim.

How all this happened is a complicated process. Big business has treated the West and South primarily as a source of raw materials, not as a place to manufacture and sell finished products at competitive prices. This is the age-old principle of colonial empires. It is dictated by the necessity of keeping up dividends in the mother country against cheaper local competition in the colonies. The methods of maintaining control of industrial markets in the South and West are based on the power of tightly organized cartels to control supply, transportation, and distribution in such a way as to put new competing enterprise in the colonies under a continuing handicap. I will illustrate by taking a few examples from the field of transportation.

In Pueblo, Colo., there is a steel plant capable of producing a million tons a year. Such a plant in a free economy would give the farmers and consumers of the West bar steel and nails at less cost, because it would eliminate the transportation charges from Chicago. But the plant was not built for the development of the West. It is, on the contrary, operated in such a way as to preserve the dominant position of eastern steel. A farmer in Colorado who wished to buy steel bars in Pueblo had to pay $20.38 a ton imaginary freight from Chicago. If he wished to buy a keg of wire nails he paid nearly $1 a crate for phantom freight for a product manufactured in his own home State. In other words, he was not permitted to have any advantage from the local industry.

So much for the consumer. How about the development of more steel production in Pueblo? If the Pueblo plant wished to ship steel 50 miles east of Pueblo, the consumer paid as much for transportation as if he bought in Chicago. The whole market in the Mountain States was thus preserved for eastern industry.

In using the basing-point system as an example of price control, I do not wish to overemphasize it. It is only one of the methods by which a few dominant concerns control the market for necessities, and is probably not the most important. The price of gasoline, for example, was controlled in part by the basing-point system. It was also controlled by the illegal use of the ethyl patents—by large oil companies' forming pools to remove competitive gasoline from the markets—by the ownership of pipe lines by major oil companies so that they might obtain rebates which would make it impossible for independents to ship on equal terms. These controls operated against the unorganized South and West in two ways: first, organized industry fixed the prices which the South and West got for their raw materials; second, it fixed the price which consumers paid for necessities. In addition to fixing prices, big business by the sheer power of large resources was able to force independents into line. This became known as price leadership, maintained, not by open conspiracy but by the fear of retaliation.

The disease of cartelization does not stop with industry. It is responsible for most of the labor practices which we now condemn labor for forcing on employers. Faced with an irreducible minimum of unemployment, labor got the idea that it was part of its function to aid in reducing the surplus which threatened the existence of its jobs. Nationwide labor organizations began to force useless and parasitic labor on employers. They adopted a policy of resisting more efficient methods of production. For the first time in the history of the United States the idea that it was legitimate for labor to sabotage production in the interest of static jobs was recognized by the courts. The Supreme Court held that it was not an unreasonable restraint of trade for a labor union in Chicago to prevent the consumers of Chicago from having ready-mixed concrete, thereby lowering the quality of concrete and raising the cost of building in that city. As a result of such practices the development of cheaper housing has been stifled in this country. The Court arrives at the approval of such practices in a circuitous way.

In 1939 a six-room house in Cleveland cost $1,000 more to build than the same house in Detroit. Responsible citizens reported to the Antitrust Division at the time that one of the reasons was that contractors who used prefabricated material or more economical methods were afraid to do business in Cleveland.

Who got that extra thousand dollars? The answer is that nobody got it. They just stopped building houses. In 1939 there was only $21,000,000 in Federal Housing Authority loans for houses in Cleveland. There was $59,000,000 in Federal Housing Authority loans in Detroit. Not even organized labor profited. The hourly wage for carpenters was higher in Cleveland than it was in Detroit. The annual income of carpenters was higher in Detroit than it was in Cleveland. Such exploitation is going on all over the country. Take a few examples at random. In Chicago a building-trades concern would not let stone which had been cut in Indiana be used. It had to be shipped in rough and cut in Chicago. Uncut stone costs 20 percent more to ship. So Chicago's freight bill goes up. Indiana is better equipped to cut stone than Chicago, so manufacturing costs go up. The stonecutters' union in Indiana, probably because of its greater efficiency in the process, gets higher wages than the Chicago union, so labor as a whole gets less wages. The result is higher building costs and less consumer purchasing power.

This idea of erecting a local protective tariff against outside products is always attractive to those who can control imports, and so it spreads rapidly. In Pittsburgh and San Francisco the carpenters' union would not allow outside millwork to be used in construction. In New York metal lathers won't allow the use of metal laths and metal rods which are not fabricated or bent on the job or in the city. In Belleville, Ill., the unions have been indicted with dealers and contractors for preventing the home owner from building a house when the structural parts are prefabricated. In Houston, Tex., master plumbers and the plumbing union insisted that pipe made for particular jobs would not be installed unless the thread were cut off and removed from the pipe and a new thread were put on at the job. They insisted that brass pipe had to be delivered without a thread on either end. This sort of thing would be funny if it were not so expensive to people on low incomes who have to cut down their food bills in order to pay higher rents.

The distribution of food in large cities is full of log-jams between the farm and the table. The teamsters in Washington, with the cheerful acquiescence of those retailers anxious to raise the price of necessities, threatened to cut off deliveries from stores selling a larger loaf of bread unless they raised their prices 40 percent. Consumers cannot protest against that beginning of a monopoly price spiral in food by refusing to buy bread and eating cake. These are quiet, peaceful holdups, as painless as a hidden sales tax. The consumer never has a chance to wire Washington to send a board of prominent men to argue on his behalf. The fight is all over before the referee can get to the scene of the trouble. You can mediate a struggle between the Bethlehem Steel Co. and an organized union. You can't mediate a struggle between consumers and the teamsters, because the consumers are down and out before the first gong rings.

Why was labor able to prevent legislation which curbed these practices? One of the reasons was that most of them were done in combination with a strong industrial group. In restricting the distribution of the milk

they had the cooperation of powerful dairy companies who did not like store delivery any more than labor did. In the distribution of plumbing they had the cooperation of great plumbing manufacturers who feared the direct selling of Sears, Roebuck. For example, in the recent indictment in the hat industry, the Government charges that a group of manufacturers joined with the unions in order to prevent milliners from converting their efforts into the production of hats for the Army. They divided the business up, they set the price, they put handicaps on any new enterprise that desired to bid. The idea of the union was to keep up their wages by restricting the manufacture of hats to people with whom they already had an agreement. The idea of the hatters was to control the manufacture of hats for the Army. Therefore, industrialists were unable to make the same kind of a wholehearted drive to put labor under the antitrust laws that they did in attacking the Holding Company Act. Their ranks were divided. The cartel groups were profiting from labor restrictions. Or else they were in a noncompetitive position which enabled them to pass the cost of inefficiency on to the public.

In this situation economic thought turned in two directions. Few economic thinkers, however, put any particular emphasis on stopping the disease which was creating these results. Liberals and radicals alike turned to a vague idea that the remedy lay in a planned economy. Now, of course, no Government group or industrial group can exist without making plans. However, these thinkers did not have any specific plans in mind. They were basing their faith in the thought that a set of experts could be selected who would understand the whole matter and make the plans for them. The treatises of the time on the economic health of the Nation spent most of their time pointing out the paradox of want in the midst of plenty, of idle capital and idle labor. Surely, they said, wise men if put in charge would not permit such things to happen. Therefore, let us get back of the movement to support boards of experts in the Government who will balance production and distribution.

Faced with this sort of thing big business became apoplectic. It was the antithesis of individualism. It was the Russian system of government. Big business believed in managers rather than planners. These managers were the heads of the great industrial cartels. All we needed to do was to let them alone and they would get rid of the distressing surplus for us.

Under constant attack the energy of the planners died down. And then, for the first time, we began to drive along the traditional lines that have made us a great industrial democracy. The President in his remarkable message in 1938 decided on a campaign against the cartel system, which in this country is ordinarily referred to as "monopoly." That tradition consists not in hiring experts to make broad general plans but in breaking up, one at a time, the restraints on production and distribution of goods. There is nothing in it which is antithetical to any particular plan relating to any particular industrial activity. It does assume, however, that legislative plans should be adapted to specific evils and that the future of industrial democracy does not lie in any more Government control than is required to remedy specific evils. It believes that in the long run the most efficient production and distribution of goods will come from private initiative in a free market. It is based on the premise that most of our troubles have come because we have allowed private groups to protect themselves against the inconvenience of being forced to compete with new enterprise.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Thurman W. Arnold to be Associate Justice of the United States Court of Appeals for the District of Columbia?

The nomination was confirmed.

Mr. O'MAHONEY. Mr. President, I ask that the President be immediately notified of the confirmation of the nomination of Mr. Arnold.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

COAST AND GEODETIC SURVEY

The legislative clerk proceeded to read sundry nominations in the Coast and Geodetic Survey.

Mr. BARKLEY. I ask that the nominations in the Coast and Geodetic Survey be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations in the Coast and Geodetic Survey are confirmed en bloc.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. BARKLEY. I ask that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

Mr. BARKLEY. I ask that the nominations in the Army be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations in the Army are confirmed en bloc.

THE MARINE CORPS

The legislative clerk proceeded to read sundry nominations in the Marine Corps.

Mr. BARKLEY. I ask that the nominations in the Marine Corps be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations in the Marine Corps are confirmed en bloc.

Mr. BARKLEY. I ask that the President be immediately notified of all nominations confirmed today.

The PRESIDING OFFICER. Without objection, the President will be immediately notified.

CONSULAR CONVENTION WITH MEXICO

The Senate, as in Committee of the Whole, proceeded to consider the Convention, Executive D (77th Cong., 2d sess.), a Consular Convention between the United States of America and Mexico, signed at Mexico City, on August 12, 1942, which was read the second time, as follows:

CONSULAR CONVENTION BETWEEN THE UNITED STATES OF AMERICA AND THE UNITED MEXICAN STATES

The President of the United States of America and the President of the United Mexican States, being desirous of defining the duties, rights, privileges, exemptions, and immunities of consular officers of each country in the territory of the other country, have decided to conclude a convention for that purpose and have appointed as their plenipotentiaries:

The President of the United States of America:

George S. Messersmith, Ambassador Extraordinary and Plenipotentiary of the United States of America in Mexico, and

The President of the United Mexican States:

Ezequiel Padilla, Secretary of Foreign Relations;

Who, having communicated to each other their respective full powers, which were found to be in good and due form, have agreed upon the following Articles:

ARTICLE I

1. Each High Contracting Party agrees to receive from the other High Contracting Party, consular officers in those of its ports, places, and cities, where it may be convenient and which are open to consular representatives of any foreign States.

2. Consular officers of each High Contracting Party shall, after entering upon their duties, enjoy reciprocally in the territories of the other High Contracting Party all the rights, privileges, exemptions and immunities which are enjoyed by consular officers of the same grade of the most favored nation, there being understood by consular officers Consuls General as well as Consuls and Vice Consuls who are not honorary. As official agents, such officers shall be entitled to the high consideration of all officials, national or local, with whom they have official intercourse in the State which receives them.

3. The Government of each High Contracting Party shall furnish free of charge the necessary exequatur of such consular officers of the other High Contracting Party as present a regular commission signed by the chief executive of the appointing State and under its great seal; and shall issue to a subordinate or substitute consular officer duly appointed by an accepted superior consular officer with the approbation of his Government, or by any other competent officer of his Government, such documents as according to the laws of the respective States shall be requisite for the exercise by the appointee of the consular function; provided in either case that the person applying for an exequatur or other document is found acceptable. In the exhibition of an exequatur, or other document in lieu thereof issued to a subordinate or substitute consular officer, such consular officer or such subordinate or substitute consular officer, as the case may be, shall be permitted to perform his duties and to enjoy the rights, privileges, exemptions and immunities granted by this Convention.

4. Upon the death, incapacity, or absence of a consular officer having no subordinate consular officer at his post, secretaries or chancellors, whose official character may previously have been made known to the Government of the State in the territory of which the consular function was exercised, may temporarily exercise the consular functions of the deceased or incapacitated or absent consular officers; and while so acting shall enjoy all the rights, privileges, exemptions, and immunities that were granted to the consular officer.

5. A consular officer or a diplomatic officer of either High Contracting Party, a national of the State by which he is appointed and duly commissioned or accredited by such State, may, in the capital of the other State, have the rank also of a diplomatic officer or of a consular officer, as the case may be, provided that and for so long as permission for him to exercise such dual functions has been duly granted by the Government of the State in the territory of which he exercises his functions as a consular officer and to which he is accredited as a diplomatic officer, and provided further that in any such case the rank as a diplomatic officer shall be under-

stood as being superior to and independent of the rank as a consular officer.

ARTICLE II

1. Consular officers, nationals of the State by which they are appointed, and not engaged in any private occupation for gain within the territory of the State in which they exercise their functions, shall be exempt from arrest in such territory except when charged with the commission of an act designated by local legislation as crime other than misdemeanor and subjecting the individual guilty thereof to punishment by imprisonment. Such officers shall be exempt from military billetings, and from service of any military or naval, administrative or police character whatsoever.

2. In criminal cases the attendance at court by a consular officer as a witness may be demanded by the plaintiff, the defendant, or the judge. The demand shall be made with all possible regard for the consular dignity and the duties of the office; and there shall be compliance on the part of the consular officer.

3. In civil, contentious-administrative and labor cases, consular officers shall be subject to the jurisdiction of the courts of the State which receives them. When the testimony of a consular officer who is a national of the State which appoints him and who is not engaged in any private occupation for gain is taken in civil cases, it shall be taken orally or in writing at his residence or office and with due regard for his convenience. The officer should, however, voluntarily give his testimony at the opportune moment of the trial whenever it is possible to do so without serious interference with his official duties.

4. A consular officer shall not be required to testify in criminal, contentious-administrative, labor or civil cases, regarding acts performed by him in his official capacity.

ARTICLE III

1. Consular officers and employees in a consulate, nationals of the State by which they are appointed, and not engaged in any private occupation for gain within the territory of the State in which they exercise their functions, shall be exempt from all taxes, National, State, provincial and municipal, including taxes on fees, wages or salaries received specifically in compensation for consular services, and they shall be exempt from all kinds of charges incident to the licensing, registration, use or circulation of vehicles. However, they shall not be exempt from taxes levied on account of the possession or ownership of immovable property situated within the territory of the State in which they exercise their functions or taxes levied against income derived from property of any kind situated within such territory or belonging thereto.

2. The exemptions provided in paragraph 1 of this Article shall apply equally to other officials who are duly appointed by one of the High Contracting Parties to exercise official functions in the territory of the other High Contracting Party, provided that such officials shall be nationals of the State appointing them and shall not be engaged in any private occupation for gain within the territory of the State in which they exercise their functions; and provided further that permission for them to exercise such official functions has been duly granted by the Government of the receiving State. The Government of the State appointing such officials shall communicate to the Government of the receiving State satisfactory evidence of the appointment and shall indicate the character of the services which will be performed by the officials to whom the exemptions are intended to apply.

ARTICLE IV

1. Each High Contracting Party agrees to permit the entry free of all duty of all furniture, equipment and supplies intended for official use in the consular offices of the other High Contracting Party, and to extend to such consular officers of the other High Contracting Party as are its nationals and to such members of their families and suites as are its nationals, the privilege of entry free of duty of their baggage and all other personal property whether accompanying the officer or his family or suite to his post or imported at any time during his incumbency thereof; provided, nevertheless, that there shall not be brought into the territories of either High Contracting Party any article, the importation of which is prohibited by the law of such High Contracting Party, until requirements in accordance with the appropriate law have been duly met.

2. The exemptions provided in paragraph 1 of this Article shall apply equally to other officials who are duly appointed by one of the High Contracting Parties to exercise official functions in the territory of the other High Contracting Party, provided that such officials shall be nationals of the State appointing them. The Government of the State appointing such officials shall communicate to the Government of the receiving State satisfactory evidence of the appointment and shall indicate the character of the services which are to be performed by the officials to whom the exemptions are intended to apply.

3. It is understood, however, that the exemptions provided in this Article shall not be extended to consular officers or other officials who are engaged in any private occupation for gain within the territory of the State to which they have been appointed or in which they exercise their functions, save with respect to Governmental supplies.

ARTICLE V

1. Consular officers may place over the outer door of their respective offices the arms of their State with an appropriate inscription designating the nature of the office, and they may place the coat of arms and fly the flag of their State on automobiles employed by them in the exercise of their consular functions. Such officers may also fly the flag of their State on their offices, including those situated in the capitals of the respective countries. They may likewise fly such flag over any boat or vessel employed in the exercise of the consular functions.

2. The quarters where consular business is conducted, correspondence to which the official seal of the consulates is affixed, and the archives of the consulate shall at all times be inviolable, and under no pretext shall any authorities of any character of the State in which such quarters or archives are located make any examination or seizure of papers or other property in such quarters or archives or to which the official seal is affixed. When consular officers are engaged in business within the territory of the State in which they exercise their functions, the files and documents of the consulate shall be kept in a place entirely separate from the place where private or business papers are kept. Consular offices shall not be used as places of asylum. No consular officers shall be required to produce official archives in court or to testify as to their contents.

ARTICLE VI

1. Consular officers of either High Contracting Party may, within their respective consular districts, address the authorities, National, State, Provincial or Municipal, for the purpose of protecting the nationals of the State by which they were appointed in the enjoyment of rights accruing by treaty or otherwise. Complaint may be made for the infraction of those rights. Failure upon the part of the proper authorities to grant redress or to accord protection may justify interposition through the diplomatic channel, and in the absence of a diplomatic representative, a consul general or the consular officer stationed at the capital may apply directly to the Government of the country.

2. Consular officers shall, within their respective consular districts, have the right:

(a) to interview and communicate with the nationals of the State which appointed them;

(b) to inquire into any incidents which have occurred affecting the interests of the nationals of the State which appointed them;

(c) upon notification to the appropriate authority, to visit any of the nationals of the State which appointed them who are imprisoned or detained by authorities of the State; and

(d) to assist the nationals of the State which appointed them in proceedings before or relations with authorities of the State.

3. Nationals of either High Contracting Party shall have the right at all times to communicate with the consular officers of their country.

ARTICLE VII

1. Consular officers, in pursuance of the laws of their respective countries, may, within their respective districts:

(a) take and attest the depositions of any person whose identity they have duly established;

(b) authenticate signatures;

(c) draw up, attest, certify and authenticate unilateral acts, translations, testamentary dispositions, and transcripts of civil registry of the nationals of the State which has appointed the consular officer; and

(d) draw up, attest, certify and authenticate deeds, contracts, documents and written instruments of any kind, provided that such deeds, contracts, documents and written instruments shall have application, execution, and legal effect primarily in the territory of the State which shall have appointed the consular officer.

2. Instruments and documents thus executed and copies and translations thereof, when duly authenticated by the consular officer, under his official seal, shall be received as evidence in the territories of either State, as original documents or authenticated copies, as the case may be, and shall have the same force and effect as if drawn up or executed before a notary or other public officer duly authorized in the State by which the consular officer was appointed; provided, always, that such documents shall have been drawn and executed in conformity to the laws and regulations of the State where they are designed to take effect.

ARTICLE VIII

1. In case of the death of a national of either High Contracting Party in the territory of the other High Contracting Party, without having in the locality of his decease any known heirs or testamentary executors by him appointed, the competent local authorities shall at once inform the nearest consular officer of the State of which the deceased was a national of the fact of his death, in order that necessary information may be forwarded to the persons interested.

2. In case of the death of a national of either High Contracting Party in the territory of the other High Contracting Party, without will or testament whereby he has appointed testamentary executors, the consular officer of the State of which the deceased was a national and within whose district the deceased made his home at the time of death, shall, so far as the laws of the country permit and pending the appointment of an administrator and until letters of administration have been granted, be deemed qualified to take charge of the property left by the decedent for the preservation and protection of such property. Such consular officer shall have the right to be

appointed as administrator within the discretion of a court or other agency controlling the administration of estates, provided the laws of the place where the estate is administered so permit.

3. Whenever a consular officer accepts the office of administrator of the estate of a deceased countryman, he subjects himself in that capacity to the jurisdiction of the court or other agency making the appointment for all necessary purposes to the same extent as if he were a national of the State by which he has been received.

ARTICLE IX

1. A consular officer of either High Contracting Party shall within his district have the right to appear personally or by authorized representative in all matters concerning the administration and distribution of the estate of a deceased person under the jurisdiction of the local authorities, for all such heirs or legatees in the estate, either minors or adults, as may be nonresidents of the country and nationals of the State by which the consular officer was appointed, unless such heirs or legatees have appeared, either in person or by authorized representatives.

2. A consular officer of either High Contracting Party may on behalf of his nonresident countrymen collect and receipt for their distributive shares derived from estates in process of probate or accruing under the provisions of so-called Workmen's Compensation Laws or other like statutes, for transmission through channels prescribed by his Government to the proper distributees, provided that the court or other agency making distribution through him may require him to furnish reasonable evidence of the remission of the funds to the distributees.

ARTICLE X

1. A consular officer shall have exclusive jurisdiction over controversies arising out of the internal order of private vessels of his country, and shall alone exercise jurisdiction in situations, wherever arising, between officers and crews, pertaining to the enforcement of discipline on board, provided the vessel and the persons charged with wrongdoing shall have entered territorial waters or a port within his consular district. Consular officers shall also have jurisdiction over issues concerning the adjustment of wages and the execution of labor contracts of the crews; provided that their intervention will have a conciliatory character, without authority to settle disputes which may arise. This jurisdiction shall not exclude the jurisdiction conferred on the respective local authorities under existing or future laws of the place.

2. When an act committed on board a private vessel under the flag of the State by which the consular officer has been appointed and within the territory or the territorial waters of the State by which he has been received constitutes a crime according to the laws of the receiving State, subjecting the person guilty thereof to punishment as a criminal, the consular officer shall not exercise jurisdiction except in so far as he is permitted to do so by the local law.

3. A consular officer may freely invoke the assistance of the local police authorities in any matter pertaining to the maintenance of internal order on board a vessel under the flag of his country within the territory or the territorial waters of the State by which he has been received, and upon such request the requisite assistance shall be given.

4. A consular officer may appear with the officers and crews of vessels under the flag of his country before the judicial authorities of the State by which he has been received for the purpose of observing proceedings or of rendering assistance as an interpreter or agent.

ARTICLE XI

1. A consular officer of either High Contracting Party shall have the right to inspect within the ports of the other High Contracting Party within his consular district, the private vessels of any flag destined to and about to clear for ports of his country, for the sole purpose of observing the sanitary conditions and measures taken on board such vessels, in order that he may be enabled thereby to execute intelligently bills of health and other documents required by the laws of his country and to inform his Government concerning the extent to which its sanitary regulations have been observed at ports of departure by vessels destined to one of its ports, with a view to facilitating entry of such vessels, provided that the captain of the vessel shall have requested of the consular officer the issuance or visa of the appropriate bill of health.

2. In exercising the right conferred upon them by this Article, consular officers shall act with all possible despatch and without unnecessary delay.

ARTICLE XII

1. All proceedings relative to the salvage of vessels of either High Contracting Party wrecked upon the coasts of the other High Contracting Party shall be directed by the consular officer of the country to which the vessel belongs and within whose district the wreck may have occurred, or by some other person authorized for such purpose by the law of such country and whose identity shall be made known to the local authorities by the consular officer.

2. The local authorities of the receiving State shall immediately inform the consular officer, or the other authorized person to whom reference is made in the foregoing paragraph, of the occurrence, and shall in the meantime take all necessary measures for the protection of persons and the preservation of the wrecked property. Such authorities shall intervene only to maintain order, to protect the interests of the salvors, if the salvors do not belong to the crew of the wrecked vessel, and to ensure the execution of the arrangements which shall be made for the entry and exportation of the salvaged merchandise, such merchandise not to be subjected to any customs charges unless intended for subsequent consumption in the country where the wreck has occurred.

3. When the wreck occurs within a port, there shall be observed also those arrangements which may be ordered by the local authorities with a view to avoiding any damage that might otherwise be caused thereby to the port and to other ships.

4. The intervention of the local authorities shall occasion no expense of any kind to the owners or operators of the vessels, except such expenses as may be caused by the operations of salvage and the preservation of the goods saved, together with expenses that would be incurred under similar circumstances by vessels of the country.

ARTICLE XIII

Honorary Consuls or Vice Consuls, as the case may be, shall enjoy, in addition to all the rights, privileges, exemptions, immunities and obligations enjoyed by honorary consular officers of the same rank of the most favored nation, those rights, privileges, exemptions, immunities and obligations provided for in paragraph 3 of article I and in articles V, VI, VII, VIII, IX, X, XI, and XII of the present Convention, for which they have received authority in conformity to the laws of the State by which they are appointed.

ARTICLE XIV

1. This Convention shall be ratified and the ratifications thereof shall be exchanged in the City of Mexico.

The Convention shall take effect in all its provisions the thirtieth day after the day of the exchange of ratifications and shall continue in force for the term of five years.

2. If, six months before the expiration of the aforesaid period of five years, the Government of neither High Contracting Party shall have given notice to the Government of the other High Contracting Party of an intention of modifying by change or omission any of the provisions of any of the Articles of this Convention or of terminating the Convention upon the expiration of the aforesaid period of five years the Convention shall continue in effect after the aforesaid period and until six months from the date on which the Government of either High Contracting Party shall have notified to the Government of the other High Contracting Party an intention of modifying or terminating the Convention.

In witness whereof the respective Plenipotentiaries have signed this Convention and have hereunto affixed their seals.

Done in duplicate in the English and Spanish languages, in the City of Mexico, on this 12th day of the month of August, 1942.

G. S. MESSERSMITH [SEAL]
E. PADILLA [SEAL]

Mr. CONNALLY. Mr. President, the Committee on Foreign Relations very carefully considered the convention, and reported it favorably. I do not oppose it.

The PRESIDING OFFICER. The convention is before the Senate and open to amendment. If there be no amendment to be proposed, the convention will be reported to the Senate.

The convention was reported to the Senate without amendment.

The PRESIDING OFFICER. The resolution of ratification will be read.

The legislative clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive D, Seventy-seventh Congress, second session, a convention between the United States of America and Mexico defining the duties, rights, privileges, exemptions, and immunities of consular officers of each country in the territory of the other country, signed at Mexico City on August 12, 1942.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification. (Putting the question.) Two-thirds of the Senators present concurring therein, the resolution of ratification is agreed to, and the convention is ratified.

RECESS

Mr. BARKLEY. As in legislative session I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 42 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, March 10, 1943, at 12 o'clock noon.

NOMINATIONS

Executive nominations received by the Senate March 9, 1943:

DIPLOMATIC AND FOREIGN SERVICE

The following-named persons now Foreign Service officers of class 7 and secretaries in the Diplomatic Service to be also consuls of the United States of America:

Fritz A. M. Alfsen, of New York.
Aubrey E. Lippincott, of Arizona.
H. Bartlett Wells, of New Jersey.

WAR MANPOWER COMMISSION

Albert L. Nickerson, from the State of Massachusetts, to be Director, Bureau of Placement, at $8,000 per annum, in the Washington office of the War Manpower Commission.

Denton O. Rushing, from the State of Arkansas, to be field supervisor, at $4,600 per annum, in the Kansas City regional office of the War Manpower Commission.

Joseph Earl Smith, from the State of Ohio, to be area director, at $4,600 per annum, in the Youngstown area office of the War Manpower Commission (vice Marion A. Gregg, transferred).

Lorentz E. Wormley, from the State of California, to be senior training specialist, at $4,600 per annum, in the Portland area office of the War Manpower Commission.

POSTMASTERS

FLORIDA

Evelyn C. Hunter, Neptune Beach, Fla. Office became Presidential July 1, 1942.

GEORGIA

Mack B. Smith, Drybranch, Ga. Office became Presidential July 1, 1942.

Elvis L. Hopper, Hapeville, Ga., in place of W. R. Conine, resigned.

Stephen C. Tate, Tate, Ga., in place of Maynard Mashburn, resigned.

ILLINOIS

Webster Hanna, Noble, Ill., in place of G. G. Martin, deceased.

KENTUCKY

Carolyn V. Ducker, Butler, Ky., in place of C. O. Ducker, resigned.

LOUISIANA

Clinton C. Barron, Lillie, La. Office became Presidential July 1, 1942.

MARYLAND

Mary Estelle Ennis, Joppa, Md. Office became Presidential July 1, 1942.

MASSACHUSETTS

Patrick J. Connelly, Boston, Mass., in place of P. F. Tague, deceased.

OKLAHOMA

Monroe Burton, Poteau, Okla., in place of Monroe Burton. Incumbent's commission expired June 23, 1942.

OREGON

Paul A. Mills, Woodburn, Oreg., in place of H. F. Butterfield, removed.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 9, 1943:

THE JUDICIARY

UNITED STATES CIRCUIT COURT OF APPEALS

Curtis L. Waller to be judge of the United States Circuit Court of Appeals for the Fifth Circuit.

UNITED STATES COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA

Thurman W. Arnold to be an associate justice of the United States Court of Appeals for the District of Columbia.

COAST AND GEODETIC SURVEY

TO BE HYDROGRAPHIC AND GEODETIC ENGINEERS WITH RANK OF LIEUTENANT COMMANDER FROM THE INDICATED DATES

Leonard C. Johnson from March 1, 1943.
John Bowie, Jr., from March 1, 1943.
Ector B. Latham from March 1, 1943.
George R. Shelton from March 16, 1943.
Ira T. Sanders from March 24, 1943.
Edward R. McCarthy from March 24, 1943.
Francis B. Quinn from March 24, 1943.
Emil H. Kirsch from March 26, 1943.

IN THE ARMY

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

To Finance Department

First Lt. Percival Stanley Brown

To Air Corps

Second Lt. Leroy Hugh Watson, Jr.

PROMOTIONS IN THE REGULAR ARMY

To be colonels, Medical Corps

Edward Augustus Coates, Jr.
James Albertus Bethea
Asa Margrave Lehman
Oramel Henry Stanley
Sewell Munson Corbett
Samuel Reily Norris
Benjamin Norris

To be captains, Medical Corps

David Paul Ward
Edwin Emmons Corcoran

To be colonels, Veterinary Corps

Allen Chamberlain Wight
Elwood Luke Nye

CHAPLAINS

To be captains

Roger Dace Russell
John Frederick Gaertner

IN THE MARINE CORPS

APPOINTMENTS

To be second lieutenants

John F. Coffey
Andrew M. Zimmer
William F. Mazlack
Richard A. Kelly
Preston S. Marchant
Jackson C. Turnacliff

POSTMASTERS

MISSOURI

Morris D. Greenwood, Fredericktown.
John H. Dickbrader, Washington.

OKLAHOMA

William T. Gaddis, Catoosa.

WISCONSIN

Frances A. Hollister, Clinton.
George C. Smith, Downing.
William L. Lee, Drummond.
Alphonse J. McGuire, Highland.
Leone E. De Muth, Hollandale.
Letha G. Sherman, North Prairie.
Minnie O. Bartelme, Okauchee.
Louis H. Schultz, Reedsburg.
Grover E. Falck, Seymour.
Louis H. Rivard, Turtle Lake.

HOUSE OF REPRESENTATIVES

TUESDAY, MARCH 9, 1943

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Eternal God, our Father, we pray that we may love Thy ways with the full force of decision and purpose. In all crises let it be our settled aim to watch, lest any idol have dominion over us. Bestow upon us the spirit of devotion which shall prove that it is just and good to obey Thy laws as taught by our Saviour.

O Thou who wert the pilot of the Galilean Lake, the fountain of light of all our days, enable us to lift the galling burdens of grief and pain and hold high the torch of faith before the winding paths of clamor and strife. As we touch life's throng and press with its great heart and yet with its greater heartache, lead us to apply the cooling balm to feverish pain and fear. Bless us with the spirit of humble service and cause us to follow in the ways of a beautiful humility and nobility of soul. Dear Lord, we wait at the altar; the times are nervously sensitive; we urgently pray that Try servants may heed Thy word: "Wisdom resteth in the heart of him who hath understanding and the tongue of the wise useth knowledge aright." In the name of Him who manifested to the world the glory of deathless love. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed a bill and a joint resolution of the House of the following titles:

On February 19, 1943:

H. R. 1446. An act authorizing appropriations for the United States Navy for additional ship repair facilities, and for other purposes.

On March 2, 1943:

H. J. Res. 82. Joint resolution to provide urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1943.

EXTENSION OF REMARKS

Mr. BLOOM. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a very interesting and timely article on lend-lease by Mr. Walter Lippmann, which appeared in this morning's Washington Post.

The SPEAKER. Is there objection?

There was no objection.

LEND-LEASE

Mr. SNYDER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include therein an article by Maj. Gen. C. M. Wesson.

The SPEAKER. Is there objection?

There was no objection.

[Mr. SNYDER addressed the House. His remarks appear in the Appendix.]

BREAD-SLICING BAN

Mr. HARNESS of Indiana. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. HARNESS of Indiana. Mr. Speaker, when the American housewife goes to the grocery today, she can again buy sliced bread as she bought it before the ban on bakery slicing was imposed by Food Distribution Administration Order No. 1 on January 18. As you know, Food Administrator Wickard rescinded the slicing ban yesterday.

Mr. Wickard deserves credit for acting with good Hoosier horse sense in this matter, and I want to be among the first to congratulate him. I am confident he was not responsible for the order in the

first place. I doubt if he ever had a true picture of the situation which this order created until the pressure of public protest finally broke through the screen of little planners and administrators who were originally responsible for the mistake.

As the House knows, I have been active in the fight which finally corrected this bit of bureaucratic bungling. Bakers and the operators of restaurants and hotels in my own State came to me in the matter when the order first went into effect. Since the fight started, the press associations, the newspapers, and the radio have all cooperated most generously with me and, as a result, have channeled an amazing volume of valuable evidence through my hands.

Housewives by the hundreds, bakers, paper experts, and packaging engineers from all parts of the country actually deserve the credit for this victory over bureaucracy. The American people documented this case against a bad piece of administration, and my only job has been to direct the weight of evidence as effectively as possible.

There is a clear lesson here which good administrators know, and which I hope the little dictators and political sadists will be forced to learn and observe: The American people will accept any sacrifice which they know to be necessary in the emergency. They definitely will not be conditioned for dictatorship by foolish and needless privations imposed for no better reason than to please little men's vanity and passion for administrative law. The sooner we can get that lesson across the more sure we can be that the many restrictive orders really vital to our war effort will not be jeopardized by the doubts, suspicions, and confusion which the little men in government have exhibited such a positive genius for creating.

Mr. CASE. Mr. Speaker, will the gentleman yield?

Mr. HARNESS of Indiana. I yield.

Mr. CASE. I want to congratulate the gentleman on the efficiency of his cutting remarks.

Mr. HARNESS of Indiana. I thank the gentleman.

I hope that heads of other executive departments and some of the bureau heads will do something about many other ridiculous, senseless orders and directives, so that the people may have more confidence in the administration of the war effort.

The SPEAKER. The time of the gentleman from Indiana has expired.

THE FOOD SUPPLY

Mr. MURRAY of Wisconsin. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include therein a table which I have prepared from the Department of Agriculture and from the Bureau of the Census, showing the percentage of food that is produced by each State and its relation to the population of that State.

The SPEAKER. Is there objection?

There was no objection.

[Mr. MURRAY of Wisconsin addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. ROWE. Mr. Speaker, I ask unanimous consent to extend my remarks and include a poem by E. O. Osborne.

The SPEAKER. Is there objection?

There was no objection.

Mr. MASON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a very heartening and encouraging telegram I have received from farm leaders of Boone County, a county in my district.

The SPEAKER. Is there objection?

There was no objection.

Mr. JENNINGS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in two particulars, in the first to include an address on Andrew Johnson, and in the other to include a newspaper article on William McKinley.

The SPEAKER. Is there objection?

There was no objection.

AUSTRIAN BATTALION

Mr. CELLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

[Mr. CELLER addressed the House. His remarks appear in the Appendix.]

PERMISSION TO ADDRESS THE HOUSE

Mr. CELLER. Mr. Speaker, I ask unanimous consent that after the legislative business on Monday next I may be permitted to address the House for 30 minutes.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. BROOKS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in two particulars, in one to include an editorial entitled "An American Charter," and in the other to include an editorial entitled "Russia and the Peace."

The SPEAKER. Without objection, it is so ordered.

There was no objection.

GEN. O. R. GELLETTE

Mr. ALLEN of Louisiana. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

Mr. ALLEN of Louisiana. Mr. Speaker, in these days of war, it is interesting to recite something of the interest and activity of one of the few remaining heroes of the Confederacy. I have just received a letter from Gen. O. R. Gellette, of Shreveport, La. I believe a word about this grand old soldier will be inspiring to all of us. He was 97 years old last September and is hale and hearty and takes an active interest in public questions and is active in furthering the war effort. He was with Stonewall Jackson when he was fatally wounded and is the last member of Gen. Robert E. Lee's staff. He recently rode 600 miles to pin the gold bars on his son, who was graduating from an officer candidate school and on the train he had to stand up 125 miles of the way.

The patriotism, stamina, and determination of this man nearly a hundred years old ought to spur all of us on to greater effort and sacrifice. At that great age he is on the job every day. This great southern leader is setting a worthy example of devotion to the cause of America.

The SPEAKER. The time of the gentleman from Louisiana has expired.

EXTENSION OF REMARKS

Mr. ANDREWS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a statement covering our current tax situation by a thoughtful constituent.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. WILSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include therein a supplemental list of names of farmers who have written me regarding the farm situation.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

BREAD SLICING

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks and to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HOFFMAN. Mr. Speaker, whether this order rescinding the order which prevented the slicing of bread in the bakeries is due to Mr. Wickard or due to the influence of Mr. Brown or Mr. Brown's wife—and they are both people of good sense and good judgment—I do not know, but one thing is sure: As this campaign for a fourth term develops, more and more of these restrictive orders are going to be liberalized, at least until after the next election in 1944, but in any event it is a good sign, and I am sure some 10,000,000 housewives will be glad to know this order which prohibited the slicing of bread at the bakeries has been rescinded. Has the President heard from the housewives?

PERMISSION TO ADDRESS THE HOUSE

Mr. SHAFER. Mr. Speaker, I have two requests: First I ask unanimous consent to extend my own remarks and to include therein an editorial.

I also ask unanimous consent to proceed for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

BIRTHDAY OF HON. SOL BLOOM

Mr. SHAFER. Mr. Speaker, I believe the House will be glad to know that today, while our good friend the gentleman from New York [Mr. BLOOM] is handling this very important bill covering lend-lease, at the same time he is celebrating his seventy-third birthday. I want to join in congratulating him.

VETERANS' HOSPITAL FACILITIES

[Mr. SHAFER addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. GAVIN. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include therein an editorial appearing in the Times-Herald of March 6.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. McWILLIAMS. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include therein a copy of an editorial from the Norwich Morning Bulletin of Saturday, February 27, 1943.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SIKES. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein an editorial.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to proceed for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, it is one thing for the O. P. A. to fix a ceiling price on industrial commodities where the cost of these commodities can be definitely determined and where their production is handled by a few companies. It is quite a different thing, where we need maximum food production, to fix a ceiling price on farm commodities. For in this case there are thousands of producers each working under different conditions, cost factors, and difficulties. I should like to offer a principle which I think is sound for the O. P. A. to use if ceiling prices are to be fixed on farm commodities. You cannot fix such prices on the basis of a tight calculation of what the average cost to the average farmer is going to be; it has got to be a real ceiling price; that is, a price high enough to give sufficient leeway so that the small farmer can live under it; otherwise the result of price control will be to drive some of the small producers to the wall and out of business. We cannot afford to let this happen.

The SPEAKER. The time of the gentleman from California has expired.

MILITARY AFFAIRS—PERMISSION TO SIT DURING SESSION TODAY

Mr. SPARKMAN. Mr. Speaker, I ask unanimous consent that the Committee on Military Affairs may sit during the session of the House today.

The SPEAKER. Without objection, permission will be granted to this committee to sit this afternoon only during general debate on this bill.

Mr. SPARKMAN. I so modify the request, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

COMMITTEE ON RIVERS AND HARBORS—PERMISSION TO SIT DURING SESSION TODAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Committee on Rivers and Harbors may be permitted to sit during the afternoon for such period only as general debate may be carried on.

Mr. MICHENER. Mr. Speaker, reserving the right to object, and I shall not, can the majority leader tell us the balance of the program for the week?

ORDER OF BUSINESS

Mr. McCORMACK. Yes; I am glad the gentleman from Michigan has made this inquiry.

On Friday after the disposition of the bill raising the debt limit a bill will be called up containing an appropriation in connection with the recruiting of manpower for farms and the distribution of farm labor involving I think about $26,000,000. It is my intention to permit this bill to be brought up on Friday next.

Mr. MICHENER. I thank the gentleman.

COMMITTEE ON RIVERS AND HARBORS

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts that the Committee on Rivers and Harbors may sit during the session of the House this afternoon only so long as general debate on the lend-lease bill may continue?

There was no objection.

EXTENSION OF REMARKS

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks and include an article on the appointment of Lyle Watts as Chief Forester.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. GILLIE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial from the March issue of the Journal of the American Medical Association protesting against the transfer of the Meat Inspection Division.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

A. A. A. THREATS AND COERCION

Mr. GILLIE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. GILLIE. Mr. Speaker, a few days ago I received several letters from farmers in my district who are not conforming with the A. A. A. program. These farmers allege that the triple A agents have threatened to close them out if they refuse to sign up for the 1943 program. In speaking of program I do not mean the program for food production for the war effort, but some of the established programs of the A. A. A.

Mr. HARNESS of Indiana. Mr. Speaker, will the gentleman yield?

Mr. GILLIE. I yield.

Mr. HARNESS of Indiana. I should like to say to the gentleman and the House that I have letters from Wabash County farmers saying they, too, have been denied farm equipment because they are not cooperating with the triple-A program. I think this action on the part of the triple A is reprehensible.

Mr. GILLIE. That is right. The same thing is going on in my district.

I am inserting an exchange of correspondence between myself and Mr. Fred S. Wallace, Chief of the Agricultural Adjustment Agency, Department of Agriculture, regarding this situation and stating that noncomplying farmers do not have to sign up in order to get repairs or new machinery to carry on their work.

The SPEAKER. The time of the gentleman from Indiana has expired.

Mr. GILLIE. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks; and to extend my remarks and include the letter I referred to.

The SPEAKER. Without objection it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. WORLEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a letter written by a close personal friend of mine, a constituent, who is now in the Navy. This letter shows what the boys are thinking, when they are fighting, about our present post-war problems.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. WORLEY]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my own remarks in the RECORD and include a couple of short articles from the New York Times.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. RANKIN]?

There was no objection.

[Mr. RANKIN addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an editorial from the Saturday Evening Post.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. CRAWFORD]?

There was no objection.

Mr. ZIMMERMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an editorial from the Commercial Appeal.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. ZIMMERMAN]?

There was no objection.

AMENDMENT TO ORGANIC LAW OF PUERTO RICO (H. DOC. NO. 126)

The SPEAKER laid before the House the following message from the President of the United States, which was read and referred to the Committee on Insular Affairs and ordered to be printed:

To the Congress of the United States:

Several months ago the Governor of Puerto Rico recommended that the organic law of Puerto Rico be amended so as to permit the people of Puerto Rico to elect their own Governor. This recommendation was brought to me by the Secretary of the Interior with his approval. The Governor's suggestion has been under consideration since that time.

It has long been the policy of the Government of the United States progressively to reinforce the machinery of self-government in its Territories and island possessions.

Puerto Rico has universal suffrage and an elective legislature which considers and enacts measures governing its internal affairs. Laws enacted by its legislature, however, including laws of purely local concern, have been subject to approval or disapproval by Governors appointed by the President with the advice and consent of the Senate of the United States.

In accordance with the general policy of this Government, I recommend to the Congress that it consider as soon as possible an amendment of the organic law of Puerto Rico to permit the people of Puerto Rico to elect their own Governor, and to redefine the functions and powers of the Federal Government and the government of Puerto Rico, respectively.

I have appointed a committee composed of an equal number of Puerto Ricans and of continental residents to advise me concerning changes in the organic law.

The recommendations of this committee will be promptly submitted to the Congress for its consideration.

FRANKLIN D. ROOSEVELT.

The WHITE HOUSE, *March 9, 1943.*

AMENDING LEND-LEASE ACT

Mr. BLOOM. Mr. Speaker, I wish to make an announcement to the Members that on the desk there is an index to the testimony of the hearings on the bill H. R. 1501. This is something new that has never been done before. You will find in this index reference to the page of testimony of all of the witnesses who appeared for the Government with reference to the bill that we have under consideration, H. R. 1501. I would advise the Members to get one of these, then they will be able to refer to the hearings very easily and find out all about the testimony.

Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 1501) to extend for 1 year the provisions of an act to promote the defense of the United States, approved March 11, 1941.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 1501, with Mr. GORE in the chair.

The Clerk read the title of the bill.

Mr. BLOOM. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, the statement attributed yesterday to Admiral Standley, our Ambassador to Russia, to my mind is a very unfortunate one, if he made it. If he made the statement and it is correctly reported in the papers, the facts do not bear it out. The facts are that no one in the executive branch of the Government knew anything about the statement Ambassador Standley made. I am informed that they were not consulted in any way. It was a great surprise to them, and I guess it was to all of us, that this statement should be chronicled in the papers over here.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. BLOOM. I yield to the gentleman from Michigan.

Mr. MICHENER. Does the gentleman in the remarks he is now making speak with authority for the executive departments and for the administration in reference to this very vital foreign affairs matter?

Mr. BLOOM. The information I am about to give to the committee at this time is information I received from the departments from which such information would come. I did consult with the State Department this morning and asked them if they knew anything about this statement. They said "No." So I am not representing the State Department. Although this is my birthday, I think I am still chairman of the Committee on Foreign Affairs of the House of Representatives, and I speak just in that capacity. I would prefer to make my statement, and then if there are any questions to be asked I would be very glad to answer them.

Mr. MICHENER. The real thing I am interested in is whether or not the chairman of the Committee on Foreign Affairs, the distinguished Member from New York [Mr. BLOOM], even though it is his birthday, is speaking for the administration. This is important because his words as chairman of the Committee on Foreign Affairs uttered in the debate on this vital foreign affairs legislation will be carried not only throughout the length and breadth of this country but throughout the world.

Mr. BLOOM. I hope they will be. I will stand on anything I say on this floor.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. BLOOM. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. The gentleman from Michigan has asked a very pertinent and proper question, and I think it deals with a matter that should be clearly understood. In order to clarify the situation, as I understand, the gentleman has made his own investigation and the remarks he is now about to make are his own personal remarks?

Mr. BLOOM. Yes.

Mr. McCORMACK. The gentleman is not expressing the views of the State Department or the administration but is stating his own personal views?

Mr. BLOOM. Yes.

Mr. MICHENER. That answers my question.

Mr. BLOOM. The Russian press has told the people of Russia something about the lend-lease aid supplied to Russia by the United Kingdom and the United States. Thus, for example, the New York Times, on January 24, 1943, reported that Pravda, one of the leading newspapers of the Soviet Union, contained a news item about the planes, tanks, motor vehicles, and so forth, supplied to the Soviet by the British and ourselves.

The people of Russia, seeing and using a great multitude of United States and British lend-lease supplies, must, of necessity, know of the lend-lease aid which has been supplied to Russia.

On this point, I think that it is of interest to note a recent news story by Henry Cassidy, who was head of the Associated Press Bureau in Moscow. This report by Mr. Cassidy clearly indicates that the people of Soviet Russia not only know of but appreciate the supplies which have been sent to them under lend-lease. The full report of Mr. Cassidy's article which appeared in the New York Times of March 6 indicates that the people of Russia know a good deal about the lend-lease aid which is getting to them. Mr. Cassidy also had a piece in the February 28, 1943, issue of the Washington Star which points up substantially the same facts about the knowledge of the Russian people on lend-lease aid.

The Russian newspapers generally report in full the speeches of the President and of Prime Minister Churchill. Many of these speeches refer to the lend-lease aid to the Soviet Union.

Up to March 1, 1943, the United States had sent 3,250,000 tons of lend-lease supplies to Russia. These supplies covered such a great variety of items of such distinctly American type that the Soviet soldiers and people know they are coming from this country. We have sent to Russia more than 2,600 airplanes; more than 3,000 tanks; more than 130,000 submachine guns; about 90,000 jeeps, armored cars and other military vehicles; hundreds of thousands of field telephones; thousands of miles of field telephone wire and 580,000 tons of steel and steel products.

We have also sent them American motorcycles, gas-driven generators, chemicals and chemical products, Army boots and sole leather, and other industrial products.

Large quantities of American food have been sent to Russia. Much of it indicates in various ways to the Soviet Army and people that this food has come from this country.

May I say at this point that the American food that is sent to Russia bears, wherever possible, a picture of the American flag on each individual package and it is natural to suppose that the soldiers and the other people at the front who

get these packages know where they come from.

There can be little doubt that in many different ways the soldiers and people of the Soviet Union know a good deal about the lend-lease supplies which have been made available to them.

Mr. Chairman, the following article by Henry C. Cassidy appeared in the New York Times on March 6, 1943:

SOVIET OFFENSIVE IS SPEEDED BY BIG AMERICAN SUPPLIES

(By Henry C. Cassidy)

The United States, despite all Adolf Hitler can do to stop it, is definitely delivering the goods to the Soviet Union. After riding in American trucks and jeeps, seeing American bombers and fighters, eating American sugar and lard in remote corners of Russia, one cannot doubt that a large part of the supplies we promised the Red army is reaching its destination.

I cannot cite figures. The only ones made known in Moscow are those announced from Washington or London. But I can tell you the impression of one who has been in Russia throughout the war.

It is that the answer is "Yes" to the questions: Are American goods reaching the Soviet Union? Are the Russians satisfied with our supplies?

Herr Hitler, early in the war, boasted that the United Nations' only supply lines to the Soviet Union were across the Arctic or along the Equator. Since then he has certainly been surprised by the way those very lines have been made effective.

Our most conspicuous contribution to the Soviet war effort is in vehicles. On the main streets of Moscow, on the roads of provincial towns, on the dirt tracks of the countryside, American trucks are a common sight. Jeeps scuttle everywhere, from the paved highways of the rear to the rough fields of the front.

A year ago they were rare sights, which caused onlookers to stop and admire them. Now they are no longer a novelty.

The trucks are used for road transport on which the Red army depends largely for its supplies. The jeeps are used as staff cars to carry officers on their missions. Both have been employed extensively in the Russian winter offensive.

Some trucks have suffered broken axles on trackless terrain, boiled over in summer, frozen in winter; some jeep motors have become clogged with mud; but, generally, men who drive the machines have told me their performance has been splendid.

The Russians are good, resourceful mechanics. Machines get rough treatment in that rigorous climate. But with a minimum of tools and spare parts the drivers keep them running.

Pavel Ivanovich Diakoff, an average Russian chauffeur who drives a light American sedan for the Associated Press, had to park his car out of doors in Kuibyshev all last winter, in 40-below-zero temperatures, and several feet of snow. But each morning, when the telegrams were ready to go, so was the car.

American tanks are assembled deep in the rear and sent directly to the front. The first M-3 models, with a riveted frame and fixed cannon, proved less effective than the welded types and mobile turret, but since then more modern machines have been delivered.

The Russians still prefer their heavy Kv, medium T-34, and light T-60 tanks for major combat. They used these principally in their southern offensives this winter, but American and British tanks are doing service on other fronts.

UNITED STATES PLANES ON FRONTS

American fighters, the Tomahawk, Kittyhawk, and Airacobra, are defending some of the most important points of the Soviet Union, including Moscow, Leningrad and Murmansk. Crack pilots, many of them wearers of the highest decoration, Hero of the Soviet Union, are flying them. Unanimously, they like them.

I have seen these at airports outside Moscow. They have had little to do there recently, for the Germans have not raided the capital since last April 5, that, in itself, is a strong recommendation of their efficiency.

American attack bombers have not been on public display, but they are reliably reported to have been used effectively during the defense of Stalingrad and the Red army counter-offensive.

It may be a prod to American pride to note that the Russians believe they have fighters, as well as tanks, superior to anything we have delivered to the Soviet Union. A foreign pilot, who has flown American, British, and Soviet planes and who is now fighting on the Russian front, told me he agreed the Red air force Yak was better than anything else he had handled.

I have come across numerous other items of American supplies: Field telephones with a Cossack unit, woolen blankets in a military hospital, granulated sugar in a Red army mess, lard on the shelves of a Moscow store, all of it being given good use.

Mr. LUTHER A. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. BLOOM. I yield to the gentleman from Texas.

Mr. LUTHER A. JOHNSON. I agree with what the chairman of our committee has said. Ambassadors, like Congressmen, sometimes talk out of turn and talk too much.

In addition to what the gentleman has said with reference to Pravda being one of the leading newspapers of Russia, may I say that I understand it is the official organ of the Soviet Republic.

Mr. BLOOM. I believe it is, yes.

Mr. LUTHER A. JOHNSON. On the 23d of January Pravda carried a report quoting from figures given by Mr. Stettinius as to the aid given to Russia and others of our allies.

Mr. BLOOM. Yes; that is very true. After Mr. Stettiniu., the Lend-Lease Administrator, issued his statement on lend-lease aid to Russia, Pravda, a Russian newspaper, the largest newspaper over there—I will not say it is an official newspaper because it may not be that—published the complete statement of Mr. Stettinius. We have evidence of that over here.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BLOOM. Mr. Chairman, I yield myself 2 additional minutes.

Mr. EATON. Mr. Chairman, will the gentleman yield?

Mr. BLOOM. I yield to the gentleman from New Jersey.

Mr. EATON. The statement of our Ambassador to Russia gave correctly the facts as to the amount and kind of help we have been sending to Russia?

Mr. BLOOM. We do not know just what Ambassador Standley did say. We know he is supposed to have made that statement, but we have not had any official report from Moscow to the State Department that the Ambassador made the remarks that have been reported in the press.

Mr. EATON. The list printed in the newspapers and attributed to him is a correct list?

Mr. BLOOM. We do not know just what he did say.

Mr. EATON. The only question is as to the propriety of our Ambassador making the further statement that the people of Russia were not acquainted with the facts regarding the help being extended?

Mr. BLOOM. If he did make the statement, it is very unfortunate.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. BLOOM. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Whatever weapons of war we are sending to any countries united with us are to help defeat the common enemy?

Mr. BLOOM. That is correct.

Mr. WILSON. Mr. Chairman, will the gentleman yield?

Mr. BLOOM. Yes.

Mr. WILSON. I wonder if the figures the gentleman has given us in regard to the aid sent to Russia are figures of the amount actually received by Mr. Stalin, or by Russia, or are they figures of the amount we have shipped from our ports. Mr. Stalin said that he has not received any.

Mr. BLOOM. Oh, there is no question about that—he did not say that.

Mr. WILSON. I mean that our Ambassador said that.

Mr. BLOOM. Oh, I do not know what the Ambassador said.

Mr. FISH. Mr. Chairman, will the gentleman yield?

Mr. BLOOM. Yes.

Mr. FISH. It seems to me to be very clear that the Ambassador is reported as having said that the Russian newspapers—the Russian press—had suppressed the information that we had given this vast amount of aid—lend-lease aid—to Russia. That is what the Ambassador is reported to have said.

Mr. BLOOM. I did not read the word "suppressed."

Mr. FISH. That is the word that he used. It was "suppressed." That was carried by all of the newspapers. Does the gentleman want to repudiate our Ambassador?

Mr. BLOOM. Oh, no. The gentleman from New York surely does not want to put any words like that into my mouth. I said it is a very unfortunate thing. We do not know what he said, or whether he said anything. We have no official report except what the press said. If he did say it, it is an unfortunate statement for our Ambassador to make because the facts do not warrant such a statement.

Mr. FISH. If Ambassador Standley stated the truth, we want to know about it, do we not?

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. CASE. Mr. Chairman, will the gentleman take another minute?

Mr. BLOOM. Yes. I yield myself another minute.

Mr. CASE. The thing that amazes me about the whole incident is that apparently some people in this country can tell more about what the Russian Government is undertaking to tell its people than Ambassador Standley can, who is on the ground, and it seems to me that in the interest of the facts, it would be well to restrain all comment, until we have a report from Admiral Standley and the Government, of what he said.

Mr. BLOOM. I think that is correct.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. RANKIN. Mr. Chairman, will the gentleman yield to me?

Mr. BLOOM. My time is exhausted.

Mr. RANKIN. Will the gentleman from New Jersey give me 1 minute?

Mr. EATON. Time is very precious, and I hope the gentleman will control himself for a while.

The CHAIRMAN. For what purpose does the gentleman from New Jersey rise?

Mr. EATON. Mr. Chairman, I yield 20 minutes to the distinguished gentleman from New York [Mr. WADSWORTH].

Mr. WADSWORTH. Mr. Chairman, I hope I shall not disappoint any of my colleagues in the House when I say that I do not care to discuss the Standley statement. I know nothing about it, although I am very anxious to know about it. However, for the moment I think it wise that we do not add any fuel to a potential fire.

Mr. Chairman, this bill was debated very comprehensively yesterday. The purpose of the act was made plain, and to a very large degree the methods of its operation were explained. I doubt very much if I can add much to what has been said. Perhaps you will bear with me if I try to fill in a few of the chinks, as it were, which may involve my hopping about from one point of the earth's surface to another, endeavoring to complete the painting of a picture which was so nearly painted yesterday. Before I do that let me make another preliminary announcement. That is, I do not care what a man thought about this bill back in 1941, not one little bit. Some may have disagreed with me at that time, and I may have disagreed with them. The important thing is to know what we feel about it now, and that is all there is to it. So I am not going to torture that subject. As to the operation of lend-lease, I dislike that name, I wish it were called "war aid," because lend-lease is not an adequate description of what we are doing.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. WADSWORTH. Yes.

Mr. VORYS of Ohio. I heard a suggestion overnight that struck me as very good, and that is to call it mutual war aid.

Mr. WADSWORTH. Good enough. Excellent. Let us cast our eyes for a few moments toward Great Britain. Two years ago, as you all know, Great Britain was terribly hard put to it. She had suffered the Dunkerque disaster, in which she lost practically all of her modern equipment, such as it was, and it turned out that it really was not modern at that. She was in desperate straits. She had to struggle hard to get back on her feet, faced with the possibility and, indeed, to the average Britisher, the probability of invasion at any moment.

She had to start from the ground up, so to speak, in the production of modern equipment for war. Fortunately for herself she possessed in the R. A. F. an amazingly efficient instrument, small though it was; and perhaps history will relate, and I think it will, that the R. A. F. had more to do with repelling invasion or discouraging the enemy from attempting it than all of the other elements in Great Britain and the British Empire together. So that starting from that point and continuing for something like 2 years, the amount of aid which we have given to Great Britain under this act has been very important. Up to December 31 last it amounted in round figures, measured at dollar value, to $4,000,000,000. Most of it consisted of tanks, airplanes, spare parts for both, machine tools, ammunition—heavy stuff. Not all of it was sent to Great Britain. A considerable portion was sent clear around the Cape of Good Hope to the Red Sea and landed in Egypt in a desperate attempt to strengthen the British defense against the then conquering Rommel. A terrific decision had to be made at that time by the joint chiefs of staff, a decision as to whether or not Great Britain, with the help of such weapons as we could send—we were not at the time able to send much personnel—should attempt to defend the Middle East. If she could not do it, then our war would obviously be lengthened Lord knows how long. But the decision was made and we sent tanks—Grants, Shermans, and Stuarts—as fast as we could, around the Cape of Good Hope—a long, long voyage. We sent some repair crews and repair machinery; generally speaking, the weapons themselves were manned by the British and New Zealand and Australian troops in the actual battles.

What the military historian will say about it in the future I am not certain, but I think it fair to approach the conclusion, at least, that our contribution of these weapons was an important element in enabling the British to defeat Rommel. Those weapons also included airplanes, light bombers, and P-40's and Aircobras. I think we are entitled to approach the conclusion that those weapons placed in the hands of the British fighting men, contributed to the saving of the Middle East and the ultimate defeat of Rommel, although most of the equipment used in Montgomery's army was British.

Great Britain in the meantime has been built up, by the efforts of the British people and ourselves, into the greatest military base of all time. Never has there been anything like it. We are sending more and more troops of all categories. Airports dot the islands. I have been told that in some places in Great Britain you can scarcely drive 5 miles without encountering an airport. The contributions which we are making now under this act to Great Britain, and which we shall continue to make, will be less of the heavy material—tanks, trucks, machine tools, steel, and things of that sort, because, with our help, the British production has come up to the point where it balances the available British manpower, which incidentally, I may say at this point, has been wonderfully distributed—distributed in orderly and systematic fashion. We shall continue to send food. It might be interesting to you to know that before the war the British people were accustomed to raise about 40 percent of their food on the island, but since the war, again by orderly and systematic distribution of manpower, Great Britain has increased her tillable acreage from 12,000,000 acres to 18,000,000 acres and is now producing 60 percent of her own food supply. We are contributing 10 percent under this act. There is a total of 70 percent. The remaining 30 percent comes largely from Canada, other British dominions, and South America.

I may remind you that Canada, as an outright gift to Great Britain, contributed a billion dollars' worth of supplies, mostly food. There is a bill now pending in the Canadian Parliament which if passed, and in all probability it will pass, appropriates an additional billion dollars as an outright gift. It is their type of so-called lend-lease. They do not denominate it by that term. So, apparently the food problem has been pretty well solved, although we know that those people are reduced to a very severe ration.

Now, reverting again to the airports. Ordinarily lend-lease has not engaged in the building of airports anywhere, but there are certain very few exceptions. It was found wise at the beginning of these operations or shortly after its beginning, to build certain airports with lend-lease funds as a part of the necessary military defense of certain naval stations. One of them is in northern Ireland, a naval station used by our vessels and our naval convoy vessels, as well as the British; a couple, as I understand it, at similar places in Scotland. None of those two or three airports have any conveniences for civilian flying, and they are not expected to be of any commercial use when the war is over. They are meant to be a part of the defense of those naval stations. All other airports in Britain are built by the British themselves. The ports that our Army Air Corps use are all built by British under reverse lend-lease. The land is acquired either by purchase or rental, the land is leveled off by British labor, the runways built, the hangars, the repair shops, the quarters for troops are erected at British expense. Officers quarters are found on the post or in private dwellings nearby at no expense to the officers in the way of rental.

Those airports, as well as other cantonments built by the British, in which our troops are housed, are also serviced by them. By that I mean they are equipped with adequate water supply, with sewage disposal, with telephone and

telegraph service, free of charge—as well as electric power and light. My recollection for example, is that in order to let our people get to work quicker and organize our expeditionary forces which eventually must leave Great Britain for fields of battle—and some of them have already left for north Africa—13 hotels were turned over for the headquarters of our commands or quarters of the officers, I assume, and for other purposes, free of charge, serviced completely.

The gentleman from Ohio [Mr. VORYS] yesterday did his best to estimate the value of the articles and the construction paid for by the British and used by our people in Great Britain. I think he made a pretty close estimate—fairly close. It is almost impossible to get it exactly. We have asked Mr. Stettinius for it. One of the troubles is that the item of service is exceedingly difficult to keep track of, such as how many telegrams are sent, how many telephone calls and how many telegraph messages are put through, how much free railroad transportation for all American military personnel traveling on duty. It is extremely hard to keep up with that. We are informed, however, that the British Government is keeping tab, as best it can, on the quantity of articles turned over and the quantity of construction achieved, and as best it can the value, if the value can even be arrived at, of the services furnished. The construction item is pretty well known, and the gentleman from Ohio [Mr. VORYS], I think, stated yesterday that the British have expended on construction for our troops five-hundred-and-sixty-million-odd dollars. Then, of course, in addition to that, there are certain items of food that are recited in our report, of transportation, and of the services to which I have referred, which would have to be calculated at a later date, because the thing is running along so fast that it is almost impossible for either the American officers or British officers to keep track of and render a real account.

I think I am not violating any confidence when I say that the Administrator of this act tells me that in accordance with their best calculations and their intimate cooperation with the British, that the British contribution to us under lend-lease is now crowding $1,000,000,000 in value, as contrasted with the $4,000,000,000 that we have extended to them. That contribution from the British is apt to grow as the number of troops in Great Britain grows, and our contribution of heavy articles, such as tanks and machine tools, is apt to decrease as time goes on. Whether British contribution will ever become as great as ours is a great question; probably it will not in Great Britain alone, but I thought you would not mind my giving you that picture of the situation.

I think I ought to emphasize this: This act has a military objective, not just relief; military considerations come first in its administration. Every bit of military supply that goes out as a result of this act to our allies is approved by military authorities of the United States. The decisions reached by the Munitions Assignment Board and by the joint Chiefs of Staff have been reached with unanimity because apparently they think alike concerning the military necessities the world over.

For example, there was no hesitation in reaching a decision to send those tanks to Egypt to help save the Middle East, and there was no objection whatsoever by our military people when the British said to us: "Why do you ship field artillery guns across the Atlantic to England and so use American ship tonnage when we have field artillery guns just as good right here, guns which your men can use?" Our combat divisions now operating in north Africa—that is those which sailed from England—are armed with British 25-pounders which were turned over to us for use. It is just an example of what I regard as perfect cooperation. Listening to Mr. Stettinius and the other witnesses I got the impression—and I think the members of the Foreign Affairs Committee got the impression—that this was the first time in history, at least in written history, where allies seemed to be getting along together. I can remember the horrible quarrels between the Allies in World War No. 1, the quarrels in London between the Americans and the British, and the quarrels in France between the Americans, the French, and the British—terrible uproars because we had not evolved in that war a scheme by which it was understood from the beginning that each fellow would put in all he could put in.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BLOOM. Mr. Chairman, I yield the gentleman 20 additional minutes.

Mr. O'HARA. Mr. Chairman, will the gentleman yield?

Mr. WADSWORTH. I yield.

Mr. O'HARA. It is not clear to me whether this board on which Allied officers sit has any part in the determination for instance of what supplies we shall send to our men in the Pacific.

Mr. WADSWORTH. In the broader sense, yes; because it is one great war, but our military people are in control absolutely of what we do with our own weapons. If they reach the conclusion that we should send a weapon to one of our allies who is on the spot and can use it, that it will not hurt the prospects of an American effort in another area, that weapon goes to that ally. Men like General Marshall and his ilk in the last analysis make those decisions. Mr. Stettinius, if I may use this expression, obeys orders.

Now we will go to north Africa and look into that situation. As you probably know, Algeria and Morocco are potentially great food-producing areas. It so happens I have traveled in them somewhat, and as a result of it, I can say to my friends in the Middle West, that never have I seen more lovely farms than I saw on the Algerian coastal plains and in some of the valleys in the mountains; but for 2 years the German and Italian armistice commissions have squeezed that whole region dry. They not only took away from all that was left of the French Army, 150,000 men, all its modern equipment, but they took away from the civilian population nearly all the food under the pretense of sending it to France, but when it got to Marseilles it went from Marseilles to Germany with the result that in north Africa there is a very serious shortage of food amongst the native population.

Now, who decides as to what lend-lease shall do in helping that expeditionary force in north Africa? The man's name is Eisenhower; he commands the entire expedition, British, American, and French. He and his staff decide what lend-lease can do to help him drive the Germans out of Africa. He may need help which at first blush does not seem to resemble anything in the military line, but when Eisenhower has to calculate all the possibilities in that situation and take into his calculation the condition of the native population which for our own advantage must be kept in a contented state lest there be food riots or sabotage, General Eisenhower might very well say to lend-lease: "In addition to other supplies send some food, send some candy, if you please." Candy was sent. Some very interesting testimony came before us. There happened to be some spare space in one or two of the ships that took our expedition from the United States to north Africa and on the recommendation of the high command in north Africa, or the high command which was on its way to north Africa at the time, that spare space was filled with funny little supplies for civilians. I believe you will find it to be a fact that when our troops waded ashore through the surf on some of those beaches and ran into a lot of Arabs they gave them a piece of candy and said, "Come on, boys, help us unload this surfboat," and they did it.

Little things like that have a military objective, although some people might ask, "Why candy?" It was a tiny little thing and I should not spend so much time referring to it, but it is typical of some of the things that must be done when you are fighting a war of this kind. In any event, nothing is sent by lend-lease to north Africa except on the request of General Eisenhower, and his request, of course, is reviewed by the Joint Assignment Board here in Washington to see, first, if the goods are available. If they are available they go; Eisenhower gets them and uses them primarily to drive the Germans out of north Africa.

Let us hop down to the southwest Pacific and take a look at New Zealand. My best recollection is that New Zealand contains about 2,000,000 people. It is an agricultural country. Our report contains a statement as to the amount of food which New Zealand turned over free of charge to our military personnel, the Army, Navy, and Marine Corps. It is rather amazing. If they keep it up at this rate and we ever strike a dollar balance, we may owe New Zealand rather than New Zealand owing us. Their output is largely dairy products, mutton, and beef.

Since 1939 they have at their own expense built 6 airports and enlarged 12 others for military use. I saw a dispatch in the press some days ago to the effect that New Zealand had built 103 airports in her own 2 little islands and was going to charge that up to us. The statement was made that such a number of airports was absurd and that they were building up a large bill against the United States. We find that these 103 airports existed in New Zealand before September 1939, and that probably the overwhelming majority of the others were small emergency landing fields.

New Zealand has built quarters and storage houses. What their total expenditures have been so far I do not know.

Now, we will cross a stretch of sea and go over to Australia. Here is a dispatch from Canberra, the capital of Australia, announcing the intention of the Australian Government under the lend-lease program. It was announced by the Prime Minister, John A. Beasley, on March 3 that Australia had accepted the responsibility of feeding United States forces in that country and throughout the south and southwest areas, and he stated further he had authorized the purchase of $64,000,000 worth of provisions.

He declared the armed forces in the southwest Pacific, which includes the troops in the Solomons, New Guinea, and other islands, had food reserves to meet any war situation.

This article further states:

> Australia will spend $220,000,000 during the current financial year under a lease-lend arrangement to maintain United States forces, J. B. Chifley, Finance Minister, told Parliament.
>
> He said that up to January 1, $110,180,000 had been spent in the Australian program of providing airdromes, camp and hospital accommodations, rations, repairs for aircraft, ships, and vehicles, general supplies, seaport services, and rail, air, and sea transportation.

They have spent already $110,000,000, they propose to spend $220,000,000, which makes a total of $330,000,000—this from a country with only 7,000,000 people, about the population of the city of New York.

In talking with Mr. Stettinius he ventured the suggestion that perhaps if we ever struck a dollar balance between ourselves and Australia we might eventually be owing them money instead of their owing us. I may be talking out of turn and perhaps not all of you will agree with me, but I am not concerned about striking a balance on any of these things. We are all in this fight together. You can see by this that Australia and New Zealand are giving everything they can to help win this war and we are giving everything we can and we are going to give more. That is the way this thing is working. Of course, our contribution measured in dollars is going to be larger, a great deal larger perhaps, than our total receipts.

Reference has been made to our contribution to Russia. The British contributed also. We sent 3,000 planes and 2,500 tanks. During the months of December 1942 and January 1943 not a transport was lost between here and Murmansk. We are getting the goods to them. We may lose some cargo ships and transports. I do not mean to say that the submarine menace is not serious, because it is, but we are getting the goods to them. We are sending more food to Russia than we are to Great Britain and, according to Mr. Stettinius, nearly all of it goes to the Russian Army, not to the Russian civilian population. I suspect it did that Army some good, and, if it did, I am glad. It put out of business an awful lot of Germans.

Great Britain, I think, sent something like 2,500 planes and about 2,000 tanks in the same kind of partnership agreement. So by contrast with our previous experiences dating back many, many decades, I think we as an ally engaged in a war being waged to save ultimately our own liberty are fortunate under this act, and I think our allies are likewise fortunate.

Mr. RIZLEY. Will the gentleman yield?

Mr. WADSWORTH. I yield to the gentleman from Oklahoma.

Mr. RIZLEY. In the beginning of the gentleman's statement he mentioned the amount of money thus far appropriated in dollars and cents that we have furnished Great Britain; $4,000,000,000, I believe it was.

Mr. WADSWORTH. It is $3,950,000,000. I called it in round figures $4,000,000,000.

Mr. RIZLEY. Could the gentleman put in the RECORD the amount that we furnished to all of our allies in lend-lease funds?

Mr. WADSWORTH. I cannot itemize it at this time, but the testimony, as I understand it and as I recollect—and some member of the Foreign Affairs Committee will correct me if I am wrong—is to the effect that we have spent something like nine or ten billion dollars, $4,000,000,000 of which has gone to Great Britain and to some of her outlying areas.

Mr. RIZLEY. The gentleman will correct me if I am wrong about this. As I recall, we have appropriated thus far for lend-lease about $66,000,000,000, either directly or indirectly.

Mr. WADSWORTH. We have not appropriated that sum. My understanding is it has been authorized.

Mr. RIZLEY. Authorized and appropriated?

Mr. WADSWORTH. No; the total sum authorized I think is approximately $70,000,000,000, but up to January 1 our actual expenditures were in the neighborhood of $10,000,000,000. They are expected to be larger during this coming year, but not to reach $66,000,000,000.

Mr. BLOOM. If the gentleman will yield, I can give the exact figures.

Mr. WADSWORTH. I am very glad to yield for that purpose.

Mr. BLOOM. The appropriations made direct to lend-lease up to date are $18,397,000,000.

Mr. WADSWORTH. That is actual appropriations.

Mr. BLOOM. That is the appropriations. The allocations as of January 1, 1943, are $16,675,853,000. The obligations as of January 1, 1943, are $13,194,982,000. The expenditures as of January 1, 1943, are $9,013,668,000. So the gentleman is pretty close in his estimate.

Mr. MUNDT. Mr. Chairman, will the gentleman yield?

Mr. WADSWORTH. I yield to the gentleman from South Dakota.

Mr. MUNDT. I think the best source of information in response to the question asked by the gentleman from Oklahoma is the report of January 25 of this year by the Lend-Lease Administrator, Mr. Stettinius. On page 64 of that report he sets forth precisely the amount of money that has been appropriated or spent.

Lend-lease appropriations to the President—that is an appropriation—are $18,410,000,000.

Transfers authorized from other appropriations, which also have been appropriated, of course, or they could not be transferred, $35,970,000,000

Value of ships which may be leased and ships built from earlier appropriations, approximately $8,000,000,000.

This represents a total that has been appropriated so far under lend-lease of a little over $63,000,000,000. That is actually appropriated.

Mr. RIZLEY. That is the point on which I am not clear. Do I correctly understand that we have appropriated, according to the statement there, including these transfers, about $63,000,000,000 up to date for lend-lease?

Mr. WADSWORTH. We did not make all the appropriations for lend-lease. Some of those appropriations were made to the emergency fund of the President. It turns out that he has used some of that money for lend-lease purposes.

Mr. RIZLEY. What I should like to have the gentleman as a member of the Committee on Foreign Affairs put in the RECORD is information as to who has received that $63,000,000,000, so that we can keep the RECORD straight as we go. Great Britain, as I understand, has received $4,000,000,000. To whom has the other $59,000,000,000 gone?

Mr. WADSWORTH. It has not been spent.

Mr. RIZLEY. It has not yet been spent?

Mr. WADSWORTH. By no means.

Mr. RIZLEY. Then is it a fair statement to say that we will not need to expect any additional appropriations for the purpose of carrying out this act within the next few months or the next year?

Mr. WADSWORTH. I am not competent to say as to that. I have not seen the Budget estimate. Our committee examined the purposes of the act and its operation. What the Budget is asking I do not know.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. WADSWORTH. I yield to the gentleman from Ohio.

Mr. VORYS of Ohio. The gentleman speaks of the amount Great Britain received. That possibly is not quite accurate. The United Kingdom received $3,959,950,000 and the other members of

the British Commonwealth of Nations received $2,393,193,000, a total of $6,353,-143,000, according to the lend-lease report furnished by Mr. Stettinius. Since then the amounts have increased. I thought the gentleman would probably want to explain that by Great Britain he meant the United Kingdom.

Mr. WADSWORTH. Yes; I did.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. WADSWORTH. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. The gentleman has made a very splendid statement showing the military significance of the lend-lease program. May I ask the gentleman, however, about another proposition in connection with it?

Certain high officials in the State Department say we are going to undertake to feed between 350,000,000 and 500,-000,000 people outside the United States. We are having a growing scarcity of food in this country, as the gentleman knows. I am just wondering if this program of feeding these 350,000,000 or 500,000,000 people outside this country is to be taken out of this $63,000,000,000, or how will it be handled.

Mr. WADSWORTH. Is the gentleman referring to an after-the-war period?

Mr. AUGUST H. ANDRESEN. The Under Secretary who made the statement said it was going to be done under lend-lease, and also in the post-war period.

Mr. WADSWORTH. I can only express my personal opinion about that.

Mr. AUGUST H. ANDRESEN. I would like to have the gentleman's personal opinion.

Mr. WADSWORTH. I do not think it was the intent of the Congress when we passed this act in 1941 or that it is our present intent or the intent of the administration of lend-lease that Lend-Lease shall become an agent for the feeding of the people of the world after this war is over.

Mr. AUGUST H. ANDRESEN. Then somebody is giving a wrong impression, that we are going to act as Santa Claus for the entire world and bring them up to our standard of living.

Mr. WADSWORTH. There is some very extensive dreaming going on.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BLOOM. Mr. Chairman, I yield 15 minutes to the gentleman from Texas [Mr. LUTHER A. JOHNSON].

Mr. LUTHER A. JOHNSON. Mr. Chairman, with our country engaged in war, fighting for its existence, it is unthinkable that the Congress of the United States will refuse to extend for 1 year the so-called Lend-Lease Act, under which authority we are furnishing our allies arms with which to defeat our enemies.

Two years ago, when we passed the original act, our country was not an active belligerent, and there may have been some reason then for difference of opinion as to the necessity for its passage—candidly it is difficult for me even now to appreciate the viewpoint of those who then opposed it—but I am not going to argue with them now; we are dealing with the present, not the past. We are in the middle of a war today, the greatest the world has ever known, and we must win it. The stakes are too great to take any chances. The destiny of mankind and civilization—aye, the preservation of our own Republic, hangs in the balance.

It is no wonder then that the Foreign Affairs Committee of the House, composed of 25 Members of this body—14 Democrats and 11 Republicans—after an exhaustive hearing covering nearly 4 weeks, and a searching cross-examination of all the witnesses who were examined, reached the conclusion that the part of wisdom required and the defense of the country demanded that H. R. 1501 should pass, and they so recommended unanimously, without a dissenting vote, and the bill is before you for your action, backed by the composite judgment of that committee.

It would seem unnecessary for any extended debate upon an issue so simple and about which there should be no controversy. Our committee was deeply impressed with the able and efficient manner in which the act had been administered by Mr. Edward R. Stettinius, Jr., the Administrator, and his staff, including Mr. Oscar Cox, the general counsel, both of whom attended the hearings daily and were most helpful in furnishing all information desired by any member of the committee. They were frank, candid, and anxious to supply the committee with all of the facts pertaining to its operation, and they evinced a personal and not a second-hand knowledge of what had been done. I doubt whether any department of the Government has ever been more ably or efficiently administered, and I think this statement reflects, not only my personal views, but those of the entire membership of our committee. I wish the entire membership of the House could have sat in on the hearings on this bill, and I believe if they had, not a single vote would be recorded against its passage.

I am gratified at the vast volume of supplies we have furnished to our allies in such a short time, and am surprised and pleased to know of the aid and material assistance that have been given us by our allies under its operation. Truly, lend-lease is not a one-way street.

The hearings and the report contain these in retail, and I assume that you have read them. If not, you should do so.

Further, the distinguished gentleman from New York [Mr. WADSWORTH], who has just addressed us, has given the facts and figures with reference to these contributions by our allies, and I shall not detain you by repeating them now.

While, of course, we have, insofar as material values are concerned, contributed a vastly larger proportion than we have received, this we expected to do, and should do, both because our material resources are greater and our country has not been invaded and our productive capacity impaired. Their factories and plants, their railroads, their business houses, their churches and homes, together with thousands of their men, women, and little children, have been liquidated and destroyed by the enemy. But they have not given up, but have continued to carry on with brave hearts and indomitable wills worthy of a great people and in a manner to challenge the admiration of the world.

I am proud to claim these great people—the British, the Chinese, and the Russians—as our allies, and if they had not fought as they have I shudder to think where we would be today.

And I likewise wonder, if we had not passed the Lend-Lease Act when we did and had not given them the planes, the tanks, the guns, and the munitions with which they have been fighting, where they would be now and how much nearer our enemies would be to us at this hour.

Lend-lease has not only helped our allies abroad; it has also helped us at home in preparing for our own participation and defense. It was by the launching of lend-lease that we started to make America the arsenal of democracy, and it marked the beginning of the conversion of our industrial plants into war industries. The speed with which our industrial plants were transformed into munition plants for our defense is a high tribute to the industry and ingenuity of America and is a feat unparalleled in the history of any other country.

I agree fully with the statement contained in our report, that it is imperative that the United States provide China with all the aid that can be supplied, and that it must be done with the utmost speed. The traditional friendship between China and the United States would of itself demand that this be done, but when we consider also the long and heroic fight, the sufferings and sacrifices of the Chinese people, who have literally been fighting with their hands, the American people feel that more substantial aid must be given to China to help her carry on the gallant fight that she has made.

The committee investigated this matter in executive session, and while I cannot disclose what evidence was deduced, I think that I can say that our Government realizes the importance of this tragic situation, and that everything will be done at the earliest possible moment to remedy it. We were thrilled by the magnificent address of Mme. Chiang, and her message through us to the American people will not go unheeded.

I shall not argue with those who object to calling this the Lend-Lease Act. The words "lend lease" do not appear in the act. Its title is "An act to promote the defense of the United States." "Lend-lease" is a mere nickname, but my experience is that it is difficult to eliminate a nickname, either in designating laws or individuals. It is not important as to what this act is called—the real thing that counts is what has it accomplished.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. LUTHER A. JOHNSON. Yes.

Mr. VORYS of Ohio. With respect to this matter of nicknames, I wonder if the gentleman would not think this idea

of calling it a mutual war aid would be rather more descriptive for what we are doing at this time.

Mr. LUTHER A. JOHNSON. I think that may be so, but it is very difficult to get rid of a nickname. It is just like the case of calling a boy "Sonny" and when he grows up a great many people still call him "Sonny."

Mr. JONKMAN. And so far as the supplies are concerned, in respect to whatever name may be given the act, it is just another case of a rose by any other name smelling just as sweet.

Mr. LUTHER A. JOHNSON. Yes.

Lend-lease is the great reservoir or the clearing house through which we furnish material aid to our allies, and by which they furnish us material aid. It is the pooling of the resources of our country and our allies with which to win this war, and nothing aside from the actual fighting is as important, and without it the fighting would have to stop. It has meant much thus far in whatever success we have had, and it will mean much more now since production capacity is now being reached in this country. No one act passed by Congress has contributed more and will contribute more to the defeat of the Axis.

Some months after the passage of the Lend-Lease Act, the press carried a story from a war correspondent in Europe of an interview with a German who was a Hitler satellite, and the correspondent was talking with this German about who was going to win the war, and the old German said that Hitler was going to lose, and when asked why, he replied that when the United States passed the Lend-Lease Act, it meant Hitler's doom.

I cannot vouch for the accuracy of the interview, but I know that I did read it in the press, and I think that in the years to come history will record the old German's statement as having been prophetically true.

When we pass this bill tomorrow, as we are going to do, we will have contributed something toward the winning of this war.

Sometimes we minimize and fail to realize the importance of the work that we do here. When Admiral Stark was Chief of the Bureau of Navigation, I said to him, "Admiral, the Navy is the first line of defense," to which he replied, "You are in error. The Congress is the first line of defense—the Navy can do nothing until you pass the laws and make the appropriation by which the Navy is built and operates."

And as we vote upon this bill, let us remember as we vote that by its passage we are hastening the day of victory and giving aid, not only to our allies, but to our own brave boys who are fighting on land, on the sea, and in the air, on Guadalcanal, New Guinea, China, Burma, and north Africa. As they are fighting and giving their lives on the battle fronts, may we not fail them here.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. LUTHER A. JOHNSON. Yes.

Mr. MURDOCK. I, too, shudder to think what might have happened to this country had not this act been passed 2 years ago. The ranking members of this committee are a few to whom so many owe so much for checking barbarism and preserving civilization. Permit me to express now publicly my appreciation of the splendid work which the gentleman now addressing us in the Well of the House, as one of those Members, has done in the passage of the act originally. I feel that this policy is the first line of defense for America and the beginning of victory, ultimately.

Mr. LUTHER A. JOHNSON. I thank my good friend for the compliment which he pays me.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLOOM. Mr. Chairman, I yield 15 minutes to the gentleman from Alabama [Mr. JARMAN].

Mr. JARMAN. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. JARMAN. Mr. Chairman, I need not call attention to the fact that a little more than 2 years ago when this original bill was passed, Great Britain was literally hanging on the ropes, and that she and poor little Greece, which was soon to be overrun by the Nazi juggernaut, were the only two democracies defending themselves, constituting the only armies which stood across the route of Hitler and Tojo to us. It was a solemn, a critical moment in the history of the United States, and of the world, a time which I think may very well be recorded as one of the turning points in the progress and history of the world. Most of you recall that at that time a very prominent witness before the Committee on Foreign Affairs, who was quite familiar with Europe, expressed positively the opinion that Hitler could not be defeated, that a stalemate was the best that we could hope for and strongly urged a negotiated peace. Unfortunately the circumstances at that time were such that many Americans agreed with Colonel Lindbergh in that opinion. Therefore, it is delightful to compare the situation which exists now with that which existed then, which enabled our leaders at Casablanca to indulge in the clarion call for unconditional surrender—an unconditional surrender which we must and will experience, when our enemies are defeated. We stopped too soon before, and we must not do so again. I thoroughly agree with one of the distinguished gentlemen who this morning referred to that battle for the lend-lease bill 2 years ago as history. We have no corner on patriotism on our side of the aisle, and among those on the other side who agreed with us at that time. Those who opposed that bill were just as patriotic and as anxious to do what was necessary for the defense of this country as we, and it was entirely a matter of difference of opinion as to the best method of approach. I recall that one of the original opponents of the lend-lease bill at that time introduced an amendment to lend Great Britain $2,000,000,000 with the inference that more would be forthcoming if necessary. I cannot refrain in passing from paying tribute to those ladies and gentlemen, my colleagues on the Foreign Affairs Committee, who disagreed with us at that time. I wish to sincerely thank and heartily congratulate them on the very fine, patriotic cooperation in which they indulged in the recent hearings, which enabled us to bring the extension of lend-lease to the floor unamended, and with a unanimous report which, of course, would have been entirely impossible but for the fine cooperation of those patriotic ladies and gentlemen.

The first lend-lease in history was from Britain to us, of shore batteries, to defend our coast in the quasi-war with France in 1799. In fact, prior to the World War Great Britain, which was then the financial power, with possibly one insignificant exception, never assisted its allies by a direct loan, but by subsidy.

Furthermore, it seems that our experiment in lending money to our allies to assist them in carrying on mortal conflict during the World War was unique. I need not call your attention to the unhappy result of those loans, to the bitterness which resulted in the minds of our people, who naturally considered those debts to be honest debts, owed to us, which should be paid. There was such a feeling along that line among our people that the Congress passed the Johnson Act, preventing the loaning of money to those nations in arrears to us in these debts. I have an idea, although it was not mentioned in the hearings 2 years ago or recently, that it was the belief of those charged with responsibility for our foreign policy and the defense of this country, that that bitterness had grown to such proportions that it would be easier to side-step the Johnson Act, as it were, by the passage of the lend-lease bill, than to amend that act. I think that was the real foundation of lend-lease in this war.

Mr. MURDOCK. Will the gentleman yield?

Mr. JARMAN. I gladly yield.

Mr. MURDOCK. In order that there may be no confusion on names, I presume the gentleman refers to the act passed at the instigation of Senator HIRAM JOHNSON of California years ago, when he refers to the Johnson Act?

Mr. JARMAN. That is correct.

Mr. MURDOCK. Since our colleague the gentleman from Texas [Mr. LUTHER A. JOHNSON], who, with others, has facilitated aid to our allies, has just spoken, I feared some might misunderstand and get mixed on those names. There are Johnsons and Johnsons.

Mr. JARMAN. Yes. I referred to Senator JOHNSON of California, who was just as sincere, no doubt, as our colleagues who opposed us 2 years ago. That was the attitude of a great majority of our people then.

In fact, the passage of the Lend-Lease Act was merely the final step in the functioning of democracy, as it brought the attitude of a great majority of the people of this country from that of strict isolationism, step by step, to a realization of the necessity for and determination to have, cost what it may, total, all-out national defense of this country. I will not take the time to dwell on those steps.

Suffice it to call attention to the fact that the people of America were leaning so far backward in their determination not to be justly charged with military mindedness, that when we had several hundred thousand of the flower of the youth of America in C. C. C. camps, Army housed, Army clothed, equipped, fed, and officered, public sentiment would not even permit us to give them 30 minutes or an hour a day of military training, which would have been very, very valuable, indeed, a little while later.

The passage of lend-lease, as I say, will go down in history as one of the turning points of history. It has accomplished much. Who can say that Great Britain could have continued to hold on to the rail without the assistance of lend-lease? I am very confident that the British Eighth Army could not possibly have been so successful in driving Rommel back 2,000 miles had it not enjoyed that tremendous number of tanks, guns, planes, and other matériel which was shunted to it on almost a moment's notice from the field of operation for which it was intended. Down in the South Pacific I am very confident that it would have been entirely impossible for our own fine boys to have enjoyed the success they have had it been necessary to use much of the tonnage in which the ammunition, guns, and other matériel went to them, for food to sustain their bodies, which was unnecessary because, as you have been informed today, a great majority of the food for those boys was furnished, as reciprocal aid, by Australia and New Zealand. These countries above have supplied our troops more beef and veal than we have furnished all our allies. I think no one will deny that the recent magnificent drive of the Russian Army, of which we are so proud, would not have enjoyed quite the success that it did, had we not sent to that front the tremendous amounts of planes and guns that have been mentioned to you.

I must confess that I shared what I think was the natural disappointment over the failure of the leader of the Russian nation to mention that assistance from us and from Great Britain, in his Red Army Day order of the day. But I then thought of the fact that the last time that outstanding leader urgently demanded a second front, the flotilla carrying the Army and the matériel to create that front in north Africa was already afloat, of which he was certainly aware. I felt and have felt since that his statement then was a part of the broad United Nations' strategy to throw sand in our enemies' eyes. I have hoped, likewise, since Red Army Day, that history repeated itself and that again Premier Stalin was throwing sand in Hitler's eyes by playing down the magnitude of lend-lease, and until I know more of what our Ambassador said I shall continue to so hope.

In such a tremendous program as lend-lease mistakes have undoubtedly occurred. It would be difficult to imagine a program of that magnitude being carried out without mistakes.

However, the main ones which have come to my attention and which came to the attention of the committee, when run down, as has been mentioned on the floor, were found to be either without foundation at all or entirely justified. In other words, you need pay no attention to the beer, powder puffs, and charges of that nature.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. JARMAN. I yield.

Mr. VORYS of Ohio. I join with the gentleman in his praise which he proffered to the ability of the Administrator, in the administration of lend-lease, in the prompt and courteous way in which he has disposed of any and all complaints, and I believe it was extremely helpful in bringing the bill favorably before the American people.

I apologize for interrupting the gentleman's brilliant statement on this important measure.

Mr. JARMAN. That is perfectly all right, and I sincerely thank the distinguished gentleman from Ohio, who is such a valuable member of our committee, for his contribution. What I had in mind, in referring to conduct being justified, was particularly such matters as the distribution of food in England, which I have not time to go into. At first it seemed out of order to me, but as the gentleman I am sure will agree, as soon as we learned the real facts, it was perfectly justified.

The President, indeed, chose wisely in his selection of Mr. Stettinius to carry out this important program, and I think he has done an outstanding job, for which we, the American people, and particularly our allies, will always be under great obligation to him and for which I wish to thank and congratulate him.

Every one, of course, would have preferred that more materials go to China, that magnificent nation which started the resistance. Of course China, I am sure the Chinese people feel, has been resisting Japan forever; more power to her and God bless her free people. I was speaking of Europe when I said only two democracies were resisting. That sentiment is unanimous throughout the United States, but it is simply one of the tragedies of war that the situation is such that it has been impossible heretofore, particularly since Japan attacked us, for us to convey more goods to China. I assure you that the Lend-Lease Administrator, the Foreign Affairs Committee—and while I cannot speak for him you know what the President has said—we are widely awake to the necessity that more goods go to China at the earliest possible moment, and I think it is perfectly safe to predict that the time is not far distant when the amount of lend-lease aid which has heretofore gone to China will fade into insignificance when compared with that which will be going every single month throughout the remainder of this war, until such time as China can be made the base for attack on Japan, that Great Britain is for attack on the European continent.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. BLOOM. I yield the gentleman 5 additional minutes.

Mr. JARMAN. Of course, there are many fine results of lend-lease, but it seems to me that outstanding among them are two, which are closely related: First, the undoubted fact that lend-lease already has greatly shortened this war and will shorten it considerably more during this year 1943.

Second, and related to that, or as a partial result of it, the thousands—and it may go into hundreds of thousands—of American lives which have been and will be saved by our putting our materials, our guns, our munitions into the hands of our allies thereby permitting them to use them properly against the common enemy, thus avoiding the necessity of so many casualties on our part.

Those, Mr. Chairman, are the outstanding accomplishments of lend-lease, from my viewpoint.

The time is not available to me to go into the matter of reciprocal aid, but I am sure that has been and will be thoroughly discussed. I do want to mention just one or two items: Great Britain has rendered more reciprocal aid than any other country, because we have more soldiers there and we will have rendered her more aid. Over a long period of time Great Britain has had a pay roll of $240,000 weekly for labor furnished to our army. When the north African campaign was in preparation two senior supply officers who were quartered or established at our headquarters told our command that whatever was needed for this invasion that could not be transported from America in time was theirs simply for the asking, provided it was available in the British Isles. Part of the assistance rendered during that invasion, assistance the magnitude of which we find it hard to visualize, was one item that impressed me greatly. When it was found that certain radio equipment in our planes was not suitable to the north African climate—and this discovery was made only shortly before the invasion—immediately upon being informed of that fact those British supply officers literally stripped the British Isles of that material so that our planes might be adequately and properly equipped when they went into action.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. JARMAN. Gladly.

Miss SUMNER of Illinois. I understand—perhaps I am wrong—that the theory of the campaign in the Near East is that whoever dominates the Near East dominates the world, and therefore it is important to us to be fighting there because we would be better off in the postwar period to have England dominating the Near East than some other country. At the same time is it not true and perhaps more important to England and the British Empire to dominate the Near East than it is to America to have England dominate the Near East?

Mr. JARMAN. That is probably true. However, the all-important consideration is to make sure that both Great Britain and the United States make all-out contributions toward preventing the Axis from dominating that part of the world.

Mr. SUMNERS of Texas. Mr. Chairman, will the gentleman yield?

Mr. JARMAN. I gladly yield to the distinguished gentleman from Texas.

Mr. SUMNERS of Texas. And the great thing at present, and more important, is to win this war.

Mr. JARMAN. Certainly. I thank the gentleman for his contribution, and also the gentlewoman for hers.

The very cooperative way in which this whole lend-lease concept has been carried out by all concerned surpasses any cooperation in the history of great coalitions. It augurs well, I think, for the future cooperation of the United Nations in seeing that this Old World continues to be a decent place in which to live. It is our best basis for hope for the long period of uninterrupted tranquility and peace for which we all so earnestly hope and fervently pray.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. LUTHER A. JOHNSON. Mr. Chairman, I yield such time as he may require to the gentleman from West Virginia [Mr. Randolph.]

Mr. RANDOLPH. Mr. Chairman, the need for the action of Congress affirmatively in the continuation of the lend-lease administration is felt, of course, very strongly by the Members on both sides of the aisle. I have voted in the past for this program and will this week vote to continue these functions.

I should like to say in my few remarks that I wish to make that perhaps the strongest reason for the continuation of our present lend-lease program is the fact that we are in an almost wholly mechanized war, a war which calls on increased resources, especially of America, to be poured into the cauldron of this conflict.

I direct your attention to one illustration which will carry forward what I mean. When approximately 1,100 planes from many air bases in Great Britain converged over the transportation and manufacturing network of the metropolis of Cologne in Nazi Germany there were dropped from those planes in approximately 90 minutes more than 6,700,000 pounds of ammunition. If we were to go back to the days of our War Between the States we should find that in the decisive battle of Gettysburg when for 3 days the forces of the North contested with the forces of the South, in all that terrific battle there were consumed but approximately 1,300,000 pounds of ammunition; yet here in this 1 engagement of one hour and a half 6,700,000 pounds were consumed. In that one raid of 1,100 planes more than 1,000,000 gallons of high-octane gasoline were needed. To change this into another figure, it took more than 400,000 barrels of crude oil to produce that volume of gasoline for those hard-hitting bombing planes.

And so into the waging of a mechanized war go the sinews of a peacetime economy here at home and we must realize very, very deeply the sacrifice and the service which are necessary, not only for America but for the other nations who cooperate with us.

Let us, my colleagues, be certain that a mutual understanding and trust be forthcoming on this lend-lease aid. I would not inject into this debate a false note on this score, but I will say that I am at a loss to understand why Stalin is reported to have stated February 23, "The Red Army alone is bearing the whole weight of the war." Such an utterance is almost inconceivable in the face of published figures on our assistance to Russia. The following is a news story from the Times-Herald of today:

LEND-LEASE AID TO RUSSIA OVER BILLION

Over-all lend-lease aid to the Soviet Union up to February 1, 1943, totaled $1,300,000,000, Lend-Lease Administrator Edward R. Stettinius jr., reported recently to congressional committees.

Some of the specific figures included:

Two thousand six hundred planes,

Three thousand two hundred tanks,

Seventy-two thousand five hundred trucks,

Seven thousand seven hundred motorcycles,

One thousand three hundred military tractors,

One hundred and thirty thousand submachine guns,

Three million pairs of boots and eighteen thousand tons of sole leather,

Seventy-five thousand tons railroad rails and other railroad equipment,

One hundred and forty thousand field telephones and "hundreds of thousands of miles" of telephone wire,

Two hundred and sixty-eight thousand tons petroleum products,

Five hundred and eighty thousand tons steel,

Forty-six thousand tons aluminum and duraluminum.

Twenty-one thousand five hundred tons of zinc,

Ninety-four thousand tons copper and brass,

Fifty thousand tons toluol and TNT,

Seventy-five thousand tons other chemicals, and

Tremendous quantities of food.

I hope it will be possible to send larger supplies to China during the coming year. I remember telling this House on March 28, 1942, that General Wong had said to me that—

The Chinese pilots are superior to Jap airmen, and they could have won battle after battle in the skies even though they had but one plane against four for the enemy.

Japanese forces are held in check by the bravery of China's fighting units. If that country cannot carry on this Axis partner will have men and material to shift to other fighting fronts.

Mr. Chairman, I recall that more than 3 years ago I presented legislation to this House which would have called on our Government through the President, to enter into negotiations with the British and French Governments looking toward the acquisition of certain islands owned by those two powers, those islands to be given to the United States in partial payment of the war debts that were owed to us.

The first resolution, House Joint Resolution 482, was introduced March 4, 1940. It was as follows:

Joint resolution for the acquisition of British islands in the Caribbean and British Honduras

Resolved, etc., That the President is hereby requested to enter into negotiations in such manner as he may deem appropriate with the Government of Great Britain for the acquisition by the United States of the islands of the Bermudas; the Bahamas—Jamaica with the Turks, Caicos, and Cayman Islands; Trinidad and Tobago; Barbados; the Leeward Islands—Antigua, St. Kitts, Nevis, Dominica, Montserrat, and Virgin Islands; the Windward Islands—Grenada, the Grenadines, St. Lucia, St. Vincent; together with British Honduras, in part payment for the indebtedness of such Government to the United States.

The second proposal was House Joint Resolution 511, introduced April 10, 1940, which was in these terms:

Joint resolution for the acquisition of French islands in the Caribbean and the North Atlantic Ocean

Resolved, etc., That the President is hereby required to enter into negotiations in such manner as he may deem appropriate with the Republic of France for the acquisition by the United States of the islands of Martinique, Guadeloupe, St. Pierre, and Miquelon, in part payment for the indebtedness of such Government to the United States.

Wayne Parrish, writing in the March 1 issue of American Aviation on ownership of island bases, expressed the following thought provoking sentences:

Are we going to pay the cost of reaching these goals and turn the benefits over to others who probably could not have succeeded without our help? Such a state of affairs would leave no assurance that our share of the costs resulted in security for the future.

The legislation, similarly before the Senate, received no consideration at the hands of committees, and today I recall it only because I believe we must be thinking of these post-war problems as we rightly pass this legislation and of the responsibility of those who fight with us, in that they shall as far as possible repay to the Government of the United States, through some method, that which we have so generously extended.

Mr. McCORMACK. Will the gentleman yield?

Mr. RANDOLPH. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. We have the best bases on those islands. Now, if we take over the islands, we will have to take over the people, and if we take over the people we will have to provide for them. Has the gentleman thought through to a final conclusion as to just where it might lead us and just what the long-range implications might be?

Mr. RANDOLPH. I appreciate the observation of the gentleman from Massachusetts. I have thought the implications through. I was particularly interested, more than 3 years ago as I am now, that those islands be used for the purpose of forming a ring of steel, a citadel of defense for the United States of America against any aggressive powers that might attack us in the years to come.

I conclude with the thought that every extravagance in our individual life during these trying days on the home front—every excess in the operation of government here at home—lessens by that degree the equipment and the manpower with which we fight resourceful and ruthless foes. In my opinion, the membership of this House must in every possible way not take a second position but stand in the forefront of a determined drive to show not only to the rank and file men and women of this Republic that we are capable of leadership toward those desirable ends, but that here in the

operation of our body politic we will keep nonessentials from creeping into the cost of government.

Mr. Chairman, I believe in America; I believe in the destiny of our land and its people. I feel that we can cooperate fully with these other nations in the successful prosecution of this war. I know that we are still the land of liberty; I know that we remain the citadel of courage, conscience, and Christianity; I know we are the fortress of freedom; I know that we are the hope of the world; and there devolves on the individual and the collective membership of this body the responsibility for a courageous leadership which will function intelligently, not only in the passage of this legislation but in worth-while and far-reaching acts during the Seventy-eighth Congress.

Mr. EATON. Mr. Chairman, I yield such time as he may desire to the gentleman from Indiana [Mr. SPRINGER].

Mr. SPRINGER. Mr. Chairman, at the outset of what I have to say on this measure, let it be understood that I voted for the rule which makes possible the consideration of this bill, and I will vote for the passage of this bill, H. R. 1501. The considerations which impels me to make that statement are these: We are now engaged in the most frightful war the world has known, and we must win this war. Every essential thing which will lend aid to a speedy and decisive victory in this war must be extended to our own armed forces and to those who are engaged with us in this war for liberty and freedom. We cannot deprive our allies of the necessary food, munitions of war, and armament with which to carry on this war 100 percent for victory. We have charted the course upon which we have already embarked, and we cannot now turn back and leave our allies unprepared to continue the fight for victory. We must carry on, and we must aid, unstintingly, in this all-out effort to win this war to make liberty and freedom the watchwords of the nations of the world.

As we engage in the debate on this measure, we must not be unmindful that vast sums of money have already been spent in the maintenance of the so-called lend-lease program. As a matter of fact, the money, the food, the ships, planes, tanks, and guns which have been provided for our allies in this war has been largely given away. The precedent established in World War No. 1, by practically all of the foreign countries, of accepting our material assistance but of "permitting us to whistle in the dark for our pay" will, no doubt, be followed by those nations which now receive our blessing and our bounty in this war.

We suffered greatly under that policy in the last World War, and we will, no doubt, suffer greatly because of that same attitude following this World War. But, regardless of those considerations, we must resolve that we are engaged in the most frightful war the world has ever known, that we have boys from our country on every front who are now engaged in this war, that we must back up our own boys with every type and kind of supplies and munitions of war, and that includes the proper aid in manpower, armed with the proper and necessary equipment, from all of our allies. We must not let our boys down—we cannot let our boys down. We, who cannot go to the front, must constitute the great reserve at home who will back up our boys with all we have, all we can produce, and all we can deliver to them. Our boys must go forward to ultimate victory.

Mr. Chairman, very recently the Lend-Lease Administrator made the statement that this program has resulted in a genuine pooling of the available services of the United Nations, with the United States supplying 44 countries with lend-lease food and materials, and that "lend-lease in reverse" has been contributing food, equipment, and other resources to maintain American armies on foreign soil. It is very unfortunate that we do not have available the extent to which "lend-lease in reverse" has contributed to our armed forces.

However, we do have the record on some of the extension of aid by our own country, and Mr. Stettinius, the Administrator, stated that up to January 1, 1943, the United Kingdom received $2,440,000,000 worth of lend-lease supplies, including 10 percent of all the food it consumes. Russia received $1,300,000,000 worth, including planes, tanks, trucks, 130,000 submachine guns, more than 98,000,000 pounds of TNT and toluol, 174,000,000 pounds of copper and brass, and large amounts of food, munitions, and raw materials. Shipments to the Middle and Far East aggregated $1,650,000,000, including those to Australia, New Zealand, India, and China. But we are informed that the amounts already expended under the Lend-Lease Act approximate $10,000,000,000. He further stated:

> Aid to China, which has not been nearly as great as the situation requires, is increasing now and more planes are being made available for air-borne shipments into China.

It is my hope that Mr. Stettinius is correct. China has suffered greatly, and she continues to suffer. She has borne the brunt of battle for a long time, and she has stood up before her ruthless enemy half rationed, half clad and half equipped. It is my fervent hope that China will receive the necessary aid in food and supplies which will equip her armed forces to the point that she has a fair chance to drive Japan from her soil. When China is properly equipped with supplies and munitions of war—when she has planes, tanks, guns, and ammunition—I firmly believe she will aid materially in the defeat of Japan, and thus lend material aid to us in our final victory over this ruthless foe.

Mr. Chairman, it is worthy of mention at this point that in the recent report, to which I have referred, Mr. Stettinius showed that 1942 lend-lease exports of food took 5 percent of our total meat supply, 3.4 percent of all of our milk products, 13.2 percent of our fats and oils, 10 percent of our dried eggs, 7.1 percent of our frozen and canned fish, eight-tenths of 1 percent of our canned vegetables, 1.7 percent of our canned fruits and juices, three-tenths of 1 percent of our wheat products, 6 percent of our dried peas, and 5 percent of our dried beans. He further stated, "Since March 1941 we have delivered to our allies about 4,000,000 tons of foodstuffs, at a cost of a billion and a quarter dollars."

Frightful as these figures may appear, and as we face rationing of every kind here, we are using every effort to aid in winning this war—and we are content to suffer whatever hardship may be imposed upon us, which is, in fact, necessary for victory.

Yet, in the face of the huge supplies which we have sent, and which we are now sending, to our allies—we must not forget—and I hope Mr. Stettinius will not forget—that we have a terrific food problem at home which must be solved. We cannot send food and supplies to all of the countries of the world which are either friendly to us, or which are engaged in this war with us, and at the same time maintain our own Army and Navy, and supply our own people with the necessities of life. And, with the present shortage of food in this country, and with the great shortage of food which will become a reality before the end of 1943, the Lend-Lease Administrator has a problem which will call for immediate action.

I make that statement, Mr. Chairman, because we now have a great shortage of food here, which is evidenced by the rationing of food of almost every type. Many farmers are quitting farming because their farm boys, and their farm help, has been taken into the Army. In the central and midwestern sections of our country, where farming is the principal occupation, the newspapers are well filled with notices of farm sales, and many of those sale notices begin with the statement, "because my boy has been inducted into the service of his country, I am compelled to sell out and quit farming," while others contain this preliminary statement, "because of the scarcity of farm help, I am unable to operate my farm and I am forced to sell out and quit," and this tells the story, in part. Another cause of the loss of farm labor and farm help has been the exceptionally high wages that have been paid by defense plants, and this has made inroads among those who have heretofore engaged in assisting in farm work. But, the net result has been that the farmer—those who produce the food in this country—have suffered greatly, and many of them have sold out—they have sold their livestock and their farm—and many of them have sold their livestock, but retain their farm, which will be idle during the year 1943, because they cannot secure the necessary labor with which to operate it. This will cause a great shortage in the production of food.

Mr. Chairman, we find some very pertinent statements in the press of today. One of those statements, which relates to the food situation appears to come from Secretary of Agriculture, Claude Wickard, in which he states that—

> The public will have to eat animal feed as substitutes for meat.

In the very same newspaper we find the bold headlines, as follows:

> Stalin hides United States aid.

This startling statement comes from Ambassador Standley, stationed at Moscow. In the purported statement of Ambassador Standley, at a press conference, he is reported to have stated:

> It is not fair to mislead Americans into giving millions from their pockets, thinking that they are aiding the Russian people, without the Russian people knowing about it.

The Ambassador further stated, according to reports:

> I have been carefully looking for recognition by the Russian press of the fact that they are getting material help through America not only through Lend-Lease but through the Red Cross and the Russian-American Relief, and I have failed to find any acknowledgment of that.

This attitude on the part of Russia is unexplainable. It is unthinkable that Russia, or her leaders, want to suppress from the people of that country the fact that we are lending aid of every character in this war.

Mr. Chairman, following up this information regarding the farmers and their inability to farm their farms because of the lack of farm labor, may I say that within the past few days I have received numerous letters from farmers in the district which I have the honor to represent, in which they gave me the lists of farmers who were either quitting farming, or were materially reducing the acreage they would farm in 1943, all because of this obstruction. Especially do I wish to refer to a lady, who resides in one of the counties of the Tenth District of Indiana, who has ever been one of the outstanding farm women in her county, and she enclosed to me 14 notices of farm sales, all published in one issue of her county newspaper, being the farmers who were selling their dairy herds, and their livestock and farm implements, and some of them were offering their farm land for sale. What does this mean, Mr. Chairman? There can be but one answer, and that is that the production of our food supply will be greatly reduced in 1943. We are rationed now because there is a shortage. Before the end of 1943 that shortage will be much greater, because of the reduced production of food.

Mr. Chairman, we must not forget that the production of food on the farms was 12 percent greater in 1942 than in any previous year of record. Yet, with that tremendous overproduction we have our present food shortage, and this shortage threatens to become very much worse. Recently the Department of Agriculture announced a program for 1943 that will average better than 14 percent increase in 10 leading items. Warnings that this proposed increase, even with favorable weather conditions equal to that of 1942, cannot be met have not gone unheeded. In testimony, recently given, the Secretary of Agriculture was not optimistic that the program which he proposed could succeed.

On last Saturday the War Manpower Commissioner issued orders to cease drafting essential farm workers, even though the quota was not filled, and since that time, that same Commissioner, in a move to secure more selective-service registrants for farming, issued an order reclassifying all men over 38 years of age who are now farming or who will enter farming by May 1 of this year. This recent move is encouraging, indeed. We hope, Mr. Chairman, that the Administrator of lend-lease funds will come to realize the shortage of food in this country at this moment, and the threat of a greater shortage in the future, and that he will govern himself accordingly. We cannot stand idly by and see our own people, in this country, go hungry, and witness the exporting of vast amounts of our food to other countries. We are at war, but we must feed our people at home, as well as those in other countries.

As we go forward, let us win this war, let us feed our Army and our Navy, let us feed our own people, and whatever remains let our allies have the benefit of all that food. But we must realize that we cannot finance and feed the world in time of war, when we are engaged in a terrific struggle to win a victory. Let us conserve, let judgment prevail, and victory will be ours.

[Here the gavel fell.]

Mr. EATON. Mr. Chairman, I yield such time as he may desire to the gentleman from Kentucky [Mr. ROBSION].

Mr. ROBSION of Kentucky. Mr. Chairman, the bill before us extends the so-called Lend-Lease Act for a period of 1 year. The original act was considered and passed by the House early in 1941 long before we entered the war. It was urged by the administration that the passage of this act would keep us out of war, and many insisted we would likely not be called upon to furnish more than $7,000,000,000 of war equipment and other supplies. It is fair to say one of the proponents of the bill readily admitted it was a war measure and amounted to practically a declaration of war.

It was also claimed by the proponents that it was a sale, lend, or lease of this equipment and materials to nations friendly to us. Many of us believed it was a war measure and would likely involve us in the bloody European-African-Asiatic War, and that there would be no sale, lend, or lease, but, as a matter of fact, it would turn out to be a gift and that the sky would be the limit. We opposed the original bill for these reasons, and for the further reason that we were unwilling to grant to the President the far-reaching and extraordinary power to give away any or all of our ships, bombers, planes, guns, tanks, shells, or other war matériel and food supplies without limit to whomsoever he might desire.

We are now in the war, and each and every one of us desires to do whatever is necessary to win the war at the earliest possible moment, bring victory to American arms, save as many lives as possible, get our boys, including my own son back home, lessen the war burdens of our people, and restore our country to peace and normal conditions.

The lend-lease is one of the few authorizations of Congress through the years that has no dollar limit—the sky is the limit. Congress already has actually appropriated sixty-three billions and no one can say how much more will be turned over to the President to give away before the war is over.

The records of the Treasury Department show that the United States spent on the First World War from its beginning on April 6, 1917, to the signing of the armistice on November 11, 1918, twenty-one billions. We can see there have already been appropriated and put at the disposal of the President, under this so-called lend-lease three times the cost of the First World War from its beginning to the signing of the armistice.

It is claimed, however, that only about ten billions of this sum have actually been used in war equipment and supplies turned over to other countries by the President. We had turned over to the British Empire up to December 31, 1942, about six and one-half billions. We are informed that sum has now increased to about eight billions. We have turned over to Russia in all up to this time about two and one-half billions, and we have turned over to China less than two hundred millions to this date. We have made lend-lease contributions to practically all the countries of Central and South America and the West Indies. The Administration reports that 43 nations are entitled to lend-lease benefits; 30 nations have signed up for these benefits, and I assume that benefits heretofore have been given to 30 nations.

The President, the War and Navy Departments, and our high military and naval officers have urged that the Lend-Lease Act be extended for 1 year. The Committee on Foreign Relations of the House, by unanimous vote, approved this extension for 1 year. As we are in the war, and it is urged that this act will be helpful in winning the war, it is my purpose to vote for this extension as a war measure. The hopes of those who favored it as a measure to keep us out of war have been blasted.

There are persons in this country, over the radio and in magazines and newspapers, advocating the use of the so-called lend-lease policy as a post-war activity. They would use our taxpayers' money to carry out a super or glorified world W. P. A. and undertake to feed and clothe some 500,000,000 people throughout the world for many years. The burdens of the American people will be such at the close of the war that we cannot pour out additional billions to carry on such a utopian scheme. I oppose such a policy, and I am sure the American people generally will oppose that policy.

Then there are other internationally politically minded groups who have it in mind to set up a supergovernment of the world after the war, and to use lend-lease billions to entice the people of various countries to join in this supergovernment. In this supergovernment the United States would be merely one of the units, with representation in this supergovernment, but subject to executive, legislative, and judicial branches, superior to and controlling our country and other countries of the world. I am opposed to our country entering into or becoming a part of such a supergovernment. Of course, the United States would be called upon to carry the major

part of the load of supporting such a supergovernment, with only one voice out of many voices in its direction and control. Not one dollar of lend-lease should be used to carry out such a purpose. The lend-lease should be maintained and operated for the sole purpose of providing essential and necessary aid in the winning of the war, and when the war is over this great burden should be removed from the backs of the overburdened taxpayers of this Nation.

The American people have been told lend-lease is a two-way proposition; that we let other countries have war equipment and matériel and supplies, and they in turn furnish us with war equipment, matériel, and supplies. We show them in dollars and cents the value of what we have furnished. There is no such showing on the part of our allies. They give in some cases tons, pounds, but they do not submit any statement as to the dollar value. I think it can be safely said that for every dollar we put into lend-lease that no more than 10 cents is given to us.

We do not have a sufficient check and audit of these billions that are being given away by the President and no audit of the things we receive. It is only fair to the people of this country that such an audit and checking be furnished to the Congress, and we hope to have an opportunity to vote for an amendment that will require a checking and audit of all the things we have given away under the lend-lease and those things we have received.

No doubt the lend-lease has been of very material help to Great Britain and her dependencies and to Russia. The matter of deepest regret is, we have been able to furnish so little to China. We have furnished China, according to the latest report, less than $160,000,000. China has been fighting since 1937. Millions of her people have been killed and other millions have been starved to death. Many of her great cities have been practically wiped out, and a big part of her country has been overrun by the Japs. Much less than 3 percent of lend-lease has gone to China. She needs it more than any other country. She is nearer to our territory, and will be of greater service than any other country in helping us to get back our own soil—the Philippines and other island possessions in the Pacific. Should China be knocked out of the war it will greatly lengthen the war, and it will mean the loss of hundreds of thousands of American lives, and cost tens of billions to our country. A way must be found, and found now, to help China. We owe this to China for another reason: From 1937 to 1941, while China was fighting heroically for her very life, our country was furnishing Japan more than 50 percent of her war matériel and supplies in the way of gas, oil, scrap iron, food, and other products; Britain and Holland furnished Japan more than 30 percent. Army and Navy men agree Japan could never have overrun and plundered China but for the supplies furnished to her during those 4 years by our country, Britain, and Holland—and our country, Britain, and Holland are now paying dearly.

I have always been of the opinion, and still hold that opinion, that Japan is the greatest threat to our country and our possessions. Our real danger is in the Pacific. Action against Japan must not be delayed until Japan can consolidate and develop the natural resources of the territory which she has taken from us, Holland, Great Britain, and China. Every day she holds these possessions she strengthens her ability to wage a long and costly war against us. Let us not forget the United States and China will have to bear the major burden of whipping the Japs. We are flying bombers to Australia, Egypt, and India. Why do we not fly a lot of bombers to China? They must have help and have it now.

VICE PRESIDENT WALLACE AND RUSSIA

The press reports Vice President WALLACE in his speech at the Ohio Wesleyan University, Delaware, Ohio, on yesterday as saying:

If the United States double-crosses Russia there will be another war.

This is a most unfortunate statement. This is the first intimation that we have had that there had been or is any effort on the part of the people or the Government of the United States to double-cross Russia or mistreat her in any way. We wonder what caused the Vice President to make such a statement. He is a part of the Roosevelt administration. If there is any double-crossing of Russia on the part of the administration, the Vice President should know about it. I cannot believe that there is any effort on the part of the administration or the American people to double-cross Russia in this war. We all appreciate the heroic defense that the Russians have made of their people, their homes, and their country.

Our country has aided Russia in a most generous way and will continue to aid her in winning the war. We have given her over 3,000 of our best bombers and planes, many thousand of our best tanks, 130,000 machine guns, nearly 100,000 motortrucks and other vehicles, as well as ammunition and other munitions of war. We shipped to her last year 17,000,000 pounds of butter, and we have agreed to ship to her this year 170,000,000 pounds of butter and, as a matter of fact, we have less than 50,000,000 pounds in reserve for our own use. The American people have denied themselves butter, as well as other food and supplies, to send to the aid of Russia. We are eating oleomargarine instead of butter and will lessen our consumption of butter and increase our consumption of oleomargarine. Up to this time we have sent to Russia two and one-half billions worth of munitions of war and other supplies. There is no doubt but what the United States will do her full share and more in aiding Russia and other allies.

Last year we spent nearly eighty billion on our war effort. Russia spent about fifteen billion and Great Britain nineteen billion. This year we plan to spend more than one hundred billion and the British Empire twenty-one billion. China spent last year about five billion. It can be seen that the people of the United States are putting up more than twice as much as Russia, Great Britain, and China combined in this war. We are calling 11,000,000 men and boys into our armed forces. We have approximately 132,000,000 people and three and one-half million square miles of territory. Russia has nearly 200,000,000 people with 8,819,791 square miles of territory. The British Empire has 500,000,000 people with over 16,000,000 square miles of territory. China has about 450,000,000 people with 4,314,097 square miles.

No seamen have surpassed in heroism the seamen of our merchant marine in carrying supplies to Russia and Great Britain. The United States has not double-crossed Russia or any other country and will not do so. It would be well for the O. W. I. to censor the speeches of our Vice President. Statements such as his can serve no purpose except to create suspicion and stir up discord, and add to the worries and fears of the American people. The American people are giving their all to win this war. Why say that our country is doing or may do something to bring on a third world war and with one of our allies?

PROTECT FARMERS, WORKERS, AND INDUSTRY

I understand that an amendment will be offered to this bill giving the House and Senate an opportunity to pass upon the final benefits as provided in the original Lend-Lease Act growing out of any lend-lease agreements with the various nations. We deem such an amendment very necessary in order to protect American labor, the American farmer, and American industry. Under the Lend-Lease Act, the President is clothed with extraordinary powers. We do not want any agreements entered into affecting adversely American labor, the American farmer, and American industry after the war. This lend-lease program is receiving support now because it is a war measure, and must not be used to carry out the economic, social, or political schemes of theorists. We must preserve the American Constitution, private enterprise, our national credit, and the American way of life.

Mr. EATON. Mr. Chairman, I yield 15 minutes to the distinguished gentlewoman from Ohio [Mrs. BOLTON].

Mrs. BOLTON. Mr. Chairman, I am very happy indeed to have evidence that the members of the majority party are concerned that we not spend money, time, and energy upon unnecessary things during the war period. It is a relief to those of us who have been striving for some time to confine the expenditures to the war and to do those things which will equip our boys and the armies of our allies. I am delighted to have the expressions we have just heard from the honorable gentleman from West Virginia.

As you know, your committee held hearings on the resolution to extend

lend-lease. A period of perhaps 4 weeks, I am sure you will agree with me, was too short a time indeed to go into the details and the far-reaching implications of the act. Some of the material contained in the printed hearings was submitted at the very end of the hearings. These are not reflected in the report in any way. I suggest that you make a very careful study of the last pages, not the editorials that were inserted at the end but the testimony submitted by the Lend-Lease Administrator and others in the last part of the hearings. You will find it an exceedingly worth-while study.

Many of the matters upon which the Foreign Affairs Committee could touch only lightly will, of course, be considered in greater detail when they come before the Appropriations Committee. But based upon the study that we did make—and we did give ourselves as conscientiously as it is humanly possible to do to the study of the bill—it is my considered opinion that the resolution to extend the life of the Lend-Lease Act should have the support of all Members of the House. I should mention also that everyone is in agreement with the honorable gentleman from Alabama [Mr. JARMAN] when he said that mistakes were made. Of course, mistakes were made; mistakes in judgment and administration both. It would be folly to attempt to present it as an infallible instrument. It would be almost ridiculous to assume that any man or any group of men could carry out the permissives contained within the act with unfailing good judgment. But it was the method set up by a majority vote of the Congress first to help England, then it was expanded to help such other of the United Nations as the President found vital to the defense of the United States.

In the course of his testimony before the House committee, Mr. Stettinius said:

> If we look back * * * we realize that a principle has been hammered out in a time of crisis. That principle is the principle of total cooperation among the nations in the waging of war, cooperation in the interest of each and for the benefit of all, the only principle by which a war of alliance can be successfully waged.

I call your attention to that phrase, "total cooperation." All Government witnesses appearing before the committee reiterated time and time again that lend-lease has become a powerful agent in the development of practical cooperation between the nations. Certain is it that we need more and more cooperation, not less and less. To this end, the continuance of the techniques established would seem advisable, even essential.

It was brought out that this cooperative principle which the Allied Nations are using could serve as a framework for methods of cooperative thought and action in the post-war era, when we shall sit down together to develop bases for a durable peace.

Because it was the general desire of our committee to give to you and to the people as broad concepts as possible of the principles of mutual understanding and cooperation being put into practice under this act, I shall not dwell on what I have called mistakes of judgment or of method that have been an inevitable part of the human equation in the development of this two-way road and which have been developed by other members of the committee for your benefit. Rather do I want to use the few minutes allotted me to call attention to certain changes that seem both advisable and necessary if this method is to carry out in fact the principle Mr. Stettinius says has been "hammered out," namely, the principle of total cooperation among the nations. This principle put into effect can point the way of the future.

The Lend-Lease Act was very much an experiment, and it has been put into operation, as experiments are, by the trial and error method. It is our present way of working with our allies and they with us. If it is to be continued, and I trust it may be, it is my opinion that it could and should be strengthened by being made more realistic and more effective. To this end I will call your attention to the hearings, which show quite conclusively that the program is operated as an integral part of a global strategy for waging war.

It is very evident that the allocation of shipment of lend-lease supplies depends upon the decisions made by the military group. The supplies are pooled. These military authorities have been brought together to decide upon war strategy and to plan procedures as to the relative strategic needs of the fronts upon which will fall the greatest burdens of the war as well as the shifting and unpredictable fortunes of battle.

It becomes increasingly apparent that the war cannot be won unless there is a completely integrated and over-all strategy, agreed upon by the United Nations or at least by the four great nations who are carrying the brunt of the fighting, the United States, Great Britain, the Soviet Union, and China.

This is true both from a military point of view and from the standpoint of developing the kind of cooperation in action and in mutual trust which is the only possible guaranty of a stable post-war world.

Therefore, if the lend-lease program is to become a truly powerful factor in developing that relationship, we ought to make it the kind of agency that will set an example for joint action of the United Nations.

The President's speech upon his return from Casablanca indicated that the general strategy for prosecuting the war makes it more necessary than ever that there be the fullest participation by the United Nations in the execution of this strategy.

It is not enough to say that our authorities have constant contact with representatives of our allies. What is needed is formal and equal participation by those sharing in the greatest sacrifices and making the greatest contributions toward the common goal. The lack of this equal and formal participation is evidenced by the cropping up of differences from time to time among the United Nations which serve only to give fuel to those who would like to disrupt the United Nations coalition.

Recently we dealt only with England. As we grew we did not grow in our method. As the scope of the activity is extended, we should extend these boards of strategy and of conference. It is unintelligent not to. Our objective is the attainment of an unbreakable unity of the United Nations, based upon full agreement on a global strategy for speedy and complete victory and a lasting peace. The lend-lease program should and can be made a more effective instrument for achieving these objectives.

In the first place, the chief policy-making body which determines lend-lease allocations is the combined general staffs. I repeat that at present these include only the staffs of the United States and Great Britain. It is my certainty and conviction that both the Soviet Union and China should be formally included.

The instrumentalities for executing the policies of the lend-lease are the various combined boards, such as the Munitions Assignment Board, Raw Materials Board, Food Board, and so forth. These boards also should be broadened to include China and the Soviet Union. None of the witnesses heard resisted the idea, and the testimony of Mr. Stettinius indicates that he considers this a very important question and that he feels it comes entirely within the function of Congress to make suggestions. To my mind, it is not only the function of Congress but its duty in the determination of sound policies for prosecuting the war.

I am well aware that it may be argued that we cannot include two of our allies and omit the rest, and that such full inclusion would be unwieldy and unworkable. To my mind, the other nations would be thoroughly satisfied to have the combined war boards consist of representatives from the four nations upon whom victory depends, namely, the United States, Great Britain, the Soviet Union, and China. The fate of all the other nations depends upon these major allies.

It can be argued further that inasmuch as the Soviet Union is not at war with Japan she therefore could not sit in on joint strategy meetings without creating a strain in her relations with Japan. Why not let her be the judge of that? After all, she could be given the opportunity. Surely we cannot be so naive as to believe that some plan could not be worked out which would make it clear that her participation would be limited to those strategy questions having to deal with the enemy we are fighting in common.

China is fighting with us. Her situation is clear. She has withstood the enemy over a period of years with unbelievable courage. She is an essential part of allied strength and strategy in Asia, but she is not represented on the combined general staffs or upon the combined boards of the lend-lease agency.

Incidentally, may I inject here that our arrangements with China could be put immediately upon a protocol basis as are

those with Russia, that she might have at once a larger proportion of our production and better priorities.

It has been argued that these combined boards, including the chiefs of staff, are limited to the United States and the United Kingdom because they are the chief producing nations. Such an argument cannot stand against the constant reiteration by witnesses and by all exponents of lend-lease that it is an over-all program of reciprocal assistance and that an incalculable factor must be in terms of human life, of territory, and of their consequent suffering and immeasurable courage. The testimony as well as the language of the master agreements repeat time and time again that the mutual benefits cannot be counted in dollars and cents alone. The philosophy of lend-lease, as I understand it, is based upon such contributions by each nation best calculated to serve the common goal.

It seems obvious that if it is to serve the common welfare, it must be based upon a common strategy for conducting the war. Any other approach minimizes both the effectiveness of lend-lease aid during the war, and the possibilities for the fullest development of mutual confidence and trust among the United Nations for victory and a durable peace. Therefore, I would urge upon this body the consideration of methods by which the organization of lend-lease make itself more truly the combined effort of the four great decisive Allied Nations, that it may reflect more truly the desire of the people of these United States to work in closest possible cooperation with these powers, with the hope that the attitudes and the understandings growing out of such mutual cooperation may prove to be a framework upon which can be built the structure of world peace. I am in hearty agreement with those who suggested that in some manner we try to establish a different nickname for the bill. Mutual war aid does very much better express the meaning, the reality, and the actuality of what is going on today. I also urge upon the House at this moment that it feel its responsibility for the emphasis upon this strategy of the war from the focal point of this strategy.

The CHAIRMAN. The time of the gentlewoman from Ohio has expired.

Mr. EATON. Mr. Chairman, I yield 10 minutes to the gentleman from South Dakota [Mr. MUNDT].

Mr. MUNDT. Mr. Chairman, when the original lend-lease bill was before us in 1941, I was among those who opposed it, and who wrote and signed the minority report setting forth the reasons why we did not think it would accomplish its avowed purpose of keeping the United States out of the war, and proposing what we believed were equally effective and much less dangerous means of this country extending aid to our friends across the seas. Those of us who opposed the Lend-Lease Act in 1941 did so because we believed it would carry us closer to war and perhaps bring our involvement in a bloody conflict which we were not prepared to fight and which we hoped wise diplomacy and a sharply stepped-up hemispheric-preparedness program would enable us to avoid. Proponents of the act heralded it as an act to keep us out of war.

Following a protracted debate, however, Congress passed the Lend-Lease Act, after 160 Members of this House had expressed a preference for the alternative plan outlined in the minority report, and which was incorporated in a bill, which I had introduced in the House. Once lend-lease became the law of the land, I voted for all of the appropriations to implement it, because our own preparedness was then tied in with it, and today I am taking the floor to urge Members to vote for this bill extending the effectiveness of the Lend-Lease Act for another 12 months. I do this because, with America at war, lend-lease has become an important part of our whole war program. It is closely connected and inextricably interwoven with all of the problems of supplying our own fighting forces, and with keeping supplied our allies, fighting with us for victory in this war.

While lend-lease failed in the avowed purpose expressed by its 1941 supporters, of keeping us out of war, it is today a war measure, and as such, merits your support, in my opinion, the same as you vote for guns or ships or tanks or planes to be used in fighting the war. It is a device today for advancing our cause in the war and the hurrying up of victory for our side of the fight.

I think it would be folly to stop in the middle of war to develop some other program of interallied cooperation in interchanging supplies of war between members of the United Nations. I think even if lend-lease were not being wisely administered it would be better now to attempt to improve the administration of it than to set up now in the middle of the war an entirely new and different machinery for serving the objective it supplies.

However, today I am particularly gratified in my own mind in being able to urge the extension of this act for another 12 months, because I think that the act by and large has been wisely administered and we do not have that particular hurdle to cross. I think that under the administration of Edward R. Stettinius, Jr., that gentleman has brought to the administration of lend-lease a wealth of patriotic and sincere effort and ability, which can give the entire country a feeling of satisfaction that the act is being wisely and well administered. Throughout our hearings Mr. Stettinius was available for consultation with the committee, and eager to receive criticisms, and happy to make corrections wherever the criticisms seemed to be well founded. I would like to quote just a short statement about the administration of lend-lease which appeared in the Evening Star of Washington of Friday, March 5, in the column of Mr. Frank R. Kent. He says:

> Lease-lend was the President's plan. It was he who presented it to the last Congress and obtained its adoption. But the sort of nonpartisan support it is now receiving is certainly largely due to the character and personality of Mr. Stettinius himself.
>
> In his appearances before congressional committees, there has been nothing of the swagger and arrogance typical of some of the agency heads and nothing of the tricky evasion typical of others. On the contrary, his complete candor in answering questions and providing full information, plus the obvious fact that he knows what he is doing and how to do it, made the kind of impression that compelled the response he got.

I am sure that every member of the House Foreign Affairs Committee agrees with this summary by Frank Kent, and is happy over the fact that Mr. Stettinius is the Director and Administrator of Lend-Lease.

Now that I have made my position clear regarding my conviction that lend-lease should be extended another 12 months, I want to record some observations growing out of the month of hearings we devoted to the bill—and I might say in connection with these hearings, because my genial friend, the gentleman from Ohio [Mr. VORYS], and I endeavored futilely but with determination 2 years ago to have open and adequate hearings on lend-lease, that we have no complaint to make this time about the type of hearings that were conducted in connection with the extension of the Lend-Lease Act.

I still wish we could have had hearings of this type 2 years ago when that memorable bill was before the Congress; but I want to say I am sure the gentleman from Ohio [Mr. VORYS], joins me in that feeling that we congratulate the committee and the chairman, the gentleman from New York [Mr. BLOOM], on the fact that this time no gag rule was applied. This time we were permitted to have complete and adequate hearings. I sincerely hope that this is a harbinger, indicating the type of hearings we shall have henceforth in the Foreign Affairs Committee of the House. It was exceedingly gratifying to observe this improved procedure and I think that was one reason why we were able to work out minor differences in the writing of the committee report and present to you not two reports, as we have done so many times in the past, but a unified, unanimous committee report, which, while it is true, does not represent exactly the precise and complete opinions of each member of the committee, still does provide a common denominator of attitudes which we were all happy to sign, thus presenting to you a unanimous report by our committee.

I cannot join in all the high superlatives engaged in by some of the Members speaking in behalf of this bill. After all, this is just a piece of man-made legislation. We are not asking you to pass upon some gilded lily or some utopian scheme handed down from Mount Olympus by halo-bearing gods. We are asking you to extend for another 12 months a man-made answer to a very serious human problem, and, as a man-made piece of legislation, it is subject to all the ills and woes to which we human beings

are heir. I think therefore that after we have, I hope by almost unanimous vote, extended the Lend-Lease Act for another 12 months, the Congress will not retire to the cloakroom and fall asleep at the switch, congratulating itself that it has done its job and that victory must now certainly be imminent. The administration of the Lend-Lease Act is a colossal job and even with so great and good an administrator as Mr. Stettinius, he needs the support, the constructive criticisms, and suggestions of the Members of the House and of the Senate.

I am glad that at least the House Committee on Foreign Affairs spent 4 long weeks in analyzing the legislation, in presenting criticisms to the Administrator, in having his replies in clarifying the atmosphere, unlike the rather sorry spectacle presented by a similar committee of another body that did not take the time to investigate conditions, but folded up its tent after hearing a witness or two, saying that everything must be O. K. I am glad that we have at least made a conscientious effort to get before the country and the Congress the facts involved in the case. I beseech the Members of this body, because I believe the salvation of this Republic lies primarily with the Members of the House of Representatives, after we have approved the extension of the act, to feel perfectly free to consult with the Administrator of the Lend-Lease Act and with others in authority, concerning little differences of opinion, concerning problems and criticisms, and suggestions you may have for improvements, and I urge you to make a studied effort to clarify the atmosphere and prevent false and iniquitous rumors from spreading over the country like wildfire.

I am sure a little careful discussion of the problems will frequently dispel the ugly little rumors which are not based upon facts, but which frequently grow out of a lack of knowledge or a failure to get all the facts.

THE CHINESE SITUATION

Now, let me discuss specifically five or six or seven observations, if time will permit, which have come to me from a study of this act. The first deals with the Chinese situation. It was brought out clearly in our hearings by witness after witness that what we are giving China so far, from the standpoint of materials arriving inside of China ready for warfare, is but a very sorry percentage of what we would like to make available. It is true we say in the report of the committee—and it is a unanimous opinion of the entire group—on page 4:

> Inadequate as they are, lend-lease supplies now being flown into China exceed the amount of lend-lease supplies which were carried over the Burma Road for use in China.

That is sort of paraphrasing of a more famous statement given in more distinguished company one time. But since I am signatory to the statement, I think it only fair to all the country, to this Congress, and to China to say that we recognize that these supplies are seriously inadequate. One witness before our committee said they are, "Next to nothing." Another one said, "They are a mere trickle." So while it is true, it is also a little tricky to say that, "More lend-lease supplies are being flown into China than were carried over the Burma Road for use in China," because so very, very few supplies were carried over the Burma Road to China from lend-lease activities. That is not the fault of the Administrator of Lend-Lease. It is not altogether the fault of the President. It is a difficulty arising out of a situation whereby the Burma Road being closed, transportation difficulties arise making it very difficult to get supplies from India to China, even after they have arrived in India from the United States.

So, as I say, my first suggestion deals with the Chinese situation, because I am one of those who feels with some of the witnesses appearing before our committee, that where there is a will there must always be a way to be of more material aid to China. I think one way presently available, although not being presently utilized to any great extent, is for this country, through its combined boards which make the final decision, to determine to start sending now some fighting planes to China, which can be flown all the way from this country to China, so that there are no transportation difficulties involved. All it requires is the will to put into Chinese hands without delay fighting planes which can be used in helping protect that great and gallant people against the attacks of the Japanese.

Mrs. ROGERS of Massachusetts. Will the gentleman yield?

Mr. MUNDT. I yield.

Mrs. ROGERS of Massachusetts. The C. N. A. C. in China is performing a great service in flying war matériel and personnel in. It may be easily done.

Mr. MUNDT. Yes, indeed. I thank the lady for her observation. If we will make available, as some of the witnesses pointed out, some fighting planes to China—they now have the pilots ready to use them—it will stimulate their morale and will give them a hitting power in the air which they now lack, and I wish to emphasize the fact again there is nothing in the world except the failure to make a favorable decision preventing our sending those planes to China now. They could have been sent 6 months ago, 3 months ago, 6 weeks ago; still they are not being sent. I want to put in my individual plea, that while the emphasis seems to be on the war on the European front, at the same time we must not be entirely asleep to the great menace of Japan. The least we should do is to fly planes into China now, since no transportation difficulties are involved and even 1 day's output of our planes if sent to China by ferry command would pay inestimable dividends in this global war.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MUNDT. Mr. Chairman, will the gentlewoman yield me 5 additional minutes?

Mrs. ROGERS of Massachusetts. I yield the gentleman 5 additional minutes. May I ask a question of the Chair?

The CHAIRMAN. The gentlewoman from Massachusetts will state her question.

Mrs. ROGERS of Massachusetts. Does the Chair know how late we are going to run this afternoon? If I knew that, it would aid me in the yielding of time. I think the rule provides for 2 days of general debate and while I suppose it will finish this evening, yet as has happened in the past, there may be additional debate tomorrow. I know many Members would like to know how much time remains for general debate.

The CHAIRMAN. The Chair is advised only that the rule provides for 2 days of debate. The debate will proceed until the Committee rises.

Mrs. ROGERS of Massachusetts. Then it will be necessary to stay until late tonight if we are to finish, undoubtedly.

The CHAIRMAN. The Chair is not advised as to the number of requests for time.

Mrs. ROGERS of Massachusetts. The rule provides for 2 full days of debate.

Mr. MUNDT. We will stay here until we finish the debate.

The CHAIRMAN. It is the opinion of the Chair that when the debate is finished the Chairman of the Committee will move that the Committee rise. Until that is done the present occupant of the chair will preside.

Mr. MUNDT. Mr. Chairman, quoting the persistent comment of the gentleman from Florida, JOE HENDRICKS, I hope this is not being taken out of my time.

The CHAIRMAN. The Presiding Officer has no control over the hours of debate. The rule provides for 2 full days. The time is subject to control by the Chairman of the Committee and the ranking minority member.

Mr. VORYS of Ohio. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. VORYS of Ohio. Would not the 2 full days of debate end whenever the House had its fill of debate? Then the 2 days would be over.

Mr. O'HARA and Mrs. ROGERS of Massachusetts rose.

The CHAIRMAN. Does the gentleman from South Dakota yield? If so, to whom?

Mr. MUNDT. I yield to the gentleman from Minnesota.

Mr. O'HARA. Mr. Chairman, I want to compliment the gentleman for his statement on aid to China, because he, in my opinion, points out what the administration should do; but let me ask the gentleman, the House itself, why other gentlemen, or myself, have not been asked or given opportunity to express ourselves as to the administration of lend-lease?

Mr. MUNDT. That is correct. And I think you will agree with me we should not be asked on matters of military policy. That, after all, involves a military decision to be made by the military authorities. In that connection may I suggest those decisions are not made by

Mr. Stettinius. The determination of who gets these planes is made by a highly complicated group of Boards and administrators who, as the gentleman from New York [Mr. WADSWORTH] stated, give orders to Mr. Stettinius.

LEND-LEASE BOOKKEEPING

I want now to discuss my second observation, and that is the bookkeeping situation in connection with lend-lease. The accounts on our side are well and accurately kept and you have been supplied with the facts and figures concerning how much lend-lease has been appropriated, how much money has been authorized, where it has been allocated, and how it has been spent. These American accounts are in terms of dollars and cents. The difficulty arises because of the fact that we do not have this type of bookkeeping on the part of the other United Nations, since apparently lend-lease in reverse is written up in terms of socks, in terms of telephone wire, in terms of food, and in terms of blankets, rather than in terms of shillings or pounds or dollars and cents. Consequently there is considerable confusion as to how much lend-lease in reverse actually does add up to and as to how much of a two-way street lend-lease really has become.

Mr. CUNNINGHAM. Mr. Chairman, will the gentleman yield?

Mr. MUNDT. I yield.

Mr. CUNNINGHAM. Is it not true that the duty of Congress is only to legislate; that the obligation of administration is entirely on the executive branch of the Government and does not rest on the Congress?

Mr. MUNDT. That is true, but I think the Congress has the duty and the obligation to keep a weather eye open on all of its administrative and executive associates.

Mr. CUNNINGHAM. The Congress has nothing to do with administering the act.

Mr. MUNDT. That is correct. All details and decisions of an administrative nature are determined by the President or those to whom he delegates his authority.

We have been unable until today, until the very hour the gentleman from New York [Mr. WADSWORTH], went on the floor of the House this afternoon and said that Mr. Stettinius had given him privately and he hoped he was not revealing a confidence when he made it available to the country, to determine the amount of lend-lease in reverse coming from Great Britain. Up until the time the gentleman from New York [Mr. WADSWORTH] said Mr. Stettinius has given him this fiscal fact in private which he in turn relayed to the House our committee was unable to pry loose any specific figure or estimation as to the value of lend-lease in reverse. Today for the first time we are told that "it is crowding $1,000,000,000." The thing that hurts me is that we could not have had that information brought out candidly and openly during the hearings of the committee rather than to have it relayed to us indirectly at this time. However, I am happy that at long last in all events we are getting at a system of bookkeeping which we can all understand, because trying to compare billions of dollars of American money with socks, blankets, telephone wire, and tea coming from another country is a soul-perplexing task.

I hope our Appropriations Committee will follow through on the lead provided by the gentleman from New York [Mr. WADSWORTH], with further inquiries as it examines the financial aspects of lend-lease, and tell us whether or not we cannot secure from the administration of lend-lease figures which are comparable in terms of shillings and pounds or dollars and cents, not for the purpose of trying to make a dollar-for-dollar adjustment, but for the purpose of being candid and honest and open and forthright with the American taxpayers, who after all pay the cost of lend-lease. I see no reason for confusing the issues and keeping one set of books in terms of dollars and cents and the other set of books in terms of socks and blankets. The British know how to keep books; the British are keeping books on their expenses, and they certainly know what each item is worth in terms of their own currency. They do not just keep books in terms of pairs of blankets, dozens of socks, or pounds of telephone wire; they keep books in terms of their own currency, and it is not a very difficult operation to translate pounds sterling and shillings into dollars and cents. The lend-lease bookkeeping system should be such on both sides that each can get the benefit of the system as we go along. I see no virtue in concealment and no value in unnecessary confusion.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. MUNDT. I yield.

Mrs. ROGERS of Massachusetts. Congress should ask for an auditing of the books.

Mr. MUNDT. What is needed primarily is a frank and full accounting as we go along in terms that are understandable to all.

We have no question about the honesty of the other side; we are not questioning our own integrity; we are simply asking for the approximate figures so that we can give our citizens comparable figures, figures they can understand, instead of attempting to bewilder the people as to what lend-lease in reverse actually means. Nobody is complaining about the fact that we are extending this aid; we are simply asking that the facts be made available to the citizens who are paying the money and whose boys are doing the fighting. The way to do this is to evaluate reverse lend-lease in terms of monetary values where that is possible. Now I come to the relationship of lend-lease to the combined boards. I am not going to discuss it at great length because the gentleman from California [Mr. VOORHIS] has gone into that situation.

The CHAIRMAN. The time of the gentleman has expired.

Mr. EATON. Mr. Chairman, I yield the gentleman 5 additional minutes.

LEND-LEASE AND THE COMBINED BOARDS

Mr. MUNDT. Mr. Chairman, may I suggest to the members of the committee that for a rather interesting résumé of the way in which lend-lease operates relative to the combined boards you should read the hearings from page 337 to 340. I think you will find reading those hearings is a good deal like trying to explain a passage in Greek to a 12-year-old boy by translating it into Latin. It is a highly confusing interpretation, but it at least brings out the point made by the gentlewoman from Ohio [Mrs. BOLTON]. It is unfortunate that more of the United Nations are not represented on these combined boards of strategy, and I think it brings out as well that it is unfortunate that Mr. Stettinius has to take orders, as the gentleman from New York [Mr. WADSWORTH] says, and has not a little more determining power from the standpoint of giving orders. I will not go into that any further because there are one or two other matters I want to take up.

THE APPROPRIATIONS COMMITTEE AND LEND-LEASE

The following subject has to do with the Appropriations Committee of the House. I would like to point out, as has been said here previously, that the House Foreign Affairs Committee is a committee entrusted with the formulation of policy. It is a policy-making committee. It is not a financial or bookkeeping committee. It does not appropriate money. I think a tremendous responsibility is imposed upon the Appropriations Committee of this House to study carefully the requests for lend-lease, whatever those requests may be.

At the time of the hearings, the Lend-Lease Administrator told us he was unable to even make an estimate of how much more money would be requested. Of course that estimate is now in the process of being prepared. It will be presented to the Appropriations Committee and I urge you members of that committee to keep in mind when that time comes the fact that over $63,000,000,000 have already been appropriated for lend-lease. There was some discussion about that earlier today, and I quoted from Mr. Stettinius' statement on page 64 of the report submitted to the Congress on January 25, 1943, known as House Document No. 57. You will find there the figure of over $63,000,000,000 that has so far been appropriated for lend-lease.

May I point out that a billion dollars in American money is approximately $8 per man, woman, and child in America. The average American family consists of five, which means that a billion dollars to a family of five is a debt of $40. That $63,000,000,000 means a family obligation of some $2,500 which every family in America has invested in lend-lease. With that colossal figure staring us in the face I submit our Appropriations Committee has a very devout responsibility to the membership of this House and to the country to analyze carefully the requests coming in for additional

lend-lease funds and to find out something in terms of American dollars regarding the lend-lease in reverse that is coming back to us.

Mr. CHIPERFIELD. Will the gentleman yield?

Mr. MUNDT. I yield to the gentleman from Illinois.

Mr. CHIPERFIELD. The gentleman states that $63,000,000,000 has been authorized?

Mr. MUNDT. No. Sixty-three billion dollars has been appropriated, not authorized. That is the figure on page 64. If you will look at the testimony of Mr. Stettinius you will find that is the figure.

Mr. KEE. Will the gentleman yield?

Mr. MUNDT. I yield to the gentleman from West Virginia.

Mr. KEE. If the gentleman will refer to page 64 I would like for him to read to the House the statement made at the head of that page.

Mr. MUNDT. Page 64?

Mr. KEE. Yes.

Mr. MUNDT. "Recapitulation of aid authorized."

Mr. KEE. The next two lines.

Mr. MUNDT. "The amount of lend-lease that may be provided under the various acts is summarized as follows."

Mr. KEE. "That may be provided."

Mr. MUNDT. Yes; and then let us read the next line, "Lend-lease appropriations to the President", and also the next line.

Mr. KEE. Appropriated to the present.

Mr. MUNDT. Right. Then the next black line, "Transfers authorized from other appropriations," and the next black line, "Value of ships which may be leased." A ship has to have an appropriation before it can be built or put to sea; certainly, before it can be leased.

Mr. KEE. The gentleman made the statement to the House that the total amount named was $63,000,000,000.

Mr. MUNDT. That is correct.

Mr. KEE. The statement on page 64 is distinctly to the effect that the amount is authorized, not appropriated.

Mr. MUNDT. No. The word "appropriated" is spelled out. We need not argue the language here. Any Member of Congress can read it and determine which of us is correct. Page 64, we agree, is the page on which it is found. The statements I have just quoted specifically say "appropriated." There can be no question about that.

LEND-LEASE AND FOODSTUFFS

I wish to discuss next the subject of foodstuffs. On pages 339, 340, and 341 we find a description of the manner in which foodstuffs are supplied to the British Empire. May I say at the beginning that I have no criticism particularly with the way in which those foodstuffs are supplied or handled. They are provided by this Government through lend-lease, free of charge to the British Government. The British Government sells the supplies to the British civilians. This money then goes back to the British exchequer and becomes a part of the general British fund and much of it is used in buying supplies to give our soldiers in the camps abroad. But there again we have bewilderment and confusion in terms of what is actually lend-lease in reverse. The money thus accruing to the British treasury is a substantial amount, but until we get the figures anybody's guess is as good as anybody else's as to just how much it actually is.

But to a substantial extent, at least, our lend-lease in reverse is being paid for from money received by the British Exchequer from foodstuffs delivered to Britain free of charge under our lend-lease funds and then sold to the British public.

To that extent it follows that the American taxpayers are paying for so-called lend-lease in reverse. Since the foodstuffs and materials supplied our forces in Britain are listed by Major Spielgelberg as being included in what we receive from Britain as lend-lease in reverse it is only common candor to point out that as an offset against such accounting there should be included the money received by the British Government from the sale of foodstuffs which this country gives to Britain in the first instance.

Mr. Chairman, my plea here is not against the manner in which these foodstuffs are sold nor the method in which the monetary returns therefrom are handled. My plea is simply for less confusion and contradiction in the manner in which reports are given to the American taxpayer and for complete candor in listing the return benefits from lend-lease. Unquestionably we are securing some direct return benefits in terms of supplies and services as an offset against part of what we are spending for lend-lease; unfortunately these return benefits as yet are unknown in terms of dollar values and they are not as great as many had been given cause to hope for.

May I also point out, Mr. Chairman, that since lend-lease in the future seems to be planning to send less of the heavy materials of war, fewer tanks, and fewer guns proportionately, and since the export of foodstuffs seems destined to double or treble, there may be reason to reexamine the method by which our Government is reimbursed for foodstuffs sold for cash by those receiving it. To date, I feel no great injustice has been done, but, as shipments of food double or treble in size, it is possible a more equitable system of bookkeeping and of settling food accounts may become desirable. The Appropriations Committee may want to give consideration to this as it meets additional demands for added billions for lend-lease purposes. In fact, on page 341 of the hearings accompanying this resolution, Mr. Stettinius himself indicates that a different system might become desirable. Let me quote you the last paragraph of his report on the manner in which foodstuffs are supplied and sold under lend-lease. He says, on page 341 of the hearings:

> One final point should, however, be emphasized. If the disposition of lend-lease goods results, at any time, in unjustified benefits to a foreign government, the Office of Lend-Lease Administration, acting with the State Department, the Treasury, and other interested Government agencies, is empowered to, and will, reexamine the basis on which lend-lease aid is furnished and distributed and make such adjustments as may be necessary.

Mr. Chairman, I submit that this Congress is one of those "other interested Government agencies." I submit we should examine the periodic 90-day reports of lend-lease in this connection. We should not and we must not try to drive a hard bargain with our allies in this war. I for one am glad we are able to supply them with materials of war, and I want them all, including Russia and China, to get all they require to defeat the Axis. However, you and I have a responsibility too, to protect the financial integrity of the United States. We must constantly measure our pattern by our cloth. The House Appropriations Committee primarily has that responsibility.

To have a realistic victory in this war we must have a solvent United States to which our fighting forces can return and which can play a vital part in the world after the war. With lend-lease already responsible for a $2,500 mortgage on the home of every average-sized family in America the time has come when we must begin considering our own economic capacity and when sound patriotism requires that we at least maintain insofar as possible a comparable and relative solvency when compared with our partners in this war. If the formula is to be that each shall contribute as it can we must take stock to make certain that each is really doing what it can in order that after the war is over each can have a fair and equal opportunity to rehabilitate its domestic economy and to take its rightful place in world affairs.

LEND-LEASE AND FARM MACHINERY

Mr. Chairman, I come now to some observations concerning the operations of lend-lease in the export of farm machinery, a product in which this country even now is suffering a most serious shortage. I went into this subject at some length during the course of our committee hearings. Mr. Stettinius has convinced me that the desperate shortage of farm machinery from which this country now is suffering is not the responsibility of lend-lease operations. While some highly important farm machinery has been exported to Great Britain and to our other allies, the amount in terms of the percentage of our total production is not great. Furthermore, it is hoped this farm machinery will reduce demands upon this country for the exportation of foodstuffs in which we are already beginning to feel the pinch produced from a combination of unwise planning in the fields of farm labor, farm prices, production quotas, and the manufacture of farm machinery.

A word of explanation might be in order as to the method in which American farm machinery is distributed and used when it is sent abroad. Since Britain is the greatest recipient of our farm machinery, let us examine how American farm machinery is handled

when it arrives in Britain. This was brought out by questions which I asked Mr. Stettinius during our committee hearings. I quote from page 29 of the committee hearings:

Mr. MUNDT. Of the $16,000,000 worth of farm machinery which has been lend-leased, $3,500,000 has been sold. We understand how that has been handled. The other 13 million handled under lend-lease?

Mr. STETTINIUS. That is right.

Mr. MUNDT. Is that loaned? Is that machinery you expect to bring back after the war, or what will happen to that after the war?

Mr. STETTINIUS. Under the master agreement with the United Kingdom that is spelled out. We have the option to take back any lend-lease supplies which are not destroyed, exhausted, or consumed. Actually we keep title to the tractors. The tractors are numbered and a full record is kept and that is a decision for others at a later date. The United States Government has the option under the master agreement to take them back or leave them.

Mr. MUNDT. Yes; but the master agreement though seems to emphasize we will take back material which is primarily of value from the standpoint of our national defense.

Mr. STETTINIUS. No, sir. It can be machine tools, farm tools, agricultural implements, or anything.

Mr. MUNDT. Can you go into a little detail about that? Let us take an individual tractor manufactured by an American concern and purchased by American funds and loaned or leased to Britain. When it gets over there, how does it get to the individual farmer? Does that farmer get it through his Government free? Does he pay for it? If he pays for it, what happens to the money?

Mr. STETTINIUS. It is not sold. It is owned by the Government and, to us, the county agent would have assigned to him 10 tractors, say, for each given territory. Those tractors are kept working every hour they can. They are working them day and night. They are shifted from farm to farm. They are used in making airports one day and are used in road construction the next day and are used for plowing land the next day.

Mr. MUNDT. I am trying to interpret the relationship of the individual English farmer, John Doe, English farmer, who has an American lend-lease tractor. Does he pay anything for the use of the tractor?

Mr. STETTINIUS. No, sir. It is assigned to him by the Minister of Agriculture.

Thus it will be seen that American farm machinery is furnished free of charge to the English farmer. We charge him nothing for it. The British Government makes no charge for its use. It is a very substantial form of farm relief, made in America, for the English farmer. I find no fault with that, Mr. Chairman, but I think that this fact should be clearly pointed out, because some of the same metropolitan newspapers which are loudest in their unstinted and uncritical praise of the entire lend-lease program are also loudest and most vicious in their attacks upon the American farmer when he asks for justice from his Government. In fact, some of the same big eastern newspapers, which all too frequently seem to display more friendship for some foreign friend than they do for the American farmer, apparently divide their editorial space between singing huzzahs for lend-lease and making whining criticisms of the American farmer when he asks for fair prices for his products or insists on securing either manpower or machinery so he can continue producing the food so vital to the winning of this war. It seems no more than simple justice and logic that a Government capable of providing substantial farm relief for foreign farmers should also be capable of providing a program for our domestic farmers which will enable them to stay on the farm and meet the problems of production arising from this war.

THE POSITION OF THIS CONGRESS IN LEND-LEASE

Mr. Chairman, one further observation and I am through. Probably the most important responsibility of this Congress relates to its position in the final settlements, benefits, and international agreements and policies stemming from lend-lease. A study of article VII of the master agreements and of section 3 (b) of the Lend-Lease Act reveals how far reaching these agreements and settlements may be and indicates the manner in which executive action, unless properly restrained by constitutional and congressional limitations, can determine a vast multitude of post-war trends and policies.

Throughout our hearings, the House Committee on Foreign Affairs sought and received assurances from Administration witnesses that the rather loose and unrestricted language of article VII of the Master Agreements intended no circumvention of the rights and powers of Congress. We were flatly told that Congress would be consulted and that no binding commitments would be made which were not based upon constitutional procedure and American tradition. We were also assured that not only was this understood by the executive department of this country but that all of the United Nations had been fully advised concerning the machinery by which Americans govern themselves and determine upon their foreign policy.

On page 120 of the hearings, for example, Dean Acheson of the State Department, made these matters emphatically clear. I quote a paragraph or two from my questioning of him concerning the language and intent of article VII of the Master Agreements.

Mr. ACHESON. That is one of things provided for in article VII here where it says:

"At an early convenient date, conversations shall be begun between the two governments with a view to determining, in the light of governing economic conditions, the best means of attaining the above-stated objectives by their own agreed action and of seeking the agreed action of other like-minded governments."

It says at an early convenient date conversations shall be begun between the two governments. And this is stated in all the agreements, and these conversations, it is also stated, are to be open to all other nations of like mind with a view to determining in the light of governing economic conditions the best means of obtaining the above-stated objectives.

Now, in these conversations we will obviously find out what the other nations are thinking and what, in the light of their governing economic conditions, they will be prepared to recommend to their constitutional legislative bodies. The result of this discussion will undoubtedly, and I hope, be a series of recommendations which will be made to the Congress or to the British Parliament and to the Russian legislative organization, and so on. And at that point it will be debated and considered and acted upon by the Congress. But there is nothing in article VII which in any way controls or limits the Congress in the exercise of this constitutional power.

The CHAIRMAN. Mr. MUNDT, may I ask a question there?

Mr. MUNDT. Yes; surely.

The CHAIRMAN. How do you connect this Lend-Lease Act up with any of these questions you are asking? The Lend-Lease Act, the way the Chair understands it, is merely for defense.

Mr. MUNDT. That is the point.

The CHAIRMAN. How do you connect the question or the answer with the Lend-Lease Act?

Mr. MUNDT. I will be very happy to answer that question. That is the thing that disturbed me. I understood, as we all did when the act passed the Congress, that it was supposed to be an act to promote the defense of the United States, and section III says that, notwithstanding the provisions of any other law, the President can, from time to time, when he deems it in the best interests of the national defense, authorize—and so forth. But from what I understand yesterday from Mr. Acheson's own interpretation I think you said subsection E of section III, wasn't that it? in the interpretation of that, these master agreements were entered into as a sort of an understanding of the basis of settlement.

The CHAIRMAN. That is for a limited time.

Mr. MUNDT. That is after lease-lend was over. I would like to continue the question to Mr. Acheson, if I may, whether you do not feel there is a relationship between lend-lease per se and the master agreements?

Mr. ACHESON. Well, obviously the master agreements——

Mr. MUNDT. If we did not have the one, we would not have the other.

Mr. ACHESON. Well, obviously, the master agreements are made under the Lease-Lend Act.

Mr. MUNDT. Yes; so that I think that answers the question about the relevancy of my questions, Mr. Chairman.

The CHAIRMAN. That is all right.

Mr. MUNDT. Now, is your interpretation, Mr. Acheson, of this paragraph you have just read to me, picking up where you stopped reading "in the light of governing economic conditions, the best means of obtaining the above-stated objectives by their own agreed action," do you contemplate in any way that this agreed action is going to be taken by representatives of our executive department or of the various executive departments of the Government in these conversations?

Mr. ACHESON. No, Mr. MUNDT; the process, I think, as I have tried to describe it yesterday, is that the President is the authority under the Constitution which must conduct the negotiations with foreign nations. That he must do. There is no other authority to do it. And he has complete power in that field. When it comes to implementing any arrangement which he may negotiate, then we fall back on the constitutional framework provided in the fundamental charter.

Mr. MUNDT. I think that is pretty clear to all of us.

Mr. ACHESON. Yes.

Mr. MUNDT. As those conversations are taken up, has that been made crystal clear to all the conferees of other governments?

Mr. ACHESON. I do not think there is any question about the fact that all governments dealing with us understand thoroughly the framework of our Government.

Mr. Chairman, in order that the record might be clear as to the understanding of your committee on this important

matter, we have included in our committee report, which has been signed unanimously, a summation of the understanding given us during these hearings by administration witnesses with regard to the intent and the import of article VII and the powers expected to be utilized under that article of the master agreements and under section 3 (b) of the Lend-Lease Act. I now quote this portion of the unanimous committee report to you as it is found in various paragraphs of pages 12, 13, and 14 of the report. I think Members of the Congress and citizens throughout the country should familiarize themselves with this interpretation since at this time no one can predict with accuracy what President or which administration will be charged with the responsibility of winding up the affairs of lend-lease and it is imperative that the position and responsibility of Congress be clearly understood by one and all. I quote now from our unanimous committee report:

Article VII does not in any way alter the constitutional relationship of Congress and the President in the field of economic policy. It does not reduce tariff barriers, nor remove discriminations, nor set up machinery to secure an expansion of employment, production, and consumption. It does, however, bind the signatories to confer together, with all other countries of like mind, to determine the best means of attaining the economic objectives which it sets forth. Those conversations will concern all the subjects dealt with in article VII, without limitation or exception. The results of the negotiations undertaken in accordance with this provision are then to be referred for action to the proper constitutional authority in each of the countries concerned.

Your committee desires to state at this point that an important portion of the time spent in the hearings upon this bill, in both open and executive session, has been devoted to a thorough discussion of the functions to be performed by the Congress in connection with the final agreements to be entered into by the United States and other nations, flowing from the operations of this act or further developments arising from this war. In those discussions your committee has been assured by responsible representatives of the State Department and others holding positions of authority in the executive branch of the Government that, in their judgment, all agreements of a permanent nature with other nations flowing from this act and post-war developments, must of necessity be handled in accordance with the normal course of our constitutional procedure. Confident that it is the intent of the Congress as well as the administration that the constitutional procedure pursued since the beginning of our Government shall continue to prevail, your committee stands ready to cooperate in any and every effort to achieve a peace which shall bless us and our descendants. The proposals for forward action in the economic field contemplated by article VII must be handled in accordance with the normal course of our constitutional procedure, by statutes, treaties, or executive agreements, as may prove proper. The powers of the Senate in the field of treaties are unimpaired, as are those of the Congress in the field of legislation. Section 3 (b) of the act clarifies the President's essential Executive powers in the administration of the lend-lease program.

Mr. Chairman, if constitutional government is to survive and function in this country it is imperative that this Congress retain and exercise the prerogatives which rightfully belong to it.

CONCLUSION

Mr. Chairman, eternal vigilance has rightfully been called the price of liberty. Eternal vigilance is also the price of the wise and effective utilization of the Lend-Lease Act. I urge you to vote for its extension today and I urge you, also, to extend your attention to lend-lease in the days to follow so that it may helpfully bring victory in this war and work to provide for future peace.

Wisely and prudently operated, lend-lease can contribute greatly to our early victory and to post-war settlements of merit.

Recklessly or arrogantly operated, lend-lease can carry us far toward national insolvency and contribute to distrust among our United Nations and disunity and disillusionment at home.

Congress should extend this act, but Congress should not then retire from its responsibilities and assume that all is well and that victory has been guaranteed and a better world assured.

Let us examine carefully the regular lend-lease reports with friendly firmness.

Let us offer our constructive suggestions when and where they will be most effective.

Let us expose errors so as to command corrections.

Let us require the Appropriations Committee of the House to report to us, fully, as to the additional requirements of lend-lease and the impact of those requirements upon our national solvency and the formula of asking each nation allied with us in this war to contribute in accordance with its means to the joint victory which we all shall win.

Let us proceed without prejudice, passion, or partisanship to work together—executive and legislative branches of this Government—to secure the wise and prudent operation of lend-lease and of every other agency and armament of war so that victory may be won and peace secured with the least possible loss of life, of time, of money, and of liberty for one and all.

Mr. KEE. Mr. Chairman, I yield myself 15 minutes.

Mr. KEE. Mr. Chairman, in view of the unanimity of sentiment as expressed in the debate on the resolution now under discussion, it would seem to be unnecessary to waste the time of the House by discussing the merits of the measure. That the so-called Lend-Lease Act passed by the Congress and approved on March 11, 1941, has proven to have been not only a measure of foresight and wisdom, but that it also initiated the most effective policy we could have adopted in the cause of national defense seems to be now conceded even by those who most earnestly opposed the passage of the original act. That the administration of this act by those in responsible charge of the execution of its provisions has been, in the larger sense, wise, judicious, and worthy of approval, was convincingly shown in evidence before your Foreign Affairs Committee during our exhaustive hearings on the resolution now under consideration. That reciprocal lend-lease, or lend-lease in reverse, whereby the nations which have been beneficiaries under the act have reciprocated by furnishing much needed and substantial aid to the United States armed forces, has been and is a benefit of tremendous importance to our cause, is an undisputed fact. That not only is it to the interest of this Nation, but is in fact necessary to our national defense, as well as to the success of the offensive plans of our armed forces that our lend-lease policy be continued, seems to be generally acknowledged. This being the instant situation, it would seem to serve but little if any purpose for us to now debate at length the question of extending the act, as provided by the pending resolution. This resolution should and no doubt will be adopted by the unanimous vote of this body.

In connection with the matter before us, however, and because of the position of leadership now held by our country, attained in part through our lend-lease policy and due to be maintained by a continuance of that policy, I am convinced that the question of the advisability of immediate action on the part of our Government in the matter of entering into agreements with members of the United Nations and other sovereign nations to establish, at the close of the war, a lasting and enduring peace is a subject germane to the issue now before us. A resolution bearing on this question, to which I will later refer, is now before the Committee on Foreign Affairs for consideration. While I would not urge nor even suggest the use of our lend-lease policy for bargaining purposes, yet I do urge most earnestly the fact that our present position of world leadership, a position we will certainly maintain by reason, in part at least, of the extension of the Lend-Lease Act, places us in an advantageous position for at once opening negotiations for agreements on post-war settlements.

The people of the United States, as well as the peoples of the other members of the United Nations, should know what to expect when their victory has been won. This knowledge can only be assured through mutual agreements made and entered into before hostilies are ended. It is my firm conviction that immediate action should be taken on the part of the United States and the several other United Nations toward establishing now a mutual understanding for the settlement of post-war problems. I believe that such an understanding between the several United Nations is presently imperative because it will not only result in bringing about greater unity and added strength to our cause but it will also assure to the world a lasting peace. On the other hand, I am just as firmly convinced that if we fail to reach an understanding with our allies before the end of the war, we will not only, as we did at the close of World War No. 1, sacrifice our hopes for an enduring peace, but when the war has been

won, we will find ourselves in a world of hopeless chaos and confusion.

The United Nations will win the war. Of this our minds cannot entertain the slightest doubt. The issues are too great and the consequences of our defeat would be too disastrous to permit us to envision failure. Lend-lease will continue to be a vital factor and to play a most important part in our efforts on every front. We will win at a staggering cost of men and money and individual sacrifice. We will not count the cost. Why should we? Freedom is precious and having once won the right to stay free, we can and will start over again with clean though perhaps empty hands to build for ourselves a new world.

The building of this world of tomorrow, however, cannot be safely undertaken until we have first laid the foundations of a peace so secured and established that all the world will have the assurance that it will endure through countless generations yet to come. The fact that this must be done has been impressed upon us by bitter experience. A victory, however complete over those who would destroy us, is not enough. An unconditional surrender of the forces now battling against us is not enough. A present and complete disarmament of our enemies is not enough. Neither can we safely build on pledges, promises, and treaties, however solemnly made.

Experience has taught us that a decision arrived at by force of arms is not final. A surrender of enemy armies, however desirable, necessarily and inevitably imposes heavy burdens and responsibilities upon the victor and implies no assurances for the future. Disarmament today does not insure against rearmament tomorrow, and the recent years have been replete with instances of broken promises, violated pledges and repudiated treaties on the part of nations, regardless of their so-called national honor.

That nothing real, vital, lasting, or beneficial to the world was accomplished by the First World War will be conceded. Motivated by the highest ideals the American people entered into that war and devoted every resource to its successful conclusion. The victory won by us was complete. Our reward was exactly nothing.

At the close of World War No. 1, we had everything in our hands—just as we will when we win the victory in the present conflict. We knew then as we know now the character of the people we were fighting. We knew then, as we know now, that a lasting peace could not be established on their words of pledge or promise. We knew then, or we should have known, that an enduring peace could only be assured through the establishment, by and with the cooperation of all liberty-loving nations, of an agency clothed with power to prevent a breach of world peace on the part of any nation refusing to settle its grievances by peaceful means and resorting instead to violence or war. Yet, knowing this, we let the opportunity pass. The world now knows the result. In less than 20 years Germany, a nation we had beaten to her knees, rose to undreamed of power and soon plunged the world into the bloodiest war in human history.

Are we going to repeat our mistakes of 25 years ago? Are we going to wait until we win the victory in this war and then either rest upon the mere laurels of victory and plunge the world, as we did then, into a quarrel over the spoils, or shall we, pending our final victory, join with the other members of the United Nations in an agreement under which we will this time establish a peace that will last into the dawns of future years?

Such an agreement can be as broad and comprehensive as the leaders of the United Nations see fit to make it, but whatever else is included, there must be a provision for a world agency clothed with authority to determine all controversies between nations. To make such an agency effective, it must also necessarily be clothed with power to enforce its decrees, not only against any of the nations who are parties to the agreement, but also against any nation refusing to submit its controversies to the agency for settlement.

It may be argued that such a provision involves the use of force and that the use of force against a sovereign nation is opposed to the principles of democracy. This is not a true concept of either democratic principles or processes. No social order could survive for a day without the means to enforce rules of human conduct. No nation could survive without a method to enforce its laws. No union of nations can effectually function without power to enforce the decisions of its tribunals.

It is true that an ideal world would be one in which national honor is held to be infinitely more precious than national profit. If we could have a world in which every nation functioned under the unchanging leadership of those by whom treaties, pledges, and promises were held sacred and binding—a leadership in whom all the world could place implicit faith and confidence—then indeed could we safely submit our destiny to treaties pledging the national honor. We have not now and never have had such a world. In dealing with nations we have always through bitter experience found the necessity, as in dealing with individuals, of having some means of compelling the fulfillment of obligations. If we fail to establish such means as a part of our post-war adjustment, we will have won a fruitless victory and our hopes of a lasting peace will have been in vain.

The fact that the people of the United Nations, including our own, are entitled to know just what to expect in the way of an international readjustment after they have successfully defended their right to exist has already been mentioned. They are entitled to the assurance that the mistakes following the previous World War will not be repeated. They need and are entitled to a guaranty that this war will result in something better than a Versailles Treaty impossible of enforcement, a tripartite agreement subject to convenient repudiation, a nine-power contract with no binding obligations, or a Kellogg-Briand Pact expressive of high ideals but voidable at will. Above all, the people want assurances of a peace subject neither to disturbance nor breach. Give them this assurance now and they will joyfully and confidently fight on to victory in the common cause.

It has long been established that self-preservation is the first law of nature. Security, therefore, both personal and national, is the chief object and desire of every nation in the world. A lasting peace spells lasting security, and the problem of establishing this security is bound to confront the peace conference when the war has ended.

Sir Norman Angell, the distinguished English diplomat and winner in 1933 of the Nobel Peace Prize, writing of the peace conference of the First World War, says:

> Again and again at the peace conference this sort of situation arose:
>
> A nation would claim territories which obviously did not belong to it. On behalf of justice, and so of peace, it was asked to forego the claims. The claimant would then point out that by including this alien territory, it got things necessary for defense—an easily defended frontier, raw material—adding in effect this: "If we make the frontier as the conference desires, we shall be weak, open to attack. If we accede to your request, and then, as the result of our consequent weakness, we are attacked, will you defend us?" The answer was usually a mumble of a decisive "No." "In that case," in effect replied the claimant in question, "we shall stick to our demand for this territory and this strategic frontier, even if it does strain the principle of nationality. Survival comes first, self-preservation is the law of life. The precondition of peace or justice is security."

Is it not safe, then, for us to assume that unless we now, before the close of this war, assure all of our associates and Allied Nations of a security guaranteed by agreements necessary to establish a permanent peace, we will inevitably be confronted at the conference table by similar situations as that above described? Our failure to make this provision in advance will certainly increase the post-war demands of the several nations—demands to which it may not be possible to accede.

While, as heretofore stated, I do not favor nor suggest that we use lend-lease for bargaining purposes, yet the policy we are now following and will continue to pursue under the Lend-Lease Act must certainly favorably affect our present relations with our associate nations in the United Nations compact. At the moment, and until the close of this war, the United States of America is and will continue to be the natural leader of the United Nations and so looked to by every nation bound in the covenant against the Axis Powers. The various nations so united in a common cause are now not only looking to us for military leadership and direction, but they are also looking to us for military supplies and other materials of war. They are also objects of our bounty in the matter of food, clothing, medicines, and medical supplies, as

well as other necessities of life, all freely furnished under the lend-lease program. These nations are today our friends as well as our allies. Our soldiers and sailors, and theirs, are fighting side by side, and our civilian population, and theirs, are working in sympathy and understanding for a common objective—the total defeat of a common enemy. While the war is still in progress, this situation will remain unchanged. That is, we will be the leader and the other nations will continue to sense the obligations they are under to us for the valuable not to say indispensable help we are giving. Right now is the time when any proposal for an understanding between us upon post-war problems will receive friendly and sympathetic consideration.

For example, Russia is fighting the Axis desperately and effectively and is rendering a tremendous service to the free peoples of the world. Regardless of our lack of approval of Russia's form of government and our open opposition to any attempt to have a like form imposed upon us here, we are backing Russia in her gallant and courageous fight to maintain her sovereignty and her territorial integrity. In her fight she is using American arms and her soldiers are partly supplied with American foods, medicines, and medical supplies. She will need more and more American aid before the war is over. Is it not perfectly clear that Russia would now be in the mood to welcome the opportunity to join with the United States and other members of the United Nations in a fair and equitable agreement in which our post-war plans are clearly and openly defined? On the other hand, with the war once ended, is it not equally clear that we will have a victorious Russia, her millions and their leaders exultant in their triumph and filled with the pride of their achievement? Under these changed conditions what will be Russia's attitude or Russia's demands when called into a conference at which the destiny of the world is the stake? To what extent will her demands have multiplied after she has won through to security, has been freed from fear and is no longer dependent upon us for assistance? And further, while the war is in progress, a large majority of the American people are willing to forego their prejudices against Russia's communistic government and to approve the aid we are sending her. Let the war end, however, and how many of our citizens will then be disposed to agree to any proposed concessions to Russia in the post-war settlement—concessions that must inevitably be made if any agreement is to be reached?

We will be confronted with a more or less similar situation in all of the nations joined in the covenant of the United Nations and especially in the nations to the south of us. In my humble judgment, one of the greatest achievements of our truly great Secretary of State, Cordell Hull, was the initiation of the Habana Conference culminating in the signing of a pact of amnity and solidarity between the nations of the Western Hemisphere. For many long years our southern neighbors have entertained a feeling of fear and distrust against the United States to which years ago they gave the name the Colossus of the North. Undoubtedly, this feeling, perhaps born of a distrust of the Monroe Doctrine, was kept alive and accentuated by German propaganda continuously circulated throughout all that region over a period of many years. With the rise of Hitler to power, and the threat of his coalition to the peace and security of the world, our southern neighbors were quick to realize the protective value of our friendship.

It was not perhaps that they feared us less, but they feared the Nazis more. The good-neighbor policy extended to them our open hand, which, under existing conditions, they were glad to grasp. They became our friends and our allies and are our friends today. We are proud of that friendship. But what will be the attitude of these neighbors, from Mexico to Chile, if and when the war ends without any understanding or agreement with us upon post-war problems? They will then have safely passed through the great crisis. They will no longer be in need of our protection nor of our aid and assistance. They will have their freedom, their independence, and their sovereignty assured. Will these nations, so freed from their peril and from their dependence upon the northern colossus, be as reasonable to deal with then as they are today? Or will they likely forget past favors and insist upon concessions far beyond what they would ask now? The question should be easily answered by anyone who knows human nature or who is familiar with the temperament of our brothers to the south.

The world can do nothing toward the establishment of the "four freedoms" throughout the length and breadth of every land until in every land there is established law, order, and peace—not temporarily, but to endure. Law is a rule of human conduct prescribed by the supreme power of a state. There is no supreme power to lay down nor enforce a rule of conduct for nations. Such a rule can only be formulated through agreements between nations. Without such agreements we can neither establish nor enforce a law of nations; without law, no order; without order, no peace; without peace, no security; without security, no hope to have, all over the world, freedom of speech, freedom of worship, freedom from want, or freedom from fear. These are the priceless things we are fighting to win. They should be the prizes of our victory. Is there any reason, then, why all the nations now united in a covenant to fight side by side until victory is achieved should not now enlarge this covenant to the end that their nationals, as well as all the world, may know that we will not win this war on land and sea and in the clouds only to lose it at the conference table?

In this connection I desire to call the attention of Members of the House to a resolution designated as House Joint Resolution 70 I recently introduced in this body and that is now before the House Committee on Foreign Affairs for consideration. Summed up briefly, the resolution advises the President that it is the sense of Congress, in order to secure and maintain law, order, and peace among the nations of the world, it is imperative that binding agreements be entered into between the members of the United Nations, as well as with other sovereign nations, without delay and without waiting for the war to end. The resolution does not set out the terms to be incorporated in the proposed agreements, except only that any agreement shall contain a provision for the establishment of an arbitral, judicial, or other agency empowered not only to settle controversies between nations, but also with power to adopt measures to compel a submission to it of all such controversies for settlement. Under this resolution the character and composition of the agency or tribunal to be established to maintain peace, as well as the measures to be adopted to enforce submission to the agency of national controversies, would be left for the joint determination of the President and the representatives of the several nations joining in the covenant. I hope for an early and favorable action on the resolution. We are traveling down a long, hard road and more light should be thrown on the end of the way. God knows that we should not move to that end in darkness and confusion.

The United Nations are today banded together for mutual defense against a common enemy. Their agreement is based upon the principles formulated by President Roosevelt and Prime Minister Churchill and set forth in the Atlantic Charter. This agreement must be supplemented by a new and broader understanding from which the world will know now that, united in toil, struggle, battle, and sacrifice, this union of nations intends to win both the war and the peace and make that peace as enduring as the everlasting hills.

High on the summit of the Andes Mountains, on the boundary lines between Chile and Argentina, there stands that heroic statue of the Christ, erected to commemorate the peaceful settlement of a long standing controversy between the two countries. On the base of the statue is graved these words, spoken by the bishop of Chile at its dedication:

> Sooner shall these mountains crumble in the dust than the peoples of Argentina and Chile shall forget the peace they have sworn at the foot of Christ, the Redeemer.

So should endure the peace we must plan today and win tomorrow.

Mr. BLOOM. Mr. Chairman, I yield 15 minutes to the gentleman from Pennsylvania [Mr. EBERHARTER].

Mr. EBERHARTER. Mr. Chairman, I do not believe there is much I can add to the subject that has been under discussion for the last couple of days on the floor of this House. It has been very widely covered, in my opinion. However, I should like to make one or two observations.

To my mind, when the Congress of the United States 2 years ago passed the original Lend-Lease Act, it was a signal to the world that Congress and the American people had decided that the war going on in Europe was not a war that was localized insofar as that continent was concerned but was a battle to the death between two ideologies, the ideology of the dictator nations and the ideology of democracy.

We also concluded at that time, the Congress speaking for the American people, that the termination of that war in a victory for the dictator nations would be a direct threat to the peace and security of this Nation.

The passage of this Lend-Lease Act, of course we all know now, and everybody is agreed on it, has had a tremendous effect upon the economy of this country and upon the final determination of which ideology shall be victorious.

One of the first and important effects was the determination that as far as this country was concerned the matter of dollars and cents or the matter of cash consideration was not to be considered, insofar as the Congress of the United States or the Treasury of the United States or the economy of the United States was concerned.

Up until the time of the passage of the Lend-Lease Act private industry in this country had been producing a great amount of war material and munitions of war, which were sold for cash to whatever nation in the world had cash. There was no correlation whatever as to whom these munitions should go, to what part of the globe they should go, or in what theater or field of operations they should be utilized, with the exception of a very small control in the way of the control over exports. But we did away with that remote control insofar as shipping was concerned and, by the passage of the Lend-Lease Act, channeled production of all war material and all munitions of war through the United States Government, so that the United States Government through the administration of lend-lease from that day on had complete control and charge of the production and distribution of all materials of war.

One of the great benefits of this act was the effect it had on the acceleration of the process of conversion of industry in this country from peacetime to wartime production. It had a very great effect in that respect, because if this country had gone along merely having private enterprise produce those materials of war which could be paid for by other nations the process of conversion to a wartime production basis would have been very, very much smaller. Of course, at the time this act was originally passed there was in the minds of a great many people in this country, in the minds of a great many Members of Congress, and I am sure in the mind of the Executive of this Nation, the hope that when we decided to give all the material aid it was possible for us to give to those who were fighting the dictators, that material aid would be sufficient to defeat the Axis Nations, and that by defeating the Axis Nations with the help of the material resources of this country it would be unnecessary for our own boys to be involved in this conflict. In other words, it was sincerely hoped that this material aid would have the effect of keeping this Nation out of the war.

That hope was not realized. When on December 7, 1941, Japan made its sneak attack upon us at Pearl Harbor, most likely made at the direction of Nazi Germany and Fascist Italy, that hope was gone. Then we had to accept the challenge that was given to us, and we decided then and there that we would go all out for war.

I think now everybody is convinced that the operations of the lend-lease procedure are absolutely vital and essential to cooperation among the various Allied and United Nations. I have not heard of a single person or organization or even a publication that has opposed the extension of the provisions of the Lend-Lease Act, so I believe we are all agreed on that particular point.

May I remind the Congress that when we accepted the war that was thrust upon us, we in our resolution accepting that war and declaring war on the dictator nations did not say, "We will go into this war with a portion of our resources or a fraction of our might," or "We will help out our allies," or "We will do so much and so much." In our resolution declaring war this Congress pledged all the resources of the United States to bring this war to a successful conclusion, all the resources, not just a little bit.

Therefore, I fail to see why so much time is spent on the floor of this House and in discussions all over the country about how much money the United States is spending in carrying out the determination of the people of this country to go forward to victory.

I have heard hours of debate about the money value of this and the money value of that. May I remind the Congress, and especially the members of the Committee on Foreign Affairs, that we have decided, and I thought unanimously, that we never expect to get a return in dollars and cents for every cent we spend, so I feel that the discussion over the amount of money we are spending on this thing is altogether beside the point.

When the Lease-Lend Act was passed, it was decided that aid should be given to any nation whose defense the President deemed vital and necessary to the defense of our own country. That is the consideration, the defense of our own country. When we passed this act, we said in the first place it was an act to promote the defense of the United States. That is all the more reason why I do not see why we are spending so much time on the amount of money it is costing us.

Mr. Chairman, of course this act is up for renewal, and I am happy that there is practically unanimous opinion on the part of the Members of Congress that it should be extended for 1 year; but I also call attention to the disposition on the part of some persons to pick flaws here and there, and sort of intimate that things could be a little different for the benefit of our own country. Some people, of course, want to improve things. They like to say, "Well, that might be improved in such and such a way." I think one of the suggested amendments is to the effect that any agreement that is made by the Executive branch of the Government, before final determination is made, shall come to this Congress for our approval. This sounds rather nice, it sounds as if it would be easy to bring an agreement into the Congress, and get the approval of the Congress, especially if it is a smart and a wise agreement. I am certain that if the Congress will stop for a minute and see what it will mean to place in this act a provision that any agreement entered into before its final settlement, shall go to the Congress for final approval, it will decide it is the most impractical and useless proviso you could possibly put into the bill. In the first place, there has been under the title of this act four different types of agreements entered into by the Lend-Lease Administration, or rather by the State Department. As you perhaps know, a portion of the authority granted under this act has been given to the State Department insofar as negotiations and entering into agreements with other nations are concerned. There are four types of agreements.

I call attention first to one type of agreement, known as the special agreements with the South American countries. The hearings will show that the United States entered into 17 of these agreements, very much alike in character, but providing in a way perhaps different commitments on the part of this country, and in turn, different commitments on the part of the South American countries. It may not be long before the commitments made by this country and by the South American countries, or a good portion of them, may have been finally consummated. Suppose these agreements should necessarily have to be brought to Congress for final determination or approval. The agreements have been practically negotiated and signed, and then suppose that the Congress should restrict the provisions and say, in respect to our South American neighbors, "You have an agreement with the Government of the United States signed by the Secretary of State, but it does not mean anything because Congress says that that agreement must be brought back to Congress to have its terms approved." Would that not be a nice kettle of fish for us to be in, if our representative would be compelled to say that this is not a final agreement, that this is a temporary agreement, and if Congress does not like it they can upset it. Further than that, Mr. Chairman, do you think our State Department with any such provision in this bill could possibly go to a country and make any agreement with them? It would be impossible for the State Department to operate under such a provision, especially with respect to the South American countries.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield there?

Mr. EBERHARTER. Yes.

Mr. VORYS of Ohio. Would not the gentleman say, while we are not permitted to discuss any of the terms of the 17 South American agreements, yet in the hearings it is clear that they are in themselves at present signed agreements.

Mr. EBERHARTER. They are final agreements.

Mr. VORYS of Ohio. And would not the gentleman agree that no law which we could pass now would interfere with the finality of the agreements if they were valid when originally made?

Mr. EBERHARTER. I would say to the gentleman this, In respect to any agreement entered into by the State Department with the South American countries, if we should then pass a measure that the final determination of the agreement, entered into by the authority of the original act, is subject to final approval of Congress, that the South American countries would have a right to be very suspicious of us, and it would engender a lot of suspicion and give cause for many factions in these South American countries to say, "Here comes our great, big, rich neighbor from the north down here wanting to make agreements, wanting to make installations, and do various other things for her own defense, and yet we cannot depend on these agreements, because later the Congress might upset them."

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. KEAN. Mr. Chairman, I yield the gentleman 10 minutes more.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. Yes.

Mr. WRIGHT. It is quite possible that such agreements are prompted by a laudable desire to maintain the integrity and independence of the Congress, but is there not another consideration? Do we not interfere with our executive department in conducting the war, and do we not give the appearance of division to foreign nations, and impair the prestige of our executive department in conducting the war, by insisting on such crippling amendments?

Mr. EBERHARTER. I am very glad the gentleman brought that to my attention. Another type of agreement that has been entered into because of the authority granted to the Executive by the Lend-Lease Act is what is known as the 10 master agreements. Those agreements can be said in some respects to be final, because some of them have been finally agreed upon by the United States and these other 10 signatory powers, to the effect that certain considerations shall be entered into and certain commitments made. Flowing out of the lend-lease operations of this bill naturally we hope that when peace does come to the United Nations, it will be a victorious peace, and when final determination of all benefits under the Lend-Lease Act that ought to have been made, have been made, what then will be the result? The final result, the natural benefits and everything else will be set forth in treaties between the sovereign country of the United States and other sovereign nations. Here we attempt to put into this act a clause that would give the House of Representatives the right to approve or disapprove treaties. It would be absolutely useless. It would be impractical. It would be an attempted usurpation of authority, because it would not have any effect. It would try to restrict the President, who has the power under the Constitution to negotiate treaties. A clause like that would simply hamstring the President and would do nothing but harm. The Senate is the body which advises and consents in treaties which have been negotiated by the President. Not the House.

Another type of special agreement has been made with Great Britain wherein we have obtained patent rights and we give them the benefit of our patents and formulas and secret processes, and Great Britain does the same for us. Those agreements might be said to be final in their determination. Would you put a clause in here that the Congress should ratify that? The same is true with reference to waiver of maritime rights under the universally recognized maritime decisions and laws. Certain final agreements have been made on that subject. We could go on and on and on and show how impractical this nice-sounding little clause is, that all agreements are subject in their final determination to the approval of Congress.

As I said in the first place, it would be impractical. It would be useless. It would throw a monkey wrench into the machinery. It would be an attempted usurpation of authority, without any authority under the Constitution of the United States or any of the precedents that we ever had. So I am appealing to the membership who have had an opportunity to look into this question a little to try to think about and see the repercussions that a catch amendment might have if adopted, without giving proper consideration to it.

Of course, another amendment has been suggested. It sounds all right. It says something to the effect that we should make an agreement with all these nations that receive lend-lease aid, to the effect that none of these weapons or munitions of war shall be used by any country receiving them to suppress the right of those people to choose the form of government they desire to live under. Now, that sounds good. Of course, after the lend-lease items or munitions of war that we give to any country—we do not want them to use them to suppress the rights of their people.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. KEE. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. EBERHARTER. We do not want those weapons used to suppress the rights of the people of any country to choose the type of government under which they want to live. But what would that mean to this country? Would that mean that we would first try to make an agreement with every nation? Naturally every nation would say, "Well, is that any of your business what kind of government we want? Suppose we want one and your Congress should not agree with it." You are immediately in a lot of trouble. Would you want to designate which particular weapon should be used for this purpose or that purpose? In other words, if the United States wants to become embroiled in the internal affairs of every other nation with whom we are now friendly, adopt the amendment which would say "No lend-lease articles shall be used for the suppression of people who want to be governed as they see fit." We would be sticking our noses into the internal affairs of every nation with whom we are now friendly. We would have to go in and police their elections under that sort of an amendment. We would have to see how their military are conducting their training, to see whether it is a suppression of the aims of the people. Also see how the civilian economy is going to be regulated.

So while some of the proposed amendments sound very nice and sound very practical, I hope that when they are before the House for consideration you will think a little deeper and think of the implications which they may contain. I have heard no general support of any such amendments and I hope there will be no general support of any such amendments. I hope that the bill, merely for the extension of this act for 1 year, will be passed without any crippling amendments, because it has been proven by all the testimony that it has worked about as near perfectly as any human instrumentality can make it.

Mr. VORYS of Ohio. Will the gentleman yield?

Mr. EBERHARTER. I yield.

Mr. VORYS of Ohio. Has the gentleman any objection to the provision in section 4 of the Lease-Lend Act which requires an undertaking now that no nation which receives lease-lend aid will transfer those articles without consent?

Mr. EBERHARTER. Oh, I have no objection whatsoever to that. That is in the law right now as a protection to this country. We have supervision at the present time, so that those materials of war are not transferred unless they have the consent of this country while we are working in cooperation in an attempt to secure victory for the cause of the United Nations and civilization. I am sure the gentleman is in accord with that.

The CHAIRMAN. The time of the gentleman from Pennsylvania has again expired.

Mrs. ROGERS of Massachusetts. Mr. Chairman I yield 15 minutes to the gentleman from Michigan [Mr. JONKMAN].

Mr. JONKMAN. Mr. Chairman, H. R. 1776 was enacted when we were not at war. It was a new departure in legislation. While it is true that there have been previous wars in which allies gave mutual aid to each other in the nature of supplying associate nations with the implements of war, I have heard of no

instance in which a nation not at war passed such legislation to aid nations in the conflict. The act itself provides in section 1:

That this act may be cited as "An act to promote the defense of the United States."

That is the real title of the act, yet, if it were referred to under that title, I wonder how many people in the United States would know that reference was being made to what they know only as the Lend-Lease Act.

At the time the act was passed it was readily referred to as the Lend-Lease Act, and yet those who made some study of the bill realized that there was little likelihood of repayment in dollar exchange, goods, or services.

Except insofar as we can salvage what is left of defense articles on the cessation of hostilities, it is now an accepted fact by all familiar with its terms that there will be no tangible benefits accruing to the United States, regardless of how great have been our contributions for the use of other nations in the war effort.

It is now realized by those who understand the act that lend-lease shipments are in the nature of a contribution to civilization; that this contribution is not measured in terms of dollars but that each nation is expected to make its contribution in blood and toil in accordance with its means.

Others have said that the continued existence of the British Empire, or rather let me say the United Kingdom, as a free nation is essential to the continued existence of the United States as a free nation, and that therefore whatever we may lend-lease to the United Kingdom or the British Empire is for our own preservation and could not therefore constitute an indebtedness to us by the British Empire.

Now that we are in this global war because we were attacked and had no choice but to fight or surrender, these concepts seem logical and irrefutable. Should anyone disagree with this procedure and objective, he is immediately met with the realistic condition that this must and will be the basis and formula for our aid to the Allied cause as the arsenal of democracy.

However, under this concept the title "lend-lease bill" is a misnomer. We would be more realistic if we amended the title to read "war-aid bill." I wonder how many of the American people have the true concept of our status under the lend-lease bill. They are entitled to know the facts. They should not be under the impression that there is to be repayment of some kind when such is not the fact. They should be acquainted with the fact that lend-lease constitutes aid to our allies in addition to our own war bill, which will soon amount to $100,000,000,000 a year and that up to this time we have already appropriated in the nature of aid to our allies under lend-lease, $60,000,000,000 for their use in the common effort.

I am sure the American people will approve of this amendment to extend the act for 1 year if they have the true picture, as we are all agreed to win the war no matter what the cost. If on the other hand they are encouraged to believe that this is a lend-lease bill and there is to be repayment of some kind, tangible or intangible, it would be a serious let-down to be apprised of the true situation when it is over.

The term "lend-lease" is misleading, first because in lending or leasing our money or property we can afford to be and generally are more liberal and indifferent on the theory that it will come back to us in some form or other. If on the other hand it is given away in the nature of a contribution, even in a life-and-death cause, there must be and naturally is more concern as to how much we are contributing and what shape we will find ourselves in after having deprived ourselves of our money and property after the danger is passed.

This is true even though we know the American people want to spare no costs or sacrifice in winning the war; they have a right to feel that insofar as is possible in the exigencies and waste of war, every dollar of lend-lease that goes into the hand of an ally must be used for defense purposes and to the best advantage.

In the second place, it is, of course, impossible to more than roughly estimate the relative and reciprocal burdens to be borne by the individual nations to each other. Nor do we want to be too particular about doing more than our share. Nevertheless, there is a ceiling somewhere as to our contribution to the war effort. In other words, we are not going to win this war by merely spending money or throwing it at our allies.

Third, neither must we be deluded by the thought that we will receive back through lend-lease in reverse practically what we put into lend-lease. The public is given that impression in the columns of the daily papers. In my district in the columns of the daily papers appear the following statements, and others which I presume are typical all over the United States, and are given wide publicity:

Debtor nations have furnished housing, food, convoys, and other facilities to our soldiers overseas. In fact, the officials gave the impression that the amounts owed to Uncle Sam will be rather small if the war lasts several years or more.

And here is another one:

The reverse action of lend-lease is revealed by the statement that the United States forces in the United Kingdom have spent only $1,000,000 on commercial purchases there.

Such propaganda, of course, reveals nothing of the true picture and is indeed misleading.

Mr. CLEVENGER. Mr. Chairman, will the gentleman yield?

Mr. JONKMAN. I yield.

Mr. CLEVENGER. They say this matter of reverse lend-lease is a 50–50 proposition. It reminds me of the old recipe for rabbit sausage, half horse and half rabbit—one horse and one rabbit.

Mr. JONKMAN. I think the gentleman has used a fair simile.

It is true that lend-lease officials and others said they were unable to give any, or even approximate figures in dollars and cents as to the volume of lend-lease in reverse. In other words, what we received in return for lend-lease thus far. However, I am satisfied in my own mind from unofficial information checked with the information given the committee that our contribution to lend-lease in matériel, as compared with that of our allies to us, will run nearer a ratio of a thousand dollars to one than that it will nearly balance each other as above stated.

There can be little doubt that the Seventy-eighth Congress has a mandate from the people to reduce nonessential expenditures. We are seeking to carry out this mandate. But in a larger sense, unless the reduction of nonessential expenditures is a pledge and an earnest of judicious spending in the war effort, it will avail but little. It is true, of course, that the exigencies of war make much and often tremendous waste unavoidable. However indefensible waste should be avoided. We should not dispose of our substance finally and forever as outright gifts on the theory that it is being lend-leased and will be returned to us in some form.

In the committee I offered an amendment to change the title of H. R. 1776 to "A War Aid Act." This was rejected and perhaps properly so. "A rose by any other name smells just as sweet." I shall not offer the same amendment on the floor because the only accomplishment of such a change would be to drive home the modus operandi of the act. On mature deliberation I am convinced that the burdens would outweigh the benefits of such a change. In our experience with nicknames, we find they are not changed easily. However, we should give the public the facts and the realization that the approximately $60,000,000,000 already appropriated under this act is in reality war aid and not lend-lease.

Mr. Chairman, I should like to address myself to another amendment in committee and which was also rejected. I shall abide by those results and not again submit the same amendment. This was an amendment to change the word "deem" to "find" where the former appears in section 3 (b) of the act.

When the lease-lend bill was before the House in February 1941 I made the following statement:

Any attempt to comprehend the war-making power of this bill is baffled at the outset, for no human mind can envision the limitations of the property Congress is hereby asked to appropriate to one man for any use he deems proper. And not only this but Congress appropriates to the President, delegates we generally call it, undefined powers which it has no right to delegate except in a state of war. It is in effect a war bill and I doubt whether any President ever possessed such broad power in time of war.

That, of course, was almost a year before Pearl Harbor, almost a year before we were attacked and had our choice between whether we would fight or surrender and be overrun. It was before we were in the war. The fact that we are in the war has changed the situation to some extent, and yet not altogether so.

Directing myself to section 3 (b) of the Lend-Lease Act it reads:

> The terms and conditions upon which any such foreign government receives any aid authorized under subsection (a) shall be those which the President deems satisfactory, and the benefit to the United States may be payment or repayment in kind or property or any other direct or indirect benefit which the President deems satisfactory.

That word "deems" as a legislative, a judicial, or an administrative term is obsolete. It probably comes down to us from the time before constitutional government and constitutional processes were well established, from the time when a king could still "deem" that a man should be put to death and he was immediately killed without a hearing; but as the constitutional processes became established another word took its place in administrative and judicial processes; that was the word "find." "Find" is a term which in its administrative meaning presupposes the existence of facts upon which the finding can be based; and without the facts the finding cannot stand. In the second place the term "find" presupposes an opportunity for review if there is a reviewing body. As I say, the word "find" has supplemented the word "deem" in legislative and judicial circles. "Deem" is an arbitrary word still in good usage in its literary sense.

The Members may think I am talking somewhat academically, but my convictions on that score were confirmed a few months later when the Foreign Affairs Committee had before it a bill to amend the Visa—or let us call it the Immigration Act. That act had been passed during wartime in the administration of President Wilson. It provided in effect that whenever the United States is at war and the President shall find it necessary to the defense of the United States he may prevent the entry into or the departure from the United States of any person. As I say, that act was passed during wartime. But of course we were not at war in the summer of 1941, although the act was still on the statute books, lying dormant and inoperative. It was claimed before the committee that the administration sought an amendment in order to make it operative at that time, an amendment to provide that whenever the United States is at war or any other two nations shall be at war the President shall have that power. There was no objection to granting that amendment, but it challenged my attention that the word "find" was also changed to the word "deem."

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield 10 additional minutes to the gentleman from Michigan.

Mr. JONKMAN. There was no relationship between the proposed amendment and changing that word "find" to "deem." I asked the Assistant Secretary of State, "Can you tell me why that word 'find' is changed to 'deem'?" He looked surprised and askance, and I think it was sincere, and said: "No; I had not noticed it. I think it is just an inadvertence." So I said, "Is there not a difference between 'deem' and 'find'?" He said, "No; there is no difference as far as I can see." I said, "Then you certainly will have no objection to my offering an amendment to change the word 'deem' back to 'find'?" He said, "Not the slightest. That is all right with me." I could understand that the term "find" might by inadvertence have been lost or eliminated, but it was difficult to reconcile this with the substitution of "deem."

Then we had a recess for the luncheon hour. In the afternoon we resumed the hearings and the gentleman voluntarily and without any preliminary discussion said: "I want to refer back to the matter brought up by Mr. JONKMAN about changing that word 'deem' back to 'find.'" He said, "We would rather not have that amendment put in because under the word 'deem' the President will have a lot of power which he will not have under the word 'find.'"

My amendment at that time was not accepted in committee and I brought it on the floor. It is in the act today. At that time the defect was cured because it was done immediately.

It is my conviction that by using the term "deems" under section 3 (b) we have done the same thing. Who put that in? I would like to know that. I would like to know who put it in the Immigration Act which we have not been able to find out? I would like to know what forces have been writing the legislation that has been passed by a "rubber stamp" Congress for several years.

Here we have this language, "Whatever the President shall deem satisfactory" in the act. I realize, Mr. Chairman, that the Congress cannot waive its constitutional powers and responsibilities with reference to the making of treaties under the Constitution and it is not my claim that the House or the other body has so waived any of its prerogatives. It is my claim, however, that under section 3 (b) the House and the other body have by constitutional processes given their advice and consent in advance to any agreement or any settlement, treaty if you will, that may be made under H. R. 1776, which may involve a hundred billion dollars.

Mr. AUGUST H. ANDRESEN. Will the gentleman yield?

Mr. JONKMAN. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. Does the gentleman mean to infer that the provision in the original Lend-Lease Act which gives the President the power to negotiate agreements with the recipient countries would confer upon him the power to put through treaties in connection with that act without ratification of the Senate? Did the Senate consent to those agreements when they approved that act?

Mr. JONKMAN. The Senate in connection with a specific class of agreements gave its advice and consent in advance. They said, "You go ahead, you can accept any payment or repayment, direct or indirect, that you deem satisfactory."

Mr. AUGUST H. ANDRESEN. I can conceive that the President might negotiate an agreement for repayment or for the transaction of foreign commerce, using the funds which we had given, as exchange for transportation of goods into the United States and saying that those goods shall come in duty-free.

Mr. JONKMAN. If the gentleman will defer that, I would like to touch upon it just a little later.

Mr. VORYS of Ohio. Will the gentleman yield?

Mr. JONKMAN. I yield to the gentleman from Ohio.

Mr. VORYS of Ohio. Is it not true that one of the classes of Executive agreements with other countries that needs no ratification are agreements pursuant to laws passed by the Congress?

Mr. JONKMAN. I think that is correct. I think that the advice and consent has been given in the law. They could not do it as a broad general principle with reference to all treaties but they can do it as to specific treaties and agreements.

Not only do they use the word "deem" but they use the word "satisfactory." You lawyers understand that if you draw a contract in which the person is to deliver goods to your satisfaction, you are the only one that decides whether you want them or not. All the world can say they are satisfactory, but that does not make any difference; if they are not satisfactory to you that is final.

Mrs. ROGERS of Massachusetts. Will the gentleman yield?

Mr. JONKMAN. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I should like to point out to the gentleman that before he became a Member of Congress I made the point in committee in connection with a small bill that there was a great difference between "deem" and "find." At that time the committee probably thought it was not very important and they agreed to write in the bill the word "find."

Mr. JONKMAN. I thank the gentlewoman for her contribution, and it goes to prove a well designed, deliberate program to revert back from constitutional terms and processes to those of totalitarianism.

I want to ask, what has been done under article 3? We may look on page 72 of the report and at that famous article 7 of the master agreements. Article 7 of the Russian master agreement—and the other master agreements are similar—provides:

> In the final determination of the benefits to be provided to the United States of America by the Government of the Union of Soviet Socialist Republics in return for aid furnished under the Act of Congress of March 11, 1941, the terms and conditions thereof shall be such as not to burden commerce between the two countries but to promote mutually advantageous economic relations between them and the betterment of world-wide economic relations. To that end, they shall include provision for agreed action by the United States of America and the Union of Soviet Socialist Republics, open to participation by all other countries of like mind, directed to the expansion, by appropriate international and domestic measures of production, employment, and the exchange and consumption of goods, which are the material foundations of the liberty and welfare of all peoples; to the elimination of all forms of discrimina-

tory treatment in international commerce, and to the reduction of tariffs and other trade barriers; and, in general, to the attainment of all the economic objectives set forth in the joint declaration made on August 14, 1941, by the President of the United States of America and the Prime Minister of the United Kingdom, the basic principles of which were adhered to by the Government of the Union of Soviet Socialist Republics on September 24, 1941.

At an early convenient date, conversations shall be begun between the two Governments with a view to determining, in the light of governing economic conditions, the best means of attaining the above-stated objectives by their own agreed action and of seeking the agreed action of other like-minded governments.

What does all that verbiage in section 7 of the master agreement mean? I must say that in the committee I was unable to find out that it meant anything. I think that is something the Members of Congress would like to know. I asked, for instance, Is there a general comprehensive plan here to tie in the Lend-Lease Act with a post-war international economy in the same way that President Wilson tried to tie in the League of Nations with the peace treaty?

Mr. Acheson, of the State Department, said "No," and Mr. Berle, of the State Department, said "Yes." Yet between the two of them, in spite of the fact that Mr. Berle's answer seemed promising, I came out of about the same hole with Mr. Berle that I went into.

I would like to read you that testimony. On page 125 of the hearings I asked Mr. Acheson:

Mr. JONKMAN. Is it true that there is an attempt and an intent here to tie in extensive post-war international reforms and relations just as President Wilson tried to tie in the League of Nations with the peace treaty?

Mr. ACHESON. I think not. I think there is a very clear indication here that what we are doing with the other countries is making it as clear as we can to them and getting as firm a commitment from them as possible that they will not attempt to meet the perfectly overwhelming difficulties with which they will be faced by taking a line of policy which would be exclusive. The parties to article VII undertake that they will not pursue trade by various methods which could be regarded as unfair or discriminatory and that they will not use their currencies or their licensing systems or whatever form of control they may have to engage in a form of economic warfare after the war instead of opening up and increasing the trade of the world. It seems to me to say that the greatest benefit the United States can obtain in the economic fields seeing that we do not degenerate into the type of economic warfare which was going on in the late twenties and the thirties. Our object is to have a system which would expand trade rather than cut it down and down and down.

Let us see what Mr. Berle said. On page 226 appears this testimony:

Mr. JONKMAN. Can you give us anything of that broad policy? I asked Mr. Acheson the other day what was meant by that clause or those statements in the master agreements in article VII which reads:

"To that end they shall include provisions for agreed action by the United States of America and the United Kingdom open to participation by all other countries of like mind directed to the expansion by appropriate international and domestic bankers of production employment and the exchange and consumption of goods which are the material foundation of the liberty and welfare of all people; to the elimination of all forms of discriminatory treatment in international commerce, and to the reduction of tariffs and other trade barriers."

Mr. Acheson was of the opinion that that meant little more than the bare fact—of course, it was premised upon the right to take such payment or repayment as might be deemed satisfactory to the President—referred to little more than that the obligations in our favor would not be repaid in either gold or other commodities. Now, is there not a very broad, extensive plan to fit lend-lease into a post-war international economy, contemplated by the State Department?

Mr. BERLE. I think you can answer that "yes." The State Department has consistently preached and advocated a system of international agreements which shall make possible the steady expanding of international exchange This involves undoubtedly a series of arrangements looking toward the increase of exchange between countries. The equity of lend-lease, of course, formed one of the arguments for working that out. The end of the war we all of us hope will not be the increased segregation of every nation but will be a return to civilization, which permits and encourages a high degree of transit of commerce, of individuals, of information, and so on.

The aviation question you have under discussion this morning is of course one part, not even a very large part, of that resumption of the normal relations between the civilized countries. Under the master agreement we have entered into a mutual understanding that we will endeavor to cooperate toward that end.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. BLOOM. Mr. Chairman, I yield 7 additional minutes to the gentleman from Michigan.

Mr. EATON. Mr. Chairman, will the gentleman yield so the gentleman from Missouri may ask a question of the chairman of the committee?

Mr. JONKMAN. I am glad to yield to the gentleman from Missouri.

Mr. ELMER. May I ask the chairman of the committee if he can furnish any more information about this lend-lease business than we have received on the floor of the House? Has the gentleman any further information about it than what has been given here in the last 2 days?

Mr. BLOOM. There is nothing I can say in the way of giving information to the committee or to the Members of the House other than what is in the hearings. I believe there is full information there. I do not know of anything new that has come up here.

Mr. ELMER. I have been listening to the discussions here for a couple of days, and have been here every minute of the time, and I am frank to say that I know very little more about it now from the discussions than I did yesterday morning when I first sat down here.

Mr. BLOOM. Why blame me for that?

Mr. JONKMAN. Mr. Chairman, I decline to yield further.

The next question was:

Mr. JONKMAN. Is it the contemplation of the State Department that upon the cessation of hostilities we will have any balance in our favor that we can trade for such considerations?

Mr. BERLE. If you are talking financially, I do not think any living being can say.

Further in the testimony I asked this question:

Mr. JONKMAN. But at all events when it comes to the final settlement and we should ask in the nature of a return for some of those obligations a certain—let us call it "franchise in a country"—to land in their airports, under that theory of what may constitute repayment, we haven't anything to bargain with, have we?

Mr. BERLE. I think we have a great deal to bargain with, Mr. Congressman, a very great deal.

Mr. JONKMAN. For instance?

Mr. BERLE. Let us take a single instance—you can carry it out as far as you please in infinite detail. Under this method of carrying on a common war in considerable measure we have pooled production; that is, we have worked out methods by which the British concentrated on certain kinds of production and we on others. At the close of the war therefore we shall be equipped in certain kinds of production, including aviation, to do a great many things for a very long time which they are not equipped to do at all. And, as you probably realize, one of the items which has been worrying our friends in Britain has been that in aviation we are quite likely to move into a situation where we have at once the production and the equipment, and they have relatively little.

When it is said that there are no bargaining points arising out of this, I am frank to say that I do not agree.

Mr. JONKMAN. That is not a bargaining point growing out of the lend-lease arrangement. That is out of our equipment, out of our own economy.

Mr. BERLE. Yes.

Mr. JONKMAN. Isn't that true?

Mr. BERLE. Yes.

Mr. JONKMAN. I was asking for something that grows out of lend-lease?

Mr. BERLE. Yes, but the reason why the economy arranged itself that way is largely due to the lend-lease, you see. We agreed that we would make certain types of planes and lend-lease them to Britain, therefore they did not have to make them, and therefore abandoned it.

Mr. JONKMAN. I quite see your point, but it does not grow out of an obligation arising out of lend-lease as a contract or agreement in which the credit is in our favor.

Mr. BERLE. It grows out of a situation created by the lend-lease operation, to put it accurately, Mr. Congressman. It does not grow out of the signature on the bottom of a note or something of that kind.

So, as I say, I came right out of the same hole I went into without finding out a single thing.

The question is: Do we want to amend the bill so as to change the word "find" for the word "deem"? I think, Mr. Chairman, it is too late. The die was cast in 1941. We gave that power at that time, and not only have agreements been made under it but the final payment has already been decided upon. It is our word and honor that is at stake. We have made those master agreements and we must live up to them, cost what it will.

In the second place, I feel that it will not accomplish anything because, as I have already intimated, we have no trading balance in our favor. We are putting everything we put into lend-lease as a contribution to the preservation of

civilization. It is a contribution of blood and toil and not money, and we might just as well understand it.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. JONKMAN. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. In other words, the gentleman thinks the books will all be balanced when the war is over, and nothing will be due us?

Mr. JONKMAN. Absolutely. That is not in writing, that is not in the agreements, but it is plainly understood through the attitude that has been taken and the statements we have made, which are implied in the written and signed agreements.

May I say in conclusion that the gentleman from New York [Mr. WADSWORTH] offered an amendment to the committee report in lieu of my amendment stating that it is the sense of the Congress that the constitutional processes have not been abandoned. This is stated in the last paragraph on page 13 of the report. I think that will take care of it as well as anything. But outside of that, I do not think there is anything we can do to retrieve the situation we got into in 1941.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. BLOOM. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. ROGERS].

Mr. ROGERS of California. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. ROGERS of California. Mr. Chairman, we are considering here the question of extending the Lend-Lease Act for 1 year. I am for it. I think every man in the armed forces is for it. I think 90 percent of the American people are for it.

I came direct to this Congress from the Army. In the Army I personally felt very appreciative of lend-lease. It held, so to speak, the left and right flank. It was the mechanism by which arms were supplied to the men who were to fight beside our men. In this war for the control of a planet, lend-lease has helped Russia hold and then counterattack at Stalingrad, helped China hold and then counterattack at Ichang, helped England hold and then counterattack in Egypt. By keeping the enemy busy at other points, it helped make possible our taking of Guadalcanal and of north Africa.

Now, in this debate, we have gotten off as to how much money it is going to cost. We have wandered off as to who controls it—as to whether or not Harry Hopkins or some other Washington figure has anything to do with it.

Those are minor points.

In all this debate, let us never lose sight of the fact that lend-lease is a military necessity; that if we do not have lend-lease, we will simply have to take the same action under another name. Let us debate these minor points, fully and thoroughly, but let us never lose sight of the underlying fact—military necessity.

I hope this bill will pass without amendment. Since I have been here, this is the only Government agency that I have heard unanimously complimented. Everyone agrees that lend-lease is well run. It would appear that there is no vital need for amendment on the administrative side.

Now, this act was passed in 1941, and since that time we have had a parade of circumstance such as the human mind can scarcely conceive. For reasons best known to himself and his intuition, Hitler jumped on Russia. And for reasons which my colleague the gentleman from Minnesota [Mr. JUDD] so lucidly explained on the floor of this House, Japan finally exploded in the Pacific. One day we were peacefully shipping scrap iron to Japan, the next we got it back at Pearl Harbor.

And through it all, lend-lease operated, operated with sufficient flexibility to meet all these changing conditions. In the face of its success, rash indeed is the man who steps forward to amend it. It has operated so successfuly in such turbulent times that we should leave it alone.

Remember that this bill created bitter debate when it was first passed. Let us not now go back into that old, vinegarish, acidic, bitter background. Let us not introduce amendments which will have to be debated in the old hate-worn phrases of 2 years ago. When we speak here, we are not only speaking to the United States, we are speaking to the world. Let us present to the world a face of national unity—of national unity on this bill which is one of the keystones of our foreign policy.

Let us not distort this act with amendments. Remember that nations like China are fighting with the sole hope that we can find a way to get lend-lease aid to them in time. To distort, to amend, to change this bill at this time, would cause doubt and dismay on the battle fronts of our allies.

Yesterday my colleague the gentleman from New York [Mr. FISH] said that lend-lease was "not a two-way street, but a one-way avenue." The gentleman from New York is always worried about smears. He worries a great deal about them, and he worries about them in almost every newspaper.

I feel that if I were a Russian and looked at Stalingrad and its ruins, or a Chinese and looked at the ruins of Chungking, or an Englishman and looked at the ruins of London, and I was told that my help in reciprocal lend-lease was so unimportant as not to be considered, I regard that as very close to being a smear. We do get reciprocal lend-lease from allies, and we even get it from China. It is small, but China is a poor country. She does not have very much to give, and I suppose in comparison with what we are sending China, reciprocal lend-lease of China is small indeed. But I feel it is not being fair to our allies to say that this is a one-way avenue. The Chinese are doing the best they can. They are helping us out the best they can, and I feel that, while not a smear, it is very close to it.

I commend to the gentleman from New York the spirit expressed by the gentleman from Texas [Mr. KLEBERG] who yesterday in his address said something rather similar to this: "That we are all in one team together, we are going to win together, or we are going to lose together, and I wish that instead of criticizing our allies we would cooperate with them."

To repeat, Mr. Chairman, I wish that this bill could go through without amendment, and I wish that tomorrow we will remember that we are speaking not only to the United States, but also to the world. There are nations that have been fighting and holding on for 2 years with this particular bill as one of their great hopes. To amend this bill and distort it would be most unfortunate, and I hope that the bill will be passed without amendment.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of California. Yes.

Mrs. ROGERS of Massachusetts. The gentleman is talking about being a team. That is true, but on any football team, if some one fails, or the coach or the captain thinks that one member is not doing a complete job, it does not do any harm to mention the fact? The gentleman, I know, agrees with this.

Mr. ROGERS of California. I feel this is not the time for one of our allies to question another.

Mr. McMURRAY. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of California. Yes.

Mr. McMURRAY. I should just like to ask one question in answer to the question just heard. Is the gentleman from New York [Mr. FISH] the coach on the team?

Mr. ROGERS of California. I do not feel that I should answer that.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. BLOOM. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. SNYDER].

Mr. SNYDER. Mr. Chairman, on March 12, 1941, or it will be 2 years this coming Friday, President Roosevelt called to the White House to discuss what amount of money should be considered in the first lend-lease appropriation bill the following Members of Congress: Senator CARTER GLASS, of Virginia; Congressman JOHN TABER, of New York; Congressman ANDREW JACKSON MAY, of Kentucky; Congressman CARL VINSON, of Georgia; Senator JAMES F. BYRNES, of South Carolina; Senator CARL HAYDEN, of Arizona; Senator KENNETH MCKELLAR, of Tennessee; Congressman J. BUELL SNYDER, of Pennsylvania; Congressman CLARENCE CANNON, of Missouri; Congressman CLIFTON A. WOODRUM, of Virginia; and Mr. M. C. Sheild, clerk of the Appropriations Committee.

Contrary to what was said in many of the papers at that time, the President did not tell us he wanted $7,000,000,000 for lend-lease. As in any democratic conference, he asked us how much we

thought it should be. He said suggestions had come in to him, ranging any place from $1,000,000,000 to $11,000,000,000. So, before leaving the White House that day it was rather unanimous that the amount should be $7,000,000,000. That amount was reported from the deficiency appropriations committee and approved by Congress.

At that time lend-lease was not so popular among all Members of Congress as it is today because the vote shows that on the first lend-lease appropriation bill the House vote was, on March 19, 1941, yeas 336 to nays 55.

On the second lend-lease appropriation bill on October 10, 1941, the vote was yeas 328 to nays 67.

On the third lend-lease appropriation bill, on December 5, 1941, the vote was yeas 310 to nays 5.

I was one of those who was strong for the lend-lease from its very inception. We know now that had it not been for the lend-lease the world war situation would be quite different today. The lend-lease is the very backbone of unity among the allies.

If it had not been for lend-lease there would have been no American victory at the Solomon Islands last August 7. If there had been no victory at Solomon Islands, Stalingrad would never have stood up against the German onslaught. You ask why? Well, the Solomon Islands victory made it sure in the eyes of Russia that Japan would not attack Russia at that time or this last winter. That being true, Russia was able to bring something like a quarter million of her northern army with tanks and planes and munitions and guns down to help out the other armies around Stalingrad. There would have been no big-scale bombing on the European front had it not been for lend-lease. Of course, many of us think that the all-out Allied, English, and American front that started with a thousand planes and has been kept up almost constantly ever since is a second front, so called, of great magnitude, inasmuch as the best information we can get is that we have destroyed anywhere from 20 to 35 percent of the German and Italian war production facilities and establishments. Also there would have been no invasion of north Africa had it not been for lend-lease. This north African front is another front of considerable magnitude at this hour and one that Russia should recognize as a real front the same as the bombing front in Europe and the Solomon Islands front in the South Pacific. Yes; our lend-lease procedure as we see it now has not only aided the Allies in such a big way as they can continue to fight in a much stronger way, but on the other hand we believe in the end it will be the means of saving the lives of hundreds of thousands of our boys.

I wish to take this occasion to congratulate the Foreign Affairs Committee on bringing out not only this bill with such splendid information summarized in the hearings. You have done a good job, and I believe that the House will show its confidence in your work and in lend-lease procedure by a unanimous vote in the adoption of this resolution.

Of course, a big job like taking care of the lend-lease must have a big man at the head of it. President Roosevelt showed fine judgment when he selected Hon. E. R. Stettinius, Jr., to handle this gigantic problem. His business skills and business experience fitted him for the position, and he has proven, in handling the same, that we have at the head of this great undertaking a man for whom we all have the utmost respect and every confidence.

In this same field, I might say that to handle our end of the lend-lease in England is no small job. It was my privilege right before Pearl Harbor to go to England in the same clipper with Hon. Averill Harriman, who has charge of lend-lease in Europe. I had an opportunity to discuss lend-lease with him in detail, and in London I saw the way he conducted his office affairs and his office procedure. And again I say we are fortunate to have a businessman of the ability of Mr. Harriman looking after our lend-lease interests in that part of the world.

Mr. EATON. Mr. Chairman, I yield 15 minutes to the gentleman from Pennsylvania [Mr. GERLACH].

Mr. GERLACH. Mr. Chairman, we as a Nation are engaged in the greatest war in the history of mankind. What we do and say here today should be that which raises the hope and sustains the morale of our people. It is true that we cannot all agree upon one program, or upon one phase of a program, but it is agreed in the hearts and minds of all of us that our one great objective is the winning of this war. Each of us has our own ideas about the methods we should use to attain that mighty objective—our national defense and our war effort. To this end, I have voted for every lend-lease appropriation measure in the past 2 years since it was enacted into law.

The measure upon which we now debate is a program of providing goods and services to nations resisting the Axis aggressors, undertaken for the defense of this country and carried out in the interests of the people of the United States. We have aided other peoples under lend-lease because their interests coincided with our interests.

Unless one has carefully studied the reports presented by the Administrator, and listened with interest to all the testimony before the Foreign Affairs Committee by those in charge of the administration of the program, they are unaware of the important part being played by this aid in the global war of today.

The goods and services which we speed to our allies are but one of the many streams flowing into the pool of the United Nations' resources. And it is well to remember that we are not fighting this war alone. We are fighting side by side with every country that sees in the Axis the grave threat to human liberties which, together, we must wipe out. The pooling of resources, therefore, is as much to our benefit as to that of any other nation in the world.

Under the program we receive what is technically termed reciprocal lend-lease or lend-lease in reverse. Such aid, provided without dollar payment by the United States, has already meant millions of dollars in savings to us. Without it, we would have been obliged to furnish our forces in the various parts of the world with immense quantities of food and of varied matériel that has instead been furnished by our allies. We would have been forced to send thousands of civilian employees to the various fronts to engage in the many endeavors coincidental to the maintenance of our armed forces on their far-flung battle lines. We have received this, however, in goods and services under lend-lease in reverse.

Major Spiegelberg, of the General Purchasing Board, testified before the committee that, in the period from June 1 to December 31, 1942, more than 1,121,000 ships' tons of articles and equipment have been received by us through this reverse process. And this does not include the materials for construction which the British have supplied solely for our forces and which the major avers, will mean an expenditure to the British of $560,000,000 when completed.

In addition to this material aid, we receive immense benefit in the exchange of scientific and technical information so vital to the mechanized warfare of today. The fact that Great Britain has had prior war experience has greatly benefited America in the days that have followed the dastardly attack on Pearl Harbor by the treacherous Nipponese, for all that the British have learned in actual combat has been turned over to us, whether from the standpoint of education in aircraft or weapons of war. We knew, therefore, of many things in record time, things that we would otherwise not have learned until our baptism by fire; things that would have cost us quantities of matériel in loss, and perhaps thousands of lives. This, of itself, is of far greater value to our united war effort than can ever be measured in terms of dollars and cents.

Mr. Chairman, I have been pleased with the able administration of our lend-lease program, and the reverse system by which we are benefited. But I view with consternation, too, the fact that the one country which may, in the course of present history, prove to be our greatest ally, has received far too little aid under this program. I specifically refer to China, the country whose first lady, Mme. Chiang Kai-shek, recently gave this Congress one of the finest addresses any of us have ever heard. I do not mean to reflect in any way on Great Britain, or any other recipient of lend-lease aid, by pointing out that China has received next to nothing under this act. But I am convinced that China should have more help, in an ever-increasing measure, of the raw materials, the oil, the guns, ammunition, the tanks, and planes she needs so badly. We dare not for one moment underestimate the cunning and the power of our Japanese adversary in the Pacific; consequently, we dare not

fail to adequately supply China with vital and strategic materials, for the Chinese manpower is our greatest present weapon in the Pacific theater of war. However hungry and pitiful the loyal followers of Generalissimo Chiang Kai-shek may be; however poorly clothed and fed; regardless of the suffering they have endured for 5 years; the Chinaman who dreams of freedom, of liberty, is a first-class fighting man, and we can thank God that we have him on our side. And, as material evidence of our faith in China, we should make every effort, every sacrifice, to ship abundant supplies to this ally so that they may hold back the treacherous Jap and delay the hordes of Hirohito until the not-too-distant day when MacArthur leads his legions into Tokyo as our planes bomb the last vestiges of Japanese arrogancy from their own island home, and our Navy steams into the harbors of the "Dying Sun."

Then, too, Mr. Chairman, I am somewhat surprised at the attitude of our Russian ally. I am sure that not one of us here in the House missed the speech of Josef Stalin, made little more than a week ago on the occasion of the twenty-fifth anniversary of the founding of the U. S. S. R. The speech in which Stalin, addressing his people, stated that Russia was bearing alone the weight of the war with Germany. Perhaps the head of the Soviet Union did not mean to imply that the Soviets were lacking in proper support of their allies, but that is the implication which almost everyone took from his address.

We realize how devastating to the Germans has the Russian drive been; there is no comparison in modern warfare of the brave and courageous march the Russians have begun and sustained, annihilating German manpower to such a degree that Hitler and his satellites are quaking in their boots.

But let us not forget that effective lend-lease to the Russians has been of tremendous influence to them and without it, it is extremely doubtful if they could not only have sustained their present drive, but have withheld the German sieges that caused the Russian retreat of a year ago. We began to ship lend-lease aid to the Soviet Union in the fall of 1941, and to date, according to the Stettinius report, we have supplied them with more than one and one-half billion dollars' worth of goods and services. Up to the beginning of last December we have given them 2,600 planes, 3,200 tanks, 81,000 trucks and jeeps, and every one of us here in this House knows the incomparable advantages in modern warfare of this great mechanized equipment. Let me remind the Members that this equipment represented more than we shipped to any other country, including Great Britain, under our lend-lease program. Great Britain in the same period of time gave the Russians another 2,000 planes and 2,600 tanks. No; my friends, Russia is not fighting the Axis alone. I am quite emphatic in my statements when I say again that without this magnificent aid from the United States, and that from Great Britain which cannot be discounted, all the courage and fearlessness of the Soviets would have availed them nothing. You cannot fight dive bombers unless you have dive bombers and fighter planes of your own. You cannot send infantry against panzer divisions; you have to have tanks to fight the same kind of fight.

And still another factor should be made more apparent. Russia needs food; as the famed Napoleon is credited with saying, "An army travels on its stomach," and the Russians, with their own wheat fields devastated, and their stores of food hard hit, could not have fought and marched and driven without food supplies adequate to take care of her millions of soldiers and civilians vital to her war effort. The United States has therefore been shipping large consignments of food to the embattled Soviets and, as has been stated by Lend-Lease Administration officials during the hearings on H. R. 1501, food supplies going to Russia from now on are expected to exceed by a considerable margin lend-lease food shipments to all other parts of the world combined, including those shipped to the United Kingdom. Food, Mr. Speaker, is ammunition, and it is the kind of ammunition that has helped to keep the Russian Army in the fight, without which the present Russian story might have been entirely different, and might have proven to be disastrous for all the United Nations.

There is one other point I wish to develop with regard to the extension of lend-lease. During the course of the hearings I questioned Administrator Stettinius with regard to the return of materials which are lend-leased to other countries. I was thinking particularly of manufactured materials which are being shipped to all United Nations qualified to receive them under the broad provisions of H. R. 1776, the original Lend-Lease Act, and which can be returned to us at the end of the war in like kind. The assumption is that, if we give England 20 tractors, she can return 20 tractors to us at the cessation of hostilities. While this may seem, at the outset, to be reasonable, I wish to call to the attention of my colleagues that such a return of tractors or any other finished materials at the end of the war will mean that much more unemployment of American labor at that time. The workmen of Britain, or any other country so constrained to return such products, will have the work and we will receive the finished product while our own factories may be idle. The provisions of the act allow us to accept strategic raw materials in return for such lend-lease, and I sincerely believe it would be most wise for those in charge of the administration of this act to so arrange that, when the time comes and victory has been won, we bring back the strategic raw materials that will give work to our American people, be it in exchange for tractors, farm machinery, industrial machinery or machine tools of any kind as well as the instruments of war.

It was most gratifying to me to have Administrator Stettinius state that he and his coworkers, as well as State Department officials, have had this point in mind. However, I believe we should have some definite assurance that such equipment will not, of itself, be returned to us save in the form of strategic raw materials.

In my humble opinion, all things considered, lend-lease is a tangible policy of direct effect upon our war effort and it should be extended at this time. I am deeply concerned with the fact that we need a constructive foreign policy that combines economy and efficiency with the original object of winning the war and in using our ultimate victory wisely. I believe lend-lease is a part of such a policy and ask my colleagues to support H. R. 1501, extending the provisions of the act for an additional year so that the great bulk of production not used by our own forces continues to go to those 43 nations who are our allies, and who will make the most effective use of it to bring to an early and glorious end this great global war, and so that we in the United States can protect, preserve, and perpetuate our Republic and the American way of life.

Mr. EATON. Mr. Chairman, I yield 10 minutes to the gentleman from Massachusetts [Mr. HERTER].

Mr. HERTER. Mr. Chairman, at the very outset let me say that I am heartily in favor of extending the Lend-Lease Act and of the action taken by the Foreign Affairs Committee in unanimously reporting the bill now before the House. I will try in the very few minutes allotted to me not to repeat or cover the ground so well covered in the last 2 days, but to raise two questions that are not perhaps serious at this moment, when there is practically unanimity in the House in respect to the lend-lease program, but which may in the next 12 months cause very serious concern to all of us. The bill as originally enacted gave to the President colossal powers and colossal responsibilities. Section 3(b) has been read here and under that section of the act the President alone can determine to what nations and in what amounts materials of war are to be sent, and the President alone is empowered to determine the benefits which the United States shall receive in return.

The congressional grant of authority is made in the broadest terms with no guide to the President's judgment and no limitation on his discretion. There is no definition of benefits. Congress did not incorporate in the statute any criteria to govern the policy to be pursued.

The bill now before the House providing for a 12-month extension of the act is similarly devoid of any specific directions or precise expression of congressional intent. No provision has been made for registering congressional judgment and concurrence with respect to what is done in fulfillment of the program. It is a situation that contains the seeds of future difficulties and controversies, political and economic, as well as military.

A great deal has been said as to whether or not an international debt is being created by the act and by the renewal of the act. The very term lend-lease implies something to be repaid.

Section 3 (a) specifically states that payment or repayment in kind or property "or such other direct or indirect benefits" shall be such as the President deems satisfactory.

Finally, the master lend-lease agreements employ the phrase "final determination of benefits." This language in conjunction with the other words very clearly implies some form of debt which must be liquidated by a final agreement.

I feel that that may lead to very serious misunderstandings in the future. It is with respect to the question of the benefits which accrue to the United States and the danger of public misconception on this score that I testified at the committee hearings on the pending bill on February 16. The gentleman from New York [Mr. WADSWORTH] today said it would be infinitely better if we were not trying to set up balance sheets, and I agree with him. To try to evaluate our contributions to our allies and their contributions to us, and to try to strike a balance on a dollar-and-cents basis, misrepresents the true nature of these transactions, and to cultivate an expectation of some post-war settlement in gold or goods is to invite future trouble.

Let me rapidly run over the possible benefits that may accrue. Reverse lend-lease—the amount of supplies and services which our allies are currently giving to us—is very largely of inestimable assistance in our common undertaking. I think we are all in agreement now that in the post-war period receiving benefits in the form of money or in goods or in services will be impossible. They will not be there to be given or taken. We must look elsewhere if there are to be benefits. You can find a second category of benefits under the head of strategic bases, as has been discussed, or under the head of air fields and air rights throughout the world. It is my own feeling that the lend-lease agreements are very doubtful instruments to use to try to secure those advantages. Let me explain that.

To try to withhold lend-lease materials from any nation in the world today that requires it to fight this common war seems to me to be unconscionable. Yet many people believe that lend-lease should be used as a leverage with which to secure advantages for ourselves in the form of material things.

Finally, the forms of benefits which are contemplated in the master lend-lease agreements are of two kinds—benefits that come as trade agreements and benefits that might come as post-war political agreements.

To my mind, the entire lend-lease operation, as has been stated before, is essentially a military operation. It is a vehicle by which we contribute to the waging of a war which has become a joint undertaking of ourselves and our allies.

It was and is today as much in our national interest to furnish materials of war including foodstuffs to those nations which are fighting our enemies as it was and is of assistance to them. It is undertaken with a view to bringing about completion by joint effort, and by "completion," I think we can all agree, we mean complete victory and security for the nations after that victory. That security can of course be obtained or we hope it can be obtained in a number of ways. Presumably there must be political agreements. Presumably there must be some economic agreements. Presumably also it is those agreements as contemplated in the master lend-lease that will represent benefits to the United States. But I still fear serious misunderstandings on this score, and I fear them particularly 12 months from now when this matter will again come before the House for further renewal, unless the war has ended, because at that time, whether we like it or not, this country will be approaching a Presidential election at which time political and partisan advantage may well be taken of what may be considered inadequacy of the benefits accruing to the United States under the lend-lease program.

The second thing I fear and fear greatly under this act, may likewise face us 12 months from now. We have heard a great deal about the food situation in the United States. Anyone looking dispassionately at our statistical position as far as food is concerned cannot help but be struck by the very ugly fact that 12 months from now we are likely to be suffering from a serious shortage of food in this country, a shortage which will be accentuated by the fact that as a weapon of war we must use food to send to foreign nations.

I had considerable experience with regard to food and the distribution of food as a weapon of war and a weapon of peace immediately after the last war. We are going to have to pull our belts in. We are going to have to pull them in very seriously within the next 12 months. When that time comes it is going to be inevitable that many people in this country will be saying, and saying loudly, that this country should be fed first before we send any food abroad for foreign nations. Frankly, I feel that somehow we must manage to do both. We must manage to feed our own people, but we must not suspend the immensely necessary shipments of food to our allies and to subpect peoples that may be released from the German yoke, and I am afraid, however, that with a growing shortage of food the clamor for halting food shipments under lend-lease may grow and may turn very seriously to embarrass all of us at a time when the renewal of lend-lease comes before us once again. I can well visualize a situation in the next 12 months where our troops will be entering Greece, southern Italy, France, Belgium, Holland, or Denmark. Wherever we go we will find starving peoples. As a purely military matter, entirely aside from a humanitarian matter, it is going to be absolutely essential for us to feed the people. If we do not do it, who will feed them?

If I know anything of the temper of the American doughboy, he is not going to wage war in a country where women and children are starving unless he shares his own last crust with those women and children. As a purely military matter, any commander in the field will tell you the most dangerous thing to cope with is a starving civilian population at your back when you are undertaking a military operation.

Mrs. ROGERS of Massachusetts. Will the gentleman yield?

Mr. HERTER. I yield.

Mrs. ROGERS of Massachusetts. The gentleman speaks from experience, because he did a very fine work during the World War in Europe along the line of feeding hungry people.

Mr. HERTER. I thank the lady for her compliment.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. EATON. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. HERTER. I think there is need of pointing out the dangers that we are facing in the next 12 months, but I should like to make what I believe to be a constructive contribution to the discussion. I should like to see the leadership of both sides of this House, by appropriate resolution, not only commission but instruct the Committee on Foreign Affairs, or perhaps a subcommittee of it or a special subcommittee of the Appropriations Committee, to maintain a continuing review of the entire lend-lease operations, with all its ramifications of foreign policy.

Lend-lease sends us reports once every 3 months. The reports are sent to Congress as a whole; what is everybody's business is nobody's business. I feel that the example of what the committee has done in giving information to the House in the last few days, and through the House to the people of the country through its reports, ought to be a continuous operation. This is not a partisan matter. It is a matter of such import to the success of the war effort that it should be continued. Many serious misunderstandings could be avoided in this way. A continuing examination by a special committee and an impartial appraisal of what is being done under the lend-lease program might well go a long way toward reassuring the country at a time when such reassurance may be badly needed.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BLOOM. I yield 3 minutes to the gentleman from Washington [Mr. MAGNUSON].

Mr. MAGNUSON. Mr. Chairman, I rise at this time for the purpose of clearing up the record on one matter that happens to fall to my lot.

The United States Navy some days ago unofficially expressed the desire through its Secretary and high-ranking officers that the United States acquire for naval purposes throughout the Pacific a certain series of bases, where we now have installations, and where possibly some installations will be made further in this war or even during peacetime. The

House Naval Affairs Committee was instructed to appoint a subcommittee to handle that matter. I was made the chairman of that subcommittee. The Navy Department, our subcommittee, and the Department of State are working on the matter.

There has been so much talk about lend-lease and there has been an attempt on the part of many commentators and some newspaper writers to link up this desire on the part of the Navy with some sort of reverse lend-lease assistance in relation to Australia, New Zealand, China, and even Russia. I want to make the record clear on this point by saying that the only purpose, the only desire of going about doing the spade work of acquiring these needed bases throughout the Pacific, is motivated by purely military purposes. It has nothing to do with lend-lease, and I like to think of it in this way: That is merely a desire on the part of the Navy to get the implements, those implements that are going to be necessary for the Navy in this war and the post-war world in the Pacific to carry out the inescapable responsibility that is going to devolve upon the United States Navy in the Pacific Ocean.

I cannot see any reason, and I do not know of any fact that has been presented, when this war is over that it will not be the bulk of our responsibility to maintain peace in the Pacific. Surely it is our main responsibility to fight the war in the Pacific; and ours alone, in the north, of course, aided by Australia and New Zealand; and what we are giving to Australia and New Zealand under lend-lease has nothing to do with this move at all; and I hope the record will stand clear once and for all that the United States Navy, or my committee, or any other group that has anything to do with this is not in any way connecting up what we do with lend-lease to Australia, New Zealand or these other countries.

Mr. EBERHARTER. Mr. Chairman, will the gentleman yield?

Mr. MAGNUSON. I yield.

Mr. EBERHARTER. I am glad the gentleman made that statement. I take it that, in other words, the Naval Affairs Committee has just done its duty in making studies now so it can make proper recommendations to the Congress concerning bases that are needed for the protection of this country.

Mr. MAGNUSON. I may say to the gentleman from Pennsylvania that, in other words, it means we want to have at our disposal during the war and after the war such implements, whether they be bases by lease or acquisition or taken from the enemy by force—such implements that we can better carry out the responsibility that is going to be ours in the Pacific.

Mr. EBERHARTER. I want to compliment the committee for having undertaken this work and compliment it also on its selection of the subcommittee.

Mr. MAGNUSON. What we are doing by lend-lease for Australia and New Zealand may, as the gentleman from New York pointed out, when the books are balanced be just about even.

The CHAIRMAN. The time of the gentleman from Washington has expired.

Mr. EATON. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. MAGNUSON. I yield.

Mrs. ROGERS of Massachusetts. I believe there is a feeling now that we should have acquired things that way long ago. I wish the gentleman would read, although probably he has already done so, the testimony of Assistant Secretary of State Berle. Mr. Berle indicates that our privileges and rights should be preserved. He did not recommend an amendment to the Lend-Lease Act, but I feel that in his statement there is very clear indication of what his wishes are for the future, that we should have ample protection.

Mr. MAGNUSON. We have heard talk about the possible ingratitude of other countries. I think the House should know that 10 days ago, after the formation of this group, the Prime Minister of New Zealand, through his Minister in Washington, Mr. Nash, demonstrated the reaction of his country to this program by saying publicly to the whole world that they in New Zealand were an ally of the United States and were perfectly willing to sit down then and discuss leasing the bases we may need for use in the Pacific.

Mrs. ROGERS of Massachusetts. Will the gentleman yield further?

Mr. MAGNUSON. I yield.

Mrs. ROGERS of Massachusetts. After all, it is our responsibility to look after our own protection; we cannot expect other nations to do it for us.

Mr. MAGNUSON. Then there are the Japanese mandated islands. I hope that within a short time we shall have hundreds of them. We should be laying the ground work and doing the spade work, so that when we go to the peace table we shall know how we want to do this job.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BLOOM. Mr. Chairman, I yield 30 seconds to the gentleman from Washington in order that he may answer a question of the delegate from Alaska.

Mr. DIMOND. Mr. Chairman, will the gentleman yield?

Mr. MAGNUSON. I yield.

Mr. DIMOND. I hope the gentleman and his able subcommittee will give some thought not only to the acquisition of bases in the Pacific but to the reacquisition of one of the finest harbors and one of the most splendid natural bases in the Pacific; that is in the island of Kiska, now in the possession of the enemy.

Mr. MAGNUSON. I am sure the Navy has that under active consideration at this time.

Mr. Chairman, I ask unanimous consent to revise and extend my own remarks.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

The CHAIRMAN. The time of the gentleman from Washington has expired.

Mr. EATON. Mr. Chairman, I yield such time as he may desire to the gentleman from Wisconsin [Mr. O'KONSKI].

Mr. O'KONSKI. Mr. Chairman, for 2 days now I have listened to speeches by Members of this House on this lend-lease bill. It stirs me that in this 2 days of debate it appears that the Members of this House have completely lost their heads. Time and again I have heard statements by the vast majority in this House to the effect that this act is misnamed. Statements have been made to the effect time and again that this is not a lend-lease bill that it is a "give-away" bill. I cannot conceive Members of this House losing their heads so completely that all they are thinking of is giving away and getting nothing in return.

I have never heard, in the entire history of the world, of any country that ever got any place just giving away and getting nothing in return. I ask you in all decency and in all fairness, how far do you think this country will get by giving away its manpower, by giving away its blood, by giving its money and by giving away its natural resources without getting one iota in return.

It appears that the Members of this House are more worried of the welfare of the people outside of the United States than they are concerned about our own people within the United States. We talk of starvation and deprivation everywhere else in the world, but we close our eyes to the starvation and the deprivation right here at home. For right here at home today, right now, we have hundreds of thousands of people who are just as bad off as some of the people in other parts of the world that we are so concerned about. I am talking about our old people who today, with the high cost of living, do not even get enough to keep body and soul together. All they are getting from us is slow starvation allowances. And it worries me terribly to see the attitude of this House in the frame of mind where they literally want to give this country away to somebody else and at the same time close their eyes to the deprivation and starvation here at home.

Mr. Chairman, do not misunderstand me. I am for the cooperation of the United Nations in prosecuting this war. I feel that we should do our share. Yes; I even feel that we should do more than our share. But I do not agree with the Members of this House that we should do everything and pay for everything. I feel that every country in the United Nations cause should do its just share. And I am of the honest opinion that there are nations in the United Nations cause who are not exerting themselves to the limit simply because they know that we are an easy mark and will do it ourselves if they do not.

The British Empire consists of more than one-fourth of all the land in the world. The sun never sets on the British Empire. The British Empire has more than 500,000,000 people, or more than one-fourth of all the people in the world. The British Empire has more natural wealth and far more resources as a whole than any country in the rest of the world.

Yet the total exertion on the part of this vast empire for the coming year will be somewhere around $30,000,000,000,

and it has so far organized an army totaling not more than 7,000,000 men.

The United States of America is a small country compared to the British Empire. We have one-fourth the population of the British Empire; we do not have one-half the resources of the British Empire; and yet our exertion this year will reach a total of more than $110,000,000,000, and our goal is to have an Army of 11,000,000 men. Now, understand me, I am not saying that we are doing too much. I feel that this is an all-out war, and we must exert ourselves all the way. However, I think that this should be uniformly so. And it is high time that other countries in the United Nations cause exerted themselves all of the way.

I think that in consideration of this give-away bill we should consider some danger signs. We should not let our judgment run away from us. We must consider the consequences as well as the good points. I propose to consider some of these consequences today and to put a sign post here and there marking the danger that lies ahead if we are going to completely lose our heads about this proposition. I am concerned especially about the matter of our financial structure and how much it can stand before it breaks completely from under us.

I am seriously concerned about the frightening way in which our debt has been accumulating. And I am especially so seriously concerned when I consider what a beautiful and magnificent job the British are doing in holding their national debt down. And while we are so seriously concerned about the startling increase in our national debt, there are still right in this House Members who are already planning to rehabilitate the world at our expense and further increase our national debt. And then at the same time, these Members are so faint-hearted that they say, "We don't want anything out of this war; we just want the honor of giving this country away man by man and piece by piece."

What am I talking about? Simply this. The United States of America and Great Britain are the only 2 nations in the history of the world that have not yet gone through the financial wringer. Before this Second World War started, this country and Britain already had a heavy national debt. Right now, for instance, we still owe every penny that we spent in the last World War, and that was 26 years ago. On top of that we have the debt of the large-scale relief program. And now on top of that we are going to have another $200,000,000,000 added to our National debt as a result of this war. At the beginning of this war the British financial position, however, was worse than ours. Suffice it to say that only a year ago the British pound sterling was sold for as little as $1.50. That is how bad the British finances were in 1939. A British pound worth only $1.50 compared to the official value of $4 per pound.

However, what has happened as a result of our running wild in spending money. In the 14 months that we have been at war we have almost ruined our financial structure while Britain, during 3 years of war, has actually improved its financial structure.

Mr. Chairman, I would like very much to read for you an article from the New York Herald Tribune, written by Geoffrey Parson, London correspondent. I want to read this article to you to show you what is happening to the financial structure of the United States of America as a result of our careless finances and as a result of our losing our heads completely. Here is the article which Geoffrey Parson, the London correspondent, sends to the New York Herald Tribune, and just listen to this article:

There has been considerable discussion of a discreet sort in British financial circles in the last few weeks about the current relative value of the pound sterling and the American dollar, with some fairly strong suggestions that the dollar is due for a revaluation in terms of pound sterling.

Various calculations have been brought forward to show that the American dollar is not exactly up to the position it currently holds in relation to the English pound. United States Budget estimates for 1943–44 total around $100,000,000,000, compared with approximately $20,000,000,000 for Great Britain. On the basis of these calculations Britain, with less than one-third the population of the United States, is spending only one-fifth as much money for the prosecution of the war.

"It is known," points out the financial editor of the News Chronicle, "for example, that the costs of certain manufactured war products in America is in dollars much higher than four times their cost in pounds here. It is known that the ratio of wages of workers doing comparable work is nearer $8 to the pound than $4.

"And again, the pay of American soldiers is notoriously much higher than the pay of British soldiers. At $4 to the pound the American private soldier gets something over 8 shillings a day, against the British Tommy's 3 shillings, i. e., between 2½ and 3 times as much, giving an equivalent of, say, $10 to $11 to the pound.

"In view of all this evidence," says this financial expert, "we must conclude that America's war expenditure—the American war effort—is to a not inappreciable extent overstated by translating dollars into pounds at four to one. The last thing I want to do would be to minimize America's effort. That is, by any mode of calculating, colossal. Nevertheless, there are dangers in exaggerating, and I can only express my belief that it would be a more accurate measure to take the dollar at about 6 to the pound and to say that America's 1943–44 war expenditures will not be 5 times ours, but 3 times ours."

Other comparisons have been put forward to illustrate what is called an inaccurate relationship between the dollar and the pound. The average hourly wage in America, it was pointed out, is almost double that in Britain, which assuming an equal productivity, would presume an exchange value of $8 to $9 to the pound. On comparable war work, it is suggested, such as ship construction, American production is much more costly, even though faster.

As one observer remarked, if the production of ships or munitions takes more man-hours in the United States and each man-hour carries double the wage rate there, it follows that, for comparing the output of these, more than $8, perhaps in some cases as much as $16, must be reckoned to the pound.

There you have it, ladies and gentlemen, and remember this is not a Nazi viewpoint, this is the viewpoint of our friends. This is the viewpoint of one of our leading allies. They see in our wild finances more danger than the Members of our own House assembled right here see. British financiers are actually more worried about our financial structure than we are here representing the people of the United States of America. Here we actually have a condition of affairs where people who know finances are beginning to tell us that the British pound sterling and the American dollar must be revaluated. Here we have members of high finance telling us that the British pound sterling is not worth $4 a pound but it is actually worth $16 a pound because of America's loose finances and loose spending.

Herein, ladies and gentlemen, lies a very evident danger signal. In considering this "give-away bill" then let us stop for at least 5 minutes and consider the consequences and see if we are not going too far. Let us actually stop, look, and listen before it is too late and I ask you in all fairness, with the danger staring us in the face, "Is it not rather silly to talk now about a world order and about rehabilitating the world?" How in the world can we rehabilitate the world if the credit of the United States of America is being crushed out? How can we rehabilitate the world if as a result of our loose finances we find that our dollar is worth nothing on the world market, and it seems rather ironical to me that at this time when we are losing our heads about saving the world, those we are about to save are already beginning to question the credit and the financial structure of the country that is about to save them. I plead with you and I beg with you, Members of the House, to keep our feet on the ground. No matter how far we may lose our heads, no matter how far we might let our emotions run away with us, for the sake of our country let us keep our feet firmly on the ground. Unless we do that, we are not saving humanity, we are merely putting this country in so weak a position that instead of us trying to save the world, we might have to call upon the world to save us.

Mr. EATON. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. SMITH].

Mr. SMITH of Ohio. Mr. Chairman, it would appear that I am to be the only Member of the House who is taking the floor in this debate and opposing this bill.

I am happy for the distinction.

If this bill were not passed the President would still have $55,000,000,000 of so-called lend-lease money to spend.

I shall vote against extending the time of the so-called Lend-Lease Act, and I want the Members of the House, but more especially the people who elected me to Congress, to know my reasons for taking this action.

I voted against the lend-lease bill when it was originally proposed because I believed it to be against the best interests of our country. Since then I have become more and more convinced of the correctness of that position, and I am

now more than ever opposed to this program and policy.

It is my studied conviction that this scheme is actually injuring our war effort, instead of aiding it; that it has in it potentialities to lose the peace for us, and the possibilities of completely undermining our economy and involving our country in some sort of international or world economic and social order that would destroy us as an independent Nation.

It is not generally known that this program is being used not only as a war measure, but also as a means to bring about a politically planned world state. It forms a part of the grandiose scheme of the bureaucrats and politicians, directed by the President, to plan for our country a different kind of economy and government than we have heretofore been living under. Lend-lease is being used as a mixture for aiding the war effort, and for global economic and social planning. This fact should constantly be kept clearly in mind for a true understanding of the subject we are considering, for it cannot help but affect seriously our war activity, as well as our future way of life.

Another thing should also be kept in mind, namely, the term "lend-lease" is a complete misnomer, and, so far as I can find out, nothing even remotely comparable with this scheme can be found anywhere in the history of mankind.

Thirteen witnesses, in all, appeared before the committee to testify. Eight of them were administration representatives and five were Congressmen.

No attempt whatever was made to develop the far-reaching and profound implications involved in the giving away of so great a portion of our substance through lease-lend, or to determine the effect upon our economy, or upon our war effort, or upon our very sovereignty. Only the gentleman from Minnesota, Congresman MAAS, touched upon the effect upon our war effort. In my opinion, he made out a good case against giving our war supplies away to other nations, as we are doing, when these supplies are so badly needed by our own soldiers in the Pacific area, where, he stated, there is a critical shortage of supplies. The gentleman from Minnesota, Congressman MAAS, however, supported the bill.

Perhaps the most outstanding feature in the hearings on this bill is the new streamlined cliché or slogan invented by the administration spokesmen for lend-lease to further delude the public. No doubt it has been sensed that there is a deep-seated propensity in the minds of the people against giving our substance away under the mask of lend-lease, especially our war supplies, when our own soldiers in the field are in such dire need of fighting equipment. Probably the smoldering resentment that is welling up against this anomalous program is also being sensed. Otherwise, why the strained effort by the administration witnesses to make it appear that we are now receiving supplies from the countries to which we extend lend-lease, in such substantial amounts as to make the transaction practically an even trade? A new subterfuge had to be found. "Lend-lease and lend-lease in reverse" will do the trick, so it appears the administration witnesses thought. With this sophisticated catch-all phrase it is now hoped to lull the opposition.

It is remarkable how the administration witnesses before the Foreign Affairs Committee leaned backward to make out a case for what they called "lend-lease in reverse" or "reciprocal aid," or the amount of supplies furnished us by the countries receiving lend-lease. In reading the testimony of these witnesses one is almost forced to conclude they had been drilled in what to say and to stress this point.

THE TERM LEND-LEASE IS A DECEPTION

When one lends or leases anything of value, one gives it over to another temporarily, either without or with compensation for its use, on condition that the thing itself, its equivalent in kind, or something of equal value be returned to the person who did the lending or leasing. There is a contract between the parties which specifically provides for final settlement. Nothing like this is involved in the concept of lend-lease.

In a few words, lend-lease simply means that we give away to other nations, not only our allies, but others as well, things of value, presumably to aid them in prosecuting the war against our enemies. The understanding is that anything left over of the supplies we give away, after the war is over will be returned to us. Being materials of war little of value will remain to be returned.

The fact is, the amount of war aid in the form of materials, services, and so forth, that we have received and can expect to receive from the countries receiving lend-lease from us is and will be at best piddling compared with what we have given and will give them. The difference between what we give and what we receive will be and is so great that the true term to designate this scheme should be give away and not lend-lease.

If the American people want to give their labor and substance away, as this plan does, that is one thing, but to deceive them into believing that we are getting economic value equal, or even remotely equal, to that which we give out, that is quite another. It is a crime.

There is no precedent for give away.

It was farfetched, to say the least, for Mr. Stimson, Secretary of War, to point to the old historic practice of England of paying subsidies to her allies, as a precedent for the outright gifts we make to other nations in the name of lend-lease. The subsidies and "subsidy treaties" England made to and with her many allies from the 14th to the 19th century had nothing whatever in common with lend-lease. Those subsidies were not only quid pro quo bargains but from what I know about them and the financial history of England, they were preeminent quid pro quo bargains. They involved specific exchange contracts. Each party to the contract obligated itself to deliver to the other something definite. The following examples of her subsidy arrangements show how exacting England was in her bargaining terms:

In April 1793 Granville signed with the Sardinian ambassador a treaty granting that kingdom during the war a subsidy of 200,000 pounds yearly, conditional on the maintenance of a Sardinian army of 50,000. (Ward & Gooch, p. 238.)

By the treaty with Prussia of April 19, 1794, Prussia was to supply an army of 62,000 men against France. In return, England and the United Provinces (Holland) were to pay her 50,000 pounds monthly. (Ward & Gooch, p. 246.)

If it is true, as we read in the Cambridge History of Foreign Policy, that the "series of subsidy treaties * * * is perhaps the most long-lived feature of British foreign policy," then it would indeed be an odd state of affairs if the pound sign was not present somewhere in every one of those transactions. Think of England, preeminent in financial integrity and management for a thousand years, ever failing to drive a hard bargain with her allies.

It was absurd for Mr. Berle, Assistant Secretary of State, to say to the Committee on Foreign Affairs:

The first lend-lease in history was lend-lease from Britain to ourselves when she lend-leased to us shore batteries which were designed for the defense of American coasts in the quasi war with France in 1799.

Lend-lease—

He said further—

is not a new thing; it is a quite old thing.

And then added:

Though ours happens to be its most spectacular illustration.

Spectacular, indeed. Sixty billion dollars' worth of American labor, and we do not know how much more, an amount equal to at least one-fifth of the labor required to produce the total wealth accumulated in our country over a period of more than 3 centuries, has been appropriated by the Congress to be given away. It is to be given away to a billion and a half people, nearly three-fourths of the total population of the world, scattered over the whole earth, and occupying three-fourths of the land area of the entire globe. More than 16.5 billions of this labor has already been allocated, more than 12.5 billions obligated, upward of 10 billions given away, and is being given away at the rate of 9 or 10 billions annually.

No; there has never been but one lend-lease, and there probably never will be another, for it is doubtful if the world will ever be able to stand another.

ADMINISTRATION WITNESSES WANT GIVE-AWAY PRESENTLY AND AS A PERMANENT POLICY FOR A VARIETY OF POLITICAL, ECONOMIC, AND SOCIAL PURPOSES

Mr. Stettinius, Administrator for Lend-Lease, before the Committee on Foreign Affairs, approved wholeheartedly the idea of using lend-lease as a vehicle for post-war planning, as well as for the winning of the war.

Major Spiegelburg, recorder, General Purchasing Board, United States Army, said he thought lend-lease should continue after the war; that—

It is the greatest hope for lasting peace.

Mr. Acheson, Assistant Secretary of State, gave strong approval to using lend-lease as a peace measure, as well as—

an indispensable instrument of foreign policy. Many aspects of the arrangement—

He said—

made for mutual aid, through lend-lease and lend-lease in reverse, call for extended negotiations with foreign governments vitally affecting our political and economic relations with them.

Mr. Berle, Assistant Secretary of State, told the committee we should not forget our lend-lease expenditures at the international bargaining counter. He expressed himself as being in favor of give-away before we were formally in the war as a permanent policy.

AGREEMENTS WITH GIVE-AWAY COUNTRIES ARE NOT TRUE CONTRACTS

The following, taken from the master agreement with the Soviet Union, shows on its face the folly of considering this agreement as a contract in the sense the term contract is commonly used.

And whereas the Governments of the United States of America and the Union of Soviet Socialist Republics are mutually desirous of concluding now a preliminary agreement in regard to the provision of defense aid and in regard to certain considerations which shall be taken into account in determining such terms and conditions and the making of such an agreement has been in all respects duly authorized, and all acts, conditions, and formalities which it may have been necessary to perform, fulfill, or execute prior to the making of such an agreement in conformity with the laws either of the United States of America or of the Union of Soviet Socialist Republics have been performed, fulfilled, or executed as required;

And whereas it is expedient that the final determination of the terms and conditions upon which the government of the Union of Soviet Socialist Republics receive such aid and of the benefits to be received by the United States of America in return therefor should be deferred until the extent of the defense aid is known and until the progress of events makes clearer the final terms and conditions and benefits which will be in the mutual interests of the United States of America and the Union of Soviet Socialist Republics and will promote the establishment and maintenance of world peace.

All these words mean is that the head of the United States Government now agrees with the head of the Russian Government that the United States will make a gift to Russia of war materials, and they also agree now with each other that at some unknown time in the future they will again agree with each other on something they know nothing about at present.

GIVE-AWAY IS BEING USED TO CREATE A WORLD SUPERSTATE

Section VII of the master agreements shows how give-away is being used to destroy us as a nation and merge our existence with that of other countries, under some form of world superstate.

Section VII provides that whatever the other terms of the final settlement may be, those terms shall not "burden the commerce between the two countries," they shall "promote mutually advantageous economic relations between them," and they shall also "promote * * * the betterment of world-wide economic relations."

To accomplish each one of these three purposes the terms "shall include provision for agreed action by the United States of America and the Soviet Socialist Republics," such agreed action shall be "open to participation of all other countries of like mind," such agreed action shall be "directed to expansion," which shall be "by appropriate international and domestic measures of production, employment, and the exchange and consumption of goods, which are the material foundations of the liberty and welfare of all peoples."

Furthermore, the terms of whatever may or may not finally be agreed upon shall be "directed * * * to the elimination of all forms of discriminatory treatment in international commerce, and to the reduction of tariffs and other trade barriers."

Finally the terms shall, in general, be directed "to the attainment of all the economic objectives set forth in the Atlantic Charter."

If these provisions were made effective we would have free trade. Our workers would have to compete with the lowest paid workers of the give-away countries, and our standard of living would be lowered accordingly.

In answer to a question by the gentleman from South Dakota [Mr. MUNDT], member of the committee, as to how many other executive departments, besides the State Department, have post-war planning committees or groups studying the post-war world, Mr. Berle answered in effect that practically all Government departments and agencies have planning groups studying the post-war situation and that practically all of them are in contact with the State Department.

On February 8 and 16 I discussed on the floor the program of the planning cult to create in this country an economic and social order patterned after the totalitarian states of Europe. In both of those speeches I emphasized the great progress that this movement has already made and pointed out the dangerous threat it presents to our country. I also pointed out that this scheme is not limited to the United States, but that it is being made global.

In the 1942 Progress Report of the Planning Board, which report is approved by the President, we read:

It is therefore assumed that after the war we shall make our international policy and international private interests conform to our desires for peace and the elevation of human dignity everywhere.

Our foreign policy will have an important bearing upon our domestic employment program when peace returns. Through an extension of lend-lease we shall certainly help feed the starving peoples of Europe. * * *

After Europe's needs for food, clothing, and emergency medical care have been met * * * perhaps then our greatest opportunity to help others economically will be in Asia and in parts of North and South America. (P. 718, CONGRESSIONAL RECORD.)

Thus we see that the program of domestic planning is tied in with that of international planning. The same groups operate both programs. And just as this vast organization used, and is planning to use again as soon as the war is over on an ever-greater scale, the credit of the Government to abolish what is left of our free economy and replace it with a totalitarian state, so they are now using lend-lease to effectuate profound changes in international relations and policies and establish some sort of world superstate.

Apparently this superstate is to be headed by the United States, Great Britain, and Russia.

We know nothing about the Latin-American states, as those agreements are kept secret.

The attempt of the administration in Washington to create a world superstate is recognized not only in the United States but has caused apprehension in England. The Washington Times-Herald of March 6, 1943, carries a news item from London in which Col. Oliver Stanley, Colonial Secretary, addressing a large meeting at Oxford, is quoted as saying:

International cooperation in post-war reconstruction would be essential but did not mean international administration of the British colonies.

He said further:

I am going to confess that I am even more interested in what Britain thinks of the British Empire than what the United States thinks of it.

Indeed the statement of Prime Minister Churchill to the effect that he did not become Premier of England to preside at the liquidation of the British Empire was doubtless prompted by his recognition of the attempt to create a world superstate.

GIVE-AWAY IS A DELUSION AND A SNARE AS AN AID TO PEACE

Whether there will be peace following the war in the old sense of this term cannot be determined at this stage of the international cataclysm. Some sort of formal settlement, however, will likely take place. Transfers from nations to nations of ownership of and jurisdiction over large territorial areas will take place. As has always been the case in the past, the central thought in the mind of each group representing its particular nation in the settlement will be to secure for its own country as much territory and other advantages as possible from not only the vanquished but from its own allies as well. That is the law of post-war settlements; I know of but one exception to this rule, namely, the United States at Versailles.

When the victors gather around the settlement table after this war, the same spirit will prevail as has always prevailed where the spoils of war were to be divided. Let no one fondly imagine that the countries now receiving lend-lease largess are going to feel themselves indebted to the United States.

GIVE-AWAY HAS INJURED, AND IS INJURING, OUR WAR EFFORT

I recall that when the original lend-lease bill was before this House 2 years ago, its ostensible purpose was to keep us out of war. Lend-lease was to give

us a vicarious war; under it we were to produce the articles of war, give them over to other nations and they would do the bleeding. We were told that they had plenty of men, that they did not need our soldiers. I think there were few in this Chamber so naive as to believe that we could long continue such an arrangement and not involve ourselves in the war. It was and is unthinkable that some other nation will fight and bleed for us. Make no mistake, the nations fighting this war are, each and every one, fighting for themselves; we are allies in that we fight a common foe.

But no matter what may have been the stated purpose of and justification claimed for lend-lease before we entered the war, our entry into it altered so completely our position as to obviate every premise upon which the proponents of the scheme could possibly justify its continuance.

On December 7, 1941, Japan suddenly and treacherously attacked us and we were plunged immediately into a deadly conflict with that nation. Thousands of our soldiers were killed on the very first day of the assault upon us, and it was clear within a few hours after the attack that all of our forces in the Pacific, as well as our national interests in that region, were definitely in mortal peril. The greatest disaster our Nation had ever suffered from a foreign foe took place at Pearl Harbor.

It can hardly be doubted that lend-lease was based, in some measure at least, on the assumption by the administration, and especially the Secretary of the Navy, Frank Knox, that the Pacific was wholly secure against Japanese attack, and that should Japan undertake to strike at us we would have sufficient strength available in the Pacific to subdue her within a few weeks or at most a few months.

Simple logic forces upon us the conclusion that the administration believed we had war supplies in superfluity and could afford to give the excess away. I cannot believe that the administration would have advocated the giving away of our war supplies had it been aware of the Japanese strength and the pitifully inadequate supplies our own forces had in the Philippines and other Pacific outposts to meet a Japanese attack. Indeed, Congress would certainly not have passed the original lend-lease bill had it been apprised of Japan's strength and our own weakness in the Pacific.

I cannot agree with Secretary Knox and others who still persist that we are fighting a vicarious war and base the need for lend-lease on the myth that others are fighting for us.

It is dangerous business to predicate any part of our war policy on this fiction. To do so cannot possibly conserve manpower, but it can frustrate the war effort and destroy the lives of our soldiers.

Have not we already seen the fallacy of this proposition demonstrated in the false premise and hope that through lend-lease our people would supply the guns and other nations would do the fighting?

It is now common knowledge that when the Philippines were attacked our soldiers there were so handicapped in war supplies, both as to quantity and quality that they became easy prey to the attacking Japanese. Most of you have read of the bravery, the horrors, and suffering of Manila, Bataan, and Corregidor. The eyewitness accounts of men who escaped that hellhole are beyond belief. The despair and frustration of our poor, brave, bleeding, and starving boys when they finally realized, after all they had suffered, that they were to receive no help, are positive proof of the wrong that was committed against them in lend-lease. As General MacArthur so well said, no matter how brave, men cannot fight today's wars with bare hands. "Give us planes, give us guns; not 65,000 next year but 10 planes now," is what our boys were pleading then and what they have pleaded and are pleading now in Guadalcanal and New Guinea. How many lives, American lives, are being and have been sacrificed because of inadequate supplies and equipment?

At the time our Philippine Islands were attacked, according to the President's lend-lease report of March 11, 1942, the authorities in Washington had allocated more than $11,000,000,000 for materials of war to be given away to other nations under lend-lease; more than $6,000,000,000 worth was obligated to be given away; and more than a billion dollars' worth of modern tanks, planes, guns, and so forth, had already been given away.

You may say this is water over the dam—that we should look to the present and future and forget the past. That is true, but it is no less true that past mistakes should guide us in our future policy. Japan is in almost complete control of the far Pacific and every day is consolidating her gains there. Being to realize that there is a limit on what possible for our forces to attempt any large-scale campaign against her and they have been forced to fight a defensive warfare.

More and more we in America are comcause of lack of supplies, it has been imthis Nation is able to produce. We are reaching the place where we are feeling the pinch of rationing. We are reaching the end of our manpower and shall shortly be compelled to curtail the size of our Army or cut down on production. Already the production of food is seriously affected and likely to become worse instead of better.

Under lend-lease American goods have been distributed over the whole earth. Forty-six nations are eligible to receive these gifts, though only a few of these nations are actually engaged in the war. We may shortly come to realize that goods intended as war aid have been scattered so widely and spread so thinly as to be ineffective anywhere.

One more important point: The lavish giving away to people all over the earth of billions upon billions of dollars' worth of American goods under lend-lease has its ultimate source in the New Deal money delusion—the confusing of money with goods and production—the mistaking of figures on pieces of paper with the Government stamp on them as representing not only resources and capacity to produce but illimitable resources and capacity to produce.

Mr. EATON. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Chairman, I favor this bill for the same reasons I supported the original Lease-Lend Act. It is better to spend dollars in the price of food and equipment sent to our Allies than to spend blood. The more material aid we give the more lives we will save. There can be no comparison in value between money and our boys who are doing such a magnificent job on all fighting fronts.

Mr. Chairman, much has been said here today and yesterday about lend-lease in reverse, but little has been said about what benefits have been derived from lend-lease in the way of saving the lives of our boys. It is obvious to me that the more material and equipment and other aid that we give to our Allies the better they will be able to fight the enemy and there will be that much less left for the American boys to do, therefore a consequent saving in the lives of our American boys.

Mr. Chairman, I hope this bill will pass unanimously because of the renewed hope and confidence it will give our people in their Congress. It is apparent that many of our people are confused between what Congress is doing for the war effort and what it is doing on domestic legislation. Many think that the differences of opinion on policies affecting the home front extend to the war effort. This is not true and anything we do to dispel these fears will strengthen the morale of our people and give renewed hope to the farmer who is doing so much to produce the necessary food.

Lastly, it is important that we be unanimous in this vote because of the confidence it will give our Allies. The United States never has double-crossed any nation and never will.

Mr. EATON. Mr. Chairman, I yield 10 minutes to the gentleman from Wisconsin [Mr. MURRAY].

WILL THERE BE ANY FOOD FOR LEND-LEASE?

Mr. MURRAY of Wisconsin. Mr. Chairman, since we are discussing lease-lend and the appropriations incident to its continuation, I wish to call your attention to the fact that if we do not correct some of our domestic procedures, we will not be in a position to furnish much food for lease-lend. We might do well to produce a sufficient amount of food to fulfill the needs of our armed forces and our own citizens. This is especially true when we haven't fed ourselves for many years. You realize that for several years we have been on a food-importing basis and the food imports have exceeded our exports. By 1940 we were importing twice as much food as we exported. Now we are called upon to provide food for lease-lend, as well as to fulfill other food commitments.

Today I have particular reference to what is taking place this very moment in connection with the canning industry.

Representatives of the canning industry, together with a policy group from the

Office of Price Administration, appeared before the House Agricultural Committee last week. After the hearings, a conference was arranged whereby the canning people, the O. P. A., and the U. S. D. A., were to work out their differences. I understand that up to this time the Office of Price Administration still wants to dominate the situation and that the differences have not been eliminated. These differences were:

First. That the O. P. A. and the Department of Agriculture had been dilatory in not arriving at the prices they would pay for the canning pack of 1943. The canners had been told what they must pay for their produce but they were not given any assurance as to what they would obtain for their pack.

Second. The fact that the O. P. A. insisted on grade labeling. This has been a controversial question for 20 years. The canners showed where this innovation at this time would hinder their production.

Third. That the canners must accept a subsidy program regardless of whether or not they are in favor of such a program.

For one thing, Mr. Chairman, there is no use trying to justify any procedure which leaves an industry, on March 9, without contracts for acreage that should have been signed up long ago. The food program for 1943 is being jeopardized. The O. P. A. is, in this case, rendering what is one more example of its disservice to the war effort.

Secondly, the O. P. A.'s requirements for grade labeling appear to be an absolute violation of the letter of the law under which they operate. I quote Public Law 421, Seventy-seventh Congress, second session, H. R. 5990, chapter 26, section 2, subsection H:

> The powers granted in this section shall not be used or made to operate to compel changes in the business practices, cost practices, or methods, or means or aids to distribution, established in any industry, except to prevent circumvention or evasion of any regulation, order, price schedule, or requirement under this act.

In public law, Seventy-seventh Congress, second session, H. R. 7565, chapter 578, to amend the Emergency Price Control Act of 1942, we find the following statement:

> That in the fixing of maximum prices on products resulting from the processing of agricultural commodities, including livestock, a generally fair and equitable margin shall be allowed for such processing.

Is there any Member of this House who wants to stand up and say that the Office of Price Administration is justified in insisting on grade labeling in the light of this quotation from the law? If you cannot defend the O. P. A. on this, I ask the majority at this time, why you do not curb this assumption of power? Whether grade labeling is desirable or not is a question that can be decided after the war.

This is the third month of this session. We have the Smith committee to investigate the bureaus which do not seem to be following the law. Here is a good opportunity for the Smith committee to get the O. P. A. under control before it ruins the chances of a maximum canning pack in 1943. The time is short. We may not have time to bring in corrective legislation from the great Banking and Currency Committee, from which this legislation emanated but there is surely no reason why the Smith committee cannot get into action and get this situation straightened out right now.

Again I want to ask the majority, how much longer are you going to let the O. P. A. get away with this kind of a procedure? Some of this O. P. A. outfit still act as if they are more interested in making America over than they are in furnishing the maximum food production which we need so much today. They evidently intend to carry out their objectives regardless of the effect they may have on the canning pack of 1943. The Office of Price Administration and the United States Department of Agriculture both seem to insist that the canners must have a subsidy. As has been brought out before, there is some question as to the letter of the law in regard to these funds. There is no denying that most Members of Congress feel that the spirit of the law has not been followed by these agencies.

This is not the time for double talk. Small business, and the canners are many small businesses, receive little comfort in reading what this department or that department, or this committee or that committee is doing for small business when they know full well what the O. P. A. is doing to small business. I think the time has come when we might well spend less time in telling about what is being done for small business and, instead, correct some of the things that are being done to small business, which is evident to every one of us here every day.

Here is the story, then. An industry, an especially important industry as far as the food supply of 1943 is concerned, has to come to a committee of this House to present its case in an effort to prevent an outfit like the O. P. A. from putting two things over on them, which are both questionable as far as the law itself is concerned.

Mr. Edward N. Richmond, of San Jose, Calif.; Mr. Harry Cannon, of Bridgeville, Del.; and Mr. Fred A. Stare, of Columbus, Wis., who appeared before our committee during the hearings last week, are three of the most impressive citizens who have ever appeared before the Agricultural Committee. They made a splendid presentation of their problem. They sounded like real Americans trying to do a good job in an American way. They sounded like men who were sincere and gave every indication of being men who were patriotic in their motives. They were pleading for an opportunity to provide the food to win this war. They were practical men with an evident comprehensive knowledge of the canning industry. Representatives from their districts can provide you with information as to their standing in their various States. I had never seen any of them before, but I want to frankly say that they impressed me as being men of very high business standing. My interest is not only in the canning business. My interest is also in the farmers who produce this food and in providing the necessary food to win this war.

In calling the attention of the majority to this situation at this time, I repeat, "the time is short." Plantings and seedings are soon to take place. If the majority does not remove the bottleneck, which is largely the O. P. A., they must assume the responsibility for this bungling. They must assume the responsibility of not allowing one of the largest food industries in our country the opportunity of producing food for war, lease-lend, and the consumers of our Nation. It is your responsibility and the question is, once more, What are you going to do about it?

This afternoon the gentlewoman from Massachusetts [Mrs. ROGERS] and the gentleman from Massachusetts [Mr. HERTER] have evidenced a very keen interest in the matter of food production. I can well understand why they should do so. You will find in the Appendix of the RECORD tomorrow statistics regarding the food production and consumption of each State. Looking over the list this morning, I noticed that the State of Massachusetts produces seventy-five one-hundredths of 1 percent of the total amount of food produced in the United States and her population is over 3 percent of the total population of the United States. In other words, she produces about one-fourth the food she consumes. Therefore, the people of a State like Massachusetts, as dependent as it is upon food from the outside, should certainly be interested in the matter of food production for themselves as well as for lease-lend purposes and the other commitments for food that we have made in other parts of the world.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I was very much interested in hearing the gentleman's remarks. I may say to the gentleman that I represent the County of Middlesex, the largest agricultural district in the State of Massachusetts, producing perishable products, dairy products, and so forth.

Mr. MURRAY of Wisconsin. I thank the gentlewoman.

I do not say this with feeling against any single person on this issue, but I say this to our majority leader, the gentleman from Massachusetts [Mr. MCCORMACK], because time is short. This is the fifth year I have been a Member of Congress, and I know better than he may think I do how much power the gentleman has. I know he can straighten out this matter inside of 24 hours. I have that much confidence in the distinguished gentleman from Massachusetts. I think the chairman of the Committee on Agriculture, the gentleman from South Carolina [Mr. FULMER], would gladly be of assistance in straightening out this situation. He well knows how necessary it is to have it attended to very expeditiously, not only for the benefit of our lease-lend program and our other food commitments and to feed the people of the United States.

Mr. McCORMACK. I feel highly complimented that the gentleman has expressed himself the way he has, but I am frank to say that I cannot plead guilty to the compliment. I may say, however, that, without entering into the broad question the gentleman has discussed today but looking at it from a broader angle, I consider the production of food to be one of the primary essentials in the conduct and the winning of the war. Men cannot fight unless they have food. They cannot work unless they have food. We must keep in mind the fact that our first job is to win the war, but within that over-all picture I think the production of food is of primary importance.

While I am just a layman, coming from a nonagricultural district, I am conscious of the fact that the people are not going to eat unless food is produced, and food is not going to be produced unless there are on the farms men trained in the art and science of farming.

I have listened to the remarks of the gentleman and others, and I will do everything within my power, without making any definite commitment as to any particular thing, which would be unwise, not to help the farmer but to help the farmer do what he wants to do in the way of producing the food so essential to the winning of the war.

In relation to the gentleman's observation today, I shall be very glad to send his remarks as they will appear in the RECORD tomorrow to Senator Brown, the Administrator in the Office of Price Administration, and ask him to give special consideration and attention to the remarks the gentleman has just made.

Mr. MURRAY of Wisconsin. I thank the gentleman from Massachusetts. I realize that Senator Brown has done much to cure the ills in the Office of Price Administration. No man can expect any individual to take as many people who were as "haywire" as they were and get them on a basis of sanity in a minute. You must give the gentleman time. The only reason I call on the gentleman from Massachusetts at this time is that Mr. Brown is a busy man. He may not realize the seriousness of this situation. I have confidence that he will try to iron these things out as we go along. This is something that must be ironed out right now. If the Committee on Agriculture had carried enough water around here they would have had this solved themselves without additional help, but evidently we have not up to this time anyway. I cannot say more than present the picture to the majority and ask them to do the operating for us; I cannot say less and live up to my obligation to the food program of 1943.

Mr. McCORMACK. Let me ask this question for the RECORD. Has the Agriculture Department taken any position on the matter that the gentleman has discussed today?

Mr. MURRAY of Wisconsin. I do not like to make only hearsay statements. Most of my information is hearsay, because I am not in the majority. As I understand it, the Agriculture Department and the C. C. C. are in a position where they see the seriousness of it and are trying to correct it, but that the O. P. A. is more interested in making America over than in producing food.

Mr. McCORMACK. As I understand it, the gentleman has in mind the Commodity Credit Corporation.

Mr. MURRAY of Wisconsin. No; as I have heard it, the C. C. C. and Department of Agriculture are ready for action but the O. P. A. is holding up the program.

Mr. McCORMACK. I wanted to get whatever information the gentleman has in the RECORD, as to the position of the Agriculture Department.

Mr. MURRAY of Wisconsin. I am sure that the chairman of the Agriculture Committee would be able to do that. He will give you the attitude of the Agriculture Department. He is thoroughly familiar with this situation. As far as food is concerned, if we do not get action on some of these domestic problems, we will not be listening to arguments as to whether lease-lend is a one-way street or a two-way street. There will not be any food going down either street.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired. All time has expired, and the Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That subsection (c) of section 3 of an act to promote the defense of the United States, approved March 11, 1941, is amended by striking out "June 30, 1943" wherever it appears therein and inserting in lieu thereof "June 30, 1944"; by striking out "July 1, 1946" and inserting in lieu thereof "July 1, 1947"; and by striking out "July 1, 1943" and inserting in lieu thereof "July 1, 1944"; and subsection (b) of section 6 of such act is amended by striking out "June 30, 1946" and inserting in lieu thereof "June 30, 1947".

Mr. BLOOM. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. GORE, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 1501, and had directed him to report the same back to the House, and that it had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. BLOOM. Mr. Speaker, I ask unanimous consent that I be permitted to extend my remarks in the RECORD and include an article from the New York Times.

The SPEAKER. Is there objection?

There was no objection.

Mr. BLOOM. Also, Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. HENDRICKS] have permission to extend his remarks and insert an editorial.

The SPEAKER. Is there objection?

There was no objection.

Mr. COSTELLO. Mr. Speaker, yesterday I asked unanimous consent to extend my remarks and include an editorial. I am informed by the Public Printer that it will cost $112.50. Nevertheless I ask that the matter be extended in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. MANASCO. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. MAGNUSON. Mr. Speaker, I ask unanimous consent to extend in the Appendix of the RECORD an open letter to the gentleman from Michigan, Mr. CLARE HOFFMAN, and I also ask unanimous consent that Mr. HOFFMAN be allowed, following this letter, to submit his answer thereto.

The SPEAKER. Is there objection?

There was no objection.

Mr. MORRISON of Louisiana. Mr. Speaker, I ask unanimous consent to extend my remarks and include a statement from the Louisiana League of Clean Government.

The SPEAKER. Is there objection?

There was no objection.

Mr. PAGÁN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a newspaper release.

The SPEAKER. Is there objection?

There was no objection.

SMALL BUSINESS

The SPEAKER. Pursuant to the provisions of House Resolution 75, Seventy-eighth Congress, the Chair appoints as a member of the Select Committee to Conduct a Study and Investigation of the Problem of Small Business the gentleman from Tennessee [Mr. KEFAUVER] to fill the existing vacancy thereon.

RESIGNATION FROM A COMMITTEE

The SPEAKER laid before the House the following resignation from a committee which was read:

MARCH 8, 1943.

Hon. SAM RAYBURN,
Speaker, House of Representatives,
Washington, D. C.

MY DEAR MR. SPEAKER: It is with sincere regret that I tender my resignation as a member of the Select Committee to Conduct a Study and Investigation of National Defense Program in Its Relation to Small Business in the United States.

I am resigning from this committee due to the fact that my time is taken up with other official duties.

With best regards, I remain

Sincerely yours,

A. L. BULWINKLE.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

EXTENSION OF REMARKS

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point and include an article from the Labor News, dated March 5, entitled "Hobbs Bill Dangerous" by Albert Baker Lewis.

The SPEAKER. Is there objection?

There was no objection.

The matter referred to follows:

HOBBS BILL DANGEROUS—WOULD MAKE REQUESTS FOR HIGHER WAGES A CRIME

(By Alfred Baker Lewis, American Federation of Teachers, Local 189)

A bill that carries extreme dangers for the workers is the Hobbs bill now before Congress to make organized labor subject to the

so-called antiracketeering statute. The bill is particularly dangerous because it seems reasonable enough that labor should not be permitted to racketeer and to persons who do not know the facts that seems all that the Hobbs bill would do. But the wording of the antiracketeering statute is so wide that actually demands for increased wages, if the employer feared or testified that he feared, that there might be a strike if he refused to concede them, could be made subject to 10 years' imprisonment.

A CRUEL JOKER

For the antiracketeering statute reads that anyone who in connection with interstate commerce "obtains or attempts to obtain by the use or attempts to use or threats to use force, violence or coercion, the payment of money or other valuable considerations," is guilty of violation of the law and may be subject to 10 years in jail, or $10,000 fine, or both.

If you read that carefully you will see the joker in it from the point of view of labor and of anyone who wants organized labor to keep the right to function at all. For the statute says that anyone who threatens to use coercion to obtain the payment of money is guilty. Higher wages of course constitute the payment of money. Unless the employer takes the initiative in offering increased wages you have to put some pressure on him and that is coercion.

If the employer says he was afraid of a strike and if a strike might interfere with his business or his profits, and all strikes do that to some extent, then there is coercion. If there was merely the possibility of a strike lurking in the background or present in the employers' thoughts and consideration as a possible penalty for failure to reach some agreement through the process of collective bargaining, then there is the threat of coercion.

WOULD BE GUILTY OF COERCION

Thus the union official or the union members who acted on the collective-bargaining committee or who called or participated in a strike, or who the employer thought would call or participate in a strike, would be guilty of coercion or threat to use coercion to obtain money, that is higher pay. Nor would a strike or collective bargaining in which the possibility of a strike was in the background be legal merely because it was not over the question of higher pay. For the phrase "other valuable considerations," takes care of that.

Thus organized labor could not function at all.

It is not too much to say that is the purpose of some backers of the bill, both in Congress and out. They are relying upon the antilabor feeling which has been worked up by men like Westbrook Pegler and Captain Rickenbacker to destroy labor organizations.

EQUITY AND THE POSTAL SERVICE

Mr. LANE. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. LANE. Mr. Speaker, it has long been recognized by all legislators who are concerned with the matter that a gross inequity exists in the rate of compensation granted to all postal employees. This is manifest in the numerous makeshift attempts since 1920 to remedy the unfair situation. They have been makeshift because they were applicable in almost all instances to what might be termed individual cases where the inequity was so glaring and apparent that some attempt had to be made to remedy the flaw. As a result we have had, over the last score of years or more, various acts of Congress which first readjusted the salaries of fourth-class postmasters, foremen, and so forth—act of July 21, 1921; second, which authorized a 10-percent extra pay for night work—act of May 24, 1928; third, which authorized employment of postal employees in a dual capacity, if total compensation does not exceed $2,000—act of March 1, 1929—this limitation has since been removed, and so forth. I am not criticizing these acts for what they accomplished, for, as I have said, they remedied, or attempted to remedy, single cases of inequity. I am rather criticizing them for what they failed to accomplish; namely, the correction of the greater inequity which covers the whole range of the postal system. We have applied a little oil here and there when a persistent knocking demanded that we do so. But we have not attended to the well-being of the whole machine, so to speak. Because the smooth-functioning and well-integrated machine which is our Postal Service has operated most efficiently and with a quiet steady performance these many years, we have taken it for granted that it is a timeless machine, something our observation should have demonstrated as nonexistent in this world.

It is true that the Postal Service has been the principal cause of this misconception. The ceaseless and careful performance of the service has been so persistent that we take it for granted. Their amazing fulfillment of the slogan, we might almost call it a vow, that "neither rain, nor snow, nor heat, nor gloom of night stays these couriers in the swift completion of their appointed rounds," their amazing fulfillment of this slogan, I repeat, has blinded us to the magnitude of the task they so set for themselves. I might almost hesitate to call attention to what seems so obvious if it were not for the fact that we do not seem to observe it. But it is an extremely difficult thing for man to fully realize the significance of what is an everyday occurrence. And this is why I say that the Postal Service has contributed to our misconception that it is a timeless machine, never in need of repair, adjustment, or even attention. For the undeviating devotion and the unceasing service of all employees of our Postal System has become something that every American accepts, but rarely appreciates.

I would like to call attention to the words of the act of February 28, 1925:

An act reclassifying the salaries of postmasters and employees of the Postal Service, readjusting their salaries and compensation on an equitable basis.

This was 18 years ago, and I might venture to say without fear of contradiction that even then the readjustment was not fully equitable. But that is an old skeleton in the closet. We are not now concerned with the grim relics of the past. But in the grimmer days of 1932 and 1933 there came into being other skeletons, these with chains, which have continued to haunt the peace and security of all employees of the Postal Service. The first of these acts, which were anything but specters, was an emergency measure which provided that employees should be furloughed without pay for 1 calendar month, an act which definitely placed postal workers on an emergency level, where, incidentally, they have remained ever since. The act of 1933, which superseded without compensating for the former act, resulted in a wage reduction of 15 percent levied against postal employees. Another 9-day payless furlough followed thereafter.

Now these reductions were based on a cost-of-living index, and as the Nation gradually revived, the reductions were gradually revoked, always subsequent to an improvement of the cost-of-living index. But this unwelcome companion who had dragged down the faithful servants of the Nation, without dragging down the effectiveness of their operation, left them behind in his ever-increasing prosperity. Like the proverbial faithless friend, if such this vague criterion can be called, the same cost-of-living index no longer had need nor heed for his companion of the darker days as he bulged and grew fat in the days that followed. Postal employees are probably accustomed to say, in that ironic remark, "I knew him when." And so, if we still have an unpleasant memory of the early days of the last decade, the Postal Service has the grim and mocking cry of "emergency" ever ringing in its ears.

But once again the word "equitable" is revived, as the realization of the inequity of the present situation is forced on us. A friend of the Postal Service, the Honorable Congressman from Michigan [Mr. O'BRIEN] has introduced a bill, H. R. 1366, which is designed to amend the act of 1925 to provide compensation at the rate of $300 per annum in addition to the regular compensation as prescribed by that act, as amended. An identical bill, introduced by the distinguished Senator from New York [Mr. MEAD] has been favorably reported by the Senate Committee on Post Offices and Post Roads; this latter bill has, as reported, added that such compensation be provided also to custodial employees, the men who work side by side and just as faithfully as all other employees. These gentlemen are taking positive steps to correct the inequitable situation.

Now I have made several references to the word "equitable." Simply defined, this word means just or fair. But I will make no attempt here to pass on the equity or justice of the present measure as stated. In the first place it is extremely difficult, next to impossible, to state what is a just compensation for members of the Postal Service. If we attempted to make a definitive appraisal on the basis of the service they render, the result might shock the unobservant. And further we must accept the fact that not by money alone can we measure the service they render. But more practicably, I would make no such attempt because it is not demanded or even desired by these men themselves. They are content with the present provisions, not because it would be a bonus which they can use, but because it is a minimum necessity which they must have. They are probably more fully aware of the trials of the Nation at the

present time and the need for sacrifice on everybody's part than many of us. They do, after all, bring the bills, they do bear the bad news and share it too, all along the route. They know that Jimmy is in the Solomons and Bob is in north Africa. And they meet the demand for sacrifice directly every day in the ever-increasing demands placed on the efficiency and rapidity of their service. They recognize it in many other ways, too poignant to mention in passing, which have encompassed all of us today. If sacrifice is called for they can point with pride to the many sacrifices of the past, in addition to their sacrifices of the present.

But one thing is not called for and that is inequity; one thing is not demanded and that is the endurance of injustice. As quick as we all are to recognize the need for sacrifice, just as quick should we be to recognize that too great demands for sacrifice should not be placed on any one shoulder. I will not say that the Postal Service would fail or even stagger under the present and persisting burden which they continue to bear, for I have seen too often in the past their continuing efforts and constant devotion. But I do say that we should not continue to demand that their efforts and devotion be penalized, that we should not continue to permit inequity to parade in the cloak of sacrifice.

There seems every reason to believe that we will soon correct this incongruous situation, that we will quickly pass the proposed measure which has had so many voices of approval, and, to my knowledge, none of dissent.

But until we do, I feel incumbent to continue to insist that we do. And I think my friends in the Postal Service will recognize the need for this.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

CALENDAR WEDNESDAY

Mr. BLOOM. Mr. Speaker, I ask unanimous consent that business in order on Calendar Wednesday may be dispensed with tomorrow.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

WILL TO WIN THE WAR

Mr. RAMEY. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. RAMEY. Mr. Speaker, Dr. H. G. Wells, in the Star on Sunday, said the trouble is we are using slogans instead of really thinking. Before coming to the House, I heard such terms as "interventionist," and "isolationist." I had never been to the Capital City before. Since arriving here I am glad to learn that both of those words are slogans; not the result of thinking. I have found different techniques. One may have a superiority of technique, but I have found every Member interested in one thing—just winning the war. I have seen emotional disturbances where one man misunderstood another. I have seen folks called Republicans and folks called Democrats, but all with one common thought. I believe we are thinking clearly. That is why the lease-lend bill will pass practically unanimously. I just wanted to make this brief statement, because sometimes folks misunderstand each other and there are words said in this melting pot; but those slogans should not disturb us. We are united in one purpose.

The SPEAKER. The time of the gentleman from Ohio has expired.

BILL PRESENTED TO THE PRESIDENT

Mr. KLEIN, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H. R. 839. An act to amend the act approved May 27, 1937 (ch. 269, 50 Stat. 208), by providing substitute and additional authority for the prevention of speculation in lands of the Columbia Basin project, and substitute and additional authority related to the settlement and development of the project, and for other purposes.

ADJOURNMENT

Mr. BLOOM. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 45 minutes p. m.) the House adjourned until tomorrow, Wednesday, March 10, 1943, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

You are hereby advised that the hearing on H. R. 134, to provide for the suspension, during the war, of operating-differential subsidy agreements, and attendant benefits, under title VI of the Merchant Marine Act, 1936, as amended, and for other purposes, which was previously scheduled for Thursday, March 4, 1943, has been postponed until Thursday, March 11, 1943, at 10 a. m.

The committee will also hold a public hearing on Thursday, March 18, 1943, at 10 a. m., on H. R. 1361 (Mr. LANE) and H. R. 1409 (Mr. FOGARTY), conferring upon men in the merchant marine the same rights, privileges, and benefits accruing to those serving in the armed forces, and on H. R. 1858, to confer the same rights, privileges, and benefits upon members of the United States merchant marine who served during the World War as are conferred upon members of the armed forces of the United States who served during such war.

The committee on Merchant Marine and Fisheries will hold a public hearing on Thursday, April 1, 1943, at 10 a. m., on S. 163 (H. R. 498) to amend section 511 of the Merchant Marine Act, 1936, as amended, relating to ship-construction reserve funds, and for other purposes.

The Committee on Merchant Marine and Fisheries will hold a public hearing on Thursday, April 8, 1943, at 10 a. m., on H. R. 1766, to transfer to the Department of Agriculture certain functions of the Fish and Wildlife Service relating to the fisheries industry.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m., Tuesday, March 16, 1943.

Business to be considered: Public hearing on H. R. 149.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

238. A letter from the Secretary of War, transmitting a draft of a proposed bill to amend the Nationality Act of 1940; to the Committee on Immigration and Naturalization.

239. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill to amend the act of March 3, 1909, as amended by the act of January 23, 1942, providing for the sale of naval stores, in order to authorize the Secretary of the Navy to permit the sale of naval stores in the continental United States during the war and 6 months thereafter to civilian officers and employees of the United States, and to other persons, at stations where purchase from private agencies is found to be impracticable; to the Committee on Naval Affairs.

240. A letter from the Director, Administrative Office of the United States Courts, transmitting tables of bankruptcy statistics with reference to bankruptcy cases commenced and terminated in the United States district courts during the fiscal year ending June 30, 1942, prepared in accordance with section 53 of the Bankruptcy Act; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 2070. A bill to effectuate the intent of the Congress as expressed in section 1, paragraph (k) of Public Law 846, Seventy-seventh Congress, approved December 24, 1942, by adding to the list of institutions named in said paragraph the name of the American Tree Association, an institution similar to the institutions so named; without amendment (Rept. No. 231). Referred to the Committee of the Whole House on the state of the Union.

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 2115. A bill to amend the District of Columbia Unemployment Compensation Act to provide for unemployment compensation in the District of Columbia, and for other purposes; without amendment (Rept. No. 232). Referred to the Committee of the Whole House on the state of the Union.

Mr. RANDOLPH: Committee on the District of Columbia. House Joint Resolution 37. Joint resolution relating to the provision of butter for the patients of St. Elizabeths Hospital; without amendment (Rept. No. 233). Referred to the Commitee of the Whole House on the state of the Union.

Mr. RANKIN: Committee on World War Veterans' Legislation. S. 786. An act to amend title I of Public Law No. 2, Seventy-third Congress, March 20, 1933, and the Veterans Regulations to provide for rehabilitation of disabled veterans, and for other purposes; without amendment (Rept. No. 234). Referred to the Committee of the Whole House on the state of the Union.

Mr. RANKIN: Committee on World War Veterans' Legislation. H. R. 2023. A bill to

amend section 301, World War Veterans' Act, 1924, as amended, to authorize renewal of expiring 5-year level premium term policies of those in active military or naval service and certain others outside the continental limits of the United States, and for other purposes; without amendment (Rept. No. 235). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SCANLON: Committee on Immigration and Naturalization. H. R. 480. A bill for the relief of Francesco P. Mastrilli; without amendment (Rept. No. 230). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ELLSWORTH:

H. R. 2121. A bill relating to the computation of retirement pay of personnel of the Lighthouse Service, and for other purposes; to the Committee on the Merchant Marine and Fisheries.

H. R. 2122. A bill to provide for a uniform method of payments to the several States on account of certain lands of the United States; to the Committee on the Public Lands.

By Mr. MURDOCK:

H. R. 2123. A bill to amend the Social Security Act, as amended, so as to provide for certain aid to Indians; to the Committee on Ways and Means.

By Mr. SMITH of Virginia:

H. R. 2124. A bill to further expedite the national defense by providing for the investigation and mediation of labor disputes in connection therewith, to diminish the causes of labor disputes affecting the national defense, and for other purposes; to the Committee on Labor.

By Mr. REES of Kansas:

H. R. 2125. A bill to provide for the refund of all penalties paid with respect to the 1941 and 1942 crops of wheat; to the Committee on Agriculture.

By Mr. FULMER:

H. Con. Res. 12. Concurrent resolution to express the sense of the Congress with respect to the importance of farmers to the effective prosecution of the war, and for other purposes; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CHURCH:

H. R. 2126. A bill for the relief of David Cowan; to the Committee on Claims.

By Mr. CRAVENS:

H. R. 2127. A bill for the relief of Walter E. Womble, Sr.; to the Committee on Claims.

By Mr. BUCKLEY:

H. R. 2128. A bill for the relief of J. Aron & Co., Inc.; to the Committee on Claims.

By Mr. ELLSWORTH:

H. R. 2129. A bill authorizing the Comptroller General of the United States to consider the claim of Lew O. Calhoun; to the Committee on Claims.

H. R. 2130. A bill for the relief of Christine Lund; to the Committee on Claims.

By Mr. ELLIS:

H. R. 2131. A bill for the relief of Henry Angell; to the Committee on Immigration and Naturalization.

By Mr. MURDOCK:

H. R. 2132. A bill for the relief of Walter C. Smith; to the Committee on Military Affairs.

By Mr. REECE of Tennessee:

H. R. 2133. A bill for the relief of William Taft (deceased); to the Committee on Military Affairs.

By Mr. SADOWSKI:

H. R. 2134. A bill for the relief of Paul Szeliga; to the Committee on Immigration and Naturalization.

By Mr. STEWART:

H. R. 2135. A bill for the relief of Albert D. Castleberry; to the Committee on Military Affairs.

By Mr. SNYDER:

H. R. 2136. A bill granting an increase of pension to Margaret C. Mills; to the Committee on Invalid Pensions.

By Mr. ZIMMERMAN:

H. R. 2137. A bill for the relief of William A. Roberts, father of David Ernest Roberts, deceased; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

236. By Mr. MUNDT: Petition of the South Dakota State Legislature, memorializing the President and Congress to revise the Federal laws and regulations relating to Indian affairs; to the Committee on Indian Affairs.

237. Also, petition of the South Dakota State Legislature, memorializing Congress to relieve persons in active military service of the United States from payment of income taxes or gross income taxes on their compensation received from the Government for such service; to the Committee on Ways and Means.

238. Also, petition of the South Dakota State Legislature, memorializing the Congress of the United States with respect to the safeguarding of livestock sanitary welfare and the livestock industry of the Nation; to the Committee on Agriculture.

239. Also, petition of the South Dakota State Legislature, memorializing the Congress of the United States to oppose any modification of sanitary pacts against the importation of meats from countries known to be infected by hoof-and-mouth disease; to the Committee on Agriculture.

240. By Mr. SCHWABE: Memorial of the Sixty-second General Assembly of the House of Representatives of the State of Missouri to the Congress of the United States, memorializing the Congress of the United States to amend the Federal Social Security Act to the effect that any citizen in any county in any State thus organized under the Federal Social Security Act may be informed upon request made to his local social security board of the names of any recipients in any branch of the Social Security Department and the respective amounts of money each is receiving, or has received during the past year, and to liberalize the Social Security Act so as to remove the many limitations and conditions placed upon the States before they may obtain Federal funds, also to allow the States and local boards to exercise greater authority in the administration and payment of assistance to the needy; to the Committee on Ways and Means.

241. By the SPEAKER: Petition of the general secretary of the Anti-Saloon League of America, petitioning consideration of their resolution with reference to the sale of intoxicants to men and women in service uniforms; to the Committee on Military Affairs.

242. By Mr. ANGELL: House Joint Memorial No. 5 of the Oregon State Legislature, asking the Congress to defeat Senate bill 246 and House bills 1012 and 1115; to the Committee on Interstate and Foreign Commerce.

SENATE

WEDNESDAY, MARCH 10, 1943

(Legislative day of Tuesday, March 9, 1943)

The Senate met at 12 o'clock noon, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, on this holy day in the Christian year we fain would join the vast company of pilgrims around the world who reverently pass through the portals of Lent. Whate'er our name or sign, we, too, would follow the wounded feet of that Master of men who has invaded more realms, conquered more lives, taken possession of more hearts, swayed more wills than has any other figure across the long centuries. We, too, would gaze at that one Face set steadfastly against cushioned ease and cowardly compromise and which has become forever the living symbol of the might and majesty of meekness and of ideals and principles worth dying for.

For these weeks ahead leading to the gloom of Calvary and the glow of Easter, in the midst of our crowded and complex modern life, may we find some quiet cloister of the spirit, may we still the tumult a little, so that, opening long shut doors to the Unseen and Eternal, we may hear His voice. Coming to these days of the Passion with the sackcloth and ashes of penitence, may we enter with sincerity that we may come out with strength and joy. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, March 9, 1943, was dispensed with, and the Journal was approved.

REPORT OF PRESIDENT'S COMMITTEE ON DEFERMENT OF FEDERAL EMPLOYEES

The VICE PRESIDENT laid before the Senate the following communication from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Military Affairs:

THE WHITE HOUSE,
WASHINGTON, *March 10, 1943.*

MY DEAR MR. VICE PRESIDENT: On December 15, 1942, I appointed a committee consisting of Mr. Paul Bellamy, chairman, Mr. Ordway Tead, and Mr. Eric Johnston for the purpose of making an independent study and recommendations to me on the question of deferments of Federal employees from induction in the military service.

This committee, after applying itself industriously to its task for more than 2 months, has now presented its report. For the information of the Senate, I am transmitting herewith a copy of this report and of the Executive order which I have signed giving effect to the committee's recommendations.

Very sincerely yours,

FRANKLIN D. ROOSEVELT.

Hon. HENRY A. WALLACE,
President of the Senate,
Washington, D. C.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

TABLES OF BANKRUPTCY STATISTICS

A letter from the Director of the Administrative Office of the United States Courts, submitting, pursuant to law, tables of bankruptcy statistics with reference to bankruptcy cases commenced and terminated in the United States district courts during the fiscal year ended June 30, 1942 (with accompanying papers); to the Committee on the Judiciary.

REPORT OF SECRETARY OF THE SENATE (S. Doc. No. 19)

A letter from the Secretary of the Senate, transmitting, pursuant to law, his report for the fiscal year ended June 30, 1942 (with an accompanying report); ordered to lie on the table and to be printed.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A resolution of Los Angeles Parlor, No. 45, Native Sons of the Golden West, of Los Angeles, Calif., protesting against the formation of a Japanese unit of the United States Army; to the Committee on Military Affairs.

A concurrent resolution of the Legislature of the State of South Dakota, memorializing Congress to investigate the alcohol production plant of the Yankton Industrial Alcohol Corporation, of Yankton, S. Dak., with a view of determining the possibility of the establishment of a synthetic rubber plant at Yankton, S. Dak.; to the Committee on Agriculture and Forestry.

(See resolution printed in full when presented by Mr. BUSHFIELD, on the 9th instant, p. 1689, CONGRESSIONAL RECORD.)

A concurrent resolution of the Legislature of the State of Michigan; to the Committee on Agriculture and Forestry:

"House Concurrent Resolution 12

"Concurrent resolution memorializing the Congress of the United States to enact House Resolution 38, authorizing the Committee on Agriculture to make a study and investigation of marketing, transportation, and distribution of farm products

"Whereas with the increasing demand on the farmers of the United States to meet the food requirements of our fighting men and lend-lease commitments, at the same time assuring the people of the United States of the proper amount of foodstuffs, it is essential for the war effort and the well-being of our people that a study be made of the complicated problems of marketing, transportation, and distribution of farm products; and

"Whereas farm products should be properly graded and distributed when and where needed, at fair prices both to the producer and the consumer, and immediate steps should be taken for a coordination of efforts and the adopting of a comprehensive and workable plan in betterment of the interests of the producing farmer and the consumer; and

"Whereas House Resolution 38 has been introduced into Congress providing for the Committee on Agriculture to make a study and investigation of marketing, transportation, and distribution of farm products, which study and investigation are imperative at this time: Now, therefore, be it

"Resolved by the house of representatives (the senate concurring), That the Michigan Legislature urge the Congress of the United States to enact House Resolution 38; and be it further

"Resolved, That copies of this resolution be transmitted to the President of the United States, to the President of the Senate and Speaker of the House of Representatives of Congress, and to the Michigan Members in the Senate and House of Representatives of Congress."

By Mr. McNARY:

A concurrent resolution of the Legislature of the State of Oregon; to the Committee on Commerce:

"House Joint Memorial 5

"To the honorable Senate and House of Representatives of the United States of America in Congress assembled:

"We, your memorialists, the Forty-second Legislative Assembly of the State of Oregon, in regular session assembled, respectfully request and petition as follows, to wit:

"Whereas there are now pending in the Seventy-eighth Congress of the United States of America, three bills identified as S. 246, H. R. 1012, and H. R. 1115, each of which provides amendments to the Civil Aeronautics Act of 1938, as amended; and

"Whereas the amendments provided in such bills, if enacted into law, will have the effect of completely nullifying every State right to regulate, control, and tax the ownership and operation of aircraft owned and operated exclusively within the State of Oregon; and

"Whereas such amendments will deprive the State of Oregon of every opportunity and means of fostering, promoting, and regulating the local development of aircraft and the rapidly expanding air-transportation industry; and

"Whereas such proposed enactments will stifle the development of aircraft and air transportation by individual citizens by bringing under Federal planning and control 'all civil aeronautics both for commerce and pleasure'; and

"Whereas the State of Oregon insists upon maintaining its reserved right to legislate independent of Federal Government interference, on all matters of local concern, including intrastate development of aeronautics; and

"Whereas this legislative assembly is opposed to the principle of usurpation of all State rights by the Central Government and believes the above identified pending congressional bills are based upon that principle: Now therefore

"Resolved by the House of Representatives of the State of Oregon (the senate jointly concurring):

"1. That we, your memorialists, the Forty-second Legislative Assembly of the State of Oregon, do hereby most respectfully request and petition the Congress of the United States of America, and the Members of Congress from the State of Oregon, to give unfavorable consideration to and to defeat the enactment of S. 246, H. R. 1012, and H. R. 1115.

"2. That a copy of this memorial be sent to the Honorable United States Senators CHARLES L. MCNARY and RUFUS HOLMAN, and to Congressmen JAMES W. MOTT, HOMER D. ANGELL, LOWELL STOCKMAN, and HARRIS ELLSWORTH, and that they be and they hereby are urged to use their best efforts and influence to make this memorial effective and the secretary of state hereby is instructed to transmit the same to them.

"3. The secretary of state be and he hereby is instructed to send a certified copy of this memorial to the President of the United States of America, the President and Chief Clerk of the United States Senate, and the Speaker and Clerk of the House of Representatives of the United States of America."

(The VICE PRESIDENT laid before the Senate a concurrent resolution identical with the foregoing; which was referred to the Committee on Commerce.)

By Mr. McCARRAN:

A joint resolution of the Legislature of the State of Nevada; to the Committee on Territories and Insular Affairs:

"Assembly Joint Resolution 14

"Joint resolution memorializing Congress to extend full statehood to the Territory of Alaska

"Whereas the Territory of Alaska has an area of 586,400 square miles, one-fifth as large as the United States, has a population of 72,524 according to the 1940 census, was approved by Congress as a territory on August 24, 1912, and now, due to war, has an estimated population as large as Nevada; and

"Whereas the area was purchased on March 30, 1867, for the sum of $7,200,000, since which time it has produced in gold and copper alone $722,222,000; is rich in the strategic metals tin, tungsten, platinum, mercury, nickel, and palladium; has an estimated timber stand of over 85,000,000,000,000 board feet; and

"Whereas the Territory produces a salmon fishery output of $40,000,000 yearly; and

"Whereas due to the present war emergency and to the further demand by the people of the Western Hemisphere that the countries of North America be joined by motor roads, and the Government of the United States is pledged to spend many millions of dollars on the Alcan Highway; and

"Whereas the Territory of Alaska has no congressional representative and is limited to 1 delegate; and

"Whereas the Legislature of the State of Nevada believes that full representation of this Territory should be granted by establishing a State of the Territory now within the boundaries of Alaska: Now, therefore, be it

"Resolved by the Assembly and the Senate of the State of Nevada (jointly), That the Congress of the United States be, and it hereby is, memorialized to extend to the Territory of Alaska full status of a State of the United States, thus assuring full representation in Congress; and be it further

"Resolved, That duly certified copies of this resolution be transmitted to the President of the United States, and to each of our Senators and Congressmen in Washington, D. C., requesting their support in this matter."

JOINT RESOLUTION OF INDIANA LEGISLATURE—ARMY PHARMACY CORPS

Mr. WILLIS. I present and ask to have appropriately referred a joint resolution adopted by the General Assembly of the State of Indiana memorializing Congress to enact legislation to establish a pharmacy corps in the Army.

The VICE PRESIDENT. The resolution will be received, referred to the Committee on Military Affairs, and, under the rule, printed in the RECORD.

The resolution is as follows:

Whereas there is now pending in the Congress of the United States, H. R. 997 and S. 216 to create a pharmacy corps in the United States Army; and

Whereas the experience of every civilized country in the world as exemplified by the laws on their statute books governing the practice of pharmacy, including those on the statute books of all of the States of our own country, requires that a pharmacist shall have at least 4 years of professional training in a college of pharmacy to make him a safe person to be entrusted with the responsibility of handling the many dangerous drugs and medicines prescribed by physicians, such as strychnine, morphine, sulfanilamide, bichloride of mercury, serums and vaccines, etc.; and

Whereas correspondingly competent pharmaceutical service is not now afforded the men serving in the Army and is not compara-

ble to that received by our civilian population, such services being performed in the Army in many cases by men with only 90 days of emergency training and in other cases by those who have had no pharmaceutical training whatsoever, thus jeopardizing the health and welfare of our soldiers; and

Whereas the men in the Army should be afforded pharmaceutical service of at least the same competency and efficiency as that afforded the civilian population; and

Whereas this can only be accomplished by creating a pharmacy corps in the Army, which will have the authority required, and the personnel of which will be adequately educated and trained for the purchase, selection, manufacture, standardization, storage, and dispensing of medicines and for such other pharmaceutical and administrative duties as their education and training qualifies them to perform: Therefore be it

Resolved by the General Assembly of the State of Indiana, That the Indiana General Assembly now in session, goes on record as urgently requesting the Congress of the United States to pass legislation without delay to establish a pharmacy corps within the Army; and be it further

Resolved, That copies of this resolution be sent to the President of the United States Senate, the Speaker of the House of Representatives, the President of the United States, the Secretary of War, the Surgeon General of the United States Army, and to the Indiana Members of Congress.

REPORTS OF COMMITTEE ON NAVAL AFFAIRS

The following reports of the Committee on Naval Affairs were submitted:

By Mr. WALSH:

S. 784. A bill to amend that part of the act of June 24, 1910 (36 Stat. 619), relating to disposition of profits from sales of ships' stores; without amendment (Rept. No. 100);

S. 800. A bill to authorize certain officers of the Navy, Marine Corps, and Coast Guard to act as notaries public during the existence of war or a national emergency and 6 months thereafter; without amendment (Rept. No. 101); and

S. 853. A bill to amend the act of March 3, 1909, as amended by the act of January 23, 1942, providing for the sale of naval stores, in order to authorize the Secretary of the Navy to permit the sale of naval stores in the continental United States during the war and 6 months thereafter to civilian officers and employees of the United States, and to other persons at stations where purchase from private agencies is found to be impracticable; without amendment (Rept. No. 102).

EXTENSION OF LEND-LEASE AGREEMENTS—REPORT OF COMMITTEE ON FOREIGN RELATIONS

Mr. CONNALLY. Mr. President, from the Committee on Foreign Relations, I report back without amendment the bill (S. 813) to extend for 1 year the provisions of an act to promote the defense of the United States, approved March 11, 1941, the extension of the so-called lend-lease agreements for an additional year, and I submit a report (No. 99) thereon.

The report advocates the extension of the so-called lend-lease agreements for an additional year. Let me say to the Senate that the committee gave the matter very careful and meticulous attention. We had before us the extensive hearings held before the House of Representatives Committee on Foreign Affairs. In addition, there appeared before us the Lend-Lease Administrator and the Secretary of the Navy. Also we had the benefit of other information which was available. After the most deliberate consideration, the committee voted unanimously to report the bill favorably.

Furthermore, the committee very carefully considered the wording of the report which I herewith submit, and in all respects it approves the terms and the language of the report. Such an occurrence is so unusual in the Senate that I want to call the attention of Members of the Senate to it.

So I ask that the report be received and that the bill be placed on the calendar.

The VICE PRESIDENT. The bill will be placed on the calendar.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WILEY:

S. 857. A bill conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claims of Arthur Dewitt Janes; to the Committee on Claims.

By Mr. HOLMAN:

S. 858. A bill to amend the act entitled "An act to provide for research into basic laws and principles relating to agriculture and to provide for the further development of cooperative agricultural extension work and the more complete endowment and support of land-grant colleges," approved June 29, 1935; to the Committee on Agriculture and Forestry.

By Mr. McCARRAN:

S. 859. A bill providing for cancelation of penalties for farm marketing excess of wheat for the years 1941 and 1942, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. O'DANIEL:

S. 860. A bill to provide for the common defense in relation to the sale of alcoholic liquors to the members of the land and naval forces of the United States; to the Committee on Military Affairs.

By Mr. WALSH:

S. 861. A bill to increase the amount of Federal aid to State or Territorial homes for the support of disabled soldiers and sailors of the United States; to the Committee on Military Affairs.

INCOME TAXATION—THE RUML PLAN

Mr. LODGE. Mr. President, I have received from Mr. Stuart C. Rand, an eminent attorney of Boston, an exceedingly illuminating letter on the subject of taxation, and, because I believe its contents will be helpful to Members of the Senate, I ask that the letter be printed in the RECORD as part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CHOATE, HALL & STEWART,
Boston, Mass., February 16, 1943.

Senator HENRY CABOT LODGE, Jr.,
Senate Office Building,
Washington, D. C.

DEAR SENATOR LODGE: I hope you will feel that this letter is not merely a personal squawk about taxes, although there is probably something of that element in it.

I am writing to urge that you give your support to the Ruml plan. For years I have made a comfortable living income, and I have no objection whatever to paying heavy taxes. I am glad to do it, and I take pride in doing it. The Federal taxes, however, have risen so rapidly that I have not been able to keep pace with them in any annual program of savings. I know that many others have gone through the same experience. I start the year 1943 with a simply staggering tax debt. As in the case of other lawyers, my annual income is apt to fluctuate greatly. My income for 1943 might easily be no more than my tax debt to the Government, and possibly less than my tax debt to the Government. If I earn enough this year to pay my ordinary living expenses, carry my modest insurance program, and pay my taxes to the Federal Government, I will start the year 1944 with an equally staggering tax debt. This is a perpetual treadmill from which thousands of people see no escape even by the most rigid program of savings. May it not be a mistake to put a large group, particularly of professional people, into this perpetual treadmill? Personally, I believe that it is.

If it is not possible now to say that taxes paid during the year 1943 shall be taxes on the 1943 income, I urgently suggest that the law be so changed that taxes payable during 1944 shall be considered taxes on 1944 income, so that at least by January 1, 1944, taxpayers may realize that they will not be starting that year with a staggering load of debt which they may or may not be able to meet. I firmly believe that if Congress can accomplish this they will have general approval throughout the country. Please understand that this is not any kick against paying high taxes. It is a protest against what seems to me the tragic unwisdom of forcing a large percentage of the population to start each year with an inescapable load of debt which they may or may not be able to discharge and which, in the event of death during the year, would leave their estates either insolvent or severely crippled.

Very sincerely yours,

STUART C. RAND.

AWARD OF AGRICULTURAL A FOR FARM PRODUCTION

Mr. WILEY. Mr. President, on March 4, 1943, the Milwaukee Farmers Club wrote a letter to Hon. Claude Wickard in relation to the subject of an agricultural A award for those doing an outstanding job in the production of food. I ask, Mr. President, that this letter be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MARCH 4, 1943.

Subject: Agricultural A award.

Hon. CLAUDE WICKARD,
Secretary of Agriculture,
Washington, D. C.

DEAR SIR: The members of the Milwaukee Farmers Club unanimously petition you to arrange for the awarding of suitable recognition to those farmers who are wholeheartedly cooperating with the Government's agricultural program, and who are doing an outstanding job in producing food for victory.

It is our suggestion that this recognition be in the form of an agricultural A on the same general lines that war industrial plants and workers have been awarded the Army-Navy E, Maritime M, and similar awards.

It is our belief that too few farm men and boys are appreciative of the fact that their work on the farm is just as important a war job as the neighbor boy's who is working in a war plant in town.

There is a feeling of inferiority on the part of the farm boy who is still just working on the farm, when the factory worker proudly exhibits his importance in the war effort by wearing his Army-Navy E pin.

The publicity that would follow the awarding of agricultural A awards would do much to add a little glory to the tedious farm job,

and help put the farmer on an equal patriotic base with his brother in the city war plant.

We urge your taking steps to get such a program under way as quickly as possible.

If you wish, we would be happy to submit a suggested plan more in detail, and we are sure members of our club and other similar organizations will be happy to work with you in formulating the plans for carrying out this program.

Yours for victory,

MILWAUKEE FARMERS CLUB,
VAN B. HOOPER, *President*.

Mr. WILEY. Mr. President, I may say that months ago I suggested that an agricultural E instead of an A be awarded to those who are doing an outstanding job in agriculture.

In some of our States there is State recognition of the importance of the outstanding producing farmers.

This gives me an opportunity to say something about the farm problem. At long last some of our mistaken columnists and editorial writers are waking up to the plight of the farmers and the food shortage menace to the Nation. Many of the columnists and editorial writers have had something to do with this situation. Do we not remember how in the past they have lambasted the farmers and the so-called farm group? They could not comprehend that the farmer was entitled to the cost of production. All they could do was fill their columns with the worst kind of sabotage material.

On March 4, 1943, Mr. McNutt issued an order deferring farmers from the draft. In most instances it was a case of deferment after the farmers were already in the service. At long last Washington is beginning to realize that now the prospect of getting production even equal to last year's does not look very good.

The county agents of the country finally were canvassed. I made the suggestion months ago on the floor of the Senate that the county agents be canvassed to ascertain the situation in relation to (a) manpower on the farm, (b) farm machinery. Instead of that, the matter was delayed, and in February a survey was made of the 3,000 county agents, and they predicted an alarming reduction in spring planting. Why? Because of the lack of workers on the farm and in many instances inadequate machinery.

If we are going to get production, we will have to get workers back onto the land. America will have to go into victory gardening.

Yes, Mr. President; I am in favor of the idea contained in the letter written to Secretary Wickard to give the boys who produce an agricultural A.

ADDRESS BY HON. THURMAN W. ARNOLD AT BANQUET GIVEN IN HIS HONOR

[Mr. LA FOLLETTE asked and obtained leave to have printed in the RECORD the program and the address delivered by Justice Thurman W. Arnold at the dinner given in his honor on March 9, 1943, which appear in the Appendix.]

CONTRIBUTION OF VOLUNTEER WOMEN WORKERS TO TRAVEL COMFORT OF MEMBERS OF ARMED FORCES

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD a speech delivered by Mrs. Lionel Atwill, chairman of a committee of 500 women engaged in contributing to the travel comfort of members of the armed forces, on the occasion of the presentation of a cup to Mrs. Mason Gulick, on March 9, 1943, which appears in the Appendix.]

TRADE AGREEMENTS—EDITORIAL FROM THE WASHINGTON STAR

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD an editorial entitled "Trade Agreements," published in the Washington Star of January 14, 1943, which appears in the Appendix.]

FOOD SHORTAGE—EDITORIAL FROM SAN FRANCISCO EXAMINER

[Mr. WHEELER asked and obtained leave to have printed in the RECORD an editorial entitled "Bureaucratic Rule Brings Food Shortage," published in the San Francisco Examiner of March 4, 1943, which appears in the Appendix.]

SMALL BUSINESS—ADDRESS BY NAT BASS

[Mr. MEAD asked and obtained leave to have printed in the RECORD an address on the subject of small business, delivered by Mr. Nat Bass at the American Business Congress, New York City, February 18, 1943, which appears in the Appendix.]

THE FREE ENTERPRISE SYSTEM—STATEMENT BY JAY FRANKLIN

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD a statement by Jay Franklin relating to the free enterprise system, which appears in the Appendix.]

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Miller, one of his secretaries.

DEFERMENT FROM MILITARY SERVICE OF PERSONS ENGAGED IN AGRICULTURE

The Senate resumed the consideration of the bill (S. 729) providing for the deferment from military service of persons engaged in agricultural occupations.

The VICE PRESIDENT. The pending question is on agreeing to the amendment in the nature of a substitute offered by the Senator from Wyoming [Mr. O'MAHONEY] to the substitute amendment of the Senator from Colorado [Mr. JOHNSON] for the committee amendment.

Mr. REVERCOMB obtained the floor.

Mr. McNARY. Mr. President——

The VICE PRESIDENT. Does the Senator from West Virginia yield to the Senator from Oregon?

Mr. REVERCOMB. I yield.

Mr. McNARY. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Connally	Kilgore
Austin	Danaher	La Follette
Bailey	Davis	Lodge
Ball	Downey	McCarran
Bankhead	Eastland	McClellan
Barkley	Ellender	McNary
Bilbo	Ferguson	Maloney
Bone	George	Maybank
Brewster	Gerry	Mead
Bridges	Gillette	Millikin
Brooks	Green	Moore
Buck	Guffey	Murdock
Burton	Gurney	Nye
Bushfield	Hatch	O'Daniel
Byrd	Hawkes	O'Mahoney
Capper	Hayden	Overton
Caraway	Hill	Pepper
Chavez	Holman	Radcliffe
Clark, Idaho	Johnson, Calif.	Reed
Clark, Mo.	Johnson, Colo.	Revercomb
Reynolds	Tobey	Wherry
Scrugham	Tunnell	White
Shipstead	Tydings	Wiley
Smith	Vandenberg	Willis
Stewart	Wagner	Wilson
Taft	Walsh	
Thomas, Okla.	Wheeler	

Mr. HILL. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from Virginia [Mr. GLASS], the Senator from Tennessee [Mr. MCKELLAR], the Senator from Utah [Mr. THOMAS], and the Senator from Indiana [Mr. VAN NUYS] are absent from the Senate because of illness.

The Senator from Kentucky [Mr. CHANDLER], the Senator from Illinois [Mr. LUCAS], the Senator from Arizona [Mr. MCFARLAND], the Senator from Montana [Mr. MURRAY], the Senator from Missouri [Mr. TRUMAN], and the Senator from Washington [Mr. WALLGREN] are absent on official business for the Senate.

The Senator from Georgia [Mr. RUSSELL] is necessarily absent.

Mr. McNARY. The Senator from New Jersey [Mr. BARBOUR], the Senator from Nebraska [Mr. BUTLER], the Senator from Wyoming [Mr. ROBERTSON], and the Senator from Idaho [Mr. THOMAS] are necessarily absent.

The Senator from North Dakota [Mr. LANGER] is absent on official business.

The VICE PRESIDENT. Seventy-nine Senators have answered to their names. A quorum is present.

Mr. REVERCOMB. Mr. President, it is my desire to discuss the question now before the Senate, namely, the deferment of farm workers from military service under the Selective Service Act. I ask the indulgence of Senators not to interrupt for questions or requests for me to yield until I shall have finished my statement. I believe that in this manner my statement may be more clearly placed before the Senate than if it were broken up with arguments. When I shall have concluded presenting my side of the case, I shall be glad to answer questions which Senators may propound.

In stating the issue which was so ably debated and discussed yesterday, I may say that the purpose of both proposals before the Senate is the amendment of section 5 (k) of the Selective Service Act, dealing with the deferment of farm workers. There are two bills on this subject before us, and we are asked to pass one of them. One we will call the Bankhead substitute, which is offered by the Senator from Colorado [Mr. JOHNSON]. The other bill, in the form of an amendment, may be called the O'Mahoney amendment, offered by the senior Senator from Wyoming [Mr. O'MAHONEY].

I speak at this time in favor of the Bankhead substitute, because I believe it will give the needed relief. I am against the O'Mahoney amendment, because in effect it does not change the present law, and under the present law the food problem of the country has grown serious and dangerous.

The deferment at this time of farm workers would be in direct aid of the war effort of this country. From the facts which have been placed before us, both from the statements of the Government

departments, dealing with agriculture, and the statements of individuals interested in that work, I am convinced that such a step is essential to strengthen this country at war.

Whatever may be said of the Bankhead substitute whatever attacks may be made upon it by its critics, it will attain its prime purpose, which is the keeping of American men on the farms, there to raise crops for all our people, both those in our armed services and those in civilian employment.

From discussions outside this Chamber it seems some are not impressed with the serious farm question which this Nation faces.

Only a few citations of facts and opinions are necessary, and the opinions which are considered should come from sources that know the subject of food production. They should know about the production of other necessary agricultural crops, but, in particular, they should know about the production of food.

The Secretary of Agriculture, Mr. Wickard, addressed a question to the county farm agents of this country, the question being as follows:

Has farm labor in your county been appreciably reduced by farm workers joining the armed forces of every kind, either as volunteers or as selectees under the draft law, and by leaving the farm to work on industrial or war production?

The Secretary received 2,780 replies to that question and 99 percent of those reporting indicated that farm labor had been appreciably reduced by being absorbed by the military forces or by industry.

Mr. President, I have before me a copy of the Washington Times-Herald of yesterday containing an article to which I wish to refer. The title of the article is "United States Must Eat Animal Feed, Says Wickard." I wish to read a portion of the article, written by John Fisher:

The public will have to eat animal feed as substitutes for meat, according to Secretary of Agriculture Claude R. Wickard.

That's what he told a Senate appropriations subcommittee recently, according to testimony at the secret hearing disclosed yesterday.

Under questioning by Senator THEODORE FRANCIS GREEN, Democrat of Rhode Island, ardent New Dealer, who contended that solution to the food problem lay largely in getting the people to eat less, Wickard replied that rationing will take care of that and substitutes are under consideration.

MORALE CITED AS FACTOR

"We have about reached the place now where we cannot expand our meat production any more, because we are not going to have enough of the basic element, feed, to support much more increase," said Wickard.

"And we are going to have to start with some of these grains (as substitutes), eating them ourselves, rather than feeding them to animals and eating the animals. That is a change in the diet of this country, and our people cannot change diets suddenly I think, without affecting their morale, and increasing the amount of food they consume. We are getting people to do it gradually, and we are doing all we can in that direction."

NEARING BRITISH LEVEL

"It may be that it will, if you don't want to keep up the feeding of the Russians and the English," replied Wickard.

He said we are approaching "pretty rapidly" the level of nutrition in Britain, and experts have been sent to England to study their use of the short rations available.

"They have cut down their consumption and have found out better ways of feeding people," Wickard asserted. "But here in this country we have to produce not only for our own people and our Army, but foods for these other nations. * * * If we had more food, we would give it to the Russians and not cut down on the British. And even though we cut down the consumption for our civilians, there would still be an unlimited demand from our allies."

Mr. President, I read this article particularly in view of the statement made yesterday by the Senator from Kentucky [Mr. BARKLEY], the majority leader, that he had been informed that there were 500,000 more beef cattle in this country than there were before the war. It strikes me as quite strange that a statement should come from the Secretary of Agriculture that the people must eat feed appropriate for cattle rather than that it be fed to cattle because there are not enough cattle to feed the people.

I have before me letters written by persons directly interested in farm production, and upon the point of the need of the proposed legislation I wish to read short excerpts from them. They come from various sections of the country.

The first letter is one from the Coolidge-Florence Farm Bureau, Coolidge, Ariz., and the letter contains this statement:

Our difficulties in obtaining farm help during the past season have been doubly discouraging. A considerable shortage existed during the production season, but this paled to insignificance when the time came for harvest. During the earlier months we had lost portions of our feed and seed crops for want of the necessary labor for gathering them.

From another letter written by Hon. J. B. McLaughlin, Commissioner of Agriculture of the State of West Virginia, under date of February 13, 1943, addressed to the Honorable James F. Byrnes, Economic Stabilization Director, I read the following excerpt:

The partial black-outs in the showcases and shelves, and grocerymen closing their doors every day is an indication of an appalling food shortage that may be expected before the year is out, and if not remedied immediately may be disastrous.

Reading from the same letter I quote this sound statement:

The farmer is not insistent upon making profits, but he does want to be allowed to make ends meet and stay in business so that he may do his part in the production of food to win this war, because he knows as no other group knows that men cannot be trained to be farmers in 2 or 3 months as the case may be in training skilled laborers in factories.

Under date of January 7, 1943, I have this letter from the C. A. Hawkins ranch, Fresno, Calif. This is a copy of a letter that was addressed to the Honorable SHERIDAN DOWNEY, a Member of the Senate:

In compliance with your request at the Fresno farm meeting that I put my arguments about our debts and food supply in writing:

The simple fact is that already too many farm laborers have been removed from farms for it to be possible to maintain the food supply for men drawn into highly paid munition-factory jobs, our 10,000,000 men under arms, the army of Government bureaucrats, our civilian population, and meet our lend-lease commitments for food.

From the Louisiana Department of Agriculture, in a letter dated February 17, 1943, addressed to Hon. J. B. McLaughlin, commissioner of agriculture, Charleston, W. Va., I read:

I have just returned from a trip to north Louisiana and I find less farm work being done at present than at any time as far as I can remember. The help is just not available and farms will not work themselves.

From the Arizona Commission of Agriculture and Horticulture, a letter dated February 16, 1943, I read as follows:

First, I would like to say that the farmers of America are willing and anxious to fulfill production goals 100-percent plus. In Arizona and the entire Southwest it is possible that 1943 agricultural production will exceed that of 1942.

I regret to state, however, that, in my opinion, our probable production will not exceed 80 percent of last year's, unless we have assurance within the next 60 days of sufficient labor, materials, and supplies, and repair parts for machinery and equipment.

I read further from the same letter:

Labor manpower: Manpower is the key to 1943 goals. Since Mr. McNutt's order of January 26, giving Secretary Wickard control of farm labor, we have hopes of prompt solution. Immediate action on following matters should eliminate our labor shortage:

(a) Draft deferment to all essential farm workers. Definite orders should be issued as most local and State selective-service boards ignore Director Hershey's suggestions in release No. 175, which was issued January 16. Essential men are still being called.

Here is a letter from the State of Idaho Department of Agriculture, addressed to Hon. J. H. BANKHEAD, United States Senate, Washington, dated February 6, 1943:

I have been in constant contact with the farmers in this State. I'm very familiar with their problems. The information I give you has been gained by actual experience.

I read further:

I know that the last few years, and especially last year, the farmers have not received an even break with other industries. I also know that if food is to be produced to feed our armed forces, our allies, and ourselves some drastic changes must be made and made immediately. Action must be taken.

Another paragraph from that letter reads:

Labor: Labor was an important factor in 1942, and is going to be more serious this year. Statistics show 400,000 farm laborers left the farm in 1942, many of them since harvest was completed. To produce more foodstuffs with less labor, when we were very short last year, is out of the question. We must get this help back. We haven't anything yet to offer to induce them to come back. We cannot compete with war industries, with wages. If these men are even drafted back on the farm, I don't believe they will be much help because of the high wages and short hours they have been working, they will be unwilling to work farmer hours. The only chance I see of getting them back is if food gets short and too hard to get in some of these crowded centers. Then they may come back on the farm to get something to eat.

This is from the National Grange:

Winning the war is our supreme task and to this accomplishment the Grange pledges

its maximum resources, both as an organization and through the individual efforts of its entire membership.

The attainment of this goal requires immediate action to assure farmers manpower, machinery, and supplies, with prices for food produced that will give farmers a reasonable financial return for their toil, compared with like effort in other essential industries.

Now I quote from a resolution adopted at the forty-sixth annual convention of the American National Live Stock Association held at Denver, Colo., January 15–16, 1943:

Whereas agricultural workers are being pirated by industry; and

Whereas some local draft boards do not give enough consideration to directions from selective service; and

Whereas the shortage of manpower for agriculture is curtailing the food production program: Therefore be it

Resolved by the American National Live Stock Association in annual convention in Denver, Colo., January 15–16, 1943, That we urge the War Manpower Commission to provide more effective control of pirating of agricultural workers by industry, and that selective service provide mandatory deferment of agricultural workers.

I should like to read an excerpt from an address by Albert S. Goss before the seventy-sixth annual session of the National Grange at Wenatchee, Wash., November 11, 1942:

As a result of this drain—

Speaking of the drain of manpower—

farm production has suffered severely in some areas, and there is a great deal of evidence that plantings for next year will be shortly curtailed.

When he spoke of next year he meant this year, 1943, for he was speaking in November of last year.

Dairy cows have gone to the slaughter block in alarming numbers, while farm sell-outs have been breaking all records. Although the grange has been warning the administration and Congress of this for many months, until recently our warnings have been ignored and we have been blindly plunging into a situation which can result in no other way than a food shortage.

This morning I clipped from the Washington Times-Herald an article appearing on the front page headed—

The auction block—costs, labor shortage, force another dairyman to sell out.

The article proceeds to relate that a dairy close to Washington has been placed upon the block for sale, and says that it is one of three which in the last few months have been sold and closed out in the milk shed of this area.

Mr. President, I submit to the Senate that there is going to be less planted and less harvested in 1943 than was harvested in 1942. That fact is undeniable, based upon all the evidence that has been produced thus far on the question of manpower and production.

I deem it unnecessary further to quote authority and opinions upon this subject. Today every man and every woman in this country knows that there is a scarcity of food. If this were not true then why were we placed upon a rationing basis? Why are our people required to purchase food in limited quantities? Why the limitation upon the supplies which our people may have for subsistence? Why the empty shelves and showcases of the food merchants?

I have no opposition to necessary rationing designed to insure a lasting supply of food to all our people, but I say that the very fact that we have resorted to rationing is proof sufficient of either an existing food shortage or an apprehension that there will be such a shortage. In either event, the situation is too serious for palliation on the part of Congress.

Facing a food shortage, on the other hand, our need for food supplies in this year will greatly exceed the demands of 1941.

Our armed forces are increasing in number. More and more of them are being sent across the seas to be maintained thousands of miles from home. Naturally this requires a greater outlay of food for those men, who, above all others, must have first call upon the food and agricultural products of this country.

In the report of Mr. Stettinius on the lend-lease program under which we sent these products to the other countries fighting this war with us, we are told that lend-lease shipments of foodstuffs must be increased over the shipments of 1942. That is a definite program requiring greater supplies of agriculture products, a program which even now is in process of performance.

We cannot ignore our own people here at home. We are not going to permit them to go hungry if we can prevent it; yet we must realize that the boys whom we have placed under arms and sent out upon the waters and to lands on other continents must receive food and supplies in sufficient quantities to maintain them first above all others.

The need, the crisis, is immediate. When we deal with the raising of crops we cannot await the convenience of Congress to pass a general manpower act, because crops grow in season. The time for planting is at hand now. Action must be taken at once on this subject or it must be forgotten for 1943. I for one am not willing that it shall be forgotten, and I for one realize the necessity for immediate action, even drastic action, if you please, in order to assure the raising of crops and the furnishing, as best we can, of the men necessary for that purpose. A crop shortage in 1943, with the immense feeding program we have undertaken, would place us in a dangerous position. It might bring disaster. Men with empty stomachs cannot fight; and a hungry people cannot be a strong people.

It is true that the measure before us will not reach out and bring back to the farms those who have left them, but at least it will prevent further depletion of the farm workers. I believe it will prevent their going to the manufacturing plants; if they leave the farm they will be subject to the Selective Service Act, as not necessarily being engaged in some essential industry; and it will stop them from entering the armed forces. Certainly, it is no answer to the existing shortage of farm labor that the military should continue to take men from the farms.

We cannot wait for a general and complicated manpower plan if we are to have sufficient crops in 1943. The seasons of the year—the seasons of planting and growth and harvesting—do not await the deliberations of Congress. Nature will not await congressional action. This is so even though, as I am told, one of our bureaucrats suggested that lambing time be postponed although the lambs were on the way. Even the genius of the bureaus cannot bring about so great a miracle. But, nevertheless, the boys of the bureaus directed it be done.

It is my hope that the Bankhead substitute will be adopted by the Senate because it will attain the prime objective desired, regardless of what its critics may consider to be faults. It will keep on the farm the men who are now there.

The amendment which has been offered by the senior Senator from Wyoming [Mr. O'MAHONEY] does no more in effect than to reenact the existing law on this subject. It does no more than to reenact section 5, subsection K, of the present Selective Service Act. I invite attention to the language of the amendment offered by the Senator from Wyoming. He would exempt those engaged in any agricultural occupation or endeavor essential to the war effort. That sounds good when we read it. It is the same as, or quite similar to, the language of the present section of the Selective Service Act dealing with this subject and under which there has been complete failure. The present act on the subject is called the Tydings amendment. I do not doubt for one moment the earnestness and sincerity of purpose of the distinguished author of that amendment, or of the Congress in passing it, when it said that necessary farm workers who were essential were to be deferred. But what, in fact, has been the result? The administrators of the Selective Service Act seized upon the words "necessary" and "essential" and have set up their own definition as to who are necessary. In so doing they have defeated the very purpose of the act.

I point out that in the amendment offered by the senior Senator from Wyoming he has followed virtually that same language. It is attractive language. The words "necessary" and "essential" catch the eye at once; but when we look at the existing law we find the same words there. When we consider the situation throughout the country we find that in the interpretation of those words there has been a complete failure in the matter of keeping men on the farms.

The administrators of the act set up the so-called unit system now in use. First, they required that a farmer produce 16 units before there could be deferment, and the men from the farms continued to be taken into the service. The Selective Service department recognized its mistake and then set up an 8-unit basis, and that rule is in effect today as a basis for deferring essential farm workers. Mr. President, you and I know, as does everyone else who comes from a farming section, that today workers are still being taken from the farms. So it becomes necessary in this situation for the Congress in acting to be very definite and direct in order to accomplish the purpose of keeping men on the farms if food is to be produced. To do that we cannot use adjectives or quali-

fying terms, however appealing they may sound, because a trial has proved that they will not be interpreted as it was intended they should be interpreted by those who enacted the law.

The present section 5 (K) and the results under it represent another instance of the Congress enacting a law with the intent that it should accomplish a definite purpose and leaving words in the act to be defined by an administrative department which was not in sympathy with its provisions, with the result that methods of enforcement were set up which destroyed the very purpose of the law.

I submit that the time has come when the Congress, in enacting laws, must be definite when it gives to the administrative departments a duty to be performed. The O'Mahoney amendment contains in essence the same language as that of the present law, which has been a failure. To enact it would be purposeless. The O'Mahoney amendment goes a little further. The existing law does not recognize the creation of any unit system for determining who is a necessary worker, but the amendment offered by the distinguished Senator from Wyoming would put a proviso into the law recognizing and placing in effect a unit system, and affirming and declaring that what is going on is right. For that reason I take issue with the distinguished Senator upon his amendment.

Mr. President, we are told that some 350,000 men have been deferred under the Tydings amendment to the present act. Yet, in the face of that, we have the statements of farmers and farm agents that needed farm workers continue to be taken. In fact, we know that even today they are being taken by local draft boards. Consequently it becomes necessary for us to be definite and say that in this perilous situation no farm worker who will stay on the farm and perform his work shall be taken into the military service.

At this time let me briefly address myself to the objections which have been made in the minority views to the bill as reported, and to certain questions which were raised on the floor of the Senate yesterday.

First. It is said that this is a blanket deferment of all persons working on the farm. That is correct. That has become necessary in order to preserve farm labor. The Selective Service Administrators, when given power to define such words as "essential" and "necessary" as they appear in the present law, and as they appear in the amendment offered by the Senator from Wyoming, set up for themselves their own definitions and proceeded to take needed workers from the farm. I have already dwelt upon this subject.

Second. Objection is made, also, that the enactment of the bill would be an invitation to anyone who might desire to evade service to go to the farms and work. It is my view that this objection has very little practical soundness in it, because when we use the words "worker on a farm" we mean a bona fide worker; that is, a farm hand or a farmer. We know that he goes there to work. We do not have to write in the words "bona fide," "earnest," or "real" worker. There is not a draft board, and certainly there is not a community in this country, that would permit anyone to use such a law as a shield to avoid military service. His pretense would be revealed so quickly that no farm could hide him or keep him. When I say "farm worker" I mean just what that language implies—one who is truthfully a worker on a farm, or one who in truth operates a farm. I submit that it is only to beg the question, and that it is not a serious objection, to say that such a law would be a shield for a man to evade military service. If he goes to the farm and works and is a real farm worker, he is needed there; and we must boldly face the question and solve it as best we can.

It has been said that the so-called Tydings amendment, which is now in the law as section 5, subsection (k) of the Selective Service Act, is all that is necessary to keep the farm worker on the farm. We have discussed that question. I think it answers itself, by reason of the very fact that while that law has been in existence the farms have been denuded of their labor, until a food shortage is now upon us.

The argument is made that to exempt farm labor would be to undermine military morale. A Senator spoke of that yesterday. In support of this complaint there is cited the opposition to the bill of Mr. Patterson, Acting Secretary of War, General Hershey, Director of Selective Service, who is the one who set up the plan for enforcing the Tydings amendment in such a way as to destroy its effect, and Mr. Byrnes, of the Office of Economic Stabilization. I invite particular attention to the letter of Director of Economic Stabilization Byrnes, which is addressed to the chairman of the Committee on Military Affairs, the Senator from North Carolina [Mr. REYNOLDS]. It reads as follows:

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE FOR EMERGENCY MANAGEMENT,
OFFICE OF ECONOMIC STABILIZATION,
Washington, D. C., February 22, 1943.

Hon. R. R. REYNOLDS,
Chairman, Committee on Military Affairs, United States Senate, Washington, D. C.

DEAR SENATOR REYNOLDS: This is in reply to your two letters of February 19, 1943, with reference to S. 729 and S. 730.

The production of foods and fibers necessary for the war requires that some plan be worked out to secure the deferment of qualified laborers who are engaged in the production of essential war products until such time as adequate replacements can be provided. The necessary details, however, must be recommended by the Chairman of the War Manpower Commission, who is primarily responsible for dealing with this problem, and who is in a position to estimate adequately the requirements of the armed forces and to industry, as well as agriculture.

I also agree that it will be necessary in certain cases of critical emergency, to furlough members of the armed forces for the harvesting of critical agricultural crops. The details of the plan, however, must be worked out in close cooperation with the Chairman of the War Manpower Commission and the Secretary of War, in order that no steps shall be taken which will disrupt the efficiency of our armed forces.

Sincerely yours,
JAMES F. BYRNES, *Director.*

Mr. President, there is nothing in the bill which would call for any soldier coming back out of the ranks, or any sailor coming back from the Navy to the farm, so there would be no disruption on that score. The whole purport of the letter is that the plan must be worked out with the Manpower Commissioner and the Secretary of War. But the trouble is that we cannot work out any plan of this kind because no plan has been given the Manpower Commissioner, and none has yet been brought forth from any source under which the Commissioner was to operate. We cannot wait for that if we are to have sufficient crops in 1943.

With respect to these objections offered from persons in the War Department and the Selective Service Administration let me say, as a Member of this body, that no one will more wholeheartedly support the military in time of war than will I. That I intend to do. But I realize, as all other Senators must, that the military is principally interested in raising and equipping a sound army. That is, of course, essential. The Congress has the over-all duty not only to aid in raising such an armed force but to see to it that it is fed, and, furthermore, to see that the people of our country, the families from whom the men are taken, are fed and clothed. We have that duty as well as the duty of raising an army to fight the battles of this country.

If in its great work—which has been magnificent to this day—the military in the opinion of Congress has overlooked or is overlooking some necessary phase of this great war effort, such as the producing of food and other necessary farm crops, then it is the duty of Congress as the direct representative of the people, and under its over-all duty of supervision of government in time of war as well as in time of peace, to see to it that the threatened danger of lack of food is met and removed. That, of course, means keeping men on the farms. That means, in the present instance, that all men there at present must be kept there for the 1943 crop, because their ranks have now been thinned to the danger point.

Certainly it is no answer, referring to a point which was raised yesterday, to say that it is too late to pass this proposed law. It is never too late to save what we have left. If in order to help produce the food required by our country it is necessary that we take definite, even drastic, action to freeze men on the farms, to induce them to stay there, to provide under the edict of law that they shall stay there, then we must be courageous enough to take action sufficiently definite to meet the needs of the situation.

On the question of morale, I heard it said that the boys in the armed service would resent the deferment of men back here at home. I do not agree with that conclusion when the men under arms realize that such deferment is made for the purpose of raising food, not only for them but for the loved ones they left back home and whom they expect the Government of this country to protect while they are away. The man in the fighting forces is a sensible man. We

hear talk about morale. I can think of nothing that would destroy a soldier's morale so quickly or place him in greater distress than to know, or even believe, that his Government had failed him in not providing the essentials of life—such as food and clothing—for his family that he left back in America. I can take no stock in the argument of the opposition on that point.

On the same point let me read a short letter which I received under date of March 3—only last week—from a man serving in our armed forces. The letter reads as follows:

UNITED STATES NAVAL FLIGHT PREPARATORY SCHOOL,
Murray, Ky., March 3, 1943.

Congratulations upon your vote, noted in the press today in favor of the bill granting deferment to farm workers. This should have been done systematically long ago. It would have obviated the serious shortage of skilled farm labor and the dislocation in the farm communities, and would make unnecessary the absurd suggestions now heard to have doctors, lawyers, and bankers harvest the crops and to sprinkle interned Japanese around through the farms to help with the work. I have asked a number of my farmer friends what they think of these solutions. You know the answer. It's unanimous.

The sailor who wrote that letter is not a farmer. He came from city life. He knows the necessity for adequate farm labor. I believe that in his letter he expresses the feeling which all our soldiers will have when they realize that the action taken in that direction is for their benefit and for the benefit of their families.

So far as the fighting man is concerned, I give second place to no one in my determination to stand by him in seeing to it that he receives the first consideration of his country. But it is one thing to make declarations of devotion and to rest supinely upon such declarations, and yet another thing to back them up with positive, practical action that will assure our fighting men genuine support and sustenance.

Finally, Mr. President, if the farms shall continue to be denuded of their labor, who will work the land? Are we going to bring in foreign labor through the gates of immigration? Is the Federal Government going to help create in this land a situation whereby the boys of America will be upon the high seas and foreign shores fighting this World War, while the fields and farms back home will be cultivated by foreign men?

We hear talk about the question of morale. How is the soldier or the sailor going to feel about a situation of that kind, Mr. President?

I am not referring to something that is remote. If there shall be taken from the producing farms of this country the American men who live upon them and know the work, necessarily there will be created a dearth of workers there, and there will ensue a situation that will permit those who want the bars of immigration let down to say that it has become necessary to bring in foreign workers. I am opposed to having that done, and I am against creating any situation which might give any basis to the claim of need by those who would let down the bars of immigration. I want to have the farms of this country maintained by American people.

Mr. President, the danger to which I have referred is not so remote. Let me remind the Senate that no later than December the Chief Executive asked the Congress to give him authority to control immigration into this country. It was not stated why that power was wanted, so far as I know. Could it have been that there was a desire to let in refugees under a plea that their labor was needed? Can it be that we shall create so difficult a situation on the farms of this country that such a request can be given the semblance of justification?

For my part, I shall oppose with all the power that I have the opening of the gates of this country to the foreign worker. When the millions of young men whom we have taken from the farms, from the shops, and from their homes are out fighting their country's battles, to my mind nothing that could happen to our national life could be more horrible than to have those of us who have undertaken to guide this country's course and to protect those we have sent to war allow the places of work to be filled by people from other lands, while our own sons are away fighting for our country's existence as a Nation. To them—to those boys of ours—we owe the first duty to see to it that the places of work are open to them when they come marching home, that this country is kept for them, and that our farms are maintained by Americans.

The danger is not so remote. Let me point out a question and an answer of a date no later than March 2, 1943, at one of the hearings on manpower. The answer was given by a military officer during the manpower inquiries now going. The question is as follows:

Colonel, if there is a shortage of labor on the farms, do you favor the importation of persons from other countries to work on the farms?

Here is the answer:

As a temporary expedient, yes, sir; until we get our agriculture properly organized.

"Until we get our agriculture properly organized!" What would we do with the foreign workers when it was organized? I want agriculture organized, and kept organized, with our American people. All of us know as a practical matter that we cannot ship foreign workers out of this country, once we bring them here.

I realize that the statement of one officer, giving his own opinion—and a very fair and candid opinion—does not necessarily reflect the views of others in the military service or on the administrative side of the Government; but summing up all of these things, I submit that it is the duty of Congress—and to no other body may we turn for the performance of that duty—to see to it that no one creates in this country such a situation as will give anyone any basis for stating that we need people from other countries in order to operate our farms.

To the proposal that farm workers be deferred from service in the armed forces, the objection has been raised that legislation to accomplish that result would be class legislation. Even if that be so, I am willing to legislate with respect to a class in time of war, as a temporary measure, if such action be necessary to the winning of the war and to sustaining this country in its strength. If it be necessary to legislate with respect to one group of persons in order to assure to this country the needed food and other agricultural products, and to assure that the farms of this country are operated by our own people, then such legislation should be enacted.

But the measure is not class legislation in the sense in which that term is usually applied. What we seek to do would not be done for the benefit of the farmer or the farm worker. I rather suspect that many farmers will resent this measure. They may do so when the time comes for them to respond to the call of the Nation.

No doubt, in many instances, they may resent this law. What we do is done for all of America. It is done for the fighting forces of this country in order that they may be sustained in food and clothing. It is done so that all people living under our Government and looking to it for protection, as they have a right to do, shall be able to obtain the necessities of life.

The argument has been advanced that if we provide for deferment of the farm worker, we may be asked to do the same thing for workers in other lines of endeavor. That, of course, is but an argument of convenience. We have not been asked to defer any other class of workers, and, so far as I know, there is no need for such legislation. There is now in process of evolvement an over-all organization of the workers of the country. I do not know what will come out of it; but at the present time no one has greater need for such an organization than does the farm worker. As I say, the question before us involves consideration of seasons and of planting times. A shortage of crops in 1943 may be a disaster.

There is another fact which bears on the situation. The man who is needed in the plant usually gets his deferment through the application of his employer; the man on the railroad and in the mine, when needed in that work, has the voice of his employer saying that he is needed there. But the farm worker, has in many instances, no employer to make such a request for him. Under the present law deferment for the farmer must usually come through the request of his father or from the worker on his own farm unsustained by other requests. The application for deferment, in the first place, is not very strong when a father asks for his own boy's deferment, and, in the second place, if it is granted under such circumstances, the odium of a slacker is placed upon the boy and he lives in his community shunned by his neighbors around him. The law now proposed requires that he be kept on the farm to perform agricultural work in the service of his country and that a certificate be issued showing that fact. In other words, the law would say to him, "You stay on the farm, you are not asking for deferment, but your Government wants you to stay there, and when you do you will be given a certificate, which you may show to the world, that you are deferred under the order of your Government and not at your own request."

Mr. President, I urge the adoption of the Bankhead substitute. I urge it for the men who are fighting the war of their country. I urge it in the name of those they have left at home in our hands for protection, for the whole general populace that must be fed and clothed. I urge it for a secure America which must continue to have Americans operate its farms and plants, which must be safeguarded against the floods of immigration. We must never create such a situation that while our own blood, our own boys, will be fighting the battles of the world on foreign shores men of other countries, aliens, will be operating the farms within our own country. May such a thing never happen in America.

Mr. President, I submit that the Bankhead amendment would more nearly achieve the desired purpose than would the amendment offered by the distinguished Senator from Wyoming. I further submit that the adoption of the amendment of the Senator from Wyoming would simply be the reenactment of the present law which has been a failure. It would, indeed, go further than that, for it would write into the law the plan brought forth by the Selective Service Board which has failed to keep men on the farm.

Mr. TYDINGS. Mr. President, in its practical effect, the Bankhead amendment is an amendment to increase the number of and to hasten the drafting of married men with children. That proposition is intermingled with the Bankhead amendment as it will be applied by the Government.

The debate on this question has been very interesting. I think one of the most logical deductions was that drawn by the Senator from Connecticut [Mr. MALONEY], that the whole philosophy of the drafting of citizens in time of war was started wrong and needs to be revised in the light of the failures and inequalities which have followed in its wake.

There are two proposals before the Senate. The first is to blanket in and exempt from military service all persons working on farms. The other proposal, in essence, is to make the question of deferment an individual question predicated upon the character of the work, the irreplaceability of the worker, and the necessity of the Nation.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. TYDINGS. I prefer not to yield until I can develop the argument a little further.

Mr. President, I shall not dwell long on the two amendments, because I am advised that the able Senator from Wyoming [Mr. O'MAHONEY] intends to discuss them in their details. So I will pass them over for the moment.

I inquire now, Where are we going to get the Army which we are told by the military experts is essential in order to fight this war? If Congress wants to cut down the size of the Army, the way to cut it down is by law. If Congress does not want to cut down the size of the Army, then it should be drawn from all walks of life. Insofar as the Nation's needs will permit, there ought to be an equality in sacrifice in the raising of the Army, because no one in this country is going to perform any service whatsoever which will reasonably compare with the service of the men in the armed forces.

We already know what service in the armed forces means. It means, in many cases, the giving up of life itself and in other cases the bearing of wounds by the young men of our Nation. So, if we cut anywhere and exempt in a blanket fashion a great group of American citizens, we have to go elsewhere, into the ranks of the married men with children, in order to get the men to replace those who have been excluded. It cannot successfully be denied that that will be the case if the Bankhead amendment shall be adopted.

First of all, what is the trouble? Is it that the military forces are depleting the farms of workers? No; that is not the trouble, for the testimony before various committees shows that 70 percent of the farm depletion went into industry. I do not blame the farm workers for going into industry, for the following very proper reasons: Mr. President, what do you suppose the average farm weekly wage is in this country? I have before me the figures for every State in the Union, with board and without board, for 1939, 1940, 1941, and 1942. Listen. For the Nation, as a whole, in 1939 the average was $27.39 a month with board, and $35.82 without board.

In 1940 the average was $28.08 a month with board, and $36.68 without board a month.

In 1941, the average was $34.85 a month with board, and $43.64 a month without board.

In 1942 the average was $46.64 a month with board, and $56.07 a month without board.

In other words, the average wage, even in 1942, was less than $2 a day. There is the problem, Senators.

Mr. WILLIS. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. WILLIS. The figures stated by the Senator, as I understand, constitute the average for the United States as a whole?

Mr. TYDINGS. The figures given represent the average for the whole country, but I ask to have incorporated in the RECORD at this point a table showing the wages, with and without board, for each State in the Union. I believe the wages are highest in California, where a shortage of labor has been occasioned by the transfer to camps of large numbers of Japanese, who formerly worked on the farms, and lowest in some of the Southern States where in some instances wages are but half as much as the average which I read.

The PRESIDING OFFICER (Mr. OVERTON in the chair). Without objection, the table may be printed in the RECORD.

The table is as follows:

Annual average wage rates, 1939–42, per month, by States, and United States

[Straight average of 4 quarters—not official estimates of annual averages]

State	1939		1940		1941		1942	
	With board	Without board	With board	Without board	With board	Without board	With board	Without board
Maine	$30.10	$45.70	$30.60	$48.60	$38.20	$58.30	$51.60	$74.80
New Hampshire	31.70	54.80	31.90	55.30	35.80	61.40	49.20	77.70
Vermont	30.20	47.60	31.30	48.10	38.50	58.10	50.00	72.10
Massachusetts	32.30	61.50	33.60	62.80	39.40	70.80	53.60	89.10
Rhode Island	38.10	65.40	36.60	64.50	45.80	73.10	55.60	89.60
Connecticut	34.80	63.60	35.70	63.10	45.20	73.60	56.80	89.00
New York	29.30	45.50	30.70	46.80	38.40	56.20	50.30	72.00
New Jersey	32.00	53.60	33.10	54.60	39.10	62.50	51.10	77.60
Pennsylvania	26.40	41.70	27.10	42.20	31.40	47.80	38.50	60.80
Ohio	26.20	38.80	26.30	39.00	31.60	44.60	39.30	55.40
Indiana	27.10	37.60	27.70	38.60	32.80	44.30	40.90	54.60
Illinois	31.80	42.60	32.20	42.90	38.30	49.10	48.10	61.40
Michigan	27.40	41.90	28.20	42.10	35.40	51.10	44.30	63.20
Wisconsin	28.10	41.10	28.60	41.90	36.70	51.30	48.90	67.40
Minnesota	28.60	40.80	28.60	40.70	34.90	47.90	48.50	63.90
Iowa	31.70	41.40	32.10	42.10	38.30	48.10	52.10	63.80
Missouri	22.90	31.10	23.20	31.80	26.70	36.40	34.90	46.40
North Dakota	25.80	39.10	26.40	39.60	34.00	48.80	50.50	68.70
South Dakota	26.70	38.90	27.10	39.60	33.20	46.50	48.20	64.00
Nebraska	24.80	34.90	25.80	36.10	31.00	41.90	45.30	58.60
Kansas	24.00	35.30	24.50	35.90	29.60	41.80	41.20	57.40
Delaware	24.40	37.40	26.10	39.20	31.40	45.10	39.10	56.60
Maryland	26.50	38.50	27.10	39.60	31.60	45.20	38.30	54.70
Virginia	21.30	30.40	21.80	30.90	24.90	35.10	30.60	44.40
West Virginia	21.60	31.90	22.00	32.40	24.50	35.30	30.20	43.90
North Carolina	17.00	24.90	17.40	25.40	19.80	28.20	25.80	35.50
South Carolina	12.30	18.10	12.90	18.70	14.20	20.70	18.70	25.90
Georgia	12.20	17.90	12.80	18.60	14.80	20.90	18.80	26.00
Florida	15.60	26.80	15.90	27.80	18.40	31.20	25.10	41.90
Kentucky	20.40	28.90	20.20	28.60	23.10	31.80	29.10	39.90
Tennessee	16.50	23.90	16.90	24.20	19.60	27.60	24.30	34.00
Alabama	13.60	19.40	13.60	19.50	15.80	22.00	21.60	29.80
Mississippi	14.20	20.50	14.20	20.70	15.90	22.80	20.40	28.50
Arkansas	15.90	23.50	16.20	23.90	19.00	27.00	25.40	36.20
Louisiana	15.10	22.80	15.50	23.00	16.90	24.50	21.90	30.50
Oklahoma	20.20	29.60	20.80	30.30	24.30	34.40	33.00	45.60
Texas	20.60	29.50	21.10	30.10	25.10	34.40	34.70	46.30
Montana	37.10	53.20	38.80	54.80	44.70	63.90	63.30	84.20
Idaho	37.40	52.20	38.60	53.70	45.70	60.80	63.40	83.30
Wyoming	35.70	52.10	36.30	52.30	43.70	59.30	58.10	77.30
Colorado	29.50	45.40	30.30	45.90	35.60	51.40	48.10	68.70
New Mexico	27.60	42.20	27.90	40.20	32.10	45.70	42.40	57.70
Arizona	38.20	54.60	36.40	55.30	42.20	59.30	60.80	80.60
Utah	42.10	55.90	44.40	58.60	48.60	66.20	68.60	87.80
Nevada	40.60	60.30	42.40	58.70	46.60	69.30	59.00	82.10
Washington	35.80	53.20	37.00	56.90	45.10	67.20	69.00	97.80
Oregon	35.30	52.20	35.80	53.80	44.90	63.30	68.80	92.90
California	45.90	69.30	45.60	72.10	55.60	81.20	76.60	105.70
United States [1]	27.39	35.82	28.05	36.68	34.85	43.64	46.64	56.07

[1] United States rates are official annual averages: Weighted by hired farm labor.

Mr. TYDINGS. Mr. President, by the Bankhead amendment we are not going to keep workers on the farms unless we propose to compel them to work for $56.07 a month, when men are getting an average of $158 a month in the war industries of the Nation for working 8 hours a day, are getting time and a half for overtime, and double time if they work 7 days in a week and the seventh day is on Sunday, and are also receiving social-security benefits, unemployment pay, and retirement pay thrown in.

Mr. President, there is the issue. Why not face it? The adoption of the Bankhead amendment will not cure that situation unless it says to farm workers, "Go to work on the farm for this wage even though your neighbor is making three times as much and working shorter hours in the war plants of the Nation."

Mr. BYRD. Mr. President——

Mr. TYDINGS. I yield to the Senator from Virginia.

Mr. BYRD. I merely wish to ask the Senator from Maryland the date of the figures he has given.

Mr. TYDINGS. I obtained them 4 or 5 days ago.

Mr. BYRD. What was the date when they were effective in the industries and on the farms?

Mr. TYDINGS. I gave the dates, 1939, 1940, 1941, and 1942.

Mr. BYRD. Of course, the wages have been somewhat increased.

Mr. TYDINGS. They have been going up each year, but even with the increase the average in 1942 was $56.07 a month, out of which a man must provide food, clothing, and shelter for himself and his family.

Some may think men will be held on the farms in the face of such a disparity between industrial and agricultural wages. If they are, I do not know human nature. The only people left on the farms are those who have remained because the farmers have raised the pay in order to hold them, those who love to farm, those who find that farming is what they like to do best.

Mr. President, who is the farmer about whom I am talking? We are looking to that farmer in our own homes today and tomorrow for breakfast, for dinner and for supper. We are looking to him for the clothes on our backs, whether they be cotton or wool, for the hides which make the shoes on our feet, and for the lumber in all our homes. He is the one who furnishes all these things. He is creating all the wealth on which all war industries and all industrial wages depend, and in the midst of the highest wages in all history he is getting $56.07 a month for contributing the things without which we could not run the Nation's plants, or even an Army, or fight a war.

I know that for a long time farmers were blinded by the fact that they received a yearly check, paid to them from money borrowed by the Government in an effort to even up things. Now the chickens are coming home to roost. That is why the farms have been depleted. The military services have gotten only 30 percent of the men who have left the farms. The industrial plants have gotten 70 percent.

Then think of what will happen if we freeze men on the farms, as the Bankhead amendment would do, since under it they could not leave the farms until they went to some civilian tribunal and said, "I do not want to work for $33 a month, or for $40 a month, or $56.07 a month"—which is the average for the whole country. "I can go down the road and get $158 a month." "Ah, but you cannot do that. You must stay on your farm."

That is what the Bankhead amendment would accomplish. Of course, that would be nothing more nor less than bringing about a condition of enforced labor; it would result in nothing more nor less than slavery. If we are going to enter upon such a movement, let us make a law for the entire country, and require everyone to share the sacrifices, and not condemn to slavery the poorest paid workers in the whole economic scale, while all the others in the economic picture do pretty much as they please.

Mr. BANKHEAD. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. BANKHEAD. I hope that before he concludes the Senator will give us his solution. I am not asking for the activities he would suggest in carrying it out, but I should like to have his program for increasing wages on the farms and earnings on the farms to a point which would be sufficiently attractive to make farmers desire to stay on the farms.

Mr. TYDINGS. The Senator's question is a good one, and I shall come to it in due time.

Mr. President, the farmer of this Nation, and particularly the farm worker, has been the real forgotten man during the last 20 years. The whole economic system has been set up with no consideration whatever for the farmer. The farmer pays, in direct and indirect taxes, his share of the social-security program, of unemployment insurance, and old-age taxes, but he gets none of it for himself.

The farmer, through his taxes, will pay off the huge debt which this Government is going to drive up perhaps to the $250,000,000,000 mark, to pay all the high wages now being drawn, and to pay all the manufacturers the billions of dollars they receive under contracts. The farmer gets none of it.

Every time the prices of manufactured articles increase, either because of wage increases or through social-security payments which are added to the cost of the articles, the farmer's income is correspondingly depressed.

We cannot raise wages on the farm without increasing the cost of food and clothing and shelter. It is not possible. But why should it not be done?

When we increase the cost of manufactured articles, we depress the income of every farmer and farm worker in this country; and that has been taking place for a long time. Politicians travel about the country and tell what stanch friends they are to a particular group, and the great gains which have been made, but they fail to tell the remaining groups that the gains were made quite often at their expense. People have been falling for that boloney, one group being put up on stilts at the expense of another group which is already away down, right on the bottom.

It is not possible to increase the cost of manufactured articles, as a result of increased wages, without passing the increase on to the farmer and to the other consumers of the country. It is not possible to increase the cost of food because of the necessity of raising wages without increasing the cost of living.

Let us put ourselves in the farm worker's position. There he is on the farm, working 10 hours a day, 7 days a week, without any overtime pay, with no social security benefits, without the benefit of retirement pay, and he is working for less than $2 a day, when he can go right down the road and get $158 a month, which is the average, work 8 hours a day, get time and a half for overtime on Saturday, if the industry operates under the 48-hour week system, and get unemployment insurance and old-age pensions thrown in.

Does anyone think we are going to hold workers on the farm unless we compel them to serve there through the medium of the Bankhead amendment? If we do that, if we force men to work on the farm and to stay on the farm, then justice has left this Chamber, and reason has departed from the meditations of those in it.

Mr. President, I stated at the beginning of my remarks that the Bankhead amendment, in its ramifications, though not so intended, I know, in practical effect is an amendment to compel, to increase the number of, and to hasten the drafting of married men with children, and I shall give the proof.

Mr. McNutt, General McNarney, Mr. Wickard, Mr. Donald Nelson, and 30 other witnesses testifying before the Bankhead subcommittee have all told of the need for labor. What is that need, in a paragraph?

Outside of the figures 4,300,000 needed for the Army and Navy this year, 6,400,000 entirely new workers must be found for service here at home. It is hoped to get 2,700,000 of these from the ranks of women, 500,000 from the physically handicapped, whose disabilities are so slight that they can be overcome. The remaining 3,200,000 can be obtained only by a reduction of employees in less essential industries. Let us stop there and call it by its right name. It means by putting out of business less essential industries, by not allowing them to stagger along, because when we take 3,200,000 from a nonessential industry we might as well put up a sign "Closed for the duration of the war." The figures I have given present the manpower picture and problem, and superimposed on all that is the need for 3,100,000 seasonal agricultural workers at harvest time, not regularly employed, not working on the farm steadily, but for a month, or 2 months, or 3 months at the outside.

What the Bankhead amendment would do would be to shove back into agriculture every one who lives on a farm, whether he milks one cow, two cows, three cows, or four cows; whether he works 6 hours a day, or 5 hours a day, or 3 hours a day, or 2 hours a day. Under the Bankhead amendment, a worker

would not have to be regularly employed; he would not have to be irreplaceable; he would only have to be there. Go over the Nation and tell the married men with one child, two children, three children, four, five, or six children, that because of this, though they would not have been called without it, perhaps, they must go and leave their families, to take the places of some other persons in the armed services of this country.

Let me say, Senators, this war is not yet over. Regardless of how much we may be advancing on any front, regardless of how great the drives, this war will be a long war, and the casualty lists are going to be large, just so surely as that we sit in the Senate Chamber. I should rather have almost anything else lying as a bar on my conscience than to know I had favored a piece of legislation which substituted some man who should not go, under the laws of right and reason, in the place of one who should have gone, in the place where we need him in this crucial time.

We are going to need men for the armed forces. We may not like the size of the Army or the Navy or the other armed forces, we may think it is not necessary to have such a number; but who knows? Even as I am speaking, a new situation may develop in some theater of war which will disabuse our minds of our preconceived ideas of what size the United States Army should be. The time to have thought of those things was before we got into the war. A country can get into a war very quickly. The only way I know of to get out of a war is to fight our way out of it, and win it.

When the time comes that the Nation is at war there is only one thing to do, and that is win it quickly.

Mr. President, in my humble judgment, for whatever it may be worth, there could be no greater mistake made by us than not to give the Army and the Navy, within human reason, what they want in manpower; otherwise, in the long run, probably more lives will be lost, greater treasure squandered, and graver troubles and trials encountered than by making everything available which we humanly can make available to shorten this war, and to save life, and to get it over.

Therefore, I say that the Bankhead amendment, in its practical application, is a measure for the draft of married men with children. It means that, for everyone it excludes from the draft, if he is not needed, if he is not regularly employed, if he is not irreplaceable, someone else must take his place; and the figures show there are not enough single men now left to man the ramparts. So, if the Senators feel that they would rather eat bacon every day and send a married man with children to the slaughter, well and good. For my part, I would rather not eat bacon at all and keep that man in his home with his wife and children.

Mr. President, we hear talk about a food famine. There is not going to be any famine. You know it and I know it. There will not be as much food as we have been used to, not so many varieties as we have been accustomed to have. We shall have a great deal more rationing than we have had up to now, but no one is going to starve. There will be enough to keep us going, and if not, we will have to cease some of our shipments abroad, for first we are going to live without starving, and we can be assured that our boys overseas are going to live, too. We will give away only what we can spare by sacrificing greatly. We are not going to give away food to the point where we starve to death. So do not be frightened. Of course, there will be a shortage of food.

Mr. President, I do not like comparisons with other countries, for I am not one of those who thought the problems of England or Russia or China were like the problems of the United States. But, by way of comparison in this instance, how many Senators know that the British people get two eggs apiece a month? They get very little meat. They have to eat food they can plant, such as cabbage and sprouts, and so on. We will not have to do that. We will eat more than two eggs a month, and we will eat a good bit of meat. That is far from starving.

Mr. President, I should rather eat less than the British eat, and do everything humanly within my power to shorten the war, to save the life of just one other boy, than I would to live well, and have life as usual, at the expense of the tears and the grief and the worry of some poor woman, or some poor children of some poor father, or some poor brother.

Mr. President, that is the question we are voting on here. We cannot put sacrifice on the basis of the belly while men die in filth in the South Pacific, suffer all kinds of tropical diseases, are killed in action on the battlefield, or suffer from wounds, with torn bodies in the hospitals.

In God's name, having raised this large Army, this Marine Corps, and this Navy, and set them into action by our formal edict, let us keep on sending enough to give them the fullest measure of support and devotion we humanly can. If we are not going to do that, then let us have a declaration of peace right here and now, and bring all the men back. Do not let us leave them over there with too few weapons and too few men to end the war as quickly as we can.

Briefly, Mr. President, the O'Mahoney amendment is realistic, humane, and just. What does it say in essence? I will not discuss it in detail, because the Senator from Wyoming will do so, but in essence it says that we need to consider food as a weapon; that we need to consider the raw materials produced on the farm for clothing and shelter and so forth as a weapon, and, just as in industry, where a man is regularly employed and irreplaceable, we cannot afford to have that line of supply stopped, and therefore the man on the farm should be exempt from military service because he is contributing the thing he can best contribute, and which he is working very long hours under difficult conditions to contribute.

Mr. President, I wish to go back for a moment to a discussion of what I think is the real effect of the amendment drawn by the Senator from Alabama [Mr. BANKHEAD]. We all know that if 11,000,000 men are taken for the armed forces it means the service of a representative from one out of every three families in America. Think of that; one out of every three families will have a man in the armed services, because there are roughly 33,000,000 or 34,000,000 families in this country. There will hardly be a street, or a country road, on which there is not a blue star in the window of every third house. If we cut down the availability of the men who are going into that army by saying that 5,000,000 families, for example, have no part in it, then we would correspondingly increase the number of homes on certain streets and roads from which substitutes must come to take the place of those who have been excluded. So what would we be doing if we adopted the amendment drawn by the Senator from Alabama? In a blanket fashion, without any reasonable yardstick of measurement, without any regard to the intrinsic merit of the effort made by a particular farmer, we would be shutting off behind the fence of safety those men as a group, and telling the rest of the Nation "Come forth to take their places in the battle line."

Let us consider the number of those who remain of the available single men in the country. There are not enough single men, Senators, to fill the ranks. Every time a single man is excluded in industry, or every time a single man is excluded on the farm, or in Government work, or in any other place, a married man is taken bodily away from his wife and children and substituted in the place of the man who is excluded. Is not that what the Bankhead amendment would do? Will that not be the effect of it, and do Senators want to have on their conscience the fact that they have excused a part-time worker, and to fill his place, have taken from another group a full-time worker who is constantly employed, and quite often he will be a man with children?

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. JOHNSON of Colorado. Will the Senator please explain to us how the O'Mahoney amendment would save the married men?

Mr. TYDINGS. The O'Mahoney amendment confessedly, by the words out of my able friend's own mouth, purports to keep not all the men on the farm; it purports to keep only those, if it keeps any, who are regularly employed and who are irreplaceable. To the extent that it keeps them on the farm it makes the draft of married men inevitable to supplant that very number. But the amendment of the Senator from Alabama would add vastly to that number, without any regard to the Nation's need, and would make the draft of married men continually greater.

Mr. President, before I conclude answering the Senator's question, let me say that, while I hope it is not a prophecy, yet I have a feeling, if the Bankhead amendment shall be adopted, the very Senators who are sponsoring it will, in time, repudiate it on the floor of the Senate. Its injustice is so apparent, the lack of logic to support it is so evident,

and there is about it such a lack of what I call the commonness of sacrifice, that sooner or later events are going to catch up with it, when the married men learn that, because of blanket deferments on the farm, they are going to be summoned to the colors.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield further?

Mr. TYDINGS. I yield.

Mr. JOHNSON of Colorado. Then my understanding of the Senator's reply is, boiled down to a very few words, that the reason the O'Mahoney amendment protects married men is that it is less effective and less potent than the Bankhead amendment?

Mr. TYDINGS. Oh, no. Let me say to the Senator——

Mr. JOHNSON of Colorado. The O'Mahoney amendment does not say anything about married men, does it?

Mr. TYDINGS. There has been a good deal of loose talk with no facts to support it. For example, it is said that the Tydings amendment did not do any good. I got in touch with General Hershey several days ago and again yesterday. He said that the first 2 months the so-called Tydings amendment was on the books, 364,000 regularly employed and irreplaceable farm workers who were called for the draft were deferred. That was in just 2 months. I was informed only yesterday that more than 1,000,000 regularly employed and irreplaceable farm workers will be deferred under my amendment during 1943.

Mr. AIKEN and Mr. WILLIS addressed the Chair.

The PRESIDING OFFICER (Mr. ELLENDER in the chair). Does the Senator from Maryland yield, and if so to whom?

Mr. TYDINGS. I yield first to the Senator from Vermont.

Mr. AIKEN. Is the Senator referring to all men, or only to single men?

Mr. TYDINGS. I am referring to all men who were exempted because of the Tydings amendment, and not to the greater number who were exempted because of physical disabilities or dependents.

Mr. AIKEN. About 400,000 men will eventually be classified as II–C, and the rest will be classified as III–C. That means that they will be deferred for family as well as occupational reasons.

Mr. TYDINGS. I know what the difficulty has been. It has not been with the Tydings amendment, but with the Selective Service Act. A communication is forwarded to the draft officials of the State of Mississippi, for example, which is an agricultural State, or to the State of New Mexico, Arkansas, or Alabama, and the officials are told that, based upon population, their next quota will be so many men—we will say, for example, 30,000 men. In turn quotas are assigned to the various counties. In an agricultural county the draft board is bedeviled to obtain from the particular county the number of men it must have without taking some from the farms.

Mr. AIKEN. I think the Tydings amendment has done a great deal of good.

Mr. TYDINGS. I appreciate the statement of the Senator. He was very helpful in having it adopted.

Mr. AIKEN. However, I am not sure that it goes far enough. It certainly does not go so far as the Bankhead amendment goes; but it has done much good.

Mr. TYDINGS. I am sure of that. The amendment offered by my good friend the able Senator from Wyoming would write into the law the regulations which the Selective Service System has adopted to interpret and carry into effect the Tydings amendment so that they would become law and not merely regulations with which the draft boards are now confronted.

Mr. WILLIS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Maryland yield to the Senator from Indiana?

Mr. TYDINGS. I yield.

Mr. WILLIS. The Senator has said that the principal difficulty in administering the act has been in the competition of industry.

Mr. TYDINGS. That is correct.

Mr. WILLIS. Has the Senator from Maryland any information concerning the number of men who went into the Army, and the number who went into industry after they were deferred under the Tydings amendment? Did they leave the farms?

Mr. TYDINGS. They cannot be deferred unless they remain on the farm. When they accept employment from industry they can be drafted into military service unless they are irreplaceable in their then employment.

Mr. WILLIS. Would not that situation support the belief that under the new provision the men would remain on the farms?

Mr. TYDINGS. I understand that since the amendment of November 13 of last year—commonly referred to by the author's name—was adopted, the whole tendency has been to arrest the trend from the farm to industry, and that the trend is now the other way. Why, I will not attempt to explain. Senators must draw their own conclusions. However, the fact is that the trend from the farms to industry has been stopped. Unfortunately, it was not stopped soon enough. The draft law considered all occupations on an equal footing.

This year, in round numbers, 400,000 men a month are being taken. General Hershey has told us that this year the draft will provide 4,300,000 men for the armed services. The men who went in this January will not be fully trained and equipped until next January. The men who go in next June—400,000 during that month—will not be fully trained and equipped until a year later. Those who go in next December will not be fully trained and equipped until December 1944. What does it add up to? It means that we shall not have 11,000,000 men in the armed forces, trained, equipped, and ready to fight until December 1944.

This morning I asked for figures pertaining to the Army as of December 31, 1942. According to the figures we had at that time 366,869 officers and 4,989,053 enlisted men, which, with eight-thousand-odd warrant officers, gives a total in the Army of 5,364,521 officers and enlisted men. That is roughly five and a third million. Of those five and a third million a great many had not been in the Army longer than 6 months. Some had not been in the Army longer than 3 months. Some had been in the Army only 1 month, the month of December.

This war is not over by any means. Perhaps more men should have been isolationists than there were. Perhaps we should have had a different policy. I do not know. I am not questioning or arguing the philosophy of anyone. The point is that that day is past. We are in the war. We are not one-half in it, three-quarters, five-sixteenths, or ninety-nine one-hundredths in it. We are all the way in. Our boys are out on the firing line.

I do not know whether we are serving them by shoving certain groups into the cloakroom out of sight and throwing a greater burden upon those who remain, for the more who are shoved into the cloakroom out of sight, without regard to their morality, character, worthiness, or education, the lower the physical quality becomes. The greater the number is, the better the physical, moral, and mental stature of the individual soldier will be.

Let me mention another point: The Axis nations have 17,000,000 men under arms. When we bring our Army to full strength, and Britain does likewise, we shall not be quite up to the Axis strength in numbers, because we shall have fewer than 17,000,000 men. However, we shall supply the lack of men with tanks, planes, equipment, and other means which should—and I believe will—make us superior to our enemies and bring about their defeat.

Keep in mind that even when all these things take place our Army will not be so large as that of our combined foes. Our boys are over there. If we had three times as many in Africa as we have now Rommel would not last one-third the time; and even though we might have more men, we should not lose as many as we shall lose with fewer men. We could wind up the African campaign quickly and get busy somewhere else. The point is that by dragging it on and keeping a small army hamstrung, taking the conduct of the war out of the hands of the generals and admirals, we may unnecessarily waste human life, prolong the war, deplete the Treasury, and bring on chaos.

Mr. President, I have talked at great length. I think I have covered the essential things in my mind. I shall conclude with one or two observations.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. WILEY. I agree with much of what the distinguished Senator from Maryland has said. I believe that his philosophy in relation to the Army is correct. However, it seems to me that the two amendments which have been proposed would probably arrive at the same result.

Mr. TYDINGS. Then why is the Senator in favor of the original proposal?

Mr. WILEY. Let me continue. Yesterday it was stated as authentic that practically all the available farm labor

has already gone "out of the stable," so to speak.

Mr. TYDINGS. In many places, that is true.

Mr. WILEY. And only 250,000 remain.

Mr. TYDINGS. Two hundred and fifty thousand what?

Mr. WILEY. Available single men on the farms. I should like to have the very fine mind of the Senator directed to this question: He said, for instance, that there was no danger of famine. I agree with him.

Mr. TYDINGS. That is correct.

Mr. WILEY. But there is danger that we will not get all the food we wish.

Mr. TYDINGS. I can say to the Senator that we will not get it.

Mr. WILEY. There must be a way to get labor back to the farms. In Great Britain farms are operated almost exclusively by women, and they are doing a good job. We are talking about an issue which involves only 250,000 single men, a large proportion of whom the Senator agrees are essential.

Mr. TYDINGS. Under the ramifications of the bill the Senator would draft 250,000 married men to take their places.

Mr. WILEY. Oh, no; the Senator does not understand my position.

Mr. TYDINGS. The Senator cannot escape the logic of it. Somewhere along the line, in obtaining an armed force of 11,000,000, 250,000 married men must furnish the quota which would otherwise be furnished by the single men. I am not saying that the single men should not be excluded for the purpose of the Senator's question.

Mr. WILEY. I agree with the statement of the Senator from Maryland; but I understand that under the O'Mahoney amendment, whether men are married or single, if they meet the test they remain on the farm.

Mr. TYDINGS. The Senator is correct.

Mr. WILEY. The distinguished Senator from Colorado [Mr. JOHNSON] asked how many men would be affected. If they are needed on the farms, they are essential, whether they are married or single. It is conceded that practically all men on the farm are essential.

Mr. TYDINGS. No one has the answer to that question. However, it may be said that if a man is regularly employed and is irreplaceable, he will stay on the farm.

The amendment offered by the Senator from Wyoming would, in effect, write into the law all the liberalizing regulations and policies which have been discussed, to give further emphasis to the protection which should be afforded the man who is regularly employed and irreplaceable.

The Bankhead amendment, in effect, would blanket out the farm group because they live on farms and are substantially employed there. The two things are entirely different. The original proposal would allow men to stay on the farms only when they could not be replaced. The Bankhead amendment would allow them to stay on the farms even though they be part-time workers.

Mr. WILEY. Yes; but the result would be the same if the men are all essential.

Mr. TYDINGS. Of course, it would be the same. I did not follow the Senator's original question.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. O'MAHONEY. The statement made by the Senator from Wisconsin confuses the argument. He says "if they are essential."

Mr. TYDINGS. That is correct.

Mr. O'MAHONEY. The distinction is so plain that I wonder why anybody should hesitate for 3 seconds over it. The substitute offered by the Senator from Colorado [Mr. JOHNSON], which is the third or fourth substitute, is acknowledged by its proponents to be a blanket deferment. Under that amendment, men on the farms would be deferred whether they were individually contributing in sufficient quantity or not.

Mr. TYDINGS. That is correct.

Mr. O'MAHONEY. The amendment which was suggested by the minority of the Committee on Military Affairs avoids that great difficulty, and provides that no one shall be deferred unless he individually is making at least the minimum contribution to the production of an essential food.

Mr. TYDINGS. In other words, in essence the amendment sponsored by the Senator from Wyoming takes the regulations, which have been greatly liberalized, even down to eight cows a day, and writes them into the law. It does not change the Tydings amendment. It leaves it on the statute books, but explains how it shall be safeguarded by having interpretations thrown around it.

Mr. GURNEY. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. GURNEY. The Senator just said that the amendment offered by the Senator from Colorado did not cover the point that the worker had to be essential on the farm and had to do work resulting in a certain amount of production needed for the war effort. It is my interpretation—and I believe it to be correct—that in order to obtain deferment a man must be essential on a farm. Under the O'Mahoney amendment, I am quite sure the man must remain essential.

Mr. TYDINGS. Very well.

Mr. GURNEY. The point I want to make is that the men must remain essential.

Mr. TYDINGS. That is true.

Mr. President, yesterday I asked General Hershey what he thought about the two amendments. I hold in my hand a letter from General Hershey stating what he thinks about them. Before I read his letter let me say that there never was a fairer group of men to deal with, in my opinion, on essential vocational problems than the group made up of General Hershey and the staff which he has about him. They have been willing to meet with us at any time. On several days we met in the office of the Senator from Alabama, and largely through the leadership of the Senator from Alabama we obtained many liberalizing interpretations of the Tydings amendment, and General Hershey has been fully cooperating with us in endeavoring to keep irreplaceable and regularly employed laborers on the farms.

I read General Hershey's letter:

MARCH 10, 1943.

DEAR SENATOR TYDINGS: I am submitting this statement in answer to your inquiry as to my views on the amendment by way of a substitute presented to the Senate yesterday by Senator JOHNSON of Colorado.

As you know, I have already submitted a statement of my views on S. 729 as originally introduced and on a substitute therefor which was considered in committee and agreed to by the committee with some modifications. That statement is set forth following the minority report.

Although the Johnson substitute requires as a condition precedent to deferment that a registrant be engaged substantially full time in producing agricultural commodities, certified by the Secretary of Agriculture as essential, there is no requirement for any minimum quantity of production for each commodity, nor is there any requirement that the registrant must be irreplaceable, and by irreplaceable I mean that there is no satisfactory replacement ready and able to replace the registrant.

Without those two requirements, namely, irreplaceability and quantity of production, the Johnson substitute constitutes blanket deferment, and hence class legislation. It will in my opinion tend to remove the incentive for maximum production and will not be acceptable either to the public generally, to the registrants in other occupations, to the men already in the armed services and their families, or to the bona fide farmers themselves. I don't think real farmers want to be classified along with those whom the Johnson substitute would in my opinion place with them

I trust this statement will satisfactorily answer your inquiry.

There you have it. The Senator from Alabama asked me what was to be done concerning the disparity which is occasioned by the low pay received by farm workers and the high pay received by industrial workers. Well, who sets the high wage scales of the industrial workers? Our Government is now setting most of them. It is causing their employment, and everything that the higher standard of wages finally reaches must in turn bring about similar high wages in other manufacturing enterprises. Otherwise, their labor would leave and would go where the highest wages were paid.

There is one way we can get at the problem, but we cannot get at it by passing a law. We must get at it by administration. That may not be advisable; I am not advocating it. I am answering the question.

Mr. BANKHEAD. Mr. President, I ask the Senator what is his position?

Mr. TYDINGS. I will state it. My way would be to pay the men who work on the farms more money, and let the ceilings go up correspondingly, just as we have paid the men in the manufacturing plants more money, and the prices of all manufactured products have gone up and have been increased to the farmers and to all other consumers. I would give equality of justice to men who are producing equally. That is my solution.

I would go down to the O. P. A., if I could do so, and have it explain to the country that the farmers are entitled to every bit of consideration that the industrial workers are entitled to. We are not going to hold farm workers on the farms—I care not how many laws may be passed—until we rearrange the work and until we pay agricultural skill in line with what is paid to industrial skill. Seventy percent of the men who have left the farms have gone to industry. The Army has not raided the farms; it has taken only 30 percent of those who have left. No one will begrudge the farm workers all the wages and all the short hours and other benefits the farms will stand.

However, while industrial workers have gone up in their economic scale, farm workers have remained on the lowest scale. In many cases, the increases received by industrial workers have to some extent decreased the income of the farmers and of the farm workers. Therefore, my solution would be to pay the farm worker a decent wage, to add that wage to the cost of production of agricultural commodities, and to give justice to the farmer whose son is in the armed forces, just as we give justice to others in America whose sons are in the armed forces.

Mr. O'MAHONEY obtained the floor.

Mr. HATCH. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from New Mexico?

Mr. O'MAHONEY. I yield.

Mr. HATCH. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	George	O'Mahoney
Austin	Gerry	Overton
Bailey	Gillette	Pepper
Ball	Green	Radcliffe
Bankhead	Guffey	Reed
Barkley	Gurney	Revercomb
Bilbo	Hatch	Reynolds
Bone	Hawkes	Scrugham
Brewster	Hayden	Shipstead
Bridges	Hill	Smith
Brooks	Holman	Stewart
Buck	Johnson, Calif.	Taft
Burton	Johnson, Colo.	Thomas, Okla.
Bushfield	Kilgore	Tobey
Byrd	La Follette	Tunnell
Capper	Lodge	Tydings
Caraway	McCarran	Vandenberg
Chavez	McClellan	Wagner
Clark, Idaho	McNary	Walsh
Clark, Mo.	Maloney	Wheeler
Connally	Maybank	Wherry
Danaher	Mead	White
Davis	Millikin	Wiley
Downey	Moore	Willis
Eastland	Murdock	Wilson
Ellender	Nye	
Ferguson	O'Daniel	

The PRESIDING OFFICER. Seventy-nine Senators have answered to their names. A quorum is present.

Mr. O'MAHONEY. Mr. President, the Senator from Maryland [Mr. TYDINGS] has made such an excellent analysis of some of the fundamental reasons why the so-called Johnson amendment should not be adopted, that I shall endeavor to content myself with a brief effort to analyze the various proposals which are before the Senate. I should like to make clear just what the issue is. In order to do that, I think it will be necessary, first, that there should appear in the RECORD, at the beginning of my remarks, the so-called Tydings amendment as it now reads in the Selective Service and Training Act as section 5 (k) of that act.

There being no objection, the so-called Tydings amendment was ordered to be printed in the RECORD, as follows:

(k) Every registrant found by a selective-service local board, subject to appeal in accordance with section 10 (a) (2), to be necessary to and regularly engaged in an agricultural occupation or endeavor essential to the war effort, shall be deferred from training and service in the land and naval forces so long as he remains so engaged and until such time as a satisfactory replacement can be obtained: *Provided*, That should any such person leave such occupation or endeavor, except for induction into the land or naval forces under this act, his selective-service local board, subject to appeal in accordance with section 10 (a) (2), shall reclassify such registrant in a class immediately available for military service, unless prior to leaving such occupation or endeavor he requests such local board to determine, and such local board, subject to appeal in accordance with section 10 (a) (2), determines that it is in the best interest of the war effort for him to leave such occupation or endeavor for other work:

Mr. O'MAHONEY. Following that, I should like to have appear in the RECORD the bill as reported from the Committee on Military Affairs, Senate bill 729, which contains the text of the original Bankhead proposal stricken through and then the first alternative which was submitted by the majority.

There being no objection, the bill (S. 729) as introduced and as reported from the Committee on Military Affairs was ordered to be printed in the RECORD, as follows:

Be it enacted, etc., [That section 5 (k) of the Selective Training and Service Act of 1940, as amended, is amended to read as follows:

["(k) Every registrant who is regularly engaged in an agricultural occupation or endeavor or whose principal occupation consists of employment in connection with the production or harvesting of any agricultural commodity shall, while he continues to be so engaged or employed, be deferred from training and service under this Act in the land and naval forces of the United States; and no such registrant shall leave such occupation or endeavor or cease to be employed in connection with such production or harvesting unless, prior thereto, he requests his selective service local board to determine, and such local board, subject to appeal in accordance with section 10 (a) (2), determines, that it is in the best interest of the war effort for him to engage in some other occupation or endeavor, to be employed in some other work, or to become a member of such land or naval forces."]

That section 5 (k) of the Selective Training and Service Act of 1940, as amended, is amended to read as follows:

"(k) Until January 1, 1944, every registrant who is regularly engaged in an agricultural occupation or endeavor on a farm, or whose principal occupation consists of employment on a farm in connection with the production or harvesting of any agricultural commodity shall, while he continues to be so engaged or employed, be deferred from training and service under this Act in the land and naval forces of the United States; and until January 1, 1944, no such registrant shall leave such occupation or endeavor or cease to be employed in connection with such production or harvesting unless, prior thereto, he requests his selective service local board to determine, and such local board, subject to appeal in accordance with section 18 (a) (2), determines that it is in the best interest of the war effort for him to engage in some other occupation or endeavor, to be employed in some other work, or to become a member of such land or naval forces: Provided, That each man who is deferred pursuant to this subsection shall receive from his selective service local board at the time of such deferment a certificate stating that such deferment has been found by such board to be in the best interests of the war effort.

Mr. O'MAHONEY. Following that, Mr. President, I should like to have appear in the RECORD a copy of the proposed substitute which I received yesterday morning from the distinguished senior Senator from Alabama [Mr. BANKHEAD] in a letter addressed to me, which is different both from the original bill which he introduced and from the bill which was reported by the majority of the Military Affairs Committee.

There being no objection, the amendment in the nature of a substitute was ordered to be printed in the RECORD, as follows:

Strike out all after the enacting clause and insert the following:

"That section 5 (k) of the Selective Training and Service Act of 1940, as amended, is amended to read as follows:

"'(k) Every registrant who is found by a selective service local board, subject to appeal in accordance with section 10 (a) (2), to be engaged or employed substantially full time on a farm in connection with the production or harvesting of any agricultural commodity set forth in Local Board Release No. 164 of the Selective Service System as being essential to the war effort shall, while he continues to be so engaged or employed, be deferred from training and service under this act in the land and naval forces of the United States: *Provided*, That should any such deferred registrant cease to be engaged or employed substantially full time on a farm in connection with such production or harvesting, his selective service local board, subject to appeal in accordance with section 10 (a) (2), shall reclassify such registrant in a class immediately available for military service, unless prior to leaving his work on the farm he requests such local board to determine, and such local board, subject to appeal in accordance with section 10 (a) (2), determines, that it is in the best interest of the war effort for him to engage or be employed in some other work, or to become a member of such land or naval forces: *Provided further*, That each man who is deferred pursuant to this subsection shall receive from his selective service local board at the time of such deferment a certificate stating that such deferment has been found by such board to be in the best interests of the war effort: *Provided further*, That the Secretary of Agriculture may from time to time certify to the Selective Service System for the purposes of this subsection such additional agricultural commodities as in his judgment are essential to the war effort.'"

Mr. O'MAHONEY. Following that I should like to have appear in the RECORD the substitute as it is now offered by the Senator from Colorado [Mr. JOHNSON].

There being no objection, the substitute proposed by Mr. JOHNSON of Colorado was ordered to be printed in the RECORD, as follows:

Amendment in the nature of a substitute proposed by Mr. JOHNSON of Colorado to the

bill (S. 729) providing for the deferment from military service of persons engaged in agricultural occupations, viz: In lieu of the language proposed to be inserted by the committee, to insert the following: That section 5 (k) of the Selective Training and Service Act of 1940, as amended, is amended to read as follows:

"(k) Every registrant who is engaged or employed substantially full time on a farm in connection with the production or harvesting of any agricultural commodity set forth in Local Board Release No. 164 of the Selective Service System as being a commodity essential to the war effort shall, while he continues to be so engaged or employed, be deferred by his selective-service local board from training and service under this Act in the land and naval forces of the United States: *Provided*, That should any such deferred registrant cease to be engaged or employed substantially full time on a farm in connection with such production or harvesting, his selective-service local board, subject to appeal in accordance with section 10 (a) (2), shall reclassify such registrant in a class immediately available for military service, unless prior to leaving his work on the farm he requests such local board to determine, and such local board, subject to appeal in accordance with section 10 (a) (2), determines, that it is in the best interest of the war effort for him to engage or be employed in some other work, or to become a member of such land or naval forces: *Provided further*, That each man who is deferred pursuant to this subsection shall receive from his selective-service local board at the time of such deferment a certificate stating that such deferment has been found by such board to be in the best interests of the war effort: *Provided further*, That the Secretary of Agriculture may from time to time certify to the Selective Service System for the purposes of this subsection such additional agricultural commodities as in his judgment are essential to the war effort."

Mr. O'MAHONEY. I should like to have in the RECORD the substitute which was offered by the minority of the Committee on Military Affairs, and from which there has been no deviation since it was originally proposed.

There being no objection, the substitute proposed by the minority of the committee was ordered to be printed in the RECORD, as follows:

Amendment in the nature of a substitute proposed by Mr. O'MAHONEY to the bill (S. 729) providing for the deferment from military service of persons engaged in agricultural occupations, viz: Strike out all after the enacting clause and insert the following: "That section 5 (k) of the Selective Training and Service Act of 1940 as amended be amended by adding the following proviso: 'Provided *further*, That for the purposes of this subsection, a registrant shall be found by his selective service local board to be necessary to and regularly engaged in an agricultural occupation or endeavor essential to the war effort (1) if he is engaged substantially full time in the production of agricultural commodities certified to the Selective Service System by the Secretary of Agriculture as being essential to the war effort and set forth in Local Board Release No. 164, effective January 16, 1943, and (2) if the production of such commodities attributable to such registrant is at least equal to the minimum standard of production per person as set forth in such release No. 164: *Provided further*, That the Secretary of Agriculture may from time to time certify to the Selective Service System for the purposes of this subsection such additional agricultural commodities as in his judgment are essential to the war effort, together with the minimum standard of production per person which he determines to be applicable to such additional agricultural commodities.'"

Mr. O'MAHONEY. Mr. President, it will be observed from what I have said that all this controversy revolves around the modification of the so-called Tydings amendment. It is important, therefore, to know what the Tydings amendment is. It was adopted late last year—I think in October—and was intended to provide for the deferment of essential farm workers who were necessarily employed in the production of essential crops. It provided further that deferment should be granted only so long as a satisfactory replacement was not obtainable.

The important thing to remember is that the Tydings amendment was based upon the theory and principle of the Selective Service and Training Act. It required individual judgment on individual cases. The vice of the proposal which was first offered and sent to the committee, which was then modified and reported to the Senate, and which has since been changed twice, is that in every form in which it appears it remains a blanket deferment, and takes no account whatsoever of the individual status of the registrant who is to be deferred.

The Selective Service and Training Act makes clear the principle upon which compulsory military service in a republic should be based, namely, upon the circumstances and conditions which surround the individual worker. This is the language which appears in the act. It is part of section 5 (e) of the Selective Service and Training Act of 1940:

No deferment from such training and service shall be made in the case of any individual except upon the basis of the status of such individual, and no such deferment shall be made of individuals by occupational groups or of groups of individuals in any plant or institution.

Mr. President, that provision in the Selective Service and Training Act was the result of experience in the last World War. It was the result of a realization that the only just basis upon which any individual could be deferred was upon the basis of the circumstances and conditions which surrounded him. The provision was written into the law because it was recognized that unless deferment were based upon individual circumstances and conditions, the door would be open to draft evasion and to those who would seek to avoid the obligation of military service.

The proposal which is before the Senate in any one of its four different texts from beginning to end remains an open door to the evasion of military service, and there is no possible way of answering that indictment. Those who sponsor the amendment answer it only by saying it is necessary to do this in order to keep workers upon the farms, but, as the Senator from Maryland so clearly and forcefully stated earlier today, when we defer, in addition to those who are engaged in producing essential crops, those whose individual activities are not sufficient to make it appear that they are making a substantial contribution to the war effort, we create the opportunity for evasion of military service, and for one, Mr. President, I say that that is a condition which no farmer in this country has appeared before the Military Affairs Committee to ask; I say it is an utterly unjust and unfair burden to place upon the backs of the individuals in the agricultural regions who are to be deferred by a blanket law passed by Congress.

Yesterday I received a letter from a lady in my State which is so brief and so clear that I think it deserves a place in the RECORD. It was written on March 3, 1943, from Buffalo, Wyo., and reads:

MY DEAR SENATOR: The Austin-Wadsworth bill seems best to me. To defer farm workers is to make a very weak minority group after the war. The returning soldiers, sailors, or marines will have a strong bloc behind them, they will have pensions, bonus, etc. The farm worker will have nothing, not even the big wages of the war worker in defense plants. If a person chooses to be with a minority, that is all right and their affair, but no one has the right to make any one join a minority.

I am a Quaker, proud of my minority, but understanding minorities makes me know none should be created.

I suggest a land Army with basic Army training then returned with honors to the fields.

Sincerely,

EMILY LOTT,
(Mrs. Howard Bryant Locke).

The author of this letter, of course, was urging another measure, not the one now before the Senate, and when she wrote the letter she did not know that the authors of the bill as it was reported by the majority of the committee proposed to give something to the farmer who should be deferred. They made this provision by amendment in the Committee on Military Affairs, and have retained it in each of the variations which have since been proposed. It reads:

Provided further, That each man who is deferred pursuant to this subsection shall receive from his selective-service local board at the time of such deferment a certificate stating that such deferment has been found by such board to be in the best interests of the war effort.

Mr. President, shall we pin a certificate of war merit upon the breast of every person who is deferred under this proposal, even though we know that his individual contribution is not sufficient under the present law?

The one great objection to the amendment which was offered by the minority in the committee was that it provided for an individual minimum contribution. Those of us who drafted the amendment said that no man should be included in a blanket deferment, and that no man should be deferred at all, unless in his individual case it was clear that he was making a contribution which met the standard set down by those who are endeavoring, to the best of their ability, to handle the agricultural problem of this Nation. That was written in by the minority. It was the one provision to which the majority has taken exception from the beginning, because, they say, "We do not want deferment to be governed by a minimum contribution," and the minute they say that, Mr. President,

they draw a criticism across the breast of every farmer who is deferred because the measurement has been avoided.

Now let us understand what the Tydings amendment was. It was very simple. No one had any difficulty in understanding it, I am sure. It provided:

> Every registrant found by a selective service local board, subject to appeal in accordance with section 10 (a) (2), to be necessary to and regularly engaged in an agricultural occupation or endeavor essential to the war effort, shall be deferred from training and service in the land and naval forces so long as he remains so engaged and until such time as a satisfactory replacement can be obtained: *Provided*, That should any such person leave such occupation or endeavor, except for induction into the land or naval forces under this act, his selective service local board, subject to appeal in accordance with section 10 (a) (2), shall reclassify such registrant in a class immediately available for military service, unless prior to leaving such occupation or endeavor he requests such local board to determine, and such local board, subject to appeal in accordance with section 10 (a) (2), determines, that it is in the best interest of the war effort for him to leave such occupation or endeavor for other work.

Mr. President, it is clear that to qualify for deferment under the Tydings amendment it was necessary, first, for each registrant to be found by the local board "to be necessary to and regularly engaged in an agricultural occupation," and his deferment was to exist "so long as he remains so engaged and until such time as a satisfactory replacement" is found. So here we have three standards: That the individual is necessary, that the crop is essential, and there must be no possibility of replacement.

The proposal which comes from the Military Affairs Committee, which is covered by the amendment now offered by the Senator from Colorado [Mr. JOHNSON], and called in this debate the Bankhead amendment, drops all those provisions save one, the provision that the registrant must be engaged in producing an essential commodity. No account is taken of whether or not that registrant is necessary to the production of the commodity, nor of whether or not a replacement is available. So, Mr. President, it becomes quite clear that the door is open to evasion of military service.

It will next be observed that the language of this amendment vests in the local board the discretionary authority to determine whether or not a registrant should be deferred. There never was any other thought about it. The theory of the Selective Service Act was that the local boards were the ones who would know best who should be deferred and who should not be deferred. So it was provided that the local boards could exercise their authority.

In my State I have heard no complaint whatsoever, except in a few minor cases, against the action of its local boards. There have, of course, been appeals, but so far as agriculture is concerned the local boards and the State appeal board have endeavored to carry out the intendment of the Tydings amendment, an amendment which up to February 18 had already brought about the deferment of 364,000 men who had been found essentially engaged in the production of essential crops, and without available replacements.

In the face of that record is it possible to say that the Tydings amendment was a failure? Adopted only last October, it has already operated successfully. But while, as I say, I have received no complaint from Wyoming with respect to the operation of the Tydings amendment, complaint has been made from other States. The Senator from Colorado [Mr. JOHNSON], who has sponsored a pending amendment, told the Committee on Military Affairs that the local boards in Colorado were disregarding that law; that they were not deferring essential workers, necessary workers, workers without replacement. And so in the committee I said—and the chairman of the committee, the Senator from North Carolina [Mr. REYNOLDS], who is present, will bear me out—that the way to cure that defect is to provide by law that the local boards shall defer a man if he meets the standards provided in the Tydings amendment, and such a provision is precisely what was prepared and drafted in the minority amendment.

Mr. MURDOCK. Mr. President——

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). Does the Senator from Wyoming yield to the Senator from Utah?

Mr. O'MAHONEY. I yield.

Mr. MURDOCK. The question which has arisen in my State is, Who shall initiate the proposal for deferment? In order to be deferred, let us say, under the substitute amendment proposed by the minority, on whom does the initiation of deferment devolve?

Mr. O'MAHONEY. I think it would devolve upon the registrant, but there is no difference between the proposals before us, because in the Johnson amendment we find, on page 2, the provision—

> That should any such deferred registrant cease to be engaged or employed substantially full time on a farm in connection with such production or harvesting, his selective-service local board, * * * shall reclassify such registrant in a class immediately available for military service, unless prior to leaving his work on the farm he requests such local board to determine, and such local board, subject to appeal in accordance with section 10 (a) (2), determines—

And so forth. So there is still left in the local boards, under the Johnson amendment, an amount of discretion with respect to the registrant. But in the amendment which the minority has offered I think the Senator will find, if he will bear with me, that his difficulty is cleared up.

Mr. MURDOCK. Will the Senator yield for one further observation?

Mr. O'MAHONEY. Yes.

Mr. MURDOCK. I have recently returned from my State. The complaint I found there concerning the Tydings amendment—and the complaint comes from farmers and their sons—was that the claim for deferment rests upon them, and they do not like it. I talked to several farmers, each of whom said, in effect, "I need my son just as badly as I can need him on my farm, but in order to have him deferred I must initiate the deferment. I must ask for it. That is the one thing I object to, and that is the thing my son objects to."

I think the arguments in favor of the minority amendment are excellent, but, in my opinion, there will still be left on the shoulders of the farmer whatever onus there is—and I think there is plenty—in asking for deferment.

Mr. O'MAHONEY. I am very glad to say to the Senator from Utah that all these amendments constitute an effort to direct the discretion of the local board with respect to certain classes of registrants. I believe that the amendment proposed by the minority imposes a clear obligation on the local board to make the deferment regardless of whether or not the farmer or the farmer's son makes the application.

Let me say that discussion with respect to this very serious problem has been going on for several weeks. I think it may be properly said that the Senator from Alabama made a very notable and desirable contribution to the solution of the problem by the investigation of manpower which he initiated and which was so ably carried on in the Appropriations Committee under his direction. I believe he made a very valuable contribution when he called attention to the character of the problem which confronts the country. Let me say in passing that the amendment which is proposed by the majority does not meet the problem.

As the result of the discussions which were launched by the Senator from Alabama, as the result of hearings which were held by the Military Affairs Committee, by the Appropriations Committee, and by the Committee on Agriculture and Forestry, hearings at which representatives of the Department of Agriculture and of the Selective Service System were present, the Department of Agriculture and the Selective Service System have been at work upon some steps to take care of the very situation suggested by the question of the Senator from Utah.

As a matter of fact, during the hearings, when my proposal was first discussed, I brought to the committee a representative of the Department of Agriculture, who told us that that step was in process. It has now eventuated into fact. The Department of Agriculture and the Selective Service System jointly have issued instructions to the local boards by which the county war boards in each county will have the authority to ask for the deferment of any worker. That has been done upon the suggestion of the Secretary of Agriculture who, under an Executive order issued as recently as December 5, 1942, was made Food Administrator. As soon as he had the authority he began to act. Word has gone forth, through amendments to Local Board Release No. 164, to make certain that the burden of asking for deferment may be transferred from the individual to the county war board.

Mr. BARKLEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from Kentucky?

Mr. O'MAHONEY. I yield.

Mr. BARKLEY. Following the inquiry made by the Senator from Utah, it has occurred to me that if the registrant is released from responsibility in the first place of initiating an inquiry into his individual status, transferring to the local board the responsibility to initiate the inquiry as to whether an individual should be deferred might result in mass deferment for a class. It seems to me that we run the very great risk of deferring men who either do not want to be deferred, or who ought not to be deferred. I do not see how we can avoid putting the responsibility on the registrant first to bring the situation to the attention of the local board and let the board pass on it. We should not pass on to the local board the responsibility of initiating the inquiry, on the assumption that everyone ought to have his status inquired into. It seems to me that mass deferment is bound to include many who ought not to be deferred for any reason. If the burden is on them to show that they ought not to be deferred, they probably would not do so, and there would be greater confusion in the administration of the Selective Service Act than now exists.

For that reason I feel strongly inclined to vote for the Senator's substitute for the minority substitute, in behalf of which the distinguished Senator from Wyoming is speaking. I find difficulty in voting for any mass deferment by class, because obviously all persons in a particular class are not situated alike. Each individual situation must be considered. If we get away from that principle, I fear that the confusion will be worse confounded than it is at the present time.

Mr. O'MAHONEY. Mr. President, the distinguished Senator from Kentucky is correct in his conclusions. An amendment which would make possible deferment by class would result in the creation of a haven for those who could somehow or other gain initial entrance into that class and thereby secure deferment.

Are Senators unaware of the fact that in many industries men are now employed who sought employment in such industries primarily for the purpose of avoiding military service? If we enact legislation of this character we shall run the extreme danger of another rush to the farms to escape military service. It should not be done.

Mr. BARKLEY. Will the Senator permit a further observation and inquiry?

Mr. O'MAHONEY. I yield.

Mr. BARKLEY. Another condition has been called to my attention, which I am sure exists in many industrial centers. Men who have registered in their local communities have gone to industrial centers and have become employed in some capacity in industrial plants. When they receive notice of a call from their local boards they write back, or have the company write, that they are employed in a war industry. The local boards are inclined to exempt them, not knowing whether the particular employment in which they are engaged is essential or whether their service could be dispensed with. None of the pending bills deals with the situation, but it seems to me that in many cases the draft boards in the communities or cities where the registrants are residing and working should have some jurisdiction to pass upon whether the work which a registrant is doing is essential, instead of having the question passed upon by the local board where the registrant was registered a year or 18 months previously. The local board is inclined to take the word of the registrant himself that he is engaged in an essential industry elsewhere, perhaps a thousand miles away.

Mr. O'MAHONEY. The Senator from Kentucky has put his finger upon one of the defects in the proposed legislation, including even the minority amendment, because it is an effort to deal with a specific problem, which is only one aspect of the whole broad problem of manpower.

The Senator from Vermont [Mr. AUSTIN] has introduced a considered bill, the purpose of which is to treat this problem as a whole, including every part of it—not agricultural labor alone, not aircraft labor alone, not manufacturing labor alone, not labor in the manufacture of guns or tanks alone, not labor in cutting logs or mining metals alone. The bill is intended to cover the whole broad scope of the problem which lies at the very basis of this discussion.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. WHITE. I understood the Senator from Utah [Mr. MURDOCK] to ask whether the move for the deferment of a particular person must originate with such person, or whether he might be deferred upon the initiative of the board itself. I understood the Senator from Wyoming to reply in the first instance that it must be by the initial act of the registrant. I thought the Senator subsequently changed the answer and said that the responsibility was on the board. Will the Senator from Wyoming clear up for me the question of where he thinks the original responsibility rests?

Mr. O'MAHONEY. I think the Senator from Maine misunderstood me. I will try to clear up that question immediately.

Mr. WHITE. May I add a further word?

Mr. O'MAHONEY. Let me say to the distinguished Senator from Maine that I was referring to the county War Labor Board, which is not the local Selective Service Board. Instructions which have been issued by the Selective Service System and the Department of Agriculture authorize the county boards which have been appointed by the Department of Agriculture in every county to make requests for the deferment of any worker in order to stimulate the production of agricultural commodities.

Mr. WHITE. Will the Senator from Wyoming advise me whether in his view the amendment which he has offered would deny to the registrant the right to make request for deferment?

Mr. O'MAHONEY. It would not.

Mr. WHITE. He would retain that right. Also the board would have authority to make the deferment if it saw fit to do so, even without a request from the registrant.

Mr. O'MAHONEY. Exactly.

Mr. WHITE. I believe that principle to be perfectly sound. I think there should be a right in the board to make the deferment without regard to the desires of the registrant, if the board believes the man ought to be deferred. I have had brought to my attention a great many instances of farm boys being unwilling to take the responsibility of bearing what they consider to be the odium attached to a request for deferment. So it seems to me that there should be in the board authority to grant deferment as well as the right in the registrant to request it.

Mr. MURDOCK. Mr. President, will the Senator from Wyoming yield to me to make a statement in reply to the Senator from Maine?

Mr. O'MAHONEY. I wish first to answer the question raised by the Senator from Maine. I believe that what I will say will tend to make the situation clear.

I have before me local board release No. 164, effective January 16, 1943, from the national headquarters of the Selective Service System, on the subject of classification of registrants in agriculture.

I also have local board memorandum No. 164–A, supplementing local board release No. 164. The subject is, Classification of registrants in agriculture—supplemental information.

These releases and others like them are messages from the national headquarters of the Selective Service System to each local board in the United States, saying in effect, "The problem of agricultural production is serious and important. We want you to know how we are operating and how we feel the Selective Service System should operate."

That amendment offered by the minority says to the local board that every person who comes within the classification mentioned in these releases shall be deferred. Therefore, in my opinion it is a mandatory direction to the local boards to defer the classes of persons mentioned. In the additional memorandum there is a direction from the Secretary of Agriculture to the county war boards, which operate through the Department of Agriculture, to make sure that this is done.

Mr. WHITE. The amendment offered by the Senator from Wyoming would not deny to the registrant the right to initiate a request for deferment if he saw fit to do so.

Mr. O'MAHONEY. It certainly would not.

Mr. TUNNELL. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. TUNNELL. Not being a member of the committee, I may not be quite as familiar as are other Senators with the

effects which it is thought the bill would have.

I understand that the purpose in introducing the bill is to meet a possible food shortage. That being the purpose, I should like to know if it is the thought of the Senator who is now occupying the floor that there will be a food shortage if the present force of farm laborers remains on the farms of the country. Will there be a shortage of food in the opinion of the committee?

Mr. O'MAHONEY. I cannot speak for the committee on that point. Of course, that is largely a question for the Committee on Agriculture and Forestry. I do know that on the whole the production of agricultural commodities in 1942 was much greater than ever before. The farmers of the country did a perfectly marvelous job in spite of many handicaps; and as I stand here now answering the question of the Senator from Delaware, I am reminded of the fact that in January 1942 the Senate by an overwhelming vote adopted an amendment to the Price Control Act which, if it had been enacted into law, would have tied agricultural labor to industrial labor and would have prevented the migration of workers from the farms to industry—which migration is the cause of the farm-labor shortage.

The purpose at that time was not to tie agricultural labor to industrial labor. As a matter of fact, every recourse was adopted to prevent the action of the Senate from being enacted into law.

Mr. TUNNELL. It is my understanding that even if no more farm laborers were taken off the farms by the Selective Service Boards, there still would be a shortage of food.

Mr. O'MAHONEY. Let me say that it still depends on what is meant by "shortage"; and that question again raises one of the curious inconsistencies of the legislation as I see it. As of the present moment, the shortage of food is occasioned not so much by a decrease in production, as it is by an increase of use. Today we have more need for food than we ever have had before. For example, persons who have gone into war industries, and who previously were unemployed, and previously had very little upon which to support themselves, now are working harder at physical labor, are getting good wages, and are able to buy more food. That is one factor.

Another factor is that under lend-lease we are shipping food products to such an extent as to constitute a substantial drain upon the agricultural supplies of our country.

The third factor is that we are supplying great quantities of food to the Army and Navy. I think the hearings held by the Committee on Military Affairs will justify the conclusion that at least in some instances shortages of some kinds of food—tinned and canned foods, I believe—have been occasioned by the fact that some of the Army and Navy purchasing authorities have purchased far beyond their present requirements. One canner stated, as I recall, that the Army Procurement Office was buying canned food as though there never were to be another tin or can of food prepared, instead of letting the supplies come in regular contributions over the period of production.

So, finally answering the question of the Senator from Delaware, let me say that the question of a food shortage is largely relative. I think there has been a great reduction in the production of milk, for example—a very dangerous situation—and there is likely to be further reduction of food production; but I doubt very much whether the reduction will be so great as to justify the alarm which has been expressed upon the floor of the Senate by some Senators who have said that we are facing a famine.

Mr. TUNNELL. Mr. President, I have understood that the purpose of Senators who favor this particular amendment is to prevent the further depletion of the supply of farm labor. Does the Senator from Wyoming believe that the amendment if adopted would bring about an increase in the supply of farm labor?

Mr. O'MAHONEY. I do not think it would cause an increase in the amount of effective farm labor. I think it would cause an increase in the number of persons who are on the farms, by bringing to the farms many persons who seek deferment from military service.

Mr. TUNNELL. Then the increase would be, not an increase in farmers, but an increase of people who would call themselves farm workers in order to secure deferment; is that the Senator's view?

Mr. O'MAHONEY. That is my judgment.

Mr. TUNNELL. I thank the Senator.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. MURDOCK. I assure the Senator that I shall not interrupt again, but I should like to propound a question. As I have understood the Senator's position, in my opinion he is faced on the one hand with what he calls creating a haven for men who might want to evade the operation of the Selective Service Act, and on the other hand with a realization that if we place the responsibility of initiation of deferment on the shoulders of the registrant himself an unwarranted stigma is created.

If I correctly understand the Senator's explanation to the Senator from Maine, it seems to me that if the minority amendment will do what he says it will do, he certainly has answered my question, which is this: If the minority amendment is adopted, then in connection with the rules and regulations which have been put out by the Administrator of the Selective Service Act, the Department of Agriculture, and the Commissioner of War Manpower, the county boards not only are given the right to initiate the deferment on the part of the registrant but the boards have imposed upon them the duty of initiating deferment; is that correct?

Mr. O'MAHONEY. Upon the local boards.

Mr. MURDOCK. Yes. If that is what the amendment would do in connection with the supplemental regulations, then, to me, that answers the question.

Mr. O'MAHONEY. I thank the Senator. That is exactly my understanding of the intent and purport of the minority amendment and the effect of the rules and regulations.

Mr. BONE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. BONE. I merely seek some information which thus far has not been supplied by any of the debate which I have heard.

A great many men have been induced to leave the farms and to go into industry because of the better wages paid in industry. None of the formulas thus far suggested would require or even invite those men to return to the farms; so no compulsion exists in that direction, and obviously the men are not going to return to the farms.

Mr. O'MAHONEY. The Senator is quite correct. Not only is what he says true, but the fact is that at least 60 per cent of all the men who have left the farms have gone into industry, not into the Army. I have seen some figures which indicate that the percentage is 70 percent, rather than 60 percent. In other words, 7 out of every 10 men who have left the farms have gone, not into the Army, but into industry; and the remedy which is proposed here is that we take them away from the Army.

Mr. BONE. All my queries and statements to the Senator are made merely because I seek information.

Mr. O'MAHONEY. Of course, my remark was not directed to the Senator.

Mr. BONE. Yes; I understand that. I do not know, and it has not been revealed, what percentage of men who were on the farms when the war started are now on the farms. I do not suppose anyone is prepared to break down the figures. Out of every hundred men who were on farms when we entered the war, I should like to know, if some one can inform me, approximately how many workers who are active still remain on the farms.

Mr. BANKHEAD. Mr. President, I should be very glad to supply the figures.

Mr. BONE. I should be pleased to have the Senator do so, if the Senator from Wyoming will permit.

Mr. O'MAHONEY. I shall be very glad to have the Senator from Alabama supply the figures as a release, but I do not want to yield the floor.

Mr. BANKHEAD. I do not want the Senator to yield the floor.

Mr. BONE. I am trying to find out how much of a drain there has been on the farms.

Mr. BANKHEAD. The record supplied by the Department of Agriculture to the Appropriations Committee Subcommittee on Manpower shows that on February 1 there were on the farms 8,369,000 men over 14 years of age.

Mr. BONE. Over 14 years of age?

Mr. BANKHEAD. Down to 14 years of age—8,369,000.

Mr. BONE. How many workers were on the farms before we entered the war?

Mr. BANKHEAD. Twelve millions, at times. Of regular workers, usually about 9,000,000.

Mr. BONE. What interests me first, let me say to the Senator from Wyoming, is the fact that when in the latter part of last year—I think it was in October or

November—the Senator from Maryland [Mr. TYDINGS] suggested the desirability of adopting an amendment which went to the very heart of this problem; we adopted the amendment proposed by him, I believe. It provides that—

> Every registrant found by a selective-service local board * * * to be necessary to and regularly engaged in an agricultural occupation or endeavor essential to the war effort, shall be deferred. * * *

That is too plain for cavil or dispute; and, frankly, I am at a loss to know why we have to keep implementing the law all the time when we have a plain mandate and directive from the Congress of the United States to defer those men.

My present remarks are not made by way of criticism of anyone, because I realize that the situation is in a very fluid state and has many facets, and I am not out of sympathy with the Senator's suggestions in the views of the minority.

Mr. O'MAHONEY. I understand.

Mr. BONE. All we would be doing in following the minority suggestion would be to further clarify the situation, but we would not change the manifest purpose of the Tydings amendment, which was to bring about the deferment of those men. I cannot understand why public officials have not sense enough to know what Congress meant, and to implement the will of Congress by proper regulations.

We have said in a law, which is as formal a declaration as we can emit, that essential farm workers should be deferred; and I never have had it explained to me why we have to keep passing one law after another in order to try to implement our own will as expressed in the statute.

Mr. O'MAHONEY. The explanation—and I made it before the Senator came on the floor—is that under the Tydings amendment, as the Senator has just read it, the discretion lay in the local or county boards, and each board would decide for itself what was an essential farm commodity and what registrant was necessary to the production of such farm commodity. So we had the result, according to the testimony given to the committee, that in one State one standard was being followed, while in another a very different standard was being followed. There was no uniformity of standards. It was even stated that in some States there was a divergence of standards among the counties in the same State. We seek now to overcome that by declaring to each county board what the standard is, so that under the minority amendment, there will no longer be any justification for a variety of decisions. In other words it is proposed to make it uniform by saying that if the commodity is listed in release No. 164 and if the registrant is making the minimum contribution set forth there, he shall be deferred, and there need be no more doubt about it.

Mr. BONE. Does release No. 164 define the various types of activities bringing men within the deferable class?

Mr. O'MAHONEY. It defines exactly first, what the essential commodities are, and, secondly, what the individual contribution should be.

Mr. BONE. Then why do not the local boards follow that directive and definition? Since the national organization has become definitive and has created the boundaries, why is not the matter reached by regulation?

Mr. O'MAHONEY. That is being done. I think the regulations were issued on January 16. Now it is the 10th of March, and already up to February 18 364,000 workers have been deferred under the Tydings amendment. So, actually the record would indicate that the Tydings amendment and the local boards were performing the function originally contemplated.

Mr. BONE. I can see the purpose of the Senator's proposal in the language that is in italics, which does more clearly define those who shall be brought within the deferred class.

Mr. O'MAHONEY. Human nature is universally the same, and the members of the local board are not an exception. We can imagine a board, consisting of doctors and lawyers and businessmen in a community, seeing the boys from the town going into the Army, and noting that some boys on the farm are not going into the Army, and then coming to the conclusion, "Well, farm work is no more necessary than the work of the shop, and we are not going to grant farm deferments." In any event there was that divergence of judgment, and now, by regulation upon the one hand and by this amendment, we are trying to direct that judgment.

I may say to the Senator that the minority amendment was presented to the Senate last week, and it was on Sunday or Monday of this week that the additional statements were issued by the Selective Service national headquarters.

Mr. BONE. I wish to say to the Senator—and I hope I am not taking too much of his time——

Mr. O'MAHONEY. The Senator cannot take too much of my time. I am always glad to try to answer his questions. He can ask more questions than almost any other Member of the Senate, but that is because of his very alert mind.

Mr. BONE. It is probably because I am more ignorant than some other Members of the Senate about things concerning which I should know more than I do, but I try to find out as much as I can, so that my vote may be as enlightened as possible.

I see the shortening line in the American diet, and I cannot conceive of any more ominous picture being presented to the American people than one of fear generated by a growing lack of food. I care not from what cause it may arise, it would probably precipitate greater panic in this country than almost any other manifestation of this war. Whether or not one has sympathy with the men working on the farm is beside the point, for wars are fought on men's bellies.

Mr. O'MAHONEY. I agree with the Senator, and I have said that over and over again, but I think if the problem is created because we are making a greater demand upon our facilities of production than such facilities are capable of meeting, then the answer is not to create class deferment; the answer is to cut down production.

Mr. BONE. We are deferring a great many men working in factories, and that, of necessity, because they are producing airplanes, guns, and tanks without which we could not fight this war. But I do not know to what extent younger men are being deferred for factory work; I take it that is in the sound discretion of the local boards, and they are exercising such discretion.

Mr. O'MAHONEY. I know from the records of the War Production Board that there has been a tremendous achievement by American industry. We are now producing more tanks and guns and more airplanes and more ammunition than were produced throughout the whole of the First World War. As a matter of fact, we are now producing more airplanes than the Axis nations combined are producing. In December 1942 the output of airplanes reached the figure 5,449, if I remember correctly, and in February it exceeded 5,500. In other words, at this very moment we are producing airplanes at a rate in excess of 60,000 a year.

When we view the whole scope of the industrial output, when we realize that many of the munition-producing facilities do not need to be expanded, then we reach the conclusion that there is likely to be soon—not tomorrow, but soon—a decrease in the demand for labor for industry. We shall not need to expand certain plants. Already the building of certain new facilities has been abandoned. There remains to be accomplished an adequate production of high-octane gasoline, and of rubber, and an increased output of airplanes, for those who are directing our war effort realize that the airplane is going to perform the greatest function in this war; indeed, that it will bring victory. The record of MacArthur a week or 10 days ago in the Bismarck Sea is a demonstration of what can be accomplished by air, and already we are producing airplanes, as I say, at a rate of over 60,000 a year.

The time may come when we shall have to shift employment. Certainly we have stopped building military camps, and the labor that was heretofore involved in constructing such camps is no longer working at that task, but is engaged in other enterprises. The whole problem of necessary manpower, necessary labor, is being studied by the Military Affairs Committee in connection with the Austin-Wadsworth bill; and one of the vices of the suggestion here is that it proposes to deal with this all-over problem piecemeal, in a manner which will create more and greater difficulties than if we do not provide blanket deferment.

Mr. BONE. The thing which I believe should concern all of us is the fact that we are going to have to produce more and more food if our program is to be implemented as has been suggested by those in official life. I am wondering

how we are going to get greater production on farms, because that is one avenue of production the necessity for which will not diminish with the lapse of time, for we will have to have more and more food.

I agree with the Senator that we can reach the point of sufficient production of arms, ammunition, and matériel to meet war needs. The odd thing is that that is being achieved, and the stuff is being turned out to the accompaniment of a great deal of very bitter abuse of labor, although the record is a magnificent one, even considering absenteeism, which, in no small degree, is due to sickness, the lack of transportation, and other factors which are being casually overlooked by critics who are not very charitable. I am wondering what the Senator's view is as to what effect the adoption of the proposal might have on farm production? Is it thought it may stimulate the return of men to the farm, and, if so, how? Will a man who is engaged in the building of airplanes undertake to perform farm labor even for a few months?

Mr. O'MAHONEY. The minority amendment will not stimulate the return of workers from industry to the farm.

Mr. BONE. I know of no way to do that except by making farm labor more attractive, by higher prices; and we may have to come to such a formula. I am sorry to have troubled the Senator so much.

Mr. O'MAHONEY. I am very glad to try to answer the Senator's questions.

Now, Mr. President, I desire briefly to analyze the minority amendment. It will be recalled that I discussed and tried to analyze the so-called Tydings amendment. The minority proposal retains the Tydings language and merely adds another proviso intended to direct the discretion of the local boards, but it bases the standard of direction upon the two fundamental factors, (a) the essential character of the commodity, and (b) the individual contribution of each registrant. This is the way it reads:

Provided further, That for the purposes of this subsection, the registrant shall be found by his selective-service local board to be necessary to and regularly engaged in an agricultural occupation or endeavor essential to the war effort (1) if he is engaged substantially full time in the production of agricultural commodities certified to the Selective Service System by the Secretary of Agriculture as being essential to the war effort and set forth in Local Board Release No. 164, effective January 16, 1943.

That clause clearly sets forth what the essential agricultural commodities are.

Mr. BONE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. If the Senator will bear with me a moment, I will yield.

Mr. BONE. I merely wish to suggest that is writing into law a series of legislative directives for local boards.

Mr. O'MAHONEY. That is correct. I continue the reading:

And (2) if the production of such commodities attributable to such registrant is at least equal to the minimum standard of production per person as set forth in said release No. 164.

So here we retain the three factors of the original Tydings amendment, namely, essential commodity, necessary labor, irreplaceability; and we control the discretion of the local board with respect to the essential commodity and the individual contribution.

It was the provision with respect to the individual contribution to which the majority of the committee objected. I was asked to remove that, but I could not remove it, the minority would not remove it, because to do so would be to bring about the situation which I criticized in connection with the amendment offered by the Senator from Colorado, in that it would offer the opportunity for evasion by saying that in the mind of Congress it makes no matter whether or not the individual contribution is large or small.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. AIKEN. I have heard several references made to blanket deferment in regard to one or the other of the proposed amendments. I fail to see any general blanket deferment in either of them, because anyone to be deferred must be producing, either substantially full time or a certain number of units, the crops deemed absolutely essential by the Federal authorities. But in reading the two amendments, it appears to me that one of the main differences is that it would be more difficult, under the Bankhead amendment, for men working on farms to leave and enter industry, for they must get the consent of their draft boards before leaving farms to go into industry, whereas the O'Mahoney amendment does not contain any such restriction. I should like to ask the Senator from Wyoming whether it is not his understanding that the Bankhead amendment would make it really more difficult for men to leave the farm and go into industry?

Mr. O'MAHONEY. Oh, yes; but as the Senator from Maryland so clearly said this morning, the Bankhead amendment freezes these workers absolutely to the farm, and takes no account of wages at all.

Mr. AIKEN. It is industry which has taken the workers from the farm, but, as a matter of fact, the tide seems to have been stopped, and has turned somewhat, and the principal sources of new farm labor today are among men who are leaving industry. Perhaps they have earned enough money to get out of debt and are going back to the farm, perhaps they are going back in accordance with the request which was made about a month ago, either by Mr. Byrnes or the President, I forget which. The principal source today of new farm labor is those who are going back from industry. It still appears to me that the difference between the two amendments is that the Bankhead amendment would make it difficult for industry to solicit farm labor any longer.

Mr. O'MAHONEY. No; the essential difference between the two amendments is that clause No. 2 of the minority amendment was stricken out. It was stricken out because the sponsors of the other substitute do not want to have any minimum standard of contribution, and to me that is its fundamental vice.

The provision of the Bankhead amendment to which the Senator refers was taken substantially from the Tydings amendment and since the minority proposal retains the whole Tydings amendment, it retains the provision the Senator has in mind. There is no difference between the Bankhead or Johnson amendment and the minority substitute in this respect.

Mr. AIKEN. Mr. President, if the Senator will yield a moment further, if a man is engaged substantially or full time in producing crops classified by the Department of Agriculture or the Selective Service as being absolutely essential, is he not going to produce eight units anyway?

Mr. O'MAHONEY. That does not follow at all.

Mr. AIKEN. It is to be presumed he would.

Mr. O'MAHONEY. The Senator knows farmers and I know farmers of whom that could not be said, just as in industry there are workers who produce and workers who malinger. It does not follow at all.

Why should there be an objection to the minimum standard? The objection to the minimum standard is solely on the ground that those who object do not want any minimum standard; they want to defer everyone who is included.

Now I should like to conclude by saying that in order to cover this situation the minority added another proviso:

Provided further, That the Secretary of Agriculture may from time to time certify to the Selective Service System for the purposes of this subsection such additional agricultural commodities as in his judgment are essential to the war effort, together with the minimum standard of production per person which he determines to be applicable to such additional agricultural commodities.

Mr. President, that makes it possible for the Secretary to list additional commodities, and it also makes it possible for each local service board to go below the minimum standards, if necessary, in any individual case. That this is the interpretation by the Selective Service System is indicated by a letter which I have received from General Hershey, and I ask that the letter be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Is there objection?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL HEADQUARTERS,
SELECTIVE SERVICE SYSTEM,
Washington, D. C., March 9, 1943.

The Honorable JOSEPH C. O'MAHONEY,
United States Senate.

DEAR SENATOR O'MAHONEY: I am writing in answer to your inquiry concerning the interpretation of your proposed substitute to S. 729, the so-called Bankhead bill.

It is my opinion that in addition to deferring registrants meeting the eight and a fraction units-of-production requirement and the other requirements of the provisions of your proposed substitute, local boards may also defer persons who produce eight or less units if the boards find that the individual registrant is necessary to and regularly en-

gaged in an agricultural occupation or endeavor essential to the war effort.

I trust that this will satisfactorily comply with your request and serve your purposes.

Sincerely yours,

LEWIS B. HERSHEY,
Director.

SIZE OF THE ARMY—ADDRESS BY THE SECRETARY OF WAR

Mr. GUFFEY. Mr. President, I ask unanimous consent to have inserted in the RECORD immediately following the remarks of the able Senator from Wyoming an address entitled "The Size of the Army," delivered in Washington last night by the Honorable Henry L. Stimson, Secretary of War.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Tonight I wish to speak to you about the subtle danger which, unless guarded against, may destroy our present bright hopes for a decisive victory. It arises out of a mental attitude which is quite prevalent among our people, including many of the best of them, and has danger of which most of them are quite conscious.

We are raising and training a magnificent army. We are constructing and manning a superb navy. The fine young men of both these forces are now just beginning to meet the enemy and have already shown their mettle. They are equal to their tasks. Man for man they have proved themselves superior in skill, initiative, and resourcefulness to the men of the Axis Nations which we are fighting. There is no trouble with that section of the American people who are in uniform either on the land, on the sea, or in the air.

Nor does the trouble exist among millions of patriotic citizens at home, who have given up their dearest to the dangers of this war and who are cheerfully devoting themselves to patriotic tasks and sacrifices here and are thus trying in every way to hasten and push forward the war effort.

It is hard to analyze the attitude to which I refer. It doubtless arises from various causes and it manifests itself in many ways. Some call it the spirit of "business as usual," but that definition is not broad enough. Very often it appears in patriotic people who do not realize what we are up against and who honestly do not understand the purpose and necessity of some of the war measures which their Government is taking. But the attitude is just as dangerous even when it is innocent. I think it can accurately be called the attitude of trying to win the war—the most fierce and dangerous war which has ever confronted the United States—in some easy manner and without too much trouble and sacrifice.

Abraham Lincoln met it in the Civil War even after that war had been going on for over a year and many bloody battles had been fought. He said to a caller at the White House in September 1862: "The fact is the people have not made up their minds that we are at war with the South. They have not buckled down to the determination to fight this war through, or they have got the idea into their heads that we are going to get out of this fix somehow by strategy. They have no idea that this war is to be carried on and put through by hard, tough fighting; that it will hurt somebody, and no headway is going to be made while this delusion lasts."

Today this attitude which Lincoln described manifests itself when we say:

The Russians have destroyed so many Germans that Germany will not be able to carry on any more offensives.

Or when we say:

The German people are cracking.

Or when we say:

The best way to win the war is to give our allies plenty of weapons to fight for us.

Or when we say:

If we make too big a military effort we shall so dislocate our economy that we shall never recover; we shall create a permanent dictatorship and lose our historic freedom.

Or when we say other things which at bottom represent merely wishful thinking or the dread of personal sacrifices and the desire to find a better way out.

I believe that this attitude toward hard fighting on our part really underlies much of the criticism which is being directed today against the proposed size of our Army. On the other hand, I also realize that the Army plans involve many factors of great complexity, and that the doubt in many minds is perfectly honest and patriotic. Such minds are entitled to all the light which we can give them. It is my purpose tonight to try to explain to you how the size of the Army was fixed, the kind of Army we are training, and the purposes for which it is designed, and why it is impossible to reduce its size or interrupt its training without the gravest danger to our ultimate victory.

I. THE NUMERICAL SIZE OF THE ARMY

We are planning to have raised by the end of this year, 1943, an Army of 8,200,000 men composed of 7,500,000 enlisted men and 700,000 officers. This number will include an air force of about 2,500,000. It also will include the Women's Army Auxiliary Corps of upward of 150,000.

These figures were not arrived at by guesswork; they were the product of months of study by the General Staff and the War College. They were also the product of joint planning with the Navy over the future work of both these services. The proposed size of the Army, the Navy, the Coast Guard, and the Marine Corps were all determined at the same time, and all of these forces were balanced within themselves and against each other, and also in connection with the available manpower, the estimated capacity of production of equipment, and the estimated availability of shipping for their transport. These figures have received the approval of the Joint Chiefs of Staff of the Army and the Navy and finally of the President. They have thus had the benefit of all the brains, accumulated research, and judgment which our governmental machinery provides for that purpose. They have not been worked out in disregard of but in full reference to our program of shipbuilding and production of equipment.

When we look at the estimated size of the forces of our enemies which are in the field against us, our numbers certainly do not look relatively too large. I realize that the figures of the hostile forces are estimates only but they are based upon the best information available to those whose business it is to make such estimates. In Europe the estimated forces of the Germans and their allies show about 14,000,000 men under arms. Russia and Britain together have a much smaller number. In Asia the Japanese have more than 3,000,000 men. These figures represent the aggregate of individuals in the various forces.

When we compare the combat units of the various forces the disparity between us is even greater. Our plans are to produce about 100 American divisions of ground forces, together with their auxiliary troops. Germany is estimated to have approximately 300 divisions, Italy 80 divisions, Germany's European satellites another 80 divisions, and Japan about 86 more. This makes an aggregate of about 546. Making all allowances for error these figures certainly make our ground forces seem of very modest size in comparison.

II. THE CHARACTER AND OBJECTIVE OF THE ARMY

It is not the purpose of our military leaders to create a huge defensive army, awaiting in the United States such unknown and uncertain opportunities for its use as may hereafter occur. Their plans are much more wise than that. The Army is being raised on the fundamental and correct theory that we shall at once take the offensive and seize a number of priceless opportunities which are already opening up for us to end the war as quickly as possible.

III. THE NATURE OF THE TRAINING NECESSARY TO MEET THESE OBJECTIVES OF THE ARMY

To successfully meet these priceless opportunities we have put into effect the most carefully planned and coordinated program of military training which has ever existed in the United States.

The training contemplated by this program for the individuals is a process covering a long time. The Germans think 2 years necessary for such training of their men. We believe that our men can do it in 1 year but that is a minimum. Furthermore, the recruits are not all taken into the Army at the same time and all graduated at the same time. Such a method would be impossible for any country, even one as rich and powerful as the United States. And, furthermore, it would not meet the changing requirements of war. It would be too rigid and inflexible. Each of the reception centers and training schools takes in a succession of new classes and these groups are passed along the steps of the course until the final product in the shape of Army divisions is produced at the end. During each group's training the men are first instructed in the schooling of the individual soldier, are then crystallized into small and later large units for training in cooperative team action in modern warfare, and finally large divisional combat forces emerge from the other end of the system, each highly trained for its specific task. Every month the requisite number of men to form a certain number of divisions is taken into the reception centers at the entrance to the machine and every month at the other end that number of divisions is emerging highly trained for the various objectives to which they are to be assigned.

Anyone who studies this system as it is now running will be astounded at the careful planning which has been required as well as at the smooth continuity of the process of training which it has produced. It is now proceeding under the highest pressure of perfected action. Nothing like it has ever existed in this country before. It represents a great stream of training toward a carefully thought out goal. It has taken over 2 years to develop and construct this system; to train the instructors of its schools and to develop the immense overhead necessary for its smooth operation; and to construct the cantonments and other buildings for its use. Almost every unit in it has been devised and fitted into its place in accordance with the program of the size of the Army to be completed by December 1943, which I described a few minutes ago.

The first point to be borne in mind about this system of training is that the whole structure is complex and interrelated. Men are taught in a large number of different kinds of schools for different purposes of warfare. For example, in the ground forces there are special schools for infantry, artillery, tank warfare, antiaircraft gunnery, antitank gunnery, Signal Corps work with all its ramifications of scientific specialties, mechanics' schools, Quartermasters' schools and many more. In the Air Corps exists a similar large group of different schools for different purposes and specialties. The number of the graduates of these several schools must conform to the number required in the final product of combat forces and all must be taught to work with each other in carrying out the war task of the final division or combat force to which each belongs.

The second point to be remembered is that the whole process takes at least a year. If you interrupt the steady flow of entrants to

the schools in March 1943, the effect of this break will be produced a year later and then, if it proves a mistake, cannot be corrected for at least another year.

IV. THE DISASTROUS RESULTS OF INTERRUPTING THIS PROCESS

In the light of the foregoing description of the purpose and process of our Army's training, I think one can see more easily the danger of meddling with that process. Plan and process are tied together. The plan contemplates a succession of carefully directed blows at our enemies. The size and character of these blows and the aggregate forces which are necessary have been carefully thought out. Just as our present offensives are being carried out by men who have been through a year's training, the men now being brought into the Army are to be trained for campaigns a year ahead. Our main object is to continuously build up a force which will strike without interruption and with cumulative effect. That purpose can be thwarted by a mistake made now.

The various critics who today are asking that we should slow up or interrupt our work fail to realize the far-reaching effect of interruption. Furthermore they do not understand the psychology of combat. They do not realize that battles are won by continuous rapid blows upon an enemy and that when an enemy begins to show signs of demoralization these blows must be continued and, if possible, redoubled in order that he may not have time to reform his forces. Once the enemy is checked or shaken on the field of battle, he must be constantly pursued and hammered until he is completely beaten or surrenders. The very fact that it is known that we have trained forces ready to do this tends toward his demoralization.

On the other hand, the commander who, after an initial success, stops and gives his broken opponent time to reform and reorganize only finds that he must fight his battle over again. If, after the battle of Gettysburg, the Federal commander had been able to pursue and destroy his defeated enemy, the length of the Civil War might have been shortened by more than a year. On the other hand, the fact that in 1918 Foch was ready to remorselessly follow up and shatter the German enemy who had been shaken at Soissons on July 18 and again at St. Quentin on August 8, permitted the last great war to be finished in November 1918 instead of lasting over into 1919 as had been expected.

I speak with careful consideration when I say that if we should halt this great training establishment which we have now built and timed according to the present timetable of the war, we should deal a heavier blow to our hopes of a complete final victory than by any loss which we are likely to sustain on the field of battle.

V

Another argument of our critics is that by constructing too large an army we are making undue inroads into our limited manpower; that we are taking necessary workers from the factories which are providing Army equipment and machines; and that we are similarly slowing down the construction of merchant shipping, which is necessary to carry the Army and its supplies across the ocean. As I have already said, this argument ignores the careful study which has been given to this subject by our President and his military advisers. As between them and their critics I think it is the safer bet to trust the former. But there is this further answer to this argument which I think is conclusive. The argument depends upon the assumption that there is no elasticity in the efficiency of the civilian industries which are producing weapons and ships; that every man-hour taken away from industry and put into the Army must result in exactly the same ultimate loss in rapidity of production.

Every thoughtful citizen who will give any real consideration to the problem will know that such an assumption is not true. Only those who believe that our industry and our farming and our general civilian activity are really keyed to an all-out war are entitled to make this argument. It is the duty of every citizen to examine into his own life and his own community and see whether production in industry and on the farm cannot be increased enormously in efficiency; whether absenteeism, threatened strikes, general complacency, insistence of "business as usual," or even insistence on hoped-for standards of living, are not going a long way to prevent what could be accomplished by an all-out war effort. If you are content with the present situation and with the present results in industry, in agriculture, and in our civilian life, then I suggest that you go to one of our great camps and see our boys in uniform working. I suggest that you read the detailed dispatches from Tunisia and the southwest Pacific about the fighting efforts of our soldiers. I suggest that you compare your comforts of life with theirs, and then ask yourself again—are you content? I hope and pray that it will not require tragic disaster to bring our people to a realization of the facts. The great wave of patriotic ardor which was shown so dramatically in the weeks after Pearl Harbor must not fall away into arguments of rights, wages, profits, and relative advantage of one man over another.

The armed forces, the men who are going into actual combat, have placed their house in order. Their spirit and their program are all that patriotism and careful planning can effect. I now ask whether industry and agriculture should not likewise be put on a more efficient wartime basis. When you are driving a team of horses and one of them goes lame, you do not lame the other horse to equalize the team. You try to get two sound horses.

I fully understand that we must have essential food and necessary goods for civilian consumption. I am well aware of the difficulties in getting machinery and employees which our farmers and manufacturers are now experiencing, but I am convinced that with the initiative, resourcefulness, and willingness to sacrifice of the American people, these problems can be solved without crippling their armed forces.

For myself I have reached the conclusion that one of the reasons why industry and agriculture and the whole civilian population have not moved more rapidly toward an all-out effort is that we have relied almost entirely on voluntary cooperation. This voluntary cooperation would work with a large part of our population as soon as they clearly understood the need for it. But the effect of the recalcitrant or thoughtless few is so great upon the minds and efforts of others that I am convinced that the only way to accomplish the result which we must all reach, is through a general service act. This has proved true in England, and I believe it is now true here.

The issue between the proponents of the Army program and its critics in my opinion largely narrows down to this difference: The leaders of the Army are trying, by shortening the war, to save the lives of thousands of young Americans—lives vital to the future of this country. The opponents of the Army program are trying to avoid present trouble, the inconveniences and relatively minor sacrifices which would be involved in a more thorough and drastic reorganization of our industrial and civilian life for the remaining period of this war. I firmly believe that when the true situation is understood by the American people, there will be no doubt as to their decision. Even if, as Lincoln said in 1862, they have not yet truly realized what it means to be at war, they will soon do so. And when they have done so, they will be ready to make any sacrifice for victory.

REPORTS OF THE NATIONAL RESOURCES PLANNING BOARD (H. DOC. NO. 128)

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). The Chair lays before the Senate a message from the President of the United States, which the clerk will read.

The legislative clerk read as follows:

To the Congress of the United States:

To assist the Congress in the development and consideration of appropriate legislation to achieve normal employment, to give assurance for all our people against common economic hazards, and to provide for the development of our national resources, I am transmitting herewith two reports of the National Resources Planning Board.

The first, "National Resources Development—Report for 1943," presents the results to date of the Board's work on post-war plans and a record of wartime planning activities. The Board proposes measures to meet the problems of the transition period from war to peace and for the longer range development of an expanding economy. It is appropriate that each year the immediate programs contained in the Budget of the United States should be considered by the Congress in the light of much longer range plans and programs. To facilitate such use of this report, I recommend that the report be printed, in accordance with past custom.

We can all agree on our objectives and in our common determination that work, fair pay, and social security after the war is won must be firmly established for the people of the United States of America.

Men in the armed forces and all those engaged in the war effort rightly expect us to be considering their future welfare.

We fight today for security for our Nation and at the same time we can endeavor to give our citizens and their families security against attacks from without and against fear of economic distress in old age, in poverty, sickness, involuntary unemployment, and accidental injuries. We need to look forward to the accomplishment of these objectives—world peace, democratic society, and a dynamic economy.

The second report transmitted herewith, on Security, Work, and Relief Policies has been developed over the last 3 years by the National Resources Planning Board, at my request, with the cooperation of the Federal agencies concerned and with the help of citizens with special knowledge and competence in this field. It reviews the accomplishments and experience of the last 10 years, pointing out some of the weaknesses of our security system, and suggesting ways of improving and strengthening the whole program.

Because of their basic importance to our national welfare during the war and after the war, it is my earnest hope that the Congress will give these matters full consideration during this session. We must not return to the inequities, insecurity, and fears of the past, but ought to move forward toward the promise of the future. When the Congress has agreed on procedures for the considera-

tion of these problems, the executive agencies responsible for the administration of programs in these fields are prepared to provide the Congress with all assistance within their power in devising appropriate ways and means to accomplish these high purposes.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *March 10, 1943.*

The PRESIDING OFFICER. The present occupant of the chair is informed that it has been customary to refer matters of this kind to the Committee on Education and Labor. Should the committee provided for in the resolution introduced by the senior Senator from Georgia [Mr. GEORGE] be established, it is the opinion of the present occupant of the chair that the message and accompanying papers should be rereferred to that committee, but under the circumstances the message and accompanying documents will be referred to the Committee on Education and Labor.

Mr. BARKLEY. Mr. President, I was about to make the suggestion that in view of the very likely early adoption of the resolution now on the calendar, but which is for the moment before the Committee to Audit and Control the Contingent Expenses of the Senate, it might be feasible not to make any reference of the message until the resolution shall have been adopted and the committee appointed. It would save the difficulty of a rereference. I am not, however, particular about the procedure.

The PRESIDING OFFICER. The present occupant of the chair conferred with the Senator from Georgia and this procedure was satisfactory to him, and it would be rather unusual to leave the message on the desk. Therefore it will be referred as suggested by the Chair.

MESSAGE FROM THE HOUSE—EXTENSION OF LEND-LEASE AGREEMENTS

A message from the House of Representatives by Mr. Taylor, its enrolling clerk, announced that the House had passed a bill (H. R. 1501) to extend for 1 year the provisions of an act to promote the defense of the United States, approved March 11, 1941, in which it requested the concurrence of the Senate.

The bill (H. R. 1501) to extend for 1 year the provisions of an act to promote the defense of the United States, approved March 11, 1941, was read twice by its title and ordered to be placed on the calendar.

Mr. BARKLEY. Mr. President, the House has just messaged to the Senate the lend-lease bill, which it has passed. The Committee on Foreign Relations today unanimously reported an identical bill, Senate bill 813. If it is possible to dispose of the pending bill today, I hope that tomorrow the Senate may consider the bill providing for the extension for 1 year of the Lend-Lease Act.

DEFERMENT FROM MILITARY SERVICE OF PERSONS ENGAGED IN AGRICULTURE

The Senate resumed the consideration of the bill (S. 729) providing for the deferment from military service of persons engaged in agricultural occupations.

Mr. LODGE obtained the floor.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. LODGE. I yield.

Mr. AUSTIN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum having been suggested, the clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	George	O'Mahoney
Austin	Gerry	Overton
Bailey	Gillette	Pepper
Ball	Green	Radcliffe
Bankhead	Guffey	Reed
Barkley	Gurney	Revercomb
Bilbo	Hatch	Reynolds
Bone	Hawkes	Scrugham
Brewster	Hayden	Shipstead
Bridges	Hill	Smith
Brooks	Holman	Stewart
Buck	Johnson, Calif.	Taft
Burton	Johnson, Colo.	Thomas, Okla.
Bushfield	Kilgore	Tobey
Byrd	La Follette	Tunnell
Capper	Lodge	Tydings
Caraway	McCarran	Vandenberg
Chavez	McClellan	Wagner
Clark, Idaho	McNary	Walsh
Clark, Mo.	Maloney	Wheeler
Connally	Maybank	Wherry
Danaher	Mead	White
Davis	Millikin	Wiley
Downey	Moore	Willis
Eastland	Murdock	Wilson
Ellender	Nye	
Ferguson	O'Daniel	

The PRESIDING OFFICER. Seventy-nine Senators having answered to their names, a quorum is present.

Mr. LODGE. Mr. President, in approaching this question one is reminded of the old Indian fable about the blind men and the elephant. One blind man put his hand on the elephant's leg and thought he was touching a tree. Another blind man grabbed the elephant by the tail and thought he had hold of a rope. Another blind man touched the elephant's trunk and thought it was a spear. None of them could see the problem in its entirety.

The questions raised in the pending bill, of course, make it a farm bill, make it a military bill, make it an industrial bill—in fact they lead one irresistibly into the whole question of manpower.

One of the interesting things brought out in this debate is the fact that every Senator on both sides of the question has shown clearly his realization of the importance of having an adequate supply of food for ourselves and for others, the importance of having industrial production that will produce the weapons which are necessary, and the absolutely vital importance of maintaining a sound home front.

History has repeatedly shown that armies which were well led and were well supplied have laid down their arms when they were not satisfied that everything was well at home. I am the last person to minimize the importance of the Senate discharging its duty toward the home front, because the home front is the mainspring upon which the success of our military efforts depends. But, Mr. President, I do not think the bill before us will achieve the objective which it seeks. It is well known, I think, that a majority of the men who have left the farms have gone into industry, and a minority have gone into the armed service, and it is rather like finding a man with a headache and putting a splint on his leg to enact legislation of this kind in the belief that it will really solve the problem.

In addition, as the Senator from Wyoming [Mr. O'MAHONEY] has brought out, the bill, if it shall become law, will create a great many poisonous discriminations between various elements in our population, and will be unfair, not only to those who are not exempted under it from the military service, but especially to those who are.

Of course, I recognize that it is much more convenient and it is easier and it is more direct, when one faces a shortage on the farm, as indeed we do, to limit something that the Government can arbitrarily control, and that is the size of the armed forces. That is a direct approach, and when it is stated that there are 11,000,000 men in the Army, as is often said—the figure looks pretty large—it seems as though it could be shaved down without doing any harm.

When the figures are broken down and we see what goes into them, they do not seem excessive at all. The figure of 11,000,000, I need not say, includes all our armed forces—the Army, the Navy, the Coast Guard, the Marine Corps, and the merchant marine. The largest category in that total is 7,500,000 for enlisted men in the Army. The total number for the Army is 8,200,000, of which 700,000 are commissioned officers, leaving an enlisted personnel of 7,500,000.

I do not wish to burden the Senate with too much detail, but I should like to break down that figure of 7,500,000 into its component parts. Two million two hundred thousand is for the Air Force, which has the first priority on men, matériel, and ships.

One million is for the Services of Supply, which, in a war being fought at the end of lines of communication as long as ours, are bound to involve tremendous problems. Take, for example, the lines of communication between here and Africa, as well as between here and the southern Pacific. The mere mention of the delivery of supplies over such distances suggests tremendous difficulties.

To recapitulate: 2,200,000 men for the Air Forces and 1,000,000 for the Services of Supply makes a total of 3,200,000. To this must be added 1,000,000 for our defense commands, one on the Atlantic coast, under General Drum, and one on the Pacific coast under General DeWitt, which include antiaircraft artillery protection for the industrial centers, which are a vital factor in a war in which science has increased the range of weapons as much as in the present war, that is, 3,700,000 for the ground forces, artillery, tanks, and so forth. It is not quite as large as the objective for our ground forces in the First World War.

If we were to remove the ground forces from the picture and have only an air force, we should still have to have our defense commands and our Services of Supply. Therefore we should still have to have 4,200,000 men under arms.

Whether or not we are prepared to accept the figures in total when we break them down and examine them in detail I believe we will find some reason behind them, and they will not seem quite so excessive and quite so fantastic as they do when they are studied in the bulk.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. LODGE. I yield.

Mr. BARKLEY. The Senator's breakdown of the Army is very interesting and informative and, of course, is accurate. There has been a great deal of confusion in the public mind—and I believe also in the congressional mind—as a result of the constant reiteration of the figure of 11,000,000 men in the Army. The figure of 11,000,000 men includes not only those in the Army but those in the Navy, those in the Marine Corps, and those in the Coast Guard, as well as those in the women's auxiliary organizations of both the Army and the Navy.

Mr. LODGE. It also includes the merchant marine.

Mr. BARKLEY. It also includes the merchant marine. So when we speak of 11,000,000 men in the Army we are speaking not only of the Army but all branches of the service.

Mr. LODGE. The Senator is correct. Of the figure of 11,000,000, only 8,200,000 is attributable to the Army, and of that number, 7,500,000 represents enlisted strength.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. LODGE. I yield.

Mr. AIKEN. As we have heard in meetings of our committee—usually in executive session—that number does not include the women in the Army and the Navy.

Mr. LODGE. It does not include women in any of the various branches of the Service.

Mr. AIKEN. And it does not include the merchant marine.

Mr. BARKLEY. I was going by the statement of the Secretary of the Navy when he appeared before the Committee on Foreign Relations a few days ago.

Mr. AIKEN. I was going by the testimony of Army officials.

Mr. LODGE. The figure of 8,200,000 pertaining to the Army does include the WAAC's.

Mr. BANKHEAD. Mr. President, will the Senator yield?

Mr. LODGE. I yield.

Mr. BANKHEAD. In addition to the 11,000,000 men referred to by the distinguished Senator from Massachusetts, 1,000,000 more would be needed for replacements, making a total of 12,000,000.

Mr. BARKLEY. That goal is not expected to be attained until the end of this year.

Mr. LODGE. That is correct.

Mr. BARKLEY. It is not a reality at the present time.

Mr. LODGE. That is correct.

One of the untrue concepts expressed in regard to the Army is that it is a mass Army. A picture is created of a mass of soldiers marching along the road with packs and rifles, in the style prevalent at the time of the Spanish-American War. That is definitely not the case, Mr. President. We have a mechanized Army. The choice is not between a large mass Army on the one hand and a small mechanized Army on the other. That might be a good choice in time of peace; but when we are at war it is desirable to have as large a mechanized Army as possible. That is what the present program really contemplates.

The suggestion has been made that we should reduce this contemplated size and, as a Nation which is so preeminently industrial, and such a large agricultural Nation, we should do what we can do best, namely, produce food and weapons, allow the nations with the larger number of men the use of our food and material production, and let them do the fighting. I believe every Senator in this Chamber has heard that suggestion. I shall not comment on it from the standpoint of gallantry or honor, because everyone can judge that for himself, and my views on that subject are of no interest.

From the standpoint of policy, however, I very much doubt the wisdom of taking such a step. We have already seen in this war nations which started out on one side and are now on the other side. We know that history shows that there is nothing permanent or sacred about the alliances which certain kinds of war create. In his farewell address George Washington said:

> That it must pay with a portion of its independence for whatever it may accept under that character; that by such acceptance, it may place itself in the condition of having given equivalents for nominal favors, and yet of being reproached with ingratitude for not giving more. There can be no greater error than to expect, or calculate upon real favors from nation to nation. It is an illusion which experience must cure, which a just pride ought to discard.

We are very fortunate to have allies. When a nation is at war the more allies it has the better. However, we must always be able to look out for ourselves if the wheel of fortune should take a turn which makes it inevitable for us to do so.

At the beginning of my remarks, Mr. President, I said there was substantial agreement in the Senate on the necessity for complete victory. Everyone wants to do everything possible to bring about complete victory. The differences which occur between us here are differences as to method, and not as to objective. I believe it can be said that there are two schools of thought. There are those who want the country to make its major effort as rapidly as possible and win a victory in the shortest possible time. There is another group which wants to win a victory with as slight derangement and dislocation of the ordinary amenities of life as possible. There is a group which believes that time is on our side and that we should make the smallest effort consistent with winning the war.

There can be a great deal of argument as to which of these two methods is the best way to proceed. I happen to belong to the first group. I happen to believe that time is a commodity of which a poor nation has just as much as a rich nation. I happen to believe that the sooner we get the war over the better, and that it is worth making a major effort and a major dislocation, if necessary, to attain victory. I happen to believe that we can do it, and I base that belief on what some other countries have done.

In preparing for armed forces totaling 11,000,000, we are preparing for a percentage of about 7.9 of our population in the service.

The testimony before the Committee on Military Affairs indicates that the percentage of approximately 7.9, which is our objective, compares with a percentage of 8.2 for the United Kingdom, and 8.8 for Russia.

Going to the other side and looking at the figures regarding the armed forces of our enemies, we find a percentage of 12.4 for Germany. I should say that the other countries, such as Canada, India, China, and Italy, do not make such a percentage contribution as is contemplated in our figures. However, these figures show that the United Kingdom, Russia, and Germany are making a larger contribution on the basis of the percentage of population than we are.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. LODGE. I yield.

Mr. AIKEN. Is it not possible for those countries to make such large contributions to the army because they are fighting near home and are not confronted with such long lines of communication as confront our country? Is not that the reason that Canada has not so large a percentage as Germany, Russia, or the United Kingdom? I think we must consider that factor.

Mr. LODGE. The percentage does not apply merely to the Army The figure which I have cited includes the Army, the Navy, the Air Force, and the merchant marine.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. LODGE. I yield.

Mr. TAFT. Has the Senator from Massachusetts taken into account that this country, in addition to producing necessities for our own Army, Navy, and civilian requirements at home, must produce food and supplies for the armies and navies of many other nations under lend-lease, and that those nations are correspondingly relieved from producing the same amounts, which they would otherwise have to produce? So far as the size of the Army is concerned, I do not think I differ with the Senator from Massachusetts; but in making comparisons it seems to me that we must take into account the fact that we have a much heavier call placed on our productive facilities and manpower than do other nations.

Mr. LODGE. I think that is a factor which must be taken into account.

Mr. President, I said at the beginning that no matter how we start to consider this subject, whether we start from the viewpoint of the farmer or from the viewpoint of the airplane manufacturer or from the viewpoint of the Army or the Navy, or from whatever viewpoint we start, we always come to the question of manpower. That big question and the decision which we make regarding it flow directly from the opinion which the

American people have about the importance and the essentiality of winning the war. The decision as to the manpower question depends on the state of mind on the home front. So it is particularly necessary to look at the home front very carefully.

If one talks to soldiers who are returning from the war zone or if one happens to have had the privilege of having been in a combat zone, and can supplement that experience with conversations with others who have been there, he finds an astonishing unanimity of opinion as to the emotions which are aroused in returning soldiers when they reach this country once more. One who has been in the Middle East, for instance, and who has seen not only the sufferings caused by war itself but who has seen the refugee French, the refugee Yugoslavs, the refugee Greeks, the refugee Jews, and all the other miserable people who have been hounded from pillar to post, who have had their near and dear ones killed, who have been utterly impoverished and ravaged—if one has seen the hatreds that exist over there, and then returns to this country—if, for instance, he returns by airplane, and looks down from the window of the plane and sees below him the coast of Florida, and, after he lands, sees once again American young men and American young women and gets the first glass of milk that he has dared drink in a long while—I mention those incidental things—above all he has the feeling of hope, the feeling of the worth of the individual man, the feeling of the promise which the future holds for this country; and he says to himself, "Yes, there is a civilization worth saving, and it is right here in the United States of America."

Those of us at home can profit by the emotions of the returning soldier.

Another thing which naturally occurs to one who has been on the other side of the ocean and who, for instance, has tried to move tanks from one place to another, who has been up all night and all day, has not had much to eat, has not had any sleep, and whose sole preoccupation has been to get the tanks moved from one place to another—I mention that as an illustration; I could have mentioned one of a hundred other things—is the idea that the winning of the war is the biggest thing that there is. Then he comes back to this country; and the prominent utterances and speeches which come to his attention are those in which concern is expressed about the third world war, in which concern is expressed about how are we to play a game of chess, although the pieces are not yet on the chessboard. Is it any wonder that constituents of mine write to me—and I am sure other Senators have had similar experiences—that they feel that from Washington there emanates the belief that everything is really going fine. If the winning of the war is taking care of itself, they say, what is the point of putting up with all these inconveniences and all these dislocations, and why should people meekly put up with administrative incompetence?

When I observe the number of prominent men who never lose an opportunity, not to discuss the war, but on every occasion to discuss what will occur after the war, it seems to me we can hardly blame the people for having the feeling I have just described. And when we observe the way in which the voluntary system of organizing manpower is not being used, we cannot blame the people for having such feelings.

Mention has been made this afternoon of the Austin-Wadsworth bill which would seek by compulsory means to take a man from a place where he is not needed and move him to some place where he will be useful. I do not believe that today the appropriate agencies in Washington know where such people are to be found. For instance, I do not think the agencies in Washington know where men who are trained in certain types of metalwork are located—men who have nothing to do in the places where they are, and who are needed elsewhere.

I shall not shrink from voting for legislation to effect appropriate transfers if I am convinced that such legislation must be enacted in order to save the country; but to pass such legislation is a harsh and sharp thing to do at best, and certainly it would be a terrible thing to do if such a law were not well administered. Many of our laws have not been well administered. We have had a great deal of bungling; a great deal of needless harm has been done. To take a man from his home in Boston and send him to some place far away from his home, all because of administrative incompetence, would be a terrible thing to do. It would be bad enough to do it for a good reason.

Yet I believe that our people have unlimited good will toward the purposes we seek to achieve. Can anyone doubt that if the names and addresses of the people who have skills, and whose services now are surplus, were known, and if an appeal were made to their patriotism by the President, who is concerned with the home front, a great many of them would respond on a voluntary basis? However, the voluntary system has not been given a trial. The voluntary system has not been organized. We can organize a voluntary system just as well as we can organize a compulsory one; but I cannot see that a voluntary system has been organized.

Mr. President, there are two schools of thought relative to the winning of the war. One school of thought is that of those who want to make a major effort at once and get the war over with quickly. The other school of thought is that of those who want to make the least effort consistent with victory.

Mr. HOLMAN. Mr. President, will the Senator yield?

Mr. LODGE. I yield.

Mr. HOLMAN. In my mind I do not divide the issue in that way. I want to keep the strongest and largest possible combat force hitting the enemy, and hitting him every hour of every day of the combat, but I want to be sure that the men we put into combat can be maintained on their feet and in fighting trim by not being neglected because of any failure on our part to supply them with the absolutely necessary foods, fibers, and minerals and to provide for the production and fabrication of those supplies and their transportation to the battle areas.

Mr. LODGE. I appreciate the force of the Senator's remark. Of course, those who have confidence in the accuracy of the figures of the General Staff believe that what the Senator wants done can be done. I heartily agree with the Senator that of course that must be done. I believe it can be done and can be done under the system which was very well described by Woodrow Wilson in language which is printed at the head of the introduction of the Industrial Mobilization Plan, a plan which I wish had been more closely followed when the present war began.

Woodrow Wilson used the following words:

> The highest and best form of efficiency is the spontaneous cooperation of a free people.

I think there is still a great deal of truth in that statement. In making our decision about the pace at which we want to prosecute the war and about the intensity of sacrifice and dislocation that we want to impose upon ourselves, I think we should always remember the young men who are in Trinidad, Paramaribo, Belem, and Natal, and then, across the ocean, those who are stationed all through the Sahara and tropical Africa, and those who are serving in places all the way across the Pacific to Australia, and who are working under very unpleasant conditions—young men who probably will not have the excitement and adventure of combat. They will have to endure the long, slow, boring grind of service in out-of-the-way corners of the world, where the climate is disagreeable and unhealthy, and where, even with the best efforts on our part, they will have monotonous diets. The thought those young men have—and it is the thought that sustains them—is that at home everyone is working himself up to the highest pitch to give the enemy both barrels just as fast as possible. That is what they think. The young men who are in the actual combat positions in Africa, in the Solomon Islands, or wherever the fighting may be, are sustained by the thought that no effort is being spared here to get this thing over with as soon as possible. That is the phrase one hears.

So, Mr. President, in concluding, I hope that we will keep faith with those particular aspirations. I think we can do it; I think we can do it without harm to America; I think we can do it by spontaneous cooperation; but there has got to be a real effort made by the leadership of this country to create such conditions that that kind of spontaneous cooperation is possible.

Mr. MAYBANK. Mr. President, I am pleased to have an opportunity to say a few words on the pending amendment and on the pending bill this afternoon. First, I wish to say that I think the distinguished senior Senator from Alabama has done a valuable service by bringing to the attention of the country the serious trouble which faces it. I do not believe that either the amendment or the

bill will afford a solution for the great problem which confronts our people. The only solution will be in the eventual passage of a carefully drafted law somewhat along the lines of the one introduced by the Senator from Vermont [Mr. AUSTIN] and by Representative WADSWORTH in the House of Representatives. But, Mr. President, in order that the RECORD may be kept clear, insofar as my vote is concerned, I desire to speak on the pending amendment.

Let me say that I have spent many sleepless hours thinking about the situation with which we are confronted and thinking even more about the 105,000 boys from the small State of South Carolina, the majority of whom have volunteered and others of whom have been selected to carry on the battle. Some of them are fighting on foreign soil; some, sad to say, Mr. President, are now sleeping below the soil; and others are preparing themselves to go forward and carry our flag on to victory. It is of them I think and worry.

Mr. President, I was not a Member of the United States Senate when the selective-service laws were passed. After the passage of the original law, in which certain deferments were granted, there were also authorizations issued by the Director of Selective Service to grant other deferments. As the Governor of South Carolina, I protested to General Hershey many times against deferments, and I shall vote against any deferments and against any bill that may be introduced that sets up by law deferment for any group including married men. Of course, I believe that single men should be first selected. I believe that married men, without children, should be selected next, but I also believe, if it is necessary to select married men with children, it most certainly should be done. Married men with children certainly have as much at stake in the welfare of America as has anyone else.

As a Member of this body, I voted to select 18-year-old boys and take them from school, and from the farms and from the factories. I voted under no condition to give them exemption because they went to college and were sons of well-to-do people, and I sincerely hope that the law will be enforced in its letter and in its spirit. Selective Service is the fairest way to obtain the necessary armed fighting forces. It is my opinion that the selective law should also be used to obtain merchant crews when and if the voluntary system fails to produce a sufficient number of men. The brave and heroic merchant crews are, in reality, a part of the fighting forces of our Navy.

I am well aware that the farmer has not received the treatment accorded others, because when ceilings were placed on farm prices and wages, industrial wages had already far exceeded, in proportion, farm incomes. Naturally, large numbers of farm helpers, because of such financial conditions, left the farms.

There was also provided under Executive order deferment for certain war workers. This may have been necessary temporarily until others could be trained, and, of course, to some extent it may be necessary today; but such matters should be handled by the local boards, as in the case of deferment for farmers under the Tydings amendment for which I voted. There should be, in my opinion, no interference with the Selective Service by laws creating for any group blanket deferments throughout the United States. Each individual case should be handled on its merits by the local boards.

If I am any judge of those who have always been so kind to me at the ballot box, the people of South Carolina, whom I in part have the honor to represent, wish no preferential deferments for anyone or any group.

Mr. President, in view of the fact that this is the most important vote I shall cast since my reelection by the people of my State last summer, I wish to express myself further on some matters. Since the meeting of the Seventy-eighth Congress reference has been made by other Senators to what the people expect of them, and, therefore, I want to take this opportunity to state what the people of South Carolina expect of me. I know in expressing this opinion I voice the wishes of the majority of the people of South Carolina. Their wishes and desires, Mr. President, are for me, as their United States Senator, to support 100 percent the war program of the President of the United States, the Commander in Chief of our armed forces. They do not expect any preferential deferments; they do not expect any preferential treatment; they wish all to be treated alike.

As to the size of the Army, it is their opinion and my opinion that that is a matter for the Commander in Chief, together with the generals and admirals, to determine. If I should be called upon to vote as to the size of the Army or any matter connected with military objectives, I shall vote to support to the end those in command of the fighting forces.

On the other hand, so far as the domestic home front is concerned, the people of South Carolina, as they have expressed themselves on every occasion, are desirous of streamlining the Government and cutting out all activities which can at this time be deferred, so that all our interests, resources, and work wherever and whenever possible may be used to speed our cause to victory. I propose, on every occasion, to vote their convictions on these matters.

In conclusion, Mr. President, let me say that I am here in the United States Senate because of the generosity of the people of South Carolina. I made a contract with them to support the President in the war effort, and I made a contract with them to support their convictions as best I could interpret them on matters not pertaining to the war. Here let me say, Mr. President, that some matters have been brought up in the Senate recently which have been opposed by those who voted for me and made possible my service as a Senator. I propose to do what I can to stop such measures. I have been, as have most of my colleagues, disturbed because of deferments which have been given to Government employees. The senior Senator from Maryland [Mr. TYDINGS] called attention to these matters last fall. The people want fair and just treatment of all citizens whether they are in the employ of the Government or in private employment, whether they are working on farms or in factories.

Mr. SMITH. Mr. President, I have listened with a great deal of interest to the discussion of the "negligible" subject of farming. We, as the Representatives of the several States, must decide whether or not farming is essential to our war effort. If it be true that agricultural production is not only necessary to support the Army of this Nation in the matter of food, but also, as well mentioned by the Senator from Ohio, if we are to feed the men of other countries, agriculture is certainly an essential industry.

We must decide, not flippantly, but as serious men, whether we consider production of food essential to winning the war. That having been determined the question is, Who is to produce the food? From listening to the debate here one would think that any man could go out and produce the food necessary to feed the country. It is not such a technical matter, so far as small grain is concerned. One can sow it by machinery, reap it by machinery, and thresh it by machinery. But that is only a small part of food production.

Not only is the harvesting and preservation of the food essential but one has to be trained in its cultivation. We hear much talk about the relation of the selective service to food production. The question of production can be made very practical if we will define what is the duty of the selective service. I am not frightened by the statement that we are separating a certain class to be deferred. The fundamental question underlying the proposal is, Is this class essential? We are taking men into the Army through an arbitrary method, and are fixing their wages. The bill before us does not propose to do anything of that kind. It merely says, "Let us take the men who are qualified to produce the crops."

I should like to go into some of the particulars of what it takes to make farming an essential occupation, but before I leave the draft board question, let me say that the draft boards are as confused as we are. To give an illustration of the confusion, I may cite the case of a certain physician in my city who had quite a hospital, known as the Saunders Memorial Hospital. The Army authorities came to my town, and he thought perhaps they might need his hospital. He entered into negotiations with them, and understood that they would lease the hospital. They agreed upon a lease, or he felt they had done so. Then the question arose as to the purchase of the hospital. He came to Washington, and thought perhaps he had negotiated a sale of the property. It now turns out that they have not leased it and have not bought it. He had dismissed his organization, and was getting ready to move out, but now he is without a hospital and without a job.

The physician appealed to me, and I called in the general who was said to be the head of the organization with

which he had dealt. The general said, "This man listened to those who had no authority." Some of us have had experiences along that line. We do not know whether we are coming or going. The physician, thinking he was acting with a man who had the authority of the Government behind him, agreed to lease his property, and then to sell it. He had dismissed his organization, had broken up his nurses' training school, but he was left high and dry, and now it is said the only thing he can do is to go into the court of claims and sue for redress.

Mr. President, that illustrates the manner in which our war efforts are being organized. As to the Selective Service, the theory is fine. The Selective Service board in my county is more or less acquainted with the farmers of the county, and when a farmer tells the board that it has taken a man who is essential, the members of the board know the man with whom they are dealing, and have reason to be in a position to know whether he is stating facts.

Let me give a personal illustration. I had a hand on my place who was competent to run machinery. Those who have dealt with the Negro race and their ability to operate machinery know what usually happens when they are placed in charge of it; but this man understood machinery. He was drafted, and I wrote the board a letter telling them that the man was essential to the proper cultivation of my farm and the proper utilization of my tractors and trucks. I thought they had, under the Tydings amendment, made arrangements for him to stay on the farm, but the day before I left home, just after I came out of the hospital, he was notified of his induction, and was ordered to prepare for service in the Army. I came to Washington and took the matter up with General Hershey and certain of the manpower organization. The result was that the man was allowed to remain on my farm.

The draft board in this case were acting under their interpretation of the law, and they thought this man should be taken away. Had he been taken away, the production of my whole farm, and the use of my tractors, would have been reduced by one-half.

Reading the modified Bankhead amendment we find that it provides:

> A registrant who is regularly engaged in an agricultural occupation or endeavor on a farm, or whose principal occupation consists of employment on the farm in connection with the production or harvesting of any agricultural commodity, shall, while he continues to be so engaged or employed, be deferred from training.

We must decide whether we believe that production of food or agriculture is essential to winning the war. We hear learned talk about men who produce a pumpkin or a bushel of potatoes. What in the name of heaven has that to do with a man who is running a farm and knows all about it? I do not know where in the world the Senator from Wyoming [Mr. O'MAHONEY] got his idea that before one can be qualified as a farmer he has to produce two bushels of potatoes, a quart of sirup, and certain other things, and prove it. One would have to take the Army suggested by the Senator from Massachusetts [Mr. LODGE] to enforce such a law as that. It is absolutely absurd. Josh Billings said a thing which I think applies perfectly to this body. He said, "My son, come to the Senate and see how great an amount of conjecture they can get out of so little fact." That is applicable to us all.

As to the matter of cultivation, how many of us here are familiar with the difficult details connected with cultivating food crops? How many Senators know how much fertilizer should be used in production, and the character of the fertilizer, to get maximum production of a given plant? During the last war I busied myself in going from Maine to Florida in order to get soda, which is one of the essentials in the production of all food crops. How much does a farmer need, when shall he put it on, has the rain nothing to do with it, has the season nothing to do with it? Before we get through with this matter I think we will all have to ask God to come down and make his laws accord with our wishes. We may talk about production until doomsday, but unless the seasons are good, a farmer cannot make a crop.

Not only is the application of fertilizer on the Atlantic seaboard essential, but a farmer must know what kind he needs, and he must know about the soil upon which it is to be applied. That cannot be learned in a day. Farming demands a certain bucolic skill, comparable to the skill which characterizes the mechanic. The seasons determine when the cultivation must be made, and a farmer has to have men who understand the situation.

There has been talk about getting school children and the urban population to help. God knows I do not want them to come to my farm. To cite an example of what happens when one unfamiliar with farming is employed: A brother of mine was very philanthropic, entertaining theories much like many we hear of now, and he got a man off a vessel whom he employed to go to the field and thin some corn. Some grass had grown up in the corn, and my brother tried to show the man the difference between the blade of the corn and the blade of the grass. At noon he went down to see how the worker had gotten along, and found that he had chopped up all the corn and left the grass. [Laughter.] The worker did not know the difference between grass and corn, and had not correctly understood my brother's instructions.

Another element involved is that of insects. I lost a whole corn crop last year because of a little insect known as the webworm. I had not placed on the fallow ground a sufficient amount of lime to destroy the worm, and planted my corn, and the worm destroyed the whole crop.

Some persons in authority may think it does not take experience to do farm work. They think men can be sent out and told to go ahead and plant, regardless of the preparation which is necessary, or the character of the soil, whether it is suited or not to certain crops.

Mr. President, I could consume several hours explaining not only the absolute need of experience in growing a given crop, but the need for knowing the character of the soil upon which the crop is grown. If we can raise an army of 11,000,000 men, and feed such an army, and feed the people of America, as well as a great part of the population of the world, all with depleted manpower, very well. But Secretary Wickard appeared before our committee and told us that not only are we going to have a scarcity of manpower, but that we now have a scarcity of farm implements. We have, as well, a scarcity of fertilizer. It is proposed that we shall set out to feed ourselves as well as the rest of the world, without sufficient farm implements, without fertilizer, and without enough manpower. We must face the problem as sensible men.

Mr. HOLMAN. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. HOLMAN. Mr. President, it is my thought that there is a great difference between the conclusions reached by the statisticians, data gatherers, and the hordes of others in the departments, and those who are actually engaged in operations in the fields. I know from my own personal experience that I have until April 1 to find some more help to do the work on my farm in connection with the maintenance of my dairy herd. If I do not obtain this farm help I must offer my stock for sale. Then one more of the many dairy farms of my State goes out of production.

The problem of vanishing farm help is the vital production problem faced by many persons with whom I am acquainted—farmers who are actually engaged in production of those farm products which are required to feed our combat forces, meet our lend-lease obligations, and supply our industrial workers, and, last, to maintain our civilian populations. If we fail to feed all these people, how can we achieve our military objectives? How can we win the war?

Mr. SMITH. Mr. President, I hope the Senator from Oregon has learned that old adage that figures do not lie, but that liars can figure. That is what is the matter. The figures may not lie, but those who figure do lie.

Mr. President, the fundamental question which is worrying me is, Are we going to attempt to preserve the agricultural production of America, or are we going to turn farm workers loose and take our chances? Everyone knows that there is an element of skill in farming. It is said we must have an army of so many million men. On what is such an army going to be fed? If we are to have so large an army, we must provide a sufficient amount of food. The fundamental question is, What is essential to the winning of the war? The sine qua non is food. Without it an army cannot fight.

Another element which confuses the situation is rationing. I say without fear of contradiction that regimentation and rationing have done more to decrease production than any other one

thing. The farmers themselves do not know what to do.

Let me illustrate: Last year there was an abundant pear crop in my section, and also an abundant fig crop. The housewives wanted to preserve these crops, but found they could not get sugar. So, the figs and pears laid on the ground and rotted, simply because rationing had gone into effect, and the housewives could not get sufficient sugar to preserve those crops.

Mr. President, all this messing with natural law has brought us to the situation we are now in. I say that the American people are just as patriotic as those who are rationing them, and if we say to the American people, "We must have food," and give the people a chance, and not have priorities on machinery, and priorities on fertilizer, but see to it that the farmers get the wherewithal, and turn them loose to produce, they will produce.

A few years ago we had, under the so-called ever-normal granary, a surplus of wheat and a surplus of corn, and took a few million hogs and dumped them in the Mississippi River. We were overproducing then. Now all that has been changed, and we are underproducing. I hope this body will vote to provide that every farmer working on a farm and producing will be permitted to remain unless he himself elects to get up and go elsewhere.

Mr. President, the main reason for depletion of the farms and the bringing about of this terrible condition is the determination on the part of those controlling the administration that the farmer shall not get a just price for his products. Earlier today the Senator from Maryland read some figures showing the wages the farmer receives as compared with the wages received by the industrial employees. The whole question depends upon whether groups are organized to vote or are not. If I could organize the farmers as completely as the industrial workers are organized, and get them to say "We are not going to vote for this or that candidate," a different condition would prevail.

I do not know whether we are going to say that there shall be a deferment for the farmer. We digress; we sail, in our minds, over to Africa and to Australia, but forget the necessity for encouraging the man at home.

Mr. President, I hope the Bankhead amendment, which seems to me to be the only reasonable proposal before us, will be adopted. I do not think it requires that a farmer shall produce a certain amount of pumpkins, or a certain number of bushels of wheat, or sacks of potatoes, but it provides that if he is working on the farm and producing he shall stay there and not be disturbed. That is all there is to the Bankhead proposal.

Talk about class legislation! We will surely have class legislation in the fall of 1944 if some practical relief is not given to the farmer. Columnists and public writers were referring a short time ago to the "farm bloc" and the "greedy farmer." Why should he not be greedy? God knows he has been starving from the days of Adam until now. He has never been given a chance.

This morning I received a report from the market to the effect that an order had gone out that a certain amount of cotton was to be released at a price below the market price. Cotton dropped another dollar a bale. That meant that the farmer who had cotton to sell had to take a dollar a bale less.

Congress has passed many laws. In passing laws let us make them so clear that a fool can understand them. Fools do not understand many of the laws we have passed. We pass laws, but the administrator of the laws reads into them anything he wants to. We have degenerated to such a point that we are nothing more than an appropriating committee. We appropriate and the other man spends.

I want to talk on the subject from the standpoint of an impoverished practical farmer. The element of cultivation has not been mentioned at all in this debate. The element of the experienced hands necessary to do the work has not entered into it. I saw a neighbor of mine ruin a whole cotton crop by plowing it too soon after a rain. Yet it is proposed that the city man go into the fields and cultivate and gather our crops.

The discussion has gone far afield. The fundamental question is, Shall we have an adequate food supply, and if so, how will we get it? The farmer should be permitted to farm wherever he can farm. If he is on a farm and producing he should be deferred.

Someone has said that country is best governed which is least governed. God knows if that is so, we are gone, we are helpless.

A ceiling has now been placed on pulpwood. If a ceiling could be placed on those who lack intelligence along certain lines I would vote for such a ceiling.

I want it understood that I believe the Congress of the United States should pass the laws which govern the people. They should not be governed by fiat and Executive order. One day I was making a speech and I was asked if I did not want to cooperate. I do. However, under the present situation the bureaucrats "operate" at the other end of the Avenue, and we "co." They have it nicely divided. [Laughter.]

Mr. President, I do not know whether we can retain enough really practical farmers to support the world. To quote Mrs. LUCE, we are now in the midst of "globaloney," and God only knows when we will get out of it. [Laughter.] However, the question before us is, Shall we assume the responsibility of providing enough labor to produce the required quantity of food? We cannot do so unless we pay attention to those who are qualified farmers. Except for those who come from the farms, there is not a Member of the Senate present who knows how to operate a farm, or work on one. Not only is seed necessary, but the preparation of the soil is also necessary. When the seed has been planted the cultivation of the growing crop is essential. I recall that someone once said that the boll weevil could become a grandmother over night. What Senator present knows anything about protecting even a turnip crop? I once had turnips planted, and they suddenly started to die. I sent to Washington for aid in saving my crop and a man came down to my farm. He examined the turnips. I had been dusting them with calcium arsenate and other poisons. He said, "The web worm is attacking your crop and unless you secure a certain kind of poison for it your whole crop will be destroyed." I secured the poison and saved the crop. If I had come to the Senate for information as to what was destroying the crop I would have been told just to plant turnips. "Just sow them and let them grow."

Mr. BARKLEY. Was it a bureaucrat in Washington who saved the crop?

Mr. SMITH. No; it was not a bureaucrat. It was a man with some sense. He had escaped the odious faults of this damnable bureaucracy. He was in Washington before the bureaucrats gained control.

Mr. President, I hope we will take a sensible view of this problem and vote to preserve the men who are on the farm raising crops with such aid as they may be able to obtain and supervise.

Mr. President, I have not said all I wanted to say, but I must conclude.

Mr. BARKLEY. Mr. President, it is obvious that we cannot obtain a vote on the pending amendment this afternoon. I have consulted with the Senator from Wyoming [Mr. O'MAHONEY], the author of the pending substitute, as well as the Senator from Alabama [Mr. BANKHEAD], the Senator from Oregon [Mr. MCNARY], and other Senators. As a result of those conferences I now ask unanimous consent that not later than 2 o'clock tomorrow afternoon the Senate proceed to vote on the O'Mahoney substitute without further debate.

The PRESIDING OFFICER. Is there objection?

Mr. PEPPER. Mr. President, reserving the right to object, I had prepared and desired to offer a substitute for the pending bill.

Mr. BARKLEY. The Senator's substitute would not be in order.

Mr. PEPPER. I am aware of that.

Mr. BARKLEY. The O'Mahoney amendment, or substitute, is the last degree in which an amendment can be offered. It cannot even be amended.

Mr. PEPPER. I understand that; but availing myself of the right of discussion and debate before a vote is had, I desire to submit a proposal which is a closer approach to the problem under discussion than is either of the pending substitutes.

Mr. BARKLEY. The Senator from Florida can offer his amendment after the O'Mahoney substitute shall have been disposed of. It cannot be voted upon before the O'Mahoney substitute is voted upon, and it cannot be offered as an amendment to the O'Mahoney substitute.

Mr. PEPPER. I am aware of that; but I should like the Senate to have the benefit of the proposal.

Mr. BARKLEY. The Senator can offer it and have it printed as another amendment to the proposed bill.

Mr. PEPPER. I desire to offer it as an amendment this afternoon so that it will be in the RECORD, and be subject to debate tomorrow.

Mr. BARKLEY. There is no objection to that. However, that has nothing to do with my request for an agreement as to voting.

Mr. PEPPER. Mr. President, has any agreement been proposed relative to the allocation of time tomorrow which would deny me even 10 or 15 minutes for debate on the pending substitute?

Mr. BARKLEY. No; there has been no agreement as to allocation of time. I suggested 2 o'clock as the time to vote. I believe the Senator from Alabama [Mr. BANKHEAD] and the Senator from South Dakota [Mr. GURNEY] are among those who desire further to discuss the pending amendment. Two hours would seem to provide ample time.

Mr. PEPPER. Mr. President, I wish also to speak on the pending amendment if there will be sufficient time. Otherwise, I shall have to object to the request. I should like a little time to discuss the pending amendment.

Mr. BARKLEY. I am satisfied that the time will be ample without allocation.

Mr. PEPPER. Very well.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kentucky? The Chair hears none, and it is so ordered.

Mr. TYDINGS. Mr. President, I should like to have the RECORD show the figures which I have just received from the Selective Service officials. The so-called Tydings amendment was adopted on November 13, 1942. Between November 13 and November 30, 1942, 24,278 farm workers who otherwise would have been inducted into military service were deferred under the amendment. The number during that month was not great because the act was new, and it took some time to send regulations to the various draft boards throughout the country. Subsequently the regulations were greatly liberalized.

During the month of December 1942, 168,066 additional farm workers were deferred under the Tydings amendment.

In the month of January 1943, when the Selective Service officials were calling for about 400,000 men a month, 171,638 farm workers who would otherwise have been inducted, were deferred under the amendment.

Mr. BANKHEAD. Does that mean that about half of all the registrants who were called up were deferred?

Mr. TYDINGS. No. The practice is to continue calling until they get the 400,000. They may have to call 600,000 before they get the desired number.

Mr. BANKHEAD. They may not call more than 400,000.

Mr. TYDINGS. In the month of February 1943, when another 400,000 men were called up, 130,460 were deferred under the amendment, making a total for the period between November 13, 1942, and March 1, 1943, of 494,462 regularly employed and irreplaceable farm laborers, who were deferred under the law on the statute books at that time.

Mr. BARKLEY. That was done by the local boards.

Mr. TYDINGS. That is correct. These figures have been furnished by General Hershey's office. They have been checked and rechecked. They contain 1 month's additional figures to those referred to today by the Senator from Wyoming [Mr. O'MAHONEY] and myself. The final figure for the 3½ months is 494,462 which represents the regularly employed and irreplaceable farm workers who have been deferred under the so-called Tydings amendment.

I wish the RECORD to show that while the so-called Tydings amendment may have its imperfections, and while it may be violated in certain communities, it is contributing no small part in retaining workers upon the farm even without the addition of the liberalizing amendment offered by the minority of the committee and sponsored by the Senator from Wyoming.

Mr. BANKHEAD. Mr. President, the distinguished Senator from Maryland has not given vital information concerning how many of the number to which he has referred were deferred under the so-called Tydings amendment, and how many were deferred for other reasons.

Mr. TYDINGS. The figures which I have given represent deferments under the Tydings amendment.

Mr. BANKHEAD. I should like to know how many were eligible for military service?

Mr. TYDINGS. It is estimated by General Hershey's office that by December 31, 1943, at the present rate of deferment for all reasons, 3,032,000 men on the farms will be deferred for physical handicaps, dependencies, and preferences under the Tydings amendment.

The figures which I have read—and they have been checked and double-checked—apply to those who have been deferred under the Tydings amendment and in accordance with its provisions.

Mr. BANKHEAD. The figures presented by the Senator from Maryland indicate that considerably more than one-third of all the farmers will be deferred. It is absurd to think that it would be reasonable to have two-thirds of the farmers inducted into the service. There are only 8,500,000 on the farms, and yet he is talking about deferring 3,000,000 men between the ages of 18 and 38 who are eligible for military service.

Mr. TYDINGS. It will be found that of the men who will be drafted this year, with the cream already pretty well taken off by men having gone into war plants or into the Army, the deferments for general reasons will run much higher than they have run heretofore. That applies not only to those who come from the country, but those who come from the city as well. Men who were deferred a year or a year and a half ago on the ground of being physically unfit are now being reexamined, and in many instances are being put on the eligible list in order to make up the required quota. So the figures which I have received from General Hershey's office are as accurate and as nearly primary evidence as any which can be adduced from any source in the country.

Mr. BANKHEAD. Mr. President, I desire to be recognized to discuss the pending bill, but I understand the majority leader wishes to move at this time that the Senate adjourn or recess until tomorrow.

Mr. BARKLEY. I understood that the Senator did not want to proceed with his discussion this afternoon, but desired to obtain recognition for that purpose tomorrow.

Mr. BANKHEAD. That is correct.

Mr. BARKLEY. I have no objection to having that done.

Mr. BANKHEAD. Mr. President——

The PRESIDING OFFICER. The Senator from Alabama.

Mr. PEPPER. Mr. President——

The PRESIDING OFFICER. The Chair has recognized the Senator from Alabama. Does the Senator yield to the Senator from Florida?

Mr. BANKHEAD. I yield.

Mr. PEPPER. I simply want to insert a word of explanation about certain amendments which I propose to offer tomorrow before requesting consent that the amendments be printed and placed on the desks of Senators.

Mr. President, what my amendments propose to do is to set up an over-all authority consisting of what is called a committee on requirements and program, to consist of the Secretary of War, the Secretary of the Navy, the Chief of Staff of the Army, the Chief of Naval Operations, the Chairman of the War Manpower Commission, the Chairman of the War Production Board, the Food Administrator, and the Director of Economic Stabilization, and to make them an over-all committee which, subject to the jurisdiction of the President, would have the duty of allocating the manpower of the Nation among the armed forces and essential civilian production activities, including agriculture, and giving to the chairman of the War Manpower Commission the power to defer those who might be found to be essential civilian workers in industry and in agriculture. The amendments would achieve the essential purpose of the pending bill, but at the same time would set up an over-all agency to deal with the question of allocation of the war manpower resources of the country.

With that word of explanation, I send the amendments to the desk, request that they be printed, be printed in the RECORD, and that copies of them be placed on the desks of Senators.

The PRESIDING OFFICER. The amendments will lie on the table, be printed, and be printed in the RECORD.

The amendments submitted by Mr. PEPPER are as follows:

Amendments intended to be proposed by Mr. PEPPER to the bill (S. 729) providing for the deferment from military service of persons engaged in agricultural occupations, viz: strike out all after the enacting clause and insert the following:

"This act may be cited as the Manpower Mobilization Act.

"SEC. 2. There is hereby created a Committee on Requirements and Program (referred to in this act as the Committee) under the chairmanship of a Director of War Mobilization to be appointed by the President (referred to in this act as the Director) and consisting of the Secretaries of War and the Navy, the Chief of Staff of the Army, the Chief of Naval Operations, the Chairman of the War Manpower Commission the Chairman of the War Production Board, the Food Administrator, and the Director of Economic Stabilization. This Committee shall establish, subject to review and modification by the President, a national program for maximum mobilization of manpower for the military forces and for military and essential civilian production (referred to in this act as the program). The program shall take the form of a detailed schedule of military and essential civilian production and specific quotas of manpower to be made available to the military forces and to particular categories of military and civilian production. In preparing the program the committee shall take into account schedules of military and essential civilian production furnished by the Chairman of the War Production Board and the Food Administrator, according to appropriate jurisdiction, statements of manpower requirements for the military forces furnished by the War and Navy Departments, and statements of manpower requirements for military and essential civilian production furnished by the Chairman of the War Manpower Commission and determined by him in cooperation with the Chairman of the War Production Board and the Food Administrator. The quotas of manpower to be made available to the military forces as determined under the program shall supersede present quotas employed under the Selective Training and Service Act of 1940. The schedules of military and essential civilian production and the manpower quotas relating thereto determined under the program shall be binding upon the War Production Board, the Food Administration, the War Manpower Commission, the Office of Economic Stabilization, and other war agencies in their determination and operations relating to production and manpower.

"SEC. 3. The Selective Training and Service Act of 1940, as amended, is further amended by adding at the end thereof the following:

"'Any provision of this act to the contrary notwithstanding—

"'(1) whenever the Chairman of the War Manpower Commission deems it necessary in order to meet the program determined in accordance with section 2 of the Manpower Mobilization Act that occupational deferments be granted to persons engaged in military or essential civilian production or in essential activity related thereto, he shall make a finding to this effect and such findings shall be conclusive upon all civilian local boards and any other civilian agencies functioning under this act. No other occupational deferments shall be granted under this act except upon such a finding by the Chairman of the War Manpower Commission;

"'(2) for purposes of making an individual finding as to occupational deferment, the Chairman of the War Manpower Commission is empowered, subject to direction by the President, to employ the officers or employees of the War Manpower Commission or of any other Federal agency and to establish such additional organization and procedure as he shall deem necessary and proper.'

"SEC. 4. The Chairman of the War Manpower Commission is authorized to provide equipment, transportation, housing, medical facilities, and training to workers being placed in or transferred to war or essential civilian activity, including production of food and other agricultural products whenever he deems such assistance necessary in order to meet the program.

"SEC. 5. The Chairman of the War Manpower Commission is hereby authorized to recruit and organize a National Emergency Workers Corps, and to employ the members of such National Emergency Workers Corps for such length of time as he may deem their services necessary in order to meet the program. The Chairman of the War Manpower Commission, with the advice and consent of the Director of Economic Stabilization, is authorized to fix and pay such compensation to the members of the National Emergency Workers Corps as he deems necessary and proper after adequate public hearings; such compensation shall be fixed with due regard to the availability of such labor, the compensation to labor in alternative employment, the policies of the Director of Economic Stabilization and such other circumstances as may be deemed necessary and proper by the Chairman of the War Manpower Commission and the Director of Economic Stabilization. The Chairman of the War Manpower Commission shall make the members of such National Emergency Workers Corps available to agricultural producers and other employers engaged in essential activity whenever he deems such action necessary in order to meet the program: *Provided*, That such employers shall reimburse the War Manpower Commission for such labor at amounts to be determined by the Chairman of the War Manpower Commission with the advice and consent of the Director of Economic Stabilization which are determined by them to be reasonable and proper in relation to previous and present costs of labor and to the necessity of achieving the essential production involved.

"SEC. 6. (a) There is hereby authorized to be appropriated $100,000,000 to the War Manpower Commission to carry out the purposes of section 4 of this act.

"(b) There is hereby authorized to be appropriated $200,000,000 to the War Manpower Commission to be used as a revolving fund to carry out the activities authorized under section 5 of this act. The compensation to be paid by employers accepting the services of the members of the National Emergency Workers Corps shall be paid to the War Manpower Commission for use in this revolving fund.

"SEC. 7. There is hereby created a Board of War Mobilization under the chairmanship of the Director and consisting of four representatives of agriculture, four representatives of industry, four representatives of labor, and four public members at large appointed by the President. The Board shall hold regular meetings at least once a month. The Board shall make to the Director and the Chairman of the War Manpower Commission, the Chairman of the War Production Board, the Director of Economic Stabilization, and the Food Administrator all of whom shall advise and consult with the Board on all major policies of manpower mobilization, such recommendations relating to policy and operation as it may deem will improve production and manpower mobilization."

Amend the title so as to read: "A bill to provide maximum mobilization of manpower for the war effort, including manpower for the military forces and for essential military and civilian production."

Mr. WILLIS. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. WILLIS. I have received from Mr. George O. Rafert, of Fortville, Ind., a letter which bears so pointedly upon the topic under discussion that I request that it be printed in the RECORD at this point as a part of my remarks, so that it may be available to the Senators who are studying the problem.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FORTVILLE, IND., *March 8, 1943.*

Senator RAYMOND E. WILLIS,
Washington, D. C.

DEAR SIR: * * * My interest is not in politics but in my 350-acre farm and in the problem of farm labor. Incidentally I am the Indiana farmer who wrote the article A Farmer and His Troubles, which was published in the United States News in their issue of December 25, 1942, and which was subsequently read to the House on January 8, 1943, by Representative CLARE HOFFMAN of Michigan, and is in full in the Appendix of the RECORD on page A54. This article gives our exact experiences on this farm during the past year and the reasons for the impending food shortage just as I can see them developing right here on the farm.

Here on my farm our normal crew was five men, two hired men, my two sons, and myself. Now there are just two of us including myself, age 59. The factories took our two hired men and the draft took one of my sons. Where we formerly put 350,000 to 400,000 pounds of corn-fed beef on the Indianapolis yards in a year we can now feed no cattle at all due to lack of labor. To feed that many cattle required the daily handling of from 14 to 16 tons of material every day and two of us cannot do this as only one of the jobs of a large farm. Last year we produced 260 tons of tomatoes for canning. This year we cannot do half of that unless we get help. Last year we produced a crop of canning peas. This year we cannot even plant them. We expected to produce upward of 1,000 head of hogs this year but will not run much over 500 head. Last year we had 70 acres of soybeans and 65 acres of corn. What we can do this year remains to be seen. The reason in each case is the same—lack of labor.

In our situation, located as we are about midway between the industrial centers of Indianapolis and Anderson, we simply cannot hire labor for we cannot compete with the 8-hour day and over a dollar an hour and overtime. We are fully mechanized and equipped but our equipment will not run itself. There is no longer any question but what the situation is very serious and that something will have to be done to place labor on our farms. The question is what to do.

In such a large country as this and with such a variety of crops and climate and agricultural methods, it is evident that the solution of the farm-labor problem is not to be found in any one answer. In picking cotton in the South, a battery of soldiers acting as such might be of use but we cannot feed cattle or raise hogs with a battery of soldiers.

In some areas it is conceivable that boys of from 14 to 17 might be of some use but we cannot trust high-priced and complicated equipment with inexperienced boys, especially when we cannot replace the equipment and in fact can hardly get repairs. Besides, any boys of that age who have been raised on the farm and have some experience are already working there. The same is already true of our womenfolk. If it had not been for my wife and my daughters we would not have had a tomato crop even last year.

In our area we must plan our program ahead as definitely as a production line is planned and this planning must be based on the knowledge that we will have dependable skilled and experienced labor 7 days a week. In our situation there is only one answer and I write to you in the hope that you may implement legislation to make this one answer possible.

I have a son in the Army. As a matter of plain horse sense I know that he would be worth many times as much to the Nation if he were here on this farm. He knows

every foot of this land for he was raised on it. He knows our machinery and our methods and would need no training. He was part of a productive team which was broken down when the draft took him away. He has not produced a single thing in the 17 months he has been in the Army. Here at home with the equipment available to his use he could this year produce enough food to feed the entire regiment of which he is now a part, for the entire year. Now, the only answer and the only solution which will meet the labor problem on this and thousands of farms like this, is to furlough experienced individual farmers back to the land from which they came.

The draft stripped our farms and the only way to correct the mistake is to back-track on the draft and put these individual experienced farmers who are now in the Army, back on the land from which they came and with which they are already familiar and acquainted.

It should not be difficult to implement legislation to accomplish this purpose.

I ask that you present this idea to the Senate or to such committee as in your judgment will give this solution the recognition that I know you will agree it should have. I send this to you because I do not know where else to send it to be assured that it will be effectively used. Regardless of what solutions may be presented to meet the needs of farmers in other sections of the country, this is the only real solution which will meet our need here in the Corn Belt and in the area devoted to the feeding of cattle and the raising of hogs. The Army took our experienced farmers and we will have to go to the Army to get them back. Lack of labor on our farms could lose this war a whole lot quicker than lack of soldiers in the Army. This is just plain sense. Something has to be done now or it will be too late for planting time is at hand.

I am sure that you will find Representative SPRINGER and many others in both the House and the Senate fully ready to cooperate. I thank God that we have a Congress again.

I would appreciate your personal reply.

Yours very truly,

GEO. O. RAFERT.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. WALSH. Mr. President, let me say to the Senator from Maryland [Mr. TYDINGS] that the figures which the Senator has given would be much more impressive to me and to other Senators if he were to state in terms of percentage the number of persons who have been deferred for farm labor, as compared with the number of those who have been sent into the armed forces. Can the Senator obtain such figures?

Mr. TYDINGS. Between now and tomorrow I shall endeavor to obtain the figures showing the number of persons who have gone from the farms into the armed forces and the number of those who have been deferred.

Mr. WALSH. I should like to have the Senator obtain for us the figures showing the total number of those who have entered the armed services during the period covered by the figures which the Senator has given us, and also the figures showing the number of those who have been deferred. Then we shall know what percentage of the persons selected for service have been deferred to work on the farms, as compared with the total number of persons entering the military service. I think such information would be quite helpful.

Mr. TYDINGS. I think it would be; and in order to make the picture complete, I think we should obtain information as to the number of persons who have been deferred to work in industry; because the point of the proposition is that a man working on a farm is working in a war industry, and I do not think we want to defer those in one group and not defer those in another.

My State is an industrial State, not a farm State; so I cannot be accused of having any bias in the matter.

Mr. WALSH. The point I desire to make is that we should have sufficient information to give us the entire picture. Information as to the total number deferred does not present such a picture. We want to have information as to the number deferred to go into industrial work, as compared to the number deferred to go into farm work.

Mr. BANKHEAD. Mr. President, when General Hershey was before our committee he said that 804,000 agricultural workers had been inducted into the armed services.

Now, Mr. President, with the understanding, as previously stated, that I shall have the privilege of having the floor when the Senate meets tomorrow, I yield to the majority leader so that we may conclude the session this afternoon.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to consider executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. HAYDEN, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

By Mr. CONNALLY, from the Committee on Foreign Relations:

Harold E. Montamat, of New Jersey, now a Foreign Service officer of class 7 and a secretary in the Diplomatic Service, also to be a consul; and

Several persons now Foreign Service officers of class 7 and secretaries in the Diplomatic Service, also to be consuls.

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). If there be no further reports of committees, the clerk will proceed to state the nominations on the Executive Calendar.

NATIONAL LABOR RELATIONS BOARD

The legislative clerk read the nomination of John M. Houston, of Kansas, to be a member of the National Labor Relations Board for the unexpired term of 5 years from August 27, 1938.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

WAR MANPOWER COMMISSION

The legislative clerk proceeded to read sundry nominations in the War Manpower Commission.

Mr. BARKLEY. I move that the nominations in the War Manpower Commission be confirmed en bloc.

The PRESIDING OFFICER. Without objection, nominations under the War Manpower Commission are confirmed en bloc.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. BARKLEY. I move that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the postmaster nominations are confirmed en bloc.

That completes the Executive Calendar.

POSTMASTER AT LAS VEGAS, NEV.

Mr. McCARRAN. Mr. President, there is on the desk from the Committee on Post Offices and Post Roads a favorable report on the nomination of Mr. Frank F. Garside to be postmaster at Las Vegas, Nev. I ask unanimous consent that the nomination be taken up and considered out of order.

The PRESIDING OFFICER. Is there objection?

Mr. McNARY. Mr. President, the able senior Senator from Nevada has spoken to me today about the matter, and has made out a very strong case for immediate consideration of the nomination. I have no objection.

The PRESIDING OFFICER. Without objection, the clerk will state the nomination.

The legislative clerk read the nomination of Frank F. Garside to be postmaster at Las Vegas, Nev.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. BARKLEY. I ask that the President be immediately notified of all nominations confirmed today.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith of all nominations this day confirmed.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 55 minutes p. m.) the Senate took a recess until tomorrow, Thursday, March 11, 1943, at 12 o'clock noon.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 10 (legislative day of March 9), 1943:

NATIONAL LABOR RELATIONS BOARD

John M. Houston to be a member of the National Labor Relations Board for the unexpired term of 5 years from August 27, 1938.

WAR MANPOWER COMMISSION

APPOINTMENTS

Charlotte E. Carr to be assistant to the Deputy Chairman at $6,500 per annum.

Wallace P. Studencki to be field supervisor at $5,600 per annum, Chicago regional office.

Stephen R. MacRae to be field supervisor at $5,600 per annum, Washington regional office.

Bernard L. Gorfinkle to be field supervisor at $5,600 per annum, Boston regional office.

Russell C. McCarthy to be area director at $5,600 per annum, Rochester area office.

Olaf K. Fjetland to be area director at $4,600 per annum, Saginaw area office.

Wilberforce D. Simmons to be senior manpower utilization consultant at $4,600 per annum, New York regional office.

Luke White to be senior attorney at $4,600 per annum in the office of the General Counsel.

Paul N. Devine to be area director at $4,600 per annum, New Bedford-Fall River area office.

James K. Johnson to be field supervisor at $5,600 per annum, Cleveland regional office.

Grafton L. Brown to be field supervisor at $4,600 per annum, Washington regional office.

POSTMASTERS

ARKANSAS

Nannie L. Connevey, Bauxite.
S. Tillman Tipton, Biggers.
Harmon T. Griffin, Lake City.
Sue M. Brown, Luxora.
Maud Jackson, Sherrill.
Fred W. Knickerbocker, Sparkman.

NEVADA

Frank P. Garside, Las Vegas.

NORTH CAROLINA

Clarence H. Rosebro, Cleveland.
French W. Graham, Elkin.
William D. Coble, Guilford College.
Frederick R. Jones, Hayesville.
John V. Highfill, Mayodan.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MARCH 10, 1943

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Eternal God, Thou who at the creation looked on all Thy works as good, give us an expanding experience in the school of our Saviour. Breathe Thy valiant spirit into our quiet breasts that we may wait and not be weary. Pour into our hearts that most excellent gift of compassion, the very bond of peace and of all virtues.

In a world which nourishes in its bewildered brain that unquenched, deep-sunken sin of hate, quicken us with the spirit of the Christ, for spiritual communion, and it shall be well with us when the rain descends and the wind blows. As we behold and glorify Thee as infinite goodness, help us to live in the spirit of entire consecration. As servants of our great land, inspire us to spread the mantle of the crescent hope of promise near and far, lifting man to the high levels of our historic freedom. In the approaching days of humility, repentance, and meditation, do Thou arm us with the conviction that there is nothing better in all the universe than building a sacrificial civilization. It shall tower above the wrecks of time, declaring that its riches, honor, and glory cannot die. In the name of Him who spake as never man spake. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 9. Concurrent resolution condemning outrages inflicted upon civilians in the Nazi occupied countries and favoring punishment of persons responsible therefor.

The message also announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 1749. An act to amend Veterans Regulation No. 10, as amended.

The message also announced that the Senate insists upon its amendments to the bill (H. R. 133) entitled "An act to amend and clarify certain provisions of law relating to functions of the War Shipping Administration, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BAILEY, Mr. RADCLIFFE, and Mr. MCNARY to be the conferees on the part of the Senate.

EXTENSION OF REMARKS

Mr. KLEBERG. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therewith a statement made on a bill pending before the Rivers and Harbors Committee by Mr. Roy Miller, of Texas.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. HENDRICKS. Mr. Speaker, I ask unanimous consent to proceed for 1 minute, to extend my remarks and to include an editorial from the Boston Globe.

The SPEAKER. Is there objection?

There was no objection.

[Mr. HENDRICKS addressed the House. His remarks appear in the Appendix.]

COOPERATION PLEDGED TO PRICE ADMINISTRATOR

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my own remarks, and include extraneous matter.

The SPEAKER. Is there objection?

There was no objection.

[Mr. PATMAN addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. BURGIN. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein an article written by Mr. Stettinius, appearing in the April issue of the American magazine.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. GILLIE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a memorial passed by the Indiana State Legislature.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

WHAT CONSTITUTES SEDITION?

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my own remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HOFFMAN. Mr. Speaker, yesterday the gentleman from Mississippi [Mr. RANKIN] from the Well of the House said:

> Whatever else may be said of Premier Stalin, he is for Russia first, and he does not hesitate to say so. Whatever may be said of Prime Minister Churchill, he is for Great Britain first, and has said frankly that he "was not chosen Prime Minister to preside over the liquidation of the British Empire." I admire them for their frankness, for I can truthfully say that my first interest is the welfare of the United States of America.

Every true American should, in my opinion, agree with the gentleman from Mississippi that our first interest is the welfare of the United States of America.

But, Mr. Speaker, let me issue a warning to the gentleman from Mississippi. He had better watch his step because one William Power Maloney, recently promoted by the Attorney General to the office of chief of staff in charge of Federal prosecutions, last summer caused an indictment to be returned in which an organization known as America First was named as one of the agencies used by individuals who were indicted as seditionists.

I call the attention of the gentleman from Mississippi to the danger he is in from this man Maloney, who has indicted people who have, in Maloney's opinion, voiced too loudly their faith in America, their belief that America should come first.

LEND-LEASE

Mr. JONES. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my own remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. JONES addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. NORRELL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and include therein a short letter.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. ALLEN of Louisiana. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a short article.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. ROHRBOUGH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a letter received by a constituent, the Honorable Haymond Maxwell, Sr., formerly a member of the Supreme Court of Appeals of the State of West Virginia, relative to the attitude of O. P. A. toward small wholesalers engaged in the meat industry.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

AID TO VETERANS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 1749) to amend Veterans Regulation No. 10 as amended, with Senate amendment and agree to the Senate amendment.

The Clerk read the title of the bill and the Senate amendment as follows:

Strike out all after the enacting clause and insert "That Paragraph IV of Veterans Regulation No. 10, as amended, is hereby amended by striking out the period at the end thereof and substituting therefor a colon and the following: 'World War II—Any person who served in the active military or naval service of the United States on or after December 7, 1941, and before the termination of hostilities in the present war as determined by proclamation of the President or by concurrent resolution of the Congress: *Provided*, That the term "active military or naval service," as used herein, shall include active duty as a member of the Women's Army Auxiliary Corps, Women's Reserve of the Navy and Marine Corps, and the Women's Reserve of the Coast Guard.'"

Amend the title so as to read: "A bill to amend Veterans Regulation No. 10, as amended, to grant hospitalization, domiciliary care, and burial benefits in certain World War II cases."

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. RANKIN]?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman explain what this amendment does?

Mr. RANKIN. This amendment merely adds the WAAC's.

Mr. MARTIN of Massachusetts. It just simply brings the women's auxiliaries into the law?

Mr. RANKIN. Yes; the other women's organizations are already included. There is a bill pending before the House to put this Women's Auxiliary Army Corps on the same status.

Mr. MARTIN of Massachusetts. We passed this legislation unanimously the other day?

Mr. RANKIN. Yes; it was passed unanimously. The bill was taken up in the Senate and this is the only amendment adopted. We have a great many of these boys coming back who are shell-shocked or nervous wrecks, due to the strenuous activities on every front. They go home and are broken down and are often discharged because of some disability that probably was manifest before they entered the service. It is leaving large numbers of these boys who are entitled to hospitalization and who are now being sent to jails and are being sent home, without adequate care, and we are providing that we hospitalize them just as we did the veterans of the First World War.

Mr. MARTIN of Massachusetts. I agree with the gentleman from Mississippi that it is very essential and it is necessary to have it done as quickly as possible.

Mrs. ROGERS of Massachusetts. Will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. This legislation is long overdue. We passed it last year?

Mr. RANKIN. Yes; this legislation is long overdue.

Mr. SABATH. Will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from Illinois.

Mr. SABATH. This has nothing to do with the resolution pending before the Rules Committee as to the jurisdiction over the Second World War veterans?

Mr. RANKIN. No.

Mr. SABATH. This has to do merely with hospitalization; is that right?

Mr. RANKIN. Yes. By the way, when is the gentleman going to give us a vote on that resolution?

Mr. McCORMACK. Will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. This is simply to provide something that is very important to enable the veterans of this war to obtain the hospitalization facilities of those hospitals under the jurisdiction of the Veterans' Administration?

Mr. RANKIN. That is right.

Mr. McCORMACK. I remember some weeks ago I received a letter from the commandant of the soldiers' home in Chelsea, Mass., Mr. Quigley, who has been interested in this legislation. This is to give to the veterans of this war the advantages of hospitalization the same as World War veterans in hospitals under the jurisdiction of the Veterans' Administration?

Mr. RANKIN. That is correct.

Mr. McCORMACK. I want to commend the gentleman's committee on the action taken.

Mr. MAY. Will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from Kentucky.

Mr. MAY. Of course, in the present war there are more cases of mental disorders resulting from shell shock and high explosives than there ever was in any other war. In my State we have a statute which requires that when a man is sent to an asylum for the insane his estate is responsible for the charges and cost of keeping him there. The Army has been taking men who have lost their mental capacity down there to the county court in custody of a guard, turned them over to the local court for disposition, then they will be assigned to the asylum for treatment. Will this bill cover a case of that kind and permit those men to be sent to a veterans' hospital instead of a State hospital?

Mr. RANKIN. Yes; that is what it is for. May I say to the gentleman from Kentucky and to the Members of the House, someone called attention to the fact yesterday that more men are killed in proportion to the ones who receive bullet wounds in this war than in any other war, because they are using heavy explosives. They are using powerful guns and they are using airplanes. This is the first war in which the United States has lost an admiral, and I can give the names of four admirals that we have already lost. Some of these men are literally blown to pieces on ships, and where they have survived without visible wounds, many of them are so shocked, they are physically unable to carry on, yet I have known cases where their disabilities have been attributed to some mental or physical weakness that they had manifested years ago. This bill is to take care of those men just as we did the ones who served in the last World War.

Mr. THOMASON. Will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from Texas.

Mr. THOMASON. Are we to understand this is confined exclusively to hospitalization and has nothing to do with pensions, allowances for rent and other things to the women's organizations?

Mr. RANKIN. This is hospitalization only.

Mr. THOMASON. Nothing but hospitalization?

Mr. RANKIN. That is correct.

Mr. HOFFMAN. Will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from Michigan.

Mr. HOFFMAN. This covers cases similar to two which have arisen in my district in the last couple of weeks where veterans came back, had no place to go, fell on the street, and the police had to take care of them?

Mr. RANKIN. Yes; where they are discharged for disability.

Mr. HARE. Will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from South Carolina.

Mr. HARE. Some complaint has been made to the effect that possibly a number of these boys have been inducted into the service who have been inoculated, we will say, for different kinds of diseases and as a result of inferior serum or for some other reason or cause they have become mentally disabled, and have been discharged from the service on account of a disability that existed prior to entering the service.

I know of two cases where men were in there, one for 18 months and another 2 years. After the war they became partly disabled and had to take serum of different kinds. I wonder if men in that situation would be taken care of.

Mr. RANKIN. Yes; they would be hospitalized.

Mr. ANGELL. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from Oregon.

Mr. ANGELL. May I ask the gentleman from Mississippi if there are other bills pending before his committee which go more extensively into the matter of the rehabilitation of the soldiers of this war?

Mr. RANKIN. Yes; such a bill is pending before the House. Our committee has already reported it. But that is a different bill from this one.

Mr. MARTIN of Massachusetts. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. COLMER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

By unanimous consent, a call of the House was ordered.

The Clerk called the roll, and the following members failed to answer to their names:

[Roll No. 21]

Cannon, Fla.	Lea	Slaughter
Clason	Lewis, Colo.	Smith, W. Va.
Cochran	Luce	Starnes, Ala.
Culkin	McGranery	Stewart
Davis	McGregor	Treadway
Dingell	Miller, Nebr.	Vursell
Domengeaux	Nichols	Whelchel, Ga.
Gavin	O'Connor	White
Gibson	O'Toole	Whitten
Harris, Va.	Reece, Tenn.	Winter
Hinshaw	Schuetz	
Hope	Sheridan	

The SPEAKER. On this roll call 400 Members have answered to their names, a quorum.

Further proceedings, under the call, were dispensed with.

COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

Mr. McCORMACK. Mr. Speaker, I offer a privileged resolution (H. Res. 155) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That there is hereby made available to the Committee on Public Buildings and Grounds for the expenses of conducting the investigation authorized by House Resolution 121 of the Seventy-eighth Congress, including expenditures for the employment of clerical, stenographic, and other assistants, the unexpended balance of the amount heretofore appropriated to the said committee by House Resolution 306 of the Seventy-seventh Congress, to be paid out of the contingent fund of the House on vouchers authorized by such committee conducting such investigation, signed by the chairman of the committee, and approved by the Committee on Accounts.

SEC. 2. The official stenographers to committees may be used at all hearings held in the District of Columbia, unless otherwise officially engaged.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Massachusetts.

Mr. MARTIN of Massachusetts. This resolution simply appropriates the unexpended balance the committee had left last year?

Mr. McCORMACK. That is correct.

Mr. LANHAM. May I say to the gentleman that only $10,000 was made available last year for this purpose. This resolution simply authorizes the expenditure for the same purpose of the amount remaining of the original $10,000.

Mr. MARTIN of Massachusetts. The House has every confidence in the gentleman from Texas.

Mr. LANHAM. I thank the gentleman.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AMENDING LEASE-LEND ACT

Mr. BLOOM. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 1501) to extend for 1 year the provisions of an act to promote the defense of the United States, approved March 11, 1941.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 1501, with Mr. GORE in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday the bill had been read and was subject to amendment. Amendments are now in order.

Mr. VORYS of Ohio. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VORYS of Ohio: At the end of line 11 change the period to a comma and insert the following:

"And that subsection (b) of section 3 of said act is amended to read as follows:

"'(b) The terms and conditions upon which any such foreign government receives any aid authorized under subsection (a) shall be those which the President deems satisfactory, and the benefit to the United States may be payment or repayment in kind or property, or any other direct or indirect benefit which the President deems satisfactory, but after June 30, 1943, any final determination of benefits to be provided to the United States shall be subject to approval by concurrent resolution of the two Houses of Congress.'"

Mr. BLOOM. Mr. Chairman, I reserve a point of order against the amendment.

Mr. VORYS of Ohio. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. VORYS of Ohio. Mr. Chairman, this amendment is section 3 (b) of the present Lend-Lease Act with the following words added:

But after June 30, 1943, any final determination of the benefits to be provided to the United States shall be subject to approval by concurrent resolution of the two Houses of Congress.

The words "final determination of the benefits to be provided to the United States" are taken from article VII of the 10 master lease-lend agreements.

For the text of article VII, see page 1656 of the CONGRESSIONAL RECORD, March 8, or page 72 of the Stettinius report.

The form of post-war organization of the world is dimly growing. We do not know what it will be. It has almost infinite possibilities for good or evil. We know now two things: first, we must be a part of that organization, or it will fail; and, second, no matter what part we take in any world organization, if we do not preserve our Republic at home, we shall have lost the war.

In our Republic the Executive has vast powers and responsibilities to plan and negotiate for peace, but the people's representatives must pass upon post-war plans.

The act we are extending gives the Commander in Chief enormous powers to arrange mutual war aid. These powers are not disturbed by this amendment.

Section 3 (b) of the act, however, is construed by the Executive to authorize certain agreements of a permanent nature settling forever the balance of benefits between our country and our allies. Such agreements have already been made. We have 17 secret lend-lease agreements with our South American neighbors in which the materials to be delivered and the amount of reimbursement, the final determination of benefits, have already been settled.

This amendment would not disturb these agreements. The 10 master agreements, however, look forward to final settlements involving vast economic commitments. On pages 13 and 14 of our committee report you will find the section headed "Procedure for determination of benefits," in which the committee attempted to give you a summary of the functions of the Executive and the Congress under lend-lease procedure. While it is recognized that treaties must be ratified by the Senate, and the Congress must implement any course of action by appropriations, you will find these words on page 14:

The proposals for forward action in the economic field contemplated by article VII must be handled by—

Among other methods—

executive agreements.

That is, forward action in the economic field under lend-lease as it now stands may be handled by executive agreements. In the past we have had many executive agreements with other nations by authority of acts of Congress, which did not require further approval by Congress or ratification by the Senate. Agreements for suspension of tariffs, international copyrights, postal conventions, and boundary disputes are examples of executive agreements made under authority of law which are not submitted to Congress or the Senate.

This amendment tests whether we wish to authorize the President by executive agreements to determine the final benefits we shall receive from our war aid. This amendment does not affect past final agreements. It does not tie the hands of the President in furnishing war aid. Under the first phrase of section 3 (b), he can still give away munitions if he so desires. We know now that we can expect little by way of direct payment in money, goods, or services, as benefits from the war. We know that the primary benefit will be the winning of the war, but there are other benefits which are already contemplated in the economic field under section 7 of the 10 master agreements which involve great changes in our domestic economy. Congress should retain a voice in what these changes are to be.

This amendment does not hamper the President in formulating or negotiating other types of post-war benefits. It simply carries out the tradition of our Republic in foreign affairs—the President proposes and Congress disposes. It clarifies for us and for the world the domestic post-war plan for this Republic. It would clear up a twilight zone and remove the possibility of future arguments.

Under our Constitution, Congress has many checks on the President, and the President has many checks on Congress, but the Constitution does not and cannot force the Executive and the Congress to go forward together. That must be done by the men who hold office under the Constitution. Cooperation is needed. This amendment cannot legislate cooperation. No law can do this. This amendment provides, however, the machinery for cooperation, if both Houses pass this amendment, and the bill is approved by the President. We will then have set up the machinery for teamwork in the post-war field. This cooperation means that Congress must be sufficiently advised of developments and negotiations and agreements in our foreign affairs to act wisely and promptly. Developing our foreign policy is primarily the responsibility of the Executive, but Congress must keep sufficiently advised to act wisely and promptly. This amendment does not authorize meddling by the Congress. On the other hand, no law can prevent meddling by Congress. It is with the hope that we can take steps now to set up machinery to prevent the ghastly battles between the Congress and the Executive that followed the Versailles Treaty that I urge the House to take this step today.

Mr. BLOOM. Mr. Chairman, will the gentleman yield?

Mr. VORYS of Ohio. Yes.

Mr. BLOOM. The gentleman read from page 14 of the report. I think the gentleman should have started the reading from the fifth line, at the end of the fifth line, with the word "confident"—

> Confident that it is the intent of the Congress as well as the administration that the constitutional procedure pursued since the beginning of our Government shall continue to prevail, your committee stands ready to cooperate in any and every effort to achieve a peace which shall bless us and our descendants.

Mr. VORYS of Ohio. When I read it I said, "among other things." I did not have time to read all of the very interesting and deeply thought over and fought over wording of the section on procedure for determination of benefits, and no Member of this body can fully understand this amendment or the problems that lie in the immediate future, or the part that executive agreements may play, even though traditional methods are used, unless he reads the report. There is also a traditional method of executive agreements authorized by law.

Mr. BLOOM. It is a matter of fact that similar propositions were brought up in the committee to those on page 14 in the report.

Mr. VORYS of Ohio. The reason such great care was taken in drafting this paragraph of the report was that the committee was most anxious to state to the House the present status of this law with reference to the powers and functions of Congress and the Executive, and to restate for the House the assurances from the Executive we had received as to how the law was to be administered.

The CHAIRMAN. The time of the gentleman has expired.

Mr. EBERHARTER. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. Does the gentleman from New York withdraw the point of order?

Mr. BLOOM. Do I have to press it at this time?

The CHAIRMAN. The gentleman may reserve it.

Mr. BLOOM. Well, I have reserved a point of order.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. EBERHARTER].

Mr. EBERHARTER. Mr. Chairman, I rise in opposition to the amendment and I ask unanimous consent to proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. EBERHARTER. Mr. Chairman, I am very much convinced that this is about the most dangerous amendment that could possibly be adopted by the House.

As has been said to the House before, there are 4 types of agreements. The 17 special agreements with the South American countries; the 10 master agreements with our allies; the special agreements made with Great Britain with respect to the maintenance of our troops abroad; and also the agreements with respect to our rights to the patents and processes and secret formulas of the British Government. In addition to that, the waiver of our maritime rights and the waiver of maritime rights by Great Britain.

Let us take up first what effect this amendment would have with respect to the special agreements that have been entered into with the 17 South American countries. In the first place, the final determination of those agreements has been made insofar as what the commitments of this country shall be and the commitments of the South American countries shall be, although the terms of the agreements have not been finally consummated. The agreements are secret and confidential in their nature. The terms of those agreements have not yet been made public. In other words, if a proviso such as is proposed here had been in the act, the Government of the United States could not under any circumstances have entered into binding agreements with any of those 17 South American countries, because the agreements would not have been binding until approved by the Congress of the United States by a concurrent resolution.

So in what position would we be with the South American countries? We would have made no progress whatsoever with respect to getting their cooperation in the defense of our Nation and the Western Hemisphere. That shows you how we would have to act in the future if we adopted this proviso.

Mr. VORYS of Ohio. Will the gentleman yield?

Mr. EBERHARTER. I refuse to yield at this time. The amendment provides that all agreements must have the approval, by concurrent resolution, of the Congress of the United States. Now, everybody knows that it will be absolutely necessary, as we go forward in our march toward victory, to make further agreements. Maybe additional agreements with the South American countries, the Central American countries and even with the countries of Europe and Asia, and they will be secret and confidential. So we would tie the hands of the State Department and the President insofar as negotiations are concerned in making agreements for the future, if we adopt this amendment effective June 3. It would simply hamstring the State Department in developing understandings with other countries.

Insofar as the master agreements are concerned, they are somewhat in the nature of a statement of broad principles, or broad objectives, but there are some commitments made in them with respect to the considerations which will enter into the negotiations. To a certain extent, those master agreements are final commitments, but not in all respects. From the lend-lease operations everybody knows that all of the United Nations are getting some benefits, and the United States expects to get some benefits in return. Maybe in the political field; maybe in the field of international trade and commerce; maybe in the field of security for our own Nation. How are you going to embody those benefits in a resolution to be approved concurrently by the House and Senate?

Many of those benefits will be set forth in treaties that this country will enter into with other countries of the world—with our friends. How can we insert a clause here that the House of Representatives must approve the treaty? It is useless; it is impossible; it is contrary to the Constitution; it would tie the hands of the Chief Executive and the State Department. In addition, it would make every country with whom we were dealing say, "Well, we cannot take a chance on that. We cannot make any agreement with you, or make any final commitment, because it will have to go to

the Congress of the United States. It will become public. We do not know what you are going to do." You would simply tie the hands of the State Department and the President. It may sound nice for the House to have a great deal more authority with respect to treaties, and with respect to holding down the State Department, insofar as making commitments is concerned; but why should we not depend on constitutional processes? Whatever is necessary to be approved by the Senate will be done that way. Whatever legislation is necessary in order for this country to go forward in the field of economic action must of necessity come before the House. By adopting something broad like this proposed amendment we are trying to change the Constitution. Changing the Constitution might not be so bad, but, what is worse, you would simply defeat the purposes of the Lend-Lease Act and throw a direct obstacle in the path of winning this war.

Those South American countries will certainly not make any secret agreements in the future with us if there is any such provision in this act. Take the matter of the special agreements with the countries with respect to the maintenance of our troops overseas. Final agreements have been made on that—practically final determinations in some respects. Those agreements have not been made public. Are you going to say to General Eisenhower in Africa, "You cannot make any final agreement with any regime over there because the Congress will have to approve it?" What position would he be in when he comes to negotiate?

Now, take the agreement with respect to patent rights and with respect to secret formulas and processes and radio information, and all those things, which are confidential with respect to military movements and things like that.

I do not think we want to bring that before the Congress, so far as any agreement is concerned, and discuss it. It would be simply impossible. This amendment sounds nice. You know it would be nice for each Member of Congress to feel: "Well, we took on a little extra authority today; we are going to oversee what the State Department does; we are going to oversee what the military commanders are doing in these foreign fields so they may not do anything wrong; we have taken a little authority back to the Congress of the United States. We are doing a very fine thing." Instead, it seems to me we ought to give a little deeper and more careful consideration to ultimate effects when these catch-phrase amendments are offered; when appeals are made to our vanity that we, the Congress, should control everything, and that this is a democratic form of government or a republican form of government; so why not?

Mr. LUTHER A. JOHNSON. Will the gentleman yield?

Mr. EBERHARTER. With pleasure.

Mr. LUTHER A. JOHNSON. The amendment was carefully considered in the committee, was it not—considered from every angle—and it was deemed unwise not only now but unwise for the future; that it would be impractical to work out and that it would defeat the very purposes of this act in frightening governments from making any agreements? Is not that a fact?

Mr. VORYS of Ohio. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. VORYS of Ohio. I understood that the discussion of the action of a committee in executive session was out of order on the floor of the House.

Mr. LUTHER A. JOHNSON. I merely said the amendment was considered.

Mr. VORYS of Ohio. If the action of the committee in executive session is to be discussed I would want to discuss it, too, but I understand that such discussion is out of order.

The CHAIRMAN. The gentleman from Texas will proceed.

Mr. LUTHER A. JOHNSON. The only thing I said about the committee was that it was carefully considered in the committee and the conclusion now is, as the gentleman has so well stated, that it would be a highly prejudicial amendment in the execution of this law afterward and during the time it is in effect, and also as the gentleman from Pennsylvania has so well stated, it would prevent us from making agreements with reference to carrying or this war, if we add the amendment as part of the law.

Mr. EBERHARTER. The gentleman is absolutely correct. We should not try to include some authority to the House which the House cannot have; we should not take any action that requires final approval by this House of every little agreement that the military want to make or the State Department wants to make or any agency of the United States Government wants to make.

What position would General Eisenhower be in over in Africa if any agreement he made over there with respect to final commitments had to come back to Congress? Again, I say, under the terms of the proposed amendment, he could not enter into any agreement without its coming back here and being discussed, and he would have to wait many, many months, perhaps, before the Congress would act.

Mr. CASE and Mr. VORYS of Ohio rose.

The CHAIRMAN. Does the gentleman from Pennsylvania yield and, if so, to whom?

Mr. EBERHARTER. Mr. Chairman, I yield to the gentleman from Ohio.

Mr. VORYS of Ohio. The gentleman does not want to say that he believes that the language which gives Congress power only over final determination of benefits covers every little agreement that General Eisenhower or the President may make?

Mr. EBERHARTER. Certainly.

Mr. VORYS of Ohio. Is it not perfectly clear that the whole broad field of executive agreement is left intact by this amendment?

Mr. EBERHARTER. General Eisenhower will have to feed French troops over there in Africa, perhaps under lend-lease, yet any final settlement of any agreement he made to that effect would have to have the approval of Congress in the last analysis.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. BLOOM. Mr. Chairman, I withdraw the point of order.

The CHAIRMAN. The point of order is withdrawn.

Mr. EATON rose.

The CHAIRMAN. For what purpose does the gentleman from New Jersey rise?

Mr. EATON. In order to make an observation, I shall have to rise in opposition to this amendment.

The CHAIRMAN. The gentleman from New Jersey is recognized for 5 minutes in opposition to the amendment.

Mr EATON. Mr. Chairman, as a simple layman I humbly apologize for not being equipped intellectually to follow the devious course of these profound legal arguments. I can understand why the lawyers here and the professors turn these amendments over like sweet legalistic morsels; but just as a plain ordinary citizen I should like to record my understanding of the issue before us.

This legislation involves one, and only one, proposal, namely, to extend the operations of the original Lend-Lease Act for 1 year. That is all. Why it should take 2 days of plucking the stars out of the sky and creating dust storms of controversy here I cannot understand.

Mr. LUTHER A. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. EATON. Yes; I yield.

Mr. LUTHER A. JOHNSON. Does not the gentleman believe that this resolution should not be amended?

Mr. EATON. These Democrats have a disconcerting habit of jumping right in ahead of one. Yes; that is the purpose for which I rose to make this statement.

Why can we not now pass this legislation as is and get rid of the thing? I recognize and respect the purpose and patriotism of my colleague the gentleman from Ohio [Mr. VORYS] in offering this amendment. He is a profound student of these questions, and I agree with him in his desire to protect the Constitution of the United States and the security of our people in this and every other way. But this bill is a simple matter. It can be disposed of by rational beings in a short time. Then these profound problems, constitutional and economic, that are raised by these proposed amendments—and there are many of them pending—can be, and ought to be, taken up as separate legislation and handled on their own merits and discussed upon grounds that inhere in such legislation itself. For this reason I want to go on record as hoping that there will be no amendments to this resolution; that we shall pass it now and not bog it down in a maze of complicated procedure.

Mr. DEWEY. Mr. Chairman, I move to strike out the last word, and I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois [Mr. DEWEY]?

Mr. BLOOM. Will the gentleman yield?

The CHAIRMAN. Does the gentleman from Illinois [Mr. DEWEY] yield to the gentleman from New York [Mr. BLOOM]?

Mr. BLOOM. I want to try to arrange for time on this amendment.

Mr. DEWEY. It will not be taken out of my time?

The CHAIRMAN. The gentleman from Illinois has been recognized for 5 minutes.

Mr. DEWEY. Mr. Chairman, I asked unanimous consent to have 5 additional minutes.

Mr. BLOOM. Mr. Chairman, I object.

Mr. DEWEY. Mr. Chairman, I particularly regret that the distinguished chairman of the Committee on Foreign Affairs will not permit me to proceed for 5 additional minutes as I contemplated.

Mr. BLOOM. Will the gentleman yield? I asked the gentleman from Illinois if he would yield to me a half minute so that I could make a request as to time.

Mr. DEWEY. I yield to the gentleman.

Mr. BLOOM. And the gentleman from Illinois refused. That is why I did.

Mr. DEWEY. I yield to the gentleman now.

Mr. BLOOM. Mr. Chairman, I do not object to the gentleman's speaking 10 minutes or 15 minutes or a half hour as far as that is concerned, but I want to see if we cannot arrange a definite amount of time to be consumed for debate on this amendment.

The CHAIRMAN. Does the gentleman from Illinois yield?

Mr. DEWEY. I yield to the gentleman from New York.

Mr. BLOOM. May I ask the leader of the minority if we can agree on time for this amendment? Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 30 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York [Mr. BLOOM]?

Miss SUMNER of Illinois and Mr. DIRKSEN objected.

Mr. BLOOM. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 45 minutes.

Mr. DIRKSEN. I object, Mr. Chairman.

Mr. BLOOM. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close in 45 minutes.

Mr. CASE. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. CASE. Did the gentleman from Illinois yield for that purpose?

The CHAIRMAN. The gentleman from Illinois yielded to the gentleman from New York.

Mr. CASE. He yielded for a unanimous-consent request, as I understood it.

Mr. BLOOM. Mr. Chairman, I am informed that inasmuch as I asked the gentleman to yield for a unanimous-consent request I should not have made that motion at this time, so I withdraw it.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. DEWEY. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I think the orderly thing to do is to let the gentleman from Illinois proceed, inasmuch as his time is running, and then at the conclusion of his remarks see if we can work out some agreement as to time for debate on this amendment.

Mr. Chairman, I ask unanimous consent that the gentleman from Illinois be permitted to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. DEWEY. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes inasmuch as 2 minutes of my time has already been consumed.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DEWEY. Mr. Chairman, the subject of my address may at first appear not germane to the consideration of the extension of the Lend-Lease Act, but if my distinguished colleagues will bear with me for a few moments, I believe they will agree that there is a close connection between the operations of lend-lease and that period of world reconstruction which will follow our victory.

While not a member of the so-called debt-funding commission which by act of Congress reconsidered and drafted plans for the refunding of the debts of our former allies growing out of the First World War, yet as Assistant Secretary of the Treasury, I sat in attendance at many of their meetings and became quite familiar with the history of the debts themselves and their disposition.

I should like to recall to your memory something of the financial history of our country during these First World War days. In the first place, the gross public debt of the United States on June 30, 1917, only two months and one-half after we ourselves entered the war, amounted to but $2,975,000,000, and until March 1913, when the income-tax system was first put into operation, our fellow citizens had been subjected to no taxes except those imposed by the tariff acts and a few excise taxes on liquor, playing cards, and tobacco. In the next 2 years that followed, two great changes occurred. In the first place, our public debt increased to the sum of $25,000,000,000 on June 30, 1919, and we became one of the great creditor nations of the earth. Further, under the revenue bill of 1918 the top brackets of the personal income tax were over 75 percent and hundreds of excise taxes had been added, and our people for the first time became tax conscious.

The history of that period parallels quite closely the period through which we are now passing. The so-called war debts of the First World War, brought into being by our extension of credit for war materials for our allies, can be compared to lend-lease operations, and while taxes have been on the increase for the last 10 years, yet it was only the 1942 act that has reached almost all of our citizens. Hence, I think that we may reasonably anticipate the same reaction among our fellow citizens after the coming victory that occurred after our victory in the First World War. It is this similar reaction that we must forfend against by careful thought and planning at the present time.

Again to revert to history, you will recall President Wilson's 14 points and that controversial and toothless organization, the League of Nations.

Mr. Wilson's 14 points and the League of Nations were devised to insure those same world-wide aspirations as the "four freedoms." I cannot help but believe that the American public's repudiation of further international cooperation after the First World War, and the achievement of the ideals for which that war was fought, was due to the lack of the existence of a practical and understandable approach to the solution of the post-war problems.

Today, guided by this knowledge and experience, it behooves us to begin now to give some thought and study that we may not fall again into the same errors. I think of two of the "four freedoms"—freedom from want and freedom from fear. We are fighting to achieve these. Once achieved we have the duty to take practical steps for their maintenance, lest the public again repudiate their own achievements because they have not been made practical and real.

These two emotions, fear and want, were brought forcibly to the American public by the persecution of the Jewish people in Germany by Hitler and persecutions of other minorities. Their plight engaged my attention in 1937 and I attempted a practical solution of the problem through a bank of international cooperation. I was familiar with the situation that then surrounded the First World War debt, all of which had been defaulted, due to the impossibility of the debtor nations obtaining sufficient foreign exchange with which to purchase dollars to make payment on account of principal and interest of the loans, which at that time amounted to about $10,000,000,000. As the debts appeared uncollectible I conceived the idea of making a composition of them by which 90 percent would be more or less forgiven and the balance of 10 percent be paid in the currencies of the debtor countries as a capital of the bank.

In view of our forgiveness of 90 percent of the debts, the debtor nations in purchasing their stock in the bank would turn over 51 percent of their shares to the United States Government and retain for their own account 49 percent. This bank then, with the capital of $1,000,000,000 and with the right to sell its debentures in the markets of the world, would have been in the position to grant long-term credits for the opening of new territories throughout the world in which the persecuted people might find a new

home and an opportunity to restart their life with a hope of achieving, at least in part, the two ideals of freedom from want and freedom from fear. At the time the plan was introduced at a round table at the Brookings Institution and considerable interest was exhibited in it from various places; but, unfortunately, the drums of this war commenced to sound in the year 1938 before anything concrete could be accomplished and the plan for the moment had to be set aside.

On February 17 of this year I appeared before the important Committee on Foreign Affairs of the House of Representatives and presented to my distinguished colleagues of that committee a revised plan for this bank of international cooperation. This new bank has the same conceptions and ideals—that of implementing in a practical and understandable way two of the "four freedoms" of our declared objectives—freedom from want and freedom from fear. We cannot, however, any longer use the debts of the First World War as a means of obtaining our capital. They are snowed under with too many other layers of more recent indebtedness. A lesson we have learned from the present conflict is the importance of critical materials. It is to these I look to supply our capital.

The United States is possessed of about three-fourths of the total world supply of one commodity for which, in the settlement of international balances between countries, no substitute of equal worth has ever been found. This commodity is gold and will always be one of the critical materials. The other commodities which have proven to be critical materials are most numerous and are found throughout the nations of the world. For example I mention but a few—tin, quinine, and manganese ore. These critical materials, including our gold, shall represent the purchase price of the capital of the new bank of international cooperation.

Now let us consider for a moment what will be the purpose and duty of this bank once established. In the first place, the United States Government will pay in its share from its gold hoard, and this metal will hence be put back into international circulation. For those persons who fear that gold will never again take its place in the settlement of international balances, may I recall the effort made on the part of Hitler and Herr Dr. Schacht, president of the German Reichsbank, to obtain control of the gold stock of every nation the German Army has invaded. Schacht well knew that despite his policy of international barter in trade, the world at large could absorb only a certain quantity of German mouth organs and cheap cameras when the point of saturation would be reached, and the sellers of the things that Germany wanted would not dispose of them except for gold. The bank of international cooperation must be supplied with this metal with which to make loans that the wheels of international trade may again be put in motion.

For those of the United Nations who have long since been bereft of their gold holdings, there remains the power to purchase shares in the bank of international cooperation by the delivery of accepted critical materials which will be stock-piled in the United States, where the bank must also be located. I even go so far as to believe that the stock control should be in the possession of the United States Government. Once the capital-stock purchases have been completed, this institution, being possessed of gold and critical materials, will be in a position to grant long-term loans for post-war reconstruction purposes, and out of the large supply of critical materials under its control will be able to regulate the price and the purposes for which the critical materials will be used.

It is my firm belief that, had there been control of nickel, tungsten, chromite, and manganese during the past few years, neither Germany, Japan, nor Italy would have been able to build up the secret armament that confronted the United Nations at the outbreak of the war.

It is my conception that the bank of international cooperation would serve to guarantee and to make real at least two of the four freedoms, freedom from want, by extending credit with which the tools of work may be provided; and freedom from fear, by control of critical materials that henceforth they may be used for the purposes of industry and the arts and not converted secretly for the preparation of another war.

The question naturally arises as to the nature of the organization of such a bank. It is my conception that it should be kept as far from political influence as possible; and while the capital stock of the bank will be owned by the Governments of the various United Nations, yet the purposes and policies of the bank should be directed in the first instance toward world rehabilitation and to the establishment, as a result of world rehabilitation, of the flow of international trade. To achieve this, it would be advisable to have a policy board of directors chosen by each nation from among its own nationals who might be classified as world citizens. The test of a world citizen is one who has reached such a point of public recognition in his own profession as to be above selfish and local prejudices. This policy board would devise programs for the purposes of rehabilitation as outlined above.

A second board of administration should be composed of technicians, men who have had experience in international trade, the making of international contracts, and in foreign exchange. In other words, once a policy was laid out, the technical board would supervise its being put into effect along sound and established lines of procedure, and they would have the further duty, due to the use of the loaning facilities of the bank, of stabilizing foreign currencies.

When I appeared before the Committee on Foreign Affairs, one of the distinguished members interrogated me as to the practicability of operating such a bank without some form of international government to which it might turn in case of controversy. I would suppose that as a result of the peace there will be some form of international policing of the world, but aside from that I would like to recall that during the period following the first World War the stabilization of currencies and the rehabilitation of devastated countries was attempted, and indeed quite successfully, through the agencies of the central banks of issue of the several nations of the world. As a matter of fact, there even exists today the Bank of International Settlement at Basle, Switzerland, which attempted through its operation and the extension of gold credits to stabilize currencies. Stabilization loans were also made for rehabilitation purposes through the united efforts of the central banks of issue. There was much cooperation between the heads of these banks and complete trust and understanding existed.

The results of all this semi-informal cooperation were extensive and much can be learned from their experiences, but I believe that had they all been brought together in one international banking organization, such as I propose, their efforts might have been crowned with greater success and they might have had a greater influence in preventing the secret armament of the Axis Powers by prohibiting the use of critical materials for armament purposes.

In the brief period I have at my disposition I can go no further than draw the picture of the bank of international cooperation in very broad strokes, but I think that it is germane to the subject of lease-lend and most worthy of consideration at this time.

In order that study may be given to this subject and other subjects of kindred nature that pertain to the rehabilitation period that must face us, I have offered House Resolution 143, which has been referred to the Committee on Rules. This resolution creates a special committee to be known as the Committee on Post-War Economic Reconstruction, to be composed of 14 Members of the House to be appointed by the Speaker. It shall be the duty of this committee to investigate all matters relating to post-war economic problems, to gather information, plans, and suggestions with respect to such problems and to report to the Congress from time to time the results of the findings made.

I believe that it will be found upon detailed study that such an organization as the bank of international cooperation might be the vehicle through which opportunity would be provided, in the larger sense, for returning soldiers to go back to work and to receive the tools with which to start their endeavors. I think that such a bank might provide the loans out of which new territories throughout the world could be opened up for settlement and development. This bank would in no way attempt to supersede or compete with domestic commercial banks. It would open roads that would be too hazardous for private capital to travel until they had been firmly established. In fact, I think a bank of international cooperation can be the solid, practical foundation for the maintenance of at least two of the "four freedoms"—freedom from want and freedom from fear.

I would like to say in closing that I am in favor of the pending bill to extend the Lease-Lend Act for another year and trust it will have the unanimous approval of this House.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. DEWEY. I yield to the gentleman from Michigan.

Mr. MICHENER. I understood the gentleman from Illinois to state that the purpose of this lease-lend bill is to implement the "four freedoms." My thought is that the purpose of the lease-lend bill is to assist in the winning of the war.

Mr. DEWEY. The war is being fought to achieve the "four freedoms." That is my general idea. I may have misstated it.

Mr. MICHENER. The "four freedoms" is the objective but I do not think that the Congress thinks today it is voting for legislation to implement the "four freedoms" down through the years.

Mr. DEWEY. Mr. Chairman, I agree with the gentleman and I am very glad he raised that point, because I may have given a misconception, but I believe that part of the fighting of this war is at least to achieve the "four freedoms" and if we let the whole thing drop immediately afterward, we would repudiate our own achievements.

Miss SUMNER of Illinois. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think that our leaders are giving foreign nations a dangerously false impression of the way Americans feel about foreign policy. They remind me of a man my grandfather had who drank too much. Driving my grandfather's carriage through town one day, he waved and shouted to everybody he saw: "Hey there, Bill. Hi! Hi!" My grandfather leaned over and said: "Shut up, Dick. They know you're drunk and they'll think I am too."

It is practically impossible for Americans to feel any lasting prejudice towards the people of any foreign nation, because America is an agglutination of foreign nations all scrambled together and intermarried. Americans look forward to the day, we hope in the near future, when present murderous conflicts may be forgotten like family feuds and all nations may live as peacefully together as the children of many nations and races live together in the streets of our American towns.

War may not be the way to hasten that happy day. Still we feel that, being in it, we must win this war because we dare not let peace be dictated to us by those who seize what does not belong to them. Meanwhile, we send aid to those who are endeavoring to defend their homelands. We have our own war in the Pacific, but we have been persuaded that it is to the interest of America to aid in other wars. We were grateful for money, guns, and soldiers received from foreign countries when our own country was the battleground in 1776 and 1812 and shall be pleased if foreign nations remember the aid we give them today with the same kindly feeling toward us.

We hope that foreign nations understand that it is part of the American system to try to make our leaders do what we want by standing up in public and saying what we think. Often in the heat of the argument we may say things which sound unfriendly to foreign nations but are not intended to be unfriendly. American leaders, talking for political purposes, state that America has been selfish and uncooperative with foreign nations in the past. Such talk is nonsense, as our history books prove. Again, in an effort to further their designs, they talk communistically, saying to foreign nations, "Everything America has is yours." That is equally ridiculous, of course. Most Americans still believe in private property, still believe that private ownership is the hare that makes the hounds go. Besides, charity given by us involuntarily through Government seems to take us nearer to the poorhouse than to heaven.

Thus, the irritating things we say about foreign policy are usually not directed at foreign nations but at our own leaders. Leaders of other nations, we notice, are invariably patriotic, even chauvinistic, in their effort to help their own countries, an attitude we do not disapprove in them. We, on the other hand, seem often to have the bad luck of having leaders who seek to show off and make other countries think that we are richer than we are, creating the illusion that money grows on trees in America, so that naturally foreign nations think that we are rich enough to do more for them than we are able to do, more than they would do for us, under the same circumstances.

We are not really rich yet. America has millions of extremely poor people and relatively few rich ones, though, being proud, we dislike to admit that before foreign nations. One trouble seems to be that, while we have laws and criminal penalties protecting our citizens from private trustees who waste their money, there is nothing in our law to protect the mass of citizens against spendthrifts of money which does not belong to them who find their way into appointive or elective public office, even into Congress—yes, even into the White House. We have not yet learned how to encourage our ablest men to serve in public office. We turn the rascals out at elections and repudiate their acts when and if they come to light. That is the only punishment or remedy present laws provide.

We know that this belated, rather ineffective method of checking our public servants baffles other countries having dealings with us. It may be embarrassing to them again after this war, as after the last, because it is quite likely that if Americans find that their leaders have willfully made commitments, concessions, or donations to foreign nations not reasonably necessary to win the war, leaders will be turned out and their acts repudiated.

You may rely upon it that Americans will never knowingly tolerate nor ratify any acts under lend-lease authority which may turn out to have been done merely for the purpose of being a good fellow or to elect a fourth-term President or a first president of the united nations of the world. It may take some time to find out and repudiate. We could walk down Main Street and notice how W. P. A. money was being used to win elections. We cannot see how lend-lease money is being spent, for it is being spent far away in other lands where we cannot see it.

Foreign nations should not permit themselves to be misled by the oratory of present American leaders. I suggest to foreign leaders that it is a good idea to test any peace terms that may be suggested not so much by what present leaders may say as by the measuring rod of whether you would consider such a treaty fair to America if you were an average American citizen. Better think up a peace which will be as inexpensive as possible. Remember "Uncle Joe" Cannon, who perhaps expressed America better than anybody, indicted the League of Nations when he hinted it might become a "league of appropriations."

It is also a good idea for people of other countries to remember that, while present leaders may not last long as leaders, the character of the American people changes little from generation to generation. Though proud and independent, it is a just and Christian character. America should be a good friend to try to keep, thanks not so much to any American political leader or party—we have never gotten round to cleaning up our politics—but to the energy, determination, and inherited ambition of the great mass of individual Americans, making it certain that we can and will press on to a higher stage of civilization. We want other nations to go hand in hand with us. We may repudiate radical treaties cooked up virtually overnight the way we did the League of Nations, but gradually—most good things come gradually, and we are still an extremely young nation—we will succeed in earning—notice I do not say "buying," "stealing," "forcing," nor "bribing", I say "earning"—the complete respect and confidence of the entire world.

Mr. BLOOM. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 45 minutes.

Mr. MUNDT. Mr. Chairman, I reserve the right to object. I have counted 16 Members on their feet, and that would be a little less than 4 minutes for each individual.

Mr. BLOOM. Mr. Chairman, make it 1 hour.

The CHAIRMAN. The gentleman from New York asks unanimous consent that all debate on this amendment and all amendments thereto close in 1 hour. Is there objection?

There was no objection.

Mr. LUTHER A. JOHNSON rose.

The CHAIRMAN. The Chair recognizes the gentleman from Texas, a member of the committee.

Mr. EBERHARTER. Mr. Chairman, will the gentleman yield there?

Mr. LUTHER A. JOHNSON. Yes.

Mr. EBERHARTER. Mr. Chairman, a few minutes ago, the gentleman from Michigan [Mr. CRAWFORD] made the suggestion that perhaps the 17 agreements with South American countries were kept secret and confidential because of jealousies that may exist among the South American countries. Let me say for the information and benefit of the House, that is not the reason that those agreements are kept secret. The South American countries are all joined harmoniously in this united effort. The main reason the agreements are kept secret is the fact that they contain specific commitments, specific provisos, with respect to military installations, naval installations, airbase installations, and that I submit is a very good reason for keeping those agreements secret.

Mr. LUTHER A. JOHNSON. I thank the gentleman for his accurate and correct statement about that matter.

Mr. KEEFE. Mr. Chairman, will the gentleman yield further?

Mr. LUTHER A. JOHNSON. I would rather make my own speech.

Mr. KEEFE. If the gentleman would give us a little more information than we have received up to date, I would like to listen to him.

Mr. LUTHER A. JOHNSON. I am not going to speak upon the matter referred to by the gentleman from Pennsylvania [Mr. EBERHARTER]. I am going to talk along another line.

Mr. KEEFE. I hope the gentleman will talk on this amendment, so that we may know what it means.

Mr. LUTHFR A. JOHNSON. Mr. Chairman, I rise to support the position taken here and so well expressed by the distinguished gentleman from New Jersey [Mr. EATON], the ranking minority member of the Committee on Foreign Affairs, in asking that the House reject all amendments offered to this bill. That was the conclusion reached by the Foreign Affairs Committee which considered the amendments, and I think it is the part of wisdom now that no amendments should be adopted. There are two reasons for this, but the primary reason is this, that this bill is merely to extend for 1 year a law which has been upon the statute books for 2 years, a law under which agreements have been made, contracts have been made, commitments have been made, and rights have become fixed and vested between our country and other countries of the world. So, it would be highly improper for us now in the middle of the administration of this law, after we have been carrying on under it for 2 years, to stop and make changes in its terms and provisions which might affect agreements heretofore made, and which would affect agreements hereafter made.

Mr. EATON. Mr. Chairman, will the gentleman yield?

Mr. LUTHER A. JOHNSON. Yes.

Mr. EATON. I would like to have it distinctly understood, Mr. Chairman, that I have absolutely no objection to any of these amendments in and of themselves, but I feel that this one simple bill, if we surround it by a great number of very important and fundamental amendments, will not be strong enough to stand the strain, to hold the bundle together.

Mr. LUTHER A. JOHNSON. The gentleman is right, and that was the considered judgment of the committee, and I think when you stop to reflect that it is a one-section bill to extend for 1 year a law we have been operating under, that to change its provisions or terms now with reference to contracts or agreements heretofore made, we can well realize what the effect might be. Again, we have now the confidence of our allies, with whom we are fighting, but there is always a question that might be raised in their minds as to whether or not we would carry on, as to whether or not our policy is subject to change or is fixed, and if we should at this time adopt this amendment and say that we have to go back to Congress to have it pass on what has been done, it puts up a signal to cur allies which may cause them to lose faith in the fact that the Congress is standing back of the Administration in carrying on this war, and it would make it more difficult to negotiate agreements. I think it would be exceedingly unwise to adopt any amendment, and especially unwise to adopt the amendment now pending.

Mr. CASE. Mr. Chairman, will the gentleman yield?

Mr. LUTHER A. JOHNSON. Yes.

Mr. CASE. To get a little information: Is it true that some of these other countries with whom these agreements are being made must on their part submit the agreements to their legislative assemblies?

Mr. LUTHER A. JOHNSON. I never heard of it.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. GIFFORD. Mr. Chairman, I became very much interested in this amendment yesterday. It would be easy for me to vote for a lend-lease bill without amendment. I am rather enthusiastically for it. But why becloud the issue? Does not the preamble of the master agreement imply that no final determination shall be made until after the full extent of our leand-lease is known? That is the way it reads. This amendment would have nothing to do with temporary arrangements. It refers only to definite agreements of a permanent nature. It can do no harm, but it might do a little good in protecting the rights and duties of Congress in the way of a warning to enthusiastic persons in high places. After the last war other nations learned that our Executive had overreached his powers. Hitler later said, "After 1919 the word of the President of the United States counts for no more than precisely nothing." He had learned that the United States Congress had to assent. The Congress will have to approve any definite agreements after this war. This amendment seems harmless, except that perhaps it might give other nations a little more reason to believe that the permanent commitments must be ratified by this body.

The master agreement under article 7 is something to maks us rather nervous. It recites that in these definite agreements there will be free flow of commerce and tariff reductions. It would appear that the United States is already bound by this master agreement. We have not yet ratified that charter. I recall that after the last war when other nations were asked to pay, they answered, "We will furnish you labor." We replied, "No, we have immigration laws. We do not want your labor." They said, "We will send you goods." We replied, "No. We wish to manufacture our own goods. What we want is gold." Those nations had no gold.

The recitation in article 7 seems to be based on the determination to take labor and goods in return for lend-lease. We want no definite agreements made now—no agreements of a permanent nature now. The amendment simply limits the resolution to permanent agreements. We can hardly visualize now what would be a proper final settlement. Other nations are very reticent. Russia may even send us a bill. This is a United Nations war. If we are all to share equitably and afterward determine how much each nation has contributed, Russia might well say, "We lost more in lives and treasure. We put in vastly more than you." Instead of being a creditor we may actually be a debtor to Russia in the final determination.

I want no agreements made by those in power at the moment which will lead other nations to believe them to be of a permanent nature unless the Congress has ratified them. This amendment takes care of that.

Mr. WADSWORTH. Will the gentleman yield?

Mr. GIFFORD. Yes; I yield.

Mr. WADSWORTH. Does not the gentleman distinguish between the master agreement and the lend-lease agreement?

Mr. GIFFORD. I am following the report of the committee. I do not know that I am fully able to distinguish. This amendment refers to the master agreement.

Mr. WADSWORTH. The preamble which the gentleman read is the preamble of the master agreement. It does not touch the ordinary lend-lease agreements. Some of them may be final in character.

Mr. GIFFORD. And perhaps do not need to be ratified. I read the gentleman's speech of yesterday, but I fear he did not inform us as to that.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. LYNCH. Mr. Chairman, I move to strike out the last four words.

Mr. Chairman, I was about to offer an amendment to subsection 5, section 3, by adding the following:

> Any defense article so exported shall be insured against loss in an insurance carrier organized and existing under the laws of the United States or any political subdivision thereof, or domiciled in the United States; and the loss, if any, shall be payable to the United States Treasury in United States currency.

Let me say first I shall not offer the amendment because I have been dis-

suaded to do so by the chairman of the committee, who feels that the purpose of my amendment may be worked out by regulation rather than by legislation. If that is not done, or cannot be done, then I will offer a bill later upon which the Chairman has promised me a prompt hearing, which will, I hope, accomplish my purpose.

Presently the British Minister of Food and Supply insures all food supplies that are sent from the United States to Great Britain and to other parts of the world under lend-lease, in British insurance companies, payable in British pounds sterling, so that when any loss does occur, although the cost of the premium is charged up in a bookkeeping transaction between the two countries, that loss cannot be paid to the United States, or to the agency that may have the ownership of those foodstuffs, because the money being paid in pounds sterling cannot be remitted to the United States. It seems to me that in view of all the aid that is being given to foreign countries, it is proper that the Administrator of Lend-Lease should see to it that this insurance of lend-lease material is placed with American companies. Up to December 31 of this past year this business amounted to something like $21,000,000 in premiums alone, and in this year 1943 it is estimated that the premiums will run to approximately $80,000,000 or more.

That means a big loss of business not only to American insurance companies, but it means a big loss in dividends to the stockholders and eventually in taxes to the United States Treasury. This is no time to divert business from the United States.

It seems strange that other agencies like the Metal Reserves Company, Commodity Credit Corporation, and other governmental agencies should bring their purchases of defense articles into the United States covered by insurance in American companies and as soon as these defense articles arrive in this country and are allocated to foreign countries under lend-lease, the American insurance should be canceled and new insurance placed with British companies, the loss payable in British pounds sterling, so that the money cannot come back to the United States until after the war is over. Even those shipments that are made to Brazil or South American countries under lend-lease are insured in British companies. This does not seem right to me and therefore I hope that either through regulation or legislation, if necessary, this situation will be corrected.

The CHAIRMAN. The time of the gentleman from New York has expired.

The gentleman from Wisconsin [Mr. KEEFE] is recognized for 4 minutes.

Mr. KEEFE. Mr. Chairman, we have been here discussing this bill for 2 days, and on the very first amendment offered by the distinguished gentleman from Ohio [Mr. VORYS] we find him making one statement as to the effect of his amendment and we find the gentleman from Pennsylvania [Mr. EBERHARTER] standing here and making a diametrically opposite statement as to the effect of this amendment. Then after these two gentlemen have discussed the merits of the amendment we find the distinguished ranking minority member of this committee, making a speech which does not bear upon the merits of the amendment at all but saying that we have got to shush-shush and shoot this through because somebody might be offended unless this bill were passed exactly as written. He is followed by the distinguished majority Member, the gentleman from Texas [Mr. LUTHER A. JOHNSON], who tells us substantially the same thing.

I heard the speeches made yesterday. Man after man on the floor of this House was trying to get information, but nobody on this committee seemed to be able to give the Members of this House authoritative information as to the facts with reference to lend-lease; yet as Members of Congress we must have this bill jammed down our throats without even an opportunity to offer an amendment that meets the wishes of the people of this country.

I want to say to the gentleman from Ohio who offered this amendment that I would like to ask a question but do not appear to be able to get an answer from the experts now on the floor. As I have understood the legislation, or rather the diplomatic processes of negotiating reciprocal trade agreements, they write those agreements and they are not approved by the Senate. Now, then, as to those agreements: They are not unilateral, they are bilateral agreements and when it comes to the action of a South American country its legislative assembly has to pass upon them. That is as I understood the lease-lend arrangements. The question is simple: The gentleman's amendment proposes that the Congress by concurrent resolution pass not upon the final benefits in these little temporary agreements, but the final benefits that are to be achieved under this lease-lend aid. They say: "Oh, the Congress should not have anything to do with that." Oh, no; this great committee has passed on it, or a majority of them—shush-shush, do not say anything about it, somebody is likely to be annoyed. Rush into this thing blindly and leave it entirely to this committee—leave it to the President. Congress should not know anything about it; no. This amendment refers to the final agreements. Is not that right?

Mr. VORYS of Ohio. The gentleman has stated it very accurately.

Mr. KEEFE. Now, one other question; see if we can get it accurately: In the South American countries with whom these temporary agreements have been negotiated, are the agreements subject to ratification or approval of the legislative assembly of the country in question?

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. VORYS of Ohio. The report shows that many final agreements may be in the form of treaties, may be other actions that require action by Congress; but the report shows that they are saving out one kind of final agreement that should not have such action, and it is that one I am trying to get at.

Mr. KEEFE. All right; that does not answer the question. Before this debate closes I should like to ask someone to answer the simple question: Is the other party to one of these agreements required to have legislative approval?

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

The gentleman from North Dakota [Mr. BURDICK] is recognized for 4 minutes.

Mr. BURDICK. Mr. Chairman, during the debate on this bill many unwise statements have been made. The trouble here in Congress seems to be that the Members think out loud. On reflection, some things that have been said would not have been said.

During the critical period of this war, it is absolute nonsense to leave the war and gather around the peace table. It might be a source of news to say that we haven't yet won the war. When—during the past month—action on all fronts has shown the mettle of our own soldiers and those of our allies and that they have the enemy on the run, we start in deliberately to determine what each shall have when the war is over.

This debate on the continuation of lease-lend is nothing but a formal show, because the great overwhelming sentiment here is to extend our aid. As long as we are in this war we shall have to give what we have, and I—for one—would much rather give in money and materials than in the lives of our best manhood. One of our closest friends and allies is China where there are millions of men without fighting equipment. If we can get that aid to China, we can save the lives of a million men from this country. The problem of setting Japan back where she belongs will be comparatively easy if we can give China what she needs in planes and guns. We can, of course, take the other course of saving the money we might give China and undertake a "bushwhacker's" war, which will take years to drive the Japs back where they belong. In the meantime, no one can calculate the lives we shall lose.

This same situation applies to England. The tremendous amount of financial aid we have given England has enabled her to get ready to fight. And the Eighth Army has demonstrated that when it is ready it can fight.

The same applies to Russia. Russia is with us and we are with Russia to drive out and wipe out the power of the Axis. We have given much to Russia and we ought to give much more, and cease jeopardizing the whole program by suppositions as to what Russia wants out of the war, or because we think Stalin has not told the Russian people enough about our help.

What difference does it make whether Stalin has told them enough or whether he has told his people anything. We are at war and the Russians have fought brilliantly and we must give them what help we can in every way we can. We must treat Russia just exactly as we

would want her to treat us regardless of whether Russia follows the Golden Rule or not. We can keep our own consciences clear and that is the most important thing to us.

Much criticism was turned loose because Stalin did not attend the Casablanca conference. Will someone please step up and explain how he could when everyone knew his operating agreement with Japan? Under that agreement with Japan, Russia is getting all the foodstuffs she can obtain on our west coast, and this food is shipped to Russia unmolested by Japan. Anything that is not strictly a war machine is permitted to pass. Suppose Stalin had attended this meeting which, in its course, outlined a plan to clean up Japan. Just what position would he have placed himself in? Stalin did the right thing in terms of existing war in keeping clear out of this meeting, and I think Mr. Roosevelt and Mr. Churchill were perfectly satisfied with the situation.

Russia is doing enough in fighting Germany without inviting Japan to take a hand and attack her from the rear.

The world watches this Congress and the things said here are important to the cause of freedom. The world watches the statements made by our leaders out of Congress, and, therefore, all should weigh carefully what they say before they say it rather than do the weighing afterward.

The CHAIRMAN. The gentleman from Illinois [Mr. DAY] is recognized for 4 minutes.

Mr. DAY. Mr. Chairman, I think we shall all agree that much as we have our heart and soul in winning this war and giving it everything we have, we must also have equally in our hearts the determination to preserve at all times intact the Constitution of the United States. It is with this in mind that I believe we should compliment the minority members of the Foreign Affairs Committee who under pressure, who under exhortation to say nothing and to accept everything—I want to compliment them that they have tried to preserve the constitutional processes in what they did in the hearings before the Foreign Affairs Committee. The State Department sent to that committee Mr. Acheson and in his testimony, which is found on page 81 of the hearings, he emphasizes the fact that this lend-lease has a twofold aspect. He stated:

> Our foreign policy has two basic objectives—to help in winning the war and prepare for an enduring peace.

I have heard no objection to the parts of the bill that are for the winning of the war, but I believe that it is shortsighted for anyone to come here and try to challenge us and say that we have no right as the great legislative branch of this Government, either House or Senate, to exercise the prerogatives which were given to us by the Constitution of the United States.

Mr. Chairman, as the Members consider the amendment now pending before the House, introduced by the gentleman from Ohio [Mr. VORYS], I ask them to consider it in the constructive aspect in which it is offered. He is not questioning the wisdom of helping the war effort, he is not meticulously trying to question any agreements that may have been made up to this time, but when we have already authorized over $60,000,000,000 for lend-lease he simply has in effect made the statement that in the future commitments and in the final shaping of the binding force of all of this upon the people of the United States who live here and their children to follow, let us consult the legislative branch of the Government, let us have a chance to shape the final form of these things. And in that regard I want to call to your attention that on several pages of the RECORD the gentleman from Illinois [Mr. CHIPERFIELD] asked Mr. Acheson, particularly on page 101 of the hearings, this question, and Mr. Acheson assured him this would have to go before the Congress. The gentleman from South Dakota [Mr. MUNDT] on page 120 of the hearings had the same affirmation. The gentleman from Michigan [Mr. JONKMAN] on page 125 of the hearings had the same assurances. In each and every case the State Department said there would have to be a consultation with the Congress of the United States.

Mr. Churchill has said, and I admire him as a great Englishman for having said it:

> I am not here as the first King's Prime Minister to liquidate the British Empire.

I do not believe there is a single Member of this House, who has sworn to protect the Constitution, here to liquidate the Constitution of the United States.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from South Dakota [Mr. MUNDT].

Mr. MUNDT. Mr. Chairman, it seems to me that this amendment goes to the very heart of the question as to whether this Congress is sincere and courageous in its heralded desire to take unto itself its rightful position as a coordinate branch of government. That fundamentally is the question which we face today, the question of whether we are going to assert ourselves as a legislative branch of the Government and write into this law prerogatives which are rightfully ours, or whether we are going to nullify our brave declarations made to the folks back home about not being rubber stamps, and about being here to represent the people, by turning down the first opportunity presented to us today to reserve to the Congress rights which actually belong to it.

Mr. Chairman, I am surprised at the strange philosophy enunciated by the ranking majority and minority members of the Committee on Foreign Affairs when they tell us that we should not even take time to consider any amendment of any kind to this legislation. They tell you that the thing to do is to pass this legislation as it is now written and that you should not amend it when you can, but, after you do pass it, come back here and seek to amend it when you cannot get to it any more. Certainly, if we are going to have a legislative branch of government we should be energetic enough and devoted enough to consider amendments to all legislation at the time such legislation is before us and to accept or reject them on the basis of merit and not as a collective set of rubber stamps disapprove in the dark amendments which we have not even heard read.

I have no amendment to offer, but I hope that those who do have them will stand upon their congressional feet and offer them and not be beguiled by the siren call of the gentleman from New Jersey and the gentleman from Texas that you should not even consider amending this legislation. We are not enacting the Bible into law here today. We are not asked to pass upon Holy Writ. If anyone has a constructive idea for the improvement of lend-lease he has a right to be heard. This House then has the right, the power, and the good judgment to approve or disapprove of such amendment.

Mr. Chairman, I am going to support this bill because I think lend-lease is necessary to our war effort. I also believe that it can be improved by the adoption of the amendment offered by the gentleman from Ohio [Mr. VORYS], because that amendment writes into law what we have been told unofficially by representatives of the State Department, who say that the Congress should and will be included in the final settlement. We have their word for that at page 120 of the hearings and at other places. This amendment writes that prediction into the law. This amendment makes it positive. This amendment says that final settlements made under article VII with its vast powers of final determination must be concurred in by joint resolution of the Congress.

Let me say to you Members of Congress who may feel that you should vote against this amendment for partisan reasons, that if you disapprove of it, at no later time can you go back to your constitutents and complain then, if in the final settlement, labor or agriculture or business in your districts has been ignored or its rights have been seriously handicapped, because you will have approved in advance by your defeat of this amendment anything which can be put into article VII in terms of final settlement and made to appear valid without the consent and approval of Congress.

Mr. WIGGLESWORTH. Will the gentleman yield?

Mr. MUNDT. I yield to the gentleman from Massachusetts.

Mr. WIGGLESWORTH. Does not the gentleman feel, in the absence of the amendment now under consideration, that it may be well argued in the future that Congress has already delegated to the Chief Executive full power to conclude these final arrangements by executive agreement and that the Congress is therefore precluded from any part in those agreements?

Mr. MUNDT. I definitely feel that danger does exist and for that reason when lend-lease was originally before the House I supported an amendment of this same type to reserve to Congress certain powers with regard to final settlements. That amendment was then defeated. Now is the time when we should no longer fail to assert ourselves

as a coordinate branch of this Government. Now is the time to take positive constructive action to assure our citizens that their Congress will have its authority respected when the final settlements and benefits of lend-lease are being determined.

I shall support H. R. 1501 whether or not this amendment is approved because we are at war and it has now become a part of our whole war program. However, if this amendment is approved, I am sure this Congress and the country will feel a gratifying reassurance that the executive and legislative branches of Government will work together instead of at divergent purposes when the terms of final settlement are written. If this amendment in any way crippled the operations of lend-lease or circumscribed its effectiveness, I would oppose it just as I opposed numerous amendments when offered in our committee sessions, but since this amendment serves to increase rather than decrease the effectiveness and value of lend-lease I am happy to support it, and I hope it will receive a favorable vote here this afternoon.

The CHAIRMAN. The Chair recognizes the gentleman from South Dakota [Mr. CASE].

Mr. CASE. Mr. Chairman, there is no question that the lend-lease policy as adopted is supported by practically every Member of the House as a war measure at this time. I would oppose any amendment which I thought would restrict the operation or the efficiency of lend-lease as a weapon in winning the war.

I recall that some months back an amendment was offered to an appropriation bill which would deny the use of lend-lease funds for lend-leasing articles to Russia. I recall opposing that amendment because I thought lend-lease was the settled policy of the country and that having put our hand to the plow we could not withdraw. The only way out of the war is to go through to victory. I am glad that I did. Russia has used well the weapons we have sent to her.

If I thought the amendment now under consideration would in any way jeopardize the efficient use of lend-lease as a weapon in winning the war I would be opposed to it. My understanding is, however, that the application of this amendment is restricted to the consideration of the final settlement of lend-lease operations. If that be the case, it will mean necessarily that all lend-lease operations with any particular country will have been concluded up to the matter of a final settlement. The war will have been won, or at least all the lend-leasing will have been completed. Perhaps the question might better have been put to us in the form of proposing that the final settlements be submitted to Congress for consideration by a concurrent resolution, without any reference to the date of June 30. The issue before us might be clearer.

I am not concerned, in this argument, with whether the dollar sign is in our favor or against us. When you are on a football team you do not stop to figure out whether you are playing harder or putting in more effort than some other member of the team. Not if you play to win. You give your best. You put in everything you can.

That is our situation today. We are members of a team. And we must play to win. We must win. There is no other course for a nation at war. Whatever may have been the wisdom of keeping books on a dollar-and-cents basis before we entered the war ourselves, there is no object in worrying about cash balances today. The only yardstick today is whether the net result of a proposed action is a shove toward victory.

So, in speaking on this amendment, I am not thinking about balances when this is over. I am only thinking of victory. And victory includes our ability to maintain our way of life afterward. On that point, the amendment merits consideration. Does it offer a valuable aid in maintaining the American way of life in the days that follow the war? It seems to me that it does; and that it does not interfere in the slightest with the prosecution of the war. Lend-lease will go on; the amendment comes into play only after lend-leasing days are over and final settlements are being made.

Now, then, article 7 of the master agreements provides that the final lend-lease settlement shall include, among other things, provisions directed to the reduction of tariffs. I am not a high-tariff man. In 1928 I spoke against excessive tariffs. I placed many of our troubles on our failure to recognize that we had become a creditor nation. I do believe, however, that a proper tariff has an important part to play in the development of infant industries and in the protection of our standard of living, in social security if you please. And if I were a member of the Committee on Ways and Means, I would be asking myself this afternoon whether we meant that the jurisdiction and the responsibilities of my committee were being jeopardized if this amendment is rejected.

I would ask myself, Why should I agree to surrender consideration of the final settlement of lend-lease agreements when other countries will submit to their legislative assemblies the ratification of final settlement?

The committee report says—

> A fourth direct benefit is the program of economic action to which article VII of the agreements look toward.

I do not want to draw any red herrings across the trail this afternoon, but I can think of several proposals for economic policy in speeches that have been made before the country in the past few months that I would not want to see written into lend-lease agreements without an opportunity being afforded the Congress to consider their effect upon the country. So I would feel that I were derelict in my duty today if I failed to support the suggestion of the amendment that Congress reserve the right to consider the economic programs put forward in the final settlements. That is the issue as I see it, purely and simply.

Mr. STEARNS of New Hampshire. Mr. Chairman, will the gentleman yield?

Mr. CASE. I yield to the gentleman from New Hampshire.

Mr. STEARNS of New Hampshire. While I have a great deal of sympathy with the thought behind this amendment, I believe that inasmuch as the administration is constantly entering into agreements with various countries under the authority of the Lend-Lease Act, it will be impossible to determine whether or not an agreement is the final agreement until the time of the final settlement.

The CHAIRMAN. The time of the gentleman from South Dakota has expired.

The Chair recognizes the gentleman from Missouri [Mr. ELMER].

Mr. ELMER. Mr. Chairman, I have listened to every speech made on the lend-lease discussion, including the system, or lack of system, of keeping accounts on the same. After so listening I conclude: We are furnishing war aid to our associates, and they are furnishing war aid to us, without regard to the amount or cost contributed by each and with no expectation of an accounting hereafter. We are without information as to the amount of reverse aid received, and, from our associate's bookkeeping, we cannot find out, and they have not told.

It is estimated here we have appropriated for lend-lease $63,000,000,000 and the United Kingdom has contributed $1,000,000,000 reverse aid to recent date. China has received about 2 percent; Russia, 3 percent; the British Empire, the balance. A great part of this aid is food, which is sold by the British, and the proceeds go into their treasury and is used by them in their current account.

To date China has fought the war 5 years, and no practical way has been advanced here to materially increase the lend-lease aid to her. We have sold Japan much more. Russia has done most of the fighting and won all the victories to date.

At home we are short of food; rationed on most of it. Most of our farm boys are employed in war industries or are in the Army. The same is true of the small-town boys. There is no substantial reserve upon which to draw for farm labor to increase food production. The old men on the farms and school children cannot do it. Our production without a doubt will fall below 1942. A 1936 drought would be disastrous. Our soldiers must be fed first. Our gravest danger is our war to the west, and Secretary Knox says the "Pacific Lake" is ours. These fighters here must be fed at all hazards. Our people at home must be fed as a prerequisite to production for the above purposes. My conclusion is, lend-lease to the east is given preference over our needs in the Pacific and at home.

In addition there has been charged on this floor lend-lease is forming now the basis for a world-wide distribution of our food, policing the world, and disarming all those nations who do not join us in our program. Indeed, some

Members have gloated over the Utopian conditions it is to produce. I cannot subscribe. My American education and training puts my own country, people, and flag first. I have read Washington's Farewell Address once a year since I quit school 50 years ago. It, with the Declaration of Independence, the Constitution, and Monroe Doctrine are the four pillars of our Government. Destroy them, and you have destroyed the Government. To me their declarations constitute the American Bible. National policy that squares with them is Americanism. Otherwise not. It is the faith of our fathers. We cannot trust any nation on earth. All of them would cut our throat for their self-interest. They would blow out our light of freedom. When Columbus discovered the New World in 1492 the first thing he saw was a light. He knew there was land. It was the light of freedom in this land. It has burned here ever since. We must not blow it out. It is time for this country to save itself. These are my opinions, my judgment, and my conscience, before God.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. PHILBIN].

Mr. PHILBIN. Mr. Chairman, it is very surprising to note the unanimous committee report on this measure. No one in this historic Chamber is in opposition to any measure designed to promote victory in our great cause. Nevertheless there is a natural and almost invariable difference of opinion as to means, methods, and instruments by which this all-vital goal can most quickly be reached.

Controversy and difference of opinion is implicit in representative government as is almost constantly demonstrated in this very body. These controversies and differences have characterized practically every measure considered by this Congress. Not so long ago, we spent some considerable time debating the question of whether a single colored man was to be permitted to hold a job in the Government service. Virtually every measure presented here has been accompanied with some show of dissension or disagreement and since that is the modus operandi of healthy democratic government, we have come to expect it as a natural concomitant of the legislative process.

So it seems to me all the more remarkable to note no expression of difference of opinion with regard to a measure which undertakes, as this one does, to spend literally fabulous sums of the American people's money to arm, equip, feed, and clothe a very large part of the world—a burden that falls and will continue to fall with increasing weight as the years go along upon the taxpayers of America, large and small.

I have no fundamental objection to rendering every reasonable and feasible assistance to the nations associated with us in the prosecution of this war. In my humble view, the American people desire and intend that in waging this colossal struggle—a struggle that extends to distant and well-nigh all-embracing sections of the world—our Nation shall extend to our allies every aid and assistance that we reasonably can, consistently with our own safety, the demands of our own armed forces and the needs of our own civilian population.

Having this basic principle in mind, I have been amazed and shocked at the many stories and rumors, some unsubstantiated, others authentic, concerning the character of lend-lease assistance to foreign nations. There is no doubt that substantial shipments of farm machinery, butter, meat, sugar, coffee, canned goods, and other necessities of life have been shipped to Russia, England, and many other places. I have heard and understood that our warehouses have been virtually denuded and stripped of these vital commodities for the benefit of our allies and even certain neutral countries. I have heard and understood that butter, a staple food of our people, in which there is the very greatest shortage here, was being sent to Russia where it is asserted the people have had no widespread use of this essential food product in the past, and that good American shoes had been sent to North Africa where most of the natives, never having worn shoes, are reported to utilize them by slinging them around their necks and using them for pockets. There are also reports that we have sent rayon panties and pajamas to the relatively uncivilized peoples of North Africa, and various high-grade brands of whisky to several countries.

Realizing that some of these persistent reports might have emanated from enemy propaganda sources, or that they were grossly exaggerated, or even downright untrue, but desiring to obtain an explanation, I undertook to write to appropriate officials to make certain inquiries as to the character and extent of the operations of that agency.

The answers I received were in no sense illuminating, but, to the contrary, reticent and secretive. If full and detailed disclosure were made to the public and the Congress, perhaps some of the skepticism and suspicion concerning the policies of Lend-Lease could have been dispelled.

For my part, I am most skeptical of and seriously question the wisdom of several major policies pursued by those responsible for administering the enormous lend-lease program.

Firstly, I am opposed to donating basic necessities of life essential to the maintenance of the health and strength of our own people to the civilian populations of other nations while our own people are suffering serious shortages or threatened with critical need and privation.

Secondly, I am vigorously opposed to the so-called policy of economic infiltration which seeks to buy off the good will and favor of assorted native populations and mold political opinion through the use of huge quantities of American food and commodities not taken from our own surpluses but from our so-called ever-normal granary. As a result of this policy, are we not rapidly reaching that point where the ever-normal granary can better be described as the empty pantry?

Thirdly, the Lend-Lease Administration and the Foreign Affairs Committee have failed to convince me that the so-called lend-lease in reverse embraces much more than fractional repayments when considered in relation to the billions of dollars already spent and contemplated for the future by the United States. It is, of course, reassuring to know that some of the countries upon whom we have lavished largesse unprecedented in history of ships, planes, weapons of war, equipment of every type and description, food, clothing, and a range of commodities and luxuries as wide as our modern economy itself, should have some appreciation of our beneficence and move to some extent within their own means to reciprocate by tenders in kind. But let no one be under the impression that the sum total of these reciprocal bounties ever will, or indeed ever can, measure up in value and quantity to our own gigantic lend-lease conveyances. That the people of one of the chief beneficiary nations should be entirely uninformed up to recent date of this invaluable assistance rendered by us is unquestionably ground for profound speculation by our elder statesmen as to the potentialities, the possibilities, and the probabilities of the future policy of that nation, about which for the sake of propriety I shall not further enlarge upon here but commit to the most earnest and immediate consideration of the executive department of the Government.

In the light of the foregoing views, I should very much have welcomed the opportunity to place some decisive legislative checks upon the future operations of lend-lease, in particular, the withdrawals of basic foods, commodities, and machinery required for the soundness of our domestic economy and the health and vitality of our own people.

In view of the unanimous approval of the committee and the existence of a special rule, as well as the bipartisan support accorded the bill, I am conscious of the futility of extensive amendment of policy. Moreover, I think this is a time, surrounded as we are by the threatening clouds of destruction, when individual concessions must be made in the interest of a harmonized and unified national spirit.

Accordingly, with no inconsiderable reluctance, I propose to vote for this measure. But in so doing, I wish to record my disagreement with and protest of several principle policies of lend-lease which I deem require, and hope will receive, prompt alteration and revision.

Let us continue to help our allies, but in the process let us not dissipate the strength of our own people and weaken the structure of our own economy. Remember—this war may yet have a long way to go. It may lead us into the valley of death, into the shadows of sacrifice and sorrow such as no great nation before was ever able to endure. It may bring changes in the tides of battle and realinements in loyalties and asso-

ciations scarcely imaginable at this time. When these vicissitudes come—and pray God they will not—we will need a stronger, a more vital, a more dynamic, a more resolute America than ever.

Mindful to the fullest of our proper obligations to humanity, let us stop snatching food from the mouths of our own people in order to pursue fugitive social reform or impossible economic infiltration among the assorted nations of all the earth.

The CHAIRMAN. The Chair recognizes the gentleman from Vermont [Mr. PLUMLEY].

Mr. PLUMLEY. Mr. Chairman, there is clearly an anxiety on the part of the membership to get rid of this proposed amendment and to vote on the real issue.

I do not propose to take any more time than is involved in my saying that I think the discussion has already been too long prolonged to no purpose justified by the situation.

I voted for the original lend-lease bill.

This is an act the intent and purpose of which is to extend the life and the terms of the original act. I propose to vote to extend the original act. That is the question before the House to be voted up or down.

I do not propose to discuss the merits or demerits of any proposed amendments. They do not concern me or the bill at this time.

They are conditions subsequent to and not a part of the original act or the contract which is now before us for our ratification or renewal, as originally written.

I shall vote against all amendments. I shall vote for the bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. VORYS].

The question was taken; and the Chair being in doubt, the Committee divided; and there were—ayes 96, noes 115.

Mr. VORYS of Ohio. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. VORYS of Ohio and Mr. BLOOM.

The Committee again divided; and the tellers reported that there were—ayes 118, noes 178.

So the amendment was rejected.

The CHAIRMAN. If there are no further amendments, under the rule, the Committee will rise.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. GORE, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 1501) to extend for 1 year the provisions of an act to promote the defense of the United States, approved March 11, 1941, pursuant to House Resolution 142, reported the same back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. BLOOM. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 407, nays 6, answered "present" 1, not voting 20, as follows:

[Roll No. 22]

YEAS—407

Abernethy	Dewey	Hobbs
Allen, Ill.	Dickstein	Hoch
Allen, La.	Dies	Hoeven
Andersen, H. Carl	Dilweg	Holifield
Anderson, Calif.	Dirksen	Holmes, Mass.
Anderson, N. Mex.	Disney	Holmes, Wash.
Andresen, August H.	Ditter	Hope
Andrews	Domengeaux	Horan
Angell	Dondero	Howell
Arends	Doughton	Hull
Arnold	Douglas	Izac
Auchincloss	Drewry	Jackson
Baldwin, Md.	Durham	Jarman
Baldwin, N. Y.	Dworshak	Jeffrey
Barrett	Eaton	Jenkins
Barry	Eberharter	Jennings
Bates, Ky.	Elliott	Jensen
Bates, Mass.	Ellis	Johnson, Anton J.
Beall	Ellison, Md.	Johnson, Calvin D.
Beckworth	Ellsworth	Johnson, Ind.
Bell	Elston, Ohio	Johnson, J. Leroy
Bender	Engel	Johnson, Luther A.
Bennett, Mich.	Englebright	Johnson, Lyndon B.
Bennett, Mo.	Fay	Johnson, Okla.
Bishop	Feighan	Johnson, Ward
Blackney	Fellows	Jonkman
Bland	Fenton	Judd
Bloom	Fernandez	Kean
Bolton	Fish	Kearney
Bonner	Fisher	Kee
Boren	Fitzpatrick	Keefe
Boykin	Flannagan	Kefauver
Bradley, Mich.	Fogarty	Kelley
Bradley, Pa.	Folger	Kennedy
Brooks	Forand	Keogh
Brown, Ga.	Ford	Kerr
Brown, Ohio	Fulbright	Kilburn
Bryson	Fulmer	Kilday
Buckley	Furlong	King
Buffett	Gale	Kinzer
Bulwinkle	Gallagher	Kirwan
Burch, Va.	Gamble	Kleberg
Burchill, N. Y.	Gathings	Klein
Burdick	Gavagan	Knutson
Burgin	Gavin	Kunkel
Busbey	Gearhart	LaFollette
Butler	Gerlach	Lambertson
Byrne	Gifford	Landis
Camp	Gillette	Lane
Canfield	Gillie	Lanham
Cannon, Fla.	Goodwin	Larcade
Cannon, Mo.	Gordon	Lea
Capozzoli	Gore	LeCompte
Carlson, Kans.	Gorski	LeFevre
Carson, Ohio	Gossett	Lemke
Carter	Graham	Lesinski
Case	Granger	Lewis, Ohio
Celler	Grant, Ala.	Luce
Chapman	Grant, Ind.	Ludlow
Chenoweth	Green	Lynch
Chiperfield	Gregory	McCord
Church	Griffiths	McCormack
Clark	Gross	McCowen
Clason	Guyer	McGehee
Clevenger	Gwynne	McGranery
Coffee	Hagen	McKenzie
Cole, Mo.	Hale	McLean
Cole, N. Y.	Hall, Edwin Arthur	McMillan
Colmer	Hall, Leonard W.	McMurray
Compton	Halleck	McWilliams
Cooley	Hancock	Maas
Cooper	Hare	Madden
Costello	Harless, Ariz.	Magnuson
Courtney	Harness, Ind.	Mahon
Cox	Harris, Ark.	Maloney
Cravens	Harris, Va.	Manasco
Creal	Hart	Mansfield, Mont.
Crosser	Hartley	Mansfield, Tex.
Cullen	Hays	Marcantonio
Cunningham	Hébert	Martin, Iowa
Curley	Heffernan	Martin, Mass.
Curtis	Heidinger	Mason
D'Alesandro	Hendricks	May
Dawson	Herter	Merritt
Day	Hess	Merrow
Delaney	Hill	Michener
		Miller, Conn.
		Miller, Mo.
		Miller, Pa.
		Mills
		Monkiewicz
		Monroney
		Morrison, La.
		Morrison, N. C.
		Mott
		Mruk
		Mundt
		Murdock
		Murphy
		Murray, Tenn.
		Murray, Wis.
		Myers
		Newsome
		Nichols
		Norman
		Norrell
		Norton
		O'Brien, Ill.
		O'Brien, Mich.
		O'Brien, N. Y.
		O'Hara
		O'Konski
		O'Leary
		O'Neal
		Outland
		Pace
		Patman
		Patton
		Peterson, Fla.
		Peterson, Ga.
		Pfeifer
		Philbin
		Phillips
		Pittenger
		Ploeser
		Plumley
		Poage
		Poulson
		Powers
		Pracht
		Price
		Priest
		Rabaut
		Ramey
		Ramspeck
		Randolph
		Rankin
		Reed, Ill.
		Reed, N. Y.
		Rees, Kans.
		Richards
		Rivers
		Rizley
		Robertson
		Robinson, Utah
		Robsion, Ky.
		Rockwell
		Rodgers, Pa.
		Rogers, Calif.
		Rogers, Mass.
		Rohrbough
		Rolph
		Rowan
		Rowe
		Russell
		Sabath
		Sadowski
		Sasscer
		Satterfield
		Sauthoff
		Scanlon
		Schiffler
		Schwabe
		Scott
		Shafer
		Sheppard
		Sheridan
		Short
		Sikes
		Simpson, Ill.
		Simpson, Pa.
		Smith, Maine
		Smith, Va.
		Smith, Wis.
		Snyder
		Somers, N. Y.
		Sparkman
		Spence
		Springer
		Stanley
		Starnes, Ala.
		Steagall
		Stearns, N. H.
		Stefan
		Stevenson
		Stewart
		Stockman
		Sullivan
		Sumner, Ill.
		Sumners, Tex.
		Sundstrom
		Taber
		Talbot
		Talle
		Tarver
		Taylor
		Thomas, N. J.
		Thomas, Tex.
		Thomason
		Tibbott
		Tolan
		Towe
		Treadway
		Troutman
		Van Zandt
		Vincent, Ky.
		Vinson, Ga.
		Voorhis, Calif.
		Vorys, Ohio
		Vursell
		Wadsworth
		Walter
		Ward
		Wasielewski
		Weaver
		Weichel, Ohio
		Weiss
		Welch
		Wene
		West
		Wheat
		Whittington
		Wickersham
		Wigglesworth
		Willey
		Wilson
		Winstead
		Wolcott
		Wolfenden, Pa.
		Wolverton, N. J.
		Woodrum, Va.
		Worley
		Wright
		Zimmerman

NAYS—6

Brehm	Hoffman	Smith, Ohio
Crawford	Jones	Woodruff, Mich.

ANSWERED "PRESENT"—1

Elmer

NOT VOTING—20

Barden	Lewis, Colo.	Slaughter
Cochran	McGregor	Smith, W. Va.
Culkin	Miller, Nebr.	Whelchel, Ga.
Davis	O'Connor	White
Dingell	O'Toole	Whitten
Gibson	Reece, Tenn.	Winter
Hinshaw	Schuetz	

So the bill was passed.

The Clerk announced the following pairs:

General pairs:

Mr. Cochran with Mr. Elmer.

Mr. O'Toole with Mr. Culkin.

Mr. Schuetz with Mr. Hinshaw.

Mr. Barden of North Carolina, with Mr. Winter.

Mr. Lewis of Colorado with Mr. Reece of Tennessee.

Mr. Whelchel with Mr. McGregor.

Mr. Dingell with Mr. Miller of Nebraska.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. O'CONNOR. Mr. Speaker, I was detained at one of the departments and did not get back here in time to vote on the lend-lease bill. Had I been here I would have voted for the bill because I favor it.

FURTHER MESSAGE FROM THE PRESIDENT

A further message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries.

NATIONAL RESOURCES BOARD
(H. DOC. NO. 128)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee of the Whole House on the state of the Union and ordered to be printed, together with the illustrations:

To the Congress of the United States:

To assist the Congress in the development and consideration of appropriate legislation to achieve normal employment, to give assurance for all our people against common economic hazards, and to provide for the development of our national resources, I am transmitting herewith two reports of the National Resources Planning Board.

The first, "National Resources Development—Report for 1943" presents the results to date of the Board's work on postwar plans and a record of wartime planning activities. The Board proposes measures to meet the problems of the transition period from war to peace and for the longer-range development of an expanding economy. It is appropriate that each year the immediate programs contained in the Budget of the United States should be considered by the Congress in the light of much longer range plans and programs. To facilitate such use of this report, I recommend that the report be printed, in accordance with past custom.

We can all agree on our objectives and in our common determination that work, fair pay, and social security after the war is won must be firmly established for the people of the United States of America.

Men in the armed forces and all those engaged in the war effort rightly expect us to be considering their future welfare.

We fight today for security for our Nation and at the same time we can endeavor to give our citizens and their families security against attacks from without, and against fear of economic distress in old age, in poverty, sickness, involuntary unemployment, and accidental injuries. We need to look forward to the accomplishment of these objectives—world peace, democratic society, and a dynamic economy.

The second report transmitted herewith, on "Security, Work, and Relief Policies," has been developed over the last 3 years by the National Resources Planning Board, at my request, with the cooperation of the Federal agencies concerned and with the help of citizens with special knowledge and competence in this field. It reviews the accomplishments and experience of the last 10 years, pointing out some of the weaknesses of our security system, and suggesting ways of improving and strengthening the whole program.

Because of their basic importance to our national welfare during the war and after the war, it is my earnest hope that the Congress will give these matters full consideration during this session. We must not return to the inequities, insecurity, and fears of the past, but ought to move forward toward the promise of the future. When the Congress has agreed on procedures for the consideration of these problems, the executive agencies responsible for the administration of programs in these fields are prepared to provide the Congress with all assistance within their power in devising appropriate ways and means to accomplish these high purposes.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *March 10, 1943.*

DEFERMENT (H. DOC. NO. 127)

The SPEAKER also laid before the House the following message from the President of the United States, which was read and referred to the Committee on Military Affairs and ordered printed:

THE WHITE HOUSE,
Washington, March 10, 1943.

Hon. SAM RAYBURN,
Speaker of the House,
Washington, D. C.

MY DEAR MR. SPEAKER: On December 15, 1942, I appointed a committee consisting of Mr. Paul Bellamy (chairman), Mr. Ordway Tead, and Mr. Eric Johnston for the purpose of making an independent study and recommendations to me on the question of deferments of Federal employees from induction in the military service.

This committee, after applying itself industriously to its task for more than 2 months, has now presented its report. For the information of the House, I am transmitting herewith a copy of this report and of the Executive order which I have signed giving effect to the committee's recommendations.

Very sincerely yours,

FRANKLIN D. ROOSEVELT.

EXTENSION OF REMARKS

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a telegram from the Russian War Relief, and also a statement by the attaché of the Czechoslovakia Legation. The Public Printer tells me that this will cost $90, and I ask unanimous consent that it be extended in the RECORD nevertheless.

The SPEAKER. Is there objection?

There was no objection.

Mr. BRYSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include certain letters.

The SPEAKER. Is there objection?

There was no objection.

Mr. BLAND. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject of production of merchant ships.

The SPEAKER. Is there objection?

There was no objection.

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent to extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

COST OF FARM LABOR

Mr. COLMER, from the Committee on Rules, presented the following privileged report (H. Res. 157, Rept. No. 239) for printing, under the rule, which was read and referred to the House Calendar and ordered printed.

The Clerk read as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 1408) to amend section 301 (a) (1) of the Agricultural Adjustment Act of 1938, as amended, and the first sentence of paragraph (1) of section 2 of the Agricultural Adjustment Act of 1933, as amended, and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, approved June 3, 1937, as amended, so as to include the cost of all farm labor in determining the parity price of agricultural commodities.

That after general debate, which shall be confined to the bill and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

SOVIET WOMEN'S ANTI-FASCIST COMMITTEE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 3 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, we have heard a good deal about Russia and aid to Russia in the last 2 days. Under leave of the House, I shall now read into the RECORD a message that was sent to the Freedom Loving Women of the World by the Soviet Women's Anti-Fascist Committee, saying that the British and American aid "are keenly felt in our country."

The message was in celebration of Soviet Women's Day. The bulletin, published by the Soviet information bulletin, was dated March 6, and says, in part:

Dear sisters of England and America, we know that you are doing your utmost for victory over our common enemy, Hitlerism. Your support and material aid are keenly felt in our country and are a source of inspiration to us in our grim struggle. But the enemy is not yet smashed. To hasten the final defeat of our enemy the united efforts of all freedom-loving nations must be intensified.

Further, Mr. Speaker, on the Soviet Women's Day, March 8, I sent a message to Russia which was relayed, praising them for their great heroism and the inspiring part they have played and are playing in winning this war. I know the people of the United States are extremely glad of their appreciation of what we have been doing and are doing to aid our allies. I have said on the floor and in the Foreign Affairs Committee repeatedly that I believe there should be a board set up within lend-lease, consisting of the British, the United States, and the Russians. Russia is not in any quarrel with Japan. There are obvious reasons why we must have a board without China included in that particular group. There are also good reasons why a board should be set up consisting of the United States, Great Britain, and China. It

would make for a very much better understanding and a very much clearer realization in Russia, and in China, of what is being done. They also would feel then that they were having a more complete hearing on lend-lease, and more complete cooperation. I should like to have had an amendment put into lend-lease to this effect, but I realize it seems impossible to secure amendments to lend-lease today. I shall try to secure separate legislation along this line if Executive action be not taken. This can be done by Executive order of the President. I have urged this procedure upon Mr. Stettinius and others who handle the operation of lend-lease. I hope Members of Congress will make the same request.

The SPEAKER. The time of the gentlewoman from Massachusetts has expired.

EXTENSION OF REMARKS

Mrs. BOLTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a statement from the Farmers Bureau of my district.

The SPEAKER. Is there objection?

There was no objection.

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an editorial, and also I ask unanimous consent to extend my remarks and include two short articles from boyhood friends of mine, very remarkable articles.

The SPEAKER. Is there objection?

There was no objection.

Mr. LAMBERTSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in the Appendix.

The SPEAKER. Is there objection?

There was no objection.

LEAVE TO ADDRESS THE HOUSE

Mr. BENDER. Mr. Speaker, I ask unanimous consent to proceed for 10 minutes today after the conclusion of other special orders.

The SPEAKER. Is there objection?

There was no objection.

EMERGENCY WAR POWERS TO GOVERNOR OF VERMONT

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent to proceed for 20 minutes and extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. PLUMLEY. Mr. Speaker, the Legislature of the State of Vermont, now in session, has enacted, and the Governor of the State has signed, H. 76, which is now the law of Vermont, entitled "An act relating to the defense of the State, granting emergency war powers to the Governor and the political subdivisions of the State, and otherwise prescribing the incidents thereof," and is as follows:

H. 76

An act relating to the defense of the State, granting emergency war powers to the Governor and the political subdivisions of the State, and otherwise prescribing the incidents thereof

It is hereby enacted by the General Assembly of the State of Vermont:

SECTION 1. Short title: This act may be cited as the "State Emergency War Powers Act of 1943."

SEC. 2. Findings; purposes; policy: It is hereby found and declared that it is necessary, because of the war in which the United States of America is engaged, to grant to the Governor and the political subdivisions of the State the emergency war powers and the incidents thereof enumerated herein. It is further declared to be the purpose of this act and the policy of the State thereby to assist the President of the United States of America, as Commander in Chief of the Army and Navy, in the successful prosecution of the war; to cooperate with the Federal Government and other States in matters relating to the war effort; to meet the extraordinary conditions and problems resulting in this State from the war by establishing such organizations and taking such steps as are necessary and appropriate to carry out the provisions of this act.

SEC. 3. (a) A war council is hereby created to consist of five members, as follows: The Governor, the adjutant general, two members from the house of representatives, and one from the senate, who shall counsel and advise with the Governor concerning the exercise by him of any power given him by this act.

(b) The two members from the house shall be elected by that body, and the member from the senate by that body, after nomination from the floor and on a majority vote. Such election shall be held within 10 days after this act becomes effective. A vacancy on the war council in the membership from the house or senate shall immediately be filled by election in the respective bodies if they are in session, but if not by a majority vote of said council.

(c) The war council shall be subject to the call of the governor at all times and shall serve without compensation. The members shall be reimbursed, however, for their actual and necessary expenses incurred in the performance of their duties.

(d) The governor shall, in exercising any power given him by this act, do so only with the approval of a majority of the war council.

SEC. 4. General emergency war powers of the governor: The governor is authorized and empowered:

(a) Cooperation with the President and others.—To cooperate with the President of the United States of America, the Army, the Navy, and all military forces under his command, with other Federal departments, agencies, and independent establishments, and with the officers and agencies of other states in matters pertaining to the war and the common defense of the State and Nation and the incidents thereof; and in connection therewith, to take any measures not inconsistent with the constitution of the State which he may deem proper to carry into effect any request of the President, the Secretary of War, the Secretary of the Navy, and the Federal Director of Civilian Defense;

(b) Use of property, services, and resources.—To use and employ within the State, from time to time, and as he may deem expedient, any of the property, services, and resources of the State, for the purposes set forth in this act;

(c) Compliance.—To employ such measures and give such directions to State and local law-enforcement officers and agencies as may be reasonable and necessary for the purpose of securing compliance with the provisions of this act and with the orders, rules and regulations made pursuant thereto;

(d) Organization.—(1) To utilize the services and facilities of existing officers, offices, departments, commissions, boards, bureaus, institutions, and other agencies of the State and of the political subdivisions thereof; and all such officers and agencies shall cooperate with and extend their services and facilities to the Governor as he may request;

(2) To establish agencies and offices and to appoint executive, technical, clerical, and other personnel, to carry out the provisions of this act.

(e) Extent of general powers.—The general powers provided for in this section shall not be limited by any specific powers granted to the Governor by the provisions of this act.

SEC. 5. The Vermont Council of Safety.—The Governor shall, under the provisions of this act, establish and appoint a State council of defense to be known as the Vermont Council of Safety, consisting of seven members, who shall serve during the pleasure of the Governor.

Said council, when so directed by the Governor, shall prepare, put into effect, and supervise the operation of plans for civilian defense throughout the State, create and dissolve local councils of defense, and define their powers and duties; act as the State agency for cooperation with the Federal Government in all civilian defense matters; and direct the organization of and supervise and coordinate the civilian defense activities within the State.

The Governor shall be chairman of the council, and he may designate one of the members thereof to serve as executive vice chairman.

The Governor is authorized to fill vacancies in the membership of the council as the same may occur.

SEC. 6. Black-outs and other precautionary measures against air raids and other forms of attack: The Governor is authorized and empowered:

(a) Precautionary measures.—To carry out throughout the State or in any area thereof, precautionary measures against air raids and other forms of attack, including practice black-outs, black-outs, radio silences, and such other measures as will suppress any activity which may assist an enemy; and such other precautionary measures as will prevent or minimize the loss of life or injury to persons and property which might result from such attacks: *Provided*, That no such action shall be inconsistent with any order, rule, regulation, or action of the armed forces of the United States, or their duly designated agency, or of the Federal Director of Civilian Defense. Black-outs and radio silences shall be carried out only in such areas, at such times, and for such periods, as shall be designated by air-raid warnings or orders with respect thereto issued by the United States Army, or its duly designated agency, and only under such conditions and in such manner as shall be consistent with any such warning or order; and practice black-outs shall be held only when and as authorized by the United States Army or its duly designated agency.

(b) Cooperation with other States.—Subject to such limitations, to act in concert with the authorities of other States to effect such synchronization and uniformity of black-outs and other precautionary measures as may be necessary to carry out the intent and purposes of this act.

SEC. 7. Traffic control: (a) The Governor may formulate and execute plans and regulations for the control of traffic in order to provide for the rapid and safe movement over public highways and streets of troops, vehicles of a military nature, materials for national defense and war or for use in any war industry, and may coordinate the activities of the departments or agencies of the State and of the political subdivisions thereof concerned directly or indirectly with public highways and streets, in a manner which will best effectuate such plans.

(b) The Governor may prescribe the maximum rates of speed at which any motor vehicle may be operated on any road, highway, or street in the State; prescribe the sizes and weights of such motor vehicles; suspend the application of any statute or regulation levying or assessing any license or other fee, or requiring the issuance of any temporary or other permit or license, insofar as such statute or regulation relates to the entry into or the privilege of operation in this State of any motor vehicle, including busses and house trailers, registered in any other

State and with respect to which a valid and unexpired license has been issued by the other State.

SEC. 8. Lease or loan of State property; transfer of State personnel: Notwithstanding any inconsistent provision of law, general, special, or local—

(a) Action by Governor.—Whenever he deems it to be in the public interest, the Governor may:

(1) Authorize any department or agency of the State to lease or lend, on such terms and conditions and for such period as he may deem necessary to promote the public welfare and protect the interest of the State, any real or personal property of the State government or authorize the temporary transfer or employment of personnel of the State government to or by the Army, Navy, or any other branch of the armed forces of the United States of America;

(2) Enter into a contract on behalf of the State for the lease or loan, on such terms and conditions and for such period as he may deem necessary to promote the public welfare and protect the interests of the State, of any real or personal property of the State government, or the temporary transfer or employment of personnel thereof to any political subdivision of the State. The Chief Executive of such political subdivision is hereby authorized for and in the name thereof to enter into said contract with the Governor for the leasing or lending of such property or personnel.

SEC. 9. Emergency health and sanitation areas: (a) Designation of areas.—Upon the recommendation of the State board of health, the Governor may designate as a special emergency health and sanitation area, any area or areas within the State which have been seriously damaged by air raids or other catastrophe, or in which, in the opinion of the Governor the existence of any military or naval establishment of the United States, or of any industrial establishment constructed or enlarged for purposes of national defense, has caused an increase in the population of such area to such an extent as to produce unusual problems of health and sanitation.

(b) Rules and regulations by local boards of health.—Whenever a special emergency health and sanitation area is established, it shall be the duty of the local board of health or boards of the territory within such area to make and enforce rules and regulations designed to prevent the introduction or spreading of any contagious or infectious disease and to safeguard the public health within such area.

(c) Rules and regulations by State board of health.—In the event that any local board of health of the territory within such area is unable or fails to make or enforce adequate rules and regulations for the protection of the public health within special emergency health and sanitation areas established within its jurisdiction, as herein provided, the State board of health is hereby authorized, empowered, and directed to make and enforce such rules and regulations for the protection of the public health within such area as may be necessary, and for this purpose shall have all of the powers and authority of local boards of health.

(d) Request for protection.—Any local board of health having jurisdiction in the territory within which such special emergency health and sanitation area has been established, or the Chief Executive of any political subdivision therein, may by application in writing, request the State board of health to undertake the protection of such area and in such event the State board of health may make and enforce reasonable rules and regulations respecting health and sanitation in such area, and shall have all the powers and authority of the local boards of health.

(e) Cooperation with Federal and other health agencies.—The State board of health is hereby directed to cooperate with health agencies of this and other States and the Federal health agencies in carrying out the provisions of State and Federal health and sanitation programs in conformity with the purposes of this section.

SEC. 10. Taking of property and compensation therefor:

(a) Appropriation of property.—For the better prosecution of the war, and whenever in his opinion the consequence of an actual or imminent attack makes such action necessary for the protection of the public, or whenever requested by a duly authorized officer of the Army, Navy, or other branch of the armed forces of the United States, the Governor may take possession of the real or personal property of any municipality, person, or corporation.

(b) Use and employment of same.—He may use and employ for such purposes all property so possessed for such times and in such manner as he shall deem best to accomplish such purposes, and he may when in his opinion the public exigency so requires, sell or distribute, gratuitously to or among any or all of the inhabitants of the State any personal property taken under the provisions of this section, and may fix minimum and maximum prices therefor. All moneys derived from the sale of any such property shall be paid to the State treasurer and deposited to the credit of the State.

(c) Compensation therefor.—The owner of any property so taken shall receive just compensation therefor as follows:

(1) In case property is taken for temporary use, the Governor, within 10 days of the taking, shall fix the amount of compensation to be paid therefor; and in case such property shall be returned to the owner in a damaged condition or shall not be returned to the owner, the Governor shall fix forthwith the amount of compensation to be paid for such damage or failure to return. Such compensation shall be paid forthwith when the amount thereof is fixed. Whenever the Governor shall deem it advisable for the State to become the owner of personal property taken under this section, he shall forthwith cause the owner of such property to be notified thereof in writing by registered mail, postage prepaid, and forthwith cause to be filed a copy of such notice with the secretary of state.

(2) Any owner of property of which possession has been taken under the provisions of this act to whom no award has been made or who is dissatisfied with the amount awarded him by the Governor, may file a petition in the county court within the county wherein the property is situated to have the amount to which he is entitled by way of damages or compensation determined, and thereafter either the petitioner or the State shall have the right to have the amount of such damages or compensation fixed after hearing by three disinterested appraisers appointed by said court, and who shall operate under substantive and administrative procedure to be established by the superior judges. If the petitioner is dissatisfied with the award of said appraisers, he may file an appeal therefrom in said court and thereafter have a trial by jury to determine the amount of such damages or compensation in such manner as the court shall provide. The court costs of a proceeding brought under this section by the owner of property shall be paid by the State; and the fees and expenses of any attorney for such owner shall also be paid by the State after allowance by the court wherein the petition is brought in such amount as the court in its discretion shall fix.

SEC. 11. Emergency war powers of political subdivisions: To protect life and property, the chief executive of each political subdivision of the State is directed to carry out in his jurisdiction such precautionary measures as may be ordered by the Governor.

SEC. 12. Fields of operation: Without limiting the generality of the foregoing provisions, the orders, rules, and regulations authorized by this act, may include provisions respecting uniform air-raid signals, the control of vehicular and pedestrian traffic, evacuation of persons, congregation of persons in public places or buildings, lighting and noises of all kinds; and provisions as to the recruitment, qualifications, training, equipment, powers, rights, duties, privileges, and immunities of persons authorized to be appointed pursuant to the provisions of this act.

SEC. 13. Enforcement: The law enforcement authorities of the State and of the political subdivisions thereof shall enforce the orders, rules, and regulations issued pursuant to this act.

SEC. 14. Mobilization for fire defense: (a) Outside service by paid, volunteer, and auxiliary firemen.—At the request of the chief executive of any city, town, village, or fire district, the head of any fire department of any other political subdivision may, or if so ordered by the Governor, shall assign and make available for duty and use in such city, town, village, or fire district, under the direction and command of such officer as may be designated for the purpose, any part of the fire-fighting forces and equipment under his control: *Provided*, That any equipment made available by loan, or otherwise, to any city, town, village, or fire district in the State, by the United States Government, or any agency thereof, shall at all times be subject to the order of the United States Government, or such agency, in accordance with the terms and conditions upon which such equipment shall have been made available.

(b) Powers, duties, rights, privileges, and immunities.—Whenever the fire-fighting forces of any city, town, village, or fire district are rendering outside aid pursuant to this section, the officers and members of such fire-fighting forces shall have the same powers, duties, rights, privileges, and immunities as if they were performing their duties in the political subdivision in which they are normally employed.

(c) Loss, damage, or expense.—The city, town, village, or fire district in which any equipment is used pursuant to this section shall be liable for any loss or damage thereto and shall pay any expense incurred in the operation and maintenance thereof. No claim for such loss, damage, or expense shall be allowed unless, within 60 days after the same is sustained or incurred, an itemized notice of such claim, under oath, is served by mail or otherwise upon the clerk of such city, town, village, or fire district where the equipment was used.

(d) Liability for acts or omissions.—Neither the State nor the political subdivision of the State, whose fire-fighting forces are rendering outside aid pursuant to this section, shall be liable on account of any act or omission on the part of such forces while so engaged, or on account of the maintenance or use of any equipment or supplies in connection therewith; nor shall any commissioner, chief, or other superior officer of a fire department, acting pursuant to this section, be liable on account of any act or omission on the part of any of his subordinates while such subordinates are rendering outside aid pursuant to this section under the command of an officer other than himself.

(e) Reimbursement for salaries and expenses.—The political subdivision which is aided pursuant to this section shall reimburse the political subdivision furnishing such aid for the compensation paid to employees furnished under this section during the time the rendition of such aid prevents

them from performing their duties in the political subdivision by which they are normally employed and shall defray the actual traveling and maintenance expenses of such employees while they are rendering such aid. The term "employee" as used herein shall mean, and the provisions of this section shall apply with equal effect to, paid, volunteer, and auxiliary firemen.

SEC. 15. Orders rules, and regulations: (a) By the Governor.—The Governor may make, amend, and rescind such orders, rules, and regulations as he may deem advisable to carry out the provisions of this act.

(b) Supplementary orders, rules, and regulations by political subdivisions and other agencies.—The political subdivisions of the State and other agencies designated or appointed by the Governor are authorized and empowered to make, amend and rescind such orders, rules, and regulations as may be necessary to supplement the carrying out of the provisions of this act, but not inconsistent with any orders, rules, or regulations promulgated by the Governor or by any State agency exercising a power delegated to it by him.

(c) Effect of orders, rules, and regulations.—All rules and regulations promulgated by the Governor, pursuant to the provisions of this act shall have the full force and effect of law when a copy thereof is filed in the office of the secretary of state, and is published in all newspapers within the State, forthwith. All existing laws, ordinances, rules, and regulations inconsistent with the provisions of this act, or with any order, rule, or regulation issued under the authority of this act, shall be suspended during the period of time and to the extent that such conflict exists.

(d) Not inconsistent with Federal action.—In order to attain uniformity so far as practicable throughout the country in measures taken to aid the prosecution of the war and civilian defense, all action taken under this act and all orders, rules, and regulations made pursuant thereto, where not already specifically provided for herein, shall be taken or made with due consideration to the orders, rules, regulations, actions, recommendations, and requests of Federal authorities relevant thereto and, to the extent permitted by law, shall be consistent with such orders, rules, regulations, actions, recommendations, and requests.

(e) All orders issued by the Governor shall be filed with the secretary of state.

SEC. 16. Penalties: A person who violates any provision of this act or any rule, order, or regulation made pursuant to this act shall be fined not more than $100 or imprisoned not more than 90 days or both.

SEC. 17. Coordination with Federal Bureau of Investigation: Nothing in this act shall be construed to authorize the establishment of, or action by or over, any intelligence or law-enforcement agency of the State or any of its political subdivisions, which would interfere with any program whereby the Federal Bureau of Investigation of the Department of Justice coordinates within the State the handling of intelligence and internal security matters by law-enforcement officers and law-enforcement agencies.

SEC. 18. Coordination with armed forces of the United States: Anything in this act to the contrary notwithstanding, no action shall be taken under this act, and no order, rule, or regulation made pursuant thereto which is inconsistent with any relevant order, rule, or regulation of the armed forces of the United States.

SEC. 19. Severability: If any provision of this act, or the application thereof to any person or circumstances, is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

SEC. 20. Effective date; termination: This act shall take effect from its passage and shall remain in force until such date as the legislature, by joint resolution, may designate to be the termination thereof, or, if the legislature be not in session, the date so designated by a proclamation of the Governor; and shall terminate February 1, 1945, unless previously terminated as provided herein.

A. S. BLOOMER,
Speaker of the House of Representatives.
MORTIMER R. PROCTOR,
President of the Senate.

Approved February 23, 1943.
WM. H. WILLS, *Governor.*

Mr. Speaker, this act is one of the most thoughtfully prepared, carefully drawn, comprehensive, and workable enactments of its kind that could be conceived or executed. It will serve to make democracy function.

I need say no more except to remark that when the representatives of the old-time independent Republic I have the great honor to represent, set their hands and their seals to such a delegation of power for the duration, I suggest that it soon will be taken as a model by all those inclined to do likewise, to win the war.

EXTENSION OF REMARKS

Mr. MANSFIELD of Texas. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein a statement made by the gentleman from Massachusetts, Hon. JOHN W. MCCORMACK, before the Committee on Rivers and Harbors yesterday.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and insert an editorial from a Puerto Rican paper.

The SPEAKER. Is there objection?

There was no objection.

Mr. KEEFE. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein a letter addressed to the Office of War Information from myself and the reply of Mr. Elmer Davis, including a copy of a press release approved by the Office of War Information with respect to lease-lend jobs.

The SPEAKER. Is there objection?

There was no objection.

(By unanimous consent, Mr. GALE was granted permission to extend his own remarks in the RECORD.)

Mr. ROWAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an article from the Chicago Tribune.

The SPEAKER. Is there objection?

There was no objection.

Mr. SMITH of Ohio. Mr. Speaker, I ask unanimous consent to extend my remarks and include an editorial from the Telegraph Forum of Bucyrus, Ohio.

The SPEAKER. Is there objection?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein a newspaper article.

The SPEAKER. Is there objection?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. KENNEDY. Mr. Speaker, I ask unanimous consent that I may address the House for 10 minutes at the conclusion of all other special orders today.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. Under previous order of the House, the gentleman from New York [Mr. DICKSTEIN] is recognized for 20 minutes.

USE OF MAILS FOR SUBVERSIVE PROPAGANDA

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a list of certain publications in the United States, mailed through the Post Office.

The SPEAKER. Is there objection?

There was no objection.

Mr. DICKSTEIN. Mr. Speaker, within the last 10 years there has grown up in this country a system of using the mails for the distribution of certain undesirable publications which in my opinion is not for the best interests of our country. The mailing of these publications as second-class mail is responsible for a loss to the Government of about forty or fifty million dollars a year. A great number of these publications, in my opinion, is distributed solely for the purpose of bringing about racial intolerance and creating distrust among the various racial and religious groups of the American people. The mail is being used constantly for the purpose of disseminating propaganda of fascistically inclined groups. It would seem to me that the Dies committee could do a good job if they were to investigate the people who back such publications. I am going to list at least 20 or more publications which in my opinion should be banned from the mails because they are preaching the very things against which we are fighting now. While our boys are risking their lives to defeat the forces of fascism and reaction abroad, these people—in a very subtle way—are trying to break ground for these dark forces in our own country. The Post Office Department, in permitting this type of propaganda to be distributed through the mails, unwittingly becomes a party to this conspiracy.

It is my hope that the Committee on the Post Office and Post Roads will study this important problem and determine what can be done—without interfering with the rights and privileges of legitimate publications—to put a stop to having the mails used for these subversive propaganda activities. The publications I am referring to are just as bad as fifth columnists.

Mr. AUGUST H. ANDRESEN. Will the gentleman yield?

Mr. DICKSTEIN. I yield.

Mr. AUGUST H. ANDRESEN. I hope the gentleman will also discuss all of the other material that goes out from Government agencies, which is more propaganda than information.

Mr. DICKSTEIN. I am for any constructive plan that will stop the Post Office from being the distributor of subversive mail, especially in time of war, when our people are upset emotionally. Individuals and groups that are interested in taking advantage of such a situation by spreading intolerance and race hatred should not be allowed to use our

mails for their insidious activities. Under the present law there is no way to stop them. We are helpless. I believe it is section 600 or 601 of the Revised Statutes which provides that unless the title which appears on the face of the envelope is subversive, the matter contained in the envelope may be distributed through the mails. You and I know of people who are sending out certain mail without advertising its contents on the face of the envelopes, as that would defeat their purpose.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. I yield.

Mr. KEEFE. I am interested in what the gentleman is saying, and as I understand his remarks, he is referring to two classes of mail that go through the mail. One is that which perhaps would be denominated as pamphlets and magazines and material of that kind, and the other apparently refers to letters which are sealed. I have some knowledge of the work that the Post Office Department is doing and has been doing for over a year in suppressing the first type of material. I am wondering, if the gentleman has knowledge of the fact that there is going through the mail magazines or literature which is of the character he describes, why he does not make his complaint direct to the Post Office Department and compel these people to face a hearing before the Post Office Department and have their permit to use the mails revoked, as the present Postmaster General has done in any number of instances and is doing every day—conducting these hearings.

Mr. DICKSTEIN. I have introduced a bill that has been referred to the Committee on the Post Office and Post Roads that deals with that very subject. I have asked for a hearing on it.

A year or two ago I attempted to do the very thing my distinguished colleague is speaking about, but I had a very difficult time to get an answer, because this problem is very complicated. I do know, however, that most of the German Nazi propaganda and Fascist propaganda was being distributed through the mails, and even now—while we are fighting a war—the Post Office is being used to spread unrest and distrust in our country. I submit, in all fairness to the American people and to the Post Office, that there should be some limitation as to what a man can send through the mails by way of propaganda, if such propaganda tends to arouse race prejudice and disunity.

I have here a list of about 25 magazines, newspapers, and so forth. There may be many more; I would not doubt it. I say to my distinguished colleagues, if they had examined these publications, I believe they would agree that they ought to be removed from the mails. There ought to be some law on the statute books to punish people who are responsible for the publishing and distribution of material to arouse one group of Americans against some of their fellow Americans. They ought not to be permitted to spread this kind of propaganda through the mails, or use the mails for the purpose of disseminating propaganda to destroy the morale of our people.

That is the point I am trying to make—that there is no law on the statute books which deals with that question, and the Committee on the Post Office and Post Roads has not taken the trouble to look into it. I could submit to them a hundred other such publications which I believe are being used to undermine the faith of our people in some of their friends and neighbors. In time of war, when a united home front is essential, such publications can be accused of sabotage and treason.

Mr. HOFFMAN. Will the gentleman yield?

Mr. DICKSTEIN. Yes.

Mr. HOFFMAN. What does the gentleman mean by "our people"?

Mr. DICKSTEIN. The American people, of course. What does the gentleman think I mean?

Mr. HOFFMAN. I did not know, the way he was talking.

Mr. DICKSTEIN. All of us; you and me.

Mr. HOFFMAN. I did not know what you did mean.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. I yield.

Mr. KEEFE. I want to say to the gentleman I am very much interested in the problem he is seeking to eliminate and that he is discussing; but I think the gentleman is quite unfair to the Postmaster General and the Post Office Department when he indicates that relief cannot be obtained pursuant to existing statutes. I am satisfied that the very relief he is asking for could be obtained if he had any proof whatsoever that these magazines are of the character he describes—and they ought to speak for themselves, the magazines are available—he should take those magazines down to the proper division of the Post Office Department and tell them he wants some action.

I am sure the gentleman is not in favor of Congress arbitrarily passing a law saying that such and such and such magazines shall be barred from the mails; is he?

Mr. DICKSTEIN. What I am trying to convey to the membership today is that there ought to be a law to prevent misuse of the mails by groups which organize themselves for the sole purpose of disseminating propaganda amongst the American people to divide the American people. I say there ought to be some statute on the books to punish these people for misuse of the mails.

Mr. KEEFE. Will the gentleman yield to permit me to ask one more question along that line?

Mr. DICKSTEIN. I yield.

Mr. KEEFE. Would the gentleman go so far as to agree with me that we ought to eliminate from the pay rolls of the Government those who have banded themselves together for the purpose of burrowing into our Government and for the purpose of destroying our type of Government?

Mr. DICKSTEIN. The gentleman knows I am with him on that; every American should be with him on that. We ought to expose all the groups that seek to destroy our democratic way of life.

Mr. KEEFE. Then I take it the gentleman will vote in that direction when the matter comes before the House.

Mr. DICKSTEIN. If the gentleman will just wait he will find out. If I believe the gentleman has right and justice on his side I will support him; if I believe he does not have right and justice on his side I will vote against him. I always use my own judgment as to what I do.

The publications and magazines I am speaking about are put out by people who are known fascist agitators whose sole purpose is to divide our people. They set up certain organizations throughout the country and concentrate their efforts on launching attacks on certain minorities in this country. They do it in an underhanded manner and there is no law to stop them.

I submit to Congress that people who rent post-office boxes under fictitious names—if it is discovered that these people are irresponsible and not interested in the welfare of this country—should be prohibited from getting post-office boxes. They should be prevented from harming this country and our war efforts, and I do not care whether these people come from the left or the right. Those who seek to destroy the very fundamental principles upon which this country was founded should not be spared, no matter to which group they belong. I believe that the Dies committee, aside from the Committee on the Post Office and Post Roads, can also do a splendid job if they would investigate the names I shall put in the RECORD under permission to extend my remarks. They could learn a great deal, because they have the power of subpena. I do not believe the Committee on the Post Office and Post Roads can do it.

It is the committee that has the power to subpena these publishers. The people responsible for these publications ought to be brought in from anywhere to determine just exactly what they are trying to do.

Mr. KEEFE. The gentleman knows and is familiar with the fact that so far as these magazines, pamphlets, and brochures he is talking about that circulate through the mail are concerned, the pamphlet speaks for itself. If you have copies of those pamphlets that are circulating generally, or these magazines or brochures, and they are subversive in the least, the gentleman can take those down to the Post Office Department, where a department of that agency is established to deal specifically with that question, and they will issue an order to show cause.

Mr. DICKSTEIN. I think the gentleman is going too far, because when he says "subversive," who is to determine that question?

Mr. KEEFE. Oh, well, if you do not like the magazine and just want to take it out of the mail, that is one thing.

Mr. DICKSTEIN. The gentleman is going too far and too fast on this question. I have submitted a number of these problems to the Post Office Department, and there arises the question of free speech, free this, and free that. I tried to point out to you that these magazines are a menace to American

democracy. They give no information that will educate our people at all in the ways of democracy, but just seek to undermine our morale in one form or another. My good friend does not want me to go around the country and pick up all these magazines, and then go down there and present them in form of a complaint. I am giving you the general proposition. I do not think that we have given the Post Office Department enough law to cope with this whole situation. That is just my judgment.

Mr. KEEFE. Knowing the gentleman's intelligence on matters of this character and in reference to all matters, I know the gentleman would not make a charge that a magazine was preaching or sending out subversive material unless he had read the magazine or saw the magazine.

Mr. DICKSTEIN. Some of them are published weekly. Some of them come out every month. I do not read all of them, but their policies and their standards are such as to convey their desire to build up fascism in this country.

Mr. KEEFE. I would think that the gentleman would not wait for a legislative process to go after them. If he has those magazines, take them down to the Post Office Department tomorrow, any one of them, and get some action. That is all the gentleman has to do.

Mr. DICKSTEIN. I am afraid you will have a tough time to get action.

Mr. KEEFE. They have barred hundreds of magazines from the mail.

Mr. DICKSTEIN. Yes; they have barred some newspapers and some articles, but there are many more that should not be given the mailing privilege.

I am calling your attention to the fact that certain publications and magazines are creating race prejudice, not only in your city and my city but all over the country, and I believe that is not in the best interest of this country.

At this point I wish to insert the list of publications I referred to. A few of them have been forced to close shop, but too many of them are still a menace to our home front:

PUBLICATIONS

The Defender is published in Wichita by Gerald B. Winrod.

The Octopus appears under the joint authorship of Elizabeth Dilling and Charles B. Hudson.

The Beacon Light is published by William Kullgren.

The Roll Call is a Pelley publication.

Weckruf und Beobachter (the Free American) is a bund publication.

Industrial Control Reports are published by James True.

World Service (Welt Dienst) is published at Erfurt, Germany, and is a Nazi propaganda bulletin.

Social Republic Society Bulletin (SOCIS) is published by David J. Baxter.

America in Danger! is published by Charles Hudson.

The Broom is published by C. Leon de Aryan.

Patriotic Research Bureau News Letter is published by Elizabeth Dilling.

Road to Victory is authored by George Sullivan, Washington, D. C.

Women Investors in America Bulletin is written by Catherine Curtis, New York City.

Constitutional Educational League Bulletin is written by Joseph Kamp, New Haven and New York City.

War Guilt and War Mongers is a publication by Eugene Santuary.

Revolution and the Fifth Column is a Santuary publication.

Edmondson's Economic Research Service is issued by Robert Edward Edmondson.

American Vigilante was written by Harry Jung, of Chicago.

Citizens No Foreign War Coalition Manual is issued by Oscar Brumback.

America Awake was written by Oscar Brumback.

Lord Lothian v. Lord Lothian is an address by the late Senator Lundeen, written by George Sylvester Viereck and published by Flanders Hall, Inc.

War, War, War was written by "Cincinnatus" and published by the Gibson Press, Washington, D. C.

The White Knight is a Deatherage publication and organ of the Knights of the White Camelia.

The Christian Free Press is a publication of Paquita de Shishmareff.

The National Liberty Party Bulletin is a publication of Frank W. Clark.

Friends of Progress is published by the organization, Friends of Progress.

The Revealer is a publication of Gerald B. Winrod.

Waters Flowing Eastward is a book written by Paquita de Shishmareff.

Liberation is a publication of William Dudley Pelley.

The Hidden Hand is a publication of William Dudley Pelley.

The Protocols of the Learned Elders of Zion is a forged anti-Semitic document circulated in the United States by Paquita de Shishmareff and others.

Books of the Hour are Flanders Hall publications.

Democracy on the Nile is a Viereck-Flanders Hall publication.

Double-Cross in Palestine is a Viereck-Flanders Hall publication.

Inhumanity Unlimited is a Viereck-Flanders Hall publication.

Mr. Speaker, I yield back the balance of my time.

SPECIAL ORDERS

The SPEAKER. Under a previous order of the House, the gentleman from Ohio [Mr. BENDER] is recognized for 10 minutes.

Mr. BENDER. Mr. Speaker, generally I refrain from any comment on American foreign policy but the events of the past two days force all of us to speak. Permit me to quote a few of the headlines: The Washington Post of March 9 on its front page reads:

United States Aid Hidden From People of Russia, Standley charges.

The same evening the Washington Evening Star printed on its front page the headline:

Standley made Russian charges without authority, Welles says.

Another headline in the Evening Star reads:

Bloom describes Standley's statement as unfortunate. Soviet press carried full accounts of aid, Chairman of the House Committee declares.

The Washington Post of today carries this on its front page:

Moscow reporter on leave here says lend-lease figures were published in Pravda and that people knew all about United States aid.

Another item on the front page referring to a story on page 3 of the Post states:

Axis radios have a field day reporting friction among Allies.

A headline from London states that the Moscow radio last night broadcast in full the statement by United States Administrator E. R. Stettinius. The New York Times of January 23 reported that Pravda published the figures of aid given. From press reports it would appear that the speeches of Winston Churchill and President Roosevelt as well as other major war officials concerning aid to Russia have been carried in the Soviet press.

My friends, something very strange has happened here, something of the utmost importance. I do not think that we in the House can brush lightly over this incident.

We have been sending aid to Russia. We have been sending it for one very simple reason. Let us be blunt. Every Russian lost is an American life saved. They are giving with their blood. We are giving them equipment to fight with. All of us understand this. I personally am convinced that we must give more aid not only in tanks and guns but with offensive military action in Europe and give it now.

We understand the need of fighting this war with a common strategy. How then was it possible for our Ambassador in Russia to make such a charge which the facts do not bear out and from what we are told, he made the statement without any consultation with the President or with the State Department.

Mr. MUNDT. Mr. Speaker, will the gentleman yield?

Mr. BENDER. I yield to the gentleman from South Dakota.

Mr. MUNDT. I wonder if the gentleman can give us any information as to how it happened that the Office of War Information or the Government censorship gave the green light to Admiral Standley's comments if they did not have the approval of the State Department?

Mr. BENDER. That is exactly what I am coming to.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. BENDER. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. How does the gentleman tie in Admiral Standley's statement with the statement made by Vice President WALLACE that there is danger that the United States may double-cross Russia?

Mr. BENDER. All of this baffles me. That is why I am making this statement now. If this is true, then we cannot avoid the conclusion that our Ambassador in Russia has acted in a reprehensible and entirely irresponsible manner.

However, it is not conceivable that Admiral Standley did not talk to or consult with the members of our State Department staff in Russia. Who is on that staff? Who keeps Admiral Standley informed in Russia of what goes on in the Soviet press? With whom did Admiral Standley consult when he was in America

recently? Did he consult with our former Soviet Ambassador, Mr. William Bullitt, who is noted for his hatred of the Russians?

Mr. William Bullitt is now in the Navy Department. What function he serves there I do not know but it would be desirable, I think, to know whether William Bullitt, now at the Navy Department, had any consultations with Admiral Standley when the admiral was home recently.

It is a matter of interest in this matter that Mr. Loy W. Henderson who was with Mr. Bullitt in Moscow as an Attaché, is now in charge of the Soviet desk at the State Department. It is reliably reported that Mr. Henderson shares with Bullitt his anti-Soviet opinions.

My fellow colleagues, I cannot believe that Admiral Standley's statement was an accident. Someone either in our own State Department or in the Navy or in our Embassy in Moscow knew what he was doing when he misinformed Admiral Standley of the internal situation in Russia or deliberately persuaded Admiral Standley that it was desirable to make such a statement.

This is a serious matter. It might have cost the United States a million lives except for the good sense of Sumner Welles and of the Members of this House and the Senate.

I am particularly moved by this outrageous indiscretion because it is the climax to a series of foreign policy incidents with which the American people in my opinion do not agree. The recent speech of our Ambassador to Spain, Mr. Hayes, in which he revealed that we were subsidizing a government which is actively recruiting divisions to fight against one of our allies was, I must admit, a genuine shock to me. It shocked me even further to discover that the British Ambassador to Madrid, Samuel Hoare, the original appeaser of the Chamberlain group and past collaborator of Pierre Laval, held back on agreeing to a $100,000,000 loan to Franco which Ambassador Hayes wanted to grant without any restrictions or agreement from the Spanish Government of any kind.

Frankly, the entire Darlan-Giraud episode does not sit well with the American people. The fact that several thousand political prisoners who were put in jail because of their fight against fascism still remain in prison in north Africa is a matter of the utmost concern to this House.

For my part, I am convinced that the American people will not tolerate our State Department's continuing relationships with the appeasement groups, and with Fascist sympathizers. So far as I can tell, only the Secretary of State and Mr. Sumner Welles in the State Department have heard of the Atlantic Charter and the "four freedoms." It seem to have no effect whatsoever on the bureaucracy in the State Department.

Personally, I am thoroughly sick of the near disasters to which certain elements in the State Department have brought this Nation. I believe that it is high time that this Congress undertook a searching investigation of our State Department. We should carefully review the history, the connections, and the attitudes of the State Department bureaucracy. I am moved to introduce a resolution to undertake such an investigation, that committee to be composed of the majority and minority leaders of the House and the five ranking members of the Foreign Affairs Committee.

In addition, it is my opinion that Mr. Robert Murphy should be recalled from north Africa, Ambassador Hayes should be removed from Madrid and that Admiral Standley should be recalled from Moscow. How on earth the Soviet people and the Soviet leaders can trust an American Ambassador who makes irresponsible statements, without consulting his State Department, and which are contrary to the facts, I cannot for the life of me see. Every day that Admiral Standley stays in Moscow will weaken our position with Russia.

We may as well face the fact that this type of situation is intolerable and that it has got to be cleaned up. It endangers our war effort. It may cost us many American lives. The American people are not going to tolerate this type of intrigue. A housecleaning is in order, gentlemen, and I propose that it be undertaken now.

The SPEAKER. Under a previous order of the House, the gentleman from New York [Mr. FISH] is recognized for 5 minutes.

Mr. FISH. Mr. Speaker, I ask unanimous consent to proceed for 8 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FISH. Mr. Speaker, I have asked for this additional time because it seems to me that Admiral Standley has been unjustifiably criticized here on the floor of the House. I have known Admiral Standley for a great many years. I have known him intimately as a man of the highest character and integrity. As far as I know, no one questions his honesty and the truth of the statement he made. The question is one of propriety. I am not going to discuss that because I do not have enough knowledge of the situation. However, I believe the whole thing is a tempest in a teapot. If Admiral Standley told the truth, there is no harm in the American people knowing the facts. If he did not tell the truth, then he should be repudiated and recalled. He may not have used diplomatic language, but sometimes plain speaking or bluntness is the best diplomacy.

I do not believe anyone should take the floor of the House and question the honesty, integrity, and veracity of Admiral Standley until we know the facts. We do not know what was said or carried in the press of Russia half as well as Admiral Standley. No Member of Congress, including the gentleman from New York [Mr. BLOOM], the gentleman who has just spoken, or anyone else, knows what has transpired in the Russian press. Certainly I do not know. I have not the faintest idea what was or was not published in the Russian press. But I have known Admiral Standley for many years and am willing to take his word on the Russian situation against anyone in America. He was one of the outstanding admirals in our Navy and held one of the most important positions in the World's Fair in New York and is a man of the loftiest character, highest ideals, and unquestioned integrity. I hope nobody means either directly or indirectly to challenge the integrity, the honesty, or the veracity of Admiral Standley. The question of the propriety or diplomatic tact is another matter, which I am not prepared to discuss.

Mr. BENDER. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield to the gentleman from Ohio.

Mr. BENDER. The gentleman is certainly in favor of investigating this matter. I read the charges that were made by the State Department itself regarding Admiral Standley's statement. Is it not a fact that the State Department repudiated it?

Mr. FISH. Under Secretary Welles said he had not consulted with the State Department before releasing his statement. That is a matter of propriety, not of truth. I am one of those who have been arguing in this House all the time for our committees and even our Ambassadors to present the facts and the truth to the American people. Let them have the facts, let them determine the policies. If it is the truth, then no harm has been done to anybody. If it is not the truth, I am in favor of repudiating him and calling him home.

Mr. BENDER. The truth is exactly what we are trying to get.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. It has been quite customary to break tradition during the past 10 years. Is it not a fact that an Ambassador is the President's personal representative and that he might have consulted the President without going to the State Department?

Mr. FISH. That is very possible. I have no knowledge of the facts. But he certainly is the personal appointee and representative of the President and has direct contact with the President.

Mr. MUNDT. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield to the gentleman from South Dakota, a distinguished member of the Committee on Foreign Affairs, to enlighten me on this subject.

Mr. MUNDT. The gentleman has touched on the matter of propriety. I assume part of the duty and function of the War Censorship Office is to consider the matter of propriety so this Office must have considered that aspect also when it O. K.'d Admiral Standley's speech. In that connection, I should like to quote from a speech of Vice President WALLACE as reported in the Times-Herald of this morning, March 10, 1943. It seems that Vice President WALLACE was speaking on a national hook-up in this country at the same time Admiral Standley

was speaking in Moscow. I should like to have the gentleman's reaction to this statement by Vice President WALLACE. I quote:

> Without a close and trusting understanding between Russia and the United States there is grave probability—

Note the word "probability"; not "possibility"—

> there is grave probability of Russia and Germany sooner or later making a common cause.

It seems to me that is an unfortunate and inflammatory remark to come from the Vice President of the United States at a time like this, in speaking about one of our allies in this war. This is the type of remark that brings about disunity and distrust among partners in this war. Vice President WALLACE also said something about isolationism in this same speech. It seems to me that when the Vice President occupies himself broadcasting doubt-creating and disunity-breeding speeches about international double-crossing and about a probable alliance between Russia and Germany he is himself practicing very much more dangerous forms of isolationism than anything he preaches against in his speech. Anybody in wartime who seeks to isolate one ally from another by doubt-stirring comments such as Mr. WALLACE made is indeed practicing a form of isolationism which is full of danger. I wonder if the gentleman does not agree with me that such speeches come under the classification of being entirely beyond the bounds of propriety.

Mr. FISH. I not only believe it is lacking in propriety, but if the gentleman would go a little further and refer to the remarks made by the Vice President that we might double-cross Soviet Russia, made at the same time he made the remarks referred to, then not only was that unwise and unfriendly, but in my opinion it was an infamous remark and challenged the integrity and the honesty of the Government of the United States, whether Republican or Democratic or New Deal. We never had any idea of double-crossing any nation, and never will have, no matter what administration, New Deal or anti-New Deal, may be in power, and anyone who infers that we perhaps might double-cross Soviet Russia or any nation when we have never done so in our entire history and never propose to, is making an unwarranted and an infamous remark.

When we come to the other matter, I have not the slightest idea what the foreign policy of Soviet Russia is, whether there is any chance whatever of her lining up with Hitler or with the Nazis. I hope to goodness there is not. I have no knowledge of it and I do not want to be put in the position of intimating that is in the mind of Stalin or the Communist Party in Russia.

Mr. MUNDT. Does not the gentleman agree that even though this country is in desperate need of food, we would rather have the Vice President talking about his pet phobia of killing little pigs and plowing under cotton and wheat rather than talking about this country double-crossing Russia and about Russia double-crossing us?

Mr. FISH. He has already talked too much about killing little pigs and plowing under crops. He also made the statement that there is a great deal of isolationist propaganda throughout the country, and that it is sweeping the Nation, and he predicted that it will lead us into a third World War. I call the attention of the House on both sides to the fact that we have only gotten into two World Wars in our entire history, one under a Democratic administration and in its second term, and the other one under a New Deal administration, and in its second term. We got into those World Wars, one under Woodrow Wilson, a Democratic administration, and one under Franklin D. Roosevelt, a New Deal administration, and that we never got into any World War under a Republican administration, and yet it is now charged by the Vice President that isolationism is sweeping America and leading us into a third World War. It just does not make sense.

Mr. BENDER. Mr. Speaker, will the gentleman yield?

Mr. FISH. Yes.

Mr. BENDER. In view of what the gentleman has said, does not the gentleman feel that we are entitled to the truth, that the American people are entitled to the truth?

Mr. FISH. I think the gentleman is right. If he is after the truth, then he is talking the same doctrine I am. I am after the facts and the truth. Let the American people know the truth; they are entitled to it if we are to remain a free nation. I am not interested in internationalism or nationalism, or isolationism. I am interested in what is best for America. There is no living man who can tell me what is best for America, until we have won this war. Nobody can tell what the attitude of these other nations will be until the war is won, and until that occurs, I am not making up my mind as to how to organize or rule the world in the future. I want to make sure of the best interest of America first, last, and all the time, and that is the only guide that I know of at any time, whether it is isolationism, nationalism, or internationalism.

Mr. McMURRAY. Mr. Speaker, will the gentleman yield?

Mr. FISH. Yes.

Mr. McMURRAY. It would seem to me that the attitudes of these other nations at the end of the war, or during the war depend to a great extent upon our attitude. A quotation was made or was read from the Vice President in which he said, if I got it correctly, that if our actions are of a certain nature, it is probable that Soviet Russia and Germany will take certain action. That is no guess.

Some people know history, some people know the relationship of the nations when they are playing the game of power politics. Some Americans know that we did run out on the peace after the last war; that the isolationism that existed for 20 years was one of the major causes of the second World War, and it would seem to me that the words here expressed in respect to the Vice President's remarks, that he was trying to stir up suspicion in our country against Russia or in Russia against the United States——

Mr. FISH. I did not make that statement.

Mr. McMURRAY. I understand that perfectly well, but it seems to me that certain statements should not go unchallenged, but there are conclusions that can be drawn from the actions and reactions of nations, and I should like to say one more thing, that it is my humble opinion—and I think I know a little about this subject—that if we go isolationist after this war, we will find confusion in perhaps all of the other great nations' states, and that is no guess.

Mr. FISH. May I say to the gentleman, and I think I may astound some of my friends on both sides of the House, that I am not an isolationist.

I believe I am supposed to be one of the outstanding isolationists. I was a noninterventionist against our being involved in war unless attacked. I did everything in my power to keep this country out of war. I have never been an isolationist. I have always believed in and advocated international cooperation. If I had been in the House—I stepped out for a few minutes—I would have offered to attach the entire Atlantic Charter to the lend-lease bill. I did not get a chance to offer it as an amendment and that is why I asked for this time. I am introducing today a joint resolution endorsing the principles of the Atlantic Charter so that it will be before the Congress. To my mind, it is nothing but a scrap of paper at the present time. It is merely a joint declaration of the President of the United States and Winston Churchill, Prime Minister of Great Britain, made on board a ship somewhere at sea 4 months before we entered the war. We are now in the war. Conditions have entirely changed. I believe in the principles enunciated in the Atlantic Charter and would like to see them endorsed by Congress so that all foreign nations will know that Congress has acted favorably upon them. Now it will be up to Congress. I am for international cooperation, and for that reason I am introducing the entire Atlantic Charter as written for consideration and approval by Congress.

I will give my right arm now—or at any time in the past 20 years I would have given it—to maintain world peace. I want to win this war; I want to crush our enemies; I want to disarm Japan and Germany; I want to destroy their armies. I am willing to police them with our own air and task forces, if necessary, for a few years.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. FISH. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. FISH. I want not only to disarm them, but after we have won the war—and we are going to win the war; we are getting stronger all the time—after we disarm them, then police them for a while, but I do not want any Versailles Treaty. I do not want any treaty that is going to create another war 20 years from now. I do not want to take an inch of territory from any nation to which it rightfully belongs and then have another cause for war 20 years from now. I want a just and lasting peace. There is not anything I would not do to bring it about. But if there is going to another Versailles Treaty, naturally I will oppose it. Bring about a just and lasting peace and there will be international cooperation. I hope Russia and all the rest of our allies will see eye to eye with us.

Mr. RANDOLPH. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield to the distinguished gentleman from West Virginia.

Mr. RANDOLPH. I am disturbed by the implication which the gentleman makes that the party of which I am a member, be it Democrat or Democrat New Deal Party, is a war party.

Mr. FISH. I would not want to put it that way, but your Vice President deliberately stated, and it is in reply to him that I was speaking, that isolationism is sweeping the country, and would involve us in a third World War. Let us win this war first before starting another. Certainly if I know anything about internationalism or isolationism, the New Deal and the recent Democratic Party were and are internationally inclined. That is one of the reasons why the American people opposed the Versailles Treaty—and the League of Nations, which was a part of it. That type of peace breeds wars and always will. I am opposed to that type of peace and internationalism. I was only replying, in my remarks, to the Vice President. He is the Vice President of the New Deal party and as such speaks with a certain amount of authority.

Mr. RANDOLPH. As a Democrat I do not believe that we are a war party. We may have to deal with a war, and in dealing with that war we will fight side by side with Republicans to win the war.

Mr. FISH. I think that is right so far as the gentleman is concerned. I mean, it is a fair statement. I was replying to the Vice President and the intimations that go along with it. At the same time it is true that we have never entered a world war under a Republican administration.

Mrs. ROGERS of Massachusetts. Will the gentleman yield?

Mr. FISH. I yield.

Mrs. ROGERS of Massachusetts. I would like to ask the gentleman if he does not think it would be extremely helpful if under lend-lease they had a board which consisted of the United States, Great Britain, and Soviet Russia, and also another board consisting of the United States, Great Britain, and China?

Mr. FISH. Is that for lend-lease alone?

Mrs. ROGERS of Massachusetts. Yes. At least, Russia could sit in around the table and discuss things.

Mr. FISH. I go further than the distinguished lady from Massachusetts. I have advocated in this House heretofore that we have a supreme command, the United States, Great Britain, Russia, and China, all on equal terms; have a supreme war council just as we had in the last war. I agree it would be the proper thing to do to have lend-lease come under all four nations. We are in a common war with a common objective, and that objective is to win the war at the earliest possible moment with the least losses. Of course, anything that will bring it about, either through a lend-lease board or a supreme war council, which is more important, is what we should do and do immediately.

Mr. Speaker, I think it is a matter of little consequence because the temper of the House was such that I do not believe any amendments would have been adopted to the lend-lease bill, but I had three amendments that I intended to offer and in fairness to those to whom I had stated I would offer them I have to apologize and say that I was out of the House for exactly 3 minutes and when I returned the bill was passed. I thought there would be another hour to consider amendments. The temper of the House was such that probably none of my amendments would have been adopted. One was the endorsement of the Atlantic Charter. I am now introducing it as a separate resolution. The other one I will read:

> Notwithstanding the provisions of any other act, the Food Administrator is hereby empowered to prohibit any part of the lease-lend food shipments, exclusive of food for our own armed forces, that he deems necessary to protect the morale, health, and food supply of the people of the United States.

I think the Food Administrator ought to have that power.

The SPEAKER. The time of the gentleman has expired.

Mr. FISH. Mr. Speaker, I ask unanimous consent to proceed for 3 additional minutes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. FISH. I contend the Food Administrator ought to have that power because we may have a very serious food shortage and a food crisis by the end of this year and the power and responsibility to meet it ought to rest with the Food Administrator. I will make some remarks on that later under the farm price bill.

The other amendment might not have been germane and probably would not have passed; I am now putting it in as a separate resolution because I think it should be discussed now and not later on after the war is over. It is to the effect that the Congress of the United States favors the permanent acquisition of the strategic islands in possession of European nations from Bermuda to South America for air and naval bases as a reciprocal part of the lease-lend program.

I want to say to the House that if we debated this issue openly and found American public opinion was behind it after we presented all the facts, it would be our duty to say to Great Britain that "we are primarily interested in our own national security; we are interested in our own national defense and our own protection just the way you are."

I want to say to the House that I admire the British; I also admire Soviet Russia. I admire them because they stand for their own interests all the time. The British Government stands for the British Empire first; the Soviet Government stands for Russia first. It would seem to me now that we are in this war and putting everything behind the war to win it that we should openly discuss this important question of acquiring the islands off our eastern coast permanently as air and naval bases. If this war has proved anything at all it has proved the value of the airplane for defensive purposes. The only 2 great victories we have won have been as a result of land-based airplanes. I submit in the interest of national defense, in the interest of our own protection and security, we should tell Great Britain that we want these islands off our coasts; that they are of no particular use to her; that we want them for our own defense, for the future, not for 99 years—this country is not a 99-year country. America, we hope, is going on forever and we want to protect this country with naval and air bases on these strategic islands from Bermuda to South America.

I do not believe in going in by the back door; I do not believe in sneaking into the peace conference and saying: "We want these islands after it is all over." I believe in bringing these facts up now, showing our interest in them and saying: "This would be reciprocal lend-lease; they are of no particular value to you, but are of vital importance to us." That is what I should like to discuss when this resolution comes before the House, not as an anti-British resolution, but as a pro-American resolution in the interest of the security of America today and the America of the future.

The SPEAKER pro tempore (Mr. GAVAGAN). The time of the gentleman from New York [Mr. FISH] has expired.

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from New York [Mr. KENNEDY] is recognized for 10 minutes.

THE MILITARY ACADEMY

Mr. KENNEDY. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks and to include therein a poem, The Battle Hymn of the Republic.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. KENNEDY. Mr. Speaker, it seems appropriate on this day, Ash Wednesday, to call the attention of the Seventy-eighth Congress to the one-hundred and-forty-first anniversary of the founding of the United States Military Academy at West Point, N. Y. Never before in our history has the significance of this great national institution been stronger in our minds; never before have we, whose duty it is to nominate the cadets

for appointments to West Point, held sterner responsibility.

The United States Military Academy is an institution established by the Government for the practical and theoretical training of young men for the military service.

That sentence is a direct quotation from the Handbook of Information Relative to the Appointment and Admission of Cadets. But West Point is more than that. We might truthfully say that it is an institution established by the Government for the physical, mental, moral, and spiritual development of a highly specialized type of youth, for the direct and all-important purpose of winning and preserving the rights to life, liberty, and the pursuit of happiness, which constitute the inheritance of every American citizen.

Columbia, Georgetown, Harvard, Yale, and all our other great institutions of learning belong to the Nation in a general sense in that each one contributes deeply and capably to national culture. But West Point belongs to the Nation in a more intimate sense, for every American citizen has a personal share in it and every American heart quickens at the sound of The Caissons Go Rolling Along.

The impressive and beautiful fortresses of the academy stand stalwart upon the battlements of the Palisades of the great Hudson River. And, just as stalwartly, West Point as an institution stands for militant Christianity. It is the very symbol of the courageous and valiant strength—strength of body and mind. of heart and soul—which must and will carry us on to victory. That strength is nurtured and bulwarked, day after day, into the finest of our selected youths until no battle shock or terror of war, no hardship, no personal or national calamity can sway them from their chosen way of life.

The other day, in announcing the tremendous triumph of the Bismarck Sea, Gen. Douglas MacArthur proclaimed that this great battle was fought and won through the help of a divine and merciful Providence. Contrast this, for a moment, with the statement in the manual of instructions issued to every private in the German Army:

It is the duty of the German soldier to destroy the cross.

That contrast is as obvious as the blow of a pole ax, and as effectively simple. One scarcely need say more. General MacArthur invokes the aid of God; General Eisenhower, stationed amid the bloody sands of Tunisia, seeks daily guidance in his Bible, and Gen. George Washington prayed on his knees in the snow at Valley Forge. Men of character and courage, like George Washington, our first Commander in Chief, President Roosevelt, our Commander in Chief of the trying times of today, and our generals in the field, have always sought and found the strength, inspiration, and fortitude to meet and overcome the ravages of war and the treachery of men. And may it always be the way of our leaders.

"All they that take the sword shall perish by the sword" is but half the truth for the men of West Point. Many have perished by the sword; many more will perish before the present world conflagration comes to an end. But many will win the peace, and will preserve it as sacredly as they now fight for it. Our heroes must and will be represented at the peace conferences; they must and will sit at the tables where a better way of life for mankind is resolved. Our heroes must not only plan this way of life, they must and will sustain it.

The Christ who scourged the moneychangers from the temple was wise and merciful; likewise he was courageous with the courage of His convictions. That is the same Christ whose wisdom and mercy and courage goes like a banner before the men of West Point, yesterday, today, tomorrow, and forever.

In another time, perilous to the state of our Nation, the following words were spoken and sung, as they still are, throughout the Union. Let us recall them today:

Mine eyes have seen the glory of the coming of the Lord:
He is trampling out the vintage where the grapes of wrath are stored;
He hath loosed the fateful lightning of His terrible swift sword:
His truth is marching on.

I have seen Him in the watch-fires of a hundred circling camps;
They have builded Him an altar in the evening dews and damps;
I can read His righteous sentence by the dim and flaring lamps;
His day is marching on.

He has sounded forth the trumpet that shall never call retreat;
He is sifting out the hearts of men before His judgment-seat:
Oh! be swift, my soul, to answer Him! be jubilant, my feet!
Our God is marching on.

In the beauty of the lilies Christ was born across the sea,
With a glory in His bosom that transfigures you and me:
As He died to make men holy, let us die to make men free,
While God is marching on.

This is not a year for parades, bright banners, and long speeches, nor will there be more, at West Point, than a quiet ceremonial observance of the one hundred and forty-first anniversary of the founding of the academy. There will be a prayer, music by the academy band and choir, and a few brief addresses from some of the illustrious men who have enjoyed the privilege of attendance at the academy, and who are now making it possible for us to enjoy the privileges of a free America. I intend, as I hope every one of you will, to listen to the radio broadcast of this ceremony on the evening of Saturday, March 13. According to present arrangements, you will hear talks, either directly or by short wave, from 12 of our United States Army generals stationed the world over, from Australia to Africa and from Alaska to Iceland: General Marshall, our Chief of Staff; Major General Wilby, superintendent of the academy; General Eisenhower; Lieutenant Generals Krueger, Andrews, and Patton; and Major Generals Buckner, Burgin, and Ward.

And while we are listening to this inspiring program, I know that we will each have in mind some young man whom we are considering for an appointment to the academy. I know, too, that our hearts will swell with pride in the thought of the brave young men whom we have appointed in previous years, some of whom are even now on the field of battle.

Not long ago I read a rare tribute to a proud and ancient people, which, in its simplicity, nobility, and truth, might have been written of the gallant men of West Point:

To be shaken and yet not moved, to suffer attacks yet not be overcome, that is your character. Your courage is stronger than your rock or mountains.

Over the gateway of the tyranny of the "new order" one may read, written large in letters of blood, that ominous warning:

Abandon hope, all ye who enter here.

But on the hinges of the great doors leading into the chapel at West Point these words appear:

O God, who dost crush out war, and by Thy powerful defense dost defeat the assailant of them that trust in Thee, come to the help of Thy servants, who implore Thy mercy.

141ST ANNIVERSARY OF THE UNITED STATES MILITARY ACADEMY, REMARKS BY GENERAL EISENHOWER MARCH 13, 1943

One month ago tonight an American detachment held a high hill above the Faid Pass in Central Tunisia. It was commanded by Johnny Waters, a West Pointer of the class of '31. He was ordered to hold that hill.

He then had been engaged for 3 months in almost continuous battle, in every hour of which he lived up to the glowing prophecies made concerning him from the first day that he began his career at West Point.

At first light on February 14th, the enemy poured in around his flanks and quickly he was surrounded by hostile mechanized forces. Undismayed, he carried on. For 2 nights and days he repulsed every attempt of the Hun to dent his position. Then the corps commander directed Waters to bring his troops back through the darkness to join the main American force. Efficiently and rapidly he organized for the withdrawal. His troops came out with 150 prisoners and joined the main body, while Johnny Waters—as you would expect—stayed with a small detachment to cover the retirement. His devoted men wanted all to stay until he himself should depart, but he had made them soldiers that obeyed orders instantly.

Since that moment we have not heard of Johnny Waters and his men. Wherever he is, whatever his fate, his example and his whole career typify the kind of service that West Point has a right to expect of her graduates. He knew his job and he devoted his full energies and his whole spirit to its execution.

If that spirit and example are characteristic today of West Pointers in every duty to which assigned, then our alma mater is a shining symbol of that Americanism that will win the war—definitely and conclusively. If there could be granted to me now an answer to just one prayer, it would be this: "God, let me, in my post, do my duty to my country as well as Johnny Waters did in his."

FOOD REQUIREMENTS UNDER LEND-LEASE

Mr. SMITH of Wisconsin. Mr. Speaker, I ask unanimous consent to proceed for 10 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin [Mr. SMITH]?

There was no objection.

Mr. SMITH of Wisconsin. Mr. Speaker, there is almost a complete unanimity of opinion on the necessity of extending the life of lend-lease for 1 year by this Congress. All are not agreed as to the details in the administration of the act, improvements can and should be made to the end that the Members of this House may be fully informed of its entire scope if future extensions are deemed necessary. I shall vote for the bill on the ground that it is a vital part of our national defense at this time.

I have read with a great deal of interest the report submitted to the Congress by the Administrator, Mr. Edward R. Stettinius, Jr., and a portion of the hearings. I desire at this time to call attention to a very important phase of that report dealing with the essential part that food is and will play in effecting the objectives of lease-lend policy. The Administrator, on page 42, states very emphatically:

> Food is a weapon of war. In its way it is as assential to the winning of the war as planes or guns.

I hope we all get the full significance of that strong statement and that it can be driven home to those Government bureaus who still have not comprehended the seriousness of our food situation. Listen again to Mr. Stettinius for on page 45 of his report he states:

> The lend-lease food program for 1943 will take a much bigger share of many of these products than it did in 1942.

"How, Mr. Administrator," I ask, "can you expect a bigger share of food products in 1943 as compared to 1942, when it appears to be a verity that less food will be produced this year than last?"

Mr. Speaker, the food program under lend-lease is being sabotaged, inadvertently or otherwise by the Department of Agriculture, the Office of Price Administration, and the War Production Board by politics and dilatory tactics which is resulting in a curtailment of food production.

Mr. Speaker, I charge that the Department of Agriculture is more concerned in saving the A. A. A., the Farm Security Administration, and the Commodity Credit Corporation than it is in organizing a productive food program. The Department is aware that Congress is opposed to subsidies and incentive payments and is suspicious of the activities of the agencies I have here named. So Mr. Wickard and his associates apparently decide that they will take the fight to the people in the field; they authorize and sanction meetings of farmers presided over by A. A. A. State committeemen, who are on the Government pay rolls at $4,600 to $4,800 per year. At these meetings prepared speeches are read, and I dare to bet a hat, they are prepared in Washington. Congressmen, the farm bloc Congressmen, if there is such a group, are accused of an attempt to destroy those agencies. The farmers are urged, yes begged, to protest to you about this situation.

This is not fancy or fiction, Mr. Speaker, it is a fact, and I cite a specific case. On February 22, 1943, one R. C. Schultz, a triple-A committeeman from my State, and an employee of the Department of Agriculture at $4,600 a year, released to the press a talk that has been broadcast throughout Wisconsin.

So that every Member may read the kind of propaganda the Department is dishing out, I ask unanimous consent, Mr. Speaker, that the talk by Mr. Schultz, of A. A. A., be incorporated herein:

I suppose you are wondering why you committeemen were called together today! You may be thinking that there has been a change in the procedure and that you are going to hear all the new changes that have taken place and that you can go out and inform your community committeemen what they may be. But if you expect that this meeting has been called for the purpose that I have indicated above, you have a surprise coming to you.

There comes a time in the life of any organization when it has to adopt a stand and decide whether or not it is going to run its own program or whether it is going to turn it over to some other group. Most of you men have been connected with this organization for many years and you have done a good job of handling the procedure end of the farm program. But now, the real reason for all of us being either elected or selected is coming to the top.

Our administration of this program has been challenged and we have to prove our worth. In order to give you a background of what has developed and is developing, it will be necessary to go back several years.

I think all of you know, and if you don't I'm going to tell you now, that your Farm Bureau, and extension organization have been wanting to run the farm program ever since it was first conceived. Then, Secretary of Agriculture Henry Wallace decided that the business of agriculture should be run by farmers themselves, through the election of county and community committeemen. Bringing us a little closer up to the present time, through a coalition of our powerful industrial groups, the Farm Bureau organization and Extension Service, a farm bloc of Congressmen and Senators was developed. These forces that I mentioned before know well enough that in order to obtain control of the business of agriculture, there was only one way that it could be done and that was through political maneuvering, and the farm bloc was the result of that kind of work.

If you remember, last year prior to the time that the appropriation bill came up for a final vote, a rider was attached to it. This rider denied the privilege of the farmers themselves to make full use of the ever-normal granary—in other words, this rider, supported by Farm Bureau and by Extension Service in the interests of the big grain speculators, limited the amount of feed wheat that could be sold out of the farmers' own ever-normal granary to 125,000,000 bushels. When that amount had been sold, the remainder would have to be sold at parity prices, irrespective of the fact that the farmer who had raised the wheat had already received a full measure of value for it. What lay back of that move?

It's very simple. Powerful groups in this country had used the leaders of the Farm Bureau and their "yes men," the Extension Service, to exert pressure on Congress to prevent the sale of wheat at a figure that would have enabled dairy, poultry, and livestock producers to have a fair margin of profit without raising the price of those products to the consumer beyond his ability to pay.

In other words, this group said that the principles of the ever normal granary were no good, as far as they were concerned, and the action taken at that time, which will be effective now, will throw the entire grain supplies in the United States into the hands of the speculators, and dairy and poultry farmers will pay through the nose for the raw materials that are being used to produce the butter and eggs and cheese, etc.

What is that going to do to your dairy farmers in the State of Wisconsin?

Well here are a few figures on it. Commodity Credit Corporation wheat has an average sale value in this State of around 92 cents a bushel. If the Commodity Credit Corporation will have to sell the remainder of it, or approximately 275,000,000 bushels, at parity prices, feed wheat will disappear entirely from the menus of our poultry, hog, and dairy farms, because the parity price on wheat today is $1.39 per bushel and no farmer could feed wheat at that price.

Let's follow that through a little ways: What would happen? Certainly the Commodity Credit Corporation would not be able to hold this wheat for the farmer-cooperators. The farmer himself could not purchase it at that price, so that the result would be this: It would have to be released to the grain trade, who could manipulate the price of wheat foods and on other foods to a level comparable to the level they were during the last World War.

It has been conservatively estimated that that action alone would add $1 to every $5 that the farmer now pays for his necessary feed grains. Let's see what that would cost in total to Wisconsin farmers.

In 1942 there was approximately $33,000,000 spent for food purchases in this State, according to the Bureau of Agricultural Economics' figures. Twenty percent of $33,000,000 is about $7,000,000. That's the minimum amount that farm people would have to pay, more, for their food that they buy—the sky would be the limit on the other side * * * they may pay 50 percent more.

Well, maybe the question in your mind right now is this: "Well, that's alright." You may be thinking in terms of what the Farm Bureau has advocated. "Run this food up; run the price of dairy products up—let the man who has the swollen war wages pay the cost. Why worry about whether we can save this democracy. Let's get while the getting's good. That's one good way that we can take a rap at organized labor. We don't care whether they live or die—what's the difference—let's get it!"

That's the attitude of some of our farm organization leaders. That's the attitude of our industrial leaders and a good share of these top-flight extension boys. But I don't think that you farm people, you committeemen, should be swayed by any such shallow thinking. In the first place, let's not forget that over half of the city people of this country are not working in war industries and are not receiving wartime salaries and are not in a position to pay a dollar a pound for butter. And this country, as a whole, is not in any position where we can afford inflation. It will lick us quicker than Hitler will. And I think you men realize that.

But still, the farm bloc, in an attempt to destroy what has been built up since 1933 and which has proven its worth and value beyond any shadow of a doubt—in fact, has been in principle approved and placed in the platform of the Republican Party, both in 1936 and 1940—the farm block, farm bureau, and extension service are now saying it should be thrown out of the window.

To bring you a little closer up to date on this whole picture, right into the 1943 food-for-freedom campaign: The Secretary of Agriculture has gone to Congress and has made a plea to Congress to make an appropriation for the purpose of making incentive payments to farmers who are planting, or who are intending to plant, war crops. And again the unholy coalition of big industry, farm bureau and extension have thrown their

weight upon the farm bloc and have been able to swing the subcommittee of the Agricultural Committee in Washington to veto the proposal to make incentive payments for the production of needed war crops. They have said, and I quote: "Give the farmer top prices and let the consumer pay. We don't want a subsidy," according to the self-appointed spokesmen for agriculture.

Now you know that they are driving another nail into the coffin of triple A, and what are you going to do about it? I wonder if we couldn't stop right here and go back to the days of 1930-32, when farm people, who were the most law-abiding people that could be found anywhere, got into a position where they decided that the law of self-preservation was the only one that counted any more, and judges were dragged off their judicial chairs. Do you remember what Farm Bureau and Extension Service did at that time?

Well, if you don't, I'm going to tell you. They sat on the sidelines and said, "Yes; this is pretty tough, but we don't know what to do about it."

Many extension agents at that time wore out pencil after pencil trying to figure out how you and I as farmers could make some money with 65-cent milk and $2 hogs.

The reason I am telling you this right now is that the forces that are at work at this time, this "unholy alliance" that I mentioned before, will get us into that same position after this war is over if they can destroy your farm program. The methods that have been used so successfully by Hitler are being used here today. The idea of "divide and conquer"—first to divide the farmers among themselves and, second, to divide farmers and laboring people. And back of that whole thing is a sinister move to get farm people out on their own again.

You have heard many a man in opposition to this idea of an agricultural equality and a national farm program say that all we want is to have the farmers left alone. They had been left alone during the 1920's and you all know the results. It may be interesting to you to know now that there are movements under way that have shown up in various parts of the country. For instance, the Idaho State Legislature recently passed a resolution recommending that the triple A be discontinued. A rider was attached to the amendment in Washington and was ruled down on a point of order that the same thing be done. And Congress almost had an opportunity to vote on whether there should be a triple A farm program now. Did you ever realize what that would mean to our food-production program? Did you ever stop to think that our industrial set-up in this country has borrowed, lock, stock, and barrel, the ideas from triple A, and all of a sudden there are whisperings and rumors going around and actual attempts being made to discontinue the work of an organization that is the only group in this whole United States that can get the needed production of food? Triple A has the mechanism, the personnel, and without it the American people are going to go hungry.

I am not sure but that this "divide and conquer" method that is being used may prolong the war and bring on much greater suffering than we have ever dreamed of before. The right of you people as farmers to run your own business is being challenged. The issue is clear—make no mistake about it. The farm bloc, the Farm Bureau, and Extension Service is saying that you, as farmers, have not got enough brains to run your own business; but it must be run for you by "technically trained" theoretical experts. Let me ask you: Do the bankers' association or the manufacturers' groups go out and get somebody else in to tell them how to run their business?

You bet your sweet life they don't. They run their own business and they want to run yours, too. Don't ever forget that.

The decision as to whether you are going to run your own business or whether somebody else is going to run it rests with you. I don't believe that you can be honest with yourselves if you say that you, as an individual, can go home. I know you are making sacrifices staying on the job that you are in. We all are doing that. There's something much deeper and much more fundamental in this thing. Are we going to come through this national crisis we are in with an organization that is able to, first, produce the food, and, second, keep our hands on the throttle of inflation; with an organization that, when the period of reconstruction comes, will be a power and a force, or are we going to fold up here and say that we haven't got what it takes to represent and run this business of agriculture, and we must turn it over to men who will tell us what to do?

There is the issue.

Now it isn't going to do any good for me to tell you this and you not take any action. You have a powerful group of people who are waiting to help you and they are not in Washington, either. They are the consuming public out here, who are for you, lock, stock, and barrel. They are the labor organizations who are for you and the reason they are for you is because they want food and at a reasonable price. The prices that will permit you to make a fair profit. A price that will allow no place for any speculator to fatten himself at the expense of both you and the consumer. Take advantage of that group of American citizens, who are placing Democracy above material gain and you will be in a position to help your people cooperatively write us a peace when this war is over that will be a lasting one.

I wonder how many of you people have noticed in some of the newspapers, especially those that are controlled by the powerful monopolized groups, the statements that have been made in columns and editorials that no man should think in terms of the post-war period now, but we should win this war first. Do you realize what they are attempting to do? They are attempting to stop people from thinking, if you please, because the thinking group of people cannot be hoodwinked as easily as those who do not think, and when the war is over, they can put over their ideas of what kind of a peace we should make and the dollar sign is going to be the most prominent thing on the peace table.

The Secretary of Agriculture, Claude R. Wickard, has attempted to be decent to the farm bloc-Farm Bureau-Extension Service coalition. And every time that they had an opportunity, they drove a knife into his back. They have said this: That it doesn't make any difference how we do it, we are going to gain control over this business of agriculture. We are going to take over the farm program. We don't care what way we do it, just as long as we can do it.

Claude R. Wickard has made his mind up now—he is going to find out how many friends he has among the farm people, and how many committeemen have got the necessary guts to go on out and fight for farmer control. And let me bring this to your attention.

If the farmer-controlled, farmer-committeeman system of Triple-A is successful in putting over this production battle, they will have shown that they are capable of running their own business, and the hold of the Extension Service, the Farm Bureau, and the farm bloc on this vast business of Agriculture will be broken once and for all.

That's the issue.

That's the thing that Claude Wickard is asking you farm people and you committeemen to back him up on. Have you got the guts to do it?

The answer, to me, is "Yes, you have." There is no time or place for a coward in this battle for the rights of farm people to run their own business, any more than there is a time and place for a coward in Guadalcanal or Africa. You and I cannot sit on the fence now—we'll have to get off—either on one side or the other, because the principles of Henry Wallace, Claude Wickard, and the men who had the vision and the courage to see that agriculture could never have a place in the sun until they ran their own business is being attacked. Let me quote to you right now from the speech of Dr. James Hoskins, president of the University of Tennessee, delivered at the land-grant college and extension directors' meeting October 28, 1942. I quote: Dr. Hoskins says that farm to farm educational work now performed by elected farmer committeemen should be turned back to the colleges and a speedy return to the day of absolute agricultural college supremacy should be the first objective of agricultural post-war plans.

Let me quote from a county agent's speech in Washington County, Ark. Extension Agent Clifford Smith said, "There is a lot of information being released by the United States Department of Agriculture about what the farmer should produce as war crops. Farmers should not be confused in reading this information, but should keep their production down to common crops and livestock, which they have been producing all these years."

H. S. Mobidy, president of the Washington County Farm Bureau, State of Arkansas, said, introducing a resolution at a meeting of 300 farmers in that county he condemned the Department of Agriculture for its agencies entering into the field of educating farmers on the production of food. He indicated, and I quote, "The agricultural Extension Service has been carrying on adequate educational work on the food production for the past 25 years, and is capable of continuing without any increased cost."

Needless to say, the group voted in favor of the resolution. This gives you a fair idea of the knifing that's going on at this most critical time in the whole production history of agriculture in the United States.

This gives you a fair idea that no holds will be barred in this all-out fight of farmer administration.

Let me tell you a few of the things that happened during the week of Lincoln's Birthday. Senator SMITH appointed a belligerent agricultural subcommittee to investigate the food situation as a means of drumming up support for two bills backed by the Allied * * *.

One of these bills was a House measure to raise parity some 10 to 15 percent as a means of automatically boosting the prices of cotton, corn, and wheat, without raising wartime livestock or poultry prices. The other was the Senate measure to prevent the inclusion of Government payments in calculating parity on crops which would have been affected by the House bill. In brief, both measures would punch holes in the ceilings on prices and would automatically start us on the road to inflation, with all the danger that would be attendant upon such a course. Here's another measure that was introduced by a Congressman from Springfield, Ill., to restore to our big cooperative holding companies the right to syphon money from the raw products of the country and stack it up on the big financial interests. And when this bill hit, neither the Farm Bureau or the farm block or extension group raised any objection to it at all. That ought to give you another pretty good idea as to who is and who isn't the friend of you farm people out here.

Mr. Speaker, can there be any doubt now as to just who wants to control the farmers of these United States? The Department of Agriculture is not satisfied to help and assist our farmers; it

wants to control them. It condemns those men and organizations who are the real friends of the farmer because at long last the grasping design of the Department is apparent. The American farmer will not be regimented; he will continue to maintain his independence, and this Congress will support his position.

The "cat is now out of the bag." Control is the goal of these communistically minded bureaucrats; a control that is to be exercised by paid Government agents; control through limitations on the production of farm machinery and the rationing thereof; control through the exercise of crop and meat production limitations; control through involved and conglomerate methods of price fixing; and control, ultimately, of the number of farms that may be operated in any one county and the selections of those who are to run those farms—collectivized farming, if you please, Mr. Speaker.

It is obvious, now that our lend-lease food program will suffer immeasurably because Government employees are still playing personal politics. The time has come to force them to produce or quit.

ADDITIONAL PIPE LINE TO NEW ENGLAND

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts [Mrs. ROGERS]?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I have just introduced a resolution which would authorize the building of another pipe line from Texas, or from the nearest point, to New England in order to secure oil. We have suffered greatly for months in New England and on the entire east coast on account of the lack of fuel. It is an inexcusable situation, in my opinion, and should be corrected immediately. We should not be forced to undergo this privation without cause another year. Plans should be made at once to remedy it.

The SPEAKER pro tempore. The time of the gentlewoman from Massachusetts has expired.

EXTENSION OF REMARKS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and to include therein an editorial from the Shanghai Evening Post and Mercury, New York edition, regarding supplies that should have been sent from this country, supplies which were promised but have not arrived. We cry about helping China but action is what China needs—airplanes help more than idle words.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Massachusetts [Mrs. ROGERS]?

There was no objection.

(Mr. O'KONSKI asked and was given permission to extend his own remarks in the Appendix of the RECORD.)

ACQUISITION OF CERTAIN ISLANDS AS DEFENSE BASES AND A REPLY TO REPRESENTATIVE FISH

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia [Mr. RANDOLPH]?

There was no objection.

Mr. RANDOLPH. Mr. Speaker, in connection with the discussion on the lend-lease bill which passed earlier today with the full approval of the Democrats and Republicans of this body, and rightly so, I feel that as an aftermath of that debate in the consideration of this measure my colleague from New York [Mr. FISH] has presented two problems on which I should like to make comment. On one matter I am in agreement and on another I am in vigorous disagreement.

The first proposition which the gentleman from New York appropriately brings to our consideration is the problem of island bases. The gentleman from New York, and especially the gentleman from Massachusetts [Mr. MCCORMACK] will remember that when I spoke yesterday I called attention to certain resolutions which I presented to the Congress in March and April of 1940, asking at that time that the President, on behalf of our Government, enter into negotiations with Great Britain and France looking toward a basis of settlement whereby partial repayment of debts owed the United States resulting from World War No. 1 would come about perhaps through our possession of these islands. I did not think then, in 1940, of ownership of the islands for the physical properties themselves, the resources they held within their borders, or the people who live in those countries.

I was thinking more acutely of the necessity for a ring of strength, a citadel, a fringe of fortress domain, ranging itself about this Republic. I had the feeling which has been reaffirmed many, many times, that we were going into a war, a war which would be fought to ultimate victory because of the strength of America and the Allied Nations through our superiority in the air. The need for bases for plane outposts has been proven again and again.

That is the first matter I discuss. I feel that we can take this up appropriately even now, in the midst of a war, and that it will not cause disunity to probe its possibilities.

Mr. FISH. Will the gentleman yield?

Mr. RANDOLPH. I yield to the gentleman from New York.

Mr. FISH. I agree thoroughly with the gentleman, but does he not think that that ought to be discussed all over the country to find out what the public opinion is, and not go in by the back door at the Peace Conference, sneak in, and then have pronouncements made such as Uncle Shylock demanding his pound of flesh? Let us bring it out in the open, discuss it freely, to show wherein our cause lies and I do not think it will cause any disunity at all.

Mr. RANDOLPH. I am practically in agreement with the gentleman. None of us in this body should disrupt the war effort. I shall lean over backward to at all times go along with every program which looks toward vigorous prosecution of this war; however, I do feel island possessions and their ownership can be discussed in this body and throughout the country, if we keep a sane attitude and a steady balance.

I come now to vigorous disagreement, however, with the gentleman from New York. He understands from the questions and observations I directed to him a few minutes ago my feeling on this matter. I well realize that his remarks were couched as a criticism of the Vice President of the United States, but after discussing the Vice President and the remarks he recently made as to there perhaps being an alliance in later years between certain countries against this Nation, he, the gentleman from New York [Mr. FISH], came to the statement, and I do not misquote him, that World War No. 1 was brought on when the Democratic Party was in power and World War No. 2 was brought on when the New Deal Party was in power.

I rose then as I rise now to say that I believe the Democratic Party or the latter group, affiliated with the Democratic Party, as he desires to call it, cannot be properly classed a war party. We have been in power in these 2 periods, during a time when the world was plunged into a catastrophe of conflict.

The gentleman from New York along with the gentleman from Arizona [Mr. MURDOCK] and the gentleman from Massachusetts [Mr. MCCORMACK] voted for this Nation to declare war against our common enemies of today. There was no politics on either side of the aisle about the entrance of America into the war. There might have been disagreement about the steps leading to the war, but I, as a Democrat, and the gentleman from New York as a Republican, are Members of this body in the prosecution of the war not as mere members of political parties but, thank God, as American citizens. On this floor we ought to stand together, close ranks, square our shoulders, and fight through to victory in our common cause.

The SPEAKER pro tempore. The time of the gentleman from West Virginia has expired.

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to proceed for 2 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. MURDOCK. Mr. Speaker, will the gentleman yield?

Mr. RANDOLPH. I yield to the gentleman from Arizona.

Mr. MURDOCK. I, too, feel as the gentleman from West Virginia does about this matter. As a Democrat I feel that the Democratic Party has not been the cause of war but the victim of two wars.

Mr. RANDOLPH. The gentleman is correct. The gentleman from New York

and I are personal friends. On many of these issues we are in agreement but he has erred in his remarks today. I do trust that the leadership on the Republican side of the aisle—and I respect the gentleman from New York as a member of the bloc that I call the leadership—will refrain very carefully from remarks which might tend to be carping criticism of the efforts of the administration now in power, when we necessarily are fighting a war which we must bring as quickly as possible to a successful conclusion.

Mr. FISH. Mr. Speaker, will the gentleman yield?

Mr. RANDOLPH. I yield to the gentleman from New York.

Mr. FISH. I know the gentleman has spoken from his heart and spoken sincerely. I understand perfectly his motive in making this statement. I was specifically replying to the Vice President, who said that this isolationism would lead into a third war. I had an idea that statement was directed against the minority. For that reason I discussed it. But I also brought out the fact not that they caused the war but that under two Democratic administrations we have gotten into war; not that they themselves had caused the war. That is a matter we can discuss after the war is over or in the next Presidential campaign. The fact is, however, and it cannot be denied, that we did get into those two World Wars, and this country never did get into a world war under a Republican administration.

Mr. RANDOLPH. We just got into depressions under Republican administrations.

I am glad the gentleman from New York clarifies his position, because we are together for the winning of this war.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. RANDOLPH. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. May I ask the gentleman from New York if when he voted for war he voted as a Republican or as an American?

Mr. FISH. I voted with the gentleman and everybody else in this House, because we were attacked, and I voted for war. I voted for an all-out war to final victory.

Mr. McCORMACK. As an American?

Mr. FISH. As an American.

Mr. McCORMACK. That is it.

The SPEAKER pro tempore. The time of the gentleman from West Virginia has expired.

Mr. O'KONSKI. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. O'KONSKI. Mr. Speaker, all this talk about getting the plans of all the other nations for after the war reminds me of an incident that occurred in my district a short time ago. Three men were deer hunting. They spotted a great, big buck deer. As they saw it, they said, "Now, who is going to get what part of this deer?" They started to argue among themselves and could not agree. They went into a cabin and got out a deck of cards and cut the cards to see which one was going to get what part of the deer. When they came out, having agreed as to who was to get what part of the deer, the deer was gone; another man was dragging it away.

It seems to me that is exactly what will happen in this war. If we are going to look with suspicion upon what England wants out of this war, if England is going to look with suspicion on what we want out of this war, if we are going to look with suspicion upon what Russia wants out of this war, and if Russia, in turn, is going to look with suspicion upon what we want out of this war, it will do nothing but prolong the war. While we argue about the loot, someone else might come along and walk away with it.

As an American, I really think that statements such as those made by men like Admiral Standley and Vice President WALLACE lead to suspicion and prolong the war. The less we say about suspicions about one another and the more unitedly we resolve really to prosecute this war and stop the shooting, the better off we will be. We can argue about the loot afterwards. Let us get this killing stopped first. Then let us talk about who gets what.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. HARLESS of Arizona, from March 11 to 22, on account of official business.

To Mr. HINSHAW (at the request of Mr. HOLMES of Washington), from March 9 for the rest of the week, on account of illness.

ADJOURNMENT

Mr. ROWAN. Mr. Speaker I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 28 minutes p. m.) the House adjourned until tomorrow, Thursday, March 11, 1943, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

You are hereby advised that the hearing on H. R. 134, to provide for the suspension, during the war, of operating-differential subsidy agreements, and attendant benefits, under title VI of the Merchant Marine Act, 1936, as amended, and for other purposes, which was previously scheduled for Thursday, March 4, 1943, has been postponed until Thursday, March 11, 1943, at 10 a. m.

The committee will also hold a public hearing on Thursday, March 18, 1943, at 10 a. m., on H. R. 1361 (Mr. LANE) and H. R. 1409 (Mr. FOGARTY), conferring upon men in the merchant marine the same rights, privileges, and benefits accruing to those serving in the armed forces, and on H. R. 1858, to confer the same rights, privileges, and benefits upon members of the United States merchant marine who served during the World War as are conferred upon members of the armed forces of the United States who served during such war.

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Thursday, April 1, 1943, at 10 a. m., on S. 163 (H. R. 498) to amend section 511 of the Merchant Marine Act, 1936, as amended, relating to ship-construction reserve funds, and for other purposes.

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Thursday, April 8, 1943, at 10 a. m., on H. R. 1766, to transfer to the Department of Agriculture certain functions of the Fish and Wildlife Service relating to the fisheries industry.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m., Tuesday, March 16, 1943.

Business to be considered: Public hearing on H. R. 149.

COMMITTEE ON FOREIGN AFFAIRS

The Committee on Foreign Affairs will meet at 10 a. m. on Tuesday, March 16, 1943, to consider House Joint Resolution 14, authorizing the execution of certain obligations under the treaties of 1903 and 1936 with Panama, and other commitments.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PATTON: Committee on Accounts. House Resolution 155. Resolution providing for expenses of conducting investigation authorized by House Resolution 121 of the Seventy-eighth Congress; without amendment (Rept. No. 237). Referred to the House Calendar.

Mr. ROBINSON of Utah: Committee on Roads. H. R. 1940. A bill providing the salary for the Commissioner of Public Roads; without amendment (Rept. No. 238). Referred to the Committee of the Whole House on the state of the Union.

Mr. COLMER: Committee on Rules. House Resolution 157. Resolution for consideration of H. R. 1408, a bill to amend section 301 (a) (1) of the Agricultural Adjustment Act of 1938, as amended, and the first sentence of paragraph (1) of section 2 of the Agricultural Adjustment Act of 1933, as amended, and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, approved June 3, 1937, as amended, so as to include the cost of all farm labor in determining the parity price of agricultural commodities; without amendment (Rept. No. 239). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk

for printing and reference to the proper calendar, as follows:

Mr. SCANLON: Committee on Immigration and Naturalization. H. R. 771. A bill for the relief of Fisil Rosenberg and his wife Sofie; with amendment (Rept. No. 236). Referred to the Committee of the Whole House.

PUBLIC HILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANGELL:

H. R. 2138. A bill to amend further the Civil Service Retirement Act approved May 29, 1930, as amended; to the Committee on the Civil Service.

By Mr. SUMNERS of Texas:

H. R. 2139. A bill to provide improvement in the administration of parole; to the Committee on the Judiciary.

H. R. 2140. A bill to provide a correctional system for adult and youth offenders convicted in courts of the United States; to the Committee on the Judiciary.

By Mr. GREEN:

H. R. 2141. A bill amending the Emergency Price Control Act of 1942, as amended, to facilitate the taking of possession of real property by the purchaser; to the Committee on Banking and Currency.

By Mr. MANASCO:

H. R. 2142 (by request). A bill to deny employment in the Federal Government to conscientious objectors and persons refusing to subscribe to an oath to uphold and defend the Constitution of the United States; to the Committee on the Civil Service.

By Mr. MURDOCK:

H. R. 2143. A bill to authorize the Secretary of the Interior to exchange certain lands within the Navajo Indian Reservation, Ariz.; to the Committee on Indian Affairs.

By Mr. STOCKMAN:

H. R. 2144. A bill to define the exterior boundaries of the Warm Springs Indian Reservation in Oregon, and for other purposes; to the Committee on Indian Affairs.

By Mr. BLAND:

H. J. Res. 92. Joint resolution to authorize the refund by the War Shipping Administrator of certain freights for transportation on frustrated voyages; to the Committee on the Merchant Marine and Fisheries.

By Mr. FISH:

H. J. Res. 93. Joint resolution for approval of the Atlantic Charter; to the Committee on Foreign Affairs.

By Mr. CANNON of Missouri:

H. J. Res. 94. Joint resolution making an appropriation to assist in providing a supply and distribution of farm labor for the calendar year 1943; to the Committee on Appropriations.

By Mr. BENDER:

H. Res. 156. Resolution to create a select committee to conduct an investigation of the State Department with particular reference to our policies in regard to Russia, Spain, and north Africa; to the Committee on Rules.

By Mrs. ROGERS of Massachusetts:

H. Res. 158. Resolution to increase the oil supply in the east coast; to the Committee on Interstate and Foreign Commerce.

By Mr. BELL:

H. Res. 159. Resolution authorizing the Committee on Insular Affairs to investigate the political, economic, and social conditions in Puerto Rico; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of South Dakota, memorializing the President and the Congress of the United States to revise the Federal laws and regulations relating to Indian affairs; to the Committee on Indian Affairs.

Also, memorial of the Legislature of the State of Oregon, memorializing the President and the Congress of the United States to pass legislation for the acquisition by the United States of the interstate bridges, including the approaches across the Columbia River; to the Committee on Rivers and Harbors.

Also, memorial of the Legislature of the State of South Dakota, memorializing the President and the Congress of the United States to pass legislation to relieve all persons in the military service of income tax; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of South Dakota, memorializing the President and the Congress of the United States to investigate the alcohol-production plant of the Yankton Industrial Alcohol Corporation, of Yankton, S. Dak.; to the Committee on Agriculture.

Also, memorial of the Legislature of the State of Oregon, memorializing the President and the Congress of the United States not to pass House bills 1012 and 1115 and Senate bill 246; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred, as follows:

By Mr. AUCHINCLOSS:

H. R. 2145. A bill for the relief of Marie A. Atanasio; to the Committee on Claims.

By Mr. CRAVENS:

H. R. 2146. A bill for the relief of Lamar Porter; to the Committee on Military Affairs.

By Mr. HÉBERT:

H. R. 2147. A bill for the relief of Perique Gomez and Mrs. Perique Gomez; to the Committee on World War Veterans' Legislation.

By Mr. LESINSKI:

H. R. 2148. A bill for the relief of Elias Baumgarten; to the Committee on Immigration and Naturalization.

By Mr. ROBSION of Kentucky:

H. R. 2149. A bill for the relief of Sam J. Hash; to the Committee on Claims.

By Mr. SPARKMAN:

H. R. 2150. A bill for the relief of Diemer Adison Coulter and Frances Andrews Coulter; to the Committee on Claims.

H. R. 2151. A bill for the relief of Elizabeth Powers Long; to the Committee on Claims.

By Mr THOMASON:

H. R. 2152. A bill for the relief of Rafael Torres; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

243. By Mr. HALLECK: Petition of the State Legislature of Indiana, memorializing the Congress of the United States to pass legislation abolishing the poll tax as a qualification for voting; to the Committee on the Judiciary.

244. By Mr. ROLPH: Resolution of the Furniture Workers' Union, Local No. 1541, San Francisco, relative to House bill 1366 and Senate bill 360, supporting postal employees pay increases; to the Committee on the Post Office and Post Roads.

245. Also, resolution of the Dental Laboratory Technicians, Union No. 99, San Francisco, relative to the rationing program of the Office of Price Administration; to the Committee on Banking and Currency.

246. Also, resolution of the International Association of Machinists, Lodge 1327, San Francisco, relative to the rationing program of the Office of Price Administration; to the Committee on Banking and Currency.

247. Also, resolution of the Retail Delivery Drivers' Union, Local 278, San Francisco, relative to the rationing program of the Office of Price Administration; to the Committee on Banking and Currency.

248. Also, resolution of the Native Sons of the Golden West, Grand Parlor, San Francisco, relative to Japanese in the armed forces of the United States; to the Committee on the Judiciary.

249. By the SPEAKER: Petition of the Insular League of Parent-Teachers Associations of Puerto Rico, petitioning consideration of their resolution with reference to keep the public-school system of Puerto Rico free from any partisan interference; to the Committee on Insular Affairs.

250. Also, petition of Golden Gate Bridge and Highway District, San Francisco, petitioning consideration of its resolution with reference to House bills 877, 880, 863, and 734; to the Committee on Interstate and Foreign Commerce.

251. Also, petition of Francis Jean Reuter, specialist in management and statistical control, petitioning consideration of resolution with reference to his petition No. 221 dated March 1, 1943; to the Committee on the Judiciary.

252. By Mr. HANCOCK: Petition signed by Felix Garalis and other residents of Syracuse, N. Y., favoring the enactment of House bill 1111; to the Committee on World War Veterans' Legislation.

SENATE

THURSDAY, MARCH 11, 1943

(Legislative day of Tuesday, March 9, 1943)

The Senate met at 12 o'clock noon, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal Father, Thou art the law within our minds, the life of every breath we draw, the love that yearneth in our hearts. Thou hast set eternity in our souls. In Thee alone are the fountains of living water; yet we have tried to quench our burning thirst at broken cisterns—to comfort the crying needs of our spirits with baubles bought at vanity fair, forgetting that each ounce of dross costs its ounce of gold. With shallow sophistries we have sought to stifle the pain of our deep unrest.

From shams and shadows we turn unfilled to Thee, praying for strength for our burdens, wisdom for our responsibilities, insight for our times, and vision which sets its eyes on far horizons. In our own repentant hearts may Thy kingdom come and Thy will be done. Amen.

THE JOURNAL

On request of Mr. HILL, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, March 10, 1943, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

PETITIONS AND MEMORIALS

Petitions, etc., were presented and referred as indicated:

By Mr. CAPPER:

A petition, numerously signed, of sundry citizens of Mapleton, Kans., praying for the enactment of legislation to prohibit liquor sales and to suppress vice in the vicinity of military camps and naval establishments; to the Committee on Military Affairs.

By Mr. VANDENBERG:

A concurrent resolution of the Legislature of the State of Michigan, favoring the adoption of House Resolution 38, authorizing the Committee on Agriculture to make a study and investigation of marketing, transportation, and distribution of farm products; to the Committee on Agriculture and Forestry.

(See resolution printed in full when laid before the Senate by the Vice President on the 10th instant, p. 1772, CONGRESSIONAL RECORD.)

A resolution of the city commission of Jackson, Mich., protesting against the imposition of a tax on municipal bonds; to the Committee on Finance.

A resolution of Fidelity Townsend Club No. 1, of Benton Harbor, Mich., favoring the enactment of such legislation as will foster national unity and a successful war effort, the planning of post-war stability for war victims, etc.; to the Committee on Military Affairs.

By Mr. MILLIKIN:

A joint memorial of the Legislature of the State of Colorado; to the Committee on Interstate Commerce:

"House Joint Memorial 4

"Whereas the railroads furnish transportation which is vital to the war effort and the national defense; and

"Whereas the narrow-gage railroad between Antonito, Colo., and Santa Fe, N. Mex., has been abandoned; and

"Whereas at various times there have been discussions and requests for the abandonment of railroads connecting Antonito and Durango, Colo., and Alamosa and Salida, Colo.: Now, therefore, be it

"*Resolved by the House of Representatives of the Thirty-fourth General Assembly of the State of Colorado (the Senate concurring herein)*, That protest is made hereby to any future and further abandonment of railroads in the State of Colorado, whether narrow-gage or otherwise, and that there be no further replacement of such railroad transportation service by the use of trucks on the public highways for the reason that such abandonments must have an adverse effect upon the transportation facilities of the State, with a resultant unfavorable deterrent upon the State's war effort; and be it further

"*Resolved*, That a copy of this memorial be forwarded to each of the Senators and Representatives in Congress from the State of Colorado so as to urge their vigorous support in accomplishing the purposes of this memorial."

By Mr. GREEN:

A resolution of the General Assembly of the State of Rhode Island; to the Committee on Naval Affairs:

"House Resolution 672

"Resolution pledging the unqualified support of the general assembly to the Governor in his efforts to make available to the United States Navy for a firing range the Wickaboxet State forest in lieu of 6,680 acres of taxable land in East Greenwich, West Greenwich, Exeter, and North Kingstown

"Whereas the United States Navy has or is about to condemn some 6,680 acres of taxable property in the towns of East Greenwich, West Greenwich, Exeter, and North Kingstown; and

"Whereas approximately 2,560 acres of said land consists of valuable and indispensable farm land, as well as residential property; and

"Whereas the destruction of this farm land, including two dairy farms, would be a most serious loss at this time and contrary to the best interests of the war effort; and

"Whereas the enforced evacuation of some 41 families—in some cases lifelong residents of this section—would be an irreparable hardship upon these people, who would find it extremely difficult, if not impossible, to find other homes at this time; and

"Whereas the loss of taxes from this property would be a serious financial loss to the four above-mentioned towns and to the United States Navy 12,000 acres of waste land known as the Wickaboxet State forest: Therefore be it

"*Resolved*, That this general assembly does hereby pledge its wholehearted support of Governor McGrath in his efforts to induce the Navy to accept the unproductive waste lands known as Wickaboxet State Forest in lieu of valuable and productive farm and residential property; and be it further

"*Resolved*, That the secretary of state be directed to transmit a duly certified copy of this resolution to Governor McGrath, to the Secretary of the Navy, and to each of the four Representatives from this State in the Congress of the United States."

NATIONAL REPRESENTATION FOR THE DISTRICT—RESOLUTIONS OF WASHINGTON BOARD OF TRADE COMMITTEE

Mr. CAPPER. Mr. President, I ask unanimous consent to have printed in the RECORD and appropriately referred a set of resolutions drawn up by the board of trade committee on national representation for the District of Columbia, of which Mr. Theodore Noyes, editor of the Washington Star, is chairman, and approved by the board of directors of the Washington Board of Trade at a meeting held March 1, 1943.

These resolutions, Mr. President, inform the Senate and the country of the long, hard fight the residents of the District of Columbia have been making to attain for themselves and their children the status of American citizens. The residents of the District of Columbia are Americans, many of them Americans of several generations, who nevertheless have been and are deprived of the rights and privileges and dignities that most of us have been brought up to believe are inherent rights for all American citizens, whether native born or naturalized.

I wish to quote a passage or two from the report of the Board of Trade's committee, endorsing the so-called Sumners-Capper joint resolution proposing a constitutional amendment to authorize Congress to grant to the people of the District of Columbia a measure, at least, of self-government and a measure of the suffrage and representation rights which the rest of us have. I quote, and endorse most heartily, as follows:

The consideration of such an amendment, Americanizing the people of the District, is peculiarly appropriate as a wise measure of war preparedness and is in accordance with the wartime spirit.

In accordance with the spirit of wartime and in recognition of the democratic principle that they who risk their lives for their country's defense are entitled to participate in the Government which sends them to war, Congress has declared that our soldiers, sailors, and marines are high up in the preferred list of voters. * * * Among the millions of American arms bearers thus honored are thousands of Washingtonians who, though just as enthusiastic, patriotic, and self-sacrificing as their companions, were forbidden by the Constitution to participate in the national election.

Mr. President, I call attention to the fact that the proposed constitutional amendment does not undertake to give statehood rights to the District of Columbia. On ratification the Congress still will have full and revocable power to provide for such self-government and for such participation in their government by the residents of the District as may be granted. I sincerely trust that an early and favorable report may be made on the joint resolution and that both branches of Congress will act affirmatively upon it, so that a belated act of fairness and justice may be accorded to the people of Washington and that they may be recognized for what they are, American citizens entitled to the rights of American citizens.

The PRESIDING OFFICER (Mr. BILBO in the chair). Without objection, the resolutions will be received and appropriately referred.

The resolutions were referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

REPORT TO THE DIRECTORS OF THE WASHINGTON BOARD OF TRADE BY THE COMMITTEE ON DISTRICT OF COLUMBIA NATIONAL REPRESENTATION OF THE BOARD OF TRADE ON SENATE JOINT RESOLUTION 33 AND OTHER LEGISLATION, WITH THE ACTION THEREON BY THE BOARD OF DIRECTORS ON MARCH 1, 1943

BOARD OF DIRECTORS,

Board of Trade, Washington, D. C.

GENTLEMEN: There has been referred to this committee (the committee on District of Columbia national representation) House Joint Resolution 81, introduced in the House by Representative HATTON W. SUMNERS on February 11, 1943, and in the Senate (S. J. Res 33) on February 18, 1943, by Senator ARTHUR CAPPER, proposing an amendment to the Constitution of the United States by adding the following words:

"The Congress shall have power to provide that there shall be in the Congress and among the electors of President and Vice President members elected by the people of the District constituting the seat of the government of the United States, in such numbers and with such powers as the Congress shall determine. All legislation hereunder shall be subject to amendment and repeal."

In 1916 the board of trade by unanimous vote at a largely attended meeting approved a constitutional amendment empowering Congress in effect to grant the people of the District of Columbia representation in Congress and the electoral college. Your committee on District of Columbia national representation was appointed solely to represent the board in the battle to secure for the District this voting representation. Since that date, this proposal, in various forms, backed by the board of trade has made great progress in popular support. The consistent and continued support of the board has been a helpful influence. At this time, in 1943, in the early days of the Seventy-eighth Congress, our campaign for this representation has gathered strength until the petitioners and workers in it constitute a civilian army which includes nearly every civic organization in the District, numbering 40 signers in our latest petition, some of the signing organizations including many constituent groups, as,

for example, Federation of Citizens Associations (65 member groups); Central Labor Union (150 local unions); Federation of Women's Clubs (32 clubs); Department of District of Columbia Veterans of Foreign Wars (14 posts); Department of District of Columbia, American Legion (40 posts); and District of Columbia Parent Teachers Associations (71 associations)

Absorption in the war effort by Congress is suggested as an obstacle to obtaining consideration at this time. but the prevalence of the war only emphasizes the denial of the rights which the proposed amendment would restore A controversy-provoking constitutional amendment might, with reason, be regarded as out of place for consideration when the Congress is under such pressure with necessary war legislation. Our proposal contains nothing of a controversial nature. It is stripped of every word which would indicate a campaign for full statehood or any committal whatever as to the form of any such representation if representation were granted. It omits all stipulations concerning the future action of Congress in putting into effect its new power, and it also provides that this power in Congress shall not be exhausted by its first use, but shall be continuous to protect both the National and the District interests, enabling Congress to amend from time to time the legislation defining District representation and even to repeal such legislation if considered necessary or desirable. The controversial points developed in the effort to define in advance what representation should be granted the people of the District are thus eliminated.

The granting of this power to Congress will enable it in its discretion as to time and method of action, to give to the District limited and revocable national representation by the same vote by which it gives full sovereign statehood to the Territory. It will remove the people of the District politically from the list of incurably defective Americans, like the convict and the lunatic, and in the discretion of Congress as to the exact participation in the Nation's councils will make such participation reasonably accessible.

The new constitutional amendment will serve as a rallying point for the board of trade and for the multitude of national petitioners for District national representation who will doubtless view it as a noncontroversial step in the approach to partial political equity for the Washingtonian, which may perhaps be given consideration even in wartime.

The signers of the latest petition to Congress on this subject reaffirm and urge application to the people of the District of the principles proclaimed by the founders of our Republic that "Taxation without representation is tyranny"; that "Governments derive their just powers from the consent of the governed"; and in order that "Government of the people, by the people, and for the people" may become an accomplished fact for all the people of the United States.

In regard to the time when action on the constitutional amendment should or can be taken, some of our legislators declare: "We have got to do everything now to win the war; this is no time to pay special attention to the needs or grievances of the District."

It is time that the war obligations of Americans precede and displace all others and there will be difficulty in getting the interested attention of political equity for the District. But, on the other hand, it is in wartime that the value and vital importance of American national citizenship are most emphasized.

Consideration in wartime of any constitutional amendment is difficult for obvious reasons. On the other hand, the consideration of such an amendment, Americanizing the people of the District, is peculiarly appropriate as a wise measure of war preparedness and is in accordance with the wartime spirit.

In accordance with the spirit of the wartime and in recognition of the democratic principle that they who fight and risk their lives for their country's defense are entitled to participate in the Government which sends them to war, Congress has declared that our soldiers, sailors, and marines are high up in the preferred list of voters and provided that they might vote in the recent national elections, even without payment of the poll tax exacted by some of the States. Among the millions of American arms-bearers thus honored are thousands of Washingtonians who, though just as enthusiastic, patriotic, and self-sacrificing as their companions, were forbidden by the Constitution to participate in the national election.

To Americanize the political aliens of the District is to do justice and to relieve the Nation of reproach and shame—achievements which, like the motion to adjourn, are always in order And not only in a general but in a special sense is this Americanizing process peculiarly opportune, in that it reflects the very thought and spirit of the times and is an integral part of the legislation which spring naturally from the patriotic impulse toward true preparedness.

The dominating thought today concerns vitalized Americanism: patriotic self-sacrifice in war-preparedness: a quickening and intensifying everywhere of the fine, strong spirit of American nationality. In these days of exalted Americanism, Washingtonians are in the front rank of devoted Americans. They have ever been foremost when Americanism meant loss instead of benefit, when to be Americans meant to place both sacrifice of treasure and blood sacrifice upon the Nation's altar

The Americanism to which the Nation confidently appeals in these times that stir men's souls must not be, through the Nation's neglect or fault, a stunted, distorted Americanism in respect to any of the Republic's sons who rush to arms in the Nation's defense.

The shock of war electrifies the Americanism of the Nation as well as the individual, of Americans collectively as well as individually.

At a time when all Americans are thrilling in response to the appeal for a purer, higher, stronger Americanism and for a more devoted and self-sacrificing spirit of American nationality, will not the Nation insist, in accordance with the spirit of the times and in its own vital interest, that there shall be no longer at the very heart of the body politic this foul abscess of non-Americanism? Surgical relief to the Nation from this threat of blood poisoning is an essential war measure, an urgent patriotic task.

The 663,091 Americans of the District, a population greater than that of 12 of the States (1940 census) constitute the only community in all the expanse of the continental and contiguous United States—populous, intelligent, public-spirited, of adequate resources—which is denied representation in the National Government.

Consistency and justice, national pride and self-respect, the will to efface a shameful blot from the national escutcheon, the spirit of true Americanism and righteous hatred of autocracy in any guise, the patriotic impulse toward full preparedness of the Nation as the champion of democracy and representative government everywhere in the world, all combine to make irresistible at this very moment our appeal for the adoption of this amendment.

It should meet with a minimum of opposition in Congress and have behind it a maximum of support by the people and organizations of citizens in the District. The unity of action by the people of the District is demonstrated by the army of signers to the latest petition to Congress on the subject and by the vigor of their argument in support of the petition.

Your committee reports recommending the continuation of the strongest possible effort to obtain consideration of the pending constitutional amendment, recognizing, however, and joining heartily in the agreement, that priority must always be given to legislation and to civic action for the winning of the war.

To your Committee on National Representation for the District of Columbia have been referred for consideration and report, H R. 7339 (77th Cong. Paddock bill), providing for the election of a voteless Delegate from the District of Columbia to the House of Representatives (this bill died with the 77th Cong. and has not been reintroduced; it is understood, however, that it is being revised for introduction in the present session of the 78th Cong.), and H. R. 1831 (78th Cong., 1st sess.) also providing for a Delegate to the United States Congress from the District of Columbia, who shall also serve as the Chairman of the Board of Commissioners of the District of Columbia.

Similar legislation was before the board of directors in 1921. The directors at that time adopted unanimously resolutions opposed to the proposal and authorizing opposition to the proposed voteless Delegate and recording as the duty of the board's officers and appropriate committees to fight for the adoption of the constitutional amendment which would give Congress the power to grant the District voting representation in Congress and among the electors of President and Vice President. A copy of this resolution is attached as an appendix and made a part of this report.

Your committee on national representation for the District of Columbia was created solely to labor to give legislative effect to the will of the board of trade expressed in the unanimous action of the board on April 24, 1916, approving a constitutional amendment empowering Congress to grant to the District voting representation in Congress and among the electors of President and Vice President.

Your committee, as the representative of the board of trade for a specific limited purpose, in view of the absence of any indication of change of policy since these early dates when action was taken by the board of trade in 1916 and by the board of directors in 1923, feels bound by the direction of the board of trade and board of directors unless and until reversal of these actions by the board of trade or the board of directors.

Since, however, our opinion and report are asked and since we feel that the need of participation by the District in its National Government is greater than ever before, we venture to recommend that the directors of the board of trade reaffirm their action of 1921, either by direct reaffirming resolution or by inaction, leaving the action of 1921 to remain in full force.

Respectfully submitted.

THEODORE W. NOYES,
Chairman.

Upon recommendation of the committee, the directors adopted the following resolutions:

"*Resolved*, That the board of directors of the board of trade, in harmony with its consistent attitude of many years, approves and supports the pending proposed amendment to the Constitution of the United States for empowering the Congress to grant to the people of the District of Columbia voting representation in the Congress and among the electors of President and Vice President. This pending proposal is described specifically as House Joint Resolution 81, introduced by

Representative HATTON W. SUMNERS, of Texas, and the identical Senate Joint Resolution 33, introduced by Senator CAPPER, of Kansas, Seventy-eighth Congress, first session, and is as follows:

"'Joint resolution proposing an amendment to the Constitution of the United States empowering Congress to grant representation in the Congress and among the electors of President and Vice President to the people of the District of Columbia

"'*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein)*, That the following amendment to the Constitution of the United States be proposed for ratification by the legislatures of the several States, which, when ratified by the legislatures of three-fourths of the States within 7 years of the date of its passage, shall be valid as a part of said Constitution, namely:

"' '"The Congress shall have power to provide that there shall be in the Congress and among the electors of President and Vice President members elected by the people of the District, constituting the seat of the Government of the United States, in such numbers and with such powers as the Congress shall determine. All legislation hereunder shall be subject to amendment and repeal."'

"Resolved further, That it is recommended that the directors pledge for themselves, the officers, and the appropriate committees to fight earnestly for the adoption of the proposed amendment and the consequent granting to the people of the District of Columbia of those fundamental rights of participation in the councils of the Nation which they are now so unjustly denied;

"Resolved further, That the board of directors of the board of trade reaffirm, as its judgment, the action of its predecessors in office of November 7, 1921, regarding the attitude of the board of trade on proposal to grant voting representation in Congress and the electoral college to the people of the District of Columbia and also on other proposals to provide the District with a voteless delegate in Congress."

The action of the board of directors in 1921 is as follows:

"RESOLUTION ADOPTED BY THE BOARD OF DIRECTORS OF THE WASHINGTON BOARD OF TRADE NOVEMBER 7, 1921

"Whereas the Washington Board of Trade, on April 24, 1916, unanimously approved amendment of the Constitution to provide voting representation for residents of the District in both Houses of Congress and in the electoral college, and directed its officers and appropriate committees to work to secure the adoption of this constitutional amendment, which is now pending in Congress and under consideration by the House Judiciary Committee;

"Whereas the mandate to fight for adoption of the constitutional amendment includes authority to oppose any other legislative proposition which defeats or threatens to defeat that in support of which we are thus united;

"Whereas bills now before the Senate District Committee propose for the District a voteless delegate or delegates in the House, a small and negligible fraction of a territory's powers and privileges, conveying to the people of the capital no atom of legislative participation in their Government or of a genuine national representation

"Resolved, That the directors of the board of trade record their conviction that the grant to the District of a voteless territorial delegate in advance of our constitutional amendment would indefinitely postpone and tend to defeat the securing of genuine national representation. Adoption of the territorial delegate project would, in the opinion of the directors, expose the District to the risk that many legislators will treat it as substitute or alternative legislation along the line of national representation and as satisfaction in full of the District's claim to real national representation and will use assent to it as a reason for shelving or rejecting genuine voting national representation through constitutional amendment, or will treat this grant of something almost worthless as a pretext for shirking or repudiating legislative responsibility in respect to the capital; and that as a natural result of this procedure the constitutional amendment would be pushed aside and a voteless delegate in one House would become the permanent substitute for adequate voting representation in both Houses.

"Resolved, That the directors of the board of trade record the opinion that the duty of the board's officers and appropriate committee's to fight for adoption of the constitutional amendment includes authority to oppose the voteless delegate projects which thus threatens to defeat or postpone indefinitely the real national representation through constitutional amendment which we seek."

REPORTS OF A COMMITTEE

The following reports of the Committee on Naval Affairs were submitted:

By Mr. WALSH:

S. 785. A bill to provide for the expansion of facilities for hospitalization of dependents of naval and Marine Corps personnel, and for other purposes; with an amendment (Rept. No. 103); and

S. 829. A bill to amend sections 6 and 11 of the act approved July 24, 1941, entitled "An act authorizing the temporary appointment or advancement of certain personnel of the Navy and Marine Corps, and for other purposes," as amended, to provide for the grade of commodore, and for other purposes; with an amendment (Rept. No. 104).

REPORT OF SPECIAL COMMITTEE TO STUDY AND SURVEY PROBLEMS OF AMERICAN SMALL BUSINESS

Mr. MEAD (for Mr. MURRAY), from the Special Committee to Study and Survey Problems of American Small Business, pursuant to Senate Resolution 298, Seventy-sixth Congress, submitted an additional report, Small Business in War and Essential Civilian Production, which was ordered to be printed as part 2 of Report No. 12.

REPORT OF SPECIAL COMMITTEE TO INVESTIGATE THE NATIONAL-DEFENSE PROGRAM

Mr. TRUMAN, from the Special Committee to Investigate the National-Defense Program, pursuant to Senate Resolution 71, Seventy-seventh Congress, submitted an additional report, being an annual report of that committee relating to investigation of the national defense program: summary of conclusions and recommendations, which was ordered to be printed as part 4 of Report No. 10.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LUCAS:

S. 862. A bill for the relief of Grafton Boat Works; to the Committee on Claims.

By Mr. BILBO:

S. 863. A bill authorizing the Railroad Retirement Board to pay an annuity to Ida Ann Crump; to the Committee on Interstate Commerce.

By Mr. REYNOLDS:

S. 864. A bill to amend the Nationality Act of 1940 in regard to deserting the military or naval forces in time of war; to the Committee on Immigration.

S. 865. A bill suspending for the duration of the war the limitations upon the compensation of certain retired personnel employed by the Government; to the Committee on Military Affairs.

By Mr. HATCH:

S. 866. A bill to fix the compensation of registers of the district land offices in accordance with the Classification Act of 1923, as amended; and

S. 867. A bill to cover the positions of registers of the district land offices into the classified civil service and to fix the compensation thereof; to the Committee on Public Lands and Surveys.

By Mr. MEAD:

S. 868. A bill to provide night differential for certain employees; to the Committee on Civil Service.

By Mr. LUCAS:

S. J. Res. 40. Joint resolution proposing an amendment to the Constitution of the United States relative to sex-disqualification removal; to the Committee on the Judiciary.

DEFERMENT FROM MILITARY SERVICE OF PERSONS ENGAGED IN AGRICULTURE—AMENDMENT

Mr. DOWNEY submitted an amendment intended to be proposed by him to the amendment of the Senator from Colorado [Mr. JOHNSON] to the bill (S. 729) providing for the deferment from military service of persons engaged in agricultural occupations, which was ordered to lie on the table and to be printed.

THE FARM MACHINERY PROGRAM

Mr. MILLIKIN. Mr. President, the Department of Agriculture has been putting out a form in connection with the purchase of agricultural machinery under which the applicant must agree to transfer or to permit the use by others of the privately owned property acquired under that form.

At a recent meeting of the Committee on Agriculture and Forestry these provisions were brought to the attention of the Secretary of Agriculture. It was pointed out to him that the theory behind this form is worse than communism, in that under communism one shares the property which theoretically belongs to all, whereas, under this form, involuntary sharing of privately owned property may be compelled. I believe we should be quick to criticize in such matters; I believe we should also be quick to commend correction. Therefore, I am pleased to ask unanimous consent of the Senate to include in the RECORD immediately following my remarks a letter from Secretary Wickard in which he states that the objectionable features of the form have been eliminated.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
Washington, March 9, 1943.

Hon. EUGENE D. MILLIKIN,
United States Senate.

DEAR SENATOR MILLIKIN: You will recall our conversation a few days ago in which you called my attention to the agreement which applicants for purchase certificates for farm machinery have been asked to sign providing for the transfer of the equipment to the Government under certain circumstances. After

going into the matter personally I have concluded that the agreement is not necessary to the effectiveness of the farm-machinery program. Accordingly, I have amended the regulations so as to delete that agreement from the application form. Because of the limited supply of new farm machinery and the necessity for obtaining the largest possible farm production, farmers obtaining new farm machinery under the rationing program must agree to make the fullest possible use of the machinery, but they no longer are being asked to agree to transfer the machinery to the Government if it is not used in the manner agreed upon.

Sincerely,

CLAUDE R. WICKARD,
Secretary.

COMPULSORY VERSUS VOLUNTARY MANPOWER CONTROLS—STATEMENT BY SENATOR DAVIS

[Mr. DAVIS asked and obtained leave to have printed in the RECORD a statement entitled "Manpower: Compulsory Versus Voluntary Controls," given to the press by him on March 1, 1943, which appears in the Appendix.]

SERVICES OF SUPPLY—STATEMENT BY LT. GEN. BREHON SOMERVELL

[Mr. GURNEY asked and obtained leave to have printed in the RECORD a statement made on March 10, 1943, by Lt Gen. Brehon Somervell, commanding general, Services of Supply, War Department, to the military and civilian personnel of the Services of Supply and their associates in industry and commerce, which appears in the Appendix.]

TRIBUTE TO BEN ROBERTSON

[Mr. MAYBANK asked and obtained leave to have printed in the RECORD an editorial from the News and Courier of Charleston, S. C., paying tribute to Ben Robertson, which appears in the Appendix.]

POST-WAR PROBLEMS—EDITORIAL FROM BIRMINGHAM AGE-HERALD

[Mr. HILL asked and obtained leave to have printed in the RECORD an editorial entitled "Mr. Welles Again," commenting on the address recently delivered by Hon. Sumner Welles, Under Secretary of State, before the University of Toronto, which appears in the Appendix.]

MME. CHIANG KAI-SHEK—EDITORIAL FROM BIRMINGHAM AGE-HERALD

[Mr. HILL asked and obtained leave to have printed in the RECORD an editorial on Mme. Chiang Kai-shek entitled "Forgive Them," published in the Age-Herald of Birmingham, Ala., of the issue of March 4, 1943, which appears in the Appendix.]

AMERICAN BUSINESS AND RADIO'S WAR CONTRIBUTIONS

[Mr. MEAD asked and obtained leave to have printed in the RECORD an article entitled "American Business Leads in Radio's War Contributions," published in Broadcasting of the issue of March 8, 1943, which appears in the Appendix.]

FREEDOM FROM FEAR—EDITORIAL BY STEPHEN VINCENT BENÉT

[Mr. WILEY asked and obtained leave to have printed in the RECORD an editorial entitled "Freedom From Fear," written by Stephen Vincent Benét and published in the Saturday Evening Post, which appears in the Appendix.]

BAN ON SEARCHING HOMES FOR CANNED GOODS—ARTICLE FROM THE WASHINGTON EVENING STAR

[Mr. KILGORE asked and obtained leave to have printed in the RECORD an article entitled "Brown Bans Searching of Homes for Canned Goods," published in the Washington (D. C.) Evening Star of March 11, 1943, which appears in the Appendix.]

DEFERMENT FROM MILITARY SERVICE OF PERSONS ENGAGED IN AGRICULTURE

The Senate resumed the consideration of the bill (S. 729) providing for the deferment from military service of persons engaged in agricultural occupations.

Mr. BANKHEAD obtained the floor.

Mr. HILL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	George	O'Mahoney
Austin	Gerry	Overton
Bailey	Gillette	Pepper
Ball	Green	Radcliffe
Bankhead	Guffey	Reed
Barbour	Gurney	Revercomb
Barkley	Hatch	Reynolds
Bilbo	Hawkes	Robertson
Bone	Hayden	Scrugham
Brewster	Hill	Shipstead
Bridges	Holman	Smith
Brooks	Johnson, Calif.	Stewart
Buck	Johnson, Colo.	Taft
Burton	Kilgore	Thomas, Okla.
Bushfield	La Follette	Tobey
Byrd	Lodge	Truman
Capper	Lucas	Tunnell
Caraway	McCarran	Tydings
Chavez	McClellan	Vandenberg
Clark, Idaho	McNary	Van Nuys
Clark, Mo.	Maloney	Wagner
Connally	Maybank	Walsh
Danaher	Mead	Wheeler
Davis	Millikin	Wherry
Downey	Moore	White
Eastland	Murdock	Wiley
Ellender	Nye	Willis
Ferguson	O'Daniel	Wilson

Mr. HILL. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from Virginia [Mr. GLASS], the Senator from Tennessee [Mr. MCKELLAR], and the Senator from Utah [Mr. THOMAS] are absent from the Senate because of illness.

The Senator from Kentucky [Mr. CHANDLER], the Senator from Arizona [Mr. MCFARLAND], and the Senator from Washington [Mr. WALLGREN] are detained on official business for the Senate.

The Senator from Georgia [Mr. RUSSELL] is necessarily absent.

The Senator from Montana [Mr. MURRAY] is absent on official business of the Senate.

The PRESIDING OFFICER. Eighty-four Senators having answered to their names, a quorum is present.

The question before the Senate is on agreeing to the amendment in the nature of a substitute offered by the Senator from Wyoming [Mr. O'MAHONEY] to the substitute amendment of the Senator from Colorado [Mr. JOHNSON] for the committee amendment.

Mr. BANKHEAD. Mr. President, I doubt that I can make much of a contribution to the discussion. The issues have been clearly presented on both sides. The Senator from Colorado [Mr. JOHNSON], representing the Committee on Military Affairs, made a masterly presentation of the issues and of the facts. The junior Senator from West Virginia [Mr. REVERCOMB] profoundly impressed me with his speech, and with the fine grasp of the entire problem which he manifested. Of course, the senior Senator from Maryland [Mr. TYDINGS] is always capable and attractive in his discussion of any issue, and it is needless to comment upon the keen mind and analytical ability of the Senator from Wyoming [Mr. O'MAHONEY]. So that I fear that what I may have to say may either be a repetition or an anticlimax to the splendid addresses which have been delivered since the pending bill has been before the Senate.

It may be appropriate in the beginning for me to say that, in my judgment, there is no question now before the people of this country which is of more interest to the great masses of our population, not merely of interest to those who are engaged in agricultural pursuits, but to our soldiers in the camps and across the oceans, to our munition-plant workers, to our women and children, and to the civilian population generally wherever they may be.

Some effort has been made to create the impression that this is a farmers' fight. So far as I am concerned, it is needless for me to make any comment here about my devotion to the welfare of the farmers, but primarily the issue involved in this controversy is paramount, far beyond any local application sought to be established in the minds of the people by some who are not favorable to amending in any way the selective-service program.

The issue really goes, I deeply and sincerely believe, to the fundamentals involved in our war effort. It is needless to undertake to speak to this intelligent audience of men and women about the paramount importance of an adequate food supply in times of peace, and especially in times of war. It is needless for me even to attempt to recapitulate the different phases in which the food question must be given first consideration in any discussion of the factors involved in carrying on the war effort.

Mr. President, we all know it to be elementary that from birth to death food is essential for mankind. We all know, as has been said so many times, that an army fights on its stomach. We all know that the morale of the people anywhere and everywhere is in large measure governed by the sufficiency and adequacy of their food supply and consumption. So I want it definitely understood that, while the farmers have an interest in this subject from the standpoint of food, their interest is not so great as is your interest and my interest, and the interests of the great masses of the people of this country. The farmers will probably receive sufficient food, unless the eventualities of the war may ultimately require the commandeering, as was done in Russia in former years, of the products of the farm. I do not anticipate that such a drastic situation will arise, though it is possible. So, I repeat, the issue before us is not whether the farmer will have sufficient food for himself and his family. The issue is not whether he is to make greater earnings as the result of his farming operations. Price limitations and the present shortage of labor fix the farmer in a status in which he cannot hope to

make a profit. He can make ends meet. That is about all he can hope to do.

So, Mr. President, let us look at the question frankly and earnestly from the standpoint of the general welfare, from the standpoint of whether we shall make a failure in the production of the first and primary and most important element in conducting the war. From the beginning, before we entered the war, when we were making preparations to get into the war, a campaign was conducted, and properly so, from the platforms, in the newspapers, on the air, urging the importance of the production—of what? The production of ships, and properly so, of course. The production of munitions of war—properly so, of course. The production of tanks, of airplanes, of guns, of explosives. The production of all those elements necessary to conduct war. Production, production, was the cry. That was the platform adopted by many. That program was earnestly urged everywhere, and I participated in it, as all of us participated in it. But, Mr. President, unhappily, the production of the most vital thing we must have to carry on the war was not urged. We might get along without one or more of the other things I have mentioned, but the production of the very staff of life, the production of the thing without which sodiers cannot fight, without which workers in the factories cannot endure physically and proceed to accomplish the best results, was not stressed. When did we hear any emphasis laid upon the production of food, of agricultural commodities, either in official circles or in the newspapers, over the radio, by radio commentators, or by the members of this body or of the other House? Very recently, and only very recently, has attention been turned to the thing that must be first in importance.

Mr. President, it has been suggested in the Senate that because the horse has been stolen there is no use now to lock the door of the barn; that because the farms have in large measure been depleted of their workers we should throw up our hands, surrender, and say, "The men are gone now from the farms." Certain Senators have argued on the floor of the Senate, since the present discussion began, that the bill before us is not a complete solution. Who ever thought it was a complete solution of the problem? Who ever claimed that keeping upon the farm a fair proportion of the workers who have not yet left the farm constituted a completed solution of the great, paramount food problem? I have heard no one who advocates the passage of this bill make any such suggestion. I have heard no one who advocates the bill make the argument that its passage will save the food situation, that it will rescue the country from the present dangerous situation in which we find it. We all know the bill does not go far enough. No thoughtful person will insist that it goes far enough. It is sincerely feared that the neglect of this subject until recent days is likely to result in a tragic situation, from which there will be no easy recovery.

Mr. President, should we drift along, without doing the best we can, without applying such remedies as are available to us? We cannot plant crops with money. We cannot buy the planting nor the cultivating nor the harvesting of crops. We cannot do all that with machinery, because most farms are not operated with machinery, and those which are operated with machinery have been unable to obtain the necessary machinery and the repair parts to carry on their usual farming operations. In the opinion of many of us the thing for us to do now as practical, realistic persons in dealing with the most important problem before the people of this country, is to deal with the measures we have the opportunity now to act upon.

Mr. President, let us briefly review the record which has led us to the present situation. I am very anxious not to take too much of the time of the Senate in doing so. Last year we had a bountiful crop, one of the best in the history of this country. The Great Ruler of the Universe was unusually kind to America. It may be that that bountiful production lulled our people into a false sense of security. But before the end of the calendar year, when we should have had the largest surplus of food in recent history, as a result of the great production of livestock, meats in every form, fruits and vegetables, canned and preserved, at a season when under all the rules we should have had on hand a sufficient quantity to carry the American people over until next summer and next fall, when the grazing for another year and the slaughtering had been completed, when another crop of fruits and vegetables was ready, as has been true heretofore, this time, before the end of the calendar year, instead of having surpluses in the warehouses and canneries and factories of the country, we heard the cry go up, "Look out! Look out! The foods, of which we thought we had so large a surplus, are running short. Look out for rationing. It is inevitable." In the meantime the draft boards had been operating in their usual and regular way. I do not criticize them for it. Under all the circumstances I think that General Hershey has done a good job, considering the law under which he had to operate. If there is any fault, in large measure it lies with Congress. It is my fault as much as it is the fault of anyone else. I am not trying to put the blame upon anyone else. However, day by day and month by month the farms were being depleted of their necessary farm labor, and the people gradually began to come to a realization of the situation confronting them.

Last November, when the Congress was considering the proposal to draft boys 18 and 19 years of age, the senior Senator from Maryland [Mr. TYDINGS] offered what is called the Tydings amendment, which was adopted. Mr. President, that amendment has accomplished a great deal of good. I am not condemning it or seeking to create any impression that in his authorship of the amendment the Senator from Maryland did not render a good service to the cause of food production throughout the country. However, unhappily there were certain defects in that amendment. I doubt whether farm advice was had in its preparation. It left wide open to the local registration boards throughout the country the exercise of their judgment and discretion in making deferments of farm labor, for which the Tydings amendment was intended to provide.

I was not present when the amendment was adopted, and I am not saying that I could have remedied it. However, its practical operation has brought to light a situation which must be changed if we hope to obtain beneficial results in the matter of leaving farm workers upon the farms.

The first objection is to the provision which requires that, in order to be deferred, farm labor must be necessary to essential farming. The registrant or applicant must be necessary to essential farming. Of course, the question promptly arose, When is a man necessary? What sort of necessity must there be in order to set him aside and select someone else to take his place? That question confronted draft boards throughout the country. When is a man necessary? When is a man necessary to the Senate? When is a man necessary in any occupation or any production? He may be important, or he may be valuable. Of course, the registration boards had good ground, when they wanted to do so, without being charged with bad faith, to insist that no particular farmer, whether he be a farmer across the creek or on the hill, was necessary to the production of essential crops.

I submit that the best proof of the defect in the use of the word "necessary" is the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY]. As a result of his contact with the whole program, including his association with the draft boards and Army officers, he now recognizes that the use of the word "necessary" in the Tydings amendment has been the source of much confusion and difficulty in the administration of the act. Because he recognizes that, Senators will find that in the amendment now pending he declares that if a farmer is a regular farmer in the production of an essential crop, as certified by the Secretary of Agriculture, he may be deferred. The amendment commonly called the Bankhead amendment, offered in the name of the Senator from Colorado [Mr JOHNSON], provides that—

> Every registrant who is regularly engaged in an agricultural occupation or endeavor on a farm, or whose principal occupation consists of employment on a farm in connection with the production or harvesting of any agricultural commodity shall, while he continues to be so engaged or employed, be deferred from training and service under this act in the land and naval forces of the United States.

Pursuant to instructions to our draftsman, it is in practically the same language as the O'Mahoney amendment. It is conceded by the Senator from Wyoming and other Senators associated with him that it is necessary to correct that

phase of the Tydings amendment. If there had not been any other issue I would gladly have accepted his declaration because I think that is as far as the law should go. In effect, he says that what is meant by "necessary" is that a man must be a regular worker on an essential crop, and that is what we provide. That is what gives him his status for being deferred. Just as the O'Mahoney amendment provides, he must be a substantially full-time worker on one or more of the crops specified in Local Board Release No. 164 of the Department of Agriculture.

However, Mr. President, in his amendment the Senator from Wyoming was unwilling to eliminate another very disturbing factor which has led to much confusion and dissatisfaction in agricultural areas throughout the country. Do not forget that the O'Mahoney amendment is an addition to the Tydings amendment. It is added to the end of the Tydings amendment. The Tydings amendment is adopted except for that change, and one other which I shall mention.

The farmer who, according to the description in the O'Mahoney amendment, is essential, would be deferred only until a satisfactory replacement could be found.

What would be the result? To whom must the replacement be satisfactory? Of course, there is only one possible construction. I assume there will be no controversy about that. It means a replacement satisfactory to the draft board. When? While the crops are growing? With that limitation on the deferment of a registrant, what farmer, operating a farm would like to employ a machine operator for the cultivation of his crops during the war, when he knows that under the law any day some old man, or some boy who has had a little training in college in mechanics or machine operation, or perhaps some woman, may be sent to him as a replacement. He may be told, "This man is satisfactory to us; you have nothing to do with it. Let the other man, the skilled worker upon whom you have been relying, go into the Army, and you accept this replacement." It may be a man, a boy, or a woman. Take the case of the farm operator himself. There are more farm operators than there are hired men. The law applies to them in the same way as it applies to farm labor. Suppose he starts to make a crop, and hires help. When he starts he knows that under the law someone else may be sent to take charge of his farm and work with the hired help. He would rather not engage in a farm program with the possibility of loss at the hands of some new person who probably would know none of the labor being sent there to operate the farm.

So, that has made farmers hesitate to increase their crop acreage, even though the Department is anxious to have them produce more crops. It has made the farmers hesitate about planting and about making plans for planting as large an acreage this year as they did last year, because they have no certainty that even though they may be deferred they will be permitted to continue the operation of their farms until the harvesting season. The difficulties incident to obtaining increased production are in large part due to the uncertainty and doubt as to the power of a board located in a town to change the whole program on a man's farm.

The program is intended to prevent confusion, doubt, or uncertainty among the farmers. We are urging them to put forth all the energy and power they possess, not merely to hold their farms together, but to increase their production, and on many of the farms to plant new crops, crops which the farmers have not heretofore been producing—crops such as soybeans, peanuts, and other crops known as oil crops or fat crops. With a confusing and uncertain situation, how can we expect the morale of the farmers to be good? Of what value in the measure is a provision which causes doubt and uncertainty, and why is there insistence that it be kept in the measure? I tried to have it taken out. I tried to reach an understanding to that effect, but I was unable to do so. The provision has been retained deliberately and insistently, after it has served a bad purpose, and after it has resulted in confusion and doubt in the minds of many farmers as to whether they should do their best or should merely get by as best they could without running the danger of incurring too many risks. What harm would be done by taking out the provision? If a substitute worker is found, there are plenty of places on some farms where he can be put to work. There are plenty of farms from which the farmers have already left, to go into the armed forces or to go into industrial plants, where a new substitute worker can do the work formerly done by the now absent farmer. If there are many such replacements—I do not think there are many of them, but if there are—then, instead of obtaining no increase in the quantity of agricultural production, as will be the case if each farmer who has left a farm is replaced with only one new worker, an increase in the quantity of food produced can be obtained by having two replacements at work where one farmer formerly was at work.

However, the provision is in the measure, and we have been unable to have it taken out. It was in the Tydings amendment.

There is one difference of very great importance between the so-called Tydings provision in the existing law and the O'Mahoney amendment. The O'Mahoney amendment ratifies the Tydings provision in the act, except that it defines who is essential. The definition is stated in the same language as that which is contained in the Bankhead and Johnson amendments. So now there is no controversy between the O'Mahoney proposal and the Bankhead proposal on that particular phase of the subject.

What did the O'Mahoney amendment do, in addition to ratifying the Tydings amendment in the present act, including the provision for the replacement program? It added and gave statutory efficacy and recognition to one factor, the interpretation or construction of which has caused more complaint and disturbance among the farmers than has been caused by any other development. That factor is the farm unit requirement.

Let me point out briefly how the farm unit requirement works. Some one in Washington drafted a formula showing the number of units which would be required to be produced by a farmer in order to enable him to be deferred. I am sure the military authorities did not do it. Of course, I am not trying to shield anyone. Secretary Wickard took the responsibility for it when he testified at a hearing on the subject, although I do not think he knew anything about it. However, he took responsibility for what was done in his department. Upon inquiry, for at that time I was intensely interested in the question of cotton units, and knew something about cotton, and had heard many complaints relative to the requirements pertaining to cotton production, I ascertained or was told that one of the two men in the department in Washington, who wrote the requirement as to the number of units which would have to be produced was a man who had come from Canada—I think he subsequently became a citizen of the United States—and who never had been in the South at all. The other man was from Minnesota. The two fixed the requirement as to the number of units a cotton farmer would have to produce in order to be eligible for deferment.

Incidentally, let me say that I am not concerned about the cotton situation, because I am one of those who have wanted the cotton farmers to reduce the production of cotton this year. I made a speech on that subject at Colombia, S. C. The junior Senator from that State, who is opposed to the bill, was there and heard me make the speech, which was sent out all over the country. In the speech I advocated a reduction of cotton acreage and a conversion of much of that acreage to the production of peanuts, soybeans, corn, and hogs, on the theory that we could make a better contribution to the war effort by so doing than by piling up more cotton in the warehouses—although, of course, there is no doubt that cotton has a tremendously high food value in the forms of cottonseed oil and cottonseed meal. It has a tremendously high food value; but, considering everything, I thought that more food value would be obtained by planting the other crops which I have just enumerated. I say that simply to indicate that my position was taken, not from a local standpoint, but on the basis of a consideration of the Nation-wide situation.

Let me point out what was done by those who determined the requirement as to the number of units which would have to be produced in order that a farmer might be eligible for deferment. I mention this simply to show the risk and the danger incident to having someone in a bureau in Washington determine unit requirements and make them

apply to a great number of our people—for instance, to 2,000,000 or 3,000,000 farmers on cotton plantations, as well as to all the other farmers and workers engaged in the production of agricultural commodities—and the danger of permitting employees of bureaus in Washington to tell farmers just how much they must produce of one or another kind of agricultural commodity. In the original program there was the requirement that a cotton farmer who produced cotton with a staple not in excess of 1⅛ inches in length could not obtain any credit for the cotton he produced, without regard to the amount produced. However, the fact is that the great majority of the producers of cotton grew cotton having a staple less than 1⅛ inches in length, and the greater part of the cotton produced had a staple less than 1⅛ inches long.

The Government bureau also required the cultivation of 64 acres of cotton by the farmer or farm worker seeking deferment. Last year 24,000,000 acres were planted in cotton by more than 2,000,000 cotton farmers, so on an average only 12 acres were planted in cotton by each cotton farmer. However, the men in the bureau or department in Washington imposed a requirement that a farmer or farm worker would have to plant 64 acres of long staple cotton before he could be considered for deferment.

We took up the fight here, and went to the Committee on Agriculture and Forestry, and secured the appointment of a subcommittee of which I was made chairman. I had the Senator from Maryland [Mr. TYDINGS] attend the meetings of the Committee on Agriculture and Forestry and the meetings of the subcommittee and the conferences with General Hershey and Mr. McNutt and Secretary Wickard. Finally we were able to have the units reduced from 16 to 8. Although the order still prescribes 16 units as the objective, only 8 units will be required. We obtained some change as to the length of staple of the cotton and as to the acreage, so that now the farmer does not have to plant more than 24 acres, and his average is about 12. That is the best we could do in order to work out the situation. I am simply stating those facts by way of illustration of the danger of placing the welfare and the business progress of millions of men in the hands of two or three men working in a bureau or department in Washington, men who do not know a thing in the world about what they are doing. Let me say to the Members of the Senate that I think such a situation is entirely wrong. I did the best I could do to have the requirement withdrawn; but now the Senator from Wyoming is seeking by his amendment to add that requirement to the other provisions contained in the O'Mahoney amendment, so as to give it statutory effect.

Mr. GILLETTE. Mr. President, is the Senator willing to be interrupted?

Mr. BANKHEAD. Yes; I am glad to yield.

Mr. GILLETTE. I should like to ask the Senator about a matter which has been disturbing me very greatly in the comparison of the two proposals. Both the one presented by the Senator from Alabama and the substitute proposed by the Senator from Colorado provide for the deferment of men employed on a farm in agricultural pursuits. The O'Mahoney amendment and the Tydings amendment provide for the deferment, in the discretion of the board, of men engaged in an agricultural occupation on or off the farm. An agricultural occupation as defined in the dictionary is the raising of crops or engaging in forestry, in dairying, or in transportation in connection with the production of a crop. With the broad possibility for deferment under the Tydings and the O'Mahoney amendments, instead of a limitation to actual employment on the farm, I am wondering whether by the additional language which the Senator from Wyoming has put in, specifying two categories as to which the discretion of the board is taken away, it is intended to limit it to those particular categories or whether it is intended merely to remove the discretion of the boards so that in future cases they can defer truck drivers, dairy drivers, threshing-machine operators, hull-machine operators, and others whose work may have connection with agricultural occupations.

Mr. BANKHEAD. I am unable to inform the Senator about that.

Mr. GILLETTE. If I may ask a further question, would it not, then, be a reasonable interpretation and construction that the O'Mahoney amendment would open the doors wide for discretionary deferments of men engaged in running threshing machines, in dairy trucking, in forestry, or in any other occupation which under the definition of Webster's Dictionary could be considered as an agricultural occupation, while the proposal of the Senator from Alabama would limit deferment to men engaged in work on a farm?

Mr. BANKHEAD. I think the Senator's construction is correct. Our bill requires real farm work; it requires men to be engaged on a farm in the production of essential commodities, and the Secretary of Agriculture is authorized to designate the commodities. He is authorized in both amendments to make additions to the commodities.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. JOHNSON of Colorado. The Senator from Iowa and the Senator from Alabama, of course, are both correct. We discussed that matter at some length in the Military Affairs Committee of the Senate, and the members of the committee who submitted the majority report were of the opinion that forestry should not be brought into the picture, that sugar factories, for instance, should not be brought into it, that canning factories and other industries related to agriculture should not be brought into it. We were very careful to modify the bill so that its application was tied up closely to the farm. To secure farm production is the one sole purpose and objective we have in mind, and we did not want to embrace all the industries directly and indirectly connected with processing and the production of food. So the Senator from Iowa has put his finger on a very important point in the discussion and comparison of the two approaches to the problem.

Mr. BANKHEAD. Mr. President, I am very glad, indeed, to have the Senator's statement. I am not a member of the committee, and, of course, was not present during the discussion. So I am glad to hear what the Senator says. It is in line with my ideas about the construction of the measure.

Mr. President, I have pointed out the difference between these measures. The O'Mahoney amendment eliminates the requirement that a man must be necessary. The declaration as to who is an essential worker is the same in both amendments.

The O'Mahoney amendment retains a provision of the Tydings amendment that the registrant or the applicant for deferment is deferred only until a satisfactory substitute can be found. I have discussed the difficulties about that.

Then the O'Mahoney amendment goes further and adds as a part of the Tydings Act the unit program under which the Department specifies the number of acres to be planted and the commodity to be produced. It provides a formula so complicated that, as has already been stated, many farmers would simply throw up their hands and quit rather than try to understand it and work it out. Such a formula is not necessary, Senators, if we will deal with this subject in a practical and realistic way. If we are going to do what we can to increase the food supplies for the boys in the trenches and the boys in the camps and our allies and our own people, let us go about it in a common-sense, practical way.

We know the farmers are not trying to evade induction. They have a reputation everywhere of being reluctant to claim deferment. That fact has been brought out time and again; it is in the record of the testimony before the manpower committee by the Secretary of Agriculture himself. He says the farmers look upon an application for deferment as a stigma upon their patriotism and courage. So it is not a matter of evasion. It is a matter of keeping as many workers as we can on the farm. The bill pending before the Senate, called the Bankhead bill, requires substantially full-time work upon the farm, producing commodities which the Secretary of Agriculture says are essential to the war. What more could anyone expect in the matter of production?

The Board has jurisdiction all the time of the farm worker. If he leaves the farm under this amendment he is subject to induction in the Army. If he does not comply in good faith with the requirements for all-time work upon the farm, compliance with which constitutes his basic right to be there, then, of

course, the board could take charge of his case.

Mr. President, there is one other phase of this matter to which I desire to refer.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield at that point?

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Colorado?

Mr. BANKHEAD. I do.

Mr. JOHNSON of Colorado. A great burden is placed on the draft boards by the uncertainties of the Tydings amendment and the uncertainties which are continued by the Tydings amendment as perfected by the Senator from Wyoming. I desire to say a word about these boards. They are composed of fellow citizens in the local communities. When we passed the Selective Service Act we were very careful so to frame it that the drafting of men would be controlled locally, so that the local people who administered the boards would know what was going on in their own communities. We had a considerable dispute for several days as to whether to turn the selective service over to the Army or to turn it over to the local authorities, and those of us who preferred to place it in the hands of the local authorities finally won. So there were set up local boards, which were made up, as we all know, of professional and businessmen in the various communities. They receive no pay, and they have a terrific burden; indeed no one has a greater burden. Solomon, when it was given to him to decide who was the mother of the child, had no more difficult problem than the draft boards face day after day and every day when they are called upon to select boys to go into the Army. It would be much easier if they were starting out anew; but we are amending the law. The Tydings amendment came in after the law was in effect some length of time. They have already drafted boys; they have already drafted the widow's son and sent him into the Army. Now comes before them the case of John Smith's boy. "Shall we send him into the Army?" They read the Tydings amendment and find that they must pass judgment; they must exercise discretionary authority and discretionary judgment. They must decide first whether John Smith's boy is essential to the war effort. That is a sizable burden for them. They are continually harassed by the fact that they took the widow's son and put him into the Army, and they must decide the case of John Smith's son, ever keeping in mind what they did with the widow's son.

If the selective-service boards of the country could have an opportunity to pass on the two bills, the two approaches, I am sure they would unanimously select the Bankhead approach, because it is mandatory, it is clear-cut, it is decisive, it does not impose that difficult discretion upon them. It takes away a terrible burden. If Congress really wants to aid in the production of food, if that is what is desired, if we want to keep men on the farms, why do we not say so in plain language, instead of beating about the bush, making it optional upon the board to exercise judgment which the Congress should exercise? That is a point which must ever be borne in mind.

A few minutes ago the Senator was talking about the confusion which would exist in the farmers' minds. Think of the confusion which exists, and which has existed, and which continues to exist, under the Tydings amendment, in the minds of the members of these nonpaid boards.

Mr. LUCAS. Mr. President——

The PRESIDING OFFICER (Mr. EASTLAND in the chair). Does the Senator from Alabama yield to the Senator from Illinois?

Mr. BANKHEAD. I yield.

Mr. LUCAS. After listening to the discussion of the able Senator from Colorado, am I to understand that under the Senator's bill all men who are now engaged in essential agricultural work on the farm will be practically frozen there?

Mr. BANKHEAD. If they remain on the farm and work they are to be frozen so far as deferment is concerned.

Mr. LUCAS. That is what I mean.

Mr. BANKHEAD. If they do not stay on the farm, if they desire to leave, they can go to the board. If they leave the farm, they will have to go to the board and let the board decide whether to permit them to engage in some other work, or withdraw their deferment, and let them go back under the draft. They are not put in prison, if that is what the Senator is thinking about.

Mr. LUCAS. I am not thinking about them being put in prison.

Mr. BANKHEAD. Their liberties are not restrained.

Mr. LUCAS. What I am asking is whether or not all men who are engaged at the present time in essential agricultural production will be frozen in that status, under the language of the Senator's bill.

Mr. BANKHEAD. The bill is intended to keep them on the farms so far as possible.

Mr. LUCAS. Who has the discretionary power to say whether or not the individual affected is engaged in agricultural production?

Mr. BANKHEAD. The county draft board.

Mr. LUCAS. Are there any circumstances under which a boy who is 22 years old, we will say, who has been deferred by the board as being engaged in essential agricultural work, could get into the Army if he desired to do so?

Mr. BANKHEAD. Yes; he could leave the farm, and then the board would take up his case.

Mr. LUCAS. In other words, all he would have to do would be to quit the farm, and then the board would call him?

Mr. BANKHEAD. Yes; and send him into the service, or, if he himself applies to the board, the board will decide whether it is in the public interest for him to go into some other work, such as work in a munitions plant, or go into the Army. That is left to the selective-service draft board.

Mr. LUCAS. One more question, which may involve a matter of repetition. Can the Senator tell me, from the testimony which was taken before his committee, as to the number of boys who left the farms and went into the service, and the number who went into the industries of the country?

Mr. BANKHEAD. There is no record of the number who went into industries. Up to the 1st of January, the record shows, through the testimony of General Hershey that 806,000 had gone direct from the farms into the armed forces. It is well known that, in addition to that, for the last 2 or 3 years boys have been leaving the farms to go into industry. So, when they went into the armed services, they doubtless registered, not from the farm, but from the occupations in which they were then engaged. Therefore, as I am advised it has been impossible to get any really accurate and reliable statistics on that point.

Mr. LUCAS. My only reason for making the inquiry is that we frequently hear that out of 100 boys who have left the farm, some 75 have gone into industry and some 25 have gone into the Army.

Mr. BANKHEAD. I may say to the Senator that it was stated before our committee by Secretary Wickard and others that from three million to three and a half million workers had left the farms in the last 2 years. There was no evidence as to how many of that number were within the induction age, 18 to 38. It is known how many farm workers there were then and how many there are now, and during 1941 and 1942, according to the evidence, from three to three and a half million farm workers left the farms. Taking the record as best it can be gotten, the officials deduct the number who went into the service and decide that the others went into industrial work. But there is only one record, which is incomplete, and that is a record of those who went into the armed services, for the officials get the record of occupation only at the time the men are inducted.

Mr. LUCAS. I take it that the Senator's bill does not disturb any man who has heretofore gone from the farm into the Army.

Mr. BANKHEAD. It does not.

Mr. LUCAS. I thank the Senator.

Mr. BANKHEAD. Mr. President, I shall not take much more time on this matter, which has been so thoroughly argued. I am sorry the Senator from Maryland, who was here a short time ago, is not now present. He made a statement yesterday which I think should have some little attention at least. With dramatic eloquence, of a type of which he is so capable, he denounced the provisions of our bill as tending to bring about compulsory service, involuntary servitude. This is what he said, as I took it from the CONGRESSIONAL RECORD this morning:

> Then think of what will happen if we freeze men on the farms, as the Bankhead amendment would do, since under it they could not leave the farms until they went to some civilian tribunal—

They go to the draft board, which I thought was a military tribunal. The Senator continued—

they could not leave the farms until they went to some civilian tribunal and said, "I do not want to work for $33 a month, or for $40 a month, or $56.07 a month"—which is the average for the whole country. "I can go down the road and get $158 a month." "Ah, but you cannot do that. You must stay on your farm."

I am astonished at that statement, because the Senator had before him both the O'Mahoney amendment and the Bankhead amendment, and they both specifically provide that if a worker leaves the farm he must go to the induction board, and the board will decide what he shall do. He may do one of two things. He does not have to remain on the farm, notwithstanding the eloquence of the senior Senator from Maryland. The Senator then said:

That is what the Bankhead amendment would accomplish. Of course, that would be nothing more nor less than bringing about a condition of enforced labor; it would result in nothing more nor less than slavery.

The Senator warmed up as he continued:

If we are going to enter upon such a movement, let us make a law for the entire country, and require everyone to share the sacrifices, and not condemn to slavery the poorest paid workers in the whole economic scale, while all the others in the economic picture do pretty much as they please.

In order to get a little better understanding of that oratory, let us read the Tydings amendment. It provides:

That should any such person leave such occupation or endeavor, except for induction into the land or naval forces under this act, his selective service local board, subject to appeal in accordance with section 10 (a) (2), shall reclassify such registrant in a class immediately available for military service, unless prior to leaving such occupation or endeavor he requests such local board to determine, and such local board, subject to appeal in accordance with section 10 (a) (2), determines that it is in the best interest of the war effort for him to leave such occupation or endeavor for other work.

In connection with that, let me read from the Johnson-Bankhead amendment on the same subject:

Provided, That should any such deferred registrant cease to be engaged or employed substantially full time on a farm in connection with such production or harvesting, his selective service local board, subject to appeal in accordance with section 10 (a) (2), shall reclassify such registrant in a class immediately available for military service, unless prior to leaving his work on the farm he requests such local board to determine, and such local board, subject to appeal in accordance with section 10 (a) (2), determines that it is in the best interest of the war effort for him to engage or be employed in some other work, or to become a member of such land or naval forces.

Mr. President, the most critical examination of those two proposals discloses that they make exactly the same provision; there is no difference between them. So I assert for the record that if there is involved any compulsory service, if there is involuntary servitude or slavery, the Senator from Maryland is responsible in the Tydings amendment, and is the author of the provision about which he complains as being in the Bankhead-Johnson amendment. He was the author; we were following him. We instructed the draftsman to make our bill conform to his on that subject; and it does so.

Mr. DOWNEY. Mr. President, before the Senator concludes, will he yield to me for two brief questions and comments?

Mr. BANKHEAD. I have practically concluded.

The PRESIDING OFFICER (Mr. McCLELLAN in the chair). Does the Senator from Alabama yield to the Senator from California?

Mr. BANKHEAD. I yield.

Mr. DOWNEY. I wish to note the statement made by the distinguished Senator to the effect that two men in the Department of Agriculture were given the authority to determine the units of work which would be required of a farm worker before he would be entitled to deferment; and the statement was made that the men were totally inexperienced as to farming conditions in great areas of the United States. I wish to say to the distinguished Senator that I have found that to be almost universally true in dealing with the very demoralized farm conditions in California.

Mr. President, I recently have been considering the possible demoralization of one of our greatest farm industries. Three very fine, highly intelligent men, all of them happening to be doctors of philosophy, are determining prices in the milk industry, a most involved and complicated situation, without having had any prior experience or knowledge of the dairy industry, and I think they have already made a mistake which will result in a marked reduction of our milk supply.

So I desire to commend the Senator from Alabama for the statement he has made, and to say that he is describing a situation which in general exists in governmental circles.

Mr. President, I also wish to say that I was very much impressed by almost the opening statement made by the distinguished Senator to the effect that he was not here primarily pleading for the farmer, but for food for the Nation as a whole. For my part I should like to have the leaders of American Government understand that in large areas of the country they are rapidly forcing the American farmer into such a condition that he is going to strip his labor and production down to what he wants to produce for himself.

In connection with that statement I may say to the distinguished Senator that in one rather substantial county in California the demands for workers in defense factories and military installations have been so great as to deprive the farmer of any chance of getting any workers at any possible wage that he can pay. I was informed by the county agricultural commissioner of that county last week that the vegetable production of the county would not be more than 25 percent of what it was last year, and that the farmers were being forced into a position where, because of lack of labor, fertilizers, machinery, transportation, and equipment, they can do no more than produce for themselves and their own local community.

Mr. President, I believe the distinguished Senator has emphasized a most important point, and our leaders in Washington will soon realize that this great fight which the distinguished Senator has led is one for food for the American Nation, and not primarily for the benefit of the farmer.

Mr. BANKHEAD. Mr. President, I thank the Senator from California for his contribution.

In conclusion I wish to read an extract from a letter which I recently received from local board No. 1, Cherokee County (Ala.) Selective Service System. The letter is dated February 27. It is signed by the three members of the board. I read it for the purpose of showing that this drift of farm labor continues. The letter says:

We have been following with interest the press accounts of your work to obtain for farmers and agricultural workers deferment from induction into the armed forces through the selective system.

We constitute local board No. 1, Cherokee County (Ala.) Selective Service System, and have had experience in the classification of men from the farms. Our county is strictly an agricultural county. We do not have a single industrial plant in the entire county, and all of our future quotas must be filled from the farms.

From press accounts it would appear that some of the Members of Congress charge some of the local boards have been too hard in the classification of farm workers. In our case, we have covered the entire county and have about completed our classifications, and we are familiar with practically every individual case, and have made careful investigations of all available records and we can see no way in which we can continue to fill our quotas. In checking each claim for deferment we make a very careful study of the applications and use the offices of the county farm agent for production and yield and point records of the applicant, and hold hearings for such applicants, and hear proofs as to such applicant being essential to the operation of a qualified farm unit. We feel that we have now depleted almost all of the men from all of the farms in this county that we can afford to lose if we expect to keep up any percentage of our past agricultural production records. Yet in the face of the situation, the State offices of the Selective Service System seem to feel that we should clamp down and induct more and more men into the services. We cannot continue to fill our quotas and expect to continue the essential farming operations in this county. We feel that the loss to the farms that we have already had will mean a sharp decrease in the production of this county, and to continue at the present rate will create a situation that will be critical.

Mr. President, I wish to call attention to the fact that the farm unit program requires the fixing of the unit when the application is made, before the crops are even planted. It is almost impossible of operation.

It has been said here in justification of the Army's program that the Army has

a right to rely upon the Secretary of Agriculture for information about the prospective food situation. That is all the Army officials have done, I will say, in the development of the 11,000,000-men program, so far as investigation of the food requirements are concerned.

Mr. President, what is the position of the Secretary of Agriculture, the man upon whom the Army officials say they must rely, and are relying, and should rely, in the absence of agencies of their own to investigate the food situation? I have before me Secretary Wickard's statement, made before our committee, and found on page 59, part 1, of the hearings, as follows:

Mr. WICKARD. If you want me to state what I think about it, I would say that, in the first place, we cannot afford to take any more trained workers off farms. As a matter of fact, we have taken too many now. That is my opinion and I have been saying it for months. I wish there was some way we could get some of them back, either from the factories or from the Army.

At another point in the hearing Secretary Wickard said:

I think they are taking too many trained men off the farms. Some have gone into industry, some in the Army. Too many have gone for us to get the peak production next year.

Secretary Wickard later was called back before our committee, and I want to read to the Senate what he said several weeks later when he appeared before the committee:

Since I appeared before you a month ago I have become increasingly alarmed about our inability to get enough farm labor to reach the goals we have established for farm production this year. I am more alarmed today than I was yesterday.

Mr. GURNEY. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. GURNEY. I wish to ask the Senator from Alabama if it is his intention to continue speaking up to 2 o'clock, or will a chance be afforded for the proponents of the O'Mahoney amendment to speak?

Mr. BANKHEAD. No, Mr. President; I have no intention of speaking until 2 o'clock. I thought I would complete my statement before this time. However, before I conclude, I wish to call attention to returns made by county agents. If the Senator from South Dakota needs more time, I shall be very glad to support him in his request for more time.

Mr. GURNEY. I do not intend to take much time.

Mr. BANKHEAD. I understood the Senator to have stated that he wanted to make a very short speech. For that reason I probably spoke a little longer than I otherwise would have done.

I have now reached the point of discussing the reports made by the county agents—the representatives of the farmers located in every county in America—the ones who are in closest touch with the farmers' conditions and their prospects. Those reports are set out in the report made by the committee. The situation is tragic. Anyone who wants to find the truth—right down to the grass roots—is invited to examine the statements made by the county agents, and he will certainly become convinced that we are faced with a most deplorable and most unfortunate situation.

Mr. President, I submit that the practical thing to do, aside from all theories, is to undertake to prevent a further reduction in the forces working for the production of our food supply.

The PRESIDING OFFICER. The question is on agreeing to the amendment in the nature of a substitute offered by the Senator from Wyoming [Mr. O'MAHONEY] to the substitute amendment of the Senator from Colorado [Mr. JOHNSON] for the committee substitute.

Mr. GURNEY obtained the floor.

Mr. AUSTIN. Mr. President, will the Senator from South Dakota yield to me so that I may suggest the absence of a quorum?

Mr. GURNEY. I yield for that purpose.

Mr. AUSTIN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	George	O'Mahoney
Austin	Gerry	Overton
Bailey	Gillette	Pepper
Ball	Green	Radcliffe
Bankhead	Guffey	Reed
Barbour	Gurney	Revercomb
Barkley	Hatch	Reynolds
Bilbo	Hawkes	Robertson
Bone	Hayden	Scrugham
Brewster	Hill	Shipstead
Bridges	Holman	Smith
Brooks	Johnson, Calif.	Stewart
Buck	Johnson, Colo.	Taft
Burton	Kilgore	Thomas, Okla.
Bushfield	La Follette	Tobey
Byrd	Lodge	Truman
Capper	Lucas	Tunnell
Caraway	McCarran	Tydings
Chavez	McClellan	Vandenberg
Clark, Idaho	McNary	Van Nuys
Clark, Mo.	Maloney	Wagner
Connally	Maybank	Walsh
Danaher	Mead	Wheeler
Davis	Millikin	Wherry
Downey	Moore	White
Eastland	Murdock	Wiley
Ellender	Nye	Willis
Ferguson	O'Daniel	Wilson

The PRESIDING OFFICER. Eighty-four Senators having answered to their names, a quorum is present.

Mr. GURNEY. Mr. President, I shall take only a very few minutes in speaking in behalf of the O'Mahoney amendment. I have listened with a great deal of interest not only to the debate which has taken place in the Senate in the last few days, but to the testimony which was given before the Senate Military Affairs Committee in hearings during the past 3 weeks or more.

I realize, first, that the manpower situation in the United States as a whole is becoming extremely tight. I realize that farm labor is being used possibly to the utmost. I realize also that many industries are endeavoring to increase the number of their employees. I believe that one factor possibly balances the other. I think the Congress should be very careful not to freeze into one occupation a large proportion of the manpower which probably ought to remain flexible so that it can be sent to the most essential industries from time to time.

I was particularly interested in a few remarks made day before yesterday and yesterday. One of them which interested me was with reference to a letter which was submitted for the RECORD yesterday by the junior Senator from Indiana [Mr. WILLIS]. The letter appears on page 1800 of the RECORD. It is from a farmer in Fortville, Ind. Near the end of the letter the farmer says:

The draft stripped our farms and the only way to correct the mistake is to back-track on the draft and put these individual experienced farmers who are now in the Army, back on the land from which they came and with which they are already familiar and acquainted.

I believe that is the story that is being told by the proponents of the so-called Bankhead bill.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. GURNEY. May I finish my explanation?

Mr. JOHNSON of Colorado. I wish to make a comment with regard to what the Senator from South Dakota has just said.

Mr. GURNEY. I will yield for a question.

Mr. JOHNSON of Colorado. The proponents of the Bankhead bill do not——

Mr. GURNEY. I yield for a question only.

Mr. JOHNSON of Colorado. Did I correctly understand the Senator from South Dakota to say that the proponents of the Bankhead bill, which is now pending before the Senate, are advocating the return to the farm of men who have been taken from the farm and inducted into military service?

Mr. GURNEY. I am sure I did not say that. I said that the proponents of the Bankhead measure are trying to keep men on the farms. I have been reading from a letter which was printed in the RECORD yesterday. If I may proceed I will go back to the first part of the letter. The writer starts by explaining conditions existing before the beginning of the war. He says:

Here on my farm our normal crew was five men, two hired men, my two sons, and myself. Now there are just two of us including myself, age 59.

Remember that he says the only way is to back-track on the draft measure. However, please realize that of the five who were originally on his farm, two went into industry. He and one boy are still on the farm. In the concluding part of his letter he says that the only way to correct the situation is to get the boys back out of the Army.

Let us see if that is about the distribution which should have been made. One man out of 5 goes into the armed forces to fight for the other 4, who remain at home. Was the error made in taking the 1 into the Army, or was the error made in not keeping the 2 hired men on the farm? Taking 130,000,000 people and assuming that half of them are women and girls, that would leave about 65,000,000 men. Deducting from that number those who are beyond

the productive age and incapable of doing hard work, and those under 16 or 17 years of age, who possibly could not be expected to work on the farm, I think that 1 out of 5 would be about the right number to join the armed forces.

Therefore we should determine whether to bring back from industry the two hired men who are essential on the farm rather than take men out of the Army.

I invite attention to the statement made yesterday by the Senator from Maryland [Mr TYDINGS], that since the adoption of the Tydings amendment on November 13, 1942, up to March 1, 1943, 494,442 farm workers have been deferred. Therefore, the Tydings amendment, in my opinion, has accomplished a great deal.

I believe that the provisions of the Tydings amendment should remain in effect. I believe that possibly it would be a little better to incorporate in the law the various regulations which have been issued. That is what the O'Mahoney amendment would do. It would establish by law a yardstick by which a minimum amount of work would be required by the farm worker in order to be deferred. It would also retain the provision that a man shall become liable for military service in case a proper and competent replacement is found. If the younger son in a family is now working on the farm and his elder brother is in a shipyard, possibly the elder brother may become tired of living in a congested area. He may become disgusted with some of his fellow workers who are not doing an honest day's work. For a number of reasons he may not like to work under the conditions governing employment in the shipyard.

He might not even want to continue paying union dues, for instance, and therefore might return to the farm. Certainly the older brother is competent. Perhaps the farm does not provide enough work for the two boys. Then, certainly, the younger boy has had his replacement, and should become liable for military service.

Furthermore, we do not want to forget that the Army has sincerely set up absolute rules for furloughing and discharging from the Army farm workers over 38 years of age, and plenty of Army discharges are being given to farmers and farm workers who are above 38 years of age.

The Tydings amendment, as I see it, will simply write into law the regulations which now are working very nicely and have already caused the deferment of 494,000 farm workers.

I desire to read to the Senate a letter which I have received from Mr. Joe Gordon, of East Grand Forks, Minn. He is a farmer. I read the letter just as it has come to me:

EAST GRAND FORKS, MINN.,
February 27, 1943.

Senator GURNEY.

DEAR SIR: In the news tonight I heard that a bill to exempt all farm workers is to be brought up soon and that you are opposed to it. So am I, most emphatically. The draft law was passed to supposedly assure all men of military age an equal part in this war. This is proper to a people where equal rights are expected by all. But every man who puts on a uniform is taking a definite chance of not coming home when this war is over. The man who gets deferment on any grounds whatsoever must be replaced by another man from the same locality who thereby is called ahead of his turn. Literally, the deferred man steps from in front of the gun and pushes his neighbor up in his place, even though the gun is 10,000 miles away. This is a cowardly trick at any time, and now that the 18- and 19-year-old kids are being called to take the place of our boasted manhood which wants to do their fighting behind the barn or factory, deferment becomes contemptible beyond words. Human life is equally dear to everyone, and the man who takes a deferred man's place certainly does not do so from an inferiority complex; he knows full well he is a better man than the one who stays at home, and wants to live just as much. I have farmed for 35 years and know, as all farmers do, that manpower is only a part of crop production. Given reasonably favorable weather, we can raise and take care of a whale of a crop under short-help conditions. We in northwest Minnesota and in North Dakota had a bumper crop last year and the most unfavorable harvest and threshing weather it could possibly be, both last year and in 1941. In 1941 there were only 3 days in the month of September that shocked or swathed grain was dry enough to thresh, and in 1942 not more than 5 days during September that it could be safely threshed, but I did not hear of a bushel being left over winter in the fields, though of course it ran the threshing into November. Yet farm labor can hardly be any shorter than it was last year. The large majority of farmers have thrown away the clock for the duration. Get us machine parts, without hours and miles of red tape, hunting, priorities, and ration books, and we will handle any crop the Lord will send us some way. We can't fight, but we can get out of the road and let men who can go to it.

Yours respectfully,

JOE GORDON.

I desire to refer briefly to another letter which has come to me from Iona, S. Dak., a very small community. The writer of the letter says:

We're glad to see that you voted against blanket draft deferment. There are too many being deferred who are not producing in quality and quantity enough to entitle them to deferment.

Mr. President, I am very proud of my State of South Dakota, and I am very proud of the people who live there. I am sure all other Senators are equally proud of their own States. I do not believe that conditions in my State are any different from those in other areas of the Corn Belt.

I hold in my hand numerous telegrams. Telegrams of the same type are accumulating in large numbers, lately, because of a drive—I will not say by whom—to get Congress to make appropriations so that incentive payments for increased production can be made by the Federal Government.

The telegram from which I shall now read has come from the South Dakota United States Department of Agriculture War Board, so I believe that the figures contained in it are accurate and authentic. The telegram reads, in part, as follows:

To date, approximately 70 percent of the farmers in South Dakota have been contacted in regard to their 1943 plans.

Note that 70 percent of them have been contacted.

Here are the results.

The entire food program was discussed with each farmer. Emphasis was placed on need for war crops such as soybeans, flax, and dried beans. The need for dairy products and livestock commodities was also stressed. A summary of the intentions of the farmers contacted and based on the announced food program indicates practically all State goals will be met or exceeded. Flax acreage will be increased 25 percent above 1942, soybeans, 55 percent above 1942. Five thousand five hundred acres of dried beans will be planted. Hens and pullets will be increased 30 percent. Hogs, spring farrows, will be increased 38 percent above 1942, and fall farrows, 45 percent.

Let me refer briefly to one other telegram. It comes from the county in which my own home town is located, and reads, in part, as follows:

Farmers—

The farmers in my county—

indicate that most war goals will be met.

I quote further from the telegram:

Despite obstacles, farmers are going to produce to the utmost.

Mr. President, very little time is left before the hour of 2 o'clock. Therefore, I shall make just one more allusion to a statement which was made 2 days ago, I believe, and which is found on page 1717 of the CONGRESSIONAL RECORD. One of the Members of the Senate said he had received a letter from a farmer in his State, and the letter concluded with the statement that the farmer was going to establish himself on a small patch of ground and support himself and his wife until his boys who are in the Army come home.

I believe that is not the attitude or the kind of work necessary in order to get the boys home. I do not believe we should give blanket deferment to any class, and I am quite sure that the farmers of America are not asking for blanket deferment.

I conclude by quoting from a letter written by the editor of the largest newspaper in my State. He says:

I am thoroughly in accord with you in respect to your position on Senate bill 729. Along with you, I do not believe in deferment on a class basis. And furthermore, I know that many farmers don't want it handled in this way.

Mr. JOHNSON of Colorado. Mr. President, yesterday the senior Senator from Massachusetts [Mr. WALSH] asked a question as to the number of men on the farms who have been inducted into the Army since the so-called Tydings amendment became effective. I desire to submit some figures which I have received from the War Department relative to that matter:

In November, 80,659 from the farms; in December, 73,624; in January, 77,497; in February, 38,200, or a total since the Tydings amendment became effective of 269,980.

For Colorado the figures are: In November, 533; in December, 429; in January, 291; in February, 226.

Mr. WALSH. Mr. President, let me inquire whether those figures are for individuals who entered the service from the farms.

Mr. JOHNSON of Colorado. The answer is "Yes."

Mr. WALSH. Do the figures include men who either were drafted or volunteered?

Mr. JOHNSON of Colorado. Yes; men who either were drafted or volunteered since the Tydings amendment was made effective.

Mr. WALSH. Yesterday the Senator from Maryland gave some figures showing the number who were deferred. Does the Senator have those figures?

Mr. JOHNSON of Colorado. Yes. There is one thing that may be pointed out with reference to the deferment, and that is that it covers all farmers, those from the age of 18 to the age of 45, as I understand—the maimed, the crippled, the halt, the blind, the fathers of 10 children, the fathers of 2 children, the married, the single—all farmers of every description who have been deferred since that time.

Mr. TYDINGS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Maryland?

Mr. JOHNSON of Colorado. I yield the floor.

Mr. TYDINGS. I do not wish to encroach on the 1 minute of time remaining before 2 o'clock; therefore I send to the desk a memorandum received from General Hershey, and ask that it be read. The memorandum contains the information which I was requested to obtain.

The PRESIDING OFFICER. Without objection, the clerk will read.

The Chief Clerk read as follows:

Prior to the enactment of the Tydings amendment, there were no special subclassifications for either class II–C or III–C agricultural registrants as distinguished from industrial registrants. After enactment of the Tydings amendment, however, subclass II–C and subclass III–C were established, II–C for men necessary to and regularly engaged in essential agricultural occupations so long as the men are irreplaceable and continue to be so engaged, and class III–C for men meeting the same requirements as for class II–C but who, in addition, have dependents as defined in the selective service regulations.

The Tydings amendment did not become law until November 13, 1942, but, as a result of instructions issued by General Hershey immediately after it was enacted, local boards began to place bona fide farmers—that is, Tydings amendment farmers—forthwith into these special subclasses.

During the last part of November 1942, 24,237 men were placed into classes II–C and III–C. By the end of December there were 195,534 in such classes. By the end of January 1943, there were 374,666 in these classes, and by the end of February 1943 there were 516,666.

I have estimated that when classification is further along—and in any event, before the end of this year—there will be approximately 3,000,000 Tydings amendment farmers deferred in classes II–C and III–C.

Experience gained from the operation of selective service during World War No. 1 showed that it is unnecessary to physically examine registrants deferrable for reasons other than physical. Therefore, class II–C and class III–C registrants will not have had physical examinations, and, consequently, 40 to 50 percent of the estimated 3,000,000 Tydings amendment farmers would not pass the physical examinations.

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, further debate under the order of the Senate of yesterday is precluded on the pending amendment. The question is on agreeing to the substitute amendment offered by the Senator from Wyoming [Mr. O'MAHONEY] for the substitute of the Senator from Colorado [Mr. JOHNSON] for the committee substitute.

Mr. PEPPER. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Gerry	Pepper
Austin	Gillette	Radcliffe
Bailey	Green	Reed
Ball	Guffey	Revercomb
Bankhead	Gurney	Reynolds
Barkley	Hatch	Robertson
Bilbo	Hawkes	Scrugham
Bone	Hayden	Shipstead
Brewster	Hill	Smith
Bridges	Holman	Stewart
Brooks	Johnson, Colo.	Taft
Buck	Kilgore	Thomas, Okla.
Burton	La Follette	Tobey
Bushfield	Lodge	Truman
Byrd	Lucas	Tunnell
Capper	McCarran	Tydings
Caraway	McClellan	Vandenberg
Chavez	McNary	Van Nuys
Clark, Idaho	Maloney	Wagner
Clark, Mo.	Maybank	Walsh
Connally	Mead	Wheeler
Danaher	Millikin	Wherry
Davis	Moore	White
Downey	Murdock	Wiley
Eastland	Nye	Willis
Ellender	O'Daniel	Wilson
Ferguson	O'Mahoney	
George	Overton	

The PRESIDING OFFICER. Eighty-two Senators having answered to their names, a quorum is present.

The question is on agreeing to the substitute amendment of the Senator from Wyoming [Mr. O'MAHONEY] for the substitute of the Senator from Colorado [Mr. JOHNSON] for the committee substitute.

Mr. O'MAHONEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. O'MAHONEY. It is my understanding that the vote is now coming upon the so-called O'Mahoney amendment, which is the minority suggestion from the Committee on Military Affairs, and that Senators who desire to support it should vote "yea."

The PRESIDING OFFICER. The Senator is correct.

Mr. JOHNSON of Colorado and Mr. ELLENDER asked for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. STEWART (when Mr. MCKELLAR'S name was called). My colleague the senior Senator from Tennessee [Mr. MCKELLAR] is absent because of illness.

The roll call was concluded.

Mr. DAVIS. I have a general pair with the junior Senator from Kentucky [Mr. CHANDLER]. Not knowing how he would vote, I withhold my vote. If permitted to vote, I should vote "nay."

Mr. HILL. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from Virginia [Mr. GLASS], and the Senator from Utah [Mr. THOMAS] are absent from the Senate because of illness.

The Senator from Kentucky [Mr. CHANDLER], the Senator from Arizona [Mr. MCFARLAND], the Senator from Montana [Mr. MURRAY], and the Senator from Washington [Mr. WALLGREN] are detained on official business for the Senate.

The Senator from Georgia [Mr. RUSSELL] is necessarily absent. I am advised that if present and voting he would vote "nay."

Mr. MCNARY. The Senator from North Dakota [Mr. LANGER] is absent on official business. If present he would vote "nay."

The Senator from Idaho [Mr. THOMAS] who would vote "nay" if present, is paired on this question with the Senator from New Jersey [Mr. BARBOUR], who would vote "yea."

The Senator from Nebraska [Mr. BUTLER], who is necessarily absent, would vote "nay."

The Senator from California [Mr. JOHNSON] is necessarily absent. If present he would vote "nay."

The result was announced—yeas 32, nays 49, as follows:

YEAS—32

Austin	Guffey	Scrugham
Ball	Gurney	Truman
Barkley	Hatch	Tunnell
Bone	Kilgore	Tydings
Brewster	Lodge	Vandenberg
Bridges	Maloney	Van Nuys
Burton	Mead	Wagner
Byrd	Murdock	Walsh
Danaher	O'Mahoney	White
Gerry	Radcliffe	Wiley
Green	Reynolds	

NAYS—49

Aiken	George	Overton
Bailey	Gillette	Pepper
Bankhead	Hawkes	Reed
Bilbo	Hayden	Revercomb
Brooks	Hill	Robertson
Buck	Holman	Shipstead
Bushfield	Johnson, Colo.	Smith
Capper	La Follette	Stewart
Caraway	Lucas	Taft
Chavez	McCarran	Thomas, Okla.
Clark, Idaho	McClellan	Tobey
Clark, Mo.	McNary	Wheeler
Connally	Maybank	Wherry
Downey	Millikin	Willis
Eastland	Moore	Wilson
Ellender	Nye	
Ferguson	O'Daniel	

NOT VOTING—15

Andrews	Glass	Murray
Barbour	Johnson, Calif.	Russell
Butler	Langer	Thomas, Idaho
Chandler	McFarland	Thomas, Utah
Davis	McKellar	Wallgren

So Mr. O'MAHONEY'S substitute amendment for the substitute of Mr. JOHNSON of Colorado for the committee substitute was rejected.

Mr. CONNALLY. Mr. President, I should like to have the attention of the Senator from Alabama, the Senator from

Kentucky, and the Senator from Oregon. I wish to prefer a unanimous-consent request, that the pending business be temporarily laid aside and that the Senate at this time proceed to the consideration of the so-called Lend-Lease Extension Act. I may say to Senators that there will be no extended debate on the subject. A brief statement by myself, and an address by the Senator from Michigan [Mr. VANDENBERG], so far as I know, will comprehend all the debate which will be indulged.

It is especially desirable that the measure be passed today, somewhat for sentimental reasons. This is the second anniversary of the enactment of the original law. I assure the Senate that the consideration of the bill will not consume much time. We will speed it along, and I think that on the whole it will not substantially interfere with the consideration of the pending bill.

Mr. WHEELER. Mr. President, I shall have to object until such time as I send to the desk an amendment to the substitute amendment offered by the Senator from Colorado [Mr. JOHNSON.]

Mr. CONNALLY. Does the Senator mean he merely desires to present the amendment?

Mr. WHEELER. To present it and have it read.

Mr. CONNALLY. I have no objection to that.

The PRESIDING OFFICER (Mr. HILL in the chair). The Senator from Montana presents an amendment, which will be stated.

The LEGISLATIVE CLERK. It is proposed to insert a new section at the proper place, as follows:

That section 5 of the Selective Service Act of 1940, as amended, is hereby amended by adding at the end thereof the following new subsection:

"(m) Every registrant who was married prior to December 8, 1941, who has maintained a bona fide family relationship with his family since that date, and who has a child or children under 18 years of age shall be exempt from training and service under this act."

Mr. JOHNSON of Colorado. Mr. President, I should like to ask the Senator from Texas whether he would be willing to amend his unanimous consent request so that if the lend-lease measure which he desires to have considered, should not be disposed of within 2 hours, we would revert to the unfinished business.

Mr. CONNALLY. I am very reluctant to make that sort of an agreement, but I have every assurance that the debate will not take over an hour.

Mr. JOHNSON of Colorado. Two hours should give plenty of time, then.

Mr. CONNALLY. I cannot anticipate what someone might say on the spur of the moment.

Mr. LA FOLLETTE. Let me suggest, Mr. President, that a demand at any time for the regular order would restore the unfinished business to its position before the Senate, so that the Senator from Colorado would have it within his own power to set aside the lend-lease bill, if the unanimous-consent agreement should be entered into.

Mr. JOHNSON of Colorado. With that understanding, I have no objection.

EXTENSION OF LEND-LEASE ACT

The PRESIDING OFFICER. The Senator from Texas asks unanimous consent that the pending business be laid aside temporarily, and that the Senate proceed to the consideration of a bill which the clerk will state by title.

The CHIEF CLERK. A bill (H. R. 1501) to extend for 1 year the provisions of an act to promote the defense of the United States, approved March 11, 1941.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the bill, H. R. 1501, which was read, as follows:

Be it enacted, etc., That subsection (c) of section 3 of an act to promote the defense of the United States, approved March 11, 1941, is amended by striking out "June 30, 1943", wherever it appears therein and inserting in lieu thereof "June 30, 1944"; by striking out "July 1, 1940", and inserting in lieu thereof "July 1, 1947"; and by striking out "July 1, 1943", and inserting in lieu thereof "July 1, 1944"; and subsection (b) of section 6 of such act is amended by striking out "June 30, 1946", and inserting in lieu thereof "June 30, 1947."

Mr. CONNALLY. Mr. President, the Foreign Relations Committee acted upon and reported to the Senate the Senate bill covering this matter, but in the meantime the House of Representatives passed a bill identical in terms, which came to the Senate and was placed on the calendar.

I submit, for the information of the Senate, that the committee report on the Senate bill, which has been filed with the Senate, should be considered as applying to the bill passed by the House, as well as to the Senate bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LA FOLLETTE. Mr. President, I hope the Senator will request that at the conclusion of his remarks the committee report may be incorporated in the body of the RECORD.

Mr. CONNALLY. I have no objection to that. I shall incorporate in my remarks probably the portion in which the Senator from Wisconsin is primarily interested.

Mr. President, the Committee on Foreign Relations has filed a formal report with the Senate recommending the passage of a measure extending the effective date of the original Lend-Lease Act until June 30, 1944. The original act was approved on March 11, 1941, and by its terms was to expire on June 30, 1943, with certain provisions allowing settlements under agreements made with foreign governments until July 1, 1946. Under the proposed act, such date would be extended until July 1, 1947.

The House of Representatives yesterday passed the bill by a vote of 407 to 6, evidencing practical unanimity of sentiment in the House of Representatives. The Committee on Foreign Relations yesterday reported the bill by a unanimous vote of all those present and participating, and with the concurrence of several who were absent, who advised the chairman that they were agreeable to the passage of the bill.

The original Lend-Lease Act was adopted as a measure to aid the nations whose defense the United States deemed vital to the defense of our own country. It envisaged the employment of our productive capacity to furnish munitions and supplies to nations resisting the aggression and conquests of the Axis Powers.

When the United States was treacherously assailed by the Japanese at Pearl Harbor while the authors of the dastardly attack were pretending friendship and amity toward the United States, we were forced into the war as an ally of those resisting the armed might of Germany, Italy, and Japan. These enemies, leagued in their unholy ambitions, and pledged to a common effort to overwhelm and subjugate free nations of the earth, challenged every exertion of the United Nations to resist and triumph over their combined military and naval forces. Lend-lease became an effective weapon of the United States and a direct and valuable aid and resource to our allies. Airplanes, tanks, artillery, machine guns, vast amounts of munitions, and a variety of arms, quantities of food, and a multitude of military supplies and equipment, have gone out from the United States to the battlefields of the world to aid and succor our associates in the war.

From the date of the original enactment to March 1, 1943, dollar value of lend-lease aid extended in the first 2 years of its operation is $9,632,000,000. The value of goods transferred, munitions, industrial materials-of-war production, and food for the fighting men and war workers of our allies is $7,831,000,000. The remainder, $1,801,000,000, is the value of services rendered, including shipping and ship repairs, production facilities, and various supply services.

Lend-lease aid has been sent to Russia, the British Isles, allied forces in Egypt and Africa, Australia, New Zealand, India, and China.

Russia, in her gallant resistance to the invading armies, has received half of all tanks supplied by lend-lease. To March 1, 1943, we had shipped more than 3,250,000 tons of supplies to the Soviet Union. The dollar value of such supplies and services amounted to $1,826,000,000. We have sent to Russia under lend-lease 2,600 planes. This is a larger amount than we have sent to any other belligerent. We have sent 81,000 trucks and jeeps. Aid to Russia is increasing. Shipments in January of 1943 were approximately 10 percent greater than during the preceding months. In February, shipments increased 30 percent. We have shipped to Russia 130,000 submachine guns, more than 98,000 pounds of TNT and toluol, much railroad equipment, and almost 3,000,000 pairs of army boots.

In addition we have supplied vast quantities of raw materials, chemicals, steel, and other supplies necessary for military operations.

In the case of China, the closing of the Burma Road has presented a severe handicap to supplying munitions to the Chineses armies. Air transport is now the only effective means of sending such supplies. Strenuous efforts are now being made to improve transport facilities and to devise measures which will make it possible to send to China increased supplies of arms, munitions, and equipment. It may be observed that we have also sent supplies to General Wavell and General Stilwell, operating in China, India, and Burma. They are making efforts to reopen the Burma Road.

Under the original act the President has filed quarterly reports of operations thereunder. On October 28, following the passage of the act, the President by Executive Order No. 929, created the Office of Lend-Lease Administration. In that order the President delegated all the powers granted to him by the Lend-Lease Act to the Administrator with the exception that the President reserved to himself the power of determination required by the act, that the defense of a particular country is vital to the defense of the United States, thus rendering that country eligible to aid under the act; and the responsibility for negotiation of agreements with foreign countries setting forth the terms and conditions under which such countries receive aid was entrusted to the State Department with the advice of the Office of Lend-Lease Administration and the Board of Economic Warfare. Mr. Edward R. Stettinius, Jr., was appointed as Administrator.

Mr. Stettinius has transmitted to Congress the eighth quarterly report on lend-lease operations for the period ending March 11, 1943. That report is now in the hands of the Secretary of the Senate, having arrived here at noon today. I invite the attention of Senators to the report for a statement in greater detail and a fuller explanation of the operations under the act. Manifestly it is not necessary in the course of my remarks to detail all the various operations with the several countries.

It is pertinent to point out that the United States is receiving substantial amounts of reciprocal aid from Great Britain and others of its allies. This is referred to as lend-lease in reverse.

Master agreements with a number of the United Nations have been made under the Lend-Lease Act. These agreements contemplated such reciprocal action wherever practicable and contemplated a final settlement and adjustment of such mutual operations after the end of the war.

The Committee on Foreign Relations in connection with such settlements under article VII of the master-lease agreements, in its formal report makes the following observations, and I should like to have the attention of the Senator from Wisconsin at this point.

Article VII indicates the type of economic action which may be contemplated.

This refers to the master agreements.

It is not a commitment which binds either of the legislative bodies of this Government. For example, article VII does not authorize the reduction of tariffs or commit the United States to other measures which under the Constitution must be adopted by the Congress or by either branch thereof.

So far as action by the United States is concerned, it is to be expected that conversations under article VII will result in proposals of policy which will be dealt with in each case according to the normal course of our constitutional procedure. Nothing in section 3 (b) of the Lend-Lease Act, or article VII of the lend-lease agreements, affects the way in which this Government will decide the kinds of economic action it will take. The committee believes that there is no authority in the Lend-Lease Act to warrant any general post-war commitments or post-war policies in agreements made under the terms of the Lend-Lease Act.

One final class of benefits to be considered in relation to section 3 (b) may be mentioned. The problem of air and naval bases as they affect the security of the United States, to take one example, goes far beyond the field of lend-lease alone, yet its solution may give rise to some lend-lease benefits under section 3 (b). This problem is believed to be an integral part of the United Nations' general problem of winning the war.

These observations of the committee were expressive of its views as to the original concept of the Lend-Lease Act as a military instrument and an aid in winning the war, and as not contemplating any commitment or objective beyond that purpose.

Mr. President, lend-lease has been a valuable and useful instrumentality in making available to our allies necessary arms, munitions, supplies, equipment, and food, in carrying on the joint effort and joint purpose to win the war. American arms and American supplies have been sent to every fighting front. Every weapon supplied, every munition expended has contributed to the joint efforts of the United Nations. In aiding our allies, we are aiding ourselves. We are saving the lives of American soldiers and sailors. We are driving forward to victory. We are sending bayonet thrusts into the enemy. American planes are bombing enemy installations, fortifications, and industrial plants. American food is sustaining armies in the field fighting our common enemy. All the vast categories of tanks and artillery and ammunition and arms and equipment in the hands of our friends and allies are being employed against our enemies. Our own armies in north Africa, in the British Isles, in the far-flung reaches of the South Pacific, in China, and in the far reaches of lands of the Orient, will be stimulated and fortified by the knowledge that not only is our Government arming and equipping and supplying our own forces, but is bending every effort to strengthen and arm and equip those who fight with them in a common cause.

Lend-lease has been a great military weapon. Its utility has been amply demonstrated. It must be extended, and I submit the bill for its extension for an additional year to the Senate with every confidence that it will be promptly enacted.

Mr. President, allow me to say to Senators who may not have originally supported the Lend-Lease Act, that we have in the past, by the sanction of the Senate, and the House of Representatives, adopted lend-lease as a policy with respect to our allies and associates among the United Nations. We cannot now falter in our purposes. We cannot now hesitate. We cannot now do anything that would indicate any lessening of our determination to make available to our associates and allies every pound of food and every instrument of war which we can spare from the use of our own armies and navies to the joint effort of winning this war.

In view of the great Russian effort to hurl the enemy from her borders, we cannot afford to create any impression among the Russians that we are lessening our support and our effort to sustain them. We cannot, of course, with respect to Great Britain and with respect to China and with respect to our other allies, in anywise adopt any policy which would seem to indicate a lessening of our enthusiasm and a softening of our granite determination to contribute to this war every ounce of resource and every supply possible to win a great and a crushing victory.

Mr. President, we are standing at the bar of history. The generations yet unborn will in the centuries that are to come look back upon the epochal conflict in which we are now engaged as one of the milestones in that long and tragic struggle which man has fought from darkness toward civilization, and from serfdom and slavery and the bondage of chains, to free government and constitutional institutions.

We can afford to expend of our money; we can afford to expend of our resources; we can afford to give something of our comforts and our conveniences to the titanic effort to build a monument in the world's history on which shall be inscribed the determination that we shall never submit to world domination by the tyrants and the despots of totalitarianism and shall never agree to the extinction of free government and liberty in the earth.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. ELLENDER. I desire to state that I voted for lend-lease when it was first considered by the Senate, and I expect to vote for its extension.

I should like to propound a question to the distinguished Senator from Texas. In his opening statement he spoke of lend-lease in reverse. I wonder if he can be more specific. On page 4 of the committee report it is stated that from the passage of the Lend-Lease Act to the end of January 1943 goods and services have been transferred by the United States in an amount aggregating $8,935,000,000. Does the Senator have any figures to show how much our allies have given to us, in cash, goods, and otherwise, to offset any of that huge amount?

Mr. CONNALLY. I will say to the Senator that I do not have the figures on my desk, but they are available in the eighth quarterly report which Mr. Stettinius sent to the Senate today. Some of the figures were furnished at the hearings before the Senate commit-

tee and also before the House committee. Of course, they are not comparable in dollar value, but it was shown that in Great Britain, for instance, our troops have been receiving large supplies of food and various articles amounting to a considerable sum. In Australia and in New Zealand our armed forces are receiving very large quantities of food and supplies of various kinds. I can get the exact information which the Senator has asked for.

Mr. ELLENDER. I believe that exact information should be placed in the RECORD for the benefit of the American public. I do not believe that many persons in the country are aware that we receive in return some goods and supplies which offset, to some extent, what we send to other countries under lend-lease.

Mr. CONNALLY. I have available some of the figures for which the Senator asked. For example, the report of Mr. Stettinius filed today, covering operations up to March 11, 1943, shows that in 1943 the British have agreed to provide our troops in the European theater of war with more than 400,000,000 pounds of food. This year the United Kingdom is furnishing our men with 89,100,000 pounds of potatoes, 89,200,000 pounds of fresh vegetables, 148,000,000 pounds of flour, 55,000,000 pounds of sugar, 18,000,000 pounds of fruit, more than 4,000,000 pounds of jam, 2,300,000 pounds of dry cereals, and 2,300,000 pounds of cocoa. This food is either produced by the British in the United Kingdom or is imported from countries other than the United States.

The report continues at considerable length, and I commend it to the Senator from Louisiana.

Mr. ELLENDER. I am familiar with the report. The language referred to by the Senator appears on page 19. It will be noticed that the British have agreed to provide such goods during 1943. We are continuing to send lend-lease goods and I was anxious to find out what goods were furnished in the past so as to offset some of the almost $9,000,000,000 of goods that we have already sent to our allies.

Mr. President, I have a document in my hands which comes from the Comptroller General, Mr. Warren, which shows that on May 16, 1942, the Maritime Commission purchased a shipyard from the British Government, located at Richmond, Calif., for $5,506,500; another purchase by the Commission was made on September 30, 1942, of another shipyard located at Bath, Maine, and the British Government has received $8,580,000. I wonder if those amounts were credited against the lend-lease fund which we are now discussing? Can the Senator inform us?

Mr. CONNALLY. I am sorry I cannot answer the question categorically.

Mr. ELLENDER. My information is that they have not been so credited, and I am wondering why not. Here was a case where something tangible could be given us in return for goods furnished.

Mr. CONNALLY. I am not prepared at the moment to say. Further answering the Senator from Louisiana, the report to which I have just referred contains the following paragraph:

> From July 1 to December 31, 1942, the British furnished to our forces in the United Kingdom as reverse lend-lease 1,121,000 ship-tons of supplies, not including construction materials.

Mr. ELLENDER. Is that in transportation, or just what does it represent?

Mr. CONNALLY. It says ship-tons of supplies. I would not say that would represent transportation. It would represent various supplies, food, and other articles.

> This was more than we shipped to our troops from the United States in that period. In addition, construction materials totaling another 1,595,000 tons were supplied. The United States spent only $25,000 in the United Kingdom in December for supplies for our armed forces there.

Mr. ELLENDER. How does the Senator from Texas interpret the last statement made by him respecting the $25,000 figure?

Mr. CONNALLY. It is trivial, of course.

Mr. ELLENDER. Does the Senator mean to convey the idea that said sum represents all of the money which was spent by the United States in December in order to feed and supply all the soldiers we now have in the British Isles?

Mr. CONNALLY. That is clearly what this report indicates. I am relying on the report.

The report further states:

> In addition to other supplies, the United Kingdom is furnishing new facilities for our troops, including hundreds of airfields, barracks, and hospitals. The cost of these facilities is estimated at over a half billion dollars.

This is to be credited on lend-lease in the final settlement.

Mr. ELLENDER. Those facilities are there. We are probably being charged rent for the use of them to protect England, and that is to be charged against lend-lease. Or maybe the entire cost is being charged to us?

Mr. CONNALLY. I assume that to be correct.

Mr. ELLENDER. If such charges are made so as to offset lend-lease, then I can see how the $25,000 figure is reached. I notice that on page 10 of the committee report it is stated that—

> Lend-lease in reverse has proved to be more than a financial benefit to our military and maritime appropriations. It is a visible symbol of the way in which the materials of the United Nations, like their men, are pooled in a single gigantic effort against the Axis. That sharing of resources is an element of solidarity in the grand alliance of the United Nations, and a hopeful portent for our future.

Is it not a fact that in addition to the huge sum which is being advanced by our Government through lend-lease we are also providing for a large Army, a huge Navy, and for many other things which may be referred to as items which we are pooling with the Allied Nations? In other words, this lend-lease is what we may call lagniappe, or a contribution in addition to what we ourselves are doing.

Mr. CONNALLY. That is true.

Great Britain is furnishing transportation, heat, light, telephone, and other services without payment by us in cash. The Stettinius report continues:

> Australia's shipyards are building many hundreds of landing craft, barges, and other small boats for General MacArthur's men as reverse lend-lease. In addition, scores of trawlers and coastal steamers have been turned over for our use by Australia.

The report continues at great length, and I commend it to the inspection of the Senator from Louisiana.

Mr. ELLENDER. I am familiar with the report, especially with that part referring to the furnishing of electricity and other public utilities. Does the Senator from Texas know how these transactions are consummated? Are the utilities owned by the British Government or by private concerns? If owned by private concerns, does the British Government pay out of its own treasury for those services?

Mr. CONNALLY. I do not know. I assume so.

Mr. ELLENDER. I would be curious to know and I believe that the American people would like to be informed on the subject. I noticed from a footnote at the bottom of page 10 of the report that it has been found impractical to give dollar values for the bulk of the supplies and services rendered by our allies. It seems strange that it should be possible to show, according to the report, that it cost us only $25,000 for December 1942, to maintain all of our soldiers in the British Isles, and not be able to show, approximately, how much we have received from our allies to offset what we have given them. I would like to know now and not after the war. Let us attempt to settle, as far as possible, our accounts while the war is on.

Mr. MEAD. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. MEAD. It is my impression that the facilities are owned by the British Government.

I will say to the distinguished Senator from Louisiana, who referred to the purchase of two shipyards a moment ago and inquired whether the purchase was being credited against lease-lend, that the shipyards were built by the British Government before we went into the war. We needed those yards and our Government bought them. They have nothing to do with lend-lease. We own them outright for all time.

Mr. ELLENDER. My question to the Senator from Texas was why the price paid for those shipyards was not credited to what we are sending to Great Britain.

Mr. CONNALLY. Regardless of any particular item, the Administrator testified that the accounts are so kept that when the transactions are concluded every item of every character which has been furnished under lend-lease will be known, and it will be possible to determine its dollar value.

Mr. President, without further detailed statement, I will say that the report of the committee is full and complete. I have not detailed all the countries which have furnished us lend-lease in reverse, nor have I gone into great detail with regard to the supplies which we have furnished many other nations.

Mr. President, the pending bill should be passed, and I am sure it will be.

Mr. VANDENBERG. Mr. President, from the minority side of the Foreign Relations Committee, and speaking only for myself, I wish to make a brief statement regarding the pending proposal to extend the life of the Lend-Lease Act for another year.

In my view, it would be impossible to suspend or interrupt lend-lease operations in the midst of the war effort which these lend-lease operations serve. They are as indispensable a part of this united war effort by the United Nations as are the joint movements of our cooperating armies and navies. They are an inseverable part of these movements. They are at the base of our mutual strategy. They are the key to our coordination for Allied victory.

Lend-lease in peacetime, when we were presumptive neutrals, was a totally different contemplation. It was the legitimate subject of a sharp and fundamental division of honest, patriotic opinion when it was originally ordained. But that controversy passed into history the morning of Pearl Harbor. Lend-lease in wartime—when it is our war—is a totally different thing. In wartime, it is the king-link in the chain of international cooperation for victory. In wartime, it is the massing of our common resources for a common triumph over the forces of evil which beset the world.

In wartime—in spite of all its shortcomings—it represents the best possible device for mobilizing the total resources of the United Nations. It is obvious that whatever accrues to the advantage of the United Nations in this war, accrues to us. We have a common stake in victory. It is wholly logical that we should have, so far as possible, a common pool of resources. That describes lend-lease.

The only serious question, Mr. President, has been the question raised by the able junior Senator from Louisiana, the question whether lend-lease is actually a "common pool" or whether it is just a universal draft upon our own American reservoir. That question, I am happy to say, has been substantially resolved by the long congressional investigations which have preceded the reporting of the pending bill. We may now state with authority that lend-lease is no longer a "one-way street"—as it had to be when it began, inasmuch as the United States was not then in the war. It is now the common thoroughfare of mutual, martial effort among the United Nations. On a cash basis, I have no doubt that the United States gives infinitely more than it gets. But, Mr. President, who can reduce the values of war cooperation to a cash basis? It just cannot be done. When China holds the Japs in Asia, when Britain drives Rommel from Egypt to Tunisia, when Russia sweeps the German hordes into ignominious retreat upon the eastern front, those are victories for us—precisely as much as if they had been won by our fighting sons as well as, in part, by our fighting equipment. Now that we are partners in this war, wherever our contribution can stop with furnishing equipment, it is indeed a bargain in the market place of Mars. If lend-lease is our share of these particular magnificent adventures, who cares to try to strike a commercial balance sheet upon the values thus involved, any more than we could inventory the service and sacrifice of our own fighting sons.

Because lend-lease requires cash computations in terms of American expenditure, I sought, in our committee hearings, to establish reciprocal values in cash terms—just for the sake of understandable comparisons, just for the sake of making available the answers to questions such as those which have been submitted by the able junior Senator from Louisiana.

But it was impossible to reduce reciprocal lend-lease to figures—although it was possible to establish such yardsticks as these: For example, the present American cash expenditures of our vast Army in Great Britain are running less than $25,000 a month, thanks to reciprocal lend-lease aid on Britain's part; again, we have received on reverse lend-lease from Australia and New Zealand more beef, veal, lamb, and mutton than we have lend-leased to all countries in the world combined.

The proper test now and hereafter, Mr. President, it seems to me, must be of a different character. The proper test is whether our allies are cooperating with us to the total extent of their capacities. If so, that is all there is—there is not any more. So I put the blunt question to Secretary of the Navy Knox:

> Would you say that the Allies who are receiving lend-lease aid from us are reciprocating with lend-lease aid to the maximum of their capacity and possibilities wherever the opportunity arises?

Answer:

> I should say an unhesitant "Yes" to that.

Mr. President, if this is so, then our fraternity of battle in World War No. 2 is blessedly shed of many of the sordid features which cursed our relationships in World War No. 1 and afterward. If this is a real partnership—one for all and all for one—we can extend the Lend-Lease Act with a feeling of entire assurance to our sense of equity and fair play. Of course, there are doubtful details here and there; and, of course, the final equities depend upon the final settlements. [Cheers.] Of course, it is unsatisfactory that a larger proportion of lend-lease supplies do not flow to China, but that is not the fault of lend-lease; it is due to the vicissitudes of war. But it seems to me that under contemporary circumstances these considerations are necessarily subordinate to the larger objective. It seems to me that lend-lease has become both the symbol and the agent of essential inter-Allied cooperation for victory. It seems to me that its passage carries a message of hope to freedom's fighting brethren everywhere, and a message of despair to the enemies of humankind against whom we thus fling the united resources of freemen.

I pass the details of lend-lease which are available in the committee report. But I must not pass the opportunity to say that the record of Edward R. Stettinius, Jr., Lend-Lease Administrator, and his completely candid and persuasive testimony, is a refreshing demonstration of the importance of putting the right man in the right place in the administration of our war effort. I could wish that the example might become more contagious. I believe that Mr. Stettinius has the confidence of every man who has heard him speak in respect to his vast responsibility. The extension of this arrangement for another year is essentially an act of faith. I believe the faith is justified on the face of the record. But though we thus act at least partially on faith, we must, of course, retain the obligation and the duty to hold the continuing administration of lend-lease to strict accountability in the name of the American taxpayer whose money, let it never be forgotten either here or elsewhere, pays these bills. I may say it adds to our rightful faith that this extension is for only 1 year, not for the duration of hostilities, as is the usual formula. Here is one vital war activity which does not hesitate to submit itself to annual audit in the people's forum. Thus do the reasons for the pending extension accumulate.

There is just one point, Mr. President, at which I dissent, and the committee dissents, from operations under the Lend-Lease Act. The able chairman of the Senate Foreign Relations Committee has adverted to this phase of the committee report. He has made a very fair and comprehensive statement respecting it; and I detour long enough to express my gratitude to him for the unlimited opportunity which he provided to all of us in the Foreign Relations Committee to consider this subject upon its merits, and particularly to thank him for his own courageous leadership in connection with the announcement which the Foreign Relations Committee have made in respect to the subject which I now discuss.

Mr. President, the Lend-Lease Act is exclusively an instrumentality of war. That was the original intent. There was none other. It has nothing to do with the terms or the pattern of the ultimate peace. That responsibility lies elsewhere. It should not be used, directly or indirectly, to assert any general peace commitments, no matter how inherently worthy in themselves. It has been used for these collateral and unwarranted purposes. The practice should cease.

This subject is not textually involved in the extension of the Lend-Lease Act itself. It is involved, however, in any agreements made by Executive authority under the delegated powers which are here to be extended. The subject is frankly covered in the committee report. Senators will find it commencing at page 10. The so-called master lend-lease agreements which have been made with our chief allies—and made, of course, without any consultation or

confirmation in respect to congressional authority—assume to make a general post-war commitment on our behalf to "world-wide economic relations" respecting "production, employment, and the exchange and consumption of goods." They could not possibly address themselves to any broader phase of the post-war peace problem. They are utterly outside the jurisdiction of the act under which the power has been assumed to be used.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. LA FOLLETTE. It seems to me in fairness to Mr. Stettinius it should be reemphasized at this point in the Senator's remarks that that phase of the activity of the Lend-Lease Act was reserved by the Chief Executive, and it has been carried out under the auspices of the State Department.

Mr. VANDENBERG. I am very grateful to the able Senator from Wisconsin for having made that observation; it is entirely true; and the discussion from here on in respect to this point relates to the President and the State Department and those who under their direction have negotiated these master lend-lease agreements.

I have already indicated, quoting from the master lend-lease agreements, that they undertake to make a general post-war commitment on our behalf to world-wide economic relations respecting production, employment, and the exchange and consumption of goods.

The so-called master agreements specifically refer to the reduction of tariffs. They would bind us by extralegal dictum to the ideas upon these enormously complicated problems which are held by the distinguished gentlemen—none of whom are elected by the American people—who negotiate these so-called agreements without either the advice or the consent of the only constitutional body that can make them valid. This has nothing whatever to do with the functioning of lend-lease for the war purposes, which are its sole prerogative, it has only to do with the abortion of this prerogative.

The Senate Committee on Foreign Relations here registers its conviction—and I may add that the action of the committee was unanimous in respect to those in attendance—that these commitments do not bind our legislative bodies—as is the obvious constitutional fact. It asserts the jurisdiction of the Constitution of the United States which not even war can suspend.

It says that "there is no authority in the Lend-Lease Act to warrant any general post-war commitments or post-war policies in agreements made under the terms of the Lend-Lease Act." Candor compels us to notify our allies of this fact. Constitutional fidelity requires us to assert it in behalf of our America. If these American negotiators can validly make the promises to which I have referred, then they can promise more—and more—and ever more. They can put moral metes and bounds to all our freedoms at the peace table. Yet they have no authority to make any such commitments at all. The Executive has the unquestioned right to negotiate. Only the Congress can commit. Under such circumstances, I respectfully express the hope that the frank and unanimous statement of the Senate Foreign Relations Committee may be heard and heeded the entire length of Pennsylvania Avenue.

Mr. President, that with which I am dealing is not a captious thing. It is fundamental in our form of government. The extra-legal trend of which I speak is by no means confined to these so-called master agreements under lend-lease. I give the Senate another example. I read from chapter 9 of the agreement signed at Rio de Janeiro in January 1942:

> That the nations of the Americas stimulate the development of the basic production of each of them, avoiding insofar as possible, the establishment of expansion of production of substitute or synthetic commodities which is economically artificial and might displace the consumption of natural products available in other American nations, there being excepted only those industries which are indispensable for national defense provided that such defense needs cannot be effectively met with natural products.

Mr. President, what does that mean? I concede that it can mean many different things; indeed, that is one of its vices; but what does it mean, let us say, in terms of synthetic rubber which we are laboriously investing $500,000,000 of public money to produce. Frankly, I am not sure what it says in terms of rubber. It is a masterpiece of imponderable, diplomatic craftsmanship. It seems to promise, as a matter of permanent policy, that we will avoid the maintenance of our synthetic-rubber plants unless, first, they are indispensable to national defense, and, second, unless defense needs cannot be met with natural rubber. One "unless" seems to sort of cancel out the other in the post-war world. If read in connection with the highly authoritative statements of the Vice President, it might promise the post-war abandonment of most of our synthetic-rubber production. This is what the Vice President said on July 12, 1942, on this specific subject:

> Personally, I hope that after the war is over a few small synthetic alcohol-rubber plants are kept running so that improvements can be made, so that there may be an outlet for overflow corn and wheat from the ever-normal granary, and so that we may have the technical knowledge for rapid expansion should the need ever again arise. These plants could be kept in operation by Government subsidy. I trust, however, that the vast bulk of our rubber would come from a really cheap source—from Latin America and the Far East.

Perhaps that is the right answer; that remains to be seen; but the point I make is that the American people are entitled to be free agents to decide this post-war question as they deem best suited to their own, enlightened post-war welfare. In any event such a decision could only be made, when the time comes, by due process of law, which unavoidably includes congressional action. Perhaps the language in the agreement does not mean what I have indicated. If not, what does it mean? Who, if anybody, will ultimately be disillusioned?

The distinguished Vice President suggested, within the week, that dire consequences would follow our double-crossing of Russia. "Double-crossing" was his word. I protested at the time that I did not believe the Government of the United States will ever consciously double-cross any other nation on earth. But I respectfully suggest, Mr. President, that one of the wisest precautions to prevent other peoples from even thinking they are being double-crossed is to refrain from sprinkling the earth with invalid executive agreements which are too equivocal to permit of authentic interpretation and which lack authority of law until they are translated into ratified treaties.

Therefore, Mr. President, I respectfully submit that the comments in the report of the committee are seriously deserving of prayerful consideration by all concerned—not only to avoid the deadly menace of needless international misunderstanding but also to scrupulously preserve the indispensable elements of constitutional government in the United States.

Let what I am saying be not misunderstood. The objectives identified in article VII of the lend-lease so-called master agreements may be sound, when considered on their merits in their appropriate jurisdiction. I do not pass upon their merits. I say, as the committee says, that they are here outside of their legitimate jurisdiction. I say they are irrelevant and immaterial to the purposes, the objectives, the needs, and the authority of lend-lease. I say that lend-lease is exclusively an instrumentality of war. There it stops. On that basis it has overwhelming support in Congress and the country. It is inevitable that there will be sharp disagreements—honest, conscientious disagreements—regarding the post-war pattern of things to come. Lend-lease should not become involved in these disagreements. It should not be handicapped by them. To handicap lend-lease is to handicap the war effort. The winning of the war is our first necessity. Without victory, our post-war plans are futile. Our armed forces concentrate on winning the war. So must lend-lease. This is one point where we must insist upon putting first things first.

Now, Mr. President, does this argument suggest that there should be no post-war planning? Categorically, no. We must be as ready as possible—both at home and abroad—to meet the challenge of the peace to come. Otherwise, we shall have fought in vain. We must explore to the utmost limits. For myself, I want to say as plainly as I know how that I believe enlightened selfishness will require us to accept international responsibilities in the post-war world far beyond anything heretofore done in peacetime, and I am prepared to move prudently but firmly in this direction when we fully know the post-war problems. The earth and everything in it is

changed by this cataclysm. We must frankly face and meet the new conditions—remembering always, however, that our primary obligation is to America and to Americans and to the American way of life. No one will look out for us if we do not look out for ourselves—as we are already notified that Mr. Churchill intends to do for Britain—as we are already too well notified that Mr. Stalin intends to do for Russia. My own opinions lie somewhere between the international extremists who contemplate the new-modeling of world government in all the global consequences which the term implies and nationalistic extremists who can still think exclusively in pre-Pearl Harbor terms. It seems to me there must be a rational middle ground where we desert neither our duties to others nor our obligations to ourselves, but where we gear the two. I am frank to say that I have been unable to see how we can, solely upon our own responsibility, start now to implement these generalities before we know precisely what these other Allied Nations are going to say at the peace table. I repeat, however, my belief that every possible plan for the peace era should be faithfully explored. But commitments—commitments—should always and forever await the American constitutional process. To do otherwise would be to permanently paraphrase totalitarian government right here at home.

We can proceed with particular assurance in respect to our domestic post-war problems, over which we shall have complete and exclusive control. We must prepare ourselves for the economic shock when the war is over; when temporary unemployment will be severe in the transition period back to peacetime production; and when ten or twelve million returning servicemen must have immediate and adequate economic reception. Yes, Mr. President; the dire need for this planning is doubly emphasized by the sincerely disclosed recent recommendations of those who seem to feel that semisocialism is our inevitable role, whereas others of us dare to believe that it is possible to plan so broad an energizing of traditional American free enterprise that it can fully serve the new security age to which we must dedicate ourselves.

We shall proceed, of course, with less assurance in respect to our external post-war relations, because we shall not be the only ones consulted. We have yet to know what precisely will be in either Mr. Churchill's or Mr. Stalin's mind. For example, there are vast and even ominous gaps between the generalities of the Atlantic Charter, with its promise of "no territorial changes that do not accord with the freely expressed wishes of the people concerned" with "sovereign rights and self-government restored to those who have been forcibly deprived of them," on the one hand, and the recent suggestion from Moscow that Russia expects to permanently retain large, previously self-governing sectors of eastern Europe, including a portion of the great and intrepid Polish Republic. That certainly is not what we think we are fighting for.

By all means, let these subjects be explored as swiftly as possible. By all means, let the international conversations, proposed by Under Secretary Welles, proceed. By all means, let this week's report of the National Resources Planning Board be conclusively explored. By all means, let the proposed George committee of the Senate function. By all means, let the Vice President's Board of Economic W rfare pursue its legitimate studies. Knowledge is power. But, by all means, let u- make no mistake about the proposition that, whether some like it or not, there can be no binding peace commitments upon the people of the United States without due process of law so long as we live under an effective Constitution of the United States. This is a people's war. The peace is going to be a people's peace.

Mr. President, I have felt it necessary to submit these observations. They are inspired not by the Lend-Lease Act itself, which impends for extension. They are inspired by some of the things that are being futilely attempted by collateral action under its abused authority.

So far as lend-lease itself is concerned, I wish it might be unanimously renewed. This does not mean that we shall not continue to hold the administration of it to strict accountability for the expenditure of our fabulous tax revenues. Such accountability must never relax for a single instant. But it does mean that we approve an indispensable instrumentality for victory for America and the United Nations; and it does mean that this Congress—regardless of politics or other divisions—is irrevocably committed to the unconditional defeat of the unspeakable Axis Powers.

Mr. DANAHER. Mr. President, will the Senator from Michigan bear with me for a moment or two? I disliked to ask him to yield in the course of his magnificently able presentation, yet there are some thoughts suggested by the report, as well as by the comments submitted by the able Senator from Michigan, which I should like to explore.

For one thing, on page 2 of the report I find that certain functions are permitted upon the advice of the Board of Economic Warfare. Will the Senator from Michigan tell us whether or not the hearings developed that the Board of Economic Warfare had anything to do with the administration of lend-lease?

Mr. VANDENBERG. If there is any information on the subject in the hearings, it is in the House committee hearings, and I do not recall the testimony. My impression is, however, that if there is any relationship, it is solely and exclusively advisory.

Mr. DANAHER. Has the Senator any recollection of evidence of any sort to indicate that the Board of Economic Warfare is permitted to draw on lend-lease funds to execute its functions?

Mr. VANDENBERG. I have no such information. If any such thing is occurring, it would be very important to establish.

Mr. DANAHER. I agree with the Senator, and I would remark that his last statement is made the more cogent when we recall that up to December 3 the Board of Economic Warfare operations had drawn more than a billion dollars on R. F. C. account.

Inviting the Senator's attention to page 11 of the report, I see a sentence there which seems to me to require a bit of clarification. In the next to the last paragraph is this sentence:

> The renewal of the Lend-Lease Act is clearly necessary for the immediate prosecution of war of alliance.

I stress "war of alliance." I am sure the Senator from Michigan understands, and the Senate as a whole should understand, that there is no alliance between the United States and any other nation in the course of this war. Is not that the Senator's understanding?

Mr. VANDENBERG. There is undoubtedly no question about the technical fact. I think the use of the phrase "our war of alliance" is merely an idiom to describe what, as a pragmatic reality, exists.

Mr. DANAHER. I assumed it referred to a joint effort in the course of the prosecution of the war.

Mr. VANDENBERG. That is correct.

Mr. DANAHER. The Senator made reference further to supplies. Was any effort made in the committee, so far as the Senator recalls, to break down the figures so as to show the amounts of food given to our troops abroad and the amounts of food given to our allies under lend-lease?

Mr. VANDENBERG. Yes; I think the figures are available. I do not have them, but I shall be glad to provide them to the Senator.

Mr. DANAHER. I asked the question, let me say to the Senator, because, reading from the RECORD of September 29, 1942, at page 7569, I find that we are supposed this year, in 1943, to send abroad at a daily rate 6,000,000 pounds of pork, 3,440,000 dozen eggs, 14,300,000 quarts of milk, 1,200,000 pounds of cheese, 1,750,000 pounds of dried beans, and in the aggregate, let me say, more than 6,000,000,000 pounds of meat for 1943. Obviously while the Department of Agriculture was saying that lend-lease requirements envisaged a daily shopping list of food in such vast quantities to be sent to serve our allies under lend-lease, and our Army and Navy, there has never been submitted to the Senate, so far as I know, a break-down showing how much is for lend-lease and how much for our Army and Navy. The Senator from Michigan does not have those figures, does he?

Mr. VANDENBERG. No; but I am inclined to believe they are available. I am further inclined to believe that there is no inquiry which can be submitted to Mr. Stettinius to which a complete, total, honest, and accurate reply will not be given, if it is humanly possible to do it.

Mr. DANAHER. I am greatly impressed by the Senator's conclusions with reference to Mr. Stettinius, and I thank him very much.

Mr. TYDINGS. Mr. President, I voted for the Lend-Lease Act when it was passed last year. Today I shall vote to extend it. But in giving my assent to it I am unwilling to have it supposed that

I approve everything that is taking place in the name of lend-lease.

Insofar as the Administrator, Mr. Stettinius, is concerned, I think he has done a splendid and an efficient job in executing the act, insofar as it was in his power to do so. My reluctance to vote blanket authority under the guise of lend-lease is that it is neither lend nor lease at all. It is war aid. The bill is a war-aid bill. It carries the implication at least that war aid ought to be mutual.

During times of great stress people are likely to be actuated by their emotions, but after the stress is over cold reality sometimes causes us to wish we had used a little more of the mental and a little less of the emotional processes in supporting propositions. I remember, after the last war, first as a Member of the other House and then as a Member of the Senate, when the question of the war debts came up, that a great deal of the money which had been loaned to various of our allies in that war had, in turn, been reloaned by them to other nations, and, therefore, when an accountability was asked for, it was explained that they had obtained the money from us in some quantity and had let a part of it go to other nations. Therefore we received none of the credit for the financial aid which we had rendered to some of our allies. I do not know that that element is present in the lend-lease transactions, but, if it is, I hope it will be discontinued and whatever goes from this country to any other nation, the United States will receive whatever credit there is attached to it.

Mr. President, lend-lease, or war aid—whichever one choose to call it—in the very nature of things is bound to be more of a one-way than a two-way transaction. America is to be the great arsenal of democracy. It is to be the great bread basket of democracy. Not only will we furnish materials and food and weapons and supplies to our allies, but we will contribute to this struggle the largest navy in the world and millions of men to man it. We will contribute an air force which will be larger than the combined air forces of the Axis, or larger than the combined air forces of all our allies. We will contribute millions of men for service in this air force. Before the war is over, if present plans are carried out, we will contribute six or eight million men to serve in the armed forces on land. Thus we shall have made a contribution by any yardstick one cares to use, whether it be in materials for our own use in war theaters, or whether it be in blood, or whether it be in any other means, such as the national debt, or the squandering of wealth in war, or whatever it may be—a contribution second to that of no nation on the face of the earth.

Mr. President, directly or indirectly $63,000,000,000 have been made available for lend-lease; so much directly to lend-lease, and so much to the Navy, and so much to the Army, that can be used for lend-lease purposes or similar activities. That is how much? It is an average of $1,800 for every family in America, rich or poor, high or low, black or white. That is no small sum of money. It is twice as much as the national debt was in 1930. From 1930 to 1939 the Federal Government used to collect about $5,000,000,000 a year in taxes. It would take 12 years of taxation in amounts such as we raised from 1930 to 1939 to discharge the lend-lease debt if all the taxes were expended for that purpose.

Very commendably, lend-lease in part is a two-way street. Our allies in certain places are making available to us certain materials, certain services, and certain supplies, and that is fine. I do not expect them to match the supplies and things we are sending to them. I know that in the nature of things that is practically impossible. But I do maintain, considering the materials and the blood which we are contributing to this struggle, that when we make this additional effort to save the lives of their men and to protect the property of their own countries, wherever they can do so without the slightest cost or injury to themselves, a spirit of mutual generosity, of thankfulness, at least, ought to cause them to want to give to this country every bit of countersecurity which they are able to give, particularly when it does not cost their people a red cent takes nothing that has any commercial value, and only deals with a thing which is vital to us for our security. We must not lose sight of that fact in these lend-lease transactions.

Mr. President, I have been somewhat of a student, as one in public life has to be, of the philosophy of our own people. I have been somewhat of a student of the philosophy of the British people, and of the French people, and of other peoples, and I say that of them all, the people who in the hour of great disaster keep their heads best are the British people. They always come out best in the end. I say that not in derogation of them; I say it as a compliment, and I only wish that we had more realism, more patriotism, more Americanism in our own thoughts and actions, so that we too, while being generous and altruistic, might intertwine with our generosity and altruism some degree of realism, so that when the struggle is over we may not look back with a degree of regret and realize that we were not quite what we thought we were.

Mr. President, along the coast of North America there are six or eight islands. In exchange for 50 destroyers, about 2 years ago we received the right to lease for 99 years small areas on those islands on which we could build military, naval, and air establishments, bases for the security and the protection of our country. On those bases and islands we have spent many million dollars, for the protection of Britain as well as for ourselves at the present time, and for our own protection when this war is over.

What are these bases? Many Members of the Senate have been to the various islands. Some of them are reasonably fertile. A great many of them are barren, and have no commercial or economic value, particularly where the bases are built. Then, what good are they? The main use of these islands, when bases are built on them, is for the defense of the United States. In view of the fact that we have given to Britain billions of dollars, not only since we went into the war, but 9 months before we got into the war as a formal belligerent, is it too much to ask that we obtain countersecurity from her for that which we have so abundantly given to her, both before we became a belligerent and since? Is that treason? Is that being ungenerous? Is that being unselfish? Is that cracking the unity we need for the war effort? I fail to see it. I have tried to look at it from the British viewpoint as well as from our own.

What is it we are sending to Britain under lend-lease? Is it land? No, it is much more valuable than land. It is oil. That is wealth which comes out of the ground, and cannot be replaced. Iron, for example, is one of the things we are sending to other nations. Iron is our wealth, more important than mere land, and that wealth will never come back again, because it is going into the maw of war, where it will be destroyed and lost to civilization for all time. What we are giving away is the lifeblood of this country, and for the defense of our own country, all we ask is a few sandpits in the Caribbean to which now we have only the right to 99-year leases.

Mr. President, I cannot sit here and on my conscience vote away billions of dollars, in addition to all the other contributions we are making to this war in far-off lands, without registering this protest, for which I make no apology.

I think if the proposal were presented to the British people in its true light, that they would be only too glad and willing to say to America, "You came to our aid before you were in the war; our Mr. Churchill says lend-lease is the most generous act ever performed by any nation in all the history of the world. In appreciation of that, now that you, the United States, are in the war, building these bases, on a part of our islands near the United States shores, on which you have spent so much money on military establishments for our mutual protection, we want you to know we are just as anxious to contribute to your security, and we now tender these bases to you outright."

What is wrong with it? Who wants to take issue with it? There may be those who would say, "Oh, let us put it off until the end of the war." Why should we put off lend-lease countersecurity until after the war? That security is needed for us now, just as the wealth, the life's blood of this country is needed for our allies now. When the war is over I do not want to have to go to the peace table, through the representatives of my country, and ask for what we should have received from the very beginning as our very own. These bases have no value to Britain from any economic standpoint. They will not take one single cent out of the Treasury of Britain. They will not take one single bit of wealth from Britain. There is nothing on this land that is worth anything to speak of. All the things we are sending—the oil, the iron, and everything else that is taken out of the soil of

this Nation—are gone forever. It is wealth, and not idle, vacant, and barren land that we are sending over there. We are sending the patrimony of the boys of future generations. I am not regretting it. I voted for it before. I will vote for it again; but I desire to have my say. I do not want to be "taken in" even in the midst of a great war.

Suppose we had obtained Alaska and the Aleutian Islands on a 99-year lease. In a few more years we should not have them. Suppose we had acquired Louisiana under a 99-year lease. Louisiana would have been gone long, long ago. We would not have my distinguished friend from Missouri [Mr. CLARK] here as a Senator from the State of Missouri, which was once a part of the Louisiana Territory.

Mr. President, what are these bases? Are we asking for gold? Are we asking for wealth? Are we asking for goods? Are we asking the British to bear some burden? We are not asking for any of these things. We are asking only that she give us counter-security for the security which we have so liberally given to her.

If we were not making any contribution to the war in blood, perhaps my request had best remain unuttered. However, even Britain herself is not now making any greater contribution to the war, nor will she be in position to do so in the future, even upon her very own soil, than the contribution which this Nation will make.

I know that what I am saying may be interpreted in an unpleasant way by columnists here and there, but that is of small importance compared to the welfare of this country. If the bases are acquired for 99 years, some say that is long enough. Why not make it 9 years, or 49 years, or 69 years? Where is the magic in the 99-year provision when they can only be valuable to this country temporarily from any standpoint? Mark you, Mr. President, the oil shortage of this country, the lack of coffee, rubber, and other materials, has been occasioned largely by the fact that the supply lines which run by these bases have been cut off. Think how effectively they could be cut off if in years to come long-range bombers, with all their power of destruction, should be based on such places.

Mr. President, I do not hold Mr. Stettinius, the Administrator of Lend-Lease, responsible for the conditions about which I am speaking. They are without the scope of his authority. I am not criticizing him for transactions between this country and our allies abroad. I am calling attention to the fact that other agencies of this Government might think a little more about America without thinking one whit less about our allies or the commonness of this global effort. Of course, there must be a commonness of effort to prosecute and win the war. But, do we have it?

Only the other day, in a far-off land of considerable size, near the battle area—I will not mention the name of the country—for the third time the congress of that country refused to compel its drafted men to fight beyond its territorial limits. Although that country is many thousands of miles from Washington, our boys are out there defending that country from invasion. Where is the commonness of the war effort there, I ask?

Mr. BONE. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. BONE. I should like to know if I heard accurately the figures which were read by the Senator from Maryland. I believe he used the figure of $60,000,000,000.

Mr. TYDINGS. Sixty-three billion dollars.

Mr. BONE. I am constrained to inquire because I have in my hand the eighth quarterly report to Congress on lend-lease operations.

Mr. TYDINGS. I received the figure of $63,000,000,000 from Mr. Stettinius. He explained to me that, besides the direct appropriation to his agency, $20,000,000,000 was given to the Army and $20,000,000,000 was made available to the Navy, which could be, and might be, used for purposes similar to lend-lease.

Mr. BONE. Would that be in addition to the figures set forth in the pamphlet which I hold in my hand?

Mr. TYDINGS. I am not familiar with the page of the pamphlet or the situation to which the Senator refers. I am speaking of the over-all picture.

Mr. BONE. I note that on page 47 of the report, which apparently has just been issued, a total of $35,970,000,000 may be provided for lend-lease under various acts of Congress down to the present time.

Mr. TYDINGS. That is, directly.

Mr. BONE. Yes; and $9,632,000,000 has so far been utilized, or is being transferred, in the form of services rendered.

Mr. TYDINGS. That is correct. The Senator from Washington is basically correct in that statement.

Mr. President, I do not desire to delay the vote on the pending measure. As I have already said, I will support it because I believe everything that we can send abroad will not only shorten the war but save the lives of members of our own Army and Navy which might otherwise be expended, as well as the lives and material of the countries which are allied with us in the war effort. The lives of their boys and of our boys will be saved by this transaction.

However, I do not like to see such reluctance as apparently seems to exist to ask for counter-security and counter-aid to this country. I have had a long discussion with Mr. Stettinius about it. I have written him several letters, some of them being as long as 10 pages, to elicit information from him concerning the question. I am not at all critical of the splendid work which has been done by Mr. Stettinius in trying to render aid to all parties concerned through the lend-lease program. However, I cannot escape the conclusion that other countries are accepting our aid without any thought whatever of return aid beyond the immediate aid which they give to our troops within the confines of their own territories. They do not appear to be attempting to give the reciprocal security which America has so abundantly tendered to them both before and after we got into the war.

I know as well as does anyone else that we cannot keep books with our allies in a war. If we did keep books, when the last struggle was over there would be many inequities. I am not attempting to keep books. I do not ask that the sacrifice be exactly equal. However, I do ask them, when they are in position to do so without any cost or harm to them, to give us the counter security which we are giving them. It is difficult for me to understand just why it is not forthcoming. I do not know why. When we think about it we begin to realize why. When we begin to realize why we become a little disillusioned about the commonness of sacrifice and struggle all over the world.

Mr. President, that is all I desire to say, except that I hope that shortly what I have described as the present situation will no longer continue to exist. I am hopeful that our generosity may be reciprocated by appropriate action. I feel constrained to make this statement because on all fields of battle—in the Pacific, in the Atlantic, in the air, in Africa, in Britain, and wherever there is to be another theater of war—up to the present time no country, unless it be perhaps Russia, has made any greater contribution, by any measurement we choose to use, than will be made before this struggle is over by the United States of America toward the defeat of Hitler and Tojo and the Axis countries, to bring about the reestablishment of law, peace, and order in the world. I hope that Great Britain will see the point of view which I have attempted to express.

In conclusion, I desire to leave this thought: If, after the war is over, we want to secure the cooperation of the American people in establishing an agency looking toward the outlawing of war as an instrument of national policy, if we want to have created in the future any institution looking toward world cooperation on a scale which can be rationally and adequately administered in the common good of all, the way to start to do so is, during the struggle, to show that all are willing to make sacrifices whenever another ally is helped by so doing.

In the case of the island bases which I cited, there would be no real sacrifice to Britain. A good will would inevitably flow, and would do a great deal to establish a feeling of confidence, insofar as the British are concerned, that they will, wherever just, and without cost or hurt to themselves, give us countersecurity by turning the bases over to us in perpetuity.

Mr. JOHNSON of Colorado. Mr. President——

The PRESIDING OFFICER (Mr. LUCAS in the chair). The Senator from Colorado.

Mr. JOHNSON of Colorado. I desire to say only a word or two; I shall not take long. When the lease-lend measure was pending in the Senate 2 years ago, I voted against it. Today, I shall vote in favor of the extension of lend-lease. I have not changed my position or my attitude toward this very great

question. The situation, however, has changed insofar as the United States is concerned and insofar as our interest in the matter is concerned.

I am glad that I voted against lend-lease when it was originally proposed; every time when the casualty lists come in I am very glad that I voted against it.

I noticed what the Senator from Maryland said about the name of lend-lease. He said that the measure should have been named "war aid." I concur in what he said, and I also agree that the measure which was passed by the Senate 2 years ago should have been named "war aid."

As an implement of war, as a measure for assisting in the prosecution of this great war, or these great wars, I think that lend-lease is perfect.

Two years ago the local newspapers in my State interrogated me during and following the time when the question of passage of the lend-lease measure was before the Senate, and wanted to know whether I had any comment. I said, "My only comment is that this is a declaration of an undeclared war."

Mr. TAFT. Mr. President, I intend to vote for the bill because I thoroughly approve of it. Not only that, but I approve of the course taken by the Committee on Foreign Relations in not making any very thorough investigation in detail of the former operations under lend-lease, because I do not want to have even a suggestion made to our allies that there is any doubt about its continuance.

However, it seems to me that if the matter again comes before the Appropriations Committee there should be a detailed explanation of how the money is to be spent. If such explanations should be kept secret because of our negotiations with other nations, they can be kept secret. However, I have heard of a number of matters the wisdom of which seems exceedingly doubtful. It seems to me that the Appropriations Committee should ask for details as to those particular projects.

When we went to Puerto Rico we found, for instance, that six airplanes and a certain number of guns had been lease-lent to the Republic of Haiti. We found that apparently lease-lend funds were being used to finance the construction of a road from Port-au-Prince to Ciudad Trujillo—between the Republic of Haiti and the Dominican Republic. I am not confident that the road was financed under lend-lease; it may have been financed under the Bureau of Economic Warfare. Nevertheless, it is my impression that the road was financed under lend-lease. We have heard rumors of vast airports built in Cuba with lend-lease money which was spent in amounts far beyond any which can be justified. I have heard of a project called Douglas project No. 19, an airport in Eritrea, apparently built for the British, in a territory which is not even British territory, although today the airport is operated by the Douglas Aircraft Co.

All those matters may be perfectly justifiable; yet it seems to me that the lend-lease reports are made in such general terms, in such global fashion, that often it is absolutely impossible, for lack of details as to the various projects and items, to know for what items or projects the lend-lease money has been spent.

So far as aid to our allies—to the English, Russians, and Chinese—is concerned, I myself am not very much concerned about any detailed examination; but the money has been spent in countless nations throughout the entire world, and it seems to me that there should be a detailed investigation of the particular things for which the money has been spent.

When we read the reports—very interesting ones, of course—we find that they have a certain propaganda tone, as is true of many Government reports.

Take, for instance, the picture given by the report to the effect that we sent 18,000,000 pounds of beef to our allies, and that Australia supplied our troops there with some 25,000,000 pounds. When we turn to the report we find that, after all, beef is something we do not supply to any extent to anyone, because we have no excess beef. Whereas under the whole program we supplied our allies with 18,000,000 pounds of beef, we are supplying nearly 100 times as much pork—1,112,000,000 pounds of pork, as compared with 18,000,000 pounds of beef. In other words, it seems to me that the report is made up in such a way as to prove certain things; but, to my mind, it very carefully avoids giving details of expenditures under the Lend-Lease Administration. I believe that the Appropriations Committee should thoroughly examine in detail, item by item, the projects under the Lend-Lease Administration, and should, so far as it can do so, discourage any further expenditure of money for projects which the committee may feel are subject to criticism.

Mr. WHEELER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Montana?

Mr. TAFT. I yield the floor.

Mr. WHEELER. Mr. President, I thoroughly agree with what the Senator from Ohio has just stated with reference to having the Appropriations Committee make a thorough examination of the details of the lend-lease operations. Not only do I think that would be desirable for the lend-lease authorities, but I think it would be desirable for the morale of the country. So much has been said, and so many stories have been circulated as to how the money has been expended, as to how it is being used, and as to how we have bought materials from Canada, Australia, and other countries, and have turned them over to the English and some of the other of our allies, that I think the whole matter should be thoroughly cleared up. I think it would be in the interest of the administration of lend-lease to have it cleared up.

I was one of the Members of the Senate who voted against lend-lease. I shall vote for it to-day; but I do not want my action to be misunderstood. I am not making this statement about what was my position then because I have any desire to say, "I told you so," or to proceed in that spirit at all; but when the lend-lease bill was previously under consideration, I did say on the floor of the Senate, when I was speaking against it, that Senators who voted for lend-lease were voting for war. Almost every one else—or many of the leaders, at least—said that voting for lend-lease meant voting for peace, and that it would keep us out of war.

I agree with what the Senator from Maryland [Mr. TYDINGS] said, that the measure is a war-aid measure. I looked upon it as a war-aid measure then. I look upon it as a war-aid measure now.

I shall vote for the pending bill because we are at war, and because the bill is a war-aid measure. If we were at peace, and were not in the war, I would oppose it as a step leading to war—just as I did the last time. Now that we are in the war, I think there is nothing else that we can do except to vote for it; because now that we are in the war we want to do everything we possibly can do to win it, regardless of what our views previously were about the policies our Government took prior to Pearl Harbor.

Mr. CLARK of Missouri. Mr. President, I voted to report the bill favorably from the Committee on Foreign Relations, and I intend to vote for its passage today. I voted for its favorable report from the committee, and I intend to vote for its passage today, for one reason, and one reason only; that is that our country is at war.

I regard the measure as an instrument of war—an instrument of war which is already in effect, and which probably is more efficient for the accomplishment of similar purposes than any other instrument of war which could be devised in the midst of war.

However, Mr. President, I should like to make it a matter of record, as it already is, in fact, that I voted against the original lease-lend bill when it was passed 2 years ago. I opposed it with every fiber of my being. I opposed it as bitterly as I ever opposed any measure since I have been a Member of this body.

Let me say that in the light of the experiences of 2 years, I look back in retrospect on no other vote I have ever cast in this body or out of it with as great satisfaction as that with which I look back upon the vote which I cast against the adoption of the lend-lease measure in the first place.

I say that today I intend to vote for it as an efficient instrument of war. I voted against it 2 years ago because I realized then that its passage, as events have since proved, meant our inevitable entrance into the war. Looking back on the momentous and unhappy events of the last 2 years, no man can deny that when the Congress of the United States passed the original Lease-Lend Act we set our feet irrevocably upon the path that inevitably led us into the war.

So I say, Mr. President, that we must all recognize the fact that we are in a war, and, regardless of the wisdom or lack of wisdom of the action taken by the Congress or by the Executive prior to Pearl Harbor, the thing for us to do now is to go forward with a unified will to win the war by any means which are necessary; and no one can deny, of

course, that the aid, material and otherwise, which we are extending to other nations engaged in waging war against the Axis Powers is as effective as aid which is furnished to our own men in our own armed forces. It is for that reason that I intend to vote for this bill today, but, as I say, I wish it to be made explicitly a matter of record that, so far as I am concerned, I have not in the least changed the views I expressed on this floor in opposition to the passage of the original Lease-Lend Act.

Mr. REYNOLDS. Mr. President, I concur in everything which was said by the Senator from Colorado [Mr. JOHNSON], everything which was said by the Senator from Missouri [Mr. CLARK], and everything which was said by the Senator from Ohio [Mr. TAFT]. Today I am going to vote for a continuation of the lend-lease program. The only reason in the world I am going to vote for its continuance is that, as the distinguished Senator from Missouri has just stated, it is an instrument of war of which we must now make utilization as a part of our war program. As a matter of fact, the lend-lease bill was a part of our war program before we ever entered the war; but I am going to vote for it today because we are in this war; indeed, we are in it up to our necks, and being in it up to our necks, I think one great mistake we are making today is in not advising the American people of the extent to which we are involved.

I believe that this war is going to last for a long time; I believe that it is going to take hundreds of thousands of lives of the sons of American mothers and American fathers. I know that if this war shall be won, we will have to sacrifice the lives or the limbs or the health of millions of our young men. It makes no difference now how we got into this war—that subject will be discussed in 1944 and every election year thereafter—the only thing any of us is interested in now is how to win the war, how soon we can win it, and how best we can win it.

Mr. President, like the distinguished Senators who have preceded me this afternoon, I was bitterly opposed to our becoming involved in this war or in any other war. There were, of course, other Members of this body whose views did not agree with ours.

I remember that during the last war our casualties and deaths were only about 50,000, and we only had about 250,000 wounded, but participating, as we are, actively in approximately 45 fronts in many different parts of the world, our leaders themselves, those who are on the inside, realize that we confront a serious situation, and, consequently, they are asking for an Army of 8,200,000 men, for an armed force of 11,200,000-plus, with the addition of approximately 3,000,000 men from civilian life aiding the Army and Navy, making, therefore, a total armed force of approximately 15,000,000 men.

Mr. HOLMAN. Mr. President——

Mr. REYNOLDS. I shall yield to the Senator in a few moments.

Our leaders recognize that we are up to our necks in this war. They realize that we not only have a war in the Atlantic but one in the Pacific that may prove more difficult than the one in Europe. Recognizing, as I do, that we are in for a long war, and that we must suffer many deaths upon battlefields all over the face of the earth, I am going to support an army of 8,200,000 men; I am going to support an armed force of 11,000,000-plus, with an additional 3,000,000 from civilian life to back up the Army and Navy, the total personnel in the uniformed forces.

Mr. President, I repeat that the only reason in the world why I shall vote for a continuation of lend-lease is that I know now that we are in the war that we have got to do everything we possibly can for our allies by providing them with arms, implements of death, ammunition, clothing, and food. Furthermore, we must provide the peoples of the countries we may go into with food, and certainly we must provide the people of the United States with food.

Before the passage of the Lend-Lease Act, like the distinguished Senator from Missouri and the distinguished Senator from Colorado, I voted against the repeal of arms embargo. I remember well that vote; I remember well the debate upon the floor of the Senate, and I recall, in connection therewith, that that was one of the first acts of war we were called upon to perform. I recall that on September 3, 1939, I happened to be in France, and on that morning, at 11 o'clock, Great Britain declared war, and at 5 o'clock in the afternoon of September 3, 1939, France declared war. I recall that I returned to this country on the S. S. *Washington*, and that when I arrived in the city of New York there was a great deal of discussion in regard to giving aid here and giving aid there. A number of my friends from the State of North Carolina met me at the port and insisted that I vote for the lifting of the arms embargo. They told me at that time that I had to do it in order to save my political life. They said if I voted against lifting the arms embargo, it would destroy me forever afterward politically. I simply told them, without any hesitation, that I was going to vote against the lifting of the arms embargo, regardless of the political result, because I took the interest of my country into consideration before I would ever take into consideration my political future. As a result thereof, recognizing as I did that the lifting of the arms embargo was a step toward war—a long step toward war—and feeling, as I did, that if we followed the steps we were taking in lifting the arms embargo, we would, as surely as there is a God above, be led into war, I voted against lifting the arms embargo.

Then came, as we all remember, the proposition of repealing the neutrality laws. We had been told by many when we enacted neutrality laws that their enactment would keep us neutral and keep us out of the war which we all felt was to come in Europe. Then the same people who told us to enact neutrality laws for the purpose of keeping us out of war, for the purpose of maintaining our status as a neutral, not long thereafter came back and said, "You must repeal the neutrality laws; repealing them will take us away from war." They were the same persons who told us that lifting the embargo on arms would keep us away from war.

Then, we came to the Lend-Lease Act. As I said a moment ago, I voted against the original Lend-Lease Act, and at the time I referred to it as the lend-lease gift act, because we all know that we are not going to get anything back as a result of its operations; but, no doubt, we will give generously, because we are in war, and we must do everything in the world we possibly can, and must continue to do everything we possibly can to win this war.

So, on the third step, when it came to the lend-lease, we were told that it was a step away from war. Those of us who voted against the lifting of the arms embargo, those of us who voted against the repeal of the neutrality law, those of us who voted against the lend-lease declared upon the floor of the Senate that every single one of those steps, and others, were steps toward war, whereas, on the other hand, those who did not see our point of view declared that they were steps away from war. Well we are in war.

Mr. President, I wanted an opportunity to make an explanation of my position at this time, and I wish to go further and say that I have never regretted the opportunity provided me to vote against the lifting of the arms embargo, to vote against the repeal of the neutrality law, to vote against the lend-lease measure, because it is my firm conviction now that those steps, the repeal of the arms embargo, the repeal of the neutrality law, and the enactment of the lend-lease law, were steps which led us directly into the war in which we are now participating. I say that I shall never regret the opportunity, because I believe at this hour that I shall always be able to say that had not those steps been taken we would not today be involved in war.

In conclusion let me say again, in order that I might not be misunderstood, that the only reason why I shall vote today for a continuation of the Lend-Lease Act is that I recognize that it is an instrument of war, which we must employ at this time in order to obtain the one objective we all have in our respective minds, that is, the winning of the war at the earliest possible moment.

Mr. HOLMAN. Mr. President, will the Senator yield?

Mr. REYNOLDS. I yield.

Mr. HOLMAN. I fully appreciate the serious situation and the critical condition in which our country finds itself at this time, and I am very much in sympathy with the remarks of the distinguished chairman of the Senate Committee on Military Affairs [Mr. REYNOLDS]. But there is a bright ray of sunshine in this dark hour. I see in tonight's newspaper that the tide has turned—David Ginsburg has been made a colonel in the Army. He is a protégé of Felix Frankfurter. Therefore he does not need any confirmation or investigation by our committee, which must pass upon pro-

motions and appointments and commissions in the Army. He has all wisdom, gained by less than 30 years of experience in this world. Our troubles are now over. Mr. David Ginsburg is a colonel in the Army! [Laughter.]

Mr. ELLENDER. Mr. President, when the distinguished Senator from Texas [Mr. CONNALLY] was discussing the pending bill for a continuation of the Lend-Lease Act, in behalf of the Committee on Foreign Relations, I asked him some questions with a view of attempting to clarify a few of the issues involved. As I stated then, I repeat, I voted for lease-lend and I expect to vote for a continuation of lease-lend. I believe that it should be made plain to the American people how lease-lend operates—just how it is proposed to pay us back for the advances made. I have been trying to obtain an answer to the questions for the past 6 or 8 months, and I am still in the dark.

I am informed that the way some of lease-lend works is in the following manner: A cargo of pork, canned fruits, dried eggs, and other products is shipped to the British Government for the purpose of feeding its civilian population. Those products are turned over to an agency of the British Government. The British agency pays nothing for them to our Government but sells them to the merchants in the British Isles, and in turn the merchants sell the goods to the people of the British Isles, thereby enabling the merchants to maintain themselves in business. No doubt some appreciable income accrues to the merchants upon which the British Government receives taxes and other income. If that be true I would be interested to find out to what extent is lease-lend operated in such a manner.

I believe that if this matter is sifted to the bottom, it will be seen, as has been said in the House of Representatives, that it is a one-way proposition or words to that effect. I am not seriously objecting to that at the moment, but what I believe ought to be done is to tell the whole truth about it. Let it not be shrouded in darkness. The people are entitled to know if this is an outright donation or if they are being kidded into believing that they can expect to be repaid in kind or otherwise.

If we are to receive value, let our allies make it real. Let us be shown that they mean business. I am in accord with what the distinguished Senator from Maryland [Mr. TYDINGS] stated awhile ago, that while this war is continuing we should obtain absolute sovereignty over the bases that we acquired from England some time ago in return for 50 destroyers. Let us make lease-lend work to that end. I advocated such a proposition almost 1 year ago and I doubt if anything has been done to this moment. Other bases could be acquired in like manner. In that connection why not obtain sovereign rights over some of the air bases we are building in the Pacific and other parts of the world? On the other hand what about the millions of tons of our natural resources that are being sent abroad? Why could not some agreement be entered into now whereby our Government could in some way have returned to it some of the millions of tons of steel it is sending a broad? How about oil, why not make provisions for its return after the war. How about rubber and tin? Are we going to be forced to pay to Britishers, after the war, tremendous sums for rubber and tin as we did after the First World War? It strikes me that while this war is on, while we are giving our all, while we are dissipating our God-given natural resources, we should make every effort to obtain, in kind, those irreplaceable resources. Let some agreement be made now, to make available to us after the war, iron ore, tin, manganese, bauxite, oil, and other resources that are now being used in large quantities. We must and should replenish those resources.

Mr. President, I advocated a similar proposal 2 years ago, when the original bill was before us. I had hoped that something would be done in that direction ere now. The British Commonwealth has many times the natural resources the United States possesses, and I contend that now is the time for us to have a clear-cut understanding of how we are to obtain in kind some of our God-given resources which are now being extravagantly dissipated. Let us obtain if possible, in sovereignty, some of the rich bauxite mines owned by the British, some of the rich tin deposits owned by the British and the Dutch; in fact, sovereignty over some of the rich natural deposits owned by our allies and which are now idle. Let us bargain now while the war is on and not wait until the war is over. I would like to discuss this subject more in detail, but because of the lateness of the hour I will be compelled to await an opportunity in the future.

The PRESIDING OFFICER. The bill is open to amendment. If there is no amendment to be proposed, the question is on the third reading of the bill.

The bill was ordered to a third reading, and was read the third time.

The PRESIDING OFFICER. The question now is, Shall the bill pass?

Mr. CONNALLY. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk called the roll.

Mr. DAVIS (after having voted in the affirmative). On this vote I have a general pair with the junior Senator from Kentucky [Mr. CHANDLER], who, I am informed, if present, would have voted as I have voted. I therefore allow my vote to stand.

Mr. PEPPER. I announce that my colleague [Mr. ANDREWS] is absent on account of illness. If present, he would vote "yea."

Mr. MURDOCK. I desire to announce that my colleague [Mr. THOMAS] is absent on account of illness. If present, he would vote "yea."

Mr. BARKLEY. I announce that my colleague [Mr. CHANDLER] is absent on official business. If present, he would vote "yea."

Mr. HAYDEN. I announce that my colleague [Mr. MCFARLAND] is absent from the Senate on official business. If present, he would vote "yea."

Mr. STEWART. My colleague [Mr. MCKELLAR] is absent on account of illness. If present, he would vote in the affirmative.

Mr. WHERRY. I announce that my colleague [Mr. BUTLER] is necessarily absent. If present, he would vote "yea."

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] and the Senator from Indiana [Mr. VAN NUYS] are absent from the Senate because of illness.

The Senator from Montana [Mr. MURRAY] and the Senator from Washington [Mr. WALLGREN] are detained on official business for the Senate.

The Senator from Georgia [Mr. RUSSELL] is necessarily absent.

I am advised that if present and voting, the Senators whose absences I have announced would vote "yea."

Mr. MCNARY. The Senator from Nebraska [Mr. BUTLER], the Senator from Idaho [Mr. THOMAS], the Senator from New Jersey [Mr. BARBOUR], and the Senator from California [Mr. JOHNSON] are necessarily absent. If present, all these Senators would vote "yea."

The result was announced—yeas 82, nays 0, as follows:

YEAS—82

Aiken	Gerry	Overton
Austin	Gillette	Pepper
Bailey	Green	Radcliffe
Ball	Guffey	Reed
Bankhead	Gurney	Revercomb
Barkley	Hatch	Reynolds
Bilbo	Hawkes	Robertson
Bone	Hayden	Scrugham
Brewster	Hill	Shipstead
Bridges	Holman	Smith
Brooks	Johnson, Colo.	Stewart
Buck	Kilgore	Taft
Burton	La Follette	Thomas, Okla.
Bushfield	Langer	Tobey
Byrd	Lodge	Truman
Capper	Lucas	Tunnell
Caraway	McCarran	Tydings
Chavez	McClellan	Vandenberg
Clark, Idaho	McNary	Wagner
Clark, Mo.	Maloney	Walsh
Connally	Maybank	Wheeler
Danaher	Mead	Wherry
Davis	Millikin	White
Downey	Moore	Wiley
Eastland	Murdock	Willis
Ellender	Nye	Wilson
Ferguson	O'Daniel	
George	O'Mahoney	

NOT VOTING—14

Andrews	Johnson, Calif.	Thomas, Idaho
Barbour	McFarland	Thomas, Utah
Butler	McKellar	Van Nuys
Chandler	Murray	Wallgren
Glass	Russell	

So the bill H. R. 1501 was passed.

Mr. CONNALLY. I ask unanimous consent that the Chair be authorized to sign the bill in the event the Senate shall be in recess or adjournment when the measure is ready for signature.

The PRESIDING OFFICER (Mr. LUCAS in the chair). Without objection, it is so ordered.

Without objection, Senate bill 813 will be indefinitely postponed.

Mr. BARKLEY. Mr. President, in regard to the signing of the bill, it is my information that the bill has been enrolled, and the House is waiting for a message from the Senate that it has been passed in order that the Speaker may

sign the bill. The Vice President is temporarily absent on official business. It is desired that the bill be signed by the Presiding Officer as soon as possible, because the President desires to sign it today, as soon as it can be tranmitted to the White House, and I think the Senator from Texas [Mr. CONNALLY] should have included in his request that in the event the Vice President is not available before the recess or adjournment of the Senate, and the bill is ready to be signed, the Presiding Officer in the chair be authorized to sign it.

Mr. CONNALLY. I will say that the purpose of my request was that the Chair, meaning the Senator who is now occupying the chair, be authorized to sign the bill in the event the Senate shall in the meantime have recessed or adjourned, the Vice President being absent.

The PRESIDING OFFICER. The Chair understands that that was the request made by the Senator from Texas, which was unanimously agreed to by the Senate.

FIRST DEFICIENCY APPROPRIATIONS, 1943

Mr. HAYDEN. Mr. President, I ask unanimous consent that the unfinished business be further temporarily laid aside, and that the Senate proceed to the consideration of House bill 1975, the first deficiency appropriation bill, 1943.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arizona?

There being no objection, the Senate proceeded to consider the bill (H. R. 1975) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1943, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1943, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. HAYDEN. Mr. President, I ask unanimous consent that the formal reading of the bill be dispensed with, that it be read for amendment, and that the committee amendments be first considered. We can probably dispose of the noncontroversial amendments today. If there is objection to any amendment, it will have to go over until tomorrow.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the clerk will state the amendments of the Committee on Appropriations.

The first amendment of the Committee on Appropriations was, under the heading "Independent executive agencies—United States Maritime Commission," on page 11, line 2, after the words *"Provided further"*, to strike out "That no funds appropriated under this act shall be available for the construction, or acquisition and conversion, of any vessel for use as a naval auxiliary which is not constructed or acquired and converted on a reimbursable basis from funds appropriated to the Navy Department, pursuant to an act authorizing the construction or acquisition and conversion of auxiliary vessels for the Navy Department: *And provided further.*"

The amendment was agreed to.

Mr. HAYDEN. Mr. President, I think I ought to make a brief statement to the Senate in connection with the pending bill. The bill, as reported to the Senate, carries $4,107,286,166.01. Of this amount, $4,000,000,000 is for the Maritime Commission. In addition, there is a contractual authorization to the Maritime Commission of $2,173,719,545.

Other principal items in the bill are $40,000,000 for access roads; for the Treasury Department, for expenses of loans, and for other purposes, $29,880,000; for the Office of Education, for the training of defense workers, $10,000,000.

The principal item of increase, so far as the Senate is concerned, is an appropriation of $2,175,000 to the Bureau of Mines, for the investigation of bauxite and alunite ores for the production of aluminum.

Mr. TYDINGS. Mr. President, will the Senator yield for a question?

Mr. HAYDEN. Yes.

Mr. TYDINGS. Is there anything in the bill for the National Resources Planning Board?

Mr. HAYDEN. No; that is a matter which will be subject to consideration and discussion when the independent offices bill comes up before the Senate.

Mr. TYDINGS. My recollection was that there was no such item in the bill, and I wanted to verify it.

Mr. HAYDEN. No; there is nothing in the bill for that purpose.

ANNUAL REPORT BY SPECIAL COMMITTEE TO INVESTIGATE THE NATIONAL DEFENSE PROGRAM — SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS (PT. 4 OF REPORT NO. 10)

Mr. TRUMAN. Mr. President, earlier today I filed with the Senate a report of 2 years' work of the special committee of which I happen to be the chairman, and I should like to make a few remarks in connection with that report at this time. I have been waiting all day to make the record complete.

Mr. President, the purpose of this second annual report of the Senate's special committee investigating the war program is, first, to review the over-all picture today in the light of the job ahead; and, second, to summarize briefly the committee's activities of the past year in relation to what has been accomplished in war production and the task still to be done.

While supremely confident of victory, the committee is convinced that the year ahead will be the toughest and grimmest in our Nation's history, both on the fighting fronts and for the men and women on the home front. If we are to do the job we have set for ourselves and cut down the loss of life in this war, this year will demand harder work, longer hours, greater sacrifices, and more single-minded devotion from every American.

While of necessity the tone of this report is critical, the committee does not disparage what has been accomplished. War material of almost every description is now rolling off the production lines at rates which the committee is confident have not been and cannot be equaled by our enemies. This production has been achieved without sacrificing quality, and our armed forces today have the best equipment in the world. I say that advisedly.

It takes time to transport this equipment to the theaters of action, and vast quantities of material are now in transit between the factories and the front.

With every additional month the impact of this production upon our enemies will be greater. America's 1942 war production record is one of which all of us can be proud. It is more than we hoped to accomplish 18 months ago. However, it is not as much as could have been done had we recognized and corrected the weaknesses and the mistakes which have slowed our war effort during the past year. America can and will accomplish the tremendous task set for her this year.

Three basic weaknesses in our war program have been responsible for nearly all the failures and shortcomings which the committee has found in a score or more of investigations of specific phases of that program. These are:

First. Inadequate over-all planning within Government agencies at the beginning of various programs, and delay in determining basic policies necessary to carry out such programs effectively.

Second. Conflicting authority over, and responsibility for, various phases of the war program, resulting in delays and buck passing.

Third. Hesitancy of Government to adopt unpopular or unpleasant policies long after the facts clearly indicated such policies were necessary.

No group in America is solely responsible for these weaknesses. They have shown up clearly in Government war agencies, as for example the failure of the old Office of Production Management to plan in time the expansion of basic raw materials production, and the intra-agency confusion and bickering over the synthetic rubber program. Much of this was inevitable in so vast a program, involving such a tremendous dislocation of our economy as that necessitated by the war. Various sectors of the public have been guilty along with Government. Perhaps, after all, this condition is due to the fact that we live under a democratic form of government in which men freely express their opinions and are not subject to dictatorial orders.

Some war contractors have hoarded labor and pyramided costs. Many of the huge corporations which obtained the bulk of war contracts were slow to spread subcontracts among smaller concerns. In many instances the latter were hesitant to convert their plants to war production and seek war contracts so long as peacetime goods could profitably be made.

The great labor organizations have done an excellent job in eliminating work stoppages. Splendid progress along this line has been made. However, it must be pointed out that the campaign to reduce absenteeism has not accomplished much.

Yesterday I was in the city of Cleveland inspecting a number of war plants in that area. I found one company in Cleveland which had reduced its absenteeism from 20 percent to 1½ percent within the past 3 months. It did it by

selling the program to the workers. They were not forced at all. They were made to understand that each of them was fighting on the front. Absenteeism was being reduced. I think it can be done in every other organization.

Many organizations have been slow to relinquish peacetime "featherbed" and other rules which cut production, and have not hesitated to press for inflationary wage increases in the face of their own long-view welfare and the national interest. Farmers produced food magnificently under handicaps in 1942. Greater production will be required in 1943. Prices of all commodities, including both labor and farm prices, must be controlled if inflationary spirals with consequent disaster are to be avoided. The committee does not believe that leaders who advocate policies which would result in uncontrolled inflation correctly represent the views of the rank-and-file of either labor or farmers.

These selfish "me first" attitudes on the part of some powerful groups in our Nation, such as the bickering and struggle for power in Government, must give way before a patriotic determination by everyone to place the winning of this war above all other considerations.

The committee is happy to report that there has been great improvement in the past year, particularly in recent months, in the correction of the three basic weaknesses to which I have referred which exist in various governmental war agencies.

During the coming year attention must continue to be focused on the primary need for clearly defined authority in the administration of our domestic war program. This authority should be centralized in a few officials, each solely responsible for the administration of certain activities. Each should be of high ability. In addition to doing their administrative work, they should meet frequently to eliminate all conflicts of jurisdiction and be ready to advise with the President on important questions of policy while relieving him completely of purely administrative work.

WAR PRODUCTION BOARD

All three weaknesses were found in the Office of Production Management, and in the early stages of the War Production Board. The lack at a sufficiently early date of basic, over-all plans for full utilization of the Nation's resources, plus the failure of the armed services correctly to estimate their own needs, led to the long delay in expanding facilities for the production of basic raw materials such as steel, copper, and aluminum. Almost from its inception the committee stressed this need and is glad to report that rapid progress toward alleviating these shortages has been made during the past year.

Lack of adequate over-all planning and division of responsibility for procurement and production resulted in the concentration of war contracts among a relatively few large concerns, to the eventual detriment of the production program.

In its slowness to order conversion to war production, the Office of Production Management showed its reluctance to take unpleasant action, even when clearly dictated by facts in its possession. That attitude, the committee finds, has largely disappeared.

The problem of over-all allocation of critical materials and scheduling of production has been a major concern of the committee. The competition of the Army, Navy, and Maritime Commission for scarce materials, facilities, and manpower, with little or no restraint, created a chaotic condition and cost us much production. The War Production Board has now assumed control over the allocation of raw materials and authority to reschedule the production of critical components of war matériel. Charles Wilson, Vice Chairman of the War Production Board, has been given both the responsibility for and the authority to do this job. The committee regards the centering of authority with attendant responsibility as a long step toward eliminating one of the worst organizational faults of the war set-up.

INFLATION CONTROL

The announcement on February 9, 1943, by Director of Economic Stabilization James F. Byrnes, of strong inflation-control policies, is regarded by the committee as an outstanding example of the firm determination of basic policies by government, even in the face of opposition from powerful groups. More such examples are urgently needed in the year ahead. The administration's avowed determination to hold down both wage and price increases offers the only hope of avoiding an inflation which would increase war costs tremendously and leave both agriculture and labor facing a severe deflation when the war ends. The success of any such policy must rest upon equitable treatment so that it will obtain the support of all groups and individuals.

MANPOWER

The full and effective utilization of our available manpower is one of the biggest jobs on the home front this year, and it will become more and more urgent as induction of men into the armed services continues. Strong, firm policies of government, backed by the cooperation of labor, industry, and agriculture, will be essential.

Mr. President, at this point I desire to say that both the House and the Senate have failed in their duty in connection with the manpower program by failure to appropriate the necessary funds with which to carry on the work of Mr. McNutt's organization. A bill is now pending in connection with which a subcommittee made a report unanimously recommending that the appropriation be made. The report was rejected by the full committee. Since a suspension of the rule would be required to include the appropriation in the pending bill, there is no possibility of its being carried in the bill. The manpower program cannot be carried out if we do not furnish the necessary funds with which to do so.

The primary consideration in determining these policies should be: Where will the particular individual or group concerned contribute most to the total war effort? Administrator Paul V. McNutt's recent order listing nonessential industries in which able-bodied workers will not be eligible for draft deferment is an example of the kind of basic policy determinations needed. It does a job effectively with a minimum of administrative red tape, and is in striking contrast to the confusion and lack of any basic policy which characterized the manpower program a few months ago. It has been unfortunate that similar strong action has not been taken to reduce absenteeism, increase production per man, eliminate rules and regulations which reduce production, and reduce the impact of large inductions on production. We talked to the administrator this morning and he assured us that he was taking every step possible to meet these conditions.

Mr. BURTON. Mr. President, will the Senator yield?

Mr. TRUMAN. I yield.

Mr. BURTON. Is the Senator willing to state his opinion relative to the possibility of increasing production per man so as to meet the need to which he has referred? There is a shortage of manpower in the Army, on the farm, and in the industries of the Nation.

In order to meet the manpower problem on the farm we must do one of two things. We must either take men from industry or increase production per man in industry and on the farm. I am aware that the Truman committee has been conducting investigations relative to the problem, and I should appreciate it if the Senator from Missouri would give us some expression of his thought concerning the possibility of increasing production in industry to bridge the gap to which reference has been made.

Mr. TRUMAN. There is no doubt in the world that production can be increased to meet the situation, because in certain specific industries it has been done.

Mr. BURTON. Then I take it to be the opinion of the Senator that before we take any steps to reduce the size of our Army we should exhaust every possible effort to increase production on the farm and in the industries of America.

Mr. TRUMAN. That is my opinion.

Mr. FERGUSON. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Michigan?

Mr. TRUMAN. I yield.

Mr. FERGUSON. From a reading of some of the press reports relating to the work of the Truman committee at the Willow Run plant in Michigan, there seems to be a misapprehension of what the committee found at the Willow Run plant. Since its visit to the plant the committee has been investigating a number of important matters in relation to the operation of the plant, and it is continuing its investigation.

What was said in Detroit by members of the committee should not be considered by anyone as a report of the committee as to what the committee found, and those things were not given as a report of the committee.

We might say at this time that the Willow Run plant is not so bad as painted by some, and not too bad when measured against the job undertaken. I believe that unfortunately we have had talk as to anticipated production in excess of actual results. A report on airplane production will be made by the committee at the close of this investigation.

Mr. TRUMAN. I thank the Senator from Michigan very much for his statement.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. TRUMAN. I am glad to yield.

Mr. HATCH. I was interested in what the Senator from Michigan had to say about the Willow Run plant—his statement that it was not so bad as painted by some. I desire to ask the Senator if it is as good as painted by some.

Mr. FERGUSON. I shall have to answer that question by saying that it is not so good as painted by some.

Mr. TRUMAN. We were very particular to make it clear while we were in Detroit that we were not making a report on the condition of the plant at that time, that we had other investigations to make and other hearings to hold, and that after we assembled all the facts we would render a report. If I remember correctly, much propaganda has been put out, both from Washington and from Detroit, about the Willow Run plant. The statement made by the Senator from Michigan covers the situation exactly.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. TRUMAN. I yield.

Mr. HATCH. Has there not been too much propaganda both ways?

Mr TRUMAN. Yes; both ways.

Mr. President, I continue with the report:

The submarine menace is still far from met. The Navy has failed to publish figures on sinkings, but the enemy has succeeded in sinking a large tonnage of cargo vessels and tankers, with the consequent loss of valuable cargo as well as of the ships. Because of those sinkings it is not sufficient simply to build huge quantities of new merchant vessels. Proper protection of convoys by escort vessels must be provided. Every method possible to speed up production of escort vessels should be adopted. That means simpler designs to permit mass production, and substitution, wherever possible, of materials which can quickly be supplied in great quantities. One of the reasons why we do not have escort vessels in the number that we should have them is because the admirals could not agree on a design. Recently they have agreed on a design, and ships of that design are now in process of production.

The synthetic rubber program in its early phases was an outstanding example of administrative chaos—the second basic criticism made by the committee in its report of May 26, 1942. (See Appendix II, p. 22.) Four months later the committee's position was borne out in full by the Baruch committee report. William Jeffers, since his appointment as rubber director, has eliminated that fault, and the committee is happy to report that progress is being made.

The committee regrets to report a far less satisfactory situation in regard to all-important food production. The Department of Agriculture, although it has a wealth of statistical information on which to base basic policies, has been slow in formulating them, has lacked vigor and initiative in pushing its program, and, in the case of such factors as farm-machinery production quotas, has been far less vigorous than it should have been in pressing on the War Production Board the requirements of the food program.

As we state in our report, we have to have either men or machinery in order to increase farm production during the coming year; and if both are taken away from us, we shall not have the needed food.

In modern war the entire economy is involved. It is not sufficient simply to train soldiers and supply them with war materials. The committee, therefore, recommends that the greatest care be taken to assure that there is sufficient material to supply essential civilian needs. Particularly, care should be taken to provide the machinery which is necessary to produce and transport food, oil, coal, and the various minerals.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. TRUMAN. I am glad to yield.

Mr. CLARK of Missouri. I call the attention of my colleagues to the fact that the manufacture of farm machinery was for a long period almost entirely prohibited, and even with the great increase in the amount of available steel, brought about by the diminution in the manufacture of tanks and other war equipment by reason of the fact that we already had more than we could transport, when some increase was made in the amount of available machinery, one of the most foolish quota systems ever devised was set up. Farm machinery was allowed to be allotted to States only on the basis of the extent of mechanization they already had, so that the State of Iowa, for instance, which was about 90 percent mechanized, could obtain 90 percent of the available supply of machinery, whereas the State of Oklahoma, perhaps only 14 percent mechanized, could obtain farm machinery only on the basis of 14 percent of the available supply. The result was that the States which needed the machinery most were able to obtain only a small part of the available machinery. I think that was one of the most asinine orders ever issued.

Mr. TRUMAN. The Office of Civilian Supply, which issued the orders, simply did not know what was going on. That is what caused the situation which my friend the Senator from Missouri has outlined. What he says is true.

Mr. LUCAS. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HATCH in the chair). Does the Senator from Missouri yield to the Senator from Illinois?

Mr. TRUMAN. I am glad to yield.

Mr. LUCAS. I desire to augment what both Senators have said with reference to farm machinery. I have just returned from my home county in central Illinois, which is the heart of the Corn Belt section. In that county the farmers, like those in every other county in America, have sent their boys from the farms to war, and others of them, of course, found a way to get into the defense plants where war goods are being made. I agree with the Senator from Missouri when he states that the order fixing the quota on machinery, which was set at such a figure as to allow less machinery than that which was obtained in 1941, was a foolish order which apparently was not based upon any actual experience in connection with the question of what the farmers should have.

Mr. TRUMAN. That is absolutely correct.

Mr. LUCAS. Mr. President, I am convinced that, had quotas on farm machinery been increased, instead of being decreased, we would not at the present moment be discussing the Bankhead bill or any other bill with respect to the lack of workers on the farms, especially on farms producing the basic agricultural commodities needed by America.

I say that, Mr. President, for this reason: During the present emergency many of the boys who are familiar with farm machinery have left the farms. Such boys understand how to operate and maintain tractors 4 or 5 years old, on farms in Illinois, Iowa, or any of the other States where farming is engaged in on a large scale. They understand machinery. They are natural mechanics. The boys and men the Army is getting at the present time are, so far as mechanical ability is concerned, some of the best mechanics in the world, and some of them are coming right from the farms.

The individual who is left on the farm for the purpose of carrying on its operation may be an aged man; he may be a man who retired a year or two ago, but who still has the ability to perform a great many hours of effective labor, and who is willing to go back to work and to try to do his part. However, he finds that, as the result of a lack of adequate machinery on the farm, he is in somewhat of a dilemma. He has the money with which to purchase new machinery, and he is confident that if he could obtain the machinery it would carry him through this season and next season, regardless of whether he had little or even no mechanical ability. But his situation is just like that of an individual planning to start tomorrow to drive from here to California in an automobile 5 or 6 years old. If the Senator from Missouri were contemplating making such a trip, and if he had an automobile of that age, he would hesitate to start on the trip; at least, he would not start on the trip with much confidence. But if he had a new automobile he would have no hesitancy in starting, and would have no doubt about his ability to reach California.

Today, correspondingly, a situation exists on thousands of farms in the United States where the men are ready to carry

on if they are able to obtain the proper type of machinery which would carry them through.

It is not yet too late for the Senate to assert itself, insofar as the War Production Board is concerned, as to the type of machinery needed to harvest the crops. I am confident the farmers are going to plant the seed, but it is a question whether they are going to reap the crop which is planted this spring, and obtain every grain of wheat and every grain of corn and all the other commodities necessary to be harvested if we are to have what it takes to carry on both the war and the civilian economy in this great emergency.

Mr. President, I returned to the city determined to do everything I could to get the farm-machinery quota up to the limit as soon as possible, and it must not be delayed. As the Senator from Missouri says, I doubt that the individuals who are handling this situation fully appreciate what they are doing in the way of deterring the production of the food supply of the Nation through inaction in meeting the lack of adequate machinery. But it is not too late, and if Senators will make their wants known in no uncertain terms, we can once again raise the quota on new farm machinery to what it should be. Certainly the building program, so far as buildings for war purposes are concerned, will soon reach its limit, and it seems to me that the allotment of steel for the production of building materials to be used in war projects in this country will soon come to an end, and part of that quota might be allocated to the production of farm machinery. I am glad the Senator from Missouri has raised the question in his report, because I still say that he puts his finger on the basis of our trouble at the present time so far as shortage of manpower on the farm is concerned.

Mr. CLARK of Missouri. Mr. President, if my colleague will yield for a moment, I should like to read from a letter I have received from a farmer in LaFayette County, Mo., a member of the Democratic county committee, with whom I am sure my colleague is well acquainted. He writes about the whole farm situation, but there is one sentence which particularly struck me in view of what my colleague and the Senator from Illinois have just said. I should say that LaFayette County is one of the great agricultural counties in Missouri, probably the greatest wheat-producing county of the State. The letter is from Mr. Walton H. Webb, and in discussing the farm situation he uses this very striking sentence:

> Manure spreaders rationed to a county, "one and a third spreaders." What in hell is the fellow that gets the one-third going to do with it?

[Laughter.]

Mr. TRUMAN. Mr. President, I wish to continue with my report.

As I have heretofore stated, care should be taken to provide the machinery necessary to produce and transport food, oil, coal, and various minerals. For this and other vitally important jobs, the Office of Civilian Supply should be headed by a man of first-rate experience and ability, who will have the courage to fight for materials for essential civilian programs and will possess the judgment to make curtailments of less essential programs.

The committee is presently engaged in making several studies on which it expects shortly to present reports to the Senate. Such studies include renegotiation of profits to prevent excessive costs in airplane manufacture and shipbuilding. The committee will continue its studies of these and other matters relating to the war program. Particularly, the committee will watch the efforts of the War Production Board with respect to the allocation of materials and the rescheduling of production, and the efforts of the War Manpower Commission to promote efficiency so as to utilize fully all our resources of manpower, which at present constitutes the biggest bottleneck in the war program.

Some historical discussion is necessary to a clear understanding of today's problems.

Mr. LUCAS. Mr. President, I wish to make one more observation in connection with farm machinery. I know that the Secretary of Agriculture has been tremendously interested in obtaining more farm machinery through the War Production Board. I hope he will read what has been said in the Senate today, and I hope that he will not only make a request for more farm machinery, but, as Secretary of Agriculture, I think he should demand it, and if he does not get it, I think he should go to the President of the United States and lay this question before him. That is how important I think the question of farm machinery is.

Mr. TRUMAN. I think that if the Secretary had made the fight as he should have made it, the supply of farm machinery would not be so short now.

Mr. McNARY. Mr. President, I have listened with intense interest to the statement the Senator from Missouri has made. I have on my desk, as other Senators have, the second annual report of the committee of which he is chairman. I am curious to know whether the statement he has made is a synopsis of the report or is a supplemental report.

Mr. TRUMAN. It is a synopsis of the conclusions at which we arrived in the report. The first 14 pages of the printed document which the Senator has on his desk is the report, and the rest of it is a supplement containing all the reports made during the year, many of which are out of print.

Mr. McNARY. I thank the Senator.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Taylor, its enrolling clerk, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 1749) to amend Veterans Regulation No. 10, as amended.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H. R. 1501) to extend for 1 year the provisions of an act to promote the defense of the United States, approved March 11, 1941, and it was signed by the Presiding Officer [Mr. LUCAS] under the order of the Senate today.

FIRST DEFICIENCY APPROPRIATIONS, 1943

The Senate resumed the consideration of the bill (H. R. 1975) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1943, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1943, and for other purposes.

The PRESIDING OFFICER. The clerk will state the next amendment of the Committee on Appropriations.

The next amendment was, on page 11, line 14, after the figures "$16,625,000" and the colon to strike out *"Provided further,* That no ship owned by the United States shall be disposed of under the act of March 11, 1941 (Public Law 11), as amended, except by lease which must end 6 months after the conclusion of peace" and in lieu thereof to insert *"Provided further,* That no merchant vessel constructed under any contract entered into pursuant to the contract authorization contained in this or any subsequent act shall be disposed of under the act of March 11, 1941 (Public Law 11, 77th Cong.), as amended, except by lease which must end not later than 6 months after the termination of the present war, as proclaimed by the President, or at such earlier time as the Congress by concurrent resolution or the President by proclamation may designate."

The amendment was agreed to.

The next amendment was, under the heading "Department of Agriculture," page 14, after line 8, to insert:

BUREAU OF AGRICULTURAL ECONOMICS

SALARIES AND EXPENSES

Crop and livestock estimates: For an additional amount for crop and livestock estimates, fiscal year 1943, including the objects specified for the appropriation for this purpose under the caption "Agricultural Marketing Service" in the Department of Agriculture Appropriation Act, 1943, including $21,730 for personal services in the District of Columbia, $57,155.

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Entomology and Plant Quarantine", on page 15, line 6, after the numerals "1943", to strike out "$3,500,000" and insert "$3,944,000."

Mr. McNARY. Mr. President, I hesitate to interfere with the progress being made in the consideration of the appropriation bill. However, there is a small attendance at this hour, it is after 5 o'clock, and I think we should suspend until tomorrow. I have conferred with the majority leader, and he has agreed the Senate can meet tomorrow at 11 o'clock. I do not know what is controversial and what is not controversial in connection with the bill. Several Senators have told me they desired to inquire about various amendments. Not being a member of the Committee on Appropriations, I do not know that my

judgment on controversial proposals is worthy of reliance.

Mr. HAYDEN. It is entirely agreeable to me that we should suspend at this time. Is it the idea of the Senator that there should be a recess until 11 o'clock tomorrow?

Mr. McNARY. Yes.

EXECUTIVE SESSION

Mr. HAYDEN. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDING OFFICER (Mr. HATCH in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations in the Army, which were referred to the Committee on Military Affairs.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. HAYDEN, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

By Mr. GEORGE, from the Committee on Finance:

Several passed assistant surgeons to be surgeons in the Public Health Service.

By Mr REYNOLDS, from the Committee on Military Affairs:

Major generals to be lieutenant generals, for temporary appointment, Army of the United States:

George Smith Patton, Jr. (colonel, Cavalry); and

Carl Spaatz (colonel, Air Corps; brigadier general, assistant to the chief of the Air Corps); and

Louis Bloch, from the State of California, to be program-control technician, at $5,600 per annum, in the San Francisco regional office of the War Manpower Commission (this nomination had been recommitted).

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the calendar.

FOREIGN SERVICE

The legislative clerk proceeded to read sundry nominations in the Foreign Service.

Mr. HAYDEN. I ask that the nominations in the Foreign Service be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. HAYDEN. I ask that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc; and, without objection, the President will be notified forthwith of all nominations this day confirmed.

RECESS

Mr. HAYDEN. As in legislative session, I move that the Senate take a recess until 11 o'clock a. m. tomorrow.

The motion was agreed to; and (at 5 o'clock and 10 minutes p. m.) the Senate took a recess until tomorrow, Friday, March 12, 1943, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate March 11 (legislative day of March 9), 1943.

APPOINTMENTS IN THE ARMY OF THE UNITED STATES

TO BE LIEUTENANT GENERALS

Maj. Gen. George Smith Patton, Jr. (colonel, Cavalry), Army of the United States.

Maj. Gen. Carl Spaatz (colonel, Air Corps; brigadier general, Assistant to the Chief of the Air Corps), Army of the United States.

APPOINTMENTS IN THE REGULAR ARMY

TO BE CHAPLAINS, WITH RANK OF FIRST LIEUTENANT, TO RANK FROM DATE OF APPOINTMENT

Chaplain (Capt.) Charles Edwin Brown, Jr., Army of the United States.

Chaplain (Capt.) John Porter Fellows, Army of the United States.

Chaplain (Maj.) James Clarke Griffin, Army of the United States.

Chaplain (Capt.) John Henry Hingson, Army of the United States.

Chaplain (First Lt.) John Michael Hughes, Chaplains' Reserve.

Chaplain (Capt.) Richard William Jungfer, Jr., Army of the United States

Chaplain (First Lt.) Alfred Charles Longley, Army of the United States.

Chaplain (Maj.) Arthur Carl Piepkorn, Army of the United States.

Chaplain (Capt.) Harold Owen Prudell, Army of the United States.

TO BE FIRST LIEUTENANT, MEDICAL CORPS, WITH RANK FROM DATE OF APPOINTMENT

First Lt. Charles Herman Ransom, Medical Corps Reserve.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 11 (legislative day of March 9), 1943:

FOREIGN SERVICE

TO BE CONSULS OF THE UNITED STATES OF AMERICA

Harold E. Montamat
Fritz A. M. Alfsen
Aubrey E. Lippincott
H. Bartlett Wells

POSTMASTERS

DELAWARE

John D. J. Lewis, Edge Moor.

IDAHO

Violet O. Brown, Smelterville.

KANSAS

M. Madge Sheddy, Chetopa.
Aletha Hawkins, Quenemo.

KENTUCKY

Edwin P. Terry, Cave City.

MISSISSIPPI

John S. Rimmer, Camden.
Ethel P. Weissinger, Cary.
Brookxie J. Holt, Duncan.
Aubrey C. Griffin, Jackson.
Carson Hughes, Oakland.
Royal C. Hayden, Vaughan.
Annie K. Mauldin, Water Valley.

OKLAHOMA

Jesse W. Keith, Haileyville.
Louia M. Amick, Jefferson.
David S. Williams, Purcell.

TENNESSEE

Robert T. Sterchi, Chattanooga.
John L. Marshall, McKenzie.
Paul B. Andrews, Sparta.
James W. Howard, Spring Hill.

HOUSE OF REPRESENTATIVES

THURSDAY, MARCH 11, 1943

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Eternal and gracious Father, there is no mercy fit for an emblem of Thy mercy and no love so enduring as the measure of love divine. Impress us that this season is set apart for a larger trend of communion with our Elder Brother, moving through the priestly act of self-renunciation to the ministry of supplication.

Almighty God, in the calendar of time there are no ordinary days, we know not what tomorrow will bring forth; we would lay our conscience, our will, and our comforts on the altar of sacrifice. Dear Lord, the things which bring joy and delight, we hold them up for the service of our Great King. Prepare us for sickness, for the loss of children, for the overthrow of worldly ambitions and for any trouble that shades the hills of light which do not forget to die. Grant Thy blessing upon all who are separated from us and upon those in the battle line in far-away lands. Thy presence secures a sacred goal and binds human weakness to almighty strength. O purge our spiritual vision that we may loathe the sins we once cherished, seeking the purest and loving the highest. Blessed Lord, in these troublesome times let us hail the dove in the deluge, hear the music on the waters and the heartsore listen to Thine evening hymn. In the name of Him who loved us. Amen.

The Journal of the proceedings of yesterday was read and approved.

TAX-FREE TOBACCO FOR MILITARY AND NAVAL FORCES

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 2030) to permit the shipment tax-free of certain tobacco products to territories of the United States for the use of members of the military and naval forces of the United States, which I send to the Clerk's desk and ask to have read.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That section 2135 (a) (1) of the Internal Revenue Code be amended to read as follows:

"SEC. 2135. Exemption from tax.

"(a) Shipments to foreign countries and possessions of the United States:

"(1) Manufacturers: Manufactured tobacco, snuff, cigars, or cigarettes may be removed for export to a foreign country or for shipment to a possession of the United States (or, until the date on which the President proclaims that hostilities in the present war have terminated, to a territory of the United States for the use of members of the military or naval forces of the United States) without payment of tax under such rules and regulations and the making of such entries, and the filing of such bonds and bills of lading as the Commissioner, with the approval of the Secretary, shall prescribe."

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. JENKINS. Mr. Speaker, I reserve the right to object, although I do not intend to do so. I think the bill is of sufficient importance that the chairman should explain it at least briefly.

Mr. DOUGHTON. Mr. Speaker, this bill was introduced by me on the basis of a letter written by the Secretary of War to the Speaker of the House, and referred by the Speaker to our committee. The purpose of the bill is to give to those serving in the Army and the Navy, the military and naval forces of the United States, the same privilege to receive cigarettes and other tobacco products free of internal-revenue taxes that is accorded to the soldiers who are outside of continental United States. In the Territories of the United States—Hawaii and Alaska—they are required now to pay a 7-cent tax on a package of cigarettes of 20, and other internal-revenue taxes on tobacco products. The purpose of the bill is to put these soldiers on the same basis, so far as receiving tobacco products tax-free, when they are in the Territories of the United States—Hawaii and Alaska. I would say further that this bill comes with the unanimous report from our committee.

Mr. JENKINS. Mr. Speaker, will the gentleman yield?

Mr. DOUGHTON. Yes.

Mr. JENKINS. As I understand it, if this bill is not passed there will be a discrimination between soldiers in different fields of action, and this is for the purpose of equalizing them all and giving them the same privilege.

Mr. DOUGHTON. Putting them upon the same basis. To repeat, the way it is now, if cigarettes are sent without having the tax paid, they are returned to the sender. That is, they cannot be sent to Hawaii and Alaska unless the tax is first paid, so that if parents or friends of a soldier send cigarettes to the soldier or others in the military or naval forces in Alaska or Hawaii, and the tax is not paid, the cigarettes are returned to the sender.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. DOUGHTON. Yes.

Mr. MAY. The bill will remove the tax that would ordinarily be paid by the men in the armed forces?

Mr. DOUGHTON. It is not required now that they pay the tax outside of continental United States, but under the present law that tax has to be paid in the Territories, and if soldiers are stationed in the Territories we feel they should have the same privilege as if they were really outside of the possessions of the United States.

Mr. COOPER. Mr. Speaker, will the gentleman yield?

Mr. DOUGHTON. Yes.

Mr. COOPER. The whole purpose and the only purpose of the bill is to provide the same treatment for men serving in the Army in Alaska and Hawaii, and in the Navy, Territories of the United States, as is accorded under existing law to men serving in other places outside of continental United States.

Mr. MAY. I have no idea of making any objection whatsoever. The committee on a previous occasion reported a bill to remove the movie tax, so that everyone would be on an equality.

Mr. Speaker, I incorporate as a part of my remarks, a further explanation of the bill.

When a soldier is sent out of the country as a member of a particular military unit and is destined for a particular locality his address for purposes of communications is merely a number and the post office at New York or San Francisco. These numbers are known as Army post office numbers. Such an address might be, Pvt. John Doe, Army Post Office No. 216, San Francisco, Calif.

When a letter or package so addressed is mailed, the Army postal authorities know the place to which the number refers and will take steps to have the mail delivered. When the Army postal authorities notice that the Army post office number on a carton of cigarettes which is being mailed without any tax stamp affixed is the number of a locality in Hawaii or Alaska, they cannot send the cigarettes on to the soldier, because existing laws do not permit cigarettes to be sent into the Territories unless taxes have been paid on such cigarettes. Accordingly, the cigarettes must be returned to the sender. If the reason for such return is given, the location of the military unit with which the soldier is serving is thus revealed. It is obviously necessary to prevent the leakage of such important information as much as possible.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read a third time, and passed, and a motion to reconsider was laid on the table.

ADDITIONAL WHEAT FOR FEED

Mr. SABATH, by direction of the Committee on Rules, reported the following resolution (H. Res. 160, Rept. No. 240), which was read and referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the resolution (H. J. Res. 83), to permit additional sales of wheat for feed. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the committee shall rise and report the same to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

ACTIVITIES OF FARM SECURITY ADMINISTRATION

Mr. CLARK, from the Committee on Rules, reported the following resolution (H. Res. 119, Rept. No. 241), which was read and referred to the House Calendar and ordered to be printed:

Resolved, That there is hereby created a select committee to be composed of seven Members of the House of Representatives to be appointed by the chairman of the House Committee on Agriculture from among the members of the Committee on Agriculture. The chairman of the House Committee on Agriculture shall designate one of the members of the select committee as chairman. Any vacancy in the membership of the committee shall be filled in the same manner in which the original appointment was made.

The committee is authorized and directed to investigate the activities of the Farm Security Administration, with a view to determining whether or not such activities are being carried on in accordance with the policies of Congress expressed in the laws administered by such Administration.

The committee shall report to the House (or to the Clerk of the House if the House is not in session) as soon as practicable during the present Congress the results of its investigation, together with such recommendations as it deems desirable.

For the purpose of this resolution the committee, or any subcommittee thereof, is authorized to sit and act during the present Congress at such times and places, whether or not the House is sitting, has recessed, or has adjourned, to employ such personnel, to hold such hearings, to require the attendance of such witnesses and the production of such books, papers, and documents, and to take such testimony, as it deems necessary. Subpenas shall be issued under the signature of the chairman of the committee or any member designated by him, and shall be served by any person designated by such chairman or member. The chairman of the committee or any member thereof may administer oaths to witnesses.

Mr. SABATH, by the direction of the Committee on Rules, reported the following privileged resolution (H. Res. 161, Rept. No. 242), which was read and referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 2076) to authorize the deportation of aliens of countries allied with the United States. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Immigration and Naturalization, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

EXTENSION OF REMARKS

Mr. ROBERTSON. Mr. Speaker, I ask unanimous consent to extend my remarks on the subject of a pay-as-you-go tax plan.

The SPEAKER. Is there objection?

There was no objection.

Mr. GALE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an article which appeared in the American

Mercury, entitled "Stassen Challenges the Republican Party."

The SPEAKER. Is there objection?

There was no objection.

Mr. COLE of Missouri. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix and to include therein a letter from Robert T. Merrill, commander in chief of the Veterans of Foreign Wars of the United States, to all Members of Congress.

The SPEAKER. Is there objection?

There was no objection.

Mr. BUSBEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix and to include therein a resolution.

The SPEAKER. Is there objection?

There was no objection.

Mr. ROCKWELL. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and include therein a memorial from the Colorado Legislature.

The SPEAKER. Is there objection?

There was no objection.

Mr. WEISS. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix and include therein a letter.

The SPEAKER. Is there objection?

There was no objection.

SOCIAL SECURITY—ITS FUTURE

Mr. KEOGH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. KEOGH. Mr. Speaker, on yesterday the House received two voluminous reports of the National Resources Planning Board, the first being the Board's report for 1943 and the second, on security, work, and relief policies, being a review of our social-security system with suggestions for its improvement and strengthening.

These reports are of tremendous importance, now and in the future, and will undoubtedly be considered by this Congress. May I urge the membership, as well as the officials of the Federal Security Agency, to obtain and study the recent unanimous report of the New York State legislative commission dealing with the same subject. It reports fully upon the actual operation of the social-security system, which viewpoint must be considered before any changes or extensions of the system are enacted.

EXTENSION OF REMARKS

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my remarks in two particulars and to include certain letters and excerpts.

The SPEAKER. Is there objection?

There was no objection.

LIMITATION OF INCOMES

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, I am in agreement with the general proposition that the orderly method whereby personal incomes should be limited in time of war is by means of taxation enacted by the Congress, rather than by any other method. But in section 4 of H. R. 1780, the House will be confronted today with a proposition which will render impossible the stabilization of salaries until they have risen to $67,000 or $25,000 net, after taxes. In view of the fact that farm prices and wages and other types of income are subject to stabilization orders, I do not think the Congress ought to be put in that position. I do not think this is necessary. I think the real answer is a tax schedule enacted by the Congress which will, in effect, prevent people from keeping and spending on themselves large incomes, during this time of war, whether they be incomes in the form of salaries or incomes from other sources, such as securities. Certainly, however, we cannot justify providing one set of rules to control farm prices and wages and another and much more liberal one with regard to salaries.

The SPEAKER. The time of the gentleman from California has expired.

FIGHT AND NOT SURRENDER

Mr. RIZLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. RIZLEY. Mr. Speaker, the recommendations to the Congress yesterday by the National Planning and Resources Board of a so-called guaranty of full economic security from the cradle to the grave for every individual as the post-war new order for America is in my humble judgment a full, complete and outright program of national socialism of which the main objectives of the New Deal thus far have been a forerunner. It entirely supplants the incentive, motive, and free enterprise system, and contemplates a planned and controlled economy based upon restriction, direction, management, and complete supervision of all business, industry, agriculture, and labor by the Government.

Past and current history fully proves that such a system can only operate by and through some form of a dictatorship. This proposal, however, clearly and concisely, in my humble judgment, defines the issue and lays down the challenge, and it is now squarely up to us who oppose this system to accept the challenge or unconditionally surrender. As for me and my household, I propose to fight and not surrender.

EXTENSION OF REMARKS

Mr. MASON. Mr. Speaker, I ask unanimous consent to extend my remarks and include a short editorial on the Hobbs antiracketeering bill.

The SPEAKER. Is there objection?

There was no objection.

(By unanimous consent, Mr. SHAFER was granted permission to extend his own remarks in the Appendix.)

RUPTURE APPLIANCES

Mr. SHAFER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. SHAFER. Mr. Speaker, it is distasteful to be compelled to direct the attention of this House frequently to shortcomings of administration which are causing unnecessary interference with the operation of the essential services for our people. In themselves, each of these things is possibly of minor importance, yet in their cumulative effect they become serious. I know of no other way to bring them to an end than to mention them in this House.

There has come to my attention today another "directive" or "order" which may, in itself, have serious effects upon the health of war workers and for which there is no apparent justification. This order prohibits the use of rubber by the manufacturers of rupture appliances. Presumably, it emanates from the War Production Board.

The only result of this order will be a serious dislocation of the production of these appliances. It may mean even the complete cessation of their production, for a small amount of rubber is an essential in the process.

It is inconceivable that a continuation of the allotment of this minor amount of rubber could be fraught with peril to the supplies of the armed forces. Possibly the order was issued only in a blanket sort of way, and it is my hope that by calling attention to it proper provisions can be made for continuing the flow of these absolutely necessary appliances.

It would seem to be unnecessary to mention to the House the importance of having these appliances available to our civilian population. We are all disturbed these days over the amount of absenteeism in essential industries. Deprive those who need them of these appliances and absenteeism will grow by leaps and bounds. We know that a ruptured person must have such an appliance if he is to continue his work and do his job. He simply cannot get along without it.

ANNOUNCEMENT

Mr. MAY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. MAY. Mr. Speaker, I have asked for this time, not for the purpose of making a speech, but in order to make an announcement.

On tomorrow morning at 10 o'clock the War Department will have available for the membership of the House two moving pictures in the caucus room in the old House Office Building. The first is The Nazis Strike and the second is The Battle of Britain.

These are very interesting pictures, disclosing the actual battle fronts and what was going on when these pictures were made and as they will continue to appear. Everybody in the House is invited to be there at 10 o'clock promptly so that the pictures may be finished before 12 o'clock.

The SPEAKER. The time of the gentleman from Kentucky has expired.

COLONEL GINSBURG

Mr. FLANNAGAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. FLANNAGAN. Mr. Speaker, I have just obtained a copy of the Washington Daily News which contains a statement that in my opinion will be resented by every American daddy in this country. The headline is "Ginsburg Gets Colonelcy in London Assignment."

As a father of a boy in the fighting forces, I want to say to the War Department that I do not want Ginsburg placed in charge of my boy. I know the fathers and mothers of America feel the same way.

There has been a great deal of talk going on for months with reference to this very man Ginsburg. If there is any truth in rumors the report is that he has been a draft dodger ever since the Selective Service Act was passed. This Frankfurter protégé, for some reason, it appears, has been receiving preferential treatment since leaving the law school at Harvard. Fearing the draft would get him, some time ago he says he was placed in class II-B because he was considered necessary to the war effort as general counsel for the O. P. A. This classification, I understand, was made upon request of Leon Henderson. What are the facts? Why, he is a youngster, without legal experience or practice and, I understand, never tried a case in court. And, let me add, as general counsel for the O. P. A. he has been chiefly responsible for all the red tape, interminable reports, and senseless orders that have bogged the O. P. A. down. While I have no criticism of Senator Brown for dispensing with his services, I want to say this: If Senator Brown gets rid of him, then let him go where patriotism dictates that he should go—in the United States Army as a buck private. The time for preferential treatment has passed. War calls for fair and equal treatment. Patriotism demands it. Let the draft board induct Ginsburg into the fighting forces as a buck private. If he has the stuff in him, then he can work his way up the same as your boy or any boy.

FARM MACHINERY

Mr. HILL. Mr. Speaker, I have two requests: One to revise and extend my remarks, and the other to proceed for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HILL. Mr. Speaker, a few days ago I addressed this House on the objectionable clauses in the new farm machinery equipment purchase program. Because of that address I have received a letter from Secretary Wickard, of the Department of Agriculture, withdrawing those clauses in the contracts, and I ask unanimous consent to include the letter as a part of my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The letter referred to follows:

DEPARTMENT OF AGRICULTURE,
Washington, March 9, 1943.

Hon. WILLIAM S. HILL,
House of Representatives.

DEAR MR. HILL: You will recall our conversation of a few days ago in which you called my attention to the agreement which applicants for purchase certificates for farm machinery have been asked to sign providing for the transfer of the equipment to the Government under certain circumstances. After going into the matter personally I have concluded that the agreement is not necessary to the effectiveness of the farm machinery program. Accordingly, I have amended the regulation so as to delete that agreement from the application form. Because of the limited supply of new farm machinery and the necessity for obtaining the largest possible farm production, farmers obtaining new farm machinery under the rationing program must agree to make the fullest possible use of the machinery, but they no longer are being asked to agree to transfer the machinery to the Government if it is not used in the manner agreed upon.

Sincerely,

CLAUDE R. WICKARD,
Secretary.

EXTENSION OF REMARKS

Mr. WOODRUFF of Michigan. Mr. Speaker I have two requests: First, I ask unanimous consent to extend my remarks and to include therein an editorial. Second I ask unanimous consent to proceed for 1 minute and to extend my remarks in the Appendix.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. WOODRUFF of Michigan addressed the House. His remarks appear in the Appendix.]

Mr. JENKINS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial from the Saturday Evening Post.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

THE GINSBURG COLONELCY

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my own remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HOFFMAN. Mr. Speaker, the gentleman from Virginia [Mr. FLANNAGAN] who just called attention to the newspaper announcement that David Ginsburg, under 30 years of age, a Felix Frankfurter protégé with the O. P. A., is to get a colonelcy in the Army and is to leave for London next Monday, should not be amazed by that news.

Interventionists, New Deal Federal employees, seem to be afforded safe jobs far from the front line fighting, while men from former isolationist territory do much of the fighting.

When the special investigating committee, headed by the gentleman from California [Mr. COSTELLO] moved to call in the O. P. A. and the War Department for a public explanation of claimed draft evasion by employees in their departments, it was announced that Ginsburg would be given a commission as colonel.

Some of us recall that not long ago Walter Reuther, who when in Russia sent back word to his comrades in Detroit to "Fight for a Soviet America," and who had much to do with strikes in Michigan was deferred, given a respite from active service and is now in a soft, safe, Federal berth.

More recently Joseph Curran, president of the Communist-controlled National Maritime Union, was given a draft deferment of 6 months. He, too, was one of the most insistent clamorers for a second front in Europe. He passed his draft board physical examination. The union to which he belongs has had not a little to do with strikes, yet when the call for actual fighting men goes out, Curran like Reuther, like Ginsburg, is deferred.

All too many of those who wanted this country to intervene in the European war now want someone else to do the fighting. When the call is made for fighting men they, like the woodchuck, which with the coming of the first frost, sneaks into a burrow and holes up for the winter, seek a safe hole into which they can crawl and from which they cheer on the men who do their fighting.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. I yield.

Mr. COX. This Ginsburg affair, in my opinion, is an insult to the patriotism of the fathers and mothers of this country who are giving their sons.

Mr. HOFFMAN. It is not any worse than the favoritism shown Walter Winchell who fights only with his mouth and vile slander.

HIGH-SCHOOL ATHLETICS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. WALTER. Mr. Speaker, on tomorrow representatives of some of the high schools of this Nation who are interested in preserving athletic programs during the coming season will endeavor to convince Mr. Eastman of the advisability of permitting school districts to use their own busses for the transportation of athletic teams to inter-scholastic contests. It has been the experience of those in charge of the training of aviators and aerial gunners that the best reservoir for these men are the high-school athletes. I trust every Member, if possible, will take it upon himself to get in touch with Mr. Eastman and suggest that the high schools be permitted to use their busses during the coming athletic season.

EXTENSION OF REMARKS

Mr. GILLIE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and wish to include therein a letter from the Honorable

Prentiss Brown, Administrator of the Office of Price Administration, with reference to the attitude of his agency toward price ceilings on livestock.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. GILLIE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. GILLIE addressed the House. His remarks appear in the Appendix.]

Mr. GILLIE. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I just made and include therein the letters and telegrams referred to.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. SCOTT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and to include therein an editorial from the Philadelphia Inquirer, of March 10, on very much needed aid to postal workers.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and to include therein certain excerpts from the Saturday Evening Post, an editorial on the Ruml plan.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. PLOESER. Mr. Speaker, I ask unanimous consent to address the House for 30 minutes on Tuesday next after the disposition of the legislative business of the day.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

THE NATIONAL RESOURCES PLANNING BOARD REPORT

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. RANKIN addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a resolution that was adopted by the Senate and the House Committees on Small Business.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF DEBT LIMIT

Mr. CLARK. Mr. Speaker, I call up House Resolution 149.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 1780) to increase the debt limit of the United States, and for other purposes, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking member of the Committee on Ways and Means, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit.

Mr. CLARK. Mr. Speaker, for the purpose of debate, I yield 30 minutes to the gentleman from New York [Mr. FISH].

Mr. Speaker, the adoption of this resolution will make in order a bill raising the limitation on the national debt, also the so-called Disney resolution dealing with the question of limitation of salaries.

Mr. Speaker, I now yield 7 minutes to the gentleman from Illinois [Mr. SABATH] for debate.

Mr. SABATH. Mr. Speaker, in compliance with the request of many Members, I feel it my duty to explain what rights the Members will have and what rights they will be deprived of under the rules when we take a vote on the Disney amendment.

Under the rules of the House that we have been and are operating under only one motion to recommit is permissible. This privilege of offering a motion to recommit goes to the minority. However, the minority seems to be in favor of the Disney amendment. The majority of the members of the Ways and Means Committee voted against the Disney amendment, and many Democrats consequently feel that they should have the right and privilege to have a record vote on the Disney amendment and that this right and privilege should not be denied them.

In view of that fact, I humbly endeavored to see whether an agreement could be brought about whereby two motions to recommit would be in order. This would not deny the minority of its right and would give the majority the same right that the minority enjoys—namely, the right to have a record vote on the Disney amendment.

Under the rule now being considered, the minority will offer the motion to recommit, but that motion will not include the Disney amendment. They will probably offer a motion to recommit to reduce the limitation from $210,000,000,000 to $209,000,000,000. This will deprive the majority of the right of having a record vote on the Disney amendment.

It is maintained that the committee will have the right to strike out the amendment in the Committee of the Whole, but many Members believe that there are numerous Members who would vote for the Disney amendment in the Committee of the Whole, where there is not a record vote, but would not vote that way in case there is a record vote. That is the reason I have been importuned, urged, and asked if something could be done to give the majority Members the privilege and the right to go on record on this important amendment.

Nothing has been accomplished or done in this direction and the matter will remain as it is now, the Members having the right to vote on the Disney amendment in committee, but will not have a record vote, which has been sought. Of course, there are many Members who are under the impression and have been led to believe that the President by issuing the Executive order on this proposition limiting incomes to $67,000 did that without authority. I will leave it to any Member or to any intelligent person who will read the act of 1942 whether the President was given the right and privilege to issue the Executive order. I know that any lawyer or any man who understands the situation will agree with me that that right has been given to the President in the act of 1942.

Mr. WOLCOTT. Will the gentleman yield?

Mr. SABATH. I have only 7 minutes, but I shall be happy to yield to the gentleman.

Mr. WOLCOTT. In view of the gentleman's statement, I wonder if he will point out in Public, No. 729, the act to which he refers, the language which gives the President the right to limit salaries and wages.

Mr. SABATH. Yes; I refer to section 4:

> The President may without regard to the limit, if he finds it necessary in any case to correct gross inequities and also aid in the effective prosecution of the war.

This refers also to the provision in the first part of the bill whereby the President may, except as otherwise provided in this act, thereafter provide for making adjustment with respect to prices, wages, and salaries.

Under that provision there is no question but what he has the right of doing that. But whether he has or not, this question is of great importance. I know that all those who desire fair play would like to have a record vote on the Disney amendment because there are many who disagree with that amendment, though they may disagree with the limitation that the President has placed on those who are receiving tremendous salaries.

Mr. MICHENER. Will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Michigan.

Mr. MICHENER. The gentleman has gone into an extensive explanation of this rule. As a matter of fact, this is an open rule. It permits consideration of this bill under the rules of the House, and it gives to the House the right to vote in the Committee and express its will, so that if the House wants to vote for any amendment it is untrammeled and may so vote.

Mr. SABATH. But the Members are deprived of a record vote. I agree with the gentleman, that the House is deprived of a record vote on the Disney amendment. The only thing that can be done now under the rule is to try to defeat the Disney amendment that should be defeated in the Committee of the Whole House on the state of the Union.

The SPEAKER. The gentleman has consumed 7 minutes.

Mr. SABATH. Mr. Speaker, in conclusion let me say that under the law now the wages of labor are frozen, but under the Disney amendment, if enacted, employers would be privileged to increase the salaries of their secretaries, confidential employees, clerks, or stenographers up to $67,200. The Disney amendment would further fix salaries as of December 7, 1941, notwithstanding that in 1940 and 1941 salaries were increased 100 to 200 percent. In my opinion, the Disney amendment protects war profiteers. Some gentlemen contend that the Executive order restricting incomes to $67,200 is objectionable. Yes; it is objectionable to those whose salaries have ranged from $100,000,000 to $500,000,000 annually. Therefore, I had hoped for a record vote on the Disney amendment and regret exceedingly that I have been unable to bring that about. Therefore, those Members who are not interested in war profiteers but in fair play to the masses should be on the floor of the House tomorrow when the House is in the Committee of the Whole to vote to strike out the unfair Disney amendment.

Mr. FISH. Mr. Speaker, I yield myself 6 minutes.

Mr. Speaker, this rule was adopted virtually unanimously to bring the pending bill before the House for consideration. I desire at this time to take just a few minutes to discuss the constitutional aspects of the situation, which involves probably the greatest constitutional issue that has been presented to the House in the last decade.

Everyone knows that for the last 10 years the House has been supinely delegating away its legislative powers to the Chief Executive. But last November there was a political revolution. On November 3, 1942, new Members of Congress were sent here with a mandate direct from the people to restore the legislative powers of Congress, to restore representative and constitutional government in the United States, to put an end to one-man and one-party government, and to stop the march to totalitarianism in our own country.

I want to discuss the intent of Congress, which was clear and manifest. The President, above all, knew the intent of Congress. On two different occasions the great revenue committees of the Congress, the Committee on Ways and Means of the House and the Committee on Finance of the Senate, refused to comply with the request of the President to set a ceiling on wages of $25,000 net. No one in the country can deny the intent of Congress. Yet, the day after the anti-inflation bill was passed, the President, in utter disregard of and in open violation of the intent of Congress, established a $25,000 net ceiling on salaries by directive.

That is the issue before the Congress. This new Congress has an opportunity today to make clear by its action that it will legislate according to the Constitution and meet every defiance of the Congress and of the Constitution, whether it is by the President or by the bureaucrats, and will restore government by law instead of by men or by directives.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield to the gentleman from Illinois.

Mr. SABATH. The bureaucrats have nothing to do with this. Will the gentleman read section 4 and that proviso, and then say that the President was not given the power to act as he has? I know he is not a friend of the President.

Mr. FISH. I may say to the gentleman I am quite familiar with that section. I do not believe that section gives any authority to the President to establish a blanket ceiling on salaries.

I desire to confine my remarks to one simple issue, the intent of the Congress of the United States that was clearly manifested by both committees of the Congress that deal with revenue matters, and far more important, the Committee on Ways and Means of the House of Representatives, which under the Constitution initiates all revenue bills. They refused to comply with the request of the President to establish a $25,000 net salary limitation. That was the intent of the Congress, and that intent was deliberately violated and disregarded by the President of the United States. That is the reason for this bill being before us. I hope the Members of Congress, out of regard for their own constitutional rights, will uphold the Committee on Ways and Means and the manifest intent of the Congress and vote for the Disney amendment and for the bill.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield to the gentleman from Montana.

Mr. O'CONNOR. Aside from the phase the gentleman is discussing, may I have the gentleman's views on this question? The President made an order apparently limiting salaries to $25,000 after the income tax is paid. I am wondering what the gentleman thinks about the faultiness of that order, which does not cover at all income from tax-exempt securities or from investments or profits.

Mr. FISH. Mr. Speaker, I do not want to get involved in any other issue than the constitutional one, and the intent of Congress, which was very clear throughout the last Congress; and that intent was deliberately violated by the President.

In conclusion, may I read to the House what the chairman of the Committee on Banking and Currency had to say when he appeared before the Committee on Rules asking for a rule on the anti-inflation bill.

I do not believe—

Said the gentleman from Alabama [Mr. STEAGALL]—

that the President of the United States would deliberately go against the clearly disclosed opinion of the Congress. This is a mandate and a guide for his action.

That statement was made by the gentleman from Alabama, Chairman STEAGALL, the spokesman for that bill in the House. He made it very clear that if the President should, by directive, set a $25,000 limitation he would be violating the intent and the mandate of the Congress of the United States.

I am in favor of the Disney amendment and the bill and hope that constitutional Democrats will support both.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. CLARK. Mr. Speaker, I yield 7 minutes to the gentleman from Georgia [Mr. COX].

Mr. COX. Mr. Speaker, may we not express our views frankly, but kindly, on the controversial question involved? The President, in promulgating this order, was probably endeavoring to give voice to public feeling on war profiteering and on equal contribution and sacrifice to the war effort.

In the President's letter to Chairman DOUGHTON, he gives a political twist to the argument in defense of the order which will make difficult support of the Disney proposal by those who are timid at heart.

In my opinion the order should be vacated for two main reasons: First, it is wholly without authority in law. Second, it violates the expressed and well-known intent of Congress. On the first proposition there may be room for honest difference of opinion, but on the second there can be none.

The Banking and Currency Committee expressly rejected the proposal to put a limitation on salaries in the original bill. The gentleman from Alabama [Mr. STEAGALL], the chairman of the committee, in his appearance before the Rules Committee, asking for a rule, stated that no such authority was carried in the bill and that no such power would be assumed by the President. He later repeated that statement here on the floor when the bill was under consideration. Virtually the same thing took place in the Senate.

The intent of Congress and Members' understanding of what the law meant was well known in executive circles; and if there was the purpose of giving the law a different meaning and of ignoring expressed congressional intent, then the duty lay somewhere of making disclosure of executive purpose before the law was adopted. Good government requires that the legislative and executive departments of government function upon the basis of mutual respect and confidence.

It is neither good government nor good practice to distort the meaning of words or phrases completely out of their accepted definitions and meanings in order to establish a doubtful basis for an even more doubtful exercise of an assumed power.

If the President or any other officer of the Government can arbitrarily raise wages and salaries, on the one hand, by whatever complicated methods that may be employed, and at the same time curtail salaries on the other hand, that official is wielding more power than is safe to be vested in any one individual.

If the President can exercise such arbitrary power in limiting salaries, he

could just as logically exercise the same sort of arbitrary power in saying where citizens can work, what work they shall do, what they shall receive for it, or whether they shall work at all. Again I say this is too much power to be vested in any one person.

This arbitrary act of establishing a salary limitation was not necessary because there are methods which are constitutional by which to cure any defects, to establish any equalization as between incomes. There is the taxing power, and that power has been exercised. It can be exercised still further and undoubtedly will. There is, however, a point of diminishing return beyond which we cannot go in taxation without defeating the objective desired. The power to tax is the power to destroy, and no individual ought ever to be allowed for a single moment to exercise such power. Since the power to tax is the power to destroy, it ought to be exercised only by this Congress under the close scrutiny of the people themselves.

The fact that only a few people are affected by this order makes no difference. It is the principle involved which concerns me. I am interested in the preservation of our free enterprise system which is under threat. If the order is wrong, it makes no difference whether it injures ditch diggers or coupon clippers; it makes no difference whether it injures or infringes the rights of mechanics or industrial managers. If it is wrong it ought to be vacated, and vacated now.

Equalization does not lie in limiting the opportunities for some, but it lies in expanding the opportunities for all. It is un-American to put a limitation on opportunity. It is un-American to destroy hope, individual initiative, and private enterprise. This is a principle underlying the Declaration of Independence, built into the foundation of the Constitution, and embedded in the Bill of Rights. If we permit it to be violated, we are headed for a form of government we do not want. The Congress wants and needs public confidence, but to enjoy public confidence, the Congress must justify it. This is an opportunity for the Congress to demand respect for high principle, evidence its devotion to the public welfare, and to defend and protect government by law.

Mr. FISH. Mr. Speaker, I yield 10 minutes to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, the proposal before us today is certainly nonpolitical and nonpartisan. My understanding is that it was reported out of the Committee on Ways and Means by a vote of 15 to 10. This of necessity means that at least 5 of the Members of the majority party supported the bill.

As far as the Rules Committee is concerned, and there has been something said about this rule, I would like to suggest that there the consideration of the bill was on a nonpartisan and nonpolitical basis. It is true that the chairman of the committee and possibly some others thought that perhaps some separate vote might be had on the so-called Disney amendment, but that view did not prevail in the committee. It has been already suggested why it did not prevail, but to me the best reason for being against such a special rule as that is that about every time we get a bill for consideration, it has some things in it that perhaps we do not like quite as well as we do some others. But under the general rules of the House, when the final vote comes, you do not have a chance to pick out the good apples from the bad apples, but you vote generally on the bill. Beyond that, as has been suggested, if the House, sitting in the Committee of the Whole, wants to strike out any part of this bill, then the House will support any amendment to do just that thing.

Our very lovable and amiable chairman of the Committee on Rules rather intimated that maybe some of our membership might be a little lacking in courage and might prefer to vote in the committee. I do not subscribe to that view. One might suggest that the vote in committee might more nearly reflect the real, honest attitude of the membership.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. Briefly.

Mr. SABATH. I do not know where the gentleman gets the idea of quoting me that part of the membership did not have the courage. I stated that they desired the opportunity to go on record, and that would not indicate they did not have the courage. They had the courage to vote, and wanted to go on record.

Mr. HALLECK. I am very happy to accept the correction, and I am glad that that statement of the chairman will appear in my remarks.

Mr. FORD. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. No. I would like to proceed with my statement. The fact of the matter is that the President on numerous occasions asked of Congress this sort of limitation, which was to be written in law, not in an Executive order. To my mind, asking that sort of legislation from Congress definitely recognized that the matter is a legislative problem, to be determined by the legislative branch and not by the executive branch. The commitees, in their wisdom, rejected those requests. Subsequently, in the fall of 1942, the Banking and Currency Committee reported out a bill as an amendment to the Price Control Act. That committee had specifically turned down an amendment to limit salaries to $25,000. The members of that committee came to the Rules Committee for a rule. At that time there had been suggestions that the Executive might seek to write the limitations that had been expressly turned down in Congress into some Executive order under alleged authority in that act. The question was specifically asked there whether or not the authority was included in the act, and it was definitely said there was no such authority, and that position maintained through all of the debates not only in this body but in the other body.

Now, when this bill was before the Rules Committee a few days ago, it was suggested, for the first time, that certain Members of this body and of the other body had definite, positive information that the Executive believed that the authority was contained in the act, and, what is more, that it would be exercised. I do not want to chastise anybody, but I say this, that if any Member of this body, or any other body, had that information, then there was upon him the duty to get up in the House, or in the other body, and give that information to the membership, particularly in view of the fact that all of the rest of us were going along on the proposition that there was no such authority in the act.

The chairman again suggested that any lawyer who would read the act of October 2, 1942, must recognize that the authority is in the act for this Executive order. I used to practice a little law before I came down here. Sometimes it has been suggested that I was making an honest living then. I have read this act forward and backward, and I can find no such authority. I would like to read a little of it to you.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. Briefly.

Mr. SABATH. I know the gentleman does not mean what he said, that formerly when he practiced law he made an honest living. That would leave an inference that he is not doing the same thing now—earning an honest living.

Mr. HALLECK. Of course, the gentleman knows that I was facetious in that statement. I am working harder now than I ever worked in my life.

If you will just bear with me, this act was an act providing for the issuing of a general order stabilizing prices, wages, and salaries. Now it is also provided that that stabilizing should be, as far as practicable, on the basis of levels which existed on September 15, 1942. I went to the trouble of looking in the dictionary to see what stabilizing means. It means to make stable, to make things fixed, as distinct from fluid, changing. What was the clear intent of that authority? It was to stabilize, to fix prices, wages, and salaries at the level that existed, so far as practicable. To violently reduce certain salaries under the general order first issued is clearly not stabilization at existing levels. Then it went on to say that thereafter, after you had made a general stabilizing order, the President might make exceptions to correct gross inequities, or to aid in the prosecution of the war. As the chairman of the Banking and Currency Committee said at the time before the Rules Committee, inequities have a general meaning in the mind of everybody, and a clear meaning in the law, and in his mind they did not contemplate any such authority as this.

Now, does the order of the President, as far as it applies to net incomes of $25,000, constitute a stabilization order? Does it fix salaries at the point where they were at a given level? Of course, it does not. Those that are above $25,000 net are brought down to $25,000 net, and certain of those that are below $25,000 net are permitted to increase to that figure. It is the exact antithesis of stabilization.

The gentleman from Tennessee [Mr. GORE], who will probably speak today, appeared before the Rules Committee in opposition to the Disney amendment, and referred to the proposal he had when we considered the first price-control bill, which was a definite over-all freezing of prices, wages, and salaries. He indicated his conviction that that still was a sound proposition. Then he went on to complain, however, that after we enacted the bill which we did enact—and it may be said I stood with him on his original proposal—that certain salaries away down below $25,000 net had come up in rather striking manner, and he pointed that out as a reason why, if you are going to stabilize wages and farm prices, you should do something about these salaries. My answer to that is that the limitation order entered by the President did not have the effect, by his own statement about it, of stabilizing those salaries or of fixing them. I also charge that under the authority given by the Congress in the act of 1942, the President had authority to stabilize salaries; to fix them. After fixing them he could correct gross inequities, but again I insist that did not authorize his order setting an arbitrary limit.

The SPEAKER pro tempore (Mr. PATMAN). The time of the gentleman from Indiana has expired.

Mr. FISH. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. HALLECK. The President had authority to fix these salaries and stabilize them, to prevent increases, if the President had so seen fit to do, which leads me, without rancor or bitterness, to inquire whether or not this limitation is for something other than the stabilizing of prices, salaries, and wages in the interest of controlling the cost of living.

Mr. GORE. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield briefly to the gentleman from Tennessee.

Mr. GORE. I wanted to point out to the gentleman that the examples of the outrageous salary increase which I pointed out before the Rules Committee were in effect at the end of the fiscal year, which was prior to the issuance of the Executive order of the President under the Price Control Act, of which the gentleman complains.

Mr. HALLECK. That may be true, although I did not get that from the gentleman's statement. But as a matter of fact, there is authority to stabilize salaries as the Congress intended, and if that construction of subparagraph 5, title 2, has not been invoked, then it is the fault of the President and not the fault of the Congress.

Mr. KNUTSON. Will the gentleman yield?

Mr. HALLECK. I yield to the gentleman briefly.

Mr. KNUTSON. Has it been brought out in the debate that if the President's order is to stand, the Treasury will lose $112,000,000? Under Mr. GEARHART'S proposal it will recapture the $112,000,000, and under the Disney proposal it will recapture about $20,000,000.

Mr. HALLECK. Those facts are in the report. It will probably be brought out in the debate.

Now, if you will bear with me, there have been too many cases where the clear intent of Congress in this 1942 act has been avoided. The construction of statutes, as any lawyer knows, is one of the most difficult jobs that anyone can run up against in the practice of the law. The courts are likewise up against it. As lawyers, we contend for our view of the construction; but in the old days the courts used to look for the letter and the spirit and the legislative intent and apply it accordingly. Not even the Chief Executive should distort language and flout clear intent in applying a statute.

The SPEAKER pro tempore. The time of the gentleman has again expired.

Mr. FISH. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. HALLECK. Corn ceiling prices were fixed in direct contravention of the statute. Now they say they are going to change it. Why? Because there was a vote of 78 to 2 in the other body to undo what they attempted to do by Executive order, in contravention of the statute, and the House is getting ready to act.

The same thing might be said of the direct provision that fair margins shall be permitted to processors of agricultural products. Members of the Small Business Committee know that the small packers of this country have been almost choked to death by executive disregard of the plain wording and intent of the Congress of the United States. I say it is high time that the Congress put an end to that kind of business.

The statute provides for doing away with inequities and aiding in the effective prosecution of the war. The Executive order says "to provide for greater equality in contributing to the war effort"—words used apart and different from the words of the statute itself.

As far as the limitation on earnings in wartime is concerned, I stand for an intensely graduated income tax, and for all other proper controls.

I do not think anyone ought to get rich out of this war. According to my view, the Ways and Means Committee with their tax bills and their renegotiation acts and all the other things, have been moving very definitely in the direction of seeing to it that people do not get rich out of this war effort. But when you clamp on a definite limit, does it not represent a radical departure from every American tradition to which we have subscribed? I never expect to get my salary or earnings up to these figures, but I am one of those who subscribes to the philosophy which holds that the incentive to get ahead is what has builded this great country. I am disturbed by another thing. That is, if you can fix salaries at $25,000, why not $10,000 or $5,000 or $3,000 or $2,000. I shudder to think of the political power inherent in a bidding of that sort. But in any event, if salaries are to be definitely limited, that is a matter for Congress to determine, and not for the Executive to determine. If such a limit is deemed desirable, then let the Congress make a fair and square determination. Let there be no subterfuge or Executive usurpation.

The SPEAKER pro tempore. The time of the gentleman from Indiana has again expired.

Mr. FISH. Mr. Speaker, I yield to the gentleman from South Dakota [Mr. CASE] as much time as he may desire.

Mr. CASE. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include a sentence from the committee report on the operation of renegotiation statute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. FISH. Mr. Speaker, I yield to the gentleman from New York [Mr. REED] such time as he may desire.

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix and to include an editorial.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. CLARK. Mr. Speaker, I yield 5 minutes to the gentleman from Virginia [Mr. SMITH].

Mr. SMITH of Virginia. Mr. Speaker, I favor the purposes of this bill. Whatever may be said about the technical language contained in the bill under which the President fixes the $25,000 limitation, whatever may be said about the interpretation of that language, the indisputable fact remains that both the House and the Senate were assured by the managers who handled the bill on the floor that the bill would contain no such provision and had no such ulterior purpose.

Mr. Speaker, I believe that the Congress of the United States should very jealously guard its constitutional prerogative, to be the exclusive legislative body for this Nation, and when anybody trespasses upon this jurisdiction, whether it be the President or the executive departments, Congress should lose no time in asserting its right and its jurisdiction.

I am disturbed about the language as it is used in this act; as I have said on other occasions on the floor of the House, the bill as it was written, is divided into two sections, one provides against lowering any salary as it existed at the time of Pearl Harbor; and the second clause is the one which I am fearful about. I will read it because it is just a brief sentence. It provides that the maximum shall not be fixed unless the amount, which after reduction by Federal income taxes thereon, would equal $25,000. That is what disturbs me about it. We have undertaken to fix wages of the man in overalls; we have undertaken to stabilize that in accordance with the Little Steel formula, so he cannot get a raise of over 15 percent. We have provided for ceilings over the prices at which farmers may sell their products. Now this second clause, unless I am mistaken in my construction of it—and I do not think I am—provides that any person making a salary, no matter how small, at the time

of Pearl Harbor, even if he were getting only $2,500 a year, could have that salary increased to $67,200 before the law would go into operation.

My friends, how are we going to defend a policy that will fix the Little Steel formula on the working man but as to the white-collared man, will fix no limitation until he gets $67,200 salary?

Mr. GORE. Will the gentleman yield?

Mr. SMITH of Virginia. I am sorry, my time is limited.

To my mind, we cannot defend that in debate; we cannot defend it with anyone. I do not know what the answer is. I have tried my hand at drafting an amendment. I am just bringing to the attention of the House that I think you will do yourselves and the country a great injustice if you undertake to fix a limitation on the wages of working men and then undertake to say to the other fellows their salaries can go up to the limit of $67,200 before the law will undertake to limit the salaries.

I yield back the balance of my time.

The SPEAKER. The time of the gentleman has expired.

Mr. FISH. Mr. Speaker, I yield the balance of my time to the gentleman from California [Mr. GEARHART].

The SPEAKER. The gentleman from California [Mr. GEARHART] is recognized for 9½ minutes.

Mr. GEARHART. Mr. Speaker, this to me is the most solemn day it has been mine to experience in my 9 years of service in this body. Today the Congress has the first opportunity to vindicate its constitutional prerogatives.

This bill to which the resolution under consideration refers is the first bill that offers to us the opportunity of reasserting the legislative functions which the Constitution reposes in the Congress. I fully realize that ingenious arguments will be advanced to lead one to the conclusion that the Price, Wage, and Salary Stabilization Act contains the power which the Executive exercised in the preparation and promulgation of the regulation limiting salaries to a fixed sum, the regulation which has been so offensive to the country, the regulation which flies in the face of the intent of this Congress, the intent which, if you please, has been so clearly expressed on so many occasions. To justify it, it will take ingenious arguments indeed, ingenious argument which will make it necessary to recall to our minds the happenings which are within our memories and to contemplate asserted events which no Members of this Congress except possibly one, who has declared himself, and two or three others whose names have been suppressed by the one of our colleagues whose course of action in his relation to us I cannot approve.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. GEARHART. I prefer not to yield until I have developed my argument.

I want to say as a practicing lawyer of some years of experience that there is nothing in this price-stabilization bill to sustain or support any such regulation as this. We have, therefore, a clear case before us of usurpation of the legislative authority, a usurpation which it is our solemn duty to immediately repudiate, a usurpation which we must immediately recall. This, Mr. Speaker, is our first opportunity to do that thing. This Congress, acting through every one of its legislative agencies that had anything to do with this anti-inflation program, did its utmost to make sure that the act we had under consideration would not be used to do the very selfsame thing that it was later used to accomplish.

This matter of a $25,000 limitation came before us in a most conspicuous way—in the form of a message from the President of the United States. That message, in accordance with the usages of Congress, was referred to the Ways and Means Committee, where it was given very serious and careful study, to be later unanimously rejected by that committee. Thereafter, as the revenue bill of last year came on this floor, not a word was said about the $25,000 limitation. It was passed by the House without anyone asking why the committee had not acted upon the Presidential message. Then the bill went to the Senate. The Presidential message was submitted to the Finance Committee of that body, which carefully and painstakingly investigated the propriety of the Presidential recommendation, and the Finance Committee thereupon laid it on the table without action. The revenue bill then came up for debate in the Senate on the floor, where not a word was said about failure to act on a limitation of $25,000. The Congress could not have expressed itself in its two Finance Committees more emphatically; the Congress could not have expressed itself more clearly upon the floor of each of its great legislative bodies. Thereafter the price, wage, and salary limitation bill came on for consideration. When that bill was before the Banking and Currency Committee of this House, Government witnesses who testified in support of the measure were interrogated searchingly, and each one of them gave it as his opinion that there was nothing in the bill which would permit the writing of a $25,000 salary limitation regulation.

One of the members of that committee, the genial gentleman who occupied the chair just a moment ago, the gentleman from Texas [Mr. PATMAN], a member of the committee, offered an amendment which would have imposed the $25,000 limitation which the President advocated, and the House Banking and Currency Committee voted that down by an almost 2 to 1 majority vote.

Thereafter the chairman of the committee, under a mandate from his committeemen so to do, appeared before the Rules Committee of this House and asked for a rule for the consideration of the price, wage, and salary limitation bill which his committee had reported.

In that room at that time there sat a member of the then House Banking and Currency Committee who had been present when the Patman amendment was voted down, who listened to the proceedings before the Rules Committee, listened to the testimony of his own chairman, did nothing to express a contrary view; he did nothing except to go over and whisper in the ear of one of the members of the Rules Committee that he did not share the chairman's views that there was no authority in that bill to justify a $25,000 salary limitation regulation; whereupon the gentleman from Georgia [Mr. COX], the member of the committee he addressed, interrogated the gentleman from Alabama [Mr. STEAGALL] in detail in reference to that.

I quote the exact testimony:

> Mr. COX. Can the President limit the salary of an individual to $25,000 net a year?
>
> Mr. STEAGALL. I do not think so.
>
> Mr. COX. Members on your committee (the House Banking and Currency Committee) contend that he can do that very thing.
>
> Mr. STEAGALL. I question that. I think the record will show that such is outside of the legislative intent; and I do not believe that the President of the United States would deliberately go against a clearly disclosed opinion of Congress. I cannot think that. I know that he has some men advising him with whom I do not agree and whose judgment I do not always approve; but I am not prepared to say that the President is going to do anything under this proposed measure except what he understands the Congress intends for him to do. This is a mandate and guide for his action.

Still one of our own Members who had a contrary opinion, who was a member of the committee of which the gentleman from Alabama [Mr. STEAGALL] is chairman, remained silent in the face of that statement.

The SPEAKER. The time of the gentleman has expired.

Mr. CLARK. Mr. Speaker, I yield 2 minutes to the gentleman from Mississippi [Mr. COLMER].

Mr. COLMER. Mr. Speaker, a moment ago I sought unsuccessfully to have the gentleman from California [Mr. GEARHART] yield to me for the purpose of obtaining his reaction to the proposition just raised by the gentleman from Virginia [Mr. SMITH]. And now I have requested this time to emphasize the apparent truth of the position taken by the gentleman from Virginia [Mr. SMITH]. In other words, under the provisions of section 4 of this bill a man who was making a salary of $3,000 per year at the time of Pearl Harbor might receive salary increases up to some $67,000, while the wage earner is limited under the so-called Little Steel formula to a 15 percent increase. And the farmer is likewise, by previous action of Congress under the price control bill, limited to an increase of 90 percent of parity. Now this just does not seem fair and does not make for uniform treatment of the American citizenship generally.

Mr. HALLECK. Will the gentleman yield?

Mr. COLMER. I will be glad to yield to the gentleman if I have time.

Mr. HALLECK. A reading of the 1942 Stabilization Act will disclose that there is complete authority in the President to stabilize salaries in compliance with the intent of the act, even to stabilize wages or to stabilize the prices of farm products, and that the situation to which the gentleman refers could very

properly under the legislative intent of this act be done as the gentleman thinks it should be done.

Mr. COOPER. It cannot be done under section 4 of this bill.

Mr. HALLECK. I recognize that, but section 4 does not repeal the 1942 act.

Mr. COLMER. Mr. Speaker, I do not agree with the statement of the gentleman from Indiana [Mr. HALLECK]. I am just as much alarmed by the socialistic tendencies of this whole proposition of doing away with the initiative and incentive to accumulate as any Member of this House. I am unalterably opposed to any attempt on the part of the President, or anyone else, to usurp the prerogatives of the Congress by Executive decree. I shall always be as zealous as anyone in guarding the trust reposed in the Members of the Congress to vigilantly guard against the encroachment of either the bureaucrats or the executive department to transgress upon those rights. But I do not feel that I could be a party to sharply curtailing the right, by legislative action, of the laboring classes and the farmers of this country—as well as all other classes—to reap the profit of their labors and at the same time to pick out the salaried class for preference. They should all be fed out of the same spoon.

Moreover, I have repeatedly stated from the floor of this House and in other public places that I do not believe that any man has the right to grow rich out of the sweat, tears, and blood expended in this war any more than a man has the right to strike against his Government.

Mr. Speaker, the whole question is one that should be handled by taxation.

The SPEAKER. The time of the gentleman has expired.

Mr. CLARK. Mr. Speaker, I yield 7 minutes to the gentleman from Tennessee [Mr. GORE].

Mr. GORE. Mr. Speaker, the question just propounded by the gentleman from Mississippi, I think, has been answered in the Executive order issued by the President under authority of the act. The thing of which the gentleman complains would be done by this proposal. Salaries are now regulated since the issuance of the order. They would be prohibited from being regulated until the income of a single man reached the level of $67,200 per annum and that of a married man even much higher by the Disney proposal.

Mr. Speaker, I want to first impress upon the Members the importance of this anti-inflation fight. I submit to you that all signs, as plain as guideposts, have from the beginning and do now point to a very long conflict and in my humble opinion, in the final analysis, it will be as much an endurance contest between the stability of the respective belligerent national economies as it is a conflict of military might. We cannot afford to allow things to run wild, we cannot take the chance of economic chaos here at home, we cannot run the risk of being defeated because of an internal crack-up.

Next, I want to impress upon the Members the importance to the whole picture of this question of salary regulation. Of course, I do not contend that exercising control over the relatively few people affected by this would be of as much material importance as it is of psychological importance. Coming back to the question asked by the gentleman from Mississippi, how can you expect this Government to hold the line against the surge of Nation-wide wage increases when we as a Congress prohibit any control of salaries until that of a single man reaches $67,500? How can we expect the farmers to be satisfied, the wage earners to be satisfied, with ceilings imposed by the Government?

We talk about incentive. Yes, I believe in incentives, it has made America great, but to the farmers in your district and to the wage earners in your district and the district of the gentleman from Indiana and the district of the gentleman from California, it must sound like empty rhetoric to talk about giving incentive to a man to the extent of $67,500 per annum, if he was up to that on December 7, when rigid control is imposed upon the laborers and the farmers. We ought to talk about American equality. That is a principle of the Constitution also.

I want to challenge the accuracy of the committee report, and let me read to you three leading sentences in the report. I do not know who wrote it. I have high respect for the Ways and Means Committee and I take it this arose out of a misunderstanding. Here are the three leading sentences in this report. I take it the gentleman from Oklahoma wrote the report. If he did, he did something in his bill which he did not intend to do, because listen to this:

> Section 4 puts a ceiling on salaries as of December 7, 1941.

There is nothing of the sort in the bill. Here is the next sentence:

> In addition, it provides that no salary raises which exceed $25,000 after taxes shall be permitted.

Mr. DISNEY. Will the gentleman yield?

Mr. GORE. I will yield if the gentleman will explain these sentences.

Mr. DISNEY. What is the matter?

Mr. GORE. I decline to yield if the gentleman cannot answer the question.

Mr. DISNEY. I did not say I could not answer it.

Mr. GORE. In addition the report says that no salary increases which exceed $25,000 after taxes shall be permitted. Again, Mr. Speaker, there is nothing in the bill of that kind. There is no limitation in the bill. It is only a restriction on the President. There is nothing affirmative in the bill. While the gentleman from California says this is a fine opportunity for the Congress to reassert itself, there is not an affirmative thing in the bill. All it does is restrict the President. The bill itself establishes no limitations on salaries. I submit to you that this report is misleading to the Congress.

Let me read another sentence:

> In other words, salary hikes above $25,000 net are prohibited.

There is no such prohibition in the act. If you need any refutation, I think I can give it in the language of the report itself in another section. I read:

> At the same time, the amendment recognizes the importance to the American way of life of preserving incentive by not proscribing salary increases where the salary is less than $25,000 after taxes.

I have read you conflicting sentences side by side in this report. I do not think the bill does what the gentleman from Oklahoma intended.

This whole proposal has been clothed in misrepresentation. It is stated that the President acted in violation of law. I submit to you that he did not. I submit to you that it has not been challenged in the courts of the lands, which are still open.

The SPEAKER. The time of the gentleman from Tennessee has expired.

Mr. CLARK. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. DISNEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 1780) to increase the debt limit of the United States, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 1780, with Mr. WOODRUM of Virginia in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

Mr. DISNEY. Mr. Chairman, I yield 5 minutes to the gentleman from Tennessee [Mr. GORE].

Mr. GORE. Mr. Chairman, the gentleman from Oklahoma is very kind to permit me to conclude the argument I was presenting a few moments ago.

I submit that under the terms of the bill there can be no question of the authority of the President to do what he did. As to whether or not Congress intended it, there might be debate. But, Mr. Chairman, the President is not a mind reader, neither is the Supreme Court of this land. The first thing to which the Supreme Court or anyone, to my mind, would look in determining the intent of Congress would be what Congress did.

The gentleman from California says a recommendation was referred to the Committee on Ways and Means and that that committee refused to act favorably on it. Subsequent to that, however, on September 7, the President again sent a message to Congress recommending a limitation. Following that, Congress acted. We passed the price-control bill of 1942, which contained the authority, in my humble opinion, and I submit to you that at the time of the passage of this bill, as referred to by the gentleman from California, I entertained the humble opinion that such authority was in the bill. I further entertained the opinion that it would be exercised.

Mr. DEWEY. Mr. Chairman, will the gentleman yield?

Mr. GORE. I yield to the gentleman from Illinois.

Mr. DEWEY. I know my friend and former colleague on the Committee on Banking and Currency, for whom I not only have a high respect but a deep affection, always wants to be fair in his statements.

Mr. GORE. I thank the gentleman.

Mr. DEWEY. The gentleman will recall, I am sure, how he and I put our heads together in connection with a certain bill that was then before the Committee on Banking and Currency, certain features of which we agreed were not in line with the President's request for stabilization.

Mr. GORE. The gentleman from Illinois proved himself to be a very able collaborator.

Mr. DEWEY. We had a very pleasant collaboration on both sides of the table, six Democrats and five Republicans getting together that evening to discuss the features of the bill. We wrote a new bill. I cannot recall that at that time there was any statement at all as far as this price-control bill that was ultimately passed having any reference to salaries is concerned; in fact, when we brought the matter before the Committee on Banking and Currency and it was being discussed before the committee, one of our colleagues, the gentleman from Texas, a member of the committee, offered some amendments that would permit the control of salaries.

Mr. GORE. Will the gentleman not use all of my time? I have only 5 minutes.

Mr. DEWEY. I will be as brief as I can, but I think in fairness I should make this statement, because the gentleman was there.

Mr. GORE. Will the gentleman let me complete my statement? My time is almost gone.

Mr. DEWEY. I will terminate in two words.

Mr. GORE. All right.

Mr. DEWEY. The gentleman will recall that the gentleman from Texas brought up at that time an amendment to control salaries and it was voted down. If I am not mistaken, I believe my colleague from Tennessee voted to reject that amendment.

Mr. GORE. The gentleman, as I remember it, is correct, and I voted against the amendment of the gentleman from Texas, but the gentleman will further recall that he had a rather ironclad agreement that those of us who were in support of the bill would oppose any amendment to it, and the gentleman will further recall that as we drafted this bill we had the same clause apply to wages, salaries, and prices, which was that in the event the President found the existence of gross inequity he had authority to make adjustments, and we thought——

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. GORE. Would the gentleman from Minnesota yield me a couple of minutes?

Mr. KNUTSON. Mr. Chairman, I yield the gentleman 2 minutes more.

Mr. GORE. In order that this question may be settled, at least in the minds of those who are not prejudiced in the matter, let me read part of the act. The first sentence is—

> That in order to aid in the effective prosecution of the war the President is authorized—

And, mark you—

> directed on or before January 1, 1942, to issue a general order stabilizing prices, wages, and salaries.

Now go to section 4 under which authority the President acted. We find that—

> He may, without regard to the limitations contained in clause 2, adjust wages and salaries to the extent that he—

Not us—

> that he (the President) finds necessary in any case, to correct gross inequities, and also aid in the effective prosecution of the war.

To whom is it left to determine what is a gross inequity? He, the President of the United States. Talk about Congress doing this thing by law! The gentleman from California [Mr. GEARHART] knows that I as one Member tried to do it by law, but we turned it over to the President, and you know and I know why.

Mr. GEARHART. Congress voted it down.

Mr. GORE. And if it were not out of disrespect for the Congress I would say that the intent was to get rid of a hot potato by turning it over to the President. And now, after he exercises it, we come and complain. I submit that as to the intent, we must first look to what we did. The first presumption is, in any court of the land, as to legislative intent, that the Congress or any legislature is presumed to have intended to do what it did do.

The CHAIRMAN. The time of the gentleman from Tennessee has again expired.

Mr. KNUTSON. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. GEARHART].

Mr. GEARHART. Mr. Chairman, we have just heard that ingenious argument that I told you was coming. There is no reason, no justification, for any such statutory interpretation. This stabilization acts puts the authority in the President to act under section 1, not under the proviso of section 4. The initial move must consist in selecting a date between January 1, 1942, and September 15, 1942, and upon that date stabilize wages or salaries or prices. That is the initial move that must be made by the Chief Executive under this act. That is the authority we conferred upon him, that and that alone. If it should afterward appear that gross inequities had resulted, then and in that event the President is given the authority to correct them. And here we have the unusual situation of the Executive ignoring the initial step, and jumping down to the relief provision and using that relief provision as the authority for his initial act, ignoring completely the mandate contained in section 1.

Miss SUMNER of Illinois. How can the President or any other man find a gross inequity when it does not exist?

Mr. GEARHART. And I ask in return, how can he assert gross inequities without any showing whatsoever?

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. GEARHART. Oh, I do not want to get into a discussion of the legal sufficiency of the bill. Let us leave that to later discussion. My time is too short.

Mr. O'CONNOR. I have a very high regard for the gentleman's opinion, and I would like to have his opinion on this point, because I think the gentleman is on sound ground now. Here is the thing which bothers me, this section 4. The President has already issued his order. I do not see that there is anything in the section to attempt to make it retroactive as to the act itself. If we do pass this bill, does it or does it not repeal the Executive order the President issued nearly a year ago?

Mr. GEARHART. I have profound respect for the gentleman's legal opinion, and if he feels that there is a defect there, I suggest that he prepare an amendment to correct it, but I do not want to discuss that phase at this time. I want to talk about other things.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. GEARHART. I must yield to my colleague on the committee, the gentleman from Tennessee.

Mr. COOPER. I am sure the gentleman will agree with me that section 4 of this bill does not repeal this Executive order.

Mr. GEARHART. As I said before, I do not want to discuss this. I want to address myself to another subject. I hope you will not divert me from matters I consider far more important. Formal defects, if they exist, are too easily corrected.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. GEARHART. Yes; I cannot refuse to yield to the able Representative from Indiana.

Mr. HALLECK. If this bill should become law and is in any way in contravention of the Executive order, is there any question as to which bill would take effect?

Mr. GEARHART. It certainly should be interpreted as another revelation of the intent of the Congress that the Chief Executive should not deal with this subject. We have done everything that we could do as legislators, as Members of the Congress of the United States. We have done everything, I repeat, to make manifest to the Chief Executive that we did not intend that he should use the stabilization act for the purpose he did use it for.

At this point I want to call attention again to the amazing, strange, the extraordinary performance that occurred before the Rules Committee just a few days ago, the Rules Committee, if you please, that brought in the rule that we had under consideration just a moment ago. There appeared then the gentleman from Tennessee [Mr. GORE] to tell us what? To reveal for the first time to any Member of Congress that he knew all along, that he knew all along, if you please, that the President was just wait-

ing, just waiting, just biding his time, when the bill would come to his desk so that he could seize upon it as a justification for putting into force and effect the very regulation against which we are today so vigorously protesting.

I have in my hands a transcript of the sworn testimony that he gave before the Rules Committee at that time.

Mr. GORE. Will the gentleman yield?

Mr. GEARHART. I am going to read it to you. I want you to hear it. Yes; I will yield, but I will yield after I read the testimony that you gave before the Rules Committee last week. This is it:

Mr. GORE. I knew it was going to be exercised. * * * The statement upon which I base my opinion was made to me in the presence of some very distinguished gentlemen who are Members of both the House and the Senate.

Mr. HALLECK then interjected to ask this question:

Was that statement made by an individual of consequence in the Government and do you think that those who heard it had good reason to rely upon it?

To which you, Mr. GORE, responded:

They are men in the Government whom I cannot quote.

If I understand proprieties, and I think I do, there is only one man in the Government of the United States that you cannot quote. That is the President of the United States. If that statement you made is to be accepted with all of its implications, you are not alone guilty of remaining silent when, in my opinion, you should have raised your voice. You mentioned two or three other important men of the House of Representatives and the Senate, who, like yourself, have remained silent when they should have put the Congress aright. Membership which was laboring under the opinion that it had clearly made evident to the Chief Executive the intent we entertained in respect to the Stabilization Act, that it should not be used for the purpose for which it was used.

I have a little more evidence to put before you that comes out of this highly offensive regulation to which I have just referred.

Mr. GORE. The gentleman promised to yield to me.

Mr. GEARHART. Very well, I will yield if you want me to yield.

Mr. GORE. This word "guilt" which the gentleman has used could be applied to those who were not diligent enough to read the plain language of the act. Further replying to the gentleman, he seemed to infer that I had not disclosed to any Member of the Congress the fact that I entertained that conviction at the time the bill was passed.

Mr. GEARHART. You disclosed it to the gentleman from Georgia [Mr. COX], and immediately Mr. Cox asked the chairman of your committee in your presence, right at that point, if he thought that the act could be used for that purpose, and your chairman replied in your presence that nothing like that was in the intent of the Banking and Currency Committee or the Congress or anybody interested in that bill, and you remained silent.

Mr. GORE. Will the gentleman yield further?

Mr. GEARHART. No; I have talked to you enough. I am going on with my speech. You have had your say.

Mr. GORE. Well, will the gentleman yield?

Mr. HOFFMAN. Mr. Chairman, the regular order.

Mr. GEARHART. Now, Mr. Chairman, I want to call attention to another matter. That regulation, prepared by and foisted upon and later promulgated by the Chief Executive after, it would seem, someone had been lying in ambush for the Congress of the United States, lying in wait for National Legislature, those who kept silent in face of the oft revealed intention of this Congress, revealed time and time again those who remained silent, until the regulation appeared. What came out in that regulation besides the $25,000 limitation? Let me read you a little quotation from this regulation that has aroused such indignation, only three lines, if you please:

Any determination of the Commissioner of Internal Revenue shall be final and shall not be subject to review by the tax court of the United States or by any civil proceeding.

That, Mr. Chairman, is a confession of those bureaucrats down at the bottom of the Hill who wrote this regulation, that they knew they were exceeding their authority. If not, why should they take the pains to close the doors of the courts to any outraged, victimized American citizen—close the doors, if you please, against Members of Congress who might desire to exercise their own individual right to go before the courts and point out that the regulation writers had exceeded their authority?

Now, gentlemen, I said this is the most solemn moment of my whole legislative career—the moment greatest of them all; and I am not forgetting the diabolical attempt that was made a few years ago to pack the Supreme Court and destroy the judicial branch of this Government. Today, here is a blatant, outrageous attempt, in all of its nakedness, to destroy the legislative power of the United States and to set up in this country a government by directive.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. DISNEY. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. FORD].

Mr. FORD. Mr. Chairman, we have just listened to a discussion that, in my judgment, was remarkable for having radiated much more partisan heat than economic light. I just want to say this: Let us assume for the sake of the argument, which I do not, that the Price Control Act of 1942 did not grant the authority under which the Executive order of the President was issued; and let us further assume that it was the clear intent of the Congress that no such $25,000 limitation should be enacted into law, then let me ask the eloquent gentleman from California and some of the splendid gentlemen on the Ways and Means Committee why did you bring in another bill containing that limitation which was simply jumping out of the frying pan into the fire, and not a repealer of the President's order? Now, just answer that.

Mr. DISNEY. Of course, you know in common sense and common reason that we cannot afford to put ourselves in that position and repeal the order straight out. This is a compromise in views, and that is the answer to that.

Mr. FORD. The intent of the Congress was that no such act should be put in the books. Instead of repealing it, you come in with a new limitation, and, just as I said before, which is the equivalent of jumping out of the frying pan into the fire.

Mr. GORE. Will the gentleman yield?

Mr. FORD. Yes.

Mr. GORE. Not only that, but it says "effective as of October 2," I believe; it goes back; it is retroactive, and it invalidates the actions of the President from the time of the issuance of the Executive order until now. It would forbid the President to circumscribe, limit, control, or prohibit the increase in salaries until they reach the level for a single person of $67,500 per annum.

Mr. FORD. It is always true that when a body is a little bit piqued—of course, "whom the gods would destroy they first make mad," and the Congress was piqued because the President issued an order, believing that he was exercising authority which they say he did not have, which a good many people think he does have, but leaving that aside, they were angry about that, and instead of asking that it be abolished and that the clear intent of the Congress be carried out, they came along with a substitute, a compromise, in fact an amendment hitchhiking on a bill remote from price, wage, or salary control.

Now, either the Congress wants the $25,000 limitation or it does not. I just want the gentlemen of the committee to answer that question when they vote. Do you want a $25,000 limitation under any consideration or any condition, or do you not?

Mr. O'CONNOR. Will the gentleman yield?

Mr. FORD. Yes.

Mr. O'CONNOR. Does the gentleman feel that voting either way on what they are trying to do would accomplish one thing or the other?

Mr. FORD. I think it would. As a matter of fact the Disney amendment has no place on this bill. Unless it is eliminated I cannot see how I can vote for the bill. If the amendment applied to all individual income it would possess a measure of equity, but limited to salaries, it leaves other income free except as affected by the regular tax schedules.

If Congress has changed its mind and now wants a $25,000 limitation on salaries and incomes the Ways and Means Committee should get busy and bring in such a bill and debate it solely on its merits.

The CHAIRMAN. The time of the gentleman has expired.

Mr. KNUTSON. I yield 10 minutes to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS. Mr. Chairman, as has been so ably stated here several times today the real issue is not how much we should raise the salaries and wages or how much we should reduce them. The real issue is whether the President had legal authority to issue an Executive order by which he could raise and lower salaries and wages. If he had no such authority it would then be our duty to take congressional notice of this fact, especially if he has raised and lowered salaries and wages. That he has lowered many salaries by reason of his Executive order there is no doubt. If he had no right to do it, and men have therefore been illegally deprived of salaries to which they are legally entitled, it is clearly our duty to do something about it.

The President claims that he had the right to do it by virtue of H. R. 7565 passed by Congress and approved by the President on October 2, 1942. He claims that he gets that right by virtue of section 4 of that act. Section 4 reads as follows:

SEC. 4. No action shall be taken under authority of this act with respect to wages or salaries (1) which is inconsistent with the provisions of the Fair Labor Standards Act of 1938, as amended, or the National Labor Relations Act, or (2) for the purpose of reducing the wages or salaries for any particular work below the highest wages or salaries paid therefor between January 1, and September 15, 1942: *Provided*, That the President may, without regard to the limitation contained in clause (2), adjust wages or salaries to the extent that he finds necessary in any case to correct gross inequities and also aid in the effective prosecution of the war.

I admit that from a loose interpretation of this language the President might be justified in attempting to lower salaries. To do so he would have to find that the word "adjust" as it appears in that section could be construed to mean "reduce." I think that he could not be justified in giving the word "adjust" any such interpretation under the circumstances because he is further bound to find that gross inequities exist and that his action would aid in the effective prosecution of the war. To do all these things he would be bound to consider each case upon its own merits and could not issue a blanket order as he did.

And there are many other facts surrounding the enactment of this law that are important. One of these that I think is very persuasive is the fact that in section 1 of this same law is language to the effect that all stabilization under this law should be on the basis that prevailed on September 15, 1942: In view of the fact that this section and the section that I have already referred to are all the provisions of law applicable in this case I am inserting that section:

That in order to aid in the effective prosecution of the war, the President is authorized and directed, on or before November 1, 1942, to issue a general order stabilizing prices, wages, and salaries, affecting the cost of living; and, except as otherwise provided in this act, such stabilization shall so far as practicable be on the basis of the levels which existed on September 15, 1942. The President may, except as otherwise provided in this act, thereafter provide for making adjustments with respect to prices, wages, and salaries, to the extent that he finds necessary to aid in the effective prosecution of the war or to correct gross inequities: *Provided*, That no common carrier or other public utility shall make any general increase in its rates or charges which were in effect on September 15, 1942, unless it first gives 30 days notice to the President, or such agency as he may designate, and consents to the timely intervention by such agency before the Federal, State, or municipal authority having jurisdiction to consider such increase.

As I heretofore stated it can be argued from the wording of the law that the President might have had some basis for a claim that he had authority to issue the order against which the people have righteously objected, but there are yet many collateral facts that convince any impartial person that the President acted unwisely and unlawfully. Let me give you a few of these facts. In the first place the President knew full well that the whole matter was clearly within the jurisdiction of Congress and was not within the jurisdiction of the Executive. As proof of this I need only to call your attention to the fact that on April 27, 1942, he sent a message to Congress asking Congress to pass such legislation. Anyone who knows how the President acts, knows that if the President had a right to take action without Congressional legislation he would surely do so and would pay no heed to Congress. He would not later send his man Paul before the Ways and Means Committee to beg that committee to take action. And he would not send another message to Congress after he knew that the Congress through its proper committees in the House and Senate had refused to comply with his request.

He also knew that when Congress was debating the bill that became the law now in question that both in the House and in the Senate the Democratic leaders having charge of the legislation gave unqualified assurance that the language contained in the bill would not permit the President to do exactly what he did do. In other words the President knew that the Congress voted overwhelmingly for a bill the language of which they had been assured was sufficient to prevent the President from doing what he later did. To say the least that showed an unfair spirit on the part of the President.

When the Congress realized that the President had done just what his party leaders assured could not be done, the Congress proceeded to repeal the legislation under which he was illegally proceeding. That was the only practical way to proceed.

The President issued his order on the 3d day of October, which indicated that he was ready to issue the order before he received the bill for signature.

At the very first opportunity steps were taken to repeal the law and thereby restore to the legislative body of the Government the prerogatives unlawfully usurped by the Executive.

This is the first chance the House has had to resent the usurpation of its authority and I am sure that under our oath to defend the Constitution, it is our duty to preserve the rights and duties that the Constitution enjoins upon us.

I repeat therefore that this is not a question of raising or lowering salaries, it is a question of whether one branch of our Government is going to defend the rights which the Constitution reposes in it and at the same time do its duty toward preserving our Government of laws or whether we are going to permit the Executive to work his will without regards to the Constitution or the Congress. Personally I am determined to do my duty and check the mad march of our Chief Executive toward dictatorship.

Now, let us see how this legislation came before Congress. In our discussions today we have only talked about one part of this bill before us. We have not discussed the manner of the coming of this bill before Congress. All you have heard discussed today is the $25,000 salary proposition.

There are two entirely separate matters contained in this bill: One is the matter of increasing the debt limit of the Nation and the other is the matter that I have been discussing.

Our distinguished chairman, the gentleman from North Carolina [Mr. DOUGHTON], introduced a bill in Congress which was referred to the Committee on Ways and Means. This bill sought to raise the debt limit from $125,000,000,000 to $210,000,000,000. Nobody is raising any question about it and I am the first person to even mention it today. That is a matter that the Democrats are not talking much about. Apparently they are not very proud of it. You all remember when we first began to raise the debt limit how we did strain to raise it to $35,000,000,000, and how we did grunt to raise it to $49,000,000,000, and how some of us almost had a fit when we had to raise it to $65,000,000,000, and how it finally went to $125,000,000,000, and now that it is going to $210,000,000,000 and nobody is saying a word about it. Some day we will look back and wonder what manner of people we were to have incurred such a tremendous debt.

When Mr. DOUGHTON's bill was being considered by the Ways and Means Committee, the Republican members decided that the bill should be amended to provide that the law under which the President was unlawfully proceeding should be amended so that there would be no further question about it.

There is no wonder that the distinguished gentleman from California [Mr. GEARHART] has today evidenced a lot of enthusiasm about this matter. It was he who first proposed the amendment that I have just referred to. He proposed that we amend the debt-limit bill that was then before us so that all the rights which the President was claiming under the salary-limit law should be restored to Congress, and should be amended accordingly. We knew very well when the price and wage control bill was passed that it was not the intention of Congress to give the President the right to issue the Executive order complained of.

We Republicans are a minority on the Ways and Means Committee; we have only 10 members while the Democrats have 15. It is a matter well known to all of you that a Republican is seldom

permitted to be the author of any important legislation from any of the important committees of the House. In pressing our matter we found that most of the Democrats on the committee were at least in favor of what we were trying to do; 5 of the 15 were willing to go along with us, but, of course, one of these 5 would naturally be given the authorship of the legislation. This honor went to the gentleman from Oklahoma [Mr. DISNEY], who gave to the matter the very splendid attention for which his great ability so ably equips him. The gentleman from Oklahoma [Mr. DISNEY] and his colleagues were not anxious to do or say anything that would in any way reflect on the President—the leader of their party—yet they were anxious to preserve to the Congress its constitutional rights.

In order to make it easy for them to come along with us, we Republicans agreed to this bill as it is before us today. We would have preferred to have gone further than this bill goes. We should have gone the limit necessary to take back to Congress all rights which the President took by his unlawful proceedings. But Mr. DISNEY and his coworkers desired to employ the language contained in the present bill. A compromise—which is the basis of most legislation—was effected. This bill that we are considering here today was prepared and introduced by Mr. DISNEY and reported out by the committee by a vote of 15 to 10. Only a few of these 10 gave any indication of being seriously opposed to the measure.

You will notice that so far today in these debates no member of the Ways and Means Committee has stood up to defend the President's action. And no member of the Democratic Party, but the gentleman from Tennessee [Mr. GORE], has stood up to defend the President's action and I think that the gentleman from Tennessee does not stand on very firm ground when he has admitted that he knew that the President would issue the order that he did issue, and that he knew it when the Congress was being given assurance that the law would bind the President. The gentleman from Tennessee should have disclosed his information at that time. He was remiss then, and now when he comes and tells us all about it we feel that he was not a worthy defender of this House of which he is a very capable Member.

Mr. Chairman, the legislation by virtue of which the President claims the authority to do what we complain about is historic legislation. You will remember that on September 7, 1942, the President sent a second message to Congress requesting legislation that would prevent anyone from drawing more than $25,000 salary. On that night he went on the radio and made his historic ultimatum to Congress to the effect that if Congress did not act before October 1, that he would act. As I remember it, the Congress was at that time on a short recess. Congress could have defied him, for the President has no power to direct the actions of Congress. But Congress resumed session and in an orderly way gave heed to the President's request. It was at that time that the law under consideration for amendment here today was prepared and passed. It was passed by Congress on October 2, and on October 3 the famous order against which the country complained so bitterly was issued.

This measure that comes to you this afternoon has been carefully prepared. If it were not well put together no doubt a point of order would have been raised to it. Do not be deceived by propaganda or by misleading statements. All this bill does is to correct a very serious usurpation of constitutional power. You who have spoken against Executive usurpation cannot be true to yourselves or true to your constituents if you fail to support this measure. This is the one instance where the Executive has invaded the jurisdiction of the legislative branch with what we lawyers say—malice aforethought—for he was thoroughly advised of all the facts.

When we have enacted into law the measure under consideration and if it seems desirable that we enact legislation to control high salaries as the gentleman from Tennessee seems to want done, let somebody introduce a bill to that effect. If we want to control salaries let us do it by law and not by Executive flat. We should not permit the Executive to do that which he has no right to do. If you will read the letter that the Executive wrote to the gentleman from North Carolina [Mr. DOUGHTON] after we in the Ways and Means Committee had voted down his proposal, you will be convinced that he is not very firm in his position. He is begging for a compromise. He says in effect, that if we will enact legislation that will confiscate all salaries above $25,000 that he will immediately rescind his order. No other President ever made such a request. When the President desired the confiscation of all salaries above $25,000 he went a long way toward the Communist platform of 1928. He wants now to deal with the legislative branch of the Government. But how could the Ways and Means Committee bind the Congress of the United States? How can we trade with the President? He knows he is on sinking sand, he knows he is in an untenable position and he wants to compromise with us. We must decline his offer. We cannot compromise our rights away. They belong to the people. Our duty is to vote for this legislation and thereby reestablish ourselves. Let us again be able to look the world in the face and say that the Congress is running its own business. When we want legislation to fix salaries, why not let Mr. DOUGHTON; our beloved and distinguished chairman, introduce such a bill, or why not the distinguished gentleman from Tennessee, capable and handsome as he is. Let him bring in the bill that he might prefer, and we will pass on it. Let us not permit the Executive do what the legislative branch should do.

Mr. GORE. Will the gentleman yield?

Mr. JENKINS. I yield to the gentleman from Tennessee.

Mr. GORE. I know the gentleman is a very fair, distinguished, and able Member of this House, and I am sure he will recall that is exactly what I did try to do, but this Congress would not do it and we turned it over to the President and gave him the authority to do it.

Mr. JENKINS. Yes, I remember what the gentleman from Tennessee tried to do, and he did his part very ably, but the Congress turned him down. The gentleman from Tennessee knows thoroughly well that the matter that we are now considering is a matter within the province of the legislative branch, and when the gentleman sat in that conference he told the Rules Committee what he should have told those in the conference: "I am on record. This is a legislative matter, this is not a matter we ought to decide here." He should not have sat in with those whom he knew were about to mislead the Congress. He should have stood up for the dignity and honor of the legislative branch of which he is a distinguished Member. He should have told them that this is a legislative matter and that he was going back to the legislative branch and fight it.

And now, my dear friend, if you will introduce such legislation as you think is necessary to do what you think should be done with reference to fixing salaries I think that you will get a lot of support from our side. Let us not legislate by Executive order, because we are the legislative branch. The Constitution places a tremendous responsibility on us, and we should not fail to assume and discharge that responsibility, even in the face of our Chief Executive. He should not invade our jurisdiction.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DISNEY. Mr. Chairman, I yield 5 minutes to the gentleman from Oklahoma [Mr. MONRONEY].

Mr. MONRONEY. Mr. Chairman, I find myself in a rather difficult position of opposing my very good friend and colleague the gentleman from Oklahoma [Mr. DISNEY] on this matter, but I, along with my dear friend the gentleman from Tennessee [Mr. GORE], have worked on inflation matters for some 2 years.

We made a fight on a principle here in the House a year before the administration came to it for the idea of an over-all wage and price-control bill. I make no apology for that position at which time we argued that if you freeze one you should freeze them all.

Stripped of all the high blood pressure that might be around today on whether the President did or did not exceed his Executive authority in issuing the $25,000 salary limitation, I think the House must consider today the effect of this bill on inflation, we must consider whether we are going to tear out from the center of the dam holding back inflation one of the stones that has been placed there to prevent a runaway spiral, not only of prices but of wages and of salaries. We cannot, we must not pass this legislation, because of resentment or because of prejudice or because of other reasons except sound basic logic.

I have been waiting for some member of the committee in his own time to

explain to me and give an answer to the gentleman from Virginia [Mr. SMITH], and his charge that this bill turned loose all salaries until they reached $67,200 per year gross.

SALARIES MAY HIT $67,200

I have tried to study the bill and I think I understand the English language. For the life of me I cannot see in the bill or in the report where any ceiling can be placed on any man who is on any pay roll in a salaried status at less than $67,200. I have tried my best to find it in the report. I looked in the hearings. But unfortunately there were no hearings on this inflation part of the measure, despite the fact that it deals with the very lifeblood of our war effort, whether or not we are going to be able to keep an ordered economy under the terrific impact of a condition of total war.

You all know the fight we made a long time ago to freeze wages and to freeze salaries. At that time it was charged that we were Fascists, that we were endeavoring to put around the necks of free Americans unconscionable restrictions, that were not necessary, and that were not compatible with the democratic way of life.

CONTROL MUST BE EQUAL

Time proved that only by controlling wages and salaries and prices, and that includes the prices of the farmer, into which goes his labor day after day, could inflation be controlled. Time also proved that one of the great things in inflation control is the freezing of the wages of the men who work in the factories, the men who are building the battleships, the planes, and the tanks. It was necessary to control their wages and prevent this disastrous inflationary spiral from getting started.

At the same time we gave the power to freeze wages, we also in the same language said that salaries should be frozen. I do not think any Member of the House would rise and say, "No, we must not touch salaries, we must not let them be frozen." To me, that is the major issue here today. Are we going to say here that the man who works in overalls by the hour—and according to the report they submit, that is their definition of wages, that if a man works by the hour he is working for a wage, but if he is on a monthly or yearly basis he is working for a salary—shall have his income frozen? This proposal would say that the man who is doing the hard work with his hands can expect no increase above the little steel formula but would say to the straw boss or the superintendent, to the bookkeepers, and to all the executives and their kinfolk that might be attached to the pay roll, "You can have your salary raised to $67,200 before we dare place a ceiling upon your income"?

CONGRESS WOULD REGRET ACTION

Stripped down, that is what I think is in the bill, and if we swallow this proposition without careful examination it will be an error this Congress will regret as long as we live.

Mr. GORE. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield to the gentleman from Tennessee.

Mr. GORE. If we do that, does not the gentleman share my opinion that it will break the back of the Government's resistance to the flood of demands for general, Nation-wide wage increases?

Mr. MONRONEY. Of course it will break the back of that resistance. The hardship provision placed in the bill was to take care of the hardship cases where adjustments had to be made, yet under this bill this mighty Congress would in its first adjustment take care of the hardships of those with $67,200 salaries and says to them, "That is too much of a hardship, we must take off that ceiling."

Mr. LYNCH. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield to the gentleman from New York.

Mr. LYNCH. When we were discussing the price-control bill in the Committee on Banking and Currency, were there not three things with which we were particularly concerned, the ceiling on prices, the ceiling on wages and salaries, and taking care of inflation by a taxation program?

Mr. MONRONEY. The gentleman is exactly correct.

Mr. LYNCH. If any one of those props is taken away from inflation control we are liable to have a spiral of rising prices.

Mr. MONRONEY. I thank the gentleman for his contribution.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield to the gentleman from Tennessee.

Mr. COOPER. As one who participated in all the consideration of this bill, as far as it was considered, may I say that the gentleman has placed exactly the correct construction on the application of section 4, which would simply mean that the coal miner who goes down and digs the coal would have a limitation placed on his wages but the salary of John L. Lewis could go to $67,200 before any restraint at all would be effective.

Mr. MONRONEY. I thank the gentleman.

I have tried to read this bill as carefully as I can. I have waited for some member of the committee to explain to me where there is any effective salary limitation in it.

The success of inflation control, disagreeable, tough, and at times inequitable to various persons and lines of endeavor, rests on equality of treatment under the law.

Yet, when we consider that without effective price control, we not only open the door to a chaotic condition in our economy but we can very easily double or treble the cost of the war that must be borne by future generations.

WOULD DOUBLE WAR COST

Break the dam that holds back inflation and the war could easily cost us not the two hundred and fifty billions we expect it to run but five hundred billions or possibly seven hundred and fifty billions.

This, I submit, would ruin not only the little people, the farmers, but in direct proportions to their holdings, the various individuals who now seek to avoid even the limitation of $67,200 per year on salaries.

There is a way to do this thing in a constitutional manner. I do not defend the manner in which the $25,000 net limitation was placed into the inflation picture by the President. The proper way is for the great Ways and Means Committee to bring in a tax bill that will effect the results that the American people want, that the American Legion asked for at the close of World War No. 1, that both the Democratic and Republican platforms asked for in 1924, namely, to take the profits out of war. Such a tax program has been asked numerous times by the Executive and by many in Congress. It is high time that the Ways and Means Committee acts to let the House vote on this real issue.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. DISNEY. Mr. Chairman, I yield 2 minutes to the gentleman from Tennessee [Mr. GORE].

Mr. GORE. Mr. Chairman, I know the distinguished, able, and courteous gentleman from California would not accuse me of being guilty of any recalcitrance in my duty to the House. I take these 2 minutes to reply briefly to him and to the distinguished gentleman from Ohio, who very kindly read me a very apropos lecture on the duties of a Congressman when in conference.

To recall briefly, when this question first became a national issue I entertained a very firm conviction that the only proper way to approach the problem of inflation control was an over-all bill applying restraints and ceilings on all segments of our economy straight across the board.

I have thoroughly disagreed with the approach of the administration to the problem. However, the proposition I advocated was voted down. Congress delegated to the executive branch of the Government authority—whatever authority was delegated at that time—to deal with the problem.

Several months later, in the last part of 1942, we had this question under consideration. The President then asked for over all control.

I dislike to refer to something I advocated, but I must in reply to this statement. In other words, I was vindicated, if I must say that in defense of myself. It was a ready-made opportunity for me to come before this Congress and say, "I told you so, I am vindicated. I want you to pass my original bill now." But I did not conceive that to be my duty. It was in my opinion too late to impose a rigid over-all ceiling by law. Things had gotten too far out of balance.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. KNUTSON. Mr. Chairman, I yield 5 minutes to the gentleman from Connecticut [Mr. COMPTON].

Mr. COMPTON. Mr. Chairman, in principle I am opposed to section 4 of this bill (H. R. 1780) that deals with the $25,000 salary limitation, because it temporizes with a situation that I had hoped the Congress had by this time found in-

tolerable; that is, continued Executive usurpation of legislative power. I hope to offer an amendment to section 4.

I realize that there is little likelihood that I, a new Member, can contribute anything important to the debate. I do not speak as a lawyer; in consequence I have no legal argument to present, but I, along with millions of other everyday citizens, have no need for such training to comprehend the danger to the country in the obvious attacks directed against the Congress—the one of the three great departments of government to which we can most readily appeal. It is not casual apprehension assumed here for partisan use, but a deep-seated fear as a citizen and a Member of Congress that I ask for a few minutes of your time this afternoon and raise my voice.

We, all of us throughout the country, have been crying for a second front in Europe, and now we have one clashing and crushing back and forth across northern Africa. Many of us in this House, the majority perhaps, and certainly millions in the country, have been crying for action against this danger on the home front, the never-ending assault on constitutional government.

But I hear of no real beginning of battle hereabouts in this Chamber, where the vanguard—the spearhead—of the crusade should have formed. Only a few sporadic shots, an outguard firing a warning rocket now and then like my own. How much longer, then, are we going to dilly-dally and wait? When are we going to form and take the field in earnest? Certainly the voters last November told us what to do and when. They ejected that minority in Congress that had brought this House to such a low state that it was publicly and properly known and stigmatized as a "rubber stamp" Congress.

For more than 5 years I have privately deplored and publicly denounced a condition in which Representatives of every district in the United States, regularly elected to Congress to make the laws and to reflect directly the opinions and wishes of the majority of the people, were made to appear supine and spineless, by a controlling minority of these Representatives, who lacked initiative and courage, and thus become subservient to and the servant of the executive department. They did nothing specific to forestall, forbid, prohibit, or even hinder a series of acts and edicts under claim of war emergency circumventing and supplanting the constitutional legislative functions of Congress. Their lack of action encouraged reiteration. It is no wonder, then, that with a boldness and assurance that sought to give the appearance of legality, these acts of assumption and abrogation continued. But a wise and discriminating electorate has called for a halt and directed an about-face. They sent us here. We, the revitalized and regenerated Congress, are alive to our obligations, as has been made evident from day to day. We have heard the commands to "fall in," and have begun to answer to our names. But when are we going to take the offensive on this home front? When are we going to really fire the first big gun? We know what our objective is. We have seen the New Deal's maps and plans. We have watched them infiltrate and swarm over the land. When will we set the operation in motion and move forward toward our objective and decisively begin to take back the ground occupied by those who undermine constitutional government?

It really brings tears to your eyes to read with what solicitude the Chief Executive wrote the other day regarding this $25,000 salary limitation. He explained it was to erase—and I quote—

> inequities that seriously affect the morale of soldiers and sailors, farmers and workers, imperiling efforts to stabilize wages and prices and thereby impairing the effective prosecution of the war.

What really imperils their morale is the fear engendered by the insistent attacks and the continuous assaults on the domain of Congress. Many of our men and women in the armed service wonder, and have asked, "Just what kind of government will we come home to?"

As a former soldier I yield to no man in my loyalty to the Commander in Chief of the armed forces, in any mission or duty he may require of me, or in any action he may take toward the success of our arms. In that resolution there is no division here nor in the country. That is the Commander in Chief's constitutional function. However, those acts of the Executive that vitiate and depreciate the duties of Congress—Congress, the general staff for the civilian front—under guise of whatever expediency or national emergency as a subterfuge or excuse, I shall vigorously criticize and actively oppose whenever possible.

I was glad to learn from the report of the committee meetings, that my distinguished colleague from California [Mr. GEARHART] was ready, and wanted to make a clear-cut fight to nullify outright the Executive order that illegally attempts to impose a $25,000 salary limitation. From this bill and its compromise, section 4, it appears he could not find sufficient support.

Why, Mr. Chairman, the viciousness of this type of government, by Executive decree and not by law, is not particularly in the fact that the order itself limited salaries to $25,000. How many of us make that much money before taxes, let alone after taxes? Certainly I do not, and I do not believe many of us here do.

But if the President, without specific authority by Congress, and even against the known wish of Congress, can pick out a small group of persons and place an arbitrary limit of $25,000 on their earnings, he can do the same to other groups—those making $20,000 or $10,000 or $5,000, or even $2,000—and thus equalize salaries and pay. That is socialism, pure and simple. Thus will die individual incentive and reward for competence—the pride and boast of American way of life.

Let us be direct. Is not the purpose of the salary limitation perfectly plain—not to raise revenue or curb inflation by taxation, but to further a program to redistribute the wealth of America by Executive decree and in contravention of the express will of Congress?

No, the object is not revenue—the figures show a loss—but it is "social reform," a phrase claimed as exclusive by some New Dealers and the altruism first invented by their "brain trust."

Among others this Executive order is a blow at the private enterprise system which is the foundation of our constitutional liberties. Our high production, high wages, leisure and national well-being are the result of invention, initiative, machinery, mechanical skill, managerial organization, all products of individual man.

The most disturbing factor is that by this continued flouting of the declared will of Congress the precedent has been set for the destruction of the legislative branch of our Government, and further invasion of the lawmaking field by decrees of the executive branch. One such invasion tolerated inevitably leads to another. Now bureau after bureau makes its own laws, promulgates them, and judges offenders. Does not this executive record show why there is lack of mutual trust, confidence, and respect for the executive department by Members of Congress and now by an ever-growing public?

Let me remind you that within a fortnight there was another sly New Deal method of bypassing Congress, in the Executive's directive making the 48-hour workweek.

Every day finds still another new directive from the Executive department that assumes to be a law for the duration or longer. The extended tenure of years in office has brought about appointment by the Chief Executive of a majority of the Supreme Court and a majority of all the Federal judges. Representatives in Congress owe their tenure in office to the people direct. All of us here want to preserve the rights of that office and perform the obligations election to that office entails. Unless we say "Stop" at every opportunity, this insidious infiltration will continue, until we become in fact and in toto a wholly occupied country, under the dictatorial rule of a totalitarian bureaucracy. Such an opportunity offers today by changing this amendment.

Mr. DISNEY. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. MCGRANERY].

Mr. MCGRANERY. Mr. Chairman, my good friend, the gentleman from Ohio [Mr. JENKINS] said a few moments ago that he did not believe anyone would rise to defend the action of the President of the United States other than the gentleman from Tennessee [Mr. GORE]. Far be it from me to defend the action of the President of the United States. It would appear to me that he can take fairly good care of himself. I do say that I agree with the President's action in invoking his Executive order, and I might read for the information of my good friends on the other side of

the aisle what their party had to say about this in its 1924 platform. The Republican Party in 1924 in convention assembled said this:

> We believe that in time of war the Nation should draft for its defense not only its citizens but also every resource which may contribute to success. The country demands that should the United States ever again be called upon to defend itself by arms the President be empowered to draft such material resources and such services as may be required, and to stabilize the prices of services and essential commodities whether utilized in actual warfare or private activity.

Mr. GEARHART. Mr. Chairman, will the gentleman yield?

Mr. McGRANERY. Oh, the gentleman will permit me to complete my statement. That is what the Republican Party thought following the last World War, when they had fresh in their minds the conditions of the boys that were returning home, their bodies mutilated and their future hopes dimmed. I do not think that the Republican Party as a whole has changed its opinion. I do not think that the Democratic Party has changed its mind about what it thought, because it likewise adopted a similar plank in the 1924 platform. My good Republican friends reiterated and adopted again in 1928 that same platform plank.

What is the purpose of this so-called Disney amendment? Why is this in a debt limit bill? My good friend the gentleman from Ohio [Mr. JENKINS] said we have a debt limit in this bill, and why do you not speak about that. Let me read the title of the bill:

> A bill to increase the debt limit of the United States, and for other purposes.

We have a debt-limit bill, which we all realize to be an absolutely important measure, one that is intended to embarrass the President of the United States to veto. We know the necessity of a debt-limit bill, and passing this bill here today is one that I think we in fact will regret for many reasons, not merely its inflationary tendency, but are we going to permit in these debt-limit bills that will come to us in the future the making of an omnibus bill similar to those passed in another body the last day of the session, and throw in the kitchen stove and everything else? I think in the interest of good legislation you cannot have a debt-limit bill and have something in there that refers to an emergency price-control act. We read much in the papers today about John L. Lewis and what he is going to ask for the miners next month. John L. Lewis has used some very strong language, but John L. Lewis will certainly have something to talk about if you here and now vote to send salaries, salaries if you please, because the Disney amendment does not limit salaries—if you vote to skyrocket salaries to $67,250 a year. I, for one, do not think we want to do that.

Mr. JENKINS. Mr. Chairman, the gentleman will admit that the Democratic and the Republican platforms indicate very clearly that all that should be done there should be done by legislative and not Executive act.

Mr. McGRANERY. Oh, I beg to differ with the gentleman. The language is clear, and the platforms clearly state on the contrary that the President of the United States be given the power necessary to do all this.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. McGRANERY. My time has expired.

Mr. GAVIN. I wish the gentleman would take 5 minutes to discuss the platform of 1938.

Mr. McGRANERY. If the gentleman will get me 5 minutes more I would be glad to do it.

Mr. KNUTSON. It would take an experienced criminal lawyer such as the gentleman from Pennsylvania to do that.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. KNUTSON. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. WOLCOTT].

Mr. WOLCOTT. Mr. Chairman, I quite agree with the gentleman from California [Mr. GEARHART] that this is probably one of the most important questions which has been before the Congress in recent years. In voting on this bill and amendments to the bill, we will determine once and for all whether Congress itself has abandoned all hope of restoring and maintaining a constitutional government in America. I cannot for the life of me see what the Ways and Means Committee, however, is doing with an amendment to the Price Control Act. The Banking and Currency Committee has on several occasions suggested that this matter be adjusted by taxation, and for the reason that we recognize that taxation is peculiarly a subject for discussion for the Ways and Means Committee, we shied away from it; but the matter is before us, and so we must discuss it in the light of what has gone on before, both in the Banking and Currency Committee and in the conference. You have heard the gentleman from California [Mr. GEARHART] review most ably the steps which were taken after the President's recommendation—the denial of this authorty by the Ways and Means Committee of the House, and the Finance Committee of the Senate. I want to add to that that within 48 hours before the Executive order of October 3 was given to the press, the conferees on Public Act No. 729, meeting in this building, deliberating upon whether the President should have the authority to limit salaries and wages, deliberately and specifically, we thought, provided that he should do no such thing.

If you will get a copy of Public No. 729, section 4, you will notice in the proviso this language, after stating that no salaries or wages—understand, we put salaries and wages in the same boat—"no salaries or wages shall be reduced below the highest salary and wage paid between January 1 and September 15, 1942," we provided that the President may, without regard to the limitations contained in clause 2, which I have just cited, adjust wages or salaries to the extent that he finds necessary in any case, to correct gross inequities, and also aid in the effective prosecution of the war.

The House had passed this act with a period after the words "gross inequities," and provided that the President might make adjustments if he found in any case a gross inequity. The Senate in its wisdom added the words "or aid in the effective prosecution of the war," which opened the door so wide that the President would have had an opportunity to do just what he did, limit salaries to $25,000 or $1,000. So after deliberation, having in mind that the Communist Party in 1928 had recommended in its program a $25,000 limitation, having in mind that in 1942 certain C. I. O. leaders had recommended a limitation of $25,000, having in mind that Mrs. Roosevelt had espoused the C. I. O. proposal in public statements, and after deliberating upon whether we wanted the President to have authority to do it or not, we deliberately changed the word "or" to "and also," with representatives of the executive branch sitting in that conference and knowing what was going on. The change was made to prevent the President from limiting salaries and wages which he did within 48 hours after this definite action had been taken. His representatives knew that such action had been taken. In consequence, no other conclusion can be reached than that the President acted in clear and open defiance of legislative intent.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. DISNEY. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. LYNCH].

Mr. LYNCH. Mr. Chairman, when the price-control bill came up I happened to be, at the time, a member of the Committee on Banking and Currency, before which committee the bill was heard. I agree with the remarks made by the gentleman from Oklahoma [Mr. MONRONEY] with respect to the effect that his bill will have upon lifting completely the ceiling on salaries.

In the course of the discussion before the Committee on Banking and Currency at that time we had the testimony of almost every expert to the effect that it would be necessary in the first place to place a ceiling on certain commodities. Later on it was determined that that ceiling would have to be spread, and finally it was determined there would have to be a ceiling on wages and salaries. I do not altogether agree with what has been done by the President, insofar as the manner in which the ceiling was placed upon high salaries, or rather how the high salaries were cut down to the net sum of $25,000, and yet I feel that if this bill were passed in its present form, the effect of its passage would be to lift completely the ceiling on the salaries that are now limited. In other words, there would be absolutely no ceiling on salaries for those who have not yet reached $65,000, but on the other hand you would have a ceiling on wages and prices.

Mr. O'CONNOR. Will the gentleman yield?

Mr. LYNCH. I yield for a question.

Mr. O'CONNOR. A great deal has been said that the President exceeded his authority in section 5. Section 5 of the original act says, "No employer shall pay and no employee shall receive wages or salaries in contravention of the regulations promulgated by the President of the United States." The Congress gave him authority right there in express language to do just exactly as he did do.

Mr. LYNCH. Now, that is not a question. It is rather a statement to which I shall not reply. As I say, I shall not go into the question as to whether or not the President followed the intent of the Congress.

Mr. ALLEN of Louisiana. Mr. Chairman, will the gentleman yield for a question?

Mr. LYNCH. I yield.

Mr. ALLEN of Louisiana. The gentleman has said something about salaries being stopped at $67,200. That has been mentioned several times. I am wondering if it is not true that a salary that was a half million dollars in 1941 may still go to half a million dollars under the Disney amendment?

Mr. LYNCH. There is no question about it.

Mr. WOODRUFF of Michigan. Mr. Chairman, will the gentleman yield?

Mr. LYNCH. I yield.

Mr. WOODRUFF of Michigan. And if that man with a half-million-dollar salary were to be reduced to $25,000, would that not to a very large extent penalize the Treasury receipts? In other words, if a gentleman were drawing $500,000 salary and under the law he should be cut to $25,000 from $500,000, the company very promptly would put him on the books at the limit, and the balance of his salary would go back into the treasury of the company, and the Government would lose all of the taxes that he would pay in the higher brackets where he had been before, and the Treasury would suffer a loss thereby?

Mr. LYNCH. There is no doubt that the Treasury suffers a loss as the regulation now stands, but the answer to that, I believe, is that we have our tax bills, and I think that if there is going to be an effort to keep salaries down they should be kept down, if necessary, through a tax program rather than by regulation, or rather than by even ordinary legislation.

Mr. WOODRUFF of Michigan. I agree entirely with the gentlemen.

Mr. LYNCH. However, we are faced with a reality and not a theory. The President, exercising a power he claims was granted him under the price-control law, has in effect cut salaries to $20,000 after the deduction of income taxes. This bill, while it seeks to remedy that situation, goes much farther and in fact pulls from under the anti-inflation barrier which we have tried to build up, one of the most important props. The passage of this bill means that the ceiling on salaries is virtually removed while the ceiling on wages remains.

You will note that if a person received a salary of $100,000 per annum on December 7, 1941, his salary cannot be cut below that amount, or below $25,000 after deduction for taxes.

On the other hand, it permits an unmarried person on a salary basis to go from his present salary—for example, $2,500 per annum—to $67,200 per annum. In effect, it takes away the ceiling on salaries almost completely, and permits salary raises to at least $67,200, while holding wages at fixed levels. It is obviously unfair to tell the wage earner in the factory and shipyard that his wages are frozen at definite levels, but no restraint is placed upon the salaries of the executives of his company. If we are to stem inflation by ceilings on wages, why should the ceiling on salaries be blown off by this bill?

Furthermore, this is a poor way to legislate and one that will lead to confusion. We saw what happened last week when a controversial amendment on absenteeism was tacked on the wholly noncontroversial Navy transportation bill. The same tactics are being used today in amending this bill to increase the debt limit of the United States, which has to do with amending the Second Liberty Bond Act and in the very same bill including an amendment to the Emergency Price Control Act of 1942. I intend to vote to strike out that portion of the bill, section 4, which would amend the Emergency Price Control Act of 1942. It is far better to have the high salaries regulated by Presidential order than to have no ceiling on salaries up to $67,200 while wages are frozen at their present levels.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. DISNEY. I yield 2 minutes to the gentleman from Pennsylvania [Mr. WRIGHT].

Mr. WRIGHT. Mr. Chairman——

Mr. GORE. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. Yes.

Mr. GORE. In answer to the question which the gentleman from Michigan raised about the Government losing money in this proposal, I want to read to him this statement, if the gentleman from Pennsylvania will permit.

Mr. WRIGHT. I have just 2 minutes.

Mr. GORE. Mr. Eugene Grace, director of the Bethlehem Steel Corporation, drew last year $537,724. Mind you, that is a corporation which is engaged in producing steel for the war, and the Government of the United States and the taxpayers of the United States are paying that salary through the orders for steel. It is a poor principle to me which would say we are losing money whereby we let 10 horses out of the stable to get 1 back.

Mr. HOFFMAN. Let me say to the gentleman that the Treasury Department reported that it would result in a loss of $110,000,000.

Mr. WRIGHT. I think about all I can say in the time I have left is that I do not intend to vote for any bill that is going to remove the ceiling on salaries and at the same time we have ceilings upon wages and prices. I do not think the people of America want it and I am not at all satisfied with the way it has been imposed by Executive order, but it is a choice now of two evils and I intend to vote against the bill.

The CHAIRMAN. The time of the gentleman has expired.

Mr. KNUTSON. Will the Chair inform the Committee how the time stands?

The CHAIRMAN. The gentleman from Minnesota has consumed 32 minutes; the gentleman from Oklahoma 30 minutes.

Mr. DISNEY. Mr. Chairman, the problem confronted here is government by directive as against government by law.

When one division of a republican form of government becomes too powerful, or when another abdicates its required constitutional powers, that disbalance ultimately resolves into the destruction of the whole plan of government.

If one branch of government construes or enforces laws passed by another branch adversely to the letter or the intendment of the statute, then it is not only the right but the duty of the other to assert its constitutional prerogative—not for itself, but for the protection of the individual rights of the citizen.

Congress, as representative of the people, has complete jurisdiction and authority of war powers in the United States under the Constitution, in times of peace as well as in war. The President cannot interfere with that authority.

The President is Commander in Chief of the Army and Navy in peace and in war. The Congress cannot interfere with that authority. He has no other war powers, per se. They must be delegated by Congress.

The President has absolute authority in the conduct of relations with foreign governments. The Congress cannot interfere with that authority except in the declaration of war and the ratification of treaties.

Section 4 of the bill is aimed at the specific instance of government by directive, commonly referred to as Executive Order No. 9250, the salary-stabilization order. A well-known Washington columnist, favorable to the administration, refers to the order in the following language:

> The President's order has only fragile support in law and is of little, if any, economic value in controlling inflation. It was adopted for moral and political reasons.

The pending bill has a twofold importance. It involves two different and distinct proposals. One relates to the price of victory. The other relates to the price of liberty. The first purpose is to increase the limit on our national debt from one hundred and twenty-five billions to two hundred and ten billions. Much as we may regret, we all recognize the necessity for the proposed increase. That is part of the price of victory. It avails nothing to argue with necessity. It offers no terms except the sultan's ultimatum: "Obedience or the bowstring."

In the second place the bill proposes to suspend the Executive order of the President which in effect reduces all salaries in excess of $25,000 a year down to that figure, and fixes that and freezes

them to that level. That was the freezing point. That order, your committee has concluded, was an exercise of legislative power, and not properly an exercise of the executive power. For better or for worse, the framers of our free institutions vested all legislative power in Congress. Congress is the trustee of all legislative power, and it is the highest duty of Congress to guard that trust, to guard it with that unremitting vigilance which is the price of liberty. It is the duty of Congress to challenge arbitrary power no matter when or where it may appear, no matter in what guise or disguise it may appear, no matter how benevolent the design, and no matter how much the objective may appeal either to our prejudices or to our ideologies.

Before us are the issues which are to be discussed and decided, and the underlying principles which should control our decision. It is sometimes necessary to point out the distinction between a nominal or apparent issue on the one hand, and the fundamental issue on the other. The issue which lies upon the surface of the present controversy is this: Should the Executive order of the President reducing and fixing salaries be continued or discontinued? But the real issue goes much deeper than that. The real issue is one of principle. It is one of power. It is this: Had the President power to issue the order in question? Had Congress authorized the President to issue such an order? Last but not least: Had Congress either the power or the right to delegate its legislative authority to the President?

We can by an historic example point out the distinction between an issue which appears upon the surface, and a fundamental principle underlying such an issue.

The tax on tea was one of the chief incidents which brought on the American Revolution. The tea tax was only 3 pence a pound. A mere trifle. The tax in itself was nothing, but the principle underlying the tax was everything. It rent the British Empire asunder. It brought on a deadly clash between two irreconcilable principles of government. The position of Parliament was expressed in the so-called Declaratory Act. It read as follows:

> Parliament had, hath, and of right ought to have, full power and authority to make laws and statutes of sufficient force and validity to bind the colonies and people of America, subjects of the Crown of Great Britain, in all cases whatsoever.

The Colonies could not but regard that as an assertion of arbitrary power. From their standpoint acquiescence meant slavery and chains.

The position of the Colonies was embodied in the declaration and the axiom that "Taxation without representation is tyranny."

These clashing principles brought on, as Seward said about slavery, an irrepressible conflict between two opposing and enduring forces.

The sons and daughters of the men who staged the Boston Tea Party, rather than pay a tax of 3 pence a pound on tea, are now paying without serious protest taxes as high as 90 percent on their personal incomes. Why? Because the tax is imposed by constitutional authority and not by arbitrary power.

The issue as to whether the Executive order in question should be continued or discontinued may be said to represent the tax on tea as such. But the issue as to whether the executive department can exercise powers which are vested in the legislative department alone goes to the very foundations of our constitutional system of government.

Under our system, the power to lay and collect taxes is vested in Congress alone. The President has no such power.

The House will forgive me if at this point I submit a few remarks which are elementary in character. The very first sentence in the Constitution of the United States contains this language:

> All legislative power herein granted shall be vested in a Congress.

Upon this point the Supreme Court of the United States has said:

> The Congress is not permitted to abdicate or to transfer to others the essential legislative functions with which it is thus vested.

The Constitution itself provides that Senators and Representatives shall be bound by oath to support the Constitution. Every Member of Congress takes a solemn oath to bear true faith and allegiance to the Constitution—not to the Republic; not to the United States; not to the President; but to the Constitution and to support and defend it against all enemies foreign and domestic.

Under that oath Congress could not, if it would, and I feel certain would not if it could, divest itself of the constitutional power to legislate, and delegate that power to the President. Upon that point the Supreme Court of the United States has said:

> That Congress cannot delegate legislative power to the President is a principle universally recognized as vital to the integrity and maintenance of the system of government ordained by the Constitution.

That case has never been overruled. That principle has never been modified. It is the law of the land. The framers of our Constitution "planned it that way." They knew that if the rights of the people were to be protected, the powers of the government must be divided and limited. They knew what all history teaches—that where the legislative, executive, and judicial powers, or any two of them, are combined or centralized in the same hands, arbitrary power is installed, and that tyranny will follow sooner or later, as the night follows the day.

The separation of powers is the very cornerstone of our system of free institutions. That principle found classic expression in article 30 of the Constitution of Massachusetts, adopted in 1780. The article was entitled "Separation of Executive, Judicial, and Legislative Departments." I quote, lest we forget:

> In the government of this commonwealth, the legislative department shall never exercise the executive and judicial powers of either of them; the executive shall never exercise the legislative and judicial powers, or either of them; the judicial shall never exercise the legislative and executive powers, or either of them; to the end it may be a government of laws and not of men.

To the end that it may be a government of laws and not of men; that was the great consideration. That was the end they sought. The separation of powers was the means which they adopted to accomplish that end. The statesmen of that day remembered what the statesmen of this day sometimes forget—that in the long run a government of men degenerates into despotism, as death follows life. Plato declared more than 2,000 years ago, that a benevolent despotism would be the ideal form of government if it could be made certain that you would always secure a benevolent despot, and if it could be certain that the benevolent despot would continue to be benevolent.

There's the rub. Benevolent despots are too few and too far between. As responsible legislators we must be guided by the lamp of experience; must be governed by the rule, not the exception. I am discussing principles, not persons. Indeed, what I say is impersonal.

Probably many, perhaps most, of the Members of the House would be as willing to delegate the legislative powers with which they have been entrusted, to the present President, as to any other. But man is mortal. The present President will not always occupy the White House. What about his successor? Would you be willing to delegate legislative power to his successor whom you now know not of? If not, do not establish a precedent now that will come back to plague your country in the future. Some day, some evil day, a President may come to power, one who does not believe in our American way of life as you and I believe in it; one who does not believe in the Constitution as adopted; who does not believe in our free institutions; one who would require Congress to enact legislation whether constitutional or not; one who would issue Executive orders which had not been authorized by the legislative department. Some day a President might come to power who does not believe in our economic system and who does not believe in free enterprise, in private initiative. Some day a President might come to power who was opposed to labor and to labor unions; opposed to collective bargaining; who would favor the farmer against the laborer; who would favor the laborer against the farmer; who would favor the gentile against the Jew, or the Jew against the gentile. Some day a President might come to power who did not agree with the Supreme Court that—

> The Constitution of the United States is a law for rulers and people, equally in war and in peace, and covers with the shield of its protection all classes of men, at all times, and under all circumstances. No doctrine involving more pernicious consequences was ever invented by the wit of man than that any of its provisions can be suspended during any of the great exigencies of government.

Let us not pull the cornerstone out from under the temple of our liberties. Let us see to it that the Constitution and our American way of life are preserved and not destroyed under the stress and

strain of war. Let us see to it that the Government which has made that way of life a reality shall not perish from the earth.

This order superimposes on this statute something that Congress neither meant nor said. Something Congress neither contemplated nor authorized. By fiat is added substance and procedure which Congress neither permitted nor intended to permit. There is added to the authorization Congress actually made, material substantive law by decree, not contemplated nor contained in Congress' act.

Used as a historic precedent, such procedure would permit any Executive to add to the definitely expressed will of the legislative department, any whim, caprice, or notion, good or bad, of the Executive or his advisers, with relation to any segment of the citizenship, with relation to their personal rights, with relation to their property rights.

Labor could feel the wrath of Executive edict, capital could be decapitated, races could be discriminated against, the shackles of tyranny placed on labor, criminal statutes added to innocent civil procedures—all by the process of superimposing the edict of the Executive upon the statutes of the Congress.

The issue as to whether the Executive order under discussion should be continued or discontinued really involves two questions: First, is the order valid? Second, is the order desirable? The former is a legal question; the latter is a fiscal, economic, and social question by turns. So far I have confined my remarks to the validity of the order. Because if it be invalid, the desirability of the order becomes a mere academic question. If the order be invalid, and is still deemed desirable, the legislative department alone, and not the executive department, has the authority to enact this revolutionary order into law.

But if it should be admitted that the order is valid, it does not follow that the order is desirable. Its desirability is by no means self-evident. Many Americans—I believe that most Americans—challenge the desirability of this Executive order. In spite of the stress and strain of war, most Americans still believe that America is and should be the land of the free; that it is and should be a land of opportunity. Most Americans still believe that the laborer is worthy of his hire; that the workman is worthy of his wage; that the toiler, whether with brain or brawn, is entitled to what he earns. Most Americans agree that unequal talents earn unequal rewards; that the man who earns 10 talents is entitled to 10 talents; that the man who earns 1 talent is entitled to 1 talent; that the man who earns no talent is entitled to less than the man who earns many—that the honey bee is entitled to more than the drone. Would we keep Henry Ford at the lathe and the forge? The watchword of the Marxian Communists is: Unto everyone according to his needs. The watchword of a democracy is: Unto everyone according to his deeds—according to his deserts.

There is one other point which bears upon the desirability of this salary-pegging order. I wish to call your attention to the peculiar character and consequence of this curious order. It is not a fiscal measure. It is not a tax measure. It is not a revenue measure. It lays no tax and it raises no revenue. On the other hand, if enforced it will lose the Treasury revenue. If this order is not fiscal, is it political? The demand for it cannot be found in any Republican platform. It cannot be be found in any Democratic platform. What is its genesis? Where can it be found? It is found in the national platform of the Communist Party in the campaign of 1928. And that reminds me that a certain variety of the cuckoo lays its eggs in other birds' nests—and allows the home bird to hatch out and hover the alien brood. If this order will not raise but will lose revenue what is its justification? What is its real objective? Is it akin to Huey Long's wealth-sharing crusade? Is its effect to abort our American system? I ask these questions. I do not answer them.

I think the questions themselves tend to disprove the desirability of this Executive order—of this, I will not say, confiscatory reform.

Mr. Chairman, I offered in the Ways and Means Committee that section of the pending bill which proposes to suspend the Executive order which reduces all salaries in excess of $25,000 a year down to that point. If adopted, this section will accomplish two things. It will restore, fix, and freeze all such salaries at the point where they stood when Pearl Harbor was attacked. It will prevent any increase in such salaries for the duration. It will also prevent any excessive salaries or bonuses which might otherwise be paid out of war contracts and out of war profits. It will prevent for the future certain scandals which have occurred in the past. On that score it will protect both the public and the Treasury.

No principle of law, no rule of construction, is better established than the rule that the will, the intent of Congress as embodied in legislation constitutes the law. I shall now undertake to prove by the record that when Congress passed the act of February 2, last, it did not intend to confer upon the President the power to issue and execute any such order as that reducing and fixing salaries. I will show by the record that the House did not intend to authorize such an order and that the Senate did not intend to authorize such an order. The act upon which the order is based, when properly construed, did not confer any such authority upon the President.

Section 4 places a ceiling on salaries as of December 7, 1941. In addition it provides that salary raises which exceed $25,000 after taxes shall not be permitted. In other words, salary raises above $25,000 net are prohibited and peacetime salaries are not reduced or confiscated as in the Executive order and in the regulations which resulted from that Executive order.

We cannot afford not to place a ceiling upon salaries when the whole tenor of the inflation bill has been to put a ceiling upon salaries and wages. We cannot take that inconsistent position. The majority of the Ways and Means Committee decided that that was the correct position to take, and in the committee, when a motion was made to repeal the President's Executive order retroactively, section 4 was offered as a substitute, following the conviction of the majority of the members of the committee, that we could not properly go before the House with a correction of the Executive order by direct repeal, but that a salary limit was the proper procedure for correction. The committee does not believe in the confiscation of salaries, large or small.

That is the history of section 4 in the committee. It is fair to say that several members of the committee in the discussion appeared to believe in the principle of section 4, but came to the conclusion that it did not properly belong in the bill to extend the debt limit.

The majority took the view, not only that the anti-inflation bill did not give the President the power to make the Executive order, but that if in effect the act gave color to the right to make the order, the Congress by express statements of its Members had emphatically defined its intention, and had construed the proviso involved, adverse to the right of the Chief Executive to make his now famous order.

There is no better initial statement of the meaning and purpose of this section than the summary given in the committee report on page 4:

Section 4 of the bill amends, retroactively, the act of October 2, 1942, entitled "An act to amend the Emergency Price Control Act of 1942, to aid in preventing inflation, and for other purposes" (known as the Anti-Inflation Act), so as to clarify the provisions of that act relating to ceilings on salaries. Section 4 adds a new subsection to section 5 of that act, providing that nothing in that or any other act should be held to authorize a limitation of annual salaries to a maximum amount less than (1) the rate of salary paid to the employee on December 7, 1941, or (2) the amount which after reduction of taxes thereon would equal $25,000, whichever is the greater.

CEILINGS ON SALARIES

Shortly stated, section 4 puts a ceiling on salaries as of December 7, 1941. In addition it provides that no salary raises, which exceed $25,000 after taxes, shall be permitted. In other words, salary hikes above $25,000 net are prohibited, and peacetime salaries are not reduced or confiscated.

Section 1 of the Anti-Inflation Act grants the President, subject to the limitations of section 3, general authority to establish ceilings on salaries and wages. Section 3 provides that no action should be taken for the purpose of reducing salaries or wages for any particular work below the highest level therefor between January 1 and September 15, 1942, but there was inserted a proviso to this limitation on the President's authority which states that the President may "without regard to the limitation contained in clause (2) adjust wages and salaries to the extent that he finds necessary in any case to correct gross inequities and also aid in the effective prosecution of the war."

The President, on October 3, 1942, issued an Executive order which, among other things, directed the Director of Economic Stabilization to promulgate regulations to limit the amount of salary which any individual might receive to an amount which after reduction by taxes thereon would equal

$25,000. Regulations to carry out this directive were issued by the Director of Economic Stabilization on October 27, 1942. In effect, these regulations reduced all salaries to $25,000 after taxes, and created what might be called a sub-peacetime limit. But wages were not reduced.

The issuance of the President's Executive order and of the regulations thereunder immediately gave rise to bitter controversy not only with respect to the fairness of the order and regulations, but also the Presidents authority under the law to issue it.

It is estimated by the staff for the Congressional Joint Committee on Internal Revenue Taxation that the loss in revenue under the Executive order is approximately $110,000,000.

The loss under section 4 is estimated at $90,000,000.

The proposal of this section 4 raises some of the deepest questions that will come before this House during the war; questions which, if we do not settle them intelligently at this stage, are sure to appear much more violently at a later stage in the war.

For that reason I hope this debate will analyze these deep issues carefully, and not attempt to gloss over them in a flag-waving bout about the boys in the trenches who have the first interest of all of us; and support of the President who has the respect and help of all of us.

Section 4 is, undeniably and deliberately, a pro-Congress bill. It is a clarification of a delegation of congressional power to the Executive which will compel a curtailment of Executive regulations already issued. It is intended to assert and protect the rights of Congress under the Constitution—the rights which the President himself so vehemently asserted in the controversy some few years ago over the relative powers of the Congress and the Supreme Court, when that tribunal set aside some acts of Congress.

But because it is a pro-Congress bill, it is not and it should not be construed to be an anti-President bill.

The Democratic members of the committee which reported out this section are 5 in number and supporters of the President who were consistently and reliably for him when that portion of the President's temporary following which advised him to create this situation were trading back and forth as to the price for their allegiance.

They will be Democrats—and defending him, I prophesy, long after that same opportunistic portion of his followers will be debating whether it is not more useful and profitable to themselves to trade their weight elsewhere.

They are Democrats and supporters of this President who, nevertheless, know by experience what can be done to a legal precedent unlimited in its implications when it is available for clever remanipulation by the advisers to some unknown successor to such a trusted President. Garfield expressed it thus:

> But what we do on this occasion will be quoted as a precedent hereafter, when other men with other purposes may desire to confer this power on another President for purposes that may not aid in securing public liberty and public peace.

They are Democrats and supporters of the President who remember the old saying of the sheep country, "Good fences make good neighbors," as well as another old saying, "A stitch in time saves nine."

They are Democrats and supporters of the President who remember that a tragic division between the Executive and the Congress lost a Democratic President his victory after the last World War, and who do not want the seed sown of legal differences of opinion between the Executive and Congress as to their respective powers under the Constitution.

They are Democrats and supporters of the President who want to keep the Congress and the President good neighbors, in war and in victory, by building now, in time, the good fences of clear understanding between the Congress and the President as to the use his advisers and administrators will make of powers granted to him; and as to a mutual standard of construction of powers of Congress which Congress by its own good will delegates to the President.

I consider that the first duty of an American to his country in this war is to do to the limit of his capacity the particular job which his orders give him to do. In the case of a Congressman, his orders are from the Constitution itself to be the best Member of Congress he can. The first duty of an American Congressman is to protect to the best of his ability the relationships between Congress and the Executive set up by the Constitution of the United States, which he is sworn to protect and preserve.

I am further convinced that a Democratic Congressman best serves a Democratic President in a period of confusion like the present by helping to keep clear the demarkation between the power of the Congress and the power of the President so that the President cannot be tempted on the advice of advisers who, facing problems inherently difficult of solution, always want him to take the method that makes things easiest for them personally, and press him to assume responsibilities and powers which are beyond the bounds given him by the Constitution and which will eventually land him in a morass of responsibilities which no President can successfully carry through.

I think that I and every Democrat who tries to help the President stay within the bounds of his constitutional powers and corresponding responsibilities are helping, not hurting the President in his magnificent effort to win the war, and through winning the war to preserve the American way of life as we have lived it and as we are determined to keep on living it.

To safeguard the future of that American way of life, we must remember that individual Congressmen and individual Presidents come and go. But we are fighting this war in the hope that the institution of the Congress of the United States, the institution of the Presidency of the United States, and the relations between them decreed by the Constitution of the United States, will go on forever.

Those relations are, for peculiar reasons in the history of this situation, tied up in the symbol of this salary problem. Therefore, I say that the manner in which the handling of this salary problem is worked out between the powers of the Congress and the powers of the Executive department, are just as important to the preservation of the American way of life as the substantive disposal of the salary problem itself.

Of course everyone agrees with the President's broad proposition that from the standpoint of national morale, after as well as during this war, we cannot afford the growth of a class of war millionaires like those who created so much disillusion after 1918.

All of us are going to see to it that that problem is faced so that for all substantial purposes it will be met. Congress has already seen to that. The departments must do their duty.

But everyone who thinks through how closely variations of individual income are linked to the whole structure of what we call the American way of life, approaches such a problem with the utmost caution. It is the kind of a situation in which some cures can be worse than the problem—the kind of situation in which we may easily find ourselves like the man who burned down the barn in order to roast a pig.

One solution, of course, is to recognize and accept as a kind of coup d'etat the President's solution as expressed in the Executive order—and have Congress leave the subject alone—a type of Congressional abdication by acquiescence.

That, I assert, the Congress cannot accept as a solution, because in the acceptance of such a coup d'etat the very independence of Congress is involved—the independence of an independent arm of government.

The other alternative is for Congress to find for itself a solution to the problem which substantively meets the points the President has raised, builds upon the experience gained by his experimental initiative, and modifies the substantive mistakes in the President's proposal as the voice of public criticism has revealed those mistakes in the last 6 months.

These things, I submit, section 4 as a substantive matter, accomplishes. It still leaves to the executive department the initiative in applying the details of a Congressional policy for the benefit of national morale. But it does set up, by law, certain limitations to his power in that regard—limitations which the criticism of the country has shown to be practical and to be necessary, as the country—i. e. your constituents and mine—has had its difficulties in adjusting itself to the original terms of the President's Executive order.

It is against this background and with this purpose of helping the President of the United States that I now want to go into the history of the relationships between the Executive and the Legislative power on this salary problem.

In this connection I cannot do better than quote directly from the findings of the Ways and Means Committee on this subject as set forth on pages 5 and 6 of the committee report on this bill:

> It is recalled that on April 27, 1942, the President transmitted to the Congress a message recommending legislation which, by imposing a supertax, would have the effect

of limiting all incomes, including salaries, to $25,000 after taxes; that responsible officials of the Department of the Treasury outlined to the Ways and Means Committee the manner in which such an objective could be achieved; and that your committee, after deliberation, determined not to follow the President's recommendation.

It is further recalled that on September 7, 1942, the same recommendation was made by the President in his anti-inflation message but was not acted upon by the Congress; that during the deliberations of the Committee on Banking and Currency in the House on the bill which became the Anti-Inflation Act, an amendment was proposed by Representative PATMAN to carry out this recommendation, and the amendment was rejected by the committee.

It is further recalled that Mr. STEAGALL, chairman of the Committee on Banking and Currency, who submitted the report of the Committee on Banking and Currency and was in charge of the bill during its consideration in the House, appeared before the Rules Committee for a special rule on the bill. Inquiries were directed to Mr. STEAGALL if the President could limit salaries to $25,000 a year under the bill. To this Mr. STEAGALL replied:

"I do not think so. * * * I think the record will show that such is outside of legislative intent; and I do not believe that the President of the United States would deliberately go against a clearly disclosed opinion of Congress. I cannot think that. * * * I am not prepared to say that the President is going to do anything under this proposed measure except what he understands the Congress intends him to do. This is a mandate and a guide for his action."

It will be recalled that in the debate in the House Chairman STEAGALL said:

"Gross inequities" are words that have well-established definitions not only in the dictionary but in the lawbooks, and this language carries a very definite guide to the President. This standard could not be disregarded without gross disregard of the expressed will of Congress.

In the other body a Senator inquired of the Member who was in charge of the anti-inflation bill:

I should like to have the opinion of the Senator regarding the use of the words "gross inequities."

To this the Member in charge of the bill replied:

We strove to find a phrase which would enable the President to stick as close as reasonably possible to the level of September 15, 1942. We wanted to confine him to allowing increases or decreases only in those cases where great injustice would otherwise be done.

From this chronology, your committee finds that in its judgment it was never the intent of the Congress in either of the anti-inflation bills to give the President authority to issue the Executive order of October 3, 1942, but it is evident that the intent of Congress was to the contrary.

And let us remember that while the Congress deemed the so-called authority to issue such order absolutely nonexistent, those promulgating the regulations on this salary question made violation of those regulations a crime against the laws of the United States by tying violation of the regulations into the penalties invoked for violation of the act itself.

It is common talk, and seemingly commonly accepted, that the salary limitations in the Executive order were forced upon the President as the trading price of certain groups who otherwise were unwilling to comply wholeheartedly with his requests upon them for cooperation in the war effort, and that he needed their cooperation so badly that, balancing all factors, he may wisely have felt that he had no choice but to agree to attempt in good faith to comply with their demands.

In such case you would expect him, by everything we know about him, to keep his word, and in good faith go through to the utmost with such a plan.

Faced with the same alternatives, you or I, as President, put on the spot at a given moment, might have felt compelled to make the same concession.

Upon none of us, however, as Congressmen, rests any similar obligation. We are under no duty to the President, or to the groups who forced his hand, if they did force his hand, to ratify or to acquiesce in either a curtailment of the powers of Congress, or an economic policy of class warfare which we think is fundamentally unsound.

And upon those of us who count ourselves as personal supporters of the President, if we suspect that the President's hand was so forced, then there exists a duty not to back him up in a situation forced upon him, but to back him up by taking him off a spot by refusing to go along with the concession forced upon him.

Perhaps we might be doing the Chief Executive a service by refusing, in our independent power, to approve a yielding which may have been regretted when it was made, even while it was being accepted as inescapable.

This great and fundamental issue of the division of powers between the executive and the legislative branches is the only issue here today. We should not abandon it. It should be our lode-star in this debate. The incidental and irrelevant issues presented fade into insignificance. But if it is necessary to answer some of the claims and side-issues that are bruited about, let us look into them cursorily.

The well-known Washington columnist, to whom I have referred, opposes section 4, but his reasoning is curious and some of his language is interesting. He says:

The President's order has only fragile support in law and is of little, if any, economic value in controlling inflation. It was adopted for moral and political reasons, in the belief that it was unjust or impracticable to hold ceilings on wages without imposing ceilings on salaries and income from other sources.

But, after this statement, he concludes that section 4 would be a body blow to inflation control. Such admissions far out-balance the criticisms. If the order has only fragile support in law and is of little, if any, value in controlling inflation, and if it was adopted for moral and political reasons, then the arguments and the claims that the Executive order's correction must be sound. Anything in an act that has only fragile support in law, and little, if any, value in controlling inflation should be corrected, made legal if illegal, and the judges of the moral and political reasons are the representatives of the people, who write the laws. I shall refer further to the matter of the effect of section 4 on inflation control, but at this point, I state it flatly that the correction made in section 4 carries little, if any, danger to inflation control because that is not what is involved.

This hue and cry about inflation control is a smoke screen drawn up to hide the illegality of the order and the flagrant violation of the intent of Congress in the promulgation of the order.

This whole thing is monstrous, when we consider the welfare of the average American citizen and the way this trifles with his rights and his liberties. Listen to section 11 of the act from which this Executive order was promulgated:

Any individual, corporation, partnership, or association willfully violating any provision of this act, or of any regulation promulgated thereunder, shall, upon conviction thereof, be subject to a fine of not more than $1,000, or to imprisonment for not more than 1 year, or to both such fine and imprisonment.

A violation of this act or any regulation thereunder becomes a crime.

Would this not require the Chief Executive to be most meticulous in the promulgation of an order that makes an American citizen a criminal in its violation? The President in his letter to Chairman DOUGHTON stated that the Attorney General had attested the legality of the Executive order. The Attorney General has furnished a copy of his opinion. It reads:

OCTOBER 3, 1942.

The PRESIDENT,
The White House.

MY DEAR MR. PRESIDENT: I have examined the proposed Executive order "Providing for the stabilizing of the national economy" submitted to me today. It has my approval as to form and legality.

Sincerely yours,

FRANCIS BIDDLE,
Attorney General.

This is one of the great legal opinions of all time!

Now, I appeal to you as lawyers and judges. The proviso upon which the President's authority rests reads:

He may—

without regard to the limitation contained in clause (2) adjust wages and salaries to the extent that he finds necessary in any case to correct gross inequities and also aid in the effective prosecution of the war.

This issue had been presented to the Congress and several times it had been rejected. If there are those who claim this language gives the President such authority, they were very quiet about it at the time of the passage of the bill. A reasonable reading of this proviso does not admit of such construction. The most controlling evidences in the construction of statutes are the reports, the debates, the hearings of the legislative bodies. Not a Representative of the Congress of the United States, not a Senator of the United States, in debate, ever contended that this language gave the President such authority. If they believed it to be true, it was their duty, in common fairness to their colleagues, to make their opinions and information known at the time of the debates on the bill.

The courts particularly take into consideration in the construction of the statutes statements made by the legislators who have studied the bill in question and who were spokesmen for the bill on the floor of Congress. What stronger use of the English language can be made than that of Mr. STEAGALL, the author of the bill, chairman of the committee from whence it came, the Member who was in charge of the bill on the floor of the House, looked upon by the House of Representatives as an authority on the subject, and depended upon by the House for advice as to the meaning of the bill.

Further recall his language before the Rules Committee when this direct issue was raised. Nobody can doubt Mr. STEAGALL's good faith. His is the language of a man in deadly earnest.

But we do not have to stop there. When the bill went to the Senate, as the record shows, and issue was joined on the floor of the Senate regarding the construction of the proviso under consideration, Members of that body were interested and made numerous inquiries. They were given solemn assurances by the Member in charge of the bill that the proviso did not provide authority for the President's ensuing Executive order.

I submit to the Members of the House as lawyers and thinkers, the construction placed by the Member in charge in the Senate was the reasonable, legal, proper, and sensible construction and that that construction did not admit of the promulgation of the Executive order. He was legally correct when he stated that the committee wanted to confine the Executive to allowing increases or decreases only in those cases where great injustice would otherwise be done. He had in mind no blanket order to be issued. He had in mind specific cases where great injustice would be done. This language necessarily implies that this Senator presumed that such specific cases existed and that correction could be made. Not by the farthest stretch of the imagination can one believe that he contemplated the power exercised in the Executive order.

Here, let me emphasize: The Rules Committee was satisfied with Chairman STEAGALL's explanation. The House was satisfied with Chairman STEAGALL's explanation and his construction of the proviso. His statements are as much a part of this law as the language of the bill itself; for it must be construed from them. The Senate was satisfied with Senator Brown's construction of the section after the most searching inquiries—and the proffered amendments were not voted.

So, we find that the chairman of the Banking and Currency Committee, construed it, the Rules Committee construed it, the House construed it. The Senate Member in charge of the bill construed it and the Senate construed it, but we have no written opinion from the Attorney General which approaches the dignity of what is known as a legal discussion of this controverted issue.

REGULATIONS CONCLUSIVE—NO APPEAL

All down the Anglo-Saxon history the people have been fearful of their right to appeal to their courts for redress. We as their representatives should respect and maintain those rights of the people. That is not only our prerogative, but our positive constitutional duty. If America is bankrupt of tough-minded men in her Congress, then we are witnessing the destruction of the Republic. How far afield we have gone is most graphically illustrated in this excerpt from the section of the regulations under the President's Executive order dealing with the Salary Stabilization Unit:

> Any such determination of the Commissioner is final and not subject to review by the tax court of the United States or by any court in any civil proceedings. Nothing herein is intended, however, to deny the right of any employer or employee to contest in the tax court of the United States or in any court of competent jurisdiction the validity of (1) any provision of these regulations, on the ground such provision is not authorized by law, or (2) any action taken or determination made under these regulations, on the ground that such action or determination is not authorized, or has not been taken or made in a manner required by law.

And that determination to punish by directive and to give regulations the force in effect of law continues in the regulations. It blooms and flowers in the section entitled Criminal Penalties on page 18 of the Salary Stabilization Unit regulations, which reads as follows:

> Section 5 (a) of the act provides in substance that no employer shall pay, and no employee shall receive, any salaries in contravention of the regulations promulgated by the President under the act. Section II of the act provides that any person, whether an employer or employee, who willfully violates any provision of the act or of any regulations promulgated thereunder, shall be subject, upon conviction, to a fine of not more than $1,000, or to imprisonment for not more than 1 year, or to both such fine and imprisonment.

Verily, verily, contravention of the regulations promulgated by the President under the act are to be avoided like the pestilence that walketh at noonday—and that here in America! A criminal penalty for the violation of a regulation which has not one vestige of authority in law, not one assent of Congress! A regulation, which according to Mr. Lindley, "has only fragile support in law and has little, if any, economic value in controling inflation." A regulation adopted for morale and political reasons!

OTHER PENALTIES

The provisions of the regulations which become effective if an examining agent of the Bureau of Internal Revenue disagrees with the interpretation of the facts made by the employer provide exceedingly high penalties. In the example of a newly appointed head of a department, he had received $6,000 a year. If the revenue agent determines that this man is not actually the head of the sales department—and such decisions may be made by any examining agent—that the decision with respect to the facts cannot be challenged. As a result of such a decision, the employer is in violation of the Presidential Executive order and of the regulations issued thereunder. As a result of this violation, the entire salary paid is lost as a "necessary business expense" and the employer, in addition to having already paid the $6,000 and deducted it from his gross income finds that this $6,000 is placed in the top bracket of taxable income. The excess profits tax on this $6,000 is $5,400. The salesman who received this salary has paid a tax of about $992. Disallowance of this salary raise, therefore, has resulted in the Government receiving $6,392 in taxes. If you remember that there is a $1,000 fine on the employer for having violated the regulations, the total cost to the employer for doing what he considered proper is $12,400. There is the $6,000 salary, which has been paid, $5,400 taxes, and the $1,000 fine. Of course, the employer making the payment to the new head of the department is likewise susceptible to spending a year in jail. In my opinion, that is too high a penalty to exact for a difference of opinion between the examining agent and the employer as to whether or not this man is entitled to be paid as are all other employees in the same class of service.

And under the regulations, the decisions of fact are conclusive. The only appeal is on the law.

The argument about inflation is a smoke screen to defeat the correction of the Executive's overstepping of power; this superimposing of a regulation over, above, and in addition to the letter and intent of the law. This argument should be brushed aside.

But I reassert that there exists controls so powerful that the inflation threat cannot possibly be a factor under section 4.

First. Ordinary business acumen would prevent the undue raising of salaries. Businessmen know this war is going to end some time, and they do not want to be confronted with high salaries when hard times come. Sound business methods require it. It is being practiced every day all over the land. We must remember that the National Labor Relations Board was established because of the claim employers would not raise salaries or pay sufficient salaries. The labor relations law was designed to compel them to raise salaries. They have resisted the urge to raise wages and salaries. But the Executive order requires them to go hat in hand to the stabilization unit for raises in some instances, and they are afraid to make raises in wages in others without consent of that unit. The whole thing is a hodge-podge that Congress never intended and never passed into law.

Second. The renegotiation law is so stringent, so broad, so far reaching, that, as the committee report states, it gives the power of life or death to the company with a Government contract, and most contracts now relate to Government business. The renegotiation law does not stop with the prime contractor but goes through to the subcontractor. Renegotiation goes into every element of every contract, including salaries.

Third. Treasury Decision 5000 gives the Treasury the most ample authority to deduct unreasonable salary raises and what constitute unreasonable wages. The Department has its remedy which

is explained in detail in the report, by the deduction from business expenses of the unreasonable salary and the levying of taxes on the salary itself.

These controls are real, they are not imaginary as any company which is being renegotiated by the Army, the Navy, the Maritime Commission, or the Treasury can testify.

But the control does not stop there.

In addition to the above-mentioned controls, there is the control which the Secretaries of the Armed Services can exert over contractors pursuant to the provisions of TD–5000 of the Internal Revenue Code which provide for the recapture of excessive profits on contracts for naval vessels and Army and Navy aircraft, and which includes all subcontractors for those producers. In determining the amount of moneys which may be received for performance of these contracts the Secretaries are required to determine the percentages of total contract prices for the construction and manufacture of the articles purchased to the costs of producing those articles. In determining these prices the services are required to determine what are the costs of performing contracts and subcontracts. One of the elements of cost is that of general expenses. A specific subsection of section 26.9 of this TD–5000 says:

Unreasonable compensation: The salaries and compensation for services which are treated as a part of the cost of performing a contract or subcontract include reasonable payments for salaries, bonuses, or other compensation, for services. As a general rule, bonuses paid to employees (and not to officers) in pursuance of a regularly established incentive bonus system may be allowed as a part of the cost of performing a contract or subcontract.

The test of allocability is whether the aggregate compensation paid to each individual is for services actually rendered incident to, and necessary for, the performance of the contract or subcontract, and is reasonable. Excessive or unreasonable payments whether in cash, stock, or other property ostensibly as compensation for services shall not be included in the cost of performing a contract or subcontract.

This section 26.9 states:

(a) General rule: That the cost of performing a particular contract or subcontract shall be the sum of (1) the direct costs, including therein expenditures for materials, direct labor and direct expenses, incurred by the contracting party in performing the contract or subcontract; and (2) the proper proportion of any indirect costs (including therein a reasonable proportion of management expenses) incident to and necessary for the performance of the contract or subcontract.

It can readily be seen therefore from a comparison of these two provisions that these officers may reduce the cost of performance of any contract if salaries paid to employees of the contractor are unreasonable or excessive.

CONTROLS NOT GENERALLY EXERCISED

It has become a type of established dogma lately to accept the general idea that the Stabilization Unit under the President's order requires the consent of the Stabilization Unit to any salary raise. We have the impression that every salary raise for a stenographer, clerk, or executive must be passed on by the Stabilization Unit. This does not even remotely conform to the facts. The regulations—section 1002.14 — expressly provide that the Commissioner's approval is not required for, first, individual promotions or reclassifications; second, merit increases; third, length of service increases; fourth, incentive plan increases; and fifth, trainee system increases, if the raise is made in accordance with the terms of a salary agreement or salary rate schedule in effect on October 3, 1942. Practically every company of any size or responsibility in the United States has a salary rate schedule, which need not even be in writing. In that event, the company need not secure the approval of the Stabilization Unit. So I reiterate that in the vast majority of instances the Stabilization Unit itself is not exercising any control.

Under our system a man gets a higher salary for assuming additional responsibilities. Even in the armed forces, the higher the responsibilities the higher the salary. I cannot believe the President was in earnest when he suggested that a gross inequity existed when men were drawing high salaries in civil life and the boys in the armed forces a pauper $600. The generals whom assume the greatest responsibilities have salaries that range from $8,000 to $13,000 and officers of lesser rank and less responsibilities correspondingly high salaries. Each according to his responsibilities.

That is true even in the labor unions from whence we are wont to hear criticism of high salaries paid to executives. Of course, we do not know in detail because the information is not public, but we do know that men like John L. Lewis, William Green, Phillip Murray, and Dan Tobin receive upwards of $20,000 to $50,000.

Minor executives whose salaries would be under control of the $25,000 net limitation, occupy an important position in this war effort. They are the men who have made the industrial machine produce the guns, tanks, planes, and ammunition. What is it that we have that the Axis does not? High octane gas produced by high salaried research men; new explosives, new developments in planes, tanks, guns, the Garand rifle, the American bombsight. All, I say, produced by the minor executive, who, if he is of such value, is entitled to a salary raise without his employer coming to Washington, hat in hand, to get the acquiescence of some department.

The President's letter to "coupon clippers." That is an old slogan, but I call your attention that the Treasury is putting on drive after drive to add to the number of "coupon clippers." Must each bond buyer be branded with the political slogan "coupon clippers"? America cannot agree.

Salaries after Pearl Harbor are necessarily geared to the war effort, especially since practically all important business being done since then is war business and, in my opinion, the Government has an interest in seeing that we have a proper salary ceiling, but I do not agree in salary confiscations. War millionaires in this war will be practically unknown. Our committee says:

NO WAR MILLIONAIRES

This has been a popular slogan since World War No. 1. Since World War No. 1 there has been a commonly accepted determination in America that another war should not permit the growth of a crop of so-called war millionaires. Congress has made the amassing of large fortunes as a result of World War No. 2 practically impossible.

The rates on personal incomes in excess of $200,000 under the 1942 act are fixed at 88 percent, and the 5 percent Victory tax—with a ceiling of 90 percent. There are State taxes, also. In addition, the same act imposses extremely high excess-profits taxes on corporations, with the avowed purpose of preventing the accumulation of swollen corporate profits and in turn effectively prevents excessive personal profits.

The Renegotiation of Contracts Act passed last year is a further hedge against excessive corporate profits, and, in turn, personal profits. The War Department, Navy Department, and Maritime Commission, as well as the Treasury Department have the very widest latitude under this law to renegotiate every contract made with the Government for war purposes. This authority even extends to subcontracts made by the prime contractor. Under the provision of this act, these departments may, if they choose to be tyrannical, bankrupt practically every contractor who does business with the Government so wide is their latitude. If these departments exercise reasonable diligence under the Renegotiation Act, there can be no possibility of a crop of "war millionaires." The features these departments must consider are (a) reasonableness of salaries, (b) amount of reserves which should be permitted corporations, and (c) the ratio of war contract profits to peace contract profits.

In addition to this power of the executive departments, the Treasury has plenary power in the matter of deductions for business expenses which include salaries, and has the power to exclude unreasonable salaries. This power has been steadily exercised by the Treasury.

This amendment made by section 4 to the Anti-Inflation Act of 1942 will be another provision of law which, together with those mentioned, will operate to avoid excessive profits being made in World War No. 2, because the amendment has the effect of freezing large salaries at pre-war peacetime levels. At the same time, the amendment recognizes the importance to the American way of life of preserving incentive by not prescribing salary increases where the salary is less than $25,000 after taxes.

This section provides a method of salary limitation by law rather than by directive. It does not admit of confiscation or liquidation of incomes. This provision offers an orderly, legal process.

Mr. Chairman, this stupendous issue is the age old contest between executive and legislative power—between the people's representatives and the people's rulers. All down Anglo-Saxon history it has been waged, and the people's representatives have always won. In instances where they failed the people, the people chose themselves new representatives, new guardians of the people's liberties. The ancient civilizations of the world in turn flourished, gradually declined and disintegrated. They broke upon the rock of centralized regal or executive power. Stalwart parliaments have preserved representative government during modern Anglo-Saxon history. The battle has not gone to the adroit, the entrenched, and powerful, but to the valiant, the strong-willed, the stout-hearted. Government by directive is not in their category. Mr. Chairman, in conclusion, let us take the larger view; above the mists and fogs of personality and political frenzy.

American freemen are streaming to the four corners of the earth, streaming to every theater of war. Each a crusader for the American way of life. Each consecrated to its ideals. Each resolved to return and protect that system at home. Shall that American way be defended abroad by force of arms and lost by the attrition of arbitrary power at home?

No; let our soldiers return to their land of opportunity to find their land of opportunity unimpaired. Let the deep tread of these returning heroes press the same soil they saved, intact. Let their war flags still symbolize what they fought for and defended—a government of law, not a government of men.

Mr. KNUTSON. Mr. Chairman, I yield 5 minutes to the gentleman from Kentucky [Mr. ROBSION].

Mr. ROBSION of Kentucky. Mr. Chairman, the bill before us today proposes to increase the national debt limit from one hundred and twenty-five billion to two hundred and ten billion, and, in effect, to vacate the Executive order of the President of October 2, 1942, fixing certain salaries.

We are told by the administration our national debt by June 30, 1943, will reach one hundred and thirty-five billion. The deficit for the fiscal year ending June 30, 1943, is estimated at seventy-one billion; in other words, for the current fiscal year our Government will pay out seventy-one billion more than we take in, and this will increase the national debt to one hundred and thirty-five billion.

It is also urged by the administration that the deficit for the fiscal year beginning July 1, 1943, and ending June 30, 1944, will be approximately seventy-six billion, and that our public debt on June 30, 1944, will be more than two hundred and ten billion, and because of this situation the administration urges that the national debt limit be increased to two hundred and ten billion, as provided by this bill. They insist this is absolutely necessary in order to carry on the ordinary expenditures of the Government and to finance our war program. No one could have ever dreamed that the Congress and the country would be confronted with a proposal like this, especially when the American people are paying in taxes annually approximately thirty-three billion. However much we may be amazed over the debt that now confronts the country and will reach more than two hundred and ten billion by June 30, 1944, and the heavy taxes that are now being proposed, the American people must prepare themselves for increased taxes and a greatly increased national debt. We can reasonably anticipate that the expenditures beginning June 1, 1944, will continue at a volume as great as it now is, and within a year from now it is likely the administration will ask the Congress to increase the national debt to three hundred billion. Let us indulge the hope that we may rejoice in a complete victory and the unconditional surrender of the Axis forces before July 1, 1944. However, the American people must face the facts, and not become too optimistic. We have not yet recovered one foot of our own possessions, and we have not yet taken one foot of the territory of Germany or Japan. We have every faith in ultimate victory, yet we have a hard struggle and there are great sacrifices ahead for all of us. The American people have the right to insist that our war effort be streamlined, and that the bond, stamp, and tax money of the people be expended honestly and prudently and directed solely to the winning of the war. Not one dollar should be used to promote the political fortunes of any man, group of men, or party. No part of this money should be expended on crackpot theories or for the purpose of promoting socialistic or communistic policies, or to change our form of government or the American way of life.

PRESERVE THE THREE COORDINATE BRANCHES OF GOVERNMENT

Mr. Chairman and colleagues, I have listened with interest to all the speeches on section 4 of this important measure, and especially to the learned discourses of the members of the Ways and Means Committee that had this bill under consideration—Mr. DISNEY, Mr. JENKINS, and Mr. GEARHART. Section 4 of this bill is directed at the Executive order of the President of October 2, 1942, in which he undertook to fix salaries. The question raised is, Did he have the power under any law passed by Congress to issue that order? If he did not he usurped the power of Congress and did an unconstitutional act. I am thoroughly convinced he was not granted any such power in either of the so-called Price Control Acts passed by the Congress in 1942, and this order was clearly a usurpation of the powers of the Congress by the President.

The Banking and Currency Committee, that framed and reported the price-control bills, the Finance Committee of the Senate, that handled those bills in that body, and the conferees of the House and Senate on the price-control bills, and the action of the Ways and Means Committee clearly show it was not the intention of the Congress to give to the President any such power and no such power was granted to him. The Congress for nearly 10 years has been severely criticized by the people for its subservient attitude in attempting to grant to the President powers that it should have retained and had no constitutional right to grant.

The number of Federal officeholders has been increased by this administration from a little over five hundred thousand to approximately three million. The Supreme Court was filled up with personal friends and New Deal supporters of the President. The President had control of the Congress, and the net result was we have had a Government carried on by Executive orders and regulations issued by the President and by thousands of bureaucrats, and the constitutional rights of the American people have been ignored; their social and economic life has been needlessly restricted; the productive efforts of the Nation have been curtailed, and, in our opinion, the war effort has been slowed down, and we find destitution and want where there should be plenty.

Do not misunderstand me—the American people are willing to undergo any and all sacrifices necessary to win the war, in industry, on the farm, and in our armed forces, whether on land, on sea, under sea, or in the air. The American people, however, in fighting for freedom across the seas are gravely concerned that the President and the bureaucrats do not destroy freedom and constitutional government here at home.

In promulgating Executive orders and regulations, the executive branch should have due regard to the Constitution and to the acts of Congress. The Congress alone can make the laws and prescribe penalties. If any legislation is deemed to be necessary to promote the war effort, let the executive branch come to the Congress. The Congress, the representative of the people, has responded promptly in the past as necessity required.

The President and his associates are responsible for the great political upheaval November 3, 1942. The fact that the Seventy-eighth Congress has asserted itself as one of the three great coordinate branches of our Government has met with almost universal approval from the press and the people. While we talk about freedom and liberty for other countries let us be sure we preserve this cherished principle at home. When our fighting boys come home after victory they must not find we have scrapped the Constitution and have lost our great heritage—the freedom and liberty of our own people.

Property, money, wages, and salaries are very important indeed. All of these, as well as other privileges that we enjoy, have been and are protected by our Constitution. Some may speak lightly of our Constitution, yet the fact remains that there has been and still are more jobs and better jobs, more and better wages and salaries, more farms and better farms, more homes and better homes, more and better factories, shops, mills, mines, and railroads, and more freedom under our Constitution than under any other constitution, written or unwritten, of any other country, in 50 centuries of the world's history. Patriotic men and women sacrificed and died to create it, and other hosts have sacrificed and died to preserve it. Our brave men are now fighting to sustain it and our American way of life.

My opposition to the President's order is based on his usurpation of the functions and powers of the Congress. The Congress, the representative of the people, is the great bulwark of liberty and freedom, provided, of course, that the Congress asserts its constitutional function. The bill before us presents the issue squarely.

If this Executive order of the President is permitted to stand there is no limit as to how far the President may or will go in usurping the powers of the Congress. Many of the bureaucrats have issued orders and regulations without sanction of law. I shall zealously strive to prevent any such encroachment

upon the prerogatives and functions of the Congress, and shall likewise oppose any encroachment of the Congress upon the executive or judicial branches of our Government. These three branches should be independent but cooperate together as equals in serving the best interests of the people of the Nation.

It is most heartening indeed to see the great number of Democrats favoring this bill and helping to protect the Congress from the encroachments of the Executive.

AID THE WAR EFFORT AND PREVENT INFLATION

The President, by his Executive order, limited all salaries after the payment of Federal income taxes to $25,000. I do not receive any such salary, and I do not know of anyone in my congressional district that receives such a salary. Under our tax laws 90 percent of the higher salaries are taken for taxes and the taxpayer has 10 percent left to pay his city, school, county, and State taxes and support himself and family. Under the bill before us, the President is given authority to stabilize wages, and the price of commodities, as well as salaries. If the President is not restrained by law, there is no limit as to what extent the President and his bureaucrats could go in the matter of fixing salaries and issuing regulations with penalties attached. Neither the President nor any bureaucrat should issue any order or make any regulations unless it is authorized by an act of Congress.

We must raise money to win the war. In the report on this bill I find this language:

> It is estimated by the staff of the Congressional Joint Committee on Internal Revenue Taxation that the loss of revenue under the Executive order is approximately $110,000,000.

The President's Executive order is not only a usurpation of power but if carried out would lose to the Treasury $110,000,000 in taxes annually. We need this money to win the war. It has been told over and over that one of the reasons for imposing high taxes by the Government is to help prevent inflation. It is said that the taxes collected from the people take just that much from their spending income. Therefore, the President's order cutting out $110,000,000 in taxes will lessen the amount of money that we have to spend on the war and, at the same time, it will encourage inflation.

Mr. REED of New York. That is every year.

Mr. ROBSION of Kentucky. Yes; the Government would lose $110,000,000 in taxes every year under the President's Executive order. To set aside this Executive order we uphold constitutional government, aid in financing the war, and lessen the danger of inflation.

Mr. KNUTSON. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. REED].

Mr. REED of New York. Mr. Chairman, I have been intensely interested in this debate this afternoon. I think it has been one of the best debates that we have had on the fundamental principles of our Government in a long time. I am not going to spend very much time on the merits or demerits of section 4. I just want to call attention to an extract I ran across in reading Sir William Blackstone's Commentaries. He said:

> The Roman law, as practiced in the times of its liberty, was respected and obeyed because it was approved by the judgment of the people. Thus did the people reason while Rome had some remains of her freedom; but when the imperial tyranny came to be fully established, the civil laws speak a very different language. "What the Emperor has willed has the force of law, since the people transfer to him and upon him all their supremacy and power. The Emperor alone is deemed both the maker and the interpreter of the law. It is like sacrilege to oppose the rescript of the Emperor."

I ask the question here, Mr. Chairman, Are our soldiers battling, bleeding, and dying for the establishment of imperial tyranny here at home, or are they sacrificing to protect, preserve, and defend the American way of life, which repudiates usurpation and tyranny in all its forms? This is not a new thing that confronts us—this question of usurpation. As the distinguished gentleman from Oklahoma [Mr. DISNEY] has reminded us, there has to be a balance between the various branches of the Government. When there ceases to be such balance of power, as the gentleman suggested, then we begin to have usurpation which if not restrained leads to tyranny. It is not the first time, as I say, that this question has been before the country. Some years ago a challenge was sent out because people were becoming careless and reckless in the discharge of their duties as sovereign citizens in their choice of public servants.

We have watched what is going on throughout the world, and so have our constituents. They have seen free government being destroyed in those countries, courts packed, and legislative bodies intimidated because of the usurpation of men hungry for power. While I may seem to be criticizing, let me call your attention to the fact that Abraham Lincoln once, standing on this floor—to be exact, on January 12, 1848—uttered these words:

> There is an important sense in which the Government is distinct from the administration. One is perpetual, the other temporary and changeable. A man may be loyal to his Government and yet oppose the peculiar principles and methods of the administration.

I most emphatically make this distinction in what I have to say in criticism.

I regard this last election as a mandate from the educated, industrious, temperate, thrifty people of this country who believe in representative government. As has been so ably said on this floor today, now is the time to meet this challenge, this issue of Executive usurpation while our boys are fighting for representative government, for the American way of life.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. REED of New York. I have very little time and a long speech, but I will yield to the gentleman.

Mr. MAY. The gentleman quite properly quoted from Sir William Blackstone of the subject of division of power. Does the gentleman recall in his study of Blackstone that he laid down the rule also that criminal penalties might be imposed only by legislation?

Mr. REED of New York. Yes. I recall it distinctly. It is worth any man's time to read that memorable book.

Mr. DISNEY. Mr. Chairman, will the gentleman yield?

Mr. REED of New York. I yield to the gentleman from Oklahoma.

Mr. DISNEY. Did the gentleman ever dream that the proviso referring to gross inequities would ever be tied by Presidential order into the criminal penalties at the end of the act?

Mr. REED of New York. No. I had no conception of anything of that kind. But here is a rather interesting thing. In a letter written to Chairman DOUGHTON by the President on February 17, 1943, when he saw the rising tide of wrath against this Executive order, he offered to Congress a compromise, a proposition in these words:

> It is recommended that for the purpose of a supertax, joint returns be made mandatory and that a personal exemption of $25,000 for each spouse be allowed, or in effect $50,000 for a married couple.

Now, just listen to this preposterous proposal of the President, in the light of his Executive order. Fifty thousand dollars net income would permit a man to get $353,000 gross income under his compromise. The question was raised here—and I hold no brief for Mr. Grace of the steel company, with an income of $500,000, but his Federal tax is around $400,000. Then he has his State tax to meet in connection with that. I cannot conceive where a man of his ability has very much left. I will not characterize the reference to Mr. Grace by the distinguished gentleman from Tennessee as demagogery. Of course it was not, but it could be used for that purpose if anyone sought to do so.

Now, before I turn to section 4, on this proposition of inflation, it is perfectly ridiculous to suppose that this matter of salaries, as embodied in this whole debate, would have any great effect on inflation. It could not have. It is impossible to have even a perceptible influence on the question of inflation. I have been fighting the danger of inflation for quite a number of years. I have never failed to vote for any proposition that I thought would prevent that hideous thing sweeping across this country and possibly destroying our form of government. But there is nothing to this red herring of inflation, as far as is involved in section 4.

I do not know that the American people have the slightest interest in the size of the national debt. Perhaps they have just become so bewildered that they are just willing to forget it. They have been told frequently that they owe it to themselves, and I guess perhaps they are beginning to believe that. I know that they will believe they owe something to somebody when they pay their taxes after this tax bill comes in, levying upon the people another load of some $13,000,000,000 to be added on to the supertax of over $30,000,000,000, and then the $16,000,000,000 that the President wants us to raise some time between now

and the last of this year. They will wonder if there is much pleasure in owing money to themselves. But no matter how they feel this debt presents a very serious postwar problem.

Theorists up and down the land, who probably are very vocal now on just how to solve these post-war problems. I remember after the last war we were faced with a few post-war problems right here at home. I remember that we received as a heritage from the war party of that day, a debt of $26,000,000,000 or thereabouts. We faced a heritage of some 7,000,000 men out of work, with the soup kitchens in full operation in the large cities of this country.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. KNUTSON. Mr. Chairman, I yield the gentleman from New York 1 additional minute.

Mr. REED of New York. We had no hospitalization for the soldiers. The railroads were bankrupt. The farmers were in a destitute condition. But what we did in a period of 10 years was to reduce that debt of $26,000,000,000 to $16,000,000,000. We hospitalized the soldiers. We rehabilitated the soldiers. We rehabilitated the railroads. We took care of the farmers so that they sent delegations here to thank Congress and the President for what had been done for them. When we face these post-war problems I hope they will not be placed in the hands of the people who have been defending this outrageous usurpation of power here today.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. KNUTSON. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Chairman, I wish to ask the gentleman from Oklahoma [Mr. DISNEY] one question which might have to do with the operation of this amendment provided it is adopted: Assuming that the Congress should double the present income-tax rates, how high could the salaries be raised under this proposed amendment?

Mr. DISNEY. $67,200.

Mr. CRAWFORD. No; I say if the tax rates were doubled. Let me illustrate it this way: Suppose we pass a law that will take 99 percent of a person's salary in the form of tax; could his salary be raised to a point, let us say, of $2,500,000, so as to leave in the hands of the taxpayer $25,000? Would that not be possible?

Mr. DISNEY. I do not quite understand what the gentleman has in mind.

Mr. CRAWFORD. I say, suppose the tax rate on salary income were raised to 99 percent——

Mr. DISNEY. He would get just that much more nicked off his $67,200.

Mr. CRAWFORD. Then that is a point beyond which you cannot possibly go.

Mr. DISNEY. Yes.

Mr. CRAWFORD. Irrespective of the income-tax rates.

Mr. DISNEY. Yes.

Mr. GORE. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. GORE. No such provision is in the bill; no limitation is applied by this bill. If the Members doubt that, let them read the bill. All it contains is a limitation on the authority of the President to exercise control over salaries.

Mr. CRAWFORD. That is exactly the reason why I am raising these questions; I am not entirely clear.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. COOPER. The present $67,200 is geared to the present tax rates.

Mr. CRAWFORD. That is the point I am trying to clear up.

Mr. COOPER. If the tax rates were increased, that, of course, would have to be increased.

Mr. CRAWFORD. It seems to me on the basis of that policy a person may receive a salary of $2,500,000, 1 percent of which would be $25,000. I will let you figure it out for yourselves.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. KNUTSON. Mr. Chairman, I yield 8 minutes to the gentleman from Illinois [Mr. DEWEY.]

Mr. DEWEY. Mr. Chairman, I listened with great interest to the statement of my colleague, the gentleman from Oklahoma [Mr. DISNEY.] I am a relatively new Member of this House. I am not a lawyer, but I always imagined that the intent as brought out in debate of a legislative body was the controlling factor of the legislation involved.

I have listened during this debate to various reports of statements made before the Rules Committee and discussions in the conference committee by various distinguished members of the Banking and Currency Committee as to what they understood to be the meaning of the phrase "gross inequities" as contained in the Price Control Act. I have had the privilege of being party to a meeting that went one step back of that. The time this Price Control Act was written. It was written under most unusual circumstances, and they are the following:

The President of the United States wrote a letter to the Chairman of the Banking and Currency Committee on December 6, stating as follows—and I read the first paragraph of the President's letter:

> My attention has been drawn to proposals to revise the parity formula in connection with the legislation I requested September 7. As I understand, it is proposed to include certain allowances for farm labor in the index of prices which farmers pay that is used in computing parity prices.

The bill we had before us at that time in the Banking and Currency Committee rewrote the parity formula by including farm-labor costs. Understanding that the provisions contained in that bill were in complete disaccord with the request of the President in his letter of September 7, a new bill was written by six Democratic members and five Republican members of the committee in private conference. I should like to draw to your attention the nonpartisan collaborative effort made to write a price control bill that would prevent competitive price rise. At that time we attempted to tie the prices of agricultural commodities to the then-existing price levels which had been stable for about 10 months. We also tied wages to the then-existing wage levels, they also having been stable. We set as the stabilizing dates January 1 to September 15, 1942, in both cases. Then the discussion arose that there were certain groups of unorganized labor not receiving fair wages, as compared to similar work done by organized labor. That was considered as a case of gross inequity. A number of similar instances both regarding wages and commodity prices were discussed. I know, and I am very certain, that some of the gentlemen who are sitting here and who sat with me that evening when the bill was written, will admit that there was no reference to salaries.

Mr. DISNEY. Will the gentleman yield?

Mr. DEWEY. I yield to the gentleman from Oklahoma.

Mr. DISNEY. Where was the famous proviso containing "gross inequities" written? Who brought it in? Was it brought from some place to the Banking and Currency Committee?

Mr. DEWEY. That I do not recall.

Mr. DISNEY. I tried to trace down its ancestry, and I have had considerable difficulty in locating it.

Mr. DEWEY. I have no knowledge of where that egg was laid, but it appeared in the writing of this bill and it was fully discussed as to what was meant.

Mr. DISNEY. No member of the Committee on Banking and Currency drew the proviso?

Mr. DEWEY. Containing "gross inequities"?

Mr. DISNEY. Yes; the gross-inequities proviso. No member of the Banking and Currency Committee did that?

Mr. DEWEY. It was put in at the time of writing the bill. We tied wages and commodity prices to two dates, January 1 to September 15, 1942, but the President was given the authority to correct gross inequities, and that was referred to in the conversation at that time. Subsequently, when we went into committee, there were several other subjects discussed, but salaries were not mentioned in that connection except in an effort by one of the Members from the State of Texas, one of our good colleagues, who attempted to offer an amendment to cover salaries, which was voted down by a large majority. I know that my good colleague I have mentioned will say that we would not permit the bill to be amended, but he also knows that at other times when the price-control bill was being discussed there were other occasions when limitation of salary as part of the bill had been voted down.

Mr. GORE. Will the gentleman yield?

Mr. DEWEY. I yield to the gentleman from Tennessee.

Mr. GORE. I want to give the gentleman from Oklahoma some information that he requested about the phrase "gross inequities." As I recall, that provision was contained in the Senate bill and also in the original bill which the gentleman from Alabama [Mr. STEAGALL], chairman of the committee, introduced. The Senate bill served more or less as a guide to the framing of the

bill which came to the House, and in the conference to which the gentleman made reference it was insisted upon by numerous people, one of whom I happened to be, that that provision, "gross inequities," applied to salaries, wages, and prices alike.

Mr. DISNEY. Will the gentleman yield?

Mr. DEWEY. I have one more statement to make.

Mr. DISNEY. Give us the name of the author of the amendment.

Mr. DEWEY. I want to say, in conclusion, to those persons who may ask "Where is there any control?" or "Can you jack salaries up to $67,000 in the Disney amendment?" if they will refer to page 6 of the report, they will find an example there showing all the elements of control.

The CHAIRMAN. The time of the gentleman has expired.

Mr. KNUTSON. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. COLE].

Mr. COLE of New York. Mr. Chairman, the House is called upon this afternoon to raise the authorized debt limit of this country from $125,000,000,000 to $210,000,000,000. There are some persons who contemplate a national debt of this stupendous size with a calm confidence that it will effect no serious dislocations in our domestic economy. There are others who anticipate rather eagerly reaching the upper amounts of this debt limitation under the belief that the more the Government spends and the deeper it goes into debt the more prosperous we will become as a Nation. In this group are some who visualize, with complete equanimity, a national indebtedness 20 times greater than the maximum fixed by this measure.

I confess to you, Mr. Chairman, that I am not a member of either of the groups just described. Most certainly I do not subscribe to the philosophy that we can spend ourselves rich, nor do I view a public debt of two hundred and ten billions without considerable apprehension. I am not yet ready to admit that the virtues of economy, saving, and thrift, taught to me at my mother's knee, have suddenly become outmoded and old-fashioned—false teachings of a misguided past. Countless generations and nations have passed across the stage of time ahead of us of this generation, but nowhere in all human history can be found a single instance where any person or any nation has successfully followed the practice of spending beyond his or its income. It has been tried many, many times but always ended in failure.

There is nothing peculiar to our generation that gives us a right to believe that we can succeed where others before us failed. Nor, in fairness to coming generations, do we have the right to experiment on a philosophy or practice which will have such violent repercussions and everlasting disaster if a failure. No, Mr. Chairman, I prefer to believe that every nation, just as every individual, is bound by the immutable laws of nature and economics and that the happy and prosperous nation or individual is the one who lives within his means. I prefer, sir, to believe that homely virtues of thrift are the lessons taught to mankind by man's experience on this earth.

To be sure, there is none who will disagree that in times of great national emergency, such as the one in which we are now passing, a nation may be called upon to apply its entire resources in order to avert a calamitous disaster. With an international outlaw at our doorstep, we cannot quibble over costs or dollars and cents. We must go on and on and on with our spending for the necessary implements of war for ourselves and our allies until we achieve victory. But this does not mean that we should or can continue to be extravagant in our expenditures for nonwar purposes.

Ever since the inception of the New Deal, the one panacea that was adopted by them as the cure for all of our economic ills was the appropriation of public funds. The correction of each evil and the improvement of each bad condition was sought to be purchased by the New Deal with the public's money. Of course, some expenditures were justified, many were not. Gradually we have watched the public debt increase from twenty-eight billions at the birth of the New Deal to one hundred and nineteen billions at present and now we contemplate two hundred and ten billions. During all this time of gradual growth of our national mortgage, I have become more and more concerned with and fearful of the inevitable day of reckoning. Throughout the greater part of the life of the New Deal, I have opposed reckless, extravagant, and unnecessary spending. It is now more imperative than ever that we retrench in nonwar expenditures and I shall continue my efforts toward this end.

But, Mr. Chairman, a discussion of the public debt was not my purpose in rising at this time but rather to give my views in regard to the particular phase of this measure which affects salary limitations. It is to that item that I particularly invite your attention. The amendment seeks to suspend the operation of the Executive order fixing net incomes of all persons derived from salaries at $25,000. With the purposes of the amendment, I am in complete accord.

It is perhaps likely that the vast majority of the people of this country are not concerned with the present provision of law limiting salaries to $25,000, since there are but few of them who are directly affected by it. Nor am I, but there are fundamental principles involved which have such far-reaching implications that they should be brought to the attention of the public.

A history of salary limitations should be first made known. In 1928, the Communist Party proposed that salaries be limited to $25,000. Early in 1942, the C. I. O. labor union dusted off this proposal and made it a part of its recommendation to the country. A short while later, Mrs. Roosevelt espoused its cause. In April of that same year, the President, in a message to Congress, stated that under present conditions, nobody should have an income in excess of $25,000 per year after taxes. This proposal was carried to the House Ways and Means Committee which was then considering a tax measure. The committee and both Houses of Congress refused to adopt it. Early in the fall of 1942, the Congress considered and passed changes to the price control law which were designed to prevent inflation. It was repeatedly discussed whether that measure could be construed to authorize the President to impose salary limitations and the Congress was positively assured that it could not. That act was passed on October 2 and on October 3 the President issued an order limiting net salaries to $25,000. It is that Executive order which the present amendment seeks to suspend.

Even though it might be economically sound and in conformity with the principles of our Government that an individual's income should be limited, this provision of the present law should be repealed if for no other reason than the manner by which it became effective. It has become entirely too much the practice of our Government to impose law by Executive order or decree without prior legislative authority. If allowed to continue, it will inevitably lead us down the path toward dictatorship and one-man government and the Congress, spokesman for the people, will be but a weak, hollow, meaningless institution. The latent dangers of fascism, super-government, one-man rule, are already sufficiently widespread in our land without our knowingly permitting to be done the very things which our present thoughts demand should not be done. More than ever before, we must be on our guard against unauthorized usurpation of power by the Executive lest in the end we may suddenly find that our constitutional system of government is but an empty shell.

But even on the merits of the proposal to limit salaries, it should not be allowed to continue. Designed as an anti-inflation measure, tending to freeze or stabilize salaries, it very definitely does neither, except insofar as the few hundred actually affected by it are concerned. While all salaries above $25,000 are brought down to that level, there is nothing in the order which would or is designed to prevent salaries from rising to meet that level. There are some 1,500 persons whose income in recent years has been in excess of $25,000, but there are scores of thousands whose incomes might be raised to that maximum which, if done, would have a very dangerous effect upon our economy and encourage rather than deter inflation.

Further than this, let us ask ourselves whether it is consistent with the American way that one's income should be limited by his Government, even in time of war. If so, then where is the limit to be set? Today it is fixed by someone at $25,000, but tomorrow another someone might fix it at $15,000, $10,000, or $1,000. It is no argument to say that since our men are called upon to fight in the foxholes for $600 and, therefore, salaries of others should be limited to any amount. If that is sound, then why

should we not reduce the income of all persons to the level of the soldier and see that no one receives more than $600? The way to reach high and excessive incomes, especially in times of war, but even also in times of peace, is through the accepted and democratic method of taxation. While the result may be the same, the difference in the mechanics of obtaining it are vastly different in principle.

It is in this connection that I am particularly concerned over the rule, whether it be by Executive order or by law, that one's income cannot advance beyond a given point. We have always prided ourselves that America is the land of opportunity. We have boasted of it. Other nations and peoples have envied us for it. Under our system we have said that there is no limit to which one might go through a proper application of his industry, energy, ingenuity, initiative, enterprise, and thrift. The unrestricted exercise of one's talents is the very essence of democracy, circumscribed only by the accepted rules of honor and decency. Just as mankind should not be limited in his religious beliefs, neither should there be any barrier to his economic attainments. To do otherwise is to discourage ambition and enterprise, which inevitably will lead to an ever decreasing standard of living for all the people. Such is the way of Karl Marx, it has no place in America.

For two very persuasive reasons, Mr. Speaker, this amendment to repeal the salary limitation order should be adopted, both of which are fundamental in the American way of government and life. There must be no law which is not enacted by the people's representatives. There must be no law which causes the talents of the people to become degenerate. We must continue to be alert against incursions of either sort.

Mr. KNUTSON. Mr. Chairman, I yield such time as he may desire to the gentleman from Wisconsin [Mr. SAUTHOFF].

TWENTY-FIVE-THOUSAND-DOLLAR-SALARY LIMITATION

Mr. SAUTHOFF. Mr. Chairman, the measure before us is divided into two parts, the first part dealing with limitation on national debt and the second part setting aside the order of the President limiting salaries to $25,000 per year.

Because the national debt is something which the war emergency makes a necessity, I accept it, on the assurance of the President and the committee that the figures as presented are correct and that the limitation as defined in this measure will be reached in a few months.

I cannot agree that the Eexutive order setting a $25,000 limit to salaries is unauthorized by law, and I trust that this part of the bill before us will be stricken out.

Section 1 of the Anti-Inflation Act grants to the President general authority to establish ceilings on salaries and wages. It is true that section 3 provides that no action should be taken for the purpose of reducing salaries or wages for any particular work below the highest level therefor between January 1 and September 15, 1942. However, there was a proviso which states that the President may "without regard to the limitation contained in section 2, adjust wages and salaries to the extent that he finds necessary in any case to correct gross inequities and also aid in the effective prosecution of the war."

The President on October 3, 1942, issued an Executive order which, among other things, directed the Director of Economic Stabilization to promulgate legislation to limit the amount of salary which any individual might receive to an amount which, after reduction by taxes thereon, would equal $25,000. Such an order was issued on October 27, 1942.

A bitter controversy arose immediately following the issuance of this order and has been raging ever since. Many resolutions were passed by chambers of commerce, and letters have been received by Members of Congress from manufacturers and others connected with big business, opposed to this Executive order. The objections can be covered generally under two heads:

First. The President exceeded his authority. Congress should fix the limit, if it saw fit.

Second. The order removes the incentive motive from men and women of ability to aid in the war effort.

Let us examine these objections.

The congressional act conveying this power upon the President specifically states that he may "adjust wages and salaries to the extent that he finds necessary in any case to correct gross inequities." In this portion of the sentence, we find that the President has power to:

(a) Adjust wages and salaries to the extent that he finds necessary.

(b) To correct gross inequities.

The President is given the power by Congress to determine what constitutes a necessity, and if he so finds, that ends it. No one else needs to act. He is the sole judge who is authorized to determine whether there are any gross inequities in wages and salaries, and if he finds there are, then he is empowered to fix limitations. It certainly cannot be said that he has acted beyond the scope of his authority in doing what Congress has stated in plain English he should do.

Now, let us look at the remainder of that sentence, "and also aid in the effective prosecution of the war." Who shall determine what shall aid in the effective prosecution of the war? Why, the President of course. So we come to the same conclusion as we did before; namely that Congress has authorized the President to act on wages and salaries, when he finds it necessary, to correct gross inequities and to aid in the prosecution of the war.

It would seem to me that the President has every authority in the world to act in regard to this matter, and I believe that he acted not only in accordance with the law, but he also acted wisely when he placed a ceiling on salaries.

But let us say for the sake of the argument that the President did exceed his authority. That still would not answer the question whether he acted wisely or not, and if he acted wisely, why not ratify what he did by a congressional act rather than criticize it and nullify it. Did I believe that the President had exceeded his authority, but that he had acted wisely in doing so, then I personally would feel it my duty to promptly pass an act backing him up on what he did, rather than undoing all the good that was accomplished by his conduct.

This is no new position for me to take, because when the Revenue Act of 1942 was under consideration I appeared before the Ways and Means Committee and suggested a limitation on salaries, so that no gross salary should exceed the salary of the President of the United States—$75,000. Under the President's directive it is still possible for a salary of $67,200 to be paid, the amount of taxes due upon such salaries reducing them to approximately $25,000 net. So you see that my suggestion a year ago was pretty much in agreement with the Executive order of the President.

It also ought to be stated that before the President took this step he asked for an opinion from the Attorney General of the United States as to whether or not he was justified under the act passed by Congress to issue this order, and the Attorney General advised him that he had full authority under the act to proceed as he did. So much for legal authority.

Now we come to the question of incentive, and it strikes me that the editorial writers of the metropolitan papers, which I have read in Washington and other eastern cities, set the patriotism of able men and women at a pretty low estimate when they question their willingness to do something for their country in time of great need. What incentive does the soldier or sailor have who is out on the firing line? What incentive has the farmer and his wife and his children in producing food for the country? What incentives do the war workers in the shops have who are working at top speed to turn out the implements of war? What incentives do the millions of loyal, patriotic citizens have who skimp and save and deny themselves to invest in stamps and War bonds to help in the war effort? All of them are animated by the one common purpose—love of country.

I cannot conceive of the marines in the South Pacific laying down their arms and demanding $67,200 a year, and yet they risk their lives while executives back home run no risk of any kind. I cannot conceive of the farmer refusing to raise the necessary food unless he got a salary of $67,200 a year, nor can I conceive of the great mass of organized labor demanding $67,200 a year.

A bill has been introduced only recently known as the Austin-Wadsworth bill, which provides for over-all organization and total mobilization of all our skills and of our man and woman power. In a joint statement by Senator AUSTIN and Representative WADSWORTH, in support of this bill, we find this sentence:

> It would make known the equal liability of all in the war effort.

If this is a total war—and I believe it is—then everyone must have equal liability, equal service, and equal patriotism. Not one of these three things can be measured in dollars and cents. Certainly it cannot be said that the executive receiving $500,000 a year, if his

salary is reduced, makes an equal sacrifice to that of the five Sullivan boys who gave their lives in the South Pacific. Each gives to his country whatever measure of service he can appropriately render in his particular sphere, or the sphere in which the Government sees fit to place him. There cannot and must not be any favoritism or any special class singled out to be set apart and above the great bulk of our population. I think that is exactly what it is proposed here to do—to take one little group and give it preference. Farmers are working from 80 to 90 hours a week, striving to get out the food for the country, in spite of the fact that they are handicapped by the loss of their sons and their hired men, by the lack of labor-saving machinery, or even the replacement of parts which have been broken. Factory workers are being injured and crippled every day of the week because of the need for haste in bringing out adequate supplies and munitions of war.

If I were an executive earning $100,000 or $200,000 or $500,000 a year, I would feel that my patriotism had been questioned by any demand that a ceiling on salaries should be removed. We in Washington know that many splendid men and women are serving here without pay, trying to do everything in their power to aid our country in this grave emergency. These men and women are setting a splendid example. Let the rest of us measure up to this standard.

I consider it a gross inequality in wartime to permit one man to receive $5,000 per month while the soldier or sailor, risking his life, receives only $50 a month. Such inequities create a feeling of bitterness against management which manifests itself in a demand for higher wages among the workers and higher prices among the farmers. Let us not have one standard of service for 95 percent of our people and an entirely different standard of service for 5 percent. Let us not insist that the strong arm of the Government can reach out into the farm, the school, the shop, and the home and take our young men and ship them 8,000 miles away to fight in malarial swamps under the Equator facing death every instant, but that that strong arm must grow withered and palsied when it reaches for the almighty dollar. If this is a total war, then let there be total equality—equality of liability—equality of service—and equality of sacrifice.

The CHAIRMAN. All time has expired. The Clerk will read the bill for amendment.

The Clerk read the bill, as follows:

Be it enacted, etc., That this act may be cited as the Public Debt Act of 1943.

SEC. 2. Section 21 of the Second Liberty Bond Act, as amended, is further amended to read as follows:

"SEC. 21. The face amount of obligations issued under the authority of this act shall not exceed in the aggregate $210,000,000,000 outstanding at any one time."

Mr. VOORHIS of California. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I cannot let this portion of the bill go by without at least saying a word in reference to the national debt. This bill provides for an increase in the debt limit of the United States to the huge sum of $210,000,000,000. The reason we are doing that is because we know that in fighting this total war there can be no limitation of finance upon the extent of our production or our effort. We realize that our whole economy has got to be committed to the prosecution of this war. The only answer that we have given so far to the problem of furnishing finances for the prosecution of the war is by increasing our interest-bearing public debt.

I rise at this time merely to say that there is obviously another way in which you can do this financing. To my mind the ideal way in which any war should be paid for is out of taxes or out of borrowing the real money that comes from the pockets of people or corporations which they actually possessed and paid to the Government to purchase the bonds.

At least one-third of the total public debt of America has, however, come about in a very different manner from that. It has come about through the sale of interest-bearing securities of this Nation to the private banks of the country including the central Federal Reserve banks which have in turn purchased them with brand new demand deposits which have been written on their books. That one-third of the total public debt represents the creation of billions upon billions of dollars of new money by the banks. In 1942 it amounted to some $19,000,000,000 in round figures. In my judgment, the interest upon that portion of the debt should never have to be borne by the American people. To the extent that we fail to pay for this war out of taxes or out of legitimate borrowings from individuals who give up actual purchasing power, to the extent that we fail to pay for it from those two sources, instead of increasing the interest-bearing debt we should utilize the sovereign right of the Government to draw upon its own credit, instead of permitting private institutions to usurp that governmental right as is now being done.

The purchase of those bonds by a private bank with newly created bank-deposit money amounts to an exercise on the part of that bank of the constitutional power of the Congress of the United States "to coin money and regulate the value thereof." We could quite as well sell to the Federal Reserve banks non-interest-bearing certificates. They would be purchased with the same reserve bank credit on the books of the Federal Reserve banks as are now used when they purchase interest-bearing bonds. This is a method whereby we could secure the funds we need to prosecute this war, over and above what we raise through taxes and legitimate borrowings, without adding to our interest-bearing national debt.

Reserve bank credit on the books of the Federal Reserve is nothing more nor less than the credit of the American Nation. I have a bill and the gentleman from Texas [Mr. PATMAN] has a bill which would make it possible for us to finance in this way that portion of the war, if any, which is to be financed out of new money creation without increasing the interest-bearing debt of the Government.

Heretofore I have offered amendments to these bills to increase the debt limit. My amendments have contained the provisions I have just briefly outlined. They have always been declared out of order, so today I am going to spare the House that difficulty. But I have heard so much about $25,000 today and so little about $210,000,000,000 that I had to speak. I hope there may be early consideration of the legislation introduced by the gentleman from Texas [Mr. PATMAN] and myself.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. DISNEY. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I take this opportunity to read to the House the regulation of the Commissioner of Internal Revenue, that is to say, the stabilization unit, under the heading of "Amount of Salary Payment." Reference is made here to general regulations, sections 1002.10 and 1002.11:

Conclusiveness of determination: Any determination by the Commissioner on a salary payment in contravention of the act is conclusive in every respect upon all executive departments and agencies of the Federal Government for the following purposes:

Calculating deductions.

Determining cost of the expense of the employer.

Subsection (b) under that states:

Any such determination by the Commissioner is final and not subject to review by the tax court of the United States or by any court of civil proceedings. Nothing herein is intended, however, to deny the right of any employer to contest in the tax court of the United States or in any court of competent jurisdiction the validity of any provision of these regulations on the ground that such provision is not authorized by law:

You cannot have a review on the facts, you must prove that the law is invalid. In other words, if you sustain this, what the bureaucrats downtown say about it, no matter how wrong they may be, is conclusive upon you and upon all those you represent.

Mr. SMITH of Ohio. Mr. Chairman, I move to strike out the last two words. The gentleman from Illinois [Mr. DEWEY] stated that the second price-control bill was written by a nonpartisan group consisting of Republicans and Democrats. I am glad he brought this matter up himself, because it gives me an opportunity to tell the House something about it.

The Banking and Currency Committee had had under consideration the Steagall bill for several days. Suddenly one morning we found lying on our desks an entirely new bill. It seemed no one knew where it came from or who wrote it. It was apparent, however, that there must have been some meeting of minds on it, for there developed all too quickly strong support for the substitute measure, particularly from the Democratic side, for it to have been otherwise.

Some time after this substitute bill had been under consideration the word was passed around that there had been held a secret meeting by a goodly number of

Democratic members of our committee and some five or six Republican members at the home of the gentleman from Illinois [Mr. DEWEY] the night before, and that at that meeting the substitute bill was written.

I cannot tell you how nonpartisan that meeting was, but I can tell you now how secret it was. I was not invited to it, and other members of the committee told me they had not been invited.

Now, the substitute bill that was brought in by the group which had held that secret meeting was, as nearly as I could tell, the Ginsburg bill. The Steagall bill was suddenly thrown out and the Ginsburg bill substituted. Mr. Ginsburg was at that time the chief legal counsel for O. P. A.

I am telling the House and country this story, because I believe it should be known to all how some of the legislation they live under is written.

But what is more important is that the secret writing of that price-control bill was in no small measure responsible for the bitter fight that was precipitated here on the floor when that measure was being debated.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Ohio. I yield to the gentleman from Michigan.

Mr. CRAWFORD. If I recall correctly, after that so-called secret bill was brought to the floor, the House rejected that bill and enacted its own measure by adopting the Brown amendment which revolutionized the bill.

Mr. SMITH of Ohio. That is right.

Mr. CRAWFORD. It seems to me the gentleman from Illinois awhile ago greatly confused the issue by leading the House, I think, to believe that it was the bill written at the secret meeting which the House actually adopted; but that is not my understanding of the case at all. We, the House, wrote our own bill on the floor. I stand on the record whatever it shows.

Mr. DEWEY. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Ohio. Not just now.

Mr. DEWEY. I think the gentleman ought to yield, inasmuch as he has mentioned me.

Mr. SMITH of Ohio. I will yield to the gentleman in a minute.

The point I am making, and I want to emphasize it, is that the heated controversy which shook this whole Nation was largely the result of that secret meeting.

Mr. DEWEY. If the gentleman does not yield, I will have to have the words taken down.

Mr. SMITH of Ohio. I yield.

Mr. DEWEY. I understood the gentleman from Michigan to state that I misled the House by saying that the piece of legislation that was passed was that legislation. There was no intention on my part to mislead the House. As a matter of fact, the bill was passed as we wrote it and as it was finally reported from the Committee on Banking and Currency, with an amendment offered by the gentleman from Georgia, I think. However, I do not believe the amending of a bill changes the character of the bill or the bill itself; it is an amendment to the bill.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Ohio. I yield to the gentleman from Michigan.

Mr. CRAWFORD. I did not say the gentleman misled the House.

Mr. HOFFMAN. The gentleman said he led the House to believe.

Mr. CRAWFORD. I said I felt he confused the House by bringing in the issue of the bill drawn up in the secret meeting. The Brown amendment, I guess it was, was offered and changed the whole face of the bill. Anybody ought to know that.

Mr. HOFFMAN. Is there anything wrong in a bunch of fellows getting together and writing a bill if they want to?

Mr. SMITH of Ohio. I think it is wrong to write legislation in the manner that bill was written. It is not fair to the rest of the members of the committee, to the House, or the country.

Mr. DEWEY. If it was a secret, how should the gentleman have been familiar with it?

Mr. SMITH of Ohio. I could not be sure about it until you yourself revealed the story here in open debate today.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. WOLCOTT. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I think I was peculiarly fortunate in being invited to this so-called secret meeting.

Mr. DISNEY. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. Yes.

Mr. DISNEY. Was Colonel Ginsburg there?

Mr. WOLCOTT. My memory is that the meeting was called in order that we might have a meeting on this bill without Colonel Ginsburg's presence and influence being felt.

Mr. PATMAN. It is a fact, is it not, that he wrote the Senate amendments, and the Senate amendments were the ones considered at the secret meeting, is it not?

Mr. WOLCOTT. I was just about to say that my memory is that the amendments offered by someone, whether he was at the meeting or not, followed closely the language of the bill which I understood was prepared by Colonel Ginsburg and introduced in the Senate, so that there was not any great harm done by the alleged secret meeting.

Mr. HOFFMAN. Just one simple question. Did you have a good time at that meeting?

Mr. WOLCOTT. There were certain ambiguities in the bill which those present made the mistake of adopting, and one of them apparently was the use of the phrase "gross inequities," because as I understand the original draft presented by Colonel Ginsburg used that term. The term "gross" is very well understood in the law, and any lawyer knows the distinction between gross and ordinary, but we did not awaken to the fact that there would be no judicial review, that there would be no opportunity for any court to pass on that phrase until the Executive order came out on October 3 and then we found ourselves embarrassed by the Executive order which prohibited review of the price control act or any regulation promulgated under that act. On December 11, 1942, I addressed a letter to the Honorable James F. Byrnes, Director of the Office of Economic Stabilization, and I received a reply from him on December 16, 1942, and, Mr. Chairman, I ask unanimous consent that a copy of the letter which I addressed to the Honorable James F. Byrnes, and his reply on December 16, may be considered as read as a part of my remarks and be printed in the RECORD at this point.

The CHAIRMAN. The gentleman will have to get that permission in the House.

Mr. WOLCOTT. I asked that because I understand that if it be considered as read as part of my remarks I would not have to get the permission in the House.

The CHAIRMAN. Nevertheless, the gentleman will have to get that permission in the House.

Mr. WOLCOTT. Then, Mr. Chairman, I shall revise my remarks and put the letters in. I know that I asked Mr. Byrnes where he got his authority that any regulation made pursuant to the authority pending shall be final and shall not be subject to review by the tax court, or by any court in any civil proceeding, and he replied—and I read one sentence from his reply:

> The allowance or disallowance of any proposed increase of wages beyond the level of October 3 under the Executive order and such regulations is clearly an administrative, and not a judicial, function. And it is solely in this purely limited administrative sphere that the action of the National War Labor Board is made final. This, of course, does not mean that the validity of the regulations themselves are not subject to judicial review or that arbitrary or capricious decisions of the administrative agencies may not be corrected.

What he virtually says is that although the regulations are given the effect of law, because they are denominated as administrative functions and orders, they are not subject to review.

The letters referred to are as follows:

DECEMBER 11, 1942.

Hon. JAMES F. BYRNES,
Director, Office of Economic Stabilization, Washington, D. C.

DEAR JUSTICE BYRNES: In the regulations of the Economic Stabilization Board, known as Part 4001, approved October 27, 1942, I find the following language in section 4001.2:

"Any determination of the Board made pursuant to the authority conferred on it shall be final and shall not be subject to review by the tax court of the United States or by any court in any civil proceedings."

The question has arisen under what authority of law the President is authorized by Executive order to limit judicial review to determinations made by the National War Labor Board.

I have referred to Public Law 421 of the Seventy-seventh Congress, known as the Emergency Price Control Act of 1942, and also Public Law 729, Seventy-seventh Congress, which has to do with stabilization of prices, wages, and salaries. The Emergency Price Control Act of 1942 specifically authorizes reviews by special court, set up for that purpose, known as the Emergency Court of Appeals (sec. 204–a). Public Law 729 contains no restriction in respect to judicial re-

view and apparently is not restricted by the provisions for review contained in the Emergency Price Control Act of 1942.

I will appreciate it very much if you will inform me under what authority of law the President or the Office of Economic Stabilization may provide by regulation that any determination of the National War Labor Board shall be final and shall not be subject to review by any court in any civil proceedings.

Very sincerely,

JESSE P. WOLCOTT.

DECEMBER 16, 1942.

Hon. JESSE P. WOLCOTT,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN: In your letter of December 11, you refer to section 4001.2 of the "Regulations Relating to Wages and Salaries" issued by me as Economic Stabilization Director on October 27, 1942 (7 F. R. 8748) and providing that the allowance or disallowance of subsequent wage increases by the National War Labor Board, to which agency was given the jurisdiction to deal with applications for such increase, should be final and not reviewable judicially, and you inquire the authority to provide by regulation that any determination by the National War Labor Board shall be final and not subject to review by any court in any civil proceedings.

I am not certain from your letter whether you are interested in the finality of all determinations of the National War Labor Board or only those determinations allowing or disallowing wage increases beyond those in existence on October 3, 1942. The regulations issued by me deal only with the latter class of determinations and do not purport to add finality to any other type of determinations made by the National War Labor Board.

Under the act of October 2, 1942 (Public, No. 729, 77th Cong., 2d sess.), the President was vested with the authority, acting through any agency or officer he should direct, to stabilize all wages and salaries. It was contemplated that the President would stabilize such wages and salaries "on the basis of the levels" which existed on a date selected by him as near September 15, 1942, "as practicable"; and he, or his selected agency or officer, was given discretionary power to make adjustments in such salaries or wages so fixed "to the extent that he (or such agency or officer as he shall direct) finds necessary to aid in the effective prosecution of the war or to correct gross inequities." By Executive Order No. 9250 (7 F. R. 7871), as supplemented by the regulations issued on October 27, 1942, both issued under the authority of the act of October 2, all wages were generally fixed as of October 3, 1942, subject to the jurisdiction of the National War Labor Board to allow increases in wages for a particular employee or group of employees "to correct maladjustments or inequalities, to eliminate substandards of living, to correct gross inequities, or to aid in the effective prosecution of the war." The allowance or disallowance of any proposed increase of wages beyond the level of October 3 under the Executive order and such regulations is clearly an administrative, and not a judicial, function. And it is solely in this purely administrative sphere that the action of the National War Labor Board is made final. This, of course, does not mean that the validity of the regulations themselves are not subject to judicial review or that arbitrary and capricious decisions of the administrative agencies may not be corrected.

That section 4001.2 is of the limited scope outlined in the preceding paragraph was indicated in the explanatory regulations issued by the Commissioner of Internal Revenue with reference to section 4001.3 of the regulations of October 27, which, incidentally, gives to the determination of the Commissioner the same finality attaching under section 4001.2 to determinations of the National War Labor Board. Accordingly, in these regulations, issued with my approval, it was provided:

"(b) Any such determination of the Commissioner is final and not subject to review by the Tax Court of the United States or by any court in any civil proceedings. Nothing herein is intended, however, to deny the right of any employer or employee to contest in the Tax Court of the United States or in any court of competent jurisdiction the validity of—

"(1) Any provision of these regulations on the ground such provision is not authorized by law, or

"(2) Any action taken or determination made under these regulations, on the ground that such action or determination is not authorized, or has not been taken or made in a manner required by law."

Considered in the light of the foregoing observations, the regulations issued by me conform, I believe, to the congressional authorization given by the act of October 2.

Sincerely yours,

JAMES F. BYRNES, *Director.*

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. DISNEY. Mr. Chairman, may I ask what is the parliamentary status at this time?

The CHAIRMAN. The Clerk has read section 2.

Mr. DISNEY. I ask unanimous consent that section 3 may be considered as read and that we proceed to consideration of section 4.

The CHAIRMAN. Is there objection?

There was no objection.

Section 3 is as follows:

SEC. 3. Section 22 of the Second Liberty Bond Act, as amended, is further amended by adding at the end thereof the following subsections:

"(h) The Secretary of the Treasury, under such regulations as he may prescribe, may authorize or permit payments in connection with the redemption of savings bonds to be made by incorporated banks and trust companies.

"(1) Any losses resulting from payments made in connection with the redemption of savings bonds shall be replaced out of the fund established by the Government Losses in Shipment Act, as amended, under such regulations as may be prescribed by the Secretary of the Treasury. The Treasurer of the United States, any Federal Reserve bank, or any incorporated bank or trust company authorized or permitted to make payments in connection with the redemption of such bonds, shall be relieved from liability to the United States for such losses, upon a determination by the Secretary of the Treasury that such losses resulted from no fault or negligence on the part of the Treasurer, the Federal Reserve bank, or the incorporated bank or trust company. The Post Office Department or the Postal Service shall be relieved from such liability upon a joint determination by the Postmaster General and the Secretary of the Treasury that such losses resulted from no fault or negligence on the part of the Post Office Department or the Postal Service. The provisions of section 3 of the Government Losses in Shipment Act, as amended, with respect to the finality of decisions by the Secretary of the Treasury shall apply to the determinations made pursuant to this subsection. All recoveries and repayments on account of such losses, as to which replacement shall have been made out of the fund, shall be credited to it and shall be available for the purposes thereof. The Secretary of the Treasury shall include in his annual report to the Congress a statement of all payments made from the fund pursuant to this subsection."

The CHAIRMAN. Are there any amendments to section 3?

Mr. O'KONSKI. Mr. Chairman, I move to strike out the last two words.

I have listened for 2 hours to the debate on this measure and have learned very little. A great deal has been said about the mandate from the people of America on November 3, 1942. That mandate has not been heard from, because I feel I am the only new Member of this House who has taken the opportunity to speak on this bill, and I am stealing that opportunity in order to do so. It seems the old boys here think they can tell us what to do and how to vote. But not in my case.

I represent one one-hundred-and-fifth of that new mandate. I know what mandate I got from my people. No. 1: That there shall not be made any millionaires out of this war. That is a mandate I got from my people. No. 2: That there should be no favorites in this war.

I tell you, Mr. Chairman, I feel disturbed and disgusted when I learn that the Seventy-seventh Congress gave the President of the United States the power to set ceilings on farm prices, and the Congress said nothing about it. They were glad to clip the wings of the poor farmer. The Congress did not doubt his constitutional authority to act. They were glad he did act in this case. They gave the President of the United States the power to set a ceiling on wages, and were not worried about the constitutionality of that act. They were glad the President set a ceiling on wages. They gloated over it time and again.

But glory hallelujah, when the President of the United States uses that same power to put a ceiling on high salaries, my God, they bring in Blackstone, they bring in Lincoln, and they bring in everything under the sun—and yell, "It is unconstitutional! It is unconstitutional!"

I feel as one of the one-hundred-and-fifth mandate, the new Members of this Congress, Mr. Chairman, that what is sauce for the goose is sauce for the gander. If it is constitutional to put a ceiling on farm prices and wages, I think it is just as constitutional to put a ceiling on high salaries.

They talk about stifling initiative. You gentlemen of the Seventy-seventh Congress did not worry about stifling the initiative of the farmer when you gave the President the power to set a ceiling on farm prices. And the ceilings were set! Were you not stifling the initiative of labor when you gave the President the power to put a ceiling price on labor?

But the millionaire—oh, that is different you say. The man who must be paid a million dollars to show his initiative is not a man in my opinion.

If a man must be paid a million dollars to induce him to do his part in this war, he is not a man, and certainly he is not an American. So, I hope we will forget all this silly argument on constitutional questions, on removing initiative, and what not. I honestly think that when our boys are dying on every part of the globe, in the air and under the water and on land, it is a sad tragedy that this House wastes a whole day arguing whether a man should be permitted to make $67,000 or $2,000,000.

Mr. Chairman, I hope that the salary limitation will be extended. If the Congress did not have enough sense to put it in, thank God, the President of the United States of America did. If it is constitutional to put a ceiling on farm prices and wages, it is just as constitutional to put a ceiling on the profits for millionaires, who think that war and profits are the same thing.

The CHAIRMAN. The time of the gentleman has expired.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 4. Effective as of October 2, 1942, section 5 of the Act of October 2, 1942, entitled "An act to amend the Emergency Price Control Act of 1942, to aid in preventing inflation, and for other purposes", is amended by adding subsection (d) to section 5, as follows:

"(d) No action shall be taken under authorization of this act, or otherwise, which will limit the payment of annual salaries to a maximum amount less than the greater of the following:

"(1) The annual rate of salary paid to such employee on December 7, 1941; or

"(2) An amount which after reduction by the Federal income taxes thereon would equal $25,000."

Mr. COOPER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COOPER: Page 3, beginning at line 8, strike out all of section 4.

Mr. COOPER. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. COOPER. Mr. Chairman, I also ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Without objection, the gentleman from Tennessee is recognized for 10 minutes.

Mr. COOPER. Mr. Chairman, it is with regret that I am in disagreement with the majority of my committee on section 4 of this bill, but I am sure that they will accord to me the same honesty of purpose and sincerity of desire that I very cheerfully accord to them.

There is no disagreement as to the first three sections of this bill providing for the increase of the public debt from $125,000,000,000 to $210,000,000,000. The committee was unanimous on that and, of course, this increase of the public debt must be provided because of the war expenses.

My amendment seeks to eliminate section 4 from the bill and restore the bill to its original and proper form. Section 4 has no proper place in this bill as it is not germane to the rest of the bill and should be eliminated from it. It would be just as appropriate to include the lend-lease bill, or an amendment to the Selective Service Act in this bill as it would to include section 4 of this bill.

It has been stated that one of the main reasons for including section 4 in the debt-limit bill is that the President could not afford to veto it and would thereby be forced to accept the repeal of the $25,000 salary limitation in order to get the increase of the debt limit. I just do not think this is quite the fair and proper way to treat the President of the United States. I think he could very properly veto this bill with section 4 in it and ask the Congress to pass the debt-limit bill as introduced by the chairman of the Ways and Means Committee, which could be done very promptly and which should be done now.

The adoption of my amendment would do this and this alone: It would enable us to consider the increase of the debt limit. This was provided for in the bill introduced by the chairman of the Ways and Means Committee and is the thing that should be under consideration here today. That bill would have already been passed and probably be law today if this entirely extraneous and ungermane matter had not been injected into this. I want to invite your attention a moment or two to a consideration of section 4.

There has been much discussion here about the President's exercise of authority, about the intent of Congress, and various other phases of the matter, but there has been very little actual discussion during this debate or consideration given to just what this section 4 included in this bill will do and I think it is time that we should pause and wave aside any hysteria that may prevail and actually consider the words and phrases included in section 4 of this bill and let us for ourselves see what it will do before we are swept off our feet by any other things that have been injected into this debate.

The vice of section 4 is that it removes all restraints on increases in annual salaries under $67,200 until such salaries reach $67,200, assuming the present Federal tax rates, though this amount would be increased if the rates were increased. Wages cannot be controlled if salaries are to be uncontrolled. The mechanic earning $30 a week will never understand the justice of an anti-inflation law which regulates his wages but at the same time permits the salary of his boss or the head of his company to go from $10,000 to $67,200 without legal hindrance or restraint.

Salaries and wages must be controlled in the same manner and by the same law. By passing section 4 of this bill, however, we have the situation presented that the workers of this country working for wages have a ceiling placed above them, but people drawing salaries have no control placed on them at all until their salaries reach $67,200. Let us assume the illustration of a man working by the hour or by the day or receiving wages amounting to $50 a week, and a man over in the office in the same business receiving say $200 a month, substantially the same rate: This man receiving the wages has a ceiling placed on him, yet the man receiving the salary of substantially the same amount would have no restraint on him until he reached $67,200. I submit to you that it is not fair; it is not the proper way to approach this problem.

The Ways and Means Committee has no jurisdiction over this question. The Price Control Act was considered thoroughly and at great length by the distinguished Committee on Banking and Currency and they brought it in here and it was passed. Section 4 attempts to amend that act, an act under the jurisdiction of another committee, yet this section is brought in here by a different committee of the House than that which dealt with the original question notwithstanding all the lengthy consideration that was given to that measure.

In the interest of orderly legislation the proper thing to do is to strike section 4 out of this bill. Let us go on and pass the bill increasing the national debt limit from $125,000,000,000 to $210,000,000,000, which is urgently necessary for the prosecution of the war, and then let the distinguished Committee on Banking and Currency give such attention as is necessary to working out any difficulties that may have arisen with respect to the Price Control Act. They could bring in a bill repealing the effect of the Executive order or working it out on a proper basis and we would then be legislating in an orderly manner; but to come along here today and through the guise of a provision that has no proper place in this bill say we are going to place a ceiling on wages and yet no ceiling or no restraint on salaries is a position we should not allow ourselves to be found in. No hearings were held, no proper consideration was given to this phase of the bill. The way I suggest is the best way this problem could be met and dealt with in an orderly manner.

Mr. KNUTSON. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Tennessee [Mr. COOPER].

Mr. Chairman, you realize, of course, that I am talking to the Members on this side, and may I say to them that a tremendous drive is going to be made to eliminate this section from the bill. Just what difference does it make, if this is necessary legislation, whether it is tacked on by the Ways and Means Committee or by the Committee on Banking and Currency? It is just about the same difference as between tweedledee

and tweedledum. Of course, they are not going to catch anyone who has been here a few terms on this very adroit appeal for which the gentleman who has just taken his seat is a past master.

Mr. DISNEY. Will the gentleman yield?

Mr. KNUTSON. I yield to the gentleman from Oklahoma.

Mr. DISNEY. Well, now, reference has been made to wage earners, but they have had raise after raise. Did not the 48-hour order raise their salaries about 30 percent in the last month? Is there any argument about that?

Mr. KNUTSON. The 48-hour order had that effect but the demagogue is not concerned about that, because there are so many wage earners. They are popular because of their numerical superiority. It is the popular thing to jump on the so-called higher-income brackets. The gentleman from Tennessee [Mr. GORE], who is an able and fine young man, jerked a few tears when he read from a statement that Eugene Grace of Bethlehem Steel is being paid $500,000. He says that all of that comes out of war profits, but he did not tell you that Uncle Sam takes over $400,000 of that $500,000 in income taxes, leaving Mr. Grace $100,000 for State income taxes, local taxes, living expenses, contributions to charities, and such other incidentals as he may be faced with. Now I call that demagogy, don't you?

Mr. GORE. Will the gentleman yield?

Mr. KNUTSON. Yes, if the gentleman has any idea he can excel his past efforts I will be glad to yield to him.

Mr. GORE. Of course, I will not reply to the gentleman's charge of demagogy. I submit that is up to the House. I want to say that any comparison of the boy who is dying today for $50 a month with the man who is making the steel with which he shoots cannot be made. The latter is in a favored position when he has left after all taxes $100,000 or even $67,000.

Mr. KNUTSON. Listen to them applaud. You would think some of them had not been near a barber shop for 6 months.

Mr. Chairman, I do not want to take any more time except to say to the new Members: Do not let them stampede you the way the Indians used to stampede buffalo back in the old days on the frontier. Stand up and show them you are not rubber stamps. I know you are not.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DISNEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, if we really want to start demagoging we might make mention of the soldier boys drawing $600. You have heard that suggested. But bless your bones, the executives in the Army do not make $600 a year, or $50 a month. The executives in the Army get as high as $8,000, $12,000, and $15,000. The top generals get paid according to their responsibility just like you are getting paid according to your responsibility. That is what is involved here. This bogy about inflation is stuff and nonsense. Do you know in what instance you do not have to get the Commissioner's consent and still not be guilty of a crime? This regulation says that the Commissioner's approval is not required where an increase in salary rate is made in accordance with the terms of a salary agreement or salary rate schedule in effect on October 3, 1942. First, individual promotion or classification; second, individual merit increases; third, operation of established plan of salary increases on length of service; fourth, increased productivity under an incentive plan, and fifth, operation of a trainee system. You do not have to say a word to the stabilization unit under those conditions. You can raise your employee from $2,000 to $5,000 if that is your rate system.

If it is such a horrible thing to permit salaries to be raised, why has not that been changed by the Treasury Department? The argument vanishes in thin air. They are not doing the job themselves because they know it is not the proper thing to restrict salaries according to the suggestions that have been made here this afternoon.

I want to call the attention of my good friends from the community property States to something and I want to read you this and see how you like it. Under this order that has been promulgated, under this proviso—this Ginsburg proviso—the elimination of salaries provided for in sections 1002–18 to 1002–24, inclusive, shall in nowise be affected by any community property law. For example, if an employee, a resident of one of the community property States, receives a salary of $100,000, under the laws of that State, $50,000 is credited or may be credited to the wife, but for the purpose of these regulations the employee's salary is $100,000, not $50,000. This Congress has fought the community property battle back and forth through all these years. I have been against the community idea myself, but this order does it against your wish and against your will. That is the reason that I say the whole system permitted under this thing is a vicious way to permit public business to be carried on.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. DISNEY. I yield to the gentleman from Texas.

Mr. PATMAN. The gentleman must admit in fairness that his amendment will not change that regulation or order.

Mr. DISNEY. If it does not, it ought to.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. GEARHART. Mr. Chairman, I offer a perfecting amendment.

The Clerk read as follows:

Amendment offered by Mr. GEARHART: On page 3, line 8, strike out all of section 4 and insert the following in lieu thereof:

"SEC. 4. No provision of law heretofore enacted (except provisions fixing the compensation of officers and employees of the United States) shall be held or considered to authorize a limitation, in terms of a stated amount of money (whether before or after allowance for any taxes or other items) of the aggregate amount which may, in any stated period of time, and without regard to the character of the services rendered, be paid to, accrued in respect of, or received by, any individual as compensation for personal services; and any regulation heretofore issued which prescribes any such limitation shall, to the extent that it so prescribes, be void from the time of its issuance. This section shall not prevent the stabilization of wages or salaries on the basis of levels which existed on any stated date between January 1, 1942, and September 15, 1942."

Mr. GORE. Mr. Chairman, I make the point of order against the amendment that it is not germane.

The CHAIRMAN. Does the gentleman wish to be heard on the point of order?

Mr. GORE. Very briefly, Mr. Chairman.

The amendment is not germane to the amendment offered by the gentleman from Tennessee nor is it germane to the bill to which the gentleman from Tennessee offered his amendment. It is broader in scope. It takes in subject matter which is contained in neither the amendment nor the bill.

The CHAIRMAN. Does the gentleman from California wish to be heard on the point of order?

Mr. GEARHART. Mr. Chairman, I merely point out that the section to which I offered my amendment is a section which fixes limitations on salary earnings. The amendment I offer would also fix limitations upon salary earnings. I do not see that there is anything involved in my proposal which violates the rule.

The CHAIRMAN (Mr. WOODRUM of Virginia). The Chair thinks that both the section in the bill and the amendment regulate restrictions on salaries. The Chair is unable to see from reading the amendment offered by the gentleman from California that it is any broader in scope than the section 4 in the bill and, therefore, overrules the point of order.

The gentleman from California is recognized for 5 minutes.

Mr. GEARHART. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. GEARHART. Mr. Chairman, a moment ago one of our number arose to announce that he had listened intently to all the discussions which had occurred on this floor and had learned nothing. After listening to his remarks, may I add that I agree with him implicitly. In buoyant English that boomed through this Chamber he announced that $25,000 is enough for any man to have, there-

fore he does not care whether the limitation is imposed by the Congress itself or by Executive fiat. Yet he took an oath to support the Constitution of the United States and to protect and defend it. The Constitution of the United States divides the power of government into three distinct parts, the legislative, the judicial, and the executive. Does he mean to tell us that he is perfectly willing to disregard that oath and allow the Chief Executive to issue as fiats, mandates, edicts, the laws of this land? Does the word "usurpation mean nothing to him?

Let me assure my young friend from Wisconsin that if this $25,000 order is to stand it can be amended, amended time and time again. If the President can fix the salary limit at $25,000 he can fix it at $12,000, and, horrors, he can fix it at less than $10,000. I wonder if the gentleman from Wisconsin would have whooped it up so enthusiastically if the President, as an amendment to this regulation, had reduced his salary to $1,500 a year? If such a dire calamity as that should occur, I feel quite sure that the gentleman's squawks, like that shot that was fired at Lexington, would be heard around the world. He might pause long enough to check up to see if we still have a Constitution. It might be well for some of you fellows who cheered his bombast a few moments ago to look into that on your own.

Now let me get back to my amendment. The gentleman from Wisconsin said something about salaries, something about wages, something about prices. If you adopt the amendment I have offered salaries, wages, and prices will be placed on exactly the same basis. There is nothing in my amendment which would take from the President the right to stabilize prices, wages, and salaries as you intended he should stabilize them, stabilize them as of a date to be fixed by him—upon a date between January 1 and September 15. He will be able to stabilize them as you when you passed the bill declared he should stabilize them. So vote for the Gearhart amendment and you will put back in clear unmistakable terms the intent which you had in your minds when you passed the price, wage, and salary stabilization bill.

The reason we are indignant, we who know and pay some respect to the Constitution of the United States, is that this authority which we conferred has been used in a manner in which we did not intend to have it used. We passed a bill in the exercise of the authority with which the Constitution invested us to legislate. In that regulation against which we protest that constitutional authority to legislate has been taken from us by a man who has decided in his own mind that he knows what is best for us. He has in the spirit of "papa knows best" promulgated a rule of conduct which he thinks is better than the one we have laid down as the law of the land. By his arbitrary fiat he has assumed the right to control "the purse strings" by issuing a directive the effect of which has been to reduce the revenue collections, as fixed by the Revenue Act which the Congress of the United States passed, by more than $110,000,000. Is nothing constitutionally sacred any more?

Talk about preventing inflation! Mr. Chairman, the President's executive order is an inflationary measure if there ever was one. It takes taxes out of the public coffers and puts them in the hands of the people to spend. If that is in line with present anti-inflation theories, I have yet to have it explained to me. Perhaps I am in that same state of mental confusion in which the gentleman from Wisconsin [Mr. O'KONSKI], who learned nothing after listening to all of the debates here today, finds himself. I submit that we should put salaries, wages, and prices on exactly the same plane. Deal with them in exactly the same way. If you are of that frame of mind, still believe in the Constitution, you will vote for this amendment.

Mr. DISNEY. Mr. Chairman, as I understand it the Speaker desires that the Committee rise in order that he might sign a bill. I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WOODRUM of Virginia, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration the bill H. R. 1780, and had come to no resolution thereon.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 1501. An act to extend for 1 year the provisions of an act to promote the defense of the United States, approved March 11, 1941.

EXTENSION OF DEBT LIMIT

Mr. DISNEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 1780.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 1780, with Mr. WOODRUM of Virginia in the chair.

The Clerk reported the title of the bill.

Mr. GORE. Mr. Chairman, I rise in opposition to the amendment, and ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. The gentleman asks unanimous consent to proceed for 5 additional minutes. Is there objection?

Mr. MARTIN of Massachusetts. Mr. Chairman, I reserve the right to object. I understand that the gentleman from Oklahoma is rising now to attempt to fix a limit of time on debate. If that is to be the case, of course, the request of the gentleman from Tennessee should not be granted. We have already had an extra 5 minutes of debate given to one speaker on the majority side of the House, and to one Member on this side of the House. The gentleman from Tennessee [Mr. GORE] has been frequently on the floor this afternoon, and if we are going to have any curtailment in debate, this is the time to make the decision, because this should not be granted if it is the purpose to abridge debate. I understand that the majority leaders desire to finish this bill tonight. If we are going to have prolonged debate under the 5-minute rule every time somebody takes the floor, we are going to have to sit here late.

The CHAIRMAN. The gentleman from Tennessee has a request pending.

Mr. DISNEY. My purpose is to finish the bill if we can. How many gentlemen desire to speak I do not know at this time.

Mr. MARTIN of Massachusetts. If the gentleman wants to abridge debate, he must object to the extension of time right now.

Mr. DISNEY. Oh, I thought the gentleman from Massachusetts was going to object.

Mr. SHAFER. Mr. Chairman, I object.

Mr. GORE. Mr. Chairman, it remained for me to be here 5 years before facing the charge of demagoguery. In reply I submit to the gentleman from Minnesota, in all fairness, that if I had been trying to win a popularity contest I would not have advocated a ceiling over the prices of commodities which the farmers in my district produce, or a ceiling over the wages and earnings paid to the men who work in the factories, shops, and coal mines of Tennessee. This is a much bigger question to me than of whether I am a demagogue. Mr. Chairman, this goes to the very heart and core of our fight against inflation in this country, and I submit that it is an important question.

Mr. EATON rose.

Mr. GORE. Oh, I yield to the distinguished gentleman from New Jersey, and I thank God that a man like him is the ranking member of the Committee on Foreign Affairs.

Mr. EATON. I am very glad that the gentleman is in such a thankful frame of mind. I do not know whether I am on this subject or not, but I would like the gentleman to clear up one thing for me. As I understand it this amendment that has been placed in this bill deals with one question. Has the Chief Executive of the United States the authority on his own initiative to fix the level of salaries in this country without being empowered to do so by act of this Congress, a coordinate branch of the Government?

Mr. GORE. Mr. Chairman, again I ask that I may have unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection?

Mr. MERRITT. Mr. Chairman, I object.

Mr. GORE. Let me finish my answer to the gentleman from Minnesota. I say to the gentleman from Minnesota that I did not mention the salary of the president of the Bethlehem Steel Corporation other than to answer the spurious argument that money was being lost to the Treasury by the regulations imposed by the President. Since the gentleman has brought that up, I shall read further salary increases typical of increases spread over the country before the President's order. For instance, here is the salary of a salesman of the Monarch Machine Tool Co. In 1939 his salary was $12,000, and in 1941 this same salesman drew a salary of $47,000. That is typical of many increases before the Executive order was issued.

The President's order stopped that. That is in answer to the gentleman from New Jersey [Mr. EATON] also.

I would like to read to him some of the others. For instance, the Cessna Aircraft Corporation, a little concern, but he got a war contract. The vice president in 1940 made $2,325, a little less than $200 a month, but last year he drew $89,851.

Mr. GEARHART. Will the gentleman yield for a question?

Mr. GORE. I decline to yield. The President's order stopped such outrageous increases. Now, coming to the question of the gentleman from New Jersey [Mr. EATON], definitely the President, in my opinion, had authority to issue the order which he did issue.

Mr. EATON. Where did he get the authority?

Mr. GORE. He was given authority by Congress in the second price-control act, known as the Price Control Act of 1942. The charge was made that I was derelict in my duty because I did not advise the House of my opinion on that bill. I submit that is a new parliamentary conception. If every Member should be charged with the duty of advising the House of his opinion on every bill, we would have a long, drawn-out procedure. I will tell the gentleman why I did not speak on the bill. It was such a far cry from what I thought we should have, from what I thought we should have done, that I did not have the heart to get up and speak in advocacy of it. However, I thought that since the mistake had been made, since we started out on a piecemeal basis, and since things had gone so helter-skelter that a rigid control by law would be inadvisable, so, I fell in line and supported the administration and tried to help it get the authority which it said it needed, not because I agreed with the approach it made, but because I thought it necessary. We gave the President authority and he exercised it, and now some are complaining of it.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent that the gentleman from Tennessee be given 3 additional minutes.

Mr. SHAFER. Mr. Chairman, I object.

Mr. DISNEY. Mr. Chairman, I ask unanimous consent that all debate on this section close in 45 minutes.

Mr. SMITH of Virginia. Reserving the right to object——

Mr. BROOKS. Mr. Chairman, I reserve the right to object.

Mr. DISNEY. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WOODRUM of Virginia, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 1780, had come to no resolution thereon.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. JARMAN (at the request of Mr. GRANT of Alabama), indefinitely, on account of death in family.

EXTENSION OF REMARKS

Mr. ROBINSON of Utah. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein certain statements made before the Rules Committee. I am advised by the Government Printing Office that this will cost $150. I ask unanimous consent that it be printed notwithstanding.

The SPEAKER. Is there objection?

There was no objection.

SUPPLEMENTAL REPORT ON H. R. 324

Mr. MURRAY of Tennessee. Mr. Speaker, I ask unanimous consent that I may have permission to file a supplemental report on the bill H. R. 324.

The SPEAKER. Is there objection?

There was no objection.

C. DAVID GINSBURG

Mr. SHAFER. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. SHAFER. Mr. Speaker, I take this time to congratulate the gentleman from Virginia [Mr. FLANNAGAN], the gentleman from Georgia [Mr. COX], and the gentleman from Michigan [Mr. HOFFMAN] for their efforts, made earlier today, which I believe blew out of water the commissioning in the United States Army of Charles David Ginsburg.

I am reliably informed by a responsible official of the War Department that it is now extremely unlikely that Mr. Ginsburg will be commissioned and that there is little doubt but that he will retain his civilian status until his number is called up by his draft board.

The Nation I believe will be grateful to the newspaper that prematurely published the story revealing the possible commissioning of Mr. Ginsburg as a colonel. The ire of Congress was justifiably aroused and action was soon forthcoming.

As a member of the Military Affairs Committee I was greatly disturbed by the report and contacted the War Department. I was given the facts as follows:

On last Thursday Col. A. J. Browning, chief of the purchasing branch of the Service of Supply, was notified by cablegram that the secretary of the American Purchasing Commission in London had been critically injured in an accident and that an immediate replacement was required. Colonel Browning immediately contacted Mr. Ginsburg and five other men, who, it was stated had had similar experience, and Mr. Ginsburg was offered the position. He accepted and was instructed to obtain clearance from the Office of Price Administration and a release from his draft board.

My informant, a responsible official of the War Department, told me that Mr. Ginsburg went to his draft board last Friday and requested his release. This was delayed, however, because the Costello subcommittee of the Committee on Military Affairs had requested information in relation to the matter. I understand the committee went into the case quite thoroughly this afternoon.

At any rate, Mr. Ginsburg has not been commissioned and I am told that inasmuch as he is under 35 years of age and in class 2, and is not in a class of scarce skills as defined by the War Department, it is extremely unlikely that the Secretary of War's personnel board, which passes on such appointments, would give favorable consideration to his application.

To keep the record straight, the War Department official with whom I conferred, stated that the vacancy offered to Mr. Ginsburg was in the grade of captain and not in that of colonel, as reported.

Mr. ARENDS. Will the gentleman yield?

Mr. SHAFER. I yield.

Mr. ARENDS. I might say that in testimony developed this afternoon by the Costello subcommittee, Mr. Ginsburg was only one of the applicants now being considered for that particular captaincy.

Mr. SHAFER. I mentioned at the outset that Colonel Browning had considered five other men, but was told that Mr. Ginsburg had been offered the position and instructed to obtain his release from his draft board.

The SPEAKER. The time of the gentleman from Michigan has expired.

EXTENSION OF REMARKS

Mr. SADOWSKI. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include two articles, one from the Detroit News of Monday, March 8, 1943, and the other from the Detroiter, March 8, 1943.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MYERS. Mr. Speaker, I ask unanimous consent to extend my own

remarks and to include therein a letter from the executive director of the Pennsylvania State Temporary Commission on the Conditions of the Urban Colored Population.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. WIGGLESWORTH. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include a recent editorial from the Syracuse (N. Y.) Herald on the O. W. I. overstepping its authority.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. ROWAN. Mr. Speaker, I ask unanimous consent to extend my remarks and to include an editorial from the Daily Calumet of March 6.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent to extend the remarks I made this afternoon in Committee of the Whole on H. R. 1780 and to include therein a letter I wrote to the Honorable James F. Byrnes, Director of Economic Stabilization, and his answer thereto.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

(Mr. O'KONSKI and Mr. CELLER asked and were given permission to revise and extend their own remarks.)

ORDER OF BUSINESS MARCH 12-19

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute to ask the gentleman from Massachusetts [Mr. MCCORMACK] what the program will be for tomorrow and next week.

Mr. McCORMACK. Mr. Speaker, on tomorrow we will continue consideration of the bill under debate today.

Mr. MARTIN of Massachusetts. And do I understand correctly that this will be the only legislation of importance before the House tomorrow?

Mr. McCORMACK. The gentleman is correct.

Monday: On Monday the Consent Calendar will be called and there may be one suspension. Then we plan also to consider House Joint Resolution 83, authorizing the sale of an additional 1,000,000 bushels of wheat for feeding purposes.

Tuesday: On Tuesday the Private Calendar will be called. This will not take long. Following the call of the Private Calendar we will take up a resolution from the Appropriations Committee making an appropriation to assist in providing a supply and distribution of farm labor for the calendar year 1943. Following that we will take up House Resolution 119, authorizing the chairman of the Committee on Agriculture to appoint a subcommittee to investigate the Farm Security Administration.

Wednesday: On Wednesday we will call up the bill H. R. 2076, relating to the deportation of alien seamen.

Thursday: Thursday we will call up for consideration House Resolution 58, continuing the petroleum investigation that has been going on for several years.

Mr. MARTIN of Massachusetts. It is like Tennyson's brook; it runs on forever.

Mr. McCORMACK. Yes; but it is running clear water.

Mr. MARTIN of Massachusetts. I wish it were running oil, instead.

Mr. McCORMACK. Continuing with the program:

Friday: On Friday the civil functions appropriations bill will be called up.

As I see it at the present time, that constitutes the program.

Mr. MARTIN of Massachusetts. I thank the gentleman.

EXTENSION OF REMARKS

Mr. KENNEDY. Mr. Speaker, I ask unanimous consent to extend my own remarks in two instances: To include, first, a letter to the President of the United States and a reply; and, second, a letter to Mme. Chiang Kai-shek and a reply from Mme. Chiang.

The SPEAKER. Without objection it is so ordered.

There was no objection.

ORDER FOR CONSIDERATION OF AN APPROPRIATION TO ASSIST IN PROVIDING A SUPPLY AND DISTRIBUTION OF FARM LABOR

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that on Tuesday next after the call of the Private Calendar it may be in order to take up under the rules of the House the joint resolution (H. J. Res. 96) making an appropriation to assist in providing a supply and distribution of farm labor for the calendar year 1943.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

SENATE CONCURRENT RESOLUTION REFERRED

A concurrent resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. Con. Res. 9. Concurrent resolution condemning outrages inflicted upon civilians in the Nazi-occupied countries and favoring punishment of persons responsible therefor; to the Committee on Foreign Affairs.

ENROLLED BILLS SIGNED

Mr. KLEIN, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 1501. An act to extend for 1 year the provisions of an act to promote the defense of the United States, approved March 11, 1941; and

H. R. 1749. An act to amend Veterans Regulation No. 10, as amended, to grant hospitalization, domiciliary care, and burial benefits in certain World War No. 2 cases.

BILL PRESENTED TO THE PRESIDENT

Mr. KLEIN, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H. R. 1501. An act to extend for 1 year the provisions of an act to promote the defense of the United States, approved March 11, 1941.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly at 5 o'clock and 4 minutes the House adjourned until tomorrow, March 12, 1943, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will consider in open hearings the resolution (H. J. Res. 92) to authorize the refund by the War Shipping Administrator of certain freights for transportation on frustrated voyages, on Monday, March 15, 1943, at 10 a. m. Further hearings on the bill will be announced later.

The committee will also hold a public hearing on Thursday, March 18, 1943, at 10 a. m., on H. R. 1361 (Mr. LANE) and H. R. 1409 (Mr. FOGARTY), conferring upon men in the merchant marine the same rights, privileges, and benefits accruing to those serving in the armed forces, and on H. R. 1858, to confer the same rights, privileges, and benefits upon members of the United States merchant marine who served during the World War as are conferred upon members of the armed forces of the United States who served during such war.

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Thursday, April 1, 1943, at 10 a. m., on S. 163 (H. R. 498) to amend section 511 of the Merchant Marine Act, 1936, as amended, relating to ship-construction reserve funds, and for other purposes.

Congressman GEORGE J. BATES, of Massachusetts, patron of the bill, H. R. 1766, upon which hearings were scheduled on Thursday, April 8, 1943, is a member of the Committee on Naval Affairs and of a subcommittee of that committee, duties of which will compel him to be absent from Washington on Thursday, April 8, 1943. Accordingly the hearing scheduled for that date has been changed to Thursday, April 15, 1943, at 10 a. m.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m., Tuesday, March 16, 1943.

Business to be considered: Public hearing on H. R. 149.

COMMITTEE ON FOREIGN AFFAIRS

The Committee on Foreign Affairs will meet at 10 a. m. on Tuesday, March 16, 1943, to consider House Joint Resolution 14, authorizing the execution of certain obligations under the treaties of 1903 and 1936 with Panama, and other commitments.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

241. A letter from the Lend-Lease Administrator, transmitting the eighth quarterly report to Congress on lend-lease operations (S. Doc. No. 129); to the Committee on Foreign Affairs and ordered to be printed with illustrations.

242. A letter from the Archivist of the United States, transmitting a list of papers, recommended to him for disposal by certain agencies of the Federal Government; to the Committee on the Disposition of Executive Papers.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MURRAY of Tennessee: Committee on the Post Office and Post Roads. Supplemental report to part II to accompany H. R. 324. A bill placing postmasters at fourth-class post offices on an annual salary basis; without amendment (Rept. No. 212). Referred to the Committee of the Whole House on the state of the Union.

Mr. SABATH: Committee on Rules. House Resolution 160. Resolution for consideration of House Joint Resolution 83, to permit additional sales of wheat for feed; without amendment (Rept. No. 240). Referred to the House Calendar.

Mr. CLARK: Committee on Rules. House Resolution 119. Resolution creating a select committee to investigate the activities of the Farm Security Administration; without amendment (Rept. No. 241). Referred to the House Calendar.

Mr. SABATH: Committee on Rules. House Resolution 161. Resolution for the consideration of H. R. 2076, a bill to authorize the deportation of aliens to countries allied with the United States; without amendment (Rept. No. 242). Referred to the House Calendar.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 243. Report on the disposition of records by sundry departments of the United States Government. Ordered to be printed.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 244. Report on the disposition of records by sundry departments of the United States Government. Ordered to be printed.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 2053) for the relief of Thomas Devine, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. SASSCER:

H. R. 2153. A bill to allow an additional period of 6 months in which certain members of the Officers' Reserve Corps and the Enlisted Reserve Corps of the Army, or their beneficiaries, may make claim for benefits under the act of July 18, 1940; to the Committee on Military Affairs.

H. R. 2154. A bill to establish the status of funds and employees of the midshipmen's cobbler and barber shops at the United States Naval Academy; to the Committee on Naval Affairs.

H. R. 2155. A bill to provide that World War veterans serving in the land or naval forces during the present war shall be given the highest rank, grade, or rating held by them during the World War, and for other purposes; to the Committee on Military Affairs.

H. R. 2156. A bill providing for the furnishing of uniforms and equipment to the guard and master-at-arms forces at the United States Naval Academy; to the Committee on Naval Affairs.

H. R. 2157. A bill to establish the status of funds and employees of the midshipmen's tailor shop at the United States Naval Academy; to the Committee on Naval Affairs.

By Mr. FAY:

H. R. 2158. A bill to provide for the care and treatment of service men discharged for disability during the present war; to the Committee on World War Veterans' Legislation.

By Mr. RANDOLPH:

H. R. 2159. A bill to provide for special assessments for the laying of curbs and gutters; to the Committee on the District of Columbia.

By Mr. VOORHIS of California:

H. R. 2160. A bill to provide necessary funds through which to maintain adequate educational facilities in areas affected by the war effort, and for other purposes; to the Committee on Education.

By Mr. HENDRICKS:

H. R. 2161. A bill to provide for protection by war-damage insurance of leasehold interests in property; to the Committee on Banking and Currency.

By Mr. FAY:

H. R. 2162. A bill amending the National Service Life Insurance Act of 1940 to include illegitimate children as beneficiaries of automatic insurance; to the Committee on Ways and Means.

H. R. 2163. A bill amending the National Service Life Insurance Act of 1940 to permit designated beneficiaries to waive any benefits to which they are entitled in favor of a widow or child of the insured; to the Committee on Ways and Means.

By Mr. FLANNAGAN:

H. R. 2164. A bill to amend the act entitled "An act to provide for loans to farmers for crop production and harvesting during the year 1937, and for other purposes," approved January 29, 1937; to the Committee on Agriculture.

By Mr. FAY:

H. R. 2165. A bill amending section 16 of the Fair Labor Standards Act of 1938 to prohibit the removal of certain civil actions brought thereunder in any State court of competent jurisdiction to any court of the United States; to the Committee on Labor.

By Mr. COLMER:

H. R. 2166. A bill to permit property of the Work Projects Administration to be continued to be used by State agencies for vocational training; to the Committee on Public Buildings and Grounds.

By Mr. MALONEY:

H. R. 2167. A bill relating to the exemption from the tax on transportation of property of amounts paid for such transportation by States and political subdivisions thereof; to the Committee on Ways and Means.

By Mrs. SMITH of Maine:

H. R. 2168. A bill to amend sections 6 and 11 of the act approved July 24, 1941, entitled "An act authorizing the temporary appointment or advancement of certain personnel of the Navy and Marine Corps, and for other purposes," as amended, to provide for the grade of commodore, and for other purposes; to the Committee on Naval Affairs.

By Mr. O'CONNOR:

H. R. 2185. A bill to authorize the Secretary of the Interior, in carrying out the purposes of the act of May 18, 1916 (39 Stat. 137), to purchase logs, lumber, and other forest products; to the Committee on Indian Affairs.

H. R. 2186. A bill for the protection of Indian tribal organizations; to the Committee on Indian Affairs.

By Mr. FISH:

H. J. Res. 95. Joint resolution authorizing the Food Administrator to prohibit shipments of lend-lease food supplies needed in America; to the Committee on Foreign Affairs.

By Mr. CANNON of Missouri:

H. J Res. 96. Joint resolution making an appropriation to assist in providing a supply and distribution of farm labor for the calendar year 1943; to the Committee on Appropriations.

By Mr. LEMKE:

H. J. Res. 97. Joint resolution relating to emergency crop, seed, and feed loans, and to regional Agricultural Credit Corporation loans; to the Committee on Agriculture.

By Mr. FISH:

H. Con. Res. 13. Concurrent resolution providing for the permanent acquisition of the strategic islands from Bermuda to South America for air and naval bases as a reciprocal part of the lend-lease program; to the Committee on Foreign Affairs.

By Mr. FAY:

H. Res. 162. Resolution creating a special committee to visit the various war fronts; to the Committee on Rules.

H. Res. 163. Resolution authorizing expenses for the special committee provided for by House Resolution 162; to the Committee on Accounts.

By Mr. REED of New York:

H. Res. 164. Resolution providing additional compensation for assistant managers of telephones of the House; to the Committee on Accounts.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the Territory of Alaska, memorializing the President and the Congress of the United States to construct a road to connect the present Seward-Hope Highway with Anchorage, Alaska; to the Committee on Roads.

Also, memorial of the Legislature of the State of Oregon, memorializing the President and the Congress of the United States to pass legislation affecting the control of pollution from war industries in the Columbia River; to the Committee on Rivers and Harbors.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. GUYER:

H. R. 2169 (by request). A bill for the relief of H. B. Gilliam and C. E. Ellis, receivers of the Quantico Co., Inc., for balance of purchase price, rentals, and interest for lands occupied by the Marine Corps at Quantico, Va.; to the Committee on War Claims.

By Mr. BALDWIN of New York:

H. R. 2170. A bill for the relief of Jeannette C. Jones and minor children; to the Committee on War Claims.

By Mr. BARRY:

H. R. 2171. A bill authorizing the naturalization of Thomas P. Pendergrast; to the Committee on Immigration and Naturalization.

By Mr. ROLPH:

H. R. 2172. A bill for the relief of Joseph Arreas (also known as Joseph Arraes); to the Committee on Immigration and Naturalization.

By Mr. ROWAN:

H. R. 2173. A bill for the relief of Raymond James Perz; to the Committee on Naval Affairs.

By Mr. SASSCER:

H. R. 2174. A bill for the relief of Ellen S. Huber; to the Committee on Claims.

H. R. 2175. A bill for the relief of William F. Schmeltz; to the Committee on Claims.

H. R. 2176. A bill for the relief of Howard B. Hill; to the Committee on Military Affairs.

H. R. 2177. A bill for the relief of Earl J. Huber; to the Committee on Claims.

H. R. 2178. A bill for the relief of the Service Fire Insurance Co. of New York; to the Committee on Claims.

H. R. 2179. A bill for the relief of the leader of the Naval Academy Band; to the Committee on Naval Affairs.

H. R. 2180. A bill for the relief of Kenton L. Mullenax; to the Committee on Claims.

H. R. 2181. A bill for the relief of John G. Johnson; to the Committee on Claims.

H. R. 2182. A bill for the relief of John E. Haas; to the Committee on Claims.

By Mr. SATTERFIELD:

H. R. 2183. A bill for the relief of Mathilde B. Meister; to the Committee on Claims.

By Mr. SASSCER:

H. R. 2184. A bill to authorize and direct the Commissioners of the District of Columbia to set aside the trial-board conviction of Policeman William F. Fey and his resultant dismissal and to reinstate William F. Fey to his former position as a member of the Metropolitan Police Department; to the Committee on the District of Columbia.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

253. By Mr. HANCOCK: Petition signed by Gladys H. Garrick and other residents of Syracuse, N. Y., favoring the enactment of House bill 1111; to the Committee on World War Veterans' Legislation.

254. By Mr. MUNDT: Petition of the South Dakota State Legislature, memorializing Congress concerning the condition of Indians; to the Committee on Indian Affairs.

255. Also, petition of the South Dakota State Legislature, memorializing Congress to investigate the possibility of establishing a synthetic rubber plant at Yankton, S. Dak.; to the Committee on Agriculture.

256. By Mr. MOTT: House Joint Memorial No. 5 of the Forty-second Legislative Assembly of the State of Oregon, petitioning the Congress of the United States to give unfavorable consideration to and to defeat the enactment of Senate bill 246 and House bills 1012 and 1115, each of which provides amendments to the Civil Aeronautics Act of 1938, as amended; to the Committee on Interstate and Foreign Commerce.

257. By Mr. RAMEY: Petition of the Toledo Branch, of which Mrs. J. Shuller is president and Mrs. Ben Latez is secretary, Pioneer Women's Organization, urging that action be taken for the relief of the persecuted Jews in Nazi-occupied Europe; to the Committee on Foreign Affairs.

258. By Mr. ROLPH: Resolution of the Journeymen Barbers' International Union of America, Local No. 148, San Francisco, Calif., relative to rationing program of the Office of Price Administration; to the Committee on Banking and Currency.

259. Also, resolution of the Waiters' and Dairy Lunch Men's Union, Local 30, San Francisco, Calif., relative to the rationing program of the Office of Price Administration; to the Committee on Banking and Currency.

260. Also, resolution of the Apartment and Hotel Employees' Union, Local No. 14, San Francisco, Calif., relative to rationing program of the Office of Price Administration; to the Committee on Banking and Currency.

261. By the SPEAKER: Petition of the president of the International Longshoremen's and Warehousemen's Union, No. 1668, San Juan, P. R., petitioning consideration of their resolution with reference to end the colonial system of Puerto Rico; to the Committee on Insular Affairs.

262. Also, petition of the clerk of the house of representatives, Legislature of Oregon, petitioning consideration of their resolution with reference to House bills 1012 and 1115 and Senate bill 246; to the Committee on Interstate and Foreign Commerce.

263. By Mr. FORAND: Resolution pledging the unqualified support of the General Assembly of the State of Rhode Island to the Governor in his efforts to make available to the United States Navy for a firing range, the Wickaboxet State Forest in lieu of 6,680 acres of taxable land in East Greenwich, West Greenwich, Exeter, and North Kingstown; to the Committee on Naval Affairs.

SENATE

FRIDAY, MARCH 12, 1943

(Legislative day of Tuesday, March 9, 1943)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, we would turn in this sacred moment from the brazen vessels of governance to the golden bowls full of incense which are the prayers of the saints, conscious that more things are wrought by prayer than this world of facts and figures dreams of. As responsible servants of the Commonwealth we pause, deeply concerned about the spiritual verities without which our fleeting lives are but vanity and our boasted democracy destined not long to endure.

On this world day of prayer, when in countless sanctuaries in all lands in agony of spirit anguished lips lift up the ancient words, "Out of the depths do we cry unto Thee," we would humbly bow at this altar of devotion beneath the white dome, symbol of religious freedom, linking our petitions with all those whose hope and help is in God. On this dedicated day we fervently pray for the cleansing of our own hearts and the speedy coming of the glad day of the Lord when politics and commerce and industry and letters—the whole round circle of human activities—shall be purged and purified and in the shining splendor of service held up to Thee, an offering well pleasing in Thy sight. Hear our prayer, as we tread softly the altar stairs of our common humanity. In the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, March 11, 1943, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Taylor, its enrolling clerk, announced that the House had passed a bill (H. R. 2030) to permit the shipment tax-free of certain tobacco products to territories of the United States for the use of members of the military and naval forces of the United States, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H. R. 1749) to amend Veterans Regulation No. 10, as amended, to grant hospitalization, domiciliary care, and burial benefits in certain World War No. 2 cases, and it was signed by the Vice President.

CALL OF THE ROLL

Mr. HILL. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gillette	Radcliffe
Austin	Guffey	Reed
Bailey	Gurney	Revercomb
Ball	Hatch	Reynolds
Bankhead	Hayden	Robertson
Barkley	Hill	Scrugham
Bilbo	Holman	Shipstead
Bone	Johnson, Calif.	Smith
Bridges	Johnson, Colo.	Stewart
Brooks	Kilgore	Taft
Buck	La Follette	Thomas, Okla.
Burton	Langer	Thomas, Utah
Bushfield	Lodge	Tobey
Byrd	Lucas	Truman
Capper	McCarran	Tunnell
Caraway	McClellan	Tydings
Chavez	McNary	Vandenberg
Clark, Idaho	Maloney	Van Nuys
Clark, Mo.	Maybank	Wagner
Connally	Mead	Walsh
Danaher	Millikin	Wheeler
Davis	Moore	Wherry
Downey	Murdock	White
Eastland	Nye	Wiley
Ellender	O'Daniel	Willis
Ferguson	O'Mahoney	Wilson
George	Overton	
Gerry	Pepper	

Mr. HILL. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from Virginia [Mr. GLASS], and the Senator from Tennessee [Mr. MCKELLAR] are absent from the Senate because of illness.

The Senator from Kentucky [Mr. CHANDLER], the Senator from Rhode Island [Mr. GREEN], the Senator from Arizona [Mr. MCFARLAND], the Senator from Montana [Mr. MURRAY], and the Senator from Washington [Mr. WALLGREN] are detained on official business of the Senate.

The Senator from Georgia [Mr. RUSSELL] is necessarily absent.

Mr. MCNARY. The Senator from New Jersey [Mr. BARBOUR], the Senator from Nebraska [Mr. BUTLER], and the Senator from Idaho [Mr. THOMAS] are necessarily absent.

The Senator from New Jersey [Mr. HAWKES] is absent on official business.

The Senator from Maine [Mr. BREWSTER] is necessarily absent on public business.

The VICE PRESIDENT. Eighty-two Senators have answered to their names. A quorum is present.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

ADDITIONAL REPORT OF JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES (S. DOC. NO. 20)

A letter from the Senator from Virginia [Mr. BYRD], chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, submitting, pursuant to law, an additional report of the joint committee relating to the regional agricultural credit corporation in their relation to the Federal agricultural lending policy (with an accompanying report); to the Committee on Appropriations and ordered to be printed.

REPORT ON LEND-LEASE OPERATIONS

A letter from the Administrator of the Office of Lend-Lease Administration, transmitting, pursuant to law, the eighth quarterly report on operations under the Lend-Lease Act for the period ended March 11, 1943 (with an accompanying report); to the Committee on Foreign Relations.

REPORT OF THE RECONSTRUCTION FINANCE CORPORATION

A letter from the Chairman of the Reconstruction Finance Corporation, transmitting, pursuant to law, a report covering the operations of the Corporation for the month of November 1942 (with accompanying papers); to the Committee on Banking and Currency.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of the Departments of the Treasury, War, Navy, and Agriculture (2); Veterans' Administration, and The National Archives which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. BARKLEY and Mr. BREWSTER members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A resolution of Long Beach Parlor, No. 154, Native Daughters of the Golden West, of Long Beach, Calif., protesting against the formation of a Japanese unit of the United States Army; to the Committee on Military Affairs.

A resolution by a meeting of the sixteenth annual Anti-Saloon League Conference in St. Petersburg, Fla., favoring the enactment of legislation to prohibit liquor sales in the vicinity of military camps and war-production areas; to the Committee on Military Affairs.

By Mr. CAPPER:

A petition, numerously signed, of sundry citizens of Topeka, Kans., praying for the enactment of Senate bill 860, to prohibit liquor sales in the vicinity of military camps and naval establishments; to the Committee on Military Affairs.

By Mr. GURNEY (for himself and Mr. BUSHFIELD):

A concurrent resolution of the Legislature of the State of South Dakota; to the Committee on Finance:

"Senate Concurrent Resolution 9

"Concurrent resolution memorializing the Congress of the United States for the passage of an act incorporating the principles of the Townsend national recovery plan substantially as set forth in a bill entitled 'H. R. 1649' introduced in the House of Representatives in the first session of the Seventy-eighth Congress of the United States on February 2, 1943, by Representative PAT CANNON of Florida providing substantially as follows: 'To provide every adult citizen in the United States with equal basic Federal insurance, permitting retirement with benefits at age 60, and also covering total disability from whatever cause, for certain citizens under 60; to give protection to widows with children, to provide an ever expanding market for goods and services through the payment and distribution of such benefits in ratio to the Nation's steadily increasing ability to produce, with the cost of such benefits to be carried by every citizen in proportion to the income privileges he enjoys.'

"To the honorable Senate and House of Representatives of the United States in Congress assembled in the seventy-eighth session:

"Whereas with full recognition that as first in importance to America, is the winning of the war, we also recognize that second in importance is the winning of a lasting and satisfactory peace; and

"Whereas after the soldier boys in all the branches of the armed forces have won the military victory, we who have stayed at home, should not have it said of us that we have made a mess of the home front by neglecting to provide full employment and the means for them to make a living when they come home; and

"Whereas when the war is over America will have, through her marvelous machines, more production capacity, with less manpower than ever before known in history; and

"Whereas with appropriate action taken we will be able to produce enough for all, assuming that our industrial and agricultural plants remain intact; and

"Whereas, this bill H. R. 1649 provides for buying power in a continuous stream round and round in the market by its forced spending clause and the money will never be lost; and

"Whereas benefits are provided for those permanently disabled either through accident or illness which will care for the disabled soldier boys as well as all other citizens who are disabled and also widows with children, thus making them an asset to the community rather than a liability since they will help to sustain a constant and dependable market; and

"Whereas the old folks and those incapacitated for work and widows with small children to support, have not been able to participate in the prosperity brought about by the war effort and are now and will be in a worse financial condition after the war than before; and

"Whereas it is the purpose of this bill, H. R. 1649, first, to provide voluntary retirement for some 5,000,000 persons over 60 years of age, and provide jobs for several million persons under 60 years of age; second, to decrease if not eliminate expenditures for relief; third, to stimulate trade and industry by increasing the purchasing power of persons of advanced age, those incapacitated and widows having the care of children, producing employment for younger people, thus keeping the wheels of industry going: Now, therefore, be it

"Resolved by the Senate of the State of South Dakota (the house of representatives concurring), That we do hereby petition the Congress of the United States of America for the consideration at this seventy-eighth session of Congress of said Townsend national recovery plan bill, H. R. 1649, into law so it will be in operation when the war is over to provide full employment in post-war times and to care for the crippled and maimed soldier boys and the aged citizens. The said plan being deemed just and equitable to all persons of the United States; be it further

"Resolved, That the secretary of the State of South Dakota transmit a copy of this memorial to the President of the United States, to the Senate and the Speaker of the House of Representatives of the Congress of the United States and to the Senators and Representatives in Congress from the State of South Dakota, and that they and each of them be requested to use all honorable means within their power to bring about the enactment of said H. R. 1649 into law at the earliest possible moment."

By Mr. WILLIS:

A concurrent resolution of the General Assembly of the State of Indiana; to the Committee on Military Affairs:

"Concurrent resolution memorializing Congress of the United States to lift restrictions and priorities on batteries used for telephones and radios for farms and residents in rural communities

"Whereas telephones and radios in rural and farm communities are of great convenience and of practical necessity in securing information relative to farm work and community affairs necessary in the war effort; and

"Whereas the restrictions and priorities placed on these commodities by the Federal Government have resulted in great inconvenience to farms and residents of rural communities, thereby retarding the efforts necessary to carry on the work necessary to aid the war efforts: Be it

"Resolved by the Senate of the General Assembly of the State of Indiana (the house of representatives concurring),

"SECTION 1. That we respectfully urge and memorialize Congress to lift the priorities and restrictions on batteries used for rural telephones and radios and batteries used by farmers and residents in rural communities so that a sufficient supply of such commodities may be available, as telephones and radios are necessities in these communities, in that they are the only quick means of a communication."

RESOLUTIONS OF TOWN OF WATERBURY AND VERMONT STATE CHAMBER OF COMMERCE

Mr. AUSTIN. Mr. President, I present and ask unanimous consent to have printed in the RECORD at this point two brief resolutions, one by the town of Waterbury, Vt., in which the town of Waterbury pledges:

To help win, at whatever personal cost, the victory which will erase forever from the minds of all men ideas of "master races" and of people who have the destiny and the power to dominate and enslave other peoples.

Also—

Resolved, That the town of Waterbury pledges to help work for a peace in which the United States recognizes to the full and fulfills her responsibilities in a world of free peoples.

I also present another resolution, adopted by the Vermont State Chamber of Commerce, to the same effect.

There being no objection, the resolutions were referred to the Committee on

Military Affairs and ordered to be printed in the RECORD, as follows:

RESOLUTIONS OF TOWN OF WATERBURY, VT.

Whereas the Axis governments, in their folly and madness and crime, conceive that they are wise enough and strong enough to destroy and annihilate other nations and to rule the world.

Resolved, That the town of Waterbury pledges to help win, at whatever personal cost, the victory which will erase forever from the minds of all men ideas of "master races" and of people who have the destiny and the power to dominate and enslave other peoples.

Resolved, That the town of Waterbury pledges to help work for a peace in which the United States recognizes to the full and fulfills her responsibilities in a world of free peoples.

Resolved, That copies of this resolution be sent to the President of the United States and to Members of Congress.

VERMONTERS AND THE FUTURE

In view of the plans and the ambitions of the governments forming the Axis powers,

Resolved, That we Vermonters, gathered at the annual meeting of the Vermont State Chamber of Commerce, pledge ourselves to help win, at whatever personal cost, the victory which will erase forever from the minds of all men ideas of "master races" and of people who have the destiny and the power to dominate and enslave other peoples.

Resolved, That we Vermonters pledge to help work for a peace in which the United States recognizes to the full and fulfills her responsibilities in a world of free peoples: and

Resolved, That copies of this resolution be sent to the President of the United States and to the Members of Congress.

VERMONT STATE CHAMBER OF COMMERCE.
MONTPELIER, *June 11, 1942*.

RESOLUTIONS OF INDEPENDENT FARMERS OF KANSAS—MANPOWER FOR AGRICULTURE

Mr. CAPPER. Mr. President, I ask unanimous consent to have printed in the RECORD and appropriately referred resolutions adopted by the board of governors of Independent Farmers of Kansas at their annual meeting in Topeka, Kans., on February 20, 1943.

There being no objection, the resolutions were referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

Whereas there has been introduced into Congress H. R. 1186 and H. R. 1187; and

Whereas the Independent Farmers of Kansas are in hearty accord with the provisions of these two bills; and

Whereas the Independent Farmers of Kansas are deeply concerned with the suggested administration and distribution of manpower for farms; and

Whereas we are deeply concerned with the confusion and resentment we believe will follow if such distribution of manpower for agriculture is assigned to the Agricultural Adjustment Administration: Now, therefore, be it

Resolved, that the Independent Farmers of Kansas heartily endorse H. R. 1186 and H. R. 1187, as presented by Congressman ED REES, and we shall expect your active support and approval of this program; be it further

Resolved, That we protest any attempt of the War Manpower Commission to delegate to the authorities of the Agricultural Adjustment Administration the distribution of manpower relating to agriculture; be it further

Resolved, that a copy of this resolution be forwarded to each of every Member of the Kansas delegation in Congress, including Senators CAPPER and REED; to the Secretary of Agriculture, to the Chairman of the War Manpower Commission, and to the chairman of the Agriculture Committee of the House of Representatives.

INDEPENDENT FARMERS OF KANSAS,
OTTO GEFFERT, *President*.
GREENLEAF, KANS.

CONFIRMATION BY SENATE OF CERTAIN GOVERNMENT EMPLOYEES — RESOLUTION OF LOCAL No. 1, UNITED FEDERAL WORKERS OF AMERICA

Mr. BARKLEY. Mr. President, I ask unanimous consent to present and have printed in the RECORD and appropriately referred a letter received by me from Local No. 1, United Federal Workers of America, located in Washington. In the letter there was enclosed a resolution on the so-called McKellar bill which they have adopted and which they ask to have printed in the RECORD. I ask that both the letter and the resolution be printed.

There being no objection, the letter and resolution were referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

LOCAL 1, UNITED FEDERAL
WORKERS OF AMERICA,
Washington, D. C., March 9, 1943.

Senator ALBEN W. BARKLEY,
Senate Office Building,
Washington, D. C.

DEAR MR. BARKLEY: The members of Local 1, United Federal Workers of America, C. I. O., adopted a resolution urging the defeat of the McKellar bill at their monthly meeting on March 3.

We would like to have the resolution read into the CONGRESSIONAL RECORD.

Sincerely yours,
CHARLOTTE CHATFIELD,
President, Local 1.

Whereas the McKellar bill, S. 575, calls for Presidential nomination and Senate confirmation of thousands of Federal employees; and

Whereas the bill will decrease efficiency in the Federal service by substituting the patronage system for the merit system; and

Whereas the morale of Federal employees will be threatened until the task of confirmation is completed; and

Whereas the enormous task of confirmation will distract the President and the Senate from important war work: Now, therefore, be it

Resolved, That Local 1, United Federal Workers of America, C. I. O., backs the President of the United States in urging the immediate defeat of the McKellar bill, S. 575; and be it further

Resolved, That copies of this resolution be sent to President Franklin D. Roosevelt, to Vice President Henry A. Wallace, to Senator Alben W. Barkley, Senator Lister Hill, Senator Charles L. McNary, Senator Kenneth McKellar, and to the press.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. WILEY, from the Committee on Claims:

H. R. 227. A bill for the relief of the Tours Apartment Hotel; without amendment (Rept. No. 105);

H. R. 535. A bill for the relief of the legal guardian of Donna Pittel; with an amendment (Rept. No. 106); and

S. 769. A bill for the reimbursement of civilian personnel of the United States Antarctic Service for the value of personal property lost during the expedition to the Antarctic; without amendment (Rept. No. 107).

By Mr. TUNNELL, from the Committee on Claims:

H. R. 170. A bill to confer jurisdiction upon the United States District Court for the Eastern District of Virginia to hear, determine, and render judgment upon the claim of O. T. Travis; with an amendment (Rept. No. 108); and

H. R. 1153. A bill for the relief of Cordie Underwood and Wilbur Kea; with amendments (Rept. No. 109).

By Mr. CAPPER, from the Committee on Claims:

S. 251. A bill for the relief of Florence B. Hutchinson; with an amendment (Rept. No. 111);

S. 516. A bill for the relief of The Nashville, Chattanooga and St. Louis Railway; without amendment (Rept. No. 112); and

H. R. 605. A bill for the relief of Shumate Investment Co.; without amendment (Rept. No. 113).

By Mr. CLARK of Missouri, from the Committee on Finance:

S. 815. A bill to amend section 301, World War Veterans' Act, 1924, as amended, to authorize renewal of expiring 5-year level premium term policies of those in active military or naval service and certain others outside the continental limits of the United States, and for other purposes; without amendment (Rept. No. 110).

REPORTS ON DISPOSITION OF EXECUTIVE PAPERS

Mr. BARKLEY, from the Joint Select Committee on the Disposition of Executive Papers, to which were referred for examination and recommendation two lists of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted reports thereon pursuant to law.

REPORT OF COMMITTEE ON AGRICULTURE AND FORESTRY—THE MILK INDUSTRY (REPT. NO. 114)

Mr. AIKEN. Mr. President, early this week a subcommittee of the Committee on Agriculture and Forestry, known as the food committee, reported on the hearings which had been held on the milk industry. Yesterday, I was instructed by the Committee on Agriculture and Forestry to submit the report. I realize that there is not time to read it now or to give it the consideration which it should receive. Therefore, I ask consent to submit the report and request that it be printed as a report of the Senate and also printed in the RECORD.

I shall not at this time go into the matter at length, but at a more opportune time it is my purpose to discuss in some detail the work of this subcommittee which pertains to many phases of the problem of food production and distribution.

There being no objection to the request of the Senator from Vermont [Mr. AIKEN], the report was received, ordered to be printed and to be printed in the RECORD, as follows:

The Subcommittee on Agriculture and Forestry, known as the food committee, has completed hearings on the current situation of the milk industry.

The subcommittee has heard representatives concerned with the milk industry from widely separated regions, among them being several representatives of State milk-control boards charged with the duty of providing consumers with an adequate supply of milk at fair prices and also many representatives of producer organizations. Representatives of the Office of Price Administration, the Office of Economic Stabilization, and of the Department of Agriculture were also heard in regard to the policies of these Federal agencies relative to the milk industry.

This subcommittee realizing the vital importance of maintaining and increasing production of all dairy products to supply the armed forces, our allies, and our civilian population is anxious to expedite the industry's attempt to expand its production.

All witnesses representing State control boards and producer organizations testified that the ceiling recently placed upon producer prices would unless promptly modified result in drastically decreased production. Some witnesses testified that the ceiling prices placed milk values to the producer at less than cost of production; that many farmers had already been forced out of business and a large number of other producers were threatened with having to discontinue the production of milk.

The testimony indicated that dairy farmers were unable to compete for labor with the high-wage industries and that so many men had left their jobs with the dairymen that large numbers of herds were being liquidated either for beef or by disposal to other dairymen. Shortages and higher prices of feed and scarcity of farm machinery were also emphasized.

With such conditions prevailing in so vital an industry, immediate attention was demanded. Whereupon, this committee on February 19 brought together representatives of dairymen and the departments of Government responsible for regulations governing the industry so that a clearer understanding of the problems could be aired before a congressional committee.

Representatives of the executive agencies agreed that further consideration would be given the milk-price situation immediately and that where inequalities in price existed correction would be made. These representatives of the Office of Price Administration, Department of Agriculture, and the Office of Economic Stabilization did meet promptly to consider acute conditions existing in three New England markets and, as a result, an increase of one-half cent per quart to producers was recommended. It is understood that attention will be promptly given to conditions which exist in many other markets.

The small increase in price to New England producers will undoubtedly have its effect in retarding the rate at which milk production was decreasing, although it will not be as effective as it would have been if granted some months ago before many dairy farmers had disposed of their herds and had lost much of their labor. The long time which elapsed between the hearings on the application for a price adjustment on September 24, 1942, and the date of the tentative order on March 1, 1943, was undoubtedly a contributing factor to the reduction of milk production in these New England areas.

Indications are that unless cost of production can be reduced or at least held stationary and unless more labor is available to dairymen, the crisis in the industry will become stringently acute by the latter part of the summer.

While it is believed that, as a result of the hearings before this committee on February 17 and 19, a clearer understanding of the problems of both Government and milk producers now exists and that the rapidly accelerating decrease in milk production may be slowed down, yet it will be advisable for this committee to hold hearings from time to time on the milk situation at which the problems of producers, distributors, consumers, and Government agencies may be currently discussed.

The committee recommends that in fixing price ceilings on fluid milk and other dairy products the importance of maintaining and, if possible, increasing production must be kept first in mind, that prices must be realized by the producer which will allow him to pay wages attractive enough to keep what labor is left and that sectional differences in cost of production including labor, feed, transportation, and all other elements of cost be borne in mind in fixing future ceilings.

We cannot emphasize too strongly the necessity for adjusting prices on dairy products at a level which will maintain production before shortages occur. Dairy production cannot be increased by the simple issuance of a new regulation. Shortages must be anticipated and forestalled for it requires 3 years to replace a dairy cow once she has been sold for beef.

Your subcommittee further noted an apparent lack of familiarity with certain problems of the dairy industry by some high Government officials. We recommend that in the future not only should the Department of Agriculture be freely consulted and advised by other agencies of Government in dealing with agricultural problems, but that representatives of the dairy industry itself be given an opportunity to be heard before such vital matters as price ceilings are decided upon.

It was made plain to the committee that except for hearings conducted by the Department of Agriculture, neither those who represent the dairy interests nor those charged with the protection of consumer interests were given an opportunity to be heard before the Nation-wide price ceiling was imposed.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mrs. CARAWAY:

S. 869. A bill for the relief of Betty Ray Bell and Jess L. Bell; to the Committee on Claims.

By Mr. TYDINGS:

S. 870. A bill authorizing the Secretary of the Interior to purchase food, clothing, supplies, and materials for resale to employees of the Department of the Interior stationed in Alaska; to the Committee on Territories and Insular Affairs.

By Mr. KILGORE:

S. 871. A bill for the relief of Harriet A. Richey; to the Committee on Military Affairs.

By Mr. HILL:

S. 872. A bill to authorize the President to appoint Frank T. Hines a brigadier general in the Army of the United States; to the Committee on Military Affairs.

By Mr. SHIPSTEAD:

S. 873. A bill to provide for the disposition of tribal funds of the Minnesota Chippewa Tribe of Indians; to the Committee on Indian Affairs.

S. 874. A bill to require competitive bidding in connection with the sale of certain railroad securities; to the Committee on Interstate Commerce.

By Mr. HAYDEN:

S. 875. A bill to provide for the preparation of high-school students for wartime service; and

S. 876. A bill to provide for the wartime care and protection of children of employed mothers; to the Committee on Education and Labor.

By Mr. NYE:

S. J. Res. 41. Joint resolution relating to Public Law 74, Seventy-seventh Congress, and the Agricultural Adjustment Act of 1938, as amended, and providing for the refund of all penalty taxes collected and for the cancelation of all uncollected penalty taxes on so-called excess wheat for the years 1941 and 1942; to the Committee on Agriculture and Forestry.

HOUSE BILL REFERRED

The bill (H. R. 2030) to permit the shipment tax-free of certain tobacco products to territories of the United States for the use of members of the military and naval forces of the United States was read twice by its title and referred to the Committee on Finance.

INVESTIGATION OF LABOR SHORTAGES IN CERTAIN WESTERN STATES—ASSIGNMENT OF GOVERNMENTAL REPRESENTATIVES TO ACCOMPANY SUBCOMMITTEE

Mr. DOWNEY submitted the following resolution (S. Res. 113), which was referred to the Committee on Military Affairs:

Resolved, That the Secretary of War, the Secretary of the Navy, the Secretary of Agriculture, the Chairman of the War Production Board, the Chairman of the War Manpower Commission, and the Director of Defense Transportation are each requested to assign a representative of their respective departments or agencies to accompany the subcommittee of the Committee on Military Affairs, appointed pursuant to Senate Resolution 88, Seventy-eighth Congress (relating to an investigation of the existing shortage of labor in the Pacific Coast and Rocky Mountain States and the effect of such shortage upon the war effort), to such places as may be necessary for the purpose of participating in such investigation and in hearings held in connection therewith.

The limit of expenditures under such resolution is hereby increased by $10,000.

COMMODITIES NEEDED IN THE WAR EFFORT

Mr. WILEY. Mr. President, there came to my desk today a number of letters from my farmer constituents telling about the serious situation in the State of Wisconsin. I ask to have printed in the RECORD at this place a letter which comes from Harvey Cornell, secretary of the mobilization committee of Sturgeon Bay, Wis.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COUNTY SUPERINTENDENT OF SCHOOLS, DOOR COUNTY,
Sturgeon Bay, Wis., March 9 1943.

Mr. ALEXANDER WILEY,
United States Senate,
Washington, D. C.

Hon. MR. WILEY: This letter is to inform you of a meeting of the mobilization committee of Door County, Wis., held on the afternoon of March 8. The issues discussed at the meeting, which we feel you would like to be informed about, were chiefly as follows:

1. Feed dealers reported difficulty in getting high-protein feeds to take care of current needs. Special mention was made of soybean meal, gluten, and oil meal.

2. (a) Fruit packers reported needs for containers for juices if such are to be saved and processed for use.

(b) Picking pails or picking containers.

(c) Nitrogen fertilizers in larger quantities. Present supply slightly over one-half of needs.

(d) Jar caps and rubbers for home canning should be made available.

3. General farm groups expressed the following needs:

(a) Need to release more farm machinery for Door County. (Why hold machinery in stock in local warehouses when it is needed on the farms?) Special mention was made of cultivators, spring-tooth harrows, and plows. It was felt that it would be necessary to reallocate machinery to areas where most needed on short notice. Cases of bumper crops would call for greater supplies in certain areas immediately.

(b) Allotted machinery should be made available to the dealers in time for distribution and use.

(c) Need for early action to set ceiling price on sugar beets to insure planting on time.

(d) Step up priority to farmers. (Farmers find difficulty in getting needed fencing and other metallic materials.)

(e) Need to improve farm labor situation. Recommendations to make men 38 years of age or older available as farm help.

The committee feels that the above-mentioned factors are quite urgent and should receive Nation-wide attention at once.

Respectfully submitted.

WILLIAM MOORE,
Chairman.
HARVEY CORNELL,
Secretary of Mobilization Committee.

ON DOUBLE-CROSSING

Mr. WILEY. I desire to have the attention of the Senate while I read an editorial which appeared in the Washington Post this morning. The title is "On Double-Crossing," and the editorial reads:

ON DOUBLE-CROSSING

Talk about the possibility of the United States double-crossing Russia has focused interest once more on a resolution of vital importance before the Senate Committee on Foreign Relations. There is only one situation that gives rise to charges of double-crossing on the part of the United States. That is the situation developing out of a deadlock between the President and Congress. Rejection of the League of Nations by the Senate after Woodrow Wilson had sponsored it at Paris is the classic example. Certainly those conflicting acts on the part of our Government gave millions of people the impression that the United States was guilty of a double-cross.

Chairman CONNALLY of the Senate Foreign Relations Committee—

I am sorry the Senator from Texas is not in the Chamber at the moment—

Chairman CONNALLY, of the Senate Foreign Relations Committee, gave assurance the other day, following Vice President WALLACE'S speech, that the United States is not going to double-cross Russia or any other nation. His assurance, so far as intentions are concerned, would doubtless be reiterated by every Member of Congress and every executive official. Yet there is nothing to prevent another deadlock between the President and Congress over the post-war settlement. And no steps of any importance are being taken to prevent such a tragedy.

I repeat those words, "And no steps of any importance are being taken to prevent such a tragedy."

The editorial continues:

The first step toward preventing a double-cross or even fear of another flip-flop of the 1919–20 variety is enactment of Senator WILEY'S resolution calling for a foreign relations advisory council. That body would be appointed by the President and would consist of the Secretary and Under Secretary of State, the chairmen and ranking minority Members of the Senate and House committees dealing with foreign affairs, experts of the Department of State and such additional Senators as the President might designate.

Mr. President, I may say that that is practically verbatim my resolution. I continue reading the editorial:

The whole purpose of the resolution is to bring about a meeting of minds between the executive and legislative branches as to the type of peace the United States should seek.

I now call attention to the following language of the editorial, which seems to me to have a direct bearing upon whether we are going backward to the old conditions or forward to some kind of a meeting of minds between the Executive and the Senate. We have been talking, and the country is full of such talk, of cooperating with foreign nations. I say that the first step in the plan of cooperation is to learn to cooperate with your own. If one cannot live with his own family, he is in a bad fix. If he cannot live with his own community, he is in the same condition. If one cannot get along with his own State, the result is the same. Certainly if the Senate and the Executive cannot, in this most critical hour, embrace the spirit of cooperation and collaboration which is necessary, we are missing the boat.

I want the Senate to pay particular attention to this language:

Conferences are soon to be held with other members of the United Nations on economic problems, food supplies, world reconstruction, freedom of the air, and so forth. Unquestionably Congress should have a part in the formulation of policies in these spheres. To ignore the Senate in matters of such vital importance to the future of the country would be to invite a revolt when treaties are sent to that body for ratification. How can we expect other governments to place any reliance upon any plans that might be evolved without either the cooperation or knowledge of Congress? The first elementary step toward discussion of the new world order is to bridge the gap between the White House and the Senate by some open acknowledgment of their partnership in this momentous undertaking.

Mr. President, the lackadaisical attitude of this body toward the one important feature which is stressed by the Washington Post, and which has been stressed by leading editorial writers of the country and by magazine writers, is tragic. Yet the Foreign Relations Committee apparently will give no consideration to the matter, simply because the Executive will not give the "green light." I say it is the obligation of the Senate to adopt the resolution, and put the matter squarely up to the Executive, and if he does not give the "green light" then let the ax fall where it will. If we do not take this step the responsibility is partially ours.

Yesterday we heard a magnificent speech made on the floor of the Senate by the Senator from Michigan [Mr. VANDENBERG]. He told in graphic language how we, the American people, feel. We want to accomplish something. But, Mr. President, if we do not have the mechanics for the accomplishment we shall simply be lost in the maze of post-war problems. It seems to me this editorial should cause every Senator to recognize the significance of his position in the world situation.

AFTER VICTORY, WHAT?—ADDRESS BY SENATOR PEPPER

[Mr. PEPPER asked and obtained leave to have printed in the RECORD an address on the subject After Victory, What? delivered by him on the animated magazine program at Rollins College on February 1, 1943, which appears in the Appendix.]

THE EDUCATOR AND HIS GOVERNMENT—ARTICLE BY FORMER SENATOR ROSIER

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD an article entitled "The Educator and His Government" by Hon. Joseph Rosier, formerly United States Senator from West Virginia, and president, State Teachers College, Fairmont, W. Va., which appears in the Appendix.]

RUSSIA AND THE WESTERN ALLIES—EDITORIAL BY ERNEST LINDLEY

[Mr. TUNNELL asked and obtained leave to have printed in the RECORD an editorial entitled "Russia and the Western Allies" written by Ernest Lindley and reprinted in the Washington (D. C.) Post of March 12, 1943, which appears in the Appendix.]

NEW DEAL POLITICS IN THE COURTS—EDITORIAL FROM CHICAGO HERALD-AMERICAN

[Mr. BROOKS asked and obtained leave to have printed in the RECORD an editorial entitled "New Deal Politics in the Courts" published in the Chicago Herald-American of Tuesday, March 9, 1943, which appears in the Appendix.]

FIRST DEFICIENCY APPROPRIATIONS, 1943

The Senate resumed the consideration of the bill (H. R. 1975) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1943, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1943, and for other purposes.

The PRESIDING OFFICER (Mr. HILL in the chair). The question is on the committee amendment on page 15, line 6.

Without objection, the amendment is agreed to.

The next amendment of the committee will be stated.

The next amendment was, under the heading "Department of Commerce" on page 15, after line 22, to insert:

WEATHER BUREAU

Observations, warnings, and general weather service: For an additional amount for observations, warnings, and general weather service, fiscal year 1943, including the objects specified under this head in the Department of Commerce Appropriation Act, 1943, $390,000: *Provided*, That the limitation on the amount which may be expended for departmental personal services in the District of Columbia is hereby increased from $900,880 to $937,825.

The amendment was agreed to.

The next amendment was, under the heading "Department of the Interior", on page 17, after line 3, to insert:

BUREAU OF RECLAMATION

Lugert-Altus project, Oklahoma: For continuation of construction, $400,000 from the

general fund of the Treasury, to remain available until expended: *Provided*, That of the total construction cost of all the features of the project not to exceed $3,080,000 shall be reimbursable under the provisions of the reclamation law.

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Mines", page 17, after line 15, to strike out:

Investigation of bauxite and alunite ores and aluminum clay deposits (national defense): For an additional amount for investigation of bauxite and alunite ores and aluminum clay deposits, including the objects specified under this head in the Interior Department Appropriation Act, 1943, and including the purchase of drilling rigs mounted on trucks and of auxiliary trucks to service drilling rigs without charge against the limitation on the purchase of motor-propelled vehicles hereinafter specified, $325,000: *Provided*, That the limitation on the amounts which may be expended for purchase of motor-propelled vehicles, and available to the Geological Survey to carry out the purposes of this appropriation, are hereby increased from $6,000 to $18,000, and from $80,000 to $100,000, respectively.

And in lieu thereof to insert the following:

Investigation of bauxite and alunite ores and aluminum clay deposits (national defense): For an additional amount for investigation of bauxite and alunite ores and aluminum clay deposits, including the objects specified under this head in the Interior Department Appropriation Act, 1943, and including the purchase of drilling rigs mounted on trucks and of auxiliary trucks to service drilling rigs without charge against the limitation on the purchase of motor-propelled vehicles hereinafter specified, $2,500,000, to remain available until June 30, 1944: *Provided*, That the limitation on the amount which may be expended for purchase of motor-propelled vehicles is hereby increased from $6,000 to $30,000; the limitation on the amount to be available to the Geological Survey is hereby increased from $80,000 to $300,000; and the limitation on the amount which may be expended for personal services in the District of Columbia is hereby increased from $38,000 to $60,000.

The amendment was agreed to.

The next amendment was, under the heading "Department of Justice—Office of the Attorney General", on page 20, line 7, after the word "dependent", to strike out "minor."

The amendment was agreed to.

The next amendment was, under the heading "Department of Labor—Bureau of Labor Statistics", on page 21, line 9, after the numerals "1943", to strike out "$12,300" and insert "$89,900."

The amendment was agreed to.

The next amendment was, under the heading "Navy Department—Office of the Secretary", on page 21, line 18, after the word "in", to insert "Senate Document No. 9 and"; and in line 20, after the word "Congress", to strike out "$4,134.06" and insert "$5,178.89."

Mr. AIKEN. Mr. President, will the Senator from Arizona be good enough to make an explanation of the amendment on page 21, under the heading of Navy Department, providing an increase of funds for the Office of the Secretary of the Navy for settling claims for damages to private property arising from collisions with naval vessels? Is the money provided for damages which have already been incurred?

Mr. HAYDEN. Oh, yes.

Mr. AIKEN. That is for collisions between naval vessels and private vessels?

Mr. HAYDEN. It is for payment of audited claims.

Mr. AIKEN. And the committee is satisfied that the settlements are in accordance with the provisions of existing law?

Mr. HAYDEN. Yes. This is the customary appropriation made after the claims for damages have been examined, approved, and audited. Then we appropriate money to pay the claims.

Mr. AIKEN. I was prompted to ask the question because of my knowledge that a great deal of our shipping is insured by the Maritime Commission for anywhere from 5 to 20 times its actual value, and I simply wanted to make sure that the Navy was not settling its claims on that basis.

Mr. HAYDEN. No; I never heard of anything like that.

Mr. AIKEN. The Senator is satisfied that the settlements provided are fair?

Mr. HAYDEN. Yes.

Mr. AIKEN. That is all I wanted to know.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 21, line 18.

The amendment was agreed to.

The PRESIDING OFFICER. The Clerk will state the next committee amendment.

The next amendment was, under the subhead "Coast Guard", on page 22, line 5, after the word "in", to insert "Senate Document No. 10 and", and in line 7, after the word "Congress", to strike out "$1,586.79" and insert "$1,656.79."

The amendment was agreed to.

The next amendment was, under the heading "Post Office Department—(Out of the postal-revenues)", on page 22, after line 9, to insert:

DEPARTMENTAL

CONTINGENT EXPENSES

Printing and binding, Post Office Department: For an additional amount for printing and binding for the Post Office Department, fiscal year 1943, $365,000.

Mr. BYRD. Mr. President, I should like the Senator from Arizona to explain that amendment.

Mr. HAYDEN. The amendment providing for printing and binding?

Mr. BYRD. Yes.

Mr. HAYDEN. It relates to the need for additional money for order blanks and other printing of that kind, due to an expansion of the business of the Post Office Department.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was, on page 22, after line 14, to insert: "Field service."

The amendment was agreed to.

The next amendment was, under the heading "Department of State", on page 25, after line 19, to insert:

Foreign Service, auxiliary (emergency): For an additional amount for Foreign Service, auxiliary (emergency), Department of State, fiscal year 1943, including the objects specified under this head in the Department of State Appropriation Act, 1943, $491,000.

Mr. HAYDEN. By direction of the committee I offer as an amendment to the committee amendment, a proviso which was included in the bill by the House Committee on Appropriations, and went out on a point of order.

The PRESIDING OFFICER. The amendment to the committee amendment will be stated.

The CHIEF CLERK. On page 25, line 24, in the committee amendment, after the figure "$491,000", it is proposed to insert the following: ": *Provided*, That cost of living and representation allowances, as authorized by the act approved February 23, 1931, as amended, may be paid from this appropriation to American citizens employed hereunder."

The PRESIDING OFFICER. The question is on agreeing to the amendment to the committee amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. McCARRAN. Mr. President, I did not hear the remarks made by the Senator from Arizona in regard to that amendment. Will the Senator please explain it?

Mr. HAYDEN. As I explained to the Senate, the proviso which I am offering was reported from the House Committee on Appropriations, and went out on the floor of the House on a point of order. It provides that the cost of living and representation allowances, as authorized by the act of February 23, 1931, as amended, may be paid from this appropriation to American citizens employed hereunder. The inclusion of the provision was requested by the State Department.

Mr. McCARRAN. I understand. I thank the Senator.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The next amendment was, under the heading "Treasury Department—Office of Treasurer of the United States", on page 28, line 4, after the numerals "1943", to strike out "$250,000" and insert "$169,000."

The amendment was agreed to.

The next amendment was, under the heading "War Department—Military Activities—Office of the Secretary of War", on page 28, line 29, after the word "in", to insert "Senate Document No. 11 and", and in line 21, after the word "Congress", to strike out "$2,701.85" and insert "$7,153.35."

Mr. HOLMAN. Mr. President, are we considering the item under "Office of Treasurer of the United States"?

The PRESIDING OFFICER. No; the amendment now under consideration is under the heading of "War Department", on page 28, line 20.

Mr. HOLMAN. I request that the Senate revert to consideration of the item under "Office of Treasurer of the United States."

The PRESIDING OFFICER. Without objection, the vote by which the amendment on page 28, line 4, was agreed to will be reconsidered.

Mr. HOLMAN. Will the Senator from Arizona yield to me for a moment?

Mr. HAYDEN. I yield.

Mr. HOLMAN. At this time I should like to make of record two letters which I received yesterday from two separate Oregon newspapers, one being a copy of a letter from the editor of the Corvallis Gazette-Times addressed to a citizen who, I believe, has charge of propaganda for bond sales in Oregon. My purpose is to call attention at this time to preventable waste, both of funds and materials as well as of personal services. My contention is that personal services of those who are engaged in unessential work could with economy be transferred to necessary work, and thereby obviate the expense of additional appropriations for increased clerical hire. I read the letter from the editor of the Corvallis Gazette-Times, Corvallis, Oreg., under date of February 23:

MY DEAR MR. KUHN: I have been too busy opening Government propaganda mail to answer yours of the 17th any sooner. I studied your story sympathetically, but I could not see where it had any bearing on the local situation.

I appreciate your offer of help in case I need it, and I do need it very badly. I need the help of you and others in the war-bond organization to cut out 90 percent of the propaganda and expensive mats that come from the Treasury Department in reference to bond drives. If I get this stuff, I presume every other newspaper in the United States does also. I have never seen any of them printed. I notice by today's dispatches that a congressional investigation committee estimates that the Government will use 2,000,000,000 pounds of paper this year. That, I guess, would print all the newspapers on the Pacific coast. In addition, it takes thousands of stenographers, thousands of typewriters, and thousands of feet of office space to get the copy out and there is a scarcity of all three.

So I think the greatest help you could be would be to persuade the Treasury Department of the inadvisability of sending out so much expensive literature.

There is enclosed with the letter sent to me a number of exhibits which are just about on a par with the Victory magazine items which previously I have called to the attention of the Senate.

Then I have a letter addressed to me by the editor of the Bend Bulletin, Bend, Oreg., dated March 3, as follows:

DEAR SENATOR HOLMAN: As I have wired you I am satisfied that the measures that have been taken for reduced consumption of newsprint are sound and necessary. Printers, as you probably know, are also on reduced paper rations; and, while reductions may be necessary on the basis of the available supply of envelopes and fine papers, the reason for the shortage in those lines is, to a large extent, Government waste. If you could secure the elimination of such waste, you would be doing a real service.

As examples of waste, I call your attention to the material I enclose with this. Observe the size of the envelope in each case and the weight of paper from which the envelopes are made. Observe the size of the mailed piece in comparison with that of the envelope in each case. Observe the nature of the mailed piece and note that the Gamble mat was received here 2 weeks after the news event it describes had happened.

At the same time let it be noted that our dealer tells us that Government demands make it impossible to fill certain printer orders.

Among the enclosures is a large envelope and, Senators, look what is in it. Something we have no use for at all. Then when we further examine what is in it we find something which is not worth printing.

Here is another large envelope, and in it are some more mats which were not used, and apparently are seldom used and, when, if ever, used, are of no practical purpose. Here is something else which is absolutely silly.

Mr. President, all I am trying to do is to let light into the dark places, in the hope that the responsible departmental officials will take cognizance of this matter and correct it. I make these observations also to be advised by the distinguished Senator from Arizona who is handling this bill, how, as a member of the Appropriations Committee, where I am endeavoring to bring about economies by means of percentage cuts in appropriations or otherwise to force departments to apply possible cuts in a practical and economical manner.

I thank the Senator from Arizona [Mr. HAYDEN] for permitting this interruption, and I should like his comments on where to apply a percentage cut to effect reduction in this waste of manpower, funds, and material.

It will be recalled that when a million-dollar appropriation for the Treasury Department was before us a week or so ago our committee, upon my motion, made a straight cut of 25 percent, which was sustained by the Senate. It is now in conference. The Department came right back and asked that the cut be eliminated; therefore, the cut is eliminated, except for a certain reduction in it which was recommended by the Senator from Tennessee [Mr. MCKELLAR].

Mr. HAYDEN. Mr. President, the letter of the constituent of the Senator from Oregon mentioned a congressional committee which looked into waste in printing. That committee was the Joint Committee on Reduction of Nonessential Federal Expenditures. I mentioned the matter to the Senator from Virginia [Mr. BYRD], who told me that the Treasury Department has authority under the law to spend 1 percent of its income from bonds on advertising the sale of future issues of bonds. That is where the money to which the Senator refers comes from. The committee recommended that there be greater economy, which is entirely proper. I am at a loss to know just how to get at it at the moment unless we cut down the percentage allowed for advertising in order to promote the sale of United States bonds.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. LODGE. An appropriation is also made for the purpose of advertising the sale of bonds, and that item is now before the Treasury Department subcommittee of the Committee on Appropriations. I have often felt, as does the Senator from Oregon, that we are a little more lavish than necessary in advertising bond issues. I think there is sufficient enthusiasm and belief in the cause to make unnecessary large appropriations for advertising. Appropriations like the one he described should be unnecessary at any time. However, the place to make an effort to reduce such expenditures is in connection with the Treasury-Post Office appropriation.

Mr. HOLMAN. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 28, line 4.

The amendment was agreed to.

The PRESIDING OFFICER. The question now recurs on agreeing to the committee amendment on page 28, line 20.

The amendment was agreed to.

Mr. HAYDEN. Mr. President, the remainder of the amendments in the bill relate to judgments and audited claims. I ask that they be agreed to en bloc, and that we then proceed on page 51 with the remaining committee amendments.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arizona?

Mr. LUCAS. Mr. President, I shall not object, but I should like to know what is going on. The clerk is reading so fast that I cannot understand him. I do not know the reason for the hurry to pass this bill all of a sudden. I think that as a matter of proper procedure the clerk should read more slowly so that the Senate may understand what is going on.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arizona? The Chair hears none, and the amendments are agreed to en bloc.

The amendments agreed to en bloc are as follows:

Under the heading "Title II. Judgments and authorized claims—property damage claims", on page 31, after line 6, to insert:

(b) For the payment of claims for damages to or losses of privately owned property adjusted and determined by the following respective departments and independent offices, under the provisions of the act entitled "An act to provide a method for the settlement of claims arising against the Government of the United States in the sums not exceeding $1,000 in any one case," approved December 28, 1922 (31 U. S. C. 215), as fully set forth in Senate Document No. 15, Seventy-eighth Congress, as follows:

Office for Emergency Management, $31.45;
Petroleum Administration for War, $65.90;
Federal Security Agency, $212.46;
Federal Works Agency, $650.35;
Department of Agriculture, $450;
Department of the Interior, $1,138.68;
Navy Department, $2,453.73;
War Department, $47,914.79;
In all, $52,917.36.

Under the subhead "Judgments, United States courts", on page 33, after line 3, to insert:

(c) For the payment of the judgment, which has been rendered under the provisions of the act of March 3, 1887, entitled "An act to provide for the bringing of suits against the Government of the United States," as amended by section 297 of the act of March 3,

1911 (28 U. S. C. 761), and which has been certified to the Seventy-eighth Congress in Senate Document No. 14 under the War Department, $525.35, together with such additional sum as may be necessary to pay interest as provided by law.

On page 33, at the beginning of line 13, to strike out "(c)" and insert "(d)."

On page 33, at the beginning of line 18, to strike out "(d)" and insert "(e)."

Under the subhead "Judgments, United States Court of Claims", on page 33, line 24, after the word "in", to insert "Senate Document No. 12 and"; on page 34, at the end of line 4, to increase the appropriation for Public Buildings Administration from $71,493.06 to $103,891.37; after line 8, to insert "Commerce Department, $1,636.12"; at the end of line 11, to increase the appropriation for the Navy Department from $36,606.09 to $37,855.45; in line 12, after the word "Department", to strike out "out of the postal revenues"; and in line 16, after the words "In all", to strike out "$702,684.86" and insert "$737,968.65."

Under the subhead "Audited claims", on page 45, after line 15, to insert:

(b) For the payment of the following claims, certified to be due by the General Accounting Office under appropriations the balances of which have been carried to the surplus fund under the provisions of section 5 of the act of June 20, 1874 (31 U. S. C. 713), and under appropriations heretofore treated as permanent, being for the service of the fiscal year 1940 and prior years, unless otherwise stated, and which have been certified to Congress under section 2 of the act of July 7, 1884 (5 U. S. C. 266), as fully set forth in Senate Document No. 16, Seventy-eighth Congress, there is appropriated as follows:

Independent offices: For administrative expenses, United States Housing Authority, Federal Public Housing Authority, $12.30.

For general administrative expenses, Public Buildings Administration, $7.84.

For salaries and expenses, Veterans' Administration, $21.70.

Department of Agriculture: For salaries and expenses, library, Department of Agriculture, $6.

For salaries and expenses, Bureau of Animal Industry, $462.80.

For National Industrial Recovery, Resettlement Administration, submarginal lands (transfer to Agriculture), $12.65.

For salaries and expenses, Bureau of Plant Industry, $1.36

For salaries and expenses, Soil Conservation Service, $82.50.

For salaries and expenses, Forest Service, $508.76.

For acquisition of lands for protection of watersheds of navigable streams, $52.

For exportation and domestic consumption of agricultural commodities, Department of Agriculture (transfer to Federal Surplus Commodities Corporation, act June 28, 1937), $63.81.

For exportation and domestic consumption of agricultural commodities, Department of Agriculture (transfer to Federal Surplus Commodities Corporation), $3,120.74.

For conservation and use of agricultural land resources, Department of Agriculture, $926.40.

For submarginal land program, Farm Tenant Act, Department of Agriculture, $2,189.

For land utilization and retirement of submarginal land, Department of Agriculture, $1,468.90.

Department of Commerce: For Civil Aeronautics Authority fund, $2,686.95.

For establishment of air-navigation facilities, Civil Aeronautics Authority, $250.

For salaries and expenses, Air Safety Board, Civil Aeronautics Authority, $2.48.

For salaries and expenses, Civil Aeronautics Authority, $8.92.

Department of the Interior: For conservation of health among Indians, $80.

For Indian school support, $52.35.

Department of Justice: For miscellaneous expenses, United States courts (transfer to Justice), $16.25.

For salaries and expenses, Federal Bureau of Investigation, $14.35.

For salaries and expenses of marshals, and so forth, Department of Justice, $45.52.

The Judiciary: For fees and expenses of conciliation commissioners, United States courts, $25.

For miscellaneous expenses, United States courts, $7.71

Department of Labor: For salaries and expenses, Division of Labor Standards, Department of Labor, $20.44.

Navy Department: For general expenses, Marine Corps, $172.09.

For pay, Marine Corps, $376.42.

For ordnance and ordnance stores, Bureau of Ordnance, $2,358.

For ordnance and ordnance stores, Navy, $97,097.

For construction and repair, Navy, $147.30.

For maintenance, Bureau of Supplies and Accounts, $2,838.99.

For aviation, Navy, $178,420.27.

For pay and allowances, Coast Guard, $280.

For pay, subsistence, and transportation, Navy, $6,449.88.

Department of State: For salaries, Foreign Service officers, $120.

For transportation, Foreign Service, $868.10.

Treasury Department: For collecting the revenue from customs, $19.92.

For contingent expenses, public moneys, $35.95.

For collecting the internal revenue, $4.35.

War Department: For general appropriations, Quartermaster Corps, $21.80.

For working fund, War, ordnance, $17.62.

For Civilian Conservation Corps (transfer to War), $625.97.

For emergency conservation work (transfer to War, Act June 22, 1936), $4.66.

Post Office Department—Postal Service (out of the postal revenues): For transportation of equipment and supplies, $6.28.

On page 49, after line 14, to insert:

Total, audited claims, section 204 (b), $302,011.33, together with such additional sum due to increases in rates of exchange as may be necessary to pay claims in the foreign currency and interest as specified in certain of the settlements of the General Accounting Office.

On page 50, line 5, after the word "in", to insert "Senate Document No. 13 and", and in line 6, after the numerals "80", to strike out "$12,275.42" and insert "$13,491.40."

The PRESIDING OFFICER. The clerk will state the next amendment of the committee following the amendments agreed to en bloc.

The next amendment was, under the heading "Title III—General Provisions", on page 51, after line 13, to strike out:

SEC. 303. No part of any appropriation contained in this act or authorized hereby to be expended (except as otherwise provided for herein) shall be used to pay the compensation of any officer or employee of the Government of the United States, whose post of duty is in continental United States unless such person is a citizen of the United States, or a person in the service of the United States on the date of the approval of this act who being eligible for citizenship had theretofore filed a declaration of intention to become a citizen or who owes allegiance to the United States. This section shall not apply to citizens of the Commonwealth of the Philippines.

And in lieu thereof to insert the following:

SEC. 303. Except as otherwise provided for in this act, no part of any appropriation contained in or authorized to be expended by this act shall be used to pay the compensation of any officer or employee of the Government of the United States whose post of duty is in continental United States unless such person (1) is a citizen of the United States, (2) is a person in the service of the United States on the date of enactment of this act who, being eligible for citizenship, had filed a declaration of intention to become a citizen of the United States prior to such date, or (3) is a person who owes allegiance to the United States: *Provided*, That for the purpose of this section, an affidavit signed by any such person shall be considered prima facie evidence that the requirements of this section with respect to his status have been complied with. The provisions of this section shall not apply to citizens of the Commonwealth of the Philippines.

Mr. DANAHER. Mr. President, I am not certain that I heard the clerk distinctly, but I thought he was referring to page 51. Am I correct in my understanding?

The PRESIDING OFFICER. The Senator is correct. On page 51 appears the language to be stricken out, and on page 52 is the language to be inserted in lieu of that stricken out on page 51.

Mr. DANAHER. What became of the amendment on page 33, lines 4 to 12, inclusive?

The PRESIDING OFFICER. That amendment was agreed to at the request of the Senator from Arizona [Mr. HAYDEN]. It is one of the amendments agreed to en bloc.

Mr. HAYDEN. I asked that the audited claims be agreed to en bloc.

Mr. DANAHER. I have no objection.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 51, after line 13.

Mr. HAYDEN. Mr. President, Senators will remember that the Senator from Louisiana [Mr. OVERTON] has been very much interested in legislation of this character. It was he who proposed this change. The effect of the change is shown in lines 11 and 12, on page 52:

For the purpose of this section, an affidavit signed by any such person shall be considered prima facie evidence that the requirements of this section with respect to his status have been complied with.

Under existing law such a person cannot be paid until there is positive proof that he is a citizen. The General Accounting Office states that it is impossible to administer such a law, whereas if a man makes an affidavit that he is a citizen, and he is not a citizen, he can be prosecuted for perjury. The amendment would make it possible to meet pay rolls on time.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 51, after line 13.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment reported by the committee.

The next amendment was, on page 52, after line 16, to insert:

SEC. 304. No part of the funds appropriated in this act shall be expended for the payment of any per diem compensation, except for artisans and craftsmen, unless, prior to the employment of any person on a per diem basis, the head of the Department or agency for which an appropriation is made shall certify to the Bureau of the Budget that such per diem employment is necessary for services which cannot be obtained under the civil-service laws: *Provided*, That prior to July 1, 1943, and quarterly thereafter, a report shall be made to the Congress by the head of every Department or agency for which funds are herein appropriated, listing the names of all per diem employees, the amounts paid to every such person, and the nature and character of all outside employment of such persons.

Mr. HAYDEN. Mr. President, this amendment was suggested by the Senator from Wyoming [Mr. O'MAHONEY]. It relates to per diem employment, about which there has been great complaint. It would have the effect, first, of requiring that before a person is employed on a per diem basis the head of the department or agency requiring the employee shall certify to the Bureau of the Budget that such per diem employment is necessary. Secondly, there is also the requirement that reports be made periodically to Congress as to those who have been employed on a per diem basis.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee on page 52, after line 16.

The amendment was agreed to.

The next amendment was, on page 53, at the beginning of line 6, to change the section number from "304" to "305."

The amendment was agreed to.

Mr. HAYDEN. Mr. President, I should like to return to page 31 of the bill and offer an amendment on behalf of the committee.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 31, line 1, after the words "Navy Department", it is proposed to strike out "$8,330.02" and insert in lieu thereof "$8,113.97"; and in line 6, after the words "in all", to strike out "$73,094.37" and insert in lieu thereof "$72,828."

Mr. HAYDEN. It seems that in adding up the total the same claim was counted twice, and the purpose of the amendment is to correct the total.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Arizona on behalf of the committee.

The amendment was agreed to.

Mr. HAYDEN. Mr. President, by direction of the committee I offer another amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Arizona will be stated.

Mr. McCARRAN. Mr. President, will the Senator yield so that I may offer an amendment?

Mr. HAYDEN. I have been directed by the committee to offer certain amendments on behalf of the committee.

Mr. McCARRAN. Does the Senator wish to have those amendments considered first?

Mr. HAYDEN. Yes.

The CHIEF CLERK. On page 6, after line 1, it is proposed to insert the following:

BOARD OF INVESTIGATION AND RESEARCH—TRANSPORTATION

Notwithstanding the limitations in section 203 of the First Supplemental National Defense Appropriation Act, 1943, the appropriation for the Board of Investigation and Research contained in said act shall be available for travel expenses and printing and binding in amounts not exceeding $11,000 and $23,000, respectively.

Mr. HAYDEN. Mr. President, Senators familiar with the matter will remember that the appropriation made for this agency in the regular appropriation bill was conditioned upon the understanding that the agency would wind up its business completely by June 30 of 1943. It has been asserted that in order to do so the agency needs the proposed increase in printing and travel allowances. It has indicated that it will close up its business. For that reason, the committee was willing to increase the limitation, which does not increase the appropriation in the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Arizona on behalf of the committee.

The amendment was agreed to.

Mr. HAYDEN. Mr. President, on behalf of the committee, I offer another amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Arizona will be stated.

The CHIEF CLERK. On page 28, after line 8, it is proposed to insert the following:

Special melting and coinage: To enable the Secretary of the Treasury to carry out the provisions of section 4 of the act entitled "An act to further the war effort by authorizing the substitution of other materials for strategic metals used in minor coinage, to authorize the forming of worn and uncurrent standard silver dollars into bars, and for other purposes," approved December 18, 1942 (Public Law 815), the expenses or adjustments in connection with the forming of worn and uncurrent standard silver dollars into bars shall be charged against the gain arising from the coinage of such bars.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. McNARY. I do not understand the purpose of the amendment.

Mr. HAYDEN. I was about to explain it.

On December 18, 1942, Congress passed an act authorizing the melting down and recoinage of practically $50,000,000 worth of worn and damaged silver dollars in the Treasury. Due to handling and being carried around in pockets, clips, and otherwise, there is estimated to be a loss of about $4,000,000 in the value of $50,000,000 in silver dollars, on the basis of $1.29 an ounce. A budget estimate was submitted to appropriate $4,000,000 to balance the books of the Treasury by reason of the loss of silver in the dollar when it is melted down. At the same time, it is proposed to take the identical silver and coin it into half dollars, quarters, and dimes. The ratio at which a dollar is coined is $1.29 an ounce. The ratio at which the minor coins are coined is $1.38 an ounce. So what is lost in melting down the dollar is regained on the books of the Treasury when the minor coins are issued.

Therefore, instead of appropriating $4,000,000 to balance the books, we simply provide that whatever may be lost in melting down the dollars shall be recouped by the credit which will be placed on the books of the Treasury when the dollars are recoined into minor coins. The dollars have become badly worn, and, of course, in that way there has been a loss of some of the silver. The effect of the amendment will be to provide needed storage space; also, in the process of recoining, there will be recovered approximately 400,000 pounds of copper which now is contained in the alloy used in coining the dollars. Of course, copper is greatly needed in the war effort.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. DANAHER. As a matter of fact, the loss would be only a paper loss, anyway, so far as the books of the Treasury are concerned; would it not?

Mr. HAYDEN. That is the thought which occurred to the committee. Obviously, there is no sense in appropriating $4,000,000 in order to make up a paper loss.

Mr. DANAHER. So the paper loss would simply be charged off against the paper profit; is that correct?

Mr. HAYDEN. That is correct; that is what the amendment would do.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Arizona on behalf of the committee, on page 28, after line 8.

The amendment was agreed to.

Mr. HAYDEN. Mr. President, I send to the desk an amendment intended to be proposed by the Senator from Tennessee [Mr. MCKELLAR], and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 4, after line 17, it is proposed to insert the following:

Office of Defense Health and Welfare Services: For payments to States for expenditure in accordance with State plans for the wartime care and protection of children of employed mothers, approved by the Office of Defense Health and Welfare Services, upon recommendation of the Children's Bureau, Department of Labor, or Office of Education, Federal Security Agency, and for payments to subdivisions of States for expenditure in accordance with such plans, such payments to be made by the Secretary of the Treasury in accordance with certification to him by any office of the Government designated for such purpose by the Director of the Office of Defense Health and Welfare Services, fiscal year 1943, $2,884,000: *Provided*, That any plan so approved shall itemize by classes and amounts the total funds required for the plan and the

amount of Federal funds requested; shall provide for such methods of administration as are necessary for the efficient operation of the plan; shall set out a schedule of fees to be charged; shall state the extent of State and local participation in providing necessary funds, facilities, and services; shall provide for the inclusion and financing of any projects for care of children of employed mothers, now financed in whole or in part from Federal funds, upon the expiration of existing Federal grants, when such projects are essential to the prosecution of the war; and the Director of the Office of Defense Health and Welfare Services shall not approve any plan except upon his determination that the schedule of fees is the maximum practicable in view of the wages paid in the areas served, and his determination that the State and local participation is adequate in view of the financial status of the State or subdivisions: *Provided further*, That payments shall not exceed 50 percent of the total estimated expenditures, including expenditures from fees received, but excluding expenditures for purchase, renovation, construction, repair, or equipment of any building or premises in excess of $1,000 for each project: *Provided further*, That no payment from this appropriation shall be available for the purchase or erection of buildings; for alteration, repair, and equipment for any single project in excess of $1,000; or for operating expense, alteration, repairs, or equipment except in areas with special needs because of substantial increase in employment of women arising out of the war: *Provided further*, That the term "States" as used herein shall include the District of Columbia, Puerto Rico, and Hawaii: *Provided further*, That any equipment which is under the control of the Federal Works Agency and which is necessary to a project for the care of children of employed mothers already in operation and in use at the time such project is placed under this program may be transferred for the purposes hereof to other Federal agencies as the Director of the Office of Defense Health and Welfare Services may prescribe, and the appraised value thereof shall be covered into the Treasury as miscellaneous receipts.

For all necessary expenses of the Office of Defense Health and Welfare Services, and other Federal agencies upon transfer thereto in accordance herewith, in connection with the foregoing approval of plans and payments to States including personal services in the District of Columbia; actual transportation and other necessary expenses and not to exceed $10 per diem in lieu of subsistence of persons serving, without other compensation from the United States, while away from their homes in an advisory capacity to the Office of Defense Health and Welfare Services; and printing and binding; fiscal year 1943, $89,000: *Provided*, That section 3709 of the Revised Statutes shall not be construed to apply to any purchase from this appropriation when the aggregate amount involved does not exceed $100.

Mr. McNARY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McNARY. The amendment plainly collides with the rule prohibiting legislation on an appropriation bill. I should want to have the rule observed. The amendment is a very long and unusual one. I really was not able to understand it when it was read hastily by the clerk. Therefore, I invoke the rule, unless notice to suspend the rule has been given.

Mr. HAYDEN. I gave notice, and moved to suspend the rule so as to make it possible to agree to the amendment.

The PRESIDING OFFICER. The Senator from Arizona moved to suspend the rule.

Mr. McNARY. Let me inquire when the notice of motion to suspend the rule was given.

Mr. HAYDEN. I filed it on Monday.

Mr. McNARY. Was it in writing?

Mr. HAYDEN. It was in writing, and was printed in the CONGRESSIONAL RECORD.

The PRESIDING OFFICER. On March 9.

Mr. McNARY. Was it given by the acting chairman of the committee?

Mr. HAYDEN. By direction of the committee.

Mr. McNARY. Why was not the amendment included in the bill?

Mr. HAYDEN. Because obviously it is legislation on an appropriation bill.

Mr. McNARY. It was not in the House bill; was it?

Mr. HAYDEN. No. If the Senator will permit me to tell him why it was not in the House bill, I shall be glad to do so.

Mr. McNARY. Very well; certainly I shall be glad to have the Senator do so.

Mr. HAYDEN. There are now employed in industry more than 1,000,000 women. We are told that there will be need in industrial work for more than 3,000,000 persons during the present year. The Army will take from industry approximately 1,300,000 persons, and approximately 1,800,000 more are needed in order to carry on the war work. The only reservoir left in the United States is that made up of the women. Workers can no longer be taken off the farms, or at least they should not be taken. We cannot employ women in factories in large numbers, particularly women who have children—and 1 out of 8 or 10 has children—unless they know that some care is being taken of their children. It is necessary to provide care not only for children of nursery-school age, but for school children. If the mother goes to work some time before the school opens, and if she leaves her work some time after the school closes, of course it is necessary that some care be provided for her child. Some of the funds covered by the amendment contemplate providing care around the schools for children, both before the opening of school and after the closing of school, so that the mother will know that someone is looking after her children, and that they are not roaming the streets. Everyone agrees that if a large number of women are to be employed in factories, it is absolutely necessary that some kind of care of the kind suggested in the amendment be provided for children.

There is an argument as to who is to provide the care. That is where the controversy arises in connection with the amendment.

During the operations of the Work Projects Administration many poor women who needed work were given work by the W. P. A., and other women were employed to care for the children while the mothers were at work. So under the W. P. A. there was an agency which did look after children. Now the W. P. A. has been liquidated, except for its activities relating to providing care for children. Everything else was supposed to be wound up and disposed of on the 1st of February. But it is seeking to perpetuate itself by undertaking the extension of its work, not for poor women, not as a charity, but for women who, being employed in factories, need to have their children cared for.

Mr. BUCK. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. BUCK. Let me ask whether the money about which the Senator speaks comes entirely under the appropriation for this purpose?

Mr. HAYDEN. Yes.

Mr. BUCK. Has any money ever before been appropriated for the purpose?

Mr. HAYDEN. There have been allocations for the purpose from the President's funds, and also allocations from the W. P. A.; but Congress has not acted upon the matter before.

Mr. BUCK. The reason I ask the question is that in my State I have already seen notice of an allocation which has been made for the purpose.

Mr. HAYDEN. It has been made out of a lump-sum appropriated for use by the President, to carry on the work until such time as Congress might act.

Mr. BUCK. How much money does the President have to use in any way he may choose?

Mr. HAYDEN. I think the last appropriation we made was approximately $100,000,000.

Mr. REVERCOMB. Mr. President, if the Senator will yield, let me ask whether I am to understand from the explanation which has been given that the money proposed to be appropriated is to go to the W. P. A.?

Mr. HAYDEN. No, not if my amendment is agreed to. I was endeavoring to point out that two agencies of government are now engaged in the same kind of work, and there is a struggle as to which agency shall control it.

The other agency is the Office of Defense Health and Welfare Services. That agency is headed by Mr. Charles P. Taft, the brother of our distinguished senior Senator from Ohio. The W. P. A. agency is headed by Miss Florence Kerr.

Mr. WALSH. Was this amendment discussed by the Committee on Appropriations?

Mr. HAYDEN. It was.

Mr. WALSH. Was it agreed to by the committee?

Mr. HAYDEN. It was favorably reported to the Senate; yes, the committee agreed to it.

Mr. WALSH. Is it a fact that if the Congress should not adopt the amendment, the President, out of his fund, could use this amount of money for the purpose that is indicated?

Mr. McNARY. Mr. President, I should like to know what was the inquiry of the able Senator from Massachusetts?

Mr. WALSH. I asked if the amendment had been discussed by the members of the Committee on Appropriations. The Senator from Arizona said it had

been. I understood him to say that they unanimously approved it.

Mr. HAYDEN. They recommended it to the Senate?

Mr. WALSH. I asked, even if the Congress did not act favorably upon this amendment, would existing law permit the President, out of the fund of $100,000,000, which has been referred to, to use some of that money for this purpose?

Mr. HAYDEN. The President up to now has allocated money for the purpose.

Mr. WALSH. Can he continue to do it?

Mr. HAYDEN. If I were the President, I should want the Congress to pass upon the question one way or the other. That is the way I think it should be handled. It would be entirely proper for the President to allocate the money in a temporary manner, but when he submits a Budget estimate, and Congress acts or fails to act on it, then allotments from the fund will, of course, cease.

Mr. WALSH. What the Committee on Appropriations is seeking to do is to have Congress confirm the use of the money the President now has for this purpose.

Mr. HAYDEN. The committee want it done in one way or the other. It is work that must be done. I want to impress that upon the Senate. It is impossible to get women in large numbers to work in industry unless their children are taken care of. The question is what agency of the Government shall take care of the children. I was proceeding to point out what the W. P. A., or a remnant of it, has been doing along this line.

According to the testimony before the House Committee on Appropriations, the W. P. A. now has activities of this character in 27 communities consisting of 260 units, and they are taking care of 9,605 children. They have a program for increasing that number to 22,000 children. They say they have the applications on hand and can do that much.

Mr. GERRY. Mr. President, will the Senator yield?

Mr. HAYDEN. Yes.

Mr. GERRY. How many States would this program cover?

Mr. HAYDEN. I cannot say. I simply have these figures. I am quite sure that there is one of these projects in the Senator's State.

Mr. GERRY. We are looking out for my State. How much has been spent on this work from the President's fund?

Mr. HAYDEN. I do not know whether Mr. Johnstone, who is general counsel of the Federal Works Agency, testified as to that, but he did testify:

> We have at the moment 260 units in 27 communities throughout the country. We started rather in a modest way. The amount of the funds that we put into it, Mr. TABER, is very modest. I do not know exactly, but I would guess it is between one and one-half and two million dollars on an annual basis.

That is the amount the W. P. A. has expended.

Mr. GERRY. I should like to ask the Senator another question. I understand the amount to be appropriated is $2,884,000?

Mr. HAYDEN. Yes.

Mr. GERRY. That is to start the work. The Federal Government pays up to 50 percent, and there is a rather complicated formula by which it is determined how much the State will pay and how much the Federal Government will pay.

Mr. HAYDEN. The women we are now benefiting are drawing good wages. The testimony before the committee is that they are not seeking charity; they are perfectly willing to pay for the care of their children. In some instances, where a mother has four or five children, it may be too great a burden on her; but we insist that the mothers pay half of the cost—they can do more than that if they want to, but there is a direction that they must contribute to the care of their children.

Mr. GERRY. I do not think the Senator quite caught what I had in mind. Under the amendment very wide powers are granted to the Director of Defense Health and Welfare Services. As I understand, he may determine what amount a State shall pay. Let me read from the amendment:

> *Provided*, That any plan so approved shall itemize by classes and amounts the total funds required for the plan and the amount of Federal funds requested; shall provide for such methods of administration as are necessary for the efficient operation of the plan; shall set out a schedule of fees to be charged; shall state the extent of State and local participation in providing necessary funds, facilities, and services—

Reading further, beginning in line 17:

> And the Director of the Office of Defense Health and Welfare Services shall not approve any plan except upon his determination that the schedule of fees is the maximum practicable in view of the wages paid in the area served—

Mr. HAYDEN. That is, I think, if a woman is making good wages.

Mr. GERRY. It does not say that; that means the Director could cut down the sums paid the State.

Mr. HAYDEN. Under the plan, in communities where women are making certain rates of wages there is fixed a minimum which they must pay for the care of their children. The amount may vary in different States and different communities within a State.

If I may proceed, I should like to explain the basis of difference between the two methods without discussing the merits of one or the other for the moment.

One agency, the W. P. A., is engaged in this activity and has spent between a million and a half and two million dollars, and has a number of projects under way, and has applications for an additional number. The other agency——

Mr. BYRD. Before the Senator leaves that point, the W. P. A. is still continued until, I think, about July 1. Will not this proposal result in duplicating what the W. P. A. is already doing?

Mr. HAYDEN. If the Senator will let me, I am trying to point out that there is a duplication now, and we are trying to get one agency or the other out of business.

Mr. BYRD. Let me ask a further question. This appropriation of $2,884,000 is a deficiency appropriation, is it not?

Mr. HAYDEN. It is to carry on the work from now until the 30th of June.

Mr. BYRD. The W. P. A. will continue to do the same work until the 30th of June because the W. P. A. does not expire until the 30th of June.

Mr. BARKLEY. Mr. President, the President's order attempts to liquidate the W. P. A. on the first of April.

Mr. BYRD. He may have attempted to do it, but the Administrator, when he was before the Economy Committee, said he could not liquidate on May 30 and had no intention of doing so. This deficiency appropriation will duplicate the work.

Mr. HAYDEN. Of course, there is duplication; that is what I am trying to point out to the Senate.

Mr. BYRD. Will this stop the duplication?

Mr. HAYDEN. Yes, it will. On page 3 of the amendment it is provided:

> That any equipment which is under the control of the Federal Works Agency and which is necessary to a project for the care of children of employed mothers already in operation and in use at the time such project is placed under this program may be transferred for the purposes hereof to other Federal agencies as the Director of the Office of Defense Health and Welfare Services may prescribe, and the appraised value thereof shall be covered into the Treasury as miscellaneous receipts.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. HAYDEN. Yes.

Mr. LUCAS. Will this provision require enabling legislation by the States before they can get a share of the funds?

Mr. HAYDEN. No.

Mr. LUCAS. I understood that it would, and I was very much interested in that.

Mr. HAYDEN. That is not so. I will explain the plan.

Mr. DANAHER. Mr. President——

Mr. HAYDEN. Let me tell the story myself; I should like to proceed for a moment.

Mr. DANAHER. Will the Senator yield for just a moment?

Mr. HAYDEN. Very well.

Mr. DANAHER. Is this not a program which depends upon a 50-percent matching by the States?

Mr. HAYDEN. Yes.

Mr. DANAHER. Then, how can the answer to the Senator from Illinois be other than that it would require legislation by the States?

Mr. HAYDEN. Matching can be made by the women who put their children under care; that is where the matching is done. It is done by the woman who is earning good pay by putting up half the cost.

Mr. BYRD. Mr. President, will the Senator yield at that point?

Mr. HAYDEN. I yield.

Mr. BYRD. Is it not true that the industrial plants, as a rule, pay the other 50 percent? In most instances the mothers of the children do not pay it. The plants where the work is being done pay

it, and that is included in the cost of the contract they are performing for the Government in the particular case. So the Government is paying the whole amount.

Mr. HAYDEN. My information is that is not true in the majority of instances.

Mr. BYRD. The report says that plants put up a part of the money.

Mr. HAYDEN. In some instances but not in all instances.

Mr. BYRD. Mr. President——

Mr. HAYDEN. Will the Senator please let me tell the other side of the story and not interrupt for a moment? The Office of Defense Health and Welfare Services was given this work after a hearing before the Bureau of the Budget to determine how the duplication could be avoided. They started last fall with an allocation from the President's fund of $400,000. Now it is proposed that the Federal agency and the State welfare agencies shall work under a cooperative plan. There is no duplication of the State welfare agencies and there is no duplication of the Federal agency, because we will abolish this function of the W. P. A. That is the normal way in which the matter should be handled, it seems to me, because we are not setting up a Federal agency to go down to the State level. The W. P. A. is down to the State level and is competing with the State agency. I think that is not as good a system as it is to utilize existing State welfare agencies for this purpose. They have been in existence; they understand the problem in their States. The health and welfare organizations in the States ought to be able to take care of it. If we do it the other way the W. P. A., as a Federal agency, simply steps into a community and does the work which the State agencies should do. That is why I say what we now recommend is a better plan, and that is what the Bureau of the Budget thought. The two ideas were presented to the Bureau of the Budget; this amount of money was submitted to Congress in a Budget estimate; and we are proposing to appropriate the amount recommended by the Bureau of the Budget for a project which it believes to be the best in order to avoid duplication. If nothing is done by either agency, then the children of working women will not be cared for. I do not know how to proceed except to follow the Budget recommendation, as we have done here.

Mr. AIKEN. Mr. President, may I ask the Senator a question so as to clear up two or three points?

Mr. HAYDEN. Certainly.

Mr. AIKEN. I understand that the W. P. A. has been performing this service for about 90,000 children up to this time?

Mr. HAYDEN. Yes; the statement in the House hearings by Mr. Johnstone, the counsel, was that they had in existence at that time 28 projects, in 260 units, more than 1 unit in a town, I take it, and they were caring for 9,605 children, that in 62 communities there were 546 applications to care for 22,000 children.

Mr. AIKEN. Over how long a period have they been caring for 9,000 children?

Mr. HAYDEN. It started last year, when women began to go into the factories.

Mr. AIKEN. And they had an allocation of $400,000?

Mr. HAYDEN. No.

Mr. AIKEN. What was the allocation?

Mr. HAYDEN. The Defense Health and Welfare Services had an allotment of $400,000. They have spent out of some funds available to W. P. A., according to Mr. Johnstone, about a million and a half dollars. The Bureau of the Budget recommended that the W. P. A. fold up and turn over whatever it was doing to the Defense Health and Welfare Services, and that the matter be handled by one Federal agency, in cooperation with the State welfare agencies.

Mr. AIKEN. Does the Senator know whether that recommendation was made because of the plan to abolish the W. P. A.?

Mr. HAYDEN. I think that had something to do with it, but primarily it was to avoid duplication of effort by two Federal agencies. I am not here as a partisan of one agency or another; I am merely reporting to the Senate that the Bureau of the Budget, having heard the arguments between these two agencies as to which should handle this activity, recommended that it be turned over to the Defense Health and Welfare Services, and that anything the Federal Works Agency was doing be transferred to that agency, that it be consolidated in one office, and handled under one management. We could handle it the other way. We could say that whatever work along this line the Office of Defense Health and Welfare Services has undertaken should be turned over to the W. P. A. Certainly we should not have two agencies operating in the same field.

Mr. AIKEN. I agree with the Senator as to that. As I understand, the mothers who are working will be expected to pay approximately one-half the cost.

Mr. HAYDEN. In many instances they pay more than half. Mr. Charles P. Taft, testifying before the committee, said that the universal expression of the working women was, "We do not want charity. We are earning money, and we are willing to pay for the care of our children, and there is no difficulty about it." They resent the idea that this is to be a charity enterprise. On the other hand, there is a limit to what they can pay. If they should take care of half the cost, they would take care of the out-of-pocket cost to the Government. But that would not take care of the overhead, and that is what we have to provide for.

Mr. AIKEN. If the Government is to put up nearly $3,000,000, that amounts to about $100 a month per child for looking after the children while the mothers are working. I am figuring on $2,884,000, which amounts to about $130 each, as the Government's share for a 3 months' period.

Mr. HAYDEN. According to Mr. Taft's testimony, there are about 350,000 children now in need of care.

Mr. AIKEN. Then it is expected to care for many more than the 22,000?

Mr. HAYDEN. Oh, yes; it is proposed to care for not only those the W. P. A. has on hand but to take care of about 350,000 children scattered over the United States, whose mothers are working in factories.

Mr. REVERCOMB. What method of care is contemplated? Is it to be in an institution, or is it to be in the homes?

Mr. HAYDEN. One kind of care, which I have already mentioned, is for school children, from the time the mother leaves home for work until school opens, to the time she returns. There are nurseries and other types of places where the children can be cared for, where older women of the community may be employed to help.

Mr. AIKEN. I wish to ask for a little more information. The Senator says we should not have duplication of services, which is very true, we should not have two departments of the Government undertaking to operate the same activity. Yet the proposed amendment requires that five departments of the Government work together in performing this one function. There is the Office of Defense Health and Welfare Services, but they have to have the recommendation of the Children's Bureau, the Department of Labor, the Office of Education, and the Federal Security Agency.

Mr. HAYDEN. If I can find Mr. Taft's testimony, I should like to read it.

Mr. WALSH. In enumerating these agencies, was the Senator from Vermont reading from the bill?

Mr. AIKEN. From the amendment. I am wondering why the Defense Health and Welfare Services and four other agencies of the Government should be called upon. It seems to me that would confuse the matter much more than to have two agencies handling it.

Mr. HAYDEN. Let me read Mr. Taft's testimony, which I think very clearly indicates the principle involved. I read from Mr. Taft's testimony:

FUNCTION OF OFFICE OF DEFENSE HEALTH AND WELFARE SERVICES IS TO CERTIFY NEED

Mr. TAFT. I raised the question as to how we are in this. We are in it because the President is required, under the Lanham Act, to pass on the need, and he has required the Federal Works Agency from the beginning to get a certificate from our agencies, as the technical service agencies—that is, the Public Health Service, the Office of Education, the Children's Bureau, and the Recreation Section—as to that need. They generally have also given a certificate as to the kind of facility to meet the need, and the President hasn't approved any projects without that certificate.

These are all recognized service agencies of the Government—

The agencies the Senator just mentioned—

and construction is not our job. Although we are concerned with the details of it to some extent, we aren't butting in but are just doing our job.

CHILDREN'S BUREAU DEALS WITH CHILD WELFARE AND MATERNITY PROBLEMS

Who, by authority of Congress, deals with the States on child welfare and maternal and child health? The Children's Bureau, which is not a construction agency.

OFFICE OF EDUCATION DEALS WITH EDUCATION AND VOCATIONAL TRAINING

Who, by authority of Congress, deals with the States on education and vocational training? That is the Office of Education, for which there is $10,000,000 in this bill which has been approved up to date—and this is not a construction agency.

PUBLIC HEALTH SERVICE DEALS WITH HEALTH PROBLEMS

The Public Health Service deals with health; Congress has authorized them to do that, and it is not a construction agency.

Now he describes his own office:

OFFICE OF DEFENSE HEALTH AND WELFARE SERVICES ACTS AS COORDINATOR

The Office of Defense Health and Welfare Services is simply the coordinator where more than one agency comes in, as here, and is the war end of the Federal Security Agency—and is nothing funny, or strange, or different than the wartime side of the Federal Security Agency. We stop when the war ends.

That is the whole purpose. If there is a question involving children, it is entirely proper that the Children's Bureau should handle it. If it is a question involving schools, the Office of Education should be consulted, and so on.

Mr. REED. Mr. President, will the Senator from Arizona yield?

Mr. HAYDEN. I yield.

Mr. REED. I am a member of the Committee on Appropriations, and of the subcommittee which held the hearings on the pending bill, and I desire to tell the Senate of the increasing need for provision of the kind we are discussing.

Outside my home town in Kansas is a shell-loading plant, which has been in operation a little less than 1 year. There are engaged in the operations in that plant about 5,500 employees. When I was home, about 6 weeks ago, I made my usual trip to the plant for conference with the management. I was informed that at this time 40 percent of the employees in that shell-loading plant are women, and that the number is increasing. A year ago, of course, there were not any women in the plant, but there are now over 2,000 women employed there. They are not all women with children, and therefore are not all interested in the matter we are discussing, but the management also told me that with women employees they had less trouble insofar as discipline and absenteeism are concerned, and it was the intention of the management to increase the number of women employed there as rapidly as additional women are available for work in the plant, on the character of jobs they can handle, and that some time this year probably 60 percent of the total number of employees in the plant will be women.

As I have stated, I am a member of the Committee on Appropriations, and I am not wholly happy or satisfied that the method now suggested should be permanently established as the best way to handle the matter, but in the absence of any better authority, as a member of the Committee on Appropriations and of the subcommittee dealing with this subject, I am willing, for the purposes of the pending bill, to take the recommendation of the Bureau of the Budget as to how to proceed.

Mr. HAYDEN. I thank the Senator. Are there any further questions?

Mr. BYRD. Mr. President, I just made the statement that in many instances the plants in which the women were employed would pay half the cost of the care of the children. This is the testimony of Mr. Taft:

Let me suggest that to a certain degree the Federal Government is going to pay it anyway, because at quite a number of these plants, and it will become an increasing number, beyond any question, if these services are not provided in the community, the plants will provide their own day nurseries which will be charged in on their costs and collected on a cost-plus-fixed-fee basis. They are doing it now.

Mr. HAYDEN. That is correct.

Mr. BYRD. The point I desire to make is that under the terms of the amendment the 50 percent which the Government puts up could be matched by the plants, and in that event it would be added into the cost of the contracts the plants have with the Government, so the Government would be putting up 100 percent.

Mr. HAYDEN. Then what difference does it make whether we appropriate it or it is paid by the plant? It would all come out of the Federal Treasury.

Mr. BYRD. I did not say that. I said Mr. Taft stated some of the plants are doing this. If it is on a 50 percent basis, it seems to me there should be some provision whereby the mothers should be required to pay something. They are all making high wages.

Mr. HAYDEN. All I can tell the Senator about it is that Mr. Taft's testimony was that they wanted to pay; they do not want charity.

Mr. BYRD. Would the Senator object to an amendment to require the mothers to pay some reasonable part of the cost of taking care of their own children when they are working for big wages for the Government? Is there anything unreasonable about that?

Mr. HAYDEN. That is the expectation.

Mr. BYRD. Many expectations are not carried out, as the Senator well knows, when bureaus take charge of the expenditure of money. What would be unreasonable or unfair in requiring that when a mother is making big wages, paid by the Government, she should pay a certain percentage of the cost of the care of her children?

Mr. HAYDEN. If the Senator will prepare an amendment, I shall be glad to take it to conference.

Mr. JOHNSON of Colorado. I wish to ask the Senator about an amendment I am about to propose to the amendment on page 1, line 6, after the word "Labor", to strike out "or Office of Education, Federal Security Agency."

What would the Senator think of that? The Senator has expressed himself as opposed to dividing this activity up among many agencies, and I am in sympathy with that viewpoint, but I am also in sympathy with the Department of Labor having sole jurisdiction over this matter.

Mr. HAYDEN. The difficulty is that the Children's Bureau would have no way of contacting the school system with respect to how the children are to be taken care of before and after school. That is where the Office of Education comes in.

Mr. JOHNSON of Colorado. If the Children's Bureau could do anything at all it certainly could look after that particular function, that is if that Bureau were to have any control at all over the child.

Mr. HAYDEN. What is the objection to competent advice being received from the Office of Education?

Mr. JOHNSON of Colorado. There are a great many objections.

Mr. HAYDEN. That is an office which has been in existence since immediately after the Civil War.

Mr. JOHNSON of Colorado. Yes; but it is proposed to give the Office of Education considerably increased authority, power, and jurisdiction over American children.

Mr. HAYDEN. No; we require the State to set up a plan under which it is going to handle this situation. Then the coordinator submits the matter, so far as the health angle is concerned, to the Office of Public Health; as it relates to the children themselves, to the Children's Bureau; as it relates to the school system, to the Office of Education, in order to obtain the advice of these different agencies. But the actual disposition of the money to the State goes through Mr. Taft's organization.

Mr. JOHNSON of Colorado. I do not see why the Children's Bureau itself could not attend to all those matters. I should like to offer my amendment, if the Senator from Arizona does not have very good reason for opposing it.

Mr. HAYDEN. I simply say that I do not see why we should not use an established agency of the Government if we need its advice.

Mr. JOHNSON of Colorado. But I do not think it is needed, and I do not think it ought to be used. That is my objection.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. McNARY. I understood the able Senator was about through with his remarks.

Mr. HAYDEN. Yes.

Mr. McNARY. I ask the Senator whether the amendment under consideration was presented to the House committee.

Mr. HAYDEN. Yes.

Mr. McNARY. And was it rejected by the House?

Mr. HAYDEN. Yes; because what it covered was not authorized by law.

Mr. McNARY. Mr. President, that was the answer I expected would be made to my question by the able Senator in charge of the bill. This amendment was offered in the House and was objected to because it did not conform to the rule. That is precisely the position I took when the matter came up a few moments ago. This is an effort on the part of the Appropriations Committee to legislate. We never enact proper legislation by disobeying the rules of the Senate, and if there is any one rule which

has the sanction of wisdom and practice, which is calculated to assure good legislation, it is the rule that legislative matters should be referred to legislative committees having jurisdiction, and that the Appropriations Committee appropriate money therefor.

The able Senator in charge of the appropriation bill has presented this large amendment which ought to be referred either to the Committee on Education and Labor or to the Committee on the Judiciary. It is purely a matter of legislation. The colloquy which has ensued shows that there is a great difference of opinion as to how this matter should operate. It is a project which has not been authorized by Congress. It has been conceived by a committee which has no jurisdiction over it.

Mr. President, I think the project is a worthy one. I hope that something can be worked out with respect to it, but it cannot be worked out by a committee which has no jurisdiction, and which held meager hearings, and for that reason was turned down by the House. I think it is an imposition upon the Senate, speaking with great frankness, for the Appropriations Committee to suggest an important amendment of this kind which involves a question of policy—the jurisdiction of bureaus and departments of Government—and have it offered on the floor of the Senate by the subcommittee chairman, and expect us to consider it without any hearings whatsoever having been had upon it.

Mr. HAYDEN. Mr. President, I would agree with the Senator from Oregon if that is what we did. What we did was to bring in the text of the Budget estimate submitted to Congress because we are at war, and we want to employ women in factories, and we need them right away.

Mr. McNARY. Mr. President, that is a lamentably poor answer. It is puerile. It does not dignify the controversy at all to say that the amendment was brought up simply because the Director of the Bureau of the Budget happened to place his stamp of approval upon the use of money which is now being expended out of the Treasury by a different agency of the Government. The Bureau of the Budget does not legislate for Congress or for the people of the United States.

What we need, Mr. President, is a little deliberation and a little sanity in respect to these matters. Let us follow the rules which have the sanction of years of usage—which have been a direct guide to our feet as we travel along the legislative path.

Laudable as this proposal is, it should be referred to a committee which has jurisdiction to hold hearings and make determination with respect to which bureau or agency or department should administer the matter, and how it should be done. In the meantime would anything be lost by doing that? The able Senator from Virginia [Mr. BYRD] has said that there are funds sufficient to take care of this matter until the end of the present fiscal year, June 30, 1943, and this day, my calendar shows—though I have not consulted it—is the 12th day of March. We have ample time to legislate. The project is a legislative one. The matter should be handled in a legislative way. The able Senator from Arizona has attempted at all times to conform to the rules of the Senate, and has manifested himself on many occasions to be careful as to how questions of legislation should be handled on the floor of the Senate. I think it is a very unfair imposition on the Senate to ask it to legislate on an appropriation bill.

Mr. President, I make a point of order against the amendment, as I did earlier today, and it will require a two-thirds vote of the Senate to provide for consideration of the amendment.

I think the Senator from Arizona should withdraw the amendment and let the matter be worked out through the proper channels.

Mr. HAYDEN. I should like to have an expression of opinion from the Members of the Senate on the matter, because I want to know who is interested in taking care of the children of working women. This work has to be done and done right away. I think we can act intelligently on the matter. I want the expression of the Senate, and if the proposal does not receive a two-thirds majority it will not be in the bill. If it does receive a two-thirds majority, it will be in the bill. We have a two-thirds rule to take care of such questions.

Mr. McNARY. Mr. President, the statement made by the Senator is not a just one. I think I am as sympathetic with the children and the mothers of the country as is the able Senator from Arizona. I think this is probably a worthy project. It is not now in the form, however, in which we can intelligently act on it. I am only asking for a little time. The Senator from Arizona has not been able to convince me that this work must stop today if we do not pass the bill with the Senator's amendment in it.

Mr. President, further I prophesy that the rules of the House are such, and are so respected, that this amendment would quickly go out when it went to the House on the question of voting on a conference report, or if it should come up for a separate vote. There is no reason to stand up in the Senate and in the name of patriotism, or love of home, tell me that this thing has to be done right now. It is perfectly absurd to make such a statement. If the Senator were more familiar with the rules of the Senate and desired more carefully to obey the injunction or the wisdom which is embodied in the rules, he would not make a statement of the kind he has just made.

Mr. President, I have said all I wish to say. I am interested only in good legislation. My heart is full of sympathy for the project, but, as a matter of orderly procedure, I should like to have a vote taken on the question at this time.

Mr. HAYDEN. Mr. President, I think we have heard about all that is to be said about the matter. I ask for a vote.

Mr. GERRY. Mr. President, I should like to ask the Senator in charge of the bill if he can tell me whether a large number of the members of the Committee on Appropriations were present when this matter came up for consideration.

Mr. HAYDEN. I cannot say as to that, Mr. President. We had a fairly large attendance in the subcommittee right along.

Mr. GERRY. How many members of the committee were present when the bill was reported from the subcommittee? Were only the members of the subcommittee present?

Mr. HAYDEN. We had a fairly full attendance of the subcommittee at all times. I do not recollect how many members were present at the time the matter came before the full committee, but I know that the full membership of the committee was not present when the committee met.

Mr. GERRY. Mr. President, I thank the Senator from Arizona.

The proposed amendment seems to me to delegate very large powers. It is another example of appointing agencies, and then delegating powers, and having really no accurate idea of what the total sum involved will be, or what will be required. Of course, it is much easier to delegate wide powers, and permit an agency to administer them, than it is to try and be more specific, and make the States do their own work in connection with these agencies.

Mr. President, one trouble with the amendment is that under it, it is proposed to delegate to certain agencies powers that the States themselves should really have, if such a thing as is here proposed should be done. Under this amendment we would be saying through a Federal agency in Washington what is to be done in this State or in that State. Under the amendment I am afraid we would be getting into a situation where hard-and-fast rules would be established—such rules as have not worked well in the past—and in this case might very seriously affect the most important thing in our country—that is, the family—the mothers of the country and the children.

Mr. President, if delegation of powers such as is proposed under the amendment is made, the question also arises whether we will not be taking its functions away from private charity, which is sympathetic, and depriving of their functions private agencies which really understand the local wants, and turning the whole matter into administration under hard-and-fast rules, which will not work effectively, and will result in hardships to the very people we are trying to aid.

Mr. President, it was for this reason that I felt that the amendment should have received a great deal more study than apparently it has received. The House rejected it, I imagine, for much the same reasons I have in mind. However, it seems to me that in going so far as to control by agencies, such as those referred to, what mothers shall pay, apparently depending on what they earn—and in some States, of course, that question involves the cost of living—no hard-and-fast rules can be prescribed. When we continue to draw back into the Federal Government we always get further

and further away from the proper understanding of local conditions. It is for this reason that I cannot vote for the amendment.

Mr. LA FOLLETTE. Mr. President, I agree in general with everything which the able Senator from Oregon [Mr. McNARY] has said relative to the proper legislative procedure. I have been convinced for many months that a manpower crisis of major proportions is developing in this country. I believe that there is a tendency for us to be behind the rest of the country in appreciation of the development of the problems which are associated with the war. That is not due to any fault of ours. It is due to the fact that we are detained in Washington and, for the most part, are unable to go frequently to our States or our Congressional districts and make personal investigation to ascertain how the impact of the war is affecting the various communities of the Nation.

With the Army requiring 400,000 men a month, the manpower shortage has developed to major proportions. We have been discussing one aspect of the question in connection with the measure which is now the unfinished business of the Senate, and temporarily laid aside for the consideration of the pending deficiency appropriation bill. I hope to have something to say more in detail concerning this problem when we return to the consideration of the unfinished business.

Mr. President, it is obvious that if the size of the army is to be as large as contemplated, if the draft upon manpower is to go forward at the same level as it has been going forward in the past several months, or in an accelerated manner, there will be only 2 groups to which we can turn for manpower to take the place of those who have gone into the armed services We can, in order to obtain labor, reach into the older age groups, or into the group of women.

Mr. HOLMAN. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. HOLMAN. Why not reach into the departments of the Government in Washington?

Mr. LA FOLLETTE. Mr. President, I am in favor of seeing to it that those in the Government service who are not essential to the functioning of government are subjected to the draft in the same manner as those who are in any other employment. However, Mr. President, it is no answer to the problem to say that we are going to rid Washington of any persons—if there be such here—who have evaded their responsibility to the country and avoided military service. The labor force of the Nation is in the neighborhood of 54,000,000; and to talk about eliminating a comparatively few persons in the Government service, wherever they may be, is no answer to the manpower shortage which today threatens agricultural and industrial production.

Mr. President, I was about to say, before I was interrupted, that one of the great sources to which we must turn if we are to permit our armed force to increase is the women of the country. We cannot escape it. If we are to take women we should, of course, first take those who are single, or those who have no dependents, in accordance with the voluntary control of manpower under the direction of the Manpower Commission. All the influence of the Government has been utilized to restrain women with children or other dependents from going into industry until they are absolutely needed.

We have reached the point at which, in order to maintain production schedules upon which men who are dying at this very hour on the far-flung battle fronts of this war depend, we must turn to women who have children, or the production schedules will fail and men will die unnecessarily because proper equipment is not furnished them with which to meet the enemy.

Those in charge of this problem are caught on one or the other horn of a dilemma. As everyone knows there is an increasing disposition in the Congress, which is manifested at both ends of the Capitol, to chop down all the social activities of our Government. I do not criticize Members of Congress for taking that position; but those who are in positions of administrative responsibility would be ignoramuses if they did not realize that such a sentiment exists in Congress at the present time. They were caught on one or the other of the two horns of a dilemma in regard to this program. No person who has looked into the question can deny the need.

Mr. President, I say with great reluctance that the need arises against the background of minor delinquency which is on the increase throughout the country. It is the fault of no one. It is due to the impact of a total and horrible war. It has shaken the moorings and foundations of every home in America. In many instances the men have gone to war. In others they have gone to work in industries and have left their children behind. Naturally the brutalizing influence of war and our modern methods of depicting it through the newspapers, on the screen, and in the publications of the country have had an effect upon the fiber and attitudes of our growing children. It should be a matter of primary concern to every man and woman who cares a whit about the future of this Nation. The children are the oncoming generations. They are the men and women of the future who must meet the problems which we have bungled and failed to solve.

Will we refuse in this situation to give a little care and provide a little organized control over the activities of children in the hours when they are no longer under the influence of either the father or the mother? Do we wish to turn them loose on the streets of boom towns? There are some such towns in the State of a Senator who sits not far from me. We all know the characteristics of boom towns. There is no way in God's world to prevent such influences and environments springing up, despite the efforts of the clergy and the church, the influence of the home, and the influence of law-enforcement agencies, local, county, State, and Federal.

Mr. President, I do not quarrel with Senators who think that this question should have been considered by a legislative committee. I was about to say that in these times and with the present temper of Congress the administrative agencies would be confronted with the choice of one of two horns of a dilemma. The problem is here, Senators, whether we wish to recognize it or not. One choice is to propose the continuation of a Federal program, such as has been conducted by the W. P. A., under which all the money would come from Washington, the decisions would be made in Washington, and the personnel would be selected by a Federal agency.

The other choice is to resort to a time-honored system which in my opinion has proved its effectiveness, namely, a partnership, a cooperative program between the States and the Federal Government, with the State or individuals within the State putting up one-half the money and the Federal Government putting up the other half.

I know that such a proposal as this would have received short shrift if the administrative agencies had decided solely on a Federal program. I know how the welkin would ring in this Chamber with denunciation of the Federal Government for attempting to invade the province of the State and make the sole decision. I suppose it will receive shorter shrift because the agencies have taken the other horn of the dilemma and have tried to work out a program here which would provide for State and Federal participation.

Mr. President, in view of the conditions which I know exist so far as child delinquency throughout the country is concerned, in view of what I know of the situation so far as the manpower crisis is concerned, I say that if there ever was justification for suspending the rule and considering legislation on an appropriation bill, such justification exists in this instance. I know, and every other father in this Chamber knows, that it is the first delinquency, the first mistake, that is serious in the life of any growing child. This program deserves our serious consideration.

I agree in principle with every word the able Senator from Oregon has uttered. It always pains me to be in disagreement with him, because then I think I should review my own facts and ascertain whether my position is sound. It is rather easy to say that the question should be considered by a legislative committee, but I know that many weeks, if not many months, will go by if this matter is referred to a legislative committee. If that is done, I cannot tell, on the one hand, how many women will fail to go into industries where they are vitally needed in order to provide increased manpower to assist in the production of supplies needed for our fighting forces; and, on the other hand, if no care is provided for the children during the absence of their mothers, I

cannot tell what may happen to the children and other dependents of mothers who, yielding to the importunities of the campaign that is going on to have them seek employment in industry, go to work in defense plants.

Mr. REED. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. REED. I was called from the Chamber for a conference during the time when the distinguished minority leader had the floor; but I desire to say that the administrative agencies are not the only ones with responsibility that were and are caught on the horns of a dilemma. I fully agree that an appropriation of this kind or a measure of this kind, one which would become a law affecting such agencies, should go to a legislative committee.

I agree with the Senator from Wisconsin that if the amendment goes to a legislative committee there will be a delay of at least several weeks, perhaps several months. The problem is one which has come upon us during the last year. A few moments ago I tried to describe on this floor what has happened in my own community where, although no women were employed in the factories a year ago, today in a munitions plant with an operating force of 5,500 persons, 40 percent of the employees are women. That was not the case a year ago. Six weeks ago when I was home, the manager told me that he was going to increase that percentage as fast as he could, up to 60 percent. Not all the women will be women with children, but many of them will be. My community is one of the communities which have doubled or almost doubled their population because of the demands of war activities. The situation presents a problem which we must meet. I should prefer to meet it in the normal, more careful way of legislative procedure. I am a member of the committee. I have a responsibility. I have no pride of opinion in the matter. I do not like this way of handling it. I am not sure that in the end it will be the best way; but I am sure that it is the way that will promise the quickest action, and provide the most ready amelioration of the situation, and that it is the only way to meet the problem which has come upon us during the present great emergency. If some Senators do not want to suspend the rule and use the proposed method of approach, that is their responsibility, not mine.

Mr. LA FOLLETTE. Mr. President, I desire to say a further word. I share with every other individual, agency, organization, and group in the United States the apprehension about the impact of total war upon the homes of America. That apprehension is not a new one on my part. I have entertained it from the time when the war broke out in Europe until we entered the war. When we were considering the repeal of the arms embargo, I discussed the effects of war upon this country and upon family life at some length. I shall not burden the Senate by repeating that discussion; but I know what the effect will be, and I know that it will not be good. Mr. President, we are involved in the war. We have no choice except to draw upon the services of the married women of the Nation—and among them millions who have dependents—if we are to keep our commitments to the armed forces of the Nation and to the nations that are receiving aid under lend-lease.

Let me say that reports from various communities show too many children without adult supervision, they show that many ill children are uncared for; that children from 8 to 10 years of age are responsible for the care of much younger children, and that problems of juvenile delinquency which I have mentioned, are increasing. According to information in the hands of the Children's Bureau, recent partial surveys in 49 areas in which are located industries participating in the war effort, showed over 61,700 children in need of care, of whom 27 percent were under 6 years of age, and 73 percent were between the ages of 6 and 14 years. I do not have to say to any other father in this Chamber that, so far as delinquency is concerned, the ages between 6 and 14 years are perhaps the most serious ages through which a child goes in its development into an adult person.

Mr. President, by voting down the amendment we shall not stop the impact of war upon the homes of America. We shall not prevent married women with dependent children from going to work. If we vote down the amendment we shall have to assume the responsibility of denying to the men on the battle fronts of the world the arms which they need in order to have a fair chance to win in the fight against our brutal enemies. If we vote down the amendment I do not believe the program will cease altogether. If Congress should refuse to give consideration to this matter on a technical ground, the Chief Executive and those responsible in the administrative agencies would be derelict in their duty it seems to me, if they did not search for every available means whereby they could provide care—perchance inadequate care, but at least some kind of care—to prevent children from running loose upon the streets.

Mr. President, what will be the situation if the Senate votes down the amendment? Will we take the W. P. A. program, which is purely a Federal program operated from Washington, under which the decisions are made in Washington, with personnel selected under rules and regulations laid down from Washington, and with the local communities controlled by the W. P. A. organization; or will we take the best program it has thus far been possible to devise, after careful consideration, for a joint partnership between the States and the Federal Government in meeting what every student of the question will grant is a serious menace to the future of America? Should we not meet that problem on the basis of a cooperative plan under which the States will have at least something to say about how the program is to be conducted?

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield on that point?

Mr. LA FOLLETTE. I yield.

Mr. JOHNSON of Colorado. Does the Senator know whether the States already have set up an organization, whether they have a plan? Are they ready to cooperate, or will they have to pass legislation?

Mr. LA FOLLETTE. It is my understanding that the amendment is so drawn that every State in the Union may participate.

Mr. HAYDEN. That is correct.

Mr. LA FOLLETTE. They will have to submit a plan; but certainly every State in the Union that is engaging in any welfare activities of any kind may participate. The amendment has been criticized by the Senator from Virginia; but it has been left open to take care of the situation in States whose legislatures may not be meeting or in States which may not have emergency boards which could provide emergency appropriations. Therefore, the amendment has been left open, so that the State's share of the money can come from individuals or from any other source—for instance, in case the individuals in a State provide funds to pay one-half of the State's cost for the care, or in case a State's industrial plants make contributions for that purpose. In other words, the money does not necessarily have to come as the result of legislative action by the States.

Mr. JOHNSON of Colorado. On page 1, line 1, we find the following language:

> For payments to States for expenditure in accordance with State plans—

And so forth. I understand from that language that the only way the money could be used would be through the medium of the States.

My question has been partly answered by the Senator. Let me repeat it: Is legislative action required by the States?

Mr. LA FOLLETTE. I cannot give the Senator a categorical answer; but I will risk the statement that in view of the social-security program which has been developed in this country, I should say that practically all States would have administrative set-ups already functioning under a similar grant-and-aid system for other purposes—set-ups which could be utilized for this purpose without legislative action on the part of the States.

Mr. REED. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I should like to pursue the matter to a logical conclusion.

Mr. REED. If the Senator from Wisconsin will permit me to make a suggestion in that regard, I shall touch on the matter of the logical conclusion, if the Senator from Colorado will permit me to do so.

The Senator from Colorado quoted the language directing that the payment be

made to States. The following language is found on page 1, line 7:

And for payments to subdivisions of States for expenditure in accordance with such plans.

The grant is not confined to the States. It may be made to the subdivisions of States—cities, counties, any subdivision of a State that has authority to do work of this kind and to carry out a program of this kind.

I beg the pardon of the Senator from Wisconsin for interrupting. I feared that my good friend the Senator from Colorado had overlooked the language to which I have now called attention.

Mr. LA FOLLETTE. I thank the Senator from Kansas for his helpful suggestion, but I will say again that I think, in view of the programs which have been inaugurated under the various titles of the Social Security Act, there is not a State in the Union that has not a set-up that can be utilized under this joint cooperative plan between the States and the Federal Government in a similar manner as the programs under the social-security law.

Mr. JOHNSON of Colorado. Mr. President——

Mr. LA FOLLETTE. May I say a further word before I yield to the Senator from Colorado? I wish the Senate would consider this matter in the light of the experience which we have already had in this field. I now yield to the Senator from Colorado.

Mr. JOHNSON of Colorado. Mr. President, I was wondering if the Senator would object to writing into this bill explicit language so that the organizations already set up in the States for handling children's problems might function under this bill instead of leaving it as a matter of doubt as to whether the State would have to enact legislation.

Mr. LA FOLLETTE. I certainly should have no objection, but, of course, I am merely an humble worker in the vineyard here. The Senator from Arizona is the strawboss who is in charge of the bill; I would have to defer to him. So far as I am concerned, all I am seeking is a better program than we now have. While it is not satisfactory, I am firmly convinced if this proposed legislation is enacted we will have a better program.

Mr. PEPPER. Mr. President, a few months ago I talked to a representative of the Federal Works Agency, who told me he was quite sure that we completely misunderstood the work which is being done at the present time by the Federal Works Agency in this matter under the provisions of the Lanham Act. His statement was that, under the appropriation of the Lanham Act, there is authority in the Federal Works Agency to set up community facilities and that what they are doing now is to set up community facilities to give this kind of care to children. The program operates by allowing mothers to pay a part—as I recall, 50 percent—of the cost of maintenance of the facilities. The statement of the gentleman to whom I refer is that W. P. A. was doing work of this sort largely for the purpose of giving employment to workers who were without employment and rendering home service to indigent families. The W. P. A., he says, is not duplicating the work that is being done under the Lanham Act fund by the Federal Works Agency, but the W. P. A. is now discontinuing work of that kind, and, of course, will be completely finished by the 1st of April.

Mr. BYRD. Mr. President, if the Senator will yield, I think the testimony was that the W. P. A. would be finished on April 30.

Mr. PEPPER. I beg pardon, and I should have said April 30.

Mr. BYRD. It is not certain that they will discontinue even then.

Mr. PEPPER. I am definitely sure that there is no duplication of work by the W. P. A. and the Federal Works Agency under the Lanham Act.

I am in hearty accord with what was said by the able Senator from Wisconsin. Whatever plan will afford the greatest help for mothers and children is the one I should favor. I think there is possibly merit in the point which was suggested by the able Senator from Colorado. As I understand the present plan that is in operation with Lanham Act funds under the Federal Works Agency, it is not operated by governmental agencies necessarily but by community agencies. The community does not put up anything unless it chooses to do so.

Mr. HAYDEN. Mr. President, will the Senator yield to me in order that I may point out two facts?

Mr. PEPPER. I am glad to yield.

Mr. HAYDEN. First, I will quote from the testimony given by Mr. Johnstone, general counsel for the Federal Works Agency. He was asked the question:

And all of that—

Referring to nursery school projects—

will be discontinued.

Mr. JOHNSTONE. No doubt. The Lanham Act places it on an emergency basis limited to the duration.

The CHAIRMAN. When did you say they were being discontinued, on April 1 or April 30?

Mr. JOHNSTONE. In regard to W. P. A. nursery schools they will all be closed as such by April 30.

That is No. 1.

The question arose in the House as to the authority of the law under which the W. P. A. operates. It is found in subparagraph (c), title II, of the Lanham Act and reads as follows:

To make loans or grants, or both, to public and private agencies for public works and equipment therefor.

And then these words constitute the authority of law under which they operate:

And to make contributions to public or private agencies for the maintenance and operation of public works * * *.

Mr. PEPPER. Is that the Lanham Act?

Mr. HAYDEN. I am quoting from the Lanham Act. The chairman of the committee said:

The CHAIRMAN. Apparently you construe that as maintenance and operation of a service, whereas the terms of the enabling act would seem to indicate that it should be for maintenance of the public works and the equipment itself.

Mr. JOHNSTONE. Yes, sir.

The CHAIRMAN. That is, the buildings and the equipment, rather than the service. Is it not rather a broad interpretation under that provision, that you have authority to conduct the service of day nurseries in addition to housing and equipment facilities that you were authorized to provide?

Mr. JOHNSTONE. That is a fair question. I think you will find, sir, from the legislative history of this act that the clause which you have last read was inserted in the act to enable the Federal Works Agency to give money to a school district, to employ additional teachers during the first year of the operation of these war schools. Those were the words the committee used in order to do that.

The point is that under the Lanham Act if a building has been constructed in a community for school purposes or otherwise then Lanham Act money may be used to maintain the building for a period of time, but if there has been no Lanham Act activity in any community, then there is no authority of law to undertake the particular kind of work. So they are limited in their scope to places where they have done construction.

Mr. PEPPER. Mr. President, will the Senator yield before he takes his seat?

Mr. HAYDEN. Certainly.

Mr. PEPPER. Would that language, particularly the last clause to which the Senator refers, authorize them to set up a structure or to provide facilities for the care of children in a community? Would that be within the purview of the act?

Mr. HAYDEN. The words, quoted by me, namely, "and to make contributions to public or private agencies for the maintenance and operation of public works," constitute the sole authority of law that the W. P. A. has for maintaining care of the children of women employed in industry. Under that provision of law they are doing it. I think it is a very strained construction of the statute.

Mr. McNARY. Mr. President——

Mr. PEPPER. I shall be through in a second. I think the able Senator in charge of the bill might attend closer the language of the amendment so as to see to it that there is no prohibition against the use of Federal funds until or unless there is some statutory authority in the local body, because I am not at all sure my State has legislation that authorizes the local community or a State agency to cooperate in a project of this kind. I should like the Federal agency to have discretion in selecting the local agencies with which they would cooperate in carrying out the program. I see no harm that could come from following the suggestion of the Senator from Colorado.

Mr. HAYDEN. There are two suggestions; one that there ought to be affirmative action by the States before the money can be spent, and the other that such action ought not to be required. As the amendment is drawn it is perfectly practicable, because, as the Senator from Wisconsin has pointed out, there is no State in the Union that does not have a welfare agency of some kind. It has to have it in order to operate under the Social Security Act. It is already there. It is merely a question of using the personnel of the established agency of a State to do this work and the Government pays half the cost.

Mr. PEPPER. Mr. President, will the Senator yield for a further question?

Mr. HAYDEN. Certainly.

Mr. PEPPER. Is the State or the county required to put up its own tax money or may it use the fees it collects?

Mr. HAYDEN. It is contemplated that 50 percent of the amount will be raised by the mother, out of her wages, paying for the care of her children, which she is glad to do. The mothers do not seek charity, and that is where the local contribution will come from to the greatest possible extent.

Mr. PEPPER. One other question. Suppose, for example, the county welfare board in a certain county wishes to participate in this program, would the county welfare agency be eligible to receive funds which are contributed in this case by the Federal agency?

Mr. HAYDEN. Yes; it would be highly desirable to use that kind of an agency. The plan has got to be submitted to the State welfare agency. We have got to have some uniformity; we cannot be dealing with 3,000 counties and 3,000 different kinds of plans. So it is provided that the State welfare agency shall submit a plan which, when approved, shall become operative, and there is a requirement under the plan that there shall be a contribution of 50 percent.

Mr. PEPPER. This proposal would not come under any existing social security legislation, would it?

Mr. HAYDEN. No; but there is a welfare agency in every State that can submit a plan to the office in Washington.

Mr. PEPPER. I am afraid what the Senator is overlooking is that in each State, for example, in my State, the public welfare funds are raised for specific purposes, and if the money is not used for the specific purposes—to take care of the children or provide old-age assistance or for the public health—there will not be any money which can be used for the purpose, unless the law is changed by the State legislature, and legislatures in some of the States will not meet for another year.

Mr. HAYDEN. We will have to amend the statute if it does not work, but we are assured that the principal source of this money is from the mother who is earning good wages, and is glad to have the help; and if that is the case, let us try it in that way before we undertake to dip into public funds, so far as the States are concerned.

Mr. McNARY. Mr. President, I think it has been amply demonstrated that there are various views concerning the practicability of the proposed legislation, and the form which it should finally assume. I agree with the able Senator from Illinois that it would require enabling legislation passed by the States. I think this is a vicious practice, and, further, it is admitted by the able Senator in charge of the bill and other Senators that we have ample funds to take care of the problem until July of this year.

Mr. HAYDEN. Oh, no; I made no such admission.

Mr. McNARY. Then, I make the assertion. I stand on that responsibility. The Lanham Act and others have been cited, and it has been stated that there will be no abatement of the program in any way; nor would I want to see an abatement. But when the matter comes before us as an authorized piece of legislation, I want to know what form it will take. I am interested in decent, sensible, careful, deliberate legislation.

I understand there is to come along another amendment, very similar to the one we have been considering, which has not been digested by any legislative committee. I repeat, it will be 4 months before we will need any funds for this project, which has never been authorized by the Congress, but which will be authorized by a committee, in my judgment, if it is given opportunity to make a recommendation.

Inasmuch as the Senator persists in his amendment, and will not let a legislative committee consider it, in violation of the rule, I have then only one recourse to take, and that is to ask for the regular order.

Mr. WALSH. Mr. President, I have a few observations I should like to make in reference to the proposed amendment. I wish to call attention to a few difficulties which I meet in considering the proposal now before us.

Within the shadow of this Capitol is a nursery where for years married women and widows working in the Government departments have brought their children, and left them while the mothers were at work, and paid for their care; and they are still doing it. Will the amendment relieve them of that obligation? Will it provide for payment to the private charitable institutions which are maintained at these places of money in lieu of what the women are paying now?

Mr. McNARY. If I may answer that, it will not.

Mr. WALSH. In my own State of Massachusetts for years women working in the cotton mills, at a disgracefully low wage, eight or nine or twelve dollars a week, have brought their children to private nurseries, paid weekly for their care, and are still doing it. Are they to be compensated, and are they to be relieved of the obligation of paying for their children, under the amendment? As I interpret the discussion which has taken place, the women who, in munitions factories, are receiving three and four times the wages paid cotton mill workers and similar workers in my State, would receive the benefit of this proposal.

Mr. HAYDEN. If the Senator will pardon me, that is not in contemplation at all.

Mr. WALSH. Is it not especially designed to take care of the children of workers in munitions factories?

Mr. HAYDEN. Yes, but any State plan submitted in connection with the proposal must indicate that there is to be a contribution by the mother. That must be set out in the beginning, and it is thoroughly understood that that is the principal source of the money to match the Federal cost of the overhead.

Mr. WALSH. There is my difficulty. Where are we going? How much is the contribution? Is it a contribution only by women working in munition plants, or is it a contribution from poor mothers working here as clerks, at $1,400 a year? Are they to get for the care of their children some of the money? Are the women with children, working in this city, to get no benefit out of this at all? As I understand, it applies only to the women who happen to have the good fortune to draw almost as much as the men receive—and I am glad they are getting it—women who work in munitions factories.

Mr. HAYDEN. That really is a necessity.

Mr. WALSH. Is it not a necessity for these working women who bring their children at 8 o'clock in the morning and keep them there until 5 o'clock in the afternoon, and work for a meager wage, to get some aid, as well as those in munitions factories, who receive three or four times the pay these poor workers are getting? If I had my way, I should be glad to give something to them all, if we did not have to think of the public treasury and the taxpayers. There is nothing more tragic in life, there is nothing sadder in life, than to see a young mother, or an old mother, dragging her children, in the early hours of the morning, and putting them into a nursery home, and leaving them there all day, and out of her pay envelope making a contribution. But how many millions are we finally to take care of? How can we stop simply with the women who happen to go into the industries where war materials are being manufactured? These are difficulties which come to me as I hear the discussion. Yet my impulse is to help them all, if possible—to help every woman who is left a widow, or whose husband has deserted her, and who has children she has to take care of.

In my State some mothers prefer the private charities, and in some instances the cities do take care of the children, not as much as they would like to take care of them, but unfortunately, we finally have to come back to the question of how much we can afford, just as do the women who have to go to a poor, cheap nursery, instead of to a luxurious nursery, because they cannot afford it. That is an important part of this question. I am disturbed about it, and it gets back to what the Senator from Oregon has said, what are the limitations of the amendment, how far are we going, not today, immediately, but in the future? What kind of a program are we finally going to work out in order to bring this necessary relief to these people?

Now we come to another question about which I wish to comment. I dislike to have to say it, because I suppose it may be said I come from a State which is prosperous. When it comes to a division, in giving Federal funds, between poor States, so-called, and others, I have never been able to distinguish between poor States and rich States, and I will tell the Senate why.

If in my State, or the State of some other Senator, if the property owners have their property for taxation purposes valued to the full limit, we are a rich State, because we can spend more money for our schools and for hospitals and our other charities. If we tax our

people $40 or $48 or $50 a thousand, as is done in some cities, we naturally have more money to spend, and are classed as a wealthy State because we compel our people, through the taxes they pay, to make greater sacrifices. But how about the State which always values its property at far below the real value, and whose tax rate is $15 or $18 or $20 against $50 per thousand upon the valuation? It is a poor State, it may be said. Is it fair to say a State is poor or rich unless there is an equal standard of valuation of the property and an equal tax rate? Even if we have equality in those matters, we will find some poor States, but in my opinion, until we apply the same system of valuation and the same rate of taxation, we will be unable to reach a fair basis for division of Federal aid to rich or poor States, and we never can do that, because at the time we do it, we go into the most sacred right the people of a State have, namely, the matter of regulating their own tax systems; and that is one of the difficulties that is fundamental to all these problems.

I come back to what now troubles me, which is the question as to where we are to draw the line. I am actuated in voicing these thoughts largely by what the Senator from Oregon said, that there should be more study of this important and humane question. Perhaps I am unfair to the members of the Committee on Appropriations who propose this amendment; but it is admitted that there has not been a full study by all the members of the Committee on Appropriations. As I understand, in those communities where there are war plants, and where women are employed at $35 and $40 a week, side by side with women who are receiving $9 and $10 and $12 a week, if they contribute something, their children are going to get aid from the Federal Government. Is that correct?

Mr. HAYDEN. No. The bill provides a plan for wartime care. It is limited to the period of the war, for the protection of children of employed mothers.

Mr. REED. Wherever they are employed.

Mr. HAYDEN. Miss Lenroot testified regarding this matter.

Mr. WALSH. If mothers are employed in this city, are they to be taken care of?

Mr. REED. They are.

Mr. WALSH. Then I was mistaken in assuming that the Senator from Arizona said it did not apply to all women. Are we to take on this burden these women have been carrying for years and years, of caring for their children in private institutions?

Mr. HAYDEN. No; that is the other matter, that the Director "shall not approve any plan except upon his determination that the schedule of fees is the maximum practicable in view of the wages paid in the areas served."

The second question the Senator has raised is answered by Miss Lenroot.

Mr. WALSH. In other words, the administrative board will say that in the city of Boston, or in the city of Springfield, Mass., where there are munitions factories, and women working in the factories, the women will pay part of the cost and the Federal Government will pay to the State agency a fixed part of the cost. Is that the plan?

Mr. HAYDEN. Yes; not exceeding 50 percent of the cost.

Mr. WALSH. In the next town, where there are women working for less money, a town which happens not to have munitions plants, in which the women are working in stores or elsewhere, and receiving smaller wages, they are not given any money to provide for taking care of their children?

Mr. HAYDEN. No. I should like to read testimony given in the hearings on this subject.

Mr. WALSH. If those women were to get money for the care of their children it would result in opening the door to every women who has a child, and who must bring the child to a nursery, or to some place where it may obtain care, when the mother is working; this aid would be given to every woman in the country.

Mr. HAYDEN. No. Let me read the testimony given before the committee on behalf of those who expect to administer the act. Miss Lenroot said:

> May I add, Mr. Chairman, that many of these women who will be working in these areas where there is an acute shortage will not be working in war plants, but in laundries and restaurants and other service industries essential to the maintenance of the community life. We know laundries and restaurants are more necessary when we have men and women both working in industry, than otherwise, because the amount of work they can do in the home under those circumstances is much less. The wages in these laundries and restaurants are low. Also, many of these women are wives of husbands in the Army earning private's pay, and some of them are widows without other support.

If there were a community, undisturbed by the war, in which there were no war work of any kind being done it would not be necessary to go there. But if women are taken out of homes and placed in industry, and they have to eat in restaurants, and send their laundry out, other women have to work in those establishments, and I think it is entirely proper that the children of the latter women should also be taken care of, when the mothers work in laundries and restaurants.

Mr. WALSH. Mr. President, under the operations of the amendment, would the money appropriated under it go to contribute toward the maintenance and help, during working hours, of more working women in this country?

Mr. HAYDEN. I would not say that. It applies to communities where war industries are located.

Mr. WALSH. Very well. The Senator would say it does not apply to the women clerks of this city?

Mr. HAYDEN. I am not passing upon that matter.

Mr. WALSH. That, Mr. President, is the trouble. The Senator is asking us to pass certain legislation, and we want to know where it begins and where it ends. That is the very objection made by the Senator from Oregon [Mr. MCNARY]. There is no limitation made by the language of the amendment. There is no restriction made by it. No amounts are determined for the present or the future. Twice as much contribution may be made by a mother in Boston as by one in Trenton, N. J.

Mr. HAYDEN. Depending on what she is earning.

Mr. WALSH. Does the language of the amendment include only women who are employed in munitions factories and industries? Yes or no?

Mr. HAYDEN. No.

Mr. WALSH. It does not?

Mr. HAYDEN. No.

Mr. WALSH. It includes women working in laundries and in other services in communities in which munitions plants are located?

Mr. HAYDEN. Yes.

Mr. WALSH. In the next community, where there does not happen to be a munitions plant, those working in laundries and in other services are not covered by the language of the amendment?

Mr. HAYDEN. No. Why should they be? The whole purpose of this amendment is to have women go into munitions factories to take the place of men. That is the whole purpose, and we are confining ourselves to that.

Mr. WALSH. One answer to that is that these very women are receiving more money than women engaged in other work.

Mr. HAYDEN. Yes, and they should pay more as a result.

Mr. WALSH. And they should receive more. Only a month ago I was in a factory in Massachusetts where shells are being made. Eighty percent of the employees were women. I was very proud of their service, their industry and spirit. If they are married women and happen to have children they will be taken care of in some fashion; they will receive some assistance. Their wages are four or five dollars a day. They are receiving big wages, and they should receive them. But the language of the amendment does not cover women in other places, engaged in other work, who are receiving less money?

Mr. HAYDEN. We do not have a manpower shortage in any place except in war industries. We are taking care of the situation with respect to employment of women in war industries, so they may aid in the manufacture of munitions.

Mr. WALSH. Before the war, under W. P. A., women in industry were provided for.

Mr. HAYDEN. No, under W. P. A., the assistance was confined to a poor woman who had no money. She was given a W. P. A. job, and her situation was taken care of by charity. Another woman was employed to look after her children while she was at work. It was on a charity basis.

Mr. WALSH. No matter how poor a woman is, no matter how many children she has, she must be engaged in working in a war industry or else she must go into her own pocket, or charity must provide for taking care of her children.

Mr. HAYDEN. The amendment provides for women engaged in working in war industry.

Mr. WALSH. Let me ask another question. With respect to private charities, such as the one operating in the shadow of this building, how are they to be paid? Is the institution to be taken over, and is half the money to come from the mother and half from the Government?

Mr. HAYDEN. The welfare agency in the District of Columbia brings in a plan for caring for the children.

Mr. WALSH. Are we going to build institutions where none now exist for them, or use those now existing?

Mr. HAYDEN. We will use those now existing, of course.

Mr. WALSH. Is money to be provided to buy them or rent them?

Mr. HAYDEN. No, we are simply dealing with the conditions as they exist in the State.

Mr. WALSH. If a measure is brought before us proposing to give every penniless poor woman in this country what is necessary to take care of her children, and she is forced to go out to work, we would support it, and provide for a large part of the money necessary. But we want to know what financial and other limitation is placed on what is proposed to be done. We want to know all mothers to whom it applies. We want to know whether it shall apply to a woman receiving $5 a day, or one receiving 50 cents a day. We should have some sort of limitation fixed. That, Mr. President, is my difficulty. That is why I find myself agreeing with the observations made by the distinguished minority leader, the Senator from Oregon [Mr. MCNARY] in respect to this matter.

Mr. President, I am moved to deep sympathy for these women, but we are not reaching the women with children who go out with shawls over their heads and scrub clothes over a washtub all day. This amendment is not for them. However, if women are able to go into a munitions factory and receive more wages than they ever received before—and all praise to them, because they are serving a great and patriotic cause and helping the country—then they are entitled to something that other poor women who have children and who are destitute should have and should receive.

Mr. REED. Mr. President, I have been struggling desperately to correct the misapprehension under which the Senator from Massachusetts [Mr. WALSH] and the Senator from Oregon [Mr. MCNARY] have been laboring. The Senator from Massachusetts has laid considerable stress upon the poor women who are not employed in munitions factories. I agree with what he has said, but that does not happen to be what this amendment provides for at all. Most of what the Senator from Massachusetts has said has no relevancy to this provision, because it is said under a misapprehension of what the amendment provides. I shall read what it provides:

> For expenditure in accordance with State plans for the wartime care and protection of children of employed mothers.

That is what it provides.

Mr. WALSH. Then, according to the Senator, every mother employed, including the clerks in this city, would receive the benefit provided under this provision?

Mr. REED. The Senator from Massachusetts did not permit me to interrupt him. I shall cover all these points.

Mr. WALSH. I am sorry. I apologize.

Mr. REED. I assure the Senator from Massachusetts and the Senator from Oregon that I shall try to cover all the points they made. They are both eminent and able Senators, who have rendered distinguished service in this body, but they have gotten off on a tangent and onto something that is not pertinent to this amendment. I am going back to what the Senator from Massachusetts said. Let me read the language again. These are the mothers involved:

> For the wartime care and protection of children of employed mothers.

Does that take them all in? Let us see. That depends on whether the States have some plans, whether they are doing that thing now, what arrangement the States or the counties or the municipalities or the District of Columbia have now. If they are taking care of that class of children of employed mothers now, yes, it easily falls under that provision. If a political subdivision is not doing it, it may be brought under this provision by submitting, through the State, a plan for doing it. It is not confined to the children of mothers employed in the munitions plants. I would not be for it, I will say to the Senator from Massachusetts, if such a distinction were to be made.

Mr. WALSH. Did not the Senator from Arizona [Mr. HAYDEN] say that to me?

Mr. REED. I think the Senator from Arizona, who has had a great burden of responsibility for this measure, for the moment misapprehended what was in it. Any mother with children in any community may, by conforming to the standard of administration set up in this measure, be brought under it. But the community plan must be submitted and it must have approval. How is it going to be paid for? Partly by the local contributions, and the local contributions, as has repeatedly been stated here, are dependent upon what contributions may be made by mothers. If a mother in a laundry, receiving $9 a week, cannot contribute, the local community, whether it be the District, a city, or a county, will help. The mother employed in a munitions plant who draws a minimum of 60 cents an hour ought to contribute, and will be expected to contribute. The only limitation in this amendment is that the Federal Government shall not contribute more than 50 percent. The other 50 percent may be raised in any way the local community desires.

Mr. President, I had not intended to speak again upon this subject. I was impelled to do so only by the evident misapprehension under which the very able Senator from Massachusetts was laboring. I share most of his objections. I share the objection of the Senator from Oregon. This is legislation. It ought to go through a legislative committee; but the situation is that the W. P. A. expires by limitation, I think, on the 30th of April, so far as most of its activities are concerned. I want it to expire. I voted to have it expire. But here is one of the things which the W. P. A. very largely has done to take care of the children of employed mothers. The W. P. A. is going out of business. We have a short period which should be provided for. If we have any sense of humanity, any sense of decency, any sense of responsibility, we will take care of these people. The appropriation in this bill is limited to the 30th of June 1943, and is intended to take care of this emergency situation which has been growing larger and deeper and graver ever since we have been facing this incredible confusion in manpower, a subject about which I shall speak at more length when we come to consider the unfinished business before the Senate. This is temporary. I agree with the Senator from Oregon. I do not like to do it this way. I would rather do it the other way. But this is to be for only 3 months in order to take care of a temporary situation. It is no great departure to write a little legislation in an appropriation bill. I agree with the Senator from Oregon that it is a bad practice, but it is a practice of which the Senate is frequently guilty. The Senate has been guilty of departing from Senate practice on many occasions when there was not as much justification for it as there is in the present situation. That is the only reason why the Senator from Arizona and I are appealing to the Senate for this method—not because we think it is the best, but because we say that in the immediate situation it is the only method by which the problem can be taken care of.

Mr. DANAHER obtained the floor.

Mr. LUCAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. MCCLELLAN in the chair). The Senator will state it.

Mr. LUCAS. What is the parliamentary situation?

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Arizona [Mr. HAYDEN] to suspend the rule to permit him to offer an amendment.

Mr. MCNARY. Will the Senator yield?

Mr. DANAHER. I yield.

Mr. MCNARY. Possibly the Chair was not so informed, but a moment ago I stated that I was not satisfied with the procedure which was being followed and that I wished to invoke the rule of the Senate. I asked for the regular order.

Mr. LUCAS. Mr. President, what does that mean?

Mr. MCNARY. I can explain the meaning of it.

Mr. LUCAS. I believe I understand the meaning of it, but I should like to have the Chair state it.

The PRESIDING OFFICER. Does the Senator from Oregon have in mind returning to the consideration of the unfinished business?

Mr. MCNARY. That is exactly what I have in mind. There is no clearer way of expressing myself. A request for the regular order has the sanction of parliamentary usage. However, in making that request, I am not attempting to take the Senator from Connecticut [Mr.

DANAHER] from the floor. I am willing to allow the debate to continue as long as he desires, but I ask for the regular order.

Mr. LUCAS. It was my understanding that the regular order had been demanded, and that was the reason I made the inquiry as to what is before the Senate at the present time.

The PRESIDING OFFICER. The regular order having been demanded, the Chair lays before the Senate the unfinished business.

DEFERMENT FROM MILITARY SERVICES OF PERSONS ENGAGED IN AGRICULTURE

The Senate resumed the consideration of the bill (S. 729) providing for the deferment from military service of persons engaged in agricultural occupations.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Montana [Mr. WHEELER] to the amendment offered by the Senator from Colorado [Mr. JOHNSON].

OFFICE OF DEFENSE HEALTH AND WELFARE SERVICES

Mr. DANAHER. Mr. President, one of the most interesting phases of the amendment offered by the Senator from Arizona [Mr. HAYDEN] is its many-sidedness. It apparently admits of construction according to the interpretation placed upon it by any given Senator. The Senator from Kansas [Mr. REED] told us in his concluding plea that this proposal was intended to cover the next 3½ months only. There was to be nothing permanent about it, the Senator from Kansas said. It would apply only until June 30.

Mr. President, consider that single statement as the basis upon which the Senator from Kansas would urge upon us the adoption, in an appropriation bill, of a matter of fundamental policy, to be adopted now, for 3½ months, and to be set up in every State and every community which is said to be affected, or likely to be affected by it. If there be advantages in the proposal, does anyone in his right mind believe that on July 1, they would be terminated? Were there benefits, as urged, accruing to the communities in the care of children, does anyone even remotely imagine that at the end of 3½ months the plan would be dropped?

I mention those things, Mr. President, to demonstrate the speciousness of the way in which the issue has been presented to us. There is scarcely a Senator who is a proponent of the pending measure who has not fallen into such error in one way or another. For example, the Senator from Arizona said that the issue is whether or not Senators wish to vote in favor of suspending aid to the children of war-working mothers. The plain implication of his request for a yea and nay vote on the previously pending motion to suspend the rule was that if Senators should take a position counter to that of the Senator from Arizona they would be put on record as voting against extending aid for the care of children of working war mothers.

Mr. President, in posing the issue in that way he intended that pressure should be brought to bear in the minds of Senators to cast their votes in favor of the proposal which he submitted.

Completely ignored in that presentation, Mr. President, was the fact that more than $17,000,000 is available this minute under the Lanham Act, which has been and is being administered to provide payments for the child day-care program in communities which choose to apply for it, and which have a program as part of the essential war effort which comports with the needs of the community.

Mr. President, if there are war-time needs in given communities they may apply for aid under the Lanham Act. When they establish their needs they receive their allowances. That program is going on now. There is no issue of lack of congressional interest in the care of children when the mothers are employed in war work. Clearly, under the Lanham Act, working mothers are receiving the benefits of the concern which has been so eloquently voiced by Senators who completely overlook the application of the Lanham Act to the problem.

In addition, there is, of course, such residue of the W. P. A. as was left. As I recall, from an examination of the hearings—although I am not on the committee and have not given to this vast subject all the time it requires—the W. P. A. appropriation terminates as of April 30, although there may be an extension to June 30 from Presidential funds, in order to liquidate.

I do not know whether that is a completely accurate statement of the situation concerning the W. P. A. However, I do know that the lack of all facts is not confined solely to me. There are other Senators who do not know, and I take some comfort on that account. I cite that fact as an additional reason why this fundamental matter of policy should be considered by a legislative committee, which can supply all facts and which can make recommendations to us as to how best to develop the entire approach.

Let us take up another phase of the argument of the Senator from Arizona. He has told us that on page 3 of the amendment, in lines 12 to 20, inclusive, there is a provision that the Lanham Act appropriations or the W. P. A. funds, as the case may be, and the programs being executed under them, must be terminated upon the adoption of his proposed amendment. Let us see what the amendment provides. I quote from line 12 on page 3 of the amendment:

> *Provided further,* That any equipment which is under the control of the Federal Works Agency and which is necessary to a project for the care of children of employed mothers already in operation and in use at the time such project is placed under this program may be transferred for the purposes hereof to other Federal agencies as the Director of the Office of Defense Health and Welfare Services may prescribe, and the appraised value thereof shall be covered into the Treasury as miscellaneous receipts.

There is no "shall" about it. There is no mandatory requirement involved. It does not cover operations. It applies only to equipment, Mr. President. It provides that equipment "may be" transferred, and says nothing about operations.

The Senator from Kansas argued the question whether the proposal was to extend to the children of all employed mothers, or whether it applied only to the children of mothers who are employed in war industries. The Senator from Arizona and the Senator from Kansas pointed to page 1 of the amendment. They pointed out, in line 2, on page 1, the following language:

> expenditure in accordance with State plans for the wartime care and protection of children of employed mothers—

There is no qualification of the term "employed mothers," or other adjectival description whatever. There is no distinction between employed mothers who have husbands who are also working and widows. It is not in terms required that they be in war industry. No limitation of any character is stated. So far as it purports to refer to State plans, this proposal, if adopted, would clearly extend to 48 States, and down through the States to heaven knows how many communities. It is a matter of common knowledge that only a very few States are affected to any extent by wartime industries and demands for care for children of mothers in wartime industries.

Mr. President, to show how the amendment can be construed, not only as the Senator from Kansas has construed it, but otherwise, as the Senator from Massachusetts argued, let us turn again to page 3 where, in line 7, we find, as a part of a proviso, that no payment from this appropriation shall be available—

> for operating expense, alterations, repairs, or equipment except in areas with special needs because of substantial increase in employment of women arising out of the war.

Ending the quotation at that point, Mr. President, it becomes perfectly apparent that if there be need for an expenditure for operating expense or the alteration or repair of equipment or property and buildings, it may be made only in areas where there are special needs because of substantial increases in employment of women, arising out of the war.

Thus, if there is to be an expenditure in any amount in excess of $1,000—that is the limitation previously stated—it must be made under the conditions thus set forth. Implicit, then, in the language, Mr. President, is the representation that we are adopting what will in effect be a permanent pattern of grants-in-aid—a "force" bill, as we have come to call such bills, in which the Federal Government demands that States submit their plans to someone in a bureau in Washington, and if the Washington bureau approves the plan the particular State will gain certain advantages from Federal contributions, but if the State fails to meet the requirements of the Washington bureau, it will not receive the aid.

On the one hand, Mr. President, the amendment purports to apply to women who have children, without any definition whatsoever of the nature of the employment of the women; but when we

come to make it effective, back on page 3 we find the provision that no operations involving an amount in excess of $1,000 can be conducted unless there is in fact an increase, a "substantial increase," in employment of women arising out of the war.

It is easy to see how contradictory constructions can arise, in view of the instances I have cited.

The moment that we impose under the bill a Nation-wide program, one applicable to the 48 States, each of which in order to gain any advantage under the bill must submit a plan, it follows that State organizations must be created. It follows, further, that if there be no organization in a State, legislation by the State will be called for in order to set up the organization. States cannot sprout programs for the management of child-day-care centers. They must, in accordance with their constitutions and laws, develop such programs. There must be agencies to handle them.

Therefore, Mr. President, we would be forcing States to act in accordance with the dictates of this Congress were we to adopt the amendment of the Senator from Arizona. We would reach into every home where there is a mother, and say to her, "Never mind the institution down the street that is adequately equipped to take care of your child, and with which you have been dealing; never mind that facility which may, indeed, far surpass in advantages anything that Washington may offer. If you want to come under the program for aid to the States, you must develop your State plan our way. Otherwise you will not be allowed to participate."

That is what we would be saying. New agency operatives would be created to the possible neglect and decay of valued existing facilities.

Again, Mr. President, if the State does not act, the amendment would include a local community—a "subdivision," a city, a county, perhaps; it may be a taxing district, for all I know. The bill provides "for payments to subdivisions." That language appears in line 7, at the bottom of page 1 and the top of page 2, where we read of payments to subdivisions other than the States, and smaller, but within the States.

Mr. President, where is this proposal to stop? Under what plan or program will some subdivision in a State benefit, whereas other subdivisions in the same State or in other States will not participate? Who will decide that? Someone down in Washington.

Mr. REED. Mr. President, will the Senator yield?

Mr. DANAHER. Certainly.

Mr. REED. The Senator from Connecticut is always eminently fair. I am sure he would want his remarks understood in the light that no community, State, or individual is subjected to any kind of compulsion, but that in order to take advantage of the program, the cooperation, whether of an individual, a city, a county, or a State, is to be purely voluntary, and will involve nothing more than the cooperation of such an individual, city, county, or State.

Mr. DANAHER. Mr. President, I was glad to yield to the Senator from Kansas. Let me ask whether he would be willing to respond to a question or two from me.

Mr. REED. Certainly.

Mr. DANAHER. Very well. Let me submit to the Senator from Kansas that, let us say, in the city of Topeka there will be said to exist a need for a child-day-care center. Let us assume that the State of Kansas has never adopted any child-day-care-center program. If the city of Topeka wishes to set up such a child-day-care center, is it not the understanding of the Senator from Kansas that under the bill, within the meaning of the word "subdivision", appearing on page 1, line 7, the city might formulate a plan and submit it to Washington for a grant in aid?

Mr. REED. It could, certainly; yes.

Mr. DANAHER. Yes. If the proposed plan thus submitted by the city of Topeka did not conform to whatever the people in Washington in charge of the program demanded, the plan would be rejected; would it not?

Mr. REED. Certainly.

Mr. DANAHER. Of course. Consequently, in order to procure compliance with the Washington program in Topeka which, for our hypothetical case, we assume has demonstrated an actual need, that community would be told that it could not receive any advantages under the bill unless it conformed to the requirements of the Federal Government; would that not be so?

Mr. REED. The Senator from Connecticut understands as well as I do and as well as every other Senator does that under all the cooperative plans involving Federal expenditures and cooperation—plans ranging all the way from those handled by the Department of Agriculture to those handled by all the other departments—the State program or State plan, whether it be for a board of health, for a State educational institution, or for benefits for agriculture, must conform to the rules laid down by Congress or under the authority given to the appropriate agency of the Federal Government. There is no argument about that.

While I am on my feet, let me say—I do not want to interrupt the Senator for more than a moment——

Mr. DANAHER. Am I to understand from the record that the Senator's answer is that the city of Topeka would have to conform?

Mr. REED. Certainly.

Mr. DANAHER. Very well.

Mr. REED. Let me say to the Senator from Connecticut that the invariable rule is that when the Federal Government and one of the States make a joint expenditure to supply funds for State and local needs under some standard, the standard always is established by the Congress or by an administrative authority acting under direction from the Congress. I regret to say that sometimes the administrative authorities do not always follow that rule; but that is the invariable rule.

While I am on my feet, will the Senator from Connecticut permit me to say a further word?

Mr. DANAHER. Certainly.

Mr. REED. The measure is a war-time measure. It is intended to meet war-time needs. The war-time needs certainly are much more severe in areas affected by the stress of war—communities where, because of the demands of war, much greater additional employment of industrial workers has become necessary—than in other communities. The appropriations provided by the bill are limited to the period ending the 30th of June—3½ months from now. No dollar appropriated under the bill can be spent after the 30th of June. The bill contains that definite limitation of authority. I tried to make that point plain during the debate a short time ago.

The part of the amendment which sets up the plan does not provide any definite date for termination of the authority. Of course, frequently we do provide a definite date for termination of authority. Such provision is not made under the present appropriation; but the appropriation asked for is limited—and the committee recognized that point—to the period ending the 30th of June, 3½ months from now.

Mr. DANAHER. Mr. President, I am glad to yield to the Senator from Kansas; because each time he has ventured to comment on some particular, he made the more conclusive the argument I offer on the point he mentions. When he tells the Members of the Senate that the bill is just a wartime measure and would be in effect only until June 30, what possible sophistry would he vent upon us and the country? Would he have us think that the program would be good for only 3½ months, and not thereafter? Would he have us think that the war will end on the 30th of June? Is that his thought? Would he have us think that when we have established a program offering the asserted advantages in 48 States, we will not continue it in September and in the coming January?

Mr. President, of course on the face of things it is perfectly obvious that, once the program were established it would be continued. The very reason why the Senator from Kansas and other Senators who are proponents of the program seek to foist it upon the country is that they know that if we undertake it for 3½ months, we will not abandon it thereafter.

Mr. BRIDGES. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. EASTLAND in the chair). Does the Senator from Connecticut yield to the Senator from New Hampshire?

Mr. DANAHER. I yield.

Mr. BRIDGES. I join the Senator from Connecticut in the position he takes. I have not been on the floor during the general discussion and the debate; but let me ask whether it is not true that the proposed program would provide a duplication of facilities. Are not such facilities being provided under the Lanham Act?

Mr. DANAHER. Let me say to the Senator that, as the program stands, it would provide for a triplication of facilities.

Let me review the history of the matter for a moment, for the Senator from New Hampshire. In the first place, this

particular organism, if I may so classify it, to be known as the Office of Defense Health and Welfare Services, is another one of these Presidential-directive creations dangling from a loose end of an Executive order. That is what it amounts to. It is developing under a situation something like that under which the Board of Economic Warfare was originated back in July 1941. It was said and intended to be a coordinating agency. The B. E. W. was going to unify activities in the defense and, later, in the war effort. But, Mr. President, let me say that, like Topsy, it just "growed," and now there are more than 4,000 persons in it, and in 8 months it drained more than $1,000,000,000 from the Reconstruction Finance Corporation.

If Senators will look at the Presidential directive which appears in the House hearings at page 728, they will find that the President intended and directed that the Office of Defense Health and Welfare Services should coordinate various ventures in the field of health and nursing, and all that sort of thing, which, operating with Federal funds might conceivably be working at cross purposes, and if so, might be correlated and be channeled into prescribed directions in future.

So there was picked to head the particular organization or organism—I will adopt my own terminology—one of the ablest men in the United States, Mr. Charles Phelps Taft. The President could not have picked a better man. As a matter of fact, let me say to the Senator from New Hampshire if this proposal contemplated that we turn over to the distinguished Mr. Charles Phelps Taft the sum of $25,000,000 for the fiscal year 1943–44 and told him to go out and operate, and expend that amount to the best advantage of the people, in establishing child day-care centers, I should be willing to do that. That, however, is not involved, Mr. President. This amendment calls for payments to the States. So we found that the W. P. A. appropriations were to lapse as of April 30 of this year, and there has been some talk about additional funds to be added to the W. P. A. account to operate until the liquidation of the W. P. A., which will come to its demise as of June 30 this year.

Coincidentally is to be found another program under the Lanham Act. It is my recollection that there is some $300,000,000 available under the Lanham Act. I may be in error as to that, but I think I am right. I think there were some $283,000,000 allocated for certain specific purposes under the act, mainly defense housing construction, and that $17,000,000 remain available for aid to existing children's day-care centers, and similar facilities.

Let me say to the Senator from New Hampshire that the way they operate is this: A given community through the appropriate certifying agency must sponsor the child day-care center or other facility in the community, and, as Miss Lenroot said in the hearings on this matter—I read from page 147 of the Senate hearings—

> There are in every State and locality welfare and child-care agencies which have been doing work for children and which, even before any money was made available, were trying to shift their programs to the extent possible to meet these new needs.

That meets the needs of wartime, of course. She had already pointed out that the plan is based upon the utilization of existing resources. The Lanham Act, do you not see, contemplates that existing facilities are available for the job when certified as essential to the war effort under local sponsorship. The sponsor may be the State board of education; it may be the local board of education; it may be the State commission of health and welfare. Unless the local facility thereafter can receive a certificate from the Office of Education or from the Department of Labor that, in fact, it is essential to the wartime effort the application will be denied. On the other hand, the Federal Works Agency Board, on the certification of wartime need and on the certification of compliance with the standards prescribed, passes on the application, and if it be approved, the Board then reports to the President that all conditions have been met, whereupon funds are allocated to the existing facility. The standards are locally passed upon and the Federal agencies certify. New programs are not created, we utilize what we have; we do not take children out of the homes they are now in; we do not go into a State and say, "Submit a plan and we will decide your community needs"; we do not stimulate within a State, activities looking to the creation within each of 40 or 50 or 100 communities of a demand for applications for child day-care centers. Will we operate through existing facilities under the Lanham Act or create new ones through the States? That is what is involved, I think, let me say in answer to the Senator from New Hampshire.

Mr. BRIDGES. I appreciate the Senator's statement. I am familiar with the Lanham Act and the way it was operated, and last year there were 322 cities, towns, or communities where nurseries were being operated. In my State of New Hampshire in one small city, Laconia, they made a contract with the school board, and the project is being operated very successfully in that community, which caters to war conditions, war orders, and war industries. I myself think, in this period through which we are passing, we ought to do everything we can to try to avoid duplication or triplication of services and activities of the Federal Government.

Mr. DANAHER. In pursuance of the thought suggested by the Senator from New Hampshire, if, in fact, the program is not to be conducted except as part of the effort required during wartime, and if it be the intention that it shall terminate when the wartime need shall expire, what better machinery could be provided to secure that end than one which, by its very terms, will expire within 6 months from the cessation of hostilities, as the Lanham Act does? The question, after everything is said and done, is fundamental. It is not merely an appropriation of $2,973,000; it is not merely an appropriation to operate this program to supplant all existing programs from now until June 30; it is a program to cause States to develop plans. It is a plan to cause communities to develop plans to meet certain fixed requirements under which the children will be taken from the homes, from the aunt while the mother works, from the sister while the mother works, not merely in war industries, but all employed mothers. That is the act in terms.

It is an insidious thing, Mr. President; it is a very subtle approach. The House clearly saw through it, and, at least under the rules of the House, they knew that they had no business on an appropriation bill to attach such a rider. The question of policy is such that the whole proposal should be studied, Mr. President, by an appropriate committee of the Senate. Federal funds might well and properly be provided to take care of children of working mothers who are engaged in war industries, or who, by virtue of wartime exigencies, need care in child day-care centers. There is no question of that, and it can be done under the auspices of the local authority, utilizing existing facilities, meeting standards which have long since met the test, not some newly created by a mushroom agency. We ought to explore this matter thoroughly into its most intimate details and through legislative committees which are authorized and skilled from their own past experience to enter that particular field.

Mr. WHERRY. Mr. President——

Mr. DANAHER. Mr. President, I am glad to yield when the Senator from Nebraska addresses the Chair, but I do not want to be taken off my feet. I have not quite concluded.

Mr. WHERRY. I am not asking the Senator to yield; I am asking for recognition from the Chair.

The PRESIDING OFFICER. The Senator from Connecticut has the floor.

Mr. DANAHER. Mr. President, I shall briefly conclude, let me say to the Senator from Nebraska. I think, Mr. President, that I have covered the points I had sought most to make with reference to the arguments hitherto offered. There is much that can be said on this problem, which, if considered in all its aspects, should be considered as a matter of policy, as distinguished from program. There remain questions which demand further discussion. I believe, however, that the question of policy is not necessarily before us at this time. I believe that the point earlier made by the Senator from Oregon was well taken. I believe, if and when we recur to the amendment proposed by the Senator from Arizona, that the rule should not be suspended to take up this proposal at this time, and while I recognize that the parliamentary situation is now altered and that the pending question is on the Bankhead bill, I may, Mr. President, wish to speak further on the other matter should it again be brought before the Senate.

FIRST DEFICIENCY APPROPRIATIONS, 1943

Mr. HAYDEN. Mr. President, it is quite evident that I shall not be able to perform my duty until there has been a vote of the Senate. If two-thirds of the Senators are unwilling to vote to suspend

the rule, of course, that will end the matter. I should like to have such an expression of opinion. The only way I can accomplish that in the present parliamentary situation is to move to proceed to the consideration at this time of House bill 1975, the deficiency appropriation bill. I make that motion, with the hope that if a majority of the Senators desire to go on with the bill, we can immediately have a vote on suspending the rule. If a majority of the Senate does not want to proceed to the consideration of the bill, then I will know, of course, that my amendment could not be adopted through a suspension of the rule by a two-thirds vote. I therefore make the motion that the Senate now proceed to the consideration of the deficiency bill.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Arizona to proceed to the consideration of House bill 1975, which will be stated by title.

The LEGISLATIVE CLERK. A bill (H. R. 1975) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1943, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1943, and for other purposes.

Mr. McNARY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Gillette	Radcliffe
Austin	Guffey	Reed
Bailey	Gurney	Revercomb
Ball	Hatch	Reynolds
Bankhead	Hayden	Robertson
Barkley	Hill	Scrugham
Bilbo	Holman	Shipstead
Bone	Johnson, Calif.	Smith
Bridges	Johnson, Colo.	Stewart
Brooks	Kilgore	Taft
Buck	La Follette	Thomas, Okla.
Burton	Langer	Thomas, Utah
Bushfield	Lodge	Tobey
Byrd	Lucas	Truman
Capper	McCarran	Tunnell
Caraway	McClellan	Tydings
Chavez	McNary	Vandenberg
Clark, Idaho	Maloney	Van Nuys
Clark, Mo.	Maybank	Wagner
Connally	Mead	Walsh
Danaher	Millikin	Wheeler
Davis	Moore	Wherry
Downey	Murdock	White
Eastland	Nye	Wiley
Ellender	O'Daniel	Willis
Ferguson	O'Mahoney	Wilson
George	Overton	
Gerry	Pepper	

The PRESIDING OFFICER. Eighty-two Senators having answered to their names, a quorum is present.

The question is on agreeing to the motion of the Senator from Arizona that the Senate proceed to the consideration of House bill 1975. [Putting the question.] The ayes appear to have it.

SEVERAL SENATORS. Division.

On a division, the motion was rejected.

Mr. HAYDEN. Mr. President, I ask unanimous consent temporarily to lay aside the pending bill, with the understanding that when the Senate takes up the deficiency bill I shall withdraw the amendment which has been under discussion, because evidently, if a majority will not vote to take the bill up, two-thirds will not agree to suspend the rule.

Mr. McNARY. Mr. President, I made that suggestion a little while ago, and proof seems to be convincing to the able Senator. I now have no objection, if the Senator will abandon these amendments and have them referred to committees, according to the rule, to continuing with the consideration of the appropriation bill.

The PRESIDING OFFICER. Without objection——

Mr. McNARY. Let us have it understood the Senator from Arizona is asking unanimous consent temporarily to lay aside the unfinished business, which is the agricultural labor bill, and take up the deficiency appropriation bill. I said I would consent to that, provided he agreed not to present the amendment which has been under discussion and one similar to follow.

Mr. HAYDEN. I agree to that.

Mr. McNARY. I knew the Senator would agree, but I wanted the RECORD to show it.

Mr. HAYDEN. As chairman of the subcommittee, having been directed by the Committee on Appropriations to present the amendment to the Senate, I felt it my duty to obtain a vote on it. The committee is the servant of the Senate and if a majority of the Senate will not do what the committee wants done, the committee bows to the majority and proceeds according to the will of the majority of the Senate.

Mr. McCARRAN. Mr. President, will the Senator from Arizona yield?

Mr. HAYDEN. I yield.

Mr. McCARRAN. The Senator from Oregon made reference to two amendments.

Mr. McNARY. Yes.

Mr. McCARRAN. One carries an appropriation to take care of children in and about training camps?

Mr. HAYDEN. No; the two amendments to which the Senator from Oregon referred are, first, the one which was pending a few moments ago, and the other relates to the High School Victory Corps.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arizona?

There being no objection, the Senate resumed the consideration of the bill (H. R. 1975) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1943, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1943, and for other purposes.

CLARIFICATION OF FUNCTIONS OF WAR SHIPPING ADMINISTRATION—CONFERENCE REPORT

Mr. BAILEY submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 133) to amend and clarify certain provisions of law relating to functions of the War Shipping Administration, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 1.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 5, and 6, and agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "Except as provided by Executive Order Numbered 9001-A, December 27, 1941, such a determination may be made by the Administrator, War Shipping Administration, with respect to any vessel title to which has been requisitioned pursuant to the Act of June 6, 1941 (Public Law 101, Seventy-seventh Congress), and which vessel thereafter has been lost or destroyed or converted to naval or military use by the United States, upon owner's consent and certification by the Secretary of State that understanding had been reached between the United States and the diplomatic representatives of the country of which the owner of such vessel was a national, that such title requisition instead of requisition for use was necessitated by the circumstances existing at the date of requisitioning, but that such vessel should be returned after the termination of the national emergency declared by the President on May 27, 1941."; and the Senate agree to the same.

JOSIAH W. BAILEY,
GEORGE L. RADCLIFFE,
CHAS. L. MCNARY,
Managers on the part of the Senate.

S. O. BLAND,
ROBERT RAMSPECK,
J. J. MANSFIELD,
RICHARD J. WELCH,
JOSEPH J. O'BRIEN,
Managers on the part of the House.

Mr. McNARY. Mr. President, a moment ago the able Senator from New Hampshire [Mr. BRIDGES] stated he desired to ask a question or two about this conference report before it should be acted upon. Will the Senator from North Carolina wait a few moments until the Senator from New Hampshire can return to the floor?

Mr. BARKLEY. Mr. President, I should like to take advantage of this moment to express the hope that we may proceed without unnecessary delay to dispose of the deficiency appropriation bill, and then proceed without unnecessary delay to dispose of the Bankhead bill. I have a feeling that it is possible to dispose of that measure today, and it is very desirable to do so, in order that the Senate may not be compelled to have a session tomorrow. I had contemplated the Senate adjourning over until Tuesday, if we finish both these bills today, and I still hope that that may be done. I have reason to believe we may be able to do it.

Mr. BRIDGES. Mr. President, I have obtained the information I wanted, so I have no objection to the Senate proceeding to consider the report.

Mr. BAILEY. Mr. President, it is only necessary to say that the House conferees have agreed to the Senate amendment. The Senate receded from the amendment known as No. 1. That was an amendment offered in the committee by the senior Senator from Louisiana [Mr. OVERTON], fixing the compensation of attorneys in recoveries against the Shipping Administration on account

of injuries to seamen. I thought it was a good amendment, and so did the Senate conferees. However, there was a demand made for hearings. The demand was made by representatives of labor organizations. I would not like to say that they are opposed to limitation of fees of attorneys in such matters. I think the fees ought to be limited. But we could not agree. I thought it well to recede, with the view to coming back with an independent bill at a later time and providing hearings. So with that amendment stricken out, the bill is as it passed the Senate, with the exception of a little change in the construction of a sentence, which does not change the meaning in any degree.

Mr. President, I move the adoption of the report.

Mr. OVERTON. Mr. President, may I ask on what ground the House conferees rejected the amendment?

Mr. BAILEY. I undertook to make a statement about it. I do not wish to say anything which would tend to the prejudice of the conferees on the part of the House. We received a great many protests from labor organizations. I received a good many messages myself by wire. I think similar protests were lodged in the House. At any rate the House conferees took the view that since there had been no hearings on this particular phase of the matter, we would really lose nothing by delaying a little while, and coming in with an independent bill, after having given those who wished to be heard an opportunity to be heard.

Certainly I do not subscribe to the view that we ought to add a fifth freedom to the four, and have freedom for shyster lawyers. I supported the amendment offered by the Senator from Louisiana. But there are a great many important matters in the bill. We have in it provisions with respect to seamen; we have in it a provision giving the Government the right to take 2 months in which to ascertain the condition of ships which it seizes in order to transfer title to charter, and we have in it the matter of compensation for certain ships which were seized by the Government. All those are matters which ought to be provided for regardless of the question of the compensation of attorneys.

I dislike to leave the matter open, but under the circumstances I thought it best to recede. However, I hope to come back some time with a workmen's compensation bill which will provide compensation for those who are injured, and will fix attorneys' fees, but it cannot be done now without encountering a great deal of friction and some delay.

Mr. OVERTON. Mr. President, I wish to make the observation that I accede to the statement made by the able Senator from North Carolina. While I am the author of this amendment, yet it was unanimously reported by the Senate Committee on Commerce. It is not a new question. The question of the charges made by shyster attorneys is one which has been before our committee for several years. Charges by shyster attorneys have been outrageous in a great many instances. They have been bleeding the seamen. This is a bill which provides for the institution of action against representatives of the Federal Government, and I thought it was an opportune time, since the Government was directly concerned, to insert such a provision. I am very glad, however, to hear from the able chairman of the Senate Committee on Commerce that this bill will in all probability be followed by some other bill in which such a provision can be inserted, which will do justice to the seamen.

Mr. BAILEY. Mr. President, I move that the Senate agree to the report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

CAUSES FOR INEQUITIES IN MARKETING OF MEAT

Mr. WHERRY. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a resolution adopted by the Senate and House Small Business Committees after holding six joint closed sessions in their investigation of the causes of the retail black market in meat and the effect of O. P. A. price and quota regulations on the independent small meat packers, slaughterers and nonslaughterers, wholesalers, and retailers.

In these six closed sessions testimony was presented before the committees by Mr. Prentiss Brown, Price Administrator; Mr. John Madigan, in charge of meat quota rationing; Mr. Charles Elkinton, in charge of meat price ceilings; and Mr. John Hamm, assistant to Mr. Brown, of O. P. A.; Mr. Grover B. Hill, Assistant Secretary of Agriculture; Mr. Charles Hamill, Chief of Small Business Unit of the Department of Justice; Mr. David Podell, Chief of Complaints Section of the Anti-Trust Division of the Department of Justice; and industry members representing the independent packers, slaughterers and nonslaughterers, and wholesalers in the meat industry.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution is as follows:

Whereas the small meat industry, including small packers, processors, wholesalers, and retailers, has complained for several months to the Small Business Committees of the House and Senate against various practices imposed upon them by the Office of Price Administration and the Department of Agriculture, which threaten to drive them out of business and disrupt the distribution of meat and meat products for essential civilian needs; and

Whereas the Small Business Committees of the House and Senate have held both joint and individual hearings and have otherwise investigated conditions in the meat industry and said committees as a result of said investigations and hearings are persuaded that the small meat industry, including the small packers, processors, wholesalers, and retailers, is in danger of being destroyed; and

Whereas the break-down in the civilian supply of meat and meat products has resulted from the failure of the Office of Price Administration and the Department of Agriculture to conform with the express mandate of the Congress in the Second Emergency Price Control Act of October 2, 1942, that "in the fixing of maximum prices on products resulting from the processing of agricultural commodities, including livestock, a generally fair and equitable margin shall be allowed for such processing"; and

Whereas the break-down in the civilian supply of meat and meat products has further resulted from the failure of the Office of Price Administration and the Department of Agriculture properly to guide the flow of meat and meat products through the orderly channels of distribution; and

Whereas Public Law 421, Seventy-seventh Congress, known as the Price Control Act, title I, section 2 (a) provides that the Administrator shall "appoint an industry advisory committee, or committees, either national or regional or both, consisting of such number of representatives of the industry as may be necessary in order to constitute a committee truly representative of the industry, or of the industry in such region, as the case may be," and the said section further provides that "the Administrator shall from time to time, at the request of the committee, advise and consult with the committee with respect to the regulation or order, and with respect to the form thereof, and classification, differentiations, and adjustments therein"; and

Whereas the Price Administrator has not exercised said discretionary powers and has not set up such an advisory committee, as suggested in the act, and has not regularly consulted all segments of the meat industry, namely, the large and small slaughterer and nonslaughterer in the packing industry, the large and small processor; the wholesaler, retailer, and consumer; all of which has contributed to the break-down of normal distribution and the destruction of small businesses throughout the country: Now, therefore, be it

Resolved by the Senate and House Committees on Small Business, That—

1. The Office of Price Administration immediately establish fair and equitable margins between the price of livestock and the price ceilings set on sales of meat and meat products for all processors, packers, wholesalers, and retailers;

2. The Department of Agriculture and the Office of Price Administration immediately establish quotas for nonslaughtering packers as well as slaughtering packers and allocate adequate supplies to the small wholesalers and retailers in all areas of the country, so that when meat rationing is put into effect adequate initial inventories will be held by such packers, processors, wholesalers, and retailers; and

3. The Administrator of the Office of Price Administration immediately proceed to discharge his discretionary powers under the act (Public Law 421, 77th Cong., ch. 26, 2d sess.) by immediately establishing a meat industry advisory committee that will include in its membership equal representation for the large and small slaughterers and nonslaughterers in the packing industry, the large and small processors, the wholesaler, the retailer, and the consumer, which advisory committee shall be regularly consulted by the Office of Price Administration and the Department of Agriculture with regard to all new regulations, amendments to existing regulations, directives, orders, or any promulgations with respect to the form thereof and the classifications, and adjustments therein as the same affect the meat industry; and

4. Copies of this resolution be immediately forwarded to the Office of Price Administration and the Department of Agriculture and that this committee be advised promptly by the Price Administrator and Secretary of Agriculture of action taken.

Mr. WHERRY. Following the printing of the resolution, I ask to have printed also as a part of my remarks an editorial published in the Journal of Commerce of March 12, 1943, which dis-

cusses in detail the resolution, and which is self-explanatory.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CONGRESS THREATENS ACTION TO CORRECT MEAT INEQUITIES—SENATE, HOUSE FORECAST STEP UNLESS OFFICE OF PRICE ADMINISTRATION SETS SLAUGHTERING, NONSLAUGHTERING, PACKER QUOTAS, ALLOCATES SUPPLIES IN PREPARATION FOR RATIONING

WASHINGTON, March 11.—Pointing out that in regulating the meat industry the Office of Price Administration has not observed the Price Control Act, Senate and House Small Business Committees today said they would seek congressional action unless the Office of Price Administration corrects inequities existing in the industry.

The committees adopted a resolution demanding that Office of Price Administration "immediately establish fair and equitable margins between the price of livestock and the price ceilings set on sales of meat and meat products for all processors, packers, wholesalers, and retailers."

QUOTAS ALSO URGED

The resolution also requested the Agriculture Department to join with the Office of Price Administration in establishing quotas for nonslaughtering packers as well as slaughtering packers, and in allocating supplies to the small wholesalers and retailers in all areas of the country so that when meat rationing is made effective, initial inventories will be held by these businesses.

The committees asked Price Administrator Prentiss Brown to establish a meat industry advisory committee, to be composed of all sections of the industry, and that the Office of Price Administration and the Agriculture Department consult this industry before issuing directives and orders, as provided in the Price Stabilization Act.

Mr. Brown has already indicated a desire to establish such a committee.

The small business committees did not recommend how the equitable margins should be established.

After 4 days of hearings and consideration, the Senators and Representatives comprising the two committees minced no words either in their findings or in their expressed determination that action shall no longer be delayed. In this resolution they asserted that the break-down in the civilian supply of meat and meat products has resulted from failure of the Office of Price Administration and the Department of Agriculture to conform with the express mandate of the Congress in the Second Emergency Price Control Act of October 2, 1942, that "in the fixing of maximum prices on products resulting from the processing of agricultural commodities, including livestock, a generally fair and equitable margin shall be allowed for such processing," and "the break-down in the civilian supply of meat and meat products has further resulted from the failure of the Office of Price Administration and the Department of Agriculture properly to guide the flow of meat and meat products through the orderly channels of distribution."

ADMINISTRATOR CRITICIZED

The Price Administrator, says the resolution, has not exercised his discretionary powers to set up an advisory committee, as suggested by the act. Nor has he consulted the large and small slaughterer and nonslaughterer in the packing industry, the large and small processor, the wholesaler, retailer, and consumer. All of this, according to the resolution, has contributed to the break-down of normal distribution and destruction of small business throughout the country.

Members of the committee disclosed that the evidence showed that independent meat packers were being forced to close their doors, due to losses suffered in the slaughter of hogs and cattle. These losses have ranged from $2 to $4 on each hog and from 57 cents to $3.75 per hundredweight on cattle, according to grades.

Definite action culminated Wednesday morning at the executive session of the two committees on small business when this resolution was adopted calling for specific action to correct a serious condition which threatened the supply of meat for the armed forces and for civilian needs, as also to overcome the shortage of meat existing in various parts of the United States.

FIRST DEFICIENCY APPROPRIATION, 1943

The Senate resumed consideration of the bill (H. R. 1975) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1943, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1943, and for other purposes.

Mr. HAYDEN. Mr. President, on behalf of the Senator from Tennessee [Mr. MCKELLAR] I submit an amendment which I ask to have read.

The PRESIDING OFFICER. The amendment will be read.

The CHIEF CLERK. On page 21, after line 9, it is proposed to insert the following:

CHILDREN'S BUREAU

Grants to States for emergency maternity and infant care: For grants to States, including Alaska, Hawaii, Puerto Rico, and the District of Columbia, to provide, in addition to similar services otherwise available, medical, nursing, and hospital maternity and infant care for wives and infants of enlisted men in the armed forces of the United States of the fourth, fifth, sixth, or seventh grades, under allotments by the Secretary of Labor and plans developed and administered by State health agencies and approved by the chief of the Children's Bureau, fiscal year 1943, $1,200,000.

Mr. HAYDEN. Mr. President, the Senator from Nevada [Mr. MCCARRAN] questioned Miss Lenroot before the committee with respect to this matter, and I shall ask him to explain the item.

Mr. MCCARRAN. Mr. President, the proposed amendment must also be considered under the rule, and the rule must be suspended in order that the item may be considered. I think the best explanation and the shortest explanation of the necessity for this appropriation comes from the Bureau itself, and with the consent of the Senate I shall read from the hearings. I read from the statement of Katharine F. Lenroot, Chief of the Children's Bureau, as follows:

Senator HAYDEN. There was one Budget estimate that I believe Senator MCCARRAN wanted to take up.

Senator MCCARRAN. That is the item of the request for $1,200,000 made in the House, which the House did not see fit to grant. In House Report No. 170 of the Seventy-eighth Congress, first session, page 6, there is the following statement:

"The Budget estimate for grants to States for maternity care of wives and infants of enlisted men of the fourth, fifth, sixth, and seventh pay ratings of the armed services is a request toward which the committee is very sympathetically inclined. It is one about which there is also urgency in some communities."

I should like to hear what the Bureau or the Department has to say about that item.

Miss LENROOT. This item grew out of a small program started under funds available under part 1, title V, of the Social Security Act, which provides grants to States through State health departments for services for promoting the health of mothers and children.

Senator MCCARRAN. This item itself, however, as it comes before this committee and as it came before the House committee, is a new activity?

Miss LENROOT. No, Senator; it is not a new activity, but it is an item that was felt by the House committee not to be covered by basic legislation. Although the amount of money to be appropriated was in excess of that authorized in title V, part 1, of the Social Security Act, the activity is covered by the legislative authority under title V, part 1.

Senator MCCARRAN. Why do you feel that you want this item of $1,200,000, and what will be its results?

Mr. President, I wish to say that in view of the action taken by the Senate with reference to the last two proposed amendments, the amendment now under consideration should have the attention, and the undivided attention, of the Senate at this time. It must not be confused with the last two amendments, which were withdrawn by the Senator from Arizona [Mr. HAYDEN]. The explanation of this amendment in committee is so well made that I am reading it now to the Senate:

Miss LENROOT. Twenty-eight States already have programs for maternity care and care of infants when the father of the infant is in the armed service. There is very great need for this type of care, because the pay for servicemen and noncommissioned officers of the fourth, fifth, sixth, and seventh grades is not sufficient to enable a wife to build up any reserve to pay for maternity care. The need, first of all, appeared in the Fort Lewis area, Washington, over a year ago, when the State health department had called to its attention the very difficult plight of these young wives who were not residents of the area and could not get care. The Washington State Health Department asked the Chief of the Children's Bureau to approve an amendment to the plan for maternal and child health services to cover a special maternity-care program in this area. Since the services requested were similar to those already in operation in limited areas in other States under the social-security program, I was glad to approve their proposed plan. In the first year of operation 677 wives of enlisted men have registered for care under this program in the State of Washington. State health officers in many other States soon had similar situations called to their attention. In their annual conference held with the Children's Bureau in the spring of 1942 the State health officers asked the Children's Bureau to set aside some funds from the regular appropriation under the Social Security Act for this specific program.

Mr. President, that tells the story in a brief way. The wives of enlisted men desire to be near their husbands, and thus retain the family unit as closely allied and as closely knit as possible. Young wives go and live near the training camps where their husbands are in training. Nature takes its course, and in due time a baby is born, amidst strange surroundings, in a strange environment, and with no one to take care of the mother. So she is at the mercy of a new community, away from friends, away from relatives, and away from all who

are near and dear to her. It is necessary for the new community to have some assistance from the Federal Government so that it may properly take care of the mother and her infant while the father is in training. That tells the whole story. That is the whole problem.

In view of the emergency and the conditions which have arisen, this amendment should be adopted, even though it is an amendment to a deficiency appropriation bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Arizona [Mr. HAYDEN] on page 21, after line 9.

Mr. LUCAS. Mr. President, are we now discussing the Children's Bureau amendment?

The PRESIDING OFFICER. That is correct.

Mr. LUCAS. I thought that amendment had been withdrawn.

Mr. HAYDEN. The amendment withdrawn was the one relating to the Office of Defense Health and Welfare Services, and to the Victory Corps. The pending amendment relates to the care of wives and children of soldiers who are privates first class, corporals, or sergeants.

Mr. LUCAS. What agency has been in charge of this work up to the present time?

Mr. HAYDEN. The Children's Bureau.

Mr. McCARRAN. As is disclosed by the testimony which I have just read from the head of the Children's Bureau, the work has been carried on only to a very limited extent. However, the necessity for extending the work is growing rapidly.

Mr. LUCAS. Let me propound another question to the Senator in charge of the bill. Is there now in effect legislation which takes care of the situation?

Mr. HAYDEN. The amendment would provide for an expansion of the activities of the Children's Bureau beyond the amount now authorized by law, to be expended for that Bureau. For that reason we have to handle it in this manner. There is a limit fixed by law on the amount of money Congress can appropriate for the Children's Bureau. The amendment would take care of the need by making the appropriation in the way indicated.

Mr. LUCAS. In other words, if I correctly understand, the amendment would increase the amount of money which would go to the Children's Bureau.

Mr. HAYDEN. It specifies how the money shall be expended. It is for this purpose only.

Mr. LUCAS. It would in no way change the present legislative set-up so far as the legislative machinery in the administration of this money is concerned?

Mr. HAYDEN. Not at all.

Mr. LUCAS. Let me ask the Senator a further question. Was this amendment considered also in the House of Representatives?

Mr. HAYDEN. I believe it was in the same situation as the other amendment. It was based on a Budget estimate submitted by the Bureau of the Budget, and inasmuch as it was not favorably reported in the House, the matter was brought to our attention when we wrote the usual letter inquiring of the Department whether there were matters in the Budget not considered by the House. We held a hearing and decided to report to the Senate a recommendation based on the Budget Bureau estimate.

The PRESIDING OFFICER (Mr. STEWART in the chair). The question is on agreeing to the amendment offered by the Senator from Arizona [Mr. HAYDEN] on behalf of the Senator from Tennessee [Mr. MCKELLAR], on page 21, after line 9.

The amendment was agreed to.

Mr. McCARRAN. Mr. President, I offer an amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 19, line 5, after the figures "$140,000", it is proposed to change the comma to a period and to strike out "of which $25,000 shall be chargeable to the water fund of the District of Columbia, said total appropriation to remain available until June 30, 1944."

Mr. McCARRAN. Mr. President, a word of explanation might be in order.

There is a provision in the bill charging $25,000 against the water fund of the District of Columbia. That provision got into the bill in some way in the Bureau of the Budget. It was not requested by the Park Service. The old Chesapeake and Ohio Canal, which runs along the Potomac River into Georgetown, is the property of the Federal Government, and is under the custody and control of the Park Service. For some reason or other a flood which took place some months ago put the old canal out of repair and left it in such condition that it is not now being used.

I am at a loss to know why the District of Columbia should be charged with $25,000 to repair that canal when it is no part of the property of the District of Columbia, and the District of Columbia does not receive any benefits from the water which runs through the canal. The use of the water running through the canal is sold by the Park Service to certain industries in Georgetown. The Park Service derives about $27,000 a year for the use of the water. The District of Columbia does not use the water; and if it did use it the District would be required to pay the Park Service for the use of the water. In my judgment the charge was made against the District of Columbia erroneously, and it should go out of the bill, or at least go to conference.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Nevada.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendments to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. HAYDEN. Mr. President, I move that the Senate insist upon its amendments, ask for a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MCKELLAR, Mr. GLASS, Mr. HAYDEN, Mr. TYDINGS, Mr. OVERTON, Mr. NYE, and Mr. LODGE conferees on the part of the Senate.

Mr. HAYDEN. Mr. President, I am introducing bills to be referred to the appropriate legislative committees, covering the two proposals which I was compelled to withdraw by reason of an adverse vote in the Senate.

POST-WAR ECONOMIC POLICY AND PLANNING

Mr. LUCAS. Mr. President, from the Committee to Audit and Control the Contingent Expenses of the Senate, I report favorably, with an amendment, Senate Resolution 102, and, out of order, I ask unanimous consent for its present consideration.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

Mr. MCNARY. Mr. President, may we have the resolution read?

The PRESIDING OFFICER. The clerk will read the resolution, for the information of the Senate.

The resolution (S. Res. 102) submitted by Mr. GEORGE on February 15, 1943, as heretofore amended, was read, as follows:

Resolved, That there is hereby established—

(a) A special committee to be known as the Committee on Post-War Economic Policy and Planning (hereinafter referred to as the special committee).

(b) The special committee shall be composed of 10 Members of the Senate, 6 from the majority and 4 from the minority, appointed by the President of the Senate.

(c) It shall be the duty of the special committee to investigate all matters relating to post-war economic policy and problems; to gather information, plans, and suggestions from informed sources with respect to such problems; to study the plans and suggestions received; to report to the Congress from time to time the results of findings made and conclusions reached. It is the sense and purpose of this resolution to make accessible to the Congress, through the special committee, the most complete information respecting post-war economic policy and post-war problems that is available, to the end that Congress may be advised respecting those problems and in a position to formulate solutions with respect to them which will result in the greatest contribution by the Congress to achievement of a stable economy and a just peace. It is intended that full authority to accomplish this general purpose shall be granted by this resolution.

HEARINGS; SUBPENAS; DISBURSEMENT OF APPROPRIATIONS

SEC. 2. The special committee, or any subcommittee thereof, shall have power to hold

hearings and to sit and act at such places and times, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable, not exceeding the sum of $——. Subpenas shall be issued under the signature of the chairman of said committee, and shall be served by any person designated by him. Amounts appropriated for the expenses of the committee shall be disbursed by the chairman.

OFFICERS AND EMPLOYEES; APPOINTMENT AND COMPENSATION

SEC. 3. The special committee shall have power to employ and fix the compensation of such officers, experts, and employees as it deems necessary for the performance of its duties, but the compensation so fixed shall not exceed the compensation fixed under sections 661–663, 664–673, and 674 of title 5 of the United States Code for comparable duties. Officers and employees of the Government shall be detailed to the service of the special committee on its request, without additional compensation, and such officers and employees shall be paid from the appropriations regularly available for their salaries.

Mr. BANKHEAD. Mr. President, if the resolution will lead to any extended discussion, I shall object, because the regular order of business is the bill providing for deferment of farm workers.

Mr. LUCAS. I do not believe there will be any serious objection to the resolution.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution? The Chair hears none, and the clerk will state the amendment.

The amendment was, on page 2, line 20, after the words "the sum of $——", to insert "50,000."

The amendment was agreed to.

The resolution, as amended, was agreed to.

ADDITIONAL REPORT OF JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES (S. DOC. NO. 20)

Mr. BYRD. Mr. President, earlier today I presented to the Vice President an additional report of the Joint Committee on Reduction of Nonessential Federal Expenditures, which he laid before the Senate and the report was ordered to be printed as a document. I now ask that the report be printed in the body of the RECORD.

Mr. LA FOLLETTE. Mr. President, to what does the report relate?

Mr. BYRD. It relates to regional agricultural credit corporations.

Mr. LA FOLLETTE. Mr. President, I take this opportunity to register my personal protest to the chairman of the Joint Committee on the Reduction of Nonessential Federal Expenditures by saying that I think all members of the committee should have an opportunity to see these reports before they are filed with the Senate. I have not seen this report. I am only a humble member of the committee, but I wish to say that I strenuously object to this procedure. This is not the first time it has occurred.

Mr. BYRD. Mr. President, the chairman of the committee will be very glad to furnish the Senator from Wisconsin with a copy of the report. Meetings were held on 2 days on this question, and the Senator from Wisconsin was invited to be present, but so far as I know, he indicated no interest. We heard nothing whatever from him. The other members of the committee gave the fullest possible consideration to the matter, and attended long hearings. I assume that if the Senator from Wisconsin had been interested he would have so indicated.

Mr. LA FOLLETTE. I am in the unfortunate position of being a member of a number of committees. Perhaps I should resign from all except the Joint Committee on Reduction of Nonessential Federal Expenditures. However, Mr. President, it is a matter of common courtesy and practice so far as committees are concerned, to submit reports of committees to individual members before the reports are filed. If this were the first time that such a thing had happened, I would not have any objection, but it happens continually with this committee.

It is true that I was not able to be present. When I am not able to be present at the meetings of the Joint Committee on Reduction of Nonessential Federal Expenditures, I shall try to read the testimony taken at the hearings, just as when I am not able to be present at meetings of the Finance Committee or of some other committee because of a conflict with some other meeting which I am required to attend, I endeavor to read the testimony taken at the hearings held by those committees.

I am not able to be in more than one place at a time. It may be that I shall be in full agreement with the report. I do not know. I merely wish to say that, since the report is filed in the name of the committee, if no exception is taken at the time when it is filed, there is an indication that the entire membership of the committee is in sympathy and accord with the report. Although when I have an opportunity to read the report, I may find that I am in complete sympathy and accord with the views expressed in it, under the present circumstances I am not sure that I shall be.

Mr. BYRD. Mr. President, let me say that when many reports are made copies are not sent to members of the committee who were absent during the hearings or during consideration of the report by the committee. I do not think the chairman of the committee is guilty of any violation of ethics when he makes a report in this instance.

Mr. LA FOLLETTE. I think that members of the committee should have an opportunity to read the report before it is filed, in case they might disagree or wish to take exception to any part of it or to file a minority report. The committee is an investigating committee, Mr. President. Ordinarily it holds all its hearings in camera—in executive session—and then files its report.

Mr. BYRD. I must correct the Senator, Mr. President. Many of the meetings of the committee are held in open session. The Senator from Wisconsin has not been able to attend the meetings, and of course is not familiar with what has been done.

Mr. LA FOLLETTE. I am familiar with what has been done. Some of the meetings are held in executive session, and then a report is filed and the general public or the Members of the House and the Senate never have any way of knowing upon what evidence the report is based.

Let me say that I am not asking for any unusual treatment. The treatment I request is no different from that which I have received from any other investigating committee of which I have been a member. I merely wish to enter this statement on the record so that my position in the matter will be clear.

Mr. BYRD. Mr. President, I should like to say a further word in defense of the Committee on Reduction of Nonessential Federal Expenditures.

Mr. LA FOLLETTE. I yield further to the Senator.

Mr. BYRD. Let me say that when the committee holds public meetings a stenographic report is made of all the testimony taken. When we have executive meetings—as does every committee of the Senate; I do not know of any Senate committee which does not have executive meetings when it decides on reports to be made to the Senate—at that time a stenographic transcript is made of the proceedings, and is available to the committee.

I deeply regret that the Senator from Wisconsin, due to his other duties, has not been able to attend the meetings of the committee. It would be very profitable to the Senate and to the country if the Senator could attend them. If the Senator is interested at any time in any of the matters considered by the committee, I shall be delighted to present to him all the evidence and all the information available.

Mr. LA FOLLETTE. Mr. President, all I ask is that at the time when the Senator, the chairman of the committee, files his report which purports to put the entire membership of the committee on record as having drawn certain conclusions from the testimony taken either in executive session or in public hearings, the chairman of the committee have a copy of the hearings furnished to all members of the committee, so that if they find themselves to be in disagreement with all or any part of the views expressed in it they may have an opportunity to state their positions or to file minority views if they desire to do so. I do not think such a request is an unusual or unreasonable one.

The PRESIDING OFFICER. Without objection, in accordance with the request of the Senator from Virginia [Mr. BYRD], the report will be printed in the RECORD.

The report is as follows:

REPORT TO THE PRESIDENT OF THE UNITED STATES, THE VICE PRESIDENT OF THE UNITED STATES, PRESIDENT OF THE SENATE, AND THE SPEAKER OF THE HOUSE OF REPRESENTATIVES

In accordance with title 6 of the Revenue Act of 1941, Public Law 250, Seventy-seventh

Congress, an additional report herewith is presented by the Joint Committee on Reduction of Nonessential Federal Expenditures.

Senate Concurrent Resolution 6, Seventy-eighth Congress, introduced by Senator KENNETH WHERRY on February 1, 1943, was referred to the committee by the President of the Senate.

"Senate Concurrent Resolution 6

"Whereas on January 23, 1943, the Secretary of Agriculture in a formal release stated that through the Food Production Administration 5-percent 1-year agricultural loans would be made available to farmers to provide funds to aid war food growing, that $225,000,000 was available for that purpose, that this program was not a substitute for other sources of credit or intended to compete with other lenders, but that its purpose was to supplement such other sources of credit where needed and that producers were to be urged to obtain their financial requirements, if possible, from other sources; and

"Whereas there is already in operation the Production Credit Corporation, a governmental lending agency which provides, on a commercial basis, agricultural loans in direct competition with private enterprise, and also in operation the Farm Security Administration, a governmental agency which provides credit to eligible farmers who desire to rehabilitate themselves on the land, both of which were created to provide funds for farmers, that they might produce agricultural products; and

"Whereas the Secretary of Agriculture has stated that the Regional Agricultural Credit Corporation (formerly known as the "Barnyard Loan Agency"), is to be revived as another Government-subsidized lending agency, to be financed out of public funds, where there is already in operation the Production Credit Corporation and the Farm Security Administration which have similar functions; and

"Whereas it is believed the functions and activities of such Government-subsidized lending agencies could be appropriately handled, through available facilities of private lending agencies, without detriment to agriculture or impairment of all-out agricultural production, inasmuch as private lending agencies now have available money to make agricultural loans without reviving any governmental lending agency, without unnecessary governmental expenditures, and without competition with private enterprise or prejudice to private lending agencies; and

"Whereas a consolidation of the agricultural lending agencies of the Government, or a proper correlation of their functions, activities, and services with those of private lending agencies, should provide the same equivalent service to agriculture as is now being provided by such Government-subsidized lending agencies, and would not result in loss to the agricultural producer but would benefit him, would eliminate unnecessary agencies, would conserve public funds, would eliminate duplicity, would release and provide needed manpower and materials for other lines of endeavor, and would be feasible: Therefore be it

"Resolved by the Senate (the House of Representatives concurring), That the Joint Committee on Reduction of Nonessential Federal Expenditures created by section 601 of the Revenue Act of 1941 is hereby requested, in connection with the investigations provided for by such section 601, to investigate the need for the Regional Agricultural Credit Corporation and its reestablishment, to determine whether the making available of $225,000,000 of public moneys for lending purposes is an essential or nonessential expenditure and to determine whether the consolidation of all agricultural lending agencies of the Government, or the correlation of the functions of such agencies with the services of private lending agencies, would result in the conservation of public moneys and release manpower and materials to other essential activities."

INTRODUCTION

In order to present a complete picture of the Regional Agricultural Credit Corporations in their relation to the Federal agricultural lending policy, it will first be necessary to trace briefly the creation and history of these organizations followed by a description of their operation and personnel. Testimony by farmers, merchants, and bankers given at the hearings held by the committee will then be presented. Following this, the report will show that there is widespread duplication in the various lending and credit organizations of the Department of Agriculture. The probability of future evils emanating from Regional Agricultural Credit Corporation program will then be explored and conclusions and recommendations made.

RECOMMENDATIONS

The committee make the following recommendations:

1. That the Department of Agriculture immediately discontinue the lending activities of the Regional Agricultural Credit Corporation loan program.

2. That Congress consider legislation providing for the immediate liquidation of the Regional Agricultural Credit Corporations, and that all funds not needed in the liquidation of such corporations be returned immediately to the Treasury of the United States.

3. That the Secretary of Agriculture immediately advise Congress as to how the various lending agencies of the Department of Agriculture can best simplify and consolidate their activities, in order to prevent duplication and overlapping in the power to loan funds, thereby reducing to a minimum the personnel engaged in such lending activities as well as the cost of administration.

4. That the Congress enlarge the statutory authority of the emergency crop and feed loan program of the Farm Credit Administration, which is already in existence, in order to provide credit for farmers when such a need is required in furtherance of the war food-production program. Senate bill 715 is now before the Senate Agriculture Committee.

5. That the Secretary of Agriculture immediately issue a regulation requiring that the various agricultural lending agencies discontinue the solicitation of borrowers.

6. The Committee express the hope that existing private banking institutions will make available agricultural loans at interest rates as low as possible consistent with the nature of the security pledged therefor.

NEW CREDIT FACILITIES WILL NOT SOLVE THE FARMER'S PROBLEM

After careful consideration of all the facts, the committee is forced to the inescapable conclusion that an increased production of food is not dependent upon new sources of credit. The farmer's vital need is manpower and machinery. The following analysis shows that the Regional Agricultural Credit Corporations are nonessential and, in effect, are duplicating the lending activities of other Federal agricultural lending agencies.

The committee does not believe that a sufficient attempt was made to use existing agencies. Concomitantly the committee does believe that it is unnecessary to revive an agency for the purpose of making available funds when existing agencies might well perform the needed duties.

HISTORY OF THE REGIONAL AGRICULTURAL CREDIT CORPORATION

In 1932 the Regional Agricultural Credit Corporations were created under the Emergency Relief and Construction Act to supply farmers with short-term credit which at that time and for several years thereafter was necessary for their existence.

In 1932 the total cash farm income in the United States was $4,743,000,000 (including Federal aid) and the total deposits available for loans in the banks of the United States amounted to $36,000,000,000. Latest figures show that for 1942 the total farm income was $16,100,000,000 (including Federal aid) and $88,000,000,000 was estimated to have been on deposit and available for lending purposes in the banks of the United States. This comparison shows that during the 10-year period from 1932 through 1942 farm income had increased about 240 percent and money available for loans in the banks of the United States had increased 144 percent. (See appendix 2.)

For several years after the creation of the Regional Agricultural Credit Corporations they functioned in accordance with the provisions of the Emergency Relief and Construction Act of 1932. (See appendix 5.) The language of that statute is clear and unequivocal in stating that the Secretary of Agriculture shall make loans or advances only "in cases where he finds that an emergency exists, as a result of which farmers are unable to obtain loans for crop production during the year 1932," and in other cases where it was necessary to make "loans or advances to farmers who suffered from crop failures in 1931."

On March 27, 1933, pursuant to Executive Order 6084, the supervisory functions of the Reconstruction Finance Corporation ver the activities and functions of the Regional Agricultural Credit Corporations were transferred to the Farm Credit Administration, and the activities of such Corporation were curtailed because of the scope and short-term financing powers of the production credit associations and the Farm Security Administration.

On September 30, 1937, the Regional Agricultural Credit Corporation, of Washington, D. C., was created by the Farm Credit Administration through a reorganization by the merger of five regional agricultural credit corporations which had been dormant for about 3 years, with a total capitalization of $44,500,000.

On January 23, 1943, the Secretary of Agriculture stated that the Regional Agricultural Credit Corporation program was to be revived, and through the Food Production Administration approximately $225,000,000 of Federal funds were to be available to farmers on a 1-year short-term basis at 5 percent.

OPERATION AND ACTIVITY OF REGIONAL AGRICULTURAL CREDIT CORPORATIONS

Evidence adduced at the hearings show that this new program is administered by the Farm Credit Administration of the Department of Agriculture, whose agents are located in more than 3,000 counties throughout the United States. The capital investment of $44,500,000 in the Regional Agricultural Credit Corporation of Washington, D. C., is being utilized as the initial sum in inaugurating a general loan program involving two types of credit, namely F-1 and F-2 loans. (See appendix 6.)

Generally speaking, F-1 loans are made to those engaged in agricultural pursuits in amounts varying from $1 to $25,000, depending upon the type of pursuit and purpose for which the money is to be used. Loans are limited to $7,500 to each borrower, except in the case of a dairy farmer, who may obtain as high as $10,000, and a livestock producer, who may obtain as high as $25,000. Usually F-2 loans are made to those engaged in agri-

cultural pursuits, who undertake, during the crop year 1943, the production of 18 designated essential war crops. These special war-crop advances will be made in amounts ranging from $1 to $7,500 for most any purpose directly or indirectly connected with the production of these crops.

CREDIT BY PYRAMIDING

The financial activities of the Regional Agricultural Credit Corporation loan program are operated by the utilization of the $44,500,000 capital investment of the Regional Agricultural Credit Corporation, of Washington, D. C. By borrowing from or rediscounting with other lending institutions, principally the Federal intermediate credit banks, the corporation can then obtain loan funds of from between $200,000,000 and $225,000,000. In addition, the various regional agricultural credit corporations reestablished throughout the United States have authority to borrow from or rediscount with the Reconstruction Finance Corporation and the Federal intermediate credit banks.

PERSONNEL OF THE REGIONAL AGRICULTURAL CREDIT CORPORATIONS

The committee devoted considerable attention to the matter of how the Regional Agricultural Credit Corporation was to function, in view of the fact it appeared to be a new agency with employees and necessary clerical help in more than 3,000 counties throughout the United States. In each county loans are now being solicited and made by two Regional Agricultural Credit Corporation representatives. These two persons are usually the chairman of the county war board and one designated county loan agent of the Department of Agriculture. The chairman of the county war board is, in most instances the chairman of the Agricultural Adjustment Agency committee for the county. The county loan representative may be an employee selected from either the Production Credit Association, National Farm Loan Association, Emergency Crop and Feed Loan Organization, Commodity Credit Corporation, Agricultural Adjustment Agency, or Farm Security Administration.

The Regional Agricultural Credit Corporation appoints a loan representative from the membership of the county war board, which comprises employees of each of the bureaus of the Department of Agriculture operating in the county. After being appointed this loan representative is then selected by the county war board to work with the chairman of the war board in performing the functions of the lending program.

In each case applicants for Regional Agricultural Credit Corporation loans will be directed to appear before the Regional Agricultural Credit Corporation's agents in the applicant's county, who will consider the advisability of making such loans, and either approve or disapprove them. Their decision is final in most cases. Where a loan is approved funds are advanced thereon by the Regional Agricultural Credit Corporation. The paper is sent to either the Federal Intermediate Credit Bank, the Reconstruction Finance Corporation, or the Federal Reserve bank for discount.

Representatives of the Department of Agriculture stated at the hearing that in operating the Regional Agricultural Credit Corporation program, additional personnel would not be required. It seemed to be the intention of the Department to use employees of the production credit associations, Farm Security Administration, and Agricultural Adjustment Administration. Under this plan for borrowing personnel, the Farm Credit Administration would reimburse the various bureaus of the Department of Agriculture for the services of these employees. From this it is clear that the agencies, from which in excess of 3,000 employees will be borrowed, either have surplus employees and are overstaffed or will need to hire additional employees to supplant those loaned the Regional Agricultural Credit Corporation program.

The testimony reveals that the Regional Agricultural Credit Corporation loan program is already in operation in 742 counties throughout the United States. A number of loans have already been made by the 742 county war board chairmen (Agricultural Adjustment Administration men), the 725 production credit associations men, and the 688 Farm Security Administration supervisors, who have thus far been appointed by the Farm Credit Administration and selected by the county war boards, respectively, as local representatives to solicit loans and carry out the purposes of this recently inaugurated Government loan activity.

DUPLICATION OF LENDING ACTIVITIES OF EMERGENCY CROP AND FEED LOAN PROGRAM, PRODUCTION CREDIT ASSOCIATION LOAN PROGRAM, REGIONAL AGRICULTURAL CREDIT CORPORATION LOAN PROGRAM, AND THE FARM SECURITY RURAL REHABILITATION LOAN PROGRAM

A. Production credit corporations and associations

The Farm Credit Act of 1933 authorized the establishment of 12 production credit corporations, 1 in each farm credit district, and 1 each at the locale of each credit association. The system as established provides credit for all types of farm and ranch operations. Applications for loans may be made to the local production credit associations and to their field office representatives in the various counties in each State.

Local production credit associations, which are cooperative organizations of farmers and stockmen, make and collect the loans. The associations are supervised generally and capitalized partially by the production credit corporations. All voting stock in a production credit association is owned by its member-borrowers, who elect the directors from their number at their annual stockholders' meeting. Each stockholder has one vote regardless of the number of shares he owns. The directors elect the officers and the executive committee and also hire the employees.

The present annual interest rate in the continental United States is 4.5 percent and in Puerto Rico it is 5 percent. Loans are usually made for less than $50 and for a year period. The unpaid balance of certain types of loans may be renewed for a further period if the credit factors are satisfactory.

B. Emergency crop and feed loan program

The regulations of the Farm Credit Administration, Department of Agriculture, governing emergency crop and feed loans, provide that the amount which may be loaned to any one borrower during the year shall not exceed $400, and that preference is to be given to farmers whose cash requirements are small. No loan will be made for an amount less than the sum of $10, and all loans will be made in multiples of 5. Notes bear interest, from maturity until paid, at the rate of 4 percent per year, and interest to the maturity date at the same rate will be deducted at the time the loan is made. Emergency crop and feed loans are made only to applicants who are unable to procure from other sources loans in amounts reasonably adequate to meet their needs. Farmers who have adequate security ordinarily are able to obtain needed funds from local production credit associations, banks, and individuals.

C. Rural rehabilitation loan program of Farm Security Administration

When the Resettlement Administration was transferred to the Department of Agriculture by Executive Order No. 7530, dated December 31, 1936, its name was changed to the Farm Security Administration in accordance with the secretary's memorandum of September 1, 1937.

Under the Farm Security Administration's rural rehabilitation loan program, nearly 1,000,000 low-income farm families have been aided by loans for the purchase of farm and home supplies, machinery, equipment, livestock, seed, feed, and fertilizer needed for a fresh start on a sounder basis, for the refinancing of indebtedness and for family subsistence.

Rural rehabilitation loans are limited to families unable to obtain adequate operating credit at reasonable terms from any other source and are repayable in 1 to 5 years at an interest rate of 5 percent.

The standard borrowers, numbering approximately 650,000, receive technical guidance and supervision from county farm and home management supervisors. The standard loans are accompanied by a farm and home management plan which the borrower family works out with the cooperation of the county supervisors and which provides for home production and preservation of food and feed, diversification of farm enterprises, crop rotation, and soil-conservation and soil-building practices.

Nonstandard rural rehabilitation loans are made to small farmers for emergency purposes, usually in stricken farm areas. Nonstandard borrowers number approximately 330,000. A farm and home-management plan is not required on this type of loan.

Small grants, for subsistence only, in return for which poverty-stricken families do specified work on their farms or public lands are made in cases of urgent need.

Under the community and cooperative services program, loans are also available to low-income farmers to organize small informal cooperatives through which they can jointly own and operate essential farm equipment.

Since the entrance of the United States into war, the Farm Security Administration has instituted a special "Food For Freedom" loan for rural families on tracts of land too small for regular farm operation to enable them to participate in the Nation's war effort by increasing production of food, both for home use and for the market. Loans to boys and girls of low income farm families for club projects also are a part of the program to increase food and fiber production for war needs on the small farms of the country.

D. Comparison

Already in existence, conceivably, for identical, similar, or related purposes in the field of agricultural credit are the lending facilities of 20 agencies of the Federal Government. (See Appendix 3.) Three of these agencies, with separate staffs and administrations independent of each other, are now making and have been making loans identical in character with those of the Regional Agricultural Credit Corporation loan program, and similar in most all respects to the commercial type loans of private lending institutions.

The committee is concerned with the overlapping and duplicating activities in which the recently reestablished Regional Agricultural Credit Corporation loan program is now engaged with respect to these particular loan agencies of the Federal Government which have been in operation for the past 5 or 10 years. The three lending agencies referred to, all in the United States Department of Agriculture, are (1) the Emergency Crop and Feed Loan Section of the Farm Credit Administration, (2) the Production Credit Associations of the Farm Credit Administration, and (3) the Rural Rehabilitation Loan Section of the Farm Security Administartion.

The loan purposes of the newly reorganized and reestablished Regional Agricultural

Credit Corporation's loan program and those of these three agencies are similar in most, if not all, respects. The purpose of advances in each instance are the same, namely, for crop production and for such other purposes as are directly or indirectly connected with the production of agricultural commodities.

The loan limits of the Regional Agricultural Credit Corporation program are from $1 to $7,500 for most purposes, from $1 to $10,000 in the case of dairy production, and from $1 to $25,000 in the case of livestock production. Those of the emergency crop-and feed-loan program are from $10 to $400; those of the production credit associations $50 and up; rural rehabilitation loan limits, similarly, are from $1 up.

The term for loans advanced by the Regional Agricultural Credit Corporation, the Emergency Crop and Feed Loan Section, and the production credit associations is, in each instance, 1 year. Farm Security Administration's rural rehabilitation loans run from 1 to 5 years.

Interest rates of the emergency crop and feed loans and the Production Credit Association loans are 4 percent and 4.5 percent, respectively, while those of the Regional Agricultural Credit Corporation's loan program and the rural rehabilitation loan program are 5 percent per annum.

Security on all types of loans under each of these four programs is the same; that is, it consists of a lien on the crop, livestock, feed, or equipment, and, in addition, the borrower is subject to unlimited personal liability.

Investigation shows that, as a practical matter, the conditions of commercial type loans made to farmers by more than 21,000 country banks have been most liberal. The purposes for which this credit is extended to farmers is identical with the loan purposes of Federal agricultural lending agencies. (See appendix 6.) The interest rates charged by these institutions vary from 3 to 6 percent, depending upon the current rate in effect in the particular Federal Reserve district. On the other hand, the interest rates of the Federal agricultural lending agencies vary from 4 to 5 percent. Usually, the loan term of the commercial type credit advanced by country banks is the crop season, which varies from 6 months to 1 year. Correspondingly, the loan term of Federal agricultural lending agencies is 1 year. Loan limits of country bank members of the Federal Reserve System for the purposes under consideration extend up to 10 percent of the capital and surplus of the particular banking institution, whereas the loan limits of Federal agricultural lending agencies (outlined in appendix 6) extends from $1 to $25,000. In both cases the security for the loan is the same, namely, a lien on the crop or chattels of the farmer, and unlimited personal liability; qualified only by the practical consideration that in the case of loan defaults the private banking institutions will probably exercise their legal rights more promptly.

E. Solicitation by regional agricultural credit corporations

Further, in considering the competition given the country banks by the Regional Agricultural Credit Corporation program there was ample evidence that the Regional Agricultural Credit Corporation loan representatives were actively engaged in soliciting loans, through a concentrated publicity campaign, utilizing the radio and press. Although the representative of the Department of Agriculture denied this, exhibits introduced at the hearings and the testimony of several witnesses shows conclusively that the Regional Agricultural Credit Corporation program was being widely advertised in an attempt to induce farmers to utilize Government credit, and no attempt was being made to save this credit for those farmers who were unable to secure credit from the country banks.

FUTURE ASPECTS

During the course of the hearings and investigation into the need for the reestablishment of the Regional Agricultural Credit Corporation loan program on a large scale in every county throughout the United States, there were many instances in the testimony and facts which pointed to the possibility that the easy lending habits of Farm Security's rural rehabilitation loan representatives (appointed by the Farm Credit Administration and selected by the county war boards as loan agents of the Regional Agricultural Credit Corporation program) would gradually permeate the whole Regional Agricultural Credit Corporation loan program. The testimony revealed that thus far, 688 Farm Security Administration supervisors have already been appointed by the Farm Credit Administration and selected by the county war boards to assist in passing on loans made under the newly reorganized Regional Agricultural Credit Corporation loan program. One witness feared that, eventually, when the rural rehabilitation loan program of the Farm Security Administration was abolished, or even before that time, it would gradually be transformed into the Regional Agricultural Credit Corporation loan program. Thus, rural rehabilitation loan credit would continue to be dispensed on terms so advantageous to the borrower that the Government would be left without security and suffer heavy financial losses by reason of default.

TESTIMONY OF FARMERS, MERCHANTS, AND BANKERS

Representative American bankers testified that there was absolutely no useful purpose to be served by reviving the regional agricultural credit corporations. In part they state their position as follows:

"It is recognized that direct relief by the Government in times of serious economic stress may involve some granting of loans from public funds as a temporary emergency expedient. However, the continued practice in making uneconomic loans from public funds, without adequate consideration of the ability of the borrower to repay and with the losses socialized at the expense of the taxpayers violates the principles on which credit rests and thereby endangers the foundation of a sound credit structure.

"We recognize the right of farmers or any other group to establish, operate, and maintain cooperative credit enterprises. We believe, however, that such institutions should be operated on a self-supporting basis and that income should be adequate to cover the costs of operation, including credit losses. Continuing losses of any such institutions should not be subsidized out of the Federal Treasury.

"The chartered commercial and savings banks of the Nation represent the largest source of all agricultural production credit. In the present emergency the banks in financing war production, are ready and anxious to further marshal their resources to serve the Nation's credit needs in support of food-for-freedom in 1943."

This statement of policy was implemented by the testimony of bankers from both urban and rural communities, who pointed out that since both farm income and available credit in private lending institutions (banks) had increased tremendously within the past 10 years (see appendix 2), it was difficult to believe that the bottleneck today was caused by lack of credit. They were of the opinion that the Secretary of the Treasury shared this viewpoint.

The testimony of these witnesses showed that the revival of the Regional Agricultural Credit Corporation, which is in addition to the 19 agricultural loan agencies already in existence (see appendix 3), would result in such competition with the country banks as to hinder their effectiveness in the sale of War bonds and stamps. They explained that the banks could ill afford to compete with a Government loan agency specializing in short-term financing at an interest rate much below that which the banks were forced to charge and still render the public services which they were called upon to do by the Secretary of the Treasury. In addition to this, they pointed out that the Government, with $225,000,000, will be embarking upon a precarious fiscal venture, which will encourage speculation.

It was shown that to date the banks of the United States have sold 85 percent of all the Defense and War Savings bonds and stamps and have made approximately 80 percent of all loans to farmers for the purpose of producing food.

These witnesses explained in no uncertain terms that the real problem with which the farmer was faced today was not lack of credit but lack of manpower and farm machinery. It was pointed out facetiously that, given all the credit possible, a dirt farmer cannot plant, cultivate, or harvest his crops without adequate manpower and farm machinery.

On February 17, 1943, several farmers from the midwestern and southern areas testified in complete unanimity regarding the activities of the Regional Agricultural Credit Corporations, believing that at this time a revival of that loaning agency would be wasteful and nonessential to the war program. These witnesses stated that a farmer is entitled to loans from many other similar agencies in the Department of Agriculture and that this additional lending agency would provide credit for the poor risks which in effect would result in the Government's losing rather than gaining in the long run, both from the standpoint of the effectiveness of the program and the security with which it would be reimbursed.

These witnesses were concerned by the methods to be used by the Regional Agricultural Credit Corporations and believed that the pyramiding of $44,500,000 to $225,000,000 was a precarious business policy which would injure the financial structure of the country. They were agreed that the farmer needs farm labor and machinery, but certainly not credit.

In the conduct of the hearings and during the investigation into the matters herein considered, the committee was fortunate in having the services and cooperation of the junior Senator from Nebraska, Hon. KENNETH WHERRY. He furnished the committee with scores of letters from farmers all over the United States. Without exception these letters and those received by the committee expressed disapproval at the reestablishment of the Regional Agricultural Credit Corporations. Specifically, the farmers believed that there was a sufficient number of agricultural loan agencies at the present time. One farmer from Rupert, Idaho, states, "There's no more need for this new loaning bureau than a hog has for a shotgun."

CONCLUSIONS

1. The Regional Agricultural Credit Corporation loan program was created during the emergency of 1932 and 1933 in order to extend credit to farmers in the midst of a national drought. This particular credit

emergency no longer exists. (See Appendix 5.)

2. The revival of the Regional Agricultural Credit Corporation loan program duplicates wholly or partially the lending activities of 19 other Federal agricultural lending agencies performing identical, similar, or related functions. (See appendix 3.)

3. The Regional Agricultural Credit Corporation's loan program, by soliciting credit where the field is drastically limited, is depriving private lending institutions and country banks of their normal loan business.

4. The Regional Agricultural Credit Corporation's loan program may weaken the structure of over 11,000 country banks, which are carrying a great burden of the food-for-freedom program, and the direction of and collections from War bond sales in their respective communities throughout the United States.

5. The full and complete operation of the Regional Agricultural Credit Corporation in the wartime field of credit and in the war food-growing effort will impede rather than increase the production of food.

6. The greatest obstacle to the attainment of food production goals in 1943 will not be lack of credit from another Government bureau but the diminishing supply of manpower available for work on the farms and the lack of farm machinery.

7. The services of the more than 3,000 full- and part-time employees who will be required in the administration of the Regional Agricultural Credit Corporation could be put to better use in some other phase of the war program.

8. The system for county clearance of loans under the Regional Agricultural Credit Corporation program is not based on sound business principles. It will foster loose lending practices and speculation, which will be chaotic to the national war food-growing effort.

9. In reestablishing the Regional Agricultural Credit Corporation loan program on such a large scale, it is evident that the Farm Credit Administration deemed it necessary to extend credit to farmers. (See appendix 4.) However, the committee was unable to find any evidence which indicated that more than a cursory investigation was made by the Farm Credit Administration of this problem.

APPENDIX 1

Statement by KENNETH S. WHERRY, Senator from Nebraska; statements of farmer witnesses, and excerpts from letters received from farmers.

Senator KENNETH S. WHERRY, who introduced Senate Concurrent Resolution 6 made a statement to the committee relative to the history and operations of the Regional Agricultural Credit Corporation, which in part is as follows:

"If you will just give me a moment or two, Mr. Chairman, I would like to state something about the old Regional Agricultural Credit Corporation, because I am very well acquainted with it. It was originally established under the Hoover administration and was brought into existence at a time when the private lending agencies did not have money. We had had a drought. We had had a depression, many banks were low on deposits, and it was created by the administration at that time. It was set up by men who had had experience in lending money, and it did help the private lending agencies over the hill. It really served a very useful purpose. It was one organization that was well managed, well handled, and it provided the means whereby not only farmers got their money direct from the Government lending agency but it also helped the private lending agencies to withstand collapse because money was available from the Government. It continued to operate up until, as I recall it, about 1933, maybe the early part of 1934. That organization has not been liquidated, it still is a skeleton organization, but its usefulness and its purpose was terminated, almost, I would call it, self-terminated, because the private lending agencies began to get money, we got over the drought, we got crops, we got better prices. In 1933 or early 1934 the Regional Agricultural Credit Corporation was practically liquidated because the farmers once again borrowed their money from private lending agencies. That is why it went out of the picture.

"At that time the private lending agencies had about $36,000,000,000 on hand. I think there was no need at that time for the Production Credit Association to continue the work, because the money was available. At that time, I want you to know that the private lending agencies of this country had $36,000,000,000 on deposit, and now they have $86,000,000,000 on deposit. That is available to farmers of this country. If the Regional Agricultural Credit Corporation was not necessary in 1934, with $36,000,000,000, it is my opinion that it is not needed now when the private lending agencies have $86,000,000,000 on hand.

"Now, here is another thought. I believe that the chief bottleneck in the production of food is manpower. I am satisfied from the many, many letters I receive that the chief concern in the production of food is manpower. If you reestablish the Regional Agricultural Credit Corporation you set up a new bureau, and that takes manpower. If you make these loans available, if you go out and solicit farmers to go on the land other than are now solicited by the Farm Security Agency, you simply take away from the farmer the hired man and put him in business for himself, where, if you leave him where he is, on a good farm, the chances are he will produce more of a surplus than he would if you give him the source of getting money from the reestablishment of the Regional Agricultural Credit Corporation. In other words, from a manpower point of view you do not gain anything; in fact, you lose, and putting a farmer under the Regional Agricultural Credit Corporation merely doubles what you are already doing, and I think would limit food production rather than increase it."

The committee received in evidence from Senator WHERRY many letters relating to this resolution and excerpts from some of these are as follows:

"We are opposed to the unfairness of the subsidized competition and we see no reason for a duplication of loaning services at a time when the country banks are able and willing to finance agriculture." (F. J. Poepl, Vermillion, Minn.)

"Heretofore anyone seeking a loan from the Farm Security Administration office had to furnish a letter stating that the bank could not make the loan. * * * Under the Regional Agricultural Credit Corporation plan such would not be the case and they would solicit loans from everyone needing funds. This puts them in direct competition with banks." (F. R. Kingsbury, Ponca, Nebr.)

"At a time when country banks are able and more than willing to fully finance agriculture, I see no sense in trying to duplicate the loanings services of these banks." (A. G. Berthot, Bozeman, Mont.)

"* * * Glad to note that you are introducing a resolution to investigate the many and various farm credit set-ups of our Federal Government. These institutions offering socialized credit cost the taxpayers very much more than their worth to the farmers." (Percy E. Heald, Chester, Vt.)

"We oppose Government credit of all kinds for crop production. Banks here begging for crop loans." (Canton, Miss., Flora, Miss.)

"It is my opinion that in the main, banks not only can but will be glad to take care of the credit in their own community." (Richard McMullen, Stella, Nebr.)

"For I want to tell you, as a man who was reared on a farm and has known intimately the agricultural situation in the Southeastern States for more than 40 years, that not only this but many of the other Federal-lending agencies are absolutely unnecessary. In addition, their advantages, in that they do not have stockholders to account to and have taxpayers to pay their expenses and subsidize their operations, are rapidly allowing them to put the capitalistic system of finance, commerce, agriculture, and industry out of business." (H. Land Young, Atlanta, Ga.)

"Not only are you on the right track in connection with this particular agency (Regional Agricultural Credit Corporation) but also in general, as it is certainly time these useless and expensive bureaus in Government be weeded out and that as far as possible private industry care for the needs of the people." (M. W. Dunlap, Douglas, Nebr.)

"It is certainly time for Congress to give consideration—for if something is not done to stop the organization of Government agencies in the field of finance, we will be completely socialized in 3 or 4 more years—it is simply ridiculous for anyone to say that it is necessary to set up an agency to make loans of this type. The banks of our country are loaded with money and are seeking loans from every direction, so why set up an organization of this kind. It seems to me that many of these organizations are created to give a lot of people jobs." (C. R. Bell, Anniston, Ala.)

"There certainly is no sense in trying to duplicate the loaning services of country banks at a time when banks are able and more than willing to fully finance agriculture." (Fred L. Zacharias, Blue Island, Ill.)

Several farmers from the agricultural areas of the United States testified before the committee.

Mr. C. D. Haskell, a dirt farmer of Laurel, Nebr., stated that the farmers in his locality are doing everything they can to produce food, and that "farm credit was not a bottleneck but that the real trouble would come through the lack of manpower and farm machinery." Mr. Haskell said that his son "has had an application in now for a 15 foot disk for 8 months and he has not been able to get it."

Mr. L. M. Walker, Jr., commissioner of agriculture, State of Virginia, testified that there was no need of another agricultural credit agency to extend credit to farmers; that what the farmer needed was manpower and machinery for the year 1943, and in answer to questioning by members of the committee stated, "I can see how it would pull a man off a well-managed farm, managed by the owner, and put him on inferior land with cheap money, where he would be taking a chance." and added, "I can see no good in it for Virginia farmers."

Mr. Albert S. Goss, national master of the Grange, reviewed in some detail the organization and the operations of the Regional Agricultural Credit Corporation. He stated that in his opinion there was no need for another Federal credit agency. Mr. Goss stated:

"The stand of the Grange is that we do not believe the problem today is one of credit. Our problems are labor, equipment, and in some few commodities, price. The Grange

does not believe in Government lending, except in the case of an emergency where no other source of credit is available and credit is absolutely necessary. We do not think that those conditions prevail today. * * *

"We believe in both cooperative and private credit, and that the rates of interest charged and the terms of the loans should be such as to make the loans self-supporting."

Mr. Ralph W. Moore, representing the State commissioner of agriculture of Texas, testified that credit is available; that lack of agricultural manpower is a problem, as are farm prices without taking into consideration the cost of production. Mr. Moore was of the opinion that "the greatest waste of manpower is the United States Government itself" and that the Regional Agricultural Credit Corporation "is just another plan to further control and regiment the farmers."

APPENDIX 2.—*Comparative tables showing relation between total bank deposits and total farm income annually from 1932 to 1942*

Year	Total bank deposits, income, United States (includes interbank deposits)	Total cash farm income (includes Federal aid)
1932	[1] $45,390,269,000	$4,743,000,000
1933	41,533,470,000	5,445,000,000
1934	46,625,041,000	6,780,000,000
1935	51,586,123,000	7,659,000,000
1936	58,339,815,000	8,654,000,000
1937	59,822,370,000	9,217,000,000
1938	59,379,550,000	8,168,000,000
1939	64,576,694,000	8,634,000,000
1940	71,153,458,000	9,145,000,000
1941	78,549,329,000	11,830,000,000
1942	[2] 102,000,000,000	16,100,000,000

[1] $36,000,000,000 estimated available for lending purposes.
[2] $88,000,000,000 estimated available for lending purposes.

APPENDIX 3

The following is a list of the 20 Government agencies engaged in lending Federal funds for agricultural purposes.

1. Central Bank for Cooperatives.
2. Commodity Credit Corporation.
3. Disaster Loan Corporation.
4. District Banks for Cooperatives.
5. Electric Home and Farm Authority.
6. Emergency Crop and Feed Loan Section.
7. Farm Credit Administration.
8. Farm Security Administration.
9. Federal Credit Unions.
10. Federal Crop Insurance Corporation.
11. Federal Farm Mortgage Corporation.
12. Federal Intermediate Credit Banks.
13. Federal Land Banks.
14. Land Bank Commissioner Loans.
15. National Farm Loan Associations.
16. Production Credit Associations.
17. Production Credit Corporations.
18. Puerto Rico Reconstruction Administration.
19. Regional Agricultural Credit Corporations.
20. Rural Electrification Administration.

APPENDIX 4

Regional agricultural credit corporations (12 U. S. C., 1940 ed. 1148, et seq.)

SEC. 1148. Regional agricultural credit corporations: Creation; capital; management; loans; rediscounts; supervision: "The Reconstruction Finance Corporation is authorized to create in any of the 12 farm credit districts where it may deem the same to be desirable a regional agricultural credit corporation with a paid-up capital of not less than $3,000,000. to be subscribed for by the Reconstruction Finance Corporation and paid for out of the unexpended balance of the amounts allocated and made available to the Secretary of Agriculture under section 602 of title 15. Such corporations shall be managed by the officers and agents to be appointed by the Farm Credit Administration under such rules and regulations as it may prescribe. Such corporations are hereby authorized and empowered to make loans and advances to farmers and stockmen, the proceeds of which are to be used for an agricultural purpose (including crop production), or for the raising, breeding fattening, or marketing of livestock, to charge such rates of interest or discount thereon as in their judgment are fair and equitable, subject to the approval of the Farm Credit Administration, and to rediscount with the Reconstruction Finance Corporation and the various Federal Reserve banks and Federal intermediate credit banks any paper that they acquire which is eligible for such purpose. All expenses incurred in connection with the operation of such corporations shall be supervised and paid by the Reconstruction Finance Corporation under such rules and regulations as its board of directors may prescribe" (12 U. S. C., 1940 ed., 1148, approved July 21, 1932, 47 Stat. 713; 50 Stat. 704).

SEC. 1148a. Reduction of capital stock of Regional Agricultural Credit Corporation; revolving fund from stock proceeds: "The Reconstruction Finance Corporation is authorized, with the approval of the Governor of the Farm Credit Administration, to reduce the capital of any Regional Agricultural Credit Corporation by such action as may be suitable for the purpose. The funds made available by any such reduction shall constitute a revolving fund, all or any part of which shall be available for use from time to time by the Reconstruction Finance Corporation for the purpose of increasing, with the approval of the Governor of the Farm Credit Administration, the capital of any Regional Agricultural Credit Corporation." (12 U. S. C. 1148a, 1940 ed., approved June 16, 1933, 48 Stat. 273.)

SEC. 1148b. Additional powers of Regional Agricultural Credit Corporations: "Each regional agricultural credit corporation, created under the authority of section 1148 of this title, in addition to the powers granted prior to August 19, 1937, shall have and, upon order and approval of the Farm Credit Administration, shall exercise the following rights, powers, and authority:"

(a) Places of transacting business: "To conduct, transact, and operate its business in any State in the continental United States, in the District of Columbia and Puerto Rico."

(b) Borrow money: "To borrow money (other than by way of discount) from any other regional agricultural credit corporation, the Reconstruction Finance Corporation, or any Federal intermediate bank, and to give security therefor."

(c) Loans: "To lend any of its available funds to any other regional agricultural credit corporation at such rates of interest and upon such terms and conditions as may be approved by the Farm Credit Administration."

(d) Sale to or purchase from other like corporations: "To sell to or purchase from any other regional agricultural credit corporation or any other corporation formed by consolidation or merger as provided in section 1148c of this title, any part of or all the assets of any such corporation, upon such terms and conditions as may be approved by the Farm Credit Administration, including the assumption of the liabilities of any such corporation, in whole or in part." (12 U. S. C., 1940 ed., 1148b, approved August 19, 1937, 50 Stat. 710.)

SEC. 1148c. Consolidation or merger; power of Farm Credit Administration: "The Farm Credit Administration shall have the power and authority to order and effect the consolidation and merger of two or more regional agricultural credit corporations, on such terms and conditions as it shall direct."

"The Farm Credit Administration is authorized to grant charters to, prescribe bylaws for, and fix the capital of, regional agricultural credit corporations which may be formed by the consolidation of two or more regional agricultural credit corporations, and to approve or prescribe such amendments to the charter and bylaws of any regional agricultural credit corporation as it may from time to time deem necessary. Corporations formed by the consolidation of two or more regional agricultural credit corporations, as herein provided, shall have all the rights, powers, authority, and exemptions; shall be subject to the same supervision and control; and shall have their expenses paid in the same manner as provided by law in respect to regional agricultural credit corporations organized under section 1148 of this title." (12 U. S. C., 1940 ed., 1148c, approved August 19, 1937, 50 Stat. 717.)

SEC. 1148d. Rights and powers unaffected by sections 1148b and 1148c. "Nothing contained in sections 1148b and 1148c of this title shall be construed as limiting the rights, powers, and authority granted prior to August 19, 1937, to the regional agricultural credit corporations, the Farm Credit Administration, or the Governor thereof by any acts of Congress or any Executive orders." (12 U. S. C., 1940 ed., 1148d, approved August 19, 1937, 50 Stat. 717.)

APPENDIX 5

Provision of law relating to operation of regional agricultural credit corporations contained in Reconstruction Finance Act and Emergency Relief and Construction Act of 1932 (15 U. S. C., 1940 ed., 601 et seq.)

SEC. 602. Loans or advances to farmers: "* * * *Provided*, That $50,000,000 of the amount so subscribed, and the expansion of same through the notes, debentures, bonds, or other obligations, as set out in section 609 of this title (as in force prior to July 21, 1932) shall be allocated and made available to the Secretary of Agriculture, which sum, or so much thereof as may be necessary, shall be expended by the Secretary of Agriculture for the purpose of making loans or advances to farmers in the several States of the United States in cases where he finds that an emergency exists as a result of which farmers are unable to obtain loans for crop production during the year 1932: *Provided further*, That the Secretary of Agriculture shall give preference in making such loans or advances to farmers who suffered from crop failures in 1931. Such advances or loans shall be made upon such terms and conditions and subject to such regulations as the Secretary of Agriculture shall prescribe. A first lien on all crops growing, or to be planted and grown, shall, in the discretion of the Secretary of Agriculture, be deemed sufficient security for such loan or advance. All such loans or advances shall be made through such agencies as the Secretary of Agriculture may designate, and in such amounts as such agencies, with the approval of the Secretary of Agriculture, may determine. Any person who shall knowingly make any material false representation for the purpose of obtaining an advance or loan, or in assisting in obtaining such advance or loan under this section, shall, upon conviction thereof, be punished by a fine of not exceeding $1,000 or by imprisonment not exceeding 6 months, or both. * * *" (15 U. S. C., 1940 ed., 602, approved January 22, 1932, 47 Stat. 5, 714, 728; 54 Stat. 572).

APPENDIX 6.—*Comparison of certain loan programs of U. S. Department of Agriculture*

Agency	Loan purpose	Loan limits	Loan term	Rate of interest	Security
				Percent	
I. Emergency Crop and Feed Loan Program.	Advances for crop and feed production	$10 to $400	1 year	4	Lien on crop and feed; unlimited personal liability.
II. Production Credit Association Loan Program.	Advances for crop and livestock production.	$50 up	do	4.5	Lien on crop or livestock; unlimited personal liability.
III. Reorganized Regional Agricultural Credit Corporation Loan Program:					
(a) F-1 loans	Advances for crop production, harvesting, marketing; purchasing, raising, breeding, fattening, and marketing of live stock; production and marketing of poultry, poultry products, and dairy products; purchase and repair of farm equipment; cost of necessary labor and farm living expenses; existing obligations and accrued wages incurred in connection with current season's operations; payment of income taxes and taxes on real and personal farm property; payment of current interest on mortgage indebtedness and current instalments on any amortized farm mortgage loan; payment of delinquent interest, taxes, and other obligations may be financed.	$1 to $7,500	do	5	Lien on crop; unlimited personal liability.
		$1 to $10,000	do	5	Lien on dairy products; unlimited personal liability.
		$1 to $25,000 (livestock production).	do	5	Lien on livestock; unlimited personal liability.
(b) F-2 loans	Advances for financing actual current cash cost of producing and harvesting 18 designated "essential war crops" and delivering such crops for sale or for processing; cost of feed for work stock, seed, fertilizer, insecticides and spraying, labor, motor fuel and oil, repair of equipment, insurance on essential war crops; current expenses incidental to production of such crops. In case of crop failure the Regional Agricultural Credit Corporation stands the whole or partial loss in cases not covered by insurance.	$1 to $7,500	do	5	Lien on crop, limited personal liability, crop insurance.
IV. Farm security rehabilitation loan program:					
(a) Standard type loan, accompanied by farm and home management plan.	Advances to purchase farm and home supplies, machinery, equipment, livestock, feed, seed, and fertilizer needed for a fresh start on a sounder basis; refinancing of indebtedness.	$1 up	1 to 5 years	5	Mortgage on farm; lien on crops, seed, feed, fertilizer, equipment, etc.; unlimited personal liability.
(b) Nonstandard type loan, unaccompanied by farm and home management plan.	do	do	do	5	Do.
(c) "Food for freedom" loans:					
1. Loans to rural families on tracts of land too small for regular farm operation.	Advances to increase production of food for home use and for market.	do	do	5	Lien on crop; unlimited personal liability.
2. Loans to boys and girls of low income farm families for club projects.	Advances to increase food and fiber production for war needs.	do	do	5	Lien on crop, food and fiber.
(d) Grants	Subsistence	do			Grantee does specified work on farm or public lands.

SPECIAL COMMITTEE ON POST-WAR ECONOMIC POLICY AND PLANNING

The VICE PRESIDENT subsequently appointed as members of the Special Committee on Post-War Economic Policy and Planning, established by Senate Resolution 102, the Senator from Georgia [Mr. GEORGE], the Senator from Kentucky [Mr. BARKLEY], the Senator from Arizona [Mr. HAYDEN], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Florida [Mr. PEPPER], the Senator from Illinois [Mr. LUCAS], the Senator from Oregon [Mr. MCNARY], the Senator from Michigan [Mr. VANDENBERG], the Senator from Vermont [Mr. AUSTIN], and the Senator from Ohio [Mr. TAFT].

DEFERMENT FROM MILITARY SERVICE OF PERSONS ENGAGED IN AGRICULTURE

Mr. BANKHEAD. Mr. President, I call for the regular order.

The PRESIDING OFFICER. The regular order is demanded, and the Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (S. 729) providing for the deferment from military service of persons engaged in agricultural occupations.

Mr. BANKHEAD. Mr. President, will the Chair state the present parliamentary situation?

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Montana [Mr. WHEELER] to the amendment of the Senator from Colorado [Mr. JOHNSON].

Mr. LA FOLLETTE. Mr. President, I doubt if I can add anything to the debate which has taken place in connection with the bill now under consideration. Nevertheless, because I believe that the legislation is the byproduct—the end result—of a manpower muddle created by lack of proper executive administration, and because I believe the manpower muddle is symptomatic, I am sorry to say, of all or of a great portion of our entire war administration, I feel constrained for my own satisfaction to place a few of my observations and conclusions upon the record.

Mr. President, when this country declared war the President of the United States assumed vast powers inherent in his position as Commander in Chief of the Armed Forces, and accruing under a great many statutory grants of power remaining upon the statute books as a residue from our participation in World War No. 1. Following the almost unanimous adoption of declarations of war, the Congress proceeded to grant vast additional legislative powers to the executive arm of the Government, and to appropriate unheard-of sums of money. At the time I did not object to those grants of power—nay; I participated in them, and added my vote in favor of them when the votes were taken because I believed, as I still believe, that in the waging of total war, if the manpower, the productive capacity, and the resources and fighting abilities of a democratic nation are to meet successfully the forces of nations governed by totalitarian power, it becomes essential for the legislative arm of the Government to yield temporarily much of its power.

I did take exception, as the record will show, to the granting of unlimited appropriations of funds in amounts over and beyond those which would be expended within the fiscal year, because as I said again and again in this Chamber, if the

Congress yielded the power over the purse strings, and appropriated more money than could be spent within the fiscal year, inevitably the Congress would at some time during the war find itself confronted with such a situation that its control over the purse strings had been so completely relaxed and relinquished that it could not even ask or demand a successful accounting as to the manner in which the vast grants of legislative power were being administered.

So, Mr. President, I am not criticizing the grants of power of a legislative nature. I recognized that necessity at the time when the powers were granted. I still recognize the necessity. However, I say that those vast grants of power should have resulted in the solution of some of the basic and major problems which must be decided by any nation once it enters upon war. I say that in the conduct of war, especially in the conduct of total war, no more important or fundamental problem can be involved than the problem of the efficient, equitable, and fair distribution of the Nation's manpower resources.

This is not the first time that I have been aware that a manpower crisis was developing in this country. I have frequently spoken of it in this Chamber and elsewhere during many months; but unfortunately, Mr. President, by its failure to deal with the manpower problem in an effective and efficient manner, the administration, despite all the vast powers within its possession, has permitted the manpower to be drained from the farms of the Nation. That drain upon manpower, as has been stated in this debate, has come primarily from two sources: On the one hand, it has come from industrial activity and higher wages; on the other hand, it has come from the exercise of the plenary power of selective service for military duty. I understand that approximately 70 percent of the drain on agricultural manpower has come from industry, and about 30 percent from the armed services, through the Selective Service System and through voluntary enlistments.

Mr. President, it has seemed to me that there has been in this debate some indication of criticism of men who have left the farms and have gone into industries in which they have been able to obtain higher wages, better working conditions, shorter hours, social-security benefits, and other inducements incident to labor in industrial plants. I say, that, on the contrary, if men had not left the farm and joined the labor industrial force of the Nation, we would not today be able properly to equip the troops which we are sending to fight and die on foreign soil and on the seven seas of the world. To have accomplished the astronomical objectives which were made necessary by our position as the arsenal of democracy and as a nation supplying its full quota of armed forces would have been utterly impossible with the labor force which was available to industry on December 1, 1941.

On the other hand, Mr. President, there was, it seems to me, an administrative and executive responsibility to influence temper and shape the manpower situation in such manner as would not result in a drainage of manpower off the farms of America to the point where it is now, in my opinion, threatening to produce in the year 1943 a serious, if not a critical and catastrophic, shortage of those things which we have come to accept as elemental and necessary to the American diet.

Mr. President, a part of this drain, as I have indicated, was due to the higher wages and better working conditions and the other social security benefits that flow from industrial employment. Having made a somewhat long study as a result of being chairman of a subcommittee of the Senate, of the conditions existing and surrounding labor employment in some of the farm areas, I say there can be no blame attached to the men and women who desired to escape from a condition bordering almost on peonage in order to obtain the higher pay scale offered by industry.

There has been a great deal of criticism, Mr. President, of the wages paid in industry. I may say that, no matter what may happen—and I choose my words when I make this statement—no matter what may happen, there cannot and there will not be in this country an equalization of the wage scale of industry down to the level of agricultural wages, taking them as a whole, in the United States; and any approach in that direction will prove utterly futile.

In my opinion, much could have been done to make employment on the farm more attractive than it is today; certainly much could have been done to remedy some of the conditions that exist in certain areas so far as the standard of living and wages of labor on the farm are concerned. But it has not been done; in fact, all efforts in that direction have met terrific resistance; and, therefore, we are confronted now, in the midst of this war, no longer by a theory but by a practical situation, which, I say, verges on the desperate.

The manpower problem on the farm, Mr. President, is only one phase of the crisis that exists on the food front. Manpower is an important and vital phase of the crisis that exists on the food front, but it is only a part of it. There is a shortage of farm machinery, which obviously has come at a time when there is a shortage in manpower and therefore a greater need for farm machinery and for multiplying, through the use of machinery, the labor that is still available upon the farm.

Furthermore, Mr. President, there are numerous difficulties and hurdles over which the farmer must jump in order to obtain some common articles which are necessary for the operation of the average farm.

Underneath the whole farm controversy is the fight which has been going on between those who contend for the utilization of large farms and those who desire to maintain the small farms. That was the issue upon which Mr. Parisius resigned from his position in the Department of Agriculture. There is also a fight going on on the food front between those who believe that increased production should be stimulated by incentive payments from the Treasury and those who believe that the increase in farm production should be secured as the result of increased prices to the farmers themselves.

This struggle has resulted in internecine warfare in the Department of Agriculture itself, and I am sorry to say that that conflict has now broken out in the agricultural areas of the country, and various agencies of the Federal Government, or, at least, agencies that are supported in part by Federal funds, are now at each other's throats and are seeking to aline the individual farmers behind one group or the other. It has involved the great farm organizations of the country in conflict which has been going on behind closed doors and in some instances has broken out into the open. This is happening at a time when the people of this country have every right to be concerned as to whether there will be sufficient foodstuffs grown in the United States to supply the armed forces, to meet our lend-lease commitments, and to furnish the necessary elements of a balanced diet to which the American public has been accustomed.

I contend, Mr. President, that this result as measured against the vast powers in the hands of the war administration of this Nation shows an utter lack of leadership and a confusion in organization which must be remedied if we are to win the war. It will produce a food shortage unless it is remedied and remedied at once.

In order that I may make it clear that what I am saying has nothing to do with personalities, I want to ask Senators to consider themselves for a moment in the shoes of the Secretary of Agriculture.

The control of the prices which the farmer is to receive for his commodities is balanced between the Administrator of the Price Administration, former Senator Brown; the Secretary of Agriculture, and the Honorable James F. Byrnes, Director of Economic Stabilization.

The manpower problem is divided between the War Manpower Commission, the Department of Agriculture, and God knows who else.

The power over the manufacture of machinery for use on the farms, and other material needed to operate a farm, is in the hands of the War Production Board and the Department of Agriculture.

In other words, Mr. President, as I see it, there is an utter failure to establish vertical organizations upon which the Congress and the country could fix responsibility. Instead we have horizontal organizations, which overlap each other on the one hand, or afford gaps on the other.

This situation having been produced, Congress is now finally confronted with a belated effort, for we are already in the spring planting season, so far as areas in the South are concerned—we

are now confronted with a belated effort on the part of Congress to deal with the problem of manpower on the farms.

This brings me to say that, in my opinion, determination of the size of the armed forces is the No. 1 decision that has to be made before any equitable, efficient, or proper distribution of manpower can be made. If we are to raise the armed forces in 1943, as has been determined upon, to 11,000,000 or more, there will be a shortage of labor on the farms, and there will be a shortage of labor in industry.

Mr. President, I share every apprehension the opponents of the proposed legislation have uttered in the debate since its inception.

Mr. AUSTIN. Mr. President——

The PRESIDING OFFICER (Mr. MAYBANK in the chair). Does the Senator from Wisconsin yield to the Senator from Vermont?

Mr. LA FOLLETTE. I yield.

Mr. AUSTIN. I am greatly interested in the discussion of this matter by the Senator from Wisconsin. I ask him whether he intends to discuss the connection between the shortage of manpower and getting ore out of the ground; the shortage of manpower in the smelter to put the ore in condition to make a plowshare; the shortage of manpower in manufacturing the plowshare; the shortage of manpower in the forest to get the handles, and the shortage of manpower in the factory which manufactures handles for farm machinery and tools, in its bearing upon legislation which merely centers on the hired man on the farm?

Mr. LA FOLLETTE. Mr. President, I was not going into the detail the Senator has indicated but I tried to sum up the statement by saying that if we are to raise the number which has been agreed upon for the armed forces in 1943, there will not only be a shortage of labor on the farm, in my opinion, but there will be a shortage of labor in industry, and in speaking of industry, of course, I meant to include the raw material, or the natural resource, and the manufactured product.

Mr. President, as I stated a moment ago, I share all the apprehensions which have been expressed by the opponents of the proposed legislation. It is indeed a serious step to grant blanket deferments to any group in our population, and especially to grant them by legislative enactment. The moment we take that step, and seek to attain the same number of men for the armed forces, we are simply putting a heavier pressure upon some other occupational group or occupational groups within the population. The moment we grant occupational deferments to agriculture, we immediately increase the pressure and the force of the draft upon other occupations. I venture the prediction that within a short space of time there will be a demand from industry that the workers in industry be frozen, and that those who are essential be exempted from the draft.

The moment we take this step, we will produce a greater pressure upon the heads of families and those with dependents who are sought to be exempted under the amendment now pending, offered by the able Senator from Montana. I do not want anyone to think that I am taking the step in connection with this proposed legislation which I intend to take without realizing some of the consequences which must flow in its train.

We are, as I fear, helping by this type of legislation to pave the way for the day when the able Senator from Vermont will be pressing the Senate to consider his measure for universal service for all citizens of the United States, civilians as well as those in the military service. According to my present lights, if that measure were pending today, I should be unalterably opposed to it. I think it would be the last gasp of democracy, when such a measure was passed. If the time comes when such legislation is put on the statute books in order to fight totalitarianism, we will have completely embraced it ourselves. But I cannot fail to register my apprehension that in moving in the direction in which we are now moving, we are helping to pave the way and to hasten the day when the Senator from Vermont will be able to say, "You have given deferment to this group, which has increased pressure on another group, therefore the time has come when we must have an orderly and an equitable distribution of the entire labor forces of the Nation."

I should not only be opposed to such a measure for ideological reasons, but I should be opposed to it, according to my present lights, because I think it seeks to treat this problem in a manner in which we have been all too prone to treat the problems arising from the war, when after maladministration, after failure to utilize all the facilities of leadership, and the great voluntary upsurge of spirit, energy, and activity which come with that type of treatment of a problem in this country, we have sought to cure the failure by creating some plenary, totalitarian power to cover it up.

Furthermore, Mr. President, I wish to say here and now that I think the late Justice Brandeis was completely right in his philosophy that there is a law of size. I do not know that law, I do not think any man knows the law in specific terms, but if there ever was any question about it—and I never had any—so far as the growth of the unit size of our industrial operations is concerned, certainly this war should have proven to any man that there is a law of size.

There are problems which go beyond the presently developed administrative skill of the human individual, and I think that when we seek to cover up the mistakes, the lack of administration, and the lack of utilization of voluntary methods, by the creation of totalitarian power, we only threaten to break down completely the administrative management of the war effort.

However, Mr. President, the hour is late so far as the 1943 season of agricultural production is concerned. I am convinced that under the Tydings amendment and the present disposition of those charged with the responsibility for its management and articulation we cannot get a sufficient deferment of agricultural labor.

Food is essential. I am not an alarmist, at least I do not so regard myself, but I say that I have had greater apprehension as to the consequences which will flow from the failure to produce a reasonable amount of food and to have it distributed to the various centers of population in this Nation, than I have about any of the other complex and distressing problems which the war has forced upon us.

The word "food," Mr. President, touches the most elemental, fundamental instinct in the human being. We must maintain an adequate food supply in this country if the war is to be successfully prosecuted. I grant that the Johnson-Bankhead approach to this problem is a meat-ax approach. I know that we are going to freeze certain situations in the agricultural structure which never should be frozen. We are going to keep on the farms people who are not producing the amount of food which they should produce.

I come from a great agricultural State, about 50 percent of whose wealth in normal times is produced from agriculture and 50 percent from industry. I have the highest regard for the type of farm and the type of farmers we have in the State of Wisconsin, but I would not stand here on the floor of the Senate and contend that every farmer in Wisconsin is efficient, that every farmer in Wisconsin is energetic, that every farmer in Wisconsin is doing the best job he can do for the war effort by staying on the farm. But, Mr. President, the selective method on the basis of individual approach has broken down. It has failed so far as the farm front is concerned, and I am driven by the force of necessity to embrace this measure, much as I regard it as a dangerous step.

Mr. President, in conclusion I should like to say that I think the measure will fall short of the expectations which I fear have been created in the minds of the farmers. In my opinion it will not increase the labor supply on the farms. It will probably not increase the morale of some of those who are now working as wage workers on the farm. The tendency, I fear, will be to destroy morale of some of those who find themselves frozen in unconscionable conditions and at unspeakably low wages. But I shall support the measure, Mr. President, because I see no alternative which we can follow in time to avert a catastrophe on the food front in America in 1943.

Mr. WHERRY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Nebraska?

Mr. LA FOLLETTE. I yield.

Mr. WHERRY. I thank the Senator from Wisconsin for the enlightening argument he has made, and I wish to subscribe to the thoughts he has expressed. In his speech the Senator mentioned the shortage of food, and gave shortage of manpower as one of the big problems connected with it, and also the shortage of machines. I should

like to know if, before concluding, the Senator desires to make an observation with respect to the problem confronting Nebraska farmers as well as those of his own State, due to the limitation and restrictions of crops, such as wheat and corn, now enforced by the Secretary of Agriculture. Spring wheat has not as yet been planted. The Secretary of Agriculture the other day lifted the restrictions to the extent that there would be no penalty if a Nebraska or a Kansas farmer planted only up to 90 percent of the maximum wheat production. There is no penalty with respect to corn. In my county in Nebraska if a farmer overplants beyond 90 percent, then the benefit payments are not paid to him. He loses the benefit payment if he overplants.

It is my observation, and I have spoken of this on many platforms in the State of Nebraska, that one way to help overcome food shortages is to remove the limitations and restrictions during the war. The Senator from Wisconsin has been close to the Secretary of Agriculture and, during his several terms in the Senate, has had opportunity to discuss matters with him. I should like to know if the Senator from Wisconsin desires to make an observation with respect to whether it would be possible to encourage all-out agricultural production by removing the limitations and restrictions on the coming 1943 crop.

Mr. LA FOLLETTE. I will say in answer to the Senator from Nebraska that I hope nothing I have said here has led him to believe that I am in any way speaking for the Secretary of Agriculture, or that I am intimately in touch with him. I am not. I do not have the good fortune even to be on committees before which he appears, so I am not in touch with him. But, as I understand, an effort has been made in the direction the Senator from Nebraska suggests by removing the limitation on corn, and in providing a 90-percent ceiling, so to speak, on wheat. I assume that was done on the basis of the available amounts in storage, the estimated increase in livestock production, and on the further theory that, in all probability, benefit payments would be paid in respect to the wheat farmer, and that perhaps it was desired not to cut off such benefits in view of the fact that the farmers at this time are complaining concerning their prices.

Does that answer the Senator's question?

Mr. WHERRY. I thank the Senator very much. The Senator has not covered the subject as I should like to have him do.

Mr. LA FOLLETTE. If the Senator from Nebraska is asking me what my attitude has been in the past toward the program of restriction in agricultural commodities and products——

Mr. WHERRY. I refer to a removal of the restrictions during the war.

Mr. LA FOLLETTE. I will say that I have supported that program, not because I thought it was an ideal program, but because there was no other tenable alternative presented.

Mr. WHERRY. Will the distinguished Senator from Wisconsin permit another question?

Mr. LA FOLLETTE. I yield.

Mr. WHERRY. My question is directed to removal of restrictions during the war. Does the Senator wish to make an observation with respect to whether or not he favors the removal of limitations and restrictions for the duration of the war only, so that we may have an all-out maximum wheat production and corn production to relieve the food shortage? That is the point I wish to have stressed.

Mr. LA FOLLETTE. Although I do not know what the answer would be, I presume the answer of the Department would be that they are seeking to stimulate the production of other commodities as well, and that therefore they feel that in order to obtain a balanced production they must retain some of the restrictions.

Mr. VANDENBERG. Mr. President, I wish to make one comment which is inspired by the address made by the able Senator from Wisconsin [Mr. LA FOLLETTE], and particularly his original approach to this question. I find myself totally perplexed by the responsibility which I confront here today to deal with just one sector of the manpower problem on a piecemeal basis and on a basis of inadequate information and without the opportunity to deal with it as a whole. The manpower crisis will never successfully respond to any such method.

Yesterday I spoke about responsibilities in connection with the war which unavoidably require primary legislative action. The Senator from Wisconsin puts his finger squarely on the source of our manpower difficulty, it seems to me, when he insists that the responsibility for the manpower problem is primarily administrative. Congress must accept its responsibilities. But administrative leadership must also wholly accept its responsibilities.

Mr. President, it seems to me that months and months and months ago the President of the United States should have called Admiral King and General Marshall and Director McNutt and Secretary Wickard and General Hershey and Mr. Nelson into one meeting at the White House, and put them in a room, and told them not to come out until they could agree how the available manpower of this country should be allocated. Then we should have had authentic advice respecting the manpower problem as a whole. Instead of that we now get what is described as a war cabinet to deal with the subject. The war cabinet includes such gentlemen as Judge Rosenman and Harry Hopkins, instead of the real experts.

Mr. President, I am in the same perplexity today that I am going to be a month from today, until the high administrative responsible head of this Government calls those immediately responsible to him for manpower together and presents the country and the Congress with a unified recommendation which conclusively covers all the necessities in all these indispensable directions—service needs, farm needs, industrial needs and civilian needs. The manpower crisis is never going to be effectively met by piecemeal legislation on the floor of Congress.

Mr. WHEELER obtained the floor.

Mr. DOWNEY. Mr. President, will the Senator yield to me so that I may suggest the absence of a quorum?

Mr. WHEELER. I yield for that purpose.

Mr. DOWNEY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gillette	Radcliffe
Austin	Guffey	Reed
Bailey	Gurney	Revercomb
Ball	Hatch	Reynolds
Bankhead	Hayden	Robertson
Barkley	Hill	Scrugham
Bilbo	Holman	Shipstead
Bone	Johnson, Calif.	Smith
Bridges	Johnson, Colo.	Stewart
Brooks	Kilgore	Taft
Buck	La Follette	Thomas, Okla.
Burton	Langer	Thomas, Utah
Bushfield	Lodge	Tobey
Byrd	Lucas	Truman
Capper	McCarran	Tunnell
Caraway	McClellan	Tydings
Chavez	McNary	Vandenberg
Clark, Idaho	Maloney	Van Nuys
Clark, Mo.	Maybank	Wagner
Connally	Mead	Walsh
Danaher	Millikin	Wheeler
Davis	Moore	Wherry
Downey	Murdock	White
Eastland	Nye	Wiley
Ellender	O'Daniel	Willis
Ferguson	O'Mahoney	Wilson
George	Overton	
Gerry	Pepper	

The PRESIDING OFFICER. Eighty-two Senators having answered to their names, a quorum is present.

Mr. WHEELER. Mr. President, I have already sent to the desk an amendment providing as follows:

That section 5 of the Selective Training and Service Act of 1940, as amended, is hereby amended by adding at the end thereof the following new subsection:

"(m) Every registrant who was married prior to December 8, 1941, who has maintained a bona fide family relationship with his family since that date, and who has a child or children under 18 years of age shall be exempt from training and service under this act."

The Senator from Wisconsin [Mr. LA FOLLETTE] and the senior Senator from Michigan [Mr. VANDENBERG] have pointed out the chaotic condition in which we find the manpower situation throughout the country. Ordinarily I would not offer an amendment providing for a blanket exemption of married men with children; but I ask Senators whether they believe it is necessary to induct every physically fit married man throughout the country between the ages of 18 and 38, regardless of the number of children he may have, and put him into combat service. If they believe it is necessary, I ask them, "What is to happen to the homes of America and to the future generations?"

I agree with the Senator from Wisconsin. I do not particularly like the amendment which is pending before the Senate, giving blanket deferment to farm labor. I shall vote for it only because of the chaotic condition in which we find ourselves. I believe that the

proposed legislation will not do very much good because men have already left the farms and have gone into industry, as I shall later show. I have offered the amendment because of the fact there is such a chaotic condition.

When the selective-service measure was first introduced into the Senate, did any Member of this body think for one second that married men with children would be taken into the armed forces of the country? When the proposal was introduced in the Congress, it was stated by the proponents of the measure that its purpose was to train the young men of the country for Army duties. It was for the purpose of training. It was a peace measure. Every piece of legislation which has come before the Congress of the United States was said to be peace legislation, and I said that almost every piece of such legislation was a step toward war.

Mr. President, we now find ourselves in a war, with the Selective Service Act upon the statute books. What does it do? Let me show how it works with reference to married men.

In my State, in North Dakota, Wisconsin, and in many other States, we find deferment for industrial purposes very large. Wisconsin has a deferment of 8.72 percent; Washington, 9.10 percent; Vermont, 6.82 percent; South Dakota, 9.16 percent; Nevada, 6.35 percent; Nebraska, 6.27 percent; Montana, 8.21 percent; Minnesota, 9.3 percent; and Kansas, 6.55 percent. Those States have the largest deferments.

A newspaper woman asked me today why those States have such large deferments. The question is easily answered. The reason is that when war industries were set up in Seattle, San Francisco, and all along the Pacific coast, thousands upon thousands of farm boys from North Dakota, South Dakota, Wisconsin, Nebraska, and all the great western section of the country left their homes and went into the defense industries on the coast. As a result, they got deferments. They are out on the coast, but they are still registered in Wisconsin, or Montana, or Minnesota, or other States. Consequently, in those States when the draft quotas are obtained, it becomes necessary to take married men with families and also to take the remaining men left on the farms, because they are not deferred.

I have consulted with draft board after draft board in my own State. I have asked them why it was that they were taking boys off the farms. They said it was because they had to obtain their quotas, and the only way in which they could do so was by taking those boys. I asked them why last summer they took married men who were working on farms producing sugar beets and cattle. They said they did so because they had to fill their quotas, and that there was no other way to fill them.

So, instead of being a Selective Service Act, the act has worked out in such a way that married men with families are taken. They are taken in my State and in practically all other States. Why? Because the Selective Service Act has not been properly administered.

Let us consider what is done. Consider, for instance, the situation in two adjoining counties in Oregon, in Wisconsin, or in any other State. In some counties the married men are drafted. In other counties they are not drafted. Why does a difference exist? It exists because in some counties a sufficient number of single men are available, whereas in other counties the single men have left, to go into various factories, and so it has become necessary to draft the married men.

As the situation has developed, one might think that men were being drafted for 48 separate armies, not for one Army. In other words, if the State of New York has a shortage of single men, married men are taken. On the other hand, if New Jersey has available a considerable number of single men, married men or men with families are not taken. So there is a vast inconsistency in the way in which the law has been administered.

It is said that we should leave the matter up to the Administration. But we have done that. The trouble with Congress has been that, instead of writing into the law how the matter should be handled, we have turned the task over to the administrative authorities.

So far as I am concerned, what I am asking is that we cease turning powers over to the administrative authorities and that we have government of law, not of men.

Thomas Jefferson, the great founder of the Democratic Party, said that one should put his trust in no man, but should put his trust in the law.

The difference between a totalitarian government and a republic is that in a totalitarian government the people put their trust in one man. They become hero worshipers; they worship one man, whether it is a Hitler, in Germany, or a Mussolini in Italy, or a Stalin in Russia. They put their trust in Stalin; they put their trust in Hitler; they put their trust in Mussolini.

In the United States of America we have been drifting and drifting, day by day, week by week, and month by month, into totalitarianism, at a time when we say we are fighting for democracy all over the world.

So, today, I suggest that we no longer leave the working out of the problem to the Department. Let us say to them, "You have made a muddle of the whole thing; you have made a failure of the whole manpower program."

I do not know who is at fault. I do not blame Mr. McNutt. I say frankly that I do not know whether the fault is his or that of someone else. I do not know who is at fault.

Of course, the fault lies higher than Mr. McNutt. The failure is due to a lack of administrative ability at the head of the whole manpower set-up; because otherwise the failure could not possibly have occurred.

I agree with what the Senator said, that authority should be given to some one man if we are going to turn the power over to someone. We cannot turn it over to a dozen men or to half a dozen men and expect to have the power equally divided among them. Someone must have the "say."

This morning I read a newspaper story that Governor McNutt and Mr. Nelson have finally agreed that we can take care of an army of 11,200,000 men or perhaps 13,000,000 men—whatever the number may be. Very few Members of the Senate knew that Governor McNutt and Mr. Nelson felt that it would not be possible to raise an army of that size and still have the industries and the farms of the country carry on.

However, now we know that they have been forced into line with the views of the Army. What does the Army know about the general situation? I do not have any fault to find with the Secretary of War; I think he has been a very able lawyer, and probably was a very able Secretary of State. Years ago he probably was a very able Secretary of War. I am not going to argue that matter. I ask any Member of the Senate, What does the Secretary of War know about the conditions existing in the Middle West? What does he know about the farm situation in the Middle West? He has been a Wall Street lawyer all his life, except for the time when he held office in Washington. I am not holding that against him. I simply am saying that his whole background is one which does not enable him to obtain a comprehensive view of what is going on today on the farms and in the industries in the West and Middle West.

Who is there in the Cabinet or connected with it who does know? Yet it is the Secretary of War and the group in his office who are saying that we must have an Army of 11,000,000 men.

When we passed the bill providing that 18-year-old children be taken into the Army, what were we told? We were told that they would be taken so that married men with children would not have to be taken.

It has been said that we should not have any blanket exemptions. Who gave the blanket exemptions? The President of the United States gave them to the men from 38 to 45 years of age. Congress did not do that. The President of the United States did it by Executive order. What reason was given? Because, it was said, men between the ages of 38 and 45 years could not stand up under the rigors of military training. We were told that a number of them had to go to hospitals. I think probably that is true.

But did it ever occur to any Member of the Senate that as a matter of fact the present war is different from the wars of the past? Today's war calls for mechanical warfare. Have all Members of the Senate realized that if we have an Army of 8,000,000 men in combat service we shall need at least 1,500,000 men, and probably more, in noncombat service? Why should we draft men between the ages of 38 and 45 years, men who could be used in noncombat service, and make them march 20 miles a day with packs on their backs, and break them down? Why do we not train them for noncombat service—to be guards around the Senate Office Building, to guard the bridges around the city,

or to do similar work? However, older men have been trained for combat service. Men between the ages of 38 and 45 years—single men or married men without children—could be used in noncombat service; and all the younger men—many of whom are now sitting around in the War Department, and many of whom are used as guards around buildings or in camps—could be relieved from noncombat duties and could be sent into combat service. If that were done, it would not be necessary to break up all the homes in America.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. WILEY. I wonder if the Senator can give me information on one phase of this great question. He has presented some figures as to the number of men who have been deferred in the respective commonwealths of the country because they are essential in industry.

First. I should like to know how many million men are in the group of single men who have been classified as essential in industry.

Second. I should like to know what steps have been taken by the Government to supplant the so-called essential men with women or with married men.

For instance, the figures show that in Russia 80 percent of the work formerly done by men now is being done by women; that in Britain, women have taken over, practically en masse, the farming industry, and other women have gone into the manufacturing industries in such numbers that factory after factory—and this point is borne out by the testimony of the President's wife—is run almost entirely by women.

Now, back to that question, how many million men, if the Senator has the figures, have gone from the farm or gone from the cities and are now classified as essential workers? I refer to men who are single and whose place could be taken by the married men or by the women as has happened in other countries.

Mr. WHEELER. I am sorry I cannot give the Senator the figures; I do not think the Government has furnished any figures on that subject; I have not seen them at all.

Mr. WILEY. Can the Senator inform us to what extent the Government is reaching out to try to get women who are single and married men over 38 to take these essential jobs?

Mr. WHEELER. My understanding is that the Government is not doing anything on that line at all.

Mr. President, on February 12, Major General Hershey, Director of the Selective Service, said most draftees within the next 2 or 3 months will be chosen from fathers "because there will be no one else left to induct."

On February 14 General Hershey and Manpower Director McNutt told the Nation that nearly all able-bodied men of military age would be in the service by the end of 1943, except a small minority in essential jobs.

A few days ago the testimony before one of the committees was to the effect that married men with children are going to be taken this summer.

Let me say, Mr. President, that I am not making this plea in behalf of the married men. Some one wrote me a letter and asked, "Have not the married men got as great a stake in this country as have the single men?" I said, "Yes, perhaps they have a greater stake in the country than have the single men." But, Mr. President, I am not appealing on behalf of the married men, not at all, what I am doing is appealing on behalf of the children of the United States of America.

Let me call attention to the fact that one of the differences between totalitarianism and a democratic form of government is that in a totalitarian country, such as Germany, or Russia, it is said that the men and the women and the children belong to the state. In America we say that the state belongs to the people of the country. When we take the steps which are being proposed, to induct married men into the service, it will become necessary to place their children in some kind of an institution; it will become necessary for the mothers to go to work in factories and leave their children to be taken care of by someone else. As the father of six children, I know that children cannot be raised in institutions as well as they can be in their homes, and children cannot be left in the care of institutions, whether in charge of W. P. A. women or any others, and be brought up to become as good citizens as if their mothers and fathers took care of them. The taking of married men would break up the home life of America, it would destroy the future generation, it would break down the morals of the American people. Mr. President, I am not a prophet nor the son of a prophet, but I say—and I want those who listen to me to remember what I am saying here today—that when the fathers are taken away from their children there will be a moral let-down in the United States of America such as has never been witnessed in the history of this country.

Mr. BARKLEY. Mr. President, will the Senator from Montana yield?

Mr. WHEELER. I yield.

Mr. BARKLEY. Mr. President, I appreciate, as we all do, the earnestness and sincerity of the Senator from Montana in presenting and advocating this amendment. Nevertheless, the amendment does, it seems to me, complicate the bill now before the Senate. It is on a different line; it broadens the scope of the bill very considerably, and probably it is a matter that ought to be considered on its merits, as a whole, disconnected with this or any other bill. As the Senator knows, his proposal has not had committee consideration. That does not mean that a Senator may not offer an amendment simply because it has not been before a committee; I do not advocate any such position as that; but, in the case of a broad and comprehensive proposal such as this, it does seem that it would be better for a committee, some committee that has jurisdiction—and it would be the Military Affairs Committee in this instance—to obtain all the evidence possible as to the effect of it, and the fairness of it, as compared to other people and those already in the Army and Navy and other branches of the service. I wondered, in view of that, whether the Senator would not feel himself justified in not pressing his amendment to this bill and withdrawing it. I earnestly hope the Senator may do that, because his amendment is so controversial that it might prolong the debate, and at the same time bring about such a complication of the legislation itself as to cause a doubt as to the final result. I appeal to the Senator from Montana to give the suggestion his earnest consideration.

Mr. WHEELER. I thank the Senator from Kentucky.

Mr. McNARY. Mr. President——

Mr. WHEELER. I yield to the Senator from Oregon.

Mr. McNARY. I am in definite accord with the able majority leader in the request that the distinguished Senator from Montana withdraw his amendment and have it referred to a committee. It is a notable and worthy proposal and should be considered by a legislative committee. I, too, fear that it might imperil the final passage of the bill introduced by the Senator from Alabama [Mr. BANKHEAD], which most of us—I think the majority of us—would like to see passed today. I merely join with the Senator from Kentucky in the request which he has made.

Mr. WHEELER. Mr. President, I do not want to jeopardize the pending legislation; I do not want to delay its passage. I realize that the amendment, broad as it is, should have consideration by the Military Affairs Committee, and that hearings should be held on it. Frankly, the reason I offered it was because of the fact that statements are constantly appearing in the press to the effect that married men with children will begin to be taken into the service in the next month or so.

Mr. DOWNEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from California?

Mr. WHEELER. I yield.

Mr. DOWNEY. When the Senator concludes his immediate statement will he then yield to me?

Mr. WHEELER. Yes.

Mr. President, I feel keenly about this matter. I wish to call attention to the fact that I made a speech the other night—a short and hurried speech—over the radio on this subject. As the result of that speech, I received more than a thousand letters from women and organizations all over the country and from people in all walks of life. I have a few of them before me. I wish to call attention to an editorial from the El Paso Times. It is headed:

STOP DRAFT INJUSTICES

Senator WHEELER, of Montana, always has been distasteful to this newspaper—

The El Paso Times is not the only newspaper to which I have been distasteful.

Senator WHEELER, of Montana, always has been distasteful to this newspaper, but he was correct when he said in a radio address that the drafting of fathers should be prohibited "not for the purpose of saving the men, but saving the children."

As Mr. WHEELER contended, married men with children could fight more effectively

on the home front in producing the food and weapons of war for the United Nations.

This newspaper also is in complete accord with the Montana Senator's assertion that the greatest injustice done by inequalities of the selective service law is the system of drafting men on a local and State, rather than on a national basis.

Mr. WHEELER said every State should be required to exhuast its supply of single men before married men are called and that this procedure would have prevented the "inconsistency of some States already furnishing fathers to the Army while in other States single men still remain undrafted."

President Roosevelt, some time ago, apparently anticipated the criticism of the deferment of Government employees when he announced that a large number of them would be transferred to the fighting forces.

Nevertheless, Senator WHEELER advanced a powerful argument when he said:

"Washington alone could furnish a full Army division of men who are less essential to winning the war than the housewife who saves her kitchen fat. Their deferment evaded the spirit and intent of the draft law."

It is desirable that the War Department have a great deal to say about the formation and training of our fighting forces, but Congress would do well to straighten out inequalities in the selective service law.

Let me call attention to the fact that this newspaper has criticized me violently because of my position regarding the war. It has been one of the most strongly interventionist and pro-administration newspapers in the United States. Yet it expresses the feeling of the people of the United States with reference to the inequalities which exist.

Some think that there is a great deal of dissatisfaction and a growing bitterness in the country, and everyone on this floor knows that there is. We know that American morale is weakening, because of the things which have been going on, because of the bureaucracy and other things in Washington. It is weakening because the people see in Government bureaus all over the country young men who should be in the armed services. It is weakening because of the tremendous number of questionnaires being sent out; because of the tremendous waste and extravagance; because of the propaganda being sent out to the newspapers and to the radio stations, which the bureaus are overdoing; they are overplaying their hands. Everyone who knows anything about the psychology of the American people knows that over-propagandizing can be overdone, and that is what some officials in Washington seem to have forgotten entirely.

If my colleagues think for a moment that they have seen something, wait until the Government starts taking the American farmer away from the home, and leaving the wife and the children there, to be turned out into the street, perhaps, forcing the mother to go to work in a factory, leaving two or three or four or five or six children. I say that they will not only break down the morals of the country, but it will break down morale. If there is one thing the administration should know, it is that it is not possible to drive the American people too far. When they start taking men away from their children, and putting the children in institutions, as has been done in Russia, and as has been done in Germany and Italy, I fear for what will happen to the United States. Perhaps I am overly pessimistic; I hope I am. But I think I am a realist about the matter, and I think I see what is going on, and know what is going to happen to the United States if the Congress does not call a halt.

We have turned the matter of manpower over to the Army and to the administration. They have failed in their manpower efforts, and now, because of the chaotic conditions which exist, because of the fact that they permitted some of the industries which have been on a 10-percent-plus basis to overplay and overstaff, we are brought to the condition in which we now find ourselves. I have received letters from men working on the Pacific coast, men who went from Montana, or who formerly lived in Montana, who have told me in their letters not to mention their names, stating that in the factories in which they are working people are falling over one another, or that they are falling over one another in some shipbuilding plant, that they are not doing anything. The more men there are on the pay rolls, the more money the owners receive from the United States in commissions. That is one of the reasons why there is this chaos in the manpower situation.

If that were not enough, go down to the War Department itself and observe the conditions. Do not go to some of the other agencies but go to the War Department itself. A young lady from my State whom I had never met came to my office and said that she was quitting her job there because she had been there for 6 months as a stenographer, having come from Missoula, Mont., and was resigning because she thought it was unpatriotic to draw a salary when she had not earned a 5-cent piece, for she had done no work. She said, "We are told that when anyone comes in to start pounding the typewriter in order to make it appear we are busy." Why is that? It is because if those in charge have 10 people working for them, they get one rate of pay, and if they have 20, they get more.

There is confusion and chaos in the War Department, which is overstaffed, and there are men walking around who should be in the combat service, with older men taking their places. There are physically fit young men in the State Department who are employed there because they speak some foreign language. One can see them around at teas. Could not the Department get some older men who speak a few foreign languages, and let the husky young fellows, single men, go into the armed forces and do a little combat service, instead of going around with their handkerchiefs up their sleeves? If some of them were met in eastern Montana, where the cowboys are, the cowboys would say, "I don't know whether to kiss them or kick them." [Laughter.]

Mr. REYNOLDS. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. REYNOLDS. Unfortunately I have been unable to be present and hear all the Senator has said with regard to the amendment which I understand he has offered with reference to the deferment of married men. I was wondering whether the Senator would not agree to withdraw his amendment and let it go to the Committee on Military Affairs. If the Senator will do that I assure him that we shall be delighted to welcome the Senator before the committee, to appear personally in regard to his amendment, or to bring any witnesses, and we will give him a hearing. I think that bringing the matter up now, and endeavoring to have it attached to the pending bill, is rather complicating matters. I hope the Senator will accept my suggestion.

There are many of us who are very greatly interested in what the Senator has to say, and there are many in this body, I dare say, who share the Senator's views with regard to the matter. I recognize that there are millions of people in this country who share the Senator's views. But the amendment the Senator has in mind is one of considerable importance, and I think it is one which should be given some study, too. I think it is a matter which should be considered generally and at length, perhaps, by the Committee on Military Affairs, which interests itself in the Selective Service Act.

I hope the Senator may find it possible to withdraw his motion, send the amendment to the Committee on Military Affairs, and let us consider it there. As I have said, we shall be glad to have the Senator come before the committee, and to hear any witnesses he may have to offer. If action should not be taken by the committee, the Senator would always have an opportunity of getting the amendment up, offering it as an amendment to some other bill. I hope the Senator will accept the suggestion.

Mr. DOWNEY. Mr. President, will the Senator from Montana yield to me?

Mr. WHEELER. I yield.

Mr. DOWNEY. Before the Senator from Montana states his position, inasmuch as the minority leader and the majority leader, for whom I have the highest respect, have been urging upon the Senator from Montana to withdraw his amendment so the consideration of the pending bill could be concluded tonight, I should like to suggest that I, too, have an amendment to offer, which provides, in effect, that in areas where there is a desperate shortage of transportation workers the same exemption may be applied to such workers as is applied in the bill to the farmer.

I wish to say to the distinguished Senator from Oregon that I have recently returned from the West, and that unless immediate action shall be taken, within the next 2 weeks, I fear it will not make any difference whether or not the farmers of the Pacific coast grow food products, because there will be no transportation for them.

I wish to say that every day for the last 90 days there has been a greater amount of freight piled up around the San Francisco Bay area which the trucks could not handle than there was the day before. There is freight in carloads,

which can not even reach the San Francisco ports, 75 and 100 miles away.

The conditions are so terrible—and I use that word not with any exaggeration—that the truck drivers are working 75 to 100 hours a week. The rate of accidents has increased 4 or 5 times. Valuable trucks and their equipment are being destroyed. Men are dying at the wheels, men are passing away on the jobs.

Mr. President, at the present time there is inability to move the essential war goods by the truck drivers who can be employed. The Government intends in the next year to send to the Oakland and San Francisco ports double or treble the amount of lend-lease goods that have been going there. It intends to increase tremendously the shipment of war materials to the aircraft and shipbuilding factories, and to place in San Francisco several hundred thousand more soldiers for training than are there now.

The trucking proprietors and the members of the trucking union have told me there is not the slightest possibility that the transportation systems of California can even handle the essential war goods, excluding farm crops.

Mr. President, I desire particularly to call to the attention of the senior Senator from Montana the fact that 80 percent of our farm crops are moved by trucks belonging to transportation companies, and not belonging to the farmers. The trucking companies of California have served notice upon our governmental agencies for weeks and months that the way things are going there will not be one truck available to move farm crops. I wish to say to the Senate of the United States that we are headed toward food riots and famine in fertile California. Even though we can by some miracle get the men on the farms to raise the food, we are not going to be able to transport it.

I have documented my statements made before the Military Affairs Committee with the written statements from the trucking companies and the railroads, and those statements clearly indicate to any man, unless he is blind and deaf, that we are headed toward the break-down of our economy in California.

Consequently I want to serve notice upon our distinguished leaders, that much as I respect their desire and wish and will, even though the senior Senator from Montana should not do so, I am going to endeavor to present to the Senate, and hope someone will listen to me, the desperate and terrible facts about conditions on the Pacific coast.

I may say, Mr. President, that yesterday or day before, while I was testifying in very vehement terms about the terrible conditions in California, the proprietor of an ambulance system came to see me, and heard my testimony. I knew I had been excited and indignant, and I said, "Did you think my statements were exaggerated?" He said, "Senator DOWNEY, you did not tell half the truth."

One of the statements I had made was that Alameda, a small residential town next to Oakland, formerly had 20,000 people and 20 doctors, but now has 10 doctors and 50,000 people. One doctor is required for every 1,500 population; otherwise our people cannot be properly taken care of. There in Alameda we now have 1 doctor for 5,000 people. The proprietor of the ambulance concern said to me, "There are terrible things now happening in the bay area. People are dying without medical care; people are dying because they cannot get into the hospitals." The night before he left there he was called to one man who had a burst appendix and who lay writhing for hours upon a bed of pain. Not one doctor could be gotten to attend him and no hospital space was open. That same night a woman lay for hours with a serious hemorrhage, and no doctor could be found to attend her and no hospital could provide for her.

There are literally hundreds of people in California who this week will die upon beds of pain because the doctors and the hospitals are not there available to take care of them. Hundreds of thousands of our workers are not getting enough to eat. Our entire civilian economy, Senators, is breaking down, and I am at least going to endeavor to tell the Senate and those living in the rarefied atmosphere of Washington what is happening, even though nothing will be done.

So I desire to serve notice that I have an amendment which I intend to press, consideration of which will certainly take the remainder of the day.

Mr. WHEELER. Mr. President, I have a very great and fond affection for both the Democratic leader, the Senator from Kentucky [Mr. BARKLEY], and the Republican leader, the Senator from Oregon [Mr. MCNARY]. I hesitate to press my amendment when both of them have asked me not to do so. I wish to finish some remarks, however, with reference to the amendment. I shall do that, and then, in compliance with the requests which have been made by the chairman of the Military Affairs Committee, the Senator from North Carolina [Mr. REYNOLDS], and the Republican leader, and my good friend the Democratic leader, I shall not press my amendment to the bill. I wish to serve notice, however, that unless the Military Affairs Committee acts in the near future I shall offer my amendment as an amendment to some other proposed legislation which may soon be brought up.

The Senator from California [Mr. DOWNEY] spoke of the lack of doctors in California. Recently a doctor in my State wrote to me offering his services. He happens to be a man about 60 years of age, but a very competent surgeon. I took the matter up with various departments but could find no place where he could be used in the war effort.

Mr. President, I wish to call attention to an article published in the Washington Post on March 7 of this year. This is another newspaper which, like the El Paso Times, could very well say that I am distasteful to it. I certainly am to some of its columnists. The article is by Marshall Andrews, and is headed:

LIMITED SERVICE TASKS SUGGESTED FOR MEN 38–45 WITHOUT DEPENDENTS

I read from the article, as follows:

Mechanization of warfare has one peculiar and paradoxical effect in that it has made vastly more important than ever before the factor of men.

Warfare never was a simple matter of counting noses and taking into the field a greater number of men than the enemy could muster. If that had ever been true, the nation with the largest male population would have been invincible without ever having to fight a war. Rather have wars been won or lost, aside from moral factors, by the ability of nations to supply and feed their armies after the armies themselves have been raised.

Mr. President, a few days ago I called attention to one of the longest editorials that has ever appeared in the New York Times, dealing with this very subject, and pointing out that as a matter of fact it is entirely possible that a 5,000,000-man army might be far more efficient and better than a 10,000,000- or 12,000,000-man army. I continue to read:

Today's armies require an infinitely greater amount of supplies than armies have ever required before in history. They travel in motor vehicles and fight in motor vehicles protected by armor. Their weapons consume limitless quantities of ammunition and their motor vehicles limitless amounts of fuel.

They fight across distances of water which no general in his right mind would have dared try to surmount a few hundred years ago.

All these things, these motor vehicles and these automatic weapons with their vast appetite for ammunition, and the great waterborne supply lines which must be maintained in the face of enemy opposition, have made industry fully as important in warfare today as armies themselves. And the people who work in these industries as well as the soldiers who fight in the armies must be fed and clothed and transported.

That is why manpower and the proper disposition and use of manpower has become a problem which threatens to disrupt the front behind the front unless something intelligent and forthright is done and done soon to meet it.

* * * * *

At present it appears that young men with families must be drafted unless Congress decides otherwise. And, unfortunately, Congress has provided nobody to take the places of these young married men should their induction be forbidden by law.

We have not taken any such step, because we have left it to the administration. When the administration says it is not going to take men from 38 to 45 and put them in the noncombat service, then, of course, the probability is that married men with children will be taken.

Mr. President, I ask that the entire article be printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

The article is as follows:

LIMITED-SERVICE TASKS SUGGESTED FOR MEN 38–45 WITHOUT DEPENDENTS

(By Marshall Andrews)

Mechanization of warfare has had one peculiar and paradoxical effect in that it has made vastly more important than ever before the factor of men.

Warfare never was a simple matter of counting noses and taking into the field a

greater number of men than the enemy could muster. If that had ever been true, the nation with the largest male population would have been invincible without ever having to fight a war. Rather have wars been won or lost, aside from moral factors, by the ability of nations to supply and feed their armies after the armies themselves have been raised.

Today's armies require an infinitely greater amount of supplies than armies have ever required before in history. They travel in motor vehicles and fight in motor vehicles protected by armor. Their weapons consume limitless quantities of ammunition and their motor vehicles limitless amounts of fuel.

They fight across distances of water which no general in his right mind would have dared try to surmount a few hundred years ago.

DISPOSITION IMPORTANT

All these things, these motor vehicles and these automatic weapons with their vast appetite for ammunition, and the great water-borne supply lines which must be maintained in the face of enemy opposition, have made industry fully as important in warfare today as armies themselves. And the people who work in these industries as well as the soldiers who fight in the armies must be fed and clothed and transported.

That is why manpower and the proper disposition and use of manpower has become a problem which threatens to disrupt the front behind the front unless something intelligent and forthright is done and done soon to meet it.

It is too late to apply the obvious remedy of determining the job for which each man is best fitted and placing him in that job. The armed forces already have taken 6,000,000 or so men out of industry and industry already has taken hundreds of thousands from the farms. To juggle the situation now so all these people could be fitted back in their proper places again is obviously impossible.

ASPECTS CONFUSING

It is difficult for the man in the street to see the manpower question in all its aspects.

He is assailed constantly by the claims of too many interested factions, of politicians angling for votes, of union leaders bidding for power, of farmers determined to take advantage of their first opportunity for profit in a generation, of the Army and the Navy with a war to win and needing plenty of able-bodied men to win it.

Women have taken the places of men in large numbers in industry and have done so efficiently and well. Proposals have been made in Congress to change the Selective Service Act in one way or another, chiefly so as to make the greatest numbers of voters happy. Farmers have sold their herds and left their land, for lack of hands to produce crops, and have followed their hands into industry. Yet the manpower problem remains where it was and what it was and a great deal of talk and writing has done nothing to alleviate it.

ONE SOLUTION

While admitting that the civilian agencies having to do with manpower and its use have done little so far beyond muddying the water, the Army and Navy appear to have at hand one simple measure which should aid the situation if they would only apply it.

Shortly after the draft age was lowered to include youths of 18 and 19, the Army stopped inducting men over 37. Then all control of selective service was placed in the hands of the War Manpower Commission, headed by Paul V. McNutt, and induction of men above 37 for all the armed forces was halted. That was done because these men of what the Army called advanced age were found unable to bear the rigors of training.

It was discovered, in fact, that less than 3 percent of them could even pass the physical examinations for admission to the service.

This action appears based upon the assumption that every man who wears a uniform is destined for combat service. That is not true.

There are hundreds of thousands of men, most of them able-bodied and fit for service on any front, now enrolled in service units and zone of the interior military police battalions and inland antiaircraft regiments. These men will never see actual fighting, except in the most extreme circumstances.

MILLION MEN AVAILABLE

On the other hand, there are approximately 8,000,000 men, 38 to 45 inclusive, who have not been called for service and, under present rules, never will be. Of these 8,000,000, some 3,000,000 are without dependents.

If two-thirds of these men without dependents are not engaged in essential occupations, which certainly should be the determining test in whether to draft single men, then a million men are available for service who are not being used. These men, or as many of them as can pass limited physical tests, could be drafted for limited service.

In that capacity they would release for fighting the thousands of able-bodied youngsters who now are pounding typewriters and issuing clothes and cooking and doing all the sundry other household chores for service installations here at home. They could take over the duties of guarding the White House and the Capitol and the reservoirs of cities and important bridges and the like and let young men in military police battalions and infantry regiments go to the front. They could replace able-bodied young men in the antiaircraft batteries set up in American cities against the remote chance that an enemy airplane or two might reach the continental United States.

WOMEN USED IN ENGLAND

Women are used in large measure to man these batteries in England, where they have been fighting enemy aircraft for 3 years.

The Navy to a great extent and the Army to a lesser degree have replaced men in office jobs with women. After the first heady burst of romance died, efficient office girls have not been in any too great hurry to exchange jobs at good wages for enlisted pay and military discipline, but beyond this is the fact there are many military jobs at home for which women are not well fitted.

These jobs include military police and guard duty, which can be performed as well by men over 38 as by the fit young soldiers who now fill them.

GAP MUST BE FILLED

The men who would be released for active service by such a draft of older men would fill a gap which must be filled in one way or another. At present it appears that young men with families must be drafted unless Congress decides otherwise. And, unfortunately, Congress has provided nobody to take the places of these young married men should their induction be forbidden by law.

A valuable byproduct of drafting older men for limited service undoubtedly would be that a great many of these men would rush to take their places in essential industry or on the farms to make themselves no longer liable to call. Thus the manpower situation as a whole, as well as that of the services, would be in some measure alleviated. Obviously the manpower muddle is not going to be cleared by arbitrary legislation which does not take into consideration all the many and conflicting factors which contribute to making it a muddle. Nor is it helped by confusing and contradictory ukases from Manpower Commission headquarters.

The time to apply the obvious panacea has passed. Yet it does appear that one huge reservoir of men has not been tapped, men possibly unfit for fighting, but who can release hundreds of thousands of men who are fit to fight.

Mr. WHEELER. Mr. President, I wish to call attention to some letters I have received. One is from St. Louis, Mo., and I read from it:

MY DEAR SENATOR: It is after much deliberation that I write this letter to you at a time so busy as this, but I feel that I represent the feelings of thousands of other mothers in so doing. * * * I believe every mother who is faced with the great responsibility of molding character and citizenship into our future Americans, upon whose shoulders the bulk of repair will fall, agrees in backing you all the way.

It is so much deeper than purely financial, when the head of the family is taken away, although that alone is a serious problem too. Records bear me out in the fact that juvenile delinquency is rampant in divided homes; the Nazis have a fashion for increase in population, but the destruction of the standards of real home life is showing its effects now, and they are being reminded too late that the home is still the backbone of the nation.

Everyone who has had anything to do with civic affairs knows that what this lady says is true—that juvenile delinquencies are rampant when families are broken up.

That is what we are about to do in this country. We are about to break up the home for the purpose of saving homes in America. We are about to break up the homes and take the fathers away from their children in order to bring about the "four freedoms" over in China and in Russia. Freedom from fear. What are we doing? We are instilling fear into the mind and heart of every man, woman, and child in the United States, particularly the children of the country, when we take the fathers away from them.

I continue reading from the letter:

If our population is to continue to increase, and still remain of the highest type possible, we need to concentrate on the sound, solid families who form the front line of defense at home. It is my conviction that any of these families will save more, work much harder, and really sacrifice time, money, and if the time should come that it were necessary, even give their lives willingly for home and country all the more so when their family is welded solidly together.

After all, are there any of us who now do not have brothers or sons, or other loved ones in the armed forces? Would we dare not to back them with every ounce of strength, every waking minute of very long days, and with our prayers, and with every sacrifice within our power? Everyone cannot go into combat, but everyone can be a real soldier at the battle front or home front, and who can do more good at the home front than real fathers, who have found the genuine thing in life worth fighting for, posterity and its freedom? Who of them could be a slacker?

This is the first letter I have ever written to a statesman, and the things I have not written so well, nor are they new to you, but they express the gratitude in my heart to you for what you are doing, to help end this

war victorious, and at the same time help us mothers to rear the finest Christian Americans the world has ever seen, and I pray that each of us may do our very best in backing our brothers and sons who are giving their all, so that we may live to give the new generation the opportunity to be the greatest ever.

Sincerely,

MAURINE C. DENMAN.

I now invite attention to a letter from Oakland, Calif.:

FEBRUARY 26, 1943.

DEAR SENATOR WHEELER: Our wholehearted support on your new bill which will defer from the draft fathers married prior to December 7 until all other single and married men are taken. We, the undersigned, were married prior to December 7 and also prior to the original draft bill back in 1940.

It does not seem fair to our children, because God willed that they be born in these unhappy times, that they should go through life branded as "illegitimates."

Being connected with our Oakland Board of Education for several years before my marriage I know that 93 percent of our problem children come from broken homes. What is to become of our babies if your bill is not passed? Are they to become the problems of the future as we must face the fact that all of our husbands will not come back? If you yourself are a father, you know that to send the fathers of our children off to kill and destroy would be to kill and destroy the future of the coming generation. How can a child be properly guided through life without the backbone of the family, a father?

We are pulling for you and your bill, heart and soul.

That letter is signed by a number of ladies in California.

I quote from a letter which comes from New York:

May I add my voice to your movement to amend the Selective Service Act to provide for the drafting of all single men up to age 45? The disrupting of families by the taking of fathers, when there are available healthy bachelors, is an outrage and against the best interests of the home, that last fortress of a democracy.

Here is one from Omaha, Nebr.:

I read in the last evening's World-Herald of this city that you are drawing up a bill which included taking all able-bodied Army men from desk jobs. I think this is the most commendable bill I know of. I have long been noticing this situation. At first I definitely thought that this was a job for the military to decide alone, but now I feel it is high time for Congress to take a hand.

Here in Omaha last week a major received his promotion to lieutenant colonel. He is a West Point man. His job: In charge of permanent archives being established here for Civilian Conservation Corps records under the Washington Adjutant General's office. At this critical time a building was taken over, vital shipping space being used, and a force of at least 200 is being used at this time to strip (throw out many of the files that were shipped) and to consolidate these files. Since these records must have been available at the various service commands, I feel the project of consolidation would have been a very good one for after the war.

I give you my name and address in confidence.

Many of these letters which come to me say, "Don't use my name." The writers are afraid. Men and women of America are afraid to write to a United States Senator, afraid that the fact that they write a letter to their Senator or Representative may be used against them, or that they may be checked up by the F. B. I., or someone else. We talk about freedom of speech in America. We talk about one of the "four freedoms"—freedom from fear. Yet, as I have already said, we are attempting to instill fear into the hearts of the American people.

Here is a letter from New Orleans. I quote a paragraph:

It is a sad situation in life when children do not have a father for their guidance. The mother, then, has to go out and earn a living, leaving her small children to shift for themselves, the best way they can, while she is away at work. This has a tendency to destroy the American home.

Please do all you can to help defer the fathers of American children. Thanking you for any consideration whatsoever, I am—

I now quote from a letter received from Kansas City:

But have you considered, sir, how very strongly such a bill would affect those of our boys, married and single, who are now fighting on foreign fronts, or those stationed at present within our country or its territories?

* * * * *

We must realize that the drafting of fathers will shatter the dreams that sustain these boys wherever they are. They are fighting for America, and to them America is American homes. It is what they left behind, what they hope to come back to. They feel that theirs is the lot to fight for and protect the principles which they cherish. They leave to their brothers at home the duty to sustain these precious principles.

Every single American boy who goes away is looking to the day when he can have a home. Yet, Mr. President, we are taking married men and putting them into service. Where is the mind of a married man when he is sent to Australia, or to a camp for a couple of years in Florida, Texas, or some other place? What is uppermost in his mind? He is wondering who is taking care of his children, and how his wife is getting along. He is wondering whether they are having the proper care.

We talk about men 38 years of age and over not making the best soldiers. I questioned General McNarney before the Committee on Agriculture and Forestry with reference to the question of whether or not married men with children made good soldiers. His reply, of course, was that they were not as good soldiers as unmarried men.

Mr. BONE. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. BONE. There is one aspect of this problem which has interested me very much, and that is the allowance made for the wife and children—if there be children—who remain at home. For the purpose of the RECORD, will the Senator indicate what allowance is made by the Government to the dependent wife and children of a soldier when the husband is taken into the Army?

Mr. WHEELER. I believe other Senators can answer that question better than I can. I did have the facts, but I do not now recall them.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. TAFT. The wife is allowed $28; and an additional $22 must be allotted by the soldier. So she receives $50 a month plus $10 or $12 for each child.

Mr. BONE. I am wondering if any effort has been made to examine that particular aspect of the problem with the view of making a much more generous allowance for the family. It might eliminate some of the hardships. Obviously, no woman can maintain a home on $50 a month. It is utterly impossible.

Mr. TAFT. I agree with the Senator from Washington. I believe that a reexamination should be made of the whole subject of allowances to dependents of soldiers and that a better system can be devised, now that we have had some experience in that field.

Mr. BONE. It seems to me that if there is to be any effort made to maintain standards of common decency in American homes where the father has been drafted—assuming it to be proper to continue to draft married men—some decent provision should be made for the support of the family.

If that field were thoroughly explored, and Congress made some reasonable provision for the wife and children at home so they could maintain some sort of a decent standard of living, it might eliminate some of the objections which the Senator from Montana [Mr. WHEELER] has registered against drafting married men. I do not know whether the Senator has emphasized the inability of the wife at home to maintain decent standards, but it is a stark tragedy for many. Fifty dollars a month is not a decent standard unless the wife is able to work.

Mr. WHEELER. Exactly.

Mr. BONE. And if she has little children she cannot work.

Mr. WHEELER. I am glad to have the Senator call my attention to that point. Take a woman receiving $50 a month, with the cost of living constantly going up. How can she properly provide for herself and her children unless she has parents who can support her? She must go to work. She must put her children in some kind of an institution during the day, or hire somebody to take care of them. We all know that today servants are hard to secure.

Mr. BONE. Of course, if we are going to create an army of the size we contemplate, counting the civilian members of our fighting forces we probably shall have 15,000,000 in our armed forces. In order to obtain a force of that size, it would seem that it would be necessary to draft married men. But if we are going to draft married men, I think we must consider the problem of supporting their families, and Congress would have to be more generous. Supporting their families would be a part of the cost of fighting the war, and there is no escaping the cost. If we are going to take married men with families, we must be prepared to pay the necessary and vital expenses incident to using such men in the armed forces. One of those expenses is that involved in the maintenance of the families at home.

Mr. DOWNEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. TUNNELL in the chair). Does the Senator from Montana yield to the Senator from California?

Mr. WHEELER. I yield.

Mr. DOWNEY. Let me say to the distinguished senior Senator from Washington that it is now admitted that we cannot even approximate our war program unless we utilize the services of and take from the homes of America most of the married women with children—women who are of an employable status. There will be no sympathy with the suggestion of the Senator from Washington; because it will be the desire of the Government to leave the women with children in such financial condition that they will have to work.

Mr. President, in California we have exhausted every reservoir of labor except that constituted by mothers with children at home. Now we are starting on the last desperate drive to establish nurseries. So there will be no sympathy with the Senator's suggestion that the woman whose husband is taken from her, and who is left with children, will have to be given enough to live on.

Mr. BONE. It is unfortunate that what has been said by the Senator from California probably is true. It is a great tragedy. I know how he feels about the situation. But every authoritative statement I have seen indicates that 8 or 10 people working at home, turning out civilian goods and war goods, will be required in order to maintain our Army in the field and to produce the ships, tanks, and other things vitally needed in the war effort.

If that be true, of course women will be utilized in that effort. But a very peculiar emotional condition will arise in the country when men find their wives and children up against that sort of situation. We might as well face that fact. I do not know of any other answer than to give the women who have children at home enough money to live on.

Mr. President, this war will not be a cheap war. We might as well abandon that idea now, if we cherish it. It will be a very expensive war. It is an all-out war, and will require the expenditure of vast sums of money. The sooner Congress abandons the idea that it is going to be thrifty in some respects—particularly as to the ones I have mentioned—the sooner we shall make progress along the line of taking care of the situation at home.

Mr. WHEELER. Mr. President, let me read a letter I have received from Stamford, Conn.

STAMFORD, CONN., *March 11, 1943.*

Hon. BURTON K. WHEELER,
Senator from Montana,
Washington, D. C.

HONORABLE SIR: I was encouraged to read in the papers recently that you were making a determined effort to postpone the drafting of married men with children.

Although I am only 30 years old, I am responsible for a wife, two pre-Pearl Harbor children, and within a few months another child. I do not intend to argue against those who are in a position to know what the size of the Army should be. However, I am very worried about the support of my family, if and when I am drafted. Surely the Government cannot expect a woman taking care of two children, and probably three, to earn a living working in a factory and, as you know, the allowance which the Government will grant a family does not even pay the rent which I am sure the landlord will try to collect every month. Of course, these facts are all known to you; however, it seems to me that when fathers are drafted the ones with one child and then two, and so on, should go first. I also wonder how much fight the Army expects to get out of a guy worried how his wife and children are going to eat from one day to the other, particularly when millions of soldiers are still in the country. I traveled and lived in Europe prior to 1932 and I came to the conclusion that the chaotic situation in Germany which brought about Hitler's rise to power, to a certain extent can be attributed to the lack of a home and family unit as a whole. Hitler broke up the home first and brought about dissension among its various members, and we are now proceeding to do the same thing. I shudder at the thought of small children being brought up without a father as well as the bare necessities of life, about which we read and talked so much. Post-war security is all very well, but, what about security now for those who are the backbone of the Nation?

I can only hope that you and others who think alike will be successful in your efforts.

Respectfully yours,

L. H. TRUESNER.

Mr. DOWNEY. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. DOWNEY. Let me say that California is now far along the road leading to the demoralization and chaos in which the whole Nation will find itself plunged in 90 days. For several months we have had tens of thousands of married women with children working in our defense factories. The workers in California—take, for instance, those in the aircraft industry—have been castigated because of the large percentage of those who have quit their jobs. If we eliminate from consideration the separations from work caused by military demands, we find that the overwhelming proportion of persons quitting their jobs in aircraft factories have been women. Why have they been quitting? Those who have been quitting have been married women with one, two, three, or four children—women who have been keeping house for their husbands, women who have been working 15 or 16 hours a day, until their health and energy have broken down, and they have had to give up their jobs.

Mr. President, the individual tragedies among children left at home, left alone—left locked up in a garage or in an automobile, left to the care of some neighbor, or even left all alone—are almost infinite in number in California. We are so heavily burdened that we are going to create nurseries. However, we do not have the necessary transportation, food, housing, or workers. So, Mr. President, I say that if other Senators would go to California now they would see there an example of the demoralized and decayed economy which I predict will be found everywhere else in the United States within the next 90 days or 6 months.

Mr. WHEELER. I thank the Senator.

Mr. President, I read now from a letter which I have received from A. Q. Miller, publisher of the Belleville Telescope, Belleville, Kans.:

THE BELLEVILLE TELESCOPE,
BELLEVILLE, KANS., *March 6, 1943.*

Hon. BURTON K. WHEELER, M. C.,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: Your statement regarding draft of married men with children—breaking up the American home—until the manpower problem is more fully explained to the average citizen is sound.

So far as I know the big-army fellows have not yet explained the need of a 10,000,000 man Army—especially if it is going to dislocate our domestic economy and cripple our food production, as is apparent.

Why don't we go to the source of the manpower problem—the draft—and deal with the problem instead of treating the symptoms? The whole question goes back to the size of the Army. Senator BANKHEAD, I believe, made a statement the other day that by the end of 1943 we would probably have on foreign soil about 2,600,000 men, and at that time there would be more than 5,000,000 still in training in this country (out of the war and out of productive enterprise).

* * * The big war fellows will never take a sane and realistic view of the domestic side of the picture—that will have to be done by the Congress, and that is what the people are expecting the Congress to do, protect the home front as well as the war front by a balanced manpower.

Be assured, the country is back of you in your courageous fight to keep the manpower in balance, so as not to dislocate and hamper the war effort, and at the same time preserve the constitutional rights of the Congress.

Yours sincerely,

A. Q. MILLER,
Salina, Kans.

Let me say, Mr. President, that all the letters I have received and have read have come from people, all of whom want to have the United States win the war, and want to do everything they can to help our country win the war, but who feel that when we draft millions of married men with dependent children, instead of helping win the war, we hurt the war effort more than it would be hurt by anything else which could possibly be done.

I read now a letter which I have received from a resident of East Berlin, Pa.:

EAST BERLIN, PA., *March 8, 1943.*

Hon. BURTON K. WHEELER,
Washington, D. C.

DEAR SENATOR WHEELER: * * * I would like you to know how much I appreciate the fact that you intend to sponsor legislation which would go a long way toward maintaining the standards of the American home.

I am convinced that no nation can ever rise above the level of its homes, and I believe that the integrity and stability of the home would be definitely endangered if fathers were to be called into the service before all other means of obtaining manpower have been exhausted, in other words before all available men without children have been taken.

I am convinced, too, that Congress, rather than some governmental agency, should be entrusted with determining the proper ratio which should exist between the size of the Army and the civilians necessary to properly support this Army, and that Congress alone should determine the procedure to be followed in raising this Army.

I certainly hope that your legislation, or similar legislation such as Congressman KILDAY is sponsoring, will soon be acted upon

favorably, thus placing authority over this vital matter where it belongs.

Your devotion to your country, and ours, has inspired well-thinking Americans for years and I wish you continued success in all your efforts.

Yours very truly,

JOHN H. MYERS.

Mr. President, one Member of the Senate suggested to me today that possibly the amendment should not go as far as it does, that possibly we should entirely eliminate the taking of married men with families, or at least should exempt them until January 1 or February 1, 1944. I should have no objection to an amendment to that effect; but I say that before we start taking married men with families we should examine the problem more carefully than it has thus far been examined. We should examine the question of how many single men between the ages of 38 and 45 years we can obtain for noncombat service. As a matter of fact, a great many men over 45 years of age could be used for noncombat service. We even could use Senators who are 60 years of age for such service. Men of those ages could do a great deal of the noncombat service. Men 60 years of age could serve as watchmen around the Capitol, and as guards at bridges and at various other places throughout the country.

Mr. HOLMAN. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. HOLMAN. Does the Senator think that, by any possibility, some of the keymen in the departments, men designated as keymen—colonels and such—could be spared?

Mr. WHEELER. I think there is no question that they could be spared. As I said a while ago, if we go down to the War Department we find that it presents one of the worst examples of wasted manpower in the country. We find that to be the situation in the War Department itself.

Mr. President, I have here a letter from North Dakota along the lines suggested by the Senator from Oregon. The letter is marked "Personal," and the writer says:

Being in civil service since November 1, 1940, and listed as Administrative Assistant, State headquarters, Selective Service, I would like to remain in the Government service, so I know you will, Senator, not bring my name into the picture.

He states in the letter:

One thing you are questioning which I believe will bring forth some injustices and cover-ups is the number of officers assigned to noncombat duty.

The very thing about which the Senator was speaking.

Take Selective Service as an illustration—an officer detailed to Selective Service cannot, I understand, be transferred out. One illustration of this is an officer who was formerly here—Major Roquette who was transferred to Wyoming State headquarters but doesn't like it and wants to be transferred to active duty with troops—but cannot as he is permanently detailed to Selective Service.

The regulations of Selective Service you will note are so written that practically no one except a commissioned officer can be on a State headquarters staff, and where there were any in any of the States who were not I believe they have all been or are in the process of being eliminated. Here in North Dakota there are 7 commissioned officers on the State headquarters staff; their pay and compensation amounts to approximately $40,000 per month, some $5,000 a month more than received by all of the other 18 employees in addition to 2 enlisted men who are detailed here.

The same policy is followed here as is now being started in the Manpower Commission; all of these officers are "experts." All of the officers here are within the combat age for duty with troops, but as above stated, they are permanently detailed to Selective Service and cannot be transferred. Notwithstanding the fact that there has always been in my opinion too many officers here, a new one was recently transferred in and since has been promoted to captain.

Mr. SHIPSTEAD. Mr. President——

The PRESIDING OFFICER (Mr. AUSTIN in the chair). Does the Senator from Montana yield to the Senator from Minnesota?

Mr. WHEELER. I yield.

Mr. SHIPSTEAD. It seems reasonable to me that they should take some of the older men, men over 45, and put them in uniform to do administrative work all over this city. All over the United States, where there are defense plants, there are young men in uniform doing work as inspectors and accountants, and it seems to me that if women can be called upon to do farm work, women could perform clerical work in the departments or could work as messengers, and we could get older men to work as accountants, and to do other work the young men strutting around in uniform are called upon to do. It is not military work at all.

Mr. WHEELER. I agree with the Senator. Do Senators recall how many of these boys in the departments were shouting for war? They wer shouting for war, shouting for the administration's foreign policy, and for war. They were great patriots. They wanted to fight—until war was declared. Then they sought refuge in the departments in some soft jobs, and are there yet. Ginsburg is a good example of it.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. CLARK of Missouri. I agree entirely with what the Senator has said about the overcrowding of the departments, and in fact the departments are filled with useless employees. My father once said, in peacetime—and of course it is very much more applicable in wartime—that the Government would be very much better operated if half the employees were discharged and the other half were made to go to work.

Mr. SHIPSTEAD. That is true.

Mr. CLARK of Missouri. I must say that so far as many of the departments are concerned, I have been told by a number of responsible officials, including those of some of the temporary agencies as well as some of the regular establishments, that they are not responsible for the overcrowding, that the Civil Service Commission, since it got a ukase from the President, puts people into the civil service, has indeed, been roaming around the country begging people to come to Washington and accept employment in the Government service. I know of cases of my own knowledge on all fours with those the Senator from Montana told us about a while ago, of people who have been here for 6 or 8 months without ever finding out what they were supposed to do in the department where they were employed. I believe that the departments are not entirely responsible for the condition, that the Civil Service Commission should be curbed in its activities in roaming around the country recruiting people, and taking men out of the draft.

I should add that when some man subject to the draft writes to his local draft board, in Montana, Missouri, California, North Carolina, South Carolina, or any other State, after registering and tells them he should be exempted because he is employed by the Treasury Department, or employed by the War Department, or employed by some other Government organization, it is perfectly natural for the local draft board to think he is doing essential war work, and to defer him. In that connection I should like to point out that the local draft board, at the point of a man's residence, always retains jurisdiction and control of him, and, according to my information, the condition I have recounted has resulted in thousands of men who were perfectly liable for military service being deferred, on the theory that they were engaged in essential war work, when in reality they were not.

In the city of St. Louis we have what is known as the council of draft boards, an absolutely voluntary organization, an association organized by the draft boards themselves for the purpose of exchanging experiences, and trying to bring about uniformity. Col. John J. Griffin, the head of the council of draft boards of St. Louis, tells me that there are thousands of men, nonresidents of St. Louis, who have been deferred by their local draft boards, in Arkansas or Mississippi, in rural Missouri or rural Illinois, who have come to St. Louis and claimed deferment from their local draft boards at Lone Ridge, Ark., or Pine Bluff, Ark., or Poplar Bluff, Mo., or some other place, because they happen to be employed by the Curtiss-Wright Co., or some other company which may be engaged in munitions work.

They are deferred by the local draft boards on that ground, when, if the St. Louis board had jurisdiction, it could go through those plants and find in them literally thousands of men doing nonessential war work which might just as well be done by a woman or an older man, or by a partly disabled man, so that the deferred man could be sent into the service; but they are escaping because they can report to their local boards at home that they are employed by the Curtiss-Wright Co. or some other company making munitions. Their employment may be simply carrying water, or serving as timekeepers, or doing any other sort of work which might as well be done by an older man or a woman. Yet because they can write to their local board at home, possibly hundreds of miles away, telling them they are engaged in essential war work, they are deferred.

If such loopholes as that in the selective service were closed up, and if many Government employees, whose jobs might just as well be filled by older men or women, were sent into the armed services, it would not be necessary to draft married men, particularly married men with children.

Mr. HOLMAN. Mr. President, if the Senator from Montana will permit me, could not the President of the United States correct that condition if he addressed his attention to it?

Mr. WHEELER. I do not think there is any doubt that it could be corrected.

Mr. HOLMAN. If I may make a further observation, it is time for the President of the United States to take action, and I am getting out of patience with this running all around Robin Hood's barn to find some one responsible for the incompetence of this administration. It is the President of the United States himself who is responsible for the overstaffing of the Federal bureaus and departments, and the wastage of manpower.

Mr. DOWNEY. Mr. President, will the Senator from Montana yield?

Mr. WHEELER. I yield.

Mr. DOWNEY. Replying to the remarks just made by the distinguished Senator from Missouri [Mr. CLARK], I cannot agree with the implication of the first part of his statement. As I understand the distinguished Senator, he is of the opinion that the Civil Service Commission is gratuitously recruiting and seeking to find workers without prior requests from the different governmental agencies.

Mr. CLARK of Missouri. What I said was that I had been told by responsible officials in some of the agencies, both permanent departments and temporary agencies, that the Civil Service Commission is coming to them asking if they cannot take 25 or 50 more employees, and I believe that to be true. I know that the Civil Service Commission is actually in practice going around drumming up people to know if they do not want to come to Washington. I can give the Senator many instances of that.

Mr. DOWNEY. I am very positive that the distinguished Senator has been misinformed, and I should like to give specific figures. As of June last year there were unfilled requisitions from the Army and Navy made upon the Civil Service Commission for 4,500 skilled mechanical workers. In other words, the Civil Service Commission had then been unable to find for the Army and Navy 4,500 workers for which the Army and Navy had made requisition. By January that number had risen to 35,000; that is, the Civil Service Commission, as of that date, was 35,000 workers behind in filling the requisition for skilled workers made on it by the Army and the Navy. The Civil Service Commission now is much further behind than that figure with respect to typists, stenographers, and clerks.

Mr. President, in my own State of California alone present military installations lack immediately 50,000 workers who should be working there. During the course of the year the Army and the Navy have notified the Civil Service Commission that they will require a total of 100,000 workers, and I might say that the Civil Service Commissioner of California has told the Army and the Navy that there is no possibility that at any place in the western area can there be found any more men to put into Army and Navy bases.

Let me give some specific figures. At San Bernardino, Calif., we are building one of the greatest air bases in the whole world. It will require 17,000 civilian workers. Though work there has been going on for months, they have not been able to get more than 7,000 workers. The commanding colonel of that base has for months urgently requested people to leave all other types of work to come to that base to work.

In San Francisco we are building a great repair drydock which will require 20,000 workers, among whom must be 7,500 of the very finest type of mechanics, because they must go down into the vital parts of submarines and cruisers and aircraft carriers and repair them. The Civil Service Commissioner of California told me there is not the slightest possibility of finding in the whole world today 7,500 unemployed skilled mechanics such as there are needed, and that there is no possibility of finding any number of the other 13,000 unskilled workers any place in the West.

As a matter of fact, we are building scores of military installations all over the western area. In the West we lack probably 150,000 civilian workers, that being the number the Army and the Navy have made requisition for and that the Civil Service Commission has not been able to find.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. CLARK of Missouri. Of course, I was referring to the civilian staffing of departments and temporary agencies here. I was not referring to the skilled workmen, or unskilled workmen, men who are actually laborers. I was talking about Government clerks.

Mr. DOWNEY. Take the O. P. A., for instance. It is now estimated that the number of civil-service workers in the O. P. A. will be increased 50 percent between now and July 1. The requisition by the O. P. A. for workers, I may say to the distinguished Senator, is not filled. In other words, the Civil Service Commission is attempting to find and recruit these workers, but not upon its own volition. It is doing it because there are unfilled requisitions amounting to hundreds of thousands among the different agencies, civilian, maritime, Army, and Navy.

Mr. CLARK of Missouri. Mr. President, will the Senator again yield?

Mr. DOWNEY. I yield.

Mr. CLARK of Missouri. I will except the O. P. A. from any remarks I may have made with respect to the Civil Service Commission, or anyone else, having found, or endeavoring to find, the employees asked for. I do not think it was possible during the encumbency of Mr. Henderson for the Civil Service Commission, or any combination of agencies, to have recruited as many people as Mr. Henderson thought he ought to have. If they had gotten half a million, or a million workers, Mr. Henderson would still have yelled for more. But I think under former Senator Brown there is likely to be a diminution of requests from the O. P. A.

Mr. BARKLEY. Mr. President, while the Senator is on that subject, I will say that I do not have any doubt that there are some departments which could, without serious loss, get rid of some of their personnel. I do not know what departments they are. We speak here in general terms about the departments being full of employees who ought to go into the military service. None of us, however, ever names anyone who ought to go into the military service. I do not know whether any of us knows of any.

Mr. CLARK of Missouri. I could name one who ought to go into the military service, but not as colonel—Mr. Dave Ginsburg.

Mr. BARKLEY. In the first place it never was suggested that he go into the service as a colonel, and I think the Senator will find that he is not going in either as a colonel or as a captain.

Mr. CLARK of Missouri. That is a consummation devoutly to be wished, I will say to the Senator.

Mr. BARKLEY. I happen to know, for instance, that the General Accounting Office has been overcrowded with work by reason of the war contracts and everything that has been piled up on them as the result of the war, until they are practically 2,000 employees short of what they need. They probably cannot obtain the 2,000 they need to do that work. It was brought out in the hearings, and here on the floor, that the War Department is short of clerical assistance necessary to get out the checks to the families of soldiers, and that the War Department is unable to get the assistance. What is true of the General Accounting Office and of the War Department undoubtedly is true of other departments. At the same time there are some agencies, and I think the O. P. A. is one of them, where a reduction can be made, and I concur in the belief and the hope that there is going to be a reduction at least in certain types of employees in the O. P. A. But there ought not to be a blanket indictment against all departments and agencies and the charge made that they are overstaffed, for some of them are actually understaffed.

Mr. DOWNEY. Mr. President, will the Senator further yield to me, or would he rather not?

Mr. WHEELER. I yield.

Mr. DOWNEY. I will say that anyone who thinks that the number of civilian workers in the O. P. A. will not be magnified over and over again in the next 6 months is an optimist, because in the next 6 months we are going to be rationing almost every article of food and clothing, and the regimentation and bureaucracy required to do what has to be done will be colossal. Anyone is indeed optimistic who thinks they are going to reduce rather than greatly to expand.

I also want to say to the distinguished Senator from Missouri, for whom I have

high respect, that I am willing to concede that perhaps workers are being unnecessarily recruited for governmental agencies. I should differ with him, however, to the extent of saying that this is not a gratuitous act on the part of the Civil Service Commission, but it comes about by reason of the requisitions made by the agencies, and they may be acting improperly in certain cases. The Internal Revenue Bureau and its collection offices will have greatly increased business to perform. The amount of business that will have to be transacted under our very complicated revenue measure, and constantly expanding taxes, will require an increase of 50 percent in clerical help over the United States.

I simply wanted clearly to point out to the Senator in what respect I differed with him.

Mr. WHEELER. Mr. President, I also wish to call attention to a letter which I received from one of the members of the Railway Labor Executives' Association. He writes:

DEAR SENATOR WHEELER: I am writing you to express my personal appreciation and congratulations on your splendid radio address which you delivered Friday, March 5.

I had about given up hope that any responsible Government official would have the courage and understanding to tell the people of this great country the facts concerning the war manpower problem and to explain the fallacy of attempting to build up an Army out of proportion.

During the past year I have served on several committees appointed for the purpose of discussing those subjects with General Hershey, Mr. McNutt, and others, and it has been very disappointing to find there is such a lack of understanding with regard to the realities that confront the Nation in connection with many features that were covered in your radio address.

For example: the railroad industry has been robbed of manpower that will be sorely needed before the end of this year because General Hershey and others in authority seem to have failed to recognize that transportation is one of the greatest factors in promoting a necessary and successful war effort.

During the last war, the transportation problem was, as you know, simple compared to this one because we, in the railroad industry, were fighting what might be called a one-ocean war. Today a large percentage of the products of war industries must be moved from the Middle East and eastern territory to the west coast.

Aside from these features, it seems to me we are in danger of losing the greatest and most important thing in America, and that is home life. It is discouraging, to say the least, that all we receive from the heads of departments in Washington is a bewildering medley of sounds over the air that result in confusion.

At the present time there is a tremendous hue and cry about absenteeism, which is apparently going to be used by some racketeers to again promote prohibition. But not one word is said about the tremendous loss of time through accidents that could have been avoided.

I am pleased that you have introduced a bill which, in my judgment, should receive support. As far as I am personally concerned, it will be supported, although at the present time I am not in a position to speak for our association (the Railway Labor Executives' Association). But I believe they will support your bill. I have written you at some length on this matter, expressing my personal feelings and indicating that so far as I am concerned I shall be glad to help you in any manner I can.

Yours very truly,

T. C. CASHEN.

I now read from a letter which I received from Norwich, Conn.:

I listened to your speech over the Blue Network Friday evening and as an individual citizen and voter, and as chairman of the American Affairs of Norwich Chapter of Hadasah and the Sisterhood of the Beth Jacob Synagogue, of this city, numbering some 600 women voters, do go on record heartily endorsing your sentiments against the passing of any bill which will permit the drafting of fathers of small children.

The American home must be kept intact. We, in this country, do not desire a future race of neglected, underfed, and underprivileged, uncontrolled-behavior children.

We trust you will do all you can to kill the passage of this type of bill.

She seems to believe that there is a bill before the Congress permitting that to be done.

With best wishes for your good health and continued success in behalf of our beloved country's best interest, I am,

Very sincerely yours,

FRANCES E. COHEN.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. JOHNSON of Colorado. The bill referred to is not pending. It was passed, and the law is now upon the statute books.

Mr. WHEELER. The Senator is correct. When the bill was passed nobody dreamed that it would take married men from their children. If we had been told that it would take married men from their wives and children, it would not have been passed.

Mr. JOHNSON of Colorado. At the time the bill was passed the Chief of Staff of the Army said that the size of our Army would be 500,000 men.

Mr. WHEELER. That is correct.

Mr. JOHNSON of Colorado. Nobody thought we were going to have an Army of 11,000,000 men.

Mr. BARKLEY. We were not at war then.

Mr. WHEELER. The testimony was that only 500,000 men would be necessary to defend this country. That was the testimony given before the committee.

Mr. BARKLEY. It would have been enough if no one had attacked us.

Mr. WHEELER. The Chief of Staff told the committee that only 500,000 men would be required in a war to defend the United States.

I now read from a letter which I received from a man who wrote:

I have just completed hearing your radio broadcast and want to assure you that I greatly appreciated the same. You certainly are right and correct in your statements and we need more honest-to-goodness Americans like you.

I went through World War No. 1 and returned home and raised a family of five boys. My oldest son was killed in action on board the U. S. S. *Arizona* at Pearl Harbor. The next oldest son is somewhere out there in the hell hole now and I am back in the service endeavoring to give everything that I have to win. I left an elective position to get back into the service and I am past the draft age.

That man was in the last war. One of his sons was killed on the U. S. S. *Arizona*, and another boy is somewhere in the South Pacific. He writes that he is opposed to the drafting of married men with children.

I now read from a letter received from Rockport, Ind.:

The bill now pending to exempt all fathers from military service is 100-percent approved by the people, and especially those within this category—when I say this I know I speak the minds of millions, the talk is general and the people will not forget those responsible for its passage.

The sooner this bill is passed the better for all concerned, and I can assure you this bill will receive more praise than any other legislation passed or now pending. One of the many very important steps that is up to you and your colleagues, this bill speaks for the people, and by this I know you see through the eyes of the people.

The breaking up of established homes, the induction of these family men into the armed services, should be the last thought of any good thinking man. Conditions will be bad enough as they stand without bringing on this unnecessary hardship. These men will do everything to help our cause along, and if conditions warrant it they will go to the defense factories and farms, as long as they can keep their home together.

Here is a letter from Minnesota:

The American home is the background and backbone of our beloved Nation and it must be protected.

I know that millions of small children are pulling for this bill to be carried to a successful conclusion. I know that you will see it through until it becomes law.

Mr. President, I shall not read any more of these letters, although I will say that those which I have read constitute only a few of the hundreds of letters which I have received. I ask unanimous consent to have a number of those letters printed in the RECORD at this point.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

PAY-N-SAVE SUPER MARKET,
Butte, Mont., February 27, 1943.

Senator B. K. WHEELER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WHEELER: * * *

However, the thing I wanted to drop you a note about; I wanted to compliment you on your bill that would exempt fathers from being drafted into the Army. While I am on this I want to say that I am not afraid of the Army myself, because I believe that small businessmen would be a lot better off in the Army than they would in business. Although I am past 46 years old, I tried to join the Army and was given the rank of a major in the Procurement Division, and failed to pass the physical.

But in relation to your bill, the real thing that I wanted to say was there have been two people from back here that were over the 38-year-old limit. As I understand it, they are not following the Presidential order to release those men. The way they get out, they play sick and fall out of line and get a medical discharge.

* * * * *

I believe, Senator, to keep fathers out of the Army would render the Army a great service because most fathers would worry

about their families while they are in the service, and would perhaps make very poor soldiers. However, the only way they can be kept out, in my opinion, if we are going to have as big an Army as they say they want, would be to create something like a national pool that would not exempt any whole industry.

For instance, nobody knows this gang on the Anaconda Hill better than you do. Since the copper industry is exempted they file exemptions for clerks, timekeepers, and in one instance I met a young man who was engaged in looking after the foreman's lawn and was deferred for 6 months. That, of course, is all they can get at one time. Names of these will be sent if you want them.

* * * * *

Best personal regards,

FRANK REARDON.

CLINTON, IOWA, *February 25, 1943.*

Senator BURTON K. WHEELER,
Washington, D. C.

DEAR MR. SENATOR: I wish to congratulate you on the bill you introduced prohibiting drafting of fathers until all physically fit single men or married men without children are inducted, and I hope you get enough support to pass the bill.

This would not affect me, as I am 59 years old, but I think it will do more than anything yet introduced to keep up the morale of our country.

If young mothers have to leave their homes and go to work to help support the family, the number of delinquent children will increase enormously.

There are lots of single men and young married men without children here that have not been called, and I do not think this community is any different than many others.

Wishing you success in your efforts to help real Americans, I am

Yours truly,

JOHN B. MULL,
Clinton, Iowa.

PHILADELPHIA, PA., *February 25, 1943.*

Senator WHEELER.

SIR: Your measure to exempt fathers is one of the most American measures yet proposed. I am a father working in an essential food industry. If I were single, I wouldn't worry, but with two dependents whom you care for you just couldn't make a good soldier while worrying how they are getting along. It just isn't humane to take the bread and butter away from my wife and little girl unless there can't possibly be any way of winning the war without us married men.

According to reports, there are 6,000,000 in the Army. I am sure it would be possible to get another two or three million men without taking married men.

Thanking you for your interest in the families of America,

Sincerely,

WM. V. STROUP, Jr.,
Philadelphia, Pa.

WOODHAVEN, LONG ISLAND, N. Y.,
March 4, 1943.

DEAR SENATOR WHEELER: Hope you put through a bill to exempt all fathers, prior to Pearl Harbor. My son, 32 years old, has two children, have bought a home on Federal Housing Authority plan. What is to become of the home if such a father is taken? The New Deal is taking everything away from us Americans to give away. We will be reduced to starvation next. Thanks for the stand you take always for the Americans.

Yours truly,

Mrs. CHAS. LEHMANN.

EDWARDSVILLE, ILL., *March 5, 1943.*

Hon. Senator WHEELER.

MY DEAR SIR: To write and congratulate you on your fine radio address of March 5, evening. I am an ex-service man and of all the radio addresses I have listened to, can truthfully say it was the most sensible and truthful address that could be made.

The whole address was swell. I am 47 years old, ex-serviceman, passed my officers' examination after being out for a while, had automobile sales experience of 15 years, and was called for examination last February 14, 1942, after Pearl Harbor, and could take an officers' place in some Army camp in charge of automobiles and trucks and relieve some younger man, but looks like there is no place for an older man. But I have a son 20 years old who now is at Miami, Fla., as an aviation cadet and was glad and willing to go after 3 years' study at law school, and is disgusting about when a older man could do some good. That is one reason all in all what you said sure was a 100 percent correct.

If more men like you would try and tell this country and get them to understand it would be a lot better for all. As I am 100 percent American.

OLLIE CHRISTMAN.

ARLINGTON, VA., *March 8, 1943.*

Hon. BURTON K. WHEELER,
United States Senate,
Washington, D. C.

DEAR SENATOR WHEELER: Your speech of March 5, 1943, has brought us an assurance that through your efforts and through the efforts of other Americans interested in defending the American home, something will be done to prevent the drafting of fathers.

I think most American fathers will be more than willing to be placed in war industries. All these men need is a little guidance as to how to proceed and possibly a short period of training and they will flock to war industries.

The Army does not need fathers when they are not using men they already have, some of which have been given expensive specialized training and then stuck away in some camp for the duration or else sent to Washington on jobs any civilian could hold. The survey of young desk officers in Washington is good, but should be extended to Army camps, also.

Very truly yours,

RICHARD M. KLOEBER.

BOISE, IDAHO, *March 5, 1943.*

Hon. BURTON K. WHEELER,
Washington, D. C.

DEAR SENATOR: I have just listened to your usually good speech and I heartily approve every word you say. I am the father of a son, 36 years old, with a small family, who is serving as a fireman at Gowan Field, our airport here at Boise, and between his work shifts he is busy running a herd of 400 chickens. He and his wife are in the air, not knowing when he will be called. I was out there the other day when he was building another brooder house, and he remarked, "I don't know what Eleanor (his wife) will do with this stuff if they take me into the Army, but I hope you will see her through, Dad." What kind of a soldier do you think he would make in Tunisia or New Guinea? It has been a long time since I heard your voice. I am glad to hear you going on the air again, and I hope to hear you regularly. I also hope the time is not too far off when we may hear Lindbergh again. You and he were right before Pearl Harbor, and I am sure you will be right again.

* * * * *

I hope and trust my old friend, Senator BUSHFIELD, will stand shoulder to shoulder with you in what may well be America's last stand.

Don't be afraid, Senator, to carry on your truly American way of life as I hear people refer to you very kindly who wanted to hang you 18 months ago.

B. H. KANE.

BILLINGS, MONT., *March 8, 1943.*

Hon. B. K. WHEELER,
United States Senator from Montana,
Washington, D. C.

MY DEAR SENATOR: Both my wife and myself listened to your broadcast the other night with a great deal of interest. We want to congratulate you on your speech. We are glad that someone who holds public office like you do is not afraid to discuss the subject which you covered in your speech. I think more information should be given the public on the same subject. So far as the Selective Service is concerned and its operation, there has been altogether too little information given to the public. So many people will not contact their local draft boards to get information because they are fearful that people generally might think that they were trying to evade something.

We agree with you 100 percent that the American home is the very foundation stone of our Republic. Ex-President Hoover in most of his speeches has always referred to the American home rather than to the American people. We hope you keep up your fight and that you are successful in accomplishing the ends which you have in view.

With kind personal regards, we beg to remain,

Very truly yours,

G. E. SNELL.

TAZEWELL COUNTY, ILL., *March 8, 1943.*

Hon. BURTON K. WHEELER,
United States Senator,
Washington, D. C.

DEAR MR. WHEELER: I would like to express my compliments and appreciation on behalf of your efforts to prevent the induction of married men into the armed forces.

The break-down in morals, from married men in the service, is daily evident in the administration of my office. It is regrettable that more Members of Congress do not understand the impact against the home that this war inevitably will cause regardless of the drafting of husbands and fathers.

I sincerely hope that you will continue to work to prevent the drafting of fathers and to uphold the integrity of the American home.

Every day I hear intelligent people criticize the policy of drafting such a large army. We know that our allies have millions and millions of trained men who need munitions, and that the efficient thing to do is to send them munitions and not more men. Many of us fear that no good can come from such a large army, and we fear that the Army will not easily relinquish the liberties taken from us when the war is over.

Thank God for courageous men like you. My greatest fear of the future is that there are not enough of them like you in important places. The preservation of the home and our liberties rest with men like you, and I am sure you appreciate this, too.

Sincerely yours,

CLIFFORD E. SCHMIDGALL.

THE CAXTON PRINTERS, LTD.,
Caldwell, Idaho, March 6, 1943.

Senator BURTON K. WHEELER, Montana,
Washington, D. C.

DEAR SENATOR WHEELER: It seemed good to hear your voice over the air again. Congratulations upon your radio address of last night. Without being an alarmist, I would say that if the present incredible administration continues in power for 2 more years, and pursues the same policies, a lot of Americans are going to be mighty hungry before we can straighten out our agricultural problem.

I know whereof I speak, because Canyon County is one of the richest agricultural counties of the United States, and I am operating a couple of farms myself. It is utterly impossible to get competent help, and to secure machinery. I have been trying for

more than 6 months, for instance, to buy as simple a piece of equipment as a ditcher, and can't secure one anywhere.

* * * * *

Yours truly,

J. H. GIPSON.

ALLIANCE, OHIO, *March 8, 1943.*

Senator WHEELER,
Washington, D. C.

DEAR SIR: I certainly do want to thank you for the statements you recently made concerning induction of fathers, which I read in a Wayne County newspaper.

I do not think our leaders realize what this is going to do to the American homes of young married folks like my husband and children and I. We have been married nearly 15 years and have two children 14 and 8 and they are at the age where they need both a father and mother's advice, and know that I will be unable to care for them if my husband is taken into service.

I know there are other young mothers worrying about the induction as well as I; we all know this war must be won and us young married folks are willing to do anything else, and sacrifice in any other way than to be parted. I would much rather my husband would have no work and depression be here rather than to lose him.

We went through the other depression and know what it means. My husband has very good work; he is a mechanic in an auto body shop, works 6 days a week, also some evenings repairing cars for defense workers.

You know, as well as thousands of other folks, that these young men of my husband's age are the backbone of America, and their defense shops.

I hardly sleep at night worrying about these things. We moved to Alliance 14 months ago when my husband started in his present work; we rent a home here and also own a home in Wayne County near Orrville, Ohio. His induction, like thousands of other young men, would mean moving again, and many other great changes.

Another thing I would like to point out is the fact that we are all urged to raise a victory garden this summer, which, of course, we have always had but my husband says he does not want to plant a garden here and perhaps move in a few months and leave it; also these men which have families, I know, will be willing to plant large gardens and lots to help food shortage, but if they are taken their families will be unable to do so.

I appeal to you Senators and Members of Congress with tears in my eyes for all the young folks of America to give this induction of fathers great consideration.

Again I appeal, please think it over. I thank you from the bottom of my heart for reading this letter, which I know thousands of other young mothers would like to write concerning this matter but think it would do no good.

Please give us young Americans a chance and we will show you this battle can be won back here by sacrifices and work.

Again I thank you. [Please.]

Yours truly,

MRS. GLENN KRITES,
628 N. Garfield Ave.,
Alliance, Ohio.

CHICAGO, ILL., *March 6, 1943.*

Hon. BURTON K. WHEELER,
Washington, D. C.

MY DEAR SIR: Your adddress was most refreshing, because you present to the American people the other side of the picture. One which they do not hear. Most of the speeches made nowadays sort of try to gloss everything over and are all propaganda for the New Deal side. I am desperately afraid many of us are in for a rude awakening.

The great amount of our trouble today, Mr. WHEELER, is caused by a Congress who forgot their oaths of office—this is not meant to include yourself and those other patriotic men who forewarned us of the approaching disaster—but those men who voted for all the must bills and voted to remove the Neutrality Act from the books, in the name of peace, and last but not least voted away most of their lawmaking powers until today we have more laws on our statute books by edict than we have by Congress. These are the ones who gave all the power to the bureaucrats, who have just about wrecked us and until this Congress stops talking and gets right down to taking the power of edict away from these men, we will not have anything but chaos.

We don't need all the bureaus, but we do want Congress to carry on its mandate received last November 3 to win this war and do it within the framework of the Constitution. We do not want a 10 percent minority in our country ruling us. We want the elected officials to perform their duties as laid down by our Constitution, and cut out all this talk about world congress, world government, and a dozen other things as a camouflage to change our Government.

We became what we are by nationalism and like Churchill and Stalin we intend to take care of our own, and my advice to Congress is to wake up. All this fourth term stuff is a smoke screen raised to scare our Congress into submission and think the good old days of the New Deal are to stay for another 4 years. I don't think many are foolish enough to believe that. Your effort to keep the family together is wonderful and we pray God you will succeed. Arm the Chinese millions who are crying for arms. But maybe a strong China is not wanted. It looks that way.

The war will be won not by bureaucrats but by the best minds in our country and it is about time they were put to work.

Our prayer is that you and your brave colleagues will carry on; we can and must preserve our Constitution.

Respectfully yours,

(Mrs. GEORGE) ANNA STRONG.

P. S.—We are also violently opposed to Wadsworth-Austin bill—too many loopholes.

A. S.

NEW YORK, *February 26, 1943.*

Hon. BURTON K. WHEELER,
House of Representatives,
Washington, D. C.

DEAR SIR: In connection with your remarks as mentioned in last evening's papers:

Parents should never be inducted into the armed services excepting as a last resort—the home has made America.

Without the love, devotion and attention of father and mother in the time of youth we would have no worth-while men in the Army or Navy today.

Respectfully,

MRS. MARGARET GULDEN TITUS.

CHICAGO, U. S. A., *March 1, 1943.*

Hon. BURTON WHEELER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WHEELER: As the subject of manpower is being discussed by the majority of people, and now that a bill has been introduced to exempt all fathers married prior to Pearl Harbor from induction into the armed forces, etc., a couple of questions have arisen which may be of interest to you.

First. To conserve and release manpower why doesn't the military authorities transfer all the commissioned able-bodied men of draft age who were taken from other sections of the country, and are now occupying desk positions to field duty, thereby allowing older men who are residents in said respective areas the privilege and opportunity to do their part by filling those places?

To illustrate: Here in Chicago there are hundreds and possibly thousands of commissioned able-bodied young men of draft age who have come here from other cities, and are now assigned to office positions. Instructors in the Signal Corps or in other highly technical branches are not included—and neither should they. But those referred to could and should be replaced by the veterans of 1917–19.

The writer personally knows of a number of former non-commissioned officers having 18 or more months of service in the last war (single and married but just over the draft age limit) who have offered their services if they were given a commission of even a second lieutenancy and were allowed to remain in this area, but they were told "No" (practically) as they were not given the slightest encouragement of any kind at the various interviews as all the positions were filled with those of draft age.

In my opinion if the red tape for commissions was eliminated, and able-bodied men (either married or single over the draft age) who had previous military service were given commissions and allowed to remain in their respective areas (which would help the housing problem) there would be enough men who would volunteer for military positions in order to release the younger men for field or other duty.

* * * * *

CHICAGO, ILL., *March 7, 1943.*

Senator BURTON K. WHEELER,
United States Senate, Washington, D. C.

DEAR SIR: Last year there was quite a debate in Congress regarding the drafting of the 18–20 age group, the primary reason being the deferment of the induction of husbands and fathers.

The passage of such a bill was highly recommended by our military men.

Shortly after the passage of this bill, draft officials gave statistics which indicated that the pool created by the 18–20 age group plus husbands without children would be almost entirely sufficient to fill the draft quota for this year.

Now these same officials tell us it will be necessary to draft thousands of fathers within the next few months, particularly those who are in nonessential employment.

I doubt very much whether there are any fathers who are not willing to answer the call to the colors, but from a morale standpoint, contradictory statements concerning their induction are certainly not very constructive, not to mention the material they furnish to the enemy for propaganda purposes.

Maybe the reverses of the German Army in Russia are due to the fact that on account of losses they have been forced to call on that portion of their army composed of husbands and fathers, whose bodies are on the battlefronts, but whose souls and spirit were left with their wives and children at home.

Again, because of physical standards, those fathers who have realized their family obligations of maintaining a physical status quo, will be inducted into the armed services, while their bachelor counterpart has been deferred on account of physical deficiencies, in large part probably due to fast living which such individuals preferred to assuming family obligations.

Then too, these are the men this Nation will entrust with the obligations governing our future generations.

History might show us that conditions prevailing today were the result of incompetents we deferred during the last war and whom we left at home to run things while the real manhood of our Nation was at the fighting front. At any rate, this certainly might be food for thought for our post-war planners.

In conclusion, let the fathers of this country know definitely where they stand, and they'll give you a degree of cooperation which will dwarf all other cooperative measures in comparison.

Not trying to be ironical, wasn't the author of Germany's last post-war plans a man who did not feel capable of assuming family obligations?

Very truly yours,

EDWARD C. JOCHENS.

SACK LUMBER & COAL CO.,
Crete, Nebr., March 6, 1943.
Senator BURTON K. WHEELER,
Washington, D. C.

DEAR SENATOR: Have been waiting to write you a long time regarding the matter of drafting married men with children into the Army. It is just as foolish to draft these men with established homes and little children as it was to draft men from the farm who were past 35 years old and later these men were returned home. When these men left their farms many had a lot of livestock which they sold and now they have returned to nothing because they were too old for the Army.

The same is true of married men with children. These men can do more good on the home front at their job and they can also fill in out in this State at least to help farmers harvest their crops. I do not belong in the group of married men with children and way past the age limit, so I am not speaking for myself. There is a moral and an economic situation that is weakening on the home front. We cannot have too many vacant stores and shops, and who is to do the farm work and other essential work if all able men are taken? After all, the home people must be fed and clothed. Men in high places should keep their ears close to the ground, as that is one way of knowing the true situation. I hope you can get our Congress to look at the situation from this angle. There is a limit to what a man can do.

Yours respectfully,

PHILIP SACK, Jr.

NEW YORK, N. Y., *March 5, 1943.*
Senator B. WHEELER,
Washington, D. C.

DEAR SIR: I have just listened to your address on the air, and am writing to tell you that I agree with you completely. It does seem unreasonable to destroy here the very thing we are sending our boys all over the world to preserve in other countries.

Then, too, there certainly is a limit to the amount any one nation, however favored, can do.

It seems to me there is the financial angle to consider, too, when fathers are drafted. The fathers are usually the ones who pay the income tax. When they are taken into the service, naturally, they can't earn their regular salaries, and consequently there isn't so much income tax to be paid. The Government not only loses this money, but also has to add to its burden the monthly payments to the wives and children. If you keep on reducing the income, how can you continue to expand the disbursements?

I feel that fathers should be trained and put into the defense industries. Most men are mechanically minded and learn machine operations quickly, and thus make the single men available for service, though, goodness knows, we hate it that any of them have to go.

I am writing Senator WAGNER from my own State, asking that he vote in favor of your bill.

Yours truly,

HELEN A. ROSE,
(Mrs. T. R. ROSE).

P. S.—Saving paper in these days of rationing.

I have called to Senator WAGNER's attention an incident that closely relates to this subject. On February 15, when New York had 8° below zero weather, a 6-family house on Warburton Avenue, Yonkers, was burned because 2 children, left alone while their mother was out working, decided to heat up the place by making a bonfire in the kitchen. The mother worked in a defense plant and the father was, to the best of my knowledge, in the service.

THE HOUSE OF RILEY,
Los Angeles, Calif., March 6, 1943.
Senator BURTON K. WHEELER,
Washington, D. C.

DEAR SIR: I am in complete sympathy with you in your fight to dispense with the drafting of fathers with minor children, and men in key positions. I have been observing the great number of young men who are in fine physical condition who can stand up under any type of warfare, and who now in the military police, the service of supply, and other work that can be done by men such as myself, men who have been rejected in the 38 to 45 class.

It is my opinion that at least 1,000,000 men, veterans of the last war, would be glad to have the opportunity to serve their country again in such work as military police, truck drivers, in fact, any kind of service that does not require a lot of hiking, and I do think the men in this age class are better fitted for this kind of service than the younger men.

All these men have had military training and it would be very easy for them to fall right into line in this new Army. I for one have had training in all the new drills and could be a lot of help in training these older men such as myself.

I am now a captain in the State militia and feel I should have a place in the regular service, as I am only 43 years of age and I think I am a damn good man; also I know thousands of others who feel the same way as I. Perhaps I should have written to the Senator from California but I feel I am one of your charges, having lived in Montana for some time and still have folks living at Opheim, so please forgive me for bothering you with my thoughts, and may God bless you and help you in all of your undertakings.

Yours respectfully,

EARL E. RILEY.

BALTIMORE, MD., *March 8, 1943.*
Senator BURTON WHEELER,
Washington, D. C.

DEAR SENATOR WHEELER: I was very much impressed with your broadcast last week regarding the draft bill.

I happen to be a veteran of the last war and a past commander of the American Legion, and in making the following suggestion, I know that I speak for thousands of other veterans.

Instead of taking single men from the ages of 38 to 45, why not give some of the older men who have had both military and business experience an opportunity to do their part? I quote my own case, which you will find most unusual.

I am 48 years old, with over 25 years' experience on internal-combustion engines, a former world champion outboard motorboat racer, and in excellent physical condition, as I have taken two Army examinations. Originally, my application was filed with the Army Air Corps at Philadelphia, with all the necessary recommendations, and was approved for captaincy. This took place in August of last year, and in October I had occasion to go to Washington on business and was informed that my file had been lost. In the meantime, however, the Army Air Corps was closed to civilians. My file was then transferred to the Specialist Corps. Was approved for captain on Friday—Saturday this corps was abolished. My file was then transferred to the Ordnance Department and I received a Government order to report for officers' candidate training at the Normoyle Motor Base, San Antonio, Tex. Received my certificate of graduation, and was told to go back to Chicago and await orders. At that time, I was also told that there was a definite spot for me as it was difficult to find men with my particular experience. Sometime later, I received a letter from Washington with information to the effect that due to a change in Army regulations, no further commissions will be issued for the Ordnance Department.

It was necessary for me to return to Washington last week, and I am now trying to get into the Engineers Corps. They have my complete file.

Not only have I spent valuable time trying to get into the service, but it has cost me approximately $500 in doing so. There is no question in my mind, Senator, that there are thousands of other veterans like myself who want to do their part but cannot because, obviously, nowadays it isn't what you know that counts but whom you know. We could so easily take over positions in offices, factories, and Army bases now being occupied by the young officers. You see these young men all over the country, handling office jobs, etc., when they should by all means be serving overseas in active duty.

I know you are a very busy person, Senator, and probably won't even have time to read this letter, but I simply had to express my thoughts to someone and when I heard your splendid speech the other evening, decided to make you my victim. You can appreciate what I've gone through, and perhaps your good work will enable us old timers to do our bit to win final victory.

Respectfully,

ARTHUR C. JACOBS,
Wilton Tool Corporation, Chicago, Ill.

STEUBENVILLE, OHIO, *March 3, 1943.*
Hon. SENATOR WHEELER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WHEELER: Regarding the legislation which you recently introduced, I have been reading the newspaper accounts, and I would like to offer you my thoughts, which you will see indicate that I am willing to do my bit.

The opposition says that if your bill were passed, the services would have to take single men between 38 and 45. Well, what's wrong with them?

Clark Gable seems to be doing all right, and he's over age. Then there is Gene Tunney, Jack Dempsey, and probably a great many more. Is it possible that only these men are physically fit? There are thousands of men who are between 38 and 45 who certainly can be of service.

It so happens that I am 40 years old. I am married, but we have no children. My wife is 36, a registered nurse.

Last July I applied for a commission in the post exchange service. I went to Fort Snelling and passed the physical satisfactorily. I was recommended for moderate service. I was not accepted, yet I took the place of a man who also applied for a commission and was given a captaincy. I have sufficient years of experience in my line to qualify me, having managed some large stores with organizations of over 100 employees. I have had a course in double-entry bookkeeping. Managed luncheonettes. In fact, have done a much better job right here in my present position than my predecessor, but I am not given the same opportunity to serve. Why?

I am 40 years old. I could easily do the work that is required in post exchange. I could relieve some Regular officer who is of troop age.

I was in Washington last August, and, frankly, I was amazed at the thousands of youthful officers who are located there.

With the cost of living so high, and the extreme hardships that a man with children has to endure, it seems to me that the Army and the Navy should comb their noncombatant ranks for these young men and get

them in where they are needed and let a few older men serve their country at least in these jobs that do not require a commando physique.

Another thing, why does the Navy require a man to have 2 years of college to be an officer? I also wrote to them but was advised that my professional qualifications were insufficient. The very next day I noticed where a store manager was given a commission as junior lieutenant. I have not had the privilege of a college education, but I have been able to advance myself in the retail merchandising field to a position that enables me to pay an income tax on $7,700 this year, a lot more than a lot of college graduates will make.

Before we begin to cause a lot of unnecessary suffering on the part of women and children, let's get rid of some of this ridiculous red tape. Let's find out what jobs men 38 to 45 can do and then draft them for those jobs, and let's see a few less boys and more men in Washington.

J. L. KAUFMAN.

Mr. WHEELER. Mr. President, I appreciate that in speaking today with reference to this subject I am probably talking in vain. I know that there is a feeling in the Congress that we must do anything and everything that the Army and the executive branch of the Government say we should do. Unless the Congress of the United States has the intestinal stamina to stand up and take away some of the powers which it has given to bureaucrats in the executive departments of the Government, our Government will be destroyed. Do not make any mistake about it. We are headed for chaos in this country just as sure as we are sitting in this Chamber. If we take the married men of the country away from their families and break down home life, watch and see what will happen to the United States. It is simply idiotic to think of doing anything of the kind.

As I have already said, I know that my small voice raised here this afternoon will not be heeded by the gentlemen at the other end of the Avenue. However, I, at least, would have it on my conscience if I did not stand on the floor of the Senate and protest, not in behalf of the mothers or fathers but in behalf of the children of America—the future generations which will be turned out of their homes—turned over to institutions, and taken away from the care of their mothers and fathers, while the mothers are employed in factories.

Who is there among us who does not know what will happen to the homes of America? Yet, we are told that we are fighting to preserve the American way of life, that we are fighting to preserve the homes of America. Those are our good intentions. Mr. President, when the people of this country see us take away the heads of families and see the homes breaking down, they will say, "Oh, you may have had good intentions, but hell is paved with good intentions."

We should stop it. We in Congress should have the courage to stop it. If it is not stopped by those down at the other end of the Avenue, we in Congress should have the courage to say, "You cannot take the married men from their families until every other resource has been exhausted." However, as all Members of the Senate and everyone else in the country knows, every other resource has not been exhausted.

What are we to do? Are we to sit idly by, and say, "We will not vote to put a stop to it," because some general in the Army does not approve of our doing so? Are we afraid to do it because we fear criticism? Are we to say that we will not do it, when in our hearts and souls and minds we know that that which is proposed is wrong, and that there would be no excuse for doing it if the law had been properly administered?

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. JOHNSON of Colorado. I have a great deal of sympathy for the Senator's amendment, and I am in agreement with many of the things he has said today; but I hope the Senator will not press his amendment. I do not think it would be fair to him or to the cause in which he is so greatly interested or to the Senate to take a vote on such an important piece of legislation as the Senator's amendment, as a rider to another bill.

The bill the Senate has before it today is, without the Senator's amendment, comparatively a very small measure. The Senator's amendment is a thousand times larger than the original bill.

The Senator's amendment has not been considered by a Senate committee. The effect it would have upon the war effort and upon the armed forces of the country has not been weighed and considered. No testimony has been taken on it. I do not think it is fair to bring it up now and to ask us to vote on it at this time.

Speaking for myself, and only for myself, while perhaps under other circumstances I would be in ardent support of the Senator's amendment, yet if I had to vote on it this afternoon I would oppose it. I presume that other Senators would find themselves in the same position. Then what would happen? The country would say "That is the voice of Congress. Congress passed upon the measure and brought in their verdict."

That is the word that the Selective Service System would receive; that is the word the Army would receive; that is the word the administration and the Executive would receive.

So, under the present circumstances, I hope that the amendment—meritorious though it be—will not be voted upon at this time by the Senate.

Mr. WHEELER. Mr. President, I think the Senator from Colorado was out of the Chamber at the time when the distinguished Democratic leader and also my good friend the Senator from Oregon [Mr. MCNARY] appealed to me in the same way that the Senator from Colorado has now appealed to me. I said to them that I would finish my speech and then would withdraw the amendment at this time. The chairman of the Committee on Military Affairs has assured me that his committee will take up the matter and will give it consideration in the near future.

The only difficulty is that a start is already being made to take married men into the armed forces. Something should be done about the matter by the Committee on Military Affairs. The committee should take up the matter immediately, before married men are taken indiscriminately. All the single men in the country should be taken before any married men are taken. The Committee on Military Affairs should go into that subject immediately, before we have chaos in the United States.

Mr. JOHNSON of Colorado. Mr. President, I agree with what the Senator has said, and I thank him and congratulate him for the exercise of his good judgment in not pressing for a vote on the amendment at this time.

Speaking only as one member of the Committee on Military Affairs, I promise the Senator that I will do everything in my power to bring about an early consideration of his amendment, and in the committee shall urge that hearings be held on the matter, and that it be very carefully and speedily considered.

Mr. WHEELER. Mr. President, let me say in closing——

Mr. NYE. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. NYE. Before the Senator closes, since he has made so eloquent a representation concerning the chaos toward which we are riding, I know that he must be entertaining in his mind the same question that is in mine. Perhaps he has answered the question to his own satisfaction; but I am wondering what is the occasion or the need for a military establishment of 11,000,000 men, in the light of what we know to be the facts concerning the number of people involved in the war. Germany, Japan, and Italy have a total population of 196,000,000. They constitute the Axis. They are the people we have to defeat. They are the people we want to defeat. They are the target of the 11,000,000-man military force which we are talking about.

Aiding us, presumably, in the task of conquering those 196,000,000 people are the people of the British Empire, of Russia, of China, and of the United States—comprising a total of 1,286,000,000 people, as against the enemy of 196,000,000 people. Yet we—not the allies, but we, the people of the United States—alone must furnish an Army of 11,000,000 men—evidently a military establishment of 11,000,000 men—in order to accomplish the conquest.

Can the Senator explain why the obligation to do that job is so greatly ours?

Mr. WHEELER. Perhaps I could; but the hour is growing late, and I hesitate to say now what I think about the matter.

Let me say quite frankly that since we entered the war no one has heard me raise my voice on the floor of the Senate in criticism of the conduct of the war. I must confess that I hesitated for a long time before I offered the amendment or before I made a radio address relative to it or even before I made this speech on the floor of the Senate. I hate to criticize the administration. I am not going to criticize Mr. McNutt. I am not going to criticize any particular branch of the Government. But certainly when I see—as I think I plainly

see, and as I think everyone else who has traveled through the country sees—the bitterness and the growing dissatisfaction with the way things are going, and the chaos in the manpower situation, and then hear the demand for 11,000,000 men and hear statements to the effect that the little businessmen engaged in nonessential war production will have to close their doors, and that we shall have to take the married men with children, I think I know what will be the result.

This administration has done a great deal for the security of the home. We have passed the home-owners' loan bill, we have passed much other legislation to bring about security for the home. The Democratic Party and administration have gone on record as being willing to help the underprivileged in the United States. They have said we are against the great corporations and money changers. Yet today you are putting out of business the small businessman and turning all business over to the big interests of the country; you are building up the big interests, destroying the little interests, and destroying the home. Is it because some of the New Dealers have adopted the same philosophy that has been adopted in Russia, that a few big interests are easier to regulate and easier to take over than the small businesses? Is that the philosophy?

Mr. HOLMAN. Mr. President——

The PRESIDING OFFICER (Mr. FERGUSON in the chair). Does the Senator from Montana yield to the Senator from Oregon?

Mr. WHEELER. I yield.

Mr. HOLMAN. The Senator looks at other Senators and says "You," meaning us, presumably, as doing all these things. I contend that it is the President of the United States who is responsible for this condition.

Mr. WHEELER. Some one is responsible for it. I say you are responsible and I am responsible, Congress is responsible. Congress is responsible because Congress has not had the courage to stand up and say no. We have granted vast powers, and turned over money carte blanche by the millions and millions of dollars. We are responsible because we have not exercised the power we were directed by the Constitution to exercise. We have turned it over carte blanche to officials in the Executive branch. That is why there is the waste and extravagance in the departments which exist.

Mr. HOLMAN. If the Senator will yield further, the New Deal majority may be responsible, but, as a minority member who has been active in working on appropriations, and was responsible a few days ago for cutting the Treasury Department appropriation 25 percent on the general principle that extravagance should be curbed, I do not wish to assume that responsibility further.

Mr. WHEELER. I do not take the Senator as an individual, but I say that the Republicans have been just as responsible as have the Democrats.

Mr. HOLMAN. Oh, listen; there are some New Deal Republicans, too. [Laughter.]

Mr. WHEELER. Mr. President, as I was saying, I am not standing here today and making these remarks because I want to criticize the administration, or because I want to criticize what has been done. But when one sees his country headed for chaos so far as manpower is concerned, how could he sit here, how could anyone sit here, and not raise his voice in protest?

While I was trying to keep the country out of war, when I was speaking at the Biltmore Hotel in Los Angeles, I was asked, "Why is it that your speeches are carried in the German press?" I said, "I do not know that they are, because I do not read German and I do not see their press." But a few days ago I noticed something in the press about The Grapes of Wrath. That was a book embraced by all the "inside" boys in Washington, the great liberals, as one of the greatest books of the century; and it was a great book. But in a newspaper clipping a few days ago I saw that Steinbeck's book was being run in serial form in Germany, in Italy, and in Russia. So the New Dealers should cut Steinbeck off their list and should tar and feather him, because not only is his book being run in serial form, but the picture itself, I am told by the press, is being run in the motion-picture houses at least in Italy and in some other countries.

Mr. BARKLEY. Mr. President, the Senator will recognize that that story was made into a movie, and it was shown in the theaters in the United States.

Mr. WHEELER. That is correct.

Mr. BARKLEY. I do not suppose the Government of the United States, or anyone connected with it, would be responsible if the Italian people bought the film through the motion-picture industry.

Mr. WHEELER. Do not misunderstand me; I am not blaming the United States or anyone in the United States. I am merely calling attention to the fact that many people are criticizing some Senators because something we may have said got into the German press.

I am not blaming Steinbeck or anyone else, but I am saying that his book is being run in serial form in the newspapers in foreign countries, because Russia has always picked out everything that was bad about this country, as the Senator knows, and published it and carried it over the radio—not the things that were good. The same thing has happened in Germany and Italy, and the same thing is found generally in all countries throughout the world.

Mr. SHIPSTEAD. Mr. President, if the Senator will permit me to refer to a statement he made a short time ago about the small businessman going out of business, the Communist theory has always been that the greatest obstacle to communism is the small capitalist, the small manufacturer.

Mr. WHEELER. And the farmer.

Mr. SHIPSTEAD. The farmer, the small storekeeper, and the family; that if they can destroy the family, the small capitalist, the petite bourgeoisie, as they call it, then the road is broken on the way to communism.

A few days ago I learned, at least it was reported in the press, that there are approximately 45 various bureaus established in this country by this Government to help the small businessman. The way the small businessman is going out of business one would almost think the effort being made was to help small businessmen out of business.

Every day I receive letters from small businessmen and small manufacturers who cannot get any contracts because they are so small. If they had capital of less than ten or fifteen or twenty-five, or fifty million dollars, they were too small. The contracts were let to about 240 corporations, the amount running to about $80,000,000,000. Of the first $15,000,000,000 of contracts that were let, 85 percent were let to 15 large corporations. Consequently they got priorities, and they are still getting priorities. The small manufacturer could not get any priorities and could not get any material, so the large industries got priorities and manpower and put the small man out of business.

A great deal has been said in this country about people who have such great foresight about what was to come in the world. When they started to tell us about their great foresight all they said was, "All we have to do is to give the men the tools and they will do the job." At that time they did not mention the prospect of 11,000,000 men in the armed forces.

Where is the foresight? The first move was for 500,000 men to defend the United States. Where is the foresight in putting out of business the small manufacturer, the small businessman, the small capitalist, who has been the foundation and the pillar of strength to uphold a democratic form of government?

Mr. WHEELER. I thank the Senator from Minnesota, and I agree with him entirely.

Mr. President, I realize thoroughly that when the United States entered the war we were quite unprepared for it. I do not think anyone in particular is to blame for that condition, either the administration or the Congress itself. Everyone is to blame for it. Perhaps many of the things we criticize today were unavoidable, because when so great an organization as we had to set up is set up in a short time, there are bound to be a great many errors creep into it, unavoidable errors. But certainly today, when we see some of the errors which have crept into the organization, when we see the waste and extravagance which has taken place, we should correct the situation.

We know that officials have said that married men will be drafted, and that the drafting of married men will be begun immediately. Chairman McNutt and other officials say that four-fifths of the married men who are physically fit will be taken. When we know that, then at least we should stand up here and say that something should be done about it. Various officials have served notice that they are going to take physically fit married men. I hope they will not do it. I hope that before they start

in to take the married men with children, they will again review the situation calmly and coolly, that they will review the question of taking single men, if necessary, out of the factories, that they will look into the question of taking single men, or men without dependents, without children, men between the ages of 38 and 45, and before they take married men with children they will even take men above 45, take men even up to 60 or 65 to replace some of the younger men, and do work which older men can do, thus preserving the American family.

Mr. President, I withdraw my amendment, as it has been suggested I do by the distinguished leader on the Democratic side, the Senator from Kentucky [Mr. BARKLEY], and the leader on the Republican side, the Senator from Oregon [Mr. MCNARY].

Mr. BARKLEY. I thank the Senator from Montana.

Mr. DOWNEY. Mr. President, I have at the desk an amendment I propose to offer to the amendment of the Senator from Colorado [Mr. JOHNSON]. I now offer that amendment, and ask that it be read.

The PRESIDING OFFICER. The amendment will be read.

The LEGISLATIVE CLERK. At the end of the amendment of Mr. JOHNSON of Colorado, it is proposed to insert the following new section:

SEC. 3. Section 5 of the Selective Training and Service Act of 1940, as amended, is hereby amended by adding at the end thereof the following new subsection:

"(m) Whenever the Director of the Office of Defense Transportation certifies to the Selective Service System that there is a shortage or threatened shortage of necessary transportation workers in any area, and that as a result thereof there is grave danger that the war effort will be delayed and disrupted because of the inability to maintain proper and adequate transportation facilities and services in such area, each registrant in such area who is employed substantially full time as a bona fide transportation worker, as determined under regulations to be prescribed by the Director of the Office of Defense Transportation and certified to the Selective Service System, shall be deferred by his selective-service local board from training and service under this act in the land and naval forces of the United States so long as such registrant continues to be so employed."

Mr. PEPPER. Mr. President, will the Senator yield for a parliamentary inquiry?

Mr. DOWNEY. I yield.

Mr. PEPPER. Mr. President, I have given notice of an amendment which I propose to offer, but my amendment is in the nature of a substitute for the Johnson substitute amendment. I should like to get my amendment officially before the Senate, although not to supersede the amendment offered by the Senator from California [Mr. DOWNEY].

Mr. President, I wish to make a parliamentary inquiry. Is it not proper, if I receive unanimous consent, to offer my amendment in the nature of a substitute, and to have it remain on the desk, and be before the Senate, to be called up at an appropriate time subsequent to action upon the amendment of the able Senator from California.

The PRESIDING OFFICER. That can be done by unanimous consent.

Mr. PEPPER. Mr. President, I ask unanimous consent to offer my amendment in the nature of a substitute for the amendment of the able Senator from Colorado [Mr. JOHNSON].

Mr. JOHNSON of Colorado. Reserving the right to object, Mr. President, I should like to clarify the parliamentary situation. Does the Senator's request contemplate that the Downey amendment shall be considered before the substitute of the Senator from Florida?

Mr. PEPPER. My request is that my amendment, in the nature of a substitute, be received by the Senate and be a pending amendment before the Senate, but I am not asking for actual consideration of it at this time.

Mr. BARKLEY. Mr. President, there cannot be two questions pending at the same time. What the Senator from Florida should do, I think, is to ask that he be permitted to present his substitute for the information of the Senate, and have it printed in the RECORD.

Mr. PEPPER. No, Mr. President; that has already been done. My substitute has not as yet been offered. It is not one of the amendments to the bill which is before the Senate. I understood that the amendment could lie on the table subject to being called up.

Mr. BARKLEY. Of course, it would have to be called up and offered formally. It might lie on the table forever and not be brought up unless it were called up. The point is that there can only be one pending question before the Senate at one time. Of course, I have no objection to the Senator from Florida offering his substitute, but what he is seeking to do is to have it pending at the same time that the amendment offered by the Senator from California is pending. While we can do many things in the Senate by unanimous consent, we cannot have more than one question pending at the same time.

Mr. JOHNSON of Colorado. Mr. President——

Mr. DOWNEY. Mr. President, I claim the floor.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. JOHNSON of Colorado. Why could not the Senator from Florida ask that at the conclusion of the Senate's action on the Downey amendment his substitute be next in order?

Mr. PEPPER. I think that would meet what I have in mind, if that is satisfactory, and if unanimous consent may be granted to that effect.

The PRESIDING OFFICER. The Senator's amendment will be in order after the amendment of the Senator from California shall have been disposed of.

Mr. HILL. Mr. President, is the Senator from California going to speak?

Mr. DOWNEY. I am going to speak, unless some Senator desires to make a request.

Mr. HILL. I should like to make a very brief statement.

Mr. PEPPER. Mr. President, was my request granted?

The PRESIDING OFFICER. The amendment of the Senator from Florida [Mr. PEPPER] will be in order after the amendment offered by the Senator from California [Mr. DOWNEY] to the Johnson amendment is acted on.

Mr. BARKLEY. Just a moment, Mr. President. Let us clear up the parliamentary situation. It would be in order for the Senator from Florida to seek recognition and to be recognized to offer his substitute, which will then become the pending question, following the disposition of the amendment offered by the Senator from California.

The PRESIDING OFFICER. That is correct.

Mr. HILL. Will the Senator from California now yield to me?

Mr. DOWNEY. I yield.

DAVID C. GINSBURG

Mr. HILL. Mr. President, yesterday I was very much surprised to see the Washington News carry a picture of Mr. David Ginsburg, the General Counsel of the O. P. A., and a statement that Mr. Ginsburg was resigning from the O. P. A. and would be given a commission as colonel in the Army. I could not think it was possible that Mr. Ginsburg or any other civilian would be given a colonel's commission in the Army. So I contacted our former colleague, Mr. Prentiss Brown, now the Administrator of the O. P. A., and asked him if the story were correct, and if not, if he would give me the facts in the matter. Former Senator Brown advised me that Mr. Ginsburg had not been considered for a colonel's commission; that he has been under consideration for a captain's commission in the Army. He advised me furthermore that Mr. Ginsburg himself had never asked for any deferment under the draft on account of occupation, on account of the fact that he held the position as General Counsel or any other position with the O. P. A.

In fact, Mr. Ginsburg is a married man, with a dependent wife, and certainly during most of the period of the draft he would have been entitled to deferment as a married man with a dependent wife, because, as we know, it is only recently that the Selective Service System has been taking married men with dependent wives.

I believe the Senate should know that Mr. Henderson, as head of the O. P. A., asked for Mr. Ginsburg's deferment because of the position Mr. Ginsburg held in the O. P. A. In my opinion such request was never necessary, because Mr. Ginsburg was entitled to be deferred, and would have been deferred, as a married man with a dependent wife.

On January 19, 1943, which was some 7 or 8 weeks ago, Mr. Ginsburg wrote a letter to former Senator Brown, Administrator of the O. P. A., in which he tendered his resignation as General Counsel of the O. P. A. I ask unanimous consent to have the letter printed in full

in the RECORD at this point as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JANUARY 19, 1943.

PRENTISS BROWN, Esq.,
Office of Price Administration,
Washington, D. C.

DEAR PRENTISS: This is my resignation, to be accepted at your convenience.

From what has gone before I realize that your first inclination will probably be to hand the letter back to me with instructions to forget the matter and go to work. But before your decision is made I want you to read carefully what I have to say, and to think about it.

Your job is tougher even than you believe. Time will reveal this. When we spoke by telephone I tried to give you some intimation of what lay ahead, but words alone don't cut deep enough. Directly or indirectly, sooner or later, every organized special interest and pressure group in the country will bring its power to bear on you—first by what will appear to be appeals to reason, then by threats, and if need be by force. Every decision which affects them adversely will come to be challenged before you or the Congress or the public as a threat to the war effort or the public interest perpetrated by a college professor or an inexperienced young lawyer. The adjectives and the epithets may change as the character of the staff changes, but so long as the ruling remains adverse the challenge will also remain. They will try to divide you from your staff, and then try to undermine you and your staff separately. As a symbol of Office of Price Administration, and in order to preserve the loyalty and support of your people, it will be your obligation to defend them as you defend yourself. It will be harder because you will have inherited the organization.

You must therefore decide now or soon what and whom you will defend. Office of Price Administration, I recognize, may have some defects in organization and personnel—defects in the sense that a better job perhaps could be done in another way or by another person. For this reason you are not called upon privately to underwrite everything and everyone in Office of Price Administration, whatever public position you may take. But Office of Price Administration is also vulnerable, if not defective, in another quarter. My own position illustrates this second kind of problem, and that's what I want to bring to your attention.

I combine in myself almost every handicap that can be brought to an important public office in a war agency in January 1943. I am a New Deal Democrat; I am a Jew; and I am young—31 in April. As a result of my youth, incidentally, I shall almost certainly be attacked as a draft-dodger. This would hurt me fearfully, and hurt many others who are unknown to me. Only the President can forestall this, but it is doubtful whether he would choose to do so.

Shifts in policy may be expedient, yet I feel so deeply that success in our work depends on our hanging on, that instinctively I should tend to oppose or qualify such shifts or compromises.

Lastly, I am physically tired and a little dispirited. I'm almost ashamed to say this, because we are at war, but it is important that you should see the picture whole. I've been on the job more than 2½ years, and most of my weeks have had " long working days in them. I don't begrudge that. Indeed, I'm proud of my share of what we've accomplished. But there's a limit to what people can take and still do their job efficiently. Maybe the work needs fresh minds, and the public new faces.

These are all reasons, moreover, why the prospect of a place in the Army is appealing. I do recognize, of course, the dangers to the Office of Price Administration of a shift now in the top staff, but all of us, I know, would do our very best to minimize those dangers. What I want to get across, however, is that my case presents you with special considerations which you must consider separately from others, and that I am offering you my resignation without reservation or qualification of any kind.

Yours sincerely,

DAVID GINSBURG,
General Counsel.

Mr. HILL. I quote briefly from the letter of Mr. Ginsburg to former Senator Brown.

I combine in myself almost every handicap that can be brought to an important public office in a war agency in January 1943. I am a New Deal Democrat; I am a Jew; and I am young—31 in April. As a result of my youth, incidentally, I shall almost certainly be attacked as a draft dodger. This will hurt me fearfully, and hurt many others who are unknown to me.

The letter closes with these words:

I am offering you my resignation without reservation or qualification of any kind.

Yours sincerely,

DAVID GINSBURG,
General Counsel.

Mr. President, I have a statement which Mr. Brown, Administrator of the Office of Price Administration, released yesterday in connection with Mr. Ginsburg, in the matter of his service with the O. P. A., and his leaving the service. I ask that the statement be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

MARCH 11, 1943.

The following statement was issued today by Price Administrator Prentiss M. Brown:

"I have just been informed that attacks have been made on Mr. David Ginsburg, general counsel of the Office of Price Administration, with respect to his plan to enlist in the United States Army and the probability that he might obtain a commission as a captain for service abroad. I feel in justice to Mr. Ginsburg that I should make the following statement:

"When the Office of Price Administration was set up, to my personal knowledge I know that Mr. Ginsburg contributed tremendously to the organization. He was one of the main factors in holding the price line at a time when there was no statutory authority to do so. In the drafting of the first act, his advice was considered by the subcommittee in the Senate to be of great value. His knowledge of the situation and the need for the legislation was unusual, and it is my judgment that he performed a great service for his country in his capacity as adviser to Mr. Henderson. He was appointed general counsel and served until the present.

"Upon my taking office, he gave me his resignation and strongly urged that I accept it. He gave me his reasons for it. I did not accept his resignation because I considered him the best informed man in the Office of Price Administration. After I had been here for some weeks, I came to certain conclusions as to the course I should pursue. I told Mr. Ginsburg what my views were and told him that I would be delighted to have him continue, but wanted him to know that I had certain changes in mind and asked him whether or not he could go along with those changes. This was on Thursday, March 4. It was understood that he would think the matter over and on Friday the 5th he advised me that he thought it would be in the best interests of the office for me to accept his resignation because while he thought he might go along with the policy he feared at times there might be differences of opinion and that he felt also a desire to go into the Army. I told him to be certain that he was making the right decision and then left the matter to him. On Saturday morning he asked me to write a letter to his draft board advising that I would release him from Office of Price Administration. I did so. I considered that as long as Mr. Ginsburg was willing to follow my general policies, he was indispensable to this organization and would have informed the authorities if necessary.

"Our personal relations are most friendly and he has performed a great service for his country in this office."

Mr. HILL. I also have a brief summary which has been compiled for me by Mr. Brown, concerning the status of Mr. David Ginsburg under the Selective Service Act. I ask that this summary be also printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

1. Mr. Ginsburg is registered with Local Board No. 10, 1622 H Street NW., Washington, D. C. His order number is 3068.

2. In the summer of 1941 Mr. Ginsburg filed a routine questionnaire with his selective-service board indicating dependency—not occupation—as the basis for his classification.

3. On August 16, 1941, the Office of Price Administration filed Selective Service Form 42 with Mr. Ginsburg's local board requesting his deferment as a necessary man in the defense program.

4. On August 16, 1941, the board placed Mr. Ginsburg in class II–A for 6 months. This was probably error; he should have been classified in III–A because of dependency.

5. On January 15, 1942, Mr. Henderson filed Form 42–A with the local board requesting deferment in class II–B.

6. On January 19, 1942, the local board notified Mr. Ginsburg he had been tentatively placed in class I, subject to physical examination. However, on March 6, 1942, the local board finally placed Mr. Ginsburg in class II–A for 6 months (until September 6, 1942).

7. On September 3, 1942, Mr. Henderson filed Form 42–A with the local board requesting Mr. Ginsburg's classification in II–B.

8. On September 24, 1942, the local board placed Mr. Ginsburg in class III–B, his present classification. This is a dependency classification. The board evidently reconsidered its original decision on dependency and decided that the original classification in class II–A was incorrect.

9. At no time did Mr. Ginsburg himself ever ask for deferment because of his job. The office regarded him as indispensable; those who know his contributions to and place in the organization have no doubt regarding the correctness of that decision.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. BARKLEY. In that connection I think it ought to be stated that my information is that the consideration of Mr. Ginsburg in connection with a captain's commission was not initiated by

him at all. I am informed that it was initiated by a high officer in the War Department who desired to utilize Mr. Ginsburg's services, and went to him to suggest the possibility of having him appointed a captain in the Army of the United States.

Mr. HILL. I wish to thank the Senator from Kentucky for his contribution.

PRODUCTION OF FOODSTUFFS—PLEDGE OF DUBOIS COUNTY (IND.) FARMERS

Mr. WILLIS. Mr. President, many Dubois County, Ind., farmers have joined in solemn pledge not to accept any payments from our Government, and to produce the greatest amount of essential foodstuffs possible for the duration of the war. They believe that the universal adoption of this course would release billions of dollars of the taxpayers' money for much needed national defense. They also believe that it would release for other and much more important defense work thousands of able-bodied men who are now on the Government payrolls telling farmers what they may and may not plant. I ask unanimous consent to have the pledge printed in the RECORD at this point.

There being no objection, the pledge was ordered to be printed in the RECORD, as follows:

DUBOIS COUNTY, IND.

Believing that we should so live that we may look our children and those of our soldier wounded in the face when they come home with an unbothered conscience and not having failed them because we let the tax eaters and Agricultural Adjustment Administration pay-roll patriots administer a debt- and interest-burdened prosperity to us as farmers.

Believing that the taxpayers of the Nation are about to shoulder the greatest interest-bearing tax burdens in our history which our children and our returning soldiers will inherit from us, and believing also that economy should be practiced in our Government as well as in our household, we, as patriotic farmers of Dubois County, Ind., do hereby pledge ourselves to refrain from the acceptance of any Government Agricultural Adjustment Administration dole payments for the growing or nongrowing and restriction of acreage of any crops, livestock, etc., on our respective farms.

And, consistent with this undertaking and in a spirit of contributing in every possible manner to the cause of victory and of national abundance, security, and stability, we further pledge ourselves to produce to the limit of our ability all the things which we are best equipped to produce.

MEMBERS OF THE FARMERS GUILD.

FREEDOM OF THE PRESS—CURTAILMENT OF NEWSPRINT

Mr. WILLIS. Mr. President, recently I issued a statement following a study of the growing increase in the use of paper by Federal agencies. The study, which attracted a good deal of attention throughout the country, was undertaken in connection with a report that there was a shortage of paper. I have not heretofore offered to the Senate the figures which were compiled. I find them to be included in an editorial printed in the Chicago Herald-American of March 10, 1943, and I ask that the editorial be printed in the RECORD at this point as part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TRYING TO STARVE PRESS FREEDOM

Senator RAYMOND E. WILLIS, of Indiana, has charged the Federal Government with "disgracefully and shamefully" increasing its own use of printing paper, while curtailing newsprint consumption by newspapers and magazines to an extent threatening the active functions of the free American press.

Senator WILLIS supports his charge by citing official records.

In 1941, he recites, the Federal Government contracted for 117,173,000 pounds of paper, and actually used 208,900,000 pounds.

In 1942, the Government contracted for 187,850,000 pounds of paper, and used 226,000,000 pounds.

In 1943, the Government has contracted for 350,000,000 pounds of paper—which, as Senator WILLIS says, is "60 percent more than actually consumed in 1941, the year which American newspapers and magazines are asked to use as an even-then-scaled-down base period for determining their consumption in 1943."

In other words, the Government proposes to use more than half again as much printing paper in 1943 as it used in 1941, while the newspapers and magazines are compelled to use drastically less in 1943 than in 1941—a year in which their actual supply was below their real needs.

That would be a serious situation if it covered the whole story.

But quite obviously the Government has no intention to limit its use of paper to its contracts this year—and will again repeat its excesses as it did the 2 previous years.

For as Senator WILLIS notes:

"Far more startling—and far more disgraceful at a time when the very freedom of the entire American press is threatened by Government curtailment—is the fact that in the first 3 weeks of this year the Federal Government consumed 115,545,000 pounds of the 350,000,000 pounds under contract for 1943.

"If this rate were to be maintained, the Federal Government could be expected to consume more than 2,000,000,000 pounds of paper in the Government Printing Office in Washington alone in 1943—or 9.6 times as much as it consumed in 1941."

The American people are entitled to wonder and will do well to inquire, what possible—and especially what useful—purpose such a tremendous volume of Government printing can serve.

All of the legitimate and accurate news and information about the Government is faithfully and completely reported by the press—without cost to the Government, and indeed without cost to the people except for the few cents paid for a newspaper or magazine.

Even Government propaganda is fully printed by the press, on the probably proper but often overstrained theory that what the Government wants the people to know should be told.

Surely the Government cannot consider itself isolated from the people in matters of information or even of propaganda since much of the press is friendly to the administration and all of the press reports news accurately and fully, regardless of politics or partisanship.

Surely, then, the Government should be constrained against overconsumption and waste of printing paper—particularly if the available supply of paper is so short as to justify smaller and fewer newspapers and magazines, as the Government insists and requires.

Surely, too, the Government should be constrained against waste of the people's money for printing and publication that does not increase public information and knowledge.

But of course if the Government's real purpose and intention is to cripple and destroy the press, and to be its own printer and publisher and to monopolize all channels of news and information, it is pursuing an effective course.

As Senator WILLIS pointedly remarks, with the Government gorged on paper and with the free press starved for paper, the resulting situation "should more than guarantee freedom of expression to the New Deal, even if newspapers and magazines are reduced to the size of Government questionnaires. The figures speak for themselves, disgracefully and shamefully."

It remains for the American people to decide for themselves if it is in their interest to preserve a free press and—if they so decide—to assert themselves vigorously and promptly to prevent its demoralization and demolition.

EXECUTIVE SESSION

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. BARKLEY. I wish to bring to a close the day's session. With the understanding that the Senator from California [Mr. DOWNEY] retains his right to the floor, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF A COMMITTEE

Mr. HAYDEN, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The PRESIDING OFFICER (Mr. FERGUSON in the chair). If there be no further reports of committees, the clerk will proceed to state the nominations on the executive calendar.

WAR MANPOWER COMMISSION

The legislative clerk read the nomination of Louis Bloch, of California, to be program control technician, at $5,600 per annum, in the San Francisco regional office.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

UNITED STATES PUBLIC HEALTH SERVICE

The legislative clerk proceeded to read sundry nominations in the United States Public Health Service.

The PRESIDING OFFICER. Without objection, the nominations in the United States Public Health Service are confirmed en bloc.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

THE ARMY

The legislative clerk read the nomination of George Smith Patton, Jr., to be lieutenant general for temporary service.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Carl Spaatz, to be lieutenant general for temporary service.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. BARKLEY. I ask that the President be notified immediately of all nominations confirmed today, as well as those confirmed yesterday.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith of all nominations confirmed today and yesterday.

RECESS TO TUESDAY

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 11 o'clock a. m. on Tuesday next.

The motion was agreed to; and (at 6 o'clock and 9 minutes p. m.) the Senate took a recess until Tuesday, March 16, 1943, at 11 o'clock a. m.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 12 (legislative day of March 9), 1943:

WAR MANPOWER COMMISSION

Louis Bloch, to be program control technician, at $5,600 per annum, San Francisco regional office of the War Manpower Commission.

UNITED STATES PUBLIC HEALTH SERVICE

TO BE SURGEONS

Mason V. Hargett
Cassius J. Van Slyke
Erwin W. Blatter

IN THE ARMY

TEMPORARY APPOINTMENTS IN THE ARMY OF THE UNITED STATES

To be lieutenant generals

George Smith Patton, Jr.
Carl Spaatz

POSTMASTERS

ILLINOIS

Mary L. Mears, Bellflower.
R. Verne Westervelt, Buda.
Hardy E. Altig, Cullom.
Harold E. Price, Grant Park.
William W. Sloan, Rockton.
Charles H. Green, Vandalia.

INDIANA

Breck E. Leach, Merom.
Bernice Bales, Modoc.
Charles A. Good, Monterey.
Martin W. Smith, Mount Vernon.

MARYLAND

Charles H. Wilson, Forest Hill.
Rebecca B. Leaman, Germantown.
James A. Currier, Havre de Grace.
Wilma M. Berg, Mount Hays.

MINNESOTA

Esther C. Saam, Cleveland.
Gilbert P. Finnegan, Eveleth.
Ada L. Davies, Kasota.
Arthur P. Rose, Marshall.

MONTANA

Lovell E. Whitmore, Whitefish.

OKLAHOMA

Monroe Burton, Poteau.

OREGON

Mae M. Humphrey, Boring.
F. Sylvia Brennan, Hines.

SOUTH CAROLINA

Hall H. Armstrong, Bath.

WASHINGTON

Carl V. Elliott, Brewster.
Roy R. Nottage, Sprague.

WEST VIRGINIA

John B. Forinash, Huttonsville.
Stella G. James, Institute.
Cassius O. Shafer, Sr., Lundale.

WISCONSIN

Wallace J. Milsap, Shawano.

HOUSE OF REPRESENTATIVES

FRIDAY, MARCH 12, 1943

The House met at 12 o'clock noon, and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Heavenly Father, for days of health, for nights of quiet rest, for the bounty of Thy goodness and for all Thy blessings bestowed for our need, we give Thee our humble thanks. We praise Thee for our country, our schools, our homes, and for the opportunities which make us grow and develop into self-reliant manhood. Let him who is despondent bring his spirit to the mountaintop of faith, into the radiance and warmth of God's love.

We bless Thee that Thou dost make our mistakes to work and achieve the destiny of our Nation. Nothing can arrest the sweep and power of the divine purpose any more than a storm can stay the light and beauty of a summer day. In the Christ, who hath neither the beginning nor the end of days, we have the revelation of what we would be; by the glory of His marvelous presence we are helped to translate vision from dream into the reality of good character. O Master, on this day set apart for world prayer, we rededicate ourselves to the cause of Christian freedom, may we toil to bring freedom back to all peoples and cause justice and charity to walk again the ways of this burdened earth and Thy name shall be magnified and crowned with the blessing of brotherly love. In the name of our glorified Redeemer. Amen.

The Journal of the proceedings of yesterday was read and approved.

PETROLEUM PRODUCTS SENT TO SPAIN

Mr. BLOOM. Mr. Speaker, by direction of the Committee on Foreign Affairs, I present a privileged resolution (H. Res. 150) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Whereas it is currently reported in the public press that Hon. Carlton J. H. Hayes, United States Ambassador to Spain, in a public address at Barcelona on February 26, made the following statement: "I am happy to say that during the last 4 months of 1942 and to date in 1943 the flow of gasoline and other petroleum products from America to Spain has equaled the full capacity of the Spanish tanker fleet. Already by January 1 this year stocks had sufficiently accumulated here to enable Spanish authorities to increase gasoline rations, put more trucks on highways and recently to start street busses running again in Madrid. At the present time the amount of petroleum products available to Spain is appreciably higher than the quantity available for military use to any other European country, and is considerably larger than the present per capita distribution to people along the Atlantic seaboard of the United States." Mr. Hayes disclosed that in addition to oil the United States is sending Spain big quantities of essential products, including sulfates, cotton, coal, cellulose, industrial chemicals, beans, codfish, and many other items. He said that in order to aid in the rehabilitation of Spanish agriculture the United States had made available to that country during the latter part of 1942 some 25,000 tons of sulfate of ammonia despite the fact there was a scarcity in the United States.

Whereas there is a great shortage of kerosene, fuel oil, and gasoline in New England and throughout the east coast of the United States to the point of causing hardship and suffering from cold during the winter months; and

Whereas it is injurious to people in the United States to give petroleum products abroad when the products are so greatly needed at home: Now, therefore, be it

Resolved, That the President of the United States is hereby requested to transmit forthwith to the House of Representatives, if not incompatible with the public interest, a complete report showing the amount of petroleum products sent to Spain and other countries in the past 2 years and the amounts contemplated for future shipment.

Mr. BLOOM. Mr. Speaker, I ask unanimous consent that the report of the State Department be read.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. BLOOM]?

There was no objection.

The Clerk read as follows:

DEPARTMENT OF STATE,
Washington, March 11, 1943.

The Honorable SOL BLOOM,
House of Representatives.

MY DEAR MR. BLOOM: Your letter of March 8 enclosing copies of House Resolution 150, requesting the President to furnish the House information as to the amount of petroleum products sent to Spain, which has been referred to the Committee on Foreign Affairs, has been received.

The exportation of petroleum products to Spain from the United States during the past 2 years have been:

	Metric tons
1941	227,347
1942	17,771

These are the only shipments made from the United States in the last 2 years. The last bulk shipment from this country occurred on February 19, 1942.

However, by arrangement between the Governments of the United States and Great Britain, Spain has been permitted in her own vessels to carry through the blockade certain limited quantities of oil bought by Spain in South American ports and transported under the Spanish flag. The movement envisaged in the arrangement was estimated to meet essential needs, especially public utilities and transportation. Under this procedure Spain does not have in stock at any one time a supply for those minimum needs for longer than a 60-day period with respect to any petroleum products except lubricating oil, of which a 90-day limited supply is allowed. Adequate guaranties have been furnished by the Spanish Government to satisfy the British and United States Governments that none of these petroleum products will leave Spain or Spanish territories. The arrangement for the shipment of these quantities of oil was for the purpose of permitting the continuance at a minimum level of the economic life of Spain,

Spanish Morocco, and Spain's island possessions in the Atlantic. The program of shipments has received the approval of the joint chiefs of staff.

No future sales to Spain from the United States are in contemplation except small quantities of lubricating oils unobtainable in South America.

Any future shipments by Spain from South America will be subject to the agreement of the British and American Governments and the approval of the joint chiefs of staff.

As can be seen from the foregoing, the transportation of petroleum products in Spanish vessels from ports outside of the United States has no relation to the quantity of petroleum products available to the eastern seaboard of this country.

Yours sincerely,

SUMNER WELLES,
Acting Secretary.

Mr. BLOOM. Mr. Speaker, I move that the resolution be laid on the table.

The motion was agreed to, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. ELLIOTT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. ELLIOTT]?

There was no objection.

ADDITIONAL WATER SUPPLY FOR SAN JOAQUIN VALLEY, CALIF.

Mr. ELLIOTT. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. ELLIOTT]?

There was no objection.

Mr. ELLIOTT. Mr. Speaker, I have here a telegram from Mr. Franck R. Havenner, president of the California State Railroad Commission and a former Member of Congress. I have always contended that additional water should be the first consideration for the San Joaquin Valley of California, then flood control, and lastly power. I have so stated in committees and on this floor. This telegram confirms my statements, and I ask unanimous consent to include Mr. Havenner's telegram as part of my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. ELLIOTT]?

There was no objection.

The telegram referred to follows:

SAN FRANCISCO, CALIF., *March 11, 1943.*
Hon. ALFRED J. ELLIOTT,
House of Representatives,
Washington, D. C.:

San Joaquin Valley of California faces serious shortage of irrigation water during summer of 1943. Available water supply is not adequate for present irrigated areas, which exceed 300,000 acres. Water pumped from wells in various sections of valley has developed high salt content which is damaging large tracts of land. Under existing conditions Federal Government's demand for increased agricultural production cannot be met. There are 380,000 additional acres in the valley which could be brought into production if provided with irrigation service.

A very large amount of floodwater, which could be impounded behind Friant Dam of the Central Valley project, is now being wasted into the sea because of lack of gates for the dam, which is otherwise complete. Installation of these gates, which can be accomplished in a short time at relatively small expense, will provide adequate service of irrigation water for this entire area, including 380,000 additional acres mentioned above. Importance of this water for purpose of increasing agricultural production during war emergency cannot be overemphasized. The California Railroad Commission urgently requests your immediate vigorous support of all measures necessary to bring about installation of Friant Dam gates without further delay.

CALIFORNIA RAILROAD COMMISSION,
FRANCK R. HAVENNER, *President.*

EXTENSION OF REMARKS

Mr. BRYSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include letters.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina [Mr. BRYSON]?

There was no objection.

Mr. MANSFIELD of Texas. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD in three instances, in one to include statement of Mr. John H. Ross, president, Inland Water Petroleum Carriers' Association; in another an editorial from the Houston Post of March 8, 1943, entitled "For Florida Barge Canal," and in the other to include statement of Mr. William H. Webb, executive vice president, National Rivers and Harbors Congress.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. MANSFIELD]?

There was no objection.

Mr. STARNES of Alabama. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an address I delivered to the graduating class of the University of Alabama at Tuscaloosa, Ala.

The SPEAKER. Is there objection to the request of the gentleman from Alabama [Mr. STARNES]?

There was no objection.

Mr. ROBERTSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an editorial from the Page News and Courier, of Luray, Va.

The SPEAKER. Is there objection to the request of the gentleman from Virginia [Mr. ROBERTSON]?

There was no objection.

Mr. SIMPSON of Pennsylvania. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an article by Mr. Mark Sullivan entitled "The Real Ruml Plan."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. SIMPSON]?

There was no objection.

Mr. SCHIFFLER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia [Mr. SCHIFFLER]?

There was no objection.

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include a short editorial.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. DONDERO]?

There was no objection.

PAYMENT OF GRATUITY ALLOWANCE TO DEPENDENT

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Indiana [Mr. SPRINGER]?

There was no objection.

Mr. SPRINGER. Mr. Speaker, I have today introduced a bill to amend the act providing for payment of gratuity allowance to a dependent in the event of the death of a person serving in the armed forces of the United States.

It is my belief that in passing the original gratuity act it was the intention of Congress that any funds payable under the provisions of the act were to be considered as a gratuity in every sense of the word. That the gratuity was a token of appreciation from a grateful Government and its people for service rendered. That it would serve to tide the dependent over a period of financial difficulty until such time as other compensation provided by law could be paid.

I have in mind the case of a dependent grandmother, named as beneficiary by a soldier who died in line of duty, being denied the benefits of gratuity payment which the soldier, going to his death, believed that she would receive. In this case the Comptroller General of the United States rejected payment of gratuity to this aged and penniless grandmother, basing his denial on the decision on a case in the Court of Claims.

The grandmother was the second named beneficiary of the deceased soldier. As a result of the Comptroller General's decision any gratuity allowance paid in this case will go to the creditors of the first-named beneficiary who died insolvent prior to the payment of the gratuity.

Since I feel that the Congress did not intend that gratuity payments were to go for the benefit of any creditors, but as an outright gift in appreciation of service rendered, I have introduced this bill to clarify the intent of Congress and to cause gratuity payments to be made where they rightfully belong.

Casualties are mounting in this war, and will be great before we attain victory. It is only reasonable to expect many cases similar to this I have mentioned. Therefore, I urge every Member of Congress to support this bill to assure that gratuity payments will go direct to those persons who have made the extreme sacrifice.

PERMISSION TO ADDRESS THE HOUSE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute, to revise and extend my own remarks in the RECORD, and include an article by Mr. Roy Gibbons,

appearing in the Times-Herald of this morning.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts [Mrs. ROGERS]?

There was no objection.

[Mrs. ROGERS of Massachusetts addressed the House. Her remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. MRUK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein certain quotations.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. COLE of New York. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a communication from a constituent.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MILLER of Connecticut. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a telegram.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. MUNDT. Mr. Speaker, I ask unanimous consent that on Monday next, following any special orders heretofore entered, I be permitted to address the House for 20 minutes.

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, I am hopeful of having a Republican conference on Monday, and I wish the gentleman would select some other day if he can.

Mr. MUNDT. Then, Mr. Speaker, I ask unanimous consent to address the House on Tuesday for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

INVESTIGATION OF INDIAN CONDITIONS

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. MUNDT. Mr. Speaker, we hear a great deal these days concerning the very candid statement of Winston Churchill about protecting and retaining the British Empire, and the equally candid statement of Joseph Stalin about expanding the Russian Empire. As to where we should consider the United States, some say first, some say second, some say third, and some say way down the line, and a few, I am afraid, have almost forgotten about the United States altogether. However, I am not going to talk about where we should consider America today, but I am going to suggest that we give some consideration to the first Americans, the American Indians.

We Americans are a little bit free in criticizing some of our allies among the United Nations for their treatment of some of the subjugated races and aboriginal people under their jurisdiction. I should like to see the United States come into court with clean hands as we approach the peace table and urge the extension of the four freedoms everywhere. To do this we must first develop proper and adequate care of the American Indian whose original homeland we Americans appropriated in the onward march of civilization.

For that reason and to that end I am introducing in the House on Monday a resolution calling for an investigation of the treatment being accorded the American Indian in this country at this time. This is in pursuance of a memorial passed by the Legislature of South Dakota, recently assembled in session, and asking Congress to take action to give justice to the American Indian. On Tuesday I am going to discuss the matter at length on the floor of the House.

EXTENSION OF REMARKS

Mr. GOODWIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial from the Boston Herald.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. SMITH of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a letter and a circular.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a short article.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

LIMITATION OF SALARIES

Mr. SMITH of Virginia. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. SMITH of Virginia. Mr. Speaker, I call the attention of the House to the so-called Gearhart amendment, which was pending at the time the Committee rose on yesterday. It appears on page 1891 of the RECORD. If I construe that amendment correctly, it lifts all control over salaries. I do not believe the House wants to do that. I believe that what the House wants to do is say that the President shall not have power to lower anybody's compensation. I have pending on the desk an amendment to the Disney amendment which does just that and no more. I hope that before the time comes to vote on the subject the House will give careful consideration both to the Gearhart amendment and the amendment you will find on the Clerk's desk.

COLLECTION OF PERSONAL INCOME TAXES

Mr. ROBERTSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. ROBERTSON. Mr. Speaker, in the course of 10 days or 2 weeks the House will be called upon to vote on the tax measure relating to the collection of personal income taxes. Some Members may be interested in certain tables I have inserted in the CONGRESSIONAL RECORD. You will find them on pages A1140 and A1141 of the Appendix of the RECORD.

TAXING ESTATES SUCH AS THAT OF MARSHALL FIELD

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, in reply to the gentleman from Virginia [Mr. ROBERTSON], I call attention to the fact that I have introduced a bill, which has been referred to the Committee on Ways and Means, to stop one of the gaps through which large estates are now escaping taxation.

I have called attention to the fact that the Marshall Field estate that is now being wasted in the publication of a radical newspaper in New York, called PM, will fall into the hands of Marshall Field III in September 1943. Unless this bill is passed, that estate, which has grown to probably $200,000,000, will absolutely escape all estate and income taxes.

I say it is an outrage, while we are taxing the masses of the American people and drafting our boys and sending them to die all over the world in our country's cause, to permit this estate, through the manipulation of certain lawyers, to escape taxes altogether, and to pour that wealth into certain hands to be used by a radical group for the purpose of undermining and destroying confidence in the Congress of the United States.

EXTENSION OF REMARKS

Mr. COFFEE. Mr. Speaker, I ask unanimous consent to extend my own remarks and include a letter from a constituent.

The SPEAKER. Is there objection? There was no objection.

CALL OF THE HOUSE

Mr. McCORMACK. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. Evidently there is no quorum present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 23]

Bradley, Mich.	Hinshaw	O'Toole
Buckley	Jarman	Reece, Tenn.
Byrne	Kirwan	Rees, Kans.
Cochran	Kleberg	Russell
Culkin	Lewis, Colo.	Schuetz
Curley	Luce	Slaughter
Dawson	McGregor	Sparkman
Dingell	Marcantonio	Sumners, Tex.
Domengeaux	Miller, Nebr.	Treadway
Fellows	Morrison, N. C.	Weiss
Fish	Murphy	Whelchel, Ga.
Gamble	Newsome	White
Gibson	Nichols	Whitten
Hagen	Norton	Winter

The SPEAKER. On this call, 392 Members have answered to their names, a quorum.

Mr. McCORMACK. Mr. Speaker, I move to dispense with further proceedings, under the call.

The motion was agreed to.

EXTENSION OF REMARKS

Mr. LUTHER A. JOHNSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. EBERHARTER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and insert two editorials, one from the Pittsburgh (Pa.) Post and one from the Scranton Tribune.

The SPEAKER. Is there objection?

There was no objection.

Mr. WHITE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an article on money in the post-war world.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF DEBT LIMIT

Mr. DISNEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 1780) to increase the debt limit of the United States, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 1780, with Mr. WOODRUM of Virginia in the chair.

The Clerk read the title of the bill.

Mr. DISNEY. Mr. Chairman, I rise at this time to see if we can get some agreement on the matter of time. Some of the amendments offered have been discussed thoroughly. The gentleman from Virginia [Mr. SMITH] has an amendment at the desk which has not yet been read, and the gentleman from California [Mr. VOORHIS] informs me that he has an amendment.

Mr. WHITTINGTON. I suggest to the gentleman that he postpone his request for limitation of time until the amendments are presented.

Mr. DISNEY. Very well.

Mr. SMITH of Virginia. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Virginia as a substitute for the amendment offered by Mr. GEARHART: Strike out all of section 4 and insert the following:

"SEC. 4. Effective as of October 2, 1942, section 5 of the act of October 2, 1942, entitled 'An act to amend the Emergency Price Control Act of 1942, to aid in preventing inflation, and for other purposes,' is amended by adding subsection (d) to section 5 as follows:

"'(d) No action shall be taken under authorization of this act or otherwise which will limit the payment of annual salaries to a maximum limit less than the annual amount of salary paid with respect to the particular work involved on December 7, 1941.'"

Mr. SMITH of Virginia. Mr. Chairman, I ask unanimous consent to proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. SMITH of Virginia. Mr. Chairman, I have offered this amendment because I am in the same situation that I think a great many Members of the House are. I want to vote for something to correct a situation that Congress never intended. I do not think Congress ever intended that the President should have the power to lower existing salaries or wages. That is what all this rumpus is about. It is because the President has undertaken to lower existing salaries. I do not know that this amendment is the answer, but it is the only defensible answer that I can think of. Let us take the Disney amendment. The Disney amendment as I understand it under its second clause would permit the increase of salaries up to a limit of $67,200. We have passed an act which gives the President power to stabilize wages. The President has proceeded under that authority, through the War Labor Board, and has imposed upon labor what is known as the Little Steel formula, which prohibits them from getting a raise of more than 15 percent of a certain date. If we pass the Disney amendment, anybody making a salary of say $5,000 on December 7, 1941, can have it raised to $67,200 a year.

Mr. GEARHART. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. Not now. How are we going to defend a proposition where we say that we are going to fix the price of labor of the man in overalls and yet let the man who draws a salary have an increase up to $67,200? I do not see how we can consistently do that.

Let us take the Gearhart amendment. I think if you will read it carefully and eliminate from it the excess verbiage, which is largely technical; in substance, the amendment in my judgment takes the lid off the control of both wages and salaries. I called attention a little while ago to this fact, and if you will look in the RECORD you will find the amendment on page 1891. Read the Gearhart amendment, and I think you will reach the same conclusion as I have.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. Not at this moment. The first clause of that amendment takes the bridle entirely off control of wages and salaries, and then in the concluding sentence it says, "Nothing in this act shall prevent the President from stabilizing wages." We are in a pickle now because we put some language in there that we do not know what it means. I do not know what that means, that nothing shall prevent the President from stabilizing wages. I do not think that means anything. I think the effect of the Gearhart amendment is to take it all off, and the effect of the Cooper amendment would be, of course, to destroy the Disney proposal entirely.

If I am correct in my understanding of what this House wants to do, it wants to say to the President, "You cannot disturb any man's vested rights. If a man had a salary on the 7th of December, you can stop him there, but you cannot lower his salary."

I do not think we want to say that within the limits up to $67,200 the lid is off, and anybody who has made a salary of, say, $1,500 on the 7th of December can be raised to $67,200. If you do that, how are you going to defend any such proposition when you say to labor, "You shall not have any increase over 15 percent"?

I now yield to the gentleman from California [Mr. GEARHART].

Mr. GEARHART. I have a very profound respect for the gentleman's legal opinion, but I am afraid he is wrong on both counts.

Mr. SMITH of Virginia. I may be.

Mr. GEARHART. You cannot raise salaries under the Disney proposal without any controls up to the $25,000 tax net because there are two very, very definite controls.

Mr. SMITH of Virginia. They are not in this bill. I know that argument. They say there are a lot of definite controls.

Mr. GEARHART. The controls are in the hands of the executive department, in the control of the President of the United States.

Mr. SMITH of Virginia. I do not yield further, Mr. Chairman. It is very easy to say we have got other controls. We have got the tax control and this, that, and the other control. But what you are going to defend is the Disney bill and not what is in some other bill. I do not think that is the answer to it.

Mr. MOTT. Will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. MOTT. If the gentleman will look at section 4 of the amended Price Control Act, the so-called Anti-Inflation Act, he will find that the President is given authority to stabilize wages and salaries by fixing them at the highest point which existed between two certain dates prior to December 7, 1941.

Mr. SMITH of Virginia. Yes.

Mr. MOTT. Now the Gearhart amendment declares that the order of the President which exceeds the authority given him under the amended Price Control Act, shall be null and void from the date of its issuance, but it goes on to say that this shall not prevent the stabilization of wages and salaries by freezing them as of a date certain between

January 1, 1942, and September 15, 1942. In other words, the President still may stabilize wages and salaries under the provisions and limitations of the Price Control Act of 1942.

Mr. SMITH of Virginia. Well, there are a lot of words in the Gearhart amendment. I do not agree with the gentleman's construction.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. WHITTINGTON. The effect of the gentleman's amendment is to eliminate the objection that salaries may be raised from, say, $1,000 up to $67,000?

Mr. SMITH of Virginia. Yes.

Mr. WHITTINGTON. And the further effect of the gentleman's amendment is to let wages that might have been raised prior to the effective date of the Price Control Act, October 2, 1942, remain at the point to which they had been raised, but to freeze all salaries back of the date of the declaration of war.

Mr. SMITH of Virginia. Subject to the Stabilization Act, to make adjustments.

Mr. EBERHARTER. Will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. EBERHARTER. Would the gentleman's amendment have any effect on the powers of the President as to stabilizing wages?

Mr. SMITH of Virginia. It does not affect the Stabilization Act except to say that the President cannot reduce anybody's salary.

Mr. EBERHARTER. Does it affect wages at all?

Mr. SMITH of Virginia. No.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. RANKIN. It was brought out here on yesterday, I believe, that there was one man who was drawing a salary of $900,000 in 1941, or 12 times the salary of the President of the United States. As I understand it, neither the Smith amendment nor the Gearhart amendment would permit the President, under the present law, to reach that salary. Is that correct?

Mr. SMITH of Virginia. That is correct. I will answer the gentleman further: I do not think it is the philosophy of this Congress or of this country that a man's incentive to make as large a salary as he can, the individual incentive that has made this country great, should be taken away from him by act of Congress or act of the President.

Mr. CASE. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. CASE. If I understand the gentleman's amendment correctly, it seeks to put a floor as of a dated time the same as existed with the stabilizing of farm prices and wages of labor?

Mr. SMITH of Virginia. I have selected the same date that the Disney bill selected.

Mr. HALLECK. Will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. HALLECK. I recognize that section 4 of the present act refers to the date, December 7, 1941, but the stabilization act originally applied to the date January 1 to September 15, 1942.

Mr. SMITH of Virginia. Yes.

Mr. HALLECK. Why would it not be better, in the event the gentleman's amendment were to prevail, to follow the pattern set originally in the price-control act?

Mr. SMITH of Virginia. My reason for not doing it is this, that you would then freeze all abuses in respect to salary increases that might have occurred between December 7, 1941, and September 1942. You will have a wide door open there. That was my reason for adhering to that date.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. MAY. As I understand the situation, the larger salaries about which some complaint is made, are usually fixed by a board of directors of some corporation which employs some outstanding man in its organization. Will the gentleman's amendment freeze the salaries of the different concerns with war contracts with the War Department, from Pearl Harbor, or the 7th day of December, on up?

Mr. SMITH of Virginia. From the 7th day of December on up. After that date it does freeze those salaries.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ROBERTSON and Mr. GEARHART rose.

The CHAIRMAN. The gentleman from Virginia [Mr. ROBERTSON] is recognized.

Mr. ROBERTSON. Mr. Chairman, I favor this Smith amendment and I hope my distinguished colleague from Oklahoma [Mr. DISNEY] will accept it.

The Smith amendment does what many of us want to do, and does it, in my opinion, in a fairer and better way than either the Gearhart amendment or the Disney amendment. Under the Smith amendment we differentiate between the peacetime control and war control. Under the Smith amendment salaries existing as of December 7, 1941, cannot be lowered by Executive order.

Under the Disney amendment, and this, in my opinion, is the chief objection to the Disney amendment, you leave wages under the control of control boards and take salaries under $67,200 from under any control except the Treasury Department.

Mr. DISNEY. Will the gentleman yield?

Mr. ROBERTSON. Yes.

Mr. DISNEY. The gentleman will agree, that as a factual matter, not as a political matter, that control is effectual, will he not?

Mr. ROBERTSON. It may be effectual, but if I were a superintendent getting $5,000 and got my salary increased to $10,000, and one of my men under me was getting $10 a day and wanted to be raised to $12 a day, it would not be very effectual for me to tell him, you go to the Stabilization Board for your authority. I will take my chances with the Treasury.

Mr. DISNEY. Will the gentleman yield for another question?

Mr. ROBERTSON. I yield.

Mr. DISNEY. If your company had a fixed salary range up to $10,000 you could raise it from $5,000 to $10,000 without going to the Stabilization Board about it.

Mr. ROBERTSON. There are several ways.

Mr. DISNEY. And this is the right way.

Mr. ROBERTSON. There are six or seven ways of raising individual salaries or wages which this and the other plans do not interfere with, but I say, if we want to be fair, if we want to get a bill that will not create disunity and dissatisfaction between the white-collared workers and laborers, take the Smith amendment, because the other measures, one wipes out all control prior to September 15, 1942, and the other just wipes out control over salaries.

Mr. COOPER. Will the gentleman yield?

Mr. ROBERTSON. I am sorry I cannot—my time is too limited.

When the price-control bill was first before this House, I offered an amendment to include wages and salaries under the original price-control bill, and that is what we should have done at that time, because we faced serious inflation in 1941. We did not do it. The President said, "Leave wages to me; I will control wages." He tried to control them, but he did not have any too much luck. Then, in October of last year, we provided for control of salaries and wages; and the next day, I believe, he put on this $25,000 limitation. When that proposal was made to us last summer, in the Ways and Means Committee, I voted against it. I did not like the idea of a $25,000 or any other kind of limit, although if I have got a single constituent who has ever been affected by the limit of $67,200, I do not know it. I know they have not written to me about this.

Then, when the Disney bill came before us in committee I voted against it for two reasons. I said, "Let us put this tax measure in a tax bill"; that was one objection. The second objection I just mentioned. It has been cured by the Smith amendment: Treat everybody alike after we put on war control—and the Congress has voted for war control—on wages and salaries. I think it is a necessary thing in time of war, but if you are going to have war controls on wages and salaries, adopt the Smith amendment, and make it a fair one; treat the white-collar worker and the wage earner alike.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

The Chair recognizes the gentleman from California [Mr. GEARHART] in opposition to the amendment.

Mr. GEARHART. Mr. Chairman, the gentleman from Virginia, undoubtedly an able lawyer, and one whose opinion is entitled to very careful consideration, has voiced objection to section 4 of the

Disney bill and to the amendment which I introduced yesterday. The grounds of his objection to the Disney proposal were that all salaries below $25,000 tax net, or $67,200 gross, run hog wild without any control; and his objection to the Gearhart amendment was to the effect that there was no control in effect at all.

Mr. ROBERTSON. Mr. Chairman, will the gentleman yield?

Mr. GEARHART. No; I cannot yield, as much as I would like to.

Now, to discuss the gentleman from Virginia's objection to the Disney proposal. The assertion of the gentleman utterly ignores other legislation. The Treasury Department under existing legislation can control excessive salaries by the simple device of disallowing a deduction credit claimed in an employer's income-tax return in respect thereto. The President, acting through the Treasury, can meet and control any scandalous situation which may arise. Further, his control under the terms of the statute providing for the renegotiation of contracts is equally complete. This statute requires every governmental agency that has to do with the renegotiation of contracts to see to it that no unreasonable salaries are authorized. So the assertion that, under the Disney bill, there is no control over salary gouging simply is not true.

Now, in reference to the Gearhart bill, that involves a little understanding of what this Stabilization Act is. It is a bill which was intended to stabilize the cost of living by freezing prices, salaries, and wages in their relation to each other as of a definite date to be selected by the President between January 1, 1942, and September 15, 1942. If you reach out and pick this strange date of December 7, 1941, as a freezing date for the fixing of salaries you have destroyed the central theory which underlies the legislation, that is the Price, Wage, and Salary Stabilization Act. The Gearhart amendment puts in the President's hands the right to control wages, salaries, and prices under exactly the same conditions, vindicates the intention that you and I had when we voted that bill through and sent it to the White House.

So my amendment is in line with the bill we long ago passed and which the President signed on October 2, 1942. It is in complete harmony with that which we have done heretofore. If you accept the Gearhart amendment you will have stabilized the cost of living by fixing and freezing incomes on salaries and wages, as of a single date, each in proper relation to the other. It is the President's violation of this act which my amendment strikes.

I am sorry but the advocates of the amendment offered by the gentleman from Virginia simply have completely missed the point. The adoption of the Smith amendment would completely destroy the act of October 2 as an inflation deterrent. It would completely disassociate control of wages from control of salaries and the whole idea of stabilization of the cost of living would fail.

Mr WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. GEARHART. I yield.

Mr. WHITTINGTON. Is it not true that the Disney amendment by providing a salary increase up to $67,200 would repeal, if enacted into law, the discretion in the Secretary of the Treasury and the authority which exists and which can be exercised in the renegotiation of contracts?

Mr. GEARHART. Nothing like that could possibly occur. To suggest that section 4 of the Disney bill would effect a repeal by implication of revenue legislation or contract renegotiation measures is to assert the absurd. Nothing could be further from fact.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WOLCOTT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I hope that this matter will not become too confused. I oppose the Smith amendment for several reasons.

The first is that it sets up an entirely different standard for salaries than that set up for wages. The law now provides that nothing in the Stabilization Act shall give the President, or any agency which he might designate, the authority to reduce salaries and wages between the highest paid between January 1, 1942, and September 15, 1942. Now, by the adoption of the Smith amendment, first, we set up an entirely different standard for salaries than wages. We leave wages as of between January 1, 1942, and September 15, 1942. We date salaries back to December 7, 1941.

I am afraid that this committee is having delusions of grandeur in respect to salaries. We have been talking about five and six thousand dollar salaries so much that we think everybody who is on a salary basis receives something over $100,000; but most of the salaried people in the United States today are low-salaried people. "Salary," as I understand it, and as we are given to understand in all the definitions is "remuneration figured on an annual basis."

Let us take as an example a clerk in an office receiving $100 a month on December 7, 1941. On March 1, 1942, her salary is raised to $150 a month. The Smith amendment would give authority to reduce the salary of that $150 clerk back to $100. That is the first objection.

The next is that the President assumed to have authority to limit salaries and wages under the proviso in section 4 of the act of October 2. If the Smith amendment is adopted, it does not change the situation one bit, because he can still reduce or limit salaries or wages according to his interpretation of the phrase "gross inequities" in the proviso. So the Smith amendment is meaningless. It sets up only a new standard which the President may deviate from because he has already deviated once from the standard which has been set up. To set up a new standard from which he can deviate does not correct the situation at all.

There is only one question involved in the consideration of this bill and that is whether the Congress shall legislate or whether the bureaus shall legislate. In due course, if the Smith amendment is defeated, and I hope it will be because it is absolutely meaningless, I expect to offer a substitute which strikes out the language under which the President assumes to have the authority to limit salaries and wages. We will stabilize by putting wages and salaries upon the same basis, and then to make the matter more clearly apparent as to what is the intent of Congress, section (b) of my amendment, which will be offered as a substitute if the Smith substitute is defeated, rescinds the Executive order. Then we start in status quo right where we were and if in the wisdom of the lawmaking body of the Government it is found desirable to limit salaries to $25,000 or $1,000 we can do it and it will be done under the Constitution.

Mr. Chairman, there is a very fundamental question involved here which we have got to settle today, and it will not be settled by the adoption of the Smith amendment.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MAY. Mr. Chairman, I rise in support of the amendment and ask unanimous consent that I may proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky [Mr. MAY]?

There was no objection.

Mr. MAY. Mr. Chairman, I want to make a brief explanation and statement with respect to the question raised by the gentleman from Virginia [Mr. FLANNAGAN] on yesterday, particularly in regard to the commissioning of one David Ginsburg in the United States Army as a colonel.

Mr. Ginsburg made application for a commission in the Army about the 8th day of this month. How strange it is that we have been at war for more than a year, and yet this gentleman was not interested in getting into the service of his country until I appointed a special committee to investigate the persons subject to induction for military service in Government agencies. That application was not approved and has not even been recommended. Furthermore, the regulations of the War Department at this time and an Executive order which has been entered by the President prohibits the commissioning of any person from civilian life who is under 35 years of age. Mr. Ginsberg is just past 31.

There is one way, however, by which he might secure a commission, and that would probably be as a second lieutenant. He can volunteer through his local draft board or he can be inducted by his local draft board as a private in the ranks. He can then take his basic training course which is required by the Army of the United States, actual military performance, ground training, for a period of about 3 months, and then apply, if he can qualify, and get into an officers' training school, where he will take an additional course of training. At the end of that time if he passes the grade and qualifies, he is commissioned usually as a second lieutenant.

Mr. SHAFER. Will the gentleman yield?

Mr. MAY. I yield to the gentleman from Michigan.

Mr. SHAFER. Is it not true that that regulation has been circumvented on numerous occasions and appointments have been made of men under 35?

Mr. MAY. There have been a few appointments of men under 35 who possessed peculiar qualifications in some scientific way or as an engineer. There have been thousands upon thousands of commissions issued to civilians in the Medical Corps. Those are of men who possess medical experience and training and other qualifications that the average ordinary citizen does not possess.

Mr. RANKIN. Will the gentleman yield?

Mr. MAY. I yield to the gentleman from Mississippi.

Mr. RANKIN. I may say to the gentleman from Kentucky that it is stated in the paper this morning that Colonel Browning said:

I told him if he was interested we would consider him for that job. I said it would be impossible to commission him in this country on account of Secretary Stimson's order forbidding commissions for civilians under 35 but because this is an overseas job and because of the hazard involved the board might give him more favorable consideration.

I am wondering why that job was not given to somebody who is already in the Army and let this man Ginsburg take his place in the ranks? Why did they not promote some worthy man who is already over there?

Mr. MAY. Colonel Browning testified to that, and I have his full testimony here in my hand. He stated that he had made a search and an examination of the Army personnel to try to find someone who would fill the bill. The strange thing is that the applicant for the commission as a colonel had made an inquiry about the possibility of losing his job in the Office of Price Administration, and stated that he would like to get into the Army so soon after my committee unearthed his deferment status. Within a few days after that desire was expressed, there turned up a request from London—I do not know how it came here or why—for three officers to be sent over there—two majors and one captain. They thought possibly the applicant Ginsburg might fill the specifications for a captain. I think Ginsburg should face the music and go in as other young men of the country do and shoulder his gun and go to the front.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. VOORHIS of California. Mr. Chairman, I offer an amendment to the Smith amendment.

The Clerk read as follows:

Amendment offered by Mr. VOORHIS of California to the amendment offered by Mr. SMITH of Virginia: At the end of the Smith amendment add the following:

SEC. 4. Supertax on individuals.

(a) The Internal Revenue Code is amended by inserting a+ the end of chapter 1 the following new subchapter:

"SUBCHAPTER E—SUPERTAX ON INDIVIDUALS

"SEC. 477. Imposition of tax.

"There shall be levied, collected, and paid for each taxable year beginning after December 31, 1942, upon the supertax net income of the following individuals the supertax shown in the following table:

"(a) In the case of every individual making a separate return—

If the supertax net income is:	The supertax shall be:
Not over $25,000	50% of the supertax net income
Over $25,000 but not over $50,000	$12,500, plus 75% of excess over $25,000
Over $50,000	$31,250, plus 90% of excess over $50,000

"(b) In the case of individuals making a joint return under section 482 (b)—

If the supertax net income is:	The supertax shall be:
Not over $50,000	50% of the supertax net income
Over $50,000 but not over $100,000	$25,000, plus 75% of excess over $50,000
Over $100,000	$62,500, plus 90% of excess over $100,000

"SEC. 478. Supertax net income.

"(a) The term 'supertax net income' means the gross income computed under section 22 minus the sum of the deductions allowable under section 23, Federal income taxes (but not including the tax imposed by this subchapter) imposed for the taxable year, and the amount of income, war-profits and excess-profits taxes disallowed as a credit by reason of section 131 (b). The deduction in respect of the tax imposed by section 450 shall be limited to such tax less the credit allowable under section 454.

"(b) For the purposes of subsection (a) gross income computed under section 22 shall include interest received or accrued upon the obligations of a State or political subdivision thereof acquired after the effective date of section 477.

"SEC. 479. Capital gains.

"If for any taxable year the net long-term capital gain exceeds the net short-term capital loss, there shall be levied, collected, and paid in lieu of the tax imposed by section 477, a tax determined as follows:

"A partial tax shall first be computed, at the rates and in the manner as if this section had not been enacted, upon the supertax net income reduced by the amount of such excess and increased by the tax computed upon such excess by applying section 117 (c) (2), and the total tax shall be the partial tax plus 50 percent of such excess as reduced by the tax computed upon such excess by applying section 117 (c) (2).

"SEC. 480. Specific exemption.

"There shall be allowed as a credit against supertax net income in the case of a person filing a separate return a specific exemption of $25,000, or in the case of a husband and wife filing a joint return under section 481 (b) a specific exemption of $50,000.

"SEC. 481. Returns.

"(a) Requirement: Every individual having a supertax net income for the taxable year of $25,000 or over, and if no joint return is made under subsection (b), shall make a return, which shall contain or be verified by a written declaration that it is made under the penalties of perjury, stating specifically the items of his gross income and the deductions and credits allowed under this subchapter and such other information for the purpose of carrying out the provisions of this subchapter as the Commissioner with the approval of the Secretary may by regulations prescribe.

"(b) Husband and wife: In the case of a husband and wife living together the income of each (even though one has no gross income) may be included in a single return made by them jointly, in which case the tax shall be computed on the aggregate income, and the liability with respect to the tax shall be joint and several.

"(c) Different accounting periods: If the accounting period of a husband or wife filing a joint return is different from that of the other spouse filing such return, the time for filing such return and the items of gross income, deductions and credits to be included therein shall be determined and adjusted in accordance with such method as in the opinion of the Commissioner shall properly reflect the tax due from said husband and wife.

"SEC. 482. Expiration Date.

"The taxes imposed by this subchapter shall not apply with respect to any taxable year commencing after the date of cessation of hostilities in the present war. For the purposes of this section, the term 'date of cessation of hostilities in the present war' means the date on which hostilities in the present war between the United States and the Governments of Germany, Japan, and Italy cease, as fixed by proclamation of the President or by concurrent resolution of the two Houses of Congress whichever date is earlier, or in the case the hostilities between the United States and such governments do not cease at the same time, such date as may be so fixed as an appropriate date for the purposes of this subchapter."

(b) Classification of provisions: Section 3 is amended by adding at the end thereof the following new paragraph:

"SUBCHAPTER E—SUPERTAX ON INDIVIDUALS"

(c) Foreign tax credit: Section 131 (a) is amended by striking out "or section 450", and inserting ", section 450 or section 477" and section 131 (h) is amended by striking out "and section 23 (c) (1)" and inserting ", section 23 (c) (1) and section 478."

SEC. 2.

No provision of law heretofore enacted authorizing the stabilization or adjustment of wages and salaries shall be construed to authorize a maximum limitation of specified amount upon the salaries of all persons or of any class or classes of persons determined solely by reference to their salaries or other income, whether such limitation be made with or without provision for deductions, credits or other allowances. The provisions of this section shall not be construed to authorize any other adjustment, stabilization, or limitation not otherwise authorized.

Mr. DISNEY. Mr. Chairman, I reserve a point of order against the amendment.

Mr. VORYS of Ohio. Mr. Chairman, I make the point of order against the amendment. I am getting so confused by the series of amendments here that I believe a speech on something that is not before us now could well be reserved until we can take up the matter in order.

Mr. VOORHIS of California. May I be heard on the point of order, Mr. Chairman?

The CHAIRMAN. The Chair will hear the gentleman on the point of order.

Mr. VOORHIS of California. Mr. Chairman, the Smith amendment seeks to answer one of the problems that has troubled many Members of the House, namely, whether or not the Executive was given power actually to reduce salaries below what they were on the date of Pearl Harbor. If the Smith amendment should be adopted by the House, it would answer that particular phase of the problem that confronts us. There is another phase of this problem, however, a problem pointed out to the House by the gentleman from Tennessee [Mr. COOPER] and many others, namely, that it is incumbent upon this Congress to deal fairly and equitably with all groups

in the population and to prevent this war resulting in the enrichment of anyone.

Mr. MARTIN of Massachusetts. Mr. Chairman, I submit that the gentleman is not speaking to the point of order.

The CHAIRMAN. The gentlemen will confine his remarks to the point of order.

Mr. VORYS of Ohio. The point of order is that this is an amendment in the third degree. It has nothing to do with the merits or the substance of the amendment to which it is offered.

Mr. COOPER. May I say, Mr. Chairman, that it is not in the third degree. It is an amendment to a substitute, and therefore is in order. There can be an amendment to the substitute and an amendment to the amendment.

Mr. VOORHIS of California. The so-called Disney amendment is not an amendment.

Mr. MARTIN of Massachusetts. Mr. Chairman, my point is that the gentleman is not explaining wherein his amendment is in order.

Mr. VOORHIS of California. I am attempting to do that, I may say to the gentleman.

The CHAIRMAN. The gentleman will confine his remarks to the point of order.

Mr. VOORHIS of California. It is my contention, Mr. Chairman, that both purposes aimed to be served by the Congress first in attempting to deal fairly and equitably with the problem of inflation and second to avoid any possible charge of excess of power on the part of the Executive would be served if the Smith amendment as amended by my amendment were adopted.

Mr. Chairman, we have before us a provision, the Disney amendment, which is brought before us by the Committee on Ways and Means, but which many Members contend should have come from the Committee on Banking and Currency. The amendment I propose to attach to this bill which is brought to us by the Committee on Ways and Means does cover a matter which is within the jurisdiction of the Committee on Ways and Means very directly and, if adopted, it would mean that Congress would be saying, "No, it is not possible to reduce salaries as they were on the date of Pearl Harbor, but we will adopt a tax program affecting incomes not only from salaries but from other sources which will recapture the greatest portion of those incomes in excess of $25,000 net after taxes and thus make certain that nobody gets rich out of the war."

The CHAIRMAN (Mr. WOODRUM of Virginia). The Chair is prepared to rule.

Section 4 of the bill, the so-called Disney amendment, is in relation to the limitation on salaries contained in the Price Stabilization Act. The amendment offered by the gentleman from California [Mr. GEARHART] and the substitute offered by the gentleman from Virginia, [Mr. SMITH] also refer strictly to the matter of salary limitations. The amendment offered by the gentleman from California is a taxing amendment which undertakes to set up rates and schedules for the purpose of raising revenue. It is clearly not germane to the substitute amendment to which it is offered. The Chair sustains the point of order.

Mr. O'CONNOR. Mr. Chairman, I move to strike out the last word, and ask unanimous consent that I be permitted to proceed for 3 minutes additional.

The CHAIRMAN. Is there objection?

Mr. THOMAS of New Jersey. Mr. Chairman, I object.

Mr. O'CONNOR. Mr. Chairman, it seems to me that inasmuch as this country is engaged in the most serious war in the history of this world, that we are not doing very much today to help the Commander in Chief, to whom every man, woman, and child in this country is looking, to lead us to final victory. This bill should be stripped of every single word, except one sentence, or whatever sentences are required to raise the debt limit, and it should stop at that. Every argument that has been made during the general debate and under the 5-minute rule for the last 3 days for this Disney proposal should have been made against the original bill if we did not like it, which was passed on the 2d of October 1942, because in that bill the Congress passed the buck to the President of the United States and gave him blanket authority, if you please, to fix wages, to fix salaries, and prices, and we all voted for it. Now we are coming in here complaining about the authority we gave him, because he has exercised the authority you gave him. Where is the injustice that the President has heaped on the American people by making this order? Who has pointed it out? Under this very order the profits could have been added to the $25,000-a-year salary; income from bonds, tax-exempt securities and investments could be added to it. Nobody is limited to $25,000 a year under the order that the President made, and he could have made it differently if he wanted to. It was not an attempt to fix limitations on incomes. It was an attempt to fix salaries he thought either disproportionate or out of line with those of other people.

Section 1 of the original act gave the President the authority to stabilize prices, wages, and salaries affecting the cost of living as he viewed it and going on down in the paragraph, he could make such adjustments excepting as otherwise provided in the act with respect to prices, wages, and salaries that he found necessary to aid in the effective prosecution of the war or correct gross inequities.

Section 4 of the act is a narrow limitation of his authority but does not affect his powers under the paragraph quoted in this respect.

You take the lid off salaries if you wish, and fix it so that you can have a salary beyond $67,500 a year and then ask the miners in the coal mines who work under the surface of the earth to dig up coal for you, and ask the workers generally to restrain themselves and not to ask for a wage beyond what they are paid now, and when you do that, what are you going to say to them?

Will we control inflation effectively or at all by taking the lid off of salaries, letting them run hog wild up to as high as a million dollars a year and thereby causing an inducement calling for an increase in prices and wages all along the line? Are we going to make that answer to the laboring man and to the persons who want more than they are now receiving for their products and more wages than they are now being paid?

What reply can you make to the widows and children of those 74 miners who gave up their lives in a coal mine in Montana to get fuel out of the earth for you, whose bodies were not dug out for 4 days? Can we look the workers in the face and say that we voted to raise the lid on salaries so that men can get more than $67,500 a year? If we do, we will start a repercussion which will be heard throughout all of this country. I have not always agreed with the President of the United States, and you know that, and everybody else knows it, but, on the other hand, my only son is in the Navy, and my neighbors' sons are in the Army, and your sons are in the Army, and they are all willing to give up their lives, and, by the gods, I, for one, am not going to do the thing that might destroy the very thing that we are trying to save, and, through it, this country.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR. Yes.

Mr. RANKIN. It appeared here yesterday from what was said on the floor that one of these individuals that were referred to, draws a salary of $900,000 a year.

Mr. O'CONNOR. Yes; and that is more than 10 times the salary that the President of the United States is drawing, who is trying to save us and save this country. What are we doing here? We are trying to undo something that everyone voted for in October 1942. The act passed on October 2, 1942, and you will agree with me that the power that issued this order is in the first paragraph, and is limited only in paragraphs 4 and 5 later in the bill.

Mr. BROOKS. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR. Yes.

Mr. BROOKS. Under the Smith amendment as I read it, if a salary is entirely out of line and existed on December 7, 1941, there would be no power in the world to renegotiate that salary, or the war contract under which it is paid.

Mr. O'CONNOR. Yes; the gentleman is correct, and I say just this: Leave this bill stripped of everything but raising the debt limit.

The CHAIRMAN. The time of the gentleman from Montana has expired.

Mr. GAVIN. Mr. Chairman, I move to strike out the last four words.

Mr. Chairman, I have listened with a great deal of interest to the debate on the matter of salary limitation. Permit me to compliment the Committee on Ways and Means and the distinguished Members of both sides of the House for the splendid manner in which they have presented their various views on this proposed legislation for the consideration of the membership of Congress.

The discussions by the proponents and the opponents were particularly enlightening to us new Members of Congress and I am most grateful for having had the opportunity to listen to their very able presentations and I consider it an honor to serve with such devoted Americans. You all recall that fateful day when under the white flag of peaceful negotiations a yellow streak struck Uncle Sam below the belt and when the bombs burst over Hawaii their repercussions united our people. Today in America there is no north, there is no south, there is no east, there is no west. We are one and have inseparably dedicated ourselves to destroy forever totalitarianism, ruthless, aggressive dictatorship and damnable Japanese imperialistic treachery.

Americans stand shoulder to shoulder championing human rights and human liberties, and the world today looks to us to lead them out of this cataclysm of war. Upon us depends the destiny of civilization and we will not fail, and this is not going to be any easy war, and thousands of American boys in the springtime of their youth will pay for it with their lives.

The job is ours and we cannot delegate our responsibility. We must be prepared to pay the price in hardship, sacrifice, and suffering. We face the greatest crisis in our history but we shall meet this emergency just as we have met every other peril.

It will not be the Atlantic; it will not be the Pacific that will protect our sacred freedom but the determination of an aroused, united people working together, serving together, and fighting together. For what purpose are we fighting? To preserve what? We are fighting to preserve nothing other than our democratic way of life and constitutional form of government, and that is the question that is before the House.

This question should be decided without feeling, without personalities, without discrimination, without partisanship as to whether or not we are to live under a constitutional form of government or we are to be regimented and live by Executive order. The Congress of the United States representing 130,000,000 people have certain inalienable rights to determine and maintain. We must have law and order and if we fail to respect laws then, no law is worth writing and no nation is secure, and these laws should be determined by the Congress and not by direct orders.

These boys of ours in Africa, Guadalcanal, on the high seas, in the air, and under the sea, are fighting to maintain our constitutional form of government, and the Constitution of the United States is the only instrument in the world that guarantees life and liberty and the pursuit of happiness. The destiny of the United States is in our hands.

I am not interested in the question of remuneration. I want labor to be paid every dollar the corporation can stand and I want the man who creates the labor to be paid every dollar his brains and ingenuity entitles him to. That is not the matter involved here today. The matter involved is whether or not we, the Congress of the United States, shall write the laws or whether laws shall be written by Executive order, and as for me I have cast my lot with the Congress of the United States and beg of you as Americans that these constitutional rights and privileges we enjoy be recognized, respected, maintained, so that when we pass on we will pass on to posterity and the generation of tomorrow the same liberty, freedom, and government by the Constitution that was passed on to us, as Abraham Lincoln declared, A government of the people, by the people, and for the people.

Mr. DISNEY. Mr. Chairman, I would like to see if we cannot arrive at some agreement as to the time to be consumed. All of the amendments have been read and discussed except that the gentleman from Michigan [Mr. WOLCOTT] suggested that he would offer an amendment.

I ask unanimous consent that all debate on this section and all amendments thereto close at 3 o'clock and that I may be permitted to have 5 minutes to close the debate.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

Mr. MOTT. Mr. Chairman, reserving the right to object, I would like to inquire whether the gentleman from Michigan has offered his amendment?

Mr. RANKIN. Will the gentleman make it 1 hour and 15 minutes, so that time on points of order will not be taken out?

Mr. DISNEY. Mr. Chairman, I amend the request. I ask unanimous consent that all debate on this section and all amendments thereto close in 1½ hours and that I may be permitted to have 5 minutes to close the debate.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

Mr. WOLCOTT. Reserving the right to object, as I understand it, there can be only one amendment pending to the substitute amendment at any time?

The CHAIRMAN. The gentleman's amendment could be read for information. The gentleman would be recognized on it, or it could be offered after the so-called Smith amendment is disposed of.

Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The CHAIRMAN. The gentleman from Oregon [Mr. MOTT] is recognized.

Mr. MOTT. Mr. Chairman, I rise in support of the Gearhart amendment. I want to discuss it calmly and dispassionately and see if we cannot get back to the fundamental issue involved in this controversy.

Although I strongly favor the Gearhart amendment, I want to say frankly at the outset that if the Gearhart amendment should not be adopted, I shall be reluctantly obliged to vote for the Disney amendment, which, although it is unsatisfactory in a number of respects, is, in my opinion, the next best solution of the problem which confronts us. I do not believe the Disney proposal directly disposes of the issue which is here before us. It does, however, at least, make an effort to correct an intolerable situation which has been brought about by the fact that the Chief Executive, without any authority of law, has made an order limiting salaries, which order, he claims, has the force and effect of law.

Now, it does not make any difference whether that salary limitation made by Executive order was $25,000, or $5,000, or $500. The fact is, simply, that the President, without authority of law, invaded the jurisdiction of the Congress and made an order limiting salaries to a specific monetary amount. The viciousness of the order is not that it limited salaries to $25,000, but that the President had no legal power to make that order at all. He simply usurped that power, which the Constitution vests exclusively in the Congress. The Disney proposal undertakes at least partly to correct this situation, and to that extent, of course, it is better than no legislation at all.

But, Mr. Chairman, I support the Gearhart amendment, and I plead for its adoption, because it is the only amendment before the House which directly raises the real issue involved here and which presents to the House the direct question whether the Congress of the United States intends to tolerate the continuance of an Executive order made without authority of law. When we have decided that issue, then we have done our whole duty here, because every other issue which has been raised in this debate is superfluous and beside the point.

In my humble opinion, the question of the merit of a $25,000 limitation on salaries is not involved in this discussion. The question whether salaries ought to be regulated to any extent beyond that now provided by law is not involved. The only question involved here and that is the one brought out by the Gearhart amendment, is whether the people of the United States, through their representatives in Congress intend to allow the President to make an order having the force and effect of law without first having given him authority for that purpose.

Now here is the situation, which confronts us, and it is a very simple one: Under the amended Price Control Act of 1942, which is sometimes called the Anti-inflation Act, the Congress gave to the President of the United States authority to stabilize prices, wages, and salaries, under certain prescribed conditions and limitations. It gave him that prescribed limited authority, and it set out in the law itself the formula which he should follow in stabilizing prices, wages, and salaries. If you will look at section 1 of the amended Price Control Act of 1942 you will find the general authority which was given to the President. It reads as follows:

> The President may, except as otherwise provided in this act, provide for making adjustments with respect to prices, wages, and salaries to the extent that he finds them necessary, to aid in the prosecution of the war—

And so forth. That, mark you, is the general authority which the President was given, and under the language of this provision the President could exercise it "except as otherwise provided in this act."

Now, here is the limitation to this general authority. It is found under section 4 of the act, and this is the language of the limitation which the Congress placed on the President's power to stabilize wages and salaries:

No action shall be taken under authority of this act with respect to wages or salaries which (1) is inconsistent with the provisions of the Fair Labor Standards Act of 1938 as amended, or the National Labor Relations Act, or (2) for the purpose of reducing the wages or salaries of any particular work below the highest wages or salaries paid therefor between January 1, 1942, and September 15, 1942.

Certainly the language of that limitation of authority, and I refer now to the language of subdivision (2), is clear, unambiguous, and unequivocal. But what did the President do? In respect to the stabilization of prices of commodities in making his orders the President followed the direction of the Congress. In respect to the stabilization of wages he likewise followed the direction and authority and the limitation placed on him by this act of the Congress. But, when it came to stabilizing salaries, he went entirely outside of any authority given him under this act; he completely ignored the specific limitations of the act, and he simply provided by Presidential order, without any authority of law whatever, that no salary, after taxes, should be higher than $25,000. And that, Mr. Chairman, was a plain, deliberate, and unconstitutional usurpation of legislative power—a power which the Constitution has vested exclusively in the Congress.

The CHAIRMAN. The time of the gentleman from Oregon has expired.

Mr. MOTT. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. The Chair will state that the time has been fixed. There are 16 Members who have requested time. However, the gentleman asks unanimous consent to proceed for 3 additional minutes. Is there objection?

There was no objection.

Mr. MOTT. I thank you.

Now, what does the Gearhart amendment provide? The gentleman from Virginia [Mr. SMITH] observed that the Gearhart amendment was full of verbiage. I am going to read it and try to omit that verbiage, if it is verbiage, which I do not think it is—so here, then, is what the Gearhart amendment provides. This is the language:

No provision of law heretofore enacted shall be held or considered to authorize a limitation in terms of a stated amount of money to be paid to any individual as compensation for personal services.

That part of the amendment makes clear the fact that no law authorizes the President, in stabilizing wages and salaries, to name an amount in dollars and cents beyond which an individual may not be paid for his services, and compels the President, in stabilizing wages and salaries, to follow the formula and the limitations prescribed by existing law.

The amendment then provides that any order or regulation limiting wages and salaries by fixing a maximum amount in dollars and cents shall be null and void from the date of the issuance of such order or regulation.

The amendment then goes on to say that "this section shall not prevent the stabilization of wages and salaries on the basis of levels which existed on any stated date between January 1, 1942, and September 15, 1942." That is to say, the President may still stabilize salaries and wages in the manner provided by sections 1 and 4 of the amended Price Control Act of 1942, which is the current statutory law on the subject of price, wage, and salary stabilization, but that he may not go outside the law in making his stabilization orders.

Mr. ROBERTSON. Mr. Chairman, will the gentleman yield?

Mr. MOTT. Not now, please.

In other words, Mr. Chairman, the Gearhart amendment cancels the Presidential order, which was made without authority of law, and limits the authority of the President, with respect to the stabilization of prices, of wages and salaries, to the specific authority given him under the Price Control Act of 1942. That is all it does. That is all that the legislation before us at this particular time should do. If in the opinion of the Congress the time has now come when wages and salaries should be stabilized in a manner different than that provided under existing law, then, of course, the Congress has the right to act and it should act. In the meantime the Gearhart amendment says that the President shall not fix wages and salaries except by authority of law and that where he has acted in this regard without authority of law, then the President's orders are null and void from the date of their issuance. This is the only way, in my opinion, by which the Congress can recapture the legislative authority which the President has usurped, and the only way by which it can prevent him from usurping further legislative jurisdiction in the future. I hope, therefore, that the House will support the Gearhart amendment.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WOLCOTT. Mr. Chairman, I have sent to the Clerk's desk a substitute for the Gearhart amendment, which I understand will not be in order until the so-called Smith amendment is disposed of.

The CHAIRMAN. Without objection, the amendment will be read for information.

There was no objection.

The Clerk read as follows:

Substitute amendment offered by Mr. WOLCOTT for the Gearhart amendment: On page 3, line 8, strike out section 4, and insert the following:

"That (a) of section 4 of the act approved October 2, 1942, entitled 'An act to amend the Emergency Price Control Act of 1942, to aid in preventing inflation and for other purposes' (Public Law 729, of the 77th Cong.), is hereby amended to read as follows:

"'SEC. 4. No action shall be taken under authority of this act with respect to wages and salaries, (1) which is inconsistent with the provisions of the Fair Labor Standards Act of 1938, as amended, or the National Labor Relations Act, or (2) for the purpose of reducing wages or salaries for any particular work below the highest wages and salaries paid therefor between January 1, 1942, and September 15, 1942.

"'(b) (1) Section 7 of title II, and all other provisions of Executive Order No. 9250, "providing for the stabilization of national economy" issued October 3, 1942, which are in conflict with this section are hereby repealed.

"'(2) All orders, regulations, and other directives promulgated by virtue of the aforementioned Executive order in respect to decreases or limitation of salaries or wages are hereby repealed.'"

The CHAIRMAN. The gentleman from Michigan is recognized.

Mr. ROBERTSON. Mr. Chairman, will the gentleman permit me to propound an inquiry for him to discuss while he proceeds?

Mr. WOLCOTT. I yield to the gentleman.

The CHAIRMAN. The gentleman from Virginia will state his parliamentary inquiry.

Mr. ROBERTSON. Does the amendment mean that all salary increases for the first 8½ months of the war shall be frozen and not thereafter challenged?

Mr. WOLCOTT. Mr. Chairman, we have discussed the Disney amendment and the objections to it. I have pointed out my objections to the Smith amendment. I want now to discuss the Gearhart amendment.

I believe the gentleman from California and I attempt to accomplish the same thing but in slightly different ways. It is, however, so clearly apparent that we have got to make the intent of Congress clear and unmistakable in view of what has gone before that the most direct method of approaching this very fundamental question is by the amendment which I have offered. The Gearhart amendment provides for the stabilization of wages and salaries on the basis of levels which existed on a given date between January 1, 1942, and September 15, 1942. In existing law we have told the President that he could stabilize prices, wages, and salaries upon the basis which existed on September 15, 1942; but we have said further to him that in adjusting these salaries and wages he shall not set a salary or wage below the highest wage paid between January 1, 1942, and September 15, 1942. That is a mandatory standard which he is bound to follow and would have to follow were it not for the language which allegedly gives him the authority to reduce them or increase them provided he finds that in any case, in the language of the statute, there is a gross inequity. The proviso states that in any case where he finds a gross inequity and also finds it necessary to aid in the effective prosecution of the war he may adjust these salaries downward or upward. I stress the words of the proviso, "in any case." It is beyond imagination that the President could lump together all salaries over $25,000 and designate them collectively as a single case, which he did. That is the only issue involved in this seemingly very complicated legislation. He has misinterpreted the phrase "gross inequity." He set a limit directly contrary to the clear intent of the Congress, as has been explained during the last 2 days of debate.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. WOLCOTT. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. WOLCOTT. Mr. Chairman, I raise the issue clearly in my amendment. Last October we established the same basis as is provided by the amendment I have offered, the same mandatory standard; we leave it right there. We stabilize all wages and salaries as of the same certain time.

Now, in answer to the question of the gentleman from Virginia: We do not freeze the salaries anywhere. We say that they shall not go below a certain standard. We provide that the President—and I believe he has designated the War Labor Board for this purpose—might entertain applications for the increase of salaries. Anyone who is aggrieved by these limitations may petition the President and the President may refer the question to the War Labor Board and the War Labor Board will determine in its judgment whether the salary shall be increased; but we do say that these salaries and wages shall not be reduced below a certain level.

If we adopt the Smith amendment, as I have explained, we would set up a new standard than that enacted last October, the one under which business has been working. The most direct method of approaching this is to adopt the substitute I have offered, and in order to do so it is necessary to defeat the Smith proposal.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. ROBERTSON. Mr. Chairman, I ask unanimous consent that the gentleman from Michigan may proceed for 30 seconds in order that I may ask him a question.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. ROBERTSON. Does not the gentleman believe that all increases above $67,200 have been made in war industries out of war moneys between January 1, 1942, and September 15, 1942?

Mr. WOLCOTT. That might have been a very important issue last October when we passed the Stabilization Act. I am not interested in any particular salary or wage as much as I am interested in the fundamental question of whether Congress will write these laws or bureaucrats will write them.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

The Chair recognizes the gentleman from Wisconsin [Mr. WASIELEWSKI] for 4 minutes.

Mr. WASIELEWSKI. Mr. Chairman, I am firmly and decidedly opposed to the creation of war millionaires. I believe that the Disney amendment, with the aid of the many other existing controls, can prevent the making of profiteers from war. Under our present tax laws, Congress has made the amassing of profits from war practically impossible. For example, the rates on personal incomes in excess of $200,000 under the 1942 act are fixed at 88 percent and 5 percent Victory tax—with a ceiling of 90 percent. In addition to that there are the State and local taxes. The current levy imposes extremely high excess-profits taxes on corporations, with the avowed purpose of preventing the accumulation of swollen corporate gains and in turn effectively prevents excessive personal profits. I am informed that in the preparation of the 1942 tax, the suggestion was made in the committee to adopt an excess-profits tax for individuals similar to the one now in existence for corporations. Such a levy would tax a larger proportion of unusual incomes than customary incomes. That would really be attacking the problem of the excess due to the war. The Treasury, however, held that this sort of taxation would offer too many practical difficulties to be effective. I believe that it might be desirable to give this matter further study. Under the Renegotiations of Contracts Act passed last year a further control of excessive corporate profits and in turn personal profits has been effectively exercised. Various war agencies as well as the Treasury Department have a wide latitude under this law to renegotiate contracts made with the Government for war purposes. This authority even extends to subcontracts made by every contractor. If these departments exercise reasonable diligence under the Renegotiations Act there can be no growth of war millionaires. Under this act the departments can consider and adjust the reasonableness of salaries, the amount of reserves that should be permitted corporations, and the ratio of individual contract profits to peace contract profits. The Treasury Department has further control and vast power in the matter of deductions for business expenses, which include salaries, and has the power to exclude unreasonable salaries or salary increases. This power has been steadily exercised by the Treasury.

The Disney amendment will be another provision of law, which together with those mentioned above, will help avoid excessive profits in World War No. 2, because the amendment has the effect of freezing salaries at the pre-war, peacetime levels. A 100-percent tax levy, as provided in the Executive order regarding salaries, has been repeatedly interpreted by our courts as confiscation. The Disney amendment does not confiscate or liquidate incomes that were above $25,000 before Pearl Harbor, but it brings under a ceiling the salaries that were below $25,000 prior to that date. Salaries that have increased, whether below or above $25,000 since Pearl Harbor undoubtedly resulted from war profits and should therefore be properly controlled.

To prevent the creation of war millionaires, I urge the adoption of the Disney amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana [Mr. BROOKS].

Mr. BROOKS. Mr. Chairman, there are some of us who are not entirely satisfied with any of the suggested amendments and who are not satisfied with section 4 as presented. My individual idea is that I am interested in taking the profits out of war. We had a sad experience after the last war. It is said that history repeats itself. I pray God it does not repeat itself in particular as to the scandals that rattled in this country immediately after the First World War.

I can recall 25 years ago, Mr. Chairman, when the soldiers—4,500,000 of them—left their camps, their garrisons, and their overseas fighting fronts to return to this country and to their homes. They were met at that time with some of the worst scandals that ever came to light in the history of the United States. They met—they organized into great patriotic groups throughout the United States, and in those meetings—I had the privilege of sitting in a great many of them—they spoke, they acted, and they resolved that this should not happen again and that this country should take the profits out of war.

We are again in a great struggle. We are raising an armed force of 11,000,000 men. We are sending those men to the 2 major fighting fronts of the world. They are going over there. We do not know how long they are going to be gone. They will come back some day because this war must end sooner or later. They are going to come back here and we are going to be face to face with the same problem as to whether or not we have done our bounden duty by them during their absence. We are going to have to look those men in the face—look them square in the eyes—and tell them that we have legislatively done everything possible to take these excessive profits out of war.

I am not convinced that the Disney amendment, and I am not convinced that these other amendments, go far enough to scale down these big salaries and take these profits out of war. I am going to vote and work so that when these men come back I can look them in the face and tell them that I have, by the grace of God, done the best I could to do away with these "profit patriots" while they were fighting to defend this country and its institutions.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from Pennsylvania [Mr. WRIGHT].

Mr. WRIGHT. Mr. Chairman, I would like to point out a couple of inequities in the various amendments as I have read them and attempted to study them. I will refer first to the Disney amendment in the original bill.

Several times during this debate it has been pointed out that the proposed bill works an inequity in favor of salaried employees in that it removes the ceiling on salaries less than $25,000 net after payment of taxes, while the income of both labor and farmers is kept stationary. This is a serious defect of the bill under consideration and one which is bound to make these two classes of citizens discontented with the restrictions placed upon their income.

I wish to point out another inequity which has been alluded to by several of the Members, but not discussed at length. The gentleman from Oklahoma [Mr. DISNEY] has stated that salaries could rise no higher than $67,200. The bill does not say this, but uses the figure of $25,000 net. The amount of $67,200 is calculated upon the basis of the 1942 income tax. Before long, a new tax bill will be presented to the House and passed, either with or without amendment. Presumably, this tax bill will change the rate of taxation. If the change is upward, salaries may be raised above the figure of $67,200 to a ceiling which, after payment of taxes, will leave a salaried employee $25,000 net. In other words, no matter how much his taxes are increased, his salary remains the same. This is not so as to wages and farm prices. An increase of taxes causes a decrease in net income except in this favored salary class which the present bill would create. As the gentleman from Michigan correctly stated yesterday, if the rate of income tax should be 90 percent, which rate, of course, is extreme and only used for the purpose of discussion, the ceiling on salaries would not be $67,200 but $250,000.

Mr. Chairman, just a word now as to the Smith amendment. The gentleman from Virginia attempted in addition to controlling inflation to give voice to what I consider important to the people of the United States and that is that there shall not be unreasonably swollen profits arise from this war. I do not think he accomplishes his object by the amendment which he has offered. If the Congress will remember, before we got into war we had quite an ambitious defense program and in addition Britain and France were buying extensively here. If a manufacturer were unfortunate enough not to get a war contract until we entered the war, he would be in a very poor position as compared to those people whose wages and whose income had been increased in the 2 years prior to the war by having contracts in our own national defense program and also by selling to England and France under lend-lease.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from Indiana [Mr. LAFOLLETTE].

Mr. LAFOLLETTE. Mr. Chairman, during the almost 2 days of debate at times we have lost track of the fundamental thinking in these two groups of thought, and it might be well for us to clarify some of the motivating things that have influenced our speaking.

Again, perhaps, during this debate some of us have been talking for the purpose of pleasing partisans rather than for the purpose of influencing others to our way of thought. I do not want to fall into that error.

My objection to the Disney amendment, and my support now of the Smith amendment, is due to the fact that I was left with a great dilemma to solve. I do not like law by Executive fiat. At the same time, it is clear that salaries are permitted to rise up to the limit specified in the Disney amendment and wages are not. We have to resolve ourselves between the question whether we think the issue of government by orderly processes is the most important thing or an equitable application of earnings is the most important thing.

I think the amendment offered by the gentleman from Virginia relieves for me, at least, that dilemma. I think he has attempted to and his amendment does put salaries on the same basis as wages. Therefore, I am left with only the question of whether or not we shall state that at least there must be an application of similarity to these problems. I am not even going to charge—because I do not think it is necessary, and I reserve my own opinion about that—that the President ignored the intent of the Congress. I am only resolving that question by the fact that he made an application of lowering salaries below the limits that were fixed in the bill at the time.

Mr. DISNEY. Mr. Chairman, will the gentleman yield?

Mr. LAFOLLETTE. I yield to the gentleman from Oklahoma.

Mr. DISNEY. After all, is that not the most important phase of this whole thing, whether or not the President overstepped or exceeded or violated the intent of the Congress? Are not all the other matters side issues?

Mr. LAFOLLETTE. If the Smith amendment is not adopted, and I should like to see it adopted, I have to resolve my thinking as the gentleman suggests, but I do not like to be presented with that dilemma. I am grateful to the gentleman from Virginia for relieving me of the dilemma by offering his amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana [Mr. ALLEN].

Mr. ALLEN of Louisiana. Mr. Chairman, I rise in opposition to the Disney amendment and all other amendments which would have the effect of increasing salaries to exorbitant figures during this war. I am speaking here as an individual Member of Congress. The administration has done many things with which I am not in accord. In the few minutes that I have, there is not time enough to discuss all phases of the pending amendments.

These amendments, and especially the Disney amendment, have been discussed here fully for 2 days. Ninety percent of what has been said in support of the amendments has been a discussion of the legal phase of the matter. Some contend that the President did not have the authority to issue his Executive order limiting big salaries during the war. Congress passed an act last year and the act speaks for itself. I do not have the time now to go into that. I do not mind saying, however, that I had rather see Congress pass a specific act to limit exorbitant salaries during war, and perhaps the best plan is to do that by taxation, but the President has acted to reduce salaries during war. We are therefore discussing a fact and we are called upon to pass upon all these questions in the light of what has been done, and not in the light of legal differences of opinion.

I propose, in the few moments at my disposal, to discuss the question of whether or not it is right to limit exorbitant salaries during war and to further discuss the effects of the pending amendments. Almost nothing during the 2 days debate has been said on this first angle of the question. Therefore, I pose the question, Mr. Chairman, whether it is right and proper to put any limits on big salaries during war. If that question is resolved in the affirmative, then I do not see how anyone can vote for the Disney and other pending amendments which would have the effect of raising these salaries to most exorbitant figures. All of the amendments proposed to strike down the salary limitation order of the President are nothing short of an effort to raise salaries of those who have had their salaries reduced by the Executive order of the President. The President's order simply provided that all salaries be reduced to a net sum of $25,000, after the payment of all income taxes. This means that one would have to draw a salary of $67,200 in order to have $25,000 left when he gets through paying his income taxes. The amendments now before us propose to strike down that Executive order of the President and to permit those huge salaries to be restored. Yea; even some of the amendments would even lift all barriers to salaries which would enable corporations with huge war contracts to pay a salary of a million dollars or more to one man. These huge salaries, in time of war, permit the moguls of industry to spend winters in the resorts of Florida and elsewhere while our men are dying in Africa, the Pacific, and elsewhere for less than $100 per month. Argue all you want to, pace up and down the Well of this House all you will, wave your arms in pretended righteous indignation at the effort of the President to limit salaries, strip this question to the cold realities and it simply becomes a move to raise the salaries of the big industrial executives of this country at a time when everybody else is called upon to economize and save.

For years and years we have heard the American Legion and other patriotic organizations and individuals ask that the profits be taken out of war. I have always loyally supported that view. Congress has passed laws to accomplish that. Now, when the very first effort is made to cut down these great salaries, the hue and cry is raised against it. All of these amendments designed to strike the salary limitation order will increase war profits, the very thing that we have sought to prevent. War profit is war profit, whether paid in huge dividends or huge salaries. How can anybody who really wants to take the profits out of war come in here and support these amendments which will open the floodgates of salaries and permit individual salaries to the tune of a million dollars or more?

Mr. Chairman, over and over in this debate we have heard those who oppose a limitation in salaries during war contend that they had a mandate from the people. Let us examine that statement. Let us see what mandate they received

and from whom they received it, and how they are answering that mandate.

Assuming that salaries were reduced in line with the Executive order, the amendments to strike down the salary limitation order so roundly supported by the gentlemen on the left and some gentlemen on the right, would raise the salary of the president of Willys-Overland Motors, Inc., to $103,000; would raise the salary of the president of the Allied Chemical & Dye Corporation to $125,000; would raise the salary of the president of the American Tobacco Co. to $288,000, and two vice presidents to $150,000 each; would raise the salary of the president of Bethlehem Steel Corporation to $537,000, and of two directors to $197,000, and two other directors to $155,000; would raise the salary of the president of Nash-Kelvinator Co to $225,000, and of two vice presidents to $125,000 and $107,000, respectively; would raise the salary of the president of the Celotex Corporation to $193,000; would raise the salary of three officials of the Union Carbide & Carbon Corporation to $150,000 each; and the president of the United States Steel Corporation to $156,000; would raise the salary of the chairman of the board of Westinghouse Electric to $190,000.

These salaries, and hundreds of others like them, would be raised from the presumptive figure of $67,200 to the exorbitant figures which I have just recited, and under some of the amendments might go even higher. Do you gentlemen on the left have a mandate from the people to go into a salary-raising spree like that? Were you sent here to take care of the big corporations; to take care of the boys who sit up in the air-conditioned offices to the tune of half-a-million-dollar salaries? No; you did not get a mandate from the people to raise these salaries. You did not get an order from the fathers and mothers of the boys dying in the fox holes to let men at home draw a million dollars a year in salary. If you think that was your mandate, you have a rude awakening coming. I think you had a mandate all right, but you listened to the wrong voice. From whence came your mandate? What is behind the great desire to see this salary limitation order wiped out? Why the hue and cry here to do away with the order to limit salaries of these high moguls of industry? Is it possible that theirs were the voices you heard? Can it be that Wall Street and the industrial barons have sent the word down the line that war or no war their fabulous salaries had to be restored. Is "Esau's hand" behind this?

And with whose money do you propose to raise these salaries from $100,000 up to $500,000, and even more? Everybody knows that these great industrial concerns are operating with Federal contracts, using tax money.

Do you want to set in motion the stream of unrestrained inflation? Is it fair to fix the wages of laborers, to fix prices of commodities, and at the same time let salaries run to hundreds and hundreds of thousands of dollars to one individual? Can anyone here justify that? Let me remind you that when you vote for the Disney amendment or these other amendments having the same effect that you lay yourselves liable for all the criticism that may come as a result of unrestrained inflation, and you will bring down upon your heads the righteous wrath of an outraged America. You are sticking your necks out dangerously toward inflation.

Ladies and gentlemen of the House, let us not forget that we are waging war. The greatest obligation of every Member of this House is to strive to win the war as speedily as possible and to bring the American boys home. I hope I may be pardoned for a personal reference, but I speak as a father whose only two children are in the Army and overseas, one in Africa and one in England. I speak here in defense of the men in the armed services and in defense of the humble homes of America. What will the men think who are fighting and dying for less than a hundred dollars per month when they find that the American Congress voted to increase salaries of individuals up to a million dollars or more back home? What will the fathers and mothers and wives living on an allotment of a few dollars think about your action in voting for million-dollar salaries? These are questions which will confront you. You might as well think about them now. There are some things that you cannot laugh off and this is one of them. There is no answer. I urge you in this solemn time to oppose all of these amendments having the effect of reestablishing fabulous salaries during this war. Let the world know that you intend to stand by our soldiers. Let us say today by our votes that men shall not profit out of the sacred blood which they are spilling in defense of America.

Mr. CASE. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Louisiana. I am sorry, I do not have time to yield. I am speaking for the people.

Mr. GIFFORD. Mr. Chairman, "Elocution should not be wasted on impossible solution." But I will inject myself into this debate as I think possibly I may say something simple enough to be understood. Certainly at this time we can reach no solution of the proper limitations of salaries of employees outside the Government.

I regret these personalities as they divert proper consideration of what is really before us.

This seems to be a place where we can "insult each other and call it repartee." But it does draw attention away from the real issue. There is really only one issue involved. Do we approve the usurpation by the President of our duties and prerogatives? I have received many letters recently in praise of the Congress in that we seem to have at last determined to recover and resume our functions so often surrendered to the Executive. I am a member of the Committee on Banking and Currency, and our legislation has been flouted by the Executive. It has been so certified by the chairman of our commitee before the Rules Committee. There was nothing in the bill that we passed which we thought for a moment would give the President the extraordinary power he has assumed.

This is no time to attempt to settle the question of salary limitations. It needs long and careful consideration. If legislation were limited to salaries, people would simply incorporate themselves and receive only dividends. We must have entirely different legislation than is incorporated in this bill. The Gearhart amendment accomplishes the real purpose desired.

It simply reaffirms the powers already given the President. It repeals what has been improperly done. The President may stabilize salaries and wages at the point recited in the Price Control Act. The amendment of the gentleman from Michigan simply makes it clearer and couches it in better form. The Disney proposal has been offered as a compromise. He will allow all salaries to become as large as $25,000. I approve of that.

He limits the higher salaries to pre-Pearl Harbor days. Much oratory has been spilled here about our boys in the Army.

There may be some boys in the Army who would write me, "Please do not vote to limit salaries. My father works for one of those men. Don't let my father lose his job." Many wealthy men live in my district, at least a part of each year, and employ many of our people. Why put those people out of jobs? They have boys in the service. I could talk about the hardships and the sacrifices of our soldier boys, but that is not very persuasive in considering this legislation. If I indulged in that subject, I fear that you would call me a demagog. Let us keep our feet on the ground in this matter. Perhaps we are very confused over the several amendments that have been offered. They are somewhat confusing, but after all, they are rather simple. Let us keep in mind that the one and only issue at the moment is "Shall the Congress proceed to take back its functions which have been usurped by the Executive?" This is our first real test in this Congress. The people are watching us. Let us not fail them.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. REED of New York. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. REED of New York. Mr. Chairman, I feel that this House and the country, amidst all this confusion, should realize that the national debt has been growing very rapidly since 1933. I have prepared a history of the various debt extensions since this administration came into power, even extending the debt of dangerous proportions, long before the administration had any thought of spending any of the $18,000,000,000 "boondoggling" money for national defense.

Mr. Chairman, during the First World War several so-called Liberty Loan Acts

were passed authorizing specific amounts of borrowing upon the public credit.

The First Liberty Bond Act of April 24, 1917, authorized the Secretary of the Treasury to float bonds in the amount of $5,000,000,000. Some $2,000,000,000 had been offered for subscription when the Second Liberty Bond Act of September 24, 1917, was passed, raising the aggregate authorization to $7,538,945,460. In addition, it authorized the issuance of $4,000,000,000 of certificates of indebtedness, which could be outstanding at any time under a revolving authority.

Under the Third Liberty Bond Act, approved April 4, 1918, the bond authorization limit was increased to $12,000,000,000, and the authority for issuing certificates of indebtedness was increased to $8,000,000,000.

Under the Fourth Liberty Bond Act, approved July 9, 1918, the bond authorization limit was increased to $20,000,000,000. The $8,000,000,000 limit on certificates of indebtedness was not changed.

Under the Fifth or Victory Liberty Bond Act of March 3, 1919, the limit on certificates of indebtedness was increased to $10,000,000,000, and a new authorization for the issuance of notes in the amount of $7,000,000,000 was created. The $20,000,000,000 bond limit was not changed.

As a result of the World War borrowing, the public debt reached a maximum of $26,596,000,000 on August 31, 1919.

Under the act of November 23, 1921, the authority for issuance of Treasury notes was increased from $7,000,000,000 to $7,500,000,000. No increase in the outstanding debt was involved, since at that time the Republican administration was already engaged in reducing the national debt at the rate of $1,000,000,000 a year while at the same time instituting tax reductions upon the people, which actually resulted in increased revenue to the Treasury.

Under the act of March 3, 1931, the authorized bond limit was increased to $28,000,000,000.

Under the act of January 30, 1934, the authority for issuance of outstanding notes was increased from $7,500,000,000 to $10,000,000,000.

Under the act of 1935, a revolving authority to have outstanding at any one time $25,000,000,000 of bonds was set up. At the same time, a revolving authority to have outstanding at any one time $20,000,000,000 of certificates and notes was also created. This legislation in effect established the original $45,000,000,000 debt limit.

The act of May 26, 1938, retained the $45,000,000,000 limit, but provided that the total amount of bonds that could be outstanding should be increased to $30,000,000,000, leaving $15,000,000,000 as the limit on notes and certificates of indebtedness.

Under the act of July 20, 1939, the partition as between bonds, certificates, and notes was removed, leaving it up to the Secretary of the Treasury as to how much of the $45,000,000,000 limit should be in each category of securities.

Under the act of June 25, 1940, a special authorization for $4,000,000,000 of defense bonds was created, which could be used only to finance national defense expenditures. This was a revolving authority. In effect, it increased the total debt limit to $49,000,000,000.

Under the act of February 19, 1941, the aggregate debt limit was increased to $65,000,000,000.

Under the act of March 28, 1942, the debt limit was increased to $125,000,000,000.

Under the pending bill, it would be increased to 210 billions, which is the estimated amount of debt that will be outstanding June 30, 1944.

The CHAIRMAN. The gentleman from North Carolina [Mr. FOLGER] is recognized.

Mr. FOLGER. Mr. Chairman, I rise in opposition to the amendments.

Mr. Chairman, there are three sections in this bill that are very important. The important thing is to raise the debt limit to conform to the necessities of our time, in view of the fact that we are at war and there is no present prospect of the cessation of hostilities.

Mr. Chairman, I am never going to confess a greater degree of ignorance than anybody else that I can think of, but I do say to you I am utterly at sea in regard to what is called the Disney proposal, or section 4 of this bill, and the amendments offered as substitutes or amendments to the substitutes.

I do not know what it is all about. I cannot understand what implication each one of these amendments carries with it, and I am unable altogether to vote on a proposition of such importance to this country as these amendments offer, including section 4 itself. I must vote at the opportune time to increase the debt limit to $210,000,000,000, but I cannot vote for any of the amendments, and I propose to vote for the Cooper motion to strike out section 4. Let a salary-limit bill come independently for consideration in an orderly way.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

The Chair recognizes the gentleman from South Dakota [Mr. CASE].

Mr. CASE. Mr. Chairman, I want to call the attention of the committee to a point which I think has been overlooked, and that is that the phrase "or otherwise" as carried in the Disney amendment and also as carried in the Smith amendment might operate to impair the application of the renegotiation statute insofar as salaries are concerned. I do not say that on my own authority. I say that after I have consulted with the chief of the Settlement Division of the Army Price Adjustment Board, who is concerned on the subject, the question being whether the restrictions proposed for the Price Control Act apply to the Secretary of War and the Secretary of the Navy or merely to the President.

The report of the Committee on Ways and Means, which accompanies this bill, carries with it this sentence, on page 5:

> The Renegotiation of Contracts Act, passed last year, is a further hedge against corporate profits, and in turn, personal profits.

It further states:

> If these departments exercise reasonable diligence under the Renegotiation Act, there can be no possibility of a crop of war millionaires.

Under the terms of the Disney amendment, the use of the words "or otherwise," might operate to deny application of the renegotiation statute to salaries which had reached exeessive or profiteering levels prior to December 1, 1941. If the famous $39,000-a-month stenographer at the Jack & Heintz plant, for instance, was getting that much out of cost-plus naval contracts before December 7, 1941, the Disney proposal lets her go back to it and the Treasury and the Price Adjustment boards may be stripped of power to prevent it. The same, I fear, may be true of the Smith amendment, and consequently I expect to offer an amendment striking out the words "or otherwise" in the Smith amendment and the same with the original Disney provision in the bill if it comes to that.

I am obliged to the majority leader for the service he rendered the members of the Republican Party by calling attention to the fact that Republican platforms have called for severe limitation of wartime profits, salaries, and wages. I had expected to cite that passage from a Republican platform, myself. As the Republican candidate for Vice President in 1940 recently said: "We do not run wars to make millionaires" and there is no partisanship, there should be no partisanship, when it comes to curbing wartime profits.

The Renegotiation Act that was initiated by an amendment I offered to an appropriation bill last year was not proposed in a partisan fashion by me, nor was it accepted in a partisan fashion by the Members on my right or on my left. Members of the House last year voted to support the renegotiation statute without partisan politics entering into the question in any way. The Army and the Navy and the Maritime Commission have all testified that that act has been of immense value. The testimony of the War Department has been that in 1 year it has saved over $1,300,000,000 on war contracts. The testimony of the Navy is that it has saved something over $800,000,000 on contracts by renegotiation. The head of the Maritime Commission, likewise, has testified to savings and said that it has been unquestionably of great aid in controlling costs in ship construction. So, I urge that you do not impair the operation of the renegotiation statute by any action here today.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from Mississippi [Mr. WHITTINGTON] for 4 minutes.

Mr. WHITTINGTON. Mr. Chairman, the issue is not without difficulty. The question is: Did the President of the United States under the Price Control Act of October 2, 1942, in which he was authorized and directed to stabilize salaries, wages, and prices, have the power and the authority to issue that part of his Executive order of October 3, 1942, limiting maximum salaries to $25,000? I assert that neither the language of that act nor the intent of the Congress authorized the President to fix a maximum limitation. I regret that the Committee on Ways and Means did not bring in a bill

presenting the issue squarely and separately. I am not inclined to send this bill back to that committee, because they have been considering it for 2 months. It is an important issue. It involves the prerogatives of the legislative and the executive branches of the Government. I will meet it squarely as the issue is presented. The Disney amendment proposes to meet it, but I object to that part which would authorize an increase in salaries, without increase in wages and prices.

The gentleman from California [Mr. GEARHART] offers a substitute for the Disney amendment and without an opportunity to study it critically, I would say with respect to his substitute, that he retains the very language, to wit, the language authorizing the stabilization of wages and salaries that the President has invoked, and that he might again invoke for a similar limitation.

With respect to the substitute of my good friend from Michigan, [Mr. WOLCOTT] I would say that while he repeals or voids that part of the Executive order limiting maximum salaries, his substitute repeals the provision in section 4 of the Act of October 2, 1942, authorizing the President to adjust wages and salaries. Such a repeal is not necessary to deny the President the authority to limit maximum salaries.

The concrete issue is whether or not the Executive is authorized to limit maximum salaries. The Smith amendment has but one objective. The Smith amendment simply states that there shall not be any authority in the Executive or any other executive agency to limit maximum salaries. The Price Control Act, with the stabilization of salaries, wages, and prices, remains as it is. I can understand that it might be better in the minds of some Members to have inserted the phrase "between January 1, 1942, and September 15, 1942," rather than the date December 7, 1941. Permit me to say, however, that if there be any discrimination, it is a discrimination against those who receive salaries and not those who draw wages. There is a discrimination between January and September with respect to wages; wages in many industries were not raised between January 1, 1942, and September 15, 1942, but we had to fix a date and adopt a yardstick of some kind. For my part, I believe that more salaries were raised under war contracts and by war profiteers, according to information at my command, between January 1942 and September 1942, than had been raised up to December 7, 1941.

As I have stated my objection to the Disney amendment is that in preventing the Executive from fixing maximum salaries, his amendment discriminates against labor by authorizing unreasonable and unwarranted increases in salaries. It may be as contended, that the other provisions of the Price Control Act and the authority in the President to stabilize salaries will prevent unconscionable increases. It may be that the renegotiation of contracts will prevent the increases. I oppose, however, approving any language that might be invoked to justify unconscionable increases. Former statutes are repealed by later statutes. It may be argued that the authority to increase to a net income of $25,000 supersedes legislation with respect to stabilization and renegotiation.

I believe the better course is to confine ourselves to the issue and to adopt an amendment that will in no uncertain terms do but one thing, and that is to render void that part of the Executive order limiting maximum salaries.

The question of graduated taxes and of increasing taxes in the high income brackets is not involved. As a matter of fact, the net incomes of those in the higher brackets, except where those incomes are from tax-exempt securities, no matter how high the salary, is rather negligible. We have reached the vanishing point in individual income taxes in the high brackets. If the net incomes in the high brackets should be further reduced, it is for Congress to determine what the reduction should be.

While I believe that the Disney amendment, the Gearhart substitute, and the Wolcott substitute are better than no legislation at all, in all the circumstances, to accomplish the clear-cut objective, I believe that the Smith substitute would best accomplish the purpose of those who deny that the Chief Executive is authorized and empowered to limit maximum salaries under the Price Control Act of 1942 or otherwise. The Smith amendment, moreover, is not confined to salary that the employee received on December 7, 1941. It covers the salary paid with respect to the particular work involved rather than the salary paid to any individual or special employee.

I trust that the Smith substitute will be adopted.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

The Chair recognizes the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Mr. Chairman, after listening to all the amendments and all the speeches pro and con, an innocent bystander might feel as confused as the old Negro did trying to run the path through the woods in a thunderstorm at night and praying to the Lord for less racket and more light.

This issue, reduced to its last analysis, is whether we are going to accept the Disney provision or accept the amendment offered by the distinguished gentleman from Tennessee [Mr. COOPER]. I rise to support the Cooper amendment.

I know it is being charged here that when you passed the price-fixing bill you did not give the President the right to regulate these salaries. I think you did. I can certainly wash my hands of that, because I did not vote for that bill, which was passed, as you know, before we entered the war. If I had my way that measure and certain labor laws and crop interference laws would be stripped from the statute books. The country would then get back to normal and we would have ample food production, and unity would return to the country within 30 days.

But we are confronted with a condition and not a theory.

I pointed out on the floor of this House 8 years ago, and I have the report here, that large holding companies were paying exorbitant salaries to certain of their high officials. One of them during the year the Hoover panic broke out, paid its president a salary of $251,000. Within 2 years of that time they had raised it to $276,000. The salaries of members of the board of directors went up the same way. We had a report here on yesterday of a man drawing a salary of $900,000 a year. That is 90 times the salary paid to General MacArthur or General Eisenhower, or 12 times the salary of President Roosevelt.

If I had my way no man in America would ever draw a salary larger than that of the President of the United States. The $67,200 limit you are trying to repeal is nine-tenths of the salary of the President of this Republic.

The highest intellectual positions on earth ought to be that of the Chief Justice of the Supreme Court of the United States. Two of the ablest men I have ever met in all my life are now on the Supreme Court; I refer to Chief Justice Stone and Associate Justice Roberts. I heard their debate, or opposing opinions, on the farm act when that case was decided. I have never heard anything in the Senate, the House, or anywhere else that surpassed it; yet you have a man in this country, as was shown on yesterday, drawing a salary of $900,000, or 45 times as much as one of these great justices of the Supreme Court of the United States.

Because the President has carried out the law you passed and applied it to these high salary racketeers just the same as to the farmers and laborers you want to change the law and let them out, but leave it in effect as to the farmer. I am not with you. I shall vote for the Cooper amendment, and if it is voted down, then I shall vote against the bill; and if it passes without the Cooper amendment I hope the President will veto it.

The CHAIRMAN. The time of the gentleman from Mississippi has expired. The Chair recognizes the gentleman from Oklahoma [Mr. MONRONEY].

Mr. MONRONEY. Mr. Chairman, there has been a great deal of discussion about all these various amendments pro and con and the House soon is going to determine which one is best.

I want to again plead for an understanding of the delicate situation the House is thrusting itself into in reference to inflation control. Of the amendments that are pending before us today, I like and care for none of them. But I believe the best ends of orderly legislation, and by that I mean protecting the reputation of this Congress, would be better served by the passage of the Cooper amendment at this time.

The leader of the Democratic side has explained the need for getting a simple and noncontroversial debt limitation bill passed at an early date. We could perhaps finish even this controversial bill here today. But you can tell from the amount of debate here in the House something of the length of debate and the degree of blood pressure will be when

this bill, with its controversial rider, goes to the other side of the Capitol. While we debate this extra-controversial rider here and while it is debated on the other side we might exceed the debt limitation and in that way very seriously injure or destroy our war effort.

I further feel that the proper legislative procedure would be to adopt the Cooper amendment at this time and stay on the one subject that brings this bill to the House, namely, the raising of the debt limitation.

If we mix it up with riders, we make it impossible, if you please, for the President to follow the Constitution and have veto power over legislation. Simply, that is the reason for this sloppy legislative procedure. Thus we then are exceeding our legislative authority to almost the same degree that the Executive is exceeding his authority in assuming legislative rights in issuing orders that have the force and effect of law. I do not think there is any great need to rush in and repeal the $25,000 limitation without knowing its effect upon inflation. I think such a measure must come in on its own merits and be debated whether the Congress wants a $25,000 limitation or not; or whether we should have excessive war profits recaptured in the form of a tax bill or not.

Frankly, that is the reason that the $25,000 issue was left out of the price-control bill by the Banking and Currency Committee. It was proposed in that committee. Many on the committee wisely said that if such a limitation was made it should be effected through taxation under the jurisdiction of the Ways and Means Committee. It was almost the unanimous opinion that the only way it could be constitutionally provided was by tax. If the Ways and Means Committee does not want to accept the responsibility for bringing in a bill providing a limiting tax that would almost effect a $25,000 limitation, let them bring it in without recommendation and let the House go on record yes or no whether we approve of such limitations in time of war.

Bear in mind that the American Legion soon after the soldiers came back from the trenches of Europe adopted a platform, and the very first platform that it adopted was that we should restrict war incomes, we should take the profits out of war and we should draft property and wealth. I believe the Democratic and Republican platforms in those years of peace likewise have been rather specific as to what steps should be taken. So I say to you Members today, there is no use rushing into this thing blindly and in a way not consistent with well-ordered legislative procedure.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Chairman, when the celebrated salary-ceiling order was issued, it provoked a quantity of literature which contended promptly that it was un-American, that it destroyed incentive, that the President had no authority, that it was against the traditions of the country, and that it never should have been done.

It was contended with vigor that the salary ceiling did not affect inflation because of the comparatively small amount of money involved in salaries over $67,200 per annum. That is probably correct.

The real issue involved in the controversy before us today is one between the Executive and Congress and relates entirely to the question of whether or not the Executive can by Executive order compel a course of action for which there is no statutory authority.

Now comes the gentleman from Oklahoma [Mr. DISNEY], not to change the authority upon which the President relied for that salary-limitation order, but rather to say that no action shall be taken thereunder. So he proposes now by legislative action to compel the President to interpret the sources of authority according to legislative mandate.

Stripped of surplusage, the proposal by the gentleman from Oklahoma [Mr. DISNEY] provides that no action shall be taken by the Executive which would have the effect of cutting salaries below that which prevailed on or before December 7, 1941, or which would hold other salaries from rising to the level of $67,200. This proposal does not directly meet the issue of law versus Executive fiat. The original proviso on which the President relies still remains in the law. The proposal of the gentleman from Oklahoma [Mr. DISNEY] merely directs a specific interpretation of that proviso and in addition thereto it removes the lid from salaries while the lid on wages remains. To me this appears discriminatory and I find it hard in good conscience to justify such arguments, particularly so since it does not meet the real issue here involved.

Then comes the gentleman from California [Mr. GEARHART] to say also that no provision of law enacted heretofore shall be deemed the source of authority for imposing a salary ceiling, meanwhile leaving the controversial provision in the substitute law.

What the gentleman from California [Mr. GEARHART] says, in effect, is that no law now on the statute books shall be deemed to authorize a salary limitation. His amendment provides that any order issued under such alleged authority shall be null and void. Here again the original proviso on which the Executive rests, even though it is tenuous authority, remains in the original Emergency Price Control Act. He also directs the Chief Executive how to interpret the act. In addition thereto his amendment would change and modify the formula to permit stabilization at the lowest rather than the highest wage and salary basis as provided in the act of 1942.

Then comes the gentleman from Virginia [Mr. SMITH] with another amendment which seeks to change the salary relation as distinguished from the wage basis.

The amendment by the gentleman from Virginia [Mr. SMITH] also fails to deal with the source of authority which is the real issue in this controversy and, moreover, his amendment creates one standard for salaries and another standard for wages. I would find such a proposal difficult to defend in logic and in conscience. None of these, in my judgment, are acceptable solutions because they are not basic. I propose to vote against all of them, and I am going to vote for the Wolcott substitute. The reason I am going to vote for the Wolcott substitute is that he deals with the fundamental issue before us.

If this provision of law is not clear, if it is of doubtful authority for an Executive order, then why not either clarify it or take it out of the law entirely and say to the President: "If you want legislation for it, then submit a proposal to the Congress under which we can legislate salary ceilings in accordance with the desire to develop an equality of privilege," as has been indicated and, second, for the better prosecution of the war.

The Wolcott amendment deals squarely with the issue that was raised over the country when the Executive order stabilizing and establishing a salary ceiling was first announced. If that is the issue, then let us deal with it simply and directly. His amendment leaves the organizational set-up for stabilization, leaves unimpaired the operations of the National War Labor Board, leaves unimpaired the authority of an employer to reduce salaries if he so desires and goes to the heart of the authority on which the President relies for his action.

I think the President exceeded authority. The proviso in the law says that in the fixing of these ceilings, in the case of salaries particularly, he can correct gross inequities, and so forth, in any case—in my town, in your town, between one industry and another industry, between industries, and between individuals. The President did not do so. He made it part and parcel of the whole stabilization order. I do not want to disturb that stabilization program at the present time. I do believe, however, that the constitutional issue involved in the question before us must one day be resolved and if it is not done now, it must be done at a later time when similar situations arise.

Mr. Chairman, I think the gentleman from Michigan [Mr. WOLCOTT] has a direct and persuasive approach to the subject by repealing that proviso, but permitting all the stabilization machinery to remain intact and subsequently consider it and thereby resolve the fundamental issue that is before us, namely, the authority of the Executive to issue an order based on a doubtful provision of the statute versus the authority of Congress under the Constitution. I do not want to be diverted by any superficial considerations. I want to deal directly with the issue that is before us and that is why I propose to vote for the Wolcott substitute and against the rest of the proposals heretofore made.

Mr. MAY. Will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Kentucky.

Mr. MAY. What effect, if any, does the Wolcott amendment have on the existing Presidential order?

Mr. DIRKSEN. If the authority falls, then the Executive order falls, but you

have to deal with the basic authority in every case.

Mr. CASE. Will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from South Dakota.

Mr. CASE. Does the gentleman think that in any way the Disney provision hurts any constitutional provisions? It merely says that the President can act, but he can only act above a certain floor.

Mr. DIRKSEN. It still leaves the doubtful provision in the statute and does not meet the real issue.

Mr. VORYS of Ohio. Will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Ohio?

Mr. VORYS of Ohio. Does not the Wolcott amendment specifically rescind the Presidential order?

Mr. DIRKSEN. Yes; but it would also automatically rescind it if the authority is withdrawn, and that is the only provision of law on which they rely for that Executive order.

Once more let me reaffirm my position by stating that in my considered judgment the proposals offered by the gentleman from Oklahoma [Mr. DISNEY], the gentleman from California [Mr. GEARHART], and the gentleman from Virginia [Mr. SMITH] do not go to the heart of the fundamental controversy and deal with an effect rather than with a cause. In this respect the Wolcott amendment differs entirely from the above-named proposals, and for that reason I shall rest my case on the basis of that amendment.

The CHAIRMAN. The time of the gentleman has expired. The Chair recognizes the gentleman from Arizona [Mr MURDOCK].

Mr. MURDOCK. Mr. Chairman, I recall another name-calling contest, which happened many years ago, when I was a student. One bright and blase young fellow said to a gray-haired faculty man, whom he was quizzing, "You are a Socialist, aren't you?" The kindly old gentleman said, "Worse still, I am a Christian."

When I hear these terms bandied back and forth here, terms which I have not heard clearly defined, terms borrowed from Old World conflicts, when I hear one fellow shout at another that he is a Communist and another reply, "You are a Fascist," I should like to have somebody explain those terms. But that is not why I rose to speak.

I listened to my good friend from Louisiana who spoke here a moment ago as a father and for the boys in north Africa and wherever they be on the battle fronts of the world. I, too, want to speak for those boys. As a Congressman I have a right and also a paternal duty to speak for some of them.

When I think of the young people today, including my own, brought up in their formative years through the poverty of the great depression and now plunged into the hell of war, my anger rises at what we are about to do to them. What of their future—those who survive the whirlwind of hate? They are paying a price now to save civilization. How much more of the cost are we going to shove off onto them to pay in the long future?

Why did I introduce a bill, H. R. 7557 of the Seventy-sixth Congress, in October 1939? To try to prevent a crop of war millionaires growing up out of this most terrible of all wars. Why am I unwilling to lift the lid off of war incomes? Why am I unwilling to forgive the 1942 income taxes on individual war profits? Because of the very injustice and iniquity of it. Every dollar diverted from the Public Treasury through unreasonable war profits, or through tax evasion or legalized abatement of war taxes means just that much more tax burden compounded for our children and following generations to pay.

I have heard a good deal said here about an Executive order killing initiative by imposing salary limitations. Well, I know of some soldiers—at least two who are worth more than they are getting. We put a limitation on them. We took them out of paying jobs and started them in at $21 a month, which in some cases was less than a tenth of what had been paid them. In time of war we do not stop to ask what a man's real ability is to earn money.

I call your attention to the fact that it was a war measure that we passed last year and which some are now trying to amend. I, too, favor free enterprise in America and the highest reaches any human being is able to attain financially, just as we say any boy can become President of the United States in attaining his highest goal politically. I want to preserve that opportunity. But in time of war we must submit to many limitations, and I think the limitation on salaries is a wise one.

I deny that the President has usurped power in the Executive order being fought here and has exceeded the power given him in the original act. It is my understanding of the war-power legislation of the Seventy-seventh Congress that Congress intended to give the President full power to win this war. Let us raise the debt limit without any such amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. SMITH].

Mr. SMITH of Ohio. Mr. Chairman, yesterday we were trying to find the source of this very controversial clause in the Price Control Act, which has caused so much anxiety and trouble to the Congress and the country.

I think I have found the answer. It was put into the price-control bill that was written by the secret group composed of some of the members of the Banking and Currency Committee. Whether other persons than those were present at that meeting we do not know. Reference to yesterday's debate will show something of the composition of that secret committee.

I hold here in my hand a carbon copy of the secret committee bill which was substituted for the Steagall price-control bill. Here is the clause to which I refer:

Provided, That the President may adjust wages or salaries to the extent that he finds necessary to correct gross inequities.

Both the Senate and conferees made changes in this clause, as explained by the gentleman from California [Mr. GEARHART], when he yesterday discussed his amendment.

Who it was that motivated the secret committee to write the clause into the price-control bill upon which the President relied for his authority to place the $25,000 salary limitation, I do not know. But anyone familiar with the facts could hardly escape the conviction that the writing of that clause into the price-control bill was deliberate. Furthermore, why was this clause written so as to confuse its meaning, so as to make it possible to interpret its meaning as giving the President this power, or not to give it to him? Was that deliberate, too?

Let the Members of the House now consider what can happen when Members undertake to do in secret what has been done in the case of the last price-control bill. It is not likely all the members of that secret committee knew what was really back of the affair they were in, but it is most unlikely the leaders of it did not know what it was all about.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

The Chair will state that all gentlemen who requested recognition have been recognized and 5 minutes remain. The Chair recognizes the gentleman from Oklahoma [Mr. DISNEY].

Mr. DISNEY. Mr. Chairman, I was interested in the remarks of the gentleman from Mississippi [Mr. RANKIN]. He said he would not permit salaries over the salary paid to the President of the United States. Who would you have do it? The President has no more authority to do it than the Queen of Sheba. We have not delegated it to him. When the Executive superimposes its judgment upon the law we pass then it is a nullity, and it is incumbent on the legislative department to so declare.

Now about Treasury control. No less a personage than the gentleman from Illinois [Mr. DEWEY], who addressed the House yesterday on this subject, inquired this morning, in the committee room, of the Treasury whether it had sufficient controls to handle this matter of minor salaries, and the answer was yes. We have the renegotiation law, we have the War Industries Control, and besides that we have immense taxes on high salaries.

Mr. Chairman, there is only one issue here, whether or not the power that rests with us may be exceeded by the Chief Executive, exceeded, I repeat, as I said yesterday, even to the extent of making your citizens criminals, making the conclusions of a department finally conclusive, and preventing any appeal to the courts. That is the system that destroys republics.

I have thought this subject over very, very carefully with reference to all these amendments, and I have come to the conclusion that we ought to meet this issue squarely. There is this one issue. This extraordinary power, unusual power, power not delegated to the President of the United States, must be taken back to the Congress. Therefore I hope every amendment will be voted down, including the Smith amendment.

Mr. Chairman, this stupendous issue is the age-old contest between Executive and legislative power—between the people's representatives and the people's rulers. All down Anglo-Saxon history it has been waged, and the people's representatives have always won. In instances where they failed the people, the people chose themselves new representatives, new guardians of the people's liberties. The ancient civilizations of the world in turn flourished, gradually declined and disintegrated, they broke upon the rock of centralized regal or executive power. Stalwart parliaments have preserved representative government during modern Anglo-Saxon history. The battle has not gone to the cunning, the entrenched and powerful, but to the strong willed, to the stouthearted, to the valiant.

Mr. CASE rose.

The CHAIRMAN. For what purpose does the gentleman from South Dakota rise?

Mr. CASE. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. CASE to the Smith amendment: Strike out the words "or otherwise."

Mr. SMITH of Virginia. Mr. Chairman, I ask unanimous consent that the Smith amendment be again reported.

The CHAIRMAN. Without objection, the Clerk will again report the Smith amendment.

There was no objection.

The Clerk again reported the Smith amendment.

Mr. SMITH of Virginia. Mr. Chairman, will the Chair now state to the House the order in which the amendments will be voted on?

The CHAIRMAN. The parliamentary situation is as follows: The first vote will be taken on the amendment offered by the gentleman from South Dakota, to the substitute offered by the gentleman from Virginia [Mr. SMITH]. The question is on the amendment offered by the gentleman from South Dakota.

The amendment was rejected.

The CHAIRMAN. The question occurs now on the substitute offered by the gentleman from Virginia.

The question was taken; and on a division (demanded by Mr. SMITH of Virginia) there were—ayes 80, noes 173.

So the amendment to the substitute was rejected.

Mr. WOLCOTT. Mr. Chairman, I offer the following substitute for the Gearhart amendment, which I send to the desk.

The Clerk read as follows:

Substitute amendment offered by Mr. WOLCOTT to the Gearhart amendment: Page 3, line 8, strike out section 4 and insert the following:

"That (a) section 4 of the act approved October 2, 1942, entitled 'An act to amend the Emergency Price Control Act of 1942, to aid in preventing inflation, and for other purposes' (Public Law 729, 77th Cong.), is hereby amended to read as follows:

"'SEC. 4. No action shall be taken under authority of this act with respect to wages or salaries (1) which is inconsistent with the provisions of the Fair Labor Standards Act of 1938, as amended, or the National Labor Relations Act, or (2) for the purpose of reducing the wages or salaries for any particular work below the highest wages or salaries paid therefor between January 1, 1942, and September 15, 1942.'

"(b) (1) Section 7 of title 2 and all other provisions of Executive Order No. 9250, 'Providing for the stabilization of the national economy,' issued October 3, 1942, which are in conflict with this section are hereby rescinded; and (2) all orders, regulations, or other directives promulgated by virtue of the aforementioned Executive order in respect to the decrease or limitation of salaries or wages are hereby rescinded."

Mr. GORE. Mr. Chairman, I make the point of order that the amendment is not germane. It covers subjects not contained in the bill. It goes to the control of wages and is an invalidation of Executive orders, it is much broader than the bill under consideration by the Committee of the Whole.

The CHAIRMAN. The amendment is offered as a substitute for the Gearhart amendment and the Gearhart amendment provides:

No provisions of law heretofore enacted shall be held and considered to authorize the limitation.

And so forth. It is all-inclusive and all-comprehensive in its provisions, and the Chair on reconsideration thinks that it is germane, and overrules the point of order.

Mr. GEARHART. Mr. Chairman, I ask unanimous consent that the Gearhart amendment be again reported.

The CHAIRMAN. Without objection, the Clerk will again report the Gearhart amendment.

There was no objection, and the Clerk again reported the Gearhart amendment.

The CHAIRMAN. The question is on the substitute offered by the gentleman from Michigan.

The question was taken; and on a division (demanded by Mr. WOLCOTT) there were—ayes 146, noes 187.

So the substitute was rejected.

The CHAIRMAN. The question recurs now on the amendment offered by the gentleman from California [Mr. GEARHART].

The question was taken; and on a division (demanded by Mr. GEARHART) there were—ayes 146, noes 190.

So the Gearhart amendment was rejected.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from Tennessee [Mr. COOPER].

Mr. COOPER. Mr. Chairman, I ask unanimous consent that the amendment be again reported.

The CHAIRMAN. Without objection, the Clerk will again report the Cooper amendment.

There was no objection, and the Clerk again reported the Cooper amendment.

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken; and on a division (demanded by Mr. COOPER) there were—ayes 150, noes 215.

Mr. COOPER. Mr. Chairman, on that I demand tellers.

Tellers were ordered, and the Chair appointed Mr. COOPER and Mr. DISNEY to act as tellers.

The Committee again divided; and the tellers reported—ayes 145, noes 212.

So the amendment was rejected.

Mr. CASE. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. CASE: Page 3, line 14, strike out the words "or otherwise", and in line 18, strike out the word "or", and in lines 19 and 20, strike out the following language:

"2. An amount which, after reduction by the Federal income taxes thereon would equal $25,000."

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Dakota.

The question was taken, and the amendment was rejected.

The CHAIRMAN. Under the rule, the Committee will rise.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WOODRUM of Virginia, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration the bill H. R. 1780, and pursuant to House Resolution 149, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. COOPER. Mr. Speaker, I offer a motion to recommit.

Mr. WOLCOTT. Mr. Speaker, I have a motion to recommit which is on the Clerk's desk.

The SPEAKER. Is the gentleman from Michigan opposed to the bill?

Mr. WOLCOTT. I am, Mr. Speaker.

The SPEAKER. The Chair thinks the minority has the right to offer the motion to recommit. The Clerk will report the motion of the gentleman from Michigan.

The Clerk read as follows:

Mr. WOLCOTT moves to recommit the bill, H. R. 1780, to the Committee on Ways and Means with instructions to report the same back to the House forthwith with an amendment striking out "$210,000,000,000" in line 8 on page 1, and inserting in lieu thereof "$200,000,000,000."

The SPEAKER. The question is on the motion offered by the gentleman from Michigan [Mr. WOLCOTT].

The question was taken; and on a division (demanded by Mr. COOPER) there were ayes 34 and noes 228.

Mr. McGRANERY. Mr. Speaker, I ask for tellers.

The SPEAKER. Two Members have arisen in support of the request for tellers; not a sufficient number.

Tellers were refused.

So the motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. COOPER. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 268, nays 129, answered "present" 1, not voting 36, as follows:

[Roll No. 24]

YEAS—268

Allen, Ill.	Gillette	Norman
Anderson, Calif.	Gillie	O'Brien, Ill.
Anderson, N. Mex.	Goodwin	O'Brien, Mich.
	Gordon	O'Brien, N. Y.
Andresen, August H.	Gorski	O'Hara
	Gossett	Patton
Andrews	Graham	Peterson, Fla.
Angell	Grant, Ind.	Philbin
Arends	Green	Phillips
Arnold	Gregory	Ploeser
Auchincloss	Griffiths	Plumley
Baldwin, Md.	Gross	Poage
Baldwin, N. Y.	Guyer	Poulson
Barrett	Gwynne	Powers
Barry	Hale	Pracht
Bates, Ky.	Hall,	Rabaut
Bates, Mass.	Edwin Arthur	Ramey
Beall	Hall,	Randolph
Bell	Leonard W.	Reed, Ill.
Bender	Halleck	Reed, N. Y.
Bennett, Mich.	Hancock	Rizley
Bennett, Mo.	Harness, Ind.	Robertson
Bishop	Harris, Va.	Robsion, Ky.
Blackney	Hartley	Rockwell
Bland	Hébert	Rodgers, Pa.
Bolton	Heidinger	Rogers, Calif.
Boykin	Hendricks	Rogers, Mass.
Brehm	Herter	Rohrbough
Brown, Ga.	Hess	Rolph
Brown, Ohio	Hill	Rowan
Buffett	Hoeven	Rowe
Bulwinkle	Hoffman	Satterfield
Burch, Va.	Holmes, Mass.	Schiffler
Busbey	Holmes, Wash.	Schwabe
Butler	Hope	Scott
Camp	Horan	Shafer
Canfield	Howell	Sheppard
Cannon, Fla.	Jeffrey	Sheridan
Carlson, Kans.	Jenkins	Short
Carson, Ohio	Jennings	Sikes
Carter	Jensen	Simpson, Ill.
Chapman	Johnson,	Simpson, Pa.
Chenoweth	Anton J.	Slaughter
Chiperfield	Johnson, Ind.	Smith, Maine
Church	Johnson,	Smith, Ohio
Clason	J. Leroy	Smith, Va.
Clevenger	Johnson,	Smith, W. Va.
Cole, Mo.	Luther A.	Smith, Wis.
Cole, N. Y.	Johnson, Ward	Springer
Colmer	Jones	Stanley
Compton	Jonkman	Starnes, Ala.
Costello	Judd	Steagall
Cox	Kean	Stearns, N. H.
Cravens	Kearney	Stefan
Crawford	Kee	Stevenson
Cunningham	Keefe	Stewart
Curley	Kerr	Stockman
Curtis	Kilburn	Sullivan
Day	Kilday	Sumner, Ill.
Dewey	Kinzer	Sundstrom
Dies	Knutson	Taber
Disney	Kunkel	Talbot
Ditter	LaFollette	Talle
Domengeaux	Lambertson	Taylor
Dondero	Landis	Thomas, N. J.
Doughton	Lane	Thomason
Douglas	Lanham	Tibbott
Drewry	Lea	Tolan
Durham	LeCompte	Towe
Dworshak	LeFevre	Treadway
Eaton	Lewis, Ohio	Troutman
Elliott	Luce	Van Zandt
Ellis	Ludlow	Vinson, Ga.
Ellison, Md.	McCowen	Vorys, Ohio
Ellsworth	McGehee	Vursell
Elston, Ohio	McLean	Wadsworth
Engel	McWilliams	Walter
Englebright	Maas	Wasielewski
Fellows	Manasco	Welchel, Ohio
Fenton	Martin, Iowa	West
Fernandez	Martin, Mass.	Wheat
Fisher	May	Whittington
Fulbright	Merrow	Wigglesworth
Gale	Michener	Willey
Gallagher	Miller, Conn.	Wilson
Gamble	Miller, Mo.	Winstead
Gathings	Miller, Pa.	Wolfenden, Pa.
Gavin	Monkiewicz	Wolverton, N. J.
Gearhart	Mott	Woodruff, Mich.
Gerlach	Mruk	Woodrum, Va.
Gifford	Murray, Wis.	Zimmerman
Gilchrist	Nichols	

LXXXIX——125

NAYS—129

Abernethy	Gavagan	Monroney
Allen, La.	Gore	Mundt
Andersen, H Carl	Granger	Murdock
	Grant, Ala.	Murray, Tenn.
Barden	Hagen	Myers
Beckworth	Hare	Norrell
Bloom	Harris, Ark.	Norton
Bonner	Hart	O'Connor
Boren	Hays	O'Konski
Bradley, Pa.	Heffernan	O'Neal
Brooks	Hoch	Outland
Bryson	Holifield	Pace
Burchill, N. Y.	Hull	Patman
Burdick	Izac	Peterson, Ga.
Burgin	Jackson	Pittenger
Cannon, Mo.	Johnson,	Price
Capozzoli	Calvin D.	Priest
Case	Johnson,	Rankin
Celler	Lyndon B.	Richards
Clark	Johnson, Okla.	Rivers
Coffee	Kefauver	Robinson, Utah
Cooley	Kelley	Russell
Cooper	Kennedy	Sabath
Courtney	Keogh	Sadowski
Creal	King	Sasscer
Crosser	Klein	Sauthoff
Cullen	Larcade	Scanlon
D'Alesandro	Lemke	Snyder
Davis	Lesinski	Somers, N. Y.
Delaney	Lynch	Sparkman
Dickstein	McCord	Spence
Dilweg	McGranery	Tarver
Dirksen	McKenzie	Thomas, Tex.
Eberharter	McMillan	Vincent, Ky.
Elmer	McMurray	Voorhis, Calif.
Fay	Madden	Ward
Feighan	Magnuson	Weaver
Fitzpatrick	Mahon	Welch
Flannagan	Maloney	Wene
Fogarty	Mansfield,	White
Folger	Mont.	Wickersham
Forand	Marcantonio	Worley
Ford	Mason	Wright
Fulmer	Merritt	
Furlong	Mills	

ANSWERED "PRESENT"—1

Wolcott

NOT VOTING—36

Bradley, Mich.	Jarman	O'Leary
Buckley	Kirwan	O'Toole
Byrne	Kleberg	Pfeifer
Cochran	Lewis, Colo.	Ramspeck
Culkin	McCormack	Reece, Tenn.
Dawson	McGregor	Rees, Kans.
Dingell	Mansfield, Tex.	Schuetz
Fish	Miller, Nebr.	Sumners, Tex.
Gibson	Morrison, La.	Weiss
Harless, Ariz.	Morrison, N. C.	Whelchel, Ga.
Hinshaw	Murphy	Whitten
Hobbs	Newsome	Winter

So the bill (H. R. 1780) was passed.

The Clerk announced the following pairs:

Mr. McGregor for, with Mr. Wolcott against.

Mr. Fish for, with Mr. Buckley against.

Mr. Rees of Kansas for, with Mr. Weiss against.

Mr. Schultz for, with Mr. Pfeifer against.

General pairs:

Mr. Byrne with Mr. Reece of Tennessee.

Mr. McCormack with Mr. Miller of Nebraska.

Mr. Murphy with Mr. Hinshaw.

Mr. Hobbs with Mr. Winter.

Mr. O'Toole with Mr. Culkin.

Mr. Ramspeck with Mr. Bradley of Michigan.

Mr. WOLCOTT. Mr. Speaker, I had a pair with the gentleman from Ohio, Mr. McGREGOR. I voted "no." Had the gentleman from Ohio been present, he would have voted "aye." I therefore withdraw my vote of "no" and answer "present."

The result of the vote was announced as above recorded.

ORDER OF BUSINESS

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. MARTIN of Massachusetts. The gentleman from Massachusetts [Mr. McCORMACK] stated yesterday there was a possibility that on Monday there would be a motion to suspend the rules. I wonder if the gentleman could enlighten us as to just what that suspension will cover?

Mr. McCORMACK. I was unable to state definitely yesterday that there would be a motion to suspend the rules on Monday, although I expected there would be. On Monday the Speaker will recognize the gentleman from Virginia [Mr. BURCH] to move to suspend the rules and pass the bill H. R. 1366, a bill in relation to an increase in salaries of those in the Postal Service.

Mr. MARTIN of Massachusetts. Does the gentleman know whether there is any opposition to that bill?

Mr. McCORMACK. I do not know of any. I cannot conceive why there should be any opposition.

Mr. MARTIN of Massachusetts. I do not know of any either.

The SPEAKER. The time of the gentleman from Massachusetts [Mr. MARTIN] has expired.

EXTENSION OF REMARKS

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and insert an editorial concerning the late Senator Thomas J. Walsh, of Montana, appearing in The Yellowstone.

The SPEAKER. Is there objection?

There was no objection.

PERSONAL EXPLANATION

Mr. EBERHARTER. Mr. Speaker, my colleague the gentleman from Pennsylvania [Mr. WEISS] was present earlier today but received a telephone message that his father was critically ill. Therefore, he had to return home immediately. He asked me to inform the Speaker that had he been present he would have voted against the measure under consideration this afternoon.

EXTENSION OF REMARKS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein an editorial from the Philadelphia Record of yesterday.

The SPEAKER. Is there objection?

There was no objection.

Mr. MYERS. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein an editorial from the Philadelphia Record dated March 11, and also to extend my remarks and include therein an editorial from the Philadelphia Evening Bulletin dated March 11.

The SPEAKER. Is there objection?

There was no objection.

Mr. HAGEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD concerning victory gardens, and to include an article from This Week's magazine on victory gardens.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

(By unanimous consent, Mr. KING, Mr. LANE, and Mr. PRICE were granted permission to extend their own remarks in the RECORD.)

Mr. SIKES. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

WAR SHIPPING ADMINISTRATION

Mr. BLAND submitted a conference report and statement on the bill (H. R. 133) to amend and clarify certain provisions of law relating to the functions of the War Shipping Administration, and for other purposes.

EXTENSION OF REMARKS

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. CALVIN D. JOHNSON] may revise and extend his own remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. JUDD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include therein an editorial.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

(Mr. O'KONSKI asked and was given permission to extend his own remarks in the RECORD.)

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my own remarks in two particulars: In one to include a letter from the Quinn Co. protesting against the elimination of the field offices of the Bureau of Foreign and Domestic Commerce.

My other request is to extend as part of my remarks an article—I have received a number of them—and letters protesting the great waste of butter, coffee, salmon, and other supplies that were sent through either stupidity or carelessness to Alaska. The butter, and so forth, was spoiled with great waste.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

UNNEEDED FOOD ROTTING IN NOME, ALASKA

Mr. KEEFE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. KEEFE. Mr. Speaker, there has appeared in newspapers throughout the country during the last week a news release emanating from Seattle, published by the Seattle Post-Intelligencer. This paper, I believe, is edited by the President's son-in-law. The article was published in many newspapers in the State of Wisconsin and throughout the Middle West. The front-page newspaper article appearing in the local paper published in the city in which I live has this heading: "Tons of unneeded food are rotting in Nome," and then is quoted this entire article purporting to be a dispatch from the Seattle Post-Intelligencer.

May I say that if the facts set forth in this article are even substantially true an immediate investigation should be made by the Government. If these facts as set forth in this article are false, then the people of this country ought to be advised of the truth. I personally have received dozens of letters from people in my district who have read these statements who are simply alarmed, ashamed, and chagrined, and disgusted by the facts set forth. They write me that they see no reason to continue to buy War Bonds and to make sacrifices if their money is to be expended for food used in the manner set forth in this article. I know of nothing that will break down morale any faster.

May I say that the wheels have been set in motion to find out through the Department of Agriculture, the Under Secretary of the Interior, and the Delegate from Alaska the full facts in reference to this situation. I believe they will be available in a few days. I hope that the facts as they will be established will indicate the falsity of the facts set forth in that article. True or false, however, the Congress and the people must know the facts.

The SPEAKER. The time of the gentleman from Wisconsin has expired.

Mr. KEEFE. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks and include therein the article referred to.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The article referred to follows:

TONS OF UNNEEDED FOOD ROTTING IN NOME—SEATTLE NEWSPAPER REPORTS ENOUGH COFFEE AND BUTTER TO GIVE EACH RESIDENT THOUSANDS OF POUNDS WAS LANDED IN OCTOBER—STANDS SPOILING ON DOCKS

SEATTLE.—The Seattle Post-Intelligencer said today that enough coffee and butter to give each of the 400 residents of Nome, Alaska, thousands of pounds apiece was landed there last October by the civilian reserve food supply office.

The coffee and butter, the paper said, were part of an unexpected and unneeded shipment of foodstuffs for which there was no storage place in the community. Much of the shipment, the article said, already has spoiled on the beach.

"Alaskans charged the stuff was purchased and ordered sent by Washington, D. C., and Chicago Government officials to whom Nome was only a place on the map, and who do not realize that its present civilian population numbers only about 400 persons," the paper said.

SNELL DIRECTED PURCHASE

Included in the alleged shipment, the paper said, were 350 tons of butter, 173 tons of coffee, 78 tons of salad oil, 59 tons of soap, 503 tons of canned milk, 70 tons of canned pears, 78 tons of toilet tissue and 78 tons of dried eggs.

The shipment was purchased, the article said, under the direction of Harold Snell, Alaskan railway official authorized by the United States Department of the Interior to serve as territorial food administrator for the civilian reserve supply office.

The paper said lack of a warm storage space caused the brine in which the butter was packed to freeze, bursting the barrels and wasting much of the shipment. Canned pears also burst their containers, the article said, and the rest of the shipment is expected to deteriorate with the arrival of spring thaws.

HAS BECOME A JOKE

The paper said Alaskans had expressed first disbelief and then amazement.

"This thing has become a joke the length and breadth of Alaska," one Alaskan businessman was quoted. "It is incredible, so unbelievable it's funny."

Another Alaskan, the paper said, charged that similar occurrences had happened before.

"This is only one instance," he was quoted. "Do you know the Government sent 150 cases of canned salmon to Nulato on the Yukon River? If there is one thing Nulato doesn't need, it's salmon. Catching salmon is Nulato's sole industry."

IN ACCORD WITH ACT

WASHINGTON.—Delegate ANTHONY J. DIMOND of Alaska said today the civilian reserve food supply office had shipped large quantities of food to Alaska and other territories in accordance with an act passed by Congress shortly after Pearl Harbor.

DIMOND said he knew nothing about the charges published by the Seattle Post-Intelligencer today that large quantities of food had been shipped to Nome where there was no adequate storage space and where much of it had spoiled. Department of Interior officials responsible for the shipments declined immediate comment.

Congress appropriated $50,000,000 to build up reserve food stocks in Alaska and other United States possessions, DIMOND said, on the theory that the war might interfere with regular shipping facilities. He assumed that the reported shipments to Nome was similar to shipments that have gone to Juneau and other points in Alaska.

SUPPLIES LARGE AREA

Nome is the only supply base for a large area, DIMOND said. In addition to its 1,559 inhabitants, as shown by the last census, it serves an area which the census showed has a population of 3,482. The reserve food stocks also are used to serve troops who like to eat away from their camps at times, DIMOND added.

He explained that Nome is cut off from the sea for 7 months of the year, and that if there were an interruption of normal shipping facilities during the other 5 months, it might result in a food crisis. He said quantities of food and other supplies which the Post-Intelligencer had reported shipped into Nome area did not sound too high to him. He added that he understood storage space there was sufficient to handle the supplies.

PERMISSION TO ADDRESS THE HOUSE

Mr. SPRINGER. Mr. Speaker I ask unanimous consent that on Thursday next after the completion of the legislative program in order for the day and any other special orders heretofore granted I may be permitted to address the House for 30 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Indiana [Mr. SPRINGER]?

There was no objection.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. McCORMACK]?

There was no objection.

EXTENSION OF REMARKS

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to extend my own remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota [Mr. MUNDT]?

There was no objection.

TWENTY-FIVE-THOUSAND-DOLLAR SALARY LIMITATION

Mr. MUNDT. Mr. Speaker, in casting my vote against the combined debt expansion and salary restriction relaxing legislation which just passed the House, I want it to be clearly understood I was not opposing the debt expanding features of this bill. Much though I regret the necessity of expanding the debt limits of this country beyond the $200,000,000,000 mark, I recognize that there is no other alternative at this time because we must spend what it takes to crush the Axis. Had expanding the debt limit been the only factor involved in this legislation I would therefore have voted "aye" instead of "no" as I felt compelled to vote under the involved circumstances surrounding this bill.

Mr. Speaker, I yield to no man in my support of the Constitution and in my zeal to defend and maintain the prerogatives and rights of Congress in our form of government. I have taken this floor again and again on these matters and this very week in connection with the Lend-Lease Act helped lead a futile but determined fight to guarantee to Congress its rightful authorities in the matter of determining the final post-war settlements growing out of lend-lease. However, the so-called Disney proposal, which comprised the controversial section 4 of the bill just passed, in my opinion does more to create injustices than it does to cure them and it fails entirely to strike directly at the legislative language out of which the President's Executive order on salary limitations grew. In fact, in some ways section 4 almost seems to sanction the very action which the President took in many respects and if the issue we are deciding today is primarily that of Presidential authority versus congressional rights the Disney proposal is surely a sorry and indirect manner in which to approach such a fundamental question. In fact, in my opinion it virtually fails to approach the fundamental question of distribution of authority at all.

I do not believe the President should have the power to determine by Executive decree the amount of salary or income that any man can earn. I regret that the language in the Price Control Act gave the President power arbitrarily and acting alone to take what action is necessary to correct gross inequities growing out of that act but the plain facts are that this act did give the President power to adjust wages and salaries to the extent that he finds necessary to correct gross inequities. I felt then and I feel now that such adjustments should come by congressional action or at least be governed by clear-cut directives emanating from the legislative branch of the Government. However, Congress approved the language which I have just read. And strangely enough the Disney proposal incorporated in section 4 of the act just passed does not repeal that language and does not recapture for Congress its full controls in this connection.

I, for one, would be happy to vote for a provision which would restore to Congress its full authority in this connection and which would provide a forthright, open, and honest cancelation of the language under which the President presumed to base his salary-limitation order. Unfortunately we had no such opportunity in the roll-call vote on this bill although some of the earlier amendments before the House today which I supported gave us that opportunity but they were defeated by substantial margins. Consequently I voted "no" because I could not bring myself to approve of the Disney proposal which failed in its objective of restoring to Congress powers which have been exercised by the Executive and which additionally had objectionable features of its own to which I shall now allude. I listened to this entire 2-day debate with open mind and with keen interest and from this whole discussion it seems to be that certain deductions stand out fairly clear.

In the first place, Mr. Speaker, I think it should be apparent from individual logic or from a study of the preceding debates that the wisest and best way in which to stabilize the economic situation and prevent runaway inflation is to control both wages and salaries in the same manner and by the same law. Both of these in turn should be linked and harmonized with prices so that wages, salaries, and prices can be kept in balance and in proper relationship one with the other. This the Disney proposal completely fails to do. In fact it seems to me there are several serious defects in the Disney proposal as it is written up in section 4 of the bill which was approved in the preceding roll call. In the first place, it fails to apply the same regulations and legislation to salaries as it does to wages. I think this is unfortunate because it will create injustices, misunderstandings, and suspicions. Under the proposal as passed a man in the office of a factory working for a salary of $200 a month could have his salary increased to as high as $67,200 per year insofar as this legislation is concerned whereas a man in the same factory drawing a wage of $50 per week has a ceiling placed upon him by act of Congress. Such a disparity in the legislative treatment of salaried workers and wage earners will not make for national unity nor legislative equity. I dislike legislation tending to divide taxpayers into arbitrary classes where no such necessity exists.

In the second place, this bill in section 4 permits salary increases without restraint insofar as this legislation is concerned up to a net of $25,000 per year which at present tax rates amounts to a salary of $67,200 per year. I see no reason in the world for thus removing inhibitions and limitations against unnecessary salary increases of this type. Surely such legislative encouragement to a rising spiral of salaries is not necessary if our main objective is to recapture from the President authorities granted him in specific language in the Price Control Act and which he in turn may have utilized too freely and with lack of wisdom.

This is one of those bills on which a man can vote either way because it has both commendable and objectionable features. We all would like to have voted the necessary debt extension to provide for the financing of this war; had this bill been defeated today we could have voted on a bill solely for the purpose of expanding the debt on Monday next and I believe it would have passed almost unanimously. However, the objectionable feature of having included in such legislation provisions such as are found in section 4 for setting up different standards and different regulations for salary workers and wage earners and for virtually encouraging the use of the salary figure $67,200 as a floor rather than as a ceiling in many large concerns making war supplies compelled me to vote in the negative. Thus I voted against a commendable factor to avoid voting for an objectionable one while many others of you here today voted for a commendable factor—debt expansion—while having reluctantly to accept by the same vote an objectionable and ineffective approach to the problem of salary limitations or high taxes on high salaries. Thus most of us were faced with an unpleasant dilemma this afternoon.

Mr. Speaker, I have certain definite convictions concerning the financial aspects of this war. In short they are as follows:

First. I am unalterably opposed to the creation of a new crop of war millionaires out of profiteering in this war.

Second. I am opposed to Government policies likely to result in ruinous inflation.

Third. I am eager to see the financial burdens of this war distributed as evenly as possible among our citizens. It is obviously impossible to equally distribute the sacrifices of this war, but at least the financial burdens should give close adherence to the ability to pay, and it is not unreasonable for Congress to ask some men to forego fancy six-figure salaries at a time when others are foregoing life itself and when millions of men are fighting at "ceiling wages" of $50 per month as soldiers in uniform.

Fourth. I want to see America win this war and remain a solvent Republic. If we are to achieve these four aims, Mr. Speaker, the Ways and Means Committee of the House still has a lot of work to do before it will have developed an excess-profits tax which will stop all war profiteering and before it will have done anything near making demands upon wealth and earning capacity such as Government must make upon life and limb in times like this.

Mr. Speaker, wars cost money as well as lives. Wartime legislation upsets the routine of all of us. These are not normal times, and the executives drawing $100,000 per year or $300,000 per year, as

many do in companies whose sole source of income now comes from war contracts with the Government, cannot expect to be sure they can keep for themselves in wartime even $25,000 net when other citizens equally patriotic but less fortunate are forced to give their all. Congress has a responsibility in this connection. I wish it would repeal the language of the Price Control Act which delegated undue authority to the President. However, today's bill failed to do the job in this connection. And as yet the Ways and Means Committee of the House has failed to bring in tax legislation with teeth enough in it to make profiteering impossible in this war. I for one refuse to take a backward step toward easier profit taking in this war until at least we have taken a forward step looking to the development of equal treatment in distributing the financial burdens of this war. Wage earners and farmers have their incomes limited by law, and I hope this body will develop a pattern of treatment which will include salary earners in a similar formula so that all America can go forward to victory bound by the same regulations and subject to the same restrictions in order that none may profit unfairly over the other in making the things it takes to win this war.

PERMISSION TO ADDRESS THE HOUSE

Mr. RUSSELL. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. RUSSELL]?

There was no objection.

Mr. RUSSELL. Mr. Speaker, a few days ago a very important event happened in my life, one that in certain respects made me feel chesty and in other respects made me feel good, yet it made me feel bad in a way. I make this statement to the House in order to explain my vote of a few minutes ago. That great day I speak of a few days ago happened when I filed my income-tax return. It made me feel chesty because it was the largest amount that I ever paid in my life in the way of an income tax. It made me feel somewhat little, because when I stopped to think, it was so insignificant and so small, what I was doing to carry on the great effort of our war. Then I thought about the many laws that this Congress had passed with reference to the war and I thought about the Selective Service Act whereby we required by law the youth of the land to register and to be taken into the service of our country. Those boys are now fighting the battles of decency and of democracy and, furthermore, they are fighting for my freedom and your freedom. Each and every one of us is more or less engaged in this war.

Last year two of my own nephews who were very dear to me lost their lives close to Bataan Peninsula and whatever remains of them now is in a watery grave. By action of Congress we took their all. I have another nephew, the last one old enough to go, who will be taken in a few days, 3 months before he would have obtained his degree from college. Yet he is going in the service. They are giving their all, and we have required it by law. What are we doing?

When we passed the price-control bill, this provision was inserted in it:

> The President may, without regard to the limitation contained in clause 2, adjust wages and salaries to the extent that he finds necessary to correct gross inequities.

I have left out "in any case" which I do not think amounts to anything—

> And also aid in the effective prosecution of the war.

This to me gave the Commander in Chief authority to place ceilings upon all commodities, to stabilize wages where they are paid as wages, as well as to stabilize salaries. It was in effect giving him the authority which he exercised in placing a limit of $25,000, after all taxes were paid, upon salaries during the war.

When the vote came on this bill today I voted "No" and I take this time to tell you why I did so. I did it because I felt then and I feel now and I shall feel when I get up in the morning that if my Government can take from the youth of the land everything that is dear to them, even their lives, in order that we might be permitted to live in a free country and in order that civilization might prevail in the world, why should it not be equally as well for us to take from the man who is rich an amount in excess of $25,000, after all his taxes are paid of his annual salary to help in the war effort? I say this is a war, Mr. Speaker, wherein all of us should make our own sacrifices of whatever may be necessary to carry on our war program. I am happy for my vote today because I felt that they should pay and that every one of us should sacrifice, that money should come in and render its part. I think the man who is making over $25,000 a year and is not willing to contribute a part of it does not feel as I did the other day when I contributed that little insignificant amount, although it was the most I had ever contributed in my life to the running of this war.

I did not vote against raising the debt limit. I voted to draft money as well as the lives of the boys of our land in order that civilization might be maintained throughout the world.

EXTENSION OF REMARKS

Mr. GRANT of Alabama. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an article from the current issue of the Reader's Digest.

The SPEAKER. Is there objection to the request of the gentleman from Alabama [Mr. GRANT]?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. GIBSON (at the request of Mr. BROWN of Georgia), indefinitely, on account of illness.

To Mr. O'LEARY, for 1 week, on account of illness.

BILL PRESENTED TO THE PRESIDENT

Mr. KLEIN, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

> H. R. 1749. An act to amend Veterans Regulation No. 10, as amended, to grant hospitalization, domiciliary care, and burial benefits in certain World War No. 2 cases.

ADJOURNMENT

Mr. FOLGER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 25 minutes p. m.) the House, under its previous order, adjourned until Monday, March 15, 1943, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will consider in open hearings the resolution (H. J. Res. 92) to authorize the refund by the War Shipping Administrator of certain freights for transportation on frustrated voyages, on Monday, March 15, 1943, at 10 a. m. Further hearings on the bill will be announced later.

The committee will also hold a public hearing on Thursday, March 18, 1943, at 10 a. m., on H. R. 1361 (Mr. LANE) and H. R. 1409 (Mr. FOGARTY), conferring upon men in the merchant marine the same rights, privileges, and benefits accruing to those serving in the armed forces, and on H. R. 1858, to confer the same rights, privileges, and benefits upon members of the United States merchant marine who served during the World War as are conferred upon members of the armed forces of the United States who served during such war.

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Thursday, April 1, 1943, at 10 a. m., on S. 163 (H. R. 498) to amend section 511 of the Merchant Marine Act, 1936, as amended, relating to ship-construction reserve funds, and for other purposes.

Congressman GEORGE J. BATES, of Massachusetts, patron of the bill H. R. 1766, upon which hearings were scheduled on Thursday, April 8, 1943, is a member of the Committee on Naval Affairs and of a subcommittee of that committee, duties of which will compel him to be absent from Washington on Thursday, April 8, 1943. Accordingly the hearing scheduled for that date has been changed to Thursday, April 15, 1943, at 10 a. m.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m., Tuesday, March 16, 1943.

Business to be considered: Public hearing on H. R. 149.

COMMITTEE ON FOREIGN AFFAIRS

The Committee on Foreign Affairs will meet at 10 a. m. on Tuesday, March 16,

1943, to consider House Joint Resolution 14, authorizing the execution of certain obligations under the treaties of 1903 and 1936 with Panama, and other commitments.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a hearing of the Committee on Immigration and Naturalization on Wednesday, March 17, 1943, at 10 a. m., for the consideration of H. R. 1607.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

243. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the legislative establishment, Library of Congress, fiscal year 1944, involving an increase of $17,873, in the form of amendments to the Budget for said fiscal year (H. Doc. No. 130); to the Committee on Appropriations and ordered to be printed.

244. A letter from the Secretary of the Interior, transmitting the draft of a proposed bill to provide for the acquisition of lands for grazing purposes; to the Committee on the Public Lands.

245. A letter from the Secretary of the Interior, transmitting the draft of a proposed bill entitled "A bill to authorize the Secretary of the Interior to adjust debts of individual Indians, associations of Indians, or Indian tribes, and for other purposes"; to the Committee on Indian Affairs.

246. A letter from the Secretary of the Interior, transmitting a draft of a proposed bill to amend section 1 of the act entitled "An act to provide that funds allocated to Puerto Rico under the Emergency Relief Appropriation Act of 1935 may be expended for permanent rehabilitation, and for other purposes," approved February 11, 1936 (49 Stat. 1135); to the Committee on Insular Affairs.

247. A letter from the Secretary of War, transmitting a report dated June 30, 1942, from the Chief of Engineers, United States Army, together with accompanying papers, on a preliminary examination and survey of, and review of reports on, Baltimore Harbor and Channels, Md.; Curtis Creek, Md.; and Cut-off Channel to inland waterway from Delaware River to Chesapeake Bay; to the Committee on Rivers and Harbors.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CANNON of Missouri: Committee on Appropriations. House Joint Resolution 96. Joint resolution making an appropriation to assist in providing a supply and distribution of farm labor for the calendar year 1943; without amendment (Rept. No. 246). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LESINSKI: Committee on Immigration and Naturalization. H. R. 2016. A bill for the relief of William H. Linhart; without amendment (Rept. No. 247). Referred to the Committee of the Whole House.

ADVERSE REPORT

Under clause 2 of rule XIII,

Mr. BLOOM: Committee on Foreign Affairs. House Resolution 150. Resolution requesting the President to furnish the House information as to the amount of petroleum products sent to Spain (Rept. No. 245). Laid on the table.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BLOOM:

H. R. 2187. A bill to amend an act entitled "An act to provide for the use of the American National Red Cross in aid of the land and naval forces in time of actual or threatened war"; to the Committee on Foreign Affairs.

By Mr. SPRINGER:

H. R. 2188. A bill to amend the act providing for the payment of allowance on death of officer or enlisted man to widow, or person designated, and for other purposes; to the Committee on Military Affairs.

By Mr. RODGERS of Pennsylvania:

H. R. 2192. A bill granting an increase in pension to Sophronia Bronson; to the Committee on Pensions.

By Mr. PRICE:

H. R. 2193. A bill to provide for the payment of compensation to certain veterans of the present war; to the Committee on Military Affairs.

By Mr. McMILLAN:

H. J. Res. 98. Joint resolution amending the joint resolution entitled "Joint resolution extending until April 30, 1943, the period for which overtime rates of compensation may be paid under the acts of June 28, 1940 (54 Stat. 676), October 21, 1940 (54 Stat. 1205), and June 3, 1941 (55 Stat. 241), and for other purposes," so as to include certain employees of the District of Columbia government not entitled to its benefits; to the Committee on the District of Columbia.

By Mr. MERROW:

H. Con. Res. 14. Concurrent resolution to express the sense of Congress with respect to the war and post-war policies of the United States; to the Committee on Foreign Affairs.

By Mr. COFFEE:

H. Res. 165. Resolution requesting certain passport information from the Secretary of State; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of South Dakota, memorializing the President and the Congress of the United States to pass House bill 1649; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of New York, memorializing the President and the Congress of the United States to approve the establishment of a Jewish national home in Palestine; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CHURCH:

H. R. 2189. A bill for the relief of Kenneth E. Shepard; to the Committee on Claims.

By Mr. FOGARTY:

H. R. 2190. A bill for the relief of Marguerite R. McElroy; to the Committee on Claims.

H. R. 2191. A bill for the relief of Arthur A. Guarino; to the Committee on Claims.

By Mr. EBERHARTER:

H. R. 2194. A bill granting a pension to Evangeline R. Butler; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

264. By Mr. CASE: Petition of Rev. Adalbert Oesch, of Fairfax, S. Dak., urging that consideration be given to ministers in the low-salary group in regard to any proposed withholding tax; to the Committee on Ways and Means.

265. Also, memorial of the South Dakota State Legislature, memorializing the Congress to relieve all persons in the active military service of the United States from payment of income taxes or gross income taxes on their compensation received from the Government for such service; to the Committee on Ways and Means.

266. By Mr. FOGARTY: Memorial of the General Assembly of the State of Rhode Island, pledging its support to the Governor of the State of Rhode Island in his efforts to induce the Navy to accept the Wickaboxet State Forest, for a firing range, in lieu of 6,680 acres of productive land the Navy proposes to condemn for this purpose; to the Committee on Military Affairs.

267. By Mr. FORAND: Resolution of the Council of Administration, Department of Rhode Island, Veterans of Foreign Wars of the United States, wholeheartedly approving House bill 1604, a bill to authorize the erection of a United States veterans' hospital in the State of Rhode Island; to the Committee on World War Veterans' Legislation.

268. By Mr. HANCOCK: Petition signed by W. M. Coling and other residents of Syracuse, N. Y., favoring the enactment of House bill 1111; to the Committee on World War Veterans' Legislation.

269. By Mr. MUNDT: Petition of the South Dakota State Legislature, memorializing the Congress of the United States to pass the Townsend national recovery plan, known as House bill 1649; to the Committee on Ways and Means.

270. By Mr. SCOTT (by request): Petition of sundry residents of the Seventh Congressional District of Pennsylvania in behalf of a bill to award a gold medal to Rev. Peter B. Duffee; to the Committee on Military Affairs.

HOUSE OF REPRESENTATIVES

MONDAY, MARCH 15, 1943

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our most gracious Lord and Master, Thou who dost claim every right to service we can give, we pray for a spirit of understanding. In the distemperature of human life and in the evolution of human affairs, keep us in fellowship with Thee that we may live in Thy truth and love.

Thou who art the source of strength, we pray that all who fear and mourn,

that with Thy blessing, may find the better way. Centered in the sphere of common duty, as we stand before a righteous and a just God, conscious of grief and failure, enable us to detect a growing sensitiveness toward the sins we once loved. Oh, grant that we may not fail to serve the present age, remembering the souls which once toiled, wrought, and suffered in sublimest sacrifice. We rejoice that the men and women of our country, with equal temper and heroic hearts, in a world of love and hate, of triumph and agony, are responding as the flag is flung in the air and the bugle calls to service. In Thy holy name. Amen.

The Journal of the proceedings of Friday, March 12, 1943, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 1975. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1943, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1943, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. McKELLAR, Mr. GLASS, Mr. HAYDEN, Mr. TYDINGS, Mr. OVERTON, Mr. NYE, and Mr. LODGE to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 133) entitled "An Act to amend and clarify certain provisions of law relating to functions of the War Shipping Administration, and for other purposes."

The message also announced that the Vice President had appointed Mr. BARKLEY and Mr. BREWSTER members of the Joint Select Committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers in the following departments and agencies:

1. Department of Agriculture.
2. Department of the Navy.
3. Department of War.
4. Department of the Treasury.
5. National Archives, The.
6. Veterans' Administration.

EXTENSION OF REMARKS

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent that my colleague the gentlewoman from New York [Miss STANLEY] be permitted to extend her own remarks in the RECORD and include therein excerpts from an article by David Lawrence.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

MASSACHUSETTS SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, Massachusetts is today observing the seventy-fifth anniversary of the founding of an institution of which all lovers of domestic animal life are justly proud. This is the Massachusetts Society for the Prevention of Cruelty to Animals. I call the attention of the House to the occasion because of the belief the accomplishments of the society merit national recognition.

The organization was founded in 1868 by George T. Angell, who became known and honored throughout the civilized world as the friend of animals. He made his appeal by voice and the written word to millions of men, women, and children, teaching them that cruelty to animal life was degrading and despicable. Mr. Angell's work has been continued aggressively by the present head of the society, Dr. Francis H. Rowley, who has fostered its activities since 1910.

During Dr. Rowley's administration, the scope of the organization's work has expanded in both the State of Massachusetts and the Nation, the activity of the latter being conducted by the American Humane Education Society.

Under the society's sponsorship, much beneficial legislation has been enacted to prevent cruelty to dumb, defenseless animal life. It has served a useful, humane, and a noble purpose. Those who know of its fine accomplishments will wish it continued growth and will hope it continues to light the way by which men will treat our animal life humanely and decently.

The splendid citizens who have given unselfishly of their time, effort, and money to promote the work, under the leadership of Dr. Rowley, are to be congratulated, and they may take justifiable pride in the fact their success has been worth while.

FIRST DEFICIENCY APPROPRIATION BILL, 1943

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 1975) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1943, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1943, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Missouri? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. CANNON of Missouri, WOODRUM of Virginia, LUDLOW, SNYDER, O'NEAL, RABAUT, JOHNSON of Oklahoma, TABER, WIGGLESWORTH, LAMBERTSON, and DITTER.

PERMISSION TO ADDRESS THE HOUSE

Mr. PETERSON of Georgia. Mr. Speaker, I ask unanimous consent that on Thursday next, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

EXTENSION OF REMARKS

Mr. BLAND. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a letter I wrote to the president of the American Bureau of Shipping with reference to the sinking of the *Schenectady* on the west coast and his reply.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

Mr. BLAND. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. BLAND. Mr. Speaker, in yesterday's Washington Post appeared a statement that Harry Bridges, Joseph Curran, and John Green, labor leaders, had filed with the War Shipping Administration charges as to waste of space on ships going to north Africa and delays in ship sailings.

Acting under its powers of investigation granted the Committee on the Merchant Marine and Fisheries, the particulars of these charges will be heard by the committee on March 29, 1943, beginning at 10 o'clock a. m., in open hearing and testimony will be taken under oath on these charges. The War Shipping Administration and complainants will be heard. If the charges are true, the truth should be known and remedies provided. If the rumors are false, the falsity should be exposed and efforts made to prevent such falsehoods in the future.

OFFICE OF PRICE ADMINISTRATION

Mr. TABER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. TABER. Mr. Speaker, it is very seldom I have occasion to rise in the House to praise the action of one of the bureaus, but when one of them does something that really merits praise I

feel that praise should be meted out to it.

The Honorable Prentiss Brown, Director of the Office of Price Administration, announced the other day that he was going to keep within the appropriation made by the Congress. I commend that statement and pass it on as an example for other bureaucrats to follow. The trouble with Mr. Henderson when he was the Director was that he had too much money to spend. If he had had less money to spend, as I stated on the floor when the bill was under consideration, he would have done a better job. Mr. Brown, keeping within bounds, has a chance of making a better record.

EXTENSION OF REMARKS

Mr. ROWE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial from the Beacon Journal.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

FOOD FOR THOUGHT

Mr. MASON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks in the Appendix of the RECORD and include therein a short editorial.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

[Mr. MASON addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. MANASCO. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an article appearing in the Washington Star of March 13.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

THE LATE RUFUS HARDY

Mr. LUTHER A. JOHNSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. LUTHER A. JOHNSON. Mr. Speaker, it is with deep regret that I announce the death of a former Member of this body and my immediate predecessor, Hon. Rufus Hardy, who passed away at his home in Corsicana, Tex., night before last.

For 16 years he served continuously as a Representative from the Sixth Congressional District of Texas, from March 4, 1907, to March 3, 1923, at which time he voluntarily retired and was not a candidate for reelection.

Judge Hardy was born near Aberdeen, Monroe County, Miss., December 16, 1855, and although he was in his eighty-eighth year, he was well preserved and mentally alert for one of his years. He was educated in the private schools of Texas, in the Somerville Institute of Mississippi, and graduated from the law department of the University of Georgia, at Athens, in 1875. While a student in the University of Georgia, he won in an extemporaneous oratorical contest over all contestants, among them being the Honorable John Temple Graves, then also a student at the University of Georgia, and who afterward became distinguished as a journalist and orator.

The greater part of Judge Hardy's life was devoted to public service, he having served 4 years as prosecuting attorney of Navarro County, 4 years as district attorney of the old thirteenth judicial district of Texas, and for 8 years as district judge of the thirteenth judicial district of Texas, from which office he voluntarily retired in 1896, when he resumed the practice of law until his election to Congress.

Judge Hardy was a man of outstanding ability, of pleasing personality, of the highest character, and an accomplished and brilliant speaker, and those who are still Members of the House who served with him will recall the splendid speeches delivered by him in this Chamber, and of his able, courageous, and constructive service during his 16 years as a Member of this body.

Many Members of Congress come here as liberals and retire as conservatives. The reverse of this was true in Judge Hardy's case. He was a man of deep convictions, and in 1896 he could not support William J. Bryan for President on a free silver platform, and was an active supporter of the sound money party headed by Palmer and Buckner, and this caused him to be regarded by many as very conservative in his views. But it was only his conviction favoring sound money that caused him to take this position. He was a Democrat devoted to the principles of Thomas Jefferson, and when he came to Congress, he espoused all progressive legislation, and was a champion of the policies of Woodrow Wilson, through whose entire administration he served. He was a man tried in many high offices and critical enterprises and found faithful in them all. He was a great American and his name is enshrined in the legislative history of his country. God bless his memory.

Mr. SUMNERS of Texas. Mr. Speaker, having served with Judge Hardy during the years immediately preceding World War No. 1 until he voluntarily retired from the House in 1928, I appreciate the privilge of joining with his able successor the Honorable LUTHER A. JOHNSON in expression of commendation and appreciation of Judge Hardy as a fine American citizen and an able Representative of his district and of the Nation during the days of the World War and the challenge to our statesmanship which the conditions following that war presented. Judge Hardy was a man of definite convictions and great courage, two qualities which adorned his private and public life and made him always valuable in council and effective on the floor of the House. His were qualities which associated with real statesmanship.

Mr. BLAND. Mr. Speaker, it is with the deepest regret that I have heard announced today the death of Hon. Rufus Hardy, a Representative from Texas, who was elected to the Sixtieth Congress and to the seven succeeding Congresses, March 4, 1907, to March 3, 1923.

I remember him well. I was impressed early with his fidelity to duty, his diligence in his work and his comprehensive knowledge of national problems.

When I became, in the Sixty-seventh Congress, a member of the Committee on the Merchant Marine and Fisheries, Judge Hardy was a member of that committee and continued his work on that committee until he retired from Congress. He became an expert in matters pertaining to the merchant marine and was vigilant in his efforts to restore the American flag to the seas, to promote the interests of ship operators, and to protect the seamen. Much of the work that was done in those early days for the rehabilitation of the merchant marine and its restoration to the seas was due to the faithful, consistent, and persistent efforts of Judge Hardy. His work then inspired his associates and encouraged them to carry on after he retired.

Judge Hardy served well and he wil always be remembered by his associates in those trying days.

EXTENSION OF REMARKS

Mr. SABATH. Mr. Speaker, I ask unanimous consent to include in the remarks I expect to make today an article by Cliff Burkett on "Profits Lure Farmer to Sell," as stated by auctioneer who has had years of experience, and a short editorial.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial from the Farmers' Union paper and also a telegram from the president of the Farmers' Union in my State.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

PRICE OF SEED POTATOES

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. CUNNINGHAM. Mr. Speaker, I am in receipt of a letter from an employee of the real estate department of Polk County, Iowa, in which he states that the demand for lots owned by the county for use as victory gardens is tremendous, but there is much complaint about the price of seed potatoes, which are selling from $6 to $7 a hundred. Apparently the price of these seed potatoes is not controlled by the Office of Price Administration. It would seem to me that in the interest of future production, some consideration should be given to the price of seed potatoes by the Office of Price Administration.

EXTENSION OF REMARKS

Mr. HESS. Mr. Speaker, I ask unanimous consent to extend my remarks in

the RECORD, and include an editorial entitled "Let Us Consider Food."

The SPEAKER. Is there objection?

There was no objection.

Mr. LECOMPTE. Mr. Speaker, I ask unanimous consent to extend my remarks and include resolutions adopted by a group of farmers of Poweshiek County, Iowa.

The SPEAKER. Is there objection?

There was no objection.

Mr. MURRAY of Tennessee. Mr. Speaker, I ask unanimous consent to extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

ANDREW JACKSON

Mr. McCORD. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. McCORD. Mr. Speaker, on this, the one hundred and seventy-sixth anniversary of his birth, I arise to pay tribute to one of the greatest of all great Americans; to a boy who fought his way through almost unsurmountable obstacles, a wilderness of doubt and gloom into a radiant glow of usefulness and into the light of a career that shines resplendent through the years and will live through other years to challenge the spirit of America.

His contribution to his country cannot be measured in words. His courage, his intelligence, his energy, his determination, and virtues cannot be extolled in a few sentences. Let it suffice that he was the leading citizen of his time, a learned jurist, a brilliant legislator, a distinguished administrator, and a progressive agriculturist. As a soldier, he was the hero of all wars in which he fought; as President of the Republic, he was uncompromising in his protection of the rights of a free people.

We do well at a time like this to honor the memory of the seventh President of the United States, Hon. Andrew Jackson, of Tennessee.

EXTENSION OF REMARKS

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an article appearing in the Boston Daily Globe of March 12.

The SPEAKER. Is there objection?

There was no objection.

Mr. GALE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a statement by J. L. Feser on post-war plan No. 1001.

The SPEAKER. Is there objection?

There was no objection.

Mr. WILSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a supplemental list of names and addresses of farmers in my district who have written me in regard to the agricultural program.

The SPEAKER. Is there objection?

There was no objection.

Mr. POULSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a letter.

The SPEAKER. Is there objection?

There was no objection.

Mr. OUTLAND. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. ZIMMERMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an editorial.

The SPEAKER. Is there objection?

There was no objection.

REPRESENTATIVE JOHN J. COCHRAN

Mr. ZIMMERMAN. Mr. Speaker, I ask unanimous consent to proceed for one-half minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. ZIMMERMAN. Mr. Speaker, I ask this time to make an announcement which I am sure will be pleasing to the membership of this body. Yesterday afternoon I went out to the Naval Medical Center and visted our colleague and friend the gentleman from Missouri, Representative COCHRAN. He told me that he hoped to leave the hospital today, and that in a few days he would be back with us and at his post of duty. No man in this body has more devoted friends or has rendered a finer service to his district and the Nation than has our friend the gentleman from Missouri [Mr. COCHRAN].

I wanted to make this announcement today, because it makes me very happy to do so, and because I am sure it must make the hearts of all of you glad.

EXTENSION OF PERMISSION TO ADDRESS THE HOUSE

Mr. CELLER. Mr. Speaker, I ask unanimous consent that I may be granted an extension of my special order today of 15 minutes.

The SPEAKER. Is there objection?

There was no objection.

NAZI PROPAGANDA

Mr. CELLER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. CELLER. Mr. Speaker, I have placed in the lobby a great number of exhibits of Nazi and Fascist propaganda. They comprise a hundred or so Axis pamphlets, books, periodicals, and they are but a slice of the tons and tons of Nazi propaganda pouring into neutral and Axis-controlled countries. We must do something to counteract this propaganda. We set up the Office of War Information for that purpose, and I hope the Members of the House will take opportunity to listen to something on this very important matter this afternoon when I address the House concerning the operations of the O. W. I., and need to implement its work with greater appropriations, and in a humble and respectful manner I shall counteract some of the charges that the gentleman from New York [Mr. TABER] has made against the head of that organization.

EXTENSION OF REMARKS

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to extend my remarks in two particulars; in one to include a radio address which I delivered, and another to include a brief editorial.

The SPEAKER. Is there objection?

There was no objection.

Mr MERRITT. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from New York [Mr. KENNEDY] may have permission to extend his remarks and include an address by Archbishop Francis J. Spellman made over the radio to the armed forces in north Africa, as printed in the New York Times of March 15, 1943.

The SPEAKER. Is there objection?

There was no objection.

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix and include therein a recent radio address.

The SPEAKER. Is there objection?

There was no objection.

Mr. SCHIFFLER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an editorial from The West Virginian.

The SPEAKER. Is there objection?

There was no objection.

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein an editorial.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. CURTIS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a letter and a table on the farm manpower situation.

The SPEAKER. Is there objection?

There was no objection.

Mr. THOMAS of Texas. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include two articles appearing in yesterday's Washington Post.

The SPEAKER. Is there objection?

There was no objection.

FARM LABOR SHORTAGE

Mr. ALLEN of Louisiana. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. ALLEN of Louisiana. Mr. Speaker, we of the South are told to produce peanuts and cotton to get the fats and oils necessary in the prosecution of the war, and our farm labor has been depleted so badly now that it is going to be difficult for us to do that. Under those conditions, I am surprised that the Federal Government, working through the Farm Security Administration, comes into our communities and recruits farm labor from the very small supply that we have left. It is now time to start our crops in Louisiana. We need all the farm labor we have and more. I received my home paper this morning and found an appeal there by the Farm Security Administration to siphon out what little labor we have left in Louisiana, to carry it to a distant State. This appeal is to go to California and pick oranges. I have nothing in the world against the great State of California and their

oranges, but I do not think the picking of oranges is any more important or as important as producing peanuts and cotton in order to get the oil that we must have to win this war. I have protested to the Farm Security against this move.

The SPEAKER. The time of the gentleman has expired.

AID TO SCHOOLS

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

[Mr. VOORHIS addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. MANSFIELD of Montana. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a memorial from the State Legislature of Montana.

The SPEAKER. Is there objection?

There was no objection.

Mr. WHITE. Mr. Speaker, I ask unanimous consent to extend my remarks and include an article by the president of the United States Chamber of Commerce, Eric Johnston, on "Your Stake in Capitalism."

The SPEAKER. Is there objection?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. O'HARA. Mr. Speaker, on tomorrow, after the legislative business of the day and such other special orders as may have been entered, I ask unanimous consent that I be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. GILLIE. Mr. Speaker, I ask unanimous consent that after the disposition of the business on the Speaker's table and the legislative business of the day I may be permitted to address the House for 15 minutes on next Thursday.

The SPEAKER. Is there objection?

There was no objection.

Mr. SMITH of Ohio. Mr. Speaker, I ask unanimous consent that on next Wednesday my colleague the gentleman from Ohio [Mr. BROWN] may address the House for 30 minutes after the disposition of the business on the Speaker's desk.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. JENSEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a letter from Mr. C. C. Caswell, business manager of the Clarinda Publishing Co., on the question of pay-as-you-go income tax.

The SPEAKER. Is there objection?

There was no objection.

Mr. PHILLIPS. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. POULSON], the gentleman from California [Mr. KING], and I may be permitted to extend our remarks in the RECORD on the death of Joe Timmons of Los Angeles.

The SPEAKER. Is there objection?

There was no objection.

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an editorial and some short statements made on the subject of the contribution made by athletics to the training for the war program.

The SPEAKER. Is there objection?

There was no objection.

ECONOMIC PLANNING

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. DIRKSEN. Mr. Speaker, when the Independent Offices Subcommittee deleted the appropriation for the National Resources Planning Board, the President commented on that action as approved by the House and in a press conference March 12 he said:

The burden and responsibility for the continued planning rests entirely with the Congress and nowhere else.

One of the purposes of the House was to bring that responsibility here. It was one of the factors that entered into our action. The Senate of the United States has met that challenge and on the 12th of March passed Senate Resolution 102 which provides for setting up a 10-man committee for going into this matter of formulating plans and leaving the responsibility for the post-war economic planning for the Congress from whence funds must be derived. It is imperative that the House do likewise and I sincerely hope that at a very early date a committee of like character will be created by this body to go into the same problem. It was my hope that perhaps it could be done jointly and with that in mind, on January 6 I introduced House Concurrent Resolution No. 2, to create a joint committee. But no matter what the approach with the new security program in the lap of Congress and with the President stating that the responsibility is nowhere else than in the Congress, it is necessary now for us to meet the challenge.

WENDELL L. WILLKIE AND THE REPUBLICAN "FOUR FREEDOMS"

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my own remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. RANKIN. Mr. Speaker, last week while Wendell L. Willkie, the general counsel for the Communist Party, was arguing before the Supreme Court that a man should not be denied citizenship in the United States because he belonged to an organization that is dedicated to the overthrow of this Government, Mr. Harrison D. Spangler, the chairman of the Republican National Committee was announcing his "four freedoms." Two of them were "freedom from crystal gazers" and "freedom from confusion."

To run Wendell L. Willkie on a platform of that kind, to use the words of Brann, the great iconoclast, would be just about as exciting as drinking bevo at a beer party or playing poker with Confederate money.

EXTENSION OF REMARKS

Mr. WORLEY. Mr. Speaker, I ask unanimous consent to extend my remarks and to include a letter received from a constituent.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the calendar.

TRAINING OF NONFARM YOUTH FOR FARM LABOR

The Clerk called the first bill on the Consent Calendar, House Joint Resolution 75, to provide for the training of nonfarm youth for farm labor, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COLE of New York. Mr. Speaker, reserving the right to object, this bill sets up a program for training of nonfarm workers for the purpose of working on the farms. I understand that the Appropriations Committee has just taken action on a program to accomplish the same purpose, and with that understanding I ask that the bill be passed over without prejudice.

Mr. FULMER. Will the gentleman yield?

Mr. COLE of New York. I yield.

Mr. FULMER. I would like to state that the Appropriations Committee did take action by cutting the appropriation down to a very small amount and turning over all that work to the Extension Service.

You will see from the report on this bill that it has been amended to provide an appropriation of $2,500,000 and that it places the responsibility on the 4–H Clubs and others to get boys and girls in the small adjoining villages and cities out onto the farms to get the farms in operation, whereas under the Extension Service I do not believe this type of service could be developed.

Mr. COLE of New York. My purpose in raising the question was only to protect the interests of the Appropriations Committee. I should like to hear some member of the Appropriations Committee give his opinion as to whether or not this bill should pass.

Mr. FULMER. That applies only to the Extension Service, and naturally that is a limited farm agency; whereas the 4–H Clubs and these other activities would get the boys and girls out into the farm work. I should be very glad to accept the gentleman's amendment.

The SPEAKER. Is there objection to the request of the gentleman from New

York that the bill be passed over without prejudice?

There was no objection.

LEAVES OF ABSENCE TO SERVE IN THE MERCHANT MARINE

The Clerk called the next bill, H. R. 131, to provide reemployment rights to persons who leave their positions to serve in the merchant marine, and for other purposes.

Mr KEAN. Mr. Speaker, reserving the right to object, when this bill first came up I asked to have it passed over because I felt that the date of Pearl Harbor would better indicate the date since which men who enlisted in the merchant marine did so for patriotic reasons only. The War Shipping Board, however, feels that the date of May 1, 1940, in this bill, would be best for the morale of our merchant marine. Inasmuch as there is the possibility that the passage now of this legislation may aid in winning the war, I withdraw my objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That when used in this act the term "service in the merchant marine" means service as an officer or member of the crew on or in connection with a vessel documented under the laws of the United States or a vessel owned by, chartered to, or operated by or for the account or use of the Administrator, as an enrollee in the United States Maritime Service on active duty, and, to such extent as the Administrator shall prescribe, any period awaiting assignment to such service and any period of education or training for such service in any school or institution under the jurisdiction of the Administrator. Any person entering service in the merchant marine after May 1, 1940, and before the termination of the unlimited national emergency declared by the President on May 27, 1941, who, in accordance with rules and regulations prescribed by the Administrator, War Shipping Administration, completes a period of substantially continuous service in the merchant marine, shall be entitled to a certificate to that effect from the Administrator upon completion of such period, which shall include a record of any special proficiency or merit obtained.

SEC. 2. (a) In the case of any such person who, in order to perform service in the merchant marine, has left or leaves a position, other than a temporary position, in the employ of any employer and who (1) receives such certificate, (2) is still qualified to perform the duties of such position, and (3) makes application for reemployment within 40 days after completion of such service—

(A) if such position was in the employ of the United States Government, its Territories or possessions, or the District of Columbia, such person shall be restored to such position or to a position of like seniority, status, and pay;

(B) if such position was in the employ of a private employer, such employer shall restore such person to such position or to a position of like seniority, status, and pay unless the employer's circumstances have so changed as to make it impossible or unreasonable to do so;

(C) if such position was in the employ of any State or political subdivision thereof, it is hereby declared to be the sense of the Congress that such person should be restored to such position or to a position of like seniority, status, and pay.

(b) Any person who is restored to a position in accordance with the provisions of paragraph (A) or (B) of subsection (a) shall be considered as having been on furlough or leave of absence during his period of service, shall be so restored without loss of seniority, shall be entitled to participate in insurance or other benefits offered by the employer pursuant to established rules and practices relating to employees on furlough or leave of absence in effect with the employer at the time such person entered such service, and shall not be discharged from such position without reasonable cause within 1 year after such restoration.

SEC. 3. In case any private employer fails or refuses to comply with the provisions of section 2, the district court of the United States for the district in which such private employer maintains a place of business shall have power, upon the filing of a motion, petition, or other appropriate pleading by the person entitled to the benefits of such provisions, to specifically require such employer to comply with such provisions, and, as an incident thereto, to compensate such person for any loss of wages or benefits suffered by reason of such employer's unlawful action. The court shall order a speedy hearing in any such case and shall advance it on the calendar. Upon application to the United States district attorney or comparable official for the district in which such private employer maintains a place of business, by any person claiming to be entitled to the benefits of such provisions, such United States district attorney or official, if reasonably satisfied that the person so applying is entitled to such benefits, shall appear and act as attorney for such person in the amicable adjustment of the claim or in the filing of any motion, petition, or other appropriate pleading and the prosecution thereof to specifically require such employer to comply with such provisions: *Provided*, That no fees or court costs shall be taxed against the person so applying for such benefits.

SEC. 4. Employees of the United States Goverment, its Territories or possessions, or the District of Columbia (including employers of any corporation created under authority of an act of Congress which is either wholly controlled or wholly owned by the United States Government, or any corporation, all the stock of which is owned or controlled by the United States Government, or any department, agency, or establishment thereof, whether or not the employees thereof are paid from funds appropriated by Congress), who, subsequent to May 1, 1940, shall have entered upon service in the merchant marine, shall be entitled to receive, in addition to any pay for such service, compensation in their civilian positions covering their accumulated or current accrued leave, or to elect to have such leave remain to their credit until their return from such service.

SEC. 5. The Administrator, War Shipping Administration, may make such rules and regulations as he deems necessary or appropriate to carry out the provisions of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DISABILITY RATINGS OF WORLD WAR VETERANS

The Clerk called the next bill, H. R. 799, to make temporary disability ratings of World War veterans permanent after 10 years.

Mr. COLE of New York. Mr. Speaker, reserving the right to object, this bill makes permanent the temporary disability ratings of veterans of World War No. 1.

The Veterans' Administration has stated that it is not possible to arrive at any reasonably accurate estimate of the cost of the measure. The Veterans' Administration, further, does not recommend the bill. On these grounds I asked unanimous consent that the bill go over without prejudice; when the bill was called on the Consent Calendar 2 weeks ago and was forced to object to the bill because the gentleman from Mississippi objected to my request that it go over.

I renew my request that the bill go over without prejudice at this time.

Mr. RANKIN. Mr. Speaker, reserving the right to object, let me say to the gentleman from New York [Mr. COLE] that these disability ratings have gone on now for 10 years; it does not affect any rating that has not existed for 10 years. I submit that it costs more to keep people on the pay rolls of the Veterans' Administration to go through all these records and keep these veterans on pins who have been declared disabled for 10 years, than it would to go ahead and pass this bill and give these men a permanent rating and at the same time cut down the expense of administration and relieve their anxiety.

Mr. ROBSION of Kentucky and Mr. VAN ZANDT rose.

Mr. RANKIN. I yield first to the gentleman from Kentucky [Mr. ROBSION].

Mr. ROBSION of Kentucky. Is it not also true that it involves an expense to the soldiers in traveling to various points to be examined? And is it not generally admitted that this bill will save money to the Treasury of the United States?

Mr. RANKIN. Absolutely.

Mr. ROBSION of Kentucky. And relieve the veterans of this uneasiness.

Mr. RANKIN. Yes; absolutely.

Mr. VAN ZANDT. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. VAN ZANDT. Is it not true that the disabilities from which these men suffer are service-connected disabilities?

Mr. RANKIN. Yes; these are disabilities incurred by these men in the last World War which has been over now for more than 24 years.

Mr. MURDOCK. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. MURDOCK. There are a great many ex-servicemen in my State. From what I hear from them and from those interested in the ex-servicemen, I feel that the gentleman is absolutely correct in his position on this measure. I favor this bill. In my judgment, it is better to economize by extending it to disability than having all the searches and reexaminations needlessly to worry these men.

Mr. RANKIN. I yield to the lady from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Is it not true it costs $40 every time a veteran's claim is rated? After 10 years, if the veteran is not cured and the disability is not improved, it seems only fair to let the man live in peace.

Mr. RANKIN. That is true, and this uncertainty has killed thousands of veterans, this uncertainty as to what is going to happen to them so far as the Veterans' Administration is concerned. They look for the mailman every morning. Many of these boys are shell-

shocked. Some of them are nervously broken down, and they watch the mail to see when they will get notice to be called up again and again and again for reexamination. There is no reason on earth why these disabilities should not be made permanent when many of them have lasted for almost a quarter of a century.

Mr. HARE. Will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from South Carolina.

Mr. HARE. I can see where there may be some economy so far as a number of these persons are concerned, but suppose you have a man with a service-connected disability of 40 percent and entitled to $40, $50, or $60. Now, you make his disability permanent, which would reduce it under the law to $30 a month. Does the gentleman think that would result in a saving?

Mr. RANKIN. It does not do anything of the kind. These are service-connected cases, and it will not have any effect on the amount of compensation he receives.

Mr. HARE. If you pass this law, if you change the law involving a man who has a service-connected disability of 50 percent and make him permanently totally disabled, then that would reduce his compensation to $30.

Mr. RANKIN. This does not make him permanently totally disabled.

Mr. JOHNSON of Oklahoma. Will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Oklahoma.

Mr. JOHNSON of Oklahoma. Is it not true that every veterans' organization in the country, including the American Legion and the Veterans of Foreign Wars, are wholeheartedly and enthusiastically supporting the gentleman's bill to do justice by these service-connected disabled war veterans, which incidentally should be sufficient evidence that the pending legislation is meritorious?

Mr. RANKIN. Of course, every veterans' organization I know anything about that represents any disabled veteran is in favor of the passage of this bill.

Mr. VOORHIS of California. Will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from California.

Mr. VOORHIS of California. The point raised by the gentleman from South Carolina, as I understand it, is that this bill would not preclude a veteran, on his own motion, from requesting a reexamination if he felt his condition had deteriorated?

Mr. RANKIN. That is true. The gentleman from South Carolina is confusing this with the disability-allowance bill.

Mr. HARE. My endeavor was to get information in order to know definitely whether or not he would be excluded.

Mr. RANKIN. He will not.

Mr. HARE. Thanks.

Mr. RANKIN. The gentleman is welcome. Mr. Speaker, I must object to the request of the gentleman from New York [Mr. COLE] that the bill be passed over.

The SPEAKER. Is there objection to the present consideration of the bill?

Messrs. COLE of New York, KEAN, and COSTELLO objected.

GOVERNMENT PROTECTION TO WIDOWS AND CHILDREN OF DECEASED WORLD WAR VETERANS

The Clerk called the next bill, H. R. 1744, to provide Government protection to widows and children of deceased World War veterans.

Mr. PRIEST Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee [Mr. PRIEST]?

There was no objection.

AMENDMENT TO SECTION 23 OF THE IMMIGRATION ACT OF FEBRUARY 5, 1917

The Clerk called the next bill, H. R. 1671, to amend section 23 of the Immigration Act of February 5, 1917.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 23 of the act of February 5, 1917 (39 Stat. 892; U. S. C., title 8, sec. 102), be, and it hereby is, amended by inserting the following after the first sentence thereof: "He shall receive a salary of $10,000 per annum."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RESTORING AND ADDING CERTAIN PUBLIC LANDS TO UINTAH AND OURAY RESERVATION IN UTAH

The Clerk called the next bill, H. R. 837, to restore and add certain public lands to the Uintah and Ouray Reservation in Utah, and for other purposes.

Mr. KEAN. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey [Mr. KEAN]?

There was no objection.

AMENDMENT TO SELECTIVE TRAINING AND SERVICE ACT

The Clerk called the next bill, H. R. 1730, to amend paragraph (1) of section 5 (e) of the Selective Training and Service Act of 1940, as amended.

The SPEAKER. Is there objection to the present consideration of the bill?

Messrs. PRIEST, COLE of New York, and TABER objected.

PRESERVING THE NATIONALITY OF PERSONS BORN IN PUERTO RICO

The Clerk called the next bill, H. R. 1037, to preserve the nationality of a person born in Puerto Rico who resides for 5 years in a foreign state.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COLE of New York. Reserving the right to object, Mr. Speaker, this is a measure that was on the calendar last year and succeeded in passing the House. My purpose in rising at this time is to call the attention of the House to the fact that there are on the calendar today some six or eight bills from the Committee on Immigration and Naturalization, all of which are amendatory of the Nationality Act of 1940.

May I inquire of the members of the Committee on Immigration and Naturalization the reason it is necessary to have a bill each time a person conceives an idea of amending the Nationality Act, rather than having them all consolidated into one omnibus bill affecting the basic act of 1940?

Mr. DICKSTEIN. Mr. Speaker, will the gentleman yield?

Mr. COLE of New York. I yield to the gentleman from New York.

Mr. DICKSTEIN. The reason is that the Nationality Code dealt with a great problem. It took 5 years for the Department to formulate a plan and 2 years for the committee to study it, with 6 months for hearings. We have put the laws that were existing for over 100 years into one code, affecting nationality, children, and adopted children. We found loopholes that needed to be stopped, and we needed all these bills recommended by the Justice Department, State Department, Labor Department, and other departments to do that. These bills all affect different sections of the law. It would be humanly impossible to draw up one single bill to incorporate all of these features, because then we would be more confused than we were before the passage of the Nationality Act. The bills about which my colleague is talking have been passed unanimously by the House. They were held up in the Senate through no fault of the legislation but because of certain conditions in the Senate. As I understand, the Senate committee reported out favorably some of these bills.

Mr. COLE of New York. It is for the very reason assigned by the gentleman from New York that the Nationality Act of 1940 was passed, only after a thorough and exhaustive inquiry into the subject matter. I question the advisability of amending that act by piecemeal and therefore destroying the value of the well-rounded, thorough, and deliberate consideration given to the Nationality Act itself.

Mr. DICKSTEIN. It would be humanly impossible to bring out one bill amending the Nationality Act, which deals with various phases of human life which would not fit into any section in one bill. In addition, there are many errors that need to be corrected and slight changes in language that need to be made, it was indicated to the committee. I respectfully submit to my colleague that this is the best and the safest way to handle this matter.

Mr. COLE of New York. I am sure the gentleman would not admit that all of the bills before us today which are amendatory of the Nationality Act of 1940 could not have been embraced in one measure.

Mr. DICKSTEIN. I question that it could be done, because there is involved a Puerto Rican situation, a Virgin Islands situation, and other questions of nationality that have sprung up since this war

broke out. We could not anticipate Pearl Harbor in 1941. This is simply a protective measure, to correct certain important parts of that legislation.

Mr. COLE of New York. I am not questioning the merits of the measure, I am questioning the procedure of bringing in a special bill every time a new thought is conceived in connection with the Nationality Act of 1940, especially when all those thoughts are brought before the gentleman's committee apparently at the same time, because these six or eight bills now before us were reported out of the committee at the same time.

Mr. DICKSTEIN. No; they were not all reported at one time. We have taken quite a few months to look into them.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. COLE of New York. I yield to the gentleman from Illinois.

Mr. MASON. I think the gentleman from New York has asked a very pertinent question, as to why all these various bills which do amend certain sections of the Nationality Code should not be embraced in one bill. I think the only answer is that each one of these bills attempts to plug up a hole in the Nationality Code that was overlooked at the time of its passage. If we attempt to plug too many holes at one time it will create such a complicated problem that it will be difficult for any Member of the House to understand what we are trying to do, all at one time. This is a comprehensive program.

I may say as to the bills before us today to amend the Nationality Code that each of them was taken up on its own merits last year and passed, but they were held up in the Senate. They have been thoroughly discussed in the House, as the gentleman has said, and are generally understood.

I believe, however, that many times it would be possible to combine some of these bills into one bill, an omnibus bill, if the gentleman wants to put it that way, but it would still be amending various sections of the code. If you put these bills into one bill, with a separate section for each individual bill, there would still be the same idea of amending the Nationality Code in various places.

Mr. COLE of New York. Yes; but the gentleman can appreciate the effort in bookkeeping and the expense that can be saved by having 1 bill rather than 8 or 10 individual bills.

Mr. MASON. I can appreciate that.

Mr. COLE of New York. I raise the question with the hope that in its future deliberations the committee will try to combine these amendments to the Nationality Act.

Mr. MASON. I believe that after this I shall advocate that we do that.

Mr. JENKINS. Mr. Speaker, will the gentleman yield?

Mr. COLE of New York. I yield to the gentleman from Ohio.

Mr. JENKINS. It is true so often in dealing with immigration matters that we are asked to pass a law just for the protection or benefit of one individual. Is that element involved here?

Mr. COLE of New York. Not at all. These are all general bills.

Mr. JENKINS. These bills all deal with general principles?

Mr. COLE of New York. Yes.

Mr. JENKINS. I take it, then, that the gentleman from New York refers only to Calendar Nos. 21, 22, and 23 and does not refer to Nos. 24, 25, and 26. There are about six or seven bills on the calendar from this committee.

Mr. MASON. They are different.

Mr. JENKINS. They involve different propositions?

Mr. COLE of New York. Not all of the bills presented by this committee affect the Nationality Code.

Mr. JENKINS. Mr. Speaker, I take it that the gentleman from New York [Mr. COLE] means that he is not going to object to bills that come in the category that the gentleman from Illinois [Mr. MASON] has described.

Mr. COLE of New York. That is true.

Mr. RANKIN. Mr. Speaker, I reserve the right to object. It took us a long stretch of years here to get the immigration law of 1924 passed.

There has been an element here trying to fritter away those laws ever since.

If you are going to change the immigration laws of this country, you ought to bring in a general bill, bring it on the floor of the House and have it debated and amended, so that it will be carefully read from the Clerk's desk and properly discussed and considered for amendments under the 5-minute rule.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. Yes.

Mr. MASON. These bills do not pertain to the immigration laws, do not pertain to exclusion, do not pertain to opening the gates and letting people in. They just pertain to the citizenship of citizens. It is to clarify the status of the citizenship of Puerto Ricans. It has nothing to do with the immigration law.

Mr. PRIEST. Mr. Speaker, I demand the regular order.

Mr. RANKIN. Let me say to the gentleman from Illinois that therein lies one of the greatest evils. It is amending the citizenship law without coming into the House with a general bill that applies to everybody, and letting us discuss it and amend it under the 5-minute rule. There are untold thousands of people who have crowded into this country in violation of our immigration laws, and every maneuver is resorted to almost to have them become citizens of the United States. I think these bills ought to come in the regular way and be discussed on the floor of the House, because they are very important.

Mr. COLE of New York. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. Yes.

Mr. COLE of New York. I call the gentleman's attention to the fact that this particular bill is one which the gentleman discussed rather completely when it was before the House last fall, and he was satisfied as to its merits. It eventually passed the House.

Mr. RANKIN. The gentleman refers to this bill?

Mr. COLE of New York. Yes.

Mr. MASON. Every one of these bills that amend the Nationality Code did pass this House and they were thoroughly discussed, and were simply stopped in the Senate, even after the Senate Immigration Committee reported them favorably. This is one of the bills that the gentleman discussed, and was satisfied with it last fall.

Mr. RANKIN. I am not prone to object to these bills now, but I want to say about this question of immigration today that I do not propose to permit anyone to destroy our immigration and citizenship laws by piecemeal if I can help it.

Mr. JENKINS. Why would it not be a good idea to ask that these bills be passed over with prejudice? The gentleman from Illinois [Mr. MASON] indicated he thought this situation could be obviated, and that his committee could formulate a bill that would be general in its application and take care of these inconsistencies. Does the gentleman from Illinois think the committee could do that?

Mr. MASON. It would be difficult to do it, because it pertains to different parts of the Nationality Code. We thought that these bills having passed the House last year and having been discussed and approved by the Senate Committee, and having failed of action in the Senate, should go through. I have already assured the gentleman from New York that any more bills of this kind which have not passed the House and have not been considered, should be placed in a comprehensive bill, and should be given consideration and discussed by the House as we did with these individual bills last year.

Mr. RANKIN. Then, Mr. Speaker, I ask unanimous consent that this measure go over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

AMENDING THE NATIONALITY ACT OF 1940

The Clerk called the bill (H. R. 1291) to amend the Nationality Act of 1940 (54 Stat. 1137) so as to (1) strengthen the national defense and (2) to make certain grammatical and typographical changes in the interest of clarity and accuracy.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. JENKINS. Mr. Speaker, I reserve the right to object. I think under the circumstances that this also ought to be passed over. Does not the gentleman from Illinois think that?

Mr. MASON. If the same objection is to them as to the one just passed over, of course; but I really cannot see any objection to Nos. 22 and 23 on the calendar because they were thoroughly discussed by the House and passed and approved and even approved by the Immigration Committee in the Senate.

Mr. JENKINS. Of course, as far as I am concerned, I would not have objected to No. 21, but in view of the fact that the gentleman from Mississippi did object to No. 21, then, if you do not object now, you will give Nos. 22 and 23 priority preference.

Mr. MASON. I think they all ought to have that preference, having passed the House before.

Mr. DICKSTEIN. Mr. Speaker, will the gentleman yield?

Mr. JENKINS. Yes.

Mr. DICKSTEIN. The most difficult part of our discussion is here, if we realize what the bill is. One refers to Puerto Rico and one deals with the Virgin Islands. We are trying to correct those conditions by these bills. It is impossible to put them in one omnibus bill; it is impossible to give them study at once. Each one involves a careful study by itself and takes many months. We have had to go to the Interior Department and the Justice Department and the Labor Department, and, as my colleague has pointed out, it does not necessarily open any doors. It does not change the basic law or anything.

Mr. JENKINS. In view of the fact that the gentleman from Mississippi objected to Calendar No. 21——

Mr. DICKSTEIN. He should not have objected to it but I cannot stop him if he wants to object to everything.

Mr. JENKINS. I ask unanimous consent that this bill be passed over without prejudice. In view of the fact that the gentleman from Illinois [Mr. MASON] is going to study this whole matter, I will make the same request for Calendar No. 22 and Calendar No. 23, and I will promise the gentleman that the next time I will not make any objection to them.

I ask unanimous consent, Mr. Speaker, that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

STATUS OF CERTAIN NATIVES AND INHABITANTS OF THE VIRGIN ISLANDS

The Clerk called the next bill, H. R. 1573, relating to the status of certain natives and inhabitants of the Virgin Islands.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. JENKINS. Mr. Speaker, I make the same request with respect to this bill.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

NATURALIZATION OF PERSONS NOT CITIZENS WHO SERVE HONORABLY IN THE MILITARY AND NAVAL FORCES OF THE UNITED STATES

The Clerk called the next bill, H. R. 1284, relating to the naturalization of persons not citizens who serve honorably in the military or naval forces of the United States during the present war.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

Mr. DICKSTEIN. Will the gentleman withhold that and yield to me?

Mr. RANKIN. Yes; I yield.

Mr. DICKSTEIN. Mr. Speaker, this is a bill that should be acted upon by the House immediately. There are a number of men who are trying to join the armed forces who cannot do so because they cannot prove the exact date of their arrival. They came here probably as infants, a year or 2 years old. This bill is vital to our war efforts. It passed this House unanimously. It has consideration by the War Department, the Department of Justice, and all other governmental departments. There are thousands of young, able-bodied men ready to serve this country who cannot produce what is known as a certificate of arrival. Some of the records were not properly kept at some of our ports of entry. This means that they can enter the service irrespective of the certificate of arrival.

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. ROBSION of Kentucky. Does this bill have any purpose except to permit persons described by you to serve in the armed forces of the United States?

Mr. DICKSTEIN. That is all.

Mr. ROBSION of Kentucky. Why should there be any objection to it?

Mr. DICKSTEIN. I do not know. That is exactly what the bill does and nothing more.

Mr. VAN ZANDT. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. VAN ZANDT. The gentleman from New York describes the bill as having to do with men who want to join the armed forces of our country, but the explanation of the bill contained in the committee report says, and I read relating to the naturalization of persons not citizens who serve honorably in the military or naval forces of the United States during the present war. I take it from the explanation of the bill that the bill refers to persons in the service already.

Mr. DICKSTEIN. Some of them are. The draft boards got hold of them. But here is the situation: When they go into the service and are making good, they cannot be sent across because they are not citizens, because they cannot produce a certificate of arrival. There are thousands of men in the camps today who are ready to go across and fight with the other men in the service, but they cannot be granted citizenship because under some War Power Act it was provided that they must have a certificate of arrival. It simply means a little technicality of waiver, and that is all.

Mr. VAN ZANDT. Then the bill is designed to take care of persons not yet in the military service and persons already in the military service?

Mr. DICKSTEIN. Both, yes.

Mr. COLE of New York. Will the gentleman yield?

Mr. RANKIN. I yield.

Mr. COLE of New York. Is the statement of the gentleman from New York [Mr. DICKSTEIN] exactly correct? I understand that a person in order to qualify under this act had to be in the armed forces, and a recommendation from the commanding officer had to accompany the request for citizenship.

Mr. DICKSTEIN. Officers have made recommendations to make these men citizens who wear the uniform, but they cannot be made citizens because they have no technical proof of certificate of arrival.

Mr. COLE of New York. I understand that.

Mr. DICKSTEIN. Therefore they remain in the camps and they cannot go out.

Mr. COLE of New York. But the only class of person who is benefited by this proposal is the men who are in the armed forces?

Mr. DICKSTEIN. More so the men who are in the service now, but who cannot be moved because they cannot be given the oath of allegiance of citizenship.

Mr. VAN ZANDT. Will the gentleman yield further?

Mr. RANKIN. I yield.

Mr. VAN ZANDT. Is it not true that persons who served honorably during the Spanish-American War and World War No. 1 are at the present entitled to a short cut in naturalization procedure.

Mr. DICKSTEIN. That is true.

Mr. VAN ZANDT. And by the passage of this bill we will simply provide persons who will enter the armed forces of the present war or who already are in the armed forces to enjoy a short cut in naturalization procedure.

Mr. DICKSTEIN. That is right. That is all it does.

Mr. ALLEN of Louisiana. Will the gentleman yield to me?

Mr. RANKIN. I am going to yield to the gentleman from Louisiana now and then I would like to make a statement of my own.

Mr. ALLEN of Louisiana. It has been some little time since we considered this bill and I am not positive about all the provisions, but I do say that the Committee on Immigration and Naturalization gave very serious consideration and the committee was enthusiastically behind this bill. Personally I think it is a good bill. Many of you know I am a little hard-boiled on that committee. I think that any man who gets in the Army and sticks his neck out to defend this country is entitled to the consideration we are attempting to give him by this bill.

I am for the bill enthusiastically, and I think it ought to pass.

Mr. RANKIN. Let me say to the gentleman from Louisiana that I do not believe I shall object.

Mr. SMITH of Ohio. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Ohio briefly.

Mr. SMITH of Ohio. I should like to know whether this includes only persons who have lived in the United States heretofore?

Mr. LESINSKI. Yes.

Mr. RANKIN. I yield to the gentleman from Louisiana to answer.

Mr. ALLEN of Louisiana. That is my understanding. My understanding is that they must actually be here. Let me

say in this connection, however, that there was a provision in a similar bill last year about which I had doubts, but we were careful to take care of that phase.

Mr. JENKINS. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Ohio.

Mr. JENKINS. It has been the custom here for many years always to grant more easy citizenship to those who serve in the armed forces of the country, and I am sure this Congress would maintain that policy, but I call the attention of the gentleman from Mississippi to a statement in the first part of the committee's report:

> The purpose of the bill is to further expedite the prosecution of the war through amending the Nationality Act of 1940 (54 Stat. 1137), so as to enable certain noncitizens serving honorably in the armed forces of the United States to be naturalized immediately upon satisfactory evidence of their loyalty and attachment to the principles of the Constitution, even though their admission to the United States may not have been in full technical compliance with all of the requirements of the immigration laws.

Mr. RANKIN. All right; that is a fishing invitation to people all over the world, it seems to me, who have ever been in the United States, to join in order to become citizens of the United States of America.

Mr. JENKINS. If the language of the report is correct, I think the committee would not be satisfied to grant citizenship to some man who served even though he was not a resident of the United States. I believe somebody has made a mistake.

Mr. RANKIN. Let me say to the gentleman from Ohio that this is not just our war; these other countries from which these people come ought to be as much interested in this war as we are; and I am not in favor of using this war as a smoke screen to destroy our immigration laws or our immigration policy. That is what I am afraid of here.

Mr. ROWE. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. ROWE. What is the provision as to the length of residence required in order for them to get citizenship under this bill?

Mr. RANKIN. No provision is made that I can see.

Mr. DICKSTEIN. If the gentleman will yield to me I can answer the question.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Illinois.

Mr. MASON. This bill covers only those now serving in the United States forces.

Mr. RANKIN. Oh, no.

Mr. MASON. Those who are now serving or who are hereafter drafted into the United States forces; but it only covers residents of the United States who are not citizens; they must be in the United States. Why should we grant the privilege to those who have already been drafted for citizenship if we are going to refuse the privilege to John Jones tomorrow who may be drafted the day after tomorrow?

Mr. RANKIN. Where did the gentleman from Illinois get that word "drafted"? It is not in the bill. The language of the bill is "inducted."

Mr. MASON. All right; inducted.

Mr. RANKIN. There are only two ways they can be inducted; one is by draft and the other is by volunteering. If we are going to grant any privilege to those who are drafted we should grant the same privilege to those who volunteer.

Mr. MASON. Suppose the citizen of a foreign country that is in this war——

Mr. RANKIN. No; these are residents of the United States. Under this bill any person who has ever been in this country at all, if he serves in the armed forces, is taken in and given citizenship. Is not that it?

Mr. WALTER. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. WALTER. We hear talk about residents of some other country being subject to this bill. How would the residents of some other country become subject to the laws of this country? The bill does not say drafted.

Mr. RANKIN. Oh, no; oh, no.

Mr. WALTER. How can you get him into the service unless he enlists?

Mr. RANKIN. Mr. Speaker, I think this bill ought to go over for a week.

Mr. McCORMACK. Will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Mr. Speaker, this is an important bill because we want men in the service in this predicament to be put in the position of being able to render the maximum contribution to this war. If we have men in the service who are unable to go abroad because of this technicality I think it is important that we concentrate on that and remove it as quickly as possible because most of these young men want to serve and, furthermore, we want them to serve and to render the maximum service that all others do.

Mr. RANKIN. On the point the gentleman just covered, may I ask, did the Army or Navy ask for this law? Has the gentleman got a recommendation from the Secretary of War or the Secretary of the Navy asking for this law?

Mr. DICKSTEIN. From the Justice Department.

Mr. RANKIN. Oh, well, the Justice Department is something else.

Mr. DICKSTEIN. And the War Department has made the recommendation to the committee in executive session asking that this technicality be straightened out so that men in the armed services can be taken care of.

Mr. RANKIN. I yield further to the gentleman from Massachusetts.

Mr. McCORMACK. Of course, if the objection that the gentleman from Mississippi refers to exists that people might enlist abroad in the United States Army, and I cannot say and I do not know whether that can be done or not, that could be corrected by an amendment confining it to those who are enlisted or inducted into the Army in the United States. If that language is put in there I think that would meet the objection. Would that not meet the gentleman's objection?

Mr. RANKIN. If they were here lawfully I would not object to it, but I do not want to make it cover all time to come. We do not know how long this war will last, and I do not want to make it a fishing proposition to invite people to try to get covered in under it who have no right to become citizens of the United States. This war is being used for too many smoke screens now, and I do not want it to be used as a smoke screen to destroy our citizenship and immigration laws. That is what I fear.

Mr. McCORMACK. Let me see if I understand this properly. The bill relates to men who are inducted into the service and who are not citizens and with reference to whom there is no record of entry?

Mr. DICKSTEIN. That is right.

Mr. McCORMACK. By reason of that those men cannot render service abroad?

Mr. DICKSTEIN. Yes; that is practically the sum and substance of it, and I want to add one word. There are thousands of men in the camps today who have had their military training, who are ready and who are asking to be sent abroad, but that cannot be done because they cannot be inducted into citizenship on account of the fact that under the War Powers Act they must show a certificate stating when they got here.

Mr. RANKIN. Now, Mr. Speaker, the gentleman has admitted these people are here illegally, or a great many of them are.

Mr. DICKSTEIN. Oh, no.

Mr. RANKIN. If they are here illegally, I am not for digging any storm cellars. If they come from a country that is in the war with us, on our side, they owe that country as much allegiance as they ever did.

Mr. ALLEN of Louisiana. I am sure the gentleman from Mississippi has not thought about this. Suppose we take one of these men in the Army and we do not give him citizenship, and suppose, further, that he is a German or an Italian and he gets caught. He will be shot. We do not give him any protection at all. If he is going to stick his neck out we should give him that protection.

Mr. RANKIN. Wait a minute. Do not get too fast about that. Let me answer the gentleman. Suppose this man is a citizen of Norway, Russia, or Poland, and he gets caught in Germany fighting against Germany, they will not shoot him any quicker if he says he is a citizen of Norway, Russia, or Poland, than if he has lately been made a citizen of the United States or any other country. If he is a citizen of any of these countries that are in the war with us against Germany, Japan, or Italy, why that will not mitigate against him any more than

if he has just been made a citizen of the United States, and shows some citizenship papers of the United States.

Mr. VAN ZANDT. The War and Navy Departments will not send men in those categories overseas.

Mr. COLE of New York. This measure does not apply to all these aliens. All it does is waive the right of certificate of entry. Granting that they are here illegally, they cannot take advantage of this act unless they are recommended by their commanding officer who must certify that they have conducted themselves patriotically while in the United States Army.

Mr. RANKIN. For how long?

Mr. COLE of New York. While they are in the armed services.

Mr. RANKIN. In other words, a man comes here from another country, and joins the service, then he can be covered in as a citizen of the United States immediately?

Mr. COLE of New York. If the commanding officer certifies that he has conducted himself as a loyal, patriotic citizen.

Mr. RANKIN. We have not applied that rule in other wars, I may say to the gentleman from New York. We had a war here at one time between the States and at that time thousands of men came from Europe and fought in both armies, especially in the Federal Army.

They did not cover them in until they had stayed here long enough to apply in the orderly way and become citizens of the United States. To rush in here now to cover in people from countries that have been at war with Germany, Italy, and Japan for years, and who owe just as much to the cause as native-born Americans, and cover them in as citizens regardless of the time they have been here, I think is going pretty far afield.

Mr. COLE of New York. The gentleman should realize that any person to qualify under this act must have resided in this country the usual required period of time.

The regular order was demanded.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

NATURALIZATION OF CERTAIN PERSONS NOT CITIZENS WHOSE SONS OR DAUGHTERS HAVE SERVED WITH THE LAND OR NAVAL FORCES OF THE UNITED STATES

The Clerk called the next bill, H. R. 1941, permitting the naturalization of certain persons not citizens whose sons or daughters have served with the land or naval forces of the United States.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. KEAN. Reserving the right to object, Mr. Speaker, I think this is a very meritorious bill, but may I ask the gentleman from New York why the committee picked the date of September 1, 1939. It seems to me there would be sense in picking either the date of Pearl Harbor or the date when the Draft Act went into effect. Using the date of September 1, 1939, will discriminate between those persons who went into the Regular Army a few weeks before and those who went into the Regular Army a few weeks after that.

Mr. DICKSTEIN. I cannot tell the gentleman just why it was, but I have no objection, or at least the committee has no objection, if the date is fixed right after Pearl Harbor.

Mr. KEAN. I will not make that change.

Mr. DICKSTEIN. That is what the gentleman wants.

Mr. RABAUT. Mr. Speaker, will the gentleman yield?

Mr. KEAN. I yield to the gentleman from Michigan.

Mr. RABAUT. I notice section 801 states "any person not a citizen of the United States whose son or daughter is a citizen of the United States," and so on, but it does not say anything about the father and mother living in the United States.

Mr. DICKSTEIN. The original act provides for that.

Mr. KEAN. It provides that they must live here.

Mr. RABAUT. That they must live in the United States?

Mr. KEAN. Therefore, it would not be necessary to incorporate in this bill language to the effect that they must live here.

Mr. PHILLIPS. Mr. Speaker, will the gentleman yield?

Mr. KEAN. I yield to the gentleman from California.

Mr. PHILLIPS. May I ask the gentleman from New York why the father and mother could not get citizenship in a normal way, that is, on their own application, irrespective of whether or not their children go in the Army, which would appear in their favor at the hearing? Why is the bill necessary?

Mr. DICKSTEIN. I do not think time would permit me to go into a long discussion of that matter, but in the brief time I have may I say that these people have been here 30 or 40 years. They have raised families of four or five or more children. They did not have the benefit of our public-school education. They sent their children to college and made men out of them. These men are now in the armed services of the United States. Because of that we are giving these people the privilege of waiving the other requirements.

Mr. PHILLIPS. Is the gentleman from New York sure that the bill is confined to those people?

Mr. DICKSTEIN. That is all, absolutely.

Mr. KEAN. In response to the statement of the gentleman from New York that he would be willing to take the date of Pearl Harbor, may I say that I do not believe that would be quite fair to the people who were drafted on September 1, 1940, so I would suggest an amendment changing the date to the date when the Draft Act went into effect, which was approximately September 1, 1940.

Mr. RANKIN. Mr. Speaker, we will have plenty of time to discuss this matter. I ask unanimous consent that the bill be passed over without prejudice. I see no reason on earth for covering people into citizenship who have been here 40 years and have not tried to become citizens.

Mr. PHILLIPS. Reserving the right to object, Mr. Speaker, I should like to know what this bill, as well as the previous bill, does as regards the orientals, say, the Japanese.

Mr. RANKIN. May I say to the gentleman from California that is one thing that is worrying me. I think that under this legislation, if you do not watch, you are going to cover in a lot of Japanese whom we want to get rid of when the war is over.

Mr. PHILLIPS. Unless there is something in the bill that I do not see, I think the gentleman from Mississippi is correct.

Mr. RANKIN. Mr. Speaker, I insist on my request that the bill be passed over without prejudice.

Mr. DICKSTEIN. I object, Mr. Speaker.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. RANKIN. I object, Mr. Speaker.

REPATRIATING NATIVE-BORN WOMEN RESIDENTS OF THE UNITED STATES

The Clerk called the next bill, H. R. 1289, to repatriate native-born women residents of the United States who have heretofore lost their citizenship by marriage to an alien.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. RANKIN. Reserving the right to object, Mr. Speaker, many of you were not here when this question arose before, when Congress got itself into a most ridiculous predicament by passing a similar bill back in the twenties. The bill was passed for the benefit of one individual who had married abroad. It developed that under the law that person could have been a member of the British House of Parliament, if she could have been elected, and of this House at the same time.

These women who go abroad hunting titled husbands ought to take their names. All women ought to take the names of their husbands. They ought also to take citizenship in the country of which their husbands are citizens and ought not to be given dual citizenships.

I am not sure that you can divest a woman of citizenship in a foreign country by passing a law here. A woman who marries a man and lives in, say, Denmark or Germany or England or any other foreign country, automatically becomes a citizen of that country.

The mere fact that we cover her into citizenship here again does not deprive her of citizenship there. Let her come back here and go through the regular routine, and then maybe she will find a husband in the United States next time.

Mr. Speaker, I object to the consideration of this bill.

PRESERVING RESIDENCE FOR NATURALIZATION OF CERTAIN ALIENS, ETC.

The Clerk called the bill (H. R. 1295) to amend the Nationality Act of 1940 to preserve the residence for naturalization purposes of certain aliens who serve in the military or naval forces of one of the allied countries during the Second World War, or otherwise assist in the allied war effort, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. RANKIN. Mr. Speaker, I reserve the right to object. That is exactly what I have been telling you about. It is one step after another, and the next thing you know you will cover them all into United States citizenship, if they ever look in this direction. Above all things, these bills ought to be brought in here in the usual way, and submitted to the House, debated openly and considered under the 5-minute rule.

Let me read this statement:

A bill to amend the Nationality Act to preserve the residence for naturalization purposes of certain aliens who serve in the military or naval forces of one of the allied countries during the Second World War, or otherwise assist in the Allied war effort, and for other purposes.

Where are you going to draw the line?

Mr. MASON. This preserves the residence of residents of the United States, whether they are citizens or not, who have volunteered and gone into Canada and served with the British forces or any other forces. It just preserves their residence and not their citizenship.

Mr. RANKIN. I see the gentleman is unfamiliar with the bill, or else the bill is not properly reported on this calendar. It says this: "or otherwise assist in the Allied war effort."

Mr. MASON. And that means that if one of our citizens or one of our residents had volunteered as a specialist to assist in the Canadian war effort, or has been sent abroad to assist in the war effort, then that residence in the United States shall be preserved, and if he does hereafter apply for citizenship, that residence here is preserved.

Mr. PRIEST. Mr. Speaker, I demand the regular order.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the bill go over without prejudice.

The SPEAKER pro tempore. Is there objection?

There was no objection.

FURNISHING COPIES OF RECORDS TO OFFICIALS OF A STATE

The Clerk called the bill (H. R. 1680) to amend the Nationality Act of 1940 to permit the Commissioners to furnish copies of any part of the records or information therefrom to agencies or officials of a State without charge.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. RANKIN. Mr. Speaker, I reserve the right to object. Let me ask the gentleman from Illinois if that means they will furnish those records to Members of Congress who want to look at them.

Mr. MASON. No, that means that the Federal departments will furnish the records to officials of any State that asks for them, because the officials of States now furnish their records to the Federal Government. It makes a reciprocity program.

Mr. RANKIN. Under the present law do they furnish Members of Congress if they ask for them?

Mr. MASON. I do not think they do.

Mr. RANKIN. Does the gentleman not think they ought to?

Mr. MASON. I do not think Members of Congress are entitled to know the personal matters that should not be given out.

Mr. RANKIN. I do not agree with the gentleman at all.

Mr. RABAUT. Mr. Speaker, I deman the regular order.

Mr. RANKIN. I think where people get on the pay roll of the Federal Government, that Members of Congress ought to have the right to know about them.

The SPEAKER pro tempore. The regular order is demanded.

Mr. RANKIN. Mr. Speaker, I ask that the bill go over without prejudice.

The SPEAKER pro tempore. Is there objection?

Mr. DICKSTEIN. Mr. Speaker, I object.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

Mr. RANKIN. I object.

JURISDICTION OF NAVAL COURTS MARTIAL IN TIME OF WAR

The Clerk called the bill (S. 303) to extend the jurisdiction of naval courts martial in time of war or national emergency to certain persons outside the continental limits of the United States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in addition to the persons now subject to the Articles for the Government of the Navy, all persons, other than persons in the military service of the United States, outside the continental limits of the United States accompanying or serving with the United States Navy, the Marine Corps, or the Coast Guard when serving as a part of the Navy, including but not limited to persons employed by the Government directly, or by contractors or subcontractors engaged in naval projects, and all persons, other than persons in the military service of the United States, within an area leased by the United States which is without the territorial jurisdiction thereof and which is under the control of the Secretary of the Navy, shall, in time of war or national emergency, be subject to the Articles for the Government of the Navy except insofar as these articles define offenses of such a nature that they can be committed only by naval personnel: *Provided*, That the jurisdiction herein conferred shall not extend to Alaska, the Hawaiian Islands, Puerto Rico, or the Virgin Islands, except the islands of Palmyra, Midway, Johnston, and that part of the Aleutian Islands west of longitude 172° west.

With the following committee amendments:

Page 2, line 10, after the word "Alaska", insert the words "the Canal Zone."

The committee amendment was agreed to.

The bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HOSPITALIZATION OF DEPENDENTS OF NAVAL PERSONNEL

The Clerk called the bill (H. R. 1936) to provide for the expansion of facilities for hospitalization of dependents of naval and Marine Corps personnel, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That for the purpose of expanding facilities for the hospitalization of dependents of personnel of the Navy and Marine Corps, and others as herein provided, there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $2,000,000.

SEC. 2. The hospitalization of dependents of naval and Marine Corps personnel at any naval hospital shall be at such per diem or other rate as may be prescribed from time to time by the President, and all sums received in payment of such hospital charges shall be deposited to the credit of the appropriation or fund for the maintenance and operation of naval hospitals.

SEC. 3. The term "dependents" shall include a lawful wife, unmarried dependent child (or children) under 21 years of age, and the mother and father of a member of the Navy or Marine Corps if in fact such mother or father is dependent on such member. The term "child (or children)" shall include a natural or adopted child or stepchild. The widows of deceased naval and Marine Corps personnel shall be entitled to hospital care in like manner as dependents.

SEC. 4. In addition to those persons, including the dependents of naval and Marine Corps personnel, now authorized to receive hospitalization at naval hospitals, hospitalization and dispensary service may be provided at naval hospitals and dispensaries outside of the continental limits of the United States and in Alaska, to the officers and employees of any department or agency of the Federal Government, to employees of a contractor with the United States or his subcontractor, to the dependents of such persons, and to such other persons as the Secretary of the Navy may prescribe: *Provided*, That such hospitalization and dispensary service to other than the dependents of naval and Marine Corps personnel shall be permitted only where facilities are not otherwise available in reasonably accessible and appropriate non-Federal hospitals. The charge for hospitalization or dispensary service for persons other than dependents of naval and Marine Corps personnel as specified in this section shall be at such rates as the President shall from time to time prescribe, and shall be deposited as provided in section 2.

SEC. 5. Hospitalization of the dependents of naval and Marine Corps personnel and of the persons outside the naval service mentioned in section 4 of this act shall be furnished only for acute medical and surgical conditions, exclusive of nervous, mental, or contagious diseases or those requiring domiciliary care. Dental treatment shall be administered only as an adjunct to in-patient hospital care and shall not include dental prosthesis or orthodontia.

SEC. 6. During such periods as the Coast Guard may operate as a part of the Navy, the provisions of this act shall apply to dependents of personnel of the Coast Guard in like manner and to the same extent as to dependents of personnel of the Navy and Marine Corps.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BOARD OF LEGAL EXAMINERS, CIVIL SERVICE COMMISSION

The Clerk called the bill (H. R. 1025) to amend section 1753 of the Revised Statutes to create a board of legal examiners in the Civil Service Commission.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. CURTIS. Mr. Speaker, I reserve the right to object.

Mr. WHITE. Mr. Speaker, I reserve the right to object.

Mr. RAMSPECK. Mr. Speaker, the bill before the House is to carry out a recommendation made by a committee headed by Mr. Justice Reed. That committee made a study of the question of the extension of civil service to cover Federal lawyers. They suggested the plan outlined in this bill and the President established it by Executive order, which has been in effect now for 2 years. It provides a system of examination for lawyers in the Federal service, which is working very satisfactorily. They hold regular examinations and if the lawyer passes then those who pass successfully on a written examination are orally examined by voluntary committees made up of the Federal judges and practicing lawyers throughout the country. Every effort has been made by the Board to decentralize this operation so as to give equal opportunity to lawyers in all parts of the country from all legal educational institutions.

Mr. WALTER. Will the gentleman yield?

Mr. CURTIS. I yield.

Mr. WALTER. There is nothing in this bill that will permit the Board to pass on the legal requirements of the applicant, is there?

Mr. RAMSPECK. Does the gentleman mean requirements as to what school he attended?

Mr. WALTER. His professional requirements.

Mr. RAMSPECK. Oh, no, no. Of course, they pass on his qualifications as a lawyer. That is the purpose of it.

Mr. WALTER. Is the fact that he is a member of the bar of a certain State sufficient evidence of his ability?

Mr. RAMSPECK. That is sufficient to let him participate in the examination.

Mr. CURTIS. Further reserving the right to object, do I understand that this bill simply continues on that Executive order?

Mr. RAMSPECK. It has that effect; yes. The reason for the legislation, I was about to state, is this: The Appropriation Committee handling the independent offices appropriation bill last year stated that they would not appropriate money this year for this board unless the Congress acted upon it. In the report of the committee handling the independent offices appropriation bill which was passed for 1944 appears this statement:

The committee has obtained a rather favorable impression of the work of the board in recent months, but prefers to withhold approval until pending legislation on the matter is favorably acted upon.

Mr. CURTIS. How many lawyers in the Government service does it affect?

Mr. WALTER. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

Mr. RAMSPECK. I hope the gentleman from Pennsylvania will not do that.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

Mr. RAMSPECK. Will the gentleman withhold that until I finish my explanation?

Mr. WALTER. Yes. I will withhold the request, Mr. Speaker.

Mr. RAMSPECK. This matter is urgent for this reason, Mr. Speaker: The board is in operation. The appropriation bill in which the money should be provided is in the Senate and will be ready for action at an early date, and the legislation should be considered now. We conducted hearings before the committee. We have a unanimous report on it. I think it is the concensus of opinion of everybody who has come in contact with the board that they have improved the situation The alternative is if you do not continue this board you go back to the old competitive system where you have only three people to choose from, where the parties are centralized in the Eastern States, as they have been in the past.

Mr. WALTER. Will the gentleman yield?

Mr. CURTIS. I yield.

Mr. WALTER. I would like to say to the gentleman from Georgia that I have a great deal more confidence in the board of law examiners of my State than I do in this board or any other board that could be created.

Mr. RAMSPECK. But objecting to this bill is not going to change that situation. They still cannot get into the Federal service simply because they hold a certificate to practice law in Pennsylvania, because the regulations provide that they must go through the civil-service procedure. Stopping this bill will not change that.

Mr. RANKIN. Let me say to the gentleman from Georgia that the American people are getting tired of the tyranny of the Civil Service Commission, and if we cannot change it in this law we are going to change it in some others. We are sick and tired of what is being done to the Veterans' Administration and veterans' hospitals.

Mr. RAMSPECK. This has nothing to do with that.

Mr. RANKIN. But it does the same thing to the lawyers as it is doing to the doctors of this country.

Mr. RAMSPECK. If the gentleman will investigate this he will find that the American Bar Association has endorsed it and that lawyers all over this country are in favor of it. It has created a better situation than we had before.

Mr. RANKIN. One of the ablest lawyers of the country, a member of the House Judiciary Committee, the gentleman from Pennsylvania [Mr. WALTER] has just asked that the bill go over without prejudice.

Mr. RAMSPECK. Well, he has not investigated the proposition.

Mr. O'CONNOR. Reserving the right to object, Mr. Speaker, is it not a fact that this Board requires that before a man is admitted to practice before the Department he must be a college graduate?

Mr. RAMSPECK. It certainly does not. That was emphatically stated in the hearings before the committee. They do not require that he shall have attended a law school even.

Mr. LAFOLLETTE. Will the gentleman yield to me?

Mr. RAMSPECK. If I have the floor I yield to the gentleman.

Mr. LAFOLLETTE. I just want to say that the statement by the gentleman from Georgia [Mr. RAMSPECK] is correct and agreed to almost unanimously by the members of the committee who heard it discussed. I think the bill is meritorious and I think what has been done under the existing Board has been splendid, and this bill simply continues what the Board was doing, and reaches the objection that was raised in the Appropriations Committee that there was no legislation to permit this very meritorious action to continue.

Mr. RAMSPECK. If I remember correctly, the gentleman from Indiana [Mr. LAFOLLETTE] stated in the committee that the lawyers of his state were much pleased with the way it was operating.

Mr. LAFOLLETTE. The gentleman states it correctly.

Mr. WALTER. Mr. Speaker, I ask unanimous consent that the bill go over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. MADDEN. Mr. Speaker, reserving the right to object, I should like to ask the sponsor of the bill to explain it.

Mr. COLE of New York. Mr. Speaker, I ask unanimous consent that the bill go over without prejudice.

Mr. CELLER. Does not the gentleman want an explanation of the bill before he makes that motion?

Mr. COLE of New York. The bill is entirely too important even to be discussed at this time. Why take up the time of the House in useless discussion?

The SPEAKER. Is there objection to the request of the gentleman from New York that the bill be passed over without prejudice?

There was no objection.

SALARY BASIS FOR POSTMASTERS AT FOURTH-CLASS OFFICES

The Clerk called the next bill, H. R. 324, to place postmasters at fourth-class post offices on an annual-salary basis, and fix their rate of pay, and provide allowances for rent, fuel, light, and equipment, and fix the rates thereof.

Mr. COLE of New York. Mr. Speaker, reserving the right to object, as indicated by the title of the bill, this places

fourth-class postmasters on an annual-salary basis rather than a percentage or fee basis, as has been the custom in the past.

I should like an explanation for the benefit of the House from the gentleman from Virginia, whom I see on the floor, especially with regard to that portion of the report which states:

The latest estimate the author of the bill has obtained from the Department being between $400,000 and $600,000; but in this connection it is pointed out that the Department's representative stated in connection with a similar plan previously under consideration that "it is the opinion of the Department that in 2 or 3 years the additional cost will be entirely eliminated."

This would indicate, in effect, a saving of money by passing this measure.

Mr. BURCH of Virginia. This bill is in exactly the same form as it was when it passed last year. In fact, this identical bill has twice passed this House. It changes the plan of payment to fourth-class postmasters from cancelation to actual sales. The existing plan of paying postmasters has been found very cumbersome and very expensive; it takes a great deal of the time of post-office inspectors; over 50 percent of the accounts have to be returned to the postmasters for rechecking.

This plan of payment was worked out by the Post Office Department.

As to the estimate of $935,000—I think that is the amount—something like that——

Mr. COLE of New York. The report says between four and six hundred thousand.

Mr. BURCH of Virginia. The estimate of the Post Office Department is that that amount of money will go to the postmasters, in addition to what they now receive; but they also state that on account of less work having to be done by inspectors and accounting in the Post Office Department and the General Accounting Office and a reduction in the number of postmasters of something like 2,423 since that time that there would be a saving of three or four hundred thousand dollars. That is why they used the four to six hundred thousand figure. That is the estimate.

Mr. COLE of New York. Do I understand that these fixed salaries are to be in addition to the compensation that the postmasters now receive?

Mr. BURCH of Virginia. No; no.

Mr. COLE of New York. The gentleman said something to indicate that.

Mr. BURCH of Virginia. I believe the gentleman must have misunderstood me.

Mr. MURDOCK. Mr. Speaker, will the gentleman yield?

Mr. BURCH of Virginia. I yield.

Mr. MURDOCK. Do I understand that this is intended to pay probably more than the cancelations now yield?

Mr. BURCH of Virginia. Yes. For the first year, to get things adjusted, it will more than equal the cancelations but Mr. Donaldson, of the Post Office Department, estimates that in 2 or 3 years there will be no additional cost, that it will work itself out. The cost comes in the first year or two by reason of making the adjustment.

Mr. Donaldson stated before the committee:

I should like to say that after exhaustive investigation it is the opinion of the Department that perhaps this—

There is a "not" in there which should not be there. It should read:

Is the most important, to put the fourth-class postmasters under annual-salary payment rather than continue them under the cumbersome method that exists at the present time.

He also states that the Department has felt for many years that the current methods of computing the pay of fourth-class postmasters is not only cumbersome but outmoded.

Mr. COLE of New York. Mr. Speaker, I withdraw my reservation of objection.

Mr. DOUGHTON. Mr. Chairman, if the gentleman will yield——

Mr. BURCH of Virginia. I yield.

Mr. DOUGHTON. As I understand, under existing law no stated salary is paid to fourth-class postmasters.

Mr. BURCH of Virginia. The gentleman is correct. This fixes a minimum salary, but it would be based on the sale of stamps.

Mr. DOUGHTON. That would not be a fixed salary?

Mr. BURCH of Virginia. No.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That postmasters of the fourth class shall embrace all those at offices where the gross postal receipts are less than $1,500 per annum.

SEC. 2. The compensation of postmasters of the fourth class shall be annual salaries, graded in even dollars, and payable in semimonthly payments, to be ascertained and fixed by the Postmaster General from their respective quarterly returns to the General Accounting Office, or copies or duplicates thereof to the First Assistant Postmaster General, for the calendar year immediately preceding the adjustment, based on gross postal receipts at the following rates, namely:

Less than $50	$72
$50 but less than $100	144
$100 but less than $150	216
$150 but less than $200	288
$200 but less than $250	360
$250 but less than $300	432
$300 but less than $350	492
$350 but less than $400	532
$400 but less than $450	572
$450 but less than $500	608
$500 but less than $600	684
$600 but less than $700	760
$700 but less than $800	836
$800 but less than $900	904
$900 but less than $1,000	972
$1,000 but less than $1,100	1,040
$1,100 but less than $1,500	1,100

Provided, That at seasonal offices of the fourth class, the Postmaster General may authorize the payment of the fixed annual salary prorated over the months such office is open for business during a fiscal year: *Provided further*, That the salaries of postmasters at newly established offices of the fourth class shall be fixed at the lowest salary rate, except that whenever unusual conditions prevail at such an office the Postmaster General, in his discretion, may advance any such office to the appropriate salary rate indicated by the receipts of the preceding quarter.

SEC. 3. The salaries of postmasters of the fourth class shall be readjusted at the beginning of each fiscal year: *Provided*, That only 85 percent of the gross postal receipts during the period the increased rate of postage, authorized by the Revenue Act of June 6, 1932, as amended (July 6, 1932, to July 1, 1943), remains in force shall be counted for the purpose of determining the compensation or allowances of such postmasters and the classification of post offices: *Provided further*, That for the purpose of fixing the compensation and allowances at offices of the fourth class, credit shall be allowed only for the postage collected in addition to the regular rate on business reply cards and letters in business reply envelopes delivered at such offices.

SEC. 4. All laws or parts of laws inconsistent with this act are hereby repealed: *Provided*, That nothing in this act shall be construed to repeal the provisions of section 717 of title 39 of the United States Code authorizing the payment of fees on domestic or international money orders issued at money-order post offices of the fourth class, nor allowances for rent, fuel, light, and equipment as provided in the Thirty-ninth United States Code, section 60a.

SEC. 5. This act shall take effect April 1, 1943.

With the following committee amendment:

Page 3, line 19, strike out "April" and insert "July."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TEMPORARY INCREASE IN COMPENSATION FOR EMPLOYEES IN THE POSTAL SERVICE

The Clerk called the next bill, H. R. 1366, to provide temporary additional compensation for employees in the Postal Service.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. KEAN. Mr. Speaker, reserving the right to object, I understand the Speaker has agreed to recognize the gentleman from Virginia under suspension of the rules on this bill. Therefore I ask unanimous consent that it be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey [Mr. KEAN]?

There was no objection.

REHABILITATION OF VETERANS DISABLED IN THE PRESENT WAR

The Clerk called the next bill, S. 786, to amend title I of Public Law No. 2, Seventy-third Congress, March 20, 1933, and the Veterans Regulations to provide for rehabilitation of disabled veterans, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COLE of New York. Mr. Speaker, reserving the right to object, this is a Senate bill and is identical with a House bill that has been on the calendar so far this session and to which objection has been made by the gentleman from North Carolina [Mr. BARDEN], chairman of the Committee on Education.

Mr. RANKIN. Will the gentleman yield?

Mr. COLE of New York. I yield to the gentleman from Mississippi.

Mr. RANKIN. I may say to the gentleman from New York that this is not identical. Some changes have been made. The Senate made certain changes in the bill that is pending before the House. The House committee took up the Senate bill and reported it and that is the measure we have before us now. The gentleman referred to the gentleman from North Carolina and others of the Education Committee objecting. May I say to the gentleman from New York that at that time there was a bill pending before the Education Committee, both the House and the Senate, that had this provision in it. The veterans of the country objected to it and those committees struck the provision out. So that controversy has been eliminated. I hope the gentleman will not object.

Mr. COLE of New York. My purpose in raising the objection was only to protect the interest of the chairman of the Committee on Education. If it is understood and if it is agreeable to the other members of the Committee on Education who may be present that this bill go through, of course, I have no objection at all.

Mr. LANHAM. Will the gentleman yield?

Mr. COLE of New York. I yield to the gentleman from Texas.

Mr. LANHAM. I may say to the gentleman from New York that I am only one member of the Committee on Education, but the gentleman from Mississippi has correctly stated the action taken by that committee. Since it has been stated, I can confirm the action that he reports, which is that title I of the bill then before the Committee on Education and which is this bill in substance was stricken from the bill pending before the Education Committee.

Mr. COLE of New York. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1, title I, Public, No. 2, Seventy-third Congress, approved March 20, 1933, be amended by adding at the end thereof a new subsection known as subsection (f) and to read as follows:

"(f) Any person who served in the active military or naval forces on or after December 7, 1941, and prior to the termination of hostilities in the present war shall be entitled to vocational rehabilitation, subject to the provisions and limitations of Veterans Regulation No. 1 (a), as amended, part VII."

SEC. 2. Veterans Regulation No. 1 (a), as amended, is hereby amended by adding at the end thereof a new part to be known as part VII and to provide as follows:

"PART VII

"1. Any person who served in the active military or naval service at any time after December 6, 1941, and prior to the termination of the present war, who is honorably discharged therefrom, and who has a disability incurred in or aggravated by such service for which pension is payable under laws administered by the Veterans' Administration, or would be but for receipt of retirement pay, and is in need of vocational rehabilitation to overcome the handicap of such disability, shall be entitled to such vocational rehabilitation as may be prescribed by the Administrator of Veterans' Affairs to fit him for employment consistent with the degree of disablement: *Provided*, That no course of training in excess of a period of 4 years shall be approved nor shall any training under this part be afforded beyond 6 years after the termination of the present war.

"2. The Administrator shall have the power and duty to prescribe and provide suitable training to persons included in paragraph I, and for such purposes may employ such additional personnel and experts as are deemed necessary, and may utilize and extend existing Veterans' Administration facilities and utilize those of any other governmental agency as well as those maintained by joint Federal and State contribution; and, in addition, he may, by agreement or contract with public or private institutions or establishments, provide for such additional training facilities as may be suitable and necessary to accomplish the purposes of this part.

"3. While pursuing training prescribed herein, and for 2 months after his or her employability is determined, each veteran if entitled to pension in an amount less than the amount payable in accordance with the compensation rates for total and temporary disability, including additional amounts for wife, husband, child, or children and dependent parents, provided by section 202, World War Veterans' Act, 1924, as amended (U. S. C., title 38, sec. 475), shall be paid increased pension which when added to the amount of pension to which he is otherwise entitled will aggregate an amount equal to such rates: *Provided*, That when the course of vocational rehabilitation furnished to any person as herein provided consists of training on the job by an employer, such employer shall be required to submit monthly to the Administrator a statement under oath showing any wage, compensation, or other income paid by him to such person during the month, directly or indirectly, and based upon such sworn statements, the Administrator is authorized to reduce the pension of such person to an amount considered equitable and just, but not below the amount of pension or retirement pay to which he would be entitled for service-connected disability if not following a course of vocational rehabilitation.

"4. Where any person while following a course of vocational rehabilitation as provided for in this part suffers an injury or an aggravation of any injury, as a result of the pursuit of such course of vocational rehabilitation, and not the result of his or her own willful misconduct, and such injury or aggravation results in additional disability to or death of such person, the benefits under laws applicable to veterans of the present war shall be awarded in the same manner and extent as if such disability, aggravation, or death were service-connected within the meaning of such laws; except that no benefits under this paragraph shall be awarded unless application be made therefor within 2 years after such injury or aggravation was suffered, or such death occurred.

"5. The purpose of rehabilitation is to restore employability lost by virtue of a handicap due to service-incurred disability. The Administrator shall have the power and duty to cooperate with and employ the facilities of other governmental and State employment agencies for the purpose of placing in gainful employment persons trained under the provisions of this part.

"6. The Administrator is hereby authorized to make such rules and regulations as may be deemed necessary in order to promote good conduct and cooperation on the part of persons who are following courses of vocational rehabilitation provided by this part. Penalties for the breach of such rules and regulations may, with the approval of the Administrator, extend to a forfeiture by the offender for a period of 3 months of such portion of the pension herein provided as will leave him not less than the amount of the monthly pension or retirement pay to which such person is entitled for service-connected disability, and such penalties may also extend to permanent discontinuance of all further benefits of this part.

"7. The Administrator is hereby authorized to make such rules and regulations as may be deemed necessary for the granting of leaves of absence to those following courses of vocational rehabilitation provided by this part where in his opinion such leaves do not materially interfere with the pursuit of such courses. Such leaves of absence shall not in the case of any person be granted in excess of 30 days in any consecutive 12 months except in exceptional circumstances as determined by the Administrator: *Provided*, That during leave of absence under this paragraph such person shall be considered to be pursuing his course of vocational rehabilitation under this part.

"8. There is hereby authorized to be appropriated, out of any money in the Treasury of the United States not otherwise appropriated, available immediately and until expended, the sum of $500,000 to be utilized by the Veterans' Administration under such rules and regulations as the Administrator may prescribe, as a revolving fund for the purpose of making advancements not exceeding $100 in any case, to persons commencing or undertaking courses of vocational rehabilitation under this part, and advancement to bear no interest and to be reimbursed in such installments as may be determined by the Administrator by proper deductions from any future payments of pension or retirement pay.

"9. The Administrator shall have the power to provide courses of instruction for personnel and may detail employees to attend the same and may detail any such personnel to attend courses conducted by other than Veterans' Administration agencies, including private organizations, and such employees in addition to their salaries shall be entitled to the payment of expenses incident to such detail, including transportation and tuition, as the Administrator by rules and regulations shall provide; and also in his discretion, to make, or, as by agreement with other agency or institution, cause to be made, studies, investigations, and reports inquiring into the rehabilitation of disabled persons and the relative abilities, aptitudes, and capacities of the several groups of the variously handicapped and as to how their potentialities can best be developed and their services best utilized in gainful and suitable employment, including the rehabilitation programs of foreign nations engaged in the present war. For this purpose he shall have the power to cooperate with such public and private agencies as he may deem advisable and to call in consultants who shall receive as compensation for their services a reasonable per diem, which the Administrator shall by rules and regulations provide, for each day actually spent in the work provided for herein and shall in addition be reimbursed for their necessary traveling and other expenses. For the purposes of this part, the Administrator may accept uncompensated services upon such agreement as he may deem feasible."

SEC. 3. The appropriations for the Veterans' Administration, "Salaries and expenses, medical and hospital, and compensation and pensions," shall be available for necessary expenses, including but not confined to necessary medical care, and pension payment, payment or reimbursement of expenses in connection with supplying suitable training under this act; and there is hereby authorized to be appropriated such additional amount or amounts as may be necessary to accomplish the purposes of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the similar House bill to the bill just passed be laid on the table.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. RANKIN]?

There was no objection.

AMENDMENT TO EXISTING LAW AUTHORIZING RENEWAL OF EXPIRING 5-YEAR PREMIUM TERM POLICIES

The Clerk called the next bill, H. R. 2023, to amend section 301, World War Veterans' Act, 1924, as amended, to authorize renewal of expiring 5-year level premium term policies of those in active military or naval service and certain others outside the continental limits of the United States, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. PRIEST. Mr. Speaker, reserving the right to object, will the gentleman from Mississippi explain the bill?

Mr. RANKIN. Mr. Speaker, this bill was requested by the Veterans' Administration and in doing so General Hines wrote this letter which explains the situation probably better than I can explain it. It is stated in the letter:

The chief purpose of the proposed legislation is to authorize renewal of the expiring 5-year level premium term insurance policies by the agent or beneficiary of an insured who is outside the continental limits of the United States and to automatically renew such policies of those who are unable to make application for renewal of insurance for another 5-year period because they are in active service as defined in section 1 (b) of Public Law 490, Seventy-seventh Congress, approved March 7, 1942, and outside the continental limits of the United States.

Section 301 of the World War Veterans' Act, 1924, as amended, authorizes the issue of United States Government life insurance on a 5-year level premium term basis. This law, as originally enacted, contemplated conversion of the 5-year level premium term insurance within a 5-year period to a permanent type of insurance. By certain amendments to section 301 of the World War Veterans' Act, 1924, however, the Congress has authorized renewal of 5-year level premium term policies for a second, third, or fourth 5-year period.

This is to protect the men in the service, I may say to the gentleman from Tennessee, so that they will not lose their insurance. We did the same thing for the veterans of the last World War, even after the war closed. I am sure the gentleman from Tennessee or any other Member will not object to it, especially in view of the fact it is recommended by the Veterans' Administration, supported by every veterans' organization, and was unanimously reported by the Committee on World War Veterans' Legislation.

Mr. PRIEST. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the bill was read, as follows:

Be it enacted, etc., That the last proviso of the first paragraph of section 301 of the World War Veterans' Act, 1924, as amended (38 U. S. C. 512), is hereby amended by substituting a colon for the period at the end thereof and adding the following: *"Provided further*, That any 5-year level premium term policy which shall expire while the insured is outside the continental limits of the United States and in the opinion of the Administrator of Veterans' Affairs cannot be reached promptly by the usual methods of communication, may be renewed at the expiration of any 5-year period, by the designated beneficiary or by an agent authorized in writing by the insured to take such action, for a second or third or fourth 5-year term period at the premium rate for the attained age without medical examination: *Provided further*, That unless it be shown by evidence satisfactory to the Administrator of Veterans' Affairs that the insured does not desire renewal, any such policy in force when the 5-year term period expires or has expired on or after December 7, 1941, while the insured was in the active service (as defined in sec. 1 (b) of Public Law 490, 77th Cong.) outside the continental limits of the United States, excluding any policy continued in another form of Government insurance, will be deemed to have been renewed at the expiration of such 5-year term period, and the head of the department concerned is hereby authorized and directed to make an allotment under Public Law 490, Seventy-seventh Congress, subject to prospective termination by the insured in accordance with section 7 thereof, to cover the premiums at the required rate from the date of renewal: *And provided further*, That the two foregoing provisos authorizing renewal of a 5-year level premium term policy by any person other than the insured or his duly authorized agent shall be effective until the termination of hostilities as proclaimed by the President or as determined by joint resolution of the Congress, and for 3 months thereafter."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMMISSIONER OF PUBLIC ROADS

The Clerk called the next bill, H. R. 1940, prescribing the salary for the Commissioner of Public Roads.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. KEAN. Reserving the right to object, Mr. Speaker, I note that the report on this bill states that all the commissioners in the Federal Works Agency have had their salaries increased except Mr. MacDonald and the Commissioner of Public Buildings. If you want to increase the salary of Mr. MacDonald, why are you leaving out the Commissioner of Public Buildings?

Mr. WHITTINGTON. In response to the gentleman's question, may I say that the bill now under consideration is confined to the Commissioner of Public Roads in the very nature of the case, because the committee that considered the pending bill has no jurisdiction over the Commissioner of Public Buildings. May I also say that I understand a similar bill with respect to the Commissioner of Public Buildings is pending before the Committee on Public Buildings and Grounds? A similar bill in another case involving the Commissioner of Immigration and Naturalization was passed by the House about an hour ago. It is because two separate administrations are involved, over which two separate committees have jurisdiction, that the committee reporting the pending bill deals only with the Commissioner of Public Roads in this bill.

May I make the further statement that in the reorganization of 1939, when the Bureau of Public Roads in the Department of Agriculture was consolidated with other agencies in the Federal Works Agency, nothing was said about the salary of the Commissioner of Public Roads, whereas the salaries of some other commissioners—and when I say "other commissioners" I have in mind particularly the Commissioner of the Works Progress Administration—were fixed at $10,000, with the result that the salary of the Commissioner of Public Roads was continued at the then existing $9,000.

It occurs to me that if the salaries of commissioners of similar administrations are to be set at $10,000, it is nothing but fair that the salary of the Commissioner of Public Roads should also be $10,000. I call attention to the fact that the Commissioner of the Bureau of Reclamation receives $10,000, and that the members of the Civil Aeronautics Board, the Federal Power Commission, and the Federal Trade Commission, each of which has five, receive a salary of $10,000 each. It strikes me, in all fairness, inasmuch as we passed a bill a few minutes ago for the Commissioner of Immigration and Naturalization, that Mr. MacDonald, the outstanding highway authority of the world, a career official with 24 years of service under both Democratic and Republican administrations, is entitled to similar recognition. The pending bill should pass.

Mr. KEAN. Does not the gentleman from Texas feel that we might include the other gentleman and not have him the only one left out in the cold?

Mr. LANHAM. I may say to my friend that if action of this character is to be taken it by all means ought to include the Commissioner of Public Buildings. The distinguished gentleman from Massachusetts [Mr. HOLMES], has a bill pending in that regard. The statement is inaccurate, therefore, that this is the only one of the commissioners in the Federal Works Agency whose salary has not been increased.

Mr. WHITTINGTON. If the gentleman will yield, I did not mean to state that in the reorganization the Commissioner of Public Roads was the only Commissioner whose salary was not fixed at $10,000. I understand that the Commissioner of Public Buildings was the other official whose salary had not been raised. I think his salary should also be raised, as his case is similar to the Commissioner of Public Roads.

Mr. LANHAM. Then, by all means, in my judgment, the bill should be amended to include also the Commissioner of Public Buildings. I may say in that regard that there is no more faithful and hard-working public servant in the Federal Government than the Commissioner of Public Buildings.

Mr. HOLMES of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. KEAN. I yield to the gentleman from Massachusetts.

Mr. HOLMES of Massachusetts. Some time ago I introduced a bill to take care of the Commissioner of Public Buildings. I agree with what the chair-

man of the Committee on Public Buildings and Grounds has said in relation to the Commissioner. We know his work. We have known him for years and years. We know he deserves the same increase as the Commissioner of the Public Roads Administration. I intend to offer an amendment to take care of the Commissioner of Public Buildings in the measure now before us.

Mr. WHITTINGTON. If the gentleman will yield, may I ask the gentleman from Texas and the gentleman from Massachusetts if their Committee on Public Buildings and Grounds has reported the bill to which the gentleman from Massachusetts has referred? The bill now before us was considered by the Committee on Roads and was introduced after the bill to which the gentleman from Massachusetts has referred. Has the gentleman's committee reported the bill favorably?

Mr. HOLMES of Massachusetts. I may say I have talked to many members of the committee. Although the committee has not itself taken action on the bill, I can truthfully say that it is almost the unanimous sentiment if not the unanimous sentiment of the committee that the Commissioner of Public Buildings should have the same salary as the other commissioners.

Mr. WHITTINGTON. I have stated from the beginning that I favor that bill.

Mr. WHITE. Mr. Speaker, will the gentleman yield?

Mr. KEAN. I yield to the gentleman from Idaho.

Mr. WHITE. May I ask the gentleman from Mississippi if Mr. MacDonald, the Commissioner of the Public Roads Administration, is under civil service?

Mr. WHITTINGTON. He is not, as I understand, but I may be in error.

Mr. WHITE. And the gentleman has just said that he is one of the few commissioners on a lower salary?

Mr. WHITTINGTON. The gentleman is correct.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Commissioner of Public Roads in the Federal Works Agency shall receive a salary of $10,000 per annum from and after July 1, 1943.

Mr. HOLMES of Massachusetts. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOLMES of Massachusetts: On page 1, line 3, after "Public Roads", insert "and the Commissioner of Public Buildings."

The amendment was agreed to.

Mr. WHITTINGTON. Would it not be well to insert the word "each," so that each will receive a salary of $10,000? Is there any objection to that amendment?

Mr. HOLMES of Massachusetts. Not a bit.

Mr. WHITTINGTON. Mr. Speaker, I offer that amendment.

The Clerk read as follows:

Amendment offered by Mr. WHITTINGTON: On page 1, line 4, after the word "Agency", insert "each."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent that the title be corrected to include the Commissioner of Public Buildings.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

A motion to reconsider was laid on the table.

FUNCTIONS OF WAR SHIPPING ADMINISTRATION

Mr. BLAND. Mr. Speaker, I call up the conference report on the bill (H. R. 133) to amend and clarify certain provisions of law relating to functions of the War Shipping Administration, and for other purposes, and ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. The gentleman from Virginia calls up a conference report and asks unanimous consent that the statement be read in lieu of the report. Is there objection?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 133) to amend and clarify certain provisions of law relating to functions of the War Shipping Administration, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 1.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 5, and 6; and agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "Except as provided by Executive Order Numbered 9001-A, December 27, 1941, such a determination may be made by the Administrator, War Shipping Administration, with respect to any vessel title to which has been requisitioned pursuant to the Act of June 6, 1941 (Public Law 101, Seventy-seventh Congress), and which vessel thereafter has been lost or destroyed or converted to naval or military use by the United States, upon owner's consent and certification by the Secretary of State that understanding had been reached between the United States and the diplomatic representatives of the country of which the owner of such vessel was a national, that such title requisition instead of requisition for use was necessitated by the circumstances existing at the date of requisitioning, but that such vessel should be returned after the termination of the national emergency declared by the President on May 27, 1941"; and the Senate agree to the same.

S. O. BLAND,
ROBERT RAMSPECK,
J. J. MANSFIELD,
RICHARD J. WELCH,
JOSEPH J. O'BRIEN,
Managers on the part of the House.

JOSIAH W. BAILEY,
GEORGE L. RADCLIFFE,
CHAS. L. MCNARY,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 133) to amend and clarify certain provisions of law relating to functions of the War Shipping Administration, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

Amendment No. 1: This amendment prescribes limitations on the amounts of attorneys' fees in the prosecution and enforcement of claims and suits thereon against the War Shipping Administrator or any of his agents, on account of death, injury, illness, maintenance and cure, loss of effects, detention, or repatriation, wages, allotments, etc., on behalf of seamen (or their dependents) who are employees of the United States through the War Shipping Administration. The House bill contained no similar provision. The Senate recedes.

Amendment No. 2: Section 3 (b) of the House bill provides that the exercise of authority to convert requisition of title to a vessel into a requisition of the use thereof shall be carried out, in the case of a vessel owned by a citizen of the United States, only within 2 months after the delivery of the vessel under the original requisition of title, unless the owner consents to such conversion. Amendment No. 2 strikes out the reference to ownership of the vessel by citizens of the United States so that the provision as to the limitation on time of conversion without consent of the owner applies to any vessel whether domestic or foreign. The House recedes from its disagreement to this amendment.

Amendment No. 3: This amendment deletes the last sentence of section 3 (b) relating to the authority to convert title requisition to use requisition in cases where foreign vessels have been lost or destroyed or converted to military or naval use by the United States. The House recedes on this amendment inasmuch as amendment No. 4, covering the same subject matter in more specific language, has been agreed upon in conference.

Amendment No. 4: This amendment in effect substituted for the sentence stricken by Senate amendment No. 3, a provision to the effect that, with respect to any vessel (except a vessel covered by Executive Order No. 9001-A) title to which was requisitioned under the Foreign Vessels Requisition Act of June 6, 1941, and which vessel thereafter was lost or destroyed or converted to military or naval use, the War Shipping Administrator may make a determination converting title requisition to use requisition, if the owner of the vessel consents and if the Secretary of State makes the required certification as to the diplomatic understanding concerning the requisition of the vessel. Such certification shall set forth that understanding had been reached between the United States and the diplomatic representatives of the country of which the owner of such vessel was a national, that title requisition of the vessel instead of requisition for use was necessitated by the circumstances existing at the time of requisitioning, but that such vessel should be returned after the termination of the national emergency declared by the President on May 27, 1941. The amendment thus requires before action may be taken under it, the loss, destruction, or conversion for Government use of the requisitioned foreign vessel, the consent of the owner to the action, a preexisting diplomatic understanding as to the conditions under which title requisition was resorted to rather than use requisition, and a certification by the Secretary of State that the understanding called for return of the requisitioned vessel after the termination of the unlimited national emergency. The representatives of the State Department have stated that the requirements

can be met by the nationals of only one country whose vessels were put in service for the United States through title requisition.

The House recedes from its disagreement to the Senate amendment, with an amendment which transposes a clause in the amendment in the interest of grammatical clarity.

Amendment No. 5: Under section 224 (a) of the War Risk Insurance Act, as amended by section 3 (f) of the House bill, any Government agency may procure insurance from the War Shipping Administration as provided in section 222 of the War Risk Insurance Act (relating to war risk insurance on hulls, crews, and cargoes) and as provided in section 10 of the Merchant Marine Act, 1920, as amended (relating to marine insurance on vessels in which the Government has an interest). Amendment No. 5 would authorize any such agency to procure insurance from the War Shipping Administration as provided in section 229 of the War Risk Insurance Act, section 229 being added to such act by section 3 (i) of the House bill (relating to builders' risk insurance for persons performing services or providing facilities for vessels, such as repair). The conference agreement adopts the Senate amendment.

Amendment No. 6: This amendment makes more specific the scope of the term "public or private vessel" in section 229 of the War Risk Insurance Act (as amended by sec. 3 (i) of the House bill) by substituting for the term "public or private vessel" the words "American or foreign flag vessel, public or private, or any naval vessel of a foreign government." The House recedes.

S. O. BLAND,
ROBERT RAMSPECK,
J. J. MANSFIELD,
RICHARD J. WELCH,
JOSEPH J. O'BRIEN,
Managers on the part of the House.

Mr. MARTIN of Massachusetts. Mr. Speaker, is the gentleman from California aware that this matter is coming up?

Mr. BLAND. Yes. This comes to the House with a unanimous report.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

TEMPORARY ADDITIONAL COMPENSATION FOR EMPLOYEES OF THE POSTAL SERVICE

Mr. BURCH of Virginia. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 1366) to provide temporary additional compensation for employees in the Postal Service, which I send to the desk and ask to have read as amended.

The Clerk read as follows:

Be it enacted, etc., That all officers and employees in the Postal Service whose rates of compensation are prescribed by the act entitled "An act reclassifying the salaries of postmasters and employees of the Postal Service, readjusting their salaries and compensation on an equitable basis, increasing postal rates to provide for such readjustment, and for other purposes," approved February 28, 1925, as ame ded, and all other officers and employees paid from appropriations made for the field service of the Post Office Department, shall receive additional compensation at the rate of $300 per annum, except that employees paid on an hourly, fee, part time, or per diem basis, and fourth-class postmasters and special delivery messengers, shall receive an increase of 15 percent of their earned basic compensation, and the allowance to third-class postmasters for clerk hire is hereby increased by 15 percent, but such increase in compensation or allowance shall not in any case exceed $300 per annum.

SEC. 2. There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such amounts as may be necessary to carry out the provisions of this act.

SEC. 3. This act shall take effect May 1, 1943, and shall remain in effect for the duration of the war and for 6 months thereafter, or until such earlier date as Congress by concurrent resolution may prescribe.

The SPEAKER. Is a second demanded?

Mr. HARTLEY. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The gentleman from Virginia [Mr. BURCH] is recognized for 20 minutes, and the gentleman from New Jersey [Mr. HARTLEY] for 20 minutes.

Mr. BURCH of Virginia. Mr. Speaker, H. R. 1366 comes before the House with the unanimous approval of the Post Office and Post Roads Committee.

The purpose of this proposed legislation is to provide for a temporary increase in the compensation of all employees in the Postal Service, in recognition of the fact that the cost of living has materially increased. The increase in compensation provided for in this bill will apply to all employees in the field service of the Post Office Department. This bill provides that the act shall take effect May 1, 1943, at the termination of Resolution 170 and shall remain in effect for the duration of the war and for 6 months thereafter, or until such earlier date as Congress by concurrent resolution may prescribe.

The first section of the bill, as amended, provides for an additional compensation at the rate of $300 per annum for all full-time employees paid from appropriations of the field service of the Post Office Department and that employees paid on the hourly, fee, part-time, or per diem basis, and fourth-class postmasters, and special-delivery messengers shall receive an increase of 15 percent of their earned basic compensation, and the allowance for clerk hire to third-class postmasters is increased 15 percent, but no increase shall exceed $300 per annum. Ninety-three Congressmen appeared before our committee in person and 21 filed statements or letters endorsing this proposed legislation.

When he appeared before the Post Office Committee on February 26, 1943, Hon. Smith W. Purdum, Second Assistant Postmaster General, made the following statement:

At the present time and for more than a year all postal officials and employees have been carrying a heavy load; in my opinion greater than they have ever carried during my life in the Service. They have performed and are performing a very splendid service, and I do not know by what means of classification you could classify the man at the letter case in the post office or the man at the letter case on the railway post office train with any other group of Government employees. Their work is simply different. Their work is a time-schedule work. It must not stop for a moment.

In conclusion, I am satisfied in my own mind that each and every member of this committee is going to strive to the utmost to bring out something that will be fair to these employees, fair to the Congress, and fair to the people of the United States.

Hon. Jesse M. Donaldson, Chief Inspector of the Post Office Department, also appeared before the Post Office Committee on February 26, 1943, and the chairman asked him this question:

Following up what you have said, do you not believe that this committee and the corresponding committee in the Senate, which committees have been dealing with postal affairs for many years, and on account of the Postal Service being different from other governmental services, are in better position to work out a pay bill, having it conform more or less to a pay bill for other Federal employees, than is the Committee on the Civil Service of the House or the Committee on the Civil Service of the Senate?

Mr. DONALDSON. Yes; those who are most familiar with the Postal Service recognize that it is different from all other governmental operations. There is no way in the Postal Service whereby we can spread our loads over a given number of hours.

Ours is a 24-hour job with peaks and valleys throughout that period. The work in the Postal Service is not fairly comparable to assignments in other governmental services. Post offices must be open certain hours of the day; and the mail must be worked at any time it is brought to us. In other words, the Postal Service simply cannot get away from the peaks and valleys throughout a day. The Congress has recognized that, and for years and years has provided separate legislation for postal employees.

Mr. MADDEN. As I understand, you go on record as being of the opinion that the postal employees should not be in the same category legislatively with other Federal employees.

Mr. DONALDSON. I do not want to make a statement that is opposite to what this committee might be in favor of, or what the administration might be in favor of. I do not want to take the position that some particular treatment should be given to postal employees and not to other Federal employees. I do, though, want to make the definite statement that I think the only kind of legislation for postal employees must be in a separate bill and cover postal employees and the Postal Service only. However it is worked out and however fair it may be in connection with other Federal employees, you yourselves must determine.

You will not have any satisfactory method that is easy of administration and equitable for the postal employees unless you have special or separate legislation for the postal groups, including all those in the Postal Service.

On February 23, 1943, the Postmaster General addressed a letter to the chairman of the Post Office and Post Roads Committee, which contains the following statement:

In view of the fact that Senate Joint Resolution 170 is to expire April 30, 1943, it appears necessary that further legislation be enacted by that time. I have stated many times that there should be a pay increase for the Postal Service commensurate with the increase in the cost of living.

The increase which this bill provides conforms to the Little Steel formula.

The average salary paid postal employees is about $2,000 per annum. The average salary paid R. F. D. carriers is between $2,000 and $2,100 per annum.

Now, gentlemen, something has been said about the cost of the bill. I state to you gentlemen here now that this bill is worked out so that it practically con-

forms to the Little Steel formula. In other words, the average for men who work for the Post Office Department and the Postal Service is about $2,000, probably a little less; getting $300 will be getting practically 15 percent. The carriers, as is known, average between $2,000 and $2,100. That will be 15 percent, and those who work piece work will be allowed 15 percent.

Mr. CURTIS. Mr. Speaker, what was done during World War No. 1?

Mr. BURCH of Virginia. A bonus was voted. I think the first bonus was $200, and I think there was another one of $125.

Mr. CURTIS. Voted during the war?

Mr. BURCH of Virginia. For the duration of the war. I do not remember the terms.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. BURCH of Virginia. Yes.

Mr. HALLECK. I commend the gentleman and his committee for the fine work they have done on this bill, and for bringing the bill into the House for consideration so that it may be adopted and made into law.

Mr. PACE. Why did the committee adopt the policy of a $300 flat raise, regardless of what the present salaries are, rather than a percentage increase? As I see it, under the bill one employee may get maybe 20 or 25 percent increase, and another get only 5 percent increase.

Mr. BURCH of Virginia. For this reason: You take some employees who get $1,600 or $1,700 a year. Fifteen percent increase would be a very small amount, while you have other employees or postmasters who get, say, $3,000 a year.

Mr. DOUGHTON. Mr. Speaker, will the gentleman yield?

Mr. BURCH of Virginia. Yes.

Mr. DOUGHTON. If the gentleman stated how much it is estimated this will cost I did not hear it. What will this cost the Post Office Department? And one other question, Will the receipts of the Post Office Department be adequate, without dipping into the Treasury to take care of this increase?

Mr. BURCH of Virginia. It will cost $88,688,000 and odd. That is the estimate made by the Post Office Department. As to the other question I will answer it in this way. We have under consideration and we expect to bring out a bill readjusting the second-, third-, and fourth-class postal rates, by which any deficit this brings will be taken care of. Then, also, we have under consideration the matter of penalty mail.

Mr. DOUGHTON. If both bills are enacted, then the gentleman does not expect that it will entail an additional cost on the Treasury?

Mr. BURCH of Virginia. We expect to take care of it by postal receipts.

Mr. O'CONNOR. On page 3 of the report I find where the present base pay is $2,000 the increase will be up to $400.

Mr. BURCH of Virginia. We did not consider that. That was too high, and we could not stand for it.

Mr. O'CONNOR. I am glad the gentleman did not.

Mr. BURCH of Virginia. We could not stand it.

Mr. O'CONNOR. I am for the bill, and I am going to vote for it.

Mr. FITZPATRICK. Will the gentleman yield?

Mr. BURCH of Virginia. I yield.

Mr. FITZPATRICK. If the bill which I introduced making second-, third-, and fourth-class mail pay its way and take the subsidy away from the magazines and newspapers had been passed, it would meet this amount and a little over.

Mr. BURCH of Virginia. I yield to the gentleman from Arizona.

Mr. MURDOCK. I want to compliment the gentleman and his committee on bringing in this bill. It is timely and needed. I shall vote for it. Does this bill make any provision for star route carriers under contract? They are in need of relief also.

Mr. BURCH of Virginia. No. That could not be included in a bill of this kind because that is under contract. We have a bill before the committee dealing with star-route contractors.

Mr. LANE. Will the gentleman yield?

Mr. BURCH of Virginia. I yield.

Mr. LANE. Will the gentleman tell me whether or not this takes in the custodial employees?

Mr. BURCH of Virginia. It does.

Mr. POAGE. Will the gentleman yield?

Mr. BURCH of Virginia. I yield.

Mr. POAGE. As I understand it, this bill provides a flat $300 increase? What other increase have the postal employees received and what other increase will they have in addition to this?

Mr. BURCH of Virginia. I do not know of anything they have received. This is all they receive as increase in pay.

Mr. POAGE. I asked the gentleman what other increase the postal employees have received in recent months. Did they not receive time and a half the same as other Federal employees receive?

Mr. BURCH of Virginia. I think so.

Mr. POAGE. I was not sure whether the postal employees received time and a half or whether they only received straight time for overtime, but in any event the increase in hours and flat increases were somewhere between 10 and 21 percent; were they not?

Mr. BURCH of Virginia. Just about.

Mr. POAGE. And if you add this, approximately 15 percent that this bill adds, that will raise the pay of postal employees up to possibly 36 percent?

Mr. BURCH of Virginia. Oh, no, no. This does not become effective until Senate Joint Resolution 170 has expired, and that is wiped out.

Mr. POAGE. Now, we are getting to something that I think is very important. You say this will not become effective until the other law expires. Are we to understand that if that other law is brought back to this House—and we all know there will be a general pay bill brought in here, a permanent pay bill—are we to understand that this committee which brings this bill in now, will stand here and oppose including postal employees in that general pay bill?

Mr. BURCH of Virginia. We certainly will. They have not been included in that, however.

Mr. POAGE. Let me understand this clearly. I am willing for the postal employees to have a reasonable increase. I think they are entitled to just as favorable treatment as any other group of Federal workers, but I do not think they should be given two increase bills.

Mr. BURCH of Virginia. This is all we expect to bring in.

Mr. POAGE. I know it is all you expect to bring in, but there will be another committee bringing in another bill, and what will be the attitude of this committee when that other committee brings that bill in? Are you going to oppose it if it includes postal employees?

Mr. BURCH of Virginia. Yes.

Mr. RAMSPECK. Will the gentleman yield?

Mr. BURCH of Virginia. I yield.

Mr. RAMSPECK. I think in fairness to the House and to the taxpayers of this country, the situation which the gentleman from Texas is talking about should be made plain. Even when Senate Joint Resolution 170 expires, there is legislation on the statute books requiring the payment of overtime to postal employees who work beyond 40 hours. I will ask the gentleman from Virginia is it not true that coupled with this bill, the postal employees, regardless of their being left out of any future legislation, will get 35 percent more if this bill is passed, unless there is a repealer of the legislation which the gentleman's committee passed last year?

Mr. BURCH of Virginia. No, indeed.

Mr. RAMSPECK. If they work a 48-hour week?

Mr. BURCH of Virginia. They do not have to work 48 hours a week. Let me explain. In the first place, this is the increased compensation for postal employees that I gave you. They always have worked overtime. But we passed a bill by which they could be required to work 48 hours a week without any pay excepting straight pay.

Mr. RAMSPECK. That legislation is still on the books?

Mr. BURCH of Virginia. That is on the books.

Mr. RAMSPECK. And yet they work a 48-hour week?

Mr. BURCH of Virginia. No; they do not.

Mr. RAMSPECK. But I say if they do?

Mr. BURCH of Virginia. But they do not.

Mr. RAMSPECK. Has not the President ordered all Federal employees on a 48-hour week?

Mr. BURCH of Virginia. Oh, no. The postal employees are not on a 48-hour week. They are now under 170. When that expires the Post Office Department goes back to the same as they were before 170 was enacted into law.

Mr. COLE of Missouri. Mr. Speaker, will the gentleman yield?

Mr. BURCH of Virginia. I yield.

Mr. COLE of Missouri. I just want to answer the gentleman from Georgia. As I understand it, under the present law if the postal employees work 48 hours a week they get only straight time for the extra 8 hours that they work. There

is no time and a half for overtime for them.

Mr. BURCH of Virginia. This bill is much better than 170 in that there are a great many post offices in this country where the load has not come to any greater amount than it was before the war. They are not going to have to use anything like a 48-hour week in the Post Office Department. That being the case, they will only be working the necessary overtime, and they will get paid for 3 or 4 extra hours, or whatever time is needed to do the work.

Mr. RANDOLPH. Will the gentleman yield?

Mr. BURCH of Virginia. I yield.

Mr. RANDOLPH. I think the postal employees, along with other Federal workers, are just as much entitled to special pay increases during the war and for a reasonable time thereafter as would others be in the Federal service. Certainly the Civ Service Committee and the Post Office and Post Roads Committee have no jurisdictional dispute on that premise.

Personally I feel that these postal workers have not been adequately compensated for their loyal labor. I will vote for this measure, and I recall that President Leo George, of the National Federation of Post Office Clerks, told our Civil Service Subcommittee on Pay Increases that he believed his members favored being treated in separate legislation, such as that pending before this House this afternoon.

I do feel, however, I should say to the House that the subcommittee of your Civil Service Committee, in hearings now in progress on the general pay increase for the approximately 2,850,000 Federal employees, was told by Mr. Reynolds, acting on behalf of the President, that the Chief Executive would look with disfavor on legislation of this type which he believed to be preferential. In other words, it would set the 300,000 postal employees off by themselves as receiving special treatment from the other Federal-employee groups. He indicated to us that there would be a veto of this legislation.

I am simply stating to the House, for its own information, the testimony that was given to us. I do not want you to misunderstand me as not being in favor of an adequate increase for this group. Just the reverse is true.

Mr. BURCH of Virginia. I would like to ask the gentleman from West Virginia to answer this question: Do you think a 15-percent increase would be too much?

The SPEAKER. The time of the gentleman from Virginia has expired.

Mr. HARTLEY. Mr. Speaker, I yield myself 3 minutes. First, I want to say in reply to the gentleman from West Virginia that Mr. Reynolds did tell the Civil Service Committee that there might be a veto of this measure, and he very impudently, in my opinion, said he would be only too pleased to recommend a veto. I do not like that kind of business.

Mr. CURLEY. Will the gentleman yield?

Mr. HARTLEY. Yes.

Mr. CURLEY. When did the postal employees receive their last increase?

Mr. HARTLEY. I will state to the gentleman from Massachusetts that the postal employees received their last raise 18 years ago, in 1925, and I would like for anybody to tell me of any other group in our national life who have waited for 18 years for a pay raise.

Mr. CURLEY. For myself I would like to state that I would be glad to vote to pass the bill over anybody's veto.

Mr. HARTLEY. I thank the gentleman.

Mr. Speaker, I have a 2-minute statement here which I would like to complete before yielding further.

I want to say to the House that I think this legislation is the most comprehensive postal-salary bill that has ever come from the Post Office and Post Roads Committee. I want to compliment its author, the gentleman from Michigan [Mr. O'BRIEN], for his interest in this bill and the chairman of the committee for his energetic leadership in expediting consideration by the House.

Mr. WOODRUFF of Michigan. Will the gentleman yield?

Mr. HARTLEY. Yes.

Mr. WOODRUFF of Michigan. A moment ago the gentleman said he would like to have anyone tell him what other group in our national life had not enjoyed a raise in wages or salary for the last 15 years. I can tell him one. I will say to the gentleman that the members of the Military Establishment of this country have not had a raise for more than 15 years.

Mr. HARTLEY. The gentleman may be correct. He could also stand here and say that Congressmen have not either, for that matter, but I am not going to plead for a congressional increase this afternoon.

Mr. WOODRUFF of Michigan. Then I am heartily in favor of the purposes of this bill and I am glad to support it, but I think the House ought to know that members of the Military Establishment have not enjoyed a pay raise for 20 years.

Mr. HARTLEY. I decline to yield further until I finish this statement.

I also want to make it clear to this House that this is not a bonus bill. We do not want it to suffer from the onus of the term "bonus." It is recognition long overdue for services rendered by what, in my opinion, is the most efficient branch of the Federal service, the United States Postal Service.

The SPEAKER. The time of the gentleman from New Jersey has expired.

Mr. HARTLEY. Mr. Speaker, I yield myself 1 additional minute.

This bill provides a modest increase which is due those Federal employees who, in spite of being underpaid, see to it every day that no matter what the weather may be the mail goes through.

I first want to compliment my colleague the gentleman from Michigan [Mr. O'BRIEN] for his authorship of this bill, and his untiring efforts in behalf of our postal employees, and also our distinguished chairman, the gentleman from Virginia [Mr. BURCH], for his energetic leadership in expediting the consideration of this measure.

I believe this to be the most comprehensive postal salary increase legislation ever to come from the Post Office and Post Roads Committee. It had the unanimous support and vote of our committee and approximately 250 Members of this body appeared in person or by written statement endorsed it.

I want to make it clear that this bill, which covers all members of the Postal Service, is not a bonus bill. We do not want it to suffer from the onus of the term "bonus." It is recognition long overdue for service rendered by that which, in my opinion, is the most efficient Department of all the Federal agencies, the United States Postal Service.

Legislation in behalf of postal employees should properly come from the Post Office and Post Roads Committee of the House. Their problems are unlike those of any other agency of the Government. They are not in the same category as the tens of thousands of political appointees who were later blanketed under civil service; they obtained their jobs under the merit system, and they retained them by meritorious service. Every other element of our national life has come to Washington seeking relief and has obtained it. Our postal employees are really the forgotten men.

I defy anyone to name another group in our national life who have had no increase in salary for the past 18 years. I sincerely hope that the House this afternoon will correct this great injustice by an overwhelming vote that will resound throughout the country as a tribute to these faithful, efficient, and tireless employees of Uncle Sam.

The SPEAKER. The time of the gentleman from New Jersey has expired.

Mr. HARTLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. MASON].

Mr. MASON. Mr. Speaker, in my humble opinion the time for argument and oratory has expired, and the time for action is here.

I yield back the balance of my time.

Mr. HARTLEY. Mr. Speaker, I yield such time as he may desire to the gentleman from California [Mr. ROLPH].

Mr. ROLPH. Mr. Speaker, I am very heartily in favor of this legislation. I want to commend the distinguished Committee on the Post Office and Post Roads for bringing it out.

I took great pleasure in voting for the longevity bill and shall take great pleasure in voting for this bill.

Mr. HARTLEY. Mr. Speaker, I yield 1 minute to the author of the bill, the distinguished gentleman from Michigan [Mr. O'BRIEN]. I regret I cannot yield more time, but we have about 40 requests and have only 15 minutes for all.

Mr. O'BRIEN of Michigan. Mr. Speaker, in the last fiscal year the operating deficit of the Post Office Department reached a new low; it was only $11,000,000. Under the law the Post Office Department had the right to count as credits $83,000,000, which would have entitled them to show a favorable balance of $72,000,000 in the last completed

fiscal year. The cost of this bill to the regular employees would total $70,000,000, with about $18,000,000 to the substitutes and other employees; so this bill is planted on a sound fiscal basis; and then, above all that, it is just; it is an obligation in equity from the United States Government. Where do the salaries and wages of employees of the Post Office Department come from primarily? They come from the postal revenues, the revenues of the service they operate.

The SPEAKER. The time of the gentleman from Michigan has expired.

Mr. HARTLEY. Mr. Speaker, I yield such time as he may desire to the gentleman from California [Mr. WELCH].

Mr. WELCH. Mr. Speaker, I ask unanimous consent to revise and extend my remarks at this point, to include my statement when this bill was under consideration by the Committee on the Post Office and Post Roads.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The matter referred to follows:

STATEMENT OF HON. RICHARD J. WELCH, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

The CHAIRMAN. Mr. WELCH, of California.

Mr. WELCH. Mr. Chairman and members of the committee, I am in favor of the pending bill to provide an increase in salary for postal employees.

I should like to read you a statement by Mr. Stephen William Black, secretary of the Joint Council of Postal Groups, San Francisco. It says:

"The House Post Office Committee will begin hearings on H. R. 1366 on Tuesday, February 23, 1943. The Joint Council of Postal Groups would appreciate your favorable testimony before the House Post Office Committee, so that early and favorable reporting out on this bill will be taken. H. R. 1366 provides that all officers and employees in the Postal Service shall receive compensation at the rate of $300 per annum in addition to their regular compensation.

"Senate Joint Resolution 170, adopted by the Seventy-seventh Congress in its last days, expires on April 30. This resolution provides for additional pay for overtime. Little or no benefit was received by the great majority of Post Office employees by the passage of this measure, since the great majority of Post Office employees do not work overtime, and, therefore, receive no benefit. Adoption of H. R. 1366 by the Seventy-eighth Congress will correct and remedy the unjust and obnoxious Senate Joint Resolution 170."

Mr. WELCH. Considering the increased cost of living and the fact that most of the postal employees are family men, a request for increased compensation of $300 each a year appears to me as reasonable and just, and I sincerely hope your committee will favorably report the bill.

Mr. MILLER of Connecticut. We have great confidence in your judgment concerning labor legislation, Mr. WELCH. You heard the Department's report. Do you see any reason why the basic salary should not be readjusted and apply to a more reasonable degree than now exists?

Mr. WELCH. On that point, Mr. Chairman, the Post Office Department has recommended the passage of the bill and the Bureau of the Budget has reported unfavorably on it.

I would leave it to the judgment of the committee. Post-office groups are known to every member of the Committee on the Post Office and Post Roads. Large numbers of the postal employees live in the congressional district represented by each member of the committee. You know they are largely a group of family men whose children attend the same schools as your own and who play together with your children. They are men who, with their families, participate in all of the activities of community life; they attend the same churches, lodges, and social gatherings.

The Bureau of the Budget serves a most useful purpose and I am usually in accord with it. In a matter like this, however, affecting large groups of constituents, with whose problems members of the committee are thoroughly familiar, it is my opinion that members of the committee are in a far better position to judge the matter.

You know why these faithful and loyal employees of our Government should be given the slight temporary increases this measure grants to them. They are simply increases for the duration of the war emergency and a short period of readjustment thereafter. With their salaries fixed by law, they are more than entitled to this increase to help them meet the increasing cost of living. Food prices alone have already increased 20 percent and appear to be rising higher.

I would prefer to have the matter left to the judgment of the members of this committee than whoever it was who signed the report against the bill.

Mr. MILLER of Connecticut. I cannot see why we should not grant increase in basic compensations and grant overtime over and above those.

Mr. HARTLEY. Mr. Speaker, I yield such time as he may desire to the gentleman from Connecticut [Mr. MILLER], a member of the committee.

Mr. MILLER of Connecticut. Mr. Speaker, H. R. 1366 has had my wholehearted support. I am sure that the country, generally, will approve its passage. This legislation will give to the employees of the Post Office Department belated justice, at least in part.

I do want to take this opportunity to compliment the chairman of the House Committee on the Post Office and Post Roads for his efforts in having this legislation speedily enacted into law.

The fact that the House was willing to suspend its rules to speed passage shows that we all realize that the post-office employee is entitled to this $300-a-year increase.

However, the passage of this legislation does not complete our task insofar as properly caring for the post-office employee is concerned. I hope that the Committee on the Post Office and Post Roads will, in the very near future, consider legislation to increase the basic salary of postal employees. Such legislation will have my wholehearted support.

Mr. HARTLEY. Mr. Speaker, I yield 1 minute to the gentleman from Tennessee [Mr. JENNINGS].

Mr. JENNINGS. Mr. Speaker, I favor the enactment of H. R. 1366. The relief afforded by this measure is long overdue. I helped write and voted to report this bill for passage.

The postal employees are underpaid, and have not had an increase in pay since 1925. This bill gives to each full-time employee in the Postal Service an increase in salary of $300 per annum. It gives to part-time employees an increase of 15 percent per annum.

There are no more loyal, harder working, efficient employees in the Federal service.

The Committee on the Post Office and Post Roads conducted extensive hearings on this measure, and we feel that in favorably reporting this measure to the House we have presented a bill meriting the unanimous support of the membership.

Due to the high cost of living, wartime taxes, and the steady increase of work on the part of the postal employees, the passage of this act, as a measure of justice and fair play, is imperative at this time.

The committee heard the testimony of a large number of postal employees. We were impressed by their appearance and by the justice of their claim for increased pay.

I hope the measure passes by so emphatic a majority that further efforts to deprive the postal employees of what is justly due them will be abandoned.

Mr. HARTLEY. Mr. Speaker, I yield such time as he may desire to the gentleman from Oregon [Mr. MOTT].

Mr. MOTT. Mr. Speaker, when this bill, H. R. 1366, was pending before the Committee on the Post Office and Post Roads I had an opportunity to appear before that committee and to make a statement on the bill. I am very much in favor of the bill, and would be glad to make a somewhat detailed statement on it here. However, since the time for debate under suspension of the rules is so limited, and since so many Members desire to be heard, I do not feel that I should encroach further upon the limited time. Instead, I would like to incorporate here what I have already stated to the committee, and, therefore, I ask unanimous consent to extend my remarks at this point in the RECORD, and to include the statement I made on February 24, when the bill was before the committee.

The SPEAKER. Is there objection to the request of the gentleman from Oregon [Mr. MOTT]?

There was no objection.

The statement referred to is as follows:

STATEMENT OF HON. JAMES W. MOTT, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF OREGON

The CHAIRMAN. Let us hear Mr. MOTT, of Oregon.

Mr. MOTT. Mr. Chairman and gentlemen of the committee, my purpose in appearing here this morning is to register briefly my support of this bill, which gives a small, reasonable annual increase in pay to all postal employees.

It seems to me that no very great argument is needed to support the contention of the sponsors of this proposed legislation that it is meritorious and necessary.

I understand that the postal employees have not had an increase in compensation since 1925, or 18 years ago. I doubt whether that can be said of any other group of workers in this country. It is a far cry from 1925 to 1943. Again, 1925 was during normal times when a dollar was worth 100 cents and when there was not any inflation and taxes were much lower. We are now, unfortunately, of course, in a

period of inflation wherein everything, certainly the cost of living expenses, has increased proportionally and the people who got along on salaries of 18 years ago cannot get along on the same salaries now. That is perfectly obvious.

It may be objected that the postal employees, being employees of the Government, the taxpayers would pay for this increase; but I think it should be borne in mind that practically everyone in this country, particularly in war industries and industries allied to the war efforts, have all received large increases in compensation, and every bit of their salaries as well as the profits of their employers, now come out of the pockets of the taxpayers, because most of these manufacturers are engaged almost 100 percent in the execution of war contracts.

Again, it may be objected that the executive agency that will be in charge of the administration of this proposed law is not very strongly in favor of it.

In that connection I just want to say that, although the opinion of responsible officers of executive departments and independent agencies is helpful to legislative committees, that opinion should not by any means be controlling. Control of legislation is vested in the Congress, and the matter of legislation of this kind is within control of your committee; and I know that the Committee on the Post Office and Post Roads is very proud and jealous of its own jurisdiction. It is going to decide this legislation according to what it thinks proper and not in accordance with the recommendations alone of any executive agency. If we had waited for the recommendation of executive agencies in all important legislation during the last few years there is a great deal of vital legislation which we have now in connection with the war that would not have been enacted; therefore, I hope that this committee will report this bill favorably to the House and as speedily as may be practicable and consistent with the policy of the committee in considering all legislation before it carefully and thoroughly. [Applause.]

Mr. MOTT. Now, Mr. Speaker, this bill is being considered in the House today under suspension of the rules. It requires a two-thirds vote to pass a bill under suspension. I am sure the bill will receive the necessary two-thirds vote, and in that connection I have just one more observation to make. It has been suggested during the debate that the President intends to veto this bill after it is passed, and I merely want to remind you that a two-thirds majority is all that is necessary to pass a bill over the President's veto. It is the constitutional prerogative of the President to veto any bill, but it is also the constitutional prerogative of the Congress to pass any bill over his veto. I do not know whether the President will veto this bill or not, but if he does I intend to vote to override the veto, and in that event I trust that all those who support the bill today will also support it when the motion is made to pass the bill notwithstanding the veto of the President.

Mr. HARTLEY. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. ROWE], a member of the committee.

Mr. ROWE. Mr. Speaker, the representative leaders of the postal employees are to be commended for the reasonable manner in which they presented their petition for increased pay for all of the employees of the Postal Service for the duration of the war.

It has been a pleasure to be treated with the respectful attitude accorded the office which I occupy by these leaders and the postal employees in that their petition and approach has never been of a pressure type. This absence of pressure and the respectful presentation of their petition has instilled within me a purpose of satisfaction in lending my vigorous interest and voice to the passage of this bill that justice may be done to all the postal employees for the commendable performance of their patriotic duty under the duress of war conditions.

The SPEAKER. The time of the gentleman has expired.

Mr. HARTLEY. Mr. Speaker, I yield as much time as he may require to the gentleman from New York [Mr. BUTLER].

Mr. BUTLER. Mr. Speaker, I want to take this opportunity to speak in favor of the passage of this bill to increase the salaries of postal employees. We all know that a salary increase for these employees has been the subject of enough speeches to paper every post office in the country and we still make them. The amazing thing to me is that we do nothing but talk about it, and I have been thinking that the time to do something is right now. We are told that no increase has been granted the postal workers since 1925. Why should we force them to wait any longer? Why not pass this bill now?

The postal employees have been promised help time and time again. One wonders just how much faith they can place in any more promises. I listened to the testimony given each day at the hearings on this proposed legislation, and everyone testifying before the committee agreed that the salary increase has been due the postal employees for a good many years. No one seemed to know why it was not given them.

It is all well and good to praise the loyal, patient postal workers—and where they get so much patience, I do not know—but what they want and what they need now is a little more money to live on. They could get along without so much praise. Maybe we should turn the tables for once in 18 years—give them an increase and let them praise us. We can use a little praise ourselves these days.

The way the situation looks to me is that the postal employees are penalized for faithful service instead of being fully compensated. We expect them to do a good job. They do. The Government should give them some expression of appreciation in the form of an increase in their wages when it knows that they are overburdened with the high cost of living. That would not only be a just but a sensible thing to do.

It would appear that we have found it convenient and safe to ignore a body of invaluable public servants, who could not strike, nor lobby, nor exert pressure in other ways. They must depend entirely upon their own Government as their employer to help them. They can resign and take positions where they will get higher salaries and some of them have been forced to do this. We know that the Postal Service has lost many competent men. A salary increase at this time will relieve the situation, I am sure.

The public does not approve of the injustice the postal employees are enduring due to the ever-climbing cost of living, and we should make a serious effort to correct these injustices by passing a bill that will benefit them. Other classes of labor have benefited from salary increases of 5 percent to 50 percent, and more. Postal employees should be entitled to the same consideration. They know there is a war going on, but they must still live, meet their obligations, and pay the same prices for commodities as the general public pays. They have to pay taxes and they are glad to buy bonds when they can.

We always expect to get our daily delivery of mail just as we expect the sun to rise and set. But how about the men who are responsible for the excellent service they render? We would not want to wait for our mail, yet the postal workers have waited about 18 years for an increase in salary. Now is the time to help them.

Mr. HARTLEY. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. MILLER].

Mr. MILLER of Pennsylvania. Mr. Speaker, this is a bit like carrying coal to Newcastle. There is no question but that the postal employees are entitled to the increase in pay they are about to receive. The finest letters I have received during my incumbency in Congress have come from these postal employees and the members of their families. Without intending to be facetious, it is true the postman does ring twice. It is incumbent upon us to see that all postal employees once in 18 years have the opportunity for us to ring once in their behalf.

The SPEAKER. The time of the gentleman has expired.

Mr. HARTLEY. Mr. Speaker, I yield 1 minute to the gentleman from Missouri [Mr. COLE].

Mr. COLE of Missouri. Mr. Speaker, I would like to clear up one or two things in regard to this bill. First, I want every Member of the House to know that this bill as amended by the committee includes all postal employees. Second, I want every Member to know that Senate Joint Resolution 170 passed by the Seventy-seventh Congress resulted in practically no benefit to the postal employees, and that they have received no increase in pay since 1925. There is no group of Federal employees more loyal or more deserving of an increase in pay than the postal employees.

Come rain, sleet, snow, ice, or blizzard, regardless of weather conditions, the mail must and does go through.

Therefore, I sincerely hope and urge that you pass this bill by a majority that will clearly indicate to the President that a veto thereof will be of no effect.

The SPEAKER. The time of the gentleman has expired.

Mr. HARTLEY. Mr. Speaker, I yield 1 minute to the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Speaker, I am happy to see so much support for the pending bill. I am disappointed, how-

ever, that the star-route carriers will not get any benefits under the bill. May I ask the chairman of the Committee on the Post Office and Post Roads, do I understand that there is a bill already introduced and now pending before the gentleman's committee to take care of the star-route carriers?

Mr. BURCH of Virginia. Yes; such a bill is before the committee now.

Mr. JENSEN. That bill in effect gives them 5 cents a mile and 65 cents per hour, is that correct?

Mr. BURCH of Virginia. I do not know.

Mr. JENSEN. It is only fair that the star-route carriers have some relief from the almost starvation wage they are now receiving. I had hoped we could amend the bill now before us so as to take care of them, but I understand that cannot be done under this particular rule. Here are some facts of interest:

The Post Office Department statistics show that approximately 75 percent of the near 12,000 star routes do rural-delivery service. Some of them do only rural service, but by far the largest percent of the 75 percent do a combination transportation and rural service.

Thus about 25 percent of the whole are still transportation only, for which the service was originally established.

Star routes are doing the full work which postal employees do. They are in fact employees technically under contract, which takes from them all the benefits of an employee while they are required to perform the same duties required of an employee. They handle the same mail. They are required to take the same departmental oath required of an employee.

The Department has defended the position that it is a competitive bidding and thus these carriers establish their own price and are responsible for the low bids made.

The actual fact is that after the first bidding, which is often on a low price set by the Department, there never is thereafter a free and open bid.

The present contractor always has his equipment investment, and usually a home and family to protect. The price he is getting is posted as part of the advertisement, for the general public to bid on. Full information about the route is not given. It is not necessary that a bidder be able to perform the duties of the route. He may be without arms or feet. He may be blind. He may have more than one contract. The only qualification is that he furnish a bond so that if he has used poor judgment, or has no knowledge of the work required or of a proper bid price, the Department can collect.

Such a bidder is free to shop for the cheapest person he can hire to perform mail service.

The present contractor with his equipment investment at stake, his home and his family to protect, knowing that he must bid against such competition, is forced in self-defense to lower his own price and thus the price is brought down each succeeding bidding. The advertisements are so worded as to imply that unless a reduction is made in the present price there is little chance of getting the contract.

There is nothing more unfair or with less truth than that these carriers set their own price. They are driven into the bids they make as a matter of self-protection, or rather an attempt at self-protection.

It is largely a rural service or of the smaller towns, where employment is often not so plentiful and where the people own their own homes. When such a home is established, often not all paid for, what is there to do to protect the home and the investment but to try to meet unfair competition in the only way that is possible, by reducing the present price in the hope of holding the job, even though the price structure is moving in the opposite direction.

I sincerely hope a bill to correct this shameful condition, giving justice to star-route carriers, will immediately be brought out, passed, and made law. Above all we must be fair.

The SPEAKER. The time of the gentleman has expired.

Mr. HARTLEY. Mr. Speaker, I yield as much time as he may desire to the gentleman from Kentucky [Mr. ROBSION].

Mr. ROBSION of Kentucky. Mr. Speaker, I arise in support of H. R. 1366, a bill to provide additional compensation for employees in the Postal Service for the duration of the war and 6 months thereafter, or until such earlier date as Congress by concurrent resolution may prescribe.

This bill grants a straight increase in salary to all officers and employees in the Postal Service whose rates of compensation are prescribed under an act approved February 28, 1925, and all officers and employees of the Postal Service paid from appropriations made for the field service of the Post Office Department. It also provides a 15-percent increase in pay for all other employees of the Postal Service paid on an hourly, fee, part-time or per diem basis and the fourth-class postmasters and special-delivery messengers. It grants an increase of 15 percent in the allowances to third-class postmasters for clerical hire, but these increases and compensation shall not in any case exceed $300 per annum.

The last increase for officers and employees in the Postal Service was made in the act of Congress approved February 28, 1925, more than 18 years ago. We first passed that bill in the House in 1924. It finally passed the Senate. The President vetoed it and I helped to pass it over the President's veto.

The Post Office Department is the greatest business organization of our Government and perhaps the biggest in the world. Its activities are within reach of all our citizens and it has intimate contact with all of the people of this great Nation. Its activities are carried on throughout every continent, on every sea, and every island of the seas throughout the world. It is the most efficient of any of our great governmental departments and agencies. The great army of men, women, boys, and girls serving our Government in this capacity have been and are making an outstanding record of honesty, efficiency, loyalty, and courtesy in performing these services for the American people.

All other Government workers and those who are employed on the farms, in commerce and industry, with but few exceptions, have received substantial increases in salaries and wages. The cost of living has increased perhaps on the average 25 percent or more throughout the country and it will not become any less during the period of the war. This is the first increase that the employees of the Postal Service have had since the act approved February 28, 1925, more than 18 years ago. In that period of time, however, the work of the officers and employees of the Postal Service has greatly increased. In my opinion, the increases granted by this bill should not have been temporary, but they are only for the duration of the war and 6 months thereafter, and this measure provides that this act may be repealed at any time during this period by joint resolution in both Houses of Congress.

The House today, by unanimous consent, passed H. R. 324. This bill, if concurred in by the Senate and approved by the President, will place fourth-class postmasters on an annual salary basis and will provide allowances for rent, fuel, light, heat, and equipment and fix the rate thereof. Legislation to carry out this purpose has been urged by others and myself for many years and I was glad to be present and give my approval to this bill.

These measures passed by the House today for those engaged in the Postal Service are necessary and they will express the appreciation of the American people to all those who are engaged in this service for their efficient, honest, and splendid handling of the business of this great department of our Government and the courteous treatment that they are giving and have given to the American people.

I appeal to each and every Member of the House to support these measures and I indulge the hope that the Senate may follow the action of the House and that these measures may be approved by the President.

Mr. HARTLEY. Mr. Speaker, I yield such time as he may require to the gentleman from Pennsylvania [Mr. VAN ZANDT].

Mr. VAN ZANDT. Mr. Speaker, I arise at this time in support of H. R. 1366 because I am in hearty accord with its provisions to grant a much needed increase in the salaries of employees in the Postal Service.

Recognition of faithful and honorable service has always merited the commendation of employers in private industry and has resulted in the granting of salary increases as an incentive to continued effort in behalf of the best interests of the firm or industry.

We are told from authoritative sources that the American workman is receiving the highest wages in the history of the Nation. This is welcome news because

it promotes the health and welfare of a great class of American citizens and provides a future that guarantees a just reward for initiative and faithful service.

The industries of the Nation are engaged in a feverish effort to meet the needs of wartime and our production records indicate able management and wholehearted cooperation from the great mass of industrial workers who have made possible the phenomenal results obtained. Since loyal workers have made possible a production record of which we are pardonably proud it follows that they are entitled to the fruits of their labor by recognition in the form of increased wages commensurate with their efforts and skill.

The employees of the Post Office Department by the same token are entitled to recognition for their services by the granting of the temporary increase in salaries provided by H. R. 1366. For the past 17 years the wage scales of the postal employees have remained stationary. Yet since 1940 the cost of living has increased 25 percent despite efforts to halt its upward trend. As a result postal employees have found it difficult to meet the daily expenses of their families. The proposed increase of $300 yearly will prove a God-send to the thousands of postal employees who are deserving of such consideration at this time.

There is no department of the Federal Government that more closely touches the lives of all of us than the Post Office Department. We enjoy fine Postal Service due in a large measure to the efficiency of the personnel from the smallest post office to the largest in our metropolitan cities. We have grown used to the friendly attitude of the clerks and carriers assigned to our needs and these sentiments are echoed by the thousands of citizens we have the honor to represent in Congress.

A recent report of the Postmaster General discloses that the year 1942 was a banner one with all departments showing an increase in the amount of money handled and also the number of pieces of mail dispatched and delivered. Notable increases occurred in the Money Order and Postal Savings Divisions.

The huge amount of business transacted by the Post Office Department requires trained personnel which necessarily must be persons of the highest type of American manhood and womanhood. The work in itself demands careful and painstaking attention and it is no incentive to efficiency to allow postal employees to labor for 17 years without any adjustment in their wage scales. Certainly no private employer could hope to hold faithful and efficient employees under such conditions. It is a policy of employer-employee relationship that breeds discontent and threatens the morale of the postal workers of the Nation.

It is an age-old American tradition to reward faithful and honest service and in carrying out such a policy toward the postal employees the provisions of H. R. 1366 are adapted. We must remember that no sit-down strikes or other means of calling attention to their plight is available to postal employees. They must depend on us who represent the people to analyze their case and take remedial action.

Therefore, in supporting this legislation for a temporary increase of $300 yearly to postal employees I feel that we are simply recognizing honest and faithful service and applying the Biblical injunction—"the laborer is worthy of his hire."

Mr. HARTLEY. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. BENDER].

Mr. BENDER. Mr. Speaker, this is one group of Government employees not getting a square deal. They must fight for every little advantage. They have not had a raise since 1925. There are usually two or three phoney issues raised every time the postal employees are being considered. One of them is, Will the postal revenues absorb this increase? The other is the concern of some gentlemen as to how the country will feel about this increase.

The country is for this $300 increase in pay for the postal workers. It is a great pity that some of these spenders who waste so much of the taxpayers' money become economy-minded only when the postal workers are affected.

I hope the pending measure will pass by an almost unanimous vote. Praise the Lord and pass this legislation.

Mr. MOTT. Mr. Speaker, will the gentleman yield?

Mr. BENDER. I yield to the distinguished gentleman from Oregon.

Mr. MOTT. This is a meritorious bill, and there should not be a vote against it.

Mr. BENDER. There is no question about it.

Mr. HARTLEY. Mr. Speaker, I yield such time as he may desire to the gentleman from Tennessee [Mr. MURRAY].

Mr. MURRAY of Tennessee. Mr. Speaker, in view of the fact that I was a postal employee for approximately 9 years, having been connected with the office of the Solicitor of the Post Office Department in Washington from September 1933 to June 1942, I feel that it is proper and fitting that I give my views on the pending bill, H. R. 1366, providing for a temporary increase of $300 per year to all regular or permanent postal employees with the exception of fourth-class postmasters, and a 15-percent increase in the compensation of substitute and part-time employees, fourth-class postmasters, and to employees rendering special services upon a fee basis, such as special delivery messengers. While I fully realize the propriety of a new Member remaining silent as far as possible during the first several months of his service in order that he may sit, listen, and learn so that he may become acquainted with the rules and procedure of the House, I am of the opinion that I am warranted in discussing the pending legislation under the circumstances.

My experience and connection with the Postal Service convinced me that no department or agency of our Government is operated more efficiently, more businesslike, more capably, or more economically than is our Post Office Department. You will not find any extravagance or mismanagement in the operation of this department, which is directed by men of superior judgment, excellent ability, and with a fine sense of responsibility. They have been trained in the Postal Service for years and possess plenty of practical, sound, common sense.

The Post Office Department is the largest single business organization in the world, with over 300,000 employees. Today we have the finest and best postal service in existence and we have every reason to be proud of its efficient record over the years.

This enviable record has been due not only to the administrators in the Department in Washington but also to the thousands of employees in every branch of the service out in the field. I have often said that nowhere will you find a more loyal, more industrious, more faithful, more patriotic, more deserving, more reasonable, or fairer group of employees than the postal workers. To a great extent the postal employees in the field are responsible for the excellent operation of the Service.

I am genuinely interested in the happiness, welfare, and well-being of every postal employee. It affords me real satisfaction and pleasure to unqualifiedly support the pending bill because it is right, fair, and just. It is an obligation that has long been overdue, since the postal employees have waited for 18 long years for an increase in salary, as their compensation is still based on the Salary Classification Act of 1925 except for some temporary and inadequate benefits that they are receiving under the temporary legislation adopted in the closing days of the last session of Congress and effective until April 30.

The postal employees have waited patiently year after year for financial relief. They have shown a fine spirit although they have felt that they were underpaid. The increase of $300 per year comes close to the 15 percent raise allowable to the wage earners in industry under the Little Steel formula as the average pay of the regular postal employee is about $2,000 per annum. It is absolutely necessary that they have this increase in order to meet the higher cost of living. So in simple justice and fairness to our postal employees let us pass this bill, and then after we have fought the war to a complete and decisive victory let Congress pass permanent legislation giving these employees fair and adequate salaries.

Mr. HARTLEY. Mr. Speaker, I yield such time as he may desire to the gentleman from Michigan [Mr. SHAFER].

Mr. SHAFER. Mr. Speaker, there should not be one dissenting vote to this legislation to provide a temporary increase of $300 a year to postal employees. Unless this increase is granted, our Postal Service is likely to be disrupted. As it is, employees have been leaving the Service or seeking additional employment to keep abreast with the cost of living. It is not lack of appreciation that they are doing this, it is lack of proper salary to feed and clothe their families.

The passage of H. R. 1366, Mr. Speaker, will maintain a decent standard

of living for postal employees, and at the same time prevent a larger turn-over of manpower in the Postal Service. This legislation will bring about the first salary increase for postal employees since 1925, and this, I emphasize, is in the face of living costs that have soared beyond the expected wartime levels.

Any Member of this House who would vote against this legislation should be placed on record, Mr. Speaker, and I assure you that I shall ask—and I have already been promised the support of a sufficient number of Members—to demand a roll-call vote. This bill should pass unanimously.

Mr. HARTLEY. Mr. Speaker, I yield such time as he may desire to the gentleman from Indiana [Mr. SPRINGER].

Mr. SPRINGER. Mr. Speaker, I rise in support of H. R. 1366 which provides for a small increase in pay to officers and employees in the Postal Service. This measure provides for such increase for and during the period of the war. Our postal employees are loyal, patriotic, and efficient public servants. For approximately 18 years our postal employees have had no increase in salary, yet, they face the terrific increase in the cost of living that all must now meet. During the last world war a slight increase was extended to our postal employees during that period—and, in the face of the staggering requirements which confront these public servants this measure is essential and praiseworthy. I will support this bill because I believe it to be essential that our postal employees be granted the slight increase provided in this measure. This measure is fair—it is equitable—and it is essential. I will cast my vote for it.

Mr. HARTLEY. Mr. Speaker, I yield such time as she may desire to the gentlewoman from Ohio [Mrs. BOLTON].

Mrs. BOLTON. Mr. Speaker, the bill under consideration holds especial interest for me, because I realize that the Post Office employees are finding it extremely difficult to keep pace with the rising cost of living which we are experiencing today.

None of you will disagree with me when I say that no more loyal group serves our Government than those in the Postal Service who handle the mail day in and day out, regardless of weather and other conditions. Even in wartime, with train delays and airplane restrictions, these employees make every possible effort to meet the mail schedules. The history of the Mail Service is filled with tradition and acts of outstanding loyalty and service.

Wages and salaries in industry have increased greatly under the stimulation of the immense war program. We appear to have a real shortage of food and of necessities and must supply our armed forces in every corner of the earth and our allies. It is only natural that the cost of living should increase materially. Through it all the postal workers have remained at their jobs and refrained from seeking work at higher pay elsewhere. It must be a real temptation, especially to those with families.

I am glad to have this opportunity to express my pleasure that Congress is to correct the situation and provide the postal employees with a much-deserved increase in pay.

Mr. HARTLEY. Mr. Speaker, I yield such time as he may desire to the gentleman from Montana [Mr. O'CONNOR].

Mr. O'CONNOR. Mr. Speaker, before the Committee on the Post Office and Post Roads, I made the following statement:

FEBRUARY 24, 1943.

COMMITTEE ON THE POST OFFICE AND POST ROADS,
House of Representatives.

GENTLEMEN: I am deeply interested in seeing that H. R. 1366 is given favorable consideration here today.

The letter carriers are among the most faithful of Government employees, but have been the last to be given recognition for their faithful work. The remuneration paid that group is very low when we consider the responsibility they shoulder and the work they perform.

It has been 1927 since this group has had an increase in wages. The letter carrier received little or no benefit from the so-called overtime provision contained in Senate Joint Resolution 170. The slight increase that was received was for additional service. Now, while I am heartily in accord with the recent pronouncement of Economic Stabilization Director James F. Byrnes, in which he states the policy of the administration to be unalterably opposed to any further increases in either wages or costs except in limited and special cases to correct gross inequities, I feel that the Postal Service has been put to a decided disadvantage in not having received a raise while the cost of living has sykrocketed the way it has. I see no reason why their wages should not be raised, as this bill will do, to conform to increased living conditions.

Respectfully yours,

JAMES F. O'CONNOR.

I today approve the foregoing statement and am in favor of the bill and am voting for it.

Mr. HARTLEY. Mr. Speaker, I yield such time as he may desire to the gentleman from Alabama [Mr. HOBBS].

Mr. HOBBS. Mr. Speaker, having had the honor of serving on the Post Office and Post Roads Committee of the House during the year 1935, and having kept in close touch with its work ever since, I am perfectly sure that this bill has had careful study from every standpoint.

The Post Office and Post Roads Committee is a great committee, led by a great chairman, and we may with full confidence accept at full face value their unanimously favorable report.

There are no more efficient, courteous, and faithful ladies and gentlemen in the Government service than the employees in our postal system. It has been 18 years since their pay was increased. Through no fault of theirs, the cost of living has increased materially during that time and with the upward curve caused by the preparation for war and by the war their economic welfare cries out for the improvement this bill will grant them. May I, most respectfully, urge that the overwhelming vote by which this bill will be passed be made as nearly unanimous as possible, as a fitting tribute to those who make our Postal Service the great institution it is.

Mr. HARTLEY. Mr. Speaker, I yield such time as he may desire to the gentleman from Florida [Mr. GREEN].

Mr. GREEN. Mr. Speaker, I rise in support of passage of H. R. 1366, a bill to provide temporary additional compensation for employees in the Postal Service. Several days ago I appeared before the Committee on the Post Office and Post Roads in behalf of this bill, and desire at this time to congratulate this committee for its prompt and favorable action upon this important legislation. I appreciate the fact that they have brought it to the House without delay for our final action.

In my opinion, it is necessary legislation and should be promptly enacted into law. The postal employees are patriotic and faithful American citizens who have elected to remain at their post of duty and work for less than the wages paid in other Government and in civilian capacities. They have in this way well cooperated with the war effort. The small salaries now paid them are not at all in keeping with those paid in war industry in the respective communities in our country.

This bill does not provide as liberally as many of us would desire. There are other provisions which in my opinion should be included in the bill. I am supporting this bill, however, as it goes part of the way toward relief which the employees should have. I trust that the Committee on the Post Office and Post Roads may, in the not distant future, bring to the House other liberalizing provisions which we have not time to discuss under the limited waiver rules which govern the parliamentary situation today.

I am voting for the passage of H. R. 1366.

Mr. HARTLEY. Mr. Speaker, I yield such time as he may desire to the gentleman from South Carolina [Mr. RIVERS].

Mr. RIVERS. Mr. Speaker, I consider it my good fortune to raise my voice today in behalf of a group of Federal employees who have been aptly termed the forgotten men of the Federal service. The postal employees have gone 18 long years without serious consideration from the Congress of the United States. The time has at long last come when we are privileged to assist. I wish each member of this House could come with me and view the crowded conditions under which postal employees are called upon to work and see for yourselves the hundreds of thousands of extra pieces of mail going to and from our loved ones on the war fronts throughout the length and breadth of the world, working in sunshine and rain to deliver the many directives of the bureaus and departments in Washington, providing what remains of important business a service of regular deliveries and on time. The cost of living has skyrocketed and in all areas postal employees are living from hand to mouth. They have served us and America well. Now it is our time to take notice of a job well done. I am happy to cast my vote for this bill and hope that it will pass this House with scarcely one dissenting vote.

Mr. HARTLEY. Mr. Speaker, I yield such time as he may desire to the gentleman from Iowa [Mr. HOEVEN].

Mr. HOEVEN. Mr. Speaker, it was my privilege as a member of the Post Office and Post Roads Committee to join with my colleagues on that committee in unanimously reporting H. R. 1366 out for passage.

Eighteen years have passed since there has been an increase in the basic salaries of the postal employees of the country. In that period the cost of living has greatly increased and wages in practically every other calling have advanced to high levels. Though opportunities for increased wages in other lines of work were many, these loyal servants of the Government remained at their posts, hoping and praying that somehow, some day, a grateful American people would realize the justice of their cause. That day is here and the American people, through their duly elected Representatives, are ready to reward them for their faithful service. They are not being given a bonus but an increase of wages in the same way we would reward anyone for a job well done.

There is no more loyal group of employees in the entire Government than these people in the Post Office Department. Though the amount of mail has increased in volume, though many employees have been taken into the armed services, making additional work for those remaining, they have not complained. Certainly such an attitude deserves the plaudits of a grateful people.

It is, therefore, a privilege and a pleasure for me to vote for an increase in their salaries at this time. This recognition is long overdue, and it is my sincere hope that this bill will receive the wholehearted support of the House.

Mr. HARTLEY. Mr. Speaker, I yield such time as he may desire to the gentleman from Indiana [Mr. GILLIE].

Mr. GILLIE. Mr. Speaker, for 18 long years the postal employees of the Nation have waited for some recognition by the Congress in the way of an increase in salary. Today we have an opportunity to rectify this injustice by supporting H. R. 1366, a bill which comes before us with the unanimous approval of the Committee on the Post Office and Post Roads.

As a former member of this committee, I want to take this opportunity to compliment the new chairman, the gentleman from Virginia [Mr. BURCH], for having brought this bill before the House. Postal employees are fortunate in having such a splendid champion.

In considering this legislation, it is well to remember that postal employees have received no basic pay increase since 1925, although they did receive a direct cut in their basic pay back in 1932 and 1933 and a further indirect cut through rising prices.

The work of the post office forces is about the most important part of our communications system. Yet their demands for a just basic pay rate have been given the run-around time after time by the Government.

Having studied this problem as a member of the Post Office Committee, I can say to you that while the bureaucratic agencies in Washington are bulging with unnecessary clerical help, most post offices over the country are understaffed and the pay is not commensurate with the grand job that is being done.

In the name of simple justice, this measure should be adopted immediately.

Mr. HARTLEY. Mr. Speaker, I yield such time as he may desire to the gentleman from Oregon [Mr. ANGELL].

Mr. ANGELL. Mr. Speaker, this bill, H. R. 1366, should be passed unanimously. I am glad to have the opportunity to vote for this well-deserved recognition of this efficient and loyal group of Federal employees. It has been too long delayed. For 18 years these faithful Government workers have had no increase in pay.

As a part of my remarks I include the following arguments showing the merits of this proposed legislation:

[From the Boston Sunday Post of August 10, 1941]

CLERK'S FAMILY NEEDS INCOME OF $2,898.10 ANNUALLY

BERKELEY, CALIF.—A clerk's family of five, living in San Francisco, Calif., and surrounding area, must spend $2,898.10 annually in order to live on a standard of health and decency. This was reported here by the Heller committee of the University of California for research in social economics under the direction of Dr. Emily Huntington, associate professor in social economics. Budget is based on prices of March 1, 1941.

SINCE MARCH 1, 1941, COST OF LIVING UP 20 PERCENT—COSTS $6 FOR EVERY $5 SPENT 2 YEARS AGO

WASHINGTON, January 3.—You need $6 today for every $5 you spent 2 years ago to meet the cost of living.

The Federal Reserve Board said tonight the cost of living was about 20 percent higher than in the period of virtual stability from 1939 to early 1941.

[From America of April 18, 1942]

NEGLECTED WORKERS

No public servants are more faithful, hard-working, and deserving than the employees of the Post Office Department. We are not speaking of the higher officials in the Department, nor of the postmasters who have been appointed for reasons that were purely political. The men we have in mind are the office workers, the clerks behind the windows who answer our foolish questions or patiently explain why it is unwise to send fragile articles in pasteboard boxes and the carriers who trudge early and late through heat and cold to deliver your letters.

There are nearly a quarter of a million of these public servants in post offices of the first and second classes. Considering their work and the responsibilities attached to it, their wages are poor. Advancement in the service is slow and the maximum pay will make no man rich. These workers are too few in number and too widely scattered throughout the country to exert any political influence. They have an American Federation of Labor union, but it does not seem strong enough to stand up and battle effectively for them. They cannot strike and in common with other civil-service employees, their right to bargain collectively is nonexistent. They take what is granted them by Congress and live in the hope, not always fulfilled, that by economizing on every penny, they can buy food for their families, keep little Johnny and Mary properly clothed, and even, fondest hope of all, put aside a reserve for a rainy day.

It is to be regretted that the bill introduced in Congress for their relief has gone on the rocks. Possibly the bill introduced was so drawn that the Presidential veto was inevitable. If so, another bill that will meet all technicalities should be introduced at once. A letter to your Congressman and Senator will help to do this.

We make that suggestion because with the rising costs of living the lot of these worthy public servants will become much harder. They see workers of all kinds demanding higher wages and getting them by pressure methods, which they as Federal employees cannot use and would not use if they could.

The nub of their case is, that they are penalized for faithful service.

We have not been asked to make this appeal.

But we make it gladly since these workers have so few to speak for them.

THE PATIENT POSTMAN

Any general impression that the long-sought wage increase for post-office workers was accomplished by passage of the Mead-Ramspeck bill will be promptly dispelled when the public examines the terms of that feeble stopgap.

The Seventy-seventh Congress, in effect, evaded the issue with a meaningless gesture.

The Mead-Ramspeck bill merely provides extra pay for overtime work.

This will help a few clerks who put in long hours during the holiday rushes, but the majority of postal employees do not work overtime.

Fortunately, the makeshift bill expires on April 30

There is opportunity for the new Congress to reopen the matter with honesty and sincerity and justice.

The postal personnel has not had a wage increase since 1925.

Instead they have had pay cuts—in 1932 and 1933.

Add to this direct cut the factor of rising prices during the 17 intervening years, and we have not only a financial crisis for the loyal, experienced, and patient postmen, but a gross injustice against them.

It is an obvious fact that in wartime the services of communication are vital to the Nation and that the post office is the core and soul of communications.

To ignore the needs and deserts of postal workers, to force them into other kinds of war work where they receive decent wages and fair treatment, is deliberately to injure this vitally essential service.

The last Congress, and several Congresses before, have hemmed and hawed, procrastinated, quibbled, and finally awarded a stone where bread was wanted.

Timid and time-serving legislators found it convenient and safe to ignore a body of invaluable public servants who could not strike nor lobby nor exert pressure in other ways.

But the same legislators found it necessary at the same time to give preferential treatment to other labor groups who could and did strike, lobby, and turn other necessary screws.

The Mead-Ramspeck bill should be allowed to expire without regret or help.

It should be replaced by a practical, generous, and equitable measure, giving the postal people what they deserve and what they need in order to live.

This is not only just, but sensible.

It is the only way the Seventy-eighth Congress can correct the economic and social myopia that notably, in this instance, marred the action of its predecessor.

Mr. HARTLEY. Mr. Speaker, I yield such time as he may desire to the gentleman from Louisiana [Mr. BROOKS].

Mr. BROOKS. Mr. Speaker, during time of war there is no branch of the Government which means more to the public morale than the Postal Service. It is the Post Office Department which moves the mail from the home front to the battle front and tells our fighting

men the news from their loved ones at home. As indicative of this fact, I want to say that not a day passes in my office but what I have some letter or other communication about the delivery of the mail. Some of them praise the work of getting the mail through under all circumstances while other communications tell that there is a delay and that letters are not getting through as they should.

Many years have passed since the postal employees have received any kind of raise in pay. During this time the cost of living has steadily advanced until some of our faithful employees are having a very hard fight even to break even in their finances. H. R. 1366 is, therefore, most timely and in a small way indicates the appreciation of Congress for the very fine work which the clerks, carriers, and the employees of the greatest postal system in the world are doing in the midst of a great war and under most trying conditions. This pay raise, although temporary, will help tremendously to raise the morale of these faithful public servants and is a consideration which they richly deserve at the present time.

Mr. HARTLEY. Mr. Speaker, I yield such time as he may desire to the gentleman from California [Mr. PHILLIPS].

Mr. PHILLIPS. Mr. Speaker, the point raised by the gentleman from Georgia [Mr. PACE] is a pertinent one. No flat increase without consideration of salary brackets can ever be entirely fair or adequate. If it is satisfactory in the lower brackets, then it is probably unfair to those in the higher brackets, and if it is set up on a basis of the higher salaries, then it is usually incorrectly adjusted for the lower brackets. However, I think the gentleman from Georgia will agree with me that in this particular case the lower brackets are already inadequate and the increases received under H. R. 1366 will have a slight tendency to correct this inadequacy. I am one of those here who would like very much to take the word "temporary" out of the title of this bill.

It is a curious thing to me, as a new Member of this House, and therefore voting for the first time on such a bill, that my first activity in semipublic life, exactly 28 years ago this month, in the district represented by the gentlewoman from Ohio [Mrs. BOLTON], the gentleman from Ohio [Mr. BENDER], the gentleman from Ohio [Mr. FEIGHAN], and the gentleman from Ohio [Mr. CROSSER], was to serve as the secretary of a committee whose object was to increase the salaries of postal employees. Twenty-eight years is a long time to wait for the opportunity to vote personally upon such a bill, and 28 years has been a long time for the postal employees to wait patiently for even such recognition as this bill gives them today.

Mr. HARTLEY. Mr. Speaker, I yield one-half minute to the gentleman from Ohio [Mr. BREHM].

Mr. BREHM. Mr. Speaker, it seems to me that the harmony prevailing here should serve as an illustration to those pressure groups who request favorable action under a you-do-it-or-else attitude, which was at no time evidenced by the postal employees.

Mr. HARTLEY. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey [Mr. EATON].

Mr. EATON. Mr. Speaker, I join in unanimous support of this bill, and I sincerely hope that under the impulse of this unanimous vote the administration will cut out the useless propaganda and bureaucratic questionnaires and thus save enough money to pay these postal employees what we ought to have paid them long ago.

Mr. HARTLEY. Mr. Speaker, I ask unanimous consent that all Members may be permitted to extend their own remarks on this bill at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. POULSON. Mr. Speaker, much has been said on this floor about the necessity of passing legislation to increase the pay of post-office employees. The mere fact that they have not had an increase for many years, that they are not in a position like other workers to strike, and the known fact that their present salaries are entirely out of line with today's prices and other salaries paid, should be sufficient evidence to entitle them to this bonus, and it is our duty to see that they receive their just due. I, therefore, think we should give H. R. 1366 our hearty support.

Mr. LARCADE. Mr. Speaker, I rise to speak in favor of H. R. 1366, which gives to the postal employees of this Government some consideration and appreciation for the loyal, efficient, and splendid service which they are rendering to our country. I heartily approve of this bill and ask the Members of this Congress to give this bill their favorable consideration and vote.

Mr. BUSBEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement given by me at the hearing held on H. R. 1366, before the Committee on the Post Office and Post Roads, on February 23, 1943:

STATEMENT OF HON. FRED E. BUSBEY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ILLINOIS

The CHAIRMAN. Mr. BUSBEY, of Illinois.

Mr. BUSBEY. Mr. Chairman and members of the committee, at the outset I wish to thank you for the privilege of appearing before your committee in behalf of H. R. 1366.

I will not take much of your valuable time by going into the economic reasons why I believe this proposal should be enacted into law, because I appreciate that each of you is probably more familiar with the bill than I am; but there is a condition that I should like to bring to your attention, namely, approximately 25,000 postal employees have left the Service either to go into the armed forces or into defense work. I am happy to say that the percentage that has left for defense work is very small indeed. I pay tribute to the men of the Postal Service and particularly the postal employees of the Third Congressional District of the State of Illinois, because in our district we have under construction and nearly completed the Chicago Chrysler Corporation plant, which is the largest structure of its kind in the world.

We have many other defense plants in my city, but notwithstanding the fact that these men who have not left the service of the Post Office Department have been loaded with excess mail to deliver, they have stood by their guns, served faithfully, and I believe the least this Congress could properly do for them is to pass H. R. 1366 as soon as practicable.

I think it would be fitting when we are erecting monuments to soldiers, sailors, farmers, miners, defense workers, and others in connection with this war effort that we erect a monument to these worthy postal employees in commemoration of the very splendid patriotic attitude they have ever shown despite the fact that they have not had an increase in pay, and they are specially subjected to very many hardships during the impending emergency, for so many years. [Applause.]

The CHAIRMAN. Thank you very much, Mr. BUSBEY.

Mr. SMITH of Wisconsin. Mr. Speaker, H. R. 1366 should pass this House without a dissenting vote. It is the most meritorious piece of legislation that I have been privileged to support during my brief stay in Congress. When you stop to consider that our postal workers have had no real increases in pay since 1925 it is obvious that the time has come during this emergency to afford the rather meager relief provided in this bill.

I want to commend the Committee on the Post Office and Post Roads for bringing in the type of bill that it did which provides an increase for all officers and employees in the Postal Service who are paid from appropriations made for the field service of the Post Office Department. It is my understanding of the bill that in addition to those who receive the flat rate increase of $300 per year there is also provision for employees who are paid on an hourly, fee, part time or per diem basis, and also for fourth-class postmasters and special-delivery messengers, all of whom shall receive an increase of 15 percent of the earned basic compensation. In addition thereto, it further provides that an allowance shall be made to third-class postmasters for clerk hire in the amount of 15 percent, which increase shall in no event allow more than $300 per year.

Mr. Speaker, we are informed that this bill faces a Presidential veto. The veto power undoubtedly rests with the President, but in my opinion, it would be most unwise for the exercise of a Presidential veto on a bill which contains so much merit and which affects a class of Government employees who have had so little consideration in the past 18 years. I sincerely trust that there will be no veto of the bill, and I urge upon the Members of this House that their vote be so overwhelmingly in favor of the bill that we need have no fear of a Presidential veto.

Mr. MRUK. Mr. Speaker, I urge the House to vote temporary additional compensation for employees in the Postal Service.

There are five reasons—every reason a very good one—why I am for H. R. 1366, which will provide for their increased compensation.

I remember that for 18 years the postal workers have been granted no improved earnings.

Nevertheless, they have continued to do their work with loyalty and efficiency.

Today, when many millions of our people are being paid war-standard wages, the postal employees are not sharing in the high wages.

Living costs, however, are increasing by one-half of 1 percent per month, and since August of 1939 they have risen 21 percent.

In addition to paying the increased income taxes, buying War bonds and War stamps, and participating in Red Cross and community fund campaigns, the postal workers are having 5 percent of their annual earnings deducted for their civil-service retirement fund, as well as another 5 percent for the new Victory tax.

I say, give our postal employees a better portion of our Nation's wartime earning power.

Mr. WARD. Mr. Speaker, I am glad to have the opportunity today to vote for H. R. 1366, which provides for readjustment of salaries and compensation of postmasters and employees of the Postal Service, at the rate of $300 per annum for all officers and employees paid from appropriations made for the field service of the Post Office Department, except that employees paid on an hourly, fee, part time, and per diem basis, and fourth-class postmasters and special-delivery messengers, shall receive an increase of 15 percent of their earned basic compensation, and the allowance to third-class postmasters for clerk hire will be increased by 15 percent, not to exceed $300 per annum in any case; the increase to remain in effect for the duration of the war and 6 months thereafter. The principal features of H. R. 1727, which I introduced on February 5, providing for increased compensation for postal employees, were incorporated in the bill which is before the House today, after consideration by the Committee on Post Offices and Post Roads of the provisions of the two measures. Postal employees have not had increases in compensation for about 18 years, and, at the present time, it is imperative that provision be made for them to meet the high cost of living.

The additional pay, which Congress appropriated for Government employees last December to meet in part the extra cost of living brought about by the War, will end on April 30. The bill before the House today will replace this aid to Post Office Department employees at that time.

Mr. ALLEN of Louisiana. Mr. Speaker, I am glad to see H. R. 1366 brought to the floor of this House for action. The Postal Service is one of the best services in the Federal Government. The postal employees have rendered faithful service throughout the years. I know of no group of workers anywhere that is more deserving of consideration at this time. The postal employees have not had consideration for a great many years. Many of them now in defense areas are called upon to do more work than ever before. It was my happy privilege to urge the committee to report this bill out and now today I am happy to appear here in support of it. Justice to the postal workers should not be delayed longer. I hope that the bill passes the House today unanimously if possible and then I hope that it becomes a law at the earliest minute possible.

Mr. GRANT of Indiana. Mr. Speaker, I hope the pending bill, providing for an increase of $300 annually for the duration of the war and 6 months thereafter, for our much deserving officers and employees in the Postal Service will receive the support of every member of the House.

What a travesty that in these days of high prices and high wages, we should be here considering the readjustment of a pay scale which was established by an act of February 28, 1925, more than 18 years ago. This adjustment, however inadequate, is long overdue and we ought to hurry the passage of this measure to final enactment.

Mr. TREADWAY. Mr. Speaker, it is a pleasure to cast my vote in support of H. R. 1366, the purpose of which is to provide increased compensation for employees in the Postal Service. In my opinion, there is no group of public servants which is more entitled to such an increase. It has been many years since there has been a change in the salary scale of postal workers, whose work certainly is of the utmost importance to the Government and to the public as a whole. Without complaint they have carried on their work efficiently while other groups of Government employees have enjoyed increased wage scales. As one who always has had the highest regard for the postal employees I am glad to aid in providing this belated measure of recognition by Congress.

Mr. WOLVERTON of New Jersey. Mr. Speaker, the bill now before the House is one of genuine merit. It provides for an increase in compensation for our postal employees. Notwithstanding the fact that all other classes of employees in the Federal service as well as many in private industry have obtained increases of compensation during the last few years, yet the postal employees have received none. In fact they have had no increase in salary since 1925. This seems almost unbelievable but it nevertheless is the fact. Under these circumstances the postal employees may well be considered as the forgotten men of the Federal service. This fact is well set forth in an editorial of the Courier Post newspapers of Camden, N. J., appearing in the issue of Saturday, March 13, 1943. I include it as a part of my remarks. It reads as follows:

TWO HUNDRED AND TWENTY THOUSAND FORGOTTEN MEN

For his own good, let alone theirs, it's Uncle Sam's duty to increase the pay of postal employees.

Unless Congress enacts and the President signs pending legislation granting these workers a $300-a-year wartime bonus, something is bound to happen to the Postal Service—and it won't be good.

The 220,000 underpaid postal workers make no threats. That is not their style. They have shown heroic patience in all the years they have been forced to meet increased living costs on a basic wage scale that hasn't advanced since 1925.

If these men can look forward to no relief in their effort to make ends meet, there's only one thing they can do—leave the Postal Service and find work elsewhere. And it won't take much of a labor loss to impair the workings of a Department, already carrying a heavier load as a result of the war.

The most a long-experienced, highly skilled postal worker can earn today is under $40 a week.

The Bureau of the Budget opposes the pending increase, claiming "a bonus to postal workers would be preferential."

To the contrary, the Government's failure to increase salaries in this forgotten branch of the service is a plain discrimination against them.

The faithful service rendered by our postal employees justifies the passage of this bill without a dissenting vote. I appeal to the House to show its appreciation not only of the faithfulness but of the high type of service that has been rendered by our postal employees by voting for the bill.

Mr. MADDEN. Mr. Speaker, very seldom in any congressional session is legislation presented that has more merit than does H. R. 1366. I have personally talked with a great many Members of this body regarding the necessity of a raise for the post-office employees of America and received hearty responsive reaction.

I represent a great industrial district in the State of Indiana and I have seen and observed back through the years the diligent and conscientious effort constantly made by this group of workers to carry out the duties their Government has imposed upon them. Had this great group of hard-working and sincere Americans been in the employ of anyone other than their Government, they would have effectively organized and demanded and received a just increase in pay years ago. The cost of living for the average family in my district has increased 22 percent since 1939 and the great majority of our postal employees are struggling and fighting to clothe, feed, and educate families on the same wage base that they received 17 years ago.

I have been called upon and solicited by hundreds of postal employees and also by numerous committees representing postal employees, asking me to do what I can as a Member of this body, to bring about the successful passage of H. R. 1366.

A rural carrier with a route immediately outside the city of Gary, Ind., called upon me shortly before last Christmas. This man, on account of the increase of homes in the last few years by reason of the influx of defense workers, was serving over 600 boxes on his route. He stated that he would arise and report for work as early as 5 a. m. and would not complete his duties until 7 or 8 p. m. This is possibly an exceptional case, but, nevertheless, it in a general way exemplifies the attitude and cooperation that this body of workers display without major complaint, during these times of emergency.

I have also spoken to a great number of business people, home owners, and so

forth, in my locality, and they all are unanimous in agreement that the postal employees of America have been neglected and should be recognized at this time with a living wage. A great number of Congressmen get all sweated up about passing antilabor legislation but neglect and ignore that there has for a long time been a crying need for prolabor legislation that postal workers have earned.

The American public appreciates the right of mailmen to make a living.

Postal Service is one of the best and most efficient efforts of public service rendered in this country. It is so outstanding and efficient that it has spoiled the American people. We get so accustomed to good service that we expect a letter we mailed today to arrive yesterday. But we have not spoiled the mailmen—not with money anyway. If the mailmen should strike and set up a picket line, every man, woman, and child in America in a short time could not eat or clothe themselves without breaking the postal employees' lines. In the last analysis, they are the key people to our national economy, and they are generally held in the highest repute in their respective communities. How the post-office men and their families keep themselves and their children looking so neat and how their homes are kept up sometimes seems to me to be one of America's greatest demonstrations of thrift.

Any general impression that the long-sought wage increase for post-office workers was accomplished by passage of the Mead-Ramspeck bill will be promptly dispelled when the public examines the terms of that feeble effort. The Seventy-seventh Congress, in effect, evaded the issue with a meaningless gesture. This will help a few clerks who put in long hours during the holiday rushes, but the majority of postal employees do not work overtime. Fortunately, the makeshift bill expires on April 30. There is opportunity for this Congress to reopen the matter with honesty and sincerity and justice. The postal personnel has not had a wage increase since 1925. Instead they have had pay cuts, in 1932 and 1933. Add to this direct cut the factor of rising prices during the 17 intervening years, and we have not only a financial crisis for the loyal, experienced, and patient postmen, but a gross injustice against them. It is an obvious fact that in wartime the services of communication are vital to the Nation and that the post office is the core and soul of communications. A few timid and selfish legislators found it convenient and safe to double-cross a body of invaluable public servants who could not strike nor lobby nor exert pressure in other ways. The Mead-Ramspeck bill should be allowed to expire April 30 without regret or ceremony. It should be replaced by a practical, generous, and equitable measure, giving the postal people what they deserve and what they need in order to live in a real American way.

Mr. HORAN. Mr. Speaker, under leave to extend my remarks, I wish to express my personal pleasure in seeing these faithful employees at last rewarded.

We must not overlook the fact that they were most reasonable in their requests and in their methods of presenting them.

Mr. HOLIFIELD. Mr. Speaker, on March 4 I made an extended address on the passage of H. R. 1366, the postal employees' wage-increase bill.

I do not feel that it is necessary to take the time of the House to repeat the statistics and logical arguments I gave at that time to prove the justice inherent within this bill.

These employees have waited for 18 years for this long overdue raise.

The cost of living has increased far more than the raise requested, and in view of the fairness and justice of this bill by my colleague the gentleman from Michigan [Mr. O'BRIEN], I predict that practically a 100-percent vote of the Members of the House will approve it.

Mr. VURSELL. Mr. Speaker, I rise in support of H. R. 1366.

I am glad to support this measure in recognition of the long and faithful performance of a group of men and women who have rendered a service surpassed for loyalty and efficiency by no other group of employees in the Nation.

Regardless of weather, the burden they carried, or the hours of the days and weeks, they have discharged their tasks efficiently and without complaint. They are rightly entitled to the small increase in earnings this bill provides.

Mr. Speaker, it is a pleasure for me to support this bill. I believe it should have the unanimous support of this body.

Mr. SCANLON. Mr. Speaker, when H. R. 1366 was being considered before the House Committee on the Post Office and Post Roads I expressed to the committee my wholehearted approval of the legislation and at that time I urged the committee to favorably act upon the measure. I am very glad to have an opportunity today to voice my approval of this bill here upon the floor of the House of Representatives and to urge the membership of this body to vote favorably on this measure.

This bill, as drafted by the gentleman from Michigan [Mr. O'BRIEN], represents to my way of thinking the best and most equitable solution to the problem of adjusting postal employees' salaries to present living conditions. It is a matter of simple justice to pass legislation to properly recompense these men who are rendering such excellent, such essential, and such faithful service to the public at large.

It is true, as you know, that during the last session of the Congress, we passed Senate Joint Resolution 170, which resolution was later signed by President Roosevelt. Senate Joint Resolution 170 provided for the payment of time and one-half for overtime for Federal employees. It was designed and intended as a salary adjustment, but in actual practice it conferred little benefit upon these hard-working and devoted men of the Postal Service; whereas Senate Joint Resolution 170 provided for, and other Federal employees received, time and one-half the postal employees now perform additional services for which they receive additional pay, not at the rate of time and one-half but upon the basis of a 360-day year. When you consider that the postal employee only works 260 days a year you will note that in his case the overtime rate is in reality less than one and one-quarter. This is an inequitable situation.

The present bill (H. R. 1366) will provide for a raise of $25 a month for the postal employees. It is a form of bonus for the duration of the war and for 6 months thereafter designed to allow the postal employee to adjust his private personal economy to the wartime living cost without serious loss to himself and without equally serious inconvenience to the public.

I shall vote in favor of this bill and I respectfully urge my colleagues to help enact this legislation.

Mr. MURRAY of Wisconsin. Mr. Speaker, the bill (H. R. 1366) now before us is a measure which I feel every Member should support. These letter carriers have worked diligently for years without any increase in salary. They are recognized as one of the hardest working and efficient groups we have in the Federal service. It is a pleasure to have a measure presented here on this floor which has such unanimous support.

Mr. LUDLOW. Mr. Speaker, I have asked for this time in order that I may express my deep interest in this bill and voice my sincere hope that it will pass the House today without a single dissenting vote. There is no more earnest advocate of economy than I am, but I believe in justice, as well as economy. Ordinarily I would oppose a raise in salary for any group of Government workers at this time, but the postal employees present such an outstanding case of merit that I cannot say "nay" to their appeal. Surely the laborer is worthy of his hire, even though the laborer may be a postal worker. It has been 18 years since the postal workers have had an increase of salary, and meanwhile the costs of living have mounted toward the skies. While other groups have been favored with legislation providing them with increases of salary to meet living costs, the postal employee has remained the "forgotten man." This bill is a simply belated measure of justice that should have been passed long ago.

The postal workers of Indianapolis and Indiana comprise as fine a body of men as I have ever known and I am proud to be associated with them in the public service. I am glad it has fallen to my lot to have had the privilege of helping to pass this legislation which provides a measure of recognition for their loyalty, faithfulness, and devotion to the public interest. I hope the Senate will pass the bill with the same unanimity of support that has been manifested in our debate today and that it will soon take its place on our statute books.

The SPEAKER. The question is, Will the House suspend the rules and pass the bill?

Mr. SAUTHOFF and Mr. SHAFER demanded the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 381, nays 4, not voting 49, as follows:

[Roll No. 25]

YEAS—381

Abernethy	Douglas	Johnson,
Allen, Ill.	Durham	J. Leroy
Allen, La.	Eaton	Johnson,
Andersen,	Eberharter	Luther A.
H. Carl	Elliott	Johnson,
Anderson, Calif.	Ellis	Lyndon B.
Anderson,	Ellison, Md.	Johnson, Okla.
N. Mex.	Ellsworth	Johnson, Ward
Andresen,	Elmer	Jones
August H.	Elston, Ohio	Jonkman
Andrews	Engel	Judd
Angell	Englebright	Kean
Arnold	Fay	Kearney
Auchincloss	Feighan	Kee
Baldwin, Md.	Fellows	Keefe
Barrett	Fenton	Kefauver
Barry	Fernandez	Kelley
Bates, Ky.	Fish	Keogh
Bates, Mass.	Fisher	Kerr
Beall	Fitzpatrick	Kilburn
Beckworth	Flannagan	Kilday
Bell	Fogarty	Kinzer
Bender	Folger	Kirwan
Bennett, Mich.	Forand	Kleberg
Bennett, Mo.	Ford	Klein
Bishop	Fulbright	Knutson
Blackney	Fulmer	Kunkel
Bland	Furlong	LaFollette
Bloom	Gale	Lambertson
Bolton	Gallagher	Landis
Bonner	Gamble	Lane
Boren	Gathings	Lanham
Boykin	Gavagan	Larcade
Bradley, Pa.	Gavin	Lea
Brehm	Gearhart	LeCompte
Brooks	Geriach	LeFevre
Brown, Ga.	Gifford	Lemke
Brown, Ohio	Gilchrist	Lesinski
Bryson	Gillette	Lewis, Ohio
Buffett	Gillie	Luce
Bulwinkle	Gordon	Ludlow
Burch, Va.	Gorski	Lynch
Burchill, N. Y.	Graham	McCord
Burgin	Granger	McCormack
Busbey	Grant, Ala.	McCowen
Butler	Grant, Ind.	McGehee
Byrne	Green	McKenzie
Camp	Gregory	McLean
Canfield	Griffiths	McMillan
Capozzoli	Gross	McMurray
Carlson, Kans.	Gwynne	McWilliams
Carson, Ohio	Hagen	Maas
Carter	Hall,	Madden
Case	Edwin Arthur	Magnuson
Celler	Hall,	Mahon
Chapman	Leonard W.	Maloney
Chenoweth	Halleck	Manasco
Chiperfield	Hancock	Mansfield,
Church	Harness, Ind.	Mont.
Clason	Harris, Ark.	Mansfield, Tex.
Clevenger	Hart	Martin, Iowa
Coffee	Hartley	Martin, Mass.
Cole, Mo.	Hays	Mason
Cole, N. Y.	Hébert	May
Compton	Heffernan	Merritt
Cooley	Heidinger	Merrow
Cooper	Hendricks	Michener
Costello	Herter	Miller, Conn.
Courtney	Hess	Miller, Mo.
Cox	Hill	Miller, Nebr.
Cravens	Hobbs	Miller, Pa.
Crawford	Hoch	Mills
Creal	Hoeven	Monkiewicz
Crosser	Hoffman	Monroney
Cullen	Holifield	Morrison, N. C.
Cunningham	Holmes, Mass.	Mott
Curley	Holmes, Wash.	Mruk
Curtis	Hope	Mundt
D'Alesandro	Horan	Murdock
Davis	Howell	Murphy
Day	Hull	Murray, Tenn.
Delaney	Izac	Murray, Wis.
Dewey	Jackson	Myers
Dickstein	Jeffrey	Nichols
Dies	Jenkins	Norman
Dilweg	Jennings	Norrell
Dingell	Jensen	Norton
Dirksen	Johnson,	O'Brien, Ill.
Ditter	Anton J.	O'Brien, Mich.
Domengeaux	Johnson,	O'Brien, N. Y.
Dondero	Calvin D.	O'Connor
Doughton	Johnson, Ind.	O'Hara
O'Konski	Sadowski	Thomason
O'Leary	Sasscer	Tibbott
O'Neal	Sauthoff	Tolan
Outland	Scanlon	Towe
Pace	Schiffler	Treadway
Patman	Schuetz	Troutman
Patton	Schwabe	Van Zandt
Peterson, Fla.	Shafer	Vincent, Ky.
Peterson, Ga.	Sheppard	Vinson, Ga.
Pfeifer	Sheridan	Voorhis, Calif.
Phillips	Sikes	Vorys, Ohio
Pittenger	Simpson, Ill.	Vursell
Ploeser	Simpson, Pa.	Wadsworth
Plumley	Slaughter	Walter
Poulson	Smith, Maine	Ward
Powers	Smith, Ohio	Wasielewski
Price	Smith, Va.	Weaver
Priest	Smith, W. Va.	Weichel, Ohio
Rabaut	Smith, Wis.	Weiss
Ramey	Snyder	Welch
Ramspeck	Sparkman	Wene
Randolph	Spence	West
Rankin	Springer	Wheat
Reed, Ill.	Stanley	White
Reed, N. Y.	Starnes, Ala.	Whittington
Richards	Steagall	Wickersham
Rivers	Stearns, N. H.	Wigglesworth
Rizley	Stefan	Willey
Robertson	Stevenson	Wilson
Robinson, Utah	Stewart	Winstead
Robsion, Ky.	Stockman	Winter
Rockwell	Sullivan	Wolcott
Rodgers, Pa.	Sumners, Tex.	Wolfenden, Pa.
Rogers, Mass.	Sundstrom	Wolverton, N. J.
Rohrbough	Taber	Woodruff, Mich.
Rolph	Talbot	Worley
Rowan	Talle	Wright
Rowe	Thomas, N. J.	Zimmerman
Sabath	Thomas, Tex.	

NAYS—4

Gore	Russell	Tarver
Poage		

NOT VOTING—49

Arends	Goodwin	O'Toole
Baldwin, N. Y.	Gossett	Philbin
Barden	Guyer	Pracht
Bradley, Mich.	Hale	Reece, Tenn.
Buckley	Hare	Rees, Kans.
Burdick	Harless, Ariz.	Rogers, Calif.
Cannon, Fla.	Harris, Va.	Satterfield
Cannon, Mo.	Hinshaw	Scott
Clark	Jarman	Short
Cochran	Kennedy	Somers, N. Y.
Colmer	King	Sumner, Ill.
Culkin	Lewis, Colo.	Taylor
Dawson	McGranery	Whelchel, Ga.
Disney	McGregor	Whitten
Drewry	Marcantonio	Woodrum, Va.
Dworshak	Morrison, La.	
Gibson	Newsome	

So, two-thirds having voted in favor thereof, the rules were suspended, and the bill was passed.

The Clerk announced the following pairs:

General pairs:

Mr. Harless of Arizona with Mr. McGregor.
Mr. Kennedy with Mr. Hinshaw.
Mr. Harris of Virginia with Mr. Short.
Mr. Cochran with Mr. Arends.
Mr. Newsome with Mr. Culkin.
Mr. Buckley with Mr. Reece of Tennessee.
Mr. Cannon of Florida with Mr. Guyer.
Mr. O'Toole with Mr. Rees of Kansas.
Mr. Drewry with Mr. Taylor.
Mr. Cannon of Missouri with Mr. Scott.
Mr. Disney with Mr. Baldwin of New York.
Mr. Woodrum of Virginia with Mr. Goodwin.
Mr. Rogers of California with Mr. Bradley of Michigan.
Mr. Satterfield with Miss Sumner of Illinois.
Mr. Jarman with Mr. Pracht.
Mr. Hare with Mr. Hale.
Mr. Colmer with Mr. Burdick.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

POSTPONEMENT OF REPUBLICAN CONFERENCE

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent to proceed for half a minute to make an announcement.

The SPEAKER. Is there objection?

There was no objection.

Mr. WOODRUFF of Michigan. Mr. Speaker, because it is very evident that the business of the House cannot be completed at an early hour today, I take this occasion to announce to the Republican Members of the House that the conference called for this afternoon after the adjournment of the House has been postponed until Thursday of this week, to be held immediately after the adjournment.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. WOODRUFF of Michigan. Yes.

Mr. McCORMACK. Just to state that in order that the conference might take place, the gentleman from Massachusetts [Mr. MARTIN] and myself have conferred, and arrangements will be made on Thursday so that the conference can be held at as early an hour as possible.

Mr. WOODRUFF of Michigan. I thank the gentleman from Massachusetts.

LEAVE TO ADDRESS THE HOUSE

Mr. ELLIOTT. Mr. Speaker, I ask unanimous consent that at the conclusion of business tomorrow and any other special orders I be permitted to address the House on the milk situation in California for 15 minutes.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. McMURRAY. Mr. Speaker, I ask unanimous consent to extend my remarks and include a letter from a distinguished Republican from the First Congressional District of Kansas.

The SPEAKER. Is there objection?

There was no objection.

Mr. McMURRAY. Mr. Speaker, also I ask unanimous consent to extend my remarks and include a radio address delivered by Dr. Reinhold Niebuhr, an outstanding churchman of America.

The SPEAKER. Is there objection?

There was no objection.

Mr. BRYSON. Mr. Speaker, I ask unanimous consent to extend my remarks and include some letters.

The SPEAKER. Is there objection?

There was no objection.

SALE OF ADDITIONAL GOVERNMENT WHEAT

Mr. SABATH. Mr. Speaker, I call up House Resolution 160, which I send to the desk, and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the joint resolution (H. J. Res. 83) to permit additional sales of wheat for feed. That after general debate, which shall be confined to the joint resolution and shall continue not to exceed 1 hour to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the joint resolution shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the joint

resolution for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SABATH. Mr. Speaker, later on I shall yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. Speaker, this resolution makes in order House Joint Resolution 83 which authorizes an additional sale of wheat for feed purposes. Last year we authorized the sale of 125,000,000 bushels, and this resolution increases that amount by an additional 100,000,000 bushels. The difference between the authority granted last year in the sale of wheat and this joint resolution is that under this resolution it will cost the Government between $25,000,000 and $30,000,000 more than the sale under the last resolution. Of course the farmers are complaining, first, that they are in need of wheat. I presume they are, and the reason for that additional need is that they are not selling their hogs or their cattle until they have fed them up to such a point where they can get the greatest possible weight and thereby the greatest possible price. The price of cattle is higher now than ever before, and consequently they are using and feeding all of their corn and all of the wheat that they can obtain, especially under this bill, at a price where it will be extremely profitable to them.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. SABATH. No; I cannot yield. I know the gentleman understands farming, and he knows that what I am saying is correct, because they are now getting 16 to 18 cents for hogs and the same price for cattle that were selling during the good Hoover days for 3 cents a pound. So the price has been increased to the farmer by about 400 to 500 percent. Of course some gentlemen claim that the farmers are obliged to sell their cattle because it is not profitable for them, and that the price they are obtaining for milk and butter and so on, will not justify them to continue farming. A few weeks ago a gentleman from New York stood in this Well with a great big placard showing auction sale of farms and of cattle endeavoring to have the people believe that they were foreclosure sales, as the country witnessed in the Hoover administration. I then ventured the suggestion that it was not a forced sale as were the sales during 1932 and 1933, but that it was a sale for profit. At that time some of the gentlemen did not agree with me. Therefore I was happy when I observed an article, justifying the statement I made at that time, appearing in this morning's Washington Post. That article is entitled "Profits Lure Farmers to Sell, Busy Auctioneer Explains."

PROFITS LURE FARMERS TO SELL, BUSY AUCTIONEER EXPLAINS

(By Linton Burkett)

While labor shortages and ceiling prices undoubtedly influence veteran farmers to sell out, reports from auctioneers would indicate that war unrest and the prospect of quick profits actuate those quitting the soil.

One of the auctioneers, John Null, of Frederick, who has sold an average of a farm a day during the month of March and who is booked to continue at that rate through April 6, pointed out that farms, machinery, and livestock are bringing the highest prices in history, and are being sold for cash.

"I do not believe that the men selling out are doing so because they cannot make money farming," he said. "Not one farm that I have sold has been taken out of production. Not one piece of machinery has remained idle. The livestock continues to be used.

"For that reason I am convinced that we will have to look further for the motives.

SALES SET RECORD

"During the First World War sales did not equal those of the past year, when sales were 15 percent higher than any previous year. During the other war, farms were sold on a 6-month credit plan. Now they are sold for cash.

"This year farms, used machinery, and livestock are bringing the highest prices ever known. Now, if the original owner is forced to sell out because he is losing money on the farm, why should another man pay a record price and immediately settle down to operating the place?

"It is true that some farms have been sold because the owner was attracted by the higher wages he could earn in a war industry or in the city."

But the auctioneer indicated in most instances the farmer selling out made a neat profit on the deal. He then could take advantage of the high wages offered in industry, come back to the soil after the war, and be able to resume his original profession by buying farm and machinery on a dull market.

I also insert an excerpt from another article appearing in this morning's Washington Post, as follows:

TWO HUNDRED AND THIRTY-FOUR COWS TO BE SOLD AT AUCTION—WASHINGTON COUNTY BUYERS INCLUDE MANY FARMERS RESTOCKING HERDS

HAGERSTOWN, MD., March 14.—Farmers admitted that there have been more auctions of livestock and farm implements this year than in the past decade, but they pointed to the fact that most of the dairy cows offered for sale were being bought by dairy farmers and not for slaughter, and therefore will be producing milk this year. Some farmers are going out of the dairy business, they admitted, but other farmers who are buying in the cows are increasing their herds.

Auctioneers say that some of the farmers holding sales say they are quitting the dairy business because of lack of labor and are disposing of their herds because of the record prices they are commanding at these sales. Although some of the cows are being bought by out-of-the-county farmers, the bulk of them are bid in by county farmers who have enough labor to carry on.

It has been noted that some of these cows are being bought by persons planning to farm 1-man properties. Real estate brokers here noted that since the advent of point rationing and the program for victory gardens, real estate demands have switched from urban to suburban or rural properties with several acres of land.

Brokers said that prospective purchasers are not particular as to location, saying that they are anxious to get some place where they can have a cow to assure them butter and milk and enough ground to raise vegetables and fruit for canning.

Mr. Speaker, farmers are selling their cattle and stock and even some of their farms because they are obtaining high prices for their stock and at the same time the auctioneer states that these cows are being sold at auction——

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. SABATH. No.

Mr. HOFFMAN. Oh, now, please. We are neighbors.

Mr. SABATH. I cannot yield, I shall in a little while. I appreciate the gentleman's friendship and know that at times he is right, and I hope his percentage of being right will increase in the future. In view of that fact I think the hue and cry that these farmers are being driven out of business is not justified, and that is being testified to by men who sell on an average a farm a day, and who have been doing it for many years. They give as the reason the farmer is selling his cattle and even his machinery, that the farmer foolishly believes that there might be a change in the administration in 2 years, and that he would not then be able to get the price that he is getting at the present time.

Mr. HOFFMAN. Now, will the gentleman yield?

Mr. SABATH. But all these farmers are making a mistake. The country will continue to prosper because the farmers will also continue to prosper under the present Democratic administration.

This bill gives the farmers an additional advantage, as we are authorizing the Commodity Credit Corporation to sell an additional 100,000,000 bushels of wheat to aid the farmers to fatten their stock so as to be able, as I have stated, to obtain still greater profits.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. HOFFMAN. I understood the gentleman to say that the farmers were selling because they were getting higher prices?

Mr. SABATH. Yes.

Mr. HOFFMAN. You mean they are profiteering, do you?

Mr. SABATH. I do not say that. I said what Mr. Burkett said. He has been in the business for many years. That is his view. That is his opinion and that is his testimony. I will put his statement in the RECORD. I am not making it myself.

Mr. HOFFMAN. You would not make the charge that the farmers are profiteering, would you?

Mr. SABATH. No. I leave it to others who know more about it as to profiteering on the part of the farmers. I think they are human, and the chances are some of them are a little selfish the same as most of us. Nevertheless, I hope that in the future this will stop some of these gentlemen who come down here and fourflush with these so-called auction sales forced upon the poor farmer, when in fact those sales are made because of the exceedingly high prices and benefits that accrue to the farmers.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield for a question?

Mr. SABATH. I yield.

Mr. AUGUST H. ANDRESEN. I know the gentleman is interested in getting food for the armed forces and for civilian needs. I imagine that is one reason why he is supporting this measure?

Mr. SABATH. In the first place, I am interested in aiding our country and supplying our armed forces and the masses in general with all the food that we need. I hope that this will help. I am pleased to say I have been in favor of aiding the farmers for many, many years. I think I have a better record than any other man coming from a populated splendid city like Chicago or any other city, in voting to aid the farmers at all times. However, I have reserved to myself the right to call attention sometimes to an unreasonable request by the farm professional advocates. But I say, and I honestly believe, and I want you to believe me, that I think the farmers today are better off than they have been in the history of our country. We have fewer mortgages and there is a smaller percentage of interest on the mortgages that are still outstanding. They are receiving more for their crops. They are better off and more prosperous than ever before. God bless them. I hope they will continue to be so and that they will also help those unfortunate men, women, and children in large centers that are today obliged to pay higher costs for all the things that the farmers produce. And I also hope they will not continue to demand a boost in prices so high that the working people will not be able to obtain sufficient food and nourishment for themselves and their families.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. GROSS. The gentleman just referred to the profiteering farmers making their cattle so heavy, keeping them and feeding them to get excess weight.

Mr. SABATH. That applies mostly to hogs.

Mr. GROSS. I want to inform the gentleman that the steer that brings the biggest price on the market is the 1,000-pound steer, and whenever the farmer feeds a good steer beyond 1,000 pounds he is losing money, and he is doing it from a patriotic standpoint to supply food for the armed forces and the civilians of this country. The same thing applies to pigs.

Mr. SABATH. I appreciate what the gentleman says. The same thing applies to hogs, that they do not feed them above 200 or 225 pounds. The largest market price, as a rule, is on hogs between 175 and 225 pounds. That applies also to steers. Of course, I am not a farmer. I am not an expert. I am giving the gentleman information that he ought to have himself.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. O'CONNOR. I do not believe there is a better friend of the American farmer than the gentleman who is now addressing the House. I want to approve of the statements he has made, that the farmer is better off today than he has ever been in the history of this country. There is just one thing I want to add to what the gentleman has said, that we must be able to keep more farm help on the farms or our production this year is going to be lower than it was in 1942, whereas it should be much higher. I hope that the gentleman will lend his tremendous power to the aid of the farmers in keeping upon the farms the needed help that the farmers need today, and more farm machinery.

Mr. SABATH. Mr. Speaker, I wish to express my appreciation to the gentleman from Montana for the compliment he pays and the credit he extends me in saying I am a real friend of the farmer. The farmer should have all the help he needs, but on the other hand I do not want to deny any patriotic young farm boy the right to serve his country.

Mr. O'CONNOR. That is right.

Mr. SABATH. I know that is the aim and ambition of all young men on the farm, the same as it is with the young men in our cities.

Mr. O'CONNOR. But may I make this observation, that a man who is engaged in the production of food which is essential material for the carrying on of this war is just as patriotic as anybody else in the service.

Mr. SABATH. Oh, I grant you that. There is no question about that. You and I will not disagree on that.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. AUGUST H. ANDRESEN. I concede that the farmers are getting better prices than they were prior to the war, but the gentleman would not want the country in continuous war just in order to get better prices, would he?

Mr. SABATH. Oh, of course not. If there is anyone here who has been opposed to war, it is I, although there were others just as patriotic and more so than I, but I know I have been opposed to war. If some of the gentlemen had agreed, as they should have, to the principles of the League of Nations, so that we would have been a party to that League of Nations, this war would never have been with us today. That is my candid and honest opinion and belief, and no one sought any harder than I to bring about the approval of the League of Nations, and consequently those who denied us the right, denied America the right, to join the League of Nations and are really responsible for this war today.

Mr. CREAL. Will the gentleman yield?

Mr. SABATH. Yes.

Mr. CREAL. The gentleman does not say so in so many words, but I understand from him that the trouble with our food shortage and farm sales is that the farmers "done got" too much money, and that is what made the shortage. They "done" quit work. Is that not the substance of the gentleman's argument?

Mr. SABATH. I do not quite understand.

Mr. CREAL. That the farmers are getting so much money already that they "done" quit work.

Mr. SABATH. I did not say that.

Mr. CREAL. They did less farming.

Mr. SABATH. Some of them are doing the same thing as the Iowa farmers did in 1918, when land was selling for $300 to $325 an acre. They sold their land, took the money and moved to the States of Washington and California, to live upon the money which they received, which was perhaps twice or three times as much as the land was worth. Perhaps we might even today have some such farmers who realize the advantages and opportunities to get such a wonderful price for their cattle and farms. You cannot blame them and I do not blame them, but the sales have not been, as has been stated, due to forced selling because of foreclosure of the farms as there had been in the years gone by. These sales are voluntary. These men are parting with their property, because they can get a good price.

Mr. CREAL. What percentage of the farmers are selling and giving as a reason the fact that two of their sons have gone into the Army and they cannot hire help to run the farms? What percentage of the farmers does the gentleman think are telling the truth about that?

Mr. SABATH. I feel the gentleman will agree with me that there are some exceptions to the rule. All the reports disclose that there will be a greater crop in 1943 than ever before, weather conditions permitting. I understand there will be some labor and machinery shortages, but where there is a will there is a way, and I am confident that a large majority of American farmers will produce, especially when the country needs it, a still greater crop, notwithstanding the so-called handicaps.

Personally I always give the benefit of the doubt to everyone and I believe these men are telling the truth. I never want to disbelieve a man until I have proof that he is deviating from the truth.

Mr. CREAL. When a man's two sons go into the Army, and then they take his tenants and he is 65 years old, does the gentleman think he is selling his property for profit only and not because he cannot handle it?

Mr. SABATH. No. I am not taking individual cases. I am speaking generally. There may be a good many farmers who may have more than two sons. I know of farmers who have four or five sons in the Army and they are happy and satisfied that they have been able to do that much for their country which has done so much for them. On the other hand, I know a lot of laboring people, a lot of people in industries in my district, who have four or five or even six boys in the Army, and they are doing that for the greatest, the finest, the best country in the world. They consider it a privilege to do everything within their power to bring about victory so that the people of America can be free, not only for a short time, but for many, many, many years to come.

Mr. RUSSELL. Will the gentleman yield?

Mr. SABATH. I have been talking for some time, and I do not want to deprive the gentleman from yielding time, and I must conclude and I yield now 30 minutes to the gentleman from Illinois.

The SPEAKER pro tempore. The gentleman from Illinois is recognized.

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself such time as I may use.

The SPEAKER. The gentleman from Illinois is recognized.

Mr. ALLEN of Illinois. Mr. Speaker, under the Agricultural Appropriation Act, fiscal year 1943, there was contained a proviso prohibiting the use of funds appropriated for administrative expenses of the Commodity Credit Corporation for the sale of farm commodities at less than parity. One exception permitted the sale of not to exceed 125,000,000 bushels of wheat at not less than 85 percent of the parity price of corn. We who represent corn States opposed this exception because we did not believe it to be fair and equitable to our corn farmers.

This resolution provides for the selling of an additional 100,000,000 bushels of wheat by the Commodity Credit Corporation and it provides that no wheat shall be sold at a price less than the parity price of corn at the time such sale is made. We who represent corn territories are thankful for this new provision.

The war program provides for an increase in eggs, poultry, milk, hogs, and other farm products. The sale of feed wheat will be of great assistance in encouraging an increased production, which is so badly needed by our Army, the armies of our allies, civilians of our allies, and our own civilians.

In addition there will be a saving of $16,000,000 in the selling of this additional 100,000,000 bushels of wheat at the parity price of corn instead of 85 percent of the parity price of corn.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. AUGUST H. ANDRESEN. The gentleman from Illinois stated that this bill provides for the sale of 100,000,000 bushels of feed wheat at corn parity prices. That is not correct, because it is a committee amendment that fixes that price rather than the bill itself.

Mr. ALLEN of Illinois. Yes.

Mr. AUGUST H. ANDRESEN. The bill itself seeks to amend the other law permitting an increase of 100,000,000 bushels in the sale of that wheat at 85 percent of parity.

Mr. ALLEN of Illinois. The gentleman is correct. This resolution extends this policy. So in effect when it comes to a vote we shall be voting to permit the Commodity Credit Corporation to sell 100,000,000 bushels of wheat at 100 percent of the corn-parity price.

Mr. GILCHRIST. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. GILCHRIST. The bill itself states that this wheat shall be sold at 100 percent of the corn parity price. That is what stands before this House.

Mr. ALLEN of Illinois. I believe the gentleman is correct; with the amendment that is what we shall have to consider.

Mr. MAGNUSON. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. MAGNUSON. I wish the gentleman from Illinois or some other member of the committee would tell some of us pavement farmers just what this reference to wheat sold at corn parity means in dollars and cents. What would be the cost per bushel of this wheat?

Mr. ALLEN of Illinois. I may say to the gentleman that if this 100,000,000 bushels of wheat are sold at 100 percent of parity of corn it will save the taxpayers about $16,000,000 as compared with this 100,000,000 bushels of wheat being sold at 85 percent of corn parity.

Mr. MAGNUSON. What does it amount to in dollars and cents, say, as of last week's market? How much a bushel?

Mr. ALLEN of Illinois. I would say between 95 cents and $1 is the parity price of corn.

Mr. MAGNUSON. I thank the gentleman.

Mr. AUGUST H. ANDRESEN. Will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. The gentleman from Chicago will be able to buy feed wheat at $1.08 a bushel, which is the corn parity price in Chicago at the present time.

Mr. WHITE. Will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Idaho.

Mr. WHITE. If this wheat can be sold at parity, what is the need of this legislation?

Mr. ALLEN of Illinois. Corn parity.

Mr. WHITE. What is the difference between corn parity and wheat parity?

Mr. ALLEN of Illinois. It is considerable; approximately 45 cents a bushel.

Mr. Speaker, in conclusion, may I say that I hope this rule passes, and I also hope the resolution itself will be passed by an overwhelming vote.

The SPEAKER. The time of the gentleman has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 10 minutes to the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN].

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I ask unanimous consent to proceed out of order.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN]?

There was no objection.

GOVERNMENT PARTNERSHIP IN BUSINESS UTOPIA

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I have no objection to this rule, and I hope it will be passed and the bill given proper consideration in the committee.

I want to talk about another matter that vitally affects the welfare of the American people. A few days ago we heard the report of the National Resources Planning Board which in its second part provides for a partnership by the Government with the business of the country. That part of the New Deal's recommendation has already gone into operation, for an agency known as O. P. A. is rapidly liquidating the small business of the country, which means that big business will take over and that the Government will be its partner, and bureaucrats will dominate its future course.

Let me cite one or two illustrations. I received a telegram from a butcher in one of the small towns in my district—and you have them in all your districts—complaining about the quota of livestock he might butcher to keep his customers supplied. He said the quota was not large enough. So I talked to one of the officials in O. P. A., and he told me that the butcher could slaughter the same amount of pork and beef that he had slaughtered in 1941. So I wrote the butcher accordingly, but I learned that he did not slaughter any livestock in 1941 and that he bought all of his pork and beef from the packers of the country in that year.

A few moments ago I called up the O. P. A. official and wanted to find out if this butcher could convert the meat, the pounds of beef and pork, that he had purchased in 1941 from the packers into livestock totals so as to slaughter an equivalent amount of livestock in 1943, and the official said, "No; he cannot do that," which, of course, means that the butcher not being able to get supplies from his packer, and not being able to slaughter livestock from his community, will be put out of business and so will tens of thousands of butchers throughout the country who will not be able to get supplies. They will go out of business after April 1.

That is part of the liquidation that will take place to bring us the New Deal Utopia where the Government will act as a partner or take a controlling interest in any essential business of this country.

Mr. KEEFE. Will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Wisconsin.

Mr. KEEFE. The gentleman is also familiar with the fact that the small processors, such as sausage makers—and we have a large number of them in my State, who have been in business for many, many years, and they have built up a profitable business—will now find they cannot purchase from the large packers any meat supplies to carry on their sausage-making business. They are not permitted to go out and kill in the surrounding territory, with the result they are all threatened with absolute extinction and are going out of business.

When in the name of God is this Congress going to wake up and do something tangible to try to save some of these small businesses other than just simply talk about it? I think we ought to begin to do something if we are going to save these communities and these small businesses throughout the country that have taken years to build up.

Mr. AUGUST H. ANDRESEN. I agree with the gentleman. In addition to the sausage makers in his district, not only the small packers throughout the country but the big packers as well are on their way out of business on account of these O. P. A. policies.

Some are blaming Prentiss Brown, who is the new O. P. A. chief, but he deserves a lot of sympathy from the Members of Congress. I am convinced that he wants to administer his office in such manner

as to prevent a run-away inflation and at the same time increase production of essential foods and supplies for civilian needs. But Senator Brown is not a free agent. He inherited Leon Henderson and Leon Henderson's gang of impractical, inexperienced, self-opinionated policy makers who are more interested in remaking and reforming American economy and business than they are in securing the production of food and other essentials. These intellectual supermen hang as a millstone around Mr. Brown's neck and prevent him from carrying out the price-control law according to the intent of the Congress and for the best interests of our country.

I recommend that he fire everyone of the intellectual supermen who were left in the O. P. A. by Henderson. Prentiss Brown has fired Mr. Hamm and "Colonel" Ginsburg. His next move should be to oust a man by the name of Galbraith, another man by the name of Hoffman, and other policy makers from the Leon Henderson machine. He ought to fire everyone of the dictating bureaucrats who have as their objective the remaking and destruction of American economy.

I thoroughly agree with the gentleman from Wisconsin and others in this House who are trying to do their best to save small business and business generally throughout the country from domination and destruction by the bigwigs in the New Deal who have appointed themselves to remake America.

Mr. MUNDT. Mr. Speaker, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from South Dakota.

Mr. MUNDT. I should like to nominate one Joe Weiner as an addition to the vanishing caravan, or at least deprive him of having anything to do with the food program of America.

Mr. AUGUST H. ANDRESEN. Does the gentleman mean Mr. Joe Weiner, of New York City, who was trying to tell the farmers what they need in the line of farm machinery?

Mr. MUNDT. That is the man. He probably is more responsible than any other individual in America for the shortage of farm machinery and the resultant food shortage in this country.

Mr. AUGUST H. ANDRESEN. I agree with the gentleman, but may I say that Mr. Weiner is in the War Production Board. The men against whom I am addressing myself today are in the Office of Price Administration. They are the satellites of Henderson, who, with him, made the policies that are ruining America today. They are the same policies under which Mr. Prentiss Brown is operating. Mr. Prentiss Brown should clean house and secure the services of men who know something about American business and our system of free enterprise.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Michigan.

Mr. DONDERO. Just to indicate how widespread the effect of the policy is, today I received notice that two small butcher shops in one of the towns in my section of the country, which have been operating for 40 years, have closed their doors.

Mr. AUGUST H. ANDRESEN. Let me point out another thing. Let us take the canning industry, and the farmers of this country who produce the corn and the peas and other vegetables, and the men who produce the fruit for canning purposes. In 1943, this year, the Government will take 58 percent of all the canned goods produced in the United States. This leaves 42 percent for civilian needs. I predict we will not have one can for each civilian per month in this country under the present policies of reform and stalling on the part of the O. P. A. Three months ago they should have announced their policy for the 1943 crops so that the canners or the processors could have gone out and signed up acreage, but to this very day they have stalled and insisted on putting in reform policies which have prevented the canners and the farmers from getting together and signing up acreage production of the fruits and vegetables which are so necessary to win the war and maintain civilian morale.

The SPEAKER pro tempore. The time of the gentleman from Minnesota has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 2 additional minutes to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. May I say in conclusion that what they are doing in the O. P. A. with reference to the canning industry to destroy production and to prevent people from getting food, is what they are doing in every other line of business and production. It is about time that Members of Congress on both sides of the aisle got together to show these bureaucrats where they belong, instead of permitting them to run wild in their effort to destroy everything in our country. It is up to us to stop them. God pity the country if the bureaucrats are to be partners or in control of private business.

At a later date I hope to have something more to say about agricultural production, but before I conclude let me point out one of the reform measures which the O. P. A. is trying to force on the canners for this year's pack. Contrary to law, Henderson and his reform staff, of which remain Dr. Galbraith, Mr. Hoffman, and Mr. Baker, decided to force all canners to grade label all canned fruits and vegetables. Such labeling is a very controversial matter which has never been required by the Government. It is an imposition which causes drastic changes in production and distribution methods and places the production of most canners in jeopardy. The price-control law definitely provided that:

> The powers granted shall not be used or made to operate to compel changes in business practices * * * or means or aid to distribution, established in any industry, except to prevent circumvention or evasion of any regulation.

The O. P. A. is clearly violating the law when it requires grade labeling, and Mr. Prentiss Brown, if he desires to follow the law and secure maximum production of canned foods, should suspend the grade labeling idea and then get together with the canners and reach an understanding as to price, so that they may secure a clear signal to go ahead and produce for the Nation and the war. You have a chance, Mr. Brown, to show that you are the boss of your agency. If you do not remove the obstructions imposed by the Henderson gang, on the production and distribution of food in the usual manner, we want to know the reasons, Senator Brown.

The farmers and the canners who produce the canned vegetables and fruits in this country are honest and patriotic people. They want to do everything within their powers to win the war and produce an abundance of canned foods so necessary during this great emergency, but how in the name of common sense can they function when the bureaucrats of the O. P. A. stand with a club over their heads to force reforms in business practices and stall and obstruct every move for timely progress in securing results. Mr. Brown, it is up to you. Act before it is too late. You know that the growing season of nature does not wait for any man.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 8 minutes to the gentleman from Iowa [Mr. GILCHRIST].

Mr. GILCHRIST. Mr. Speaker, I am glad nobody appears to be making a fight on the bill. When the gentleman from Minnesota said he would not fight it but would consent to the passage of the bill, it withdrew every opposition that might arise to the bill.

I wish to follow out of order along the line of the remarks of the gentleman from Minnesota. In addition to what he said about meat packing, it is also true they do not permit any farmer to put a butchered hog into his locker if the hog is not butchered on the farm itself. That is one of the regulations I met up with on Saturday. A farmer in my district had two hogs which he took downtown to be butchered and then to be put in his locker for the use of his own family. But he was not allowed to do that because the hogs had not been butchered legally, as it was stated by the O. P. A. in Des Moines, the capital city of my State. They actually have a regulation requiring those hogs to be butchered on the farm. Inasmuch as it appears that probably the two were butchered off the farm, this farmer was not allowed to put them into his locker. Farmers take their hogs to the butcher, where proper equipment is provided, and he butchers the hogs there. Then the farmer carries the meat across to his locker and tries to put it in there for refrigeration and storage. But under this regulation, that is illegal; you must not do that. The result is, I am advised by one of my lawyer friends out there, that he expects today that an injunction will be brought against his client today because the client did that very thing. Think of that. If the farmer has the butcher come out on the farm, and many butchers have an arrangement by which they go out there and bring along

a set of butchering utensils and tools, then he may there butcher the hog and bring it down to the locker and to be put in his locker box.

Mr. BREHM. Mr. Speaker, will the gentleman yield?

Mr. GILCHRIST. I yield to the gentleman from Ohio.

Mr. BREHM. Is it not also true that a Government inspector at $5 a day must be present when that butchering is being done on the farm?

Mr. GILCHRIST. I do not know about that. If that is true, and I take the gentleman's word for it, it is something I do not know about. I am telling you about telegrams that came to me Saturday.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. GILCHRIST. I yield to the gentleman from Wisconsin.

Mr. KEEFE. Does the gentleman or anyone else know of any way of dealing with this problem effectively except to serve notice upon Mr. Prentiss Brown and the O. P. A. that unless and until these practices are corrected he need not expect any funds from this Congress to carry on any longer? That is the only way I know of by which you can do business with him.

Mr. GILCHRIST. Mr. Speaker, that would be one way to solve it, but we must solve it. I am not now talking about the bill, because as I understand it no one really is fighting this bill. I understand an amendment will be proposed, which may be adopted. I do not know that I care to agree to it, but that is another matter. I have heard so much bickering between the two sides of this House as to what the Republicans have done and what the Democrats have done, and statements are frequently made that the Democrats have put over all of the great advantages to the farmers. I agree that they have done many good things; but 4 years ago, along in 1939, they were selling hogs out there for about $4 a hundred, which now go at $14.50 or $15. I can remember when during a Democratic administration we were selling our corn for 8 cents a bushel, not enough so that we cared to haul it downtown to buy coal with its proceeds, and the farmers actually burned the corn in their stoves to keep them warm in their homes rather than haul it to town and sell it to bring back coal. That was in Democratic times. What is the use of our bickering now about those things? We are all trying to get the farmer back to parity. What is parity? The relation that existed from 1909 to 1914. Everybody wants to get back to that, do they not? Do you know who was in charge of this Government from 1909 to 1914? The Republican Party was in charge, and a Republican President sat over there at 1600 Pennsylvania Avenue. Let us quit that sort of thing, let us put our shoulders to the wheel and make farming what it ought to be—a prosperous business for our farmers and a necessary one for our boys in northern Africa and down in the South Pacific. This bill provides simply that the C. C. C. can have the right to sell another hundred million bushels of wheat. The committee put into the bill the statement that it should be sold at the parity for corn, and that is the way the bill stands today.

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield? I want a little information.

Mr. GILCHRIST. Yes.

Mr. ROBSION of Kentucky. There are two kinds of corn—yellow corn and white corn—and they have different prices. What kind of corn is meant?

Mr. GILCHRIST. Yellow corn, No. 1, the price upon which parity prices are based, although I understand that in the Chicago market there is no difference in the real parity price between the Yellow No. 1 and Yellow No. 2. The top price in Chicago of No. 2 is the same as the top price of No. 1, because all corn is under so low a ceiling that the price on the No. 1 is no more than on No. 2. White corn is much higher in value.

Mr. SMITH of Ohio. What is the total amount of wheat that the Commodity Credit Corporation is holding at the present time?

Mr. GILCHRIST. I was told this morning that there is a wheat carryover or will be the 1st of July of about 700,000,000 bushels.

Mr. HOPE. The amount of wheat now in the hands of the Commodity Credit Corporation which is owned is approximately 208,000,000 bushels, and in addition to that they have loans on a little over 400,000,000 bushels to which they have not yet taken title.

Mr. GILCHRIST. Mr. Speaker, I intended to make a speech on the bill, but I have not done that because the bill itself seems to be agreed upon.

The SPEAKER. The time of the gentleman from Iowa has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. EDWIN ARTHUR HALL].

Mr. EDWIN ARTHUR HALL. Mr. Speaker, earlier in the debate this afternoon remarks were made by the gentleman from Illinois [Mr. SABATH] to the effect that I rose in the House and flourished an auction sale sign indicating that the farmers were selling out at a profit. It happens that a couple of months ago I did display an auction sign in the House. I pointed to it because I was afraid that the farmers throughout the Nation were selling out. I said at the time they were having auction sales because they were being forced to do it. They could not get labor with which to run their farms. They were unable to get enough farm machinery. I pointed out the seriousness of the situation then, and I regret to say it is worse now. I assure the gentleman that I did not rise in the House because I was laboring under any delusion that the farmer was operating at a profit and that he was selling his farm at a profit. It takes a good many years for a farmer to build up a dairy herd. It takes a lot of sweat and toil to raise a herd of cattle from which to get good milk and to operate a dairy farm and market the milk. I say to the gentleman that the farmers in my district certainly never sold out for a profit. They would not be selling at all, but they are being forced to at this time because they just cannot keep operating under the conditions that exist. Incidentally out of 200,000 applications for farm machinery, less than 20,000 have been approved by the War Production Board. I think we can place the blame upon the gentleman mentioned a little while ago, Mr. Weiner. They tell me that he is a lawyer from the metropolitan district. He knows nothing about farm machinery, and he is holding up 90 percent of the applications that have been submitted for farm machinery and consequently the farmers throughout the country are unable to carry on or to take part in a food-for-production program. I stand at this time to take exception to any accusation that I held an auction sign here in the House indicating they were selling out for a profit. As a matter of fact, there is not a farmer in my district who would not love to keep on producing food for freedom if he were given half a chance. There is not a farmer in my district who would, after years of toil in building up a dairy herd, sell out for anything at this time if he could get some cooperation and understanding from his Government.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. DIES. Mr. Speaker, I yield 4 minutes to the gentleman from California [Mr. VOORHIS].

Mr. VOORHIS of California. Mr. Speaker, I have listened with great interest to the speeches that have been made this afternoon; and with many of the expressions of concern of the gentlemen I am in agreement. I feel that the plight of small business is one of the most serious things from the standpoint of the future of our country that I can imagine. I think it is traceable quite as much to the fact that control of the War Production Board is so largely in the hands of representatives of the very biggest business concerns of this country as to any other cause.

But when we come to the problem of agriculture, I want to say what I have said on previous occasions. There is another way to get around the problem of price control, if the Congress wants to take it. It is the way I pointed out when the price-control bill was first passed. If the Congress wants to do three things, we could get along with no more price control than control over prices that can be manipulated by monopolies. But Congress would have to do three things. It would have to pass a tax program and a compulsory savings program which, taken together, would be stiff enough so that we would not have a serious excess of buying power in the hands of the people over the supply of consumer goods.

If we go to that extent on those two lines, then we might be able to get along without any kind of artificial price control such as we have now and such as nobody likes.

The third thing would have to be to prevent the creation of money by private banking institutions of the country, because unless that is done it is simply out of the question to prevent inflation of the

monetary supply. Unless the Congress is going to take those steps it is necessary to have a Price Control Administration if inflationary price increases are to be avoided. But ceilings on agricultural commodities must not be fixed on the basis of simply an average return to the average farmer. These are supposed to be ceiling prices. And unless we are to lose production, those ceilings have to be real ceilings, taking into account the cost of production of all producers in that given field, especially the small ones. I am convinced that those ceilings, in many instances, have to be adjusted on the principle that production is our No. 1 need so far as food is concerned, and that this requires that all farmers be enabled to go ahead with production under the ceilings fixed. If the O. P. A. does not proposed to do it, I stand ready to vote for legislation, some of which has already been reported by the Committee on Agriculture, which will have the effect of making these agricultural prices high enough to enable the farmer to cover his cost, including the increased labor cost which most farmers have.

We are in the midst of the greatest war the country ever saw. Under those circumstances, great powers have been granted to the executive agencies, and nobody is smart enough to know how to administer this power without making some mistakes. To the extent that Congress by legislation can correct it, it should be done. To the extent that we can secure correction without legislative action that is quicker and better. But this whole great national task must and will be done—difficult though it be.

The bill before us today from the Committee on Agriculture is an important bill, to release 100,000,000 bushels of wheat for feed purposes. The farmers in my district, poultrymen, dairymen, and people like that who feed grain, are interested in it, because they need that grain for feed. I am not going into an argument particularly at this moment about the price at which I think it should be sold, but I am going to say that in any case it is vitally important that this wheat be released.

I earnestly hope that the bill will be passed for that reason.

The SPEAKER. The time of the gentleman from California has expired.

Mr. DIES. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. FULMER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of House Joint Resolution 83, to permit additional sales of wheat for feed.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of House Joint Resolution 83, with Mr. THOMASON in the chair.

The Clerk read the title of the House joint resolution.

By unanimous consent, the first reading of the House joint resolution was dispensed with.

Mr. FULMER. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, I do not believe it is necessary to take very much time in speaking on this bill because I do not believe there is very much opposition, if any, to the resolution.

Some time ago the Congress authorized the Commodity Credit Corporation to sell 125,000,000 bushels of wheat for feed purposes. Some weeks ago this Corporation came in and stated that all of that wheat had been disposed of, and apparently because of the tremendous shortage of protein feed it was very important that they be given authorization to sell an additional 100,000,000 bushels for feed purposes. I cannot understand what has become of all the cottonseed and soybean meal, but there is very little on the market.

The only question seriously considered by the Committee on Agriculture in considering this bill was the price at which this wheat should be sold. The 125,000,000 bushels previously sold was sold at 85 percent of the corn parity price. The committee amended this bill so that this 100,000,000 bushels of wheat will be sold at 100 percent of the corn parity price. There has been a considerable loss on the sale of the 125,000,000 bushels of wheat and there will be considerable loss under this bill, but we must have this wheat for feeding purposes if we are to take care of the immediate needs of our armies. I shall offer an amendment at the conclusion of the reading of the bill which I believe the members of the committee will agree to. In fact, everyone with whom I have discussed the amendment seemed to be perfectly satisfied with the adoption of the amendment. You will find that in some of the outlying States—for instance, the Pacific Coast States, New England, the States in the East and the South—on account of the freight rate being higher than on the shipment of wheat in the commercial corn area, that this amendment will be helpful to farmers in these outlying areas anywhere from 2 to 20 cents per bushel.

My amendment proposes to give to the Commodity Credit Corporation authority to average corn parity in the regions which will give to those States a price of about $1.03, which would be fair, because as we understand, the sale of this wheat is for the sole purpose of helping farmers secure feed because of the shortage of protein feed and for the additional purpose of increasing production of hogs, cattle, and especially poultry. This amendment would be very helpful to my State of South Carolina; instead of having to pay $1.19 the farmers would be able to buy at $1.03 per bushel. This as stated will also apply to a great many other States. It would be perfectly fair and in line with my idea of passing such legislation.

Mr. VOORHIS of California. Will the gentleman yield?

Mr. FULMER. Yes.

Mr. VOORHIS of California. I would like to say that I appreciate very much the gentleman's offering that amendment. I think it will be very helpful.

Mr. FULMER. I thank the gentleman. This amendment will be perfectly satisfactory to the Commodity Credit Corporation.

Mr. CUNNINGHAM. Will the gentleman yield?

Mr. FULMER. Yes.

Mr. CUNNINGHAM. As I understand the parity price of corn on the Chicago market today is about $1 or $1.03.

Mr. FULMER. To $1.08.

Mr. CUNNINGHAM. With the parity price to the farmer out on the farm considerably less, maybe 10 to 12 cents a bushel less.

Mr. FULMER. I understand each county has a different corn parity price ranging I believe from 97 cents to $1.19.

Mr. CUNNINGHAM. Under the resolution will the wheat be sold to the farmer for feed purposes at the Chicago parity price or parity price out on the farm?

Mr. FULMER. The farmer would have to pay the freight difference which would give the parity price based on the Chicago market.

Mr. CUNNINGHAM. In other words, $1.02 or $1.03 even though he is going to feed it to his own stock?

Mr. FULMER. That is right. In the commercial corn areas it will be 100 percent of the parity price, but in the outlying States that I referred to a while ago, when you add the cost of freight the price might be as high as $1.03 up to $1.19 per bushel.

Mr. MORRISON of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. FULMER. I yield.

Mr. MORRISON of North Carolina. Mr. Chairman, I am very agreeable to this bill, but there is not much trouble about the carbohydrate foods anyway, corn and wheat and that sort of thing; our great difficulty is the protein feed.

Mr. FULMER. The gentleman is correct.

Mr. MORRISON of North Carolina. And there is great scarcity there, because last year in the increased production of milk, butter, and chickens, and all those things, that have had to have protein feed we used an unparalleled amount; and is there any prospect?

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. FULMER. Mr. Chairman, I yield myself 2 additional minutes.

Mr. MORRISON of North Carolina. Is the gentleman's committee doing anything to bring in some legislation looking to the increased production of proteins, which I know, as a farmer, is the very greatest trouble we have in producing milk and meats?

Mr. FULMER. I will state to the gentleman that that is very important and my committee is deeply interested in doing everything possible, and the Department has offered incentive payments in a great many instances to bring about an increased production of certain crops.

We had a bill up for consideration some time ago to increase production of peanuts for oil and for peanut meal.

Mr. MORRISON of North Carolina. Yes.

Mr. FULMER. One of the major troubles today is the shortage of cottonseed and soybean meal, and that is what necessitates the passage of this bill for the sale of this wheat. We have quite a surplus of corn and wheat which we could use, and no doubt this ought to be 200,000,000 bushels instead of 100,000,000 bushels.

Mr. MORRISON of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. FULMER. I yield.

Mr. MORRISON of North Carolina. May I inject this remark? This may do some good to agriculture in this country and the production of foodstuffs, especially meats, is so dependent on an increase of the protein feeds that if something is not done by the Government to tremendously artificially stimulate the production for proteins we are going to run into disaster.

Mr. FULMER. I may say to the gentleman from North Carolina that every member of my committee has been working faithfully during the whole year 1942 and up to the present moment in the hope of solving many of the problems confronting the farmers of this country.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. FULMER. I yield.

Mr. AUGUST H. ANDRESEN. I think that my chairman misunderstood the question asked by the gentleman from Iowa about the price at which feed wheat was to be sold on the farm. Each county in the country where they will buy this wheat has a definite corn parity price, and the wheat is to be sold on the farm or in that county at a certain definite corn parity price as of that county and not as of Chicago.

Mr. FULMER. I am very glad to have the gentleman's explanation.

Mr. O'HARA. Mr. Chairman, will the gentleman yield?

Mr. FULMER. I yield.

Mr. O'HARA. The situation out our way is that our high-protein feeders are very short of food and are very much interested in the bill, but can the gentleman tell me why it is so difficult for feeders to get soybean meal or cottonseed meal at this time? Is there a shortage of production or distribution, or what is the trouble?

Mr. FULMER. I have had that up with the Commodity Credit Corporation. At the beginning of the cottonseed crushing season it was thought that cottonseed meal would be a drag on the market, but it has all disappeared, or someone has bought up considerable of this meal, holding hopes that they may get higher prices later on. Some days ago the Secretary of Agriculture announced a 10-percent increase in cotton acreage, hoping that we will be able to increase the production of cottonseed meal, and every effort is being put forth to increase soybeans for oil and meal.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN].

Mr. AUGUST H. ANDRESEN. Mr. Chairman, last year we had up for consideration the sale of 125,000,000 bushels of Commodity Credit wheat at 85 percent of corn parity. I opposed the bill. I opposed it for the reason that I believed that all farm products should be sold at parity prices. Since that time we have gotten into a desperate situation so far as feed is concerned in this country, and we now have reached the stage where 75 percent of all essential foods are placed under the point-rationing system because of scarcity.

I am interested in getting food for the American people and food for our armed forces. We must maintain the morale of the people at home and to give the boys in the service everything they need in abundance. I am not so much interested in the price that this feed wheat is sold at as I am in converting the feed wheat into food for human consumption.

You will note at the end of the bill a committee amendment which provides that this wheat is to be sold at corn parity prices. I am opposed to the committee amendment, as I want it sold at the price at which the 125,000,000 bushels were sold; in other words, at 85 percent of corn parity. My reason for that, as I have already stated, is that I am interested in getting food for the American people. I cannot subscribe to the argument that if this wheat is sold for 85 percent of corn parity that it will force down the price of corn.

I live in a commercial corn area. Eighty-five percent of the farmers in my district went along with the New Deal triple A program. They planted the corn acreage that was allotted to them by the triple A. Since last year's crop the Government has asked our farmers to double their poultry flocks, to double their hog and cattle production, and to produce more dairy products. Because we followed the triple A acreage allotment program, the farmers were not able to produce all the corn necessary to take care of present demands. We have used up all of our corn and we must now buy the feed with which to produce these additional farm products. That is why I am urging the defeat of the committee amendment.

If the O. P. A. would lift the ceiling on corn from $1 in Chicago to $1.08 you would see corn go up to $1.08.

Mr. CUNNINGHAM. Will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Iowa.

Mr. CUNNINGHAM. As a matter of fact, the gentleman stated a while ago to the gentleman from South Carolina [Mr. FULMER] that the farmer, under this bill with the committee amendment, would be paying less than parity for his wheat that he has to feed.

Mr. AUGUST H. ANDRESEN. No. He would pay corn parity on the farm.

Mr. CUNNINGHAM. I understood the gentleman to say that corn parity on the farm is less than the Chicago market.

Mr. AUGUST H. ANDRESEN. No; the Chicago market has nothing to do with the corn parity on the farm. That is an entirely different thing.

Mr. CUNNINGHAM. What is the price per bushel full parity to the farmer for corn on the farm?

Mr. AUGUST H. ANDRESEN. The average corn parity on the farm is between $1.01 and $1.02 per bushel. That is the average parity and that differs according to States and counties, depending on the location of the farm.

Mr. CUNNINGHAM. That is the price the farmer would have to pay for this feed wheat?

Mr. AUGUST H. ANDRESEN. Yes; but it will not be the price in Chicago.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HOPE. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. O'CONNOR. Will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Montana.

Mr. O'CONNOR. I imagine that parity is determined to some extent by the freight rates and all that sort of thing?

Mr. AUGUST H. ANDRESEN. That enters into it, but I do not have time to go into a discussion of that now. The gentleman knows what it is as well as I do, and so do others here.

Mr. O'CONNOR. Parity in your section of the country and mine would be a little bit different. For instance, in my section I imagine parity on corn would be about $1.03.

Mr. AUGUST H. ANDRESEN. Parity would be about $1.03, yes.

Mr. O'CONNOR. That is what our stockmen would be required to pay for the wheat they will buy from the Government when we pass this bill?

Mr. AUGUST H. ANDRESEN. That is right. They will have to pay more than those living in other areas. The proposition that the Chairman has made is going to make feed wheat cheaper in the coastal areas than it is in the areas where they produce wheat.

Mr. PACE. Will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Georgia.

Mr. PACE. Has the gentleman seen the details of the price in each State? It does not support the gentleman's statement.

Mr. AUGUST H. ANDRESEN. I have not seen that particular statement.

Mr. PACE. The average price in the outlying areas would be $1.03, and the average price in the immediate corn area would be from 94 cents to $1.03.

Mr. AUGUST H. ANDRESEN. They may have moved the parity down, because the general average parity on corn, according to figures from the Department of Agriculture, is $1.01 and $1.02 on the farm.

Mr. PACE. I think that is true.

Mr. AUGUST H. ANDRESEN. That is what I am referring to. I have not had a chance to study that particular table.

The CHAIRMAN. The time of the gentleman has expired.

Mr. FULMER. Mr. Chairman, I yield 2 minutes to the gentleman from Idaho [Mr. WHITE].

Mr. WHITE. Mr. Chairman, this is a very important and necessary piece of legislation. In order that you may know how important it is to the people of Idaho I will read a telegram from our Governor as follows:

BOISE, IDAHO, *February 19, 1493.*
Hon. COMPTON I. WHITE,
Member of Congress, Washington, D. C.:

Immediate action imperative to make Federal feed wheat available for Idaho livestock industry Sales suspended February 17 and Agricultural Adjustment Administration reports congressional action needed to make more available. Many farmers without feed wheat now and situation most serious.

C. A. BOTTOLFSEN, *Governor.*

Mr. Chairman, I have other telegrams here from various individuals which I will read:

RIGBY, IDAHO, *February 21, 1943.*
Representative COMPTON I. WHITE,
Washington, D. C.:

Jefferson County will need an additional 300,000 bushels of wheat to feed livestock until harvest. We are advised that feed wheat from Commodity Credit Corporation is exhausted. We recommend an additional quota of wheat be set up by Congress for feeding purposes.

JEFFERSON COUNTY LIVESTOCK ASSOCIATION,
L. M. WILLIAMS, *Secretary.*

SALT LAKE CITY, UTAH, *February 20, 1943.*
Hon. COMPTON WHITE,
House of Representatives,
Washington, D. C.:

Hope you can support bill to make an additional allotment of wheat available for feeding purposes at reduced prices. Immediate stoppage of program will seriously upset production of poultry and eggs. Protein feeds in Utah are far short of required amount. Have taken matter up with United States Department of Agriculture. If there is anything you can do will appreciate it very much.

DRAPER POULTRYMEN, INC.

OGDEN, UTAH, *February 19, 1943.*
Representative COMPTON WHITE,
Washington, D. C.:

Discontinuance of feed-wheat program seriously disrupting livestock and poultry feeding this territory. Urge your support bill for allotting additional supply of Commodity Credit Corporation wheat for feed. Turkey contracts being canceled and livestock going to market unfinished due to uncertainty of future feed-wheat program.

FARMERS GRAIN COOPERATIVE.

GOODING, IDAHO, *February 19, 1943.*
Hon. COMPTON I. WHITE,
Representative:

Vigorously protest stoppage of the feed-wheat program. Eight hundred members Gooding County Marketing Association with 28,000 head of hogs to be marketed 1943 depending on Government wheat. Only 10 days' supply on hand. Letter follows.

GOODING COUNTY MARKETING ASSOCIATION,
E. J. PALMER, *Secretary.*

Mr. Chairman, to supplement the forage crops we raise in Idaho we must have grain to produce milk, butter, eggs, and pork so badly needed to supply the armed forces of this country. Mr. Chairman, it is vitally necessary that we pass this bill.

The CHAIRMAN. The time of the gentleman has expired.

Mr. FULMER. Mr. Chairman, I yield 5 minutes to the gentleman from Montana [Mr. O'CONNOR].

Mr. O'CONNOR. Mr. Chairman, this is very much needed legislation. The chairman of the Committee on Agriculture and every member of that committee of the House is entitled to be congratulated for bringing this bill before the House just as quickly as possible under the rules. The Rules Committee is also to be congratulated for being so prompt.

In my section of the country, in Billings, one feeder is feeding 4,000 steers. He was running short of feed as the 125,000,000 bushels of wheat that could be sold belonging to the Government had been exhausted.

Over in Billings they have worked out a new plan of running this wheat through a steam roller. It comes out flat, looking almost like oatmeal and experts say that 10 pounds a day of this wheat will do as much as corn ever did for a critter. I am sorry to say this to my good friend, the gentleman from Iowa [Mr. GILCHRIST], because it seems like wheat is going to make a good substitute for corn for feeding. The passing of this bill will mean a lot for Montana.

I also call your attention to the place Montana occupies in the livestock production of this country. Texas was first in the production of wool in 1942 and Montana was second. The wool growers in Montana received $13,186,000 for the 1942 clip and those in Texas received $20,748,000. In the production of cattle, Montana is third. So you see that we produce a lot of mutton, lambs, wool, and beef. We must have feed to fatten this livestock.

I am for this bill and I hope it will be passed without any votes against it.

Mr. GILCHRIST. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR. I yield to the gentleman from Iowa.

Mr. GILCHRIST. Does the gentleman think wheat is a better feed than corn?

MR. O'CONNOR. I would not say that.

Mr. GILCHRIST. Suppose we say it is.

Mr. O'CONNOR. I will say it is a good substitute.

Mr. GILCHRIST. Then should it not pay more than corn?

Mr. O'CONNOR. We are paying the same for the wheat under this bill as you pay for corn now; $1.03 is just what your corn is worth.

Mr. WHITE. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR. I yield to the gentleman from Idaho.

Mr. WHITE. As a matter of fact, the freight differential and the restrictions on the movement of the freight make it doubly necessary to use wheat in the West.

Mr. O'CONNOR. Exactly, because we would be obliged to import corn from such States as Iowa into our State, as we produce very little corn in our State.

Mr. SULLIVAN. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR. I yield to the gentleman from Nevada.

Mr. SULLIVAN. I agree with what the gentleman from Montana has said. May I say also that I have received many telegrams from the cattlemen and poultrymen of my State telling me how urgent it is that this bill pass.

Mr. O'CONNOR. Yes; it will be of great help to all of our western country; and I hope the Senate acts on the bill quickly.

The CHAIRMAN. The time of the gentleman from Montana has expired.

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. CLEVENGER].

Mr. CLEVENGER. Mr. Chairman, this price on wheat is, of course, brought about by something that has happened heretofore in the handling of the wheat crops. Ohio is, I believe, the fourth wheat State of the Union. Wheat is one of our principal crops. For the life of us we cannot understand, in view of the present prices of milk and eggs and the rising prices of farm products generally, just why this valuable cereal wheat must be footballed around the country. We wonder why it is that our farmers cannot receive their return at the stockyards and the elevators instead of getting a hand-out from the Treasury in the form of a subsidy.

We have been at this subsidy business quite a little while. I find that this last year we distributed throughout the country over $111,000,000 more for subsidies than in the previous year.

For proof of whether or not this A. A. A. program has been effective, you certainly must go back to the 6-year record made between 1933 and 1939. The price of cash wheat in Chicago on November 1, 1932, was 56.5 cents a bushel. In August 1939, after 6 years of subsidy, the price of wheat on the Iowa farm was 55 cents a bushel, and that with a subsidy that averaged 28 cents a bushel on every bushel exported. It does not look to me as if that is an effective remedy for what is wrong with us.

Steers in Chicago on November 1, 1932, were $9.50 to $10 on unsubsidized market. In August 1939, just before the influence of the war began to make itself felt, they were $10.25 to $11 in Chicago, just a little rise.

Our troubles, what took us, in the language of the venerable Senator from South Carolina [Mr. SMITH] into the middle of the hell of a fix we are in right now on food, may be related somewhat to killing pigs and killing cows and cutting holes in their hides so some fellow could

not sell them and get a pair of boots out of them.

We know, too, Mr. WALLACE's position on sugar. He is on record as saying it should not be raised here because it might be produced in the Tropics more cheaply than here. He says the same thing about rubber, and intimates that we might do better by dismantling our plants, if and when we get them into production, at the close of this war. The gentleman is just leaving for another 4 weeks down in Latin-America, where they are going to grow some rubber trees. We wonder just what the gentleman is going to commit us to during this pilgrimage.

I am not going to oppose this additional subsidy out of the Treasury to sell this wheat, but I want to leave this thought with you: After 10 years of this program and subsidies of billions of dollars, if the best comfort you have to offer a farmer is that he must be put in the light of coming here in the middle of a great war and receiving a subsidy from his Government to produce food, you do not think as much of farmers as I do. I think they are entitled to have their self-respect back again. I think they are entitled to have the value of that wheat—the best poultry feed—reflected in the price of eggs and poultry and not in the Government subsidy. One of our troubles is a lack of freedom from fear.

You are going to have an impact on all of your farm fats. You are going to have the full impact of that program on the price of your butter, of your lard, of your beef suet, your beef fat, soybeans, peanuts, and cottonseed oil, just as soon as shipping begins to carry back from the Orient the oils that years ago were landed on your shores at about 2¼ cents a pound. The duty has been taken off them. What are hogs going to be worth? They are going to come into direct competition with vegetable oils.

We have a law providing that a person must dress himself sufficiently to cover his nakedness when he goes out to work, but he is going to compete with men down on those islands, even with monkeys who are trained to pick coconuts, who are not required to wear clothes, where there is no law against indecent exposure of the person. I am not in favor of subjecting the farmer to that competition.

Mr. Chairman, I shall not oppose this bill; farmers' sons and daughters in the services provide the incentives to produce; they need manpower and machines, not subsidies; this, therefore, certainly is ill-advised legislation. It is silly to continue to subsidize instead of allowing market values to provide the return. It is time to quit kidding the farmers.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. MURRAY].

Mr. MURRAY of Wisconsin. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MURRAY of Wisconsin. Mr. Chairman, wheat, known as the staff of life, has played an important place in peace, in war, and in the history of the world. Since 1900 the United States acreage has been around 50,000,000 acres. The smallest acreages were those in 1904 and in 1934, when the acreage was 43,000,000 acres; the highest acreage was that of 1919 when it was over 73,000,000 acres. The national production in bushels has varied from 555,000,000 bushels in 1904 to over 1,000,000,000 bushels in 1915.

The net exports of wheat since 1900 have been over 30 percent of our production for 1900, 1901, 1902, 1914, 1918, 1920, 1921 and 1924. The highest exportation was that of 1914 when it reached 37.3 percent of the national wheat production. These exports of wheat have gradually decreased during the past 10 years. In 1932 and 1933 the net exports were reduced to 4.3 percent and 4.6 percent respectively.

In 1934, 1935, and 1936, we imported 25,000,000, 46,000,000, and 47,000,000 bushels, respectively, and exported 21,000,000, 15,000,000, and 21,000,000 bushels for the same respective years. In other words, we were on a wheat importing basis for these 3 years.

Evidently one of the important reasons that we have so much wheat in the ever-normal granary is because we have not had the exports. In 1939 our exports were down to 5.8 percent and in 1940 to 3.6 percent of the national production. This latter is the lowest percentage of exports of the years listed.

It will be recalled that of late years, export bounties of over 25 cents per bushel have been paid in order for us to get our wheat into the world market.

The Tariff Act of 1930 placed a duty of 42 cents per bushel on wheat. It was hoped to maintain domestic prices by this duty. The average farm price was 67.1 cents per bushel in 1930 and 38.2 cents in 1932. World wheat was low in price. After the small acreages of 1934 and 1935, the drought and the loss of exports, the wheat situation was embarrassed by the surpluses of 1938, 1939, and 1940. For all millions upon millions of dollars were poured into the wheat areas as subsidies, the loss of exports gave us surpluses which resulted, in 1938, in a price of only 56.1 cents per bushel, which amount also included an allowance for unredeemed loans.

This wheat situation became so serious that on May 29, 1941, an import quota was placed on wheat by Presidential proclamation. In other words, only 800,000 bushels of wheat and 4,000,000 pounds of flour can be imported each year. This is practically an embargo. The quota of less than a million bushels is a small percentage of the 700,000,000 to 900,000,000 bushels annual wheat production. The wheat farmer had 56.1 cents per bushel in 1938, 69.2 cents per bushel in 1939, 68.2 cents per bushel in 1940 through the protection of loans. Even with the millions of dollars of parity funds and other devices, the wheat farmer cannot be accused of obtaining a very desirable price for his wheat. This is apparent when you realize that the wheat farmer received an average of 94.9 cents per bushel average price from 1923 to 1933, after World War No. 1 and only 73.04 cents per bushel from 1933 to 1941 and before World War No. 2. In addition to the 73.04 cents per bushel he received additional funds through Federal borrowings in the form of subsidies.

The price of No. 1 northern wheat in Canada a few days ago was 90 cents per bushel—Canadian price—and 81 cents per bushel in United States money. According to the United States Department of Agriculture, recent prices of Canadian wheat grading 5 and 6 or as feed wheat have ranged from 75 cents to 78 cents per bushel (around 68 cents to 70 cents United States price).

Many livestock producers feel that this near embargo on wheat should be lifted as there is still a 42-cents-per-bushel protection. A few suggest removal of the 42-cents-per-bushel protection as the tariff has already been removed on oils and fats. This was done during the last session of Congress. Many livestock feeders feel it would be desirable to lift the near embargo. The price of wheat in the United States would probably decline, and it is a rather embarrassing situation. The United States Department of Agriculture states in a letter to me:

> The spread between comparable grades of Canadian and United States milling wheat, basis Buffalo, has been over 70 cents per bushel, or around 30 cents above the United States 42-cent duty on such wheat.

In other words, if the near embargo were not in force, the Canadian wheat would come in for flour and feed since they could pay the 42-cents-per-bushel duty and still get 30 cents more per bushel for their wheat in the United States than in Canada. The lifting of the near embargo would increase available feeds but it would also weaken the domestic wheat market.

While livestock producers may be interested in such a plan, the wheat leadership is pretty strong in this country. It is rather strong here in Congress when it can pass and maintain the protective legislation that it has obtained and which protection has not been extended to other crops. Though the crop represents less than 10 percent of the national farm income it is much stronger legislatively than this relation indicates.

During the last session, 125,000,000 bushels of Government wheat were released at 85 percent of corn parity. This is now used up. We are now asked to release another 100,000,000 bushels. The corn people are opposed to selling this wheat at 85 percent of corn parity as they claim it weakens the price of corn. As the United States produces two and one-half to three billion bushels of corn per year and 600,000,000 to 900,000,000 bushels of wheat, you can see where arguments can easily be provided. The resolution, as it comes on the floor of the House, will provide that the 100,000,000 bushels be released at corn parity which is $1.02 per bushel at this time. If passed it will furnish the wheat for feed at an advance of 15 percent in price.

The demand for an increase in the production of livestock and livestock products has created an unusually great

demand for mill feeds. Many farmers secured additional livestock, thinking that they would be able to secure feed at a fair price. This advance in feed costs will materially influence the amount of livestock and livestock products produced in 1943. He cannot understand why a near embargo is placed on this Canadian wheat when, to furnish food for the war, makes it necessary to have every available pound of feed. This wheat makes a good dairy feed. It contains 9.2 percent digestible protein while corn has 7.5 percent of digestible protein, according to Henry and Morrison's Feeds and Feeding.

These dairymen, poultrymen, hog raisers and other livestock producers must be able to secure feed from some source at a fair price if 1943 production is to be the maximum. No fair-minded man wants to be seeking special privileges for his own constituents but every one of us must realize that we are charged with the responsibility of providing the means of securing maximum production. Unless the costs of feed are kept down, dairy products surely must advance in price.

The following letter is the official source of my information regarding the near embargo on wheat that exists today:

UNITED STATES DEPARTMENT OF AGRICULTURE,
Washington, D. C., March 5, 1943.

Hon. REID MURRAY,
House of Representatives.

DEAR MR. MURRAY: With reference to your telephone conversation yesterday with Mr. Gordon P. Boals of this office regarding certain questions about Canadian wheat and feed supplies, prices, and imports, I am very glad to give the following information:

1. Wheat and feed supplies: Canada has a record supply of wheat and feed grains this season and will have a record carry-over of these grains on August 1, 1943, the beginning of their new crop year. On the basis of present information it is estimated that the carry-over of old crop Canadian wheat on August 1 next will amount to around 675,000,000 bushels, a quantity which is approximately equal to 2 years' normal domestic requirements and exports, not taking into account the new crop to be harvested in 1943. Further, it is estimated that the carry-over of Canadian barley will be around 125,000,000 bushels and oats will approximate 225,000,000 bushels (32 pound basis).

2. Feed wheat: Despite the record crop of 1942 which included a considerable quantity of lower-grade wheat, only limited quantities of such wheat have been marketed by Canadian farmers. This situation is due in large measure to the marketing quota in Canada which permits only 280,000,000 bushels of 1942 crop wheat in the prairie provinces to be marketed during the current season out of a total prairie production of 565,000,000 bushels. Since feed wheat usually sells at a substantial discount, farmers who can market only part of their production prefer to sell the best wheat they have and thereby receive the most cash income possible. Likewise, the opportunities of marketing feed wheat in the form of livestock or livestock products are also very favorable in Canada at the present time so that a considerable quantity of low-grade wheat is being fed in the country.

3. Import quotas and duties: As a result of the President's proclamation on May 29, 1941, an annual wheat import quota of 800,000 bushels and a wheat-flour quota of 4,000,000 pounds was established. Of this total quantity Canada was granted a quota of 795,000 bushels of wheat and 3,815,000 pounds of flour. Feed wheat is not included in the quota. The Canadian Government under authority of the War Measures Act has required since August 25, 1941, an export permit from the Canadian Wheat Board for exports of wheat grading No. 4 or less and of barley and oats. During the 1941-42 season few export permits were granted due to the reduced feed supplies in Canada.

4. Prices: The Canadian Government has had a guaranteed price for wheat applicable for 1942 crop wheat and to be continued for 1943 of 90 cents Canadian (81 U. S. cents) basis No. 1 Northern in store at Fort William, Port Arthur, or Vancouver. Recent prices of Canadian wheat grading No. 5 and 6 or as feed wheat have ranged from 75 to 78 cents (around 68 to 70 U. S. cents). The spread between comparable grades of Canadian and United States milling wheat basis Buffalo has been over 70 cents per bushel or around 30 cents above the United States 42-cent duty on such wheat.

I hope that this information will answer the questions which you had in mind.

Sincerely yours,
L. A. WHEELER, *Director.*

Mr. Chairman, in order to discuss this whole wheat problem it would be necessary to have involved with it our whole domestic and foreign agricultural program. During the past year agents of the Government have asked farmer after farmer to buy another hog or sow or more poultry in order to produce 12 percent more livestock and livestock products than ever before. We are talking about 100,000,000 bushels of wheat, and I dare say, though I do not want to go on record as seeing into the future, that it will do well if it lasts 30 days. Three years we had to import wheat—1934, 1935, and 1935—regardless of the amount of money we spent for not raising it. We still imported more than we exported, with the result that some years we had to spend 25 to 28 cents per bushel to get rid of it. The reason we have this surplus today is because we have lost our export market and we have had good crops. That is the reason our ever-normal granary has become an abnormal granary. It has not been because anybody has been smart. I again call attention to it at this time because on May 29, 1941, we had by Presidential proclamation what is really an embargo on wheat. I would not want to get into a discussion of the iniquitous Smoot-Hawley Tariff Act, but I will call your attention to the fact that this act was supplemented by a near embargo. Since May 29, 1941, we have not been able to import more than 800,000,000 bushels of wheat and 4,000,000 pounds of flour per year heretofore mentioned.

Mr. WHITE. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Wisconsin. Yes.

Mr. WHITE. The gentleman fixed the date of May 29, 1941. Go back 10 years to May 31, 1931, and he will find that in a Republican administration the Farm Board was doing the same thing. They were paying a subsidy on wheat.

Mr. MURRAY of Wisconsin. My answer to the gentleman from the great wheat State of Idaho is that the only time we have produced a billion bushels of wheat in this country was in 1915, and this was before you had either a farm board or the present agricultural program, but that has nothing to do with it. The point is that this little 100,000,000 bushels of wheat will amount to nothing. We must have a much larger supply of available feeds. I would like to know why we need a near embargo on wheat at this time? If anyone can tell why it should not be lifted, I would like to have that presented now. If no one can defend the near embargo on wheat, it surely has not any valid reason for being in effect.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. FULMER. Mr. Chairman, I yield 3 minutes to the gentleman from North Carolina [Mr. MORRISON].

Mr. MORRISON of North Carolina. Mr. Chairman, a great many of these evils that we are thinking about are mere evil prophecies. Last year the United States people produced more foodstuffs than ever before in our history, with many difficulties with bureaucrats, and so forth. We produced more feed than we needed, and more than we and our allies could use. We are threatened in the future, but, according to the facts established by the agricultural people of this country, we have reason to be very hopeful of getting through our difficulties gloriously. We heard something about figures about poultry and eggs this year.

A prophecy by a staff writer in the Wall Street Journal, certainly not a champion of bureaucrats and the New Deal administration, states that according to the returns from the poultrymen of this country, actual reports, we promise to produce 6,000,000,000 dozen more eggs this year than we did last year, the greatest year of production in our history, and that the commercial hatcheries had already sold all their chickens that they had to hatch this spring. That is good, but some of our friends talk about various difficulties that we cannot talk about. I will not have time to do it, this thing of not letting the farmer butcher his meat, as some gentlemen referred to, while they were hurrying all of the beef to the butchers everywhere, and establishing quotas beyond which the abattoirs could not operate, in order to protect the American people from possible suffering, and our Army—not from meanness, not from any devilish spirit of some infernal bureaucrat that hated everybody and wanted them to suffer, but carrying out what they thought was best. They limited what the butchers could butcher to the quotas based on what we had done, and the farmer could butcher his meat at home, but could not put it in the regular trade channels without Government inspection, and that is all there was to it.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. GILCHRIST].

Mr. GILCHRIST. Mr. Chairman, I call attention to the fact that this bill

as first introduced provided that the Commodity Credit Corporation should sell their wheat at 85 percent of corn parity. You understand that it was not 85 percent of wheat parity, but at 85 percent of corn parity. That is what has been going on heretofore. It put the Government in business. My friends on both sides of the aisle know that that is an iniquitous thing. The previous law provided that the government should buy this wheat and pay 120 or 140 cents or whatever the price might be to the wheat producer and then turn around and bring it into the corn country and sell it for 85 cents. That was advanced as a fair thing. Can you think of anything worse than that method of putting the Government in business? Certainly not.

The Government thereby lost money, and under this bill as originally proposed it provided for the sale of 100,000,000 bushels, upon which the Government would lose about 35 cents a bushel, or $35,000,000. That is what would happen if the committee amendment which you will see in italics in the bill were left off of the bill. So that those of you who believe in economy, who think that the time has come when this Government ought to economize a little and save a little money, should vote for that committee amendment. I hope there is no member who will offer an amendment to strike it out, or to eliminate it from the bill.

So I say to you who do not believe the Government should be in private business, to vote for that amendment. Any laboring man or labor advocate on the floor of this House should also vote for that amendment, because labor, and workingmen are opposed to scabs, men who will take over your job at a less price. But now it has been proposed that wheat should come into the corn country and scab, because advocates of the original bill—without the amendment—want to give wheat the right to sell itself at 85 percent of corn parity. So I say that anyone who believes in labor ideas should vote for that amendment which has been put on the bill, and not favor any scab wheat.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. GILCHRIST. I yield for a question.

Mr. O'CONNOR. I wonder if there is any wheat being shipped from the heavy wheat producing States like North and South Dakota, Montana, and Kansas into the State of Iowa, to compete with your corn?

Mr. GILCHRIST. Lots of it. My office is within two blocks of an elevator. A great deal of that wheat has come in and I could look over and see them hauling wheat away from that elevator to my farmers, because they could get it at 85 percent of what they had to pay for corn. And wheat is good feed. The gentleman said it was better feed than corn. Very well. If it is better feed, then certainly they ought to pay more per bushel for it.

Mr. O'CONNOR. But the 125,000,000 bushels that were to be sold at 85 percent of corn parity have already been exhausted.

Mr. GILCHRIST. I have not been at home for several months.

Mr. O'CONNOR. Well, the gentleman ought to go home once in a while.

Mr. GILCHRIST. Yes; my very dear friend from Montana is right about that. I really ought to go home oftener than I do. But I simply say to you that this bill without the amendment would permit wheat to be brought into my country and your country and scabbed as against corn, because it would permit them to sell it at 85 percent of the price for corn parity.

It would break the market price and it did break the market price when this bill was passed last year, 4 cents a bushel. I telephoned to my son while the bill was being enacted and told him to sell our corn, and he did, and we got 4 cents a bushel more for it than it would have sold for on the next day because the passage of the former bill broke the corn market that much.

Government wheat ought to be furnished to feeders at a good low price, but the Government should not buy this wheat at a high price and then bring it into the corn country and sell it at such a low price as to break down corn prices. To use an expression often heard in labor circles, wheat ought not to be a "scab" as against corn. The wheat farmer has had many advantages that corn farmers do not get, such as insurance at Government expense, as higher parity payments per bushel at Government expense, as higher conservation payments per bushel at Government expense, as higher commodity credit loans per bushel at Government expense. Corn does not get any crop insurance protection at all. This wheat insurance has been costing the Government large sums every year. Last year the loss to the Government by reason of crop insurance on wheat was 20 percent more than the premiums received by the Government, and in previous years the loss has been even more. There never has been a year in which crop insurance on wheat paid its own way. Government feed wheat should not be held too high nor as high as wheat for milling, but it should not be sold at less than the corn parity price. Even then it will be a bargain for feeders. The feeders now have the highest returns that have even been known since the First World War and perhaps higher in some respects than then. Let wheat be sold at a bargain price to feeders. But do not injure corn prices for our farmers. The Government should not pay wheat producers $1.20 or more per bushel and then turn around and depress the corn market by selling that same wheat in the corn country for 85 percent of corn parity, as is now requested. This would cost the Government a difference of 35 cents per bushel for this same wheat. Corn farmers would be compelled to help to pay such a subsidy, although it would injure them materially. Feeders will be satisfied to get wheat at bargain prices without harming their neighbors who raise corn. At present the ceiling price for corn as fixed by the administration is less than parity price for corn. This is a grave injustice. I believe it is illegal.

I will add the following:

First. There is no ceiling price on wheat, but there is on corn; and this corn ceiling price is—March 11, 1943—less than parity and tends to hold corn down. In this respect wheat has an advantage.

Second. Wheat has a little higher feeding value than corn. It has a higher protein content. Here is an advantage it has over corn. Feeders can afford to pay somewhat more for wheat than for corn; but corn farmers are not asking that this be done. All they ask is, that the Government shall not discriminate against them.

Third. Wheat farmers will get higher benefit payments or war crop benefits per bushel than corn farmers.

Fourth. Sale of wheat at 85 percent of corn parity will amount to another subsidy to the wheat farmer in addition to those already given him because the Government will pay from $1.20 and up for this wheat which it is proposed to sell for 85 cents per bushel. This will cost the Government large sums which will be paid as additional subsidies to wheat farmers. This is a distinct detriment to the corn farmer. The Government should not discriminate in such a way.

Fifth. Agriculture as a whole should stand together and one commodity ought not to break the price of another or "scab" against the other.

Sixth. It is probably true that wheat can be fed at less expense and more readily than corn, and millions of bushels of Government wheat have heretofore been used by feeders who are prepared to handle it and who will buy and use it instead of corn.

Seventh. Wheat farmers themselves do not want to sell this wheat at 85 percent of corn parity. No! No! They want to sell it at a good price to the Government and get full pay from the Government, and then have the Government turn around and sell it over in the corn country at prices away below corn. This is unfair. It is an example of the very worst form of government in business.

Eighth. Wheat crops are insured by the Government and this costs the Government large sums over and above premiums received. The losses are much larger than the premiums and corn farmers must help to pay this loss.

Ninth. In a broadcast on February 26 Claude R. Wickard, Secretary of Agriculture, said:

> Wheat is working three shifts in this war. It is going directly into food, and it is feeding animals that produce meat and milk, and it is going into industrial alcohol to make rubber and explosives. We have large wheat surpluses. But with consumption going up, and giving signs of going up still more it is only common sense to maintain as large reserves as we can.

Do not forget to keep wheat in the ever-normal granary.

Tenth. Feeders are getting the best prices they have received in many years

and we must see to it that their prosperity is continued and that feed wheat is furnished them at a low cost.

Eleventh. There never was a time when the corn-hog ratio was so favorable to feeders as it is right now. Hogs and cattle are extremely high in the market places.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Oklahoma [Mr. RIZLEY].

Mr. RIZLEY. Mr. Chairman, the serious shortage of feed and particularly proteins requires immediate passage of this bill. It is my judgment that the bill should increase the amount by 200,000,000 bushels instead of 100,000,000 as provided, so that an ample supply may be made available without the necessity of the Commodity Credit Corporation coming back to the Congress for additional legislation. I consider this as a war measure, otherwise I would not support the sale of the wheat for less than full parity price. We should do everything possible to stop the subsidizing of the American farms and the American farmer. And it can be done if we pay the farmers of this country parity prices in the market place. This bill means a subsidy cost of more than $40,000,000. Only the emergency warrants such action on the part of the Congress.

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota [Mr. O'HARA].

Mr. O'HARA. Mr. Chairman, I think most of us are concerned in these days about our feed situation, and I want to assure you that the shortage of high protein feeds is a very serious matter of concern in my district, because our farmers and elevator men and our feed men are unable, for some strange reason, to get these high protein feed mixtures, such as soya bean meal and cottonseed meal that are so necessary.

Mr. MORRISON of North Carolina. Will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from North Carolina and I wish he would tell me why they are not able to get that high protein feed.

Mr. MORRISON of North Carolina. I wanted to do that in my speech. The demand exceeds anything in the history of our country. On account of this greater demand for livestock and various foodstuffs, we cannot supply the demand, although the production of high protein feeds is greater than ever before. We cannot supply the demand to meet the increased livestock and dairy products production. That is the difficulty. It is not a shortage of production on our part, but because the demand far exceeds anything in the history of the Nation, and unless the production of protein feeds is stimulated in some way, it will probably bring disaster.

Mr. O'HARA. I would like to ask the gentleman from North Carolina this question: Has there been something done to prevent the usual normal distribution of soya bean meal and cottonseed meal, that would not ordinarily happen?

Mr. MORRISON of North Carolina. You might say that the limitation of the cotton crop caused some shortage of the byproduct, cottonseed, from which cottonseed meal is made, but that began quite awhile ago, and it has not caused any trouble until now. The production of the soya bean has increased but not enough. There is nothing to interfere with that whatsoever.

Mr. O'HARA. Let me say to the gentleman that some of our feed mixture people are just throwing up their hands and quitting, because they cannot get a bit of this soya bean meal or cottonseed meal that ordinarily they have had no difficulty in getting.

Mr. MORRISON of North Carolina. As the gentleman knows, I am a farmer——

Mr. O'HARA. So am I.

Mr. MORRISON of North Carolina. A poultryman and a butcher, and I tell you there is the trouble, and the only trouble that we need to fear, and we are not going to get them produced without artificial stimulation. It should be done in some way. Perhaps we ought to subsidize it, or ought to raise the parity. We ought to do anything to keep the American people and our allies in this war from starving.

Mr. STEFAN. Will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from Nebraska.

Mr. STEFAN. Did I understand the gentleman to say this, that the feed mixture people are having trouble getting soybean meal?

Mr. O'HARA. Very serious trouble.

Mr. STEFAN. I thought it was to be liberally distributed by the C. C. C.

Mr. O'HARA. They have not been able to get that help. It has been so little that it has not amounted to any at all.

Mr. CASE. Mr. Chairman, will the gentleman yield?

Mr. O'HARA. Yes.

Mr. CASE. The same situation exists in my district; our people are having trouble getting it.

Mr. ZIMMERMAN. Mr. Chairman, will the gentleman yield?

Mr. O'HARA. I yield.

Mr. ZIMMERMAN. I want to say to the gentleman from Minnesota that the purpose of this bill is to supply this protein feed so badly needed for the dairy industry and for the poultry industry.

Mr. O'HARA. But I am afraid that it will not last long.

Mr. ZIMMERMAN. The gentleman is not opposing the bill?

Mr. O'HARA. Not at all; I am for the bill, but I am afraid that it will not solve our trouble.

Mr. MORRISON of North Carolina. Mr. Chairman, will the gentleman yield for a question?

Mr. O'HARA. Yes; gladly.

Mr. MORRISON of North Carolina. Wheat is not classified as a protein feed; it is very low in protein. It is the next best carbohydrate to corn, but there is very little protein in it, and a man will never make any money producing milk or growing chickens or raising beef or fattening pork on either corn or wheat alone; it will take more feed than it is worth.

The CHAIRMAN. Under the rule, all time for debate has expired.

The Clerk will read:

The Clerk read as follows:

Resolved, etc., That the limitation contained in the Department of Agriculture Appropriation Act, fiscal year 1943, on the quantity of wheat which Commodity Credit Corporation can sell for feed is hereby increased from 125,000,000 to 225,000,000 bushels.

With the following committee amendment:

Page 1, line 7, after the word "bushels", insert a colon and add *"Provided, however,* That no such wheat shall be sold at a price less than the parity price of corn at the time such sale is made."

Mr. FULMER. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. FULMER to the committee amendment:

Page 1, line 9, strike out the period and insert *"Provided further,* That in making the regional adjustment in the sale price of wheat, the minimum price shall not be higher in any area than the United States average parity price of corn."

The CHAIRMAN. The question is on the amendment to the committee amendment.

The amendment to the committee amendment was agreed to.

Mr. HULL. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Wisconsin is recognized for 5 minutes.

Mr. HULL. Mr. Chairman, the purpose of this bill is to encourage the producers of dairy products, poultry, and hogs to increase their production this year. Up to the present time those producers have only had to pay 85 percent of corn parity for wheat for stock feed. If this amendment is adopted, it is going to compel them to pay 100 percent of corn parity.

What will be the effect of this amendment is set forth in a letter to be found on the second page of the committee report. It is from the president of the Commodity Credit Corporation to Chairman FULMER, of the Committee on Agriculture. I call attention particularly to the last sentence, in which he says:

In this latter connection it should be pointed out that if feed-wheat prices are advanced to 100 percent of corn parity sales will be greatly reduced, with resulting large liquidations of poultry and livestock, and that is going to be the effect of this amendment if it passes.

In Wisconsin we are a region of small farmers; we are largely a dairy and a poultry-producing section. The farmers have bought very liberally of Government-owned wheat at 85 percent of the corn parity price, and they want to continue to buy. At this particular season of the year we are very short of foodstuffs for our livestock. Unless this sale of wheat is continued we are going to have more and more of auction sales and

more cows going to the block. At present the auction sales in western Wisconsin are more numerous than they have been in any recent springtime and are nearly as great in some sections as they were last year, when they broke all records. Our farmers this year have probably got more calves on hand than they have ever had before. The Government O. P. A. regulations have so limited the shipping of calves for veal purposes that many of our farmers are holding on to more of them. Unless they can get feed wheat and get it at a reasonable price they are going to dispose of them. Many of our farmers are going into poultry raising more extensively than they have ever done before, and they want more wheat at the 85 percent of corn parity, the same as they have been buying it. Every cent per bushel that is added on to the cost to the farmer is that much of a discouragement of production. If it is desired to encourage the production of poultry and dairy products, there should not be an increase in the price of this feed wheat. The amount involved to the Federal Treasury is far too small to quibble over. This amendment would not mean any more to the producer of corn than if the wheat were sold at 85 percent of the corn parity. It will mean increased cost to dairy farmers without any increase in the price of dairy products.

I should like to see all farmers get full parity prices. I have always advocated that. I am in favor of this present system of so-called parity so long as we have not anything else, but it is a kind of "hocus-pocus" formula. I am hopeful that in this session we may be able to pass the real parity bill and get a parity price. But that issue is not involved here, which will include labor costs and other costs of farm production. The question now is whether the Government is going to furnish this feed wheat to the farmers who are so urgently in need of it at a price they can afford to pay in order to increase dairy and poultry production.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I rise in opposition to the committee amendment.

Mr. Chairman, as I understand it, the amendment offered by the gentleman from South Carolina to the committee amendment has been accepted. I can see a good many reasons why those living on the west and east coasts will be in favor of the committee amendment, as amended, because they will be able to get wheat considerably cheaper, taking into account their location, than those who live near the sources of the supply of wheat.

Mr. PACE. Will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Georgia.

Mr. PACE. Does not the gentleman think they should get their wheat not as cheap but almost as cheap as in the middle of the wheat areas?

Mr. AUGUST H. ANDRESEN. It is a larger subsidy to those who live in the coast areas than it was under the present system, and the gentleman knows that.

Mr. PACE. Not at the expense of the Government.

Mr. AUGUST H. ANDRESEN. Oh, yes, because if you are going to have wheat sold at corn parity prices, people who are living along the east and west coasts would have to pay approximately 20 cents a bushel more for their wheat than they are under 85 percent of corn parity.

Mr. PACE. I can give a direct illustration in my own State. Under the 125,000,000 bushels we pay $1.02 a bushel and under this amendment we will pay $1.03, so that does not quite sustain the gentleman.

Mr. AUGUST H. ANDRESEN. As I understood the gentleman from South Carolina who offered the amendment, he said he was paying $1.35 a bushel.

Mr. FULMER. No, I did not say that.

Mr. AUGUST H. ANDRESEN. What did the gentleman have to pay or what did his constituents have to pay for his feed wheat?

Mr. FULMER. About $1.03.

Mr. AUGUST H. ANDRESEN. It is being sold at the same price.

Mr. FULMER. By averaging the areas in the United States, it would give to the outlying States a price of $1.03 and your corn commercial areas would be sold absolutely on 100 percent corn parity.

Mr. AUGUST H. ANDRESEN. That means you will get it at the same price you paid under 85 percent of corn parity, whereas the farmers living in the commercial corn area will have to pay between 16 cents and 20 cents a bushel more for it.

Mr. CASE. Will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from South Dakota.

Mr. CASE. Without this amendment what would they pay in the coastal areas?

Mr. AUGUST H. ANDRESEN. They would pay from 16 cents to 20 cents a bushel more.

Mr. CASE. The benefit in this amendment is the taking up of the difference between the 85 and 100 percent of parity?

Mr. AUGUST H. ANDRESEN. Yes. People living in the coastal areas will get their wheat at 85 percent of corn parity, whereas the people living in the commercial corn areas will pay the corn-parity prices.

Mr. MASON. Will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Illinois.

Mr. MASON. Does that not mean that the people living on the east and west coasts would be subsidized to the extent of the transportation charges which we in the Middle West that produce the goods would not get?

Mr. AUGUST H. ANDRESEN. The gentleman is correct.

Mr. HOLMES of Massachusetts. Will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Massachusetts.

Mr. HOLMES of Massachusetts. Can the gentleman tell me how much it costs the United States Government annually to store this used surplus of millions of bushels of wheat?

Mr. AUGUST H. ANDRESEN. The storage alone amounts to 7 cents a bushel, but the total subsidy paid by the Federal Government to dispose of this 100,000,000 bushels of wheat will be between thirty and forty million dollars.

Mr. HOLMES of Massachusetts. Does not the gentleman believe that we on the east coast and the west coast have paid our proportionate share in connection with the buying of this surplus wheat and maintaining it in storage all these years, and is it not a further fact, as long as you are going to have this huge surplus of wheat in Government warehouses, that any time wheat rises to a certain level they will dump on the market two or three million bushels?

Mr. AUGUST H. ANDRESEN. The gentleman is arguing in my favor because I want the wheat sold at the same price it has been heretofore.

Mr. ALLEN of Illinois. Will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Illinois.

Mr. ALLEN of Illinois. Would you like to have them send corn up to 85 percent of wheat parity?

Mr. AUGUST H. ANDRESEN. I do not think it would make a particle of difference in view of the big demand for processed foods there is at this time into which corn and wheat goes for human consumption.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the committee amendment as amended.

The committee amendment as amended was agreed to.

Mr. BECKWORTH. Mr. Chairman, I offer an amendment which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. BECKWORTH: At the end of the committee amendment, strike out the period, insert a colon and add "*Provided further*, That any producer of any feed crop may feed such crop to his own stock without being subject to penalty."

Mr. FULMER. Mr. Chairman, I make a point of order against the amendment. I will reserve the point of order for the time being, but may I say to the gentleman that every farmer in the country can sell all his wheat that he produces with that understanding regardless of whether he is in the program or out of the program.

Mr. BECKWORTH. Mr. Chairman, the gentleman does not understand the problem which I am seeking to deal with here, and it is regrettable I cannot do more about it right now. One of the fundamental rights which a farmer who tills the soil has is the right of utilizing the commodity he grows in any manner that he sees fit so long as he does not waste it. By this I mean when a farmer produces a commodity by tilling the soil, and desires to feed that commodity to

his stock, he unquestionably should have that privilege. This right does not seem to obtain under the current peanut program.

Recently a farmer in my district wrote me a letter in which he stated that he has been told—and this is a typical case in the area in which he lives—that he cannot feed the peanuts he grows to his milk cows without being subjected to penalties; in that, if he fails to sell his peanuts to the Government for oil purposes, his Government checks will be withheld.

This gentleman has for several years been growing peanuts, feeding them to his milk cows, and selling the milk. Surely no one would question his right along this line. He wants to continue to do that, but now he is told, "No; if you do not sell your peanuts for oil, you will have your checks withdrawn."

It was suggested to the farmer to whom I refer by the person representing the Department of Agriculture that it would be necessary for him to change to the growing of beef cattle. That is not what I call freedom, by any means. Immediate efforts to correct the situation I describe should be made.

I sincerely regret that my amendment is probably subject to a point of order because of the limited scope this joint resolution seeks to cover, but I certainly hope the Committee on Agriculture, as we are endeavoring to carry out a program of feed and food production, will cease restricting these farmers who are trying to grow feed and food as they, rather than the Government, see fit.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Does the gentleman from South Carolina insist on his point of order?

Mr. FULMER. I insist on the point of order, Mr. Chairman.

The CHAIRMAN. The joint resolution applies to wheat and the amendment applies to any and all crops, and therefore is not germane. The point of order is sustained.

Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. THOMASON, Chairman of the Committee of the Whole House on the state of the Union, reported that the Committee, having had under consideration the joint resolution (H. J. Res. 83) to permit additional sales of wheat for feed, pursuant to House Resolution 160, reported the same back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the joint resolution.

The joint resolution was passed.

A motion to reconsider was laid on the table.

FIRST DEFICIENCY APPROPRIATION BILL 1943

Mr. CANNON of Missouri submitted the following conference report and statement on the bill (H. R. 1975) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1943, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1943, and for other purposes:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1975) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1943, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1943, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 4, 20, 40, and 41.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 10, 13, 14, 15, 16, 17, 18, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37 and 38; and agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"*Provided further*, That no merchant vessel constructed under any contract entered into by the United States Maritime Commission pursuant to any appropriation or contract authorization specifically granted by act of Congress (except Public Law 5, Seventy-seventh Congress) to such Commission shall be disposed of under the Act of March 11, 1941 (Public Law 11, Seventy-seventh Congress), as amended, except by lease which must end not later than six months after the termination of the present war, as proclaimed by the President, or at such earlier time as the Congress by concurrent resolution or the President by proclamation may designate," and on page 11, line 15 of the bill after the figure "$16,625,000" insert the following: ", payable from such construction fund"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert "$3,722,000"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"WEATHER BUREAU

"Observations, warnings, and general weather service: For an additional amount for observations, warnings, and general weather service, fiscal year 1943, including the objects specified under this head in the Department of Commerce Appropriation Act, 1943, and including not to exceed $36,945 additional for personal services in the District of Columbia, $390,000."

And the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"BUREAU OF RECLAMATION

"Lugert-Altus project, Oklahoma: For continuation of construction, $400,000 from the general fund of the Treasury, to remain available until expended."

And the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment, amended to read as follows:

"Investigation of bauxite and alunite ores and aluminum clay deposits (national defense): For an additional amount for investigation of bauxite and alunite ores and aluminum clay deposits, including the objects specified under this head in the Interior Department Appropriation Act, 1943, and including the purchase of drilling rigs mounted on trucks and of auxiliary trucks to service drilling rigs without charge against the limitation on the purchase of motor-propelled vehicles hereinafter specified, $500,000: *Provided*, That the limitation on the amounts which may be expended for purchase of motor-propelled vehicles, and available to the Geological Survey to carry out the purposes of this appropriation, are hereby increased from $6,000 to $25,000, and from $80,000 to $115,000, respectively."

And the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment, amended to read as follows: ", of which $15,000 shall be chargeable to the water fund of the District of Columbia, said total appropriation"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert "$63,300"; and the Senate agree to the same.

Amendment numbered 39: That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment, as follows: Before the figure "(2)" of the matter inserted by said amendment, insert the word "or"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 12, and 19.

CLARENCE CANNON,
C. A. WOODRUM,
LOUIS LUDLOW,
EMMET O'NEAL,
LOUIS C. RABAUT,
JED JOHNSON,
JOHN TABER,
R. B. WIGGLESWORTH,
W. P. LAMBERTSON,
Managers on the part of the House.

CARL HAYDEN,
M. E. TYDINGS,
JOHN H. OVERTON,
GERALD P. NYE,
H. C. LODGE, JR.,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1975) entitled "A bill making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1943, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1943, and for other purposes," submit the following statement in explanation of the effect of the action agreed upon and recommended in the

accompanying conference report as to each of such amendments, namely:

No. 2: Strikes out the language in the House bill providing that funds for the United States Maritime Commission shall not be expended to obtain vessels for use as naval auxiliaries except pursuant to appropriations granted to the Navy Department for such purpose and transferred to the Maritime Commission.

No. 3: The House bill contains a requirement that no vessel owned by the United States shall be disposed of under the Lend-Lease Act except by lease which must end 6 months after the conclusion of peace. The Senate struck out this requirement and inserted a provision that no merchant vessel constructed under any contract entered into pursuant to the contract authorization in his bill or any subsequent act for the Maritime Commission shall be disposed of under the Lend-Lease Act except by lease which must end not later than 6 months after the termination of the present war, as proclaimed by the President, or at such earlier time as the Congress by concurrent resolution or the President by proclamation may designate. The effect of the Senate amendment is to permit certain merchant ships to be disposed of under the Lend-Lease Act other than by lease. The conferees have adopted a substitute for the House and Senate provisions which has the same practical effect as the Senate amendment and leaves for disposition under the Lend-Lease Act, other than by lease, merchant ships constructed or acquired under lend-lease funds allocated to the Maritime Commission by the President and merchant ships constructed under Public Law 5 of the Seventy-seventh Congress (frequently referred to as the "ugly duckling" ships), which was enacted prior to the lend-lease law and which may be disposed of within the general over-all limitation of $800,000,000 in the Lend-Lease Act applying to all Federal agencies.

No. 4: Strikes out the appropriation of $57,155, inserted by the Senate, for crop and livestock estimates under the Bureau of Agricultural Economics, Department of Agriculture.

No. 5: Appropriates $3,722,000, instead of $3,500,000 as proposed by the House and $3,944,000 as proposed by the Senate, for control of incipient and emergency outbreaks of insect pests by the Bureau of Entomology and Plant Quarantine, Department of Agriculture.

No. 6: Appropriates $390,000, as proposed by the Senate, for observations, warnings, and general weather service, under the Weather Bureau.

No. 7: Appropriates $400,000 for the Lugert-Altus project, Oklahoma, under the Bureau of Reclamation, and modifies the Senate amendment to omit at this time the fixing of the amount to be reimbursable under the reclamation law.

No. 8: Appropriates $500,000 for the fiscal year 1943 for investigation of bauxite and alunite ores and aluminum clay deposits, Bureau of Mines, instead of $325,000 as proposed by the House and $2,500,000 for the fiscal years 1943 and 1944 as proposed by the Senate. Additional amounts for 1944 are left to be discussed when the regular 1944 appropriations for the Bureau of Mines are taken up in the Interior Department appropriation bill.

No. 9: The House bill provides that $25,000 of the $140,000 under the National Park Service for the repair and restoration of storm and flood damage to the Chesapeake & Ohio Canal shall be paid from the water fund of the District of Columbia. The Senate struck out this requirement. The conference agreement provides that $15,000 of such cost shall be paid from such water fund.

No. 10: The appropriation for the Immigration and Naturalization Service is made available under the House bill for maintenance, care, and transportation of wives and dependent minor children of alien enemies in the custody of such service. The Senate has made such appropriation also available for such dependent children who are not minors, and the House agrees.

No. 11: Appropriates $63,300 for salaries and expenses of the Bureau of Labor Statistics, instead of $12,300 as proposed by the House and $89,900 as proposed by the Senate. The additional amount agreed to by the House, $51,000, is for a survey of wartime prices.

Nos. 13, 14, 15, and 16: Appropriate for payment for claims for damages by the Navy Department certified to Congress after the bill had passed the House.

Nos. 17 and 18: Appropriate $365,000 for printing and binding for the Post Office Department as proposed by the Senate.

No. 20: Appropriates $250,000 as proposed by the House, instead of $169,000 as proposed by the Senate, for salaries, Office of the Treasurer of the United States.

No. 21: Makes provision for carrying out section 4 of the act of December 18, 1942 (Public Law 815), with respect to melting worn and uncurrent standard silver dollars into bars as proposed by the Senate.

On amendments Nos. 22 to 38, inclusive: Appropriate additional amounts for the payment of authorized claims, judgments, and audited claims, all certified to Congress for appropriation after the bill had passed the House.

On amendment No. 39: The Senate has rewritten section 303 of the bill relating to requirements for persons employed with funds in the bill in continental United States with respect to citizenship status. The effect of the Senate change in the section is to provide that an affidavit signed by any person affected by the section shall be considered prima facie evidence that the requirements of the section with respect to such person's status have been complied with. The House agrees to the Senate change with a perfecting amendment.

On amendments Nos. 40 and 41: Strike out the section proposed by the Senate requiring certain reports and administrative requirements in connection with the employment of personnel in executive agencies on a per diem compensation basis.

Amendments in disagreement

The managers on the part of the House report in disagreement the following Senate amendments as to each of which they will recommend that the House concur:

On amendment No. 1: Increasing from $6,500 to $11,000 and from $12,000 to $23,000, respectively, the allocations for travel expenses, printing and binding, from previous appropriations for the Board of Investigation and Research, Transportation.

On amendment No. 12: Appropriating $1,200,000 for the fiscal year 1943 to the Children's Bureau for payments to States to provide medical, nursing, hospital, maternity, and infant care for wives and infants of enlisted men in the armed forces of the United States of the fourth, fifth, sixth, or seventh pay grades.

On amendment No. 19: Appropriating $491,000 to the Department of State for salaries and expenses of the Foreign Service Auxiliary.

CLARENCE CANNON,
C. A. WOODRUM,
LOUIS LUDLOW,
EMMET O'NEAL,
LOUIS C. RABAUT,
JED JOHNSON,
JOHN TABER,
R. B. WIGGLESWORTH,
W. P. LAMBERTSON,
Managers on the part of the House.

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill H. R. 1975.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the statement.

Mr. CANNON of Missouri. Mr. Speaker, this bill was messaged over to the Senate carrying an aggregate of $4,102,570,890.87 of direct appropriations. The Senate added $5,916,059.09, making a total of $4,108,486,949.96.

In conference the Senate receded from amendments amounting in the net to $2,224,755 and the House agreed to Senate amendments totaling $3,691,304.09.

The items of actual difference of opinion between the House and the Senate affected only about six or seven major amendments. On these we adjusted the difference between the two Houses as follows:

On insect pest control the House receded from $222,000 and the Senate receded from $222,000, and we adopted the happy mean between the two extremes and allowed a total of $3,722,000.

On the item for the Weather Bureau it appeared that the installation of new equipment and facilities would expedite air traffic and contribute materially to the safety of planes, and the House agreed to the amendment.

On the item for bauxite investigations, another war measure, to step up the production of aluminum, there was no difference between the two Houses as to the merits of the proposition. The only question was as to whether or not we should provide in this bill merely for the remainder of the fiscal year 1943 or for 15 months, including the 1944 fiscal year. We allowed $500,000 up to the 1st of July, the amount for the remainder of the fiscal year, and the Senate agreed that any consideration of the remainder of the amount provided by the Senate amendment should be deferred until the regular Interior appropriation bill for 1944, which will be before the House shortly.

Probably the item of most interest of the items carried in the bill was the appropriation of $1,200,000 added by the Senate for the Children's Bureau, to provide for allocation to the States for maternity and infant care for wives and infants of enlisted men in the fourth, fifth, sixth, and seventh grades. It will be recalled that when the bill was originally before the House an amendment to include this item was offered on the floor, but due to the fact that there was no authorization for such appropriation we were unable to include it. However, the Senate, not being bound

by a similar limitation, included it and the House has agreed to recommend the full Budget estimate of $1,200,000.

The item of $365,000 for Post Office Department printing was necessary for blanks, forms, money orders, and so forth and we agreed to the Senate amendment.

The provision for the Foreign Service Auxiliary was originally included in the House bill as reported to the House, but, lacking authorization, went out on a point of order. We followed the routine usually followed in such matters. The Senate put it back and we agreed to it.

It is to be regretted that frequently on the floor somebody rises and makes a point of order against a perfectly legitimate item merely to take it out of the House bill for the time being, but such diversions have no permanent effect except to delay consideration, as the Senate always restores them and we always agree to them.

On the Bureau of Labor Statistics item we divided the Senate amount. The House insisted and the Senate agreed that we should dispense with the $26,600 for a survey of price indices of Government purchases, but we included the amount for a survey of wartime prices and added $51,000 to the House bill for that purpose.

Mr. MURDOCK. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Arizona.

Mr. MURDOCK. Do I correctly understand that that is for the purpose of surveying living conditions in communities where war activities are carried on?

Mr. CANNON of Missouri. Yes; it is for the purpose of securing statistics on the cost of living. It is called a survey of wartime prices, but the survey is for the purpose of determining whether there is an increase or decrease in the cost of living of the average family, and to what extent.

We thought it was warranted, and the House receded from its disagreement and allowed the amount in full, $51,000. So far as adjusted claims and judgments are concerned, there is nothing we can do about those, and the total amount of $397,304.09 was allowed.

There is only one other item that might be referred to, and that is the item for the Lugert-Altus reclamation project in Oklahoma. At first blush, that would seem to be for reclamation purposes. As a matter of fact it is for the completion of a low dam on the project to provide necessary water for the town of Altus where we have an increased population of war workers and a nearby Air Corps camp, and where it is necessary to have an increased water supply. We agreed to the $400,000 which the Senate added to the bill for that purpose.

It was necessary to bring three items back to the House in order to comply with the rules, and accordingly we are reporting back those items with recommendations for their disposition. One is the amendment on page 6 to increase the allocation for traveling and printing for the Board of Research and Investigation—transportation, one is the appropriation of $1,200,000 for the Children's Bureau, and one is an item of $491,000 for the Foreign Service Auxiliary of the State Department. At the proper time I shall move to concur in those three amendments.

I yield now to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, the conference report represents a complete agreement between the conferees on both sides of the aisle. We have yielded perhaps a little more than we should have on two or three things, but we had to do that in order to get an agreement. I can see no reason at this time why the report should not be agreed to.

Mr. KEEFE. Mr. Speaker, will the gentleman yield to me?

Mr. TABER. Yes.

Mr. KEEFE. To make this observation and say that as one who sponsored the amendment to place in this bill the provision for the Children's Bureau, I am very thankful to the conferees for including that item in this report. I certainly feel that it is going to serve a very great need in the country to carry on the splendid work of providing for pre- and post-natal care of the children and wives of soldiers. I am glad that the Committee has seen fit to do that.

Mr. CANNON of Missouri. I think that item meets with the warm approval of every Member of the House on both sides of the aisle, and I might say of every Member of both Houses. It has the unanimous approval of the conference committee and I have heard of no opposition to it from any source. It was not included in the original House bill because there was no authorization of law for it. Of course, there is no such rule in the Senate.

Mr. KEEFE. The gentleman will recall that the distinguished gentleman from Alabama [Mr. STARNES] made a speech very violently in opposition to that particular proposal, in addition to the fact that it was subject to the point of order, stating that it should not be considered even though it was subject to a point of order. That is why I am glad that the committee has seen fit not to accept that type of advice, but to include the provision, as I say, for pre- and post-natal care of the children and wives of soldiers.

Mr. CANNON of Missouri. The gentleman from Alabama, like the gentleman from Wisconsin, is a stickler for correct parliamentary procedure, and naturally opposed the admission of an item not authorized by law.

Mr. VOORHIS of California. Mr. Speaker, will the gentleman from Missouri yield to me?

Mr. CANNON of Missouri. I yield.

Mr. VOORHIS of California. I am very glad that that item for assisting the States and localities for the maternity care of the wives and babies of soldiers is included in the conference report, and I compliment the gentleman and the other conferees for having included the item. It seems to me that the furnishing of financial help to the States where it is needed for this purpose is a responsibility that properly rests upon the Federal Government in this time of war.

Mr. CANNON of Missouri. Of course this is a departure. It marks the adoption of a new and benevolent policy. Provision for maternity care for soldiers' wives in time of war has never been attempted before. It is a laudable provision which all approve, but I can very well understand how some might feel that it is a service which should be provided by the States rather than by the Federal Government. However, I am glad to say there was no difference of opinion as to the merit of the proposition in either the subcommitteee which reported the bill, or the committee of conference which passed on it today.

Mr. Speaker, I move the previous question on agreeing to the conference report.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Amendment No. 1, page 6, line 2, insert the following:

"BOARD OF INVESTIGATION AND RESEARCH—TRANSPORTATION

"Notwithstanding the limitations in section 203 of the First Supplemental National Defense Appropriation Act, 1943, the appropriation for the Board of Investigation and Research contained in said Act shall be available for travel expenses and printing and binding in amounts not exceeding $11,000 and $23,000, respectively."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House recede from its disagreement with Senate amendment No. 1 and agree to the same.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 12: Page 21, line 20, insert the following:

"CHILDREN'S BUREAU

"Grants to States for emergency maternity and infant care: For grants to States, including Alaska, Hawaii, Puerto Rico, and the District of Columbia, to provide in addition to similar services otherwise available, medical, nursing, and hospital maternity and infant care for wives and infants of enlisted men in the armed forces of the United States of the fourth, fifth, sixth, or seventh grades, under allotments by the Secretary of Labor and plans developed and administered by State health agencies and approved by the Chief of the Children's Bureau, fiscal year 1943, $1,200,000."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House recede from its disagreement with Senate amendment No. 12 and agree to the same.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 19: On page 26, in line 16, insert: "Foreign Service, auxiliary (emergency): For an additional amount for Foreign Service, auxiliary (emergency), Department

of State, fiscal year 1943, including the objects specified under this head in the Department of State Appropriation Act, 1943, $491,000: *Provided*, That cost of living and representation allowances, as authorized by the act approved February 23, 1931, as amended, may be paid from this appropriation to American citizens employed hereunder."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House recede from its disagreement with Senate amendment No. 19 and agree to the same.

The motion was agreed to.

By unanimous consent, a motion to reconsider the various votes by which the various motions were agreed to was laid on the table.

EXTENSION OF REMARKS

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I ask unanimous consent to extend the remarks I made today in Committee of the Whole and to include certain extracts and letters.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BENNETT of Missouri. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein a statement by the American Farm Bureau Federation.

The SPEAKER. Is there objection?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. LYNCH. Mr. Speaker, I ask unanimous consent that after the completion of the regular business of the House on tomorrow and any other special orders, my colleague the gentleman from New York [Mr. DICKSTEIN] may be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. BENDER. Mr. Speaker, I ask unanimous consent that on Wednesday next, March 17, after all business on the Speaker's table and all other special orders, I may be permitted to address the House for 10 minutes.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. POAGE. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Massachusetts [Mr. MCCORMACK] be allowed to extend his remarks in the RECORD, and include therein an address by our colleague the gentleman from Arkansas [Mr. FULBRIGHT].

The SPEAKER. Is there objection?

There was no objection.

Mr. POAGE. Mr. Speaker, I ask unanimous consent that I may extend my own remarks in the Appendix and include therein an address by Colonel Kenyon, of the War Department.

The SPEAKER. Is there objection?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD on two subjects, in one to include a brief article and in the other a poem written by one of my constituents.

The SPEAKER. Is there objection?

There was no objection.

ORDER OF BUSINESS

Mr. CANNON of Missouri. Mr. Speaker, I wonder if there will be any intervening business before we take up the farm-labor bill tomorrow.

The SPEAKER. There will not. The Chair trusts we will get through soon after 12 o'clock.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. COLE of New York, indefinitely, on account of death in the family.

To Mr. KENNEDY (at the request of Mr. CAPOZZOLI), on account of illness.

To Mr. SATTERFIELD (at the request of Mr. BLAND), for today, on account of illness.

To Mr. WEISS (at the request of Mr. EBERHARTER), indefinitely, on account of death in the family.

To Mr. HINSHAW, for Monday, March 15, to Tuesday, March 16, on account of illness.

Mr. CANNON of Missouri. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER. The Chair reminds the gentleman from Missouri that the gentleman from New York [Mr. CELLER] had a special order.

Mr. CANNON of Missouri. I withdraw the motion. I did not understand.

Mr. KILBURN. Mr. Speaker, I make the point of order that a quorum is not present.

Mr. CELLER. I hope the gentleman from New York will not press his point of order. I do not mind speaking even to empty seats.

Mr. KILBURN. Mr. Speaker, I insist upon the point of order.

Mr. CELLER. Mr. Speaker, it took me several weeks to get this data together. I hope the gentleman will not press his point of order. I do not want to inconvenience Members to bring them from their offices to hear me. I hope the gentleman will not press his point of order.

Mr. KILBURN. Mr. Speaker, I feel differently; I feel that the Members should be here to hear the speech. I insist upon the point of order.

Mr. CELLER. I cannot get this data together again; it must be returned tonight. Will not the gentleman please not press his point of order? I humbly petition him not to press it. Do not do it, please. If Members are interested they will read my statement in the RECORD. I hope the gentleman will not press it.

Mr. KILBURN. I am sorry; I insist upon the point of order, Mr. Speaker.

The SPEAKER. The gentleman from New York insists upon the point of order. Evidently no quorum is present.

Mr. CANNON of Missouri. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER. The gentleman from New York insists upon his point of order. The gentleman from Missouri moves that the House do now adjourn.

Mr. CELLER. But I have a special order, Mr. Speaker. How can there be an adjournment?

The SPEAKER. The House can adjourn any time the motion is made and a majority of the Members present vote to adjourn. The Chair, of course, is not responsible; the Chair is merely putting the motion.

Mr. CELLER. Mr. Speaker, I think this is rather unfair.

The SPEAKER. The Chair has already announced that no quorum is present. No business can be transacted without a call of the House or an adjournment.

Mr. CELLER. Then, Mr. Speaker, I move the call of the House.

The SPEAKER. The gentleman from Missouri has already moved that the House adjourn.

Mr. CELLER. Mr. Speaker, will the Chair bear with me one moment?

The SPEAKER. The Chair cannot bear with the gentleman because no business can be transacted. The gentleman from New York [Mr. KILBURN] has stated half a dozen times that he does not withdraw his point of order.

Mr. CELLER. I am sure he will withdraw his point of order.

Mr. KILBURN. No; I will not.

ADJOURNMENT

The SPEAKER. The question is on the motion of the gentleman from Missouri that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 34 minutes p. m.) the House adjourned until tomorrow, Tuesday, March 16, 1943, at 12 o'clock noon.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m. Tuesday, March 16, 1943.

Business to be considered: Public hearing on H. R. 149.

COMMITTEE ON FOREIGN AFFAIRS

The Committee on Foreign Affairs will meet at 10 a. m. on Tuesday, March 16, 1943, to consider House Joint Resolution 14, authorizing the execution of certain obligations under the treaties of 1903 and 1936 with Panama, and other commitments.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a hearing of the Committee on Immigration and Naturalization on Wednesday, March 17, 1943, at 10 a. m., for the consideration of H. R. 1607.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The committee will also hold a public hearing on Thursday, March 18, 1943, at 10 a. m., on H. R. 1361 (Mr. LANE) and H. R. 1409 (Mr. FOGARTY), conferring

upon men in the merchant marine the same rights, privileges and benefits accruing to those serving in the armed forces, and on H. R. 1858, to confer the same rights, privileges, and benefits upon members of the United States merchant marine who served during the World War as are conferred upon members of the armed forces of the United States who served during such war.

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Thursday, April 1, 1943, at 10 a. m., on S. 163 (H. R. 498) to amend section 511 of the Merchant Marine Act, 1936, as amended, relating to ship-construction reserve funds, and for other purposes.

Congressman GEORGE J. BATES, of Massachusetts, patron of the bill H. R. 1766, upon which hearings were scheduled on Thursday, April 8, 1943, is a member of the Committee on Naval Affairs and of a subcommittee of that committee, duties of which will compel him to be absent from Washington on Thursday, April 8, 1943. Accordingly the hearing scheduled for that date has been changed to Thursday, April 15, 1943, at 10 a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

248. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the legislative establishment, Government Printing Office, fiscal year 1944, involving an increase of $345,000, in the form of an amendment to the Budget for said fiscal year (H. Doc. No. 131); to the Committee on Appropriations and ordered to be printed.

249. A letter from the Under Secretary, Department of Agriculture, transmitting a draft of a proposed bill, to amend the act known as the Insecticide Act of 1910 (36 Stat. 331), approved April 26, 1910; to the Committee on Interstate and Foreign Commerce.

250. A letter from the Secretary of the Interior, transmitting a draft of a proposed bill, to aid in obtaining for Indians the services of doctors and dentists during the present war; to the Committee on Indian Affairs.

251. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill to amend the act entitled "An act authorizing a reduction in the course of instruction at the Naval Academy," approved June 3, 1941 (55 Stat. 238); to the Committee on Naval Affairs.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 2194) granting a pension to Evangeline R. Butler, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. RANDOLPH:

H. R. 2195 (by request). A bill to amend section 8 of the act of May 29, 1930, as amended; to the Committee on the Civil Service.

By Mr. BLAND:

H. R. 2196. A bill to authorize the return to private ownership of certain vessels formerly used or suitable for use in the fishing or related industries and now owned by the United States, and for other purposes; to the Committee on the Merchant Marine and Fisheries.

By Mr. PETERSON of Florida:

H. R. 2197. A bill to provide for the acquisition of lands for grazing purposes; to the Committee on the Public Lands.

By Mr. RIVERS:

H. R. 2198. A bill to amend the act of March 3, 1909, as amended by the act of January 23, 1942, providing for the sale of naval stores, in order to authorize the Secretary of the Navy to permit the sale of naval stores in the continental United States during the war and 6 months thereafter to civilian officers and employees of the United States, and to other persons at stations where purchase from private agencies is found to be impracticable; to the Committee on Naval Affairs.

By Mr. McGEHEE:

H. R. 2199. A bill to amend an act entitled "An act in relation to taxes and tax sales in the District of Columbia," approved February 28, 1898, as amended; to the Committee on the District of Columbia.

By Mr. SLAUGHTER:

H. R. 2200. A bill to amend the Emergency Price Control Act of 1942, and for other purposes; to the Committee on Banking and Currency.

By Mr. MUNDT:

H. Res. 166. Resolution to create a select committee to investigate the conditions of the American Indian in the United States; to the Committee on Rules.

By Mr. CURLEY:

H. Res. 167. Resolution authorizing rationing privileges to men and women in the armed services on leave; to the Committee on Banking and Currency.

H. Res. 168. Resolution recognition of honorably discharged servicemen; to the Committee on Military Affairs.

By Mr. MUNDT:

H. Res. 169. Resolution providing for the expenses of the select committee authorized by House Resolution 166; to the Committee on Accounts.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

271. By Mr. ANDERSON of New Mexico: Senate joint memorial of the Sixteenth Legislature of the State of New Mexico to the President and the Congress of the United States of America, pertaining to the continued operation of this State's unemployment compensation program, under State law and administration, as opposed to nationalization of the system under Federal law; to the Committee on Ways and Means.

272. By Mr. CARTER: Senate Joint Resolution No. 6 of the California Legislature, petitioning the Honorable Claude E. Wickard to alleviate the food shortage resulting from increased population in the State; to the Committee on Agriculture.

273. Also, Assembly Joint Resolution No. 22, urging amendments to the Federal Social Security Act in respect to earnings and other income of recipients of old-age assistance; to the Committee on Ways and Means.

274. Also, Assembly Joint Resolution No. 14, relative to small business enterprises; to the Committee on Military Affairs.

275. By Mr. HOEVEN: Petition of Elk-W. Scott Farm Bureau members of Buena Vista County, Iowa, urging that standard time be restored; to the Committee on Interstate and Foreign Commerce.

276. By Mr. LECOMPTE: Petition of representatives of American youth, passed by the Council of the Osceola Christian Youth Fellowship, emphatically opposing the resolution passed by the Iowa Legislature, as printed in the Des Moines Register of March 7, which urges discrimination against American-born citizens of Japanese ancestry to the extent that none should be allowed to attend colleges, even under Government surveillance, and that those already doing so should be returned to concentration centers; to the Committee on Immigration and Naturalization.

277. By Mr. SCHIFFLER: Petition of the Hancock County Federal Savings and Loan Association of Chester, Chester, W. Va., urging the discontinuance of the Government's deed of trust and mortgage loan business as early as practicable; to the Committee on Ways and Means.

278. By Mr. SMITH of Wisconsin: Petition of the Wisconsin Legislature Assembly, Madison, Wis.; to the Committee on Interstate and Foreign Commerce.

279. By the SPEAKER: Petition of the clerk, House of Representatives of the Arkansas State Legislature, petitioning consideration of their resolution with reference to income tax of those in the armed services; to the Committee on Ways and Means.

280. By Mr. KING: Petition requesting the creating of a military and naval academy on the Pacific coast; to the Committee on Military Affairs.

SENATE

TUESDAY, MARCH 16, 1943

(Legislative day of Tuesday, March 9, 1943)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, in the abundance of Thy loving kindness we come unto Thy presence. We bless Thee for the inspired souls of all the ages who saw afar the shining city of God and by faith faced peril, toil, and pain to follow the gleam. We rejoice with joy unspeakable that today the hope of these lonely hearts is becoming the confident faith of millions as the salvation of the exploited and of the enslaved draweth near.

Save us from garnishing the tombs of yesterday's prophets and yet standing today with those who stone their successors. Suffer us not by thoughtless condemnation or selfish opposition to weaken the arm and chill the spirit of those who strive for the redemption of mankind. As citizens of this land of the free and as servants of the commonwealth make us solemnly conscious that—

"We are watchers of a beacon whose
light must never die,
We are guardians of an altar that
shows Thee ever nigh,
We are children of Thy freemen who
sleep beneath the sod:
For the might of Thy arm, we bless
Thee, our God—Our fathers' God."

Amen.

THE JOURNAL

On request of Mr. CLARK of Missouri, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Friday, March 12, 1943,

was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Megill, one of its clerks, announced that the House had passed without amendment the bill (S. 786) to amend title I of Public Law No. 2, Seventy-third Congress, March 20, 1933, and the Veterans Regulations to provide for rehabilitation of disabled veterans, and for other purposes.

The message also announced that the House had passed the bill (S. 303) to extend the jurisdiction of naval courts martial in time of war or national emergency to certain persons outside the continental limits of the United States, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 133) to amend and clarify certain provisions of law relating to functions of the War Shipping Administration, and for other purposes.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 1975) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1943, and for prior fiscal year, to provide supplemental appropriations for the fiscal year ending June 30, 1943, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. CANNON of Missouri, Mr. WOODRUM of Virginia, Mr. LUDLOW, Mr. SNYDER, Mr. O'NEAL, Mr. RABAUT, Mr. JOHNSON of Oklahoma, Mr. TABER, Mr. WIGGLESWORTH, Mr. LAMBERTSON, and Mr. DITTER were appointed managers on the part of the House.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1975) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1943, and for prior fiscal year, to provide supplemental appropriations for the fiscal year ending June 30, 1943, and for other purposes; and that the House receded from its disagreement to the amendments of the Senate numbered 1, 12, and 19 to the bill and concurred therein.

The message also announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H. R. 131. An act to provide reemployment rights for persons who leave their positions to serve in the merchant marine, and for other purposes;

H. R. 324. An act to place postmasters at fourth-class post offices on an annual-salary basis, and fix their rate of pay; and provide allowances for rent, fuel, light, and equipment, and fix the rates thereof;

H. R. 1366. An act to provide temporary additional compensation for employees in the Postal Service;

H. R. 1671. An act to amend section 23 of the Immigration Act of February 5, 1917;

H. R. 1780. An act to increase the debt limit of the United States, and for other purposes;

H. R. 1936. An act to provide for the expansion of facilities for hospitalization of dependents of naval and Marine Corps personnel, and for other purposes;

H. R. 1940. An act prescribing the salary for the Commissioner of Public Roads and the Commissioner of Public Buildings;

H. R. 2023. An act to amend section 301, World War Veterans' Act, 1924, as amended, to authorize renewal of expiring 5-year level premium term policies of those in active military or naval service and certain others outside the continental limits of the United States, and for other purposes; and

H. J. Res. 83. Joint resolution to permit additional sales of wheat for feed.

SUPPORT AT HOME OF MEN AT THE FRONT—EXPUNGING OF LETTER FROM RECORD

Mr. TYDINGS. Mr. President, some weeks ago Mr. Forrestal, the Under Secretary of the Navy, gave me a letter which he thought was authentic, and on January 21, last, I put it in the daily RECORD, where it appears on page 278. Subsequent investigations show that the letter was not authentic. Mr. Forrestal has written me concerning this matter. I ask that Mr. Forrestal's letter may be published in the RECORD at this point, and that the unauthentic letter may be expunged from the permanent RECORD.

The VICE PRESIDENT. Without objection, the letter referred to will be expunged from the permanent RECORD, and the letter from Mr. Forrestal will be published in the RECORD.

Mr. Forrestal's letter is as follows:

THE UNDER SECRETARY OF THE NAVY,
Washington, March 9, 1943.

The Honorable MILLARD E. TYDINGS,
The United States Senate,
Washington, D. C.

DEAR SENATOR TYDINGS: My attention has been directed to an article appearing in the Sunday, March 7, edition of PM with respect to a letter presumably written by a United States marine at Guadalcanal to a former coworker of his at Brewster Aeronautical Corporation.

The letter in question came to my attention when it appeared in the January 1 issue of the Brewster Builder, a publication of Brewster Aeronautical Corporation, and, at that time, I assumed the letter to be authentic and displayed a copy to you. Sufficient doubt has now been cast on the authenticity of the letter to make further use thereof unwarranted.

Sincerely yours,

JAMES FORRESTAL.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

DOCTORS AND DENTISTS FOR SERVICE TO INDIANS DURING THE WAR

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to aid in obtaining for Indians the services of doctors and dentists during the present war (with an accompanying paper); to the Committee on Indian Affairs.

ACQUISITION OF LANDS FOR GRAZING PURPOSES

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to provide for the acquisition of lands for grazing purposes (with an accompanying paper); to the Committee on Agriculture and Forestry.

ADJUSTMENT OF INDIAN DEBTS

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to authorize the Secretary of the Interior to adjust debts of individual Indians, associations of Indians, or Indian tribes, and for other purposes (with an accompanying paper); to the Committee on Indian Affairs.

CONSERVATION OF ASSETS OF THE GOVERNMENT DERIVED FROM RELIEF EXPENDITURES IN PUERTO RICO—REHABILITATION, ETC.

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to amend section 1 of the act entitled "An act to provide that funds allocated to Puerto Rico under the Emergency Relief Appropriation Act of 1935 may be expended for permanent rehabilitation, and for other purposes," approved February 11, 1936 (with an accompanying paper); to the Committee on Territories and Insular Affairs.

REPORT OF THE GOVERNOR OF PUERTO RICO

A letter from the Acting Secretary of the Interior, transmitting, according to law, the annual report of the Governor of Puerto Rico for the fiscal year ended June 30, 1942 (with an accompanying report); to the Committee on Territories and Insular Affairs.

AMENDMENT OF INSECTICIDE ACT

A letter from the Under Secretary of Agriculture, transmitting a draft of proposed legislation to amend the act known as the Insecticide Act of 1910 (36 Stat. 331), approved April 26, 1910 (with accompanying papers); to the Committee on Commerce.

REPORT OF AGRICULTURAL ADJUSTMENT AGENCY

A letter from the Under Secretary of Agriculture, transmitting, pursuant to law, a report of the operations under sections 7 to 14, inclusive, of the Soil Conservation and Domestic Allotment Act, as amended, for the fiscal year ended June 30, 1942 (with an accompanying report); to the Committee on Agriculture and Forestry.

PAYEES UNDER CERTAIN AGRICULTURAL ACTS

A letter from the Under Secretary of Agriculture, reporting, pursuant to law, as to the names and addresses of payees who received $1,000 or more and showing the amount of payment to each for participation in the 1941 programs administered under the provisions of the Soil Conservation and Domestic Allotment Act of 1938, as amended; also a supplemental list of payees who received $1,000 or more under such programs for 1940; to the Committee on Agriculture and Forestry.

REPORT ON EDUCATION AND TRAINING OF DEFENSE WORKERS

A letter from the Administrator of the Federal Security Agency, transmitting, pursuant to law, the second quarterly report of the United States Commissioner of Education on the Education and Training of Defense Workers, covering the period beginning October 1, 1942, and ended December 31, 1942 (with accompanying papers); to the Committee on Education and Labor.

REPORT OF NATIONAL ACADEMY OF SCIENCES (S. Doc. No. 21)

A letter from the president of the National Academy of Sciences, transmitting, pursuant to law, the report of that academy for the year ended June 30, 1942 (with an accompanying report); to the Committee on the Library.

REPORT OF AMERICAN NATIONAL THEATER AND ACADEMY

A letter from the second vice president of the American National Theater and Academy, transmitting, pursuant to law, the annual report of the American National Theater and Academy for the fiscal year ended June 30, 1942 (with an accompanying report); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A resolution adopted by the National Association of Farmers at its annual meeting at St. Louis, Mo., favoring the enactment of legislation providing for the total suspension of Agricultural Adjustment Agency activities for the duration of the war; to the Committee on Agriculture and Forestry.

A resolution of the Senate of the State of California; to the Committee on Agriculture and Forestry:

"Senate Resolution 65

"Resolution relating to the growing of guayule for rubber production

"Whereas Congress has authorized the Emergency Rubber Project of the United States Forest Service to secure 500,000 acres of land for the growing of guayule for the production of rubber; and

"Whereas the guayule plant is still in an experimental stage insofar as the production of rubber is concerned and is adapted to and will grow upon arid or nonirrigable land; and

"Whereas the emergency-rubber project of the United States Forest Service, pursuant to the authority vested in it, has secured thousands of acres of the best irrigable lands, adapted to the cultivation of necessary food products, and is now endeavoring to secure 7,500 acres of irrigable vegetable lands in Santa Barbara County, and in excess of 15,000 acres in the county of Kern and is threatening to condemn these lands in event the owners refuse to lease them for the guayule project; and

"Whereas the entire country is faced with an acute food shortage, and Santa Barbara County is furnishing an immense amount of vegetables to various military encampments and a great portion of the vegetables to the Los Angeles market; and

"Whereas 1 acre of irrigable land planted to guayule will produce only 800 pounds of rubber, if any, within 3 years, and the same acre if planted to vegetables under the multiple-crop system will produce in the same period of time 240,000 pounds of essential foodstuffs; and

"Whereas the farmers throughout California have the machinery and necessary equipment for the production of essential foodstuffs, which will be rendered valueless for the production of food, if irrigable land is taken for the development of the guayule plant; and

"Whereas there are many acres of irrigable land within the boundaries of the State, particularly in Imperial and San Bernardino Counties, suitable for the production of guayule and not now used for the production of vegetables and essential foodstuffs and cotton, which could be utilized by the Guayule Emergency Rubber Project without endangering the food supply: Now, therefore, be it

"*Resolved by the Senate of the State of California*, That the Congress of the United States, the Secretary of Agriculture, and William Jeffers, United States Rubber Administrator, be memorialized to take these factors into consideration and to restrict the development of guayule-rubber projects to such areas as will not interfere with the production of essential foodstuffs; and be it further

"*Resolved*, That copies of this resolution be forwarded to the President and Vice President of the United States, to the Speaker of the House of Representatives, to the Secretary of Agriculture, to William Jeffers, United States Rubber Administrator, and to each Senator and Member of the House of Representatives in the Congress of the United States from California.

"Very truly yours,

"JOSEPH A. BEEK,
"Secretary of the Senate."

A concurrent resolution of the Legislature of the State of South Dakota; to the Committee on Finance:

"Senate Concurrent Resolution 9

"Concurrent resolution memorializing the Congress of the United States for the passage of an act incorporating the principles of the Townsend national recovery plan substantially as set forth in a bill entitled 'H. R. 1649' introduced in the House of Representatives in the first session of the Seventy-eighth Congress of the United States on February 2, 1943, by Representative PAT CANNON of Florida providing substantially as follows: To provide every adult citizen in the United States with equal basic Federal insurance, permitting retirement with benefits at age 60, and also covering total disability from whatever cause, for certain citizens under 60; to give protection to widows with children; to provide an ever expanding market for goods and services through the payment and distribution of such benefits in ratio to the Nation's steadily increasing ability to produce, with the cost of such benefits to be carried by every citizen in proportion to the income privileges he enjoys

"*To the honorable Senate and House of Representatives of the United States in Congress assembled in the Seventy-eighth session:*

"Whereas with full recognition that as first in importance to America, is the winning of the war, we also recognize that second in importance is the winning of a lasting and satisfactory peace; and

"Whereas after the soldier boys in all the branches of the armed forces have won the military victory, we who have stayed at home, should not have it said of us that we have made a mess of the home front by neglecting to provide full employment and the means for them to make a living when they come home; and

"Whereas when the war is over America will have, through her marvelous machines, more production capacity, with less manpower than ever before known in history; and

"Whereas with appropriate action taken we will be able to produce enough for all, assuming that our industrial and agricultural plants remain intact; and

"Whereas this bill, H. R. 1649, provides for buying power in a continuous stream round and round in the market by its forced spending clause and the money will never be lost; and

"Whereas benefits are provided for those permanently disabled either through accident or illness which will care for the disabled soldier boys as well as all other citizens who are disabled and also widows with children, thus making them an asset to the community rather than a liability since they will help to sustain a constant and dependable market; and

"Whereas the old folks and those incapacitated for work and widows with small children to support, have not been able to participate in the prosperity brought about by the war effort and are now and will be in a worse financial condition after the war than before; and

"Whereas it is the purpose of this bill, H. R. 1649 first, to provide voluntary retirement for some 5,000,000 persons over 60 years of age, and provide jobs for several million persons under 60 years of age; second, to decrease if not eliminate expenditures for relief; third, to stimulate trade and industry by increasing the purchasing power of persons of advanced age, those incapacitated and widows having the care of children, producing employment for younger people, thus keeping the wheels of industry going: Now, therefore, it be

"*Resolved by the Senate of the State of South Dakota (the house of representatives concurring)*, That we do hereby petition the Congress of the United States of America for the consideration at this Seventy-eighth session of Congress of said Townsend national recovery plan bill H. R. 1649 into law so it will be in operation when the war is over to provide full employment in post-war times and to care for the crippled and maimed soldier boys and the aged citizens. The said plan being deemed just and equitable to all persons of the United States; be it further

"*Resolved*, That the secretary of the State of South Dakota transmit a copy of this memorial to the President of the United States, to the Senate and the Speaker of the House of Representatives of the Congress of the United States and to the Senators and Representatives in Congress from the State of South Dakota, and that they and each of them be requested to use all honorable means within their power to bring about the enactment of said H. R. 1649 into law at the earliest possible moment."

A concurrent resolution of the Legislature of the State of New York; to the Committee on Foreign Relations:

"Senate Resolution 38

"Whereas the persecution and attempted extermination by Nazi Germany of the Jews in occupied Europe have outraged the conscience of the civilized world and have manifested the necessity of continued maintenance and development of a Jewish national homeland; and

"Whereas pursuant to the treaties of peace terminating the first World War, a mandate was issued, approved by 52 nations including the United States, to facilitate the establishment of a Jewish national home in Palestine; and

"Whereas this policy was concurred in by a joint resolution unanimously adopted by both Houses of the Congress of the United States on June 30, 1922, and approved by the President on September 21, 1922: Now, therefore be it

"*Resolved (if the assembly concur)*, That we of the State of New York express our most profound sympathy toward the victims of Nazi religious persecution and racial hatred; and be it further

"*Resolved (if the assembly concur)*, That we urge the fullest cooperation of the United Nations in punishing those responsible for this horrible crime against humanity and in alleviating suffering through an international rescue agency; and be it further

"*Resolved (if the assembly concur)*, That we favor the continued development of a Jewish national home in Palestine, for the absorption of as many Jews as may be required by the urgent needs of the Jewish people, as an integral part of the new democratic world order in accordance with the principles for which the United Nations are now fighting; and be it further

"*Resolved (if the assembly concur)*, That a copy of this resolution be forwarded to the President and to the Secretary of State of the United States, the President of the United States Senate and the Speaker of the House of Representatives."

A joint resolution of the Legislature of the State of Wisconsin; to the Committee on Interstate Commerce:

"Joint Resolution 16–A

"Joint resolution memorializing Congress to change war time back to regular standard time

"Whereas food is the one weapon of most fundamental and vital importance in the present war; and

"Whereas those in the best position to know predict an imminent critical food shortage in this country and throughout the world, so that famine and pestilence among large populations as well as suffering in our own land can be prevented only by a large increase in food production in the season now commencing; and

"Whereas dairy products hold a high rank among the foods of greatest value to our civil population, and especially our armed forces; and

"Whereas Wisconsin farmers, who are among the Nation's leaders in production of dairy products, are anxious to continue the increase of that production achieved in 1942; and

"Whereas such increased production now is particularly difficult by reason of shortages of farm machinery and particularly of manpower; and

"Whereas the substitution of war time for standard time hampers not only increase but even maintenance of production by Wisconsin dairy farmers by lengthening their working day, already too long for efficiency of farm workers, while at the same time shortening the time available for productive farm tasks, such as haying, harvesting, threshing, and shredding; and

"Whereas the change in time has very little effect on factories engaged in defense production and none on those operating 24 hours a day, and many offices can change their working hours regardless of standard time, and consequently the change in time has resulted in very little, if any, saving in electricity for lighting: Now, therefore, be it

"Resolved by the assembly (the senate concurring), That this legislature respectfully memorializes the Congress of the United States to restore standard time as it existed immediately before enactment of Public Law 403, approved January 20, 1942, and urges upon the Wisconsin Members of Congress to do all in their power to secure the enactment of legislation needed to bring back the regular standard time: be it further

"Resolved, That duly attested copies of this joint resolution be sent to the President of the United States, to the Director of Economic Stabilization, to the Director of the Manpower Commission, and to both Houses of Congress of the United States, and to each Wisconsin Member thereof."

A joint memorial of the Legislature of the State of Idaho; to the Committee on Irrigation and Reclamation:

"Senate Joint Memorial 7

"Joint memorial declaring the policy of the State of Idaho to maintain jurisdiction and control over the use of the waters within the State; to protect and preserve rights to the use of water established under the laws of this State or the United States; to promote harmonious relations between the State of Idaho, the United States, and other States; and authorizing the Governor to direct the State reclamation engineer to take such action as may be necessary in carrying out these policies

"Whereas the State of Idaho has approximately 53,000,000 acres of land, of which approximately 21,000,000 acres are classified as agricultural land, a large portion of which is situate in the southern portion of the State; and

"Whereas the value of the lands in the southern portion of Idaho is wholly dependent upon irrigation for the production of valuable agricultural crops; and

"Whereas approximately 2,300,000 acres of these lands are now under irrigation, and ultimately by developing storage reservoirs and conserving the available water supply, approximately 2,000,000 acres additional may be irrigated in southern Idaho; and

"Whereas the topography of this State is such that many of our streams are interstate in nature, which fact has heretofore given rise to problems of administration regarding such streams, involving other States and the Federal Government, and other problems of administration will doubtless arise with the further agricultural development of this State: Now, therefore, be it

"Resolved by the Senate and House of Representatives of the State of Idaho now in session, That it is the declared policy of this State to maintain its jurisdiction over, and control of, the use of waters in this State for all beneficial purposes, as provided in the Constitution of Idaho and the admission bill by Congress admitting Idaho into the Union of States; also to protect and preserve rights to the use of water established under the laws of this State or of the United States; to protect and preserve such rights against threatened uses outside of the State to the detriment of our citizens within the State; to promote harmonious relations between the State of Idaho, the United States, and other States with respect to the beneficial use of such waters and to encourage compacts between Idaho and other States in regard to interstate streams; be it further

"Resolved, That in furtherance of these policies the Governor is authorized to direct the State reclamation engineer to take such action and perform such duties as may be necessary in carrying these policies into effect; be it further

"Resolved, That the Secretary of State of the State of Idaho be directed to send a copy of this resolution to the President of the United States, to the presiding officers of the Senate and the House of Representatives of the Congress of the United States, to each presiding officer of all State legislative bodies now in session and to each member of the Idaho delegation in Congress."

A joint memorial of the Legislature of the Territory of Alaska; to the Committee on Territories and Insular Affairs:

"Senate Joint Memorial 1

"To the Senate and House of Representatives in Congress assembled, to the Secretary of the Interior, and to the Delegate from Alaska:

"We, your memorialists, the Legislature of the Territory of Alaska, respectfully represent that:

"Whereas vast areas of Alaska, patented under the mining and land laws, are held for speculative purposes or lie idle for other reasons, and their present ownership is in many cases unascertainable because such property is not taxed; and

"Whereas this condition retards the development and settlement of Alaska, delays and impedes the construction of roads and trails, and other projects, as well as explorations for strategic minerals, and can be remedied only by taxation and foreclosure; and

"Whereas a general property tax cannot be imposed upon nonproducing, patented mining claims, nor a nominal tax upon other patented lands outside of incorporated towns because of the requirement of the Organic Act that all assessments shall be according to actual value, and such taxation is necessary to free such lands from the hands of speculators and others,

"Now, therefore, we, your memorialists, do respectfully pray that section 9 of the organic act be amended so as to read as follows:

" '*Provided,* That all authorized indebtedness shall be paid in the order of its creation; all taxes shall be uniform upon the same class of subjects and shall be levied and collected under general laws, and the assessments shall be according to the actual value thereof, except that nonproducing, patented mining claims, which are also unimproved, may be valued at the price paid the United States therefor, or at a flat rate fixed by the legislature, but if the surface ground is used for other than mining purposes, and has a separate and independent value for such other purposes, or if there are improvements or machinery or other property thereon of such a character as to be deemed a part of the realty, then the same shall be taxed according to actual value.

" '*Provided further,* That a nominal tax not exceeding $1 per annum for each trade and manufacturing site, nor 1 cent per acre or fraction thereof per annum for all other nonmineral land outside of incorporated towns, may be levied, in the discretion of the legislature.'

"And your memorialists will ever pray."

By Mr. McCLELLAN:

A concurrent resolution of the Legislature of the State of Arkansas; to the Committee on Finance:

"House Concurrent Resolution 23

"Whereas members of the armed forces of the United States are subject to payment of income tax upon their service pay; and

"Whereas the sums paid them are small compared to the risk they carry while defending our country against its enemies, and

"Whereas the General Assembly of the State of Arkansas has enacted legislation at the present session relieving persons, male and female, from paying State income tax on that portion of their income received as service pay from the United States: Now, therefore, be it

"Resolved by the House of Representatives of the State of Arkansas (the senate concurring therein), That we do hereby memorialize the Congress of the United States to adopt such legislation as will relieve all members of the armed forces from payment of income tax upon the pay received by them from the United States for their services as members of such armed services, together with any allowances granted them by the Government in connection with their services.

"Resolved further, That copies of this resolution be forwarded by the chief clerk of this house and the secretary of the senate, to the United States Senate and House of Representatives of the Congress, and copies be forwarded to each of our Senators and Representatives in Congress."

(The VICE PRESIDENT laid before the Senate a concurrent resolution identical with the foregoing, which was referred to the Committee on Finance.)

By Mr. McCARRAN:

A joint resolution of the Legislature of the State of Nevada; to the Committee on Banking and Currency:

"Whereas the war economy of the United States has made many metals, heretofore of little value, of great and vital importance in the wartime activities of the Nation; and

"Whereas no State in the Union holds such potential wealth of the vital and strategic metals of copper, lead, tungsten, zinc, as does the State of Nevada; and

"Whereas many hundreds of prospectors, miners, and mine operators throughout Nevada have spent many years of labor and have expended an unknown amount of money in prospecting, locating, testing, developing, and mapping these deposits of strategic and rare metals upon which the Nation's war industry so much depends; and

"Whereas in times of peace the commercial demand for these metals was not sufficient to make the operation and development of these properties economically sound and by reason thereof such properties, though discovered, and developed in an exploratory way, have not been opened to the point of efficient and sustained production; and

"Whereas the so-called ceiling prices established by Presidential order are greatly in excess of peacetime levels, such ceiling prices, by reason of the vastly increased cost of labor, material, and mining supplies, are yet much too low to encourage the investment of capital and labor into immediate large scale development and production of countless properties situate throughout Nevada; and

"Whereas in the present war effort the cost, in money, of needed material and supplies has long since ceased to be considered as a valid reason for not encouraging wartime industry, and millions upon millions of dollars have been poured into favored industries upon the theory that the war needs of the Nation cannot be measured in dollars and cents with which principal we are in accord; and

"Whereas a proper increase in the ceiling prices of strategic metals would immediately encourage men, industry, and capital to develop these metals in numerous localities throughout the State of Nevada; and

"Whereas we sincerely believe that the metal output of the State of Nevada in strategic metals alone, could be doubled within the year if the mining thereof was accorded the same favored consideration now being received by certain other industries, all of which would remove many industrial bottlenecks impairing and endangering the war effort of the Nation: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of Nevada, That the President and Congress of the United States take immediate steps to fix ceiling prices on all strategic metals, not an increase of price based on peacetime standards, but upon the standard that a nation at war must have, whatever be the cost, those metals necessary to the ever-increasing production of the implements of war; and be it further

"Resolved, That if such prices are so fixed to the end that the men of Nevada may open and operate her many deposits of strategic and rare metals, not at a profit—but at least without loss to themselves—then we pledge the faith of the State of Nevada that in every desert and mountain outpost, men and machines will immediately begin to pour these now priceless metals into the mills and smelters and furnaces of the Nation's industry; and be it further

"*Resolved,* That the secretary of state of the State of Nevada forward duly certified copies of this resolution to the President of the United States, to the Vice President, as Presiding Officer of the Senate, to the Speaker of the House of Representatives, and to our Representatives in Congress."

(The VICE PRESIDENT laid before the Senate a resolution identical with the foregoing, which was referred to the Committee on Banking and Currency.)

By Mr. McCARRAN:

A joint resolution of the Legislature of the State of Nevada; to the Committee on Post Offices and Post Roads:

"Assembly Joint Resolution 12

"Whereas the movement of strategic materials to war industries is being greatly impeded by the lack of transportation facilities; and

"Whereas Congress has appropriated in excess of $10,000,000 for the building of raw materials access roads; and

"Whereas the many bureaus through which the approval of access roads has to pass have become so involved with red tape as to cause great delay in getting the money from the Federal Government to the sponsor actually building the access roads in the field: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of Nevada, That the Congress be memorialized to demand that the bureaus having to do with access roads to strategic mines shorten their procedure for approval, eliminate the red tape, and help move the strategic ores to places of use; and be it further

"*Resolved,* That copies of this resolution, duly certified, be forwarded to our Representatives in the Congress of the United States for proper presentation."

By Mr. MILLIKIN:

A joint resolution of the Legislature of the State of Colorado; to the Committee on Agriculture and Forestry:

"Senate Joint Resolution 16

"Whereas the Farm Credit Administration, and its various subsidiaries, such as the Production Credit Corporation, the Production Credit Association, the Farm Security Administration, and the Regional Agriculture Credit Corporation, were all organized and activated to supplement the facilities of the private lending institutions in the financing of agricultural operations; and such agencies and organizations have ably performed such duties as were assigned to them and accomplished their respective objectives; and

"Whereas, in time of economic stress, direct relief to agriculture on the part of the Government undoubtedly involves loans of the public funds; and

"Whereas the abnormal war conditions now existent in this country have imposed upon the farmers demands for greater production than were ever made before, and in meeting such demands additional credit will undoubtedly be needed; and

"Whereas, there are, in the State of Colorado, 140 banks situated, equipped, and with resources in excess of $300,000,000, to meet any credit demands which may thus be made by virtue of increased agriculture production; and

"Whereas, the banks of the State of Colorado have clearly demonstrated their energetic and whole-hearted support of the war effort by successfully promoting the "food for freedom" program in their respective communities, and by assisting the Treasury Department in raising the enormous sums of money necessary to finance the war effort; and

"Whereas the banking system of the United States has proven its rightful place in a democratic Nation, and is now proving its place in the war effort; and

"Whereas the various Government agencies established under the Farm Credit Administration have long since abandoned their practice of supplementing the facilities and credit of private financial institutions, and have now embarked upon a course of subsidized farm credit in destructive competition with the banks of this country; and

"Whereas the control of agricultural credit should not be subject to the play of political forces, nor should it be subsidized with public money; and

"Whereas the banks of the State of Colorado have invested more than $225,000,000 in Government securities, which funds are now proposed to be used in competition with them in that the Regional Agricultural Credit Corporation has been revived, and granted $225,000,000 to carry out its work: Now, therefore, be it

"Resolved by the Senate of the Thirty-fourth General Assembly (the house of representatives concurring herein), That this assembly go on record as recognizing the right of farmers to establish, operate, and maintain cooperative enterprises, but as vigorously opposing the subsidization of agricultural credit by the various agencies of the Farm Credit Administration; and be it further

"*Resolved,* That this assembly go on record as favoring the restriction of the activities of the Farm Credit Administration to those of serving agricultural credit needs which for reasons of safety, advisability, or legal restriction cannot be adequately served by private lending agencies; and that the future activities of the Farm Credit Administration be restricted to these supplementary aids to agriculture for which it was originally created, and as vigorously opposing the further extension of socialized credit; and be it further

"*Resolved,* That this assembly go on record as strenuously objecting to the present attack on private lending institutions and recommending the recall of the directive of the Secretary of Agriculture reactivating the Regional Agriculture Credit Corporation, and denying the use of the public funds to the same; and be it further

"*Resolved,* That a copy of this resolution be transmitted to the President of the United States; to each of the Senators and Representatives of the State of Colorado in the Congress of the United States; to all members of the Appropriations Committee of the House of Representatives; to the members of the Board of Governors of the Federal Reserve Bank; to the Comptroller of the Currency; to the Chairman of the Federal Deposit Insurance Corporation, and to the Honorable Claude R. Wickard, Secretary of Agriculture."

A joint memorial of the Legislature of the State of Colorado; to the Committee on Interstate Commerce:

"Senate Joint Memorial 7

"Whereas the narrow-gage lines of the Denver & Rio Grande Western Railroad Co. serve approximately 85,000 inhabitants of southwestern Colorado as their only railroad outlet from such district;

"Whereas said narrow-gage lines of railroad are vitally necessary for the transportation of agricultural crops and livestock, and strategic war metals, such as zinc, lead, copper, and vanadium;

"Whereas other forms of transportation are inadequate to supplant said narrow-gage lines;

"Whereas the United States Government has heretofore requisitioned and taken 7 of the largest and newest type of narrow-gage locomotives from said railroad lines, which then left only 41 narrow-gage engines in the possession of said the Denver & Rio Grande Western Railroad Co.;

"Whereas the United States Government through its Army is now endeavoring to requisition three more of the largest and newest type of the narrow-gage locomotives used in said lines of railroad; and

"Whereas if said three locomotives now under consideration by the Army of the United States Government are taken from said narrow-gage system the Denver & Rio Grande Western will be unable adequately to transport such vital war necessities as crops, livestock, and strategic metals: Now, therefore, be it

"Resolved by the Senate of the Thirty-fourth General Assembly of the State of Colorado (the house of representatives concurring herein), That protest is made hereby to any present, future, and further requisitioning of narrow-gage locomotives and other railroad equipment in the State of Colorado which would have an adverse effect upon the transportation facilities of this State, with a resultant unfavorable deterrent upon this State's war effort; be it further

"*Resolved,* That a copy of this memorial be forwarded to Franklin D. Roosevelt, Presi-

dent of the United States of America, to the Office of Defense Transportation, and to each of the United States Senators and Representatives in Congress from the State of Colorado so as to urge their vigorous support in accomplishing the purpose of this memorial."

MEMORIAL OF THE NEW MEXICO LEGISLATURE

Mr. HATCH. Mr. President, I ask consent to present and ask to have appropriately referred and printed in the RECORD a joint memorial by the Legislature of the State of New Mexico, to the President and the Congress of the United States of America, pertaining to the continued operation of the State's unemployment compensation program, under State law and administration, as opposed to nationalization of the system under Federal law.

There being no objection, the memorial was received, referred to the Committee on Finance and, ordered to be printed in the RECORD, under the rule, as follows:

Senate Joint Memorial 4

Joint memorial of the State of New Mexico and the sixteenth legislature thereof to the President and the Congress of the United States of America, pertaining to the continued operation of this State's unemployment compensation program, under State law and administration, as opposed to nationalization of the system under Federal law

Whereas the State of New Mexico, through its legislature and appointed officials, has established and maintained under its laws since December 1936, a system of unemployment compensation by which cash benefits have been paid to its unemployed wage earners from a fund made up of contributions by New Mexico employers, which system has been characterized by the just and prompt payment of benefits and the exaction of the minimum sustaining contribution from employers; and

Whereas, although the President and the Congress of the United States, in 1935, after studies by the President's own committee on economic security, not only recommended but urged the adoption of such programs by the several States as the best instruments for the administration of such a local function, there nevertheless has now developed a campaign in certain other quarters hostile to State and local government, to centralize the entire program of unemployment compensation, including the appropriation of the present State funds, into a national system administered from the Nation's Capital under Federal laws; and

Whereas the present system of unemployment compensation as a State program has permitted administration by local officials in close personal touch with the employers and wage earners affected, free from the evils of rigid Nation-wide uniformity in disregard of local needs and conditions, and the evils of delay and confusion in the payment of benefits whose promptness and fairness are vital, which evils might characterize the administration of a centralized program under Federal laws: Now, therefore, be it

Resolved, That the House and the Senate of the Sixteenth Legislature of the State of New Mexico join in making known their concern that the principle of the division of powers inherent in our dual system of government, under which the States through their people have happily retained the management of their local affairs and concerns, is imperiled; be it further,

Resolved, That the President and the Congress of the United States of America be and they are petitioned and memorialized to recognize, as they did in 1935, the proposition that the payment of unemployment compensation to wage earners in New Mexico out of funds contributed by its employers is a local concern and a function most economically, efficiently, and fairly administered by local officials under State laws; be it further

Resolved, That certified copies of this resolution, under the great seal of the State of New Mexico, in order that the same may be appropriately brought to the attention of the President and the Congress of the United States, be forwarded to the Honorable CARL A. HATCH and the Honorable DENNIS CHAVEZ, Senators from the State of New Mexico, and to the Honorable CLINTON P. ANDERSON and the Honorable ANTONIO M. FERNANDEZ, Members of the House of Representatives from the State of New Mexico.

RESOLUTIONS OF TOWN OF RANDOLPH, VT.—FOOD PRODUCTION

Mr. AIKEN. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in the RECORD a resolution adopted by the town of Randolph, Vt., at its annual town meeting held on March 2. Similar resolutions relating to food production were adopted at their respective annual meetings by 36 other Vermont towns, as follows: Andover, Benson, Bethel, Brandon, Bridgewater, Calais, Cambridge, Canaan, Cavendish, Chester, Concord, Dummerston, Enosburg, Guildhall, Hartland, Hyde Park, Ira, Middlebury, Moristown, Norwich, Pittsford, Plymouth, Pomfret, Reading, Richford, Rupert, Springfield, Stockbridge, Stowe, Vernon, Waterbury, Weston, West Windsor, Weybridge, Williamstown, and Woodstock.

There being no objection, the resolution was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

Whereas Vermonters are called upon to break all previous farm-production records in 1943 to provide much needed wartime food supplies for our armed forces, our allies, and our civilian population; and

Whereas Vermont farmers are faced with serious wartime obstacles including the scarcity of farm labor, farm machinery, livestock feeds, fertilizers, and other production factors, together with uncertainty as to whether farm returns will keep pace with rising production costs: Therefore be it

Resolved, That the citizens of the town of Randolph pledge their unstinting efforts to further the production of food for freedom during 1943.

Resolved, That the citizens of the town of Randolph pledge their willingness to do everything possible to help local farmers produce and harvest food.

Resolved, That the citizens of the town of Randolph hereby petition the Federal Government to take all essential steps to the end that farmers may be assured of sufficient labor, machinery, and equipment, livestock feeds, fertilizers, gasoline, and other production factors, together with fair returns for the work, investments, and risks involved in increasing production.

Resolved, That a copy of this resolution be sent to the Honorable Claude R. Wickard, United States Secretary of Agriculture and to the Members of Vermont's delegation in the Congress of the United States.

RESOLUTION OF TOWN OF TOWNSHEND, VT.—WINNING OF VICTORY AND PEACE

Mr. AIKEN. Mr. President, I also present for appropriate reference and ask unanimous consent to have printed in the RECORD a different resolution adopted by the town of Townshend, Vt., at its meeting, which was likewise held on March 2. Similar resolutions relating to the winning of the victory and to the peace that will follow were adopted at their meetings by six other Vermont towns, as follows: Benson, Middlesex, Richford, Sherburne, Stowe, Waterbury.

There being no objection, the resolution was referred to the Committee on Military Affairs and ordered to be printed in the RECORD, as follows:

Whereas the Axis governments in their folly and madness and crime conceive that they are wise enough and strong enough to destroy and annihilate other nations and to rule the world;

Resolved, That the town of Townshend pledges to help win, at whatever personal cost, the victory which will erase forever from the minds of all men ideas of "master races" and of people who have the destiny and the power to dominate and enslave other peoples.

Resolved, That the town of Townshend pledges to help work for a peace in which the United States recognizes to the full and fulfills her responsibilities in a world of free peoples; and

Resolved, That copies of this resolution be sent to the President of the United States and to Members of Congress.

REPORTS OF COMMITTEE ON CLAIMS

The following reports of the Committee on Claims were submitted:

By Mr. ELLENDER:

S. 257. A bill for the relief of Christine Lund; with an amendment (Rept. No. 115);

S. 839. A bill for the relief of Etta Houser Freeman; with amendments (Rept. No. 116); and

S. 854. A bill for the relief of the First National Bank of Huntsville, Tex., without amendment (Rept. No. 117).

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BROOKS:

S. 877. A bill to reduce the rate of interest on loans secured by United States Government Life Insurance to 3 percent per annum; to the Committee on Finance.

By Mr. LANGER:

S. 878. A bill to amend the act entitled "An act to amend further the Civil Service Retirement Act, approved May 29, 1930, as amended," approved January 24, 1942, and for other purposes; to the Committee on Civil Service.

By Mr. WALSH:

S. 879. A bill to amend the act entitled "An act authorizing a reduction in the course of instruction at the Naval Academy," approved June 3, 1941 (55 Stat. 238); to the Committee on Naval Affairs.

(Mr. TYDINGS introduced Senate bill 880, which was referred to the Committee on Agriculture and Forestry, and appears under a separate heading.)

By Mr. McCARRAN:

S. 881. A bill to amend an act entitled "An act relating to the levying and collecting of taxes and assessments, and for other purposes," approved June 25, 1938; and

S. 882. A bill to amend an act entitled "An act to prescribe the method of capital punishment in the District of Columbia," approved January 30, 1925 (43 Stat. 798, ch.

115, Public Law 348, 68th Cong., 2d sess.); to the Committee on the District of Columbia.

(Mr. WILEY introduced Senate bill 883, which was read twice by its title and referred to the Committee on Commerce, and appears under a separate heading.)

By Mr. McFARLAND:

S. 884. A bill to authorize the Secretary of the Interior to exchange certain lands within the Navajo Indian Reservation, Ariz.; to the Committee on Indian Affairs.

(Mr. MALONEY (on behalf of the Special Committee to Study and Survey Problems of American Small Business Enterprises) introduced Senate bill 885, which was referred to the Committee on Banking and Currency, and appears under a separate heading.)

(Mr. LODGE (for himself and Mr. MAYBANK) introduced Senate bill 886, which was referred to the Committee on Military Affairs, and appears under a separate heading.)

By Mr. McCARRAN:

S. J. Res. 42 Joint resolution to extend for 1 year the provisions of an act providing for the suspension of annual assessment work on mining claims held by location in the United States, including the Territory of Alaska, approved May 7, 1942; to the Committee on Mines and Mining.

By Mr. DAVIS:

S. J. Res. 43. Joint resolution establishing a Division for the Physically Handicapped in the United States Employment Service; to the Committee on Education and Labor.

By Mr. RADCLIFFE:

S. J Res. 44. Joint resolution to authorize the return to private ownership of certain vessels formerly used or suitable for use in the fishing or related industries and now owned by the United States, and for other purposes; to the Committee on Commerce.

JUNIOR VOLUNTEER ARMY OF AMERICAN YOUTH

Mr. TYDINGS. Mr. President, I ask consent to introduce for appropriate reference a bill entitled "An act to establish a junior army of the United States for the purpose of organizing the youth of the Nation on a volunteer basis, in order that they may contribute more effectively to the war effort, and for other purposes." The main object of the bill is to provide 3,100,000 seasonal farm workers at harvest time. I request that a statement which I have prepared in connection with the bill be printed in the RECORD and also that the bill may be printed in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

The bill (S. 880) to establish a junior army of the United States for the purpose of organizing the youth of the Nation on a voluntary basis in order that they may contribute more effectively to the war effort, and for other purposes, was read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the Secretary of Agriculture (herein referred to as the "Secretary") is authorized and directed to establish, under the supervision of the Department of Agriculture, an organization to be known as the Junior Army of the United States and to consist of boys and girls between the ages of 14 and 18 years who volunteer for service in the junior army. The purpose of the junior army shall be to provide an effective method through which the services of such boys and girls may be made available and utilized, on a purely voluntary basis, for aid in the production, harvesting, and distribution of agricultural commodities and in the performance of other useful work or activities in which they are qualified to render services which will contribute to the effective prosecution of the war.

SEC. 2. (a) Boys and girls between the ages of 14 and 18 years who meet such requirements of eligibility as may be established by the Secretary may, with the written consent of their parents or guardians, be enlisted in the junior army. Enlistments shall be for a period of 3 months and may be renewed. Members of the junior army shall be known as junior soldiers, and shall be divided into grades corresponding to grades in the Army of the United States from colonel to private. Assignment to such grades shall be in accordance with, and the qualifications for and duties of the several grades shall be determined under, regulations prescribed by the Secretary.

(b) The Secretary shall provide suitable caps or hats and buttons or pins or other insignia of appropriate design for junior soldiers, for the purpose of indicating their membership and their rank or grade in the junior army.

(c) Upon the completion of any period of satisfactory service of 3 months or more in the junior army, any junior soldier shall be entitled to a certificate of honorable discharge and shall be entitled to retain the cap or hat and insignia issued to him. Any junior soldier may withdraw from the junior army at any time, but no certificate of honorable discharge shall be issued upon withdrawal prior to the completion of 3 months of service unless such withdrawal is determined to be for good cause.

SEC. 3. (a) The activities of the junior army shall, so far as practicable, be conducted in a manner which will not interfere with the education or attendance at school or normal home life of junior soldiers; and no junior soldier shall be assigned to any service which necessitates his absence from school or from his place of residence, unless he volunteers for such service with the consent of his parent or guardian.

(b) Junior soldiers shall not be paid compensation by the United States. In cases where they perform services for other persons, organizations, or agencies, the terms and conditions upon which such services are performed, and the compensation to be paid therefor, shall be determined and fixed in accordance with regulations of the Secretary.

SEC. 4. For the purposes of this act, the Secretary—

(a) May enter into agreements with public and private agencies and, pursuant to such agreements, may utilize the facilities and services of such agencies, may reimburse them on a cost basis for the use of such facilities and services, and may delegate to them the performance of functions under this act.

(b) May accept and utilize voluntary and uncompensated services.

(c) May utilize such personnel and facilities of the Department of Agriculture, employ such additional personnel, and make such expenditures as may be necessary.

(d) Shall make such rules and regulations as are necessary for the establishment and operation of the Junior Army in order to accomplish the purposes of this act, including rules and regulations relating to the establishment, composition, organization, and operation of units thereof.

SEC. 5. The heads of the several departments and agencies of the Government are authorized, upon request of the Secretary, to detail civilian or military personnel of their respective departments or agencies to assist the Secretary in the administration of this act and in the establishment and supervision of the Junior Army, and such detail shall be considered part of the official duties of such personnel.

SEC. 6. The Junior Army shall not be considered, for the purposes of any other law, to be a part of the military or naval forces of the United States.

SEC. 7. Such sums as may be necessary to carry out the purposes of this act are hereby authorized to be appropriated.

SEC. 8. The provisions of this act shall cease to be in effect at the end of 6 months after the termination of the present war, as proclaimed by the President, or at such earlier time as the President by proclamation or the Congress by concurrent resolution may designate.

SEC. 9. This act may be cited as the "Junior Army Act."

The statement presented by Mr. TYDINGS in connection with the bill was ordered to be printed in the RECORD, as follows:

We are told by the Secretary of Agriculture that 3,100,000 extra farm workers will be needed to harvest the crops at harvesttime. It is plain to everybody that these 3,100,000 persons needed to save the food supply which the farmers are now planting cannot be found in the accustomed channels and places. I have, therefore, introduced a bill to meet this great need at harvesttime by authorizing the Secretary of Agriculture to form a junior army of persons between 14 and 18 years of age on a purely voluntary basis.

If such a force is now organized, when the harvesttime comes there will be no need for the crops to be lost in the field. Available extra labor through this medium can be ready in each community. We will not have crops rotting in the field for lack of harvesting personnel as we have had heretofore. It is important that this movement get under way at once. I shall ask the committee considering the bill to report it to the Senate so that it may become law at the earliest opportunity.

ASSISTANT SECRETARY OF COMMERCE FOR SMALL BUSINESS

Mr. WILEY. I ask consent to introduce a bill providing for an Assistant Secretary of Commerce for Small Business, and I ask that the bill be printed in the RECORD, and that in connection therewith there may be printed a statement I had expected to deliver on the floor of the Senate today.

The VICE PRESIDENT. Without objection, it is so ordered.

The bill (S. 883) providing for an Assistant Secretary of Commerce for Small Business, was read twice by its title, referred to the Committee on Commerce, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc.,

CONGRESSIONAL FINDINGS AND DECLARATION OF POLICY

SECTION 1. (a) The Congress hereby finds that (1) the existence of American small business as an integral part of the American economic system is essential for the preservation of the system of free competitive enterprise in the Nation, (2) that the continued existence of American small business as a potent factor in the American economy is now challenged and threatened with extinction, and (3) that destruction of American small business burdens and obstructs the free flow of goods in commerce and interferes with the orderly and fair marketing of goods in commerce.

(b) It is hereby declared to be the policy of this act, through the exercise by Congress of its power to regulate commerce between the several States and to create executive offices, to preserve American small business

as an integral and essential part of the American economic system, and to preserve the system of free private competitive enterprise in the Nation.

ASSISTANT SECRETARY OF COMMERCE FOR SMALL BUSINESS

SEC. 2. There shall be in the Department of Commerce an Assistant Secretary of Commerce for Small Business. It shall be the province and duty of said Assistant Secretary of Commerce for Small Business to foster, promote, and develop the conduct of commerce, manufacturing, transportation, distribution, and other business facilities and activities in the United States by small business with the end in view of the preservation of small business as an integral component part of the American system of free private competitive enterprise of the Nation. He shall be appointed by the President, with the advice and consent of the Senate. He shall be charged with the supervision and coordination of governmental activities dealing with the small business and small-business problems, and such other duties as shall be assigned to him by the Secretary of Commerce and as may be required by law. There shall be detailed to his office such number of employees of the Department of Commerce as may be authorized by the Secretary of Commerce. The Secretary of Commerce shall make a report to the President, the President of the Senate, and the Speaker of the House of Representatives, each 6 months of the operation of the office of the Assistant Secretary of Commerce for Small Business including such other information and such comments and recommendations with respect to American small business and small-business problems as he may deem appropriate.

The statement presented by Mr. WILEY in connection with the bill is as follows:

The last census taken of business concerns indicates there were over 3,100,000 in this country. Of course, since that time, because of the impact of the war, large numbers have fallen by the wayside. In 1939 small business produced 70 percent of all manufactured goods and employed about 60 percent of the wage earners in this country. These small business concerns were owned by about 6,500,000 men and women.

Approximately only 40 percent of the small business manufacturers can possibly be harnessed into war production. The remaining 60 percent must be kept alive by civilian production. It is plain that if the manufacturer cannot produce, then the wholesaler, the jobber, and finally the retailer will go out of business for lack of merchandise to sell, and that is what is happening throughout the country. It has been said that last year there were fatalities of about 25 percent.

This resolution I have introduced has something more in mind than simply protecting a group. Small business in this war has been the neglected and the forgotten man—the farmer, the misunderstood and maligned man. If we include many farmers who should be classified as small businessmen, with this group of 3,100,000, then we will probably have a group of 4,500,000. These two segments of our society, small business and the farmers, constitute the backbone of America. We must maintain their economic health. Why? Because if we permit a great percentage of this segment to become paralyzed—remember it affects probably 10,000,000 adults—we will seriously damage the morale of this country.

The war has brought out this fact, that small business must have a voice in the councils of the Nation. Therefore we are suggesting by this resolution that an Assistant Secretary of Commerce for Small Business be constituted.

This Assistant Secretary of Commerce for Small Business could take hold of this problem right now and do a great job now and in the post-war period in rehabilitating and integrating small business with the life of the Nation. He should have been appointed years ago, but this is like many other things that should have been attended to but haven't.

But let us delay no longer. Small business, with its millions of the finest Americans, must have a pilot in Washington, one who knows the channels and who will look after its interests.

The Assistant Secretary of Commerce in the post-war period can see to it that there is the right kind of cooperation between small business, big business, the farmer, and labor. Without this cooperation among these four segments of our society, the post-war period will bring only tragedy in the national and international economic field.

We must demonstrate the "four freedoms" at home before we can effectively become a "world preacher" of the "four freedoms." I refer especially to "freedom from want" and "freedom from fear." The small businessmen by the tens of thousands have become acquainted with these two "wants."

DEFERMENT ON OCCUPATIONAL GROUNDS OF GOVERNMENT EMPLOYEES

Mr. LODGE. Mr. President, I ask consent to introduce a bill which I desire to describe briefly. I am introducing the bill on behalf of the Senator from South Carolina [Mr. MAYBANK] and myself.

The bill relates to selective-service deferment on occupational grounds of persons employed by the Federal Government. It reaffirms the provisions of the Executive order issued by the President with regard to employees of executive departments. It extends a similar policy to employees of the legislative and judicial departments, and provides that the names of all persons deferred because they work for the Federal Government shall be sent to Congress.

In connection with my statement I ask that section 5 (c) (2) and section 5 (e) of the Selective Service Act be printed in the RECORD as a part of my remarks, because a section of the bill I introduce relates to them.

There being no objection, the sections of the law were ordered to be printed in the RECORD, as follows:

Section 5 (c) (2):

The President is authorized, under such rules and regulations as he may prescribe, to provide for the deferment from training and service under this act in the land and naval forces of the United States of any person holding an office (other than an office described in paragraph (1) of this subsection) under the United States or any State, Territory, or the District of Columbia, whose continued service in such office is found in accordance with section 10 (a) (2) to be necessary to the maintenance of the public health, safety, or interest.

Section 5 (e):

The President is authorized, under such rules and regulations as he may prescribe, to provide for the deferment from training and service under this act in the land and naval forces of the United States of those men whose employment in industry, agriculture, or other occupations or employment, or whose activity in other endeavors is found in accordance with section 10 (a) (2) to be necessary to the maintenance of the national health, safety, or interest. The President is also authorized, under such rules and regulations as he may prescribe, to provide for the deferment from training and service under this act in the land and naval forces of the United States (1) of those men in a status with respect to persons dependent upon them for support which renders their deferment advisable, and (2) of those men found to be physically, mentally, or morally deficient or defective. No deferment from such training and service shall be made in the case of any individual except upon the basis of the status of such individual, and no such deferment shall be made of individuals by occupational groups or of groups of individuals in any plant or institution.

Mr. MAYBANK. Mr. President, let me say that I am very much pleased to join with the Senator from Massachusetts in endorsing the bill, and I hope that the committee will be able to act on it quickly.

The VICE PRESIDENT. Without objection, the bill will be received and referred to the Committee on Military Affairs.

The bill (S. 886) relating to the selective-service deferment on occupational grounds of persons employed by the Federal Government, introduced by Mr. LODGE (for himself and Mr. MAYBANK), was read twice by its title and referred to the Committee on Military Affairs.

ESTABLISHMENT OF A CIVILIAN SUPPLY ADMINISTRATION

Mr. MALONEY. Mr. President, not intimately related to war production but closely related to the war effort is the situation concerning civilian supply. The greatest number of American small business concerns operates mainly in the field of civilian supply rather than in the direct production of goods for the armed forces.

Here we find hundreds of thousands of smaller wholesalers and retailers who provide our citizens with food, clothing, fuel, drugs, and other necessities. Here we find thousands of service establishments, hotels, places of amusement, and other types of nonwar establishments. Here also are the majority of small manufacturers. In all, about 95 percent of American small business concerns are engaged in civilian supply.

Although much has been said about the necessity of bringing small business more fully into war production—and the committee has taken the lead in this respect—the wartime problem facing most small businessmen is the imminent crisis in civilian supply.

Since the beginning of the war, civilian supply enterprises have been orphans of the storm. These enterprises have been repeatedly treated as though completely nonessential. Materials, manpower, and other resources are being haphazardly drained away from them by an ill-planned and chaotically administered war production program. They have operated under price regulations that have been promulgated and administered entirely apart from any program of civilian supply. Under such circumstances the smaller firms in the civilian field have been unable to stand up against the competition of big business firms which, because of their greater financial resources, have been able to build up large supplies of waning stocks, outbid them on the labor market, and

continue to operate under rigid price ceilings.

In the earlier days of the war, while war production was still at modest levels, the neglect of civilian supply presented no immediate danger. But today, now it has been decided to build up a huge army and now that war production has reached tremendous proportions, we have just begun to feel the results of the insufficient attention given to civilian supply. Entire sections of the country have suffered from acute and unpredicted shortages of meat, fuel, and other necessities.

By the end of 1943, unless drastic measures are promptly taken, we face a break-down on the home front. Although the dollar volume of goods and services available for the civilian population may look reassuring on the statistical charts of Washington economists, over-all figures are misleading. While our factories will produce more than enough of some goods, they will turn out far less than enough of others. Goods produced in sufficient quantity will be distibuted unevenly. Small stores and stores in farming and rural areas, remote regions and certain new communities will lose out in the struggle for a share of available supplies. Because of an overloaded transportation system, there may be hours, days, weeks, or months when civilian goods cannot be moved in adequate quantities to or from certain areas. This is a particular danger in crowded industrial communities where too complete a diversion of facilities and manpower to war production may destroy local sources of civilian supply and create an overdependence on goods transported from other areas.

By the end of 1943, moreover, small business in the civilian field will find its stocks depleted. The profit reserves that may have been built up during the earlier days of the defense boom will have melted away. The specter of the black market operator may again arise to threaten the legitimate distributor. Thousands upon thousands of small manufacturers, retailers and wholesalers, including the essential as well as the nonessential, the established operator as well as the fly-by-night, may be wiped out of existence.

Accordingly the subcommittee of the Committee on Small Business of the Senate has come to the conclusion that the first step to be taken in approaching the problems of small business in the field of civilian supply is the establishing of a clear-cut national policy and program on civilian supply. We must once and for all do away with the theory that after military needs are met, the civilian population should scramble for the crumbs that are left over. We must do away with the theory that a total war can be waged by planning the production of airplanes and ships and neglecting the production and distribution of the food, clothing, fuel, medical supplies, repair parts, and other necessities used by those who make the airplanes and ships. To paraphrase Abraham Lincoln's statement that we cannot survive half slave and half free, we cannot fight a total war half planned and half hit-or-miss. It may seem a far cry from the fighting privates in the jungles of Guadalcanal to the grocer in Middletown, but they are both essential parts of our total war effort for the safety of our country.

The heart of our military strategy lies in having the right amount of the necessary equipment and manpower available at the right moment at the right place. The heart of our wartime strategy on the home front lies in having the right amount of the necessary goods, services, and manpower at the right moment at the right place. All Federal regulations and control programs affecting the civilian economy—whether they be price ceilings, rationing programs, inventory controls, wage controls, manpower allocations or any other—must be subordinated to, and integrated with, this basic strategy.

The committee has heard extensive testimony from businessmen on this very question. On January 19, 20, and 21, especially, representatives of many retailing and wholesaling trade associations presented their views in considerable detail. The National Retail Dry Goods Association pointed out that no one now knows where the balance is between the materials needed by the armed forces and civilian requirements. The Voluntary Chain Institute pointed out the need for carefully weighing the respective requirements of the armed forces and specifically called for greater production of foods. The National Retail Furniture Association suggested the need for greater production of bedsprings and baby carriages. The National Electronics Distribution Association presented figures to indicate the importance of relatively small amounts of material for the maintenance of electrical equipment. The National Leather and Shoe Finders' Association pointed out the necessity of allocating steel and leather for shoe repairing. The National Automobile Dealers' Association, the National Restaurant Association, and the Associated Retail Bakers of America stressed the necessity of maintaining adequate manpower for civilian activities. The Wholesale Dry Goods Institute and the National Association of Retail Druggists pointed out the importance of having the limited supply of goods equitably distributed. The National Association of Retail Meat Dealers called attention to the inequitable distribution of existing meat supplies. At least three associations, the National Retail Dry Goods Association, the National Leather and Shoe Finders' Association, and the National Association of Retail Grocers, suggested the appointment of a civilian supply administrator. The National Association of Retail Grocers laid special emphasis upon the need for statutory action as follows:

> We do need a statutory reorganization of existing agencies or set-ups * * * that would establish a civilian supply administrator, with complete power to determine essential civilian requirements for goods and services and for the material, labor, and facilities needed to produce and distribute such goods and services * * *.
>
> Your committee and the Congress should also give the civilian supply administrator the authority to issue regulations governing concentration, inventory control, allocations, rationing, and simplification. Above all, irrespective of what detailed responsibilities and powers are established, such legislation should clearly define our national policy on civilian supply. It should state in no unmistakable terms that the guaranteeing of essential civilian supply is an integral part of our war economy.

In June 1942, upon recommendation of the Senate Committee on Small Business, the Congress enacted the Smaller War Plants Act, which set up the Smaller War Plants Corporation and provided it and the War Production Board with ample power to bring thousands of small business concerns into war production. The committee has now arrived at the conclusion that the Smaller War Plants Act must now be supplemented by legislation establishing a national policy on civilian supply, administered by a Civilian Supply Administrator. Through well-conceived legislation of this type the Congress can provide the way to prevent a serious break-down on the home front that might disrupt the entire war effort. It can also complete its legislative foundation for the wartime utilization of small business concerns in all phases of our national economy and for the preservation of a healthy small-business structure throughout the war period.

Mr. President, as we read the terrifying daily news stories directing our attention to the many war fronts on which our soldiers are fighting, the question of civilian supply is not exactly light reading, but all of us by this time know that it is among the most serious of our problems; that certainly next to what confronts our combat troops this is our paramount problem. If we are to afford a proper protection to them and to those whom they left behind, we must, and must now, deal with this seriously important problem.

And so, Mr. President, on behalf of the subcommittee on civilian supply of the Committee on Small Business of the Senate, composed of the Senator from Ohio [Mr. TAFT], the Senator from Nevada [Mr. SCRUGHAM], and myself, as well as on behalf of other members of the Small Business Committee of the Senate, I ask consent to introduce a bill to establish a civilian supply administration, and for other purposes, and I ask that it be referred to the Committee on Banking and Currency of the Senate.

There being no objection, the bill (S. 885) to establish a Civilian Supply Administration, and for other purposes, introduced by Mr. MALONEY (on behalf of the Special Committee to Study and Survey Problems of American Small Business Enterprises), was read twice by its title and referred to the Committee on Banking and Currency.

HOUSE BILLS AND JOINT RESOLUTION REFERRED OR PLACED ON CALENDAR

The following bills and joint resolution were severally read twice by their titles and referred, or ordered to be placed on the calendar, as indicated:

H. R. 131. An act to provide reemployment rights for persons who leave their positions to serve in the merchant marine, and for other purposes; to the Committee on Commerce.

H. R. 1671. An act to amend section 23 of the Immigration Act of February 5, 1917; to the Committee on Immigration.

H. R. 1780. An act to increase the debt limit of the United States, and for other purposes; to the Committee on Finance.

H. R. 324. An act to place postmasters at fourth-class post offices on an annual-salary basis, and fix their rate of pay; and provide allowances for rent, fuel, light, and equipment, and fix the rates thereof; and

H. R. 1940 An act prescribing the salary for the Commissioner of Public Roads and the Commissioner of Public Buildings; to the Committee on Post Offices and Post Roads.

H. R. 1366. An act to provide temporary additional compensation for employees in the Postal Service;

H. R. 1936. An act to provide for the expansion of facilities for hospitalization of dependents of naval and Marine Corps personnel, and for other purposes; and

H. R. 2023. An act to amend section 301, World War Veterans' Act, 1924, as amended, to authorize renewal of expiring 5-year level premium term policies of those in active military or naval service and certain others outside the continental limits of the United States, and for other purposes; to the calendar.

H. J Res. 83. Joint resolution to permit additional sales of wheat for feed; to the Committee on Agriculture and Forestry.

COMPENSATION OF CIVILIAN AIR CORPS TRAINEES—AMENDMENT

Mr. LA FOLLETTE. Mr. President, I have had brought to my attention in a rather forceful way, by correspondence from those who are taking the Civilian Aeronautics Administration war training program, a condition which merits attention. The plight of these men is really serious. As a result of this correspondence, I have prepared an amendment, which would provide that these men while undergoing training, or while they are awaiting assignment to a more advanced training course, or awaiting assignment to active duty in the armed forces, or such employment as the Army Air Force may direct, shall receive compensation at the rate of $50 a month.

I am submitting this amendment to the bill (H. R. 1670) to amend section 2 of the Civilian Pilot Training Act of 1939, as amended. I ask that the amendment be referred to the Committee on Commerce, which has under consideration the bill to which the amendment is intended to be offered, in the hope that the committee will take cognizance of the plight of these men, that the amendment may afford some opportunity for consideration of the subject, and that perhaps the full committee, or a subcommittee, may go into the whole subject matter, to the end that some relief may be afforded to these men and their families.

The VICE PRESIDENT. Without objection, the amendment will be received, printed, and referred to the Committee on Commerce.

AMENDMENT OF RESOLUTION TO CREATE A SPECIAL COMMITTEE ON POST-WAR ECONOMIC POLICY AND PLANNING

Mr. LUCAS submitted a resolution (S. Res. 115), which was considered by unanimous consent and agreed to, as follows:

Resolved, That section 2 of Senate Resolution 102, to create a special committee on post-war economic policy and planning, agreed to on March 12, 1943, be, and the same is hereby, amended to read as follows:

"Sec. 2. The special committee, or any subcommittee thereof, during the Seventy-eighth Congress, shall have power to hold hearings and to sit and act at such places and times, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. Subpenas shall be issued under the signature of the chairman of said committee, and shall be served by any person designated by him. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $50,000, shall be paid from the contingent fund of the Senate, upon vouchers approved by the chairman."

Resolved further, That said resolution be further amended by striking out on page 2, line 13, the word "Appropriations" and inserting in lieu thereof the word "Funds."

SEVENTY-FIFTH ANNIVERSARY OF MASSACHUSETTS SOCIETY FOR PREVENTION OF CRUELTY TO ANIMALS

Mr. LODGE. Mr. President, I am pleased to call to the attention of the Members of the Senate, and I think it is appropriate that I do so, the seventy-fifth anniversary of the Massachusetts Society for the Prevention of Cruelty to Animals.

Mr. George T. Angell, of Massachusetts, in 1868 conceived and founded this society. Over a period of 40 years he worked unceasingly and gave unstintingly of his time and money in order that dumb animals may be better understood and more kindly treated by mankind. Since 1910 Dr. Francis H. Rowley has carried on as president of the organization with equal enthusiasm the good work inaugurated by his predecessor. In his efforts to teach people a higher regard for animals he has created a kindlier feeling and better understanding, a closer fraternity and greater concept of citizenship, among all peoples regardless of race, denomination or creed.

At this time the principles on which the Massachusetts Society for the Prevention of Cruelty to Animals and its many auxiliaries was founded, has spread and expanded and gone on and on until now education along the line of kindness and gentleness in the treatment of animals reaches all the States of our Nation and extends to every civilized country.

THE ROADS TO LASTING PEACE—ARTICLE BY SENATOR BURTON

[Mr. McNARY asked and obtained leave to have printed in the RECORD an article entitled "Roads to Lasting Peace," published in the current number of the Republican Magazine of Chicago, Ill., which appears in the Appendix.]

WINNING THE WAR AND PLANNING FOR THE PEACE—ADDRESS BY GOVERNOR HAROLD E. STASSEN

[Mr. DAVIS asked and obtained leave to have printed in the RECORD an address delivered by Hon. Harold E. Stassen, Governor of Minnesota, at the United Nations Forum, Philadelphia, March 11, 1943, which appears in the Appendix.]

SOCIAL SECURITY FOR POST-WAR AMERICA—ADDRESS BY ARTHUR J. ALTMEYER

[Mr. WAGNER asked and obtained leave to have printed in the RECORD an address dealing with social security for post-war America, delivered by Arthur J. Altmeyer, chairman of the Social Security Board, at the National Conference of Social Work in New York City, March 12, 1943, which appears in the Appendix.]

PLANNING IN REVERSE—EDITORIAL FROM THE BOSTON POST

[Mr. WALSH asked and obtained leave to have printed in the RECORD an editorial entitled "Planning in Reverse," from the Boston Post of March 15, 1943, which appears in the Appendix.]

PROPOSED CONSOLIDATION OF WAR AND POST-WAR PROGRAMS—ARTICLE BY ARTHUR KROCK

[Mr. NYE asked and obtained leave to have printed in the RECORD an article entitled "Taking In Too Much Territory With One Arm" by Arthur Krock, published in the New York Times, March 16, 1943, which appears in the Appendix.]

DELAY IN TRANSPORTATION OF MAIL TO ARMED FORCES—EDITORIAL FROM SHREVEPORT TIMES

[Mr. OVERTON asked and obtained leave to have printed in the RECORD an editorial from the Shreveport Times of March 10, 1943, entitled "Let's Have Action on This," relating to the transmission of mail between the United States and our armed forces, which appears in the Appendix.]

INCREASE OF COMMERCE ON THE MISSISSIPPI AND ITS TRIBUTARIES—ARTICLE BY PAUL WOOTON

[Mr. OVERTON asked and obtained leave to have printed in the RECORD an article by Paul Wooton, from the New Orleans Times-Picayune, regarding the increase of waterborne commerce on the Mississippi River and its tributaries, which appears in the Appendix.]

FARM CONDITIONS

[Mr. ELLENDER asked and obtained leave to have printed in the RECORD an editorial entitled "Farm Crisis," from the New Orleans States of February 3, 1943, and an editorial entitled "The Farmer's Side," from the Times-Picayune of New Orleans of February 3, 1943, which appear in the Appendix.]

THE TRUTH ABOUT MacARTHUR—ARTICLE BY IRVING BRANT

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD an article entitled "The Truth About MacArthur," written by Irving Brant, and published in the New Republic of December 28, and another article from the New Republic of March 1 containing a letter from Joseph C. Harch and the reply thereto by Mr. Brant, which appear in the Appendix.]

REPORT OF FUEL OIL RATIONING INVESTIGATING COMMITTEE OF ILLINOIS GENERAL ASSEMBLY

[Mr. BROOKS asked and obtained leave to have printed in the RECORD the report of the Fuel Oil Rationing Investigating Committee appointed by the Sixty-third Illinois General Assembly, which appears in the Appendix.]

FOOD RATIONING—ARTICLE BY BILL CUNNINGHAM

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD an article entitled "Food Ration Based on False Premise," written by Bill Cunningham and published in the Boston Herald of February 28, 1943, which appears in the Appendix.]

DEFERMENT FROM MILITARY SERVICE OF PERSONS ENGAGED IN AGRICULTURE

The Senate resumed the consideration of the bill (S. 729) providing for the deferment from military service of persons engaged in agricultural occupations.

Mr. DOWNEY obtained the floor.

Mr. HILL. Mr. President, will the Senator yield to me to suggest the absence of a quorum?

Mr. DOWNEY. I yield.

Mr. HILL. I suggest the absence of a quorum

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Gerry	O'Daniel
Austin	Gillette	Overton
Bailey	Guffey	Radcliffe
Ball	Gurney	Reed
Bankhead	Hatch	Revercomb
Bilbo	Hawkes	Reynolds
Bone	Hayden	Robertson
Brewster	Hill	Scrugham
Bridges	Holman	Shipstead
Brooks	Johnson, Calif.	Smith
Buck	Johnson, Colo.	Taft
Burton	Kilgore	Thomas, Idaho
Bushfield	La Follette	Thomas, Okla.
Byrd	Langer	Tobey
Capper	Lodge	Tunnell
Caraway	Lucas	Tydings
Chavez	McCarran	Vandenberg
Clark, Idaho	McClellan	Wagner
Clark, Mo.	McFarland	Walsh
Connally	McNary	Wheeler
Danaher	Maloney	Wherry
Davis	Maybank	White
Downey	Mead	Wiley
Eastland	Millikin	Willis
Ellender	Moore	Wilson
Ferguson	Murdock	
George	Nye	

Mr. HILL. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from Virginia [Mr. GLASS], the Senator from Tennessee [Mr. MCKELLAR], and the Senator from Indiana [Mr. VAN NUYS] are absent from the Senate because of illness.

The Senator from Kentucky [Mr. BARKLEY], the Senator from Rhode Island [Mr. GREEN], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Florida [Mr. PEPPER], the Senator from Tennessee [Mr. STEWART], and the Senator from Utah [Mr. THOMAS] are detained on public business.

The Senator from Kentucky [Mr. CHANDLER], the Senator from Montana [Mr. MURRAY], the Senator from Missouri [Mr. TRUMAN], and the Senator from Washington [Mr. WALLGREN] are absent on official business for the Senate.

Mr. MCNARY. The Senator from New Jersey [Mr. BARBOUR] and the Senator from Nebraska [Mr. BUTLER] are necessarily absent.

The PRESIDING OFFICER (Mr. HATCH in the chair). Seventy-nine Senators have answered to their names. A quorum is present. The Senator from California has the floor.

Mr. BALL. Mr. President——

The PRESIDING OFFICER. Does the Senator from California yield to the Senator from Minnesota?

Mr. DOWNEY. Mr. President, I am willing to yield to the Senator from Minnesota for not to exceed 15 minutes, upon the unanimous understanding that I shall not thereby lose the floor, and likewise upon the further statement that beyond that I shall not be willing to yield to any Senator except for routine business, or for interrogatories pertinent to the pending question. I may say that I have been asked by 10 or 15 Senators to yield for a few minutes, and if I accommodated any Senator I should have to accommodate the others. So, with the understanding I have suggested, that by yielding I shall not lose the floor, I am willing to yield to the Senator from Minnesota.

The PRESIDING OFFICER. If there is no objection to the request of the Senator from California, it will be so ordered.

ORGANIZATION OF UNITED NATIONS—SENATE RESOLUTION 114

Mr. BALL. Mr. President, I ask unanimous consent that out of order I may offer a Senate resolution.

Mr. CLARK of Missouri. Mr. President, reserving the right to object, let me say that the pending bill, the Bankhead bill, has been before the Senate for a week, in spite of every effort to obtain action on it last week. It has to do with a matter of very great import to the people of the United States, particularly to the farmers, and if the bill is to have any effect whatever, or to be of any benefit, it should be passed immediately, if it is to be passed at all. I have no disposition to interfere with the request of the Senator from Minnesota to proceed on a different matter, but I feel that notice should be given at this time that the pending measure should not be displaced by setting off a general debate on the subject of our post-war international relations, and I give notice that if anything of that sort shall develop I shall ask for the regular order. Furthermore, I think it should be understood at this time that every effort will be made to dispose of the pending bill today one way or the other, no matter how late it may be necessary to remain in session. With that understanding, I have no objection to the request of the Senator from Minnesota that he be permitted to offer a resolution.

The PRESIDING OFFICER. Without objection, the request of the Senator from Minnesota will be agreed to. The Chair hears none, and it is so ordered.

Mr. BALL. Mr. President, on behalf of the Senator from Alabama [Mr. HILL], the Senator from Ohio [Mr. BURTON], the Senator from New Mexico [Mr. HATCH], and myself, I submit a resolution. The resolution is short, and I read its text:

Resolved, That the Senate advises that the United States take the initiative in calling meetings of representatives of the United Nations for the purpose of forming an organization of the United Nations with specific and limited authority:

(1) To assist in coordinating and fully utilizing the military and economic resources of all member nations in the prosecution of the war against the Axis.

(2) To establish temporary administrations for Axis-controlled areas of the world as these are occupied by United Nations forces, until such time as permanent governments can be established.

(3) To administer relief and assistance in economic rehabilitation in territories of member nations needing such aid and in Axis territory occupied by United Nations forces.

(4) To establish procedures and machinery for peaceful settlement of disputes and disagreements between nations.

(5) To provide for the assembly and maintenance of a United Nations military force and to suppress by immediate use of such force any future attempt at military aggression by any nation.

That the Senate further advises that any establishment of such United Nations organization provide machinery for its modification, for the delegation of additional specific and limited functions to such organization, and for admission of other nations to membership, and that member nations should commit themselves to seek no territorial aggrandizement.

Mr. President, this resolution originated here in the Senate. We who offer it are merely spokesmen for a considerably larger group of Senators who are interested in having the Senate act on this all-important subject. In a larger sense, we speak for all the millions of Americans who are longing for constructive and immediate action toward winning peace as well as victory in the war.

We four were delegated several weeks ago to do the drafting of the resolution, and we have sought advice and counsel from many persons. The resolution represents the ideas and viewpoints of many individuals and we believe it offers a sound starting point for Senate action.

Mr. President, I ask unanimous consent to insert in the RECORD at this point, as a part of my remarks, the statement which we four Senators issued last Saturday concerning this subject.

The PRESIDING OFFICER. Without objection, it is so ordered.

The statement is as follows:

This is the most recent draft of a proposed Senate resolution seeking to clarify United States post-war foreign policy, on which we have been working for several weeks. We have discussed its subject matter with a number of other Senators and have sought and are still seeking advice and counsel as to both its form and substance. We want it to be in the best form possible before we offer it.

We believe that an organization of the United Nations with the authority and the power to stop any future attempts at military aggression offers the best hope for maintaining world peace and stability after this war and at the same time is the most efficient and the least costly method in lives and wealth for the individual nations to obtain security for themselves.

It is our opinion that the overwhelming majority of the American people favor United States participation in such a United Nations organization, based on the just and democratic principles of the Atlantic Charter, as the most preferable way to maintain our own national security and help maintain world stability and peace. The only way the people can express their desire is through the Congress. Hence this resolution.

It is our deep conviction that the basic foreign policy of the United States should not become an issue in partisan politics, that it should be decided as soon as possible so that post-war planning may be effective, and that our policy should be determined, not on the basis of past debates based on conditions then existing, but on the basis of world conditions as they are today and are likely to develop in the future.

Mr. BALL. Mr. President, three basic factors guided us in drafting this resolution.

First, it is our conviction, and we believe it is shared by the overwhelming majority of the American people and

the Members of the Senate, that an organization of the peace-loving nations of the world, with both the authority and the power to stop any future attempts at military aggression, offers the best hope for maintaining the peace and stability of the world after the war. At the same time, such a collective world security system would be the least costly method, in both lives and wealth, for the individual nations of the world to assure security and peace for themselves.

The world has tried many other methods of maintaining peace—balance of power diplomacy, imperialism, peace pacts, multilateral treaties, and nonaggression agreements. All have failed. The most recent and the broadest in conception was the League of Nations. It failed largely because at the critical moment it could not act decisively. It failed at least partly because the United States, one of the three or four most powerful nations in the world, was not a full partner in that effort to achieve lasting world peace.

That leads to the second basic factor which guided us in drafting this resolution. The United States, alone among the great powers of the world, cannot agree finally to any treaty without the advice and consent of two-thirds of the United States Senate. That provision of our constitution was impressed forcibly upon the whole world 23 years ago in this very Chamber. The whole world, and our allies, know today that it is the United States Senate which will finally decide what will be the foreign policy of our country when the war ends.

In the past, this far-reaching power of the Senate under our Constitution has been used negatively. We propose that the Senate act positively, that it define in clear-cut terms the kind of foreign policy which it believes will best serve this Nation and promote world stability and peace.

The third factor which has impelled us to lay this proposal before the Senate at this time is the fact that the forces pulling the United Nations together, making for agreement and cooperation, are dominant now, and will be dominant as long as we are fighting the war. Such forces include our common cause of freedom, our common enemies, and the urgent necessity of effective mobilization of our combined resources to win the war. But once the war ends, some of these forces acting cohesively on the United Nations, and making for harmony and cooperation, will disappear immediately, and others will lose much of their urgency, and at the same time the various forces which might tend to drive the United Nations apart—economic rivalry, nationalistic feeling and immediate and pressing domestic problems—will become relatively more powerful. It is for this reason that we believe positive action is timely and urgent now during the war.

Mr. President, the peace-loving people of the world, here and in China and England and Australia and Russia, the fathers and mothers, the wives and husbands and the sweethearts, watched with growing horror during the thirties as inexorably, step by step, nation after nation was swept into this second world war. The governments serving those people with all their diplomacy and all their statecraft, failed to stem the tide. Once again all over the world millions of our youth are pouring out their lives because of that failure.

A new approach, a stronger mechanism, is required to meet this need of humanity, to control this age-old plague of war. We have tried in the resolution to set forth clearly and briefly the minimum essentials on which we believe United Nations agreement should be sought before the war ends if we are to have a fair chance of maintaining the peace after it ends.

Mr. President, we are confident today of winning the war. We do not have the same confidence that the United Nations will win the peace. There is uncertainty and questioning here as to the post-war policies of Russia and China and the British Commonwealth of Nations. And, if we can believe the reports in our press, there is uncertainty and questioning in the governments of our allies as to what United States post-war foreign policy will be.

A part of that uncertainty stems directly from the fact that no one knows yet what will be the attitude of the United States Senate, whose consent is essential under the Constitution. And that is a question on which only the Senate itself can speak.

We believe the United States would prefer, as its post-war policy, to participate in an organization of nations, dedicated to justice, democracy, and fair treatment for all peoples, as the most effective and the least costly method of achieving security for ourselves. The only way to find out whether our allies are prepared to join us in that collective effort is to ask them. But we cannot propose nor ask effectively until the Senate has indicated its position.

Mr. President, this war is a total war. It is a people's war in which all our resources and all our people are ranged against the peoples and resources of the Axis. As part of the legislative branch of our Government, we are daily demanding unparalleled sacrifices from our people in order to win victory.

The people want the peace to be a people's peace, a permanent, democratic peace. It can be a people's peace only if the people determine the basic principles. And there is only one instrumentality through which the people of the United States can speak effectively on this issue. That instrumentality is the Congress of the United States.

It is the deepest conviction of everyone who has had anything to do with this proposal that the basic foreign policy of the United States should not and must not become an issue in partisan politics; that it should be determined, not on the basis of past debates based on past conditions, but on the basis of the world as it is today and on the basis of what policy will best serve the people of our Nation in the light of present conditions.

Mr. President, 25 years ago, on the battlefields of France, our fighting men helped win victory in the First World War. But we lost the peace after that war. History must not repeat itself; that tragedy must not happen again. We who serve the sovereign people in the United States Senate owe a solemn obligation to the Colin Kellys, the Meyer Levins, the Henry Majeskis, the Hans Christiansens, and the Edmund Schroeders, to all the gallant youths who have given, and who will give, their lives in this war. It is our obligation to them to find the way to permanent peace, to do our share to make certain that 15 or 20 years hence the sons of these heroes of today do not fight and die in some distant skies in another and more terrible war. Let us pray God that we shall not fail in that obligation.

Mr. CONNALLY. Mr. President, will the Senator from California yield to me?

Mr. DOWNEY. Mr. President, I previously announced that I am willing to yield for the presentation of routine matters.

Mr. CONNALLY. What I wish to say is routine only.

Mr. DOWNEY. Mr. President, I yield with that understanding.

Mr. CONNALLY. Mr. President, in connection with the resolution which the Senator from Minnesota [Mr. BALL] has just discussed, I wish to say that during the day I shall file a press release stating my views on the matter.

The resolution (S. Res. 114) submitted by Mr. BALL (for himself, Mr. HILL, Mr. BURTON, and Mr. HATCH) was referred to the Committee on Foreign Relations, as follows:

Resolved, That the Senate advises that the United States take the initiative in calling meetings of representatives of the United Nations for the purpose of orming an organization of the United Nations with specific and limited authority:

(1) To assist in coordinating and fully utilizing the military and economic resources of all member nations in the prosecution of the war against the Axis.

(2) To establish temporary administrations for Axis-controlled areas of the world as these are occupied by United Nations forces, until such time as permanent governments can be established.

(3) To administer relief and assistance in economic rehabilitation in territories of member nations needing such aid and in Axis territory occupied by United Nations forces.

(4) To establish procedures and machinery for peaceful settlement of desputes and disagreements between nations.

(5 To provide for the assembly and maintenance of a United Nations military force and to suppress by immediate use of such force any future attempt at military aggression by any nation.

That the Senate further advises that any establishment of such United Nations organization provide machinery for its modification, for the delegation of additional specific and limited functions to such organization, and for admission of other nations to membership, and that member nations should commit themselves to seek no territorial aggrandizement.

ADVICE AND CONSENT OF THE SENATE—ARTICLE BY WALTER LIPPMANN

Mr. WILEY. Mr. President, after listening to the very interesting remarks of the distinguished Senator from Minnesota [Mr. BALL] in relation to the

resolution which he and three other Senators presented today, I should like to call the attention of the Senate to a very illuminating article in the Washington Post of this morning by Walter Lippmann, which I think should be read in connection with the resolution. I ask that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD as follows:

ADVICE AND CONSENT OF THE SENATE

(By Walter Lippmann)

The fundamental question, which has been raised by Senators HATCH, BURTON, BALL, and HILL, is how the Senate can be enabled to play its part in the conduct of American foreign relations. This is a very old question. It has always been a difficult one. But it is not unanswerable.

As we look for the answer to it, two conclusions are, I think, at once self-evident. The first is that the Senate cannot now commit itself to approve treaties which have not yet been negotiated. To expect the Senate to do this is to ask it to vote on abstractions and generalities rather than on practical commitments. The second is that the Executive cannot negotiate with our allies unless at each critical step in the negotiations he knows and they know that he is acting with the advice and consent of the Senate. For unless the Senate is somehow participating in the negotiations, our whole diplomacy becomes a blind gamble as to what the Senate might someday do about them.

The test, therefore, of the move made by the four Senators is not whether the Senate will bind itself now to ratify agreements drawn according to the five general propositions of their resolution. The test is whether the Senate will agree that a way must be found to associate the Senate continually with the President before and during the momentous negotiations that have to be undertaken. Merely to pass a general resolution would no doubt be reassuring to most of mankind. But it would not really resolve the ancient constitutional difficulty. For, if the resolution were passed, the whole dangerous uncertainty would still remain for unpredictable debate, because the question would still be whether the actual treaties negotiated conformed to the meaning of the general propositions.

Therefore, we must fix our attention upon the ways and means of enabling the Senate to participate in the negotiations. If we can do that, we shall be restoring the Senate to the place intended for it by the authors of the Constitution, and we shall have removed the practical difficulty which not only threatens to paralyze the making of peace, but also to make it infinitely more difficult to win the war.

For if the United States Government cannot now confidently make binding engagements with our allies, how can we make sure now that we shall have all the allies we shall need in order to finish the war in Asia as well as in Europe? The situation is such that the Senators simply cannot afford to delude themselves with the idea that the question is whether they will at their leisure at some distant time consider whether they will ratify agreements with our allies.

The situation, in fact, is that the United States must be able now to persuade our allies to make agreements with us. They need us, to be sure. But we need them not one bit less.

In foreign affairs the Senate was intended to be a council that the President would consult continually. The Senate, we must remember, had originally only 26 members, and it was a small enough body to be consulted confidentially. Thus, for example, when the question was raised whether the House should also be consulted, the proposal was rejected on the ground that 65 Representatives were too many for what John Jay described as the requisite of negotiations—namely perfect secrecy and immediate dispatch. And David Ramsey, a member of the convention, said to the people of South Carolina who wanted the House to be entrusted with the treaty-making power: "When 65 men can keep a secret, they may." Yet the House was then only two-thirds as big as the Senate is today.

There is no doubt that the authors of the Constitution meant to have the Senate do exactly the kind of thing which the four Senators are now trying to arrange to have it do. Six months after he was inaugurated, Washington went to the Senate with the project of a treaty he was negotiating with the southern Indians. He took with him General Knox, his Secretary of War, and after they had been introduced, Washington rose and told the Senate that he had come to them for their advice and consent on certain propositions in the treaty.

Unfortunately, it appears, President Washington neglected to invite Senator Maclay to dinner before he went to the Senate, and for lack of this kind of personal preparation, the Senate stood on its dignity, Washington lost his temper, the Senate never became a council, and Washington declared that he would be damned if he ever went there again.

Nevertheless as Mr. Denna Fleming tells us in his book on The Treaty Veto of the American Senate, Washington "still adhered to the practice of asking the advice of the Senate before negotiations were opened and during their course." Thus he suspended his negotiations with England over the northeastern boundary until he had consulted the Senate, and the Senate agreed in advance to approve a proposed treaty with Algiers. Other Presidents have gone to the Senate for approval in advance—for example, President Polk in 1846 on the suggested terms of peace with Mexico.

But, as we all know, the relations between the Senate and the President have rarely been satisfactory where the treaty-making power was involved. The treaty of peace with Spain in 1898 was almost defeated; it was ratified by just one vote more than the necessary two-thirds. Wilson's treaty was, of course, defeated. This is the third war in which we have been engaged in less than 50 years; once we almost failed to get a treaty of peace, once we did fail, and now for a third time we find ourselves wondering whether the Senate will permit us to make a treaty. Surely, the four Senators cannot be wrong when they say that something has to be done about it, and done about it now before it is too late.

The remedy must lie in assuming that considerably more than two-thirds of the Senators will support the necessary arrangements with our allies if in the course of the negotiations they are consulted about these arrangements and are enabled to understand them. But since it is impossible to consult 66 men daily on all sorts of questions, the practical problem is how to find a working committee which at least 66 Senators will trust.

Theoretically, the committee ought to be the Senate Committee on Foreign Relations. That is what it is for. But, in fact, owing to the antiquated rules of the Senate on the subject of seniority, the present committee is unrepresentative and has an appallingly bad record. It is such a bad record that some of the committeemen are determined, it would appear, to make it worse by trying to prove that when they were wrong they were really right. The committee as now constituted is a bad one because such a large number of the Republican members have a vested interest in their own historic mistakes and are, therefore, not to be depended upon altogether to deal confidentially with delicate matters that must in the early stages of negotiation remain confidential.

The problem, therefore, is either to reconstitute the present committee, perhaps by enlarging it, or to establish a new committee which is representative and efficient.

DEFERMENT FROM MILITARY SERVICE OF PERSONS ENGAGED IN AGRICULTURE

The Senate resumed the consideration of the bill (S. 729) providing for the deferment from military service of persons engaged in agricultural occupations.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from California [Mr. DOWNEY] to the amendment of the Senator from Colorado [Mr. JOHNSON] in the nature of a substitute for the committee amendment.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. DOWNEY. For what purpose does the Senator ask me to yield, may I ask?

Mr. LANGER. I wish to make a short statement.

Mr. DOWNEY. No, Mr. President, I cannot yield to the Senator. I have already stated that 10 or 15 Senators have requested that I yield to them for the purpose of making short statements, and I have said that I could not yield for other than presentation of routine matters. So I regret I cannot yield to the Senator.

Mr. President, first I wish to compliment the Senator from Minnesota [Mr. BALL] upon his eloquent address, his idealism, and his courage. I assume that the ideas he is projecting are based upon the assumption of victory by the United States. I wish to say that I have presented the pending amendment because if conditions on the Pacific coast are allowed to develop for another 90 days, according to their present trend, then, at least so far as the Pacific coast is concerned, that section will be of little use to the rest of the Nation in winning the war. I hope my colleagues will bear with me while I give to them a message of desperation. The message has been repeated time and time again to the administrative officials of the Nation, but no attention is being paid to it, and conditions are now so demoralized and chaotic that I predict dogmatically, unless changes are made in present plans or energetic action otherwise taken, the crumbling within 60 or 90 days of our civilian economy, with the complete handicapping of the war effort.

Mr. President, when the Chief Executive, after Pearl Harbor, announced his program of military production it was immediately apparent that we intended to accelerate our production from about $75,000,000,000 a year to $150,000,000,000, and that at the same time we intended to recruit one of the largest armed forces in the entire world. It should have been apparent to the Chief Executive, to the administrative branches, and to the Army and the Navy, that such a program could be carried out only by the utmost vision, wisdom, and energy applied from Washington to every place in the United States. With farm wages generally below those in industry, it should have been

apparent to the most ordinary intellect that if industry was to be so accelerated it would experience difficulty in finding workers. Three things were bound to happen, namely, taking away from the farms of many of their workers, an immediate increase in farm wages, and the necessity for an adjustment in farm prices to meet the new conditions.

It was apparent to us all in California that the program of the Chief Executive would create in farming a crisis of unparalleled magnitude. Immediately there was widespread agitation in California that a number of steps be taken to protect the farmer, the most important being the immediate importation of large bodies of Mexican workers to be used upon the farms.

Mr. President, the administrative agencies of the Government were totally opposed to the adoption of sufficient and effective plans, and were entirely lacking in vision or understanding of the problem. They were so optimistic that their prophecies were almost universally overstated and overexaggerated. After months of attempting to obtain sufficient and adequate action from the appropriate agencies in Washington, I submitted to the Senate a resolution providing for the appointment of a committee of three Senators to investigate western farm-labor conditions. I had the honor of being appointed chairman of that committee. The distinguished junior Senator from Arizona [Mr. MCFARLAND], and the distinguished minority leader [Mr. MCNARY] were appointed to serve with me.

The Senator from Arizona and I went to Arizona and California to investigate the farm-labor problems of those two States. We found conditions most lamentable, most unhappy, and being most inadequately dealt with. Specifically, as applied to California, the facts, which everyone now admits to be grave, were these: Ordinarily upon the farms in California there are 200,000 trained permanent farm workers, including the farm proprietors. These are men of considerable ability, who are capable of hard work. They are the peasantry of the State, rugged, strong, and able in agricultural pursuits.

During 1942, commencing almost immediately after Pearl Harbor, that number of 200,000 rapidly declined until, by December 1, when the committee was in California, it had been cut to one-half, or 100,000. There was no failure in many of our crops, because the farmers had started with 200,000 workers and because the weather was so nearly perfect that it seemed as though a miracle had been performed. Our farmers, with their families, worked from 12 to 14 and 15 hours daily. Community labor joined in helping; and, while there were substantial losses because of lack of labor in particular crops, notwithstanding, the yield was bountiful.

However, Mr. President, when we were in California, already the great farm plant of California and the West was beginning to run down. Plowing, planting, spraying, pruning, improvements, and repair of farm machinery, all were falling behind. Two hundred thousand permanent workers were needed. We had 100,000.

Had the so-called Bankhead amendment been presented to me immediately upon my return, I would not then have contemplated offering an amendment to exempt transport workers in critical areas from selective service, because at that time the crisis was much greater among farm workers than among other groups. Due to the very able and energetic advocacy of the farmers' cause by the distinguished senior Senator from Alabama [Mr. BANKHEAD] and the splendid work done by the Senator from Maryland [Mr. TYDINGS] in the passage of the Tydings amendment, conditions with respect to farm labor in California have improved. The deferment of farm workers, such as it has been, has turned back to our farms about 20,000 additional farm workers, so we now have 120,000 instead of 100,000. However, 30,000 more of this type of workers are vitally needed upon our farms.

Furthermore, at the height of our cropping season we shall need 175,000 additional migratory workers, and there are almost none of those in the State at the present time.

When I was in California in connection with the first investigation the prophecies as to the size of farm crops which might be expected were rather encouraging, and I hoped that California, through its farmers, could do its full share in the war effort called for by the President and by the Secretary of Agriculture. However, I began to receive from almost every industry in the State very alarming reports about the shortage of workers to an extent indicating almost a break-down of our civilian economy. So as a result of a resolution which I offered a few weeks ago I was appointed on a subcommittee of the Military Affairs Committee to go to the Western States for an investigation of the over-all manpower problem.

Mr. President, the conditions there are so plainly apparent that it would seem that anyone could observe them, but apparently they were unseen by any official in administrative authority in Washington. Conditions are so demoralizing and chaotic that I now hazard my reputation by saying that if a change is not brought about the next 90 days will see some sort of a collapse in the West, with a resultant national scandal of most unhappy proportions.

Why do I make that statement, Mr. President? I make it because my investigation clearly revealed that every essential industry in California is now critically short of workers. Industry in California is unable to obtain workers from any sources in the State, and is unable to import them from elsewhere in the United States, to such an extent that essential industries are on a most slender margin, and their increasing inefficiency and failure to produce is already materially impeding the war effort. Our mines, lumber mills, and fisheries are short thousands of workers. The number of railroad and trucking workers is inadequate. Hospitals, garages, hotels, stores, restaurants, and telephone and telegraph companies are so short of workers that they can hardly operate. What is the result? We find our civilian life imperiled at every point.

First, Mr. President, let me speak upon a subject which is a rather unhappy one to have to discuss. I regret that the military chiefs have made it necessary for me to discuss it. However, this much is truth, and I doubt if any military chieftain would deny it in executive session, though he might not dare to admit it publicly.

Every week thousands of our people are denied much-needed medical attention and hospitalization. Why? Because the call for doctors by the military has taken away so many of our physicians that men and women die upon sick beds, unattended by physicians, and space for them cannot be found in hospitals. Expectant mothers are not receiving proper medical and hospital attention. I think the military in executive session would admit that to be so; but they say, "Since this is war, we need the doctors and hospital beds for the military, and the civilian population must suffer."

Mr. President, a few days ago the proprietor of a large ambulance service in Alameda County, in which Oakland is located, came to me to try to have me assist in securing the deferment of his ambulance drivers. He told me that his ambulance service in that great area was almost near a break-down because of lack of drivers. He told me of two incidents which occurred the night before he left there. One was that of a woman with a bursted appendix, lying for hours on a bed of pain, unable to obtain the services of a physician, because every physician in the community was exhausted, and no hospital bed was available for her. The same night another woman suffering from a severe hemorrhage could not secure medical attention. Such things are occurring today all over the West, because there are insufficient doctors to meet the requirements of the civilian population. If officials in the administrative branches of Government think that the civilian population must suffer in that way, let me tell them of a few other incidents. I talked to a young man who had had a perfect attendance record in a shipyard since Pearl Harbor. During his work a piece of steel entered his eye. Had he been able to receive immediate medical attention he could have returned to work the next day. However, he failed to obtain medical attention for several days. He was detained from his work for 10 days. He almost lost his eye. He has become a bitter and a resentful citizen.

I have heard story after story of the kind I am now about to tell. I talked to a commissioned officer serving in the Army Medical Corps, a man whose word I believe. He told me that his sister had died in childbirth in California, because of lack of medical attention, and he said to me that he had been stationed in Florida and had not been doing more than 2 or 3 hours' work a day, as a commissioned officer in the Medical Corps of the

Army, and that the same statement could be applied to many other physicians in the Army.

I hold in my hand, by way of specific illustration, a letter from the assistant city manager of the city of Alameda, stating exactly, by documentary record, what conditions are in that comparatively small town. Alameda adjoins Oakland. Up to the beginning of the war effort it had been a very fine residential community. It had had a population of 20,000 persons, with 20 physicians. In December the population increased to 40,000, but the number of physicians had been reduced to 10—or 1 physician for every 4,000 people. What a community should have is 1 physician for each 1,500 people. Complaint was made to the Federal Government. Assurances were given that the condition would be promptly corrected. What has happened? Alameda still has the 10 physicians, although there has been some shifting around, but the population has now reached 45,000 or 50,000, due to war defense activities there. The condition which I have been describing is not found everywhere in California, but in many of the defense centers it is found. The civilian population suffers seriously from a shortage of medicines, doctors, and hospitalization. I have talked to doctors who are working themselves to the point of exhaustion, working 10, 12, 15, and even 18 hours a day. They have told me that the cruelest experience they have ever had in their lives has been that of falling upon their beds, late at night, exhausted, and unable to answer the calls of sick and dying people.

I do not know to what extent the lack of physicians and medical and hospital facilities will go. Our Army is to be increased approximately 60 percent during the present year. I understand that an Army engaged in actual combat requires twice as many doctors as does an Army serving in this country. What the condition will be on the west coast by next December, or in the other sections of the United States, I do not know; I have been entirely unable to ascertain it because the military safely guard as confidential information many of the "secrets" applying to their doctors and hospitalization. At any rate, Mr. President, as of today the morale and well-being of the civilian workers and the rest of the population of the Pacific coast are being seriously affected because of lack of proper medical attention.

During the last 3 or 4 months we have had the most serious condition in relation to food. Hundreds of thousands of our workers have not been able to obtain a sufficient diet. I have the testimony of health officers of cities and of physicians attesting to that fact. Meat has been almost nonexistent for the working class in California. Oh, it is true that a wealthy man could go to an expensive hotel and get all the sirloin steak or anything else he wanted to eat; but for the last several months hundreds of thousands of defense workers have not been able to get the food they should have had. I understand that the great majority of our meat has been sold in bootleg markets; but, at any rate, in the retail stores meat costs the workingman two or three or four times as much as he should have to pay—when he can get it, which is not very often.

Mr. President, I shall not intrude further upon the time of the Senate in discussing that phase of the subject, although later I shall return to it. In housing and in transportation California likewise has a most serious condition, and one which constantly approaches nearer the point of breakdown. Summing it all up, we find the following situation to exist: As of today, California alone is short 200,000 or 300,000 workers; and that condition covers every essential industry, as well as the war industries and farms.

Mr. President, I should not blame any colleague of mine if he were skeptical of what I am about to say, but I can prove my statements by documentary evidence. For the present calendar year the program of the Federal Government in the State of California alone calls for 1,000,000 additional workers, more or less—and likely to be more, rather than less. With a shortage of from 200,000 to 300,000 workers as of the present time, the Federal Government has formulated for the Pacific coast a program which will require approximately 1,000,000 additional workers; and if unexpected things begin to occur, the number needed may go as high as 1,250,000. Already great corporations in California are desperately seeking workers all over the State, but are not finding them. We have exhausted the supply of available women workers, workers from nonessential industries, and defective and handicapped people. Work is now being done by boys of from 16 to 17 years of age and by men of from 70 to 80 years of age. We are from 200,000 to 300,000 workers short; and yet official Washington so little understands conditions in the provinces that they now expect us to perform an impossible task.

What is the task the Government expects California to perform? The Selective Service System will take approximately 400,000 men a month in the United States. According to the Army's records, California will contribute approximately 6¼ percent of that number, or 25,000. The War Manpower Commission is counting on obtaining those 25,000, but apparently they are not taking into consideration the fact that during the past 2 or 3 years from 200,000 to 300,000 young men from other sections of the Nation have come to California to work in our defense factories. They have come from Oklahoma, Alabama, Illinois, Iowa, and from other Western and Southern States. They are of fine caliber, and are husky and devoted. Their draft boards are now calling them from California. However, they are not credited to our quota, but are credited to the quota of the States in which they formerly lived. In my opinion, although I admit it to be a guess, the number of workers so taken will be not less than 50,000.

So that California before the next Christmas season rolls around must take out of the trucks which now lack drivers, out of the cabs of locomotives, out of the shipbuilding plants, and aircraft and other essential factories over a thousand men a day in order to satisfy the call of the Government for the military.

But, Mr. President, we have not yet started the tale of what the Federal Government expects in the West. The War Manpower Commission, as I analyze their figures, have said that California, for the remainder of this year, will require approximately 100,000 additional workers in order to meet aircraft expansion and 100,000 additional workers in order to meet shipbuilding expansion. I do not believe their figures include many of the subcontractors and fabricators and producers of raw material that will be required in the expansion of those two great war industries. I am certain that the present program of the Federal Government for the expansion of aircraft and shipbuilding in California will take at least 250,000 additional workers, and in those figures I am not including certain workers in repair drydock yards and airplane bases. My next figure does include them.

The Army and Navy in scores of small installations now proceeding in California will require at least another hundred thousand personnel. Let me mention two of the largest items in that category. On San Francisco Bay we are building one of the greatest repair drydock yards in the whole world—perhaps the largest; I have heard that suggestion. It will repair aircraft carriers, submarines, destroyers, and cruisers, but, I understand, not capital ships. The maintenance of that one yard will require 20,000 civilian workers, of whom six or seven thousand must be the very finest kind of ship mechanics, men who have the knowledge, almost engineering in character, to enable them to go down into the bowels of a submarine and there repair its very intricate and important parts, men who understand the mechanism and the machinery of aircraft carriers and destroyers and cruisers.

The regional head of the civil service there, who has been of great assistance to me, Mr. Harry Krantz, has told me that he does not know where in the whole United States there can possibly be obtained the 6,500 mechanics who will be required upon that one installation in the State of California. As a matter of fact, he says he has no idea where the 20,000 workers will come from because already existing military installations for months have been seeking unsuccessfully for common laborers, typists, skilled mechanics, and other kinds of workers.

Let me give another example: We have a very fine city within 100 miles or so of Los Angeles, the city of San Bernardino, which is the center for great military activities, for airplane training, and maneuvers in the desert. That one airplane base will require seventeen or eighteen thousand workers of whom a quarter or a third must be skilled aircraft mechanics. For months they have been unsuccessfully trying to get the workers for that military installation. In the same county we have other very large demands by defense factories and by the military; so that we have a very serious

crisis in labor shortage. We have got to find twenty or thirty thousand additional workers in that small community.

Now, I desire to read from a letter from Colonel Beau, colonel, Air Corps, commander at the San Bernardino Depot. I do not criticize Colonel Beau for attempting to obtain workers for his air base wherever he can. He is attempting to do it by methods which the farmers say are destroying them. I will agree that Colonel Beau, a military officer under command from Washington, must do everything he can to obtain workers, even though he destroys the farmers of that section, as they are being destroyed. But to show the Senate the extreme necessity of the demands of the military in that small section, let me read the letter written by Colonel Beau asking for workers for his air base. Again, Mr. President, I wish to say that in reading this letter there is no implication of any criticism against Colonel Beau. I understand he is a very able, fine officer, handling his military operations in a very efficient way.

To the citizens of San Bernardino County—

Says Colonel Beau—

Today's war is no longer the concern of the military alone, but it is the real concern of you, your family, and your neighbor's family. Our front lines today run along every street of your city.

In this area you have the San Bernardino Air Depot now nearing completion. It will be one of the largest establishments of its kind on the Pacific coast, functioning as a servicing and repair shop for military aircraft, a "garage for airplanes."

I then omit two or three paragraphs.

It is you, the people of this community, who will turn the switches to start the machinery and provide the hands and the intelligence to make it perform properly. This important function is your responsibility.

If we are to accomplish the big job our Nation has ahead of it, you can only discharge your responsibility by making your services available in this great effort. There is a job for every man and woman; your skills, talents, and hobbies can be used.

I interpolate there to say that, tragic as this is, to me it is rather amusing to see an Army colonel almost upon his knees imploring men and women to work for him and making the most propagandistic use of every possible pledge he honestly could.

Then Colonel Beau says this:

In addition to aiding in the war effort, each person employed will enjoy all the following benefits:

1. Employment at a good annual salary based on 40 hours a week, with 8 hours of overtime at time and a half, or 21.5 percent above the basic level.

2. Twenty-six days per year vacation with pay, or its equivalent, under civil-service and War Department rules.

3. Fifteen days sick leave with pay, annually.

4. Membership in the civil-service retirement program.

5. Rapid promotion, depending upon your own ability to perform the jobs assigned, or to assume added responsibilities.

6. Valuable training in skilled occupations will be provided for you, with an opportunity to earn while you learn.

7. Your assignment will be one to which you will be best fitted.

8. All the officers of my staff will help to make the conditions under which you work the most comfortable for you.

It is the patriotic duty of all those not now engaged in essential war industry to make their services available. Lack of skill is no handicap. We are all required to do our utmost, there is work for everyone, and this is your opportunity to help.

While I should prefer presenting this appeal to you personally, the limitations on my own time require my taking this means to urge you to file an application with the local civil service board at 323 Court Street, San Bernardino.

I look forward to your working side by side with us.

Sincerely yours,

LUCAS V. BEAU, JR.,
Colonel, Air Corps, Commanding.

(At this point Mr. DOWNEY yielded to several Senators for the presentation of routine business, which appears elsewhere in the RECORD.)

Mr. DOWNEY. Mr. President, because of the interruptions, I should like in a few hundred words to review what I have already said.

All the essential industries in the State of California are critically short of workers, to the extent of two or three hundred thousand in number. The Government, under its program for California, will require upward of 200,000 in the expansion of aircraft establishments and shipyards, upward of 250,000 for military withdrawals, and upward of 100,000 civilian workers in the Army and Navy. I have been discussing some of the particular installations in California which will require large numbers of men.

In the San Bernardino area, to which I have referred, there is not only the great air base commanded by Colonel Beau, but there are other defense factories, such as Mr. Kaiser's steel plant, and very large military installations. It is my opinion that there is almost as great a shortage of workers in that area as the total number of workers now there.

Mr. President, the farmers are in despair. Many of them are cutting down on their crops. Many of them lost substantial parts of their crops last year, and see no chance of finding workers for their farms this year. There has already begun, in the particular county to which I have been referring, a movement which might in a few months sweep large areas of the Pacific coast, and ultimately, perhaps, the whole United States. Many vegetable growers of that section with whom I have talked have told me they were stripping their vegetable operations down to the amount of production which could be handled by themselves and their families.

Of course, one would have thought such a condition must result, that it would have been obvious even to a blind man 3,000 miles from the Pacific coast, but apparently it was only within the last few days that the Secretary of Agriculture realized developing conditions. I hold in my hand an article from a recent issue of the Washington Post stating Secretary Wickard's present understanding, that there will be a marked reduction in the production of vegetables this year compared with last year. How any man could have failed to realize that months ago I cannot understand. I think scores of Senators prophesied on the floor of the Senate the condition now stated very dismally and unhappily by Mr. Wickard as at present existing.

Figures are given as to the expected yields of certain particular crops, showing a falling off from expectations of 20 or 30 or 40 percent in cabbages, beans, tomatoes, and other vitally required foods.

Mr. President, with conditions as they are now, even though the crisis should become no more severe, we in California would fail to meet the hopes of the Department of Agriculture by 20 or 30 percent at the very least, and if the impossibly titanic program of the Federal Government for the west coast shall be continued, the reduction in our crops may be far greater.

Beyond the need for men which I have already stated, amounting to six or seven hundred thousand in number, there are other very large figures which should engage our attention. In addition to aircraft building and shipbuilding, there are other important defense factories in the State of California, scores of them in number, perhaps hundreds in number, and the employment in those factories, under our titanic war effort, will require another hundred thousand or 150,000 workers.

If we are to meet the program of the Federal Government, not only will our essential industries have to find the 200,000 or 300,000 workers they are now needing, but, as I shall later show, huge numbers of additional workers. If I were compelled to wager whether the calls of the Federal Government upon California to carry out its existing program would be over a million or under a million, I should prefer to wager on the higher figure. That is the condition now in California; we are two or three hundred thousand workers critically short, and calls and demands by the Federal Government are anticipated which will require a million additional.

Mr. DAVIS. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. DAVIS. I am very much interested in the speech being made by the able Senator from California. I wish to ask him if he has any statistical data or any information with respect to what length of time is required to train workmen to become semiexperts in the airplane industry and in the shipping industry such as are now in operation on the west coast?

Mr. DOWNEY. Mr. President, I may say to the distinguished Senator from Pennsylvania that it might take only 6 months or a year to train a mechanic to become semiexpert, but there will be required both at air bases and in the shipyards literally thousands of mechanics who will have to be of such high quality that they could not possibly qualify except after many years of training, probably 4 or 5 years, and that is particularly true in relation to shipbuilding.

Mr. President, I dislike to indulge in any criticism or condemnation of any

minor Government official. I think the responsibility should be placed in high places when I express myself, but unfortunately I am compelled to lay a particular matter before the Senate involving rather minor officials. When I was preparing to go to the west coast a month or so ago upon the investigation concerning which I have spoken, I asked the War Manpower Commission to furnish me with their latest data revealing the number of workers they believed would be required in California in this calendar year, including military replacements. I received from the War Manpower Commission a report which was supposed to have been released February 15, stating that the need would be for 436,000 persons. When I arrived in California, after consultation with the economic analyst of the War Production Board in California, he finally raised the figure from 436,000 to 900,000, and admitted to me that his figure was probably too conservative.

Mr. KILGORE. Mr. President——

The PRESIDING OFFICER (Mr. MAYBANK in the chair). Does the Senator from California yield to the Senator from West Virginia?

Mr. DOWNEY. I yield.

Mr. KILGORE. Has not the Senator found in checking figures which have been presented to him in the past, that they represent simply estimates, and that situations with respect to them change? Has not the Senator found in checking such estimates that there has always been a failure to take into account the number of men who would be released from one place and who could be used at some place else, and that delay in supplying men for new needs has resulted because no attempt has been made to eliminate old manpower overages which have become rather obsolete, due probably to change of program? For instance, in the case of a reduction in a tank-building program, or a reduction in a truck-building program, a new need may be superimposed without taking into account the conversion to it of men whose services can be spared. Has it not been the Senator's experience that frequently we have simply a compilation of figures which are superimposed one upon the other?

Mr. DOWNEY. Mr. President, I am very much in agreement with the comments made by the distinguished Senator from West Virginia. The data I have examined as to the over-all manpower problem of the Nation have, in my opinion, been unsound. I cannot speak dogmatically about the rest of the Nation, but I want to say that if our executive departments are going as far astray as to other sections of the United States as they have gone in respect to the Pacific coast, then within 6 months, Heaven help the American people. I say that not profanely, but with deep conviction, because we will need help.

Mr. President, I ask unanimous consent to insert in the RECORD at the end of my remarks, without reading, a letter dated March 8, signed by Don H. Roney, Assistant Chief, Division of Program Planning of the War Manpower Commission on the west coast, in which he makes this statement:

It is my personal feeling, and this is not official in any sense, that it may be necessary to recruit upward of 900,000 persons to fill these demands.

Referring to the manpower needs of California in the coming year.

The PRESIDING OFFICER. Without objection, the letter will be printed in the RECORD as requested.

(See exhibit A.)

Mr. DOWNEY. Mr. President, adequately to review the many cities, areas, and activities in California which are demoralized because of manpower shortage, would take much too long a time for me to impose upon the Senate. I should like, however, very briefly to review one additional aspect of this program. In southern California we now have on desert maneuvers many hundred thousand young Americans training in the Army. These men are located near our small desert towns. Perhaps as bad a condition as any exists at Needles, which is a small railroad town on the border between Arizona and California, on the Colorado River. Eighty thousand troops are closer to Needles than to any other small city. Their number is so great that while commissioned officers are allowed leave to go into Needles once a week, privates are allowed to go there only once every 25 days, and that is much too often for the welfare of the soldiers and of the civilian population. The population of this small town has increased from three or four thousand to five or six thousand, much of the increase being among railroad workers. The Army brings into Needles about 1,500 men every day. Together with the civilian demands this number of men could utilize all the facilities of the town many times over. Probably not one-fourth of the boys who are brought in can obtain a soda water, or a soft drink, go to a show, or find any kind of recreational facilities.

I talked to some of these young men, and, like most of the young men in our Army and Navy, they are of the very finest type of American citizenship; but I must admit a sense of resentment on their part and a break-down of morale. It may interest the distinguished junior Senator [Mr. O'DANIEL] to hear that the young men first try to buy a soda water, or ice cream, or soft drink, and failing that, beer, and then many of them take the last remaining thing; they buy a pint of whisky, and stand on the curb and drink it, frustrated and embittered. We do not even have the energy or the workers or the priorities to build commissaries there, or build recreational facilities, or provide for these young men as we want to do. That situation, Mr. President, is duplicated in place after place in the defense centers of California, where the facilities of the civilians are not sufficieint to take care of the civilians and of the soldiers. Of course, much more serious conditions are developing in the large defense centers, such as San Diego, San Francisco, Richmond, and cities of that caliber. I might say that the War Manpower Commission told me that conditions in the Seattle and Portland areas were even worse, generally speaking, than in the California areas. The distinguished Senator from Washington [Mr. BONE] is present in the Chamber. I have no doubt that he has been inundated with letters from farmers, management, and soldiers, telling about the steadily developing crisis in his State. I have no personal knowledge of the situation, but I know that it must be very bad if it is as bad as that which exists in the State of California.

Mr. President, as I have already said, if the Bankhead amendment had been presented to me 2 months ago I would not have intruded by offering an amendment to exempt from selective service transport workers in areas declared by the Office of Defense Transportation to be critically short of such workers. The people of my State are grateful to the Senator from Alabama for his fearless and effective advocacy of the cause of the farmer. We are also grateful to the Senator from Colorado [Mr. JOHNSON]. I am exceedingly regretful that I have to delay the adoption of their amendment, to which I strongly favor, in order to express myself upon the amendment which I have offered. However, to such an extent do I consider it to be my duty that I now desire to pass to a discussion of the conditions in the railroad and trucking industries, which, in my opinion, show a steady break-down of the effectiveness of those two industries due to an extreme shortage of workers.

Mr. President, in California the most extreme shortage of transport workers is in the trucking industry. That can be immediately proved in two simple ways. The average number of hours worked by our truck drivers at the present time is 72 a week, and many of them are working 75, 84, and 100 hours a week. They are becoming exhausted, dog tired, and sick under the strain.

We have another index. San Francisco is one of the most important embarkation and freight ports in the world. Around that port for the past 90 days there has been a steadily increasing quantity of freight vitally needed in the war effort, which the trucks and the railroads have not the capacity to move.

Let me read a paragraph from a letter dated March 5, 1943, from the Draymens' Association of San Francisco, narrating the freight conditions at that port. I can assure the Senate, from my own knowledge, that the statement made in this letter is correct.

The port of San Francisco is the collection point for all of the military supplies and lend-lease goods which go out on west-bound convoys. Every bit of available warehouse space has been taken over by various governmental agencies. Docks are piled to capacity, and bulkheads and quartermaster's supply depots are continuously filled with goods. Rail cars not only fill the local yards, but about 3,000 carloads are held at Lathrop, about 75 miles from San Francisco, and are backed up to Roseville, about 125 miles distant.

When the war effort vitally needs goods for China or Australia, it is not uncommon for our great trucks to go a hundred miles to get some of that freight, and a hundred miles back again, when the freight should have been delivered in San Francisco. The condition is so shocking that one wonders at the lack of executive and engineering ability of those who allow it to exist.

I know that some Senators do not consider these matters to be their burden. They are willing to shift them to the military and let the military take the responsibility. I personally see conditions so injurious to the war effort if allowed to exist, that I cannot refrain from speaking out, even though it involves opposition to our Chief Executive and his staff. I am speaking for the war effort, and for the people of my State and Nation.

Mr. TUNNELL. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. BANKHEAD in the chair). Does the Senator from California yield to the Senator from Delaware?

Mr. DOWNEY. I yield.

Mr. TUNNELL. I have listened intently to the Senator's speech. I am interested in it. I should like to know what the Senator's theory is. Should there be more workers or less work?

Mr. DOWNEY. Mr. President, later I shall ask permission of the Senate to include in the RECORD at the end of my speech the documented data proving the statements which I have been making on the subject of transport. I am happy to digress for a few minutes to answer the question of the distinguished Senator.

I am very positive in my own mind that the American people cannot even approximately support an armed force of eleven or twelve million, and meet the requirements of the military for war production. Had I my way, drafting on the west coast—and I think probably throughout the United States—should immediately be stopped. I am certain that the war effort would thereby be advanced.

Mr. President, while I am on this subject, let me say that our very able Assistant Secretary of War, Mr. Patterson, our Chief Executive, our Chief of Staff, and other leaders of the Nation, have said to the American people that any person who expresses opposition to the announced program is a defeatist and does not understand the numbers and power of the American people. I wonder if our Chief of Staff or our President has ever analyzed what our Government is now asking the American people to do. It is asking them to perform a job so titanic that it almost staggers the imagination.

I ask the Senator who has interrogated me to consider a few simple categories for a moment in order to see whether or not it may be necessary to reduce either our production or our military forces.

In the first place, the aircraft program of the United States calls for building 125,000 airplanes in 1943. All the other nations of the world combined cannot hope to reach a production of 100,000 airplanes. Great Britain and Germany together will produce about 60,000, and the other countries will produce less than 40,000. So with respect to airplanes, we are undertaking not only to produce more than all the other nations of the world, but 25 percent beyond that point. I do not believe that can be done.

Mr. TUNNELL. Mr. President, will the Senator further yield?

Mr. DOWNEY. I yield.

Mr. TUNNELL. Is it the belief of the distinguished Senator from California that the plan is too large for the possibilities?

Mr. DOWNEY. That is my belief.

Mr. TUNNELL. And that the plans for the war effort should be less magnificent?

Mr. DOWNEY. I am totally in agreement with that statement. However, I should like to state to the distinguished Senator from Delaware, who has very courteously commented on what I have said, the comparative production of other categories of combat armament, as between the United States and the rest of the world.

The figure with respect to aircraft is amazing. We want to outbuild all the other nations of the world combined, plus 25 percent. But think of the burden we are assuming in shipbuilding. We intend—and I believe we can and should do this—to produce 20,000,000 tons of cargo and naval shipping combined. All the other countries of the world combined, including Canada, Great Britain, Germany, Japan, and Russia, will not produce 5,000,000 tons. We are undertaking to produce in cargo shipbuilding four times as much as all our foes and friends put together.

On the Pacific coast alone we are expected to produce six or seven million tons of cargo and naval construction, which is more than the production of Canada, Great Britain, Germany, Japan, and Russia put together. With our 11,000,000 people we are called upon to outproduce in shipbuilding all the rest of the world outside the United States. Moreover, Mr. President, in our aircraft production program the Pacific coast alone, with its 12,000,000 people, will be producing more aircraft than will Great Britain or Germany.

Let me also say to the distinguished Senator that in every category of ordnance and automotive units—tanks, trucks, and automobiles—the United States is expected to outproduce all the rest of the world combined. Furthermore, we will produce a large part of the octane gasoline, synthetic rubber, food, fish, lumber, and iron. We in the United States not only are undertaking to produce more war goods of every kind than every ally and every enemy, all put together will produce, but probably 25 percent beyond that amount. In addition, we are expected to have the largest armed force in the whole world. The figure which has been given out is 11,000,000 men in our armed forces by next December. That figure is somewhat fallacious, because beyond the 11,000,000 we will draft another million; and by the end of this year our so-called program of attrition will meanwhile draw upon the manpower of the United States to the extent of 12,000,000 persons. Beyond that, by next December, the civil-service workers, the civilian workers, in the Army and Navy, will approach 3,000,000 more in number; so that in the Army and Navy, including their civilian personnel, we shall have 15,000,000 persons.

Mr. President, if we were to take all our men and boys from the ages of 20 to 35 years we should not have 15,000,000 of them. However, we are expected to maintain by far the greatest armed force in the world; and in addition thereto we are expected to help feed and equip our allies. Beyond all that, in the manufacture of combatant armament, we are expected to outproduce every other people on the face of the earth.

Mr. President, comparisons are odious; and I regret to have to make certain comparisons; but, before the Committee on Military Affairs I have heard certain testimony which has been so derogatory of the American people and so derogatory of the American workers that, in defense of the American people, I am compelled to raise my voice. Recently, I heard a witness express the opinion that as late as December of the past year we were much less mobilized than either Germany, Great Britain, or Japan; indeed, that our mobilization was not one-third as great as theirs. I suppose that the way to judge a pudding is by eating it. I know that all the people in the West are working hard and ably and energetically, and I think they probably have an average workweek of 56 hours.

However, let us forget any considerations of that kind. In California, Oregon, and Washington there are now somewhat less than 11,000,000 people. In Britain there are almost 40,000,000 people. I have heard so much derogatory comparison made as between the methods used in England and the methods used here, comparison between what we are doing here and what they are doing there, that, without making any invidious comparison, I simply want to put in the RECORD a statement of what we on the Pacific coast are expected to do during the next year, as compared to what the people of the British Isles are expected to do.

In the first place, with our less than 11,000,000 people we are going to build substantially more tonnage of shipping than will be built in both the British Isles and Canada. We are going to put into aircraft production more value and more labor than either Great Britain or Germany are putting. While our building is largely in airplanes, and only to a minor extent in engines, propellers, and instruments, the actual value of the work done on the Pacific coast in the building of 125,000 airplanes will exceed that of the work done by the regimented, slave labor of Germany, or by the unfortunate people of Britain.

As to food, Mr. President, while the British Isles have almost exactly the same acreage as do the States on the

Pacific coast, due to a combination of causes we on the Pacific coast will produce at least twice as much in the way of farm products as will all the 40,000,000 people in the British Isles. It is true that Great Britain will produce substantial numbers of tanks and ordnance, and that only very minor amounts of articles in those categories are produced on the Pacific coast; but let me say that the lumber, fish, petroleum, minerals, octane gasoline, and synthetic rubber which we will produce will outweigh in man-hour value the production of Great Britain in ordnance, tanks, and trucks. I challenge any Senator or any official in Washington to deny the validity of my figures.

That is why it is that we become indignant with any official, however exalted, honest, able, and sincere he may be, who intimates that we are defeatists because we do not think that we can do far more than can be done by all the rest of the world—officials who indicate that our labor, our efforts, our discipline, and our mobilization are inferior to those of our allies.

Mr. TUNNELL. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. TUNNELL. I hope the Senator from California will not think that I was intimating that he was a defeatist. I was simply trying to understand his viewpoint. Does the Senator think there is any answer other than a lesser program?

Mr. DOWNEY. Let me say to the distinguished Senator from Delaware that, of course, judging from the viewpoint of the Pacific coast alone, we would have three different answers. A cessation of the drafting of hundreds of thousands of our very finest workers into the Army and Navy would immediately be a very great relief to us. If the defense program there were to be cut down, that would be a relief; or if the Federal Government were to bring into the West a million fine, high-class workers, and were to provide them with the necessary food, transportation, and housing, in my opinion that would make possible the working out of the very magnificent program.

But, Mr. President, let me point out that the War Manpower Commission says that many areas in the United States already are critically short of workers. I understand that in Detroit, Mich., conditions are most serious because of lack of sufficient workers. I understand that in many sections of New England most unfortunate difficulties are developing. So, whether there is any possibility that the rest of the Nation can provide millions upon millions of additional men for the military services and can proceed with the industrial expansion, so as to help those of us in the West, I have no idea.

Mr. President, perhaps the claim might be made that we might be able to create greater efficiency and effectiveness in our labor by reducing absenteeism or by cutting down the so-called quick rate of turn-over in labor.

Mr. HOLMAN. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. HOLMAN. I desire to make a comment relative to the discussion of absenteeism. I can state with authority that in the Kaiser shipyards and other ship industries in the Columbia River area there is an absenteeism of from 27 percent to 34 percent daily.

Mr. DOWNEY. Mr. President, I must certainly challenge the validity of those figures. If it is meant to include in the figures the number of workers who have totally quit their jobs and are not returning, if it is meant to include the shortage among the workers, the figures are correct.

I might say to the distinguished Senator from Oregon I think he has made a misleading statement that should be corrected. I have here all the recent figures on absenteeism, issued for the Nation as a whole, for the aircraft industry, and for the shipbuilding plants.

Mr. HOLMAN. Mr. President——

Mr. DOWNEY. I will ask the Senator to let me conclude this statement. The latest report on shipbuilding, assented to by the Government and by the employers, shows the average rate of absenteeism in shipbuilding plants for the last 30 days to be about 8 percent. There may be some particular reason right now why there should be the extreme absentee rate to which the Senator refers, but I must admit that I do not know the explanation of it.

Mr. HOLMAN. Mr. President, will the Senator yield further?

Mr. DOWNEY. I yield.

Mr. HOLMAN. In the Portland, Oreg., area a committee of 22 has been organized to address itself to the solution of this serious problem in that area. It is a committee made up of 5 representing labor, 5 representing employers, 5 representing the Government, 5 representing the public at large, and 2 publishers. So it is a composite group. My informant is 1 of that committee of 22 who was in my office yesterday.

Mr. BONE. Mr. President, will the Senator from California yield to me?

Mr. DOWNEY. I yield.

Mr. BONE. There is about absenteeism much misinformation which is going to present rather a peculiar problem to the American people, because the discussion here is going to be accompanied by considerable guesswork instead of factual information. The greater the number of women who are taken into industry the more absenteeism we are likely to have, for reasons which are obvious to anyone who will think about it.

The more industry gets rid of capable men who are physically strong and draws on older people and children and women, the greater will be the problem of absenteeism, and there is no use trying to escape it. There is going to be a great deal of tearing of nether garments over things we ought to expect in trying to conduct a war of the magnitude of this war. I know of one man who was let off in order to do some work for the union; he was let off with the consent and understanding of everybody involved, yet his time was carried as absenteeism for the full time he would otherwise have been working. That does not present a fair picture. Obviously, someone is going to have to do that work. An employer comes to Washington on business of his firm. He, too, might well be charged with absenteeism on the same basis. So there will have to be a somewhat more realistic approach to this question, or we will merely feed ourselves on a great deal of misinformation.

Mr. McCARRAN. Mr. President, one other thing that has disclosed itself very vehemently during the hearings of the Appropriations Committee, for instance, is the fact that it was necessary to retool nearly all the large plants which are now engaged in war work, and the safety devices which were known prior to that time were not available and are not now available to install in the plants, so that accidents and injuries growing out of the new industries have caused a high percentage of absenteeism.

Mr. BANKHEAD. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. BANKHEAD. I wish to say, Mr. President, if I may be permitted to do so, that the Senator from California has profoundly impressed me by the splendid description he has given us of the unfortunate and unhappy conditions prevailing on the west coast. After listening to him I feel very strongly that some sort of investigation, followed by appropriate relief, seems to be essential. It seems to me, however, that a matter of this importance and magnitude should have some committee consideration rather than prior action on the floor. I feel that if the Senator's amendment should be adopted by the Senate, it would slow down final action on the pending bill; and all of us appreciate that if we are going to do anything under the pending bill time is of the essence of it.

So, with that statement, and with my assurance to the Senator that I desire to be helpful to him in developing some appropriate relief for the situation which he describes—I am willing to help him follow the matter up in any way he may deem appropriate—I want to ask the Senator if he will not agree to withdraw his amendment and let it go to a committee in the form of a bill or otherwise, with the assurance that I have given him that, in any way I can, I shall be glad to assist him. Such a course would enable us to speed this bill, which has been before the Senate for nearly 10 days, although the planting season is rapidly coming on. I know the Senator's heart is in this situation; I know he realizes the unfortunate plight in the matter of food production, and does not want to impede the progress of this bill. I am certain of that, and I make that appeal to the Senator.

Mr. DOWNEY. Let me say to the distinguished Senator from Alabama that what he has said is sympathetically received. I am very much in favor of his bill, and I do not want to impede it. If the Senator would suggest a quorum call, and I could have the opportunity to discuss the possibility of securing an immediate hearing on my amendment by the Military Affairs Committee, and could re-

ceive some assurance, after a short further discussion to that effect, I would be willing to withdraw my amendment. In view, however, of what I consider to be the very inaccurate and misleading statements just put into the RECORD by the distinguished Senator from Oregon [Mr. HOLMAN] I must now place in the RECORD the very exhaustive data on absenteeism which I have before me, indicating a wholly different condition than the one stated by him. I desire to develop at very short length the very critical break-down of the transportation industries in California, and then I shall conclude.

Mr. BANKHEAD. I shall be very glad to cooperate with the Senator. Mr. President, I suggest the absence of a quorum.

Mr. HOLMAN. Mr. President, will the Senator withhold the suggestion in order to permit me to put two or three letters into the RECORD?

Mr. BANKHEAD. I withhold the suggestion.

Mr. HOLMAN. Will the Senator from California yield to me?

Mr. DOWNEY. I yield.

Mr. HOLMAN. Mr. President, I have received some letters on a very grave subject, in my opinion, and I should like the opportunity to read them into the RECORD. The first letter is dated March 3, from Eugene, Oreg., and reads:

MARCH 3, 1943.

The Honorable RUFUS C. HOLMAN,
Washington, D. C.

DEAR SENATOR HOLMAN: Last week at the McDonald Theater here in Eugene, a short film was included in the program which struck me as a specially prepared piece of anti-Congress propaganda.

If it was not the purpose of the film to make people think that the Nation would be better off without Congress, it was at least loaded with such implications. It aroused in me a good deal of indignation, and I cannot but wonder what persons or influences are behind its distribution.

You may know of this film. It is called Carey Longmire's Washington Report, but did not exhibit the name of any producer or sponsor, as is customary with films. I never heard of Longmire before. He spoke sitting at a desk and seemed to have the purpose of putting Congress in the doghouse indefinitely. His comments were blistering.

"Congress," he said, "is Washington's greatest war casualty." Another crack was, "Congress votes against the administration just to be voting. It is sensitive about being unimportant and must give the semblance of doing something. Congress is Washington's real black-out, and when the President does the needed things to get on with the war Congress cries 'Dictator!' because it hasn't enough intelligence to know any better."

About the only courteous comment was in regard to two or three investigating committees that had got the production of synthetic rubber expedited, exposed excessive prices being charged the Government by manufacturers, etc.

I asked the theater manager who was distributing this film, and from his records he gave me this: Troob-Blumenthal, Inc., 1560 Broadway, New York City. It is called a McCrary film.

One of the remarks concerning the Senate had to do with a filibuster. However, said Longmire, the filibuster need disturb no one, for the Senate had no important work to do anyway.

Surely a Senator would be justified in trying to learn just what is the source and purpose behind this film. As much as I love free speech and forthright commentators, I do not believe it is legitimate to thrust such a film as this upon theatergoing audiences who have no choice but to listen or walk out and lose their money.

At the conclusion of the film perhaps three or four persons gave a couple of handclaps.

I am going to write a similar letter to Congressman ELLSWORTH.

Mr. President, I have another letter from the same town, on the same subject, which is similar to the one I have just read, but which I shall not trespass on the time of the Senate to read. I have also a memorandum in regard to surveillance of Members of Congress, and a copy of the statement entitled "The Pattern for the New Deal Policies as Indicated by the Career of Louis Napoleon (Napoleon III), of France," which I addressed to a constituent some time ago. I should like to have these matters printed in the RECORD as a part of my remarks.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

EUGENE, OREG., *March 8, 1943.*

Hon. RUFUS C. HOLMAN,
United States Senate,
Washington, D. C.

DEAR MR. HOLMAN: After attending a movie, I was so enraged that I felt something should be done. This is the only way I know how to do it—consequently this letter.

There was a short subject, which might have been a newsreel—as it developed, it was a vicious piece of propaganda discrediting Congress. It explained that Congress spent its time bickering and fighting until the administration had to intervene. I had always felt that the administration was our Congress. It also explained that the experts took care of all important regulations (Donald Nelson, Baruch, etc.). At the end the commentator said that Congress really did have a job which consisted of finding the soft spots in the rules made by the experts.

The film was known to the theater manager as McCrarey, No. 37, issued by the Newsreel Distributing Co.

I know no reason why the average entertainment seeker should be subjected to New Deal propaganda which is so insidious that it is un-American.

A man who is usually pretty well informed on developments around the Capital stated to me that he was satisfied that the Federal Bureau of Investigation had been gathering all possible information about each Member of Congress under orders from the administration.

The interpretation of this effort is that the administration wants to know everything about each Member of Congress in order that it may locate weak spots in any conflict between the President and Congress.

The man who reported to me could not be brought into the issue, nor could I. It may be that some committee of the Senate, if it is believed the above report is true, could learn from Mr. Edgar Hoover whether he is using Federal investigators for this purpose.

If the information could not be secured in any other manner, I assume that Mr. Hoover would be compelled to answer questions propounded by a committee when summoned before it.

THE PATTERN FOR THE NEW DEAL POLICIES AS INDICATED BY THE CAREER OF LOUIS NAPOLEON (NAPOLEON III), OF FRANCE

(By RUFUS C. HOLMAN, United States Senator)

One hundred years ago France was a republic. There was then a citizen of France by the name of Louis Napoleon, who was the nephew of Napoleon Bonaparte. Louis Napoleon had visions of personal grandeur and ambitions for personal power and personal prestige as a national and international historic character. He had been unsuccessful in a number of his personal enterprises.

While in England he attached to himself and his political schemes a Miss Howard, afterward Comtesse De Beauregard, a very wealthy woman, who proceeded to finance his intrigues for political power by furnishing the funds to hire a number of ghost writers, composers of songs, poets, and others engaged in preparing his propaganda. This was distributed widely throughout France as campaign literature for Louis Napoleon, who offered himself as a candidate for the French National Assembly, to which he was elected (June 1848). Later he was reelected to the Assembly and then took his seat as a member of the Assembly. His name was submitted in the national elections of France for the Presidency of France, to which he also was overwhelmingly elected.

The burden of his promises to the French people, who were harassed with the debts and obligations incident to the Napoleonic wars, such as we in this country have experienced since World War No. 1, was a "job for every Frenchman" and much about "democracy." All his efforts (December 10, 1848–December 2, 1852), while prating about democracy, tended toward the acquisition of absolute authority.

He instituted a studied and determined propaganda to discredit the National Assembly of France and the individual members of it During domestic controversies thus occasioned, the Assembly was concerned with the harassing problems of the great public expenditures, deficient revenues, and the national debt, while the President (Louis Napoleon) gave these unpopular but vital subjects scant attention. He continued his popular appeals to the unthinking majority with demands for personal benefits, privileges, and facilities for citizens generally without due consideration for the cost of them. Of course, the popularity of the Assembly waned as his popularity increased, which is generally the case when statesmanship contests with demagoguery.

In the meantime, President Louis Napoleon succeeded in placing in command of the armed forces his puppets, who were more intrigued with the personal fortunes of Napoleon than they were loyal to their obligations to serve the Republic of France.

Finally the day came (December 2, 1851) when Louis Napoleon, President of France, saw and grasped his chance to become Napoleon III, Emperor of France. And so the President of France became the Emperor of France.

WASHINGTON, D. C., *January 13, 1943.*

Mr. DOWNEY. Mr. President, I wish to say to the distinguished Senator from Oregon that it is my intention to reply, after the quorum shall have been developed, to the figures he has placed in the RECORD as to absenteeism. I shall question those figures as wholly misleading, as totally incorrect, and as inaccurate in the very highest degree.

Mr. CLARK of Missouri. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Bridges	Chavez
Austin	Brooks	Clark, Idaho
Bailey	Buck	Clark, Mo.
Ball	Burton	Connally
Bankhead	Bushfield	Danaher
Bilbo	Byrd	Davis
Bone	Capper	Downey
Brewster	Caraway	Eastland

Ellender	McCarran	Shipstead
Ferguson	McClellan	Smith
George	McFarland	Taft
Gerry	McNary	Thomas, Idaho
Gillette	Maloney	Thomas, Okla.
Guffey	Maybank	Tobey
Gurney	Mead	Tunnell
Hatch	Millikin	Tydings
Hawkes	Moore	Vandenberg
Hayden	Murdock	Wagner
Hill	Nye	Walsh
Holman	O'Daniel	Wheeler
Johnson, Calif.	Overton	Wherry
Johnson, Colo.	Radcliffe	White
Kilgore	Reed	Wiley
La Follette	Revercomb	Willis
Langer	Reynolds	Wilson
Lodge	Robertson	
Lucas	Scrugham	

The PRESIDING OFFICER. Seventy-nine Senators having answered to their names, a quorum is present.

Mr. McCARRAN. Mr. President, will the Senator from California permit me to read into the RECORD a short statement by Secretary Knox bearing on the subject of absenteeism, which to my mind might well be brought to the attention of the Senator from California at this time?

Mr. DOWNEY. I am very happy to yield for that purpose.

Mr. McCARRAN. The statement I am about to read was made by Secretary Knox before the Committee on Appropriations, and I think it is especially apropos. To my mind it is something to which the Congress should give attention. The Secretary said:

> I have had this experience which might be useful. Many times, especially earlier in the war activity, I got complaints from individual workers or people outside of plants, about loafing in plants. Invariably we made an investigation, and have come to this conclusion: The only complaints of that character that you have to give any great attention to and deal with are those in plants where production is going down. In other words, the best and perhaps the only way you can measure a plant, by and large, is in its production.
>
> Inevitably when you get four or five thousand men together, you have a number of loafers. All men are not actuated by the same motives and do not have the same energy. So I think, by and large, the thing for us to do, and especially for Congress to do in dealing with this whole, big problem of production, is to measure the effectiveness of our efforts by what we are getting out of the efforts. Results are what count. I would like to say, on behalf of both the Army and the Navy—and I think I can speak for the Army in this—that the increase in production going on now is extremely gratifying, and that it is going to be ample to meet our military needs. So I wouldn't get too excited about a lot of isolated instances of slow-downs. In dealing with so immense a thing as we are dealing with, you are bound to have those things, and nothing we can do could stop them all. You can never get 100 percent.

Mr. DOWNEY. Mr. President, I wish to express my gratitude to the Senator from Nevada for reading that statement.

Mr. REYNOLDS. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. REYNOLDS. I have just had a conversation with the Senator from California in regard to his amendment, and likewise in reference to his resolution. I had the pleasure of hearing the Senator testify before the Committee on Military Affairs several days ago regarding certain investigations which he, as chairman of the subcommittee of the Committee on Military Affairs, had made in California. I was so thoroughly interested at that time that I suggested he find the opportunity to advise the Members of this body what his investigations on the coast had revealed. I told the Senator, who I believe will verify this statement, that if he would withdraw his amendment now, the committee would be very glad to give him an early hearing on the subject matter of his amendment, and likewise to consider his resolution, both of which could be considered at the same time. I find now that it will be possible to give the Senator a hearing on his amendment as well as on his resolution Thursday afternoon next. The Senator has told me that it would be convenient for him to appear then, and if he will agree to withdraw his amendment I will agree to give him that early hearing, which is set for Thursday afternoon at 2 o'clock.

Mr. DOWNEY. Mr. President, I am grateful to the distinguished Senator from North Carolina for his statement, and, in accordance with what he has said, at the conclusion of a few more brief remarks I shall withdraw my amendment, and will be very happy to have the hearing as outlined by the Senator from North Carolina, who is chairman of the Military Affairs Committee.

Mr. REYNOLDS. Therefore, Mr. President, at this time I take the opportunity to advise the members of the Military Affairs Committee that on Thursday afternoon, beginning at 2 o'clock, the Military Affairs Committee will have a hearing in accordance with the agreement which has been entered into here.

Mr. McNARY. Mr. President, a parliamentary inquiry. I am addressing myself solely to the inquiry. Do I correctly understand that the able Senator from California has withdrawn his amendment, or does he merely intend to withdraw his amendment?

Mr. DOWNEY. I intend at the conclusion of my remarks, which will consume not more than 30 minutes, to withdraw my amendment.

Mr. McNARY. It is, then, the purpose of the Senator to withdraw the amendment at the conclusion of his remarks?

Mr. DOWNEY. Yes.

Mr. President, I shall speak very briefly on absenteeism, and I shall do so only because the distinguished Senator from Oregon [Mr. HOLMAN], has raised that issue in, I think, a most lamentable and unfortunate way. I know, of course, the Senator is justified in relying upon the statements made to him, but his statement is so wholly inconsistent with the general facts in the shipbuilding industry that it should not be allowed to stand uncontradicted.

The distinguished senior Senator from Nevada [Mr. McCARRAN], has already read into the RECORD the remarks and the comments of the Secretary of War upon the same subject, which ought to be almost conclusive, and I thank the Senator from Nevada for doing so.

Mr. President, the facts which I have documented, and which I will offer in evidence at the conclusion of my remarks, show that, taking industry as a whole, absenteeism in the United States runs from 5 to 6 percent; with absenteeism among women about 50 percent greater than among men. In the aircraft industry it runs a little more than 6 percent, and in the shipbuilding industry it runs about 8 percent.

I refer the distinguished Senator from Oregon, and likewise other interested Senators, to the Monthly Labor Review of February 1943, issued by the United States Department of Labor, Bureau of Labor Statistics, which quotes the records from the shipbuilding companies themselves, showing that the absentee rate in the shipyards of the Nation is running slightly over 8 percent, that the rate on Saturdays and Mondays runs about 10 percent, and about 7 percent for the latter part of the week.

Mr. President, it seems to me that anyone who has investigated, as I have, absenteeism, on the Pacific coast, must immediately reach the conclusion that the workers in all defense industries are performing loyal and devoted work. There are certain figures which reveal immediately not only the conditions but the causes for the conditions. The absenteeism rate is much higher among women than among men, because many of the women engaged in defense work are keeping their own homes; they have to do their shopping on a day when they are absent; they have to take care of their children, and they have to take care of their homes. They are not so strong and well and vigorous as are the men. Consequently the absentee rate among women in war defense factories is 50 percent higher than among the men.

Mr. REED. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. REED. I may suggest that there must be a difference then between women employed in munitions industries in California and those employed in munitions industries in Kansas. Recently, about 2 months ago, I was home. A munitions plant is located just outside my home town. I called on the manager there. That plant is employing about 6,000 persons, of whom 40 percent are women. The manager hopes to be able to increase the number of women to 60 percent. I am only offering this statement for the information of the Senator from California. The manager told me that he had less trouble, both in the matter of discipline and in the matter of absenteeism, with women than he had with men. I simply offer that for the information of the Senator from California.

Mr. DOWNEY. Again we have offered to us a fragmentary bit of testimony, not documented, not generally applicable. That sort of testimony, of course, will be headlined over the United States. I wish to say that the Senator from Kansas cannot produce a single bit of statistical data revealing that absenteeism is not much greater among women than among men. As a matter of fact, in almost every catgory of employment women are absent almost 50 percent more than are men. In verification of that statement I wish to introduce in the RECORD, to be printed at the conclusion of my remarks, an article appearing in the Sunday Star, of Washington, D. C., March 14, 1943,

dealing with this particular subject. The article is by Edward Robinson, and is entitled "Remedies for Absenteeism."

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit B.)

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. McCARRAN. I wish only to observe in passing that there may be greater reason for absenteeism in California than in Kansas, because California has the bright sunshine, the fruit, the flowers, the blue skies, and the wonderful climate, which may be conducive to women going out in the open to see a little more of God. [Laughter.]

Mr. REED. Mr. President, I appreciate what the Senator from Nevada has said. California has all those charms. I suggest, however, that the ozone of Kansas, the wide horizons, the flowers, the vistas, and the landscapes are just as beautiful in Kansas as they are in California.

Let me say to the Senator from California that I did not mean by anything which I said in any way to question the figures, data, and statistics which the Senator from California has produced. He was touching upon a particular point upon which I happen to have some personal experience. I thank the Senator from Nevada for his remarks.

Mr. DOWNEY. Mr. President, of course it is entirely obvious why we must almost certainly expect greater absenteeism among women than among men. In California, at least, a substantial portion of the women who are working in the war factories are married and have the responsibility of maintaining homes for their husbands and children. Of course, one would expect such workers to be absent more often than men who do not have kindred responsibilities.

It is likewise true that women, as a whole, do not possess the same physical stamina and physique as do men. I have carefully analyzed the reports from all the aircraft industries in California. I have placed them in the record before the Military Affairs Committee. They show a 50-percent higher rate of absenteeism among women than among men.

I have already offered for the RECORD an article from the Sunday Star. It shows the condition throughout the Nation. Taken as a whole, absenteeism among women in every industry is about 50 percent greater than among men. The article in the Sunday Star also contains figures from Great Britain, showing that absenteeism in Great Britain runs about 10 percent—which is almost double the rate in the United States—and that the great problem of absenteeism there is among women. I wish to say in fairness to the British workers that their workweek is longer. It is believed that that fact accounts for the greater percentage of absenteeism.

Mr. LUCAS. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. TUNNEL in the chair). Does the Senator from California yield to the Senator from Illinois?

Mr. DOWNEY. I yield.

Mr. LUCAS. In connection with what the Senator has said with respect to absenteeism in England, it will also be noted that Great Britain has a law which penalizes individuals for being absent. Notwithstanding that law, there is still a greater percentage of absenteeism in England than there is at the present time in this country where no similar legislation exists.

Mr. DOWNEY. I thank the distinguished Senator for his very pertinent comment.

I should like to say to the distinguished Senator from Oregon [Mr. HOLMAN] that absenteeism is greater in Germany than in the United States. It is also greater in Italy than it is in the United States. Mussolini has just issued a decree providing for 6 months' imprisonment as punishment for certain kinds of absenteeism.

I desire also to say, Mr. President, that I exhaustively and carefully investigated the subject of absenteeism on the Pacific coast by talking with almost all the proprietors of the great war industries, as well as the workers themselves. I believe the workers of the United States are doing a magnificent job. It is true that in shipbuilding the work is hazardous. It is a hard task. Broken limbs, steel in the eyes, colds, pneumonia, injured legs and arms are not uncommon. It is dangerous and hard work. For that reason absenteeism in that industry is greater than in other war industries.

In addition to the conditions to which I have referred, around almost all the shipyards there is a heavy congestion of population, where men are not being properly fed, where they do not have proper medical attention, where transportation is very burdensome, where for weeks workers may be sleeping in trailers or, in some instances of which I know, in the public parks. Men are compelled to take time off from their work to find some permanent habitation, or move into it. I only wish for myself—and I speak for myself alone—that my record of absenteeism were as good as that of the workers of America who are doing the tough, hard job of this war.

I am not familiar with the particular condition about which the distinguished Senator from Oregon has spoken. I know that because there has been such a rapid expansion in connection with some of the Kaiser ship plants, workers have been unable to find transportation, housing, or food. That, of course, would account for an abnormal condition.

Mr. President, the castigations which have been directed against the American worker because the absentee rate is slightly higher for a short time immediately following pay day than on other days are totally unfair. The inference has been left with the American people that the absentee rate is higher right after pay day because of unwarranted vacationing, dissipation, debauches, or similar reasons. No statement could be more false or more reprehensible.

Mr. KILGORE. Mr. President, will the Senator yield for a question?

Mr. DOWNEY. I yield.

Mr. KILGORE. Has the Senator from California also observed that plants with the best and most efficient supervision and management, which are producing weapons or ships, and actually making deliveries in rapid fire order, have the lowest records of absenteeism, and that any plant which does not produce very well immediately starts to build up a record of absenteeism, showing that the morale of accomplishment is one of the greatest deterrents to absenteeism? Has the Senator noticed that?

Mr. DOWNEY. Yes, I have. I thank the Senator for his comment, and I agree with him.

I believe that in factories which are ably and energetically supervised, the percentage of absenteeism is lower than in factories without such supervision.

Mr. HOLMAN. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. HOLMAN. I studied the large percentage of absenteeism in the Columbia River area only after I have explored the subject at some length in conversation with my informant. I do not wish to delay action on the pending amendment by reciting a bill of particulars, which, after all, depends upon the information furnished me by my informant. My statement is submitted as a statistical proposition. It should be so startling to those who are concerned about the waste of manpower, not only in war industries but in the departments in Washington, that there should be close scrutiny and a verification or denial of the figures which I have cited. I was so amazed at the high percentage revealed that I stated to my informant, "That is one absent in five." He said, "It is more than one in four." So I am not mistaken as to what I was told.

Mr. DOWNEY. Let me say to the distinguished Senator from Oregon that I have no doubt that he has accurately and sincerely reported what was said to him. I will also state to the distinguished Senator that if he desires to have an itemized statement on absenteeism in every type of shipyard in the United States, under every condition, if he will turn to page 216 of the monthly Labor Review for February, he will find there corroboration of the facts which I have stated, as given by the shipbuilding companies themselves.

As I have previously stated, Mr. President, I talked with almost every important leader in the management of war factories in the State of California. Not one of them had the slightest criticism of workers because of absenteeism. On the contrary, every one of them said that he thought that, in view of the unhappy conditions in respect to transportation, housing, food, and similar conditions, the workers were making an extraordinarily good record.

Mr. HOLMAN. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. HOLMAN. I am not leveling criticism against war workers, or any other particular group, because my informant advised me that the employers, or operators, have a large share of the responsibility for absenteeism. An over-all

condition prevails in many war industries which is conducive to the wasting of manpower.

Mr. DOWNEY. Mr. President, I believe the last remark of the Senator from Oregon shows that his informant was talking about something different from what we are discussing. It is true that in some of the shipyards on the Pacific coast there has been hoarding of labor, and there have been lay-offs of workers. Considering all the factors, including the uneven flow of material and inefficiency in management, it may be possible to find a high rate of absences in isolated cases.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. LUCAS Will the Senator state again the source of the figures on absenteeism which he gave to the Senator from Oregon?

Mr. DOWNEY. I referred the Senator to two statements appearing in the Washington Sunday Star of March 14, 1943. In that issue of the Washington Star is to be found a complete discussion of absenteeism in the United States and in England.

Mr. LUCAS I am interested in ascertaining the name and issue of the magazine or pamphlet to which the Senator referred.

Mr. DOWNEY. In the Monthly Labor Review of February 1943 is to be found a complete discussion of absenteeism, with documented data. The discussion appears on page 216, and contains reports given by the shipbuilding proprietors themselves

Mr. LUCAS I take it that there cannot be any question about the accuracy of the data the Senator is giving from the labor records which have been submitted to the persons who wrote the article. Is that correct?

Mr. DOWNEY. I can assure the Senator that there can be no mistake.

Mr. LUCAS. So far as the Senator from Illinois is concerned, I am willing to take the facts which are submitted by someone who apparently knows, rather than the statements of someone who is spreading a rumor here and there with respect to the problem of absenteeism. One of the great troubles at the present time is that during the great emergency through which we are passing, some people are constantly indicting individuals, this department or that department of Government on the basis of rumors, innuendos, and half-baked statistics, thereby getting no place, with the exception of further dividing the American people at a time when we should be concerning ourselves only with facts, facts which will unite the American people. It seems to me the time is long past for anyone to take into consideration, seriously, statements as to what some particular individual has said to someone in private—something which may be, after all, a rumor or an outlandish exaggeration.

It is such secretive things that cause the American people to wonder when the statements appear on the front pages of the press.

Any time was can produce facts, any time we can produce the truth upon a question of this kind or upon any other question in government, it seldom makes sensational news. It is only the secretive things—something that someone has told someone else, something that someone in one of the departments has quietly suggested to some Member of the Senate or some Member of the House—that immediately raise suspicion in the minds of the American people as to whether they are true or false.

With all due deference to everyone, I say that such things are constantly undermining the morale of the American people during the present crisis—a crisis, if you please, wherein we should have the utmost unity if we are to win. By proceeding on the basis of pure facts we can unite the people; we can obtain the right kind of debate in the Senate or in any other place. On facts, we can arrive at a fair and just conclusion about absenteeism which the Senator from California is now discussing.

While I am on my feet, Mr. President, and if the Senator will pardon me, I should like to make one or two observations on the question of absenteeism. It is an important question. The Senator has cited figures relative to what has been done in England and in this country with respect to absenteeism. I come from a State, many sections of which are highly industrialized. Only last week I appeared in the city of Rockford and had an opportunity to talk to the heads of industry located in that city and now engaged in the production of articles and implements of war. I also talked to the leaders of the laboring men. Both the leaders in industry and in labor said the Congress of the United States would make a serious mistake if it were to attempt to legislate upon the question of absenteeism.

Mr. President, I maintain that legislation cannot cure absenteeism. Any time the Congress of the United States attempts to lay down a pattern from the standpoint of compelling the workers to do this or to do that on the question of absenteeism, absenteeism will increase instead of diminish. Efficient management, persuasion from patriotic viewpoint and education are the only means by which we can secure the maximum results. If any proposed legislation on absenteeism comes to the floor of the Senate, on the basis of my personal investigation and research on the question, I shall do everything I can do to defeat it.

Mr. President, I repeat. there is only one way to decrease absenteeism, and that is by means of a program of patriotic education and persuasion upon the part of the Government, upon the part of management, upon the part of labor, and upon the part of every patriot who is vitally interested in winning this war in the shortest possible time.

Mr. DOWNEY. Mr. President, I deeply appreciate the eloquent, able, and forceful remarks of the Senator from Illinois. He may be interested in another set of figures which are rather derogatory to State from which I come and to the State from which the Senator from Oregon comes. The extent of absenteeism in shipyards on the Pacific coast is very much higher than in the shipyards on the Great Lakes. Why that is so I do not know; but I venture to say that a careful investigation would reveal that it has come about, not because of greater irresponsibility or apathy on the part of our workers, but because of better conditions relative to living and food in Illinois and other States in the Great Lakes section.

Mr. President, because my particular amendment deals with the deferment of truck drivers and men engaged in working on the railroads, I desire to advert to absenteeism and, likewise, to the number of hours worked by men in those two groups.

First let me say that, so far as the work of the truck drivers is concerned, I secured the figures from the Office of Defense Transportation in San Francisco, from the trucking proprietors, and from the unions themselves.

The week before I was in San Francisco, the truck drivers of that area worked 72 hours a week, and a workweek of 75 or 100 hours was not uncommon. Indeed, the men are being worked so hard that they are becoming exhausted, and no longer are able to endure the ordeal. They are working so hard that the number of accidents in the trucking business has increased 300 percent in the last few months.

Mr. President, I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks telegrams from trucking proprietors in California describing the alarming increase of trucking accidents because of the overworked truck drivers.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit C.)

Mr. DOWNEY. Mr. President, I am glad to have an opportunity to pay a tribute to the railroad men of America. Lately, certain newspapers and magazines have been carrying derogatory and false articles concerning the number of hours being worked by railroad men. Someone is trying to popularize and propagandize the expression "feather-bedding," in an attempt to make the public believe that large numbers of railroad workers are working very short hours, and that, due to certain arbitrary rules, there has been a large wastage of railroad workers. I desire to brand such implications and statements and articles as almost wholly false.

The Reader's Digest, in its last issue, had a most unfair and misleading article on that very subject. It is true that in the United States there are approximately 500 railroad engineers and firemen who have what we call a fast, blue-chip run. The article in the Reader's Digest discussed that particular group of 500 men as though its members worked under conditions typical of those of hundreds of thousands of other railroad workers. I have already said that that particular group is limited to approxi-

mately 500 fortunate older men in the railroad service. In the State of California, to which the Reader's Digest refers, the actual hours worked by employees of that class, of whom there are probably only 30 in the whole State, exceeds 30 hours a week. If one were frankly to state the facts and to say that those men should be working 40 or 48 hours a week, that would be just and fair; but to cite conditions surrounding less than 500 workers, in an endeavor to make the American people believe it is typical of the railroad workers cannot be condemned in too vigorous language.

Mr. President, the men on fast runs are at the cabs of locomotive engines running 70, 80, and 90 miles an hour. Many of them travel through heavily populated territory. I am told that because of the shaking of the engine and the great tension involved in driving it this character of work is most severe and onerous. The argument is made that men engaged in that kind of duty perform more burdensome work, more particular work, than do our transport pilots who, under the law, are not allowed to work more than 30 hours a week. I do not intend to engage in a discussion of that particular group. What I am castigating are the propagandizing articles printed in magazines and broadcast over the Nation to make the American people think that railroad workers at the present time are not working long hours a week.

Mr. President, I now wish to place in the RECORD data furnished me by the Southern Pacific Co. within the last 2 weeks showing the hours of work per month and per week of various selected groups of employees working for the Southern Pacific in December 1942. The report shows that almost all the workers worked in excess of 50 hours a week and that some worked as high as 59 and 67 hours a week. I ask that the table be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Southern Pacific Co. (Pacific line), hours of work (per month and per week), various selected groups of employees, December 1942

[Portland, Oreg., to Tucumcari, N. Mex., through San Francisco, Los Angeles, and El Paso. San Francisco, Calif., to Ogden, Utah]

(1)	Number of employees, middle of month (2)	Total hours worked, including overtime (3)	Average hours per— Month (4)	Week (5)
Clerical and general:				
Clerks, stenographers, typists, storekeepers, ticket agents, etc	8,741	1,831,440	210	47
Telephone operators, office assistants	416	84,565	203	46
Messenger and office boys	246	50,354	205	46
Maintenance of way and structures:				
Bridge and building carpenters, painters, masons, plasterers, plumbers, maintenance-of-way helpers, etc	1,658	383,192	231	53
Extra gang and sectionmen	5,268	1,295,927	246	56
Signalmen, maintainers, and helpers	665	139,592	210	47
Maintenance of equipment and stores:				
Blacksmiths, boilermakers, electrical workers, machinists, sheet-metal workers	5,352	1,362,378	255	57
Carmen, skilled-trade helpers (maintenance of equipment and stores)	8,201	2,133,129	261	59
Helper and regular apprentices	368	83,937	228	52
Coach cleaners	938	193,700	207	47
Classified and general laborers (shops, enginehouses, and power plants)	2,338	486,452	208	47
General laborers (stores, ice, reclamation, and timber-treating plants)	1,303	281,973	216	49
Transportation (excluding train, engine, and yard):				
Station agents, telegraphers, telephoners, clerk-telegraphers, towermen	1,529	368,280	241	54
Baggage, parcel-room, and station attendants	348	74,744	215	48
Callers, loaders, sealers, freight inspectors, truckers, laborers (stations, warehouses)	1,709	446,972	262	59
Chefs, cooks, waiters, camp cooks, kitchen help, etc	1,716	509,272	297	67
Yardmasters, switch tenders, hostlers, hostler helpers	645	156,284	242	53
Trainmen, enginemen, and yardmen:				
Passenger conductors, brakemen, and baggagemen	1,056	222,769	211	48
Freight conductors, brakemen, and flagmen	4,094	1,037,869	254	57
Yard foremen and helpers	3,185	744,516	234	53
Passenger engineers and firemen	666	136,534	205	46
Freight engineers and firemen	3,002	693,854	231	52
Yard engineers and firemen	1,771	410,244	232	52

Source: Basic data columns 1, 2, and 3 from Interstate Commerce Commission hours and wage statistics, Forms A and B, as reported by Southern Pacific Co.

Mr. DOWNEY. I also desire to place in the RECORD a W. P. B. press release of the 8th of March, headed "Wartime transportation," with the subhead "Railway men work 50-hour week."

I will read merely one short sentence that contains the heart of it:

As an example of the hours worked by railroad employees, management and labor representatives pointed to computations made from Interstate Commerce reports for the first 10 months of 1942, showing that last October the average railroad workweek ranged from 49.1 hours for the professional, clerical, and general group to 56.5 hours in other classifications.

I now ask that the entire release be printed in the RECORD.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

RAILWAY MEN WORK 50-HOUR WEEK

Most of the Nation's railroad workers average over 50 hours work a week, representatives of railroad labor and management told officials of the Office of Defense Transportation at a conference last week.

With an average workweek already over the 48-hour level, there is little need for stepping up weekly hours of employment on the country's railroads to conform to the new manpower order, the representatives pointed out.

The roads are not subject to the hours provisions of the wage-hour law, the representatives declared, adding that, with the exception of those classifications for which hours of employment are restricted for safety purposes, there are no regulations on the number of hours railway employees may work.

In those occupations where a weekly schedule is feasible, the workweek is uniformly 48 hours, but most railroad workers average above 50 hours a week.

As an example of the hours worked by railroad employees, management and labor representatives pointed to computations made from Interstate Commerce reports for the first 10 months of 1942 showing that last October the average railroad workweek ranged from 49.1 hours for the professional, clerical, and general group to 56.5 hours in other classifications.

In 8 of the 10 months maintenance-of-way and stores department employees on class 1 railroads worked an average of 48 hours or more, while the average weekly employment in train and engine service was 49.3 hours last October.

Since that time, it was pointed out, the average workweek has undoubtedly increased considerably since mileage-limitation rules on many railroads have been eliminated.

Mr. DOWNEY. Mr. President, I have talked to railroad workers in California who have not missed one day since Pearl Harbor. I have talked to railroad workers working from 48 to 50 and 60 hours a week at their own profession and then helping out in some store or elsewhere the remainder of the week.

In addition to the criticism of railroad workers because of so-called blue-chip runs, there are about 5,000 railroad workers whose time of working is being criticized because there is some special rule of the railroad workers which limits how they may work. I have no idea of the justice of the argument about this small group of men but, whatever the truth is, its effect upon a million and a half railroad workers and the time they work is negligible. Any magazine, any newspaper, any speaker who takes isolated statements and then attempts to prove from such statements the truth about the whole group is committing, in my opinion, a treasonable offense. Why do I say "treasonable," Mr. President? I say it in the broad meaning of the word, it is true, but I say it because when magazines and newspapers give out data wholly misleading and unfair to the railroad workers, it not only creates a false impression in the mind of the public as to such workers, but it causes a bitterness and resentment among the railroad workers against the propagandizing instruments that issue the figures.

Likewise I might say, Mr. President, that the same thing is true of the figures with respect to absenteeism. In California, at least—and I speak from certain knowledge—the workers are loyal, energetic, and devoted to their work, and attacks upon them, this sermon, this almost vilification, are creating increased bitterness among them. I cannot believe that that type of unfair attack upon the workers of America will promote or help the war effort.

Mr. President, a few words more and I shall be through. I have submitted this amendment extending to the transport workers in areas of vital shortages

the same exemption the pending bill would give to farm workers. In California, right now, the trucking and railroad industries are close to a breakdown. I am informed that lend-lease shipments through the Golden Gate have greatly increased, and that the shipment of war industries' freight from the Atlantic to the Pacific seaboard is going to be greatly increased. I am also informed that a year from now there will be in California hundreds of thousands of soldiers more than are there now, and, of course, their persons and the freight needed by them will have to be moved by railroad or truck.

Furthermore, Mr. President, we are now in the slackest season relating to the movement of farm crops. The trucking proprietors have served notice upon me that their present equipment and workers will not allow them even to move accepted war freight, let alone handle any of the immense shipments of farm products in California. In California 80 percent of the farm crops are moved by trucks belonging to someone other than the farmer.

I am so much concerned about this question, Mr. President, that I am desperately anxious that the Federal Government shall take some wise and far-reaching step to prevent the breakdown of our transportation systems on the Pacific coast, because, if such steps shall not be taken, the injury to the Pacific coast and to the war effort will be incalculably unfortunate for us all.

The PRESIDING OFFICER. Does the Senator from California withdraw his amendment?

Mr. DOWNEY. Yes, Mr. President, I withdraw the amendment.

EXHIBIT A

OFFICE FOR EMERGENCY MANAGEMENT,
WAR MANPOWER COMMISSION,
San Francisco Calif., March 8, 1943.

Senator SHERIDAN DOWNEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: I am attaching some revised pages of the memorandum I submitted to you recently. These pages should be substituted for the corresponding ones which you now have.

I have discussed the estimates with a number of people in the Manpower Commission, the Department of Agriculture, the Civil Service Commission, and elsewhere. These estimates represent our best judgment based on the information available to us, which as you know is quite extensive.

You will note also that some of the narrative statements in the summary have been revised. The estimate of year-round farm workers (which has been raised to 20,000) was the subject of considerable discussion with the Regional Farm Placement representative, representatives of the Department of Agriculture, and other persons whose judgment we felt was acceptable. You understand, of course, that this figure, as well as others, is based upon information available to us. There may, of course, be other material extant which would indicate that a different figure might be more nearly representative of the situation. Our figure is perhaps conservative, but is predicated on the belief that normal year-round farm employment was greater than was necessary to maintain the operations, and that under pressure of war conditions a greater utilization of labor is not only possible but expected.

You will note that the figures include needs for 100,000 Government workers. As is stated in the summary, these are spread throughout three sections of the report. I have discussed the matter at length with Mr. Kranz and we agree that while the figure is undoubtedly conservative, we know of no method (based on information available to us) by which we can extend the figure quantitatively beyond this total. Similarly I feel that the aircraft forecast may be conservative. However, the most recent reports (which, for the most part, are as of approximately the middle of February) give only slight indication of expansions beyond those forecast.

I have avoided attempting to forecast the number of persons required to fill these labor demands. You will note that the first paragraph of the summary states that "it may require substantially greater numbers of people to meet these requirements." Such a forecast must grow essentially out of an evaluation of supply rather than a prediction of demand. It is my personal feeling—and this is not official in any sense—that it may be necessary to recruit upward of 900,000 persons to fill these demands. This will be true because of the concentration of demand in some areas, which will require digging deeper into the supply of workers whose productivity rate is marginal.

You will understand that it has not been possible to investigate many of the aspects of this problem as thoroughly as I would like to have been able to do. We will continue to revise our estimates as more and better information becomes available, and will be glad to provide them to you at any future time should they be of value to you.

Very truly yours,

WILLIAM K. HOPKINS,
Regional Director,
War Manpower Commission.

By D. H. RONEY,
Assistant Chief,
Division of Program Planning.

EXHIBIT B

REMEDIES FOR ABSENTEEISM—BRITAIN SEEKS SOLUTIONS FROM WITHIN INDUSTRIES

(By Edward Robinson)

LONDON.—Absenteeism, a mounting problem to the war industries of the United States, is also a problem in Britain; but the Government here believes it can be remedied by internal rather than external measures.

Labor Minister Bevin puts the view this way: The cure "is more likely to be found by those establishments who look for the solution within themselves than by those which tend to rely more on external powers of discipline or punishment."

At the end of 1942 there were about 8,000,000 persons in Britain engaged on essential work, and of these about 10 percent (800,000) were absent from their work each day from one cause or another.

In industries under the "essential work order," labor movements are definitely restricted; an employer cannot discharge a man from his job, nor can an employee quit, without Government permission.

(The Office of War Information, in a report issued February 15, said job absences in the United States now "may be twice" the rate of 3 percent "common in industry" before war industries got under way, and that the rate may be even higher in some plants which experience difficult working and transportation problems.

(Philip Murray, president of the Congress of Industrial Organizations, reported that normal pre-war absences in industry was 2.2 percent, and has now increased among men to 4.5 percent and among women to 6.5 percent.

(According to the Congress of Industrial Organizations, more than half of the absences are caused by illness, inadequate health, transportation and housing difficulties, labor hoarding and inadequate planning of allocation of materials; to draft board examinations, appearances in court, blizzards, and flood.)

In the official view, malicious absence accounted for about 2 percent of the British absentees; the workers who, nursing some sort of grudge, stayed out for days on end or were persistently late. Some, in the "careless" class, excused themselves with "missed the bus," "away for the week end," "alarm clock didn't work" and the like.

Short-period absences reached their peak on Fridays (traditional British pay day), were high on Saturdays and Mondays. "Married women tend to take Saturday mornings for shopping," says a Labor Ministry official.

About two-thirds of the daily absences were accounted for by illness. Absence through this cause has increased since the replacement of younger men by older workers and those of lower medical grades. In seven factories checked by the British Medical Journal, colds and flu were found to be the greatest causes of time lost. Fifty percent of all the male workers and 45 percent of the women lost some working time during the 6 months of 1942 under review.

(Numerous differences make comparisons between the American and British situations difficult, but one factor tending to make absenteeism an even more acute problem in Britain is a longer workweek, taxing health and endurance. The British war industry week is 56 hours. Latest Office of War Information figure for United States is 47.9 hours as the average for all metal-working industry.)

The British Medical Association warned the government at the end of 1942 that "industrial fatigue due to excessive working hours was filling the consulting rooms with thousands of war workers suffering from minor ailments" and pressed for an immediate inquiry.

Government investigators used no rose-colored spectacles when seeking causes and cures. One reported: "What must be accepted is the psychological factor that thousands of workers see in their job the complete disruption of their home life. Married women with the full-time job of looking after husband, children, and home are working long hours in factories and shops. Men's homes are disorganized by the fact that wives, daughters, other relations, parents in some instances, are all going to work, or because they have been sent right away from their families to work."

Another noted that the lack of real interest in the job and lack of conviction about its importance and urgency are mainly due to ignorance. It is too readily assumed that workers generally are only concerned with the money incentive, whereas experience shows that workers in general respond in an increasing degree to the incentive of interest when they are made aware of the part their job plays in the final product."

(The supply ministry in a recent circular emphasized "it is part of the business of good management to keep the work people informed of the use of their products in battle." The ministry itself helps with a thousand day and night cinema shows, mostly of news films, demonstrating to the workers the results of their efforts. Ten-minute pep talks are another feature.)

"Many workers"—commenced another report—"particularly women, cannot be expected to work 5½ days weekly and long hours, week in week out, if they have to spend an addidtional 2 or 3 hours daily or even more in traveling, possibly by crowded bus or train, in all weathers. It must be remembered that a high percentage of today's war workers are not used to factory life."

Most workers, it was added, were away from their homes or billets about 12 hours, calculating the average traveling time plus work shift.

Another contributory cause noted was idle time, when workers are forced to stand about

for hours, even days, held up by some cause usually completely beyond their control.

A significant point noted by investigators was the gulf in the factories between those who know and those who don't, blamed by many for loss of output through slacking and absenteeism.

Labor Minister Bevin summarized: "The majority of the absentees stay away occasionally because of exhaustion, and the best way to reduce that is to limit the call upon human energy. There must be every possible aid to labor, every device to avoid unnecessary fatigue."

In a recent memorandum to all war industries, Bevin indicated broad and general outlines for cures, asked employers, managements, works production committees, and trade unions to seek the best remedial action "to mitigate difficult conditions and to bring public opinion to bear on those who are careless in attendance or punctuality."

Included in the remedial schemes are:

1. Factory records of absence and all relevant data to be discussed regularly before works production committees and managements. (In previous investigations one stumbling block was the lack or unsuitability of factory records.)

2. A very high rate of sickness absence is to be checked by medical examination; high accident rates to be immediately investigated.

3. Absence backed by what appears to be a reasonable excuse to be watched by welfare officers, in whose hands should be such "cures" as transport improvement, additional nurseries, better hostel arrangements, tastier and more regular meals, suitable leave for shopping.

4. Rotated schedules to give workers another day off weekly besides Sunday; workers to be encouraged to use hostels and billets near the factories where traveling is a hindrance to attendance.

"Works productions committees, personnel departments, and such other bodies," said Bevin, "can and should settle absenteeism locally and without any governmental interference."

Bevin also put on record that "prosecution of young people for absenteeism should be undertaken only as a last resort. I always try to examine these cases in the light of what I might have been at 17."

Prosecution of workers for absenteeism average about 1 in 10,000, imprisonment 1 in 50,000. Fines range from $4 to a possible maximum of $400, imprisonment up to 3 months. Prosecution is generally ordered by the national service officer for the area, but in many instances the offender's own workmates have observed, reported, and insisted on prosecution.

EXHIBIT C

SAN FRANCISCO, CALIF., *February 9, 1943.*
Hon. SHERIDAN DOWNEY,
United States Senate,
Washington, D. C.:

Undoubtedly you are familiar with the acute manpower situation in our State. Our business is transportation of large amounts of goods and materials vitally essential to war effort here and for transshipment to armed forces abroad. A break-down of transportation systems is imminent due to unreasonable acts of individual draft boards recognizing no authority but their own and refusing to consider appeals or official orders of other governmental agencies. They continue inducting men whose contribution to war effort as civilians far surpasses ability as soldiers. Something must be done. We find it impossible to replace experienced men or to obtain new men to break in.

Immediate action by you and your colleagues is necessary.

WARD G. WALKUP,
President, Walkup Drayage & Warehouse Co.

SAN FRANCISCO, CALIF., *March 11, 1943.*
Hon. SHERIDAN DOWNEY,
United States Senate,
Washington, D. C.:

Yesterday we had nine accidents in 1 day. One accident will cost this company $1,000 for the repair of its tractor if we can get the parts. This is a new tractor; having been in service only 1 year. This tractor will be laid up for repairs for 2 weeks and, as mentioned before, the Office of Defense Transportation has given us no relief on equipment. You know the tremendous amount of hauling for the Army and Navy we are doing. The local boards are inducting our drivers and we are forced to take inexperienced men who do not know the streets of San Francisco and it takes 6 months to a year to make drivers for the kind of equipment and service we have to render in these ports of embarkation. Our Oakland company—Merchants Express Corporation—had five accidents yesterday, all caused from using inexperienced drivers. We are constantly forced to meet deadlines and our men work 60 to 84 hours a week to do it. Still there are delays in sailing dates of convoys. Must we await a crisis and complete break-down in transportation in the bay area before action is taken? Every farmer, the armed forces, civilian defense, and civilians on the home front, including shipyards, depend on truck and rail transportation. Therefore, without transportation none of these activities can succeed.

WARD G. WALKUP,
President, Walkup Drayage & Warehouse Co.

SAN FRANCISCO, CALIF., *March 12, 1943.*
Senator SHERIDAN DOWNEY,
United States Senate, Washington, D. C.:

One of my inexperienced drivers tangled with a freight train at a crossing last night causing severe injuries to himself and the entire loss of newly overhauled truck and its contents. The equipment is irreplacable. Just another example of waste through inexperience.

ROBERTSON DRAYAGE CO.

OAKLAND, CALIF., *February 9, 1943.*
Hon. SHERIDAN DOWNEY,
United States Senator, Washington, D. C.:

Our association operates 3,000 pieces of modern motorized truck and trailer equipment. Practically all of these units are being used full time in essential war work. We are facing serious curtailment of activities due to many of our experienced drivers being drafted into the armed forces. If immediate deferment is not forthcoming many tons of vital defense materials will stagnate at rail and truck terminals in this area.

E. H. HART,
Manager, Draymen's Association of Alameda County, Oakland, Calif.

SAN FRANCISCO, CALIF., *March 11, 1943.*
Hon. Senator SHERIDAN DOWNEY,
National Capitol, Washington, D. C.:

Drayage situation in San Francisco pathetic on account of manpower in regards local drayage. Have tried every way possible to get drivers through the union and otherwise. Cars loaded backing up on account of the shortage. Trucks laying idle with tons of freight to move.

JOHN MCCARTHY & SON.

SHIPMENT TAX-FREE OF CERTAIN TOBACCO PRODUCTS FOR USE OF MILITARY AND NAVAL FORCES

During the delivery of Mr. DOWNEY'S speech,

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. GEORGE. From the Committee on Finance I report favorably, without amendment, House bill 2030, to permit the shipment tax-free of certain tobacco products to territories of the United States for the use of members of the military and naval forces of the United States, and submit a report (Rept. No. 118) thereon, and I ask unanimous consent for immediate consideration of the bill, without displacing the pending business.

Mr. President, I should like to say that the sole purpose of the bill, which has the recommendation of the War Department and the acquiescence of the Treasury Department, is to permit the shipment of tobacco products tax-free to the members of the armed forces in Hawaii and Alaska, our own possessions.

The PRESIDING OFFICER (Mr. TUNNELL in the chair). Is there objection to the present consideration of the bill?

Mr. McNARY. Mr. President, the very able Senator from Georgia has explained the objectives of the bill to me. I can see no reason to oppose the measure or consideration of the measure at this time. Of course consideration of it requires unanimous consent. The Senator has asked for unanimous consent?

Mr. GEORGE. Yes; I have asked for unanimous consent for the present consideration of the bill.

Mr. McNARY. I personally have no objection. I think we probably owe it to the soldiers in the South Seas to take the proposed action. Is the application of the measure general, or is it limited to certain centers?

Mr. GEORGE. It applies to our own possessions, Hawaii and Alaska. Cigarettes sent to the men there are being returned because the tax has not been paid, and it must be paid. The bill has the unanimous approval of the Finance Committee.

Mr. McNARY. With that statement, I have no objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 2030) to permit the shipment tax free of certain tobacco products to Territories of the United States for the use of members of the military and naval forces of the United States was considered, ordered to a third reading, read the third time, and passed.

During the delivery of Mr. DOWNEY'S speech,

FIRST DEFICIENCY APPROPRIATIONS—CONFERENCE REPORT

Mr. HAYDEN. Mr. President, I submit the conference report on House bill 1975 and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. MAYBANK in the chair). The conference report will be read.

The legislative clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1975) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1943, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1943, and for other purposes, having met,

after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 4, 20, 40, and 41.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 10, 13, 14, 15, 16, 17, 18, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, and 38; and agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "*Provided further*, That no merchant vessel constructed under any contract entered into by the United States Maritime Commission pursuant to any appropriation or contract authorization specifically granted by Act of Congress (except Public Law 5, Seventy-seventh Congress) to such Commission shall be disposed of under the Act of March 11, 1941 (Public Law 11, Seventy-seventh Congress), as amended, except by lease which must end not later than six months after the termination of the present war, as proclaimed by the President, or at such earlier time as the Congress by concurrent resolution or the President by proclamation may designate"; and on page 11, line 15 of the bill, after the figure "$16,625,000", insert the following: ", payable from such construction fund"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$3,722,000"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"WEATHER BUREAU

"Observations, warnings, and general weather service: For an additional amount for observations, warnings, and general weather service, fiscal year 1943, including the objects specified under this head in the Department of Commerce Appropriation Act, 1943, and including not to exceed $36,945 additional for personal services in the District of Columbia, $390,000."

And the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"BUREAU OF RECLAMATION

"Lugert-Altus project, Oklahoma: For continuation of construction, $400,000 from the general fund of the Treasury, to remain available until expended."

And the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment, amended to read as follows: "Investigation of bauxite and alunite ores and aluminum clay deposits (national defense): For an additional amount for investigation of bauxite and alunite ores and aluminum clay deposits, including the objects specified under this head in the Interior Department Appropriation Act, 1943, and including the purchase of drilling rigs mounted on trucks and of auxiliary trucks to service drilling rigs without charge against the limitation on the purchase of motor-propelled vehicles hereinafter specified, $500,000: *Provided*, That the limitation on the amounts which may be expended for purchase of motor-propelled vehicles, and available to the Geological Survey to carry out the purposes of this appropriation, are hereby increased from $6,000 to $25,000, and from $80,000 to $115,000, respectively."

And the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment, amended to read as follows: ", of which $15,000 shall be chargeable to the water fund of the District of Columbia, said total appropriation"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$63,300"; and the Senate agree to the same.

Amendment numbered 39: That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment, as follows: Before the figure "(2)", of the matter inserted by said amendment, insert the word "or"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 12, and 19.

CARL HAYDEN,
M. E. TYDINGS,
JOHN H. OVERTON,
GERALD P. NYE,
H. C. LODGE, JR.,
Managers on the part of the Senate.

CLARENCE CANNON,
C. A. WOODRUM,
LOUIS LUDLOW,
EMMET O'NEAL,
LOUIS C. RABAUT,
JED JOHNSON,
JOHN TABER,
R. B. WIGGLESWORTH,
W. P. LAMBERTSON,
Managers on the part of the House.

Mr. HAYDEN. Mr. President, the report represents a complete agreement between the two Houses. The report has been adopted by the House, and I move its adoption by the Senate.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Arizona [Mr. HAYDEN].

The motion was agreed to.

EXTENSION OF JURISDICTION OF NAVAL COURTS MARTIAL

The PRESIDING OFFICER (Mr. TUNNELL in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 303) to extend the jurisdiction of naval courts martial in time of war or national emergency to certain persons outside the continental limits of the United States, which was, on page 2, line 10, after the name "Alaska," to insert "The Canal Zone,".

Mr. WALSH. Mr. President, I move that the Senate concur in the amendment of the House.

The motion was agreed to.

DEFERMENT FROM MILITARY SERVICE OF PERSONS ENGAGED IN AGRICULTURE

The Senate resumed the consideration of the bill (S. 729) providing for the deferment from military service of persons engaged in agricultural occupations.

Mr. MALONEY obtained the floor.

Mr. LA FOLLETTE. Mr. President—

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Wisconsin?

Mr. MALONEY. I yield.

Mr. LA FOLLETTE. I do not wish to take the time of the Senator from Connecticut. I had hoped to say a few words about the question of absenteeism, but, in view of the fact that the Senator from Connecticut has the floor, I shall merely ask that I may have unanimous consent to insert in the RECORD, as a part of my remarks at this point, an article which I wrote for the Progressive of the issue of Monday, March 15, entitled "A New Assault on the Rights of Labor."

The PRESIDING OFFICER. Without objection, the article will be printed in the RECORD.

The article is as follows:

A NEW ASSAULT ON THE RIGHTS OF LABOR

(By Senator ROBERT M. LA FOLLETTE, JR.)

The reactionary enemies of labor are regrouping for a new assault on the rights of the men and women on the production front who are making the guns, tanks, ships, and airplanes needed to fight this war through to a victorious conclusion.

"Absenteeism" is the catchword for the new attack. Under the guise of efforts to increase war production, these reactionary forces in Congress and throughout the Nation are out to emasculate the rights of labor, cripple forever the democratic process of collective bargaining in industrial relations and intimidate the entire labor movement.

With the growing pinch in our labor supply, it is quite natural that attention should be focused on the problem of reducing the amount of time lost because of a worker's temporary absences from his job. It may be because of sickness, either of the worker himself, or sickness in his family. He may take the morning off to fix the roof on his house, go down town to buy some badly needed clothes when the stores are open, or see about getting a loan to tide the family over an emergency. Whatever the cause, his absence from work, even for an hour or two, is lumped under the term "absenteeism" and is now a subject of vital concern to the war effort.

Various estimates have been made of the total amount of time lost to war production through these miscellaneous absences. The fact of the matter is that no one really knows. There have been efforts to gather fairly comprehensive statistics in the shipbuilding and aircraft industries, but beyond those two industries it is almost entirely a matter of guesswork.

SMEARING ORGANIZED LABOR

Nevertheless practically everyone who has made a study of the problem concedes that whatever the total number of man-hours lost, it constitutes a serious leakage of war-production effort. Inasmuch as our supply of manpower is now critically limited, it is absolutely essential that the manpower we have in our war industries be utilized to the fullest extent.

The question is how to do it. The enemies of labor have been quick to seize what appeared to them to be an opportunity. They have jumped into the limelight denouncing absenteeism as though it were the cardinal sin of every man and woman engaged in war industry. At least by implication they have reflected upon the loyalty and devotion of these millions of American workers. They have sought to smear the name and cause of organized labor.

Antilabor elements in the country tried to gain their ends through similar campaigns launched in the name of stopping strikes, and later, extending the workweek.

STRIKES ALL BUT ELIMINATED

In both of those attempts they failed because the general public, as well as their Representatives in Congress, knew enough about the way American labor has come through in this crisis to see the difference between the genuine side of the problem and the phony campaign concocted by reactionary forces to sell the country a bill of goods.

To labor itself must go most of the credit for the virtual elimination of strikes in war production. The man-days lost from war production by strikes now amount to only three one-hundredths of 1 percent of the total man-days worked.

The workweek has been extended as production requirements have demanded in each individual industry. Many war plants were working their employees more than 48 hours per week long before the Government's 48-hour-week decree last month. Right now the average workweek in the machine-tool industry, for example, is 53 hours. Ten important war industries are working on a workweek in excess of 48 hours for each employee.

It is to be hoped that the same good judgment that frustrated the reactionaries when they attempted to make political capital out of strikes and the 40-hour law will prevent them from accomplishing their purposes in the current controversy over absenteeism.

NO COMMON DENOMINATOR

When Donald Nelson announced to the American people 3 months ago that the United States was then turning out combat armaments in as great a volume as the entire Axis and that the tide of production is now running strongly in our favor, it must have been obvious to those who read his words that American labor had been one of the great factors in making such an achievement possible. Tanks are not built by bank credits. They take work, skillful work, by men and women in overalls.

Under Secretary of War Robert P. Patterson reported only a few days ago that production of equipment for the air and ground forces of the Army in January was three and one-half times as great as in January a year ago.

The problem of absenteeism, then, is clearly not one of forcing labor to work. Labor is pitching in with a determination to win the war on the production front that is being translated into greater production records every month.

There is no possible common denominator that will allow any meaningful comparison between what the men are contributing to victory on the fighting fronts and the contribution being made by the men and women on the production front. They are all doing their parts, as loyal Americans should.

FORCE MISSES THE POINT

Absenteeism is a malady with many causes. Some are physical, some are social, others are economic, and many are purely psychological. The constructive way to approach it is to determine in each individual case what the cause is and then deal with that. If the worker is sick, he should be given medical attention. If he is living in unwholesome and demoralizing surroundings, as is so common in the boom towns of this war, housing should be provided. If he is careless about coming to work because his employer is hoarding labor and he is not given enough to do, hoarding should be ended and production techniques and shop organization methods should be provided and made more efficient.

To attempt to solve the problem by forcing men and women into jobs and threatening to turn delinquents over to the draft boards for military service, the work or fight idea, misses the whole point.

There may be, and undoubtedly always are, irresponsible individuals who will not live up to their responsibilities as American citizens, whether they are put behind a work bench or behind an antiaircraft gun. They are not a significant portion, however, of American citizenry or American labor.

INVOKING HITLER'S DEVICE

The great rank and file of American men and women are eager to do their part in the war effort, whatever it may be, if they are given an opportunity to do it. No force is needed. That does not need to be taken on faith any longer. It has been demonstrated in the progress of our war production.

Furthermore, if the Nation comes to regard military service as a penalty for slackers, it will certainly be a slap in the face for those heroic men who have freely gone forth in the honest belief that it is to be considered a privilege to serve their country in the armed forces.

To give employers the unchecked power of liquidating any employee—who may have the God-given independence of Americans to stand up for his rights—by invoking the established device of Hitler and Mussolini and sending him to the front to get rid of him has no place in this country, yet that is a sample of what is being proposed in the name of combating absenteeism.

Mr. MALONEY. Mr. President, ever since the war began to produce shortages, one of the persistent mysteries we have faced has been the whereabouts of supplies. For 2 years we have been asking: Where is the steel? Where is the copper? Where is the lumber? Recently we have begun to ask, Where is the food? And now we are asking, Where is the manpower.

Men and women of all ages, of all backgrounds, began pouring into boom industrial centers long before we were faced with either a manpower or a food shortage. Most of this labor was granted blanket deferment early in the emergency program. Labor thus deferred has never since been considered as part of the pool available to selective service.

One of the major reasons for the chaos menacing us today is that the manpower program has been allowed to grow like Topsy on one side of a Chinese wall. The production program, run by O. P. M. and then by W. P. B., has grown on the other side of the same Chinese wall. In this crisis we can no longer afford the luxury of a production and a manpower program which conflict with one another. Either we must merge them harmoniously into one program to keep the civilian economy working—and feeding and supplying our mammoth Army—or the conflict between the production and the manpower programs will tear the economy apart and prevent us from supplying our Army. We cannot have an army of the size contemplated unless the Government changes its habits sufficiently to get maximum utilization out of its army of labor behind the lines.

Because of the lack of connection between the production and the manpower programs, for more than 2 years priority orders have been issued without reference to manufacturers' manpower supply. In many cases production contracts and priorities have been granted far in excess of manufacturers' labor forces, and far in excess of the labor supply available to the entire region concerned. In equally glaring cases production orders and priorities have been denied areas having large unused reservoirs of labor of all kinds.

The most glaring example of an untapped and ignored labor reservoir is New York City.

The shipyards, the aircraft industry, and our great automobile industry provide equally glaring examples of the opposite abuse. Each of these three industries is feverishly busy, each is working against orders astronomical in size, and yet none of these three industries has been given priorities nearly adequate to enable it to work available manpower at anything like capacity.

Thus, both in cases where priorities have been given generously, and in cases where they have been held back, the result is the same. Our production policy has not been geared in with our manpower policy, with the inevitable result that in boom communities, as well as in communities still looking for the war boom, labor is not working at capacity.

I am told that in the auto industry an impressive dossier of cases has been presented by the United Automobile Workers of America to the Under Secretary of War. This dossier is said to have itemized case after case in which production was increased beyond scheduled expectation by the concentrated efforts of labor. But the men found in these cases that, where they increased their rate of production, they worked themselves out of jobs. The flow of material was not stepped up proportionately with production. Lay-offs resulted. Under pressure, unemployed men drifted to other jobs, losing their seniority, which is one of the rights most precious to union men.

It is understandable that men who have patriotically stepped up production become cynical and bitter when they are rewarded for their pains with unemployment; and when they see that the units they have made at a record pace are simply piled up until the rest of the program catches up with its fastest component. Consequently, apart from bad labor morale, the price we are paying for the lack of connection between our production and manpower programs is that at any time a given group of workers step up their rate of production, the production authorities seize on the momentary surplus thus provided to divert raw material to some other program which is lagging at the moment.

Employers in the automobile industry are fully aware of this. Each employer is in the position of regarding his skilled labor as a precious and irreplaceable asset. It is natural for each employer to hoard his skilled labor as far as he is able to. It is the responsibility of Government to be concerned about how much labor each employer may keep on his rolls, and then to see to it that full employment is provided for all such labor. My contention is that there are many, many more men and women on the rolls of American industry today than can be kept working at even 40 hours a week with the material available. I am advised that today, in

spite of overtime incentives provided to induce men to work 48 hours a week, a distressing number of workers in the auto plants are working less than 40 hours a week. The reason is that there is no work for them. If the employers were forced to disgorge all workers for whom material was not immediately forthcoming to provide employment for a minimum 48-hour week, the manpower pool would be appreciably increased. For one thing many workers who fled farm areas in search of boom wages at the beginning of the emergency would then be rerouted to occupations in which they would be more efficiently employed.

The shipyards provide perhaps the most flagrant example of manpower hoarding. For months it has been known that the shipyards have not had enough material to enable them to work full three shifts a day. It has been known that laborers from the mines and from farm areas—both occupations suffering from labor shortages—have been absorbed in the shipyards. But the shipyards have never digested them. On the west coast, the press has repeatedly exposed cases of enforced idleness and semi-idleness at the shipyards as employers kept men and women on the job vainly hoping that enough material would be provided by Washington to give all of them a full workweek. In addition, the prohibitive turn-over of labor pouring into and out of the west coast aircraft industry has flooded the shipyards with a steady stream of men and women leaving the aircraft plants in search of higher pay.

I have been told, Mr. President, that the rate of turn-over at the Boeing plant, in Seattle, is over 130 percent. It is prohibitively high in the southern California branch of the industry, too. Wages in the shipyards are frozen by a Government agreement at about 50 percent higher than those paid in the aircraft industry in the same area. The entering wage for production labor in the aircraft industry is 60 to 65 cents an hour. This is substantially below the entering wage in the automobile plants. But I am told that the shipyard entering wage of 95 cents is above the entering wage in the auto plants—in spite of the fact that shipyards are the No. 1 example of inefficiently hoarded labor; in spite of the additional fact that aircraft work carries a higher priority than shipyards.

Labor is complaining because of the high cost of living. Two ingredients of the high cost of living are artificially inflated rents and food scarcity. Underlying both abuses is the frightening and wasteful phenomenon of labor turnover. In a city like Seattle, if the largest regional employer—Boeing—is suffering from a labor turn-over of 134 percent, and if the local shipyards are also suffering from uneconomic labor turn-over, it is obvious that at any given time there are many more people bidding for housing and for food than are going to remain in high-priority work in that community. Until Washington decides for how many people it will provide the raw material needed for a full workweek, too many people are bound to be bidding for living facilities in every such industrial center, and labor will have a legitimate grievance. It will be living under conditions not conducive to efficient production. Industry will have the same grievance, and we will be as far as we are today from locating our unused manpower. Any manufacturer forced to operate with this kind of labor turn-over is at any given time wasting at least 15 percent of his work force in training. Of every 10 men he trains, he knows that either the armed service or other employers will get the benefit of at least half in a couple of months. He will be able to work much more efficiently with many fewer workers if his labor turnover can be held to a minimum.

We should try to find a way to bring about the freezing of jobs. But it is unfair, unworkable, and impossible to freeze men and women to their jobs until inequities between different wage rates are ironed out. No one is going to freeze people to their jobs in the aircraft industry if they cannot make a living under existing living costs, while in the same community the shipbuilding industry, which is granted a less-favored raw material and priority rating, pays a 50 percent higher wage.

It is scandalous that when wages were frozen these inequities were not adjusted. Labor's legitimate grievance on this score is not a matter of labor policy. Failure to adjust wages upward in cases where they are grievously out of line on the down side has proven to be a more potent and explosive cause of inflation than the simple adjustment would have constituted. This is evidenced by the effect of manpower turn-over, resultant overpopulation of industrial centers, rent inflation, food shortage, and transportation congestion.

What I have said at many points may sound quite prolabor. I do not think, however, that it is unfairly prolabor to acknowledge and to correct grievances which are just. The measure of the justice or injustice of any of these grievances is whether, insofar as they affect masses of labor, they impede production. It is obvious that any number of these grievances do.

I favor the elimination of all forms of feather-bedding. I am hateful of the labor racketeering practiced by alleged labor leaders. I note, however, that the Government's recent decree demanding that all workers work 48 hours a week is in the main a paper decree, and is so regarded by the majority of employers and employees.

I assume that we will never get even as far as a uniform minimum 48-hour workweek until wage rates are adjusted into reasonable relationship as between industries and communities. Once this is done, the way will be cleared to checking all priority orders to make sure that their rate of emission corresponds with full employment for the work forces of all recipients of priorities.

Taking inventory of our manpower will reveal the existence of a much larger pool for farm labor and the armed forces than is commonly admitted. It will also enable us to get much more efficient and greater production from a work force much smaller than that now being hoarded by American industry. To get this we will have to revalue our entire priorities policy, and merge our production and manpower authorities.

RENEWAL OF GOVERNMENT TERM INSURANCE POLICIES OF CERTAIN PERSONS IN MILITARY SERVICE

Mr. CLARK of Missouri. Mr. President, there is on the Vice President's desk House bill 2023, which came over from the House of Representatives today and was placed on the calendar. That bill is identical with Senate bill 815, which was unanimously reported last week from the Senate Committee on Finance. It is more or less an emergency measure. It authorizes the Administrator of Veterans' Affairs to renew expiring 5-year-level premium term policies in the case of men in the armed forces who are outside the United States and who cannot be reached for such renewal, and under certain conditions authorizes the agents of the insured to make renewals. In other cases in which they cannot be reached it raises the presumption that men desire the renewals to be made, and authorizes the Administrator to make the renewal.

I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of House bill 2023.

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). Is there objection to the request of the Senator from Missouri?

There being no objection, the bill (H. R. 2023) to amend section 301, World War Veterans' Act, 1924, as amended, to authorize renewal of expiring 5-year-level premium term policies of those in active military or naval service and certain others outside the continental limits of the United States, and for other purposes, was considered, ordered to a third reading read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 815 will be indefinitely postponed.

THE LEND-LEASE PROGRAM

Mr. DAVIS. Mr. President, in our eagerness to renew the Lend-Lease Act on its second birthday, we neglected to say all that should be said about it; and some things that have been said can be reemphasized with profit.

When we were at peace I voted against lend-lease because it placed war powers in the hands of the President. Now that we are at war, I favor it because it is a war measure. Whatever significance it may have had, it is now a military weapon and a very successful one.

In the year 1862, England permitted two ships, the *Florida* and the *Alabama*, to be built at Liverpool for use against the U. S. A. We admire our Minister, Charles Francis Adams, for saying to the British Foreign Office, "This is war." And he was right. In 1872, an international tribunal set its approval on that designation for British "lend-lease" to the Confederacy by awarding damages to the U. S. A.; and Britain paid cash for

the destruction her "lend-lease" ships had wrought. Yes, lend-lease is an effective weapon of war. That is why I opposed it when we were at peace. That is why I am glad to see it succeeding now.

I like it because in war it is economical. Instead of duplicating stores of supplies for each national army in the same locality, all can use whatever is at hand. This pooling of resources saves needless shipping and storing of supplies. It eliminates allied countries' bidding against one another to get the munitions which we can furnish. Also it enables us to control with more ease and certainty the allocation of supplies according to need rather than according to ability to pay. This is important if victory is to be hastened.

Mr. President, I like lend-lease in wartime because it is fair. When some noted European patriots came over here and helped us win the Revolutionary War, I do not suppose we charged them so much a week for their board because they were not Americans. They were fighting for us and we supplied them as we did our own. Lend-lease recognizes that the United Nations are fighting in one general cause. One of us cannot win alone. We are fighting our war.

Of course, to be fair lend-lease must work both ways, and it really does just that. When our boys are in other lands of the United Nations they are cared for generously, as is fitting for those who suffer together in the common cause of freedom.

There has been considerable questioning here about the exact dollars-and-cents valuation of the lend-lease which is reverting to us, and how it compares with what we are paying. It seems to me that it is vital to know that each of the United Nations is doing its utmost. That knowledge is necessary to preserve the high morale which is inspired by a sense of confidence and trust. But might not exact fiscal data on lend-lease in reverse create in many minds a false standard of comparison which would endanger this very unity of heart and soul so necessary to victory? Exact records are kept of amounts of supplies provided. The cash equivalent can be computed. It is more polite not to do it. We are not serving with a please-pay-when-served sign hung on our chest. Buddies in adjoining fox holes are not careful about exact equivalents of barter in water, cigarettes, or bandages. Those who are actually experiencing the give-and-take of lend-lease seem to be instinctively repelled from such a financial check-up. When your neighbor loses his life fighting the fire in your house you hardly feel like presenting a bill to his widow for your pail which he ruined in fighting the fire!

However, as I said, it is vital to the maintenance of morale and confidence that we know that each country is not shirking or chiseling. Those who are closest to the lend-lease activities have testified that there is no evidence of selfish national greed on the part of lend-lease recipients.

The problem then becomes one of confidence in those delegated to administer lend-lease. That is a subject which I am indeed glad to approach. After seeing so much incompetence in high places that one comes to expect it almost as a matter of course, it is a refreshing and stimulating experience to encounter Mr. Edward R. Stettinius, Jr., Lend-Lease Administrator. His presentation at the committee hearings displayed his ability to know and to do. He was given a most stupendous task, and he has done it well. This country and all the other allied countries owe a deep debt of gratitude to Mr. Stettinius, and we have confidence that he will increase that debt as the days go by.

Mr. President, lend-lease as a war measure is economical and fair; and it is efficiently administered. I believe in it so heartily that I am profoundly concerned when I see it endangered by extraneous encumbrances. The Scranton Tribune for March 8, 1943, in an editorial urging immediate passage of the Lend-Lease Act, expressed these excellent sentiments:

> It would be a mistake at this time, with the Allies readying themselves for major thrusts against the Axis, to hamstring the role of America as the arsenal of democracy by shackling this important tool of victory by tying it to political restriction. * * * Full freedom of operation for lend-lease is now an essential for the successful prosecution of the war.

Then there follows in the editorial a very strange sentence, indeed:

> The measure should be passed free of legislative handcuffs.

Mr. President, I submit that lend-lease as a war measure has never been in danger of legislative handcuffs. It is true, there has been too much of tying in to political restrictions, but that has not been done at this end of the Avenue. I contemplate with profound satisfaction the unequivocal emancipating statement of the committee, striking the ball and chain of post-war commitments from lend-lease.

It rings in my heart like a new declaration of independence, not only for lend-lease, but for the Congress of the United States and the people whom we represent, as well as for much of the world besides.

Far sighted statesmanship must look ahead. It is not too early even now for all of us who are constitutionally charged with peace making to do some constructive thinking about the post-war world.

But these things are bound to be matters of controversy. To connect them with a vital war measure like the Lend-Lease Act was a grave mistake. This was the danger in article VII of the Master Agreements, especially as that article was susceptible of such varied itnerpretations. We know now that in voting for lend-lease we have not committed ourselves to any definite post-war legislation concerning the tariff or any other domestic concern.

Others share with me, I am sure, the sense of alarm at the continually augmenting powers of the Executive, in time of peace, whether it be in promoting the war measure known as lend-lease before we were at war, or in continuing war economics after the war, on the momentum of lend-lease. The lend-lease program should stick to its avowed purpose, as was well stated by Mr. Cox, general counsel for Mr. Stettinius, before the House committee, hearings, page 35:

> The job of lend-lease is primarily a war job and we have no primary concern with the post-war job. Now, it may very well be that the habits of cooperation as distinct from any words on paper may have a predominant force on whatever happens after the war, but we have not been concerned with speculating on that phase of the problem as long as we can carry on with the winning of the war.

In much the same vein, and worthy of all commendation, were the words of Assistant Secretary Acheson—House hearings, page 94:

> It would seem to me that the Congress is proceeding very wisely in renewing this act for periods which are foreseeable. You can get a pretty good idea of what is going to happen, so far as the act is concerned, in the period of a year. As that comes to a close, there will be new problems and the Congress can review them in the light of those then existing problems. It is not necessary now to go into the far-distant future, and I think that it is wise not to do so.

Mr. President, I believe it was sentiment similar to that so happily expressed by the Assistant Secretary of State which moved the Committee to go on record against post-war commitments.

While on the matter of separation of powers in government and the alarming growth of the power of the Executive branch, let me read the following lines from a thoroughly scholarly source, the college textbook, American Constitutional History, written by the late Erik Eriksson, of the University of Southern California, and David Nelson Rowe, of the University of Chicago:

> The tendency has constantly been in the direction of paternalism; that is, the Government has assumed many functions which the people might perform for themselves. More and more the Government has entered into business in competition with private businesses. The ultimate outcome of this trend will be a complete system of state socialism. If the people wish to have a great bureaucracy, performing innumerable services, they must be willing to pay the price, not only in the form of increasing taxes but also in the curtailment of their liberty. It is doubtful whether the American people realize the extent to which their liberties have already been curtailed, particularly through the establishment of administrative agencies exercising police powers, as well as judicial and legislative powers, contrary to the principle of separation of powers (p. 273).

That was written in 1933. What would those writers think now? If those gentlemen are correct, no immediate change is likely to come. They say, again:

> In general, the tendency in present-day governmental and political practice is in the direction of placing still more emphasis upon Executive leadership. As between the President and the Congress, the trend seems to be in the direction of Presidential domination. The continuance of this tendency

will depend, of course, upon the quality of the personnel in the executive and legislative departments. It seems, however, in the light of modern emphasis upon administrative maagement, in the light of the large politic.l influence of the President, and his superior situation and facilities for creating public opinion, that the tendency of recent years is due to continue for some time to come (p. 411).

A good deal has been said recently about nations double-crossing each other after the war and about the need for some definite commitments now to prevent that. Such agreements are so futile. An honest nation does not need them, and a double-crosser will not keep them. There has been plenty of double-crossing, but not by America; no true American can be a double-crosser.

With or without premature commitments made before there are sufficient data to go by, every national government is only as good as its inherent character. It can be trusted or it cannot, and the signing of papers will never change it. That has been illustrated so recently and so frequently by the Axis Powers, that instances need not be cited. Their treachery is still crying to heaven for vengeance.

Mr. President, actual misunderstandings, leading to the cry of dishonesty and broken faith, are much more likely to arise if after the war a nation is faced with commitments made before the post-war situation could be clearly visualized. It might become actually impossible for even an honest government to fulfill its previous promises. When the war is won, and when we see what we have left to offer, what others have, and what they need, we shall more surely arrive at a lasting understanding in justice, certainty, and enduring peace.

COOPERATION OF HOTEL MEN IN NATION'S WAR EFFORT

Mr. WILLIS. Mr. President, I have received copy of a letter sent out by a committee chairman of the American Hotel Association to the 6,000 member hotels, and I wish to comment on it briefly. The letter, dated February 17, and written by Frank L. Andrews, president of the Hotel New Yorker, and chairman of the Public Relations Committee of the American Hotel Association, is as follows:

It is very probable that the Office of Price Administration will take action on black-market operations in the food field in the near future.

We ask all hotel men to prove their willingness to cooperate with the Government by doing three things:

1. Please print on your menus some such statement as: "The management of this hotel assures its patrons that all foods served here are bought from recognized, reputable sources at ceiling prices. We will not tolerate any dealings with black markets."

2. Please write this committee that you have done this, so that we may be able to present these facts to the proper authorities in Washington.

3. Please see that releases on this are sent to your local newspapers.

This is very important. The growth of the black markets will seriously affect our businesses unless we see that they are wiped out of existence now.

Aside from the fact that black markets are illegal, unpatriotic, and have all the evils of racketeering, they cause an unfair distribution of foods.

Already in many parts of the country criticism is springing up from consumers who can't buy certain meats for their own homes. This causes bad feeling. A big forward step in public relations can be taken by declaring your position on honest purchasing of food.

Sincerely yours,

F. L. ANDREWS,
Chairman.

Mr. President, I think this marks a highly commendable attitude on the part of American hotel owners and operators, in that they have elected to take the lead in bringing their industry, the seventh largest in the United States, into full step with the nation's war efforts, without waiting for Government to invite their cooperation. The Army and Navy give their E awards for high manufacturing performance in the production of war goods. No such citation awaits the service industry which makes available to the nation its complete facilities, but it is deserving of some recognition.

I am proud that a fellow Hoosier, F. Harold Van Orman, of Evansville, Ind., is the president of this forward-looking hotel industry. I compliment his associates, from Thomas Green and Charles Horrworth on down, for I understand that the hotels have voluntarily raised a fund of $100,000 with one view in mind, that of diligently finding new ways and means by which they can contribute to the war effort.

It is interesting to note that upward of 500 American hotels have been taken over by the Government for the housing of men and women in uniform in training groups. Others, such as the New Yorker, report that upward of one-third of their total occupancy during 1942, by actual room count, was by men and women in uniform, exclusive of government officials in civilian dress. They have conceived, and are carrying out, numerous helpful functions by donating space for war bond drives, U. S. O. headquarters, O. C. D. activities, and other projects. Even in the crowded city of Washington, in order to cooperate with the military, they reserve a certain number of their total rooms daily for men in uniform, officers and enlisted men.

They have lost many of their employees to the draft, and to defense industries. They can no longer get enough food to serve their guests in the dignified, pleasant manner to which patrons were accustomed. They find it difficult to replace broken or worn bits of equipment under W. P. B. regulations. To help safeguard the public health, they must continue to operate their laundries with reduced and incompetent staffs. All these and other problems confront them. And yet they seek new and additional ways of cooperating with the war effort. It is to be hoped that this patriotic attitude will be nationally observed, and that they will be recognized as an essential part of the civilian economy. How could our military men, our Government workers, our munitions manufacturers, and others proceed about the Nation in pursuit of their work if no beds awaited them when they arrived at their destination?

Associated with Mr. Andrews on this public relations committee are: Howard Dugan, New York; Frank Schutt, Memphis, Tenn.; E. T. Lawless, Chicago; Jack W. Connell, Toronto, Canada; L. Gardner Moore, Washington, D. C.; Walter M. Casey, Beaumont, Tex.; P. Tremain Loud, San Francisco; Henry M. Scharf, Gettysburg, Pa.; and Glenwood Sherrard, Boston.

Not only on the national front, but down to the State level, the association is seeking to fit its facilities into the Nation's wartime needs. In fact, a wartime committee, headed by Walter O. Gregory, Chicago, has a State chairman in each of the 48 States. Other committees which possess cooperating groups in each State, include: Temperance committee, R. K. Christenberry, New York; food rationing committee, Theodore DeWitt, Cleveland; civilian defense committee, Howard F. Dugan, New York; and the public relations committee, headed by Mr. Andrews.

Surely this is a noteworthy example of the manner in which American industry stands behind our Government in the war effort.

DEFERMENT FROM MILITARY SERVICE OF PERSONS ENGAGED IN AGRICULTURE

The Senate resumed the consideration of the bill (S. 729) providing for the deferment from military service of persons engaged in agricultural occupations.

Mr. LANGER. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from North Dakota having suggested the absence of a quorum, the clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gerry	O'Daniel
Austin	Gillette	Overton
Bailey	Guffey	Radcliffe
Ball	Gurney	Reed
Bankhead	Hatch	Revercomb
Bilbo	Hawkes	Reynolds
Bone	Hayden	Robertson
Brewster	Hill	Scrugham
Bridges	Holman	Shipstead
Brooks	Johnson, Calif.	Smith
Buck	Johnson, Colo.	Taft
Burton	Kilgore	Thomas, Idaho
Bushfield	La Follette	Thomas, Okla.
Byrd	Langer	Tobey
Capper	Lodge	Tunnell
Caraway	Lucas	Tydings
Chavez	McCarran	Vandenberg
Clark, Idaho	McClellan	Wagner
Clark, Mo.	McFarland	Walsh
Connally	McNary	Wheeler
Danaher	Maloney	Wherry
Davis	Maybank	White
Downey	Mead	Wiley
Eastland	Millikin	Willis
Ellender	Moore	Wilson
Ferguson	Murdock	
George	Nye	

The PRESIDING OFFICER. Seventy-nine Senators having answered to their names, a quorum is present.

ADDITIONAL APPROPRIATIONS FOR THE NAVY DEPARTMENT—REPORT OF THE COMMITTEE ON APPROPRIATIONS

Mr. OVERTON (for Mr. MCKELLAR), from the Committee on Appropriations, to which was referred the bill (H. R. 2068) making additional appropriations

for the Navy Department and the naval service for the fiscal year ending June 30, 1943, and for other purposes, reported it with amendments and submitted a report (No. 119) thereon.

NOTICE OF MOTION TO SUSPEND THE RULE—AMENDMENTS

Mr. OVERTON (for Mr. McKELLAR) submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 2068) making additional appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1943, and for other purposes, the following amendments, namely: On page 2, line 21, after the word "elsewhere" and before the period, insert the following: ": *Provided*, That the first proviso under the heading of 'Miscellaneous expenses' in title I of the Naval Appropriation Act for the fiscal year 1943 (Public Law 441, approved February 7, 1942) is hereby repealed."

On page 4, line 13, after the figures, insert the following: ": *Provided*, That so much of the Naval Appropriation Act, 1943 (Public Law 411, 77th Cong.), under the heading "Pay, subsistence, and transportation of naval personnel" as reads *"Provided further*, That no part of this appropriation shall be available for the pay of any midshipman appointed from enlisted men of the Navy who has not served aboard a vessel of the Navy in full commission or performed equivalent service with fleet aircraft for at least 9 months prior to admission to the Naval Academy, is amended to read as follows: *Provided further*, That during the present emergency qualified enlisted men of the Navy, Naval Reserve, and Marine Corps may be appointed to the Naval Academy after such periods and under such conditions of service as may be prescribed by the Secretary of the Navy."

Mr. OVERTON also (for Mr. McKELLAR) submitted several amendments intended to be proposed by Mr. McKELLAR to the bill (H. R. 2068) making additional appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1943, and for other purposes, which were ordered to lie on the table and to be printed.

(For text of amendments referred to, see the foregoing notice.)

DEFERMENT FROM MILITARY SERVICE OF PERSONS ENGAGED IN AGRICULTURE

The Senate resumed the consideration of the bill (S. 729) providing for the deferment from military service of persons engaged in agricultural occupations.

Mr. KILGORE. Mr. President, I desire at this time to take the opportunity to call attention to one point with reference to the bill under discussion, which I think is borne out by the facts and also by the amendment offered by the Senator from California [Mr. DOWNEY]. I refer to the fact that this bill and the amendment of the Senator from California, nibble by nibble, bit by bit, are striking at the foundation stone of the theory on which our selective service is founded. They strike even at the name "selective service." Selective service in the United States, unlike in other countries, was a selection of individuals for a duty which the individual owed his country, and a selection by individuals by lot. England and France and other nations selected by age groups; we selected by individuals, and we laid down in the selective-service law also the theory of no class distinction, no class or group deferment, no class or group exemption. That is as plainly the theory behind our Selective Service System as any theory can be written into a law.

That theory has a sound historical background. The trouble with every selective service bill, or, as we used to call it, conscription or draft bill, ever written in this or any other country of Anglo-Saxon background has always arisen over class deferment, class exemption. The wrath, both in the South and in the North, during the Civil War, was based upon the fact that certain groups of people by class, by profession, were exempted from service under the draft acts. This bill is one nibble along that line.

In saying that, I defer to the distinguished Senator from Alabama, and his long years of service, but this proposed amendment to the Selective Service Act does that one thing, and will be followed, as proposed by the amendment offered by the Senator from California, by deferments for truck drivers, deferments for railroad locomotive engineers, deferments for machinists, deferments for doctors, deferments for school teachers, and so on down the line. If it is not stopped at its inception, I fear very greatly that we will wreck the entire Selective Service System.

Deferments in the United States must be based upon essential need for the services of the individual at the place for which he was selected. That is the basis of the selective service. A man working at a machine tool may be as essential to war industry in operating that tool as he would be using the products of the tool on the battlefield; but his individual qualification lies in the fact that he is a machine-tool operator; that he knows a trade necessary in war that makes it more essential that he produce the tools of war than that he use the tools of war. For that reason, in connection with the manpower question, we need to have a broad, over-all plan.

As I say, I defer to the distinguished Senator from Alabama. I realize that his amendment to the Selective Service Act, his bill, strikes at a vital need, and touches us in a sore spot, to wit, the question of food supply.

We must have food just as we must have ammunition, because food enables the soldier to get the ammunition to the place where he can use it, and without the food to feed the soldier the ammunition is wasted. The bill strikes at that. I realize that we are facing right now a possible food shortage, nay, I will say a probable food shortage, because, called upon, as we now are, and as we were in World War No. 1, to provide for a great portion of the globe at least a part of their food supply, the question of our crops is vital not only to our allies but to all the United Nations that are engaged in this war effort.

It is essential to keep men in the agricultural industry so that we may not only have a crop equal to the 1942 crop, but a far greater crop in 1943, and yet a greater crop than that in 1944, and an increasing crop in 1945, because if the war takes the trend we hope it will take, which we trust and pray it will, we will, in 1944 and 1945, be rehabilitating with foodstuffs from the United States of America the countries which have been under the conqueror's heel, involving a still greater drain on our food reserves. I say, however, that we are not approaching that problem in the right way. We are not approaching the method of getting the labor for the farm in the right way when we say that every man engaged on a farm, in the production of farm products, deemed essential under a certain publication of the Secretary of Agriculture, shall be automatically exempted from service under the draft.

In the first place, I think some of the farmers will resent that. It would place the farms in almost the same position in the public mind in which the shipyards were placed in 1917 and 1918.

I know there is no thought of draft evasion on the part of the boys who work on the farm; they do not want to evade service in the Army. The chief trouble we have had with them in my State is in keeping them from enlisting before their numbers are called. They want to get the war over, just as everyone else does, and the automatic freezing of such men to the farm would mean that they could not do what they consider to be their part.

Then, too, the pending bill does not go to the principal difficulty. It freezes only the man within the draft ages, nay, within the very limited draft ages now prescribed for liability to call. It freezes only that man, and, frankly, a large percentage of such men have already gone; but it does not freeze the older worker on the farm, it does not freeze the woman worker on the farm.

It was only 3 weeks ago that I went into an airplane factory in a neighboring State, the State of Ohio, in the finest agricultural section of that State. I saw working in that airplane factory 5,000 girls, drawn from the farms, the general farms, the farms which produce the staples, not luxury crops, but staple crops. The bill would merely freeze men between 18 and 35 who are still left on the farm. To show what the word "freeze" means, recently a distinguished general from the War Department made the suggestion, in a meeting of the National War Investigating Committee, that labor be frozen at the Willow Run plant. In talking with Mr. Ford it was discovered that while Mr. Ford wanted to keep his labor on the job, he knew that freezing would not keep them there, and he said, "We have to get away from that word 'freeze.' We cannot make men stay on the job. We cannot make them produce. We can hold them in the shop, we can hold girls in the shop, possibly, by law, and by penalties, but we cannot make them produce anything." In other words, we can draft a man's body, but we cannot draft his mind, his will to work, his desire to accomplish something, and we cannot force that by any legislation.

It must be brought about by something within the man. Nor can we build that up by deferring him from doing his duty as a citizen, as any other citizen does his, by freezing him in a job.

I see also another weakness in the bill. It is not selective enough. Even if we grant the wisdom of freezing labor on the farm, there is still in the bill a loophole a mile wide. The bill contemplates no real survey, no real planning; it merely contemplates a blanket exemption, and all that is necessary for a man to be placed under the exemption is that he work upon a farm which produces for sale farm products coming within the classification set down by the Secretary of Agriculture in a recent bulletin. Reading that bulletin and reading the bill, we find many other loopholes, to which I wish to call attention. I realize that the bill was seriously drawn by its proponents. I do not think the distinguished group back of it would all have sponsored a bill which they did not sincerely believe to be vitally necessary in the war effort, because I know men endorsed the bill to whom it could mean nothing personally, nothing by way of favorable reaction in the States from which they come. Yet the bill has these weaknesses.

The bill was drawn upon the idea that we would not have enough food. Frankly, Mr. President, our agricultural crops have always been out of balance. We have always had surpluses of one crop. Thank goodness we have always had sufficient of all crops, but there always have been great surpluses, and we now face a time when we cannot afford to have surpluses of nonessential crops. The bill plainly leaves wide open the gate to creating surpluses of some crops which certainly are not essential to the war effort, for all that is necessary to get deferment is that a man be a worker on a farm producing farm products for market, a person the greater portion of whose income is derived from such work.

I wish to call attention to a few instances. Let us for example take the question of short staple cotton, which plainly comes within the purview of the bill. On August 1, 1942, I am informed that there were 10,455,000 bales of short staple cotton in warehouses. There were also stored in warehouses in the United States 2,728,000,000 pounds of tobacco. That was before the 1942 crop. The 1942 production of cotton, short and long staple, amounted to 12,982,000 bales, and of tobacco to 1,417,000,000 pounds.

I single out those two particular crops because they are two crops for which, I believe it can safely be said, there is not enough storage space, though they are capable of storage. Yet labor necessary to produce them comes under the classification in the bill.

Let us consider the question of the labor necessary for the production of those two crops. For instance, the 1943 goal for cotton is twenty-two and a half million bales, 2 percent of which would be long staple and 98 percent short staple, in addition to the warehouse stock. For tobacco the goal is one and a half billion pounds as compared with only fifty-two and one-half million acres of wheat, 95,000,000 acres of corn. Corn is highly essential, and the question of its production should be studied.

Let us take another subject—the question of man-hours per acre per crop. For short-staple cotton, the figure is 91 hours an acre; for tobacco, it is 616.7 hours an acre; for wheat, it is 8.7 hours; and for corn, it is 27.3 hours. In other words, man-hours, in millions, as to those 4 crops, figure 1,024,000,000 hours for cotton, 308,000,000 hours for tobacco, only 228,000,000 hours for wheat, and 1,300,000,000 hours for corn.

To me—and to anyone else who knows about farming—corn means meat, which is essential; not only that, but it means the necessary animal fats for ammunition, which are likewise absolutely essential.

Let us make the comparison also in the matter of truck crops, by which I mean vegetables which are not rationed—the ones we can buy in the stores—truck garden crops. Of the total man-hours in agriculture, only 2.7 percent of the total is used in the production of truck garden crops.

As for food bought in the grocery stores, the production of sugar beets takes 1 percent, of white potatoes only 2.4 percent, of dried beans nine-tenths of 1 percent of all the man-hours used; soybeans, 1.5 percent; peanuts, 3.4 percent; wheat, 4.9 percent.

Mr. President, where is the food necessary to take care of our Army and the people of this country, as well as of those nations which are depending upon us for food? We are talking in terms of manpower in discussing the bill. Where per man-hour can we get the most essential crops? I think the answer is absolutely and completely and utterly self-explanatory.

Not only that, Mr. President, but the two crops I just mentioned are enormous users of fertilizer. There is a shortage of fertilizer due to the necessity for making ammunition. Those two crops use one-third of the total amount of fertilizer used in the United States. I speak with personal knowledge with respect to tobacco, for tobacco is raised in my own State; I know the tremendous quantity of fertilizer used and the tremendous number of man-hours necessary, because it is a hand-labor crop. I do not say that the man who has a tobacco farm or the man who has a cotton farm should be prevented from operating; but in a recent hearing Selective Service Director General Hershey made the statement, "We are not exempting workers who produce artichokes and things like that," and I say that this bill would exempt the man who produces artichokes and other things of that kind. I maintain that the pending bill would be far better if it were what might be called an over-all bill which would scale men down to the essential requirements of a nation at war, because, Mr. President, we are not now a business-as-usual nation.

As a matter of fact, the expression "ordinary business usages" designates the worst bottleneck the Nation has faced in the entire war effort. We are not now a nation of ordinary business usages and ordinary farm practices. We are a nation which must husband its manpower, which must make the utmost use of it, and anything that gives a blanket deferment will break down the keystone, the foundation stone of the Selective Service System, because as surely as I am standing on this carpet, if we pass a blanket exemption in connection with foodstuffs we will be asked to pass a blanket exemption with respect to airplane manufacture, shipbuilding, coal mining, railroad workers, truck drivers. Where would we stop? We must enact legislation not for any one group, but to cover all. The selective-service bill, thanks to the wisdom of the Congress of the United States at the time it was passed, embraced as broad a view as possible of that subject. In it Congress provided that deferments should be in fact based upon the individual condition of the man in the place and at the time the deferment was granted; that there should not be deferments or exemptions of groups.

Mr. President, I am taking this opportunity to discuss the amendment which was to have been offered by the Senator from Florida [Mr. PEPPER], which would provide for a war cabinet composed of responsible chiefs, incorporating within its body the total responsibility for the war effort, and each with an individual responsibility for a definite segment of the war effort. In my opinion, that is the only way we can handle the question of manpower for the farm, for the factory, for the Army, the shipyards, the merchant marine, or anything else.

So far as I know, a debating society consisting of a large number of persons who have no personal responsibility, who have no personal reputation at stake by reason of the fate of the program, never in the history of any nation produced a workable program. Such debating societies have produced programs, I am informed, that look well on paper but always when it came to practical work there was a failure to get the axles properly lined up to make the chassis run forward. On the other hand, it has always been the practice of established business as well as of government to have programs worked out by the men who are responsible for their performance when they are completed.

Mr. President, the proposed war cabinet must carry in its membership the entire responsibility, and there must be no duplication of responsibility. Each must have his own job before him. Then the manpower problem will be viewed in its right light. Then the manpower problem will be divided into its proper segments and considered at frequent intervals, so that if one particular industry is curtailed, its manpower can be brought into an industry which is being expanded, and the constantly changing picture of manpower for production will be met by a constantly shifting program arranged by men who know and are responsible for the proper use of our manpower.

Such a program committee or war cabinet, or whatever one may choose to call it, must not be large enough to develop into a debating club, and yet it must be sufficiently large to cover the entire program. It must subdivide the war effort, to use a much-abused phrase, into its proper segments, and then put the segments together. As to program requirements, it must eliminate the idea of ex parte hearings in which one group says, "We need so many men, and we are going to have them," and another group says, "Try and get them; there are not that many."

It must contain within it a man who, when he says, "I want 2,000,000 men for heavy industry," is also able to say to the Manpower Director, "And if you obtain the 2,000,000 men for me I will see that heavy industry assists you in your program by stopping the hoarding of manpower by heavy industry, by seeing that there is a proper promotion system, and a proper supervision system." It is impossible for the Director of Manpower, by preaching and begging and pleading, to get industry to conform, particularly when industry is not paying the bill, when payment of the bill is made by the taxpayers generally.

Mr. President, I have frequently been told that we must grow short staple cotton, and plenty of it, in order to obtain the necessary vegetable oil from the cotton seed. It is strange, but it takes more acreage to produce oil from cotton than from any other crop which is oil producing. For instance, from 1.3 to one and a half acres of cotton are required to produce 100 pounds of vegetable oil, while soybeans will produce the same quantity of oil from one-half to six-tenths of an acre. Peanuts from 0.4 to 0.63 of an acre, and flax from 0.5 to 0.75 of an acre.

In other words, in the production of vegetable oil, using cotton as the base of 100 percent efficiency, soybeans are 252 percent efficient, peanuts 316 percent, and flax 242 percent. The production of 100 pounds of oil from a cotton field requires 132 man-hours. The production of 100 pounds of oil from a soybean field requires 6½ man-hours. Peanuts require 27 man-hours, and flax, 5 man-hours.

In terms of manpower consumption, if vegetable oil is desired, there is nothing to be gained by the use of cottonseed oil. Those things must be studied. Agricultural workers cannot be given a blanket exemption merely because they are engaged in producing some kind of a crop which happens to be on a certified list of agricultural products. At the time the bills were being discussed in the Military Affairs Committee it was even debated whether growing timber should not be treated as an agricultural product within the meaning of the proposed statute. That is one of the reasons I opposed the amendment on the floor. I was trying to obtain an opportunity for the Senator from Florida to offer his amendment to provide for an over-all planning program.

There is an interesting thing in connection with the proposal for over-all planning. It also relates to the question of absenteeism. A study of the manpower problem in the United States will show almost without exception that plants which have honestly figured out manning tables are able to release their men for the armed forces and train others to take their places. Plants which have extravagant manning tables do not conform to this system.

Mr. President, allow me to give an illustration in connection with the subject of deferment in agriculture or other industries. Under the system now used by the English in industry, agriculture, mining, or any other activity in which deferment from military service is requested, each individual case is studied. A manpower representative is sent into the factory. He sees the man at the machine. He questions him when his time comes to be called into the service. Only in exceptional circumstances may the employer ask for a deferment. He may not ask for a blanket deferment for all men, but only key men; and the burden is upon him to show that they are key men.

A representative of the manpower administration, who is a local man, goes into the plant and sees every man for whom deferment has been requested. He interviews him and studies his case. He sees how efficient he is, and ascertains how long it would take to train a replacement for him. If it is then determined that it would be uneconomical to replace him, he alone receives deferment. There is no class deferment.

Under the present manpower system in England, no man may claim deferment unless he has dependent on him aged persons or children who are too young to aid in the support of the family. He may then apply for deferment; and if the manpower administration is convinced that he is supporting a number of persons who would otherwise become public charges, and his services are more valuable in supporting such dependents and otherwise contributing to the war effort, he is deferred; but there is no class deferment.

Mr. President, we must not break through the dam. We must not take one stone out of the wall. We must not upset the theory of individual deferments at the level where the man is located. Congress should not pass legislation providing for class deferment. There must be no blanket deferment.

If I correctly recollect my history of the Civil War, I believe that all school teachers in the South were deferred. At times only one pupil constituted a school room after the war became pretty tough, and naturally the people rebelled against such class deferment or class distinction. There were other laws providing for class deferment in both the North and in the South. The people rebelled against them, and for that reason the laws were failures.

During World War No. 1 Congress enacted an over-all law similar to the present one. However, one mistake was made in that law which almost wrecked the operation of selective service. By a blanket order certain groups in certain industries were deferred in order to stimulate labor at the Hog Island shipyards. If I recollect correctly, ship workers on Hog Island and in various other places were deferred. I do not believe those ship workers have lived that down yet, nor has the bad taste departed from the mouths of the American people as a result of the blanket deferment of shipyard workers.

When we got into the present war one of the important things was shipbuilding. The shipyard worker in the United States is now just coming back into his own. The blanket deferment during World War No. 1 was not a part of the law, but was a part of an order of the War Department deferring such workers in order to build ships.

Mr. President, shall we put the American farmer in the same class? Instead, why not make a study of the American farm? I do not mean a long-drawn-out study. By an over-all planning system, by a war cabinet properly balanced, why not start a migration of workers from subsistence farms, or farms where a little butter and milk is sold on Saturday, or perhaps a little honey? Get them to migrate to farms producing important foodstuffs from farms which are not producing things which are absolutely essential in the war program. Let us have such a migration to the places where things which the Nation needs in the war effort can be produced. However, let us accomplish it in an orderly way, and not by blanket legislation which will bring resentment as soon as the freezing order goes into effect. Men on the farms would resent any order which would freeze them into their employment. Such an order would penalize farming. We should not say to those men, "In order to stay out of war you will have to stay on the farm; and if you want to get into the war you will have to stay on the farm anyway." That is what we are now asked to say to the boy on the farm.

Frankly, Mr. President, deferment from the Army would save only 30 percent of the losses. To date 70 percent of the men of draft age who have left the farm have gone into industry. I do not say that they have all stayed there. Some have been drafted from industry. However, they left the farm and went into industry. They did not go directly into the Army. Only 30 percent were drafted directly from the farm into the Army. The remainder went to the shipyards, airplane factories, gun shops, and large fabrication plants.

Mr. President, where does the pending bill lead? It leads to the removal of the first stone from the foundation of selective service. Instead, why not consider something which would make the war effort more efficient? Why not consider something which would set the farmer to work supplying essential needs? Such a program would curtail the waste of farm manpower, help the farm which is not carrying its share of the load, and put the good farmer where he can produce a fine crop.

Mr. President, the farmer on the small hillside farm, particularly in the mountain sections, wants to know where to

go. He needs guidance. He should be placed on a farm where he can produce, and also train men who cannot go into the Army.

In the absence of the Senator from Florida [Mr. PEPPER], and in his behalf, I offer an amendment which I wish he were here to offer, as a substitute for the amendment of the Senator from Colorado [Mr. JOHNSON]. I ask that it be seriously considered before the passage of the bill.

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). The amendment will be stated. Does the Senator desire to have it read?

Mr. KILGORE. No; I do not desire to have it read.

The PRESIDING OFFICER. Without objection, the amendment will be considered as having been read.

The amendment offered by Mr. KILGORE on behalf of Mr. PEPPER, as a substitute for the amendment of Mr. JOHNSON of Colorado, is as follows:

Strike out all after the enacting clause and insert the following:

"This act may be cited as the Manpower Mobilization Act.

"SEC. 2. There is hereby created a Committee on Requirements and Program (referred to in this act as the 'Committee') under the chairmanship of a Director of War Mobilization to be appointed by the President (referred to in this act as the 'Director') and consisting of the Secretaries of War and Navy, the Chief of Staff of the Army, the Chief of Naval Operations, the Chairman of the War Manpower Commission, the Chairman of the War Production Board, the Food Administrator, and the Director of Economic Stabilization. This committee shall establish, subject to review and modification by the President, a national program for maximum mobilization of manpower for the military forces and for military and essential civilian production (referred to in this act as the 'program'). The program shall take the form of a detailed schedule of military and essential civilian production and specific quotas of manpower to be made available to the military forces and to particular categories of military and civilian production. In preparing the program the committee shall take into account schedules of military and essential civilian production furnished by the Chairman of the War Production Board and the Food Administrator, according to appropriate jurisdiction, statements of manpower requirements for the military forces furnished by the War and Navy Departments, and statements of manpower requirements for military and essential civilian production furnished by the Chairman of the War Manpower Commission and determined by him in cooperation with the Chairman of the War Production Board and the Food Administrator. The quotas of manpower to be made available to the military forces as determined under the program shall supersede present quotas employed under the Selective Training and Service Act of 1940. The schedules of military and essential civilian production and the manpower quotas relating thereto determined under the program shall be binding upon the War Production Board, the Food Administration, the War Manpower Commission, the Office of Economic Stabilization, and other war agencies in their determination and operations relating to production and manpower.

"SEC. 3. The Selective Training and Service Act of 1940, as amended, is further amended by adding at the end thereof the following:

"'Any provision of this act to the contrary notwithstanding—

"'(1) whenever the Chairman of the War Manpower Commission deems it necessary in order to meet the program determined in accordance with section 2 of the Manpower Mobilization Act that occupational deferments be granted to persons engaged in military or essential civilian production or in essential activity related thereto, he shall make a finding to this effect and such findings shall be conclusive upon all civilian local boards and any other civilian agencies functioning under this act. No other occupational deferments shall be granted under this act except upon such a finding by the Chairman of the War Manpower Commission;

"'(2) for purposes of making an individual finding as to occupational deferment, the Chairman of the War Manpower Commission is empowered, subject to direction by the President, to employ the officers or employees of the War Manpower Commission or of any other Federal agency and to establish such additional organization and procedure as he shall deem necessary and proper.'

"SEC. 4. The Chairman of the War Manpower Commission is authorized to provide equipment, transportation, housing, medical facilities, and training to workers being placed in or transferred to war or essential civilian activity, including production of food and other agricultural products whenever he deems such assistance necessary in order to meet the program.

"SEC. 5. The Chairman of the War Manpower Commission is hereby authorized to recruit and organize a National Emergency Workers Corps and to employ the members of such National Emergency Workers Corps for such length of time as he may deem their services necessary in order to meet the program. The Chairman of the War Manpower Commission, with the advice and consent of the Director of Economic Stabilization, is authorized to fix and pay such compensation to the members of the National Emergency Workers Corps as he deems necessary and proper after adequate public hearings; such compensation shall be fixed with due regard to the availability of such labor, the compensation to labor in alternative employment, the policies of the Director of Economic Stabilization, and such other circumstances as may be deemed necessary and proper by the Chairman of the War Manpower Commission and the Director of Economic Stabilization. The Chairman of the War Manpower Commission shall make the members of such National Emergency Workers Corps available to agricultural producers and other employers engaged in essential activity whenever he deems such action necessary in order to meet the program: *Provided*, That such employers shall reimburse the War Manpower Commission for such labor at amounts to be determined by the Chairman of the War Manpower Commission with the advice and consent of the Director of Economic Stabilization which are determined by them to be reasonable and proper in relation to previous and present costs of labor and to the necessity of achieving the essential production involved.

"SEC. 6. (a) There is hereby authorized to be appropriated $100,000,000 to the War Manpower Commission to carry out the purposes of section 4 of this act.

"(b) There is hereby authorized to be appropriated $200,000,000 to the War Manpower Commission to be used as a revolving fund to carry out the activities authorized under section 5 of this act. The compensation to be paid by employers accepting the services of the members of the National Emergency Workers Corps shall be paid to the War Manpower Commission for use in this revolving fund.

"SEC. 7. There is hereby created a Board of War Mobilization under the chairmanship of the Director and consisting of four representatives of agriculture, four representatives of industry, four representatives of labor, and four public members at large appointed by the President. The Board shall hold regular meetings at least once a month. The Board shall make to the Director and the Chairman of the War Manpower Commission, the Chairman of the War Production Board, the Director of Economic Stabilization, and the Food Administrator all of whom shall advise and consult with the Board on all major policies of manpower mobilization, such recommendations relating to policy and operation as it may deem will improve production and manpower mobilization."

Amend the title so as to read: "A bill to provide maximum mobilization of manpower for the war effort, including manpower for the military forces and for essential military and civilian production."

Mr. McNARY. Mr. President, I desire to have the amendment read.

The PRESIDING OFFICER. The clerk will read.

Mr. KILGORE. The amendment is quite long, Mr. President.

Mr. McNARY. If the amendment is long, I do not care to have it read, if the Senator will state briefly what it provides.

Mr. KILGORE. Mr. President, let me state briefly the contents of the amendment. It provides for what I have been talking about—an over-all planning and program committee to lay down the program and the plan for the whole war effort, with one man, an administrator, in charge of the domestic economy, which would include farming, coal mining, and all the other things classed as parts of our domestic economy. There would be an administrator of production and procurement, an administrator of research, and an administrator of manpower. The arrangement would be practically the same as the one we now have, except all those men would be put in one group, and we could make them get around the table and agree upon what should be done. In that connection, I sometimes think of the old judge at home who told the members of a board of education who were considering the matter of hiring teachers to get together in a room and not leave it until they hired the teachers. They had been working at the matter for several months, but when the judge had a deputy sheriff stationed at the door of the room, and told the men they could not leave the room until they hired the teachers, they were able to agree in about 2 hours.

Mr. McNARY. Is the purpose of the amendment the same as that of the amendment of the Senator from Florida?

Mr. KILGORE. It is about the same, except the amendment which I offer provides for what the Senator calls a land army—in other words, a method of recruitment of farm labor.

Mr. McNARY. It is the desire of some Senators to keep the bill open until the Senator from Florida returns tomorrow. Therefore, I have been curious to know whether the amendment now offered by the distinguished senior Senator from West Virginia is precisely like the amendment offered by the Senator from Florida.

Mr. KILGORE. No. Mr. President, I was hoping, before I started to speak, that some agreement could be reached to keep the matter open until the Senator from Florida had an opportunity to

speak on it. But when nothing of that sort was done, I went ahead. I want the Senator from Florida to have an opportunity to speak on the amendment.

Mr. McNARY. Is the amendment the same, or is its purpose the same, as that of the Senator from Florida?

Mr. KILGORE. It is the same.

Mr. McNARY. Very well. The Senator is offering it, then, not as a substitute——

Mr. KILGORE. I am offering it for the Senator from Florida.

Mr. McNARY. I think the Senator from Florida has already offered it; has he not?

Mr. KILGORE. No; I think he said he would offer it later in the debate.

The PRESIDING OFFICER. The amendment has been printed and was laid on the table.

Mr. McNARY. Mr. President, is the Senator now offering the amendment for the Senator from Florida?

Mr. KILGORE. I am.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from West Virginia in behalf of the Senator from Florida [Mr. PEPPER], in the nature of a substitute for the amendment of the Senator from Colorado [Mr. JOHNSON].

Mr. McNARY. Mr. President, another question then arises: If the Senator is able to have the Senate vote on the amendment this afternoon, and is not desirous of having the vote go over until tomorrow——

Mr. KILGORE. Frankly, I should much prefer to have it go over until tomorrow, if possible, in order to give the Senator from Florida a chance to discuss his own amendment.

Mr. McNARY. Then the Senator's purpose in offering the amendment is to cover a hiatus; is that correct?

Mr. KILGORE. It is to cover an emergency situation which I wish did not exist.

Mr. McNARY. If action is taken on the amendment today, there will be no necessity to have consideration of it go over until tomorrow; is that correct?

Mr. KILGORE. Yes; there will be no such necessity; but I hope action will not be taken on it today.

Mr. VANDENBERG. Mr. President, I have been greatly interested in the Senator's discussion, and I desire to ask him particularly about section 2 of the amendment which he supports. It seems to me that section 2 describes exactly the proper way to set manpower quotas, namely, to call together the administrators responsible to the President, on the one hand for farm manpower, and on the other hand for armed service manpower, and another for industrial manpower, and require of them a joint agreement respecting quotas.

Mr. KILGORE. That is correct.

Mr. VANDENBERG. What necessity is there for a new law to that end, and why could not the President have liquidated this mess months ago by simply calling the administrators together and doing precisely what the Senator has recommended—putting them in a room and telling them to stay there until they agree?

Mr. KILGORE. I cannot answer the Senator's question on that point.

Mr. VANDENBERG. I do not think there is any answer.

Mr. KILGORE. Under the amendment the deferments which have been made could continue to be made; but the Congress would give authority to the administrators to bring in various allied agencies, and to proceed to do so in a better way than was formerly possible.

Mr. VANDENBERG. That is true; but the formula is so obviously correct and so obviously would not require any original legislation in respect to the setting of quotas that for months and months it has passed my understanding why so simple and obvious a thing should not be done by the Chief Executive himself.

Instead of doing that, as I observed the other day, in the presence of this crisis we have a super-super manpower cabinet composed of such gentlemen as Mr. Harry Hopkins and Judge Rosenman, whose judgment, while highly valuable to some, and upon some subjects, is of no such interest to me and to the country in respect to manpower, and not nearly of as much interest as would be an agreement between the direct manpower authorities whom the President has a perfect right to mobilize at any time he wishes to do so, and to demand of them a unified verdict.

Mr. KILGORE. Let me say to the distinguished senior Senator from Michigan that perhaps he will remember that section 2 is copied verbatim from Senate bill 607 which was so vigorously resisted in the Senate sometime ago.

I thank the Senator.

Mr. McCLELLAN. Mr. President, it is not my purpose to speak at any length on the pending bill. I simply desire to make a few brief observations before casting my vote.

The two principal objections urged to this measure are that it comes too late to be of any great benefit, because the harm in depleting workers on the farm has already been done, and, next, that this measure constitutes discriminatory legislation granting blanket exemptions from military service to a special group or class of our citizenship.

There is some merit in the first objection. Certainly the bill, with its present provisions, can do nothing about the persons who already have been drafted and whose induction has to some extent caused the depletion of manpower on the farms.

I think we are all fully cognizant of the great handicaps and burdens that rest upon agriculture by reason of the depletion of manpower on the farms of the Nation and from other causes. One reason for the manpower shortage on farms is the induction of young farmers into the military service, but the greatest cause for the shortage of farm labor is, as we all know, the disparity between farm wages and farm income and the high wages paid in defense plants and industries, which has caused so many workers to leave the farms and to accept employment in other fields of endeavor where compensation for their labor is far greater and where working conditions are more favorable. This double standard of economy, as applied to industrial workers and to workers in agriculture, is primarily responsible for conditions which now obtain. The same conditions have prevailed in the past, but then our country was not at war. The farmer, although occupying the position of the forgotten man in our economic structure, has struggled on under those disadvantages until the Government has taken it for granted that the farmer would and could produce, irrespective of those economic handicaps.

But now the situation is entirely different. In spite of the farmers' patriotism and sacrifices, which are unexcelled by those of any other class or group in the Nation, the obligations and trials of war have simply placed on the farmers a burden which they cannot carry unless some measure of protection is afforded and some means is employed by the Government to give imperative assistance before it is completely too late.

If the operations of existing law and the functions of various war agencies are continued as they have operated in the past, if the trend of laborers from the farms to industry is not checked, and if we take into our military forces all available and suitable manpower on the farms, we are sure to suffer such an extreme and critical shortage of food that our war effort will be materially weakened and impaired. Food is just as essential in this war as are bullets. Food cannot and will not be produced if past practices are continued and unless existing evils are corrected.

I recognize that the pending measure can salvage and preserve only a small part of the manpower that is going to be needed on the farm.

In the past, we have entrusted the building of our Army under selective service and other agencies by the vesting of authority and discretion in administrative chiefs. The job has been bungled and a crisis is impending.

I say, that, Mr. President, not with any purpose or desire to level criticism against any agency, but I say it is a matter of known fact. Had that condition not arisen by reason of operations in the past there would be no necessity for the pending legislation.

I was attracted a few minutes ago to an editorial in today's issue of the Washington News, the title of which is "While Food Gets Scarcer." I am particularly impressed with this editorial in view of the remarks of the distinguished Senator who preceded me in discussing how the situation ought to be handled and a proper method of approach to it. I read the editorial:

WHILE FOOD GETS SCARCER

Manpower Commissioner McNutt tells a Senate committee which wanted to know why more hadn't been done to solve the farm-labor problem: "I gave that responsibility to the Department of Agriculture. If Agriculture can't do it, then I am going to take it back. The War Manpower Commission was without funds to do this thing."

Secretary of Agriculture Wickard tells another Senate committee that he lacks authority to move quickly in the farm manpower situation, and that Congress should give "immediate consideration" to draft-labor proposals.

Mr. McNutt, supposed to have authority, lacks funds. Mr. Wickard, given responsibility, lacks authority. Mr. Wickard, daily more alarmed by prospects of a food shortage due primarily to farm manpower shortage, leans toward drafting labor. Mr. McNutt leaned the same way a few months ago, but leaned back again when organized labor's protests reached the President. Nobody knows whether Mr. Roosevelt is for or against labor-draft legislation now. Who says this country doesn't need a real War Cabinet to end such muddles?

We do not have a war cabinet. We have agencies, we have laws under which they have been operating, and we have come to this unhappy situation because of them. I think it is imperative that Congress begin to enact some legislation on the subject.

This bill certainly will not accomplish all I should expect or desire it to do. I dislike very much to see arise such a situation as makes it necessary to enact legislation in order to keep manpower on the farm. When it comes, however, in the present crisis to a choice between passing this proposed legislation in order to keep experienced men on the farm and giving to the farmer now some definite plan which will enable him to plant his crops for this year, and a proposal to draft inexperienced men from soda fountains and from other occupations and try to place them on the farms, I say that the pending bill is most tenable and certainly will bring about results which will tend to support the war effort rather than to detract from it or to impair it. Therefore, it becomes necessary that the Congress act by passing some specific legislation.

No one should desire, in view of the gravity of our military problem, to favor any class or group by laws enacted during this tremendous emergency. That shall not be my purpose in supporting the pending bill, and I now refute any assertion or implication that my vote for the passage of the bill is intended as an effort to benefit or favor any class or group of our citizens. Under existing conditions and the imperative need for a remedy, I shall vote for the bill in the honest belief and conviction that its provisions will, in some measure, be a service to all Americans and that it will help rather than hinder the war effort.

Mr. President, along the lines of the problem today confronting the American farmers, and some of their thoughts with reference to the duplication of power and action and the muddle that now faces us in these days of crisis, I wish to incorporate in the RECORD a letter which I have received from the Miller County Farm Bureau of my State. The letter is typical of many I am receiving from the farmers who are faced with such a condition that they do not know where manpower is coming from to enable them to try to meet the increased demands of this emergency. Unless a remedy is provided immediately, not a law merely to favor the farmer, to give him more income, or to favor the farmer or a group or a class by providing exemption from military service, but unless something is done to help the farmer perform his responsibilities to the Nation and to the war effort in the crisis that now faces us, all America, our allies and the war effort will suffer. I ask unanimous consent that the letter to which I have referred may be incorporated in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

The letter is as follows:

MILLER COUNTY FARM BUREAU,
Texarkana, Ark., February 25, 1943.

Hon. JOHN L. MCCLELLAN,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR: The 450 farmers comprising the membership of the Miller County Farm Bureau, and many other nonmember farmers, have been astounded at the multiplicity of Government forms and questionnaires, which are utterly impossible to execute without assistance and many times the voluntary help received is not adequate.

It has been pointed out that one third of the farmer's time is spent in moving from one agency to another in an effort to learn what is expected of him. In every one of these agencies are new forms, new regulations, new interpretations so highly involved that even the best informed person cannot understand them. For what purpose does our Government want this mass of information?

Farmers have watched with interest newspaper articles from your bureaucratic bunglers to the effect that forms and questionnaires are to be simplified and fewer in number. They are increasing every day. Instead of simplification there is added confusion with a growing disposition to ignore every one of them.

Not only are the farmers highly incensed at these ridiculous questionnaires but they are becoming pronounced in their attitude and have publicly stated that they expect to hold the Congress responsible for the unwarranted regimentation by the numerous bureaus in Washington. Unless something is done to change the situation, the farmers of Miller County will hold our Members in Congress accountable for the laws permitting these silly practices in this time of great national distress.

Specifically we call your attention to the operation of the Employment Service at Texarkana. It has been and still is withdrawing labor from the farms in spite of the fact that Congress has urged farmers of America to produce all of the food possible for war purpose.

Moreover, the restrictions on the available farm machinery is further curtailing operations for increased food supplies.

Again, your attention is directed to the operations of the Agricultural Adjustment Administration. It is so clumsy, slow, and inadequate in its administrative procedures that the crop season will have passed before the regulations have been fully explained. The farmers of Miller County quite freely express themselves as wishing that the incentive payments, subsidies, and other forms of political baiting may be curtailed, and that they be permitted to pursue farm operations without further interference, regimentation, and wholly in the interest of the war effort. Every member of this bureau is extremely anxious to produce all the food possible and is attempting to do so in spite of the severe handicaps placed on his efforts by Washington.

If you have not seen a copy of Rationing Order No. 13, and the farmer's income tax return form, we sincerely hope you will obtain copies and read them. We are told that there will be many other similar forms to follow.

Congress should compel a simplification of governmental red tape. We shall confidently expect your full support in that direction. Please bear in mind, however, that our members are determined to help win this war in spite of the bureaucrats in Washington.

As an example of superplanning, we quote one of the New Deal planners:

"No matter what may be the conception of it, fully effective public planning is an attribute of a highly refined or advanced stage of government as represented in the extremes by fascism at one end and unadulterated communism on the other. Planning can go only so far and so fast in a democracy founded on individual rights."

Sweet music, isn't it—perhaps grand opera? State socialism and regimentation might travel faster if it were not for the farmers of this country.

Yours very truly,
ARCH SMITH, *President.*
ROY HOPKINS, *Secretary-Treasurer.*

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from West Virginia [Mr. KILGORE] for the Senator from Florida [Mr. PEPPER] as a substitute for the amendment of the Senator from Colorado [Mr. JOHNSON].

Mr. LANGER. I suggest the absence of a quorum.

Mr. CLARK of Missouri. I make a point of order that no business has been transacted since the last call for a quorum.

The PRESIDING OFFICER (Mr. MURDOCK in the chair). The Chair is advised that business has been transacted since the last quorum call.

Mr. CLARK of Missouri. A parliamentary inquiry. Wha was the business transacted?

The PRESIDING OFFICER. A naval appropriation bill was reported.

Mr. CLARK of Missouri. I wish to give notice that the rule as to quorum calls will be strictly enforced.

The PRESIDING OFFICER. The absence of a quorum having been suggested, the clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Gerry	O'Daniel
Austin	Gillette	O'Mahoney
Bailey	Guffey	Overton
Ball	Gurney	Radcliffe
Bankhead	Hatch	Reed
Bilbo	Hawkes	Revercomb
Bone	Hayden	Reynolds
Brewster	Hill	Robertson
Bridges	Holman	Scrugham
Brooks	Johnson, Calif.	Shipstead
Buck	Johnson, Colo.	Smith
Burton	Kilgore	Taft
Bushfield	La Follette	Thomas, Idaho
Byrd	Langer	Thomas, Okla.
Capper	Lodge	Tobey
Caraway	Lucas	Tunnell
Chavez	McCarran	Tydings
Clark, Idaho	McClellan	Vandenberg
Clark, Mo.	McFarland	Wagner
Connally	McNary	Walsh
Danaher	Maloney	Wheeler
Davis	Maybank	Wherry
Downey	Mead	White
Eastland	Millikin	Willis
Ellender	Moore	Wilson
Ferguson	Murdock	
George	Nye	

Mr. MCNARY. I announce that the Senator from Wisconsin [Mr. WILEY] has been called from the city on official business.

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). Seventy-nine Senators having answered to their names, a quorum is present.

The question is on the amendment offered by the Senator from West Virginia [Mr. KILGORE] for the Senator from Florida [Mr. PEPPER] as a substitute for

the amendment of the Senator from Colorado [Mr. JOHNSON].

Mr. CLARK of Missouri. Mr. President, will the Senator from North Dakota yield to me for the purpose of making a unanimous-consent request?

Mr. LANGER. Yes; I yield.

Mr. CLARK of Missouri. Mr. President, I ask unanimous consent that when the Senate concludes its business today it take a recess until 11 o'clock a. m. tomorrow, and that at not later than the hour of 2:30 tomorrow a vote be taken on the bill and on all amendments thereto and substitutes therefor.

Mr. President, will it be necessary to have another quorum call to obtain such an agreement, in view of the fact that the presence of a quorum has just been developed?

The PRESIDING OFFICER. It would under the rule.

Mr. CLARK of Missouri. Then I modify my request.

Mr. McNARY. Mr. President, the Senator can modify his request and omit the question of final passage of the bill.

The PRESIDING OFFICER. The Chair was about to suggest that.

Mr. CLARK of Missouri. Mr. President, I ask unanimous consent that when the Senate concludes its business today it take a recess to meet a 11 o'clock a. m. tomorrow, and that at not later than the hour of 2:30 p. m. a vote be taken on all amendments to or substitutes for the pending measure.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. LANGER. Mr. President, in connection with the pending bill and the amendments thereto I ask unanimous consent to have printed in the RECORD at this point a letter written by James G. Patton, president of the National Farmers Union, to the Honorable Claude R. Wickard, Secretary of Agriculture, under date of January 23, 1943.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FARMERS EDUCATIONAL AND COOPERATIVE UNION OF AMERICA,
Washington, D. C., January 23, 1943.

The Honorable CLAUDE R. WICKARD,
Secretary of Agriculture,
Washington, D. C.

DEAR MR. SECRETARY: This is an open letter. Its purpose is to inform the public more fully about our present difficulties on the farm production front, to increase support to you in your difficult position as Secretary of Agriculture and Food Administrator, and call to account those who are attempting to put our organizations in a false light, before both the public and the Congress of the United States.

Necessarily, we shall make our statements more in detail for the interest of the public, than we otherwise would to you, because you are thoroughly familiar with the work of our organization and its relationship with the Congress and the United States Department of Agriculture for many years past. We have been most appreciative of the many kind comments you have made about our organizations during the past few years.

We were the first to support you when your name came up for consideration as Secretary of Agriculture. You have always received our loyal support and our many criticisms have always been offered in a manner that we hoped was constructive to you.

You have suffered numerous difficulties, many of which have been insurmountable, with the public little realizing that the lack of agricultural production has not been your fault. We have done everything we could to support you on the manpower issue, the need for more machinery, repair parts, farm supplies, etc., and we have supported you in your difficulties with the Office of Price Administration as regards price ceilings on farm commodities. We feel we have been particularly helpful to you in the field of transportation, storage of farm commodities, processing and distribution. We emphasize that our support was almost without any aid or assistance from other farm organizations, with respect to the following:

Accomplishments through legislation or by Executive order of the national administration, which have been so helpful to the triple A organization, the farmers, and the public interest:

1. The Commodity Exchange Act.
2. Crop insurance.
3. Reduction of interest costs on farm mortgages carried by the Federal Land Bank and the Federal Farm Mortgage Corporation.
4. Farm storage, with its ever-normal granary.
5. Prohibition against interstate movement of grain in store without the farmer-holder of the warehouse receipt giving his approval
6. Increased loan value for wheat producers, based on protein content of the wheat.
7. Increased production of flaxseed, with a guaranty of minimum price at the terminal markets
8. Floor prices placed on off-grade wheat and soybeans, thus protecting the whole price structure of those commodities.
9. Inclusion of interest and taxes in computing parity prices.
10. Transfer of Commodity Credit Corporation from Reconstruction Finance Corporation to the Department of Agriculture.
11. Appropriations for Farm Security Administration, to help low-income farmers to keep them on the land and bring them into increased farm production.
12. Humanizing the treatment of farmers unable to pay their interest and principal to the Farm Credit Administration, thus minimizing evictions from the farms and maintaining that farm family power on the farm, which is now so needed in support of agricultural production in the war effort.

We submitted a plan on behalf of wheat producers, which was the first program put into effect by the triple A in 1933. No other farm organization participated in preparing this plan. It was adopted by the Department of Agriculture and put into effect. The significant part of that plan provided for benefit payments to the wheat producers, based on the historic production of their farm rather than on each year's current production. The wheat farmers thus received the benefit payments whether or not the crop came through.

This amounted to partial crop insurance and proved most beneficial. It established the policy which has been followed by the triple A ever since. While we did not fully approve the triple A legislation in the spring of 1938, we thereafter gave it our complete support, including the annual pilgrimage to Congress begging for appropriations to carry on the triple A program.

The foregoing record is one which cannot be disputed. It is well known to the Vice President, the Honorable HENRY A. WALLACE, to yourself as Secretary of Agriculture, the present Under Secretary of Agriculture, and the Governor of Farm Credit Administration, Dr. A. G. Black.

The reason we are making this letter open and for stating the foregoing partial record of our organization is to meet the unfair and untrue statements now being made by the largest and loudest farm organization, to wit: that our organizations, during the last 6 weeks, attempted to destroy all the functions of the Farm Credit Administration and the triple A. It is alleged that we tried to effect a coup. This all evolves around your selection of Mr. Parisius as Director of Food Production; that Mr. Parisius submitted a plan for your consideration which would have made the Farm Security Administration the all-inclusive power of the new food-production program; that, in effect, the personnel of the Farm Security Administration would be the powers in control, and that, thus, the personnel of the Farm Credit Administration and the triple A would be eliminated and all of the good work of the past destroyed.

No one of our organizations prepared any such plan. We did not participate in the preparation of any such plan, and none of us have ever seen the plan that Mr. Parisius submitted to you, nor did we participate or attempt to participate in the selection of the personnel to carry out any such plan.

This large and loud farm organization to which we have referred not only is distributing such false information through the mail and by word of mouth, but it has been able to impress certain Washington correspondents and letter-service organizations to the extent that the public is being given information that our organization did attempt to do the things that are alleged by this large and loud farm organization.

It is not true, and you know it. We intend that the public shall know it. We intend that this large and loud farm organization shall suffer the consequences of such a vicious effort which it has planned to carry through.

The only purpose that this large and loud farm organization has is to attract the attention of the farmers that it is so powerful that it really controls the acts of Congress and directs the policy of the United States Department of Agriculture; that it, alone, has been responsible for the farm legislation of the past few years and for the hundreds of millions of dollars appropriated by the Congress each year for the benefit of American agriculture, all to the end that it may increase its membereship and become still more powerful.

That sort of internicine warfare between farm groups might be a luxury that could be borne during peacetime, but to have it carried on in this serious hour of global war and the consequent effect to be found in disunity amongst farmers—discouragement and even impeding agricultural production—is of such serious import that we are impelled to get the correct information in the hands of the farmers and the public.

This particular large and loud farm organization has misrepresented its accomplishments for years, in order to increase its membership. You have in your possession factual, indisputable evidence that at the county level it has, in some instances, used jointly the offices of the county agent and influenced the county agent to coerce farmers to join that large and loud farm organization, on the false allegation that that large and loud farm organization was responsible for bringing the admitted increased benefits to American farmers during the past 10 years, as the result of that organization's ability, all by itself, to get legislation and appropriations for the benefit of the farmers.

Of course, you know these statements to be untrue. The former Secretary of Agriculture, the Honorable HENRY A. WALLACE, now Vice President, as well as yourself and your associates, have been constantly embarrassed because of the unethical, unwarranted, and untrue statements and activities of this large and loud farm organization, to gain increased membership in its organization through such unfair activities as it has carried on.

We have had the State extension directors in several States complain to us about this and urge us to bring these matters before the public, to the end that the Congress of the

United States might become aware of such misconduct by that large farm organization and put an end to such vicious practice. Of course, we are referring to a handful of lead-95 percent of their membership, who are doing this and in no way are we criticizing 95 percent of their membership, who are fine, loyal American farm families, anxious to do the right thing by the public, their Nation, and the war effort.

We now want to recite for the interest of farmers, the public, and the Congress, a particular activity of ours which is so fully known to you, the Vice President, and the President of the United States. That particular effort relates to the matter of farm-mortgage credit and production credit, carried on by the Farm Credit Administration, and also the work of the Farm Security Administration in its effort to minimize farm tenancy and to aid and assist and supervise low-income farm families up to a higher level, where they could be self-sustaining, self-respecting people in this Nation.

We have been supporting corrective policies in these respects for years, both through legislation and appropriations. We have always contended that our efforts were in the national interest, and time has proven we are right. If we had not made the farm-credit fight, there would have been no change of policy on the matter of farm-mortgage foreclosure, without which thousands of farm families would have been evicted from their farms and would not now be able to contribute to the war effort by participating in increased farm production.

If we had not supported the Farm Security Administration, we would not now have the thousands of farm families on the land who have so greatly improved their status and who, on a percentage basis, have a higher increased rate of farm production during 1942 than any other group. Also, this great body of low-income farm families, who have been brought to a higher level in farm production, are now able to contribute to the farm production so sorely needed this year and in the future.

In January of 1942, a little over a month after Pearl Harbor, the undersigned conferred with the President of the United States on the place of American agriculture in the war effort. We advised him that acreage restriction and scarcity of production of farm products, for the purpose of higher prices, would have to go out; that an entirely new picture faced American agriculture and the Nation, and that immediately we must shift from the program of scarcity production, for the purpose of enhancing price, to total production of farm commodities, for the purpose of meeting the future needs of the Nation and the war effort.

Of course, the President was aware of that because he had gone through the other World War. We told him we feared what would happen in connection with the problems of manpower, manufacturing of machinery, repair parts, and the furnishing of farm supplies, all of which would inevitably affect farm production most unfavorably.

We told him we believed that the greatest reservoir of family manpower would be found in that great group of farm families which does not hire farm labor and where the head of the family would be exempt; that a large percentage of this group were receiving some support from the Farm Security Administration and, therefore, that was a good place to begin, by asking the Congress to appropriate substantially larger sums of money to aid this group of farm families to engage more intensively and extensively in farm production.

He instantly agreed and asked us to make what survey we could and come back and see him the next month. We went to the Bureau of Agricultural Economics, the one and only reliable place in the United States to get the fullest information available. We were amazed to find that the potentialities for increased production were so great in this field of low-income farmers.

We met again with the President in February 1942 and gave him our report. He directed us to go immediately to your office and advise you as to his attitude, to fully support larger appropriations for Farm Security Administration as a means to increasing agricultural production. He also directed us to state to you that it was his wish that you immediately call into conference with yourself and us, the Administrator of Farm Security Administration, to the end that immediate plans could be made to enlarge the field work of Farm Security Administration, as a means to increasing agricultural production.

You remember the historic fight that we made for appropriations for Farm Security Administration. You gave your support; the Vice President supported it, and the President sent two messages to Congress on this matter of securing larger appropriations. Unfortunately, the alleged economizers in both branches of the Congress were able to thwart the President's effort to secure larger appropriations for the Farm Security Administration. We are now paying for that character of economy by having less farm production on several hundred thousand farms in the United States, that would otherwise now be available if the position of the President, the Vice President, yourself, and our organizations had been sustained by larger appropriations from the Congress of the United States.

The large and loud farm organization boasts that with this present Congress, the Farm Security Administration shall be eliminated from its present field of operation. It is advertised by this particular farm organization, some commentators from Washington, and through the press, that the Farm Security Administration appropriations are due for the ax. That may be true, but the ax will fall on the consumers of the United States through shorter supplies of food products and more rationing. That character of economy, if carried far enough, will destroy the civilian morale and will seriously endanger our war effort. Time will tell whether we are right or wrong.

The President's Executive order, creating you Food Administrator, and merging the Farm Credit Administration, the triple A, the Soil Conservation Administration and other branches of your Department under a food production administrator, was issued on December 6, 1942. In the meantime you appointed Mr. Parisius and his plans evidently did not meet with your approval and he has resigned. You have since established Governor Townsend as Administrator of Food Production and he has, as associate administrators, the Governor of Farm Credit Administration, Dr. A. G. Black, and the President of the Commodity Credit Corporation, Mr. J. B. Hutson. We know these three gentlemen very well. We know they are able, patriotic, and conscientious. They will do their level best to successfully and efficiently carry out their responsibilities. They will have our vigorous support in every respect, as you have always had it and will continue to receive it.

It is your responsibility, however, to approve policy, and we want to call your attention in the matter of policy making, to what we believe is one of the most important decisions you will have to make. In making this decision, you are fortunate in that you have been given full authority by the President and in this particular instance, you are not in any way hampered by other divisions or departments of the national administration, such as have so bothered you in other matters, namely, Office of Price Administration, War Production Board, lend-lease operations, etc., etc. So you do have entirely within your hands the matter of determining policy as regards the new form of credit that is to be extended to farmers as a means to accelerate and increase agricultural production from here on out.

Based on the information had at this time, you are beginning this new credit job with $250,000,000 available to you. We understand that the credit is to be issued at the county level by the county war board; that at the county level, there will be chosen an individual, to be known as the loan commissioner. We have also been informed that the county war board will approve the loans and that they will be at 5 percent interest and that the farmer, as a borrower, will be responsible for paying that money back to the Government.

If what we have previously recited, as regards this new credit program, is true and that is all there is to it, then we are fearful that you will fail to receive the increased agricultural production that you could otherwise receive if you had a more considerate and understanding policy for the farmers of this country. To begin with, the country banks are bulging with money that they want to loan on a safe, secure, collateral basis. Maybe in some instances, the rate of interest would be higher than 5 percent, but farmers can get large amounts of credit on a collateral basis. The production credit associations all over the country, operating under the auspices of the Farm Credit Administration, make such credit available basis sound collateral, at an approximate cost of 5 percent per annum.

We do not believe that this new line of credit will get the increased agricultural production which you seek. We have two suggestions to make: First, as a means of facilitating and expediting the loan program, that you make the county loan commissioner solely responsible for making the loans under your predetermined policy and that the county war board be used only for providing the farmer a place to appeal, in case the loan commissioner refused to loan him the money; second, we urge you to give comparable consideration to this farmer for taking on more work and risk, that has been assured to the automotive industry and other industries which have converted their institutions to the war effort.

In the case of these industries, the Government has furnished funds without recourse, for the building of plants—the cost of conversion from peacetime manufacturing to wartime manufacturing—and in every instance, the management and stockholders of the industry are guaranteed by contract all costs, plus profit. If you will give the same consideration to the farmers, you will get tremendous increase in agricultural production.

As you know probably better than we, because of your long and successful experience as a farmer, each farmer has learned what he believes is the most adaptable use of his land in production. His livestock, his crop planning and the use of his land is all geared to his concept of what he can most successfully produce and for which he can receive the most income. Take, for illustration, the dairy farmers in the Dairy Belt, where so many of them cannot raise the necessary amount of feed to take care of their dairy stock. They buy tremendous amounts of feed, in addition to what they produce. Is that farmer to use some of his land to grow needed vegetables in support of the war effort? He lacks experience, land, and in some cases, equipment, to do the job you want him to do in this field.

If it is urgent enough for him to put some of his land into the production of vegetables, then a loan to that farmer must be on the basis of a nonrecourse note. That farmer must receive a loan covering all the costs incident to the changing of his farming operations, without risk to himself, or he just won't do it.

Take the case of a farmer who the Government wants to produce flaxseed, which is a very risky undertaking. That farmer is not going to go into that field of production, if it is new to him, unless the money loaned to him for that purpose is without recourse. Why should he? He will properly say to the Government and to you: If that flaxseed crop is hailed on, or the flaxseed suffers from wilt, that he wants his note given for such production likewise to be hailed on or to suffer from wilt. He is a businessman, just like Henry Ford. He will make the changes and do the things that the Government wants him to do if he is treated like the Government has treated Henry Ford. Why should he do otherwise? Why should he be less favorably treated than Mr. Ford, or any other manufacturer?

We must be realistic and practical and fair about this. We urge that you immediately conceive employing this new fund for increased agricultural production along the lines that we have indicated, which will assure maximum effort on the part of the farm family to meet the goals for production which you have in mind.

If the farmer is to buy more hogs, or dairy cows, or to plant certain crops for increased production, extend the credit to him for these increases in production, not as a loan for which he must ultimately repay the Government, but that the liability of the note is limited to the farmer's ability to pay for it out of the proceeds of sale from the increased farm production.

Farmers are generally the most dependable and most patriotic people in this Nation. They haven't learned how to filch millions of dollars from the Federal Government. It has taken some of the big industries of the United States to effectively carry out that character of loot. Go from the lowliest farmer to the largest farmer and extend this credit freely, on the basis of getting increased production, with risk resting upon the national administration as it is carrying other war risks. Limit the liability of the farmer to honestly perform his duty and collect from him the amount of the loan only from the proceeds of the sale from the increased production, after having deducted all costs for such increased production.

It can be done; it must be done; it is your responsibility, and as you well know, you alone will bear this responsibility. With the importance of this effort and this need for increased production of farm commodities, what does it matter if the national administrator absorbs twenty-five or fifty million dollars in losses, if those losses are due to factors beyond the farmer's control, such as livestock disease, hail, drought, rust, wilt, etc.

We repeat—make this money available from the lowliest to the highest of the farm family operators of this Nation. Then you will have done all you could do. You will have discharged your responsibility.

We are anxious to cooperate with you, as we always have. We are at your service, to aid in this war effort to increase agricultural production in any way that you may suggest that we can be helpful.

Respectfully yours,

NATIONAL FARMERS UNION,
JAS. G. PATTON, *President.*
M. W. THATCHER,
Vice Chairman, Executive Council.

EXECUTIVE SESSION

Mr. CLARK of Missouri. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. HAYDEN, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

By Mr. REYNOLDS, from the Committee on Military Affairs:

Sundry officers for appointment in the Regular Army under the provisions of law.

William J. Fitzgerald, from the State of Connecticut, to be area director, at $4,600 per annum, in the New London area office of the War Manpower Commission;

Dr. Frank H. Sparks, from the State of Indiana, to be director, Bureau of Manpower Utilization, at $8,000 per annum, in the Washington office of the War Manpower Commission;

Lawrence B. Fenneman, from the State of Maryland, to be area director, at $6,500 per annum, in the Maryland area office of the War Manpower Commission;

Ramy B. Deschner, from the State of Missouri, to be area director, at $5,600 per annum, in the District of Columbia area office of the War Manpower Commission;

Frank M. Bristow, from the State of Missouri, to be field supervisor, at $5,600 per annum, in the Kansas City regional office of the War Manpower Commission;

Frederick R. Whitney, from the State of Massachusetts, to be head manpower utilization consultant, at $6,500 per annum, in the Boston regional office of the War Manpower Commission;

Elmer K. Delp, from the State of New York, to be senior training specialist, at $4,600 per annum, in the New York regional office of the War Manpower Commission; and

Farrell Daniel Coyle, from the State of Rhode Island, to be area director, at $6,500 per annum, in the Providence area office of the War Manpower Commission.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the calendar.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. CLARK of Missouri. I ask that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the postmaster nominations are confirmed en bloc.

That completes the calendar.

Mr. CLARK of Missouri. I ask that the President be immediately notified of the nominations this day confirmed.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

RECESS

Mr. CLARK of Missouri. Mr. President, as in legislative session, I move that the Senate take a recess until 11 o'clock a. m. tomorrow.

The motion was agreed to; and (at 4 o'clock and 35 minutes p. m.) the Senate took a recess, the recess being under the order previously entered, until tomorrow, Wednesday, March 17, 1943, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate March 16 (legislative day of March 9), 1943:

DIPLOMATIC AND FOREIGN SERVICE

Merlin E. Smith, of Ohio, to be a Foreign Service officer, unclassified, a vice consul of career, and a secretary in the Diplomatic Service of the United States of America.

THE JUDICIARY

Tom C. Clark, of Texas, to be Assistant Attorney General of the United States, vice Hon. Thurman Arnold, resigned.

Hugh B. Cox, of the District of Columbia, to be Assistant Attorney General of the United States; new position.

ASSISTANT COMPTROLLER GENERAL

Frank L. Yates, of West Virginia, to be Assistant Comptroller General of the United States for a term of 15 years.

COLLECTOR OF INTERNAL REVENUE

Thomas A. Gallagher, of Cincinnati, Ohio, to be collector of internal revenue for the first district of Ohio; to fill an existing vacancy.

UNITED STATES MARITIME COMMISSION

Rear Admiral Emory S. Land, United States Navy, retired, to be a member of the United States Maritime Commission for the term of 6 years from April 16, 1943 (reappointment).

CONFIRMATIONS

Executive nominations confirmed by the Senate March 16 (legislative day of March 9), 1943:

POSTMASTERS

ARKANSAS

Chester C. Stokes, Buckner.
Jessie Garner, Kingsland.
Mildred T. Akin, Proctor.

FLORIDA

Evelyn C. Hunter, Neptune Beach.

NORTH CAROLINA

William B. Flake, Lilesville.
Eunice M. E. Blalock, Longhurst.

OREGON

Paul A. Mills, Woodburn.

TEXAS

Maud English, Kennard.
Lawrence O. Reardon, Mason.
Verda L. White, Royalty.
Willie R. Goodwin, Stinnett.

HOUSE OF REPRESENTATIVES

TUESDAY, MARCH 16, 1943

The House met at 12 o'clock noon, and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Lord, our God, we do not present our supplications before Thee for our righteousness, but for Thy great mercies; turn us again and cause Thy face to shine and we shall be saved. Grant that those convulsed lands in the distress of gray and stormy skies may see the tokens of Thy will and Thy everliving and unchangeable nature.

Heavenly Father, we pray for wise understanding of that faith which values humanity and for spiritual devotion which endures. O keep us hopeful and

courageous; no frown ever made a dark day radiant and no complaint ever made a heart happier nor the way smoother. We pray for strength to make us valiant when thoughts of regret linger and memory is threatened with bitterness. By inward sympathy unite our country in a common devotion and in a common work to set Thy people free. O forgive our own America for sharing in those sins unspoken and drooped down into the soul of a sorry, dejected world and in the light of a liberal, healing sun. Let every door which is barred by hate and revenge open to the living forms of cooperation and fellowship. In our dear Redeemer's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

ANNOUNCEMENT

The SPEAKER. The Chair desires to announce that we have a very full day today, and the Chair will only recognize Members to extend their remarks or to ask to speak at a later time, but not for 1 minute at this time.

PERMISSION TO ADDRESS THE HOUSE

Mr. ELLIOTT. Mr. Speaker, I have 15 minutes allotted to me today. I ask that that be canceled, and I ask unanimous consent that I may have 15 minutes to address the House on Friday of this week, after disposition of matters on the Speaker's desk and at the conclusion of any special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. ELLIOTT]?

There was no objection.

EXTENSION OF REMARKS

Mr. ELLIOTT. Mr. Speaker, I have here a press release from the Railroad Commission of the State of California, and I ask unanimous consent to have it placed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. ELLIOTT]?

There was no objection.

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a report on the Ruml plan.

The SPEAKER. Is there objection to the request of the gentleman from Oregon [Mr. ANGELL]?

There was no objection.

(Mr. PLUMLEY and Mr. HORAN asked and were given permission to extend their own remarks in the RECORD.)

Mr. WOODRUM of Virginia. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Virginia [Mr. WOODRUM]?

There was no objection.

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include a letter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. DONDERO]?

There was no objection.

Mr. WIGGLESWORTH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a recent editorial commenting on the Canadian system of price control.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. WIGGLESWORTH]?

There was no objection.

Mr. FARRINGTON. Mr. Speaker, I am informed by the Public Printer that the cost of printing the address of the Governor of Hawaii to the Legislature of the Territory of Hawaii, which was permitted to be included in the RECORD yesterday, involves an additional cost of $135. Mr. Speaker, I ask unanimous consent that this address be printed in the RECORD notwithstanding the estimate of the Public Printer.

The SPEAKER. Is there objection to the request of the Delegate from Hawaii [Mr. FARRINGTON]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. CELLER. Mr. Speaker, I ask unanimous consent that after disposition of matters on the Speaker's table tomorrow and at the conclusion of any special orders heretofore entered I may be permitted to address the House for 45 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. CELLER]?

There was no objection.

EXTENSION OF REMARKS

Mr. KIRWAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein two editorials from the Youngstown Vindicator of March 8 entitled "The New Draft Regulations" and "Dwarfs Cost of the Canal."

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. KIRWAN]?

There was no objection.

Mr. HENDRICKS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include a brief editorial from the Evening Bulletin, Providence, R. I., of March 5, 1943.

The SPEAKER. Is there objection to the request of the gentleman from Florida [Mr. HENDRICKS]?

There was no objection.

(Mr. DURHAM asked and was given permission to extend his own remarks in the RECORD.)

Mr. BROWN of Ohio. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a letter received from Mary H. Hartsock, legislative member of the East Wayne Advisory Council, Warren County, Ohio.

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. BROWN]?

There was no objection.

Mr. HOPE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a letter.

The SPEAKER. Is there objection to the request of the gentleman from Kansas [Mr. HOPE]?

There was no objection.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on two subjects and to include certain statements and excerpts.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. PATMAN]?

There was no objection.

PRIVATE CALENDAR

The SPEAKER. For the present the calling of bills on the Private Calendar will go over, as some Members in charge of those bills are not present.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. SABATH, from the Committee on Rules, submitted the following privileged resolution (H. Res. 53, Rept. No. 251), which was referred to the House Calendar and ordered to be printed:

Resolved, That the Committee on Interstate and Foreign Commerce is authorized, as a committee, by subcommittee, or otherwise, to continue during the present Congress the investigation begun under authority of House Resolution 290 of the Seventy-sixth Congress, and continued by House Resolution 15, House Resolution 188, and House Resolution 383, of the Seventy-seventh Congress, and for such purposes such committee shall have the same power and authority as that conferred upon such committee by House Resolution 290 of the Seventy-sixth Congress. Any unexpended balance of the appropriation authorized for the use of such committee under House Resolution 385 of the Seventy-seventh Congress is hereby continued for such purposes.

AMENDMENT TO NATIONAL HOUSING ACT

Mr. SABATH, from the Committee on Rules submitted the following privileged resolution (H. Res. 170, Rept. No. 250), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 1914) to amend the National Housing Act. That after general debate, which shall be confined to the bill and shall continue not to exceed 2 hours to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

FARM LABOR PROGRAM, 1943

Mr. CANNON of Missouri. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the joint resolution (H. J. Res. 96) making an appropriation to assist in providing a supply and distribution of farm labor for the calendar year

1943; and pending that motion, I should like to know if it would be agreeable to the gentleman from New York [Mr. TABER] to fix the time for general debate at 3 hours.

Mr. TABER. That is satisfactory to us.

Mr. O'NEAL. I trust sufficient time will be reserved so that those opposed to the bill will have an opportunity to express themselves.

Mr. CANNON of Missouri. Those opposed to the bill will have unlimited time.

Mr. SABATH. If the gentleman will yield, I have had no knowledge that this bill was to be considered today. There is a great deal of opposition to the bill, I am informed, and a majority of the Members do not know about the bill.

Consequently, I feel sufficient time should be allowed so that there may be full discussion of the bill. Therefore, for the time being I object to fixing the time for general debate, because I believe many Members desire to be heard on the bill.

Mr. CANNON of Missouri. Mr. Speaker, may I say that in the apportionment of the short time to which we necessarily will be limited on this bill, we shall appreciate it if Members who favor the bill will confine themselves to 5 minutes, if that is possible. It is our hope to give all those who oppose the bill all the time they require. I trust those who favor the bill will be agreeable to limiting their remarks to 5 minutes or waiting until the bill is read for amendment.

Mr. RABAUT. It seems to me the request of the chairman is very broad, but I believe many Members do not know anything about this joint resolution. It deals with the manpower problem and the expected food shortage in this country. It seems to me plenty of time for debate should be allowed so that the Members may be informed of just exactly what this resolution does.

Mr. CANNON of Missouri. If the Members will stay on the floor, we expect every Member of this House to be fully advised as to every provision of the resolution before they are asked to vote on it.

CALL OF THE HOUSE

Mr. KEEFE. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

By unanimous consent, a call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 26]

Allen, Ill.	Domengeaux	McGehee
Baldwin, N. Y.	Fellows	McGregor
Buckley	Gallagher	Miller, Conn.
Burdick	Gibson	Morrison, La.
Byrne	Goodwin	Myers
Camp	Guyer	Newsome
Cannon, Fla.	Hagen	Norton
Clark	Hale	O'Toole
Cochran	Harless, Ariz.	Pfeifer
Cole, N. Y.	Hart	Philbin
Colmer	Hébert	Reece, Tenn.
Crawford	Hinshaw	Rogers, Calif.
Culkin	Howell	Satterfield
Dawson	Jarman	Scott
Dingell	Kennedy	Shafer
Ditter	Lewis, Colo.	Sheridan
Short	Treadway	Winter
Sumner, Ill.	Walter	Worley
Taylor	West	
Thomas, N. J.	Whelchel, Ga.	

The SPEAKER. Three hundred and seventy-six Members have answered to their names, a quorum.

Further proceedings, under the call, were dispensed with.

FARM LABOR PROGRAM, 1943

Mr. CANNON of Missouri. Mr. Speaker, I renew my motion that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of House Joint Resolution 96, and pending that motion, may I ask the gentleman from New York if it is agreeable to him that we fix general debate at 3 hours.

Mr. TABER. I rather feel that in view of the interest there seems to be in the bill we had better make it 4 hours.

Mr. CANNON of Missouri. Will the gentleman divide the difference and say 3½ hours?

Mr. TABER. Yes.

Mr. CANNON of Missouri. Then, Mr. Speaker, I ask unanimous consent that general debate be limited to 3½ hours, one-half to be controlled by the gentleman from New York and one-half by myself.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Missouri.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of House Joint Resolution 96, with Mr. SIKES in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

Mr. CANNON of Missouri. Mr. Chairman, I shall confine myself to 10 minutes.

Mr. Chairman, the committee submits to the House a bill dealing with one of the most vital subjects before the Nation today. It is—in its prospective effect upon the war effort and in its importance as a factor in bringing the war to a victorious conclusion—one of the half dozen major bills of the Seventy-eighth Congress.

We are engaged in an all-out war. We face today the greatest crisis—the greatest peril that has confronted the Nation since Yorktown or Gettysburg. In this war there are two fronts—the battle front and the home front. And one is as important as the other. If we fail on the home front, our battle lines left without adequate support and supplies, are doomed.

Napoleon said, "An army traveled on its belly." And General Marshall—who with one modern equipped division of marines could drive the Grand Armée from Marengo to Austerlitz—told the committee that food was as important as bullets as a munition of war. Military authorities are agreed that food will win the war and write the peace. And food is a product of the home front.

This bill is a bill to sustain the home front—to implement food production. The American farm must produce sufficient food to feed our civilian population, to feed our munition workers, to feed our armed forces, to provision lend-lease, and to sustain the armies of our allies. Otherwise there is no possible hope of victory. And after the war they must continue to supply sufficient food to sustain the famished nations of Europe until they can produce a crop of their own. There is no tenable alternative.

It is a prodigious order. And the appeal has gone out—over every radio, in every newspaper, and through every official channel—for increased production. The farmers are insistently urged to produce the greatest crop ever grown in America.

But as anxious as the farmers are to comply—and every farmer throughout the length and breadth of the land is working feverishly to turn out every pound of food he can grow—the farmer is facing a heavy handicap. Labor has been drained away from the farm by the draft and the war industries offering shorter hours, easier tasks, and vastly larger pay. Lack of machinery intensifies the labor shortage. And food cannot be produced without labor. While there is a greater demand for food than ever before, there is less labor—farm labor—to produce it than ever before. There is not a farm in the United States that is fully manned. And there is not a farm anywhere in the United States that is not threatened with further loss of manpower unless something can be done to halt the exodus and turn the tide back to the farm and back to larger production.

Of course, the first approach to the problem should have been through the exemption of keymen on essential farms from the draft. As time is limited permit me to revert to a statement which I made here on the floor when the subject was under discussion last year:

> The real solution of the problem of farm labor is not in bringing outside men to the farm, but in the retention on the farm of the experienced men already there. The man who comes in from the outside, from the city, even from other sections is not accustomed to standards of farm living; he is invariably inexperienced, unaccustomed, and uninformed, and unadaptable to farm operations, a profession which requires more careful training and education, in my opinion, than any other human avocation. You cannot train a farmer in 6 months, hardly in 6 years. You cannot bring in a man and make him an effective farm producer on short notice or through the agency of some employment agency.
>
> The solution of this problem is to keep on the farm the men already there, men who are thoroughly familiar with farm practices and acquainted with local conditions, men who have been farming from their youth up and who are experienced and proficient in producing food in greater quantity and at less expense than any other men you can bring in to supplant them.
>
> The plan of taking away from the farm and putting into the Army essential men on the farm and then trying to fill their places from the outside is utterly idiotic. It lacks every element of economy. The average man on the farm works a maximum of 96 hours a week. When you take him off the farm and

put him in the factory he works a maximum of 45 hours a week. You are trading 96 hours' labor for 45 hours of labor and getting less in both volume and value of production. Clearly the way to conserve labor on the farm is to keep the labor you have there. Some provision should be made immediately for the exemption of essential men on the farm by requiring a certificate or clearance from their local board.

Deferment at that time would in itself have solved the problem although a far larger number have left the farm and are still leaving the farm, lured by higher wages, shorter days, and easier working conditions in the steam-heated and air-conditioned factories of the war industries.

But those are not factors which we can reach in legislation of this character. And so we approach the problem by the only avenue open to us. The measure submitted by the committee after long and arduous consideration provides funds to assist in recruiting, training, transporting, and distributing farm labor for the crop year of 1943. The bill has been reported and analyzed by the press and the printed report submitted with the bill explains it in detail. Suffice to say that in the considered judgment of the majority of a veteran committee of 43 experienced men it is the best solution available at this time.

But the bill is not a panacea. It is in our opinion the best approach that can be devised, but it will not solve the problem. No bill that could be passed by this House will solve the problem. Regardless of what we do or what can be done here today there will not be sufficient labor on the farms. Regardless of the legislation enacted or the amount provided to implement it there will not be enough food. But this is the best that can be done under the circumstances.

The amount recommended by the committee is $26,100,000. But the amount is in itself relatively unimportant. The mere appropriation of money will provide neither labor nor food. If it were that easy no sum would be too large.

It is the purpose for which the money is to be used and the method of its disposition that promises relief. Accordingly, the committee offers the method it considers most practicable and recommends a sum sufficient for its administration and no more.

There is some difference of opinion as to how much will be required. Some say it should be more and some think it should be less. Some want to increase it to $65,000,000 and some insist it should be reduced to $12,000,000. So it must be about right. Some consider the need for the bill imperative while others protest there is no need for such legislation of any character. Some object to the bill on the grounds that Republicans wrote it. Others are against it because it was formulated by a subcommittee with a majority of Democrats on the subcommittee and then reported out by a committee with a membership of 25 Democrats and only 18 Republicans. So it must be pretty much of a nonpartisan measure.

The important consideration is that there is desperate need of food and labor to produce food if we are to win the war. After exhaustive study this is the plan approved by a large majority of the committee. Time is short. Crops are already being planted. If farm labor is to be provided it must be provided soon. I trust the recommendation of the committee will be approved by the House and the bill started on its way while there is yet time.

The CHAIRMAN. The gentleman from Missouri has consumed 10 minutes.

Mr. CANNON of Missouri. Mr. Chairman, I yield 15 minutes to the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Chairman, yesterday I stated, and I repeat, that I have been and I am now a friend of the farmer. For 36 years I have voted for nearly every bill that was admitted to be in the interest of the farmers of the country. I still feel that I can continue to aid the farmer and agriculture to the best of my ability. Yesterday we passed a bill authorizing the sale of 100,000,000 bushels of wheat, at a cost to the Government and the taxpayers of approximately between twenty-five and thirty million dollars, in the interest of the farmer. A few days ago we reported a rule on the Pace bill which is pending now. This morning we granted a rule on the Steagall bill to aid the farmer. We have also pending the Brown bill to aid the farmer, and we have several other bills pending to aid the farmer. Some of the bills I feel are unnecessary. This bill comes before the House with hardly any notice to the membership of the House. It is only by chance that I learned that it was to be called up by the gentleman from Missouri [Mr. CANNON], who is a very hard working, a very shrewd and clever gentleman, having at all times the interest of his and other farmers at heart, but who unfortunately sometimes goes far, far beyond the requests or even the desires of the farmers of the country. The gentleman from Missouri obtained unanimous consent that the reading of the bill be dispensed with. Consequently I do not think that we have very many Members present who are familiar with the bill. I shall therefore take the privilege of reading a few extracts from the bill for your information. I read it hurriedly last night in the limited time I had, and gave it only a few minutes this morning, because I am kept so very, very busy granting rules for agricultural relief.

The bill provides, in part—

That for expenses necessary for the recruiting, training, and placement of workers needed for the production and harvesting of agricultural commodities essential to the prosecution of the war (including agricultural workers who are imported into the United States from foreign countries and aliens interned in the United States); to be expended under the supervision and direction of the Agricultural Extension Service of the United States Department of Agriculture in cooperation with the agricultural extension services of the land-grant colleges in the respective States and in Puerto Rico on the basis of existing cooperative agreements between the Department and the land-grant colleges as to the conduct of extension work and apportioned to the States on the basis of need for the purposes specified herein; for transportation and subsistence of workers and expenditures for construction, rental, or operation of temporary suitable housing or shelter facilities for such workers where existing housing facilities are not adequate (including for the purposes specified herein, agricultural workers who are imported into the United States from foreign countries and aliens interned in the United States), to be expended under the direction and supervision of the Agricultural Extension Service in cooperation with the extension services of the land-grant colleges in the respective States and Puerto Rico, as hereinbefore specified, there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $26,100,000, to remain available until December 31, 1943, of which not less than $100,000 shall be available for administrative expenses of the Federal Office of Extension, and not less than $13,500,000 shall be apportioned to the extension services in the States on the basis of need to enable them to carry out their responsibilities hereunder within the States, including the recruiting, training, and placement of farm labor, the provision, operation, and supervision of temporary housing and shelter facilities and the transportation, supervision, temporary subsistence, and protection of workers within the States as herein provided; the remaining funds not to exceed $12,500,000 to be available as provided herein to carry out cooperative agreements with the United States Employment Service for recruiting and transporting domestic workers from State to State, and imported workers, including the payment of necessary transportation, subsistence, temporary housing, and protection of such workers while en route, and including also such funds as may be necessary to be apportioned temporarily by the Federal Office of Extension to the Farm Security Administration for the importation of workers from Mexico until such time as appropriate modifications in the existing agreement between the Governments of Mexico and of the United States with respect to the importation of agricultural workers into the United States from Mexico can be renegotiated in line with the provisions of this act, but not to exceed a period of 30 days after the enactment of this act: *Provided*, That the Office of Extension Service in the United States Department of Agriculture in cooperation with the State extension services in the States which are concerned in obtaining such labor are authorized to enter into cooperative agreements with the United States Employment Service to recruit and transport such domestic and imported labor to and from the respective States and the extension services in the States either individually or collectively may enter into such agreements with the United States Employment Service to recruit and transport such labor, subject to general rules and regulations to be issued by the Federal Office of the Extension Service and the United States Employment Services: *Provided further*, That the extension services of the land-grant colleges shall be responsible for the recruiting, training, transportation, and placement of all such workers within their respective States; and the Extension Service is authorized to accept and utilize voluntary and uncompensated services and to cooperate with any other public or private agency: *Provided further*, That existing farm labor camps and other necessary housing or shelter facilities now owned or hereafter acquired by the United States Department of Agriculture and former Civilian Conservation Corps camps where suitably located shall be made available to such workers to the extent they are required and shall be operated under the supervision of the Extension Service as hereinbefore provided so long as such facilities are required for this purpose.

And so forth. The bill calls for an appropriation of $26,000,000. It authorizes the importation of farm labor, whether

there is authority in our immigration laws for it or not. Under our immigration laws only a limited quota of people are permitted to enter the United States in any given time. Under this bill there is no provision to eliminate the restriction on the immigration, but I really would have no objection at this time to that provision permitting the importation of Mexican labor if such labor is needed. I know from past experience we have secured a great deal of farm labor from Mexico and a great deal of it is available today. I concede that we may have a shortage of farm labor. We also have a shortage of industrial and other labor. The shortage of farm labor was brought about because many of the boys have been drafted and are in the service. But there are many, many who have left the farms and who have accepted positions in industrial centers because they could earn more money there than they could on the farm.

In view of the situation that confronts our country, I think it is manifestly unfair that the farm boys, when we need the food that is produced on the farms, should have left the farms in such large numbers just because they can, for the time being, obtain a higher wage and can earn more money than they could on the farm.

Mr. BARDEN. Mr. Chairman, will the gentleman yield?

Mr. SABATH. I will in a moment. I sympathize with some of the farmers—not all of them—because I have maintained and I believe now that the vast majority of American farmers are better off today than ever before in the history of America. When gentlemen claim there will be a shortage of food because the farmers will not produce, because they are not receiving the compensation that is warranted because of the increase in wages they have to pay, I disagree with them. I believe the American farmer is certainly patriotic and will not go on strike and stop growing whatever crops he can, especially in view of the fact that we have eliminated nearly all restrictions as to the amount that a farmer can grow.

Mr. ZIMMERMAN. Will the gentleman yield at that point?

Mr. SABATH. I yield first to the gentleman from North Carolina.

Mr. BARDEN. I would just like to ask the gentleman if he does not feel that the Government is more responsible for draining those boys away from the farm, by putting on one side of the road a construction camp or some other kind of Government work, setting wages up to $8, $10, and $12 a day, and then expecting that boy to stay on the farm, when the farmer cannot get enough to even pay him $2.50 a day out of the product he produces?

Mr. SABATH. I think the War Department is responsible, because they have located many of the plants away out in the country where there was no labor available. I grant that some of the plants, such as powder plants, must be far removed from populated sections, but they have placed many of those big plants 30 or 40 miles away from thickly populated sections where they could have obtained sufficient labor. Consequently, some of the boys on the farms who have seen those plants grow up in their midst have left the farms thinking that they can obtain positions for the time being which will net them much greater incomes.

Mr. AUGUST H. ANDRESEN. Will the gentleman yield?

Mr. KEEFE. Will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Wisconsin.

Mr. KEEFE. I have enjoyed the gentleman's remarks thus far, but before he concludes, will the gentleman tell us whether he is for or against this bill?

Mr. SABATH. I am trying to explain why we should not vote for this bill. It is unnecessary at this time, notwithstanding the statement of the gentleman from Missouri [Mr. CANNON], who is overanxious to serve the farmers, without giving proper consideration to the consumers of the Nation and to our Treasury.

Mr. HOFFMAN. I agree with you that we should not vote for this bill. Will you yield to me?

Mr. O'CONNOR. Will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Montana.

Mr. O'CONNOR. Now, under this bill if it is passed, could we or could we not secure Mexican laborers for the purpose of doing the hand work in the sugar-beet fields, where we have to have them if we are going to harvest those sugar beets, because we do not have local help?

Mr. SABATH. For the information of the gentleman from Montana, that section of our country has always received Mexican labor whenever it was required.

Mr. O'CONNOR. But, as a rule, too late. That is what I am getting at.

Mr. SABATH. Because some of you people were too slow. The big growers always got the labor when they needed it.

Mr. O'CONNOR. We lost crops because it was too late.

Mr. SABATH. I yield to the gentleman from Michigan.

Mr. HOFFMAN. Our boys have been taken into the Army and into the factories, and to replace these boys in their home communities while they are fighting, they are going to bring in these outsiders from Mexico and Puerto Rico?

Mr. SABATH. From Mexico.

Mr. HOFFMAN. Surely. Let our boys fight and die and let those fellows come and take their places at home.

Mr. SABATH. Now, before my time expires, this morning we granted a rule on the so-called Steagall bill. I wish you would hear what the proviso in that bill is. This brings up the point whether we are doing something for the farmers or not:

Provided further, That notwithstanding any other provision of law, rule, regulation, or order, no subsidy payment, parity payment, conservation payment, incentive payment, or payment in any other form or by any other term described, shall be deducted in establishing, maintaining, or adjusting maximum prices or in determining parity or comparable prices for any agricultural commodity.

All these bills we have passed are in the interest of the farmers and I am for them, but I am against this bill because it is manifestly unfair in itself.

I feel that the people in their respective townships and the county and State authorities are able to handle the shortage of labor to better advantage than the Government agency. It is to be regretted that the people who are complaining and criticizing the so-called bureaucrats still try to give greater power to them when it suits their convenience or when they can be benefited. I feel the bill goes altogether too far, because if we go on record as favoring this bill, or if we pass it, to aid the farmers procure labor and import labor, what is there to prevent industries who also are short of labor asking for the same privilege? I am not in position to state whether this bill has been approved by the Secretary of Agriculture, a real friend of agriculture, but whether it has or not I feel we are entering on a dangerous policy.

As I stated before, some of the gentlemen will claim there is a shortage of food, notwithstanding that we had greater crops in 1942 than in 1941, and the estimates indicate that we will have still more abundant crops in 1943.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. TABER. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, this resolution is before the House as the result of a terrible situation that has afflicted the country as the result of the operations and figurings of the long-hairs in the Department of Agriculture and the O. P. A. There is no use of being mealy-mouthed about it; we might just as well acknowledge it. Without the slightest idea of what the agricultural situation is about they have gone ahead with their rationing and fixing of prices, not on the basis of what it would cost the farmer to get the stuff out, but on the basis of what would grind the farmer down. These incompetents, who frankly have more education than they have capacity to absorb, and that is a very charitable statement, have fixed the price of the farmer's product so low that he is unable to pay help in accordance with the competition he has to face. As a result we have an extreme shortage of farm labor. That situation has been getting worse and worse. It has been accentuated by the operations of the Labor Department, by the operations of the War Labor Board, where they have raised the wages without regard to the law, without regard to the going rate for a lot of the war program, way beyond what farmers could pay and so we are brought in here now facing that situation.

There are two possible remedies that really would help a lot. One would be for the O. P. A. to go through this whole situation and give the farmer a price for the things he has to raise that would let him pay wages in competition with those who are pulling help off the farm. That would draw a large amount of help back to the farm which has gone to the factory and which has gone into war operations.

Another thing would be for the Department of Agriculture to cease standing in the way of the farmer. At the present time they are trying, by means of subsidies which are highly inflationary and which cannot be controlled so they will do the job, to keep the prices down. As a result the farmer has become completely discouraged.

This bill has just been brought in here. Frankly I intend to support it. I do not like it; I will be perfectly frank with you. It is not as bad as the program that was brought to us from the Bureau of the Budget to permit the Farm Security Administration to continue to make a mess of the farm labor situation.

The Secretary of Agriculture and three different outfits were before us which he suggested the thing be turned over to. It was perfectly apparent that the whole outfit was incompetent to handle the situation; they showed it. There was not a man on the committee who heard the testimony who would get up and say that that outfit was competent to handle it.

At this time the bill provides $6,000,000 to be turned over to the extension service of the States so they may operate the labor service within the counties, and that covers 95 percent of whatever labor the Department proposed to attempt to produce for the farmer to start with.

There is also turned over to the Extension Service, under House Resolution 96, another $7,500,000, making a total of $13,500,000 for the purpose of handling outside labor and taking care of them within the counties where it is necessary perhaps to look after some housing.

Then there is $12,500,000 to be available to carry out cooperative agreements with the United States Employment Service. This whole thing, however, would be under the direction of the extension agents in the local counties—and the State heads of this service, who are generally very competent people, people who have the confidence of the local communities.

It is a difficult situation. It has been made exceedingly difficult because the Secretary of Agriculture has failed to put someone in charge of the job and see that they were good enough and big enough to swing it. I do not have the slightest doubt but what the Extension agents in the country will do the job of getting labor together. Some labor is required in Arizona, New Mexico, and Texas, that normally come across the border from Mexico. If they would allow the farmers to handle the situation themselves they could still do it in decent shape. But the administration has entered into an agreement with the Mexican administration and they would not allow that to happen any longer, but they allow the Mexican Government to go into the Mexican States to recruit labor. It is in a mess, but in view of the terrible situation which confronts the people in the border States, and in California, I do not want to stand in the way of what Mexican labor could be brought in that way. We have, however, tried to provide for it in a way that would be intelligent.

I do not believe they can get 50,000. I was satisfied that Secretary Wickard felt they could not get 50,000. I think they can get 10,000 or 15,000, and that would be about the limit.

Then there is a proposal to take colored labor from the South and bring it North as the crop matures. That has been very useful in the vegetables and the fruit crops.

Then there is a small item here for going into the mountains of Tennessee and Kentucky and taking dairymen who are brought into the dairy States to help on the farm. From that money some good things have come.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. TABER. Mr. Chairman, I yield myself 2 additional minutes.

Mr. Chairman, on the other hand, the way the Farm Security Administration has operated it has been terrible. I was home the other day and there arrived in my home town, sent there by the Farm Security Administration, a man from the Kentucky mountains with a wife and six children for whom the Farm Security Administration had provided no job and no place to live. The first place he landed was the local relief office. That is the way they have been operating. I am just telling you one instance; I could go along a good ways.

The Farm Security Administration down to the time they came to us had spent $189,000 and obligated a million and a half. The President allocated four and one-half millions to them. It is perfectly apparent they have gotten nowhere, and they are going to get nowhere. The only way we can get anything in the way of farm labor i to do what we have set up here. The executive committee of the Extension Service here in Washington voted to assume this burden; we gave it to them after that. I hope the House will permit this to be tried out because it is the only way I see that the Federal Government can do anything to help the farm labor situation and counteract that terrible situation that these incompetents in the Department of Agriculture and the O. P. A. have created. It is a terrible situation, but we have got to do the best we can to work out of it.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield 20 minutes to the gentleman from Kentucky [Mr. O'NEAL].

Mr. O'NEAL. Mr. Chairman, I am strongly opposed to this bill. I regret that I shall hardly have time to analyze it as I should like to analyze it for the House, but I state to you that in the several years I have been here this is the most amazing performance I have witnessed.

This, Mr. Chairman, is the Dirksen bill, sponsored by a very highly regarded member of the minority party. This bill overrules the Secretary of Agriculture and in effect it denounces and condemns the Department of Agriculture as incompetent and unable to do this job. In effect, it also denounces the Secretary of Agriculture as incompetent and incapable of doing this job. Further, in its amazing provisions, brought out by the gentleman from Illinois, it requires that this Government change the contract that has been made through long negotiation with Mexico and let the Extension Service and the Employment Service write a new agreement. It almost in that way advocates breaking a treaty. Further, it has the effrontery to say to the Secretary of Agriculture: "We will give you 30 days to get out of this business and no longer." That, Mr. Chairman, is what this bill does. I have the highest respect and regard for the gentleman from Illinois; he is persuasive; he is always intelligent, and he is doing a good job which he thinks is proper. I am one of his greatest admirers in this House; but, Mr. Chairman, this bill is written in my opinion with hatred for the agricultural administration, and with disrespect for its leadership. If such were not the case I do not believe that the Dirksen bill and plan would have been offered.

Mr. MURRAY. Mr. Chairman, will the gentleman yield?

Mr. O'NEAL. After I explain the bill a little further I shall be pleased to yield to the gentleman from Wisconsin.

In addition to that, this bill does something which I believe should not be done at this time. I do not think you could do any job by dividing authority, by saying to 48 States that they do this job, instead of placing the responsibility definitely in the hands of some one particular authority, a matter so important as the production of food for the needs of this country, our allies, and their soldiers.

The Commander in Chief of the American Army, the President of the United States, recognizing manpower as a war problem, named the War Manpower Commission as the one agency to handle the over-all manpower problem. The War Manpower Commission, as a part of the war program, named the Secretary of Agriculture and the agricultural administration on January 23 as the agency to handle the farm-labor problem; so there is a direct succession as a matter of conducting the war effort, putting into the hands of the Secretary the job of handling this thing, of making a greater supply of labor available in order to produce more food. Everyone can make mistakes; probably everyone may fall down on the job to a certain extent, but the Commander in Chief put this job in the hands of the War Manpower Commission, and in this bill introduced and passed out by the gentleman from Illinois we take that authority away from the war agency and adopt a different plan. I should now like, as briefly as I can, to make this bill a little bit clearer to the membership if possible.

Mr. ROBSION of Kentucky. Will the gentleman yield?

Mr. O'NEAL. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. I understand that the Department of Agriculture is against this proposal?

Mr. O'NEAL. The Department of Agriculture would naturally be because it has been kicked out of the picture.

Mr. ROBSION of Kentucky. Do I understand further that the farm organizations—for instance, the National Grange

and the American Farm Bureau Federation—are likewise against the bill?

Mr. O'NEAL. I am coming to that. That is a part of what I want to say. May I say at this time that no two people of all the experts, Congressmen, farm organizations, or anyone else, agreed on any program. There was tremendous confusion, even among our colleagues who came before us. None of them saw it the same way. The same thing is true of the four farm bureau organizations that came before us. They did not agree in any important particulars, and, as to the Dirksen bill, there were some objections which they voiced. There was objection to the very thing I am discussing.

They doubted the wisdom of taking it away from the Department of Agriculture. My point is not that this is brought in here by a Member of the minority. I confess they do many good things on the minority side, and I would support the bill readily even though the sponsorship came from that side of the aisle if it were the practical sound thing to do. My opposition is based on the fact that it is not logical, it is not well thought out, and it is not practical. We are trifling and fiddling with a problem of tremendous importance, and the only way I know to do it is through your constituted authorities who are charged by the Manpower Commission with doing it.

The Secretary sent his recommendation and came before the committee and asked for $65,000,000. In that amount was $6,000,000 which is no longer in dispute from anybody's standpoint, which was to be used through the Secretary of Agriculture and the State extension bureaus to recruit intrastate labor. The farm bureaus backed that up and everyone seemed to be in favor of it, and it is in the Secretary's bill and the Dirksen bill. The intrastate labor which is being considered is 90 percent of all the labor that is to be recruited. So there was complete agreement by all in the Secretary's recommendation that he was willing to turn $6,000,000 over to the extension services for intrastate labor. There is no quarrel about that and it is 90 percent of the job as far as numbers are concerned.

The Secretary also recommended the construction of 250 camps for migratory labor, and there are now in operation 95 camps. He asked for $17,000,000 plus for that operation and then asked for $39,000,000 for the transportation of seasonal workers. The amount of workers they hoped to get was 350,000 seasonal workers and about 42,000 all-year-round workers to be taken from one State to another or from Mexico to this country or from the Bahamas to the Florida coast. That is all the Secretary's bill recommended.

Then they called in the various farm organizations for their advice. These farm organizations did not discuss specifically at the first meeting, and it is all in the hearings, the question of whether this amount of money was right or how the program should proceed, but did discuss the broad problem of greater production of food on the farms and their recommendations, or at least a part of them, were to the effect we should lenghten the week to 54 hours, with no extra overtime, and that we should exempt the boys from service in the Army and general things of that character.

The committee asked them to come back with more specific recommendations. They came back and tried to be more specific as to the type of bill that should be written.

As a result of that the committee brought out House Joint Resolution 94, which is available here. What we have under discussion is House Joint Resolution 96. In House Joint Resolution 94 the Secretary, the committee and the subcommittee recommended practically what the Secretary asked for except that it cut down the amount of money to $26,000,000. In the report of the committee on House Joint Resolution 94 there is made this statement which is very interesting in the light of the change now in adopting the Dirksen bill. Apparently the committee changed its point of view very materially.

Mr. O'CONNOR. Will the gentleman yield for a question at this point?

Mr. O'NEAL. I yield to the gentleman from Montana.

Mr. O'CONNOR. Will the gentleman tell us just why the committee did not follow the recommendation of the Secretary of Agriculture when he recommended the $65,000,000 or thereabouts and distribution, as the gentleman already told us?

Mr. O'NEAL. The gentleman will have to draw his own deductions. I am giving the whole picture. The gentleman can draw his own deductions from that.

In reporting House Joint Resolution 94, the committee said this:

> The committee is glad to note that by this action there has been a concentration of responsibility under the immediate supervision of the Secretary of Agriculture for the functioning of the program and that the policies and procedures for its operation will emanate directly from his immediate control and not be dispersed among the agencies to be utilized in giving effect to the various phases. The committee has left the selection of the agencies of the Department of Agriculture to implement the program to the designation of the Secretary. It does so in view of the issuance of this order of March 1.

That is where there was created a War Labor Board. So they felt the Farm Security Administration, which seems to be particularly under a cloud, was taken out of the picture by the issuance of this order. That was the action of the committee in reporting House Joint Resolution 94.

Then the various farm organizations came in with more specific recommendations, and finally the bill came out known as the Dirksen bill. That bill, Mr. Chairman, kicking the Secretary of Agriculture out and kicking the Agriculture Department out, does not conform completely to the recommendations of these farm organizations. Possibly one did. The others did not. Furthermore, all of them recommended, as far as I recall, not $26,000,000, but $37,000,000.

So we have before us today a bill brought out by the minority reducing the amount without reasonable cause. Nobody recommended that amount. The committee brought out the same amount but not upon the recommendation of one so-called expert.

Further, the bill was brought out discharging the Secretary of Agriculture, telling him to get out of this international situation, change the contract which was made, and do it within 30 days. That was not recommended by the farm organizations. I could read to you expressions by them in which most of them recommended keeping it with the Secretary of Agriculture.

Mr. Chairman, in my opinion this whole bill is an unscientific way to approach the problem. Perhaps no one can solve this problem. The War Manpower Commission has given that responsibility to the Secretary of Agriculture. If you do not like it, if you do not like his organization, then, as Old Bill, in Bairnsfather's cartoon, said, "If you know a better 'ole, go to it."

You cannot solve the job of transporting labor across State lines and bringing the workers in from foreign countries by turning it over to the State extension services and the United States Employment Office, and ordering them to negotiate a new contract, and certainly not within a short time, and time is all important.

I say that the Secretary of Agriculture, although you may not like him, has not had a fair chance to demonstrate what he could do on this job. He was not charged with the prime responsibility of doing this job until January 23 of this year. He was given $4,500,000 out of the President's fund in September. The job began after the summer season was over. At that, he recruited 13,000 men and brought over 5,000 Mexicans into this country to help with the job. The only hope of getting this job done with any amount of intelligence is to do it as a war measure through the agency, the only agency, that is competent to do it.

The truth of the matter is that there is involved some sort of hatred, some sort of suspicion; somebody does not like somebody else. They are always bringing up this question, "Let us get it away from the Department of Agriculture because they are interested in social objectives," or "There is too much concentration of power in Washington."

Here is this apparently small amount, $26,000,000, to change the nature of our country and to bring more concentration to Washington. Yet, without criticism, I have seen colleagues on both sides of the aisle come here since 1936 and get $6,000,000,000 of Federal money for the farmer, and all of it out-of-pocket expense. The control of that vast sum in Washington was under that same Department of Agriculture, which you are not now willing to trust with a little $26,000,000. The Government granted as much as one billion for 1 year. The farm representatives then came here and asked the Federal Government to do a little something along social objective

lines. Our farm bureaus, with all due credit to them, were here advocating it and asking the Federal Government to put out this $6,000,000,000 to help the farmer. Were they afraid then of too much control in Washington? Yet now there is all this hate for the Department of Agriculture because $26,000,000 is to be expended by it.

At the proper time I intend to offer as a substitute for this bill House Joint Resolution 94, which was brought out first by the committee, which also provides $26,000,000, $6,000,000 of which will handle 90 percent of the labor problem through the Extension Service, the balance to be used as the Secretary in his judgment feels is necessary to promote more farm labor, the only distinction being that we place the responsibility where it should be placed, with the Secretary of Agriculture, and do not divide the responsibility among 48 different States.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield 2 additional minutes to the gentleman from Kentucky.

Mr. O'NEAL. It seems to me that all of us, due to the fact that we are at war, seem to be a little overnervous and critical. We expect everybody to do a big job. We try to tell this fellow that he made a mistake, and we overemphasize it. I believe the war effort would go much better if we would criticize where vital things were concerned and were a little more generous, a little more liberal, as to the mistakes and possibly the failures of some others trying to do a patriotic job.

I believe we have to do this job. I do not want this House, though we may think the job cannot be done, to fail to make the effort. We may wake up next year and find that we have not enough food to take care properly of the needs of this country, and that possibly some soldier in Russia is not getting what he should have in the way of help from America to make him a better soldier to fight the cause of the Allies. I do not want us to say the job just cannot be done. This Dirksen bill is just an expression of their attitude as to the futility of the whole job, and they will tell you so. I think we as Members of Congress should provide what the Secretary asked for, and do it the best way we can. It will not be our responsibility then if next year they ask for food and we have no food to give them.

Mr. MURRAY of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. O'NEAL. I yield to the gentleman from Wisconsin.

Mr. MURRAY of Wisconsin. I do not want to argue with the gentleman as to his contentions, but I should like to have his explanation of why this work is not in the Department of Agriculture more than it has been. Is not the Extension Service a part of the Department of Agriculture?

Mr. O'NEAL. The administration of the job of the State extension services is divided among 48 different States, under the Dirksen bill. The administrators of the 48 States, in order to make an agreement as to farm labor, must go to the United States Employment Bureau, and they in turn will make an agreement with the Mexican Government or the Bahaman Government or whoever it is.

The CHAIRMAN. The time of the gentleman from Kentucky has again expired.

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. DIES].

Mr. DIES. The gentleman from Kentucky [Mr. O'NEAL], for whom I have the deepest respect and affection, has expressed the opinion that many Members of Congress are suspicious of the social objectives of some of those who are administering the acts passed by Congress. That is undoubtedly true. Some of us are suspicious of what socialistic and crack-pot bureaucrats are seeking to do and we have good grounds for our suspicions.

At this very moment the farmers are urged to produce unprecedented quantities of food and crops. Our farmers are patriotic and are, therefore, anxious to contribute their part to the war effort. To do so they must work under great handicaps brought about largely by the stupidity of certain Government bureaucrats. Without adequate machinery or fertilizer and with no sensible or coordinated program it is most difficult for our farmers, especially in the South, to reach the goals set by the Government. The failure of the Government to treat agriculture as a war industry and to develop a coordinated program have been responsible for many of the problems that now confront our farmers. Nevertheless they are striving to overcome all handicaps and they will largely succeed. The farmers of the South are extremely patriotic and they are doing everything within their power to provide food for the armed forces and the Nation. It is, therefore, most discouraging that a time like this would be chosen to question their patriotism and attack their honesty. I have here a letter written on February 20, 1943, by the National Sharecroppers Week. This organization is sponsored by a number of people including Harold L. Ickes, Mrs. Eleanor Roosevelt, Archibald MacLeish, and others. I want to read you this letter because it viciously attacks the farmers of the South whose boys are fighting in our armed forces at this very moment:

> DEAR FRIEND: This is a war about the right of peoples to live decently and in freedom. We cannot win this war simply by freeing all the peoples of Europe, Africa, and the Orient. It is harder than that. We must win it also by giving every American the economic and political freedom which is his birthright.
>
> That is why I ask your help for hundreds of thousands of sharecropper and tenant-farmer families who live bleak, despairing lives in our own South. They are a native stock wedded to the soil which nourished their ancestors. They are no longer free, for they have lost the land which gave them freedom and security. And through the poll tax they have lost the right to vote in defense of their interests. Economically pauperized and politically frustrated, they have yet sent their sons to defend our cause throughout the world.
>
> Dispossessed and embittered, they are not yet beaten. In the face of an arrogant terrorism exercised by the economic group which rules the agricultural South, these Negro and white sharecroppers and tenant farmers have builded their own organization to reaffirm their dignity as human beings. Through the Southern Tenant Farmers' Union, they have advanced a democratic program calling for abolition of the poll tax, protection for civil liberties in the sharecropper country, antilynching legislation, establishment of minimum wage levels for agricultural labor, initiation of cooperative purchasing organizations, and adequate rural housing. They call for the utilization of all land and labor resources of southern agriculture in the interests of victory.
>
> I ask your help in support of this work. We are none of us free while these Americans remain slaves in a vicious economic and political system which crushes their aspirations toward a decent life. We can help them to win freedom and security by supporting their organized effort to better their lives. A gift of $100 will enable us to reach thousands of sharecroppers with this practical program of aid. Any gift that you make will help. It will help make possible that their sons who left the America of despair may return to an America of hope founded on a new political emancipation and security on the land. I hope that you will help as much as you can.

It is inconceivable that a Cabinet officer and the wife of our President would sponsor an organization which disseminates such outrageous lies. The most superficial investigation would have shown them that these statements are untrue. Mrs. Roosevelt sought in her column a few days ago to justify her association with this organization by saying it is not wrong to recognize conditions and to seek to correct them. She did not repudiate the insulting statements contained in this letter. I must, therefore, assume that she and the other sponsors of this organization approve of these statements and authorize their issuance. When anyone permits his name to be used as sponsor or officer of an organization, he is to some extent accountable for the utterances and statements of the organization. Especially is this true when such sponsor or officer fails to repudiate such statements when they are called to his attention. Does Mrs. Roosevelt and Mr. Ickes believe that there are "hundreds of thousands of sharecropper and tenant farmer families who live bleak, despairing lives in our own South"? Why limit the statement to people who live in the South? Why hold the South up as an object of scorn and ridicule? It is significant that the sharecroppers and tenants in other sections of the country were not mentioned in this letter, and that not one word was said about the people who live in the slums and alleys of our great cities. Think of this language:

> They are no longer free, for they have lost the land which gave them freedom and security. And through the poll tax they have lost the right to vote in defense of these interests.

It was the sharecropper who time and again elected Governors, Senators, and

Congressmen in all of the Southern States.

In my own State of Texas, James E. Ferguson and his wife were each elected to the highest office in our State with the votes of sharecroppers. What is true of my State has been true of all the Southern States time and again, as everyone who is at all familiar with the situation in the South knows. If it is the poll tax that prevents people from voting why is it that throughout the Eastern and Western States, where there are no poll tax requirements, less than half of the people voted at the last general election. It is very seldom that as many as 50 percent of the people in this Nation cast their votes. It is not my purpose to argue for or against the poll tax in this speech, but I do want to point out the hypocrisy of those who say that the failure of many people to vote in the South is due to the poll tax when the record shows that the same situation exists in the States that do not have a poll tax. Consider for a moment this outrageous language, "In the face of an arrogant terrorism exercised by the economic group which rules the agricultural South, these Negro and white sharecroppers and tenant farmers have builded their own organization to reaffirm their dignity as human beings." Does Mr. Ickes and Mrs. Roosevelt actually believe that hundreds of thousands of people throughout the South are enslaved? What more effective propaganda could there be in the hands of the Axis Powers than such statements as these made under the sponsorship of the wife of the President of the United States and a Cabinet officer of this Government. If these statements are correct, what are we fighting for? If the South is controlled by arrogant terrorism exercised by a greedy and unprincipled economic bloc that has ground into slavery the majority of the people of the South, then tell me what is the use to fight on foreign soil to preserve our way of life? What more appealing propaganda can there be than such statements as these, together with the recent statement of the Vice President which admits the possibility or danger of America double-crossing Russia.

Mr. Speaker, we of the South realize that there is poverty in our midst. We know that our people as a whole are the victims of selfish national policies which deny to our section that equal and exact justice which Jefferson said is the essence of democracy. For years we have been grossly discriminated against by the maintenance of artificial freight rates designed to build up other sections of the country at the expense of the South. For decades the tariff laws and other economic policies of the Federal Government drained us of our wealth. The South has tremendous natural resources and land area. We should be and could be one of the most prosperous sections of the Nation if we were given the same consideration as that accorded to other sections of the country. If Mrs. Roosevelt and Mr. Ickes will help us to receive economic justice we can raise the standard of living of all our people in the South. The great majority of southerners long for the day when all our farmers, whether landowners, sharecroppers, or tenants, receive their fair share of the national income. Southern Representatives with no exceptions have worked hard for legislation to bring this about. In season and out of season we have fought for parity prices and the removal of discriminatory freight rates. We would welcome constructive and effective assistance from Mrs. Roosevelt and all the others who sponsor this organization. But we resent the apparent effort to exploit the poverty of the South for political purposes in the North. It comes with poor grace for people in New York, Chicago, and the other great industrial cities of the East and West to exaggerate conditions in the South and overlook the slums in their own cities. We suspect that some of these people are more concerned about the Negro vote in the North than they are about the welfare of the Negro in the South.

If you were Goebbels in charge of the propaganda machine of the Axis Powers what more effective propaganda would you want to use throughout Asia, China, and the whole world than such statements made under the sponsorship of people high in this Government? What more inappropriate moment could be chosen for such hypocritical and misleading statements than a time when we are clamoring for more food and urging the farmers of the South to produce it for us under every conceivable handicap? I hold in my hand a pamphlet issued by this same organization entitled, "The America of Despair." It depicts sharecroppers and tenants in the South as wretched and miserable victims of a vicious economic system which has reduced them to despair. Imagine this pamphlet being circulated among the downtrodden people of the earth as an example of what exists in our own United States. Has it never occurred to these professional uplifters to be fair and just in their treatment of the South and to avoid exaggeration of conditions which all of us deplore? The South is sick and tired of this well-organized campaign of abuse which is directed at her people. We are trying in every possible way to improve the economic condition of all our people. All that we ask is justice, not pity; fairness, not hypocrisy and insincere professions of sympathy for us. If the Government will treat us as it does every other section of the country we can raise our standard of living and solve our own problems.

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from Massachusetts [Mr. WIGGLESWORTH].

Mr. WIGGLESWORTH. Mr. Chairman, the Department of Agriculture and the Office of Price Administration have failed to deal effectively with the production and distribution of food. That failure threatens to make the food problem the most vital problem on the home front.

We have seen bungling in the field of rubber. We have seen bungling in the field of fuel oil. We have seen bungling in other fields. The Nation cannot afford continued bungling in the field of food production and distribution. It is a terrible thing to be cold. It is far worse to be hungry.

During the last 10 years the New Deal has engaged in a program of planned scarcity. It has carried out this program through the Department of Agriculture, the Office of Price Administration and other agencies. Many believe that the New Deal is still seeking to reduce the standard of living of the rank and file of this country, to prepare the people for a world standard of living as distinguished from an American standard of living after the war. Whether or not this belief is justified, it is evident that the country is confronted by the threat of severe suffering due to the lack of proper handling of the production and distribution of foodstuffs.

Informed authorities and dealers in foodstuffs report that they are disgusted with operations of the Department of Agriculture and the Office of Price Administration. They predict the greatest shortages in our history.

The shortages which threaten are the result, as in the case of fuel oil, of bungling, and lack of over-all planning by Administration bureaucrats. It is time for an over-all plan to be presented to the country, a plan based on correct and not incorrect estimates, a plan which provides for proper price ceilings, a plan which facilitates the obtaining of farm labor, farm machinery and farm transportation, a plan which stimulates instead of killing maximum production of foodstuffs essential to the war effort.

I hold in my hand a letter from the Acting Commissioner of Agriculture of Massachusetts.

Under leave to extend my remarks, I insert a portion of that letter at this point in the RECORD:

THE COMMONWEALTH OF MASSACHUSETTS,
DEPARTMENT OF AGRICULTURE,
State House, Boston, March 2, 1943.

Hon. RICHARD B. WIGGLESWORTH,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN: Food production is probably the livest topic right now, and I presume you would be interested in learning of Massachusetts' efforts right up to the minute.

* * * * *

Outside of labor difficulties, the most active factor in depressing production in Massachusetts and in the Nation is the price policy on milk that I have mentioned so frequently. I have read with interest and disgust the form letter from Mr. Prentiss Brown forwarded to me by so many Congressmen. I presume the letter was compiled for Mr. Brown by some smart statistician in the Office of Price Administration or the United States Department of Agriculture. I have gotten beyond appealing to the Office of Price Administration or the United States Department of Agriculture for aid to farmers on milk prices. They are going out of business right and left in order to get into industry or some other type of farming where there is a chance to make a few dollars for their families; and they are better off. What disturbs me is that the short-sighted price policy will make Massachusetts and the Nation dangerously short of milk.

When I wrote you last, the local Boston Office of Price Administration milk executives had tentatively agreed on a State-wide adjustment in prices covering over half of the

State. The local men, Dr. George Taylor and Stanley Ross, have been very cooperative. They apparently were not backed up by the Washington Office of Price Administration. When it came to a show-down, they actually allowed price increases of ½ cent to 1 cent in seven of our lowest-priced areas. We are still expecting more adjustments but, with labor, feeds, and replacement costs as high as they are, it is pretty difficult to expect herd owners to continue producing under our conditions.

Frankly, I think that the attitude toward the milk price apparently held by the Office of Price Administration and the United States Department of Agriculture is dictated by some higher authority, perhaps directly from the White House office. In the matter of potatoes and many other farm commodities, ceilings have been changed as much as 50 percent to allow for the possibility of reasonable production. In view of the fact that the retail price of foods in Massachusetts is up 20 percent above December 1941, and in view of the fact that the State and national income is up enormously, the dairy industry would normally expect an increase of 10 percent to 20 percent since the beginning of hostilities. The weighted average increase in milk prices in Massachusetts, however, from December 1941, to March 1943, have not been over 1 percent.

As I said, the farmers can do better for themselves in doing something else rather than producing milk, but it has come to a point where 1943 will probably see the greatest shortage in our history, and the sad part of it is that, if and when a shortage develops, it takes years to restock dairy herds.

Thanking you for your continued cooperation, I am

Yours truly,

LOUIS A. WEBSTER,
Acting Commissioner.

You will note that the acting commissioner states that there will probably be the greatest shortage of milk in our history in 1943. He states also that he has read with interest and disgust the form letter from the present Price Administrator forwarded to him by so many Members of Congress. He states that he has gotten beyond appealing to the Department of Agriculture or the O. P. A. for aid to farmers on milk prices. He adds that farmers are going out of business right and left in order to get into industry or some other work where there is a chance to make a few dollars for their families.

I also hold in my hand a telegram from the secretary of the Massachusetts Retail Grocers' and Provision Dealers' Association.

I insert the telegram at this point in the RECORD:

BOSTON, MASS., *March 5, 1943.*

Proposed meat-rationing program calling for substitution of cheese for meat on the basis of 1¾ pounds per person of the two combined cruel hoax on American public. Meat famine, including poultry, worst in history. No meat available to eat this week. Rationing no answer to this situation. No magic in rationing program will correct this meat shortage. Packers, shipping from 10 to 20 percent of reduced allowance to New England, state that reason is financial loss suffered on each car shipped. If they are right, demand that they set own price until meat famine is ended. Massachusetts awarded top amount of war material production. War workers need meat quick. Government's assumption that retail dealers can stay in business while rationing and price experiments are worked out is wrong. Strong trend to revolt against Washington's ill-conceived rationing programs now evident in retail food trade. Not opposition to rationing, but opposition to programs based on lack of supplies of homegrown food that should be available in sufficient quantities to avoid rationing.

MALCOLM MCCABE,
Secretary, Massachusetts Retail Grocers' and Provision Dealers' Association.

You will note that the secretary characterizes the proposed meat-rationing program as a cruel hoax on the American public. He states that the meat famine, including poultry, is the worst in history. He says that meat producers are only shipping from 10 to 20 percent of the allowance to New England. He adds that a strong trend of revolt against Washington ill-conceived programs is evident.

On June 23, Mr. Chairman, I wrote a letter to the Secretary of Agriculture. In that letter I called attention to his official estimate to the effect that the 1943 meat supply after satisfying the requirements of the Army, the Navy, and the Lend-Lease Administration would be only 8 percent less than the supply in 1942. I called attention also to the deplorable conditions said to exist in Boston and other parts of the country; to the fact that meat was said to be obtainable only at exorbitant prices; to the fact that horse meat was said to have been sold in the leading market places.

The letter follows:

JANUARY 23, 1943.

Hon. CLAUDE R. WICKARD,
Secretary of Agriculture,
Department of Agriculture,
Washington, D. C.

DEAR MR. SECRETARY: I am advised that according to official figures from your office, there is in contemplation for the calendar year 1943 a reduction of about only 8 percent in the total supply of meat available for civilian use after the Army, Navy, and lend-lease requirements have been provided for. If this figure is correct, I cannot understand the acute shortage in meat in various parts of the country at this time. The situation in Boston, Mass., as reported by various constituents, is deplorable. I am advised that it is extremely difficult to obtain meat except at exorbitant prices and that horse meat has been sold in leading market places for some time past.

I should appreciate hearing from you at an early date in this connection.

Sincerely yours.

Not until February 24, over a month later, Mr. Chairman, did I receive any reply.

I insert the reply at this point in the RECORD:

DEPARTMENT OF AGRICULTURE,
Washington, February 24, 1943.

Hon. RICHARD B. WIGGLESWORTH,
House of Representatives.

DEAR MR. WIGGLESWORTH: This is in reply to your letter of January 23 relative to the meat situation in Boston, Mass.

On the basis of estimates prepared in the Department it was contemplated that the total quantity of meat available for civilian consumption in the calendar year 1943 would be approximately 8 to 10 percent smaller than in 1942. However, it was expected that farm slaughter for consumption on the farm would increase materially because it did not appear practical to limit it directly. In addition, local retail slaughter and sales by small non-quota packers were not reduced. As a result the reduction in commercial meat supplies was about 25 percent below 1941 during the 3 months October–December 1942. During the present quarter the reduction is about 30 percent below January–March 1941, and because the civilian sales in January–March 1942 were exceptionally large, the reduction from 1 year ago is considerably greater. For the past 4 months marketings of hogs have been smaller than anticipated, and marketings of cattle decreased in December and January. These reduced marketings of livestock obviously have not permitted the armed forces and lend-lease to obtain adequate supplies to fill their needs. This has resulted in a sizable reduction of the quantity of meat available for shipment to Great Britain.

The above factors have contributed to the situation but perhaps the factor contributing most is that New England has always been a deficit meat producing area. Before the adoption of price controls, the interaction of supply and demand moved meats from surplus producing areas to deficit areas. Now that ceiling prices have been established for meats and civilian supplies have been reduced, normal distribution has been upset because packers find it possible to sell at ceiling prices in the surplus producing areas most of the meats they have available for civilians. Under these conditions some other means must be found to move meats into deficit areas, but it should be recognized that any measures adopted will be more or less makeshift.

We believe that rationing will result in a more equitable distribution of meat to consumers; however, it will not solve all of the distribution problems at the wholesale level. We are considering all angles of this problem in an effort to find a practical and equitable means of distributing meat supplies, but we do not expect to be able to distribute meat through all handlers who were previously in this business, even though they may have been quite necessary in the meat distribution trade in normal times.

Sincerely yours,

GROVER B. HILL,
Assistant Secretary.

The reply received, if I read it correctly, is an admission that the estimates of the Department were wrong to the extent of over 400 percent, and a statement that this fact, combined with O. P. A. ceilings, had created a problem for which the Department to date had found no remedy.

Mr. Chairman, it is impossible to expect the people of the country to have confidence in the bureau chiefs of this administration under such conditions.

The representatives of the Department of Agriculture appeared before your committee with reference to the bill under consideration. They recommended a program costing $65,000,000.

The evidence was far from satisfactory. Secretary Wickard himself admitted on several occasions that he was not familiar with the details of the plan he sought to justify. His assistants were also unable to give detailed justification, and finally admitted that the estimates were largely a shot in the air.

The committee was informed that some 3,000,000 workers had left the farms in the past 2 years, two-thirds of them going to industry, the other third into the Army or the Navy. We were told also that the objective sought was 3,500,000 additional farm workers. Of this total 350,000 seasonal workers, and 42,000 year-around workers were to be recruited and transported from other States or other countries, the balance to be recruited locally within the several States.

The Secretary's proposal included 6 projects—a project of $6,000,000 under

the Extension Service for the mobilization of local labor resources; a project of $40,000,000 for farm labor transportation under the Farm Security Administration; a project of $17,000,000 for farm labor centers, also under the Farm Security Administration; 2 miscellaneous projects amounting to about $225,000; and a project for administrative expenses of about $1,300,000.

The plan called for 90 to 95 percent of the recruiting to be done through the Extension Service with the appropriation of $6,000,000.

Fifty-seven million dollars were requested for 5 to 10 percent of the recruiting on an interstate basis, including not only recruiting but transporting, housing in some 345 camps, doctoring, and placing in employment.

In this connection form contracts were shown to the committee for execution by farmers which covered wages, hours, housing, collective bargaining, and everything else under the sun, including the requirement that imported labor should not work on Sunday, whether or not apparently the cows insisted on being milked on that day.

The program called for an extensive administrative set-up, including medical officers, dentists, labor coordinators, labor consultants, labor analysts, health specialists, program analysts, information specialists, labor representatives, and many others—a total personnel of 3,447 being contemplated for the 6 projects.

The program was to function through 6 different agencies of Government, and while $57,000,000 was requested for the transportation features of the plan it appeared from a table, which you will find on page 11 of the hearings, that for the 5-month period ending February 1 for similar work, under allocation from the President, only $189,000 was actually spent.

For my part, it is impossible to go along with the proposal of the Department of Agriculture. In the light of the evidence submitted to your committee it just does not make sense.

The representatives of the national farm organizations, Mr. Chairman, also appeared before your committee. Representatives of the American Farm Bureau Federation, the National Council of Farm Cooperatives, and the National Grange were unanimous in condemning the plan proposed by the Department of Agriculture. They were unanimous in condemning the proposed bureaucratic controls and restrictions; the proposed duplication of effort in the field; the proposed social reforms under the guise of war; the proposed contracts to which I have referred. They were unanimous in condemning the work done to date by the Farm Security Administration.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. TABER. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. WIGGLESWORTH. There is a lot of detailed criticism of F. S. A. from many sources in the hearings. If you want an extreme example, I call attention to page 119 of the hearings, to the testimony before the Senate Committee on Agriculture, where you will find a picture painted of drunkenness, debauchery, and refusal to work, by labor imported into the fields of Florida under the Farm Security Administration.

The farm organizations referred to were unanimous in recommending decentralization; unanimous in expressing their confidence in the Extension Service of the several States of the country; unanimous in their opinion that $65,000,000 was altogether too much money.

Subsequently, Mr. Chairman, the proposal before you was introduced, calling for an appropriation of $26,100,000.

This proposal would provide $13,500,000 for recruiting, transportation, and temporary housing within the States and $12,500,000 for recruiting, training, and placement of labor from outside the several States.

This proposal would reduce the total to be appropriated from $65,000,000 to $26,100,000. It would eliminate expensive overhead. It would eliminate duplication of effort in the field, bureaucratic control and restriction, and social reforms under the guise of war.

It would place the program largely in the hands of the Extension Service, in which the farm organizations testify that they have confidence.

The appropriation called for represents, as I understand it, the best estimate of the Extension Service, which is prepared to undertake the suggested program.

There are differing views, Mr. Chairman, in respect to this bill. There may be those who want to go along with the Secretary of Agriculture's proposal. There are those who want to cut the figure to $12,000,000. There are those who want to eliminate the proposal entirely.

Personally, I am willing to go along with the committee report, which has the support of the national farm organizations referred to. I think the proposal is the best which has been presented. Some action on our part is imperative. With the threat of food shortages ahead, with all that they can mean, not only to this country but to our allies, I prefer in this instance to err on the liberal side.

The CHAIRMAN. The time of the gentleman has expired.

Mr. TABER. I yield to the gentleman 1 additional minute.

Mr. WIGGLESWORTH. In the light of the testimony of the national farm organizations I am willing to give the committee proposal a trial. I am willing to vote to appropriate $26,000,000 under the jurisdiction of the Extension Service of the several States of this country. I have confidence enough in that Service to believe that the money will not be expended unless it produces results.

The importance of the farm labor problem cannot be exaggerated. Its solution is vital. Important as it is, however, it is only a part of the manpower problem as a whole which confronts the country. That problem cannot be solved piecemeal. Sooner or later we must have an over-all plan, taking into consideration the requirements of the farm, the requirements of industry, the requirements of the Army and Navy—an over-all plan behind which we can throw the united effort of the Nation.

I yield back the balance of my time, Mr. Chairman.

Mr. WOODRUM of Virginia. I yield to the gentleman from Georgia 10 minutes.

Mr. TARVER. Mr. Chairman, my excuse for consuming any time, even to the extent of 10 minutes, is that while the Subcommittee on Agricultural Appropriations did not report this bill, it has received a tremendous amount of evidence with reference to the problems which are involved, and with reference to the activities of the Farm Security Administration and the United States Employment Service in endeavoring to deal with that problem.

The gentleman from Kentucky [Mr. O'NEAL] says that this is a futile bill. I am afraid that I am compelled to agree with him, although I hope that I am mistaken. The gentleman desires to increase the amount of the bill to $65,000,000 plus. In my judgment that would do nothing but increase the futility of the bill by two and a half times. I do not believe that you can deal with this very important problem of trying to procure adequate farm labor for those sections of the country where there is a shortage of such labor merely by making either small or large appropriations. If I felt that you could bring about a satisfactory adjustment of that condition by appropriating a half billion dollars I would be one of the first to signify a willingness to do it, but before we undertake to hand the farmers of this country a stone instead of a piece of bread, so far as this labor program is concerned, may we not just for a moment examine the fundamentals of the situation and determine, as men of common sense, whether there is any possibility that this money we are asked to appropriate will accomplish anything toward the solution of the problem for which it is intended to be used.

Of course, I think there is no disagreement of any particular consequence among those who have studied the subject matter as to what is the cause of our current farm-labor shortage. It is brought about in part by the induction of men into the military services of the country who were essential agricultural workers and by the policy of the War Department in refusing to furlough to their farms, on which they had been accustomed to do essential farm work, men who have been inducted into the services.

It is brought about in part by the fact that the farmers of the country are unable, on account of farm prices, to offer prices to labor which are competitive with prices offered in industry, and particularly in war industry.

By this bill we are not asked to undertake to deal with the fundamental causes of the trouble, we are leaving these causes still in existence, and some are attempting to fool the farmers of the country by saying to them that we are setting up a huge organization of Federal employees with an appropriation of

$26,000,000, and that organization is to secure for them farm labor. Where is it to secure it? They say we are going to get 3,000,000 from the high schools of the country, that we are going to take the city high-school boys, who have never had any experience on the farm, who would not know anything about plowing with a mule, or hoeing cotton or corn, or of discharging the most simple farm tasks, and we are going to supply your needs for farm labor by putting these high-school boys to work. Every man here who was raised on a farm, who knows anything about farm operations, knows that except for the most simple tasks, untrained child or boy labor of that type would be practically useless.

They say we are going to import 50,000 Mexicans. I do not know whether they will be able to do that or not. I do not know anything about Mexican labor. I do know this: That they have had this program in existence for several months. The President allocated, months ago, $5,000,000 for the purpose of undertaking to deal with this farm-labor situation and not only the Farm Security Administration, but the Employment Service in cooperation therewith, have been endeavoring to do something about it for some 6 or 7 months.

You will note from this bill that the Employment Service is to be charged with a part of the responsibility under this bill. What has been accomplished in their activities and those of F. S. A. to date? They have imported, I think, some 5,000-plus Mexican laborers and they have procured some 8,000-plus laborers for the seasonal truck industry on the eastern coast. In other words, with this $5,000,000 they have only been able to fill the need for something less than 14,000 laborers. While they have had $5,000,000 they have only been able to obligate approximately $1,500,000, and with that record of lack of accomplishment they have shown with the original funds they now come in and ask the Congress to appropriate something over $65,000,000 to continue a similar program. It would not make so much difference as to what organization of the Department is to carry it on, presumably the Employment Service at least would follow the same practices it has in cooperating with F. S. A.

The question is whether or not from the experiences we have had there is a reasonable prospect of doing anything for the farmers by this sort of program and of getting our money's worth whether we appropriate $26,000,000 or $65,000,000. I should like to give you an idea that I advanced in the Committee on Appropriations but which was declined by a very small majority of the committee.

I do not think we should begin this enlarged program with too much money if we begin it at all. As I said awhile ago, they have had $5,000,000, but they have obligated only $1,500,000, and their operations have covered a period of some 6 or 7 months. Why give them $65,000,000 or $26,000,000? Why not start them out with a modest appropriation of say $12,100,000, $6,000,000 to the Extension Service as contemplated in the original estimate and $6,000,000 to be used in their experimentation in the matter of interstate transportation of laborers and the importation of laborers from Mexico in cooperation with the Employment Service, and $100,000 to be used to administer the expenses in Washington?

Let them work along with those funds for a while. If they are able to accomplish anything of a material nature toward the relief of this situation then, in my opinion, everyone of us will be willing to give them all the money they need and all that they can use in endeavoring to carry it on; and since Congress will be in session all the time all they will have to do in a month or 6 weeks will be to come back and say: "Here is what we have accomplished with $12,000,000; we are asking you to give us more money in order that we may successfully carry on this program." Why is not that the sensible thing to do? I want to call your attention to the fact, especially some of you boys from the South, that the Employment Service which has been cooperating in this program carried on by the Farm Security Administration has been in some sections of the country endeavoring to take tenants and sharecroppers away from landlords where they have contracts that they are satisfied with and ship them into other States. In my district a man representing the War Manpower Commission in the Employment Office at Rome, Ga., had in some way procured a list of those who had registered for military service; who had farm background. He sent out notices to those people to have them come in to see him. He told the tenants of a certain reputable farmer, four in number, who went to the office to see him, that they must go to Florida to accept employment.

They said: "No, we have made contracts with Mr. So-and-So; we are satisfied. We don't want to go to Florida."

He said: "Unless you go to Florida you are going to be drafted into the Army."

I have this upon the authority of a gentleman of very high character.

Now the Employment Service is one of the agencies which are to be used under the provisions of the pending bill for carrying on the interstate transportation of labor. This man was using the office of the Employment Service. Is that the sort of thing for which you want to provide unlimited funds?

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. WOODRUM of Virginia. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. TARVER. We have in this Chamber Representatives from every section of the country. You want laborers in your districts and in your States, and so do we in Georgia. Is there a Member in this House here present today who has any surplus of farm labor in his district that he thinks could be moved to any other district or any other State? If there is, I pause now to invite him to stand and call attention to the surplus labor situation in his district. I observe that not a single Member of the House shows by standing that he has any labor that he wants shipped out of his district anywhere. So it is a proposal to go somewhere else and get the labor from somebody else who does not want to lose it and bring it in to somebody's district or into somebody's State.

Some high authorities of the Government a few years ago indicated—and some of not so high degree have indicated recently, that they propose to carry on an ambitious program to relocate the farm population of the country. They claim in particular that in the South the ancestors of some of our people showed poor judgment in locating down there and that notwithstanding the fact that their sons and grandsons have been satisfied to live there they should be persuaded to leave for more fertile sections of the country. There are those who think it is intended to carry on that kind of program if this appropriation is granted and that at least some of those back of it are not thinking so much of a present emergency need but of this wild, senseless plan to relocate the farm population of the country. I certainly want us to keep control of this labor program, having them come back for more money when they can justify using it, and not at any time allowing them to start a project of that sort.

Mr. WOODRUM of Virginia. Mr. Chairman, I yield the gentleman one-half additional minute.

Mr. SHAFER. Will the gentleman yield?

Mr. TARVER. I yield to the gentleman from Michigan.

Mr. SHAFER. I merely want to call the attention of the gentleman to the fact that we do not have labor that we wish to move from one section of the country to the other, good farm labor, and that we will have less farm labor in our districts if ceilings are placed on cattle and hogs as is contemplated by O. P. A.

Mr. TARVER. Mr. Chairman, I am going to offer an amendment to cut down this appropriation to $12,100,000 from the proposed $26,100,000.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WOODRUM of Virginia. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. KLEIN].

Mr. KLEIN. Mr. Chairman, I am particularly concerned over features of this bill which would abridge the rights of certain of our citizens to the profit of others. Agriculture as a whole, in spite of the great difficulties with which it is beset, is enjoying its greatest prosperity in many years. The unprecedented demand for foodstuffs is benefiting particularly those growers who, given an adequate supply of labor, are equipped to produce at maximum capacity. This bill proposes to supply such growers with labor drawn from the rank and file of less fortunate farmers, and would permit them to use that labor as they choose, giving no guaranty of fair wages or working conditions, and making no provision for even minimum standards of housing and sanitation. This would be exploitation of a kind repugnant to our American sense of fair play. Moreover, it would make the Gov-

ernment of the United States a party to the exploitation. I think it would be a defeat for the cause of freedom if we now were to withdraw the safeguards which we have provided for agricultural workers and make them mere units of labor at the command of commercial growers. I think the resolution should be rejected as unworthy of this Government.

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from Kansas [Mr. LAMBERTSON].

Mr. LAMBERTSON. Mr. Chairman, I expect to support the amendment that will be offered by the gentleman from Georgia [Mr. TARVER] to reduce this to $12,000,000. I think that is about right. I was against the original proposal involving $66,000,000 because it is an entirely new set-up. With all the bureaus and agencies that we have now, they want to come along here and create a new set-up complete and ask for $66,000,000 for that purpose. Six million dollars of that was to take care of 90 percent of the labor, as they estimated it, and $60,000,000 to take care of the 10 percent. In the $60,000,000 and the 10 percent was this new set-up guaranteeing social gains, bringing the C. I. O. to the farm.

Now that is going to make your farmers mighty happy. If you vote to bring the C. I. O. out to the farms, with all its social gains, it will please your farmers, I am sure. The C. I. O. wants to get out there. That is a part of the scheme of the $66,000,000. It is to get them out there and to put these social gains on the farms. As a member of the Labor Committee when the Fair Labor Standards Act was being considered and passed, and I moved to recommit it, which was lost, I stated that they intended to include all labor other than what was just engaged in interstate commerce. I could see it all through the hearings, and they did. They construed everything to be interstate commerce.

My second prophecy is this. Madam Perkins has fixed wage scales in defense areas and they are going to try to foist those on the rest of the country. This is one vehicle to help bring it down to the crossroads. That was evident all the way through. It was evident in the hearings. There were these contracts stating what we had to do with these people, how we had to take care of them, and what we had to pay them and also the camps. It was bringing it down to purely and simply that.

If we want to do anything to discredit ourselves as farmers or people interested in farm constituencies, just vote for anything above $12,000,000 in this bill and you are giving aid to it. Anything above $12,000,000 in this bill helps to bring the social gains down to the farmers, and I refer to the social gains of the C. I. O. That is what is in this bill. There is no compromise.

My good friend from Illinois, the author of this bill, and the gentleman from Detroit who is going to talk very soon, as well as the gentleman from Kentucky, are all afraid that maybe they might do a little falling down and they better give them a few extra millions on top of it just to say that they cannot hang it on to us if it fails. That is all the excuse and all the argument they have: Let us give them a few extra millions here, and if they do fall down they cannot say that we did it.

Mr. Chairman, I do not subscribe to that sort of legislation and economy myself. There are two ways to get farm help back to the farms. Get the boys out of the service that belong back on the farms who can help. Cut this wage scale and get this 54-hour week, which, of course, is impossible under our present set-up. We are frozen into this very thing. If you could get the 54-hour week and the overtime taken off, we would get more of those farm boys back on the farm who went into defense work. Those are the two things that we could do to help the farmers.

Cloistered people do not know what the hot July sun means. You know, these defense workers all work under roofs. People who do not know what the hot sun is in July are in the way out there on the farms. I have been a farmer all my life, and I know that the city boy who comes out there, who is not used to the hot sun, is not worth much of anything. They talk about bringing girls and Mexicans and other people to handle our farm machinery. That is not going to do much good. As a farmer, I honestly and conscientiously believe, noting the reaction of this thing as applied to the farmers, that if we allow anything more than $12,000,000 in here we are giving it away for no good purpose. We are riding the fence, we are straddling the issue. That is just exactly what we are doing. I would say, rather, give them the $66,000,000 and all of their cockeyed theories that go with it and let them repudiate themselves, or else let us hold this down to $12,000,000. Let us meet the issue.

Mr. BREHM. Will the gentleman yield?

Mr. LAMBERTSON. I yield to the gentleman from Ohio.

Mr. BREHM. May I say to the gentleman I agree 100 percent with all the gentleman is saying, and I hope to ask for that very thing.

Mr. LAMBERTSON. Four members out of the seven members of the subcommittee that deals with the appropriations for agriculture are with our chairman, the gentleman from Georgia, on this proposal.

Mr. CURTIS. Will the gentleman yield?

Mr. LAMBERTSON. I yield to the gentleman from Nebraska.

Mr. CURTIS. I have before me an article appearing in the Times-Herald today which says:

> Chairman Paul V. McNutt, of the War Manpower Commission, yesterday endorsed the use of incentive vacations and incentive bonuses for workers to reduce absenteeism in industrial plants.

I would suggest to the gentleman as a member of the Appropriations Committee that he find out how many farm boys it will take to go into the factories and work for these fellows while they take their vacations.

Mrs. ROGERS of Massachusetts. Will the gentleman yield?

Mr. LAMBERTSON. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Is it not true that you must watch very carefully that people coming in from Mexico are not undesirable refugees who are just waiting for a chance to get into this country under the guise of being Mexican farmers?

Mr. LAMBERTSON. I think the gentlewoman is absolutely right. I heard Mr. McNutt testify before our committee when we asked him what ideas he had for manpower to help out the farmers and his whole idea was we would go to Mexico, the Bahama Islands, and Central America and South America. He even proposed that we bring them up from South America.

Of course, we should have an interpreter with each one of them that is sent out on a farm so that the farmer could talk to him, and then he would have to have his accommodations and his sanitation just right, he would have to have time and a half for overtime, and he would have to have a lot of social workers and bookkeepers along to see that he was taken care of.

The gentlewoman from Massachusetts has just made another suggestion along that line. I think if we get hordes of workers from South America, Central America, the islands of the West Indies, and from Mexico, and then find they are not worth their salt, then we have them here, and God pity us as to what we shall do with them. And we will have done it all in the name of helping the poor farmer.

Mr. McMURRAY. Mr. Chairman, will the gentleman yield?

Mr. LAMBERTSON. I yield to the gentleman from Wisconsin.

Mr. McMURRAY. The gentleman is unquestionably an expert at getting people from industry back on the farm. Will the gentleman explain to the House how he got his son to leave a $125 defense job at Fort Riley, Kans., and go back on the job on the farm?

Mr. LAMBERTSON. That is a perfect untruth. Since the gentleman wants to bring that up—I heard that somebody made that statement over the radio—I will say that my son has always lived on the farm except 4 years attending the Kansas State College, has been farming for himself and living on the same farm for 10 years, that he is 33 years old, has a wife and two small children and he did not leave any defense job to go to the farm.

Mr. McMURRAY. Just as a question of accuracy, then, will the gentleman answer this question? Did the person we are talking about have a defense job last year?

Mr. LAMBERTSON. No; not last year. He worked in the winter about 2 months, 2 years ago, for a Topeka contractor, at Fort Riley, year before Pearl Harbor, driving a caterpillar tractor. His family remained on the farm and a hired man cared for the stock but he has never been off the farm the rest of the years.

He has farmed these 500 acres for 10 years. It is an effort to discredit me because of a statement that has been made here on another subject.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. WOODRUM of Virginia. Mr. Chairman, I yield 5 minutes to the gentleman from North Carolina [Mr. KERR].

Mr. KERR. Mr. Chairman, I think this bill has a great deal of merit to it and ought to be considered seriously.

The Department of Agriculture approached the Budget and made out a case that was sufficient for the Budget to recommend that the Department of Agriculture have $65,075,000 to do what they thought was an important thing to be done in this country at this time, namely, to regulate the distribution of farm labor and adjust it so that various sections of the country could get help on the farm and increase production this year.

It has been said here that this is the Dirksen bill. I do not understand how that could possibly be claimed with any degree of accuracy, because this bill was written by the 43 members of the Committee on Appropriations and is the committee's bill. It is not the bill of the gentleman from Illinois [Mr. DIRKSEN] or the bill of the Farm Bureau. The committee thought the amount recommended by the Budget for the Department of Agriculture, to be largely administered under the Farm Security Administration in that Department, was too much and cut the amount to the $26,100,000 which is in this bill, $13,500,000 to be administered through the State extension service or the several States, and $12,500,000 to be administered through the State and National extension services jointly, and $100,000 to be used for administrative purposes. This is the bill of the committee now under consideration and represents the amount the committee thought proper to bring here and ask you to appropriate for this important object.

The gentleman from Kentucky [Mr. O'NEAL], of whom I am very fond, stated just a few minutes ago on this floor that this bill should be administered under the Farm Security Act. I think he was sincere about it but I disagreed with him. The gentleman from Georgia [Mr. TARVER] says the bill will give no relief at all but that he is willing to cut the appropriation $12,000,000 just to try it out. I cannot agree with my distinguished friend.

I think this bill should be administered through the State extension service, collaborating with the Federal Extension Service and the United States Employment Service, when it becomes necessary to transport labor, the supervision thereof, and the protection of the worker and his family. The local officials of the county extension services in each State are best equipped to take care of this problem under the direction of the county farm agent and its farm committee than any other agency of the Government, certainly much more efficiently than any other agency set up or functioning outside of the State and county, and can also perform the services at much less cost. I live in the great agricultural section of North Carolina, and I know that in my State the greatest care was taken in securing in each county the men who would administer the extension services of the State. These men have been selected from among the best farmers in each county; they know the local problems and they know how to best cooperate and get best results for this great industry.

I regret that I have not time to go fully into the discussion of the fine results the farmers of North Carolina have attained through the Extension Service in our State. In the administration of the A. A. A. this Service has, through the direct contact with the individual farmers and its sensible approach to the farmers' problems, created a cooperation on the part of the farmer never before attained, and secured for this great industry a success unparalleled in the country's history. I insist that the cooperation of the Farm Administration of this Nation as provided in this bill is the best and the correct way to meet this labor problem or any other problem affecting the agricultural interest of this Nation.

Insofar as the great agricultural sections of this country are concerned, the committee thought the proper thing to do was to cut this appropriation to $26,100,000 and then turn its administration over to people who know how to administer it and know the problems they must face.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. KERR. I yield to the gentleman from Arizona.

Mr. MURDOCK. I agree thoroughly with the gentleman that the county agents and local representatives of the Extension Service know about labor conditions within our own country, but how about the importation of foreign labor? Can they do as well on that problem? In my State we need labor from Mexico.

Mr. KERR. This bill takes care of that. This bill provides that the State and Federal Extension Services, collaborating with the United States Employment Service, can take care of the very item of which the gentleman speaks.

Mr. Chairman, this bill should be passed.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. TABER. Mr. Chairman, I yield now to the gentleman from Ohio [Mr. BREHM].

Mr. BREHM. Mr. Chairman, the gentleman from Missouri, the able sponsor of this resolution, has said that this resolution and no resolution or bill which this House could bring forth, would now solve the farm-labor-shortage program.

I agree 100 percent with the first part of this statement wherein he admits that this resolution will not solve the farmers' labor problem now, but I can see cause for argument with respect to the last part of this statement, wherein he says that no bill which we might present could or would solve this problem.

To me that statement is an admission of weakness and helplessness on the part of Congress.

I am not so conceited as to think that I have the complete answer to this problem, but I am so bold as to suggest that if the farm boys who are now in the Army, as well as those who have secured employment in industry since December 7, 1941, be honorably discharged from the Army and from industry and be returned to farm labor, that it will go a long way toward solving this farm-labor shortage and it will not require $26,000,000 to put this program into operation.

Any vacancies created in industry by the discharge of these farm laborers, can readily be filled by some of those now employed in our defense plants, who are actually falling over themselves in an effort to keep busy with no material with which to work.

I have been told by men and women engaged in defense industry that this overmanned situation does exist, and in my humble opinion this problem as well as the farm problem cannot be solved by importing foreigners.

For God's sake let us keep something for ourselves if that is possible under the present international policies.

Mr. TABER. Mr. Chairman, I yield now to the gentleman from Minnesota [Mr. O'HARA] 5 minutes.

Mr. O'HARA. Mr. Chairman, let me say at the outset that I join my distinguished friend from Kentucky [Mr. O'NEAL] in his concern about our food production in this country. Also, I am likewise disturbed by not only food production, but the matter of food distribution in this country. We are all familiar with the school-lunch program. We remember that we had a food-surplus program. As I understand it, today the food-surplus program has been changed to what is known as a food-distribution administration. I think if anyone knows what is the situation at home, it is our local officials who are charged with looking after the welfare of our people. In the last week I have had one letter from a county welfare board and a resolution from another county board, in addition to some letters from private individuals with reference to what seems to me to be a rather critical matter in respect to foods. Let me call attention to the fact that I think all of us thought the school-lunch program was a good program at the time for our school children. But here is a letter from a county welfare board upon this subject which I think is rather enlightening. This letter is dated February 25, and it states:

COUNTY WELFARE BOARD,
February 25, 1943.

Hon. JOSEPH P. O'HARA,
Minnesota Representative,
Washington, D. C.

DEAR MR. O'HARA: Now that foods are being rationed and there is supposed to be a food shortage, we cannot understand why the Federal Government continues to send foods to the counties for distribution to the schools for school-lunch programs.

This week, we all registered for our ration book 2 under the point system. We are told prunes will be one of the high point foods—20 points (almost one-half of a person's points for a month) for 1 pound of prunes. Yet, yesterday, February 24, we received notice that seventy 25-pound boxes of prunes are being sent to our county for distribution to the schools. This is only one of the many rationed foods we are to receive. A short time ago, we were asked to send in a requisition for canned tomatoes—another food we have been unable to buy at our grocery stores.

Our men in the armed forces complain of having no milk and having to drink black coffee. We have in storage over 3,000 cans of milk which we are supposed to give to our schools. Our children don't want canned milk. Ninety percent of the children in our schools come from farms and have all the fresh milk they want and can use at home. Nevertheless, we are asked to push this milk. I realize 3,000 cans of milk would not go very far in an Army camp or naval station but there are hundreds or thousands of counties just like ours throughout the United States. Why aren't these things sent to the men who are giving their all for us rather than being stored in courthouse basements? This problem has been discussed many times. Our board feels it is a farce.

In discussing the program with representatives of the State agricultural office, they explain that it no longer is a surplus program but a diversion program—foods that have been bought by the Government for lend-lease and cannot be sent overseas. It is impossible to explain this to the public The teachers are giving their time to help with registration for rationing and at the same time are asked by our office to come and get some of these rationed foods free of charge for their schools.

We know there are some foods such as fresh fruits that would spoil if not used immediately. Why dried and canned foods should be distributed in this way is the question that keeps turning in our minds.

Anything you can do will be appreciated. Thank you.

Very truly yours,

COUNTY WELFARE BOARD.

Mr. Chairman, here is another from a county board in which they have passed resolutions demanding an investigation of the food administration. They state they have recently had sent to their counties large numbers of canned goods such as grapefruit juice, pork and beans, rationed items, such as apples, peanut butter, walnut meat, and tangerines, all of which are not needed in that county.

The resolution follows:

Whereas the distribution of food commodities has served an important part in the assistance of school children in Blue Earth County and throughout the Nation in times when residents of this county and other counties throughout the Nation were in need of said assistance; and

Whereas a state of emergency in connection with the war effort now exists, and the need for said food distribution has now passed, and some of the items included in said food distribution are rationed items; and

Whereas certain food commodities have recently been sent to Blue Earth County, consisting of grapefruit juice and pork and beans, which are rationed items, and apples, peanut butter, walnut meats, and tangerines, all of which are not needed in Blue Earth County: Be it therefore

Resolved, That the Blue Earth County Welfare Board at Mankato, Minn., do hereby protest against the further distribution of said food commodities in Blue Earth County and elsewhere, and respectfully request our representatives in the United States Senate and the House of Representatives in Congress to take immediate action to stop said food distribution immediately.

By order of the Blue Earth County Welfare Board.

W. C. MENKS,
Chairman, Mankato, Minn.

It is not only just in Minnesota, but out of the Washington Star of the issue of March 12, 1943, in Virginia, in the city of Alexandria it is stated by the superintendent of schools that he has received 16 cases of canned tomatoes and 15 boxes of prunes with 25 pounds in each box. I call attention further to the following item of what I think is a terrible wastage of food:

[From the Washington Evening Star of March 12, 1943]

VIRGINIA SCHOOLS GIVEN RATIONED FOOD AS SURPLUS

Although they are rationed, canned tomatoes and prunes have been included in the foods classed as surplus commodities and given out by the Virginia State Department of Public Welfare for distribution to school cafeterias, according to T. C. Williams, superintendent of the Alexandria schools.

Mr. Williams revealed that the February allotment to the Alexandria schools included 16 cases of canned tomatoes and 15 boxes of prunes with 25 pounds in each box. Canned tomatoes carry a 13-point-per-pound value. Prunes, however, were cut to an 8-point-a-pound value by the Office of Price Administration yesterday. In addition, seven sacks of dried beans, also a rationed product, were included.

Although the commodities were distributed before rationing went into effect, Mr. Williams said that the amounts of tomatoes and prunes had not been decreased from what the schools have been receiving all along.

The Alexandria Department of Public Welfare, which distributes surplus commodities to indigent families, has received no rationed products other than dry beans, with 280 pounds distributed in February.

Up in Alaska some 350 tons of butter were sent and it was left out on the beach and became immersed in salt brine and spoiled. I discussed this with the Food Administration today. I have not been critical of many of these things because I realize that we have to approach this subject with common sense—with thought—but I did suggest to the gentleman to whom I talked in the Food Administration that not only did I think that the production was important but, for heaven's sake, I did feel that the food-distribution agency in control of these so-called surplus foods, if there is such a thing as surplus food—should exercise a little common sense and judgment. It is true that some of these foods have been picked up in the States, and have been diverted to States, a year or a year and a half ago, but some time this fall some of our people are likely to be hungry for want of that food. If it were a matter of ourselves, it might not be so serious, but if it affects the men in the armed forces, I say it is a very serious thing. I am hopeful that in the discussion of this bill these remarks may meet somebody's attention who will try to do something about saving and conserving the surplus food that these people have, if there is such a thing as surplus food.

THREE HUNDRED AND FIFTY TONS OF BUTTER LEFT ON ALASKA BEACH ALL WINTER

SEATTLE, March 6.—Businessmen returned from Alaska told today, the Post-Intelligencer said, of a cargo of 350 tons of butter landed on an Alaskan beach and left there through the winter because of a lack of storage space.

The Post-Intelligencer quoted them as saying that much of the huge cargo already had spoiled because the brine in which it was carefully packed froze and broke the barrels. They said the shipment arrived last October from the civilian reserve food supply agency.

The Alaskans reported that much of a cargo of 70 tons of canned pears also froze and burst their containers.

"The thing has become a joke the length of Alaska," the paper quoted one Seattle-Alaska businessman as saying. He declined to be identified by name because, he said, of his business relations with Government agencies.

A high-ranking Federal official in Seattle, who likewise declined to be quoted by name, defended the foresight involved in the large-scale shipment to the distant community. He expressed belief, according to the newspaper, that much of the food on the beach could be recovered and the frozen butter could be reprocessed or rebrined.

Mr. WOODRUM of Virginia. Mr. Chairman, I yield 10 minutes to the gentleman from South Carolina [Mr. HARE].

Mr. HARE. Mr. Chairman, in order to have a thorough understanding of the purpose of this resolution we should thoroughly understand its background. We are reminded here every hour of the day that we are in a terrible war—a war that is becoming more fearful every day—a war that can be won only by hard fighting and enormous sacrifice of life and property. It is not a war of our own making—a war we were not prepared or equipped to enter when forced upon us more than a year ago, but when we entered it we pledged our entire resources to win. In order to win we knew it would take men, enormous amounts of equipment, and large quantities of foodstuffs. We knew it would take strong men—men well trained in the arts of warfare—men who would have to know the tricks of the game. We knew it would not only take equipment of the most modern and effective type but it would take enormous and inexhaustible quantities. We knew the men would not only have to be provided with these implements of war but that they would have to have food and plenty of it.

The Congress has the sole power of declaring war and it is charged with the responsibility of providing and maintaining an army and navy. Therefore, one of the first things Congress did after declaring war was to provide ways and means for raising an army and then inaugurate a program for supplying our armed forces with the necessary implements of war. When the Congress passed the Selective Service Act which provided a method for inducting men into the armed forces it endeavored to insure a sufficient amount of foodstuffs by providing for deferment of those engaged in and considered essential to agriculture. The law reads as follows:

Every registrant found by a selective service local board to be necessary to and regularly engaged in an agricultural occupation or endeavor essential to the war effort, shall

be deferred from training and service in the land and naval forces so long as he remains so engaged and until such time as a satisfactory replacement can be obtained.

The program for recruiting an army and producing equipment for use by the armed forces has progressed quite satisfactorily, but two things have happened which may interfere with or delay the food production program.

In the first place those in charge of the equipment production program made the wage scale in industry and construction so much more attractive and out of line with wages paid in agriculture an extra large quantity of farmers left the farms for defense work.

In the second place the local draft boards deferred only such a small percentage of the selectees from the farm as being essential to agriculture there was a further reduction in the supply of farm labor, and we now find there may be a decided reduction in farm production for lack of farm labor, and the Congress is called upon to appropriate the sum of $26,000,000 with which to start a new program for someone to use in an effort to recruit and effect an equitable distribution of farm labor that our people and armed forces may not suffer for lack of food and feedstuffs. The Congress does not want to be placed in the position of hampering in any way the war effort, but I am greatly surprised and disappointed in the failure of the administrative agencies of government to see and obviate this serious problem. However, the Congress may not hold itself altogether blameless, because the greatest contributing cause for the scarcity of farm labor may be traced to past actions of Congress and, if I may suggest, both of our great political parties are equally guilty. Back in 1931 when the Republican Party was in power Congress passed what is known as the Bacon-Davis Act, which provided that in a contract for the construction or alteration of buildings for the United States Government the Secretary of Labor should have the right to fix the scale of wages for those employed in such construction or alteration.

Then in 1936 when the Democratic Party was in power Congress passed what is known as the Walsh-Healy Act which provided that where one undertook to manufacture or furnish materials, supplies, or equipment for the United States Government and the contract price amounted to more than $10,000 the wage scale or rate of wages to be paid the employees was to be fixed and determined by the Secretary of Labor. Now what happened? As soon as we began to construct Army camps or cantonments throughout the country there was an urgent demand for labor and under the authority vested in the Secretary of Labor wage scales were fixed all out of proportion to the prevailing wage for farm labor and the natural and logical thing happened—men left the farms by thousands and hundreds of thousands. Soon afterward, contracts involving enormous sums of money for the construction of ships, airplanes, tanks, machine guns, and so forth, were awarded. This program created additional demands for labor where the wage scale was to be determined by the Secretary of Labor, and the rate fixed ranged from 5 to 10 times higher than the prevailing wage rate for farm labor in many sections, which resulted in additional numbers of laborers leaving the farm for better wages, thereby reducing farm-labor supply to the minimum. Just why those in charge of these 2 programs were unable to see how their actions were depleting the farm-labor supply and reducing the food supply so essential to our war effort I am unable to understand, but apparently they did not see it or else they did not fully appreciate the situation.

Then instead of allowing the selective service boards in the various counties to exercise their own judgment when a farm registrant was entitled to deferment as being essential to agriculture, as planned and contemplated by Congress, it appears from the hearings in support of the resolution now before us the Selective Service System called upon the Department of Agriculture to prepare for the local boards a formula or requirement that a farm registrant would have to meet before they could defer him as being essential to agriculture; the result was that relatively few farm laborers were able to meet the rigid unit requirements and this further depleted the farm labor supply to the point where it created a most serious and difficult problem, the solution of which has been brought back to the Congress for consideration.

Mr. WADSWORTH. Mr. Chairman, will the gentleman yield?

Mr. HARE. I yield with pleasure to the gentleman from New York.

Mr. WADSWORTH. Would the gentleman not admit that in addition to the disparity in the wage scale, the 40-hour week as applied to industry alone, has had something to do with this?

Mr. HARE. Yes; that may be true, because there are no 40-hour workweeks on the farm. They run from 60 to 100 hours per week, and they run every week in the year. And some, no doubt, looked for shorter hours as well as better pay.

The Department of Agriculture or whoever may be the author submitted a rather ambitious program to the Deficiency Committee a few weeks ago calling for an appropriation of $65,000,000 to be used in an effort to find an supply agriculture with additional farm labor for the year 1943. The committee refused to approve the proposal on the ground that the justifications offered did not warrant the expenditure or that the program outlined did not impress the committee as being feasible. Later the program was modified and we are now requested to approve an appropriation for $26,000,000.

The plan as outlined in the testimony before the committee is to import not over 50,000 laborers from Mexico; recruit and train men and women from the cities and transport them from one section of the country to another to assist primarily in harvesting seasonal crops, and inducing men, women, and children within the several States to volunteer to assist in planting, cultivating, and harvesting various crops within their respective States. In view of what is considered by many as a distressing need and demand it is almost impossible for any of us to oppose any proposal to aid or assist in implementing the supply of farm labor, but in view of the amount of money involved and in view of the responsibility of your committee, we labor under the necessity of making full and thorough inquiry as to the feasibility of the plan offered before giving it our approval, because none of us wants to be a party to an appropriation unless there is reasonable grounds for believing that its expenditure will be of some real value.

Of course, 50,000 Mexicans should prove to be of some service, but it would hardly be a drop in the bucket; it would add on an average of a little over 1,000 persons to the farm labor supply in each State, but we know they will not be distributed in each State, and this number will probably meet the needs in those States where farmers will accept and know how to handle this type of labor. It is proposed further to recruit 42,000 migratory laborers to be used in meeting seasonal labor requirements in different sections of the country, the Government to pay all transportation costs, including medical facilities when needed, and the employer or farmer to pay not less than $3 per day or 30 cents per hour. Some farmers have the impression they will be furnished labor free of cost, but there is no provision to this effect in the resolution. It is planned further to recruit 200,000 men and women from towns and cities to be trained as regular farm workers.

I am not convinced by the testimony before the committee that the program for recruiting labor in one section and transporting same to other sections warrants or justifies the full appropriation provided for in this resolution, although it may be necessary to support it in order to be of any assistance. There is no doubt but what a service can be rendered fruit and vegetable growers where crops must be harvested at a particular time and within a reasonably short time, and we may be justified in assisting in bringing the grower and the laborer together and facilitate in some way an adequate supply of labor, but I am not prepared to subscribe to the plan for carrying out this part of the farm-labor program as set out by those proposing it, and here I want to quote what is reported to be a typical circular recently distributed among farm laborers in several of our Southern States, the distribution of which, according to the testimony, was done under the activities of the Farm Security Administration of the Department of Agriculture. I quote:

FARM LABOR WANTED—WAGES $3 TO $5 PER DAY

Spend the winter in Florida. Help the United States Government save fruit and vegetable crops needed to win the war. Return home next spring in time to make your own crop. The Government will pay travel expenses for workers and all members of their families to and from the Florida jobs.

Wages are set by the Government at not less than $3 per day and 4 days' work per week

is guaranteed. Housing is free and medical care if needed. All jobs are under Government contract. Most of the work is on piecerate basis and good workers can earn $5 per day and up.

Regular employed farm workers between 18 and 45 may get exemptions from the draft. (See Selective Service Release No. 168.) Farm workers so exempt from the draft are free to go anywhere in the United States to work on farms, producing crops needed for the war effort. Workers and their families going to Florida should carry with them enough clothing, bedding, and cooking utensils. Each person can carry up to 75 pounds of baggage free. Every man of draft age must have his draft card. Everyone must have sugar and other ration books.

Each worker whom we send out, is required to take out a membership card in the Migratory Agricultural Workers Union. The initiation fee is $1 and monthly dues are $1 per month while employed (paid up members of the regular S. T. F. U. locals are not charged initiation fees. Dues paid in advance are adjusted.). There are no other charges made for the protection the union offers. We cooperate with the War Manpower Commission and its operating agencies, the United States Employment Service and Farm Security Administration in recruiting and placing farm labor.

Of course, this circular was intended to secure workers in harvesting intensively cultivated fruits and vegetables where prices received for same may justify the payment of from $3 to $5 per day, but it should be remembered that the food shortage problem is not confined to fruits and vegetables. They are important and quite essential, but some of us know that soldiers and sailors cannot fight on a fruit and vegetable diet; they must have bread and meat, and these cannot be produced by a transitory group of laborers, and in my section of the country farmers cannot produce bread and meat products at present farm prices if they are required to pay from $3 to $5 per day. This is not difficult to analyze.

Every farmer and every man who works on a farm knows that this cannot be done, and I am somewhat disturbed over the fact that we have one Government agency attempting to fix or regulate the price ceiling on farm crops, and another agency attempting to increase production with a minimum wage scale wholly out of line and inconsistent with such prices. The problem of supplying increased food production cannot be solved in this way, and I am sure I am not mistaken.

There are many things I do not know and do not profess to know, but this is one thing I do know and I know that I know it, and when I find someone insisting that such a program is feasible and will fully solve the problem I have a right to question his ability or integrity, for there is deficiency in one or the other. I am not saying the services rendered in some cases may not be worth $3 to $5 a day, but I insist that on the general farm where you find a large percentage of food and feedstuffs are produced, the farmer who works wage labor every day in the year cannot pay it with the present price he is receiving for his products.

Furthermore, the evidence shows that every farming locality in this country is short of farm labor and I do not think the problem is going to be solved by recruiting laborers from one section and transporting them to another because that would be just like "robbing Peter to pay Paul." Such a program may operate to the absolute destruction of agricultural activities in various communities. To illustrate, I own and operate three or four small farms, but suppose I were at work there now as a laborer and the Government should come to me with a bona fide offer that I would be given $5 per day to work on a farm in Mississippi or California and it would pay my railroad transportation and board out there and return and in addition furnish me with a place to live and medical service, if needed. I have an idea it would require a great deal of patriotism not to accept that offer and I am assuming that others on the farm and in the community would feel the same way. My farms would probably grow up in weeds, go to ruin, and the Government would be called upon to institute another program to rehabilitate these farms when this war is over. Although there is some decided merit in this proposal it is somewhat like the proverbial grain of wheat in a bushel of chaff. Another feature in the program that does not appeal to me very strongly, according to the circular quoted above, is that it gives assurance to regularly employed recruited farm workers between 18 and 45 years of age that many of them will obtain exemption from the draft. Think what effect such a policy would have on the morale of the farm boys in the service.

The Selective Service Act provided for their deferment where they were essential to agriculture; they were not deferred for the reason they were not considered as being essential, but apparently they were essential because we now have a request for an appropriation to be used to recruit men and women from the towns and cities to take their places on the farm by telling these city men and women that if they become regular workers they will stand good chances of being exempted from the draft. The farm boy is going to ask why is it he could not be considered just as essential to agriculture as the city boy, and that is what I would like for someone to explain to me. Mr. Chairman, I am not accustomed to criticizing the actions of others and I am not prepared now to question their motives but I am afraid that the mistakes or actions of some of the masterminds in our war program are serving to delay or possibly sabotage to some extent the production of the meat and bread program in our war effort.

Mr. Chairman, if this resolution is enacted into law and administered in the manner contemplated and requested by the proponents of the original proposal I am convinced that agriculture will pay the greatest price for the least benefit ever obtained through our Government. I am convinced further if this resolution is passed and put into effect in the manner contemplated by those who sponsored the original draft there will be a socialized and regimented system of agriculture undreamed of by the most optimistic dreamers of this country, and I am basing my conclusion solely upon the evidence submitted in the original justification for this appropriation. In order that others will be free to form their own conclusions in this matter I am now incorporating in my remarks a specimen copy of employment agreement between the United States and the employer or employers to be found on pages 49, 50, and 51 of the hearings:

UNITED STATES DEPARTMENT OF AGRICULTURE—
FARM SECURITY ADMINISTRATION

COOPERATIVE EMPLOYMENT AGREEMENT

This cooperative employment agreement, made this _____ day of _____, 19__, between the United States of America, hereinafter called the Government, and _____, of _____, State of _____, hereinafter called the employer.

Witnesseth:

Whereas the Government and the employer wish to cooperate in making agricultural workers available to alleviate the present shortage of agricultural labor and to aid in the successful prosecution of the war,

Now, therefore, in consideration of the undertakings hereinafter stated, the Government and the employer agree as follows:

1. The Government shall use its best efforts to recruit and transport agricultural workers for employment by the employer, from points of origin or intermediate points in the United States or Mexico, to the destination point hereinafter stated, and, upon completion of that employment, to the points of origin, or to such intermediate points in the United States as the Government shall determine to be proper.

2. The employer shall employ, exclusively as agricultural laborers, _____ such agricultural workers (if transported by the Government to _____, State of _____, not later than _____, 19__), for at least 75 percent of the workdays (each day in the week except Sunday to be considered a workday) between _____, 19__, and _____, 19__, hereinafter called the period of employment, upon the following terms:

a. The employer shall be required to furnish such employment to a worker hereunder only so long as the worker is ready, willing, and able to work under the supervision and direction of the employer; but shall not require the worker to work on Sundays.

b. The employer shall give each such worker a minimum subsistence allowance of $3 per day for each workday within said minimum of 75 percent of the workdays that he is not so employed: *Provided, however,* That no subsistence allowance shall be made for workdays in which the worker is unemployed as the result of his refusal to work or his illness or other physical incapacity.

c. A workday shall contain not less than 8 hours nor more than 12 hours. *Provided, however,* That to determine the amount of employment under paragraph 2 of this agreement, hours of work less than 8 done on any day except Sunday may, if the Government consents, be added to hours of work less than 8 done on any other day except Sunday, and for such purpose each 10 hours of work shall be counted as a workday.

d. Work shall be paid for in lawful money of the United States Government at the end of each week of work, at not less than the prevailing wage rates within the particular area of employment. *Provided, however,* That piece work rates, for work to be performed upon that basis, shall be set by the employer so as to enable the workers, if of average ability, to earn not less than the prevailing hourly wage rate. *Provided,*

further, That the wage rates for either hourly or piece work shall in no event be less than 30 cents per hour. The prevailing wage rates shall be conclusively determined by the Government.

e. The employer shall pay all costs of transportation of the workers (and the members of their families transported with them by the Government to the above-specified point of destination) between said destination point and the place or places at which the workers are to perform their work, and return to said destination point.

f. No deductions from wages shall be made for commissions, fees, or any other purpose (except as may be required by law), which shall have the effect of reducing the workers' wages below those required by paragraph 2d of this agreement.

g. The employer shall pay to the Government, in trust for each such worker who has been transported by the Government from Mexico for employment in the United States, 20 percent of his wages, which portion of his wages each such worker will have assigned to the Government in trust, to be held or controlled and disposed of by the Government under the terms of its agreement with the worker.

h. The workers shall be entitled to the benefit and protection of all applicable child labor, compensation, and other laws and regulations of the Government and of the State or States in which the work is performed.

i. The workers shall not be required to purchase articles or services for consumption or use by them or their families at any source not of their choice.

j. The workers shall be entitled to freedom from discrimination in employment because of race, creed, color, or national origin, in accordance with the provisions of Executive Order No. 8802 of the President of the United States, dated June 25, 1941.

k. The employer shall make available to the workers and their families, without charge, such shelter facilities as are owned by the employer and are not otherwise occupied within the period of employment.

l. The workers shall have the right to join with other workers in the election of representatives to bargain and negotiate with the employer: *Provided, however*, That any of the workers who have been imported by the Government from Mexico for employment shall join only with other such workers imported from Mexico and shall elect their representatives from such workers.

m. There shall be no strikes, lock-outs, or stoppages of work during the period of employment. All disputes between the workers and the employer shall be determined by mediation according to procedure prescribed by the Government.

3. The employer shall pay to the Government, to be held and expended by it in trust, subject to the terms of this cooperative agreement, the sum of $5 for each such worker transported to the above-named destination point by the Government. Each payment shall be made upon demand by the Government after the arrival of the worker at the specified destination point. The employer, at the time of the execution of this agreement, shall deposit with the Government as an advance to be applied by it to the payment of said sums, the sum of $_____. The Government shall refund to the employer, as soon as practicable after termination of employment hereunder, such part of the sum so deposited as the Government is not entitled to under this paragraph.

4. The Government shall determine from time to time, and its determination shall be conclusive, whether the employer has paid all sums to be paid by him hereunder, and shall have the right to pay (as subsistence allowances or otherwise) to the persons it determines to be entitled thereto, all or any part of any such sums which it determines have not been paid, in which case the employer shall repay to the Government, upon demand by it, all sums so paid, together with interest thereupon at the rate of 6 percent per annum from the date or dates of such payments by the Government, to be held and expended by the Government in trust subject to the terms of this cooperative agreement.

5. The sums paid to the Government under paragraphs 3 and 4 above shall be held by it in trust, and used and expended within and for the program (of which this agreement is a part) to provide an adequate supply and distribution of labor to produce, harvest, and process crops essential to the war effort. The Government may pool said sums with other sums so paid to it by employers for said program, and shall not be required to keep separate accounts or records therefor.

6. The employer shall keep, upon forms to be supplied by the Government, full and complete records of the employment and wages of each worker under this agreement. Such records shall be at all times open to inspection and examination by the Government, which shall be entitled to make copies thereof. The employer shall also file with the Government such reports concerning said employment and wages as the Government may from time to time require.

7. The employer shall immediately furnish the Government with a performance bond in the penal sum of $_____, in the form and with a surety company approved by the Government, conditioned upon the performance by the employer of all the terms and undertakings of this agreement and upon the prompt payment by the employer to the workers and the Government of all sums due to them or any of them hereunder.

8. If the Government determines that the employer has violated any of the terms or undertakings of this agreement, it may, without waiving any other remedy or course of action, deprive the employer of the further services of the workers under this agreement.

9. All rights, privileges, and powers conferred herein by the Government shall be exercised in its behalf by the Administrator of the Farm Security Administration, United States Department of Agriculture, or his duly authorized representative.

In witness whereof, the Government and the employer have executed this agreement as of the date first above written.

UNITED STATES OF AMERICA,

By _____

_____

(Official title)

Farm Security Administration,
United States Department of Agriculture.

Witnesses:

_____ _____

(Employer)

_____ By _____

Mr. Chairman, I am also including a sample copy of a work agreement between the United States and the worker found on pages 54, 55, and 56 of the hearings:

UNITED STATES DEPARTMENT OF AGRICULTURE—
FARM SECURITY ADMINISTRATION

WORK AGREEMENT

(Domestic workers)

This agreement, made this _____ day of _____, 19__, between the United States of America, hereinafter called the "Government" and _____, of _____, State of _____, hereinafter called the "Worker."

Witnesseth:

Whereas the Government and the worker mutually desire that the worker shall be beneficially employed in the United States of America to alleviate the present shortage of agricultural labor and to aid in the successful prosecution of the war,

Now, therefore, in consideration of this and of the undertakings hereinafter stated, the Government and the worker agree that:

1. The worker shall accept transportation, food, living facilities, subsistence, and employment upon the terms set forth in this agreement, and shall execute such other agreements, vouchers, and instruments as the Government may require to effect those terms.

2. The Government, at its expense, shall:

(a) Transport, or arrange for the transportation of, the worker and the members of his family named in schedule A on the back of this agreement, all of whom (including the worker) are herein called the "family," and not in excess of 75 pounds of personal belongings for each of them, from _____, State of _____, herein called the "point of origin," to such place or places in, and within, the United States, as the Government shall determine to be suitable for the employment of the worker, and, upon the fulfillment by the worker of his obligations hereunder, return to the point of origin.

(b) Furnish, or arrange to have furnished to the worker and the family all necessary food, health and medical care, and other subsistence living facilities during transportation.

3. The Government shall—

(a) Cause the worker to be employed as an agricultural laborer in the United States for at least 75 percent of the workdays (each day of the week except Sunday to be considered a workday) between the day after the worker's arrival at the original point of destination in the United States and _____ 19__, hereinafter called the "period of employment"; or, in the absence of such employment, make the worker a minimum subsistence allowance of $3 per day for each workday within said minimum of 75 percent of the workdays that he is not so employed; provided, however, that no subsistence allowance shall be made for workdays in which the worker is unemployed as a result of his refusal to work or his illness or other physical incapacity. The amount of such subsistence allowance, if any, shall be computed and the payment thereof shall be made at the end of the period of employment.

(b) In the event of need as determined by the Government, furnish necessary food, shelter, health, and medical care, and other subsistence living facilities during periods of unemployment occurring within the period of employment.

4. Employment under this agreement shall be upon the following terms:

(a) The worker shall do all work required of him by his employer or employers hereunder during the period of employment in a good and workmanlike manner under the supervision and direction of such employer or employers, but shall not be required to work on Sundays.

(b) A workday shall contain not less than 8 hours nor more than 12 hours: *Provided, however*, That to determine the amount of employment under paragraph 3 (a) above, the Government may, in its discretion, add hours of work less than 8 done on any day except Sunday to hours of work less than 8 done on any other day except Sunday, and for such purpose each 10 hours of work shall be counted as a workday.

(c) Work shall be paid for in lawful money of the Government at the end of each week of work, at not less than the prevailing wage rates within the particular area of employment: *Provided, however*, That piece-work rates, for work to be performed upon that basis, shall be set, so as to enable the worker, if of average ability, to earn not less than the prevailing hourly wage rate: *Provided further*, That the wage rates for either hourly or piece work shall in no event be less than 30 cents per hour.

(d) No deductions from wages shall be made for commissions, fees, or any other purpose (except as may be required by law), which shall have the effect of reducing the worker's wages below those required by paragraph 4 (c) above.

(e) The worker shall be employed exclusively as an agricultural worker.

(f) The worker shall be entitled to the benefit and protection of all applicable child labor, compensation, and other laws and regulations of the Government and of the State or States in which the work is performed.

(g) The worker shall not be required to purchase articles or services for consumption or use by him or the family at any source not of his choice.

(h) The worker shall be entitled to freedom from discrimination in employment because of race, creed, color, or national origin, in accordance with the provisions of Executive Order No. 8802 of the President of the United States, dated June 25, 1941.

(i) Food, shelter, health, and medical services, and other living facilities provided for the worker and the family by the Government or any employer shall meet reasonable minimum standards approved by the Government.

(j) The Worker shall have the right to join with other workers under agreements similar to this agreement in the election of representatives to deal with employers of agricultural labor.

(k) There shall be no strikes, lock-outs, or stoppages of work during the period of employment. All disputes between the worker and his employer or employers shall be determined by mediation according to procedure prescribed by the Government.

5. If the Government determines that the worker is unable or unwilling to work as required by this agreement, or otherwise has violated any of the terms hereof, this agreement may forthwith and without notice be terminated by the Government; provided, however, that, if the agreement is terminated because of the worker's inability as the result of illness or other physical incapacity, the worker and the family shall be entitled to return transportation to their point of origin in accordance with paragraphs 2 (a) and 2 (b) above.

6. All rights, privileges, and powers herein conferred upon the Government shall be exercised by the Administrator of the Farm Security Administration, United States Department of Agriculture, or his duly authorized representative.

In witness whereof, this Work Agreement has been executed as of the date first above written.

UNITED STATES OF AMERICA,
By _____
_____
(Official title)
Farm Security Administration,
United States Department of Agriculture.
Witnesses:
_____ _____
(Worker)
_____

Mr. Chairman, if time permitted I would like to discuss each of these agreements by paragraph, but I think they are sufficiently clear for any interested party to understand the import of the whole matter, but to make a long story short, it simply means that the Government will undertake to recruit men and women wherever they can be found regardless of training or experience, except the 30 days training to be given by the Government, pay their railroad fare and living expenses from their homes to a point where a farmer who is in need of farm labor after an agreement has been made with the employer to furnish living quarters for such a person and pay a minimum wage of $3 a day or 30 cents per hour for three-fourths of the workdays in each week, whether it is fair or foul and regardless of how capable or inefficient the employee may be. In my State cotton picking time is probably the busiest season of any time in the year, and a time when labor would probably be in greatest demand, and if a farmer wanted to avail himself of the labor provided for under this resolution he would have to agree to pay not less than $3 per day or 30 cents per hour regardless of whether the employee picked 50 or 200 pounds of seed cotton per day, and if we had a week's rain the farmer would have to pay the employee or laborer not less than $3 per day for subsistence even though he picked no cotton whatsoever; however, this provision has been deleted from this bill.

Under subsection J of the Work Agreement we find this language:

The workers shall have the right to join with other workers under agreements similar to this agreement in the election of representatives to deal with employers of agricultural labor.

It is provided further that "all disputes between the worker and his employer or employers shall be determined by mediation according to procedure prescribed by the Government." Congress has enacted no law providing for such mediation and this is just another instance where if this resolution is enacted and administered as originally proposed the executive or administrative department of our Government will make its own law, which it is charged with having done on many occasions within recent years. Who knows what will be the condition or the terms upon which such disputes will be adjudicated? My feeling is that very few farmers, after studying these proposed contracts, will enter into such agreements and what will happen is that this money will all be spent with little or no benefit to agriculture, the war effort, or our Government. It will just be another occasion of confounding confusion.

Of course, it is the intention of the committee under the resolution as now drafted to have the law administered by the Extension Service of the several States. I am in hearty accord with this idea, and if the Extension Service administers the law in accordance with the expressed intent of the committee, and I have sufficient confidence in the Extension Service to believe this will be done, I am sure a great service can be rendered by recruiting or mobilizing labor within the States, which was done in several States last year. The committee indicated its intentions quite clearly on page 8 of the report in the following words:

Before any transportation out of a county or State is effected, clearance should be had with the appropriate county and State authorities so that local and State needs will not be jeopardized by an exodus which cannot be returned in time to meet the local or State crop requirements.

Should promiscuous transportation of labor from one State to another be permitted, the chances are there will be a further decrease of farm labor in my section of the country, because the hearings show that under the original proposal those in charge contemplated the recruitment of the migratory labor groups from the Southern States, but I feel the Extension Service will, under this amended proposal, be able to protect the interests of the State, and it will at the same time be able to obviate any conflict between Federal activities and State laws, because some States have statutes making it unlawful for anyone to entice or recruit labor within the State and transport same into another state without paying a high license fee. There laws have been found to be constitutional and if they can prevent a person or corporation from doing this without a fee I cannot see but what it can prevent a representative or agent of the United States Government from doing it without paying the fee which it has not done heretofore. This is not a new idea or a new problem. Last year the United States Employment Service directed the head of the employment service in my State to recruit labor to be transported into other States and rather than violate the law of his State he resigned his position.

Mr. Chairman, certainly there is a shortage of farm labor, and certainly the problem of production of food and feedstuffs must be solved, but I still think that if the intention of the Congress definitely expressed in the Selective Service Act deferring essential farm workers had been adhered to or should it now be adopted, because it is never too late to mend, the shortage of labor on the farm would not be as great and I have the feeling that in this event, the farmers in the several States, their wives, their remaining sons and daughters will demonstrate their accustomed patriotism, meet the challenge and supply the additional labor necessary and supply all the food and feedstuffs necessary to win this war, and I still believe that with reconsideration and deferment of essential men on the farms with the cooperation of the State Extension Service this problem will be solved without resorting to the socialization and regimentation of agriculture—the oldest, the greatest, and most honored occupation known to mankind.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. TABER. Mr. Chairman, I yield 15 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Chairman, the legislative history of the pending bill is rather interesting. It came from the Budget in February with a request for $65,000,000 supposed to be expended under the direction and supervision of the Secretary of Agriculture. Hearings were held rather extensively in the deficiency committee. That committee modified the bill, reduced the amount, and reported it to the full committee. The full committee, by a unanimous vote, recommitted the bill, and as a result the deficiency committee and the Subcommittee on Agriculture Appropriations then considered it jointly. At that joint meeting a substitute was offered and it came out of the joint meeting by a vote of 9 to 2 and was then resubmitted to the full committee. In the full committee a motion was made to strike the enacting clause. It failed. A motion was made to reduce the amount to $12,000,000. It failed. A motion was made to recommit the bill, and it failed; and so there is before you today a substitute requesting $26,100,000 for farm manpower.

Mr. TARVER. Mr. Chairman, will the gentleman yield at that point for a moment?

Mr. DIRKSEN. Very briefly.

Mr. TARVER. The motion to reduce the amount failed by a vote of 14 to 18. I think the gentleman should state that.

Mr. DIRKSEN. My recollection is that it failed by a vote of 19 to 12, but I may be in error.

Mr. TARVER. No; it was 14 to 18.

Mr. DIRKSEN. This bill provides $26,100,000 to be expended under the direction of the Agricultural Extension Service and in cooperation with the United States Employment Service. Briefly, what the pending bill does is this: It makes $6,000,000 available to the Extension Service for work within the States. There are 2,920 agricultural counties in the United States. This will allow about $230 per month per county. There is $7,500,000 for subsistence, for transportation, and for other purposes for workers within the States, including, of course, the building of necessary shelters and the provision for housing. There is some $12,500,000 in the bill for handling migratory workers across State lines. Five million dollars of the $12,500,000 is for Mexican workers. So we are asking for $26,100,000, including $100,000 for general administrative expenses, as distinguished from the request of the Secretary of Agriculture for $65,000,000, or more than twice as much.

What has been said against this bill? My good friend from Kentucky paid me a compliment by referring to this as the Dirksen bill. He indicates that we have taken away control from the Secretary of Agriculture. That is correct. After all, have we no legislative responsibility? When the Secretary of Agriculture has failed must the Congress then sit idly by? Lincoln took McClellan out when he failed, and put in Joe Hooker. He took Joe Hooker out when he failed at Chancellorsville, and put in Burnside. He took Burnside out and replaced him with General Meade; but the Commander in Chief has not yet taken cognizance of this failure; so there comes a responsibility on this Congress to deal with this manpower problem. You talk about chiseling away the authority of the Secretary in time of war. We have given some of his authority already to O. P. A. We have given some of his authority already to the Director of Stabilization. So there is something entirely specious in the argument that we have diminished his authority in time of war. We ought to do it when he fails, because you cannot trifle with this problem today.

Another argument is that we are allowing 30 days to renegotiate an agreement with Mexico. That is one of the most amazing agreements I have ever read. It mentions the farm security in that agreement. You will find it on page 34 of the hearings. Here is the Farm Security Administration recited as the employer party in an agreement with the Republic of Mexico and the officials of the Farm Security Administration sign it.

I will not give them any more authority. They have been at it since the 22d of June of last year. They have had $4,500,000 from the President's emergency fund and obligated $1,500,000. They have actually expended $189,000 in that time. How many workers did they get? Thirteen-thousand-plus—five-thousand-plus Mexicans and eight-thousand-plus domestic workers. Then they come along after all these months of effort, after this expenditure, and would still have the Secretary retain control. Under his bill he would still diffuse this authority to the A. A. A. war board and to the Farm Security Administration to let this failure and this bungling go on. I am not willing to leave the authority in the hands of the Secretary under those circumstances because we will fail as we have failed before.

What did they ask under the Secretary's bill? Three thousand four hundred and forty-seven new employees. That is one-third of the whole number of workers that they have recruited since June last year.

Mr. WADSWORTH. Fair enough.

Mr. DIRKSEN. That is right, fair enough. Think of asking for that kind of a pay roll? I am not willing to give the Secretary this authority.

It has been advanced here that this bill is a futility. It may be. Sometimes I wonder whether a great many of the things that sort of trespass in the Well of this floor are not futile, and I sometimes wonder if a good many things that emanate from here by solemn legislative enactment are not a bit futile when we are dealing with the problem of a great world in chaos at the present time. But at least we must make an effort.

The Secretary said before the Senate committee this month that we are on or may be on the nutrition level of Great Britain. He either confesses disorganization of his own department or is creating a great scarecrow and a nightmare for some purpose or other I know not what; under those circumstances I will not leave it with him. So this bill proposes to put it in the Agricultural Extension Service.

Why? Because they can go into action overnight. There are 2,920 agricultural counties in the United States. All but 15, namely, 2,905, have agricultural extension agents. Nineteen hundred have home economic advisers. Among the 2,905 county agents are 550 Negroes in the Southland. They have a great far-flung organization with a record of 70 years of accomplishment and if they cannot do it, nobody can. At least I am willing to give to them the necessary authority and the funds to make an effort in that direction in the hope that when the snow flies next winter and bellies begin to pinch and children go to bed without their suppers I do not want to have to reproach and abuse my own conscience that I failed. Maybe $12,000,000 is the proper amount, and an amendment will be offered to that effect. I shall vote against it. Maybe this money will be expended and not get the results that we envision at the present time, but at least I am going to make the money available, and then if they fail it will not be the responsibility or fault of the Congress.

Mr. Chairman, do not measure the effect of this action today by what is going to happen next Tuesday. Measure it in terms of next November and next December when there may have been adverse weather, when there may have been a diminution from the high production that we achieved in 1942. Then you try to argue with somebody whose insides begin to pinch, whose belly begins to growl because food is not there. I do not want to get into that kind of an argument. I can argue with my people when the Government threaten to take away their automobiles, when they diminish their gasoline, when they ration their tires, when they give them a ration card for shoes, but I do not believe that I can make a very persuasive argument with a man and his family who are hungry. So I propose to stand by the $26,100,000, $6,000,000 of which will go to these counties to cooperate with the extension services, $7,500,000 for transportation, subsistence, and shelter, and $12,500,000 for a cooperative effort with the United States Employment Service, so that if they can find workers to be transported across the State line the money will be there to do the job.

My friend from Georgia asked anybody to stand in his place who had any surplus labor in his State. How should I know whether I have surplus labor in my State? How should I know what they could find along Canal Street and West Madison Street in Chicago, where you will find a great host of people drifting in from the vast open spaces of the Northwest and hibernating there for the winter, then available for the spring, summer, and fall harvest seasons. I worked in the harvest fields out in the Northwest years ago when I was going to college. I had to make enough money somehow or other to buy books and to pay a matriculation fee. So I worked part time out in the harvest fields in the Dakotas and I saw the boys gathered up by the employment services and put on the train to come out and help with the harvesting of wheat. Now, then, they have a great many of those in Chicago. I do not know what the surplus is. How could one intelligently respond to the question that was propounded by the gentleman from Georgia, when he said, "If there is a surplus in anybody's State, let him stand in his place now and explain it."

Mr. RANKIN. Will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Mississippi.

Mr. RANKIN. The gentleman from Illinois, I am sure, does not intend to misquote the gentleman from Georgia. The gentleman from Georgia said, "If there is any Member who has surplus labor in his district," not in his State.

Mr. DIRKSEN. It would be the same thing.

Mr. RANKIN. If you sent a bunch of fellows from Chicago down to my State to hoe or pick cotton, it would be a waste of time and money.

Mr. DIRKSEN. I might agree with the gentleman, and certainly that is not contemplated here. Ninety percent

of all the employees that they seek to procure under this bill will be secured in the areas where they now reside. The other 10 percent, namely 350,000 migratory workers who move from one harvest field to another, and the 42,000 year-round workers, is only 10 percent of the objective under this bill. That will be done in conjunction with the county agents and in cooperation with the United States Employment Service. But, as far as the rest of it is concerned, it is in the hands of the Extension Service.

Mr. RANKIN. I may say to the gentleman from Illinois that if they will apply the same rule in the big cities that has been applied to the farmers in my section of the country, and take as large a proportion of the people there into the armed services, we will at least have a portion of our labor left; but this war has hit hardest the agricultural sections of the South and West. That is the reason they are stripped of their farm labor.

Mr. DIRKSEN. The gentlewoman from Massachusetts raised a question about Mexican workers. If you want to speak authoritatively on that subject, ask the gentlemen who come from that area. Ask the gentleman from Texas, EWING THOMASON, ask the gentleman from Texas, MARTIN DIES, and ask the gentleman from New Mexico, CLINTON ANDERSON, who gave a very instructive and informative statement when we appeared in joint committee. They know about that situation. For want of Mexican labor in some of those long-staple cotton areas of the West they lost $4,500,000 in cotton in 1942. That statement was made to us only recently by Mr. Abbott, of the cotton association out there.

The gentlemen from California can testify as to the amount of fruit that was left in the fields and in the orchards due to lack of labor. They depend in large measure upon the labor from Mexico. The regrettable thing is that the Farm Security Administration had to confuse the situation in the first place instead of letting it filter across the line as it has done in other years so as to satisfy the labor demand on this side of the Rio Grande.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. May I say to the gentleman that I said that the greatest caution must be exercised to be sure that they are Mexicans and not undesirable refugees who have become Mexicans just to get into this country. I am not trying to exclude real Mexican labor for limited service. Of course I want aid for farming in the United States wherever possible.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. TABER. Mr. Chairman, I yield 4 additional minutes to the gentleman from Illinois.

Mr. DIRKSEN. Let me summarize. It has been said that we have deprived the Secretary of authority. That is correct. That is precisely what I have in mind, because the program has thus far failed, and it is the legislative responsibility of the Congress now to look elsewhere for better direction.

It has been said that we are modifying the Mexican agreement. That is correct, and the modification must be made within 30 days, for here is an agreement made in which the Farm Security Administration is recited as the employer.

It has been said this is futile. I do not know. I do not know how many workers we are going to get. But I do know that I do not want to charge my own conscience with having been niggardly in the matter. Every Member of this House knows that more often than not I have been on the other side, trying to curtail and economize on appropriations rather than be on the liberal side. But do not forget you are dealing with food, you are dealing with the bodies of the men and women in this country, you are dealing with hunger, you are dealing with the potentialities of starvation. I think I prefer to be liberal on that side.

It has been said that the amount is too great, and an effort will be made to cut it to $12,000,000. I hope the House will reject that proposal. Let us not take that upon ourselves. We have cut it from $65,000,000 and changed the direction. I want to go along with an amount that in my judgment will be adequate in an attempt to do this job, and if we fail, not all the criticism will then be directed against the Congress.

So I humbly submit to you that after the tempestuous and tortuous legislative history this bill has had, and in view of the emergent condition we face, when our own Secretary of Agriculture now confesses before a Senate committee that we are proceeding toward a nutrition level on a par with Great Britain and that there will not be food enough to go around for everybody, it becomes an emergency proposition for us. I charge you well to think earnestly about it.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from New York.

Mr. TABER. I think the gentleman should call attention to the fact that the Extension Service is one that has been successful and has done a good job over a long period of years all over the country, whereas the Farm Security Administration has been a complete failure.

Mr. DIRKSEN. I think that is exactly right.

The other thing is, if the funds are not expended, I am reasonably sure they will revert to the Treasury because they can be expended only on this manpower problem. If they do not get the men there will be neither subsistence nor transportation involved. If they do not get the men, they will not have to provide them shelter. Consequently, the money that is earmarked for that purpose in this bill will then revert to the Treasury and we will be right back where we hoped we would be in not having any extravagances in connection with this program.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from New York.

Mr. MARCANTONIO. The last proviso of this bill is distinctly antilabor. I wonder why you put it in there.

Mr. DIRKSEN. It is not an antilabor provision; it is quite in conformity, I think, with the exemptions that were made in the Fair Labor Standards Act and in the National Labor Relations Act. Manifestly, the Congress cannot put itself in the position of making the application of wage rules and hour determinations, grievance boards, and so forth, in their application to farm labor, where the day usually begins at sunrise and ends at sunset, or later in the harvest season. You cannot confine it. If we are going to limit farm hours, regulate farm wages and other conditions then of course we may just as well give up all hope of solving the problem of increased production of foods in the year 1943, and let the situation go. Moreover, safeguards on wages and hours as applied to farm labor were written into the Wages and Hours and Labor Relations Acts several years ago.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. WOODRUM of Virginia. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. SHEPPARD].

Mr. SHEPPARD. Mr. Chairman, I do not feel that I have very much to offer to you in the way of oratory so far as this resolution is concerned. You have heard the mechanics of the bill thoroughly discussed by competent statesmen, and certainly I would not be one to try to tell you about the mechanics of the bill anyway, because all of you are just as competent to read the resolution and reach your own conclusion as I. However, there is one thing that I want to say to you definitely. There has been considerable said here this afternoon, first, about reducing the bill, or the appropriation that goes to make the bill workable and possible. While I have great admiration for the chairman of my subcommittee on agricultural appropriations, yet I can tell you very frankly that I cannot go along with his theory that the bill is no good, but that he will give $12,000,000 to throw away. To me that is far-fetched philosophy to apply to the proposed legislation. I have listened for a good many years to many of my good friends talk about their concern and their interest in the farmer, and they have gone to great length in many instances to say what they wanted to do in behalf of the farmer, and then I can recall a few months later that I listened to a good many of my friends in the Well of this House when we were talking about the negotiation of contracts for business, in order to induce business to go ahead and operate and produce because the Nation needed the *n*th degree of production possible, "that business should be helped," and let me say to you, and I think I can state it advisedly, being from the western section of this Nation, to wit: The great State of California, that our farmers out there have served notice on the Secretary of Agriculture for the last 9 months, that we were in desperate circumstances to produce agriculturally, and that we were heading down the road to chaotic conditions, if

he did not have something done to relieve them of farm labor shortage. Many of my colleagues on the floor of this House and myself have gone down there to plead with the men in the Department of Agriculture, and with the Secretary of Agriculture to be a little more specific in action about what was definitely indicated as a shortage of manpower that was developing, and I am frank to say to you that I do not think it would take any super intelligence by anyone to have foreseen what was going to happen to agriculture because of the shortage of manpower, as it applied throughout the United States.

We all know that the armed forces have to have their manpower in order to carry on the requirements set by the gentlemen who are there for the purpose of telling us what is necessary for our military activities, and we also know that if we are going to produce the necessary food for those armed forces to continue their efforts to preserve our form of government, that the whole question is to provide agriculture with the necessary machinery and manpower to carry on the program, to provide that necessary food. We have not accomplished a miracle in this bill I know, and this Congress has been as dilatory in its attitude in taking hold of this thing as has the Department of Agriculture, if you want my opinion about it. What are you going to do with it? Are you going to follow the same line of supine lassitude and nonapplication as the Department of Agriculture, or are you going to do what we should as a legislative body, and at least give the farmer the best that we can? I listened to considerable of the testimony brought before the committee for the purpose of getting this bill formulated, and I do not care whose bill it is. It is the best bill we have before us today to relieve an unfortunate condition, and so far as we people in border States with Mexico are concerned, let me say this to my eastern colleagues on the floor of this House. Do not worry about whether we are going to get work out of these Mexicans, do not let that concern you. We know the various proclivities of the Mexicans; we have used them in the Western States for years on our farms, and in the major instances they have done a splendid job for us; and if you give us a chance to get them back again without any quarrel or unsurmountable barriers, I tell you frankly you will not have to worry about California trying to get your manpower. All you have to do is to keep the screwballs out of the way, and we will take care of our own job.

The CHAIRMAN. The time of the gentleman has expired.

Mr. TABER. Mr. Chairman, I yield 4 minutes to the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Chairman, the assistance to the farmer in this bill is very little and it comes very late. The problem of food supply and food production is far more serious than we have begun to realize. The food situation is critical. For the past several months there has been too much tinkering and bungling with this extremely important problem. Not so long ago men in high places in Government were concerned about food surpluses. Even then people in other parts of the world were in need of food. Mr. Chairman, do you realize the demand for food is twice as much as it was 5 years ago? The demand from abroad and for our armed forces and for our own civilians has increased tremendously. Our producers are being asked to increase production 25 percent more than last year—a banner crop year—and do it with 75 percent of last year's manpower, and with less farm equipment and repairs. Why not face the facts? Do we not realize the supply of manpower is dwindling right now and that farmers cannot get near the needed machinery and equipment to do the job? Furthermore I do not believe much will be accomplished in transporting much help from one State to another. If a man is a good farmer in Georgia or Kentucky he will have plenty of work at home. Mexicans can assist locally in places like California or in beet fields in other places.

But, Mr. Chairman, something fundamentally and more important must be done. We have too many agencies attempting to deal with this problem now. The Department of Labor, the War Labor Board, the Office of Price Administration, the Manpower Commission, as well as two or three agencies in the Department of Agriculture all have a hand in it. Mr. Chairman, we already have too much legislation and regulation. What we need is to loosen up these regulations and cut the maze of red tape in which our farmers are tied.

Mr. Chairman, it is time to get down to realities. First, pay the farmer a price for his products on a basis he is required to pay for the things he needs to buy. Encourage him in doing a most important part in carrying this war program to a successful conclusion. Relax the regulations so he may have needed farm equipment and repairs, and fertilizer. Extend the authority of local draft boards in the deferment of men needed on the farms. Let the farmer be recognized when he does a good job just as you do in industry. Let the question of extra labor be handled by local boards rather than through bureaus in Washington.

It is my candid opinion, Mr. Chairman, the farmer will come a lot nearer reaching the goal assigned him, if these suggestions are followed, rather than bind him still further with more and more rules and regulations. All in the world the farmer asks for is an even break. Why not let him have it?

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. TABER. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. ANDREWS].

Mr. ANDREWS. Mr. Chairman, it seems to me that this measure is at least a reasonable attempt toward partial solution of a very difficult problem. It has my approval.

I wish to read two short statements from the Niagara and Erie County Farm Bureaus of New York State.

They are as follows:

Responsibility for and development of farm labor program necessary at once. Urge your support of House Joint Resolution 96 as step in right direction.

HERMAN G. AGLE,
Chairman, Erie County Farm Bureau.

Urge you support Resolution 96 of House Appropriations Committee. We consider Extension organization capable of doing a good job on farm labor if funds are available at once.

HARRY O. AIKIN,
Chairman, Niagara County Farm Bureau.

Mr. TABER. Mr. Chairman, I yield such time as he may desire to the gentleman from Michigan [Mr. SHAFER].

Mr. SHAFER. Mr. Chairman, during a considerable portion of this debate one of the most successful farmers in my congressional district, Mr. Reese Van Vranken, has been an interested observer in the gallery. When the gentleman from Kansas [Mr. REES] took the floor a few moments ago he, almost word for word, reiterated the views of this successful farmer as they were given to me this afternoon.

In substance his views are that this Congress should take off the restrictions that have been applied by the long-haired dreamers in the Agricultural Department and the O. P. A., release farm machinery that has been frozen, give the farmer a fair price formula to include wages, and he will do the job.

The farmer does not want subsidies. He does not want to be told by Washington how to operate his farm and what crops he can grow. Give him decent prices for his grain and his livestock and he will produce. All he needs is the chance. And let me warn this House today that if the O. P. A. insists upon placing price ceilings on hogs and cattle, as is the announced intention, America is certain to go hungry.

There has been a lot of ballyhoo here this afternoon about what the Nation will think unless this Congress votes this $26,000,000 for the Extension Service to find farm laborers. Different Members have said that they would rather vote this $26,000,000 than to be accused of not having voted to give the theory a try. That argument may ease the conscience of those who would vote this appropriation, but you are not fooling the farmer. He knows well who has been responsible for the situation in which we find ourselves today and he will know where to place the responsibility for the lack of food when the famine comes.

This $26,000,000 that is asked for in this legislation will go down the rat hole the same as other millions have gone down the rat hole in recent years.

An excellent demonstration of how some of these taxpayers' dollars are thrown away was given the past 10 days when committeemen of the A. A. A. were paid $6 for every 15 letters and postcards that they persuaded farmers to mail to Congress to demand the continuation of the A. A. A. indefinitely; release of 100,000,000 bushels of feed wheat—as we did yesterday—and to demand incentive payments to increase production. Mr. Speaker, I shall vote against all this squandering of the taxpayers' money.

Why, up in my district they are already recruiting girls in colleges to work on farms this summer. These girls are all

looking forward to a grand time this summer at wages of $50 per month and their board. Little do they realize that what the farmer needs is help to pitch manure and hay, plow the ground, and do the jobs that girls from colleges, it is certain, cannot physically qualify to do. The college professors who would put such ideas into their heads and promote such programs should have their heads examined.

Mr. Chairman, it is time this Congress should give some thought to restoring the self-respect of the farmer. Forget these half-witted theories. Give the farmer a chance to produce by furnishing the machinery creating fair prices. He will produce. He is as patriotic as any other American. He does not ask for subsidies to prove his patriotism. I am keeping my promise to my constitutents, Mr. Chairman, by voting against this appropriation, which has not been justified in any of the arguments made here this afternoon.

Mr. CANNON of Missouri. Mr. Chairman, I yield 10 minutes to the gentleman from Indiana [Mr. LUDLOW].

Mr. LUDLOW. Mr. Chairman, during the 12 years I have been a member of the Appropriations Committee I have never been puzzled by an appropriations proposition like I have been puzzled by this one. I have voted for appropriations of billions without a fraction of the mental worry this one has caused me. It was not the size of the appropriation that bothered me, but the nature of the problem to be tackled and how it could best be tackled. As a member of the Deficiencies Subcommittee I heard all of the testimony, and while I make no claim as to the wisdom of the decision I have reached after considering all of the perplexing features of the matter, I do believe I should tell my colleagues of this legislative body what my conclusion is and how I arrived at that conclusion.

In our encounter with this estimate we of the committee were in about the same position as a debutante with a blind date, the difference being that after the debutante has been with her "date" for a little while she knows more about him than we were able to extract by cross-examination of the many witnesses who came before us. Perhaps it is true that an estimate has never been presented to our committee in more hazy outline and with less definite knowledge behind it. This is no impeachment of the sincerity and ability of those making the presentation, from Secretary Wickard down the list. It was simply that they found themselves in an unknown and untried field and they did not know, and could not know, their ground.

The one outstanding fact that hit us squarely in the face was that there is an acute shortage of farm workers which makes the recruitment of farm labor an imminent and vital problem. How to meet that situation was the question before us and I am sure every member of the Committee was deeply impressed with the gravity of the undertaking and keenly anxious to find the remedy. Food is as important to winning the war as gunpowder.

Between the fall of 1941 and the fall of 1942 a total of 1,600,000 workers is estimated to have left agricultural pursuits. The Secretary of Agriculture advised the committee that 60 percent of the labor that has left the farms has gone into industry and 40 percent has entered the armed forces. He also stated that as of February 1 there were actually 200,000 less workers on the farms than there were on the same date a year ago.

Many and various were the suggestions of means to create a reservoir of workers to meet the farm labor deficiency but to my way of thinking nearly every suggestion carried its own negation. In the absence of a national selective service law—which God forbid may never be enacted—how are you going to get back to the farms the 60 percent of farm labor which Secretary Wickard says has left the farms and gone into industry? I had a letter from home the other day saying that in one big defense plant of Indianapolis six thousand farm boys are employed. My correspondent also stated:

> I was asking some of these young farmers why they came to Indianapolis instead of staying on the farm. The answer from them all was that Dad couldn't pay them more than one or two dollars a day and that they were out after the big money.

If we undertake to raise the price ceiling for farm products so that the farmer could afford to pay higher wages in competition with defense plants we encounter the obvious fact that this would increase the cost of living, followed by a demand for higher industrial wages and that would create a vicious circle.

As I stated, nearly every tangible proposal advanced carried more or less its own negative.

When inquiry was made as to the feasibility of returning farm boys from the Army for work on the farms, Secretary Wickard testified that there are 375,000 in that group, but securing their release is another matter. I quote from page 174 of the hearings as follows:

> Mr. LUDLOW. You stated awhile ago that a representative of the War Labor Board would be authorized to ask for deferments of farm boys.
>
> Secretary WICKARD. Yes; that is, the county war board, the agricultural war board.
>
> Mr. LUDLOW. Have you thought of going a step further and asking for a reexamination of the rolls of the Army and Navy, of the units that are in this country, and nearby stations, with a view of releasing farmers for farm work?
>
> Secretary WICKARD. No, sir; I have not personally advocated that, because it seemed to me, if we could not stop taking the boys from the farm, there was not much hope of taking boys out who had been in and who had been trained.
>
> Mr. LUDLOW. Would not that open up a considerable reservoir of farm labor?
>
> Secretary WICKARD. We have been told by the Army people—we have had discussions on this topic—but they say that they might have 375,000 farm boys in the Army who are still in this country. They cite the fact that they have had difficulty getting men over 38 who can be released to go back to the farms. A lot of them do not like to leave the service. A lot of them say that the pay is going to be less on the farms, when they go back. A lot of them, since they have had some training, perhaps have gotten some advancement; I do not know how much we could do.

So it seems there is not much of a prospect in that direction.

It was hoped that 50,000 laborers might be brought from Mexico to work in the production of this year's crops, but that hope is diminishing, due in part to under-cover opposition of the Mexican Government. Plans to import farm labor from Puerto Rico and the Bahamas are likely to prove ineffective, if not nugatory, due to the fact that enemy submarines have virtually stopped transportation from those regions.

I cite these instances to show the immense difficulties of recruiting farm labor up to anything like the necessary requirements. Still it is a problem that must be met and we have sought in this bill to meet it in a logical way.

The original estimate that came to us from the Budget Bureau asked for an appropriation of $65,075,000, of which in round numbers $40,000,000 was to be for the transportation, subsistence, medical care, etc., of 350,000 seasonal workers and the movement of 42,000 year-round workers and $17,500,000 for construction and maintenance of 250 farm-labor camps and the maintenance of 95 existing camps. This arrangement gave the major part of the appropriation to the Farm Security Administration and only about $6,000,000 to the Farm Extension Service.

There were features of the estimate which seemed to most of us as being unsound and savoring of extravagance. Testimony of witnesses showed an inclination on the part of proponents of the estimate to make over the social order by transferring citizens from places and surroundings where proponents of the estimate thought they ought not to be living, to places and surroundings where proponents of the estimate thought they ought to be living. It seemed to us that this sort of a social transformation was going pretty far in a farm labor recruitment program. It was our belief that the two did not tie in very well together. It was revealed, too, that it was proposed to transport laborers long distances, a thousand miles or more, which seemed unnecessary, and a proposed allowance of $1 per meal or $3 per day per person in transit met with criticism, since the Army, Navy, Coast Guard, and Marine Corps are able to furnish a nourishing and satisfying ration at a cost of between 50 and 60 cents a day.

The upshot of consideration of the over-all problem before us was that it was decided to reduce the appropriation to $26,100,000 and to give the job of recruitment of farm labor to the Extension Service in collaboration with the United States Employment Service and such incidental services as may be required. The Extension Service has agreed to accept the over-all responsibility. We increased its apportionment from the $6,000,000 carried in the estimate to $13,500,000, partially for the reason that the draft has taken many extension

workers and it will be necessary to build up the personnel of that service for the heavy duties ahead.

The Extension Service has a director in every State, county agents in each of some three thousand counties, and is in close touch with local conditions and the requirements of the farmers and is in the best position to reach out locally and find the needed labor. With its widespread organization already in existence we believe it is well qualified to handle this operation, especially since it is believed that from 90 to 95 percent of the hired labor to be recruited will be local labor.

Why did the committee eliminate farm security from the administration of this program? It was done, I think, because the committee felt that farm security is primarily interested in social objectives. The committee wants this to be an operation and not a social experimentation. The operation is the recruitment of farm labor to meet an emergency, and the committee does not want any Tugwell ideas mixed with it.

My own thought is that in the committee's action there was an undercurrent of subconscious or conscious disapproval of our bureaucracy's attitude toward the farmers.

The American farmer has been the world's prize guinea pig. In an effort to make him feel better he has been salved and poulticed by bureaucratic panaceas until there is not a spot on his anatomy that is not red and blistered and inflamed. His pigs have been snatched from a normal and useful course of life and converted into soap grease, his cotton has been plowed under and he has been told how many acres of this, that and the other crops he can raise and how many acres he cannot raise under the dire penalty of the law. He has been bossed and regimented and goose-stepped by beardless boys in Washington who never saw a plow, and when his load of grief was heaviest and it seemed that he was the chosen goat of punishment he has been miraculously rewarded by being paid for crops he did not raise! He has been caught in a maze of bureaucratic entanglements, directives, and ukases until he did not know whither to go or where to turn. When I see what has been done to him by the boys in Washington I cannot help exclaiming "God help the farmer!" and I wonder whether the academicians who spend their time practicing their remedies on him will ever come to realize that the very best way to help the farmer and to enable him to perform his full part in the Nation's economy is to lift him from under the mass of governmental restrictions and orders, cut down his taxes and leave him alone. All of this is said without any impeachment of Secretary of Agriculture Wickard. The irrational policies of the Department of Agriculture were formulated before he became the head of that establishment. I regard him as a sound and able administrator, but he has inherited some bad practices and some visionary personnel. I think it is entirely proper that Congress should indicate how it wants this program carried out.

In regard to the exact amount to be carried in this bill for the recruitment of farm labor, I am not so particular. In our subcommittee I proposed an appropriation of $20,000,000 and I assume there is no impropriety in stating that at one time that amount was approved but on more mature consideration an appropriation of $26,100,000 was decided upon. I believe that Mr. W. R. Ogg, director of research of the American Farm Bureau Federation, made a wise observation to our committee when he said:

> I would like to have the committee in making the appropriation make it on a temporary basis for a period to get through the rest of this year, with the understanding that, if this is not adequate, a request for further funds could be made.

Frankly, I doubt whether an appropriation of $26,100,000 will do the job but I do think it is enough to start with. In an unknown operation of this kind, when so much depends on experience, it is in my opinion a sound and sensible appropriation procedure to start with a conservative amount and feel the way, as it were. It often saves a tremendous amount of money in the long run. The important thing is not so much the amount as it is to get started on this colossal task at the earliest possible moment. If a trial shows that the amount appropriated is not sufficient, Secretary Wickard and his associates will have no trouble in finding the doors of the deficiencies committee room. Speed is essential in the passage of this bill if it is to do any good in the cultivation and harvesting of this year's crops. There is every reason to believe that if the bill is not modified in the House it will run the gauntlet of the Senate and the White House expeditiously. In view of the existing emergency I plead with you fellow Members of the House to pass the bill without delay and send it on its way.

In conclusion, I would like to read a telegram I have today received from Purdue University in respect to this appropriation. As you all know, Purdue University is one of the best agricultural colleges in the world. There is none better on this globe. Mr. H. J. Reed, director, extension service, wires to me in respect to the amount carried in the bill as follows:

> We believe that funds carried in present House bill are adequate for agricultural extension service to meet the demands of the farm labor training and placement program insofar as any agency of government can meet the situation in view of present shortage of manpower. Immediate action is imperative in any event.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. TABER. Mr. Chairman, I yield 4 minutes to the gentleman from North Dakota [Mr. BURDICK].

Mr. BURDICK. Mr. Chairman, for some reason this committee is ashamed of the bill it brought in. I am opposed to this resolution. I am profoundly disturbed by evidence in the hearings before the Subcommittee on Deficiencies of the Committee on Appropriations that we of the House may be drifting into government off the record. I desire to call your attention to pages 90, 91, 93, 96, 102, and 170 of the printed hearings where at points in the testimony, of extreme importance in the consideration of this appropriation, various witnesses went off the record in their testimony. There obviously were no military secrets involved, and the hearing was closed from the press and the public.

Turn to page 87, and in the opening statement by Albert Goss, master of the National Grange, speaking for the American Farm Bureau Federation, the National Council of Farmer Cooperatives, and the Grange, he says:

> Mr. Chairman, when you handed this problem to the farm organizations for recommendation, you handed us a pretty tough job, as you know. We have not had time to form complete agreements as to all details. We are agreed that the present system is not working right, by any means; but we have some general recommendations here which we would like to make, and then discuss possibly some other recommendations which we can discuss off the record or on the record, as to details.

Three pages later, concluding his formal statement, Mr. Goss says—

The hearing indicates there followed a discussion off the record.

Again a moment later, Mr. Goss again went off the record and again on page 91 was talking off the record.

Now, turning to page 93, and reading from a colloquy between the distinguished gentleman from Georgia, who is the chairman of the Agricultural Appropriations Subcommittee, and Mr. Goss, we find:

> Mr. TARVER. Mr. Chairman, may I be permitted to make one statement off the record?

The hearings indicate that the gentleman from Georgia [Mr. TARVER], did make a statement off the record.

Three pages later during the testimony of the distinguished gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] we find the distinguished gentleman from Georgia making another statement off the record.

Now, to indicate that Mr. Goss began his testimony with the intention of going off the record for some part of it and that this was part of a plan agreed upon among the organizations for whom he spoke, we find, at page 102 that Mr. W. R. Ogg, director of research, American Farm Bureau Federation, opened his testimony with the identical request that he be permitted to speak off the record. Finally, while the Secretary of Agriculture was testifying regarding the urgent need for action to meet farm labor needs, we find that he, too, asks permission to speak off the record and was given that permission by the chairman of the Appropriations Committee.

Mr. Chairman, I for one am against government off the record. I do not like testimony given off the record and, as in this instance, so given with premeditation, design, and apparently by agreement. What is going on here that cannot stand the light of day? What was it that these two witnesses planned to pour into the ears of our committee? And did pour into their ears, knowing in advance that it was something they would not want to have spread on the record where it could be answered by any agency or

person affected. I do not like star-chamber proceedings and the atmosphere in which these recommendations have been arrived at. For this reason, and because the resolution will, in my judgment, defeat its own purpose, I intend to vote against it.

Mr. Chairman, I think the Members of the House should clearly understand who is in favor of and who is opposed to House Joint Resolution 96 as it stands. It is supported by only one of the four major national farm organizations. Its sole supporter is the American Farm Bureau Federation, which is tied up with the very same 48 State extension services which this resolution proposes to make all-powerful.

The resolution does not have the support of at least other groups according to the record of the hearings before the subcommittee of the Committee on Appropriations, because I read at page 151 that the National Grange, the National Cooperative Milk Producers Federation, and the National Council of Farm Cooperatives do not believe the Extension Service is equipped to handle the importation of foreign labor and the interstate migration of labor with maximum speed and effectiveness. They endorse the judgment of the Secretary of Agriculture and the Federal Director of Extension on this matter. At page 150, Albert Goss, master of the National Grange, reported on a conference among the Farm Bureau, the Cooperative Council, the Grange, and the Federation of Milk Producers, held in an effort to reach agreement on recommendations to the Appropriations Committee. Here is Mr. Goss's testimony:

> We were not entirely agreed on the proposals with reference to the interstate handling question. * * * The Farm Bureau could not see eye to eye with us.

In addition to this split regarding the role of the 48 State extension services, the National Farmers' Union is in wider disagreement, opposing transfer of the interstate farm labor service from the Farm Security Administration. The Farmers Union opposes the prohibition which would make it impossible for any agency to recruit farm labor. I refer to the final provision which stipulates that none of the funds shall be used directly or indirectly to set minimum wage, housing, and sanitary standards.

This resolution, as it stands, satisfies only one out of five farm organizations which, significantly enough, has an exclusive relationship with the State extension services. I submit that the resolution in the present form is unsatisfactory for this and other reasons, and on a vote to approve or reject I will vote against it, not because I am against mobilization of an adequate supply of farm labor but because I want to vote for a measure that will do the job. This resolution, on the word of all but one of the farm organizations, will not do the job.

There is no available labor for farm work located in any considerable number in any State of the Union. This resolution suggests that labor will be imported from foreign countries. If such labor comes in will the county extension agents know it, and will they be able to make arrangements to secure it? Some labor will come in from Mexico, as it has in the past, and will the county extension agents in 2,920 counties arrange with the Mexican Government for it? That proposition is preposterous on its face. In treating with foreign governments for labor, no government will want to treat with 2,920 individuals instead of one responsible government agency.

Will Mexico respond to our plea for labor when in this resolution we give them only 30 days to get out of their contract already existing with the Government, and join the county-agent system?

The resolution contains this further language:

> *Provided*, That no part of the funds herein appropriated nor any of the funds hitherto appropriated or made available to the Secretary of Agriculture for the recruitment, transportation, and placement of farm labor shall be used directly or indirectly to fix, regulate, or impose minimum wages or housing standards, to regulate hours of work, or impose or enforce collective-bargaining requirements or union membership, with respect to any agricultural labor exempted under the provisions of the Fair Labor Standards Act of 1938.

Mexico will have to let their labor come in under conditions which this committee has written and do it within 30 days from the final passage of this act. I will suggest that Mexico may have something to say about the conditions under which her citizens are to work.

It is certain from the debate that the majority of the committee who brought this resolution in have no idea that through it the farm-labor shortage will be cured. Through the debate you will note that the Farm Security Administration has been condemned, and in my judgment this attack goes further than this resolution. There is a movement on foot to take all appropriations away from the Farm Security Administration as you will note by remembering the colloquy between the gentleman from New York [Mr. TABER] and the gentleman from Illinois [Mr. DIRKSEN]. I think this debate made that purpose certain. In North Dakota the Farm Security Administration is the only organization we can turn to to put farmers and their families to work who have been foreclosed and dispossessed. Thousands have been reestablished in the United States, and payments to the Government have been overpaid in many instances. This year in North Dakota payments to Farm Security have reached 299 percent of the amount due for 1942. There is not a chance on earth that the Government will lose, and in the meantime families and family homes have been reestablished.

I say to you, as long as you permit Government agencies like the Federal land banks, and the Federal Land Commissioner to foreclose and oust farmers, it will be necessary to retain some organization to put these families on their feet after being knocked down by another Government agency.

I think myself it is too late to do very much for the farmers for 1943. The time we should have done it was when we passed the draft bill in this Congress. Several of us worked for months, trying to get a modification of the draft, but we never got it. You drafted farmers right and left until now farms have been abandoned and herds of a lifetime sold and if you are hungry it is the fault of this Congress and nobody else. It is no fault of any bureau. You cannot criticize the First Lady of the land for that. You cannot criticize Mr. Ickes for that. You can criticize this Congress, because we did not have the vision to look ahead and see what was going to be done.

I hope the people of the United States will not let this Congress escape the responsibility that it assumed when it passed the draft law permitting the farms to be stripped of workers and which has resulted in the abandonment of thousands of farms and beef and dairy herds. We are trying to dodge the responsibility now by passing this act which no one has had the nerve to say will adjust the situation now.

For the crop year of 1943, if there is to be any farm labor supplied it must be done by local communities calling upon business men, professional men, children, and after-hour workers to lend a hand in the necessary production of food. If further draft of farmers will be stopped that will help some, but this proposal to put 26 million dollars into the hands of county agricultural agents with the hope that this situation will be solved is too visionary even to warrant serious consideration.

Mr. WIGGLESWORTH. I yield such time as he may desire to the gentleman from California [Mr. GEARHART].

Mr. GEARHART. Mr. Chairman, the food and fiber which is produced upon our farms is just as much munitions of war as are the tanks, planes, and guns that are produced in urban factories. If the food and fiber programs fail, the war will be lost just as certainly as if all our warplants were blasted from the face of the earth.

Because of reasons beyond numbering, the operation of the draft, the attraction of the war production centers, many others that might be named, a great scarcity of labor has developed upon our farms. Something must be done to insure an adequate supply of agricultural labor at the farmer's gate or our production programs are bound to fail.

It is absolutely necessary that legislation along the lines of House Joint Resolution 96 be passed as all existing agencies of government to which we have looked in the days gone by for help in the finding of a solution to our all-important problem have failed us. Last year our loss of crops, because of a lack of harvest help, must be measured in millions of dollars—a sad commentary indeed during these days when our country and its fighting men are in such dire need of that of which our farmers are not only anxious to but entirely capable of producing in abundant quantities.

For reasons that will never be fully explained, the United States Employment Service, the Department of Agriculture, Farm Security Administration, the Manpower Commission—every governmental

agency to whom we looked for assistance—turned a deaf ear to our pleas. In view of the dire necessity which then existed and the stupendous financial loss that was the consequence of their indifference to our plight, to leave this great question of farm labor to such agencies of demonstrated incompetence would be folly indeed.

After all their puffing and blowing only 3,000 Mexicans were brought in from Mexico last year, so many less than were required that tears rush to the eyes as we contemplate this direct consequence of official nonfeasance.

We must place the responsibility for the production of a sufficient labor supply, Mexican and domestic, in the hands of officials that, when the necessity arises, will not hesitate to cut red tape in the farmer's interest, not in the interests of those who oppose him.

We cannot forget that when 10,000 Mexicans lined up in the border awaiting the chance to enter our country, that the Immigration and Naturalization Service cut all its red tape to keep them out, but that the United States Employment Service would not cut one strand to get them in. We want no more of that.

So, I earnestly plead that you, my colleagues, pass this legislation. Let us put the administration of this problem in the hands of our neighbors, those who know our farm-labor problems. This bill will do it, will end our labor-procurement difficulties, make certain the attainment of our farm-production quotas, do more perhaps than anything else we might do to win this war. I beseech your favorable consideration of the bill now before us.

Mr. WIGGLESWORTH. I yield such time as he may desire to the gentleman from Nebraska [Mr. STEFAN].

Mr. STEFAN. Mr. Chairman, I have made a canvass of the situation on the farms in my district in Nebraska. I have received many letters from the farmers giving me their opinion of what they think the Congress can do about helpful legislation. When we go back into the House I shall ask permission to put excerpts from these letters in the RECORD.

Mr. WIGGLESWORTH. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. VURSELL].

Mr. VURSELL. Mr. Chairman, I said on the floor of this House on March 2, that lack of vision and bungling by the Secretary of Agriculture, the Manpower Commission and the O. P. A. have brought the Nation face on with a threatened food shortage this fall.

This bill, known as the Dirksen bill is an emergency attempt by the Congress to set up an organization through the extension services of the State universities to prevent this threatened shortage, or at least to soften the impact against our food production and our national economy. Its purpose is to render such financial aid to the farmer as will mobilize and get to him on the farm all possible labor for his use in planting, producing, and harvesting. I deem it a proper and wise move on the part of Congress and I hope the Members will approve the measure.

Now, Mr. Chairman, I want to call the attention of the House to the lack of vision, the lack of mature plans by many of the men holding places of great responsibility in the Government by devoting the remainder of my time to Mr. McNutt, of the Manpower Commission, because this agency is typical and closely tied in with the entire labor situation of the Nation.

Mr. Chairman, I note in the Times-Herald newspaper, of Washington, this morning that Manpower Commissioner Paul V. McNutt has indorsed incentive vacations and incentive bonuses for workers to reduce absenteeism in industrial plants. The news story indicated that it was a bright idea suddenly flashing out of the brain of Ralph Bard, Assistant Secretary of the Navy. It is planned that such vacations and incentive payments would be awarded with the regular pay envelope for exceptionally good work and faithful attendance.

McNutt is said to have told the press conference that such action is one of the several that might be used to combat absenteeism. The general public, when they read of this last "powder-puff smash" of Czar McNutt against absenteeism, will hope that he does not mention any of the several other plans he has in mind in the fear that if he does and applies them they might further impede the efforts of labor to produce the implements of war. If he has other bonuses, we are wondering if he has planned one for the farmers or one for the Main Street merchants, who after struggling with the point rationing system 12 hours a day must spend all day Sunday trying to analyze and make out questionnaires with which they are constantly burdened from the Office of Price Administration.

Does he intend to add any extra bonuses in favor of the white-collared worker who is unorganized and who works at a low salary assisting the small merchant who is trying to hold his business together to render a service of food distribution to the American people who do not live in the offices here in Washington but who carry on an extensive and very important service in the back reaches of the Nation?

And may I divert to say that the Main Street merchant and his employees, by the millions, who are having a part of their salary taken out every week for the buying of bonds; the Main Street merchant who leads the bond drives, who leads the drives for the Red Cross, the salvage drives, who buys bonds till it hurts, who leads in the building of the churches, the schools, the hospitals, who is the nucleus around which the business, civic, and religious life of the community is builded, have about become the forgotten men and women of America. They are not bothered with absenteeism; they are striving without undue complaint to keep the forces and energy of this tremendous effective sector of the home front intact. They are doing their best and more, possibly, then any other group on the home front to win the war and preserve the American way of life. The great group of earnest citizens who have been penalized by Government regulations and restrictions would have a just right to cry out against this added confusion in this latest suggestion of Commissioner McNutt in his further attempt by such a silly suggestion to coddle organized labor.

Laboring men in the war plants have had the advantage of steady work and high salaries. With their sons fighting in the war and their neighbors' sons, they have not asked for and, in my opinion, would not welcome any such a move by the Manpower Commissioner. As American citizens they would not ask for and would not want special favors now at the hands of the Government. The attempt to claim that such a rule would increase their productive capacity is to question their all-out effort at their jobs now and to question their patriotism.

What will the soldiers in the Southwest Pacific and in northern Africa, who are fighting and dying for $60 per month, think of such a policy if they read about it on the battle fronts. Does the Government offer any vacations to them, any incentive payments for extra effort in their fight for democracy? What will the fathers and mothers of these sons think of this last suggestion of the Manpower Commissioner? Will such a suggestion tend to increase the morale of the men who are doing the fighting or of the fathers and mothers who are fighting on the home front in the battle of production and in buying bonds?

Commissioner McNutt has recently asked for and has been given tremendous power over the laboring men and women of America. He goes on the radio and threatens men of certain ages with earlier induction into the Army unless they hurry to a wartime job essential to the winning of the war. He spreads confusion. Now, he comes back holding out the "cookie jar of incentives," in vacations and extra pay to the highest paid laboring men in the Nation.

We shall never get a sane, cooperative, coordinated, effective concentration of manpower production with such a senseless vacillating policy. Some sane, well thought out, understandable, manpower policy should have been given to the Nation over a year ago. Someone should be found who can discharge the duties of Manpower Commissioner with such a policy now even though it is fearfully late.

Mr. WIGGLESWORTH. Mr. Chairman, I yield such time as he may desire to the gentleman from Ohio [Mr. BREHM].

Mr. BREHM. Mr. Chairman, I may say to the House that I have a bill that is in the process of being drafted, which I think will help solve this farm-labor problem, if I can ever get it out of the committee.

Mr. WIGGLESWORTH. Mr. Chairman, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. GAVIN].

Mr. GAVIN. Mr. Chairman, this Resolution 96 is typical of proposals emanating from agricultural wonderland. It is an insult to the intelligence of every Member of the House to highjack the taxpayers for $26,000,000 for a program to further confuse, conflict, and muddy up the waters now badly muddied by the

crackpot theorists who have the agricultural program in a bad mess from their social reforms. Let the farmer alone. Take the handcuffs off of him; remove the shackles; give him the necessary farm equipment, a fair price for his products, and he will produce the food to win this war. This resolution should be defeated, unless properly amended, and every man who votes for it ought to be ashamed to look into the face of the farmers of his district. It is time to call a halt to nonessential spending. This bill is just another step in the blueprint of social reform, which the bureaucrats are trying to force down the throats of the American people under the guise of the necessary war effort. It should not alone be voted down, but should be returned to the Department of Agriculture with a severe rebuke for attempting to reintroduce schemes and plans that have already proven unsound. It is about time that the Congress discontinue being a rubber stamp for these impractical, visionary dreamers, that have been sabotaging the agricultural life of the Nation. Let us return this Nation back to common sense and forget these half-baked formulas such as the one transporting workers from one State to another. Where are you going to get the workers to transport and house? And in the bill is $13,500,000 for this item. The only appropriation that should be considered here today is one to provide necessary funds to carry on the work of the Agricultural Extension Service of the United States Department of Agriculture in cooperation with the agricultural extension services of the land-grant colleges in the respective States.

Mr. WIGGLESWORTH. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. J. LEROY JOHNSON].

Mr J. LEROY JOHNSON. Mr. Chairman, the Third District of California, which I represent, raises 28 major agricultural crops. Many of them rely on itinerant labor. This labor is required to plant, cultivate, and harvest the crops.

Last year there was an acute shortage of labor in this area. After much delay Mexican labor was permitted to come into California and they did give some relief in the acute labor shortage in which California found itself.

Consequently we are interested in the passage of House Joint Resolution 96, which provides for the importation of Mexican labor. We are also interested in another provision of that resolution. That is the provision for direction of the labor program by the Extension Division of the United States Department of Agriculture and the extension service of the University of California.

For over half a century the extension service has worked with and among the farmers. They know their needs. The representatives of these services are usually practical agriculturists and have an intimate personal knowledge of the farmers' problems. Under their direction the money appropriated by this bill will be well spent and will produce maximum results.

We most earnestly hope that the resolution will be adopted in its original form.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 4 minutes to the gentleman from Tennessee [Mr. JENNINGS].

Mr. JENNINGS. Mr. Chairman, the press of last week carried an announcement from Secretary Wickard that he was about to send a mission to London, England, to learn how the people of Great Britain are able to subsist on half rations. Now, the situation we have in this country is an accumulation of blundering, and working at cross purposes.

I want to talk to you a little while about the facts that are within my own personal knowledge and observation. The agricultural experts of the University of Tennessee have conducted a State-wide survey of the food situation in Tennessee. They report that with normal weather this year our food production will be from 15 to 25 percent less than what it was last year. That is due to taking the boys from the farms who ought to have been left there by draft boards that had no discretion and by siphoning off farm labor into industry at $8 or $10 a day wages with which the farmer cannot compete.

In addition to that, in our program of last year the War Department took over 56,000 acres of farm land in two counties in my district. I sent telegrams to the President, and the Vice President because I felt perhaps he could take time off from throwing boomerangs and blowing bubbles and do something about it. I wired Mr. Wickard and the Secretary of War and told them they were getting ready to dispossess 1,000 farm families from 56,000 acres of farm land, and to this good day more than 500 of those families are wanderers on the face of the earth without a dollar from the Government with which to buy other farms. That is what is going on.

Last week I got a letter from one of the more prominent farmers in my district saying he had been trying for 2 weeks to get two tires for the front wheels of his tractor. He finally got them, but if it had been croptime he might have lost the entire crop. You cannot stop the processes of the seasons; you cannot turn back the hands of the clock for growing crops. It is time to put the seeds in the ground now and I think it would be well for the War Department to bring back the boys, who were taken from the farms, and who are still in this country, and put them to work.

Every farm in this country is a battlefield, and every farmer, his wife and children are soldiers in this army which will win this war if and when we win it.

I look upon our food supply as a river system. If you dry up the springs, the branches, the creeks, and the tributary streams you dry up the river itself. We do not get all our beef cattle from the West; many of them come from farms, in some instances only 1 steer from a farm, and from that on up to 10, 15, 20, or even 50. If we are to win this war we must win it on the farm as well as on the battlefield. If you are going to raise food it must be raised on the farm; it cannot be done on the floor of the House or in a committee.

I do not know what this bill will do; I seriously doubt whether it will do any good at all, and sometimes I wonder if it may not do more harm than good, but it is a belated effort to correct a situation that should have been tackled long ago; it is the result of muddling, bungling, and stumbling.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. RABAUT].

Mr. RABAUT. Mr. Chairman, as I walked down the aisle I passed my colleague the gentleman from Michigan, CLARE HOFFMAN. He said to me: "Here goes the city farmer."

Mr. HOFFMAN. I said: "My city farmer."

Mr. RABAUT. Yes; I am Clare's city farmer.

It is very difficult for me to rise today on the floor of the House and oppose a bill brought in by the deficiency subcommittee, of which I am a member, because I have a high admiration for the chairman of the committee and for every member of it, but this is a forum of debate and a place for differences of opinion. I may say also that the size of the official record would be slim if it depended upon the number of times I have taken the floor to speak; but today I wish to be heard.

This bill measures food by a money yardstick. Do not fool yourselves; it is the hottest potato that has ever been placed in a political lap, and you are going to carry it if you pass this resolution, you are going to accept something that the farm groups could not agree on when they were before the committee—and they are sitting in the galleries today. To repeat, I say again you are going to accept the hottest potato that has ever been placed in a political lap, and you are going to take the responsibility if you pass this resolution. This resolution is for the production of food by manpower, food, food for the Army, food for the Navy, food for our allies, food for the boys that carry our allied guns produced here in America, food for the folks at home, and some food produced will find its resting place on the bottom of the sea.

Mr. Chairman, do not be misled, this is a dangerous bill, dangerous because it involves the food problem. Some regard it lightly and are raising a political flag today, waving it above the Stars and Strips, the Stars and Stripes in jeopardy. Some only hoist their State flag above those Stars and Stripes; some would hoist that flag because they are playing around with one of the farm groups but I tell you I will hoist the flag of relief to the homes of America. This bill is one you had better consider. Personally I would place the responsibility with the Secretary of Agriculture and appropriate the amount requested.

Why not follow General Marshall? What did General Marshall say? He paraphrased Napoleon's remarks that were so ably quoted by our chairman: "An army travels on its belly"; but General Marshall says "food is as essential as powder." What good are your boys in Africa without food? What good are your sailors on the ships without food? What good are your tanks or all your glorious armament, against the production of which not a man in this House raised his voice save one and he changed it since that time—what good are they without food to support the men who must use them? Yes; we have millions for armaments. In our own committee we were told: Do not question the size of appropriations for armament. Who are we to question them? I ask you who are we to question the Agriculture Department? The Nation to date has appropriated $120,000,000 to ration food yet we debate the paltry sum of $26,100,000 to help produce it.

Do not cut the cloth of this necessary activity to fit a program originally set at a figure of $65,000,000 to the humble size of the appropriation proposed. My warning is, give the Secretary of Agriculture the green light for the maximum production of food. Remember crops are seasonal. Time and tide wait for no man, not even the farmer or the Congress of the United States.

But there are those in Europe who are waiting, oldsters, enfeebled, hoping the long winter will pass; women, exhausted, longing; children, emaciated, wondering; will the spring days come to find them on their knees planting and praying? Let us consider it seriously. Those scenes could come to us.

Mr. CANNON of Missouri. Mr. Chairman, I yield 3½ minutes to the gentleman from New York [Mr. FITZPATRICK].

Mr. FITZPATRICK. Mr. Chairman, I do not represent a farming district, but I am a Representative from one of the largest consuming communities in this country. The city of New York. I am here today speaking for the people of my district and the country as a whole to tell you frankly that I am worried when I hear the reports being spread around concerning the shortage of food.

The shortage of food, as I understand it, is due to the shortage of farm labor which this bill is supposed to remedy. We need food. Every man, woman, and child in this country needs food. Our soldiers and sailors need it. Our allies need it.

The original request from the Department of Agriculture was for $65,075,000. The bill before us now only provides for $26,000,000. In my opinion this amount is not sufficient to do a good job. In the first proposal, there were provisions for certain housing facilities and transportation to which I feel the workers are entitled. However, none of these provisions are in the present bill. I feel they are most necessary, if we expect to get the proper kind of farm labor.

I say to you members of the committee, this is a serious question. Congress must do something to restore the confidence of the people so they will be assured of a sufficient supply of food. The amount of money involved is very small as compared to the need to improve the farm-labor shortage.

The Department of Agriculture asked that the experienced and trained personnel of the Farm Security Administration be allowed to handle most of this work; not the Extension Service. I agree with their recommendation. If they are permitted to handle it, I am sure the farm workers will be much better satisfied.

In conclusion, I hope the Members of the House will vote down the present resolution, unless it is amended, so as to give to the Agriculture Department sufficient money to try and cure this labor shortage.

Mr. MILLER of Nebraska. Will the gentleman yield?

Mr. FITZPATRICK. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. Can the gentleman tell me what States have a surplus of labor now, the manpower that we could get the labor from?

Mr. FITZPATRICK. That is the question involved in this appropriation. It is to furnish sufficient money for the Agricultural Administration to find out where it can get the labor and bring it to the farm.

Mr. MILLER of Nebraska. I thought it took about 20 years to produce a farm laborer.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WIGGLESWORTH. Mr. Chairman, I yield such time as he may desire to the gentleman from Vermont [Mr. PLUMLEY].

Mr. PLUMLEY. Mr. Chairman, as a member of the Subcommittee on Appropriations for Agriculture, I am for the bill as written and will oppose any amendments that will be offered.

This bill is an attempt to lay the foundation for a successful program on the wreck of what has been done up to date. We do not guarantee that the proposed plan will work but if it does not then none will. If by trial it is found that a solution has been offered by this plan, then the necessary additional funds will be made available to carry the experiment to its successful conclusion.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 4 minutes to the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Chairman, in listening to the remarks made by different Members who have spoken on this bill I am led to believe that it is a glorified W. P. A. bill for the big cities and a Mexican labor bill for California. It does not seem anybody else is very much excited about it. Certainly we folks from the Middle West are not overly concerned about the bill because we have made up our own minds out there that this is a job which will have to be handled by the States or it will not be handled at all.

On yesterday in Des Moines, Iowa, Governor Hickenlooper of Iowa called seven other Governors together and they talked about this problem. Here are some of the things the Governors of eight States and high ranking officials of four other States decided on after a day-long conference:

> Drafting a series of recommendations that among other things would recognize agriculture as an essential war industry; release at once all present stocks of farm machinery now in the hands of dealers or distributors and provide enough materials for completion of other units not now finished; grant selective-service deferment for all experienced labor essential to farm production and terminate the present unsatisfactory system of allocation of such farm machinery which sends machinery where it is not adapted.

Mr. SHEPPARD. Will the gentleman yield?

Mr. JENSEN. I yield to the gentleman from California.

Mr. SHEPPARD. Does not the gentleman think it would be better for those States that are not so fortunate in perhaps having the labor within it to take care of the agricultural necessities to get that labor from some source without going into the gentleman's State and disturbing the balance of manpower that may exist there?

Mr. JENSEN. If this bill is made law, Mr. McNutt and Mr. Hershey will say to the draft boards in the State of Iowa, the gentleman's State and every State in the Union: "You can go ahead and take these experienced farmers because we are going to bring some fellows in from the cities and from Mexico, from Puerto Rico and other places to take their place; so you do not have to worry any more, just go ahead and draft these farmers."

We know the folks who come from the cities are not much good on the farms. You cannot teach them in 1 or 2 years to be an expert and it does take experts on the farm these days or you do not last long as a farmer.

Mr. STEFAN. Will the gentleman yield?

Mr. JENSEN. I yield to the gentleman from Nebraska.

Mr. STEFAN. The gentleman stated there were seven Governors present beside your Governor?

Mr. JENSEN. Yes.

Mr. STEFAN. Does the gentleman have the number of points they approved in this resolution?

Mr. JENSEN. I just got this from a District of Columbia paper today. I listened in on the radio last night, but the reception was not very good.

Mr. STEFAN. The Governor of Nebraska was there, I believe?

Mr. JENSEN. Yes; he was there.

Mr. Chairman, I certainly would be for this bill if I thought it would do a bit of good. But I think it is going to be a detriment. We cannot solve the farm-labor problems with this kind of a program. Remember that even though it is in the hands of the Extension Service, which is a wonderful organization, it will be guided from bureaucratic Washington. They will have their reins on this bill and they will do just about as they please. The Extension Service and the county agents are going to have to abide by what they tell them to do. So I do not expect this bill to do any good. If I thought it would I certainly would vote for it.

Mr. TABER. Mr. Chairman, I yield 4 minutes to the gentleman from Ohio [Mr. BENDER].

Mr. BENDER. Mr. Chairman, the first objection to this resolution of the gentleman from Missouri is that the Agricultural Extension Service itself does not feel equipped by experience or training to undertake the over-all task respecting agricultural labor which is called for in this resolution. I have here a letter from Murray Lincoln, the executive secretary of the Ohio Farm Bureau Federation, in which he states this position clearly. The letter is as follows:

We understand that the House Committee on Appropriations is going to recommend the allocation of certain funds to the Extension Services of our land grant colleges, in order that the matter of recruiting, placing, and housing farm labor may be turned over to this agency.

Here in the State of Ohio we have set up a voluntary committee in which are represented the Ohio State Grange, the Ohio Farm Bureau, the Agricultural Adjustment Administration, the Farm Security Administration, the War Manpower Commission, Ohio Extension Service, and the Ohio Department of Education. This group has worked out a fine relationship in order to develop a food production program for the State. The matter of handling labor has been divided amongst the different agencies. It would seriously hamper our war effort if this arrangement is disrupted, and further, our extension service does not want to assume this responsibility.

We feel that you should know the American Farm Bureau does not represent the Ohio Farm Bureau, in its advocacy that this whole question of labor be put in the hands of Extension Service.

We respectfully urge that you contact the Members of the House Appropriations Committee you know, and present these facts to them.

From other sources I learn that Extension Service State chiefs are in general quite definitely opposed to the national program of recruiting, training, transportation, and placement being thrust upon them. They are ready to help within each State and have so signified, but in the interest of efficiency in operating the program they think it should be in the hands nationally of those better qualified to handle it.

Of fundamental importance is the resolution's abrogation of an agreement with the Mexican Government on farm labor. This is a serious step and one which the Members of this House should not agree to without a complete understanding of its meaning. Once they have that understanding, I do not believe they would agree to the resolution. Under the terms of the agreement now existing between the United States and Mexico, our neighbor to the south undertakes to recruit and see that transportation to the United States line is provided for Mexican agricultural workers as certification for their need in this country is shown to the Mexican authorities. Under the terms of the agreement, a minimum wage of 30 cents an hour is provided, the barest sort of shelter and health requirements, and the guaranty of payment for 75 percent of the time the Mexicans are on the scene to which they have been assigned for work, whether or not they are actually given work to occupy their full time.

Several thousand Mexicans have been brought to this country—primarily to California—under the terms of the agreement. The Farm Security Administration was asked by the Mexican Government, by the Manpower Commission, and by the Secretary of Agriculture to handle the importation of farm workers. It did not seek the job. The job was thrust upon it. The same is true of the handling of the recruitment and transportation of domestic farm workers, which this agency has carried on in conjunction with the War Manpower Commission.

Though there have been some unsatisfactory occurrences in the operation of this Mexican program—as there are bound to be in the operation of any new program—the Mexican Government has, in general, found it to be very satisfactory. It is certain that the Mexican Government will not enter into another agreement lowering or removing the standards set in the present agreement, as the resolution of the gentleman from Missouri indicates will be the procedure. In fact, the Mexican Government cannot fail to regard this resolution as a threat to the minimum standards provided in the current agreement and a threat, with its proviso that the new agreement must be negotiated within 30 days, phrased so as almost to be insulting. This resolution, in short, will definitely work against good neighborliness in a period of food-production crisis in which we need good neighborliness more than ever.

The resolution is aimed to provide the cheapest possible labor for the big corporate farmer. It flies in the face of economic facts and is the worst possible way to attempt a farm-labor-stabilization program—unless the author of the resolution wants us to embark upon a type of farm operation in which we keep farm workers in the fields at the point of the bayonet. The family type and smaller farmers—upon whom we must count for the major part of any expansion in food production—see that if they are to survive the big corporate farmer should be made to pay decent wages to his farm workers. It is in large part because of the cheap labor he has had at his disposal that the corporate farmer has extended his holdings so much at the expense of the family farmer who employs only his own and his family's labor.

The discrimination against the Farm Security Administration—the one agency of government which has had some experience in this field—which is provided in the resolution is a classical example of the success of the smear technique. I am satisfied that the charges against the Farm Security Administration are most of them wild and unfounded. I think elimination of Farm Security from this picture is short-sighted and disastrous. The people of that organization are the only ones who have dealt with this problem—through their labor camps and otherwise—over a considerable period. They know how to handle farm workers in this food-production crisis.

The National Grange, the National Cooperative Milk Producers Federation, and the National Council of Farm Cooperatives do not think the Extension Service should handle this farm labor problem. Neither does the National Farmers Union. Nor does M. L. Wilson, the Director of the Extension Service. I hope the resolution is defeated and that the amount of money asked for originally by the Secretary of Agriculture to do the job is restored.

Mr. TABER. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Chairman, my good farmer friend from the city of Detroit [Mr. RABAUT] and also the gentleman from New York [Mr. FITZPATRICK], who said we are going to be short of food unless this bill goes through, forget that the appropriation of money does not produce food. You have to plant the seed and take care of the crop and harvest it before you have food, and that cannot be done unless you have competent farmers.

I recall, too, very distinctly that when we grew some food over on the western side of Michigan that we wanted to take down to Detroit they would not let us in there until we paid the union $25 for the exercise of our right to deliver that food to the hungry people of Detroit. We do not care very much if some of those union racketeers do get hungry.

The farmer needs relief all right, but he is not going to get it this way. What they should have done before and what we should do now is let the man who is on the farm, who knows how to farm, stay there, or if he has been taken into the Army, put him back on the farm.

FOREIGNERS MOVE IN AS FARM BOYS LEAVE TO FIGHT

Alive at last to the fact that not only will the people of these United States go hungry but that we will be unable to supply our own fighting men and the armies of our allies with the food needed to enable them to carry on the war, the administration now seeks to take belated action to prevent this major disaster. For months it has been obvious that the administration's policy of enticing expert farm workers into defense plants by means of high wages, added to the drafting of farm boys for armed service, would necessarily create a food shortage.

The dumbest bureaucrat must have known, if he paused to think, that a food shortage would destroy the foundation upon which our war effort is based. Nevertheless, after stripping the farms of the expert workers, the administration continued to deny to the American farmers the farm machinery needed to supplement the work of the few who remained.

Now it comes in with a joint resolution providing for an appropriation of some $26,000,000 to be used to pay the—

expenses necessary for the recruiting, training, and placement of workers needed for

the production and harvesting of agricultural commodities essential to the prosecution of the war (including agricultural workers who are imported into the United States from foreign countries and aliens interned in the United States).

The net result of the administration's policy is that the farm boys of America are to be drafted for fighting on some fifty-odd fronts through the world while unskilled workers from cities—yes; and from foreign countries—are to be recruited, trained, and transported to the home jobs made open by the drafting of the farm boys. Labor camps are to be erected, other necessary housing and shelter facilities are to be made available or acquired for the use of these workers.

To take the place of the expert farm worker who has been sent to fight on foreign soil the farmers' tax money and the tax money of other citizens is to be used, among other purposes, to bring in a laborer from a foreign country, who, after training, will be expected to do the work which the farmer's son would have done had he remained at home.

The average American citizen of sound judgment and good sense would have adopted the policy of retaining upon the farms those familiar with farming conditions, with the manner and the methods of good farming, and of supplying the farmers with equipment necessary to increase production.

Unfortunately, here again instead of doing the simple, the obvious thing of using the men available for the performance of the job for which they were most familiar, giving them adequate farm machinery, this administration takes them from the farm and substitutes in their place a man from the city who has to be transported, trained, and housed at public expense, or worse yet, takes a worker from a foreign country, brings him to America, at public expense, and places him in the farm boy's home.

To me such a policy does not make good sense and does not tend to create unity.

I suggest you let the farm workers stay on or return to the farms and forget this idea that you can pick up some fellow from some other country or from the city and overnight make him into a farmer. It cannot be done, as you will discover.

Mr. FITZPATRICK. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. No. The racketeers will charge me $10.20 instead of $9.41 for driving a truckload of food into the city of New York. I do not yield for any raise in the price that goes to the labor racketeers for tribute so that I may put food into the city.

Mr. FITZPATRICK. The gentleman made a misstatement.

Mr. HOFFMAN. When your people get hungry enough they will open the gates of the city and let the farmers come in with the food they have. Then you will not be hungry any longer.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 4 minutes to the gentleman from Minnesota [Mr. H. CARL ANDERSEN].

Mr. H. CARL ANDERSEN. Mr. Chairman, first I wish to make clear that I do not think that the present resolution under discussion will more than scratch the surface of the farm labor problem; nevertheless I do think it is a step in that direction and because of that shall vote for the resolution.

It is, however, my sincere conviction that legislation of this nature, while perhaps helpful in some small degree, can never do what we must have done if we are to solve the farm labor problem to any successful degree.

In every mail there comes to me letters from farmers of my district, pleading for help that I cannot give to them toward aiding in the deferment or the discharge from the service of their sons who have been their mainstays upon the farms and are absolutely essential to the successful operation of that particular farm.

As I stated to begin with, this proposed legislation offered today merely scratches the surface. In my opinion, ladies and gentlemen, if we are to do any good for America and agriculture today, and by so doing do good for our war effort, we must demand that agriculture be treated as an essential war industry and give it such rating.

We must give to agriculture immediately sufficient tools with which to work and not leave it to any bureaucrat to determine the percentage of steel that can be allocated for the production of any farm machinery, without which food cannot be produced. We must furnish to agriculture in some way sufficient labor to get the job done. How are we going to furnish agriculture with that labor? Two weeks ago I asserted on the floor of the House, and proved my assertions to be the fact, that we have 3,000,000 men and women on the civil-service rolls, men and women drawing more total salary today than all of the total members of the armed forces of America. I suggested at that time that 1 out of every 6 of those 3,000,000 people be eradicated from the civil-service rolls and that this could be done without harming the war effort in the least. I suggested then that this prospective 500,000 men could then go into the Army and war plants and replace an equal number of farm-trained men who have been mistakenly inducted into the service, men who should never have left the farms but should have remained there to produce the food we must have unless our victory in this war be imperiled.

Last September 23, on the floor of this House, I made this statement:

> Have you momentarily paused and thought of what may come to our beloved Nation in a few years' time if too much farm labor is stripped from the farms, if experienced farmers continue to be taken in the draft, if dairy cows and brood sows go to the slaughter pens rather than to remain on the farms to further our production? We have plenty of food today. How about tomorrow?

Mr. Chairman, tomorrow is here with us as we are debating this question.

In that same speech on September 23 I raised the issue of the tremendous number of auction sales that were taking place at the time in my congressional district. I further stated in that particular speech:

> How can the farmer ever compete for labor nowadays if he cannot obtain sufficient for his products to justify the wages farm labor demands?

I would further like to quote at this time, Mr. Chairman, from a letter received from a former Congressman from the Seventh Congressional District of Minnesota, dated March 12, 1943. The Honorable Frank Clague writes:

> I am taking the liberty of writing you this letter to give you first-hand views of the farm labor situation in our county, and I think the same will apply to every county in your district. All our draft boards prior to November 1 were compelled to take a good many men from the farms, particularly the sons of farmers who should have been left on the farm. Since November 1 the papers have been full of statements that many of the farm boys who were badly needed at home would be returned to work on their father's farms or the farmers who needed help, provided a proper showing could be made. I have made out a good many applications for farmers for the purpose of getting boys released, but I find that it is practically impossible to get any releases for boys who are now in the service, excepting for those who are now over 38 years of age. Our farm labor situation is very critical. It is just next to impossible to find a man who is now willing to work on the farm. Plants that are manufacturing airplanes, ships, and other supplies for the Government are paying so much higher wages than farmers are able to pay and for very short hours that practically no farm help can now be secured. Most of our farmers carry on mixed farming. Over 50 percent of our farmers have a good many cows and hogs and are feeding much livestock. Therefore, it is absolutely necessary to work more than 10 hours a day and to find a man who is willing to work on a farm is next to impossible.
>
> I want to give you a couple of illustrations. Joe Guetter, one of our most successful farmers in Redwood County, who carries on a farm of about 600 acres near Wabasso in our county, all land being owned by himself, who has 30 milk cows, 200 to 300 hogs, also feeds a number of feeders, has 2 tractors, threshing machine, raises 125 acres of corn each year, probably this year will have 100 acres of flax; he is about 70 years of age, has 2 boys at home, one 16 years of age and one 18 years of age. The 18-year-old boy is in poor health and unable to do very much work. He had a son who was nearly 31 years of age who was taken in the October call from our county and is now located at Camp Adair, Oreg. This son, who is now in the Army, was the mainstay on his father's farm. I know him well. He is a wonderful farmer. He is a first-class mechanic. He thoroughly understands the handling and caring for farm machinery. He knows how to run a threshing machine and do all the repair work on the same.
>
> Along in January I made out for Mr. Guetter several affidavits and got a statement from the chairman of the draft board of Redwood County that he is in great need of the return of this son on his farm for the reason that he cannot get other help. The father has probably driven 150 to 200 miles looking for a good man. The Government agency at Redwood Falls cannot find him a man. Our county agent has tried, but on February 8 we received the letter from the personnel officer of the company in which his son is in stating that it is impossible to discharge the son Anthony,

and in the last paragraph of the letter (you will note) it says, "Contact your county agent." Our county agent is working just as hard as I am to find men who are able and willing to work on the farm but they cannot be found.

I have many similar cases to this, but we are unable to get any releases. The Government is asking all farmers to produce more, to keep more cows, to raise more chickens and hogs and fat cattle, but we can't get the men to take care of them, and unless Mr. Guetter can secure the release of his son it will simply mean that he has got to dispose of most of his cows and hogs and cut down his farming. If he cuts down his farming it is impossible to get his land farmed because no adjoining owners can take on more land to farm.

I had a farmer in yesterday afternoon who is also one of our best farmers, who carries on 320 acres, has for several years had 30 cows and now has 30 milk cows on his farm. Twenty-four of these cows are being milked now, and all 30 will be milked after June 1 during the summer. He is one of the best farmers in the county, and he has tried everywhere to find farm help. Last June the draft board took his man who had been with him for 3 years, but we have been unable to get him released and got our letter from the officer in charge saying, "Get school boys and other help." Other help cannot be found who will do dairy work. I do not know whether there is anything that you and the other Members of Congress in Minnesota can do to get some of these boys released to return to their homes to help us produce these needed crops, but if we can't get some of them returned many of our cows will have to go to the slaughter houses and much less crops can be raised. It is almost impossible for farmers to get extras for a machine if it breaks down and with green help it is almost impossible to get the machinery fixed.

I saw a letter from a farmer's son who is now at a camp in the Army in the United States who stated that he will be glad to come home and made the statement that he is not working over an hour a day in the camp where he is located. If we are going to feed the Army and feed our people we have got to have help on our farms. You are a practical farmer and know that a good farm hand who is able to care for stock has to have some experience and that one good man on a farm is worth three or four poor ones.

Kindly give this matter your consideration.

Best wishes,

Yours truly,

FRANK CLAGUE.

Let me also read you extracts from a letter written to me just a few days ago by a gentleman in my congressional district. He states, among other things:

I am 79 years old and unable to do farm work. My wife is 61 years old and not feeling well. There is no farm help to be obtained for steady employment. The only help obtainable are floaters and are not dependable.

My son, who was inducted into the Army last April a year ago, or about a year ago, was at that time renting from me 240 acres of land. He had farmed this 240 acres for two seasons and when he was inducted he was married and also the owner of a full line of farm machinery, most of which was power machinery. He also owned 19 head of cattle, 12 milk cows, some young stock, 6 brood sows, and some chickens. His two brothers, who farm adjoining farms of 160 acres each, have tried to help take care of the stock of their brother who is in the service.

It has come to the point now where this brother's livestock must be sold and also considerable part of the livestock of his two brothers who cannot secure sufficient help to farm with. This son of mine is 27 years of age and married, is a very efficient and reliable farmer, and is urgently needed at home to operate the 240-acre farm, and in my opinion can do more for his country on that particular farm at this time than he can in the armed forces.

Mr. Chairman, spending $26,000,000 upon this problem may scratch the surface but it will not do the job. It will not bring to the farms these men who know how to farm, who know what it is to get up at 4:30 in the morning and work until 9 o'clock at night before they can call it a day. This bill will not solve the problem of the Nation as far as the food situation is concerned.

We in the United States of America must decide here in Congress whether the production of food is essential to victory. If that production of food is decided to be essential to victory, then let us treat the farmer just as we treat the defense plants by giving him machinery that he needs to work with and the labor that he must have to produce this food. Otherwise, victory will not come for many a year.

Mr. WIGGLESWORTH. Mr. Chairman, I yield the remainder of my time to the gentleman from Pennsylvania [Mr. DITTER].

The CHAIRMAN. The gentleman from Pennsylvania is recognized for 4½ minutes.

Mr. DITTER. Mr. Chairman, I address myself particularly at this time to the effort made by my respected friend the distinguished gentleman from Kentucky [Mr. O'NEAL] and my respected friend the gentleman from Michigan [Mr. RABAUT], by which they would substitute for the present bill the proposal of the Secretary of Agriculture. I was much interested in hearing the distinguished gentleman from Kentucky express amazement that the Secretary of Agriculture should be charged with incompetency. He expressed amazement over that. I thought that was such a generally well recognized fact that everybody knew it, and to say that it provoked amazement to me is indeed startling.

Our issue today is simply this: Do we want to use a reasonable, practical method such as that suggested by the gentleman from Illinois [Mr. DIRKSEN], or do we want to approve a social-reform measure such as the Secretary of Agriculture proposed. Boiled down, that is just what it amounts to. The Secretary of Agriculture came before the committee and urged a plan which had every possible social reform incorporated in it. One of my distinguished friends on the majority side facetiously probably, but nevertheless pointedly, asked the Secretary of Agriculture, as he scanned all the social requirements included in his proposal, whether the Secretary had not forgotten to provide pink pajamas for the farm workers that were brought onto the farm. That probably, better than anything else, characterizes the Wickard proposal. My distinguished friend, the gentleman from Illinois [Mr. DIRKSEN], on the other hand recognizing the need persuaded, mark you, persuades the majority that his proposal was better than that provided by the Secretary of Agriculture. That is no small job. Any man on the minority side who can put together a practical proposition that has sufficient merit in it to persuade the majority to accept his proposition in lieu of that of the Secretary of Agriculture must have put something of great merit in it.

The thing that impresses me is that the only Members on the majority side whom I have heard contending for the position of the Secretary of Agriculture were two gentleman. The distinguished gentleman from Michigan [Mr. RABAUT] charges that we are pulling down the flag and putting up some State emblem in its stead. I must confess that is imagination carried to a great degree. That was his argument against the Dirksen proposal. It is neither persuasive nor convincing.

Mr. Chairman, I have always firmly believed that nature was more dependable than the New Deal in providing food for the American people. I have always vigorously rejected the notion that any man, even an indispensable one, could plan better than the providence of God. I have always earnestly prayed, "Give us this day our daily bread." I confess, Mr. Chairman, these tenets are a part of a very plain, a very simple, a very homely faith. They may not appeal to some men. But to me, they have been sustaining, especially sustaining when subjected to the white heat of experience. And, I should add, they have been more than confirmed as contradictory experiments have proved to be both delusive and disastrous.

Were I tempted, Mr. Chairman, to entertain any doubt of the value of this faith, that temptation was swept away by the helplessness of Mr. Wickard and his staff of specialists in the face of a real and not a fanciful problem. I fail to find anything other than helplessness in the proposal of the Secretary of Agriculture which was intended to meet the pressing needs of the farmer today. What has become of the blueprints of the planners? Only a short time ago we heard much of an ever-normal granary, and yet today that ever-normal granary threatens to be as bare as the cupboard of Mother Hubbard herself. Is there an excuse for the dire conditions which we face as the prospect of food shortages are admitted by the Secretary?

Here we are at the planting season with nothing at hand to give any hope of how the farms are to be manned other than an impractical, and certainly imperfected, proposal of the Secretary which every farm organization has rejected. What excuse can there be for such delay, for the failure to find a workable solution for the problem? I repeat, Mr. Chairman, that the agricultural planners, of and from whom we have heard so much, and for whom we have paid so generously out of the Public Treasury, offer us nothing other than an utter helplessness in our time of need.

For more than 10 years, Mr. Wickard and his predecessor have had a field day with the farms of America. It has not been an amateur affair. Far from it. It has been highly professional, with

an imposing array of impressive titles and impressive salaries. Their promises were fulsome. We were led to believe that what nature failed to do they would do, what the farmer did not know how to do, they could do. Every conceivable economic experiment that the mind of a man might turn to was literally foisted on the farmer by a band of star-gazing theorists. Regulation was piled on regulation until the state of our farmers was not altogether unlike a sovietized fellow traveler. Our harvests no longer were to depend on the providences of God and the energy of the men and women on the farm, but on the deductions of mathematically minded manipulators. Nor was the rigidity of these deductions relaxed when the grim specter of famine stalked hideously across the gory and blood-drenched fields of Europe. With the hungry of the world crying piteously for bread, the American farmer was penalized if he planted more wheat than the mathematicians had hit upon as his portion of supplying a dire world need.

As I reflect upon these policies and as I contemplate our present plight, I fail to find the security which was promised in exchange for our liberty. Have I overstated the facts? I submit, Mr. Chairman, these are not my deductions. I acknowledge they are faulty in one respect—they may not be sufficiently graphic and complete to give the entire detail of the ineptitude of the Department of Agriculture to solve in a practical and common-sense way the problems of the American farmer. But what is lacking in description is more than made up for by the accuracy of the facts. One thing is certain. After all its delving into theories and its experimental drivel, the Department of Agriculture tells the American people that it has only an impractical, an unwieldy and costly proposal with which to ward off hunger.

I find one striking similarity, Mr. Chairman, in the proposal of the Secretary of Agriculture with what I believe to be a basic and general mistake of the administration now in power. That mistake is the false notion that spending money is the only way to solve every problem with which we may be confronted—that anything can be accomplished by drugging and debauching with gratuities and subsidies—if only the excesses of a Treasury orgy are made attractive. That notion has become so fixed and general that we appear to place very little dependence on the resourcefulness and on the ruggedness of a free people to grapple with perplexing problems. Make an appropriation, has become the cure-all for our ills. The popularity of such a policy is beyond question. A lavish spender of money, whether it be his own or that of others, always finds a ready company of companions. But the popularity of the policy provides no proof of its soundness. Measured in terms of results, so far as the operations of the Department of Agriculture are concerned, I believe the American people will find little nutritive value at this time in the mistaken notion. I confess, Mr. Chairman, I have fixed convictions on this phase of our present problem and of many other problems as well. I contend we must recur to first principles, to basic and simple truths—truths which may not at the moment be popular, but which time will prove to be substantial. If we are to do this, we must change our policy, we must evaluate proposals not on the basis of how much can be spent on them, but on the basis of what they can accomplish at a time when every nerve and fiber of our being is strained and tense.

As I reflect upon the course followed by the Secretary of Agriculture in connection with the food supply for our people, I cannot dismiss from my mind the unexplainable delay on his part in approaching the problem. It would be manifestly unfair, however, to place the whole blame for this delay on his shoulders. Others share it with him. It goes beyond one department or agency of the Government. The fault lies in the failure of the administration now in power to take into proper account all factors involved in the prosecution of the war and to fit these factors together into a composite whole. One department pursues one course. Another department follows the opposite tack. One agency makes one ruling. Some other agency contradicts it. Directives from this, that, and another official are as plentiful as the quills upon a fretful porcupine. With these conditions prevailing it is no wonder that we find ourselves at the planting season, faced as we are with a necessitous demand for increased farm production, with no practical program with which to assure our people that their needs will or can be supplied. The responsibility of leadership entails more than the projection of plans. It carries with it the willingness to make decisions, no matter how unpopular they may be, and the courage to put these decisions into execution.

I find encouragement, Mr. Chairman, in one thing, as I reflect further upon the proposal of the Secretary of Agriculture, and that is the attitude of men of both political parties toward it. The Secretary failed to convince either Democrats or Republicans that his proposal had merit. Its faults were so glaring and its worthlessness so obvious that even administration defenders shied away from it. Certainly no better grounds could be found for its complete rejection, and for the criticism which has been directed against it, than the unwillingness of men who usually support administration policies to defend it wholeheartedly. And certainly no fairer appraisal of the failure of the administration now in power to meet our farm needs could be made than that which has been made of the Secretary's proposal by outstanding Democrats.

We have been told that this plan of the Secretary's should be adopted, despite its acknowledged impracticality, simply because of the place which the Secretary occupies in the Cabinet, and the approval which has been given to the plan by the President. It has been suggested that the responsibility will be on our shoulders if our people fail to find food. I cannot subscribe to such suggestions. I refuse to be cowed by the threat of reprisals. Ours is a responsibility, and we would indeed be lacking in courage were we to implement an unworkable program by the appropriation of funds simply because of our fear of what the future holds in store. I am of the opinion that our responsibility goes much deeper than the closing of our eyes to the weakness of a proposal simply because it may have Executive endorsement.

Such a course would mean that we lent our aid to the raising of false hopes and contributed the bitter disappointment of a disillusionment which we have every reason to believe would follow were we to accept the plan offered by the Secretary. If hunger comes, the fault will lie in one place. And it is not in the Congress.

The committee of which I am a member has discarded the Secretary's plan and has reduced very materially the amount of money requested by him. We have frowned upon the emphasis which he placed on the social objectives in his plan. We want our farmers to farm—not to found a fairyland. We have rejected the need for an army of supervisors and administrators such as the Secretary sought. We have availed ourselves of existing agencies rather than creating a new one, and have used the agencies nearer at home rather than one here in Washington. We have disapproved the glorified excursions of prospective farm hands and their families, such as were contemplated by the Secretary. In a word, we have rejected the visionary scheme of the Secretary and substituted for it a practical and workable program which we believe will be of assistance to the farmers of America as they are called upon to furnish the food for our people.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield to the gentleman from Washington [Mr. COFFEE] such time as he may desire.

Mr. COFFEE. Mr. Chairman, a vote for this measure—House Joint Resolution 96—is, in my opinion, a vote for hunger and starvation, a vote to handicap our food production by paralyzing the United States Department of Agriculture in its efforts to mobilize and transport farm labor in considerable numbers from one part of the country to another as needs arise. It is true that the measure appears to have the support of one large farm organization, but that support is based upon a bitter hatred of any and all labor standards, either in agriculture or in industry. Spokesmen for this organization will fight to the last ditch to keep agriculture immune from all labor standards, however low they may be, to keep farm labor exempt from such standards and their enforcement, unprotected against the power of commercialized agriculture to dictate wages, hours, living conditions, sanitary facilities—yes, and even whether he shall have a well to drink from or must drink from the ditches. This has been their historic position. Any move to extend to farm labor the minimum protections given to industrial la-

bor has been defeated in peacetime with the excuse that such legislation was not "practical," that farm prices were so low that farmers could not afford to compete with industry in the payment of decent minimum wages; that, anyway, it was unnecessary because each and every hired hand on every farm in America was practically a member of the family and was treated like a favorite son.

Commercialized agriculture in those peace years dug its own pit, and now in these war years it has fallen into that pit itself. Farm labor, wages and working and living conditions have been so low that, as the great and distinguished senior Senator from Wisconsin said a few months ago in introducing bills for economic emancipation of farm labor, these oppressed men escaped from the farms at the first opportunity to industry or the armed services.

Mr. Chairman, I submit that there is poetic justice in the dismal science of economics. If agriculture had raised its wages and labor standards along with industry, there might not have been an exodus from the fields to the factories at the first opportunity. Agriculture would have had its house in order and, if it be true, which I do not admit, that big farmers could not afford to pay higher wages out of prices received, their position would have been adjusted at the same time.

What has happened here in agriculture is, in a small way, what has happened in the international field. If we had not preferred to buy all our rubber from organizations basing their operations on the lowest sweated labor standards of the Far East, rubber sources might have been developed in South America and even within the borders of our own country. Or let us put it in another way: If the great rubber cartels had paid decent wages to their labor in the Far East, that labor would have had something to fight for at the side of the United Nations. That labor would have been more likely to stay loyal to a social, political, and economic order which had recognized them as human beings, more than work units; they would not have been so ready to steal off to the jungle to show the Japanese the shortest paths for invasion.

I say that whether commercialized agriculture wants it or not, the national interest requires that an adequate farm labor force be recruited, mobilized, and transported wherever needed by experienced agencies within the Department of Agriculture. It is important that this be done. The men who are asked to join this force will have to be assured by the Government that when they leave their places of abode to travel hundreds of miles they will be paid at least a definite minimum wage, that they will be furnished with housing for themselves and their families to the extent of a room at least 12 by 14 feet, that they will have one privy for every 25 persons, and that they will have pure drinking water. These are the standards which the supporters of this resolution wish to characterize as "social revolution under the guise of war." I want to know what are the previously existing standards obtaining in the farm labor field: Just how long are their cash wages? What kind of shelter, what kind of sanitary facilities, what kind of drinking water have these men been offered in the past if these pitifully low standards are now objected to as revolutionary?

Mr. Chairman, I am interested in winning this war. I know that we must have food, as much food as last year, more food than last year if we are to win in the shortest possible time, if we are to make good our pledges under lease-lend and to the nations we propose to liberate. Let us today vote in the best interests of the Nation and, incidentally, in the best long-run interests of agriculture, too, by voting to oppose that part of this measure which forbids the Secretary of Agriculture—

> To fix, regulate, or impose minimum wages or housing standards, to regulate hours of work, or to impose or enforce collective bargaining requirements or union membership with respect to any agricultural labor.

Mr. CANNON of Missouri. Mr. Chairman, I yield the remainder of the time on this side to the gentleman from New Mexico [Mr. ANDERSON].

The CHAIRMAN. The gentleman from New Mexico is recognized for 5 minutes.

Mr. ANDERSON of New Mexico. Mr. Chairman, at the very outset I think we ought to bear this fact in mind, that when we deal with the question of farm labor and the possibility of farm crops we are talking now about what the boys in the service are going to eat in 1944 and not in 1943. What they are going to eat in 1943 was produced on the farms last year, and unless we get busy with this farm problem now, the eating will not be good next year.

I was amazed to see this proposal attacked because it may have emanated from the gentleman from Illinois [Mr. DIRKSEN] or the gentleman from New York [Mr. TABER]. Frankly, I believe when we come to this problem we ought to remember the good old proverb, "A light is good in whatever lamp it is burning." Even if those gentlemen may sit on the opposite side of the aisle, if they come forth with a good proposal, I shall be very glad to adopt it.

Actually, I think we ought to bear in mind that probably the gentleman from Illinois [Mr. DIRKSEN] did not write a line of this final bill. It is true that he and the gentleman from New York [Mr. TABER] had steadfastly advocated this principle, but so have Members on the majority side. I was one of them all the way through, as I think the gentleman from New York will concede.

Let me just say to you that when we deal with this we have to remember that the Appropriations Committee, by unanimous vote, rejected the proposal embraced in House Resolution 94, to which reference has been made. If you will look at the report on page 4, you will see that the proposal for $65,000,000 did not in any way touch the ordinary method of handling labor in this country through the United States Employment Service. It was a completely different proposal, involving only the use of the Farm Security Administration to move part of the labor crop of the United States, and I think it was upon that point that the Appropriations Committee took its action.

I wish to remind you in that connection that the gentleman from California [Mr. PHILLIPS] quite correctly stated that the Farm Security Administration had a right to be praised for all the splendid things it has done. Frankly I am one of those who think it has done some fine things, but it ought to be possible to state when it makes a flop that it makes a flop. The Farm Security Administration did not know anything about the importation of farm labor from another country. So it placed into that contract a requirement that the farmer should give a performance bond to guarantee that he would fulfill all of the labor conditions, and return the laborer to Mexico. What they did not know was that the average farmer could not give that kind of bond. It was easy for the big farmer to do it. It was simple for the large cotton growers in Arizona to do it, but it was absolutely impossible for the small farmer to do it. It was absolutely impossible for the Farm Security plan to do it. The result was that no labor came into Texas, into the district represented by the able gentleman from Texas [Mr. THOMASON], which normally has thousands of laborers from Mexico. That district did not receive a single man. The district which I have the honor to represent, which normally imports thousands of these people, did not get a single one, simply because the Farm Security Administration did not know how they should be brought into this country.

They put in there also another provision which required $5 a head to be paid for them. We found that to be impossible. They put in there certain stipulations with reference to housing standards. Unfortunately, at the time they were trying to write those conditions into the contracts the Government was saying to you what you could not do with reference to farm construction. When the farmers tried to fill out PD Form 100 in order to get materials in order to build the kind of sheds that the Farm Security Administration said they had to have, they could not get the lumber, they could not get the materials, and they could not get the labor. When they found out their mistakes, the Farm Security Administration said to us, "Next year we will try to do better."

But I say to you there is a simple and an easier way to do better. If you will look on page 5 of the report you will see that part of this money is to be used in connection with the United States Employment Service in its Nation-wide services and then it is used by the extension services within the community or within the States. I happen to be one of those who believe firmly in the rights of the United States Employment Service to try to handle the over-all problem of labor. I ask you what is going to happen if you let the United States Employment Service try to recruit industrial labor in a community and then let the Farm Security Administration try to recruit

farm labor? Let us get one over-all picture of this.

The CHAIRMAN. The time of the gentleman from New Mexico has expired. All time has expired.

The Clerk will read.

The Clerk read as follows:

Resolved, etc., That for expenses necessary for the recruiting, training, and placement of workers needed for the production and harvesting of agricultural commodities essential to the prosecution of the war (including agricultural workers who are imported into the United States from foreign countries and aliens interned in the United States); to be expended under the supervision and direction of the Agricultural Extension Service of the United States Department of Agriculture in cooperation with the agricultural extension services of the land-grant colleges in the respective States and in Puerto Rico on the basis of existing cooperative agreements between the Department and the land-grant colleges as to the conduct of extension work and apportioned to the States on the basis of need for the purposes specified herein; for transportation and subsistence of workers and expenditures for construction, rental, or operation of temporary suitable housing or shelter facilities for such workers where existing housing facilities are not adequate (including for the purposes specified herein, agricultural workers who are imported into the United States from foreign countries and aliens interned in the United States), to be expended under the direction and supervision of the Agricultural Extension Service in cooperation with the extension services of the land-grant colleges in the respective States and Puerto Rico, as hereinbefore specified, there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $26,100,000, to remain available until December 31, 1943, of which not less than $100,000 shall be available for administrative expenses of the Federal Office of Extension, and not less than $13,500,000 shall be apportioned to the extension service in the States on the basis of need to enable them to carry out their responsibilities hereunder within the States, including the recruiting, training, and placement of farm labor, the provision, operation, and supervision of temporary housing and shelter facilities and the transportation, supervision, temporary subsistence, and protection of workers within the States as herein provided; the remaining funds not to exceed $12,500,000 to be available as provided herein to carry out cooperative agreements with the United States Employment Service for recruiting and transporting domestic workers from State to State, and imported workers, including the payment of necessary transportation, subsistence, temporary housing, and protection of such workers while en route, and including also such funds as may be necessary to be apportioned temporarily by the Federal Office of Extension to the Farm Security Administration for the importation of workers from Mexico until such time as appropriate modifications in the existing agreement between the Governments of Mexico and of the United States with respect to the importation of agricultural workers into the United States from Mexico can be renegotiated in line with the provisions of this act, but not to exceed a period of 30 days after the enactment of this act: *Provided*, That the Office of Extension Service in the United States Department of Agriculture in cooperation with the State extension services in the States which are concerned in obtaining such labor are authorized to enter into cooperative agreements with the United States Employment Service to recruit and transport such domestic and imported labor to and from the respective States and the extension services in the States either individually or collectively may enter into such agreements with the United States Employment Service to recruit and transport such labor, subject to general rules and regulations to be issued by the Federal Office of the Extension Service and the United States Employment Services: *Provided further*, That the extension services of the land-grant colleges shall be responsible for the recruiting, training, transportation, and placement of all such workers within their respective States; and the Extension Service is authorized to accept and utilize voluntary and uncompensated services and to cooperate with any other public or private agency: *Provided further*, That existing farm labor camps and other necessary housing or shelter facilities now owned or hereafter acquired by the United States Department of Agriculture and former Civilian Conservation Corps camps where suitably located shall be made available to such workers to the extent they are required and shall be operated under the supervision of the Extension Service as hereinbefore provided so long as such facilities are required for this purpose: *Provided further*, That expenditures may be made hereunder without regard to section 3709, Revised Statutes: *Provided further*, That any payments made by the United States or private employers to aliens brought in under this program shall not be subject to deduction or withholding under section 143 (b) of the Internal Revenue Code: *Provided further*, That no part of the funds herein appropriated nor any of the funds hitherto appropriated or made available to the Secretary of Agriculture for the recruitment, transportation, and placement of farm labor shall be used directly or indirectly to fix, regulate, or impose minimum wages or housing standards, to regulate hours of work, or to impose or enforce collective-bargaining requirements or union membership with respect to any agricultural labor exempted under the provisions of section 3 (f), 7 (c), and 13 (a) (10) of the Fair Labor Standards Act of 1938, or any agricultural labor exempted under the provisions of the National Labor Relations Act.

Mr. O'NEAL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. O'NEAL: Strike out all after the enacting clause and insert the following:

"That for expenses necessary for the formulation, development, and execution, under the supervision and direction of the Secretary of Agriculture, and either independently or in cooperation with individuals or agencies, public or private, of a plan to assist in providing an adequate supply and distribution of labor, including sharecroppers and tenants (including aliens), for the production of agricultural commodities essential to the prosecution of the war, including (1) recruiting, placement, and transportation of such labor within the continental United States and elsewhere, including transportation of their families and household effects; (2) furnishing, by loans, grants, or otherwise, of medical services, training, subsistence, and shelter; (3) construction or lease and operation of labor supply centers and other necessary facilities and services; (4) employment of persons (including aliens) and organizations, by contract or otherwise, at the seat of government and elsewhere; (5) purchase, exchange, operation, and maintenance of passenger-carrying vehicles; (6) printing and binding; (7) acceptance and utilization of voluntary and uncompensated services; and (8) travel expenses of persons employed in administrative, supervisory, or facilitating capacities from a foreign country to the United States and return, including such expenses to first-duty stations; there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $26,000,000, to remain available until December 31, 1943: *Provided*, That expenditures may be made hereunder without regard to section 3709, Revised Statutes: *Provided further*, That whenever labor shall be furnished hereunder to any other agency, public or private, or individual, this appropriation shall be reimbursed for expenditures on account of wages paid to such labor and other expenditures in connection therewith to the extent which the Secretary may determine to be practicable: *Provided further*, That effective July 1, 1943, notwithstanding section 3 of the act of June 29, 1936 (40 U. S. C. 433), receipts derived for the account of the United States from the use and occupancy of labor supply centers, including camps and facilities heretofore used by or under the control of the Farm Security Administration, shall be deposited in the Treasury as miscellaneous receipts: *Provided further*, That not less than $6,000,000 of the appropriation herein shall be allocated for use by or under the direction of the Extension Service and transfers may be made, with the approval of the Director of the Bureau of the Budget, from $20,000,000 of this appropriation to any bureau or office of the Department of Agriculture, or to any other agency of the Government, which is assigned functions in connection herewith, in addition to the transfers authorized by the Department of Agriculture Appropriation Acts for the fiscal years 1943 and 1944: *Provided further*, That any payments made by the United States or private employers to aliens under this program shall not be subject to deduction or withholding under section 143 (b) of the Internal Revenue Code: *Provided further*, That no part of the appropriation herein made nor any of the funds heretofore appropriated or made available to the Secretary of Agriculture for the recruitment, transportation, and placement of farm labor shall be used directly or indirectly to fix, regulate, or impose minimum wages or housing standards, to regulate hours of work, or to impose or enforce collective-bargaining requirements or union membership with respect to any agricultural labor exempted under the provisions of sections 3 (f), 7 (c), and 13 (a) (10) of the Fair Labor Standards Act of 1938, or any agricultural labor exempted under the provisions of the National Labor Relations Act."

Mr. TARVER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. TARVER. I wish information as to the procedure. This is an amendment which proposes to substitute entirely new language for the language of the pending resolution. There will perhaps be some amendments to the language of the original resolution. The inquiry I wish to make is whether or not amendments to the original resolution will be voted on before there is a vote on the substitute offered by the gentleman from Kentucky?

The CHAIRMAN. The Chair will state that perfecting amendments will be voted on first.

Mr. TARVER. Perfecting amendments to the original resolution will be voted on first?

The CHAIRMAN. The gentleman is correct.

Mr. RANKIN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. RANKIN. That means perfecting amendments to the amendment offered by the gentleman from Kentucky.

The CHAIRMAN. The original resolution.

The gentleman from Kentucky is recognized for 10 minutes in support of his amendment.

Mr. O'NEAL. Mr. Chairman, early in the day I addressed the Committee. The main purport of what I attempted to say was that the Manpower Commission designated by the Commander in Chief of the American Army delegated this responsibility of taking care of the farm-labor situation to the Department of Agriculture. I mentioned at that time that House Joint Resolution 94 was proposed by the subcommittee. When it came before the full committee House Joint Resolution 96, which is the Dirksen bill, was substituted and brought out. In that resolution both the Secretary of Agriculture and the Department of Agriculture are practically eliminated from the operation of this job. It is my contention that since the job was put in their hands, since the plan proposed by the Dirksen amendment is so involved that nobody in Congress believes it will do any good—maybe a few here and there believe it will, but generally no one has expressed any confidence in its success—I believe we should revert to House Joint Resolution 94 which gives $6,000,000 to the Extension Bureau to handle the intrastate labor, which is 90 percent of the numbers involved, and then give the other $2,000,000 to the Secretary of Agriculture and allow him to handle this job as in his discretion he thinks it should be handled.

It has been said that the farm organizations are backing the Dirksen bill. Permit me to state that in the testimony before our committee Mr. Goss, apparently representing three of the large farm organizations, made this statement:

> There are some phases of it which we are not sure whether they are the best people to handle, such as the contacts for Mexican labor and moving from State to State for example. There may be better agencies which are better equipped to do that in cooperation with the Extension Service.

Mr. Handschin, of the National Farm Union, said:

> I understand that there has been some discussion of turning all this labor program back to the 48 State extension services. As far as the mobilization of the local labor supply is concerned, I think that is a very sensible proposal. But insofar as labor has to be mobilized and taken over State lines or even carried a long distance in a State, I think we would run into major difficulties. How can we hope to secure proper coordination and some degree of uniform enforcement between the States? There will be a natural hesitancy in any area from which farm people must be drawn into industry or in agriculture to see them go. And if you set up this program on State lines you may be well assured that will prevent us from getting our labor supply.

Another gentleman, speaking for the National Grange Council of Farm Cooperatives, the National Cooperative Milk Producers, said this:

> The problem of handling the importation of foreign labor and the problem of migratory labor involve contacts with foreign governments, with different governmental departments, and with State governments. We believe these contacts should be made by the Secretary of Agriculture, his representatives, or such department or division as he may select from time to time to meet whatever situation may arise. Construction and operation of migratory labor camps are also involved. In the judgment of the Secretary and the Federal Director of Extension, the Extension Service is not equipped to handle many of the problems—

And so forth. Mr. Chairman, these farm organizations did not go that far. They even did not want to cut the sum of money that much, and I am offering this House joint resolution 94 to fix the responsibility on the Agriculture Department and rely upon them to do it. If they fail, it is their failure, not the failure of the Congress.

The CHAIRMAN. The time of the gentleman has expired.

Mr. TARVER. Mr. Chairman, I offer a perfecting amendment to the original resolution.

The Clerk read as follows:

> Amendment offered by Mr. TARVER: On page 2, line 18, after the words "sum of" strike out "$26,100,000" and insert "$12,100,000."

Mr. TARVER. Mr. Chairman, if this amendment is adopted I will subsequently offer amendments to decrease the amounts named in line 21, page 2, and line 4, page 3, of the resolution to $6,000,000 in each case. I do not desire to repeat the arguments I advanced earlier in the day. There is, as everyone must feel, a very great difference of opinion between Members of the House who are equally sincere in undertaking to deal with this problem in a practical and common-sense way, and who are equally anxious to do something to remedy the existing critical situation with respect to farm labor, if it is possible to do so. There are also wide differences of opinion between the representatives of the outstanding farm organizations in the country as to just how this problem ought to be dealt with and as to the amount of money that should be made available in an effort to deal with it.

We realize, of course, that the views of the Secretary of Agriculture are not being observed in connection with the pending resolution and however much some Members may advance the idea that the Secretary is inefficient and incapable, there are many of us who feel that he is sincere and is endeavoring as best he can to do a good job with the very difficult problems that come under his jurisdiction. In view of all this doubt, it seems to me that we should not put an unreasonable sum of money at the disposal of the authorities of the Department of Agriculture mentioned in this resolution to deal with this matter. Other authorities of the Department have had close to 7 months now to deal with it, and they have obligated only a million and a half dollars out of $5,000,000 available.

My amendment would give them $12,000,000 plus $100,000 for administrative expenses in Washington and they could continue with their existing program under the Extension Service and with the cooperation of the United States Employment Service. If they are able to make progress, if they are able to use that money and expend it wisely and aid our farmers with a program of this sort, they can come back to us next month or a month after or any time they see fit to do so and seek additional funds. If they have done a good job, if they have spent the money in a way that meets with the approval of the Congress, they will be provided with the funds in whatever amount may be needed. That does not involve any interference with the program which they have outlined. If they are able to make good on the program, all right. If they are not able to make good on it, as authorities of the Department have not been for the past several months, if they are not able to bring about any substantial accomplishment, then it certainly seems to me that $12,100,000 is enough to risk on this venture at this particular time.

Mr. Chairman, that is all I desire to say at this time.

Mr. THOMASON. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Georgia [Mr. TARVER].

I am opposed to both the O'Neal and the Tarver amendments. I do not want to join in any personal criticism of the Secretary of Agriculture because I think he has been doing a good job under all the circumstances. He has many difficult and complex problems. He is an honest and patriotic public servant. I think, too, that the Farm Security Administration has accomplished much good in its peacetime program, but I cannot include the farm labor problem among its accomplishments because I think I speak with some personal knowledge. We are faced with an emergency. Social problems can wait.

I do not profess to know anything especially about the interstate or even intrastate labor problems which the Farm Security Administration has had to deal with, but, like my good friend, the gentleman from New Mexico [Mr. ANDERSON], whose statements I concur in, I do have first-hand information as a result of personal knowledge and personal inspection of the situation along the Mexican border involving the Mexican labor situation.

I know that the Senators from New Mexico, Arizona, and Texas, together with the Congressmen from New Mexico, Arizona, and myself, have had repeated conferences with the Agriculture, State, and Immigration Departments, and with the Farm Security Administration in particular, in an effort to get in Mexican labor under proper conditions to harvest the essential war crops in our part of the country. I take the position in this matter that they have had no success in connection with border farm problems, whether it be the gathering of long-staple cotton or the fruit and beet crops of California, or Arizona, or Michigan, or elsewhere, or the rice crops in Judge MANSFIELD's district, then I submit, in all fairness, it is time to try something else. The gentleman from New Mexico and I have in our districts the Rio Grande irrigation project with nearly 200,000 acres of land in the very highest state of cultivation and through the request of the War Production Board and the Department of Agriculture we planted many acres of long-staple cotton to make parachutes and other things that the War Department needed, yet many hundreds of bales of cotton in Arizona and New Mexico and west Texas were not picked.

I take the position that if you will leave the farmers alone in our part of

the country to deal directly with the immigration authorities they will get the necessary farm labor to cultivate and harvest the crops, and then see to it that the Mexicans are returned to their own country.

Farming is expensive in my country. The land is valuable and water taxes very high. When the War Department asked our farmers to grow this extra long-staple cotton, they went to large expense to meet the situation. The ordinary gin would not gin this quality of cotton. They built many new gins at great expense. They did not do this voluntarily. They were not only requested, but given the assurance that labor demands would be met. The farmers' boys in my country have gone to war the same as yours. More than that, several thousand fine young Americans of Mexican descent in my city and valley have gone to the defense of our flag and country. I will never vote to take down the bars on immigration, but I am willing to trust our immigration authorities to make the restrictions as strong as they wish and let laborers come in temporarily to gather our necessary war crops. Leave it to the farmers, immigration officials, and county agents, and they will work it out. I have no doubt about it. I am opposed absolutely to unlimited and unrestricted immigration, but I have consulted with the United States immigration authorities myself, and they will agree to anything reasonable. Our farmers are honest, patriotic citizens, many of whom have sons in the service and who are eager to comply with the request of the Government in the production of long-staple cotton. They are willing to deal directly with the immigration authorities and meet any reasonable requirements and see to it that those men who come over to chop and to pick cotton or to pick fruit or harvest rice are returned to Mexico after the work is completed. They will comply absolutely with the law because they are just as anxious to win this war as the balance of us.

This resolution seems to be the only solution left because you cannot impose the restrictions of the Farm Security contracts and get results for we tried it all last year and failed. They say they will get 50,000 laborers from Mexico. They got only 5,000 all told last year, after we gave them all the money they wanted and gave them 100-percent support. And none of these were sent to my part of the country but scattered to far-distant points.

Mr. HARE. Mr. Chairman, will the gentleman yield?

Mr. THOMASON. I yield to the gentleman from South Carolina.

Mr. HARE. On page 45 of the committee hearing appears a table showing the number of workers proposed to be moved into each area. I see that Texas and Oklahoma are allotted 400; 200 to Texas, and 200 to Oklahoma.

Mr. THOMASON. I venture the assertion that not 20 people came in through the El Paso immigration station to harvest crops. At least, they did not remain there and 200 workers for the big State of Texas would not be a starter. Such a proposal is ridiculous.

Mr. KLEBERG. Mr. Chairman, will the gentleman yield?

Mr. THOMASON. I yield to my colleague from Texas.

Mr. KLEBERG. I heard today from the State Department that the Mexican Government has again resumed very definite efforts to recruit labor to meet the requirements in this country.

Mr. THOMASON. The trouble is that they are recruiting them down at Mexico City and Vera Cruz, when the men are available along the border. The State Department phoned me this same message today. The trouble is they started 6 months' too late. Our crops are now being planted. The few men recruited last year were from the big cities in the southern part of the republic. They had to come several hundred miles and at great expense. They had never had any experience in farm work. Opposite my city of El Paso is the city of Juarez, where a few thousand seasonal laborers reside who know cotton farming and who want to come over and work. My farmers know many of them, and many have relatives on our side. This is war—total war. Mexico is our ally. We are all engaged in a common fight to save our liberty. We can trust our immigration officials, and also our farmers, to see to it that these workers are sent back to Mexico when the job is done. The Extension Service and county agents have done a fine job for many years. Let us give them a chance. I urge support of the bill.

Mr. WOODRUM of Virginia. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, as a member of the deficiency subcommittee that heard the testimony on these bills, and being the author of the motion to resubmit the first resolution for consideration, I call the attention of the committee now to two or three things that I believe bear on the subject and which I should like to have you consider when you vote.

No. 1. You have just heard in the well of this House expert testimony to the effect that although the Department of Agriculture and the Farm Security Administration have been working on the problem for a year with the $5,000,000 at their disposal to use on it, they have succeeded in spending $1,500,000 and getting no labor. That justifies the committee in taking the thing out of the hands of the people who have been handling it heretofore.

No. 2. Where are you going to find this surplus of agricultural labor you are going to take from Virginia to New York or from Mississippi to Arkansas, or wherever you are going to carry them? It just is not there, unless you go into the industries of the country and take out of there the men who have gone from the farms and are working there at better wages, or unless you go into the Army and take out men who are experienced farm workers.

There is something that can be done to help this situation. I think the bill we have brought here is about all you can do, but I think you should cut the amount to $12,000,000.

I say sincerely to my friends over here that I got a little satisfaction today out of seeing the position that some of my friends are in, because it demonstrates to me that good people can go wrong sometimes. I have seen my friends over here making a gallant fight to cut down expenses of Government, to cut out waste, to save money, even a few million dollars. I have made that fight here for years, and some of us have joined together, and now we are making progress on it.

Today, when some of them go wrong it encourages me, because I go wrong sometimes. When I see good fellows like the gentleman from Illinois [Mr. DIRKSEN], and my friend from New York [Mr. TABER], and my friend from Massachusetts [Mr. WIGGLESWORTH], who are so customarily joining me down here in the well of the House to cut expenditures, fighting here today to give away $15,000,000—and it will be throwing it away—then I am encouraged because even good men go wrong. Gentlemen, do not forget that mandate from the people. Do not forget that.

Seriously, there is something that can be done and that I think will help this situation in probably a very limited way. The Extension Service has a great organization set up all over this country in every agricultural county and State in the Union. They are all ready to go. They are functioning. They have the people there. The farmers have confidence in them. In this bill we give them $6,000,000 to go into the agricultural counties within the States and do what they can to stimulate recruitment of agricultural labor. I think that will be helpful and will probably get something done.

If the Tarver amendment cutting the fund to $12,000,000 is adopted, in addition you give the United States Employment Service another $6,000,000 to let them try again to see if they can go into Mexico or the Bahamas or wherever they may go outside of the United States to bring in labor. That is a fair, conservative beginning on this thing.

As the gentleman from New Mexico has pointed out, this is not going to help the crops this year. What you do today may help the crops in 1944. But if the Extension Service and the Employment Service can take this $12,000,000, which is an ample fund for beginning, and show any signs that they are able to accomplish anything with it, this House will be ready to give them more money.

I plead with you today, you will just be throwing that other $15,000,000 down a rat hole if you appropriate it in this bill. It will not do the farmers any good and will be handing them another gold brick.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. FORD. Mr. Chairman, the situation in the House today is a peculiar one. The Democrats, with a majority of 13, organized the House. That means the Democrats elect the Speaker, floor leader, and other officers of the House. It also means that the Democrats retain the chairmanships of all committees and the majority on all committees; in other

words, it is a Democratic House—but is it?

To date, with the exception of one important bill, lend-lease, the Republicans, in combination with a small group of southern Democrats, have dominated the situation.

Now, let us take a look at what this coalition has accomplished in the way of beneficial legislation.

First let us take a gander at the Dirksen—Republican—amendment to the independent offices appropriation bill. In cutting the appropriation for the Home Owners' Loan Corporation that organization is forced to liquidate immediately—that is, sell all its good mortgages for whatever it can get and either hold onto and carry at a great monthly loss those of its mortgages that are delinquent. This will enable the building and loan companies and associations to buy the good mortgages in at a discount and permit them to skim the cream off the whole transaction.

In the meantime, the H. O. L. C. under forced liquidation will entail a direct Treasury loss—or taxpayer loss—of approximately $400,000,000, a loss forced on the Corporation by the very interests it was created to protect. For, just remember, it was not solely for the saving of homes that this Corporation was formed, though that was its primary objective; it also saved, by bailing out, thousands of banks and building and loan associations.

This amendment was building-and-loan inspired and engineered. It may look like good business, but it is anything but good morals, or manners, to deliberately rob your rescuer.

This beneficent amendment is one of the first beneficent products of this unholy alliance between Republican and anti-Roosevelt southern Democrats.

The second piece of legislation that resulted from this unholy alliance is what is known as the Disney amendment to the debt-limit bill.

In the first place that amendment had no right on that bill. It was clearly not germane, but the Rules Committee, composed almost entirely of Republicans and anti-Roosevelt Democrats, gave it a rule, waiving all points of order, thus giving it legislative status free from attack on that ground.

Now what does the Disney amendment do?

First. It repeals the President's salary limitation Executive order.

Second. It permits all salaries, regardless of how large, that were in effect before Pearl Harbor—December 7, 1941—to remain intact, subject only to the regular tax schedules.

Third. It also permits all salaries, under $67,200—salaries, mind you—to be raised to $67,200 without restraint. Wages of war workers and others—wages, mind you, as distinct from salaries—are frozen, except for the 15 percent relief afforded by the so-called Little Steel formula.

That it—the Disney amendment—is an inflationary measure there is no doubt, the reason being that there are literally millions of salaries within its fixed brackets that can be raised at will, depending on just how much of its swollen profits a corporation or partnership might desire to distribute in this way to keep its profits within a bracket that would save it hundreds of thousands in taxes and at the same time mulct the Treasury of its just dues. In the final analysis it amounts to legalized tax evasion.

Mr. DIRKSEN. Mr. Chairman, I rise in opposition to the amendment. I am not forgetting the mandate of the people, nor am I forgetting the positions that I have taken here for over 10 years on the floor of this House in the interest of economy; but there is a larger mandate here, so well expressed by Ralph Waldo Emerson when he said that nothing astonishes man so much as common sense and a little plain dealing; and, in addition, there is another mandate, the mandate of Aristotle, when he said, "Arithmetic, O stranger, is the greatest of sciences and the mother of invention." So, Mr. Chairman, let us apply a little plain common sense, plain dealing, and a little arithmetic to the Tarver amendment. He would reduce the amount from $26,100,000 to $12,100,000. What will happen? Six million dollars for the Extension Service. How far will it go? Let us assume that the bill becomes a law the 1st of next month. It will be for 10 months, to December 31, 1943. Scattered among the 2,920 extension agents in 2,920 counties in the United States, the result will be that $6,000,000 will be $250 per month in each of the 2,920 agricultural counties, and that will hire one good man. It will leave us nothing for subsistence, nothing for shelter, nothing for housing. His amendment would also provide $6,000,000 for United States Employment Service under the direction of the Agricultural Extension Service. How far will $6,000,000 go when it costs $100 a family to bring people in from Mexico? How far will $6,000,000 go if you are going to bring 15,000 workers in from the Bahamas? How far will it go when we undertake to transport and subsist seasonal workers to the extent of several hundred thousand from one area to another, if they are available and can be transported? How far will six million go if you are undertaking to make provision for 42,000 all-the-year-round workers? It will not do the job; and so here is arithmetic, to admonish everybody, by the opinion of Aristotle, himself, as being the mother of invention and the greatest of sciences. The very arithmetic of $12,000,000 will demonstrate that you cannot depend upon it to do the job, so I suggest that the Tarver amendment be rejected, and likewise I suggest that the O'Neal amendment be rejected, because the Secretary of Agriculture has had his chance and has failed. Here is his first press release of February 12, giving the same power to the Extension Service. Here is the second press release, dated March 1, setting up a new agricultural labor administration, and here is the third press release, dated March 5, of bringing in an agricultural work board, diffusing the responsibility, getting the thing all over the lot, and so getting all set for another failure such as we have experienced since we have been at this business from June 22, 1942, until today. Let us do the sensible thing; let us astonish ourselves and use a little common sense, as Emerson would say, and reject the O'Neal amendment and the Tarver amendment, and prosecute this thing on the basis of common sense.

Mr. CANNON of Missouri. Mr. Chairman, I would like to see if we cannot come to some agreement as to time for debate on this matter. I ask unanimous consent that all debate on the pending amendment and amendments thereto close in 1 hour.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

Mr. KEEFE. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. KEEFE. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I have heard every word that has been spoken with reference to the pending resolution. If I have ever observed a proposal that is just sort of pitifully slinking down into a corner, it is this one. It started out with a proposal for $65,000,000. Then it dropped down to a proposal for $26,000,000. Now it is proposed, "Well, let us give them $12,000,000."

The proponents of the $26,000,000 and the proponents of the $12,000,000 cannot come into the well of this House and guarantee that the expenditure of either sum is going to do anything to relieve the farm-labor situation in the United States. They are content that we have a situation, which everyone knows exists. Therefore, because we have a farm-labor situation we must do something about it. We must respond to that situation. The only way that we know how to respond is to appropriate money, and then pat ourselves on the back and say, "We have done the usual job of the New Deal. We have appropriated a lot of money and then if it does not relieve the situation we Members of Congress have done our part and we should not feel badly."

Have you not heard that argument time and time again this afternoon? I realize that there is a farm labor situation that must be dealt with. If it is bad to spend $26,000,000, it is going to be bad to spend $12,000,000. I, for one, I will say to the gentleman from Virginia [Mr. WOODRUM], am going to vote against spending a dollar of this money for a purpose which none of the members of the committee has demonstrated will accomplish the purpose that is sought to be accomplished. I am one who is going to keep the pledge I gave my people that I would not vote to spend a dollar of the taxpayers' money unless it could be shown that it was essential and necessary. That fact has not been shown by the proponents of this measure.

This problem can be dealt with. It is being dealt with in my district. It is being dealt with by volunteer help. I placed in the RECORD the results of that program some time ago. I submitted that program a year ago to Mr. McNutt and to the Department of Agriculture. It is working in my district in Wisconsin. It is contributing to relieve the farm situation and it is not costing the Federal Government a single penny. It results from a desire, a patriotic desire of

the people in my district to go out and do this job. We do not have a lot of loafers lying around that the Farm Security Administration or the Extension Service or anyone else can come in and dig out by the expenditure of $26,000,000 or any other sum. There are some people who can be prevailed upon to go out on the farm and work, after they have worked 8 hours in the factory. There are some who are retired who can be recalled to the farm to do something through volunteer service. The people in the schools, the people in the plants, the people in the offices, the people in the stores are responding in my district. You have not had to spend a dime of Federal money.

Now, let us do this on the basis of patriotism and let us do it on a basis that will get some work on the farm and let us save $26,000,000 or $12,000,000. Let us save the whole business and not fritter it away as the gentleman from Virginia [Mr. WOODRUM] says you will be frittering it away if you adopt this resolution to spend $26,000,000.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. MAY. Mr. Chairman, I rise in support of the Tarver amendment, and I ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky? The Chair hears none and the gentleman is recognized for 5 minutes.

Mr. LAMBERTSON. Mr. Chairman, I reserve the right to object until the gentleman tells us what he is going talk about.

Mr. MAY. If the gentleman will just wait a minute he will see.

Mr. LAMBERTSON. Then I will object, Mr. Chairman.

The CHAIRMAN. The objection comes too late.

Mr. RANKIN. The gentleman from Kansas ought not to do that.

The regular order was demanded.

The CHAIRMAN. The regular order is demanded. The gentleman from Kentucky is recognized for 5 minutes.

Mr. MAY. Mr. Chairman, but for the importance of the matter about which I propose to speak, I would not detain this House for the 5 minutes I have asked. But there is a conference going on in the city of New York between the owners and operators of the bituminous-coal industry on the one hand and the United Mine Workers of America on the other hand. Mr. John L. Lewis, international president of the United Mine Workers, has issued a challenge, not merely a challenge to the operators with whom he seeks to negotiate, but he has issued a challenge to the American Government, to the Commander in Chief of the armed forces of the United States, and to the War Labor Board. He has said in unmistakable terms that unless they accede to his demands—as to the justness or unjustness of which I am making no statement—that on the 1st day of next April there is going to be a walk-out in the bituminous-coal mines of this country. He has even emphasized it by saying it is going to be the biggest single strike that has taken place during the war. Is that patriotism or is it bordering on treason?

I want to say that he declared war on one of the best friends that the coal miners in my district ever had last year. We had an election in that district on the first Tuesday after the first Monday in November and yonder in Cincinnati in his national convention he demanded of his followers that they cut my throat from ear to ear politically and leave me at home and he would send some Representative here to this Congress of his own choosing. They did not follow him then and I do not believe today, when their sons are fighting upon every battle front upon the face of the earth and many of them giving their lives for the country they love, that they will follow him now, and I am persuaded that they remember their friend in the White House, who did not forget them when Lewis tied up the coal mines 2 years ago, and refused to feed them out of the funds he had taken out of their pockets. The President of the United States, with the generous humanitarian heart that is in his bosom, ordered food sent from the Commodity Credit Corporation and from the Department of Agriculture to every coal-mining community in my congressional district and every other mining district in this country where a shut-down of the mines was brought on against the will of the miners themselves. That is what he again proposes, but this time in the midst of war.

I warn you now that if the munition factories and those producing implements of warfare are forced to stop their production on the 1st day of April, there will only be one man in America responsible and that will be John L. Lewis. We have a dictator in Europe by the name of Hitler and we do not want any in this country.

I want the country to know, I want the world to know, that I would regard myself as a contemptible coward, unworthy of the trust of a free people, if I did not stand here and let the country know, let the public know, what is being planned for our war effort by a single individual in all this country. I fully realize that I take my political career in my hands by what I may say here today, but if my political future must depend upon whether I speak out now or whether our men are to have implements of war with which to defend their lives and whether the Nation about whom we are talking here shall face starvation and suffering, then my political future is unimportant. But the important question, under God, is that the public realize that we are up against a would-be dictator who wants to say whether war munitions shall be made; whether the man he hates, because he cannot dictate to him, shall direct the armies of this country or whether he shall do it. I say the time has now arrived when we must have a show-down on the question of whether the constituted authorities shall run the country or whether John L. Lewis shall run it regardless of the President, the Army and Navy, and the Congress.

Mr. CANNON of Missouri. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and, the Speaker having resumed the chair, Mr. SIKES, Chairman of the Committee of the Whole House on the state of the Union, reported that the Committee, having had under consideration the joint resolution (H. J. Res. 96) making an appropriation to assist in providing a supply and distribution of farm labor for the calendar year 1943, had come to no resolution thereon.

EXTENSION OF REMARKS

(Mr. BRYSON, Mr. ELIZALDE, Mr. SIKES, Mr. CURLEY, Mr. DIMOND, and Mr. LEFEVRE asked and were given permission to revise and extend their own remarks.)

Mr. MURRAY of Wisconsin. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks and to include therein a letter and resolution of the Badger Cooperative Creamery.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. GAVIN. Mr. Speaker, I ask unanimous consent to extend my own remarks and include therein an article by George Rothwell Brown.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. FENTON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include a letter on farm problems as presented by one of my constituents, and my reply thereto.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. KEFAUVER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a brief address.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MANSFIELD of Montana. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a memorial of the Montana State Senate.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. GAMBLE. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include therein an article on taxation from the New York Times of last Sunday.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. O'HARA. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made in the Committee of the Whole today and to include therein two letters and some newspaper articles.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HAGEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an article on flax entitled "An

American Tragedy" written by Mr. M. W. Thatcher, the vice chairman of the National Council of the Farmers' Educational and Cooperative Union of America. I am advised by the Printing Office that this will exceed the limit and that the cost will be $112.50.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. POAGE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include a short article from the Christian Science Monitor.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mrs. NORTON. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. DONDERO. Mr. Speaker, I ask unanimous consent that on tomorrow, after the legislative program is completed and at the conclusion of other special orders heretofore entered, I may proceed for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. DONDERO]?

There was no objection.

The SPEAKER. The gentlewoman from New Jersey [Mrs. NORTON] is recognized for 3 minutes, without objection.

There was no objection.

ABSENTEEISM IN WAR INDUSTRIES

Mrs. NORTON. Mr. Speaker, the Labor Committee, as you know, started hearings in our committee on Friday, March 12, on the particular subject of absenteeism in war industries. We have continued hearings Monday, today, and shall continue every day this week and next week until we have concluded all available testimony. It is evident that the witnesses so far have all agreed that there are insufficient figures on which to base findings. The Labor Committee is now engaged in developing testimony which will crystallize the situation in an effort to determine the approximate percentage of willful absenteeism as opposed to legitimate absenteeism. At the conclusion of the testimony it is the intention of the Labor Committee to recommend a desirable approach to remedy insofar as possible the existing conditions, and at the same time protect fully the right of workers and with the least amount of disruption to the war effort. The Labor Committee was set up to consider problems concerned with all phases of labor and to recommend legislation when in its judgment it considers legislation necessary.

This morning it was brought to the attention of the committee that definite legislation dealing with labor as a whole in its relation to absenteeism is being considered by the Naval Affairs Committee. The committee feels so strongly against consideration of this legislation by the Naval Affairs Committee that it directed me as chairman to transmit the following letter:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
March 16, 1943.

Hon. CARL. VINSON,
Chairman, Committee on Naval Affairs, House of Representatives, Washington, D. C.

MY DEAR MR. CHAIRMAN: As chairman of the Committee on Labor of the House of Representatives, I have been ordered by a vote of the committee to transmit to you the insistence of the committee that your committee defer action on bills dealing with matters completely within the jurisdiction of the Labor Committee, namely, absenteeism in industry as a whole.

I enclose herewith verbatim the motion made by Mr. WELCH as adopted by the committee, respecting this action.

Sincerely yours,

MARY T. NORTON.

Mr. WELCH. Madam Chairman, it has been called to my attention that another legislative committee of Congress, the Committee on Naval Affairs, is now considering legislation strictly labor in its character, thereby usurping the prerogatives of this committee. I, therefore, move that word, forthwith, be sent to the Committee on Naval Affairs that the Committee on Labor insists that no further action be taken on labor legislation by that committee until this committee has had reasonable time to take testimony and report to Congress its findings and recommendations.

Motion amended that no more witnesses from the departments be called until we receive reply from the Naval Affairs Committee.

Adopted March 16, 1943.

Mrs. NORTON. Mr. Speaker, I ask unanimous consent that in my remarks I may include an article entitled "TRUMAN Says Legislation Won't Cure Absenteeism," which was a speech made in the State of New Jersey.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey [Mrs. NORTON]?

There was no objection.

The matter referred to follows:

TRUMAN SAYS LEGISLATION WON'T CURE ABSENTEEISM

NEWARK, N. J., March 15.—Chairman TRUMAN of the committee investigating war production said last night that legislation offered no cure for absenteeism in war plants.

In New Jersey for an inspection of the Brewster Aeronautical Co. plant in Newark, and of the Eastern Aircraft division plant of General Motors Corporation, in Linden, Senator TRUMAN commented: "Morale is the real answer."

He said his investigations had showed that in plants where management took a personal interest in its employees, absenteeism was less than in plants where there was a less intimate relationship.

Week-end overindulgence is not the primary cause of Monday absences, he said.

"Seven-day workweeks cause most of the trouble. Workers get tired and simply can't stand up under the strain."

High pay is a contributing factor in absenteeism, Senator TRUMAN said, because many workers are earning more wages than ever before and are inclined to relax their efforts from time to time.

One plant, where absenteeism had at times reached 25 percent, reduced absences 70 percent by sending telegrams to the homes of workers the days they were absent.

"In many instances this was news to the wives, who were unaware their husbands had taken the day off," the Senator said.

EXTENSION OF REMARKS

Mr. HARE. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made today and to include a few abstracts from a hearing.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina [Mr. HARE]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. DIMOND. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the Delegate from Alaska [Mr. DIMOND]?

There was no objection.

[Mr. DIMOND addressed the House. His remarks appear in the Appendix.]

CALENDAR WEDNESDAY

Mr. McCORMACK. Mr. Speaker, I ask that the business for Calendar Wednesday of this week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. McCORMACK]?

There was no objection.

EXTENSION OF REMARKS

Mr. ENGLEBRIGHT. Mr. Speaker, I ask unanimous consent that my colleague from Michigan [Mr. WOODRUFF] may have permission to extend his own remarks in the RECORD and to include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. ENGLEBRIGHT]?

There was no objection.

CALL OF THE PRIVATE CALENDAR

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that it be in order after the pending bill is disposed of tomorrow, or when it is disposed of if not on tomorrow, that bills on the Private Calendar may be called.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. McCORMACK]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent that on Friday next at the conclusion of any special orders heretofore entered I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. VOORHIS]?

There was no objection.

EXTENSION OF REMARKS

Mr. HOBBS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an article from the Talladega Daily Home.

The SPEAKER. Is there objection to the request of the gentleman from Alabama [Mr. HOBBS]?

There was no objection.

SPECIAL ORDERS

The SPEAKER. Under previous order of the House, the gentleman from Missouri [Mr. PLOESER] is recognized for 30 minutes.

Mr. PLOESER. Mr. Speaker, I intend to yield back my time, but in doing so I ask unanimous consent that the gentleman from South Dakota [Mr. MUNDT], who has a special order following me on the calendar, may be permitted to proceed for 30 minutes instead of 20, provided this does not meet with the objection of the gentleman from Minnesota or the gentleman from New York, who likewise have special orders on the calendar.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. PLOESER]?

There was no objection.

The SPEAKER. The gentleman from South Dakota [Mr. MUNDT] is recognized for 30 minutes.

INVESTIGATION OF GOVERNMENTAL HANDLING OF INDIAN AFFAIRS

Mr. MUNDT. Mr. Speaker, I have introduced House Resolution 166, to provide for a complete investigation of the governmental handling of Indian Affairs in the United States. This resolution was introduced in part because the State Legislature of South Dakota this year memorialized Congress to take action along that line, giving reasons why it feels a complete reexamination of the whole governmental approach to the Indian problem should be made at this time.

I have also presented this resolution because in the 4 years I have been a member of the House Committee on Indian Affairs I have had frequent occasion to question certain of our relationships with the red men, and I have devoted some special study to the Indian problem. Out of it all, and out of the fact that my native State of South Dakota has the fourth largest Indian population in America, has come a growing and compelling conviction that a complete congressional study of Indian conditions is needed, and I have presented this resolution requesting an investigation, and I wish to discuss the conditions back of this resolution during the next 25 or 30 minutes.

In the first place, it is my studied conviction that in no other country in the world have so many done so little for so long for so few from the standpoint of absorbing a conquered people into the economic life of the conqueror as is true of our record of mishandling the problem of the American Indian. I think anybody who will explore that problem will have to arrive at that conclusion.

Before continuing my discussion, Mr. Speaker, I ask unanimous consent that my resolution may be incorporated as a part of my remarks at this point.

The SPEAKER pro tempore (Mr. MURDOCK). Is there objection to the request of the gentleman from South Dakota?

There was no objection.

House Resolution 166 follows:

Whereas a concurrent resolution of the South Dakota State Legislature memorializes the Congress of the United States to instigate an investigation and study to determine the necessity and advisability of revising the Federal laws and regulations relating to Indian affairs pointing out that—

(a) Most of the said existing laws and regulations were formulated at a time when all the Indians were considered as wards and dependents of the Federal Government and incapable of assuming the duties, obligations, and station of citizenship; and

(2) Most of the Indian inhabitants of the Nation have now been accorded the legal status of citizenship and have advanced in education and progress along the lines of racial development to a point where they should be treated as full citizens, and most of the restrictions and regulations limiting their rights and freedom of action should be removed; and

(3) Many of the Indian inhabitants of the Nation are now graduates of high schools and colleges, and all of them are capable of receiving full high school and college education; and

(4) Many of our Indian citizens have entered loyally into the present war and assumed the risks and duties of active warfare on the same basis as other citizens of the Nation, and their efforts should be recognized and rewarded accordingly; and

Whereas members of the Indian affairs Committee of the South Dakota State Legislature made a personal inspection of living conditions on a typical Indian reservation in South Dakota and there found many of our American Indians living in deplorable conditions, lacking adequate protection against winter weather and suffering from inadequate nourishment, and inadequate sanitary and health provisions; and

Whereas it is believed that many American Indians living on reservations in other States of the Union are similarly lacking in the minimum essentials of living conditions whch provide for healthful development and for their eventual assimilation into the general population of the United States: Therefore be it

Resolved, That the Committee on Indian Affairs, or a duly authorized subcommittee thereof, is authorized and directed to conduct an investigation to determine whether the changed status of the Indian and the conditions under which he now lives require a revision of the laws and regulations affecting the American Indian and to prepare recommendations to Congress for the enactment of any needed legislation to improve the status and advance the opportunity of the American Indian.

The committee shall report to the House as soon as practicable during the present Congress the results of its investigations, together with such recommendations for legislation and changes of policy and program as it deems desirable.

For the purposes of this resolution the committee, or any subcommittee thereof, is authorized to sit and act during the present Congress at such times and places within the United States, whether or not the House is sitting, has recessed, or has adjourned, to hold such hearings, to require the attendance of such witnesses and the production of such books, papers, and documents, and to take such testimony, as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee or any member designated by him, and may be served by any person designated by such chairman or member.

Mr. MUNDT. Mr. Speaker, I start out this afternoon by quoting from Thomas Jefferson, who it seems to me understood rather clearly the approach which should be made to this whole Indian problem. Thomas Jefferson, writing to a friend of his under date of February 18, 1803, 140 years ago, outlined what in my opinion is a sound approach for Americans to take to the Indian problem today, just as I think it was sound at that time. Thomas Jefferson said:

In truth, the ultimate point of rest for them (the Indians) is to let our settlement and theirs meet and blend together to intermix and become one people, incorporating themselves with us as citizens of the United States. This is the natural progress of things and it will, of course, be better to promote than to retard it. Surely it will be better for them to be identified with us and preserved in the occupation of their lands than to be exposed to the many casualties which may endanger them while a separate people.

I submit in the first place that in the last century and a half we have gotten very far away from this admirable outline suggested by Thomas Jefferson, because we have failed in large extent to incorporate the American Indians into our economical and political systems and have kept them pretty much that separate people about which Thomas Jefferson was speaking.

I want to make clear at this point that I am not indicting the present activities of the Office of Indian Affairs for any special derelictions; in fact, I hope the Commissioner of Indian Affairs will welcome the investigation I have proposed in order that Congress may receive firsthand information concerning the deplorable conditions under which American Indians are living today in various sections of this country.

Mr. O'HARA. Mr. Speaker, will the gentleman yield?

Mr. MUNDT. I yield to the gentleman from Minnesota.

Mr. O'HARA. Will the gentleman agree with me that the question he presents to us today is not one of partisan character and is not a criticism of any one administration? I believe it could be said that our treatment of the American Indian has not been of great credit to any administration at any time in the history of our country.

Mr. MUNDT. The gentleman is correct; there is no partisanship in this proposal nor in these remarks. I do not know of any President who would be able to ask that it be written into his memoirs that he had solved the Indian problem.

I think, too, that, like charity, our "four freedoms" should begin at home. The basic factor, freedom from want, is notoriously lacking among our American Indians.

Mr. O'KONSKI. Mr. Speaker, will the gentleman yield?

Mr. MUNDT. I yield to the gentleman from Wisconsin.

Mr. O'KONSKI. I wish to commend the gentleman from South Dakota for introducing that resolution. I do not believe there is anything more needed in this country, especially in the States that have an Indian population. In my district, for instance, there was sad need for a school on the Odanah Indian Reservation. In order to get a decent school built there, the Catholic Sisters have donated 50 percent of their salaries for 15 years. I think the Indians are being sadly neglected. I am very glad

the gentleman has introduced this resolution, and congratulate him on being so farsighted.

Mr. MUNDT. I thank the gentleman for his contribution.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. MUNDT. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Is it not true that the greatest consideration should be given the Indians in the way of giving them proper hospitalization and furnishing proper equipment for those hospitals?

Mr. MUNDT. Yes. The lady is quite correct. I propose to show later in my remarks how very seriously we have neglected the health and sanitary conditions of the Indians.

Mr. CASE. Mr. Speaker, will the gentleman yield?

Mr. MUNDT. I am happy to yield to my colleague from South Dakota, who is a sincere friend of the Indians.

Mr. CASE. I am very happy that my friend from South Dakota, who is a member of the Committee on Indian Affairs, is acting on the memorial adopted by the Legislature of South Dakota. The point the gentleman has made, that charity should begin at home, or in other words, that the application of the "four freedoms" should begin at home, is especially apropos today, because the Indians of all tribal groups in this country are in the forefront in their response to the war effort. This is true in regard to voluntary enlistment and also in regard to the proportion of bonds purchased in proportion to the per capita wealth.

Mr. MUNDT. I may add that it not only is true in this war but was true in the last war.

Mr. CASE. It comes with poor grace for us to say to those boys who are out defending the "four freedoms" throughout the world that when they come back to their own reservations, when they come back to live at home, they will not find the "four freedoms" awaiting them there.

Mr. MUNDT. I agree thoroughly.

Mrs. BOLTON. Mr. Speaker, will the gentleman yield?

Mr. MUNDT. I am happy to yield to my good friend from Ohio, with whom I have had the privilege of serving on the Committee on Indian Affairs for a year or two when she was a very valuable and able member of our committee.

Mrs. BOLTON. I have enjoyed my service there and regret my not remaining a member of that committee. Is it not true that the Indian under the Constitution was made a ward of the state?

Mr. MUNDT. That is correct, but in 1924 for the first time he was made a full-fledged American citizen. I am happy that this was done under the able administration of the Honorable Charles H. Burke, who was then Commissioner of Indian Affairs, and who is the outstanding man of politics in South Dakota. Charley Burke will also be remembered by many of you for his long years of constructive service as a Member of this House.

Mr. CASE. In spite of the declaration of citizenship by the act of 1924, yet the Indians are very restricted, and are not permitted to exercise the rights of a citizen.

Mr. MUNDT. There is no question about that. Although the Indian is now a full-fledged American citizen, he still has imposed upon him a great many restrictions, and he is treated as a ward in many instances. I predict today that out of this investigation which I have proposed, if it is properly conducted, there can be developed specific plans for aiding the Indians to help themselves to become completely independent and self-supporting members of our economic and political society. It should be possible in the predictable future to abolish the entire bureaucratic structure now handling Indian affairs, and it should soon be no longer necessary to maintain such a bureau if wise and proper Indian policies are faithfully followed. It is my hope such an investigation as I have recommended will lead to the adherence to and the adoption of a continuing program of Indian betterment which conforms with the laudable precepts laid down by Thomas Jefferson.

I ask unanimous consent, Mr. Speaker, at this point, to include an article from the Daily Argus-Leader, of Sioux Falls, S. Dak., reporting the findings of a legislative investigating committee as to conditions on a certain reservation of our State.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The article referred to follows:

SOUTH DAKOTA SENATE MEMBERS IN INDIAN PROBE—RESOLUTION ASKING CONGRESS TO ACT IS PREPARED IN UPPER HOUSE

(By Ralph O. Hillgren)

PIERRE, March 2.—A resolution calling upon Congress to take drastic action on the Indian problem in South Dakota had been prepared in the State senate today.

The resolution was written by the Indian affairs committee, consisting of Senators Matt Stephenson, Dupree, E. L. Stavig, Rosholt, and Chris Dam, Rosebud.

Consideration of the red man's status followed a trip Sunday to the Crow Creek Reservation, where conditions were described as especially deplorable. All the members of the committee are from areas having Indian population. In the case of Senator Dam, half his constituents are Indians.

STUDY CROW CREEK

The committee was requested to view the Crow Creek situation by Frank Oleisky, proprietor of the Pierre Fruit Co., and Tom Eagleman, Indian, who is a statehouse employee. The writer accompanied the delegation. They visited Indian cabins and tents, not the Indian Bureau offices, to see conditions for themselves.

Eagleman, by the way, was a member of the famous Carlisle football team which in 1907 played 23 games, and won all of them, with such opponents as the Big Four in the East, Minnesota, and Leland Stanford.

Oleisky became interested in the Indians after he had done business with Crow Creek inhabitants. He went to Fort Thompson several years ago to collect some bills. Finding the Indians living in squalid conditions, he was shocked and decided not to press his claims, but rather to divert his attention to remedial measures.

PRIMITIVE EXISTENCE

One of the places visited was the tent inhabited by Mr. and Mrs. Joseph Lodge and four children. The family had lived in a tent all winter. It was none too warm the day of the visit, and all six members of the family were found huddled around a fire in a crude sheet metal stove with flat top on which cooking apparently was done. The father sat on a trunk, but the others squatted on the floor. Old blankets were their only protection from the cold ground.

The delegation next visited the cabin of James Fire Cloud, where he lived with his wife and three children. One of the children was sickly and Mrs. Fire Cloud was reported half blind.

Both husband and wife said they were receiving old age assistance, but had been refused attention at the hospital when they were sick, being told that this was a matter for State officials to handle.

Mrs. Ben Felice said a person has to be "almost dead" before being admitted to the hospital.

Men said there was no work to be had anywhere. A few had been employed at the Pierre airdrome during the summer and a few others had worked at the Huron packing plant. None of them had any livestock or farm and ranch interests.

"CHILDREN LACK NOURISHMENT"

Supplementing the delegation's observations with his own information, Eagleman said young children were too listless the past winter to attend school on account of undernourishment, but in such cases the agency policeman would come to the tent or cabin and compel them to attend.

No family had more than a one-room cabin. Walls and roofs were of one thickness of board.

Senator Dam has pronounced views on the Indian question. He declares the redman's status is becoming steadily worse, not better, in the face of increasing congressional appropriations.

Eagleman, too, with more education than most Indians, and with more travel and experience at work, is dissatisfied with the slow progress of members of his race.

At one time he had 53 head of cattle. In no case could he buy and sell without permission of the agency farmer hired by the Government to supervise farm operations.

He said he had tried to advance beyond the status of Government ward, but could not legally do so. He declared the agency farmers don't know the problems of the particular area to which they are assigned and are transferred to other places before they have a chance to learn something about local conditions. He cited the case of one farmer who came to Crow Creek from Ohio and said he was ignorant of the process of listing corn.

I read now from page 286 of a book entitled "Massacre, a Survey of Today's American Indians," by Robert Gessner. This book is filled with examples of the white man's failure to solve the red man's problems. Let me read a description of an investigation made by William Madison, secretary-treasurer of the Society of American Indians. Madison says of an Indian family comprised of "Runs Through" and his wife, "Night Hawk Runs Through":

I found this old man and his wife drying horse meat which they were preparing for food and the only food they had. They informed me that they had secured it from the dump grounds of the town of Wolf Point.

The tent occupied by Runs Through and his wife was about 6 or 7 feet square and slanted all the way from the ridge pole to the ground. There were two bed comforts

on the ground, a box with a couple of tin plates and tin cups and a bread sack. The horse meat that they were drying was hung upon poles, and this was the whole of their estate.

Mr. Madison next visited "Two Woman Armstrong" living in an old, dilapidated log shack. He says of her:

This old log shack, which is her home, has a dirt roof and a dirt floor. She said that she had no articles of furniture, and no food on the premises and that when she asked the subagent at Wolf Point for help and food, he did nothing for her and advised her that she could drown her gophers for meat to eat. That he was particular in advising how she should do it.

THE INDIAN AND THE WAR

Mr. Speaker, these illustrations could be multiplied one after another, but I think it is sufficient to point out the fact that the Indian is left in woeful conditions of abject poverty in many places, despite his status of full citizenship, and despite the fact that in the last war, and in this war, the American Indian has contributed to a greater extent than any other racial group in this country in manpower, and in money. I quote now from a statement by our colleague, Congressman DAN REED of New York, who said on the floor of this House:

Mr. Speaker, when the World War broke out, among the first men in this country to rush to the colors were the Indians of the United States. The Indians furnished more men per capita than any other race, and they furnished more money per capita for the support of the war than any other race. Every general with the allied forces commended them for their heroism.

I could bring in other testimony to the same effect.

The magazine, Asia, for November 1942, reports that in this war so far we find the Indians again rushing to the colors and in support of this country. I quote from a paragraph:

When the Sioux registered for selective service they brought along their rifles. The Crow Council sent President Roosevelt $10,000 out of tribal funds to pay for bombs and guns. Nearly all the able-bodied Chippewas on the Grand Portage Reservation have volunteered for Army duty. The Colvilles and the Cheyennes dropped their outstanding claims against the American Government the day the Japanese flyers attacked Pearl Harbor.

The Marine Corps has an all-Navajo platoon; and a row of machines in the Boeing plant at Seattle, where the flying fortresses take shape, is operated by broad-shouldered Yakimas.

At the Fort Peck Reservation in Montana, for example, of 252 braves registered under the Selective Service Act, 131 have volunteered for Army service.

The Fort Peck Reservation is where I just quoted illustrations from the book by Mr. Gessner showing that the Indians are living in such soul-stirring poverty.

Mr. Speaker, thus far in the war we find that of the 333,969 American Indians in this country as of last October, almost 11,000 were already in the armed services. There is no need to expand upon these illustrations. Let me now touch upon the financial arrangements that this Government has maintained in connection with the administration of Indian affairs.

During the past 20 years the United States Government has spent over $643,000,000 on the American Indian and we are presently employing over 8,000 people in the Indian Service. The Indians are living on some 100 reservations. How many Indians are there now? According to the latest census, 333,969. Thus we find 1 Government employee in the Indian Service for about every 40 Indians. If Indians average 5 to a family, this means 1 employee for every 8 Indian families.

Mr. Speaker, I ask unanimous consent to include at this point in my remarks two tables, one showing the financial costs to this Government of the Indian problem, and the other showing the present Indian population by States.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

The matter referred to follows:

Indian population of the United States, 1940

New England:	
Maine	1,251
New Hampshire	50
Vermont	16
Massachusetts	769
Rhode Island	196
Connecticut	201
Middle Atlantic:	
New York	8,651
New Jersey	211
Pennsylvania	441
East North Central:	
Ohio	338
Indiana	223
Illinois	624
Michigan	6,282
Wisconsin	12,265
West North Central:	
Minnesota	12,528
Iowa	733
Missouri	330
North Dakota	10,114
South Dakota	23,347
Nebraska	3,401
Kansas	1,165
South Atlantic:	
Delaware	14
Maryland	73
District of Columbia	190
Virginia	198
West Virginia	25
North Carolina	22,546
South Carolina	1,234
Georgia	106
Florida	690
East South Central:	
Kentucky	44
Tennessee	114
Alabama	464
Mississippi	2,134
West South Central:	
Arkansas	278
Louisiana	1,801
Oklahoma	63,125
Texas	1,103
Mountain:	
Montana	16,841
Idaho	3,537
Wyoming	2,349
Colorado	1,360
New Mexico	34,510
Arizona	55,076
Utah	3,611
Nevada	4,747
Pacific:	
Washington	11,394
Oregon	4,594
California	18,675
United States total Indian population	333,969

Source: Sixteenth Census of the United States: 1940, series P-10, No. 1 (Feb. 2, 1942).

Annual expenditures of the Bureau of Indian Affairs, 1921–42 [1]

Year:	
1923	$44,253,540.42
1924	46,754,025.92
1925	38,755,456.82
1926	48,442,119.86
1927	35,523,521.49
1928	38,729,301.28
1929	37,242,839.43
1930	19,491,273.12
1931	26,253,626.66
1932	24,824,395.31
1933	22,722,346.53
1934	23,372,905.33
1935	27,898,987.69
1936	25,536,960.64
1937	32,814,393.18
1938	28,563,697.07
1939	39,815,347.93
1940	29,180,022.91
1941	27,281,755.43
1942	26,067,011.77
Total	643,523,528.79

[1] Source: The Budget of the United States for the fiscal years 1922–44.

NOTE.—In February 1943, according to the Office of Indian Affairs, its employees totaled 8,000, and approximately 100 reservations were administered at that time.

Mr. DICKSTEIN. Will the gentleman yield for a question?

Mr. MUNDT. I yield.

Mr. DICKSTEIN. I believe the gentleman is a member of the Committee on Indian Affairs?

Mr. MUNDT. That is correct.

Mr. DICKSTEIN. Has the gentleman presented this matter to the Committee on Indian Affairs at any session whatsoever?

Mr. MUNDT. This matter has been before the Indian Affairs Committee in one form or another many times since I have been a member of it. We held some hearings about 2 years ago on the general subject of the relationship of the Indian to his Government.

Mr. DICKSTEIN. Dealing with the investigation?

Mr. MUNDT. Not dealing with the investigation, but dealing with the conditions out of which this investigation has become apparently necessary.

Mr. DICKSTEIN. I am in sympathy with the gentleman's proposition except I think it would have been a good plan to present that to the Committee on Indian Affairs. I join the gentleman with my support.

Mr. MUNDT. May I say I have discussed this with the chairman of the Indian Affairs Committee and he is strongly in sympathy with my resolution.

Mr. DICKSTEIN. What does your resolution propose to do?

Mr. MUNDT. My resolution proposes an investigation of the Indian conditions in this country by a subcommittee of the Indian Affairs Committee, with the request that it bring in such suggestions as it finds necessary for improving the conditions of the Indians.

Mr. DICKSTEIN. Have you applied for a rule? Have you introduced the resolution?

Mr. MUNDT. The resolution has been introduced and is now before the Rules Committee. I expect to ask my colleagues on the Indian Affairs Committee at our meeting on Thursday to appear

with me before the Rules Committee seeking a rule.

Mr. DICKSTEIN. I think that would be the proper thing to do. I think the gentleman "has something."

Mr. MUNDT. I am sure the gentleman agrees with me and I appreciate his support in that connection.

HEAVY COSTS—SLIGHT IMPROVEMENT

It is rather an amazing thing to me, to think that in the last 20 years we have spent on the Indians of this country nearly $2,000 for every Indian man, woman, and child. If they average five to the family, we have spent $10,000 per Indian family in the past 20 years, and still we find the deplorable conditions such as I have called to your attention today. Even today the Bureau is costing in the neighborhood of $100 per year per Indian man, woman and child; costing $500 per year per Indian family. This is an inexcusable expenditure down through the years, when it is considered in connection with the snail's pace rate by which the Indians are being rehabilitated and equipped to take their rightful place as independent citizens of this great and free Republic. Appropriation of the people's money to the Indian problem is not sufficient to bring about the necessary adjustments and corrections. Our attitude cannot be described as being niggardly from the standpoint of finances, but it can be described as being almost a nullity from the standpoint of liquidating the Indian problem and of providing a satisfactory solution to the Indian question.

Mr. DICKSTEIN. Will the gentleman yield further?

Mr. MUNDT. I yield.

Mr. DICKSTEIN. Do I understand the gentleman correctly that the Indians have money to their credit and we are just holding back their own money?

Mr. MUNDT. In some cases that is true and in some cases it is not. It depends upon the tribe.

Mr. DICKSTEIN. Can the gentleman give us the amount of money that is in trust for them?

Mr. MUNDT. It runs into many millions, I can assure the gentleman.

Now, I want to quote some rather high and significant authority. I call attention to the Commissioner of Indian Affairs, John Collier, who in speaking at the Plains Congress March 3, 1934, in Rapid City, S. Dak., he made two or three most significant statements. I wish to quote them to you.

In the first one he said this:

I have stood for one thing above all—

I may say that in saying that he was referring to the years he spent as head of an Indian group, trying to improve the Indian conditions outside of Government, and now, of course, the quotation comes from him at the time he is Commissioner of Indian Affairs:

I have stood for one thing above all, which was that it was the duty of the Indians themselves to determine what their own lives shall be. It is for the Indians themselves to determine what laws Congress shall pass for them.

That is a rather comprehensive statement to be made by the Commissioner of Indian Affairs, but he made it. I am afraid, however, we have not reached the high goal the Commissioner so definitely described.

He also made this statement in the same conference:

The guardianship maintained by the United States is carried out under bad laws which are wicked and stupid and which makes slaves even of the Government employees hired to enforce the laws.

Mr. Speaker, if there be such bad and wicked laws the investigation I propose should ferret them out and recommend the necessary changes.

Let me quote one more statement from Mr. John Collier, Indian Commissioner, at that same meeting. It probably is the most startling of them all. He said:

The United States, since the year 1900, has misappropriated more than $100,000,000 of tribal funds, has used these funds in ways which were indefensible, which should have been illegal, and which in Canada would have been illegal and indictable.

I am making only the statement that has been made on the floor of the Senate by Senators King, Frazier, and others, and reported in formal reports by its committees and is an incontestable fact.

By this misappropriation I mean the diversion of Indian trust funds for the support of the Indian Bureau which ought to have been supported by the General Treasury. I mean also the use of Indian trust moneys without the consent of the Indians, to build through highways for tourists and great irrigation systems for white farmers.

Let the Government give back to the Indians just 20 percent of this trust money which the Government misappropriated since 1900 and it will be enough capital for the development of the Indian lands. What I am saying is not needed to convince you.

And he was speaking to the Indians—

But I am saying it to get it into this record, so that you may use it to persuade other people—white people.

That ends the statement by Mr. Collier, which I submit is an astounding, startling, and unprecedented challenge and indictment of the American Indian policy coming from the Commissioner of Indian Affairs, and if I had said nothing else today these statements by Mr. Collier should warrant the investigation that I am asking the Congress to provide in this resolution.

Mr. DICKSTEIN. The gentleman has made a very valuable contribution. Here is a point I wish could be brought out: Is anybody checking on the vouchers of money spent in that manner? Have they been approved? And, if so, by whom, by what departments?

Mr. MUNDT. I do not know that aspect personally, but I presume they are handled by the Comptroller General's office in the way other Government expenditures are handled. That is something this investigating committee might well go into if you feel that it is necessary.

With indictments like that, with evidence such as we have before us, I feel that this Congress should and will provide for the investigation which my resolution requests.

I think that among the other things this committee of the Congress ought to investigate are the workings of the Wheeler-Howard Act. I am neither criticizing nor commending the act in these remarks, but it has now been in operation for a considerable period of years and is either working well or wickedly, and the Congress should find out which from its own committee, after field inspections and careful investigations and make the proper report to the Congress.

At this time we do not have adequate evidence to judge the Wheeler-Howard Act either one way or the other. We do know that some Indians in some other tribes want to be released and come out from under the controls of the Wheeler-Howard Act, and we need the necessary facts to judge the merits of the various contentions in connection with the operation of that act. Congress has a responsibility to acquaint itself by appropriate means of the merits or demerits of this act.

YARDSTICK ON INDIAN POLICY

I think we should apply the yardstick of Thomas Jefferson to all our considerations of the Indian problems. This simple question should be asked of any policy: Does it hasten the day when the Indians can become independent citizens and take their rightful place in American economy and political activity?

If this Government can afford it I say that the Government should then take every action in that direction. If it does not lead in that direction I submit that the Government should not take favorable action on any Indian policy whether the program is inexpensive or expensive.

Numerous suggestions have been made from the standpoint of the proper approach to handling the Indian problems which are listed in this book, Massacre, from which I have previously quoted.

The first is from Mr. Collier, himself, starting on page 406, and reads:

Abolish the guardianship of the United States over the Indian person. It is a survival from times when the Indians were enemies or prisoners confined under martial law on reservations serving as prison compounds.

Preserve the Federal guardianship over Indian property, individual and tribal. Regulate that guardianship by statute; make it accountable to the courts; provide for its termination, whether for tribes or individuals, in the discretion of the Federal court or through action by Congress after recommendation by the court. So amend the allotment law and other laws, as to permit joint or corporate land holdings and industrial enterprise by partnerships or tribes. Modern credit facilities to be extended to Indians; property and earning capacity, on initiative of the Indian borrowers, and after approval by the property guardian subject to court review, to be hypothecable against the loans. The spurious reimbursable indebtedness to be remitted through act of Congress.

Comprehensive Federal court jurisdiction to be established over civil and criminal matters on reservations, the court to be empowered in its discretion to recognize tribal custom and authority in matters internal to the tribes.

Transfer, with minor exceptions, all responsibility for Indian health work, education, social service, agricultural guidance and welfare to the States; the Federal appropriations of tax-raised funds and Indian-trust funds for these uses to be transferred to the States under contracts and to be supplemented through State appropriations.

Another set of proposals are made by Mr. A. A. Grorud, who was in charge of investigations of the Senate Subcommittee on Indian Affairs, from page 407:

The Indian Bureau's weapon for chastising the Indians is that peculiar body of statutes called Indian law.

Indian law places the Indian wholly at the mercy of the Indian Bureau on the theory that the Bureau is a virtuous and industrious guardian. American politics make the Indian Bureau not a guardian, but an exploiter and betrayer.

When the Indian tries to go into court against his guardian, the Indian Bureau, Indian law fixes it that the culprit and defendant, namely, the Indian Bureau, shall appoint the Indian's lawyer and control his actions. This complete supervision of all litigations must be restricted.

When the Indian is thrown into jail by an Indian Bureau employee, his appeal lies to the Secretary of the Interior, which is another name for the Indian Bureau.

Shall an Indian's son or daughter be permitted to inherit the parent's money or land? The Indian Bureau decides, and if the son or daughter appeals, the appeal is conducted through the Indian Bureau. If the decision is erroneous, there is no appeal or redress. On the other hand, if a previous decision is not to the liking of the Secretary of the Interior, he, according to a December 11, 1930, statement of O. H. Graves, Assistant to the Solicitor, "notwithstanding the decisions of former Secretaries may reopen, revise, redecide, and entirely control its final disposition." In other words an Indian never knows when his estate is settled.

Shall an Indian be torn away from parents and home and locked up for 10 years in a boarding school under conditions of endemic disease and child labor, while his religion and language are effaced? The Indian Bureau decides and if the child or parent wants to appeal, he can appeal to the Secretary of the Interior, namely the Indian Bureau.

Shall Indians be permitted to form themselves into organizations, whether for mutual aid or political action or for religious communion? The Indian Bureau decides and if its decision is not obeyed, the Bureau tramples the organization out of life. The Indian Bureau actually maintains regulations which define Indian religions as Indian offenses punishable by fine and imprisonment.

The Indian Bureau banks the Indian's money. It holds the check book. It pays out what it wants to pay out and can demand that the money can be spent exactly as wanted by the Indian superintendent. It may account for the money or not as it chooses and in numerous cases it does not choose.

And meanwhile, the Indian Bureau, through manipulating patronage and funds, exerts a dominant power with Congress, and steadily multiplies the statutes which decade by decade rivet the chains more completely on the Indians' limbs.

The Supreme Court has countenanced the atrocity as a whole by ruling that Indian matters are subject to the political branch of the Government and are not reviewable by the courts on the substantial issues. The Indians are the only people in the United States who for practical purposes are denied access to the courts and the protection of the Constitution.

And today, as before, the Indian Bureau and Interior Department are standing like rock against all efforts to bring Indian law into line with American traditions, constitutional conceptions or ideas of democracy, individual responsibility, and cultural freedom.

Still another series of suggestions are by Alfred E. Smith made at the time he was running for the Presidency, found on page 411. They are:

The Indians shall have an accounting for all their moneys.

Their moneys shall be used according to their wishes and not otherwise.

The control of the Indian Bureau over Indian funds and Indian life shall be curbed.

The Indians shall be given schools at their homes.

The Indians shall be given all the constitutional rights. This means:

No more putting Indians in jail by the superintendent.

No more interference with Indian religious observances.

A day in court for all Indians in every matter of life and property.

No more confiscation of Indian property.

At this point I might also mention that in 1933 a definite backward step was taken with regard to the whole Indian problem. On May 25, 1933, President Roosevelt abolished the Board of Indian Commissioners giving as his reason and I quote:

There is no necessity for the continuance of this Board and its abolishment will be in the interest of economy.

What are the facts in this connection? This Board was established by an act of Congress approved April 10, 1869. It was contemplated that the President would appoint as its members citizens noted for their intelligence, for their philanthropy, and for their qualities of fair play and good judgment. The purpose of Congress in establishing this Board was to set up a group of reasonable permanence having the sanction of Government and comprised of citizens who understood Indian problems and affairs and who would scrutinize Indian legislation and administration, detect and aid in remedying abuses, and assist in the difficult problems involved in gearing the Indian into the white man's civilization. It is recognized that this Board during its long and useful existence performed many splendid functions and made many constructive suggestions of value in the whole problem of absorption and assimilation.

The annual appropriation for its upkeep was only $10,000, so no valid argument for its abolition could be based on the grounds of economy. At the time the Board was abolished two of its active members were Gen. Hugh L. Scott and Col. Frank Knox. Since the termination of this Board by Executive order no Government group aside from the Indian Affairs Committees of the Senate and the House has had any responsibility for planning and patrolling Government policies relating to the American Indian.

We have simply been nursing the Indian problem along to keep it ever with us as a healthy governmental gremlin. The time has come to quit nursing the problem and to devote realistic methods to its complete and satisfactory solution. I sincerely believe the adoption of my resolution and the ensuing investigation will make progress toward this goal.

CONSTRUCTIVE LEGISLATION NEEDED

Mr. DICKSTEIN. Mr. Speaker, will the gentleman yield?

Mr. MUNDT. I yield.

Mr. DICKSTEIN. Is it not also true—and I might preface my question by saying that I have been on this committee many years, and was on it many years before the gentleman from South Dakota—that we have a most difficult time passing Indian legislation through Congress?

Mr. MUNDT. I am glad the gentleman brought that up, because I intended to speak about that, but it had slipped my mind. I want to point out that we usually have but one calendar day during the session, and then Members having no interest in Indians and having no Indians in their districts have somewhat of a holiday at the expense of the red man. Seldom is our committee given a serious opportunity to pass constructive legislation to benefit the Indian.

Mr. DICKSTEIN. They put it on the same basis as immigration. Just the moment a Member gets up on the floor and hollers "immigration" or "Indian affairs" that is enough to insure the defeat of the bill at the hands of those who do not know anything about either Indians or immigration.

Mr. MUNDT. I share the feeling of the gentleman from New York to the extent that the Indian has great difficulty in getting a hearing in Congress.

Mrs. BOLTON. Mr. Speaker, will the gentleman yield?

Mr. MUNDT. I yield.

Mrs. BOLTON. Since I have been a member of the committee there has not been a bill brought before Congress which was of real benefit to the Indian. It was always in favor of somebody who had a claim against the Indian.

Mr. MUNDT. That is all too often true, I am afraid.

Mr. ENGLEBRIGHT. Mr. Speaker, will the gentleman yield?

Mr. MUNDT. I am delighted to yield to the distinguished gentleman from California who serves as our minority whip.

Mr. ENGLEBRIGHT. In my opinion the gentleman's resolution is an important resolution and most timely. I had the pleasure of serving on the Indian Affairs Committee for many years and took a deep interest in the problems of the Indians of the United States. I trust that the investigating committee advocated by the gentleman will be formed and be set up as suggested by the gentleman's resolution. I hope it will have the opportunity of going into these multiple problems which the gentleman has so aptly called to the attention of the House and the conception and ideas of Thomas Jefferson with reference to the part the Indian was supposed to take and the part that Jefferson counselled the Indian should take in American affairs.

If my memory serves me correctly I believe it was understood that a fourteenth State was to be set up at the time of the formation of the Union; that there was such an agreement between Thomas Jefferson, George Washington, and others; that an old Iroquois chieftain by the name of White Eye who was very helpful in winning this country's independence, was to be recognized.

I hope the committee will have time to go back into this very early history and demonstrate that the American

Indian was intended to become an integral part of the life of this country.

Mr. MUNDT. I thank the gentleman for his valuable historical contribution and interesting comments.

Out of the nearly $1,000,000,000 we have spent in the last 20 years we have failed to get the solution of the Indian problem in return for the taxpayers' money, which they had a right to expect and to which the Indians were entitled. We have also failed to provide equal economic opportunities, proper medical facilities, decent living conditions, and other elemental equities which rightfully belong to the Indian and which form part of the white man's obligation to the original owners of this fair land of ours.

In other words, I think we have simply been nursing the Indian problem along. I submit the time has come now to cease perpetuating the problem and to make a realistic approach to its fair and final solution.

Mr. DICKSTEIN. Will the gentleman yield?

Mr. MUNDT. I yield to the gentleman from New York.

Mr. DICKSTEIN. I understand that a native-born Indian, or an Indian in uniform is being discriminated against if he goes in any place where liquor is sold, and that he is not getting the same kind of treatment as the white boy in uniform. Should that not be looked into and should not all these discriminatory laws against Indians be removed?

Mr. MUNDT. No discrimination against Indians is justified because the Indian is a full-fledged American citizen. I know nothing in our Constitution which permits any bureau or even the Congress to discriminate as between American citizens because of race, religion, color, or on account of any other reason.

Mr. DICKSTEIN. I understand that has been done because in the last hearings before the Indian Affairs Committee a tribal group came down pleading that we try to do something in reference to this matter.

Mr. MUNDT. I thank the gentleman and I hope the House will soon act favorably on this resolution, known as House Resolution 166.

The SPEAKER pro tempore (Mr. MURDOCK). The time of the gentleman has expired.

Under a previous order of the House, the gentleman from Minnesota [Mr. O'HARA] is recognized for 20 minutes.

Mr. DICKSTEIN. Will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from New York.

PERMISSION TO ADDRESS THE HOUSE

Mr. DICKSTEIN. Mr. Speaker, I have time today, but the hour is very late, and I ask unanimous consent to address the House for 30 minutes on Monday next after disposition of business on the Speaker's table and at the conclusion of any special orders heretofore entered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. DICKSTEIN]?

There was no objection.

Mr. ENGLEBRIGHT. Will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from California.

EXTENSION OF REMARKS

Mr. ENGLEBRIGHT. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. BRADLEY] may have permission to extend his own remarks in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California [Mr. ENGLEBRIGHT]?

There was no objection.

EFFECT OF AIR AGE UPON INLAND CITIES

Mr. O'HARA. Mr. Speaker, the coming of the air age for trade and travel will have far-reaching effects upon many of our inland regions. Cities now thought of as practically isolated may be transformed into great centers of international commerce.

The locations of the world's great cities have almost invariably been fixed by the crossroads of international trade routes. Likewise, within nations, towns and villages have repeatedly grown into great urban centers where domestic trade routes have met and crossed.

If one looks back to the period before the discovery of America and the use of the open ocean for carrying international traffic, he is struck by the importance of Constantinople in the economy of nations. Constantinople, strategically situated at the crossroads between the maritime and caravan routes from Egypt and Arabia to Russia, and the overland trade routes between India and China on the one hand and the whole of western Europe on the other, became the meeting place of a teeming international population where every language was spoken. It became the greatest economic center of the world. The influence which it wielded upon the civilization of our forefathers is still felt even in the twentieth century.

With the discovery of America, and the development of ocean routes for commerce, great cities sprang up on both the eastern and western shores of the Atlantic. Each of these cities, again located at strategic points, became the dominating community in the economy of their nations.

Then, with the development of the steam engine there came a further shift in population centers as a new means of transportation opened routes of trade theretofore unknown. Just as cities dependent upon the caravan routes declined when the sailing ships built rival centers, so cities literally created by the sailing ships sank into obscurity when steam became the motive power for commerce.

During colonial days, because of its geographical location, New York came to the fore as a dominating American city because it was located on the crossroads of travel north and south and east and west between the hinterland of the American Colonies and Europe.

Later the railroads were responsible for the development of cities like Buffalo, Cleveland, Chicago, St. Louis, and Kansas City. Each, located at the crossroads of some trade routes leading in different directions, became important factors in our economy.

Similarly, at the junction points of rail and sea communication, cities such as Norfolk, New Orleans, San Francisco, took on a greater importance and grew into thriving communities.

Today we stand upon the threshold of a new era, an era that will be marked by shortening further the "time distance" of long stretches of travel and transportation. This new era of the air will leave a far greater imprint upon international commerce than did the invention of the steam engine. With the close of the present global war international trade and commerce by air transport will spring forth full grown.

Entirely new routes of travel will open up, as new to the world of today as the open ocean routes were new to Constantinople many centuries ago. Just as the airplane has changed our concepts of military tactics, so the airplane will change our geographical concepts of direction and distance between nations. Smaller cities at great distances inland will become the important terminals of air transport because, strange as it may seem, they are closer by air to the foreign centers of commerce than many of our most important seaports.

The future traveler, traveling from some point in Arizona, will not need to go to the coast of the Gulf of Mexico or overland to New York to travel by ship to Europe. Instead, he may step into an airplane in his home town and with speed now undreamed of, fly almost due north across Oklahoma, Missouri, South Dakota, and Minnesota, cross the Canadian border, turning northeastward to the coast of Labrador, over Greenland and Iceland to the British Isles or continental Europe.

The future traveler, traveling from the eastern seaboard of our country, will not need to go overland 3,000 miles across to the seaport cities of Seattle, San Francisco, or Los Angeles, and then travel southwestward to the Philippines, the Malayan Archipelago, or Australia. He, too, will step into an airplane in his own community, fly northwestward across the Alleghenies, Ohio, Wisconsin, and Minnesota to the Canadian border, and thence onward to the southern reaches of Alaska, the Aleutians, and down the Siberian and Chinese coasts to his destination.

To follow these new air routes, "time-distance" will be shortened, not by hours, but by days and even weeks.

A most likely development is that the great State of Minnesota will be at the crossroads of international air trade and commerce between the United States and much of the rest of the world. Its ideal geographical location is but one of the major factors lending support to plans which should now be formulated that the United States may be ready when peace suddenly comes. The topography of Minnesota is ideal for the location there of airports where the transshipment of goods can be effected for their distribution throughout the entire Nation. The meterological and weather experience of

Minnesota is ideal for air traffic throughout the major portion of the year, and with the development of the airplane at the rate it has been progressing since the outbreak of the war, air traffic can be carried on successfully in Minnesota through the entire year.

Much has been said about aviation post-war planning. It takes but some vision as to the future to see some great airport located at some point in Minnesota. At that airport planes will land, coming from Asia and Europe, a port where air routes from every section of the country will converge to meet the traffic of international commerce.

Far greater advances have been made in air transport in the months since Pearl Harbor than in an equal number of years before. With thousands upon thousands of the youth of America returning from the battlefields of global war, trained both as pilots and in the use of aircraft, America will be air-minded. Travel in the future will be by air and much of the traffic in commodities between nations will be by air transport. Recognizing this, the Committee on Interstate and Foreign Commerce of the House of Representatives has been considering H. R. 1012, a bill designed to prepare the United States to meet the challenge of international air transport.

But it will not be enough merely to provide the proper legislative framework for aviation development. It is important that we go further and, at the earliest time possible, have airfields located at those strategic points throughout the Nation that will insure our success in meeting foreign competition. Minnesota meets every requirement as the one State where sufficient airports can be constructed to carry on this international commerce with the greatest efficiency. We must prepare now. As essential as was preparedness for war to save us from destruction by our enemies, so is it essential that we be prepared to meet the economic challenge of the post-war world.

Minnesota is a great natural location for this tremendous airport. Already the eyes of those who have vision have been turned toward our State as a great natural location for this airport. It is a challenge to the vision, and the opportunity is here to commence its planning.

The location of such airport may be a matter of individual or local dispute but the importance of the location of this airport at some point in Minnesota and its importance to the State and the entire Middle West and Northwest sections of our great country, so far transcends personal or local interests that it is sincerely urged that in the consideration of this vital subject that all personal and individual and local differences should be and must be eliminated.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. SATTERFIELD (at the request of Mr. BLAND), indefinitely, on account of illness.

To the House Military Affairs Committee (at the request of Mr. MAY), for March 17, on account of request of the War Department that the committee inspect the work and equipment at the Aberdeen Proving Ground.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 786. An act to amend title I of Public Law No. 2, Seventy-third Congress, March 20, 1933, and the Veterans Regulations to provide for rehabilitation of disabled veterans, and for other purposes.

ADJOURNMENT

Mr. RUSSELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 5 minutes p. m.) the House adjourned until tomorrow, Wednesday, March 17, 1943, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m., Wednesday, March 17, 1943.

Business to be considered: Public hearing on H. R. 149.

COMMITTEE ON THE PUBLIC LANDS

There will be a meeting of the Committee on the Public Lands at 10:45 a. m., Wednesday, March 17, 1943, to consider various bills.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a hearing of the Committee on Immigration and Naturalization on Wednesday, March 17, 1943, at 10 a. m., for the consideration of H. R. 1607.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The committee will also hold a public hearing on Thursday, March 18, 1943, at 10 a. m., on H. R. 1361 (Mr. LANE) and H. R. 1409 (Mr. FOGARTY), conferring upon men in the merchant marine the same rights, privileges, and benefits accruing to those serving in the armed forces, and on H. R. 1858, to confer the same rights, privileges, and benefits upon members of the United States merchant marine who served during the World War as are conferred upon members of the armed forces of the United States who served during such war.

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Thursday, April 1, 1943, at 10 a. m., on S. 163 (H. R. 498) to amend section 511 of the Merchant Marine Act, 1936, as amended, relating to ship-construction reserve funds, and for other purposes.

Congressman GEORGE J. BATES, of Massachusetts, patron of the bill H. R. 1766, upon which hearings were scheduled on Thursday, April 8, 1943, is a member of the Committee on Naval Affairs and of a subcommittee of that committee, duties of which will compel him to be absent from Washington on Thursday, April 8, 1943. Accordingly, the hearing scheduled for that date has been changed to Thursday, April 15, 1943, at 10 a. m.

COMMITTEE ON THE JUDICIARY

Subcommittee No. 1 of the Committee on the Judiciary will conduct hearings on H. R. 694, a bill to provide for the attachment, garnishment, execution, or trustee process of wages and salaries of civil officers and employees of the United States, at 10 a. m. on Wednesday, March 24, 1943, in room 346, House Office Building, Washington, D. C.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

252. A letter from the Administrator of the Federal Security Agency, transmitting the second quarterly report of the United States Commissioner of Education on the education and training of defense workers, covering the period beginning October 1, 1942, and ending December 31, 1942; to the Committee on Expenditures in the Executive Department.

253. A letter from the Chairman of the Board of Reconstruction Finance Corporation, transmitting the report of the Reconstruction Finance Corporation for the month of November 1942; to the Committee on Banking and Currency.

254. A letter from the Acting Secretary of the Interior, transmitting a signed copy of the Forty-second Annual Report of the Governor of Puerto Rico for the fiscal year ended June 30, 1942; to the Committee on Insular Affairs.

255. A letter from the Under Secretary of the Department of Agriculture, transmitting a report containing the names and addresses of payees who received $1,000 or more and showing the amount of payment to each for participation in the 1941 programs administered under the provisions of the Soil Conservation and Domestic Allotment Act, as amended, and section 303 of the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agriculture.

256. A letter from the Archivist of the United States, transmitting lists of papers, recommended to him for disposal by certain agencies of the Federal Government; to the Committee on the Disposition of Executive Papers.

257. A letter from the Under Secretary, Department of Agriculture, transmitting the report of the Chief of the Agricultural Adjustment Agency, 1942; to the Committee on Agriculture.

258. A letter from the Administrator of the Federal Security Agency, transmitting the copy of the Seventh Annual Report of the Social Security Board (H. Doc. No. 132); to the Committee on Ways and Means and ordered to be printed, with illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SABATH: Committee on Rules. House Resolution 170. Resolution for consideration of H. R. 1914, a bill to amend the National Housing Act, and for other purposes; without amendment (Rept. No. 250). Referred to the House Calendar.

Mr. SABATH: Committee on Rules. House Resolution 58. Resolution authorizing the Committee on Interstate and Foreign Commerce to continue the investigation with respect to petroleum begun under House Reso-

lution 290, Seventy-sixth Congress; without amendment (Rept. No. 251). Referred to the House Calendar.

Mr. BLOOM: Committee on Foreign Affairs. Senate Concurrent Resolution 9. Concurrent resolution condemning outrages inflicted upon civilians in the Nazi occupied countries and favoring punishment of persons responsible therefor; without amendment (Rept. No. 252). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HOWELL:

H. R. 2201. A bill providing for an Assistant Secretary of Commerce for small business; to the Committee on Interstate and Foreign Commerce.

By Mr. LANE:

H. R. 2202. A bill to increase the amount of Federal aid to State or Territorial homes for the support of disabled soldiers and sailors of the United States; to the Committee on Military Affairs.

By Mr. O'HARA:

H. R. 2203. A bill to amend the Judicial Code in respect to the original jurisdiction of the district courts of the United States in certain cases, and for other purposes; to the Committee on the Judiciary.

By Mr. RANKIN:

H. R. 2204. A bill relating to pay, allowances, and insurance for members of the land or naval forces training to be pilots under the Civilian Pilot Training Act of 1939; to the Committee on Interstate and Foreign Commerce.

By Mr. ROWE:

H. R. 2205. A bill to amend the act entitled "An act to incorporate the Hungarian Reformed Federation of America," approved March 2, 1907, so as to permit such federation to extend certain benefits to all its members; to the Committee on the Judiciary.

By Mr. STEAGALL:

H. R. 2206. A bill to amend the National Housing Act, as now or hereafter amended, so as to give protection to persons in military service, and their dependents, as to certain mortgages; to the Committee on Banking and Currency.

By Mr. DICKSTEIN:

H. R. 2207. A bill to amend the Nationality Act of 1940; to the Committee on Immigration and Naturalization.

By Mr. McCORMACK:

H. R. 2208. A bill to promote the national defense and to facilitate and protect the transport of materials and supplies needful to the Military Establishment and essential to domestic requirements through safe and adequate inland waterways, by the immediate authorization of the construction of the New York Bay-Delaware River section of the Atlantic Intracoastal Waterway; to the Committee on Rivers and Harbors.

By Mr. PETERSON of Florida:

H. R. 2209. A bill to cover the positions of registers of the district land offices into the classified civil service and to fix the compensation thereof; to the Committee on the Public Lands.

H. R. 2210. A bill to fix the compensation of registers of the district land offices in accordance with the Classification Act of 1923, as amended; to the Committee on the Public Lands.

By Mr. PATMAN:

H. J. Res. 99. Joint resolution to permit retailers to combine in negotiating purchases from suppliers; to the Committee on the Judiciary.

By Mr. DOUGHTON:

H. J. Res. 100. Joint resolution extending the time within which certain acts under the Internal Revenue Code are required to be performed; to the Committee on Ways and Means.

By Mr. DIRKSEN:

H. Res. 171. Resolution to establish a special committee to be known as the Committee on Post-War Economic Policy and Planning; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARRY:

H. R. 2211. A bill for the relief of Francesco Antonio Pataca; to the Committee on Immigration and Naturalization.

By Mr. BLAND:

H. R. 2212. A bill for the relief of Clarence Waverly Morgan; to the Committee on Claims.

By Mr. CALVIN D. JOHNSON:

H. R. 2213. A bill for the relief of Mrs. Agnes Wolters; to the Committee on Claims.

By Mr. McWILLIAMS:

H. R. 2214. A bill for the relief of the East Coast Ship and Yacht Corporation, of Noank, Conn.; to the Committee on Claims.

H. R. 2215. A bill for the relief of Mrs. Alice V. Jones; to the Committee on Claims.

By Mr. REECE of Tennessee:

H. R. 2216. A bill for the relief of Solon P. Haun; to the Committee on Military Affairs.

By Mr. SCHWABE:

H. R. 2217. A bill granting a pension to Ethel Forbes; to the Committee on Invalid Pensions.

SENATE

WEDNESDAY, MARCH 17, 1943

(Legislative day of Tuesday, March 9, 1943)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Rev. Hunter M. Lewis, B. D., associate minister, Church of the Epiphany, Washington, D. C., offered the following prayer:

O Eternal God, who in times past didst lead our forefathers from lands of oppression, and open before them in the wilderness a new land which by Thy gracious providence has become great among the nations: We beseech Thee to continue thy loving kindness to us, that in these days of strife and strain we lose not the vision of freedom, justice, and equality which Thou didst reveal to them. Guide, we pray Thee, all those to whom Thou hast committed the Government of our Nation, and grant to them at this time special gifts of wisdom and understanding, of counsel and of strength.

Bless all who labor in field and factory, in office and home for our country's welfare. May they labor for the work's sake without undue thought of gain, unspoiled by the increase of income, seeking to give the best that is in them.

And stretch forth, we beseech Thee, Thine almighty arm to strengthen and protect the defenders of our country, wherever they may serve at home or abroad, on land, sea, or in the air. Bless them and the cause in which we send them forth. Endue them with courage and loyalty, with patience, fortitude and endurance, and lead them to Thine own victory of righteousness and peace. We ask it all in the name and for the sake of Jesus Christ our Lord. Amen.

NAMING A PRESIDING OFFICER

The Secretary (Edwin A. Halsey) read the following letter:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., March 17, 1943.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. SCOTT W. LUCAS, a Senator from the State of Illinois, to perform the duties of the Chair during my absence.

CARTER GLASS,
President pro tempore.

Mr. LUCAS thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. CLARK of Missouri, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, March 16, 1943, was dispensed with, and the Journal was approved.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT OF SOCIAL SECURITY BOARD

A letter from the Administrator of the Federal Security Agency, transmitting, pursuant to law, the seventh annual report of the Social Security Board for the fiscal year ended June 30, 1942 (with an accompanying report); to the Committee on Finance.

REPORT OF OPERATIONS OF OFFICE OF THE DISTRICT RENT CONTROL ADMINISTRATOR

A letter from the president of the Board of Commissioners of the District of Columbia, transmitting, pursuant to law, the second semiannual report of the operations of the Office of Administrator of Rent Control of the District of Columbia, covering the period July 1, 1942, to December 31, 1942 (with an accompanying report); to the Committee on the District of Columbia.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of the Departments of War, Navy (3), Interior, Agriculture (3), and Commerce; Federal Works Agency (2), The National Archives, and the District Court of the Northern District of California which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The ACTING PRESIDENT pro tempore appointed Mr. BARKLEY and Mr. BREWSTER members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A resolution of Hollywood Parlor, No. 196, Native Sons of the Golden West, of Los Angeles, Calif., protesting against the formation of a Japanese unit of the United States Army; to the Committee on Military Affairs.

A resolution of the House of Representatives of the State of Texas; to the Committee on Finance:

"Whereas the people of Texas are required to pay Federal taxes to support Federal social-security programs for maternal and child-health services in all the States; and

"Whereas the State of Texas, in order to participate in the Federal program, is required to subscribe to certain conditions laid down in the Federal Social Security Act, including State plans drawn on a Federal pattern; and

"Whereas under the provisions of title V of the Social Security Act the Texas State plans, in order to receive the approval of the Federal administrative agency for participation in the maternal and child-health program, are required to embrace all and such policies, measures, and means in carrying out the State program as will currently satisfy the desires of the Federal Children's Bureau as to propriety and efficiency (title V, sec. 503 (a), 3), among which is the requirement that the State of Texas shall subscribe to and practice a program which denies the right of choice of physician to the intended beneficiaries of the Texas maternal and child-health program (if the State is to participate in the Federal social-security funds for State plans, which its people have already paid for in Federal taxes); and

"Whereas the latest example of the requirement by the Children's Bureau that choice of physician shall be surrendered in order to participate in the Federal program is represented in the subsidy offered by the Children's Bureau under the Federal Social Security Act for the purpose of implementing professional medical services and care to the wives and families of servicemen as follows: That the State plan shall restrict the expenditure of any of the funds for physicians' services except for the use of doctors approved by the American Medical Association (May 1, 1942, memorandum to State health agencies from the Director, Division of Health Services, Children's Bureau, U. S. Department of Labor, subject Medical and Hospital Obstetric and Pediatric Care for Wives and Infants of Men in Military Service: '3. Standards of medical care: Medical care provided under the plan should be authorized by the State health agency only when the attending physician is licensed to practice in the State and is a graduate of a medical school approved by the council on medical education of the American Medical Association'); and

"Whereas the State of Texas exacts a high standard of proficiency in all the practitioners of the healing art who are licensed to practice, and there are numerous such legally licensed practitioners who belong to schools of medicine that are not affiliated with the American Medical Association and are not required to be so affiliated under the Texas law; and

"Whereas freedom of choice of physician is an integral part of the Texas Constitution in that it specifically provides against the making of any Texas law which gives any preference to any school of medicine, regardless of the affiliation or nonaffiliation of any such school (Texas Constitution, art. XVI, sec. 31); and

"Whereas the Social Security act in effect, places the fitness and qualification of a physician in 'the Council on Medical Education of the American Medical Association,' which is un-American, undemocratic, and is the only profession that is licensed by the laws of various States in the United States, and controlled by a law, rule, or regulation of the Federal Government. This act denies to the taxpayers and citizens throughout the United States the right to choose their physician; and

"Whereas there are counties in the State of Texas, in which, if this rule is enforced, the wives and children of men now in the Army will be denied the services of a physician and surgeon, as there are duly qualified, licensed, practicing physicians and surgeons who have been practicing for years, for whom the citizenship has the highest regard as to their ability and integrity, and they, although licensed and qualified, will not be eligible to render the services required: Therefore be it

"Resolved, That it is the sense of the House of Representatives of the State of Texas assembled at Austin, that the Congress should amend the Federal Social Security Act in such manner as to prevent the Federal administrative agencies, specifically the Children's Bureau, from any requirement, policy, or pressure involving coercion or inducement of the States to practice or sanction denial of choice of physician as a part of State plans necessary to participate in the Federal program of maternal and child health generally or services to the wives and children of servicemen in particular; and be it further

"Resolved, That a copy of this resolution be transmitted to Franklin D. Roosevelt, President of the United States; HENRY A. WALLACE, Vice President of the United States and President of the Senate; SAM RAYBURN, Speaker of the House of Representatives; and to the Senators and Congressmen from the State of Texas."

By Mr. VANDENBERG:

A telegram embodying a resolution adopted by Col. Francis Hamtramck Post, No. 1, P. L. A. V., at Hamtramck, Detroit, Mich., protesting against any proposed annexation of the eastern territories of the Republic of Poland and favoring full justice to Poland and the preservation of all Polish rights against aggression; to the Committee on Foreign Relations.

By Mr. CAPPER:

A letter in the nature of a petition from the Altrusa Club, of Los Angeles, Calif., praying for the adoption of the so-called equal rights amendment to the Constitution; to the Committee on the Judiciary.

A petition of sundry citizens of Little River Kans., praying for the enactment of Senate bill 860, relating to the sale of alcoholic liquors to the members of the land and naval forces of the United States; to the Committee on Military Affairs.

By Mr. McNARY:

A joint memorial of the Legislature of the State of Oregon; to the Committee on Commerce.

"House Joint Memorial 8

"To the honorable Senate and House of Representatives of the United States of America in Congress assembled:

"Whereas the Federal Government of the United States, through its Bonneville administration and other Federal agencies, has built and is operating the Bonneville Dam and the Grand Coulee Dam and an extensive system of transmission lines and plant equipment; and

"Whereas the Federal Government, through its Bonneville administration, is in the business of making and selling large quantities of electric energy; and

"Whereas these facilities owned by the Federal Government do replace or compete with existing facilities which are taxable in the States of Oregon and Washington and which are a substantial part of their tax structures; and

"Whereas to date no provision has been made for the payment by the Bonneville administration of any portion of its gross revenues to the States of Oregon and Washington in lieu of taxes, as has been provided in the acts which govern the Federal operations of Boulder Dam and the Tennessee Valley Authority: Now, therefore, be it

"Resolved by the House of Representatives of the State of Oregon (the senate jointly concurring therein), That the Congress of the United States be, and it hereby is, memorialized to enact such legislation as will correct this inequity and will require of the Bonneville administration a payment in lieu of taxes to the States of Oregon and Washington on a basis substantially equivalent to that which has been found proper in the operations of the Tennessee Valley Authority and Boulder Dam; and be it further

"Resolved, That a copy of this memorial be sent to United States Senators CHARLES L. MCNARY and RUFUS C. HOLMAN, and to Congressmen JAMES W. MOTT, HOMER D. ANGELL, LOWELL STOCKMAN, and HARRIS ELLSWORTH, and also to the Senators and Congressmen from the State of Washington, with the request that they support legislation to make this memorial effective; and

"That the secretary of state of the State of Oregon be, and he hereby is, instructed to forward a certified copy of this memorial to the President of the United States, the President and Chief Clerk of the United States Senate, the Speaker and Chief Clerk of the House of Representatives of the United States, and to the Governor of the State of Washington and the president of the senate and speaker of the house of representatives of that State."

(The ACTING PRESIDENT pro tempore also laid before the Senate a joint memorial identical with the foregoing, which was referred to the Committee on Commerce.)

By Mr. WALSH (for himself and Mr. LODGE):

Two resolutions of the General Court of Massachusetts; to the Committee on Finance:

"Resolution memorializing the Congress of the United States to enact legislation substantially in accordance with the Ruml plan for the deferred collection of the income tax

"Resolved, That the General Court of Massachusetts respectfully urges the Congress of the United States to enact legislation substantially in accordance with the Ruml plan, so called; and be it further

"Resolved, That copies of these resolutions be sent by the State secretary to the Vice President of the United States, to the Speaker of the House of Representatives of the Congress, and to the Members of the Congress from Massachusetts."

"Resolution memorializing Congress to increase the bed capacity of the West Roxbury Veterans' Hospital

"Resolved, That the General Court of Massachusetts hereby urges upon the Congress of the United States the necessity for increasing without delay the capacity of the West Roxbury Veterans' Hospital to 2,000 beds, so as to meet the mounting hospital needs of the veterans in this area; and be it further

"Resolved, That copies of these resolutions be sent forthwith by the State secretary to the President of the United States, to the presiding officer of each branch of Congress, and to the Members thereof from this Commonwealth."

(The ACTING PRESIDENT pro tempore laid before the Senate two resolutions identical with the foregoing, which were referred to the Committee on Finance.)

By Mr WALSH (for himself and Mr. LODGE).

Two resolutions of the General Court of Massachusetts; to the Committee on the Judiciary:

"Resolution memorializing Congress to adopt an adequate antilynch law

"Resolved, That the General Court of Massachusetts hereby memorializes the Seventy-eighth Congress of the United States to adopt, and the President of the United States to sign, an adequate antilynching law which would enlist the powers of the Federal Government in learning the identity of, and prosecuting, those participating in lynch mobs, those responsible for inciting such mobs, and those local law enforcement officers who re-

main lax or passive while a lynching is committed; and be it further

"*Resolved*, That copies of these resolutions be sent forthwith by the State secretary to the President of the United States, to the presiding officer of each branch of Congress, and to the Members thereof from this Commonwealth."

"Resolution memorializing Congress to enact the anti-poll-tax bill, so-called

"Whereas many colored people are fighting in the armed forces of the United States to protect and preserve the principles of democracy for which the United Nations stand: Therefore be it

"*Resolved* That the General Court of Massachusetts hereby memorializes the Seventy-eighth Congress of the United States to enact, and the President of the United States to sign, the so-called anti-poll-tax bill to the end that millions of citizens of the United States residing in several of our Southern States shall have restored to them their democratic right to vote; and be it further

"*Resolved* That copies of these resolutions be sent forthwith by the State secretary to the President of the United States, to the presiding officer of each branch of Congress, and to the Members thereof from this Commonwealth."

(The ACTING PRESIDENT pro tempore laid before the Senate two resolutions identical with the foregoing, which were referred to the Committee on the Judiciary.)

RESOLUTIONS OF VERMONT GENERAL ASSEMBLY—THE DAIRY INDUSTRY AND ALLOTMENTS OF FARM MACHINERY

Mr. AUSTIN. Mr. President, I offer for the RECORD two certified copies of resolutions adopted by the General Assembly of Vermont. Joint House Resolution 18 is entitled "Joint resolution relating to restrictions on the dairy industry during wartime," and

Joint House Resolution 26 is entitled "Joint resolution relating to wartime allotments of farm machinery."

Both these resolutions were approved by the Governor of Vermont on March 13, 1943.

Mr. President, I ask that the resolutions be referred to the appropriate committee and printed in the RECORD.

There being no objection, the resolutions were referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, under the rule, as follows:

Whereas the cooperation of all agencies, Federal and State, and individuals in the several States has been, and is being, urged for the most efficient prosecution of the war; and

Whereas one of the factors most essential to the successful prosecution of the war is the maximum production possible of dairy products for our armed forces and allies and for the citizenry of the Allied Nations; and

Whereas the desired result can be achieved only by the cooperation of the boards of health of the several States, particularly those to which the greater portion of the dairy products of this State are shipped; and

Whereas the strict enforcement of the present requirements and restrictions of the boards of health will in many cases cause producing dairymen to reduce or sell their herds, and the proposed discontinuance of numerous creameries for the purported purpose of conserving manpower and supplies will tend, especially in what is known in the industry as a flush season, still more to handicap dairymen, because thereby the number of dairies per transporting truck, the number of stops and the time of loading and unloading, will be greatly increased, thus necessitating the still greater increase in the length of the day of the producer, and for that reason a still greater reduction in available farm labor; and

Whereas the average dairy farmer is now forced to work a week of 75 or 80 hours and is unable to convert returned milk into butter, because of lack of time, labor, and equipment, necessitating the dumping of such returned milk: Therefore be it

Resolved by the senate and house of representatives, That the Secretary of Agriculture of the United States be, and he hereby is, respectfully urged to consider the following:

1. That the importance is the quality of milk and not the place of production;

2. That country dairy plants be allowed to extend the time for the reception of milk;

3. That no milk be rejected and returned to the producer unless it has been ascertained to be unsafe for human consumption;

4. That in cases where dairies are excluded for high bacteria count or other reasons inspectors of the board of health and other officials cooperate as far as possible and expedient with dairymen to ascertain and remedy the cause;

5. That owing to the extreme difficulty in obtaining farm labor, equipment, and materials, no new drastic regulations be imposed on dairymen during the present emergency;

6. That boards of health in jurisdictions where the dairy products of this State are used or consumed cooperate with producers of dairy products to the end that the supply of milk be maintained and so far as possible increased as required for the successful prosecution of the war; and be it further

Resolved, That the Honorable Secretary issue such orders and regulations as will insure the cooperation of all Federal agencies having jurisdiction as to dairy products and their production with boards of health and producers to the end that production be maintained and the needs of our armed forces and our population and those of our allies be met; and be it further

Resolved, That copies of this resolution be sent to the Honorable Claude R. Wickard, Secretary of Agriculture, to all members of the Vermont congressional delegation, the Boston City Board of Health and the New York City Board of Health.

Whereas one of Vermont's greatest contributions to winning the war is the willingness, ability, and natural instinct of her farmers to produce more food, the present real essential which would hasten the end of the war; and

Whereas food has virtually been the decisive factor in the successful prosecution of previous wars; and

Whereas the definite shortage of farm labor makes our farmer's need for farm machinery more essential than ever before in order to "raise more food and cattle"—the war cry from the Secretary of Agriculture and other Government officials responsible for the prosecution of the war; and

Whereas the allotted quota of farm machinery to each county is far below the actual need and should be at least doubled in amount: Therefore be it

Resolved by the senate and house of representatives, That the people of Vermont represented in this general assembly cannot too strongly impress upon the authorities in Washington who are responsible in setting the allotted quota of farm machinery of how inadequate the allotment to Vermont is in comparison to its actual needs; and be it further

Resolved, That Vermont's Representatives in Congress exert every effort to bring about an increase in the present allotment quota of at least double the quota already set; and be it further

Resolved, That a copy of this resolution be sent forthwith by the secretary of state to Vermont's Representatives in the Congress of the United States.

RESOLUTION OF BELLVIEW GRANGE NO. 1655, FREDONIA, KANS.—FAIR PRICES FOR AGRICULTURAL PRODUCTS

Mr. CAPPER. Mr. President, I ask unanimous consent to present and to have printed in the RECORD and appropriately referred a resolution recently adopted by the Bellview Grange No. 1655, Fredonia, Kans., in which they take a stand for fair prices which will guarantee cost of production as being an advantage over subsidies and parity payments.

There being no objection, the resolution was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

BELLVIEW GRANGE, No. 1655,
PATRONS OF HUSBANDRY,
Fredonia, Kans., March 21, 1943.

Senator ARTHUR CAPPER,
Washington, D. C.:

The following resolution was passed by the Bellview Grange, No. 1655 on March 10, 1943, and ordered sent to our Members in Congress and the Secretary of Agriculture. We would like for you to give this favorable attention:

"*Resolved*, That the Bellview Grange is on record as being opposed to subsidies and special crop parity payments for agriculture but rather is in favor of fair prices which will guarantee cost of production and a fair profit for all farm commodities."

Fraternally,

MRS. MARIE MYERS,
Secretary.

LETTER FROM WILLIAM W. DUNCAN—TAXES ON SMALL INCOMES

Mr. WALSH. Mr. President, I present a letter which I ask may be treated in the nature of a petition and referred to the Committee on Finance. I ask that it be read.

The ACTING PRESIDENT pro tempore. Without objection, the letter presented by the Senator from Massachusetts will be referred to the Committee on Finance, and the clerk will read for the information of the Senate.

The legislative clerk read the letter, as follows:

THE EQUITABLE LIFE ASSURANCE SOCIETY OF THE UNITED STATES,
Boston, Mass., March 5, 1943.

Senator DAVID I. WALSH,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WALSH: I wrote you a letter last fall regarding the effect of the tax bill upon widows and retired people with small incomes.

I have just finished making quite a few income tax reports on this type of person, particularly those having incomes between $800 and $1,000 a year. If you will look at 1040A report, I believe you will find that such a widow with a $950 income or $81 a month has to pay a tax of $71, and believe me, in every case that I have seen these people are struggling to maintain one room and some of the comforts of life to which they have been accustomed.

Will it not be possible for such person or persons to file a report and upon affidavit that their income is not earned and does not exceed, say $1,000 single and $1,500 married, to have the tax waived, as is done in Massachusetts?

Yours very truly,

WM. W. DUNCAN,
Supervisor.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. LODGE, from the Committee on Military Affairs:

S. 886. A bill relating to the selective-service deferment, on occupational grounds, of persons employed by the Federal Government; without amendment (Rept. No. 120).

By Mr. CAPPER, from the Committee on Claims:

S. 241. A bill for the relief of Rachel Acerra; with an amendment (Rept. No. 121); and

H. R. 1279. A bill for the relief of Lee Watts; without amendment (Rept. No. 122).

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BYRD:

S. 887. A bill conferring jurisdiction upon the United States District Court for the Western District of Virginia to hear, determine, and render judgment upon the claims of John Weakley and Rella Moyer; to the Committee on Claims.

By Mr. THOMAS of Oklahoma:

S. 888 (by request). A bill to establish a domestic allotment plan for basic agricultural commodities, to regulate commerce in such commodities, and to provide for the orderly marketing of such commodities at fair prices in interstate and foreign commerce; to the Committee on Agriculture and Forestry.

By Mr. NYE:

S. J. Res. 45. Joint resolution relating to emergency crop, seed, and feed loans and to regional agricultural credit corporation loans; to the Committee on Agriculture and Forestry.

ORGANIZATION OF UNITED NATIONS—AMENDMENT TO SENATE RESOLUTION 114

Mr. WILLIS. Mr. President, yesterday the junior Senator from Minnesota [Mr. BALL], for himself and on behalf of three other Senators, submitted Senate Resolution 114 providing as follows:

That the Senate advises that the United States take the initiative in calling meetings of representatives of the United Nations for the purpose of forming an organization of the United Nations with specific and limited authority—

as further set out in the resolution.

The inspiration of this resolution is without doubt the age-old longing for a wise and certain solution of mankind's desire for lasting peace. Surely it will be a sad commentary on the present generation which experienced a disastrous war a quarter of a century ago, a devastating depression growing out of that war, and which is again involved in a war of catastrophic proportions, if we cannot take some steps toward the goal of permanent peace. I have no intention at this time to comment further on the broad objectives of the resolution.

Mr. President, in our form of government there are certain limitations of the powers which were granted by the people to their Congress and to their Executive. Among these is the limitation that all treaties made with other nations must be with the advice and consent of the Senate. The Senator from Minnesota recognized that fact in the able address he made when he submitted the resolution. These limitations on the several branches of our Government must be recognized at every step of the way we take in our effort to reach the very laudable goal set forth.

Mr. President, the line of demarcation between what constitutes a treaty with other nations, which must have the approval of a two-thirds vote of the Senate, and agreements made by the Executive which have had only a majority vote of both Houses of Congress has, in late years, become a twilight zone of considerable area within which our efforts may be attended with confusion.

In entering upon a problem of such magnitude as that involved in the resolution submitted by the Senator from Minnesota, it is only the part of wisdom and practical expediency that the limitations upon those who conduct the negotiations on behalf of the United States shall be clearly defined. The people of the United States need the reassurance that their sacred rights will not be violated. Those who outline specifically the aspirations of the United States in this matter must bear in mind continually the limitations of their authority, and in that spirit of frankness only under which a sound and lasting understanding can be developed, the peoples of other nations should have plainly in their minds the same limitations.

Mr. President, I ask consent to present an amendment intended to be proposed by me to the resolution submitted by the Senator from Minnesota [Mr. BALL] and other Senators, being the resolution (S. Res. 114) favoring the organization of the United Nations to maintain peace, and ask that it be read.

The ACTING PRESIDENT pro tempore. The amendment of the Senator from Indiana will be read for the information of the Senate.

The LEGISLATIVE CLERK. At the end of the resolution it is proposed to insert the following new paragraph, as follows:

Any agreement concluded in accordance with the provisions of this resolution, on behalf of the Government of the United States with any other nation or any association of nations, shall not be binding upon the Government of the United States until a proposal of such agreement shall have been submitted to the United States Senate and concurred in by two-thirds of the Senators present.

Mr. WILLIS. Mr. President, I ask that the amendment be printed and referred to the Committee on Foreign Relations.

The ACTING PRESIDENT pro tempore. Without objection, the amendment will be received, printed, and referred to the Committee on Foreign Relations as requested by the Senator from Indiana.

SELECTION AND ESTABLISHMENT OF FEDERAL FIELD OFFICES (S. DOC. NO. 22)

Mr. HAYDEN presented a manuscript prepared by the Legislative Service of the Library of Congress relating to the selection and establishment of Federal field offices, which, on request of Mr. HAYDEN, was ordered to be printed.

TRAINING OF ENLISTED RESERVISTS UNDER CIVIL AERONAUTICS AUTHORITY

Mr. BAILEY. Mr. President, a number of Senators have made inquiry of me as to the status of certain enlisted reservists who are undergoing training under the supervision of the C. A. A. War Training Service. In response to their letters I asked for the information from the Civil Aeronautics Division of the Department of Commerce. I have a letter stating the facts, and I think the contents of the letter are sufficiently interesting to justify printing the letter in the RECORD. I believe that Members of Congress would be glad to have the information. Therefore I ask leave to have the letter printed in the RECORD as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF COMMERCE,
CIVIL AERONAUTICS ADMINISTRATION,
Washington, March 12, 1943.

Hon. JOSIAH W. BAILEY,
United States Senate,
Washington, D. C.

DEAR SENATOR BAILEY: Owing to the absence from Washington of Mr. William A. M. Burden, I am writing to give you the information requested in your letter of March 9, concerning the status of certain enlisted reservists who are being trained under the supervision of the Civil Aeronautics Administration War Training Service.

The accompanying memorandum outlines the arrangements under which these men are receiving training. As stated therein, they do not receive any pay, allowances, or other compensation. They must make their own arrangements to provide the funds needed to supply pocket money and to pay for personal necessities other than those which are provided in the way of board, lodging, nonmilitary uniforms, and equipment, by the Civil Aeronautics Administration War Training Service. In this connection, however, it should be mentioned that men who are carried through to graduation from the pilot instructor course will have received approximately $5,000 worth of free tuition from the Government and will have acquired skills which should enable them to earn satisfactory incomes. This is important when it is remembered that the men are being trained as noncombat service pilots with a view to employment by the Army in a civilian capacity as instructors in the Army's civil contract schools or as transport copilots.

As you know, the training program conducted by the Civil Aeronautics Administration War Training Service (formerly knowr as Civilian Pilot Training) has gone through two major phases. The third phase has commenced and will soon be fully in operation.

The first phase covered the period from the enactment of the Civilian Pilot Training Act in 1939 until June 30, 1942. In that phase, the program was essentially a program for the training of civilians. It was largely an extracurricular activity carried on in conjunction with the regular education of young men in the colleges or in other institutions of higher learning. It could be and was a decentralized program. The persons who received training as pilots were civilians in every sense of the word and were wholly free to employ the techniques and skills which they had acquired in whatever way best suited their individual inclinations and opportunities.

The program which was conducted during the first phase equipped many thousands of

men to take their places promptly and effectively in war aviation. The rapid expansion of our Navy and Army Air Forces was aided materially by the existence of this trained group.

Following our entry into the war, it became apparent that it would be necessary greatly to accelerate the training program and to place it on a more definitely controlled and centralized basis. Planning to this end went on in the early months of 1942. Effective July 1, 1942, the training program was launched on its second phase.

During this second phase, after July 1, 1942, all of the training facilities available through the Civil Aeronautics Administration were employed exclusively for the training of men having Reserve status in the Army or Navy.

The field organization of the Civil Aeronautics Administration War Training Service undertook the responsibility of acting, in a sense, as a recruiting agency to provide noncombat service pilots for the Army. All of the men undergoing training by Civil Aeronautics Administration for the Army Air Forces were examined and selected by the Civil Aeronautics Administration organization or by contractors working under the supervision of the Civil Aeronautics Administration. Following selection, these men were presented to the Army recruiting centers for voluntary enlistment. While undergoing training, they were enlisted members of the Reserve on inactive status. But they were being trained as civilians, and, as I have said, it was intended that many of them, on completion of their training, should be employed in a civilian status, some as pilots with the air-transport service, others as instructors in the Army's civil contract primary schools or as instructors with the Civil Aeronautics Administration War Training Service. Their enlistment in the Reserve was intended to accomplish two purposes. It involved a definite commitment on the part of the trainee to devote himself to service in the war program, as a civilian or otherwise, on the completion of his training. At the same time, his Reserve status gave him assurance that he would not be called into service as a soldier through the operation of the National Selective Service Act until his training as a pilot had been completed or until he had been eliminated from further training because of failure to meet the required tests and examinations.

Many of the men who were enlisted in the Army Air Corps Enlisted Reserve during the second phase of the program are still in training, and we expect that their training will be completed in accordance with the arrangements which were contemplated at the time of their acceptance for training as Air Corps enlisted reservists on inactive status as outlined in the accompanying paper.

It is estimated that approximately 12,500 of these men are now undergoing training or are awaiting assignment to training. Enlistment in the Reserve for the purpose of this training was stopped by the manpower directive of December 5, 1942, which prohibited voluntary enlistment in the Army or Navy, including their reserve components.

Prior to December 15, 1942, the Civil Aeronautics Administration War Training Service was also engaged in providing elementary and certain other classes of flight instruction for a group of naval enlisted reservists on inactive status. These men were not paid. They were trained under the same general conditions as those which applied to the Army Air Corps enlisted reservists on inactive status. There was, however, one important difference in their status. The naval reservists were aviation cadet candidates physically qualified as combat pilots and were undergoing training preliminary to active training by the Navy for combat duty. Largely because of this fact, the Navy took action effective December 15, 1942, to call all of these men to active duty, and since that date they have been in receipt of the regular authorized pay for the Navy while undergoing training under the supervision of the Civil Aeronautics Administration War Training Center.

In conjunction with the college program which has been arranged by the Army, a large number of Army Air Corps aviation cadet candidates are being placed in the colleges for academic instruction. While undergoing such instruction, they are to have the status of enlisted men on active duty and will be paid accordingly by the Army. Each month approximately one-fifth of the number of these aviation cadets are to be given elementary flight instruction through the Civil Aeronautics Administration War Training Service. Prior to being called to active duty for the purpose of undergoing academic instruction in the colleges, these men were, for the most part, Army Air Corps enlisted reservists on inactive status. They are, of course, destined for training and employment as Army combat pilots.

The remaining group—that is, the Army Air Corps enlisted reservists on inactive status about whom you have inquired—will then be the only group of men who have been enlisted in the Reserve to be trained as pilots (in this case, as noncombat pilots) for whom no provision has been made in the way of compensation payments.

A good many complaints have been registered from various sections of the country as to the status of these men. Rightly or wrongly, the view appears to be held that they should be given the same treatment as has been accorded to the aviation cadet (combat pilots) candidates of the Army and Navy.

It is not desirable, in our judgment, that the noncombat group of trainees be called to active duty as soldiers since such action would make it impossible to employ them in a civilian status in the war effort on completion of their training. Accordingly, if it is the view of the Congress that they should receive compensation at the rates which they would receive as enlisted men on active duty, it would seem desirable that arrangements be made to provide for the payment of such compensation without having them called to active duty with the Army.

This would apparently require specific legislative authorization together with a supplementary appropriation to provide funds required to make compensation payments. The Bureau of the Budget has not approved submission to the Congress of any proposals or requests relating to this matter.

The correspondence which accompanied your letter is returned herewith.

Sincerely yours,

R. McLEAN STEWART,
Executive Director of Training.

OPERATIONS OF LOCAL DRAFT BOARDS—STATEMENT BY JOHN J. GRIFFIN

[Mr. CLARK of Missouri asked and obtained leave to have printed in the RECORD an article relative to the operation of local draft boards, embodying a statement by Col. John J. Griffin, which appears in the Appendix.]

NATIONAL RESOURCES PLANNING BOARD—ARTICLE BY JOSEPH P. McMURRAY

[Mr. PEPPER asked and obtained leave to have printed in the RECORD an article entitled "Despite Great Achievements the National Resources Planning Board Faces Extinction," written by Joseph P. McMurray, and published in the March 13, 1943, edition of America, which appears in the Appendix.]

DEFERMENT FROM MILITARY SERVICE OF PERSONS ENGAGED IN AGRICULTURE

The Senate resumed the consideration of the bill (S. 729) providing for the deferment from military service of persons engaged in agricultural occupations.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from West Virginia [Mr. KILGORE] on behalf of the Senator from Florida [Mr. PEPPER] as a substitute for the amendment of the Senator from Colorado [Mr. JOHNSON].

Mr. PEPPER obtained the floor.

Mr. HILL. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. HILL. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gillette	Overton
Austin	Gurney	Pepper
Bailey	Hatch	Radcliffe
Ball	Hawkes	Reed
Bankhead	Hayden	Revercomb
Bilbo	Hill	Reynolds
Bone	Holman	Robertson
Brewster	Johnson, Calif.	Scrugham
Bridges	Johnson, Colo.	Shipstead
Brooks	Kilgore	Smith
Buck	La Follette	Taft
Burton	Langer	Thomas, Idaho
Bushfield	Lodge	Thomas, Okla.
Byrd	Lucas	Thomas, Utah
Capper	McCarran	Tobey
Caraway	McClellan	Tunnell
Chavez	McFarland	Tydings
Clark, Idaho	McNary	Vandenberg
Clark, Mo.	Maloney	Van Nuys
Connally	Maybank	Wagner
Danaher	Millikin	Walsh
Davis	Moore	Wherry
Downey	Murdock	White
Ellender	Nye	Wiley
Ferguson	O'Daniel	Willis
George	O'Mahoney	Wilson

Mr. McNARY. The Senator from Nebraska [Mr. BUTLER] and the Senator from New Jersey [Mr. BARBOUR] are necessarily absent.

Mr. HILL. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from Virginia [Mr. GLASS], the Senator from Tennessee [Mr. McKELLAR], and the Senator from Indiana [Mr. VAN NUYS] are absent from the Senate because of illness.

The Senator from Kentucky [Mr. CHANDLER], the Senator from Montana [Mr. MURRAY], the Senator from Missouri [Mr. TRUMAN], and the Senator from Washington [Mr. WALLGREN] are absent on official business for the Senate.

The Senator from Kentucky [Mr. BARKLEY], the Senator from Mississippi [Mr. EASTLAND], the Senator from Rhode Island [Mr. GREEN], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from New York [Mr. MEAD], and the Senator from Tennessee [Mr. STEWART] are detained on important public business.

The Senator from Georgia [Mr. RUSSELL] is necessarily absent.

The ACTING PRESIDENT pro tempore. Seventy-eight Senators having answered to their names, a quorum is present.

Mr. PEPPER. Mr. President, I wish to address myself for a few moments to

the pending amendment, with respect to which I ask unanimous consent that the name of the able Senator from West Virginia [Mr. KILGORE] be added as cosponsor, if there is no objection.

Mr. McNARY. Mr. President, I thought that the name of the Senator from West Virginia appeared at the time of the offering of the amendment.

Mr. PEPPER. I had understood, although I may be in error, that the able Senator from West Virginia had asked that the amendment be offered in the name of the junior Senator from Florida, but perhaps I am mistaken.

Mr. McNARY. I think I should have to object to a request of this kind. Any document when offered must of course bear the name of one or the names of more than one sponsor, and in that form it is referred to a committee. Later, after the document has been referred to a committee and is on the floor of the Senate, I do not think it would be appropriate to ask that the name of another Senator be included as a sponsor. I am willing to concede that the Senator from West Virginia is in favor of the proposal of the Senator from Florida, in fact, he spoke in support of it yesterday; but I should prefer that the RECORD be not changed to include any other name than that appearing at the time the document was presented.

Mr. PEPPER. I withdraw the request.

The ACTING PRESIDENT pro tempore. The request of the Senator from Florida is withdrawn.

Mr. PEPPER. Mr. President, I had an opportunity yesterday to witness something which made a very deep impression upon me. By arrangements made some days ago I was present when representatives of the Office of Price Administration heard the vegetable growers of Florida with respect to fixing a ceiling price upon vegetables, and I saw gathered in a great market, while the trucks were moving vegetables from the fields to this market for sale and transportation to the consumption centers of the country, some six or eight hundred vegetable growers.

Those men were not theorists; those men were not jobbers, brokers, or tradesmen in vegetables. Those men were the actual dirt producers of vegetables. They were not only of the farm; they were farmers themselves. All through the day I heard those men from the farms tell of the problems they had in trying to get their hard-earned money back out of the soil, and principally the difficulty they had in getting enough labor to do it. I was told again and again that literally thousands of acres of fresh vegetables so vitally needed by the people of this country, men, women, and children, so vitally needed by the war workers and the soldiers and our allies, were going to rot in the fields because those growers could not get the labor with which to harvest those products.

Anyone who hears that story first hand from men who have invested thousands of dollars of their money in such crops, who sees the deep earnestness on their faces, and hears the note of sincerity in their voices, cannot fail to be impressed by the seriousness of the labor problem which faces agriculture in our country.

I stated to that group of growers that I expected today to oppose the amendment of my able and devoted friend the distinguished senior Senator from Alabama [Mr. BANKHEAD], and I stated why I proposed to oppose the able Senator's amendment. First, because I thought it did not solve the problem of putting labor upon the farms; that it was the case, as a Senator has already said on the floor of the Senate, of locking the barn door after the horse is stolen. The labor has already been taken from the farms by the draft, and by induction into industry and better-paid occupations. I believe the figures were given by my able friend the Senator from Alabama, the sponsor of this amendment, that probably where three men eligible for the draft had gone into the service seven had gone into industry, if I do not incorrectly remember the figures he gave.

Why that is true is obvious when we reflect upon the figures which the able Senator from Maryland [Mr. TYDINGS] recently gave upon the floor of the Senate, and I regret to say that my section of the country is one of the greatest offenders in the matter of the payment of low wages to those engaged in agriculture. A principal difficulty, therefore, comes about from the disparity between the wage the farm worker receives when he works upon the farm and what he would receive if he obtained a place in industry.

The average monthly wage in agriculture in 1942, without board, was $56.07. This figure is taken from the table inserted in the CONGRESSIONAL RECORD of Wednesday, March 10, by the Senator from Maryland [Mr. TYDINGS], appearing on page 1779.

By contrast, the average hourly entrance rates for common labor in manufacturing industries, as calculated by the Bureau of Labor Statistics, permit a man working straight time with no overtime to earn almost $94 per month. In 1942 the average entrance rate for common labor in industry was 58.5 cents per hour. Working a normal 40-hour week, a worker could earn approximately $93.60. This is a 67-percent higher wage than he could earn in agriculture. Average entrance rates and earnings for common labor in building construction and in the war industries are considerably higher. In aircraft-engine factories an ordinary unskilled worker could earn on straight time over $130 per month. In shipyards he could earn up to $150 per month, although in some shipyards earnings are considerably lower than this figure.

With the establishment of the 48-hour week the worker entering industry has the opportunity to earn 30 percent more than the monthly rates cited above. The farm worker who moves into war industry is thus able to earn from two to almost four times as much as the average wage paid to farm labor in 1942. Because we did not have a comprehensive manpower policy in this country, because we allowed the Army and the Navy and the other services to take labor from the farms, because we allowed industry, for perfectly legitimate reasons, to drain the farms of their men, we have the manpower shortage which now faces us. So, passing this bill simply to defer the men still on the farms is not going to put that labor back upon the farms which has already gone into the services and into industry.

Mr. President, in the second place I oppose the amendment of the able Senator from Alabama, as modified, because it disestablishes the principle of personal accountability to serve one's country in the draft. It gives a blanket deferment not to a few people, as for example, the 531 who are Members of Congress—and the able Senator from Iowa awhile ago referred to the fact that there has already been class deferments because Congress had been deferred. The total number deferred in the Congress is only 531. That would not make a very large army. In addition to that the age of Members of Congress is well known to the country; so that that blanket deferment of the Congress actually kept very few men out of the armed services of the Nation. In the Senate itself I believe I am the third youngest Senator, and I am 42 years old; I doubt, therefore, if more than 2 or 3 Senators at the outside would have been drafted had that blanket deferment not been provided in the draft law.

Mr. President, the principle of democracy in selective service is that every man's case is passed upon according to its merits, with the exception of the few exemptions provided in the bill totaling not many hundreds.

If we have a blanket deferment, therefore, we will have this sort of situation: There will be a prosperous farmer living upon a large farm; he will have a son who is about to reach the age of 18. When that boy reaches 18 years, if he performs any kind of farm work, then under the provisions of the amendment offered by the able Senator from Alabama, if it shall be adopted, that boy by the authority of Congress is kept out of the service of his country. But if a quarter of a mile down the road there is a little country merchant who has a son who becomes 18 years of age, or if there is a widow who runs a boarding house nearby whose son comes to the age of 18, that boy has to go to the service, unless the individual case is deferred by the draft board.

Mr. President, if a boy is essential to the maintenance of an agricultural operation which itself is essential, then the boy ought to be deferred, but that case ought to be passed on individually, and not be the subject of blanket legislation enacted by the National Congress hundreds or thousands of miles away from the scene and the persons involved.

We already know that a large number of these boys have gone from the farms. I stood yesterday in front of a service center in Fort Lauderdale, and I saw literally hundreds and hundreds of names which were there emblazoned on that roll of honor to indicate the number of boys from that one community who have already gone to the service. As a matter of fact it is astonishing to find how many have been taken out of every community. So most of these farm boys

who have reached the eligible age for the draft have already gone into the service. They did not have the benefit of draft legislation of blanket character enacted by the Congress. They were passed upon in respect to their individual cases.

We know that there have already been many deferments of agricultural labor by the draft boards. But where those deferments have occurred the individual case of the individual boy has justified such deferment. I am not willing to take the responsibility as a Senator to lay down a blanket rule that will draw a line of demarcation and set aside a special class of our citizens who under any and all circumstances are entitled to exemption and immunity from a duty to serve their country when no other class in the Nation is similarly situated. If there were provision in this amendment so that the matter of deferment were an individual matter relative to the need of the family of the boy called or the situation of the young man himself, that would be an entirely different matter, and this particular objection which I feel toward it would not exist in my mind.

So I say that two reasons—and I believe they are worthy of consideration—namely, first, that passage of this bill will not put back upon the farm the labor which was once there and which has already gone into the service and into industry, and, second, because it is not fair to give a blanket deferment to any class of men—will lead me to opposition, as I told this group of 800 dirt farmers yesterday, to this bill.

Mr. President, the other objection I have to it is that it is not a comprehensive approach to this difficult problem of making the best use of the Nation's manpower. I do not propose any panacea for the difficult problem; in fact, it comes the nearest to being an enigma of almost any problem of which I know. For example, you run into this dilemma: The farmers admittedly are opposed to subsidy, even for labor, although the amendment offered by the able Senator from West Virginia [Mr. KILGORE] and myself contains the authority in the Director of Manpower to employ labor for the purpose of supplying labor deficiencies wherever they may exist. It gives him the power to fix the compensation of such labor, with due regard to the value of the individual worker and the competitive-labor-market condition with which the Manpower Director has to compete.

I realize that we run afoul of an emotional attitude on the part of farmers when we start talking about a subsidy, even for labor. In my State the impasse is so difficult that the only solution of the problem, to prevent thousands of acres of vegetables from rotting in the fields, seems to be to bring in labor from Nassau and Jamaica. The producers are almost 100 percent in favor of such action. I have been reluctant to embrace that principle. I am an American citizen. I do not want to see foreign labor brought into this country to compete with our own labor, except as a last resort. I have been subjected to rather severe criticism by the growers because I have been reluctant to agree to the importation of foreign labor. Some say that labor from Puerto Rico where the situation is so acute and poverty so severe, should be brought into this country. Those of our people who profess some knowledge of the situation in Puerto Rico have said that Puerto Ricans do not speak our language sufficiently well to be effective farm workers. They study English in the schools but it is something like our students studying a foreign language. It is all right theoretically, but one cannot get along very well when he is called upon to speak the language. The growers in Florida have used Nassau labor before. They used it during the First World War. That labor speaks the English language. It is accustomed to the cultivation and harvesting of such important crops as tomatoes, which we grow. There is great skill involved in knowing what tomatoes to pick and what not to pick. It is said that this type of labor has that skill. The growers say they are willing to pay a fair wage for this labor.

Mr. President, my embarrassment can be understood. When I say that we prefer to use our domestic labor the growers say that the program which the Government has followed has been a pitiful failure. The Farm Security Administration has had it under its jurisdiction. It tried to bring workers to Florida from other States. Unhappily, some of them had objectionable diseases before they got there. Some of the growers told me that repeatedly they had to send men to doctors for treatment. Unhappily, the men had not been examined before being taken from their home States. Some of them took advantage of the opportunity of having their expenses paid to Florida, remained there for a few days, and then went back, like tourists. Some were itinerant preachers, others itinerant gamblers, and there may have been characters of lesser virtue in the group which has flowed in. Naturally, the growers have been dissatisfied with that kind of labor.

Mr. President, if I am not able to show them that our own Government has worked out an effective labor policy which will assure them a supply of labor when the Government is calling upon them to produce and meet production schedules established by the Secretary of Agriculture, who is the Food Administrator, how can I defend against a plausible proposal like the importation of foreign labor?

It seems to me that the great difficulty with our whole war program is that too often we have approached it piece-meal, just as my able friend proposes to deal with the problem of furnishing labor to agriculture in his amendment.

I venture, therefore, to attempt to delay the consideration of the pending bill for only a few minutes. Of course we are to vote on it today. I am proposing a concrete and affirmative program on the subject, and I am grateful to the Senate for being good enough to consider it.

This is essentially what my substitute amendment provides. I read from section 2:

There is hereby created a Committee on Requirements and Program (referred to in this act as the "Committee") under the chairmanship of a Director of War Mobilization to be appointed by the President (referred to in this act as the "Director") and consisting of the Secretaries of War and Navy, the Chief of Staff of the Army, the Chief of Naval Operations, the Chairman of the War Manpower Commission, the Chairman of the War Production Board, the Food Administrator, and the Director of Economic Stabilization. This committee shall establish, subject to review and modification by the President, a national program for maximum mobilization of manpower for the military forces and for military and essential civilian production (referred to in this act as the "program"). The program shall take the form of a detailed schedule of military and essential civilian production and specific quotas of manpower to be made available to the military forces and to particular categories of military and civilian production. In preparing the program the committee shall take into account schedules of military and essential civilian production furnished by the Chairman of the War Production Board and the Food Administrator according to appropriate jurisdiction, statements of manpower requirements for the military forces furnished by the War and Navy Departments, and statements of manpower requirements for military and essential civilian production furnished by the Chairman of the War Manpower Commission and determined by him in cooperation with the Chairman of the War Production Board and the Food Administrator. The quotas of manpower to be made available to the military forces as determined under the program shall supersede present quotas employed under the Selective Training and Service Act of 1940. The schedules of military and essential civilian production and the manpower quotas relating thereto determined under the program shall be binding upon the War Production Board, the Food Administration, the War Manpower Commission, the Office of Economic Stabilization, and other war agencies on their determination and operations relating to production and manpower.

In conjunction with that section I now read section 7:

There is hereby created a Board of War Mobilization under the chairmanship of the Director and consisting of four representatives of agriculture, four representatives of industry, four representatives of labor, and four public members at large appointed by the President. The Board shall hold regular meetings at least once a month. The Board shall make to the Director and the Chairman of the War Manpower Commission, the Chairman of the War Production Board, the Director of Economic Stabilization, and the Food Administrator all of whom shall advise and consult with the Board on all major policies of manpower mobilization, such recommendations relating to policy and operation as it may deem will improve production and manpower mobilization.

Let me briefly discuss those two sections.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. VANDENBERG. It seems obvious to me that what the Senator has read lays down an appropriate over-all rule as the basis for fixing quotas.

Mr. PEPPER. That is what it is intended to do.

Mr. VANDENBERG. I should like to ask the Senator from Florida if there is any necessity for a law to achieve that purpose, or has there been any necessity for it in the past 12 months? Could not the President have done precisely that which is provided for in the amendment if he had taken over-all command of the manpower problem?

Mr. PEPPER. No doubt the President had the power to put such a program into effect. Yet, in recent months, at least, the Congress has been addressing itself to these problems directly. We all know that decisions have been made. We all understand from the press that the President has appointed a group of distinguished men who are considering the question of manpower. I do not know what authority the President has delegated to them. I do not know whether they have authority to reexamine the size of the Army and Navy as proposed, or the size of other services as proposed. I do not know what mandate they have been given by Executive order. However, I think the Congress might, with perfect propriety, create a statutory body upon whom the responsibility of making the over-all allocation of manpower would rest pursuant to the authority of the people's Congress.

Here in the Senate we have heard able Senators speak of the size of the armed services. I do not know whether or not the proposed army is too large. I do not know whether such forces are essential to the prosecution of the war. I do not know whether, when the quotas were fixed, the needs of manpower on the farms and in industry were taken into consideration adequately. However, I do know that if Congress should designate the agencies to which I have referred in this amendment as the over-all authority to decide that question, with the congressional admonition that they take into account civilian needs, surely the matter would be put squarely into the hands of those who ought to know how to decide the problem.

The armed services are represented. The head of the War Production Board is represented. The Food Administrator is represented. The Director of Economic Stabilization is a member and the Chairman of the War Manpower Commission would be a member of the board. So we have a committee of service and civilian representatives which could, by the admonition of the Congress, reconsider the matter and see whether or not any determinations previously made are correct in the light of the knowledge which now exists, and the needs which face the country today.

I cannot see why anybody should object to the personnel of the proposed board, unless it is desired to add others: The Secretary of War, the Secretary of the Navy, the Chief of Staff of the Army, the Chief of Naval Operations of the Navy, and the representatives of the other civilian agencies to which I have referred would be members of the board. For the first time the Congress itself would say that the Nation's manpower, like the Nation's critical materials, must be fairly allocated among the Nation's needs. Today that declaration is not upon the statute books of this country as a congressional policy.

If the proposed committee should fail to carry out the mandate of Congress, it would be a failure of duty on the part of the executive department, and not a failure on the part of Congress, to make proper provision for a decision being made. I venture to say that it would be much fairer for this kind of a board to make the over-all decision than for the Senate or the House or any of our committees to make it. At best we are limited in our experience, background, and horizon of knowledge. However, collectively these men are prosecuting the war, and they are responsible for maintaining production in industry, upon the farms, and in other essential activities of the Nation. It seems to me that those who think the Army is too large, and those who think that the administration has not accurately weighed the necessities of agriculture, for example, would favor such an over-all board as the one which I propose.

That is not being achieved by the amendment of my able friend the Senator from Alabama. He is not setting up any over-all board. There is none proposed, so far as I know, except by the Austin-Wadsworth bill, virtuous as it is in some respects; but to it I am opposed at the present time because it embodies the principle of coercion, and I want to avoid until the last resort the necessity of coercion of our civilian population. For obviously to send a man to the service of his country in his Nation's uniform and at a statutory compensation is one thing, but to send a worker to the field or factory of a man who makes a profit upon that operation and his labor without many, many safeguards surrounding that assignment is contrary to what is the very basic principle of democracy—civil rights. What I am trying to avoid is the necessity that we shall wake up to some day—of meeting chaos and confusion in some stern way, and then the proponents of coercion will hold out that the alternative is the coercion which they propose.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. O'MAHONEY. I have followed with a great deal of interest and much sympathy what the Senator has been saying, but is it not obvious from what he has just now said that the amendment he proposes to the pending bill is, like the pending bill itself, part of the whole large problem which is now under consideration in the Committee on Military Affairs which is studying the so-called Austin-Wadsworth bill?

Mr. PEPPER. I am glad to answer my able friend and the distinguished senior Senator from Wyoming by saying "yes"; and let me say that I have already advised the able sponsor of the amendment to which mine is addressed as a substitute that my first motion will be that the pending amendment be a substitute for the amendment, as modified, of the able Senator from Alabama, and my second motion, if the first is not agreed to, will be to refer the Bankhead amendment back to the Committee on Military Affairs for further consideration of the whole subject which is now being regarded by it.

Mr. O'MAHONEY. Mr. President, I am very glad to have the Senator make that statement because I believe that is the only sensible procedure to take; because we cannot possibly deal with one aspect after another. That is the trouble at this hour. For over a year we have seen the problem of war manpower creep up on us, but we have not taken an over-all course to solve the whole problem.

Mr. PEPPER. I thank the able Senator. He simply echoes my own sentiments.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield on that point.

Mr. PEPPER. I yield.

Mr. JOHNSON of Colorado. I am sure that the Senator from Wyoming recalls that one of the sponsors of the so-called Austin-Wadsworth bill stated to our committee that it would be absolutely impossible to enact it into legislation and have it effective before January 1, 1944. Of course the Bankhead bill is dealing with the present crop. If the Austin-Wadsworth bill is finally enacted on January 1, 1944, it will supersede all legislation that is enacted at any previous time. The Senate Military Affairs Committee, having that knowledge and basing their action upon the fact that the Austin-Wadsworth bill would not be effective for a long, long time, brought out the Bankhead bill.

Mr. PEPPER. Mr. President, I thank the able Senator for that statement. In trying to meet that contingency, I have first offered this alternative. Therefore, Mr. President, I should like to show what affirmative good might come from the pending substitute if the Senate in its wisdom were to adopt it. I have referred to the first paragraph of it, namely, to establish an over-all principle of having a proper determination, by a competent committee whose status is established by the Congress itself, of the way the manpower resources of the Nation should be allocated. That is the first step.

Here is the second step—the one which will accomplish everything the amendment of the able Senator from Alabama will accomplish, and will do no injustice to any man or to any class of our citizenry already in service. I am referring to section 3, on page 3:

> SEC. 3. The Selective Training and Service Act of 1940, as amended, is further amended by adding at the end thereof the following:
>
> "Any provision of this act to the contrary notwithstanding—
>
> "(1) whenever the Chairman of the War Manpower Commission deems it necessary in order to meet the program determined in accordance with section 2 of the Manpower Mobilization Act—

That means the program determined upon by the Secretary of War, the Secretary of the Navy, the Chief of Staff, the Chief of Naval Operations—those are the heads of the military services—the Chair-

man of the War Production Board, the Chairman of the Manpower Commission, and the Food Administrator—

That occupational deferments be granted to persons engaged in military or essential civilian production or in essential activity related thereto, he shall make a finding—

And, Mr. President, at that point I ask unanimous consent to perfect my amendment by adding the words "subject to review by the President."

The PRESIDING OFFICER (Mr. MURDOCK in the chair). The Senator has the right, of course, to perfect or modify his own amendment; and it will be modified accordingly.

Mr. PEPPER. I continue to read:

To this effect and such findings shall be conclusive upon all civilian local boards and any other civilian agencies functioning under this act. No other occupational deferments shall be granted under this act except upon such a finding by the Chairman of the War Manpower Commission.

(2) For purposes of making an individual finding as to occupational deferment, the Chairman of the War Manpower Commission is empowered, subject to direction by the President, to employ the officers or employees of the War Manpower Commission or of any other Federal agency and to establish such additional organization and procedure as he shall deem necessary and proper.

Mr. President, that section—those two subdivisions—would accomplish every worthy thing which the amendment of the able senior Senator from Alabama would accomplish, namely, the occupational deferment of every man adjudicated to be necessary in agriculture, or in industry for that matter; and the War Manpower Authority would have the power, and by the principle of this bill would have the duty, to file an appropriate certificate requiring such deferment. He has the power to delegate his authority, for example, to a county agricultural agent or, for example, to the local representative of the Food Administrator in a given county, and to set up as his advisory committee a group of farmers, for example, well acquainted with the agricultural needs of a given area; and if that group, that authority, determines that a boy eligible for service in the services were needed upon the farm, they would have the power to require the boy's deferment by simply filing a certificate to that effect. But if they found out that the boy, although living on the farm, was not personally entitled to deferment, they would not, we presume, file such a certificate.

So, therefore, everything in the way of deferment of agricultural workers which should be done and could be done under the amendment of the able senior Senator from Alabama therefore becomes possible under the substitute which the able senior Senator from West Virginia [Mr. KILGORE] and I have ventured to offer.

Therefore we do not have to wait until January 1944, I say to the able Senator from Colorado. We can accomplish exactly what the able senior Senator from Alabama desires to have accomplished, that is to say, not leave the question of agricultural deferment up to the draft boards, but put it in the hands of the Food Administrator and his subordinates, and in that way not one needed worker will be taken from the farm, nor will there be left there a boy who in duty and conscience should go to his country's service.

A farm boy seeks no preference over his neighbors, and I am not willing to give him one unless his individual situation deserves and requires it; and I do not see why the Congress should want to require him to become the object of criticism and question by his neighbors and his comrades who some day will come back to be neighbors with him again, unless the community is satisfied that the situation in that boy's individual family and home is such as to make it fair to the Nation and to him and to his comrades that he stay behind and till the soil, instead of putting on his country's uniform and going forth to perform the defense of his country.

So why should the Congress wish to prefer a blanket deferment to some sensible principle like that, which is the very essence of the whole Selective Service System?

Mr. VANDENBERG. Mr. President, will the Senator yield so that I may ask him a question?

Mr. PEPPER. I yield to the able senior Senator from Michigan.

Mr. VANDENBERG. It seems to me that the Senator is just 1,000 percent sound up to the present point. I happen to be one of those who are very reluctant to launch upon occupational deferments and group deferments. I am also one of those who recognize the fact that under the present administration of the draft law there has been precipitated a farm problem which must be met in respect to labor and which can no longer be left to the mercy of what we may call inadequate administration. It seems to me that up to this point the Senator offers a completely adequate substitute which would achieve the farm result without invading the dubious field of occupational deferment.

Mr. PEPPER. I thank the Senator.

Mr. VANDENBERG. Now I ask the Senator why he does not, at least for the time being, stop at that point, instead of bringing in, no matter how worthy it may inherently be, a controversial postscript which might well be deferred.

Mr. PEPPER. Does the Senator refer to section 5, the one relative to recruiting workers?

Mr. VANDENBERG. I refer to the purpose of creating the National Emergency Workers Corps.

Mr. PEPPER. That is what I thought. I have given very serious consideration to what the able Senator has said, and I was already practically disposed toward the suggestion which he makes. I do realize that up to this point I cannot see why anybody would object to having an over-all determination of those needs by competent authorities, and having an individual deferment of the men by a competent agency.

I now ask unanimous consent, Mr. President, to delete from the substitute which has been offered and which is now the pending amendment section 5 thereof.

The PRESIDING OFFICER. The Senator has the right to delete any portion of his proposed substitute.

Mr. PEPPER. I also ask unanimous consent to delete section 6 which is necessarily a part of section 5.

The PRESIDING OFFICER. The amendment of the Senator from Florida will be modified as requested by him.

Mr. BANKHEAD. Mr. President, may I ask the Senator a question?

Mr. PEPPER. I gladly yield.

Mr. BANKHEAD. Is it not a fact that the members of the commission or board which has been designated, or a majority of them at least, have already passed upon the allocations of manpower?

Mr. PEPPER. I will say to the able Senator that, in the way they would pass upon it under the terms of this proposal, no. In the first place they have never been an agency of the Congress; in the second place, so far as I know they have never sat down around a table by admonition of Congress to resurvey this whole question in the light of the facts as they now exist. The Senator will understand that in this amendment there is given to them the power to review the decisions which have already been arrived at by the armed services as to the number of men required for military service.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. VANDENBERG. As I understand the situation, there never heretofore has been any requirement of a united recommendation covering the over-all manpower problem.

Mr. PEPPER. That is true.

Mr. VANDENBERG. The President could have required it, but he did not do so.

Mr. PEPPER. That statement is confirmed, I will say to the able Senator from Michigan, by the fact that the President now has another able group consisting of some of the most distinguished men in the Government and in the Nation, but, at the same time, the group which is making the decision, as the able Senator will recall, is made up, I believe, of former Justice Byrnes, Mr. Bernard M. Baruch, possibly, Admiral Leahy, and I believe by Judge Rosenman.

Mr. VANDENBERG. And I beg the Senator not to ignore Mr. Harry Hopkins.

Mr. PEPPER. And Mr. Harry Hopkins. The gentlemen named constitute the group of five who are considering this whole subject anew. The President has chosen to have a review of this subject by a competent agency. Why cannot Congress have a review of the subject by a competent agency, every one of whom has been appointed by the President himself? Therefore, how could there be any possible objection to the Congress saying, "We should like a reconsideration of this whole question by the Secretary of War, the Secretary of the Navy, the Chief of Staff of the Army, the Chief of Naval Operations, the head of the War Production Board, the Food Administrator, the War Manpower Commission Chairman, and the Director of Economic Stabilization? I do not know

of any more competent agency that could be selected than that.

Mr. VANDENBERG. And with the directive that quotas must be reorganized on the basis of the joint determination by all the responsible administrators of the Government.

Mr. PEPPER. Exactly. Then the amendment would admonish them to do that with knowledge of the situation as it now exists, regardless of what they previously may have adjudicated. They would pass upon the matter in the light of the knowledge of facts as they now exist.

Therefore, Mr. President, it would seem to me that the able Senator from Alabama and those who are in favor of the occupational deferment of farm labor could find in such a provision everything they hope to achieve, and at the same time not offend the whole core and heart of the selective-service principle of every man having his own case passed upon in accordance with the justice of the particular case.

Mr. VANDENBERG. Mr. President, I will not interrupt the Senator from Florida again.

Mr. PEPPER. I welcome the Senator's interruptions.

Mr. VANDENBERG. But if he will allow me, I should like to say that he has now put his substitute in a form which I am very happy to support.

Mr. PEPPER. I am very grateful to the Senator from Michigan.

Mr. DANAHER. Mr. President——

Mr. PEPPER. I yield.

Mr. DANAHER. I should like to invite the Senator's attention to section 4, page 4, where the Senator under the terms of his proposal would authorize the Chairman of the War Manpower Commission to provide equipment, transportation, and so forth—

Now I quote—

to workers being placed in or transferred to war or essential civilian activity.

Mr. PEPPER. If the Senator will permit me to interrupt him there, that was all consistent with sections 5 and 6, which I have already deleted from the amendment. I thank the Senator for the reminder that that also should be deleted. So I ask unanimous consent, Mr. President, to delete section 4 as well from the amendment.

Mr. DANAHER. I thank the Senator.

The PRESIDING OFFICER. The amendment will be further modified, as requested by the Senator from Florida.

Mr. PEPPER. Now, I wish to call the attention of the Senators to two additional things that appear under section 3. First, Mr. President, I ask unanimous consent further to modify the amendment. I should like the attention of the able Senator from Michigan [Mr. VANDENBERG]. I wanted him to know that I had intended to modify the amendment in the following respects, which I wanted the able Senator to observe:

At the appropriate place as the amendment has been modified I would insert:

The Chairman of the War Manpower Commission is authorized and directed to survey the need for and the efficiency of use of labor employed or engaged in production or service, and for these purposes shall have all necessary access to production facilities and information.

That is intended to provide labor inspectors in factories to ascertain whether or not an employer is actually making efficient use of the labor he has employed. We have heard again and again the criticism that shipyards and airplane factories and other war industries have hired more labor than they need, and we thought it was only proper that some representative of the Government manpower agency should have the right of access to such factories, to see whether they are, as a matter of fact, employing and absorbing more labor than they ought to, and whether the employees are working or whether they are idling their time in the factories.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. CLARK of Missouri. This morning, when the Senate met, I put into the RECORD some criticism of the present selective service system by Colonel Griffin, the head of the association of draft boards in the St. Louis metropolitan area. One thing that Colonel Griffin has told me he believes is to some extent responsible for the manpower shortage is the fact that, under the present selective service system, the local board at the home of a man who is registered in the selective service always retains jurisdiction over his case. Colonel Griffin tells me that there are literally thousands upon thousands of men who come into the St. Louis metropolitan area from rural Missouri or rural Illinois or from Arkansas, Mississippi, Alabama, or some other State to obtain jobs, some of which are actually in connection with munition plants, for instance, in the Curtiss-Wright factory or other concerns engaged in war work, but whose actual service to the plant is not essential.

Yet they write back to the local draft board at Lone Ridge, Ark., or some place in Missouri or some place in Illinois and tell the local board that they are working for an essential war industry, such as the Curtiss-Wright plant, and they are thereupon deferred; whereas if the local board in St. Louis had the right to go through those plants they would find men engaged as timekeepers or water carriers, or in other absolutely nonessential work which could be performed just as well by older men or women or disabled men, and the man who was actually performing the work would be eligible for service. Colonel Griffin tells me—and I believe it to be true—that thousands of men who are doing nonessential work, even though it may be in essential war industries, and who are perfectly capable of rendering good military service could be relieved for such service. I have been informed today by Colonel Keesling of the Selective Service that steps are being taken to correct that situation.

The point I make is that it was a matter of administration, and there should have been no necessity for any change in the law. It seems to me the situation should have been recognized a long time ago and corrected under the present law by the Selective Service Administration.

Mr. PEPPER. I am sure that the principle I have tried to suggest, namely, the utilization of labor inspectors, is very widely employed in England. Under their set-up they have inspectors going to the plants and factories and picking up just such information as the able Senator from Missouri has pointed out concerning men who are being deferred but who ought not to be deferred. The inspectors thereupon notify the appropriate draft board of the man that he should be eligible for service.

Mr. President, there is a converse case to the one the able Senator from Missouri has pointed out, which has been called to my attention from several sources; that is, there will be boys from Florida, let us say, who will be working in Chattanooga in some kind of a war factory. Those boys will be actively engaged in essential war work, but when the draft board in Florida has its quota to fill, it is sometimes reluctant to honor the deferment of such a boy who is up in Chattanooga, and send the boys who are at home off to war. Sometimes they do disservice to industry by not deferring when they should defer, which has, to my personal knowledge, led a great many industries to hire men to do nothing except go around all over the country and see the draft boards about deferment. These men try to explain to the draft boards back home that the men are engaged in essential war work. So it really works both ways.

Mr. CLARK of Missouri. Mr. President, if the Senator will yield, I recognize that would be another defect fully as bad as the one I have pointed out, and we all recognize that it would be undesirable to allow a man to shop around—that is, to go from a board where his number might be high and put his credentials under another board where his number might be lower in the draft. But it does seem to me that under the existing law there is no excuse for a lack of over-all supervision to correct those evils and to bring about the proper utilization of the manpower of this country, to the end that men who should be in the Army should not be deferred, and, on the other hand, that men should be deferred for such essential industries as farming, the production of food for the fighting forces, which to my mind is fully as important as the manufacture of munitions, or, so far as that is concerned, as important as fighting. It seems to me there has been a complete break-down of the over-all supervision.

Mr. PEPPER. Is the able Senator from Missouri assuming that the War Manpower Commission has in its own right authority to defer for occupational reasons?

Mr. CLARK of Missouri. The Selective Service System has, the President has.

Mr. PEPPER. Yes; but as I understand, that is an individual matter.

Mr. CLARK of Missouri. The President of the United States set up the Manpower Commission. There was no stat-

utory provision for the Manpower Commission. The President of the United States set it up, and under his general wartime authority he could have given them any authority he pleased.

Mr. PEPPER. I venture to say that there is some question about that, at least the way it is working now, because I knew of a case recently where, although there had been a request for deferment by the War Manpower Commission, sanctioned by the President, the draft board did not honor the request.

Mr. CLARK of Missouri. Will the Senator yield?

Mr. PEPPER. In just a moment. If the individual affected were to file a request for deferment, and that request were turned down by the local draft board, he could take an appeal, and the President upon appeal could, of course, give the man favorable action, and therefore deferment, upon his own petition. But that power is not, to my knowledge, vested in the War Manpower Commission, or in any other Federal agency.

Mr. JOHNSON of Colorado. Will the Senator permit me to read the language of the law?

Mr. PEPPER. Yes, I shall be glad to have it.

Mr. JOHNSON of Colorado. It is paragraph (e) of section 5——

Mr. PEPPER. Of the Selective Service Act?

Mr. JOHNSON of Colorado. Of the Selective Service Act.

It provides:

> The President is authorized, under such rules and regulations as he may prescribe, to provide for the deferment from training and service under this act in the land and naval forces of the United States of those men whose employment in industry, agriculture, or other occupations or employment, or whose activity in other endeavors, is found in accordance with section 10 (a) (2) to be necessary to the maintenance of the national health, safety, or interest.

Of course, as the Senator from Missouri has pointed out, the Manpower Commission is a creation of the President, and this is one of the regulations which the President has been given power to make under this very act.

Mr. PEPPER. The Senator is no doubt right in reference to the possible power of the President, but as the system now operates, the War Manpower Commission, as I believe the able Senator will agree, is not exercising that power.

Mr. JOHNSON of Colorado. Certainly I agree to that.

Mr. CLARK of Missouri. That is the occasion for the proposed legislation.

Mr. PEPPER. But the proposed legislation does not give the War Manpower Commission power to require occupational deferment; it merely creates a blanket deferment by the Congress.

The proposed legislation is not pursuant to the directive of the President, or the power of the President. It is not proposed that the President's power be actually employed by the Manpower Commission. The proposal is merely to set up a blanket statutory deferment, which would not solve anything, including the labor problem.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. DANAHER. The Senator's last proposed amendment causes me some concern. As I understand, it would, under the authority of the proposal, authorize the creation of a corps of inspectors who could enter into factories, let us say everywhere, to ascertain whether or not proper use of the available manpower was being made within those factories. Am I correct in that understanding?

Mr. PEPPER. It was intended not to direct, but to authorize the War Manpower Commission to do it, because it was felt that there should be some way of determining whether an employer was making a reasonably efficient use of his labor. Does the Senator think that is not a wise suggestion?

Mr. DANAHER. I think it is not, if the Senator will let me answer the question categorically, and proceed to ask the Senator if he has made inquiry to ascertain whether or not the division of factory inspection in the Department of Labor is not now already equipped to do the very thing he proposes?

Mr. PEPPER. I did not realize that they were to do it upon quite the same background as my proposal would authorize the War Manpower Commission to do it. I was influenced largely by England's experience in connection with these labor inspectors. A few days ago I was talking to the head of a steel firm in Cleveland and I mentioned this suggestion about labor inspectors. He said, "I think that is an excellent suggestion. It is only fair that employers do make efficient use of their labor."

Let me call attention to something which happened in my State a few days ago, or so I am told. I do not mean to charge the employer with the facts unless they exist. I was told that a shipmaker put a notice in the paper that he was going to pay skilled wages for semiskilled labor and semiskilled wages for unskilled labor. The result was that several thousand workers poured out of other war industries in that community into this man's shipyard. He put them all to work, kept them on the pay roll a week or 10 days or 2 weeks, then screened them, turned off all the poorer workers, taking the whole number as it then existed, and had an improved labor supply when he got through. Yet he demoralized labor conditions in his community.

Somehow or other it seems to me that kind of thing should be prevented. If there were an admonition on the part of Congress to the War Manpower Commission to require every one who is using labor to make reasonable use of it, at least before he can take on other labor, I think it would be in the interest of the economical use of the Nation's manpower.

If I am wrong about that, in the consensus of Senators, I should be very glad to leave this suggested provision out of the amendment, because I do not want controversial questions brought into the amendment.

Mr. DANAHER. I think we are striving for the same common objective. If in fact what the Senator seeks to achieve is being done or can be done by existing authority, I am sure the Senator has no desire to provide for an additional corps of inspectors.

Mr. PEPPER. I do not. If the Senator feels that there is another agency of the Government adequately covering this field, I shall ask to withdraw the proposal I have just offered.

The PRESIDING OFFICER. The Senator has that right.

Mr. PEPPER. Let me direct the able Senator's attention to another amendment which I desire to offer to my amendment providing:

> The Chairman of the War Manpower Commission is authorized and directed to develop programs and provide medical care and other assistance for rehabilitating persons deferred from military training and service because of physical disability.

My reason for venturing to bring that up for consideration is that the number of selectees rejected through January 1943 amounted to 2,542,626. Those inducted through selective service numbered 4,054,000. Those who volunteered through selective service numbered 2,217,000. The total of the two references I have just given amounted to 6,271,000. About 30 percent were rejected for physical reasons.

Dr. Parran was before our committee, and in speaking on this subject he testified that except for certain venereal cases, all but a few hundred of all those rejected for physical reasons had been rehabilitated for service, and therefore made eligible, many a father having to go to war today in this country, and leave his wife and children, because of illiteracy and because of physical deficiencies which have required deferment. In many cases, Dr. Parran testified, the physical defects could be removed and men rejected made eligible for military service.

If Senators think that is a controversial subject, that it might get into the question of the means, I do not want to inject it into the consideration.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. VANDENBERG. The Senator's latest objective is obviously highly worthy, but it seems to me that it opens up the entire subject of civilian rehabilitation, concerning which there is a very desperate controversy.

Mr. PEPPER. The Senator is correct.

Mr. VANDENBERG. If the Senator will stick to what he has, he has a simple proposition, namely, a congressional directive for an over-all agreement among responsible Government heads for an appropriate allocation of our total manpower, and authority to the Manpower Commission even to defer occupational groups if ultimately that is necessary in order to meet the quotas. Let us stop right there.

Mr. PEPPER. Very well.

Mr. VANDENBERG. It is just as simple as can be.

Mr. PEPPER. Mr. President, I have practically concluded what I wished to say. So far as I am concerned, unless other Senators are disposed to discuss the question, I am ready for a vote on it.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. PEPPER. I should like to ask for a quorum call, and have an opportunity thereafter for 5 minutes to explain the present status of the amendment, and then I am disposed to have a vote on it.

Mr. JOHNSON of Colorado. I wish to ask the Senator about section 7 of the amendment. I have not heard the Senator withdraw that yet.

Mr. PEPPER. Yes; I thought I did.

Mr. JOHNSON of Colorado. Section 7 is out?

Mr. PEPPER. Mr. President, if I have not already requested the privilege of deleting section 7, I now make that request.

Mr. BANKHEAD. What sections are left?

Mr. PEPPER. That leaves only sections 2 and 3, Mr. President, and they should appropriately, of course, be numbered sections 1 and 2. I ask that the amendment be modified in that respect, Mr. President.

The PRESIDING OFFICER. The amendment will be so modified.

Mr. PEPPER. Unless some other Senator wishes to address himself on the subject matter I would like to suggest the absence of a quorum. Did the Senator from Connecticut [Mr. DANAHER] wish to speak?

Mr. DANAHER. Yes, Mr. President.

Mr. PEPPER. Mr. President, I should like an opportunity for a brief explanation of the amendment after a quorum call shall be had, and before there is a vote on it, in order to advise Members of the Senate what is in the amendment as it is now modified.

Mr. DANAHER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DANAHER. Has there been an agreement with respect to allocation of time to a point that if I should speak at this time I would be trespassing upon the time of some other Senator?

The PRESIDING OFFICER. There has been no agreement as to the allocation of time.

Mr. DANAHER. Mr. President, there is a related phase of this whole war manpower problem which, it seems to me, might best be high-lighted by my taking an actual case history which I have very carefully sought to authenticate in its every aspect. Under date of January 15, I received from the Forsberg Manufacturing Co., of Bridgeport, Conn., a letter which set forth that under date of December 10, 1942, the Navy Department had opened negotiation No. 2386, which called for the manufacture of 311,800 hacksaw frames. The letter complained to me that this particular firm was the lowest bidder of all those submitting bids throughout the country for this particular negotiation, notwithstanding which it was denied the contract on the ground that Bridgeport, Conn., had been classified by the War Manpower Commission to be a critical labor area, and therefore that no contract could be allocated to the Forsberg Manufacturing Co. within that area.

Let us stop right there for a moment, Mr. President, while we ask ourselves exactly what that means to the Forsberg Manufacturing Co. I have had reported to me prior and similar instances of concerns which had been the lowest bidders within a given critical manpower area, but which were denied the contracts. As a result, being unable to obtain any materials with which to engage in normal civilian production, and being unable to secure any war contracts because of the critical labor area ruling, the individual concern simply had to go out of business, and all its personnel, its labor pool, had to be dissipated to other factories and other industries within the area. I feared that might happen to the Forsberg Co.

In order to authenticate the facts, I sent the company's letter to the Navy Department, and under date of February 4 I received from Mr. James Forrestal, Under Secretary of the Navy, a letter identifying the particular negotiation and the correspondence, and I quote from it:

> The facts as presented by the company to you are correct.
>
> The decision of the Navy Department in this particular case was controlled by Directive No. 2 of the War Production Board as amended October 10, 1942, which ordered the armed services not to place contracts in areas designated as group 1 by the War Manpower Commission.

Mr. President, one can see the limits to which the War Manpower Commission authority extends when it can say that within a given area the supply of labor is deemed to be inadequate to meet the demand either currently or within the following 6 months, and that consequently no war contract may be let within that area.

The War Production Board, through its Allocations Section, Mr. President, is bound by the certification of the War Manpower Commission. Consequently the Navy, Mr. Forrestal went on to advise, had to search for and discover another manufacturing company which could supply the particular hacksaw frames. It made no difference that the concern receiving the contract submitted a bid which was higher, or that the company was located a thousand miles away; so long as the company which was the lowest bidder is within a critical manpower area, it cannot have the contract, and the Navy, under the War Manpower Commission's directive, must place the contract elsewhere.

That certainly presented an interesting situation. So I took the matter up with the War Production Board and asked their advice as to what the situation was as W. P. B. saw it, and under date of February 12 I received a letter, from which I will read in part:

> Your recent letter outlining the problem of the Forsberg Manufacturing Co., in Bridgeport, Conn., was discussed at a recent meeting of the Critical Labor Area Appeals Board. This Board is composed of representatives of the War Manpower Commission and of the Procurement Policy Division, the Smaller War Plants Division, and the Labor Production Division of the War Production Board, who are engaged in a continuous study of the effect of present procurement policies in critical labor areas.
>
> A summary of the Board's conclusions to date indicates that the basic problem is to use the manufacturing skill, ingenuity, and equipment found in critical labor areas to make the maximum impact against the enemy. The power of this impact should not be dissipated in producing items which can be readily secured in other sections of the country where they have ample facilities and labor surpluses. One exemption has already been made for small business since it is realized that small business is an essential part of our war and peace economy.
>
> The suggested procedure outlined in your letter would make another exemption, after investigation, for firms able to produce the goods mentioned in the contract without further burden on the local labor market.

Mr. President, I digress at this point to say that I had suggested, in effect, that the local representative of the War Production Board should make inquiry within the area to ascertain whether or not the successful bidder in fact had an ample labor pool, in fact had machinery and industrial ability sufficient to execute the contract, and could make delivery on time. If all those conditions existed, and if the company could deliver on time, that is exactly what the Navy or any other procurement arm actually desired. So, it seemed to me that if the execution of the contract could be accomplished without impact adversely on the labor supply in the given area, why not let the War Production Board agent on the ground ascertain the facts and certify accordingly?

The War Production Board advised with reference to that suggestion:

> This would increase the amount of business coming into a critical labor area after consideration of the labor requirements of individual manufacturers, but without consideration of the labor demands of the man across the street. A critical labor area is, by definition, an area in which there are more jobs than men; an area in which the maximum in-migration has already occurred with resulting strain on housing and transportation facilities. The Board believes it impossible for a manufacturer to guarantee that his labor will remain constant during a given contract, for no manufacturer can control the action of the local draft boards.

I will digress again, Mr. President, to say that that is the weakest point in the entire chain, because if such an argument can be applied as to deny a contract to the low bidder, the same argument certainly applies to the successful higher bidder who ultimately obtains the contract.

I resume reading the letter:

> As Selective Service pulls a worker out of a plant, replacements must come from the more efficient use of present employees; or additional labor must be obtained from the unemployed, from new workers such as women and high-school graduates coming into the market, or from the transfer of workers from less essential work to the more essential work of war production.

Mr. President, I shall not read the remainder of the letter, which deals with a completely different aspect of the situation; but, equipped with the views of the War Production Board, and finding that

the War Manpower Commission was, after all, the key to the whole problem, I took the matter up with the War Manpower Commission, and under date of February 26 Mr. Paul V. McNutt wrote:

Receipt is acknowledged of your letter of February 6, with which you enclose a copy of one of January 15, 1943, from President H. S. Forsberg of the above company, protesting the classification by the War Manpower Commission of Bridgeport as a critical labor-shortage area.

I believe that the following information, together with the attached news release, will be responsive to Mr. Forsberg's comment, and will explain both to you and to him the position of the War Manpower Commission in matters of this kind.

In collaboration with the War Production Board, the War Department, the Navy Department, the Treasury Department, the Maritime Commission, and other interested groups, and on a basis of careful analysis of labor-market conditions, the War Manpower Commission has certified which labor-market areas have the greatest abundance of workers together with those in which labor shortages now exist and those in which shortages are anticipated. Factual information for our purposes is gathered by the extensive field organization of the Commission, and includes present and future demand for workers expressed to us through the United States Employment Service by employers in each area, with additional data from the Selective Service as to withdrawals that will be made from the area.

The estimated supply of workers is based on the number presently registered with the Employment Service, plus estimate of additional workers normally in the labor market but not registered, and those who could be attracted into the labor market by intensive recruiting campaigns.

Since our reports will be revised each month, changes in the situation in a given area will be subject to review at each monthly report. The facts entering into our certification in respect to these areas have been discussed with local representatives of both management and labor.

In conformity with these certifications, recommendations are made for the assigning of contracts in order to mobilize our total labor resources for the war effort into localities, wherever possible, in which resident labor now has little or no opportunity to contribute to the war program. To do otherwise would compound the already serious problems we have of expanding community facilities of housing, schools and utilities because of in-migration of workers in excess of the capacity of the community to absorb them. On the other hand, it is only fair, as well as in the interest of efficiency, to assign these war contracts to cities and areas which now have facilities for such work and wherein is found a surplus of workers who are willing and anxious to do their share, but thus far for one reason or another have either been overlooked or unable to participate.

We all greatly regret that this or any action of governmental agencies should result in financial or economic loss to any individual, firm, or city. However, I know of no means for wholly avoiding such disturbances of normal life and conditions which are due only to the war.

Sincerely,

PAUL V. MCNUTT, *Chairman.*

Mr. President, the picture set up in this file bears markedly on the issue raised by the Senator from Florida [Mr. PEPPER]. The problem is related also to the arguments which have been made by the Senator from Vermont [Mr. AUSTIN] and other Senators. We have yet to find an appropriate solution for the threat to our economy when a successful and thriving industry, so efficiently operated that it is, in fact, the lowest bidder on a procurement contract, can not only be deprived of the opportunity to be awarded the contract, but, after having spent a lifetime in training its workers, must see them dispersed into a labor pool to be trained again in new tasks by another industry while the erstwhile employing concern becomes a war casualty. It is a striking situation, Mr. President. Mr. McNutt concludes his letter with expressions of regret that such a war casualty must result, and that he knows of no means of avoiding such disturbances. It does not seem fair.

In the little town of Berlin, Conn., there was a company called the Prentice Manufacturing Co. It made nothing but Talon zippers. It was the low bidder on a Government contract. The company did not receive the contract because it was located in a critical labor area. Someone downtown not known to you or me decides that somewhere else, in some other community, there is a labor pool available to manufacture Talon zippers; so the Prentice Co., with its 650 employees, must fold up and its employees must be absorbed into some other war industries, perhaps many miles away, while the Prentice Co., the low bidder, becomes a war casualty.

I have in mind a concern in Hartford, Conn., which in January of this year lost a $21,000,000 contract under circumstances identical with those which I have described. That there is need, in solving the war manpower problem, for a greater utilization of all affected departments and a more efficient coordination of them in their demands upon the available labor pool becomes apparent. Whether we could achieve it under the proposal of the Senator from Florida, I do not know, but it strikes in the right direction. It is high time that there should be greater coordination among the authorities who are charged with the responsibility of organizing our economy for wartime production.

Mr. President, I ask unanimous consent that there be printed in full in the RECORD at the conclusion of my remarks the letters from which I have read, in order that the entire case file may appear in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

THE FORSBERG MANUFACTURING CO.,
Bridgeport, Conn., January 15, 1943.

Hon. JOHN A. DANAHER,
United States Senate,
Washington, D. C.

DEAR SIR: We feel you will be interested in our experience in bidding on a Navy Department bid, and we would appreciate any assistance you can give us in connection with it.

This was bid, negotiation No. 2386, which opened December 10, 1942, at 10 a. m., on an item of "Frames, hacksaw."

The total quantity was 311,800 frames, and we bid from 26 to 28 cents each, depending upon point of delivery, so that we were the lowest bidder on the contract. In addition, the deliveries specified in bid were guaranteed by us when we quoted.

Nevertheless, we have been informed that because Bridgeport is in the "black" area as regards manpower, we will not be awarded the contract and it will be given to another bidder.

In view of the fact that we have the manpower to make delivery on the contract, the necessary equipment and facilities, and the item of hacksaw frames is a standard one with us, as we have been making this item for the past 25 years, we feel we are being penalized by being denied this contract, simply because some other manufacturers are overloaded with war work.

We contacted the local War Production Board office, and, upon explaining the situation to them, found their reaction was the same as ours in that the order prohibiting the letting of any contracts to Bridgeport is too general. It is felt that when a Bridgeport manufacturer bids, if he is the lowest bidder, a check should be made with him or the local War Production Board to see that he can deliver, instead of automatically awarding the contract to a bidder in another city.

Your consideration of this situation will be sincerely appreciated, as we are most anxious to be awarded this contract for hacksaw frames, and will hope for an early response from you.

Yours very truly,

H. S. FORSBERG,
President.

THE SECRETARY OF THE NAVY,
Washington, February 4, 1943.

The Honorable JOHN A. DANAHER,
United States Senate,
Washington, D. C.

MY DEAR SENATOR DANAHER: Negotiation No. 2386, which you called to our attention in your letter of January 18, 1943, and in which the Forsberg Manufacturing Co. was denied a contract because its plant was located in an area of acute labor shortage, has been reviewed by this office.

The facts as presented by the company to you, are correct.

The decision of the Navy Department in this particular case was controlled by directive No. 2 of the War Production Board, as amended October 10, 1942, which ordered the armed services not to place contracts in areas designated as group I by the War Manpower Commission.

In its release of December 3, 1942, the War Manpower Commission states as follows: "Group I—Areas in which the supply of labor is inadequate to meet the demand, currently or within the ensuing 6 months. Further supply contracts should not be awarded in these areas if facilities for meeting the requirements of such contracts are available in other areas."

Acting in accordance with these instructions, the Bureau of Supplies and Accounts searched for and discovered another manufacturing company which had facilities and could supply the frames. This company had already bid on the contract, but its bid was slightly higher than the bid of the Forsberg Manufacturing Co. The price was renegotiated down to the amount of the lowest bid. The contract was awarded to the company which had the facilities and was not located in a group I area.

The above action by the Bureau of Supplies and Accounts was entirely consistent with existing War Production Board instructions. Other companies in group I areas have entered complaints similar to that of the Forsberg Manufacturing Co., and accumulated criticisms have been presented to the War Production Board through its Procurement Policy Board for consideration relative

to a possible liberalization of the current directive. Pending further action on the part of the War Production Board, the Navy Department will continue to follow existing instructions.

We appreciate very much your interest in bringing this case to our attention, for it is just through such means that we are able to make representations to the War Manpower Commission and the War Production Board so that these problems can be solved.

In accordance with your wish, I am returning the letter from the Forsberg Manufacturing Co.

Sincerely,

JAMES FORRESTAL,
Under Secretary of the Navy.

FEBRUARY 6, 1943.

WAR PRODUCTION BOARD,
Washington, D. C.

GENTLEMEN: The Forsberg Manufacturing Co. in Bridgeport, Conn., bid on negotiation No. 2386, opening December 10, 1942, and was the lowest bidder. The contract, however, was awarded to a higher bidder. The company advises that the local War Production Board officials seemed to agree with the bidder that the War Manpower Commission order prohibiting the letting of any contracts to Bridgeport is too general, and apparently your local office feels that a check could be made with the local board to ascertain whether or not a given bidder can deliver in accordance with the specifications of the negotiation rather than have Washington automatically award the contract to a higher bidder in some other city. I took the matter up with the Navy Department, which advises that the facts set forth by the Forsberg Manufacturing Co. are correct.

Apparently, then, the whole matter turns on a question of policy, and I will very greatly appreciate whatever comments you are in position to give me as to the basic problem.

Faithfully yours,

JOHN A. DANAHER.

WAR PRODUCTION BOARD,
Washington, D. C., February 12, 1943.

Hon. JOHN A. DANAHER,
United States Senate,
Washington, D. C.

MY DEAR SENATOR DANAHER: Your recent letter outlining the problem of the Forsberg Manufacturing Co., in Bridgeport, Conn., was discussed at a recent meeting of the Critical Labor Area Appeals Board. This board is composed of representatives of the War Manpower Commission and of the Procurement Policy Division, the Smaller War Plants Division, and the Labor Production Division of the War Production Board, who are engaged in a continuous study of the effect of present procurement policies in critical labor areas.

A summary of the board's conclusions to date indicates that the basic problem is to use the manufacturing skill, ingenuity, and equipment found in critical labor areas to make the maximum impact against the enemy. The power of this impact should not be dissipated in producing items which can be readily secured in other sections of the country where they have ample facilities and labor surpluses. One exemption has already been made for small business since it is realized that small business is an essential part of our war and peace economy.

The suggested procedure outlined in your letter would make another exemption, after investigation, for firms able to produce the goods mentioned in the contract without further burden on the local labor market. This would increase the amount of business coming into a critical labor area after consideration of the labor requirements of individual manufacturers, but without consideration of the labor demands of the man across the street. A critical labor area is, by definition, an area in which there are more jobs than men; an area in which the maximum in-migration has already occurred with resulting strain on housing and transportation facilities. The board believes it impossible for a manufacturer to guarantee that his labor will remain constant during a given contract, for no manufacturer can control the action of the local draft boards. As Selective Service pulls a worker out of a plant, replacements must come from the more efficient use of present employees; or additional labor must be obtained from the unemployed, from new workers such as women and high school graduates coming into the market, or from the transfer of workers from less essential work to the more essential work of war production.

To speed up the transfer of workers from less essential to more essential work the War Manpower Commission has already designated a list of occupations whose workers will not be deferred on account of dependency when called by Selective Service. It has furthermore established the 48-hour week in all critical labor areas and has recommended that all hiring of workers in critical labor areas shall be done on a system of job priorities through the local United States Employment Service commencing April 1, 1943.

The Smaller War Plants Division of the War Production Board is attacking the problem from another angle. They have taken two key areas in the State of Connecticut—New Britain and Bridgeport. In both instances they have visited and have a list of all important companies engaged in war production. They have looked at the backlog of orders and the number of additional men each manufacturer will require in the next 6 months. Since no more in-migration is possible, these men must come from other employers in that area or a plan must be devised to share the work. Accordingly, the Smaller War Plants Division examines the requisitions for new critical tools by all companies asking for additional labor. They then compare this requisition with their records of similar machine tools in the area that are not fully engaged in war production. The next step is to wash out the new tool demand by spreading subcontracts on the backlog of orders to those concerns who have similar tools and who are not working at maximum production. After this process is carried out within the area so that every firm in the New Britain or Bridgeport area is working at maximum capacity on prime contracts or subcontracts, it then may be necessary to place any additional backlog in other labor areas which are less critical.

The above procedure will have direct bearing on the problem of the Forsberg Manufacturing Co. I am advised that the Smaller War Plants Division is working on their particular problem. You will be interested to learn that last week, after completing a thorough investigation of Tuttle & Bailey, New Britain, the Smaller War Plants Division certified them to the Navy as prime contractors.

Yours very truly,

TUDOR BOWEN,
Deputy Director.

UNITED STATES SENATE,
COMMITTEE ON FINANCE,
February 6, 1943.

Mr. PAUL V. MCNUTT,
Chairman, War Manpower Commission,
Washington, D. C.

MY DEAR MR. MCNUTT: Under date of January 15, Mr. H. S. Forsberg, president of the Forsberg Manufacturing Co., Bridgeport, Conn., wrote me pointing up the very difficult situation now confronting many plants in so-called critical areas. I had sent his communication to the Navy Department and now have at hand a reply from Mr. James Forrestal, Under Secretary of the Navy, who says that the facts presented are correct. Apparently, the Bureau of Supplies and Accounts in the Navy is governed in its action by some ruling of the War Manpower Commission.

I shall appreciate having at hand your best advices in this matter, to the end that I might make adequate reply.

Thank you very much for your courtesy and cooperation.

Faithfully yours,

JOHN A. DANAHER.

FORSBERG MANUFACTURING CO.
BRIDGEPORT, CONN.

OFFICE FOR
EMERGENCY MANAGEMENT,
WAR MANPOWER COMMISSION,
Washington, D. C., February 26, 1943.

Hon. JOHN A. DANAHER,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: Receipt is acknowledged of your letter of February 6, with which you enclosed a copy of one of January 15, 1943, from President H. S. Forsberg of the above company, protesting the classification by the War Manpower Commission of Bridgeport as a critical labor shortage area.

I believe that the following information, together with the attached news release, will be responsive to Mr. Forsberg's comments and will explain both to you and to him the position of the War Manpower Commission in matters of this kind.

In collaboration with the War Production Board, the War Department, the Navy Department, the Treasury Department, the Maritime Commission and other interested groups, and on a basis of careful analysis of labor market conditions, the War Manpower Commission has certified which labor market areas have the greatest abundance of workers together with those in which labor shortages now exist and those in which shortages are anticipated. Factual information for our purposes is gathered by the extensive field organization of the Commission, and includes present and future demand for workers expressed to us through the United States Employment Service by employers in each area, with additional data from the Selective Service as to withdrawals that will be made from the area. The estimated supply of workers is based on the number presently registered with the Employment Service, plus estimate of additional workers normally in the labor market but not registered, and those who could be attracted into the labor market by intensive recruiting campaigns.

Since our reports will be revised each month, changes in the situation in a given area will be subject to review at each monthly report. The facts entering into our certification in respect to these areas have been discussed with local representatives of both management and labor.

In conformity with these certifications, recommendations are made for the assigning of contracts in order to mobilize our total labor resources for the war effort into localities, wherever possible, in which resident labor now has little or no opportunity to contribute to the war program. To do otherwise would compound the already serious problems we have of expanding community facilities of housing, schools, and utilities because of inmigration of workers in excess of the capacity of the community to absorb them. On the other hand, it is only fair, as well as in the interest of efficiency, to assign these war contracts to cities and areas which now have facilities for such work and wherein is found a surplus of workers who are willing and anxious to do their share, but thus far for one reason or another have either been overlooked or unable to participate.

We all greatly regret that this or any action of governmental agencies should result in financial or economic loss to any individual, firm, or city. However, I know of no means for wholly avoiding such disturbances of normal life and conditions which are due only to the war.

Sincerely,

PAUL V. MCNUTT,
Chairman.

Mr. PEPPER. Mr. President, what is the pending question?

The PRESIDING OFFICER. The question is on agreeing to the modified amendment proposed by the Senator from West Virginia [Mr. KILGORE] for the Senator from Florida [Mr. PEPPER] as a substitute for the amendment of the Senator from Colorado [Mr. JOHNSON].

Mr. PEPPER. Mr. President, I suggest the absence of a quorum.

Mr. JOHNSON of Colorado. Mr. President, will the Senator from Florida withhold his suggestion of the absence of a quorum for a moment?

Mr. PEPPER. Certainly.

Mr. JOHNSON of Colorado. Mr. President, I should like to ask the Senator from Florida a question relating to section 3 of his proposed substitute, to see if I correctly understand his amendment. As I understand the amendment, in section 2 he sets up a board of officials. Then I find this language in section 3:

(1) whenever the Chairman of the War Manpower Commission deems it necessary in order to meet the program determined in accordance with section 2 of the Manpower Mobilization Act that occupational deferments be granted to persons engaged in military or essential civilian production or in essential activity related thereto, he shall make a finding—

Mr. PEPPER. Pardon me, I inserted the words "subject to review by the President" at that point.

Mr. JOHNSON of Colorado. That is what I wanted to find out—whether it would make the chairman of the War Manpower Commission the czar of everything.

Mr. PEPPER. No; I asked and received permission to insert at that point the words "subject to review by the President."

Mr. JOHNSON of Colorado. Since that proviso has been inserted, I wonder what the objective and effect of the section would be. In the original act the President has already been given that power. Then to restate that he has the power, when it is obvious that he has it, and when the law already states that he has it, makes me wonder what the objective of section 3 is, and I wonder if the Senator will agree to withdraw the section?

Mr. PEPPER. My purpose is to deal with a fact, not a theory. We are dealing with a situation which the President has not already seen fit to provide for—namely occupational deferment by an agency other than the draft boards. Congress, when faced with that problem, would simply be enacting here a provision that the authority is reposed in the chairman of the War Manpower Commission, but we do not, of course, attempt to deprive the President of his power to supervise or review all action of the War Manpower Commission.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. PEPPER. I yielded to the able Senator from Colorado, and next I will yield to the able Senator from Massachusetts.

Mr. JOHNSON of Colorado. I just do not understand the necessity for adding that language there. There is nothing mandatory in section 3. I do not see that there is anything mandatory in section 2; but certainly there is nothing mandatory in section 3. If the President does not exercise the powers that we gave him in the original Selective Service Act, I do not understand why the Senator thinks he will exercise those powers under this particular language.

Mr. PEPPER. Mr. President, the exercise of the power conferred by this section would not be dependent upon affirmative action by the President. We would impose upon the War Manpower Commission the duty to see to it that proper occupational deferments are brought about. However, we would still leave to the President the power to review the decisions of the War Manpower Commission; but that is quite different from the authority which is vested in the President under the Selective Service Act to do those things affirmatively. The President has not seen fit to do them. The able senior Senator from Alabama has said, therefore, that we should have a blanket deferment of agricultural labor. The able senior Senator from West Virginia [Mr. KILGORE] and I have proposed as a substitute that we confer a statutory duty and power upon the War Manpower Commission to provide for occupational deferment, but, of course, we have not wished to deprive the President of his just power to review the decisions of the War Manpower Director.

We feel that would make it very much stronger, therefore, that the principal objective of the able senior Senator from Alabama and the able senior Senator from Colorado would be achieved in a way better than that which has been used in the past when we have not done something like this.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. LODGE. As I understand it, the Senator offers sections 2 and 3 as substitutes for the bill; is that correct?

Mr. PEPPER. As substitutes for the pending amendment.

Mr. LODGE. Section 2 provides for a convocation or gathering together of the heads of the various war agencies, and provides for the development by them of a plan for allocation of manpower; is that correct?

Mr. PEPPER. That is correct.

Mr. LODGE. Of course, I believe the President has that power; but certainly it is a praiseworthy goal, whether done by Presidential authority or by statutory enactment.

Section 3 leads me to the conclusion—and I hope the Senator will correct me if I am wrong—that the determination of occupational deferment would be removed entirely from the hands of the local boards.

Mr. PEPPER. That is correct. It does make it the duty of local boards, in respect to occupational deferment, to observe the directive of the War Manpower Commission, which is subject to review by the President. Of course, that is true only in respect to occupational deferment.

Mr. LODGE. I wish the Senator would tell me what the philosophy behind that is and what the purpose is and what the merit of it is.

Mr. PEPPER. In the first place, that is offered as a substitute for the blanket deferment which is proposed by the able senior Senator from Alabama. In the second place, essentially it provides for the system which, as I understand it, is in vogue in England—that is, there are occupational deferment boards who have the power to provide for and require occupational deferment. It is intended, and presumed, that the occupational deferment boards will be closer in touch with the occupations that they shall deal with than would the draft boards themselves. It is intended that the occupational deferment boards shall pass on the matter of occupational deferment, and that the selective-service boards should pass upon the matter of deferment upon other grounds, as between man and man—questions of dependency, fitness, and other questions of that character.

But certainly, according to my information, the system proposed has been the system used in England, under which they have entrusted the matter of occupational deferment to occupational deferment boards. Since the President's right of review is preserved, it would seem to me that our proposal is much to be preferred over the proposal of the able senior Senator from Alabama, which provides for just a blanket deferment. Our proposal would for the first time make it the duty of the Manpower Commission to enter the field of occupational deferment in his own right but at the same time it would not deprive the President of his supervisory power.

Mr. LODGE. Does the Senator think that the adoption of his amendment would result in there being a really accurate knowledge, somewhere, in some agency of the Government, as to where the labor surplus is and what the nature of it is?

Mr. PEPPER. That is certainly the intention of the amendment, and I think it would go a great deal farther than would the amendment of the able senior Senator from Alabama in achieving that end. That is what should be done.

Mr. LODGE. It seems to me that until we know where the labor surplus is and what the nature of it is, there is not much use in enacting legislation; and, without that knowledge, planning, whether on a voluntary basis or on the basis of coercion, will not accomplish anything.

Mr. PEPPER. It is intended that the over-all board will for the first time, and authoritatively, make that determination and promulgate that knowledge.

Mr. LODGE. I shall not ask the Senator to explain to me why that has not been done, but I think we all have a right to wonder why it has not been done.

Mr. PEPPER. The Senator is kind in relieving me of a duty which I could not discharge.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield further?

Mr. PEPPER. I yield.

Mr. JOHNSON of Colorado. I cannot find the language to do the things which the Senator from Massachusetts has been assured the amendment would do. I cannot find anything in the language which provides for doing such things.

Mr. PEPPER. In the first place, it is made the duty of the committee—referring to the over-all Committee on Requirements and Program—and I read now from page 2, beginning in line 3:

> This committee shall establish, subject to review and modification by the President, a national program for maximum mobilization of manpower for the military forces and for military and essential civilian production (referred to in this act as the "program"). The program shall take the form of a detailed schedule of military and essential civilian production and specific quotas of manpower to be made available to the military forces and to particular categories of military and civilian production. In preparing the program the committee shall take into account schedules of military and essential civilian production furnished by the Chairman of the War Production Board and the Food Administrator, according to appropriate jurisdiction, statements of manpower requirements for the military forces furnished by the War and Navy Departments, and statements of manpower requirements for military and essential civilian production furnished by the Chairman of the War Manpower Commission and determined by him in cooperation with the Chairman of the War Production Board and the Food Administrator The quotas of manpower to be made available to the military forces as determined under the program shall supersede present quotas employed under the Selective Training and Service Act of 1940.

And so forth. Those things could not be done, let me say to the able senior Senator from Colorado, without a detailed knowledge of the manpower resources of the country, their distribution, and their character.

Mr. JOHNSON of Colorado. That may be a sensible conclusion, although I do not concur in it. As I see the program which is listed and provided for in the amendment, the Army, the Navy, the War Production Board, and other agencies would simply set up a program such as that which they have already set up. The armed forces, for instance, require something under 11,000,000 men; the War Production Board has a manpower requirement; agriculture has a manpower requirement of from twelve to thirteen million workers; and so on. That is the program. I do not see where the Senator provides for the making of any survey of the existing manpower supply. He is dealing entirely with the demand for manpower, not the supply of manpower.

Mr. PEPPER. Mr. President, the measure does provide for the allocation of the Nation's manpower, and the allocation cannot be made unless the authorities know what the supply is. We cannot divide up critical materials unless we know what we have to divide up.

Mr. FERGUSON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Michigan?

Mr. PEPPER. I yield.

Mr. FERGUSON. Does this amendment anticipate new local boards on deferment along industrial occupational lines?

Mr. PEPPER. Not primarily.

Mr. FERGUSON. How is that function to be performed?

Mr. PEPPER. The War Manpower Commission, I will say to the able Senator. I read from the bottom of page 3:

> (2) for purposes of making an individual finding as to occupational deferment, the Chairman of the War Manpower Commission is empowered, subject to direction by the President, to employ the officers or employees of the War Manpower Commission or of any other Federal agency and to establish such additional organization and procedure as he shall deem necessary and proper.

I will say to the Senator that the Chairman of the Commission would have power to set up additional personnel, but it will be noted that emphasis is also upon his using the existing Federal personnel for that purpose.

Mr. FERGUSON. How many employees does the Senator anticipate that would take? Would it take the same number as are now employed on the local boards?

Mr. PEPPER. It would depend on the way the War Manpower Director organized the program. My opinion is that he would accomplish the result essentially by the personnel he already has in his Employment Service, his War Manpower Commission Service, the agricultural activities which are now in existence, the industry committees of the War Labor Board, and that sort of thing.

Mr. FERGUSON. Would these men be on the public pay roll or would they be volunteer employees such as now constitute the draft boards?

Mr. PEPPER. The Director would have authority, in my opinion, to delegate this power or use as instrumentalities volunteer personnel. He would have authority to employ personnel within the scope of his appropriation, although, of course, this measure does not carry any appropriation.

Mr. FERGUSON. How long does the Senator anticipate it will take to set up these boards? Does he think it would do any good to the farmers this spring?

Mr. PEPPER. I think it would function immediately, because the Department of Agriculture already has an organization in every county, and the Director is authorized to delegate this duty of his to other Federal agencies. Of course, since he has already delegated to the Secretary of Agriculture the question of manpower for agriculture, I assume he would immediately do that in this case; he should do it, so that the Food Administrator's representatives in a given area would be the ones who would primarily take the responsibility of achieving occupational deferment. So the plan is subject to immediate utilization.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Gillette	Overton
Austin	Gurney	Pepper
Bailey	Hatch	Radcliffe
Ball	Hawkes	Reed
Bankhead	Hayden	Revercomb
Bilbo	Hill	Reynolds
Bone	Holman	Robertson
Brewster	Johnson, Calif.	Scrugham
Bridges	Johnson, Colo.	Shipstead
Brooks	Kilgore	Smith
Buck	La Follette	Taft
Burton	Langer	Thomas, Idaho
Bushfield	Lodge	Thomas, Okla.
Byrd	Lucas	Thomas, Utah
Capper	McCarran	Tobey
Caraway	McClellan	Tunnell
Chavez	McFarland	Tydings
Clark, Idaho	McNary	Vandenberg
Clark, Mo.	Maloney	Van Nuys
Connally	Maybank	Wagner
Danaher	Millikin	Walsh
Davis	Moore	Wherry
Downey	Murdock	White
Ellender	Nye	Wiley
Ferguson	O'Daniel	Willis
George	O'Mahoney	Wilson

The PRESIDING OFFICER (Mr. McFARLAND in the chair). Seventy-eight Senators having answered to their names, a quorum is present.

Mr. PEPPER. Mr. President, just preliminary to a vote on the pending proposed substitute for the Bankhead amendment as modified, and for the benefit of those Senators who were not on the floor when the modification of the amendment now about to be voted on occurred, I wish to say that all that is now left in the amendment before the Senate is, first, provision for the establishment of a Committee of Requirement and Program, to be established by the Congress, to consist of the Secretary of War, the Secretary of the Navy, the Chief of Staff of the Army, the Chief of Naval Operations, the Chairman of the War Production Board, the Chairman of the War Manpower Commission, the Food Administrator, and the Director of Economic Stabilization, whose duty it shall be to determine the over-all manpower situation in the country, and to make an allocation of manpower resources among the several essential national programs. That is the first provision.

The second provision, which is section 3, provides that the power of occupational deferment is vested in the War Manpower Commission, subject to review by the President. In that way there may be deferment of essential workers in agriculture and industry by the requirement of the War Manpower Commission, which, for the first time, would have that statutory power. Their actions would be subject to review by the President, so that they may be kept in conformity with the national interest and a national program.

Mr. President, this is offered as a substitute for the amendment offered by the able Senator from Alabama, which we venture to believe, proposes only blanket deferment of agricultural labor. Our proposal goes further than that, and provides an affirmative approach to the problem, and at the same time gives the power to achieve deferment of essential workers, which is the principal aim and objective of the amendment of the able Senator from Alabama.

I wish to ask for a roll call at the appropriate time.

Mr. CLARK of Missouri. Mr. President, I shall vote for the committee substitute for the pending measure and for the final passage of the bill with great reluctance and regret, but vote for it I shall. I say I shall vote for it with reluctance because I recognize the innate difficulties of legislating upon such a matter as this comprehensively, and yet in sufficient detail adequately to cover the subject.

I recognize full well, as everyone else must, that this is a matter which should have been handled by administration rather than by legislation. It is a matter which can properly and adequately be handled by administration, and can only be handled by legislation in the broadest way, and with the greatest difficulty.

I say that I shall vote for the bill with regret, and my regret lies in the fact that, because there has been such a complete and tragic break-down of administration, such a display of absolute incompetence in administration, this broad general legislation, this blanket deferment, as it has been called, has been made necessary.

Mr. President, I stated a few days ago, during an interruption I made of the very able speech of the Senator from Colorado [Mr. JOHNSON], that I feared the passage of the pending bill at this late day was a good deal akin to the proposition of locking the barn door after the horse had been stolen. I have received scores of letters, indeed hundreds, from farmers in my State, telling me that it is really too late to save the farm-labor situation, because of the fact that under the bullheaded policy of interfering with agricultural production heretofore adopted and carried out, most of the effective farm labor, most of the young farm labor, so necessary to operate the farms, has already been drafted and is in the armed forces. Nevertheless, I believe that even now some measure such as can be taken by legislation should be taken in order, so far as possible, to save the agricultural situation in the United States.

It is my belief that the production of food with which to feed the armed forces of the United States, from Iceland to Guadalcanal, from India to England, from north Africa to Ireland, indeed, all over the world, is about as essential as having men in the armed forces to eat the food and fire the guns.

I charge, without fear of successful contradiction, that, except for incompetence in administration, the situation which has now developed of a shortage in food production in the United States would have been recognized a year and a half or 2 years ago, and should never have been permitted to come about. Now it is a question of what can be done to remedy the situation so far as possible.

Let me say that, in my opinion, the adoption by the Congress last fall—in itself a belated measure—of the Tydings amendment, has done a great deal toward the amelioration of the food situation in the United States, but under the present selective-service system that amendment has not been entirely effective. Each local draft board has been permitted to pursue its own policy, to do as it pleased, with regard to the enforcement and the carrying out of the policy enunciated in the Tydings amendment. I know that in my own home county, St. Louis County, of which St. Louis City is not a part, the population of which is made up largely of truck farmers, who to a large extent feed the city of St. Louis, there are several draft boards. Most of them have carried into effect the purpose and intention of the Tydings amendment. However, I have had complaints from a multitude of citizens of St. Louis County that one draft board has, for reasons of its own, seen fit to disregard the general policy established by the Tydings amendment, and the directives issued thereunder, and it has been impossible to secure any adequate action from the State authorities, or from the Federal authorities in Washing, on the theory that each draft board is independent, and can do as it pleases. That has been true of other boards in my State, and in other sections of the United States.

Let me read a letter which I received a few days ago from a fine, competent young farmer, in order to illustrate the disregard of the spirit of the Tydings amendment and, as a matter of fact, of the letter of the Tydings amendment, on the part of a local draft board on its own motion. This writer says:

> I was born and raised on a farm, and now have one of my own. I never did anything else. I have worked hard from sunup to sundown, and have done chores after that. I have made a crop every year—corn, wheat, rye, oats, hay crops, and potatoes—according to the Government farm program. My draft board will not defer me because I do not live on the place, on which there are no buildings. My stock and 154 acres will bring nothing if I am drafted now at this season. What can be done about the situation?

Mr. President, here is the case of a man who never did anything in his life except to work on a farm, who has been a farmer from his boyhood, who finally saved enough money to make a payment on a farm, and who has been running that farm and working on it from sunup to sundown, and therefore, is operating in accordance with the Government farm program; but he cannot erect buildings on his farm which he actually owns and works, and unless he erects a building there or sets up a tent and bivouacs there he is denied a permit.

Mr. President, I cite that case out of a great many which have come to my attention to show that in many instances the local draft boards have completely disregarded the whole spirit and, I believe, the letter of the Tydings amendment.

I said a moment ago, and I repeat, that any prudent management of these vast affairs would have recognized long since that, by the double process of drafting farm labor and of refusing the farmer agricultural implements to take the place of farm labor, a shortage of production was bound to be created. Yet the powers that be simply believed that by writing down an allotment and a quota on a piece of paper, and making it public, they could bring food products and other farm commodities into production. Of course, anyone who had any sense knew that that could not be done. So I say that, in my opinion, legislation has become a necessity because of the break-down in administrative agencies.

I should say in this connection, Mr. President, that it has been called to my attention today by Colonel Keesling, of the Selective Service System, that a new order has been issued as to appeals in occupational cases which may bring some improvement in the situation I have just described. I cannot understand why such an order, which the Selective Service had the authority to issue, has not been issued long ago, but I should say that the improvement it will bring about is problematical.

Mr. President, I now come to the amendment proposed by the Senator from Florida [Mr. PEPPER]. The Senator from Florida has, as I understand, stricken out of it sections 1, 4, 5, 6, and 7. I may say that, in my opinion, if he would strike out sections 2 and 3 he would very much improve the amendment.

What do sections 2 and 3 provide? Do they correct the situation concerning which the whole country has been complaining? They do not. Do they prescribe any rules for the improvement of that situation? They do not. Do they make for the improvement in administration by discharging the incompetents who have brought about the present tragic condition? They do not. They simply would create a new superagency, imposed on top of the very agencies which have brought about this situation, and create a few more jobs. They would create a committee on requirements and program—referred to in this act as the committee—which, of course, will have to have an organization of its own, a headquarters of its own, and numerous personnel of its own. That committee would be created under the chairmanship of a director of war mobilization——

Mr. PEPPER. Mr. President, will the Senator yield to me at that point?

Mr. CLARK of Missouri. I yield.

Mr. PEPPER. I am going to ask that the two and one-half lines providing for the chairmanship of the director of war mobilization to be appointed by the President, may be deleted.

Mr. CLARK of Missouri. Mr. President, will the Senator repeat the proposed modification of his amendment?

Mr. PEPPER. I shall strike out the following language, beginning in line 5, on page 1:

> Under the chairmanship of a Director of War Mobilization to be appointed by the President (referred to in this act as the Director) and—

So there will be no new organization.

Mr. CLARK of Missouri. Mr. President, I freely admit that anything deleted from this amendment is an improvement, and if the Senator will continue to whittle down his amendment he may whittle it down to a point where it

might not be so objectionable. But with that language deleted let us see what the amendment does. It provides:

There is hereby created a Committee on Requirements and Program (referred to in this act as the "Committee") consisting of the Secretaries of War and Navy, the Chief of Staff of the Army, the Chief of Naval Operations, the Chairman of the War Manpower Commission, the Chairman of the War Production Board, the Food Administrator, and the Director of Economic Stabilization.

Mr. President, who are those men? Who are the functionaries who are to make up this super committee? With the exception of the Stabilization Director, they are the very oligarchists who got us into this tragic situation. They are the men who are absolutely responsible for the confusion and the break-down in administration which makes the proposed legislation necessary.

I am reminded of the story which I heard when I was a boy, about the old fellow who was haled into court for stealing chickens. When his case was called the judge looked down over his "specs" and said, "Are you the defendant in this case?" The old man said, "No, sir; no, sir; nothing like that. I'se just the man that stole the chickens." [Laughter.] And so it is in this case. This new super-administrative agency is to be composed of the very men whose confusion and incompetency have brought about the present situation.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield.

Mr. WALSH. I wish to call the Senator's attention, in view of what he has stated, to lines 3, 4, 5, and 6 on page 2 of the amendment.

This committee—

The committee which the Senator has described—

shall establish, subject to review and modification by the President, a national program for maximum mobilization of manpower for the military forces and for military—

Please note—

and essential civilian production.

I ask the Senator from Missouri what that means to him, and if it does not mean control of almost every civilian activity in the country?

Mr. CLARK of Missouri. It not only means the control of every civilian activity in the country, but it means the control of every military activity in the country.

Mr. WALSH. And also economic activities.

Mr. CLARK of Missouri. And also economic activities. It means the control of munitions production; it means——

Mr. WALSH. Does it mean that the committee could close up one industry and open up another?

Mr. CLARK of Missouri. It seems so to me under the provisions of the amendment.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield.

Mr. PEPPER. Is it not very clear to the able Senator from Missouri that "a Committee on Requirements and Programs," which is to define the needs of the various activities of the Nation essential to the prosecution of the war—

shall establish, subject to review and modification by the President, a national program for maximum mobilization of manpower for the military forces and for military and essential civilian production—

And that this program, as defined in line 7 and the following lines—

shall take the form of a detailed schedule of military and essential civilian production and specific quotas of manpower to be made available.

In other words, it shall determine the manpower needs of the various essential activities of the Nation, military and civilian.

Mr. CLARK of Missouri. Mr. President, I understood from the explanation of the amendment given by the Senator from Florida that that was his intention. I believe the language beginning on line 7, page 2, referred to by the Senator from Massachusetts [Mr. WALSH], is readily susceptible to the construction placed upon it by him.

Mr. President, what would this amendment do? After organizing into another committee the various administrative agencies who are responsible for the present confusion—for the present debacle—it would simply give them authority to do what the President already has authority to do under the law.

The Senator from Colorado [Mr. JOHNSON] read the law a little while ago. I shall read it again because I think it is very important to understand what this so-called palliative of the Senator from Florida would actually do. Subparagraph (e) of section 5 of the present law—the Selective Service Act—is as follows:

(e) The President is authorized, under such rules and regulations as he may prescribe, to provide for the deferment from training and service under this act in the land and naval forces of the United States of those men whose employment in industry, agriculture, or other occupations or employment, or whose activity in other endeavors, is found in accordance with section 10 (a) (2) to be necessary to the maintenance of the national health, safety, or interest.

If any language could be broader than that I am unable to conceive of it.

I read further:

The President is also authorized, under such rules and regulations as he may prescribe, to provide for the deferment from training and service under this act in the land and naval forces of the United States (1) of those men in a status with respect to persons dependent upon them for support which renders their deferment advisable, and (2) of those men found to be physically, mentally, or morally deficient or defective. No deferment from such training and service shall be made in the case of any individual except upon the basis of the status of such individual, and no such deferment shall be made of individuals by occupational groups or of groups of individuals in any plant or institution.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield.

Mr. PEPPER. Is it the point of the able Senator from Missouri that my amendment is of no avail or not necessary, because the President already possesses the power to do what my amendment provides?

Mr. CLARK of Missouri. My point is that the President already possesses the power to do everything that the amendment of the Senator from Florida would give him authority to do, and if the President has not exercised the power he now has, and the officials appointed under his Executive order have not exercised that power or discretion, then the only thing the Congress can do is not to refer it back to the same officials who have heretofore failed to exercise that power, but by legislation to prescribe as accurately as may be the policies the Congress desires to have carried out.

Mr. PEPPER. Mr. President, will the Senator yield further?

Mr. CLARK of Missouri. I yield.

Mr. PEPPER. Does not the President already have the power to do everything the Bankhead amendment proposes to do?

Mr. CLARK of Missouri. Yes, Mr. President. That is precisely what creates the necessity for the Bankhead amendment. The President has the power, but the President has not exercised it. The purpose of the amendment is to say that the Congress wants that done; to put it into legislative form, and make it the duty of the responsible public officials to carry out the announced policy of the Congress. That is the exact purpose and the policy of the Bankhead amendment. If that is not so, I ask the Senator from Alabama to correct me.

Mr. PEPPER. The power to defer for occupational reasons is not vested in the form of board to which the able Senator has referred, but in the chairman of the War Manpower Commission under section 3 of my amendment. The Senator will agree, will he not, that the War Manpower Commissioner does not possess that power.

Mr. CLARK of Missouri. I do not understand that he has been specifically given that power by the President. He could have been given it at any time.

Mr. PEPPER. If he were given that power, the authority for occupational deferment would exist by Congressional action.

Mr. CLARK of Missouri. The question would be left to the discretion of the administrative officials, who have failed to exercise any discretions which they may have had. The purpose of the Bankhead amendment is to provide in specific legislative terms for meeting the pressing and vital need for the production of food supplies.

Mr. PEPPER. Is it not fair to say that an alternative is provided as between the Bankhead amendment and the amendment now pending, namely if we wish to make a blanket deferment for everybody in agricultural occupations, it may be achieved by the Bankhead amendment, and if it is desired to give statutory authority to the War Manpower Commission to make occupational deferments for agriculture and industry, it may be done through my amendment?

Mr. CLARK of Missouri. The Congress has tried to handle that problem by giving discretion to the Executive. The discretion has not been exercised. The hour in the agricultural situation is now 11 o'clock and 59 minutes. If Congress is to do anything to save the situation, in my opinion it cannot do anything by further beating around the stump and leaving it to someone's discretion. It means postponement, and postponement means failure and futility. If Congress is to do anything, the sooner it does it, the better for all concerned.

Mr. PEPPER. Under the existing administrative set-up does the Food Administrator have the power to require occupational deferment of essential farm workers?

Mr. CLARK of Missouri. I do not understand that he can require it; and I do not understand that he would be able to do so under the amendment of the Senator from Florida.

Mr. PEPPER. In the pending amendment, beginning near the bottom of page 3 is the following language:

(2) for purposes of making an individual finding as to occupational deferment, the Chairman of the War Manpower Commission is empowered, subject to direction by the President, to employ the officers or employees of the War Manpower Commission or of any other Federal agency.

Mr. CLARK of Missouri. That merely provides for an additional number of jobs, Mr. President. It does not help out the farm situation.

Mr. PEPPER. If the Senator will allow me to complete my statement, under that language the Chairman of the War Manpower Commission could designate another Federal agency to exercise the power of occupational deferment. If he should delegate the subject of agricultural manpower to the Food Administrator would it not be reasonable to presume that he would also delegate the power of occupational deferment to the Food Administrator? If he should do so, would it not be fair to presume that the Food Administrator would actually require the deferment of essential agricultural labor, taking into consideration the circumstances of each individual case?

Mr. CLARK of Missouri. Mr. President, I dare say that every Senator—certainly every Senator from an agricultural State—has had the experience of trying to handle this problem with the administrative agencies. If he calls up one agency he is told that another agency has it in charge. If he calls up the other agency he is told that there will be a joint committee representing all agencies, and that possibly at some time he will receive some relief through that committee. No relief has been afforded, and the situation has grown steadily worse while the administrators have conferred with each other. "Hope deferred maketh the heart sick." While that has been taking place the production of food in the United States has been steadily falling until it has reached the absolute danger point, not only as it relates to the requirements of the civilian population of the United States, but also the requirements of our armed forces abroad, to say nothing of our obligations to our allies. While I deeply explore the necessity for legislating on the subject at this time, if anything is to be done it can be done only by legislation.

It is said that this is class legislation; and, of course, it is. Any blanket deferment is class legislation. However, it is class legislation not in the interest of the farmers as a class. It is deferment in the interest of a vital necessity of all the people of the United States as well as our allies, to whom we are under obligation to furnish food. This bill should have been passed a long time ago, when the necessity for it developed. Any delay, such as recommitting the bill to the Committee on Military Affairs, as the Senator from Florida [Mr. PEPPER] states he intends to propose, would be a source of very material danger to the well-being of the United States and to the winning of the war.

Mr. CAPPER. Mr. President, I intend to support the pending measure, which is known as the Bankhead bill, as proposed to be amended by the amendment offered by the Senator from Colorado [Mr. JOHNSON]. I sincerely hope the bill will not be amended in such fashion that bureau or agency regulations will be written afterward to destroy its purpose, namely, to keep necessary farm labor on the farm.

The farm problem finally has become recognized, though somewhat belatedly, as a food problem. This means that every one of more than 130,000,000 persons in the United States—plus no one knows how many millions in other lands—has a vital interest in its solution.

When this was merely a farm problem instead of a food problem, only those residing on farms or in close touch with the people living on the 6,000,000 farms in the United States took an active interest in proposed solutions of the problem.

But now, and for the next few years, during the war and for several years following, every one of us will be deeply and feelingly interested in the food problem. Already the pinch is being felt.

Food may become so scarce that rationing of nearly all foods, except possibly bread, is more than likely to become a reality before the end of the present year. I dislike to think what will happen if we have a poor crop year either in 1943 or in 1944.

But, of course, rationing is only the answer to the problem of distributing food.

Rationing will not grow one kernel of wheat or produce one drop of milk or increase by one ounce the amount of beef, pork, lamb, or other meats available. Rationing will not lay one egg, or grow one small potato.

The real answer to the food problem is production of foodstuffs on the 6,000,000-or-so farms in the United States.

To produce food the farmer must have labor; he must have manpower. That labor will produce best if it is skilled, experienced labor. Women and children from the cities can help to some extent in the harvest; but if we depend too much on that source we will fall down on the job of food production.

The farmer must have machinery and equipment. The W. P. B. ought to be looking forward to increasing the amount of farm machinery manufactured, instead of trying to hold it down to one-fourth of 1940 production. A step has been made. I have been informed recently that production is to be allowed to the extent of one-half the 1940 production.

Many farms must have fertilizers. Livestock and poultry require protein feeds. These must be produced by labor. Oil-bearing crops require labor to produce; and whether we like it or not—though this is not directly involved in the pending legislation—farmers must have good prices to assure continued production at high levels.

The United States is engaged in an all-out, global war.

But we are committed to financing that war to the extent that United States dollar expenditures for war purposes this year will amount to more than the expenditures of all our allies and all our enemies combined. That is hard to believe; but the cold, hard statistics tell us it is a fact.

We are not only financing a large portion of the world in this global war but are also fighting all over the world, and undertaking to feed many millions of people throughout the world, in addition to more than 130,000,000 of our own people.

Latest estimates from the Department of Agriculture on feeding other peoples, which we have undertaken, give some idea of the amount of food which will go out of the country this year.

More than one-half—the estimate is from 50 to 60 percent—of all canned fruit in the United States is to be sent abroad this year, for military and lend-lease purposes. Also almost one-half of all canned vegetables are needed overseas for Allied armed forces and starving civilian populations.

One-fourth of the beef produced this year is to go abroad; 35 to 40 percent of all pork, not including lard; between one-fourth and one-third of the eggs laid in the United States are destined for foreign consumption this year; also one-fifth of the butter, 40 to 45 percent of the cheese, 40 to 50 percent of the condensed and evaporated milk, 25 to 30 percent of the lard, and nearly one-fourth of the other edible fats and oils.

From 35 to 40 percent of dried fruits are reserved for export for military and lend-lease purposes; from 10 to 15 percent of wheat; from 15 to 20 percent of rice. The other day 60,000 tons of foodstuffs were unloaded from one convoy to north Africa.

No wonder we now are threatened with food shortages in many lines. We are warned that all of us must tighten our belts and that before the end of the year it will be patriotic to wear a lean and hungry look.

But despite all this it is not necessary to become unduly alarmed. Huge as are the demands for food, there is no reason for any one starving or facing even near-starvation in the United States if—and I wish to emphasize this point—the farmers of the United States are allowed sufficient labor, sufficient farm machinery and equipment, and, for many farms, fertilizers. Livestock producers must have the necessary protein feeds to enable them to do the job.

Crops must be planted; they must be cultivated in most instances; they must be harvested. Dairy cows have to be fed, cared for, and milked regularly. Eggs and poultry do not just happen; beef and pork come from cattle and hogs, and these must be bred, fed, and cared for intelligently and constantly, then slaughtered and processed before they become food.

I realize that women and children can to some extent replace men on farms. They already have done so, by the thousands and tens of thousands. But in order to feed all our people, and so many billion others to boot, the farms of America apparently need approximately 3,000,000 more workers.

If these men can be obtained without taking any from the armed forces, well and good. I would not keep one needed man out of military service when this Nation is at war. But if food can win the war and help write the peace, the lack of it can certainly prolong the war, and militate greatly against writing the peace. I urge the adoption of the Johnson amendment.

Mr. WILEY. Mr. President, will the distinguished Senator from Missouri yield for a question?

Mr. CLARK of Missouri. I do not have the floor, Mr. President. If I had, I should be glad to yield.

Mr. WILEY. Let me say that as I understood the Senator's position, it was in agreement with the position at which I have arrived: First, that under the Selective Service Act adequate power was lodged in the executive branch of the Government to handle the whole manpower situation, but it simply fell down on the job, and the mess that we are in has come about simply because of a failure to do what should have been done.

Mr. CLARK of Missouri. That is correct, and that is the only justification for the passage of legislation on the subject, which I admit must necessarily be imperfect and cumbersome.

Mr. WILEY. Very well. We find that the executive branch of the Government has the power, but has not exercised it; we find that the executive branch of the Government has acknowledged that it has not exercised the power. So we pass a law, after 70 percent of the farm help that has left the farms has gone into industry, and 30 percent has gone into the armed forces. Now, when only 250,000 young men are left on the farms, we propose to pass a law saying, "Freeze those young men there." In other words, we give the impression—and that is the danger—that the proposed legislation is a remedy, whereas I understand that the figures show that we have taken off the farms about 1,200,000 men who should have remained there in order to enable us to obtain the maximum possible production.

The question I wish to ask is whether the Senator thinks that the passage either of the Bankhead law or the adoption of the Bankhead amendment or the Johnson amendment would do the job.

Mr. CLARK of Missouri. Mr. President, that is the only thing that can be done at this time. I certainly do not think it will restore production to what might have been possible if a more comprehensive policy had been adopted at the time of the inception of the matter; but it seems to me that under the circumstances it is the only thing which can be done.

Let me say that I do not agree with the Senator's figure that there are only 250,000 young men left on the farms. I do not know where the Senator got that figure.

Mr. BANKHEAD rose.

Mr. CLARK of Missouri. I yield to the Senator from Alabama.

Mr. BANKHEAD. General Patterson wrote that they would defer 3,000,000 farm workers. I am astonished at the figure the Senator from Wisconsin has given. Why do they object to the passage of the bill if they are going to defer all the farmers, anyway?

Mr. WILEY. I must say that when I listened to the debate several days ago I heard the statement made that there were left on the farms of America only 250,000 single men.

However, let me come to my next question, because I am vitally interested——

Mr. BANKHEAD. Mr. President, permit me to call the Senator's attention to the fact that the bill is not limited to single men. It is true that very few single men yet to be called under the draft are left on the farms. Very few single men are left. The bill covers all men—those from 18 to 38 years of age—wherever they may be.

Mr. JOHNSON of Colorado. Mr. President, will the Senator from Wisconsin yield very briefly to me on that point, and then proceed to the next point, if he desires to ask the Senator from Missouri another question?

Mr. WILEY. Yes; I am very happy to yield.

Mr. JOHNSON of Colorado. I have received a telegram sent yesterday, March 16, from a small agricultural county in Colorado. On the 6th day of March, as the Senator will recall, a directive was issued by General Hershey with respect to manpower on the farms—a directive which, by the way, should have been issued immediately upon the passage of the Tydings Act, back on the 13th of November, but it was not issued until the 6th of March. However, 10 days after it was issued we find that this is what happened in this small county in Colorado—the telegram is addressed to me, and comes from Delta, Colo.:

> Despite all possible efforts of our county United States Department of Agriculture war boards—

That refers to the county war boards that are set up throughout the country—

> fifty-eight men left today for military service, 22 of whom were farm workers, some of them essential, and who will need immediate replacement. Of what use is the experience of the county United States Department of Agriculture war boards if it is not to be used in cases such as these? Some of these men are needed back in this county or our food production goals will suffer. Details of individual cases are available if you wish.

The telegram is signed by Mr. A. F. Hoffman, Jr., secretary of the Delta County U. S. D. A. War Board.

We have heard during the debate that the selective service boards were to be governed by the county war boards in determining whether men were essential on the farms; and yet, 10 days after we were given that assurance, we have evidence that the advice of the county war boards has been completely ignored, and that the selective service boards have paid no attention whatsoever to it.

Of course, the Senator's point is well taken—that we are locking the door after the horse has been stolen. There is no doubt about that—that is, most of the horses have been stolen; there are 300,000 colts left there. Why not keep them?

Mr. WILEY. Mr. President, I do not agree with the position of any of the Senators who have spoken in that connection. The point I am trying to make is that we have focused the attention of the country and of this body on the retention on the farms of 250,000 single men, when what we should do is focus attention on the problem of how to get more labor, together with adequate machinery, back on the farms. It seems to me that is the proper legislative function.

Mr. BANKHEAD. Mr. President, I should like to ask the Senator again why he confines his argument to single men.

Mr. WILEY. I do not confine my argument to them.

Mr. BANKHEAD. That is the argument the Senator has been making.

Mr. WILEY. No; I have stated the position as we see it and as I heard it related in the Senate, that, practically, under the enlightenment the boards have received, they are not taking off the farms any men except the single men. Am I mistaken about that?

Mr. BANKHEAD. Evidently the Senator is, judging from the telegram which the Senator from Colorado has read.

Mr. WILEY. Oh, no; the telegram does not say that they are taking married men.

Mr. JOHNSON of Colorado. No; there is no distinction as between single men and married men.

Mr. WILEY. Did the telegram say so?

Mr. JOHNSON of Colorado. No; it did not say anything on that point.

Mr. WILEY. No; it did not. I heard the Senator read it.

Mr. CLARK of Missouri. The Senator does not doubt that a great many married men who were on the farms have been drafted; does he?

Mr. WILEY. I agree that they have been drafted. The barn door has been closed after the horses have gone; but I want to get a few more horses back on the farms if I may be pardoned the allusion; and that seems to me to be the way to start solving the problem.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified, proposed by the Sen-

ator from West Virginia [Mr. KILGORE] on behalf of the Senator from Florida [Mr. PEPPER] as a substitute for the amendment of the Senator from Colorado [Mr. JOHNSON] to the committee substitute.

Mr. PEPPER. Mr. President, I ask for the yeas and nays.

Mr. HILL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hatch	Radcliffe
Austin	Hawkes	Reed
Bailey	Hayden	Revercomb
Ball	Hill	Reynolds
Bankhead	Holman	Robertson
Bilbo	Johnson, Calif.	Scrugham
Brewster	Johnson, Colo.	Shipstead
Bridges	Kilgore	Smith
Brooks	La Follette	Taft
Buck	Langer	Thomas, Idaho
Burton	Lodge	Thomas, Okla.
Bushfield	Lucas	Thomas, Utah
Byrd	McCarran	Tobey
Capper	McClellan	Tunnell
Caraway	McFarland	Tydings
Clark, Idaho	McNary	Vandenberg
Clark, Mo.	Maloney	Van Nuys
Connally	Maybank	Wagner
Danaher	Millikin	Walsh
Davis	Moore	Wherry
Downey	Murdock	White
Ellender	Nye	Wiley
Ferguson	O'Daniel	Willis
George	O'Mahoney	Wilson
Gillette	Overton	
Gurney	Pepper	

The PRESIDING OFFICER. Seventy-five Senators have answered to their names. A quorum is present.

The question is on the amendment, as modified, offered by the Senator from West Virginia [Mr. KILGORE] on behalf of the Senator from Florida [Mr. PEPPER] to the amendment in the nature of a substitute of the Senator from Colorado [Mr. JOHNSON] for the committee substitute. On that question the yeas and nays have been demanded. Is the demand seconded?

The yeas and nays were ordered.

Mr. SMITH. Mr. President, a few days ago I telegraphed the commissioners of agriculture in each of the 48 States and asked them what was their idea or what were the facts as to the prospects of production in 1943 as compared with 1942. I have about 30 replies. They are short, and I ask that they be printed in the RECORD.

The PRESIDING OFFICER. Without objection, the telegrams will be printed in the RECORD.

The telegrams are as follows:

SALT LAKE CITY, UTAH, *March 15, 1943.*

Senator E. D. SMITH,
Senate Committee on Agriculture,
Senate Office Building,
Washington, D. C.:

Estimate State average, all crops and livestock, down 5 to 15 percent.

TRACY R. WELLING,
Commissioner of Agriculture,
State of Utah.

SACRAMENTO, CALIF., *March 16, 1943.*

Senator E. D. SMITH,
Chairman, Committee on
Agriculture, Senate Office
Building, Washington, D. C.:

Reurtel. 15th, I estimate California 1943 production crops and livestock by volume will not exceed 85 percent 1942 figure. Regards.

W. J. CECIL,
California Director of Agriculture.

DOVER, DEL., *March 16, 1943.*

Hon. E. D. SMITH,
Committee on Agriculture,
Senate Office Building:

Estimate 10 to 15 percent reduction over all overage in 1943 crops compared with 1942 providing weather conditions favorable.

RALPH C. WILSON,
Secretary, State Board of Agriculture.

TOPEKA, KANS., *March 16, 1943.*

Senator E. D. SMITH,
Senate Committee on Agriculture:

Kansas food production this year estimate 10 percent less.

J. C. MOHLER,
Secretary.

COLUMBIA, S. C., *March 16, 1943.*

Hon. E. D. SMITH,
Senate Office Building:

Assuming normal weather general opinion here is 1943 crop production will be approximately 15 percent less than 1942.

J. ROY JONES,
Commissioner of Agriculture.

SPRINGFIELD, ILL., *March 16, 1943.*

Hon. E. D. SMITH,
United States Senator:

Federal and State statistician estimates that under average conditions production of food crops expected to be 2 percent less than 1942. Estimate beef and milk production about same as 1942. Poultry, eggs, and pork estimated 10 to 20 percent increase.

RAY A. DILLINGER,
Assistant Director,
Illinois Department of Agriculture.

RICHMOND, VA., *March 16, 1943.*

Hon. E. D. SMITH,
Senate Committee on Agriculture:

Answering your wire will advise that I have previously estimated 15-percent decrease compared with 1942. Complete report will be out March 20.

L. M. WALKER, Jr.,
Commissioner of Agriculture
and Immigration.

CHARLESTON, W. VA., *March 17, 1943.*

Senator E. D. SMITH,
Chairman, Senate Committee
on Agriculture, Washington, D. C.:

Your wire from best information farm production will be from 20 to 25 percent less than 1942. Goal sign-up of farmers shows about 15 percent less. Victory gardens will be substantially increased over 1942. Farm labor conditions bad and getting worse. Office of Price Administration regulations discourage farmers who could increase production and sell at home. Regards.

J. B. MCLAUGHLIN,
Commissioner of Agriculture.

HARTFORD, CONN., *March 16, 1943.*

Senator E. D. SMITH,
Senate Committee on Agriculture:

Preliminary intention figures for half the counties indicate slight increase in dairy cows with substantial increase in potatoes and poultry. Expect final War Board figures shortly.

OLCOTT F. KING,
Commissioner of Agriculture.

SIOUX FALLS, S. DAK., *March 16, 1943.*

Senator E. D. SMITH:

Your request to South Dakota Department of Agriculture relative production food crops 1943 compared with 1942 was referred to this office. Production in 1943 depends entirely on acreages seeded and yields per acre. Sorry to advise law prohibits our releasing information relative 1943 intended acreage before official release by Crop Reporting Board of United States Department of Agriculture which will be at 3 p. m. March 19. This early in the season average yields applied to intended 1943 planted acreages is best indication of 1943 production. All such information may be obtained from the Crop Reporting Board which is the source of all official estimates. For your further information practically all armchair snap judgments and hurried surveys by persons and agencies who are inexperienced in crop and livestock forecasting and estimating are grossly in error.

EVAN V. JONES,
Agricultural Statistician for South Dakota.

BOISE, IDAHO, *March 17, 1943.*

Senator E. D. SMITH,
Senate Office Building,
Washington, D. C.:

Believe impossible under existing conditions to produce over 80 percent of last year's food production. Farmers very discouraged, only encouragement is good work farm bloc is doing. Keep up the good work. Believe Government restrictions having most hampering effect on production. Farmers will do best possible if given a chance.

HARVEY SCHWENDIVMAN,
Commissioner of Agriculture.

OKLAHOMA CITY, OKLA., *March 16, 1943.*

Senator E. D. SMITH,
Senate Committee on Agriculture:

Estimated percentage production food crops in Oklahoma 1943 as follows: Wheat 10 percent less, corn 8 percent less, oats 12 percent more, barley 15 percent more, rye 10 percent more, peanuts 100 percent more, soybeans 75 percent more, cowpeas 5 percent more, sweetpotatoes 15 percent more, potatoes 35 percent more, peaches 20 percent less, and pears 10 percent less.

JOE C. SCOTT,
President, State Board of Agriculture.

RENO, NEV., *March 16, 1943.*

Hon. E. D. SMITH,
Senate Office Building:

No accurate information on Nevada crop production for 1943 as compared with 1942 available yet. Opinions obtained from various sources estimate livestock production will be about same with possibly reduction in sheep. Dairy production will be considerably lower with field crops requiring much labor, as much as 25 percent lower. Assurance that labor be made available at early date essential.

GEO. G. SCHWEIS,
Director.

TALLAHASSEE, FLA., *March 16, 1943.*

Hon. E. D. SMITH,
United States Senate,
Senate Committee on Agriculture:

Present prospects are that the decrease will be about 15 percent. Suggest that you wire H. A. Marks, Federal statistician, Orlando, for further information.

NATHAN MAYO,
Commissioner of Agriculture.

PROVIDENCE, R. I., *March 16, 1943.*

Senator E. D. SMITH,
Senate Committee on Agriculture:

Increase 10 percent in poultry possible, decrease in vegetables, which will be offset by victory garden production. Anticipate decrease in milk. There was an increase in 1942 over 1941. Picture not as bad as scaremongers make it. Labor situation serious. Could upset entire farm program.

R. G. BRESSLER,
Director of Agriculture.

MADISON, WIS., *March 16, 1943.*
Senator E. D. SMITH:
Expected food crop acreage in Wisconsin this year is between 1 and 2 percent higher than last year.

W. H. EBLING,
Statistician, State Department of Agriculture.

OLYMPIA, WASH., *March 16, 1943.*
Senator E. D. SMITH:
Doubtful if food production for State of Washington will exceed 90 percent of 1942.

ARTHUR E. COX,
Director of Agriculture.

JACKSON, MISS., *March 16, 1943.*
Senator E. D. SMITH:
Chairman, Committee on Agriculture, Senate Building:
Retel. U. S. D. A. War Board farm survey indicates food crop production in 1943 from 95 to 135 percent of 1942 production. Same survey indicates 15 percent reduction farm labor in 1943 below 1942.

S. I. CORLEY,
Commissioner of Agriculture.

AUSTIN, TEX., *March 16, 1943.*
ELLISON D. SMITH, *Chairman:*
Texas food crops will be 15 percent less in 1943 than produced in 1942. Seventy-five percent Texas farm area too dry to germinate seed.

J. E. MCDONALD,
Commissioner of Agriculture, State of Texas.

LITTLE ROCK, ARK., *March 16, 1943.*
Senator E. D. SMITH,
Senate Committee on Agriculture:
Due to unsettled policy regarding farm labor and farm machinery, fertilizer, and prices, impossible to estimate at present percentage decrease in food crops 1943 compared with 1942.

MRS. LEE WHITE WALTERS,
Secretary, Arkansas Agricultural Industrial Commission.

HELENA, MONT., *March 16, 1943.*
Senator E. D. SMITH,
Senate Committee on Agriculture, Senate Office Building:
According to present indications to plant reports, production food crops the same for 1943 as for 1942, provided growing conditions the same.

ALBERT H. KROUSE,
Commissioner, Agriculture, Labor, and Industry.

AUGUSTA, MAINE, *March 16, 1943.*
Senator E. D. SMITH,
Senate Committee on Agriculture:
Re telegram, food production Maine farms 1943 estimated 90 percent of 1942.

CARL R. SMITH,
Commissioner, Maine Department of Agriculture.

BOSTON, MASS., *March 17, 1943.*
Senator E. D. SMITH,
Senate Committee on Agriculture:
Re farm production 1943, we expect milk will be down 10 percent, vegetables same acreage as 1942, eggs probably increase 5 or 10 percent, fruit definitely down substantially.

LOUIS A. WEBSTER,
Acting Commisisoner.

ATLANTA, GA., *March 15, 1943.*
Senator E. D. SMITH,
Senate Committee on Agriculture, Washington, D. C.:
Present prospect crops in Georgia 25 percent reduction in acreage. Shortage of labor, fertilizer, and equipment would make prospect for additional shortage. Weather conditions of course unknown but can hardly expect better weather than 1942. My opinion is prospect for 1943 crop to show reduction between 25 and 50 percent from 1942 production.

TOM LINDER,
Commissioner of Agriculture.

SALEM, OREG., *March 15, 1943.*
Senator E. D. SMITH,
Senate Committee on Agriculture, Washington, D. C.:
Your telegram of today referred to Robert Taylor Corvallis, Oregon chairman of war board, who has this matter in hand.

J. D. MICKLE,
Director, Department of Agriculture.

Mr. LA FOLLETTE. Mr. President, I wish to make a brief statement concerning the vote I am about to cast. I had intended to support the amendment offered by the Senator from West Virginia [Mr. KILGORE], but the Senator from Florida [Mr. PEPPER] has seen fit to modify his amendment and to eliminate from it the only sections which held out any hope of increasing the manpower on the farms. That portion of the amendment having been eliminated, much as I favor bringing some order out of the chaos in the administration of manpower, I cannot accept the residue of the amendment as a substitute for the Bankhead bill, which, at least, will prevent any further military drain upon the farms of the country.

Mr. DANAHER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DANAHER. As the pending substitute may now be stated, it includes sections 1, 2, and 3 of the amendment which the Senator from Florida has offered and had printed and lie on the table?

The PRESIDING OFFICER. With certain modifications, that is correct.

Mr. DANAHER. May the modifications be stated?

The PRESIDING OFFICER. The modifications will be stated.

The CHIEF CLERK. On page 3, line 18, after the word "finding", insert ", subject to review by the President", and on page 1, strike out, in lines 5, 6, and 7, the words "under the chairmanship of a Director of War Mobilization to be appointed by the President (referred to in this act as the 'Director')."

Mr. PEPPER. Mr. President, in view of the fact that a number of Senators have come to the floor, and, as it is rather brief, I ask that the amendment, as modified, be read.

The PRESIDING OFFICER. Without objection, the clerk will read, as requested.

The Chief Clerk read as follows:

This act may be cited as the Manpower Mobilization Act.

SEC. 2. There is hereby created a Committee on Requirements and Program (referred to in this act as the "Committee") consisting of the Secretaries of War and Navy, the Chief of Staff of the Army, the Chief of Naval Operations, the Chairman of the War Manpower Commission, the Chairman of the War Production Board, the Food Administrator, and the Director of Economic Stabilization. This committee shall establish, subject to review and modification by the President, a national program for maximum mobilization of manpower for the military forces and for military and essential civilian production (referred to in this act as the "program"). The program shall take the form of a detailed schedule of military and essential civilian production and specific quotas of manpower to be made available to the military forces and to particular categories of military and civilian production. In preparing the program the committee shall take into account schedules of military and essential civilian production furnished by the Chairman of the War Production Board and the Food Administrator, according to appropriate jurisdiction, statements of manpower requirements for the military forces furnished by the War and Navy Departments, and statements of manpower requirements for military and essential civilian production furnished by the Chairman of the War Manpower Commission and determined by him in cooperation with the Chairman of the War Production Board and the Food Administrator. The quotas of manpower to be made available to the military forces as determined under the program shall supersede present quotas employed under the Selective Training and Service Act of 1940. The schedules of military and essential civilian production and the manpower quotas relating thereto determined under the program shall be binding upon the War Production Board, the Food Administration, the War Manpower Commission, the Office of Economic Stabilization, and other war agencies in their determination and operations relating to production and manpower.

SEC. 3. The Selective Training and Service Act of 1940, as amended, is further amended by adding at the end thereof the following:

"Any provision of this act to the contrary notwithstanding—

"(1) whenever the Chairman of the War Manpower Commission deems it necessary in order to meet the program determined in accordance with section 2 of the Manpower Mobilization Act that occupational deferments be granted to persons engaged in military or essential civilian production or in essential activity related thereto, he shall make a finding, subject to review by the President, to this effect and such findings shall be conclusive upon all civilian local boards and any other civilian agencies functioning under this act. No other occupational deferments shall be granted under this act except upon such a finding by the Chairman of the War Manpower Commission;

"(2) for purposes of making an individual finding as to occupational deferment, the Chairman of the War Manpower Commission is empowered, subject to direction by the President, to employ the officers or employees of the War Manpower Commission or of any other Federal agency and to establish such additional organization and procedure as he shall deem necessary and proper."

The PRESIDING OFFICER. The question is on the amendment as modified, offered by the Senator from West Virginia [Mr. KILGORE] on behalf of the Senator from Florida [Mr. PEPPER] to the amendment offered by the Senator from Colorado [Mr. JOHNSON] as a substitute for the committee substitute. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HOLMAN (when his name was called). I have a general pair with the junior Senator from Tennessee [Mr. STEWART]. It is my understanding that if present he would vote as I shall vote. Therefore, I am at liberty to vote. I vote "nay."

Mr. MCNARY (when his name was called). I have a pair with the senior

Senator from Kentucky [Mr. BARKLEY]. I am not advised how he would vote. I transfer that pair to the senior Senator from Nebraska [Mr. BUTLER], who, if present, would vote as I am about to vote. I vote "nay."

The roll call was concluded.

Mr. DAVIS. I have a general pair with the junior Senator from Kentucky [Mr. CHANDLER], who is absent on business of the Senate. I do not know how he would vote if present. I transfer my pair to the senior Senator from New Jersey [Mr. BARBOUR], and vote "nay." I am advised that the Senator from New Jersey would vote "nay," if present.

Mr. HILL. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from Virginia [Mr. GLASS], and the Senator from Tennessee [Mr. MCKELLAR] are absent from the Senate because of illness.

The Senator from Washington [Mr. BONE], and the Senator from New Mexico [Mr. CHAVEZ] are out of the city on official business for the Committee on Territories and Insular Affairs.

The Senator from Kentucky [Mr. CHANDLER] and the Senator from Montana [Mr. MURRAY] are out of the city on official business for the Committee on Military Affairs.

The Senator from Kentucky [Mr. BARKLEY], the Senator from Mississippi [Mr. EASTLAND], the Senator from Rhode Island [Mr. GREEN], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from New York [Mr. MEAD], and the Senator from Tennessee [Mr. STEWART] are detained on important public business.

The Senator from Rhode Island [Mr. GERRY] and the Senator from Georgia [Mr. RUSSELL] are necessarily absent.

The Senator from Missouri [Mr. TRUMAN] and the Senator from Washington [Mr. WALLGREN] are absent on official business for the Special Committee to Investigate National Defense.

The Senator from New York [Mr. WAGNER] and the Senator from Montana [Mr. WHEELER] have been called to Government Departments on matters pertaining to their respective States.

I am advised that if present and voting, the Senator from Mississippi [Mr. EASTLAND], the Senator from Georgia [Mr. RUSSELL], and the Senators from Tennessee [Mr. MCKELLAR and Mr. STEWART] would vote "nay."

The result was announced—yeas 9, nays 66, as follows:

YEAS—9

Austin	Murdock	Thomas, Utah
Danaher	O'Mahoney	Tunnell
Kilgore	Pepper	Vandenberg

NAYS—66

Aiken	Connally	Lucas
Bailey	Davis	McCarran
Ball	Ellender	McClellan
Bankhead	Ferguson	McFarland
Bilbo	George	McNary
Bone	Gillette	Maloney
Brewster	Gurney	Maybank
Bridges	Hatch	Millikin
Brooks	Hawkes	Moore
Buck	Hayden	Nye
Burton	Hill	O'Daniel
Bushfield	Holman	Overton
Byrd	Johnson, Calif.	Radcliffe
Capper	Johnson, Colo.	Reed
Caraway	La Follette	Revercomb
Clark, Idaho	Langer	Reynolds
Clark, Mo.	Lodge	Robertson
Scrugham	Thomas, Okla.	Wherry
Shipstead	Tobey	White
Smith	Tydings	Wiley
Taft	Van Nuys	Willis
Thomas, Idaho	Walsh	Wilson

NOT VOTING—21

Andrews	Eastland	Murray
Barbour	Gerry	Russell
Barkley	Glass	Stewart
Butler	Green	Truman
Chandler	Guffey	Wagner
Chavez	McKellar	Wallgren
Downey	Mead	Wheeler

So Mr. PEPPER'S amendment to the amendment of Mr. JOHNSON of Colorado in the nature of a substitute for the committee amendment was rejected.

Mr. PEPPER. Mr. President, assuming that the substitute offered by me did not seem preferable to the pending amendment, in the opinion of the Senate, I think all of us will agree that with further study the Committee on Military Affairs, which has been holding long hearings on the whole subject of manpower, can produce something more comprehensive and complete as a solution of the problem than this highly unfair and unsatisfactory bill in its present condition. I therefore move, Mr. President, that the amendment of the Senator from Colorado in the nature of a substitute for the committee amendment be recommitted to the Committee on Military Affairs.

Mr. JOHNSON of Colorado. The Senator knows full well that the Committee on Military Affairs reported this bill favorably, does he not?

Mr. PEPPER. That is correct, but I want the committee to have an opportunity for further consideration of the subject, and I believe it is better that that be done than to pass upon it finally here in its present form. So I move that the bill be recommitted to the committee.

Mr. O'MAHONEY. Mr. President, it may be appropriate to say that the Senate Committee on Military Affairs did not report the amendment which is now before the Senate as a substitute. The fact of the matter is that what transpired in the committee as well as what has transpired on the floor with respect to this substitute, is in itself an argument for the motion of the Senator from Florida to recommit the bill.

The original Bankhead proposal, introduced by the distinguished Senator from Alabama, was referred to the Committee on Military Affairs. There it was set aside by its sponsors, and a substitute was adopted in the Committee on Military Affairs by the sponsors. They were in such great doubt about the application of the proposed substitute to the problem which the country confronts that for a time they were on the point of accepting an amendment which had been proposed to deal with the matter in a different way. However, after they had agreed to report the substitute, the following day, or 2 or 3 days thereafter, they abandoned the substitute which had been recommended by a majority of 9 against 7.

Not only was that true, Mr. President, but the third substitute, having been distributed to Members of the Senate, was thereafter changed by the sponsors and the amendment offered by the Senator from Colorado, as I think he will readily acknowledge, was never passed upon at all by the Committee on Military Affairs, but represents a substitute which was presented for the first time upon the floor of the Senate by the Senator from Colorado.

I think this plain history of what transpired is in itself a very persuasive argument for the recommital of the whole bill.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Florida that the bill be recommitted.

Mr. PEPPER. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. HOLMAN (when his name was called). I make the same announcement I made on the previous vote, and I shall vote. I vote "nay."

Mr. MAYBANK (when his name was called). On this vote I have a pair with the junior Senator from Mississippi [Mr. EASTLAND]. I understand that if he were present he would vote "nay." I transfer that pair to the senior Senator from Virginia [Mr. GLASS], and will vote. I vote "yea."

Mr. MCNARY (when his name was called). On this vote I have a pair with the senior Senator from Kentucky [Mr. BARKLEY]. I am not advised how he would vote if present. I transfer that pair to the senior Senator from Nebraska [Mr. BUTLER], who, if present, would vote as I am about to vote. I vote "nay."

The roll call was concluded.

Mr. DAVIS. I have a general pair with the junior Senator from Kentucky [Mr. CHANDLER]. I do not know how he would vote if he were present. If I were at liberty to vote, I should vote "nay."

Mr. HILL. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from Virginia [Mr. GLASS], and the Senator from Tennessee [Mr. MCKELLAR] are absent from the Senate because of illness.

The Senator from Washington [Mr. BONE] and the Senator from New Mexico [Mr. CHAVEZ] are out of the city on official business for the Committee on Territories and Insular Affairs.

The Senator from Kentucky [Mr. CHANDLER] and the Senator from Montana [Mr. MURRAY] are out of the city on official business for the Committee on Military Affairs.

The Senator from Kentucky [Mr. BARKLEY], the Senator from Mississippi [Mr. EASTLAND], the Senator from Rhode Island [Mr. GREEN], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from New York [Mr. MEAD], and the Senator from Tennessee [Mr. STEWART] are detained on important public business.

The Senator from Rhode Island [Mr. GERRY] and the Senator from Georgia [Mr. RUSSELL] are necessarily absent.

The Senator from Missouri [Mr. TRUMAN] and the Senator from Washington [Mr. WALLGREN] are absent on official business for the Special Committee to Investigate National Defense.

The Senator from New York [Mr. WAGNER] and the Senator from Montana [Mr. WHEELER] have been called to Government departments on matters pertaining to their respective States.

I am advised that if present and voting, the Senator from Washington [Mr. BONE], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Mississippi [Mr. EASTLAND], the Senator from Georgia [Mr. RUSSELL], and the Senator from Tennessee [Mr. STEWART] would vote "nay."

The Senator from Rhode Island [Mr. GERRY] is paired with the Senator from Tennessee [McKELLAR]. I am advised that if present and voting, the Senator from Rhode Island would vote "yea," and the Senator from Tennessee would vote "nay."

The result was announced—yeas 23, nays 51, as follows:

YEAS—23

Austin	Ellender	Overton
Bailey	Gurney	Pepper
Ball	Kilgore	Radcliffe
Brewster	Lodge	Tunnell
Bridges	Maloney	Tydings
Burton	Maybank	Walsh
Byrd	Murdock	White
Danaher	O'Mahoney	

NAYS—51

Aiken	Hayden	Revercomb
Bankhead	Hill	Reynolds
Bilbo	Holman	Robertson
Brooks	Johnson, Calif.	Scrugham
Buck	Johnson, Colo.	Shipstead
Bushfield	La Follette	Smith
Capper	Langer	Taft
Caraway	Lucas	Thomas, Idaho
Clark, Idaho	McCarran	Thomas, Okla.
Clark, Mo.	McClellan	Thomas, Utah
Connally	McFarland	Tobey
Downey	McNary	Vandenberg
Ferguson	Millikin	Van Nuys
George	Moore	Wherry
Gillette	Nye	Wiley
Hatch	O'Daniel	Willis
Hawkes	Reed	Wilson

NOT VOTING—22

Andrews	Eastland	Russell
Barbour	Gerry	Stewart
Barkley	Glass	Truman
Bone	Green	Wagner
Butler	Guffey	Wallgren
Chandler	McKellar	Wheeler
Chavez	Mead	
Davis	Murray	

So Mr. PEPPER's motion to recommit the bill was rejected.

Mr. HATCH. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. HATCH. I do not recall what the unanimous consent request agreement entered into yesterday provided. Is the Senate under its terms to vote on the bill at this time?

The ACTING PRESIDENT pro tempore. The unanimous consent request agreement entered into yesterday provided that at the hour of 2:30 o'clock the Senate should vote upon the pending amendment, which is the Johnson amendment to the original committee amendment, and that debate should cease at 2:30 o'clock on all amendments.

Mr. HATCH. But not on the bill itself?

The ACTING PRESIDENT pro tempore. No; simply on the amendments to the bill.

Mr. WHERRY. Will the Chair please repeat his statement?

The ACTING PRESIDENT pro tempore. The unanimous consent agreement entered into yesterday provided that all debate upon the pending amendments to the bill should cease at the hour of 2:30 o'clock, and that the Senate should then proceed to vote on all amendments to the bill. The hour of 2:30 o'clock having arrived, the question is on agreeing to the amendment of the Senator from Colorado [Mr. JOHNSON] in the nature of a substitute for the committee substitute.

Mr. JOHNSON of Colorado. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. DAVIS (when his name was called). Making the same announcement as on the previous vote, I withhold my vote.

Mr. HOLMAN (when his name was called). I have a general pair with the junior Senator from Tennessee [Mr. STEWART]. It is my understanding that if present he would vote as I am about to vote. Therefore I am free to vote, and vote "yea."

Mr. MAYBANK (when his name was called). On this vote I have a pair with the junior Senator from Mississippi [Mr. EASTLAND]. I transfer that pair to the senior Senator from Virginia [Mr. GLASS] and will vote. I vote "nay."

Mr. McNARY (when his name was called). On this vote I have a pair with the senior Senator from Kentucky [Mr. BARKLEY]. I am not advised how he would vote if present. I transfer that pair to the senior Senator from Nebraska [Mr. BUTLER], who if present would vote as I am about to vote. I vote "yea." I wish to announce that the Senator from New Jersey [Mr. BARBOUR] would vote "yea," if present.

The roll call was concluded.

Mr. HILL. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from Virginia [Mr. GLASS], and the Senator from Tennessee [Mr. McKELLAR] are absent from the Senate because of illness.

The Senator from Washington [Mr. BONE] and the Senator from New Mexico [Mr. CHAVEZ] are out of the city on official business for the Committee on Territories and Insular Affairs.

The Senator from Kentucky [Mr. CHANDLER] and the Senator from Montana [Mr. MURRAY] are out of the city on official business for the Committee on Military Affairs.

The Senator from Kentucky [Mr. BARKLEY], the Senator from Mississippi [Mr. EASTLAND], the Senator from Rhode Island [Mr. GREEN], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from New York [Mr. MEAD], and the Senator from Tennessee [Mr. STEWART] are detained on important public business.

The Senator from Rhode Island [Mr. GERRY] and the Senator from Georgia [Mr. RUSSELL] are necessarily absent.

The Senator from Missouri [Mr. TRUMAN] and the Senator from Washington [Mr. WALLGREN] are absent on official business for the Special Committee to Investigate National Defense.

The Senator from New York [Mr. WAGNER] and the Senator from Montana [Mr. WHEELER] have been called to Government departments on matters pertaining to their respective States.

I am advised that if present and voting, the Senator from Washington [Mr. BONE], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Mississippi [Mr. EASTLAND], the Senators from Tennessee [Mr. McKELLAR and Mr. STEWART], and the Senator from Georgia [Mr. RUSSELL] would vote "yea."

The result was announced—yeas 51, nays 23, as follows:

YEAS—51

Aiken	Hayden	Revercomb
Bankhead	Hill	Robertson
Bilbo	Holman	Scrugham
Bridges	Johnson, Calif.	Shipstead
Brooks	Johnson, Colo.	Smith
Buck	La Follette	Taft
Bushfield	Langer	Thomas, Idaho
Capper	Lucas	Thomas, Okla.
Caraway	McCarran	Thomas, Utah
Clark, Idaho	McClellan	Tobey
Clark, Mo.	McFarland	Vandenberg
Connally	McNary	Van Nuys
Downey	Millikin	Walsh
Ferguson	Moore	Wherry
George	Nye	Wiley
Gillette	O'Daniel	Willis
Hawkes	Reed	Wilson

NAYS—23

Austin	Gurney	Overton
Bailey	Hatch	Pepper
Ball	Kilgore	Radcliffe
Brewster	Lodge	Reynolds
Burton	Maloney	Tunnell
Byrd	Maybank	Tydings
Danaher	Murdock	White
Ellender	O'Mahoney	

NOT VOTING—22

Andrews	Eastland	Russell
Barbour	Gerry	Stewart
Barkley	Glass	Truman
Bone	Green	Wagner
Butler	Guffey	Wallgren
Chandler	McKellar	Wheeler
Chavez	Mead	
Davis	Murray	

So the amendment of Mr. JOHNSON of Colorado, in the nature of a substitute for the committee amendment, was agreed to.

The ACTING PRESIDENT pro tempore. The question now recurs on agreeing to the committee amendment as amended.

Mr. GURNEY. Mr. President, as I understand, we are now about to vote on the bill. Am I correct in my understanding that there is now an opportunity for Senators to state their views on the pending bill?

The ACTING PRESIDENT pro tempore. No debate is in order at the present time. The question is on agreeing to the committee amendment as amended.

The amendment as amended was agreed to.

Mr. HATCH. Mr. President, I desire to take only a few minutes of the time of the Senate to explain the situation in which I find myself.

I was one of the Senators who joined with the Senator from Alabama [Mr. BANKHEAD] in the introduction of the pending bill. At that time I thought I had good and sufficient reasons for so doing. However, since the bill was introduced and since the debate which has taken place on the floor of the Senate, I have become definitely convinced that

the passage of the measure would be an error.

I shall not undertake to enumerate all my reasons for that belief. They are many. One of my reasons, Mr. President, for reaching the conclusion which I have reached is that I am convinced that the bill would put the farmers of America in a false light. I believe that it would set them apart as a special class, which the farmers of America do not want, and never have wanted. I believe that the measure would seriously cripple the war effort.

For these and many other reasons which I shall not attempt to enumerate at the present time, I shall, despite the fact that I joined with the Senator from Alabama in introducing the bill, vote against its passage.

Mr. GURNEY. Mr. President, referring particularly to one phrase in the amendment which has just been agreed to, on page 1, line 4, are the words "substantially full time on a farm." The amendment would provide that every registrant who is engaged or employed substantially full time on a farm should be deferred.

Today I received a resolution from the South Dakota Egg and Poultry Association. South Dakota is an agricultural State. The resolution was adopted by the processors of eggs, butter, and poultry, at a meeting held last Thursday, March 11.

In order to obtain food for our armed forces and our civilians, farm products not only must be grown but they must be processed and transported. I have previously stated that we are getting into such a condition that food will not be available to those who must have it. Difficulty already exists because of the introduction into the Senate of the so-called Bankhead measure. I will read from the resolution, which is very brief, and Senators may draw their own conclusions:

Be it resolved by the board of directors of the South Dakota Egg and Poultry Association, That—

Whereas a critical shortage has developed in the supply of egg cases in the South Dakota area and produce dealers have in stock only 25 percent of the supply of such cases which they had at this time a year ago; and

Whereas the production of eggs in the South Dakota area has increased 10 percent during the same period; and

This is the important part:

Whereas manufacturers of egg cases are not able to increase their production of egg cases to meet the demand because of the low ceiling price established on veneer, and also because of the present labor problems which labor problems are occasioned by the fact that workers are being called to serve in the armed forces—

I digress to say that their workers will not be deferred under the amendment just agreed to.

I continue reading:

and are leaving present employment to accept jobs in defense plants, and also some employees are making plans to accept jobs on farms because of the present farm labor deferment bill which has been introduced in the United States Senate, and, as a result of said factors, together with the factor that such employees are not now classed as engaged in essential war industry, the manufacturers of such egg cases cannot maintain sufficient labor to produce the required number of egg cases, and specific attention is called to the fact that on account of the above-mentioned conditions South Dakota manufacturers of egg cases are running on a capacity of about 50 percent of their normal production and are not in position to increase their production, and, in fact, if the above conditions continue, may be compelled to curtail the same, which specific instance is given as illustrative, and the same condition prevails elsewhere, as is evidenced by the fact that South Dakota produce dealers have attempted to supply their additional needs from manufacturers of egg cases located in other areas, and have been unable to purchase such requirements from them.

The ACTING PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The ACTING PRESIDENT pro tempore. The bill having been read the third time, the question is, Shall it pass?

Mr. BANKHEAD and Mr. CLARK of Missouri asked for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. HOLMAN (when his name was called). Making the same announcement which I made previously, I will vote. I vote "yea."

Mr. MAYBANK (when his name was called). On this question I have a pair with the junior Senator from Mississippi [Mr. EASTLAND]. If he were present and voting he would vote "yea." If I were at liberty to vote, I should vote "nay."

Mr. McNARY (when his name was called). I have a general pair with the Senator from Kentucky [Mr. BARKLEY]. Not knowing how he would vote, I transfer the pair to the Senator from Nebraska [Mr. BUTLER], who would vote "yea," if present, and I will vote. I vote "yea."

The roll call was concluded.

Mr. DAVIS. I have a general pair with the junior Senator from Kentucky [Mr. CHANDLER] who is absent on business of the Senate. I am not advised as to how he would vote if present. I transfer that pair to the senior Senator from New Jersey [Mr. BARBOUR], and will vote. I vote "yea." The Senator from New Jersey would vote "yea" if present.

Mr. HILL. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from Virginia [Mr. GLASS], and the Senator from Tennessee [Mr. McKELLAR] are absent from the Senate because of illness.

The Senator from Washington [Mr. BONE] and the Senator from New Mexico [Mr. CHAVEZ] are out of the city on official business for the Committee on Territories and Insular Affairs.

The Senator from Kentucky [Mr. CHANDLER] and the Senator from Montana [Mr. MURRAY] are out of the city on official business for the Committee on Military Affairs.

The Senator from Kentucky [Mr. BARKLEY], the Senator from Mississippi [Mr. EASTLAND], the Senator from Rhode Island [Mr. GREEN], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from New York [Mr. MEAD], and the Senator from Tennessee [Mr. STEWART] are detained on important public business.

The Senator from Rhode Island [Mr. GERRY] and the Senator from Georgia [Mr. RUSSELL] are necessarily absent.

The Senator from Missouri [Mr. TRUMAN] and the Senator from Washington [Mr. WALLGREN] are absent on official business for the Special Committee to Investigate National Defense.

The Senator from Montana [Mr. WHEELER] has been called to one of the Government departments on matters pertaining to his State.

The Senator from Idaho [Mr. CLARK] has been called from the Senate on official business. I am advised that if present and voting, he would vote "yea."

The Senator from Georgia [Mr. RUSSELL] is paired with the Senator from New York [Mr. MEAD]; the Senator from Tennessee [Mr. McKELLAR] is paired with the Senator from Rhode Island [Mr. GERRY]; the Senator from New Mexico [Mr. CHAVEZ] is paired with the Senator from Missouri [Mr. TRUMAN]; the Senator from Tennessee [Mr. STEWART] is paired with the Senator from Pennsylvania [Mr. GUFFEY]; and the Senator from Washington [Mr. BONE] is paired with the Senator from Rhode Island [Mr. GREEN]. I am advised that if present and voting, the Senator from Georgia [Mr. RUSSELL], the Senators from Tennessee [Mr. McKELLAR and Mr. STEWART], the Senator from New Mexico [Mr. CHAVEZ], and the Senator from Washington [Mr. BONE] would vote "yea." The Senator from New York [Mr. MEAD], the Senators from Rhode Island [Mr. GERRY and Mr. GREEN], the Senator from Missouri [Mr. TRUMAN], and the Senator from Pennsylvania [Mr. GUFFEY], if present and voting, would vote "nay."

The result was announced—yeas 50, nays 24, as follows:

YEAS—50

Aiken	Hill	Robertson
Bankhead	Holman	Scrugham
Bilbo	Johnson, Calif.	Shipstead
Brooks	Johnson, Colo.	Smith
Buck	La Follette	Taft
Bushfield	Langer	Thomas, Idaho
Capper	Lucas	Thomas, Okla.
Caraway	McCarran	Thomas, Utah
Clark, Mo.	McClellan	Tobey
Connally	McFarland	Vandenberg
Davis	McNary	Van Nuys
Downey	Millikin	Walsh
Ferguson	Moore	Wherry
George	Nye	Wiley
Gillette	O'Daniel	Willis
Hawkes	Reed	Wilson
Hayden	Revercomb	

NAYS—24

Austin	Ellender	Overton
Bailey	Gurney	Pepper
Ball	Hatch	Radcliffe
Brewster	Kilgore	Reynolds
Bridges	Lodge	Tunnell
Burton	Maloney	Tydings
Byrd	Murdock	Wagner
Danaher	O'Mahoney	White

NOT VOTING—22

Andrews	Butler	Eastland
Barbour	Chandler	Gerry
Barkley	Chavez	Glass
Bone	Clark, Idaho	Green

Guffey	Murray	Wallgren
McKellar	Russell	Wheeler
Maybank	Stewart	
Mead	Truman	

So the bill S. 729 was passed.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Taylor, its enrolling clerk, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Acting President pro tempore:

S. 786. An act to amend title I of Public Law No. 2, Seventy-third Congress, March 20, 1933, and the Veterans Regulations to provide for rehabilitation of disabled veterans, and for other purposes; and

H. R. 133. An act to amend and clarify certain provisions of law relating to functions of the War Shipping Administration, and for other purposes.

CONSTRUCTION OF CERTAIN PUBLIC WORKS FOR THE NAVY

Mr. WALSH. Mr. President, I move that the Senate proceed to consider Calendar No. 83, House bill 1692, to authorize the Secretary of the Navy to proceed with the construction of certain public works.

The ACTING PRESIDENT pro tempore. The bill will be stated by title, for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 1692) to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Massachusetts.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 1692) to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes, which had been reported from the Committee on Naval Affairs, with an amendment.

Mr. WALSH. Mr. President, I should like to make a brief explanation. The bill is one of a series of naval public works authorization bills, beginning with the special act, the naval air base bill, approved April 25, 1939, providing for the construction of the necessary shore facilities to build, equip, repair, and maintain the ships and aircraft, and to train, recruit, and hospitalize naval and Marine Corps personnel. The increase in the number of ships, aircraft, and personnel of the Navy automatically results in an obligation to construct additional shore facilities. This bill, therefore, like previous bills, is necessary because of the steady increase in the Navy which is constantly taking place, and is in contemplation for future increase in the Navy.

If this bill is enacted, the shore facilities of the Navy will be kept in step with the growth of the Navy in ships, aircraft, and personnel.

With the Appropriation Act of May 25, 1939, which made available $63,000,000 to provide for the beginning of an aviation base program, there has been made available to the Navy Department, in cash and contract authorizations, a total of $4,211,872,556 for public works, public utilities, and collateral expenses.

Of this vast amount, all but $34,798,850 has been obligated, and this unobligated balance will be obligated by April 1, 1943.

The pending bill authorizes additional appropriations amounting to $1,256,607,000. It is estimated that contracts amounting to approximately $250,000,000 will be made in the fiscal year 1943 and that the remainder will be contracted for in the next fiscal year.

The bill also requires the Secretary of the Navy to report to the Senate and House Naval Affairs Committees all prospective acquisitions of land under the authority conferred by it.

The bill also provides that contracts may be entered into by negotiation, as distinguished from advertising and bidding.

Categories of projects are included in the bill. The break-down of each such category is as follows:

FLEET FACILITIES

Fleet facilities to be provided out of the Public Works fund included in this bill, $67,900,000.

The type of facilities covered by this heading are:

(a) General expansion of fleet operating facilities: This item will permit expansion of existing facilities for serving the fleet and will provide for additional piers for berthing vessels, barracks for crews of ships operating out of the various bases, and messing facilities for such personnel.

(b) Amphibious training facilities: Large-scale expansion in amphibious training facilities is taking place. Only a short time ago there was only one amphibious training facility in operation. The number is steadily increasing.

(c) Section bases: Additional construction is required at the section bases now that local defense craft and vessels of the sea frontiers are properly serviced. Certain section bases are used for escort vessels.

(d) Emergency mooring equipment and navigation aids: Expanded mooring facilities are necessary for fleet anchorages and to provide facilities for assembling convoys.

(e) Harbor improvements in connection with fleet operating facilities, including dredging.

(f) Convoy and escort bases: Our military advances are constantly extending American lines of supply reaching over two oceans, and the development of convoy-escort bases is necessary.

(g) Motor torpedo-boat bases.

A summary of the fleet facilities and the amounts needed for same is as follows:

General expansion of fleet operating facilities	$10,000,000
Amphibious training facilities	8,000,000
Section bases	5,000,000
Harbor-entrance control posts	900,000
Shore signal stations	600,000
Coastal look-out and mine watching stations	400,000
Motor-torpedo-boat bases	$7,000,000
Emergency mooring equipment and navigational aids	8,000,000
Harbor improvements in connection with fleet operating facilities, including dredging	8,000,000
Convoy and escort bases	20,000,000
Total	67,900,000

The funds requested under this heading provide for the expansion of existing operational aviation stations, expansion of existing aviation-training stations, further development of a naval air transport service, and the expansion of lighter-than-air bases in the continental limits of the United States.

A table regarding aviation facilities is as follows:

Operating stations:	
4 new stations	$18,700,000
Expansion of 72 stations	78,373,095
Training stations, expansion of 39 stations	59,876,905
Naval air transport expansion:	
1 new station	10,000,000
Expansion of 6 new stations	30,000,000
Lighter-than-air stations: 6 new stations	26,050,000
Total	223,000,000

STORAGE FACILITIES

Five million three hundred and fifty thousand dollars is required for storage facilities. It is planned that this money shall be used for the expansion of 13 existing stations.

LIQUID FUEL STORAGE FACILITIES

The total amount authorized is $10,350,000.

Expansion of 1 fuel oil depot at an estimated cost of	$7,200,000
Emergency fire protection of above-ground fuel storage at 32 existing stations at an estimated cost of	1,000,000
Additional aviation gasoline storage at 41 existing stations at an estimated cost of	2,150,000
Total	10,350,000

MARINE CORPS HOUSING AND TRAINING FACILITIES

Under this heading are:

(a) Additional covered storage for 5 existing Marine Corps stations.

(b) Housing for Women's Reserve.

(c) Additional training facilities.

Ordnance storage facilities

Increased ammunition loading facilities at naval ammunition depots	$4,950,000
One (new) naval ammunition depot	25,000,000
Additional road construction at naval ammunition depots	2,000,000
Naval torpedo firing range	7,000,000
Additional storage facilities at naval ammunition depots	5,150,000
Deperming and degaussing stations	2,900,000
Naval net depots	3,000,000
Total	50,000,000

PERSONNEL TRAINING AND HOUSING FACILITIES

This class of projects includes confinement space for prisoners, Women's Reserve personnel facilities, quarters for bachelor officers, receiving station and training station facilities, recreation facilities, chapels, schools, and so forth. A

table regarding personnel training and housing facilities is as follows:

Additional facilities for confinement of minor offenders at 6 existing stations at an estimated cost of	$915,000
Expansion of 2 existing naval prisons at an estimated cost	400,000
Expansion of Women's Reserve personnel facilities, 9 locations, at an estimated cost of	832,000
Construction of bachelor officers' quarters at 15 existing stations at an estimated cost of	1,440,000
Expansion of receiving station and training facilities at 12 locations at an estimated cost of	14,455,000
Development of outdoor and covered recreation facilities at 22 locations of estimated cost	3,578,000
Construction of chapels at 16 locations at an estimated cost	900,000
Expansion of naval training schools at 7 locations at an estimated cost of	6,000,000
Expansion of preflight training facilities at 25 institutions at an estimated cost of	1,500,000
Expansion of facilities at colleges for advancement of the college program at 60 institutions at an estimated cost of	2,500,000
Development of antiaircraft training centers at 10 locations at an estimated cost	500,000
Housing and technical library facilities at 1 location at estimated cost of	100,000
Total	33,120,000

The table regarding hospital facilities is as follows:

Hospital facilities

Annual repair program: General repairs and improvements at 46 locations at an estimated cost of	$7,195,000
Bed facilities, construction, extension, and acquisition:	
Expansion of hospital facilities to increase bed capacity 11,000 beds on existing hospital sites at 9 locations, at an estimated cost of	51,960,000
One new hospital for 1,000 beds at an estimated cost of	4,450,000
Lease, acquisition, and development of existing facilities to be converted into hospitals for 8,000 at an esmated cost of	2,400,000
Total	66,005,000

SHORE RADIO FACILITIES

Includes the construction of two new radio stations. Total expense for these facilities, $3,500,000.

Naval Research Laboratory

An additional research laboratory building, the same as now under construction	$500,000
Warehouse	105,000
Utility building to provide space for station plumbers, electricians, etc., which will have to be moved out of their present quarters in the shops building	90,000
Additional space at Chesapeake Bay annex, either in the form of a small laboratory or storage building, depending upon the trend of the development	55,000
Total	750,000

Miscellaneous structures

Miscellaneous structures	$33,000,000

The extensions and improvements contemplated under this item are as follows:

Construction of new, and improvements and extensions to existing water-supply systems	$7,500,000
Improvement and extension of sewage-disposal systems and sanitary facilities	1,500,000
Malaria control at various locations where considered necessary	1,000,000
Shore communication cables and equipment	1,000,000
Improvement of power supplies	5,000,000
Improvement of distributing systems	4,000,000
Conversion of fuel-oil burning facilities	5,000,000
Miscellaneous and unforeseen structures and facilities	8,000,000
Total	33,000,000

PASSIVE DEFENSE

This item is for $15,000,000, and provides for the continuation of the program of passive defense, including camouflage, black-out, security, and other like facilities.

ADVANCE BASES

This is the largest item of all in this bill. It is for $720,000,000. This fund is necessary to continue the advance-base construction, and the purchase of supplies and equipment for overseas operations. It involves work of a strictly confidential nature, the details of which cannot be made public.

Mr. President, I repeat that a bill similar to this is annually presented for the approval of Congress by the Navy Department. It deals with the plans which the Navy has made for the expansion, enlargement, and extension of its shore facilities, due, as I have said, to the fact that as the number of naval vessels increases, as the number of aircraft increases there must be a corresponding increase in the hospitalization facilities, in buildings and barracks for housing the enlisted personnel, and in new bases and other facilities.

Mr. DANAHER. Mr. President, will the Senator yield?

The ACTING PRESIDENT pro tempore. Does the Senator from Massachusetts yield to the Senator from Connecticut?

Mr. WALSH. I yield.

Mr. DANAHER. Calling the Senator's attention to lines 9 to 13, inclusive, on page 2 of the bill, one finds a very interesting provision:

Provided, That the approximate cost indicated for each of the classes of projects enumerated above may, in the discretion of the Secretary of the Navy, be varied upward or downward but the total cost shall not exceed $1,256,607,000.

I assume that some official of the Navy Department came before the Committee on Naval Affairs and purported to justify these items?

Mr. WALSH. That is true.

Mr. DANAHER. In the course of explaining the need for the individual items, did he submit only estimates of the intended cost?

Mr. WALSH. Yes, sir; largely estimates.

Mr. DANAHER. He did not submit exact figures, then, for the respective facilities to be constructed?

Mr. WALSH. My judgment is that a number of the officers of the Navy gather together all the proposals and recommendations from various district officers of the Navy throughout the country, decide what they believe is essential for public works during the next fiscal year, make the best estimate they can of the amount required, and ask for the authorization of that amount. Of course when they come before the Committee on Appropriations, under the authorization, they are expected to present their plans and a more definite and accurate estimate of what the cost will be.

Mr. DANAHER. But in any case whoever represented the Navy convinced the committee that there should be language in the bill to authorize an "upward or a downward" revision of the projects by class?

Mr. WALSH. Such a provision is in nearly every naval authorization bill, and it is requested by the Navy Department because of their conviction that, after they start on projects, the cost may increase or decrease, that there may be need of additional money for a particular project, and they want the authority to divert money from one project to another, with the permission of the Appropriations Committee.

Mr. DANAHER. Was the committee given any figures at all to indicate the amount recaptured by the Navy under the renegotiation of contracts provision?

Mr WALSH. I have no recent information along that line.

Mr. DANAHER. I saw reported in the press 2 or 3 weeks ago a release, which, I take it, came from the Navy Department, to the effect that about $1,000,000,000 has already been saved under the renegotiation of contracts program. Does the Senator have any figures along that line?

Mr. WALSH. I have the earlier figures, but I have not had the figures for recent months. My impression, however, is that that amount must include sums saved under renegotiation made by the War Department as well as by the Navy Department. I am surprised to learn that any such figure as that has been returned to the Navy through the renegotiation of contracts, but I know that the Navy has saved hundreds of millions of dollars.

Mr. DANAHER. Mr. President, will the Senator yield further?

Mr. WALSH. Certainly.

Mr. DANAHER. Of course, I want the Senator to understand that I do not assert as a fact that there has been any such sum as a billion dollars recaptured by the Navy, but I remember that I saw in the press a report to the effect that about a billion dollars had been withheld from contractors under the renegotiation program.

Mr. WALSH. I think that is an approximately accurate statement of the total amount of money that has been

recaptured under the renegotiation of contracts provision both by the Army and the Navy.

Mr. DANAHER. Is it the Senator's understanding that any part of the funds so recaptured under the renegotiation provision might be available to meet the cost of the appropriations authorized in this bill?

Mr. WALSH. The Senator will recall the discussion on this subject previously——

Mr. DANAHER. I do.

Mr. WALSH. As I understand, the money recaptured does not go into the Public Treasury but is returned to the Navy Department and is included in the reduction of the cost of a particular project by the Navy Department, and money thus returned is available to them for certain expenditure by them in the same category for which the money was authorized by the Committee on Appropriations. In other words, if there is a contract made for the building of a certain number of destroyers and there is a substantial sum of money recaptured, the money recaptured becomes available to the Navy Department to build, if it has authority from the Committee on Appropriations, additional destroyers, without going back for an authorization from Congress.

Mr. DANAHER. Mr. President, will the Senator yield further?

Mr. WALSH. Certainly.

Mr. DANAHER. I have used the word "recapture" with reference to the renegotiation program when, to be technically accurate, I should have referred to amounts withheld under that program which revert to the Navy for its subsequent use on additional projects or purposes for which the money was originally authorized. So I will say to the Senator if, for example, the Navy were to build miscellaneous structures, let us say, for which they estimated $33,000,000, but, under the renegotiation provisions, they found they could build them for, let us say, $30,000,000, then the 10 percent saved, or $3,000,000, roughly, would still be available to the Navy under the renegotiation sections of the law for use for the building of miscellaneous structures only. Is not that so?

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. DANAHER. May I have an answer first to the question?

Mr. WALSH. As I understand, the money saved would remain in the possession of the Navy Department until the end of the fiscal year. At the end of the fiscal year the Navy Department must come before the Committee on Appropriations and ask for new appropriations, but the money which is available and not contracted for or spent is taken into account by the Committee on Appropriations in providing the new appropriations for the next fiscal year.

Mr. DANAHER. Yet, under the renegotiation section any balances withheld from a previous contract could be used only for the purpose for which the money was originally appropriated.

Mr. WALSH. That is exactly my understanding.

Mr. DANAHER. I thank the Senator.

Mr. OVERTON. Mr. President, I thought I might throw some light on the question which has been raised, because we had some testimony in the last 2 or 3 days before the Appropriations Committee on that question.

Mr. WALSH. I gladly yield to the Senator from Louisiana.

Mr. OVERTON. Where a contract has been completed and payment has been made to the contractor, refunds on negotiation revert to the Treasury; but, where payment has not been made to the contractor, it is retained by the Navy Department, simply because the Navy Department has not expended it. It is just as if it had negotiated in the beginning for a lesser price. Therefore, where there is a reduction of price as a result of renegotiation before any payment is made, the amount represented by the reduction remains available to the Navy Department.

Mr. WALSH. It is just as if the original contract was the amount the Navy Department had to pay, and the Department had a credit for what it was to receive under renegotiation. Is not that correct?

Mr. OVERTON. Yes.

Mr. WALSH. In other words, the Navy charges itself not with the contract that it made and from which it has been enabled to have money returned to it through renegotiation, but the Navy charges itself with the amount of the contract as originally drawn, with the deductions which have come through renegotiation?

Mr. OVERTON. That is correct.

I think the Senator from Connecticut wanted to know how much has been recaptured.

Mr. DANAHER. I should have said "withheld" rather than "recaptured," though I did use the word "recaptured."

Mr. OVERTON. The total saving in process now is $934,000,000. Of that amount $253,000,000 will be in the form of refunds—that is, cash paid back to the Government; $531,000,000 will be reductions in the price of goods and munitions already ordered, and $150,000,000 will be voluntary reductions in the form of decreases in prices or reductions in profit by the contractor, making a total of $934,000,000.

Mr. DANAHER. I thank the Senator.

Mr. AUSTIN. Mr. President, I should like to ask the chairman of the Committee on Naval Affairs a question.

Mr. WALSH. I yield.

Mr. AUSTIN. We are now making special studies in the Military Affairs Committee relating to manpower, and I should like to ask the Senator whether the activities represented by this authorization would involve the employment of men and women as civilians working for the Navy in addition to the number who have been estimated as necessary for the year 1943?

Mr. WALSH. Somewhat, undoubtedly; but the contracts which were made a year ago are maturing all the time, and the labor involved in carrying out those contracts becomes available for use in performing contracts for the next fiscal year. But undoubtedly in some particulars there will be a demand for additional labor, and particularly labor in connection with the newer projects, such as the ones referred to last, the advance bases, for which there is authorized an appropriation of $750,000,000, which, as the Senator knows, covers the construction of bases on the other side of the Atlantic and in the Pacific. As our troops advance, as our efforts to gain control of the possessions of the enemy go forward, as we succeed, advance bases must be built at once, and it is a very extensive and very expensive and a very hazardous job. Incidentally, many people believe that some of the best work that has been done during the war has been done by former civilians who are mechanics, and who are known as the construction battalions, who have, almost under fire of the enemy, constructed the air bases and the harbor facilities which were needed to carry on a military objective.

Mr. AUSTIN. Mr. President, I have before me an estimate of the additional mer who will be needed for the year 1943, that is, up to December 31, 1943, and it shows that the Navy will need 180,000, the shipyards 712,500, the manufacturing plants 200,000, shore personnel 10,000, Maritime Commission 3,215, War Shipping 782. Those will be additional men.

Mr. WALSH. What was the second item?

Mr. AUSTIN. The second item was for men in shipyards.

Mr. WALSH. Is that for the Navy or the Maritime Commission, or both?

Mr. AUSTIN. I understand that the figure includes the Maritime Commission and the Navy.

Mr. WALSH. Of course, there is a tremendous continuing expansion in shipbuilding, as the Senator knows.

Mr. AUSTIN. In any event, I think the answer the Senator gave previously covers the point.

Mr. WALSH. In other words, the provision is not altogether for new labor, it is for taking over the labor that has been employed on projects during the past year.

Mr. AUSTIN. It is estimated that there will be returned to unemployment at least a million men who were last year engaged in construction work.

Mr. WALSH. That surprises me. In other words, we have reached the peak of new construction for military purposes?

Mr. AUSTIN. That is correct.

Mr. WALSH. And from now on there will be a gradual decline?

Mr. AUSTIN. Yes. That is one item which is often forgotten. I have heard much of discussion of the question of manpower during the past 3 weeks, but I had not previously heard that particular item alluded to.

Mr. WALSH. I have heard of reductions in the production of various kinds of ordnance because our production has been so rapid and so steady and so constant that we have reached the peak, and some of the industries which were engaged in supplementing our ordnance

production are having their forces curtailed and are closing down to a degree.

Mr. AUSTIN. This does not relate to that; it relates to building projects, plant facilities, and so forth.

Mr. WALSH. Yes; that is, new industrial plant facilities, expansion of industrial plants.

Mr. AUSTIN. Not entirely that. It includes installations for training, barracks for soldiers, and similar projects.

Mr. WALSH. That is very interesting and enlightening to me. I do not think the public generally appreciates that we have already, to a certain degree and in certain fields, reached the peak of employment and are now coming to face the problem of unemployment.

Mr. AUSTIN. It is an interesting thing for me to remember that I have received letters from unions in the Senator's State, the State of Massachusetts, whose members were during the past year engaged in some type of construction work such as pipe fitting, carpentry, and masonry, who are now idle and are wondering where they are to get jobs. They need the guidance of a government which knows where the demand is for them so that they may be intelligently placed, the right man being put in the right place.

Mr. WALSH. I appreciate the Senator's contribution to the discussion.

Mr. TUNNELL. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. TUNNELL. I was interested in the questions of the Senator from Connecticut a few minutes ago with reference to renegotiation and withholding. I desired to inquire whether, in the mechanics of renegotiation or withholding, the two words are the same; or is the renegotiation before the withholding, or is the withholding before the renegotiation?

Mr. WALSH. Renegotiation of contracts, as I understand, can take place at any time during the life of the contract, or after the contract has been completed. If it is during the life of the contract, as I understand, the money reverts to the Navy, or to the Army, if it is an Army contract. If renegotiation takes place after the contract is completed, the renegotiated money goes into the Public Treasury. I inquire of the Senator from Louisiana if that is not his understanding.

Mr. OVERTON. That is correct.

Mr. TUNNELL. Then the amounts go direct into the Public Treasury?

Mr. WALSH. Yes.

The ACTING PRESIDENT pro tempore. The clerk will state the amendment of the committee.

The CHIEF CLERK. On page 2, line 8, after the word "passive", it is proposed to strike out "defenses" and insert "defense."

Mr. McNARY. Mr. President, I wish to address an inquiry to the able Senator from Massachusetts, in charge of the bill. This is an authorization bill. I assume it was reported by the committee unanimously.

Mr. WALSH. The committee reported the bill unanimously, and in executive session heard at great length the various officers of all the Navy bureaus, who explained each item in detail, and gave extended reasons as to the necessity for each item.

Mr. McNARY. I am advised that following this bill another, in the hands of the able Senator from Louisiana, will follow, namely, an appropriation bill. I am curious to know whether the appropriation bill is to cover projects authorized in the bill now known as H. R. 1692.

Mr. WALSH. I am inclined to think that some of the items may be included in the appropriation bill the Senator from Louisiana will call up. I note in the report given to us by the Navy Department that they intend to expend, under this authorization, about $250,000,000 between now and the first of July. The other billion dollars authorized will be included in the appropriation bill for the next fiscal year. The Senator from Louisiana can better answer the question as to whether any items covered by the pending bill are included in the deficiency bill he is to present after this bill shall have been disposed of.

Mr. OVERTON. The appropriation bill on the calendar carries an appropriation of about $239,740,400.

Mr. WALSH. Authorized by the bill we are now considering?

Mr. OVERTON. Which will be authorized by the bill which the able Senator from Massachusetts has in charge.

Mr. WALSH. The officials of the Navy Department testified before our committee that all the money which they received last year under the authorization for public works activities for the fiscal year ending July 1 would be exhausted by July 1, and that some of the money authorized in the bill before us, approximately $239,000,000, would be appropriated this year. Is not that the fact?

Mr. OVERTON. It is my understanding that the appropriation bill the Senate will soon take up has only one relation to the bill now under consideration, that is, a contract authorization, authorized by the pending bill, of $239,000,000, in round figures.

Mr. McNARY. What is the amount of money authorized in the bill now before the Senate?

Mr. WALSH. The amount is $1,256,607,000. The Navy asked for $1,500,000,000, which was cut down to the figure I have mentioned.

Mr. McNARY. When did we pass the last authorization bill, relating to the same items specified in the bill now before the Senate?

Mr. WALSH. I do not recall exactly, but approximately last August or September. We did pass a bill, which perhaps the Senator has in mind, on February 15, which became law on February 19, authorizing appropriations for the United States Navy for additional ship repair facilities and for other purposes. The Senator will recall that that bill contained an authorization for $210,000,000, largely for the building of floating docks. That was the last bill, and was the only other bill of this nature. But that was not for shore facilities; it was for repair of ships, and for floating dock facilities.

Mr. McNARY. What proportion of the money authorized in the bill before the Senate is for shore facilities outside the United States?

Mr. WALSH. Of the $1,256,000,000?

Mr. McNARY. Yes.

Mr. WALSH. I suppose the main and principal item of $720,000,000, for advance bases, will all be spent outside the United States. It will be used for bases in Africa, the southern Pacific, and in Japan, when we get there. That is one of the largest items of all. I do not know any of the other items that are outside the continent of the United States.

Mr. McNARY. That is the one large item in the bill.

Mr. WALSH. Yes, it is; and the most important.

Mr. McNARY. What is the amount of money now unexpended and unobligated which might be used for this purpose?

Mr. WALSH. Mr. President, I took the trouble to review the past financial statements in regard to bills of this kind. The Navy Department officials testified that contracts amounting to approximately $250,000,000 will be made in the fiscal year 1943, and that the remainder will be made in the next fiscal year. Of the amount of money heretofore authorized and appropriated for shore naval establishments all but $34,798,850 had been obligated, and the unobligated balance the Navy Department said would be obligated by April 1, 1943. The Senator will recall that I set forth an enumeration of all the appropriations made since we started on this program of expenses in 1939. The total amount of authorizations for shore establishments, that is, aside from the building of naval vessels and aircraft, is $4,211,872,556, and to that now will be added, if the pending bill becomes law, $1,256,700,000.

Mr. McNARY. Did the full committee approve these items?

Mr. WALSH. Yes; the full committee approved them. A representative of nearly every bureau of the Navy was present and was examined.

Mr. McNARY. Have the hearings been printed?

Mr. WALSH. They have been typed, but not printed, because much of the testimony is of a confidential, secret nature.

Mr. McNARY. Is it available to the Members of the Senate?

Mr. WALSH. Yes, except the testimony with reference to the advance bases. I will say to the Senator from Oregon that the report of the committee is quite complete, and includes practically all the testimony and all the figures presented to the committee, other than those related to the $720,000,000 for advance bases.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. AIKEN. I should like to ask the Senator if he can tell us the amount of naval appropriations which have been allocated to the lend-lease fund since the enactment of the lend-lease law about 2 years ago? If I remember correctly, recent reports of lend-lease expenditures

show that somewhat more than $50,000,000,000 have been unexpended, and it appears, as I recall, that between $40,000,000,000 and $50,000,000,000 have been allocated to lend-lease from Army and Navy appropriations. I understand that if it were not allocated, any excess appropriations to the Army and Navy remaining at the end of the fiscal year, or the 2-year period, would go back into the general fund, but when the funds are once allocated they do not go back into the general fund. I wondered why it had been found necessary to allocate such a huge sum to the lend-lease fund, where it can be expended by the Executive Office without much, if any, accounting to the Congress, and why the authorities keep allocating so many billion dollars to the lend-lease fund to be spent by the Executive Office, and then keep coming back to Congress for more appropriations. I am sorry I do not have the lend-lease report with me, but I am sure the Senator from Massachusetts will recall that that matter was brought up once before in connection with an appropriation.

Mr. WALSH. I regret very much that I cannot inform the Senator from Vermont very much about diversions to lend-lease of funds appropriated for the Navy Department. Perhaps the Senator from Louisiana [Mr. OVERTON], the chairman of the subcommittee of the Committee on Appropriations having in charge the supplemental Navy Department appropriation bill, can give us some information on that subject. I do not know of any diversion.

Mr. AIKEN. A statement about it was contained in the report of the President to the Congress on expenditures of lend-lease funds.

Mr. WALSH. Does the Senator from Vermont recall what the items were?

Mr. AIKEN. I think the September report showed about fifty-five billion or fifty-six billion dollars of unexpended funds in the lend-lease balance of which approximately $45,000,000,000 had been allocated from Army and Navy appropriations.

Mr. WALSH. I have no knowledge of that. I can conceive of vessels and materials of the Navy being diverted to some of our allies under the lend-lease provisions of law, and I know in the bill we passed in February we included an amendment which the Senator will perhaps recall, providing that:

> Hereafter any ship, boat, barge, or floating drydock of the Navy may be leased in accordance with the act approved March 11, 1941, but not otherwise disposed of, for periods not beyond the termination of the present war, but title thereto shall remain in the United States.

Mr. AIKEN. If I remember correctly the total amount which has been made available for lend-lease purposes is about $62,000,000,000, of which some $16,000,000,000 or $18,000,000,000 has been directly appropriated by the Congress for that purpose, and the remainder allocated from Army and Navy appropriations.

Mr. WALSH. Does the Senator mean the money itself was allocated from these appropriations, or material, equipment, or vessels which belonged to and in which there was title on the part of the Army and Navy?

Mr. AIKEN. I think it must be money, because, as I said, the President's report for the quarter ending last fall—September or October—showed an unexpended balance of $54,000,000,000 or $55,000,000,000 in the lend-lease fund, approximately $45,000,000,000 of which had been allocated to lend-lease from Army and Navy appropriations. I wondered why.

Mr. WALSH. We ought to have that information in detail, I will say. I can understand that if the British Army wanted large amounts of certain kinds of munitions in the possession of our own Army or Navy, through the lend-lease authorities they would be able to get them.

Mr. AIKEN. But I think that expenditures for that purpose, or any vessels turned over, would be included in the amount expended rather than in the amount unexpended.

Mr. WALSH. I presume so.

Mr. AIKEN. And it has perplexed me.

Mr. WALSH. Does the Senator from Louisiana [Mr. OVERTON], who is in charge of the supplemental Navy Department appropriation bill, have any information which he can furnish the Senator from Vermont on this subject?

Mr. OVERTON. The question which the Senator from Vermont has propounded to the Senator from Massachusetts was asked in the course of the hearings on the appropriation bill which will be before the Senate in a few minutes. We were unable to obtain the answers we wanted at the time, but a statement was subsequently furnished and printed in the hearings, which will be found on page 35 of the hearings on the supplemental Navy Department appropriation bill for 1943.

Mr. WALSH. Is it a long statement?

Mr. OVERTON. It is rather long. I can give the totals. The total amount in dollars of material and service transferred is $901,000,000. Of this, the total on requisitions through the Office of Lend-Lease Administration is $756,920,000; on requisition direct to the Navy, $144,140,000. That is what I understand would make the total of the lend-lease payments or contributions by the Navy.

Mr. WALSH. Are those contributions in money or in materials in the possession of the Navy?

Mr. OVERTON. They represent material and service transferred.

Mr. WALSH. That is what I assumed. And they do not represent any diversion of money appropriated?

Mr. OVERTON. No, I think not; but material and service transferred.

Mr. WALSH. Yes.

Mr. AIKEN. There would be no such amount of diversion, however, as $50,000,000,000 or $60,000,000,000?

Mr. WALSH. I did not mean by my last question to refer to the matter concerning which the Senator from Vermont spoke.

Mr. OVERTON. In the table to which I just referred there is another column under the heading "Approved foreign requisitions," amounting in total to $8,332,000,000. That figure is broken down in the table.

Mr. WALSH. I wish to say to the Senator from Vermont that I think he has opened up a subject which should engage the attention of the Senate, and I think it would be well if the Senator could obtain more detailed information.

Mr. AIKEN. We have tried to get the information. We have sent for the lend-lease report of last fall.

Mr. WALSH. Does that report give a break-down?

Mr. AIKEN. It gives the source of the lend-lease funds, and, as I have said, I think the direct appropriation by the Congress has been $16,000,000,000 or $18,000,000,000, and I believe $45,000,000,000 has been allocated from Army and Navy appropriations to lend-lease.

Mr. WALSH. Is it not better to say "Army and Navy property," or "Army and Navy services," rather than "appropriations"?

Mr. AIKEN. As I recall, it is funds available. The total amounted to $62,000,000,000—I am speaking now from memory—$62,000,000,000 at that time, of which about $8,000,000,000 had been spent, leaving a balance of $54,000,000,000 unexpended. I think that is a matter which the Senate should check. If the money appropriation is not actually allocated from the Army and Navy, then we should know that this report does not mean what it says.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. TAFT. I notice that the report states that the appropriation for advance bases, which is more than half of the appropriation, involves work of a strictly confidential nature, the details of which cannot, in the interest of national security, be made public. I wonder if the distinguished Senator can tell us the policy associated with the building of such bases. Are they being built upon land owned by the United States, or held under long-term leases, or is the money to be thrown away at the end of the war? Are the bases to be built on the property of others? I should like to know if there is any policy with regard to the expenditure of the money.

Mr. WALSH. As I understand, the bases are to be built at such places, and in such Territories or lands as the naval and military authorities believe to be essential for our military operations.

Mr. TAFT. I understand that.

Mr. WALSH. Some have already been built in the south Pacific.

Mr. TAFT. I wonder, however, if we are to receive a 90- or 100-year lease, or fee title to the property, so that after the war is over we will still own it, and if anyone else wants it he will at least have to pay us for it, or whether the bases are to be built on someone else's property and will automatically revert to the owner at the end of the war.

Mr. WALSH. Some bases have already been built and abandoned when the operation was finished. I understand most of these bases will be of a temporary nature. After we got possession of

Guadalcanal there was no need for a number of bases which were necessary during the operation. As I understand, it is a continually moving activity. I am not at liberty to state what I understand may be the naval strategy for the Pacific Ocean during the next year. However, I believe that every Senator can appreciate that the operations will be new. They will be undertaken from place to place, from possession to possession. The moment the authorities begin a military operation they have to have bases. I do not know that I can say more.

Mr. TAFT. If there is to be any salvage value at the end of the war, the United States should be entitled to it. These bases are not in effect lend-lease bases for someone else. As I understand, they are built by the United States Navy and owned by the United States Government.

Mr. WALSH. I presume that when the time comes to make peace, due consideration will be given to the fact that we have bases on foreign soil which have been used for military purposes. Either the country to which they revert will compensate us for them, or we will hold them if it is necessary in our plan for world peace.

Mr. TAFT. It seems to me that in building bases we should take a little extra care to obtain at least 99-year leases, such as we have in connection with our bases in the West Indies, or some protection which would make of them a permanent possession of the United States.

Mr. WALSH. I believe the observations of the Senator from Ohio are timely.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. LANGER. I am very much interested in the question propounded by the junior Senator from Vermont [Mr. AIKEN]. I do not in any way wish to hamper the war effort, but is there any objection to the pending bill going over for 3 or 4 days so that we can investigate it in connection with the lend-lease program?

Mr. WALSH. I would have to object to that. The Navy Department has been pressing me very strenuously for action upon the bill. It should be acted upon before any appropriation bill is taken up for consideration. I have received telephone messages nearly every day for a week, since the bill has been pending. I have almost reached the conclusion that when Army and Navy bills are reached we should suspend all other bills and take them up without delay.

However, the lend-lease law is something that we cannot change. Already there is authority to give materials and service by the United States Navy if our allies deem it necessary. Our allies are fighting the war with us. If our allies, or board of strategy conducting the war, desire to take a part of our Navy, they can do so. I hope the Senator will not insist upon his request.

Mr. LANGER. I do not believe it is fair to the Senate, with only a few days' notice, to ask for a vote on a $5,000,000,000 bill. I confess I do not know anything about it. I think Senators are entitled to be given time enough to examine into the question, regardless of what the Army and Navy want to have done. We should know whether we have $5,000,000,000 or not.

Mr. WALSH. The Senator from Vermont has not raised the question for the purpose of opposing the bill. He is seeking information as to what the Navy is surrendering to lend-lease authorities, and what the Army is surrendering to lend-lease authorities. It is a very appropriate inquiry, but I do not think it should prevent action on a bill on which a committee of the Senate, dealing with all the questions concerning it, have unanimously reported. Every dollar which is to be spent is set forth in the report, except in connection with advance bases.

Mr. LUCAS. Will the Senator yield?

Mr. WALSH. I yield.

Mr. LUCAS. I am a member of the Naval Affairs Committee. If we should give out complete information as to what is to happen with respect to advance bases we would give all the military and naval information which the Axis Powers are seeking.

Mr. WALSH. We would declare and disclose today our strategy for next year, and to the end of the war.

Mr. LUCAS. That is correct, and that is the very reason why it should not be done. There are many military secrets which the Senate of the United States cannot know; and if the Senate is to know what the strategy of the war is to be, the Axis Powers will also know our military and naval strategy.

Mr. WALSH. That is true. I sympathize with the Senator. It is a large bill. It is painful to me to go into the pockets of American people for several billion dollars. It is part and parcel of the war effort, and we cannot hinder it. We must give and sacrifice to obtain victory. Our armed forces are increasing every day. We must have places to build hospitals, storage facilities, water supply systems, sewerage systems, and so forth. The Senate committee, composed of Democrats and Republicans, serious, conscientious Members of this body, have given time to the matter and believe that the appropriation is necessary for our war effort, and have recommended its consideration at this time.

Mr. LANGER. I realize that, but I am interested in the question of the Senator from Vermont.

Mr. WALSH. Suppose we were given all this lend-lease information. What would it have to do with the pending bill? I do not know how much has been given away under that law by the Army and the Navy. However, I know it has nothing to do with this bill.

Mr. AIKEN. Mr. President, I do not question the necessity of the bill.

Mr. WALSH. I appreciate the Senator's statement.

Mr. AIKEN. However, I was desirous of finding out how much has been allocated from previous appropriations to lend-lease where they are out of the reach of Congress. I have been unable to get a copy of the report of September 1942, which has those figures, which I cannot recall. I have the report of March 11 of this year, which shows that direct lend-lease appropriations have been $18,410,000,000. Transfers authorized from other appropriations—principally the War Department—are $35,970,000,000. Of that amount, $3,000,000,000 is from the second supplemental Navy Department appropriation. Eight hundred million dollars is from departments other than the War Department. There is evidently $35,970,000,000 for cash expenditures, because below that item appears another list with the value of ships which may be leased from the Maritime Commission. The amount is about $5,000,000,000. Then it says:

Navy Department, Naval Appropriation Act, 1942 (no limitation as to amount).

It appears that $35,970,000,000 was transferred from these appropriations to the lend-lease account. If that be so, it seems to me to be a tremendous amount to put out of the reach of Congress.

Mr. WALSH. Does the Senator understand that the lend-lease authority can demand or request anything from the Army or Navy Departments that it sees fit, and the Departments have the authority to grant it in carrying on the war?

Mr. AIKEN. That seems to be provided for.

Mr. WALSH. The items in the list represent American money that has been expended for the purpose of complying with the requests of the lend-lease authorities.

Mr. AIKEN. I repeat that I am not questioning the necessity for the appropriation.

Mr. WALSH. I understand that. However, I think the Senator must first of all understand what the lend-lease authority is. The Lend-Lease Administration has authority to go to a department of the Government and ask for what it wants, and if our authorities decide they are entitled to it they give it to them. Is there any doubt about that? I am sure there can be no doubt about it.

Mr. AIKEN. If we are spending for lend-lease at the rate of eight or nine billion dollars a year, then the appropriations to that department are sufficient to last for several years. I was merely questioning the wisdom of making appropriations so far ahead. I repeat that I am not questioning the necessity for the passage of the bill, but I thought it would be a good time to get information if possible.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. LUCAS. I desire to make one observation with respect to the question raised by the Senator from Ohio a moment ago in connection with advance bases.

I can understand that perhaps in certain areas it might be advisable and perhaps time would be sufficient in which to do what the Senator has suggested. However, I cite the cases of Guadalcanal and Henderson Field. If we are to be

required to negotiate for 30 or 60 days for an advance base, we might as well forget about building any type of defense in the Pacific Ocean.

Mr. WALSH. The sites for advance bases are frequently taken by force. Our forces are going to invade those countries and lands and establish bases against the opposition of the enemy and in the face of their fire.

Mr. LUCAS. Mr. President, the Senator is absolutely correct; and it seems to me to be foolish to talk about negotiating with some country with respect to advance bases when we are in this world catastrophe, when the world is on fire, and we are in the center of the conflagration. Perhaps there may be some bases away from an active zone of fighting as to which the situation might demand or require negotiations or something of the kind referred to; but certainly in the Pacific Ocean—and I do not know where all the advance bases are going to be——

Mr. WALSH. If we told where they are going to be we would be disclosing the whole strategy of the war.

Mr. LUCAS. That is correct. We know that a number of them are in the Pacific Ocean. Ultimately we must take the offensive, in fact, we are now on the offensive. Every time we make a move toward Japan we must establish an advance base; indeed, we must do so beforehand, as the Senator from Massachusetts has so well stated. Before we go into a place and take it and establish a base, we do not have time to talk about negotiating with someone.

Mr. TAFT. Mr. President, if the Senator will yield, let me say that of course what the Senator from Illinois has said is perfectly true with respect to some types of bases; but we are to spend $720,000,000 for advance bases. Under that program there probably will be some bases costing $100,000,000. Certainly, if we are going to make contracts to spend $100,000,000 for a base in Ceylon for an operation against Burma, we can spend a little extra time in obtaining a lease or conveyance of the property on which we are going to spend the $100,000,000. We did not spend $100,000,000 in the course of a naval offensive on Guadalcanal, for instance. I do not suppose the total expenditures there amount to $5,000,000. But when we make expenditures of this character it seems to me that we may well take the trouble to see that what we build is permanently protected under our ownership.

If I remember correctly, I think the distinguished senior Senator from Massachusetts referred to Africa when he first spoke of the bases. If we were going to establish a naval base in French North Africa—not a base of the kind that is built when forces are on the offensive, but, for instance, a base at a place like Casablanca—I think that any conservative businessman would see to it that he was building the base on our property or on property we had leased.

I assume that is the policy, as a matter of fact. Certainly it seems to me it should be the policy, if it is not. After the last war we had considerable difficulty in France when we came to try to realize on some of the things we had built there; and what we got for them did not amount to 2 cents, as compared to what we had spent on them.

When we appropriate $720,000,000, I think the policy should be to see that our investment is adequately protected, so far as it can be, so that its value or salvage value, if there is any after the war is over, will be returned to the American people.

Mr. WALSH. Mr. President, the junior Senator from Louisiana reminds me—and I want this matter presented for the information of the Senator from Illinois and also that of the Senator from Ohio—that most of the advance bases will be of a temporary nature, and after the job of taking care of the military activities is finished, they will be abandoned. Does the Senator recall that testimony—that they are not to be of a permanent character?

Mr. LUCAS. I think the Senator is correct in that respect.

In answer to the Senator from Ohio, let me say that I do not altogether disagree with the premise on which he has proceeded but I do say with all the seriousness which I possess, that we are in a war in which our liberties and all we have or ever expect to have are threatened by aggressor nations. Of course there are times when in the Senate we quibble about perhaps a small matter that will not mean very much one way or the other in the final analysis; but what we are attempting to do, and the one real objective toward which all of us should look—and I know that all Members of the Senate do so—is the winning of the war. The question of 99-year leases, which I have constantly heard mentioned on the floor of the Senate, will not mean anything 99 years or even 6 years from now unless we are absolutely successful and victorious in the great struggle in which we are all at present engaged.

I am not one who is going to quibble much about attempting to negotiate leases with other governments in connection with the spending of $720,000,000 on advance bases.

"Advance bases" means exactly what the words imply. They are not bases back of the fighting line; they are advance bases. When our forces are advancing they do not take much time to confer with our allies as to whether or not we are going to have some sort of a vested right in the particular $30,000,000 or $50,000,000 we are spending in order to build a base in a proper spot from which to overtake the enemy. Overtaking the enemy at that particular point, just as we did at Guadalcanal, at the proper time and proper moment may save the lives of thousands upon thousands of American boys, and ultimately may save the liberty of the American people.

Mr. President, sometimes I think that the war is so far away from the American people that I wonder, when I listen to arguments on street corners and arguments in the corridors of the Senate and the House, whether the Senate itself, and, sometimes, the Congress itself does not talk too much and too long about the little details, and not enough about the really big things that are involved.

I do not say that by way of any criticism at all, Mr. President; I merely feel that way deep down in my heart, because I honestly believe that America still is in danger, that the war is going to be a long, long one, and that in the final analysis practically all the resources, all the patriotism, and all the wealth of America must be expended if we are to win the struggle in which we are at present engaged.

Mr. WALSH. Mr. President, I appreciate the force of the observation made by the Senator from Illinois. There is not much more to say, except that, while we all agree with the sentiments expressed by the very able Senator from Illinois, and who of course is a very valuable member of the Committee on Naval Affairs, I think that many of the questions which have been asked—and I welcome them, and I am glad to have had them presented—indicate that, although we are all heart and soul striving to win the war, we must not overlook the duty which rests upon us not to make it cost any more than necessary, and to be cautious and careful in seeing that whatever rights the American people possess shall be preserved, protected, and defended.

Mr. LUCAS. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. MAYBANK in the chair). Does the Senator from Massachusetts yield to the Senator from Illinois?

Mr. WALSH. I yield.

Mr. LUCAS. I do not disagree with the Senator on that premise at all.

Mr. WALSH. I know the Senator does not.

Mr. LUCAS. As I recall, the committee cut down the original request approximately $250,000,000.

Mr. WALSH. Yes; the House committee did.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. DANAHER. A few minutes ago the Senator from Massachusetts picked up a bill which the Congress passed in February of this year and read the section which appeared at the close of the measure. As I recall the section, it could be paraphrased to read that, under the terms of the language, the lend-lease law and any other law on the statute books notwithstanding, we would be authorized to transfer naval vessels to any Allied power—or words to that effect. Is that correct?

Mr. WALSH. Yes. The bill dealt with the construction of floating drydocks.

Mr. DANAHER. Yes.

Mr. WALSH. That is a new departure for the Navy. We have a few floating drydocks already built, but we are going to build a great many more of them. They accompany the fleet. They will go into the harbors; and when injury or damage occurs to a naval vessel, the vessel will be put in one of the floating docks, and will be repaired right there. We shall build some of them for our allies. It was feared that if a provision of this kind were not included, title would pass. So the language of the amendment to which the Senator has referred guaran-

tees that after the war is over there will not be any passing of title to the floating drydocks which may be harbored in ports all over the world.

Mr. DANAHER. Mr. President, will the Senator yield further?

Mr. WALSH. I am glad to yield.

Mr. DANAHER. In 1917 a law was passed providing that no warship could be outfitted in this country and turned over to any belligerent nation. So far as I know, that law is still on the statute books. It was in no way involved in the section in the February 1943 measure to which the Senator has referred; is that correct?

Mr. WALSH. No, not at all. The Senator refers to our disposition of naval vessels when we were neutral, or were supposed to be neutral; is that correct?

Mr. DANAHER. Yes.

Mr. WALSH. That has nothing to do with the matter at all. The amendment to which I referred was proposed in order to take particular care and caution that as to our floating drydocks which will be located in the waters of all the seas, and in harbors everywhere, if they are used by our allies—and they can be used by them, of course, and should be used by them—the title will not pass from the Navy. That is the purpose.

Mr. DANAHER. I thank the Senator.

Mr. WALSH. Mr. President, I think we should have a vote on the pending bill now.

Mr. DANAHER. Mr. President, relating what I am about to say to the remarks with which the Senator from Massachusetts closed his presentation of the bill, I should like to say that a few days ago I found in the New London Evening Day a column written by Mr. Ray Tucker, a noted Washington correspondent whose articles are syndicated under the title "News Behind the News—Washington and National Activities in Government and Politics."

In this particular article he made reference to a letter which had been written by a friend of his whom he had not seen for many years. The friend was Mr. Arthur D. Howden Smith. Mr. Smith may be known to a good many here as the author of the volume Mr. House of Texas. As collaborator with Colonel House during the World War in many of his ventures, and as a member of the staff of the New York Evening Post from 1905 to 1918, Mr. Smith had had many opportunities to meet the world's great and near great.

It developed, from Mr. Tucker's article, that Smith had at one time been a very close acquaintance of a gentleman named Philip Kerr, who is better known to us as Lord Lothian. Further, Mr. Tucker wrote, under date of May 2, 1940:

Mr. Smith had addressed a communication to Lord Lothian.

I was so interested in what Mr. Tucker had described as the events which followed that particular letter that I am going to ask unanimous consent from the Senate that Mr. Tucker's entire piece be printed in the RECORD at this point.

The PRESIDING OFFICER. Is there objection?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

Fighters: A noted New York reporter was the author of the arrangement whereby we gave Great Britain 50 destroyers in return for bases in the Atlantic littoral. His name is Arthur D. Howden Smith. He worked beside the writer 20 years ago on the old, internationalistic New York Evening Post, which was then owned and controlled by Thomas W. Lamont, of J. P. Morgan & Co.

The famous transaction was not consummated until September 3, 1940. But the following private correspondence discloses that the deal was in the making months before that date. Behind-the-scenes facts are quite illuminating, despite Pearl Harbor. On May 2, 1940, Mr. Smith sent this message to his old friend, Lord Lothian, then British Ambassador to Washington and formerly Lloyd George's secretary:

"I had the pleasure of knowing you as Philip Kerr many years ago when I was associated with the late Colonel House, whose final biography I shall publish in September. If you chance upon it, you will find it a startling, accurate forecast of what is happening. It should be of service to the Allied cause. But that is not really the occasion of this letter.

"It occurs to me that the Admiralty will have increasing need for escort vessels as warfare spreads. Our Navy has a large reserve of wartime destroyers, somewhere between 100 and 150. They are serviceable vessels and they have been adequately maintained. Forty or fifty were reconditioned for use in the neutrality patrol last fall.

"Am I taking an undue liberty, as a private citizen, if I suggest that it might be possible for the Admiralty to purchase a number of these vessels for convoy service? I see no difference between such a demonstration of 'benevolent neutrality' by the administration and the waiving of warplane contracts in the Allies' favor."

The envoy's reply to Arthur's suggestion is significant. He admits that London could use a few sub sinkers, but notes that the sale or swap would be somewhat illegal. His communication is dated May 17, 1940 (Mr. Hull did not publicize the proceedings until September 3 of that year).

"MY DEAR ARTHUR HOWDEN SMITH: Thank you for your kind letter of May 2. I well remember our previous meetings. I would dearly like, if I have the leisure, to read in September your biography of that wise man, Colonel House.

"As to your suggestion about the destroyers, it is an interesting one, and I am passing it on to our naval people.

"But you will no doubt realize that international law forbids a neutral government to sell warships to a belligerent. American airplanes—this was before the fall of France (editor's note)—are, of course, being sold to the French and British Governments by private and not by governmental firms.

"Thank you for your suggestion, and with kindest regards.

"LOTHIAN."

Before his late lordship died, the Lend-Lease Act was passed. So he got his destroyers, his planes, food, and also American buck privates. It is not generally known, but there are almost as many Yankee fighters in empire territory as there are Britishers.

Mr. DANAHER. Mr. President, I communicated with Mr. Tucker to ascertain where Mr. Smith was at the present time, and discovered that he is right here in Washington, as a member of the public-relations section of the American Red Cross. I went down to see him and asked whether by any chance he still had the correspondence to which Mr. Tucker had referred, particularly the reply which had been sent by Lord Lothian. He loaned them to me, to the end that I might cause them to be photostated, and I hold in my hand a photostat of the original carbon copy of a letter dated May 2, 1940, from Mr. Arthur D. Howden Smith to Lord Lothian, and a photostat of the original reply, dated May 17, 1940, from Lord Lothian to Mr. Smith. I shall read them for the information of the Senate, and for their historical interest. The letter from Mr. Smith is as follows:

HOLLYWOOD, CALIF., *May 2, 1940.*

His Excellency the Right
Honorable the MARQUIS OF LOTHIAN,
The British Embassy, Washington, D. C.

MY DEAR LORD LOTHIAN: I had the pleasure of knowing you as Philip Kerr many years ago when I was associated with the late Colonel House, whose final biography I shall publish in September If you chance upon it, you will find it a startlingly accurate forecast of what is happening. It should be of service to the Allied cause. But that is not really the occasion of this letter.

It has occurred to me that the Admiralty will have increasing need for escort vessels as warfare spreads. Our Navy has a large reserve of wartime destroyers, somewhere between 100 and 150. They are serviceable vessels, and have been adequately maintained. Forty or fifty were reconditioned for use in the neutrality patrol last fall. Am I taking an undue liberty, as a private citizen, if I suggest that it might be possible for the Admiralty to purchase a number of these vessels for convoy service? I see no difference between such a demonstration of "benevolent neutrality" by the administration and the waiving of warplane contracts in the Allies' favor.

With assurances of deep respect and friendship, I am, dear Lord Lothian,

Sincerely yours,
ARTHUR D. HOWDEN SMITH.

Mr. NYE. What is the date of that letter?

Mr. DANAHER. The date of that letter is May 2, 1940. The reply is dated May 17, 1940, and reads:

BRITISH EMBASSY,
Washington, D. C., May 17, 1940.

MY DEAR MR. HOWDEN SMITH——

Mr. WALSH. Mr. President, will the Senator yield?

Mr. DANAHER. I yield.

Mr. WALSH. Did Mr. Smith have any authority or any connection with the Navy at that time?

Mr. DANAHER. So far as I know Mr. Smith had no connection with the United States Navy then, nor since. As he himself said, he was writing simply as a private citizen who was deeply interested in the success of the Allied cause.

Mr. WALSH. He apparently had some knowledge about the number of destroyers, and the condition of our Navy.

Mr. DANAHER. I gather, let me say to the Senator from Massachusetts, that he had substantially accurate information not only as to the number of destroyers available, but of the fact that 40 or 50 had been reconditioned for use in the neutrality patrol the previous fall. In any event, the reply follows:

MY DEAR MR. HOWDEN SMITH: Thank you for your kind letter of May 2. I well remember our previous meetings. I would dearly like, if I have the leisure, to read in September

your biography of that wise man, Colonel House.

As to your suggestion about the destroyers, it is an interesting one and I am passing it on to our naval people. But you will no doubt realize that international law forbids a neutral government to sell warships to a belligerent. The American airplanes are, of course, being sold to the French and British Governments by private and not by governmental firms.

Thanking you for your suggestion and with kindest regards.

Yours,

LOTHIAN.

That was addressed to Mr. Arthur D. Howden Smith, 7523 Lexington Avenue, Hollywood, Calif.

After Mr. Howden Smith had permitted me to borrow the correspondence thus recited, and I had the photostats made, Mr. Smith was kind enough to autograph my photostat for me with this memento:

Having long been acquainted with Lord Lothian and being greatly interested in the success of allied arms, I wrote to the British Ambassador a letter dated May 2, 1940, retaining a carbon copy. From the British Embassy came Lord Lothian's reply under date of May 17, 1940, the original of which I still possess. Above is a photostat of the original carbon copy of my letter and the original of Lord Lothian's reply, now presented to Senator John A. Danaher with my best wishes.

ARTHUR D. HOWDEN SMITH.

Mr. President, I thought that some of my colleagues, and particularly the Senator from Massachusetts, in the light of the discussion which developed this afternoon, would be interested in this historical recollection thus prompted by Mr. Smith's correspondence with Lord Lothian.

Mr. WALSH. The Senator has not completed his narrative, has he? Did the letter from the British Embassy end the negotiations for our destroyers while we were neutral?

Mr. DANAHER. It is my recollection that the files of the New York Times and other newspapers will reveal that starting within a week or 10 days thereafter, there were hints of the impending possibility of the United States making such a transfer as that of 50 destroyers to Great Britain, and it is my recollection that during the summer and into the early fall the matter was bruited about here on the floor of the Senate and elsewhere. Ultimately the situation culminated in an opinion written by the Attorney General, in which, as I recall, the Attorney General directed, or at least suggested with mighty cogency, that Admiral Stark certify that the 50 destroyers might be termed "over-age," and therefore be subject to disposal, and thereafter a transfer was effectuated. I think that, roughly, is a sequential summary of events.

Mr. WALSH. If the Senator knows, what was the date when the destroyers were turned over?

Mr. DANAHER. I would say in September of 1940, approximately the 25th or the 26th, but I am speaking from recollection.

Mr. WALSH. How long was it after the British Ambassador said there was no authority under international law for making such a transfer?

Mr. DANAHER. I figure that to be about 4 months.

Mr. WALSH. I should like to state as a matter of record that I personally protested the transfer of our destroyers at the time. It seemed to me at the time to be a real breach of neutrality.

Mr. DANAHER. I thank the Senator.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. DANAHER. I yield.

Mr. TOBEY. The conveyance of the destroyers was made by the Executive, was it not, based on an opinion delivered by a very obliging Attorney General? Is that not correct?

Mr. DANAHER. I have no knowledge on that point, I may say to the Senator from New Hampshire. I know that there was a statute on the books in 1917, and it is still there, which forbade the transfer by the United States, while neutral, of warships to any belligerent power.

Mr. WALSH. Mr. President, I ask that action be taken on the bill at this time.

The PRESIDING OFFICER. The amendment of the committee will be stated.

The CHIEF CLERK. On page 2, line 8, after the word "passive," it is proposed to strike out "defenses" and insert "defense."

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is still open to amendment. If there be no further amendments, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill H. R. 1692 was read the third time and passed.

SHORTAGE OF NEWSPRINT

Mr. LODGE. Mr. President, in common with other Members of the Senate, I have been interesting myself in the question of the shortage of newsprint, and have just today received a letter from the editor of the Springfield Daily News, of Springfield, Mass. The letter reads as follows:

DEAR SIR: Concerning your recent letter asking for suggestions as to what might be done to improve the newsprint situation, I am enclosing a small part of one day's batch of Government propaganda that comes in our mail. None of it, as you will see, is worth anything from a newspaper's viewpoint. It is junk, and a shameful waste of paper.

Very truly yours,

THE SPRINGFIELD DAILY NEWS,
RUSSELL J. COLLINS.

Mr. President, Mr. Collins enclosed in the envelope the batch of publications which I hold in my hand, which represents just 1 day's output from the Government bureaus of things which the newspapers do not use. It may be that much of this material seems important to those who write it, and it may have a great deal of intrinsic value to certain individuals, but the fact of the matter is that the newspaper editors for whom it was issued have not been able to find any use for it.

Mr. HOLMAN. Mr. President, will the Senator yield?

Mr. LODGE. I yield.

Mr. HOLMAN. This is, in part, what I entered in the RECORD earlier in the week from Oregon editors. In other words, from coast to coast and from Canada to Mexico this material is going out by the millions of copies.

Mr. LODGE. Exactly, and I think it is high time that expenditures of this kind were stopped.

Here is a two-page release about frozen steel. Here is a two-page release about suburbanites who are rushing to buy seeds. Here is another two-page release, and another about how glycerine is recovered from waste fat and made into war material. That is a very important subject but obviously one which the editor did not think worth publishing.

Here is one about P. D. 1–A certificates. Here is another about using fats and greases to make glycerine. Apparently they wanted to be sure that one arrived. Here is one from the United Nations Information Office, which includes information not only for the United Nations but also for the Government of the United States. It is very lengthy, and apparently none of this was used at all, although it is five pages in length, printed on both sides.

Mr. President, I mention these things merely to call attention to the fact that apparently the need for careful expenditure of public funds has not yet reached those whom it should reach, and I desire to express the hope that this concrete illustration of Government waste will result in prompt cooperative action. I do not wish to be a scold; I know that those who are working downtown are patriotic, well-meaning people, and I appeal to their common sense and to their love of country to put their house in order.

Mr. WILLIS. Mr. President, will the Senator yield?

Mr. LODGE. I yield.

Mr. WILLIS. Does the Senator intend to have those publications inserted in the RECORD?

Mr. LODGE. They would take up a great deal of space in the RECORD which I think might be wasted.

Mr. WILLIS. Does the Senator think that if they are of interest to the people of the country they would not be of interest to the Members of Congress?

Mr. LODGE. It would waste much newsprint, I will say to the Senator from Indiana, to print all this material in the RECORD.

Mr. WILLIS. If the newspapers of the country are asked to publish it, should not the Government set an example by putting it into the RECORD? I agree with the Senator, it would be entirely useless to put it into the RECORD, but by the same token I think it is unreasonable to expect the newspapers of the country to expend, out of any of their now greatly depleted private funds, amounts required to publish material which is of no more value to their readers than it is to Members of the Congress.

Mr. TAFT. Mr. President, in connection with the matter referred to by the distinguished Senator from Massachusetts, I call the attention of the Senate

to an article from the Times-Herald of this morning, in which it is stated:

The Office of War Information is now preparing a series of publications to "guide" the thinking of the people of this country on international post-war problems, it was disclosed yesterday.

Plans for the next two publications call for an initial run of 350,000 copies apiece. Proposal for a Free World will be released March 28, and The Peace by Which We Fight shortly thereafter, the Office of War Information official said.

If that is anything, it is domestic propaganda, to cover a particular point of view which the Government is attempting to spread among the people. It seems to me that in the first place it is far removed from any policy the Government should be following, and, in the second place, printing these things is a serious waste of paper and manpower, because I very much doubt whether these documents which are sent out, without any demand, without any request, will really be of use, or be read in the manner in which the people read their own newspapers.

SUPPLEMENTAL NAVAL APPROPRIATIONS

Mr. OVERTON. Mr. President, I move that the Senate proceed to consider House bill 2068, making additional appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1943, and for other purposes.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 2068) making additional appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1943, and for other purposes, which had been reported from the Committee on Appropriations, with amendments.

Mr. OVERTON. Mr. President, I should like to take time to make a brief explanation of the appropriation bill. The bill as reported to the Senate is in the sum of $3,851,176,119. As it passed the House the bill carried $3,816,206,583. So the amount added by the Senate is only $34,969,536.

The supplemental appropriations contained in this bill, plus $449,740,400 of contract authority, are additional to the appropriations and contract authority already granted this year in the amount of $21,273,000,000, in round figures, making the new total authorized cash and contract authority $25,573,000,000. Last year the comparable figure was $24,089,000,000. Therefore what we are appropriating this year corresponds approximately with the amount the Congress appropriated last year.

The supplemental appropriation bill is due to expansions in personnel and training, advance procurement of personnel, the demand for equipment and materials due to the operations of the war, and expansion of the Navy and increases in maintenance and operation.

One of the main reasons for the increase, of course, is the increase in the enlisted strength and number of officers in the Navy. The increase in enlisted strength is 450,000 and the increase in number of officers is 27,321 over the number heretofore appropriated for.

The appropriation under "Naval Reserves" of $48,000,000 is primarily for training expenses in connection with aviation cadets, and with the WAVES, and with the college training program, for midshipmen training, and advanced course of aviation training, such as preflight, primary, and intermediate.

The funds under the maintenance appropriation of the Bureau of Ships, which are $737,000,000, are for maintenance requirements, and in part for increased cost of some items, for purchase of material, for the repairs of ships, improvement of the fighting efficiency of vessels of the fleet, and additional commissionings of vessels.

In the case of ordnance and ordnance stores, about one-third of the estimate is for ammunition and equipment for the Marine Corps. The bulk of the remainder is for antiaircraft artillery and machine guns, fire control, and radar equipment, spare breech and barrel mechanism, nets, mines, depth charges, torpedoes, and similar items which are required to carry on the war.

The sums under "Public Works" and "Repair Facilities" are to liquidate existing contract authority. Contract authority has been included in the case of Public Works in the amount of $239,740,000 for temporary construction in sight before the close of the year, which was authorized in the bill which has just been passed by the Senate, and which has already passed the House.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. McNARY. I observe this is a deficiency appropriation bill for the Navy Department. When does the annual appropriation bill come before the Congress?

Mr. OVERTON. That will come later on in the year.

Mr. McNARY. When was the last appropriation bill passed for the Navy Department?

Mr. OVERTON. I think it was in October of last year.

Mr. McNARY. That was a deficiency bill?

Mr. OVERTON. That was the second supplemental national defense bill.

Mr. McNARY. But it was one which followed the annual appropriation bill which, as I recall, came before the Congress some time last summer?

Mr. OVERTON. There was one Navy Department appropriation bill for the fiscal year 1943, passed in February 1942, and one passed in October, to which I have just made reference.

Mr. McNARY. I understand that. I want to know how many appropriation bills we have had in the Senate from the time the annual appropriation bill came before the House and the Senate last summer?

Mr. OVERTON. I do not know that I can answer that question. We had the regular appropriation bill. Then we had the second national defense appropriation bill. That is all with the exception of a few items in some other deficiency bill.

Mr. McNARY. What is the amount of funds now unobligated and unexpended which have heretofore been passed by the House?

Mr. OVERTON. The amount of funds unobligated and unexpended on December 31, 1942, are between $15,000,000,000 and $16,000,000,000. By the end of this fiscal year according to the testimony given before the Appropriations Committee we will have a billion and a half unobligated and a cash carry-over of $14,300,000,000. My recollection is $15,800,000,000 in round figures, of which $1,500,000,000 will be unobligated and the remainder will be cash on hand and unexpended.

Mr. McNARY. Then the Senator answers that there is about $16,000,000,000 now unobligated, which has heretofore been appropriated by the Congress for the use of the Navy Department?

Mr. OVERTON. That is correct.

Mr. McNARY. Is that enough of a backlog, or does the Senator desire to add the amount provided in the bill now before the Senate?

Mr. OVERTON. It is necessary to carry a very large unexpended balance in the Navy Department for two reasons. Perhaps both reasons are in reality one. The Congress has in the last 2 or 3 years adopted the policy of withholding contract authorizations from the Navy Department and prefers to make the appropriations in cash. It is necessary to make appropriations in the absence of contract authority far in advance in order to provide for certain matériel and activities of the Navy.

For example, take battleships, which require 3 or 4 years to construct. Appropriations are made and contracts are let. We must do one of two things. We must authorize contracts or appropriate the money. Otherwise the Navy Department could not enter into the contracts. I could perhaps add to the illustrations.

Mr. McNARY. I think the illustration which the Senator gives of the battleship is very inappropriate. It is very unimpressive to me. Why is any sum needed in addition to the $16,000,000,000 unexpended and unobligated balances allowed to pile up for the Navy? In so doing does not Congress lose all opportunity carefully to watch the expenditures of funds and keep intimately in touch with the activities of the various departments? When we appropriate from time to time vast sums of money and turn them over to be expended, do we not lose control of them and give to some organization the authority to use its discretion in the expenditure of those funds? Has it ever been the practice of Congress, in times of peace or times such as the present, to give vast sums to departments to spend in the future as they please? Do they not usually come to Congress with a budget estimate, and spend the money as it is needed?

Mr. OVERTON. The appropriations are made on break-downs submitted to the Committee on Appropriations, not only in the case of the Navy Department

appropriations but in the case of appropriations for all other departments. At this particular time it is unnecessary for me to remind the able Senator from Oregon that we are in the midst of a great war, and our expenditures must be vastly increased for our Navy, as well as our Army.

Mr. McNARY. I understand.

Mr. OVERTON. The Navy Department must feel that it can enter into various contracts for the construction of ships and for ordnance. It must have inventories on hand in order to be able to equip the fighting men of the Navy at all times and have an abundance. Otherwise the time may come when it has a scarce supply of certain material on hand and cannot obtain the output quickly enough from the manufacturers. Then what is the Navy to do? Shall it wait and go before Congress with a supplemental appropriation bill appropriating the money, then enter into the contracts, and build up the stores which it ought to have in order to conduct this war? That is the reason why we make appropriations of large sums. We do so on estimates which have been submitted to the committee.

Mr. McNARY. If the Senator is satisfied with the explanation, I am not.

Mr. OVERTON. I regret that the Senator is not satisfied.

Mr. McNARY. It seems very strange to me, in view of unobligated and unexpended balances of previous oppropriations in the sum of $16,000,000,000, that we should now be faced with a bill providing for another appropriation called an emergency appropriation. What are we to do with the $16,000,000,000 in the next 90 days?

Mr. OVERTON. We will not spend it all, of course.

Mr. McNARY. Of course not.

Mr. OVERTON. Indeed we will not.

Mr. McNARY. Why keep adding to this great accretion of funds which the taxpayers some day will have to pay? They are now sighing from the burden which is placed upon them and which they are facing this very moment. I do not understand the philosophy.

Mr. OVERTON. The Senator will recall that when we had the last bill before us, which was the regular and supplemental appropriation, the unexpended and unobligated balance amounted to more than $21,000,000,000. I then made the same explanation to the Senate in response to the inquiry of the Senator from Oregon.

Mr. McNARY. Yes. It was just as unimpressive that day as it is today. I shall not quarrel with the Senator.

Mr. OVERTON. If the Senator could advise members of the Appropriations Committee how they can act otherwise, I think they would be very glad to receive the advice. As a member of the committee I do not know how to handle these bills otherwise, when representatives of the Navy come before us and state that they need these sums. Their requests are supported by Budget estimates, and they state that they must use the funds to construct things which will require many months, or perhaps years, to construct. They tell us that they need to have on hand tremendous supplies of clothing, munitions, and countless other things in order that they may successfully conduct their end of this war. I do not know how we can say, "We are going to cut down the total cash appropriation in the bill from so much to so much less. Before we make any cash appropriations you must show that you have cut down your unexpended balance from $15,000,000,000 to $5,000,000,000, $3,000,000,000, or $1,000,000,000."

Mr. McNARY. Under the philosophy of the Senator from Louisiana, he abdicates his position as a member of the committee and falls in line with every suggestion made by a representative of a department. I do not profess to lecture the able Senator, but I assume that a member of a committee should exercise his own judgment with respect to the appropriations which should be made, and not merely say, "We will give you anything you ask for." I think that is a just criticism, not of the able Senator, but of some of the appropriation bills which have come before the Senate. I think we ought to use our judgment. If I were a member of the committee I think that if a man came before me representing the Navy Department and said that the Department had $16,000,000,000 of the taxpayers' money unobligated and unexpended, I would say to him, "I think you had better wait until you reduce that amount to some reasonable sum. Then come back when you need the money and we will give you the money if you can make out a good case."

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. HAYDEN. I think the Senator from Oregon misunderstood the Senator from Louisiana in what he said.

Mr. McNARY. Possibly my understanding is not so good as that of the able Senator from Arizona. If so, I should like to be corrected.

Mr. HAYDEN. The Senator said that as of July 1 a billion and a half dollars would be unobligated, not $16,000,000,000.

Mr. McNARY. I am taking the Senator's statement. I assume that he knows what is in the bill or he would not be here supporting it.

Mr. HAYDEN. I heard the statement, and it is based on the record. I should like to read the record. I read from page 36 of the hearings. Admiral Allen started out by stating that there had already been appropriated $64,000,000,000 for the Navy when we got into this trouble. As against that, as of the 1st of January, there was obligated a total of $48,000,000, of which $18,000,000 was paid for in cash and $29,000,000 remained unliquidated, leaving an uncommitted balance on January 1 of $12,282,316,000. Then he said:

> Against which we can make contracts the last 6 months of this calendar year, and we estimate we will contract for all of this by June 30, with the exception of $1,550,524,205.

So we are faced with carrying on with an unobligated balance as of the beginning of the fiscal year of only a billion and a half instead of $16,000,000,000 as the Senator first understood.

Mr. OVERTON. However, there was unobligated and unexpended a total of $16,000,000,000.

Mr. HAYDEN. Which will be contracted for between now and the end of the year. Contracts cannot be made unless there is a prior appropriation by Congress.

Mr. McNARY. Of course, I am in the very embarrassing and awkward position of finding that two distinguished members of the committee are unable to agree on the ratio 16 to 1. [Laughter.]

Mr. HAYDEN. I beg the Senator's pardon.

Mr. McNARY. I am assuming that the able Senator, whom I know to be able—I have served with him a great many years—says that $16,000,000,000—he says it three times—is unobligated and uncommitted.

Mr. OVERTON. Unexpended.

Mr. McNARY. Very well, unexpended.

Mr. HAYDEN. And between now and the end of the year the contracts are to be let.

Mr. McNARY. I ask the pardon of the Senator from Arizona, who always enters the Treasury of the United States with a key and with a smile. [Laughter.] Every one—there is no use in being personal in the matter—wants to have appropriated enough money to enable the Nation to carry on; but there seems to be a desire on the part of some members of the committee to report favorably as to every sum which is asked for by everyone who comes before the committee. I think that one of the most appalling things to the people of the country is the burden that is being placed on their backs; and for one—and I have said this a great many times when appropriation bills have been before the Senate—I think we should shave the appropriations carefully and should use our own independent judgment, as men of character, judgment, and position, as to the amount of money that should be expended.

Mr. President, when $16,000,000,000 is mentioned, I remember that I was told when I was somewhat younger than I am now that the human mind cannot appreciate what a billion dollars is. Now we are told that the Treasury says that $16,000,000,000 is lying in its vaults, for the use of the Navy Department. Then I ask, Why bring in the bill and call it a deficiency bill? That is my position.

Mr. OVERTON. Mr. President, let me interrupt the Senator. I have looked at the record——

Mr. McNARY. I assumed that the Senator was familiar with the record.

Mr. OVERTON. I find that on page 7 of the House hearings a break-down is given. I think that the figures which I shall now present to the Senate are in line with what I stated from recollection a few minutes ago. The figures are under the caption, "Summary of appropriations, authorizations, obligations, commitments, and expenditures for war, for appropriations and authorizations to December 31, 1942—July 1, 1940, through December 31, 1942, actual, with certain estimates through June 30, 1943." The

figures show that the estimated unobligated balance as of July 1, 1943, will be $1,550,600,000. The estimated unexpended balances of appropriations and corporation commitments as of July 1, 1943, will be $14,331,900,000.

Mr. McNARY. Mr. President, the Senator originally made his statement from data from which he had fixed in his mind. He read the report of the Senate committee, and now he has read from the House committee.

Mr. OVERTON. I am not reading from the House committee; I am reading from the House committee hearings.

Mr. McNARY. Yes. What is the amount?

Mr. OVERTON. I say that from $15,000,000,000 to $16,000,000,000 will be unpended at the end of the fiscal year 1943.

Mr. McNARY. I made such a statement a moment ago, and I found disagreement with the able Senator from Arizona, who is a good fiscal Senator, and who looks with very great kindliness upon appropriation bills.

The Senator's statement is that $15,800,000,000 will be unexpended and unobligated, but still the Senator wants the bill passed; is that correct?

Mr. OVERTON. The committee authorized me to report it.

Mr. McNARY. Yes.

Mr. OVERTON. Of course, any Senator who wishes to oppose it may oppose it. I undertook to make an explanation in answer to the questions which had been propounded.

Mr. McNARY. I appreciate the very great kindness on the part of the Senator.

Mr. OVERTON. When it comes to figures, I may not always be absolutely accurate.

Mr. McNARY. I have given my statement from the point of view of one who wants to keep at as low a level as possible the amount of money which the taxpayers will be obligated to pay, consistent with the successful and vigorous prosecution of the war, and with the huge sum now available, which is almost beyond the conception of mortal mind, I do not see why Senators want to add to it money carried by the appropriation bill.

Mr. OVERTON. That is the report of the committee, and its recommendation.

Mr. DAVIS. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. DAVIS. On page 6 of the bill, under the title "Coast Guard," in line 19, appears the following item:

Pay and allowances, Coast Guard, $10,600,000.

We are told that a part of that sum is to be spent for quarters for officers, and a part is to be spent for pay. I wonder why, under the heading "Pay and allowances," we could not have the amount for pay stated separately from the amount for allowances—the two amounts which make up the total of $10,600,000?

Mr. OVERTON. We had no testimony before the Senate committee in respect to that particular item.

Mr. DAVIS. Does not the Senator think it would be wise—I simply make the suggestion—for the committee itself to ask for particulars, and to divide those two accounts?

Mr. OVERTON. I suppose that could be done. What particular reason does the Senator assign for doing that?

Mr. DAVIS. Then we would know how much would be appropriated for pay and how much for allowances. As it is now, they are lumped together in an appropriation of $10,600,000.

Mr. OVERTON. I suppose that information would be given in the breakdown.

Mr. DAVIS. I think the pay and allowances could be separated.

Mr. ELLENDER. The allowances are fixed under the law; are they not?

Mr. DAVIS. Yes; but we ought to know what they are.

Mr. ELLENDER. I do not know what advantage that would be.

Mr. OVERTON. I thought that possibly there was a break-down as to that; but I find there is no break-down as to how much is for pay and how much for allowances.

Mr. McNARY. Question.

Mr. OVERTON. But the allowances are fixed by law.

Mr. DAVIS. I understand that; but we should be told what the allowances are, as well as what the pay is. The pay, too, is fixed by law.

Mr. OVERTON. Mr. President, I ask that the Senate proceed to consider the amendments of the committee.

The PRESIDING OFFICER. The clerk will proceed to state the amendments of the committee.

The first amendment of the Committee on Appropriations was, under the heading "Naval Establishment—Office of the Secretary, miscellaneous expenses," on page 2, line 12, after the figures "$6,723,117", to strike out the colon and the following: *"Provided,* That no appropriation for the Navy Department or naval service available during the fiscal year 1943 (except funds transferred or made available to other executive agencies for use for naval purposes) shall be used after March 31, 1943, for the employment of persons for the performance of service in other than the Navy Department or elsewhere than under the Navy Department, except employees who had been employed by and performing service under the Navy Department for 3 months or more immediately prior to their detail for service elsewhere."

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Naval Personnel," on page 3, line 20, to increase the appropriation for Naval Reserve from $40,800,000 to $48,000,000.

The amendment was agreed to.

The next amendment was, on page 4, at the end of line 2, to increase the appropriation for maintenance, Bureau of Ships, from $737,230,464 to $765,000,000.

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Yards and Docks," on page 4, line 23, after the word "including", to insert "not to exceed $5,000 for the."

The amendment was agreed to.

The next amendment was, under the heading "Increase and replacement of naval vessels—Repair facilities, Navy", on page 6, line 2, after the figures $10,000,000", to insert a comma and "toward contract authorization heretofore granted, to remain available until expended, and in addition the Secretary of the Navy is hereby authorized to enter into contracts for repair facilities in the amount of not to exceed $210,000,000, as authorized by the act of February 19, 1943, Public Law 1."

The amendment was agreed to.

The next amendment was, on page 6, after line 7, to strike out:

CONSTRUCTION OF FLOATING DRYDOCKS, NAVY

The Secretary of the Navy is authorized to enter into contracts in the amount of not to exceed $210,000,000 for the construction of mobile floating drydocks and collateral facilities and incidental work, as authorized by the act approved February 19, 1943 (Public Law 1).

The amendment was agreed to.

The PRESIDING OFFICER. That completes the amendments of the committee.

Mr. OVERTON. Mr. President, I send to the desk two amendments which I have been authorized by the committee to offer.

The PRESIDING OFFICER. The clerk will state the first amendment offered by the Senator from Louisiana on behalf of the committee.

The CHIEF CLERK. On page 2, line 21, after the word "elsewhere" and before the period it is proposed to insert the following:

Provided, That the first proviso under the heading of "Miscellaneous expenses" in title I of the Naval Appropriation Act for the fiscal year 1943 (Public Law 441, approved February 7, 1942) is hereby repealed.

Mr. McNARY. What is the reason for that amendment?

Mr. OVERTON. There is a limitation of $5,000 on the amount the Navy can spend in the employment of any civilian personnel. The Navy Department is the only department or agency of the Government which works under such a limitation, and it finds it difficult to operate under it. It has to employ personnel whose services are at times worth much more than $5,000. The War Department does not have the limitation.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the second amendment offered by the Senator from Louisiana on behalf of the committee.

The CHIEF CLERK. On page 4, line 14, after the figures "$494,968,000", it is proposed to insert the following:

Provided, That so much of the Naval Appropriation Act, 1943 (Public Law 411, 77th Cong.), under the heading "Pay, subsistence, and transportation of naval personnel" as reads *"Provided further,* That no part of this appropriation shall be available for the pay of any midshipman appointed from enlisted men of the Navy who has not served aboard a vessel of the Navy in full commission or performed equivalent service with fleet aircraft

for at least 9 months prior to admission to the Naval Academy," is amended to read as follows: "*Provided further,* That during the present emergency qualified enlisted men of the Navy, Naval Reserve, and Marine Corps may be appointed to the Naval Academy after such periods and under such conditions of service as may be prescribed by the Secretary of the Navy."

Mr. OVERTON. Mr. President, under existing law enlisted men of the Navy must serve 9 months on a full commissioned ship before they can make application for appointment to the Naval Academy under designation by the President or by the Secretary of the Navy. On the other hand, there is no requirement that Naval Reserves shall serve on board any ship or for any length of time, although the regulations provide, I think, that they should be in service for 9 months before they are appointed.

There are many seamen who are at sea and doing sea duty who are not on full commissioned ships, and there are a number of them who are also doing shore duty. The purpose of the amendment is to put the Naval Reserves and the regularly enlisted seamen on the same basis for selection as appointees to the Naval Academy by the President or by the Secretary of the Navy.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendments, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 2068) was read the third time and passed.

Mr. OVERTON. I move that the Senate insist upon its amendments, request a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MCKELLAR, Mr. GLASS, Mr. HAYDEN, Mr. TYDINGS, Mr. OVERTON, Mr. NYE, and Mr. LODGE conferees on the part of the Senate.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Taylor, its enrolling clerk, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Acting President pro tempore:

S. 303. An act to extend the jurisdiction of naval courts martial in time of war or national emergency to certain persons outside the continental limits of the United States;

H. R. 1975. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1943, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1943, and for other purposes;

H. R. 2023. An act to amend section 301, World War Veterans' Act, 1924, as amended, to authorize renewal of expiring 5-year level premium term policies of those in active military or naval service and certain others outside the continental limits of the United States, and for other purposes; and

H. R. 2030. An act to permit the shipment tax-free of certain tobacco products to Territories of the United States for the use of members of the military and naval forces of the United States.

EXECUTIVE SESSION

Mr. HAYDEN. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORT OF A COMMITTEE

Mr. BAILEY, from the Committee on Commerce, reported favorably the nomination of Rear Admiral Emory S. Land, United States Navy, retired, to be a member of the United States Maritime Commission for the term of 6 years from April 16, 1943 (reappointment).

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the calendar.

WAR MANPOWER COMMISSION

The legislative clerk proceeded to read sundry nominations in the War Manpower Commission.

Mr. HAYDEN. I ask that the nominations in the War Manpower Commission be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. HAYDEN. I ask that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the postmaster nominations are confirmed en bloc.

THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

Mr. HAYDEN. I ask that the nominations in the Army be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the Army nominations are confirmed en bloc.

That completes the calendar.

Mr. HAYDEN. I ask that the President be immediately notified of the nominations this day confirmed.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

RECESS TO FRIDAY

Mr. HAYDEN. As in legislative session, I move that the Senate take a recess until 12 o'clock meridian Friday next.

The motion was agreed to; and (at 4 o'clock and 51 minutes p. m.) the Senate took a recess until Friday, March 19, 1943, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 17 (legislative day of March 9), 1943:

WAR MANPOWER COMMISSION

APPOINTMENTS

Dr. Frank H. Sparks to be Director, Bureau of Manpower Utilization, at $8,000 per annum, Washington office.

Lawrence B. Fenneman, to be area director, at $6,500 per annum, Maryland area office.

Farrell Daniel Coyle, to be area director, at $6,500 per annum, Providence area office.

Frederick R. Whitney, to be head manpower utilization consultant, at $6,500 per annum, Boston regional office.

Frank M. Bristow, to be field supervisor, at $5,600 per annum, Kansas City regional office.

Ramy B. Deschner, to be area director, at $5,600 per annum, District of Columbia area office.

William J. Fitzgerald, to be area director, at $4,600 per annum, New London area office.

Elmer K. Delp, to be senior training specialist, at $4,600 per annum, New York regional office.

IN THE ARMY

APPOINTMENTS IN THE REGULAR ARMY

To be chaplains, with rank of first lieutenant, to rank from date of appointment

Charles Edwin Brown, Jr.
John Porter Fellows
James Clarke Griffin
John Henry Hingson
John Michael Hughes
Richard William Jungfer, Jr.
Alfred Charles Longley
Arthur Carl Piepkorn
Harold Owen Prudell

To be first lieutenant, Medical Corps, with rank from date of appointment

Charles Herman Ransom

POSTMASTERS

ALABAMA

Joseph G. Hardin, Hillsboro.

CALIFORNIA

Janet R. Carroll, Pebble Beach.
Albert C. Rist, Bradley.

ILLINOIS

Webster Hanna, Noble.

COLORADO

Ethel A. Pfost, Arapahoe.
Flora G. Hier, Castle Rock.
Loudene Humeston, Collbran.
Velma M. McNair, Kirk.
Marie E. Greenwood, Stratton.
George S. Niebuhr, Walsenburg.

CONNECTICUT

Albert F. Ricci, Stafford Springs.

IOWA

Hans E. Eiel, Buffalo Center.
Mary E. Coons, Carson.
Orange J. DeVault, Earlham.
Albert B. Mahnke, Greene.
Martha E. Radford, Hancock.
Rita A. Thomas, Keswick.
Michael R. Griebel, Lone Tree.
Rollin J. Gilchrist, Marengo.
Gertrude C. Ward, Melrose.
Pearle M. Nelson, Modale.
Rose A. Stalder, Nodaway.
Joe H. Kout, Ocheyedan.
Carroll O. Lightfoot, Onslow.
James M. Hirl, Princeton.
Clayton P. Norris, Red Oak.
Orlow L. Goodrich, Scranton.
Gladys G. Ayers, Shannon City.

KENTUCKY

Carolyn V. Ducker, Butler.

LOUISIANA

Joy Pate, Hornbeck.
Clinton C. Barron, Lillie.
Henry J. Smith, Mandeville.
Esther J. Mohr, Pearl River.
Susie L. Ristom, Starks.
Leland J. DeVany, Vinton.
Thelma M. Fleming, Westlake.

MAINE

M. Louise Miller, Waldoboro.
Alton B. Gerrish, Winter Harbor.

MARYLAND

Mary Estelle Ennis, Joppa.

MASSACHUSETTS

William Bacon, North Oxford.
William B. Barnes, Petersham.

NEW JERSEY

Bradford D. Coffey, Bayville.
Michael A. Nigro, Berkeley Heights.
S. Herminah Smith, Brigantine.
Grace V. Willard, Crosswicks.
Elizabeth Massey, Franklin.
Edward M. McIntyre, Gibbsboro.
Louis C. Parker, Gloucester City.
John B. Braun, Jr., Hightstown.
Georgia A. Barth, Landisville.
Edward J. Wagner, Marlton.
Annie Lester, Monmouth Junction.
Jeremiah B. Beaston, Mount Ephraim.
Salvatore Verde, Northvale.
Xavier H. Walter, Palmyra.
Mervil E. Haas, Riverton.
Smith Kennedy, Roseland.
Edward J. Lennon, Stone Harbor.
Ethel B. Carr, Stratford.
Lebbeus Potter, Sussex.
Anthony J. Savarese, Woodcliff Lake.

OKLAHOMA

Loyd Barclay, Tryon.

SOUTH DAKOTA

John H. Evans, Agar.
Anna A. Dithmer, Kadoka.
Charles E. Stutenroth, Redfield.
Mary L. Gaynor, Springfield.
B. Maynard Christenson, Volin.
Gertrude M. Matteson, White Rock.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MARCH 17, 1943

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Heavenly Father, whose property is to have mercy and forgive sins, we pray that we may not walk in the flesh of this world. Deliver us from the deadening ministries which thrive in the realm of evil and destroy the finer faculties of the soul. Today we bow in grateful memory of Him whose life and character have lived through the years and become the inspiration to do the work of the good Samaritan in the spirit of our Master and Lord.

In the performance of our duties may we not hesitate nor consult even prudence. We pray that everything in us may generously and heroically respond to the momentous call of these times. We believe that our Republic is a providence which is shaping its fortunes and sealing its destiny. We would hallow it as our home and shrine and beseech Thee that its vision and dream of freedom may be realized in the health of all nations. Graciously remember our President, our Speaker, and the Congress. Arm them with skill, knowledge, and power. O cleanse our America, the temple of liberty; purge Thou its arteries of the poison of all selfishness and from those whose pressing feet have never apprehended the sacredness of our soil nor felt its vibrant notes ringing in their breasts. In the name of the world's Saviour. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 2023. An act to amend section 301, World War Veterans' Act, 1924, as amended, to authorize renewal of expiring 5-year level premium term policies of those in active military or naval service and certain others outside the continental limits of the United States, and for other purposes; and

H. R. 2030. An act to permit the shipment tax-free of certain tobacco products to territories of the United States for the use of members of the military and naval forces of the United States.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 303. An act to extend the jurisdiction of naval courts martial in time of war or national emergency to certain persons outside the continental limits of the United States.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1975) entitled "An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1943, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1943, and for other purposes."

BOARD OF VISITORS OF THE UNITED STATES MILITARY ACADEMY

The SPEAKER laid before the House the following communication:

MARCH 15, 1943.

Hon. SAM RAYBURN,
Speaker, House of Representatives.

MY DEAR MR. SPEAKER: Pursuant to the provisions of the act approved May 17, 1928 (U. S. C., title 10, sec. 1052a), I have designated Hon. J. BUELL SNYDER, Hon. JOE STARNES, Hon. JOHN H. KERR, Hon. D. LANE POWERS, and Hon. ALBERT J. ENGEL, members of the Committee on Appropriations, as members from this committee to the Board of Visitors of the United States Military Academy for the calendar year 1943.

With assurances of my regard, I am,

Sincerely yours,

CLARENCE CANNON,
Chairman, Committee on Appropriations, House of Representatives.

IRISH SALUTATIONS

Mr. O'BRIEN of New York. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. O'BRIEN of New York. Mr. Speaker, Members of the House, may I on this glorious morning, March 17, salute you as a true descendant of St. Patrick with a "Top o' the morning, a Cajamathu, and an Erin go brath"—begorra.

It is not necessary for me to tell you that I am joined in these salutations by every Member of this House of Irish extraction. It is true and as proven from generation to generation there is no nationality in the world that owes so much to this country as the fighting Irish owe to the land of their adoption, the United States of America.

Every honest, sincere, loyal, patriotic American of Irish extraction not only on this St. Patrick's Day but on every day falls to his knees and thanks God for the opportunities he has been given. Every red-blooded, two-fisted, square-shooting, hard-hitting Irishman is willing to give his last drop of blood in defense of the ideals, traditions, precepts, policies, and free institutions that have made life so dear to him in America. Absolute proof of this statement is borne out by the Sullivan boys of Iowa and many other Irish-Americans who have made the supreme sacrifice in this war and other wars that our form of government may continue.

In greeting you this morning, you are acutely conscious of the undisputed fact that the O'Briens were the noblest of all Kings of Ireland, and on the left side of the House we have the O'Haras, the Welches, the Gavins, the Kearneys, and the Culkins, brave men all lieutenants in the great army of King O'Brien.

On the right side of the House, we greet those three well-known Irishmen from Texas, brave Milton Michael O'West, Spanish-speaking Richard the Lion-hearted O'Kleberg, and the famous fighting O'Kilday.

The Irish, as you know, are a generous race. Therefore, we salute the numerous sons of old Erin—on the majority side of the aisle such as—the Merritts, the Lynches, the Gavagans, the Cullens, the Curleys, the Fitzpatricks, the O'Tooles, the O'Learys, and the O'Connors, and being most generous we will mention the Keoghs, the Fays, the Kennedys, the Harts, the Nortons, and the Flannagans. We will not overlook the Cochrans, the Fogartys, the Maddens, the Kirwans, the Murphys, the O'Neals, the Kellys, the Delaneys. Yes, the McGranerys and the Bradleys, and we pay particular attention to that stalwart Sullivan of Nevada, who is the honorary chairman of the Five Sullivan Brothers Foundation.

Yes, last but not least, that great counterfeit Irishman, my distinguished friend, PAT CANNON, of Florida.

We have not purposely left out the O'Briens of Chicago and the O'Briens of Detroit, but please remember they are merely O'Briens and in no way associated either conspicuously or remotely with The O'Briens. We were the kings of Ireland.

There was a time when the McCormacks tried to assert themselves as leaders in good old Erin. These bog-trotting, shillelagh-flinging, banshee-howling McCormacks shouted from the housetops that they owned the Lakes of Killarney. The truth of the matter, Mr. Speaker, is these McCormacks now known as Boston Irish, did receive privileges from the O'Briens to use these beautiful Lakes of Killarney, and were told very definitely and emphatically by one of my ancestors that they could bathe and wash their clothes in these lakes. The astounding and sensational part of this confidential information to you Members of the House is that at no

time were they ever accused of abusing these privileges.

It has been our extreme pleasure to name three distinguished gentlemen each year who have made great contributions to the Irish cause—and in 1943 and so not to keep you in suspense any longer, we will present these names. They are as follows: TOMMY D'ALESANDRO, LOUIS CAPOZZOLI, and VITO MARCANTONIO, and inasmuch as these gentlemen have been given this unique and rare distinction, I hope that when I meet them tomorrow I can say with all sincerity "Americano fratello avuto abuono diverte mento la fiesta Saint Patrick."

Again, Top o' the morning, God bless you, Mr. Speaker, and God bless you all.

EXTENSION OF REMARKS

(Mr. BURDICK and Mr. CELLER asked and were given permission to extend their own remarks in the RECORD.)

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a letter from a constituent.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. RICHARDS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. MANASCO. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a magazine article and a newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a statement by Dr. Emily Dunning Barringer and Judge Dorothy Kenyon, at a cost of $157.50.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HOCH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a petition from the farmers of Berks County, Pa.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

EXEMPTING MERCHANT SEAMEN SERVING IN WAR ZONES FROM CERTAIN TAXES

Mr. CAPOZZOLI. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

[Mr. CAPOZZOLI addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. BRYSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD in two particulars, in one to include a newspaper clipping, and in the other to include some letters.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

INFLATION CONTROL

Mr. GOSSETT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. GOSSETT. Mr. Speaker, if John L. Lewis carries out his proposed strike of the bituminous coal miners, he will become the Benedict Arnold of 1943.

Higher and ever higher industrial wages and profits have from the beginning led the inflation parade. Mr. Lewis now threatens to blow the lid completely from all semblance of inflation control. He has been encouraged in this course by easy victories over various War Labor Boards. If he again has his way, he will initiate another cycle of rising prices.

Without reference to our fighting men, there are millions of unorganized people in this country who are suffering far more war deprivations than are Mr. Lewis' miners. All civilians should take pride in these small sacrifices—many do. But while the many sacrifice, the few carry on a mad and shameful struggle for war profits. We are sick because of the constant attacks on the home front by economic pirates of the John L. Lewis type. Furthermore, there is a limit to the shocks which even American economy can withstand.

Gentlemen, I hope the President will take a firm hand in this civil strife. It is high time this Government stand its ground on the home front.

PERMISSION TO ADDRESS THE HOUSE

Mr. JENNINGS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. JENNINGS. Mr. Speaker, as I walked into this Chamber this morning I heard a burst of applause greet the Speaker of this House. It was merited both on his account and because of the shamrock which adorned the lapel of his coat.

This is St. Patrick's Day. And it is fit and proper we pay tribute to those of our citizens in whose veins courses the blood of the Irish race. They have made a notable contribution to the freedom, the culture, and the spiritual life of this Republic. Wherever there has been a cause that needed assistance or a wrong that needed resistance, the Irish, their sons and daughters have been in the forefront of the fight. In the building of this Nation, from Andrew Jackson down to this good day the sons and daughters of Ireland have written their names high on our country's scroll of fame.

COAL PRODUCTION

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, if the threat of John L. Lewis to call a strike in the soft coal mines of this country early in April becomes a reality, that strike will be equivalent to a major disaster suffered by our armed fighting forces. It is futile to talk of carrying the "four freedoms" throughout the world and establishing a world supergovernment when we cannot here at home guarantee coal to the industries engaged in the production of munitions of war.

May I have the attention of a leader or two on the majority side? I see here the gentleman from Georgia [Mr. Cox] and other majority leaders. I charge here and now that this administration and the majority party lack either the courage or the inclination to deal with this threat of strike by John L. Lewis either by action or legislation. I hope you will prove that I do not know what I am talking about.

DRIED FRUITS

Mr. WILSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. WILSON. Mr. Speaker, unless something is done to revise the rationing program for dried fruits in the next few days, thousands of tons of dried fruits are going to spoil. I have just received a letter this morning from Eugene V. Talkington, of the W. A. Barber Grocery Co., of Madison, Ind., in which he says:

> We have approximately $5,000 of dried fruits which will spoil unless we can move it within the next 6 weeks. It will have to be point-free to do this as the consumer will not buy dried fruits in any quantity unless it is point-free.

Mr. Speaker, that is not a lot of dried fruits, but I checked with the Department of Agriculture, and the Office of Price Administration, and I find it is not an unusual case. Twenty points were required at first to buy dried fruits. That now has been reduced to 12 points, and still dried fruits are not moving. If something is not done, we are going to lose thousands of tons of dried fruits while we are rationing these same commodities.

The SPEAKER. The time of the gentleman from Indiana has expired.

EXTENSION OF REMARKS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include four petitions and memorials to

Congress from the General Court of Massachusetts.

The SPEAKER. Is there objection?

There was no objection.

CEILING PRICES ON LIVESTOCK

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. MILLER of Nebraska. Mr. Speaker, I want to protest with all my strength the proposal of O. P. A. to put ceiling prices on livestock. I call upon that agency to halt this latest plan, hatched among its so-called experts here in Washington, before it deals another lethal blow to the food-production industry of this country. Is not this year's food supply in enough danger without adding another threat? This latest proposal will do nothing but to bring chaos to the livestock industry of this country and will not produce more meat for the consumer.

Let me give you, in brief, the effect such action would have.

In the first place, it will require the appointment of another vast army of appraisers whose decisions will have to be guided by a voluminous set of regulations and amendments prepared by the "experts" in Washington. The only men competent to judge livestock on the hoof are the men employed by the packers as buyers, and at high wages. This new army of appraisers will be composed of these experienced men transferred to the Government pay roll at higher wages or it will be composed of men incompetent to do the job properly. It is most likely to be the latter. We have seen the mushroom growth of O. P. A. in the past year. Do we want another expansion of the same kind, in view of the already serious shortage of manpower? The answer is emphatically "No."

If inexperienced appraisers set the grade too high the packer will not buy the animals. In that event, is the Government prepared to force him to do so? If they set the price too low the producer will be the loser and the packer will reap the advantage. Do you think the livestock raisers will go on fattening cattle for market under these circumstances? No; they will sell their matured stock and keep their young stock on grass. I need not point out to you the effect this would have on the supply of meat.

If the present ceiling prices cannot be enforced on packers and retailers how can a ceiling be enforced on the producers of livestock?

Let me again state that the O. P. A.'s proposal to place ceiling prices on livestock will wreck the livestock industry and will not produce more meat for the consumers at whatever price he has to pay.

LOSS OF LONG-FIBER COTTON IN ARIZONA

Mr. MURDOCK. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. MURDOCK. Mr. Speaker, because of the fact that almost all of the time in debate yesterday on House Joint Resolution 96 was, according to our practice, taken up by members of the Appropriations Committee, I fear that I will not have time to say what I should say except in this way, briefly.

I think there is no question that the Farm Security Administration is doing a great work in the function for which it was created, and I want to further that work in every way that I can. However, when it took over the matter of handling migratory labor and getting foreign labor for various sections of the country, it fell down on the job. I have not time to discuss the reasons. It fell down very seriously on the job in my State.

Down there in the sunny valleys of Arizona we grow long-fiber cotton. Such cotton is an inch and a half or more in length. That cotton is of vital importance in war industry, for parachutes, balloons, and in other respects. Our farmers were asked to grow it. Now thousands of bales of that cotton in Arizona have been wasted and lost this season because of the failure to get labor to pick it. At least 7,000 bales remain now unpicked, and at least 10,000 bales have been wasted because picked too late. I want to put this matter of procuring labor in the hands of somebody who can do the work, get the production, and not cost our farmers millions of dollars.

The SPEAKER. The time of the gentleman from Arizona has expired.

EXTENSION OF REMARKS

Mr. ROBINSON of Utah. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a speech made by Samuel C. Hatton.

The SPEAKER. Is there objection?

There was no objection.

TRIBUTE TO FRANK L. YATES

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and revise and extend my remarks and include certain brief newspaper comments.

The SPEAKER. Is there objection?

There was no objection.

[Mr. RANDOLPH addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. STEFAN. Mr. Speaker, I ask unanimous consent to extend the remarks I made yesterday and include certain letters and excerpts, and in another particular to extend my remarks in the Appendix and include a report upon the Farm Security Administration.

The SPEAKER. Is there objection?

There was no objection.

AMENDING THE NATIONAL HOUSING ACT

Mr. STEAGALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 677) to amend the National Housing Act, as amended, which I send to the desk and ask to have read.

The Clerk read as follows:

Be it enacted, etc., That section 603 (a) of the National Housing Act, as amended, is hereby amended by (1) striking out "$800,000,000" and inserting in lieu thereof $1,200,000,000", and (2) striking out of the third proviso "July 1, 1943" in each place where it appears and inserting in lieu thereof "July 1, 1944."

The SPEAKER. Is there objection?

Mr. WOLCOTT. Mr. Speaker, I reserve the right to object, and ask the gentleman to explain the parliamentary procedure and also the bill.

Mr. STEAGALL. Mr. Speaker, the Senate passed a bill extending the authorization of title VI of the Federal Housing Act for a period of 3 years, and increasing the authorization for insurance from $800,000,000 to $1,200,000,000. The House bill has that identical provision, and a further provision which would extend title I of the Federal Housing Act for a period of 3 years from the end of the present fiscal year.

The parliamentary situation is such that we desire to consider the Senate bill and strike out all after the enacting clause and substitute the language of the House bill, so that the bill may go to conference with respect to the extension of title I. There will also be offered an amendment to the provision of the House bill which extends title I. That amendment, so as to extend title I for only 1 year, I am sure will be accepted. I will accept it and I am sure there will be no objection. The measure is here with a unanimous report from the Committee on Banking and Currency and a rule has been reported by the Rules Committee for its consideration.

Mr. WOLCOTT. Further reserving the right to object, may I observe, to clarify a misunderstanding with respect to the F. H. A., the F. H. A. only insures loans made by qualified lending institutions, banks, insurance companies, building and loan associations, and so forth. This is merely to authorize an increase in their insurance facilities. Is that correct?

Mr. STEAGALL. That is correct.

Mr. WOLCOTT. Title VI simply has to do with the construction of houses in war areas and must be distinguished from title II in that respect.

Mr. STEAGALL. That is to be clearly understood. The purpose of the legislation as embodied in the extension of the authorization under title VI is to permit the insurance of residential construction in defense areas, construction that it is calculated will be permanent, or construction distinguished from that which would be taken care of under the Lanham Act, by direct appropriation out of the Treasury. Under title VI of the Federal Housing Act this work would be done purely by private investment.

Mr. WOLCOTT. I understand the gentleman will move to strike out all after the enacting clause of this bill and substitute H. R. 1914?

Mr. STEAGALL. I am going to ask unanimous consent that the language of the House bill be considered as a substitute for the Senate bill, and then an amendment will be offered as to title I.

Mr. WOLCOTT. Section 2 extends title I from 1943 to 1946. I understand

the gentleman from New Jersey [Mr. KEAN] has an amendment to reduce that.

Mr. STEAGALL. The gentleman is quite correct, and the amendment is entirely acceptable. It conforms to the provision of section 1 of the bill, which extends the authority of title VI for 1 year so that they will conform, and the authorization in each instance be continued only for 1 year.

Mr. SABATH. Mr. Speaker, reserving the right to object, is it the intention of the gentleman from Alabama [Mr. STEAGALL] to substitute for the Senate bill the House bill on which a rule has been granted a few days ago?

Mr. STEAGALL. That is correct.

Mr. SABATH. May I ask what is the amendment that has been agreed upon to the House bill?

Mr. STEAGALL. The amendment which will be offered by the gentleman from New Jersey [Mr. KEAN] simply changes the provision of section 2 of the House bill, so that the authorization for continued activities under title I of the Federal Housing Act will be limited to the period from July 1, 1943, to July 1, 1944, instead of the provision for extension for 3 years, which conforms to the extension as to title VI of the Federal Housing Act. It makes each of those extensions for a period of only 1 year.

Mr. SABATH. And that is the only amendment that is proposed?

Mr. STEAGALL. That is correct.

Mr. SABATH. The House bill on which a rule has been granted will be substituted for the Senate bill with this amendment which the gentleman has explained?

Mr. STEAGALL. That is correct.

Mr. SABATH. Then I have no objection.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. STEAGALL. Mr. Speaker, I ask unanimous consent that the language of the House bill following the enacting clause be substituted for the language of the Senate bill.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. STEAGALL: Strike out all after the enacting clause and insert the following:

"That section 603 (a) of such act, as amended, is hereby amended by (1) striking out '$800,000,000' and inserting in lieu thereof '$1,200,000,000'; and (2) striking out of the third proviso 'July 1, 1943' in each place where it appears and inserting in lieu thereof 'July 1, 1944.'

"SEC. 2. The first sentence of section 2 (a) of such act, as amended, is amended by striking out '1943' and inserting in lieu thereof '1946.'"

Mr. KEAN. Mr. Speaker, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. KEAN: In line 10, strike out "1946" and insert "1944."

The SPEAKER. Without objection, the amendment to the amendment is agreed to.

There was no objection, and the amendment to the amendment was agreed to.

Mr. SMITH of Ohio. Mr. Speaker, I would like to have some information on this measure. What is the present parliamentary situation?

The SPEAKER. The parliamentary situation is that unanimous consent was granted to take up the Senate bill. The gentleman from Alabama has moved to strike out all after the enacting clause of the Senate bill and substitute the language of a House bill. To that amendment the gentleman from New Jersey [Mr. KEAN] has offered an amendment changing the date, and that amendment to the amendment has been agreed to.

Mr. SMITH of Ohio. Will the gentleman yield?

The SPEAKER. The gentleman is recognized.

Mr. STEAGALL. I yield to the gentleman.

Mr. SMITH of Ohio. Have any figures been changed since the bill left the committee?

Mr. STEAGALL. None whatever except that in extending authority under title I we extend it 1 year instead of 3 years. That makes it conform to the provision which extends title VI for a period of 1 year.

Mr. SMITH of Ohio. What was the amount in the original bill?

Mr. STEAGALL. It was originally $100,000,000. We have extended the authorization until it has reached $800,000,000, and that is now exhausted. The authorization would permit insurance of loans up to $1,200,000,000, which it is thought will complete the job of insurance of residential property in defense areas.

Mr. SMITH of Ohio. One billion two hundred million dollars is what we agreed upon in the committee?

Mr. STEAGALL. That is correct. There is no change in the House bill except that we limit the authorization in title I to a period of 1 year instead of 3 years.

Mr. SMITH of Ohio. What was the purpose of making it 1946, instead of 1944?

Mr. STEAGALL. There was no particular reason. We are going to make it 1944, instead of 1946.

Mr. TABER. Will the gentleman from Ohio yield to me for a question?

Mr. SMITH of Ohio. Yes.

Mr. TABER. Was the increase from $800,000,000 to $1,200,000,000 based on the idea it was a 3-year extension and not a 1-year extension, and do you need such money as that for a 1-year extension?

Mr. SMITH of Ohio. I cannot answer that question. What the basis was I cannot say.

Mr. WOLCOTT. Will the gentleman yield to me?

Mr. SMITH of Ohio. Yes.

Mr. WOLCOTT. I might observe that there is no affiliation at all between the increase of the available insurance under title VI from $800,000,000 to $1,200,000,000. The date in section 2 has to do with the extension of title I which is an organization matter and the amount of the insurance here has to do with title VI which is the title: Housing Insurance.

Mr. STEAGALL. The fact that we add $400,000,000 is expected to take care of all existing demands for insurance of this kind.

The SPEAKER. The question is on the amendment to the amendment.

The amendment to the amendment was agreed to.

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. Without objection, H. R. 1911 will be laid on the table.

There was no objection.

COST OF LIVING

Mr. SABATH, from the Committee on Rules, submitted the following resolution (H. Res. 172, Rept. No. 253), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 1698) to amend the act entitled "An act to aid in stabilizing the cost of living" (Public Law No. 729, 77th Cong.). That after general debate, which shall be confined to the bill and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

CALL OF THE HOUSE

Mr. WOLCOTT. Mr. Speaker, I make a point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present. The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 27]

Allen, Ill.	Feighan	Lewis, Colo.
Barry	Fenton	Luce
Buckley	Fish	Lynch
Cannon, Fla.	Gale	McGranery
Carson, Ohio	Gallagher	McGregor
Case	Gibson	Mahon
Clason	Goodwin	Mansfield, Mont.
Cochran	Guyer	Martin, Iowa
Cole, N. Y.	Hagen	May
Colmer	Harless, Ariz.	Miller, Conn.
Crawford	Harness, Ind.	Miller, Mo.
Culkin	Hart	Murphy
Davis	Hinshaw	Myers
Dawson	Jarman	Newsome
Dingell	Kee	O'Toole
Durham	Kennedy	Outland
Engel	Kerr	Pfeifer
Englebright	Kilday	Philbin
Fay	King	

Reece, Tenn.	Sheridan	Thomas, N. J.
Rogers, Calif.	Short	Treadway
Sabath	Snyder	Weiss
Satterfield	Sparkman	Whelchel, Ga.
Scanlon	Starnes, Ala.	Winter
Scott	Taylor	

The SPEAKER pro tempore (Mr. RAMSPECK). On this roll call 361 Members have answered to their names. A quorum is present.

On motion of Mr. MCCORMACK, further proceedings, under the call, were dispensed with.

EXTENSION OF REMARKS

(Mr. BOREN asked and was given permission to extend his own remarks in the Appendix of the RECORD.)

Mr. KINZER. Mr. Speaker, I ask unanimous consent to have placed in the Appendix of the RECORD an article appearing in the March 15 issue of the Daily New Era, of Lancaster, Pa.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania [Mr. KINZER]?

There was no objection.

FARM LABOR PROGRAM, 1943

Mr. CANNON of Missouri. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of House Joint Resolution 96, making an appropriation to assist in providing a supply and distribution of farm labor for the calendar year 1943.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of House Joint Resolution 96, with Mr. SIKES in the chair.

The Clerk read the title of the joint resolution.

Mr. CANNON of Missouri. Mr. Chairman, summarizing the parliamentary situation, there is pending a substitute for the resolution offered by the gentleman from Kentucky [Mr. O'NEAL], and a perfecting amendment to the resolution itself offered by the gentleman from Georgia [Mr. TARVER]. I wonder if we can arrive at some agreement as to time for debate in which we can expect to pass on the amendment?

Mr. VOORHIS of California. Does the gentleman mean the Tarver amendment?

Mr. CANNON of Missouri. All pending amendments and those read for information at the desk. Mr. Chairman, I ask unanimous consent that all debate on the pending amendments and all amendments thereto close in 150 minutes, the last 10 minutes to be reserved, 5 minutes for the gentleman from New York [Mr. TABER] and 5 minutes for the committee.

The CHAIRMAN. The gentleman from Missouri [Mr. CANNON] asks unanimous consent that all debate on the pending amendment and all amendments thereto close in 150 minutes, the last 10 minutes to be reserved, one-half to be controlled by the gentleman from Missouri [Mr. CANNON] and one-half by the gentleman from New York [Mr. TABER].

Mr. CANNON of Missouri. I may say, Mr. Chairman, that is 15 minutes more than the total of all applications that have been made up to this time.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

Mr. VOORHIS of California. Mr. Chairman, reserving the right to object, I would like to know what would happen to amendments to the original resolution—other amendments than the Tarver amendment?

Mr. CANNON of Missouri. They may be offered at the close of the time fixed for debate.

Mr. FULMER. Mr. Chairman, reserving the right to object, would that include any other amendments that might be offered to this bill? I have one or two amendments I propose to offer.

Mr. CANNON of Missouri. How much additional time would the gentleman require?

Mr. FULMER. I would like to have at least 10 minutes on my amendments.

Mr. CANNON of Missouri. Then, Mr. Chairman, in order to comply with the request of the gentleman from South Carolina, I ask that the time for debate be increased to 160 minutes.

The CHAIRMAN. The gentleman from Missouri [Mr. CANNON] asks unanimous consent that all debate on the pending amendment and all amendments thereto close in 160 minutes. Is there objection?

Mr. O'CONNOR. Mr. Chairman, reserving the right to object, may I ask the chairman, assuming the time to be equally divided among those who are standing, how much time will each Member have?

Mr. CANNON of Missouri. The 160 minutes is 15 minutes more than a total of 5 minutes for each Member.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Oklahoma [Mr. RIZLEY].

Mr. RIZLEY. Mr. Chairman, I rise in support of the Tarver amendment.

Mr. Chairman, there was considerable discussion on the floor yesterday to the effect that while all of us recognized and do recognize the serious and acute situation with reference to the shortage of farm labor, no one has done much of anything about it except talk. Largely that may be true, but I may say for the benefit of some of those that have been so vociferous in their remarks on that subject that this matter has had the very careful and considerate attention and a lot of work by your Committee on Agriculture.

Our chairman, realizing the serious situation and growing exodus from the farms of farm labor as well as farm operators, more than a year ago called Secretary Wickard, General Hershey, and others having to do with the manpower of this country, before our committee, and we spent days and weeks trying at that time to convince those in authority that the situation was progressively becoming more serious and that we were very likely to face, and face soon, the problem now confronting us. I may say with some modesty that last October, and even before that time, I personally called the attention of this House to this matter and set out in a letter to General Hershey a resolution which I believed would be beneficial in the way of stopping the exodus of manpower from the farms. If you will look at the RECORD of October 12, 1942, you will find the eight-point program I submitted at that time containing many of the suggestions that are contained in the Bankhead bill pending in the Senate.

I shall support the Tarver amendment, because I am convinced that $12,100,000, the amount suggested by the gentleman from Georgia, will do the work just as effectively as the amount provided for in the bill. You are not going to get much help, scarcely any help at all for States such as my State, Kansas, Nebraska, Iowa, Indiana, and most of the other farm States, except such as you have in those States right now. The only thing you can do, so far as seasonal crops is concerned, will be to shift some labor from one part of a State to another. You are not going to be able to take that labor within those States to other sections of the country to any great extent. The labor that would be of any value is just not there, and there is no sense in using money to buggyride a few back and forth over the country.

California and some of the other border States face a more serious situation. The testimony before our committee recently was that about six millions would be largely sufficient to take care of the matter of getting Mexican labor into those sections of the country. That will leave $6,000,000 plus for these other States I have mentioned and other sections of the country for recruiting and transporting seasonal labor. I have a high regard for the opinion of the gentleman from Illinois [Mr. DIRKSEN], the gentleman from New York [Mr. TABER], and others on the Appropriations Committee. However, I say to you in all seriousness that you are not going to get much at best, because the exodus from the farms into the defense plants and into the Army has already taken practically all of the available labor.

I am in accord with the suggestion of the committee that this be handled by the Extension Service, because, as the gentleman from Arizona and others have said, it has been demonstrated that the Farm Security Administration have already displayed their inability to do this work.

I say to this House that I think as do other members of my committee who have given much time to the investigation of this problem, that $12,000,000 will do the job just as well as $26,000,000.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. RIZLEY. I yield.

Mr. MURDOCK. Do I understand the gentleman to say that $6,000,000 will take care of any importation of foreign

labor that we might need? Was that the testimony from all the States on the border? I am very doubtful that $6,000,000 will do this part.

Mr. RIZLEY. I feel sure that it would quite adequately take care of it. That was the conclusion I reached from the testimony before our committee.

Mr. GILCHRIST. Mr. Chairman, will the gentleman yield?

Mr. RIZLEY. I yield.

Mr. GILCHRIST. The gentleman is a member of the committee on which I, too, have the honor to serve. This committee has considered this matter but they have never been able to jar loose anything, have they?

Mr. RIZLEY. I will say to my friend from Iowa that I regret to say we did not seem to be able to get those in high places very much concerned, until almost too late.

Mr. GILCHRIST. They have obtained promises, but they have not been fulfilled.

Mr. RIZLEY. I agree with the gentleman from Iowa.

General Hershey said, and Mr. McNutt said, and everyone else who came before our committee who had any connection with the manpower situation said they were going to do something about it, but that was about as far as it went; nothing was done; only now they are beginning to awaken to the extreme seriousness of the situation that some of us were greatly concerned about a year ago when we first started these hearings.

Mr. Chairman, we have a very definite committment to the people of this country to cut and cut to the quick every appropriation where possible to do so. I think we can save $12,000,000 by the adoption of the Tarver amendment without injury to the purposes of the bill. I sincerely hope a majority of the Committee will vote accordingly.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

The CHAIR recognizes the gentleman from Georgia [Mr. PACE] for 5 minutes.

Mr. PACE. Mr. Chairman, I ask unanimous consent before I take my 5 minutes that my amendment may be read for the information of the committee.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

The Clerk read as follows:

Amendment to be offered by Mr. PACE: Page 4, line 7, after the colon following the word "service", insert *"Provided further,* That no part of the funds herein appropriated shall be expended for the transportation of any worker from the county where he resides or is working to a place of employment outside of such county without the prior consent in writing of the county extension agent of such county, or for the transportation of any worker outside the limits of the State where he resides or is working without the prior consent in writing of the commissioner of agriculture for such State, or other official who performs similar functions for such State."

Mr. PACE. Mr. Chairman, a close reading of page 4 of this bill will show you that two entirely separate and distinct systems of recruiting and transporting are set up. Lines 8 to 13 on page 4 provide for recruiting and transporting within the State, and that is to be done by the State extension service. Lines 2 to 7, inclusive, set up a system for recruiting and transporting beyond the State, and that is to be done by the United States Employment Service under a general agreement with the Extension Service.

It would be most unfortunate if we permitted a system to be set up here, which would be accepted as instructions from the Congress, to permit the United States Employment Service to go into a county or a State where there is now a critical shortage of labor to recruit and transport those workers to other sections.

If you will refer to page 8 of the committee report you will find this language:

Before any transportation out of a county or State is effected clearance should be had with the appropriate county and State authorities so that local and State needs will not be jecpardized by an exodus which cannot be returned in time to meet the local or State crop requirements.

The amendment I propose is simply writing into the resolution and making a matter of law exactly what the committee has suggested should be the operation under the bill. I am advised that the amendment is entirely acceptable to the committee.

Mr. CANNON of Missouri. Mr. Chairman, the amendment of the gentleman from Georgia as revised and as just read to the House is in complete accord with the purpose and object of the bill. The committee is glad to accept the amendment.

Mr. PACE. I thank the gentleman.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. CLEVENGER].

Mr. CLEVENGER. Mr. Chairman, I have here a letter from a large milk producer in my State who markets in the Cleveland milkshed. I shall not mention his name, but I shall read his letter:

CLEVELAND, OHIO, *March 15, 1943.*

DEAR CLIFF: The enclosed came to my desk this morning. It made me so damn mad I crushed it, then I thought I would send it on to you.

Notice affidavit farmer must sign to hire 1 of them 40 hours per week. My boys put in 70, and if they didn't I would close out, and I am shipping 3,000 pounds of milk daily. Will the fools in Washington ever learn any sense? Milk would need to retail for 30 cents per quart instead of 15 cents if my men went on a 40-hour basis.

I shall not read the postscript, as there is some language in it that I think had better be expurgated.

The affidavit to which he refers reads as follows:

This is to certify that I, _____, a farmer and resident of _____ County, _____, do own and operate a farm in the said county of _____, and that I am unable to work my farm in the proper manner because of the shortage of labor in this section.

I further certify that if Sergeant _____ is released from the Army of the United States to work with me on my farm, I will employ him steadily at the rate of $20 per week for 40 hours per week plus room and board.

This affidavit is to be signed by the farmer, and it is to be sworn and subscribed to before a notary public.

This is the letter that caused this situation to arise:

CLEVELAND, OHIO, *March 9, 1943.*

DEAR SIR: My son, Sergeant _____, is interested in farm work. Has been in the Army 2 years February 20. He is stationed in Fort _____. If you are in need of help, he will be very glad to serve his country on the farm. I am his mother and would appreciate your consideration.

If milk and food must be produced on a 40-hour week, it may be that the farmers may have to join and unionize. Thirty-cent milk will not look so good to some of you.

I called The Adjutant General's office about this letter a while ago and asked about their regulations. The first time I called the man I talked to, he said this was not required, as far as the Army was concerned, and suggested that the county agent and probably two disinterested people sign this request for the boy to return. A little later he called my office and said that that was not particularly necessary, that the request was going to be returned to the local draft board for their action.

If you were serving on a local draft board, would you bring Sam Jones' boy home and leave Tom Brown's boy in the service? You are not going to get any men that way. These draft boards are only human, and they are the neighbors of the men who were sent.

Every day this food crisis gets worse. We have had many hearings about it, hearing Mr. Wickard one day, Mr. McNutt the next day, Mr. Hershey the next day, and Governor Townsend the next day. The ball went around the infield like the old Tinker-to-Evers-to-Chance combination, three up, three down, no hits, no runs, but a lot of errors, and no men for the Army.

Mr. CURTIS. Mr. Chairman, will the gentleman yield?

Mr. CLEVENGER. I yield to the gentleman from Nebraska.

Mr. CURTIS. What department of Government attempted to impose a 40-hour week on this farm?

Mr. CLEVENGER. I cannot tell the gentleman that. This is the copy of the affidavit the farmer was given to fill out to ask for the discharge of this soldier to serve on his farm.

Mr. CURTIS. Who furnished the affidavit, the War Department?

Mr. CLEVENGER. The letter does not say.

The CHAIRMAN. The gentleman from Minnesota [Mr. ANDRESEN] is recognized.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, if it were not for the fact that there will be a scarcity of food for the American people during the next 12 months I would not favor this measure. But we all know that it takes man and machine power to produce food, and we do not have either the men or the machine power to provide all of the food that is required by the Government for our armed forces, the Allies, and for civilian needs.

The gentleman from Illinois [Mr. SABATH] referred to this measure as a re-

lief measure for the farmers. That may be his idea of relief. If it is any kind of a relief measure, it is a relief measure for the American people so that they can get food. Personally, I feel that most of the damage has been done as far as farm labor is concerned. During the past 18 months approximately 3,600,000 workers have gone from the farms into the armed services and into the war industries. That is a lot of labor from the farms of America.

In the Middle West most of the damage has been done, because we operate in the dairy section where you need labor all the year round to take care of the dairy herds. We are asked to produce an increased amount of dairy products. Instead of securing that increase, it now looks as though we will have 20 or 30 percent less dairy products for the coming 12 months, which means strict rationing of butter, and possibly milk, throughout the country.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Miss SUMNER of Illinois. As I understand, the gentleman represents a district where they raise corn. Today the ceiling on corn is so low that you cannot sell your corn for a price which it will cost you to raise it next year on account of the increase in farm labor. If they would spend this sum of money and raise the ceiling on corn we would get our labor, but today with the ceiling so low, we cannot look forward to raising next year's crop because we cannot pay the increased wages.

Mr. AUGUST H. ANDRESEN. There may be something to what the lady says, but in our section Mr. Wickard would not let the farmers plant enough corn to feed their own livestock.

Now, a lot of blame has been put on Secretary Wickard for not taking care of this problem. I would like to clear that up. While he is partly responsible, there are others who are equally responsible. Mr. Wickard came before our committee a year ago in February. We also had Mr. McNutt, Mr. Hershey, and men from other agencies outside of the Department of Agriculture, where they have to do with manpower. We stressed to these officials the need for planning, in order to secure an adequate amount of farm labor for 1943, but we were told by Mr. Wickard and by Mr. McNutt and others that there would be an abundance of food, that we would have plenty of manpower, and they would not worry at all about it. In fact, I went so far as to ask Mr. Wickard to present this problem at a Cabinet meeting and he said it was not necessary to do that because he would take care of the situation. While they did not recognize this manpower shortage problem until along in October or November last year, we had predicted 8 or 9 months earlier that it was coming. Now we are facing a real serious situation when it comes to the production of food. We must have food for our armed forces and for the civilian needs of this country.

I heard Secretary Stimson speak the other evening in regard to the size of the Army. He mentioned nothing about food and securing food for the Army or for the civilian population. I can see why he took the attitude that he did, because he knows the armed forces are going to get whatever food there is in the country, irrespective of the demands of the civilian population. Therefore, we in Congress must look after the food supply and the manpower to produce. I hope that this bill will aid in providing the manpower that is needed.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

The Chair recognizes the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK. Mr. Chairman, I rise to confirm the statements made by my colleague, the gentleman from New Mexico [Mr. ANDERSON], and my colleague, the gentleman from Texas [Mr. THOMASON], on yesterday, who pointed out the specific requirements and the peculiar situation of those border States in the Southwest in regard to agricultural labor and our farm problems.

I am inclined to oppose the amendment offered by my good friend, the gentleman from Kentucky [Mr. O'NEAL]. Something has been said about this bill's kicking the Department of Agriculture out of the picture. I cannot see it that way. It is true, this measure seeks to take this manpower problem away from the Farm Security Administration and put it in other agencies of Government, but I call attention to the fact that those other agencies of the Government are part of the Department of Agriculture.

Not only that, but they are older and more experienced and long-established agencies having to do with local control and having better acquaintance with local conditions. For that reason and because, although a good friend of the Farm Security Administration and willing to go to bat for them for the work for which their organization was recently established, I do believe, as I said earlier, that F. S. A. has fallen down on the job in my part of the country, and I am constrained to favor a change.

We have heard much said about trying to distribute something that does not exist—manpower. It may be there is a general shortage all over the country. It may be we will have some difficulty in getting farm laborers to go from one State to another. But down on the border in my State we have specialized crops that require seasonal work, and heretofore it has been supplied even in peacetime to a limited extent from our neighboring republic to the south. We are dependent during wartime for more of that labor, and if we cannot get it under proper conditions we simply cannot grow one of the very much needed agricultural products.

I refer particularly to long fiber cotton. Although I have no personal investments in American-Egyptian cotton, even in peace time I have done what I could to encourage its production, extend its markets and protect it from its greatest competitor from the Valley of the Nile. With the coming of war and the loss of our supply of silk, I urged consideration of this remarkable fiber in lieu of silk. It is today needed and wanted by the War Department. With Mexico in this war as our ally, surely mutually satisfactory arrangements can be worked out so that a supply of this labor can be had.

In such international matters, even between friends and allies, it takes two to make a bargain. The Mexican government must be satisfied with any arrangement and our people, as a whole, must be satisfied. Now, the Mexican government rightfully insists on certain requirements for her citizens to come in here and I think we ought to be in position to meet those requirements, but to do it in a way that is satisfactory to the Republic of Mexico and not offensive or impossible of attainment to American citizens who want to hire them.

I take it for granted that the new agency in which we would place this power can do that as satisfactorily as any other agency of the Government. It will have to be a matter of negotiation with the Republic of Mexico. I want those imported laborers to be protected and their Government is going to see to that. I also want our country to be protected at the same time and that, I think, any sensible agency of the Government will also attend to.

But I do want to emphasize the need of getting this labor, because if we do not get it we cannot grow this long-fiber cotton. I am not in favor of a penny-pinching policy in regard to funds and what the Government must do in order to get this labor. It is going to take money to do this and do it right. For that reason I am opposed to the amendment of the gentleman from Georgia [Mr. TARVER].

Mr. BELL. Will the gentleman yield?

Mr. MURDOCK. Yes.

Mr. BELL. The gentleman just mentioned some requirements the Mexican Government is making. I wonder if the gentleman would enlighten us as to what they are asking to be done before we import these people.

Mr. MURDOCK. The Mexican Government requires certain minimum housing conditions and certain guaranties concerning pay.

Mr. BELL. What are the conditions concerning pay?

Mr. MURDOCK. I will not have time to be specific, but the whole controversy down in the Southwest has grown out of that very thing. It has been a technical matter of terms of contract and yet farmers have been paying more than the minimum. I believe that another agency of the Government is in better position to work this out on a satisfactory basis with the Mexican Government.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from California [Mr. J. LEROY JOHNSON.]

Mr. J. LEROY JOHNSON. Mr. Chairman, I think in approaching this matter we should consider what is the fundamental purpose of passing this legislation. As I see it, a great many of the opponents to the plan offered have objected to it on the ground that the appropriation of $26,000,000 for the purpose is too much.

I think the way to look at this is that we are trying to get production and if we are reasonably convinced that a larger amount than the $12,000,000 suggested by the amendment will give us production, that is the kind of measure we ought to pass.

I am speaking today about this matter from my personal experience in the selective-service organization and also from my personal knowledge of the central part of California. In my district there are over 25 major crops raised: Vegetables, fruits, nuts, grapes, and things of that kind. In 1941, when we began the selective-service organization, we began to see that farms were being depleted of labor. That became more acute in 1942.

I want to correct an impression which several Members have given here, and that is that these men were taken by the selective service boards. Most of the young farmers in California, in the 12 boards over which I supervised appeals, voluntarily enlisted in the Army, the Navy, or the Marine Corps. As an illustration, practically every last man in the agricultural college of the University of California at Davis enlisted in the Army. Then any number of itinerant laborers were taken away by the selective service boards and the defense plants such as the Mare Island Navy Yard. The result was that we had a very acute labor shortage in 1942.

I think all of you know that for many, many years, in California, especially in that section that I am talking about, we have used Mexican labor and we have used itinerant labor.

One of the plans of this resolution is to import Mexican labor. Last year that was talked of and there were some Mexicans brought in for the harvesting of sugar beets and asparagus and other like crops.

The thing was a partial failure, but it was also a partial success and I am very anxious that we have this money in order that we may import as many Mexican laborers as we can into that area because I am confident the Californians know how to handle these men and will use them to the best advantage and will, with this added manpower, actually increase the production.

As I say, one of the main objections to this whole problem, one of the main difficulties in this whole problem, is that the people in authority have not taken the matter and discussed it from its broader aspects.

Last April the President of the United States, recognizing that we were in this total war where we would have to harness together all our physical resources and all our human resources, issued an Executive order on April 18, just exactly 11 months ago tomorrow, and here is what the chairman of the organization which was set up was supposed to do. He was supposed to—

Formulate plans and programs and establish basic national policies to insure the most effective mobilization and maximum utilization of the Nation's manpower in the prosecution of the war; and issue such policy and operating directives as may be necessary thereto.

And also to—

Formulate legislative programs designed to facilitate the most effective mobilization and, utilization of the manpower of the country; and with the approval of the President, recommend such legislation as may be necessary for this purpose.

It is obvious that if almost one-third of the farm workers have been withdrawn by the armed forces or by industry that we must find some other source to make up this loss. The importation of Mexicans offers one source and will be extremely helpful in California. Volunteer labor, as pointed out by the gentleman from Wisconsin [Mr. KEEFE], is another source; the release of workers on Government pay rolls; labor released from civilian sources and even from defense industries are other sources. Today much of the work in the country is done on a 40-hour week basis. If this were increased to 48 hours it is obvious that much manpower would be released. Women offer another source. It is clear that if we really want to produce more we must revise our plan and use one that will have the object in view. The 40-hour week plan was purposely designed to reduce production—and the bonus for overtime was designed to make the employer hire more help rather than work his people over the 40 hours. Now we are in a period when production—rather than reduced production—is our main object. In fact, it is our very salvation for the country can only win the war we are in—and thus save human lives—if our production in foods is better than ever before.

Some agency or person who has the authority to do so should furnish us with a comprehensive plan. That is what the Chairman of the Manpower Commission was ordered to do 11 months ago. But to date no pattern of this great effort has been made. If the farmers are given a chance they will deliver the goods, but so far every step taken seems designed to impede and obstruct production. For heaven's sake, when we are in a war of life or death we should get our plans drafted so as to effectively harness up the resources we have.

It is because this plan to import Mexicans will help this that I am for appropriating the larger amount, to wit: the $26,000,000. I am heartily in favor of having the matter handled by the Extension Service. They know the farmers, their problems, and they understand them. This Service has been successful over a long period of time and the farmers have confidence in the Service. The farmers in our territory do not have confidence in the F. S. A. Consequently, I urge the defeat of the amendment and the passage of the original resolution.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. VOORHIS].

Mr. VOORHIS of California. Mr. Chairman, I have an amendment pending at the desk, and I ask that it be read for the information of the House.

The CHAIRMAN. Without objection, the amendment will be reported for the information of the House.

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. VOORHIS of California: Page 5, line 7, after "impose", insert "unreasonable."

Mr. VOORHIS of California. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from California [Mr. VOORHIS]?

There was no objection.

Mr. VOORHIS of California. Mr. Chairman, I would like to have time to discuss many things about this bill which I am afraid I will not have time to do. But, first, it is incumbent upon me to explain my amendment. One of the things which we on the west coast hope this bill will accomplish is the facilitation of the movement into our section of several thousand workers from our neighboring Republic of Mexico. We realize that our problem in this regard is different from the problems of many other parts of the country.

I recognize the fact that there are two distinct problems involved in this farm-labor situation. One is the problem of the steady, skilled "hired man" who works through the year on the farm and who needs to be a skilled man. I am not going to discuss that, nor do I think this bill is the answer to it. Real deferment from the draft is one answer. And there are one or two others that could be applied. But I cannot discuss them now.

The second problem is the problem of seasonal labor that is necessary in large numbers and of which in California we need at the peak about 250,000 at least over normal agricultural employment. In this connection, I frankly think we are going to have to rely on local people to meet most of this problem in most areas. So far as making arrangements for such help by local people, for the employment of high-school students and others, this should be in the hands of an agency that is rooted as firmly in the local community as possible The extension service is such an agency.

Personally, I have advocated before, and I say again, that I wish all the contacts of the farmer with the Federal Government could be concentrated in one agency, his applications for gasoline, the securing of labor, his protest against price ceilings, his applications for machinery and everything else, and that this might be concentrated in the county war boards. This would do more to simplify the farmers present problems than anything else I know.

This bill says that the Extension Service is going to do the local recruitment part of this job and that it is to be responsible in cooperation with the Employment Service for the movement of workers from foreign countries or from one part of our country to another. So far as I am concerned, the main thing is to get definite responsibility fixed in the hands of some one agency. So far as western agriculture is concerned, as the gentleman from Arizona has already said, if we are to do the job in California that needs to be done, it is necessary that some arrangement be made with Mexico

so that several thousand of their people can help at doing that job.

Mr. Chairman, my amendment inserts the word "unreasonable" just before the words "minimum wages" or "housing standards", and the reason I offer it is because I do not see how we can make an agreement to bring workers in unless some kind of assurances as to reasonable standards of wage payment and where people are going to stay when they come to work can be given. I do not of course want workers brought in to our country temporarily to enjoy a favored position relative to workers of our own country. I do not think that should happen.

My own position is that agriculture, both the farmer and the farm worker have been depressed through the years and that neither the farmer nor his workers have received the income they should have. I join with other Members of the House in protesting a great many of the price ceilings for this reason. I support the idea that farm labor costs should be included in computing parity prices. But I hope we are not going to hamstring the administration of this measure by making it impossible for reasonable agreements and reasonable assurances to be given to people when they are recruited to go and do the work that we need to have done, because if the bill is finally enacted in its present form it may seriously affect the chance of securing the labor that we in the West are going to have to have. No one dislikes, on principle, more than I do, the importation of workers from foreign nations, but for this war period our California agriculture is absolutely dependent upon this being done.

Mr. Chairman, there is also another idea in my mind. It was expressed yesterday by the gentleman from Wisconsin [Mr. KEEFE] when he pointed out that after all a large part of our reliance in meeting a great share of this problem of our farm work during this war is going to be upon the patriotism of our own people who will come out to help to get the job done. They have already done so in many cases—schools have been closed for certain periods in some of the States, farm and city people have turned out, farm people themselves have redoubled their efforts—but, with all of this, still the great seasonal labor problem of California and some other Western States cannot be met unless the Mexican workers come.

Now, I think it is necessary that some agency should have definite and exclusive responsibility for making arrangements for marshaling all the available local labor in each county and locality. This bill gives that responsibility to the Extension Service. I do not think that the Extension Service can do the job of bringing people from the neighboring Republic of Mexico or do the job of recruiting people in one part of our country for work elsewhere. I think that is going to have to be done by some national agency. Some time ago I recommended as earnestly as I knew how that a special section of the United States Employment Service should be set up exclusively devoted to agriculture because I think that would have helped and will still help. This bill gives the Employment Service this latter responsibility.

I shall support this bill. But I want to say a word about the Farm Security Administration. I do not share most of the criticism of that agency that has been made by many people. I think there have been obstacles in the way of getting some of these things done which have not been the fault of Farm Security. I am not saying they have not made mistakes. But I am most earnestly in support of any program which attempts to help the small farmers and the migratory farm workers in this country, and I believe that agency has done great good in helping thousands of those families to raise their standards of living and to achieve a better level of production than they had before.

I earnestly appeal to the House to support my amendment. I will not have another opportunity to speak for my amendment. It expresses the purpose of the House that no unreasonable standard should be set, but it at least makes it possible for a Government agency which is going to recruit labor to give some assurance to those workers as to what they will receive for their work. I believe this is the simple duty of a governmental agency engaged in work of this kind. And I am convinced such reasonable assurances will be absolutely necessary if we are to obtain from our neighbor, Mexico, the workers which are absolutely necessary to our western agriculture. Furthermore, wages in excess of any reasonable minimum are already being paid by the farmer employers.

Farm income needs raising all along the line. And I remind the House of the point repeatedly made to the effect that one reason for the shortage of farm labor is the disparity between industrial and agricultural wages.

The CHAIRMAN. The time of the gentleman from California has expired.

Does the gentleman from California [Mr. PHILLIPS] desire recognition at this time?

Mr. PHILLIPS. Not at this time, Mr. Chairman.

The CHAIRMAN. The gentleman from Ohio [Mr. SMITH] is recognized for 5 minutes.

Mr. SMITH of Ohio. Mr. Chairman, I ask unanimous consent to speak for 4 additional minutes.

The CHAIRMAN. The Chair feels constrained to point out that time has been limited.

The gentleman from Ohio asks unanimous consent to speak for 4 additional minutes. Is there objection?

Mr. HOFFMAN. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. HOFFMAN. Does not the rule prevent a request for additional time when debate has been limited?

The CHAIRMAN. It can be extended by unanimous consent.

Mr. O'CONNOR. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. O'CONNOR. I make the point of order that the time cannot be extended when it has been fixed, not even by unanimous consent.

The CHAIRMAN. Any Member can object to the gentleman's request.

Mr. ANDERSON of New Mexico. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard. The gentleman from Ohio is recognized for 5 minutes.

Mr. SMITH of Ohio. Mr. Chairman, I can have no faith in legislation of the sort we are now discussing. I was brought up on a farm and own and operate some farm land now. I think I understand the difficulties and troubles that would beset a program such as is here proposed. I am fearful this scheme would be more likely to still further frustrate agriculture and reduce production rather than increase it.

Hand $26,000,000 out to a group of people who have never had the responsibility of administering any substantial sums of money to operate a program of this kind and it is a foregone conclusion that the waste would be colossal, the good done small, and the damage great.

It appears to me Congress is here applying just a bit more salve to soothe the public mind. Until the political shackles are removed from the farmers and they are relieved of all bureaucratic meddling, and further, until they are able to secure freely all the farm machinery and supplies for their unhampered needs, the food shortage will increase no matter what else may be done. I think insofar as the farm-labor shortage can be relieved this can and will best be done if left entirely to local communities.

With respect to some of its operations, the Congress appears to have become a spectacle.

From the right side of the aisle and the left side of the aisle, largely irrespective of party affiliation, almost daily, curses rain down upon the bureaucracy. It is damned for just about every wrong that besets our social and economic body—for its stupidity, arrogance, extravagance and corruption; for food shortages and the attendant evils of rationing and price fixing and what not.

Yet the one and only cure which it seems the Congress possesses for each and every economic and social maladjustment or disease it diagnoses is more bureaucracy.

A food shortage impends. Among other serious factors a shortage of farm labor is manifest. The Congress can relieve this of course, for, judging from the great mass of laws it grinds out daily, it must believe itself capable of healing about all the ills, social, economic, as well as bodily, to which man and beast are heir.

So laboring under what M. Guizot called "a gross delusion, a belief in the sovereign power of political machinery," which, aside from its motivating forces, is the very alpha and omega of the New Deal, the Congress proposes to appropriate millions and create more political machinery to cure said farm labor shortage.

If the remedy works, well and good. The Congress then stands ready and willing to take full credit for the cure. If it fails and musses things up more, well and good, also, for could not Congress show that it had tried and is perfectly willing to try again by appropriating more funds and setting up more political machinery to do the job?

One is reminded in this connection of some of the earlier ideas of medicine. Hahnemann, founder of homeopathy, for example, propounded the peculiar doctrine that all chronic diseases were the result of the itch, syphilis, or sycosis, or they were caused by medicines. He blamed the medicines given by doctors for being the cause of many diseases.

Well, speaking of one of the segments of the economy, the one we are at present concerned with—agriculture—we are pretty sure its troubles cannot be blamed on the itch or syphilis, but Congress surely has been giving the farmers a lot of medicines.

And, strangely, the very theory of therapeutics that guided old Dr. Hahnemann in his practice appears to be the one that gives direction to Congress in healing the ills of our social and economic body. Similia similibus curantur, like cures like, said Dr. Hahnemann. So when he had a patient suffering from what he believed to be the taking of some medicine, why, he would prescribe more medicine of the very same kind that made him sick to make him well again.

So with the Congress, bureaucracy has the country in the dog house, and to get it out of the dog house the Congress must prescribe more bureaucracy for the country.

This bill proposes to import 50,000, and we don't know how many more, Mexican farmers to take the place of our boys who left their farms in this country to go to war.

Mexico has declared war, on paper, on the Axis powers. She is supposed to be an ally of ours. We are giving her war supplies under lend-lease which she is using to build up her home defenses. She has no soldiers fighting in the war, and there is no indication she intends that they have any soldiers fighting on foreign soil.

This is a good example of lend-lease in reverse, of which we have been hearing so much lately. We take the young men of our own country from our farms and send them across the far seas to the four corners of the earth to keep the enemy away, not only from our own shores, but the shores of Mexico as well. Under lend-lease we give our war supplies away to Mexico—Mexico does not send any soldiers to fight, but sends us her farmers, whom we have to pay well, to take the place of our farmers who had to go to war.

The CHAIRMAN. The gentleman from Montana [Mr. O'CONNOR] is recognized for 5 minutes.

Mr. O'CONNOR. Mr. Chairman, I just want to make some observations. I am not going to attempt an argument because, being a lawyer, I could not make one in 5 minutes.

Mr. Chairman, I was impressed with the remarks of the distinguished gentleman from Wisconsin [Mr. KEEFE]. I feel that he has given us the best analysis of this bill that we have so far heard, though I do not entirely agree with him.

My good friend, the distinguished gentleman from Utah, said a few moments ago to me: "The country is asking for bread, but in passing this bill we are handing it a stone." That is what it amounts to. The Congress cannot do everything, notwithstanding a lot of people think so. I have heard here on the floor of this House the Agriculture Department kicked all over the lot for shortage of manpower. Mr. Chairman, it seems to me that such kicking is another instance of play on prejudice that is gradually being developed against the administration in this House. I do not deny that politics are at the bottom of this.

Mr. Chairman, I have heard in the last few weeks speeches made on the floor of the House and one made here yesterday morning that under all of the circumstances I was sorry and regretted that they were made. We must not forget that we are in a terrible war. Our boys are being killed from the North Atlantic, where they were frozen to death with oars of boats in their frozen hands, trying to save their lives after escaping from a torpedoed ship, to the farthermost point in the South Pacific and to the hot sands of Africa. These speeches serve no good purpose. It is my belief that if the Members of Congress quit fighting the Roosevelt family and direct their heavy guns toward our enemies, Hitler and the Japs, we might win this war much sooner than we are going to if we constantly snipe and jibe at our Commander in Chief and his family. These speeches are not confined to either side of the aisle. It is not vital to the perpetuity of this Government whether or not a Democrat or Republican Party survive as such, but it is vital to our country, yours and mine, should we lose this war.

I now want to call attention to the fact that we have a scarcity of farm labor. We have this scarcity for two reasons, and the two reasons are these: The inordinately high wages paid by war industry have taken boys off the farms, and the administration of the Draft Act, if you please, by the local boards, is the other reason. The local boards had discretion to defer farm boys, but in many instances they did not exercise it. The Agriculture Department is not to blame for that; but it is to blame for one thing, and its action is indefensible, in this respect, and that is this, failing to demand from the War Production Board sufficient steel with which to make adequate farm machinery to run the farms of this country for the year 1943.

First, I am informed that an order was made providing for production of new farm machinery amounting to 23 percent of the production of such machinery in the year 1940. Subsequently and a long time thereafter an order was made, yet not carried out, that the production should equal 40 percent of 1940. Personally, I happen to know that even last year we were unable to secure necessary farm machinery and repairs. If that were the situation last year what can we hope for this year with production decreased as indicated by the above percentages. If the War Production Board refused to comply with the reasonable demand made by the Agriculture Department, the Agriculture Department failed when it did not let the country know the true situation and where was the bottleneck. That is where it fell down.

I have been told on reasonably fair authority that only six-tenths of 1 percent of the steel of this country has been allocated to the production of new farm implements for the year 1943.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR. I yield to the gentleman from Nebraska.

Mr. STEFAN. It would take less than 1 percent of the steel produced today to furnish the farmer with all the machinery parts, and repairs required to produce all the food we and our allies need.

Mr. O'CONNOR. The gentleman is exactly right. There is where the Department of Agriculture fell down. It did not stand on its hind legs and fight for adequate machinery from the War Production Board. That is one of the causes of the lack of food production.

If we pass this bill, if we give them all they ask, I doubt that we will increase the production of food. I do not believe you can transport men from California or Michigan to my State of Montana and get any results.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR. I yield to the gentleman from Michigan.

Mr. HOFFMAN. The gentleman is contending that the appropriation of money will not produce food, that you still have to put the seed in the ground.

Mr. O'CONNOR. The gentleman is only being practical. You must have men to work, and the appropriation of money will not furnish those men, though we can try.

Mr. HOFFMAN. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. HOFFMAN moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

Mr. HOFFMAN. Mr. Chairman, the administration and the Congress seem to be suffering from an overdose of delusions, illusions, and hallucinations. Both seem to feel that the appropriation of money will produce the food. I do not believe it. Money will purchase food, it will not produce food.

The gentleman from Montana [Mr. O'CONNOR], who just left the floor, suggested that instead of making changes we devote our energies to the carrying on of this war, and part of that, the war program, naturally and inevitably must be the production of food. I go along with him on that, but I propose to fight anyone and everyone who gets in the way of the farmer who is trying to produce food

for the fighting men and the home folks. This administration has been doing that right along.

I will give you a concrete illustration of just what I mean. In my own home county at a little crossroads is a farmers' co-op. They do business with farmers who live within a radius of about 6 miles and no more. During the past year the farmers in that community produced and this co-op shipped over 2,000,000 dozen eggs. They did a business of more than $2,000,000. And the business made a profit. They produced, processed, sold, and delivered farm produce, that is food. What happened to them? Let me read you this letter I just received:

HAMILTON FARM BUREAU,
Hamilton, Mich., March 11, 1943.

Representative CLARE E. HOFFMAN,
House of Representatives,
Washington, D. C.

DEAR CLARE: Last week, while in Washington, I told you about some of the problems which we were having. I found out, on my return home, that it has gotten more serious. We had filed an application for an increase in wages for most of our employees which took two of our employees about a aday to get the information and fill out. Last week the application was returned, stating that it was not properly filled out and it probably will take two people another day to get the information they want.

In the meantime, our employees are leaving. Last week we lost three more in our egg department. They can leave here and go to Holland and work in a defense plant with much higher wages. We have closed up our egg-breaking department. Today we started handling part of our eggs on a current receipt basis as we do not have enough help to have them candled and graded. I am sure that our poultry-dressing department will operate at less than one-half of our capacity. We are having trouble in both of our feed plants, which is most serious. We are unable to take care of our feed customers and will have to turn down handling a large volume of poultry and eggs from our producers unless we get relief at once.

I do not believe that it is the intention of anyone that egg and poultry plants, such as we operate, should have to be closed down. Regulations which we have to comply with are too complicated and, in many cases, cannot even be interpreted by attorneys.

I am predicting that, unless we get relief, we will have to close up our poultry and egg departments before this summer is over.

I have warned State selective service headquarters in Michigan as far back as July 1941, that unless they changed their attitude toward agricultural workers being essential, that this country would face a food shortage. I am now predicting that the bottleneck which is developing in our food-processing plants in this country will be more critical than what food production has become.

We request that the regulations covering the freezing of wages be amended to exempt agricultural processing plant workers who operate in rural areas and on a substandard wage.

We all know that on account of war, that we will have to operate under some additional regulations, but we do hope and pray that Congress will see to it that these regulations be simplified so the average person can understand them and get the information that is required. These complicated regulations have caused a great deal of confusion and I know that many persons have violated a great many of these regulations. Last night our board of directors discussed whether it would be more practical to comply with many of the regulations we now have to operate under and which are curtailing our operations, or to disregard them and make every effort to expand our food program which will help feed our people and shorten the war. Many firms have already violated many of these regulations and are facing being given a fine or a jail sentence.

Our problem is today, that we have too many regulations. Before long we will have more people trying to regulate than we will have in production and processing. This situation has become so acute that it is delaying our winning the war.

Sincerely yours,

HAMILTON FARM BUREAU,
A. G. LOHMAN, *Manager.*

They have trouble keeping their employees. They have the men and the women in that community able and willing to grow the food and produce the poultry. These are second and third generation Hollanders, whose folks came originally from the Netherlands. They are honest, patriotic, industrious, thrifty, God-fearing people. They have the men and women, boys and girls to grow the things they want to process and ship. The employees are there. They have the money to pay them in competition with the wages paid in the nearby cities, where there are factories paying high wages in war production. They can produce. They have the equipment to process this food. But to keep their employees they want to pay wages to meet competition. What happens to them?

They make their application for permission to increase wages, not to cut them down, and the administration down here through one of the bureaus tells them that the application is not right. They have been trying for 2 weeks or more to get this permit. They are not dumb. They are not ignorant. They are successful business people and farmers.

To show you just how patriotic these Hollanders are, notice particularly this part of the letter:

> Last night our board of directors discussed whether it would be more practical to comply with many of the regulations we now have to operate under and which are curtailing our operations, or to disregard them and make every effort to expand our food program which will help feed our people and shorten the war. Many firms have already violated many of these regulations and are facing being given a fine or a jail sentence.

The people who are producing and processing these foods, because of their patriotism, because of their realization that the boys—and many of their boys have gone and some have died—in the fighting forces must have this food, are now discussing the policy of going ahead and facing a fine or jail sentence or else complying with the regulations which hinder their efforts. They may be forced to violate the law in order to do their part toward feeding their own sons who are on the battle front.

I ask you, when the farmer is ready to go ahead, is there any reason why these fellows down below should not get off his neck and let him go? Must a man take the chance of paying a fine or going to jail in order to exercise the right of supplying those who need the food with that food? That is the situation. Instead of paying $26,000,000 let the administration get off the farmer's back and let him go, especially when he is ready and has the ability.

Our ancestors, to make a profit, stole the Negroes from their homes, sold them to the southerners who wanted cheap labor, and we now have the so-called race problem. The last and the present generation wanted and they got the Japs on the west coast to do manual work, the stoop work so-called, and we now have the Japs on our hands.

Under this bill, as it reads at the moment, aliens can be brought in to aid, it is said, the farmer, and when the immediate need is over what will we do with them?

Let every other farm boy, every other hired man stay at home; give the farmers adequate farm machinery, free them from the shackles the administration has fastened upon them and they will produce.

Mr. Chairman, I withdraw my motion.

The CHAIRMAN. Without objection, the gentleman may withdraw his motion.

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Kentucky [Mr. CREAL] for 5 minutes.

Mr. CREAL. Mr. Chairman, when a patient is really ill they call for the experts. Sometimes they send for the experts and find that it was the coroner that they needed. At this late hour I do not know whether or not the experts can do much good, or whether the coroner can only view the remains, but I do well remember the old saying that perhaps the most impudent words are "I told you so." About 1 year ago, some may remember, the gentleman from South Carolina [Mr. FULMER], chairman of the Committee on Agriculture, said that before the end of 1943 we were going to have a strenuous food shortage and that no bureaucrat in Washington will do anything about it until it hits him square across the face. He was quoted all over the country. I said to you at that time, as some of you will remember in my short statement of 5 minutes, that before the end of 1943 there would be a wailing cry of "When do we eat?" Some folks may remember that. Since then much water has gone over the dam, but the sad part of it is that while we view the remains, with the coroner, the end is not yet. The desecration of the body still goes on. With an army of 11,000,000 plus in sight, so they say, there is more draining of farm labor still going on and yet to go on. We are told that the farm-labor shortage at this hour is the greatest shortage since 1922. What will it be by July; what will it be by next January? Oh, yes; some of our Members on both sides of the aisle who represent city districts treated the matter very lightly when the farm boys had the question up a year ago and we were talking about a 110-percent parity. We were outvoted.

Some of them, however, are consistent; they were opposed to doing anything then and are opposed now. However, some of the others have reversed themselves, and have seen their mistake. I remember one Member said here, we

may well hear from the consumer, and that we would hear from them last November, if farm prices were raised. However, we are hearing now, but their inquiry is "What can I get"? This bill may not do much good in some areas; but it may do much good some places, and whatever good it does, it is that much.

The Secretary of Agriculture has a veto power under the law on the O. P. A. farm prices when he chooses to use it. They are holding a meeting down town today, discussing the price of hogs. Let us hope that the price fixed will take into full consideration all the rise in prices of other things and hogs be kept at a price that will pay returns under all our present circumstances.

The standards made by the Selective Service Board for exemption of farm labor were too high. The War Production Board did not allot enough steel to make farm implements and repairs.

Real, experienced farm workers are as much war workers as millions of others and food production must have equal attention with other war production. I am supporting the resolution of the committee.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. ANDERSON] for 5 minutes.

Mr. ANDERSON of California. Mr. Chairman, I thought I would take a few minutes to shed tears over the same body the preceding speaker, the gentleman from Kentucky [Mr. CREAL] referred to. I understand that my good friend from New York [Mr. O'BRIEN] held the wake this morning, but I am hopeful that perhaps we can provide a little artificial respiration with the pending measure. I cannot agree with my good friend, the genial gentleman from Kentucky [Mr. O'NEAL], who spoke yesterday, that the passage of this bill is going to do any harm to the Department of Agriculture. Certainly some blame must be placed somewhere for the failure of our present program, as far as farm manpower is concerned. If the blame has to be placed in the lap of the Secretary of Agriculture, let us put it there. If it is to be shared by the Farm Security Administration, then that agency has to accept its share of the blame. I would like to have you refer to the hearings on page 102, to a statement by Mr. Ogg, of the National Farm Bureau Federation. He had this to say:

> Mr. Chairman, gentlemen of the committee: Speaking for the American Farm Bureau Federation, we feel that the present program of recruiting and placing farm labor is being very badly bungled, that it is not adequate to do the job, and that the best evidence of that is what has happened up to date. We have already lost very considerable quantities of food and fiber because of the bungling of the farm labor recruitment program.

I heartily subscribe to that statement. If we have to take this thing out of the hands of the Farm Security Administration, or even the Department of Agriculture, let us do it. It may not be too late. I think we can still render some valuable assistance in insuring a supply of farm labor for harvesting food crops during the 1943 season. At least we can try.

On page 119 of the hearings appears a statement by a gentleman representing the farmers in Florida, with reference to the activities of the Farm Security Administration:

> I condemn them to the fullest extent as being impractical, cumbersome, and dripping with red tape and reform. Apparently social reform is all the Farm Security Administration people have in mind. While our crops wilt and rot they dilly-dally dawdle around with all their foolishness.

There is another statement I subscribe to 100 percent. We have had some experience in California with the Farm Security Administration attempting to import Mexican labor to help harvest our crops. It looks to me as though the Farm Security Administration is more interested in teaching Mexican laborers to eat steak and pie instead of tortillas and frijoles than in harvesting our crops. Enough of social reforms and confusion—let us have some action.

Yesterday the gentleman from Virginia [Mr. WOODRUM] referred to the cost of this program. May I point out that last year, due to the shortage of agricultural labor in the State of California alone, crops were lost to the extent of nearly $10,000,000. According to the hearings, in Arizona last year cotton and alfalfa amounting to approximately $5,000,000 was lost. There is more than half the cost of this projected Nation-wide program in two States alone. If it is going to take $26,000,000 to put this program over, I am for it. However, I am for taking it out of the hands of the agencies that have proven themselves utterly incapable of handling the task. The recruitment and placement of farm labor should be handled by persons who are familiar with farmers and farm problems.

Yesterday, the gentleman from Wisconsin [Mr. KEEFE] made a very moving argument in behalf of community cooperation. I want the gentleman from Wisconsin to understand that his particular congressional district has no corner on patriotism in that regard.

The President of the United States, following his trip to the Pacific coast, referred to the fine community cooperation in my congressional district, where they closed banking houses and business houses and the citizens of the communities went onto the farms and helped harvest the prune and tomato crops. They did a miraculous job. But that is not enough. When thousands of tons of fresh peaches, thousands of tons of fresh apricots, thousands of tons of prunes or other valuable crops are rotting on the trees and on the ground, community cooperation is not enough. We must have a supplemental supply of labor, and the only place for it to come from now is from Mexico.

The Government of Mexico can do more to implement the good-neighbor policy by assisting the United States in recruiting an adequate supply of farm labor than any other one thing I know of. As our allies in the present war I am sure everything possible will be done.

Mr. Chairman, I urge that this bill be passed as is, and that the pending amendments be defeated.

The CHAIRMAN. The time of the gentleman from California has expired.

The Chair recognizes the gentleman from Oklahoma [Mr. STEWART].

Mr. STEWART. Mr. Chairman, this bill is worth $26,000,000 for one part of it alone, that is, going back and recognizing local government, where the county commissioners appoint the county agents and the people have really got some voice in their National Government.

The experiment, from a local governmental standpoint, is worthy of consideration. In all probability the speaker addressing you will never be selected to administer the policy of the Nation, but I think there has been too much concentration in Washington, trying to carry out party lines against the welfare of the Nation. There is no reason why this Congress and this Government should not recognize the agricultural bureaus and State boards of agriculture in the respective agricultural States and other agencies that deal with agriculture.

One other thing: We ought to have some practical farmers in authority dealing with the actual farmers, because the documents that have been produced and read in the form of labor contracts, and menus compelling filet mignon a la Stanley for Mexican laborers, goes to show that it was not the idea of a man that knew anything about farming.

Mr. McMURRAY. Mr. Chairman, will the gentleman yield?

Mr. STEWART. Not now. I will yield when I have concluded.

The people of America are looking to Congress. We have a big job, because we cannot administer the law to where it will work out, with one jurisdiction conflicting with and intertangling with another; but we could send back to the agricultural States our Federal money and recognize our agricultural agents as this bill provides, and when it gets to the county, the county commissioners have authority to veto or O. K. the contract with the county agent. That county agent has to cultivate the good will of the farmers of the county he represents, in order to hold his job.

I am opposed to all amendments save and except the amendment offered by the gentleman from Georgia [Mr. PACE]. I think his amendment will strengthen the bill and stop the useless expense of transporting farm labor from one point of the United States and back a time or two, without results, and I am going along with that amendment.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The gentleman from Wisconsin [Mr. MURRAY] is recognized.

Mr. MURRAY of Wisconsin. Mr. Chairman, I wish to take a little different slant on this particular item than has been presented here today. I believe the Agriculture Committee would have brought out a little different bill. The fact that someone in their wisdom did not turn it over to the Agriculture Com-

mittee is not going to influence me as to what parts of it I expect to support.

There are two particular things I would like to call attention to. The first is that there is not much use of appropriating money for anything on this food program as long as you let the O. P. A. run around and put everybody in a straitjacket. Many of their rulings are not even according to law. The second is, I would like to call your attention to the break-down for this bill. Under the present proposal we have some $13,500,000 for the Extension Service, and $12,500,000 for the recruitment, transportation, supervision, and protection of domestic workers. Among this $13,500,000 for extension work, on the face of it it would appear to me that possibly two and a half million dollars for interstate transportation and supervision looks rather high. This amount should not be needed for this purpose. This $5,000,000 for temporary housing, including construction of additional facilities, rentals, operations, and supervision of existing facilities, surely seems out of line, and altogether too much money, and much more than is needed for this purpose.

We talk about $26,000,000, and my good friend the gentleman from Virginia yesterday told us about the mandate from the people of this country. I would just like to call attention to the fact that we appropriated and expended last year out of the United States Treasury $71,778,000 and gave it to the big landowners of this country. We gave this amount in checks of from $1,000 up. Since these big operators are getting $71,000,000 subsidy payments, they should be able to recruit and provide for their own labor without additional requests from the United States Treasury. First, let us take the great State of California, where we find that 2,332 of the good farmers out there were able to get $6,000,000 plus.

I call attention to Texas because that was where this border labor comes in. We have about 6,000 farmers getting something over $12,000,000, or about $2,000 each. Do you not believe that these large operators should be able to recruit their own labor without additional appropriations from the United States Treasury? I call to the attention of the gentleman from Virginia [Mr. WOODRUM] that 25 big land operators in his State received $44,000 as subsidy in the one year.

Mr. WOODRUM of Virginia. Will the gentleman yield?

Mr. MURRAY of Wisconsin. Yes, sir.

Mr. WOODRUM of Virginia. I may say to the gentleman that I have always voted against every one of these subsidies without exception.

Mr. MURRAY of Wisconsin. I am sure of that. The gentleman from Virginia will admit, though, that, as far as subsidies are concerned, we have been doing it for several years.

Many times we have tried to reduce these large payments to $500, but to no avail, and evidently they are to be continued even in wartime.

Mr. WOODRUM of Virginia. The gentleman will also recall that this is supposed to be a rejuvenated Congress with a specific mandate, and I think he ought to be careful about that mandate.

Mr. MURRAY of Wisconsin. The distinguished gentleman from Virginia is so compelling in his argument. I must admit that he can be depended upon to curtail these nonmilitary expenditures. He can also expect continued cooperation on my part. The Tarver amendment should be supported and the appropriation reduced from $26,000,000 to $12,000,000.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

The gentleman from North Carolina [Mr. BARDEN] is recognized.

Mr. BARDEN. Mr. Chairman, this bill, or a part of it, may do some good, but at most I am unable to see where it is going to do very much good, because I do not think it is the proper approach to the problem. This bill would appropriate $26,000,000 to assemble, house, and train farm labor. Frankly, I think if we will take the clamps off of the farmer so he can get a fair price for his products he will be able to find and pay for his own labor.

A strange thing about this bill is that there seems to be a lack of confidence in just what it will accomplish, even on the part of those who advocate it. There are too many "ifs" involved. It is farm or agricultural legislation coming from the Appropriations Committee instead of the Agriculture Committee.

The present O. P. A. Director is exercising more control over not only this problem but over agriculture in general than any other department, man, or organization, including the Congress of the United States today. I do wish the Department of Agriculture would wake up and quit being a "yes" department to O. P. A. officials.

I might say that I am informed that one of the big reasons why Mr. Brown is O. P. A. Director instead of United States Senator from Michigan, the office held by him prior to November 1942, is because he blocked the solution to this very problem last year by opposing the inclusion of labor costs in the price of agricultural commodities and therefore the people decided that maybe Mr. Brown would be better off somewhere else. I suppose he was conscientiously opposed to it then, and is now, for he, Mr. Brown, or the O. P. A., which he heads, leaves approximately $1 or $1.25 per day labor costs in the price of farm commodities. Now you and I know that you cannot get labor on the farms at that price, and so does Mr. Brown and his associates. Labor is now in the competitive field and the Government put it there. You can set up a $50,000,000 outfit, if you want to, with the theory of this bill in mind or for the purpose of assembling, collecting, and training agricultural workers, but, first, you must find the workers; and second, they must agree to work on the farms, and not only have they got to agree to work on the farms, but they must agree to work on the farm for at least half or less than half of the price paid for labor by industry in Government camps, the munitions factories, and so forth.

So where are you? You are just left out in the cold, so far as that is concerned, and the solution to the problem still remains first, more agricultural machinery and second, more money to the farmer for his products, for without more money they will be unable to pay the market price for labor and if the farmer cannot go into the labor market and pay a competitive price, he cannot and will not get it. Why should we try to fool ourselves?

Now, I have great faith and confidence in my friend from Missouri [Mr. CANNON]. I want to read some of his words that are just as sound today as they were on September 22, 1942, when he uttered them.

Quoting from the RECORD, the gentleman said:

> Crops already made are not being harvested because, at current prices, they will not bring enough to pay a wage sufficient to draw farm labor away from war industries which have lured it from the farms. Industry can pay large wages because it gets a fair price for its products with the cost of labor figured in, but the farmer cannot pay high wages because, under this bill, you propose to so reduce the price of his product as to leave no margin for increased wages.

And again on the same day he said:

> If you vote for this bill as it is written, as it is presented to you here without amendment—to include the farmer's cost of production as you include every other producer's cost of production—you are voting to prolong the war and you are voting away certainty of early and perhaps complete victory.

Then the gentleman was asked:

> I should like to ask him if it is not his considered judgment that we face a grave shortage of food within the next year unless the farmer is given equal protection with the wage earner of the country?

To which he replied:

> Beyond the peradventure of a doubt the consuming public does not appreciate that fact as yet.

The gentleman stated further:

> In the future when the proponents of low farm prices begin to appreciate the situation it will be too late, it will then be irreparable and the country will understand what this loss means.

And we are now beginning to learn what it means.

He further stated:

> Sweatshop conditions are not permitted in the city, but they are found on every farm. Child labor is prohibited in the factory, but it is the rule on the farm. And now that farm prices are being reduced 10 percent and factory wages raised 15 percent under this bill, is it to be wondered that men are closing down the farms and taking their families to the cities? It is the life of Riley in the city as compared to life on the farm as it will be under the administration of this bill.

This was said during the debate which took place when those of us who were interested in the farmer and understood his problems were trying to get cost of labor included in the formula for parity so that it could not be disregarded in fixing maximum prices on agricultural commodities. We had just as well be plain about it, the big cities and the so-called leaders of industrial workers want cheap food; and they do not care how many

hours per day the farmer has to work, they do not care how much child labor is used, they do not care about his standard of living, they want cheap food. And take the position that anyone advocating a fair price for farm produce the only thing that will insure an adequate supply of food, is bringing about inflation. John L. Lewis does not see any inflation in raising the miners' pay $2 per day. But he and those of his school of thought contend that if you pay the producer of food 50 percent as much in wages as is paid those who produce coal, it would be inflation. I do not believe that position or attitude is fair, honest, good Americanism or to the best interest of this Nation in winning the war, one of the great needs now is for food if we continue to hamper its production we will be hampering and hindering this country's war effort.

The CHAIRMAN. The Chair recognizes the gentleman from Kentucky [Mr. ROBSION].

Mr. ROBSION of Kentucky. Mr. Chairman, we must agree there are three essential things to win the war: We must have adequate manpower for our armed forces, produce the necessary war equipment, and provide food.

We began in 1940 to build up our armed forces. Strong appeals were made to our young men to enlist in our armed forces. They were urged to volunteer their services in defense of our country. They were told it was their patriotic duty to do so, and millions did volunteer. The Selective Service Act was passed, and other millions were brought into the armed forces.

So today we find ourselves with an armed force greater than we have facilities to transport it to the combat areas, but efforts are being put forth to increase the number to 11,000,000 or more.

About the same time in 1940 we put on a great campaign to produce war equipment of all kinds. The munition plants offered high wages, short hours, and attractive working conditions, and we rapidly built up our war plant forces; and we can say today that we have made splendid progress and are expanding day by day.

But the first requirement of the trinity necessary to win the war has been neglected. During the years of 1940, 1941, and 1942 we persisted in following the policy of cut-outs and reducing acreage in the production of food in this country. We paid the farmers bonuses and benefits to reduce their acreage and cut down their production. Many of us for more than a year insisted that if something was not done to increase our production on the farms that the Nation would face an acute food shortage, but the administration failed to heed these appeals. The urge became stronger for the young men of the farms to enlist in the service of our country, and wages in the defense plants and other units of industry continued to advance. Approximately 3,500,000 farmers and farm workers were drawn from the farms of this country. It is estimated about 40 percent of this number entered the armed forces and the other 60 percent was attracted to industry by the high wages, short hours, and more favorable working conditions.

The farmers of the Nation could not pay the wages, grant the shorter hours or the better working conditions to keep men on the farms. During this time the administration refused to include cost of labor in fixing parity prices for the farmers and refused to give to the farmers such a price for their commodities as would enable them to compete in the labor market with industry. Although it was self-evident that unless some steps were taken our country would be faced with a food shortage and the American people would experience acute hunger, no workable plan was offered by the administration for the solution of this problem.

The farmers were further handicapped by the rules and regulations issued by the thousands from the numerous offices of the bureaucrats here in Washington. Men without knowledge or experience were undertaking to run the farms of the Nation. Because of these unworkable policies, the farmers are not able to secure necessary farm machinery, fertilizer, oil, gas, seed, and so forth. Millions of man-days have been lost by the farmers on account of the red tape of the bureaucrats here in Washington, in visiting the country seats and the State capitals of their respective counties and States in trying to secure machinery, fertilizer, oil, gas, seed, and so forth, and in filling out millions of forms by the farmers, and which forms confused the farmers as to what they could or could not do on the farms. It is most regrettable a lot of these orders, regulations and red tape are still in force to confuse and delay the farmers.

The administration insisted upon taking men into the armed forces faster than they had facilities with which to train them and in numbers greater than we had or have facilities to transport them to the battle front. We know of instances in our district where two or three sons were taken from a single farm, leaving behind an aged father or mother to carry on the farm work. There was no clearly defined policy promulgated or followed to determine to what extent farmers or farm workers should be deferred. The policy as to the deferment of men in industry was more clearly defined and more consistently followed.

The administration did not wake up to the gravity of the situation until late in November 1942. It was not until November 30, 1942, when an order was issued for the stabilization of farm workers. The President issued his food-production-processing order on December 5, 1942. Mr. McNutt, Chairman of the Manpower Commission, issued his order relative to farm labor on January 10, 1943, but from 1940 up to 1942 we were still following the policy of cut-outs in farm production and the payment of bonuses and benefits not to produce food and fiber. The administration stuck to its policy of scarcity. It still labored under the delusion we might have too much meat, corn, wheat, cotton, sugar, potatoes, peanuts, and other farm commodities. Our country is now suffering from the administration's policy of scarcity instead of plenty, but the administration has suddenly waked up to the specter of a food famine now confronting the Nation, and legislation is attempted after the crops have been planted in many parts of the country and some crops are ready to harvest.

We have concentrated since 1940 on building up our armed forces and the production of war equipment and matériel. We must now concentrate our efforts on production on the farms. The farms alone must provide us with the food, the feed, and clothing.

SERVE WHEREVER NECESSARY

I am not urging that anyone be permitted, if he should desire, to avoid service in our armed forces. I have but one son who was married several years before the war. He volunteered for duty in a combat unit of the Coast Artillery and is now in the service. He is neither a farmer nor a skilled workman. He can be more useful in the armed forces than he could be on the farm or in a war-production plant. I feel that every patriotic American should be willing to perform whatever service that will be most helpful in winning the war. No language can express the appreciation and gratitude of the American people for the courageous and patriotic service that our boys are giving to our country—on land and sea, in the air, and under the sea—yet we must not forget that our armed forces must have food and clothing; that we must have ships, bombers, planes, tanks, guns, shells, and other war materials. They cannot fight without these. They should have the very best our country can provide. They cannot bring us victory without them. In order to have these, men and women must toil on the farms, in the ships, mills, factories, mines, railroads, and other instrumentalities of production and transportation.

If our Government says that one group can be most helpful on the farm, another group in the factories and mines, and yet another in the armed forces, and the individuals of each one of these groups puts into his service whether on the farm or in the defense plants or in the armed forces, his best efforts with a great patriotic desire to serve his country and bring victory, he should not be frowned upon, but receive the commendation and the gratitude of the American people.

It is difficult to keep young men and young women on the farms when they can receive from two to five times as much wages in industry per day as they receive on the farms and at the same time have much shorter hours of service. The shops and factories are heated in the winter and are much cooler than on the farm in the summertime. They are not exposed to the scorching heat of summer or to the rain, the snow, and the sleet of winter. The farm or shop does not provide the glory or the glamour of the armed forces. Some of our young men on the farms and in the shops who could be deferred feel that it is their patriotic duty to march and fight under the flag of our country.

HELP THE FARMERS

We have before us today House Joint Resolution 96, reported by the Committee on Appropriations. This bill provides for an appropriation of $26,100,000 to be turned over to the Extension Service of the Agriculture Department to aid in recruiting, training, and placement of farm labor, and to secure labor and in certain cases provide for their transportation.

I am supporting this measure because it is urged by the Committee on Appropriations and the Committee on Agriculture, and in the hope that it will relieve the farm-labor shortage at least to some considerable extent, but this may only scratch the surface. Farm machinery and other farm equipment—seed, fertilizer, oil, and gas must be made available at once to the farmers.

I voted for the Brown amendment to the Price Control Act, providing that in fixing the parity price for the farmers' products the labor cost should be included. This was adopted by the House over the objection of the President. While the Senate passed that bill and it was signed by the President, yet the administration has failed to carry out this express mandate of Congress.

In a day or two we are informed that H. R. 1408 will come up to write into the law clearly and explicitly that the costs of labor shall be included in fixing parity prices. I shall vote for that bill if given an opportunity.

The Committee on Agriculture has before it House Concurrent Resolution 12, introduced on March 9, 1943. This resolution very properly declares that the production of adequate supplies of food, feed, and fiber is essential to the prosecution of the war as the production and manufacture of actual munitions of war. It further points out that the farmers are handicapped in obtaining farm equipment, machinery, and supplies that are needed in order to produce this food, feed, and fiber.

The Congress commends the farmers of the United States for the manner in which they have shown their patriotism in response to the demands made upon them to aid in the effective prosecution of the war. I heartily concur in the words of praise to the farmers of the Nation, but they need something besides resolutions. They need new farm equipment, seed, fertilizer, oil and gas, and then they need a fair and just price for their products, and we must not continue the policy of stripping the farms of their manpower.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

The Chair recognizes the gentleman from South Carolina [Mr. FULMER] for 5 minutes.

Mr. FULMER. Mr. Chairman, I want to ask the chairman of the committee if I may be permitted to use the additional 5 minutes which it is understood I was to have at the time debate under the 5-minute rule on this amendment was fixed.

Mr. CANNON of Missouri. Mr. Chairman, in my request I asked that the gentleman from South Carolina be accorded 10 minutes.

The CHAIRMAN. Without objection, the gentleman from South Carolina may proceed for 10 minutes.

There was no objection.

Mr. FULMER. Mr. Chairman, I want to thank the distinguished gentleman from Kentucky [Mr. CREAL] for referring to the statement I made way back in 1942. I realized at that time, and the members of my committee realized, just what was going on and just what the people of this country might expect. My committee for many months has been working overtime to get over to the heads of the various agencies connected with our war program, the Congress, and the President of the United States, the position of agriculture, and just what was being done to the farmers instead of being done in the interest of the farmers of this country. At that time I stated that nothing would be done about it until early some morning when those in authority would arise and find nothing to eat; then we should find the different agencies, the Congress, and everybody else running all over each other spending millions trying to do that which cannot be done on the farm overnight. I fear that it is too late now for 1943, but we must do something and do it now, not only to be helpful in 1943 but to take care of 1944.

On yesterday and today we have heard many Members state on the floor of this House that this bill now under consideration will not cure the serious situation confronting the farmers of the country, that is, the labor shortage. Let me say to you that I agree with those gentlemen that it will not. The people in California and perhaps one or two other sections of the country where Mexican labor may possibly be secured may get something out of this bill, and I hope they will. The other day when the gentleman from Georgia [Mr. TARVER] asked any Member who had a surplus of labor in his district to stand and let the Members know about it not a single Member rose to his feet. Perhaps in the South we may be in a little better shape, so far as labor is concerned, than most any other agricultural section of the country, but unless something is done quickly and definitely about this serious situation we are going to remain in the serious position we are insofar as bringing about even a normal production in 1943, when at this time more than any other time in the history of this great Republic we need to increase our production which is so necessary not only to win this war but to win a just and lasting world peace.

I will tell you about the position of agriculture. From the very beginning of our war program the various agencies connected with our war effort have left agriculture out of the picture; they have made a stepchild out of the Department of Agriculture and the farmers of this country. The Manpower Commission and those connected with industry have been interested in getting employees into industry. The employment agencies scattered all over the country have been working overtime sending employees to Government jobs and to war industries.

The War Department stated that so far as agriculture was concerned that was Secretary Wickard's racket. The War Department is interested only in getting every man possible to build up a ten- or fifteen-million-man Army when, as a matter of fact, they cannot possibly get across during 1943 over four to four and a half million men.

In every instance when the Secretary would ask for more critical materials for farm machinery they would make promises, but that is all. The last promise they made was to give 50 percent of the total of 1941. To this good hour, however, they have received perhaps 25 percent; and the distribution of farm machinery implements and repair parts are tied up with red tape. Let me tell you you are not going to produce anything like a normal crop this year with the position the farmers are in today—short of necessary farm machinery, unfair prices, many rules, regulations, and restrictions, and unfair ceilings and farm prices, and the shortage of labor. There is, however, one thing that can be done that will go a long way to help the situation and that is to stop taking farmers, their sons, and laborers from the farms which they are still doing even to the last man in a great many instances. I challenge any Member to stand up and tell me they are not now doing that very thing in his district. They are doing that in my district and they are doing that in your district. They plan to take many more millions into the armed services of this country awaiting the time when it may be possible to take them overseas. There are many trained farmers and trained laborers who can be furloughed back to the farm to do the thing that is necessary to win this war. I want to request the Members to pay strict attention to the reading of an amendment I propose to offer and that I now request, Mr. Chairman, be read for the information of the Members.

The CHAIRMAN. Without objection, the Clerk will read the proposed amendment.

The Clerk read as follows:

Amendment to be offered by Mr. FULMER: Page 5, after line 14, insert the following:

"SEC. 2. Notwithstanding the provisions of the Selective Training and Service Act of 1940, as amended, every individual who was regularly engaged in an agricultural occupation or endeavor in any capacity in connection with the production of any agricultural commodity during a major part of the calendar year of 1942, and who, on the date of enactment of this joint resolution or on the date thereafter on which such individual receives orders to report for induction into the land or naval forces of the United States, is regularly engaged in any capacity in connection with the production of any agricultural commodity shall be deferred from training and service under such act until January 1, 1944, or until the date on which such individual ceases to be regularly engaged in any capacity in connection with the production of any such commodity, whichever first occurs. As used in the foregoing sentence the term 'production of any agricultural commodity' includes the raising, feeding, caring for, and management of any dairy animals or other livestock or poultry."

Mr. CANNON of Missouri. Mr. Chairman, I understand that the amendment is read at this time for information.

The CHAIRMAN. That is correct.

Mr. FULMER. Mr. Chairman, may I say to the chairman of the Committee on Appropriations that it may be that this amendment is not germane, but if the gentleman will not raise that point I do not believe there is a single Member of Congress here that will raise the point.

Unless something is done, and done promptly, I hate to think just what will happen in connection with the winning of this war. I am sure you will agree with me you cannot "keep 'em flying" or "keep 'em rolling" unless you can keep them eating. Today millions of people are practically starving in Europe, and we are rationing food in this country at this time. Think for a moment what it would mean in saving the lives of our men if we are able to keep our allies supplied and keep them fighting. This amendment, if adopted, could keep the rest of the people on the farm who have not been drafted. However, the gentleman can make the point of order, and no doubt it will be sustained. But I ask you seriously how you are going to help the farmers of this country to produce a normal crop unless you can keep them down on the farm.

Mr. CANNON of Missouri. I am in heartiest accord with the statement made by the gentleman from South Carolina. In the remarks I myself made on the floor yesterday I called attention to the fact that if exemption of keymen on essential farms had been allowed a year ago, or beginning at the time I made the statement, we would not have today the situation that we are here trying to alleviate.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. FULMER. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute.

Mr. MORRISON of North Carolina. I object, Mr. Chairman.

Mr. CANNON of Missouri. I ask unanimous consent that he be permitted to proceed for 1 additional minute in view of the fact that I took some of his time.

Mr. MORRISON of North Carolina. I object, Mr. Chairman.

Mr. GILLIE. Mr. Chairman, I ask unanimous consent to extend my own remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. GILLIE. Mr. Chairman, I do not feel that there is much that I can add to the discussion of the measure now before us—House Joint Resolution 96. It has been explained and defended very competently by both the majority and minority members of the committee. However, there is one thing that I do want to say to you definitely.

I am heartily in accord with the provisions of this resolution placing the responsibility for the recruiting of farm labor in the hands of the Agricultural Extension Service. This Service in my State is in the hands of a competent and reliable group of men at Purdue University. I rest this problem in their hands.

The Extension Service has a great organization set up all over this country in every agricultural county and State in the Union. They are all ready to go. They are functioning. The farmers have confidence in them. Under the terms of this resolution, they are given $6,000,000 to do what they can to stimulate the recruitment of agricultural labor. If anything can be done to relieve this situation, they are in a position to do it.

Mr. Chairman, we have heard testimony to the effect that, although the Department of Agriculture and the Farm Security Administration have been working on this problem for nearly a year and have expended several million dollars, they have succeeded in recruiting little or no labor. They have failed to even scratch the surface.

I therefore feel that the Congress is thoroughly justified in turning this program over to the Extension Service, a far-flung, effective organization with a record of 70 years of solid accomplishment. At least I am willing to give them the necessary funds and authority to tackle this most important problem. The need for immediate action cannot be disputed. With the threat of food shortages ahead, with all they can mean not only to this country but to our allies, we cannot afford to take chances.

The CHAIRMAN. The Chair recognizes the gentleman from Florida, [Mr. GREEN].

Mr. GREEN. Mr. Chairman, the bill before us causes us to realize the more that we are groping in the dark and lost in the wilderness. When the Office of Price Administration bill was before the House, many of us contended that there should be no ceiling on farm commodities. The best we could get was the Brown amendment which established 90 percent of parity.

The O. P. A. ceiling set on farm produce has throttled and threatens to stop farm production. I do not entertain the theory that an increase of farm commodity prices will bring about wild inflation. When the O. P. A. bill was before the House it was determined to put no ceiling on wages, which probably was wise. It was determined at the same time to put a ceiling on agricultural commodity prices. In other words, the philosophy then obtaining was that it is all right to have big wages, it is all right to produce, but we are not concerned about your getting food.

The call to the armed forces and the call of high wages in industry has depleted the supply of labor on the farms and stalled production. We cannot get around the fact that the way to bring about factory production, raw material produce production, and machine production, is to allow the producers to have the certain knowledge that the product will bring the cost of production plus a reasonable profit. If the farmers of this Nation could be assured that their commodities would bring the cost of production and a reasonable profit, the problem would be solved.

In almost every farm county in the United States there is a county agricultural agent, and these men are performing well. Each of them knows what can be produced in his county and how to bring it about. Instead of hunting nostrums as we are in this monstrosity before us, which I shall probably vote for because nothing else is now offered, knowing however it will not answer the emergency. If we should authorize and direct that these county farm agents should stimulate production in an orderly manner in their counties by means of the Commodity Purchasing Corporation of the Department of Agriculture guaranteeing certain prices for the produce of the farm, labor would go to the farm.

Do you think it is practical to go into depleted farm labor areas—and they are all that—and recruit labor and carry it to another depleted farm area? You are robbing Peter to pay Paul. The only method by which you can get this labor is to let the farmer himself get his own labor through the definite knowledge that he will receive the cost of what he produces plus a reasonable profit. You have the machinery already set up through the county farm agents for a plan like this, but the lust of bureaucracy has grown so great in this Nation and percolated so deeply into Congress that you are afraid to challenge it.

It is the duty of the Congress to face this situation in a realistic, practical manner and to apply to the subject business yardsticks. In other words, we should approach this subject the same as any other important business subject in connection with the war effort. In the Department of Agriculture we already have an agency which has been utilized for the purchase of commodities. This agency, with additional power and authority, could very well be used as a Federal purchasing agency for food commodities. It is clear in my mind that if such agency had the power to purchase at stated prices, such power of purchase would rarely be exercised. In other words, the fact that such Federal organization was given the power and direction to purchase food commodities at a certain price would definitely set the price of such commodity, then the usual channels of trade would buy and pay for such commodity the indicated price. I am confident that such purchasing medium would never have to utilize in its operation in excess of $5,000,000—perhaps only $1,000,000.

The county farm agents are already in position to know the food-producing possibilities of their respective counties. They know the individual farms and the majority of the individual farmers on same. The Secretary of Agriculture could immediately arrive at the desired amount needed of each regularly produced food crop. These respective amounts could be disseminated as production goals and prorated according to the ability to produce to the various counties in the country. In fact, such arrangement and promulgations could be, if red tape could be cut, carried forth in less than 10 days. The price so fixed for the various food commodities should

be sufficient to give the farmer cost of production plus a reasonable profit.

In fixing this cost of production and price of food commodities at the farm, consideration would be given to sufficient farm wage to be paid as will offer adequate inducement to labor in order that the farmer may be enabled to obtain such labor. The farmer himself, if given sufficient price for his commodity, can undoubtedly secure adequate labor to produce. He should be enabled, in such food-production program, to compete with salaries and wages paid to industrial and war workers adjacent to his farm community. It would be infinitely better for the consumer to pay more for the food that he eats, in an orderly way and through the regular processes and channels of trade and through regular and orderly processes of farm production in the farmers' own manner, than for the Federal Government to appropriate the $26,000,000 as indicated in this bill to attempt to subsidize the farm-labor situation. The American people ultimately will be called upon to pay the $26,000,000 as indicated in this bill. The average American would get his food cheaper if all Price Administration ceilings on farm commodities could be scrapped and if inducements for production were made by guaranteeing to the farmer cost of production plus reasonable profit.

Now, my colleagues, there is no use in trying to fool ourselves. This theoretical, itinerant, migratory, ultra bureaucratic plan before you today is not the solution. The American factory owner is now producing airplanes successfully because he knows in advance that he will get the cost of that airplane plus reasonable profit. This same thing applies in every material, product, and manufactured article used in the war effort. This is a common business principle and the only way we are going to get adequate food production on the farms in America is to apply a similar business plan. Ceiling prices placed by the O. P. A. on milk produced in the State of Florida are forcing dairymen to sell their cattle for beef and retire from the dairy business. Vegetable and potato growers and long-staple cotton growers in Florida are unable to adequately expand for production because of ceiling and floor prices set by the O. P. A. which are prohibitive and destructive to these industries. These same inadequate ceiling and floor or support prices as set on other commodities has practically stopped production in its tracks.

Yes; some of my colleagues have gloated about the great food production, say, in 1929, 1930, 1931, 1932, and 1933 of farm produce. I recall that very well. The elevators were bursting with grain; barns were filled with hay; cattle and hogs roamed the pastures and highways; cotton yielded abundantly. But did you ever stop to think about it, at that particular time, there were probably more hungry Americans than at any time during our Nation's existence? Corn sold for 10 cents a bushel; wheat, 15 cents or 20 cents; cotton, 5 cents and 6 cents a pound; pork, beef, and other commodities were low. But the American people were hungry, millions of them, because they had nothing with which to buy food. Factories were idle and farmers were burning corn for fuel because they could not buy coal. Coal miners were hungry for corn and wheat and other edible products because they had no employment and no money with which to buy food. That was under the Republican Administration of President Hoover.

I have at all times favored Government encouragement of abundance of production and have lamented destruction of food things of value. I always doubted the wisdom of the plowing under program and of the hog destruction program. But, my colleagues, that is neither here nor there. We are faced with a serious situation which, unless remedied, will eventually bring hunger to our people and to the Allies depending upon us. And may I suggest to you Members who represent city districts, your constituents may be the first to be hungry because it is expected that the farm producers should first feed their families and then their nearest neighbors. You should be interested in this, and I know you are.

I trust that the Committee on Agriculture will give immediate and serious thought to this matter and agree to legislation which will without red tape delaying and fantastic bureaucracy, inaugurate a program immediately of guaranty of cost of production plus reasonable profit. This is, in my opinion, the only practical and workable method of approach.

The CHAIRMAN. The time of the gentleman from Florida has expired.

The Chair recognizes the gentleman from California [Mr. ELLIOTT].

Mr. PHILLIPS. Mr. Chairman, I ask unanimous consent that the gentleman from California [Mr. ELLIOTT] be given as much of my time as he may need.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ELLIOTT. Mr. Chairman, about 18 months ago my colleague the gentleman from California [Mr. ANDERSON] and I started working practically every day on the labor situation as it existed in our State at that time. Many times we consulted with the Department of Agriculture, even the Secretary of Agriculture himself. We pointed out to him time and again that if we expected to harvest crops or plant the crops to produce more food in our State, a program had to be worked out immediately under which additional labor could be brought to the farms. So to the gentleman from California [Mr. ANDERSON] and myself this is no new program. Both of us are agriculturists, and long ago we had Mexican labor. We secured them, hired them, paid them off at the end of the season, long before we ever heard of the Farm Security Administration, which was supposed to give our people assistance in the way of farming.

The three counties—Kern, Tulare, and Kings—that together comprise the Tenth Congressional District of California in 1942 produced agricultural products valued at more than $175,000,000. These farm products came from a million acres of irrigated lands and 200,000 acres of nonirrigated lands—wheat and barley.

Forty varieties of fruits, 20 kinds of vegetables, 10 major field crops, and 7 kinds of grains are produced in commercial quantities. The value of livestock produced and sold and their products totaled more than $45,000,000.

There is no season of the year when harvesting or planting or processing is not going on.

The planting and harvesting of these crops requires seasonal labor in great numbers for the most valuable of them are extremely perishable and when ready for harvest permit only a short period of time for gathering or they are lost.

In addition to irrigation water which these crops must have, the supply of labor with which to gather them in must be adequate, and now with the whole world on short rations it is inconceivable that either should be curtailed or left lacking. The bungling of the problem of getting farm labor last year was offset somewhat by a very long and favorable harvest season. However, the bungling and stupid handling of those in charge of the program for securing farm labor cannot and should not be condoned, for we have too much at stake.

The present bill might not do everything that is necessary but it is a long step forward in the right direction. We should get rid of the crackpots and desk farmers and make it possible for experienced and practical men to do the job that must be done if the Nation is not to go hungry.

I hold in my hand, Mr. Chairman, a total of more than 75 telegrams that I have received in my office in the last 2 days. They come from an agricultural district. They do not come from politicians. They represent the Grange, the Farm Bureau, individual farmers, chambers of commerce, all right in the heart of the Agricultural Belt, and all in favor of this legislation. How many of you Congressmen here represent an agricultural district that in 1942 produced more than $175,000,000 worth of food and fiber, so essential to our war effort? Mr. Chairman, we need every dime that is in this present bill, to provide that adequate labor be brought in, to continue to produce food for health, and for the winning of the war, and I say to you that the Secretary of Agriculture is responsible for this bungling of the Farm Security Administration. If I had been Secretary of Agriculture, I would have fired the Farm Security Administration a long time ago, and I would not have waited until Congress had to boot them out. I say to you gentlemen, this is serious. This is no longer a matter of the Agriculture Department. It is the duty of Congress to see to it that food is produced for our boys on the firing line, and we should not let them down. Let us see that these boys are fed, and that the boys in the war plants are fed, and that maximum production is had for all. By passing this bill, it will be one of the issues that will go down in history as most essential in our war effort.

I hold in my hand here a transcript of the testimony of a man named Casey Abbott, a farmer from the State of Arizona. He appeared before the Senate Agricultural Committee, and what did he testify to? He pointed out some of the very things that I have told you about and I want to read from his statement, to show what the Farm Security Administration did in the way of providing labor in the State of Arizona. He said:

> We found a large portion of these workers were unfit for any kind of labor, namely, persons in the last stages of tuberculosis, who were told that Arizona was a mecca for such diseases, and that if they could get out there, they might effect a cure, even if they could not work; that they would be given a free medical card and attention and otherwise be taken care of.
>
> There were active cases of syphilis, confirmed alcoholics, and people choked up with asthma, who by their own admission, had not done a day's work in 2 years; women expecting to become mothers any minute, men over 70 years of age and jailbirds with long prison records, as well as old worn-out prostitutes.

That is what Mr. Abbott told the committee that the Farm Security Administration did for the State of Arizona.

The CHAIRMAN. The time of the gentleman from California has expired.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. DIRKSEN] for 5 minutes.

Mr. DITTER. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. Yes.

Mr. DITTER. Mr. Chairman, I ask unanimous consent that I may yield the 5 minutes allotted to me to the gentleman from Illinois, so that he may have 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN. The gentleman from Illinois is recognized for 10 minutes.

Mr. DIRKSEN. Mr. Chairman, perhaps at this stage of the proceedings it may be well to recapitulate the arguments that have been made for and against the present proposal. I think it is generally agreed that there is a critical food situation. It must be agreed that in the production of food you must have machinery, but that matter is not before us today and is not an issue at the moment. It is agreed that you must have feed and fertilizer, but that matter is not before us today. Many members of this House agree that you must have an adequate price for farm commodities, but that matter is not in controversy today. So we are dealing with the only other element that enters into the food picture, outside of the weather, and manifestly over the weather we have no authority or power, and that is the question of manpower. Therefore, let us confine the issue to the question of whether or not and to what extent we can effect a proposal here that will solve the agricultural manpower problem. There are certain areas of agreement, I think, insofar as I could ascertain from the discussion carried on both yesterday and today. The first one is that if we are going to do something, we are reasonably unanimous at least that it ought to be done by the Extension Service in the Department of Agriculture rather than by the Farm Security Administration, which has been heretofore designated by the Secretary of Agriculture for that purpose. That matter is involved in the O'Neal proposal to substitute for the pending bill. He would restore this power to the Secretary of Agriculture with suitable language in the bill giving him authority to transfer funds not only to any bureau in the Department of Agriculture, but to any bureau or agency in the entire structure of Government.

Having had an opportunity since 1942 and having failed in the endeavor, I see no reason why the Congress should go over that path again. It should exercise its own responsibility, and instead of permitting the Secretary once more to designate the agency that has already failed, let the Congress then say today that it ought to be handled by Extension Service. We are agreed, then, I think in a fair way, that the Extension Service should handle this matter.

Secondly, I think there will be agreement with the Pace amendment, which will safeguard counties, so that employees cannot be taken out of a county if there is a shortage and transported to some other county. And we are agreed with the second provision in the Pace amendment that there should be some safeguarding of county labor. I shall go along with that amendment.

So if we are agreed on Extension Service and if we are reasonably agreed on the Pace amendment to safeguard the States and counties, then the only other controversy before us is the question of amount. The Secretary of Agriculture says he needs $65,000,000. The committee in reporting this resolution says $26,100,000 should suffice to do the job. Our friend, the gentleman from Georgia, Judge TARVER, offers an amendment striking it down to $12,000,000. The curious argument is that after all this is only a gesture. After all this is a piece of sheer futility. After all we are not going to accomplish anything. After all, where can you find any surplus labor today? If there is any merit in that argument, Mr. Chairman, then why vote any money at all? You might just as well strike the enacting clause. I cannot imagine anybody defending his position by saying that it is a futility, it is a gesture, it will be an abortive effort, and so instead of spending $26,000,000 you will waste only $12,000,000. There is no substance, nor sense, nor logic in that kind of argument. You would be in a far more consistent position by striking the enacting clause or by voting no money whatsoever. I am of the opinion that the effect of the effort that we shall here and now propose and enact, if it is enacted, should be implemented with sufficient funds to give the Extension Service a chance to do the job.

Mr. TARVER. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Georgia.

Mr. TARVER. In view of the fact that the gentleman's resolution—and he wrote the resolution—cuts down what the Budget proposed from $65,000,000 to $26,000,000, how can he advance the argument which has just been suggested by him against a further reduction? Why did not the gentleman provide for the $65,000,000 recommended by the Budget?

Mr. DIRKSEN. For the very good reason we feel there is a job to be done and it has been laid out on this proposal that the gentleman from New York [Mr. TABER] had mimeographed, and which you will find at the desk. There is a break-down and we sought to follow a consistent program. We do not believe we are going to spend $26,000,000 on an absolute futility; yet the gentleman from Georgia was in the Well yesterday and threw up his hands and said, "It is just going to be a waste of money, so instead of wasting $26,000,000 we will just waste $12,000,000."

Mr. TARVER. Will the gentleman yield further?

Mr. DIRKSEN. I yield to the distinguished gentleman with the greatest of grace and pleasure.

Mr. TARVER. Of course, I would be glad to see no money appropriated for a futile program, but I sought to secure a compromise. Has not the gentleman frequently adopted the position that this program will be futile, and if so, why does he want to appropriate $26,000,000?

Mr. DIRKSEN. It is not an issue today as to what the gentleman from Illinois might have done heretofore. He is trying to deal realistically with the problem of agricultural manpower that is before us right now. I do not propose to see any red herring pulled across the trail.

Now, it has been stated there are some States that do not want any help. That may be, but I shall not be so provincial as to say that I am trying to legislate for the State of Illinois or the State of Wisconsin, or the State of West Virginia. This is a program that applies to the 48 States of the Union. You have different farming conditions in different States, and we are undertaking here and now to propose a pattern that will cover the 48 States of the Union.

They say there will be no results because nothing has been done in the price field. I remember speeches in the Well of this House when we were dealing with the Office of Price Administration, when Members stated repeatedly, in stentorian tones, that the 90 million or 120 million would be wasted because you could not curb inflation. But we voted the money. I remember when they argued here year after year that the $1,400,000,000 that we spent on W. P. A. would not solve the unemployment problem; but we voted the money. So today it seems to be the better part of common sense on the part of Congress that in designating the Extension Service for this purpose, they be given sufficient funds with which to do the job. If they should fail, certainly the Congress will have discharged its responsibility.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. MURDOCK. Was not the original request—of which this bill is an abridg-

ment—for $65,000,000, a part of which was to build a lot of camps for housing which are not regarded as needed? Do we not have enough housing by taking the camps now under the Farm Security and also the discarded C. C. C. camps, to provide the needed housing? Does not this bill seek maximum use of what we have without new housing?

Mr. DIRKSEN. That provision is in the pending resolution, that housing, insofar as needed, as determined by the Extension Service, will be utilized?

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. HOPE. Apropos of the amount that may be necessary, I understood the gentleman to endorse the Pace amendment. Is that correct?

Mr. DIRKSEN. That is correct.

Mr. HOPE. Does not the gentleman think, if that amendment is adopted, the amount which will be necessary for the Extension Service to spend will be greatly reduced, because, in my judgment, no county agent, no State agricultural commissioner is going to affront the farmers of his State by permitting any agricultural labor to go out of that county or State?

Mr. DIRKSEN. The agricultural commissioners of the States can send any surplus labor that is developed, and it is very largely a matter of policy of transporting the laborer outside of the county.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HOPE. I submit that the amendment should be voted down.

The CHAIRMAN. The gentleman from Mississippi is recognized.

Mr. WHITTINGTON. Mr. Chairman, appropriations and the amount of appropriations will not solve the farm-labor problem, just as they did not solve the problem of unemployment. The President of the United States allocated $5,000,000 to provide for the solution of this problem for the past season.

The Tarver amendment proposes to allocate $12,100,000, or twice the amount allocated by the President.

It is generally agreed that the program, under the supervision of the Farm Security Administration, has not only been a failure, but it is thoroughly discredited. The pending bill would utilize the Extension Service, and I think that while the benefits may be doubtful, it is a vast improvement over the existing program. It would be almost tragic to substitute the O'Neal bill for the pending measure, for it perpetuates a program that is thoroughly discredited.

The purpose of this bill is to provide and distribute labor. Labor is permanent; labor is seasonal. Labor does not go from one farm to another, or from a farm in one State to another farm in another State. It goes into industry because industry is offering better advantages and higher wages. The employment agencies often recruit for industries, but under the Extension Service they must not further deplete farm labor.

I am very doubtful about the provisions of this bill, except as this bill under the administration of the Extension Service may succeed in bringing in Mexican and West Indies labor. There is a scarcity of labor, both seasonal and permanent, in every State in the Union. We might as well face the facts. The principal source of any additional labor will be from Mexico or the West Indies. The appropriation of $12,100,000, twice the amount allocated by the President, will give to the Extension Service an opportunity to try this matter out and if the amount is not sufficient, that Service can come back to the Congress and in another appropriation bill ask for an additional amount of money.

What agency of the Government or what witness before the committee that reported this bill ever stated that $26,100,000 would solve this problem? Let us be reasonable about this matter. We have a farm-labor problem. Many factors enter into it. We are discussing one, and that is the matter of supplying and distributing labor, and when the industries and the Selective Service have gotten the farm workers, we have got to do what the manufacturers of New England did following the War between the States. They imported foreign labor. We can give the Extension Service an opportunity to solve this problem by adopting reasonable and sound measures for the importation of labor that may be available in the nearby countries. Now, I would like to say that if the Extension Service will use the same good, common sense that the Southern cotton farmers in Mississippi, Louisiana, and Texas used in the First World War, when in Ford trucks they went across the border into Mexico, selected desirable laborers, brought them back, paid a head charge, and returned the laborers to their homes after the crops had been harvested. Treating the laborers fairly, I think, the Extension Service can aid in solving the problem.

In executing the terms of the pending bill there should be no movement either from one county to another or from one State to another that results in an undersupply of farm labor in the county or the State from which the labor is removed. Farms have been depleted by the high wages of industry and by the selective service. They must not be further depleted by the labor being carried from one county to another or from one State to another. There should be provision for clearance with appropriate county and State authorities so that county and State needs will not be jeopardized by either seasonal or permanent labor being transported from one county to another or from one State to another. The Pace amendment is imperative. I am glad that the committee in charge has agreed to accept the Pace amendment. It makes the pending bill much more satisfactory.

Both agriculture and industry look more and more to the Government to solve their problems. I believe that farmers themselves could supply the labor needed if they were permitted to bring it in for seasonal purposes from Mexico and from the outlying West Indies. The matter could be handled by the Extension Service under contract with farmers to return the labor to the border or to the port after they had completed their work. The need is for more labor. It must be supplied by importing it from other countries or by reasonable transportation within the States from one State to another with the definite assurance that the labor will be returned to the State from which it was moved. Provision could be made within the State for the return of the labor that is transported from one county to another to the county from which it came. The pending bill if properly administered should aid in the solution of the farm-labor problem. If farmers are disappointed and if the program fails, the Extension Service will suffer irreparable loss.

The CHAIRMAN. The time of the gentleman has expired.

The Delegate from Hawaii [Mr. FARRINGTON] is recognized.

Mr. FARRINGTON. Mr. Chairman, I ask unanimous consent that the Clerk be permitted to read the amendment I have offered.

The CHAIRMAN. The Clerk will informally report the amendment to be offered by the Delegate from Hawaii.

The Clerk read as follows:

Amendment offered by Mr. FARRINGTON, Delegate from Hawaii:

On page 2, lines 1 and 2, strike out the words "and Puerto Rico."

On page 2, line 15, strike out the words "and Puerto Rico."

On page 5, line 15, after the word "act", insert the following: *"Provided further,* That the term 'States' or 'State' as used herein, include Puerto Rico and the Territories of Hawaii and Alaska."

Mr. FARRINGTON. Mr. Chairman, the purpose of this amendment is to extend the provisions of House Joint Resolution 96 to the Territories of Hawaii and Alaska. The inclusion of Alaska is made at the request of Delegate ANTHONY J. DIMOND, of that Territory.

The resolution as reported by the committee provides that the funds appropriated shall "be expended under the supervision and direction of the Agricultural Extension Service of the United States Department of Agriculture in cooperation with the agricultural services of the land-grant colleges in the respective States and in Puerto Rico."

So far as I know, there are no plans to extend this service to the Territory of Hawaii. I am not in a position to say that this is necessary or advisable at the present time. This does not mean, however, that the eventuality may not develop. I think it is an error, therefore, to pass this legislation limiting it to the States and Puerto Rico, particularly in view of the important position of Hawaii in the scheme of national defense.

Moreover, the Territory of Hawaii asks for treatment on the basis of equality with the States in all legislation of this kind. This is not only a matter of simple justice. It is sound public policy.

The Territory of Hawaii has, for all practical purposes, carried all the responsibility of a State for almost 40

years. The people of the islands contribute to the Federal Treasury on the same basis as a State, and are prepared to carry all the responsibilities of the citizens of the States. The war has given new emphasis to these responsibilities.

The record of the civilian population, constituting some half million people, since the infamous attack of December 7, 1941, amply justifies the confidence which has been reposed in them and vindicates the generous policy of the Federal Government in dealing with this Territory.

The attitude of the people of the islands toward the many Federal agencies, when called upon to contribute to the development of the islands as a defensive and offensive base, has been one of wholehearted cooperation. The record of Hawaii's civil population since the outbreak of war deserves all the praise that it has won from civil and military leaders alike.

I am sure, therefore, that no effort should be lost to strengthen any Federal agency that may be called upon to function in this area so vital to the entire country.

I think, therefore, that the extension of the measure, such as that now before the committee, to the islands, while in itself may appear to be a small matter, is of real importance to national defense as well as the development of sound national policy in dealing with the territories.

I have conferred with the chairman of the committee on this amendment and he has expressed himself as agreeable to the change. I ask, therefore, that it be adopted.

The CHAIRMAN. The Chair recognizes the gentleman from New Mexico [Mr. ANDERSON].

Mr. ANDERSON of New Mexico. Mr. Chairman, there are one or two things I want to say about this matter. I have listened as attentively as I could to the debate of the last 2 days and at least two or three issues seem to be in the minds of the Members. First, do we provide in this bill too much money?

As to that, I only want to say I do not think there is anybody on this floor who can accurately measure the amount of money that can be intelligently spent. We have on the Deficiency Committee, which reported this bill, the chairman of every subcommittee in the Appropriations Committee, and I trust their judgment. Their action is further reviewed by the entire Appropriations Committee, consisting of 43 members.

Mr. TARVER. Will the gentleman yield?

Mr. ANDERSON of New Mexico. I yield to the gentleman from Georgia.

Mr. TARVER. The gentleman's statement is inaccurate. We do not have the chairman of every subcommittee of the Appropriations Committee on the Deficiency Committee.

Mr. ANDERSON of New Mexico. The gentleman is correct and my statement was wrong. I should have said that the majority members on that committee are chairmen of subcommittees and that it embraces a majority of all subcommittee chairmen. These men have studied the problem. The matter was referred to the Appropriations Committee, 43 members, that represent nearly one-tenth of the membership of this House. They have studied it as carefully as they know how and they have reported this bill out. I do not think they say it is the final or the last word, but they have tried hard to bring you a good bill and they feel that $26,000,000 is a fair figure.

Let me say in reply to the claim that the money is going to be frittered away that we surely have tried to establish checks and balances to keep that from happening. We have appointed a committee of auditors under the Appropriations Committee, the function of which is to go out and see to it that the money is properly spent. I believe we have full justification to say that this bill will work.

Secondly, another question comes up under the O'Neal amendment as to whether we have reached out and taken the right agency to handle this, whether we could handle it by the extension agents supplemented by the Extension Service, as the bill provides, and I support, or whether we should handle it through the Farm Security Administration. I am not here to criticize the Farm Security Administration program of handling those affairs which deal with the placing of people on farms or the financial aid to small farmers. But I do question what they have done in employment. I questioned yesterday what they have done as an employment agency, and my reason is this: We have tried to establish in this country a system of Nation-wide free employment agencies under the United States Employment Service. Any time you set up a separate agency to handle farm labor or a separate agency to handle seamen's labor or shipbuilding labor, or anything else, you tear down the principle of a Nation-wide free employment service. You should not do that. There should be a Nation-wide employment service working which keeps track of labor shortages and surpluses.

Under the appropriation bill as it stands, Resolution 96, it will be possible for the Extension Service to survey the field locally, then call upon the Nation-wide service of the United States Employment Service to exchange surplus labor if any exists in any other parts of the country. I think you gentlemen who represent labor districts should remember that everything we pass here should try to build up over this country a good Nation-wide employment service and should not be broken down to farm sections or shipbuilding sections or any other kind of sections.

Mr. WHITTINGTON. Will the gentleman yield?

Mr. ANDERSON of New Mexico. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. Is it not true with respect to the amount authorized or appropriated in this bill, that practically all of it is for transportation and subsistence and if they do not bring the labor in, the money is not spent?

Mr. ANDERSON of New Mexico. The gentleman is correct. If the labor is not brought in, then the great proportion of the money is not spent. Let me bring this picture to you:

If you establish two separate agencies, one the United States Employment Service recruiting industrial labor which it is now doing and the other the Farm Security Administration recruiting farm labor, as it has done, you could easily have in this country the spectacle of people standing on the street corners, the Employment Service bidding for labor for industry and the Farm Security group bidding for farm labor. They would bid up labor prices and make it impossible for the farmers of this country to obtain labor. Farmers cannot bid against industrial machines, and you must not force them to. You have got to let the United States Employment Service survey the whole field and see where it can most advantageously allot labor.

Finally, I want to ask whether it can be effective. I do know that it can be applied, for instance, to the border States. The men from California, Texas, Arizona, and New Mexico have urged that it will give Nation-wide relief and we ought at least to give it a trial. I urge you to support the committee bill.

The CHAIRMAN. The time of the gentleman from New Mexico has expired.

The Chair recognizes the gentleman from Utah, [Mr. GRANGER].

Mr. GRANGER. Mr. Chairman, I ask unanimous consent that the time allotted to me may be used by the gentleman from Georgia, [Mr. TARVER].

The CHAIRMAN. Is there objection to the request of the gentleman from Utah?

There was no objection.

The CHAIRMAN. The gentleman from Georgia is recognized for 5 minutes.

Mr. TARVER. Mr. Chairman, in view of the statement made by the gentleman who preceded me as to the manner in which this estimate has been handled and as to its having been considered by the subcommittee upon which he stated was every chairman of the subcommittees of the Appropriations Committee, I desire to make this short additional statement: This estimate under ordinary procedure which has been followed in connection with appropriations or estimates for appropriations for other departments of the Government, would have normally been referred to the Subcommittee on Agricultural Appropriations. You will recall that less than 2 weeks ago the gentleman from California, chairman of the Subcommittee on Naval Appropriations, brought before the House a deficiency estimate for the Navy Department which had been considered by the Subcommittee on Naval Appropriations and had been referred by the chairman of the full committee to that subcommittee for attention.

This estimate is for expenditure in the main during the next fiscal year, but it was not referred to the Subcommittee on Agricultural Appropriations for consideration, although that subcommittee has given a great deal of time to the investigation of the problems which are sought to be dealt with by this appropriation. I am not particularly jealous of the jurisdiction of the subcommittee of which I happen to be

chairman. I do not happen to be a member of the deficiency subcommittee, although I was invited to attend some of its sessions, and did attend, as did other members of my subcommittee; but I submit that if a question affecting deficiency appropriations for the Navy Department should be referred to the Naval Subcommittee on Appropriations, then estimates of this type having to do with agriculture and the operations of the Department of Agriculture should be referred to the Subcommittee on Agricultural Appropriations.

If that had been done this bill would not be before you today in the shape it is. Four of the seven members of the Agriculture Subcommittee voted in support of my motion in the full committee to cut down the appropriation from $26,100,000 to $12,100,000. So my amendment represents the judgment as expressed in the full committee of a majority of the Subcommittee on Agricultural Appropriations. I thought you ought to have that information for whatever it might be worth.

Mr. WOODRUM of Virginia. Mr. Chairman, will the gentleman yield?

Mr. TARVER. I yield to the gentleman from Virginia.

Mr. WOODRUM of Virginia. The gentleman will recall as will other members of the committee—I do not believe a single speaker in the 2 days that we have been considering this bill has held out the thought or hope that any very immediate or quickly beneficial results could come from this legislation. If this be true, does not the gentleman feel that if we give the Extension Service and the Employment Service $12,000,000 now that they could go on with the work and if they really met the need and can show results, Congress still being in session, they could show their need and receive an additional appropriation?

Mr. TARVER. The gentleman I believe knows my unfaltering interest in agriculture. If I felt that $26,000,000 or $65,000,000 could be advantageously used I should be in favor of appropriating it. I think this is all the money, and more money, in fact, $12,100,000, than they will have any opportunity of spending to good advantage in the near future; and as the gentleman says, Congress, if additional need can be shown, can make additional appropriations.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

The Chair recognizes the gentleman from Mississippi [Mr. RANKIN] for 5 minutes.

Mr. RANKIN. Mr. Chairman, on yesterday the distinguished gentleman from Illinois [Mr. DIRKSEN] quoted Aristotle on mathematics. I wish to quote a philosopher of a more modern day. Thomas Jefferson, the wisest political philosopher this country ever saw, said:

> Were we directed from Washington when to sow and when to reap, we should soon want bread.

It seems to me we have about reached that time now, or we are rapidly approaching it.

I make the prediction that the time will come, if it has not already arrived, when the American farmers will curse the Congressman who voted to place on the statute books these laws that permit bureaucrats who know nothing about agriculture to try to run the farms of this country.

I make the prediction that the time is not far distant when members of organized labor, as well as the rest of the American people, will curse the Congressmen who voted to pass the wage and hour law, and those other measures that seemed to give labor some temporary advantages, but which in the long run puts labor at the mercy of its worst enemies.

You simply cannot improve on the Constitution of the United States in the protection it provides for all our people; nor can you reverse the laws of nature, or destroy the immutable laws of economics, by an ill considered act of Congress or an irrational edict of the labor board.

I make the prediction that the time is not far distant, if it has not already arrived, when the American people will curse the Members of Congress who voted to impose upon them this price-fixing, rationing system, and other unnecessary regimentations that are today paralyzing every activity and hampering our war efforts.

If we would repeal those laws today and go back to the same policies we followed in the First World War, we would not only produce all the people of this country need, but we would have unity in our war efforts.

Then when we talked about democracy, which means real representative government, with freedom and liberty, we would not be merely keeping the word of promise to the ear and breaking it to the hope.

Today, the people are being needled to death by alien-minded bureaucrats. By going back to the sane American system, we would have enough to go around. You would not have black markets all over the country, and you would not have the money changers and their friends trying to hold the prices of the farmers' products down below the cost of production at a time when we have the greatest inflation in the amount of money per capita in circulation ever known in all the history of this Nation.

Farm prices, when unrestricted, are measured by the volume of the Nation's currency multiplied by the velocity of its circulation.

At the close of the last war we had $53.21 per capita in circulation, with a very high velocity of circulation. The result was that cotton went to 35 or 40 cents a pound and wheat to $2.50 a bushel, with other prices in proportion. The result was the farmers produced everything we needed.

Today we have $114.50 per capita in circulation, with the highest velocity of circulation ever known, and yet cotton is only about 19½ cents a pound and wheat is about $1.35 a bushel.

If the Government would stop trying to restrict farm prices, but let them rise to their normal levels, and cease these attempts to unnecessarily regiment and regulate the people who till the soil, they would produce all the raw materials necessary for food and clothing for us and our allies, and we would have unity and cooperation instead of division and confusion.

Let the farmers run their own farms, stop stripping them of their labor, and while their sons are fighting the Nation's battles on every front in the world their people back at home will produce the raw materials to feed and clothe the world.

But, as Thomas Jefferson said, whenever Washington can tell the farmers when to sow and when to reap, the Nation will want bread.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

The Chair recognizes the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Chairman, I do not pose as a farm expert. I am not. I do represent the largest agricultural area in the State of Massachusetts, with many fine farmers in my district. They prefer, apparently, to have their direction come from the county extension service.

Also, Mr. Chairman, I am not satisfied with this bill, but it is a beginning of a plan. Eventually, we should have a more carefully thought-out plan. I believe it should all be administered by one department. And without a carefully thought-out organization to insure to farmers labor on their farms, labor that they can count upon, otherwise the measure cannot succeed.

I have always felt that agriculture should be considered an essential war measure. I have been greatly disturbed that no efficient farm plan has been started to insure complete farm production. We must feed our people, and we are likely to have to feed many of the people of Europe, in my opinion. We will have to use trained women on the farms. I introduced a bill for that purpose which would provide for a voluntary war farm corps of women. I saw yesterday the tragic and pitiful pictures made and described by Dr. Therise Bonney of the starving children of Europe. I never will forget those so long as I live. It makes me all the more anxious that agriculture should progress at a rapid rate in our own country. Great agricultural production immediately is imperative.

May I say also that importing labor from other countries will mean feeding more mouths. I am not trying to keep the farmers from having their labor—far from it—but every laborer who comes into this country should be examined to find out whether or not he is loyal, whether or not he is a real Mexican. Many Nazis can come in under the guise of being Mexican labor. Under the laws of Mexico, refugees can become citizens very quickly, as you all know. Members have stated on the floor that this labor is to be returned to Mexico after seasonal work is finished in the United States. That should be done.

Mr. PLOESER. Mr. Chairman, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from Missouri.

Mr. PLOESER. I wish to make it clear to the Committee, without having any time after the vote on the Tarver amendment, that I have at the Clerk's desk an amendment which will go further than the Tarver amendment in that it reduces the amount of money to be allotted to the Agricultural Extension Service to $6,025,000, and eliminates entirely the amount of money to be allotted to the United States Employment Service. This would bring the resolution in line with the thinking of a great many Members of the House in that we would allot only that amount of money considered a minimum necessity for the experiment of trying the Extension Service.

Because the amendment strikes out a large part of the language on page 3 of the bill, it of course is not eligible as a substitute to the Tarver amendment, but it is at the Clerk's desk, and immediately after we have voted on the Tarver amendment I intend to ask for the consideration of this amendment.

I explain again that it cuts the amount to $6,025,000. It leaves only that bare amount in the bill for the minimum necessities of the Extension Service to experiment where all else has apparently failed.

The CHAIRMAN. The time of the gentlewoman from Massachusetts has expired.

Mr. LAMBERTSON rose.

The CHAIRMAN. For what purpose does the gentleman rise?

Mr. LAMBERTSON. I ask to be recognized for debate, Mr. Chairman.

The CHAIRMAN. The name of the gentleman from Kansas was included in the list handed to him by the Clerk of Members desiring recognition. The Chair called the name of the gentleman some time ago. The Chair has gone down the list, in an effort to be fair to everyone. The Chair regrets to inform the gentleman that all time has now been consumed except the final 10 minutes which, under agreement of the House, is to be divided between the gentleman from Missouri [Mr. CANNON] and the gentleman from New York [Mr. TABER].

The Chair recognizes the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, your committee was presented with an estimate of $65,000,000. A part of that $65,000,000 was $6,000,000 for the Extension Service in the States to operate the recruitment, training, and placement program of farm workers within the States. That item is included in this bill. The rest of that item as it was brought to us was represented to be for the Farm Security Administration expense. In view of the operations of that organization, and their failure to function, to produce results in any possible way, the committee felt that they did not present a proposition that was possible. We recognized the very seriousness of this farm situation and the need for food. Unless we have that food, we are going to be seriously handicapped in our war efforts. The $6,000,000 for the recruitment, training, and placement of farm workers within the States, to be allocated to the Extension Service will, I know, produce very substantial results. I know how that set-up is organized. I know that it is already working at it as far as it can, and that it needs extra money in my territory. The other items are items to bring people in from outside the county, and for the temporary housing of farm labor that is brought in. It has been brought into my own territory in the last 3 or 4 years, in quite substantial number, and it is needed there. We were unable to find an agency until the Extension Service came before us that would undertake the job of handling this outside labor, outside the State and outside the country, that we could trust. The Extension Service came before us and their executive committee went to work upon it and laid out this program whereby we could cut the estimate from $65,000,000 to $26,000,000, and still do the job. I see what troubles the people in California, in New Mexico, Arizona, and Texas. I know what trouble my own people are in in the vegetable industry. It is absolutely impossible to take care of it the way it is done. I felt that we had to do something. The committee felt that way. The Director of the Extension Service, Dr. Simons, of Cornell University, New York, and Mr. Ramsauer, of Ohio, the director there, came before us and presented this estimate. This break-down that I have here is available for anybody who wants it at the Clerk's desk. They also presented a resolution of their executive committee after long consideration of 2 or 3 days, setting up the program and saying they were ready to tackle the job. I believe we ought to let them tackle it. I do not believe that we ought to cut the money down so that they cannot do a job. I do not want them to say that the Congress is to blame for not giving them money, for their not having enough force to work, and I want to see the job done.

The CHAIRMAN. The time of the gentleman from New York has expired.

The Chair recognizes the gentleman from Missouri [Mr. CANNON].

Mr. CANNON of Missouri. Mr. Chairman, before I take the floor I ask unanimous consent that at the conclusion of this debate all amendments that have been sent to the desk for notice and all others coming up in the course of the consideration of the bill shall be considered, without further discussion, seriatim in order in which presented.

The CHAIRMAN. Without objection, it is so ordered.

Mr. CANNON of Missouri. Mr. Chairman, we are to decide here in the next few minutes a question which is today arousing apprehension on every farm and at every dinner table in America. Already there is a more alarming shortage of food throughout the country than distributors in touch with the situation care to acknowledge. You cannot, this afternoon, go into the average food shop of any city in the Nation and buy everything you want to eat, and the situation grows increasingly and progressively worse as time goes by. The situation cannot be remedied without increased production on the farm. To increase production we must have labor, and farm labor cannot be secured unless we do something about it here this afternoon. Now the question is, Do you want to do anything? Do you want to make any effort to solve this problem in which is involved, not only the question of sufficient food for the average family but the winning of the war? If you do, it must be done here and now.

There are in the last analysis only two issues before us in this bill. First, will you adopt the method recommended by the committee and, second, will you provide enough money to do the job?

It is just as inconsistent, Mr. Chairman, to send to the front the best machine gun in the world, and not send with it sufficient ammunition to keep it firing, as it is to adopt the plan agreed upon here today, and not give them sufficient money with which to put it into effect. We have already cut this estimate down from $65,000,000 to $26,000,000. That is the irreducible minimum if our purpose is to provide any farm labor at all. You can buy $26,000,000 worth of labor or you can buy $12,000,000 worth of labor. Which do you want to give the farmers? Which do you think the farmers want? Which do you think the consumers want the farmers to have? What is really needed? Do they need $26,000,000 worth of labor on the farms of America or do they need $12,000,000 worth of labor? I do not have to tell you that they need not only $26,000,0000 worth of labor but that they need a billion dollars worth of labor if it could be supplied—and that if available, it would provide not only needed food but would help to win this war and would help to shorten the war.

Mr. Chairman, the committee which reported this bill is not only the largest committee but it is one of the most carefully selected committees of the House. It is composed of 43 members, all of them veterans. They have given this bill exceptional consideration. The estimate came up from the Budget along with the estimates for the deficiency bill and it was our intention to include it as a part of that bill. But when we got into it we found it affected matters of such importance and involved so many controversial questions that we had to defer it in order to give it further study and reported out and passed the deficiency bill without it. We have had it under consideration ever since and after the most painstaking deliberation we submit this solution. It may not be perfect but it is the composite product of the judgment and experience of the 43 men and is the best we can do. We offer it to you as the most practical approach to the problem we have been able to devise. The report is not unanimous but it was approved by an overwhelming majority of the members of the committee.

Time is short. Something must be done and done now. The question you are now voting on is whether you will give enough and give it in time or whether you will give too little and too late.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

All time has expired.

The question recurs on the amendment offered by the gentleman from Georgia [Mr. TARVER].

Mr. TARVER. Mr. Chairman, I ask unanimous consent that the amendment be again reported.

The CHAIRMAN. Without objection, the Clerk will again report the amendment offered by the gentleman from Georgia.

There was no objection, and the Clerk again reported the amendment offered by Mr. TARVER, as follows:

On page 2, line 18, after the words "the sum of", strike out "$26,100,000" and insert "$12,100,000."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia.

The question was taken; and on a division (demanded by Mr. TARVER) there were ayes 86 and noes 111.

Mr. TARVER. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed Mr. TARVER and Mr. CANNON of Missouri to act as tellers.

The Committee again divided; and the tellers reported there were—ayes 104, noes 121.

So the amendment was rejected.

Mr. PACE. Mr. Chairman, I have an amendment at the desk.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Georgia [Mr. PACE].

The Clerk read as follows:

Amendment offered by Mr. PACE: On page 4, line 7, after the colon following the word "services", insert *"Provided further,* That no part of the funds herein appropriated shall be expended for the transportation of any worker from the county where he resides or is working to a place of employment outside of such county without the prior consent in writing of the county extension agent of such county; or for the transportation of any worker outside of the limits of the State where he resides or is working without the prior consent in writing of the commissioner of agriculture for such State, or other official who performs similar functions for such State."

Mr. CANNON of Missouri. Mr. Chairman, the amendment is acceptable to the committee.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia.

The amendment was agreed to.

Mr. VOORHIS of California. Mr. Chairman, I have an amendment, which is at the desk.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from California.

The Clerk read as follows:

Amendment offered by Mr. VOORHIS of California: On page 5, line 7, after the word "impose", insert "unreasonable."

The CHAIRMAN. The question is on the amendment offered by the gentleman from California.

The amendment was rejected.

Mr. PLOESER. Mr. Chairman, I offer an amendment which is at the desk.

The CHAIRMAN. May the Chair state that pursuant to a unanimous consent request by the gentleman from Missouri [Mr. CANNON], amendments are being taken up in the order in which they were offered.

The Clerk will report the amendment offered by the gentleman from Missouri [Mr. PLOESER].

The Clerk read as follows:

Amendment offered by Mr. PLOESER: On page 2, line 18, after the word "of", strike out "$26,100,000" and insert "$6,025,000"; and in line 19 strike out "$100,000" and insert "$25,000"; and in line 21 strike out "$13,500,000" and insert "$6,000,000"; and on page 3, line 4, strike out all of line 4 after the semicolon and all of lines 5 to 19 and all of line 20, to the word "the" in that line.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri.

The amendment was rejected.

Mr. FULMER. Mr. Chairman, I have an amendment which is at the desk.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from South Carolina.

The Clerk read as follows:

Amendment offered by Mr. FULMER: On page 5, after line 14, insert the following:

"SEC. 2. Notwithstanding the provisions of the Selective Training and Service Act of 1940, as amended, every individual who was regularly engaged in an agricultural occupation or endeavor in any capacity in connection with the production of any agricultural commodity during a major part of the calendar year 1942, and who, on the date of enactment of this joint resolution or on the date thereafter on which such individual receives orders to report for induction into the land or naval forces of the United States, is regularly engaged in any capacity in connection with the production of any agricultural commodity shall be deferred from training and service under such act until January 1, 1944, or until the date on which such individual ceases to be regularly engaged in any capacity in connection with the production of any such commodity, whichever first occurs As used in the foregoing sentence the term 'production of any agricultural commodity' includes the raising, feeding, caring for, and management of any dairy animals or other livestock or poultry."

Mr. TABER. Mr. Chairman, I make the point of order against the amendment that it is not germane to this bill.

The CHAIRMAN. The gentleman from New York [Mr. TABER] makes the point of order that the amendment is not germane to this bill. Does the gentleman from South Carolina desire to be heard on the point of order?

Mr. FULMER. Mr. Chairman, I do not care to be heard on the point of order.

The CHAIRMAN. House Joint Resolution 96 provides an appropriation for supplying and distributing farm labor. The amendment offered by the gentleman from South Carolina in effect amends the Selective Training and Service Act by providing for certain deferments. Legislation affecting the Draft Act automatically comes under the jurisdiction of the Committee on Military Affairs, not the Committee on Appropriations or the Committee on Agriculture. Therefore, in the opinion of the Chair, the amendment offered by the gentleman from South Carolina [Mr. FULMER] is not germane to the pending resolution, and the Chair sustains the point of order.

Mr. FARRINGTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FARRINGTON:

Page 2, lines 1 and 2, strike out the words "and in Puerto Rico."

Page 2, line 15, strike out the words "and Puerto Rico."

Page 5, line 14, after the word "Act", insert *"Provided further,* That the term 'States' or 'State' as used herein, includes Puerto Rico and the Territories of Hawaii and Alaska."

Mr. CANNON of Missouri. Mr. Chairman, the committee has no objection to that amendment.

The amendment was agreed to.

Mr. SMITH of Ohio. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Ohio: On page 5, before the period in line 14, insert a colon and the following: *"Provided further,* That no part of the funds herein appropriated nor any of the funds hitherto appropriated or made available to the Secretary of Agriculture for the recruitment, transportation, and placement of farm labor shall be used directly or indirectly to compel any person to submit involuntarily to transportation, placement, or service as an agricultural worker."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. SMITH].

The question was taken; and on a division (demanded by Mr. SMITH of Ohio), there were—ayes 54, noes 106.

So the amendment was rejected.

The CHAIRMAN. The question now recurs on the amendment offered by the gentleman from Kentucky [Mr. O'NEAL].

The amendment offered by Mr. O'NEAL follows:

Amendment offered by Mr. O'NEAL: Strike out all after the enacting clause and insert the following:

"That for expenses necessary for the formulation, development, and execution, under the supervision and direction of the Secretary of Agriculture, and either independently or in cooperation with individuals or agencies, public or private, of a plan to assist in providing an adequate supply and distribution of labor, including sharecroppers and tenants (including aliens), for the production of agricultural commodities essential to the prosecution of the war, including (1) recruiting, placement, and transportation of such labor within the continental United States and elsewhere, including transportation of their families and household effects; (2) furnishing, by loans, grants, or otherwise, of medical services, training, subsistence, and shelter; (3) construction or lease and operation of labor supply centers and other necessary facilities and services; (4) employment of persons (including aliens) and organizations, by contract or otherwise, at the seat of government and elsewhere; (5) purchase, exchange, operation, and maintenance of passenger-carrying vehicles; (6) printing and binding; (7) acceptance and utilization of voluntary and uncompensated services; and (8) travel expenses of persons employed in administrative, supervisory, or facilitating capacities from a foreign country to the United States and return, including such expenses to first-duty stations; there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of

$26,000,000, to remain available until December 31, 1943: *Provided*, That expenditures may be made hereunder without regard to section 3709, Revised Statutes: *Provided further*, That whenever labor shall be furnished hereunder to any other agency, public or private, or individual, this appropriation shall be reimbursed for expenditures on account of wages paid to such labor and other expenditures in connection therewith to the extent which the Secretary may determine to be practicable: *Provided further*, That effective July 1, 1943, notwithstanding section 3 of the act of June 29, 1936 (40 U. S. C. 433), receipts derived for the account of the United States from the use and occupancy of labor supply centers, including camps and facilities heretofore used by or under the control of the Farm Security Administration, shall be deposited in the Treasury as miscellaneous receipts: *Provided further*, That not less than $6,000,000 of the appropriation herein shall be allocated for use by or under the direction of the Extension Service and transfers may be made, with the approval of the Director of the Bureau of the Budget, from $20,000,000 of this appropriation to any bureau or office of the Department of Agriculture, or to any other agency of the Government, which is assigned functions in connection herewith, in addition to the transfers authorized by the Department of Agriculture Appropriation Acts for the fiscal years 1943 and 1944: *Provided further*, That any payments made by the United States or private employers to aliens under this program shall not be subject to deduction or withholding under section 143 (b) of the Internal Revenue Code: *Provided further*, That no part of the appropriation herein made nor any of the funds heretofore appropriated or made available to the Secretary of Agriculture for the recruitment, transportation, and placement of farm labor shall be used directly or indirectly to fix, regulate, or impose minimum wages or housing standards, to regulate hours of work, or to impose or enforce collective-bargaining requirements or union membership with respect to any agricultural labor exempted under the provisions of sections 3 (f), 7 (c), and 13 (a) (10) of the Fair Labor Standards Act of 1938, or any agricultural labor exempted under the provisions of the National Labor Relations Act."

The question was taken; and on a division (demanded by Mr. O'NEAL) there were—ayes 28, noes 154.

So the amendment was rejected.

Mr. CANNON of Missouri. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SIKES, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration House Joint Resolution 96, making an appropriation to assist in providing a supply and distribution of farm labor for the calendar year 1943, directed him to report the resolution back to the House with sundry amendments with the recommendation that the amendments be agreed to and the resolution as amended do pass.

Mr. CANNON of Missouri. Mr. Speaker, I move the previous question on the resolution to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

The resolution was ordered to be read a third time and was read the third time.

The SPEAKER. The question is on the passage of the resolution.

Mr. LAMBERTSON. Mr. Speaker, I offer a motion to recommit.

The Clerk read as follows:

Mr. LAMBERTSON moves to recommit the resolution to the Committee on Appropriations with directions to report the same back forthwith with amendments as follows:

On page 2, line 18, strike out "$26,100,000" and insert in lieu thereof "$12,100,000."

On page 2, line 21, strike out "$13,500,000" and insert in lieu thereof "$6,000,000."

On page 3, line 4, strike out "$12,500,000" and insert in lieu thereof "$6,000,000."

Mr. CANNON of Missouri. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

Mr. WOODRUM of Virginia. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. WOODRUM of Virginia. As I understand it this is the substance of the Tarver amendments, is it not?

The SPEAKER. The Chair has no knowledge as to that.

The question is on the motion to recommit.

Mr. LAMBERTSON. On the motion to recommit, Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were refused.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the resolution.

Mr. CANNON of Missouri. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were refused.

The question was taken; and on a division (demanded by Mr. HOFFMAN) there were—ayes 195, noes 81.

So the resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that all Members who spoke on the bill may have 5 days within which to extend their own remarks on the bill.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

THE PRIVATE CALENDAR

The SPEAKER. Under the previous order of the House, the Private Calendar will be called.

The Clerk will call the first bill on the calendar.

ARTHUR A. SCHIPKE

The Clerk called the first bill, S. 171, for the relief of Arthur A. Schipke.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Arthur A. Schipke, of Meriden, Conn., the sum of $148.15, in full satisfaction of his claim against the United States for property damage resulting from a collision between his automobile and a Department of Agriculture truck in Union, Conn., on March 10, 1939: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DR. PAUL ROGER ZAHLMANN

The Clerk called the next bill, S. 173, for the relief of Dr. Paul Roger Zahlmann.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. PRIEST and Mr. MADDEN objected, and, under the rule, the bill was recommitted to the Committee on Claims.

MRS. ERNESTINE FUSELIER SIGLER

The Clerk called the next bill, S. 405, for the relief of Mrs. Ernestine Fuselier Sigler.

There being no objection, the Clerk read the bill, as follows:

Be it enacted etc., That the Secretary of the Treasury be and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Ernestine Fuselier Sigler, of Oberlin, La., the sum of $1,200, in full settlement of all her claims against the United States for personal injuries sustained by her and for expenses incurred as the result of an accident, involving an Army truck engaged in Third Army maneuvers on September 25, 1941: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VODIE JACKSON

The Clerk called the next bill, S. 517, for the relief of Vodie Jackson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Vodie Jackson, of Obion County, Tenn. (post office address, Fulton, Ky.), the sum of $3,686, in full satisfaction of his claims against the United States for compensation for personal injuries and property damage sustained by him when his wagon, in which he was riding, was struck by a Civilian Conservation Corps truck near Fulton, Ky., on October 18, 1940: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the con-

trary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROBERT T. GROOM, DAISY GROOM, AND MARGARET GROOM TURPIN

The Clerk called the next bill, S. 518, for the relief of Robert T. Groom, Daisy Groom, and Margaret Groom Turpin.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Robert T. Groom, Daisy Groom, his wife, and Margaret Groom Turpin, his daughter, all of Murfreesboro, Tenn., the respective sums hereinafter specified in full satisfaction of their claims against the United States arising out of a collision which occurred near Murfreesboro, Tenn., on October 21, 1941, when an automobile driven by Robert H. Pate, a United States mail carrier, ran into the automobile of the said Robert T. Groom: To the said Robert T. Groom, $952 as compensation for property damage and other damages sustained by him; to the said Daisy Groom, $4,000 as compensation for all damages, including hospitalization, suffered by her; and to the said Margaret Groom Turpin, $3,500 as compensation for all damages, including hospitalization, suffered by her: *Provided,* That no part of the amount appropriated in this act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BOLINROSS CHEMICAL CO., INC.

The Clerk called the next bill, H. R. 243, conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Bolinross Chemical Co., Inc.

The SPEAKER pro tempore (Mr. RAMSPECK). Is there objection to the present consideration of the bill?

Mr. MADDEN and Mr. PRIEST objected, and, under the rule, the bill was recommitted to the Committee on Claims.

MRS. C. A. LEE

The Clerk called the next bill, H. R. 553, for the relief of Mrs. C. A. Lee.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. C. A. Lee, of Ivy, Tenn., administratrix of the estate of her deceased son, Ross Lee, the sum of $10,000. Such sum shall be in full settlement of all claims against the United States for all loss and damages sustained by her on account of injuries sustained by the death of said Ross Lee, who was fatally injured in an accident by a United States owned truck (Civilian Conservation Corps) on October 9, 1937, between Reliance and Ivy, Tenn.: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 7, after "of," strike out the remainder of line 7 and all down to and including "Tennessee" in line 2 on page 2, and insert in lieu thereof the following: "$5,500, in full settlement of all claims against the United States for, and expenses incident to, the death of the said Ross Lee, who was killed by a United States Civilian Conservation Corps truck, driven by Archie Carroll, an enrollee, between Reliance and Ivy, Tenn., on October 9, 1937."

Page 2, after line 19, insert the following:

"SEC. 2. Payment shall not be made until the above named claimant has released all claims and judgments against the said Archie Carroll, in a manner satisfactory to the Secretary of the Treasury."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title of the bill was amended so as to read: "A bill for the relief of Mrs. C. A. Lee, administratrix of the estate of Ross Lee, deceased."

FRANK BORAH

The Clerk called the next bill, H. R. 1081, for the relief of Frank Borah.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $2,371.30 to Frank Borah, of Philadelphia, Pa., in full settlement of all claims against the United States for personal injuries suffered as a result of an accident involving an Army truck at Logan and Greene Streets, Germantown, Philadelphia, Pa. on January 29, 1942: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. CHARLES J. BAIR

The Clerk called the next bill, H. R. 1238, for the relief of Mrs. Charles J. Bair.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Charles J. Bair, of Weslaco, Tex., the sum of $5,000. The payment of such sum shall be in full settlement of all claims against the United States for losses sustained by the said Mrs. Charles J. Bair on account of the death of her son John Bair, who was killed in an automobile accident while en route to attend the citizens' military training camp, at Camp Bullis, Tex., on July 9, 1940.

With the following committee amendments:

Page 1, line 6, strike out the period and the remainder of line 6 and all of lines 7, 8, and 9 down to and including the word "Bair", and insert in lieu thereof "in full settlement of all claims against the United States."

Page 2, line 3, after "1940", insert *"Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORGE HENRY BARTOLE

The Clerk called the next bill, H. R. 1315, for the relief of George Henry Bartole.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to George Henry Bartole, San Diego, Calif., the sum of $585. The payment of such sum shall be in full settlement of all claims of the said George Henry Bartole against the United States on account of personal injuries and property damage sustained on May 3, 1942, when his automobile in which he was riding was struck on United States Highway No. 101, near San Clemente, Calif., by a United States Marine Corps jeep.

With the following committee amendments:

Page 1, line 6, strike out the period and the remainder of the line and the word "be", on line 7, and insert "and to Vernon Wayne Tennyson, San Diego, Calif., the sum of $653."

Line 8, strike out "of the said George Henry Bartole."

Line 11, strike out "his" and insert "the" and strike out "he was" and insert "they were."

Page 2, at the end of the bill insert the following: *"Provided,* That no part of the amount appropriated in this act in excess

of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of George Henry Bartole and Vernon Wayne Tennyson."

COHEN, GOLDMAN & CO., INC.

The Clerk called the next bill, H. R. 1413, for the relief of Cohen, Goldman, & Co., Inc.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. HALLECK, Mr. MOTT, Mr. PRIEST, and Mr. BUFFETT objected, and, under the rule, the bill was recommitted to the Committee on Claims.

MORTON FIEDLER

The Clerk called the next bill, H. R. 1522, for the relief of Morton Fiedler.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of money in the Treasury not otherwise appropriated, to Morton Fiedler, of Pittsburgh, Pa., the sum of $219.30, in full settlement of all claims against the United States for property damage sustained when the automobile he was driving was struck by a United States Army truck on United States Highway No. 30, near Pittsburgh, Pa., on January 1, 1942: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 10, strike out "30" and insert "22."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ARTHUR G. KLEIN

The Clerk called the bill (H. R. 1792) for the relief of Arthur G. Klein.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Arthur G. Klein is relieved of all liability to the United States to refund to the United States the amount paid to him as an attorney in the New York regional office of the Securities and Exchange Commission for the period from July 9, 1941, to July 31, 1941, inclusive. In the audit and settlement of the accounts of any disbursing officer of the United States the said Arthur G. Klein shall be considered to have been in the employ of the Securities and Exchange Commission during such period and legally entitled to compensation for such period, and no officer or employee, or former officer or employee, of the United States shall be liable to the United States for the payment of the amount paid to the said Arthur G. Klein as compensation for such period.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HAROLD BYRNE

The Clerk called the bill (H. R. 1814) for the relief of Harold Byrne.

Mr. MADDEN and Mr. PRIEST objected, and the bill was recommitted to the Committee on Claims.

LUCIA HUMBLE

The Clerk called the bill (H. R. 1838) for the relief of Lucia Humble.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lucia Humble, of Washington, D. C., the sum of $125.65, in full settlement of her claim against the Government of the United States as reimbursement of the amount heretofore paid by her under contract No. J5-PB-580 with the Procurement Division, Treasury Department, on the purchase price of certain abandoned Government property sold to her at public auction: *Provided*, That the said Lucia Humble shall be relieved of any additional payments which may be due or become due under the terms of the aforesaid contract.

With the following committee amendments:

Line 7, strike out "her claims" and insert in lieu thereof "all claims."

Line 9, strike out the letter "J" and insert in lieu thereof the letter "T."

Line 10, after the word "Department", strike out "on the purchase price of certain abandoned Government property sold to her at public auction" and insert in lieu thereof "accepted on March 14, 1939, for the purchase of the Fenwick Island bight station, Sussex County, Del."

Add at the end of the bill: ": *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TED VAUGHAN

The Clerk called the bill (H. R. 1845) for the relief of the estate of Ted Vaughan, deceased.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the estate of Ted Vaughan, deceased, of Nashville, Tenn., the sum of $5,000, in full satisfaction of all claims against the United States for the death of the said Ted Vaughan, member of the Secret Service of the United States, who died on the 8th day of November 1940, at or near South Pittsburg, Marion County, Tenn., on United States Highway No. 41, of fatal injuries incurred in an automobile collision, wherein the said Ted Vaughan was in nowise at fault, and while he was acting in line of duty on a mission for the United States of America: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROBERT P. SICK

The Clerk called the bill (H. R. 1874) for the relief of Robert P. Sick.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Robert P. Sick, of Los Angeles, Calif., the sum of $1,500 in full satisfaction of his claim against the United States for damages for personal injuries sustained by him as a result of falling into an open ditch on the grounds of the Veterans' Administration facility at Los Angeles, Calif., on April 7, 1939, during the period of time he was receiving medical treatment at such facility: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 7, strike out "his claim" and insert "all claims."

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CARL SWANSON AND OTHERS

The Clerk called the bill (H. R. 1875) for the relief of Carl Swanson, Geraldine Cecelia Swanson, a minor, and Almer Swanson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Carl Swanson, of Mason City, Iowa, the sum of $3,000, in full settlement of all claims against

the United States for the death of his son, Merle Swanson, resulting when an automobile, driven by said Merle Swanson, was involved in a collision with a Works Progress Administration truck; and to the legal guardian of Geraldine Cecelia Swanson, a minor, of Mason City, Iowa, the sum of $2,500, in full settlement of all claims against the United States for personal injuries sustained by her when an automobile, in which she was riding, was involved in a collision with a Works Progress Administration truck; and to Almer Swanson, of Mason City, Iowa, the sum of $300, in full settlement of all claims against the United States for damage to the automobile, of which she was the owner, involved in a collision with a Works Progress Administration truck, on county Z road, about a mile west of Rock Falls, Iowa, on October 14, 1936: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORGE H. CROW

The Clerk called the bill (H. R. 1893) for the relief of George H. Crow.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the provisions and limitations of sections 15 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, the United States Employees' Compensation Commission be, and the same is hereby, authorized and directed to receive and consider, when filed, the claim of George H. Crow, of Salt Lake City, Utah, for disability alleged to have been incurred by him when an injury was sustained by him in line of duty while serving the United States Government at Salt Lake City, Utah, which impaired the use of his eyes and later required an operation to restore his vision: *Provided*, That claim hereunder shall be filed within 1 year after the approval of this act: *Provided further*, That no benefits shall accrue prior to the enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

M. L. LEOPOLD ROSENBERG

The Clerk called the bill (H. R. 772) for the relief of M. L. Leopold Rosenberg, and his wife, Lisa.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws, the Attorney General be, and he is hereby, authorized and directed to record the lawful admission for permanent residence of M. L. Leopold Rosenberg, and his wife, Lisa, as of September 4, 1939, the date on which they were admitted temporarily to the United States, if they are found to be admissible under the provisions of the immigration laws, other than those relating to quotas. Upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the Rumanian quota of the first year that said Rumanian quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOSEPH NATHANIEL GOWNDER

The Clerk called the bill (H. R. 1225) for the relief of Joseph Nathaniel Gownder.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws the Attorney General be, and he is hereby, authorized and directed to record the lawful admission for permanent residence of Joseph Nathaniel Gownder as of April 22, 1922, the date on which he was admitted to the United States as a seaman.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REV. JULIUS PAAL

The Clerk called the bill (H. R. 1467) to record the lawful admission to the United States for permanent residence of Rev. Julius Paal.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Attorney General be, and is hereby, authorized and directed to record the lawful admission for permanent residence of Rev. Julius Paal, who entered the United States at New York on October 5, 1937, and that he shall, for all purposes under the immigration and naturalization laws, be deemed to have been lawfully admitted as an immigrant for permanent residence. Upon the enactment of this act the Secretary of State shall direct the proper quota-control officer to deduct one number from the Hungarian quota for the first year said Hungarian quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JAMES W. KELLY

The Clerk called the bill (H. R. 401) for the relief of James W. Kelly.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to James W. Kelly, of Anchorage, Alaska, the sum of $271.50, in full settlement of all claims against the Government of the United States for the loss of his personal effects in the fire which destroyed a building owned and operated by the Alaska Railroad, at Healy, Alaska, on May 9, 1941, while he was employed by the General Land Office as a fire-patrol guard in its Alaskan Fire Control Service: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DOUGLAS R. MUTHER

The Clerk called the next bill, H. R. 944, for the relief of Douglas R. Muther.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Douglas R. Muther, Hinckley, Minn., the sum of $1,120. The payment of such sum shall be in full settlement of all claims against the United States for losses sustained by the said Douglas R. Muther on account of the death of Marvin D. Muther, his minor son, as the result of an accident on June 20, 1941, at Hinckley, Minn., involving a motor vehicle in the service of the Civilian Conservation Corps: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 6, after the words "sum of", strike out "$1,120. The payment of such sum shall be" and insert in lieu thereof "$620."

Line 8, after the word "for", strike out "losses sustained by the said Douglas R. Muther on account of."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EDWIN FAIRFAX NAULTY AND LESLIE FAIRFAX NAULTY

The Clerk called the next bill, H. R. 2003, for the compensation of Edwin Fairfax Naulty and Leslie Fairfax Naulty.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred on the Court of Claims of the United States to hear, determine, and render judgment, notwithstanding the lapse of time since origination, or any provision of law to the contrary, on the claims against the United States of America of Edwin Fairfax Naulty, of New York City, N. Y., and Leslie Fairfax Naulty, of Hartford, Conn., for damages alleged to have been sustained by them as the result of the use, without their consent or compensation, by the Government of the United States of America continued over a period of years of the copyrighted plans, designs, specifications of structure, construction and operation of aircraft, aircraft accessories, and other aeronautical appliances from or through the technical ideas and proposed use contained in copyrighted drawings and textual specifications of construction and operation and, also through the description of and explanation of such elements of aviation and aeronautical technique contained in bills introduced in Congress for the purchase of aviation and aeronautical inventions and technique by the Government of the United States of America from and of Edwin Fairfax Naulty and Leslie

Fairfax Naulty (part title to and in such copyrighted graphs and text also resting in Nancy Washington Naulty, of Philadelphia, Pa., and Virginia Fairfax Naulty, of Hartford, Conn., by grant from Edwin Fairfax Naulty and Leslie Fairfax Naulty) such information being indicated in the text of the items listed hereafter in this bill and contained in bills described above, in several and successive sessions of Congress and thereby available for above-described construction, operation, modification, and use of such inventions without the consent or purchase of such inventions from Edwin Fairfax Naulty and Leslie Fairfax Naulty, or either of them.

Such use is presently asserted, only in the case of the following itemized structures, at several and different periods of time by officials, officials connected with and through them, by others contracting with departments and independent offices of the United States of America for which use proper award for compensation by judgment under the common law and usage and such statutory law as may apply under the terms of the fifth amendment of the Constitution of the United States of America by Edwin Fairfax Naulty and Leslie Fairfax Naulty; suit to be brought within 2 years from the date of the enactment of this act

The items indicated are—

Fairnault cantilever flight craft, an invention of nonstrut monoplane, biplane, and multiplane aircraft, with transverse wing thorobrace and cantilever fuselage, combined with Fairnault stepped body, side-set, top-set, or under-set radiators and Fairnault movable cockpit dome.

Fairnault detachable fuel tank or container, an invention for quickly disengaging aircraft gasoline and oil containers in event of fire or other emergency during flight, and Fairnault "contents discharging" fuel and oil containers of various structures.

Fairnault portable parachute, attachable to body of pilot, an invention to provide escape from a damaged aircraft in the air, also same combined with a means of quick inflation for opening and of manual collapse control and manipulation to avoid a dangerous landing from a land plane, and combined with an air-belt life preserver to keep aviator afloat after jump from a seaplane.

Fairnault aviators' steel helmet, with removable visor, combined with wireless and interplane phone receivers and transmitters, and oxygen tube, an invention for the protection of aviators in combat, to enable them to give or receive messages in flight, to listen in on motor and air screw, or cut out noise of same, and to provide connection with an oxygen container, or compressed sea-level air container, yielding breathable air at high altitudes.

Fairnault-Weaver sectional density, metal flight wings, an invention to provide differing zenith and nadir surfaces, of fixed type, for aerofoils, embodying reduction of volume and increase in mass of aerofoils—a combination of ballistics and aviation—and also designed so that curved and regular transverse sections serve as bracing and add to strength of aerofoils.

Fairnault-Weaver sectional density flight wings, an invention factorable of fabric or metal and with variable contours controllable in operation by pilot.

Fairnault metal intermesh combined with vulcanized fabric for aircraft, an invention to provide a weatherproof "nondoped," paraelectric, slow-burning casing or covering for bodies, aerofoils, elevators, rudders, and fins, which is factored by coating suitable metal mesh with hard rubber or other suitable plastic material capable of fixation of tension and easily moldable in fabrication to any desired contour.

Fairnault variable gage bays for aerofoils, an invention by means of which the weight of metal or other material or structure and casing used in outboard bays of aircraft is reduced proportionally, bay by bay, from fuselage to wing tips.

Fairnault movable multiple winding hexagon wireless aerial, an invention to reduce to small compass and to increase the efficiency of an aerial used on aircraft and to determine the direction of initiation of any wireless message.

Fairnault symmetrical design for aircraft, an invention by means of which all parts of an aircraft have a common dimensional divisor, or multiple, so that span, chord, gap, fuselage, structure, elevators, rudders, dihedral, cathedral, master diameter, diametric plane, fineness ratio, aspect ratio, and airscrew diameter are all in symmetrical proportion.

Nault argo, an invention of a series of stepped and variable contoured, streamlined hull designs for use as main hulls and pontoons for seaplanes.

Fairnault slot wings, 1917–18.

Fairnault laminated flight wings with air spaces between laminations. Special construction differing from Fairnault multipinion, copular, or self-flying aerofoils previously described. Fairnault slot wings of 1917–18, improved.

SEC. 2. There is hereby authorized to be appropriated, from the general fund in the United States Treasury not otherwise obligated, such sums of money as may be necessary to pay the amount of any judgment rendered pursuant to this act. The amount of such judgment shall be payable by the Secretary of the Treasury on the presentation of a duly authorized copy of the judgment of the Court of Claims of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill to confer jurisdiction on the Court of Claims of the United States to hear, determine, and render judgment on the claims against the United States of Edwin Fairfax Naulty and Leslie Fairfax Naulty."

FLORENCE B. HUTCHINSON

The Clerk called the next bill, H. R. 1463, for the relief of Florence B. Hutchinson.

There being no objection the Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $1,000 to Florence B. Hutchinson, of Washington, D. C., in full satisfaction of her claim against the United States for reimbursement for medical and other expenses incurred by her, and for compensation for personal injuries sustained by her, when she fell getting out of an elevator on March 1, 1941, in the Champlain Apartment Building, Washington, D. C., occupied by the Securities and Exchange Commission: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, after the word "full" strike out "satisfaction of her claim against the United States for reimbursement for medical and other expenses incurred by her, and for compensation for personal injuries" and insert "settlement of all claims against the United States for personal injuries, medical, and other expenses."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRED TAYLOR

The Clerk called the next bill, H. R. 1219, for the relief of Fred Taylor.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Fred Taylor, of Clemson, S. C., senior cotton technologist for United States Department of Agriculture, the sum of $157.75, the same being in full satisfaction and settlement of expenses incurred in payment of transportation for his wife, Mrs. Ethel P. Taylor, from Manchester, England, August 27, 1939, to Washington, D. C., under instructions to evacuate on an American ship which sailed prior to receipt of specific authorization from the Department to incur such expense as provided by departmental regulations.

With the following committee amendments:

Page 1, line 8, strike out the words "the same being in full satisfaction and settlement of" and insert in lieu thereof the words "in full settlement of all claims against the United States for."

At end of bill strike out period and add ": *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DR. AND MRS. RICHARD STEVER

The Clerk called the next bill, H. R. 1278, for the relief of Dr. and Mrs. Richard Stever.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Dr. and Mrs. Richard Stever, of Tyrone, Pa., the sum of $500 for personal injuries and property damage sustained when the automobile in which Mrs. Stever was driving, was struck by a Civilian Conservation Corps truck in Altoona, Pa., on November 24, 1940: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon

conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 7, strike out line 7 and line 8 and insert "in full settlement of all claims against the United States for personal injuries and property damage sustained by them when the automobile in which they were riding."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HENRY B. TUCKER

The Clerk called the next bill, H. R. 1942, for the relief of Henry B. Tucker.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the limitations of time in sections 15 to 20, both inclusive, of the act entitled, "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, are hereby waived in favor of Henry B. Tucker, of Vicksburg, Miss., and the Employees' Compensation Commission is hereby authorized and directed to receive and consider under the remaining provisions of said act his claim on account of injury and disability alleged to have been incurred on or about April 8, 1940, while performing his duties as an employee of the United States Engineer Office, Vicksburg, Miss.: *Provided*, That claim hereunder shall be filed within 6 months from the approval of this act: *Provided further*, That no benefits shall accrue prior to the approval of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CIVILIAN PERSONNEL OF UNITED STATES ANTARCTIC SERVICE

The Clerk called the next bill, H. R. 1724, to provide for the reimbursement of certain civilian personnel for personal property lost incident to the emergency evacuation of the United States Antarctic Service Expedition's East Base, Antarctica, on March 21, 1941, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, such sum or sums, amounting in the aggregate not to exceed $2,010.70, as may be required by the Secretary of the Interior to reimburse, under such regulations as he may prescribe, certain civilian personnel for the value of personal property lost incident to the emergency evacuation of the United States Antarctic Service Expedition's East Base on Neny Fjord, Marguerite Bay, Palmer Peninsula, Antarctica, on March 21, 1941.

SEC. 2. The Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Richard S. Moulton, of Washington, District of Columbia, such sum, not in excess of $192.25, as the Secretary of the Interior may determine, in full settlement of all claims against the Government of the United States for the loss of personal property as a result of a fire at the west base of the United States Antarctic Service Expedition, located near the Bay of Whales, Antarctica, on June 7, 1940: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MORRIS BURSTEIN AND JENNIE BURSTEIN

The Clerk called the next bill, H. R. 176, for the relief of Morris Burstein and Jennie Burstein.

The SPEAKER pro tempore. Is there objection?

Mr. MOTT, Mr. BUFFETT, Mr. PRIEST, and Mr. ALLEN of Louisiana objected, and the bill, under the rule, was recommitted to the Committee on Immigration and Naturalization.

CHARLES MOLNAR

The Clerk called the next bill, H. R. 441, for the relief of Charles Molnar.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws the Attorney General is hereby authorized and directed to cancel the warrant of arrest and the order of deportation against Charles Molnar heretofore issued on the ground that admission to the United States had been fraudulently gained, and that he shall hereafter be deemed to have been lawfully admitted to the United States for permanent residence as of April 12, 1936.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORGE M. LOUIE

The Clerk called the next bill, H. R. 850, for the relief of George M. Louie.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding any provision of the immigration laws the temporary admission to the United States of George M. Louie is hereby declared a record of permanent admission as of the date he last temporarily entered continental United States, to wit, October 13, 1938.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRANCESCO P. MASTRILLI

The Clerk called the next bill, H. R. 480, for the relief of Francesco P. Mastrilli.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Attorney General be, and he is hereby, authorized and directed to cancel forthwith the outstanding warrant of arrest, order of deportation, warrant of deportation, and bond, if any, in the case of the alien Francesco P. Mastrilli, of Utica, N. Y., and is directed not to issue any further such warrants or orders in the case of such alien, insofar as such further warrants are based on any unlawful entry of such alien into the United States prior to the enactment of this act, or on false statements or admission of false statements in connection with any application for registry as an alien. Hereafter, for the purposes of the immigration and naturalization laws, such alien shall be considered to have been, at Norfolk, Va., on June 8, 1925, lawfully admitted to the United States for permanent residence, and any subsequent entry of such alien into the United States shall be deemed to have been lawful.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FISIL ROSENBERG ET AL.

The Clerk called the next bill, H. R. 771, for the relief of Fisil Rosenberg, his wife, Sofie; his daughter, Jenny; and his son, Jacques.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws, the Attorney General be, and he is hereby, authorized and directed to record the lawful admission for permanent residence of Fisil Rosenberg, his wife, Sofie; his daughter, Jenny; and his son, Jacques; as of August 15, 1938, the date on which they were admitted temporarily to the United States. Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the Rumanian quota of the first year that said Rumanian quota is available, and two numbers from the German quota of the first year that said German quota is available.

With the following committee amendments:

Page 1, line 6, after the comma, insert "and."

Page 1, line 7, strike out "his daughter, Jenny; and his son, Jacques."

Page 2, line 2, after "available" strike out "and two numbers from the German quota of the first year that said German quota is available."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of Fisil Rosenberg and his wife Sofie."

WILLIAM H. LINHART

The Clerk called the next bill, H. R. 2016, for the relief of William H. Linhart.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That for the purposes of the immigration and naturalization laws William H. Linhart shall be considered (1) to have been lawfully admitted to the United States on December 15, 1913, as an alien for permanent residence; (2) to have been dwelling in the United States on November 20, 1916, when his father, John Linhart, was naturalized a citizen of the United States; and (3) to have been, at Eastport, Idaho, on October 17, 1928, lawfully admitted to the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. LECOMPTE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a set of suggestions prepared by a conference of Governors of the Corn Belt to relieve the present shortage of labor.

The SPEAKER pro tempore (Mr. RAMSPECK). Is there objection to the request of the gentleman from Iowa [Mr. LECOMPTE]?

There was no objection.

VICTORY GARDEN LEADER'S HANDBOOK

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for one-half minute.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Massachusetts [Mrs. ROGERS]?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I just want to direct the attention of the House to the fact that the Middlesex County Extension Service says that in New England canning can be done very successfully in open kettles. I have taken this up with the Department of Agriculture because I feel their information is correct.

I have a letter from the Middlesex County Extension Service as follows:

MIDDLESEX COUNTY EXTENSION SERVICE,
CONCORD, MASS., *March 10, 1943.*

Mrs. EDITH NOURSE ROGERS,
House of Representatives,
Washington, D. C.

DEAR MRS. ROGERS: I hate to bother you with details because I know you are extremely busy but we get so many examples these days of inefficiency that I thought one minor one might be brought to your attention to show what we have to contend with. I am enclosing a Victory Garden Leader's Handbook which has just been sent out. On page 9, under "Canning," is the warning that no vegetable other than tomatoes should be canned without using a pressure cooker. I believe in certain parts of the United States this may be true, but in New England for generations our vegetables have been canned open kettle or the steam cooker method, with excellent success. This means that a bulletin of this kind mailed into New England is not only a complete loss but we again have to apologize for the errors and use valuable time in correcting the impression given.

PERMISSION TO ADDRESS THE HOUSE

Mr. BROWN of Ohio. Mr. Speaker, I ask unanimous consent that on Monday next the gentleman from Michigan [Mr. DONDERO] may be permitted to address the House for 30 minutes after disposition of matters on the Speaker's desk and at the conclusion of any special orders heretofore entered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio [Mr. BROWN]?

There was no objection.

EXTENSION OF REMARKS

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a statement by Hon. Elmer M. Ellsworth, a member of the House of Representatives of Puerto Rico.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. MARCANTONIO]?

There was no objection.

COMMITTEE ON LABOR

Mrs. NORTON. Mr. Speaker, I ask unanimous consent that the Committee on Labor may have permission to hold hearings tomorrow afternoon while the House is in session.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New Jersey [Mrs. NORTON]?

There was no objection.

COMMITTEE ON AGRICULTURE

Mr. CLARK. Mr. Speaker, I call up House Resolution 119 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That there is hereby created a select committee to be composed of seven Members of the House of Representatives to be appointed by the chairman of the House Committee on Agriculture from among the members of the Committee on Agriculture. The chairman of the House Committee on Agriculture shall designate one of the members of the select committee as chairman. Any vacancy in the membership of the committee shall be filled in the same manner in which the original appointment was made.

The committee is authorized and directed to investigate the activities of the Farm Security Administration, with a view to determining whether or not such activities are being carried on in accordance with the policies of Congress expressed in the laws administered by such Administration.

The committee shall report to the House (or to the Clerk of the House if the House is not in session) as soon as practicable during the present Congress the results of its investigation, together with such recommendations as it deems desirable.

For the purpose of this resolution the committee, or any subcommittee thereof, is authorized to sit and act during the present Congress at such times and places, whether or not the House is sitting, has recessed, or has adjourned, to employ such personnel, to hold such hearings, to require the attendance of such witnesses and the production of such books, papers, and documents, and to take such testimony, as it deems necessary. Subpenas shall be issued under the sighature of the chairman of the committee or any member designated by him, and shall be served by any person designated by such chairman or member. The chairman of the committee or any member thereof may administer oaths to witnesses.

Mr. CLARK. Mr. Speaker, I yield 30 minutes to the gentleman from Indiana [Mr. HALLECK] on the minority side.

Mr. MARCANTONIO. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. MARCANTONIO. Mr. Speaker, I do not believe this resolution should come up at this late hour. I believe further that a quorum should be present and make the point of order that a quorum is not present.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman withhold his point of order just a moment?

Mr. MARCANTONIO. I will withhold it.

EXTENSION OF REMARKS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend as part of my remarks made a few moments ago a letter from the Middlesex County Extension Service, which is in my district.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

COMMITTEE ON AGRICULTURE

Mr. HALLECK. Mr. Speaker, will the gentleman withdraw his point of order?

Mr. MARCANTONIO. Mr. Speaker, I withdraw the point of order temporarily.

Mr. HALLECK. Mr. Speaker, I yield such time as he may desire to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, early in January I introduced in this body a bill, H. R. 1168, to prohibit and make illegal the appointment of "lame duck" Members of Congress—whether Representatives or Senators—to any position under the Federal Government, other than the Supreme Court or the Cabinet, within less than 2 years after the termination of their legislative service.

I believe that each of you know the meaning of the words "lame duck," but, in order that there be no question in the mind of anyone, permit me to explain that a "lame duck" is a distressed sort of a bird that has had his tail feathers kicked off by the voting portion of his constituency in the last election. In other words, a "lame duck" is an elective officeholder who finds himself so well picked and so sadly beaten and crippled by the storms of election day that he is no longer able to fly as high as he once did. Therefore, of stern necessity, he must quickly find some place to roost, rest, and refresh himself. Of course, the loftier limb he can mount upon the political plum tree, the better off he will be, for the tastier and more desirable plums are usually found on the uppermost branches.

Some people, who are kindly in their thinking, describe "lame ducks" as battle-scarred warriors, who, upon their retirement from the political arena, are entitled to a haven of rest and security where, like an old work horse, they can enjoy green pastures during their declining days without the necessity of using too much energy or making too great an effort to earn a livelihood.

Others, who are more cynical in their outlook, insist "lame ducks" are simply the flotsam and the jetsam washed up on the shores of political seas after the heavy and fearful storms of election day have spent their fury, and that such wreckage from the tempest is not usually worth the saving. To them "lame ducks" are simply political refugees—the cast-offs of public service—who, through weakness of their own, or of their positions on public questions, have lost the confidence and support of their constituents and, because of vanity, or lack of ability to earn a livelihood in civil life, attach themselves to the public pay roll in some appointive position where the electorate cannot get at them.

Personally, I cannot subscribe to any of these particular descriptions of, or

beliefs concerning, "lame ducks." In my life and time I have known many "lame ducks"—yea, literally thousands of them. Within their ranks have been the rich and the poor, the high and the low, the weak and the strong, the good and the bad. Many have had only themselves to blame for their distressing situation, while others have fallen by the wayside through no inherent weakness or fault of their own. Yet each and every one of the "lame ducks" I have known, as well as the thousands of others whose names have been inscribed upon the lists of the vanquished, has had his offer of continued public service rejected by his constituents in the only way the people can speak—through the voice of the ballot box.

The man who voluntarily retires from elective public office is not a "lame duck." To be a "lame duck" one must have served in office, offered himself as a candidate for reelection to that office, and have had his offer rejected at the polls. And I contend the reason why the voters saw fit to reject the continuance of the gentleman's public service makes no real difference. Whether the voters are angry, disgusted, and resentful over some of the past actions of the candidate, or simply decide they love him less and his opponent more, matters not. The fact remains his offer to continue in public office has been turned down by the electorate. By their votes his constituents have demonstrated their willingness and their desire he be separated from the public pay roll. That is the only thing that counts.

Throughout the more than 150 years of our national life the practice of appointing "lame ducks" to nonelective positions in the Government has grown and flourished. Every political party and every administration has indulged in the practice of caring for their weaker brethren at the expense of the taxpayer. It is one of the faults and weaknesses of our form of government. While there may be many arguments, including charity, that can be advanced in favor of this practice, I still contend that it is an evil one; and certainly one that is not conducive to good government or to public morale. Instead it destroys the faith of the people in their system of government. The only way American citizens have of directly expressing themselves in the affairs of their Government is through the ballot box. I insist that when the people speak through the majesty and the authority of the ballot and say they no longer want a man to serve them in public office, then that gentleman should gracefully retire from the field, and not seek or accept a position of public trust and responsibility through Presidential or political appointment. "Lame duck" appointments defeat the purpose and the will of the people. They help destroy respect for representative government.

Oh, I know, Mr. Speaker, it can be argued the voting public has not always been wise or selective in the choices they have made at the polls. That is undoubtedly true. It cannot be denied that at times they elect to public office men unfitted to serve. Neither can it be denied that the people often reject the services of the best qualified. Yet it is the right of the people—and their right only—to pass judgment upon aspirants to elective office. Once that judgment is passed it should be respected. It should not be circumvented by naming to positions of power and authority the very individuals whose offers of service have been rejected.

As I said a moment ago, all parties and all administrations have taken care of their friends through "lame duck" appointments. Yet, Mr. Speaker, it is my conviction this indefensible practice has been growing in recent years. Certainly no party in power has ever made as many "lame duck" appointments as has the Roosevelt administration. Recent weeks have brought the appointments of more "lame ducks" to public office than any like time in American political history. Of course, in all fairness, I must admit the elections of November 3 last made more legislators eligible for "lame duck" appointments than we have had in many years. Perhaps I should also add it is entirely possible an even greater supply of "lame ducks" will be made available in early November of 1944. However, the prospect of such an increased supply should not cause too much alarm, for the "lame ducks" of 1944 will have but a short time in which to grab a place on the public pay roll.

However, Mr. Speaker, I believe we should take the time here and now to discuss among ourselves some recent "lame duck" appointments, and especially of those who served in the Seventy-seventh Congress. In discussing these individuals who have been the recipients of juicy political plums, I want it distinctly understood that I am making no personal attack on any of them. All are fine gentleman. Otherwise they would not have been elected to Congress in the first place. Many of them have been, and are, my personal friends. All are enjoyable companions and men of good character and reputation. Nevertheless they are "lame ducks" just the same, and are occupying their present positions as the result of a practice I believe is undemocratic and un-American, and one that should be stamped out.

But to get back to the "lame ducks," and the positions to which they have so recently been appointed: "Lame duck" No. 1—the chief gander of the present flock resulting from the horrible day of November 3, 1942—is Prentiss Brown, of Michigan, former Senator from that great State. Prentiss Brown—no relation to me—is the head man down at the Office of Price Administration, having been appointed by the President early in January to take the place of that gone but not forgotten stormy petrel and leading proponent of bureaucratic control and regimentation, boisterous, blundering Leon Henderson. Now personally Prentiss Brown is a gentleman of good character and reputation, as well as of talent and ability. I believe every Member of Congress will agree to that. Also every one of you must concede that Mr. Brown's services in leading the fight for the amendment to the Price Control Act sought by the President last September have not gone unrewarded. He did a good job carrying the ball for the administration. In all candor I must even admit that at times his open field running was superb, and that one or two of his pivot plays were especially spectacular and created considerable comment.

Yes; Prentiss Brown made a good fight of it in the Senate, and undoubtedly he believed the position he took and the policies he stood for were right. However, the people of his home State of Michigan, who were responsible for his being in the Senate, seemingly disagreed with him. This was especially true of his farmer constituents. I do not believe there is anyone here but who thinks Prentiss Brown was defeated for reelection because of the part he took in the fight over the price-control legislation before Congress last autumn. I think that is simply a historical fact. The people of Michigan did not like the representation he gave them on that matter. Therefore, they defeated him at the polls—or to put it more bluntly, the legislative services of Prentiss Brown were rejected, and the policies for which he stood were repudiated at the ballot box.

Yet, under the practice of appointing "lame ducks" to office, we find Mr. Brown, by Presidential designation within 15 days after he went out of office as Senator, placed in charge of the very program and the very policies for the support of which he was defeated at the polls by his constituents. Despite the emphatic manner in which the electors of the State of Michigan made known their opposition to the price-control beliefs and policies of Senator Brown he was named to head the Office of Price Administration, where he now makes effective those very beliefs and policies which brought about his defeat for reelection.

I say to you that the only curb the American people have on their public officials is through the right of the ballot, whereby they can vote against those individuals with whose beliefs, theories, or policies they disagree. I say to circumvent or to set aside the decision of the voters in such a case by the "lame duck" appointment of the defeated candidate to the very office administering the legislative policies, the support of which brought about the candidate's defeat, is not fair and is not right. It is a practice that should be stopped.

Serving under Mr. Brown as his chief administrative assistant in the Office of Price Administration is former Senator Clyde Herring, of Iowa, another strong administration supporter who was defeated for reelection last November. Mr. Herring is well known for his political sagacity and his ability to get along with people. It is understood that it was these very qualifications, as well as his intense loyalty to the New Deal administration, that brought about his "lame duck" appointment to a job said to be entirely political in nature, for which he will receive, so I am informed, a salary of $10,000 per year.

Another "lame duck" who has been rewarded for past services is our old friend and former Senator, Josh Lee, of Oklahoma, who for a long time was one of the most vocal supporters of the New Deal here on the Hill. When Josh Lee went down to defeat last November it was more of a surprise to the rest of the country, and perhaps to Josh, than it was to the people of Oklahoma. But his good friend, the President, hastened to make amends by naming him a member of the Civil Aeronautics Board at a salary of $10,000 per year. The appointment was first tendered before the Seventy-seventh Congress ended, but had to be withdrawn inasmuch as a sitting Member of Congress cannot be appointed to any Federal office for the creation of which he had voted. However, almost immediately after the Seventy-eighth Congress came into session Mr. Lee's name was again presented for confirmation. Today he is serving a long term on the Civil Aeronautics Board—a perfect example of a "lame duck" appointee.

And we must not overlook another gentleman whose name rates high on the "lame duck" list—former Senator Harry Schwartz, of Wyoming. Harry is a likable fellow who always boasted of his undying loyalty and unswerving fidelity to the President. Such loyalty and fidelity have already had their reward, bringing to him the juicy "lame duck" appointment of a lengthy term on the National Mediation Board at the same salary he drew as the legislative representative of his people—$10,000 per year.

Our former colleague, Wall Doxey, of Mississippi, who was promoted to the Senate a few years ago and defeated in the primary last summer, has done all right for himself, too, in the way of a "lame duck" appointment. He is now Sergeant-at-Arms of the Senate, for which service he draws a salary of $8,000 each year.

Now, I hope you ladies and gentlemen of the House will not feel that our body has been overlooked in the matter of "lame duck" appointments simply because I have not mentioned them as yet. The record discloses that we are receiving our full share of the fruit from the administration plum tree.

Our former colleague and young friend, Thomas H. Eliot, of the Harvard Eliots of Massachusetts, known so well to us as an ardent liberal and New Dealer of the Frankfurter type, has been named Chief of the British Division in the Office of War Information with headquarters in London. I do not know the salary Tom receives. Seemingly that information was not given out by the Office of War Information. So far as I know, Tom Eliot—who is a delightful gentleman—has never had any experience or training as a newspaperman, or any connection with press relations, although I have noticed a number of articles concerning him and his services in the Daily Worker, PM, the New Republic, and similar publications. Anyhow, Tom is now enjoying a "lame duck" appointment and is well set on the public pay roll.

Down in the War Production Board we have another one of our colleagues enjoying the succulent fruit from the political plum tree in the form of a "lame-duck" appointment. I speak of that radio crooner and potato peeling former statesman from the deep South, our contemporary in the Seventy-seventh and previous Congresses—Luther Patrick.

It will be remembered that Luther fell by the wayside in the Democratic primary last year. At that time it was rumored that some of Luther's radio wit had come back to haunt him, but in a speech from the well of this House he explained his defeat by saying that the voters—being unable to hit directly at the bureaucrats—took a crack at him instead. Evidently Luther believes in the old preachment of "When you can't lick 'em, then jine 'em," for according to reports Luther himself is now one of the bureaucrats, having recently taken a "lame duck" appointment down in the War Production Board, where—believe it or not—he has become such an expert on highway construction that he is said to have recently advised one of the Members here that a highway overpass could not be constructed, although it was already built at the time and had been in use for several months.

All of which proves that Luther has learned the ropes rapidly and is performing in true bureaucratic style.

And up in Hartford, Conn., the War Manpower Commission is to have a new head of the regional office in the person of William J. Fitzgerald, who served with us during the Seventy-seventh Congress, but met defeat in his campaign for reelection last Autumn. Mr. Fitzgerald has just been appointed—so tally one more on to the "lame duck" score.

Out in the Middle West we have a new regional director in the Office of Price Administration with headquarters in Chicago, but recently appointed at a remuneration of $8,000 per year. He is our old friend and former colleague, Raymond S. McKeough, of Chicago, protégé of the famous Kelly-Nash political machine of that city, who left his seat in this honored body to be the New Deal candidate for the Senate last November against the present incumbent, Mr. BROOKS. Now Raymond can enjoy home life in Chicago, without having to meet the high cost of Washington living, and without campaign expenses; unless he is called upon to attend too many Jackson Day banquets.

Two or three weeks ago my old neighbor in the House Office Building, former Representative Charles F. McLaughlin, of Nebraska—and no finer gentleman ever lived—who met defeat for reelection in the upsurge of Republicanism last November, was named to a $10,000 job as a member of the American-Mexican Claims Commission—another appointment of a "lame duck."

Any of you who go down to the White House—and I frankly admit that I am seldom invited there—will find an old acquaintance busily at work as administrative assistant to the President. You will recognize this genial and smiling gentleman as former Representative James M. Barnes, of Illinois, who, incidentally, is a graduate of dear old Harvard, but a "lame duck" just the same, for he, too, met defeat in the election of November 3 last. Jimmie will receive for his services the same annual salary paid him as a Member of this body, to wit: $10,000 per annum; but in addition thereto he will have the honor and pleasure of basking in the sunshine of F. D. R.'s famous smile, for which privilege undoubtedly some sitting Members would be willing to become "lame ducks" right now.

Another former colleague of ours—former Representative Will Rogers, who is not a relative of the famous deceased humorist of the same name, I understand—has been taken care of in a "lame duck" appointment by the House, as he started a short time ago on his new duties as investigator of personnel practices, for which he will receive $6,000 a year, plus expenses.

And down at the Navy Department, in Under Secretary Forrestal's office, can be found one of my former colleagues from Ohio, Jacob E. Davis, who I understand is serving as civilian aide and assistant to the Under Secretary. Jake, as he is better known to Ohioans, was defeated for reelection in the Republican landslide last November, but he is still enjoying the Washington climate as a "lame duck" appointee at an unknown salary, but one which I am sure is commensurate with Jake's well-known ability.

Another "lame duck" appointment, but recently made, is that of John M. Houston, who represented the Wichita, Kans., District in the Congress until January last, when he was forced to sever connections with this honorable body as a result of coming in second in the November 3d derby. Jack, as he is known to all of us—and he is one of the most sociable and best liked colleagues any of us ever had—has been given a "lame duck" appointment as member of the National Labor Relations Board at the same salary he received while in this body.

These "lame duck" appointments have been pouring out of the White House so thick and fast since January 3 that it is almost impossible to keep up with them. In all probability I have missed some, or perhaps new appointments have been announced since I began these remarks. In any event it is evident that the end is not yet, as I understand there are quite a large number of our former colleagues, from both bodies of the National Legislature, who are remaining in Washington in the hope that the Great White Father may reach out his kindly hand and drop into their outstretched palms the much-sought-after royal fruit—one of those juicy plums of political pap and patronage known as a "lame duck" appointment. Some of the waiting gentlemen may be disappointed in the end, but, at the present rate "lame duck" appointments are being made, it seems likely most of them may place their feet firmly in the public trough within the not too distant future.

In the fear that some vicious partisan may accuse our beloved Chief Executive of being unappreciative of his friends, I believe I should list here, for the record, the names and positions of a few of the "lame ducks" that have received largess at the hands of a beneficent President during the past 4 years. Among them are: Former Senator Henry F. Ashurst, of Arizona, defeated in 1940 and later appointed to the United States Immigration Board of Appeals at a salary of $10,000 per year; former Senator Fred L. Brown, of New Hampshire, named Comptroller General in 1939 at a salary of $10,000; former Senator F. Ryan Duffy, of Wisconsin, named Federal district judge for eastern Wisconsin, following his defeat in 1938; that stalwart New Deal leader and whip of another body, former Senator Sherman Minton, of Indiana, placed on the United States Court of Appeals at an annual remuneration of $12,500, following his defeat for reelection in 1940; former Senator James Pope, of Idaho, who was given a $10,000 a year plum as a member of the Board of Directors of the Tennessee Valley Authority after his defeat in 1938; and former Senator Robert J. Bulkley, of my own State of Ohio, defeated in 1938, who is now serving on the Board of Appeals on visa cases at $10,000 per year.

From the House side recent "lame duck" appointments include Thomas R. Amlie, of Wisconsin, who was named to the Interstate Commerce Commission, only to have his appointment withdrawn from the Senate later; our former colleague, Alfred F. Beiter, of New York, who received a "lame duck" appointment as Assistant Secretary of the Interior after his defeat in 1938; former Representative John J. Dempsey, of New Mexico, named to the United States Maritime Commission, but now serving as Governor of that great State; former Representative Michael Igoe, of Illinois, appointed to the United States district court; former Representative George B. Kelly, of New York, designated as Regional Administrator of the Wage and Hour Division of the Department of Labor; former Representative John C. Lehr, of Michigan, appointed as United States district attorney; former Representative John J. McGrath, of California, as District Commissioner of Immigration and Naturalization Service; former Representative David J. Lewis, of Maryland, the President's entry for the Senate in the purge campaign against TYDINGS, named to the National Mediation Board; former Representative Maury Maverick, of Texas, named as head of the Bureau of Governmental Requirements of the War Production Board; former Representative Claude Parsons, of Illinois, appointed as Assistant Administrator of the United States Housing Administration; and former Representative John Utterback, of Maine, serving as United States marshal for that State.

The requests of all these gentlemen to continue in public office as representatives of the people were rejected at the polls by a vote of the electorate; but, while their constituents may have said, through the ballot, that their services were no longer wanted, the President and his administration decided otherwise and placed them back on the public pay roll as "lame duck" appointees.

In addition to the men whom I have already named, there is another group of appointees that I might mention this afternoon. None of the membership of this group can rightfully be called lame ducks, for actually they only tried for office, as New Deal candidates for the House or Senate, but failed of election. Nevertheless, they have been appointed to lucrative positions. I shall not attempt to name them all, but one of the latest instances is that of James Allred of Texas, who was the New Deal candidate for the Senate against the sitting Member, Senator MCDANIEL, in the recent Texas primary. Allred's nomination for appointment to the United States Court of Appeals is now before the Senate, where a hot fight is being made against his confirmation by a number of southern Democrats so uncooperative as to at least infer that the appointment has come as payment of a political debt.

Another is the case of Mrs. Dorothy K. Roosevelt of Michigan, a relative of the White House Roosevelts, and the New Deal candidate in the last election against Congressman DONDERO, who has but recently been named to an important and well-paying position in the War Production Board.

No, such appointments are not lame-duck appointments, but neither are they conducive to the theory or the belief that politics has been adjourned for the duration.

In closing, Mr. Speaker, I would like to make a serious appeal to the membership of this body to give its support to H. R. 1168 now pending in the Judiciary Committee. I hope that great committee will take prompt and favorable action on this measure, and, if it is approved by the House, as I believe it should and will be, then this Congress will have taken a long step toward eliminating the indefensible practice of "lame duck" appointments. The prohibition contained in this bill against the appointment of defeated Members of Congress to public office during the 2 years following the termination of service in the legislative branch will work no injury to the Government and will not interfere with the Nation obtaining the services of outstanding citizens. For the 2 years—the 24 months' period provided in this measure—can be considered a sabbatical leave from public service, if you so wish to designate it, and would give an opportunity to those who are weary and worn from their labors in the Congress, and perhaps bruised and wounded from waging a losing political battle, to rest and refresh themselves, to mingle once more with the folks back home, and to perhaps obtain a new understanding of the problems of the common people, so that when the call to reenter the public service does come they will be more energetic, more considerate, and perhaps even more appreciative, than if they had been permitted to take up other public duties almost immediately following the end of their services in the legislative halls.

Mr. CLARK. Mr. Speaker, the adoption of this resolution would authorize the Committee on Agriculture of the House to conduct some investigation of the activities of the Farm Security Administration. I have persistently during this session voted against the establishment of any special investigating committee, but I do think it is a good thing for a legislative committee to follow through and look somewhat into the administration of a law originating in that committee.

This resolution only invests the Committee on Agriculture with the authority to subpena witnesses and to expend a small amount of money that may hereafter be appropriated for the purposes of this investigation.

If I may be permitted, Mr. Speaker, I should like to yield at this time to my colleague from North Carolina [Mr. COOLEY], who has been active in this matter and who will likely be a member of the investigating committee, and who has recently given some evidence of the fact that he has an inquisitive mind.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that further consideration of this resolution be postponed until tomorrow.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent to extend my own remarks by inserting in the RECORD a speech recently made by Hon. John Haynes, ex-Under Secretary of the Treasury, before the Pennsylvania Economy League, on the subject of reciprocal trade agreements.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

SPECIAL ORDER

The SPEAKER. Under the previous order of the House, the gentleman from Ohio [Mr. BENDER] is recognized for 10 minutes.

Mr. BENDER. Mr. Speaker, one of my constituents who spent a few days in Washington recently came home with a two-word description of our Nation's Capital. He called it organized chaos. In the past few weeks, a good many newspaper commentators and radio analysts have been giving us just about the same impression. I do not believe that this view of the Capital is completely accurate. Of course, there are literally hundreds of Government offices and agencies dealing with the thousand and one problems of the war. There are hundreds of thousands of men and women working in our Government offices on all sorts of jobs. They range from the simplest mechanical work to the making of important policies. It is understandable that confusion, division of responsibility, lack of information must result from any concentration of agencies and people on so large a scale. But the important thing to remember is this: In spite of the widely publicized clashes of personalities

in some departments, in spite of the appearance of confusion, the work is still going forward. The war plants whose flow of materials is determined in Washington are getting their supplies. Our huge and complicated industrial organization is functioning day and night throughout the entire country no matter how much Washington argues.

We should not lose sight of this major fact. Certainly, the spectacular battles for power inside our War Production Board, the constant differences of opinion between Manpower Commission officials and our local draft boards, make good news stories. They should not let us forget that the work is going on no matter what happens in Washington.

No one believes for a minute that Americans can ever be satisfied with any production record, but we should bear in mind that we are turning out planes, guns, munitions, faster than anyone ever dreamed possible a short time ago. This is, after all, the main show. Washington today is really the side show.

In Congress, we get to see a good many things very close up. During the past few weeks, the controversy between Congress and the White House has been all over page 1. It has been charged that some Members of Congress are citicizing solely for the sake of criticism. Those columnists who make a living out of calling other folks names have been pouring out printer's ink by the gallon. No one objects to fair comment. Everybody in public life expects to "take it" now and then. But when you stop to look at the things that are happening, you may find that Congress is more sinned against than sinning.

For the past 3 months, taxpayers have been utterly unable to make head or tail out of the taxation picture. They did not know whether they were going to pay 1942 taxes in 1943 or 1943 taxes in 1950. Some folks have been blaming Congress for this muddle. It is pretty hard to see why. For the past 10 years, the fiscal policy of our country has been determined 100 percent by the Executive. The Constitution gives the House of Representatives the sole right to initiate appropriation measures, but everybody above the fifth grade knows that the appropriations passed by Congress are determined by the activities of our Government. In the past 10 years, our philosophy of Government has been just this: "Give everybody as much as he wants. Make everybody happy today. Let tomorrow take care of itself." Today, with a huge war on our hands we have suddenly discovered that tomorrow is here. We are paying and paying heavily. Before it is all over, we shall probably find that we must pay still more.

Well then, why not do something to help soften the blow? Why not pass the Ruml plan? Why not adopt legislation similar to the Canadian plan of part payments for 1942 with a spread of the balance. The answer here is simple. Our executive department is in favor of the pay-as-you-go plan in principle, but it is absolutely unable to decide on which one of half a dozen plans it wants.

Congress is ready to pass pay-as-you-go tax legislation right now if only the Treasury will make clear exactly what is needed. If Congress had not spent the last 10 years under the heel of the White House, our Democratic majority would not be floundering hopelessly around waiting for signals from Capitol Hill. As matters now stand, it is becoming clear to everyone that the Republicans in Congress must take the lead in reestablishing the authority of the legislative body. The Republicans in Congress are ready to vote for a pay-as-you-go plan at once. We are waiting for the Democrats.

Mr. EBERHARTER. Mr. Speaker, will the gentleman yield?

Mr. BENDER. I yield to the gentleman from Pennsylvania.

Mr. EBERHARTER. Do the Republicans have a leader whom they can follow?

Mr. BENDER. We have the finest leader on this side of the House the Republican Party ever had, the gentleman from Massachusetts, Hon. JOSEPH W. MARTIN.

Mr. EBERHARTER. I mean a leader of the Republican Party. I do not mean the minority leader of the House.

Mr. BENDER. The Republican Party has many distinguished leaders. For example, we have in Ohio a very fine leader, of whom we are exceedingly proud, our Governor, John W. Bricker.

Mr. EBERHARTER. That is a boost for his aspirations for the Presidential nomination, is it not?

Mr. BENDER. As far as his aspirations for the Presidency are concerned, our Governor is not pushing himself. The people of our State and people everywhere throughout the Nation recognize his great ability. You hear the name of Bricker on the lips of all citizens, because of his fine accomplishments and because of his excellent record as Governor of our State. He has had three consecutive terms. This is the first time a Governor has been elected for three consecutive terms in the history of Ohio, and each time he has been elected by a much larger majority, because of the excellence of his service and because he keeps his word. When he makes a promise he follows it up with performance. He has kept his word with the people of Ohio. He has done a remarkable job there, and, under the circumstances, we in Ohio of course look with favor on John W. Bricker. On both sides of the aisle here in Congress you hear John Bricker spoken of very well.

Mr. EBERHARTER. I will admit that the Governor of Ohio is now serving his third term, but on many of the most important issues of the day, with which the entire American public is very deeply concerned, he has failed to take a position. A person who fails to take a position on the most important issues of the day certainly cannot hope that the people of America will look upon him as a leader to take us out of these times, when everybody is concerned about the future.

Mr. BENDER. I am sure the gentleman is not very well informed as to the Governor's position. The Governor has taken a position on every important issue that has been brought to his attention. He is doing his level best for the war effort as he has on the home front. Above all, however, he has tended to the business of the State of Ohio in a manner that has attracted Nation-wide attention. He has kept his own house in order and done a good job with the things at hand. He is honest, intelligent, and courageous. He is not a sleight-of-hand performer like some leaders around here. Would that we had some of his forthrightness right here in Washington. Governor Bricker is no Machiavelli.

Mr. EBERHARTER. Of course, I have no interest whatever in whom the Republican Party may choose as its standard-bearer, because I personally, and I think the majority of the people of this country will agree with me, believe that no matter who the Republicans' standard-bearer is, he will not have a ghost of a show insofar as winning the Presidency is concerned. I submit that the Governor of Ohio certainly has not stood forth as any shining light as far as showing his ability in matters of Nation-wide and international interest is concerned.

Mr. BENDER. If the gentleman feels so sure of his position, why should he be so concerned about our Governor?

The SPEAKER pro tempore. The time of the gentleman from Ohio has expired.

The SPEAKER pro tempore (Mr. COOPER). Under a previous special order, the gentleman from New York [Mr. CELLER], is recognized for 45 minutes.

AXIS PROPAGANDA

Mr. CELLER. Mr. Speaker, I want to talk today about Axis propaganda and the manner in which our Office of War Information is replying to it with trustworthy news about the United States.

There has been a lot of talk about O. W. I. programs, and some of it has been idle talk. Some people seem to have forgotten that we are in a war, that the very existence of this country and the security of our homes depend on winning the war.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I hope the gentleman will let me make a few statements.

Mr. TABER. I would prefer that the gentleman yield now because of what he said.

Mr. CELLER. I have the highest regard for the gentleman from New York, and yield to him.

Mr. TABER. Did the gentleman mean to refer to me when he said that some people did not appear to know we were in a war?

Mr. CELLER. No, indeed; I was speaking generally. If the gentleman will bear with me, he will find that although I differ with him and he differs with me, I respect his opinion.

The exhibit I have prepared, and which was shown in the lobby on Monday, and this smaller exhibit in the well, gives some notion of the immense proportions of Axis propaganda. There was in this exhibit before us on Monday—part of which is here now—182 books, magazines, and pamphlets prepared by the Axis for distribution throughout the world.

Thousands and thousands of Axis publications are flooding South America, Europe, Africa, the Middle East, and the Orient, at the cost of millions and mil-

lions of dollars. The Axis is most prodigal in expending money for the control of men's minds. Spain, Sweden, Turkey, Portugal, and other neutral countries have for years been indoctrinated with nazi-ism and fascism.

These countries know little of our advancements in culture, the arts, sciences, and economics. They know little of our habits, customs, history, and traditions. They know nothing, for example, of the T. V. A. or the Grand Coulee Dam. They know us only through Nazi-Fascist eyes.

What we can do under democratic institutions is undisclosed to them; nay, more, democracy is distorted by Axis radio and pamphlets.

Neutrals must finally choose, and Axis controlled countries must eventually choose between democracy and totalitarianism. How can they select intelligently, unless they understand democracy, understand our government, our aims, our freedoms? We have not told yet adequately our side of the story to them and that we must do.

The Germans, the Italians, and the Japanese are making war upon the world. They have entered into a gigantic and sinister conspiracy to enslave all countries and all peoples. They are to be the Herrenvolk. We are to be the Sklavenvolk. The issue is as clear and as plain as that. They are to be the masters. We are to be the slaves.

Our enemies fight the war with no holds barred. They fight the war, not part time, not half time, but 24 hours a day. They fight with every weapon in the arsenal. With guns, yes; with tanks, yes; with planes and submarines and flame throwers, yes. And they fight also with propaganda.

Japanese soldiers took Burma. Their planes and guns did the job in the end, but part of the victory belongs to propaganda. Japanese propaganda had softened up Burma. Long before the piratical military attack, propaganda had seeped into Burma like a poison, dividing the native leaders, splitting faction from faction, paving the way for the monstrous delusion that the Japanese came as deliverers from British rule, as missionaries of Oriental freedom. The Burmese know now that the Japanese promises were lies, all lies, for the Japanese are now the masters in Burma and the people of Burma are now slaves.

I sometimes think that we in America hold our enemies too cheaply. We do not appreciate the brilliant cynicism, the profound contempt for the human soul, which has marked the progress of Adolf Hitler and his satellites since 1933; their psychological warfare before the gray hordes poured into Poland during the calamitous summer of 1939. Skillfully, with technical excellence, without regard for expense, through every known device for spreading information, Germany disseminated its propaganda to the far ends of the earth. The Germans are still busy at the same old job. They are especially busy in the neutral countries, such as Turkey, Portugal, and Spain. They are busy in the countries they have occupied. They or their Axis partners are busy all over Asia. They are utilizing the radio, the newspapers, the magazines. Their publications, beautifully printed, handsomely illustrated, very expensive, flow in a deadly stream out of Germany, Italy, and Japan to pollute the mind of the world.

We set O. W. I. to blunt the edge of these psychological weapons used by the Axis Powers. The O. W. I. is doing a good job, but the gentleman from New York [Mr. TABER] and others apparently think otherwise. The O. W. I. is not infallible. It makes, it admits errors. It is worthy, I believe, and I sincerely feel that better treatment at the hands of some Members in this Chamber should be given. We all have the highest regard for the gentleman from New York [Mr. TABER], but——

Mr. TABER. Mr. Speaker, will the gentleman yield right there?

Mr. CELLER. Just let me finish the sentence. Mr. TABER is an indefatigable worker—earnest, sincere, patriotic, but rather insistent at times on the political side. I now yield to the gentleman.

Mr. TABER. I say this to the gentleman: That Elmer Davis has given a more sweeping indictment of the O. W. I. and its operations than I have. He has said repeatedly that his victory proposition here was nothing but propaganda. He has said that picture book that I criticized was a failure. When he does that he goes further than I do.

Mr. CELLER. I did not yield for a speech.

Mr. TABER. I think if that kind of business is going on I must make the point of order that there is no quorum present.

Mr. CELLER. I do not think the gentleman should do that.

Mr. TABER. When the gentleman goes about saying things like that it is time for me to speak.

Mr. CELLER. I said I respected the gentleman's views.

Mr. TABER. But the gentleman misstates my views.

Mr. CELLER. I have not said a word about them. I said I disagreed with the gentleman's views, but let me say what I think about the situation. I am happy to yield to the gentleman, but the gentleman does not even let me make a statement about what the gentleman did say, and I want to do that, and then I will be very happy to have the gentleman counter to what I am going to say.

Now, with reference to the distinguished gentleman, I say again I yield to no man in my admiration for him. He is the Cerberus—watchdog—of the Treasury. But that does not mean that the gentleman is right in all his observations on all departments of government, and certainly he should appreciate that we could have some views that differ with his. That is all I am doing. I differ with him and I still respect the gentleman's views.

Mr. TABER. Does the gentleman mean that what I said was a political propaganda proposition?

Mr. CELLER. No; I do not say that bluntly. I do say that the gentleman's strictures upon O. W. I. may not be without political significance.

Mr. TABER. Or that I made my statements from a political standpoint?

Mr. CELLER. Not, perhaps, directly, but the gentleman, who is certainly within his rights, may sometimes be prompted by political considerations.

Mr. TABER. I made them for the purpose of cleaning up the O. W. I. and giving Elmer Davis a chance to do a decent job instead of a bad one.

Mr. CELLER. I said I felt that the gentleman at times was too insistent on the political side. That is all I said.

Mr. TABER. But that implied the other thing. I want it clearly understood that my effort was to make Mr. Davis clean up the situation and quit political propaganda.

Mr. CELLER. I said that the gentleman was a patriotic Member of this House and the gentleman is right in voicing his views, whatever they may be, although there are many others who will disagree with him. I believe the gentleman is grievously wrong and somewhat unjust in what he says about Elmer Davis and the Office of War Information.

For example the gentleman from New York last Saturday attempted to discredit Mr. Davis and the O. W. I. by drawing attention among other things to a movie short called The Price of Victory, built around a speech by Mr. WALLACE on May 18, 1942. Our friend from New York dubbed it "communistic." I fear the gentleman from New York may be seeing "red" in that regard, and probably whenever he seeks to appease his anger that may develop because of seeing the magazine Victory and this movie short, The Price of Victory, he probably rushes to an old mental closet and there he picks out an old epithet, "communistic" or "Red" or "Marxist" and applies it to somebody for the purpose of appeasing his anger.

Mr. TABER. Now, Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield.

Mr. TABER. I must say that the gentleman is going a long, long way. He is getting very close to stepping upon the rules; but I want to say to the gentleman that folks should not have said the things that are in that movie unless they expected to have the correct and honest construction that I put upon them placed upon them.

Mr. CELLER. With reference to that movie, The Price of Victory, the gentleman will admit that it was not prepared by the O. W. I. It was prepared by a private concern, Paramount Pictures, Inc. It has been shown——

Mr. TABER. If the gentleman will yield, it said, "Produced by Office of War Information" right on it.

Mr. CELLER. Well, it had been shown throughout the country.

Mr. TABER. And it was at their expense.

Mr. CELLER. It had been shown throughout the country in commercial theaters for several months. The O. W. I.

arranged for making copies and displaying same to various civic organizations.

The O. W. I. prepared a 15-minute radio program for Washington's Birthday, depicting the troubles of the "Father of His Country" with his Continental Congress. It is historically true. All great Presidents have had clashes with Congresses—Washington, Jefferson, Jackson, Lincoln, Cleveland, and Teddy Roosevelt—but I am afraid our good friend from upper New York somewhat twisted the O. W. I.'s purpose into an attack by indirection upon the present Congress. Again I feel the gentleman was in error.

Mr. TABER. Will the gentleman yield?

Mr. CELLER. I yield.

Mr. TABER. I would like to have the gentleman give us any other object of putting the thing out than just that one that I implied.

Mr. CELLER. I said a moment ago it was historically true, all great Presidents have had difficulties with Congresses. It shows how democracy is forged on the anvil of differences of opinion, and Presidents have differed with Congresses; Congresses have differed with Presidents. That radio program was an indication on Washington's Birthday of something which was of historical value to the entire Nation.

A second radio transcript was objected to. It is of a fictitious character, "Old Joe Mazerak," a Polish worker in a steel mill. Old Joe Mazerak first appeared on the Prudential Life Insurance Co. hour on the Columbia Broadcasting System. Mr. Davis said, "The O. W. I. liked it and got permission from the life-insurance company to use it." The program opens with remarks about Hitler's effort to sow discord among the people of America, and the iron-bound spirit of American unity that defeats him. I fear the gentleman from New York is wrong when he lays a heavy hand upon Mr. Davis and that radio script.

I do hope that the gentleman will be a little more kindly when he views these scripts and these motion pictures that emanate from the O. W. I.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. CELLER. Yes; I yield.

Mr. TABER. When Mr. Davis was before the Congress for money it was the consensus of opinion that the American people were not yellow, they did not need the propaganda coming out from the Government to arouse their patriotism.

Mr. CELLER. I will come to that.

Mr. TABER. I am frankly of that opinion today, quite decidedly.

Mr. CELLER. I do not think that Mr. Davis is using propaganda with reference to the United States. He wants the truth; he is giving out the truth; he is giving out news in true fashion, in truth and in fact. You may remember that when we had the trial of the eight Nazi saboteurs, Mr. Davis insisted on publicity being given to that trial and he was denied the right to give publicity to the evidence given at the trial and whatever happened in the trial. The Army refused to allow the trial to have any publicity. Mr. Davis protested. He said that the American people "can take it" and they should have the true news. He even went so far as to go to the White House and he threatened to resign unless there was the fullest publicity with reference to this trial, and he finally got some modicum of publicity on that trial, but when it came subsequently to the trial of those who aided the saboteurs as a result of the fight he put up, there was full publicity given to the trial of the conspirators.

Mr. TABER. Will the gentleman yield?

Mr. CELLER. Yes.

Mr. TABER. Does not the gentleman realize the difference between propaganda and news?

Mr. CELLER. I certainly do.

Mr. TABER. One item was news. The thing that has been criticized is propaganda.

Mr. CELLER. I heard Mr. Davis the other night on the radio give what he thought to be an appropriate résumé of what is happening on the battle fronts. There was not an iota of propaganda in what he said. There was nothing said in his comments but the truth, the whole truth and nothing but the truth with reference to what our soldiers were doing on the battle fronts. His attitude is the same on the home front.

I will say this to my good friend from New York: We must counteract all this dreadful, deadly, poisonous propaganda of the Nipponese, of Fascists, and Nazis. We did not take a page out of their book and counter fascism, nipponism, and nazi-ism by lies, lies, lies. Anything that we put forward you will find was and is the truth and nothing but the truth; information that is accurate, stories that are accurate of our war aims and of what democracy means, and the "four freedoms," the Bill of Rights, and our Constitution.

The gentleman from New York objects to the magazine called Victory because it was a personalized affair in the sense that our President and others high in authority are featured in that book. Let me say that in Axis-controlled and neutral countries you cannot put across a message successfully without regard to personalities. To people used to excessive Axis personalized propaganda, inured to reading, hearing, and seeing messages of, by, and for persons—dictators like Hitler, Mussolini, Franco, Antonescu, Horthy—it is essential to channelize counterpropaganda along personal lines: Roosevelt against Hitler; Churchill against Mussolini; Chiang Kai-shek against Hirohito; otherwise the effort is meaningless and the money is wasted.

Roosevelt significantly to Europeans epitomizes America. Roosevelt cartoons, in my humble estimation, are a sort of saga of American life.

The President—

Says Mr. Davis—

symbolizes the United States Government as a powerful nation and as a land of liberty and democracy.

Whether I or the gentleman from New York, our esteemed friend, approves or no, whether we like it or not, nevertheless to most Italians, Germans, Frenchmen, Spaniards, Norwegians, the United States is Roosevelt and Roosevelt is the United States. The most simple way therefore to picturize the United States is by a series of snapshots or drawings of the high spots of Roosevelt's life. Roosevelt is for this purpose our greatest asset. It were asinine, therefore, to my mind, not to capitalize that asset and to counteract this miserable, poisonous type of propaganda that is flooding all the cities and the countryside of Europe.

I believe the O. W. I. is doing a great job with great men to interpret the United States to alien nations, but more important than that to properly present the real picture of the United States, to counteract Axis falsehoods about us, to make the people of the Axis-controlled and neutral countries like the United States. We must have this type of literature to make the Danes, the Germans, the Italians, the Spaniards, and the Japs appreciate the American Bill of Rights, the Atlantic Charter, and the "four freedoms" and to have them respect American democracy wherein, in the words of George Washington, "every man can sit under his own vine and fig tree and there shall be none to make him afraid," to make Hans in the Reich, Luigi in Italy, Pedro in Portugal, Olaf in Sweden, Erik in Norway, Batista in Spain, Ali Baba in Turkey realize that nazi-ism and fascism are enslavement worse than death and finally to have it dawn on all that trying to break and defeat the United States is like trying to hold back the tide with a groan.

To show how personalized the war for men's minds has become, reflect and know that the most powerful blows delivered by Britain and the United States have been those of personalities, Churchill and Roosevelt. The Librarian of Congress, Archibald MacLeish, recently said:

One need only recall the words and actions by which the loss of British prestige at Dunkerque was turned into the greatest victory British repute has ever won to estimate the role played by the Prime Minister in the struggle to convince the world, and above all to convince the German people, that Britain cannot be defeated in this war. And as for our own country, the massive blows we have struck for the defeat of the hopes of our enemies and the assurance of our own have been struck, one after the other, in words and acts as well, by Mr. Roosevelt. The arsenal of democracy, the "four freedoms," lend-lease, the declaration of unlimited emergency, the order to shoot on sight, the production program of 1942—these, one after the other, were victories in the war for men's opinions, and they were victories gained, one after the other, by the President.

The words of Mme. Chiang Kai-shek are more valuable in this total war than armies.

Elmer Davis properly follows the personal line in this psychological warfare. Davis is determined not to allow the Office of War Information to become a propaganda agent in the Axis sense in its relation to the American people or even to people abroad. The Office of War Information explains and interprets the war, gives information on the home front and the battle front. It explains the war aims. Davis demands that he be permitted to tell the truth about

battles fought. He does not seek to minimize losses nor exaggerate victories. He wants the people to know the truth. He rightfully believes that the people can take it. Also, as to the foreign peoples, the people of the Axis and allied and neutral powers, the watchword must be, again, truth. For these, Davis dramatizes our war aims, our prowess, our invincibility, our tremendous ingenuity and resourcefulness in making and streamlining trains and ships and tanks and guns.

The Axis Nations are treated differently than the Allied Nations. Neutral nations are distinguished from both the Allied and the Axis countries. Three different approaches are used, three different channels of information, news, stories, and instruction are marked out and blueprinted. Facts and truth are emphasized as opposed to the Axis, which constantly lies and lies. They promise anything to gain support. Frankly, these Axis lies are now reaching a point where they are boomeranging. Even the German people no longer believe Goebbels' machine and now crane their necks to listen to our broadcasts and read our publications, for they know that in them they find facts.

As this exhibit shows, the Axis seeks to divide and conquer and pit faction against faction, class against class.

The Office of War Information has sought with printed opinion and radio voice to keep Turkey, Switzerland, Sweden, and Portugal if not benevolently neutral at least neutral, and not actively pro-Axis like Spain, not actively hostile like Argentina. If the Office of War Information contributes toward keeping Turkey and Spain from joining up with the Axis, it is worth all the money we can appropriate for its maintenance and more besides.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from New York.

Mr. TABER. There appeared on page 2039 of the RECORD for March 16, in a statement by Senator HOLMAN, a memorandum indicating the type of propaganda that is being put out in this country to discredit Congress. This was reported to him from two different sources. This propaganda was known as Carey Longmire's Washington report.

Mr. CELLER. Who put that out?

Mr. TABER. I understand that was put out by the O. W. I. Does the gentleman approve of their doing that sort of thing? It is that continual overstepping that has destroyed their usefulness. I would hope that instead of criticizing me the gentleman would join me in trying to clean it up. If they are going to be useful, they should stop doing things that are entirely improper.

Mr. CELLER. I think, from my contacts with representatives of the O. W. I. and with Mr. Davis, that they do not want to do those things. I do not know how authentic that so-called statement may be to which the gentleman has just referred, but I am curious to know whether the O. W. I. has sent that out. They have striven with might and main to stick to the truth. I am almost sure that Mr. Davis does not want to put out things like that.

Mr. TABER. Why do they do it? That is what I cannot understand.

Mr. CELLER. I would be very happy to join with the gentleman to find out what the situation really is.

Mr. TABER. That is what I have been trying to find out. Instead of saying they are going to stop, they criticize someone for making a just criticism of them and trying to make them do the things they ought to do.

Mr. CELLER. Of course, it all depends on the setting from which the criticism comes and the emphasis placed upon certain things. I am sure that if the gentleman and I should sit down with Mr. Davis, or if the gentleman alone should sit down with Elmer Davis and quietly work this thing out by mutual understanding, there would be something done that would be very, very constructive. But sometimes we do not get very far if we attack, if we criticize. We get more if we get together and try mutually to work things out.

I am sure the gentleman will admit there is a purpose for the O. W. I. If the gentleman will examine all this material he will see how necessary it is.

Mr. TABER. There would be a purpose if it were handled right, but when it is handled wrong it does harm.

Mr. CELLER. It is our duty and your duty to point out these things.

Mr. TABER. That is what I have been doing.

Mr. CELLER. I would be the last to criticize the gentleman for getting up on his feet and voicing his views. On the other hand, if I felt the gentleman had overshot the mark, I would not be doing my duty if I did not point that out to him. That is what I am doing in this statement.

Mr. TABER. I did not go as far as Elmer Davis in connection with either of these items.

Mr. CELLER. Beyond peradventure of a doubt, Elmer Davis hates any misrepresentation of the truth, even to the Axis. Davis really has the Axis worried. He knows that for practical purposes untruths, even in Europe, backfire, and the people do not believe even Goebbels any more, because he has lied so frequently. I say, if Davis even desired on the part of O. W. I. to tell an untruth, common sense would dawn on him to the effect that, if he did lie, it would come back to plague them. The Axis is worried about what Davis is doing. Even Goebbels is amazed at O. W. I.'s strength and effectiveness. He has admitted that the Office of War Information is a worthy opponent. Although the Office of War Information for its entire operation will spend this fiscal year ending June 1, 1943, about $40,000,000, Goebbels will spend more than 10 times that amount, and may, according to some estimates, spend 20 times that, or $500,000,000.

Davis is more than a match for Goebbels, and has him stymied in Spain, Turkey, Sweden, Portugal, and Switzerland. The pro-Axis Paris radio has cried out frantically that Elmer Davis has 20,000 propagandists working for him. In truth and fact, his entire entourage of writers, linguists, artists, radio announcers and stars, publicists, and social scientists is but 4,000. Davis has learned to use the radio, press, graphic representation, movies, and every medium of modern information and psychological warfare far more cleverly and effectively than Goebbels.

What shall we do? Shall we cut down appropriations and make more difficult the successful carrying out of war propaganda, or shall we give additional sums, sums that may be somewhat commensurate with the need and the amount being spent by the Nazis, Nippon, and the Fascists. Certainly we should not be niggardly in a matter of this sort. I do hope that the gentleman from New York, when he hears Mr. Davis, will listen carefully, as he usually does, and that he will give in all justice and equity, which always epitomizes what the gentleman does, the necessary funds, and I hope that he will be as generous as possible with appropriations for the O. W. I. If the criticisms of the gentleman from New York are sound, I am sure that Mr. Davis will do all that is required of him to set his house in order.

Mr. TABER. That is what I have been trying to do, to make him set his house in order. I have not made any charge yet that he has not admitted.

Mr. CELLER. Then the gentleman and I are in agreement. We have no quarrel in that regard.

A question has been asked, Does anybody listen to Davis and his protégés over the radio? I cite this to show what they are thinking, and to show that it is all worth the money that we are spending. I shall read now from a current issue of Time:

ANYONE LISTENING?

Many United States citizens have wondered who, if anybody, hears Office of War Information's foreign propaganda broadcasts. Office of War Information, which short-waves 2,688 programs (80-percent news) a week toward the rest of the world, decided to find out. The findings could not well be "without probative value."

Proof that the Voice of America carries far into Europe are advertisements in Swiss newspapers announcing United States radio programs and advertising sets with which to receive them.

Best proof that the United States has a sizable Axis radio audience is the irritated voice of the Axis radio itself. Last year Radio Berlin declared: "No other station in the world is as bad as Cincinnati."

Radio Rome once asked: "Who cares about American radio nonsense?" Apparently some Italians do, for the Italian stations are forever burlesquing United States broadcasts. Sample: "An American sub named 'Comfort Station,' manned by five men and a lady assistant, Miss Higgins, has sunk the Italian Navy in the Mediterranean. All Italy's aghast * * *."

Frenchmen continued to write to United States stations long after the republic fell, and during the last 6 months they have written more than ever. They say that transmission is perfect when there is no jamming. Recently Nazi-controlled Radio Paris inquired: "Have you listened to the American radio? No, of course not. It is prohibited. But we have listened for you." A detailed analysis of "the delightfully singleminded American radio" followed.

One week after the Office of War Information beamed two new transmitters on Spain

Spaniards thronged to the United States Embassy in Madrid to express their thanks for the new service.

Polish underground newspapers have appeared complete with Office of War Information news.

Office of War Information's new medium-wave transmitters in Africa (when completed) should sound loudly throughout Europe and the Middle East.

Mr. Speaker, the Overseas Bureau of the O. W. I. works in closest harmony with other agencies.

In cooperation with the Board of Economic Warfare, Lease-Lend, and the Office of Foreign Relief and Rehabilitation, labels and tags are designed and printed by the Bureau to identify all their shipments abroad with a message of good will from the United States of America. Shipments of flour, tea, milk, sugar, cotton goods and threads, clothing, twine, sacks, leather, paper, and chemicals go to north Africa, the Middle East, Turkey, Sweden, Switzerland, Spain, and Portugal. Labels and tag requirements run into millions on each order, but the actual cost to the Bureau is nominal.

Leaflets for the Pacific area are prepared by Japanese experts in the Overseas Bureau of O. W. I. for use in psychological warfare against Japanese troops and civilians. Many of these have been shipped already to bases for distribution by war plane. Others have been stock-piled in anticipation of future demands. Details of the actual distribution and use are military secrets.

These leaflets urge Japanese soldiers to surrender, give publicity to losses concealed by the Japanese Government, set forth the rapid progress of the military and industrial mobilization of the United States, play on Japanese superstition, preach the absurdity of Japan's alliance with Germany and Italy, hold Japanese military leaders responsible for the war, depict the horrors of bombing and other phases of the conflict.

Evidence of the effectiveness of this operation was received recently by cable and press reports from Guadalcanal. The resistance of 800 Japanese soldiers was broken down to the point of surrender by loud speakers and American propaganda leaflets, thus annihilating the Japanese myth of invincibility.

Urgent requests are often filled by air-mailing plates of leaflets prepared here, and printing is done abroad; this speeds up the operation, and circumvents shipping delays. All leaflets for use in Europe are printed in London, where we work closely in cooperation with the British.

All this material is welcomed in the various areas to which it is addressed. A recent message from Beirut said:

Victory is a startlingly attractive piece of propaganda; want hundreds of copies when translated in French and Arabic.

The American consul in Brazzaville, Africa, reported in January that the French edition of the booklet, Life of Franklin D. Roosevelt, had been highly successful in that area, appealing to adults as well as children. The consul suggested more booklets featuring biographies of contemporary or historical American figures.

From a school principal in Pretoria, South Africa, came the message:

I have had the pleasure of seeing the excellent publications issued from your office to schools in the Transvaal. I shall be more than grateful if you would place my school on your mailing list. Is it possible for you to send me the previous issues of your publications? They are of great educational value.

A letter from the Transvaal says:

Your letter, stamps, and brochures to hand. Thanks very much for the various items, and I must congratulate you on the excellence of the brochures. They certainly knock spots out of other war propaganda I have seen and my boys devour them with zest.

From Madeira comes the message:

The illustrated booklets have dignity and carry much prestige because of their superior workmanship and excellent illustrations. They will be distributed to local officials, lawyers, doctors, bankers, and prominent businessmen, to various clubs and syndicates, to professors and teachers and parish priests and so forth. Hundreds of persons have requested this type of literature. A minimum of 350 pamphlets each month is needed.

Cairo reports:

Created several riots in Cairo by distributing Office of War Information pamphlets. In one of the coffee houses, circulated among the Cairo cafe society blotters, window stickers, the Life of Roosevelt, the Four Freedoms, and other pamphlets. When they had exhausted their display, there were demands for more. Word had spread throughout the cafe that the Americans were there with pamphlets. When they returned to their car, two scores of clamoring Egyptians gathered around them, all crying for pamphlets. Even the cops were crying for stickers. A crowd was around the car and kept on handing out pamphlets and stickers until there wasn't one left.

Other messages testifying to their usefulness have come from such scattered points as Monrovia, Funchal, Dublin, Australia, New Delhi, Lagos, Iceland, Madrid, Lisbon, Sweden, and England.

These publications reach millions of men and women who urgently need their message of truth and hope. By train and ship and airplane they reach their far-flung destinations. Pamphlets and small booklets travel through the underground. Leaflets are dropped from the air. Their message is one of courage to the people of neutral countries. Wherever they go, they remind the suffering and oppressed that their courage need not fail while they have this close link with America.

We must remember that Germany is a dictatorship—every radio station, newspaper, and magazine is at the disposal of Dr. Goebbels, the German propaganda chief. There are 2,500 daily newspapers which are directly under Goebbels' control. Every motion picture made in Germany reflects the Nazi point of view. Every book published in Germany reflects the Nazi point of view. Some 18,000 periodicals and magazines belong to Dr. Goebbels completely.

In the occupied countries every newspaper and magazine and publishing house has been taken over by the conquerors. In Belgium, in France, in Norway, they have found local Quislings willing to do a hired man's job. These hired men spread the Nazi poison in their own language.

Sometimes I think that we Members of Congress sit at our desks in calm contentment and ignore the stormy and turbulent currents of a world at war. We are too much concerned with politics, with mending our fences at home; we are too much concerned with being Democrats or Republicans and not enough concerned with being Americans. Good God, gentlemen, either we survive as a nation or we do not survive. Either we appropriate every cent necessary to fight the war—whether it is for guns or planes or for propaganda—or we tuck in our toes and decide that the Germans, the Japanese, the Italians, are smarter people than we are.

I do not know how you feel about this. I do know how I feel. I want to fight the Axis on every front. I want to fight with guns and bullets. I want to fight with planes and ships and submarines. I want to fight with money and radio stations and propaganda. I want to fight all along the line because I know that is the way we will win.

Let me give you some idea of how extensive the Axis propaganda job is. Over there [gesture] on a table you will find some of the publications of our Axis enemies. This collection is not complete. If you will look in the master catalog you will find hundreds of titles which used to be available in this country. I don't think I have to emphasize the point: the German Government has become the greatest publishing enterprise in history. It is a mail order house for lies.

The Germans are not stingy. They spend money on their lies. An excellent example is the book Germany, which you will find over there on the table. It is very ambitious. There are 120 photographs of German art and industry, of youth training, of armed might. That book has the most expensive type of binding; most of the work has been done carefully by hand. What do you think that book cost the Germans? I can tell you: In American money it cost about $4 a copy. Think of it, $4 for each copy. And they send out carloads—shiploads.

The Germans have published thousand of books. You will find some of them on this table.

I repeat, I want to show you how excellent this book Germany is. It is called, significantly, Germany. It is most beautifully gotten up—the finest pictures you could ever see. It symbolizes Hitler, Goering, Goebbels, and all the personalities of the Nazi regime. Examine it and you will see the glorious photography involved in this book, and you will see the swastika as it symbolizes the Nazi regime. I would indeed hope that all the Members of the House could see this book called Germany. Many did see it on Monday. It costs $4 a copy to publish in English alone, and that does not include the transportation. It was published in many languages at even greater cost per unit. It was estimated that the Germans spent $1,200,000 on its publication alone; that is, for 300,000 English copies, which it was estimated were sent

out by the German propaganda machine. Surely Germany is not stingy, if you take that as an example.

Here is another which has about the same format as our publication called Look. We cannot disregard this magazine called Freedom, which is put out, for example, by Japan. It is their military propaganda magazine, which shows Japan's military might over Britain and the United States of America. It goes forth in English and many other languages. I advise that we look at it. It costs millions of dollars on the part of Japan to send books out of this character. Japan, as a matter of fact, sends out 23 magazines in all languages—all attesting to the glory of Nippon. Some are especially designed for children in occupied territories to have them grow up steeped in Nipponism and to become loyal Jap subjects.

Here is one called Tempo, sent out by the Italians. It is very much like Victory, and very much like Freedom, sent out by Japan. It is published in at least eight editions—Italian, Lithuanian, Croat, French, Greek, Rumanian, Spanish, and Hungarian. It goes out weekly and depicts the so-called might of the Axis. Mussolini is its great hero.

Here is one called Signal. It is published by the Reich in German, French, Italian, Swedish, Norwegian, Spanish, Finnish, Portuguese, English, Greek, Arabic, and Dutch, and two additional Balkan languages, and Hungarian. It is one of the most widely circulated of the Axis picture magazines. Copies of Signal, Tempo, Freedom, and others are on all newsstands in Ankara, Stockholm, Berne, Madeira, Madrid, and Lisbon. Why should not our publications be found on these same newsstands and kiosks? O. W. I. performs just that function. To come back to this magazine, Signal; it is the special foreign propaganda edition of the German weekly illustrated newspaper, Berliner Ilustrierte Zeitung. It is not distributed in Germany but is all over the world. This is the closest example of propaganda that I know to the magazine, Victory. Like Victory, it is not circulated in Germany. Victory cost $800,000 this past year. This one magazine alone sent out from Berlin, it is estimated, costs $2,500,000.

Here is one called Manchukuo, published by Japan in English, German, French, Chinese, and Dutch. It says, for example:

> Peoples of all classes in Manchukuo are doing their utmost to help build up an ideal Japanese Government. Under this new type of Japanese Government the standard of living has been raised. Industry has made rapid progress.

Thus Japan is lauded and is presented as the savior of Manchukuo and the East.

Certainly we cannot remain supine and indifferent to that type of propaganda. We must counter with all we have within us. That is what I want the Office of War Information to do with appropriate appropriations.

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

Mr. MURDOCK. Mr. Speaker, unless there is another special order to follow, I ask unanimous consent that the gentleman's time may be extended 5 minutes, that he may answer a few questions.

The SPEAKER pro tempore. The Chair will state that the gentleman from Michigan [Mr. DONDERO] has 10 minutes.

Mr. MURDOCK. If the gentleman from Michigan does not care to use the time, I would like to ask that the gentleman's time be extended 5 minutes.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. MURDOCK. Will the gentleman yield?

Mr. CELLER. I yield.

Mr. MURDOCK. Does not the gentleman feel that it is very regrettable that not only the effective and worthy publications by the Office of War Information, which have been mentioned, but, in many other respects, moves and acts of the President and high civil authorities are attributed to politics when in actual truth they are nothing more than a part of our war effort? Has not the gentleman heard it insinuated by some who talk about adjourning politics that the President's trip to Casablanca was a build-up for a political future?

Mr. CELLER. I have heard that, and I certainly, with the gentleman, deplore such aspersions against the President.

Mr. MURDOCK. My God! What would they have our Commander in Chief do? Hibernate for the duration? Every move he makes to carry on this war vigorously and successfully may be attributed by a certain type of mind to political motives with an eye on 1944. I want to say in regard to the matter of the Commander in Chief's perilous trip to plan the war in Africa that as the father of a son in Africa, who went over with the big convoy, landing mid screaming shells over his head, and with hostile French planes strafing the beaches on the African coast, I rejoice that the Commander in Chief made that same hazardous journey as a part of our war effort. My soldier son was but one of many thousand American boys heartened by this move to shape up plans to drive the Axis out of Africa as a beginning of victory. Yes, and there was a lot of criticism of somebody for what was behind the Darlan cease fire order. But how many thousands of our boys are alive this hour because of that order?

Mr. CELLER. I thank the gentleman for his contribution.

Mr. Speaker, as long as I have a few moments left, I would like to go over some of these other exhibits, which indicate the resourcefulness and ingenuity of the Axis propaganda machine which grinds out tons and tons of this type of literature.

Here is The Story of King George and His Prime Minister, in Arabic, with pictures. It is a sort of a cartoon affair. It is published by the German Government. It is worthy of your perusal. Millions were sent out in Arabic to Asia. This booklet is anti-British and anti-American.

It depicts British imperialism and the ineffectiveness of American intervention in the war, showing at the end that the only salvation of the Arab Nation depends on a final victory won by almighty Germany and her allies.

It is full of the personality angle. England has countered by building up in its own pamphlets Churchill and King George.

But we have been, shall I say, woefully stingy and pinch-penny as far as the Office of War Information is concerned to checkmate and counter those pamphlets that are going into Arabia.

I am not criticizing anyone. I am speaking generally. We will spend only $40,000,000 for the over-all work of the Office of War Information, both domestic and foreign, for the fiscal year ending July 1, 1943. We have a number of outposts in various parts of the world, 28 of them in Allied and neutral lands, exclusive of South America. The most important of these listening and distribution posts are in places like Stockholm, Cairo, Chungking, London, Beirut, and Leopoldville. We must strengthen those outposts to keep the neutral countries informed and to win more from the Axis in the Axis-controlled countries. From these outposts the Voice of America speaks by broadcasts directly and through recordings in 24 languages.

Mr. TABER. The trouble is that they have only 250 out of the 4,000 outside who are doing that sort of thing. The rest of them are engaged in other things that they ought not to be doing. This thing will all develop. It is not producing results. I think the gentleman should go over to New York and go to Fifty-seventh Street.

Mr. CELLER. I have not been over there. I, however, certainly do not agree with everything the gentleman has said, but in as kindly light as possible I try to point out what I do not agree with. But I do hope the debate this afternoon, this symposium as I call it, will have good results, that it will bring information and illumination to places which might be a little dark now.

There is a tendency here to underestimate the Italians. As a matter of fact they turn out excellent publications. Some of the Italian magazines which have flooded South America and neutral countries are Tempo, Italia, and La Rivista. Besides there are at least six which are liberally distributed.

The Japanese also have done a brilliant job. Do not underestimate the Japs. They turn out many regular publications which are spread across the Orient. They use the best of paper and their photographs are excellent. The leading four publications of the Japanese are: Pictorial Orient, Nippon, Nippon Today and Tomorrow, and—this may give you a laugh—Freedom. Freedom is a publication put out by people who do not believe in freedom.

Obviously, the Japanese publications are aimed principally at the Orient.

The Axis has plenty of translators. If you look at that collection you will find more than 100 pamphlets, published in German, French, English, Dutch, Spanish, Italian, Polish, Portuguese, and Arabic. I am not a linguist and I confess that I have not read them all. But I do

know that they are intended to divide and conquer. For instance, there is one pamphlet called, in English translation, All for the Farmer. This was distributed in Belgium and France. It was printed in French, Dutch, and Flemish. Why? I will tell you why. Because the Germans hoped to split apart the different racial groups in Belgium.

Most Axis magazines carry advertising. This makes them look as if they were on the square. I have heard criticism on the floor of this House about the amount of money that is being spent by the Office of War Information to tell America's story abroad. I quarrel, too, with the amount of money that is being spent. I think it is too little.

I come from a town—Brooklyn—where people are used to big league baseball. America is now at war and it is big league war. You cannot buy star players with counterfeit money, and you cannot win a war by saving money. You have to spend money. I know that every Member of this House wants to feed the soldiers the best food that can be bought or found. I know that every Member of this House wants to give the soldiers the best equipment that can be manufactured. That costs money, and not one of you begrudges it. But there is more to war—modern war—than the cost of shot and shell.

In the few moments remaining I shall discuss a few more of these Axis publications.

Here is one called German Christmas Carols, a charming little booklet of 30 pages describing the German Christmas. It was mailed by the thousands by the German Library of Information as a Christmas present to Americans before the start of the war. I understand that this mailing of greetings and pamphlets at Christmas was a regular custom of the German Library of Information. That this was done at a time when Nazi bodies were already plotting the war against the United States—done to create an impression of good feeling—seems to me like wrapping a bomb in Christmas holly.

Here is another, written in Spanish and called The Trickster Tricked. It is a vicious comic strip in colors, outlining how John Bull tricked the fools of Europe to fight his battle. When defeated at Dunkerque, John Bull turns to another fool (Uncle Sam) for aid. Uncle Sam promises to help, but instead he steals everything John Bull possesses. I wish every Member of this House could study this pamphlet.

And here is a news bulletin, issued in Arabic by the German Consulate General in Tangier. It builds up German might and dwells in detail on Allied shipping losses. There is a detailed list with names of ships and tonnage lost by the British and dates of sinking since the beginning of the war. This list covers five pages.

Finally, here is Berlin-Rome-Tokyo, published by the German Foreign Office to encourage cultural relationships among the people of the Axis. This monthly magazine is estimated to cost 75 cents per copy to produce, and is distributed to important Axis officials and their friends abroad. Printed on the finest paper, it contains superb reproductions of paintings and a handsome Japanese print on special rice paper.

These are some of the publications of the enemy. I ask you, gentlemen, are we to leave them unanswered?

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. CARL VINSON, for 10 days, on account of official business.

To Mr. HINSHAW (at the request of Mr. HOLMES of Washington), for Wednesday, March 17, and Thursday, March 18, 1943, on account of illness.

ENROLLED BILLS SIGNED

Mr. KLEIN, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 133. An act to amend and clarify certain provisions of law relating to functions of the War Shipping Administration, and for other purposes;

H. R. 1975. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1943, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1943, and for other purposes;

H. R. 2023. An act to amend section 301, World War Veterans' Act, 1924, as amended, to authorize renewal of expiring 5-year level premium term policies of those in active military or naval service and certain others outside the continental limits of the United States, and for other purposes; and

H. R. 2030. An act to permit the shipment tax-free of certain tobacco products to territories of the United States for the use of members of the military and naval forces of the United States.

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 303. An act to extend the jurisdiction of naval courts martial in time of war or national emergency to certain persons outside the continental limits of the United States.

BILLS PRESENTED TO THE PRESIDENT

Mr. KLEIN, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H. R. 133. An act to amend and clarify certain provisions of law relating to functions of the War Shipping Administration, and for other purposes.

ADJOURNMENT

Mr. RAMSPECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 51 minutes p. m.) the House adjourned until tomorrow, Thursday, March 18, 1943, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m., Thursday, March 18, 1943.

Business to be considered: Public hearing on H. R. 149.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The committee will hold a public hearing on Thursday, March 18, 1943, at 10 a. m., on H. R. 1361 (Mr. LANE) and H. R. 1409 (Mr. FOGARTY), conferring upon men in the merchant marine the same rights, privileges, and benefits accruing to those serving in the armed forces, and on H. R. 1858, to confer the same rights, privileges, and benefits upon members of the United States merchant marine who served during the World War as are conferred upon members of the armed forces of the United States who served during such war.

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Thursday, April 1, 1943, at 10 a. m., on S. 163 (H. R. 498) to amend section 511 of the Merchant Marine Act, 1936, as amended, relating to ship-construction reserve funds, and for other purposes.

Congressman GEORGE J. BATES, of Massachusetts, patron of the bill H. R. 1766, upon which hearings were scheduled on Thursday, April 8, 1943, is a member of the Committee on Naval Affairs and of a subcommittee of that committee, duties of which will compel him to be absent from Washington on Thursday, April 8, 1943. Accordingly, the hearing scheduled for that date has been changed to Thursday, April 15, 1943, at 10 a. m.

COMMITTEE ON THE JUDICIARY

Subcommittee No. 1 of the Committee on the Judiciary will conduct hearings on H. R. 694, a bill to provide for the attachment, garnishment, execution, or trustee process of wages and salaries of civil officers and employees of the United States, at 10 a. m. on Wednesday, March 24, 1943, in room 346, House Office Building, Washington, D. C.

EXECUTIVE COMMUNICATIONS, ETC.

259. Under clause 2 of rule XXIV, a letter from the President, Board of Commissioners of the District of Columbia, transmitting the second semiannual report of the operations of the Office of Administrator of Rent Control, covering the period July 1 to December 31, 1942, was taken from the Speaker's table and referred to the Committee on the District of Columbia.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SABATH: Committee on Rules. House Resolution 172. Resolution for consideration of H. R. 1698, a bill to amend the act entitled "An act to aid in stabilizing the cost of living" (Public Law No. 729, 77th Cong.); without amendment (Rept. No. 253). Referred to the House Calendar.

Mr. FERNANDEZ: Committee on Irrigation and Reclamation. H. R. 323. A bill to authorize the exploration of proposed dam site located on Indian lands within the State of New Mexico; without amendment (Rept.

No. 254). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DOUGHTON:

H. R. 2218. A bill to provide a method for the payment currently of individual income taxes, and for other purposes; to the Committee on Ways and Means.

By Mr. CAPOZZOLI:

H. R. 2219. A bill to exempt certain merchant seamen from the Victory tax and from collection of tax at source on wages; to the Committee on Ways and Means.

By Mr. HOFFMAN:

H. R. 2220. A bill to amend the Selective Training and Service Act of 1940 by providing a method whereby the services of those interfering with war production may be made available on the home front; to the Committee on Military Affairs.

By Mr. LUDLOW:

H. R. 2221. A bill to abolish and correct unfair practices and substandard working conditions and to raise living standards among the employees of the United States Veterans' Administration; to the Committee on Expenditures in the Executive Departments.

By Mr. SASSCER:

H. R. 2222. A bill to amend the act entitled "An act authorizing a reduction in the course of instruction at the Naval Academy," approved June 3, 1941 (55 Stat. 238); to the Committee on Naval Affairs.

By Mr. VOORHIS of California:

H. R. 2223. A bill to relieve newspapers and periodical publications which have voluntarily suspended publication for the duration of the war from payment of second-class application fees upon resumption of publication; to the Committee on the Post Office and Post Roads.

By Mr. O'BRIEN of Michigan:

H. R. 2224. A bill to extend certain benefits of the Canal Zone Retirement Act of March 2, 1931, as amended, to certain employees covered by the Civil Service Retirement Act of May 29, 1930, as amended; to the Committee on the Civil Service.

By Mr. PLOESER:

H. R. 2225. A bill to amend the Emergency Price Control Act of 1942, to aid in preventing inflation, and for other purposes; to the Committee on Banking and Currency.

By Mr. DOMENGEAUX:

H. R. 2226. A bill to prohibit the Federal Government from aiding in the production of rice outside the United States, its Territories, or possessions; to the Committee on Agriculture.

By Mr. MOTT:

H. R. 2230. A bill to provide for the acquisition and toll-free operation by the United States of the interstate bridge between Rainier, Oreg., and Longview, Wash.; to the Committee on Interstate and Foreign Commerce.

By Mr. CALVIN D. JOHNSON:

H. Res. 173. Resolution to promote research on mineral resources by Federal aid to the States; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN of Louisiana:

H. R. 2227. A bill for the relief of Louie F. Roberts; to the Committee on Claims.

By Mr. COLE of Missouri:

H. R. 2228. A bill for the relief of Bruce Bros. Grain Co.; to the Committee on Claims.

By Mr. CROSSER:

H. R. 2229. A bill for the relief of William Meyer; to the Committee on Naval Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

281. By Mr. MOTT: House Joint Memorial No. 8 of the House of Representatives of the State of Oregon (the Senate jointly concurring therein), memorializing the Congress of the United States to enact such legislation as will require of the Bonneville administration a payment in lieu of taxes to the States of Oregon and Washington on a basis substantially equivalent to that which has been found proper in the operations of the Tennessee Valley Authority and Boulder Dam; to the Committee on Ways and Means.

282. By Mr. PLUMLEY: Petition of the Vermont Hotel Association, opposing Representative BRYSON's bill and stating prohibition is no cure for absenteeism; to the Committee on Ways and Means.

283. By Mr. RABAUT: Resolution of Branch 23 of the Detroit Association of the National Association of Postal Supervisors, endorsing legislation to provide increased compensation to all postal employees of $400 per annum, in addition to their present basic salary and time and one-half for work performed in excess of 40 hours based on 260-day average; to the Committee on the Post Office and Post Roads.

284. By Mr. ROBINSON of Utah: Joint resolution of the Legislature of the State of Utah, memorializing Congress respecting the policy of the State of Utah relating to its waters and the use thereof by the adjoining States and the United States; to the Committee on Rivers and Harbors.

285. Also, memorial of the Legislature of the State of Utah, memorializing the President and Congress of the United States to pass at the present session of Congress a social-security law which will allow benefits to every citizen who desires the same, including members of the military forces of our country; to the Committee on Ways and Means.

286. Also, memorial of the Legislature of the State of Utah, memorializing the President and Congress of the United States to investigate all activities and practices of the rent section of the Office of Price Administration; to the Committee on Rules.

287. By Mr. ROLPH: Resolution of the Building and Construction Trades Council of San Francisco, relative to the rationing and price-control program of the Office of Price Administration; to the Committee on Banking and Currency.

288. Also, Senate Resolution No. 65 of the State of California relating to the growing of guayule for rubber production; to the Committee on Agriculture.

289. By Mr. SCHIFFLER: Petition of Elsie J. Beaty, post adjutant, Taylor County Post, No. 12, the American Legion, Grafton, W. Va., urging the acquiring and providing of sufficient land for the extension and improvement of the national cemetery in the State of West Virginia, at Grafton; to the Committee on the Public Lands.

290. By Mr. SULLIVAN: Memorial of the Nevada Legislature, relating to access roads for the transportation of strategic war materials; to the Committee on Appropriations.

291. Also, memorial of the Nevada Legislature, concerning the price of strategic war metals; to the Committee on Ways and Means.

292. By Mr. WHITE: Memorial of the Idaho State Legislature, stating that it is the policy of the State to maintain jurisdiction over, and control of, the use of waters in Idaho for all beneficial purposes, etc., and authorizing the Governor to direct the State reclamation engineer to take action to carry out these policies; to the Committee on Rivers and Harbors.

293. By Mr. WOLCOTT: Petition of the board of education of school district No. 2, Warren Township, Macomb County, Mich., urging Federal aid equivalent to amount of tax that would be paid to the respective units of government in whose jurisdiction defense plants are located as if the said plants and machinery were the property of a private enterprise and subject to taxation; to the Committee on the Public Lands.

HOUSE OF REPRESENTATIVES

THURSDAY, MARCH 18, 1943

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Holy, holy, holy, in the name of our blessed Saviour, we look up to Thee in faith as an inspiration of all good. In the duties of the day, in the extended fields of influence and power, help us to remember our dependence on Thee. Thy laws are imperative, perfect in their character, and perpetual in their obligation; inspire us to write them in our hearts. Descend upon us, O spirit of truth and wisdom, that our judgments and decisions may conform to Thy holy will.

In this trouble-bent world, we are deeply sobered by the unspeakable crimes on homeless millions and plundered lands. Heavenly Father, Thy will bids us be strong and the strong be just; therefore let us labor without ceasing for the new age, the new progress, and the new joy. O crown us with that faith which makes men steadfast and unafraid and yet with a humble trust. Keep us far, far away from the impatience of unbelief, knowing that in the magnitude of character it is wise and good to remember that benediction which is pronounced upon them who quietly seek—"They that wait upon the Lord shall renew their strength" in the name of our Redeemer. Amen.

The Journal of the proceedings of yesterday were read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 729. An act providing for the deferment from military service of persons engaged in agricultural occupations.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested a bill of the House of the following title:

H. R. 2068. An act making additional appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1943, and for other purposes.

The message also announced that the Senate insists upon its amendments to

the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. McKELLAR, Mr. GLASS, Mr. HAYDEN, Mr. TYDINGS, Mr. OVERTON, Mr. NYE, and Mr. LODGE to be the conferees on the part of the Senate.

The message also announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 1692. An act to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes.

The message also announced that the Acting President pro tempore had appointed Mr. BARKLEY and Mr. BREWSTER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers in the following departments and agencies:

1. Department of Agriculture.
2. Department of Commerce.
3. Department of the Interior.
4. Department of the Navy.
5. Department of War.
6. Federal Works Agency.
7. The National Archives.
8. United States District Court, Northern District of California.

ELECTION OF SPEAKER PRO TEMPORE

The SPEAKER. The Chair recognizes the gentleman from Georgia [Mr. RAMSPECK].

Mr. RAMSPECK. Mr. Speaker, I offer a resolution (H. Res. 174), and ask for its immediate adoption.

The Clerk read as follows:

Resolved, That Hon. JOHN W. MCCORMACK, a Representative from the State of Massachusetts, be, and he is hereby, elected Speaker pro tempore during the absence of the Speaker.

Resolved, That the President and the Senate be notified by the Clerk of the election of Hon. JOHN W. MCCORMACK as Speaker pro tempore during the absence of the Speaker.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. McCORMACK appeared at the bar of the House and took the oath of office.

CONDEMNING OUTRAGES INFLICTED UPON CIVILIANS IN THE NAZI-OCCUPIED COUNTRIES AND FAVORING PUNISHMENT OF PERSONS RESPONSIBLE THEREFOR

Mr. BLOOM. Mr. Speaker, I ask unanimous consent for the immediate consideration of Senate Concurrent Resolution 9.

The Clerk read as follows:

Whereas the American people view with indignation the atrocities inflicted upon the civilian population in the Nazi-occupied countries, and especially the mass murder of Jewish men, women, and children; and

Whereas this policy of the Nazis has created a reign of terror, brutality, and extermination in Poland and other countries in eastern and central Europe: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That these brutal and indefensible outrages against millions of helpless men, women, and children should be, and they are hereby, condemned as unworthy of any nation or any regime which pretends to be civilized;

Resolved further, That the dictates of humanity and honorable conduct in war demand that this inexcusable slaughter and mistreatment shall cease and that it is the sense of this Congress that those guilty, directly or indirectly, of these criminal acts shall be held accountable and punished in a manner commensurate with the offenses for which they are responsible.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. ABERNETHY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my own remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. ABERNETHY addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. MERRITT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a speech made by the former Postmaster General in Cincinnati last night, St. Patrick's Day.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. DURHAM. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include an editorial.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

(Mr. ELSTON of Ohio asked and was given permission to extend his own remarks in the RECORD.)

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include an article on the Ruml plan. This, I am advised by the printer, exceeds the limit in that it will take three pages and that it will cost $135. With this estimate in hand I ask unanimous consent to extend it in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. PLOESER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include a resolution of the Federal Bar Association of New York, Connecticut, and New Jersey endorsing House Joint Resolution 90.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. GROSS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a letter I have received from a York businessman which I think expresses the sentiment of all patriotic Americans.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent that on Tuesday next after the conclusion of the legislative program of the day and other special orders I may address the House for 20 minutes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. PRACHT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD with reference to post-war commercial aviation.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

[Mr. VAN ZANDT addressed the House. His remarks appear in the Appendix.]

KANSAS LABOR LEGISLATION

Mr. LAMBERTSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. LAMBERTSON. Mr. Speaker, there are headlines in all the morning papers about the Kansas Legislature passing a labor-control act. I am very proud to be from Kansas and from the district in which the legislature was sitting which passed this law, which will be signed by the Governor and go into effect. Senator REED ran on that issue last summer and made a magnificent showing. He might have been nominated for Governor if he had not already been in the Senate. However, the issue was appreciated and articulated and responded to by the Kansas people. It was my privilege the last week of January to address the Kansas House for 10 minutes. I spoke entirely on this subject, urging them to do this very thing—what this House has done in the Smith bill, which sleeps in the Senate, or did before the new session began.

I am proud of Kansas for setting the example for the Nation on legislation to curb racketeers in labor. We gave you General Eisenhower; now we have given you a pattern for labor legislation.

EXTENSION OF REMARKS

Mr. CARLSON of Kansas. Mr. Speaker, I ask unanimous consent to extend by own remarks in the RECORD and include therein an address I delivered over the Columbia Broadcasting System the night before last.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. FISH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a speech made by me yesterday.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

FARM SECURITY ADMINISTRATION

The SPEAKER. The unfinished business today is the further consideration of House Resolution 119, creating a select committee to investigate the activities of the Farm Security Administration.

Mr. CLARK. Mr. Speaker, I yield 10 minutes to the gentleman from North Carolina [Mr. COOLEY].

Mr. COOLEY. Mr. Speaker, in presenting this resolution to the House I shall not undertake to recapitulate the many accusations which have been leveled against the Farm Security Administration, but I do desire to call attention to some acts of maladministration and also to remind the House of some of the history of the Farm Security Administration.

You will perhaps recall that, by virtue of and pursuant to the broad and comprehensive powers contained in the Emergency Relief Act of 1935, by Executive order the President created the Resettlement Administration and appointed Rexford G. Tugwell, late of the city of Washington, as Administrator of that agency. The Executive order issued on the 30th day of April 1935, conferred very broad powers upon Mr. Tugwell. I do not suppose that ever in the history of America were such great powers conferred upon an individual.

Subsequently, on September 26, 1935, another Executive order, No. 7200, was issued by the Chief Executive, amending the former order, No. 7027. I should like to read to the House a part of this historical document.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Mississippi.

Mr. RANKIN. This resolution has nothing to do with the Extension Service or the county agents.

Mr. COOLEY. Not at all.

Mr. Tugwell was authorized by these Executive orders to do these things, among others:

(a) To administer approved projects involving rural rehabilitation, relief in stricken agricultural areas, resettlement of destitute or low-income families from rural and urban areas, including the establishment, maintenance, and operation, in such connection, of communities in rural and suburban areas.

(b) To initiate and administer a program of approved projects with respect to soil erosion, stream pollution, seacoast erosion, reforestation, forestation, and flood control.

(c) To make loans as authorized under the said Emergency Relief Appropriation Act of 1935 to finance, in whole or in part, the purchase of farm lands and necessary equipment by farmers, farm tenants, croppers, or farm laborers.

Under those Executive orders, Mr. Tugwell embarked upon a most ambitious program. He built such projects as Greenbelt here near the city of Washington and other projects in West Virginia, Tennessee, North Carolina, and in other sections of the country.

Subsequently the Resettlement Administration came into disrepute, so the President issued another Executive order. By this Executive order, No. 7530, issued on January 4, 1937, he created the Farm Security Administration and transferred to the Secretary of Agriculture the functions which had formerly been performed by the Resettlement Administration. These agencies obligated the Federal Government to the extent of hundreds of millions of dollars.

The Farm Security Administration, after operating for a short while, having apparently adopted the philosophy of Administrator Tugwell, likewise came into disrepute. Congress then sought to deal with the problem. The House Committee on Agriculture reported and the House passed a bill which was known as the Bankhead-Jones Tenant Purchase Act. In that legislation we sought at that time to curb some of the activities of the Farm Security Administration and to lay down a definite policy regarding farm tenancy in America.

I call the attention of the House to the purposes for which that legislation was enacted. It was for the purpose of creating the Farmers' Home Corporation, to promote more secure occupancy of farms and farm homes, to correct the economic instability resulting from some present forms of farm tenancy, and for other purposes.

The Farmers' Home Corporation was created for the purpose of administering the Jones-Bankhead Farm Tenant Act, but I venture the assertion that no Member of this House has even heard the name of that Corporation mentioned from that day until this.

Yesterday I called the office of the Secretary of Agriculture and asked to be referred to the President of the Farmers' Home Corporation. The young lady with whom I talked stated to me that she would have to make some inquiries regarding that Corporation. She came back to the phone and said that no one in the office seemed to know anything about it. She said she would investigate and call me back, and in a few minutes someone in the Solicitor's Office called me and said that he understood that I was making some inquiries regarding the Farmers' Home Corporation. I told him that I wanted to speak to the president of the Farmers' Home Corporation. He said to me, "Give me an opportunity to make some further inquiries and I will call you back." I said, "No; I just want to know if the Corporation is now a going concern." Finally I was advised that the Corporation had never functioned, it had no board of directors at the present time, and no president. I point this out for the purpose of showing this House that the true intent and meaning of the legislation which we enacted in all seriousness, in an effort to aid the farm tenants of this country, has been completely ignored.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. Yes.

Mr. AUGUST H. ANDRESEN. Does not the gentleman think it very strange that when Congress has authorized the creation of a Corporation that gentlemen down in the Department of Agriculture have not taken advantage of it and filled the jobs with high-priced executives?

Mr. COOLEY. Certainly it is strange. Another thing I call to your attention in passing, is this. I know that it is not the sense of this Congress that the credit of the United States of America should be pledged for 99 years, as it has been pledged, by the Farm Security Administration.

The SPEAKER. The gentleman has consumed 10 minutes.

Mr. COOLEY. Mr. Speaker, will the gentleman from North Carolina yield me 2 additional minutes?

Mr. CLARK. Mr. Speaker, I yield the gentleman 1 additional minute.

Mr. COOLEY. The Farm Security Administration has embarked upon some projects which border on the line at least of being communistic. They have leased large tracts of land to several heads of families for 99 years, and each of the heads of these families owns a community of interest in the leasehold estate, the farming equipment and the growing crops, and each family shares in the net profits according to the number of man-hours worked upon the farm. They have likewise gone far afield in many respects regarding the land policy for this country, and it seems that the Administrator believes in Government ownership of farm lands rather than in fee simple ownership by individuals. The purpose of this committee will be to investigate the Farm Security Administration for the purpose of determining how far afield it has gone and to make some recommendations to this House regarding a future land policy.

The SPEAKER. The time of the gentleman from North Carolina has again expired.

Mr. BROWN of Ohio. Mr. Speaker, I yield the gentleman 2 minutes more.

Mr. COOLEY. Mr. Speaker, I call attention to the further fact that when information came to me and to other members of our committee that the Farm Security Administration was continuing to create colonies, and to buy large tracts of land and subdivide them into small parcels, I called the Administrator of the Farm Security Administration and told him that I had read in the press that he was contemplating the purchase of 42,000 acres of land from Lord Scully, of England, in Bates County, Mo. He advised me that he was making that deal, and I advised him that he was without authority in law to purchase even 1 acre of land, much less 42,000 acres of land. Nevertheless he consummated the transaction.

I have here a copy of the Washington Post dated March 6, 1942. After the information had been submitted to Congressman TARVER, of Georgia, he in turn submitted it to the Comptroller General of the United States, and the Comptroller General issued a ruling, holding that

Farm Security Administration was without authority to buy the land, and here is the headline in the Washington Post: "$10,000,000 F. S. A. loans held illegal."

Can anyone oppose an investigation of an agency which has been convicted by the Comptroller General of maladministration?

Mr. ARENDS. And where was the Farm Security Administration going to get the funds with which to buy this land?

Mr. COOLEY. They took the funds from the rehabilitation loan fund, and from the tenant purchase fund, and manipulated the transaction by creating fake corporations. The corporations would take options on the large tracts which were to be financed by the Farm Security Administration, and the Farm Security Administration officials became the organizers and incorporators of these fake corporations which were created over the country.

The SPEAKER. The time of the gentleman has again expired.

Mr. BROWN of Ohio. Mr. Speaker, during the past few years, Congress has appropriated a large amount of money for the Farm Security Administration. The preceding speaker, the gentleman from North Carolina [Mr. COOLEY] has told us there are grave questions as to the methods and manners in which these funds have been expended. I believe in days like these, when we are calling upon the American people to support their Government to the utmost through taxes and bond purchases, to aid in the war effort, that the Congress should be very careful and most circumspect in the expenditure of public funds for nondefense or nonmilitary purposes. Certainly it is our duty and our responsibility to investigate and know how the money that we have appropriated for these nonmilitary purposes is being expended. Because of the questions that have arisen with regard to the legality and necessity of some of the expenditures that have been made by Farm Security Administration, I believe this resolution is apropos at this time. This matter was brought before the Rules Committee, where it was given careful study and reported favorably by unanimous vote. I ask for the adoption of the resolution.

Mr. Speaker, I now yield 5 minutes to the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN].

Mr. AUGUST H. ANDRESEN. Mr. Speaker, the purpose of this resolution is to investigate the communistic and other un-American activities of officials in the Farm Security Administration. Many of those officials utterly disregard the law under which their agency was created and establish policies contrary to the intent of Congress. In other words they try to run their agency so that they will take care of the conduct of individual citizens from the cradle to the grave.

There is no question but what in many instances the Farm Security Administration has done some good. We want to try and leave the good features of the Farm Security in operation and to eliminate the undesirable practices which have gone far afield from what we ever intended they should.

Just to show one illustration, I want to take a project started by Mr. Tugwell out in southern Minnesota. This was a rehabilitation project, where Mr. Tugwell ordered the construction of 52 homes to be sold to laboring men in one of my communities. The cost was estimated to be in the class for laboring men who could afford to buy homes. There was a great deal of interest in the project. Local people undertook the original sponsorship of the project, but when Mr. Tugwell noted that the cost would be kept down under local sponsorship, then he decided he would eliminate local interest and do the entire project himself. The cost of the homes in that community ran on an average of $5,500 each instead of around the original intended cost of $2,500 each. The properties were sold under long time, 20- or 30-year contracts, with monthly payments. I examined the properties and found that most of them were not worthy of skilled craftsmanship. As a matter of fact, after the homes had been built for a couple of years they had to remodel most of them because they were not fit to live in. They were fixed up at an additional expense which was added on to the cost that the alleged purchaser had to pay.

During the past year or two when conditions had become a little better for the laboring men in that area, many of them decided they wanted to pay off their debt and get the deed for their property. The Farm Security Administration ruled that they could not accept the money, and that the purchasers had to continue paying for 20 years, making their monthly payments, because the Farm Security Administration wanted to control the activities and the living conduct of every occupant of those homes.

The other day we passed a bill in this House which was unanimously reported by our Committee on Agriculture, which will permit those people to pay up the principal and interest on their homes at once and get their deeds from the Farm Security Administration.

Mr. VOORHIS of California. Will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Mr. VOORHIS of California. I just wanted to point out what the gentleman just said and to say that I believe they stopped that practice even before that.

Mr. AUGUST H. ANDRESEN. They only have stopped it on new contracts; not on the old contracts. I took that matter up with Mr. Baldwin in order to verify it when the bill was under consideration a couple of weeks ago, and Mr. Baldwin stated that just on the new contracts, where a person had been an occupant in good standing for 5 years were they permitted to pay up their loans; but in the old contracts, monthly payments were continued over the 20-year period. He stated further that they had turned those contracts over to the National Housing Administration, which is another agency superimposed upon the Farm Security Administration, amongst other things that they had done.

I think there should be a real, thorough, honest-to-God investigation of the activities of the Farm Security Administration. This resolution provides for the creation of a committee within the Committee on Agriculture to conduct the investigation. I believe it is proper for our Committee on Agriculture to conduct the investigation, for the reason that our committee has had charge of farm security and some of the other activities relating to the rehabilitation of certain individuals in this country.

I hope that the resolution is passed unanimously and that the investigation will go forward at once, so that the Congress and the country may have the true facts as to the activities of the present organization.

The SPEAKER. The time of the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] has expired.

Mr. CLARK. Mr. Speaker, I yield 5 minutes to the gentleman from Tennessee [Mr. KEFAUVER].

Mr. KEFAUVER. Mr. Speaker, I have always placed a very high value on the basic program of the Farm Security Administration. I feel that there is a definite, absolute, and a crying need for some efficient, active organization in the Government which will try to do something for the little fellow, particularly the little farmer. There is great need for an organization that will try to put the little tenant farmer on an independent basis, that will try to rehabilitate and restore the marginal farmer so he may become a more useful citizen and a more substantial producer.

That is my conception of the basic program of the Farm Security Administration. I think they have made some mistakes, but let us not strike down the whole program just because they have made some mistakes. Let us give credit where credit is due; point out the good Farm Security has done and give it better backing in Congress.

When I heard on Tuesday that this resolution was going to be presented, I got in touch with Mr. Baldwin, the Administrator, and asked him to indicate the attitude of his Administration with reference to this inquiry. I received a letter from him which I want to place in the RECORD, in which he states that they are completely agreeable to an investigation of its program which will lead to a clarification of its field of activity, and that they will cooperate in every way.

The letter is as follows:

UNITED STATES
DEPARTMENT OF AGRICULTURE,
FARM SECURITY ADMINISTRATION,
Washington, March 16, 1943.

Hon. ESTES KEFAUVER,
House of Representatives.

DEAR MR. KEFAUVER: I have been asked by several Members of Congress to indicate our attitude with respect to the investigation of the Farm Security Administration proposed by Congressman COOLEY, of North Carolina.

The Farm Security Administration is completely agreeable to an investigation of its present program which will lead to a clarification of its field of activity. I want to assure you and other Members of Congress who are interested in the programs being administered by this organization that we will cooperate fully in such an inquiry.

Several of the programs being administered by this agency are covered by basic

legislation, but the programs involving the largest expenditure of funds have been carried on in the past and are being carried on at present under authorizations contained in the Agricultural Appropriation Acts. Other parts of our work also relating directly to the war effort are financed from funds made available to the Department of Agriculture from the President's emergency fund.

The fact that many of these activities have been authorized by law but not covered by basic legislation has been responsible for much of the criticism and lack of understanding on the part of various groups. I would hope that, as a result of a constructive investigation, legislation might be enacted to clarify the wishes of the Congress with regard to the activities of this agency. Such action should do much to prevent misunderstandings and unfair criticism, and should give adequate recognition to the contributions small farmers can and are making to the war production needs of the country.

The Farm Security Administration loan program has always been essentially a production program. Through it, hundreds of thousands of small farmers have been enabled to greatly increase their contribution to the Nation's food supply. These small farmers must be provided with these types of credit and technical assistance if they are to maintain and increase their production, which is so essential to the war effort.

Sincerely,

C. B. BALDWIN,
Administrator.

Mr. Speaker, if this is intended to be a smear campaign, I would be unalterably opposed to it. Frankly, I am a little worried after listening to the statement of the gentleman from North Carolina [Mr. COOLEY], as to whether he has his gun loaded and the trigger cocked, or whether he is going to use those wooden guns he knows something about.

But I have confidence in the gentleman from North Carolina, and on the basis that he will direct a helpful investigation, I am going to vote for it.

Mr. Speaker, much good could come from an inquiry made on a constructive basis. Also it would be helpful if the committee would chart out the field of activities this organization is to pursue. After all it is partly our fault that Farm Security has had difficulties. The only basic law under which this administration operates is the Bankhead Tenant Purchase Act. In that field of endeavor they have done a very good job and have made splendid success. Another large part of the program is the rehabilitation loan program. They operate that program under authority contained in various appropriation bills that have been passed from time to time. That program should be permanent, and it ought to be charted definitely by basic legislation passed by Congress.

Of course, a whole lot can be said about some mistakes they have made. Frankly, in those instances where they have tried to carry on rehabilitation plans where the fee simple title is not put in the person who is going to operate the land, I think many errors have been committed. I hope that no other projects of this type are commenced. They inherited some of those projects and some of them they originated themselves. But I am advised that this organization has rendered help to almost a million farm families, and at this time there are only 425 farm families who live on cooperative farms who are receiving assistance from Farm Security.

In my district Farm Security has done a fine job. I want to give you one instance of what they did in one section of my district. We have a section where 300 families earned their living by working in coal mines. The company operating the coal mines decided to quit, pulled up its railroad track, took away the equipment, and left the 300 families there, practically stranded. Some had to go on W. P. A.; poverty and bad health conditions were prevalent. A good many of the families moved out. Farm Security came in and, by helping those who remained purchase farms and by enabling those who had already purchased to get more equipment and do better farming, we now have 150 families in that community who have become successful farmers, who have reestablished the church, and whose children are receiving a better opportunity, and that is now one of the best communities in my section.

Mr. Speaker, you cannot strike down an organization that does work like that. We ought to try to help them work out a program and give them our support.

The SPEAKER. The time of the gentleman has expired.

Mr. BROWN of Ohio. Mr. Speaker, I yield the gentleman 1 additional minute.

Mr. MURDOCK. Will the gentleman yield for a question?

Mr. KEFAUVER. I yield to my very good friend the gentleman from Arizona.

Mr. MURDOCK. I did not quite understand how many families you said are living on cooperative farms.

Mr. KEFAUVER. These are not on a cooperative basis. They were assisted under the farm rehabilitation loan program or the tenant purchase program. They helped about 100 families here to either get farms or to rehabilitate the farms they had.

Mr. MURDOCK. I agree with the gentleman's statement and I wish to congratulate him upon his clear presentation of the value of this program. In my State of Arizona, Farm Security is doing a most worth-while service. They help the little man. I consider it an indispensable agency and I hope Congress will give it more substantial support.

Mr. KEFAUVER. Let us hope, Mr. Speaker, that this committee will go into this matter on a constructive basis, and because the organization has made some mistakes will not try to tear it down. There is a crying need for an agency like this that is going to help give the little fellow a chance. After all, that is one of the big things that America stands for—helping the little fellow get out of the rut and giving him a chance to get back on his feet. I think in 95 percent of the cases this organization has done a good job, and let us not make it the subject of a smear campaign, but recognize the good parts of the program and constructively point out how the agency can render better service. If this is done, the committee will deserve and receive the thanks of Congress and of the little farmer, who wants a place in the sun.

The people the Farm Security Administration works with are the tenants, the sharecroppers, the small farm owners—people who have reached the end of their rope and unable to get credit anywhere else.

Yet in 1942, the 463,941 families who were on the F. S. A. program produced more than a third of all the increased milk supplies in the country. Although they constituted only 7.6 percent of the country's total number of farmers, they produced 36 percent of the total increase in milk; 10 percent of the increase in eggs, chickens, and peanuts; 9 percent of the increase in pork; and 27 percent of the increase in dry beans.

This is a remarkable record when it is considered that a few years ago many of these families were not raising enough food even for themselves, many without a cow or a pig, or even chickens, and most of them unskilled in modern ways of farming. Some were living on low-producing, eroded farms, some on farms that were too small to yield a living. Their efforts were crippled by debt and mortgages, poor diets, poor health. Many were on relief. None had credit. All of them, as one man so aptly put it, were down and almost out when the Farm Security Administration took a hand.

Confronted with the job of doing away with the need for rural relief, the Farm Security Administration struck at the causes of failure. Its job was to help these families develop their abilities and their resources to the point where they could become self-supporting and independent, national assets instead of national liabilities.

I would like to give you some figures on what F. S. A. has done. Altogether, a total of 934,979 farm families had received F. S. A. loan assistance up to December 31, 1942. Including grants, which provided urgent relief in stricken areas during earlier years particularly, more than a million and a half farm families have been helped. By December 1, 1942, operating loans totaled $690,133,091. Of this sum, $351,029,321 had matured, and, including payments on installments not yet due, $322,973,484 had been repaid. Including prepayments, these repayments represent 92 percent of the maturities, and in addition, $42,527,738 had been paid in interest.

In addition to these operating loans, the Farm Security Administration has made real-estate loans, under terms of the Bankhead-Jones Farm Tenant Act, to enable more than 31,000 families to buy farms of their own. By June 30, 1942, the program was operating in 1,823 counties, including all the high-tenancy areas. About 20 applications were received for each loan that could be made from available funds. At the close of 1942, the total amount loaned to farm ownership borrowers was $171,515,823. Principal and interest amounting to $10,784,374 had become due on these loans, and 98.9 percent of this debt had been paid. Extra repayments on principal brought the total collections up to $13,927,085, or nearly 130 percent of the amount due.

The dominant purpose of the Farm Security Administration is to make individual, independent farmers out of dependent and impoverished people. It has helped more than 950,000 families to get back into the economic and social life of this Nation. Yet the main purpose of the F. S. A. program, and the work it has accomplished often are ignored or forgotten by the critics who pick out and magnify minor responsibilities of the program.

The outstanding and overwhelming fact about F. S. A. is that it has devoted nearly all its efforts to building up and preserving the individual family farm of this Nation.

The SPEAKER. The time of the gentleman has expired.

Mr. KEFAUVER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include a letter.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BROWN of Ohio. I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include excerpts from three letters.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HOFFMAN. Mr. Speaker, the resolution does not go quite far enough. I hope the gentlemen who have charge of the resolution will yield to me for the purpose of submitting an amendment a little later on so as to include the Agricultural Adjustment Administration. We were told the other day by a representative of one of the farm organizations from Michigan that the funds of the A. A. A. organization to the amount of $6 per day were being paid to committeemen who would go out and get 15 farmers to write their Congressmen. If that is what they are using A. A. A. money for, we ought to know it. If it is not, we ought to know that fact. I wish you would listen while I read this excerpt from a letter that just came:

> My husband has been a triple-A committeeman in ——— Township, ——— County, and we believe they have done good work in the past but are not what they originally were.

Here is another part of the same letter:

> It was certainly astonishing what a field man of the triple A, George Bebabent by name, put before the people at a recent meeting in Hastings. This meeting, I believe, did more to kill the triple A than any other meeting they ever had.

Here is another one, and I wish the Members would listen to this one.

Mr. KEFAUVER. Will the gentleman yield?

Mr. HOFFMAN. For a question.

Mr. KEFAUVER. The A. A. A. is not a part of the Farm Security Administration?

Mr. HOFFMAN. I know that. But it is another one of the New Deal agencies. There is no reason if they are spending money as it is claimed they are for political propaganda why they should not be included in this resolution.

Mr. KEFAUVER. The gentleman wants to condemn all of the New Deal agricultural movements.

Mr. HOFFMAN. I do not condemn them all. The objective was good. It is possible there is some good in the practices of one of them. The committee ought to be able to discover that good and lay it before the people. I am in favor of that. Let me tell you some more about the A. A. A. Here is part of another letter:

> I feel it might be well for you to know some things that are going on. On March 10, all triple-A committeemen of Berrien County were called in to a meeting held in the city hall, St. Joseph. The purpose of this meeting I believe was to get the committeemen to write to their various Senators and Representatives asking them to support an incentive payment for farmers for growing certain crops. It seems, according to a member of the State agricultural adjustment administration office, that the Farm Bureau is opposed to the incentive plan. At least, he condemns the Farm Bureau as a reactionary institution and guilty of grafting off the farmers.
>
> I believe it is the plan to hold such meetings in practically all counties of the State and I suspect in all the States. In other words, they are trying to use the Agricultural Adjustment Administration committeemen as a political machine. The few committeemen who expressed themselves at this meeting were not in favor of incentive payments. And as I come in contact with the various farmers of my township I find they are not asking for an incentive payment, but they do feel that they should have a fair price for their produce. I doubt if you receive very many letters in regard to this matter, but I feel you should know the source. I am enclosing a paper which the State committeeman passed around to all present at this meeting. It seems to me very much like political propaganda. If you want my views on the Agricultural Adjustment Act I will be glad to send them later.
>
> Sincerely yours.

The Farm Bureau is a reputable farm organization. Why does the official representative of the A. A. A. call it a grafting organization? I do not know the truth of the charge, but when the triple-A people themselves accuse other triple-A committeemen of getting $6 of the money we appropriate to further that plan, it is time we investigate and learn the truth. It certainly is a poor agency the purpose of which is to give farmers payment of some kind, which in order to get the farmers to accept the gifts, must hire some one to go out and argue with them that they ought to take it. My experience has always been when you are giving something away, if it is worth anything, you can always find someone to take it, but here is an agency that is spending tax money to induce people to accept gifts. Is that necessary? May I say that it must be a very poor gift they are handing out if they have to spend money to educate some one into a state of mind where he is willing to take that gift?

Mr. COOLEY. Will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman from North Carolina.

Mr. COOLEY. My recollection is that the gentleman from Michigan was a member of the House Committee on Agriculture at the time that the Jones-Bankhead Tenant Purchase Act passed the Congress. I just want to ask the gentleman in connection with the observation made by the gentleman from Tennessee if he does not believe that this investigation to be made by members of the House Committee on Agriculture will be constructive rather than destructive?

Mr. HOFFMAN. No doubt about that. I know of no better committee, or a committee composed of members who have the welfare of the country and of the farmers more at heart than do the members of the Committee on Agriculture. This investigation should include the A. A. A. It will clear the air, give us the facts.

The SPEAKER. The time of the gentleman has expired.

Mr. BROWN of Ohio. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. EDWIN ARTHUR HALL].

Mr. EDWIN ARTHUR HALL. Mr. Speaker, it was my privilege and satisfaction to support the gentleman from North Carolina on his resolution in committee, and I take this opportunity to support him on the floor and assure him of my support and vote for this resolution. I think such an action has been forthcoming for a long time and that it is absolutely necessary.

My vote for a resolution of this kind is simply in line with a policy which I have determined to set out upon and to put into practice throughout this session of Congress; namely, to keep the Congress entirely informed and familiar with the actions of the various bureaucratic agencies of our Government. Many of you recall a few years ago a book entitled "The Specialist." You will also recall the various functions of the hero of that book and some of the attempts he made at specializing on certain parts of the rural environment. Today we have to listen to a lot of these so-called specialists running up and down the country describing what America should do in a post-war world and what action they should take. I submit to you that if some of these specialists would insist on concentrating on what we are going to do with our soldiers and sailors when they come back from the war and from the front, when they are to be assimilated once more into our community life we would be a lot further ahead. What are we going to do to rehabilitate millions of men when they come back and are released and are mustered out of the Army, the Navy, and the Marine Corps and seek their places in American life once more? I insist that it is the function of the Committee on Agriculture and of the House of Representatives to plan a post-war program for the men in the service who will sooner or later be released from our armed forces and who will once more desire to take up a normal family life, a normal community life, and will find it necessary to be given the chance by their Government with a definite program of rehabilitation.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. BROWN of Ohio. Mr. Speaker, I yield such time as he may require to the gentleman from Massachusetts [Mr. MARTIN].

PROGRAM, MARCH 19–27, 1943

Mr. MARTIN of Massachusetts. Mr. Speaker, I take this time to ask the majority leader if he can tell us what the program will be for tomorrow and next week.

Mr. McCORMACK. I shall be very glad to.

Friday: I understand that tomorrow the full Committee on Appropriations meets. If it reports out the civil-functions bill that will come up tomorrow.

Mr. MARTIN of Massachusetts. Is there any controversy about that bill?

Mr. McCORMACK. I am unable to state.

Mr. MARTIN of Massachusetts. The reason I make that inquiry is that the bill carries in it, I understand, the Florida canal item, and the Members of the House should know that if there should be a vote on the bill tomorrow.

Mr. McCORMACK. I was going to say that there might be some controversial parts in the bill. I did not know definitely the information the gentleman from Massachusetts just disclosed to the House. If for any reason the bill is brought in tomorrow then it will come up tomorrow.

Mr. MARTIN of Massachusetts. The bill undoubtedly may come in tomorrow but I understand there is some question whether it can be passed tomorrow. If it should not be passed tomorrow would it go over to Monday?

Mr. McCORMACK. If it does not pass tomorrow it cannot come up Monday because Monday is District day.

Monday: As I say, Monday is District day and I understand legislation will be called up that will take the entire legislative day. If the civil-functions bill is not finished tomorrow and has to go over to next week it will have to go over until Tuesday.

Tuesday: On Tuesday we expect to take up for consideration a bill dealing with labor costs in determining parity prices.

Mr. MARTIN of Massachusetts. That will come up on Tuesday if it does not come up tomorrow.

Mr. McCORMACK. Yes; and it will follow the civil-functions bill.

After the parity formula bill is disposed of we will call up the Steagall bill eliminating certain conservation payments and so forth in determining parity prices. I am very anxious that these bills be disposed of on Wednesday because we want to start the tax bill debate on Thursday.

Mr. MARTIN of Massachusetts. How much general debate will there be on the tax bill?

Mr. McCORMACK. It is my understanding that there will be not more than 4 days' debate to be confined to the bill. I see the gentleman from Tennessee [Mr. COOPER] present. Is my statement correct?

Mr. COOPER. The gentleman is correct; that is the tentative plan.

Mr. MARTIN of Massachusetts. And that debate will start on Thursday?

Mr. COOPER. That is the majority leader's announcement.

Mr. McCORMACK. It is also the intention to sit on Saturday of next week as one of the days of general debate.

Mr. MARTIN of Massachusetts. And finish general debate on Monday?

Mr. COOPER. Yes.

Mr. McCORMACK. That is the program for next week.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. MICHENER. There is very little hope of finishing the civil-functions bill should it come up tomorrow, if we are to judge the future by the past, for the Florida canal item is a very controversial matter and is beyond the realm of agreement. If I am correct in that conclusion, then it will mean considerable debate tomorrow. What I want to know is, Will the leadership insist on a vote on the civil-functions bill tomorrow, or, in case it develops that there is real controversy, will the vote come next week?

Mr. MARTIN of Massachusetts. I may say that the information I have from the committee is that it will probably be impossible to finish the bill on Friday, let alone vote on it.

Mr. McCORMACK. I think the gentleman from Massachusetts [Mr. MARTIN] and I, or the gentleman from Michigan [Mr. MICHENER], in case the gentleman from Massachusetts is absent, can handle that situation.

Mr. MARTIN of Massachusetts. I will be here, I may say, since the gentleman has spoken about the possibility of my being absent.

Mr. McCORMACK. Certainly, if it looks as if the debate tomorrow might go considerably into the evening, I would frown on that.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from Michigan.

Mr. HOFFMAN. Did I correctly understand the gentleman from Massachusetts [Mr. McCORMACK] to say that we were to be permitted to work on Saturday?

Mr. McCORMACK. I did not say "permitted to work."

Mr. HOFFMAN. The gentleman implied that he would consent to our working on Saturday.

Mr. McCORMACK. I will not seriously challenge anything my friend may say on this occasion.

Mr. HOFFMAN. If we work Saturday, the gentleman will not object?

Mr. McCORMACK. I said that next week, there being 4 days of general debate on that bill, the House will sit on Saturday.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. CLARK. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. VOORHIS].

Mr. VOORHIS of California. Mr. Speaker, the main burden of my lay today is that you do not attempt to disestablish or abolish the church because the parson runs off with the deacon's wife.

I think the Farm Security Administration has been dealing with a great problem, the probem of the small farmer in this Nation who, after all, makes up the bulk of the farm population of this country. In 2 minutes I cannot discuss this matter in a rounded way, but I wish to say simply that in my judgment the purpose of any such investigation should be to determine how better the job of attempting to put our small farmer on a more self-sustaining basis can be done, and not to question in any degree whether that job should be done. For it must be done.

As a matter of record, the Farm Security Administration borrowers have been responsible for a substantial percentage of the increase in the production of the food we have needed for this war. I put those figures in the RECORD of March 1, and you will find them on page 1437.

As a matter of further fact, the average increase in net worth of the people who have been borrowers from this agency through the year has been $250. It does not sound like much, but it means a lot in terms of a little livestock where you did not have any before.

As a matter of fact, F. S. A. has loaned $690,000,000, of which $32?,000,000 is already repaid. The repayment record is 92 percent, on the part of people who got the loans in the first place because they could not get credit any place else.

One of the pillars of America through the years has been the family-size farm. I want to see this work go on. I think by and large it has been done well. I hope most earnestly that if this investigation is authorized, as I expect it will be, it will be an investigation along the lines I have indicated.

Mr. CLARK. Mr. Speaker, I yield 2 minutes to the gentleman from North Carolina [Mr. FOLGER].

Mr. FOLGER. Mr. Speaker, of course the resolution to conduct this investigation will be agreed to. For my part, I am quite confident that that will be an investigation carried on in good faith and along orderly lines.

I have sought this time to record myself as definitely in favor of the continuation of the Farm Security Administration program in the United States. I believe that with any of the faults that may have been justifiedly attributed to it it has still been the greatest agency for the small farmer we have had in this country. I am a little afraid of the future status of the man who will oppose this agency in the face of the great good it has done.

I like to think of this:

> There is so much good in the worst of us and so much bad in the best of us that it behooves the most of us to say very little about the rest of us.

This remains true, after all, in most circumstances of life.

I hold in my hand a letter from a very prominent banker in my district. I did not seek the privilege of giving his name, although I think he would grant it. He

speaks of other lending agencies and urges some opposition to the profligacy with which some agencies are conducting their operations. But he says:

> By all means do what you can to maintain and retain the activities of the Farm Security Administration, which has done such great work in this community for the small farmer.

I have found this to be true in my district from my own observation.

Mr. BROWN of Ohio. Mr. Speaker, I yield 3 minutes to the gentleman from Wisconsin [Mr. SAUTHOFF].

Mr. SAUTHOFF. Mr. Speaker, in order that I might satisfy myself as to what this agency has done in my district, I secured some figures about it. I live in and represent one of the richest agricultural districts in the United States. In my district 1,128 loans were made by the rural rehabilitation part of this program, amounting to $900,000. Already there has been paid back $600,000, or 96 percent of the accrued principal and interest to date.

We have heard discussed here time and again the question of increased farm production, which we all know we will need. Let us check on the increased farm production secured through the Farm Security Administration borrowers in the Second District of Wisconsin.

In a survey made of about one-third of these farmers to whom these loans have been made, we find these increases: 44 percent in chicken production, 14 percent in egg production, 26 percent in pork production, 42 percent in beef production, 750 percent in soybean production.

Mr. KEFAUVER. Is that in 1 year?

Mr. SAUTHOFF. Yes. These are increases that are greatly needed, and they are increases in 1942 over the production of 1941. I also point out that under the farm-ownership program as of November 30, 1942, some $350,000 has been loaned to 39 tenants, hired men, or small operators to enable them to purchase and improve family-type farms under the provisions of the Jones-Bankhead Farm Tenant Act. The collections on these loans amounted to $19,176, of which $11,453 represents repayment of principal. In other words, the total collections of principal and interest amount to 97 percent of maturities on principal and interest. I would like to add that we of the second district have 20,000 farmers, of whom only 13 percent receive an income of less than $600. It is that 13 percent that has been helped in attempting to establish them not only in efficient operation as to loans for seed, and so on, but also as to farm repairs and farm machinery, and I might add that this is one of the best showings that could possibly be made by any agency. If this agency is to be discontinued, what do you propose to take its place?

The SPEAKER pro tempore. The time of the gentleman from Wisconsin has expired.

Mr. BROWN of Ohio. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. BENDER].

Mr. BENDER. Mr. Speaker, I ask unanimous consent to proceed out of order.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. BENDER. Mr. Speaker, I, with the other Members of the House, am fully aware that this is a war in part of production. All of us are aware that if this world is to be sane and whole again, these United States of America must become the granary and production center of the world. There is no subversive force that so militates against all-out production as inefficiency and waste.

Imagine my consternation when, through an article in the Cleveland News, my attention was brought to an incident where more than 40,000 gallons of Government-purchased tomato puree was condemned and dumped into the lake at Cleveland because of contamination. The whole shipment, of which this was a part, was valued at over $68,000 and had something like 25,000 5-gallon cans—enough to fill 13 freight cars. According to reliable and public information, this food shipment was intended for export under lend-lease. While in transit, some of the cans exploded from fermentation, and at the present moment, it is probable that the entire shipment may have to be destroyed. The shipment was owned by the Surplus Commodity Corporation of the Department of Agriculture.

In an administration whose duty it is to provide competent inspection of vital war foods, of which tomatoes are among the higher values, it seems strange that the inspection of both the processing and the production was so lax and the waste so evident. This is undoubtedly one of we do not know how many instances.

The American people in this time of stress and trial cannot condone or appreciate the failures on the part of the Government agencies in the caring for and handling of essential war food.

I am grateful to the Cleveland News for drawing my attention to this incident, and I am sure that the administration should appreciate having it brought vividly to them.

Mr. Speaker, I hold in my hand a photograph of the cans of tomato soup being dumped into Lake Erie, $68,000 worth, because of faulty processing and contamination.

Mr. BROWN of Ohio. Mr. Speaker, I yield 3 minutes to the gentleman from North Dakota [Mr. BURDICK].

Mr. BURDICK. Mr. Speaker, I am not opposed to the investigation of the Farm Security Administration because I know that, so far as my State is concerned, and the whole Northwest, this has been the only organization on which the farmers who have been foreclosed and dispossessed have had to rely. The record that all those local farmers have made will be startling to this House when they know the truth. In my State this year they paid back 299 percent of the amount due, and certainly I would not be opposed to any investigation of any concern that I have supported. I do not believe the Farm Security Administration is opposed to this investigation. The only suggestion I wish to make is that we have so many investigating committees operating in the House that in due time I feel I should introduce a resolution providing for an investigation of the investigating committees. As far as investigating the whole Congress is concerned, I think the voters will do that in due time.

Mr. CLARK. Mr. Speaker, I yield to the gentleman from Alabama [Mr. SPARKMAN].

Mr. SPARKMAN. Mr. Speaker, I wanted this time to say that while I am very strongly in favor of the continuance of the Farm Security Administration, I am also in favor of this investigation, and I happen to know that the Farm Security Administration itself invites the investigation.

Since the introduction of this resolution I have discussed the subject matter of it with Mr. Baldwin, the Administrator of Farm Security, and with others in the Farm Security Administration. In every such conversation I have been assured by those gentlemen that the Farm Security Administration had nothing to hide. In fact, during the pendency of this resolution on the floor of the House I have received from Mr. Baldwin a letter which I am inserting at this point:

> UNITED STATES DEPARTMENT
> OF AGRICULTURE,
> FARM SECURITY ADMINISTRATION,
> *Washington, March 16, 1943.*
>
> Hon. JOHN J. SPARKMAN,
> *House of Representatives.*
>
> DEAR MR. SPARKMAN: I have been asked by several Members of Congress to indicate our attitude with respect to the investigation of the Farm Security Administration proposed by Congressman COOLEY, of North Carolina.
>
> The Farm Security Administration is completely agreeable to an investigation of its present program which will lead to a clarification of its field of activity. I want to assure you and other Members of Congress who are interested in the programs being administered by this organization that we will cooperate fully in such an inquiry.
>
> Several of the programs being administered by this agency are covered by basic legislation, but the programs involving the largest expenditure of funds have been carried on in the past and are being carried on at present under authorizations contained in the agricultural appropriation acts. Other parts of our work also relating directly to the war effort are financed from funds made available to the Department of Agriculture from the President's emergency fund.
>
> The fact that many of these activities have been authorized by law but not covered by basic legislation has been responsible for much of the criticism and lack of understanding on the part of various groups. I would hope that, as a result of a constructive investigation, legislation might be enacted to clarify the wishes of the Congress with regard to the activities of this agency. Such action should do much to prevent misunderstandings and unfair criticism, and should give adequate recognition to the contributions small farmers can and are making to the war production needs of the country.
>
> The Farm Security Administration loan program has always been essentially a production program. Through it, hundreds of thousands of small farmers have been enabled to greatly increase their contribution to the Nation's food supply. These small farmers must be provided with these types of credit and technical assistance if they are to maintain and increase their production which is so essential to the war effort.
>
> Sincerely,
>
> C. B. BALDWIN, *Administrator.*

I have closely followed the work of the Farm Security Administration, particularly in my own district. I cannot speak with assurance as to every district in the United States but I do know what this agency has been doing in the Eighth District of Alabama. I would welcome an investigation of its work there. From what Mr. Baldwin tells me I feel certain that a similar condition prevails throughout the United States and that the Farm Security Administration invites the investigation of its activities.

A few days ago I obtained from Farm Security a statement of its activities in my district during the past year. To me it is of much interest and, I think, typifies the work of this agency among the smaller farmers of the United States. The report of activity in the Eighth District of Alabama is as follows:

REPORT ON FARM SECURITY ADMINISTRATION PROGRAM AS OF NOVEMBER 30, 1942, EIGHTH DISTRICT, ALABAMA

Farm Security Administration borrowers in the Eighth District of Alabama have made considerable increases in the production of essential agricultural commodities. A sample survey shows that the 2,595 active Farm Security Administration borrowers in the district made the following increases in production in 1942:

Product	Increase in 1942 over 1941	Percent increase
Chickens....pounds, live weight..	64, 284	19
Milk.....gallons..	323, 659	28
Eggs.....dozen..	123, 226	30
Pork.....pounds, live weight..	474, 513	42
Beef.....do....	233, 731	139
Soybeans.....bushels..	5, 043	(1)
Peanuts.....do....	2, 032, 678	648

[1] No production in 1941.

Under the rural rehabilitation loan program as of November 30, 1942 in the Eighth District $3,015,603 had been advanced to 3,557 farm families for loans for operating goods since the inception of the program in 1935. The total collections on these loans amounted to $1,919,659, of which $1,759,905 represents repayments of principal. As of the same date these collections amounted to 103 percent of matured principal and accrued interest.

Under the farm ownership program as of November 30, 1942, $2,105,845 had been lent to 504 tenants, hired men, and small operators to enable them to purchase and improve family-type farms under the provisions of the Bankhead-Jones Farm Tenant Act. Collections amounted to $105,469 of which $66,538 represents repayment of principal. The total collections of principal and interest amounted to 99 percent of maturities of principal and interest.

In addition to making, servicing, and supervising these loans, the Farm Security Administration has brought about the establishment of 26 community and cooperative services which make available the use of purebred sires, machinery, and other facilities to some 589 farm families who otherwise would lack them.

The total number of all farms listed in the 1940 census for the district is 28,481, of which 68 percent had a gross farm income under $600 in 1939.

Mr. CLARK. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. SNYDER].

Mr. SNYDER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. SNYDER. Mr. Speaker, I think I should like to support a resolution similar to the one my friend from Wisconsin referred to; that is, a resolution to investigate the investigating committees. I think the public is right when they say that Congress is spending too much time investigating and not enough time on first priority war legislation.

However, I am glad that the Farm Security Administration is one of the agencies that is perfectly willing to be investigated. This agency has done so much for the farmers of this Nation that they need not fear an investigation. Back in the years 1933, 1934, 1935, when the farmers were in the doghouse—no money, no market for their products because the masses were not working—the Farm Security Administration helped to keep thousands of them on their feet, and since that time have carried these thousands and many, many more to a place where they are self-secure. I notice some say that it has been a political setup. If it is political in my State, it is that they bend 'way back over on the Republican side in order that they be not accused of being Democratic or with the administration. In other words, in my State, if it is political it is much more Republican than Democratic in its procedure and, above all, in its services. And that is all right with me. I assume that 65 to 70 percent of the farmers in my district always vote against me, but that makes no difference when it comes to serving these farmers. I put forth just as much effort to serve the farmers that vote against me as I do for those that vote for me. I am their Congressman. I know that the majority of the farmers in my district want to see the Farm Security Administration continue to function.

Oh, yes; I know they have made some mistakes, and some bad ones, and they are going to make some more. As was said here today, they have some people on the pay roll that should not be on, but all departments have such people on their pay rolls. They always have had them on the pay roll, and as long as we have a democracy we always will have such people; but I believe the percentage of these inefficient people in Farm Security is very small and I, for one, would vote that the agency should get rid of those inefficient ones at once.

Mr. CLARK. Mr. Speaker, I yield the remainder of my time to the gentleman from Texas [Mr. SUMNERS].

The SPEAKER pro tempore. The gentleman from Texas is recognized for 10 minutes.

Mr. SUMNERS of Texas. Mr. Speaker, I call the attention of the House and the committee which may be appointed to investigate the Farm Security Administration under this resolution to a possibility of service that is involved in this proposed investigation. I do not believe that anybody who really has given the time to a study of the concentration of governmental powers in America can arrive at any conclusion other than that we must redistribute these powers now concentrated in Washington, which the States can discharge, get them away from Washington, and give them back to the States, or content ourselves to be governed by a great Federal bureaucracy. That is the serious situation that confronts us.

What I say is no criticism of those operating this organization. Much of this concentration has resulted from the failure of the States to do that which they ought to have done. Clearly there is necessity somewhere in the structure of government for at least a part of the character of service that is being rendered by this organization the investigation of which is contemplated. I hope that this committee, if it is appointed, in the conduct of its investigation among other things will determine the overhead expense that has resulted from the plan of operation in connection with this service. I believe if they will do it, they will ascertain that the overhead, the cost of the rendition of this service by the Federal Government, excellent as it may have been, was greater than that which probably would have resulted had the States performed the same duty and undertaken the same responsibility and that it is within the governmental capacity of the States. After all, we of the States must come to know that the Federal Government can get no money except that which comes from the people of the States. This plan of government, by which the Federal Government is undertaking to do this sort of thing, by taxing the sources of State revenues and taking over the State's business, with tremendous rapidity is weakening the States, destroying the functioning machinery of our democracy. It is making the States too dependent upon the Federal Government to do the State's governmental business and for the money with which to discharge their remaining functions.

Everybody knows there is nothing more destructive than nonuse, and that there is no power comparable to the power over the purse strings. I say this without any disposition to be critical. I am discussing things fundamental in Government. It makes no difference what party is in power, a democracy cannot function through the sort of governmental machinery we are building up. It is the machinery of bureaucracy and has to function according to its nature. It is not susceptible of democratic control because it functions from the top downward through an unsupervised, appointed personnel which makes its own rules, and construes and enforces them. These rules have the force of law, and their construction and application have the force of judicial determination. When the country is stirred up the Congress may order some investigations to determine what has already been done, sometimes what money has been wasted, what private wrongs have been inflicted, what public hurt has been done, but the Congress cannot possibly supervise currently the exercise of these extraordinary powers which, with tremendous rapidity, we are conferring upon these agencies of government.

People want to know why the Congress does not do this, that, or the other thing. One of the main reasons is that the

governmental power which we have concentrated in Washington is utterly beyond the capacity of this or any other Congress to understand and keep advised with reference to it. That is the plain, practical situation, which everybody here knows to be the situation. We have got to get these non-Federal powers back into the States or lose our democracy from a loss of essential State power and a destructive overload of the Federal machinery. The people are not going to be able to retain their capacity for self-government if they do not keep these powers in the States and their small divisions which the people can operate. This thing we are doing is against the nature of democracy. It violates the plan of Nature, which provides for free government by the people. God's plans are enforced as much by limitations imposed upon human beings as by the capacity given to human beings.

When we know that these extraordinary powers conferred upon these ever-increasing Federal agencies are of necessity exercised by an appointed personnel which makes the rules, construes the rules, and enforces the rules—the three powers of government—why should we be surprised if there be the sort of happenings which people of common sense should expect who have any knowledge of the normal functioning of the different types of government?

Far be it for me to criticize those employees of the Federal Government who are undertaking to operate the sort of government which we are now engaged in operating. We are told this department is now well run and doing a good job. We are told it was formerly run differently. Be that as it may.

There are but two sorts of government—one that operates from the people upward, a democracy, and the other that operates from the top downward. We are becoming less and less the sort of government that operates from the people upward, and more and more the sort of government that operates from the top downward. This is not a new development. I have been saying these things for a long time. Eighteen years ago there was printed in the RECORD a speech in which I discussed the subject "Our Choice—Decentralization of Governmental Responsibility or Government by a Centralized Bureaucracy."

Here are some of the statements I made then, which are as applicable now as then, and by comparison with the number and power of governmental bureaus now and then, we can appreciate where we are headed for, and the rapidity with which we are traveling:

[Excerpts from the speech by Hon. HATTON W. SUMNERS of Texas, Thursday, February 26, 1925]

OUR CHOICE—DECENTRALIZATION OF GOVERNMENTAL RESPONSIBILITY OR GOVERNMENT BY A CENTRALIZED BUREAUCRACY

THE LEGISLATIVE BRANCH

In the legislative branch of the Government gentlemen know from observation and from experience that matters of tremendous importance are acted upon without the membership, generally speaking, having had an opportunity to give the consideration which safety and good legislation require. Congress not only has to legislate for this territory in interstate, national, and international matters, but under our present system Congress is more and more being called upon to legislate as a State legislature, going further and further into the domain of State responsibility.

There are thousands of bills coming in each session. If Congress legislates wisely it must not only study the proposed legislation, but it must know conditions in the sections of the country with which the legislature deals. We have our committee work; we are called upon by our constituents to aid them in getting consideration of their matters with these bureaus which we are creating, and thousands of letters must be replied to in the course of a session. It is not a question of the ability of the present membership of Congress, but of human capacity. I do not care whom the people send here, this accumulated governmental responsibility cannot properly be discharged by them. Nobody thus pressed can give the time and thought to the problems of the Federal Government which those problems require. There is not the slightest use for us longer either to deny or to undertake to hide that fact. That condition has to do not merely with efficiency but with the possibility of efficiency.

DELEGATION OF RESPONSIBILITY TO COMMITTEES

In trying to take care of the ever-increasing demands the Congress has already divided itself into what in many respects are little legislative bodies—we call them committees, but they are more than committees, as committees were originally intended to function. The Members of Congress, not because they wish to do it but because they are compelled to do it, follow to a dangerous degree the judgment of these small groups of persons as distinguished from following their own independent judgments based upon knowledge. It is beyond human capacity.

DEVELOPMENT OF A BUREAUCRACY

But even with this dangerous arrangement, which increases capacity to handle volume at the sacrifice of safety, the legislative branch of the Government cannot take care of its overload, so that it makes a further sacrifice by turning over important legislative powers to the various rapidly multiplying bureaus of this Government; that is to say, the Congress will enact a general law and delegate to these bureaus the power to legislate as to details. We call their enactments rules and regulations. But in practical operation, insofar as the average citizen is concerned, they are laws. Not only that, but there is given to these bureaus the power to construe the rules and regulations which they make and the power to enforce them—the three powers of government. Contrary to our traditions, to our philosophy of government, contrary to all the things we profess to believe and against all the warnings of history, we are placing the three powers of government—legislative, executive, and judicial—into the hands of the same personnel not one of whom is elected by the people.

Not only has that happened and is happening to a greater and greater degree each year but, as the power delegated to these bureaus accumulates around the heads of the bureaus those nearer to direct responsibility in turn are compelled to pass them on down to subordinates and from these subordinates to other subordinates, until the point is reached where some subordinate many times removed from anybody whom the people have had the opportunity to elect goes to the private citizen carrying with him all the powers of the great Federal Government.

When he goes to that individual he does not go as one whom that individual has had a voice in selecting. He goes not as a responsible agent of popular government, responsible to the public; he goes as an appointed governor of the private citizen. As a practical proposition what can the ordinary private citizen 2,000 miles from this Capitol do to resist such an agent of the great Federal Government? That is the test. We have gone so far in increasing numbers and in increasing Federal powers that there is not, in fact, any elected person who in good conscience can be held responsible for the acts of these appointed persons. There are now between 500,000 and 600,000 persons scattered over this vast territory operating the machinery of the Federal Government. Only 533 of them are elected by the people, and all of them are located here in Washington, one little spot on the eastern border. There is no elected person who it can be charged, knows what the individuals of this appointed personnel are doing.

THE EXECUTIVE BRANCH

I shall not discuss the element of expense, of unnecessary burden upon the taxpayers, from the system which we have developed of having the Federal officers and State officers working at the same governmental jobs, or of the policy of sending the tax gatherers into the States to collect money from the people, bringing it up to Washington and sending a part of it back to the people from whom it was collected and fooling the people into the belief that they are getting something for nothing from Uncle Sam. I am talking about the result upon general governmental efficiency of this policy of concentration, without regard to cost.

Has anybody little enough sense to imagine—when the duties of the President, dealing with all sorts of international questions and great national questions are considered, with the duty to make recommendations to Congress, the duty to examine and the power to veto every bit of legislation that we pass here, the necessity to make nomination of all the chief officers, and to do hundreds of other things—that Calvin Coolidge or anybody whom God has ever created or ever will create can supervise and direct any considerable part of what is being done by these 500,000 people who are operating the executive machinery of this Government within our own territory out among the States everywhere and into the farthest corners of the earth? Of course, he does not know what they are doing. And yet he is the only elected person of all that half million people, the only one directly responsible to the people.

There is no use complaining of bureaucracy so long as the total of governmental responsibility concentrated in Washington is beyond the capacity of a government of the representative type to discharge.

When the capacity of the ordinary machinery of the Federal Government becomes overloaded, these bureaus are the only agencies to which the overload can be shifted. When these bureaus have transferred to them such powers of government as it is necessary now to place in them, and they exercise those powers without effective supervision by elected agents of the people, as is now the case, we have a great Federal bureaucracy far toward its full development, regardless of what the Constitution provides.

NATURE AND DEVELOPMENT OF OUR SYSTEM OF GOVERNMENT

Popular governments grow as a tree grows. Man can help but he cannot create, and he can help only when he works in harmony with nature. Not only must those who establish the visible evidences of a popular government and provide its functioning machinery work in harmony with natural law, but those who operate that machinery must do that thing also. We seem to have overlooked that fact. We seem to have overlooked the fact that everywhere there is law which directs and limits human discretion. The physician recognizes it. The farmer recognizes it. The builder recognizes it, and those who operate the machinery of this Government must begin to recognize it. We will have to face about. Nature compels re-

spect for her plan as much by the limitation imposed upon human capacity as by the capacities given to human beings. When the limit of human capacity is reached, that is the end of argument.

Is there anybody in position to know the facts—Democrat, Republican, Socialist, or what not—who does not know that the total of governmental responsibility concentrated at Washington is beyond human capacity to discharge through any agency susceptible of popular control?

REACTIONARY MOVEMENT

The present direction of movement is not progress. It is reaction; I do not care what brand the individual puts upon himself who advocates it. I lay down this proposition, sound in theory, sound in governmental philosophy, and established by history, that after the completion of the formative period of a popular government, all true governmental progress, by the very nature of that system of government, must be in that direction which moves governmental power away from the central governmental agency where it accumulates during the formative period back toward the people into those governmental agencies more directly and more completely under popular control. The reasons for that are not founded in theory; they are founded in necessity. It is fixed in the economy of nature. Popular government is not an accident. It is necessary for human development. Nothing necessary for human development is left to chance. Human respect for nature's plan is secured by natural laws which human beings must respect or pay the penalty. We are paying the penalty not only here but in the States.

DESTROYING STATE EFFICIENCY

We are not only destroying the efficiency of our system of government at the Federal end by an overloaded governmental machinery but we are destroying the efficiency of the States. If we want to destroy the States as virile, efficient agencies of popular government, there could be no more effective method than our present policy of taking from them the necessity to discharge the powers that rest naturally within the scope of their governmental jurisdiction. That is what we are doing and doing largely by State and popular surrender as distinguished from Federal usurpation. That is a most remarkable fact. Can anybody question that the States are losing their dignity, their independence, their importance, and their vigor as sovereign units of government when he sees them bereft of responsibility, begging at the door of the Federal Treasury? That is not a beautiful figure. It is not a beautiful fact, either. There are exceptions as to individual States and as to individual officials of States, but this is true generally, not only as to States but as to the citizenship of the States.

We are not only destroying the efficiency of the Federal Government by the overload, and the vigor and governmental capacity of the States by this process, but we are doing a far greater harm than that. By taking governmental responsibilities from those units of government that are close to the people we are taking from the private citizens the necessity of a more direct grapple with the problems of their Government, which problems and the necessity to work them out in good providence come to develop the people for the bigger responsibilities of tomorrow.

SYSTEM DEPENDENT UPON GOVERNMENTAL CAPACITY OF CITIZENS

If this system of government is to endure, it must depend for its strength in the crises that are to come not so much upon its laws or upon the written provisions of its Constitution, or even upon the capacity of men in official position, but upon the virtue and the governmental capacity of its private citizenship. The present policy of creating a feeling of dependence upon a great central government is not calculated to develop such a citizenship. It is the sense of responsibility that sobers judgment, that develops civic virtue; it is the strength which comes from the struggle, from the grapple with the difficulties incident to the operation of a system of popular government which gives capacity. Nor can the lesson, taught by the penalty imposed for mistakes made, be dispensed with. How can we hope to develop a citizenship capable of dealing with the greater difficulties of tomorrow when we are constantly moving the power and responsibility, the necessity to govern, away from the people, away from those units of government wherein the private citizen has the more direct control and the larger share of responsibility? We have turned our backs on the lessons of history and are trying to operate our system of government from the top downward, in violation of the laws of its nature, and in violation of the laws of human nature as well.

I do not care what the form of that government is; I do not care what the political philosophers say; if you injure the governmental capacity of the people, you strike at the foundation of governmental strength and at the ability of the people to protect their right against governmental and private oppression. We have not only to stop concentration, but we have to begin an intelligent decentralization of governmental responsibility.

Whatever may be thought of the other reasons which I have given, there is one reason which no informed person will question either as to the fact or as to its sufficiency. This Federal Government has accumulated a total of governmental responsibility which is beyond human capacity to discharge through any governmental agency susceptible of popular control. I believe that if a joint committee were created to study our problems from the Federal end, to confer as I have indicated with State officials, to go really to the bottom of this situation and let the people of this Nation know the truth, it would help. We have not been telling them the truth about this situation because men do not like to go home to their respective constituencies and confess their lack of knowledge or the limit of their capacity. I am willing to admit the truth when I say that important items of legislation pass through this Congress with regard to which I have very imperfect information, because it is the fact.

We cannot drift along this way; I know this Federal Government is today more bureaucratic than it is representative, and is drifting more rapidly each day in that direction. I am not unmindful of the difficulties before us. It is a big job. It is getting bigger all the while. The quicker we move, the less will be the task. We can do it because it has to be done. Things which have to be done can be done.

It cannot be done—I am speaking now as a practical proposition—unless the people will that it be done. Of that I am certain. I have the most profound confidence in the capacity of the people of the United States to operate a system of self-government, if those with official responsibilities will discover the facts and tell them the truth. I do not underestimate the importance and the necessity of wise leadership.

The CHAIRMAN. The general proposition with you is that you want someone to study the situation that has grown up here of concentration of power at Washington. That is the general idea?

Mr. SUMNERS. Yes, sir; and to confer with State officers. This matter has to be handled as much at the State end as here. There is no use of the States deploring the loss of powers to govern unless they exercise the powers they have. They have to stand on their own legs. They cannot hold the strength they have, much less grow stronger, by leaning on the Federal Government in matters which lie within their governmental capacity.

We are not only turning over the governmental powers to an appointed personnel, but to an unsupervised personnel. They are becoming with tremendous rapidity not agencies of popular government effectuating the public will but the unsupervised actual governors of the people, not only expending their money but exercising over them the most absolute and far-reaching governmental powers. Somebody elected by the people may find out about things that are done months and years afterward, more often never at all.

The plain facts about the matter are that we have made an awful mess of our job. It was the business of the "fathers" to establish this system of government and it is ours to operate it. They established the machinery for a system of government with such a distribution of governmental powers as to render it susceptible of popular control; and we, with a rapidity unequaled in the governmental history of the world, by a concentration of those powers, are converting that marvelous system into a great Federal bureauracy—a type of government in many respects the least efficient, the most expensive, the most susceptible of corruption and of tyranny of any of the known systems of government. Nobody can deny that. Is that not an important fact? Is it not time we were giving that fact earnest patriotic consideration?

Regardless of who is responsible for the condition in which we find ourselves, whether the Congress in not having more vigorously resisted the pressure for centralization, or the State governments in not having insisted on the retention of their powers, or the people in having urged their Representatives in Congress to function for them in shifting these governmental responsibilities, we face a situation which requires the united cooperative effort of the people and of their officials—State and Federal.

It is my opinion that in one way or another responsibility is fairly well distributed. I will accept mine and have no time to quarrel with those who say they have none. I am trying to help deal with this situation. I feel confident that if a joint committee should be created and during this coming vacation devote itself to a study of our general governmental problems and of our governmental resources, consult with State officials, and, wherever opportunity presents itself, with citizens of the country, and formulate a clear statement presenting the situation as it is, I believe—I am certain to whatever degree judgment can give me certainty—that great good would result. This is the time to act.

Mr. Speaker, that statement was made 18 years ago. It did not attract enough attention then even to provoke adverse criticism. I have watched our development since that time. I had studied it before that time. I have some familiarity with governmental history, some familiarity with the natural laws which govern governments, some familiarity with the operation of the laws of cause and effect as they bring about fundamental changes in the character of governments. I do not know in the governmental history of the world anything to compare with the rapidity and the completeness with which we are changing our distinctive characteristics from that of a democracy to a great centralized bureaucracy—a type of government

as susceptible of tyranny, extravagance, and corruption as any of the systems of nondemocratic governments, without the possibility of the efficiency of an unrestrained dictatorship, the character of whose autocratic powers, even over life, weighs mightily against any impulses of subordinates, to turn to private advantage any of the delegated powers with which they may be entrusted. I say again, as I said 18 years ago, as I said before that time and since that time, it is "our choice—decentralization of governmental responsibility or government by a centralized bureaucracy." That is the only choice we have.

Mr. ABERNETHY. Mr. Speaker, I favor the adoption of this resolution. For many months charges have been hurled at the Farm Security Administration. They are heard frequently here on Capitol Hill. Daily they appear in the national press. And even more often they are heard in every city, town, village, and the most remote rural sections of this country. These charges are in many instances appalling. They present serious questions, which if true do not mean well for independent farming. If, after a fair investigation, they are found to be true, then these wrongful and dangerous activities should be curbed in no uncertain terms without further delay. If untrue, then the Farm Security Administration is entitled to immediate exoneration. The investigation will bring forth the truth. Yes, the truth—it will keep you well and free.

Mr. CLARK. Mr. Speaker, I yield such time as he may desire to the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK. Mr. Speaker, I understand the Farm Security Administration welcomes this investigation, and I favor it. There is much about the functioning of this agency on which I want to be informed.

I ask unanimous consent to extend my remarks at this point.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. MURDOCK. Mr. Speaker, the gentleman from North Dakota [Mr. BURDICK] made some mention of an investigating committee to investigate our investigating committees. We may have to resort to that when we get a few more investigating committees. Nevertheless, I favor them. I have heard some questions asked concerning the nature of this investigation. When I was a student of government in the opening years of this century I often heard of congressional investigating committees in those days, but an expression very commonly used at that time as a synonym was a "whitewashing committee." A more modern term sometimes used as a synonym is a "smearing committee." We know positively that this will not be a whitewashing committee. The character of the men who will make it up assure us that this will be a committee for scientific investigation and honest scrutiny of an agency of government, which has been charged with a great responsibility. The work of this committee will be to see how it has fulfilled its trust.

Personally I want to know how the Farm Security Administration has functioned, for I have seen only a small part of its work in the State of Arizona. Although I have been favorably impressed with some of its work, I was constrained yesterday on the floor of this Chamber to criticize its failure to furnish the labor with which to harvest an important crop in my State. I have thought wherein it failed was in work it was not designed to do.

While we expect the work of our proposed committee to be scientifically done as an investigation, it makes me a bit apprehensive to hear one who may be a member of this committee announce in advance what he expects to find. If certain gentlemen who later are appointed members are going out deliberately to reveal communistic experiments which they know to exist, then this committee ought to be called a revealing committee or an exposing committee rather than an investigating committee. I have heard talk about Communists in the Farm Security Administration and of communistic experiments and projects being carried on by this agency of the Government. In fact, I was recently asked regarding some projects in my own State. Now, I, too, am anxious to find out about them, but I want the real truth and not somebody's surmising.

I have been amazed at times at the fallacy into which some persons fall through seeming similarities. It is astonishing what imaginations some folks have and to what conclusions some jump in their comparisons. Shall I charge that Arizona Indians are Nazis because centuries ago they adopted the swastika as their emblem? Shall we regard high officials of the Roman Catholic Church communistic because some of them wear red hats? Would you call the stockholders of the Bell Telephone Co. Communists because thousands of employees, large and small, own part of the great establishment they operate? Are members of the American Bankers Association revolutionists because they wear long trousers? Remember, it was the firebrand-throwing, revolutionary element in Paris, France, in 1793—the sans culotte—who wore long pants and who overthrew the cultured, silk-stockinged aristocracy, who wore knee breeches. The foolishness of these questions is apparent to all, and yet I have heard sensible, businesslike organizations of farmers as greatly smeared and slandered by being called communistic as would be the Bell Telephone Co. or a mutual life insurance company if such an adjective should be applied to those organizations.

The other day I was asked whether a farming cooperative was not founded on the teachings of Karl Marx and a direct importation into this country from Moscow. My reply was, "I do not think this project is based on the philosophy of Karl Marx nor did it come from Russia, but more likely it came from a region about as far east and farther south than Russia, from a little land at the east end of the Mediterranean Sea. More likely it is based upon the teachings of a younger man than Karl Marx, but one of the same race, a Nazarene, who trod the hills of Judea 19 centuries ago and taught men to bear one another's burdens and to love one's neighbor as himself." In some aspects of the workings of the Farm Security Administration in my State I have seen in actual operation the philosophy and teachings of this Asiatic philosopher from the ancient land of Judea in helping the poor. I have seen that result in the salvaging of much human value by taking farm families who, unlike the birds of the air or foxes of the earth, but like the Son of Man, had not where to lay their heads, and restore these migrants and destitute farm families to self-respect and self-support. I suppose that that was why the Farm Security Administration was established during the great depression to save human wreckage. That part of its work has been well done in Arizona.

Has the country got value received for the money expended? Has the agency justified its existence? That is what this newly organized committee is to find out, no doubt, and that is why I welcome the appointment of such a committee, and trust that its findings may point the way to a continuation of this Farm Security Administration, or recommend such a change as modern requirements of rural life may dictate.

Mr. CLARK. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on agreeing to the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. BRYSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a letter.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. ANDERSON of New Mexico. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in three particulars: In the first to include a copy of a bill and the report of the Secretary of the Interior; second, a report from the Commissioner of Indian Affairs; and, third, some comments of my own.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. RIVERS. Mr. Speaker, I ask unanimous consent to extend my remarks and include a resolution from the State Senate of South Carolina.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein a letter from F. M. Sullivan national legislative committee executive director, protesting against the passage of H. R. 1025.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. WORLEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a letter from a soldier.

The SPEAKER pro tempore. Is there objection?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. PETERSON of Georgia. Mr. Speaker, I ask unanimous consent to proceed for 12 minutes.

The SPEAKER pro tempore. The gentleman from Georgia asks unanimous consent to address the House for 12 minutes. Is there objection?

Mr. SABATH. Mr. Speaker, reserving the right to object, and I do not want to object, but I have a resolution that I desire to call up. The gentleman from Georgia desires to proceed now for 12 minutes. I was under the impression the gentleman from Indiana had a matter he desires to call up now.

Mr. HALLECK. Yes. Mr. Speaker, reserving the right to object, I understand the gentleman has a special order for 20 minutes and that his present request would operate to delay the conference some of us hope to have later this afternoon. I understand that if the gentleman speaks now it will be under the rule, for 12 minutes?

Mr. PETERSON of Georgia. Mr. Speaker, if I am allowed to speak now for 12 minutes I will give up the special order to speak for 20 minutes.

Mr. SABATH. Mr. Speaker, I think I will be able to accommodate the gentleman for 12 minutes.

The SPEAKER pro tempore. The gentleman from Georgia withdraws his request?

Mr. PETERSON of Georgia. I withdraw my request.

PUNISHMENT FOR CERTAIN HOSTILE ACTS AGAINST THE UNITED STATES

Mr. SABATH, from the Committee on Rules, submitted the following privileged resolution (H. Res. 175, Rept. No. 255), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 2087) to provide for the punishment of certain hostile acts against the United States, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

PETROLEUM INVESTIGATION

Mr. SABATH. Mr. Speaker, I call up House Resolution No. 58, and ask for its immediate consideration.

The SPEAKER pro tempore. The Clerk will report the resolution.

The Clerk read as follows:

Resolved, That the Committee on Interstate and Foreign Commerce is authorized, as a committee by subcommittee, or otherwise, to continue during the present Congress the investigation begun under authority of House Resolution 290 of the Seventy-sixth Congress, and continued by House Resolution 15, House Resolution 188 and House Resolution 383, of the Seventy-seventh Congress, and for such purposes such committee shall have the same power and authority as that conferred upon such committee by House Resolution 290 of the Seventy-sixth Congress. Any unexpended balance of the appropriation authorized for the use of such committee under House Resolution 385 of the Seventy-seventh Congress is hereby continued for such purposes.

The SPEAKER pro tempore. The gentleman from Illinois is recognized for 1 hour.

Mr. SABATH. Mr. Speaker, for years I have believed that the House, whenever it felt that an investigation is necessary on the part of any of its committees, that the privilege and the right should be given to them. Unfortunately, for a long time the House refused to grant such power; consequently, the other body authorized the appointment of select committees and its standing committees to conduct all investigations, but I have always believed that the House could investigate to better advantage than the body on the other side of the Capitol. Gradually, House committees have undertaken investigations and consequently, during this session of Congress, the Rules Committee have reported, and you gentlemen have helped to pass, about 16 resolutions giving various committees the power to make investigations. In addition to these, 5 special committees have been appointed with the power to investigate.

This is one more resolution authorizing a standing committee to continue its investigation.

The Committee on Interstate and Foreign Commerce about 8 years ago was given the power to investigate the petroleum situation. I believe that committee has done splendid work. It feels that it should have the right to continue with that investigation during the present session of Congress.

I understand that the departments are in favor, contrary to what some gentlemen feel, of continuing the power in that committee to make further investigations. The committee now has on hand unexpended funds amounting to something over $12,000, and it will not ask the Congress for additional appropriations.

In view of that fact I feel that this resolution, under which this committee would have the power to continue its investigation, should be adopted, and I therefore ask a favorable vote on this resolution, believing that the committee, of which the gentleman from California [Mr. LEA] is chairman, should be granted that privilege and right.

For your information I wish to say that formerly the subcommittee of the Committee on Interstate and Foreign Commerce investigating the petroleum situation was headed by Judge Cole, of Maryland, and everybody recognized the splendid work that was done during his chairmanship.

Mr. Speaker, I have in a measure explained to you why this resolution should pass. The chairman of the committee, the gentleman from California [Mr. LEA], is here to further explain the needs of continuing this power, and I yield to him to make such explanation; I reserve to myself the balance of the time.

Mr. SABATH. Mr. Speaker, later on, I shall yield 30 minutes to the other side on the resolution. At this time I yield 5 minutes to the gentleman from California [Mr. LEA] to further explain the bill.

The SPEAKER. Does the gentleman yield 30 minutes to the minority?

Mr. SABATH. I will later on yield the usual 30 minutes.

The SPEAKER. How much time does the gentleman yield to the gentleman from California [Mr. LEA]?

Mr. SABATH. Five minutes.

Mr. LEA. Mr. Speaker, the relation of petroleum to our war situation is such that it is literally true that the main problems of the petroleum industry are now the problems of the United States. This committee, through action of its subcommittee has for 8 years studied the petroleum industry and its problems. We believe by continuance of the committee as requested here we can perform a useful service to the country, especially in view of the situation confronting us today.

The committee has in mind as one of its specific purposes in connection with the work ahead of us, to go further into the question of increasing the production of petroleum. There is no doubt that the increased production of oil is one of the most important problems confronting the country. We also want particularly to go into the question of giving any assurance possible of an adequate supply for military purposes. That, too, is a very important and an acute phase of our military situation. We hope the interest of the committee may make at least some constructive contribution to the solution of that problem.

Then we also have in mind the necessity of looking forward to the end of this year in the hope that our eastern coast and particularly New England will be given all possible assurances that their needs will be anticipated and provided for in advance of next winter.

Mrs. ROGERS of Massachusetts. Will the gentleman yield?

Mr. LEA. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Can the gentleman give us any assurances that we will be taken care of? We were horrified this morning to find that the east coast will be penalized to the extent of a further cut in the use of gasoline to six gallons a month. We have been restricted and restricted and restricted. We have had a great deal of suffering through the winter months because of a shortage of oil and today I feel very much discouraged about the situation. I know of the gentleman's interest, but can he assure us of any action that will give us oil and gasoline?

Mr. LEA. The present situation is acute, there is no doubt about that. The demand upon our oil supply is great.

The east coast and New England in particular are limited in their consumption not only by the necessity of conserving rubber and oil, but also transportation facilities inadequate to your needs, due to the partial elimination of the means of transportation of oil on which you formerly relied. The object of our committee in going into your problem at this time is to better prepare in advance for next winter when you may have an equal or possibly a greater need for fuel oil.

Mrs. ROGERS of Massachusetts. Would the gentleman help us now, today, to secure more gasoline? I feel it has been entirely a matter of maldistribution.

Mr. LEA. We are glad to look into that immediate problem and take an interest in it, but the gentlewoman can appreciate the difficulty of getting immediate results which depend primarily on increasing the transportation supply. Of course, we will be interested, and welcome the cooperation of the Members from the east coast in trying to improve the present situation.

Mrs. ROGERS of Massachusetts. I am glad of the gentleman's promise.

Mr. RANKIN. Will the gentleman yield?

Mr. LEA. I yield to the gentleman from Mississippi.

Mr. RANKIN. Let me say to the gentlewoman from Massachusetts that we are going to help you tomorrow if you will just pass this appropriation for the construction of the barge canal across the Florida Peninsula. It will take less than 10 months to complete that canal, according to the best authorities we have, and by the time the weather gets very cold in New England and along the Atlantic seaboard next year you can have an abundant supply of oil.

Mrs. ROGERS of Massachusetts. As the gentleman knows, I have been very much interested in that matter.

Mr. RANKIN. I thank the gentlewoman.

Mr. LEA. Mr. Speaker, Hon. William P. Cole, Jr., was chairman of the Subcommittee on Petroleum of the Interstate and Foreign Commerce Committee up to the time he left Congress to go on the bench in the fall of 1942. Mr. Cole's services, as well as that of the members of the subcommittee serving with him, are well recognized for the able and constructive service rendered the country. At the time of retiring from Congress, Mr. Cole recommended the continuance of the work of the petroleum subcommittee and gave his reasons therefor, as follows:

> At the end of 1942, unless renewed, the life of the Special Subcommittee to Investigate the Petroleum Industry will terminate. I hope the committee will be continued after that time for the following reasons:
>
> It is obvious that more and more control of the industry must fall under Federal direction, as our reserves, measured in years, grow less. It is proper and necessary that the legislative branch of the Government should have an independent means of developing information for the enactment of wise laws relating to petroleum, which should be special and permanent in its character.
>
> The oil business is the second largest industry in our country, and each year the economy of our people becomes more dependent upon it, and more integrated with it. It is infinitely complicated, and its economy delicately adjusted.
>
> It is impossible, in a few months or a few years, for the average legislator, who has not grown up in the business, to sufficiently familiarize himself with it to have the feel of it sufficiently to, with confidence, recommend legislation on it. It is therefore important that such a committee as this should have a continuing life over many years, and over many administrations, to properly advise the Congress on petroleum matters.
>
> The post-war period is certain to disclose the petroleum industry's internal economy disrupted, its supplies used up, its finances limited, and its reserves depleted.
>
> Legislation to rehabilitate the industry will certainly be indicated.
>
> It is vital that these laws be initiated by legislators who have long studied this intricate industry.
>
> I unqualifiedly recommend the continuance of this committee with proper appropriations for its investigations.

Mr. SABATH. Mr. Speaker, I yield to my good friend and hard-working member of the Committee on Interstate and Foreign Commerce, as well as the Rules Committee, 30 minutes.

Mr. HALLECK. Mr. Speaker, I yield 5 minutes to the gentleman from New Jersey [Mr. WOLVERTON].

Mr. WOLVERTON of New Jersey. Mr. Speaker, I rise in support of the resolution now before the House, the purpose of which is to continue the Special Petroleum Committee composed of members of the Interstate and Foreign Commerce for the purpose of making a study or survey of the petroleum situation and the problems that now confront the Nation with particular reference to the increased need of additional production to aid our military forces as well as our civilian and industrial needs, and, likewise to give careful consideration to the problems of transportation, all of which is so necessary if the Nation, particularly the eastern section, is to be properly served in the future.

The committee was originally formed to provide relief from a chaotic condition that existed in the oil industry. Immediately prior thereto oil had sold for as low as 10 cents a barrel. The oil industry was facing destruction. The legislatures of the several oil-producing States sought to remedy the condition. However, it was soon realized that the situation required Federal legislation. The Special Petroleum Committee was appointed to study the condition and recommend a remedy. The committee was composed of Hon. William Cole, of Maryland, chairman; Hon. Samuel P. Pettengill, of Indiana, Hon. Edward A. Kelley, of Illinois, Hon. Carl Mapes, of Michigan, and Hon. Charles A. Wolverton of New Jersey. The committee conducted a careful and extensive study of the whole subject. The report was contained in 8 volumes of 500 pages each. It has been referred to as the most complete study that has ever been made of the oil industry. The recommendations suggested by the committee were formulated into legislation and became law. It has proved highly satisfactory and has been the means of stabilizing the oil industry in the years that have intervened.

Since the original appointment of the committee it has been continued by each succeeding Congress. It has continued to keep abreast of the numerous and varied problems as they have arisen. All of its recommendations have been sound, worth while, and had the approval of all who have had contact with the problems of the oil industry. The good opinion in which the committee has been held in the past justifies the hope that the House at this time will give its approval to a continuation of the committee.

I have no hesitancy in saying that under the chairmanship of the distinguished gentleman from California, [Mr. LEA] that the committee will continue to merit the confidence of the House and that it will give in the future the same careful consideration to the problems as they arise as was given by the committee under the chairmanship of the distinguished gentleman from Maryland, Mr. Cole, before his resignation from this House to accept a well-merited appointment to the United States Court of Customs Appeals.

Mr. HALLECK. Mr. Speaker, I yield myself 5 minutes.

The SPEAKER pro tempore. The gentleman from Indiana is recognized for 5 minutes.

Mr. HALLECK. Mr. Speaker, I do not know of any opposition to the continuation of this committee authorization. There was no opposition expressed to the resolution before the Rules Committee and I have heard no opposition expressed here so I take it that it is not necessary to deal at any considerable length with the matter of the extension.

There is, however, one particular thing to which I should like to call the attention of the membership. Since I have not been a member of the Subcommittee on the Petroleum Investigation, I can say that all of its members are very able gentlemen and have done a splendid work. Early in 1941 the members of that committee, under the able leadership of our former colleague, Mr. Cole, of Maryland, became convinced of the necessity and desirability of constructing a pipe line from the east Texas oil field into the eastern section of the country. They made a recommendation to that effect to the full committee and the full committee introduced legislation to do that very thing. The Congress considered that legislation and it was enacted into law. The bill was before the House in June of 1941, and, if you recall, it provided for and authorized the construction of oil pipe lines and for a 24-inch pipe line from the east Texas field to the east coast. Bear in mind that that was in June of 1941.

It does not do any particular good to make charges and countercharges as to why that authorization was not used, why the authority to build the pipe line was never exercised. I mention it only because just a month ago there was dedicated at long last the pipe line that was completed from the east Texas field to Illinois, and now the extension to the east coast is being constructed. It is fair, however, to say that in that particular instance, at least, this special commit-

tee, the Interstate and Foreign Commerce Committee, and the Congress as a whole, the legislative branch of the Government, being wisely farsighted, looked ahead and saw the probable necessity for the very sort of pipe line which we have so badly needed during the past winter. And so I think a tribute can be paid, not only to the committee but to the legislative branch of the Government which had the wisdom and the farsighted intelligence to authorize the project.

Mr. HOLMES of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield.

Mr. HOLMES of Massachusetts. While there was a tremendous delay in getting this great 24-inch pipe line started, the legislation provided that an immediate start be made on the Plantation line from Baton Rouge to Atlanta and up to Greenville, S. C., and in addition to that the eastern pipe line was completed under that legislation from Port St. Joe to Atlanta and Knoxville, Tenn.

Mr. HALLECK. I thank the gentleman for his further statement.

Mr. RIVERS. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield.

Mr. RIVERS. Does the gentleman recall last June or July when we were considering the Florida barge canal bill that the House approved a $13,000,000 appropriation for the construction of a crude-oil pipe line from Mississippi to the east coast which was to be constructed under the provisions of the Cole pipe-line bill which the gentleman has just been discussing? Yet the Secretary of the Interior, who is Chairman of P. A. W., or the Office of the Petroleum Coordinator, ruthlessly—ruthlessly—and I say that very advisedly—refused to consider the construction of that pipe line in spite of the fact Congress ordered it built and authorized an appropriation of $13,000,000? What does the gentleman think of that?

Mr. HALLECK. It is right in line with the discussion I have been making.

Mr. RIVERS. And the people in my dear friend Mrs. ROGERS' State are freezing now because we cannot get action on that pipe line.

Mr. HALLECK. Of course, what the gentleman says is correct. Again I say that it just points to the farsightedness and the wisdom of the committee and the Congress in authorizing the construction of these necessary pipe lines at a time early enough that had the authority been exercised much of the trouble would have been avoided.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I have introduced a bill providing for the construction of a third pipe line to the East.

The SPEAKER pro tempore. The time of the gentleman from Indiana has expired.

Mr. HALLECK. Mr. Speaker, I yield myself 2 additional minutes.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Mississippi.

Mr. RANKIN. Let me say to the gentleman from Indiana that the pipe line referred to by the gentleman from South Carolina could have been constructed in a few months. It would not have gone through any mountains. The weather in that area is comparatively mild. It would have carried the full volume of the oil. The pipe line you are building from Texas up around through Illinois to the Atlantic Seaboard has been completed into Illinois, where they already had all the oil they needed. Now we have to go through the Allegheny Mountains. I do not know how long it will take to complete it, but I do know that in the Allegheny Mountains a great deal of the time the thermometer is below zero. Further, you cannot carry through that pipe line the full volume of oil. Even if you carried the full volume, it would have carried only 280,000 barrels a day, and the eastern seaboard is short more than 600,000 barrels a day now.

I am giving you the expert testimony given before the Committee on Rivers and Harbors when we had this Florida barge canal proposition and the Mississippi to the Atlantic coast pipe-line proposition under consideration.

Mr. HALLECK. If the wrong route has been selected, it is not the fault of this special committee of the Congress, because, as I recall the legislation, the direct routes were not specified in the legislation.

Mr. RANKIN. I am not criticizing the committee, I am calling attention to the fact that two ways to have gotten oil to the Atlantic seaboard have been overlooked. On tomorrow we are going to vote on the only available method that is left you people along the Atlantic seaboard to get an ample supply of oil within the next 12 months.

Mr. HALLECK. The gentleman from Mississippi should know that the President, under the bill, had the authority to certify any one of these routes that he wanted to certify, and could have brought about the construction of the pipe line.

Mr. BATES of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Massachusetts.

Mr. BATES of Massachusetts. Has the gentleman's committee given any consideration to the possibility of the development of a third pipe line? The reason I ask this is that the study I have made of the problem of constructing pipe lines for carrying fuel oil, gasoline, and kerosene shows conclusively from the words of those high in authority that the cheapest way to transport oil is through pipe lines.

Mr. HALLECK. The legislation was general and would authorize the construction of any needed pipe line. However, I question whether in peacetime pipe lines can compete with deep-water tankers.

Mr. BATES of Massachusetts. Does the committee intend to go into that phase of the matter?

Mr. HALLECK. I take it that they will; yes.

The SPEAKER pro tempore. The time of the gentleman from Indiana has expired.

Mr. HALLECK. Mr. Speaker, I yield 12 minutes to the gentleman from Georgia [Mr. PETERSON].

Mr. PETERSON of Georgia. Mr. Speaker, on Wednesday of last week the President submitted to Congress a report of his National Resources Planning Board.

I hold in my hand part 1 of this report.

In the introduction can be found the statement of policy which definitely proposes a world-planned economy including the "four freedoms" announced by the President soon after his inauguration for the third term and a new Bill of Rights containing nine objectives.

Following this report the President announced at a press conference last Friday that it will be squarely up to Congress to adopt a post-war program for this country; that the burden of what methods shall be used rests solely with Congress.

In my humble opinion this is an inopportune time for this whole issue to have been brought up. We should first win the war. I learned long ago that "one thing at a time and that done well is a very good rule as many can tell."

However, the President is certainly within the bounds of his rights in making his recommendations to Congress.

Likewise he is within his rights in following his recommendations with a clear challenge to Congress to take steps now toward some definite policy.

The plan submitted by the President in the report of the National Resources Planning Board is the only one that is now ready.

It offers a definite domestic and world program which incorporates practically the entire emergency acts of the so-called New Deal as a permanent part of a well-rounded-out scheme which has been visualized as a panacea for the social and economic ills of all mankind.

And its proponents are turning heaven and earth to get it fastened permanently upon the American people at this time while our thoughts and energies are turned primarily toward winning the war.

The President has raised the question and the issue is being forced.

If the people of America do not want this scheme as the heart and soul of our national economy they must not delay in taking action to intercept the activities of its proponents and to lay plans for a program that they do want. On the other hand if they do want it they should take similar action for its adoption.

If we fail to do this, I fear that in a few more months it will be too late.

In my opinion this is of greatest importance to every citizen of this Nation.

I hold in my hand here a copy of the new bill of rights that has been submitted to the American people by its President.

If a new bill of rights is to be adopted it appears to me that it should come up from the people as an expression of their will rather than down from the Chief Executive as an expression of his will.

This new bill of rights is a splendid expression of social and economic objectives. May I remind you, however, that it is absolutely silent as to the methods by which it is planned to bring about these objectives, or the form of government under which it would have the people live who are enjoying the benefits outlined in its provisions.

Likewise there is no intimation in this proposed new bill of rights as to the attitude of those who have designed this new document toward the rights of mankind which are so well defined in the Bill of Rights which the people of America incorporated as a part of their basic law, the Constitution of the United States of America.

Experience through the ages has pretty well proven that the people themselves are better judges of what they want than their rulers.

If a new bill of rights is essential, then I think our people should make plans for a meeting of their representatives to prepare such a document.

In view of these recent developments our people should not delay in the exercise of one of their prerogatives in the Bill of Rights which was adopted over 150 years ago—that is the right of the people peaceably to assemble—a right, by the way which is not included in the new bill of rights which has just been submitted.

I feel it my duty as a Representative of the people to call this to their attention. And I have prepared a resolution which I have introduced today looking to such an assembly of our people for the purpose of an expression of their will on this vitally important subject.

This resolution calls for a committee from this body of 48 members, one from each of the 48 States chosen by the Speaker from a list of 3 names submitted to the Speaker by each State delegation.

The committee, in turn, may arrange conferences with representatives or delegates from each of the 48 States in an effort to get an expression from the people themselves on this whole new program.

It has been over a century and a half since any such conferences have been held in this country.

Perhaps the Constitution and the Bill of Rights, which grew out of these conferences, are outmoded.

Perhaps the time is ripe for a new announcement of governmental principles and policies by our people.

If this be true, we should take every precaution to see that such new policies and principles grow out of the people themselves and not come down to the people with the earmarks of an edict from a superior power.

In any event, no harm to good government can grow out of such a conference and such an expression of the will of the people.

In the adoption of a program which so vitally effects the life of every individual, the voice of the people themselves should be clear and unmistakable.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. PETERSON of Georgia. I yield to the gentleman from Georgia.

Mr. COX. I want to make the observation that in my opinion my colleague is deserving of much praise for having raised this important question at this time. It is something that challenges the finest statesmanship of the country and should be given attention.

Mr. PETERSON of Georgia. I thank the gentleman.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to insert in the RECORD at this point excerpts from the report of the National Resources Planning Board.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The matter referred to follows:

PART OF REPORT FOR 1943 OF NATIONAL RESOURCES DEVELOPMENT, NATIONAL RESOURCES PLANNING BOARD, SUBMITTED BY THE PRESIDENT OF THE UNITED STATES TO CONGRESS ON WEDNESDAY, MARCH 10, 1943

INTRODUCTION

Our peace aims are war weapons which in the end may determine the outcome of the military struggle in which we are now engaged.[1] Extensive post-war plans are being made now in every country of the world, both by the United Nations and the Axis. The governments of the world are expending for this purpose large amounts of time and money in the midst of fighting. Post-war planning agencies have been set up in Britain and the Dominions, in China, in Russia, by occupied countries such as Poland, Holland, and Belgium, as well as in the enemy countries—Germany, Italy, and Japan.

The National Resources Planning Board, in presenting to the President a series of recommendations for post-war planning, at the outset states the general policy underlying its plans and programs.

We look to and plan for:

I. The fullest possible development of the human personality, in relation to the common good, in a framework of freedoms and rights, of justice, liberty, equality, and the consent of the governed.

As a means of protecting justice, freedom, and democracy:

II. The fullest possible development of the productive potential of all of our resources—material and human—with full employment, continuity of income, equal access to minimum security and living standards, and a balance between economic stability and social adventure.

As a means of insuring the peaceful pursuit of life, liberty, and happiness:

III. An effective jural order of the world outlawing violence and imperialism, old or new fashioned, in international relations; and permitting and energizing the fullest development of resources and rights everywhere.

The three factors—democracy, dynamic economy, and peace—never in the history of mankind have been united in a political system. The development of a society combining these three factors means a dynamic economy with fair distribution of the resulting gains throughout the community, the organization of this economy upon the basis of democratic controls and cooperation, the organization of a jural order of the world within which societies can live in peace and freedom. This is a novel combination never before attempted as a whole, although tried in part, nor ever before possible in man's history until the present time.

Experience clearly shows that it is impossible to maintain high standards of living without a dynamic economy; that it is impossible to live in peace without some effective force of world concert and order; that only under the fraternal influence of a democratic society can there be any security either for peace or prosperity, liberty and justice, or the continuing advancement of the spiritual ideals we cherish above material gains.

This is the inexorable trend of our time, dictated by the growth of human intelligence, and by the awakening nobility of the human spirit with its insistent demand for fraternal recognition and appreciation by fellow men. This upsurging human personality, even in the terrible grip of war, looks for the new heavens and the new earth within its sight and grasp for the first time. If men of good will cannot unite to find a direction and show the way, men of bad will appear; they will loot the ships of state wrecked by the false lights on the shore.

It is for these aims that the United States is striking its hammer blows in this titanic struggle. This is not a war for revenge and conquest, for more lands and more people, but for a peaceful and fraternal world in which the vast machinery of technology, of organization, of production may be made to serve as the effective instruments of human ideals of liberty and justice.

The National Resources Planning Board believes that it should be the declared policy of the United States Government to promote and maintain a high level of national production and consumption by all appropriate measures necessary for this purpose. The Board further believes that it should be the declared policy of the United States Government—

To underwrite full employment for the employables; and

To guarantee a job for every man released from the armed forces and the war industries at the close of the war, with fair pay and working conditions.

To guarantee, when necessary, underwrite—

Equal access to security;

Equal access to education for all;

Equal access to health and nutrition for all; and

Wholesome housing conditions for all.

This policy grows directly out of the Board's statement concerning which the President has said, "All of the free peoples must plan, work, and fight together for the maintenance and development of 'our freedoms and rights.'"

THE "FOUR FREEDOMS"

Freedom of speech and expression, freedom to worship, freedom from want, and freedom from fear; and a new Bill of Rights:

1. The right to work usefully and creatively through the productive years.

2. The right to fair play, adequate to command the necessities and amenities of life in exchange for work, ideas, thrift, and other socially valuable service.

3. The right to adequate food, clothing, shelter, and medical care.

4. The right to security, with freedom from fear of old age, want, dependency, sickness, unemployment, and accident.

5. The right to live in a system of free enterprise, free from compulsory labor, irresponsible private power, arbitrary public authority, and unregulated monopolies.

6. The right to come and go, to speak or to be silent, free from the spyings of secret political police.

7. The right to equality before the law, with equal access to justice in fact.

8. The right to education, for work, for citizenship, and for personal growth and happiness; and

[1] Wartime activities of the Board are covered in part II of this report, Wartime Planning for War and Post-War.

9. The right to rest, recreation, and adventure, the opportunity to enjoy life and take part in an advancing civilization.

Mr. SABATH. Mr. Speaker, I yield 5 minutes to the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to speak out of order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, you Members from along the Atlantic seaboard, where people have been freezing during this last winter, remember that on tomorrow you will have an opportunity to vote on a measure that will help to give you relief, the appropriation for the barge canal across Florida.

The American people generally could get relief if the Securities and Exchange Commission would proceed to put out of business some of these vast, useless holding companies that are sapping the lifeblood of the utility consumers of this country.

Here in the District of Columbia they are having a great deal of trouble with the Public Utilities Commission because they do not seem to know what to do. I will tell them how to solve the problem, and this will be democracy at work. If they will send down to Tupelo, Amory, Aberdeen, Columbus, or any of our cities in that area and get the board of aldermen to come here and take over the District of Columbia, and do what they have done there, they will reduce light and power rates by $3,000,000 a year, increase the consumption all over the city, and give people relief from the exorbitant overcharges they are now paying.

The Governor of New York is having troubles. The Legislature of New York has redistricted a part of the city of New York, and calling that a great reform, while the people of the State of New York are overcharged $200,000,000 a year for their electric light and power, and nothing has been done about it. If they will just send down to the Tennessee Valley Authority and get a man by the name of Llewellyn Evans, whom we borrowed from Tacoma, Wash., to go to New York and work out a rate schedule, and then, if the Governor of New York, with his Republican legislature, will pass a law to create a new commission that will put those rates into effect, they can reduce light and power rates to the people of the State of New York about $200,000,000 a year.

Not only that, but the commission at home, where we pay more for electricity wholesale than they should have to pay in New York, have just reduced our rate, this last year, to where our residential consumers paid an average of only 1 cent a kilowatt hour.

And, if they are not satisfied, then they can go into Prentiss County or Alcorn County and get the Directors County Power Association composed of businessmen and farmers. There they have paid more for power wholesale than it should cost anywhere in New York, more than they are paying in the District of Columbia, more than it costs to produce it with coal, or oil, and both these associations have reduced their rates to the T. V. A. levels and have paid their entire systems out. One of them gave its consumers a dividend of $45,000 last year.

Mr. GIFFORD. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. Yes, I yield to the gentleman from Massachusetts.

Mr. GIFFORD. I realize that the gentleman is a real authority on this subject. I acknowledge that. Will the gentleman tell me how we can reduce rates in Nantucket?

Mr. RANKIN. Yes; I was going to come to Massachusetts. I will tell the gentleman from Massachusetts how to reduce rates in Nantucket. Build this short stretch of canal across the Florida Peninsula, so that you can get oil at a reasonable rate, and then get a commission in Nantucket that will cut those rates down to the minimum. Let me assure the gentleman from Massachusetts that I am not facetious when I say this. Jacksonville, Fla., is nearly as far, though not quite so far, from the oil fields as is Massachusetts. Jacksonville, Fla., two years ago—and I investigated it—collected $4,134,838 for electricity sold to the ultimate consumers, and after allowing for free services, taxes and depreciations, made a net profit of $1,780,063. Their rates were cheaper than the rates in Miami, cheaper than in Massachusetts, and out of that $4,134,838 the Jacksonville municipal power system made a net profit of $1,780,063. So I say to the gentleman from Massachusetts, that if you will just make it possible to get this oil to your people at reasonable rates, or get it to them at all, then if you will see that your commissioners represent the people of Nantucket, the people of Massachusetts, and strip these rates down to where they should be, then you will not have to come here and debate about these racketeers, and these holding companies, some of whose presidents draw salaries of $250,000 a year, and who have enough vice presidents on their pay rolls to whip Ethiopia.

I realize that Nantucket has a population of only about 4,000; but I can show you towns of similar size that own and operate their own plants and have very low rates.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. Yes.

Mr. HALLECK. The gentleman has referred to the barge canal as a means of transporting oil to New England.

Mr. RANKIN. Yes.

Mr. HALLECK. The danger of the submarine is not yet eliminated, but even so is the cost of transportation in this intracoastal barge canal cheaper than deep-water transportation outside?

Mr. RANKIN. I am very glad that the gentleman has raised that issue, because that is the very question involved. This intracoastal waterway is safe from submarines. The reason you cannot get this oil around there now is that you have to go around the Florida Peninsula. From the coast of New Jersey you have an intracoastal waterway, protected from submarines, down to Florida, and then you have an intracoastal waterway on the west side which extends from the Florida Peninsula to the border of Mexico. But, when you get to Florida, going east with this oil, you cannot cross Florida, you have to go around through the open Gulf. You cannot tow those barges in the open Gulf on account of the waves, and besides, the submarines are swarming around the Peninsula of Florida and in the Florida Straits, and the Windward Passage, to such an extent that they have absolutely cut off the supply of oil along this route to the eastern seaboard.

Mr. HALLECK. But the gentleman has not answered my question.

Mr. RANKIN. What is it?

Mr. HALLECK. I yield myself 30 seconds to ask the question again.

Mr. SABATH. Mr. Speaker, I yield the gentleman from Mississippi 5 minutes more.

Mr. HALLECK. Sometime we are going to win this war, and we will not have the submarine menace.

Mr. RANKIN. Yes, but these people may freeze to death in the meantime.

Mr. HALLECK. Again I ask the gentleman, what is the comparative cost for the transportation of oil from the oil-producing areas to the east coast, as between the intracoastal waterway that is protected, and we understand it is protected from submarines, as against the deep-water transportation that would again be resumed when the submarines are out of the way?

Mr. RANKIN. When they are out of of the way? I understand, in the first place, the difference in cost now is the difference between success and impossibility. You cannot go through the open sea now, and even if you could these barges could not go that way. This barge canal, this intercoastal waterway, will carry all the oil produced in America. We brought that out before the Committee on Rivers and Harbors, that this barge canal could carry all of the oil produced in America if it could be brought to it.

Mr. HALLECK. And I am not facetious in asking the question because I think the merits of a barge canal across Florida in a way depends not only on the immediate value of it but on the long-range value of it.

Mr. RANKIN. The answer is that evidently it is cheaper, because all the oil using areas that can use these intercoastal waterways are now using them and have been for years.

Mr. HALLECK. Why are they not moving more oil on the Ohio and Mississippi Rivers?

Mr. RANKIN. That is different. Have you ever tried to go up the Mississippi or up the Ohio?

Mr. HALLECK. Yes, I have ridden on them.

Mr. RANKIN. There is a great deal of difference between that and going along this intercoastal waterway. Even when you get to the headwaters of the Ohio River you are not to the Atlantic seaboard. You are still behind the Allegheny Mountains. That is not the area that is suffering for oil. Along the

Atlantic seaboard they cannot get oil and this waterway will reach them.

Mr. BATES of Massachusetts. Will the gentleman yield?

Mr. RANKIN. I yield.

Mr. BATES of Massachusetts. We understand that the Chief of Engineers has stated it will take about 3 years to build this barge canal?

Mr. RANKIN. Oh, no, no; that is not correct. General Summerall, one of the ablest military men this Nation ever saw, says it can be done in 10 months.

Mr. BATES of Massachusetts. Then you do not agree with what the Chief of Engineers had to say?

Mr. RANKIN. I agree with what General Summerall says, who knows as much as any other engineer. The Chief of Engineers had an entirely different canal in mind.

Mr. BATES of Massachusetts. But you do not agree with the Chief of Engineers?

Mr. RANKIN. I agree with General Summerall, who has investigated this proposition time and time again.

Mr. BATES of Massachusetts. Well, do you agree with the Chief of Engineers?

Mr. RANKIN. If you will build this canal you people up there will not freeze to death next year, but unless it is constructed you will suffer the same as you have for the past two winters.

The SPEAKER pro tempore. The time of the gentleman from Mississippi has expired.

Mr. SABATH. I yield the gentleman 1 additional minute.

Mr. HOFFMAN. Will the gentleman yield?

Mr. RANKIN. Yes; I yield.

Mr. HOFFMAN. You said if they had the board of aldermen from Tupelo they could get this whole business of overcharge for electric current all fixed up. Why did you not take that up with Governor Lehman when he was Governor of New York, and get them relief?

Mr. RANKIN. We did; but he had so much opposition among the other crowd in the legislature that he could not get anywhere.

Mr. HOFFMAN. He was in there 6 years, was he not? How much time did you need in order to convert him?

Mr. RANKIN. But now you have a Governor up there who has the legislature with him.

Mr. HOFFMAN. And you expect him to take up and do things that you could not do? No doubt he will remedy many an evil practice.

Mr. RANKIN. He has redistricted the city of New York. Now, if the Governor of New York really wants to give those people some relief, he has an opportunity to do it.

Mr. HOFFMAN. What about Governor Lehman doing it?

Mr. RANKIN. He is out of office.

Mr. HOFFMAN. Why did he not do it while he was in? Are you going to leave all the good work for the Republicans to do?

Mr. RANKIN. If we do, we will be in a terrible predicament.

Mr. ROWE. Will the gentleman yield?

Mr. RANKIN. I yield.

Mr. ROWE. Governor Lehman was in the same position when he was Governor that the gentleman from Mississippi, JOHN RANKIN, is in when he attempts to fight the Power Trust.

Mr. RANKIN. He was probably in the same trouble that Governor Dewey is. He is up against the utilities that manage to get a large number of the members of every legislature on their pay rolls, directly or indirectly, and I am afraid they have got Governor Dewey stymied.

Mr. HOFFMAN. But you fellows have had control for 10 years.

Mr. RANKIN. Oh, no. For instance, I will give you an illustration. Two-thirds of the members of the Texas Senate have been directly or indirectly on the pay roll of the utility companies for years and years and years. That is the reason the people of Texas cannot get relief from their exorbitant light and power rates.

Mr. HOFFMAN. You mean those good southern Democrats?

Mr. RANKIN. Yes. They employ them as lawyers. They employ them as accountants. They employ them as engineers, just as they are doing in Michigan, just as they are doing in New York, Arkansas, and other States. So I am trying to see that the people of this country get not only fuel oil but that they get electricity at rates they can afford to pay.

Mr. HOFFMAN. And gas?

Mr. RANKIN. At what it is worth. I will say to the gentleman from Michigan the people of his own State are overcharged more than $60,000,000 a year for their electricity as compared with the rates just across the river in Ontario.

Mr. HOFFMAN. And in addition to that, we gave you the money to run the Tennessee Valley Authority.

Mr. RANKIN. No, the Tennessee Valley Authority is paying for itself.

The SPEAKER pro tempore. The time of the gentleman from Mississippi has again expired.

Mr. SABATH. Mr. Speaker, I am indeed gratified that at least at times I can agree with my friend the gentleman from Mississippi [Mr. RANKIN]. He has given generously of his time and accomplished much in preventing the people who are the users of power from being charged exorbitant rates by the power combinations and power trusts.

I remember his fight in years gone by, and I want to compliment him and express the hope that he will be able to continue his splendid effort to bring about a readjustment of rates all over the United States. It is a great task, and I know those gentlemen controlling the utility companies and holding companies are all-powerful in some sections and do just exactly what he states—that they have been influencing and in many instances bribing corrupt officials so that people do not obtain justice.

Mr. RANKIN. Will the gentleman yield?

Mr. SABATH. Yes; I yield.

Mr. RANKIN. In reply to a question on the other side——

Mr. HOFFMAN. Oh, Mr. Speaker, I object to that after he has gone back and thought it over. That is not fair.

Mr. RANKIN. He objects to anybody speaking after thinking.

Mr. HOFFMAN. That is right.

Mr. SABATH. I yield to the gentleman.

Mr. RANKIN. My attention has just been called—I want you gentlemen from the Atlantic seaboard to get this—my attention has been called to a statement by Mr. Arthur Johnson, who has done over $200,000,000 worth of construction of this kind and who is highly recommended by General Reybold, that this canal across the Florida peninsula can be constructed within 10 months.

Mr. BATES of Massachusetts. Will the gentleman yield?

Mr. SABATH. Yes; I yield.

Mr. BATES of Massachusetts. Just for a minute. We are all tremendously interested in getting oil to New England. We do not care whether we get it through the barge canal, by pipe line, or by what other means, we want oil as quickly as we can get it and will vote for the Florida barge canal, and I believe many other Members from New England will join, if it can be built in 8 months. What we want the committee to do it to come in here tomorrow with a statement from somebody high in authority that it can be built in that time.

Mr. SABATH. Mr. Speaker, I cannot yield further because I have something more to which I wish to direct attention.

We have heard the gentleman of the Interstate and Foreign Commerce Committee and the minority leader of that committee, the gentleman from Indiana [Mr. HALLECK] tell us of the splendid work that has been done by the committee in connection with the investigation of the petroleum situation in this country. I am reminded of the fact that that committee also has jurisdiction over these various power companies, and in view of the fact that no real action has been taken to bring these power people to time, I hope the committee will in the near future penetrate that situation and bring relief to the millions of people who are being overcharged by the power companies, the power combination, and Power Trust. I recollect a few years ago when we tried to pass a real bill we were charged with attempting to put all these utilities and holding companies out of business. But they are still doing business, are still charging exorbitant rates, and are making more money than ever before. I think this great Committee on Interstate and Foreign Commerce has a wonderful opportunity to proceed and determine why the law we passed, and which would restrict them, is not being complied with.

Mr. RANKIN. If the Interstate and Foreign Commerce Committee will do it, they can get all the information they need from the Federal Power Commission.

Mr. SABATH. I think they can. The committee has been deservedly complimented upon the work they have hereto-

fore done. Two resolutions have been passed authorizing them to proceed in certain directions, and I know they will not miss the opportunity to do this constructive work in which the consumers of electricity and power of the entire Nation are interested.

I have been informed that the Republican gentlemen are going to hold a caucus shortly after the House adjourns today. I will therefore hasten to conclude so as not to delay them, notwithstanding that perhaps a few Republicans may feel that I am not as friendly as I might be. But to again demonstrate my friendship, I offer a word of suggestion to the older Republican Members and to the new Members that you not allow yourselves to be tied down to such an extent that you may in the future be characterized as rubber-stamp Representatives, the same as we Democrats were charged in voting to aid the President to legislate in the interest of preparedness, and I hope that you will act accordingly.

Mr. ROWE. Will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Ohio.

Mr. ROWE. I want to confess as a new Member on this side that they do not tie us down.

Mr. SABATH. We will see the results. Therefore I hope that you gentlemen will not permit yourselves to be swayed at the caucus by the sooth words of your leader, the gentleman from Massachusetts [Mr. MARTIN] and his able assistant, the gentleman from Indiana [Mr. HALLECK] to be tied up in a manner to deprive you of your individual views and votes. And I offer that admonition that you not permit yourselves to be so bound that you are not free to exercise your best judgment.

Mr. HALLECK. Will my very splendid Chairman yield to me?

Mr. SABATH. I yield to the gentleman.

Mr. HALLECK. I am sure the gentleman understands that whenever we work a thing out over here, it is just so right, and so recognized as right by everybody, that everyone wants to be for it.

Mr. SABATH. I hope it will be right, as I do not want to question anything the gentleman from Indiana says. But I am afraid he is a little overconfident as to the righteousness of his cause.

Mr. RANKIN. The gentleman on my right here just said that the Members on the Republican side in conference do not tie their Members down.

Mr. ROWE. That is correct.

Mr. RANKIN. He said they did not tie them up. I was going to suggest that they not let themselves be tied down.

Mr. SABATH. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to address the House for 20 minutes on Monday next after the disposition of the legislative business of the day and other special orders.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes on Monday next after the disposition of the legislative business of the day and other special orders.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Minnesota [Mr. H. CARL ANDERSEN] may extend his own remarks in the RECORD and include a resolution from the legislature.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. CASE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include an editorial from the Sioux Falls Argus.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. TALBOT, for 10 days, on account of official business.

To Mr. MAGNUSON, for 5 days, on account of official business.

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from Indiana [Mr. SPRINGER] is recognized for 30 minutes.

FOOD PRODUCTION

Mr. SPRINGER. Mr. Speaker, even with mechanized forces Napoleon could have said, "An army marches on its stomach"; and the years would not have lessened the fact.

In the Little Corporal's retreat from Moscow, and Hitler's retreat from Stalingrad, hunger and malnutrition took a disastrous toll, in addition to heavy casualties inflicted by valiant Russian fighting forces. Military defeat is almost certain when no sustenance can be had from the scorched earth, and the fat of the homeland has dwindled to insufficiency. The United States and our allies in this war must be spared such fate.

In 15 months of participation in this war the United States has made great strides. We have every right to be proud of our record, and there is no denying it will improve, provided we employ some steps too long neglected now. Our production of military essentials has progressed by leaps and bounds; our Army and Navy have done a splendid job of organization and training. The first and fairly recent test in the offensive has proven the mettle of our fighting men and their leaders on foreign fronts.

It is wrong to consider that progress has been made, as some contend, despite criticism. Loyal and constructive criticism has helped to eliminate mistakes that would have proven costly if permitted to occur, or, if occurring, to continue. It would also be wrong to believe that mistakes have not occurred or that they will not occur.

Despite the continued inference of some high Government officials, the American people are not complacent and suffering delusions regarding the seriousness of this war and the danger of our position in it at present. Loyal Americans do not believe, for instance, that the Russians have practically annihilated the Germans, that the German people are cracking, and that rebellion in occupied countries will overthrow Hitler, or that the best way to win this war is to furnish our allies with the weapons and let them do the fighting. They know that is exactly what the enemy wants them to believe.

Mr. Speaker, I do not believe any American citizen thinks we can huff and puff and blow the Axis house down. Or that psychology alone can throw off the mailed fist. Or that the Yanks will not do their own fighting. However, I do believe that an economic balance to any military effort deserves the most studied consideration.

In that regard I regret that the Secretary of War, in his recent radio speech on the size, character, and objective of our Army, gave so little attention to the military axiom that an Army marches on its stomach.

Not because I cringe from fear of being labeled armchair strategist do I refrain from debating the size of our Army. I repeat, we can be proud of the progress in training and equipping our armed forces while lend-leasing to our allies. There is no point in debating the seriousness of our position in this war. And our objective is certain—we have to win, or else.

Nor will I press for an explanation as to why 130,000,000 Americans can raise only 100 divisions of ground forces while Germany, with a population of only 80,000,000—and after 3½ years of total war—can still have 300 divisions. I will not question here the disparity between the size of Allied and Axis combat forces. Or why the Secretary of War, in giving his report on the estimated number of enemy troops—and very definite figures on armed force plans of the United States—passes off a comparison of European Axis strength with combined Russian and British numbers by a mere statement that the latter are much smaller.

I wish to discuss an important objective commensurable with the objective as regards the size of our armed forces, important because it encompasses not only the need to adequately supply our own armed forces and civilians, but of meeting commitments to those nations fighting with us. I refer to the production of food—the ammunition for the stomach on which our Army must march.

The production of food deserves far more consideration than mere acknowledgment of "the difficulties in getting machinery and employees which our farmers and manufacturers are now experiencing," as the Secretary of War expressed it.

With farm employment at its lowest since the Department of Agriculture began keeping a record in 1922, and with food production demand greater than ever, to consider the production of food less important than industrial military production is sheer folly. It is a dangerous folly on the part of the military officials whose reasoning seems to be running on a single track, leaving those responsible for solving the food problem to get along as best they can on the crumbs of material and manpower the military leaves. In grabbing for those essentials the military so far has had the upper hand, and has continued a selfish dog-in-the-manger attitude. Perhaps they were lulled by the assurance that our food supply would be adequate, and, therefore, not entirely to blame—although a little more cooperative consideration in the past would now be paying dividends. But here we are with a serious food problem, and a squabble between the Food Administrator and the military heads with W. P. B., O. P. A., the War Manpower Commission, and other agencies involved and contributing to the general chaos.

"Production will win the war" and "Food will win the war" are more than euphonious slogans—they are accepted statements of fact. And for their mutual end to be achieved they must be considered as equipollent.

The arsenal of democracy is no more important than the bread basket of democracy. And the maximum effective size of our Army cannot be arrived at without due consideration to both.

From all accounts our production of military equipment is favorable—it should be since it was our first consideration—although there is reason to believe that progress in shipping facilities is less favorable. Unfortunately, last, but far from least, is the report on our food situation.

Not so many months ago we were told by the Secretary of Agriculture that our food supply was adequate, and assured by the President that, according to reports given him, we could successfully be the bread basket of democracy. We were told that food rationing was remote, if necessary at all. Now War Ration Book No. 2 is the leading best seller, boasting 150,000,000 copies.

The American people are not rebelliously angered because their food is rationed. They have accepted and will continue to accept any unavoidable shortages and any satisfactorily explained necessary rationing, sacrifices, or restrictions that will shorten the war. But they are puzzled and confused. They wonder, for instance, what happened to our adequate food supply in a few short months? What happened to require food rationing? Why were ration points so unexpectedly high? Why meat rationing promises to be more drastic than first indicated?

Inability to meet the wartime food-production goal is one answer, although waste and mismanagement may be accountable in part.

The Seattle (Wash.) Post-Intelligencer of March 6, 1943, according to a United Press story, said that last October an unexpected and unneeded shipload of foodstuffs for which there was no storage place in the community had been landed at Nome, Alaska. The newspaper estimated that in the shipment there was enough butter and coffee to supply each of the 400 citizens of Nome with thousands of pounds from the 350 tons of butter and 173 tons of coffee in the alleged shipment. It further reported that not only the butter and coffee, but other food items, were wasting on the beach from lack of storage facilities and that similar occurrences had been previously reported.

Several weeks ago the Department of Agriculture estimated that our 1943 production goals would mean a total meat supply of 26,495,000,000 pounds, which would mean a per capita supply of 2½ per week. A tentative 9,130,000,000 pounds would be for current needs and emergency reserves of our military and lease-lend requirements, leaving 17,364,000,000 pounds for civilians.

Now, if starting April 1 there is to be a per capita ration of 1¾ pounds per week for the remainder of the year, our domestic consumption on the basis of 120,000,000 civilians would be 8,400,000,000 pounds, thus leaving 8,964,000,000 pounds unaccounted for.

Using these figures the Associated Press recently went on to estimate the total civilian consumption, at 2½ pounds per person per week to be 3,600,000 for the first 3 unrationed months of 1943, and estimated the total consumption for the whole year at 12,000,000,000 pounds, or 5,364,000,000 pounds below the estimated civilian supply. Assuming that public eating places would use 2,000,000,000 pounds for the year, there would be in the end 3,364,000,000 pounds unaccounted for. That amount would add 10 ounces per week for each of the 120,000,000 consumers, which, added to the 1¾-pound ration, would total 2 pounds and 6 ounces per week for each civilian.

The suggestion is that the deficit might be accounted for in several ways; particularly that requirements of the military and lease-lend may have been expanded, or extensive hoarding, or production levels may not be up to expectation.

Surely our military and lease-lend requirements and commitments were based on production estimates—or should have been. And there are means of minimizing hoarding. We have left, then, the very obvious fact that our production will not meet expectations unless something is done, and done quickly.

Food production is not a day-by-day process. It requires advance planning, to say nothing of the vagaries of the weather. In much of the land the planting season is close at hand. It is late, but not too late to salvage something from our bogged-down food-production program if proper action is taken now.

Not long ago high Government officials were praising the patriotic effort of our farmers—with minor recognition to Providence—for a 1942 farm production record 12 percent above any year on record. The Secretary of Agriculture and Wartime Food Administrator courageously announced a food-production goal for 1943 with an average increase of 14 percent in 10 leading items: Milk, 2 percent; all meat, 16 percent; hogs, 27 percent; lard, 36 percent; cattle and calves, 7 percent; chickens, 28 percent; eggs, 8 percent; wheat, 2 percent; corn, 4 percent; and potatoes, 11 percent. Can that goal be attained?

Mr. Speaker, on the basis of 1942 and 1943 comparison reports of three typical agricultural counties in the Tenth District of Indiana, not only will we fail to meet the national food-production goal for 1943, but production will fall disastrously below normal. A food shortage approaching famine will occur this year unless something is done and done quickly.

These reports indicate a minus 3.2 percent in milch cows. This is discouraging to the goal of 2-percent increase in milk. Not even a Washington swivel-chair farmer, with all the theories in the book, can get milk from a minus cow.

More startling is the indicated minus 60 percent in beef shown by the leading beef-producing county in my district, as compared with the planned 7-percent increase in cattle and calves. And even when that deficiency is combined with a 27-percent hog increase, which matches the Department of Agriculture's score, there remains a minus 33 percent to compare with the Department's expected 16-percent increase in all meat.

Although these reports show an average increase of 10.3 percent in poultry it is still short of the 28-percent goal.

Corn acreage is shown to be off 2 percent, and tomatoes off 20 percent. And those figures are significant to an indicated 32-percent decrease in hay and pasture acreage. With manpower shortage and insufficient equipment to produce crops a farmer has no choice but to turn acreage into grass. Millions of acres will lie idle in 1943.

Soybeans—a very important war crop that the Secretary of Agriculture is calling for—will, according to these reports, decline 3.9 percent. Farmers had a disheartening experience with this crop last year. Not only did lack of help and equipment leave thousands of tons to rot in the field, but the Government's inducements were misleading, and inability to utilize the crop that was harvested glutted and overflowed storage facilities with resultant destruction and cost from excess handling.

The picture is not encouraging. Why? Because, for one thing, agriculture has not received due consideration as an essential industry.

In the United States News of December 25, 1942, there appeared an article entitled "A Farmer and His Troubles." The author was merely designated as an Indiana farmer. The text of that article was placed in the Appendix at page A54 by the gentleman from Michigan [Mr. HOFFMAN]. Just recently I learned through a letter from that anonymous author that he is a constituent of mine. I do not believe many Members of Congress need read the article to get an understanding of the farmers' predicament. But I do recommend it as essen-

tial reading for many Washington bureaucrats.

In answering some of the questions as to why we will not attain our 1943 food-production goal I will brief some of the points in that article by Mr. George O. Rafert, of Fortville, Ind., right in the heart of that great State's finest farming area.

He tells how the Army took his unmarried son, and how his two hired hands were induced into manufacturing plants by high wages—but a questionably improved net income. He tells how he and his married son and their wives slaved to harvest a 1942 record crop, working almost beyond human endurance; how that farm's average production of 350,000 pounds of corn-fed beef dwindled under shortage of manpower and ceiling prices to the point where feeding lots are empty; how they turned to hog production with an anticipated increase to 1,000 head, only to find that cut in half by restrictions on material for self-feeders, or posts and fencing—pointing out that rotation of lots is essential to prevention of disease in hogs. In answer to the frayed comeback of W. P. B. "farmers" that substitute methods be used, he points out the difficulties encountered that contributed to decreased production.

May I note here that the Secretary of War has expressed great confidence in American industry and agriculture to produce miracles through substitutes?

The article goes on with intelligent logic to set out the problems of one farmer, with the suggestion that this one example be multiplied by a thousandfold to get the national picture. And there are factual examples of how the Government sets obstacles in the way of its own food-production program.

In the letter I received from this typical American farmer there is a plea. A plea that every effort, late as it is, be made to bring agriculture into line with manufacturing under governmental consideration of the methods by which production in both fields can be balanced; that the military officials consider seriously the matter of food production in relation to the size of the Army.

This farmer asks another thing—and I have heard many similar requests, as have most Members of this House: That his boy, now in an Army camp in this country, be furloughed to help with the crops. This is not the selfish plea of a father. It is the plea of a patriot. Yes; the plea of all American farmers struggling against odds to do their part. It is a proposal, based on sound logic, that the military authorities, in their talk about sending battalions into critical farm areas, listen to reason and consider the smallest farm a vital unit.

With the exception of gathering flash crops, for instance, farming can no more be done effectively by untrained and inexperienced personnel than can a bomber, with all its intricate construction, be built by a production-line personnel made up of a conglomeration of individuals who never had a wrench, an electric welding torch, or a riveting hammer in their hands. Farming has progressed and developed scientifically and mechanically along with all other industry to the point where maximum production on which we must rely is dependent on skill of personnel and efficiency of modern machines. Farmers cannot go back to the single- and double-shovel-plow days and produce today's requirements, and only a trained shepherd can successfully tend the flock.

One sentence from this farmer's letter tells the whole story behind his plea that not only his son but every farmer's son that can be spared from a military camp be furloughed to help meet our vital food-production goal. It reads:

> The soldier who goes back to the land to help must go back to the land which he knows, and from which he came, if he is to be of real use.

On last January 27, Claude R. Wickard, Secretary of Agriculture and Wartime Food Administrator, told a meeting of wholesale grocers in Chicago that last year 12 to 13 percent of the Nation's food production taken by the Government was divided 56 percent to our own armed forces and 44 percent to our allies. He stated that in 1943 the Government would take 25 percent to be divided more equally. He called for cooperation in making point rationing effective in order that we might successfully meet those requirements. More recently Mr. Wickard told a Senate subcommittee:

> We have about reached the place now where we cannot expand our meat production any more, because we are not going to have enough of the basic element, feed, to support much more increase.

He went on to say we would soon have to eat "some of these grains" rather than feeding them to animals and eating the animals. He said we were fast approaching the English short rations. In brief, our food situation is bad.

There is some encouragement in the recent action of the War Manpower Commission in finally hitting upon, in its numerous gestures and changes of policy, a program prohibiting induction of essential farm workers even if it means failure to meet selective-service-board quotas, and in reclassifying those in the upper age brackets a a means of getting more men into farming. How that will get along with the demand of the military for a huge armed force remains to be seen.

It is apparent the War Manpower Commissioner and the Secretary of War are not exactly in accord on the question of voluntary or mandatory distribution of manpower. The sad current result is additional conflict between the Food Administration and the War and Navy Departments, with the Manpower Commission in the middle.

Perhaps we can look forward hopefully to the report of the President's five-man committee delving into the manpower situation. The Presidential move sounds logical, although, like the one-man production head, and rubber committee moves, sadly belated.

It is interesting to note that constructive administrative moves follow close upon public demand, through the medium of our free press, and determined congressional action. It is surprising how the administrative pace has quickened since last November 3.

Mr. Speaker, "armchair strategists" cannot know as much about the size of the Army as the military experts. But neither should the military experts be so "blinded by the smoke of their own fanaticism" as to consider themselves "agricultural strategists."

There should be a council of war—Capital C-o-u-n-c-i-l of capital W-a-r. The chiefs of our administrative tribes should hold a powwow, pass the pipe of peace—not the pipe of pieces—and work out a coordinated plan for effectively fighting this war. And it is the responsibility of the chief of all the tribes to see that the council functions efficiently and effectively, each in his own sphere to make the unified whole.

Recently the Secretary of War referred to the problem Lincoln faced in 1862 from delusions of the people. Let us not forget that Lincoln had strife in his official family. When he had eliminated that the people were less confused, and could clearly realize what it meant to be at war. They were encouraged by the opportunity to help shorten the war, and the Nation was preserved.

We can compare 1943 with 1862 in more ways than one. Let us compare honestly and fairly. When the chaos, rivalry, and pettiness in Washington gives way to efficiency and coordination unity will reign in the land. Our Army will have all the needed and best modern equipment to march, and fly, and fight with, and a full stomach to march, and fly, and fight on. The war will be shortened, victory assured, and peace restored to the world.

[Here the gavel fell.]

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from Indiana [Mr. GILLIE] is recognized for 15 minutes.

THE PRICE SQUEEZE OF MEAT PACKERS

Mr. GILLIE. Mr. Speaker, the price squeeze to which meat packers have been subjected for many months by the Office of Price Administration is one of the most unfair and unwarranted actions of our Government. It represents a deliberate flouting of an act of Congress. Last October, the Congress, deeply concerned over the plight of the independent meat packers, adopted an amendment to the Price Control Act providing that in the fixing of maximum prices on agricultural commodities and on commodities processed in whole or in part from agricultural commodities, a generally fair and equitable margin should be allowed to the processors This amendment was urged upon us by the meat processors, and, as everyone knows, it was adopted largely for the purpose of insuring them a livelihood. Nearly 6 months have elapsed since that time and nothing has been done about it.

I am reliably informed that meat processors, both large and small, are now unable to make ends meet because of the price problem. That problem arises from the fact that maximum prices were established on meat products but not on the live animals. Figures recently compiled by American Meat Institute

and by National Independent Meat Packers Association show that processors of cattle are losing money heavily under present prices, and the same thing is true, I am told, of processors of hogs.

In testifying in October before the Committee on Small Business of the Senate, Assistant Secretary of Agriculture Grover B. Hill said:

In the Department of Agriculture we have been very much concerned as to whether we would have sufficient facilities in the packing industry to take care of the increased number of hogs and cattle that will be available this fall.

And he added:

We have been very much interested in keeping the packers in business.

Yet, in his testimony before the Small Business Committee of the House of Representatives last month, Secretary Hill testified as follows:

Chairman PATMAN. Do you believe that the small packers can remain in business under present conditions?

Mr. HILL. No.

Chairman PATMAN. Now your testimony indicates generally that possibly 50 percent will probably have to go out of business if something is not done to adjust the situation.

Mr. HILL. Well, I don't know how many independent packers could survive. Some of them are very large. Some of them may have other lines of business. I don't know.

The CHAIRMAN. But on the meat-packing business alone you suggest to the committee that they cannot continue in business under the present situation.

Mr. HILL. I don't think any of them could continue unless they have sufficient capital to support it, to see them through.

Now this means, Mr. Speaker, that these small packers are being called upon to use up their capital to stay in business because they cannot make ends meet under existing prices. In fact, the Department of Agriculture has recognized this and has said, as long ago as last October, that the prices are unfair to the processors. In his testimony before the Senate Committee on Small Business on October 7, 1942, Secretary Hill said:

For several months there has been a squeeze on meat packers. It has not been confined to small packers. The squeeze has hit some large packers. The squeeze has applied generally to the meat-packing industry during the past 2 or 3 months.

That statement, Mr. Speaker, was made 5 months ago, and the squeeze still continues.

Reliable figures are available as to the cause of the squeeze. I quote as follows from Secretary Hill's statement:

The maximum prices at which packers could sell pork products under the ceilings were, with certain adjustments, the highest prices in the week of March 3–7, 1942. In that week the top price for hogs at Chicago was about $13.50 per 100 pounds. In August the top price reached $15.30 per 100 pounds, and in September $15.40.

At the seven principal hog markets the average price of barrows and gilts in March 1942 was $13.25 per 100 pounds. In August that average had risen to $14.54. The pork ceilings averaged enough above the average pork prices in the March base period to justify a part of this increase in hog prices, but not as much as occurred.

It is well known that the price of hogs during the past several days reached $16 per 100 pounds, although the prices on the products, according to Secretary Hill, were based on live hogs costing $13.50 per 100 pounds.

Mr. Speaker, why the Office of Price Administration will not listen either to the Department of Agriculture or to the Congress is beyond my understanding. It almost seems as if the Office of Price Administration is deliberately killing a very important industry. I do not understand, Mr. Speaker, that the meat processors are asking that the prices of live animals be fixed on a low level.

Taking hogs as an illustration, parity is in the neighborhood of 11.5 cents. The Office of Price Administration, in fixing prices on the products, used 13½ cents, according to Secretary Hill. The highest maximum price basis required by the Price Control Act is the highest price up to last September, which I understand to be approximately 14.5 cents. The present price of hogs is close to 16 cents. The meat processors do not even contend that the present prices of live animals are excessive. All they ask is a fair margin for processing, and they are clearly entitled to it. I believe that the Members of this House generally resent the indifference of the Office of Price Administration to small business. But we are not dealing here with ordinary small business. The Manpower Commission has ruled that the meat-packing industry is an essential industry, so essential that many classes of its employees are entitled to deferment under the Selective Service System. The meat-processing plants are regarded as just as important as plants making munitions. Yet the Office of Price Administration is killing these plants by an unfair price system which has existed for many months and which they refuse to correct. I feel that we have a right to insist that they comply with the congressional mandate, and if they continue to refuse, I think we should withhold their appropriation. We can forgive errors in administration. We have no right to expect administrators to be perfect. But it is one thing to make a mistake and it is quite another thing to adopt a policy which conflicts with the congressional policy and to adhere to it over a period of 7 or 8 months, in spite of the most urgent pleas from Senators and Congressmen.

Mr. Speaker, the time has come for a show-down on this matter.

Mr. SPRINGER. Mr. Speaker, will the gentleman yield?

Mr. GILLIE. I yield.

Mr. SPRINGER. In my home city of Connorsville I have a meat packer by the name of John McDonough, who started processing meat in 1941 and operated only during the months of November and December of that year. The Department now states that he can only process and pack meat in 1943 an amount only equal to that which he processed and packed in 1941. Having been engaged in business but 2 months in 1941, he is limited to processing and packing only that amount for the full year of 1943; and may I say to my distinguished colleague from Indiana that this man, McDonough, provides meats for restaurants, hotels, and private consumers in my home community. The Department now says he cannot continue packing or processing any further in the year 1943 because he is now over his quota. This means that people will go hungry in my community unless there is some liberalizing of these drastic orders.

Does the gentleman have anything to suggest with reference to this procedure? And if this present policy is continued, will this not further contribute to the food shortage?

Mr. GILLIE. I do not know what the answer is, but it may interest the gentleman to know that 54 slaughterhouses supplying 74 counties of Indiana have been closed up by arbitrary orders of the O. P. A.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. GILLIE. I yield.

Mr. AUGUST H. ANDRESEN. My colleague the gentleman from Indiana [Mr. SPRINGER] stated that some relief had to be afforded through changing the policies of O. P. A. There will be no change in the policies of O. P. A. until they get rid of Dr. Galbraith, Mr. Rowe, and half a dozen other Henderson satellites who are upsetting the entire economy of the country.

Mr. GILLIE. I am very much in favor of the gentleman's suggestion.

Mr. HILL. Mr. Speaker, will the gentleman yield?

Mr. GILLIE. I yield.

Mr. HILL. Is the gentleman familiar with the fact that throughout all the Middle West yesterday and today the producers of pork, the boys who really raise hogs, have been on the carpet? Representatives of 45 organizations were brought to Washington just because this man Galbraith and these other boys called them down. And they were called here at a time when they should be at work on their farms; yet they had to come all the way from their homes, pay their expenses to Washington, and stay here 3 or 4 days to defend their own business against the regulations of a bunch of fellows down here who would not know a piece of pork from a piece of goat's meat.

Mr. AUGUST H. ANDRESEN. Let me say to my friend from Indiana, who has stated the case admirably, that the O. P. A. called these men down here not to advise with them or to secure information from them but to tell them what they are going to do to them.

Mr. GILLIE. I am glad to have the gentleman from Minnesota give us that special information.

Mr. CURTIS. Mr. Speaker, will the gentleman yield?

Mr. GILLIE. I yield to the gentleman from Nebraska.

Mr. CURTIS. Does not the gentleman agree with the thought that the powers and prerogatives of the Office of Price Administration should be used to encourage adequate production of food instead of to destroy it?

Mr. GILLIE. Absolutely. That is what it should be doing.

Mr. CURTIS. We hear over and over again that food is as important as ammunition, guns, and planes, yet there

are no ceiling prices on guns, planes, and ammunition and we do not want any. We want production.

Mr. GILLIE. The gentleman from Nebraska is absolutely correct.

Mr. BUFFETT. Mr. Speaker, will the gentleman yield?

Mr. GILLIE. I yield to the gentleman from Nebraska.

Mr. BUFFETT. We had exactly the same problem in the last war and it was solved. Does the gentleman know whether or not any effort has been made to apply the experience of the last war to the problem this time?

Mr. GILLIE. I do not think it is their intention to try to solve this problem to the advantage of the man who buys the food or the man who raises it.

Mr. BUFFETT. If you had a problem and solved it before, would it not be common sense to consider that same solution if the problem came up again?

Mr. GILLIE. Certainly, if you had the right kind of man at the head of the organization.

Mr. GILCHRIST. Mr. Speaker, will the gentleman yield?

Mr. GILLIE. I yield to the gentleman from Iowa.

Mr. GILCHRIST. I was pleased to hear the gentleman from Colorado say the bureaucrats are fixing the price of live hogs. May I ask the eminent scientist from Indiana if he thinks these men who are fixing the price of live hogs know what a gilt is? I do not think they do.

Mr. GILLIE. Probably not so well as the gentleman from Iowa who comes from one of the great hog-producing States.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein a letter I have received on this subject, also an editorial from the Fort Wayne News-Sentinel.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. GILLIE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter from Peter Eckrich & Sons, Inc., of Fort Wayne. Ind., and an editorial from the Fort Wayne News-Sentinel:

PETER ECKRICH & SONS, INC.,
Fort Wayne, Ind., February 24, 1943.

The Honorable GEORGE W. GILLIE,
Congress of the United States,
House of Representatives,
Washington, D. C.

DEAR MR. GILLIE: Briefly as I can I would like to attempt to inform you as to our position in the packing house industry of which we are the largest distributors of sausage products throughout the States of Indiana and Michigan.

The Peter Eckrich & Sons firm is a corporation with the invested capital of $1,250,000, hiring approximately 500 persons, and doing business in 55 counties in Indiana and Michigan.

We are faced with the reality of closing our plants as soon as our freezer stocks are exhausted which will be by May of this year. We are unable to purchase any legal quota beef because the livestock market has been driven so high that our suppliers advise us the cost of boning cattle is now as high with the bone in as the ceiling price should be on boneless beef of this type.

We feel then naturally, that ceiling prices should be placed on livestock so that those slaughtering can operate within legal ceiling prices. We understand that we cannot expect to make profits as we have in former years, and if we do close our doors, our employees can be readily absorbed in other industries. However, the important factor is that the 19,029,255 pounds that we formerly distributed through the above-mentioned counties will possibly be denied to this trade because the bulk of our supplies comes from the Chicago and Kansas City areas and naturally will be absorbed in that region instead of continuing to be distributed through the normal flow in the territory in which we operate.

We would greatly appreciate any effort you might make to ceiling livestock so that all phases of the industry has a chance to survive.

I might also mention that we belong to the American Institute of Meat Packers, and we receive daily information on any changes in all types of Government regulations and rulings; however, I am wondering how the thousands of small slaughterers receive their information when possibly 75 percent of them do not belong to any type of association which could furnish them with the new laws and regulations.

I mention the above merely wondering if it might not be possible that many of the small slaughterers are innocently breaking the existing Government regulations without being aware of this fact.

Yours very truly,
PETER ECKRICH & SONS, INC.,
HERMAN J. ECKRICH,
General Manager.

[From the Fort Wayne (Ind.) News-Sentinel]

Fifty-four slaughterhouses in 74 Indiana counties have been closed while officials investigate black-market charges. With the meat shortage already acute, and growing worse, it would seem that the least the blustering Office of Price Administration could do would be to keep the work of slaughtering going ahead, unimpeded, while the cases were being probed. No charges have been filed against the houses in question, but are only being contemplated. Once more official bunglers are doing their best to make shortages worse.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 729. An act providing for the deferment from military service of persons engaged in agricultural occupations; to the Committee on Military Affairs.

BILLS PRESENTED TO THE PRESIDENT

Mr. KLEIN, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 1975. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1943, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1943, and for other purposes;

H. R. 2023. An act to amend section 301, World War Veterans' Act, 1924, as amended, to authorize renewal of expiring 5-year level-premium policies of those in active military or naval service and certain others outside the continental limits of the United States, and for other purposes; and

H. R. 2030. An act to permit the shipment tax-free of certain tobacco products to territories of the United States for the use of members of the military and naval forces of the United States.

ADJOURNMENT

Mr. RAMSPECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 29 minutes p. m.) the House adjourned until tomorrow, Friday, March 19, 1943, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE JUDICIARY

Subcommittee No. 1 of the Committee on the Judiciary will conduct hearings on H. R. 694, a bill to provide for the attachment, garnishment, execution, or trustee process of wages and salaries of civil officers and employees of the United States, at 10 a. m. on Wednesday, March 24, 1943, in room 346, House Office Building, Washington, D. C.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will meet in open hearing on Monday, March 29, 1943, at 10 a. m. to consider the subject of allegations by certain labor leaders of wasted space on ships going to North Africa and delays in ship sailings.

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Thursday, April 1, 1943, at 10 a. m., on S. 163 (H. R. 498) to amend section 511 of the Merchant Marine Act, 1936, as amended, relating to ship-construction reserve funds, and for other purposes.

Congressman GEORGE J. BATES, of Massachusetts, patron of the bill H. R. 1766, upon which hearings were scheduled on Thursday, April 8, 1943, is a member of the Committee on Naval Affairs and of a subcommittee of that committee, duties of which will compel him to be absent from Washington on Thursday, April 8, 1943. Accordingly, the hearing scheduled for that date has been changed to Thursday, April 15, 1943, at 10 a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

260. A letter from the Secretary of the Interior, transmitting a copy of an order canceling certain charges existing as debts due the United States by individual Indians and tribes of Indians; to the Committee on Indian Affairs.

261. A communication from the President of the United States, transmitting a draft of a proposed provision pertaining to the appropriation for the Office of Censorship for the fiscal year 1943 (H. Doc. No. 133); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk

for printing and reference to the proper calendar, as follows:

Mr. COX: Committee on Rules. House Resolution 175. Resolution for the consideration of H. R. 2087, to provide for the punishment of certain hostile acts against the United States, and for other purposes; without amendment (Rept. No. 255). Referred to the House Calendar.

Mr. FULMER: Committee on Agriculture. House Concurrent Resolution 12. Concurrent resolution to express the sense of the Congress with respect to the importance of farmers to the effective prosecution of the war, and for other purposes; without amendment (Rept. No. 256). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. LUDLOW:

H. R. 2231. A bill to abolish and correct unfair practices and substandard working conditions and to raise living standards among the employees of the United States Veterans' Administration; to the Committee on World War Veterans' Legislation.

By Mr. ROBERTSON:

H. R. 2232. A bill to amend section 44 of the Longshoremen's and Harbor Workers' Compensation Act; to the Committee on the Judiciary.

By Mr. STOCKMAN:

H. R. 2233. A bill to provide for the induction of farm laborers into the land and naval forces and their assignment to duty in agricultural occupations, and for other purposes; to the Committee on Military Affairs.

By Mr. BLAND:

H. R. 2238. A bill to authorize the return to private ownership of certain vessels formerly used or suitable for use in the fishing or related industries, and for other purposes; to the Committee on the Merchant Marine and Fisheries.

By Mr. SMITH of Virginia:

H. R. 2239. A bill to amend the Selective Training and Service Act of 1940 and to provide further for the successful prosecution of the war by prohibiting acts interfering with the full utilization of manpower; to the Committee on Military Affairs.

By Mr. MONKIEWICZ:

H. J. Res. 101. Joint resolution authorizing the President of the United States of America to proclaim October 11, 1943, General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

By Mr. PETERSON of Georgia:

H. Res. 176. Resolution to create a special committee of the House to study post-war planning; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Oregon, memorializing the President and the Congress of the United States to enact such legislation that will require of the Bonneville Administration a payment in lieu of taxes to the States of Oregon and Washington; to the Committee on Rivers and Harbors.

Also, memorial of the Legislature of the State of Idaho, memorializing the President and the Congress of the United States to protect and preserve rights to the use of water established under the laws of this State or the United States; to the Committee on Irrigation and Reclamation.

Also, memorial of the Legislature of the State of Nevada, memorializing the President and the Congress of the United States to take such action as may be necessary to increase the price of the so-called strategic metals; to the Committee on Banking and Currency.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relating to the growing of guayule for rubber production; to the Committee on Agriculture.

Also, memorial of the Legislature of the State of Massachusetts, memorializing the President and the Congress of the United States to enact the anti-poll-tax bill, so-called; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Massachusetts, memorializing the President and the Congress of the United States to enact legislation substantially in accordance with the Ruml plan for the deferred collection of the income tax; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Massachusetts memorializing the President and the Congress of the United States to increase the bed capacity of the West Roxbury Veterans' Hospital; to the Committee on World War Veterans' Legislation.

Also, memorial of the Legislature of the State of Massachusetts memorializing the President and the Congress of the United States to adopt an adequate antilynch law; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Texas, memorializing the President and the Congress of the United States to build a fully integrated steel plant in east Texas; to the Committee on Military Affairs.

Also, memorial of the Legislature of the State of Oregon, memorializing the President and the Congress of the United States to enact legislation as will correct the inequity and will require of the Bonneville administration a payment in lieu of taxes to the States of Oregon and Washington; to the Committee on Rivers and Harbors.

Also, memorial of the Legislature of the State of Utah, memorializing the President and the Congress of the United States to enact House bill 997 or Senate bill 216; to the Committee on Military Affairs.

Also, memorial of the Legislature of the State of Wisconsin, memorializing the President and the Congress of the United States to change war time back to regular standard time; to the Committee on Interstate and Foreign Commerce.

Also, memorial of the Legislature of the Territory of Alaska, memorializing the President and the Congress of the United States to amend section 9 of the organic act; to the Committee on the Territories.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CURTIS:

H. R. 2234. A bill for the relief of Mrs. Christine Hansen; to the Committee on Claims.

By Mr. McGREGOR:

H. R. 2235. A bill granting a pension to Agnes Metcalf; to the Committee on Invalid Pensions.

By Mr. SIKES:

H. R. 2236. A bill for the relief of Roberta Ramsey; to the Committee on Claims.

By Mr. SPARKMAN:

H. R. 2237. A bill for the relief of John T. Cooper; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

294. By Mr. CULKIN: Resolution of the Madison County Board of Supervisors, Wampsville, N. Y., opposing the continuance of daylight-saving time; to the Committee on Interstate and Foreign Commerce.

295. By Mr. FORAND: Joint resolution of the General Assembly of the State of Rhode Island, memorializing the Senators and Representatives from Rhode Island in the Congress of the United States to use every effort to have enacted into law the bill now pending in Congress to authorize the erection of a United States veterans' hospital in the State of Rhode Island; to the Committee on World War Veterans' Legislation.

296. By Mr. ROLPH: Resolution of the International Brotherhood of Boiler Makers, Iron Ship Builders and Helpers of America, Local No. 9, San Francisco, Calif., relative to the rationing program of the Office of Price Administration; to the Committee on Banking and Currency.

297. Also, resolution of the Moving Picture Machine Operators Union, Local No. 162, San Francisco, relative to the rationing program of the Office of Price Administration; to the Committee on Banking and Currency.

298. Also, Assembly Joint Resolution No. 25 of the State of California, adopted January 28, 1943, memorializing Congress not to pass reciprocal trade agreements; to the Committee on Ways and Means.

299. Also, Assembly Joint Resolution No. 33 of the State of California adopted March 11, 1943, relative to memorializing Congress to enact legislation providing a Federal system of workmen's compensation for civilian defense volunteers injured in the course of their duties; to the Committee on the Judiciary.

300. Also, House Resolution No. 115, of the State of California, relative to considering demands from fluid-milk producers in the Los Angeles County marketing area for increases in producer prices sufficient to cover increased production costs; to the Committee on Banking and Currency.

301. By Mr. LANE: Resolutions memorializing Congress to enact the anti-poll-tax bill, so-called; to the Committee on the Judiciary.

302. Also, resolutions memorializing Congress to increase the bed capacity of the West Roxbury Veterans' Hospital; to the Committee on World War Veterans' Legislation.

303. Also, resolutions memorializing Congress to adopt an adequate antilynch law; to the Committee on the Judiciary.

304. By Mr. SCHWABE: Resolution approved by the board of directors of the Chamber of Commerce of Jefferson City, Mo., favoring the Ruml plan; to the Committee on Ways and Means.

305. By Mr. TREADWAY: Memorial of the General Court of Massachusetts, favoring enactment of anti-poll-tax bill; to the Committee on the Judiciary.

306. Also, memorial of the General Court of Massachusetts, urging an increase in bed capacity of the West Roxbury (Mass.) Veterans' Hospital; to the Committee on World War Veterans' Legislation.

307. Also, memorial of the General Court of Massachusetts, urging enactment of income-tax legislation in substantial accordance with the Ruml plan; to the Committee on Ways and Means.

308. Also, memorial of the General Court of Massachusetts, urging enactment of adequate antilynch law; to the Committee on the Judiciary.

SENATE

FRIDAY, MARCH 19, 1943

(Legislative day of Tuesday, March 9, 1943)

The Senate met at 12 o'clock noon, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal God, together we bow in the hush and joy of Thy presence, pausing in the morning tasks to listen for Thy call sounding in our ears. In the stillness wilt Thou whisper some word of insight within our souls? By the very opulence of Thy grace Thou art saying to us that of those to whom much has been given much will be required.

Save us from small and selfish living in so great a day. Have mercy upon us for our frantic boasts, our foolish words, and our perverse ways. Forgive us if greed for gain and lust for gold has made us complacently content with a system in which lives of men and women and little children have been held more cheap than merchandise. We pray for the coming of the commonwealth of brotherhood, where those who toil shall be honored and rewarded; where a man's worth shall be reckoned higher than the price of the things he fashions with hand or brain, and where science, redeemed from destruction, shall serve the common good as it walks with humble feet to find the God that faith hath found. In the name of Jesus Christ, our Lord, we ask it. Amen.

THE JOURNAL

On request of Mr. HAYDEN, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, March 17, 1943, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Taylor, its enrolling clerk, informed the Senate that Hon. JOHN W. MCCORMACK, a Representative from the State of Massachusetts, was elected Speaker pro tempore during the absence of the Speaker.

The message announced that the House had passed without amendment the following bills of the Senate:

S. 171. An act for the relief of Arthur A. Schipke;

S. 405. An act for the relief of Mrs. Ernestine Fuselier Sigler;

S. 517. An act for the relief of Vodie Jackson; and

S. 518. An act for the relief of Robert T. Groom, Daisy Groom, and Margaret Groom Turpin.

The message also announced that the House had passed the bill (S. 677) to amend the National Housing Act, as amended, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had agreed to the concurrent resolution (S. Con. Res. 9) condemning outrages inflicted upon civilians in the Naiz-occupied countries and favoring punishment of persons responsible therefor.

The message also announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H. R. 401. An act for the relief of James W. Kelly;

H. R. 441. An act for the relief of Charles Molnar;

H. R. 480. An act for the relief of Francesco P. Mastrilli;

H. R. 553. An act for the relief of Mrs. C. A. Lee, administratrix of the estate of Ross Lee, deceased;

H. R. 771. An act for the relief of Fisil Rosenberg and his wife, Sofie;

H. R. 772. An act for the relief of M. L. Leopold Rosenberg and his wife, Lisa;

H. R. 850. An act for the relief of George M. Louie;

H. R. 944. An act for the relief of Douglas R. Muther;

H. R. 1081. An act for the relief of Frank Borah;

H. R. 1219. An act for the relief of Fred Taylor;

H. R. 1238. An act for the relief of Mrs. Charles J. Bair;

H. R. 1278. An act for the relief of Dr. and Mrs. Richard Stever;

H. R. 1315. An act for the relief of George Henry Bartole and Vernon Wayne Tennyson;

H. R. 1463. An act for the relief of Florence B. Hutchinson;

H. R. 1467. An act to record the lawful admission to the United States for permanent residence of Rev. Julius Paal;

H. R. 1522. An act for the relief of Morton Fiedler;

H. R. 1724. An act to provide for the reimbursement of certain civilian personnel for personal property lost incident to the emergency evacuation of the United States Antarctic Service Expedition's East Base, Antarctica, on March 21, 1941, and for other purposes;

H. R. 1792. An act for the relief of Arthur G. Klein;

H. R. 1838. An act for the relief of Lucia Humble;

H. R. 1845. An act for the relief of Ted Vaughan, deceased;

H. R. 1874. An act for the relief of Robert P. Sick;

H. R. 1875. An act for the relief of Carl Swanson, Geraldine Cecelia Swanson, a minor, and Almer Swanson;

H. R. 1893. An act for the relief of George H. Crow;

H. R. 1942. An act for the relief of Henry B. Tucker;

H. R. 2003. An act to confer jurisdiction on the Court of Claims of the United States to hear, determine, and render judgment on the claims against the United States of Edwin Fairfax Naulty and Leslie Fairfax Naulty;

H. R. 2016. An act for the relief of William H. Linhart; and

H. J. Res. 96. Joint resolution making an appropriation to assist in providing a supply and distribution of farm labor for the calendar year 1943.

CALL OF THE ROLL

Mr. HAYDEN. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore (Mr. LUCAS). The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Guffey	Pepper
Austin	Gurney	Radcliffe
Bailey	Hatch	Reed
Ball	Hayden	Revercomb
Bankhead	Hill	Reynolds
Brewster	Holman	Robertson
Bridges	Johnson, Calif.	Russell
Brooks	Johnson, Colo.	Scrugham
Buck	Kilgore	Shipstead
Burton	La Follette	Smith
Bushfield	Langer	Taft
Byrd	Lodge	Thomas, Idaho
Capper	Lucas	Thomas, Okla.
Caraway	McCarran	Thomas, Utah
Clark, Idaho	McClellan	Truman
Clark, Mo.	McFarland	Tunnell
Connally	McNary	Tydings
Danaher	Maloney	Vandenberg
Davis	Maybank	Van Nuys
Downey	Millikin	Wagner
Ellender	Moore	Walsh
Ferguson	Murdock	Wherry
George	Nye	White
Gerry	O'Daniel	Wiley
Gillette	O'Mahoney	Willis
Green	Overton	Wilson

Mr. HILL. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from Virginia [Mr. GLASS], and the Senator from Tennessee [Mr. MCKELLAR] are absent from the Senate because of illness.

The Senator from Washington [Mr. BONE] and the Senator from New Mexico [Mr. CHAVEZ] are out of the city on official business for the Committee on Territories and Insular Affairs.

The Senator from Kentucky [Mr. BARKLEY], the Senators from Mississippi [Mr. BILBO and Mr. EASTLAND], and the Senator from Tennessee [Mr. STEWART] are detained on important public business.

The Senator from Kentucky [Mr. CHANDLER] and the Senator from Montana [Mr. MURRAY] are out of the city on official business for the Committee on Military Affairs.

The Senator from Washington [Mr. WALLGREN] is absent on official business for the Special Committee to Investigate National Defense.

The Senator from New York [Mr. MEAD] and the Senator from Montana [Mr. WHEELER] are necessarily absent.

Mr. MCNARY. The Senator from New Jersey [Mr. BARBOUR], the Senator from Nebraska [Mr. BUTLER], and the Senator from New Jersey [Mr. HAWKES] are necessarily absent.

The ACTING PRESIDENT pro tempore. Seventy-eight Senators having answered to their names, a quorum is present.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By Mr. CAPPER:

A petition, numerously signed, of sundry citizens of Kansas City, Kans., praying for the enactment of Senate bill 860, relating to the sale of alcoholic liquors to the members of the land and naval forces of the United States; to the Committee on Military Affairs.

By Mr. GREEN:

A joint resolution of the General Assembly of Rhode Island; to the Committee on Finance:

"Senate Joint Resolution 122

"Joint resolution memorializing the Senators and Representatives from Rhode Island in the Congress of the United States to use every effort to have enacted into law the bill now pending in Congress to authorize the erection of a United States veterans' hospital in the State of Rhode Island

"Whereas, there is now pending in Congress a bill to authorize the erection of a United States veterans' hospital in the State of Rhode Island, namely, H. R. 1604; and

"Whereas, every veteran organization in Rhode Island, the American Legion, the Veterans of Foreign Wars of the United States, the Disabled American Veterans of the World War, the Jewish War Veterans of the United States, and other similar organizations, the parents of men in service and the citizens of this State are highly in accord with the purposes of legislation which will provide sufficient hospital, domiciliary, and out-patient dispensary facilities in Rhode Island to care for the increasing number of disabled veterans of all wars: Now, therefore, be it

"Resolved, That the Senators and Representatives from Rhode Island in the Congress of the United States be and they hereby are requested to use every effort to have enacted into statute forthwith the bill (H. R. 1604), or any similar legislation, authorizing the erection of a United States veterans' hospital in the State of Rhode Island; and be it further

"Resolved, That duly certified copies of this resolution be transmitted by the secretary of state to the Senators and Representatives from Rhode Island in the Congress of the United States."

By Mr. THOMAS of Utah:

A concurrent resolution of the Legislature of the State of Utah; to the Committee on Military Affairs:

"House Concurrent Memorial 1

"Concurrent memorial memorializing Congress to enact H. R. 997 or S. 216 which will establish a Pharmacy Corps in the United States Army

"Whereas the men and officers serving in our armed forces are entitled to receive every safeguard of health and as a part of their health protection, an adequate and safe pharmaceutical service, especially in time of illness is essential; and

"Whereas there being no Pharmacy Corps in the Army, which would give an adequately educated and trained personnel for the dispensing of medicines and otherwise performing various and numerous duties in the medical supply service, but that many physicians are performing this work whose service might otherwise be utilized in hospitals and other medical duties and service; and

"Whereas there is now pending before the Congress proposed legislation which, if enacted, would establish a Pharmacy Corps in the Regular Army and thereby insure greater protection to the health and welfare of our men and officers in the military service; that such proposed legislation is known as H. R. 997 and S. 216: Now, therefore, be it

"Resolved by the Legislature of the State of Utah (the Governor concurring therein), That we earnestly endorse and recommend to the Congress of the United States, the enactment of H. R. 997 or S. 216 by the Congress of the United States; and be it further

"Resolved, That the secretary of state of the State of Utah send copies of this memorial to the Congress of the United States, the Vice President of the United States, the Speaker of the House of Representatives of the United States, and the United States Senators and Representatives from the State of Utah."

(The ACTING PRESIDENT pro tempore laid before the Senate a concurrent resolution identical with the foregoing, which was referred to the Committee on Military Affairs.)

RESOLUTIONS OF KANSAS LIVESTOCK ASSOCIATION

Mr. REED. Mr. President, I ask unanimous consent to present and to have printed in the RECORD and appropriately referred resolutions adopted at the thirtieth annual convention of the Kansas Livestock Association, at Wichita, Kans., on March 11, 1943.

There being no objection, the resolutions were referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

1. Whereas food production is vital in the successful prosecution of the war, since the meat shortage is already becoming critical and experienced farm labor will be one of the major limiting factors in meeting the required meat production: Therefore be it

Resolved, That we endorse the mandate handed down by the War Manpower Commission providing for the deferment of agricultural labor as the only practical solution. To retain this experienced labor on the farm will require the recognition of their services as of as much importance toward winning the war as employees in defense industries and in the armed forces; therefore be it further

Resolved, That agricultural workers and worthy farm and ranching units receive emblems or other recognition signifying their contribution to the war effort.

2. Whereas the imposition of live animal ceilings would be thoroughly impractical and unworkable and would upset the whole marketing structure to the great detriment of producers; and

Whereas it would tend to decrease rather than increase production at this time of great need for more meat: Therefore be it

Resolved, That we urge Prentiss Brown, head of the Office of Price Administration, and Marvin Jones to steadfastly oppose the efforts now being made to impose such ceilings.

3. Whereas the production of beef has been hampered by a serious shortage of protein concentrates; and

Whereas an unusually large percentage of the supply has been diverted to small users by means of higher ceiling prices for less than 3-ton lots, or turned over to the mixed-feed dealers whose product is not so practical for range cattlemen in many instances: Therefore be it

Resolved, That we urge that the distribution of such concentrates in the future be more equitable and in line with the distribution in 1941.

4. Whereas there is new agitation with respect to lifting sanitary embargoes against the importation of livestock or dressed meats from countries where foot-and-mouth disease exists; and

Whereas the lifting has been consistently resisted by Congress and all interested livestock growers, due to the dangers of which we are all aware, and since the increased production of meat animals is necessary for domestic meats and war demands without endangering the industry: Therefore be it

Resolved, That we should insist that there be no modification whatsoever of our existing sanitary embargoes.

5. Whereas there is a critical shortage of labor, we suggest our Government immediately make every effort to stop any and all nonessential projects and make a close examination to determine the same, to the effect that all possible labor may be made available to the farms and ranches or defense effort.

6. Whereas the United States is today the safest place in the world in which to grow livestock from the standpoint of sanitary measures and freedom from disease: Therefore be it

Resolved, That we consider it essential that the best interest of this State and Nation be served by restoring the Federal Bureau of Animal Industry to its original authority, with all its forces under the unified direction of a veterinarian as chief.

7. Whereas a real shortage exists in the supply of steel, ranch tools, and equipment, especially standard-gage barbed wire, windmills, stock tanks, and the like: Therefore be it

Resolved, That the War Production Board increase the production of the items to meet our minimum requirements.

8. Whereas we must conserve manpower to the greatest extent possible: Therefore be it

Resolved, That the national workweek be extended to a 50-hour workweek on straight time in all industries before time-and-a-half pay starts.

9. Whereas in reciprocal trade agreements there have been departures from the program originally outlined: Therefore be it

Resolved, That we urge if any such trade agreements be made or if existing agreements be extended in the future, it be only with the consent and advice of the Congress of the United States.

10. Whereas recent reports have indicated the plan for meat rationing contemplates a ration of only 1¾ pounds per capita per week (including cheese); and

Whereas this amounts to only slightly more than 10,000,000,000 pounds annually, less than half the estimated production for this year; and

Whereas with more than 78,000,000 cattle in the country a sudden increase in marketing, due to drought or other unforeseen emergency, might bring about a serious market condition: Therefore be it

Resolved, That because of the perishable nature of the product rationing be started on a basis more in line with the available supply, as rationing below that level may bring many serious complications.

11. Whereas there is today a maladjustment of freight rates on our products to the Pacific coast which makes it impractical to move them west except alive; and

Whereas there is a big demand on the Pacific coast for pork and beef, since the increasing population must be fed: Therefore be it

Resolved, That we urge that freight rates on packing-house products and fresh meat from the Midwest to the Pacific coast be reduced so that Kansas and other midwestern producers of livestock may sell their products, either alive or dead, free from freight discriminations.

12. Whereas the livestock producers of this State are making every effort to increase production and marketing of livestock; and

Whereas trucks provide an essential and necessary method of transportation: Therefore be it

Resolved, That we urge: (A) That the speed of trucks transporting livestock and other perishable products be increased to a speed at which they will operate at the maximum of efficiency in the conservation of rubber, gasoline, parts, and manpower. (B) That we are opposed to the issuance of any orders or regulations restricting any form of transportation to a given distance such as 250 or 300 miles as is now being considered by the Federal authorities; also be it

Resolved, That drivers of trucks engaged in transportation of livestock and agricultural products be considered as essential to the war effort.

13. Whereas existing credit facilities, both Federal and private, are more than ample; and

Whereas cattle numbers have expanded greatly in recent years: Therefore be it

Resolved, That we express our grave concern over the revival of the Regional Agricultural Credit Corporation because of the danger of further and unwise expansion in cattle production.

14. In view of the increased demands being made upon the railroads, we recommend their service to the livestock industry.

15. We commend the livestock commission men and marketing agencies for making collections for the National Live Stock and Meat Board.

16. We commend the National Live Stock and Meat Board for its splendid work with the armed forces of the United States of America in cutting and preparing meats.

17. We recommend a continued effort toward the adoption of more uniform sanitary regulations between States.

18. We commend the Kansas Bureau of Investigation for its work toward eliminating the hazard of livestock thefts.

19. We recommend the State livestock sanitary commissioner continue his activities and regulations in supervising community sales of Kansas.

20. We express our appreciation to the ladies who served on the several committees, also to the men of the reception and arrangements committees.

21. We wish to thank each and every one who contributed to our program.

22. We do approve and urge the legislature now in session to enact into law Senate bills 240 and 241 and their companion House bills. These measures strengthen the present community sales law, make more effective the State branding law, provide machinery and means for cattle inspection, and set up a much needed livestock board in Kansas. We believe their adoption will materially advance the interests of the livestock industry in Kansas.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. GEORGE, from the Committee on Finance:

H. R. 1780. A bill to increase the debt limit of the United States, and for other purposes; with an amendment (Rept. No. 123).

By Mr. WHERRY, from the Committee on Claims:

H. R. 218. A bill for the relief of H. F. Mathis; without amendment (Rept. No. 124); and

H. R. 402. A bill for the relief of Frank T. Been; without amendment (Rept. No. 125).

By Mr. WILEY, from the Committee on Claims:

S. 135. A bill to confer jurisdiction upon the Court of Claims of the United States to hear, determine, and render judgment on the claim of the General State Authority of the Commonwealth of Pennsylvania; without amendment (Rept. No. 126).

By Mr. TYDINGS (for Mr. Glass), from the Committee on Appropriations:

H. R. 1648. A bill making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1944, and for other purposes; with amendments (Rept. No. 127).

By Mr. ELLENDER, from the Committee on Claims:

H. R. 1785. A bill for the relief of the William Wrigley, Jr., Co.; without amendment (Rept. No. 128).

ENROLLED BILLS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills reported that that committee presented to the President of the United States the following enrolled bills:

On March 17, 1943:

S. 786. An act to amend title I of Public Law No. 2, Seventy-third Congress, March 20, 1933, and the Veterans Regulations to provide for rehabilitation of disabled veterans, and for other purposes.

On March 19, 1943:

S. 303. An act to extend the jurisdiction of naval courts martial in time of war or national emergency to certain persons outside the continental limits of the United States.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. HAYDEN, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

By Mr. REYNOLDS, from the Committee on Military Affairs:

Samuel M. Derrick, from the State of South Carolina, to be field supervisor, at $5,600 per annum, in the Atlanta regional office of the War Manpower Commission;

A. Frederick Smith, from the State of Florida, to be senior economist, at $4,600 per annum, in the Atlanta regional office of the War Manpower Commission; and

James J. Carney, Jr., from the State of Florida, to be program control technician, at $4,600 per annum, in the Atlanta regional office of the War Manpower Commission.

BILLS INTRODUCED

Bills were introduced, read the first time, and by unanimous consent, the second time, and referred, as follows:

By Mrs. CARAWAY:

S. 889. A bill granting a pension to Maurice E. Welton, alias Charles E. Martin; to the Committee on Pensions.

By Mr. WILEY:

S. 890. A bill to provide for the extension of patents for a period equal to the period during which owners are unable to derive benefits from them on account of the war emergency; to the Committee on Patents.

By Mr. BYRD:

S. 891. A bill for the relief of Rebecca Collins and W. W. Collins; to the Committee on Claims.

Mr. CLARK of Idaho:

S. 892. A bill for the relief of William H. Linhart; to the Committee on Immigration.

By Mr. SHIPSTEAD:

S. 893 (by request). A bill to authorize the Secretary of the Interior, in carrying out the purposes of the act of May 18, 1916 (39 Stat. 137) to purchase logs, lumber, and other forest products; to the Committee on Indian Affairs.

By Mr. VAN NUYS:

S. 894 (by request). A bill to provide improvement in the administration of parole; and

S. 895. A bill to provide a correctional system for adult and youth offenders convicted in courts of the United States; to the Committee on the Judiciary.

By Mr. SMITH:

S. 896. A bill to authorize the Secretary of Agriculture to adjust titles to lands acquired by the United States which are subject to his administration, custody, or control; to the Committee on Agriculture and Forestry.

By Mr. BAILEY:

S. 897. A bill to amend the act known as the Insecticide Act of 1910 (36 Stat. 331), approved April 26, 1910; to the Committee on Commerce.

By Mr. WALSH:

S. 898. A bill to confer the same rights, privileges, and benefits upon members of the United States merchant marine who served during the World War as are conferred upon members of the armed forces of the United States who served during such war; to the Committee on Commerce.

By Mr. REYNOLDS:

S. 899. A bill to amend the act approved January 2, 1942, entitled "An act to provide for the prompt settlement of claims for damages occasioned by Army, Navy, and Marine Corps forces in foreign countries"; to the Committee on Military Affairs.

By Mr. JOHNSON of California:

S. 900. A bill to restore Capt. Lara P. Good, retired, to the active list of the United States Army; and

S. 901. A bill to authorize the issuance of service medals to members of the American Expeditionary Force who participated in the occupation of Siberia in 1918–20; to the Committee on Military Affairs.

By Mr. PEPPER:

S. 902. A bill for the relief of Christine W. Ransberger; to the Committee on Claims.

HOUSE BILLS AND JOINT RESOLUTION REFERRED OR PLACED ON THE CALENDAR

The following bills and joint resolution were severally read twice by their titles and referred, or ordered to be placed on the calendar, as indicated:

H. R. 401. An act for the relief of James W. Kelly;

H. R. 553. An act for the relief of Mrs. C. A. Lee, administratrix of the estate of Ross Lee, deceased;

H. R. 944. An act for the relief of Douglas R. Muther;

H. R. 1081. An act for the relief of Frank Borah;

H. R. 1219. An act for the relief of Fred Taylor;

H. R. 1238. An act for the relief of Mrs. Charles J. Bair;

H. R. 1278. An act for the relief of Dr. and Mrs. Richard Stever;

H. R. 1315. An act for the relief of George Henry Bartole and Vernon Wayne Tennyson;

H. R. 1522. An act for the relief of Morton Fiedler;

H. R. 1792. An act for the relief of Arthur G. Klein;

H. R. 1838. An act for the relief of Lucia Humble;

H. R. 1845. An act for the relief of Ted Vaughan, deceased;

H. R. 1874. An act for the relief of Robert P. Sick;

H. R. 1875. An act for the relief of Carl Swanson, Geraldine Cecelia Swanson, a minor, and Almer Swanson;

H. R. 1893. An act for the relief of George H. Crow;

H. R. 1942. An act for the relief of Henry B. Tucker; and

H. R. 2003. An act to confer jurisdiction on the Court of Claims of the United States to hear, determine, and render judgment on the claims against the United States of Edwin Fairfax Naulty and Leslie Fairfax Naulty; to the Committee on Claims.

H. R. 441. An act for the relief of Charles Molnar;

H. R. 480. An act for the relief of Francesco P. Mastrilli;

H. R. 771. An act for the relief of Fisil Rosenberg and his wife, Sofie;

H. R. 772. An act for the relief of M. L. Leopold Rosenberg and his wife, Lisa;

H. R. 850. An act for the relief of George M. Louie;

H. R. 1467. An act to record the lawful admission to the United States for permanent residence of Rev. Julius Paal; and

H. R. 2016. An act for the relief of William H. Linhart; to the Committee on Immigration.

H. R. 1463. An act for the relief of Florence B. Hutchinson; and

H. R. 1724. An act to provide for the reimbursement of certain civilian personnel for personal property lost incident to the emergency evacuation of the United States Antarctic Service Expedition's East Base, Antarctica, on March 21, 1941, and for other purposes; to the calendar.

H. J. Res. 96. Joint resolution making an appropriation to assist in providing a supply and distribution of farm labor for the calendar year 1943; to the Committee on Appropriations.

NOTICE OF MOTION TO SUSPEND THE RULE—AMENDMENTS—TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATIONS

Mr. TYDINGS (for Mr. GLASS) submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 1648) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1944, and for other purposes, the following amendments, namely:

On page 13, line 5, after the word "Treasury", to insert the following: ": *Provided further*, That field employees of the War Savings Staff may be reimbursed, at not to exceed 3 cents per mile, for travel performed by them in privately owned automobiles while engaged in the promotion of the sale of United States Government securities (estimated War Savings bonds) within the limits of their official stations."

On page 33, line 25, after "Bureau of Accounts", insert the following: "including the employment of temporary personnel by contract or otherwise without regard to section 3709 of the Revised Statutes, or the civil service and classification laws, for the purpose of making studies of the cost, rating and accounting procedures of the Postal Service."

Mr. TYDINGS also (for Mr. GLASS) submitted two amendments intended to be proposed by Mr. GLASS to the bill (H. R. 1648) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1944, and for other purposes, which were ordered to lie on the table and to be printed.

(For text of amendments referred to, see the foregoing notice.)

TEMPORARY CLERK, COMMITTEE ON EDUCATION AND LABOR

Mr. THOMAS of Utah submitted the following resolution (S. Res. 116), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That Resolution No. 251, agreed to June 4, 1942, authorizing the Committee on Education and Labor to employ an additional clerk during the fiscal year beginning July 1, 1942, to be paid from the contingent fund of the Senate at the rate of $1,800 per annum, hereby is continued in full force and effect from July 1, 1943, until the end of the Seventy-eighth Congress.

LANDS FOR GRAZING PURPOSES—CHANGE OF REFERENCE OF LETTER AND PROPOSED BILL

Mr. McCARRAN. Mr. President, on March 16 there came from the Secretary of the Interior a letter, with a proposed bill attached. A notation to that effect appears on page 2021 of the RECORD. The letter, with the accompanying paper, was referred to the Committee on Agriculture and Forestry. The subject matter of the proposed bill and letter pertain entirely to grazing. It was undoubtedly erroneously referred, and I respectfully ask unanimous consent that the Committee on Agriculture and Forestry be discharged from further consideration of the letter, and that it, together with the proposed bill, be referred to the Committee on Public Lands and Surveys.

Mr. McNARY. Mr. President, the able Senator from Nevada spoke to me about that matter a moment ago. Most of the grazing takes place on the public domain, and the Committee on Public Lands and Surveys has jurisdiction over that Government property. There is some grazing in the national forests and some on Indian reservations. I think properly this letter should have been referred to the Committee on Public Lands and Surveys, and not to the Committee on Agriculture and Forestry. That is my judgment under the construction of the rules of the Senate and the practices incidental thereto.

Mr. SMITH. Mr. President, what was the proposed bill?

Mr. McCARRAN. The matter came from the Department of the Interior and deals entirely with grazing.

The ACTING PRESIDENT pro tempore. Without objection, the change of reference will be made as requested.

CONTROL OF PORK PRICES AND PRICE CEILING ON LIVE ANIMALS

Mr. LANGER. Mr. President, I desire to bring to the attention of the Senate a petition signed by various farmers in Minnesota and North Dakota. The petition is dated Casselton, N. Dak., under date of March 15, 1943, and is addressed to Mr. Marvin Jones, White House, Washington, D. C. It reads in part:

We, the undersigned, farmers of the Red River Valley of North Dakota, are opposed to the proposed plan of the Government to control pork prices to eliminate the black market by the establishment of ceiling prices for live hogs. Ceiling prices for live hogs would not control live-hog values because weight, grade, dockage, and fill are all factors which directly influence hog values. If ceiling prices are to be established, then sale weights established by disinterested weighmasters over scales officially tested would be necessary to prevent the creation of ideal conditions for black-market operations through the establishment of weights. It would also be as necessary to establish uniform grades for all hog-producing territories and have disinterested trained hog men do the grading, as it would be to fix a ceiling price. Grading provides just as effective opportunities for black-market operations as does price.

The same is true with regard to rest, feed, and water after the trip from the farm to the sale point. Some hogs arrive empty, some hogs arrive partially empty, and others arrive in filled condition. The degree of fill has a direct bearing on sale appearance, grade, and quality.

I ask unanimous consent to have the remainder of the petition, together with the names and addresses of the signers printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The remainder of the petition, together with the names of the signers and their addresses, is as follows:

If the ceiling price was to be fixed it would be necessary to standardize fill condition of live hogs when offered for sale throughout all swine-producing areas of the country unless all factors affecting sale value of live hogs are fixed, supervised and controlled by trained hog men, the purpose for which live-hog ceilings are established would be defeated. There are not enough hog men in the country trained in standardizing and grading to perform the marketing services necessary to make the live-hog ceiling plan successful and unless the plan is carried out successfully, hog producers of the country are left in a position of being unprotected in matters of hog marketing.

Dockage for staginess, for excessive weight due to pregnancy, excessive weight due to milk bellies, etc., are also factors which producers are not willing to have determined by the buyer who purchases the hog.

The establishment of ceiling prices on live hogs will tend to eliminate competition for hogs which represents the producer's protection against the influence of variable sale factors.

The proposed plan will tend to eliminate competition and penalize the grower of quality hogs and thereby result in a decrease in production.

We contend that the present ceiling prices for the finished product represent a peg on the live hog price and are sufficient to control pork prices; for the above reasons we are opposed to the establishment of ceiling prices for live hogs.

H. M. Sundby, R. M. Scilley, Wm. H. Rohde, Carl Lahren, J. Ronice, P. B. Fredrickson, Arthur Freise, R. J. Schroeder, Davenport, N. Dak.; Achille Libbrecht, Fargo, N. Dak.; Melvin H. Holte, president, North Dakota Swine Breeders Association, Gardner, N. Dak.; H. K. Balthauser, Arthur Moyer, West Fargo, N. Dak.; Geo. C. Howe, Wm. J. Austin, Casselton, N. Dak.; C. S. Cranen, Albert Erdman, Davenport, N. Dak.; Donald Swenson, E. Christenson, Kenneth Pyle, West Fargo, N. Dak.; Victor Gohdes, Mapleton, N. Dak.; Floyd Hans, Davenport, N. Dak.; Chas. Harrington, Gardner, N. Dak.; Ed Wohner, Casselton, N. Dak.; L. Scherweit, Mapleton, N. Dak.; G. F. Weber, Casselton, N. Dak.; Ingman Teigen, Jerome J. Eide, Morgan Ford, Fargo, N. Dak.; A. Kasowski, Ralph Franke, Walter A. Saewert, Casselton, N. Dak.; Arthur B. Wickmann, Leonard, N. Dak.; Ed Nesemeier, Herbert L. Bucholz, Walter Lambrecht, Casselton, N. Dak.; Frank J. Weber, Wheatland, N. Dak.; Gordon LeBree, Geo. H. Nesemeier, F. R. English, Casselton, N. Dak.; John M. Gonglet, Edmund Sell, Amenia, N. Dak.; Henry Bernstein, Durbin, N. Dak.; Bill Sinz, J. R. Askew, Albert Sinner, Armond Nilles, Albert B. Nilles, Joe J. Nilles, Leo N. Sinner,

Wm. J. Austin, Casselton, N. Dak.; H. A. Miller, Durbin, N. Dak.; F. A. Brown, Roy Johnson, Clarence Hendrickson, John S. Dalrymple, Jr., Casselton, N. Dak.; R. A. Baumgartner, Durbin, N. Dak.; W. C. Byram, John Jendro, Casselton, N. Dak.; Joe Runck, Durbin, N. Dak.; Max H. Strehlow, Thos. G. Hagen, Chas. Amstruf, C. J. Dahlen, John Ottis, Joseph Odden, Melvin Anderson, Gedeon Sauvageau, J. A. Fjelstad, R. E. Hamry, O. M. Husebye, Theo. Perhus, S. T. Lykken, Elies Guberud, Palmer Thrase, Ole Tuneberg, Esten Twedt, Kindred, N. Dak.; Arthur Rohde, Lyle Rohde, Davenport, N. Dak.; Ole Jordheim, Walcott, N. Dak.; C. O. Sorenson, Davenport, N. Dak.; Ole Alsager, Walcott, N. Dak.; Carl Magenton, Ernest Mettum, Oscar Braaten, Kindred, N. Dak.; P. J. Smeby, Hickson, N. Dak.; Gerhard Nettum, M. A. Severson, A. M. Thoen, Carl Simenson, Kindred, N. Dak.; Howard Husebye, W. O. Bubertson, Hickson, N. Dak.; Albert Nepstad, Olander Johnson, W. O. Perhus, Kindred, N. Dak.; Victor Rheault, Horace, N. Dak.; Henry Knutson, Kindred, N. Dak.; H. O. Morgan, Walcott, N. Dak.; Conrad Hygard, Kindred, N. Dak.; Julius Olson, Davenport, N. Dak.; Napoleon Sauvageau, Leo Sauvageau, Horace, N. Dak.; Alvin T. Siminson, H. C. Hertsgard, Elvin C. Twedt, Kindred, N. Dak.; Theo. L. Gulvig, Davenport, N. Dak.; Ole J. Braatin, Kermit S. Johnson, Morris Frosaker, Oliver Grant, Swen E. Graff, Kindred, N. Dak.; Clarence H. Heuer, Davenport, N. Dak.; Leon Cockerill, Mapleton, N. Dak.; Clemens O. Hans, A. P. Hauer, Hubert Schwartz, Milford Mickelson, I. O. Graff, Davenport, N. Dak.; A. T. Moderow, L. J. Langer, Casselton, N. Dak.; Ewald Baumgartner, Otto A. Nelson, Durbin, N. Dak.; Charles Sherwait, John L. Ford, Casselton, N. Dak.; Otuis Broden, Armond Oswold, Ralph Haugen, R. C. Sundet, Ole Pederson, Ellsworth Pederson, Henry Flom, Oscar Mehle, Albin Kilen, Joseph J. Quoldister, M. A. Moen, Gilbert Moen, Ralph Helm, Harold Berhow, Owen Johnson, Albert Hamre, Robert Guillickson, Wm. Nephew, Arthur Larson, Lloyd Larson, Christ Kwraas, Forest Christenson, Gilbert Kaste, Howard A. Berg, Ervin Trovtvedt, Helmer Johnson, Gustav Haugen, Gilbert Fosse, Elmer Lewis, Carl A. Olson, Andrew C. Rice, Lloyd H. Mowig, Iver Mowig, Max Leiser, Hans Skredergaard, Ole Hoffe, Sam Matlestad, Otto Bolstad, Olson Bros., Floyd Olson, Lestern Strom, Arnold Erickson, Herman Edlund, Gilman Erickson, O. C. Vidden, M. P. Sollie, Roed Bros. Herman Ruther, Ingvold Bolstad, Art Ranger, Bennes Bros., A. F. Smith, Herman H. Erikson, Arnold Froite, Wm. Clementson, Lars Harme, Morris Taallund, Alfred O. A. Morvig, S. T. Torpet, A. Melfred Roragen, Edan Taallund, Harold Larson, R. R. Scott, John A. Larson, Ruben Stone, Lloyd E. Larson, S. T. Hovland, Alvin Christenson, Lee Erickson, Kenneth Bolstad, Harmen Juelson, Anton Viker, Albin Johnson, Oscar Boen, Fertile, Minn.; Alfred J. Lindback, Ingvald Hovde, Walter Peterson, Henry Asby, John W. Anderson, Lawrence Johnson, Manley Larson, Twin Valley, Minn.; Almer Hedahl, Clarence Hedahl, A. A. Habedank, L. S. Visser, Ada, Minn.; Albert Miller, Jr., Albert A. Miller, Lockhart, Minn.; Kenneth Visser, Ada, Minn.; Ed Enersice, Gary, Minn.; Fred Johnson, Twin Valley, Minn.; Alvin Wm. Habedank, Fred Thomforde, Carl Volderding, Oscar Wolberg, P. L. Jacobson, Ada, Minn.; R. M. Adkins, Lockart, Minn.; Fred Lothner, Ada, Minn.; Ed. N. Juve, Twin Valley, Minn.; H. Eckhoff, Ada, Minn.; Lawrence Hovland, Perley, Minn.; H. Peters, C. E. Olson, Ada, Minn.; John B. Ellingson, Roscoe Smith, Perley, Minn.; John C. Krabbenhoft, Lockhart, Minn.; Axel Erickson, Hans Hanson, Gary, Minn.; Lowell Ambruhl, Ada, Minn.; F. E. Hunt, Henry L. Nelson, Ray Mills, Sam Erickson, H. R. Jorgenson, Oliver Myran, Selmer Skjera, Dan McGregor, R. J. Robertson, Oscar Haslend, Donald George, Oscar Anderson, Carl Ekre, Thomas Villiard, O. Gilbertson, John Sjaberg, Rudalf Heimichen, O. J. Hillsteod, Nels Giere, H. Hovelson, E. G. Lepper, A. E. Lepper, Emil Petermann, Oscar Longerud, Hawley, Minn.; Wm. Meyer, Jr., Anton Anderson, Dale, Minn.; Ole T. Kleiv, Oscar Skjerva, Albin Anderson, O. H. Bergan, Hawley, Minn.; Milton Mikkelson, Martin Thorm, Lake Park, Minn.; Edwin Knutson, Elmer Knutson, B. Knutson, D. Johnson, Carl Eppler, Hawley, Minn.; J. L. Miller, Ulen, Minn.; Geo. H. McDonald, Carl Lepper, J. R. McCormick, Hawley, Minn.

Mr. LANGER. I also ask unanimous consent to have printed in the RECORD a letter received from Mr. M. H. Holte, president of the North Dakota Swine Breeders' Association, along the same line.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

GARDNER, N. DAK., *March 13, 1943.*
Senator WILLIAM LANGER,
Washington, D. C.

Dear Senator LANGER: At the winter show in Valley City, N. Dak., 75 swine breeders voiced a unanimous opinion objecting to a ceiling on the live weight of hogs. Their contention was that a ceiling on the live weight would curtail pork production and also work to the disadvantage of the small packer.

I am a breeder of purebred hogs and personally interested in this vital problem.

Respectfully yours,

M. H. HOLTE,
President, North Dakota Swine Breeders' Association.

Mr. LANGER. I also ask unanimous consent to have printed in the RECORD a letter received by Mr. M. J. Stramer, of Hazelton, N. Dak., secretary of the North Dakota Shorthorn Breeders' Association.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

HAZELTON, N. DAK., *March 13, 1943.*
Senator WILLIAM LANGER,
Washington, D. C.

Dear Senator LANGER: The 50 members of the North Dakota Shorthorn Breeders' Association attending the winter show at Valley City, N. Dak., wish to go on record as not favoring a ceiling price on beef and other meat animals based on live weight.

In this State such a program would be a limiting factor in meat production. It would work a hardship on the small packers serving this area and would have a tendency to encourage marketing poorly conditioned animals, and step up activity of the black market in the meat industry.

Very truly yours,

M. J. STRAMER,
Secretary, North Dakota Shorthorn Breeders' Association.

Mr. LANGER. I also ask unanimous consent to have printed in the RECORD a letter signed by Mr. Ralph K. Welch, of Fargo, N. Dak., secretary and treasurer of the North Dakota Livestock Association. The letter is dated March 13, and is along the same line.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NORTH DAKOTA LIVE STOCK ASSOCIATION,
Fargo, N. Dak., March 13, 1943.
Senator WILLIAM LANGER,
Washington, D. C.

DEAR SENATOR LANGER: The North Dakota Live Stock Breeders Association, a State-wide group having 236 members from all sections of the State, met at Valley City, March 11 and 12 and discussed the proposed price ceiling on live animals. It is realized that an honest effort is being made to keep prices from rising too high, while at the same time, livestock men, to a man, realize that the real incentive to production is price. With the prospect of feed, inception of price ceilings, apparently will cut down finished stock and greatly diminish the numbers needed, as it is no incentive to finish feeding. It is felt that the large packing groups will profit especially due to their ability to operate more efficiently, and that the whole program would hit the group of small packers very much.

It was agreed that the Live Stock Breeders Association should contact you and acquaint you with our attitude regarding this price-ceiling matter and urge your support of a program that would really serve as an incentive to producers, and not impose this ceiling on live animals.

We have the stock out here now, the quality is much improved and if the ratio between feed prices and finished stock continues as it is at present, you can look for an outstanding livestock production from North Dakota, if too many regulations are not imposed.

Very truly yours,

RALPH K. WELCH,
Secretary.

Mr. LANGER. Mr. President, also, in connection with the troubles of the farmers in the Red River Valley of North Dakota, as well as the troubles of the farmers all over the United States, I ask unanimous consent to have printed at this point, as a part of my remarks, a resolution adopted by the State of North Dakota Farm Security Administration Advisory Committee, signed by nine representatives of farmers of the State of North Dakota. Mr. E. J. Haslerud, one

of the signers is executive officer of the North Dakota Agricultural College.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

JAMESTOWN, N. DAK., *February 11, 1943.*

1. We recognize the Farm Security Administration program of assistance, financial and advisory, to low-income, disadvantaged farm families as one of the greatest contributions to sound democracy that has ever been promoted through Federal agencies, and now one of the greatest potential forces for increasing food production for wartime needs.

2. We recommend that the Farm Security Administration be stabilized through providing it with a permanent revolving fund which will enable the agency to make long-time planning of its operations, thus greatly increasing the efficiency of its work and permanent value of its services.

3. We recognize that within the low-income group of farmers is the greatest potential increase of food production and that the Farm Security Administration is in an enviable position to make the greatest contribution to the national all-out food production through its assistance to this low-income group. The Farm Security Administration has facilities established in each county to survey and care for individual needs of underemployed farm families and help them adjust themselves and their farm units to utilize more fully the labor capacity of the family with additional livestock, poultry, feed, or facilities which may only be provided with borrowed funds. Therefore we urge the immediate provision of ample funds to permit the agency to continue and increase the valuable work now being done in food production.

4. Farm Security Administration has recognized the great value to farmers of their participation in farmer-owned cooperative associations and cooperative activities. We are convinced that the encouragement given by Farm Security Administration to low-income farmers to participate in such cooperative endeavors has contributed the greatest value to stabilizing their income in ratio to the money expended. We recommend that Farm Security Administration services in assisting these farmers to actively participate in cooperative activity be expanded.

5. We further recommend that all Farm Security Administration employees become more interested in showing, by example as well as precept, their confidence in this phase of the Farm Security Administration.

6. We recognize the value of farm organizations in sponsoring and organizing co-ops and promoting general agricultural welfare. We therefore recommend that all Farm Security Administration clients be encouraged to participate in active farm organizations.

7. We recommend that the tenant-purchase program be greatly enlarged and more vigorously promoted for the definite purpose of making a pattern of a near ideal family farm unit that may be woven into the reconstruction and readjustment period that must follow in the wake of this devastating world-wide war. We recommend that the policies of the Farm Security Administration should and must be greatly encouraged so that it may better provide a pattern now for American agriculture during the post-war period, as one of the greatest safeguards in preventing a repetition of the terrible conditions that followed World War No. 1.

8. We recommend the great strides that have been made in the elimination of red tape in administration of various Farm Security Administration activities and recommend continuing studies to that end.

9. The Farm Security basic philosophy of helping underprivileged people to share in the fruits of democracy and contribute to the general welfare is a sample of applied Christianity and as such is entitled to the fullest assistance of schools, and all church groups. We urge that Farm Security personnel more ardently promote an understanding of its fundamental aims among all educators and religious leaders.

Walter Blume, James G. McGregor, E. J. Haslerud, Harry Kolpin, Anton Novak, Frank Heimes, Nelson H. Elvick, John W. Bollinger, Obed A. Wyum, *State Farm Security Administration Advisory Committee.*

Mr. LANGER. Mr. President, I also ask unanimous consent to have printed in the RECORD a letter signed by Mr. F. A. Young, executive secretary of the Wells County Welfare Board of Fessenden, N. Dak., in which he tells about the F. S. A. program for the State of North Dakota.

There being no objection the letter was ordered to be printed in the RECORD, as follows:

WELLS COUNTY WELFARE BOARD,
Fessenden, N. Dak., February 23, 1943.

Hon. WILLIAM LANGER,
United States Senator,
Washington, D. C.

DEAR SENATOR LANGER: I notice that there is some question about the Farm Security Administration program for North Dakota. I just want to add my information to some which you may have received. The Farm Security Administration has and is now doing a fine piece of work. The program should be continued in North Dakota because we have many farmers here who are in need of help to set up the proper units to make them self-supporting so they can weather economic and weather storms which are sure to hit us in the future the same as in the past. During the past year in Wells County a great many new loans have been made which have given new hope and activity to these people. The Farm Security Administration plan is such that the borrower can see his way out and work his way out. It is built upon a firm, sane business basis and the supervision to these people is well worth double the expenditures to keep the program.

Many young men are becoming not only farmers for themselves but are working into landowners and good farmers because they are given a lift and these are the kind who make good citizens. We need them on our farms in North Dakota and if you can do anything to help keep the program it would be my honest opinion it would be the most worth-while work you do in representing the State of North Dakota.

Yours very truly,

F. A. YOUNG,
Executive Secretary.

Mr. LANGER. I also present a telegram from the Honorable John Brandt, president of the Land O' Lakes Creameries, Inc., of Minneapolis, Minn., which is short, and which I read at this point. It is as follows:

Imposition of price ceilings on live animals as proposed by Office of Price Administration not only grossly unfair to producers but will have serious effect on production of both meat and dairy products. We earnestly request your support in opposition to imposition price ceilings on live animals.

ADDRESS BY SENATOR WALSH AT BANQUET OF FRIENDLY SONS OF ST. PATRICK

[Mr. O'MAHONEY asked and obtained leave to have printed in the RECORD the address delivered by Senator WALSH at the banquet of the Friendly Sons of St. Patrick in Washington, D. C., on March 17, 1943, which appears in the Appendix.]

A FREE AUSTRIA—ADDRESS BY SENATOR LANGER

[Mr. LANGER asked and obtained leave to have printed in the RECORD an address on a Free Austria, delivered by him at the Diplomat Hotel in New York City, on March 10, 1943, which appears in the Appendix.]

WHY WE MUST BOMB JAPAN—ARTICLE BY SENATOR THOMAS OF UTAH

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD an article entitled "Why We Must Bomb Japan," written by him and published in the American magazine of April 1942, which appears in the Appendix.]

WHAT KIND OF PEOPLE ARE WE?—ARTICLE BY SENATOR THOMAS OF UTAH

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD an article entitled "What Kind of People Are We?" written by him, and published in True Story magazine for May 1942, which appears in the Appendix.]

GOVERNMENT IN PEACE AND WAR—ARTICLE BY MILTON W. HARRISON

[Mr. BYRD asked and obtained leave to have printed in the RECORD an article entitled "Government in Peace and War," written by Milton W. Harrison and published in the Savings Bank Journal, which appears in the Appendix.]

PEACE AFTER THE WAR—ADDRESS BY L. W. HARDY

[Mr. PEPPER asked and obtained leave to have printed in the RECORD an address on the subject Peace After the War, delivered by Hon. L. W. Hardy, to the members of Optimist Club, at Bradenton, Fla., which appears in the Appendix.]

THE FOOD PROBLEM—EDITORIAL BY FRANK GANNETT

[Mr. SMITH asked and obtained leave to have printed in the RECORD an editorial entitled "Our Food Problem," by Frank Gannett, reprinted from the Rochester (N. Y.) Times Union of March 11, 1943, which appears in the Appendix.]

ABSENTEEISM IN WAR INDUSTRY

[Mr. WAGNER asked and obtained leave to have printed in the RECORD an article published in the Washington Daily News of March 15, 1943, and an article by Edward Robinson, published in the Washington (D. C.) Star of March 14, 1943, dealing with absenteeism, which appear in the Appendix.]

OUR PART IN MAINTAINING PEACE—EDITORIAL FROM THE KANSAS CITY TIMES

[Mr. HATCH asked and obtained leave to have printed in the RECORD an editorial entitled "Our Part in Maintaining Peace," published in the Kansas City Times of March 15, 1943, which appears in the Appendix.]

TIME TO ACT—EDITORIAL FROM THE CHRISTIAN SCIENCE MONITOR

[Mr. HATCH asked and obtained leave to have printed in the RECORD an editorial entitled "Time To Act," published in the Christian Science Monitor of March 17, 1943, which appears in the Appendix.]

ORGANIZATION OF UNITED NATIONS—NEWSPAPER COMMENT

[Mr. HILL asked and obtained leave to have printed in the RECORD an article by Raymond Clapper entitled "New Senate Attitude," from

the Washington News of March 15, and an editorial entitled "Moving Forward," from the Washington Post of March 15, relating to the organization of the United Nations, which appear in the Appendix.]

ORGANIZATION OF UNITED NATIONS—NEWSPAPER COMMENT

[Mr. BALL asked and obtained leave to have printed in the RECORD an article by Mark Sullivan entitled "Post-War Planning," published in the Washington (D. C.) Post of March 17, and an editorial entitled "Applying the Touchstone," published in the Philadelphia (Pa.) Bulletin of March 16, 1943, which appear in the Appendix.]

ORGANIZATION OF UNITED NATIONS—NEWSPAPER COMMENT

[Mr. BURTON asked and obtained leave to have printed in the RECORD an editorial entitled "Sound Foreign Policy," published in the Cleveland Plain Dealer of March 15, 1943, and an article by Maj. George Fielding Eliot, published in the Washington Star of March 15, 1943, dealing with the Senate resolution pertaining to organization of United Nations, which appear in the Appendix.]

SALES OF WHEAT FOR FEED

Mr. SMITH. Mr. President, from the Committee on Agriculture and Forestry, I ask consent to report back favorably without amendment the joint resolution (H. J. Res. 83) providing for additional sales of wheat for feed, and I move that the Senate proceed to the consideration of the joint resolution.

Mr. McNARY. Mr. President, if the Senator will permit, let the joint resolution be read by the clerk in the usual manner.

The ACTING PRESIDENT pro tempore. The clerk will read.

The Chief Clerk read the joint resolution, as follows:

Resolved, etc., That the limitation contained in the Department of Agriculture Appropriation Act, fiscal year 1943, on the quantity of wheat which Commodity Credit Corporation can sell for feed is hereby increased from 125,000,000 to 225,000,000 bushels: *Provided, however*, That no such wheat shall be sold at a price less than the parity price of corn at the time such sale is made: *Provided further*, That in making regional adjustments in the sale price of wheat, the minimum price shall not be higher in any area than the United States average parity price of corn.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the request to submit the report and also the motion of the Senator from South Carolina.

There being no objection the request and motion were agreed to; and the Senate proceeded to consider the joint resolution (H. J. Res. 83) to permit additional sales of wheat for feed.

Mr. SMITH. Mr. President, this is an intensely emergent measure. There is not a carload of corn now going to the terminal markets. It is not necessary for me to give the reasons for that condition; they are very many and very cogent.

The supply of wheat for feed is about exhausted, therefore the feed necessary for dairy animals, hogs, and chickens will not be supplied if some such measure as that now before the Senate shall not be passed. We were told in the committee that within 10 days the amount necessary to supply the necessary feed will be exhausted unless some action is taken.

If we can have the pending measure enacted, it will enable the Commodity Credit Corporation to release some of the 40,000,000 bushels of wheat held for the production of industrial alcohol and for other purposes, but, if not, the whole machinery for supplying feed will stop.

Mr. McNARY. Mr. President, I join with the distinguished chairman of the Committee on Agriculture and Forestry in the hope that the joint resolution will be acted upon immediately and favorably. I wish to make the comment, however, that about a year ago this body passed a simple bill making available for feed for animals and poultry 125,000,000 bushels of wheat. At that time the measure we were considering contained a provision that the wheat should be sold at 85 percent of the corn parity price. The joint resolution now pending, as it passed the House and as it comes to the Senate omits the 85-percent provision and makes the wheat salable at the corn parity price. That provision was made in order to avoid any conflict of opinion or interest which might reside with the corn growers and the wheat producers. To that extent the pending measure is dissimilar from the one which passed the Senate some time ago.

In view of the immediate needs of the producers of dairy products and poultry I hope that the Senate may take favorable action today on the joint resolution.

Mr. LANGER. Mr. President, will the distinguished Senator from South Carolina tell us the parity price of corn?

Mr. SMITH. That matter was discussed in the committee, and there seemed to be about a dozen opinions. I think the parity price of corn is $1.03.

The ACTING PRESIDENT pro tempore. The joint resolution is before the Senate and open to amendment. If there is no amendment to be offered, the question is on the third reading of the joint resolution.

The joint resolution (H. J. Res. 83) was ordered to a third reading, read the third time, and passed.

ADMIRAL STANDLEY'S MOSCOW STATEMENT—ARTICLE BY FELIX MORLEY

Mr. LA FOLLETTE. Mr. President, on March 14, there appeared in the editorial section of the Washington Sunday Star a very interesting article by Felix Morley entitled "Standley's Comment Clarifies Russia's Relations With Allies." The article begins:

Whether or not a calculated indiscretion, the outspoken observations made by Admiral Standley in Moscow have served one desirable end.

I ask that the article in full may be incorporated in the RECORD as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

STANDLEY'S COMMENT CLARIFIES RUSSIA'S RELATIONS WITH ALLIES—PRESENT ASSOCIATION HELD TO BE ONLY TEMPORARY COALITION RATHER THAN FULL PARTNERSHIP IN UNITED NATIONS

(By Felix Morley)

Whether or not a calculated indiscretion, the outspoken observations made by Admiral Standley in Moscow have served one desirable end. They have brought home to most of us the hard fact that a temporary coalition is not welded into a permanent combination of United Nations merely by repetition of that pleasant phrase.

In simple fact the United Nations are a heterogeneous group of governments which are at war, or have severed relations with, one or more of the Axis Powers. Many of these governments are in exile and may or may not have post-war standing with their people. The coalition has no central organization, no unified command, and no common policy beyond mutual antagonism to the aggression from which its members suffer.

There is a hope, but it is at present no more than a hope, that these governments may work out some plan of permanent collaboration, thus creating the nucleus of an eventual, and, this time, effective international organization. That hope, however, is retarded rather than advanced by assumptions that it will automatically become a reality. As the Under Secretary of State indicated in his recent Toronto speech, the difficult spadework in this direction is still to be accomplished.

Until the United Nations become united in something more than dependence on lend-lease, it will continue to be dangerously misleading to talk as though an enduring program has already been achieved. Picturesque displays of entwined flags, which could in a few minutes be arranged in wholly different but equally colorful combinations, are very far from providing a basis of unity worthy of the name.

STALIN'S VIEWPOINT

That unswerving realist, Premier Stalin of Russia, has from the outset demonstrated that he regards his country as a member of a temporary coalition rather than as an integral part of the United Nations' line-up.

Soviet opportunism was emphasized when Russia, having defeated and dismembered Finland, associated herself in a temporary marriage of convenience with Nazi Germany. It has been further evinced by Russia's careful relationships with Japan, continued after Hitler's notorious intuition led him to break with the Communist dictatorship. And all of Stalin's recent speeches have further emphasized that he regards Russia not as one of the United Nations, as we use the phrase, but as a power provisionally associated with Great Britain and the United States alone for the single purpose of destroying the Nazi regime in Germany.

So shrewd is Stalin's diplomacy that he has been able to establish a logically untenable position. Russia is never publicly urged to open a second front against Japan, even though that would seem the most effective way to bring aid to China and to prevent the Japanese from consolidating the huge empire they have conquered. But Stalin's refusal to let Russia gamble on a second front does not restrain him from openly criticizing Great Britain and the United States for failing to attempt prematurely what Russia could undertake with far less risk of possible disaster.

Admiral Standley, who after all only complained that the Russian Government does not advertise the extent of American aid to that country, must be a little surprised by the tempest which his remarks have aroused. What would have been the reaction if he had

emulated Stalin's frankness by asserting that the second-front argument is applicable for Russia also?

EFFECT IS DISTURBING

The remarks of the American Ambassador to Russia were certainly far less blunt and forthright than many which Premier Stalin has made himself. Yet their effect is more disturbing. The explanation of this parodox is found in the theory that it is desirable for us to regard Russia as one of the United Nations even though Russia herself continuously makes clear that she disclaims that definition.

It is now nearly 6 months since Stalin, in a statement prepared for the Associated Press correspondent in Moscow, demanded "that the Allies fulfill their obligations fully and on time." With the Germans then in partial occupation of Stalingrad a certain curtness of expression was wholly natural. But the language used in this statement was that of an associated power, thinking in terms of ad hoc agreement and not of permanent unity.

A month later, in his speech of November 6, the Russian Premier announced that: "It is not our aim to destroy all military force in Germany." He further asserted that such compulsory disarmament, in the event of Nazi defeat, would not only be impossible but also inadvisable from the point of view of the victor.

Whether or not that argument is reasonable is at the moment an academic question. The point is that it runs counter to one of the tenets of the Atlantic Charter and to one of the principles on which the majority of the United Nations are agreed. For Great Britain and the United States, at any rate, the compulsory disarmament of Germany is announced as a basic war aim.

At Casablanca, where Prime Minister Churchill and President Roosevelt decided on the policy of "unconditional surrender," there was, by Stalin's decision, no Russian representation. And more recently, in his order of the day for February 22, the Russian Premier twice took occasion to say that the Red army objective is to drive the German invaders "from the borders of our country."

This was immediately after President Roosevelt, in his address on Lincoln's Birthday, had envisaged "the day when United Nations forces march in triumph through the streets of Berlin, Rome, and Tokyo." It was as though Stalin had said: "Include us out."

In all this there is no necessary inconsistency, provided that Russia is regarded as an associated power, as was the United States in the last war, and not as a full-fledged and deeply committed member of the United Nations grouping. It is to avoid the possibility of eventual disillusionment that the distinction should be kept in mind. And the risk of this is now openly voiced, in somewhat exaggerated and sensational terms, by no less an authority than Vice President WALLACE, who, in his speech of March 8, said:

"Unless the western democracies and Russia come to a satisfactory understanding before the war ends, I very much fear that World War No. 3 will be inevitable. Without a close and trusting understanding between Russia and the United States there is grave probability of Russia and Germany sooner or later making common cause."

The first step in that essential understanding would seem to be realization that the Russian post-war political outlook is very different from that which Great Britain and the United States may be said to have in common.

The Anglo-Saxon democracies, as indicated by our fondness for the phrase "United Nations" are thinking in terms of interstate organization, of a revived and revised League of Nations, perhaps with teeth, but based essentially on the fragmented national structure established in Europe by the Treaty of Versailles.

Russia's approach to the problem of world order is wholly different. It looks much more toward the establishment of governments with a kindred philosophy than toward any mechanical linkage of governments with diverse social and political backgrounds. Trotsky's oversimplified concept of world revolution is out, but not so his central idea of unification through a common outlook rather than through common processes.

All of which should remind us, in good time, that a mere parroting of the phrase "United Nations" gets us nowhere. There are forces abroad in the world today which transcend national lines. They must be understood before they can be controlled. That they are not yet well understood by Americans is something which Stalin has done his best to tell us.

RELATIONS BETWEEN CONGRESS AND THE PRESIDENT

Mr. MALONEY. Mr. President, on Monday, March 15, the leading editorial in the New York Times was entitled "Congress and the President." I should like to read the first sentence of the editorial. It is as follows:

Not in many years have the relations between Congress and a President been as strained as they are today.

Mr. President, because I believe that to be true, and because I think the editorial is most interesting, I ask that it be printed in the body of the RECORD. I further request that thereafter there be printed in the body of the RECORD an editorial appearing in the Hartford Courant of March 17, 1943, carrying the same title "Congress and the President." The Hartford Courant editorial, which is inspired, as a reading of it will disclose, by the New York Times editorial, refers to Senate Concurrent Resolution No. 1, which I first submitted last October, and which I resubmitted at the opening of the present session of Congress. I ask unanimous consent that immediately following the editorials there be printed a copy of Senate Concurrent Resolution No. 1.

There being no objection, the editorials and concurrent resolution were ordered to be printed in the RECORD, as follows:

CONGRESS AND THE PRESIDENT

I

Not in many years have the relations between Congress and a President been as strained as they are today. The rejection of the Flynn appointment, the numerous investigations and denunciations in Congress of administrative agencies, the rebuke which the House has just given to the President in passing the Disney bill are symptoms of this strain. It would be very harmful to the country's domestic economy and dangerous to the war effort itself, if relations between the President and Congress should deteriorate further.

A healthy relationship between the executive and legislative branches of the Government can be maintained only if each respects fully the rights of the other, keeps within its proper field, and recognizes clearly its own functions and responsibilities. There have been traditionally in America two theories of the proper relationship of Congress and the President. One theory holds that Congress should act independently. But the logical outcome of complete independence on the part of Congress would be a stalemate. If Congress refused to give the President legislation he really needed, the result would be governmental paralysis. The second traditional theory holds that Congress should cooperate with the President. But this theory can no more be pushed to an extreme than the first. For the logical result of complete cooperation would be complete subservience.

Under the American system the problem of the relationship of the legislature and the Executive is peculiarly difficult. The problem does not exist to anything like the same degree under the system of responsible Cabinet government in Great Britain, Australia, or Canada. For there legislature and executive are fused. It is impossible for them to be for any considerable time at loggerheads. The executive is, in the first place, the creature of the legislature. He represents its own choice. If, in spite of this, the legislature and Prime Minister fall out, the disagreement is resolved in one of two ways: Either the Prime Minister resigns and the legislature chooses his successor, or the Prime Minister dissolves the legislature and forces it to seek reelection. The difference of opinion between Parliament and the Prime Minister can in this manner be immediately put up to the people, as the ultimate authority, to decide.

No such way of resolving a disagreement between the Legislature and the Executive exists under the American system of separation of powers. Nor does our Constitution itself give explicit practical guidance to Congress or the President concerning the best division of powers between them, or the way in which they can resolve such differences of opinion as may arise. Congress, being elected directly by the people, can properly claim to represent the people. But, though the President is still nominally chosen by an electoral college, he is in fact chosen by direct popular vote, and can claim to represent the people no less directly than Congress does. The dilemma that arises when Congress and the President disagree on an important issue is like the dilemma that arises when a State sends two Senators to Congress and each takes a different position on an issue. What clear way is there of deciding which of the two Senators really speaks for the people of his State?

II

The questions that the Constitution does not answer regarding the relationship of Congress and the President must be answered by common sense. The relationship will be determined by acts both of initiative and of self-restraint and self-denial on the part of both President and Congress. Traditions concerning what these relationships ought to be have in fact grown up, and have come to be regarded almost as inherent in the Constitution itself. But some of these traditions are in fact neither required by the Constitution nor sound in themselves.

Congress has traditionally resented, for example, detailed recommendations of the President or the executive departments regarding legislation. It has always been considered by Congress something of an outrage for the executive department actually to frame a bill itself and openly declare it to be an administration bill. Congress has at times been known to resent even vague intimations on the part of the Executive concerning what it ought to do.

All this resentment finds no justification whatever in the Constitution. The Constitution declares that the President "shall from time to time give to the Congress information of the state of the Union, and recommend to their consideration such measures as he shall judge necessary and expedient." There

is nothing here declaring that the President shall recommend measures only in the vaguest way. It would be perfectly within the letter and spirit of this clause for the President to recommend to Congress a bill that had been framed in its entirety, and was acknowledged to have been framed in its entirety, by the executive department.

By resenting and discouraging such action, Congress has not only failed to receive from the President the kind of open guidance that it should get, but it has actually encouraged the President and the executive departments to evade what ought to be their plain responsibilities. The Treasury Department, for example, ought not only to have been allowed but to have been morally compelled by Congress to make the most explicit recommendations concerning both the pay as-you-go plan and the withholding tax. If the Treasury recommends, as it does, piling $16,000,000,000 of additional taxation this year onto the drastic taxation that the country is already paying, then the Treasury should be not only allowed but morally compelled by Congress to put itself on record by declaring precisely what new taxes and precisely what rates it wants. The Treasury is here cited simply as one example. When the President declared last week that complete responsibility for post-war prosperity and security rested upon the legislative branch alone, he was taking a position not only unsound in itself but inconsistent with his own past leadership on economic and social measures. Congress has both the duty and the right to ask the executive departments to make their recommendations in full detail and to take complete open responsibility for them.

III

While Congress may invite the fullest Executive recommendations concerning its course of action, it is under no obligation to follow those recommendations. But whenever it departs from them it must depart from them intelligently and responsibly. This means that if Congress hopes to be able to meet the unparalleled duties and responsibilities imposed on it by the present crisis, it must be organized enormously better than it is. It must take measures, for one thing, to insure that it is better informed. It should equip itself with its own expert advisers, and a fuller research staff than it has at present. It should reduce the number and greatly reduce the existing prerogatives of the nearly 100 standing and special committees that it has at present. If Congress hopes to adopt any coherent and unified policy of its own, then the recommendations of its standing committees must all be channeled through some single over-all committee.

The members of this committee and, in fact, the chairmen of all committees should be chosen for their ability, not by seniority. They should be chosen in such a way that they represent the sentiment of the Congress majority, and not merely of a small group in Congress. The central over-all committee of Congress should have control of the legislative timetable and the order in which bills are presented. Under such an internal reorganization of Congress it is extremely unlikely that so much time would have been consumed as is being consumed, to take an immediate illustration, on the preliminary stages of a pay-as-you-go plan and a withholding tax; and there would be less doubt than actually exists concerning the correspondence of the views of the committee with the views of the full Congress.

In brief, if Congress hopes to be effective either for cooperating with the President or for enacting a coherent legislative program of its own, it cannot continue its present disintegrate organization. It cannot be a leaderless body of 531 men each trying to put his own private ideas into effect, each trying to draw attention to himself by his own little vaudeville turn. It cannot be ruled by a hundred different committee chairmen, no one of whom has been chosen, to represent Congress as a whole.

Congress must submit to discipline and to unified leadership. Only in that way can it hope to have a coherent policy and a definite direction.

[From the Hartford Courant of March 17, 1943]

CONGRESS AND THE PRESIDENT

Discussing the present strained relationship between the President and Congress, the New York Times suggests that an improvement might be brought about in these two ways: The President might be more frank and specific in making his recommendations for legislation, and Congress might be better organized to deal intelligently and responsibly with these recommendations.

Congress now has close to a hundred standing and special committees, the heads of which are chosen on a basis of seniority and not for their ability. These committees are jealous of their own prerogatives, and frequently they do not represent the prevailing congressional sentiment. To meet better the unparalleled duties and responsibilities imposed on it by the present crisis, the New York newspaper proposes that Congress should create a central over-all committee to confer with the President from time to time and to keep Congress better informed of what the situation requires of it.

These suggestions seem to accord somewhat closely, so far as Congress is concerned, with the provisions of a concurrent resolution introduced at the beginning of the present session by Senator MALONEY, of Connecticut. His proposal is to set up a joint committee on war problems, to be composed of six Senators and an equal number of Representatives, evenly divided between the two parties. The duties of this committee would be to make a special study of the problems arising out of the war, to confer with the President and with the various departments and agencies of the Government with respect to such problems, to consult with other committees of both branches of Congress, and to report its recommendations as to legislation deemed advisable. In some instances this committee would make its reports in open session and in others behind closed doors, depending on the military character of the information gathered and imparted.

It is not Senator MALONEY'S idea that this special committee of 12 should undertake to run the war or to engage in any actual war strategy. It would not perform any such functions as the committee that was set up by Congress in 1861 to investigate the conduct of the Civil War. That committee was not helpful either to President Lincoln or to Congress. Rather does Senator MALONEY'S proposal envisage a liaison committee between the executive and the legislative branches of the Government, so that each by taking the other into its confidence could the better get on with the war. The whole idea was expressed by the Senator in speaking for his resolution before the Subcommittee on Military Affairs when he said:

"This is a war in which we are all engaged and there are no political party lines. There should be no dividing factions or groups—and I do not think there are—but the only way that the Congress as a whole can be heard, the only way the country as a whole can be heard, and the only way the people whom we represent can sit at the council table in connection with this war, is by some such bipartisan committee as would be set up under this resolution. * * * It seems to me most unfortunate that in the most terrible war of all our history the Congress of the United States is not informed, and I hasten to add that I realize, as everyone should, that the President cannot tell every Member of Congress what is going on. * * * Unless some such proposal as this is adopted, I am fearful that we will cheat ourselves of the chance to serve to the best of our capacity, talents, and ability those whom we represent."

The Maloney suggestion has created a great deal of favorable comment, and since the New York Times is so much interested in bringing about a better relationship between the President and Congress we commend the resolution to its kindly consideration.

[78th Cong., 1st sess.; S. Con. Res. 1; in the Senate of the United States, January 7, 1943; Mr. MALONEY submitted the following concurrent resolution; which was referred to the Committee on Military Affairs]

Senate Concurrent Resolution 1

Resolved by the Senate (the House of Representatives concurring), That there is hereby created a joint congressional committee to be known as the Joint Committee on War Problems (hereinafter referred to as the "joint committee"), and to be composed of six Members of the Senate to be selected by the Senate and six Members of the House of Representatives to be selected by the House of Representatives. Not more than three of the members of the joint committee selected by the Senate, and not more than three of the members of the joint committee selected by the House of Representatives, shall be from the same political party. The joint committee shall select a chairman from among its members. A vacancy in the membership of the joint committee shall not affect the power of the remaining members to execute the functions of the joint committee, and shall be filled in the same manner as the original selection.

SEC. 2. It shall be the duty of the joint committee to make a special study and investigation of the problems arising out of the war under existing and future acts of Congress; to confer with the President, and with the various departments and agencies of the Government, from time to time, with respect to such problems; to consult with other committees of both branches of the Congress, and to report to the Congress from time to time, together with such recommendations with respect to legislation as it deems advisable.

SEC. 3. For the purposes of this concurrent resolution, the joint committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Seventy-eighth and succeeding Congresses, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the joint committee, which shall not exceed $, shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives upon vouchers approved by the chairman of the joint committee.

SHORTAGE OF FARM MACHINERY

Mr. BYRD. Mr. President, I ask unanimous consent to have inserted in the

body of the RECORD as a part of my remarks a letter written by me under date of March 8, 1943, to Hon. Claude R. Wickard, Secretary of Agriculture, with respect to the shortage of farm machinery.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MARCH 8, 1943.

The Honorable CLAUDE R. WICKARD,
The Secretary of Agriculture.

MY DEAR MR. SECRETARY: I have just been furnished a statement of the farm machinery allotted to the State of Virginia for the year 1943. I am so shocked to see the inadequacy of this equipment that I am writing to call it to your personal attention, and I am sending a copy of this letter to Mr. Donald M. Nelson, War Manpower Commissioner McNutt, and Office of Price Administrator Brown, all of whom are concerned in the production of sufficient food to provide for our needs at home, the proper maintenance of our armed forces and our allies.

There is no question about the great danger of an impending food shortage. A farmer myself, and representing a great farming State, I am in touch with conditions, and it is very evident that the production of food in the year 1943 will be substantially less than last year. The main reason for this, of course, is the shortage of labor, which has been taken from the farms, principally due to war industries paying much higher wages, and also by the draft. Farm workers do not seem to have been given the same classification of being essential as has been done in war industries. In many instances, to my own knowledge, different agencies of the Government have solicited farm labor to leave the farms and go into war industries at much higher wages.

With the shortage of labor, it becomes more important to have adequate supplies of farm machinery so that the labor available can be utilized to the fullest possible extent.

In Virginia, there are 148,165 farms, yet the entire State of Virginia has been allotted only 385 tractors; 386 disk harrows; 141 spring-tooth harrows. A great potato-producing State, Virginia has been allotted only 35 potato planters. A great corn State, it has been allotted only 258 1-horse single-row corn planters. Other equipment, for example, is 30 hay loaders, 12 hay-press combines, 545 horse mowers, 299 2-horse walking moldboard plows, and only 568 1-horse cultivators, 2 corn pickers, and 4 grain threshers.

Virginia is often the second apple-producing State in the Nation, yet many large apple counties in Virginia have not been allotted more than one or two sprayers and some counties none.

There are some counties in Virginia in which the total allotment of farm machinery is not more than sufficient to equip one good-sized farm. In Pittsylvania County, where there are 4,992 farms, for example, only 1 tractor disc plow has been given to the entire county, 1 hay loader, 2 spring-tooth harrows, and 1 manure spreader, 7 disk harrows, and 1 lime spreader.

I think it is imperatively important that you and others review immediately this allocation of farm machinery, as the time has come when those in authority in our Government can no longer trifle with the production of food. There must be some intelligent and effective planning, otherwise the food supplies in America will be reduced to a point below our own needs and the obligations we have undertaken for our allies.

In Virginia as well as elsewhere the farmers desire to do everything possible to cooperate in the fullest measure, at personal sacrifice to themselves, to do their part in producing the food necessary to win the war, but they must have the labor and equipment to do it.

* * * * *

I am sending this personal communication to you, with copies to the other officials mentioned, in the very earnest hope that in view of the critical situation now confronting the farmers it will receive your immediate attention to avert the catastrophe of a food shortage, which will necessarily retard the winning of the war.

Cordially yours,

HARRY F. BYRD.

PROFITS FROM CONSTRUCTION AND OPERATION OF SHIPS—TAX EXEMPTION

Mr. AIKEN. Mr. President, a few days ago the Senate considered and acted upon legislation pertaining to certain recommendations of the Maritime Commission.

I explained at that time that I had not had an opportunity properly to study the bill, and when the junior Senator from Maryland [Mr. RADCLIFFE] informed the Senate that profits of certain steamship companies, including recapture accruals—funds properly belonging to the Government—could be deposited in the construction fund created by section 511 of the Merchant Marine Act of 1936, as amended, under the terms of Senate bill 163, then pending before the Senate, and be tax free, I became sufficiently disturbed to oppose passage of the bill.

Since then I have received an unsolicited letter from the Chairman of the Maritime Commission, dated March 4, 1943, explaining the purpose of the construction fund authorized by section 511 of the Merchant Marine Act as amended by S. 163. I ask permission to insert the Chairman's letter at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES MARITIME COMMISSION,
Washington, March 4, 1943.

Hon. GEORGE D. AIKEN,
United States Senate.

MY DEAR SENATOR AIKEN: I have read with interest the statements which you made on the floor of the Senate on Wednesday, March 3, 1943, with reference to the pending bill (S. 163) amending section 511 of the Merchant Marine Act, 1936, which section relates to the establishment of ship construction reserve funds.

It is to be gathered from your remarks that you are under the impression that the proposed bill, as well as the section of the Merchant Marine Act which it amends, confers tax-exemption benefits upon the operators receiving operating-differential subsidies, not only with respect to gains arising from the sale or other disposition of their vessels but also with respect to operating earnings. The fact is, however, that section 511 of the Merchant Marine Act, 1936, as amended, is not applicable to the subsidized operators since their gains and their operating earnings are governed by the provisions of title VI of the Merchant Marine Act, 1936, as amended.

Section 511 relates solely to capital gains and other earnings of the nonsubsidized operators. In order to promote new construction, section 511 provides that capital gains are subject to tax deferment in the manner explained by Senator RADCLIFFE on the floor of the Senate. The operating earnings of the nonsubsidized operators do not obtain any tax exemption whatsoever except that, when deposited in the construction reserve fund, they obtain immunity from those provisions of the internal-revenue laws which penalize corporations for unreasonably accumulating surpluses rather than distributing them to their stockholders. On this latter point, I refer you to the following statement from the report of the Committee on Commerce on the amendments to section 511:

"Earnings from the operation of vessels placed in a construction reserve fund and the earnings derived from such fund are subject to tax like any other income of the taxpayer, but failure to distribute such earnings will not constitute an accumulation of such earnings within the meaning of section 102 of the Internal Revenue Code for any year as of the close of which the conditions then applicable have been complied with. The same relief from the provisions of section 102 is accorded to unrecognized gain."

The amendments to section 511 contained in S. 163 relate primarily to matters of detail with respect to which the Commission, with the concurrence of the Treasury Department, believe should be cured by way of legislation. The general structure of section 511, as originally enacted in 1940, is undisturbed.

I am enclosing herewith a copy of the report of the House Committee on the Merchant Marine and Fisheries submitted in the fall of 1940, which I believe will be of assistance to you in your consideration of this matter.

Sincerely yours,

E. S. LAND, *Chairman.*

Mr. AIKEN. Mr. President, it undoubtedly is apparent to every Member of the Senate that following the winning of this war our shipping problem will be comparable to that which prevailed at the close of World War No. 1. At that time it will be recalled that we transferred to private concerns at but a pittance of their cost hundreds of vessels which had cost the Government billions of dollars.

At this time I wish to mention proposed legislation reported last year, but on which action was not concluded by the Seventy-seventh Congress. I understand its proponents, including the spokesmen for the Maritime Commission, expect to have us consider this legislation again within a very short time. Report No. 2735, dated December 14, 1942, by the House Merchant Marine and Fisheries Committee on this proposed legislation, H. R. 7105, is well worthy of the attention of the Senate, especially as we will soon be called upon, I hope, to close up the leaks in the present tax system whereby the receivers of huge annual incomes escape their proper share of the tax burden.

I ask to have inserted at this point in my remarks language from pages 1 and 2 of this report of the House Merchant Marine and Fisheries Committee, which would authorize certain profits, amounting to many millions of dollars, to be exempt from taxation.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

That section 607 (h) of title VI of the Merchant Marine Act, 1936, as amended, is amended to read as follows:

"(h) (1) Exemption from taxation of deposits in reserve funds: All or any part of the net income (including gains from the sale, exchange, or involuntary conversion of vessels) of any contractor, receiving an operat-

ing-differential subsidy under authority of this title, which is deposited in the contractor's reserve funds as provided in this section shall, except as hereafter provided, be exempt from all Federal income and excess-profits taxes.

"(2) Taxation of withdrawals from reserve funds: Amounts withdrawn from the contractor's reserve funds, to the extent that such amounts are deemed to be out of net income (including gains from the sale, exchange, or involuntary conversion of vessels), shall, except when withdrawn (A) for the purchase, construction, or reconstruction of vessels to be employed by the contractor on an essential foreign-trade line, route, or service approved by the Commission, (B) for the purpose of paying off indebtedness secured by mortgage on a subsidized vessel or vessels, or (C) from the special reserve fund and transferred to the capital reserve fund as permitted by subsection (g) of this section, be taxed as if earned during the taxable year in which the withdrawal occurs.

"(3) Taxation of reserve funds upon termination of subsidy contract: Upon the termination of the operating-differential subsidy contract, all amounts which are in the reserve funds at the time of such termination, to the extent that such amounts are deemed to be net income (including gains from the sale, exchange, or involuntary conversion of vessels), shall be taxed as if earned during the taxable year in which such termination occurs, except that there shall not be taxed (A) amounts to be recaptured by the Commission as provided by section 606, and (B) amounts which are obligated to the Commission as the minimum cash payments required to be made pursuant to an existing contract entered into by the contractor and the Commission under the provisions of title V."

Mr. AIKEN. Mr. President, this proposed legislation, in substance, if enacted into law, would enable the owners of these millions of dollars, secured through excessively high profits, much of which was paid from the Treasury of the United States, to accomplish two purposes, both of which are detrimental to the welfare of our country and its people.

First, it would deprive the Government of millions of dollars of moneys which are now recapturable and which should be deposited in the Treasury, under laws now on our statute books; second, it would establish additional tax-free privileges for a few subsidized and unsubsidized ship operators and shipbuilders whereby these privileged few may altogether escape the payment of taxes on hundreds of millions of dollars.

The Maritime Commission, as was its predecessor in the last World War, has been entrusted with the expenditure of billions of dollars.

Government spending to promote United States shipping, I regret to say, undoubtedly comprises some of the most unsavory pages in our history of Government expenditures. Many of the present Members of the Senate are conversant with the nauseating revelations brought forth by the Black senatorial committee a few years ago. I fear that the conditions which exist at this time are even worse than those which prevailed at the time when the Senate created the Black committee.

It will be noted in the letter which I received from the Chairman of the Maritime Commission that he states:

> The amendments to section 511 contained in S. 163 relate primarily to matters of detail with respect to which the Commission, with the concurrence of the Treasury Department, believe should be cured by legislation.

The Chairman of the Maritime Commission, in this letter, stresses the point that section 511 as it now stands, and, as he desires it to be after the amendment, pertains exclusively to, and confers rights upon unsubsidized American ship operators, where no such rights existed prior to the original enactment of section 511, late in 1940.

The Chairman of the Maritime Commission is clearly implying that the Secretary of the Treasury, in possession of all the facts, is lending his high office in connection with other Government agencies to aiding the shipping industry to secure additional tax exemptions. It seems incredible to me, that the Treasury Department, seeking to impose new tax burdens amounting to some 20 percent of the wages and salaries of industrial workers and increased taxes upon the already overburdened American farmers, has agreed that it favors legislation whereby shockingly high excess profits and equally high excessive net profits on the investments of this one industry shall be exempt from taxation.

In passing, I should like to have the Senate bear in mind that in the original enactment of section 511, as I understand, Congress conferred upon unsubsidized ship operators a right not theretofore enjoyed by them, namely, the right to deposit funds in construction reserve funds against new vessel acquisition. It is my considered opinion that this privilege, which has existed only since late 1940, is nothing more than another form of subsidy extended to a new class of beneficiaries.

In the letter which I received from the Chairman of the Maritime Commission and which I have inserted in the RECORD as a part of my remarks the following will be noted:

> The operating earnings of the nonsubsidized operators do not obtain any tax exemption whatsoever except that, when deposited in the construction reserve fund, they obtain immunity from those provisions of the internal-revenue laws which penalize corporations for unreasonably accumulating surpluses rather than distributing them to their stockholders.

It is common knowledge that these provisions were inserted in our internal-revenue laws in order to prevent receivers of excessively large profits from dodging taxation through the accumulation of funds in holding companies. To my mind, the legislation which the Maritime Commission has recommended and which the Chairman of the Maritime Commission states that the Treasury Department has agreed to, would in substance, further nullify the intent of our tax laws for a privileged few.

My attention has been called to House bill 134, on which hearings are now being held before the House Merchant Marine and Fisheries Committee. This bill is apparently the same proposed legislation as was contained in H. R. 7105 last year and reported out by the House Committee in its report numbered 2735, dated December 14, 1942, certain quotations of which I have had inserted as a part of my remarks. I note from that report that the Chairman of the Maritime Commission recommended the passage of H. R. 7105 in a letter of June 9, 1942. It is fair, therefore, to assume that H. R. 134 has also been endorsed by him. The first section of H. R. 134 provides as follows:

> All or any part of net income including gains from the sale, exchange, or involuntary conversion of vessels of a subsidized operator when deposited in the reserve funds shall be exempt from all Federal income and excess-profits tax.

Again I ask, is it possible that the Treasury Department has agreed that this legislation should be enacted and possibly hundreds of millions of dollars thereby escape taxation, while every workingman is being taxed and taxed almost beyond the limit of endurance?

In speaking on this floor when Senate bill 163 was under consideration I inserted as a part of my remarks two tables—page 1464—showing the profits, recapture accruals, balances in the reserve funds, and so forth, of the subsidized operators. I now wish to supplement these reports with detailed statements of 12 individual subsidized ship operators, which statements have been furnished, at my request, by the Comptroller General. Some of these statements are especially worthy of note as they show the enormous war profits which were made in 1940 and 1941, all of which are tax free, except a comparatively small percentage paid out in dividends.

Take the American Export Lines, which in 1938 had capital invested of some $2,500,000. The net profits of this company for 1938 to 1941, inclusive, were approximately $23,500,000, of which some $5,000,000 represents profits which the Government would recover if the bureaucrats in the Maritime Commission would only enforce the law enacted by Congress. The net profits of this one company for 1941 alone were approximately $13,500,000, more than five times the amount of the capital invested. Despite these tremendous profits which, if paid out in dividends would be subject to taxation, we find from the report of the Comptroller General that this company has paid out in dividends only $2,000,000 or less than 10 percent during the period 1938 to 1941, inclusive, and the balance has been placed in the reserve funds and thus escapes taxation.

Mr. BAILEY. Mr. President, will the Senator yield?

The ACTING PRESIDENT pro tempore. Does the Senator from Vermont yield to the Senator from North Carolina?

Mr. AIKEN. I will yield for a question, but not for a speech.

Mr. BAILEY. I do not wish to make a speech.

Mr. AIKEN. Mr. President, I do not care to yield unless it is very urgent. When I shall have completed my remarks I may have answered the question for which the Senator from North Carolina desires me to yield.

The ACTING PRESIDENT pro tempore. Does the Senator from Vermont decline to yield?

Mr. AIKEN. For the time being I decline to yield. Later, if there are questions which I have not answered, they may then be considered.

Mr. BAILEY. Mr. President, let me say to the distinguished Senator that it is not for a question that I have asked him to yield. What I wish to say relates to a statement of fact made by the Senator, which I believe to be wholly inaccurate. I am not charging the Senator with intentional inaccuracy. I should like to correct a statement which he has made. If he is unwilling to be corrected now, I shall wait and correct the statement at the proper time.

Mr. AIKEN. Mr. President, I presume the able chairman of the Committee on Commerce will want to correct other statements at the conclusion of my address, or whenever he sees fit. I wish it to be understood, however, that the figures I am using were furnished me by the office of the Comptroller General, and I believe them to be accurate. If the Comptroller General's office has not been accurate, then the information should be corrected.

The American President Lines, with no capital investment and actually insolvent at the time the Maritime Commission, in utter indifference to the law enacted by Congress, took it over for reasons which are well worthy of study, experienced a net loss of $135,000 for the period October 1938 to December 1939, and made net profits of approximately $5,000,000 in 1940 and some $8,700,000 in 1941.

The Comptroller General reports that the Seas Shipping Co. had $100,815 capital necessarily employed in 1938, which in 1941 had increased to $2,895,434. The net profit of the company for the period 1938–41, inclusive, is reported as $9,078,788, while $10,416,615 was placed in the tax-free reserve funds during the same period and only $125,000 of taxable dividends were paid out during the same period.

Mr. BAILEY. Mr. President, may I request the Senator from Vermont to explain to the Senate what the reserve funds are for?

Mr. AIKEN. The Senator from Vermont will not enter into a general argument with the chairman of the Committee on Commerce. I am inserting in the RECORD the statements and tables received from the office of the Comptroller General, so that if Members of the Senate will read them they will know just what has been going on, and the extent to which tremendous profits are being made by some of the subsidized companies.

The Comptroller General also reports that the Lykes Shipping Co., in 1938, had a capital necessarily employed of $3,874,388, which in 1941 had increased to $15,577,548. The net profit of this company for the period 1938 to 1941, inclusive, is reported as $10,112,581. During the same period, 1938 to 1941, inclusive, there was deposited in the tax-free reserve funds $30,458,921. Of this amount some $11,000,000 consisted of profits from unsubsidized operations which were deposited in these tax-free reserve funds after securing the consent of the Commission.

Mr. President, I ask permission to insert these tables in the RECORD at this point in my remarks.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

SCHEDULE 5-A.—*American Export Lines, Inc., period of operating subsidy contract, Jan. 24, 1938, to Dec. 31, 1939*

	1938	1939	1940	1941	Total
Capital necessarily employed (in subsidized operations)	$2,473,225.24	$3,279,718.06	$3,281,850.54	$7,091,165.81	$16,125,959.65
Total net profits from subsidy operations	522,415.37	1,436,432.90	7,792,639.18	13,667,860.99	23,419,348.44
Less additional charter hire accrued to the Commission	0	0	0	0	0
Total net profits after deduction	522,415.37	1,436,432.90	7,792,639.18	13,667,860.99	23,419,348.44
Less net profits accrued to Commission as recapture of excess profits	137,546.43	554,230.55	3,420,050.64	972,928.51	5,084,756.13
Net profit to contractor	384,868.94	882,202.35	4,372,588.54	12,694,932.48	18,334,592.31
Dividends paid to stockholders	232,000.00	462,000.00	498,687.50	770,000.00	1,962,687.50
Amount of deposits in capital reserve and special reserve funds:					
Net operating profits from subsidy operations	251,206.19	1,135,690.53	6,855,827.33	12,712,830.47	20,955,554.52
Profits from other operations, proceeds from sale or other disposition of vessels, depreciation accruals	428,982.00	521,232.96	2,384,392.47	2,175,754.41	5,510,361.84
Other	0	0	12,328.72	44,876.76	57,205.48
	680,188.19	1,656,923.49	9,252,548.52	14,933,461.64	26,523,121.84
Less mortgage payments and down payments on vessels	0	0	3,825,905.71	8,695,259.04	12,521,164.75
Balance on deposit Dec. 31, 1941	680,188.19	1,656,923.49	5,426,642.81	6,238,202.60	14,001,957.09

SCHEDULE 5-B.—*American Mail Line, Ltd., period of operating subsidy contract, Apr. 1, 1940, to Apr. 1, 1943*

	1940	1941	Total
Capital necessarily employed (in subsidized operations)	$1,300,043.36	$2,115,262.57	$3,415,30593.
Total profit from subsidy operations	620,744.58	3,061,036.36	3,681,780.94
Less additional charter hire accrued to the Commission	245,370.12	1,424,755.05	1,670,125.17
Total net profit after deduction	375,374.46	1,636,281.31	2,011,655.77
Less net profit accrued to Commission as recapture of excess profits	0	0	0
Net profit to contractor	375,374.46	1,636,281.31	2,011,655.77
Dividends paid to stockholders	0	103,337.00	103,337.00
Amount of deposits in capital reserve and special reserve fund:			
Net operating profits from subsidy operations	246,652.25	1,530,521.55	1,777,173.80
Profits from other operations, proceeds from sale or other disposition of vessels, depreciation accruals	0	0	0
Other	0	0	0
	246,652.25	1,530,521.55	1,777,173.80
Less mortgage and down payments on vessels	0	0	0
Balance on deposit, Dec. 31, 1941	246,652.25	1,530,521.55	1,777,173.80

SCHEDULE 5-C.—*American President Lines, Inc., period of operating subsidy contract, Sept. 25, 1938, to Sept. 25, 1949*

	Oct. 1, 1938, to Dec. 31, 1939	1940	1941	Total
Capital necessarily employed (in subsidized operations)	0	0	$2,295,163.71	$2,295,163.71
Total net profits from subsidy operations	[1] $135,558.23	$4,907,686.81	8,721,088.24	13,493,216.82
Less additional charter hire accrued to the Commission	0	0	0	0
Total net profits after deduction	[1] 135,558.23	4,907,686.81	8,721,088.24	13,493,216.82

[1] Denotes red figures.

SCHEDULE 5-C.—*American President Lines, Inc., period of operating subsidy contract, Sept. 25, 1938, to Sept. 25, 1949*—Continued

	Oct. 1, 1938, to Dec. 31, 1939	1940	1941	Total
Less net profits accrued to Commission as recapture of excess profits	[1] $67,779.12	$2,453,843.41	$4,245,785.93	$6,631,850.22
Net profit to contractor	[1] 67,779.11	2,453,843.40	4,475,302.31	6,861,366.60
Dividends paid to stockholders	0	0	0	0
Amount of deposits in capital reserve and special reserve funds:				
Net operating profits from subsidy operations	0	4,166,190.83	8,673,454.97	12,839,645.80
Profits from other operations, proceeds from sale or other disposition of vessels, depreciation accruals	1,003,420.90	2,172,574.00	1,049,844.76	4,225,839.66
Other	0	0	0	0
Less mortgage payments and down payments on vessels	1,003,420.90	6,338,764.83	9,723,299.73	17,065,485.46
	0	6,752,235.04	4,895,954.32	11,648,189.36
Balance on deposit Dec. 31, 1941	1,003,420.90	[1] 413,470.21	4,827,345.41	5,417,296.10

[1] Denotes red figures.

SCHEDULE 5-D.—(*A*) *American South African Line, Inc., period of operating subsidy contract, Apr. 11, 1940, to Dec. 31, 1942*

	1940	1941	Total
Capital necessarily employed (in subsidized operations)	$1,442,291.59	$4,254,049.89	$5,696,341.48
Total net profits from subsidy operations	1,016,560.25	3,685,210.86	4,701,771.11
Less additional charter hire accrued to the Commission	0	82,183.18	82,183.18
Total net profits after deduction	1,016,560.25	3,603,027.68	4,619,587.93
Less net profits accrued to Commission as recapture of excess profits	82,501.63	283,196.68	365,698.31
Net profit to contractor	934,058.62	3,319,831.00	4,253,889.62
Dividends paid to stockholders	100,458.00	334,860.00	435,318.00
Amount of deposits in capital reserve and special reserve funds:			
Net operating profits from subsidy operations	1,032,824.46	3,177,622.69	4,210,447.15
Profits from other operations, proceeds from sale or other disposition of vessels, depreciation accruals	2,260,973.37	794,540.13	3,055,513.50
Other	0	0	0
Less—Mortgage payments and down payments on vessels	3,293,797.83	3,972,162.82	7,265,960.65
	1,610,912.23	706,511.54	2,317,423.77
Balance on deposit Dec. 31, 1941	1,682,885.60	3,265,651.28	4,948,536.88

SCHEDULE 5-E.—(*A*) *Grace Line, Inc., period of operating subsidy contract, Jan. 1, 1938, to Dec. 31, 1947*

	1938	1939	1940	1941	Total
Capital necessarily employed (in subsidized operations)	$7,306,357.13	$9,317,979.74	$13,179,007.82	$15,954,434.93	$45,757,779.62
Total net profits from subsidy operations	890,062.17	1,527,358.53	2,347,717.86	5,730,785.61	10,495,924.17
Less additional charter hire accrued to the Commission	0	8,055.89	139,890.35	92,807.57	240,753.81
Total net profits after deduction	890,062.17	1,519,302.64	2,207,827.51	5,637,978.04	10,255,170.36
Less net profits accrued to Commission as recapture of excess profits	79,713.23	293,752.34	444,963.36	2,021,267.27	2,839,696.20
Net profit to contractor	810,348.94	1,225,550.30	1,762,864.15	3,616,710.77	7,415,474.16
Dividends paid to stockholders	179,300.00	1,932,000.00	2,967,000.00	1,932,000.00	7,010,300.00
Amount of deposits in capital reserve and special reserve funds:					
Net operating profits from subsidy operations	890,294.92	569,062.56	891,104.17	5,660,595.70	8,011,057.35
Profits from other operations, proceeds from sale or other disposition of vessels, depreciation accruals	673,027.85	714,630.62	6,090,241.84	2,647,175.96	10,125,076.27
Other	0	0	0	0	0
Less mortgage payments and down payments on vessels	1,563,322.77	1,283,693.18	6,981,346.01	8,307,771.66	18,136,133.62
	153,051.00	153,051.00	4,835,754.39	2,967,173.65	8,109,030.04
Balance on deposit Dec. 31, 1941	1,410,271.77	1,130,642.18	2,145,591.62	5,340,598.01	10,027,103.58

SCHEDULE 5-F.—*Lykes Bros. Steamship Co., Inc., period of operating subsidy contract, Jan. 1, 1938, to Dec. 31, 1949*

	1938	1939	1940	1941	Total
Capital necessarily employed (in subsidized operations)	$3,874,378.79	$4,692,516.34	$7,941,399.98	$15,577,548.21	$32,085,843.32
Total net profits from subsidy operations	318,306.95	1,183,670.62	4,832,607.42	8,777,996.36	15,112,581.35
Less additional charter hire accrued to the Commission	0	0	0	0	0
Total net profits after deductions	318,306.95	1,183,670.62	4,832,607.42	8,777,996.36	15,112,581.35
Less net profits accrued to Commission as recapture of excess profits	[1] 34,565.46	357,209.49	1,984,668.25	3,270,172.71	5,612,050.45
Total net profit to contractor	318,306.95	826,461.13	2,847,939.17	5,507,823.65	9,500,530.90
Dividends paid to stockholders	340,000.00	490,000.00	875,000.00	1,680,000.00	3,385,000.00
Amount of deposits in capital reserve and special reserve funds:					
Net operating profits from subsidy operations	2,542.64	643,689.22	3,990,051.00	8,058,499.14	12,694,782.00
Profits from other operations, proceeds from sale or other disposition of vessels, depreciation accruals	578,164.00	486,896.92	10,262,025.36	6,437,053.05	17,764,139.33
Other	0	0	0	0	0
Total	580,706.64	1,130,586.14	14,252,076.36	14,495,552.19	30,458,921.33
Less mortgage payments and down payments on vessels	0	0	8,665,029.55	9,555,731.33	18,220,760.88
Balance on deposit Dec. 31, 1941	580,706.64	1,130,586.14	5,587,046.81	4,939,820.86	12,238,160.45

[1] Denotes red figures.

SCHEDULE 5-G.—*Mississippi Shipping Co., period of operating subsidy contract, Jan. 1, 1938, to Dec. 31, 1949*

	1938	1939	1940	1941	Total
Capital necessarily employed (in subsidized operations)	$2,161,526.28	$2,769,343.83	$3,277,531.38	$4,454,239.55	$12,662,641.04
Total net profits from subsidy operations	891,115.50	861,967.79	1,900,678.11	3,172,991.24	6,826,752.64
Less additional charter hire accrued to the Commission	0	0	0	0	0
Total net profits after deductions	891,115.50	861,967.79	1,900,678.11	3,172,991.24	6,826,752.64
Less net profits accrued to Commission as recapture of excess profits	326,007.98	303,990.15	626,315.80	445,625.48	1,701,939.41
Net profit to contractor	565,107.52	557,977.64	1,274,362.31	2,727,365.76	5,124,813.23
Dividends paid to stockholders	225,000.00	255,000.00	402,000.00	405,000.00	1,287,000.00
Amount of deposits in capital reserve and special reserve funds:					
Net operating profits from subsidy operations	676,733.80	585,033.41	1,572,147.55	3,174,718.73	6,008,633.49
Profits from other operations, proceeds from sale or other disposition of vessels, depreciation accruals	329,032.60	245,472.33	934,810.47	1,499,513.11	3,008,828.51
Other	0	0	0	0	0
	1,005,766.40	830,505.74	2,506,958.02	4,674,231.84	9,017,462.00
Less mortgage payments and down payments on vessels	0	370,429.00	837,728.64	2,280,952.96	3,489,110.60
Balance on deposit Dec. 31, 1941	1,005,766.40	460,076.74	1,669,229.38	2,393,278.88	5,528,351.40

SCHEDULE 5-H.—(*A*) *Moore-McCormack Lines, Inc., period of operating subsidy contract, Oct. 31, 1938, to June 30, 1951*

	1938	1939	1940	1941	Total
Capital necessarily employed (in subsidized operations)	$16,346.76	$879,071.16	$4,542,025.12	$8,433,961.08	$13,871,404.12
Total net profits from subsidy operations	[1] 74,077.65	1,277,635.98	7,014,782.58	16,753,071.26	24,971,412.17
Less additional charter hire accrued to the Commission	0	438,498.56	1,709,449.94	3,209,708.50	5,357,657.00
Total net profits after deduction	[1] 74,077.65	839,137.42	5,305,332.64	13,543,362.76	19,613,755.17
Less net profits accrued to Commission as recapture of excess profits	[1] 20,050.41	145,939.74	1,807,484.39	1,334,170.19	3,267,543.91
Net profit to contractor	[1] 54,027.24	693,197.68	3,497,848.25	12,209,192.57	16,346,211.26
Dividends paid to stockholders	0	0	534,375.00	770,000.00	1,304,375.00
Amount of deposits in capital reserve and special reserve funds:					
Net operating profits from subsidy operations	0	843,859.26	4,828,056.78	11,368,006.95	17,039,922.99
Profits from other operations, proceeds from sale or other disposition of vessels, depreciation accruals	375,954.98	619,905.15	5,266,371.66	2,554,197.80	9,816,429.59
Other	0	0	0	0	0
	375,954.98	1,463,764.44	10,094,428.41	14,922,204.75	26,856,352.58
Less mortgage payments and down payments on vessels	0	980,000.00	5,409,332.96	12,534,551.35	18,923,884.31
Balance on deposit Dec. 31, 1941	375,954.98	483,764.44	4,685,095.45	2,387,653.40	7,932,468.27

[1] Denotes red figures.

SCHEDULE 5-I.—(*A*) *New York and Cuba Mail Steamship Co., period of operating subsidy contract, Jan. 1, 1938, to Dec. 31, 1949*

	1938	1939	1940	1941	Total
Capital necessarily employed (in subsidized operations)	$1,669,484.68	$1,790,481.86	$1,982,989.47	$3,821,358.36	$9,264,314.37
Total net profits from subsidy operations	[1] 52,750.67	530,287.95	930,015.21	870,436.89	2,277,989.38
Less additional charter hire accrued to the Commission	0	0	15,296.83	0	15,296.83
Total net profit after deduction	[1] 52,750.67	530,287.95	914,718.38	870,436.89	2,262,692.55
Less net profit accrued to Commission as recapture of excess profits	[1] 109,849.57	175,619.88	358,209.71	244,150.52	668,130.54
Net profit to contractor	57,098.90	354,668.07	556,508.67	626,286.37	1,594,562.01
Dividends paid to stockholders	0	0	125,000.00	0	125,000.00
Amount of deposits in capital reserve and special reserve funds:					
Net operating profits from subsidy operations	0	186,495.61	509,055.30	490,388.73	1,185,939.64
Profits from other operations, proceeds from sale or other disposition of vessels, depreciation accruals	545,467.73	434,654.66	514,857.45	1,577,645.26	3,072,625.10
Other	0	0	0	0	0
	545,467.73	621,150.27	1,023,912.75	2,068,033.99	4,258,564.74
Less mortgage payments and down payments on vessels	0	667,895.84	711,866.80	1,991,369.93	3,371,132.57
Balance on deposit Dec. 31, 1941	545,467.73	[1] 46,745.57	312,045.95	76,664.06	887,432.17

[1] Denotes red figures.

SCHEDULE 5-J.—*The Oceanic Steamship Co., period of operating subsidy contract, Jan. 1, 1938, to Dec. 31, 1942*

	1938	1939	1940	1941	Total
Capital necessarily employed (in subsidized operations)	$6,853,956.98	$7,919,196.10	$8,171,288.34	$8,875,584.30	$31,820,025.72
Total net profits from subsidy operations	640,058.61	1,167,541.42	368,857.62	1,779,327.30	3,955,784.95
Less additional charter hire accrued to the Commission	0	0	0	0	0
Total net profits after deductions	640,058.61	1,167,541.42	368,857.62	1,779,327.30	3,955,784.95
Less net profits accrued to Commission as recapture of excess profits	[1] 22,668.54	187,810.91	[1] 224,135.60	445,884.43	386,891.20
Net profits to contractor	662,727.15	979,730.51	592,993.22	1,333,442.87	3,568,893.75
Dividends paid to stockholders	0	0	0	0	0
Amounts of deposits in capital reserve and special reserve funds:					
Net operating profits from subsidy operations	635,560.41	1,180,280.19	493,414.21	1,689,669.00	3,998,923.81
Profits from other operations, proceeds from sale or other disposition of vessels, depreciation accruals	789,069.97	813,856.73	813,742.67	2,225,484.30	4,642,153.67
Other	0	0	0	0	0
Total	1,424,630.38	1,994,136.92	1,307,156.88	3,915,153.30	8,641,077.48
Less mortgage payments and down payments on vessels	583,875.00	2,046,375.00	1,460,250.00	0	4,090,500.00
Balance on deposit Dec. 31, 1941	840,755.38	[1] 52,238.08	[1] 153,093.12	3,915,153.30	4,550,577.48

[1] Denotes red figures.

SCHEDULE 5–K.—*Seas Shipping Co., Inc., period of operating subsidy contract, Oct. 14, 1938, to Nov. 15, 1951*

	1938	1939	1940	1941	Total
Capital necessarily employed (in subsidized operations)	$100,815.92	$1,083,041.84	$931,423.72	$2,895,434.32	$5,010,715.80
Total net profits from subsidy operations	[1] 56,864.34	28,608.15	2,832,460.58	6,274,584.12	9,078,788.51
Less additional charter hire accrued to the Commission	0	0	0	0	0
Total net profits after deductions	[1] 56,864.34	28,608.15	2,832,460.58	6,274,584.12	9,078,788.51
Less net profits accrued to Commission as recapture of excess profits	[1] 33,472.96	[1] 39,848.01	658,683.81	522,575.12	1,107,937.96
Net profits to contractor	[1] 23,391.38	68,456.16	2,173,776.77	5,752,009.00	7,970,850.55
Dividends paid to stockholders	0	0	0	125,506.00	125,506.00
Amount of deposits in capital reserve and special reserve funds:					
Net operating profits from subsidy operations	0	0	2,739,318.21	5,917,519.22	8,656,837.43
Profits from other operations, proceeds from sale and other disposition of vessels, depreciation accruals	150,976.18	268,338.15	59,433.84	1,281,029.61	1,759,777.78
Other	0	0	0	0	0
Less mortgage payments and down payments on vessels	150,976.18	268,338.15	2,798,752.05	7,198,548.83	10,416,615.21
	0	0	1,705,000.00	3,130,415.77	4,835,415.77
Balance on deposit Dec. 31, 1941	150,976.18	268,338.15	1,093,752.05	4,068,133.06	5,581,199.44

[1] Denotes red figures

SCHEDULE 5–L.—(*A*) *United States Lines Co., operating-differential subsidy agreement dated Dec. 31, 1937, period, Jan. 1, 1938, to Dec. 31, 1949*

	1938	1939	1940	1941	Total
Capital necessarily employed (in subsidized operations)	$8,247,584.04	$11,188,823.73	$7,867,999.02	$5,279,294.29	$32,583,701.15
Total net profits from subsidy operations	1,780,465.51	3,043,650.62	132,917.17	[1] 28,940.21	4,928,093.09
Less additional charter hire accrued to the Commission	0	0	0	0	0
Total net profit after deductions	1,780,465.51	3,043,650.62	132,917.17	[1] 28,940.21	4,928,093.09
Less net profits accrued to Commission as recapture of net profits	477,853.55	962,384.13	[1] 326,941.37	[1] 278,434.82	834,861.49
Net profit to contractor	1,302,611.96	2,081,266.49	459,858.54	249,494.61	4,093,231.60
Dividends paid to stockholders	194,935.30	389,870.60	397,691.35	930,232.63	1,912,729.88
Amount of deposits in capital reserve and special reserve funds.					
Net operating profits from subsidy operations	955,707.10	1,969,906.17	3,231.13	36,895.01	2,965,739.41
Profits from other operations, proceeds from sale and other disposition of vessels, depreciation accruals	3,647,577.48	1,463,802.97	4,437,284.47	223,201.85	9,771,866.77
Other	0	0	0	0	0
Less mortgage payments and down payments on vessels	4,603,284.58	3,433,709.14	4,440,515.60	260,096.86	12,737,606.18
	3,541,380.56	328,673.44	937,279.55	1,808,268.90	6,615,602.45
Balance on deposit Dec. 31 1941	1,061,904.02	3,105,035.70	3,503,236.05	[1] 1,548,172.04	6,122,003.73

[1] Denotes red figures

SCHEDULE 5–M.—*United States Lines Co. charter party agreement dated Sept. 27, 1939; period, Sept. 27, 1939, to Sept. 27, 1942*

	1939	1940	1941	Total
Capital necessarily employed (in subsidized operations)	128,658.06	123,906.27	164,412.01	416,976.34
Total net profits from subsidy operations	220,311.13	42,356.95	984,415.79	1,247,083.87
Less additional charter hire accrued to the Commission	104,520.60	16,470.04	483,987.30	604,977.94
Total net profits after deductions	115,790.53	25,886.91	500,428.49	642,105.93
Less net profits accrued to Commission as recapture of excess profits	0	0	0	0
Net profit to contractor	115,790.53	25,886.91	500,428.49	642,105.93
Dividends paid to stockholders	0	0	0	0
Amount of deposits in capital reserve and special reserve funds:				
Net operating profits from subsidy operations	0	0	0	0
Profits from other operations, proceeds from sale or other disposition of vessels, depreciation accruals	0	0	0	0
Other	0	0	0	0
Less mortgage payments and down payments on vessels	0	0	0	0
Balance on deposit Dec. 31, 1941	0	0	0	0

SCHEDULE 5–N.—*United States Lines, Inc., charter party agreement dated Mar. 1, 1942; period, Mar. 1, 1940, to Mar. 1, 1942*

	Vessels			Total
	1940, chartered	1941		
		Chartered	Owned	
Capital necessarily employed (in subsidized operations)	$1,471,421.13	$2,290,596.12	$1,172,904.55	$4,934,921.80
Total net profits from subsidy operations	803,907.87	4,598,304.33	1,089,495.52	6,491,707.72
Less additional charter hire accrued to the Commission	346,039.94	2,184,622.36	0	2,530,662.30
Total net profits after deduction	457,867.93	2,413,681.97	1,089,495.52	3,961,045.42
Less net profits accrued to Commission as recapture of excess profits	0	0	66,888.81	66,888.81
Net profit to contractor	457,867.93	2,413,681.97	1,022,606.71	3,894,156.61
Dividends paid to stockholders	0	0	0	0

SCHEDULE 5-N.—*United States Lines, Inc., charter party agreement dated Mar. 1, 1942; period, Mar. 1, 1940, to Mar. 1, 1942*—Continued

	Vessels			Total
	1940, chartered	1941		
		Chartered	Owned	
Amount of deposits in capital reserve and special reserve funds:				
Net operating profits from subsidy operations	$339,180.40	0	0	$339,180.40
Profits from other operations, proceeds from sale or other disposition of vessels, depreciation accruals	0	0	$173,873.83	173,873.83
Other	0	0	0	0
	339,180.40	0	173,873.83	513,054.23
Less mortgage payments and down payments on vessels	0	0	1,570,500.00	1,570,500.00
Balance on deposit Dec. 31, 1941	339,180.40	0	[1] 1,396,626.17	[1] 1,057,445.77

[1] Denotes red figures.

Mr. AIKEN. I also ask unanimous consent to have printed in the RECORD at this point a table which I have had compiled, showing the total capital employed by the 12 subsidized shipping concerns; the gain in capital employed between 1938 and 1941; the total amount of dividends paid during those years; the amount of the earnings and profits deposited in the reserve funds, free of all Federal taxes; the mortgage and cash payments paid on vessels built or purchased, withdrawn from the tax-free reserve funds, which legislation makes tax free; and the balance of earnings and profits in reserve funds free of all Federal taxes on January 1, 1942.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Name of company	Capital employed [1]		Dividends paid 1938-41 (inclusive)	Earnings and profits deposited in reserve funds, free of all Federal taxes	Mortgage and cash payments paid on vessels built or purchased, withdrawn from tax-free reserve funds, which legislation makes tax free	Balance of earnings and profits in reserve funds free of all Federal taxes, Jan. 1, 1942
	1938	1941				
Moore-McCormack Lines	$16,346	$8,433,961	$1,304,375	$26,856,352	$18,923,884	$7,932,468
American Export Lines	2,473,225	13,667,860	1,962,687	26,523,121	12,521,164	14,001,957
Lykes Bros. Steamship Co	3,874,378	8,777,996	3,385,000	[3] 30,458,921	18,220,760	12,238,160
Grace Line, Inc	7,306,357	15,954,434	7,010,300	[4] 18,136,133	8,109,030	10,027,103
Mississippi Shipping Co	2,161,526	4,454,239	1,287,000	9,017,462	3,489,110	5,528,351
Seas Shipping Co	100,815	2,895,434	125,506	10,416,615	4,835,415	5,581,199
American South African Line	1,442,291	4,254,049	435,318	7,265,960	2,317,423	4,948,536
American Mail Line, Ltd	1,300,043	2,115,262	103,337	1,777,173	0	1,777,173
American President Lines [5]	0	2,295,163	0	17,065,485	11,648,189	5,417,296
United States Lines	8,247,584	5,279,294	1,912,729	12,737,606	6,615,602 [2] 1,570,500	6,122,003
Oceanic Steamship Co	6,853,956	8,875,584	0	[4] 8,641,077	4,090,500	4,550,577
New York & Cuba Mail Steamship Co	1,669,484	3,821,358	125,000	4,258,564	3,371,132	887,432
Total	35,446,005	80,824,634	17,651,252	173,154,469	[2] 95,712,714	79,012,255

[1] Financial data from statements of contractors, unaudited by Maritime Commission.
[2] Does not include payments to and profits of contractors through proposed changes in sec. 902.
[3] Represents, in part, earnings from unsubsidized operation, $11,100,282, authorized by Commission.
[4] Represents, in part, earnings from unsubsidized operations, authorized by Commission.
[5] The Maritime Commission owns 90 percent of the stock.

Mr. AIKEN. Mr. President, it is well known that history repeats itself. There is every reason to believe that after we have won this war we shall find ourselves with hundreds, if not thousands, of vessels for which it will be difficult to find a use. Is it possible that even with this potential surplus of ships, Government funds will be used to build additional ships?

The answer is obvious. The maintenance of these alleged reserve funds at this time is solely for the purpose of having these moneys and excessively high earnings and excess profits escape taxation, which would be very high.

It is my understanding that due to an unwillingness of the Maritime Commission to follow the plain intent of the law, there is in dispute at this time—up to July 1 last—almost $100,000,000 which the shipping operators contend they should have despite the law and the strong ruling of the Comptroller General to the contrary.

I am informed by the Comptroller General that many of the old vessels have been insured based on a valuation of $100 per deadweight ton without regard to their depreciated value. In this connection, I call attention to the fact that the majority of the old vessels now in service were built by the Government during World War No. 1. Some of them were sold many years ago to present owners at a value as low as $5 per deadweight ton. By reference to page 13, parts 1, 2, and 3, consolidated, of Investigation of Air Mail and Ocean Mail Contracts (Senate committee, 74th Cong., 1st sess.) I find that Lykes Brothers Steamship Co. purchased 52 vessels in 1933 for the sum of $5.04 per deadweight ton, and Waterman Steamship Corporation purchased 14 vessels in 1931 for $9.22 per deadweight ton.

I understand that one of the ships purchased in 1922 was one of the five ships sold back to the Government not long ago for $75 a ton. In the meantime, it is understood that both these companies operated with the aid of mail-contract subsidies. It will be noted from the tables I have inserted in the RECORD that Lykes Brothers Steamship Co. are one of the existing operating subsidy contractors under the 1936 act. No doubt many of the low-priced vessels which have been operated for many years with Government aid are now being sold back to the Government via the insurance route for sums which are from 5 to 20 times their depreciated value.

On page 42 of committee report No. 898, Seventy-fourth Congress, first session, filed by the Committee Investigating Ocean and Air Mail Contracts, we find:

> The history of merchant marine subsidy in the United States does not encourage this committee to believe that such a subsidy is likely to be honestly administered in the future. Reserving to itself the right to doubt that it is possible to secure honest administration of such an act, this committee points out a few essentials which must be contained in any subsidy program.

It is my information that through the insistence of the then Senator Black—now Associate Justice of the Supreme Court—the Senator from Missouri [Mr. CLARK], and others, supported by several House Members, the safeguards suggested in report No. 898 were incorporated into the Merchant Marine Act of 1936. Despite those safeguards, it is now apparent that the Merchant Marine Act of 1936 has not been and is not now being properly administered, and that the forewarnings of the so-called Black

Committee are rapidly proving well-founded.

I am informed by the Comptroller General that a number of officials of various steamship companies and of a large steel company have been or are now employed by the War Shipping Administration in rate-making and policy-making positions. Is it any wonder that the Maritime Commission and War Shipping Administration functions appear to be operating as much, if not more, for the benefit of private interests as they are in the interests of the public?

The provisions of section 902 of the Merchant Marine Act, as amended, have been ruled upon by the Comptroller General—notably in the case of the steamship *Roosevelt*. This section provides that American-owned vessels may be taken over during any national emergency, for purchase or hire, but in no case shall the value of the property taken over or used be deemed enhanced by the causes necessitating the taking or the use thereof. Despite the plain intent of the law and the rulings of the Comptroller General, the Maritime Commission—as will be found in the House hearings on the independent offices appropriation bill for 1944, and in hearings before the House Merchant Marine and Fisheries Committee—has been trying in every possible way to have this provision of our laws amended so that the Government will have to pay illegally high prices for vessels taken over during this national emergency, and to make retroactive the legalizing of earlier violations.

The Comptroller General has reported to me in writing, and to the Committee on Expenditures in the Executive Departments in person, that the Maritime Commission is definitely violating section 902 of the Merchant Marine Act.

Getting back to proposed legislation, House bill 134, as I read it, provides for the suspension of these operating-subsidy agreements, in addition to providing that all capital profits be made tax-exempt, as in the case of operating profits of the subsidized shipping operators. I understand that the enactment of this legislation would provide, for one thing, that the recapture accruals of approximately $28,000,000 now due to the Government from operating-subsidy contracts would not be paid, but instead would be frozen in the so-called reserve funds. I am not a lawyer, but I believe that when a shipping operator's vessels have been taken over, and he has no way of carrying out the terms of his contract, the contract has terminated. To my mind, the Maritime Commission, instead of seeking to prevail upon the Congress to amend the law and to hand millions of the taxpayers' dollars to the shipping operators, should be effecting collections of money already due the Government in the form of accruals reported by the Comptroller General.

I call the attention of the Senate to a letter from the Chairman of the Maritime Commission to Representative JONES and printed on page 721 of the House hearings on the independent offices appropriation bill for 1944. This letter refers to the insurance carried by the Maritime Commission on the steamship *Roosevelt*, which was a total loss. The vessel was built in 1931 under the provisions of the mail-contract subsidies, pursuant to the act of 1928. The subsidies were stated by the Maritime Commission to amount to some 33⅓ percent of the construction costs. The letter to Representative JONES states that the book value of the steamship *Roosevelt* was $3,600,000 at the time when she was lost. It appears that the Chairman of the Maritime Commission overlooked the indirect construction subsidy of some $2,600,000 paid out of the Treasury in the form of mail-contract subsidies. This vessel could have been taken over under the provisions of section 902 at a total cost to the Maritime Commission of not over $2,400,000. If the Government can pay the owners of this vessel the full $7,000,000 in insurance, there will be a loss of almost $5,000,000 in the one transaction. In the event the provisions of House bill 134 become law, not only will the Government suffer a loss of some $5,000,000 in that one instance but the profits will escape the payment of any taxation as well.

Mr. President, if this policy of the Maritime Commission, so patently designed to relieve a single group from payment of taxes and of moneys legally and properly due the United States Government, were the only instance of its kind, I should not be so alarmed for the future of my country; but what I have stated applies to only a single factor of a single department of government. Probably it could be multiplied many times. Yet what do we do about it?

We have an agency of the Government, the General Accounting Office, responsible to the Congress, and whose duty it is to audit and to exercise control over expenditures of Government so as to protect not only the hard-earned tax money of our citizens but the integrity of Government itself. I believe we have an able and honest Comptroller General; yet, when he attempts to perform his duties honestly, he gets no support from the Congress, is met with actual hostility from executive departments, and receives little attention at all from the public.

The Honorable Lindsay Warren has indicted the Maritime Commission for not conducting its affairs in the interest of the public. Again and again he has reported to the Congress alleged law violations by the Commission, yet we do nothing about them. I understand that there is now in the office of the Comptroller General—and has been since early last fall—material relating to the transactions of the Maritime Commission with two shipping lines known as the American Mail and the Baltimore Mail. I have been told that a report on those two companies would reveal the existence of shocking collusion between them and the Maritime Commission.

I understand that terrific pressure has been put on the Comptroller General to suppress the submission of these reports to Congress. Not only that, but I understand that pressure is being put upon him in every possible way to get him to retract his earlier reports to Congress charging the Maritime Commission with illegal transactions in the cases of the Tampa Shipbuilding Co., the Waterman Steamship Co., and the insurance payments on the steamship *Roosevelt*.

I believe that we have a Comptroller General who will neither be scared nor persuaded to waver from what he considers his line of duty. I do not know the reason why the reports on the American Mail and the Baltimore Mail steamship lines have not yet been submitted to the Congress, but I have confidence that they will be.

How disheartening it must be to an honest official of Government to report law violations to the Congress and have his reports utterly ignored. How revolting it must be to the citizens of our country to learn that such charges are submitted to a disinterested Congress.

Have we reached a point where we are no longer concerned with common honesty in government? Have we reached a point where we are satisfied to enact laws and then let agencies of the executive department treat the provisions of those laws with utter contempt?

There is a committee of this very body, the Committee on Expenditures in the Executive Departments, whose duty it should be to protect our citizens against the unwise and unlawful expenditure of funds by the executive departments. We do nothing, Mr. President. So far as I know, this committee never has been permitted to function, and for years its existence has been a farce. A few weeks ago there were indications that it might at last be permitted to perform its duties, one of which is to support the Comptroller General in his efforts to enforce an honest and efficient administration of our expenditures. It cannot do so without funds, and to date no funds have been forthcoming.

Mr. President, not only are officials of Government charged with the dishonest expenditure of public funds not being brought to trial for their alleged wrongdoings, but some of them are actually rewarded.

The Chairman of the Maritime Commission, against whom charges have been made by the Comptroller General's office, has just been renominated by the President for another term. If the charges of the Comptroller General are false and the man is wrongfully accused, then he should be given a fair investigation by an impartial committee and exonerated of those charges. But if he is guilty of misspending millions upon millions of dollars of taxpayers' money; if he has been in collusion with any steamship lines or any boat builders or anybody else, he should be removed from office—not rewarded.

I do not say the man is guilty of everything with which he has been charged by the Comptroller General's office, but I will say that his desperate attempts to avoid an investigation are not reassuring.

In concluding, Mr. President, let me say the bureaucratic indifference to law,

the high usurpation of the legislative functions, and the obvious mismanagement of governmental affairs in more than one department are such that the Congress must scrutinize most carefully all legislation emanating from such sources, and if it would perform its duties the Senate must investigate very carefully all executive appointments which require its concurrence.

Mr. BAILEY. Mr. President, I have an engagement which I must fill; so I shall take the briefest possible time to respond to the suggestions, insinuations, and accusations which have been made by the junior Senator from Vermont [Mr. AIKEN].

I am going to agree with him as to Mr. Lindsay Warren, the Comptroller General. I think all of us know him. He is my personal friend; I have known him for 25 or 30 years. He is a very high-class man, honest, bold, straightforward, and capable; but he is no more honest, no more capable, no more bold than is Admiral Land. I have had them both in my office and discussed this matter with them.

The Comptroller General, Mr. Lindsay Warren, has great confidence in Admiral Land. He would not think of making a suggestion that Admiral Land would be capable of deliberate maladministration of his office or of favoring shipowners. As I have said, I heard both of them on this subject. There is a debate as to the legal implications of a phrase in the act. It is not a new phrase; I think it was brought over from 1926 and probably from the World War period of 1918, and has to do with the valuation of ships taken by our Government on account of the war emergency. The phrase declares that in appraising those ships, that is for the purpose of reimbursing the owners, no allowance shall be made for the value due to enhancement derived from the causes of the taking.

The difference between the two officers, or rather between the Maritime Commission—for the whole Commission has acted in this matter—and the Comptroller General is wholly responsible with respect to the meaning of that phrase.

The Comptroller General has stated to me repeatedly that he has the utmost confidence in the efficiency and the character and the good faith of Admiral Land. So any imputation here that the Comptroller General was undertaking to attack Admiral Land or the Maritime Commission is without foundation.

As to the matter of reserves, the distinguished Senator spoke of the reserve funds as utterly escaping taxation. I do not think the statement will stand the test of investigation. It is true that the funds do escape immediate taxation, and it is true that they escape immediate taxation by authority of the act of the Congress. That is not a new act, either; but it is true that that policy is approved, and has been constantly approved, by the Secretary of the Treasury. The act of 1938 was submitted to the Secretary of the Treasury, and he distinctly approved the policy to which the Senator refers.

If fell to me, as a member of the Finance Committee who is also a member of the Commerce Committee, to present the matter to the Finance Committee. Now what was it? The Government is engaged deliberately in the business of direct subsidies for the construction and operation of ships. The period of the old, indirect subsidy, the old mail subsidy, has utterly passed out. The present President of the United States wholly repudiated the indirect subsidy; he said the time had come for us to call a subsidy a subsidy, and pay money directly for the construction and also for the operation of ships. That is on the ground—I hope I do not have to explain it at this late day—that the merchant marine is just as important in the war as is the battleship. The battleship is more powerful, but the battleship would be useless without merchant ships. I think we all know that to be so.

The crux of the immediate situation, so far as the war is concerned, is maritime ships, merchant ships. We are short of them. We do not know how many we are going to need. We know they are indispensable. If there is one man in America to whom credit ought to be given and who ought to be honored — immeasurably honored — for bringing about in the shortest possible time the creation of shipyards and the building of ships and the floating of tonnage, he is Admiral Land. I would not say he is entitled to credit for what he has accomplished merely since Pearl Harbor, for Admiral Land started 2 years ahead and his is the only activity that was ahead. It is due to his foresight that we were ready to go; it is due to his great executive capacity, his patriotic devotion to his country and to his task that we built last year 8,000,000 dead-weight tons of ocean shipping. That is in addition to all the lesser shipping, and in addition to the naval ships. Our British friends, who know shipping, said that that alone was a miracle. Well, it was eight-eighteenths of the entire tonnage of Great Britain at the outbreak of the war.

Admiral Land not only did that but he organized the shipyards, and today we have operating in this country 60 shipyards from which we are commissioning—not launching but putting into actual service—not less than 16,000,000 dead-weight tons of shipping this year. That, too, is a miracle of construction. I honor myself by saying that Admiral Land is my friend. He has my confidence as fully as any human being I have ever known. He was in my office just a day or two ago, and when I mentioned that we could turn out this year 16,000,000 dead-weight tons of ocean shipping. He said:

> We can turn out 20,000,000 tons. We have the works, we have the yards, we have the capital, we have the executives to furnish the materials which the United States Government desires to put into the armed services of this country in this most critical of years. I would turn over to them within the 12-month period 20,000,000 dead-weight tons of ocean shipping.

That is greater than the whole merchant fleet of Great Britain, which she has been accumulating over the centuries. It is three times as great as what the Japanese had at the time of Pearl Harbor. It is nearly three times as great as the amount this country had in 1938. That is a miracle of construction.

We used to be told it would take 6 months to build an oceangoing ship. The organizations which Admiral Land has created are turning out a 10,000-ton ship in 42 days. Practically all the yards are now capable not only of launching ships, but of commissioning ships, putting them into service, within 60 days after the laying of the keel. That is the sort of work Admiral Land has done.

Mr. President, I did not rise to pay Admiral Land a tribute; I did not rise to pay my friend Lindsay Warren a tribute; I rose to meet the situation, to clear the mind of my friend the Senator from Vermont if I can.

I was saying that we are engaged in the policy of deliberate, unavowed, unapologized-for subsidy. I think it is better than the old indirect mail subsidy. We know exactly what we are doing.

When the shipping companies make profits, we do not tax them, because the intention of the Government is to subsidize, and what is the sense in taking with one hand and giving back with the other?

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. BAILEY. If the Senator will permit me to finish this paragraph, I shall certainly yield.

The law provides that the profit may be put into a reserve, which will pay taxes unless it is reinvested in the construction of a ship; and the ship, if constructed, is an institution of the United States, on which we can lay our hands, which we can take on demand. It is not an absolute, independent parcel of individually owned property.

We provide that the profits may escape immediate taxation—and I put the emphasis on "immediate"—by reinvestment in the construction of a ship, for the use of the United States in time of necessity, and for use in time of peace to carry our commerce in competition with nations which build at a much cheaper cost.

Even when the money is invested in the reserve, and thereafter in the ship, the tax is recovered, because the amount of the investment is deducted from the capital investment. Let us say the capital investment is $2,000,000; that that is the cost of the ship, and $400,000 of the shipping profits are put into the ship. Then, when we come to tax, in the regular course, the operations and the profits, the basis of obsolescence and depreciation is not the cost, $2,000,000, but the net cost, $1,600,000, and by way of reduced obsolescence, and reduced depreciation allowance, the Government gets back over a term of years what it would not get back if it pursued the subsidy policy. In other words, if it taxed today and gave back tomorrow that would end it; but, following the procedure which I have described, we do not tax today, we lay aside the money, we encourage the building of ships, and over the period of years, by reducing the

obsolescence and the depreciation to the owner, we recover the tax.

Now I yield to my distinguished friend.

Mr. CLARK of Missouri. I thank the Senator, but I believe I prefer to wait until the Senator concludes before taking the floor.

Mr. BAILEY. I believe I will make a public apology to the Senator. Both he and I have an engagement for lunch, and if I leave the Chamber to fulfill the engagement, I hope the Senator will not take offense. I should like to hear what he has to say.

Mr. CLARK of Missouri. I intend to take the floor only to read a couple of sections of the statute which I think bear on this matter.

Mr. BAILEY. Very well. As to the other matter, I do not think the Senator from Vermont appeared to reflect upon me at all, and I took no offense. He seemed to refer the matter to some other committee than the one over which I preside, namely, to the Committee on Expenditures in the Executive Departments. But I am chairman of the Committee on Commerce, and I have been advertent to all this controversy. A good many of the reports of the Comptroller General have been laid before me—I think over a period of 4 or 5 months—and I have investigated them all with the utmost care. I have not thought it worth while to rush into the newspapers and raise a sensation. Ever since I have been a Senator I have pursued the other policy. I have never thought I should come into the Senate and open up a mare's nest every morning. I have chosen to follow the other course. But I gave this matter very careful consideration. I gave no interviews. I made no statements.

I am perfectly satisfied that, as a matter of law the Maritime Commission, or Admiral Land, if anyone sees fit to put it on him, is correct in the announced interpretation of the enhancement clause. I would not say that unless I had given a great deal of thought to it. I did not jump to that conclusion. I am prepared to file briefs here to sustain my position.

I will take the time to say that the Comptroller General suspended certain credits on the ground that the emergency under which the ships were taken had occurred on September 1, 1939. Admiral Land took the view that the emergency occurred in May 1941. What is the difference? The President did declare a limited emergency in September 1939, but it was limited, and it is perfectly clear from the declaration itself, and from acts of the Congress, that that declaration of limited emergency did not relate to the shipping situation. On the other hand, it is equally clear that when the general emergency was declared in May 1941, the rule of enhancement did apply, and the Admiral and the Maritime Commission have applied it.

Mr. President, that is not where the dispute comes. I am willing to let that matter be settled by the courts. Of course, the money cannot be paid to the shipowners, since the Comptroller General has suspended the credits; and he has suspended them. Admiral Land cannot pay the money, and is not trying to pay it. A shipowner can go to the Court of Claims, and I think he can go to the United States District Court, and try out that question, and, in my opinion, that is a very good way to have the question settled, for the opinion of the Comptroller General is not determinative; it is only prima facie and for the guidance of his office. He is a good lawyer, he is a straight shooter, he is a straight-thinking man. I would not reflect upon him in any way for my right arm. But after all, he is not a court, nor am I, nor is Admiral Land. Admiral Land had the advice of his counsel. I practiced law 25 years—though I claim nothing on that account—but I give it as my judgment, for just whatever it may be worth, that the rights and the obligations of the general emergency did not occur until the declaration of the general emergency in 1941. I think that will be the position the courts will take; but I am perfectly willing to say that I could be just as badly mistaken, I sometimes think, as the junior Senator from Vermont. I put myself right down on the level with him. I think that is true humility.

Mr. AIKEN. Apparently the Senator from North Carolina thinks it is a long way down.

Mr. BAILEY. No, I do not think so at all. I think it is a mere exercise of Senatorial humility.

Mr. President, I have now said about all I care to say, except one thing. The Senator from Vermont suggested that there was something like fraud or rascality and something like stealing in the matter of the ships. He said the ships in question were bought in 1933 or 1931 at $5 a ton. One could buy a horse for $5 back in those days. That situation presents no test. There was a very great enhancement in the value of ships after 1939. There was an enhancement in the value of ships in 1938, because people saw the war coming In these latter days the enemy has been sinking many of our ships—I do not know at what rate. I recently read in the newspapers a statement to the effect that since the war began and to date over 600 ships have been sunk in the Atlantic. I do not know how much tonnage they would represent. I also read in the newspaper this morning that the Secretary of the Navy had made a statement to the effect that we had sunk 1,800,000 tons of Japanese shipping since the war broke out. When such a condition as that exists, Mr. President, there is no power on earth which can prevent ships rising in value. The law of supply and demand is in operation. Furthermore, there is a tremendously increased need for shipping quite perfectly illustrated by the necessities of our Government at the present time.

Admiral Land took the view that he could not pay an extra price for a ship merely because the Government was taking it. That is the law. That cannot be done. But he did not have to pay $5 a ton for a man's ship because the owner bought the ship in 1931 at that rate. It would have been an outrage to pay him such a price. I honor Admiral Land for not doing anything of that sort.

Mr. CLARK of Missouri. Mr. President, I had not intended to interrupt the Senator, but if he will yield to me——

Mr. BAILEY. I yield.

Mr. CLARK of Missouri. I should like to make a suggestion along the line on which he is proceeding, and call the attention of the Senate to section 802 of the Maritime Act, which is not the section that contains the enhancement clause, which is section 902. Section 802 applies to subsidized vessels. It requires that in the giving of the subsidy by the Government a provision shall be written into every contract with respect to a subsidized vessel requiring that when the Government needs the ship it shall be taken over, not as of the value on any particular day, September 1, 1939, or May 1, 1940, but at actual cost, less depreciation, and plus any defense features which may have been put on it.

Mr. BAILEY. I was aware of the statute. I was responding to the remarks made by the Senator from Vermont who spoke about enhancement of cost. With respect to ships taken under the section to which the Senator adverts, I will undertake to make a statement in light of the facts. I do not think there are any facts touching that before us at this time. I was going to say that Admiral Land and the Maritime Commission took the view that the taking itself, and the taking by the Government, should have nothing to do with the price paid or the enhancement in the price. I think what he undertook to do—and I commend him for it—was to look into the situation and make a proper allowance for the increased value of ships in the period when the United States was not taking, but make no allowance for the fact that the United States was taking. I think that was a fair construction of the law.

Mr. President, I believe there still remains in the Constitution the fifth amendment which says that a man's property cannot be taken without paying him just compensation. I sometimes think we forget that that amendment is in the Constitution, but when I say my prayers at night, if I am feeling very blue, I sometimes thank God for the fifth amendment, and remind myself that it is still in effect. When it goes, my fellow Senators, all is gone. We can take it away in a moment by action based on foolish thinking, and by appeals against profits, and by an attitude of envy of men who do well. I will have no part in it. I am in favor of just compensation because—well, because it is God's justice to begin with, and it is provided for in the Constitution, which I would support even if I were not sworn to support it.

So, Mr. President, I shall ask at the proper time that the Senate confirm the appointment of Admiral Land as a matter of justice to a great man, as a matter of justice to a man who has served his country since the war broke out, and prior thereto, in a way not surpassed

and not to be surpassed. I am going to ask that his nomination be confirmed on the ground that, so far as I know, he is as honest and straight and efficient a human being as I have ever seen.

Mr. President, I rose today because I did not think I should delay in such a matter. I do not think it would be fair to the Senate, it would not be right for me to leave any imputation outstanding against such a man as Admiral Land. If he were not my friend, and I knew what he had done for his country, I would say he is a friend of his country, and there is none to take his place, so far as I know. I voiced my confidence in him in the committee, and if there is any condemnation to be visited on anyone, visit it on me.

Mr. President, I have gone through these matters. I have gotten every detail to which my attention has been called. I have never thought it would be becoming of me to take the time of the Senate with matters which I myself could settle, but since they are brought forward, and if there is desire for debate, I shall come here one day with all the details, and I will fill the CONGRESSIONAL RECORD with facts, in absolute confidence that nine-tenths of the Senators, if not 100 percent, when they shall have looked into the whole matter, will agree with me that Admiral Land is above suspicion, and has won his right to the confidence of the American public and the United States Senate, not because he is an admiral in the Navy, but because in every aspect of his life and in everything he has done he has been honest and straightforward. He was with the Government before the present administration. He came here under President Hoover. In every aspect of his life his honesty has shone as clearly as the stars that shine above us night by night, and he has been just as true to his duty as the Pole Star is to the pole.

Mr. LANGER. Mr. President, will the Senator yield to me for a question?

Mr. BAILEY. Yes.

Mr. LANGER. I am from a Prairie State. I do not know much about the Maritime Commission. I wish to ask the distinguished Senator a question. When the War Department comes into Minnesota to condemn a piece of land is it not true that the value of the land is not enhanced by the fact that the War Department is going to have a large factory built on it? As I understand the explanation made by the distinguished Senator, some of the ships in question were sold by the United States Government to some of these companies at a very low price.

Mr. BAILEY. At a time when the price of ships was low.

Mr. LANGER. Yes. The companies obtained the ships for almost——

Mr. BAILEY. Let me explain that situation to the Senator. I know he needs the explanation.

Mr. LANGER. Will the Senator let me complete my question?

Mr. BAILEY. Very well.

Mr. LANGER. The Government sold the ships to the companies for almost nothing. I understand the Senator from North Carolina to say that in 1938 and 1939, when the shipping companies saw war coming, they sold the ships back to the same United States Government from which they had bought them almost for nothing, at a profit of hundreds of thousands and millions of dollars. Is that a fair statement?

Mr. BAILEY. I would not state it in just that way, but I will state it frankly as I know it to be. We had an old laid-up fleet left over from the World War. We took it out of commission because we did not wish it to be competing with our modern fleets. We were building new ships, and we wished to provide better accommodations for the seamen, and we did. In that we did a great thing. The old ships were perfectly worthless, as we thought. We laid them up. It would not do to have them compete with the new ships. I think in 1937 and 1938, or probably in 1939, before we got into the war, due to the general ship shortage there were opportunities to sell those old ships, and the Government did sell them at low prices. Then the men who acquired the ships and operated them, gradually improved them, of course. This fleet had been laid up. It was an old barnacled fleet. When the Government bought back the ships I will agree that it paid the current market, and it paid for the expense of fixing the ships and placing them in good condition. The Senator will find a great disparity in the price, I have no doubt, but it represents the difference between a fleet which was worthless, which we got rid of at what we could obtain for it, and the same fleet which the purchasers had placed in better condition.

We did pay a better price for it. I would not say the price was extravagant; but I should be glad to have the Maritime Commission file a detailed statement as to every ship, with an explanation. If that were done we would find that in every case the ship was carefully appraised. The attack was on Admiral Land, but the appraisals were not Admiral Land's.

Have I satisfactorily answered the question in the mind of the Senator from North Dakota?

Mr. LANGER. In a way, yes.

Mr. BAILEY. Let me put it in another way. The Senator has said that he comes from a Prairie State. Suppose he had some old spavined mules and wanted to get some new ones to take their places. Suppose he turned the old ones loose in the pasture and got some new ones, and there came a time when, after being in the pasture they got a little better and he had an opportunity to sell them. He would get a good price for them. Suppose mules had the useful age of ships, and suppose mules where being shot all over the country just as ships are being torpedoed in various parts of the sea. Gradually mules would become scarce and the demand for them would increase. I believe the Senator would be glad to buy the old spavined mules back and pay two or three prices for them if necessary.

Mr. LANGER. Mr. President, the illustration is not at all analogous.

Mr. BAILEY. I would not say it is completely analogous. There is a great difference between a ship and a mule. I do not mean to say that they look alike or even behave alike. However, I was trying to give the Senator an illustration.

Mr. LANGER. Not even the transaction cited by the Senator is analogous. The companies to which reference has been made have been buying from the United States Government an article for almost nothing. Time and time again Senators have said that no one should make any profit out of the war. I think the Senator from Vermont is to be commended for bringing into the glare of pitiless publicity the fact that, if the statement of the Comptroller General is correct, certain corporations have bought articles from the United States Government for almost nothing and have sold them back to the taxpayers of the country at enormous profits. They are doing so at a time when we are saying to the sons of laborers and farmers "You must come. We will put you into military service." At the same time millionaires are being created through transactions involving property which was owned by the Government only a few years ago.

Mr. BAILEY. Mr. President, I welcome the Senator from North Dakota to the battalions fighting nobly for the moral law.

Mr. CLARK of Missouri. Mr. President, I desire to detain the Senate for only a few minutes. I do so through the courtesy of the Senator from North Dakota [Mr. LANGER] who had arranged for recognition at this time.

In connection with the remarks of the Senator from Vermont [Mr. AIKEN] and the Senator from North Carolina [Mr. BAILEY] I particularly desire to refer to two sections of the law governing the Maritime Commission.

I join the Senator from North Carolina in my expressions of personal friendship for Admiral Land. I am proud to say that he is my personal friend. I have great respect for his character. I do not believe that he would knowingly do anything wrong. I have great respect for his accomplishments, as well as for the accomplishments of the Maritime Commission, in the construction of tonnage since the present emergency developed, and, indeed, since the passage of the Maritime Act in 1936. However, I do not believe that either the Senator from North Carolina or I, or any other Senator, should let his admiration for Admiral Land as a man, and his respect for the accomplishments of Admiral Land and those of the Maritime Commission in connection with the ship-construction program, blind him to certain glaring defects, as I see them, in the positions assumed from time to time by the Maritime Commission.

Mr. President, I desire particularly to address myself to the question of compensation to be paid for ships taken. I desire to do so only briefly because, as I have said, it is a matter which requires very comprehensive discussion.

The Senator from North Carolina referred to the fact that the Maritime Commission Act involved a distinct departure in policy on the part of the United States Government. That statement is entirely true. It involved a de-

parture from the old, bad system of indirect subsidies to the adoption of a system of direct subsidies. So far as I was personally concerned, I did not believe that any conceivable circumstances would ever induce me to vote for a ship subsidy. It was contrary to my natural beliefs. It was contrary to the repeated declarations of my party in every Democratic platform for the past 40 years.

However, familiarity with the vices and corruption of the system of indirect subsidies led me to believe that, properly drawn and properly administered, a direct subsidy system would be infinitely better than the old vicious, corrupt system of indirect subsidies. So the Commerce Committee worked for several years on a suitable measure. An effort was made repeatedly to report the Maritime Commission bill to the Senate and to pass it through the Senate without the inclusion of the enhancement clause, and without the inclusion of the protective features contained in section 802 of the Maritime Commission Act.

As a matter of fact, on one occasion the bill was reported from the Commerce Committee without those protective features. Then something happened which I never saw happen before or since in either branch of Congress. The then chairman of the committee, the late Dr. Copeland, reported the bill without those protective features, by voting several proxies in the Commerce Committee. A minority report was prepared, and a majority of the committee signed the minority report. It was the only time I ever saw such a thing take place.

It was necessary to recommit the bill to the Commerce Committee, and we then prepared a bill embodying section 802, containing the protective features, and section 902, the enhancement clause section, and it passed the Senate. After having passed the Senate, it was about to be done to death in the House of Representatives because it contained those features. It was necessary for some of us, including the then Senator Black of Alabama, now Associate Justice of the Supreme Court, the Senator from Washington, myself, and several other Senators, to conduct a filibuster in this body during the closing days of a session against a deficiency appropriation bill which contained the reappropriation, which had been previously denied, for the old ocean mail subsidies. By conducting a filibuster in the Senate against the deficiency bill containing the ocean mail subsidy appropriation, we compelled action in the House of Representatives on this measure, as was stated publicly in the House of Representatives by the chairman of the committee in charge of the bill when he reported it.

Mr. President, what are these provisions? The controversy between the Maritime Commission and the Comptroller General has to do only with the basis of compensation for ships taken by the Government of the United States during this emergency. The Comptroller General is seeking to enforce the provisions of the enhancement clause and of section 802. The Maritime Commission is apparently trying to emasculate that clause. The bill would never have become law without the enhancement clause. The policy on which the act was founded was that no shipowner should be permitted to profit solely by reason of the existence of the emergency which made it necessary for the Government of the United States to take the ships. That is a matter of common defense. The right of the United States to take the ships is the only justification for a ship subsidy act. I am informed that a proposal will be made in this Congress to permit the shipowners to take down the amount which the Comptroller General says they are entitled to receive, and then sue in the Court of Claims for the remainder of what they think they ought to have. They have not been willing to take the money because they wanted to have their profit enhanced by reason of the existence of the emergency.

I have practiced law, and for a good many years made my living by practicing law, but in all my practice of law I never heard any respectable lawyer enunciate any such doctrine as that. If a man sued my client for $100,000 on the basis of some sort of a personal injury, let us say, and if I offered him $2,500, but he would not accept it, he would not get the $2,500 and then be able to sue my client for the remainder. He would not get anything until his rights had been adjudicated and until the courts having jurisdiction had passed on the matter.

But the proposal to pay the ship operators now all that the Comptroller General says they are entitled to and let them sue the Government for the balance, seems abhorrent to any legal idea I have ever had.

What is the proposal? First let me say that there is a difference in equity between compensation to a man who built ships under Government subsidies, in some cases amounting to the whole cost of the ships, and who operated the ships under Government subsidies, and a man who had no Government subsidy in either the building or the purchase of a ship and who operated a ship without a Government subsidy. They do not seem to me to stand on the same footing at all, and the law does not require them to stand on the same footing, because the law sets up two different standards.

Section 902, which is the only section which has been discussed in the debate, contains the enhancement clause, which is as follows:

Section 902 (a). It shall be lawful for the Commission to requisition any vessel documented under the laws of the United States, during any national emergency declared by proclamation of the President, and when so taken or used, the owner shall be paid the fair actual value of the vessel at the time of taking, or paid the just compensation for the vessel's use based upon such fair actual value (excluding any national defense features previously paid for by the United States), less a deduction from such fair actual value of any construction differential subsidy allowed under this act, and in no case shall such fair actual value be enhanced by the causes necessitating the taking. In the case of a vessel taken and used, but not purchased, the vessel shall be restored to the owner in a condition at least as good as when taken, less reasonable wear and tear, or the owner shall be paid an amount for reconditioning sufficient to place the vessel in such condition. The owner shall not be paid for any consequential damages arising from such taking or use.

But, Mr. President, sweeping as the enhancement clause is, I call attention to the fact that it sets up one standard for taking, while in the case of the subsidized vessels a different standard is set up in section 802.

Section 802 provides that—

Every contract executed by the Commission under authority of title V of this act—

That is the construction differential subsidy section or title—

shall provide that:

In the event the United States shall, through purchase or requisition, acquire ownership of the vessel or vessels on which a construction-differential subsidy was paid, the owner shall be paid therefor the fair actual value thereof, but in no event shall such payment exceed the actual depreciated construction cost thereof (together with the actual depreciated cost of capital improvements thereon, but excluding the cost of national-defense features) less the depreciated amount of construction subsidy theretofore paid incident to the construction or reconditioning of such vessel or vessels. In computing the value of such vessel, depreciation shall be computed on each vessel on the schedule adopted by the Bureau of Internal Revenue for income-tax purposes.

Mr. President, under section 802, as to subsidized vessels there can be no possible question of fairness. The Government put up the money to build the ships. The Government put up the money to operate the ships. Written into every contract, if the Maritime Commission obeyed the law in writing the contracts, was a specific provision that if the Government found it necessary to take the ships at any time, the Government could take them at cost, less depreciation.

Yet it is being urged on every side, or on many sides at least, that the shipping interests are entitled to something more than the cost of their ships less depreciation because in the meantime the price of ships had gone up due to the emergency created by this war. Mr. President, it seems to me—and I am not reflecting in any way on the character of Admiral Land; as I say, I like Admiral Land and I respect him—that the Maritime Commission has taken a tragically erroneous position in the matter. So far as I am concerned, I certainly will oppose in this body any legislation designed to break down the force of either the enhancement clause of section 902 or the provision for retaking subsidized vessels contained in section 802.

While I am on my feet, Mr. President, I desire to say just a word or two about the remarks of the Senator from North Carolina on the question of taxation of subsidized vessels. I think the Senator from North Carolina has correctly stated the law; and on that particular head I cannot blame the Maritime Commission for the discrepancy in the treatment of subsidized and nonsubsidized vessels. That is the fault of Congress; that is "one that we missed" when the

legislation was passed and when the subsequent tax legislation was passed. But I do say that the effect of it in actual practice has been to bring about an absolutely unfair discrimination in the matter of taxation as between subsidized lines and the lines which are not subsidized but which have been of American registry and in operation under the American flag. Under that provision, subsidized vessels and subsidized lines sold to or taken by the Government are subject to no tax, but competitors who have been rendering a service under the American flag—not receiving, however, any subsidy for construction or for operation—are subjected to all the provisions of our internal revenue laws; and if such operators do not immediately—or within 90 days, I believe the requirement is—distribute the amount they receive over and above the cost of the vessel, they are subjected to a very heavy tax, which, as I recall, is 31 percent.

I say that that discrimination between the treatment accorded the subsidized lines and the nonsubsidized lines should be erased from the law. I cannot blame the Maritime Commission or anyone else for that discrimination. I can blame no one other than myself and the other Members of the Senate and the Members of the House of Representatives who permitted those provisions to be written into the law. I merely desire to express that view, in passing, as to the observations of the Senator from North Carolina on the whole tax problem.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield.

Mr. WILEY. After all, is not the question involved in the first subject the Senator discussed simply one of law? If we had a Federal statute corresponding to those which some of the States have, providing a method for obtaining a declaratory judgment interpreting the latter statute the Senator read, it seems to me we would have the answer. As the Senator read the statute, it would seem to me that there would be no answer other than the one the Senator said was the correct answer; because the Government entered into the contracts relative to the ships and specifically set them in a class by themselves, and stated on what basis it could repurchase the ships. I suppose the problem arises over the matter of costs. Was it the cost of reproduction or was it the cost expressed in terms of what was paid for the ships? I suppose that is the issue.

Mr. CLARK of Missouri. Mr. President, there cannot be any question as to the meaning of the provisions of section 802, because that section specifically provides for original cost less depreciation; and the definition of depreciation is given. Depreciation is depreciation according to the schedule set up by the Bureau of Internal Revenue.

The other section possibly is open to some dispute, although it seems to me it was made as clear as the committee knew how to make it at the time when it was passed. It provides:

> Based upon such fair actual value (excluding any national defense features previously paid for by the United States), less a deduction from such fair actual value of any construction differential subsidy allowed under this act, and in no case shall such fair actual value be enhanced by the causes necessitating the taking.

That means the emergency, of course.

If a man bought a ship at a low price, a price far less than its actual value, and if the Government subsequently came along and took it, under the provisions of section 902 he would be entitled to the profit he could make from his good trading—based on the fact that he had bought the ship for a little less than it was worth—and that he might be able to sell it for possibly a little more than it was worth and still come within the provisions of the act. When a man says, "Yes, I have the property, I bought it from the Government for little or nothing, I have kept it for a number of years, and now conditions have improved in the world, and I will sell it at an increased price," he could get it. But if he says "Yes, the Government takes it, and I am entitled to the enormous enhancement in the going value of ships due to the great emergency which causes the Government to take it," then the act says that he cannot get such a tremendous profit. That is what the Comptroller General has said.

The actual situation is that the Comptroller General has ruled on the question of what the shipowners are entitled to for the taking of the ships. The shipowners have refused to accept the Comptroller General's decision in the matter. They have not tried to have the question brought up in any courts so far as I have heard. They are simply waiting around in the hope that the Congress will come along and emasculate the enhancement clause contained in section 902. That to my mind is the whole controversy between the Maritime Commission and the Comptroller General, and for what my views may be worth, I desire to express my opinion that the Comptroller General is absolutely right in his contention.

I thank the Senator from North Dakota for yielding to me.

Mr. AIKEN. Mr. President, will the Senator from North Dakota yield?

Mr. LANGER. I yield to the Senator from Vermont.

Mr. AIKEN. Since my earlier remarks the discussion has revolved around the point of law whether or not sections 802 and 902 have been observed by the Maritime Commission. The impression may have been created that the charges of the Comptroller General against the Maritime Commission have to do with the observance of this particular point of law. Let me say that as a matter of fact only in the case of the steamship *Roosevelt* has this particular law been brought into the picture. In the cases of the Tampa Shipbuilding Co. and the Waterman Shipbuilding Co. the charges were based on other conditions.

I ask unanimous consent, Mr. President, to have printed in the RECORD brief summaries of the charges which the Comptroller General's Office has made against the Maritime Commission. I do not mean the whole document, but merely summaries of the charges which have been made against the Maritime Commission in the case of the Tampa Shipbuilding Co., the Waterman Shipbuilding Co., and the alleged irregularities concerning the purchase of the steamship *Roosevelt*.

The PRESIDING OFFICER (Mr. TUNNELL in the chair). Without objection, the summaries will be printed in the RECORD.

The summaries are as follows:

REPORT OF IRREGULARITIES IN THE CONSTRUCTION BY THE UNITED STATES MARITIME COMMISSION OF CERTAIN VESSELS UNDER CONTRACTS WITH THE TAMPA SHIPBUILDING & ENGINEERING CO. AND IN THE SALE THEREOF TO THE NAVY DEPARTMENT

GENERAL ACCOUNTING OFFICE,
Washington, June 10, 1942.

The PRESIDENT OF THE SENATE.

MY DEAR MR. PRESIDENT: There is submitted herewith report of investigation by representatives of this Office of the contracts and other records of the United States Maritime Commission, the Navy Department, and the Tampa Shipbuilding & Engineering Co., and its successor, the Tampa Shipbuilding Co., Inc., relative to the partial construction of seven vessels by the said companies under contracts with the United States Maritime Commission and the sale of said vessels to the Navy Department prior to completion.

Sincerely yours,

LINDSAY C. WARREN,
Comptroller General of the United States.

REPORT OF IRREGULARITIES (1) IN THE CONSTRUCTION BY THE UNITED STATES MARITIME COMMISSION OF CERTAIN VESSELS UNDER CONTRACTS WITH THE TAMPA SHIPBUILDING & ENGINEERING CO. AND (2) IN THE SALE THEREOF TO THE NAVY DEPARTMENT

As a result of examination by the General Accounting Office of contracts and other records of the Tampa Shipbuilding & Engineering Co. (hereinafter referred to as the "old company"), Tampa Shipbuilding Co., Inc. (successor to Tampa Shipbuilding & Engineering Co., hereinafter referred to as the "new company"), Reconstruction Finance Corporation (hereinafter referred as "R. F. C."), the Navy Department, and the United States Maritime Commission (hereinafter referred to as the "Commission"), certain matters were disclosed which are required to be reported to the Congress under the provisions of section 312 of the Budget and Accounting Act, 1921 (42 Stat. 26).

The apparent irregularities disclosed are summarized briefly, as follows:

(1) On November 14, 1940, the Commission and the new company purport to have sold to the Navy Department three uncompleted vessels, designated as hulls 34, 35, and 36, at prices aggregating $1,129,407.78 in excess of the adjusted lump-sum contract prices for the completion of said vessels;

(2) On April 16, 1941, the Commission and the new company also accomplished, in effect, a sale to the Navy Department of the new company's contracts with the Commission for the construction of, and materials on hand for, four other vessels, designated as hulls 37, 38, 39, and 40, at prices aggregating $797,160.74 in excess of the value thereof based on the adjusted lump-sum contract prices and the stated percentages of completion;

(3) In effecting each of said sales, the Commission indulged fictional or pretended sales to the new company, apparently organized for that purpose, and said new company, in the instance of each sale, consummated a contemporaneous sale which had been previously arranged by the Commission, of the respective hulls to the Navy Department, notwithstanding the fact that title to such hulls, as well as the materials on hand, was vested in the Commission under existing contracts;

(4) At the time of the reorganization (November 14, 1940) the records reflected the net worth of the old company to have been $47,012.36, whereas, the same assets (after recordation of the sale of hulls 34 to 36 to the Navy Department, plus $500 paid for the stock of the new company) and liabilities were recorded on the books of the new company so as to reflect a net worth of $2,037,561.48;

(5) The net worth of the new company is represented by 10,000 shares of no-par-value stock owned by George B. Howell, president of said new company, for which he paid only $500;

(6) During the period May 21, 1938, to April 16, 1941, the R. F. C. loaned and advanced to the old company and the new company large sums of money for operating capital and plant improvements, during which period the Commission, at the demand of the R. F. C., guaranteed the debt of the companies to the R. F. C. to the extent of more than $300,000, without lawful authority;

(7) Simultaneously with the acquisitions by the Navy Department, as aforesaid, and the payment by it of the considerations therefor, the Navy Department entered into cost-plus-fixed-fees contracts with the new company for the conversion and completion of the hulls so acquired, and, with the funds paid to said new company by the Navy Department, said company's direct indebtedness to the R. F. C. was paid; the Commission received the return of progress payments made by it on account of the construction of said hulls to the dates of their acquisitions by the Navy Department, and the companies' indebtedness to two Tampa banks (Exchange National Bank and First National Bank) were paid in full;

(8) The acquisitions by the Navy Department were designed to redeem, and had the effect of redeeming, the old company from its then insolvent condition, and of redeeming the investments of the Commission, the two Tampa banks, and the R. F. C. through unauthorized expenditures of funds appropriated to the Navy Department.

(9) The only changes effected by the so-called reorganization through the organization of the new company were the restoration of the capital structure through the donation of approximately $2,000,000 appropriated moneys, and stock ownership and control for which only $500 was paid by George B. Howell, president of said new company;

(10) Expenses incident to launching vessels, including transportation, hotel expenses, gifts for sponsors, etc., aggregating $4,072.22 were, in effect, paid from public funds under the so-called reorganization plan;

(11) The Commission entered into a contract with the new company for the shifting of hull 34 from Tampa, Fla., to Mobile, Ala., after the transfer to, and acceptance of, said hull by the Navy Department;

(12) The Commission failed to determine the amount of any excess profits for recapture as required by law; and

(13) The use of funds from the Navy Department appropriation, "17X0604. Alterations to naval vessels," for the acquisition of hulls, the keels of some of which had only recently been laid, was unauthorized.

The above-mentioned matters are commented upon more fully hereinafter under appropriate headings.

REPORT OF INVESTIGATION BY REPRESENTATIVES OF THE COMPTROLLER GENERAL'S OFFICE OF THE CONTRACTS AND OTHER RECORDS OF THE UNITED STATES MARITIME COMMISSION

GENERAL ACCOUNTING OFFICE,
OFFICE OF COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, August 21, 1942.

The SPEAKER, HOUSE OF REPRESENTATIVES.

MY DEAR MR. SPEAKER: There is submitted herewith report of investigation by representatives of this Office of the contracts and other records of the United States Maritime Commission relating, among other things, to the sale by the Commission under sales agreement dated June 8, 1940, of five vessels from the Commission's laid-up fleet to the Waterman Steamship Corporation for the aggregate price of $596,000 (43,316 dead-weight tons), with an option to the Commission to repurchase the same vessels at said aggregate price, plus improvements made thereon by the corporation, less reasonable depreciation, and the subsequent purchase by the Commission from the corporation of five other and older vessels for an aggregate price of $3,374,700 (43,965 dead-weight tons), instead of exercising the option to repurchase the vessels sold under said agreement of June 8, 1940.

Sincerely yours,

LINDSAY C. WARREN,
Comptroller General of the United States.

GENERAL ACCOUNTING OFFICE,
OFFICE OF COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, August 8, 1942.

REPORT OF THE SALE BY THE UNITED STATES MARITIME COMMISSION TO WATERMAN STEAMSHIP CORPORATION OF FIVE OBSOLETE VESSELS FROM THE COMMISSION'S LAID-UP FLEET, WITH OPTION TO REPURCHASE SAID VESSELS, AND THE SUBSEQUENT PURCHASE FROM SAID CORPORATION OF FIVE OTHER SIMILAR AND OLDER VESSELS AT GREATLY ENHANCED PRICES, INSTEAD OF EXERCISING SAID OPTION

Examination by representatives of the General Accounting Office of the records of the United States Maritime Commission brings out certain matters which are required to be reported to the Congress under the provisions of section 312 of the Budget and Accounting Act, 1921 (42 Stat. 26), and which involve apparent irregularities, summarized as follows:

(1) On June 8, 1940, the United States Maritime Commission (hereinafter called the "Commission") made and entered into an agreement in writing with the Waterman Steamship Corporation, of Mobile, Ala. (hereinafter called the "corporation"), by which the Commission sold to the corporation five obsolete vessels from the Commission's laid-up fleet at and for the aggregate price of $596,000 (or an average price of $13.76 per dead-weight ton), with the right, at the Commission's option, to repurchase said vessels at such price, plus improvements made thereon by the corporation, less depreciation, as hereinafter shown.

(2) In connection with, and as part of the consideration for, the sale of June 8, 1940, the corporation obligated itself to construct, or cause to be constructed, four new vessels to be added to the American merchant fleet, and thereafter, by an agreement dated on or about November 6, 1940, the corporation undertook the construction of four new vessels by and through its wholly owned subsidiary, the Gulf Shipbuilding Corporation, such construction to be entirely at the corporation's expense and without aid by the Commission under the Merchant Marine Act, 1936, as amended.

(3) In late 1941 and early 1942 the Commission purchased from the corporation five other and older vessels at and for prices aggregating $3,374,700 (or an average of $75 a dead-weight ton), instead of exercising said option to repurchase the vessels sold under the agreement of June 8, 1940, and paid said aggregate price to the corporation.

(4) In purchasing the five vessels from the corporation as aforesaid, instead of exercising the option to repurchase the vessels sold under the written agreement of June 8, 1940, the Commission laid out and expended the sum of $1,995,502.68 more than it should and would have expended had it exercised said option, without regard to reasonable depreciation of the vessels sold under said written agreement, as will more fully and clearly hereinafter appear.

(5) The purchase of said vessels by the Commission from the corporation was consummated and the full purchase price of $3,374,700 was paid directly to the corporation, after it, on October 25, 1941, had applied in writing to the Commission under section 510, Merchant Marine Act, 1936, as amended, to trade in certain obsolete vessels (including some of those purchased from the corporation as aforesaid), and for a credit of the value thereof to be applied against the promised construction of eight new vessels to be added to the American merchant fleet, which application was never acted upon by the Commission.

(6) The five obsolete vessels were purchased by the Commission from the corporation as aforesaid without the formality of a written agreement stating the terms and conditions of the sale, and the transaction was closed by the execution, delivery, and recording of bills of sale for the vessels, each of which instruments recited only a nominal consideration of $10.

(7) After said five vessels had been purchased from the corporation as aforesaid (following said application under sec. 510, Merchant Marine Act, 1936, as amended, which was not acted upon by the Commission), and after the purchase price thereof had been paid to the corporation, the corporation attempted to establish a construction reserve fund under the provisions of section 511, Merchant Marine Act, 1936, as amended, in such manner as to enable the corporation to avoid or defer the payment of income tax on the gain or profit of, to wit, $1,995,502.68, realized by it through the sale of said five vessels to the Commission in late 1941 and early 1942, on the theory and apparent promise that said fund would be used in the construction of new vessels for addition to the American merchant marine, but a dispute has arisen between the Commission and the corporation as to the way and manner in which said so-called construction reserve fund shall be used and applied, which dispute is now pending before and is undetermined by the Commission, and which dispute is now under consideration by Commissioner John M. Carmody with a view to a report by him thereon to the Commission.

(8) It is claimed on behalf of the Commission that the five vessels acquired from the corporation in late 1941 and early 1942 were purchased pursuant to the proclamation of the national emergency by the President on May 27, 1941, and under the provisions of the act of June 6, 1941 (55 Stat. 242), infra, which act provides that vessels may be purchased for the emergency at such prices as the Commission "may deem fair and reasonable and in the public interest"; but that act contains no provision for the trade-in of, and the allowance of credit for, obsolete vessels against new vessels to be constructed as provided in sections 510 and 511, Merchant Marine Act, 1936, as amended, as hereinafter shown.

REPORT OF IRREGULARITIES IN THE SALE OF THE STEAMSHIP "PRESIDENT ROOSEVELT" BY THE UNITED STATES SHIPPING BOARD, AND THE SUBSEQUENT PURCHASE OF SAID VESSEL BY THE UNITED STATES MARITIME COMMISSION FOR ACCOUNT OF THE WAR DEPARTMENT

As a result of examination by the General Accounting Office of contracts and other records of the United States Maritime Commission (hereinafter referred to as the "Commission"), certain matters were disclosed which are required to be reported to the Congress under the provisions of section 312 of the Budget and Accounting Act, 1921 (42 Stat. 26).

The facts and apparent irregularities are summarized briefly, as follows:

(1) The steamship *President Roosevelt* was built for the Government in 1922 at a cost of approximately $5,924,000.

(2) The Government operated the vessel approximately 7 years, and on March 21, 1929, sold same to the United States Lines, Inc. (predecessor of the United States Lines Co.) for $1,000,000, resulting in depreciation in value (absorbed by the Government) of $4,924,000 during the period of Government operation of 7 years.

(3) The United States Lines, Inc., made payments aggregating $300,000 and thereafter defaulted on the unpaid balance of $700,000 due on the vessel.

(4) Under contract dated October 30, 1931, the United States Shipping Board, in effect, reacquired the vessel and sold same to the United States Lines Co. (successor to the United States Lines, Inc.), for $262,500, resulting in the Government absorbing further depreciation in value of $437,500, and at the same time the United States Lines Co., by write-up of $437,500 for its account, increased the value of the vessel on its own books to $750,000.

(5) The United States Lines Co. operated the vessel for 9 years, and depreciated the value of the vessel at the rate of $75,000 per annum, with corresponding charges to operating expenses.

(6) The Commission, under date of October 31, 1940, purchased the vessel for the account of the War Department and paid therefor $600,000, whereas the value based on Commission's General Order No. 24 was only $178,531.01, resulting in an overpayment of $421,468.99.

(7) As a result of the transactions during the period 1922 to 1940, the Government has absorbed losses due to depreciation in value of the vessel to the extent of approximately $3,000,000 for the 7 years it operated the vessel and, in addition, $858,969 while the vessel was owned and operated by the United States Lines, Inc., and its successor, United States Lines Co. (a period of 11 years), without considering the enormous subsidies paid under the Merchant Marine Acts of 1928 and 1936, whereas, in effect, the United States Lines Co. appreciated the value of the vessel during the period it owned and operated said vessel to the extent of $858,969.

The above-mentioned matters are commented upon more fully hereinafter under appropriate headings.

Mr. AIKEN. Mr. President, I would also call the attention of the Senate, though I will not ask to have it inserted in the RECORD, to the report of the investigation of the South Portland Shipbuilding Corporation as made by the House Committee on the Merchant Marine and Fisheries. It is Report No. 2653 of the Seventy-seventh Congress.

I want it further made clear, Mr. President, that in asking, as I have, for an investigation of these charges and of the entire situation, I am asking for investigation of existing system more particularly than of any one man. I have taken especial pains not to refer to the Chairman of the Maritime Commission by name, but only as the Maritime Commission chairman. I hold him responsible for conditions because, as chairman of the Martime Commission, he is the one who should be held responsible. In all the reports which have come to me concerning the activities of the Maritime Commission, I wish to say that there never has been one implying that the Chairman of the Commission has made any financial profit out of any alleged waste or misspending of Government funds. If there has been any corruption, it is corruption of a system, and it ought to be investigated and corrected.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Taylor, its enrolling clerk, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 2068) making additional appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1943, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SHEPPARD, Mr. THOMAS, Mr. COFFEE, Mr. WHITTEN, Mr. DITTER, Mr. PLUMLEY, and Mr. JOHNSON of Indiana were appointed managers on the part of the House at the conference.

AMENDMENT OF THE NATIONAL HOUSING ACT

The PRESIDING OFFICER (Mr. TUNNELL in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 677) to amend the National Housing Act, as amended, which was, to strike out all after the enacting clause and insert:

That section 603 (a) of such act, as amended, is hereby amended by (1) striking out "$800,000,000" and inserting in lieu thereof "$1,200,000,000"; and (2) striking out of the third proviso "July 1, 1943" in each place where it appears and inserting in lieu thereof "July 1, 1944."

SEC. 2. The first sentence of section 2 (a) of such act as amended, is amended by striking out "1943" and inserting in lieu thereof "1944."

Mr. RADCLIFFE. Mr. President, I move to amend the House amendment by striking out in line 1 the word "such" and inserting in lieu thereof the words "the National Housing."

The motion was agreed to.

Mr. RADCLIFFE. I now move that the Senate concur in the amendment of the House as amended.

The motion was agreed to.

ESTABLISHMENT OF A JEWISH NATION IN PALESTINE

Mr. LANGER. Mr. President, I desire to address myself briefly to the question of the establishment of a Jewish Nation in Palestine.

On February 26, speaking at the University of Toronto, in Canada, of the political and economic problems of the future, the Under Secretary of State, Mr. Sumner Welles, advocated a series of conferences and consultations between the members of the United Nations, and announced that the United States Government—

intends at once to undertake discussions with other members of the United Nations as to the most practical and effective methods through which these vitally necessary conferences and consultations * * * can be held.

Only 1 day earlier, on February 25, we were given an example of these thorny problems, which do not even permit us to await the end of the war, but call for immediate attention and solution. On that day a note was delivered by the Secretary of State to Lord Halifax, the British Ambassador, outlining American policy toward the refugee question and proposing a meeting at Ottawa of representatives of the United States and Great Britain for a preliminary exploration of this question.

Again we find no reference, in these two recent announcements, to one particular question which has been the source of many tragedies in the past, and which must be expected to remain the source of many difficulties in the future—the Jewish question. In dealing with the nations and peoples of the world, we know that to arrive at any satisfactory result we must grapple with their special problems. It is not enough to enunciate general principles. In international, just as in national life, it is the specific cases that represent reality. Generalities alone, however glittering, however well meant, however just, do not solve anything. The realities in international affairs are represented by the great divisions of mankind, the nations, races, and creeds of the world, and by their desires, needs, and fears. To grapple with these problems, it is well that we do not confine ourselves to making up our minds about them. It is only just that we give the groups involved the fullest opportunity to express their own views.

Certain steps have already been taken to grant fuller representation on the councils of the United Nations to the representatives of all opponents of the Axis, to those who fight actively against it, and to those who are oppressed under its heel. To safeguard the interests of the oppressed populations, we have recognized various governments-in-exile, even though they do not in fact govern the people whom they have undertaken to represent. But their participation in our councils is a symbol, a symbol of our readiness to deal with the special needs of the people involved, to take notice of their special interests, and to give full opportunity for the expression of their own desires.

No steps have been taken to date to deal specifically with the Jewish question in Europe, one of the most complicated and aggravating of all, and no steps have been taken to insure to the people concerned—the homeless Jews of the Old World—any adequate representation among the United Nations.

The Jews have repeatedly made a bid for admission into the councils of the United Nations. On November 17 I myself, together with my colleague, the senior Senator from Utah [Mr. THOMAS], participated in a mass demonstration on behalf of this cause in Manhattan Center, New York City, sponsored by the New Zionist Organization of America, which had previously applied to all the heads of the United Nations for admission of the Jews to the councils of the United Nations.

In his speech of February 26, in which Mr. Welles proposes on behalf of the United States that consultations be pursued on a broader and more permanent basis, this question is once more passed over in silence. It is submitted that the time has come to make place for the Jewish question on the agenda of the world, and to make place for the representatives of the stateless Jews of the world on the councils of the United Nations.

The same characteristic omission mars our note to Britain on the refugee question. With a great deal of realism, the note points out our generous contribution to the solution of the refugee problem in the past, and with commendable frankness it acknowledges that our own share in affording asylum for refugees is "bound by legislation enacted by Congress determining the immigration policy of the United States." But where the note departs from realism is in its insistence that "the refugee problem should not be considered as being confined to persons of any particular race or faith." Of course, it is not so confined, but it is childish to pretend that the refugee problem presents always the same questions, regardless of the difference in composition of the various refugee groups. Each case presents problems of its own, and must be accorded individual attention. There is no evidence of this intention in our note.

Another shortcoming of this note is that it treats the refugee problem as a temporary one. All that it tries to accomplish is to provide temporary asylum for the refugees in neutral or United Nations' territory, with one end in view, namely, "their prompt return to their native countries upon the termination of hostilities."

We know that to pretend that this solution will be feasible in all cases is "bunkum." It is especially "bunkum" in the case of many Jewish refugees, uprooted, shorn of all their possessions, embittered by many proofs of hostility received in the past, and suspicious of continued bitterness on the part of their neighbors in the future. President Roosevelt has publicly acknowledged this, and has stated that several million people will have to be helped to resettle in new lands. Mr. Hoover has agreed that preparations should be made for new lands to receive those masses of refugees whom it will be impractical to return to their former homes. All Jewish organizations, without any notable exception, agree that repatriation will be possible in part of the cases only, and that in many other cases resettlement will be required, not only resettlement of actual refugees, but even of many who will have remained in their countries of origin until the end of the war. In the face of such unanimity of opinion among all those who have seriously studied the question, the attitude of the Department of State, revealed in the note to which I have referred, cannot possibly contribute to a satisfactory solution. It can only contribute to confuse the situation even more, and to insure that we shall be worried by it again and again.

The question has been often discussed in the Senate and in the House, in the British Parliament, and in the press, but still nothing is being done to deal with it adequately. We all know more or less what is involved. Several million Jews lived in a wide area in the middle of Europe, where they were traditionally subject to prejudice, frequently to discrimination, and occasionally to violence. To escape their misery, many of them came to this country and to the other countries of the New World, and many more would have come if we and the other new countries had been in position to let them in. But long before the crying need of these Jewish populations to emigrate had been satisfied, economic and other internal considerations compelled us, just as they compelled other countries, to tighten the immigration laws. A stream of immigration to the United States and to other countries still continues, but this stream, at one and the same time, appears to many of us too broad, and to the unhappy Jews of the Old World not broad enough. We all know that the economic dislocation caused by the war and the difficulties of readjustment afterward will prevent any liberalization of our immigration laws. It is much more likely that they will be further tightened. Most probably the same situation will prevail in other countries.

Yet the Jewish question has been terribly aggravated in the meantime. Nazi treatment of Jews stands out unique in cruelty even if measured against the inhumanity of the Nazi record in general. Many hundreds of thousands of European Jews, perhaps millions, will have been killed or deliberately driven to death by the time the war ends. Millions will have been forced into exile. Practically all the Jews of the area involved will have been uprooted from their economic positions, and separated from their possessions and means of livelihood. The survivors will have to start afresh, without resources, from scratch.

Nor, realistically speaking, can we count on these Jews encountering much good-will on the part of their neighbors. The tradition of racial and religious anti-Semitism was always fairly strong in the part of the world where they live. This tradition has now been immeasurably strengthened by a concerted propaganda effort on the part of Nazi Germany. Touching incidents are reported from all over Europe, from Norway to Greece, and from France to Poland, in which warm and selfless sympathy has been extended to Jews by their Gentile fellow-sufferers under German occupation. Nevertheless, one may not overlook the difficulties which stare us in the face. It was quite difficult to maintain the rights of minority groups, as long as they really existed, even in the face of wide-spread prejudice. It is far more difficult, in the face of such prejudice, to restore minorities to positions which have been lost.

Even today, in the midst of the war, we find evidence of these difficulties. In North Africa, we are told, restoration of Jews to their previous equal status had to be postponed for many months for fear of arousing Arab resentment. Significant sections of Polish exiles in England openly preach the need for Jewish emigration from the future Polish State, and instances of anti-Jewish discrimination and violence by Polish authorities and troops are reported from Russia and Palestine. These are isolated instances, but they foreshadow the troubles to come when the hungry and destitute population of Europe will throw itself ravenously on the few supplies and opportunities that will be available on that destroyed Continent, and will bitterly compete for a share in the meager resources. Inevitably the Jews will come out at the short end.

It is childish to suppose that paper guaranties of equality which we may extract from the governments-in-exile or other authorities can change this situation, and it is just as naive to assume that we or Britain or Russia will post soldiers everywhere in Europe to uphold Jewish rights by force of arms.

This situation offers a tragic prospect to the Jews of many European countries and to the dispersed Jewish refugees, many of whom are equally unwanted in their temporary asylums and in their old countries. But the position is aggravated by the fact that this prospect is dangerous not to the Jews alone. We have seen what nefarious use can be made of anti-Semitism to fan the flames of war. The friction engendered by an unsolved Jewish question produced in many nations a susceptibility to anti-Semitism. By making use of this latent anti-Semitism Hitler made allies in his own country and in other countries and paved the road to war. If we do not solve the problem, others after Hitler will make similar use of anti-Semitism, and the threat of future catastrophes will be upon us.

A far-sighted and truly statesmanlike solution for these difficulties was devised long ago. Outstanding men of Jewish origin—a Brandeis in America, a Disraeli in England—saw in it the solution for their oppressed brethren. It was the proposal to set aside for the Jews that ancient land of theirs, Palestine. The ancient prophecy of the Bible, no less than the needs of modern conditions, all pointed to this solution. The holy places of all religions were to be placed under international supervision; the non-Jewish inhabitants—Moslem as well as Christian—were to be safeguarded full civil and religious equality, but the country as a whole was to be opened to all those Jews who felt that they had no chance against prejudice and preferred to develop a nationality of their own. When a sufficient number of Jews had come to Palestine to form a majority, the country would be transformed into a Jewish state.

In 1917 the plan was endorsed by President Wilson, by Great Britain, France, Italy, and Russia. Germany too assented to it. In 1919, when a number of Arab states were launched on their way to independence, another obstacle seemed to fall, and, finally, most nations of the world approved the Palestine mandate, making Palestine the national home of the Jews, and entrusting Britain with the responsibility of administering it. Every President of the United States since Wilson reiterated his agreement with this policy. Congress, on the initiative of the late Senator Lodge and of Representative HAMILTON FISH, associated itself with the project, and a formal treaty between the United States

and Great Britain incorporated the provisions of the Palestine mandate.

The wisdom of the setting aside of Palestine as a Jewish national home became obvious after 1921, when first the United States and then other countries restricted foreign immigration. Jews in the countries of traditional anti-Semitism were hit hardest. Then came Hitler, and a new wave of Jewish refugees from Germany and the annexed territories—Austria and Czechoslovakia. Then came the war, with its wholesale dislocation of the Jewish population of Europe, and with its probable aftermath—a new emigration wave. In all these circumstances we have done our share, and probably will continue to do our share in offering refuge to some of the emigrants, but it is obvious that we shall not be able to accommodate the main stream. Nor will the other countries, justly preoccupied with the effects of large-scale migration movements upon their own populations. In dealing with this situation, the creation of a Jewish state which would absorb the main stream is the one logical solution.

In the solution of the Jewish migration problem, Palestine did not play the part it could and should have played. Since the beginning, the British administration in Palestine acted on the theory that Jewish development in Palestine ought to be curtailed, and that British interests would be better served were Palestine to become one of a group of Arab states which would be nominally independent, but in fact under British control. For several years this policy of restrictions was purported to be justified on economic grounds, but when it appeared clearly that the greater the volume of Jewish immigration, the more prosperity was enjoyed by the entire country, Arabs included, this explanation was dropped, and the restrictions were openly acknowledged to be governed by a political consideration, namely, by the desire to avoid a Jewish majority in Palestine.

The prevailing explanation for this policy is the need to placate the Moslems, and especially the Arabs. This explanation was given before the advent of Hitler and since his advent, before the war and since the war. How serious this need is cannot be stated very easily. But many students of the question pointed out that it was the British attitude which encouraged Arabs in Palestine and elsewhere to register opposition to the national home policy, rather than that Arab opposition compelled the British to change this policy. Lord Wedgwood, one of England's most forthright statesmen, declared openly:

The Arabs are an excuse, not a reason.

The legal position of Great Britain in dealing with Palestine as she does is also open to question. On various occasions the Mandate Commission of the League of Nations expressed serious doubts as to whether British practice in Palestine was consistent with the mandate. On these occasions, it will be noticed, Britain disregarded the doubts expressed, never bothered to submit the questioned interpretation of the mandate to the World Court, as she was bound to do under the mandate, but relied on her own ex parte interpretation of an international document, and went ahead. At this very moment, Palestine is administered on the basis of a British document, the so-called White Paper of 1939, which has been unanimously declared by the Mandate Commission of the League of Nations to be contrary to the correct interpretation of the mandate.

What is most important, however, is neither the motive behind Britain's policy in Palestine, nor even its legality, but the effect of this policy on the Jewish question, which has become so important for the welfare of the world. This effect is a bad one. To reduce the malignant power of anti-Semitism in Europe, to give an outlet to Jewish need for emigration from Central Europe without endangering the delicate balance of population existing in western countries, Palestine was internationally designated as the place where facilities for large-scale Jewish colonization should be provided, and where Jews should regain political nationhood. This aim was hitherto prevented from materializing, and an important objective of international stabilization was frustrated.

We know that a large movemen' of Jewish emigration will develop after the war in certain parts of the world, and that this migration movement will raise in many respects problems different from those of the migration movements of other groups. We face here a special problem, and to solve it special steps are required. A large number of Jews in the world who have been completely uprooted will wish to start a new life in a Jewish country. In the interest of the world, as well as in the interest of humanity, they should be assisted in this endeavor.

To facilitate the voluntary transfer of these Jews to the future Jewish state, and to lay the basis for its existence, a fully representative Jewish National Committee ought to be established by the interested Jewish groups, with whom our Government and the other governments could treat. Just as, in the last war, similar national committees were established by the Poles, the Czechs, the Latvians, and the Lithuanians, and were recognized by us and the Allies, later leading to the establishment of provisional governments. This procedure could be followed now in the case of these Jews.

The Jews of the world have as much at stake in this war as anyone else. They participate in the fight, and they certainly participate in the suffering. Those of them who are full-fledged citizens of their countries are represented by their governments on the same basis with their non-Jewish fellow citizens. But many of them, in law, or, at any rate, in fact, have no one to represent them. This error, too, should be corrected. The Jewish National Committee should be recognized by the United Nations, and should be given a place and a voice in the councils of that group. The committee would represent the interests of the stateless and refugee Jews of the world, and the interests of the future Jewish state. Through this committee, the Jewish people should be acknowledged an equal member of the United Nations.

Our Department of State ought to urge the formation and recognition of such a committee, and, if necessary, it should offer its good offices in bringing together the interested Jewish groups for the purpose of forming it.

Many Jewish citizens of the United States will undoubtedly lend their sympathy and support to the work of this committee, just as our population of Irish, Czech, and Polish origin have taken an interest and have lent their support to the committees formed at various times on behalf of those nationalities previous to their attainment of statehood. But it should be clear, in keeping with these precedents, that our Jewish citizens would not be affected themselves by the formation of such a committee, and that the committee would not claim to represent anyone other than the Jews already in Palestine, and those refugee and stateless Jews who wish to proceed to Palestine, and to constitute a Jewish state.

The forthcoming transformation of Palestine, including Transjordan, into a Jewish state, should be proclaimed and mutually agreed upon by the United Nations as one of their common aims. Immediate agreements are to be entered with the Jewish National Committee, representing provisionally the interests of the Jewish state, and with all interested governments, regarding—

(a) Facilities for the large-scale voluntary emigration of Jewish refugees, stateless Jews, and Jewish victims of discrimination or persecution, to Palestine, with control over the admission of these immigrants vested exclusively in the authorities of the Jewish state;

(b) The assurance of full civic and religious rights to the non-Jewish inhabitants of Palestine, both during the transitional period, and later, when they shall have become a numerical minority of the population; and

(c) An internationally supervised regime for the holy places in Palestine.

Upon formation of the Jewish state, these agreements are to be supplemented by treaties to which the Jewish state should be a party.

Again, it should be clear that the formation of the Jewish state ought not to interfere with the status of Jewish citizens of other countries. What does interfere with our interests is the fact that Jews, exposed to persecution in some parts of the world, naturally seek to escape. This exposes us and Britain and the Dominions to a sorry dilemma, either to open wide our gates, thereby endangering the delicate population balance within our respective countries, or consign millions of human beings to further martyrdom, and keep the world burdened with a problem of high explosive capacity. Both alternatives are equally unsatisfactory, and the creation of a Jewish state for those Jews who want and need it is the only adequate way out.

Even now, in the midst of the war, the governments of the United Nations are faced with the problem of refugees who have escaped the Axis and have not yet

found any permanent abode, and of those who might be saved from the Axis and preserved from threatening destruction. Quite recently an arrangement was announced by which several thousand such men and women would be taken out of Bulgaria. The press announced that Rumania expressed her readiness to let a certain number of Jews leave the country. In France, in Turkey, and in Portugal, many more thousands of such individuals can be found, most of them Jews. Many tragedies have already taken place, with these refugees trying to find refuge in some country, sailing from port to port in unseaworthy vessels, being rejected everywhere, and finding graves at the bottom of the sea.

The note which we sent to Great Britain on February 25 seems to deal with this immediate problem, but it deals with it in an unsatisfactory manner. It avoids mention of the Jewish refugee problem, at present the largest one by far, and it assumes wrongly that all refugees will be able to return to their old homes after the war. What is needed is that Jewish refugees from Axis domination, who have not yet been settled elsewhere, and other Jews whom it will be possible to rescue from inevitable doom in Axis lands, be enabled to proceed to Palestine. Palestine lies near the centers where these Jews are at present, and their transportation there could be arranged with far less inconvenience to the war effort of the United Nations than their transportation to any outlying region. At the same time, this salvaging action could be undertaken without infringing the immigration laws and regulations of any other country, and would be in keeping with the established international policy of regarding Palestine as the national home for the Jews.

In one more respect is immediate action needed. Jews who are citizens of the United States, Britain, Russia, and other allies, bravely fight in the armies of these countries. Nevertheless, it is necessary to put on record and to make universally known the part which Jews as Jews take in the fight against the Axis. It is well known that the Jews were everywhere singled out as the first victims of the Nazis, and it would be most appropriate if Jews were also to participate on their own behalf in the present war. Therefore, Jewish volunteers other than those subject to military service in the United Nations should be organized into a Free Jewish Army, which would form part of the armed forces of the United Nations, similar to the other "free" armies of the present and the last war. Eligible for enlistment in the Jewish army would be Palestinian Jews, Jewish refugees from Axis and other countries, stateless Jews, and Jewish volunteers from neutral countries. Units of the Jewish army could be formed wherever conditions warrant it, and could be attached to the various fighting fronts, where they would be under the command of the Allied commander of the area. The formation of the army would proceed under the authority of the Jewish National Committee, which would also appoint the senior officers of the units of the army. Officers in general could be chosen among qualified volunteers who, in part, might be detailed by the Allied armies with which they now serve. Equipment and supplies for the Jewish army should be made available by the United States and our allies on a lend-lease basis, similar to the assistance provided by us to other "free" armies.

PROCLAMATION OF PRESIDENT ESTABLISHING THE JACKSON HOLE NATIONAL MONUMENT IN WYOMING

Mr. O'MAHONEY. Mr. President, I desire to make a record here this afternoon of what I regard to be a rather extraordinary instance of the indirect use of Executive power to accomplish an objective which could not be accomplished by legislative action. I was very much amazed yesterday afternoon, while in the meeting of the Committee on Military Affairs, to have my secretary come into the meeting with a copy of the Federal Register of March 18, 1943, in his hand. I was told that my office force, which had been searching for the text of an O. P. A. modification of a ration order, found this copy of the Federal Register, and there on the front page discovered Proclamation No. 2578, issued by the President of the United States on March 15, establishing the Jackson Hole National Monument in Wyoming, and containing the description of several hundred thousand acres of land within the boundaries of that State.

The history of this situation which thus culminated in the publication yesterday in the Federal Register of this Executive proclamation is, I think, of sufficient interest, Mr. President, to justify my taking a few moments of the Senate's time.

The Jackson Hole section in Wyoming contains, I think, some of the most beautiful scenery to be found anywhere in the world. It lies immediately south of the Yellowstone National Park. It contains some perfectly marvelous mountain ranges. It also contains large areas of high-grade grazing land. A large part of this area was embraced within the boundaries of the Teton National Forest.

Fifteen or sixteen years ago the then head of the National Park Service, Mr. Horace M. Albright, sought to have a national park created there which should take in most of this area. The Senators from Wyoming at that time were my predecessor, the Honorable John B. Kendrick, and his colleague, Francis E. Warren.

Mr. President, the normal attitude of the people of Wyoming, as of all the people of all the Western States, is that they prefer to have the land owned by the Government within the boundaries of the States to pass as rapidly as possible into private ownership. Their purpose and desire is to make certain, if possible, that the land shall be used for productive purposes. They are quite willing that there should be set aside proper areas for national parks and for national monuments. But the question that was presented to Senator Warren and Senator Kendrick, and to the Congress at that time, was how large an area should be taken out of the regular processes of productive operation and placed in a national park. Senator Kendrick came to an understanding with the National Park Service, and gave his approval to a bill creating the Teton National Park, definitely setting its boundaries. They embraced a smaller area than was desired by the National Park Service. They embraced a larger area than was approved by the people of Wyoming. But from that day to this the National Park Service has never rested in its efforts to extend the boundaries of that park, and to take a much larger area out of normal production, and put it aside for pleasure and for the preservation of beauty, which, of course, is a very laudable objective.

As long ago as 1938, after I became a Member of the Senate, I submitted a resolution to provide for an investigation of this matter, because I wanted to find out what the sentiment of the people of the State of Wyoming was with respect to this proposal. I went to the Jackson Hole region with members of the Senate Committee on Public Lands and Surveys. We held protracted hearings there. We gave ample opportunity to all who were concerned to come before the committee and tell their story. Among those who came were the representatives of John D. Rockefeller, Jr., who had purchased several thousand acres of land privately owned, and who wanted to donate the land to the Federal Government and have it included within the new boundaries of the Teton National Park. But the sentiment of the people of Wyoming was overwhelmingly against it. When I returned, the subcommittee reported to the full committee adversely upon the proposal to extend the boundaries of that park.

Every year since then, when a session of Congress was about to open, the Secretary of the Interior, who has been committed to this program of park extension, would consult the Wyoming Representatives and Senators and urge them to give their consent to the passage of a bill to extend the boundaries of the park. Such consent was never given. Oh, it is true that back in 1934 or 1935 my then colleague, Senator Robert D. Carey, introduced a bill, in the introduction of which he asked me to join, providing for the extension of the park. The bill was introduced solely for the purpose of having the matter thoroughly investigated. The bill was passed by this body, but it was not agreed to by the other House. Subsequent to that time, as I said, the people of Wyoming have lost no opportunity to express their distinct opposition to the extension of the boundaries of that park.

Early this year I had an intimation, which of course I did not need, that pressure to bring about this extension was still being exerted. I knew that there would be no possibility of any legislation on the subject being passed by the Senate or the House, but it occurred to me that some effort might be made to

make the extension indirectly by Executive order. So I looked up the law with respect to the creation of national monuments. This law was enacted on June 8, 1906, and is as follows:

Public Law No. 209

An act for the preservation of American antiquities

Be it enacted, etc., That any person who shall appropriate, excavate, injure, or destroy any historic or prehistoric ruin or monument, or any object of antiquity, situated on lands owned or controlled by the Government of the United States, without the permission of the secretary of the department of the Government having jurisdiction over the lands on which said antiquities are situated, shall, upon conviction, be fined in a sum of not more than $500 or be imprisoned for a period of not more than 90 days, or shall suffer both fine and imprisonment, in the discretion of the court.

SEC. 2. That the President of the United States is hereby authorized, in his discretion, to declare by public proclamation historic landmarks, historic and prehistoric structures, and other objects of historic or scientific interest that are situated upon the lands owned or controlled by the Government of the United States to be national monuments, and may reserve as a part thereof parcels of land, the limits of which in all cases shall be confined to the smallest area compatible with the proper care and management of the objects to be protected: *Provided*, That when such objects are situated upon a tract covered by a bona fide unperfected claim or held in private ownership, the tract, or so much thereof as may be necessary for the proper care and management of the object, may be relinquished to the Government, and the Secretary of the Interior is hereby authorized to accept the relinquishment of such tracts in behalf of the Government of the United States.

SEC. 3. That permits for the examination of ruins, the excavation of archeological sites, and the gathering of objects of antiquity upon the lands under their respective jurisdictions may be granted by the Secretaries of the Interior, Agriculture, and War to institutions which they may deem properly qualified to conduct such examination, excavation, or gathering, subject to such rules and regulations as they may prescribe: *Provided*, That the examinations, excavations, and gatherings are undertaken for the benefit of reputable museums, universities, colleges, or other recognized scientific or educational institutions, with a view to increasing the knowledge of such objects, and that the gatherings shall be made for permanent preservation in public museums.

SEC. 4. That the Secretaries of the Departments aforesaid shall make and publish from time to time uniform rules and regulations for the purpose of carrying out the provisions of this act.

Approved, June 8, 1906.

Mr. President, I desire to call attention to the fact that this statute, which shows clearly upon its face that it was designed to make it possible for the President of the United States to set aside as national monuments prehistoric structures, antiquities, and other objects of that kind, has been used to secure a legislative objective which the Congress of the United States had been unwilling to grant.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. HAYDEN. All the Senator has said is obviously true. However, the great precedent for acting in the manner which he has described was established long ago by former President Theodore Roosevelt, when he created the Grand Canyon National Monument in Arizona, which was practically twice the size of the then existing Grand Canyon National Park. At that time the statute was stretched to the utmost limit; and I doubt if any action since taken has comprised as many square miles of land.

Mr. O'MAHONEY. I am glad the Senator from Arizona has called attention to the action of President Theodore Roosevelt. However, I venture to say that the conditions which exist in this case did not exist in the case of the creation of the Grand Canyon National Park in Arizona. The opportunity had not been presented in that case to gain the objective by legislation. In this particular instance, Mr. President, the legislature of the State of Wyoming has repeatedly adopted memorials declaring the opposition of that State to this very purpose.

The action is taken under a statute which contains the following limiting proviso:

The limits of which in all cases shall be confined to the smallest area compatible with the proper care and management of the objects to be protected.

That act was approved on June 8, 1906. I am not sure that it was not passed after the Executive order which created the Grand Canyon National Park.

Mr. HAYDEN. No; the Grand Canyon National Monument was established under the identical statute which the Senator has urged. Then, by act of Congress in the Wilson administration, the park itself was established, greatly reducing the area included in the proclamation of former President Theodore Roosevelt.

We have another illustration in Arizona. One day President Hoover rode through the State on a train, and an enthusiastic citizen pointed out of the car window to an enormous growth of giant cactus. The President thereupon issued an Executive order which included a considerable amount of forest land set aside for the use of the University of Arizona. Actually, the proclamation left out considerable areas of the public domain which might well have been included in a giant cactus national monument.

We have had great difficulty in trying to correct those boundaries, which everyone recognizes were made in haste and in an improper manner. One President after another, from Theodore Roosevelt down to the present incumbent, has proceeded to exercise in the broadest way an authority which, as the Senator has pointed out, Congress certainly intended to limit.

Mr. O'MAHONEY. My recollection is that the distinguished Senator from Arizona had an experience of this kind within the past few years, when an Executive order, concerning which he had not the slightest knowledge before the action was taken, was issued affecting lands within his State.

Mr. HAYDEN. No; the situation was not quite that which the Senator has stated. The latest instance was a threatened executive order which I had been assured would not be issued. It concerned an area of land in which the National Park Service had voluntarily stated that it had no interest. Yet, the project was revived without anybody knowing anything about it. It caused great commotion in the State. The legislature adopted a memorial in protest. Interested stock growers were very much alarmed lest valuable grazing areas would be denied them. As a result, as the Senator from Wyoming may remember, I induced the Senate to adopt a proviso to the Interior Department appropriation bill that no Executive order of that kind might be issued in my State and requiring that any extension of a national park or monument should be by act of Congress. In conference the amendment was not agreed to by the House conferees, but, as a result of that agitation, I did obtain a firm commitment from the Secretary of the Interior that in no event would any such project be undertaken within the State of Arizona without advance notice to the Senators and Representatives in Congress from that State.

Mr. O'MAHONEY. Mr. President, I congratulate the Senator from Arizona. He was more successful than was I. As I was saying, knowing that the purpose in the minds of officials of the National Park Service and in the minds of John D. Rockefeller, Jr. and his associates, to bring about an extension of the park, had never been abandoned, in February of this year I took the precaution to write the following letter to the Secretary of the Interior:

HON. HAROLD L. ICKES,
Secretary of the Interior,
Washington, D. C.

DEAR MR. SECRETARY: I have been rereading the act of June 8, 1906, relating to the creation of national monuments, and I observe that it is entitled, "An act for the preservation of American antiquities."

Section 2 of this law authorizes the President, "In his discretion, to declare by public proclamation historic landmarks, historic and prehistoric structures, and other objects of historic or scientific interest that are situated upon the lands owned or controlled by the Government of the United States to be national monuments."

Obviously, this law deals with landmarks and structures which have a historic, prehistoric, or scientific interest and which are situated upon lands belonging to the United States. It does not seem to me that this language can be construed as extending authority to the Government to accept donations of land from private interests for the purpose of extending the boundaries of a national park.

It is interesting to note that in the volume of Public Land Statutes published by the Department of the Interior there appears on page 382, immediately following the act of June 8, 1906, above cited, a list of acts of Congress establishing or relating to national monuments and parks under the jurisdiction of the Department of the Interior. This list is additional evidence of the correctness of my contention, namely, that the extension or addition of land to a national park is a matter for congressional action.

Permit me to say that, in my opinion, it would be contrary to sound public policy as well as to law to attempt by executive action to procure the extension of the boundaries of a national park, particularly when Congress in the case of the Teton National Park has been requested to make an extension and has not acted.

Sincerely yours,

JOSEPH C. O'MAHONEY.

Mr. President, I received no response to that letter until this morning. In the meantime the Executive order had been signed on the 15th of March It was printed in the Federal Register of March 18. The letter which I received from the distinguished Secretary of the Interior is dated March 18. I will read the letter because it seems to me to be an outstanding example of the very bad practice of indirect Executive action to attain objectives which are not possible of attainment by way of legislative enactment. The letter of the Secretary of the Interior is as follows:

THE SECRETARY OF THE INTERIOR,
Washington, March 18, 1943.

Hon. JOSEPH C. O'MAHONEY,
United States Senate.

MY DEAR SENATOR O'MAHONEY: I have received you letter dated February 23, in which you object to the creation of the proposed Jackson Hole National Monument in Wyoming. Your position rests upon the grounds that the act of June 8, 1906 (34 Stat. 225; 16 U. S. C., sec. 431), does not authorize "the Government to accept donations of land from private interests for the purpose of extending the boundaries of a national park" and that it would be improper to create the monument in view of the failure of Congress to act in this regard after being requested so to do.

I agree that the 1906 act does not authorize the addition of lands to a national park. But the Jackson Hole lands are not proposed to be added to the Grand Teton National Park, but are to be established as a national monument. The 1906 act clearly authorizes the creation of this monument, for the Jackson Hole area contains historic landmarks * * * and other objects of historic or scientific interest that are situated upon the lands owned or controlled by the Government of the United States * * *.

Let me interject there, Mr. President, that the lands which are being included in this national monument immediately adjoin the Grand Teton National Park. There is no separation. The lands which are being included embrace not only lands which belong to the Government of the United States, but lands which are privately owned, which are not at all covered by this act.

I continue to read the Secretary's letter:

The fact that the proposed monument will adjoin Grand Teton National Park does not invalidate its creation. Neither the 1906 act nor any other statute precludes the creation of a monument next to a national park.

Mr. President, I think that is a marvel of special pleading.

The letter continues:

Indeed, this is the circumstance in the case of Grand Canyon National Park (act of February 26, 1919, 40 Stat. 1175) and Grand Canyon National Monument (proclamation of December 22, 1932, 47 Stat. 2547), and in the case of Zion National Park (act of November 19, 1919, 41 Stat. 356) and Zion National Monument (proclamation of January 22, 1937, 50 Stat. 1809).

I do not share your feeling that the creation of the proposed national monument is improper because of the failure of Congress to act in this regard. The question which was presented to Congress, and on which Congress failed to act, was a proposed addition of the Jackson Hole lands to the Grand Teton National Park. The present proposal contemplates the creation of a national monument, and this question has never been presented to, or considered by, Congress, in view of the general legislation authorizing the creation of national monuments by the President.

You will understand that it was not easy for me to reach a conclusion on this question contrary to yours. But I am clear both as to the legal authority of the President to create the proposed national monument and as to the resulting gain to the Nation's recreational resources. In these circumstances I have felt that no other decision was open to me.

Sincerely yours,

HAROLD L. ICKES,
Secretary of the Interior.

Mr. President, the administration of this huge tract of several hundred thousand acres of land will now fall under the jurisdiction of the National Park Service. Except for the land which was in private ownership, it has been under the jurisdiction of the Forest Service. Under that bureau, livestock had been grazed upon the land. Now, while the country is puzzled to know what to do about the production of meat and meat products, we are confronted with an undertaking to remove from use as a producing area hundreds of thousands of acres of land, and to turn them over to use for recreational purposes.

Mr. President, my only comment is that I think it rather extraordinary that in the midst of this global war the Secretary of the Interior has found time to recommend to the President the issuance of an Executive order creating a national monument, when he well knew that the sentiment of the people and the Government, and of the representatives of the people of Wyoming was contrary to the action which he proposed to take.

Mr. President, I ask unanimous consent that there may be printed in the RECORD, at the conclusion of my remarks, the Executive order to which I have referred.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit A.)

Mr. O'MAHONEY. Mr. President, let me say one additional word. I believe that it is of primary importance for the peace of the world that a common understanding between the Members of the Senate and the House and the Executive shall be built up. I say, Mr. President, that by action such as that which has been taken it is impossible to build up a basis of confidence and understanding which is so essential to democratic government.

EXHIBIT A

PROCLAMATION 2578 ESTABLISHING THE JACKSON HOLE NATIONAL MONUMENT—WYOMING

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA, A PROCLAMATION

Whereas the area in the State of Wyoming known as the Jackson Hole country, including that portion thereof which is located in the Teton National Forest, contains historic landmarks and other objects of historic and scientific interest that are situated upon lands owned or controlled by the United States; and

Whereas it appears that the public interest would be promoted by establishing the aforesaid area as a national monument to be known as the Jackson Hole National Monument:

Now, therefore, I, Franklin D. Roosevelt, President of the United States of America, under and by virtue of the authority vested in me by the act of June 4, 1897 (30 Stat. 11, 36; U. S. C., title 16, sec. 473), and the act of June 8, 1906 (34 Stat. 225; U. S. C., title 16, sec. 431), do proclaim that the Teton National Forest lands within the aforesaid area are hereby excluded from the said national forest and that, subject to all valid existing rights, the lands excluded from the said national forest together with all other lands within the following described area are reserved from all forms of appropriation under the public land laws and set apart as a national monument, which shall hereafter be known as the Jackson Hole National Monument:

Beginning on the present western boundary line of the Grand Teton National Park at a point where the hydographic divide between Webb Canyon and Snowshoe Canyon intersects the hydrographic divide of the Teton Mountains (within what will probably be when surveyed section 1, township 45 north, range 117 west, sixth principal meridian); thence northerly and northeasterly along the divide formed by the crest of the Teton Range to the projected position of what will be when surveyed the line between sections 4 and 5, township 47 north, range 116 west; thence south along the section line between sections 4 and 5, 8 and 9, to the point for the corner of sections 8, 9, 16, and 17; thence east along the line between sections 9 and 16, 10 and 15, 11 and 14, 12 and 13, township 47 north, range 116 west, sections 7 and 18, 8 and 17, 9 and 16, to the point for the corner of sections 9, 10, 15, and 16, township 47 north, range 115 west; thence south along the line between sections 15 and 16, 21 and 22, 27 and 28, to the point for the corner of sections 27, 28, 33, and 34; thence east along the line between sections 27 and 34, 26 and 35, to the point for the corner of sections 25, 26, 35, and 36; thence south along the line between sections 35 and 36, township 47 north, range 115 west, sections 1 and 2, 11 and 12, 13 and 14, 23 and 24, to the section corner common to sections 23, 24, 25, and 26; thence east along the line between sections 24 and 25, township 46 north, range 115 west, sections 19 and 30, 20 and 29, 21 and 28, 22 and 27, 23 and 26, 24 and 25, township 46 north, range 114 west, sections 19 and 30, township 46 north, range 113 west, to the point for the quarter section corner of sections 19 and 30; thence south along the meridional quarter section line of unsurveyed sections 30 and 31, township 46 north, range 113 west, and surveyed sections 6, 7, 18, 19 and 30, township 45 north, range 113 west, to the present boundary of the Teton National Forest; thence easterly, southerly, and southwesterly along the Teton National Forest boundary to the corner of sections 25 and 36 on the east boundary of township 44 north, range 115 west; thence west three-fourths mile to the west one-sixteenth section corner of sections 25 and 36; thence south one-half mile to the west center one-sixteenth section corner of section 36; thence east one-fourth mile to the present boundary of the Teton National Forest; thence southerly along the Teton National Forest boundary to the south bank of the Gros Ventre River; thence westerly along the south bank of the Gros Ventre River to the line between sections 10 and 11, township 42 north, range 115 west; thence south to the section corner common to sections 10, 11, 14 and 15; thence west to the section corner common to sections 8, 9, 16, and 17; thence south to the section corner common to sections 20, 21, 28, and 29, thence west one-half mile to the quarter section corner between sections 20 and 29; thence south one-half mile to the center quarter section corner of section 29, township 42 north, range 115 west; thence west to the quarter section corner of sections 25 and 30 on the line between township 42 north, range 115 west, and township 42 north, range 116 west; thence south to the corner

of sections 25, 30, 31 and 36; thence west to the corner of sections 25, 26, 35 and 36; thence south along the line between sections 35 and 36, township 42 north, range 116 west, sections 1 and 2, township 41 north, range 116 west, to the south and east bank of Flat Creek; thence southerly and westerly along the south and east bank of Flat Creek to the line between sections 27 and 28 township 41 north, range 116 west; thence along the section line between sections 27 and 28 to the quarter section corner between sections 27 and 28; thence west one-fourth mile; thence north one-half mile to the east sixteenth section corner between sections 21 and 28; thence north three-fourths mile; thence east one-fourth mile to the north sixteenth section corner between sections 21 and 22; thence north on the line between sections 21 and 22, 15 and 16 to the section corner common to sections 9, 10, 15 and 16; thence east between sections 10 and 15 to the quarter section corner between sections 10 and 15; thence north one-fourth mile; thence east one-fourth mile; thence north one-half mile; thence east one-fourth mile to the north sixteenth section corner between sections 10 and 11; thence north on the line between sections 10 and 11, 2 and 3, to the corner common to sections 34 and 35, township 42 north, range 116 west, and sections 2 and 3, township 41 north, range 116 west; thence west along the township line between townships 41 and 42 north to the quarter section corner between section 3, township 41 north, range 116 west, and section 34, township 42 north, range 116 west; thence northerly on the meridional quarter section line of section 34 to the north bank of the Gros Ventre River; thence northeasterly along the north bank of the Gros Ventre River to the line between sections 34 and 35; thence north on the line between sections 34 and 35, 26 and 27, 22 and 23, 14 and 15, to the quarter section corner between said sections 14 and 15; thence west one-fourth mile; thence north one-fourth mile; thence west one-fourth mile; thence north one-fourth mile to the quarter section corner between sections 10 and 15; thence east one-fourth mile; thence north one-fourth mile; thence east one-fourth mile to the south sixteenth section corner between sections 10 and 11; thence northerly on the line between said sections 10 and 11 to the north sixteenth section corner between said sections 10 and 11; thence east one-fourth mile; thence north one-fourth mile to the west sixteenth section corner of sections 2 and 11; thence in a straight line to the northwest corner of section 1, township 42 north, range 116 west; thence west on the line between townships 42 and 43 north to the present boundary of the Grand Teton National Park; thence northerly along the east boundary and southwesterly along the north boundary of the Grand Teton National Park to the place of beginning; also a tract embracing the following lands; sections 5, 6, 7, 8, and 18, and those parts of sections 3, 4, 9, 10, 16 and 17, township 42 north, range 116 west sixth principal meridian, lying west of the center line of the main channel of Snake River.

The reservation made by this proclamation supersedes, as to any of the above-described lands affected thereby, the withdrawals made for classification and other purposes by Executive Orders No. 3394 of January 28, 1921; No. 4685 of July 7, 1927; No. 4857 of April 16, 1928; No. 5040 of February 4, 1929; No. 5436 of September 2, 1930; No. 5480 of November 13 1930; and No. 7680 of July 30, 1937.

Warning is hereby expressly given to all unauthorized persons not to appropriate, injure, destroy, or remove any feature of this monument and not to locate or settle upon any of the lands thereof.

The Director of the National Park Service, under the direction of the Secretary of the Interior, shall have the supervision, management, and control of the monument as provided in the act of Congress entitled "An act to establish a National Park Service, and for other purposes," approved August 25, 1916 (39 Stat. 535, U. S. C., title 16, secs. 1 and 2), and acts supplementary thereto or amendatory thereof, except that the administration of the monument shall be subject to the reclamation withdrawal heretofore made under the authority of the act of June 17, 1902, 32 Stat. 388.

In witness whereof I have hereunto set my hand and caused the seal of the United States to be affixed.

Done at the city of Washington this 15th day of March in the year of our Lord 1943 and of the independence of the United States of America the 167th.

FRANKLIN D. ROOSEVELT.

By the President:
CORDELL HULL,
Secretary of State.

[F. R. Doc. 43-4147; filed March 17, 1943; 11:19 a. m.]

Mr. ROBERTSON. Mr. President, I desire to concur in the remarks of the able senior Senator from my State.

The Presidential proclamation 2578, issued March 15, 1943, establishing the Jackson Hole National Monument, Wyo., is nothing but an extension of the Teton National Park to the east and north, taking in all of Jackson Lake and practically the entire Jackson Hole area right down to the town of Jackson on the south. Stripped of all legal phraseology, this proclamation is an enabling act whereby the Rockefeller interests can dispose of a very hot potato, consisting of some 32,000 acres of the most desirable land in Jackson Hole which they purchased and which are now on the tax roll of Teton County. In addition, some 17,000 acres of private lands are included under the proclamation which provides the means of removing all these lands from the State and county tax rolls.

This whole question has been the subject of acute controversy for years. In Congress bills have been introduced; the Senate Public Lands Committee went to Jackson and held hearings which resulted in a negative attitude by the Congress, with certainly no intention on its part of bringing this very controversial matter up when the entire Nation is devoting itself to the war effort. Congress refused authority for the extension of Grand Teton National Park, and Proclamation No. 2578 is a subterfuge to thwart the will of Congress by Executive action. The proclamation creating this monument will not contribute in any way to the war effort. As a matter of fact, there is room for considerable argument to show that it will be against the war effort.

The Jackson Hole is a great livestock area as well as a big game hunting area. Many thousands of elk are fed hay each winter on a Government game refuge immediately north of the town of Jackson. While hunters took out a great number of elk last fall, the Federal Wildlife Service and the Wyoming State Game Commission realize that if double the quantity had been taken out, it would have been to the advantage of the elk herd and the meat situation of the western people. Today, hundreds of elk are dying daily in Jackson Hole because of lack of feed.

The Presidential proclamation automatically eliminates hunting on over 221,000 acres, which are snow covered in winter, and will thereby increase the already oversized elk herd, and result in a staggering winter mortality in the herd.

The bureaucratic stranglehold is such that the preparation of this proclamation was kept even from the Senate Public Lands Committee of which I am a member, and the first intimation I had was in a long-distance call from a citizen of Jackson, Wyo.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

GEN. HENRY HARLEY ARNOLD—NOMINATION REPORTED AND CONFIRMED

Mr. REYNOLDS. Mr. President, as in executive session, from the Committee on Military Affairs, I report the nomination of Lt. Gen. Henry Harley Arnold, Army of the United States (major general, United States Army), for temporary appointment as general in the Army of the United States, under the provisions of section 127 (a), National Defense Act, as amended; and, as in executive session, I move that the nomination be considered at this time.

Mr. McNARY. Mr. President, the committee has acted unanimously in this matter on account of the very notable and efficient services of General Arnold. I am willing to waive the usual rule and custom, and to have the nomination acted upon now.

Mr. REYNOLDS. I thank the Senator very much.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from North Carolina? The Chair hears none, and the nomination is before the Senate.

Mr. REYNOLDS. Mr. President, I ask that the Senate confirm the nomination.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. REYNOLDS. I request that the President be immediately notified of the confirmation of the nomination.

The ACTING PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

ADJOURNMENT TO TUESDAY

Mr. HAYDEN. Mr. President, I move that the Senate adjourn until 12 o'clock noon on Tuesday next.

The motion was agreed to; and (at 3 o'clock and 1 minute p. m.) the Senate adjourned until Tuesday, March 23, 1943, at 12 o'clock noon.

NOMINATIONS

Executive nominations received by the Senate March 19 (legislative day of March 9), 1943:

THE JUDICIARY

Clarence Mullins, of Alabama, to be United States district judge for the northern district of Alabama (new position).

REGISTER OF LAND OFFICE

Scott P. Stewart, of Utah, to be register of the land office at Salt Lake City, Utah, vice Albert S. Brown.

TEMPORARY APPOINTMENT IN THE ARMY OF THE UNITED STATES

Lt. Gen. Henry Harley Arnold (major general, United States Army), Army of the United States.

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY OF THE UNITED STATES

TO ORDNANCE DEPARTMENT

Lt. Col. George DeVere Barnes, Quartermaster Corps (temporary colonel), with rank from January 11, 1943.

TO AIR CORPS

Second Lt. John Streett Baldwin, Infantry (temporary captain), with rank from February 20, 1942, effective March 25, 1943.

Second Lt. Joseph Briggs De Vennish, Field Artillery (temporary first lieutenant), with rank from February 20, 1942, effective March 20, 1943

Second Lt. Kenneth Lee Garrett, Cavalry (temporary captain), with rank from February 20, 1942, effective March 20, 1943.

Second Lt. Jacob Whitman Klerk, Field Artillery, with rank from January 19, 1943, effective March 25, 1943.

Second Lt. John Rossignol Lovett, Infantry, with rank from January 19, 1943, effective March 25, 1943.

Second Lt. Thomas Ranson Opie, Cavalry, with rank from February 20, 1942, effective March 25, 1943.

PROMOTIONS IN THE REGULAR ARMY OF THE UNITED STATES

To be colonels with rank from March 1, 1943

Lt. Col Charles Harrison Corlett, Infantry (temporary major general).

Lt. Col. William Ord Ryan, Air Corps (temporary brigadier general).

Lt. Col. William Francis Maher, Field Artillery (temporary colonel).

To be first lieutenants with rank from April 30, 1943

Second Lt. Richard Churchill Hutchinson, Air Corps (temporary lieutenant colonel).

Second Lt. Peter Joseph Prossen, Air Corps (temporary lieutenant colonel).

Second Lt. Frank Peter Bostrom, Air Corps (temporary lieutenant colonel).

Second Lt. Herbert Otto Wangeman, Air Corps (temporary major).

Second Lt. Richmond Archibald Livingstone, Air Corps (temporary lieutenant colonel).

Second Lt. Sylvan Davis Hand, Air Corps (temporary lieutenant colonel).

Second Lt. Jack Southmayd Marks, Air Corps (temporary major).

Second Lt. Robert Copeland Paul, Air Corps (temporary lieutenant colonel).

Second Lt. Donald Earl Meade, Air Corps (temporary lieutenant colonel).

Second Lt. James Franklin Whisenand, Air Corps (temporary major).

Second Lt. Don Allen Pomeroy, Jr., Air Corps (temporary major).

Second Lt. Abraham Donley Olson, Air Corps (temporary lieutenant colonel).

Second Lt. William Joseph Alvin Bowen, Air Corps (temporary major).

Second Lt. Walter Winfred Cross, Air Corps (temporary major).

Second Lt. Frank Burkley Harding, Air Corps (temporary major).

Second Lt. Roland John Barnick, Air Corps (temporary major).

Second Lt. Thomas Harber Holbrook, Air Corps (temporary major).

Second Lt. Clarence Bernard Hammerle, Jr., Air Corps (temporary major).

Second Lt. John William Weltman, Air Corps (temporary lieutenant colonel).

Second Lt. Milton Elmo Thompson, Air Corps (temporary major).

Second Lt. Robert John Koster, Air Corps (temporary major).

Second Lt. Marcus Alfred Mullen, Air Corps (temporary lieutenant colonel).

Second Lt. Donald Martin Alexander, Air Corps (temporary major).

Second Lt. James Daniel Mayden, Air Corps (temporary major).

Second Lt. Anthony Vincent Grossetta, Air Corps (temporary lieutenant colonel).

Second Lt. John Henry Carter, Air Corps (temporary major).

Second Lt. Thaddeus Lewis Woltanski, Air Corps (temporary major).

Second Lt. William Robert Purinton, Air Corps (temporary major).

Second Lt. Duane Haren Skiles, Air Corps (temporary lieutenant colonel).

Second Lt. Albert Arnold Cory, Air Corps (temporary major).

Second Lt. Brunow William Feiling, Air Corps (temporary major).

Second Lt. Glen Webster Martin, Air Corps (temporary major).

Second Lt. Richard Francis Ezzard, Air Corps (temporary captain).

Second Lt. Charles Edward Gregory, Air Corps (temporary major).

Second Lt. Paul John Yurkanis, Air Corps (temporary major).

Second Lt. Charles Marion Eisenhart, Air Corps (temporary major).

Second Lt. Theodore Ross Clinkscales, Air Corps (temporary major).

Second Lt. Frank Elgin Bomar, Air Corps (temporary major).

Second Lt. Warren Sanford Wheeler, Air Corps (temporary major).

Second Lt. Gilbert Louis Meyers, Air Corps (temporary lieutenant colonel).

Second Lt. Keith Wesley Dech, Air Corps (temporary major).

Second Lt. Chester Charles Busch, Air Corps (temporary major).

Second Lt. John Campbell Wilkins, Air Corps (temporary major).

Second Lt. Earl Brown Cook, Air Corps (temporary major).

Second Lt. Charles Paul Sheffield, Air Corps (temporary major).

Second Lt. William McMillan Knowles, Air Corps (temporary major).

Second Lt. Frank Lowry Dunn, Air Corps (temporary major).

Second Lt. Robert Jerome Hughey, Air Corps (temporary major).

Second Lt. George Joseph Ola, Air Corps (temporary major).

Second Lt. Everett Wilson Stewart, Air Corps (temporary major).

Second Lt. Frank Robbins Pancake, Air Corps (temporary major).

Second Lt. William Wallace Momyer, Air Corps (temporary lieutenant colonel).

Second Lt. Raymond Steele Morse, Air Corps (temporary major).

Second Lt. Martin Perdue Crabtree, Air Corps (temporary lieutenant colonel).

Second Lt. Harold Frederick Wilson, Air Corps (temporary major).

Second Lt. Milford Felix Itz, Air Corps (temporary captain).

Second Lt. William Nelson Boaz, Jr., Air Corps (temporary major).

Second Lt. Joseph James Preston, Air Corps (temporary major).

Second Lt. John Gilliland Simpson, Air Corps (temporary lieutenant colonel).

Second Lt. Thomas Marion Todd, Air Corps (temporary major).

Second Lt. John Randolph Maney, Air Corps (temporary captain).

Second Lt. Jerome Tarter, Air Corps (temporary captain).

Second Lt. Charles Dewey Slocumb, Jr., Air Corps (temporary major).

Second Lt. James Ernest Halle, Jr., Air Corps (temporary major).

Second Lt. Ralph LeRoy Merritt, Jr., Air Corps (temporary major).

Second Lt. Francis Bernard Carlson, Air Corps (temporary major).

Second Lt. Adriel Newton Williams, Air Corps (temporary major).

Second Lt. Fred Wright McNelly, Air Corps (temporary major).

Second Lt. Paul Constantine Schauer, Air Corps (temporary major).

Second Lt. Francis Frey Seeburger 4th, Air Corps (temporary major).

Second Lt. Harold Thaddeus Babb, Air Corps (temporary major).

Second Lt. George Echelbary Cranston, Air Corps (temporary major).

Second Lt. Keith Streeter Wilson, Air Corps (temporary major).

MEDICAL CORPS

To be colonels

Lt. Col. Edgar Fremont Haines, Medical Corps (temporary colonel), with rank from April 6, 1943.

Lt. Col. John Randolph Hall, Medical Corps (temporary colonel), with rank from April 6, 1943.

Lt. Col. Royal Kendall Stacey, Medical Corps (temporary colonel), with rank from April 6, 1943.

Lt. Col. John Wade Watts, Medical Corps (temporary colonel), with rank from April 6, 1943.

Lt. Col. George Albert O'Connell, Medical Corps (temporary colonel), with rank from April 6, 1943.

Lt. Col. Charles Kettig Berle, Medical Corps (temporary colonel), with rank from April 6, 1943.

Lt. Col. Percy James Carroll, Medical Corps (temporary colonel), with rank from April 6, 1943.

Lt. Col. Harry Hunt Towler, Medical Corps (temporary colonel), with rank from April 6, 1943.

Lt. Col. Leon Alexander Fox, Medical Corps (temporary colonel), with rank from April 6, 1943.

Lt. Col. Floyd William Hunter, Medical Corps (temporary colonel), with rank from April 6, 1943.

Lt. Col. James Hubert Blackwell, Medical Corps (temporary colonel), with rank from April 6, 1943.

Lt. Col. Irwin Beede March, Medical Corps (temporary colonel), with rank from April 6, 1943.

Lt. Col. Robert E. Thomas, Medical Corps (temporary colonel), with rank from April 6, 1943.

Lt. Col. Henry Colmore Bradford, Medical Corps (temporary colonel), with rank from April 6, 1943.

Lt. Col. Samuel McPherson Browne, Medical Corps (temporary colonel), with rank from April 6, 1943.

Lt. Col. William Joseph Froitzheim, Medical Corps, with rank from April 6, 1943.

Lt. Col. Leonard Watson Hassett, Medical Corps (temporary colonel), with rank from April 6, 1943.

Lt. Col. William Thomas Weissinger, Medical Corps, with rank from April 6, 1943.

Lt. Col. John Roy Oswalt, Medical Corps (temporary colonel), with rank from April 6, 1943.

Lt. Col. Joseph Edward Campbell, Medical Corps (temporary colonel), with rank from April 6, 1943.

Lt. Col. Erick Martin Paulus Sward, Medical Corps (temporary colonel), with rank from April 6, 1943.

Lt. Col. Charles Benjamin Kendall, Medical Corps (temporary colonel), with rank from April 6, 1943.

Lt. Col. James Porter Crawford, Medical Corps (temporary colonel), with rank from April 6, 1943.

Lt. Col. Thomas Dreux Hurley, Medical Corps (temporary colonel), with rank from April 6, 1943.

Lt. Col. John Howard Sturgeon, Medical Corps (temporary colonel), with rank from April 6, 1943.

Lt. Col. Wood Sue Woolford, Medical Corps (temporary colonel), with rank from April 6, 1943.

Lt. Col. Raymond Wright Whittier, Medical Corps (temporary colonel), with rank from April 6, 1943.

Lt. Col. Elias Earle Cooley, Medical Corps (temporary colonel), with rank from April 6, 1943.

Lt. Col. Gerald D. France, Medical Corps, with rank from April 6, 1943.

Lt. Col. Clarke Blance, Medical Corps (temporary colonel), with rank from April 6, 1943.

Lt. Col. Paul Miller Crawford, Medical Corps (temporary colonel), with rank from April 6, 1943.

Lt. Col. Miner Frank Felch, Medical Corps (temporary colonel), with rank from April 6, 1943.

Lt. Col. Frank Lamont Cole, Medical Corps (temporary colonel), with rank from April 6, 1943.

Lt. Col. Charles Augustus Pfeffer, Medical Corps (temporary colonel), with rank from April 6, 1943.

Lt. Col. Cadmus James Baker, Medical Corps (temporary colonel), with rank from April 6, 1943.

Lt. Col. George Sawyer Woodard, Medical Corps (temporary colonel), with rank from April 6, 1943.

Lt. Col. Harry Elton Hearn, Medical Corps (temporary colonel), with rank from April 6, 1943.

Lt. Col. Carlton Lakey Vanderboget, Medical Corps (temporary colonel), with rank from April 13, 1943.

Lt. Col. Francis Elwood Weatherby, Medical Corps (temporary colonel), with rank from April 16, 1943.

To be captains

First Lt. Samuel Charles Harwood, Medical Corps (temporary captain), with rank from April 6, 1943.

First Lt. William Charles Burry, Medical Corps (temporary major), with rank from April 7, 1943.

First Lt. Robert Christian Rauscher, Medical Corps (temporary major), with rank from April 10, 1943.

First Lt. Edward Virginius Swift, Medical Corps (temporary major), with rank from April 24, 1943.

DENTAL CORPS

To be colonel

Lt. Col. George Magnor Krough, Dental Corps (temporary colonel), with rank from April 6, 1943.

CHAPLAINS

To be captain

Chaplain (First Lt.) John Alphonsus Dunn, United States Army (temporary captain), with rank from April 13, 1943.

IN THE NAVY

Dental Surgeon Alexander G. Lyle to be a dental surgeon in the Navy, with the rank of rear admiral, for temporary service, to rank from the 13th day of March 1943.

CONFIRMATION

Executive nomination confirmed by the Senate March 19 (legislative day of March 9), 1943:

IN THE ARMY

TEMPORARY APPOINTMENT IN THE ARMY OF THE UNITED STATES

Henry Harley Arnold for temporary appointment as general in the Army of the United States.

HOUSE OF REPRESENTATIVES

FRIDAY, MARCH 19, 1943

The House met at 12 o'clock noon, and was called to order by the Speaker pro tempore, Mr. MCCORMACK.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Thou who art from everlasting to everlasting, our help is in Thee who made heaven and earth; humble us in our pride and may we be not ashamed to be gentle and forgiving in all our ways. Day by day grant us of Thy spirit that we may brighten and bless the lives of others in need. So keep our hearts that when fortune frowns we may not follow her in silent sullenness.

Bring out of darkness those who dwell in ignorance; bring into the full light those who know not whither to go; bring out of the realm of selfishness all who mistake comfort for civilization; then the bonds of humanity will be recognized as uniting us in amity and cooperative endeavor. O Thou Father of our souls, whose life-giving currents thrill the hearts of men, let us seek that for which the devout of every age have longed for and worked for, namely, the kingdom of grace. Do Thou grant unto our public and private citizens the courage of the kingdom of God so strong that they shall make battle in this sacred warfare. We pray that nothing may be withheld which shall help our country and serve this burdened world. Our Lord and our God, may we ever keep the faith and never fail Thee. Be thou with our notable Speaker as he waits in the shadow of his sorrow; give him Thy peace and return him to us in health and strength. We pray in the spirit of our Redeemer. Amen.

The Journal of the proceedings of yesterday was read and approved.

THE LATE MR. WILL RAYBURN

Mr. THOMASON. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. THOMASON. Mr. Speaker, as chairman of the Texas delegation, and speaking for them, and I am also assuming authority to speak for every member of the House, I express to our beloved Speaker and all his family our deep sorrow and profound sympathy on account of the death of his brother Will Rayburn, at Bonham, Tex., last evening. Mr. Will Rayburn was personally known to most of the Texas delegation. True to the good name he bore, he was a fine citizen, who typified all that is best in American life.

SAM RAYBURN'S parents were pioneers in Texas. With their 11 children, their contribution to the cause of good citizenship in our State and Nation has been very large. Will Rayburn was a fine man and a good citizen, and will be missed not only by his own family, but also by his hundreds of close personal friends in the community in which he lived.

DENIAL OF PASSPORT APPLICATIONS SUBSEQUENT TO DECEMBER 8, 1941

Mr. LUTHER A. JOHNSON. Mr. Speaker, by direction of the Committee on Foreign Affairs, I call up House Resolution 165, which I send to the desk and ask to have read.

The Clerk read as follows:

Resolved, That the Secretary of State is directed to furnish the House of Representatives all such information as he may possess in answer to the following:

(1) The names of all persons whose passport applications have been denied subsequent to December 8, 1941, in those cases where the issuance thereof was requested by an agency or department of the Federal Government and the reasons for such denial.

(2) The names of all persons whose passport applications were under consideration for more than 3 weeks before approved in those cases where the issuance thereof was requested by an agency or department of the Federal Government and the reasons for such delay in those cases.

(3) The names of all persons whose passport applications have been currently under consideration for more than 3 weeks in those cases where the issuance thereof is requested by an agency or department of the Federal Government and the reasons for such delay in those cases.

Mr. LUTHER A. JOHNSON. Mr. Speaker, I ask unanimous consent that the report of the committee be read.

The SPEAKER pro tempore. Without objection, the Clerk will read the report.

There was no objection, and the Clerk read as follows:

The Committee on Foreign Affairs, to which was referred the resolution (H. Res. 165) requesting certain passport information from the Secretary of State, having considered the same, report thereon without amendment and recommend that the resolution do not pass.

Such information available to the Department of State as is consistent with the public interest has been furnished your committee and is on file and may be seen by Members of the House at the committee offices.

Mr. LUTHER A. JOHNSON. Mr. Speaker, I move that the resolution be laid on the table.

The motion was agreed to.

A motion to reconsider the vote was laid on the table.

SPECIAL ASSISTANT SERGEANT AT ARMS

Mr. PATTON. Mr. Speaker, I call up the following resolution (H. Res. 177, Rept. 259) from the Committee on Accounts, and ask its present consideration.

The Clerk read as follows:

Resolved, That until otherwise provided by law there shall be paid out of the contingent fund compensation at the rate of $2,400 per annum for the payment of salary for a Special Assistant Sergeant at Arms.

The SPEAKER pro tempore. The question is on agreeing to the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. SNYDER. Mr. Speaker, I ask unanimous consent to insert in the REC-

ORD, as an extension of my remarks, material on the life and work of William Jennings Bryan, whose anniversary birthday is today.

The SPEAKER pro tempore. Is there objection?

There was no objection.

THE LATE WILLIAM JENNINGS BRYAN

Mr. SNYDER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. SNYDER. Mr. Speaker, 83 years ago today there was born in the State of Illinois, at the town of Salem, that great humanitarian, Hon. William Jennings Bryan. I call attention at this moment to one thing he said about Japan, after visiting that country in 1908:

> Japan needs the Christian religion. A nation must have some religion and she has outgrown Buddhism. Ideals presented by those two systems are diametrically opposed. One offers faith as the inspiration to noble deeds, the other a plan for the perfecting of self with no sense of responsibility to God.

SUPPLEMENTAL NAVAL APPROPRIATION ACT, 1943

Mr. SHEPPARD. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2068) making additional appropriations for the Navy Department, and the naval service for the fiscal year ending June 30, 1943, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk reported the title of the bill.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees: Mr. SHEPPARD, Mr. THOMAS of Texas, Mr. COFFEE, Mr. WHITTEN, Mr. DITTER, Mr. PLUMLEY, and Mr. JOHNSON of Indiana.

EXTENSION OF REMARKS

Mr. ROLPH. Mr. Speaker, I have two unanimous consent requests: First, that I may extend my remarks in the RECORD and include a letter in connection with the Central Valley; and, second, that I may extend my remarks and include a resolution from the Senate of the State of California.

The SPEAKER pro tempore. Is there objection?

There was no objection.

WILLIAM JENNINGS BRYAN

Mr. LAMBERTSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. LAMBERTSON. Mr. Speaker, I want to pay my respects to the memory of William Jennings Bryan. He was not of my political faith, but he lived in a county near me. I heard him the year after he was first nominated for President, and I heard him many times at Chautauqua meetings. He was a wonderful orator, a brilliant man, a sincere Christian, and a real commoner.

I want to read just a line from the 1900 Democratic platform which I want to emphasize today for our session:

> We assert that no nation can long endure half republic and half empire.

A paraphrase from the immortal Lincoln.

I want to say that William Jennings Bryan left a wonderful impression on this country for peace and democracy. I saw him during my first campaign for the Legislature of the State of Kansas, which was his last campaign for the Presidency, in 1908.

I do not say that he should have been President, but I believe that the only thing that kept him from being President, with all his great oratorical ability and personal charm, was the fact that the radio was 30 years late.

The SPEAKER pro tempore. The time of the gentleman from Kansas has expired.

THE TAX BILL

Mr. ALLEN of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. ALLEN of Illinois. Mr. Speaker, I am opposed to the Ways and Means tax bill because I believe it to be a rich man's bill. You ask me why? It provides no abatement or concession on taxes for 1942. It provides that if a taxpayer desires to get on a current basis by paying both 1942 and 1943 taxes during 1943 he is rewarded by being given a varying percent discount depending upon the time of payment.

The position of the mass of our people is that they want to get on a pay-as-you-go basis because it is financially impossible for them to maintain their families and pay 2 years' taxes in 1. If anyone questions that statement, you had better immediately contact your taxpayers back home.

If a citizen has sufficient money to take advantage of the Ways and Means Committee tax bill inducement of discount, one must have sufficient money to take care of both years without discount.

It is charged the Carlson plan benefits the wealthy. It is just the opposite. The Ways and Means Committee bill directly does this by rewarding the rich for paying 2 years in 1 while the middle and poorer classes have not sufficient funds to do so. In the rewarding of the wealthy they are given a percent reduction advantage much greater than the current percent of interest being paid by the Government for borrowed funds.

As a member of the Rules Committee I am going to demand an open rule instead of a "gag" rule on the tax bill. To do anything else would be repulsive to every sense of decency and responsibility to the people we represent. Above all, it is necessary that the membership of the House be given an opportunity to have a rule which will give them the opportunity to vote on the clear-cut issue between the Carlson pay-as-you-go plan and the Ways and Means Committee plan.

The SPEAKER pro tempore. The time of the gentleman from Illinois has expired.

RESIGNATION FROM COMMITTEE

The SPEAKER pro tempore laid before the House the following communication:

MARCH 19, 1943.

Hon. JOHN W. MCCORMACK,
Speaker pro tempore of the House of Representatives.

SIR: I hereby resign my position as a member of the Committee on Expenditures in the Executive Departments.

JOHN PHILLIPS.

The SPEAKER pro tempore. Without objection, the resignation is accepted.

There was no objection.

ELECTION TO COMMITTEE

Mr. MARTIN of Massachusetts. Mr. Speaker, I offer a resolution (H. Res. 178), and ask for its immediate consideration.

The Clerk read the resolution, as follows:

> *Resolved*, That JOHN PHILLIPS, of California, is hereby elected to the Committee on Agriculture.

The resolution was agreed to.

EXTENSION OF REMARKS

Mr. HÉBERT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a newspaper editorial.

The SPEAKER pro tempore. Is there objection?

There was no objection.

THE TAX BILL

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. DOUGHTON. Mr. Speaker, the gentleman from Illinois [Mr. ALLEN] seems to be very much exercised about what the Ways and Means Committee should do about the rule and also he denounces the tax bill as a rich man's bill. I think that discussion should very appropriately wait until the bill is brought up and until the report is available to the Members of the House, outlining the provisions of the bill. I think that could very appropriately wait.

If it is a rich man's bill, why are the rich men fighting it? We can debate that when we come to it. As far as the rule is concerned, the gentleman need not lose any sleep over that, because this morning the Ways and Means Committee decided to consider the bill under the general rules of the House. So I hope the gentleman can rest in peace as far as the merits of the bill are concerned until we bring it out and discuss it in open daylight and bring out all the facts on both sides.

The SPEAKER pro tempore. The time of the gentleman from North Carolina has expired.

[Mr. KNUTSON addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Miss STANLEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a statement of recommendations adopted at a conference of New York State farmers.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. BRYSON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include therein a letter.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. BELL. Mr. Speaker, I ask unanimous consent to make two extensions of remarks in the RECORD. First, to extend my remarks on the subject of two teachers and their help with rationing, and to include therewith an editorial from the Washington Star. Second, I desire to extend my remarks and include therein an address made by me over the radio on the work of the Committee on Insular Affairs.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

PLIGHT OF JEWISH PEOPLE IN EUROPE

Mr. KEAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. KEAN. Mr. Speaker, we in the United States cannot but have the deepest sympathy for the plight of the Jewish population in Nazi-dominated Europe.

Our State Department has suggested to the British Government that a meeting be held in Ottawa to consider means for alleviating the situation of these helpless people, to which a favorable reply has been received.

I call upon our Government and the British Government for speed in their study of this serious problem.

Those who are murdered in the immediate future cannot be brought back to life.

Mr. Speaker, I ask unanimous consent to incorporate in my remarks a joint resolution of the New Jersey Legislature on this subject.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey [Mr. KEAN]?

There was no objection.

EXTENSION OF REMARKS

Mr. GWYNNE. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein an editorial from the Marshalltown Times and Republican.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

THE "LAME DUCKS"

Mr. BROWN of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. BROWN of Ohio. Mr. Speaker, earlier in the week in my address on the subject of "lame ducks," I referred to former Congressman Will Rogers, of Oklahoma, as one of the members of that particular group. I have been informed that he was not a candidate for reelection due to the fact that his State had been redistricted, which took away the Congressman-at-large from that delegation. Therefore that part of my address on "lame ducks," where I referred to Mr. Rogers, should be eliminated.

Mr. KNUTSON. Will the gentleman yield?

Mr. BROWN of Ohio. Yes.

Mr. KNUTSON. Will the gentleman tell us what a "lame duck" is?

Mr. BROWN of Ohio. Yes. I defined a "lame duck" as a bird that had had its tail feathers kicked off as a result of the last election.

Mr. ANGELL. Mr. Speaker, I ask unanimous consent that at the conclusion of any other special orders I be permitted to address the House for 15 minutes today.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. BUTLER. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein a speech delivered by Mr. Frank S. Columbus, before the Central Railway Club of Buffalo, March 11, 1943.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein a statement which I made to the Commodore John Barry Division Auxiliary, Ancient Order of Hibernians, on St. Patrick's Day, at the Mayflower Hotel, Washington, D. C.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. BARRETT. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. BARRETT. Mr. Speaker, on Monday last, the President signed Proclamation No. 2578 creating the Jackson Hole National Monument. The lands included are located in the famous Jackson Hole country of Wyoming. It was published in the Federal Register yesterday, and this was the first notice Wyoming people had of this proclamation. By this proclamation there is set over to the Jackson Hole National Monument 221,000 acres of land formerly in the Teton National Forest. Included therein are 32,000 acres purchased and owned by the Rockefeller interests and 17,000 acres of privately owned lands. This body of land joins the Grand Teton National Park on the east, and comprises an area nearly twice as large as the park itself. By virtue of this order, these lands are excluded from all forms of appropriation under the public-land laws. The purpose of this order is to enlarge the Grand Teton National Park. The Department of the Interior for many years has proposed legislation to enlarge this park. Because of the fact that no provision was made to offset the consequent loss of taxes to the people of Wyoming, Congress has repeatedly failed to pass such legislation. The position of Congress was so clear and unmistakable that no one could be in doubt as to its conclusion. By its action over the years, Congress made known to the Secretary of the Interior its attitude on this matter. In the face of the fact that Congress refused to sanction this legislation, we now find that there has been accomplished by indirection, the very thing Congress refused to do directly. This proclamation has been issued in pursuance of the act of Congress passed June 8, 1906, authorizing the creation of national monuments. It does not seem reasonable to me that Congress ever intended that a national monument should extend over a body of land comprising 221,000 acres, an area nearly one-third the size of Rhode Island. It is my contention that a matter of such vital importance to the people of Wyoming, whom I have the high honor to represent in this House, should have been submitted to Congress, and, most certainly, the people of Wyoming should have had the opportunity to be heard before this precipitate action was taken. The people of Teton County where this land is located will lose a considerable portion of their revenue, and no provision, whatsoever, has been made to offset this loss. The loss in revenue will be a serious blow to the people of Teton County. I have today introduced a bill to abolish the Jackson Hole National Monument created by this proclamation. The people of my State are entitled to be heard on this matter. No provision has been made to offset the loss of taxes to Wyoming. The intention of Congress to protect against this contingency is self-evident. No emergency exists justifying action of this character, contrary to the orderly process of government by law.

Mr. ANDERSON of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California [Mr. ANDERSON]?

There was no objection.

[Mr. ANDERSON of California addressed the House. His remarks appear in the Appendix.]

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent that my colleague from Vermont [Mr. PLUMLEY] may be permitted to speak for 25 minutes next Tuesday after disposition of business on the Speaker's table and at the conclusion of any special orders heretofore entered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts [Mr. MARTIN]?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts [Mr. MARTIN]?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I take this time to clarify the program for the balance of this week and next, if I may. The bill which was to come up today has been deferred. I wonder if the Speaker can give us any information as to when it will likely come up?

The SPEAKER pro tempore. The Chair sees no possibility of the civil-functions bill coming up next week. Does that answer the question?

Mr. MARTIN of Massachusetts. Yes.

Mr. TABER. Will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from New York [Mr. TABER].

Mr. TABER. The tax bill probably will take until Monday or Tuesday of the following week, anyway?

The SPEAKER pro tempore. I understand general debate will take 4 days, which will bring it up to Monday the following week, and thereafter it will be taken up under the 5-minute rule.

Mr. MARTIN of Massachusetts. The bill that was to come up today will have to follow the tax bill?

The SPEAKER pro tempore. Yes. The Chair does not want to be committed that it will immediately follow the tax bill, but it will come afterward sometime.

EXTENSION OF REMARKS

Mr. JENSEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial from the Council Bluffs Nonpareil, by A. M. Piper, relative to reciprocal trade agreements, in which he suggests two amendments which should be made to these agreements. I think it is very necessary that we start considering the problem of tariffs.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa [Mr. JENSEN]?

There was no objection.

Mr. HEIDINGER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a letter which I received from one of my constituents.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois [Mr. HEIDINGER]?

There was no objection.

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to extend my own remarks on the subject of the Post-War Planning Commission and to include a newspaper letter by Clarence J. Streik and other newspaper columnists.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Dakota [Mr. MUNDT]?

There was no objection.

THREATENED COAL STRIKE

Mr. WALTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania [Mr. WALTER]?

There was no objection.

Mr. WALTER. Mr. Speaker, I am sure that all of the Members share with me an apprehension over the possibility of a coal strike. Just recently a vice president of the War Labor Board announced he will not favor the raise of $2 a day that the mine workers are demanding. The Director of the O. P. A. contends that a $2 per day increase cannot be granted if inflation is to be prevented.

John Lewis has just announced that unless there is a contract entered into before April 1 containing a raise of $2 per day the miners will not be permitted to go into the mines.

It seems to me that with ample notice of this impasse the President ought to immediately appoint an arbitration board, consisting of two members of the operators' group, two members of the United Mine Workers, and three citizens, one of whom should be Consumers' Counsel of the Bituminous Coal Commission, which should go to work on this problem immediately. Bear in mind that there are only a few days left before the 1st of April.

I do not know whether or not the gravity of this situation has gotten to the place where it should be known, but may I say that there is not on hand a supply of coal sufficient to keep in operation the munition plants, steel mills, defense plants, and railroads of this land for longer than 6 days, and it seems to me that this is the time for positive action.

A MESSAGE TO SOLDIERS ON ENTERING THE SERVICE

Mr. DISNEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

[Mr. DISNEY addressed the House. His remarks appear in the Appendix.]

Mr. DISNEY. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include this article by Colonel Washburn.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. HAYS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include therein excerpts from an address I delivered last night in New York City.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. LARCADE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a copy of a petition and memorial signed by Members of Congress.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

ADJOURNMENT OVER

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

STRIKING COAL MINERS

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my own remarks.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. HOFFMAN. Mr. Speaker, what the gentleman from Pennsylvania [Mr. WALTER] just said about this strike that John L. Lewis is going to use to close the coal mines of the country is all too true. Now, what are we going to do about it? What are you fellows on the majority side going to do about it? I see several leaders over there; I see a dozen leaders or more over there, including one in the chair. What are you going to do to stop that strike? Are you going to let it go on? Is the administration going to do anything to stop it? Or are war industries to be tied up, idle, for weeks?

Recently I introduced a bill which would reach this situation, if we could ever get the Labor Committee to do anything about it or report something out of the committee, or if the House would pass it. It would prevent this strike, because it provides that if those miners strike they shall have 10 days to get another job in some war industry. Then if they cannot find a job—you know I have always been in favor of reducing unemployment—if they cannot find a job then they are to go to their local draft boards and the military commander of the district will find them a job in some industry for the same pay the privates in the armed forces receive.

Mr. McMURRAY. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. I know the gentleman wants to heckle me; what is it? He has been talking about it to other Members. I yield.

Mr. McMURRAY. I wish to remind the gentleman from Michigan that John L. Lewis is a Republican. I thought probably the gentleman would have some suggestions.

Mr. HOFFMAN. I do not care whether he is a Republican, a New Dealer, a Democrat, or a skunk, whoever is responsible for a coal strike now ought to be taken care of; and the gentleman ought to have patriotism enough to try to do something about it. He ought to be willing to aid in learning whether Lewis can stop war production.

The SPEAKER pro tempore. The time of the gentleman from Michigan has expired.

COLLECTION OF TAXES

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection it is so ordered.

There was no objection.

[Mr. CRAWFORD addressed the House. His remarks appear in the Appendix.]

PERMISSION TO ADDRESS THE HOUSE

Mr. SHAFER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan.

There was no objection.

Mr. SHAFER. It would hardly seem to be necessary to refresh the memory of the smiling and brilliant gentleman from Wisconsin [Mr. McMURRAY], who, in his short experience in this House, has heckled often but contributed little, that John L. Lewis donated approximately $500,000 of United Mine Workers funds to the New Deal campaign in 1936, but switched his affections to Wendell Willkie in 1940 after the New Dealers failed to pay him off.

But that is not the reason why I have asked this brief period of time.

Today's newspapers state that the War Production Board has cited Henry Kaiser, the shipbuilder who has established an enviable record for production, for alleged priority violations.

Tell me, Mr. Speaker, what is more important, the winning of this war or for Kaiser to obey the whims and edicts of some embryonic-brained bureaucrat who probably would not recognize a boat unless it was first plainly labeled?

These bureaucratic crystal gazers are, in my opinion, the real saboteurs of our war effort. Here is a job for the Smith committee. Let us take off the strait jackets in every field, Mr. Speaker, and there will be no question about getting adequate production.

Mr. GIFFORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. GIFFORD. Mr. Speaker, the words have been taken out of my mouth by the gentleman from Michigan. I also intended to remind the gentleman from Wisconsin who, of course, is not evidently familiar with the past history of John Lewis, or else he desires to forget it—about that $486,000. The gentleman from Michigan stated it as $500,000. This was contributed by John L. Lewis to elect President Roosevelt. I reiterate what the gentleman from Michigan has said——

Mr. McMURRAY. Mr. Speaker, will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Wisconsin.

Mr. McMURRAY. Is the gentleman talking about 1943?

Mr. HOFFMAN. Nineteen thirty-six; and they have not paid yet.

Mr. McMURRAY. Is it not true that Mr. Lewis was converted after those days in 1936 and joined the other side of the aisle?

Mr. GIFFORD. I do not know what he joined. I do not care what he joined or to what party he may belong. I want the gentleman from Wisconsin to know the facts of the case, and think it over carefully as to the ethics of it and whether Lewis has a right to feel that our President is somewhat obligated.

Mr. SHAFER. Was not that used as a New Deal secret weapon?

The SPEAKER pro tempore. The time of the gentleman from Massachusetts has expired.

Mr. KEEFE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. KEEFE. Mr. Speaker, it seems utterly amazing to me that the first contribution I have heard in this session from the distinguished gentleman from Milwaukee [Mr. McMURRAY] should be to ask the question he did ask on the floor of the House this afternoon. In the face of a problem confronting the Nation that is of such serious moment, his contribution to the solution of this threatened coal strike is to ask a Member, "Is it not a fact that John L. Lewis is a Republican?" The majority party responsibility apparently has not penetrated the mind of the new gentleman from Milwaukee. I hope that as time goes on the distinguished gentleman will realize that there is something in the work of this body besides smirks and laughter, and that responsibility as a Member of Congress on the majority side means something more than constantly exhibiting a "know it all attitude" and by injecting purely political propositions in serious debate in order to try to provoke a laugh and to attract attention that might not otherwise be accorded him.

The SPEAKER pro tempore. The time of the gentleman from Wisconsin has expired.

Mr. STEWART. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. STEWART. Mr. Speaker, I think some of the Members of Congress have brought to our attention a question that is of momentous importance. Without injecting personal feeling into the matter, may I say that I believe we all should concern ourselves with the threatened coal strike, with only 6 days' supply of coal on hand to run the war industries of this Nation. I think this one subject should be given our entire thought and study and everything else held in abeyance until we have arrived at a permanent fixed decision in this respect. No man or set of men should have a single advantage over our fighting forces. It is time to act.

The SPEAKER pro tempore. The time of the gentleman from Oklahoma has expired.

THE PROBLEMS OF AGRICULTURE

Mr. BENDER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

[Mr. BENDER addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. BENDER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a letter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

[Mr. RANKIN addressed the House. His remarks appear in the Appendix.]

AGRICULTURE AN ESSENTIAL WAR INDUSTRY

Mr. FULMER. Mr. Speaker, I ask unanimous consent for the present consideration of House Concurrent Resolution 12, which I send to the desk and pending that request I ask unanimous consent that the report, which is short, and the resolution be read for the information of the Members.

The SPEAKER pro tempore. The gentleman from South Carolina asks unanimous consideration of House Concurrent Resolution 12, which the Clerk will report.

The Clerk read the report and resolution as follows:

STATEMENT

The Committee on Agriculture for many months has been giving considerable consideration to the operations of the various agencies connected with our war efforts—the War Production Board, War Manpower Commission, Office of Price Administration, Selective Service System, and the Department of Agriculture.

We find either these various agencies have not fully realized the importance of agriculture in connection with our war efforts or they have not given to the farmers of this country anything like fair treatment in connection with the administration of the war program relating to farm prices, farm equipment, materials, supplies, and manpower. The committee finds that all of these agencies are, and have been, operating without any definite, coordinated program.

Realizing the serious situation confronting the farmers of the country and our war program and the importance of agriculture being placed on an equal basis with our armed forces and war industries, we feel it is important that the Congress make a definite declaration of its policy concerning these matters, and therefore report favorably House Concurrent Resolution 12.

House Concurrent Resolution 12

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that—

(1) The production of adequate supplies of food, feed, and fiber is as essential to the

successful prosecution of the war as the production and manufacture of actual munitions of war;

(2) Farmers are handicapped in obtaining farm equipment, materials, manpower, and supplies that are needed in order to produce enough food, feed, and fiber to meet the requirements of the war food production program; and

(3) The authorities responsible for the allocation of critical material, manpower, and supplies in giving consideration to the needs of farmers and of the persons who supply farmers with equipment, materials, and supplies must consider the needs of farmers to be of equal importance to the needs of war industries.

It is further the sense of the Congress that the Congress should, and it hereby does, commend the farmers of the United States for the manner in which they have shown their patriotism in response to the many demands that have been made upon them to aid in the effective prosecution of the war.

The SPEAKER pro tempore. Is there objection?

Mr. SABATH. Mr. Speaker, I reserve the right to object. This resolution is pending before the Rules Committee, is it not?

Mr. FULMER. No; it is not. The resolution was reported unanimously on yesterday by our committee, and I understand there is no objection to the passage of same.

Mr. SABATH. What is the aim of the resolution, what is its purpose, what does it purport to do?

Mr. FULMER. The resolution has just been read for the information of the gentleman and the House, but I may state that out of an investigation of our committee, and the special committee of 48 members representing every State in the Union, we find that agriculture has not been given that consideration which it is entitled to, by the War Production Board and other war agencies, and this resolution simply puts the Congress on record that Congress demands for agriculture equality, and to be considered in connection with our war effort equal in importance with war industry to the extent that we may be able to continue to produce food and fiber necessary to win this war as well as the peace.

Mr. SABATH. Does the gentleman think it is necessary to pass a resolution, in view of all the legislation we have enacted of late to help the farmers, and in view of the fact that we are about to call up for consideration the Pace bill, which is legislation in the interest of the farmers and agriculture? I do not think it is necessary to do any more than pass that bill. Verbiage alone, or talking about it, is not as important as acting.

Mr. FULMER. I appreciate that, and that is what we have been trying to do, but we would like to have behind our efforts the policy of Congress.

Mr. COOLEY. Mr. Speaker, will the gentleman yield?

Mr. FULMER. Yes.

Mr. COOLEY. May I suggest to the gentleman from Illinois that the purpose of this resolution is to emphasize the importance of agriculture in the war effort and to commend the farmers for their magnificent and splendid contribution?

Mr. SABATH. We are doing that very thing by passing beneficial agricultural legislation.

Mr. VOORHIS of California. Mr. Speaker, will the gentleman yield?

Mr. FULMER. Yes.

Mr. VOORHIS of California. I think there is a further answer—namely, that there are many decisions being made with regard to the problems of agriculture that are not in the hands of Congress any longer. For example, there is the decision that something less than 1 percent of available steel shall be devoted to the production of farm machinery. My thought is that this will give notice that it is the opinion of Congress that agriculture is an industry just as essential as anything else.

Mr. FISH. Mr. Speaker, I reserve the right to object, to ask the Chairman if this is just another pious resolution. Nothing practical has been done, so far, to help the farmers. Is the gentleman just asking us to vote for this pious resolution and be content with that?

Mr. FULMER. I am very glad that the gentleman from New York has brought up that question. I wish that he had propounded the question to his colleague from Kansas [Mr. HOPE] who is a distinguished member of the Committee on Agriculture. What we want to do is to call to the gentleman's attention our efforts in behalf of the farmers of the country and what we are up against with the unfair attitude of the war agencies toward the farmers of this country and we would like to have the Congress back us up with a definite policy.

Mr. FISH. Mr. Speaker, I am absolutely sure that if this Congress does not do something to help the farmers, there will be a food shortage.

Mr. COOLEY. And may I say to the gentleman from New York, that immediately after the adoption of the pending resolution the gentleman will have a fine opportunity to do something for the farmer by voting for the Pace bill, which will immediately follow.

Mr. HOPE. Mr. Speaker, will the gentleman yield?

Mr. FULMER. I yield to my friend from Kansas.

Mr. HOPE. Is it not a fact that the adoption of this resolution by Congress will put this body on record as showing what obviously is the fact, that agriculture is a war industry, but that it has not been treated as a war industry by many of the boards and various commissions which have a very great deal to do with the ability of agriculture to function as a war industry?

Mr. FULMER. The gentleman is absolutely right.

Mr. HOPE. Does not the gentleman think the adoption of this resolution stating as it does the sentiment of Congress will have a salutary effect on some of these boards and commissions when it comes to considering matters of vital interest to agricultural production?

Mr. FULMER. I agree with the gentleman fully in that and that is the purpose of the resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The SPEAKER pro tempore. The question is on agreeing to the resolution.

The resolution was agreed to and a motion to reconsider the vote by which the resolution was agreed to was laid on the table.

EXTENSION OF REMARKS

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an article by Mr. Mark Foote.

The SPEAKER. Is there objection?

There was no objection.

Mr. WOODRUFF of Michigan. Second, Mr. Speaker, also, I ask unanimous consent to extend my remarks and include an article by John T. Flynn.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. FULMER. Mr. Speaker, I have two requests to make. I ask unanimous consent that I may include in my remarks the report on House Concurrent Resolution 12, which has just been adopted.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. FULMER. Also, Mr. Speaker, I ask unanimous consent to extend my remarks and include a short editorial.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. HOPE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include resolutions recently adopted by the Kansas State Livestock Association.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. O'KONSKI. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a statement and a letter.

The SPEAKER pro tempore. Is there objection?

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H. J. Res. 83. Joint resolution to permit additional sales of wheat for feed.

The message also announced that the Senate agrees with an amendment to the amendment of the House to a bill of the Senate of the following title:

S. 677. An act to amend the National Housing Act, as amended.

AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT

Mr. SABATH. Mr. Speaker, I call up House Resolution 157, and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order

to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 1408) to amend section 301 (a) (1) of the Agricultural Adjustment Act of 1938, as amended, and the first sentence of paragraph (1) of section 2 of the Agricultural Adjustment Act of 1938, as amended, and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, approved June 3, 1937, as amended, so as to include the cost of all farm labor in determining the parity price of agricultural commodities. That after general debate, which shall be confined to the bill and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

CALL OF THE HOUSE

Mr. ARENDS. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER pro tempore. Evidently there is no quorum present.

Mr. RAMSPECK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 28]

Andrews	Gibson	McMurray
Baldwin, Md.	Guyer	Magnuson
Barry	Hagen	May
Bennett, Mich.	Hall, Leonard W.	Merritt
Bloom	Harless, Ariz.	Newsome
Bradley, Pa.	Hart	Nichols
Buckley	Heffernan	O'Brien, N. Y.
Burch, Va.	Hinshaw	O'Toole
Burchill, N. Y.	Hobbs	Pfeifer
Byrne	Hoch	Philbin
Camp	Jarman	Reece, Tenn.
Cannon, Fla.	Jennings	Satterfield
Capozzoli	Jonkman	Scanlon
Celler	Kee	Sheridan
Cochran	Keogh	Somers, N. Y.
Colmer	King	Stearns, N. H.
Culkin	Kleberg	Talbot
Curley	Klein	Taylor
Dawson	LaFollette	Thomas, N. J.
Dickstein	Lane	Treadway
Dingell	LeFevre	Vinson, Ga.
Dondero	Lesinski	Wadsworth
Douglas	Lewis, Colo.	Waslelewski
Fay	Luce	Weiss
Feighan	Lynch	Wene
Fellows	McGehee	White
Fogarty	McGranery	Winter
Furlong	McGregor	Woodrum, Va.
Gamble	McLean	
Gavagan		

The SPEAKER pro tempore. Three hundred and forty-seven Members have answered to their names. A quorum is present.

By unanimous consent, further proceedings, under the call, were dispensed with.

THE TAX BILL

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent that when the House proceeds to the consideration of H. R. 2218—the tax bill—general debate on the bill to continue for not to exceed 4 days and to be confined to the subject matter of the bill, the time to be equally divided and controlled by myself and the ranking minority member of the Committee on Ways and Means, and that in connection with the report on the bill, clause 2a of rule XIII be waived.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. FISH. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from Minnesota [Mr. KNUTSON], representing the minority on the Ways and Means Committee, if this has been discussed with him and if it has been discussed with the minority leader, the gentleman from Massachusetts [Mr. MARTIN]?

Mr. KNUTSON. It has been discussed with the minority members of the committee, I will say to the gentleman. The gentleman from Massachusetts [Mr. MARTIN] does not have any objection that I know of.

The SPEAKER pro tempore. Is there objection?

Mr. SABATH. Reserving the right to object, what is the request of the gentleman from North Carolina?

The SPEAKER pro tempore. The gentleman from North Carolina asked unanimous consent that, in connection with the tax bill, the debate shall continue for not more than 4 days, to be confined to the bill, and one-half the time to be controlled by the gentleman from North Carolina [Mr. DOUGHTON] and one-half by the ranking minority member of the Committee on Ways and Means; and that certain provisions of the rules be waived, which is the so-called Ramseyer rule, as the Chair understands it. Is that correct?

Mr. DOUGHTON. That is correct, Mr. Speaker.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. DOUGHTON. I yield.

Mr. SABATH. As I understand, it is proposed to take up this bill for general debate, which is to continue for 4 days, beginning next Thursday. Unfortunately, several Members cannot be here a few days thereafter when the bill will be considered under the 5-minute rule. I wonder whether the gentleman will not agree to make it possible for those six or eight Members who will be absent to have an opportunity to vote, so that the vote will not be taken on the 6th of next month?

Mr. KNUTSON. Can the gentleman not vote by mail?

Mr. SABATH. We do not do it like you do out your way.

Mr. KNUTSON. Of course, you cannot repeat by mail.

Mr. DOUGHTON. In reply to the request of the distinguished gentleman from Illinois, I do not know exactly what to say. If the full time for debate is occupied, we will not conclude the debate until Monday. How long will be consumed under the 5-minute rule, I do not know.

Mr. KNUTSON. We will not get to a vote until Wednesday, in any event.

Mr. DOUGHTON. I do not think we could reasonably expect to reach a vote before Wednesday. Of course, I do not have any control over that.

Mr. SABATH. There are six or seven Members who will be absent on the 6th.

Mr. DOUGHTON. Can the gentleman give us any assurance if we postpone the vote that some other Member will not be absent at that time?

Mr. KNUTSON. We will try to delay matters as long as we can under the rules of the House.

Mr. SABATH. I have no objection to the request of the gentleman.

Mr. MICHENER. Reserving the right to object, Mr. Speaker, we have not been able to hear the colloquy. May I ask the Speaker to again state the unanimous consent request?

The SPEAKER pro tempore. The Chair understands the unanimous consent request is to the effect that the debate on the tax bill shall be confined to not more than 4 legislative days, the debate to be confined to the bill, and the time to be equally divided between the majority and minority sides, and that the Ramseyer rule be waived, that is, necessity for complying with the Ramseyer rule be waived.

Is there objection?

There was no objection.

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent that I may have until midnight tonight to file a majority report on the tax bill.

Mr. MICHENER. Reserving the right to object, Mr. Speaker, will the gentleman restate that part of his request?

Mr. DOUGHTON. That the minority may have until Monday night to complete its report.

Mr. KNUTSON. And that the reports be printed separately.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

Mr. FORD. Reserving the right to object, Mr. Speaker, I want to ask exactly what effect the waiving of the Ramseyer rule on this particular bill will have?

The SPEAKER pro tempore. In order to comply with the Ramseyer rule, as the chairman has stated, the committee would have to print in its report the entire tax law, Internal Revenue Code.

Mr. COOPER. Mr. Speaker, will the gentleman yield?

Mr. FORD. Yes.

Mr. COOPER. It simply means that if the Ramseyer rule is complied with strictly and technically, the committee report on the bill would have to include the entire Internal Revenue Code in its printed report.

Mr. KNUTSON. Mr. Speaker, reserving the right to object, will the gentleman from North Carolina amend his motion so as to provide that the minority may have until Monday midnight to file its report, because we are not anywhere near through with our work?

Mr. DOUGHTON. I will try to do so. Mr. Speaker, I will restate my unanimous-consent request that I may have until midnight tonight to file the majority report on the tax bill, and that the minority may have until midnight Monday to file its report.

Mr. KNUTSON. And that the reports be printed separately?

Mr. DOUGHTON. Yes; certainly.

Mr. KNUTSON. For the convenience of the Members?

Mr. DOUGHTON. Yes.

The SPEAKER pro tempore. The gentleman from North Carolina asks unanimous consent that the majority members on the committee may have until midnight tonight to file a report on the tax bill and that any members of the committee desiring to make a minority or supplemental report, I assume——

Mr. KNUTSON. A minority report.

The SPEAKER pro tempore. A minority report—will have until Monday next and that the reports be printed separately.

Mr. KNUTSON. Until midnight Monday.

The SPEAKER pro tempore. Is there objection to the request?

There was no objection.

EXTENSION OF REMARKS

Mr. LUTHER A. JOHNSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include an article from the Washington Evening Star.

The SPEAKER pro tempore. Is there objection?

There was no objection.

(Mr. WOODRUFF of Michigan asked and was given permission to extend his remarks in the RECORD.)

Mr. SHAFER. Mr. Speaker, I have two unanimous-consent requests: One, that I may be permitted to revise and extend the remarks I made this morning in the RECORD; and, second, to extend my remarks in the RECORD and to include therein a newspaper article.

The SPEAKER pro tempore. Is there objection?

There was no objection.

AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT

The SPEAKER pro tempore. The gentleman from Illinois [Mr. SABATH] is recognized.

Mr. SABATH. Mr. Speaker, later on I shall yield 30 minutes to the gentleman from New York [Mr. FISH] on the rule.

This rule provides for 2 hours general debate and makes in order H. R. 1408, the well-known Pace bill. If I am not mistaken, the Pace bill passed the House by unanimous consent in the last session of Congress, but failed to obtain consideration in the other body. In the first place, I want to state to the House that I was not responsible for raising a point of order that a quorum was not present. I do not wish to inconvenience any Member in leaving his office to respond to a quorum call, appreciating how busy all of us are, because I have not a great deal to say with the exception that I feel honor bound to explain my position. As chairman of the Rules Committee it has been my policy and I have made the pledge that all bills reported by standing legislative committees shall receive consideration from the Rules Committee so that the membership of the House will not be deprived of the right to pass on or to vote on any of these measures. Therefore, I am indeed gratified that so far the Rules Committee has acted in accordance with that policy. That is the reason this rule is before us. In the absence of the gentleman from Mississippi [Mr. COLMER] a member of the Rules Committee to whom I gave this rule to present to the House, I am calling up the rule myself, regretting exceedingly that the gentleman from Mississippi is unavoidably absent and denied the pleasure of presenting this rule, especially in view of the very deep interest that he has displayed in obtaining favorable action on this resolution for a rule on the pending bill and in connection with all agricultural legislation.

The bill that this rule makes in order provides that all labor costs shall be taken into consideration when parity is fixed. Of course, there are many people who are under the impression that in view of the fact that other measures aiding agriculture have been passed heretofore this legislation will unnecessarily increase the cost of living. Personally, I have always favored any man, regardless of where he is employed, being fairly compensated, consequently I cannot oppose or object to this bill. I will ask that the rule be adopted and the Members be given an opportunity to vote on this bill in the interest of agriculture on the one side and also from the standpoint of the consumers on the other side.

From what I can learn, I feel there will be no opposition to the rule and there should not be because the proposed legislation has been before the House in the last Congress and Members are entitled to vote on it now according to their dictates and judgment of the bill. Only a few days ago we passed a bill reported from the Committee on Banking and Currency known as the Steagall bill, which provides that no subsidy payment, parity payment, conservation payment, incentive payment, or payment in any other form or by any other term described shall be deducted in establishing, maintaining, or adjusting maximum prices or in determining parity or comparable prices for any agricultural commodity or for any commodity processed or manufactured in whole or in substantial part from any agricultural commodity.

In view of the passage of that bill which should extend substantial benefits to the farmer, I feel that there is a danger that the pending bill may not receive favorable consideration when it reaches the other body because the Senate has passed a similar bill.

Further, I am informed that there is a possibility that this bill, if enacted, in view of the passage of three other beneficial agricultural bills, all aiming to increase the cost of living, may be vetoed by the President who desires to prevent unnecessary inflation and unnecessary high cost of living.

Mr. RANKIN. Will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Mississippi.

Mr. RANKIN. So far as raising the price of cotton is concerned, this bill will have practically no effect on the ultimate consumer. The average cotton farmer who plows and hoes in the hot sun now does not make as much a day as the coal miners are now asking that their wages be raised.

Mr. SABATH. I fully appreciate what the gentleman from Mississippi states.

The only thing that worries me is the inflation that might be brought about by this and other farm aid bills which we have passed in the past few days, and also the unnecessary high cost of living to millions of wage earners in the cities who are not in any way as in good position as the farmers, with the exception of those who are employed in war industries, to stand an increased cost of living. We have between fifteen and twenty million people who unfortunately, are not organized, and do not receive high wages. Our attention has been called to them, but there are some Members who never see fit to vote for legislation that would make it possible for the millions of white-collar wage earners to earn sufficiently so that they can provide a decent living for themselves and their families.

Mr. O'CONNOR. Will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Montana.

Mr. O'CONNOR. I know the distinguished gentleman from Illinois wants to be fair to the farmer.

Mr. HOFFMAN. Wants to be? Is.

Mr. O'CONNOR. And is. I want to ask the gentleman if he knows of any industry in the United States, other than the farming industry, that does not include the cost of its labor in the production of the article which it sells to the public?

Mr. SABATH. No; I do not. They all add everything they can to the cost of production, and much more.

Mr. O'CONNOR. Including labor and depreciation?

Mr. SABATH. Yes; depreciation and everything possible—cost and overhead.

The gentleman and I will not quarrel on that; I will agree with him.

Mr. O'CONNOR. Then the distinguished gentleman ought to want to see the farmer include the cost of labor in the cost of producing the foodstuffs we are going to need to win this war.

Mr. SABATH. I am indeed unfortunate that I have not the ability at all times to explain my position as clearly as I should. I was under the impression that I made it clear that I had no objection to farm labor's receiving fair compensation and that I do not think it is out of the way that the farmer should be permitted to add the cost of his labor to the cost of the things he produces.

Mr. O'CONNOR. That is fine.

Mr. SABATH. The only point I make, Mr. Speaker—and I hope the membership will bear with me and give it serious consideration—is that we must not lose sight of the fact that there is now the danger of inflation. I for one should dislike very much to see us place our country in the unfortunate condition other countries found themselves in during the last war by reason of reckless expenditures whereby their money became worthless. Up to now the American dollar has been recognized at its full value all over the world notwithstanding the fears entertained by the Republicans early in this Administration.

Mr. HOFFMAN. Mr. Speaker, will the gentleman now yield?

Mr. SABATH. I yield.

Mr. HOFFMAN. The gentleman expresses the fear of inflation. What does the gentleman think will be the effect on inflation when Lewis gets this additional $2 a day for all of his miners on April 1? Is not that going to cause inflation?

Mr. SABATH. I am not especially interested in Mr. Lewis, like some of the gentlemen on that side are.

Mr. HOFFMAN. Neither am I; neither am I.

Mr. SABATH. The gentleman from New York, I believe it was, said he was fearful that the Democratic Party would not repay Lewis the money he contributed in 1936 to the Democratic campaign.

Mr. HOFFMAN. Let us forget politics for just a moment; let us talk about inflation.

Mr. SABATH. I know; but he raised that point. I wonder why he and the Members on that side are so much interested in Mr. Lewis. Since he has been cooperating with you perhaps you may have more influence with him than we, because he is your baby now and has been for about 6 years. You may be able to do things with Lewis that we cannot do.

Mr. HOFFMAN. You must aid us.

Mr. SABATH. He is your baby.

Mr. HOFFMAN. He may be our baby, but you fellows over there have the votes; you have votes that we do not have.

Mr. SABATH. But is it not a fact that you maintain control of the House with the aid of a few on our side?

Mr. HOFFMAN. But you gave him to us all messed up and we do not like him any better than you did.

Mr. SABATH. No; and certainly I do not blame the gentleman. We are at war; we are at war, and we need the cooperation of all. I hope that these men he has been able to control will not listen to his demand of $2 a day increase. Perhaps they do need an increase, but I do feel that if the cost of living continues to increase as may be expected to result from the passage of these bills which we have acted upon in the last few days then they will need an increase of their wages. Further, I wish to direct attention to the fact that miners are employed in the most hazardous occupation and up to a a few years ago were held in virtual serfdom by the coal operators and were unable to get out of their clutches.

Mr. Speaker, if the increase in the cost of living continues the wage earner will be unable to exist upon his present wages. That is the reason I say I fear inflation. Demands will not only be made by the miners, but other labor groups, based on the argument that they cannot exist upon the present wage. That does not apply to the war workers who are making a dollar and a half or two dollars an hour, but it does apply to the 15 or 20 million people who as I have stated before are not members of organized labor and who are not receiving these high wages or salaries.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. SABATH. Certainly.

Mr. HOFFMAN. I can agree with the gentleman on that. One way to take care of these unreasonable increases of wages and salaries is to pass the bill I offered in 1940 to fix the price of everything.

Mr. SABATH. All right; it is easy enough to introduce bills and resolutions but let me remind the gentleman that most of them are introduced only for the purpose of obtaining a little publicity.

I am sorry I cannot yield further because I have promised the balance of my time to the gentleman from Georgia [Mr. PACE] who, for 2 years, has worked to obtain this legislation and I feel he is entitled to be heard on what this bill seeks to accomplish. Perhaps he will explain also that this bill and the Steagall bill will not increase the cost of living to the point where there should be a general demand for an increase of wages. With this I conclude my remarks.

Mr. SABATH. Mr. Speaker, I now yield 30 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Speaker, I yield to the gentleman from Galena [Mr. ALLEN] as much time as he may desire, to reply to the very fine explanation of the bill made by the gentleman from Chicago.

Mr. ALLEN of Illinois. Mr. Speaker, I ask unanimous consent to speak out of order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ALLEN of Illinois. Mr. Speaker, earlier in the day I mentioned that the Ways and Means tax bill is a tax bill for the rich. This statement was challenged by my good friend the chairman of the Committee on Ways and Means [Mr. DOUGHTON]. The Ways and Means Committee tax bill provides that if you pay 2 years' taxes in 1 you will receive a reduction in your taxes up to as high as 6 percent. Only the rich can do this. The poor people and the middle classes, not being able to pay 2 years' taxes in 1, will have to pay the full amount. This would mean that someone who had to pay $300,000 taxes a year would save 6 percent—$18,000 a year. I want the Members to go into that matter thoroughly. I am sure if you do so you will be convinced that the bill as reported by the Committee on Ways and Means will be of great benefit to the rich taxpayers, whereas the Carlson bill, a pay-as-you-go measure, will not be of any more benefit to the wealthy than to the poor and middle classes.

Mr. EBERHARTER. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Pennsylvania.

Mr. EBERHARTER. As I understand the Ruml plan, the man who would save $18,000 in taxes under the committee bill would under the Ruml plan save $300,000, because he would not have to pay a cent of that $300,000. In other words, he might save $18,000 by paying his taxes promptly under the committee bill, but if the Ruml plan were adopted he would save the entire $300,000.

Mr. ALLEN of Illinois. I do not agree with that principle.

Mr. EBERHARTER. Is not the $300,000 forgiven?

Mr. ALLEN of Illinois. No; I do not believe so.

Mr. EBERHARTER. The gentleman does not think so?

Mr. ALLEN of Illinois. No.

In regard to the bill under discussion, the Pace bill, may I say that I do not yield to anyone in regard to helping agriculture. I am proud to be classified as a member of the so-called farm bloc. I remember back in 1933 when prices were very low and the President of the United States, 10 years ago this month, perhaps a little earlier. called here the agricultural leaders of the United States and told them to go ahead and write a sound farm policy, saying that he would go through with it and use his every effort to make it the law of the land.

My good friend, the able and learned Ed O'Neal, president of the Farm Bureau, and my good friend the able and learned Earl Smith of the Farm Bureau of the State of Illinois, were among those who came here and recommended to the President of the United States a certain formula of parity. At that time every agricultural leader was in favor of this present parity, which has operated over the past 10 years. There was no national farm leader who did not believe in the parity which now exists. There was none who was in favor even under those low prices of including farm labor. Why there has been a change of opinion on the part of these gentlemen since that time I do not know.

I do know that during the years 1941 and 1942 more crops were raised in this country than ever before in our history. I also know that the prices of the farmers now are equitable. I believe sincerely that adding the farm labor cost to parity would be a step toward inflation. Senator Byrnes, to whom President Roosevelt has given the great and responsible job of keeping the economic structure of our country in the best order possible, has many times come out as opposed to this step.

I do not believe this would be of continued benefit to the farmer. Many farmers and agricultural leaders believe it would ultimately be detrimental to the best interests of the farmers. On the other hand, I believe the farmers are getting good prices for their products. I worry about the city white-collar workers who go to the meat markets and the grocery stores and pay the high prices they are now paying. I wonder whether it would be right and fair to add this cost to what the housewives pay at the grocery and the butcher shops now.

I do not believe the farmers are particularly worrying about higher prices. The mail I receive in every instance is in regard to receiving farm machinery and farm help. I cannot recall of one instance when I received a letter stating that the writer wanted higher prices for his farm products.

Mr. PACE. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Georgia.

Mr. PACE. Is it not true that the gentleman's constituency, those for whom he speaks this afternoon, are the ones

who are protesting most bitterly on account of the present price of corn and the deduction of payments in the calculation of those prices?

Mr. ALLEN of Illinois. I am very much opposed to the ceiling they have put on corn. If passed, this bill would not be of benefit to the corn producer because of the ceiling the O. P. A. has placed on corn, which unquestionably is unfair and unwise.

Mr. PACE. I differ with the gentleman. It certainly would correct the condition about which the gentleman complains to the extent of adjusting the corn price up to the present parity price.

Mr. ALLEN of Illinois. Maybe a small percentage of the corn area would be benefited, but it would be only a small part.

Mr. ARENDS. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Illinois.

Mr. ARENDS. May I say to the gentleman that if it were not for the artificial means by which they are keeping down the price of corn, I do not believe there would be much complaint from the corn farmer as to the present price of corn. However, the absurdity of the price of corn being held down even though there is a demand, and then taking payments from the Government to compensate for the difference between parity and what they are now getting, is apparent. It seems foolish on the face of it.

Mr. PACE. I agree with the gentleman on that.

Mr. ARENDS. I think we should do something about taking off the parity on corn so the farmer will get parity at the market place at home.

Mr. PACE. This will help correct it.

Miss SUMNER of Illinois. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentlewoman from Illinois.

Miss SUMNER of Illinois. I am disturbed about the fact that we do not have before us the Brown bill, which was reported by the Committee on Banking and Currency. It is a repetition of the price control feature that was in the original bill reported out by the Committee on Banking and Currency as an amendment to the price control bill. It was supported on the floor of this House and afterwards changed in the Senate. That is the Brown bill. It would force the O. P. A. to raise the prices of these farm products. That bill is before the Committee on Rules. I cannot understand why that committee would bring out this bill, which will not necessarily bring us a higher price because it does not impose any obligation on the O. P. A. to raise ceilings.

Mr. ALLEN of Illinois. I agree with the gentlewoman.

Miss SUMNER of Illinois. What does the gentleman mean by that? Is the chairman refusing hearings?

Mr. ALLEN of Illinois. We have been very busy, meeting every morning in the Rules Committee, but I do believe that eventually we will get to it.

Miss SUMNER of Illinois. And will the Brown substitute be in order to the bill?

Mr. ALLEN of Illinois. In my opinion it would.

Mr. Speaker, in my opinion, this is merely a political expedition. With Mr. Byrnes being opposed to it and he having the responsibility of keeping our economic structure in the best order, naturally it will receive the Presidential veto. I am opposed to this bill because I believe it will ultimately, if passed, be detrimental to the best interests of the farmer. The reputable newspaper, Prairie Farmer, in writing about this measure on March 6, had this to say:

> Considerable difference of opinion has arisen between farm groups over the Pace bill now before Congress. This bill would amend the definition of parity for farm prices to include in the formula family and hired farm labor costs at the rate of the national average wage for hired farm labor.
>
> While the amended formula would bring some immediate increase in the price of farm products, we are doubtful that it would mean a higher parity price over a period of years. It is possible that it would result in a lower parity price in the future when we will be worrying more about low prices.
>
> It is our further contention that the farm groups would do well to drop their argument over the Pace bill and devote their attention and energies to getting a fair application of present laws, and in less hectic times fight together for a new conception of parity on the basis of equality.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. Yes.

Mr. MICHENER. I am interested in the gentleman's statement as to the opposition of the farm organization he has named. However, every farm organization in the country, every leader of a farm organization in the country, with the exception of the leader of the farm organization living in the gentleman's own State of Illinois, is in favor of this bill. Is not that so? The gentleman from Illinois [Mr. ALLEN] is always effective in debate, he is always courageous, and he has made a splendid fight in this case considering the facts with which he is confronted.

Mr. ALLEN of Illinois. I would say "Yes" in the main, but I also say this, in conclusion, that I admire that farm leader from the State of Illinois, Earl Smith, because, while he differs from the others it is true, he is the only one who has been consistent. He came down here 10 years ago, and he did not believe in including farm labor in the parity formula. He has not changed his opinion since that time, and I believe that he is not going to change it in the future. I believe the future will conclusively prove that he is right.

I yield back the remainder of my time.

Mr. FISH. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Speaker, I am sorry that I find myself in opposition to the bill. If the bill were limited to hired labor, I should have no objection. If it contained an emergency clause limiting the provisions of it for the duration, I would have no objection. I am, however, opposed to making a basic change of such far-reaching degree in the parity formula. It is going to completely disturb the stabilization effort now being made.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. No. The parity formula is based on 128 items that the farmer must buy, to use for himself, or for food production. If there is an increase in the labor costs, entering into any item or commodity that the farmer uses for himself, or in production costs, the parity level automatically goes up, and it reflects every increase of labor cost. Now, however, it is proposed to change the very concept of this exchange formula, and that is all parity is. Parity was determined as an exchange formula by saying that on the basis of prices in 1909 to 1914 you determine what the costs were of a given number of commodities, and translate them in terms of what the farmer must buy and what he has to sell, and so every labor cost, whether it be in a binder, or whether it be in a bolt of calico cloth, or a pair of shoes or a new suit, is constantly reflected in the parity formula because it changes from time to time, and so the farmer gets every benefit of a change in wages. Now, however, it is proposed to include not only hired labor but all of the labor on the farm.

You need only read the bill to see that it will apply to all farm labor, including hired labor, the farm operator's labor, that of the members of his family, everyone engaged anywhere on the farm, with no distinction as to sexes, because it applied to boys and girls and men and women, with no limitation as to age, for it will apply to young women and young men, and old folks as well, and the best figure that I can get as to the effect of this bill will be that living costs will increase by approximately 16 percent on the average, and when you have increased those costs what have you done? You would give John L. Lewis his most persuasive argument for a $2-a-day wage increase on the part of his miners. You will completely disorganize the whole stabilization program.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I cannot yield. You completely disorganize the whole stabilization program, and for that reason I do not care to go that far. Last September when we considered the amendments to the Price Control Act, I offered a substitute for the Brown amendment, which would include hired labor costs, and insofar as I could tell, would probably raise living costs about 4 percent. This of course is going to increase them very substantially, and, frankly, I think that this has in it the seed of complete disintegration of the whole stabilization program, and for that reason I do not propose to go along. Why trifle with the parity formula when the corn farmer and the wheat farmer does not obtain parity now by virtue of a pegged corn price and a pegged flour price. Why not first obtain the basic parity level established long ago before we undertake to change the formula. This does not bring about a better price. It does not achieve a parity price. It merely widens the gap between present parity and what the farmer actually receives, and in consequence becomes a cruel mockery. Let the farmer alone. Give him present

parity prices. Ease the machinery restrictions. Supply what manpower can be obtained, and he will do the rest in providing food. Incentive payments, subsidies, and modifications of the parity formula are not the answer.

Mr. SMITH of Virginia. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. KENNEDY].

Mr. KENNEDY. Mr. Speaker, I am glad to join with the other farmer from the city, the gentleman from Illinois, Judge SABATH, in support of this bill. I believe that it will only do simple justice to those people who are employed on the farms. Some of us, although we come from big city districts, representing probably a half million people in an area of a square mile, still have some knowledge about farming and the work that has to be done. I remember spending many summers on a farm and did some work as a farmer at a very low rate of pay. As a matter of fact, I think I got my board and about $2 a week. I was probably overpaid at that. But I often think of those boys growing up, the wives and daughters, everybody, out struggling. Most of the farmers I knew barely came out even at the end of the year.

I hope that this bill will lift those standards.

In connection with this bill, I was impressed with the fact that in the committee report something new has been introduced, by way of argument, in the matter of a poem, The Man With the Hoe, by Edwin Markham. You know, he spent his remaining days in my city, although he was born out in the State of Oregon and worked for years elevating working conditions. While The Man With the Hoe apparently refers to a farmer, it was the result of a series of articles covering the whole problem of child labor, which is now in book form, known as The Children in Bondage. He summed up in very beautiful language the life of the farmer, the hopelessness of his cause. If we do nothing else than to respond to Edwin Markham, I think it will be well for us to support this bill.

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

Mr. SMITH of Virginia. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Speaker, I feel sorry for my good friend the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. You do not have to.

Mr. HOFFMAN. Well, I am, anyway. I think you are so disturbed, you are so frightened, you are so fearful that if you give the farmer a little bit of compensation for the work which he and his wife and the children and the hired hand do in producing food and in growing corn to make the whisky that your district produces in such vast quantities, and add that labor cost to the price of corn and other farm crops, we are going to ruin this whole inflation scheme, and we are going to put a weapon in the hands of John L. Lewis. Now, listen: John Lewis has had that weapon—special consideration for union men—for many years—in fact, ever since the last day of 1936, when he brought the sit-down strike into Michigan—and you have done nothing at all to take it away from him.

Mr. DIRKSEN. What have you done about it?

Mr. HOFFMAN. What have I done about it? I have tried to convert you. God knows I have tried. I have spoken about it here on the floor day after day. I have introduced bill after bill to correct the evil—the unlawful practices. Did I get any help? Yes; from some, but from darn few, and none from the majority leadership. I have preached about it. I have prayed over you, but I cannot get any action out of you. I have no fault to find. That is your business. But when we try to give the farmer something, when these industrial workers have had an increase every time they asked for it, I hear your voice raised in protest. I am not finding fault with the way you vote. That is your business. I am only saying your argument does not amount to a tinker's damn. You were the gentleman who did so much to give $26,000,000 a couple of days ago to transport—educate some outside workers to come in from Mexico or from the cities to work on farms. Now, when we wish to do something for the farmer, to give him a fair price for his work, why do you not go along? People are buying the whisky distilled in your district from low-priced corn and they are paying a good big price for it. Your argument is that this legislation will force the price of corn higher and so cause inflation. Yes; just as all price increases tend to cause inflation. But we heard nothing of that when the wages of those working in the whisky industry went up. We heard none of that argument earlier in the week when you were yelling for $26,000,000 to spend taking city workers—workers from foreign countries—and placing them on farms to take the place of farm boys. The increase which may occur in the price of corn of which you complain will do less to cause inflation than it will to take the profits out of the distillation of whisky.

The SPEAKER pro tempore. The time of the gentleman from Michigan has expired.

Mr. FISH. Mr. Speaker, I yield to the gentleman from Indiana [Mr. HALLECK] 5 minutes.

Mr. HALLECK. Mr. Speaker, there have been times when I have been accused of being a member of the farm bloc and there have been times when many of my farmers have criticized me bitterly for not going along with things they thought I should have supported. If my stand for a square deal for the farmer who is producing the food that is needed in this war effort causes someone else to say that I belong to the farm bloc—all right, I belong to the farm bloc, and likewise if my stand for a fair deal for the farmer is to mean that someone can say I am putting a weapon in the hands of somebody else to be used in asserting an unfair demand, I just cannot help that either.

The suggestion has been made that the passage of this bill will increase the cost of living 16 percent. To me that is absurd. Let us just look at it a moment. Under the parity formula as presently written and under the parity formula that would be written under this bill, livestock prices, dairy prices, poultry prices are now currently above the point that either would fix. Prices on those commodities have not only been permitted to go to those levels but in some measure they have been encouraged to go to those levels to stimulate the production of those food products that we need. I am not quarreling with the basic principles of that doctrine. But the plain truth is that prices on these products have not been ceilinged and are now above the parity price this bill would fix.

Mr. HOPE. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. Not now. Whether you pass this bill or not, those prices will be maintained at those levels or fairly comparable levels because the authority has been in the act to ceiling them below these points if the people in charge of the program had wanted to do so. Now, beyond that——

Mr. ALLEN of Illinois. Will the gentleman yield?

Mr. HALLECK. No; I do not yield at this time. After I finish I will yield. Let me proceed.

There is only one commodity that is important in this picture that is presently ceilinged, and that is corn. It has been ceilinged below parity, I say in contravention of the statute. As far as I am concerned, I would have preferred to first act on legislation to require the Administrator to follow the law in fixing ceilings on farm products before we undertake to change the parity formula. But as to corn, that is now ceilinged below parity, and whether a change in the formula will make one bit of difference in the price of corn will depend on whether the Administrator properly applies the formula.

Now, as to wheat. It is presently selling below parity. It is not ceilinged. The supply of wheat is so great, particularly in the hands of the Government, that the price is kept down in the market. Hence, this revision will not affect the wheat price, at least not for a long time.

Then how can it be said that this proposal is going to wreck the stabilization program? Again I say it is absurd.

It is suggested that parity is a comparative proposition. It is said that it has to do with fixing the price on what the farmer sells by looking at the cost of what he has to buy. It is said that under that theory cost of production should not be considered.

I recognize that in that suggestion has come the one proposition or principle which has disturbed many of us about this legislation. But in answer I would like to call to your attention that in the present parity formula there are three specific things listed that do not have to do with the comparative approach, but rather have to do with the cost-of-production approach, and I will tell you what they are.

In the present parity formula consideration must be given to interest payments which may go up or down; con-

sideration must be given to tax payments that may go up or down, and consideration must be given freight rates, which may go up or down. So does it not follow from that that already have we included in the parity formula three separate items that are apart from the comparative theory, that have to do rather with the cost of production theory?

Now, would there be such a rank violation of principle if we say in this present bill that the cost of labor shall be the fourth item in the cost of production which shall be included in the determination of the parity price? We all know that labor cost to the farmer has gone up by leaps and bounds. I am not so convinced about the necessity of including the work of the farmer's wife or his youngsters, although a tremendously strong case can be made out for that. About that I am not so concerned, but I am concerned about the tremendous increases in the cost of labor for which the farmer has to pay.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. HOPE. I yield the gentleman 2 additional minutes.

Mr. HALLECK. I am concerned about the ability of the farmer to compete with other employing agencies for the help that he must have. But being concerned about that, let me say again I am not blowing hot and cold on this issue, because again I want to point out that if we adopt this act and it becomes a law, I can see but one place where the higher ceiling price by reason of the change in the parity formula might result in an increase in the price of a given commodity, and that is corn, and again in connection with that may I point out that if the Administrator can find some added way to avoid the requirements of the law which say that the ceiling shall not be placed below parity, then maybe it does not make any difference what kind of a parity formula we have.

Mr. DIRKSEN. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Illinois.

Mr. DIRKSEN. I think my friend from Indiana confuses the issue. Here we have made a consistent attempt for 10 years to push the prices up either to a parity or to comparative prices. Now what do we do? We change the rules of the game in existence during all that time. We seek to change the rules of the game so as to elevate the prices on the one hand in order to push them up. How could that do other than reflect itself in the price levels, because there must be a change in the wage ceiling formulas that have already been established?

Mr. HALLECK. The gentleman has stated his position, and he stated it before. I do not confuse the issues and I hope the gentleman does not. He speaks of the game we are playing. Will he not agree this war game is a little different?

I objected tremendously and I still object to fixing the corn price below parity. In all my time here in Congress the objective of the administration has been to raise the price to parity. In respect to corn, the first time that the price got up close to parity another matter was injected, in contravention of the statute and the clear intent of the Congress, to fix the price below parity. Now you say we are in wartime. Well, it is the war which has brought unusually high wages, and the resulting impact on the farmer. Again I say it does not violate any principle involved, because we have already provided that only three separate items could be considered in connection with the cost-of-production theory as against the comparative theory.

Now the question which recurs is this: We have witnessed tremendous increases in wages, many of which came after the first price-control law was enacted, when the Congress, under terrific pressure from the administration, failed to do anything about wages. Wages have gone up. Why is there anything wrong in recognizing that, and in recognizing the tremendous competitions and difficulties under which the farmer is working and saying that we are going to adjust the parity formula in the light of the changed situation to the end that farmers may be enabled better to produce the food we need? Although again I must say that if ceilings are fixed below parity, as in the case of corn, or if the law of supply and demand controls and prices do not rise to parity, then changing the parity formula is just an idle gesture. It will not raise a single price to the farmer or increase the cost of living at all.

Mr. O'CONNOR. Will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Montana.

Mr. O'CONNOR. The gentleman has called the attention of the House to the fact that corn is selling below parity. I wish to call the gentleman's attention to the fact that wheat likewise is selling below parity.

Mr. HALLECK. I spoke of that. But the difference is that wheat is selling below parity on the market while corn is selling below parity by reason of the direct intervention of the Government that put a price below parity.

Mr. O'CONNOR. But this bill would help the price of wheat. That is what I am getting at.

Mr. HALLECK. I seriously doubt it. We have an enormous surplus of wheat; as the Government puts it on the market the price is driven down. We have not yet repealed the law of supply and demand. This bill does not fix a floor under prices, it simply limits ceilings which incidentally are applied selectively.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. FISH. Mr. Speaker, I yield myself the balance of the time on this side.

Mr. Speaker, the chairman of the Agricultural Committee today presented to the House, and the House adopted by a unanimous vote, a most pious resolution, nothing really but a lot of ballyhoo and propaganda containing further promises to the farmer to the effect that Congress will recognize farming as a war industry. I am glad of it, and voted for it, but I hope that is not all this Congress proposes to do for the farmers. They ask for fair prices on their products and you give them a lot of words on a paper resolution.

We have a bill now before us, the Pace farm-labor cost bill, that is requested by practically all the farmers in the country which includes the cost of all farm labor in determining the parity price of agricultural commodities.

Mr. Speaker, I do not always follow the distinguished chairman of the Rules Committee on legislative matters, but today I am following that great dirt farmer from Chicago who spoke for this legislation. After all, every Member on both sides of the aisle and certainly all the American people know that there is a serious food shortage confronting us and the great question before the country is that of production, more production, and still more production. The test on this bill should be, Will it increase production in America?

All the ships, tanks, airplanes, and weapons of war will be useless without food. If this bill will increase production and help solve the food shortage which confronts the American people, then we should pass it unanimously. Farming is as much a war industry as a munition plant. Food is as essential as armaments. We might even borrow or lease-lend arms from Great Britain but not food.

I do not understand the opposition to this bill from some Representatives of farm districts who are all the time hollering for relief for the farmers, but when a bill comes before the House it does not get the united support of every farm Member. We have done nothing for the farmers in recent years except passing the pious kind of resolution that we adopted a few minutes ago to appease them by words and not deeds.

I want you to listen to what a real dirt farmer from Ohio, Mr. Louis Bromfield, a former new dealer, said recently:

> I think it fair to say that nothing practical whatever has been done to help the farmer to produce more. * * * This scandal, and by next autumn it will be one of the greatest scandals in American history, affects the whole future history of ourselves and of the world.
>
> Its repercussions will destroy the future of the Democratic Party for years, the future of liberalism, even the future possibility of a decent peace.

That is not a Republican or a Democrat speaking, but a former ardent new dealer, telling the American people that the Congress and the New Deal have done nothing for the farmers. I submit that is true. We have done practically nothing to help the farmers. We have an opportunity by voting for this bill to help solve the greatest problem before the American people—the shortage of foodstuffs.

If we want to win the war, we have got to have sufficient food to do it with—to feed the American people, our own armies at home and abroad, and to help feed our allies in the war.

Mr. KERR. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from North Carolina.

Mr. KERR. Does the gentleman agree with the statement he just read to this House?

Mr. FISH. In what respect?

Mr. KERR. Does the gentleman agree with the statement he just read to the House, in light of the fact that in 1933 the income of the farmers of this country was $5,000,000,000, while in 1942 it was well over $18,000,000,000?

Mr. FISH. Mr. Bromfield, one of our best known authors and a large farm operator in his own right, was referring to the last 6 or 7 years.

Mr. KERR. I am talking about the last 10 years.

Mr. FISH. Well, I am talking about the last 7 years. I repeat, the New Deal has not done anything for the farmers in the last 7 years. The New Deal destroyed our national farm economy by doing away with our economy of abundance and substituting one of scarcity—of plowing under crops, of destroying wealth, and killing pigs and cattle. That is what the New Deal has done for the American farmers, and I agree with what Mr. Bromfield said, and that the responsibility rests with the New Deal for doing practically nothing for 7 long years for the farmers, who are the backbone of the country.

Mr. O'CONNOR. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from Montana.

Mr. O'CONNOR. The gentleman will agree with me that when we had the price-control bill up, which was passed on October 2, 1942, the provisions or the substance of the Pace bill should have been written into law at that time, and if that had been done we would not have the food shortage we now have.

Mr. FISH. I agree with the gentleman but the occupant of the White House was opposed to that. The Congress was in favor of it and was right then as it is now. Today we are about to do exactly the same thing that should have been done, as the gentleman says, a long time ago. We are faced with an extensive food shortage for the first time in our history and possibly with food riots next winter unless we legislate wisely and constructively for the benefit of the farmers and assure them of fair and adequate prices on what they produce in comparison to what they buy.

Mr. O'CONNOR. Then the gentleman agrees with me that the Congress should have done it.

Mr. FISH. Most certainly. And I do not believe there is a Member of the House who does not know there is a serious food shortage. The question before us now is how to solve that problem and by legislative action increase production. The farmer is the forgotten man in America. He has large investments in land, buildings, equipment, and in flocks and herds, works from dawn to dusk, is burdened with taxes, and obtains a precarious living. If he is forced to abandon his farm and slaughter his herds it means a more serious food shortage and a diminishing trade for the merchants and store keepers in the rural communities.

Our farmers are badly handicapped by a shortage of farm help and of agricultural equipment and unless they receive fair prices on what they produce the food shortage will become more and more serious throughout the Nation.

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

Mr. SMITH of Virginia. Mr. Speaker, I yield myself the balance of the time.

The SPEAKER pro tempore. The gentleman from Virginia is recognized for 7 minutes.

Mr. SMITH of Virginia. Mr. Speaker, this debate sounds very familiar. We had this bill up in the Price Control Act last year. The subject was debated, and, if my recollection serves me correctly, we had a roll-call vote on it, and it was passed by a very large majority. Later last fall this same identical bill was passed by unanimous consent in this House. One wonders why all the shouting about it today.

I happen to be one of those who, when this bill came up in the Price Control Act last year, voted against it. I voted against it because the President had asked us to eliminate it on account of the inflationary situation. I am going to vote for it this time. I think we are confronted with a very, very practical question. I happen to have a farming district. You can drive within a few miles of this capital today and see crops in the field rotting now that should have been harvested last November.

They are in the field wasting and rotting because of the shortage of farm labor. The whole country is at war and we are faced with the acute danger of a food shortage next year. Why do we have it? We have it for two reasons: One, because the draft has not paid proper attention to the deferment of farm labor; and, two, because the very Government that has asked us to vote against this bill has so inflated the wages of common labor that it is utterly impossible for the farmer to compete with it today. We all know that right now common farm labor can drive to a defense project and make as much money per day as the farmer had been paying per week in many instances. That presents to you a very practical proposition. I do not believe we can afford to sit around here and argue and debate and theorize about what might happen to inflation or what might not happen to inflation while our fields go untilled and our crops unplanted. This is exactly the situation we are going to find ourselves in unless we do something about it. I think all this talk about this going to cause inflation is a lot of ballyhoo anyway. I wonder how many of the Members have figured out prices? Take wheat for instance; how many have figured out how much the farmer gets for the bushel of wheat and how much the consumer pays for that bushel of wheat? The farmer gets about $1.50 for his wheat. Convert that into bread and take it through all of the retail and wholesale handlers who deal with it before it gets to the ultimate consumer and we find that in the form of bread that bushel of wheat costs the consumers $6. The farmer, however, got only $1 or $1.50. A little change to give the farmer the actual cost of his labor in the raising of his crops is not going to cause any inflation. To say that it is, is a lot of silly talk in my humble judgment.

Mr. HOPE. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Kansas.

Mr. HOPE. Is it not also true that we are paying exactly the same price for bread today that we were paying a year ago?

Mr. SMITH of Virginia. The gentleman is correct. A year ago the farmer got a dollar for his wheat and the consumer paid $6 for it in the form of bread. Now the farmer gets a dollar and a half, or a 50-percent raise, and the consumer still pays the same $6 a bushel for it in the form of bread.

Mr. KERR. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. KERR. Confirming what the gentleman says, I bought a beefsteak in a hotel in this city just recently. It cost me $2.25, but for that beefsteak the farmer got only 12 cents when he sold it.

Mr. SMITH of Virginia. The gentleman will be lucky to buy it at any price a year from now unless we can get some labor back on these farms.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. O'CONNOR. The gentleman said the farmer was getting $1.50 a bushel for his wheat. I believe the gentleman is in error. The farmer is getting only $1.01.

Mr. SMITH of Virginia. It depends upon the area. It is $1.50 on the Baltimore market now.

Mr. O'CONNOR. In my district it is selling for $1.01.

Mr. SMITH of Virginia. It depends upon the area.

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. MARCANTONIO. People in my district paid 5 cents a pound for cabbage last year. Today they must pay 25 cents a pound for it. Does not the gentleman feel that the price is going to be further increased as a result of this legislation?

Mr. HULL. May I suggest to the gentleman from New York that the Government has fixed the price of cabbage to be raised in Wisconsin this year at $12 a ton of 2,000 pounds; that is what the farmer is going to get out there. We are not responsible for what they have to pay for it in New York City.

Mr. MARCANTONIO. They are paying 25 cents a pound for it right now.

Mr. SMITH of Virginia. I yield no further.

There are a whole lot of things that enter into what the gentleman from New York has to pay for a pound of cabbage in his district. Included in those things is the thing we are trying to remedy under the Hobbs bill, the racketeering by your teamsters' union. If you come along and vote with us on that, we may be able

to help you get a mess of cabbage next year.

Mr. LUTHER A. JOHNSON. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Texas.

Mr. LUTHER A. JOHNSON. Is it not true that the farmers are the only class who are not permitted to take into consideration the cost of labor in determining prices? As a matter of simple justice, is it not true that this legislation is justified?

Mr. SMITH of Virginia. The gentleman is absolutely correct.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. FULMER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 1408) to amend section 301 (a) (1) of the Agricultural Adjustment Act of 1938, as amended, and the first sentence of paragraph (1) of section 2 of the Agricultural Adjustment Act of 1933, as amended, and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, approved June 3, 1937, as amended, so as to include the cost of all farm labor in determining the parity price of agricultural commodities.

The motion was agreed to; accordingly, the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 1408, with Mr. WALTER in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

Mr. FULMER. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, the bill under consideration at this time will not settle the problems of the farmer but it is a very meritorious bill and should be passed by the House by a unanimous vote.

I was interested in the statement made by our colleague the gentleman from Virginia [Mr. SMITH] a moment ago about the prices the farmers receive and the prices the consumers have to pay. My friends, that is the major problem today confronting the farmers as well as the consumers of this country.

To me, it is pitiful to find farmers operating as individuals and having to accept anything they are offered for their products. On the other hand with thousands of useless middlemen who do not produce a living thing, operating between farms and consumers, with many additions added thereto the consumers have to pay a high fixed price for the same product.

Referring to the statement made by the distinguished gentleman from Illinois [Mr. DIRKSEN] that it would not be so bad if this bill would pay hired labor but that the purpose of the bill would also pay farmers and their wives and children, who do their own work, that is pitiful. I have an overseer on my farm and an assistant overseer, and farm labor. I would receive the benefit the gentleman is willing to give to me. But I have numerous tenants. Their wives and children are doing the work, but it would not be fair for them to get anything for their labor according to the gentleman from Illinois. There are millions of people in this country doing their own work and many living in poverty, with their children uneducated through no fault of theirs and yet the gentleman from Illinois would deny them cost for their labor.

Any bill can come in here in the interest of the monopolistic groups or those who are able to propagandize Congress and everybody else through the press, and it is all right, but when it comes to the farmers of this country, the backbone of the country, then there is something wrong about it.

I am glad that many of you are waking up to the fact that we have a food shortage and that the Members of Congress and other people in this country, millions who live in the cities, are beginning to realize the importance of giving some thought to the farmers of this country.

Let me quote from a statement made by a farmer operating his farm in New Hampshire:

> Last October my two hired men left to take jobs in the Pacific Mills at Lawrence, Mass. One tells me he gets $85 a week and the other slightly less. They are good, honest men, and I hated to lose them, but when they came to me I said, "Hell, boys, I don't blame you," and I didn't. I couldn't pay that kind of money.

He said further that he has sold a large number of his cows and that his property is going down in value, all because he is unable to secure or keep labor on his farm and because of unfair prices.

Mr. Chairman, we hope some time in the near future to hold hearings to work out a bill that would set up a proper formula for establishing farm parity prices that would give to the farmers that to which they are entitled and that which they are not now receiving a fair price.

The statement was made a while ago that the price of a mowing machine was reflected in the bale of cotton. In the price of that mowing machine you have every item of cost, transportation, labor, and profit. Even the taxes of the manufacturer are paid by the consumer. But when the farmer sells his one bale at $100 to buy that machine for $100 there is nothing left for the farmer in the way of profit. Why? Because the manufacturer is able to control his production as well as his distribution and fix the price, "You can take it or leave it."

I am glad to see the Congress waking up to the point where Members are beginning to realize we need to do something for the farmers of this country. We may be able to keep the older gentlemen and ladies down on the farm receiving unfair prices, but the young men and the young girls residing on the farms realize just what is going on with every other group, and they are not going to stay on the farm. Then somebody is going to be forced to go back to the farm and produce something to exist on or else.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. GILCHRIST].

Mr. GILCHRIST. Mr. Chairman, I ought to be against this bill. Oh, I am so afraid the President is going to veto it. We Republicans, therefore, ought to hold up his hands and protect the President from the necessity of such a veto.

Further, I ought to be against this bill because it is going to help John L. Lewis if you pay the farmers what they ought to have. Now, do not help John L. Lewis. The thing to do to prevent John L. Lewis from carrying on his wicked designs is to decrease farm prices and give farmers only about half what they are now getting or of what they ought to have. Then you would be preventing John L. Lewis from putting over his proposal to increase mine wages as much as $2 per day.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. GILCHRIST. I yield to the gentleman from Michigan.

Mr. HOFFMAN. If the farmers do not get busy, John and his miners are going to get hungry.

Mr. GILCHRIST. I was going to say that. I thank the gentleman for saying it for me.

This will not increase the cost of living more than about 3 percent. The author of the bill has the exact figures from Government sources, which show that to be true. Bread has not risen in value, although we have inflation right now. Oh, if you give farmers justice, if you give them honest farm prices, then you have inflation. Inflation is the scarecrow. Inflation is the bogieman that will get you if you do not watch out. If you increase the price of bread maybe one-tenth of 1 mill per loaf, something terrible will happen.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. GILCHRIST. Yes.

Miss SUMNER of Illinois. Assuming that this would cause Mr. Byrnes to raise prices, and I am not sure he would, on account of the O. P. A. law, but assuming that he would suggest a small rise in price, would it get the amount you want? In the last war, when that was a problem confronting us, not only confronting America, but Europe and the Army, Mr. Hoover, who was Food Administrator, attacked the problem in a masterful manner, and he set $2 a bushel for wheat, because we needed wheat, and he put a floor under the pork prices. What do we get today? We get going round and round in legislation that does not act directly, and will that small amount of rise get the production? We need to pay whatever price is necessary to get production.

Mr. GILCHRIST. I thank the gentlewoman for her suggestion. As has been pointed out by the gentleman from Indiana, this bill will not raise the cost of living. Livestock is away above parity now. This bill cannot raise these prices above what they are now. Wheat is away down below parity, as the formula now stands. This bill cannot raise this price over what the parity price of

wheat now is. This bill does not touch parity on wheat. Oh, we hear the yell about inflation. Why, you go down to your grocery store, and you will buy oat meal, and pay $27 a bushel for your oats. But great Lord, do not have inflation. Do not give the farmer anything now in his extremity, for fear you will disrupt prices.

Mr. O'CONNOR rose.

Mr. GILCHRIST. Oh, please, I do not want to yield. Let me talk a little while. Parity is just a relative thing. Be consistent. If you believe in parity at all—and maybe you do not believe in it, and I will not quarrel with you if you do not—but if you believe in it, be consistent, and if you do believe in it, then why not have the whole thing figured and why not consider all elements that affect the formula for parity? If the farmer pays out for labor more than he paid in the base period, then will it not be consistent to deny him that factor in computing the things he buys? Labor is really a thing that he buys. He buys labor, he buys shoes, shirts, and everything else, and when he goes to the market, he must pay for that extra labor as a factor. Be consistent. Oh, consistency, thou art a jewel. I do not know where that comes from, but I heard it somewhere in McGuffey's Fifth Reader. You cannot be consistent and say that the farmers are entitled to parity unless you include the things they buy as a factor.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. GILCHRIST. I wish I had some more time.

Mr. HOPE. I yield the gentleman 2 additional minutes.

Mr. GILCHRIST. This bill if it passes will produce more food. It will produce more hogs. Farmers will be able to produce more on their farms. I have a letter in my office from a nice old farm lady and she tells me that if we do not give labor to farmers, they will have to quit, and we will be starved, and the boys in the Army will not be fed. She tells me these things, and she knows what she is talking about. If you need food, be consistent, let it be a factor in the things which the farmer buys.

Mr. ZIMMERMAN. Mr. Chairman, will the gentleman yield?

Mr. GILCHRIST. I have not the time, but I yield.

Mr. ZIMMERMAN. The gentleman is making a very informative talk. Is it not true that the only way the farmer can pay for the horse collar that he is going to buy, or the plow point, is by the price that he gets for his corn and his wheat or his cotton?

Mr. GILCHRIST. That is true. Take a clevis. I used to buy it for 15 or 20 cents, and now it costs $1.25. A lot of folks do not know what a clevis is, but they ought to know, before voting against this bill.

Mr. ZIMMERMAN. If the farmer is going to operate a farm and produce, he has to get money from some source to pay his bills to carry on his farm operations and produce the food that we ought to have.

Mr. GILCHRIST. There is no doubt about that. The things that are raised in value are figured against the farmer in this parity formula. For example, an automobile for which he paid during the base period $3,000, he now buys for $800 or $1,000. Do you not believe that the boys down there continue to figure that against the farmer? Of course they do. Now, when the farmer has to pay $90 or $100 a month for his labor, for which he used to pay only $30, I call upon you to be consistent, and let farmers have the right to reflect labor costs in their farm parity prices.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. FULMER. Mr. Chairman, I yield 5 minutes to the gentleman from Alabama [Mr. STEAGALL].

Mr. STEAGALL. Mr. Chairman, I am glad to give my wholehearted support to this bill. When the second price control bill was under consideration I undertook to incorporate in that measure a provision that would have required calculation of all costs of farm labor in determining a parity price for the purpose of price ceilings. That provision was offered as an amendment and prevailed in the House and was approved by the committee of the Senate which considered the bill and approved by a direct vote of the Senate. Later there was a compromise of the language so that the exact provision of the House bill was not in the final measure. This House voted on the identical bill now before us, as I remember, last November or December, and passed the bill by unanimous consent. The statement has been made, I am sure not with any intention of misleading the House which I am very definitely sure is not justified. The statement was that the effect of this bill would be to increase consumption prices of consumers of farm commodities 16 percent. When the second price control bill was under consideration an important conference was held with respect to that measure, and the provision to which I have alluded in the second price control bill was discussed at length. At that time there had been no substantial increase in the price of farm commodities above parity. The highest estimate that was offered by Mr. Henderson and Mr. Ginsburg was that the provision at that time, if adopted, would make possible an increase of 12 percent. That was the highest estimate that anybody suggested at that time and that was before any of these commodities had reached a price higher than parity.

If the farmers were to give free every pound of farm products that would be affected by this bill, it would not have any more effect finally on the matter of inflation with the hundreds of billions of dollars that will be expended before this war is over than the drop of a penny into the middle of the Atlantic would affect the tides of the ocean. Has anybody here bought a baked apple recently?

Mr. CRAWFORD. Yes.

Mr. STEAGALL. I paid 25 cents for a baked apple a few days ago right here in this Capitol. The last one I bought I paid 30 cents for. That is the price of a baked apple to the consumer. Yet people stand here and talk to us as if the way to prevent inflation in this country is to reduce the price the farmer receives for the apple. How much do you suppose he got? There has been a time when he would be glad to sell a bushel for what I paid for that one apple. But that is typical of this whole farm controversy. I am not talking about it from the standpoint of production for war purposes. I am talking about it from the standpoint of honest-to-God justice and common sense that ought to obtain at any time, to say nothing of the fact that we face an emergency in this country with respect to food supplies for ourselves, for our armed forces, and for the people we are trying to feed throughout the world. The only way to secure labor on the farm to produce the food of which we are in such serious need is to pay the farmer a price that is sufficient to enable him to pay necessary wages.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. FULMER. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. STEAGALL. I call your attention to this: Now, I am not doing this to make any attack on labor. The first price-control bill as presented and as finally passed carried a specific exemption of wages in the United States. During all the time that was in effect wages were increasing from day to day, the authority to control farm prices, whether exercised or not, was hanging like the sword of Damocles over farm prices in the United States. That power was being exercised not only by orders, but threats and statements were being made continually and carried in the papers every day, to beat down the cost of farm products throughout that period. The Price Administrator made the statement that there had been an increase in wages amounting to $1,200,000,000 during that period, an amount almost equal to the actual price paid to the farmers of the Nation for the entire output of the farms of the United States for the year 1942.

There is no excuse for anybody who has any concern for justice to the farmers of the United States opposing this legislation.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. STEAGALL. I yield.

Mr. CRAWFORD. What does that 16 percent which someone spoke about refer to? What do they apply it against—the 16-percent increase in prices?

Mr. STEAGALL. It is applied to increases in farm commodity prices. I do not know where the figures came from. I have called attention to the fact that they cannot be correct. The highest figure offered when this provision was first considered, before these prices had gone beyond parity, was 12 percent.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. HOPE. I yield 10 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Chairman, levity is not going to solve the problem that is before us today. Rather piddling characterization of those taking a view opposite to those expressed by the committee itself is not going to solve the problem,

and I must confess that in my judgment, and I say it in all kindness, there has been some shallow thinking on this subject today.

This bill is not going to solve our manpower problem; it is not going to touch it. You do not deal with manpower. It is not going to solve our machinery problem. That is not involved here. You are dealing solely and exclusively with the parity formula or the exchange value of the farm products, and nothing else.

Mr. PACE. How can the farmer go into the commodity market and hire farm workers unless he has some assurance that the cost is going into his selling price?

Mr. DIRKSEN. I want to consider that in just a moment when I get around to it. What I want to do is to demonstrate that the statements that have been made thus far in this discussion are departing from the central point at issue, and I can illustrate it very well by the price of corn. The parity price, in round figures, is about $1 at the present time. As a matter of fact the O. P. A. has pegged the price at 78 cents in the field, so that what the farmer gets for corn today is 22 cents per bushel below the parity price. Do we propose to remedy that? No, we do not. Do we propose to make any change in that? Not one bit. What we propose to do today is just this. I will take the figures from the Bureau of Agricultural Economics which show that where the parity price of corn now on the basis of the present parity formula is $1 per bushel, we propose to make the formula include all farm labor and thereby increase the parity price to $1.15 a bushel. That is what we propose to do. Then what happens? Where corn now is 22 cents a bushel below parity, it will be 37 cents below parity. Then what? I dedicated many an effort year in and year out for 10 years to the cause of parity and I do not propose to do a disservice to the farmers today by passing a bill of this kind that is going to hurt rather than help, by shunting the price of corn up to $1.15, so that the spread between the price at which the farmer sells his corn in the field today and parity will not be 22 cents, but will be 37 cents, and later find myself in the position of battling day after day in this Well to push the price up to parity, notwithstanding the fact that as I envision from expressions here today the House proposes to raise the labor level and to disturb the basic formula, not for today, not for tomorrow, not for 1944, but for all time to come. That is what you are going to do. That is why I am concerned about it. These various indices were altogether different in 1940, whether you included hired labor or all labor.

You took the published parity price and now we are going to depart from that formula when the dislocations have extended themselves. After the war we may have hold of a hot poker. I do not want to see that happen.

We have battled so devotedly and so gallantly in all quarters for this existing parity formula, day in and day out, and we are not affecting the price level. The gentleman from Indiana was talking about prices. It has nothing to do with it if we are going to stick parity for corn up to $1.15 from $1, where it is now. That is what we propose to do, and then we are going to try to push the price up to that level. When you do that, is there anyone who will argue it is not going to translate itself in terms of increased living costs? It is bound to, in terms of corn meal, corn flour, and a great many other items that are derived from corn.

This bill does not add one single cent to the pegged price of corn. It does not add one single cent to the price of wheat since it is indirectly pegged by the present ceiling price on flour. It merely changes the parity formula or exchange value formula under which we have been operating and then throws upon us the responsibility of meeting the new parity level, either by means of parity payments or benefit payments. Is that a logical course to pursue?

Mr. HALLECK. Will the gentleman yield, Mr. Chairman?

Mr. DIRKSEN. Yes.

Mr. HALLECK. What I said in my statement, and I think the gentleman will corroborate it, was that insofar as the corn ceiling is concerned, the change in parity formula, if properly applied without any reservation, would result in an increase in the price of corn. I said also that was the only commodity about which I felt that any difference would be made on the ceiling that has been reported. As to other commodities, a great many of them are now above parity; in respect to dairy products, livestock, poultry products, the prices are above the parity ceiling as now fixed and would continue to be above the parity figure as respects the corn item.

Mr. DIRKSEN. Well, the figures I got from the Department are that if this bill passes—and I received these figures some time ago—it will make a difference of 3.1 cents per pound in cotton. You raise not the price but parity price. Then we will be at it trying to raise it up that high. The difference in corn will be 16.1 cents per bushel, so that, instead of $1, the parity price will be $1.16. Then we will be pushing prices up that high. They are bound to reflect themselves ultimately in the higher cost. This applies not only to basic commodities but to comparable commodities as well. The figure I have here shows an increase of 22 cents in the parity price of wheat. So that has to be reflected somewhere. There is no ceiling on wheat at all, but there is on flour, and there is a peg price on corn. For years the President and the Congress have been committed to parity. We have not reached it yet in many commodities. And now we propose to change the parity formula and push it to higher levels.

Mr. PACE. Will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Georgia.

Mr. PACE. The gentleman has mentioned cotton. It is very little, if any, affected by this bill, because the ceiling price the mills are now authorized and charge you in fixing the price of what you buy from them is at 22 cents a pound. The ceiling is already up there.

Mr. DIRKSEN. We are setting a level here. Then we will promptly go about pushing every comparable commodity and every basic commodity up there if we can. Does my friend believe that, having established a new and higher parity level, there will be no effort to reach it, either by means of benefit payments, parity payments, or some other method?

Mr. COOLEY. Will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from North Carolina.

Mr. COOLEY. Does not the gentleman feel that we should push it up to a fair parity?

Mr. DIRKSEN. Yes; but we are not doing that. Instead of pushing it up to parity, we are taking the parity level and putting that up.

Mr. COOLEY. Why does not the gentleman address himself to the change in formula which is being proposed?

Mr. DIRKSEN. That is precisely what I am doing. The mistake is that you are confusing price with the parity formula. Once you set the limit up there you let the Congress dedicate itself to the question of achieving parity for the farmer and you keep pushing the level up. Are you ever going to achieve parity, as a matter of fact?

Translated into terms of dollars out of the Federal Treasury, the first year that we voted parity payments we voted $212,000,000. What for? To be added to benefit payments so that you could add it to the market price of corn and achieve parity, or approximate parity. Now you put your parity higher. Then what? You have got to take more millions out of the Treasury, more millions for wheat, more millions for rice, more millions for corn and for every year you shoot up that parity level the spread becomes greater. So under the pressure and against my will, I will say, we have been voting parity payments instead of taking the sensible approach of trying to achieve parity on a stable, durable level in the open market. Now we propose to undo all that work by increasing the farm labor in the parity index.

I say now as I said before in September that I would have no objection if you increased parity by the hired labor cost. I do not know, but I suppose it will make a difference of 3 or 4 percent as near as I can tell from the department figures. But that is not what we propose to do here. We are going to put in all farm labor in this bill. The language includes the cost of all farm labor, including hired workers, farm operators, and members of the families of farm operators engaged in work on the farm. The wife of a farmer who drives a team to the nearest milk station would, in my judgment, be included.

It will be a matter of interpretation for somebody who is going to administer this bill, make no mistake about that, and just what the administrative problems are and those that will develop I hesitate to say. But there is the language. It includes all persons engaged in work on the farm and that is subject to administrative interpretation. How far it will go or to what extent it will be restricted I cannot say. What about a part-time worker? I will ask my friend from Georgia [Mr. PACE] what about a part-time worker?

The CHAIRMAN. The time of the gentleman has expired.

Mr. HOPE. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. DIRKSEN. What about a part-time worker who does part-time work on the farm and probably part-time work in a defense plant or in the city somewhere? Under the language of this bill he would be included if an administrator so determined.

Mr. PACE. The committee report shows exactly the number that will be included under this formula on the basis of the full-time, year-round job. If a man of course works a day or two he is figured for a day or two only, but it distinctly does not include the housewife and does not include anyone except he is out in the field working. Here is the report.

Mr. DIRKSEN. Yes; but let me say to my friend from Georgia that we are not passing a report this afternoon; we are passing a piece of formal legislation with certain language in it, and somebody in the executive branch is going to interpret it. I cannot tell anymore than the committee can tell when the time comes whether or not that will be included. If a controversy arises certainly those organizations, those groups, those individuals who would like to have this included will try to compel the Department to include everything to establish the logical sequence of the thesis that has been proposed here this afternoon in my judgment and so there will be confusion as they get into this whole question of administrative interpretation.

But I took only this one item of corn and I bring it back to you. Corn is selling at 78 cents plus at the farm, considerably below parity. This bill proposes to include all costs, not only labor, but everything else so as to push up the parity price; but you have not done anything for the farmer, you have not raised the price, you have not particularly done anything in the field of manpower, you have not got him any extra help; you have only set up an artificial level and left us struggling with this whole question of later attempting to reach that level.

Mr. BECKWORTH. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. BECKWORTH. According to the 1940 census seven-eighths of the farmers who grow cotton had incomes from $1,056 down to four-hundred-and-thirty-some odd dollars including not just the cotton but counting also the value of that which they eat, the dairy products, poultry products, and everything which they sell; that is not just cotton. Does not the gentleman believe that farmers with incomes ranging from $1,056 down to four-hundred-and-some-odd dollars ought to have a chance to get a little more, indeed much more, for their work?

Mr. DIRKSEN. I wonder if we are not doing him a disservice instead of a service?

I know, of course, that the American Farm Bureau Federation has changed its position. In December 1941, in convention in Chicago, they said:

> We deplore efforts that are being made to raise the parity price of farm commodities through a revision of the formula upon which parity prices are determined.

Mr. COOLEY. Mr. Chairman, if the gentleman will yield, what is the date of that letter?

Mr. DIRKSEN. The Farm Bureau said that in December of 1941. In their resolutions of 1941 they said: "We insist upon——"

Mr. COOLEY. In the national convention?

Mr. DIRKSEN. That is more than 2 years ago.

Mr. COOLEY. They have changed their position today.

Mr. DIRKSEN. Yes; I understand that; I understand they had changed their position on the matter; I just indicated that.

Mr. COOLEY. They are for the bill.

Mr. DIRKSEN. But I understand that the executive committee had reaffirmed the action that was taken in Chicago in December 1941. I think it is a mistake; I think it is deplorable within the spirit and the content of their own language, and I feel firmly that if today the Congress enacts this it will have done nothing for the farmer, it will have just set a level up there to which we are going to have to push prices and probably bridge the gap, if we can, with appropriations out of the Federal Treasury; and that looks to me something like a disservice. The farmer wants to be let alone. He asks only a good price for his products as an incentive. Instead of providing a good price, we give him a new formula, which will do him no good and become a convenient excuse to others for increasing living costs.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. GROSS. Who is the head of the Farm Bureau Federation?

Mr. DIRKSEN. Mr. O'Neal.

Mr. GROSS. Is not Mr. O'Neal on the Federal pay roll?

Mr. DIRKSEN. I do not think so.

Mr. GROSS. I am just asking.

Mr. DIRKSEN. I am quite sure he is not.

Mr. DIES. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. DIES. I think the gentleman will agree with me that it is immaterial whether the farm leaders or organizations want it or do not want it; the question is whether or not it is right. What difference does it make whether the farm organizations are for it or against it? The question for us to consider is whether it is right or whether it is not right. I wish the gentleman would answer that.

Mr. DIRKSEN. The gentleman is so absolutely correct. It is very definitely a case of whether the legislation is good or bad, whether it is sound or unsound, whether useful or dangerous. It is a case of everybody doing his own thinking. I think the passage of this bill would be doing a disservice to the farmer today. To summarize, if O. P. A. sets ceilings on farm prices below parity, the bill before us gives no aid to the farmer whatsoever. If ceilings are removed, and the increased parity level is achieved, it means increased living costs which will later be met with new wage demands and thus the spiral of rising living costs gets real force and momentum. It puts no extra machinery on the farm. It puts no new labor on the farm. It merely provides for including in farm prices the extra cost of hired labor and farm labor which is already there. At present price levels, it commits the Congress to parity payments that would be larger than ever. It gets further and further away from the real goal of farmers, namely, a fair parity price in the open market place for what he produces. It is of a piece with the other proposals which have been suggested to aid the farmer, all of which are designed to aid him in every conceivable way except the one sure way in which he should be aided, namely, by an adequate price. When the war is over and the period of adjustment is at hand, the spread between parity and market prices may be greater than ever and then comes the inevitable headache.

Mr. HOPE. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Let me say to my friend from Illinois [Mr. DIRKSEN] that perhaps the reason we do not see alike on this question may be that we come from different districts. In my district I have not only farmers but people who feed poultry and stock. They are not so greatly disturbed if the price of this feed goes down or if it goes up. They want the farmer to have a square deal.

The gentleman from Illinois [Mr. DIRKSEN] has a district with a great industry which produces, I am advised, a large quantity of good whisky—if any whisky is good in wartime—and he of necessity represents the industries of that district. Let me say he does a good job. No one could do a better. How many hundred thousand bushels of corn do your distillers use in a day or a week?

Mr. DIRKSEN. If the gentleman would just get away from his levity and stick to this feed——

Mr. HOFFMAN. Levity, my eye. You are going to be hungry. You are not going to be laughing about it, and neither are other folks, nor am I.

Mr. DIRKSEN. That is my headache, not yours.

Mr. HOFFMAN. The lack of food will be your head all right, but it will give all of us headaches; if it were just yours and mine we could forget it. You want our farmers to keep on producing food. They will. But that is no reason why they should be treated unfairly. You say the price of corn is going up if we adopt this bill, do you not? That makes the distillers in your district pay more for grain. I do not blame the gentleman for helping out the people he represents. I do not blame him at all. He is looking after his people. What I am thinking of is our own forces, here and abroad. I am thinking of the boys who are going across and must be fed. I am thinking of the boys at home

who must be fed. I can think of something besides the distillers and whisky. Whisky is not going to do us any particular good toward the winning of this war, not a bit. I wish the gentleman would employ his—what shall I call them, superhuman?—talents to aid the actual dirt farmers, even when their interest comes in conflict with that of the distillers.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. I yield to the gentlewoman from Illinois.

Miss SUMNER of Illinois. The gentleman has the idea this bill is going to raise prices. This bill itself is not going to raise prices.

Mr. HOFFMAN. I know it is not going to raise prices to any great extent but the gentleman from Illinois thought it would.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. PACE. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri [Mr. CANNON].

Mr. DIRKSEN. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Illinois.

Mr. DIRKSEN. I just want to make an observation to my friend from Michigan who talked about feed, that this bill will increase the price of feed ultimately if we get it up to parity and it will just cost his producers that much more.

Mr. HOFFMAN. That is what the gentleman fears. That is why he wants to keep the price down, so it will not cost his distillers any more.

Mr. GILCHRIST. Feed is already away up above parity and away up above everything that enters into its composition, anyway.

Mr. CANNON of Missouri. Mr. Chairman, there are four parties at interest here this afternoon—the farmer, farm labor, the consumer, and the Nation. Taking them categorically, this bill merely puts the farmer on a parity with every other businessman.

My friend who has just had the floor kept asking where shall we put parity. That is not the question. The question is, Where is parity? It is not a question of where we should put parity but where is parity, and this bill answers that question.

All of us here this afternoon are businessmen—or are we? All of us are familiar with the use of an adding machine in whatever business we may be engaged in determining the price of our product. We ring up first the cost of plant and equipment; we add in the overhead, maintenance, insurance, and depreciation; then the raw material. But the largest item added in—by every businessman in any business in the country—is the cost of labor.

In opposing this bill you are asking the farmer to violate the fundamental law of business—any business—and leave out of his computation of costs the most important item of cost. When any other businessman does that he ceases to be a businessman. He becomes a bankrupt and the sheriff cries "How much am I bid?" If every other business adds in its cost of labor why should not farming add in the cost of labor. And if every other business goes into bankruptcy when cost of labor is not taken into consideration and add up everything except the most important item of all, how do you expect agriculture to remain solvent unless it follows suit—and especially in the depression years. As the gentleman very well said, we are legislating here not merely for today, not for tomorrow, not for the duration of the war but permanently. And certainly we must keep in mind that we are legislating for the days after the war when, in the inevitable collapse of farm prices that will follow demobilization, the farmers who have done so much to provide the sinews of war—will not find themselves so far below parity with labor and industry and transportation that farms can no longer be sold under the sheriff's hammer because there will be no one to buy.

Let us take the second party in interest. What stake has farm labor in this bill? It is written "Muzzle not the ox that treadeth the corn." And by the same admonition, we propose to enjoin in this bill, oppress not the man who drives the ox that treads the corn. Of all those malefactors about whose future after this life there should be any apprehension, those who exploit labor—labor in the factory or in the field—come first. But how can any employer, whether manufacturer or farmer, pay a parity wage unless he receives a parity price for his product? This is a bill not only to pay the farmer a parity price, but a bill to pay farm labor a parity wage.

And now the consumer. Hiding behind the consumer, those who seek to exploit the farmer and farm labor raise the boogyman of the cost of living. No one ever hears of the consumer or the cost of living when tariff bills are enacted, when wage-and-hour bills are up, when the transportation act is under discussion, when the coal bill, or the hot-oil bill, or the bus and truck bill, or any other bill increasing the cost of living and increasing the farmer's cost of production is being debated on this floor. But when we ask that those who have profited by all this legislation—taking money out of the farmer's pocket and putting it in the pockets of commerce, labor, and industry—pay the cost of production and a living wage for the wheat in their bread, the leather in their shoes, the cotton in their clothing, or the ham and eggs on their breakfast table, then our friends here beat their breasts and call to high heaven that the cost, sacred cost, of living is being increased 3 percent.

There is not a single item produced on the American farm that is selling for as much today as it sold for in the last war—although industrial wages and prices are twice what they were in the last war. And remember—and no one here will challenge the source of the statement—that the consumer is paying today less than half the percentage of his income he paid for food in the last war.

The real question today, so far as the consumer is concerned, is not whether he will pay the farmer a parity price and farm labor a parity wage for food, but the real question is whether he will get the food at all. If you have any doubts about that, go into the average food store here in Washington this afternoon and ask for half a dozen prime pork chops or T-bone steaks. And the situation today is but the mere forerunner of the situation 6 months from now. We cannot produce food without labor. And we cannot get labor unless we pay a parity wage. And we cannot pay a parity wage unless we receive a parity price. This bill is a bill for the consumer. What does it profit the consumer that the price of food on the bill boards and in the market reports is below parity—when there is no food to be bought at any price?

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. PACE. Mr. Chairman, I yield the gentleman 1 minute more.

Mr. CANNON of Missouri. But the real point at issue here today—the question beside which all other considerations sink into insignificance—is the question of winning the war.

Food is the most essential munition of war. We cannot win this war—and we cannot write an acceptable peace—without food. There is no apprehension about our supply of other munitions. We are producing at top speed and on schedule ample supplies of guns, tanks, planes, and ships. The one item about which there is particular concern is food. We must have food for our munition plants, our armed forces, our allies, and the armies of our allies. Without food, defeat is certain. This is a bill to produce sufficient food to meet our requirements. The great loss of labor on the farm is not to the armed forces in the draft but to factories which pay wages the farmer cannot afford to meet—even when the living conditions are considered. This bill will make it possible to protect, in some degree, at least, the scant supply of labor still on the farm. The bill is to that extent a war measure—a step toward victory.

In the interest of the farmer, in the interest of the wage earner on the soil, in the interest of the consumer, and in the interest of the Nation at war, there should be a unanimous vote of approval on the passage of this bill.

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Chairman, I have never been able to find any sound reason given to me by anyone why the Bureau of Agricultural Economics left out of the original parity formula farm labor, particularly the hired labor of the farmer. I have had various ones attempt to explain to me why, but none of the explanations given to me were based on logic. As I see this bill, there can be only one possible objection to it, and that is the threat of inflation, if there is such a threat. The most you could say of it would be a possible small rise in prices. I say to you, as far as the farmers in my State are concerned, that if

there is any real danger of inflation, they do not want this bill. They want to do everything they can to win this war. Their boys are serving in the Army, and they are willing to have them serve there. What they want to do is to get on with the war and cut out the bungling and the foolishness, and particularly the questionnaires that are bogging them down. Leave the farmers alone, and they will produce the food, but at the same time give them the encouragement they ought to have and some incentive, as provided in this bill. What I find our farmers object to strenuously is the trouble they have to go to in order to get any repair parts for their machinery. If the farmer has a combine, a binder, a mower, or a tractor, or any other piece of farm machinery broken down, and there are three repair parts needed, and he can get priority only for two, you might as well not give him any, because he needs all three parts for the machine in order that it may function. In addition to that, when he breaks down and wants a repair part, he has to go to town to get it, and when you add to that the 12 to 24 to 48 hours necessary to go through various bureaus, filling out forms to get an order to get that repair part, then you are interfering with the production of food, and vital food in America, because the farmer's time is precious. So I say to you that what the farmer wants is to be given freedom and encouragement, to be let alone, and he will produce the food, because patriotism is the thing uppermost in his heart.

Coming now to the question and the only question that you can raise against this bill, and that is the threat of inflation, if any, how can there be any that is worth considering? When we discussed the amendments to th price-control bill in this House last October I checked with some of the markets in the city of Washington and found, for instance, that a certain size can of tomatoes sold on January 1, 1942, for 5 cents a can. On April 1, 1942, the price of this same can was 6 cents, and in August 1942, it was 11 cents, an increase of 120 percent to the consumer. Yet those tomatoes were all canned from the 1941 tomato crop and, obviously, the tomato grower did not get any of that increase. No; the increase of 120 percent all went elsewhere and not to the farmer. The threat of inflation is not from giving the farmer a fair and true parity instead of a false parity, but the danger of inflation comes because of what happens to the farmer's product from the time it leaves him until it reaches the mouth of the consumer. You can go into the markets and buy corn flakes, or Corn Kix, or shredded wheat, or whatever you want, and I say that you do not find the prices of those affected at all as the price of corn goes up or down a few cents a bushel to the farmer. I have noticed in my town over a long period of years that the price of loaf bread remains stable, and is the same when wheat sells for 60 cents a bushel as when it sells for 80 cents or 90 cents or a dollar, or goes back to 50 or 40 cents. That bread is the same to the housewife regardless of the price of wheat. How the raising of a few percent in the price of some staple commodities of the farmer in this bill is going to be any serious threat of inflation, particularly when we have the Office of Price Administration to regulate the prices to the consumer, is something that I do not understand.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. PACE. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia [Mr. FLANNAGAN.]

Mr. FLANNAGAN. Mr. Chairman, one of the chief troubles of the farmers in America today is that we are about to talk them to death. We cannot produce food by talk. We have been talking about the farm problem ever since this emergency arose. This is the first real honest-to-goodness effort we have made to improve farm conditions. I am glad that we have at last passed the talking stage, and are beginning to do something constructive.

Now we are met again with the old argument of inflation. Such talk, in my opinion, in view of what we have been doing, is pure and unadulterated nonsense. If increasing the wage scale from time to time will not create inflation, if increasing freight rates will not bring about inflation, if letting Government contracts on a cost-plus basis will not bring about inflation, then tell me how to allow the farmers to figure in the cost of labor will bring about inflation. Some seem to have the foolish idea that inflation can only be brought about by increasing farm prices. Strange reasoning, I must confess.

Now, they talk about increasing the cost of living 16 percent. Who said so? I would like to know who manufactured the figures. I know that figures do not lie, but I know that liars do figure, and in my opinion it took a monumental liar to figure out the 16-percent increase. Why, if wages are now frozen, if freight rates are now frozen, if rents are now frozen, the cost for processing food should remain the same. The only additional cost that the bill would impose upon the consumer should be the labor costs allowed the farmer, which would add very little to the consumer costs.

Now listen. We need food. The crying need of America today is for food and more food, and the time for action is here. We cannot fill the empty cupboards in America by talk. We cannot put food in the knapsacks of our soldier boys by talk. Let us get busy and do those things which will increase our food production. This bill is a step in that direction.

Now, there are those who say it would not do to give the housewife and the farm girl and boy something for their labor. In industry all labor costs from the president to the water boy, are figured in the cost of the finished article. Why should we, therefore, permit industry to figure in the cost of its labor and deny the farmers the same right? It just does not make sense. Now, we have got to do something to increase food production in America. Do not forget that. And remember we can stand a little inflation far better than we can stand a food shortage. Food is vital to the winning of the war. Let us quit talking and produce it.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. HULL].

Mr. HULL. Mr. Chairman, it always seems odd to me that no matter what kind of a measure comes before the House for the purpose of aiding the farmers, improving their condition and remedying situations which have been deplorable for years, there is to some always a way to find technical objections to the passage of that particular legislation. This afternoon we have similar objections entered here, because we are attempting to remedy a wrong done to the farmers of this country, and I think a wrong done to many city people as well, in the so-called parity law that was passed almost unnoticed by this Congress a few years ago. That parity law was a fraud on the farmers, and it still is, because it does not provide actual parity of income. I do not know how that law was passed in the first place. I know this much, it was not drawn by a farmer. It was drawn by somebody who was opposed to the farmer and opposed to the farmer having actual parity prices or a parity share in prosperity. It has not permitted the inclusion of labor costs and other costs of production which are essential to an honest parity formula.

This measure before us is not a complete answer to the problem. Repeal of the present parity law and enactment of a cost-of-production law would be better, but this bill does go a little way in remedying the faults of the present law. It would include the cost of farm labor in fixing the parity formula on the prices of the farmer's products.

This afternoon we have heard, as usual, considerable about inflation. Every time a measure is brought here that proposes to put a dollar into the farmer's pocket, instantly the cry is raised that it means inflation, and all the blame for inflation will rest on the shoulders of the farmers who are laboring strenuously to furnish our food supply. So it is raised today. If you will read your daily papers, wholly regardless of your own investigations or your own knowledge and experience as to this food situation, you will recognize that there is another problem in this country, and you are going to face it in the next few months if something radical is not done to improve the farm situation. That is starvation. As between inflation and starvation, I think the average man, both in the city and in the country, would prefer a little inflation to a whole lot of starvation.

A few evenings ago I read an article on the contracts which are being let for war purposes this year. That writer, apparently well informed, stated that the contracts already let amount to about $67,000,000,000. He went on to say further that every contract contained a provision that the labor employed must be paid the wage, must have the hours of work, which are prescribed

by the laws and the bureaus of this Government. He stated further, and I presume the estimate is correct, that a fee or profit allowed on the $67,000,000,000 of war contracts was approximately 8 percent. If that writer was correct and the amount of the contracts let is accurate and the profit is as stated, that means a little over $5,000,000,000 of profits that will go to 232 firms who hold the $67,000,000,000 of contracts.

I am not an expert about the causes of inflation. They have been discussed so frequently and so elaborately that many are a little confused, but it does seem to me that when you put into the pockets of 232 corporations a larger profit than the total sale price of all the corn and all the wheat and all the other grains raised by the farmers of this country, you have got a far greater incentive for inflation there than you will have when you try to provide a proper farm parity formula such as we are discussing here.

Miss SUMNER of Illinois. Will the gentleman yield?

Mr. HULL. I yield to the gentlewoman from Illinois.

Miss SUMNER of Illinois. The gentleman was a member of the Banking and Currency Committee when Mr. Leon Henderson appeared before it. He said again and again, or agreed, that inflation came when your proportion of money in circulation was large in respect to the supply of goods, and when you do not have the price high enough for your farm products to raise the supply of food, and instead get the production lower and lower due to low prices, the relationship may become so small in proportion to the supply of money that that in itself would cause inflation. Is that not true?

Mr. HULL. That is just what is happening now.

Miss SUMNER of Illinois. I think that idea of inflation should be stopped right here. It is decreased production that causes inflation.

Mr. HULL. Absolutely. I thank the lady for her contribution.

Mr. CRAWFORD. Will the gentleman yield?

Mr. HULL. I yield to the gentleman from Michigan.

Mr. CRAWFORD. In December the Treasury went to the commercial banks of the country and obtained 5¼ billion dollars of inflationary money. The Treasury announced last week that in the coming month of April it will go to the banks for an additional 5 billion dollars. There are 10¼ billion dollars which has actually happened and which is to happen directly from the Treasury as related to this little inflationary spurt we are talking about today.

Mr. HULL. The gentleman is correct.

The CHAIRMAN. The time of the gentleman has expired.

Mr. PACE. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. LEA].

Mr. LEA. Mr. Chairman, I think we all agree that the fundamental contribution the farmers of the country can make to the success of the United Nations at this time is production. It seems to me so plain that all the costs of the farmer in producing his product should be included in the prices allowed him that I am unable to understand why those in the administrative sections of the Government refuse the farmer that cost so essential to his production.

I have taken the floor at this time principally to name one instance in order to illustrate what is happening in our State. Last fall a farmer wrote me that the day before he had begun gathering his beet crop. He gathered 25 tons the first day and his labor cost was about $12.50 above the total price he got for his beets when he delivered them to the factory. The same thing could be illustrated by the cost of picking prunes. A farmer wrote me that his labor costs for picking his prunes increased 100 percent between the time when picking began until the work ended a few weeks later.

It is perfectly apparent to me that the farmer cannot meet his desire to support the war effort unless he is permitted to have prices to cover his costs of production.

California is a great producer of beets. The indications are today that there will be a very substantial reduction in the acreage planted this year as compared to the 1942 crop. The planting schedule is now far behind. The farmers lack that confidence in our farm administrative agencies which they must have to carry forward their work with confidence and zeal.

We face a choice between reasonable prices covering production costs or a shortage administratively created in our food supply.

The Nation is supporting industrial material costs and labor costs on higher-priced planes than ever before known in our history. An imposition of farm prices below the cost of production just does not fit into this picture. Persistence in such a policy will make impossible that supply of food which the farmers of the Nation desire to produce in this time of their country's need.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. ANTON J. JOHNSON].

Mr. FORD. Mr. Chairman, I ask unanimous consent to place in the RECORD a resolution.

The CHAIRMAN. Is there objection to the request of the gentleman from California [Mr. FORD]?

There was no objection.

Mr. ANTON J. JOHNSON. Mr. Chairman, for over 10 years I have either been an actual dirt farmer milking cows and producing milk for the farmer or have been engaged in the manufacture of dairy products. I do not think there is anyone in the House who is more familiar with the intimate labor situation of the farmer than myself.

For years I have seen these farmers, the hard workers, stay on the farm. He is the man who gets up in the morning and starts at 5 o'clock or 4 o'clock, whatever you say. He milks his cows and does his other chores. The average farm family today produces some cream in the form of butterfat that he does not have to market every day. We are not thinking about milk alone. Pretty nearly every farmer throughout the great Farm Belt produces some cream for butterfat. The whole family gets out in the morning and milks the cows. If you start in at 5 o'clock in the morning you must milk them again at 5 in the evening and there are long hours after 5 o'clock in the evening to do your chores, after the milking period is done. You figure the hours of labor and there are not many who want to follow that for the little pittance they have been getting out of it.

We have heard a lot about how this is going to cause inflation if we let the farmer consider his labor in computing parity. I heard on the floor the other day a statement that the farmer is getting plenty high prices for his hogs and cattle. To meet the statement that prices are higher now than they have ever been in all the history of the United States let us see what the facts are. In World War No. 1 hogs got up to 22 a hundred. Now they are around $15 or $16, and they are talking about fixing a ceiling at $14.50, when they were $22 in the last World War, and then we were not worried about inflation.

They talk about cattle. Cattle have got to about $16 a hundred in America, and they do not get that for all beef cattle, either, that go to the Chicago market, and that is the biggest market of the country. Only about 2 percent of the cattle shipped to the market brings that top price of $16 a hundred.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. ANTON J. JOHNSON. I yield.

Miss SUMNER of Illinois. In World War No. 1 they stabilized the price of pork but they deliberately put it at $22 a hundred, twice what it had been before the war.

Mr. ANTON J. JOHNSON. That is right.

Mr. FORD. Then what happened after the war?

Mr. ANTON J. JOHNSON. That is beside the point. I am serious in this matter; I am not joking about the matter.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. ANTON J. JOHNSON. I yield.

Mr. RANKIN. I can answer the gentleman from California; I will tell him what happened after World War No. 1: W. B. G. Harding, Governor of the Federal Board, and his directors contracted the currency and broke every farmer in the country.

Mr. FORD. All right; but the farmers went broke after the war.

Mr. ANTON J. JOHNSON. Mr. Chairman, I refuse to yield further.

Now, hogs and cattle both are only about $16. Cattle have not reached the high point they reached in 1937 when the cattle market in Chicago was $19.50, and we were not worried about inflation then, nor did the farmer have a shortage of labor, nor was he paying a terrific price for older men who were not able

to do the work; he could get younger ones who would do it better. His costs are higher today, his help is scarcer, yet he is getting 20 percent less than what he got on the 1937 Chicago market.

Mr. CLEVENGER. Mr. Chairman, will the gentleman yield?

Mr. ANTON J. JOHNSON. I yield.

Mr. CLEVENGER. My colleague, I think, will agree with me that in 1918 in this encouraged market, in the free market, more than a million head of cattle were slaughtered under Government supervision than in any other year in this Nation's history. Is not that so?

Mr. ANTON J. JOHNSON. That is right.

There is just one thing more about this bill: We want now to make it mandatory to take into consideration the cost of farm labor in computing parity. I want to say to you folks in all earnestness that neither you nor I nor any of us have any right to sit down to a table and enjoy a bountiful meal realizing and knowing full well that in these times of high wages and high production cost the poor farmer is not being paid what he is entitled to for producing it.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. PACE. Mr. Chairman, I yield 5 minutes to the gentleman from North Carolina [Mr. COOLEY].

Mr. COOLEY. Mr. Chairman, the distinguished gentleman from Illinois [Mr. DIRKSEN], who addressed the House a moment ago, is always eloquent, logical and persuasive. His efforts in opposition to the pending bill have been rather laborious and his arguments have not been convincing. It is difficult for me to understand his position in view of the fact that the corn farmers of his State are today receiving 22 cents a bushel below parity. He is apparently afraid that by establishing a more equitable parity formula which will advance the parity for corn from $1 to $1.16 a bushel, we will disturb the farmers and perhaps cause them to march on Washington for the purpose of urging us to artificially lift the actual price to the parity price provided in the new formula. Frankly, I do not care whether the new formula will increase the price 3 percent, 16 percent, or 116 percent, if it takes that to give the farmer fair treatment. We are not justified in continuing an unfair parity formula merely because certain commodities have not yet reached the established parity. I have always favored equality for agriculture. Agriculture, even in this great emergency, is still the art of arts and the mother of all arts, and it is still the nursemaid of all industry. Upon agriculture all forms of life must ultimately depend. Agriculture will play a large part in our final success in the conflict in which we are now engaged.

If we should strike down all of the trade barriers and repeal all of the tariff laws and free the farmers of America from the shackles of control, American agriculture would ask no favors at the hands of our Government.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. Yes; I yield.

Mr. ARENDS. I know the gentleman is in favor of parity for the farmer in every respect, but I am wondering if he has any suggestion to make as to how parity is to be given the farmers of America ultimately if he is not to come to the Treasury and ask for a check?

Mr. COOLEY. My only suggestion is that if the Office of Price Administration would lift the ceilings then the corn farmer might receive parity for the products of his toil.

This bill will not, in my opinion, cause inflation nor will it greatly increase the cost of living. Today less of the consumer's dollar is being used for food than at any other time in the history of our Nation. I believe that even the consumers of America are willing for farmers to have fair prices for farm commodities.

The farmers of America are anxious to contribute in every way to the complete success of the war effort. The farm families of our country are not only producing food and fiber for the supply lines of our military operations, but, inspired by zeal to win this war, the farm families of America have contributed their sons to the armed forces in countless numbers and they should be given every encouragement—certainly the slight encouragement which is offered by the pending measure.

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. EDWIN ARTHUR HALL].

Mr. EDWIN ARTHUR HALL. Mr. Chairman, I care not what political considerations would dictate to me to do otherwise, I expect to support this bill in its entirety. I hope we can pass this today because it provides at last for the cost of farm labor to be included in the farmer's cost of production.

Last fall I for one was very much incensed when the farmer, who has recently been picked on and blamed for a lot of economic ills, pointed to as the profiteer, as the gouger, as the one who was taking advantage of the war effort and demanding a higher price for his commodities and goods. I for one intend to stick with the farmer because I feel that he is sincerely trying to produce food for freedom.

As far as inflation goes, you can say that has been here for a long time. For the life of me, I cannot understand why the farmer has been blamed by various other groups in the country as being the tool and the agent of inflation. I insist, Mr. Chairman, that simply because he has been inarticulate, because he has been unable to defend himself, he has been blamed for the bugbear of inflation. You will recall that last fall, just before the heated campaign into which many of us were plunged, all through the newspapers of the country the farmer was accused of being responsible for the terrible economic situation in which the consumer found himself. As a matter of fact, inflation had been here for some time before. The farmer was simply singled out and blamed for something for which he had no responsibility at all.

We are reminded that among the ancient Hebrews in Bible time, at the beginning of each year a goat was brought forth from the multitude and blamed for the sins of the entire populace. This was supposed to let the people go free, and the goat, himself, caused them to escape the ire and the rancor of a just God. The farmer has been the scapegoat of the American public. He has been accused of every sin on the calendar because he did not have the power to strike back and did not have the articulate expression to answer his accusers.

I submit that this Congress must take the power into its own hands and give justice to the last vestige of strength of the American public, namely, the farmer, to save the food-for-production program, which you and I must have if we are to win this war. The farmer has just as much right to consider the cost of labor and to include that in his production cost as any other group in our economic body.

Mr. BURDICK. Mr. Chairman, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield to the gentleman from North Dakota.

Mr. BURDICK. Suppose that this action here today should increase the price of wheat 5 cents a bushel; would that have any effect whatever on the cost of a loaf of bread to the consumer?

Mr. EDWIN ARTHUR HALL. It would not have any effect whatever unless the powers that be should purposely juggle the price of a loaf of bread higher to make it appear that the farmer is to blame and put him once more over the well-known barrel.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. PACE. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. VOORHIS].

Mr. VOORHIS of California. Mr. Chairman, as far the inflation problem is concerned, I repeat once again what I have told the House before, that the inflation problem is summed up in this one fact, that in the year 1942 the United States Government sold $19,000,000,000 of interest-bearing bonds to the banks of this Nation for demand deposits newly created on their books. This was all new money created by the private banks. Here is the real problem of inflation.

Now as to the Pace bill. It is no argument against this bill to point out that in certain instances farm prices have not been fixed at a parity level, as they should have been according to law. That is one problem that must be met. But it has no bearing on the issue which the Pace bill presents.

The thing we have before us here is a proposal that in computing parity prices the cost of farm labor shall be included as one factor therein so that increases in farm labor wages will be reflected in the prices farmers receive for their crops. Quite properly there is no ceiling or attempted limitation on farm wages. Clearly there ought to be no such limitation. For surely all will agree with me that basically and fundamentally the reason for the shortage of farm labor is th. fact that through the years the average income of the farmers and the people who work for them has been substantially and seriously below the average income of other groups in the popula-

tion. This bill will not cure that situation but it will help. It will mean that we will enable the farmer to pay increased wages when necessary without being squeezed to death under a rigid ceiling price. To the extent that he can help to solve his labor shortage problem by increasing wages he will be able to do so without putting himself in a position where the ceiling over his price is so low that he simply cannot meet the cost of production out of his selling price.

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Georgia.

Mr. BROWN of Georgia. Many are under the impression that the passage of this bill would raise the living expense of the consumer to 115. That is not true, because less than one-third of what the consumer buys for a living is food.

Mr. VOORHIS of California. That is right. Further, no such increase could take place because a great many prices at the present time are in excess of parity and are in excess of what parity would be even under this bill. Those prices would not be increased at all.

I may say this to the gentleman, that there is another factor that needs consideration in connection with his observation. Suppose the price of a certain farm commodity, we will say poultry meat, is allowed to be increased from 34 to 40 cents, a 6-cent increase. The increase to the consumer ought to be 6 cents a pound, and it would b if we do not permit a percentage increase in the margin of all the people who handle it between the farmer and the consumer. The increase to the consumer ought never to be anything like as big a percentage of the price to him as the percent of increase received by the farmer, for of the cost to the consumer of food in the store only about one-third goes to the farmer.

The first argument I want to make for this bill is the one I have just made. I believe the income of farm people, farm owners who work on their farms and people who do the hired farm labor, both, must be brought more nearly into line with the incomes of other groups in the population of the United States.

The second thing is the matter of food production. The principle of securing maximum food production in this country has to be superior today to the effort to hold prices at a rigid level. The first and primary consideration has to be to get maximum production of food. By assuring the farmer of a price which will include his increased cost of labor we will take an important step toward making it possible for him to hold up his production. I do not see how anyone can dispute that fact.

The principle that ought to govern ceiling prices is that those ceiling prices should be real ceilings in every case, by which I mean a price high enough so that even the small farmer can continue in business. I have facts in my possession as to milk, poultry, rabbits, and some other farm crops in my own section which indicate that whereas it is possible for the large-scale producer to get by, the little fellow is going out of business. That simply ought not to happen—especially not now. Food, as has been said, can win the war and the peace. But we must be sure we do not fail to produce every ounce we can. It will be needed deseprately, and I believe this bill will help. It will mean a somewhat higher parity and hence if the law is followed, a somewhat higher ceiling price, and as to some farm commodities I am convinced that is needed. In the case of oranges, one of the greatest sources of vitamin food that exists in the world today, I wish to say a few things. In the first place, ceiling prices were put on citrus fruits before they were put on any other type of fruit at all. Why, I do not know. In the second place, a parity price was not granted, but a comparable price instead. In the third place, instead of using the period 1919–29 as base, which has always been done in the past, the Department used the depression years 1933–40. The result is that though the crop is short and labor costs are up 25 percent to 50 percent at least, the ceiling price for oranges today is 70 cents below parity. This bill would help because by raising the parity index generally as it would do, it would compel an upward revision of comparable prices as well.

The Pace bill is not a complete solution to our farm and food production problem. But I believe it is just, I think its basis is sound, and I am hopeful it will pass the House.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. HOPE. Mr. Chairman, I yield now to the gentleman from Washington.

Mr. HORAN. Mr. Chairman, we now write into the parity formula a provision that never, never should have been left out.

How can you determine parity without considering every cost that goes into the production of farm commodities?

It is, of course, true that this action comes with tragic lateness.

Parity, today, means little beside the great need for farm machinery now; and the great need for skilled farm labor now.

Yet this action is just. It will encourage the farmers. It will assure them of our desire to help them in this hour. And if it is inflationary, what of the spirit of our labor laws and defense plant subsidies?

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Chairman, this legislation, intended to provide a little nearer to a parity price for farm products, may help a little, but it is my opinion too little and very late to do very much real good. Of course, a farmer is entitled to have a price for his products on parity with any other class or group, and it should be based on the price he pays for things he buys.

But, Mr. Chairman, there are fundamental things that must be considered as a part of the problem, which seem to be overlooked. The question of food production must be considered as a part of the over-all war program. It is one of the most essential of war products. We don't have enough of it right now. The shortage is such that we are not able to meet the demands now. So the first thing to be considered is to see that, so far as possible, we meet the food shortage crisis as nearly as we can. Let it be understood—and I repeat what I have said before—the farmer is the last one who wants inflation in this country. So the matter is to see that the producer is given every encouragement and every opportunity to provide just as much food products as he possibly can. The goal, I mean our commitment, is five times what it was 5 years ago. In order to feed our armed forces and take care of our civilian demands—even under rationing—and to nearly meet our promises abroad, we will have to produce in 1943, 25 percent more than last year. It must be done with less manpower and with less machinery and repairs.

Mr. Chairman, this is no time to hamstring or curb the farmer in any way. Why not cut the red tape that has been wrapped around him? Let him have a little relaxation from a lot of rules and regulations that are holding him back. Give him more of a free hand and encouragement. Permit him to have a little more equipment and repairs where it is so much needed. Give the local draft boards more authority in farming areas to determine whether a man is more essential in the war work, on the land, or in the Army.

Let it be understood that to do a real good job of farming and producing food is just as important as a part of the war activity as to be employed in a munitions plant.

Mr. Chairman, the farmer is not concerned about the hours of work. He and his family are glad and willing to work long hours to meet the demand made upon them. Do not forget their boys are in the armed forces, in the four corners of the world today. Thousands of them have already been under fire. Hundreds of thousands more are destined to meet the onslaught of the enemy within the very near future.

Mr. Chairman, it ought to be remembered that on the average of all food products the farmer gets less than 50 percent of what the consumer pays for it—and that in the case of the products that are affected by this measure the producer gets between 15 and 20 percent. I mention this for the reason there seems to be an erroneous assumption that the farmer gets the benefit of the increase of all prices paid by the consumers.

Mr. Chairman, the American people are willing to be rationed so long as it is done in a reasonable manner, in order that the men in the armed forces may have an abundant supply. They are glad to share the food supply with the Allies who are in need of it.

Mr. Chairman, all the farmer wants, and all he asks, is for a fair, square deal. Give him that and he will do his part—and then some.

Mr. COOLEY. Mr. Chairman, I yield now 5 minutes to the gentleman from Texas [Mr. POAGE].

Mr. POAGE. Mr. Chairman, on previous occasions I have spoken, and others have spoken, emphasizing the farmer's need of this bill, which simply provides for the inclusion of farm labor costs in calculating the parity price formula. Today I want to address myself to the millions of fair-minded Americans who live in urban communities and to their representatives.

I confess that I am doubtless prejudiced in favor of the farmer inasmuch as I have the honor to represent one of the greatest agricultural districts in the greatest agricultural State in the Union. In addition, I was myself reared far out in the country, 30 miles from the nearest railroad. I have been closely associated with agriculture all my life, and the little property I own consists entirely of Texas farm land. I can, therefore, rather naturally see the farmer's side of the problem.

On the other hand, I have for nearly 30 years lived in the city of Waco, the largest city of central Texas. For more than 6 years I have spent most of my time in Washington, where living costs have consistently remained higher than in almost any other section of this country. As a consumer, I have personally experienced the problems of the city dweller. I am not unmindful that nearly three-fourths of the people of America live in nonfarm families and are personally and selfishly interested in the farm problem only from the viewpoint of the consumer. What does this bill mean to you, Mr. and Mrs. City Dweller?

There are those who have mistakenly assumed that this bill simply means higher prices for the consumer. This is a serious mistake. The able gentleman from Georgia has pointed out that this bill would not and could not have the effect on prices that some have recklessly charged. I think that it is fair to say that this bill will not increase the cost of living more than 3 percent. Is that an unreasonable or unfair increase? Before answering that question, I think we should know something of the percentage of the income of the nonfarm family that goes to the purchase of food.

According to the Department of Agriculture, the income of the average nonfarm family amounted to $1,013 in 1914, and of this income $334, or 33 percent, was spent for food. In August 1942 the income of the average nonfarm family amounted to $2,366, and of this income $514, or only 22 percent, was spent for food. In other words, the nonfarm family is now using only about two-thirds as much of its total income for food as it did before the first World War.

Surely it cannot be said that the city dweller is today spending an unreasonable share of his income for food. Much less can it be said that the farmer is getting an unfair share of the food dollar. In 1917 the farmer received 60 percent of the food dollar whereas in 1942 he received only 53 percent. Even so it is natural for city folks to feel that the farmer is to blame for any increase in the cost of living. Just a short time ago, the gentleman from New York called attention to the fact that his people were paying 25 cents per pound for cabbage. Just last Saturday, the Department of Agriculture issued an order establishing prices for a number of vegetables. The price of cabbage was fixed at $12 per ton—$12 for 2,000 pounds, or three-fifths of a cent per pound. Surely the farmer was not the profiteer who imposed on the housewives of New York City. As a matter of fact, the testimony before the Agriculture Committee has been that the drayage costs alone within New York City on a carload of vegetables from Florida or Texas often amount to more than the entire sum paid to the producer. Maybe it is the avarice of the gentleman's own constituents in New York City rather than the overreaching of the farmers that accounts for the prices of which the gentleman complains. In this connection, it would be well for all of us to remember next summer when we part with cash and ration coupons for canned tomatoes or corn that the farmer of my State who might have grown those vegetables received only $22 per ton for the tomatoes and $17 per ton for the corn.

But it may well be that next fall you will not be able to get canned corn or tomatoes at any price. Certainly you will not be able to unless the farmer can make enough to pay his ever-increasing labor costs. Farm wages are still low, unfairly low, when compared to industrial wages, but they are far higher than they were and they have been increasing faster than has the farmer's income. I would like to see farm workers get a better income. I would like to see the tenant farmer and the little home-owning farmer with a big mortgage on the place get a better income. In order for any of these neglected people to receive an increase in income we must be willing for the farmer to incease his prices by the same proportion as farm wages increase.

Nor need the increase reflect any substantial burden on the budget of the city dweller. All of the 130,000,000 people of the United States are consumers. Only 29,084,000 live on farms. Of these, the gentleman from Georgia [Mr. PACE] has shown only 8,425,000 are actually farm workers, including all hired farm workers, all farm operators, and farm family workers. The wages of this relatively small group can be appreciably improved without imposing any unfair burden on the rest of us. This group of workers is actually producing all of the food for our own people and much of that consumed by our allies. I know that many of us in cities will try to grow a victory garden, and I believe that we will be able to contribute somewhat to the need of the Nation in that manner. I am, myself, preparing a garden and so are some of you, but we realize that we must nevertheless look to those who are toiling long hours on the farm to actually produce the great basic commodities on which our Nation and our allies must depend. If we are to expect these eight and a half million workers to produce the food needed by our country and our allies, we must be willing to do everything possible to keep these people on the farm. We cannot offer short hours. Farm work requires long hours. We cannot offer air-cooled buildings. Farm work must be done in the broiling sun. We cannot even offer many conveniences. Farmhouses are not equipped with the conveniences we furnish in defense communities.

How then can we hope to keep these essential farm workers at their jobs? Gentlemen have pointed out that this bill could not produce any new labor. Of course it cannot, but if we pass this bill we can hold out some little hope to those who toil on the farm that they may enjoy a slightly greater reward It did not create any new labor when the United States Government let "cost plus" contracts for the construction of ships, airplanes, and munitions of war at prices far beyond the wildest dream of the industrialists and of the labor unions. It did, however, result in higher wages and it got the men into the plants. We are turning out the ships, the planes, and the munitions. I realize that the high wages offered by these industries have done much to create the serious shortage of farm labor which confronts us. Why should we not apply the same principles to agriculture? Surely if the payment of attractive wages has obtained the needed labor in shipyards, it seems reasonable to assume that a similar policy applied to agricultural labor might contribute something toward securing the labor needed for farm production.

But remember, you cannot pay a reasonable wage on the farm unless the farmer has something with which to make the payment. The only source of money the farmer has with which to pay any wages is what he gets from the sale of farm products.

I know that there are those who have said that this bill would involve such a small increase in prices that it could not affect farm wages very greatly. As a matter of fact, the bill works the other way. It will have no effect on parity, and, therefore, no effect on prices, unless farm wages have advanced, and then it will be effective only in proportion to the change in wages. But of one thing we can be absolutely sure—the passage of this bill cannot reduce farm production. Nor can it add a single cent to the cost of living unless farm wages are increased. In other words, my city friends, this bill cannot cost you and me anything unless it gets some results. If it gets any results, it will be helpful. Every bit of production that we get on the farms of America makes it that much more certain that you and your family will have all you want to eat next winter. Those of us who live in town are much closer to hunger than the man on the farm. If we refuse to make it possible for him to carry on his commercial operations, he can still produce much of what he needs, but you and I are going to find ourselves in a much more serious condition. Therefore, as I see it, this bill is even more vital to the people of urban areas than it is to the farmers themselves.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. GROSS].

Mr. GROSS. Mr. Chairman, I have listened this afternoon to the debates on this farm problem. I was thoroughly amazed when that splendid and able gentleman from Illinois made the charge that to give the farmer just a little more would not help to solve the problem. Maybe not the manpower problem, but I know how the farmers of this country have worked and worked and worked, without any promise of anything except just an opportunity to pay their bills, and they were happy if they got them paid. I know if they can see just that much and a trifle more, they will produce much more than they have been producing.

The gentleman was terribly concerned about corn meal getting high, and he said it will take more millions for corn and wheat. So what? If the farmer earns it, why should he not have it? In industry a plasterer will not drive a nail. An electrician will not do anything except put up wires. Down on the farm, the farmer is his own electrician, his own blacksmith, his own horseshoer, and my friend from Illinois says that the wife who hauls the milk to the creamery will have to be paid. Why should she not be paid? She cares for the chickens; in many cases helps in the fields; in the dairy milks cows. She does all these other things; she does the laundry, the canning, raises the children; she has no kindergarten to send them to. Why should she not be paid? How are we going to raise the food to feed all these people? Nothing will create scarcity in a shorter time than just this thing of making it unattractive to the producer.

Recently I had to have a bearing for a tractor. I usually got it for about $3. I drove 30 miles to find that I could not get it. After going to a fourth place I got one for $8.90. The mounting costs must be paid. If you want food produced in times of peace or in times of war, you must make it attractive. If I do not pay my hired man he quits. If I do not make it attractive for my children to remain at home on the farm and enjoy some of the things that the boys and girls in town have got, they do not stay. I am concerned about the future of the agricultural situation of this country. I am concerned about it because I know that people have to eat, and people are going to eat. The people around Washington who really know the inside are fearful of food riots during 1943.

There is no reason why this bill should not be passed. This argument about inflation is too thin. In the light of past experience, there is not any farmer who is going to accept this argument that to give him what he has earned and what his family has earned and is entitled to is going to produce inflation. We lived through the World War No. 1 and 1937 when prices went up. We did not hear this argument then. I do not know where the enemies of the farmers are getting the ammunition that they are trying to hurl at them. I know plasterers in the industrial sections of the country when they want a scaffold raised they just wait for the carpenter to come along and raise their platform. So it goes. I am willing to stake the best I have got in the interests of the small farmers of this country.

I am telling you he is not getting too much, not nearly what he earns. I live in just as prosperous an agricultural community as there is anywhere. I know there are a lot of farm boys and girls who used to go to Sunday school. When you go to the parents of these boys and girls and ask why they are not going to Sunday school, the first things they say is that they do not have money enough to get the kind of clothes they ought to have. So, I want to tell you gentlemen, from wherever you come that we must do something for the farmers of this country, to make it possible for them to dress and enjoy the same standards of living as is enjoyed by those employed in industry.

The little asked for in this bill is money they have earned and will scarcely increase the cost of what they produce, things are going to be a whole lot worse, if we don't get increased production. Scarcity will raise cost of food. Increased production will help to keep it down. I would rather see plenty so every one would have enough and not so high.

I also want to say that those who are producing milk have got to produce it now by hand, because they cannot get milking machinery and we have no right to deny them a reasonable price for their milk.

Mr. BURDICK. Mr. Chairman, will the gentleman yield?

Mr. GROSS. Yes.

Mr. BURDICK. The figures indicate that about 1,600,000 workers have left the farms and gone into industry. Does not the gentleman feel that if we can give the farmer a little money to hire labor, he will be able to keep some of them on the farm?

Mr. GROSS. The gentleman is entirely right. The farmer has only one harvest during the whole 12 months of the year, so we better encourage him for if he fails we do not eat, and then, too, we may lose a war and even the peace.

The CHAIRMAN. The time of the gentleman has expired.

Mr. PACE. I yield 5 minutes to the gentleman from Tennessee [Mr. McCORD].

Mr. McCORD. Mr. Chairman, we are living in an era when everything is transpiring with greater rapidity than at any time in all human history. We are living in a troubled world, a world at war. We are facing a ghastly fear every day that we live that we are going into another era of the worst hunger condition that ever existed in all time.

I come here this afternoon to talk to you about placing the farmer in a better position, and to ask that he may be privileged, if you please, to compute the cost of his labor in his production. Notwithstanding the fact that we are in the face of this hungry world, that has to be fed, the American farmer more than any other human being on earth must also make the contribution that will enable us to so feed our armies that victory may be ours. Our boys in uniform, the boys of America on battle fronts all over the world are looking to this Congress for the answer to that question as to whether or not those things that are necessary to fight to a glorious victory are going to be provided for them.

In the passage of this bill, of course, its primary purpose is to permit the farmer to figure the cost of his labor in order that he may secure some additional revenue, but far greater than that in its importance, is the further fact that the passage of this bill will enable the farmer to go on to greater production than he will be otherwise in position to do.

We passed a bill here this week providing some $26,000,000 to import labor, but we must face this fact that if that labor comes in, it is an inexperienced kind of labor that is going to be more expensive to the farmer because of that very fact.

Another thing that increases the cost of labor on the farm is that a lot of farmers' sons are in the armed forces; others of them have gone into industry and there are left to him the older people, decrepit people on whom he must depend to do the dirty work around the farm, and it is not as efficient as the younger boys and men have been. Consequently that results in an increased cost to him.

Let us think for a moment of the conditions confronting the dairy industry. We find in this report, on page 13, that the Office of Price Administration says this:

> The price of milk must be kept down.

The farmer could not pay the increased wages under a cost-plus contract and sell his milk at a price that would leave him nothing except to drive his cows to the slaughter.

When the farmers' hired help takes a bucket that he sets under the cow when he milks, every item of labor in the production of that bucket is computed before it was priced to the farmer. He pours the milk into a can on which the same condition exists. That milk can is set up on an automobile, and every cost of industry that brought it into being is figured, including labor, before the price of that truck was fixed. That milk is taken to the conditioning plant, or to the creamery, where it is poured into a vat on which every item of cost of labor in the production of that vat was computed before he was privileged to use it.

Consequently I say to you that the most unjust thing that this Congress could do would be to deny that farmer the right to compute the cost of his labor as part of the price of the product that he wants to put on the market. And they produce, if you please, the most essential of all things next to munitions themselves in the winning of the war.

I hope that you have an open mind on this. I am persuaded by the arguments that have been made here that there is an overwhelming desire on the part of this Congress to give the farmer

folks this opportunity. May I call attention, Mr. Chairman, to the fact that the first English settlement on this continent was established in 1607 and it required 169 years of the stalwart character of American manhood to win our independence. If this war is a long one and it continues until 1945, we will be 169 years this side of 1776. Is it possible that Americans have degenerated? I say not so. I believe that we are the same stalwart characters that were produced in those first 167 years and that America today is as safe as in any period of its history. But I must admonish you that the answer to the question as to whether we are or not belongs to the Seventy-eighth Congress and I appeal to you to give the farmer this increase.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HOPE. Mr. Chairman, I yield such time as he may desire to the gentleman from Ohio [Mr. BREHM].

Mr. BREHM. Mr. Chairman, the discussion concerning this bill reminds me of a little verse which goes something like this:

> Oh, the comfort, the inexpressible comfort, of feeling safe with a person, having neither to weigh thought nor words, but pouring them all right out, chaff and grain together, confident that a faithful hand will take them and sift them, keeping what is worth keeping and with the breath of love and kindness blow the rest away.

I am thankful that more grain than chaff has appeared in the discussions here on the floor and I trust that we will keep the grain and with the breath of love and kindness blow the chaff away by passing this bill.

Mr. PACE. Mr. Chairman, I yield such time as he may desire to the gentleman from West Virginia [Mr. RANDOLPH].

Mr. RANDOLPH. Mr. Chairman, the gentleman who has just preceded me has used verse and I will follow in his footsteps by quoting:

> The doctor heals; the lawyer pleads;
> The miner follows precious leads;
> But this or that, what'er befall
> The farmer—he must feed them all.

Mr. Chairman, the farmers of this country are contributing to the winning of the war. They, and their families, are laboring long hours to produce the foodstuffs which sustain our fighting forces and our defense workers. In West Virginia our 1943 agricultural yields will likely be less than last year. If such a reduction is general throughout the country we will face a tragic condition.

I trust the passage of this legislation today will be a further step in the right direction of bringing help to those who actually need assistance. The farmer certainly is justified in asking Congress to allow the full cost of production, in the price of his commodities, and in this cost I am advised labor represents 32 percent.

Mr. PACE. Mr. Chairman, I yield such time as he may desire to the gentleman from Florida [Mr. SIKES].

Mr. SIKES. Mr. Chairman, immense stores of food and fabric and the tools of war are needed for our Nation's great wartime activities. A monumental task confronts the people on the home front as well as the men in the armed forces. And this task is not limited to our own borders, or to our own battle fronts. America must be the arsenal and the granary of all the democracies. And we know that food is just as important as guns. No greater responsibility has ever confronted a nation's farm people.

How the farmers are to accomplish this Herculean task in the face of an acute and growing shortage of manpower added to an already critical need for labor-saving machinery and equipment is a problem.

From the beginning of the defense and later the war program when industry was called upon to expand war production in this crisis, it asked for, and got, unlimited assistance from the Government. It received relief by the Selective Service System in the form of occupational deferment of skilled workers.

It obtained financial assistance from the Reconstruction Finance Corporation, where it was needed to expand facilities. It had priority assistance on materials for plant construction and equipment. On top of that, industry also has customarily received guaranteed profits written into negotiated contracts.

The treatment accorded the farmers has been strikingly different. The Government called upon the farmers to expand output to meet the Nation's war needs last year. The farmers did the job in magnificent fashion, increasing agricultural production by 12 percent over 1941 levels.

But instead of assistance from the Government comparable to that extended to industry, it lost approximately 2,000,000 of its labor force to the draft and to defense industry which was able to pay higher wages. It had to take a back seat in securing priority assistance for farm improvements and equipment. It had to struggle along with an allotment of new farm machinery of only 83 percent of 1940 production. For 1943 the War Production Board proposed that the farmers get along on an allotment of only 23 percent.

Instead of getting full recognition of its right to a reasonable profit, as any industrial contractor does when he negotiates a contract with the Government, agriculture got a severe public scolding.

Today the Nation's agricultural leaders are pleading for production, but their crop production remains geared to the slow-down program of the thirties. Weak spots in our national farm program have recently made necessary the slaughter of thousands of valuable cattle by farmers who are no longer able to carry on their dairy operations.

Surely in the most productive country in the world there are direct, simple ways to achieve needed production. The spur of war necessity serves as a stimulus. New methods are being devised to encourage greater production and to promote the use of farm products in industry. Agriculture will help to find itself by providing needed or even presently unexplored services. But in final analysis, we come to this: Needed food production and permanent farm prosperity can be assured if the farmer is placed on a basis of national partnership rather than that of Government beneficiary.

Obviously agriculture, the oldest and the largest and perhaps the most essential of the industries, has not received a just share of the national income for many years. Workers in other industries enjoy wage-hour legislation, accident insurance, unemployment compensation, and now the highest wages of all time. But a better return for his crops, improved living conditions on the farm, and a measure of the security which has blessed so many Americans has been denied to the farmer. He has, through the years accepted starvation prices for his products. Even today he must depend upon Government benefit payments for a part of his inadequate income. With or without benefit payments farm crop prices do not reflect the cost of production and they are too low to encourage the necessary production.

By any standard of comparison, farmers must have more money for their products or there is no way for them to overcome mounting costs of production and scarcity of labor. Let us remind ourselves that they are the people who must feed our Nation, its soldiers, and our allies. Justice requires that they receive a fair return for their efforts.

There is before us today a measure which insures to the farmer a return for his labor, and the labor of his family. Can there be anything unfair or questionable about such a step in a Nation which prides itself on justice to its workers?

The Congress knows well the gravity of the food shortage, which is almost certain to come with harvest time. The Congress knows that the halting and uncertain steps which are being taken by the Nation's farm leaders to encourage food production are too little and too late. Congress can help to salvage the Nation's food-production program by the passage of this legislation, and it can help further by embarking boldly upon a course which will guarantee simple justice in the American way to the Nation's farm population.

The farmers, Mr. Chairman, will do the rest. For there is no lack of patriotism among farmers. Their creed is Americanism in its simplest form—Love of God and love of country. They have responded patriotically to every demand, whether for great production or for great sacrifices. They are anxious to feed the millions who look to them. They will fight a good fight, but they need help. They need Nation-wide understanding and sympathetic appreciation of agriculture's problems. And they need leaders who are unafraid to place in the hands of the farmer the tools he needs for the job of feeding the world.

Mr. PACE. Mr. Chairman, I yield such time as he may desire to the gentleman from Louisiana [Mr. LARCADE].

Mr. LARCADE. Mr. Chairman, my district is one of the largest and most important agricultural districts of the United States, and we grow not only

corn, cotton, rice, potatoes, soybeans, hay, truck, but many other important agricultural products now so necessary to supply food to our Army, Navy, and civilians, and notwithstanding the many controls and injustices heaped upon our farmers and the industry, our farmers are patriotic, and are contributing in every way possible and to the fullest extent in doing all that they can to increase production of agricultural products, in order to win the war.

But Mr. Chairman, we have an opportunity here in this bill, the Pace bill No. 1408, to give our farmers, and the farmers of the United States, recognition for including labor costs in the parity price formula, and I am frank to say that I believe that the fairness, logic, and economic need for same has been proven in the arguments heard here today, made by the leading Members of Congress so well versed in agriculture, beyond any question of a doubt. Especially do I urge every Member of this Congress to give his best consideration to favorable action on same. The majority of my constituents are in favor of the enactment of this bill, and at this time I would like to include in the record a copy of a telegram received just a few moments ago from the American Rice Growers Association:

LAKE CHARLES, LA., *March 19, 1943.*
Congressman HENRY D. LARCADE:
We urge vigorous support of Pace bill including labor costs in parity price formula.
HOMER L. BRINKLEY,
General Manager,
American Rice Growers Association.

Mr. PACE. Mr. Chairman, I yield such time as he may desire to the gentleman from Texas [Mr. RUSSELL].

Mr. RUSSELL. Mr. Chairman, I am highly in favor of this bill. The only regret I have is that it was not passed some time ago.

Mr. PACE. Mr. Chairman, I yield such time as he may desire to the gentleman from Montana [Mr. O'CONNOR].

Mr. O'CONNOR. Mr. Chairman, I favored the substance of this bill in 1942 when the original Price Control Act was before the House, and I favor this bill. I will speak more fully later on in the debate.

Mr. HOPE. Mr. Chairman, I yield the remainder of my time on this side to myself.

Mr. Chairman, I am supporting this measure as one to give simple economic justice to the farmer. I do not know of any business which can fix its prices upon any other base than to use all costs, including the costs of labor. All that this bill does is to say that in determining what constitutes a fair agricultural price there shall be taken into consideration the cost of labor. I do not know of anything that is any sounder or fairer from a business and economic standpoint than that.

I want now to refer briefly to the history of parity legislation. As you know, for many years this question of parity was discussed and finally we enacted legislation which established parity as the standard for farm prices in this country. At that time farm labor was not included as one of the items upon which parity was based and there was a very good reason for that, because until the last year and a half the item of farm labor would not have affected parity prices one way or another. As you all know, parity prices are based upon the relationship that exists between farm prices and other prices during the 1909–14 period. During the other war and since until recently the relationship between farm wages and farm prices was practically identical; that is, farm wages bore the same relationship with farm wages during the base period as did farm prices. About a year and a half ago farm wages began to go up until in the month of February 1943 they were 232 percent of what they were during the base period; in other words, they have more than doubled. Farm wages comprise a large part of the cost of farm products, something like 30 percent or better.

In all fairness, then, if we are going to give the farmer a fair price based upon the relationship between his costs now and during the previous period, why should we not include labor cost? This is a fundamental issue; it is the only question that I see is involved in this discussion today.

Some mention has been made of inflation. That question is important, of course, but how can anyone get up on this floor and talk very much or worry very much about what this slight increase in farm prices might do as far as inflation is concerned when just a few weeks ago we had an Executive order establishing a 48-hour week with time and a half for overtime, which in effect added 30 percent to the wage bill of this country? If this is inflation it is only a penny's worth compared with the dollar's worth created by the Executive order establishing the increased workweek with time and a half for overtime.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. FLANNAGAN. Mr. Chairman, I yield the balance of my time to the gentleman from Georgia [Mr. PACE].

The CHAIRMAN. The gentleman from Georgia is recognized for 12 minutes.

Mr. PACE. Mr. Chairman, I had hoped that the time for general debate would be sufficient so that I could take this bill and analyze it in every particular, but it is not possible, of course, within the limited time that remains. I can discuss only briefly three features. First, as to the support for the bill: I have of course been working on this legislation for many months. I say to you candidly that I do not know of my own knowledge of a farmer in the Nation who is opposed to this legislation. I think their attitude is reflected by the statements made by the farm organizations. Today I have the following telegram from Mr. Edward O'Neal, president of the American Farm Bureau Federation:

WASHINGTON, D. C., *March 19, 1943.*
Hon. STEPHEN PACE,
House Office Building:
We strongly favor Pace bill H. R. 1408, to require inclusion of increased farm labor costs in computing parity prices and urge your support of same. Adjustment of price ceilings and price supports to include increased labor costs are imperatively necessary to enable farms to secure adequate manpower and attain maximum production required for winning the war.
EDWARD A. O'NEAL,
President, American Farm
Bureau Federation.

I have here a message from the Association of Commissioners of Agriculture in the several States. Without reading the entire message they state that the legislation should be passed to adjust parity prices to include all labor costs.

I have since been informed by a statement made before the Rules Committee that the commissioner from the State of Illinois was not in accord with that statement. Also that the representative of the American Farm Bureau of the State of Illinois is not in accord with the statement by Mr. O'Neal. With the exception of these two I know of no representative of the farmers, or any farmer, opposed to the bill.

I have here the statement of the National Grange. They feel that there should be some modernization of the parity formula, but they state:

There seems to be no reason why the cost of labor should not be included at once as it is thought best to include it at this time rather than wait on the uncertainties of developing a satisfactory formula of modernization.

I have here a message from the National Council of the Farmer Cooperatives, signed by its executive secretary:

NATIONAL COUNCIL OF
FARMER COOPERATIVES,
Washington, D. C., March 19, 1943.
Hon. STEPHEN PACE,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN PACE: I have just been informed that the House of Representatives will likely consider today the so-called Pace bill, H. R. 1408, to provide for the inclusion of farm labor in determining parity prices of agricultural commodities.

This council, made up of thousands of cooperative organizations, distributed in more than 95 percent of the counties of the United States, with total memberships in excess of 2,000,000 farmers, endorses, wholeheartedly, the principles of your bill and urges its passage by the Congress.

We recognize that the passage of this measure will not greatly increase the prices of farm products above present levels. It will, however, safeguard the producer of food and fiber against the possibility of a drastically falling market. It will tend to stabilize farm prices by the inclusion of the biggest single item of cost in the farmers' production.

We trust that the Congress will favorably consider and pass this important legislation.

Sincerely yours,
EZRA T. BENSON,
Executive Secretary.

I have here a statement from the National Cooperative Milk Producers' Association signed by Mr. Charles W. Holman, secretary:

THE NATIONAL COOPERATIVE
MILK PRODUCERS' FEDERATION,
Washington, D. C., March 19, 1943.
Hon. STEPHEN PACE,
New House Office Building,
Washington, D. C.

MY DEAR CONGRESSMAN: This federation, comprised of 70 member-cooperative dairy associations representing over 280,000 farm families located in 41 States, desires to record

its support of your bill, H. R. 1408, which is to be considered by the House today.

We believe that the purpose of this bill to include the cost of farm labor in the parity index will prove an effective weapon against oppressive tactics of administration forces to create unnatural price declines of many agricultural commodities. While at the present time the inclusion of farm-labor costs in parity computations will not materially affect some dairy products, a number of milk sheds, particularly in the eastern area, should benefit from the provisions of your bill. In those fluid milk markets where the price of fluid milk has not risen commensurate with costs, including labor, the effect of the bill would be to raise the parity price above existing actual prices.

We earnestly hope that the House of Representatives will favorably consider and pass your measure.

Sincerely yours,

CHARLES W. HOLMAN, *Secretary.*

I think these fairly represent the views of the farmers of this Nation, realizing that they and they alone are the only people in the United States who are not permitted to include the cost of their labor in the price they receive for their commodity.

The gentleman from Illinois has stated that this bill would add 16 percent to the cost of living. I have here a statement prepared, not months ago, but on the 15th day of March, which was Monday of this week, stating that without this bill the retail cost of food this year will be $26,600,000,000, and with this bill it is estimated the cost of food this year will be $27,400,000,000. If you will take your pencil and make the calculation you will see that the estimate is that at the maximum figure this will not increase the cost of living in excess of 3 percent, and those figures were made this week.

If you will turn to the committee report, you will find there a statement by the Secretary of Agriculture and one by the Department of Agriculture that the men who labor in the factories, in the industries of this Nation, are at this hour buying their food for a less percentage of their income than at any time since the records have been kept.

The statement has been made here by the gentleman from Illinois that this bill will put a weapon into the hands of Mr. Lewis. I reply to him, and say to you, that any fair mind that will study the figures in this report will find that over a period of years all the wage earners of this Nation have paid about 30 percent of their income for food, and now they are paying only 17 percent of their income for food.

Where was the gentleman from Illinois a few weeks ago when the price of coal was raised 50 cents a ton for the single purpose of paying the employees time and a half in order to persuade them to work on Saturdays?

Where was the gentleman from Illinois a few months ago when the railroad workers of the Nation voted a demand for increased wages? They were granted a 15 percent increase in wages. In order to meet it, the freight rates of this Nation were increased 10 percent, affecting the cost of living of every human being in this Nation.

Where was the gentleman from Illinois when 2 weeks ago Mr. Justice Byrnes approved an order extending the work week to 48 hours a week, with time and a half for over 40 hours, thereby adding 30 percent to the pay envelope of millions of people in this Nation. Certainly that will have an influence on inflation and the cost of living.

If those things were justified, and I do not question them here, then I say to you in all fairness that those who till the soil not only to feed themselves and their families, not only to feed an Army of 11,000,000, not only to feed 37,000,000 people now working in our plants and our factories, not only to feed over 3,000,000 Government employees, not only to feed over 57,000,000 more citizens of the United States, but to feed those millions and millions and millions, estimated by former Governor Lehman of New York as 350,000,000 people, who must be fed under lease-lend and in the conquered territories when this war is won, should be permitted to include all labor costs in the price of their commodities and encouraged to produce the crops necessary to feed all these people.

The figures of the Department of Agriculture indicate that on a year-round full-time basis 8,450,000 people are working on the farms, and they must provide the food for an estimated 500,000,000 people in this world. Yet we are told that it will wreck the Nation to go to them at this late hour and say that when they have to go out in a competitive market and pay a man two, three, or four times as much as they ever paid him before, they shall have the right and the assurance that when they go to sell their commodities that increased cost can be included in the price.

This bill includes only the increased cost. There are some who have the idea that the entire item of farm labor is included. Let me remind you that this bill includes only the increase in farm labor cost since the base period, 1909–14. In December the national average farm wage in this Nation was $2.83 per day. In the base period the average farm wage was $1.41 per day. What this bill does, therefore, until those wages rise higher, is to add to the parity price $1.42 as the average increased cost of all labor per day. That is all that is added. It is all the bill does.

Of course, this includes the operator and family worker, and this is objected to by the gentleman from Illinois. Of course, it includes the man who works his own dairy or the little fellow out on his own farm who does his own work. Does the gentleman from Illinois mean to tell me that a farmer can pay his hired worker and figure his wages into the price of his product but that it is wrong to include any amount for the man who works beside him day after day in the field, and who operates his own farm?

I regard this bill as a measure toward securing the increased production so necessary. Labor represents 32 percent of the cost of farm production. Farm wages are going up every day and the farmers must not only pay this increased wage, but they must go into the competitive labor market in order to secure the help needed. How can they do this unless this increased cost is reflected in the price of the crops they produce?

This bill will not contribute toward inflation, but just the reverse. Inflation is brought on by increasing the purchasing power and decreasing the supply of things to buy. Purchasing power has been increased enormously during the last 2 years by the war and governmental policies. The Office of Price Administration is doing all in its power to reduce the supply by holding down the price of farm commodities and refusing to carry out the mandate from Congress to increase prices so as to secure increased production. This bill adds all farm labor costs to farm prices and will encourage increased production.

The bill adds very slightly to the cost of food, but certainly all will agree it is better to pay a few more pennies for our food than to have no food to buy.

The CHAIRMAN. The time of the gentleman from Georgia has expired. All time has expired. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That section 301 (a) (1) of the Agricultural Adjustment Act of 1938, as amended, be, and the same is hereby, amended by striking out the following in the first sentence of said section and paragraph, to wit: "and, in the case of all commodities for which the base period is the period August 1909 to July 1914, which will also reflect current interest payments per acre on farm indebtedness secured by real estate, tax payments per acre on farm real estate, and freight rates, as contrasted with such interest payments, tax payments, and freight rates during the base period," and inserting the following in lieu thereof: "and, in the case of all commodities, which will also reflect current interest payments per acre on farm indebtedness secured by real estate, tax payments per acre on farm real estate, freight rates, and the cost of all farm labor (on the basis of the national average and including hired workers, farm operators, and members of the families of farm operators engaged in work on the farm, computed for all such labor on the basis of wage rates for hired farm labor), as contrasted with such interest payments, tax payments, freight rates, and costs of all farm labor during the base period."

Mr. CREAL. Mr. Chairman, I move to strike out the last word. I am a member of the committee and was unable to obtain any time either on the rule or in general debate, and I desire to say a word or two. There are two or three impressions that are wrong in the minds of some of the folks and even among some of the Members of Congress. When you talk about including farm labor, including the family labor, it seems to provide a stumbling block to them. Some of them have this idea, that they cannot charge anything except time on the timetable and in the Saturday night pay check, and they are under the impression that when grandma gets up and goes out before breakfast with a pipe in her mouth to feed the chickens and then on the way back picks up the hoe and hoes a row of cabbage, that she will charge that time as a man's day of wages and that it will be paid for on Saturday night in a pay envelope, but she cannot do that. Some of the Members of this House have asked me, How are

you going to figure that separate matter of the family labor as differing from the hired labor? I shall try to do it again. Let us say, for instance, that it takes so many man-hours to make an automobile. It also takes so many man-hours to make a certain amount of agricultural products. It is all figured on the general average of man-hours in the cost price of any article.

We had this question up before and it was then said that some were willing to include the hired labor only, and not the family labor in the cost in the nature of any product. According to the formula I have just suggested, what difference does it make whether labor is hired or done by yourself, it takes the finished product to get the money. In answer to Mr. DIRKSEN'S question, the gentleman from Illinois and another gentleman said that the question was one of man-hours, and this would not increase production for the farmer to get more. Then I want to ask him if it will decrease production? Does anybody think that this would decrease the man-hours or run anybody off the farm? Nobody would say that.

It was the price paid elsewhere that caused men to leave the farm for higher wages. It will increase the price and that is what we want it for. If we did not think it would increase the price and production we would not want it. We had the question up 1 year ago. That same howl was made that this will not bring labor back to the farm, but men were sitting on the fence scratching their heads, undetermined as to whether to farm last year or go on the brother's invitation to the city, and get the wages that he was getting. Well, when they read the news the next morning in the newspaper they fell off the fence, and what happened? They went to the city.

There is one other question. My friend Mr. MARCANTONIO speaks about the enormous price of cabbage. How many times do you have to call attention to the fact, like I did, about the roasting ear last year? One hundred and fifty ears of corn practically make a bushel, but you pay 15 cents for half an ear over here at a restaurant, and that is at the rate of $45 a bushel. Suppose this did increase the price by an extra 4 percent, that is 4 percent of 78 cents and not 4 percent of $45.

It was high wages elsewhere that took men off the farm and all know that is true, yet some argue that ability to pay higher wages on the farm to either a hired man or for a man's own work will not help any.

Mr. PACE. Mr. Chairman, I am wondering if we cannot arrange to agree on the time for debate on this amendment and all amendments thereto?

The CHAIRMAN. The Chair will state that the gentleman from Illinois has an amendment at the desk. The Chair does not know how many pro forma amendments there will be. It seems to the Chair that we should consider the Dirksen amendment and let the Members who desire to speak on that amendment be heard. The Chair notes there are 28 Members standing.

Mr. PACE. We will wait a little while, Mr. Chairman.

Mr. BECKWORTH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this bill is certainly a step in the right direction and I am mighty glad to say that when the bill originally came before the House several months ago I supported the measure. It is as fair as any bill can be, because certainly any person who considers the cost of producing any commodity on the farm knows that one of the outstanding costs is the cost of labor.

There is another very important angle to the question of farm income. Do you know how much income this will mean to a farmer who in the main depends on cotton as his chief source of livelihood and who by the terms of the Agricultural Adjustment Administration Act is permitted to produce three bales of cotton? It will mean to him, if Congressman PACE'S figure of some 3 cents per pound additional for lint cotton is correct, a total of $45. It will mean to the man whose chief source of income is the money he receives from the sale of four bales of cotton, $60. It will mean to the farmer who produces 12 bales of cotton an additional income insofar as cotton is concerned, of only $180. You may wonder approximately how many of the cotton farmers produce only 12 bales of cotton or less. Seven-eighths of the cotton farmers, according to compilations made from the 1940 farm census, produce 12½ bales or less. So about 88 percent of the cotton farmers, insofar as cotton is concerned, will receive an additional sum of money ranging from $180 for the 12-bale cotton farmer, $150 for the 10-bale cotton grower, to $15 for the 1-bale cotton grower. Gentlemen, this is indeed a warranted increase for those cotton farmers who happen to constitute some seven-eighths of the cotton growers. No one can say that this increase is unjustified. Let us at this point, however, take cognizance of how many dollars this will mean to a cotton farmer who grows 100 bales of cotton. To him it will mean $1,500. This $1,500 increase, my friends, is more money than the total value of the entire crops grown by seven-eighths of the cotton farmers according to the 1940 farm census. Yes, this does sound unreasonable, but the 1940 farm census figures speak for themselves.

To express the facts another way, seven-eighths of the cotton farmers receive in dollars, so far as the net value of all their farm products is concerned, amounts ranging from $1,056 to less than $450. What I am trying to show is that those of you who represent districts in which the cotton farmers are restricted to 12 bales or less are representing cotton farmers who even under this bill cannot hope to receive a great deal of help. There is certain to come a day in this Congress when the family-size cotton farmer—the man who grows, let us say, 12 bales of cotton or less—will receive a fairer deal. No system permitting 50 percent of the cotton to be sold by seven-eighths of the cotton farmers and 50 percent to be sold by one-eighth of the cotton farmers can endure unless it is revised in the direction of giving the family-size farmer a fairer deal.

The gentleman from Texas [Mr. POAGE] mentioned a while ago that a man must receive a fair price for his product; this is true; however, the price, if a man has little or nothing to sell, is not significant. So much is said about the national farm income having increased. The significant thing is not necessarily that the farm income has increased, but who got the increase? Recently the cotton acreage was increased 10 percent. Under the present method of distributing pounds or bales of cotton among farmers, which actually means distributing income from cotton, one-eighth of the cotton farmers will receive 50 percent of the income from the additional bales and seven-eighths of the cotton farmers will receive the other 50 percent of the income from the sale of the additional bales of cotton. Is this equitable? At this point I wish to include in the RECORD two tables and my remarks concerning the tables:

DISTRIBUTION OF FARM INCOME

Mr. BECKWORTH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BECKWORTH. Mr. Speaker, since I became a Member of Congress 4 years ago I have diligently endeavored to procure information of a significant nature as to the distribution of cotton acreage and baleage. It has been my contention that the significant fact is not how many acres of cotton a cotton farmer is permitted to plant, but how many pounds or bales he is permitted to grow and sell. After all, insofar as income is concerned, it makes no difference what cotton is worth a pound to the man who has no pound to sell.

Unfortunately information concerning the distribution of farm income has been rather fragmentary; however, the 1940 census made possible the procurement of the exhaustive information to which I refer. As a result of many contacts on my part, the Agricultural Adjustment Administration and the Farm Security Administration agreed to finance the study and the Census Bureau agreed to make the compilation. For the contribution by each of these divisions of our Government to the obtaining of this information or this statistical data I am most grateful, for I sincerely believe if the information is carefully studied and evaluated it will bring about action conducive to equity concerning the family-sized farmer who in my opinion comes nearer being the forgotten man than any other.

The completed study, in my opinion, plainly establishes to a rather understandable degree how the farm income is currently distributed. Later on there will be printed a document to be made available by the Government which will describe in detail the sources of the incomes of various groups of farmers.

Mr. BOREN. Mr. Speaker, will the gentleman yield?

Mr. BECKWORTH. I yield to the gentleman from Oklahoma.

Mr. BOREN. The gentleman from Texas is to be commended for sponsoring this very fine study and I would like to ask this question in relation to the study. Are not the findings based on the error that our Government has made in making these allotments to the land instead of to the farmer or the farm-family unit?

Mr. BECKWORTH. The gentleman has propounded a pertinent question. The family-size farm unit should certainly be taken into

consideration more than it has been, as I have stated, however, the important thing to any farmer is how much of a given commodity such as cotton he can grow and sell rather than how many acres he may plant.

Mr. BOREN. And the gentleman well knows that 1 acre may produce a bale or two bales of cotton, while another acre adjoining it may not produce more than an eighth or a tenth of a bale. The system now in vogue, under which the apportionment is made by acres creates a discrimination between individual farmers in respect to equal rights and privileges.

Mr. BECKWORTH. That is exactly right.

I sincerely trust every Member of Congress interested in the welfare of the family-size farmer will give careful attention to the table I herewith include in the CONGRESSIONAL RECORD and to the document of some 300 pages when it is available.

Classification of cotton-growing farms, by number of bales produced, farms reporting, acres harvested, and bales of cotton produced, United States census of 1940 [1]

Number of bales produced per farm	Number of farms		Number of acres		Production of cotton		All farm products		Livestock and livestock products sold		Crops sold				Used by farm family		Forest products sold	
											Total		Cotton and cottonseed					
	Actual	Cumulative	Actual	Cumulative	Actual	Cumulative	Actual	Cumulative	Actual	Cumulative	Actual	Cumulative	Actual	Cumulative	Actual	Cumulative	Actual	Cumulative
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
	Number	*Pct.*	*Acres*	*Pct.*	*Bales* [2]	*Pct.*	*Dollar.*	*Pct.*	*Dollars*	*Pct.*	*Dollars*	*Pct.*	*Dollars*	*Pct.*	*Dollars*	*Pct.*	*Dollars*	*Pct.*
1 bale or less	234,108	14.73	1,130,043	4.95	186,009	1.62	99,022,208	7.53	15,117,674	7.95	44,889,934	5.41	10,096,335	1.62	37,738,767	13.16	1,275,833	16.84
1⅛ to 2	245,715	30.20	1,650,542	12.19	449,650	5.54	116,831,872	16.43	18,300,098	17.61	55,071,880	12.05	24,406,438	5.54	42,143,201	27.85	1,226,693	33.03
2⅛ to 3	204,459	43.06	1,704,270	19.67	580,625	10.60	107,651,072	24.63	16,763,876	26.42	54,172,300	18.59	31,515,597	10.60	35,794,257	40.33	920,639	45.18
3⅛ to 4	169,312	53.71	1,650,555	26.91	652,374	16.28	97,887,995	32.08	14,654,087	34.13	52,458,959	24.91	35,410,043	16.28	30,061,856	50.81	713,093	54.60
4⅛ to 5	132,751	62.06	1,465,795	33.34	645,482	21.90	83,776,308	38.45	11,932,575	40.40	47,566,337	30.64	35,035,954	21.90	23,737,889	59.09	539,507	61.73
5⅛ to 6	104,869	68.66	1,311,552	39.09	615,892	27.26	72,287,413	43.95	10,025,834	45.67	42,974,400	35.82	33,429,845	27.26	18,866,794	65.67	420,385	67.28
6⅛ to 7	78,834	73.62	1,097,990	43.90	542,378	31.98	59,514,808	48.48	8,168,707	49.97	36,749,727	40.25	29,439,598	31.98	14,307,745	70.66	288,629	71.09
7⅛ to 8	73,416	78.24	1,100,254	48.72	579,177	37.02	59,688,507	53.02	8,134,726	54.25	38,120,012	44.84	31,437,001	37.02	13,121,272	75.24	312,497	75.22
8⅛ to 9	49,899	81.38	823,732	52.33	443,692	40.88	43,887,995	56.36	5,923,971	57.36	28,559,571	48.28	24,083,045	40.88	9,239,440	78.46	165,013	77.40
9⅛ to 10	50,617	84.56	896,084	56.26	501,188	45.25	47,621,183	59.98	6,281,484	60.66	32,106,528	52.15	27,203,856	45.25	9,049,198	81.62	183,973	79.83
10⅛ to 12½	62,808	88.51	1,291,792	61.92	723,135	51.55	66,295,743	65.02	8,833,129	65.30	45,328,555	57.61	39,250,861	51.55	11,873,327	85.76	260,732	83.27
12⅝ to 15	56,577	92.07	1,398,888	68.05	790,014	58.43	70,497,769	70.38	9,902,645	70.51	49,232,277	63.54	42,880,969	58.43	11,123,853	89.64	238,994	86.43
15⅛ to 20	51,145	95.29	1,621,658	75.16	912,886	66.39	79,478,090	76.43	11,440,571	76.53	57,136,736	70.43	49,550,307	66.39	10,611,213	93.34	289,570	90.25
20¼ to 25	23,054	96.74	952,291	79.33	531,816	71.02	45,610,087	79.90	7,163,770	80.30	33,266,536	74.43	28,866,306	71.02	5,130,678	95.13	109,103	91.69
25⅛ to 30	13,814	97.61	687,674	82.34	389,583	74.41	33,414,353	82.44	5,469,355	83.18	24,630,186	77.40	21,146,077	74.41	3,204,947	96.25	109,865	93.14
30⅛ to 35	8,214	98.13	480,931	84.45	272,815	76.79	23,047,083	84.19	3,824,311	85.19	17,147,799	79.47	14,808,056	76.79	2,005,468	96.95	69,505	94.06
35⅛ to 40	6,356	98.53	421,691	86.30	243,810	78.91	20,326,019	85.74	3,228,222	86.89	15,482,707	81.34	13,233,701	78.91	1,543,011	97.49	72,079	95.01
40⅛ to 45	3,886	98.77	283,556	87.54	168,077	80.37	13,723,267	86.78	2,197,500	88.05	10,466,699	82.60	9,123,009	80.37	1,002,589	97.84	56,479	95.76
45⅛ to 50	3,381	98.98	276,226	88.75	164,021	81.80	13,201,789	87.78	2,061,821	89.13	10,199,028	83.83	8,902,854	81.80	898,762	98.15	42,178	96.32
50⅛ to 75	7,528	99.45	713,166	91.88	470,182	85.90	37,279,066	90.62	5,717,526	92.14	29,391,535	87.37	25,520,889	85.90	2,093,809	98.88	76,196	97.33
75⅛ to 100	3,356	99.66	412,656	93.69	298,801	88.50	23,473,207	92.41	3,275,372	93.86	19,100,133	89.67	16,218,544	88.50	1,052,643	99.25	45,059	97.93
100⅛ to 125	1,643	99.76	243,447	94.76	188,908	90.15	14,462,526	93.51	2,005,180	94.91	11,895,618	91.10	10,253,689	90.15	526,135	99.43	35,593	98.40
125⅛ to 150	1,010	99.82	179,562	95.55	141,139	91.38	10,356,168	94.30	1,299,959	95.59	8,678,327	92.15	7,660,848	91.38	362,835	99.56	15,047	98.60
150⅛ to 200	1,093	99.89	226,646	96.54	194,072	93.07	14,113,768	95.37	1,405,572	96.33	12,281,599	93.63	10,533,985	93.07	390,374	99.70	36,223	99.08
200⅛ to 300	891	99.95	249,961	97.64	223,652	95.02	17,497,422	96.70	2,046,736	97.41	15,021,513	95.44	12,139,550	95.02	394,493	99.84	34,680	99.54
300⅛ to 400	382	99.97	139,790	98.25	136,247	96.21	9,552,305	97.43	892,343	97.88	8,485,481	96.46	7,395,316	96.21	171,061	99.90	3,420	99.59
400⅛ to 500	204	99.98	95,657	98.67	92,905	97.02	6,257,752	97.91	510,862	98.15	5,638,928	97.14	5,042,767	97.02	105,107	99.94	2,855	99.63
Over 500 bales	385	100.00	303,429	100.00	342,160	100.00	27,477,827	100.00	3,511,990	100.00	23,751,916	100.00	18,572,016	100.00	185,794	100.00	28,127	100.00
Total [3]	1,589,706	100.00	22,809,870	100.00	11,480,700	100.00	1,314,233,602	100.00	190,179,896	100.00	829,745,221	100.00	623,158,000	100.00	286,736,518	100.00	7,571,967	100.00

[1] All items are for 1939 from census of 1940 taken as of Apr. 1.
[2] Running bales of lint cotton counting round bales as half bales.
[3] Does not include 17 cotton-growing farms in Aranas County, Tex., as data were insufficient for classification.
Division of Statistical and Historical Research, Bureau of Agricultural Economics. Compiled from special tabulation of the Bureau of the Census.

[Extension of remarks of Hon. LINDLEY BECKWORTH, of Texas, in the House of Representatives, Thursday, November 12, 1942]

STATISTICS CONCERNING DISTRIBUTION OF FARM INCOME

Mr. BECKWORTH. Mr. Speaker, as the CONGRESSIONAL RECORD will disclose, I have from time to time interested myself in the distribution of farm income. I have been particularly concerned with the plight of the family-size farmer. I sincerely believe very careful attention should be immediately directed to correct certain inequities which exist concerning the income of our family-size farmers. The table which I herewith include in the RECORD is, indeed, revealing. I hope any person who may study this table will pay particular attention to the average income of those farmers in the lower brackets.

TABLE III.—*Farms reporting cotton harvested—percent distribution of farms, acres harvested, quantity produced, and value of farm products; yield per acre; value of farm products per farm; and percentage of value of farm products; by States; census of 1940*

[All items are for 1939 from census of 1940 taken as of Apr. 1]

State and number of bales produced	Percent distribution of—								Yield per acre (bales of lint cotton)	Average value of farm products sold, traded, or used by households (dollars)	Percentage of total value of farm products in each bale group represented by value of—								
	Number of farms reporting cotton harvested		Acres of cotton harvested		Quantity produced (bales of lint cotton) [1]		Total value of farm products				Livestock and livestock products sold or traded					Crops sold or traded			Farm products used by farm households	Forest products sold
	Percentage	Cumulative percentage	Percentage	Cumulative percentage	Percentage	Cumulative percentage	Percentage	Cumulative percentage			All livestock and livestock products	Dairy products	Livestock	Poultry and poultry products	Other livestock products	All crops	Field crops	Other crops		
United States, total [2]	100.0	------	100.0	------	100.0	------	100.0	------	0.5033	827	14.5	3.6	7.6	2.9	0.4	63.1	60.3	2.8	21.8	0.6
1 bale or less	14.7	------	5.0	------	1.6	------	7.5	------	.1646	423	15.3	3.7	7.1	4.0	.5	45.3	42.5	2.8	38.1	1.3
1⅛ to 2 bales	15.5	30.2	7.2	12.2	3.9	5.5	8.9	16.4	.2724	475	15.7	4.1	7.2	4.0	.4	47.1	44.2	2.9	36.1	1.1
2⅛ to 3 bales	12.9	43.1	7.5	19.7	5.1	10.6	8.2	24.6	.3407	527	15.6	4.1	7.1	4.0	.4	50.3	47.5	2.8	33.2	.9
3⅛ to 4 bales	10.6	53.7	7.2	26.9	5.7	16.3	7.5	32.1	.3952	578	15.0	3.9	6.9	3.8	.4	53.6	50.9	2.7	30.7	.7

[1] Running bales of lint cotton, counting round as half bales.
[2] Does not include 17 cotton-growing farms in Aransas County, Tex., as data were insufficient for classification.

TABLE III.—*Farms reporting cotton harvested—percent distribution of farms, acres harvested, quantity produced, and value of farm products; yield per acre; value of farm products per farm; and percentage of value of farm products; by States; census of 1940*—Continued

[All items are for 1939 from Census of 1940 taken as of Apr. 1]

State and number of bales produced	Percent distribution of—								Yield per acre (bales of lint cotton)	Average value of farm products sold, traded, or used by households (dollars)	Percentage of total value of farm products in each bale group represented by value of—									
	Number of farms reporting cotton harvested		Acres of cotton harvested		Quantity produced (bales of lint cotton)		Total value of farm products				Livestock and livestock products sold or traded					Crops sold or traded			Farm products used by farm households	Forest products sold
	Percentage	Cumulative percentage	Percentage	Cumulative percentage	Percentage	Cumulative percentage	Percentage	Cumulative percentage			All livestock and livestock products	Dairy products	Livestock	Poultry and poultry products	Other livestock products	All crops	Field crops	Other crops		
4⅛ to 5 bales	8.3	62.0	6.4	33.3	5.6	21.9	6.4	38.5	0.4404	631	14.3	3.7	6.5	3.7	0.4	56.8	54.3	2.5	28.3	0.6
5⅛ to 6 bales	6.6	68.6	5.8	39.1	5.4	27.3	5.5	44.0	.4696	689	13.9	3.6	6.4	3.5	.4	59.4	57.1	2.3	26.1	.6
6⅛ to 7 bales	5.0	73.6	4.8	43.9	4.7	32.0	4.5	48.5	.4940	755	13.7	3.5	6.5	3.3	.4	61.8	59.4	2.4	24.0	.5
7⅛ to 8 bales	4.6	78.2	4.8	48.7	5.0	37.0	4.5	53.0	.5264	813	13.6	3.5	6.8	3.0	.3	63.9	61.6	2.3	22.0	.5
8⅛ to 9 bales	3.1	81.3	3.6	52.3	3.9	40.9	3.3	56.3	.5386	880	13.5	3.8	6.4	3.0	.3	65.0	62.9	2.1	21.1	.4
9⅛ to 10 bales	3.2	84.5	3.9	56.2	4.4	45.3	3.6	59.9	.5593	941	13.2	3.4	6.8	2.7	.3	67.4	65.4	2.0	19.0	.4
10⅛ to 12½ bales	4.0	88.5	5.7	61.9	6.3	51.6	5.0	64.9	.5598	1,056	13.3	3.5	6.7	2.8	.3	68.4	66.4	2.0	17.9	.4
12⅝ to 15 bales	3.6	92.1	6.1	68.0	6.9	58.5	5.4	70.3	.5647	1,246	14.1	3.9	7.2	2.6	.4	69.8	67.7	2.1	15.8	.3
15⅛ to 20 bales	3.2	95.3	7.1	75.1	8.0	66.5	6.1	76.4	.5629	1,554	14.4	3.8	7.8	2.5	.3	71.9	69.3	2.6	13.3	.4
20⅛ to 25 bales	1.4	96.7	4.2	79.3	4.6	71.1	3.5	79.9	.5585	1,978	15.7	3.8	9.1	2.4	.4	72.8	69.9	2.9	11.3	.2
25⅛ to 30 bales	.9	97.6	3.0	82.3	3.4	74.5	2.5	82.4	.5665	2,419	16.4	3.8	10.1	2.0	.5	73.7	70.3	3.4	9.6	.3
30⅛ to 35 bales	.5	98.1	2.1	84.4	2.4	76.9	1.8	84.2	.5673	2,806	16.6	3.7	10.5	2.0	.4	74.4	71.2	3.2	8.7	.3
35⅛ to 40 bales	.4	98.5	1.9	86.3	2.1	79.0	1.6	85.8	.5782	3,198	15.9	3.7	10.1	1.7	.4	76.2	72.5	3.7	7.6	.3
40⅛ to 45 bales	.2	98.7	1.3	87.6	1.5	80.5	1.0	86.8	.5927	3,531	16.0	4.3	9.8	1.6	.3	76.3	73.4	2.9	7.3	.4
45⅛ to 50 bales	.2	98.9	1.2	88.8	1.4	81.9	1.0	87.8	.5938	3,905	15.6	3.5	10.4	1.4	.3	77.3	73.6	3.7	6.8	.3
50⅛ to 75 bales	.5	99.4	3.1	91.9	4.1	86.0	2.8	90.6	.6593	4,952	15.3	2.9	10.8	1.1	.5	78.9	75.2	3.7	5.6	.2
75⅛ to 100 bales	.2	99.6	1.8	93.7	2.6	88.6	1.8	92.4	.7241	6,994	13.9	2.9	9.9	.7	.4	81.4	76.9	4.5	4.5	.2
100⅛ to 125 bales	.1	99.7	1.1	94.8	1.6	90.2	1.1	93.5	.7760	8,803	13.9	2.6	10.3	.7	.3	82.3	79.2	3.1	3.6	.2
125⅛ to 150 bales	.1	99.8	.8	95.6	1.2	91.4	.8	94.3	.7860	10,254	12.6	1.9	10.0	.5	.2	83.8	81.4	2.4	3.5	.1
150⅛ to 200 bales	.1	99.9	1.0	96.6	1.7	93.1	1.1	95.4	.8563	12,913	9.9	1.5	8.0	.2	.2	87.0	82.3	4.7	2.8	.3
200⅛ to 300 bales	.1	100.0	1.1	97.7	1.9	95.0	1.3	96.7	.8947	19,638	11.7	2.3	8.8	.3	.3	85.8	77.0	8.8	2.3	.2
300⅛ to 400 bales	(3)	100.0	.6	98.3	1.2	96.2	.7	97.4	.9747	25,006	9.4	1.5	7.6	.1	.2	88.8	86.7	2.1	1.8	(3)
400⅛ to 500 bales	(3)	100.0	.4	98.7	.8	97.0	.5	97.9	.9712	30,675	8.2	1.7	6.2	.1	.2	90.1	88.8	1.3	1.7	(3)
Over 500 bales	(3)	100.0	1.3	100.0	3.0	100.0	2.1	100.0	1.1276	71,371	12.8	.9	9.1	.1	2.7	86.4	83.6	2.8	.7	.1

[3] Less than 1/10 of 1 percent.

Mr. FULMER. Mr. Chairman, because of the many bills that will come up next week, I think we better get through with this bill today. I ask unanimous consent that all Members who want to speak on this bill may be permitted to insert their remarks in the RECORD at this point. I make this request with the hope that we may get through with the bill and vote on it today.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina [Mr. FULMER]?

There was no objection.

The CHAIRMAN. The gentleman from Mississippi [Mr. WHITTINGTON] is recognized.

PARITY SHOULD INCLUDE LABOR COSTS

Mr. WHITTINGTON. Mr. Chairman, in 1943 the farmers of the United States are urged to raise the biggest crop in history. American farmers are patriotic, and they will continue to do their best, but in war they face many problems. Chief among these problems is the scarcity of labor. A number of solutions have been proposed. Measures for the importation of labor have been adopted. The deferment from the provisions of the Selective Service Act of essential agricultural workers has been tried. The problem is not being solved. The Selective Service has taken many from the farms. We might as well be frank. The unprecedented wages of industry, shipbuilding, and defense plants have attracted farm labor, and they will continue to deplete farm labor. We have tried other measures. The problem will not be solved unless farm wages are increased, and farm wages cannot be increased unless the farmer receives more for his products. The purpose of the pending bill is to include farm wages in determining parity.

PARITY

Parity may be defined as the price of a farm commodity of equivalent purchasing power in the base period. The base period is 1909 to 1914. It was selected because the price of the things that the farmers had to buy and the price of the commodities the farmers had to sell during this period were at a nearer even keel than at any time during the Nation's history.

FORMULA DOES NOT INCLUDE LABOR COSTS

The present price formula, while including interest, taxes, and freight rates, does not include labor costs. A number of explanations have been offered for the failure to include labor costs. It is said that the inclusion of the labor costs in the base period would have made no change in parity. The explanation does not explain. I have never had a satisfactory explanation. Other items in production have changed and hence the parity prices have changed. I have never thought that there was any good reason why costs of labor should not be included, but whatever be the reason for not including labor costs in the parity formula, the alleged reason for not including no longer obtains.

During the base period the average farm wage without board was $1.42. On January 1, 1943, according to the Bureau of Agricultural Economics, the average farm wage was $2.83 per day. There has been an increase in the wage rate of $1.41 per day. Labor costs are the largest single item in the cost of production. According to the Bureau of Agricultural Economics, labor represents 32 percent or one-third of the cost of production.

If the parity principle is fair, then it must be admitted that labor should be included.

PURPOSE OF THE BILL

The bill might properly include the total costs of labor. Such is not the provision of the bill. It only includes the costs of farm labor as contrasted with the costs of such labor during the base period. Instead of including, therefore, the average farm wage of $2.83, it only includes the difference between the wage during the base period, or $1.42, and the wages as of January 1, 1943, $2.83, or $1.41 per day.

It does include the costs of hired labor, the costs of the operator, and the cost of the family worker, but it does not include the members of the family who are not workers. It does not include the mother or the wife, although none works harder on the farm, where the mother keeps house.

The farmer's problem is competing with the high wages of industry. In July 1942 the section men on railroads received $4.26 a day. In 13 industries in July 1942, common labor received $5.08 for an 8-hour day. In Federal-aid road projects they received $4.72 for an 8-hour day. In the buildings trade, $6.30 per day. The farm wage earner only received $2.83 on the average for 10 to 12 hours, and according to the Department of Agriculture, the general level of farm wages was the second highest on record. In 1942 there was the largest increase ever recorded within a year's time. Laborers are still leaving the farms.

OPPOSITION

It has been said that if the costs of labor are included, industrial workers will demand a further increase in their wage scales. I do not believe that such demand will be justified.

According to the Department of Commerce, the national income was $117,000,000,000 in 1942, and $80,000,000,000 went for salaries and wages. Surely industry does not want all the income. Again the industrial worker is today receiving his food for a smaller percentage of his income than at any time in the history of the Nation. By industrial workers I mean factory, railroad, mining workers. Thus in 1917 when the industrial worker spent 58 percent of his income for food, the farmer's share was 60 percent. In 1942 when he spends 28 percent of his income, the farmer's share is only 53 percent.

What I have stated with respect to industrial workers is applicable to all nonfarm workers and to all other workers except farmers. All nonfarmers are buying their food for a less percent of their income than at any time since the records have been kept. I am basing this statement upon the estimates of the Bureau of Agricultural Economics and upon the figures from the Bureau of Labor Statistics. It might be well to keep in mind, in this connection, that many laborers, including the mine workers, are making demands for increased wages. They are not basing their demand upon the parity prices or upon the formula for parity prices. The argument, therefore, that the passage of the pending bill would justify increased demands by labor is without merit. It is well known that when the price of bread increases it is not reflected in the price of wheat. Moreover, it is well known that prices of other commodities to the consumer are not reflected in the prices received by the farmer.

There are those who assert that the farmer is responsible for the high cost of living. What are the facts? During the base period the average hourly earnings of the factory worker were at the rate of 21 cents per hour, while today they are at the rate of 85 cents per hour. There is thus an increase in factory labor of over 300 percent, while there has only been an increase of 100 percent in the costs of farm wages from the base period to January 1, 1943.

INFLATION

But it is urged that the passage of the bill would cause inflation. The argument is without merit.

Farmers are trying to increase production. Higher wages are imperative. Such wages cannot be paid unless the increased costs are reflected in the parity price. The purpose of the bill is to increase parity and thus increase production, but inflation was never caused by an abundance of supply. The price is determined by the supply as well as by the demand. An abundance makes for deflation rather than inflation. There is general agreement that inflation is caused by shortage of supply. It would be more accurate to say that if the farmers make short crops and fall short of the goals in 1943, then inflation will result. I repeat to emphasize that the purpose is to increase production, and abundance does not cause inflation. On the contrary, inflation might be promoted by continued high industrial wages and salaries and a shortage of food and feed.

CONCLUSION

Labor is one of the factors in the farmer's problem today, but it is an important factor. Unless the parity includes the costs of labor, the farmer will be unable to compete with industry. Even if there is a supply of labor he will be unable to pay the wage demanded unless the parity price of his product is increased. The inclusion of the costs of labor in the formula will contribute much to enabling the farmers of the United States to raise the food and feed essential to win the war. It is not only fair and just, but in the crisis now confronting agriculture, it is imperative if America is to feed and clothe not only the civilian populations of the United States but the armed forces of the United Nations.

Mr. FORD. Mr. Chairman, I have given a great deal of thought to this question of including the cost of farm labor in the parity price. At first glance that seems to be eminently fair. The manufacturer or other businessman includes, as a matter of course, the cost of labor in his product, whether that product be merchandise or service.

That being true, then why refuse to permit the farmer to do likewise?

The answer is that parity is not a price. It is a comparison. Parity, as defined broadly means that the price of farm products shall be based on a level that will enable him to purchase the things he has to buy at a price comparable with the things he has to sell. If, for instance, 10 of the commodities that he buys increase 10 or 20 percent, the parity price of 10 commodities that he sells should be advanced 10 or 20 percent, as the case may be. If this is not done, then he is not receiving parity for his product.

If, on the other hand, he does receive parity for his product, he is receiving what the law, which his representatives passed, provides.

Now, then, if to that parity price we permit him to include the cost of labor, a factor which he has heretofore insisted not be included, he is being given a double or entirely unfair advantage, for by this inclusion he is paid a price that includes not only the increased cost of labor in the products that he buys, but in addition thereto the increased cost of his own labor.

If the parity principle is correct, and if he is receiving parity, then any additional allowance is a pure bonus and a factor that would and will contribute to the bringing about of inflation.

I can conceive of no tragedy that would surpass such a situation. I can conceive of no segment of our population that would suffer more as a result of inflation than the farmer.

For that reason, gentlemen, I am opposed to this or any other bill that attempts to include the cost of farm labor in the parity price.

If a bill comes to this floor that honestly provides for the cost of production, plus a reasonable return on farm investments, I will gladly support it.

I cannot, my friends, support this measure, not only because it is unfair now and should not be passed but because I can see repercussions that will amount to incalculable harm to the farmer later on.

If farm prices are frozen at a higher level than they can be marketed for, where is the farmer going to get off. Gentlemen, this bill is ruinous to the farmer and dangerous to the whole economic structure. Reject it. It is a bad bill.

Mr. ALLEN of Louisiana. Mr. Chairman, there is a basic principle involved in the pending bill which I think outweighs every objection that has been urged to the bill. This bill simply provides that the cost of farm labor be included in computing parity prices for farm products. Regardless of what position farm organizations may have taken years ago, regardless of what may be said against this bill at this time, the question arises as to whether it is right or wrong to include the cost of farm labor in arriving at the price of farm products, or parity. Ever since the human race has engaged in business of any kind, the labor involved in production has had a great deal to do with the price for which the product sold. This is true in all industry. In fact, the cost of labor in the manufacture of most articles is one of the largest items. I am not criticizing that. I am simply reciting it as a fact. Those who produce merchandise or goods of any nature must be paid. The person who sells the manufactured article of necessity has to include the cost of labor. No one could or would argue to the contrary. And yet it is singular, Mr. Chairman, that in one great industry, namely, farming, men take this floor and argue seriously against this basic principle. If it is right to include the cost of labor in everything else, why is it not right to also include it in agriculture? To my mind, the argument is unanswerable.

In the very short time which I have to discuss this question this evening,

obviously I can only touch briefly on very few points. One of the main arguments urged against this bill is that it will be inflationary in effect. Of course, Mr. Chairman, no one will seriously contend that the bill, if it becomes a law, will not increase the price of agricultural products. That is the very object of the bill. It is sponsored for the very purpose of increasing the price which the farmer is to receive for his products. It is asserted here by those who are in a position to know that agricultural prices will be increased by the bill only 3 or 4 percent at most. That, Mr. Chairman, certainly cannot be very inflationary. But this country today faces the choice between a move of this nature designed to give the farmer a better price for his product, on the one hand, or going hungry, on the other hand. We have a few million farmers undertaking the gigantic task of feeding hundreds of millions of people in this wartime. Farm labor has been pulled off the farm by the draft and by the high prices paid by industry. The farmers simply cannot produce the products which this Nation must have unless they are paid a price for their products which will enable them, in some measure, to compete with wages in industry. We might as well face the fact that the farmer cannot now compete with industry. Workers quite naturally seek the better wages. If the present condition is permitted to go on in this country, the cold reality of hunger is going to be experienced here.

So, Mr. Chairman, while we doubt that this bill will be inflationary to a hurtful degree, the fact remains that we must choose between the alleged threat of inflation on the one hand and hunger on the other. We cannot wage this war without ample food. We cannot secure ample food without labor. We cannot secure labor unless the farmer is given a price for his product to enable him to hire the labor. All the oratory that has been poured out here cannot get around these basic principles.

It is regrettable to me that it has even been argued on this floor today that the labor of a farmer and his family should not be taken into consideration. The gentleman from Illinois [Mr. DIRKSEN] has even asked that the bill be limited to hired help. Mr. Chairman, to do that would be one of the most unfair things in all the world. That would enable the larger farmers who produced their products with hired labor to have the price of their products include hired labor, while the small farmer who was not able to hire labor and only had the help of his wife and children would not be able to take into consideration the labor of his family in computing prices. In other words, the move of the gentleman from Illinois would place the small farmer at every disadvantage and it is unthinkable to me that a proposition like that should be seriously urged in this House. Let us pass this bill and pass it now. The farmer is entitled to have the cost of farm labor included in figuring prices. The fact that farm organizations some years ago opposed the inclusion of farm labor in the computation of prices, or parity, certainly should not warrant the defeat of this bill now. Every farm organization now favors this bill. I am for it. The people favor it. The farmer needs it. The Nation needs this bill. Its passage is imperative at this critical time in our country.

Mr. MAHON. Mr. Chairman, on account of the limitations of time for debate on this bill to require that farm-labor costs must be considered in arriving at the price of farm products, I wish to state for the record that I shall vote for the bill. Members of Congress from agricultural areas have known for more than a year that there would be a breakdown in agricultural production unless labor costs should be included in arriving at parity prices for farm products. Even with this done, the production problem will be far from solved.

Unfortunately, many of the officials of the Government have been too late in awakening to the seriousness of the agricultural production situation. I am glad to have the opportunity of voting for legislation requiring that farm labor must be considered in arriving at the prices of agricultural products.

Mr. JOHNSON of Oklahoma. Mr. Chairman, inasmuch as the Interior Subcommittee on Appropriations has been in session all during this entire debate and I am in charge of that hearing, I have not been able to avail myself of the opportunity of hearing much of the discussion on the pending bill. I merely want to state, Mr. Chairman, that I am, of course, in accord with the purpose of this legislation and shall support it on final passage. This bill to amend the Agricultural Adjustment Act of 1938 and as reenacted by the Agricultural Marketing Act will, as I understand, include the cost of all farm labor in determining parity price for all agricultural commodities. I agree with the previous speakers that Congress is mighty late in passing this legislation. I also agree that this should have been enacted many months ago. In my judgment, it is the most practical and constructive farm legislation that this Congress has yet considered. Unless the farmer can get the actual cost of production for his commodities, there is not the remotest possibility of the farmer being able to produce the foodstuffs so essential in winning the war as were produced last year. Yet the farmer is being called upon by this Government to increase his production from 10 to 20 percent.

I sincerely hope that this pending legislation will pass today by a practically unanimous vote so that the word may go to the farmers of America that the Congress of the United States will not throw them down during this world crisis but will give them at least a fighting chance to meet the Government's demand for increased production during the coming season.

Let me add, Mr. Chairman, that if given the opportunity, the farmers will work overtime in a courageous and desperate effort to meet the demands for producing an increased food supply. Regardless of the castigation and unfair criticism of the farmers in some quarters, there is no more loyal group in any walk of life than those who till the soil. They have not absented themselves from their work as too many industrial workers have been thoughtlessly doing. The farmers of America have never staged a sit-down strike nor a walk-out, nor have they ever refused to work merely because of the low farm prices they have received on many of their commodities in the past. They have not only given their money, their time, and their work to the war effort, but they have generously given their sons for the cause of liberty in the hopes of making this a better world in which to live.

Again let me express the hope that the Congress will pass the pending bill by an overwhelming majority and without any further delay.

Mr. BROOKS. Mr. Chairman, I have always believed that a laborer is worthy of his hire; and I have believed that this is the fact whether he works upon a farm or in a factory. The industry which cannot pay its workmen a fair return for their labor cannot continue long to thrive and prosper and will in time feel the mortal handicap of diminishing returns and complete failure.

Over thirty millions of people in the United States are directly dependent upon the tilling of the soil for their livelihood. This group constitutes the largest single segment of our society. They are our farmers who through the years have worked our soil and brought forth bountiful crops. They are the people upon whom we depend in this time of great emergency to feed and clothe the Nation.

With a rather sudden realization, some of the officials of our Government have now found that we can no longer expect tremendous surpluses of foodstuffs and that we are face to face with the actual problem of getting enough food to feed our 11,000,000 fighting men and at the same time maintaining our civilian population. Over and above this, the terms of the lease-lend agreements with our allies call for food; and a Nation which in the past has always talked in terms of vast surpluses, must now tighten its belt and prepare for a fight against critical shortages and possible starvation.

The bill before us today will permit our farmers to obtain costs of labor in the price of their commodities. It will therefore give to this group of our people an incentive to produce food which we need and must have if we are to win this war. It will in effect assure them that their labor, properly applied, on the farm be considered by the Nation in setting a price on the product.

Some there are who, of course, have raised the cry of inflation—a cry which ever has been raised against the farmer. But, Mr. Chairman, I ask, when has it been considered inflation to return to a producer the actual costs which he has expended in the production of a commodity? No one has, or will contend, that labor is not an item of costs as well as is the value of material used in the process of production. No one will

say in any other industry that the actual costs of the labor should not be calculated in reaching a fair selling price. So is it with the farmer.

We are now in the midst of the Nation's greatest crisis. Not since Washington and his armies camped on the bleak hillsides of Valley Forge has the Nation faced a sterner reality than at the present moment. If we are to win this war, food must be produced—and it must be produced this season. We cannot wait until harvesttime to find out whether or not our farmers have planted enough to meet the demands of the hour. We must be assured now, before the planting season is over, that labor is available and our farmers proceed to the work of producing the food crop necessary to win the war. Our hope of bringing about these crops is to assure the farmer that he is being given a return of the value of labor which he has expended.

Mr. Chairman, this bill should pass. It is a bill needed by our people and is an emergency war measure, which should have our favorable consideration.

Mr. FISHER. Mr. Chairman, I rise in support of this bill, known as H. R. 1408, which proposes to amend the Agricultural Adjustment Act so as to include the cost of all farm labor in determining the parity price of agricultural commodities.

This legislation comes before this House at a most critical time in our Nation's history; at a time when a general food shortage is imminent; at a time when our 8,000,000 farmers are being urged to produce more and more food for freedom.

Never before in our history, Mr. Chairman, were the 130,000,000 people of this Nation, and indeed the peoples of the United Nations joined with us in this struggle, so completely dependent upon the hard-working and under-paid farmer of America. To paraphrase the words of Winston Churchill: "Never before were so many so dependent upon so few."

It is true, of course, that the grim, dangerous, and blood-giving part of this struggle is being valiantly and heroically borne by the boys in uniform who are carrying the banner of democracy onto a hundred battle fronts. It is also true that the whole war program is dependent upon and is being supported by the millions of patriotic overall-clad workers who are providing the munitions and implements of war with which our boys are to fight our battles. But, Mr. Chairman, every one of those men in uniform must be fed and they are dependent upon the American farmer for every bite of their food. And every last one of those war workers is dependent upon the American farmer for every bite he eats. Therefore, the farmer is truly the backbone of our war front and of our very economic life today.

Now, what does this bill propose to do? Stripped of its phraseology, it simply proposes to provide the farmer with a little more income by making it possible for him to get a little better price for what he produces. I submit that those in this country who oppose this legislation must do so because of a lack of understanding of its purpose. Those same people will pay lip service to the farmer's work and they will offer all manner of sympathy for his plight. But when specific legislation is offered to actually give him some tangible relief, they cry "wolf" and say it means inflation. The farmers do not want sympathy. They do not ask for special privileges. They only want simple justice. And where is the man who, with a spirit of justice in his heart, can rise up and say the farmer is getting one thing he does not deserve when he asks—as this bill would in some measure give him—for a price for his commodities that would take into account the increased cost of his labor that goes into that production?

If that be inflation, then is it not inflation for the manufacturer to be paid for what he produces on the basis of what it costs him to produce it? High wages are being paid in industries, and those high wages are included and reflected in what the manufacturer is paid for his goods. Why leave the farmer out of that formula of calculation which takes into account the increased cost of production?

What is meant by the term "parity"? As is so well stated by the very clear and able report on this bill, the effect of this act would not be to add to parity prices the total amount paid to or allowed for those working on the farm. Its effect would be to add, as part of the cost of production, the difference or increase in the farm wage rates since the base period of 1909 to 1914. The law itself defines parity price as—

> That price for the commodity which will give to the commodity a purchasing power with respect to articles that farmers buy equivalent to the purchasing power of such commodity in the base period.

As has been pointed out here this afternoon, during the base period the farm wage rate was an average of $1.42 per day, whereas, according to the Bureau of Agricultural Economics in the Department of Agriculture, the average farm wage, without board, was on January 1, 1943, $2.83 per day. It is only this increased wage rate, and this difference or increase, that would be added.

The justice of this legislation is elemental and well recognized. President Roosevelt, in his message to Congress on September 7, 1942, made this statement:

> Parity is a fair relationship between the prices of the things farmers sell and the things they buy. Calculations of parity must include all costs of production, including the cost of labor.

When the farmer buys a plow, a tractor, or a suit of clothes there is included in that price all the labor costs incurred in its manufacture. But not so with the farmer's produce, where none of this increased labor cost since the base period is computed in the parity price of such produce. Yet, according to the Bureau of Agricultural Economics in the Department of Agriculture, labor is 32 percent of the cost of producing farm products.

Therefore, Mr. Chairman—and I shall not consume further time—every rule of simple justice calls for the passage of this bill. Moreover, we must remember that we are at war. Now is a time of extreme emergency when we hear of all manner of incentives, of time and a half for overtime and the like, to induce greater production in war industries. The farmer is called upon this year to increase his production by at least 12 percent. Yet he is unique in that he is not complaining about his long hours and is not asking for paid vacations or for sick leave. He only asks for fair treatment based, as I have said, upon simple justice.

Today the farmer is short of labor. Why? Because his farm has been depleted of his normal labor due to the fact that most of the young men have answered the call of their country, and the remaining available labor is being drawn as if by a magnet to war industries where high wages abound with which the farmer simply cannot compete. Why can he not compete? Because he does not get enough for what he produces to enable him to pay higher wages. This bill may not help much, but it will at least help to cure a basic and rank injustice in calculations that enter into the formula for farm parity prices.

The Chair recognizes the gentleman from Arizona for such time as he may require.

Mr. MURDOCK. Mr. Chairman, we have reached the reading of the bill too late today for one to take as much time as the importance of this measure really requires. I have made up my mind to vote for this bill, after making careful inquiry here in the Chamber of the author and others who have sponsored similar legislation. Perhaps the explanation given in the report on the bill should be adequate, especially when taken along with Congressman PACE'S explanation, but I have had some questions for my own information which I needed to satisfy before casting a vote on it. The author of the bill has now satisfied my mind in these matters.

I do not want my hesitancy as just expressed to be interpreted as hostility to this measure, for I am very definitely in sympathy with the proposal in general. Having grown up on a farm, I have a knowledge of farm conditions, and having a farm constituency, I have an official duty, in addition to my sincere desire to do the right thing by the farmers of America. Last year I was indignant at the base and cruel misrepresentations in certain sections of the press and radio which held the farmer up to scorn as a robber, a war profiteer, and a menace to the country. If I know anything, I know how baseless, untrue, and malicious such misrepresentations were at that time—or at any time.

While I voted against Congressman PAUL BROWN'S amendment to the anti-inflation bill in the House during the last session of the Seventy-seventh Congress, I did vote for the bill on final passage. The reason I voted against the Brown amendment at that time was because I did not see how it could be applied. Looking back on it now, I feel that I was deterred by fear of dangers that did not exist. True, this bill is not the same as the Brown amendment, but I shall vote for this, and I would vote for

the Brown amendment if it were before us today.

Does this proposed change in the law mean inflation? Not to any great extent, as I see it. Whatever inflation may be caused by it is but a drop in the bucket to what other forces are causing. Will it mean an increase in the cost of living? Probably so, but not necessarily so, for it seems to me that this change in the farmer's favor should cause more of a change in the distribution of the national income than in the cost of living for our people.

Certainly simple justice demands a change in parity prices for farm products. The formula must include farm labor. I have always contended that labor costs should be included, ever since I have known the concept of parity. My only doubt and question has been, How shall some of that labor be estimated or computed? Congressman PACE has cleared that up in my mind, and now I am going along with him in this measure of belated justice to all American farmers.

Let me commend the gentleman from Georgia for his splendid piece of work, with the help of his colleagues of like spirit. I feel that this report is a classic, deserving to take its place far outside the limits of tedious official documents. It contains passages worthy of rank in literature. Even its statistics are eloquent, in the lines and between the lines, and tell a dramatic story with feeling and pathos.

Mr. FULMER. Mr. Chairman, I ask unanimous consent that debate be limited to 20 minutes on this section and all amendments thereto.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina [Mr. FULMER]?

Mr. MONRONEY. Mr. Chairman, reserving the right to object, how much time will that give Members wishing to speak in opposition?

Mr. FULMER. May I say to the gentleman that we have just gotten a unanimous-consent request through that all Members may extend their remarks at this point. We hope that we may be able to finish and vote and adjourn.

Mr. MONRONEY. Mr. Chairman, this is a very important measure, and I think Members opposing the bill and even those who want to speak for it during the time it is being considered prior to passage are entitled to be heard. Many of us asked for time from the committee and we could not obtain it.

Mr. FULMER. The gentleman will get 5 minutes. There are only three Members standing. Mr. Chairman, I move that all debate on this bill and all amendments thereto close in 20 minutes.

The motion was agreed to.

Mr. DIRKSEN. Mr. Chairman, I offer an amendment which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. DIRKSEN:

On page 2, line 11, strike out the word "all" and insert the word "hired";

On page 2, strike out all of lines 12, 13, and 14, and in line 15 strike out the words "hired farm labor"; in line 16, after the word "all", insert the word "hired."

On page 3, line 1, strike out the word "all" and insert the word "hired."

On page 3, strike out all of lines 2, 3, and 4, and in line 5 strike out the words "for hired farm labor"; in line 5, after the word "all", insert the word "hired."

The CHAIRMAN. The gentleman from Illinois is recognized for 3 minutes.

Mr. DIRKSEN. Mr. Chairman, I will take just 1 minute. This amendment in the appropriate places in the bill changes the language so as to make the bill apply only to hired farm labor.

The bill and the gentleman from Illinois have both been suitably belabored and ventilated on this floor this afternoon and it is not necessary for me to say anything more about it.

Mr. RANKIN. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Mississippi is recognized for 3 minutes.

Mr. RANKIN. Mr. Chairman, I can think of nothing that would create more confusion than the adoption of the amendment offered by the gentleman from Illinois [Mr. DIRKSEN]. It would fix one price for the farm products where the farmer hired his help and another price for the same products where the farmer did his own work. We have enough confusion without confounding it in that way.

For my part, I should like to see these restrictions taken off the farmers, to get back, as Captain Rickenbacker said this morning, to the incentive system, the incentive plan, as we did in the last World War—let the farmers run their own farms and receive adequate pay for the things they raise. They would then produce everything necessary, and at the same time they would not be discriminated against as they are today.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. AUGUST H. ANDRESEN. If the amendment offered by the gentleman from Illinois is adopted, it will mean that the big commercial farmers will reap the benefit out of it.

Mr. RANKIN. Absolutely, while the little farmer who lives on his farm, who really bears the burden, who raises the children, who pays the taxes and maintains the community would be discriminated against. He would have to sell his crop at a lower price.

I should like to see the gentleman from Illinois making the separation. He would be as confused as old Lightnin' was when he said they made him walk and drive a swarm of bees across Arizona when the family moved west. He said he got caught in a snowstorm one day and came very near losing several of them. That is just about the predicament the gentleman from Illinois would be in if he were asked to separate all the grain, all the cotton, all the dairy products, all the poultry, and all the other farm commodities produced by farmers who hired the work done from the ones produced by farmers who did their own work, and then try to sell them all in the same market. I can think of nothing that would be more confusing.

I hope the amendment will be voted down.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

The question is on the amendment offered by the gentleman from Illinois.

The amendment was rejected.

Mr. O'CONNOR. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Montana is recognized for 3 minutes.

Mr. O'CONNOR. Mr. Chairman, in October 1942, when the Price Control bill was up for consideration in the House I took the position, and so told the House, during the debate, that farm labor should be included in the parity price to the farmer. The House so acted but later on this provision was modified by the Senate or practically nullified. The result of that action is the present bill known as the Pace bill. I am supporting it and voting for it. Every move that the Congress takes should be measured by the yardstick—will it help win the war. This should be so in view of our boys being killed on the seven seas and in every land. It is my contention that the passage of this measure and the including of farm labor in the parity formula will help win the war. First, there is no doubt but what the cost of farm labor has increased at least 100 percent since the base period of 1914. Now in order that the farmer may be able to compete in some slight degree with industry for workers and help he must be able to pay a decent wage. He can only pay such wages as are commensurate with the price for which he sells his products. The higher the price he gets for his products the more nearly he becomes able to compete with industry for labor. Farmers cannot pay $5 and $6 a day for help, selling wheat at a dollar a bushel and corn at 80 and 85 cents per bushel and other farm products accordingly. Therefore, it is a question of making the price such that the farmer can get the labor. It is foodstuffs that the country is crying for today and if farmers cannot produce it, then we face starvation, as our stock piles of farm products, as shown by rationing of nearly all foodstuffs, are gradually disappearing.

A year ago I predicted just this very situation on the floor of the House unless we met the condition by providing a floor under farm prices which would guarantee at least the cost of production. This warning, of course, fell on deaf ears. Those of us who know what the farmer is up against know that he must receive a livable price in order to produce. He is the only one in the economic picture who is today taking a chance on the price of his product. Industry knows what it is going to receive for its work. The laborer knows what he is going to receive for his hire. The farmer not only does not know what he is going to receive for his product but when he sows his seed in the ground he does not know whether it will sprout and grow. He does not know what the hot

winds will do. He does not know whether the rains will fall when they are needed. He does not know what insects will do to him. He does not know, in one word, what the harvest will be. He takes a double chance on what nature does for him and on the price he is to receive. It is an indefensible short-sighted policy of the Government during the war not to place farm products on a basis of at least cost of production to the farmer, which would include the cost of labor. Every other industry doing business includes all labor costs in everything it sells. It would go broke if it did not. The farmer being out on the limb that I am talking about is the reason why so many have gone broke in the past, put out the fire, called the dogs, and left for other parts. This will help some to alleviate the situation and may cause an increase in production of food vital to our war effort. Moreover, the President, in his message to Congress on September 7, 1942, stated among other things:

Parity is a fair relationship between the prices of the things farmers sell and the things they buy. Calculations of parity must include all costs of production, including the cost of labor. As a result, parity prices may shift every time wage rates shift.

This language is clear and unmistakable and cannot be misunderstood. He meant that the cost of labor should be included in the calculations of parity.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. AUGUST H. ANDRESEN. The gentleman knows—and I am not referring to the President's language particularly, although the gentleman may take it as he sees fit—but the gentleman knows that a good many times laws passed by Congress with a certain intent are so administered by the executive department that the intent of Congress is entirely disregarded.

Mr. O'CONNOR. The gentleman may, of course, say what he pleases; I do not always agree with him, but I do say that, so far as I know, the President of the United States went on record in connection with this matter.

The CHAIRMAN. The time of the gentleman from Montana has expired.

The Clerk read as follows:

SEC. 2. That the first sentence of paragraph (1) of section 2 of the Agricultural Adjustment Act of 1933, as amended, and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, approved June 3, 1937, as amended (7 U. S. C., 1941 ed., sec. 602 (1)), be, and the same is hereby, amended by changing the period at the end thereof to a semicolon and by adding the following: "and, in the case of all commodities, which will also reflect the cost of all farm labor (on the basis of the national average and including hired workers, farm operators, and members of the families of farm operators engaged in work on the farm, computed for all such labor on the basis of wage rates for hired farm labor), as contrasted with the costs of all farm labor during the base period."

Mr. DIRKSEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DIRKSEN: On page 3, after line 1, insert a new section as follows:

"SEC. 3. This act shall not be effective after the date of the expiration of the present national emergency or after such earlier date as may be determined by a concurrent resolution of the two Houses in Congress."

Mr. DIRKSEN. Mr. Chairman, the amendment speaks for itself. It seeks to limit this to the duration.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois.

The amendment was rejected.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. MCCORMACK] having assumed the chair, Mr. WALTER, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 1408) to amend section 301 (a) (1) of the Agricultural Adjustment Act of 1938, as amended, and the first sentence of paragraph (1) of section 2 of the Agricultural Adjustment Act of 1933, as amended, and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, approved June 3, 1937, as amended, so as to include the cost of all farm labor in determining the parity price of agricultural commodities, pursuant to House Resolution 157, reported the same back to the House.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

RESTORATION OF INDEPENDENCE OF LITHUANIA

Mr. GORSKI. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes and to revise and extend my remarks and include therein a resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. GORSKI. Mr. Speaker, on February 14 of this year there was a large celebration held at Orchestra Hall in Chicago, followed by a banquet in the evening at the Palmer House. This celebration was held in commemoration of the twenty-fifth anniversary of the independence of the Republic of Lithuania.

This little country of nearly 5,000,000 people was a prosperous and thriving nation. Its soil is fertile, the people are peace-loving and industrious. To augment what was already established, many churches and schools were under construction to advance the education of their children. They were happy and contented until the blight of war again fell upon them and now they are suffering with the other people of conquered Europe.

Mr. Speaker there is an estimated 3,000,000 Lithuanians in the United States, working in our shops, factories, mines, farms, in every trade and profession. They contribute to our general welfare and prosperity and help to make our country the great Nation it is.

At this gathering on February 14, which was attended by several thousand of the leading business and professional men, Americans of Lithuanian descent, representing people in all walks of life, together with civic leaders and many of our public officials, resolutions were adopted petitioning the President, Hon. Franklin Delano Roosevelt; the Secretary of State, Hon. Cordell Hull; and the Congress of the United States that in any peace negotiations following the war for the future stability of Europe and world peace Lithuania be restored as a free and independent nation in conformity with the principles of the Atlantic Charter.

The resolution adopted reads as follows:

The Lithuanian Democratic League of Cook County, the American Lithuanian Mothers' Service Club, proud Chicago mothers of 1,300 sons now serving in the armed forces of the United States, together with leading public officials, civic leaders, and many church representatives, in commemorating the twenty-fifth anniversary of the independence of Lithuania, are fully mindful of the desperate and tragic plight of Lithuania today.

Once again this little but valiant nation is being ground under the heels of tyrants—once again her people are dying the deaths of martyrs and heroes, never giving up hope that succor will soon come from the great and the mighty nations that are engaged in a life and death struggle with the evil and anti-Christ forces of Hitlerism and totalitarianism.

We are fully mindful and deeply appreciative of the justice and freedom which prevails in these beloved United States of America where human rights are paramount; and we are thankful beyond expression that we are permitted to enjoy these sacred and blessed privileges as citizens of this great democracy. Surely, the "four freedoms," recently proclaimed by our great President, Franklin Delano Roosevelt, are ours to enjoy and pass on as a noble heritage to our dear children.

But our hearts bleed for the people of Lithuania and the other conquered and enslaved nations throughout the world; and it is our fervent hope and prayer that they, too, will soon enjoy the blessings which are ours—blessings which can flow only from a true democracy.

We were thrilled several months back when our great President, Franklin Delano Roosevelt, and the Prime Minister of England, Winston Churchill, promulgated the national policies of their respective countries in the form of the Atlantic Charter, upon which they based their hopes for a better future for the world. The Atlantic Charter, speaking for the United States and Great Britain, proclaimed:

"They respect the right of all peoples to choose the form of government under which they will live; and they wish to see sovereign rights and self-government restored to those who have been forcibly deprived of them."

And as additional assurance that the ideals of the United Nations remain intact and steadfast, our President, in his memorable and historic radio address Friday night, February 12, restated and repledged these principles when he said:

"It is one of our war aims as expressed in the Atlantic Charter that the conquered populations of today, the overrun countries, shall again become the masters of their destiny. There must be no doubt anywhere that it is the unalterable purpose of the United Nations to restore to conquered peoples their sacred rights."

The 3,000,000 Americans of Lithuanian descent subscribe wholeheartedly to this great program for Lithuania and other nations similarly situated; and we dedicate our energy, our time, our money, our ingenuity, our very lives, to helping our country win this war: It is therefore

Resolved, That the above and foregoing statements express the true beliefs and sentiments of the Lithuanian Democratic League of Cook County and its many guests gathered at the Lithuanian Democratic banquet in the Palmer House on this 14th day of February 1943; and it is further resolved that the President of the United States, Franklin Delano Roosevelt; the Secretary of State, Cordell Hull, and Congress be duly apprised of said resolution, and that they be and are hereby urged to welcome and accept Lithuania now, and for all future time, as a member of the United Nations; and that she be assured of the future protection of the United States against the blight of Hitlerism and of all the other isms which spell slavery and death.

THE RUML PLAN

Mr. GEARHART. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. GEARHART. Mr. Speaker, a couple of days ago, Mr. Beardsley Ruml took to the air to defend his plan to skip and kiss good-bye forever our right to tax the 1942 national income of $115,000,000,000. This when the Government needs money more than it ever needed it before.

He deplored, as he has so often heretofore, the use of "forgiveness" as a word to describe his scheme for the skipping of our already matured income-tax bill for 1942.

"It's not a forgiveness," he shouted. All that he would do, he insisted, is to turn the tax clock forward 1 year and go on paying just the same.

What he failed to mention was that when "we turn the tax clock forward" that we will have all had 2 years of income and only paid 1 year of income taxes. Nice going.

Neither did he mention that as far as the none-too-well-to-do are concerned, the "feel" of the tax collection would be just the same, but that the rich and the exceeding well-to-do would ring up in tax savings fortunes beyond the dreams of Midas. For them, not pie in the sky bye and bye, but pie on the platter right now.

Not a word did he say about the thousands of new war-made profiteering millionaires that would sprout like mushrooms—if his plan should receive congressional approval.

Mr. Speaker, are the people so gullible as to fall for all this silly talk about the imperative necessity of "getting on a pay-as-you-go basis?" Is that not but a puny consideration when compared with the forgiving of $10,000,000,000 in tax revenues?

As the martyred Lincoln admonished, you can, perhaps, fool the people a part of the time, but, Mr. Speaker, sooner or later the people will see this crafty tax-gypping scheme in all of its ugly nakedness—Wall Street boondoggling at its worst. It is nothing but an ill-disguised maneuver to get away with paying but 1 year's taxes on 2 years' income. Nothing could be plainer.

Mr. Speaker, this is no year to be forgiving a year's taxes to the rich as the poor go on paying and paying and paying. The year to forgive is the year when it is necessary to forgive—in years of recession and depression, not when the people are all employed at the highest compensation ever paid, when everybody has money in his pockets, when the banks are full to overflowing with savings, when the people have billions of dollars invested in savings and War bonds.

Mr. Speaker, no one needs to be forgiven their taxes, this year of all years. If we grant the forgiveness that Banker Ruml demands, we will have surrendered to war profiteering, consented to a repetition of the scandals of the First World War, when we stood idly by while new marble mansions were built by 43,000 new-made war-profiteering millionaires, one for every white cross that was raised to mark the grave of an American soldier, sailor, and marine who remained to sleep eternally in Flanders Fields.

By the Grace of God, that shall not happen again!

The Rumlites shall not pass!

ORDER OF BUSINESS

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, may I ask the acting majority leader if there has been any change in the program for next week?

Mr. RAMSPECK. Monday is District day. I have been informed by the chairman of the Committee on the District of Columbia that six bills are to be brought up on that day.

Mr. MARTIN of Massachusetts. Can the gentleman tell us which bills they are?

Mr. RAMSPECK. There will be a bill amending the District of Columbia Unemployment Compensation Act; a bill dealing with pay increases for the employees of the District of Columbia; a bill permitting one of the hospitals here to use butter substitutes; a bill relating to tax exemption for the American Tree Association; a bill dealing with assessments against property owners for the construction of gutters; and a bill involving the question of women working 48 hours per week in the District of Columbia.

On Tuesday the alien seamen deportation bill will be considered.

On Wednesday the Steagall bill, dealing with the question of including allotment payments and soil conservation payments in computing parity will be considered.

On Thursday, Friday, and Saturday there will be general debate on the tax bill.

Mr. MARTIN of Massachusetts. I thank the gentleman.

EXTENSION OF REMARKS

Mr. SHORT. Mr. Speaker, I ask unanimous consent to extend my remarks by the inclusion of an article from the Washington Star.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. MORRISON of Louisiana. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a radio speech I made, and also to extend my remarks in the RECORD and include a short statement on sugar.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. MRUK. Mr. Speaker, I ask unanimous consent to extend my remarks and include a petition by the Legislature of the State of New York memorializing Congress to extend the Social Security Act.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER pro tempore. Under special order heretofore made, the Chair recognizes the gentleman from California [Mr. ELLIOTT] for 15 minutes.

DAIRY FARM CONDITIONS IN THE LOS ANGELES DISTRICT

Mr. ELLIOTT. Mr. Speaker, I realize the hour is late, that very few Members are left on the floor. However, we do have a serious condition existing throughout the United States in regard to the milk industry. I say this because we have had notice in the press that shortly there will be rationing of milk and milk products, butter, and cheese. I was very much interested this afternoon in some of the discussion on the Pace bill. As far as I am individually concerned I feel that the Pace bill is only a partial step toward correcting evils to make it possible that the farmers will produce more food. Had Hitler and his associates sent someone to the United States to hamper the production of foodstuffs, he could not have done a better job than to have selected some of those who have been in the Office of Price Administration to make a bungling out of our food program. They have placed ceilings on commodities, foodstuffs, below what it actually cost to produce. I say this for the simple reason that in my own State of California we are faced with a serious condition today on account of the ceilings being placed on butterfat, and the result of that ceiling price has been this: The Office of Price Administration placed the price in October 1942 of 97½ cents per pound on butterfat, and as a matter of fact it costs $1.08 to produce that unit. What has happened? In the county of Los Angeles for weeks the slaughtering of dairy cows has been as high as 614 cows per day on an average. Think of that! Here is a county with 100,000 cows, and there are many people in that area, in addition to the armed forces, and those who are working in the airplane factories producing airplanes and munitions of war.

To think that it has taken the Office of Price Administration all this time to

realize the mistake they made. The mistake was made in October, and just a few days ago was the first time that there has been any consideration given to correcting that mistake. At that time they changed the ceiling price from 97½ cents to $1.03 in the Los Angeles area.

Mr. VOORHIS of California. Mr. Speaker, will the gentleman yield?

Mr. ELLIOTT. Yes.

Mr. VOORHIS of California. I have two letters here from the man who has charge of the program of purchasing these cows when the dairymen have sent them into the yards for slaughter. I think perhaps it is pertinent at this time in the gentleman's speech. This man points out that when the price was set at $1.08 per pound of butterfat there was a very small flow of good dairy cattle into the stockyards indeed, but when the price was put back to 97 cents, they began to come in in large numbers. And I have a later letter after the price was fixed at $1.03, in which he says the dairymen are still culling herds, and are not purchasing replacements; and he concludes by saying that a milk shortage threatens and that there is no necessity for this, if the dairymen are given a chance to operate at a fair profit, and he feels that the adjustment of the O. P. A. was not enough to stop the flow of those cows to slaughter.

Mr. ELLIOTT. That is quite correct.

Mr. ANGELL. Will the gentleman yield?

Mr. ELLIOTT. I yield.

Mr. ANGELL. The same condition, I may say, exists in my district. I was talking today with a gentleman who has a very fine dairy herd in the vicinity of Portland, Oreg., and he told me he was wiring to his manager to close the farm and dispose of the stock, because he found it was impossible to employ help at the price he was required to pay—$150 a month for farm hands. Another dairy with which I was particularly familiar, one of the outstanding dairy herds of Portland, has been operating for 15 or 20 years. He is disposing of all of his stock and going out of business. Those are only two examples. There are dozens of others that are taking place in that area. As the gentleman knows, Oregon is a very extensive dairying country. We have a fine climate and plenty of outside feed and open winters, and we are in a position to carry on that business. We make great quantities of cheese and dairy products, but the people in that territory are finding it absolutely impossible to continue under present conditions.

Mr. ELLIOTT. That is the picture, and I thank the gentleman for his remarks.

I have great confidence in the present gentleman who holds the office of Price Administrator, Mr. Prentiss Brown, but I would clean house in that department and get rid of a lot of people who know nothing about what they are doing. What they are doing is hamstringing the farmer and stopping much needed food production, especially when they place ceilings that do not even come up to the cost of production of the product.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. ELLIOTT. I yield.

Mr. SHORT. The gentleman from California is making a very able speech. It is obvious to all, I think, that unless the farmer receives cost of production he simply cannot and will not produce. The condition that the gentleman has described in California and that the gentleman from Oregon says is true in his State, is also true in my own State. It prevails pretty widely throughout the Nation. Many of the dairy farmers are forced to sell their herds for slaughter purposes, and we all know you cannot produce a dairy cow overnight. It takes about 3 years to produce a dairy cow. Does the gentleman understand the benefits which we voted the farmers this afternoon in the so-called Pace bill apply only to the growers of cotton, corn, wheat, and oats?

It does not apply to the dairymen?

Poultry, eggs, milk, cheese, butter, and cream are not affected at all?

Those farmers who must purchase wheat, corn, and oats at an increased price will find it even more difficult unless we do something in addition for the dairy farmers?

Mr. VOORHIS of California. Will the gentleman yield?

Mr. ELLIOTT. I yield.

Mr. VOORHIS of California. I am certain the gentleman from Missouri [Mr. SHORT] is in error. I went into that point very carefully. As to the Pace bill, what will happen if it becomes law is that the national average of farm wage levels taken in the base period will be compared with the national average of farm wage levels today, the parity index figure will be adjusted accordingly so that in determining parity the base period prices for all commodities will be multiplied by a definite and higher index figure.

Mr. SHORT. I am grateful to the gentleman for throwing that light upon the discussion, because I was just informed by the gentleman from Virginia [Mr. ROBERTSON], who just checked the figures, that it did not apply to the producers of all commodities but only to those four major products. I trust I am mistaken and that the gentleman from Virginia is mistaken also.

Mr. ELLIOTT. I may say that the methods of production of fluid milk, particularly in southern California, are much different from those in effect in many eastern and midwestern markets. Producers for the Los Angeles market are very large. They handle nearly 100,000 cows, and milk production is the sole occupation of about 760 of those producers. Most of the cows are high producers, 400 pounds of milk fat per year being the standard used in computing costs as compared with the United States average of only 268 pounds. Since herds are so large the dairymen employ most of their help. Milkers are employed under a union labor contract at a wage of $175 per month, plus overage for excess gallonage milked per day. Those men average over $200 per month, plus free milk, and work 6 days per week.

The Los Angeles consumers require an average daily milk supply of 1,600,000 quarts—a figure which is increasing rapidly, due to military purchases and the great influx of civilian war workers.

Now, what is happening? The feed costs have gone up. For instance, barley has gone from $1.60 to $1.75 in the last 5 months; milo, from $1.45 to $1.95; cottonseed, from $41 a ton to $42.75 a ton; bran, from $39.80 to $41.60 per ton; soybeans, from $43.90 to $44.65; linseed meal, from $37 to $50.50 a ton; beet pulp, from $41 to $41.75, only a slight change; alfalfa hay went from $23.50 and $24.50 up to $38 and $39 a ton—all in the last 5 months.

The increased hay costs, plus the increased costs of labor and other factors, make it prohibitive that the farmer can take $1.03 in the city of Los Angeles, when it actually costs him $1.08 to produce that product.

We would not have rationing today if it had not been for the interference by departments, which has confused the farmers and caused reduced plantings and production.

I think that the Members that are on the floor will agree with me that if we had been permitted to produce the amount of milk and milk products without price ceiling being placed on that commodity by someone not having practical experience, we would be far better off today.

This is also true with meat birds and poultry. They placed a ceiling on poultry not knowing anything about what they were doing and in my State of California it caused the people producing the meat birds to destroy those birds by the thousands at the time when we needed the meat.

So it goes back to the statement I made awhile ago that we would be much better off if we could just take some of the people who are in the Office of Price Administration, give them a check and send them on their way. Certainly they are doing the country no good. They are creating conditions that are hard to correct, and I have confidence that Prentiss will correct it.

Our farmers are wanting to do their utmost to produce the commodities and foodstuffs to feed our armed forces, the people of other countries under lend-lease, and our civilian population, but certainly we cannot make any progress with the confusion and the bungling.

Mr. Speaker, I include here the letter written to our President by the California delegation relative to this serious problem.

WASHINGTON, D. C., *February 24, 1943.*

Hon. FRANKLIN D. ROOSEVELT,
The President of the United States,
The White House.

MY DEAR MR. PRESIDENT: We, members of the California delegation, are much concerned by our belief that the policies being pursued by the Office of Price Administration in reference to ceilings on food products are very substantially reducing the essential food supply of the Nation.

While this communication is specifically inspired by the milk-supply situation, the basis of our concern applies to several other food products of great importance to the consumers of the country.

We face a choice between reasonable prices covering production costs or shortage administratively created in our food supply.

We deem nothing in relation to agriculture of greater importance than production of foods and feed. Ordinarily the Nation must rely on the hope of the farmer of securing a fair price, including all his costs of production, as a means of inducing a supply of our essential food products.

We observe with apprehension what seems to be a dominating purpose in reference to our food supply—to destroy this normal means of inducing production and substitute therefor incentive payments, or promises of incentive payment.

We do not believe that incentive payments are going to be a sufficient basis on which our farmers will rely as a substitute for the inducement offered by reasonable prices, including all costs of production.

The farmer must have assurance that his prices, if controlled by the Government, must be adjusted to meet current costs. Under present conditions, the orders of the Office of Price Administration, and the shortage of farm labor, are decreasing production, restricting planting, demoralizing the farming industry as to some of our most important foods, and menacing the food and feed supply of the Nation. Valuable milk cows are being sent to the slaughterhouses, planting of essential crops being withheld for the lack of a program on which the farmer can rely.

Farmers are being asked to supply foods essential for our economic and military needs at prices below the cost of production.

The Nation is supporting industrial material costs and labor costs on higher price planes than ever before known in our history. An imposition of farm prices below the cost of production does not fit into this picture. Persistence in such a policy will make impossible that supply of food which farmers are urged to supply for the Nation.

We are convinced that price ceilings on agricultural products below the cost of production are a hindrance and a menace to the war effort.

We feel constrained to support legislation which will require that price ceilings on food products shall, at least, be sufficient to cover the cost of production under reasonably efficient management.

We do not believe that Congress is going to support an incentive plan as a substitute for the normal inducement of reasonable prices.

The situation in our State as to the effect of price ceilings on milk, meat, poultry, and some other products, is little less than appalling.

It is a tragedy, under present conditions, that governmental policies should be forcing the reduction in our food supplies such as milk, meat, and poultry. We urge immediate remedial measures be taken.

Respectfully yours,

Clarence F. Lea, A. J. Elliott, Bertrand W. Gearhart, John Phillips, Ward Johnson, J. Leroy Johnson, Chet Holifield, Norris Poulson, Carl Hinshaw, Richard J. Welch, John H. Tolan, Jerry Voorhis, George E. Outland, Ed. V. Izac, Tom Rolph, Albert E. Carter, John Z. Anderson, Will Rogers, Jr., Harry L. Englebright, John M. Costello, Harry R. Sheppard, Thomas F. Ford, Cecil R. King.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ELLIOTT. Mr. Speaker, I ask unanimous consent to include a letter written to Hon. Franklin D. Roosevelt, signed by the entire California delegation, regarding this situation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California [Mr. ELLIOTT]?

There was no objection.

AMENDMENT TO NATIONAL HOUSING ACT AS AMENDED

Mr. STEAGALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 677) to amend the National Housing Act, as amended, and agree to the Senate amendment to the House amendment.

The Clerk read the title of the bill.

The Clerk read the amendment, as follows:

Senate amendment: Strike out, in line 1, "and such" and insert "the National Housing."

Mr. MARTIN of Massachusetts. Mr. Speaker, may I ask the gentleman, this is merely a technical amendment?

Mr. STEAGALL. You might call it a clerical amendment to refer to the proper act. That is all it is. This is agreeable to the minority Members.

The Senate amendment to the House amendment was agreed to, and a motion to reconsider was laid on the table.

The SPEAKER pro tempore. Under a previous special order of the House, the gentleman from California [Mr. VOORHIS] is recognized for 15 minutes.

THE FOOD ADMINISTRATION

Mr. VOORHIS of California. Mr. Speaker, may I say that I heartily agree with my colleague from California about the setting of any ceiling prices at below a cost-of-production figure. I believe that he has brought out certain facts about some of our farm commodities in that respect which are very important to be brought to the attention of the House and which I earnestly hope may be corrected by the O. P. A.

We have a Food Administration. It is headed by the Secretary of Agriculture, the Honorable Claude Wickard, one of the most earnest and faithful public servants in America today. But neither Mr. Wickard, nor his entire organization is possessed of anything like the extent of authority which is absolutely necessary if the job of securing maximum food production and fair distribution is to be done.

The Food Administration does not control the fixing of ceiling prices on farm products. It has no power over food rationing. It must work through the Farm Equipment Branch of the War Production Board in order to secure production and distribution of farm machinery. Even its efforts to recruit farm labor and protect agriculture against further depletion of its manpower are clouded with some uncertainty. It is absolutely necessary that there be a centralization of authority and responsibility in the Food Administration if our food production goals are to be met and our present farm and food production problems solved.

The only criticism which can be justly made of Secretary Wickard is that he has not been tough enough and has not insisted as hard as he was entitled to do upon having the powers essential to get the job done for which the Nation regards him as being responsible.

Before I proceed further, it is necessary to say a few words about the Office of Price Administration. Former Senator Prentiss Brown inherited perhaps the hardest job connected with the whole war effort. It is my belief that given time Senator Brown will straighten out most of the difficulties that have beset the work of O. P. A. and in some instances driven some of our people to consternation. But there are one or two general matters of policy which are important. In the first place there is no necessary connection between the job of fixing prices and the job of rationing. And so far as the rationing of food is concerned, it seems to me perfectly clear that this should be an integral part of the Food Administration.

Furthermore, it is, I believe, no great secret that O. P. A. has been largely dominated by its legal staff—a staff probably considerably larger than it needs to be, and one which naturally is prone to make decisions on the basis of broad general and legalistic ideas which in all too many cases fail to fit the particular needs of the industries or groups affected. I could cite instances where men on the staff of O. P. A. itself have made exhaustive investigation of the situation with regard to the production of certain farm products, have arrived at a decision as to what the ceiling price ought to be, and then had their decision nullified by the Legal Division of O. P. A. and the price reduced. This sort of thing simply ought not to happen.

There is another consideration of fundamental importance regarding the work of O. P. A. Ever since the beginning of the war there has been a lot of talk about inflation and a lot of talk about preventing any increases in price levels. Many people have been given the impression that there would be no increases in prices at all. In my opinion such a situation cannot be realized and no one should be led to believe that it can. The job of O. P. A. in my judgment is to prevent unwarranted increases in prices and to see to it that no harmful rise in the cost of living takes place. It will do a better job if it goes in for controlled adjustment of prices than it will if it attempts to apply rigid theory to its work. I say these things as one who fully realizes that until the Congress is prepared to take fundamental action in the field of monetary control and taxation, we have to have a price administration. O. P. A. must be ready, however, to make continuing studies and adjustments, industry by industry, and farm crop by farm crop. And so far I think by and large it can be said that O. P. A. has failed to realize that such continual adjustments will always be a necessity. The idea seems to have prevailed that the whole structure of price control would break down if they yielded on any ceiling price, however compelling the argument might be for them to do so. In my judgment exactly the opposite is the case, and the

real threat to the structure of price control will come if it is made too rigid rather than if it is not rigid enough.

I now return to a consideration of the Food Administration and what I deem to be absolutely essential steps which must be taken if its work is to be effective.

First, as to prices of farm commodities, in my judgment the commodity branches in the Department of Agriculture are the agencies best equipped to determine fair price ceilings, if we must have such ceilings over farm products. These commodity branches backed by their regional organizations can determine what the real costs are in producing these farm crops in various parts of the country. They should be in a position to fix ceiling prices which will really be ceiling prices—that is to say, prices that are of sufficiently high level to secure maximum production from all producers in the field. These commodity branches ought also, in my judgment, to have control over food imports, a job which is now divided up between a number of different agencies with resultant and inevitable confusion. Direct authority and responsibility, subject only to the general direction of the Food Administrator himself, for securing maximum production at home and such importation as is possible and necessary, could be placed in the hands and upon the shoulders of the commodity branches that already are set up and have years of experience and training behind them.

The present shortage of farm machinery is largely, in my opinion, the result of a division of authority and responsibility with regard to it. There are signs that the situation is clearing and that so far as 1944 is concerned, and possibly so far as the harvesting of this year is concerned, the situation will be considerably better than it is now.

Nevertheless, we should have learned our lesson, and the Food Administration must have in its own hands complete responsibility and authority for the manufacture and distribution of farm machinery, equipment, and repair parts. This, of course, would have to be subject to the amount of material which can be allocated for this purpose in view of other war needs—but subject only to this one limitation. There ought not to be divided responsibility in this respect. And agriculture ought to receive, it seems to me, more than a bare 1 percent of available steel supplies, which is all it is getting now. Farmers must have machinery in view of the labor shortage. I am ready to concede that under Mr. Kreger, the new head of the Farm Equipment Section of the War Production Board, a man not directly connected with any of the huge concerns in this field, there may be a real cooperation and the Farm Equipment Branch may be ready to carry out the decisions of the Food Administration. Nevertheless, it would seem to me better, as I have said, if complete responsibility and authority in the field were in the hands of the proper people in the Food Administration. Those men are doing a good job right now—the best, I think, that could be done under existing circumstances.

Again it seems to me so logical as to hardly need to be pointed out that the same agency should decide questions concerning the distribution of food and also such questions as the relative value of ration stamps which must be used for the purchase of food. Otherwise one agency of the Government is responsible for the general movements of food commodities and another one for consumer rationing thereof. And certain it is that the people who are directly dealing with the obtaining of food supplies and who know first hand what those supplies are going to be are the only logical people to decide about their distribution or rationing if the latter is necessary.

America is not going to be defeated on the food front. With all our difficulties, our farmers produced more last year than they have ever produced in history. With increased difficulties this year they will do the very best they can again, but anything that we can do to simplify the structure of our Food Administration to concentrate authority and responsibility will certainly be of help, and therefore must and should be done.

EXTENSION OF REMARKS

Mr. GAVIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include two editorials appearing in the Oil City Derrick.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania [Mr. GAVIN]?

There was no objection.

The SPEAKER pro tempore. Under a previous special order of the House, the gentleman from Oregon [Mr. ANGELL] is recognized for 15 minutes.

FUEL OIL RATIONING BUNGLED

Mr. ANGELL. Mr. Speaker, I have asked for this time to discuss briefly a critical situation which exists in Portland, Oreg., in my district, growing out of the rationing program for fuel oil. This rationing program has been bungled which is bringing distress to the people in my district and interfering with the war program.

At the meeting held at the time the rationing orders for the Pacific Northwest were about to be promulgated, at the office of Secretary Ickes, we were advised that a reduction of 30 percent in oil consumption would be provided for. However, under the regulations now being enforced in Portland for the period from February 1 to September 30, 1943, the oil curtailment averages 50 percent, and is resulting in suffering and distress, which bids fair to disrupt the morale of our people in the heroic efforts they are putting forth to advance the war program. A hundred thousand workers have come into the Portland area who are engaged in shipbuilding and other war activities, and have made an outstanding record in their contributions to the prosecution of the war. They are working on three shifts, and all housing facilities are practically 100 percent occupied, and as a result there is a much heavier strain on maintaining housing facilities and keeping them in proper condition as to heat and other facilities to provide for a minimum of comfort and health for the tenants.

Not alone does the problem involve supplying of heat to keep the dwelling units habitable, but hot water is a major problem where so many workers are employed in shipyards, and other war industries, and are going and coming at all hours of the day, owing to the three-shift program. This means that landlords must keep hot water 24 hours a day and must supply at least a minimum of heat to protect the health of the tenants, depending upon the hours of their occupancy of the dwellings. It would not seem to require argument to show that 50-percent cut only means suffering, ill health, and complete break-down of habitable housing facilities. The council of the city of Portland, in order to help meet this situation, adopted a new code, which provides a temperature of 65 degrees from 7 a. m. to 11 a. m.; a minimum of 60 degrees from 11 a. m. to 3:30 p. m.; 65 degrees from 3:30 p. m. to 5:30 p. m.; and 68 degrees from 5:30 p. m. to 9:30 p. m.

Landlords are required to maintain these heat schedules or be punished. The rationing allowances of fuel oil, however, will not permit them to maintain these temperatures and furnish hot water to tenants.

This code permits lower temperatures than required heretofore.

I am advised that some apartments and hotels have already used their full allotment of oil for the period from February 1 to September 30. They are confronted with the dilemma as to whether to provide a minimum of heat and hot water, even though it completely exhausts the oil allotment in a few weeks, or to endeavor to spread the meager allowance over the full period and by so doing fail to give even a minimum of heat or hot water required and leave the tenants in distress over the whole period.

My people advise me that these orders were apparently made and promulgated here in Washington, without an appreciation or an understanding of the peculiar conditions existing locally in Portland. Apparently it is an endeavor to make Portland fit into a comprehensive plan for all of the United States and thus fail to provide for minimum requirements for heat and hot water as made necessary by the conditions existing in this specific area. The muddle which has developed by reason of the rationing restrictions being imposed on the Portland area leads me to say that my prediction made February 27 seems now justified:

> I am not at all certain, however, that those in charge of the problem are sufficiently imbued with the gravity of the situation to make the necessary arrangements to keep our fuel-oil supply sufficient to meet minimum needs.

The fact is that these orders now being enforced are not meeting the situation honestly, and a minimum of heat and hot water is not being permitted in the Portland area. As a result not only suffering and ill health, but a crippling of the whole war effort will follow.

I am hopeful that consideration may be given to the representations made by our own people on the ground, who know the problems and who are in a position to give valuable information and suggestions as to what should be done under the circumstances to solve this problem.

Under these regulations now being enforced in Portland, two-fifths of the oil allowance covers the 8-month period from February to October, and three-fifths the 4-month period from October to February. Those who formulated these regulations overlooked the fact that in Portland the spring months of February, March, and April are ordinarily comparatively heavy heating months. The heating requirements for these months is frequently as heavy or heavier than October, November, and December. As a result, when we run into cold weather during these first 3 months of the 8-month period, all of the oil supply permitted under these rationing regulations will be exhausted during that period and during the remaining five months no oil will be available.

Those who formulated these regulations overlook the fact that regardless of the oil needed for furnishing heat, hot water must be supplied the year round, particularly so now with war workers engaged on three shifts and requiring hot water during the 24-hour period of the day and using especially large amounts for bathing and laundry work, because of the curtailment imposed on public laundries which is forcing many people to do their own laundry in the apartments and homes they are renting. Operators of apartment houses and other dwelling units in the Portland area find that it requires for hot-water heating a third as much oil as that for house heating. This allowance, of course, must be continued throughout the hot summer months. In fact, the need for hot water is much greater during the hot summer months than during the winter, because more laundry work is required, and manual workers in the shipyards and other war industries must have much greater allowances of hot water for bathing purposes. These regulations completely ignore this fundamental requirement necessary to maintain the health and comfort of the tenants.

We in Portland live within a few hundred miles of an immense supply of fuel oil in California, which is not only adequate but more than sufficient to supply all of our needs without any interference with the war program. Those in charge of transportation have dilly-dallied and failed to take the necessary steps within time, in order to keep our supply of fuel oil moving into our area. Over a year ago I called this to the attention of those in charge of the program but received no consideration. I am hopeful that those Federal officials in charge of fuel-oil rationing will make possible the supplying of a sufficient quantity of fuel oil to this territory to meet the minimum of our requirements and prevent sickness and distress and disruption of the war work in that area.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mrs. SMITH of Maine, for 1 week, starting March 22, on account of official business.

To Mr. ROWE, indefinitely, on account of illness in family.

To Mr. HINSHAW (at the request of Mr. HOLMES of Washington), for 1 day, on account of illness.

SENATE ENROLLED BILLS SIGNED

The SPEAKER pro tempore announced his signature to enrolled bills of the Senate of the following titles:

S. 171. An act for the relief of Arthur A. Schipke.

S. 405. An act for the relief of Mrs. Ernestine Fuseller Sigler.

S. 517. An act for the relief of Vodie Jackson

S. 518. An act for the relief of Robert T. Groom, Daisy Groom, and Margaret Groom Turpin.

ADJOURNMENT

Mr. RAMSPECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 45 minutes p. m.), under its previous order, the House adjourned until Monday, March 22, 1943, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE JUDICIARY

Subcommittee No. 1 of the Committee on the Judiciary will conduct hearings on H. R. 694, a bill to provide for the attachment, garnishment execution, or trustee process of wages and salaries of civil officers and employees of the United States, at 10 a. m. on Wednesday, March 24, 1943, in room 346, House Office Building, Washington, D. C.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will meet in open hearing on Monday, March 29, 1943, at 10 a. m. to consider the subject of allegations by certain labor leaders of wasted space on ships going to north Africa and delays in ship sailings.

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Thursday, April 1, 1943, at 10 a. m., on S. 163 (H. R. 498) to amend section 511 of the Merchant Marine Act, 1936, as amended, relating to ship-construction reserve funds, and for other purposes.

Congressman GEORGE J. BATES, of Massachusetts, patron of the bill H. R. 1766, upon which hearings were scheduled on Thursday, April 8, 1943, is a member of the Committee on Naval Affairs and of a subcommittee of that committee, duties of which will compel him to be absent from Washington on Thursday, April 8, 1943. Accordingly, the hearing scheduled for that date has been changed to Thursday, April 15, 1943 at 10 a. m.

EXECUTIVE COMMUNICATIONS, ETC.

262. Under clause 2 of rule XXIV a letter from the Secretary of War, transmitting a draft of a proposed bill to amend the act approved January 2, 1942, entitled "An act to provide for the prompt settlement of claims for damages occasioned by Army, Navy, and Marine Corps forces in foreign countries," was taken from the Speaker's table and referred to the Committee on Claims.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BLAND: Committee on the Merchant Marine and Fisheries. House Joint Resolution 92. Joint resolution to authorize the refund by the War Shipping Administrator of certain freights for transportation on frustrated voyages; without amendment (Rept. No. 257). Referred to the Committee of the Whole House on the state of the Union.

Mr. PATTON: Committee on Accounts. House Resolution 177. Resolution providing for the payment of salary for a special Assistant Sergeant at Arms; without amendment (Rept. No. 259). Referred to the House Calendar.

Mr. DOUGHTON: Committee on Ways and Means. House Joint Resolution 100. Joint resolution extending the time within which certain acts under the Internal Revenue Code are required to be performed; without amendment (Rept. No. 260). Referred to the Committee of the Whole House on the state of the Union.

Mr. BRYSON: Committee on the Judiciary. H. R. 1201 A bill to permit prosecutions after the lapse of a temporary statute for offenses committed prior to its expiration; without amendment (Rept. No. 261). Refered to the Committee of the Whole House on the state of the Union.

Mr. GWYNNE: Committee on the Judiciary. H. R. 1202. A bill to amend section 36 of the Criminal Code; without amendment (Rept. No. 262). Referred to the House Calendar

Mr. KEFAUVER: Committee on the Judiciary. H. R. 1203. A bill to eliminate private suits for penalties and damages arising out of frauds against the United States; with an amendment (Rept. No. 263). Referred to the Committee of the Whole House on the state of the Union.

Mr. PETERSON of Florida: Committee on the Public Lands. H. R. 1896. A bill to amend sections 1 and 2 of the act approved June 11, 1940 (54 Stat. 262), relating to the establishment of the Cumberland Gap National Historical Park in Tennessee, Kentucky, and Virginia, and to grant the consent of Congress to such States to enter into a compact providing for the acquisition of property for such park; with an amendment (Rept. No. 264). Referred to the Committee of the Whole House on the state of the Union.

Mr. RANDOLPH: Committee on the District of Columbia. H. R 2159. A bill to provide for special assessments for the laying of curbs and gutters; without amendment (Rept. No. 265). Referred to the Committee of the Whole House on the state of the Union.

Mr. FLANNAGAN: Committee on Agriculture. H. R. 2020. A bill to amend the Agricultural Adjustment Act of 1938, as amended, for the purpose of further regulating interstate and foreign commerce in tobacco, and for other purposes; without amendment

(Rept. No. 266). Referred to the Committee of the Whole House on the state of the Union.

Mr. MAY: Committee on Military Affairs. S. 495. An act to establish a Women's Army Auxiliary Corps for service in the Army of the United States; with an amendment (Rept. No. 267). Referred to the Committee of the Whole House on the state of the Union.

Mr. DOUGHTON: Committee on Ways and Means. H. R. 2218. A bill to provide a method for the payment currently of individual income taxes, and for other purposes; without amendment (Rept. No. 268). Referred to the Committee of the Whole House on the state of the Union.

ADVERSE REPORTS

Under clause 2 of rule XIII,

Mr. LUTHER A. JOHNSON: Committee on Foreign Affairs. House Resolution 165. Resolution requesting certain passport information from the Secretary of State (Rept. No. 258). Laid on the table.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. AUCHINCLOSS:

H. R. 2240. A bill to promote the national defense and to facilitate and protect the transport of materials and supplies needful to the Military Establishment and essential to domestic requirements through safe and adequate inland waterways, by the immediate authorization of the construcion of the New Jersey Intracoastal Waterway section of the Atlantic Intracoastal Waterway; to the Committee on Rivers and Harbors.

By Mr. BARRETT:

H. R. 2241. A bill to abolish the Jackson Hole National Monument as created by Presidential Proclamation No. 2578, dated March 15, 1943, and to restore the area embraced within and constituting said monument to its status as part of the Teton National Forest; to the Committee on the Public Lands.

By Mr. PATMAN:

H. J. Res. 102. Joint resolution to permit retailers to combine in negotiating purchases from suppliers; to the Committee on the Judiciary.

By Mr. FISH:

H. Res. 179. Resolution requesting certain information from the Secretary of War; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLAND:

H. R. 2242. A bill granting a pension to Barbara Oertel; to the Committee on Pensions.

By Mr. SASSCER:

H. R. 2243. A bill for the relief of George N. Cox, Jr.; to the Committee on Military Affairs.

By Mr. TOWE:

H. R. 2244. A bill for the relief of Frank and Nancy Foglia, parents of Frank Foglia, a minor, deceased; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

309. By Mr. ANDREWS: Memorial of the Assembly and the Senate of the State of New York, petitioning Congress to amend the Social Security Act; to the Committee on Ways and Means.

310. By Mr. CLASON: Petition of the City Council of the City of Springfield, Mass., favoring the immediate passage of legislation granting the franking privilege to any veteran who is a patient in a veterans' facility; to the Committee on the Post Office and Post Roads.

311. Also, memorial of the General Court of Massachusetts, memorializing Congress to increase the bed capacity of the West Roxbury Veterans' Hospital; to the Committee on World War Veterans' Legislation.

312. Also, memorial of the General Court of Massachusetts, memorializing Congress to adopt an adequate antilynching law; to the Committee on the Judiciary.

313. Also, memorial of the General Court of Massachusetts, memorializing the Congress to enact legislation substantially in accordance with the Ruml plan for the deferred collection of the income tax; to the Committee on Ways and Means.

314. Also, memorial of the General Court of Massachusetts, memorializing Congress to enact the anti-poll-tax bill, so-called; to the Committee on the Judiciary.

315. By Mr. FITZPATRICK: Petition of the New York State Legislature, petitioning the Congress of the United States to amend the social security law to include certain employees now excluded from the benefits of the social security law; to the Committee on Ways and Means.

316. Mr. FOGARTY: Memorial of the General Assembly of the State of Rhode Island, urging the erection of a United States veterans' hospital in the State of Rhode Island; to the Committee on World War Veterans' Legislation.

317. By Mr. HEIDINGER: Petition of Edna Burnett, Mrs. Charles W. Eider, Auda A. Stone, Ruth Rhine, Wanda Carter, Nell Reed, Madge Roberson, and Kathryn Mathis, in support of and urging the passage of Senate bill 637; to the Committee on Education.

318. By Mr. ROCKWELL: Petition of the Legislature of the State of Colorado, concerning interference with banking by Federal financing agencies; to the Committee on Banking and Currency.

319. By Mr. ROLPH: Resolution of the National Organization of Masters, Mates and Pilots of America, West Coast Local No. 90, regarding war bonus loss; to the Committee on the Merchant Marine and Fisheries.

320. Also, resolution of the National Organization of Masters, Mates and Pilots of America, West Coast Local No. 90, regarding enrolling merchant marine seamen in United States maritime service and furnishing free uniforms; to the Committee on the Merchant Marine and Fisheries.

321. Mr. SHORT: Petition signed by Jennie E. Hovey and other residents of Howell County, Mo., urging the enactment of Senate bill 860 for protection of young men in the service; to the Committee on Military Affairs.

322. By Mr. LYNCH: Memorial of the Senate of the State of New York, petitioning the Congress of the United States to amend the social-security law to include certain employees now excluded from the benefits of that law; to the Committee on Ways and Means.

HOUSE OF REPRESENTATIVES

MONDAY, MARCH 22, 1943

The House met at 12 o'clock noon, and was called to order by the Speaker pro tempore.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Heavenly Father, we feel Thy hallowed presence round us stealing as Thou dost wait for our approach. We pray that we may be keenly alive to Thy will; our only right is to do that which is good with Thine own. We praise Thee that when we use our powers to bind up the brokenhearted, to enthrone truth, and to remind men of their duty, it is Thy will and kingdom of grace. Oh, teach America the spiritual interpretation of her possessions; then she will attain the dominion of true character.

With this day, dear Lord, recurs sober reflection on the reality of that which confronts us. We thank Thee for the blessed assurance of Thy holy word; let it comfort every home encompassed with the clouds of war and resound on the battle lines of freedom:

Thou shalt not be afraid for the terror by night, nor for the arrow that flyeth by day, nor for the pestilence that walketh in darkness, nor for the destruction that wasteth at noonday. Only with thine eyes shalt thou behold and see the reward of the wicked, because thou hast made the Lord, even the Most High, thy habitation. There shall no evil befall thee, neither shall any plague come nigh thy dwelling; for He shall give His angels charge over thee to keep thee in all thy ways.

Through Christ. Amen.

The Journal of the proceedings of Friday, March 19, 1943, was read and approved.

EXTENSION OF REMARKS

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include therein an editorial.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from California [Mr. ANDERSON] may extend his own remarks in the RECORD.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

COMMITTEE ON AGRICULTURE

Mr. RAMSPECK. Mr. Speaker, I offer a resolution (H. Res. 180) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That during the Seventy-eighth Congress the Committee on Agriculture shall be composed of 27 members.

The resolution was agreed to, and a motion to reconsider was laid on the table.

ELECTION TO COMMITTEE ON AGRICULTURE

The SPEAKER pro tempore. Without objection, the election of the gentleman from California [Mr. PHILLIPS] on Friday last to the Committee on Agriculture is hereby confirmed and ratified.

There was no objection.

THE LATE HONORABLE FRANK O. LOWDEN

Mr. ALLEN of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. ALLEN of Illinois. Mr. Speaker, it is with profound sorrow and a sense of personal loss that I rise to announce the death of Frank O. Lowden, a former Member of this House, representing the Thirteenth Congressional District of the State of Illinois.

Born in humble environment in Minnesota, he early learned that the path that leads to a loaf of bread winds through the swamps of toil and thus became wedded to the soil. His 5,000-acre farm on the Rock River near Oregon, Ill., was the joy of his life. He was not a theoretical agriculturist but a practical farmer, whose judgment on all matters agricultural was desired and respected by everyone in that vital field of production.

The road from a country school teacher, through college to a successful lawyer, Member of Congress, and Governor of Illinois was long and arduous, but he traversed this highway with that industry, courage, and high character that marked his life to the very end.

He passes from us at the age of 82. Many of these years were devoted to the public good, in which he gave unstintingly of his unusual natural talent, the enthusiasm of his youth, the energy of middle life, and the wisdom of advanced age.

He held a genuine affection for his legion of friends and a deep sympathy for the unfortunate, believing in every instinct that in the alchemy of life we are nearer to God as we draw closer to our fellow man.

Frank Lowden moved with measured strength to the sanest end, worked with perfect poise to the surest point, and held a glorifying faith in enduring things.

He leaves a memory of patriotic devotion to country and home, which will be a continuing inspiration to all who loved him living and mourn his passing.

Mr. SABATH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. SABATH. Mr. Speaker, it was with real sadness that I learned of the death of Frank Orren Lowden, former Governor of the State of Illinois, and 4 years a Member of this House which he left voluntarily, at the age of 82.

I knew Mr. Lowden very well and favorably. Although we were of opposite political faiths, yet I always found him to be a conservative thinker and frequently he was far ahead of his contemporaries in his political and social views. Such a man is frequently unappreciated. It would be a mistake, however, to suggest that Mr. Lowden was lacking in friends. The contrary is true. No political leader of his time was more affectionately loved by those who knew him well.

When the Republican convention met in 1920, Mr. Lowden was the outstanding candidate for the Presidential nomination. Possibly it was because of his great friendship for farmers that he was not chosen and not nominated for the Presidency, and he rejected that convention's proffer of the Vice Presidential nomination. Had he accepted the Vice Presidential nomination he would have achieved his life's ambition to be President of the United States.

Mr. Lowden's farm and aid to agriculture thereafter were his principal concerns. He made his 5,000 acres at Sinnissippi an agricultural laboratory of world-wide importance. Better crops, better stock, better systems of marketing were his objectives. He achieved them and at the same time continued to aid other agrarian realists on how to do the same thing.

Mr. Lowden married Miss Florence Pullman, daughter of George M. Pullman, in 1906.

Mr. Lowden was well grounded in the American system of government, its interpretation and application. His passing leaves a real void in our national councils, and in the front ranks.

The many who knew him so well and valued his character so highly will ever bow in reverence at the tomb of such a worthy citizen of the Republic.

PERMISSION TO ADDRESS THE HOUSE

Mr. MANSFIELD of Texas. Mr. Speaker, I ask unanimous consent that on tomorrow I may address the House for 30 minutes following the disposition of the legislative business of the day and other special orders.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr HALE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my own remarks, and to include therein a release of the Maritime Commission.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

[Mr. HALE addressed the House. His remarks appear in the Appendix.]

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my own remarks, and to include a statement by the retail coal dealers of Richmond, Ind.

[Mr. SPRINGER addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. GEARHART. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a letter from Mr Frank A. Fayant, of Miami, Fla., which was printed in the Wall Street Journal of February 19.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. GEARHART. Mr. Speaker, I further ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial which appeared in the Borger (Tex.) Daily Herald.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MANASCO. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a letter from the Honorable Frank P. Stamford.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. BRADLEY of Michigan. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an article by Mrs. Rhoda Christmas that appeared in the Times-Herald of yesterday.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. SYNDER. Mr. Speaker, I ask unanimous consent that on tomorrow, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 15 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

DAVID GINSBURG

Mr. SIKES. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. SIKES. Mr. Speaker, I dislike to engage in the David Ginsburg controversy. The whole business is distasteful. But whether or not Mr. Ginsburg, erstwhile chief counsel for O. P. A., is a draft dodger who would like to be a colonel, he is apparently lacking in the fundamental principles required in a good public official. The cloak of martyrdom which Mr. Ginsburg has attempted to don fits badly. Here is one additional small bit of evidence. I hold a map of Washington and the adjoining territory. That map, appropriately illustrated, was drawn to scale from three larger maps by a $2,000-a-year Government artist-designer, on Government time, after Pearl Harbor. It took 10 days to do the job. Five hundred copies were then reproduced by Government workers at Government expense for distribution to Mr. Ginsburg's friends. The map shows those friends how to thread the maze of Washington thoroughfares and to reach the home of Leah and David Ginsburg. Evidently important people.

I understand, Mr. Speaker, that Mr. Ginsburg got the idea for the map from his boss, Mr. Leon Henderson, who had Government workers print several thousand maps to show the way to his country place at Annapolis.

Mr. Speaker, this is the sort of thing that destroys faith in government.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. SIKES. I yield to the gentleman from Mississippi.

Mr. RANKIN. I wonder if he furnished a copy of that map to the Draft Board.

WIN THE WAR FIRST

Mrs. BOLTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Mrs. BOLTON. Mr. Speaker, yesterday the Prime Minister, Mr. Churchill, spoke to the British people everywhere while the rest of the world listened in.

His analysis of the problems that will face England at the close of the war that are in the minds of those in power should challenge every one of us. His picture of the trends in Britain was painted in bold strokes. No one can doubt that he and those associated with him are keeping England's future constantly before them. But it was magnificently clear that their energies and the energies of the English people are united in a mighty effort to win the war. They are looking ahead to the peace, yes; but first, last, and all the time they are bent on winning the war.

I believe we need to gather together and analyze our ideas of the post-war world. But as the representatives of the people of the United States we must be sure we are putting first things first. To do this must we not insist that all branches of our Government and all the selfishly quarreling groups of our people unite to this one purpose, to win the war? Let us be as loyal to our America and as wise in her behalf as the Prime Minister is to his England.

U. S. S. "SCHENECTADY"

Mr. JACKSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. JACKSON. Mr. Speaker, on January 16 of this year the tanker *Schenectady* split apart and sank at its mooring dock in Portland, Oreg. This was the first tanker constructed by the Kaiser yard in that city.

Shortly afterward the chairman of the Committee on the Merchant Marine and Fisheries appointed me chairman of a special subcommittee to investigate this incident. The Maritime Commission made a very exhaustive study and investigation of this matter in connection with the American Bureau of Shipping. During the past week a report was submitted. Included in that report was also a report submitted by Professor Graff of Oregon State College. Professor Graff's statement and findings, made for the American Bureau of Shipping, contained a rather serious indictment in that it is alleged that the steel supplied to the maritime shipyard operated by Kaiser in Portland was of a defective quality.

This week our committee has arranged for Mr. Edgar Kaiser, the manager of the Portland yard, to appear before the committee to give his version of the failure of the *Schenectady*.

The committee is particularly concerned by Professor Graff's allegation. A thorough investigation will be made of this charge and all other matters relating to the case.

EXTENSION OF REMARKS

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on two subjects, in one to include a copy of the Gallup poll on the Ruml plan, and in the other to include a statement.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

THE TAX BILL

Mr. ROBERTSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. ROBERTSON. Mr. Speaker, every Member of the House received today a letter from our colleague the gentleman from Rhode Island [Mr. FORAND] outlining a pay-as-you-go tax plan which he will submit to the House as a substitute for the committee bill in the event the substitute offered by the gentleman from Kansas [Mr. CARLSON] is defeated. That is the same proposal I made to the Committee on Ways and Means. You will find a detailed explanation of it in the Appendix of the RECORD, page A1140.

Next Thursday evening the gentleman from California [Mr. GEARHART] and I will speak over a national hook-up from New York under the auspices of the Town Hall of the Air. On that occasion Dr. Roswell Magill, former Under Secretary of the Treasury, will extoll the principles of the Ruml plan, and I understand he will be supported in that argument by Senator BENNETT CLARK of Missouri. The gentleman from California and I will express our objections to the Ruml plan. He will present the virtues of the committee bill and I shall undertake to explain why I think the Forand substitute is the best plan of all.

Mr. JENKINS. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. JENKINS. Mr. Speaker, while these distinguished gentlemen, the gentleman from Virginia [Mr. ROBERTSON] and the gentleman from California [Mr. GEARHART], have been extolling the virtues of the various plans, I call the attention of the House to an article that appeared in yesterday's newspapers and which article is more convincing than all the oratorical efforts of these two gentlemen. They speak their opinions while this article reflects the opinions of the people of the whole country.

Dr. Gallup, with his usual industry, has submitted the merits of the Ruml plan to the people. He has contacted all classes of people in all parts of the country and from all political parties, and he has received a thunderous approval of the Ruml plan. Probably none of the polls ever taken by Dr. Gallup has resulted in such a one-sided vote. I am sure I have never seen such an unusual vote. He submitted the question in the following words: "Do you favor or oppose the Ruml plan?" He submitted this question to Republicans and Democrats in equal numbers. He submitted the question to different income groups—the heavy taxpayers and the small taxpayers. He submitted it to different sections. The vote was to the effect that 83 percent of the Democrats favored it and 87 percent of the Republicans favored it. Of the heavy taxpayers 83 percent favored it and 86 percent of the small taxpayers favored it. The gentleman from California has been claiming that the Carlson bill, which embodies the Ruml plan, is a millionaire's bill. The fact that a greater percent of the small taxpayers approve it than of the big taxpayers refutes his argument conclusively.

From each of the five sections of the country have come returns of about the same unanimity. In the South the percentage was 85 percent for and 15 percent against. In the New England section the vote was 87 percent for and 13 percent against. In the East Central the vote was 85 percent for and 15 percent against. In the West Central the vote was 81 percent for and 19 percent against. In the Mountain and far West the vote was 86 percent for and 14 percent against.

I repeat, this is a most phenomenal manifestation of public approval.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. COX. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. COX. Mr. Speaker, apropos of what was said by the gentleman from Virginia [Mr. ROBERTSON] and the gentleman from Ohio [Mr. JENKINS], I would like to make the observation that the advocates of the Ways and Means Committee bill are invoking the moral law upon the proposition involved, with a good deal of effect. While I concede that the Ruml plan may, with some degree of justification, be attacked as a piece of roguery and error, I am wondering if it has not really some possible merit, which accounts for the widespread support which it is being given. As for myself, I am disposed to go along with the committee bill. However, I am interested in knowing what is proposed in the substitutes for the Ruml plan, which will be offered. I hope that the gentleman from Virginia [Mr. ROBERTSON], in his discussion of this question over the radio from New York, will make it clear that his plan does not embody some of the elements of roguery which are carried in the Ruml plan.

The SPEAKER pro tempore. The time of the gentleman from Georgia has expired.

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. KNUTSON. Mr. Speaker, I am sure that we have all listened with a good deal of interest to the announcement of the gentleman from Virginia [Mr. ROBERTSON] that the cavalcade, sometimes known as the Unholy Alliance, is going to New York Thursday, I presume for the purpose of adding still more confusion to the subject we will take up on that day. I merely wish to leave the thought with the distinguished gentleman from Virginia, and his equally distinguished colleague from California, that they go over to the Nation's metropolis with an open mind and listen well to Mr. Magill, who will appear on the same program, for I am sure they will learn something from him on the great subject of taxation.

EXTENSION OF REMARKS

Mr. COLE of New York. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting a statement by Mr. Gannett.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. McMURRAY. Mr. Speaker, I ask unanimous consent to extend my remarks and include a very significant statement by the Association of Free Germans, Inc.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix and include a short editorial.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. CLEVENGER. Mr. Speaker, I ask unanimous consent to extend my remarks and include a short letter from a constituent and a couple of editorials.

The SPEAKER pro tempore. Is there objection?

There was no objection.

FOOD SCARCITY IN BOSTON

Mr. WIGGLESWORTH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and extend my remarks by including certain excerpts from the Boston Traveler.

The SPEAKER pro tempore. Is there objection?

There was no objection?

[Mr. WIGGLESWORTH addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. HORAN. Mr. Speaker, I ask unanimous consent to extend my remarks and include a 5-minute speech by Harold Stewart delivered at Seattle.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. SCHIFFLER. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix and include an editorial.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. MERROW. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a joint resolution on pay-as-you-go taxation, adopted by the Legislature of the State of New Hampshire.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. FISHER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include two newspaper articles.

The SPEAKER pro tempore. Is there objection?

There was no objection.

GEN. H. H. ARNOLD

Mr. CASE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. CASE. Mr. Speaker, I rise at this time to call attention to the well-deserved nomination by the President and confirmation by the Senate of Lt. Gen. H. H. Arnold as a full general in the United States Army.

The appointment of General Arnold to a full generalship is well deserved, not merely because General Arnold himself has been a great flyer, a great leader of men, a great administrator and organizer, but it is well deserved because it symbolizes the coming of age of air power. With General Arnold a full general, it must be realized that the air forces have become practically an autonomous arm of the armed services. This means that the crusade carried on by "Hap" Arnold along with Gen. Billy Mitchell has been won. It is a fitting recognition of the epoch-making success of the United States Army Air Forces in the Battle of the Bismarck Sea a few days ago. There air power, and air power alone, annihilated an enemy fleet in a victory more lopsided than that of Admiral Dewey in Manila Bay. It was a triumph for the faith of Mitchell and the genius of Arnold and his associates and the courage and skill of his boys.

I am sure that we all congratulate General Arnold today and are pleased that this recognition has been accorded both to him and the Army Air Forces.

The SPEAKER pro tempore. The time of the gentleman has expired.

EXTENSION OF REMARKS

Mr. NORMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an article from the magazine Electrical World.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. MICHENER. Mr. Speaker, I ask unanimous consent to extend my remarks and include excerpts from two letters on the equal-rights amendment.

The SPEAKER pro tempore. Is there objection?

There was no objection.

(By unanimous consent, Mr. VAN ZANDT and Mr. HARRIS of Arkansas were granted permission to extend their own remarks in the RECORD.)

UNNECESSARY RATIONING BY O. P. A.

Mr. TABER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. TABER. Mr. Speaker, perhaps the greatest menace to our food situation is the long-haired professors in the Department of Agriculture and the O. P. A. I had hopes for a little more intelligent management with the appointment of Prentiss Brown, but still the long-haired professors who know nothing about the things they are doing, headed by Galbraith of Princeton, and Hamm, a brother-in-law of Leon Henderson, are running the show.

For instance, they have rationed dehydrated soups having no rationed content and by placing a 4-point ration coupon value upon the equivalent of a quart of soup they have destroyed 90 percent of the market for it.

Factories all over the country are about to shut down because of the loss of their market. It will be impossible to again build up their $20,000,000 business.

They acknowledge that they have made a mistake but they refuse to remove the rationing order because they want to destroy the dehydrated soup industry.

Let me say to Mr. Wickard and to Mr. Brown that there is only one way to solve the rationing and price proposition: Get rid of the "long hairs" now.

EXTENSION OF REMARKS

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a recent radio address.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a letter relating to small business.

The SPEAKER pro tempore. Is there objection?

There was no objection.

WASTE OF FOOD

Mr. GROSS. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. GROSS. Mr. Speaker, I am in receipt of a letter this morning from one of the canners in my district saying that 179 farmers who last year contracted 660½ acres of peas which will be planted within the next 10 days if the ground gets dry, have now contracted for only 388 acres, a reduction of 45 percent. One hundred and seventy tomato growers who last year raised for him 430¾ acres have now contracted for 303 acres, a reduction of 25 percent on tomatoes. This reduction is due to the labor situation and because of the conflicting directives being sent out from the O. P. A.

which are creating nothing but confusion.

Over the week end I made it my business to circulate around Washington and look into some of the restaurants, and I was shocked and amazed at the terrific waste that is going on by consumers. I saw chicken dinners only half eaten. I saw halves of good, big, juicy steaks left on the plates; I saw whole bowls of peas and other vegetables from which only one spoonful had been taken; good desserts nibbled at and left. I believe the waste in District of Columbia restaurants over a week end would feed a thousand families in some of the occupied countries and make them fall on their knees and praise the Lord. This, before God and man, is wasteful and sinful, and I am not going to quit talking about it until the Government sees to it that in every restaurant there is a sign on the wall as glaring as hell fire, "The patriotic thing to do is to lick your platter clean."

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania has expired.

EXTENSION OF REMARKS

Mr. MILLER of Connecticut. Mr. Speaker, I ask unanimous consent to extend my remarks on two subjects, and in one to include an editorial.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. VURSELL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. STEFAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an editorial from the Norfolk Daily News on the question of the grading of butter.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. BARRETT. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein a telegram from one of my constituents.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. POULSON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and also to include an editorial.

The SPEAKER pro tempore. Is there objection?

There was no objection.

THE TAX BILL

Mr. CARLSON of Kansas. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. CARLSON of Kansas. Mr. Speaker, I want to call the attention of the House to H. R. 2245, which I am introducing today, and which is the bill I expect to offer as a substitute for H. R. 2218, offered by the majority members of the Ways and Means Committee. This new bill contains:

First. The withholding provisions that are contained in the committee bill.

Second. It includes a "notch" provision in the previous anti-windfall section.

Third. It includes a further anti-windfall provision designed to recapture a portion of the taxpayer's abnormal income in 1942 or 1943 over 1941.

Fourth. It includes the Woodruff amendment relating to members of the armed forces.

The issue—whether or not we should place our personal income taxpayers on a current basis—will be put squarely before the House. This bill of mine will absolutely prevent any windfalls to war profiteers. Basically, this bill provides fair treatment for all taxpayers. It is a reform in our method of assessing taxes that maintains the balance of fairness between the rich and the poor and should be approved.

I urge you to study the bill and minority report.

The SPEAKER pro tempore. The time of the gentleman from Kansas has expired.

EXTENSION OF REMARKS

Mr. GILLIE. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein an editorial from the Indiana Farmers Guide.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

WILLKIE LOSES INDIANA TEST

Mr. FISH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FISH. Mr. Speaker, it seems to be in order to quote from the Gallup poll and other polls today, so I propose to take this opportunity to quote from a recent poll of the Republican precinct committeemen in the State of Indiana, and I call this poll to the special attention of the gentleman from Mississippi [Mr. RANKIN]:

Tabulation of the first 1,000 ballots cast in the Fort Wayne News-Sentinel State-wide Presidential preference pol' of Republican precinct committeemen shows 913 opposed and 82 favoring the 1944 nomination of Wendell Willkie, that newspaper said today.

Mr. KNUTSON. How many?

Mr. FISH. Mr. Willkie received 82, and there were 913 against his nomination for President on the Republican ticket, and I believe this percentage to be representative of the sentiment throughout the Middle West.

This article goes on to say:

The newspaper said the first 1,000 replies to the question, "Do you favor the United States mixing extensively in foreign politics after this war?" brought 887 negative and 113 affirmative answers, or 8 to 1 against post-war commitments at the present time.

The overwhelming poll and repudiation by the Republican workers of Wendell Willkie in his own State of Indiana should eliminate him as a serious contender for the Republican Presidential nomination. Mr. Willkie cannot possibly be nominated or elected, and his campaign for the nomination will only cause dissension and disunity. In the interest of harmony and Republican success, which is essential to preserving our American institutions and representative and constitutional government, he should withdraw as a candidate. If he fails to do so, he should be eliminated for the good of the party and the Nation. We must win the next Presidential election or perish, as a fourth term and 4 more years of the New Deal will ruin the country and mean collectivism, totalitarianism, dictatorship, and one-man and one-party government in the United States.

In accordance with consent granted, I am including excerpts from the Fort Wayne News-Sentinel entitled "Nine to One Against; Opposition to Willkie Still Runs Strong":

Despite a relatively heavy influx of pro-Willkie ballots from down-State (two-thirds of them from Indianapolis), Republican precinct committeemen and committeewomen from the State as a whole maintained an over-all opposition to Willkie's 1944 nomination in the ratio of better than 9-to-1, as returns from the News-Sentinel's Presidential preference poll were tabulated at noon today.

Pro-Willkie ballots, thus far received and tabulated, account for 9.5 percent of the total; anti-Willkie ballots represent 90.5 percent of the "grass roots" leaders from Illinois to Ohio, and from the Michigan line to the Ohio River.

New ballots received and tabulated since Thursday noon brought up Gov. John W. Bricker, of Ohio, from 35 to 40 percent, while Gov. Thomas E. Dewey, of New York, dropped from 48 to 40 percent, and Senator Robert A. Taft, of Ohio, increased his strength from 12 to 15 percent.

In reply to the question, "Do you favor the United States mixing extensively in foreign politics after this war?" 93 percent of all Indiana Republican precinct committeemen and committeewomen answered "No."

Governor Bricker is the favorite for President, holding a slight edge over Governor Dewey, who, in turn, holds a slight edge over Senator Taft, with Senator Arthur H. Vandenberg, of Michigan, in fourth place.

WANT HIM MUZZLED

Typical "remarks" on the poll cards returned during the last 24 hours include the following:

From Laporte County: "Keep Willkie muzzled, if possible."

Kosciusko County: "Not Willkie. Republicans have a good chance in '44. Why throw it away?"

From Posey County: "Willkie? No, indeed. Don't want any New Dealer on the Republican ticket."

From Evansville: "Willkie or Stassen would be too much like Franklin Delano Roosevelt."

From Fort Wayne: "Stay out of foreign politics. The United States should not repeat the mistakes made after World War No. 1."

From Vermillion County: "Nominating Willkie would mean 16 years of the New Deal."

From Steuben County: "Purge the Republican Party of Willkie."

From Washington County: "Almost anyone but Willkie."

From Floyd County: "No more New Dealers on the Republican ticket. We did that in 1940. Once was too much. Away with Roosevelt and Willkie. We want to nominate and elect a man with real American principles."

From Whitley County: "If Willkie is nominated I will not even go to the polls."

STRAIGHT REPUBLICAN PREFERRED

From Johnson County: "It will be just too bad if Indiana gives any backing to the double-crossing Willkie."

From White County: "Let's win or lose with a straight Republican."

From Ripley County: "Let Willkie stay in his own party: the New Deal."

From Lagrange County: "Willkie would not get more than two-thirds of the Republican votes in 1944; and I doubt that he would gain any Democratic votes. His nomination would be suicidal."

From Marshall County: "We want a pair of real Republicans to run this Government."

From Wayne County: "We don't want foreign nations trying to run our politics; so why should we try to run theirs?"

From Indianapolis: "Personally, my feeling is that Willkie is following the New Deal pattern too closely."

From Indianapolis: "Willkie would be the strongest candidate."

From Indianapolis: "I worked hard for Willkie in 1940, but will not even vote for him again, if he should be nominated."

From South Bend: "Willkie, a defeated candidate, is not a whole-hearted Republican."

LEAVE ISSUE TO PEOPLE

From Indianapolis: "Let Uncle Sam take care of Uncle Sam."

From Whitley County: "Let's let the people choose, instead of Wall Street."

From Starke County: "Nomination of Willkie would mean the sure defeat of the Republican Party."

From Henry County: "I have always been for Willkie, but I don't think he could win in '44."

From Cass County: "Have found not one Willkie supporter in my precinct."

From Allen County: "Be sure not to let the New Dealers control the next Republican convention. If Willkie is nominated, we need not open the polls, for not many will vote."

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, I should probably not throw sticks into the machinery. I do not even like to destroy a ghost story especially when it is enjoyed by everyone. I had read the statement referred to by the gentleman from New York [Mr. FISH] about how the people of Indiana feel toward Wendell L. Willkie now. That condition has not changed since before the last convention. That is the way the people, the rank and file, felt then. But that gang that got control of the Republican convention at Philadelphia are still on the job. Do not overlook that fact. I told you from the Well a year in advance that they were getting ready to nominate him for President, and the laughter I received from the Republican side and from the Democratic side was deafening. Yet when the time drew near these financial interests, these utility interests, and these other interests got busy in Philadelphia and you real Republicans did not cut any more figure in that convention than a one-legged man in a foot race. They nominated him for you, and they are going to try to do the same thing again.

The SPEAKER pro tempore. The time of the gentleman has expired.

EXTENSION OF REMARKS

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein an editorial from the New York Evening Chronicle.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

JOHN L. LEWIS

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, I am sorry that my friend from Mississippi [Mr. RANKIN] feels the way he does about Mr. Willkie. Now, they did nominate him at Philadelphia, but just who were "they"? There seemed to be little difference between Mr. Willkie and Mr. Roosevelt after the election.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. Yes.

Mr. RANKIN. Who?

Mr. HOFFMAN. The New Dealers. They had the dough, and after they had used him all through the campaign, and after the people had repudiated him, the President picked him out and sent him on that big trip, around the world, which you will remember, as his special personal representative.

I want to ask this question, and I ask the question now. Who is the big boss in this country? Who is the big boss? You remember that about a year ago John L. Lewis told the country what he was going to do unless he got the increase for the miners. He got his increase. Franklin Delano Roosevelt is President of the United States. He is Commander in Chief of the Army and the Navy, and he hurled and hurls defiance at Hitler and Hirohito, but when John L. Lewis tells him that the coal mines will be closed he sits and takes it, at least he does not do anything to prevent a strike, and we here in the Congress do not do anything. The end of coal production would be a major victory for Hitler.

There is a bill pending here. It is before the Labor Committee, it is H. R. 2220, the passage of which might prevent this strike before John L. Lewis calls it. If the administration will not do something about it, Congress ought to do something. Will we wait until the horse is stolen before we lock the door?

The SPEAKER pro tempore. The time of the gentleman has expired.

PERMISSION TO ADDRESS THE HOUSE

Mr. SABATH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. SABATH. Mr. Speaker, I have listened with a great deal of interest to the statement of the gentleman from Virginia [Mr. ROBERTSON] that he would support the so-called Forand amendment, believing that it would greatly improve the revenue bill reported by the Committee on Ways and Means. Immediately thereafter several gentlemen on the Republican side obtained the floor and advocated the Ruml bankers' plan. It brought to my mind the position of a former Republican Member from Tennessee, Mr. Richard Austin, who served in the House many years ago, who always voted for all appropriation bills but never would vote for a revenue bill. Now, you gentlemen on the Republican side are following his erroneous policy, first criticizing and attacking and then voting for all appropriations. On the other hand, you oppose fair revenue bills that are needed to prosecute this war and are endeavoring to unload the burdens of government on the masses by relieving the war profiteers through the Ruml plan.

Personally, the name Ruml does not sit well with me. It is too close to the "Fox" Rommel; but the banker Ruml, I feel, is just as foxy because his plan would permit war profiteers to keep profits they have added in advance to the cost of their production.

Therefore, I feel that the Forand amendment, just referred to by the gentleman from Virginia [Mr. ROBERTSON] is eminently fair and will treat all classes, rich and poor, alike.

Nor do I approve the provision in the Ways and Means Committee bill which would allow a 6-percent reduction to those who would be able to pay cash and take advantage of it. It will, of course, discriminate against those not able to take advantage of that reduction, namely, the masses.

Mr. Speaker, when this tax bill comes to the floor I hope every Member will vote as his conscience dictates rather than according to the way the propagandists, bankers, and Republican leaders try to dictate.

The SPEAKER pro tempore. The time of the gentleman has expired.

THE RUML TAX PLAN

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to proceed for 1 minute, and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CRAWFORD. Mr. Speaker, one of the most amusing things, if it was not filled with so much tragedy, is Mr. Ruml's two plans; first, the proposal of Messrs. Ruml and Delano for a social-security plan which would cost probably as much as $25,000,000,000 annually, and, secondly, Mr. Ruml's other plan to cancel $10,000,000,000 on the income of about $114,000,000,000 received by someone in the year of 1942. I have been trying to figure that one out, but I cannot quite make the figures tie up.

If Mr. Gallup wants to be fair, why does he not submit his questions to the people in this form: "Do you favor canceling the 1942 taxes assessed against the $114,000,000,000 1942 national income?"

Then another question: "Do you favor our putting ourselves on the best pay-as-you-go plan that we can possibly work out?"

If he would get an answer to those two questions, he would have something; but the answer published in yesterday's paper I personally do not evaluate very highly as showing the people's position on the question of cancelation.

Mr. DISNEY. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma [Mr. DISNEY]?

There was no objection.

Mr. DISNEY. Mr. Speaker, in the last 2 or 3 days I have heard some twitterings around about the Ways and Means bill being a rich man's bill, if you please. The forgiveness under the Ruml plan, which the committee opposes, for a $5,000,000 income is $4,374,000; for an income of a million dollars, $854,000; for a $250,000 income, $194,000 forgiven, remitted, or abated, or what have you? For an income of $100,000 it is $64,060. For a $50,000 income, $25,328; for a $20,000 income, $6,452; and for a $10,000 income, a Congressman's salary, $2,152. Here is a schedule of typical Ruml-plan forgiveness:

Net income before exemption and amount forgiven, 1942 tax liability for married man, no dependents, all earned income

$5,000	$746
$10,000	2,152
$15,000	4,052
$20,000	6,452
$25,000	9,220
$50,000	25,328
$60,000	32,492
$80,000	47,720
$100,000	64,060
$150,000	106,536
$250,000	194,000
$500,000	414,000
$750,000	634,000
$1,000,000	854,000
$2,000,000	1,734,000
$5,000,000	4,374,000

Mr. KNUTSON. Will the gentleman yield?

Mr. DISNEY. I yield to the gentleman from Minnesota.

Mr. KNUTSON. Just when did the taxpayer get the benefit, if the gentleman will explain that to the House?

Mr. DISNEY. I suggest that the gentleman would introduce a bill in the House to appropriate $10,000,000,000 to pay the 1942 tax bill for the people and see how far he gets with it—a bill to appropriate $10,000,000,000 to pay for the taxpayers' obligations.

The SPEAKER pro tempore. The time of the gentleman has expired.

JOHN L. LEWIS

Mr. GIFFORD. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts [Mr. GIFFORD]?

There was no objection.

Mr. GIFFORD. Mr. Speaker, for the benefit of the new Members, let me give just this little bit of history. Four hundred and eighty-six thousand dollars were contributed by that loyal (?) Republican, John L. Lewis, to the campaign of Roosevelt in 1936. Later on I held up his picture in debate and warned the House "that he was not a man to whom you might sing a lullaby." He seemingly regarded it as foreclosure of a mortgage. Lewis later on said, about as follows: "That he who had supped at labor's table made a fine distinction when it came to a death struggle between two great forces." He said, "A plague on both your houses."

Still later on he was quoted as saying about as follows: "When this President wants anything of me in the future he will come creeping on his hands and knees." I now warn you, your President must go creeping on his hands and knees to John L. Lewis during the next month. What are you fellows on that side who elected him going to do about it?

Mr. McMURRAY. Will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman.

Mr. McMURRAY. I should like to inquire whether or not the Republican caucus has taken up this matter of their fellow member, you know, John L. Lewis.

Mr. GIFFORD. The gentleman is so new that he does not yet know how we carry on here. We hold no caucuses. We simply hold conferences. He has yet to learn much but seems always eager to instruct us.

AMENDMENT TO INTERNAL REVENUE CODE

Mr. MILLS. Mr. Speaker, by direction of the Committee on Ways and Means, I ask unanimous consent for the immediate consideration of House Joint Resolution 100, extending the time within which certain acts under the Internal Revenue Code are required to be performed.

The Clerk read the resolution, as follows:

Resolved, etc., That section 722 (d) of the Internal Revenue Code (relating to application for relief from excessive and discriminatory excess-profits taxes) is amended by striking out "within 6 months after the date of the enactment of the Revenue Act of 1942" wherever it appears, and inserting in lieu thereof "prior to September 16, 1943."

SEC. 2. Section 780 (b) of the Internal Revenue Code (relating to application of credit to purchase of bonds) is amended by inserting immediately after the word "applies" the following: "(or, if such taxable year begins or ends in 1942, within 1 year after payment of the excess-profits tax shown on the return for such year)."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas [Mr. MILLS]?

Mr. KNUTSON. Mr. Speaker, reserving the right to object, I may say to the membership on this side of the aisle that the committee report is unanimous, but I would suggest to the gentleman from Arkansas that he give the House a short explanation so that the membership may be advised as to what the bill contains.

Mr. MILLS. I will be glad to do so. Mr. Speaker, there are two subject matters covered in the bill. Section 1 deals with the time in which a taxpayer within the excess-profits tax brackets may file an application for a relief on what it considers to be an excessive or discriminatory excess profits tax. As the gentleman from Minnesota understands, there are two methods by which, under existing law, a taxpayer subject to excess profits tax can compute his excess profits tax. In some instances, however, neither one of these methods will serve as a proper base for measuring excess profits. To give relief in such cases, Congress in the last revenue act provided for taxpayers upon proper showing to construct a new base period, where the actual base period was inadequate to constitute a normal period for measuring excess profits.

Under existing law the taxpayer has until April 21, 1943, to file an application for relief to reconstruct a proper base period for measuring its excess profits liability for 1940. Under existing law it has until September 15, 1943, to file its application to construct a proper base period to measure its excess profits for the year 1942.

The purpose of section 1 of the bill is to give the taxpayer the same length of time, until September 15, 1943, to file application to construct a proper base for measuring his excess profits for the years 1940 and 1941. This application for relief is made under section 722 of the code.

It was testified by those who appeared before the committee that under existing law there would be many meritorious cases where an application with the necessary proof could not be filed by April 21, 1943; and as a result the intent of Congress manifested in section 722 of the Internal Revenue Code as amended by section 222 of the 1942 Act would not operate; the purpose of Congress would be defeated.

Mr. DISNEY. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield.

Mr. DISNEY. Are there not some administrative features involved that caused the Bureau of Internal Revenue to ask for the extension of time?

Mr. MILLS. The Bureau of Internal Revenue, of course, did ask for this particular section of the legislation, because they have not been able to issue their regulations under this section of law.

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield.

Mr. ROBSION of Kentucky. I have received a number of letters advising that this increase of time is absolutely essential. Is that what the committee found.

Mr. MILLS. Yes; that was the finding of the committee. Unless this time is extended some taxpayers would not be permitted to take advantage of the application for relief given them under existing law. The applications require the submission of data which could not very well be compiled prior to April 21, the date on which such applications for relief have to be filed for the years 1940 and 1941.

Mr. DOUGHTON. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield.

Mr. DOUGHTON. Is it not a fact that it was shown to our committee that the

Bureau has not yet prepared the regulations under which application for relief can be made? It is not the fault of the taxpayer, but the delay has been caused by the Bureau's not being able to get out the regulations.

Mr. MILLS. Yes; and as a result the taxpayers will not be able to file applications for relief for 1940 and 1941 in time for them to be considered. Since the same data will be required for 1942 to establish a constructive base period as is required for 1940 and 1941, the committee thought it advisable to permit the taxpayer to file its application for relief for 1940 and 1941 at the same time it was required to file its claim for 1942, namely, September 15, 1943.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield.

Mr. RANKIN. I have a bill before the Ways and Means Committee to reach some of these trusts and foundations that are being used as storm cellars to escape taxation. I pointed out the other day that one of those estates was the Marshall Field estate established something like 30 years ago, prior to the passage of the income and inheritance tax law, and that in September of this year Marshall Field III, who never earned a dollar of it, would come into possession of that vast estate, the value of which amounts to $200,000,000; every dollar of which will escape taxation, unless my bill, or some similar provision is passed.

I am wondering if the gentleman will not take up with the Ways and Means Committee the matter of reporting out that resolution at once and letting the House pass on it. While we are trying to prevent storm cellars for the escape of big tax dodgers, let us do away with this one, which is going to escape unless legislation of this kind is passed.

Mr. MILLS. Knowing the gentleman as well as I do, I am sure he does not need anyone to espouse his bill, but I will be glad to discuss it with him and other members of the committee at their convenience.

Mr. RANKIN. But I may say to the gentleman from Arkansas that the bill is before the Ways and Means Committee, of which he is a member. I appeal to the Ways and Means Committee to bring it out. Certainly the gentleman from Arkansas, as I have said before, knows that this beneficiary is wasting that fortune in the publication of a paper called PM, which is attempting to destroy confidence in the Congress of the United States.

Mr. MILS As far as I am concerned, I may say to the gentleman from Mississippi that I shall be glad to hear him before the committee at any time it is convenient for him and other members of the committee.

Mr. RANKIN. Will the gentleman make a motion to report it out?

Mr. DOUGHTON. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield.

Mr. DOUGHTON. I advise the distinguished and able Representative from Mississippi [Mr RANKIN] that the matter he brings to our attention accentuates a problem the committee has before it, and one which I assure the gentleman shall have consideration at the very earliest opportunity. I think, however, that a more appropriate time to deal with it would be when we bring our next tax bill into the House. He may be assured that there will be no delay or filibuster to interfere with the matter's being brought to the floor.

Mr. RANKIN. Will it be considered and passed in time to reach it this year?

Mr. DOUGHTON. I could not tell the gentleman, of course, when the tax bill may be considered, but I assure the gentleman of a hearing in time that it may be properly considered.

Mr. RANKIN. I thank the gentleman from North Carolina. I know he feels just as I do on this proposition.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Minnesota.

Mr. KNUTSON. I believe the gentleman from Arkansas has stated that the legislation now before us was asked for by the Treasury Department.

Mr. MILLS. Yes; and it has a unanimous report from the committee, as stated by the gentleman.

In fairness to the House, I should say something about section 2 of the resolution. It extends from 3 months to 1 year the time the Treasury may have to issue bonds for refunds by excess-profits taxes paid into the Treasury for the year 1942. Under existing law the Treasury sets aside 10 percent of the amount of the excess profits paid into the Treasury as a post-war credit for repayment in the form of bonds to the taxpayer. That must be done within 3 months of the time of the payment of the taxes. Under this resolution that 3-month period is extended to 1 year, for the taxable year 1942 only. Thereafter the Treasury must supply the taxpayer with bonds covering its post-war credit within the 3-month period now required by law.

Mr. DISNEY. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Oklahoma.

Mr. DISNEY. The gentleman is referring now to the post-war credit, as called for in the 1942 tax bill?

Mr. MILLS. That is right.

Mr. DOUGHTON. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from North Carolina.

Mr. DOUGHTON. I am sure the gentleman recalls, if he has not already stated it, that this bill was carefully considered by the Committee on Ways and Means and has a unanimous report from the committee. Moreover, it has the unqualified support of the Treasury Department, as expressed in a letter from Mr. Paul, counsel of the Treasury Department.

Mr. MILLS. The Treasury Department brought this to our attention because it would be impossible for the Treasury during this year to supply taxpayer bonds to cover the post-war credit within the 3-month period required by law.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Michigan.

Mr. CRAWFORD. I think the gentleman should make it clear for the purpose of the RECORD that the Treasury is not asking for this legislation to get itself out of a hole; it is simply helping to facilitate the operation of American business and the affairs of the Treasury, all in conformance with the law passed by this body.

Mr. MILLS. That is correct.

Mr. CRAWFORD. The entire benefits are to flow to the American people.

Mr. MILLS. I think that is exactly correct.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. CHENOWETH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. JENNINGS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial from the Washington News of today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee.

There was no objection.

DISTRICT OF COLUMBIA DAY

The SPEAKER pro tempore. This is District day. The Chair recognizes the gentleman from West Virginia [Mr. RANDOLPH].

Mr. RANDOLPH. Mr. Speaker, before calling up the first bill on the District of Columbia Calendar, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. RANDOLPH. Mr. Speaker, this is District day, the first time during the Seventy-eighth Congress that the Members of this body will consider legislation reported to the House from the Committee on the District of Columbia.

I take this occasion to say that during the Seventy-seventh Congress approximately 225 legislative proposals were referred to your Committee on the District of Columbia. We gave careful consideration to approximately 135 of these bills. We brought most of them to the House floor, and more than 70 became public law.

I give this word of explanation in connection with the consideration of District legislation today so that you may know that the Committee on the District of Columbia appreciates now, as we have in the past, the consideration which is accorded to us as we study, report on, and pass these bills.

The House Committee on the District of Columbia in its present form was created in 1901. Prior to that time legislation for the Federal City had been considered under what we might call a continuance of the old English common law system. Thus this committee was created, and for more than 40 years it has been the medium through which legislation for the District of Columbia has been brought to the House.

I felt that, especially for certain new Members as well as the veteran Members of the House, this word of explanation might appropriately be given.

SPECIAL ASSESSMENTS FOR THE LAYING OF CURBS AND GUTTERS

Mr. RANDOLPH. Mr. Speaker, I call up the bill (H. R. 2159) to provide for special assessments for the laying of curbs and gutters, and ask unanimous consent that it be considered in the House as in Committee of the Whole.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

Mr. PLUMLEY. Mr. Speaker, reserving the right to object, and I shall not object, this is District day. My medical friends tell me that we in the District are threatened with an endemic epidemic of typhoid fever superinduced by the gross negligence of responsible parties.

Shall we Members of Congress submit to such a program of inexcusable disregard of our health and die like flies by reason of infection and contagion which might have been prevented?

Shall we sit idly by while the thousands of Government employees from our States and districts are murdered by the incompetence and impotence and cruel neglect of those whose duty it is to protect the health of the people who live in the District of Columbia and within its environs?

The situation is serious. Warm weather is approaching and the germs of disease now filling the miasmatic areas nearby will grow and spread and we will have such an epidemic as the District has never seen unless action be taken to prevent it.

This is a "pestilence that walketh in darkness" and "a destruction that wasteth at noonday."

I propose, therefore, to call a spade a spade and not an agricultural implement.

Mr. Speaker, the insanitary housing conditions for Government war workers in the Washington Metropolitan area are absolutely shocking, if the reports which have reached me are reliable, as I have reason to believe they are.

Officers of the Army and the Navy have come to tell me that they are more worried about losing their wives and children from disease in the Nation's Capital than they are about losing their own lives in the front lines of battle.

Only about 3 miles from our offices is a foul place which would not be tolerated in any other city in this country—ramshackle privies leaking their filth down onto the sidewalk over which hundreds of war workers must pass daily, stagnant pools of water, an open garbage dump from which the city fathers removed a dead horse only after scores of complaints had been received from respectable citizens.

Within less than half a block of this dangerous menace live families of our fighting men—yes, and families of our own congressional employees.

I am told that physicians called to treat the unfortunate Negro occupants of the shack at 2567 and 2569 Alabama Avenue SE. assert that never in the worst slums of New York or Philadelphia have they seen conditions to equal this. You would not house a dog in such a hovel, with no disrespect to man's best friend, the dog.

Out in Arlington County we are housing officers of the Army, Navy, and Marine Corps in places where they have mudholes filled with raw sewage instead of streets in front of their homes.

Men have told me that they lived on posts in China, Guam, and the Philippines, but they have to come back to the Capital of their own Nation to be compelled to live under such foulness.

In Fairfax County conditions are much the same. Sewage flows unchecked down the streets. Are we trying to commit mass murder down here? Or suicide by sewage?

Is it surprising that the camps in this area are now fighting measles? Is it surprising that typhoid and meningitis are menacing Virginia? What next? Only God knows.

One baby who fell into a 9-foot-deep open sewage pit in Columbia Forest was rescued only by the chance notice of a Negro laborer. That child's father is a Marine Corps officer. When he is sent overseas he will sleep well nights thinking of his family safe in the Nation's Capital. Or will he?

These conditions have been called to the attention of our health officers time and again. Months ago the District Commissioners told an officer of the United States Army that there was nothing they could do about that filthy breeding place of untold germs at Alabama and Naylor Avenues SE.

The Arlington and Fairfax County health authorities say they are powerless. The United States Public Health Service was consulted. These conditions were not their responsibility they said. Can this be true, and we at war? Who is responsible?

Whose responsibility is it? Do we have to housebreak the District Commissioners and health officials into some sense of decency by rubbing their noses in this filth? Or what?

When—and I say when—an epidemic sweeps this city because of these conditions, some may escape. Possibly Commissioner John Russell Young, vacationing in Florida, will escape. If he and others escape the epidemic, they will not and cannot escape the responsibility for having permitted it to develop.

If we can turn our backs on the unfortunate families, Negro and white, compelled to live under these conditions, and remark that it is their hard luck, we had better not turn our backs on what is likely to hit us and our families and friends. Enlightened self-interest alone should be enough to turn every hand to cleaning up these areas. Must we have plague signs on thousands of doors before we wake up?

I am interested in these conditions because first there are some 500 of my constituents living in this District area. That is equivalent to a small Vermont town. I do not want to see members of my Vermont town in the Nation's Capital murdered by the criminal indifference and buck passing of Federal, city, and county officials.

Some other Members of Congress have far larger numbers of their constituents living here than I. Believe me, if these same conditions were existing right in their own districts, they would be interested.

John Ihlder, executive officer of the Alley Dwelling Authority, recently proposed in the columns of the Washington Post, the creation of a metropolitan sanitary commission to work on a joint sewer and water program for the whole metropolitan area. He proposed further that the Federal Government should step in immediately and take action to clean up these plague spots. The plan is worth considering.

I am including with this address and as a part thereof a series of articles on unsanitary conditions in this area which appeared recently in the Washington Post, written by Mary Spargo, staff writer for that publication; I commend these articles to your attention.

By whatever means are possible, let us get some action to remedy this intolerable filth and threat to your health and mine in Washington and neighboring counties.

If we do not do something, we will be responsible for having neglected to do something. It is time and here is the place, for Congress is primarily responsible for the District. We can neither avoid nor evade our responsibility.

The articles follow:

[From the Washington Post of March 17, 1943]

SEVERAL FAMILIES FOUND LIVING IN MOST UNSANITARY CONDITIONS

(By Mary Spargo)

Within 6 miles of Washington many officers of the armed forces, their wives and small children, are living under the most unsanitary housing conditions imaginable. Conditions are so bad some of the families are living rent free.

Instead of a road in front of their homes, these war workers, called here from posts throughout the world, have open pits in which raw sewage collects. For 2 months several families carried their own water for as much as a quarter of a mile. They are still carrying coal an almost equal distance in dishpans because no truck can reach their houses.

Every family living under these conditions has suffered from dysentery. Only the fact that most of the families have had typhoid inoculations because of their connection with the armed forces—Army, Navy, and Marine Corps—is credited with having prevented a typhoid epidemic.

Through the open sewer pits run temporary water pipes, supplying drinking water. Health authorities explain that a leak or low pressure would, of course, contaminate the water supply. There are no bars or signs closing off the road dug up for these sewerage pits. In many places only a catwalk less than a foot wide keeps the pedestrian out of the holes, and yet at no time has any light or lantern been placed over these pits.

One 4-year-old boy has twice fallen in one of these sewage pits, about 9 feet deep, and been rescued by the chance presence of a Negro laborer.

Mosquitoes are already breeding in these pits. No form of mosquito control has been instituted by any authority.

Most of the children of school age have been unable to attend school because they could not be permitted to pick their hazardous way through muck and mud over foot-wide walks across these open sewer pits. No truant officer has investigated.

The group of families, five of them in the worst section, and others farther up a hill where they escape immediate contact with the sewers' pi , live in Columbia Forest, a development just off Columbia Pike in Arlington County, about 2 miles beyond the Navy Annex buildings.

The development was built by Westbrook, Inc., 2206 Wilson Boulevard, Arlington, under Federal Housing Administration loan.

The water system is being constructed by the Federal Works Agency, while the sewers are the responsibility of Arlington County authorities.

When a condition like this exists, the first question asked is upon whose shoulders the responsibility falls. In this instance, the prime responsibility seems to be solely on overcrowding in Washington and the impossibility of finding accommodations for families with small children.

Jesse Johnson, vice president and general manager of Westbrook, Inc., builders, told the Post yesterday:

"We never should have allowed those families to move in there before the sewers and water were connected. These families came to us and begged to move in. One man, just back from Honolulu, said he hadn't seen his wife and children in 2 years and was desperate for a place—just a roof—to be with them. Others had similar tales. We told them what conditions were; but, of course, we did expect that water and sewer lines would go in much sooner than they have.

"We are not accepting rent from any of these tenants. Those who paid a deposit when they moved in are getting rebates. We have offered each of these tenants a house farther up the hill, where proper sewers were connected. They refused. They all thought sewers would go in any time.

"We are doing the very best we can. If we move these families out, as we are anxious to do, we know we'll have to redecorate each of these houses, only occupied for 2 or 3 months, because of all the mud necessarily tracked in. We have been and are losing money.

"Our mistake was in being so moved by the pitiful insistence of these tenants that we felt we had to house them. We have no control over the sewers or the water, either."

One of the tenants, living at the bottom of South Columbus Street where sewers are not connected, is Mrs. Marion Archer, who has three children—a girl 7, a boy 4, and a girl 2.

Mrs. Archer said she was not paying rent, but had understood that sewers were connected and water would be connected within 3 days after she moved in the last part of January.

LIVED IN GUAM AND CHINA

Looking out into the soapy, foul-smelling pool in front of her house, Mrs. Archer said, bitterly:

"I have lived in Guam, the Philippines, and China. Always we were cautioned about sanitary conditions—particularly in China. I worried about the children abroad, but I have come back to my own country—to the Nation's Capital—to live in filth like this."

Mrs. Archer's chief worry is that one of the little brood will fall in the open sewer. Crisp, intelligent, efficient, and young, she is able to watch them closely, be out with them at all times, and still do her housework. She was not able to prevent the attacks of dysentery, but a less able mother, with a less adequate background of foreign experience, probably could not have coped with the situation at all. Mrs. Archer was offered another house by Westbrook, but thought sewers would be connected soon and didn't like a long flight of stairs on the proffered substitute.

The 11-year-old daughter of Mrs. James H. McGowan, the middle one of her family of three, was ill when this reporter went to Columbia Forest—dysentery.

Hopes that the sewers would be connected soon were blasted yesterday by Arlington County authorities. Frank C. Hanrahan, county manager, said it would be several weeks before sewers could possibly be connected.

Hanrahan declared that the county absolutely refused to be held accountable for the situation in Columbia Forest. He asserted that the builders should not have permitted tenants to move in there before sewers and water were connected, and added that no occupancy permits were secured for the premises.

The same story was told by Richard Wirt, in charge of the Arlington County sewer department. Wirt said the county had not yet acquired some of the necessary right-of-way for a sewer to connect from South Columbus Street. Both he and Hanrahan declared that manpower shortage, unfavorable weather conditions, and delay in materials had prevented their getting the sewers in. Wirt was unable to explain who should have placed lanterns over those open pits and bars across the impassable road. So many people had worked there that responsibility was hard to fix, he said.

At first the county has expected to follow Federal Works Agency's water line in installing sewer pipes, but found the water line had been laid in such a snakelike fashion that a different line was necessary, hence the additional rights-of-way.

Hanrahan declared that no sensible people would have moved into those houses without water and sewer connections, and added that they should move out until connections were made.

Tenants' distress, however, can be understood by those who listened to their stories, as the builders pointed out. One woman, an officer's wife, lived in two tiny rooms in Washington with her husband and three small children. The bath was shared with other people and the cooking had to be done on two electric grills. * * * The family was paying $25 a week for these accommodations.

Houses at Columbia Forest have good-sized living rooms, dinette alcoves, nice kitchens, two bedrooms, and a bath. They rent for $50 a month, and when connections are complete the development will be one of the most attractive, moderately priced settlements in this area. Westbrook, Inc., originally contemplated 273 houses, but were discouraged by all the difficulties they encountered and built only 160.

[From the Washington Post of March 18, 1943]

HEALTH PERILS OF NEW HOUSING FACE FALLS CHURCH AND ALEXANDRIA

(By Mary Spargo)

War-crowded Washington, spilling over into once sleepy Falls Church, Va., has created a health problem which menaces not only several hundred war workers in Falls Church and Fairfax County, but also the city of Alexandria.

Where hundreds of new homes have sprung up to house Washington war workers, every rain sees sewage washed into open gutters and draining into a stream which feeds Alexandria's reservoir. The situation has resulted in the resignation of the Falls Church mayor and two councilmen.

Alexandrians need feel no immediate fear, as the Alexandria Water Co. has been taking, and will continue to take, adequate precautions to purify the water before it reaches the consumer.

Carl Budwesky, Alexandria's forthright city manager, told the Post yesterday that he was thoroughly familiar with the whole situation, and was very much alarmed at the increasing menace, but added that the water company had the matter in hand, kept the water tested and purified.

Budwesky said that within the past 18 months the water company had added to its purification and filtration plant. He declared that sewage drainage from Falls Church necessitated the addition of so many chemicals to Alexandria's water that the taste of chlorine was often very strong, affecting potability.

Chief complaints about conditions in Falls Church, which followed yesterday's disclosure of insanitary conditions in Arlington County, came from residents of the Greenway Downs development in West Falls Church. Conditions are equally serious, however, in a tract of 100 acres north of Greenway Downs, and as deplorable, if not worse, in that development known as Virginia Forest.

The builders, in putting sewers in Greenway Downs, planned for both sewers and surface water to drain into the same pipes. In the cellar of every house is a surface water drain. The whole development is located on a watershed which extends 8 miles, therefore during any rain the sewers back up into cellars, filling them with a malodorous mess. Occupants of the houses who have resided there for about a year have to use sump pumps to remove the water, which flows down the hill into Tripps Run, a feeder stream for the reservoir.

ROAD CONDITIONS BAD

A. T. Arrants, one of the residents, said last night he had often watched the sewage flowing down into the stream. Roads also are bad, although not so menacing to health.

One house, unoccupied, has had 4 feet of sewage in the cellar for 6 months. Residents of the area fear typhoid in the spring.

Fire hydrants are inadequate, residents say, and roads are so impassable that a fire truck couldn't get into many parts of the development. Street lights are inadequate also, but that's a minor consideration.

Mud was so heavy in Virginia Forest this winter that residents sometimes could not get oil delivered. Some moved in with friends or relatives. Others kept the house temperature at 40 degrees by using fireplaces.

RESIDENTS FILE SUIT

Responsibilities for sewers, roads, and such facilities was accepted by the city of Falls Church. At present a large number of the Greenway Downs residents have filed a suit against the city in Fairfax County court to compel action on the sewers. The suit asks for damages to home owners in the sum of $1,000 each.

The suit will be heard March 31. In the meantime, the mayor of Falls Church, Burns N. Gibson, has resigned. Two members of the council have resigned also.

The city contends that the sewer system is adequate now if surface drainage is not included, and the city attorney maintains that the builder violated the Code of the Commonwealth of Virginia and the town code by hooking up the surface drainage to the sanitary sewer. City officials further assert that a contract has been let for street paving and the work is merely awaiting favorable weather.

Falls Church has a law prohibiting the expenditure of more money than comes in during the year in taxes.

POSSIBLE SOLUTION

There are two possible solutions of the dilemma in which Falls Church now finds itself. One is the passing of an ordinance permitting something like a 10-year amortization loan, and the other is an appeal to the Federal Works Agency, on public health grounds, to assist in a sewer project, either similar to that, or connecting with that, which the Federal Works Agency is already putting in at a cost of $1,000,000 for Fairfax County. Faced with a large future expansion, city officials fear the present system will be inadequate.

Baird Snyder, assistant administrator of Federal Works Agency, pointed out last night that the Fairfax County sewer is built solely as a sanitary sewer, not for such a joint hook-up as in Greenway Downs.

While Falls Church has taken neither move. One answer is that many long-term residents of Falls Church resent the new housing growth, and are not disposed to help.

While all these developments wait, sewage continues to pour out in front of, in back of, and under houses in which families with small children are living. After the rains a green slime covers many a lawn, and when it's warm, the odor is distinctly unattractive.

EPIDEMICS THREATEN

Epidemics are an ever-present threat. Alexandria may be able to control its water supply, but residents of Greenway Downs and other Falls Church and Fairfax County developments can't control the typhoid menace in their back yards.

Appeals to health authorities so far have failed. George Mackintosh, a Fairfax resident, said yesterday he had carried the case direct to the United States Public Health Service, but had been told that the appeal must come from the local authorities.

Ninety-six residents led by Max Sharr, have petitioned Falls Church to remedy the situation.

Any epidemic which might strike this community would affect Washington, since most residents are Government war workers.

George W. Caldwell, of 205 Westmoreland Road, for example, is in the steel division of the War Production Board. He has had to be absent from work on several occasions to pump out his cellar. He has a small baby. This is one explanation for some cases of absenteeism in Government circles.

Caldwell asserts that many times cellars were flooded this winter, putting out oil burners. Residents stayed cold until pumps went into action.

Some indignant residents of the housing developments blame the building companies which erected the houses, some blame Federal Housing Administration for insuring some loans, and all blame Falls Church. Federal Housing Administration spokesmen made it clear that Federal Housing Administration had community assurances of utilities being adequately installed before loans were insured.

[From the Washington Post of March 19, 1943]

SEWER, WATER DISTRICT URGED TO SERVE ENTIRE FRINGE AREA

(By Mary Spargo)

Creation of a metropolitan district to develop a coordinated sewer system and an adequate water system for the entire metropolitan area was proposed here yesterday by John Ihlder, executive officer of the Alley Dwelling Authority in response to the Post exposés of insanitary conditions in Arlington and Fairfax Counties.

Ihlder said the need for such a coordinated sewer system was so urgent that the Federal Government should not wait upon creation of such a district but should start construction of sewer lines immediately.

Pointing out that the twin factors which cause epidemics are overcrowding and filth, Ihlder said that everyone knew Washington was overcrowded, and the Post had established that insanitary sore spots existed.

The metropolitan district which Ihlder proposes would be similar to the Boston metropolitan district and the northeastern New Jersey district, which tie into a coordinated system the sewers of a number of small towns and counties.

Ihlder proposed that the metropolitan district eventually also design and develop a metropolitan system of highways, possibly also a metropolitan park system.

Conservation of critical materials is so urgent at this time, Ihlder said that the Government should step in and do the job on sewer and water lines because a single unified system would effect greater economy than several patchwork systems in a large area.

Allocation of costs to the various political subdivisions served could be made later, with the formal organization of the metropolitan district, according to the housing expert.

Of conditions in this area, Ihlder said:

"The inadequate and insanitary housing conditions described by the Post are due to the fact that population has increased more rapidly than the necessary shelter. This is not a recent development, except that a bad condition has become worse.

"For several years before the defense era which preceded the present war era, building operations in the District of Columbia and the Washington metropolitan region were in such large volume that Washington ranked among the first four or five cities in the country; sometimes it was third, exceeded only by New York or Los Angeles, or some other much larger city. Yet this building did not keep up with the ever-increasing need. This was especially true for families of low income, and most especially true for low-income Negro families."

Ihlder pointed out that although the war caused the housing demand to leap even higher, it also brought materials restrictions affecting not only the house but the utilities servicing it.

"For example," Ihlder said, "only 50 feet of water pipe per dwelling may be used in providing mains and laterals. Street paving also is restricted because asphalt is no longer available and there have been periods when it was difficult to secure sand and gravel or concrete mixers for street surfacing. This accounts for some of the mud streets that now service completed dwellings."

Ihlder said that the new housing was limited to warworkers who have come here within a year. This necessarily takes no account of previous overcrowding, he asserted, and does not take any account of many newcomers who enter private employment by which warworkers are served.

He said that the warworker status should be extended to employees of nongovernmental agencies performing essential services, as in transportation and food. Ihlder also said that the so-called immigrant rule, which makes some people ineligible every day, should be lifted and the allotment of housing made on the basis of the essential services and need of the worker. The War Manpower Commission and the agency could determine those factors, he asserted.

Ihlder also added the War Manpower Commission, which determines how many immigrants are needed here for the war effort, and the War Production Board, which determines how much critical material may be used in house construction, should realize the desperate needs in the housing field here. The minute any materials become available they should be allocated here to relieve a situation rapidly growing worse, the housing expert said.

Complaints pouring in to the Post daily regarding housing conditions, particularly with respect to sewer connections, point toward the need of immediate action and some unified system.

[From the Washington Post of March 20, 1943]

LEAKING CESSPOOL THREATENS HEALTH OF CAPITAL RESIDENTS

(By Mary Spargo)

Right in the heart of one of the fastest growing sections of the Nation's Capital, where fine brick apartment houses are going up on every side, is a serious, offensive insanitary condition which is a threat to the health of every war worker living in the area.

The only sidewalk those people passing the junction of Naylor Road and Alabama Avenue Southeast may use is constantly covered with a stream of water leaking from a cesspool under an old privy used by nearly 50 persons.

Within a few feet of the privy that is used is another one—this a double affair—in the rear of 2569–2567 Alabama Avenue, which is not used because it has not been emptied for more than four months.

EXPOSED TO DISEASE

Every time the unfortunate pedestrians in this area change their shoes they are exposed to direct contact with possibly serious diseases.

One child in this house, occupied by three Negro families, each with six to eight children, has measles. Another was recently treated for ringworm, and still another has an angry eruption on face and body which might be any one of several diseases. An older boy works in a drug store, where there are food counters serving large numbers of people daily. The mother of one family works in one of the city's best areas as a houseworker.

There is no running water in this house, and there are no sewer connections, although there are both in houses less than half a block away.

Adjacent to the privy in the yard is a large garbage heap. In back of both is a dump, strictly illegal, according to Mrs. Helen Duey Hoffman, executive secretary of the Washington Housing Association, who was asked by the Post to look over conditions.

APARTMENT NEARBY

Only half a block away is an apartment development, occupied by war workers. One of the residents, an Army officer, was the first to call this focal point of infection to the attention of the Post.

He asserted that he had told the District Commissioners about this condition months ago, but was told nothing could be done until after the war because the District plans to put a road through this area then.

Another resident of the apartment, Harold H. Buckles, secretary to Representative TOLAN (Democrat) of California, said that he had informed the District Health Department last fall about the conditions, and had both spoken on the telephone and written to Dr. George C. Ruhland, District health officer.

Buckles said that after complaints to the Health Department a little lime was sprinkled about the place, a dead horse was removed from the dump, and a pail of chicken entrails which had stood in the sun for weeks was removed.

DR. RUHLAND TO ACT

Dr. Ruhland told the Post last night that he believed Buckles must have been mistaken in thinking he had talked with him personally over the telephone. Ruhland believed the call must have been referred to someone else without Buckles' knowledge.

Dr. Ruhland said he would see that immediate emergency steps were taken to correct conditions, and better permanent arrangements would be made.

Dr. Ruhland, according to Mrs. Hoffman, has long been in the forefront of the fight to improve sanitary conditions in Washington,

and has made every possible effort to get rid of insanitary outhouses.

Dr. Ruhland said that the first time he had heard of these matters was when he was reached by the Post. The health officer said there were about 1,200 outhouses in the District without sewer connections. These are permitted only when sewer connections are not available.

Residents of the area say they have made repeated complaints to everyone from the Commissioners to the policemen on the beat without achieving any permanent type of correction.

HAZARDS ON INCREASE

Hazards here are on the increase because soon the Defense Homes Corporation will open Naylor Gardens, an apartment development to house 700 families of war workers. These apartments, comparable to McLean Gardens, will house many officers and their wives and families, as well as other essential war workers.

One officer who lives within half a block of the place said that he was subject to foreign duty any moment, and that his greatest worry was for the health of his family, exposed to such conditions in Washington. He said the possibility of his family's grave illness from epidemic was considerably greater than the possibility of his injury in battle.

Complaints received about insanitary conditions in and about Washington have been coming most vigorously from Army and Navy personnel, most of whom have been schooled to some extent in the causes leading to epidemic.

Dr. Ruhland last night asserted the only permanent solution to the health problem in the metropolitan area was the creation of a Metropolitan Sanitary Commission, such as suggested yesterday by John Ihlder of the Alley Dwelling Authority.

Mr. RANDOLPH rose.

Mr. PLUMLEY. Mr. Speaker, I absolve the efficient chairman of the District of Columbia Committee from all responsibility for any of the abominable conditions to which I have referred. He has done all any man could do. He needs help. We wish a lot onto the District Committee and then forget it and them. That is not fair or right or decent. They do all they can, and we do not support them, as we should, because we do not realize our responsibility. One good, long epidemic of typhoid fever in this District, affecting Members and their families, might be an awful price to pay. I ask you, Why not adopt preventive measures now? My effort is made to help him and us to save ourselves.

Mr. Speaker, I ask unanimous consent to extend my remarks and to include therewith certain editorials and articles to which I have referred.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia that the bill H. R. 2159 be considered in the House as in Committee of the Whole?

Mr. ROBSION of Kentucky. Mr. Speaker, I reserve the right to object. As I understand it, this bill, H. R. 2159, relates solely to the laying of curbs and gutters hereafter.

Mr. RANDOLPH. That is true.

Mr. ROBSION of Kentucky. On page 2, line 5, we find the proviso:

That no assessments shall be levied hereunder on account of replacement of any curb or gutter or curb and gutter of a permanent type of construction.

Where these curbs and gutters have been made on a permanent type of construction and it is necessary to repair them, can any assessment be made under the provisions of this bill against the property? The proviso on page 2, line 5, provides that no assessment shall be made in a case like that.

Mr. RANDOLPH. In the case of replacement the gentleman from Kentucky is correct.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That hereafter, when any curb or gutter is laid, or any curb and gutter are laid, on any street, avenue, or road in the District of Columbia which said curb shall be constructed of concrete, stone, or other permanent type of construction, or which said gutter shall be constructed of concrete, brick, granite block, asphalt on a concrete base, or other permanent type of construction, one-half of the total cost thereof shall be charged against and become a lien upon the property abutting the side of the street, avenue, or road, or portion thereof, so improved, and assessments therefor shall be levied pro rata according to the linear frontage of said property on the side of the street, avenue, or road, or portion thereof, so improved: *Provided, however*, That no assessments shall be levied hereunder on account of the replacement of any curb or gutter or curb and gutter of a permanent type of construction. When any gutter shall be constructed, in whole or in part, as an integral portion of a permanent type of roadway of any street, avenue, or road, so much of said roadway as lies within 2 feet of the curb line shall be considered as a gutter for the purposes of this act.

SEC. 2. The total assessment levied hereunder against any abutting property shall not exceed the number of square feet of area of said property multiplied by 1 percent of the linear front-foot assessment and shall not exceed 10 percent of the value of the said abutting property, exclusive of improvements thereon, as assessed for the purpose of taxation at the time of the laying of the curb or gutter or curb and gutter for which said assessment is levied. In computing assessments hereunder against unsubdivided land according to the assessed valuation, there shall be excluded from the computation land lying back more than 100 feet from the street, avenue, or road being improved where the depth is even, and where the depth is uneven the average depth shall be taken in computation but not to exceed more than 100 feet.

SEC. 3. When any property abuts two or more streets, avenues, or roads, the assessments against said property levied hereunder shall not exceed in the aggregate, together with any legal assessments heretofore levied and paid for paving, curbing, and guttering of or on said streets, avenues, or roads, under the authority of the acts of July 21, 1914 (38 Stat. 524), and September 1, 1916 (39 Stat. 716), relating to assessments for the paving of streets, avenues, and roads, or under the act of August 7, 1894 (28 Stat. 250), relating to assessments for laying curbs, or under the act of February 20, 1931 (46 Stat. 1197), entitled "An act to provide for special assessments for the paving of roadways and the laying of curbs and gutters," 3½ cents per square foot of area of said property or 20 percent of the value of said property, exclusive of improvements thereon, as assessed for the purpose of taxation at the time of the laying of the curb or gutter or curb and gutter for which said assessment is levied.

SEC. 4. No assessments shall be levied under said act of Congress approved February 20, 1931, for any roadway improvement completed subsequent to the approval of this act, but for curbs or gutters, or curbs and gutters, completed subsequent to the approval of this act, assessments shall be levied against the abutting property in accordance with the provisions of this act.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

Mr. RANDOLPH. Mr. Speaker, I appreciate that it is highly desirable to pass bills as quickly as possible. I should, however, like to make it the policy in the consideration of all District legislation to have a brief clarifying explanation made, and I ask unanimous consent to proceed for 5 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. HOLMES of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. RANDOLPH. Yes.

Mr. HOLMES of Massachusetts. How does this legislation affect the alleys running parallel with the backs of the property? There are no curbs or gutters usually in these alleys.

Mr. RANDOLPH. I would say that it affects that property in no way.

Mr. HOLMES of Massachusetts. In other words, they will be assessed as they have in the past?

Mr. RANDOLPH. Yes.

Mr. Speaker, last year we added an additional 1 cent to the gasoline tax in the District of Columbia, the money so assessed to be used for the purpose of the construction of more permanent roads, necessary in this jurisdiction. This meant for many owners of property, especially in the residential districts, that they will have these highways of a more costly character constructed in front of their homes than they would under the earlier provisions. However, the curbs and gutters are for the personal benefit of the property owners, and we believe that they should pay on a proportionate basis. For that reason your committee has brought this legislation to the House today.

The SPEAKER pro tempore. The time of the gentleman from West Virginia has expired.

EXEMPTING FROM TAXATION THE AMERICAN TREE ASSOCIATION

Mr. RANDOLPH. Mr. Speaker, I call up the bill (H. R. 2070) to effectuate the intent of the Congress as expressed in section 1, paragraph (k) of Public Law No. 846, Seventy-seventh Congress, approved December 24, 1942, by adding to

the list of institutions named in said paragraph the name of the American Tree Association, an institution similar to the institutions so named, and ask unanimous consent that it be considered in the House as in Committee of the Whole.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the American Tree Association being an institution similar to the institutions named in section 1, paragraph (k), of the act entitled "An act to define the real property exempt from taxation in the District of Columbia," approved December 24, 1942, and therefore an institution the real property of which, located in the District of Columbia, may in accordance with such section be exempted from taxation by a special act of Congress, such section 1, paragraph (k), is amended by inserting therein, after the words "the American Forestry Association," a comma and the words "the American Tree Association."

SEC. 2. The amendment made by this act shall take effect as of December 24, 1942.

Mr. RANDOLPH. Mr. Speaker, during the last Congress we passed legislation which specifically exempted certain nonpolitical and nonprofit organizations from taxes levied by the District of Columbia. At that time consideration was given to many organizations, but it came to our attention, both the House and the Senate District Committees, that the American Tree Association should fall in that list, and, therefore, we are asking that that association be granted the relief which was granted to the other organizations. The American Tree Association, just like the American Forestry Association, is independent, is not connected in any way with the Federal Government, or with a State government. It is nonpolitical and noncommercial, and we ask the passage of this legislation. Many educational publications are prepared for the benefit of the general public.

Mr. STEFAN. Mr. Speaker, will the gentleman yield?

Mr. RANDOLPH. Yes.

Mr. STEFAN. Will the gentleman tell the House how much money this will remit in taxes?

Mr. RANDOLPH. I am not sure. It is only a small building, I may say, and the grounds about the building are practically nil. I do not have the exact information.

Mr. STEFAN. The gentleman realizes that the District of Columbia is losing a tremendous amount of money by taking out of taxation these properties that were put into taxation as the result of a very, very long and exhaustive study on the part of the District auditor, Mr. Fowler.

Mr. RANDOLPH. The gentleman from Nebraska is correct in that statement. Of course, there are Members of Congress who feel that the Federal payment to the District of Columbia should be greater than that which it is now, approximately $6,000,000. I am not going into that subject. Certainly the gentleman is correct in saying that property is being taken from the tax rolls of the District of Columbia.

Mr. STEFAN. The gentleman cannot tell the House exactly how much money this represents, can he?

Mr. RANDOLPH. I am sorry, I cannot. I know it is a very, very small amount.

Mr. DIRKSEN. It is a very small amount.

Mr. STEFAN. I understand it is a very, very small amount. I was going to object to this bill, but I have made some study of it, and I find this is a nonprofit organization; that it has disseminated a considerable amount of information to the schools regarding trees, and has done some work toward the elimination of the Dutch elm pest, and therefore I shall not object to the bill.

Mr. RANDOLPH. The gentleman is correct. I appreciate his not objecting to consideration of the bill.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELATING TO PROVISION OF BUTTER FOR ST. ELIZABETHS HOSPITAL

Mr. RANDOLPH. Mr. Speaker, I call up House Joint Resolution 37 relating to the provision of butter for the patients of St. Elizabeth's Hospital, and I ask unanimous consent that the same be considered in the House as in Committee of the Whole.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

Mr. SMITH of Ohio. Mr. Speaker, reserving the right to object, I see this contains a provision similar to a provision contained in a bill that was considered some time ago. I cannot quite understand why this provision should exist.

Mr. DIRKSEN. Will the gentleman yield?

Mr. SMITH of Ohio. I yield.

Mr. DIRKSEN. I entertained the same notion, and I held this bill up several times, but it has become so critical now that it is a case of providing butter substitutes or nothing. They just cannot get it. I held the bill up a long time just on that account, and finally relented, so I hope the gentleman will not object.

Mr. SMITH of Ohio. I am rising more to get some information about it. I am wondering about the precedent that is being established. It seems to me we may be establishing a bad precedent. I do not want to object, but the question in my mind is whether this matter has been considered as thoroughly as it should be. The Members of the House do not know as much about this as I think we should. The gentleman from Illinois says he held the bill up for some time; he did not understand it.

Mr. RANDOLPH. Oh, he understood it. I want to say the gentleman from Illinois understands all legislation.

Mr. SMITH of Ohio. He understands it now, but he says he did not understand it for some time.

Mr. DIRKSEN. Oh, I did understand it, but I thought we could find a remedy for the situation.

Mr. SMITH of Ohio. Let me retract that part of my statement then. What I have in mind is whether we cannot find some way to provide these patients with butter. Now, this is a hospital. I am a physician myself, and if anybody is entitled to food of the highest quality it seems to me that patients in a hospital are entitled to that food. I am wondering whether this bill could not be amended so as to put some sort of time limit on it. Would the gentleman be favorable to that?

Mr. RANDOLPH. I wonder if the gentleman would let me make an explanation of the background of the legislation, and I think that will perhaps clarify the issue.

Mr. SMITH of Ohio. Certainly.

Mr. RANDOLPH. Mr. Speaker, I can well understand the concern of the gentleman from Ohio who is not only a distinguished Member of this body but a physician as well.

I would like to say that the Committee on the District of Columbia took no hasty action in reporting this measure to the floor. Particularly did we take into account the objections of the distinguished ranking minority member of the committee, the gentleman from Illinois [Mr. DIRKSEN]. We found, however, that the Federal Security Agency in requesting this legislation through drafting a bill and ending a letter to the Speaker of the House, pointed out that there are approximately 7,000 mentally ill patients who are confined to St. Elizabeths Hospital. They stated that during this emergency they were unable to purchase sufficient butter for the inmates of St. Elizabeths Hospital. It was therefore considered as an emergency matter by the committee. Because of the extreme butter shortages, which I may say even since the committee reported the bill a week ago, have constantly become worse, we bring the measure to the floor, remembering, however that there is no real precedent set. I can well understand the concern of the gentleman from Ohio, because certain veterans' hospitals have already been allowed to purchase butter substitutes I assure the gentleman this is only an emergency measure. It originates with the Federal Security Agency, and for that reason I trust the gentleman will allow the matter to be voted on in the House.

Mr. SMITH of Ohio. As a rule the best food is reserved for the sick. Is that not true?

Mr. RANDOLPH. Generally that is true, I think.

Mr. SMITH of Ohio. Here are these mentally sick soldiers. I just cannot help but have a feeling that we are failing some place in not being able to get butter to those people. Butter is still on the market. Why should not those mentally sick soldiers have a priority on butter?

Mr. RANDOLPH. We have been informed by the Federal Security Agency

that the representatives of that organization find that the chief of the Order Administration Section of the Food Division of the War Production Board finds it impossible to secure approval for St. Elizabeths Hospital, for release of some of the butter stocks that were frozen under a certain order by the War Production Board.

Of course, as the gentleman says, there are so many interlocking boards in connection with priorities that it is a problem always to know where we can put our finger and be helpful. We felt this was the only way we could actually bring to the inmates of St. Elizabeths the necessary butter or butter substitutes. Under the present law they are not able to purchase for that institution butter substitutes. We do know that there is a shortage at St. Elizabeths of the actual butter needed. This bill will permit the hospital officials to supplement the inadequate supply of butter.

Mr. SMITH of Ohio. The gentleman does not seem to want to accept an amendment limiting the time.

Mr. RANDOLPH. I think that such an amendment could be accepted by the committee.

Mr. SMITH of Ohio. Would the gentleman accept that amendment?

Mr. ROBSION of Kentucky. Will the gentleman yield?

Mr. SMITH of Ohio. I yield to the gentleman.

Mr. ROBSION of Kentucky. Would this amendment be satisfactory to the gentleman and to the committee: Page 2, line 2: "Is hereby authorized during the period of the present war"?

Mr. RANDOLPH. That would be agreeable. I trust the gentleman from Illinois assents to it.

Mr. DIRKSEN. I have no objection. The language of the bill provides that the superintendent of the hospital is hereby authorized whenever he finds the procurement of an adequate butter supply is not feasible to purchase butter substitutes as may be necessary to meet the requirements of the hospital. If the gentleman cares to have inserted that proviso, I have no objection.

Mr. ROBSION of Kentucky. Is that satisfactory?

Mr. SMITH of Ohio. It is satisfactory to me. There is one more thing. I would like to have some first-hand knowledge of this whole situation. I am inclined at the moment to go into this matter myself. If I should find it is possible to get this butter to the hospital, I am sure your committee will want to know about it. This is a serious thing we are doing here today. The patients are helpless. We have a lot of power in this Congress. I know what this thing means in a hospital and unless you have had first-hand experience you can hardly realize the feeling of some of these patients, a great many of whom will say: "I am not used to eating this kind of substitute for butter. I am used to eating good butter. Here I am, a sick man, and you are forcing me to take this kind of food."

I would like to have it appear as part of the record that should I find it possible to avoid using substitutes for butter in this hospital, your committee will give me an opportunity to be heard.

Mr. RANDOLPH. Certainly, the District Committee would like to reassure the gentleman and all Members of the House that they are not only privileged, but invited to present matters not only on this legislation, but on any matters affecting the District of Columbia in all its aspects.

Mr. SMITH of Ohio. I am sure the gentleman feels the same as I do about this. It is a very serious thing we are doing here today.

Mr. STEFAN. Will the gentleman yield?

Mr. SMITH of Ohio. I yield to the gentleman from Nebraska.

Mr. STEFAN. The doctor is an eminent doctor of medicine and a surgeon. Is his concern over the kind of food that is liable to be fed to the veterans in this hospital? Is the doctor's concern over butter versus substitutes? Does he believe it is absolutely necessary that butter be fed to these people, that a substitute would not be as good as butter?

Mr. SMITH of Ohio. I will not say it is absolutely necessary, but I would say it is absolutely preferable.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia [Mr. RANDOLPH]?

Mr. STEFAN. Mr. Speaker, reserving the right to object, did I understand the Chairman of the District Committee to say that he is willing to accept an amendment to this bill making this order for the duration only?

Mr. RANDOLPH. Why, certainly. May I say that by the language of the legislation itself we do not direct the superintendent of the hospital to purchase butter substitutes. We say when it is not possible to get the butter itself.

Mr. STEFAN. I would like to say this to the gentleman: We who represent districts where considerable butter is produced are very anxious that these hospitals receive the best of butter. We do not want to allow any monopoly by oleo or a substitute to be commercialized in this war. We know, of course, that we are sending millions of pounds of butter through lend-lease. For instance, we are sending a million or more pounds of butter to Russia. But we believe that the veterans of these hospitals are entitled to the best and I would be glad to go along with this bill if it is limited to the duration.

Mr. RANDOLPH. The committee is inclined to agree to such an amendment at this time. However, may I commend the gentleman from Nebraska, who is a member of our Subcommittee on Appropriations for the District of Columbia, on visiting some of our health institutions over the past week end in an effort to familiarize himself with the problems of these institutions.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia [Mr. RANDOLPH]?

There was no objection.

The Clerk read the joint resolution, as follows:

Whereas it is no longer possible for officials of St. Elizabeths Hospital in the District of Columbia to obtain butter in amounts required to provide for its 6,900 mentally ill patients, no response having been received from advertisements for bids for the butter required for the month of December 1942, and the weekly purchase of butter in sufficient amounts from other sources being subject to great uncertainty due to the greatly limited supply of available butter stocks: Therefore be it

Resolved, etc., That notwithstanding the provisions of the Labor-Federal Security Appropriation Act, 1943, the Superintendent of St. Elizabeths Hospital is hereby authorized, whenever he finds the procurement of an adequate butter supply is not feasible, to purchase from the funds therein appropriated for the hospital such butter substitutes as may be necessary to meet the requirements of the hospital.

Mr. ROBSION of Kentucky. Mr. Speaker, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. ROBSION of Kentucky: Page 2, line 6, insert "This act shall remain in effect only during the period of the present national emergency."

The amendment was agreed to.

The House joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HOURS OF EMPLOYMENT OF WOMEN IN THE DISTRICT OF COLUMBIA

Mr. RANDOLPH. Mr. Speaker, I call up the bill (H. R. 777) to amend an act entitled "An act to regulate the hours of employment and safeguard the health of females employed in the District of Columbia," approved February 24, 1914, and ask unanimous consent that the bill may be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

Mr. STEWART. Mr. Speaker, reserving the right to object, I should like to be informed whether this has the 40-hour-week provision in it.

Mr. RANDOLPH. The gentleman from West Virginia wants to explain the bill. I made the statement earlier in the day that we want to explain every bill we bring up.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia that the bill be considered in the House as in the Committee of the Whole?

There was no objection.

The SPEAKER pro tempore. The gentleman from West Virginia is recognized for 5 minutes.

Mr. RANDOLPH. Mr. Speaker, under an act approved February 24, 1914, it is impossible for female workers to be employed in the District of Columbia in certain industrial and business enterprises more than 48 hours a week. Under the provisions of this legislation, which are identical with the bill which passed the House in the Seventy-seventh Congress but died in the Senate, we would permit women to work in the District of Columbia during the emergency period of the war for more than 48 hours in a week. We provide, however, that the individual employer will have to make a satisfactory showing before the Minimum Wage and Safety Board of the

need for the request for the temporary permit.

I might say that the Washington terminal, which is the Union Station, and certain other establishments in the District, are faced with a shortage of manpower. Because of this shortage they have found it necessary to utilize the work of women.

Mr. STEWART. Mr. Speaker, will the gentleman yield further?

Mr. RANDOLPH. I yield.

Mr. STEWART. Does this bill contain provisions dealing with the 48-hour week, time and a half, and things like that?

Mr. RANDOLPH. No; we will offer an amendment later that time and a half be paid over 48 hours. It would not of course apply under 48 hours.

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. RANDOLPH. I yield.

Mr. ROBSION of Kentucky. Will that amendment be offered to this bill?

Mr. RANDOLPH. It will be offered to this bill at line 10, page 2.

Mr. ROBSION of Kentucky. The gentleman states that the employer must make a showing to the Minimum Wage and Industrial Safety Board of the District of Columbia.

Mr. RANDOLPH. Yes; that is true.

Mr. ROBSION of Kentucky. And the Board must approve the application?

Mr. RANDOLPH. Yes; before the hours could be worked.

Mr. ROBSION of Kentucky. What does the worker have to do with the bill? Does the worker have to be willing to accept the action of the Board at the request of the employer?

Mr. RANDOLPH. I presume that would be true. I can only repeat the testimony of the witnesses before our committee. It indicated that the women wanted the opportunity of assisting in the war effort in the District of Columbia.

Mr. ROBSION of Kentucky. Is that the primary reason the bill is brought before the Congress? That the workers themselves ask that this be done?

Mr. RANDOLPH. Yes; it is true, although it is a peculiar situation in that the testimony before our committee showed that not only did the employers believe this necessary but the workers themselves. These female employees were willing to work overtime to help win the war.

Mr. ROBSION of Kentucky. They asked for the legislation?

Mr. RANDOLPH. Yes.

Mr. STEWART. Mr. Speaker, reserving the right to object——

The SPEAKER pro tempore. The gentleman cannot reserve the right to object now; consent has already been given to consider the bill.

Mr. STEWART. No; I did not give any consent. I yielded to the gentleman from West Virginia for 5 minutes.

The SPEAKER pro tempore. Consent has been given for the consideration of the bill.

Mr. STEWART. Then, Mr. Speaker, I shall have to make a point of no quorum.

The SPEAKER pro tempore. If the gentleman wishes to, he may move to strike out the last word.

Mr. STEWART. Then, Mr. Speaker, I move to strike out the last word, the last 10 words, or whatever may be necessary to obtain the floor.

The SPEAKER pro tempore. The gentleman from Oklahoma is recognized for 5 minutes.

Mr. STEWART. Mr. Speaker, I want the gentleman from West Virginia to give me a little information about this law. I do not want to be ugly or mean, but I do not know what is proposed to be done by this bill; how it amends the present law in Washington. I want him to tell me something about it.

Mr. RANDOLPH. The gentleman from West Virginia has made an explanation. It may not be a full explanation, but I stated that on February 24, 1914, Congress passed a law fixing the maximum workweek for female workers in the District of Columbia at not more than 48 hours.

Under the proposed legislation, should an employer find it necessary to ask female employees to work beyond 48 hours a week, he would be required to make a satisfactory showing before the Minimum Wage and Safety Board, showing cause why it was necessary or desirable that the women be allowed to work these additional hours.

The committee also knows that the Minimum Wage and Safety Board has regulatory power in connection with the health conditions in the District of Columbia. In asking that each employer state his case we know the case would be heard before a board which would certainly want to take into consideration the health and safety of the workers themselves. The committee proposes to offer an amendment which would provide for paying time and one-half to those women who work in excess of 48 hours.

I shall be glad to answer any questions on this bill.

Mr. STEWART. What difference does it make as between women working in the District of Columbia and those working in other parts of the United States? Does it give the women in the District an advantage or a disadvantage?

Mr. RANDOLPH. I can only say that in the District of Columbia we operate under Federal laws that are passed specifically for the District. We do that in connection with the Federal pay, for instance. If there are increases granted to Federal employees, then we consider granting increases for District employees, such as is proposed today. In other words, the District of Columbia is a Federal city and the Congress is responsible for its administration.

Mr. STEWART. Is the committee advised as to the relation between this bill and the labor laws of the country?

Mr. RANDOLPH. I may say to the gentleman that I have noted several legislatures of the various States have done practically this during the war emergency. I believe within the last 2 weeks three States allowed such provision as we propose to be enacted into law.

Mr. STEWART. Does not the gentleman think it would have been well to have incorporated that in the committee report, so we could have more information on these matters, other than just a brief résumé of what the bill does, without making reference to whether or not it dovetails into any other law of the country?

Mr. RANDOLPH. If we have erred in our report, it was unintentional. We tried to give just as comprehensive a report on the bill as possible. I can take the criticism of the gentleman in good spirit because I know we certainly want to make clear just what we propose under this legislation.

Mr. STEWART. But the gentleman has not been able to tell me the difference between the labor laws in the District of Columbia and the labor laws of the States generally.

Mr. MASON. If the gentleman will yield, may I say that the Congress is in the same relation to the District of Columbia and the laws under which the District operates as the various States are to their legislatures. We in substance are the legislature for the District of Columbia. Of course, in explaining the difference between this law and the others, you would have to go into 48 States which have 48 different laws on labor legislation.

Mr. STEWART. That is true, but that is not the point I am trying to make. This Congress could straighten out the District of Columbia and this Congress could straighten out the United States, as far as labor laws are concerned.

Mr. MASON. The Congress is not supposed to legislate labor laws for States.

Mr. STEWART. We are sitting here as a town council today.

Mr. MASON. That is correct.

Mrs. BOLTON. If the gentleman will yield, may I ask what the labor laws are for men in the District?

Mr. RANDOLPH. Men are allowed to work beyond the 48 hours. I recall that the gentlewoman last year raised that same point. I think it is well to raise it again today.

Mr. HOFFMAN. If the gentleman will yield, will this law as amended prevent the women on the farm from working more than 48 hours if they want to?

Mr. RANDOLPH. No; it will not.

Mr. HOFFMAN. They can work as long as they want to?

Mr. RANDOLPH. Yes; I am sure about that.

Mr. HOFFMAN. Will the gentleman tell me what he meant when he said "time and one-half"? Did he mean to say "pay and one-half"?

Mr. RANDOLPH. Yes; pay and one-half over 48 hours.

Mr. HOFFMAN. I wondered why the gentleman said "time and one-half."

Mr. RANDOLPH. I am sorry; I should have said "pay and one-half" to suit the gentleman.

Mr. HOFFMAN. No; to state the facts.

Mr. RANDOLPH. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RANDOLPH: On page 2, line 10, after the word "section", insert "the employer shall pay employees working under such permits an additional sum at the rate of time and one-half for the time they are employed in excess of the limitations under existing law. A true and

correct copy of all permits issued pursuant to the authority granted herein shall be displayed by the employer in a prominent place, and in such case."

The amendment was agreed to.

Mr. SAUTHOFF. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, in checking over this bill I am surprised at what the committee has done. As far as the wording of the bill goes, it permits an employer to compel female employees to work 60 or 70 hours a week if he sees fit. As far as the wording of the bill is concerned, there is nothing to prevent that. Furthermore, such employment need not be voluntary on their part. The employer can fire them if they do not do what he demands as to hours and conditions of employment.

I certainly do not want to vote for that kind of a bill and I do not think any of you do. Every single industrial commission in every State in the Union and every women's organization has protested against compelling women to work long hours, particularly if they are in employment that calls for standing on their feet continuously for long periods of time without rest. I do not see anything in this bill that safeguards the women in any way whatever.

Mr. RANDOLPH. Mr. Speaker, will the gentleman yield?

Mr. SAUTHOFF. I yield to the gentleman from West Virginia.

Mr. RANDOLPH. I can understand the concern of the gentleman from Wisconsin. I am sure it is shared by the members of the Committee on the District of Columbia. I felt—and I believe the committee felt—that the Minimum Wage and Industrial Safety Board of the District of Columbia would certainly not grant a temporary permit under this legislation to any employer who could not make a proper showing. I know that that Board, if we desired to say it, might be considered as favorable to labor, because it was originally the intent of Congress in establishing such a board that that be the purpose of the legislation that created the organization.

Mr. SAUTHOFF. Then you are going to permit the Board to pass on whether or not women should be employed 70 hours a week, or 80 hours a week, or 90 hours a week. No limitation is set.

Mr. RANDOLPH. I may say to the gentleman that personally I would be very glad to have the gentleman offer an amendment on that feature, which I would accept.

Mr. SAUTHOFF. My amendment would be to defeat the bill. In my judgment, it is outrageous. I certainly could not support it. One more thing. Let us look at the language in lines 9, 10, and 11 on page 2:

That in cases where said Board has issued permits under this section the employer shall not be required to post the notice required in section 4 of this act.

Mr. RANDOLPH. The amendment takes care of that matter.

Mr. SAUTHOFF. The amendment takes care of the permit issued by the Board?

Mr. RANDOLPH. That is right.

Mr. SAUTHOFF. The permit should, of course, contain provisions as to all the hours, and so on. But even if you pass a law permitting women to work 80 hours a week, and if they were in favor of it, I would still be opposed to it, because there is not a living health official in the United States that would support that kind of legislation. Every bit of evidence that we have had on any of these hearings before industrial commissions, and I have heard many of them, has been opposed to employing women in any occupation for long hours, particularly as I said before, in those instances where they are on their feet for any length of time, without rest. I for one would never want to grant any of the chain stores the right to compel their women employees to come in at 8 o'clock in the morning and stay until 12 o'clock at night, and I trust this bill will be defeated.

Mr. DIRKSEN. Mr. Speaker, I move to strike out the last word. I do not share the apprehension of the gentleman from Wisconsin [Mr. SAUTHOFF] for many reasons, and I think those reasons are plainly stated in the bill. In the first place the bill provides that it is for an emergency, for the period of the war, and the period of 6 months thereafter. Certainly, you cannot work beyond 40 hours unless the Industrial Commission gives a permit to do so. It is provided that—

During the existence of the present war, in which the United States is engaged, and 6 months thereafter (the Minimum Wage and Industrial Safety Board of the District of Columbia) may issue to employers engaged in businesses or occupations specified in this section of this act, upon satisfactory showing to the said board that such action is essential to the war effort, a temporary permit for such period of time and in such form as it may deem advisable, to employ females for more than 8 hours in any 1 day or more than 6 days or more than 48 hours in any 1 week.

My friend from Wisconsin speaks about working long hours in chain stores. Obviously they would have to show that it is essential to the war effort.

Mr. SAUTHOFF. All right, but let us say that the employees in the War Department are essential to the war effort, and that they must go to cafeterias and chain stores to be fed. Then it is essential to the war effort.

Mr. DIRKSEN. Maybe so, but I think that stretches it somewhat.

Mr. SAUTHOFF. The war period may last 5 to 10 years. Nobody knows.

Mr. DIRKSEN. No; but I have the highest hope that it will not last that long. The Board must issue a permit to an employer who wants his employees to work longer than 40 hours, and he will have to make a showing to the Board, and if the Board then deems it advisable, the Board shall determine how much longer it shall be. My friend worries about being compelled to work 70 hours. You cannot compel anybody to work any period of time.

Mr. SAUTHOFF. You can fire them.

Mr. DIRKSEN. Maybe so, but certainly in these enlightened days you cannot do anything like that to any individual who stands up and speaks his piece, no matter who the employer is. This is a temporary measure, and the showing has to be made to the Board. The Board determines how long they shall work beyond 40 hours, and at that point you come in contact with the experience of the operation of the Board over a long period of time, and I think we have one of the most enlightened administrations of this act of any board in the United States. The Board sat in at the hearings when this was considered. The thing is safeguarded at every turn, and I am sure that the apprehension expressed by the gentleman from Wisconsin, while theoretically so, does not accord with the facts or the practice that has obtained in the District of Columbia.

Mr. THOMAS of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. Yes.

Mr. THOMAS of New Jersey. Will the gentleman tell us whether public hearings were held on this bill?

Mr. DIRKSEN. Yes; we had several hearings on it and had representation in the hearings from all sorts of organizations.

Mr. THOMAS of New Jersey. The gentleman says that there was no objection to the bill. Did anyone come in in favor of the bill?

Mr. DIRKSEN. We had quite a number who recorded themselves in favor of the bill, realizing that it is entirely a war proposal, and is an emergency measure. Certainly the committee would not bring it here unless there were pressing circumstances that warranted bringing it to the Congress.

Mr. RANDOLPH. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. Yes.

Mr. RANDOLPH. I think it is well to note here that the C. I. O. organization within the District of Columbia was heard and approved the bill, approving it on the ground that it is an emergency measure.

Mr. THOMAS of New Jersey. Mr. Speaker, the gentleman states that there was a pressing need for it. Who pressed it?

Mr. DIRKSEN. We had this kind of a condition brought to our attention, mainly by employees and I think by the Minimum Wage Board and the Commissioners relative to transportation. Hundreds of thousands of people come in and out of this town over the period of a week, and we were told that efficient transportation in and out of Washington might be seriously imperiled simply because help is not available of the type on an hourly basis that will adapt itself to the transportation business.

The SPEAKER pro tempore. The time of the gentleman from Illinois has expired. The question is on the engrossment and third reading of the bill.

Mr. ROBSION of Kentucky. Mr. Speaker, I have an amendment to offer: On page 2, after the word "hours" in line 8, to insert a comma and the words, "but not to exceed 54 hours."

Mr. RANDOLPH. Mr. Speaker, this limitation of 54 hours is acceptable to the committee. It is not our desire that they should work longer.

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The bill (H. R. 777) was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING THE DISTRICT OF COLUMBIA UNEMPLOYMENT COMPENSATION ACT

Mr. RANDOLPH. Mr. Speaker, I call up the bill (H. R. 2115) to amend the District of Columbia Unemployment Compensation Act to provide for unemployment compensation in the District of Columbia, and for other purposes, and I ask unanimous consent that the same be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

Mr. ANDERSON of New Mexico. Mr. Speaker, reserving the right to object, does this bill make very substantial changes in the unemployment compensation laws of the District of Columbia?

Mr. RANDOLPH. I would say that it does. It is the purpose of members of the District of Columbia Committee, particularly the gentleman from Mississippi [Mr. McGEHEE], who is the author of the bill and chairman of the subcommittee which considered it, and the gentleman from Illinois [Mr. DIRKSEN], the ranking Republican member, to make a very full explanation to the House of the reason the amendment is brought in at this time.

Mr. ANDERSON of New Mexico. The gentleman recognizes that somebody pointed out that we are acting as the equivalent of a legislature for the District of Columbia. Does the gentleman think that any legislature would pass a bill of this magnitude in a very few minutes?

Mr. RANDOLPH. No, sir. I think we will perhaps spend an hour or two or longer on it. The entire afternoon has been assigned to us to consider District business. I hope the gentleman from New Mexico will take sufficient time to present his views. We feel that the gentleman from Mississippi [Mr. McGEHEE] and the gentleman from Illinois [Mr. DIRKSEN], and perhaps others, will present comprehensively, not in any short verbiage, the changes which are anticipated under this proposal.

Mr. ANDERSON of New Mexico. I would say that I am probably one of the few people who was chairman and director of an unemployment compensation commission, helped to establish one, helped to set up the benefits designed, and it seems to me a pretty fat thing to be handed in like this, and expect us to pass upon it in 4 or 5 minutes.

Mr. DIRKSEN. I would say to the gentleman from New Mexico that the size of the bill rather belies what is actually involved. That is to say, what we have done is, we have taken most of the existing law and recodified it and introduced a clean bill in order to get the amendments in clean form in the bill.

Mr. ANDERSON of New Mexico. But you have changed the waiting period, which is an important function.

Mr. RANDOLPH. Yes.

Mr. ANDERSON of New Mexico. You have changed the maximum benefits, and the vote of this House will be felt in every State in the Union the minute you raise the maximum benefits in this District.

Mr. DIRKSEN. Those are the things we want to explain.

Mr. RANDOLPH. If it is advisable to go into Committee, that could be done, but I think the House understands that this is District day. We will be generous and will hear all Members concerned. It is certainly the desire of the committee to do that.

Mr. ANDERSON of New Mexico. I think we should go into Committee of the Whole, and, therefore, Mr. Speaker, I object.

Mr. RANDOLPH. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 2115) to amend the District of Columbia Unemployment Compensation Act to provide for unemployment compensation in the District of Columbia, and for other purposes; and pending that I ask unanimous consent that the time for general debate be limited to 1 hour, the time to be equally divided and controlled between the gentleman from Illinois [Mr. DIRKSEN] and myself.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The SPEAKER pro tempore. The question is on the motion of the gentleman from West Virginia.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 2115, with Mr. COLMER in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. RANDOLPH. Mr. Chairman, I yield 15 minutes to the gentleman from Mississippi [Mr. McGEHEE], chairman of the subcommittee which carefully considered this legislation.

Mr. McGEHEE. Mr. Chairman, the bill before the Congress today is designed to give to the employers of the District of Columbia some relief and curtailment of, as much as possible, the enormous surplus that is being accumulated to the District unemployment compensation fund in the Treasury of the United States.

Lengthy hearings have been held on the principal provisions of this and other bills that have been introduced in the past 2 years and during these hearings there appeared numerous persons of the District who were affected by it. Representatives of the Washington Board of Trade, representatives of many of the citizens' associations, representatives of manufacturers, business institutions, individuals, and labor organizations. As shown by the hearings, those who appeared before the committee were uniformly in favor of the provisions and purport of the bill. Hence, the Committee on the District of Columbia, in presenting this bill to the Congress today, come with practically the unanimous approval of all the people of the District who would be affected by the bill and who would benefit by it. In fact, I may say without any opposition from the outside, unless it should develop here on the floor.

There are many minor changes in this bill that are not incorporated in the present act, under which the Unemployment Compensation Commission is operating, and those minor changes are principally clarifying provisions in the administration of it by the local board and commission. There are only three basic changes that are being made in the basic law.

First of the basic changes is to increase the amount and duration of benefit payments; that is, it increases the maximum benefit of $18 for 19 weeks to $20 for 20 weeks. It further grants dependents allowance over and above the benefits and reduces the waiting period of those entitled to benefits from 2 weeks to 1 week. There are two or three other States and Territories whose weekly benefits are the same as provided in this bill—Utah and Hawaii—all other States ranging from $13 to $18. The minimum benefit to be received under this bill is $6 per week, which is the average of minimum benefits received in all other political subdivisions coming under the provisions of the Unemployment Compensation Act.

Second basic change from the present act provides for employees who are in the armed service; it freezes the accumulated benefits of those employees entering the armed services as of their entry date into service and preserves such rights for their return to civilian life.

Third and most important change adjusts the method of computing the employers' tax rates by providing a workable experience rating as the base. I may say to the Congress that 31 States have adopted an experience rating proviso as a base, and it appears that ere long this proviso will be inserted in every compensation act of every political subdivision coming under the basic act.

It appears that the business people throughout the country desire it and also the employees. May I say further to the Congress, and I am sure that many of you remember, that the first bill I introduced was done with a view of giving to the employers of the District of Columbia some relief from the enormous sums that are being paid monthly into this fund; my thought was, relief should be given by the granting to the Unemployment Compensation Board the right and power to fix the rate of contributions by the employers on a basis that would tend to reduce the enormous surplus that has accumulated from over $30,000,000 to a flooring of around $10,000,000, thereby conserving in this fund a sufficient amount to take care of a pe-

riod of years that would likely be paid out as reflected by its past record of payments.

But the surplus has reached such a sum with the 2½ percent interest that the United States Government is paying to its political subdivisions on the surplus that remains in the Treasury, together with the lowest payment of rates that would be fixed by the Board, it would still cause a further accumulation and enlargement of the surplus now held.

Hence, after months of study and in conference with expert statisticians, it was revealed to the committee that the best relief possible to those who contribute to these funds would be to incorporate in the act the experience-rating proviso whereby it is possible to reduce the rate of many employers to the low contribution of one-tenth of 1 percent. Even then, unless there is quite an increase in the paying of benefits to the unemployed, the surplus will remain practically stationary.

The amount now to the credit of the District unemployment compensation fund in round figures is $34,000,000. It is probably the strongest in the country to withstand the impact of post-war drains. It is sufficient to pay more than 15 years at the highest annual benefit rates ever paid, even if contributions were to cease immediately.

In incorporating the experience-rating proviso in this bill, the bill further guarantees the continued adequacy of the fund by imposing an automatic increase in all employer rates should the fund's solvency ever become in danger.

I think the business people of Washington are entitled to this relief, not only the business people of Washington but the business people throughout the country who contribute to the unemployment compensation fund.

There is today accumulated to the credit of the political subdivisions on the books of the Treasury of the United States the enormous sum of around four billion. I have not the figures as of today, but there was practically a three billion balance on March 1, 1942.

On this huge sum the Government is paying to these political subdivisions interest at the rate of 2½ percent per annum. We know that Federal taxes on business has not only enormously increased in the past several months but will continue to increase for the next several years to take care of the world situation as is existing today, and business cannot continue to stand this strain, and I do hope the Congress will pass this act—not only that, but give attention to general relief under the basic act affecting all the States of the Union.

Mr. Chairman and members of the Committee, I have given you three basic changes incorporated in the bill before you today. As stated to you in the beginning, there are numerous clarifying changes of the present basic act controlling the Unemployment Compensation Board of the District of Columbia which are minor. I do not think there will be any objection by the membership to any one of them.

The only proviso that materially affects the present act as is now on the statute books affecting the District of Columbia is this experience-rating proviso incorporated in this bill which, as I stated to you a moment ago, is incorporated in the unemployment acts of over 39 States of the Union and I make the prediction that ere long every State in the Union will so incorporate it.

I may say that of the $34,000,000 accumulated in the District of Columbia surplus fund today, even with the experience-rating proviso, according to the statisticians that I contacted and had before the committee, if this proviso is adopted it will reduce the fund probably a million or $2,000,000 within the next year or so; but, according to the figures submitted to me by them, in the course of 3 or 4 years it will gradually grow a little larger, just as it does in the State of Wisconsin today, and my very good friend here from that State, the gentleman from Wisconsin [Mr. SAUTHOFF], is in favor of this proviso. I may say that the State of Wisconsin and the District of Columbia have in their surplus funds at this time the highest per capita surplus of any other political subdivisions in the country. They have a sufficient amount to take care of the highest yearly benefit payments since the passage of the Unemployment Compensation Act, in fact a sufficient amount to take care of benefit payments for 15 or 20 years whether the employees paid another assessment for that period or not.

Mr. RANDOLPH. Will the gentleman yield?

Mr. McGEHEE. I yield to the gentleman from West Virginia.

Mr. RANDOLPH. In connection with the surplus of approximately $33,000,000 in the fund at the present time, I think it may well be pointed out to the Committee that more than $7,500,000 was paid in last year and only approximately $1,000,000 paid out.

Mr. McGHEE. And of that $1,000,000 the Government pays to the District of Columbia interest on this surplus fund at the rate of 2½ percent which will be practically $750,000.

I want to beg the membership of the House to give consideration to your States also and let us think of giving them some relief as well as the District of Columbia. I can see no reason for hoarding in the Treasury of the United States at the expense of the employers throughout the country untold millions of dollars on which the Government is paying to the political subdivisions interest at the rate of 2½ percent when we can only get three-quarters to one and a half for Government bonds.

What is going eventually to become of this money? According to the highest benefit year payments during the existence of this Unemployment Compensation law, it would take care of unemployment for several years now throughout the country. So I say that not only the District of Columbia but our States are entitled to some relief in this respect, as I see it. These moneys are thrown into the United States Treasury, whereupon an I O U entry is made as due the respective States and political subdivisions.

I appreciate the fact that some administration officials today are recommending an increase from 2.7 to probably 5 or 10 percent, but I cannot see the reason for it. In my humble opinion, if you continue to impose upon the employers of this country every pay day or every Saturday night 2¾ to 3 percent of their pay roll, in the course of time you will have wrecked the economic structure of this country and you will have reduced it to the most socialistic country in the history of the world.

I do hope this Congress will pass this bill, thereby giving the little relief that we are suggesting for the employers of the District of Columbia under this act and that we do it today.

Mr. DIRKSEN. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, in 1936 when we first drafted the Unemployment Compensation Act for the District of Columbia we left a few loose ends. One of them, of course, was a provision that the merit-rating system should be studied and then should be put into effect at some future date. We had a few other questions that had to be resolved, such as size of the fund that has grown in the District treasury and is covered into the Federal Treasury, the question of enlarging benefits and the question of bringing some relief to employers who pay the entire tax. This is not a contributory tax insofar as the employees are concerned. This is a one-way tax. It is paid only by the employers.

So, faced with that problem, we labored on this bill for about 3 years, if I remember correctly.

Mr. RANDOLPH. Correct.

Mr. DIRKSEN. The fruit of that labor, of course, is the bill before you today, and it was first suggested by the Director of the Unemployment Compensation Board. I served on the subcommittee a long time trying to hew out a bill that we thought would be satisfactory, and that we thought would be fair to employers and employees alike. I believe in the main most everybody agrees on the basic provisions of this bill.

The first thing it does is adopt this so-called merit-rating system where you set up a separate employer account and give him the benefit in case he stabilizes his employment. This exists in 38 or 39 States. I think about 36 States have the so-called automatic type.

I may say that Washington employers have almost universally endorsed it, including the Washington Restaurant Association, the Washington Theater Association, citizens federations, the Washington Board of Trade, Merchants and Manufacturers Association, Federation of Women's Clubs, Graphic Arts Association, Washington Real Estate Board and others.

Here we are dealing with the merit system and putting it into effect so that it will stabilize employment, be fair to every employer and employee, and provide a real and impelling incentive for employment stabilization.

New rates, of course, are set up in the bill. The standard rate that obtains in every State of the Union, 2.7 percent, is maintained, but where an employer

stabilizes his employment he should have the benefit of a diminishing rate so long as he maintains a necessary reserve in his fund. Consequently the basic rate is 2.7 percent and thereafter it is put on the following basis: If the employer's reserve in his account is less than 1 percent of his annual pay roll he would pay 2.7 percent in the form of a net contribution. If the employer's reserve in his account equals 1 percent but is not less than 1½ percent he would pay only 2 percent of his annual pay roll; and so on up to the point where if his reserve is 3.5 percent of his annual pay roll, or over, his annual contribution would come down to 0.01 percent. We believe that is all that is necessary. It is adequate to meet all anticipated needs.

This fund has grown to a little over $34,000,000 and will soon be $35,000,000. On the basis of the amount of benefit payments that have been paid out there is an amount in this fund sufficient to last for 18 years if we did not have another nickel contributed to it; so we believe that by maintaining the solvency of the fund and at the same time giving the employer the benefit of a solvent fund with a diminished rate, it will serve every purpose that must be served. At the same time we have tried to be liberal, almost ultra liberal on the other side in the form of benefits to employees.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. RANDOLPH. The benefits the employee will receive under this proposed legislation have been raised.

Mr. DIRKSEN. I was coming to that.

Mr. RANDOLPH. I am sorry if I anticipated the gentleman's statement. May I not also point out that the waiting periods are lessened.

Mr. DIRKSEN. That is right.

Mr. RANDOLPH. And also that the benefit rates provided for those who serve in the armed forces are preserved under the bill?

Mr. DIRKSEN. That is right.

Interest on the present fund amounts to nearly $800,000 a year at the present time, the principal of the fund being $34,000,000. The interest alone, therefore, is almost enough to take care of the payment of all benefits on the basis of past experience in a moderate period of unemployment.

Mr. KEEFE. What was it the first year?

Mr. DIRKSEN. One million dollars plus.

Mr. KEEFE. What was the date of the first year?

Mr. DIRKSEN. 1936.

The contributions equal seven times the amount that has been normally paid out in any one year. The largest amount of benefits in a given year was $2,100,000. This comes out of the Federal Treasury, and, oddly enough, the Federal Treasury—or perhaps not oddly enough—pays interest on it at the going rate of 2.35 percent. So you have this money in the Treasury and the Treasury pays the District of Columbia $800,000 a year in interest; or the interest return alone is almost sufficient to carry payments in a normal period if there were not a single additional dollar paid into this fund.

Mr. COMPTON. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. COMPTON. Is this money actually set aside by the Federal Government?

Mr. DIRKSEN. Oh, yes; it is a trust fund. It cannot be touched for any other purpose.

Mr. COMPTON. I am glad to hear that.

Mr. DIRKSEN. Notwithstanding the fact that this jurisdiction contains only 1 city, the amount in the fund today is larger than in 27 different States in the Union, and the ratio is the highest on the basis of the amount in the fund and benefits paid of any State in the Union.

We felt that if we were going to do something for the employer we should do something also for the employee; and the employers who are the sole contributors to this fund were not only willing and ready, but they have endorsed the proposal that is before you now. The present benefit is $18 a week maximum; we have raised that to $20. The present period for benefit payments is 19 weeks; we raised that 1 week, to 20 weeks.

Mr. ANDERSON of New Mexico. Mr. Chairman, will the gentleman yield?

Mr. DIRKEN. I yield.

Mr. ANDERSON of New Mexico. Will the gentleman put in the RECORD at this point, please, the States that have benefit payments of $20 a week?

Mr. DIRKSEN. I have the figures, but not with me at the moment. I do not know that I can interpolate them here but I shall be glad to put them in if I can. On further reference to the data I have available, Connecticut pays $20 for 13 weeks, Utah pays $20 per week, and Michigan pays $20 for 20 weeks. However, the Michigan law must be amended before May 31, 1943, or benefits will revert to $16 for 18 weeks. In California the benefit is $18 for 26 weeks but the employee is required to contribute, so that net benefit is much smaller than in the pending bill or in some other jurisdictions. Hawaii also pays a benefit of $20 per week. It should also be made clear that we are speaking of maximum benefits based on total unemployment for the benefit period.

Mr. ANDERSON of New Mexico. Is it not true that the State of Utah is the only State that is paying $20 a week?

Mr. DIRKSEN. No; there are some others.

Mr. ANDERSON of New Mexico. That pay $20?

Mr. DIRKSEN. Yes; Michigan, Utah—and California pays over $20, with this reservation of course, that California is a State where the employees contribute along with the employer.

Mr. ANDERSON of New Mexico. Those figures, however, ought to be in the record.

On the matter of interest, did the gentleman say a minute ago that the interest on this amount of money was almost sufficient to take care of the claims?

Mr. DIRKSEN. It would not in the highest year. It would be half enough in the highest year of benefits, but in any normal year it might be enough to take care of all the claims.

Mr. ANDERSON of New Mexico. Is it not true that the Federal Government in order to secure these deposits has issued bonds that the banks have bought, so it is paying twice as much actually as the interest?

Mr. DIRKSEN. That is quite correct.

The waiting period under existing law is 2 weeks, but there is a tendency in all States now to recede and reduce that to 1 week, so we have reduced the waiting period to 1 week in this bill also.

We have done something in this bill that has not been done generally in the country. We have included secondary beneficiaries, that is to say, families, the members of families up to three in number, so that you can draw a maximum of $20 for yourself, if you qualify, plus $1 per week up to three people in your family. Therefore, the maximum amount of benefits to be paid under this bill could conceivably be as much as $460 in a single quarter. Of course, that would be the highest of any State in the Union. California might be higher, but when you compensate for the fact that there the employees have to contribute, it would be reduced to a net of about $288 for any one quarter.

There in the main is what we have done. We have tried to bring in a bill that is generally acceptable all the way around. It has the endorsement of all the employers in Washington, as far as I know. It gives them a show, so to speak, by setting up the merit system so that they do not have to immobilize many millions of dollars that will not be necessary if we continue to collect. It just means that as the law now stands we will be collecting about seven times as much normally as we would pay out. So the money goes into the Treasury and is immobilized in this fund, at a time when it could be used to advantage for taxes and War bonds.

When you stop to consider that these folks, like folks everywhere, have to pay income taxes today, that there are tremendous demands upon them, it is only fair that we maintain the solvency of the fund and at the same time do them some good if we can without impairing or imperiling the solvency of the fund and impairing the future working of the program. I think the future here is entirely safeguarded because the solvency becomes an automatic thing. Then, to recapitulate, on the benefit side there is up to $20 a week for an individual for a period of 20 weeks, with only 1 week of waiting period, plus secondary benefits of $1 for up to 3 people in his family who have a claim upon him.

Mr. COMPTON. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Connecticut.

Mr. COMPTON. Have these figures all been adopted based on actuarial experience?

Mr. DIRKSEN. That is true in almost every case. In most State laws,

when they first started out, they inserted a provision to the effect that the merit rating system should be studied to see what the case history was, so there has been an increase in the number of States that have adopted the merit system. As I recall, there are now 39 jurisdictions out of 51, including Alaska, Hawaii, and Puerto Rico, that have a merit system.

Mr. ANDERSON of New Mexico. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from New Mexico.

Mr. ANDERSON of New Mexico. The usual experience, I think, is that many of these suggestions are made to various State legislatures with the request that they incorporate them in their laws. Sometimes they do not find out until afterward how they are going to work out.

I wonder if the gentleman can explain to me the difference between the language appearing on page 7 of the report, "with respect to any week," and "in any week." Why is that change made?

Mr. DIRKSEN. Frankly, that was a clarifying change that was made at the instance of the Director of the Unemployment Compensation Board. He thought it had to be clarified for some purpose. I am frank to say that I do not know that it makes any difference, but he thought it did.

Mr. ANDERSON of New Mexico. I appreciate the gentleman's stating that, because I received one time a whole batch of amendments sent out from Washington, and nobody on the Board seemed to understand what they were.

I wonder if the gentleman can explain why the collection item is put in on page 12 that gives suits against an employer priority over any other type of civil action in the courts.

Mr. DIRKSEN. It is a tax matter, and we felt there is involved here, of course, the sanctity of a fund. If we were stymied in any way whatsoever, although it would be a remote contingency, we felt that it ought to have priority.

Mr. ANDERSON of New Mexico. Does the gentleman realize that that might result in setting aside many other types of civil actions, sometimes for very insignificant amounts?

Mr. DIRKSEN. That is quite true.

Mr. ANDERSON of New Mexico. Does the gentleman think that is a good type of legislation?

Mr. DIRKSEN. We realize also that where there was an acute emergency, where there might be some humane case of a suit that had been pressed and there were a great many things on the docket ahead of it, you might very conceivably have a situation where a very humane case or series of cases would be deferred until the rest of them had been disposed of.

Mr. ANDERSON of New Mexico. I think the gentleman recognizes that most of the circumstances involve cases where a firm has not paid its assessment and the question of humanity does not enter into that. It is a pure collection proposition, no different from any other collection agency item. Why do you set aside all other types of civil actions in order to give this little matter preference?

Mr. DIRKSEN. We thought that it should be done, and we followed the recommendation, I think, of the corporation counsel in this case.

Mr. ANDERSON of New Mexico. I realize that, but what I am trying to say to the gentleman is that I know they regard their business as more important than any other business. That is properly so. Each State agency does, or each District agency does.

Mr. DIRKSEN. Suppose you have this kind of a situation, however. Suppose the District Unemployment Compensation Board had actually passed upon and qualified a number of beneficiaries under the Act, and the whole thing was suddenly tied up. You could tie it up by a mandamus proceeding, I am sure.

Mr. ANDERSON of New Mexico. I just call the gentleman's attention to the fact that that has nothing to do with it, in my opinion. I am not trying to quarrel with the gentleman. I feel very keenly that the gentleman is a very fine, studious Member and he recognizes how I feel about it. I am trying to say this, that in order to collect unemployment compensation, cases are given priority over others, and every action that the corporation counsel thinks important in the District court, which theoretically may look all right, is given the right over others, but already you have $34,000,000 in the fund now, and if you do not collect $100 from somebody it would not be extremely important, and yet you give every one of these suits priority on every civil docket, shove every case behind it, and the experience of unemployment administrators does not indicate that to be necessary.

Mr. DIRKSEN. The only answer that I can make to my friend is that the corporation counsel is the chief law officer of the District of Columbia, if he believes something is not all right in the administration of this act, and needs possible testing in the courts, we want to work with him.

Mr. ANDERSON of New Mexico. The difficulty is that the corporation counsel is thinking only of the interest of the District of Columbia.

Mr. DIRKSEN. That is correct.

Mr. ANDERSON of New Mexico. But private employers may have a suit themselves.

Mr. DIRKSEN. We realize it is not so important in that case, if they did not clutter up the docket too long.

Mr. ANDERSON of New Mexico. But, if I have a suit against a man who fails to pay me for a suit of clothes, and the District has a suit against somebody else for nonpayment, the two claimants do not come into court on equal grounds. The District has the right to the docket, and I do not think that that is right.

Mr. DIRKSEN. But in the case that my friend mentions we created a small-claims court, and all those claims would be in that division of the District court, and I think it would have no jurisdiction over cases of this kind.

In general outline the pending measure is set up as follows:

Section 1 deals with definitions such as employer, employee, benefits, and so forth.

Section 2 is essentially an administrative and relates to the unemployment fund and the manner of keeping accounts.

Section 3 deals with employer contributions and includes the table under which contributions on a merit rating basis will be paid.

Section 4 provides the method by which employer contributions will be made.

Section 5 is concerned with process and service on nonresident employers.

Section 6 deals with the deposit of funds collected in the Unemployment Trust Fund Act.

Section 7 contains tables and computations relative to the amount of benefits to be paid, including allowances to dependents and benefits after the termination of military service.

Section 8 provides the method for paying such benefits.

Section 9 deals with eligibility for benefits.

Section 10 deals with disqualifications for benefits.

Section 11 sets forth the method for determination of claims by the District Unemployment Compensation Board.

Section 12 provides for court review.

Section 13 sets forth details concerned with the administration of the act, the employment of personnel under civil service regulations, and authority to make reasonable regulations for its enforcement. It also provides for Federal cooperation.

Section 14 deals with the method of paying administrative expenses.

Section 15 provides for the creation of the District Unemployment Compensation Board, with employer and employee representation.

Section 16 provides for reciprocal arrangements with other Federal and State agencies where services rendered by an individual for a single employer might be rendered in two or more jurisdictions.

Section 17 requires representations and records.

Section 18 protects the rights and benefits of employees.

Sections 19 to 24, inclusive, set forth fines, penalties, audits, court representation, the right to amend or repeal, and the customary separability clause.

Now let me recapitulate as briefly as I can the basic provisions of this measure. It establishes the merit rating system which now exists in 38 States and which has never been dropped in any State where it has been adopted.

It creates an incentive to stabilize employment by including a sliding scale of rates from 2.7 percent to one-tenth of 1 percent so that employers who have an adequate reserve in their account and who stabilize their employment will pay a diminished rate.

It guarantees the solvency of the unemployment trust fund by providing that when the fund is less than 5 percent of

the total taxable pay roll for all employers, the contribution for each employer will be increased percentagewise by the difference between 5 percent of the total pay roll and the fund's percentage of such pay roll with a limit of 2.7 percent.

Where the fund shall drop below 2.4 percent of total annual pay rolls which are subject to contribution, every employer's rate for the succeeding calendar year would go back to 2.7 percent. Thus the solvency of the fund is automatically maintained.

It increases unemployment benefits to a point where the maximum is equal or exceeded by only three States. Under the pending measure such benefits could rise to $20 per week for a period of 20 weeks, with an additional allowance of $1 per dependent relative up to a limit of 3. The waiting period is also reduced from 2 weeks to 1 week. Thus a worker who earned $437.01 in 1 quarter of the benefit year and whose total earning for the 4 quarters in the benefit year aggregated $800 could receive a maximum of $460 in a 20-week period. Only 4 jurisdictions, namely, Michigan, California, Utah, and Hawaii, pay benefits in excess of $400 in a given period, and the State of California is on a basis where both employer and employee must contribute to the fund so that the net maximum for California would be $288 instead of $400. Perhaps at this point it should be emphasized that the employee in the District of Columbia makes no contribution whatsoever. The entire tax is contributed by employers.

The bill as drawn also protects servicemen by freezing their rights as of the day on which they enter the armed forces. This measure will also make available private funds for the purchase of war bonds and for other tax purposes.

Finally it clarifies the administrative procedure now in effect and where such administrative clarifications appear in the bill they were made on the basis of the experience which the District Unemployment Compensation Board has had over a period of many years. I sincerely hope that it will be adopted without a dissenting vote.

Mr. KEEFE. Mr. Chairman, I, of course, am very much in favor of the passage of the pending legislation. The committee has finally brought to the floor of Congress a piece of unemployment compensation legislation that embodies in it the principle of merit-rating with individual employer reserves. This is a law which the people of my State have long approved and which, I believe, the facts will disclose has been fully justified. I can think of nothing that would tend to stabilize employment more than to give assurance to the employer that if he did stabilize employment, he would be given consideration by his Government for so doing. That is exactly what is attempted to be done in those States that have adopted merit rating with individual employer reserve accounts. We must bear in mind in passing this legislation that there has been a tremendous fight waged in this country, to destroy the merit-rating individual employer reserve principle. The fight is still being waged by the Social Security Board and those individuals who are attempting to federalize our entire social and economic system. They seek to destroy the principle of creating individual employer reserve accounts. They favor the creation of a national pool by which all reserves of all employers in all States, including the District of Columbia, shall be thrown into one gigantic pool, with the same rate of contribution to be paid by employers throughout the Nation, the pool to be administered federally, with the States losing complete control over their nonemployment compensation systems.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. Yes.

Mr. RANDOLPH. I thank the gentleman for bringing to the attention of the committee this trend which stems from Washington, D. C., itself. The District of Columbia Committee has taken cognizance of that trend, and we are not going to let that creep into legislation that we bring to this House.

Mr. KEEFE. I am glad to hear that, and may I say this, that in the State of Wisconsin responsible labor leaders in the State have joined hands with our State unemployment compensation board in its efforts to keep and preserve the merit-rating principle, with individual employer reserves. They well know that if unemployment compensation means anything at all, it means that we are legislatively attempting to create a situation where employment will be stabilized, and that men and women in industry will be given work. Not a situation where they will be permitted to remain in idleness for the purpose merely of drawing unemployment compensation.

Mr. CASE. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. Yes.

Mr. CASE. I am glad that the gentleman has called attention to this propaganda that has emanated from Washington, and I wonder if the gentleman would not agree with me that the passage of this legislation embodying the merit-rating idea for the District of Columbia will not be taken as an expression of the opinion of this body against the idea of federalizing that fund?

Mr. KEEFE. I think there is no question but that that is the case, and I think it should be made clear that in the passage of this legislation this Congress is placing its seal of approval upon the principle of merit rating with individual employer reserves, thus the Congress says to those who are attempting to federalize unemployment compensation and destroy all control by the States over the funds that have been created, that it does not intend to permit that sort of thing to take place, and here is the best evidence of that determination in the passage of this legislation.

Mr. ANDERSON of New Mexico. Will the gentleman yield?

Mr. KEEFE. I yield.

Mr. ANDERSON of New Mexico. I want to say to the gentleman I am happy he has made that statement. One of the reasons why I wanted this bill considered in Committee of the Whole and to have some discussion on it was that very point. I have been saying to employers since 1938 or thereabouts that if they would take care to make their employment steady, they could accumulate credits and receive the benefit of a fine merit rating. Now that they have huge sums stored up for themselves by which they could obtain some credit, the movement is to take them all away from them and put them in one great fund.

Mr. KEEFE. Yes. Now, may I say this: I personally have given some considerable study to this proposal of federalization of unemployment compensation. I am not unaware of the fact that in the post-war period we may expect a tremendous drain upon the reserves that have been created for the payment of unemployment compensation. I am not unaware of the fact that in certain States they have built up a tremendous pool of war workers in war industries, who will be thrown out of employment and will be entitled to unemployment compensation at the time the war ends. I am also not unaware of the fact that in many of those industries they have been unable to build up a sufficient individual employer reserve to take care of the drain that will be made upon the unemployment compensation reserves at the time the war ends. So I want to say to you we must not forget that back of all this proposal to retain State control of unemployment compensation, we must be sure that we do nothing to impair the solvency of those reserves.

To that end I long ago requested the Social Security Board to provide me with a study that would show the reserves in each State in the Union as of today, the amount of contributions that would be made to those funds in the years 1943, 1944, and 1945; the amount of expected withdrawals from those funds, due to unemployment that could be foreseen with any degree of reasonableness in the years 1944 1945, and 1946; and thus give to the Congress and to the people a fair estimate as to which, if any, of the State funds was in jeopardy of becoming insolvent because of those withdrawals which could be foreseen with a reasonable degree of accuracy. I have not been able to get from them as yet the breakdown on a State-by-State basis. I do have, however, a report from the Social Security Board which came to me just the other day, and have been promised a break-down by States that will reflect the future of each State fund——

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. DIRKSEN. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. KEEFE. This report purports to give some very valuable information upon this subject and attempts to point out statistically the difficulties which we may encounter in the matter of reserves at the time this war is over. I want to call specifically the attention of the Congress to this fact: We who are opposing federalization of unemployment compensation, and some of us have opposed it vigorously and effectively during the past 3 years, must not lose sight of the fact that it is the duty and obligation of the States themselves, now that their various legislatures are in session, to make a survey of their State funds and to see to it that the solvency of those funds is

not put in jeopardy, and if it is necessary to increase the employer contribution, while wages are high and while they are able to do it, that contribution must be made now, in order that the fund may be maintained at such level that under no circumstances could it be placed in jeopardy. Because the moment that fund is placed in jeopardy, the moment bankruptcy threatens the solvency of any State funds, what is the State going to do? It is immediately going to call upon the Federal Government to supplement that fund and to keep it solvent. Then you will have federalization of unemployment compensation, and you will have no one to blame but yourselves when that takes place.

So I say to you that out of a rather exhaustive study which I have made of this subject, I would direct your attention this afternoon to the fact that while the funds of the District of Columbia are adequate and we can afford to make the concessions which are being made here because of the peculiar character of the labor situation in the District of Columbia, we should not use this as a guide for reductions of taxes or increases of benefits to be made in other States where the same situation does not prevail, so as to possibly effect the ultimate solvency of funds in other jurisdictions.

I am a firm believer in State control of unemployment compensation, and the greatest threat that I see to federalization does not come from the activities of the Social Security Board or those who are presently advocating it, but it is an insidious thing that projects itself into the future, whereby through legislative enactments of the various States they may reduce the amount of employer contribution, or they may reduce the waiting period, or they may increase the benefit payments, so that when the real threat of unemployment comes after the war those funds will be placed in jeopardy, and the Federal Government will have to step in to save unemployment. Now, I say to the States, "Be sure that you make the study now as to the potentialities that exist in this picture for the future." Plan now to keep your State funds solvent. Otherwise, when the time comes and you go to the Federal Government and say that you must have help to fill up this gap and to take care of your State funds, then do not complain that the Government is trying to federalize. You have then been shortsighted and have not taken care of a situation that is obvious.

The CHAIRMAN. The time of the gentleman from Wisconsin has again expired.

Mr. RANDOLPH. Mr. Chairman, I yield 8 minutes to the gentleman from Texas [Mr. RUSSELL].

Mr. RUSSELL. Mr. Chairman, I want to say for the benefit of the gentleman from New Mexico [Mr. ANDERSON] and to give a little history of the hearings on this bill, that there were extensive hearings dating back 2 years ago. I am informed that prior to th ' time the Committee on the District of Columbia had under consideration and investigation this bill.

Exhaustive hearings were had and there came before the full committee a bill sometime early last year, 1942, or perhaps in the latter part of 1941, which was supported by the majority of the committee. The gentleman from Wisconsin and the gentleman from Massachusetts [Mr. BATES] and myself objected to the bill at that time because it failed to have the provision covering the experience rating and merit system in it. I did, on a technical point, hold up consideration of the bill and it went back to the committee and to the subcommittee, and the gentleman from Mississippi [Mr. MCGEHEE] held exhaustive and extensive hearings on it. As a result of those hearings a new bill came out in the latter part of the Seventy-seventh Congress which was practically the same as the bill here today. It came before the House in the latter part of the Seventy-seventh Congress under the unanimous consent rule. One objection was made and it was sent back.

I make that observation and statement in order that the committee may know that this matter has been thoroughly studied and thoroughly investigated for more than 2 years to my certain knowledge and by information for sometime prior to that.

Mr. Chairman, in support of the committee's favorable report on the bill now under consideration, which would amend the District of Columbia unemployment compensation law, I should like to add a few significant facts.

This proposed amendment has been before us for several years and was reported out favorably in the last session in almost its present form. It has the unanimous support of all Washington newspapers and of every civic and business agency in the city, including the Federation of Citizens' Associations, composed of 66 member bodies, the Washington Board of Trade, the Federation of Business Men's Associations, the Merchants and Manufacturers Association, the District Bar Association, and the Washington Restaurant Association, among others. Now, all of these groups want this bill passed in the form presented here by the committee.

Under the present unemployment compensation law, the employers of Washington contribute a tax of 2.7 percent on all wages paid to employees, and this law applies even to the little grocer or barber shop with only one worker. Up until last year, when Congress amended the law, this tax amounted to 3 percent. The result has been that since 1936 there has now accumulated in the Federal Treasury an enormous fund totaling approximately $35,000,000, which is useless for any practical purpose, although the United States pays interest to the fund of more than 2 percent on the balance—or more than $700,000 a year. Last year employers paid over $8,000,000 into the fund, but only slightly more than $1,000,000 was paid out to workers in benefits, leaving a $7,000,000 surplus. This unused money represents a million dollars more than the Federal Government contributed toward all the expenses of the District of Columbia during the current fiscal year, and it can readily be seen that is a senseless drain on businessmen—large and small alike—and can serve no useful purpose.

If this law isn't changed and some relief given to local businessmen, it is obvious that, increasing at the rate of $7,000,000 per year, the reserve fund will be boosted to over $100,000,000 in less than 10 years. And in only a few years the fund will become so completely self-supporting, due to interest payments from the Federal Government, that no tax at all will be needed to pay all of the benefits provided for employees under the law.

Now, what does this bill propose to do? In the first place it will substantially increase employee benefits. For example, the waiting period between the time of unemployment and the time the employee may receive benefits is reduced from 2 weeks to only ' week. No State has a shorter waiting period than 1 week. The maximum number of benefit weeks for which an employee can draw compensation is increased from 18 to 20 weeks. This is equalled by only 7 other States. One State—California—has a 26-week period, however, California requires employee contributions as well as employer contributions and it is to be emphasized that District of Columbia employees have never contributed 1 cent to the compensation fund. The maximum amount payable is increased from $18 to $20 per week which is equalled by only 3 other States and exceeded by none. Hence, it is apparent that under the amended law District employees would have benefits as liberal as any in the country.

The bill proposes to establish an experience rating system similar to that already in use by 38 States, whereby employers providing steady work will be permitted certain advantages over those who engage in periodical lay-offs. In other words those employers who cannot or will not provide regular work will have to bear a higher share of the cost of paying unemployment benefits to their own employees. Mere labor or personnel turn-over does not necessarily cause an employer to have a bad employment record. It is only when his employees take benefits from the fund that his experience is affected. Because of the size of the fund and because of the relatively good working conditions in Washington, employers are able to secure a rate much below that of many States in the country. However, there is a safeguard in this bill which prevents the size of the fund from going below what is considered a safe point. For example, if the size of the fund is reduced to a dangerous level all employers' rates of contribution are adjusted upward accordingly so that the reserve fund can be brought back to an adequate level again.

Our committee was advised that, on the basis of careful investigation of past years' records, approximately 90 percent of Washington employers will qualify for the lowest rate provided for in the bill of one-tenth of 1 percent, for at least the first year of the application of the

experience rating formula. Then, of course, as their individual reserves are reduced, those employers whose records are not extremely good will be graduated upward according to their own experience, the top rate being the existing one for everyone of 2.7 percent.

We may be sure that application of this experience rating table will not deplete the fund. As a matter of fact, extensive surveys indicate that the fund will probably stabilize somewhere in the neighborhood of twenty-five to twenty-seven million dollars; that is, if present conditions continue. This will assure an extremely adequate reserve to be maintained in the post-war period.

Now, it should be understood that only by means of some kind of experience rating plan can rates for employers in the District actually be reduced. A flat reduction plan is contrary to the Social Security Act and in conflict with it. Under the Federal Social Security Act, the only method by which States could give to its employers reduced rates is through the adoption of an experience rating formula approved by the Social Security Board. The provisions of the present bill have been submitted to the Social Security Board and have been approved. To enact any legislation other than an experience rating bill would invite federalization of the entire unemployment compensation system of the country. Some people want this, but it is obvious from the State reactions that every State wishes to maintain control of its own unemployment-compensation system, and this is as true here in the District of Columbia as it is in any State in the Union.

There can be no doubt, as I have already stated, that the vast majority of Washington citizens and businessmen favor the bill and the experience rating plan which it will introduce. A poll of representative employers indicated that over 95 percent of them favored this type of bill.

Regardless of the reluctance or desire of this Congress to enact such legislation in the future it would hardly seem justifiable to force Washington businessmen to continue huge payments toward an enormous reserve which some day might be politically controlled and distributed Nation-wide rather than used for the protection of the employee and employers in the jurisdiction where the fund was contributed.

It is axiomatic that any broadening of social-security benefits which might be contemplated by any national program such as is proposed in the Beveridge plan, should require universal contribution to the fund by either the general taxpayer or from the employer and employee jointly. Certainly the employer should not be asked to finance this program alone.

To the suggestion that employee benefits should be increased beyond those provided in the bill, let me remind you that one of the cardinal principles of unemployment compensation insurance has always been that it should be kept at a figure that would not be in competition with prevailing rates for available jobs. In other words, the amount received should never be of a size that would discourage an incentive to work because the amount received for unemployment would be more advantageous to the employee. Although the bill is liberal to workers it does not propose to make unemployment attractive.

So far as I am concerned, the gesture of opposition which has arisen to the pending bill fails to show a single good reason why it should not be speedily enacted. The overwhelming nature of the convincing arguments for it and the character of support which it has had clearly deserves fair and unprejudiced treatment to the residents of the District of Columbia by this House which we cannot honestly refuse. The committee's report, which comes to you without a dissenting voice, should be approved.

Mr. Chairman, with all of these war emergencies and the financial outlays that the businessmen of the District of Columbia are called upon to contribute and to pay, together with the taxes to carry on the war effort to help hold down the enormous debt burden that is piling up on us, it seems to me that this should be the time to give the businessmen of the District of Columbia some relief from paying into this fund six or seven million dollars a year that can be used in the war effort, that is not needed to carry on the compensation program in the District of Columbia.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. RANDOLPH. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin [Mr. SAUTHOFF].

Mr. SAUTHOFF. Mr. Chairman, I am strongly in favor of this bill for two reasons: One that it recognizes the principle of experience rating; the other that in my judgment the committee has taken a decidedly forward step in adopting in this particular bill a provision that for the purpose of this subsection the term "child" shall mean any son, daughter, stepson, or stepdaughter, regardless of age, whom the claimant is morally obligated to support.

I want to call the committee's attention to the fact that for some 3 years I have had an amendment pending before the Ways and Means Committee precisely in line with this provision; namely, that if a parent prefers to keep at home a child that is not normally or mentally developed, has reached, perhaps, the age of 8, 10, or 12 years mentally, and the parents prefer to keep the child at home, under the present act they cannot receive any compensation for the support of that child when it passes 16 years of age.

My amendment has attempted to correct what I considered an injustice, and I am glad that the committee has taken this forward step, which I consider extremely enlightening, in providing that such child should be compensated under this act.

One more thing: I believe that in all the States—and mine was the first State in the Union that ever had this kind of an act—our experience has been that under experience rating we get the best results in the stabilization of employment and we get much better management in business, as far as unemployment is concerned. Therefore, we do not want federalization of the unemployment insurance fund. I appeared against it and I fought it before the Ways and Means Committee in the last Congress, and I opposed Mr. MCGEHEE'S first bill, which provided for a flat rate, because it was not on an experience rating basis, and I am very glad that this measure has taken care of that in this provision.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. RANDOLPH. Mr. Chairman, I yield 4 minutes to the gentleman from New Mexico [Mr. ANDERSON].

Mr. ANDERSON of New Mexico. Mr. Chairman, I take this time only to say to the gentleman from West Virginia and the members of the committee that I appreciate the very fine explanation they have given on this bill. I do believe that any bill which involves as much of importance as this bill does ought to be given some time on the floor of this House. The whole question of merit rating is an extremely important one. It is one which has been debated and is now being debated in State legislatures all over the country and it seems to be extremely important. A bill of this character should not pass the Congress without some explanation as to whether the provision which you are inserting in this bill for merit rating seems to follow the established practice of States like the State of Wisconsin, which has had an extremely good experience in the administration of unemployment compensation. I suppose we can all go along with that.

There is a very long series of perhaps minor amendments which no one can follow. For example, if you will look on page 15 of the report you will find there is a provision which changes the fact that an employee has to file his claim, a requirement that he make a claim. I do not understand exactly why that is put in there. Undoubtedly somebody has a good reason for it.

You can go back to another page of the report, page 7, and see the difference in the definition of "week." I do not understand what that is. It seems to me it is not very urgent at this time but surely it is important that we pass this bill.

The very point that the gentleman from Wisconsin [Mr. SAUTHOFF] raised as to dependent children who are over 16 years of age is an extremely important point. It was a weakness in the present law and it is a weakness in the law of almost every State in the Union. It is something that we need to clarify in the District of Columbia.

I am hopeful that the Members of this body realize that the raise in the maximum benefit from $18 to $20 is likely to have repercussions in your own State, because once a law is passed in one place, somebody brings it to another and says, "This is a new standard: Bring your standard up to it." It does not always follow that it is a standard for your particular State. But surely in this area it is a change that is worth while.

I do not want to take any more time. I simply want to say that I think the

whole bill constitutes a worth-while step in the right direction.

Mr. KEEFE. Will the gentleman yield?

Mr. ANDERSON of New Mexico. I yield to the gentleman from Wisconsin.

Mr. KEEFE. The distinguished gentleman who has had such marvelous experience in these matters will realize, as I do, that unemployment compensation as such is still in its infancy and that development is bound to take place from year to year as we go on. The provision raising the benefit from $18 to $20 a week and raising the period of payment from 19 to 20 weeks, and lessening the waiting period from 2 to 1 week, is simply in line with the liberalization of this law that we experienced in the same liberalization of workmen's compensation as experience indicated the necessity for it being done. Is that not true?

Mr. ANDERSON of New Mexico. Very definitely. In the whole program of unemployment compensation we have to realize that we are still improvising and building as we go along.

Mr. KEEFE. I want to thank the gentleman for the contribution he has made and also to compliment the committee for bringing in such a fine statesmanlike piece of legislation on an intricate subject as this matter is.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RANDOLPH. Mr. Chairman, I yield myself the remainder of the time.

Mr. Chairman, may I say especially to the gentleman from New Mexico and to others of the committee who have manifested an interest in this subject that the pending legislation brought here to the House is the result of almost 3 years of continuous study by the District of Columbia Committee. I believe that we have clarified the general matter, not only as it pertains specifically to the District of Columbia in the operation of unemployment benefits, but also for the country at large, and, particularly in that phase of the discussion, I appreciate the remarks made by the gentleman from Wisconsin [Mr. KEEFE].

I believe that the passage of this legislation is in the interest of not only the employers but the employees in the District of Columbia.

The CHAIRMAN. All time has expired. The Clerk will read the bill for amendment.

The Clerl read H. R. 2115.

Mr. RANDOLPH. Mr. Chairman, I offer a committee amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. RANDOLPH:

On page 26, line 20, strike out the words "other than those."

On page 26, line 21, strike out "imposed under the Federal Unemployment Tax Act."

Mr. RANDOLPH. Mr. Chairman, perhaps I should make one word of explanation. The reason this amendment is offered by the committee is because we have received from the Secretary of the Treasury a letter which suggests this amendment.

He points out that under the provisions of the bill, if enacted without modification, there would be a divestment of the United States of certain rights that have been long standing that have applied under section 346 of the revised statutes and section 64–A of the Nationl Bankruptcy Act as amended. We offer this simply to meet the request of the Secretary of the Treasury.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. RANDOLPH. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore having resumed the chair, Mr. COLMER, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 2115, directed him to report the same back to the House with sundry amendments with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. RANDOLPH. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

THE SPEAKER pro tempore. Is a separate vote demanded on any amendment? [After a pause.] If not, the Chair will put them en gross.

The amendments were agreed to.

The bill (H. R. 2115) was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. RANDOLPH. Mr. Speaker, before calling up the next bill I am going to yield for unanimous-consent requests.

EXTENSION OF REMARKS

(Mr. HENDRICKS asked and was given permission to revise and extent his own remarks.)

INCREASE OF CERTAIN TOBACCO QUOTAS

Mr. RANDOLPH. Mr. Speaker, I have been assured by the gentleman from Virginia [Mr. FLANNAGAN] that he has a matter he would like to call up that will take only a minute to dispose of because there is complete agreement on it and I should like to accommodate him.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Virginia [Mr. FLANNAGAN].

Mr. FLANNAGAN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 2020) to amend the Agricultural Adjustment Act of 1938, as amended, for the purpose of further regulating interstate and foreign commerce in tobacco and for other purposes.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman explain the bill?

Mr. FLANNAGAN. Mr. Speaker, the purpose of this bill is to increase the tobacco allotment of certain small growers up to one-half an acre. It is unanimously reported by the Committee on Agriculture and has been approved by the Department of Agriculture. It also has the approval of every burley tobacco Representative on the floor.

Mr. MARTIN of Massachusetts. It is really to help the small tobacco grower.

Mr. FLANNAGAN. That is right.

Mr. MARTIN of Massachusetts. To increase his crop.

Mr. FLANNAGAN. That is it.

Mr. JENNINGS. Will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from Tennessee [Mr. JENNINGS].

Mr. JENNINGS. Mr. Speaker, on behalf of the burley tobacco growers of east Tennessee, I wish to express my appreciation for the courtesy of the minority leader, the Honorable JOSEPH W. MARTIN, and for that of the majority leader, the Honorable JOHN W. MCCORMACK, and to all the membership of this House for unanimously permitting the consideration at this time of H. R. 2020.

This bill amends section 313 (a) of the Agricultural Adjustment Act of 1938, as amended, and provides that any farm having a burley tobacco allotment in 1942 shall have not less than one-half-acre allotment.

There are more burley tobacco growers with a small allotment in my district than in any other section of the country. Most allotments in 1942 ranged from one-tenth acre up to 2 acres.

Burley tobacco is the chief cash-income crop of most small farmers. The effect of this amendment will be to encourage these farmers tc remain on the farm and to produce foodstuffs because this increased allotment will give them a larger income from burley tobacco.

This increased production of tobacco will be absorbed by the demand that now exists for more tobacco.

In urging the officials of the Department of Agriculture to increase the allotments to our burley growers this year, I have repeatedly stressed the fact that to increase their allotments and to permit them to grow more tobacco will not decrease the production of food, but will, in fact, result in an increased production of foodstuffs.

This law, which permits every burley tobacco grower to grow not less than one-half acre, taken together with the increase of one-fifth of an acre heretofore granted by the Department of Agriculture to all burley growers, will mean many thousands of dollars to the farmers, their wives, and their children this year. I am happy to have taken an active part in making this fight on behalf of our farmers and their families.

Mr. Speaker, I ask unanimous consent to revise and extend my own remarks.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. RANKIN. Mr. Speaker, reserving the right to object, I hope the gentleman from Tennessee does not call tobacco food.

Mr. JENNINGS. It keeps a man there and aids in the production of food crops.

Mr. RANKIN. I shall not object but I should hardly call it food.

Mr. JENNINGS. A lot of people cannot digest their food without their tobacco.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 313 (a) of subtitle B of title III of the Agricultural Adjustment Act of 1938, as amended, is amended by striking out the period at the end of said subsection and inserting in lieu thereof a colon and the following new proviso: "*And provided further*, That the burley tobacco acreage allotment which would otherwise be established for any farm having a burley acreage allotment in 1942 shall not be less than one-half acre, and the acreage required for apportionment under this proviso shall be in addition to the national and State acreage allotments."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. CRAVENS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. CLASON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a letter I received from a constituent.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

TEMPORARY ADJUSTMENT OF SALARIES OF EMPLOYEES OF THE DISTRICT OF COLUMBIA

Mr. RANDOLPH. Mr. Speaker, I call up the bill (S. 17) to provide for a temporary adjustment of salaries of the Metropolitan Police, the United States Park Police, the White House Police, and the members of the Fire Department of the District of Columbia, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That Public Law No. 489 of the Seventy-first Congress (S. 2370), approved July 1, 1930, is hereby amended for and during the period in which this act shall be in effect by suspending sections 1, 2, and 3 thereof, and inserting in place thereof the following new sections:

"SECTION 1. That the annual basic salaries of the officers and members of the Metropolitan Police, the United States Park Police, and the White House Police shall be as follows: Major and superintendent, $8,000; assistant superintendents, $5,000 each; inspectors, $4,500 each; captains, $3,900 each; lieutenants, $3,350 each; sergeants, $3,050 each; privates, a basic salary of $2,000 per year with an annual increase of $140 in salary for 5 years, or until a maximum salary of $2,700 is reached. All original appointments of privates shall be made at the basic salary of $2,000 per year, and the first year of service shall be probationary.

"SEC. 2. That the annual basic salaries of the officers and members of the Fire Department of the District of Columbia shall be as follows: Chief engineer, $8,000; deputy chief engineers, $5,000 each; battalion chief engineers, $4,500 each; fire marshal, $5,000; deputy fire marshal, $3,300; inspectors, $2,760 each; captains, $3,300 each; lieutenants, $3,140 each; sergeants, $2,900 each; superintendent of machinery, $5,000; assistant superintendent of machinery, $3,300; pilots, $2,900 each; marine engineers, $2,900 each; assistant marine engineers, $2,760 each; marine firemen, $2,400 each; privates, a basic salary of $2,000 per year with an annual increase of $140 in salary for 5 years or until a maximum salary of $2,700 is reached. All original appointments of privates shall be made at the basic salary of $2,000 per year, and the first year of service shall be probationary.

"SEC. 3. That privates of the Metropolitan Police, the United States Park Police, and the White House Police, and privates of the Fire Department shall be entitled to the following salaries: Privates who have served less than 1 year, at the rate of $2,000 per annum; privates who have served more than 1 year and less than 2 years, at the rate of $2,140 per annum; privates who have served more than 2 years and less than 3 years, at the rate of $2,280 per annum; privates who have served more than 3 years and less than 4 years, at the rate of $2,420 per annum; privates who have served more than 4 years and less than 5 years, at the rate of $2,560 per annum; privates who have served more than 5 years, at the rate of $2,700 per annum."

SEC. 2. This act shall take effect as of December 1, 1942, and terminate June 30, 1944, or such earlier date as the Congress by concurrent resolution may prescribe, at which time sections 1, 2, and 3 of the act approved July 1, 1930, shall again become effective.

Mr. RANDOLPH. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RANDOLPH: Strike out all after the enacting clause and insert the following:

"That all employees of the District of Columbia government whose compensation is prescribed by the act entitled "An act to fix the salaries of officers and members of the Metropolitan Police force and the Fire Department of the District of Columbia," approved July 1, 1930 (including the U. S. Park Police in the District of Columbia) or by the act entitled 'A' act to amend the act entitled "An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia,"' approved June 4, 1924, all other employees of the District of Columbia government except employees whose wages are fixed on a daily or hourly basis and adjusted from time to time in accordance with prevailing rates by wage boards or similar administrative authority serving the same purpose not covered by the joint resolution entitled 'Joint resolution extending until April 30, 1943, the period for which overtime rates of compensation may be paid under the acts of June 28, 1940 (54 Stat. 676), October 21, 1940 (54 Stat. 1205), and June 3, 1941 (55 Stat. 241), and for other purposes,' approved December 22, 1942, and all individuals whose rate of compensation is prescribed by the act entitled 'An act to create the White House Police force, and for other purposes,' approved September 14, 1922, as amended, shall receive additional compensation at the rate of $300 per annum, except that—

"(1) Any such employee shall be paid only such additional compensation as will not cause his aggregate compensation to exceed the rate of $5,000 per annum; and

"(2) Employees paid on a per diem basis shall receive an increase of 10 percent in their compensation otherwise provided for by law, but such percentage increase shall not in any case exceed $25 per month.

"SEC. 2. This act shall take effect as of December 1, 1942, and shall terminate on June 30, 1944, or such earlier date as the Congress by concurrent resolution may prescribe."

Mr. RANDOLPH. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I simply wish to say in connection with the additional pay for the District of Columbia employees that this measure comes to the floor after the most careful consideration. We are well aware of the increased living costs in the District of Columbia during this war. We find that with perhaps only one or two exceptions there are no other communities in the United States with higher costs which enter into the overall picture.

Mr. Speaker, I yield at this time to the chairman of our subcommittee on this subject, the gentleman from South Carolina [Mr. MCMILLAN] to explain the provisions of the bill.

Mr. McMILLAN. Mr. Speaker, after several weeks' work on the part of the House District of Columbia Committee, we have been successful in securing the approval of the commissioners, corporation counsel, the policemen's association, firemen's association, and the District auditor on a bill which we feel will in a small way assist the policemen, firemen, teachers, and other District employees who were not covered under Senate Joint Resolution 170, in taking care of an emergency. We all know that the cost of living here in the District of Columbia has gone up approximately 19 or 20 percent during the past year. Our committee unanimously approved a $25 per month flat salary increase for policemen, firemen, teachers, and other Government employees in the District of Columbia, receiving a salary below $5,000 per annum, who have not already been taken care of by the recent pay increase act.

I believe every Member of the House will agree with me when I state that the policemen and firemen are working more overtime than any other employees in the District of Columbia, at the present time; I am advised that the policemen and firemen have found it necessary to give up their day's leave each week and are continuously being called on to remain on duty for 12 or 15 hours at a time. The teachers of the District of Columbia have been required to do hours of overtime work each week; however, the committee did not make an effort to compensate either teachers or firemen or policemen for their overtime work. But we did try to assist them in taking care of at least part of the increased cost of living in this District. Congress passed a policemen and firemen pay increase bill last year which was vetoed by the President. He gave three reasons for taking this action:

First. He stated that the bill should not have been retroactive until February 1, 1942;

Second. That it should have included teachers and other District employees

who were not included in the Federal pay raise act, Senate Joint Resolution 170;

Third. He stated that this bill should have specified a definite date for the pay raise to terminate.

We have taken care of all these objections in amended Senate bill 17.

I would like to state that during the hearings before our full committee, doubt was expressed by some members of the committee as to the wisdom for providing pay raise for the employees in the upper brackets. In this connection the subcommittee members decided that if a limitation is to be placed, the logical point for such limitation should be at $5,000. This would be in accordance with the policies of the rule set out by Justice Byrnes, economic stabilization director, which permits cost of living adjustments only on salaries up to $5,000, and also would be in accordance with the provision of the recent Federal overtime act. We have made this bill retroactive to December 1, 1942, which will coincide with the Federal employees overtime pay act. We have also set June 1, 1944, as the date for this bill to terminate unless Congress in its wisdom by concurrent resolution decides to terminate same at an earlier date. We feel that we are only partially taking care of a situation which has existed in the District of Columbia for the past 12 months, and should have been corrected before this late date.

We members of the District of Columbia Committee feel that we have approved a bill which will meet with the approval of the President and all parties concerned. I hope the House will pass this bill without a dissenting vote.

Mr. PITTENGER. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. I yield to the gentleman from Minnesota.

Mr. PITTENGER. Is not this bill similar to the one the House passed last year?

Mr. McMILLAN. It is just the same, except that it corrects all three things to which the President objected.

Mr. RANDOLPH. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. I yield to the gentleman from West Virginia.

Mr. RANDOLPH. I appreciate the gentleman's discussion of the pay adjustments, and I think it important to point out that the per diem workers in the District of Columbia, those people who have really escaped the help it was necessary to give, are blanketed under this bill with an increase.

Mr. McMILLAN. I thank the gentleman.

Mr. RUSSELL. Mr. Speaker, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment to the Randolph amendment offered by Mr. RUSSELL: In line 30, after the words "rate of", strike out the figures "$5,000" and insert the figures "$3,900."

Mr. RUSSELL. Mr. Speaker, this amendment just strikes out $5,000 and inserts $3,900. During the hearings on this bill both in the Senate and in the House, it was explained that the purpose of the bill and such legislation is to help those workers who are employed in the low-income brackets. It was to help them meet the higher cost of living, brought about and produced by the war, and the advance in prices. I am offering this amendment which, if adopted, will permit a $300 increase in salaries up to $3,900. I feel that a District employee who is drawing above $3,900 yearly salary is not in the low-income brackets. It is true that it costs more to live in Washington than almost any other place in the country, but it is also true that local wages are higher here than most anywhere, and if you want to save some money, this will do it, and at the same time render justice and give those low-income workers a chance to live a little better. An employee who is drawing $3,900 a year is drawing a fairly good compensation in peacetimes, and in most places in the United States it would be considered an excellent salary for an employee to draw. If you want to save a little money and at the same time render justice to all, then vote for this amendment.

Mr. PITTENGER. Mr. Speaker, will the gentleman yield?

Mr. RUSSELL. Yes.

Mr. PITTENGER. How many employees are affected by this?

Mr. RUSSELL. I could not answer that.

Mr. PITTENGER. Not more than two or three?

Mr. RUSSELL. It is those in the class between $3,900 and $5,000.

Mr. PITTENGER. And are not those men who have been on the force a long time and who have worked up to their present positions?

Mr. RUSSELL. That is true, but they have been drawing increased compensation while working up, while the little fellow, the ones that we want to help, has not been helped at all. I am not against a raise in pay of the school teachers, because you cannot pay them too much in dollars and cents, and I am not against raising the firemen's pay, but our financial structure is going on the rocks, and I think it is the desire of the people back home that wherever opportunity presents itself we should save and try to take care of the money for our own future.

Mr. PITTENGER. I agree with my colleague, but I do not think this is any real saving, and it discriminates against two or three men on the force.

Mr. RUSSELL. I think it would be several employees.

Mr. PITTENGER. My information is that only three are affected, and I think the committee considered this, and that we ought to stand by the committee.

Mr. RUSSELL. Yes, the committee considered it, and this amendment was offered in the committee, and I thought it would be voted on, but the man who offered it, the gentleman from Illinois [Mr. DIRKSEN], was not present at the time the bill was finally considered, and if I had known that it was not to be presented, I would have offered it myself. I lay it now before the House, and the House can take it or leave it. It will amount to several thousand dollars I am told, and yet at the same time, as I say, this will injure no one.

Mr. PITTENGER. I think it would save about $1,500. I may be wrong, but that is what I have been told.

The SPEAKER pro tempore. The time of the gentleman from Texas has expired.

Mr. McMILLAN. Mr. Speaker, I rise in opposition to the amendment. This salary limit was discussed thoroughly in the committee, and none of us could explain why we should set the salary limit at less than $5,000. Director Byrnes, head of the Stabilization Bureau, states that it is our duty to adjust salaries below $5,000 and I do not see how anyone could just pick $3,900 out of the air and say "Let's take that amount."

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. Yes.

Mr. ROBSION of Kentucky. I understand the bill is reported to give to the Assistant Superintendent $5,000.

Mr. McMILLAN. That is what he gets now.

Mr. ROBSION of Kentucky. Would he get a raise?

Mr. McMILLAN. No.

Mr. ROBSION of Kentucky. The inspectors under the bill would get $4,500.

Mr. McMILLAN. Four thousand eight hundred dollars under the raise.

Mr. ROBSION of Kentucky. How many inspectors are there?

Mr. McMILLAN. Six.

Mr. ROBSION of Kentucky. And that is all it affects insofar as the police are concerned?

Mr. McMILLAN. Yes.

Mr. ROBSION of Kentucky. And I assume a like number in the fire department?

Mr. RANDOLPH. Less.

Mr. ROBSION of Kentucky. And so far as the teachers are concerned, how many of those are affected?

Mr. McMILLAN. I do not know that it affects many teachers.

Mr. DIRKSEN. I think about three.

Mr. ROBSION of Kentucky. Three teachers, six inspectors, and about three firemen.

Mr. McMILLAN. That is right.

Mr. ROBSION of Kentucky. Twelve times three hundred is $3,600 a year?

Mr. McMILLAN. Yes, sir.

Mr. ROBSION of Kentucky. I do not know that we ought to discriminate against them for $3,600.

Mr. McMILLAN. No, sir. I do not think we could afford to.

Mr. SAUTHOFF. Will the gentleman yield?

Mr. McMILLAN. I yield.

Mr. SAUTHOFF. And we take back in the form of increased taxes about 20 percent of that?

Mr. McMILLAN. That is right.

The SPEAKER pro tempore. The time of the gentleman from South Carolina has expired.

The question is on the amendment offered by the gentleman from Texas [Mr. RUSSELL] to the amendment.

The amendment to the amendment was rejected.

The SPEAKER pro tempore. The question is on the committee amendment.

The committee amendment was agreed to.

The SPEAKER pro tempore. The question is on the third reading of the Senate bill.

The bill was ordered to be read a third time and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill S. 17 was passed.

A motion to reconsider was laid on the table.

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent that the title of the Senate bill be amended.

The Clerk read as follows:

Amendment to the title offered by Mr. RANDOLPH: Strike out the title and insert "To provide for a temporary increase in compensation for certain employees of the District of Columbia government and White House Police force."

The SPEAKER pro tempore. Without objection, the amendment is agreed to.

There was no objection.

Mr. RANDOLPH. Mr. Speaker, that concludes the legislation on the calendar for the District of Columbia.

MERCHANT MARINE AWARDS OF DISTINGUISHED SERVICE MEDALS

Mr. BLAND. Mr. Speaker, I ask unanimous consent to address the House at this time.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. BLAND. Mr. Speaker, the record of the merchant marine in this war is a record of unsurpassed heroism, of daring achievement, of repeated and continued defiance of death, and of supreme courage.

By Public Law No. 524, Seventy-seventh Congress, approved April 11, 1942, the United States Maritime Commission was authorized and directed to provide and award a medal of such material and design, with such devices and inscriptions as the Commission might deem suitable, to each person in the American merchant marine who, on or after September 3, 1939, has distinguished himself or during the war distinguishes himself by outstanding conduct or service in the line of duty. It is provided that such medals are to be presented with appropriate ceremony as specified by the Commission.

It was provided also that there might be issued with each medal a rosette, or other device, to be worn in lieu of the medal. Not more than one medal should be issued under this law to any person, but for each succeeding instance sufficient to justify the award of a medal to such person, the Commission might award a suitable bar or other emblem or insignia to be worn with the medal and the corresponding rosette or other device. In case any person who should distinguish himself so as to justify the award of a medal or decoration should die before the award could be made to him, the award might be made and the medal or decoration presented to such representative of the deceased as the Commission deems proper.

An attractive medal has been designed by Paul Manship, noted sculptor. It consists of an eight-pointed mariner's star that appears on a compass card. The star is surmounted with an eagle and crossed anchors and is suspended from a pin by a red, white, and blue ribbon. The medal is executed in gold. A gold rosette bears the same basic eight-pointed star designed to accompany the medal.

Up to and including March 15, 1943, there have been 15 presentations of medals, 3 of which were posthumous awards. Figures submitted by the Navy Department of casualties in the merchant marine as of February 23, 1943, show 509 dead and 3,108 missing.

The list below shows the names and addresses of those to whom have been presented the Merchant Marine Distinguished Service Medal up to and including March 15, 1943, with a brief summary of the service for which each award was made. The list shows also the names and addresses of the persons to whom the presentation has been made where the person honored was dead. It is my purpose from time to time to show subsequent citations so that the RECORD may carry a complete list.

A report by Admiral Land, War Shipping Administrator, submitted earlier in the year, shows a toll of nearly 4 percent dead and missing during the first year of America's participation in the war. Admiral Land emphasized in his report that the casualties of the armed services during the same period amounted to less than 1 percent of their total number and that the casualty rate of the merchant seamen does not include injuries.

About three-fourths of the offshore seamen are always at sea. Theirs is the first line. They have promised the ships shall sail, and they are keeping that promise with a glory, a fidelity, a courage, and a devoted patriotism that malignant slander can never bedim.

The list of awards to and including March 15, 1943, is as follows:

Edwin F. Cheney, Jr., quartermaster, 434 Bonsall Avenue, Yeadon, Pa.: For heroism above and beyond the call of duty.

During an enemy attack he released and launched a life raft from a sinking and burning ship and maneuvered it through a pool of burning oil to clear water by swimming under water, coming up only to breathe. Although he had incurred severe burns about the face and arms in this action, he then guided four of his shipmates to the raft, and swam to and rescued two others who were injured and unable to help themselves.

(Medal presented by the President October 8, 1942.)

Frank A. Santina, second mate, 5 Dodd Street, Montclair, N. J.: For heroism above and beyond the call of duty.

The ship upon which Santina served as second mate had been struck by an enemy torpedo and was sinking. He, with 19 others, was lowering away when a second torpedo struck directly below his lifeboat. Eighteen in this boat were instantly killed, and Santina and a water tender were blown high into the air. Although painfully injured, he assisted the critically injured water tender to floating wreckage, then swam back to the sinking ship, launched a life raft, swam to the water tender and supported him back to the raft.

(Medal presented by Admiral Land at the annual banquet of the American Merchant Marine Conference, Waldorf-Astoria Hotel, New York, N. Y., October 16, 1942.)

Louis George Finch, seaman, 112 Quebec Street, Lowell, Mass.: For heroism above and beyond the call of duty.

While his ship was under heavy shrapnel shell fire, he volunteered to go aloft with the first mate and assisted him in rigging an emergency antenna. In the ensuing action the ship was sunk and most of the lifeboats damaged by shell fire and a torpedo hit. Finch was among the last to abandon ship with the wounded in a small and overloaded work boat which was in danger of swamping in the rough seas. He voluntarily went over the side in order to lighten the boat load and held onto the gunwales until picked up by another lifeboat about 1½ hours later.

(Medal presented by Captain Macauley in Washington, D. C., November 25, 1942.)

Hawkins Fudske, chief mate. Posthumous award, Mrs. Dagny Fudske, widow, 252 Seventy-fourth Street, Brooklyn, N. Y.: For heroism above and beyond the call of duty.

Finding himself as first mate, in command when the master of the ship was killed while the vessel was under heavy shell and torpedo fire from an enemy submarine, he took charge of the only remaining lifeboat. As the boat was being lowered shells continued to burst on the side of the ship overhead. A large shell fragment badly mangled one of his arms, but he nevertheless urged his men to keep lowering, and himself actually helped in this operation despite the severity of his wounds. As the boat reached the water, he was struck again in another burst of shell fire and this time mortally wounded. Realizing, in his dying condition, that the safety of the men depended on getting their boat away from the side of the ship, his last words were: "Never mind me, fellows. Try and get the boat away."

(Medal presented by Captain Macauley in Washington, D. C., December 11, 1942.)

Arthur Lauman, fireman, 399 First Avenue, New York, N. Y.: For extraordinary heroism and especially meritorious service under unusual hazards.

While his ship was under heavy shell fire and torpedo attack by an enemy submarine which caused fires above and below deck, he remained at his post in the fireroom despite the shattering of the room and its equipment by explosions. As one shell crashed through the smokestack casing, breaking off a 10-foot section of 6-inch copper pipe and other smaller piping, pieces of steel hurtled into the lower fireroom. As another shell came through the fireroom casing and tore into the uptake, the room was sprayed with pieces of metal. When ordered at last by the chief engineer to report to his boat station, he was found calmly clearing the floor of debris in order to continue operations. With all exits afire, it was necessary for him to climb through the engine-room skylights to get out on deck. Later, while in the water waiting to be picked up by a lifeboat, he helped another seaman to fight off sharks attacking a wounded member of the gun crew.

(Medal presented by Captain Macauley in Washington, D. C., December 11, 1942.)

Thomas J. McTaggert, chief engineer, 29 Ross Street, Medford, Mass.: For heroism and especially meritorious service under unusual hazards.

His ship, trailed in darkness by a submarine, was raked by shell fire for more than 2 hours, then struck by a torpedo. Remaining below in the burning ship with the second engineer after the abandon-ship order had been given, he made sure the engines were left in condition for future operation in case salvage should prove possible. Climbing into the last lifeboat with the second engineer, he took charge when the chief mate was mortally wounded by shell fire. He maneuvered the lifeboat to minimize the effect of enemy fire until firing

ceased, and when daylight came, directed the rescue of several men from the water. After landing the boat, he returned to the ship with help and directed salvage operations which made it possible to sail her to a nearby port for temporary repairs and thence to another port for complete repairs, as the result of which this vessel is still serving the cause of the United Nations in the war.

(Medal presented by Captain Macauley in Washington, D. C., December 11, 1942.)

Charles Richardson, able seaman, 811 East Twenty-ninth Street, Byron, Tex.: For heroism above and beyond the call of duty.

On duty with the Navy gun crew while his ship was under heavy enemy submarine shell fire, he undertook the rescue of two severely wounded Navy members of the crew when the abandon ship order was given. Although himself wounded in the back by a shell fragment, he got both men into the water, placed one on his back and had the other grasp him around the neck. In this manner he was swimming toward a lifeboat when sharks attacked and he was obliged to defend himself and his companions by slashing out with a knife. A shark pulled the wounded man off his back and this man was lost, but he succeeded in getting the second wounded man and himself into the lifeboat. He suffered hand lacerations while fighting off the sharks.

(Medal presented by Captain Macauley in Washington, D. C., December 11, 1942.)

Walter E. Reed, master mariner, 112 East Bettlewood Avenue, Oaklyn, N. J.: For heroism above and beyond the call of duty.

Witnessing the torpedoing of another ship, he immediately sent out a radio alarm and made complete preparations for the safety of his own vessel and crew. When his ship was struck by a torpedo a few hours later and set on fire he ordered her stopped and put broadside to the wind to obtain a lee. After giving the order to abandon ship, he checked the crew members in lifeboats and, finding the radio operator and steward missing, returned to the burning amidship quarters. Although he suffered burns to his hands and face in so doing he assisted the radio operator and the blinded, burned, and semiconscious steward to safety.

(Medal presented by Commissioner Thomas M. Woodward in Jersey City, N. J., December 19, 1942.)

August Friberg, chief engineer, 1713 Robert Avenue, Beaumont, Tex.: For especially meritorious service under unusual hazards.

The ship on which he was serving suffered a torpedo hit, exploding in the oil tanks and setting them and the between decks on fire. He worked his way aft along the outside of the ship's rail through intense heat, smoke, and oil-covered decks to the main smothering line, and turned the steam on the cargo tanks and between decks. His action resulted in checking the fires sufficiently to save the lives of crew members who, without doubt, would otherwise have been lost.

(Medal presented by Admiral Howard L. Vickery in Beaumont, Tex., January 8, 1943.)

Daniel J. McKenzie, master mariner, 1740 D Street SE., Washington, D. C.: For especially meritorious service under unusual stress and hazards.

The ship of which Captain McKenzie was master picked up the S. O. S. of a torpedoed British ship, while en route from Bordeaux to the United States, shortly after outbreak of war in Europe. Proceeding to the stricken vessel, he received an S. O. S. from a second torpedoed ship, almost on his course. Coming first to the scene of the second torpedoing, Captain McKenzie saw the doomed vessel buckle amidships and sink. Ordering a boat lowered into a rough and choppy sea, the captain directed the rescue of a number of persons clinging to wreckage and many more who were adrift in overcrowded lifeboats. Seventy-three persons were taken on board.

On arrival at the scene of the first torpedoing after nightfall, with life-saving material gathered on the hatches, cargo nets and ladders in readiness, and cluster lights rigged, Captain McKenzie and his crew within 2 hours took 227 survivors on board. They included many sick and wounded officers and men of the British Army, with their wives and children, and a number of terrified and panic stricken East Indian sailors.

His able leadership of a gallant crew in effecting the rescue and safe landing of 300 survivors by a small cargo ship will be an enduring inspiration to seamen of the United States Merchant Marine everywhere.

(Medal presented by Captain Macauley in Washington, D. C., February 11, 1943.)

Maximo Murphy, able seaman, corporal, One Hundred and Sixty-seventh Coast Artillery, Battery D, Camp Edwards, Mass.: For especially meritorious service under unusual stress and hazards.

At the time of the sinking of his ship, Murphy took charge of a raft heavily overloaded with 21 crew and passenger survivors. After 3 days and nights of rowing in tortuous navigation without rest, he managed, by excellent moral example and exceptional skill, to land the raft on the uninhabited north shore of a tropical island. Knowing that there was a native village on the other side of this island, he supplied himself with a pint of water and a few concentrated food tablets and, again without availing himself of rest, set out on foot for help. After almost 18 hours of continuous struggle through jungle growth, he reached the village and prevailed upon six natives to row him to a mainland. There he arranged for a rescue ship. In accordance with the highest traditions of American seamanship, Murphy refused to quit a trust not fully accomplished, and insisted upon returning with the rescue party as pilot and guide.

His voluntary acceptance of a heavy responsibility and his fidelity to that trust will be an enduring inspiration to seamen of the United States merchant marine everywhere.

(Medal presented by Captain Macauley in New York City, February 13, 1943.)

Philip C. Shera, third assistant engineer, 3286 North High Street, Columbus, Ohio. Posthumous award. Mrs. Elizabeth M. Shera, widow, 3286 North High Street, Columbus, Ohio: For heroism and especially meritorious service under unusual demands or hazards.

At the time the first torpedo struck his ship he ordered the engine-room crew on deck and alone remained to answer the bridge signals. A second torpedo hit the engine room, fracturing the steam pipes and killing Shera in the act of answering the bridge telegraph for full astern. After the ship had lost way, the remaining 44 survivors were able to launch the lifeboats successfully.

His extraordinary courage and fidelity to trust will be an enduring inspiration to seamen of the United States merchant marine everywhere.

(Medal presented by Captain Macauley in Washington, D. C., February 15, 1943.)

George Thornthwaite, second assistant engineer, 234 Seventh Street, Port Arthur, Tex.: For heroism and meritorious conduct under unusual hazards.

He was on watch in the early morning hours when his ship was struck by an enemy torpedo. The heavy explosion wrecked the dynamos and extinguished all lights below. Thornthwaite ordered all the men in the engine room and fireroom up on deck and, with the aid of a flashlight, stopped and reversed the engines to take way off the ship in order that lifeboats might be safely launched. While engaged in this task he had heard a fireman calling for help from between the boilers The man was rapidly losing consciousness as Thornthwaite guided him across the engine room, which by this time was blazing with oil from ruptured bunkers. Reaching the ladder, he dragged the fireman to the first grating, and then was forced to drop him in order to beat out the flames from his own clothing. The fireman fell back to the blazing floor plates and Thornthwaite again went below and succeeded in dragging the man to the comparative safety of the deck. Upon abandoning the sinking ship, the lifeboat carrying Thornthwaite and 21 other survivors was thrown against the burning ship and into the path of oil burning on the water. Some of the occupants of this boat became panic-stricken, but the engineer's coolness, courage, and persuasion set an example in morale that quieted the panic and encouraged the men to pull out of the blazing area to open water and ultimate rescue.

His extraordinary courage and disregard of his own safety in his efforts to save the lives of his shipmates constitute a degree of heroism that will be an enduring inspiration to seamen of the United States merchant marine everywhere.

(Medal presented by Mr. S. D. Schell, executive director of Maritime Commission, at Houston, Tex., February 27, 1943.)

William M. Thomas, Jr., cadet-midshipman (E), 3329 Fernside Boulevard, Alameda, Calif.: For extraordinary heroism above and beyond the line of duty.

The ship upon which he was serving was loaded in all holds with highly explosive war matériel when attacked by torpedo and shell-fire from an enemy submarine. The torpedo struck amidship, demolishing the engine and rupturing all steam and fuel pipes. The engineer and fireman on watch met immediate death. An oiler, blown to the top of the cylinder heads, lay helpless as a result of multiple wounds. Hearing his cries, Thomas descended into the darkness of the steam-filled wreckage and carried the injured man to the deck. By this time all undamaged lifeboats were away. Launching a small balsa life raft, he succeeded in getting the wounded man over the side and lashed him securely to the raft. Thomas then swam alongside the raft for about 20 hours until they were picked up by a rescue ship.

His magnificent courage and disregard of his own safety in saving the life of his shipmate constitute a degree of heroism which will be an enduring inspiration to seamen of the United States merchant marine everywhere.

(Medal presented by Captain Macauley in Washington, D. C., March 15, 1943.)

Edwin Joseph O'Hara, cadet-midshipman (E), route 1, box 275, Lindsay, Calif. Posthumous award—Mrs. Elma O'Hara, mother, Lindsay, Calif.: For extraordinary heroism under unusual hazards.

Two enemy surface raiders suddenly appeared out of the morning mist to attack the small merchantman upon which he was serving. Heavy guns of 1 raider pounded his ship, and machine-gun fire from the other sprayed her decks for one-half hour at close quarters. The heroic gun crew of O'Hara's ship exchanged shot for shot with the enemy, placing 35 shells into the water line of 1 of the raiders until its crew was forced to abandon their sinking ship. The gun commander was mortally wounded early in the action, and all of the gun crew were killed or wounded when an enemy shell exploded the magazine of their gun. At the explosion, O'Hara ran aft and single-handed served and fired the damaged gun with 5 live shells remaining in the ready box, scoring direct hits near the water line of the second raider. O'Hara was mortally wounded in this action. With boilers blown up, engines destroyed, masts shot away, and ablaze from stem to stern, the gallant merchantman finally went under carrying O'Hara and several of his fighting shipmates with her.

The magnificent courage of this young cadet constitutes a degree of heroism which

will be an enduring inspiration to seamen of the United States merchant marine everywhere.

(Medal presented by Commander Arthur O. Brady, United States Naval Reserve, district merchant marine instructor, at home of Mrs. Elma O'Hara, Lindsay, Calif., March 15, 1943.)

EXTENSION OF REMARKS

Mr. PETERSON of Florida. Mr. Speaker, I ask unanimous consent to extend my remarks and include a joint statement by the California Joint Labor Legislative Headquarters.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. ROBSION of Kentucky. Mr. Speaker, I ask unanimous consent to extend my remarks on the tobacco bill which was passed this afternoon—H. R. 2020.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. FISH. Mr. Speaker, I ask unanimous consent to extend my remarks and include a clipping from an Indiana newspaper.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

ORDER OF BUSINESS

Mr. RANKIN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. RANKIN. Does this conclude the legislative program of the day?

The SPEAKER pro tempore. The Chair will state that there is a rule on the Dickstein bill which the Chair was hopeful we could dispose of today so that general debate could be taken up tomorrow.

Mr. RANKIN. Mr. Speaker, I think the rule had better be carried over also. Some of the Members might want to hear the debate on the rule. There are special orders which will consume an hour or two, and I suggest we go ahead with the special orders and take up this rule tomorrow.

The SPEAKER pro tempore. The Chair feels that under the circumstances the suggestion of the gentleman from Mississippi is a good one, and the Chair adopts it.

Under the previous order of the House, the gentleman from New York [Mr. DICKSTEIN] is recognized for 30 minutes.

LEGISLATION FROM THE COMMITTEE ON IMMIGRATION AND NATURALIZATION

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and insert therein a memorandum on certain bills which I have undertaken to analyze for the information of the House. These bills were on the last Consent Calendar, which was called on March 15.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. DICKSTEIN. Mr. Speaker, I desire to address the House on legislation that appeared on the Consent Calendar on March 15 from the Committee on Immigration and Naturalization. At the time certain Members asked that some of the bills go over, and some others were objected to, which automatically put them over until the next Consent Calendar.

I wish to say that the bills reported by the committee should have been enacted and disposed of on that day as 90 percent or more of them were bills affecting our war activities. They were bills that had nothing to do with immigration insofar as bringing in of new immigrants is concerned. It was an attempt to change the status of some people—now in the country—in most cases connected with our armed forces in some way—in order to bring about a better understanding and less confusion of the laws pertaining to persons who are not yet citizens of the United States. I have taken the trouble, for the benefit of the Members who made those objections, to analyze the bills and I shall incorporate them in the RECORD and point out to the House how vital most of them were to our war efforts:

MEMORANDUM BY THE CHAIRMAN OF THE HOUSE COMMITTEE ON IMMIGRATION AND NATURALIZATION

IN RE A BRIEF EXPLANATORY STATEMENT OF THE EIGHT BILLS WHICH WERE ON THE CONSENT CALENDAR AND DISCUSSED AND PASSED OVER ON MARCH 15, 1943

H. R. 1037

This bill, introduced by Mr. PAGÁN, of Puerto Rico, merely provides, in substance, that citizenship shall not be lost by native-born Puerto Ricans because of 5 years' residence in a foreign state, unless that person became a citizen of a foreign state and thereafter acquired citizenship in the United States by naturalization Unfortunately, persons born in Puerto Rico prior to the effective date of the Nationality Act of 1940, while being born into United States citizenship, come under the general category of naturalized citizens and, as such, can lose their citizenship by certain periods of residence abroad under conditions set forth in section 404.

The Resident Commissioner has stated that because of overcrowded conditions in Puerto Rico many of these people go to nearby islands, principally to the Dominican Republic, for the purpose of securing employment, although always intending to retain their United States citizenship and planning eventually to return to Puerto Rico. The sole purpose of the bill is to give these persons who are United States citizens from birth the same right to remain outside of the United States without losing their citizenship as that enjoyed by those native-born citizens having that technical status. The effect of the bill is limited in scope because all persons born in Puerto Rico on or after January 13, 1941, have the technical classification of native-born United States citizens. There is no reason why there should be any distinction between the rights of the citizens born there prior to this date and those born on or after the date in question.

This bill passed the House of Representatives on October 19, 1942.

H. R. 1291

This is the so-called naturalization omnibus bill and the easiest way to describe it is to state, section by section, what it does:

Section 1: This section changes one word, to wit, the word "absence" is substituted for the word "residence." This is done for clarification purposes.

Section 2: This section waives the educational qualifications in the naturalization process for persons who are 50 years of age or over and who have resided in the United States continuously since prior to July 1, 1924, which is now 19 years ago.

Section 3: This merely pushes up the date in the so-called misinformation clause from 1920 to 1925, so that women who were not enfranchised until August 26, 1920, the date of the nineteenth amendment, might take advantage of its provisions. This permits persons who have honestly believed themselves to be citizens and who resided in the United States for 5 years prior to July 1, 1925, to become naturalized without making the preliminary declaration of intention and without complying with certain other requirements.

Section 4: This is purely clarifying by adding the words "subsection (b) of," which makes a more specific reference.

Section 5: This is purely clarifying, substituting the word "seven" for "ten," relating to the period of validity of the declaration of intention, and bringing it in line with other references to the period.

Section 6: This eliminates the 60-day period prior to general elections in which naturalization cannot be completed and gives the Commissioner authority to waive the 30-day period between the filing of the petition and the granting of naturalization. It does away with useless and unnecessary red tape qualifications and assists the Government in expediting the naturalization of persons who can participate in important governmental activities as citizens.

Section 7: This section, in a denaturalization case, cuts the period of notice from 60 to 30 days. This is greatly needed by the Government in denaturalizing many subversive naturalized citizens.

Section 8: Section 404 of the Nationality Act provides for the automatic loss of citizenship but contains no machinery for the formal declaration of such loss. This section gives the Government authority to secure a judicial decree indicating loss of nationality.

Section 9: Changes made for clarifying purposes.

Section 10: Changes made for clarifying purposes.

Section 11: Relates to derivative citizens who cannot secure certificates of their status because when they were brought into the United States many years ago records of entry were not kept properly. This merely assumes that those persons who entered prior to 1924 were lawfully admitted. It does not vest citizenship in anyone.

Section 12: This section merely provides for the issuance of documentary evidence of citizenship to citizens of the United States who were born into that status but outside the United States.

This bill passed the House of Representatives on January 13, 1942, and in a slightly amended form was reported by the Senate committee on October 29, 1942. Lack of time did not permit the consideration by the Senate.

H. R. 1573

This is a bill desired by the Department of the Interior to make certain adjustments in the citizenship and immigration status of persons in the Virgin Islands.

The bill would confer citizenship on all natives of the Virgin Islands who are in the continental United States or in any Territory or possession of the United States at the time of the enactment of the bill (sec. 1). It would also make all natives of the Virgin Islands who are not citizens or subjects of any other country and who, at the time of the enactment of the bill, are neither in the continental United States nor in any Territory or possession of the United States nonquota immigrants in the event they desire to return (sec. 2). Section 3 would waive the provision of the naturalization laws requiring a declaration of intention in respect of all natives of the Virgin Islands who are admitted to the United States as nonquota im-

migrants. Section 4 of the bill would permit a record of registry to be made for anyone who entered the Virgin Islands of the United States prior to July 1, 1938, and who has resided in the Virgin Islands continuously since the time of entry, if such person is of good moral character and is not subject to deportation. The $18 fee for record of registry would be waived in respect of these persons (sec. 5).

This bill was reported by the House committee on November 18, 1942, Report No. 2656 of the Seventy-seventh Congress.

H. R. 1284

The only thing this bill does, in substance, is to permit aliens serving honorably in the armed forces of the United States to have advantage of the short form of naturalization, even though we cannot locate a record of their having been lawfully admitted to the United States.

Under existing law a seaman who was lawfully admitted and later deserted his ship, or a visitor who has only been here for a few months, is eligible for naturalization if serving honorably in the armed forces, whereas a person of excellent character who has made a fine resident of the United States for many years is not eligible if he cannot show he made technical compliance with the immigration laws at the time of entry.

Comment on the House debate: Considerable confusion existed in the debate on the following points:

1. Is an alien illegally in the United States prohibited from entering the armed forces?

2. If in the armed forces, is he prohibited from being sent abroad? and

3. The statement to the effect that persons who had never been in the United States could be naturalized under this act.

Answers:

1. Aliens, regardless of whether they are lawfully in the United States or other otherwise, are required to register under the Selective Service Act after being here for 3 months and are subject to induction;

2. Many aliens who have not been legally admitted to the United States are now in the armed forces and are actually serving in foreign countries; and

3. It is ridiculous to say that a person could be naturalized under this amendment who had never been in the United States because existing law reads as follows: "who, having been lawfully admitted to the United States, including its Territories and possessions, shall have been at the time of his enlistment or induction a resident thereof." All the amendment would do would be to strike out that language and substitute the following: "who shall have enlisted or been inducted while in the United States, including its Territories and possessions."

Anyone who had read this bill carefully could never have made the statement that persons who had never been in the United States could be naturalized under its terms.

This bill passed the House of Representatives on November 16, 1942.

H. R. 1941

There is a considerable number of noncitizen parents in the United States who have children serving satisfactorily in the military or naval forces of the United States. In spite of such loyal service of their children, some of these parents have been under the stigma attaching to them because of their technical status as alien enemies. Where the entire family is loyal, it is a distinct hardship to the parents to be placed in the position where they will necessarily be subjected to the enforced delays of the Nationality Act in seeking naturalization.

All the bill does is waive the declaration of intention and the provisions of the Nationality Act dealing with alien enemies. It does not waive the educational requirements, dispense with the loyalty test, or waive any other provisions of the naturalization process required of all applicants.

One of the Members inquired why these parents could not get citizenship in the normal way. Section 326 of the Nationality Act of 1940, dealing with alien enemies, technical or otherwise, provides a long-drawn-out tedious and cumbersome procedure. Unless coming within certain classes, alien enemies must secure Presidential permission to proceed to citizenship. The law and regulation thereunder serves an excellent purpose for real alien enemies, but should not subject persons provided for in this bill, who are alien enemies in a technical sense, to all the burdens coincident with the administration of this section.

A similar bill was reported in the Seventy-seventh Congress on October 14, 1942, Report No. 2582.

H. R. 1289

Prior to the act of September 22, 1922, an American citizen woman lost her citizenship by virtue of marriage to an alien. By the terms of the act of June 25, 1936, it was provided that a woman, being a native-born citizen, who lost her United States citizenship solely by marriage prior to September 22, 1922, to an alien, and whose marital status with such alien is terminated, shall be deemed to be a citizen of the United States to the same extent as though her marriage to said alien had taken place on or after September 22, 1922. That act did provide, however, that such a woman could not claim any rights of citizenship until she should take the regular oath of allegiance prescribed by the Naturalization Act of June 29, 1906. Under date of July 2, 1940, that act was amended so as to include the privilege of repatriation to women who continuously resided in the United States since the date of their marriage prior to September 22, 1922, such repatriation to occur even though the marriage had not terminated. The Nationality Act of October 14, 1940, specifically repealed the act of June 25, 1936.

In section 317 (b) of the Nationality Act of 1940, it is provided that from and after the effective date of that act, which is January 13, 1940, a woman who was a citizen of the United States at birth and who lost her United States citizenship solely by marriage prior to September 22, 1922, to an alien, and whose marital status had terminated, would, if no other nationality was acquired by affirmative act other than by marriage, from and after the taking of the oath of allegiance prescribed in the Nationality Act, be deemed to be a citizen to the same extent as though her marriage to said alien had taken place on or after September 22, 1922. The Nationality Act of 1940 carried through the provision vesting citizenship in women who had lost it by marriage, where the marriage had terminated. It failed to carry through the principle of the amendment of the 1936 act taking care of women who lost it by marriage but who had continued to reside in the United States.

The only thing that this bill does is to rewrite into the Nationality Act of 1940 the provision which the Congress wrote into the law on July 2, 1940, permitting women to be reinvested with their citizenship where it was lost solely through marriage prior to 1922, and where these women had continued to reside continuously in the United States.

As a matter of fact, the Department of Justice holds that such women have been restored to citizenship but a number of Federal courts have decided otherwise and it is for this reason that the amendment becomes necessary.

An identical bill was reported by the committee on September 30, 1942.

H. R. 1295

Section 1 merely provides that aliens who have been lawfully admitted for permanent residence and who go abroad solely for the purpose of engaging in the allied war effort, either in a civilian or military capacity, shall not lose their residence within the United States for naturalization purposes if they return to the United States within 1 year after the termination of the war. Under existing law, if a person stays out of the United States for 1 year or more, he has to start all over again in the naturalization process. In other words, in most cases, the person would have to begin a new 5-year residence.

Section 2 provides that as to aliens referred to in section 1, they shall not be required to pay the $3 fee for each 6 months' extension to the return permit they secure prior to their departure from the United States. Extensions to return permits under the law cannot be for more than 6 months each.

A similar bill was reported by the committee on November 18, 1942, Report No. 2657.

H. R. 1680

The only thing this bill does is to permit the Service to furnish State agencies with copies of records or information from our naturalization records without making the petty charge required in existing law. It has always been embarrassing for the Service to have to ask State agencies to pay a petty charge when the same State agencies are constantly furnishing the Federal Government with copies of their records free of charge.

A Member of the Congress brought into discussion a totally unrelated question as to whether copies of these records would be furnished to Members of Congress who want to look at them. The question has no relation to the merits of the bill, but, as a matter of fact, I have never known the Immigration and Naturalization Service of the Department of Justice to ever refuse to cooperate with the Congress and to give them access to any and all of their records.

An identical bill passed the House of Representatives on November 16, 1942.

The other bills were simply to make some clarification of the present nationality laws.

When the first bill on the calendar was called, the gentleman from New York [Mr. COLE] had this to say on page 1979 of the RECORD:

Mr. COLE of New York. Reserving the right to object, Mr. Speaker, this is a measure that was on the calendar last year and succeeded in passing the House. My purpose in rising at this time is to call the attention of the House to the fact that there are on the calendar today some six or eight bills from the Committee on Immigration and Naturalization, all of which are amendatory of the Nationality Act of 1940.

May I inquire of the members of the Committee on Immigration and Naturalization the reason it is necessary to have a bill each time a person conceives an idea of amending the Nationality Act, rather than having them all consolidated into one omnibus bill affecting the basic act of 1940?

I tried to answer the gentleman from New York [Mr. COLE] in the House at that time, but a full explanation could not be given because of the short time at my disposal. I want to say to the gentleman and to other Members of the House that it is impossible to amend the Nationality Act by an omnibus bill. The bills that were introduced came at certain intervals. The necessity of the bills arose in and was called to our attention by various Government departments at different times. When a bill was introduced in January or in December or in May of last year we did not know that in June or February another bill would be

introduced to amend the Nationality Act. They all dealt with different questions affecting different statutes. I submit that it is impossible to legislate in the manner indicated by my colleague from New York [Mr. COLE], and some others in the House, who took the cue by using this nice alibi to delay action on the various bills. We all know it was just an alibi and that it did not take into account the important problems as presented in each piece of legislation.

One important piece of legislation dealt with the Puerto Rican question. What we try to do is to give the same equal rights to them as Americans if they have to leave Puerto Rico for the purpose of finding employment somewhere else. There is a serious unemployment problem in Puerto Rico. Puerto Ricans are, therefore, forced to go to the Dominican Republic and to other places for the purpose of finding employment to take care of their families. They do not want their citizenship to be destroyed if they are away beyond a certain period of time, or for the length of time the law gives them. We have taken care of other persons, but we have not taken care of those who have not been able to find work in Puerto Rico, who have not had a chance to find work, but have had to go to other countries—to South America, for example—to find work so they could feed their families. This is the bill that was objected to by some people on the floor because they were afraid we were bringing in new people. All they had to do was to read the bill.

Another bill deals with the Virgin Islands, something entirely different. Without taking up the time of the House to recite each of these bills, all of which have absolute merit and have nothing to do with breaking down the immigration bars, I have analyzed those bills, as you will note, so that all of you can familiarize yourselves with the objectives of these bills. But, Mr. Speaker, I want to call the special attention of this House to a bill that was on the Consent Calendar, which, in my opinion, was very, very vital to our war effort, H. R. 1284.

Now, Mr. Speaker, very briefly I want to say just what this bill provides. We have thousands upon thousands of aliens in this country who are being drafted, and rightly so, all of them willing to fight and die for democracy. When they are drafted and given the necessary training in their camps, under the Second War Powers Act that this Congress passed, now Public Law 507, title X, provides that aliens who can produce certificates of arrival may be naturalized if they are serving in our armed forces. They can then be shipped across the seas. Well, in some cases the soldier cannot produce his certificate of arrival. In thousands of cases he cannot produce the certificate of arrival when he has been in this country for 20 or more years. His father is dead. He does not know what ship he came on. He does not know what port he entered. Yet he has been here and a very useful citizen. Some of them believed they were citizens by virtue of their fathers having become citizens, but in some cases the fathers have died and they cannot find any papers. We have thousands of boys of alien parentage who know more about fighting and who know more about the European countries than some of our own boys who have to learn, but we cannot send them to the front to fight because it is not thought advisable to send an alien to the front. If he were captured, since he is not an American citizen he would be considered a citizen of his native country with which we may be at war, and treated as a spy instead of being treated as a war prisoner.

Mr. Speaker, there are thousands of able-bodied men who happen to have been born in the Axis countries who are here with their people, useful citizens, who have been inducted into the service, who have received their military training. They know all about the European war front and they are "rarin' " to go. But we cannot issue a certificate of citizenship, although they are wearing the American uniform, until they produce a certificate of arrival showing what ship they came on and what date. As a result, as the committee was advised, there are thousands of men who are being held back from going to the front because, as I said a moment ago, if they were caught over there they would be shot and there is no way we could help them.

The people in command of our armed forces feel that they do not want to expose anyone who fights for our country to such a fate and do not send them across. H. R. 1284 tries to remedy this situation and to release badly needed manpower for actual combat duty. If a man is inducted into the service of the United States, whether by a draft board or on a voluntary basis, if he is of good moral character and is a resident of the United States, and there is nothing against him other than the fact that he cannot produce the certificate, we should waive that requirement and permit him to become naturalized. As a soldier fighting for this country he should at least be given the privilege of being a citizen of the country he is risking his life for. Why should anybody object to that bill? I ask you, whether the gentleman comes from Mississippi or Kalamazoo, why a bill like that should be objected to? Why should the boys who were born here be sent to the front while others who are capable and want to fight be held back because of a technical provision of law? This bill simply waives that technicality. That is the bill that the gentleman objected to.

Mr. KEEFE. Who objected to it?

Mr. DICKSTEIN. The gentleman from Mississippi [Mr. RANKIN]. Can any human being see the reason for that objection? Every day that bill is not enacted into law these men are just lying around the camps and some of them around European countries waiting to go. I do not think it is fair and I say, Mr. Speaker, it has been a very bad practice in this House and the rules ought to be changed so that one man alone cannot stop the consideration of a bill, whether it is on the Private or Consent Calendar.

It is not fair to a committee of 21 members who, after listening to the War Department, the Navy Department, and the Justice Department, bring out a unanimous report from the committee on this and other legislation for the purpose of expediting the war effort—it is not fair that one man should be able to stop this legislation by his objection. We believe these are war measures, and one man should not stand up here and run the show. I think it is unfair and I do not think that that procedure ought to go on very much longer, as it is not for the best interests of our country.

I can do some objecting myself and there are other Members in the House who feel just as I do. I have never in my 21 years of service made a point of no quorum. I have never objected to any man's bill unless it was something on which I spoke in opposition. It only brings bad feeling. I have talked not only with Members on my side but on the Republican side as well, all able gentlemen who worked hard. The Minority Members write the reports together with the Majority Members. There is no politics in the Committee on Immigration; yet we bring a bill to the floor and someone likes to object, it seems to me oftentimes only because it comes from the Immigration and Naturalization Committee.

I just got a bill a few days ago referred to our committee by the Speaker. This bill is requested jointly by the Army and the Navy. It seeks to amend the nationality law, and both departments pleaded that it be acted on promptly. I do not care to discuss the full details of the bill at present, but I feel that no matter how promptly our committee acts on it and how quickly we will get it on the Consent Calendar, there are certain people here who will delay action on it because they object to everything that comes from our committee. They do not even take the trouble to study the legislation. No, Mr. Speaker, the time has come when we must call a spade a spade. The time has come when we must have a showdown.

Mr. SMITH of Ohio. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. I yield.

Mr. SMITH of Ohio. The gentleman, I am sure, realizes that only those bills are supposed to be placed on the Consent Calendar which are noncontroversial. I am wondering how the gentleman would change the rule; what number of objections would he require to prevent the consideration of a bill on the Consent Calendar?

Mr. DICKSTEIN. I said any bill; I am not talking particularly about my bills.

Mr. SMITH of Ohio. I understand.

Mr. DICKSTEIN. I feel that when a standing committee reports out a bill and it is called up for consideration, it ought not to be within the power of one man to be a dictator and just arbitrarily object and prevent the consideration of the bill. My suggestion is that the legislation should be considered. It makes no difference as a matter of principle whether the bill is on the Private Calendar or the Consent Calendar. Bear in mind, however, that the bills to which I refer happen to deal with vitally important matters. These bills, moreover,

do not emanate from the committee but are bills that are requested by the Department of Justice, the Navy or the War Departments. A bill which is called necessary by the people who are in command of our armed forces certainly could not be called controversial.

Mr. SMITH of Ohio. I can understand that, but the gentleman spoke about having the rule changed.

Mr. DICKSTEIN. I would have the rule changed so that one man could not be a dictator and just by his sole objection prevent the consideration of a bill. I feel that some other standard should be set up by this House.

Mr. SMITH of Ohio. But the gentleman has not given us any suggestions.

Mr. DICKSTEIN. I may have them but I do not care to discuss them now.

Mr. CURTIS. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. I yield.

Mr. CURTIS. I think it is only fair to observe, however, that in referring to the bills objected to the other day they were bills reported out by the Committee on Immigration and Naturalization on the basis of hearings held during the Seventy-seventh Congress, and because they had been advanced during the Seventy-seventh Congress they were reported out without very much detailed investigation this year.

Mr. DICKSTEIN. That is right.

Mr. CURTIS. That meant that there was not quite as much public information available to the Members of the House in reference to those bills as there might have been had hearings been held recently. Is not that true?

Mr. DICKSTEIN. The only bills that were reported out and placed on the Consent Calendar were those that had been favorably and unanimously reported by the committee in the Seventy-seventh Congress.

Mr. CURTIS. That is right.

Mr. DICKSTEIN. Four or five out of the eight bills were passed by the House in the last session. Before these bills were reported out this session the Chairman gave consideration to the fact that they had been favorably reported in the last session and so advised the ranking Republican member. We checked with the Department to see that the bills were still essential and that they were still needed to further the war effort. We did it only to save time. They passed the House previously late in December of last year. They got tied up in the Senate because of a parliamentary situation, or purely for some reason that had nothing whatever to do with the bills themselves. We in the committee felt that those bills on which there had previously been a unanimous agreement, which had actually been given consideration in the committee by way of public hearings and passed by the House should be reported out at this session without any further expense to the Government by way of printing or stenographic expense, and so forth.

Mr. CURTIS. Mr. Speaker, if the gentleman will yield further, since the consideration of those bills in the Seventy-seventh Congress the membership of both the Congress and the committee has changed. They were considered at a time when not many Members were in Washington. There are at least 100 new Members in the House at this session and, as I say, the membership of the Committee on Immigration and Naturalization itself has changed. The bills came before the House, consequently, without very many Members knowing their contents and importance.

Mr. DICKSTEIN. But I provided each member of the committee with a copy of the bill and the old report and gave them a chance to ask questions when the representatives of the various Departments appeared before our committee.

Some of them have even gone as far as to examine the original minutes of the committee made in the last Congress. I took every honorable means I could to give every man an opportunity on this question. As I said a moment ago, this bill is not your bill or my bill, although my name may be attached to it. It was forwarded here from the governmental departments through the proper agencies, introduced, and referred to our committee by the Speaker. By the way, none of the new Members objected, but only the people who have always objected to any and all of our committee bills.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. I yield to the gentleman from Wisconsin.

Mr. KEEFE. I notice that most of the bills the gentleman's committee reports are taken up on either the Consent Calendar or the Private Calendar.

Mr. DICKSTEIN. We put only our important public bills on the Consent Calendar. As far as our private bills are concerned they have to go on the Private Calendar under the rules of the House.

Mr. KEEFE. Has not the gentleman another alternative with regard to bringing these bills before the House?

Mr. DICKSTEIN. Yes; that is true.

Mr. KEEFE. The gentleman does not always have to ask unanimous consent.

Mr. DICKSTEIN. No; that is true. I agree with the gentleman, but it takes longer to get action on bills which are on the House or Union Calendar and time is of the essence.

Mr. KEEFE. The rules provide for another method of bringing bills before the House.

Mr. DICKSTEIN. Yes. I can either stand up here and object to all requests made to dispense with Calendar Wednesday business, and make myself obnoxious which I do not desire to do, or I can go before the Committee on Rules and ask for rules on each one of these bills. I have no doubt the Committee on Rules would grant them. I have simply told my friend and the House that I tried to save some time because many of these bills are war measures. I tried to take the easiest way.

Mr. KEEFE. I am not critical of the position the gentleman is taking this afternoon, but I think he is developing somewhat of a complex on this subject.

Mr. DICKSTEIN. No; I do not want the gentleman to feel that way.

Mr. KEEFE. The gentleman ought to understand that when his committee unanimously reports a bill, which may be the best bill in the world, that committee is, after all, simply the servant of this House, and merely because some individual on the floor of the House does not see fit to see that bill become law by unanimous consent should not call for the censure of a Member of Congress who is exercising his prerogative as a Member of Congress. It may be his duty, as he sees it, to interpose that objection.

May I say further that some of these bills were objected to by the legal objectors, men who are appointed by the majority and the minority to pass upon these unanimous-consent requests.

Mr. DICKSTEIN. Let us not confuse the issues here. I do not think the gentleman intends to do that.

Mr. KEEFE. I do not think the gentleman means to be too critical.

Mr. DICKSTEIN. I am confining my entire discussion to public bills, bills that have already passed this Congress once. They are not private bills. They are all public bills. Bear that in mind. I do not know of any objectors who objected to these bills. I have seen the objectors and explained the position of the committee and what the bills contain. I have used every precaution. I think the gentleman may be a little critical of me because he believes, as he says, that I am developing a complex along these lines. I do not want the gentleman to feel that way.

Mr. KEEFE. No, and I do not want the gentleman to think that I feel that way.

Mr. DICKSTEIN. I think the gentleman is criticizing me for trying to explain what I believe happened.

Mr. KEEFE. May I say to the gentleman that I think he appreciates the fact that I at least am one who upon a number of occasions has done him the courtesy of staying here and listening to what he has had to say.

Mr. DICKSTEIN. I have done the same thing for my colleague.

Mr. KEEFE. I appreciate the integrity of the gentleman and his feeling, but he speaks with a great deal of feeling and he speaks very often upon this subject. While I did not intend what I said to be critical of the gentleman, I do feel and I think other Members of the House feel that the gentleman is developing the complex that Members are directing venomous attacks against his bills because they are bills from his committee. I think that complex is manifesting itself in the statement the gentleman makes so frequently here on the floor criticizing Members because of their attitude toward the bills that come from his committee. I do not want the gentleman to feel that he is the object of any concerted attack.

Mr. DICKSTEIN. I think the gentleman has gone pretty far afield from the point I tried to make. I do not want to be labeled by the gentleman or anybody else as being in that state of mind that I have to stand here and split hairs with anybody. Neither do I owe any apology to anybody for any action I have taken or the fact that, as chairman of the committee, it is my duty under my oath to

carry out the will of my committee. My judgment is that what I am telling him now has the complete and full cooperation of all the members of that committee, barring none. I do not believe the gentleman has seen me take the floor on this question more than once or twice in the last year. I know some Members who make 1-minute speeches every single day like clockwork, just repeating the same story every day. I pay no attention to that.

No, I am not in any way disturbed. I am presenting the facts. I am merely pointing out to the gentleman and to the House that every time certain bills of the committee come up for consideration, no matter how meritorious they may be, someone or shall I say rather bluntly a few Members—not the official objectors—immediately object. I am just stating a fact which you, as well as every other Member of the House, know to be the fact. If the gentleman had read the bills, I do not believe he would have found that there was any pride of authorship one way or another.

Mr. KEEFE. I did not object to any of the gentleman's bills.

Mr. DICKSTEIN. I do not believe the gentleman did.

Mr. KEEFE. I did not.

Mr. DICKSTEIN. But the gentleman tried to put me in a position where I would have to concede that I am what they call a crank in trying to pick out somebody to blame. I am speaking of facts which can be checked in the RECORD over a period of time.

Mr. KEEFE. No, I do not think the gentleman is a crank at all. I would not accuse the gentleman of being a crank in any sense of the word.

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to proceed for 3 additional minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. DICKSTEIN. Mr. Speaker, in conclusion, I am just bringing these facts to the attention of the House because of their urgency, and I am saying to this Congress that these bills will be on the next Consent Calendar, and it is there to save considerable trouble of going before the Rules Committee, or of staying here and objecting to business on Calendar Wednesday being dispensed with. I suggest the urgency of this legislation, and I feel that if any Member will examine the legislation he will find that the bills are proper in form, and that everything has been done to bring about a clear understanding between the Congress and the committee.

Mr. SMITH of Ohio. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. Yes.

Mr. SMITH of Ohio. I just remind the gentleman that I have noticed with respect to some of his bills that men who have been on the Immigration Committee have objected to some of them.

Mr. DICKSTEIN. Not to any of the public bills on the Consent Calendar. The gentleman from Louisiana [Mr. ALLEN], of our committee, objected to one private bill, but that was his personal right, and I have never criticized him, nor have I criticized any Member, whether in committee or out of committee. We have a tough job. This committee has many hundreds of bills, all controversial. It is a human clearing house, and I at least hope that I will get the same cooperation that I would give any Member of Congress, whether he be the chairman of a committee or a member who is trying to pass some important legislation which is for the best interest of the country. I believe this legislation proposed is for the best interest of the country, and that it should be adopted.

The SPEAKER pro tempore. The time of the gentleman from New York has again expired.

EXTENSION OF REMARKS

Mr. BRYSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include some letters.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. TALLE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include a newspaper article.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. Under special order heretofore made, the Chair recognizes the gentleman from California [Mr. VOORHIS] for 30 minutes.

CHILDREN IN THE WORLD WAR AND IN THE FUTURE PEACE

Mr. VOORHIS of California. Mr. Speaker, any consideration of the ideals that prompt America's great war effort today has to take into account not only the past and the present, but also the future. The founders of our Nation bequeathed to us a greater measure of opportunity, freedom, and hope than the people of any other nation in all the history of the world have ever known, and because of this, we are today engaged in total all-out war on three fronts—the battle front, the production front, and the home front.

The first and essential objective is to win the war. The final and complete objective is to win the peace. All that America has stood for is today threatened, and the price of victory must be paid, however great it is. On the battle front millions are offering their lives, if need be, to insure freedom for our children. On the production front, billions of dollars, and the sweat and toil of millions of people are helping to gain the important objective of winning the war. All this is being done by the America of today for the sake of the America of the future. We are prepared to expend lives, dollars, comfort, sacrifice, in order to preserve our way of life for our children.

The first question that I want to address myself to today is this: Are we meanwhile overlooking the equally important job of giving a fair and proper start to the lives of the very children that we are fighting for? All of us know if we read the papers that there has taken place a rather alarming increase in juvenile delinquency since the war began. In my judgment, there are two major causes for this. In the first place, the upsetting of many homes by the fact that in some instances the father of that family has left either to join the armed forces or to take a necessary job in some other community or, a more important fact, that the mother of the family has either through necessity or because she wanted to, taken a job outside the home. In my opinion, the mothers of America can render their greatest service by rearing their families as best they know how today, rather than in any war work. But it is on this home front where our children are involved and there alone that we find that this front projects itself beyond the immediate objective of winning the war to the final objective of winning the peace. It is our children on that home front who will be directly concerned with the rebuilding of this war-torn world. Theirs will be the tremendous task of reconstructing a shattered civilization, on which not America alone, but the world, will depend if the people are to live in peace and security.

To accomplish this task for the first time in the world's history will require vigorous and intelligent leadership in a strong and healthy Nation.

I want first of all to say that if there is one thing at present which is a truly patriotic service, it is for a man or woman to devote himself to the organization of character building and recreational programs, whereby the children of America can be given constructive occupation. Best of all is the gathering together of those children, in school or out of school, and giving them a chance to participate as best they can in activities which will forward our war effort. No greater or more patriotic service can be rendered; and I pay tribute to those people who are attempting to do it, because it is true that a very large number of the people formerly most skilled in working with young people are today in our armed forces and not able to carry on their work.

The future of America and the world tomorrow depends on our children's welfare now, on the welfare of all our children; and yet today we are confronted with another problem—the problem of malnutrition. Nor is this undermining condition confined only to the so-called underprivileged group of people. It is found also in high and medium income brackets. Hidden hunger resulting from dietary deficiency of essential food elements is the fifth column of maldistribution in America. Shortage of certain foods and rationing under conditions imposed by war make a proper selection of essential food for our children increasingly important. Yet mothers working in war industries have less opportunity than ever before to insure proper nutrition for their children at home. More and more we are hearing that some of our most essential foods are likely to be scarce.

I have personally spoken more than once in the House and stressed it as my opinion that in the fixing of price ceilings, the securing of adequate maximum production of such commodities as milk, for instance, was more important than keeping prices down.

Now we have established in this country in the past few years a program which could give us, on the nutrition front, an answer to a great number of these problems. I refer to our community school-lunch and school-milk programs, in connection with which when the agricultural appropriation bill was before the House last year I attempted to secure the adoption of an amendment which would have added sufficient funds to put this program on a Nation-wide basis.

Mr. DICKSTEIN. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. I yield.

Mr. DICKSTEIN. In my city and my State we have a program originated by the school system and the money appropriated by the State government to take care of the very things the gentleman is talking about.

Mr. VOORHIS of California. That is quite correct, I know.

Mr. DICKSTEIN. I do not know how many more States have such a program.

Mr. VOORHIS of California. Well, school-lunch programs are in effect in the country in many places. There are today over 3,000,000 children who are receiving lunches under that program.

Mr. DICKSTEIN. I agree with the gentleman there should be wider use made of it.

Mr. VOORHIS of California. That is the burden of my speech, I will say to the gentleman.

As we have already had demonstrated, it is possible for these programs to be so conducted that they amount not to any action on the part of the Federal Government, excepting only that the Federal Government helps with the program by providing a certain amount of the foods which are provided for the children. But, insofar as the responsibility and organization of the school lunches and penny milk programs are concerned, that rests entirely with the patriotic effort of local groups within the schools and connected with the schools. Is it not equally our duty to make certain, if we provide public educational opportunities for the children of America, that all those children have sound and healthy bodies and alert minds, capable of fully assimilating their educational opportunities for the good of the country? We take pride in our position as the leading industrial nation of the world, but this is not the only contribution we can make. Actually, the United States is behind certain other nations on the European Continent and in Latin America in their activities of protective feeding for school children. Today, under most drastic war conditions, England, for example, has given her children top priority for milk and similar foods. I believe we should do likewise, and particularly in view of the fact that our Nation is called upon, and quite properly so, to help supply the food needed by the people in the nations with whom we are now fighting against a common enemy.

Mr. CURTIS. Will the gentleman yield?

Mr. VOORHIS of California. I yield.

Mr. CURTIS. Is it not true, however, that Federal appropriation for school lunches would not add to the total amount of food available to feed our children?

Mr. VOORHIS of California. No.

Mr. CURTIS. There is no part of that goes to the production of food, is there?

Mr. VOORHIS of California. That is a different problem, the problem of the total production of food. But the contribution of the program of school lunches and penny milk throughout this Nation wherever malnutrition exists, instead of only a few places, would be this: It would mean that the use of certain types of food particularly important in the nourishment of children would be assured to those children, and hence be put to the best possible use.

Mr. CURTIS. Is it not true that the actual shortage of food is the gravest of the two problems?

Mr. VOORHIS of California. Of course, it is the fundamental problem. But what I am talking about is the best and most effective distribution of the food that we do have. This is not merely a question of social philosophy——

Mr. SMITH of Ohio. Will the gentleman yield?

Mr. VOORHIS of California. In just a moment. This is not merely a question of social philosophy, but rather a realistic consideration of national self-preservation that can only exist in a free world. Unless we take the proper steps today we may win the war only to find that we had depleted the health of the greatest resource we have, namely, the children of the Nation. If our children are well nourished in the trying days to come, America's future will have the greatest strength from any one single source that we can get anywhere.

I now yield to the gentleman from Ohio.

Mr. SMITH of Ohio. I know the gentleman's deep concern about all these matters, but what is the history of these programs where there has been interference by the State? The past history is that the record is not so very laudable, is it not?

Mr. VOORHIS of California. I am not so sure what the gentleman is talking about.

Mr. SMITH of Ohio. What is the evidence of history? The States, in the end, in the long run, do not do any particular good?

Mr. VOORHIS of California. Let me answer the question in this way: When free public education was first proposed in America there was a great deal of opposition to it on the ground that if we had free public education the parents would cease to care about their children, and a great many other dire consequences of that sort would follow. Obviously, those things just did not happen. I think, on the contrary, that after free public education became a part of our national life, it raised the level of the life of our people, in fact, it made them better citizens, better parents, better able to cope with their problems. I believe this school-lend and penny-milk program is part of our system of free education.

I would not want to see the Federal Government go out into the cities and towns and rural districts of the country and have a Federal agency go in there and operate to see that there was a school lunch in the schools. I would not want to see that done, and I would say to the gentleman that I would object to it. But here you have got a situation where that is not what happens. As a matter of fact, the program is endorsed, sponsored, and promoted by such groups as social clubs, parent teachers, civic clubs, veterans' organizations, churches, and groups of that kind. All the Federal Government does is to purchase a certain amount of food and make it available to those local groups of people, at least, at the present time, simply to enable those people to have a fund with which they can purchase the foodstuffs. I believe that if for example, only two items can be made available to children, namely, just milk and orange juice, the effect upon the health of the children would be very fine indeed, and I think that it is a matter which forms a part of an effective educational program, because I have been a school teacher myself and I know that when the children do not have adequate nutrition they simply cannot take advantage of the education offered them.

At the moment, when we are attempting to feed people in many nations, I want to make sure our own children will be our first concern.

Mr. SMITH of Ohio. There is no question about that. I am not questioning the consideration. That is here and we all recognize that. The thing that does bother a lot of us is how far will the Federal Government go? How far can it go in all these social programs?

Mr. VOORHIS of California. I may say to the gentleman that my own feeling about that is this: There is a great deal of difference between the Federal Government controlling the lives of people on the one hand and having the Federal Government support activities on the part of local groups of people which are eminently worth while in themselves.

Mr. SMITH of Ohio. The gentleman does not believe that the Federal Government is going to pay out funds, or ever pay out funds without more or less, and usually more, control, does he?

Mr. VOORHIS of California. I do not believe that necessarily follows—certainly not in this case.

Mr. SMITH of Ohio. Is that not the history of those programs?

Mr. VOORHIS of California. I think it is not. I do not believe that it necessarily follows at all that the Federal Government secures control. Anyway, I cannot see honestly how harm is going to be done by school lunches, particularly when we are rationing food, when we have got all sorts of far-flung national controls of every sort introduced in connection with the war. It does not seem to me we can do any damage by making

certain that the school children of America have sufficient nourishment.

Mr. DICKSTEIN. Will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from New York.

Mr. DICKSTEIN. Why could not a fund be set aside or earmarked to the boards of education or some institutions to take care of the States that have not got this particular program, as I indicated to the gentleman in my statement?

Mr. VOORHIS of California. That is precisely one of the things Congress did through section 32 of the Agricultural Adjustment Act. We provide money which at present is limited to 30 percent of the customs receipts for the encouragement of the domestic consumption of agricultural commodities. That is where this money has come from in the past. But in my judgment that is not a sound enough basis because 30 percent of the customs receipts is a variable quantity. Sometimes it is a good deal and sometimes not so much. I would like to see us adopt a national policy. Some time in the future we are going to see a time again when the abundance of the production of our farms will exceed to some degree the market demands of our people. I would like to see us put down as our first business that when the abundance of our farm production is sufficient to do it, we are going to see to it that there is no malnutrition among the children of America. I think at the present time it is a war measure worthy of consideration.

At the present time there are some 3,700,000 children in 48,000 American schools who are benefiting from the community school-lunch program. During the month of October 1942 some 33,000,000 pounds of food were donated by the Federal Government for this purpose.

Approximately 1,700,000 children are now deriving the benefit of at least a half pint of health-building milk a day at school and child-welfare centers. Public schools, denominational schools, nursery schools, community centers, child day-care centers, settlement houses, children's homes, child-aid centers, boys' clubs, and like institutions not operating for profit may participate. The program makes more milk available for more children. Particularly under conditions of milk shortages and possible rationing, it helps to insure that our children, at least, will have high priority on this basic protective food.

As in the case of the community school lunch program, immediate and widespread expansion of the school milk program is urgent today. Millions of American boys and girls are not drinking all the milk they need to build sound teeth and a strong framework for their growing bodies. A surprisingly large number are not drinking any milk.

May I point out that in the first figures of our draft it was found that one-third of the boys that had to be rejected for physical unfitness and physical disabilities were due to disabilities traceable to malnutrition, not necessarily not having enough to eat, but not having the right things to eat in childhood. In childhood the right things are even more important than having a full stomach.

If we are to project our influence beyond the immediate objective of winning this war to the final objective of an enduring peace in a free world, we must do so through our children. We must build that foundation today and every day of their formative period of growth.

That foundation must be as strong physically, mentally, and morally as it is within our power to make it. This is as much our responsibility and duty for the future as anything we can do.

Mr. Speaker, I yield back the balance of my time.

EXTENSION OF REMARKS

Mr. STEVENSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include a letter from the Governor of the State of Wisconsin attaching a resolution of the Midwest Governors' Conference held at Des Moines, Iowa.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. SMITH of Ohio. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial from today's Washington Star.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

ENROLLED JOINT RESOLUTION SIGNED

Mr. KLEIN, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker pro tempore:

H. J. Res. 83. Joint resolution to permit additional sales of wheat for feed.

ADJOURNMENT

Mr. RAMSPECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 27 minutes p. m.) the House adjourned until tomorrow, Tuesday, March 23, 1943, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE JUDICIARY

Subcommittee No. 1 of the Committee on the Judiciary will conduct hearings on H. R. 694, a bill to provide for the attachment, garnishment, execution, or trustee process of wages and salaries of civil officers and employees of the United States, at 10 a. m. on Wednesday, March 24, 1943, in room 346, House Office Building, Washington, D. C.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a hearing of the Committee on Immigration and Naturalization on Wednesday, March 24, 1943, at 10:30 a. m., for the consideration of H. R. 2207.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will meet in open hearing on Monday, March 29, 1943, at 10 a. m. to consider the subject of allegations by certain labor leaders of wasted space on ships going to north Africa and delays in ship sailings.

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Thursday, April 1, 1943, at 10 a. m., on S. 163 (H. R. 498) to amend section 511 of the Merchant Marine Act, 1936, as amended, relating to ship-construction reserve funds, and for other purposes.

As advised in notice of March 10, 1943, Congressman BATES of Massachusetts, patron of the bill H. R. 1766, upon which hearings were scheduled on April 8, 1943, is a member of the Committee on Naval Affairs and of a subcommittee of that committee which has arranged a schedule of hearings throughout the country which will compel Congressman BATES of Massachusetts to be absent from Washington on April 8 and also April 15.

The chairman of the committee and the Commissioner of Fisheries will be out of town on intervening dates which will necessitate a further postponement of the hearing until May 13, 1943. You are hereby notified that the hearings scheduled for April 8 and postponed until April 15 have been postponed to Thursday, May 13, 1943, at 10 a. m., at which time the hearings will follow.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

263. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the National Mediation Board for the fiscal year 1944, in the form of an amendment to the Budget for said fiscal year, involving an increase of $50,000 (H. Doc. No. 134); to the Committee on Appropriations and ordered to be printed.

264. A letter from the Comptroller of the Currency, transmitting the text of the Annual Report of the Comptroller of the Currency for 1942; to the Committee on Banking and Currency.

265. A letter from the Secretary of the Interior, transmitting a draft of a proposed bill for the relief of Everett A. Alden, Robert Bruce, Edgar C. Faris, Jr., Kathryn W. Ross, Charles L. Rust, and Frederick C. Wright; to the Committee on Claims.

266. A letter from the Archivist of the United States, transmitting lists of papers recommended to him for disposal by certain agencies of the Federal Government; to the Committee on the Disposition of Executive Papers.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. KNUTSON: Committee on Ways and Means. Minority views to accompany H. R. 2218, a bill to provide a method for the payment currently of individual income taxes, and for other purposes; without amendment (Rept. No. 268, pt. II). Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 269. Report on the disposition of records by sundry departments of the United States Government. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 270. Report on the disposition of records by sundry departments of the United States Government. Ordered to be printed.

Mr. BLOOM: Committee on Foreign Affairs. House Joint Resolution 14. Joint resolution authorizing the execution of certain obligations under the treaties of 1903 and 1936 with Panama, and other commitments; with amendment (Rept. No. 271). Referred to the Committee of the Whole House on the state of the Union.

Mr. PETERSON of Florida: Committee on the Public Lands. H. R. 328. A bill to authorize the Secretary of the Interior, because of military operations, to defer or waive payments under nonmineral leases of public lands in Alaska; without amendment (Rept. No. 272). Referred to the Committee of the Whole House on the state of the Union.

Mr. LYNDON B. JOHNSON: Committee on Naval Affairs. H. R. 1876. A bill to require all Department of the Navy contractors and subcontractors to file information with respect to absenteeism; with amendments (Rept. No. 273). Referred to the Committee of the Whole House on the state of the Union.

Mr. FERNANDEZ: Committee on Indian Affairs. H. R. 128. A bill to authorize a per capita payment of $10 tc the members of the Santa Clara Pueblo of New Mexico from funds on deposit to their credit in the Treasury of the United States; without amendment (Rept. No. 276). Referred to the Committee of the Whole House on the state of the Union.

Mr. O'CONNOR: Committee on Indian Affairs. H. R. 2105. A bill extending the time for repayment and authorizing increase of the revolving fund for the benefit of Crow Indians; without amendment (Rept. No. 277). Referred to the Committee of the Whole House on the state of the Union.

Mr. MURDOCK: Committee on Indian Affairs. H. R. 2143. A bill to authorize the Secretary of the Interior to exchange certain lands within the Navajo Indian Reservation, Ariz.; without amendment (Rept. No. 278). Referred to the Committee of the Whole House on the state of the Union.

Mr. O'CONNOR: Committee on Indian Affairs. H. R. 2185. A bill to authorize the Secretary of the Interior, in carrying out the purposes of the act of May 18, 1916 (39 Stat. 137), to purchase logs, timber, and other forest products; without amendment (Rept. No. 279). Referred to the Committee of the Whole House on the state of the Union.

Mr. ENGLEBRIGHT: Committee on the Public Lands. H. R. 1397. A bill to authorize the exchange of certain patented lands in the Death Valley National Monument for Government lands in the monument; without amendment (Rept. No. 280). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MASON: Committee on Immigration and Naturalization. H. R. 192. A bill for the relief of Jakob Zoller; with amendment (Rept. No. 274). Referred to the Committee of the Whole House on the state of the Union

Mr. MASON: Committee on Immigration and Naturalization. H. R. 2172. A bill for the relief of Joseph P. Arreas; without amendment (Rept. No. 275). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CARLSON of Kansas:

H. R. 2245. A bill to provide for the payment currently of individual income taxes, and for other purposes; to the Committee on Ways and Means.

By Mr. ANGELL:

H. R. 2246. A bill providing for taxation by the States and their political subdivisions of certain real property acquired for military purposes; to the Committee on the Public Lands.

By Mr. ELLIOTT:

H. R. 2247. A bill to amend the Emergency Price Control Act of 1942, as amended, and for other purposes; to the Committee on Banking and Currency.

By Mr. HARE:

H. R. 2248. A bill to provide disability compensation for certain injuries sustained by civil employees of the United States Government; to the Committee on the Judiciary.

By Mr. KUNKEL:

H. R. 2249. A bill to exempt from the tax on amounts paid for long-distance telephone messages amounts paid by members of the military and naval forces of the United States; to the Committee on Ways and Means.

By Mr. MURRAY of Tennessee:

H. R. 2250. A bill to extend the provisions of the Reclassification Act of February 28, 1925, to include custodial employees in the Postal Service; to the Committee on the Post Office and Post Roads.

By Mr. SPENCE:

H. R. 2251. A bill to create a Division of Water Pollution Control in the United States Public Health Service, and for other purposes; to the Committee on Rivers and Harbors.

By Mr. ANDREWS:

H. R. 2252. A bill to authorize the Secretary of War to grant to the city of Buffalo, N. Y., an easement for the construction and maintenance of a roadway and drains as an additional approach to the Massachusetts Avenue pumping station along the Black Rock Harbor Channel; to the Committee on Military Affairs.

By Mr. JOHNSON of Indiana:

H. R. 2253. A bill to amend the Railroad Retirement Act to provide optional retirement annuities for totally and permanently disabled individuals who have completed 15 years' service, and to provide for a minimum payment of $50 per month; to the Committee on Interstate and Foreign Commerce.

By Mr. PACE:

H. R. 2276 (by request). A bill to provide for the development of better diets and an improved nutritional status for the people of the United States, and for other purposes; to the Committee on Agriculture.

By Mr. CARSON of Ohio:

H. J. Res. 103. Joint resolution establishing a Division for the Physically Handicapped in the United States Employment Service; to the Committee on Labor.

By Mr. FISH:

H. Res. 181. Resolution requesting certain information from the Secretary of War; to the Committee on Military Affairs.

By Mr. LYNDON B. JOHNSON:

H. Res. 182. Resolution for the consideration of the bill (H. R. 1876) to require all Department of the Navy contractors and subcontractors to file information with respect to absenteeism; to the Committee on Rules.

By Mr. BLAND:

H. Res. 183. Resolution to create a Special Committee on Post-War Economic Reconstruction; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of New Hampshire, memorializing the President and the Congress of the United States to enact a pay-as-you-go plan; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Iowa, memorializing the President and the Congress of the United States to take a record vote on all bills and measures of public interest; to the Committee on the Judiciary.

Also, memorial of the Legislature of the Territory of Puerto Rico, memorializing the President and the Congress of the United States to assign a shipping space for commodities to Puerto Rico; to the Committee on Insular Affairs.

Also, memorial of the Legislature of the State of New York, memorializing the President and the Congress of the United States to amend the social security law; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States not to pass reciprocal trade agreements and to pass legislation providing compensation for those injured while in defense volunteers; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of New Jersey, memorializing the President and the Congress of the United States to protest the barbarism of Nazi Germany in its announced plan of annihilating the Jews in occupied countries; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARRY:

H. R. 2254. A bill for the relief of Robert Roland Took-One Kim; to the Committee on Immigration and Naturalization.

By Mr. FITZPATRICK:

H. R. 2255. A bill for the relief of Robert Kish Lee and Elizabeth Kish; to the Committee on Claims.

By Mr. HANCOCK:

H. R. 2256. A bill granting a pension to Nettie J. Brown; to the Committee on Invalid Pensions.

H. R. 2257. A bill granting a pension to Mary Metzger; to the Committee on Invalid Pensions.

H. R. 2258. A bill granting a pension to Minnie Smith; to the Committee on Invalid Pensions.

H. R. 2259. A bill granting an increase of pension to Sarah A. Seager; to the Committee on Invalid Pensions.

H. R. 2260. A bill granting an increase of pension to Carrie H. Wood; to the Committee on Invalid Pensions.

H. R. 2261. A bill granting an increase of pension to F. Emma Bates; to the Committee on Invalid Pensions.

H. R. 2262. A bill granting an increase of pension to Jennie V. Myers; to the Committee on Invalid Pensions.

H. R. 2263. A bill for the relief of Benjamin Solari, alias Benjamin Lauri; to the Committee on Military Affairs.

H. R. 2264. A bill for the relief of Harriet DeLarm, widow of Nelson DeLarm; to the Committee on Military Affairs.

H. R. 2265. A bill for the relief of the dependents of Clarence L. Henry, deceased; to the Committee on Military Affairs.

H. R. 2266. A bill granting an increase of pension to Alice Shaw; to the Committee on Invalid Pensions.

H. R. 2267. A bill granting an increase of pension to Matilda A. Button; to the Committee on Invalid Pensions.

H. R. 2268. A bill granting an increase of pension to Elizabeth Earnshaw; to the Committee on Invalid Pensions.

H. R. 2269. A bill granting an increase of pension to Harriet E. Miller; to the Committee on Invalid Pensions.

By Mr. PACE:

H. R. 2270. A bill for the relief of Mrs. Frances Brooks Hydrick; to the Committee on Claims.

By Mr. REECE of Tennessee:

H. R. 2271. A bill for the relief of Grant Drinnon; to the Committee on Military Affairs.

By Mr. RABAUT:

H. R. 2272. A bill authorizing the Treasury of the United States to make a refund to the Tivoli Brewing Co.; to the Committee on Claims.

By Mr. RAMSPECK:

H. R. 2273. A bill for the relief of E. C. Fudge; to the Committee on Claims.

By Mr. SHORT:

H. R. 2274. A bill granting a pension to Annie Mary Watson; to the Committee on Invalid Pensions.

H. R. 2275. A bill granting a pension to Zarilda Frances Garrison; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

323. By Mr. ANGELL: Resolution of the Bulb Co-op of Oregon, asking for the enactment of legislation authorizing the appraisal and sale of any farm equipment, machinery, supplies, or other property not being used effectively; to the Committee on Agriculture.

324. By Mr. FITZPATRICK: Petition of Local No. 3, International Brotherhood of Electrical Workers of Greater New York, favoring the Government of the United States reimbursing our armed forces in currency at the cessation of hostilities, the equivalent of 1 month's pay at $50 per month for each month of service rendered from December 7, 1941, to the end of hostilities; to the Committee on Military Affairs.

325. By Mr. HANCOCK: Petition of William Drexler and other residents of Syracuse, N. Y., favoring the passage of House bill 1111; to the Committee on World War Veterans' Legislation.

326. By Mr. IZAC: Petition of members of the First Baptist Church of Fallbrook, Calif., relative to the protection of fathers, brothers, and friends from alcohol; to the Committee on the Judiciary.

327. Also, petition of members of the Central Christian Church of San Diego, Calif., relative to the protection of fathers, brothers, and friends from alcohol; to the Committee on the Judiciary.

328. By Mrs. NORTON: Joint resolution of the Legislature of the State of New Jersey, memorializing the Congress of the United States to find ways and means of mitigating the lot of the conquered peoples in Nazi-occupied lands, and protesting the barbarism of Nazi Germany in its announced plan of annihilating the Jews in occupied countries; to the Committee on Foreign Affairs.

329. By Mr. ROLPH: Senate Resolution 81 of the State of California, Sacramento, Calif., relative to establishing ceiling prices for poultry in California; to the Committee on Banking and Currency.

330. Also, resolution of the Sailors' Union of the Pacific, San Francisco, Calif., relative to allowances for seaman's loss of life and limb; to the Committee on the Merchant Marine and Fisheries.

331. Also, resolution of the Furniture Worker's Union, Local 1541, San Francisco, to amend the National Social Security Act, so as to include all cemetery employees within the benefits and provisions of this act; to the Committee on Ways and Means.

332. By the SPEAKER: Petition of Francis Jean Reuter, petitioning consideration of a resolution with reference to his petition No. 221; to the Committee on the Judiciary.

333. Also, petition of sundry citizens of Cambridge and other cities of Massachusetts, petitioning consideration of their resolution with reference post-war planning; to the Committee on Foreign Affairs.

SENATE

TUESDAY, MARCH 23, 1943

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

O Thou God of all majesty and mercy, whose greatness is unsearchable and whose amazing goodness crowneth all our days, we approach Thy throne, compelled not only by our necessities, but encouraged by every gracious invitation in Thy holy word.

May this be a day of unclouded vision and invincible strength for our President and these Thy servants as they give themselves in faith and in faithfulness to the tasks that challenge the investment and consecration of our noblest manhood.

Grant that we may cleave with increasing tenacity of purpose and with fond affection to that glorious hope when struggling humanity shall enter into the blessed heritage of peace and prosperity.

Hear us in the name of the Christ, our Lord. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The Secretary, Edwin A. Halsey, read the following letter:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., March 23, 1943.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. SCOTT W. LUCAS, a Senator from the State of Illinois, to perform the duties of the Chair during my absence.

CARTER GLASS,
President pro tempore.

Mr. LUCAS thereupon took the chair as Acting President pro tempore.

Mr. BARKLEY. Mr. President, I send to the desk a unanimous-consent request and ask for its present consideration.

The ACTING PRESIDENT pro tempore. The clerk will state the request.

The Chief Clerk read as follows:

I ask unanimous consent, as provided by paragraph No. 3 of rule 1, that the Senator from Illinois [Mr. LUCAS], designated by the President pro tempore of the Senate today as Acting President pro tempore, may, unless otherwise ordered by the Senate, continue to serve in that capacity during the further absence of the Vice President.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Kentucky? The Chair hears none, and it is so ordered.

THE JOURNAL

On request of Mr. BARKLEY and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Friday, March 19, 1943, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF A BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, who also announced that on March 22, 1943, the President had approved and signed the act (S. 303) to extend the jurisdiction of naval courts martial in time of war or national emergency to certain persons outside the continental limits of the United States.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Taylor, its enrolling clerk, announced that the House had passed the bill (S. 17) to provide for a temporary adjustment of salaries of the Metropolitan Police, the United States Park Police, the White House Police, and the members of the Fire Department of the District of Columbia, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the amendment of the Senate to the amendment of the House to the bill (S. 677) to amend the National Housing Act, as amended.

The message further announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 777. An act to amend an act entitled "An act to regulate the hours of employment and safeguard the health of females employed in the District of Columbia," approved February 24, 1914;

H. R. 1408. An act to amend section 301 (a) (1) of the Agricultural Adjustment Act of 1938, as amended, and the first sentence of paragraph (1) of section 2 of the Agricultural Adjustment Act of 1933, as amended, and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, approved June 3, 1937, as amended, so as to include the cost of all farm labor in determining the parity price of agricultural commodities;

H. R. 2020. An act to amend the Agricultural Adjustment Act of 1938, as amended, for the purpose of further regulating interstate and foreign commerce in tobacco, and for other purposes;

H. R. 2070. An act to effectuate the intent of the Congress as expressed in section 1, paragraph (k), of Public Law 846, Seventy-seventh Congress, approved December 24, 1942, by adding to the list of institutions named in said paragraph the name of the American Tree Association, an institution similar to the institutions so named;

H. R. 2115. An act to amend the District of Columbia Unemployment Compensation Act to provide for unemployment compensation in the District of Columbia, and for other purposes;

H. R. 2159. An act to provide for special assessments for the laying of curbs and gutters;

H. J. Res. 37. Joint resolution relating to the provision of butter for the patients of St. Elizabeths Hospital; and

H. J. Res. 100. Joint resolution extending the time within which certain acts under

the Internal Revenue Code are required to be performed.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 12) to express the sense of the Congress with respect to the importance of farmers to the effective prosecution of the war, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker pro tempore of the House had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Acting President pro tempore:

S. 171. An act for the relief of Arthur A. Schipke;

S. 405. An act for the relief of Mrs. Ernestine Fuselier Sigler;

S. 517. An act for the relief of Vodie Jackson;

S. 518. An act for the relief of Robert T. Groom, Daisy Groom, and Margaret Groom Turpin; and

H. J. Res. 83. Joint resolution to permit additional sales of wheat for feed.

HOUSE BILLS AND JOINT RESOLUTIONS REFERRED OR PLACED ON THE CALENDAR

The following bills and joint resolutions were severally read twice by their titles and referred, or ordered to be placed on the calendar, as indicated:

H. R. 1408. An act to amend section 301 (a) (1) of the Agricultural Adjustment Act of 1938 as amended, and the first sentence of paragraph (1) of section 2 of the Agricultural Adjustment Act of 1933, as amended, and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, approved June 3, 1937, as amended, so as to include the cost of all farm labor in determining the parity price of agricultural commodities; and

H. R. 2020. An act to amend the Agricultural Adjustment Act of 1938 as amended, for the purpose of further regulating interstate and foreign commerce in tobacco, and for other purposes; to the Committee on Agriculture and Forestry.

H. R. 2070. An act to effectuate the intent of the Congress as expressed in section 1, paragraph (k) of Public Law 846, Seventy-seventh Congress, approved December 24, 1942, by adding to the list of institutions named in said paragraph the name of the American Tree Association, an institution similar to the institutions so named; to the calendar.

H. R. 777. An act to amend an Act entitled "An Act to regulate the hours of employment and safeguard the health of females employed in the District of Columbia," approved February 24, 1914;

H. R. 2115. An act to amend the District of Columbia Unemployment Compensation Act to provide for unemployment compensation in the District of Columbia, and for other purposes;

H. R. 2159. An act to provide for special assessments for the laying of curbs and gutters; and

H. J. Res. 37. Joint resolution relating to the provision of butter for the patients of St. Elizabeths Hospital; to the Committee on the District of Columbia.

H. J. Res. 100. Joint resolution extending the time within which certain acts under the Internal Revenue Code are required to be performed; to the Committee on Finance.

HOUSE CONCURRENT RESOLUTION PLACED ON THE TABLE

The concurrent resolution (H. Con. Res. 12) to express the sense of the Congress with respect to the importance of farmers to the effective prosecution of the war, and for other purposes, was ordered to be placed on the table.

GREETINGS FROM PRESIDENT OF THE GRAND NATIONAL ASSEMBLY OF TURKEY

The ACTING PRESIDENT pro tempore laid before the Senate greetings contained in a radiogram from the President of the Grand National Assembly of Turkey, at Ankara, a translation of which was ordered to be printed in the RECORD, as follows:

[Translation]

ANKARA, TURKEY,
March 18, 1943.

Mr. HENRY A. WALLACE,
President of the Senate,
Washington, D. C.:

In the course of the reading of the ministerial proclamation to the Grand National Assembly of Turkey on the occasion of the appointment of his new cabinet, M. Saracoglu spoke of Turkish American relations in the following terms: "You know that the election of Ismet Inonu, as Chief of State has been communicated to the House of Representatives in Washington, which received this news with a thunder of applause."

Now from this exalted rostrum, in my turn, I address in your name to America, republican and democratic, the greetings, sympathy, and esteem of Turkey, republican and democratic. I am very happy to announce to you that the statements of the president of the council were greeted with an ovation and with the enthusiastic and unanimous applause of the entire assembly.

Accept, Mr. President, the assurance of my highest consideration.

ABDULHALIK RENDA,
President of the Grand National Assembly of Turkey.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

CANCELATION OF CERTAIN INDIAN DEBT CHARGES

A letter from the Secretary of the Interior transmitting, pursuant to law, a copy of his order canceling certain charges existing as debts due the United States by individual Indians or tribes of Indians (with an accompanying report); to the Committee on Indian Affairs.

EVERETT A. ALDEN ET AL.

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation for the relief of Everett A. Alden, Robert Bruce, Edgar C. Faris, Jr., Kathryn W. Ross, Charles L. Rust, and Frederick C. Wright from the obligation of restoring to the Government cash differences between the amount paid to them and the amount they might properly have been paid as employees of the National Bituminous Coal Commission (with accompanying papers); to the Committee on Claims.

REPORT OF DEPARTMENT OF COMMERCE

A letter from the Secretary of Commerce, transmitting, pursuant to law, the annual report of the Department of Commerce for the fiscal year ended June 30, 1942 (with an accompanying report); to the Committee on Commerce.

REPORT OF COMPTROLLER OF THE CURRENCY

A letter from the Comptroller of the Currency, transmitting, pursuant to law, his annual report covering the activities of the Bureau of the Comptroller of the Currency for the calendar year 1942 (with an accompanying report); to the Committee on Banking and Currency.

FINANCIAL REPORT OF THE PERSHING HALL

A letter from the executive director of the national legislative committee of the American Legion, Washington, D. C., transmitting, pursuant to law, a report of the Pershing Hall Fund (with an accompanying report); to the Committee on Military Affairs.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of the Department of the Navy (5), United States Tariff Commission, Tennessee Valley Authority, Federal Trade Commission, and the Interstate Commerce Commission which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The ACTING PRESIDENT pro tempore appointed Mr. BARKLEY and Mr. BREWSTER members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A resolution of the Minneapolis Central Labor Union, of Minneapolis, Minn., favoring the enactment of anti-poll-tax legislation; to the Committee on the Judiciary.

A letter in the nature of a memorial from the Minnesota Railroad & Warehouse Employees, Marius Nielsen Local No. 581 remonstrating against the enactment of the so-called McKellar bill, providing for confirmation by the Senate of nominations to Federal positions with compensation of $4,500 per annum or more; to the Committee on the Judiciary.

A letter in the nature of a memorial from the American Federation of State, County, and Municipal Employees, of Riverside, Calif., remonstrating against the enactment of the so-called McKellar bill, providing for confirmation by the Senate of nominations to Federal positions with compensation of $4,500 per annum or more; to the Committee on the Judiciary.

A joint resolution of the Legislature of the State of New Jersey; to the Committee on Foreign Relations:

"Senate Joint Resolution 3

"Joint resolution memorializing the Congress of the United States to find ways and means of mitigating the lot of the conquered peoples in Nazi-occupied lands, and protesting the barbarism of Nazi Germany in its announced plan of annihilating the Jews in occupied countries

"Whereas the wanton barbarism of Nazi dominion has caused untold suffering and anguish to peoples of all nationalities and all faiths which have refused to yield, and has united the entire civilized world in armed and moral protest against it; and

"Whereas the Jewish people in particular, scattered defenseless and unrepresented by any civil or political authority, has been singled out for especial attack ever since the accession of the Nazis to power; and

"Whereas the corrosive doctrine of anti-Semitism has been and is being utilized by the Nazi regime as an avowed instrument for undermining the morale and confidence of the peoples of those nations which are their prospective victims, as a prelude to armed attack; and

"Whereas it has been confirmed by our State Department that the announced purpose of the Nazi regime is to liquidate the Jewish population of Nazi-occupied Europe, an execrable deed of horror and barbarism of unparalleled magnitude in human history, which has profoundly shocked the conscience of the civilized world; and

"Whereas the said program of mass murder, upon which the Nazi state has officially embarked, has already claimed 2,000,000 innocent victims and thousands more perish daily; and

"Whereas the traditional American policy of humanity, justice, and fair play renders it imperative that the powerful voice of the American people ring out in defense of all the conquered peoples of Nazi-occupied Europe, and, particularly, in defense of a people which has no government of its own to plead its cause: Now, therefore, be it

"Resolved by the Senate and General Assembly of the State of New Jersey:

"1. The Legislature of the State of New Jersey protests the brutalities practiced against all the conquered peoples of Nazi-occupied Europe and the barbaric, cruel, and premeditated plan of the German leaders to liquidate the Jewish population now enmeshed in Nazi toils as being against the laws of God and man.

"2. The legislature petition the President of the United States, Congress, and the Secretary of State to use the weight and prestige of their respective offices in making effectively felt to the Nazi overlords the protest of the conscience of the civilized world against their inhuman and barbaric practice against the peoples of the conquered countries, and particularly with respect to the Jewish population now situate in Nazi-occupied territory, and to hold the said Nazi warlords to strict accountability for their manifold crimes before the bar of justice

"3. The legislature petition the President of the United States, Congress, and the Secretary of State to use the weight and prestige of their respective offices to prevail upon the leaders of the United Nations to establish havens of refuge for those few unfortunates who manage to escape the Nazi oppressor and to facilitate the passage and travel of said refugees to the aforesaid havens of refuge

"4. The secretary of state of New Jersey be, and he is hereby, directed to transmit copies of this joint resolution to the President of the United States, the Vice President of the United States, the Secretary of State, the Speaker of the House of Representatives, and the Senators and Representatives of the State of New Jersey in the Congress of the United States.

"5. This resolution shall take effect immediately."

A concurrent resolution of the Legislature of the State of New York; to the Committee on Finance:

"Senate Resolution 19

"Whereas the national administration has enacted legislation to provide old-age security benefits for many of our citizens and is contemplating the expansion of the social security program to include other groups not now eligible for such benefits; and

"Whereas under the social security law only the employees of covered employers may participate in social security benefits, and only the covered employers are required to pay social security tax, the covered employer and the covered employee each paying one-half thereof; and

"Whereas there are in the State of New York a great many employees who were formerly covered by the law and were formerly eligible for benefits thereunder, but who, through no action or choice on their part, became ineligible under the law when they, through no action or choice on their part, became employees of uncovered employers; and

"Whereas a great many of such employees, who so became ineligible under the social security law, are desirous of being eligible thereunder and being covered thereby, and to participate in social security benefits, and are willing to pay not only the amount of employee contributions but also the amount of employer contributions which their present employer would have been required to pay if such employer were covered under the law: Now, therefore, be it

"Resolved (if the assembly concur), That the Legislature of the State of New York hereby petitions the Congress of the United States to amend the Social Security Act to provide that all employees who were formerly covered by the social security law and who heretofore made contributions thereto in the form of employee tax, and who became ineligible through no action or choice on their part, may again become eligible under the social security law for social security benefits upon signifying their willingness to pay, not only the amount of employee contributions, but also the amount of employer contributions which their present employer would have been required to pay if such employer were covered by the law; and be it further

"Resolved (if the assembly concur), That a copy of this resolution be immediately transmitted to the President of the United States, the Secretary of the United States Senate, the Clerk of the House of Representatives, and to each Member of the Congress elected from the State of New York."

A joint resolution of the Legislature of the State of Washington; to the Committee on Military Affairs:

"Senate Joint Resolution 1

"Joint resolution relating to the pledging of every resource to our President in the battle to preserve our country and the principles of democracy everywhere

"Be it resolved by the Senate and House of Representatives of the State of Washington, in legislative session assembled:

"Whereas, since our last assembling our country and most of the free peoples of the world have been drawn into a life and death struggle with the totalitarian powers who are seeking to destroy our Christian civilization and way of life: Now, therefore, be it

"Resolved, That we pledge our every resource to our President in the battle to preserve our country and the principles of democracy everywhere, and we call upon our Representatives in Congress, regardless of party, to support him to the utmost in his leadership in our war effort and those of our valiant allies in their struggle against the unholy aggressor nations who are violating international law and shocking the conscience of mankind; and be it further

"Resolved, That we urge that this war be waged until the dictators are completely overthrown and that no negotiated peace short of such complete overthrow be entertained; and be it further

"Resolved, That a copy of this resolution be immediately transmitted to the Honorable President, Franklin D. Roosevelt, the Secretary of the United States Senate, and Clerk of the United State House of Representatives, and to all Members of the Senate and the House of Representatives of the United States from the State of Washington."

A joint memorial of the Legislature of the State of Washington to the Committee on Finance:

"Senate Joint Memorial 2

"Joint memorial relating to the adoption by Congress of the necessary legislation to put into effect some plan of collecting income taxes each month as the money is actually earned

"To the Honorable Franklin D. Roosevelt, President of the United States, and to the Senate and House of Representatives of the United States, in Congress assembled:

"We, your memorialists, the Senate and the House of Representatives of the State of Washington, in legislative session assembled, most respectfully represent and petition as follows:

" 'Whereas the present method of collecting Federal income taxes under which method the taxpayer is obliged to make provision for payment of such taxes during the succeeding year is especially burdensome to those taxpayers who earn salaries or wages; and

" 'Whereas such taxpayers are generally now employed at good wages and are well able to pay income taxes out of their current income; and

" 'Whereas many of such taxpayers are persons of uncertain residence and will be of uncertain employment in the event that war activities cease; and

" 'Whereas the collection of income taxes on the pay-as-you-go basis should result in increased revenue to the United States;

" 'Now, therefore, your memorialists respectfully pray that the Congress of the United States speedily pass the necessary legislation to put into effect some plan of collecting income taxes so that such taxes may be collected on salaries and wages each month and as the taxpayer is actually earning his salary and wages: And be it

" '*Resolved*, That copies of this memorial be immediately transmitted to the Honorable Franklin D. Roosevelt, President of the United States, the Secretary of the United States Senate, the Clerk of the United States House of Representatives, and to each Member of the Congress from the State of Washington.' "

Two joint memorials of the Legislature of the State of Washington; to the Committee on Commerce:

"Senate Joint Memorial 5

"Joint memorial relating to the purchase, maintenance, and operation of bridges across the Columbia River between Washington and Oregon, by the United States

"To the Honorable Franklin D. Roosevelt, President of the United States, and the honorable Senate and House of Representatives of the United States, in Congress assembled:

"Whereas there is now pending before the Congress of the United States, a bill for an act providing for the acquisition by the United States of the interstate bridge, including the approaches thereto, across the Columbia River between Longview, Wash., and Rainier, Oreg., and for the maintenance and operation of said bridge after such acquisition free of tolls; and

"Whereas the Senate of the State of Washington, the House concurring, recognizes the inestimable benefits to the States of Washington and Oregon and to the communities involved by such acquisition and maintenance and operation of said bridge free of tolls; and

"Whereas there are two other bridges which cross the Columbia River between the States of Washington and Oregon, namely, a bridge between White Salmon, Wash., and Hood River, Oreg., and a bridge between

Stevenson, Wash., and Cascade Locks, Oreg.; and

"Whereas it is the belief of the Senate of the State of Washington, the House concurring, that each and both of said bridges should also be acquired, together with their approaches, by the United States and maintained and operated after such acquisition free of tolls: Now, therefore, be it

"Resolved, That we, the Senate and House of Representatives of the State of Washington, do hereby respectfully memorialize and petition the President of the United States and the Congress of the United States, to enact and approve at the earliest practicable moment, the pending legislation so providing for the acquisition of the bridge across the Columbia River between Longview, Wash., and Rainier, Oreg., and for the maintenance and operation of the same after such acquisition free of tolls; and be it further

"Resolved, That we, the Senate and House of Representatives of the State of Washington, do hereby respectfully memorialize and petition the President of the United States and the Congress of the United States to cause to be enacted into law, suitable legislation for the acquisition of the two bridges across the Columbia River, one bridge between White Salmon, Wash., and Hood River, Oreg. and the other between Stevenson, Wash., and Cascade Locks, Oreg., and for the maintenance and operation of said two bridges after such acquisition free of tolls; and be it further

"Resolved, That copies of this memorial be immediately transmitted to the Honorable Franklin D. Roosevelt, President of the United States, and to the Secretary of the Senate of the United States, and to the Clerk of the House of Representatives of the United States, and to all Members of the Senate and House of Representatives of the United States from the State of Washington."

Senate Joint Memorial 6

"Joint memorial relating to the enactment of appropriate legislation by Congress to prevent pollution and destruction of fish life in the interstate portion of the Columbia River and its tributaries

"To the Honorable Franklin D. Roosevelt, President of the United States, and to the Senate and House of Representatives of the United States, in Congress assembled:

"We, your memorialists, the Senate and House of Representatives of the State of Washington, in legislative session assembled, most respectfully represent and petition Your Excellency and honorable bodies, as follows:

"'Whereas the Federal Government, through the building of the Bonneville Dam and the construction of numerous aids to navigation, has expended millions of dollars upon the interstate portion of the Columbia River and has provided the opportunity for vast industrial development in this area; and

"'Whereas the States of Washington and Oregon have likewise made large expenditures of public funds to develop fish life and other natural resources along this river and to make more available to the public the natural beauty of this region; and

"'Whereas, properly supervised, this interstate portion of the Columbia River will become a region of great recreational and scenic value and an area of orderly industrial development for the benefit of the general public; and

"'Whereas the special interest of any individual or group of individuals should not be permitted to cause pollution of the waters of the Columbia River and its tributaries in this area or damage the fish life therein; and

"'Whereas we are reliably informed that the Senate and House of Representatives of the State of Oregon, in legislative session assembled, intend to adopt a similar memorial to be sent to Your Excellency and honorable bodies: Now therefore

"'We, your memorialists, the Senate and House of Representatives of the State of Washington, in legislative session assembled, urge that the Congress immediately enact appropriate legislation affecting the interstate portion of the Columbia River and its tributaries in this area, to control pollution from war industries, military establishments, housing projects, and other sources of contamination, either bacterial or chemical, so that the public may enjoy the full use of these waters for domestic, industrial, and recreational purposes and that fish life therein be perpetuated: And be it

"'*Resolved,* That copies of this memorial be immediately transmitted to the Honorable Franklin D. Roosevelt, President of the United States, the Secretary of the United States Senate, the Clerk of the United States House of Representatives, and to each Member of Congress from the States of Washington and Oregon.'"

A joint resolution of the Legislature of the State of California; to the Committee on Finance:

"Assembly Joint Resolution 25

"Joint resolution memorializing Congress not to pass reciprocal trade agreements

"Whereas the reciprocity agreement proposed by the Federal Department of State under which almonds from Iran would be admitted into the United States in competition with American-grown almonds is considered by American almond growers as a dangerous precedent leading to the extension of this policy to other almond growing nations and thus ultimately endangering if not ruining the American almond industry: Now, therefore, be it

"Resolved by the Assembly and the Senate of the State of California (jointly), That we, the members of the California Legislature, in session assembled on this 28th day of January 1943 do most respectfully request that the Department of State does not enter into a reciprocal trade agreement with any foreign country which will serve to place the product of low-priced foreign labor in competition with those of the California farmer; and be it further

"Resolved, That the chief clerk of the assembly be, and is hereby directed to send copies of this resolution to the President of the United States, the Vice President of the United States, the Department of State, the Speaker of the House of Representatives, and to the Senators and Congressmen from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Military Affairs:

"Assembly Joint Resolution 33

"Joint resolution relative to memorializing Congress to enact legislation providing a Federal system of workmen's compensation for civilian defense volunteers injured in the course of their duties.

"Whereas a subcommittee of the insurance committee of the Assembly of the State of California was appointed to inquire into the need for a system of workmen's compensation for civilian defense volunteers injured in the course of their duties; and

"Whereas said subcommittee has conducted hearings in the several sections of California and has heard testimony from representatives of all counties and cities and local civilian defense organizations, all of whom were unanimous in the opinion that such legislation is essential; and

"Whereas it is the considered opinion of the Legislature of the State of California that such workmen's compensation is primarily a Federal responsibility in that the organization for such volunteer services and the nature of the duties of such volunteers are directly related to the conduct of the war: Now, therefore, be it

"Resolved by the Assembly and the Senate of the State of California (jointly), That the Legislature of the State of California hereby memorializes Congress to enact legislation which will provide a Federal system of workmen's compensation benefits for civilian defense volunteers injured in the course of their civilian defense duties; and be it further

"Resolved, That a copy of this joint resolution be transmitted to the President of the United States, the Vice President of the United States, the Speaker of the House of Representatives, Members of the Congress representing the State of California, and the chairmen of the committees of the Congress before which such legislation is pending."

A resolution of the Senate of Puerto Rico; to the Committee on Territories and Insular Affairs:

"Senate Resolution 3

"Resolution requesting the Senate and the House of Representatives of the United States of America to enact legislation to the effect that, while the present war emergency exists, there be assigned shipping space for the shipment of 60,000 tons a month of food articles for our island and raw materials and fertilizers for insular industries and agricultural activities

"Whereas the shipping space assigned to our island by the War Shipping Administration is very limited and has given rise to a very great scarcity of the subsistence articles most necessary for the feeding of our people, as well as to the lack of fertilizers indispensable for agricultural activities and of raw materials for our industry; and

"Whereas should this condition continue to prevail in Puerto Rico, there would be aggravated still more the acute crisis already existing in our island, with the consequent paralyzation of industries and the unemployment of our working masses: Now, therefore, be it

"Resolved by the Senate of Puerto Rico:

"1. To request the Senate and the House of Representatives of the United States, as they are hereby requested, to assign by law, while the present war emergency lasts, shipping space for Puerto Rico for the shipment of 60,000 tons a month of subsistence products for our people and of raw materials and fertilizers for our industries and agricultural activities.

"2. That a certified copy of this resolution, once approved, be sent to the presiding officers of the Senate and of the House of Representatives of the United States; to the chairman of the Committee on Territories and Insular Affairs of the Senate of the United States; to the chairman of the Committee on Insular Affairs of the House of Representatives of the United States; to the Secretary of the Interior, the Honorable Harold L. Ickes; to the Resident Commissioner for Puerto Rico in Washington, the Honorable Bolivar Pagán, and to the chairman of the Chavez committee of the Senate of the United States."

By Mr. CAPPER:

A petition, numerously signed, of sundry citizens of Marion County, Kans., praying for the enactment of Senate bill 860, relating to the sale of alcoholic liquors to the members of the land and naval forces of the United States; to the Committee on Military Affairs.

By Mr. VANDENBERG:

A resolution of the board of directors of the Ontonagon County (Mich.) Rural Electrification Association, favoring the adoption of the proposed incentive payment plan for the encouragement of increased farm production during the 1943 season; to the Committee on Agriculture and Forestry.

A resolution of the council of the city of Saginaw, Mich., favoring the enactment of

legislation to institute uniform time throughout the State of Michigan; to the Committee on Interstate Commerce.

A resolution of the commission of the city of Royal Oak, Mich., favoring a change in the rationing regulations so as to permit local ration boards to give a reasonable allowance of gasoline to members of the armed forces who are at home on furlough; to the Committee on Banking and Currency.

A resolution adopted by a mass meeting of citizens of Lithuanian origin, held at Grand Rapids, Mich., reaffirming loyalty to the President of the United States, pledging every possible assistance to the Nation and her Allies in waging total war so that the unconditional surrender and destruction of the Axis Powers may be swift and sure, and also requesting that the Government remain firm in its refusal to recognize the foreign occupation of Lithuania and other small occupied nations of Europe, etc.; to the Committee on Foreign Relations.

By Mr. JOHNSON of California:

A resolution of the Senate of the State of California; to the Committee on Banking and Currency:

"Senate Resolution 81

"Whereas in normal times the poultry industry in this State is of paramount importance to the people of California; and

"Whereas this importance has been tremendously magnified by reason of the existing shortages of meat and other forms of protein; and

"Whereas there annually exists at this time of year a normal surplus of cockerels which in the past have been destroyed because of a lack of available market; and

"Whereas this surplus of cockerels could be raised and marketed as broilers within a relatively short time if the ceiling price for broilers would permit the raising and marketing of broilers by poultrymen without incurring a substantial loss; and

"Whereas it would appear that the Office of Price Administration and other Federal agencies should do all in their power to encourage and stimulate the raising of broilers for use in California in order to relieve the present meat and protein shortage; and

"Whereas despite the efforts of the poultrymen of the State of California to persuade the Office of Price Administration to realize the uniqueness of the California situation, the Office of Price Administration insists on fixing ceiling prices for California on production costs of other States where labor and feeding costs are much lower; and

"Whereas the persistence of the Office of Price Administration in its present conduct will result in the loss of many million pounds of poultry meat for use in California; and

"Whereas local Office of Price Administration officias have refused to take appropriate steps to alleviate present conditions even when they have had power so to do: Now, therefore, be it

"Resolved by the Senate of the State of California, That the Honorable Prentiss Brown, Administrator of the Office of Price Administration, and the Honorable Claude Wickard, Secretary of Agriculture, be and they are hereby memorialized to direct their regional representatives for California to establish ceiling prices for poultry in California that will permit making available to the citizens of the State this essential supplement to the meat and protein supply; and be it further

"Resolved, That the secretary of the senate shall transmit copies of this resolution by telegram to the President, the Vice President, to the Senators and Congressmen from California, and to the Honorable Prentiss Brown, Administrator of the Office of Price Administration and the Honorable Claude Wickard, Secretary of Agriculture."

(The ACTING PRESIDENT pro tempore laid before the Senate a resolution identical with the foregoing, which was referred to the Committee on Banking and Currency.)

By Mr. RADCLIFFE:

A joint resolution of the General Assembly of the State of Maryland; to the Committee on Foreign Relations:

"House Joint Resolution 4

"Joint resolution requesting the Congress of the United States to pass a resolution approving the principle of world federation and the President of the United States to initiate procedure to formulate a constitution for the federation of the world.

"Whereas it is necessary at the present juncture of human affairs to enlarge the bases of organized society by establishing a government for the community of nations, in order to preserve civilization and enable mankind to live in peace and be free, the following principles and objectives are hereby enunciated in the declaration of the federation of the world:

"Man, the source of all political authority, is a manifold political being. He is a citizen of several communities—the city, the state, the nation, and the world. To each of these communities he owes inalienable obligations and from each he receives enduring benefits.

"Communities may exist for a time without being incorporated but, under the stress of adversity, they disintegrate unless legally organized. Slowly but purposefully through the centuries, civilization has united the world, integrating its diverse local interests and creating an international community that now embraces every region and every person on the globe. This community has no government and communities without governments perish. Either this community must succumb to anarchy or submit to the restraints of law and order.

"Governments can only be established through the deliberate efforts of men. At this hour two elemental forces are struggling to organize the international community—totalitarianism and democracy. The former, a recent version of repudiated militarism and tyranny, is predicated upon the principle of compulsion, rules through dictatorship, and enslaves men; the latter, a proved bulwark of the rights of man as a human being and as a citizen, derives its authority from the consent of the governed, embodies the will of freemen, and renders their collective judgments supreme in human affairs. The cornerstone of totalitarianism is the ethnographic state, whose restricted interests define the scope of its favors; the foundation of democracy is man whose integrity is inviolable and whose welfare is its primary concern. The motivating power of the former is violence; of the latter, freedom. One feeds upon unscrupulous ambition; the other upon an enlightened sense of obligation.

"One or the other of these forces will now triumph and govern mankind. The present conflict is irrepressible and decisive. It is the challenge of the ages to the generation of today, and represents those spiritually cosmic forces which visit the world at critical periods in human history to shape the destinies of men. This world cannot remain half slave, half free; half totalitarian, half democratic. The laws of civilized society prevent intercourse between slaves and freemen from being either congenial or profitable. If totalitarianism wins this conflict, the world will be ruled by tyrants, and individuals will be slaves. If democracy wins, the nations of the earth will be united in a commonwealth of free peoples, and individuals, wherever found, will be the sovereign units of the new world order.

"Man has struggled from time immemorial to endow the individual with certain fundamental rights whose very existence is now imperiled. Among those rights is man's freedom to worship, speak, write, assemble, and vote without arbitrary interference. To safeguard these liberties as a heritage for the human race, governments were instituted among men, with constitutional guaranties against the despotic exercise of political authority, such as are provided by elected parliaments, trial by jury, habeas corpus, and due process of law. Man must now either consolidate his historic rights or lose them for generations to come.

"The ceaseless changes wrought in human society by science, industry, and economics, as well as by the spiritual, social, and intellectual forces which impregnate all cultures, make political and geographical isolation of nations hereafter impossible. The organic life of the human race is at last indissolubly unified and can never be severed, but it must be politically ordained and made subject to law. Only a government capable of discharging all the functions of sovereignty in the executive, legislative, and judicial spheres can accomplish such a task. Civilization now requires laws, in the place of treaties, as instruments to regulate commerce between peoples. The intricate conditions of modern life have rendered treaties ineffectual and obsolete, and made laws essential and inevitable. The age of treaties is dead; the age of laws is here.

"Governments, limited in their jurisdiction to local geographical areas, can no longer satisfy the needs or fulfill the obligations of the human race. Just as feudalism served its purpose in human history and was superseded by nationalism, so has nationalism reached its apogee in this generation and yielded its hegemony in the body politic to internationalism. The first duty of government is to protect life and property, and when governments cease to perform this function they capitulate on the fundamental principle of their raison d'être. Nationalism, moreover, is no longer able to preserve the political independence or the territorial integrity of nations, as recent history so tragically confirms. Sovereignty is an ideological concept without geographical barriers. It is better for the world to be ruled by an international sovereignty of reason, social justice, and peace than by diverse national sovereignties organically incapable of preventing their own dissolution by conquest. Mankind must pool its resources of defense if civilization is to endure.

"History has revealed but one principle by which free peoples, inhabiting extensive territories, can unite under one government without impairing their local autonomy. That principle is federation, whose virtue preserves the whole without destroying its parts and strengthens its parts without jeopardizing the whole. Federation vitalizes all nations by endowing them with security and freedom to develop their respective cultures without menace of foreign domination. It regards as sacrosanct man's personality, his rights as an individual and as a citizen, and his role as a partner with all other men in the common enterprise of building civilization for the benefit of mankind. It suppresses the crime of war by reducing to the ultimate minimum the possibility of its occurrence. It renders unnecessary the further paralyzing expenditure of wealth for belligerent activity, and cancels through the ages the mortgages of war against the fortunes and services of men. It releases the full energies, intelligence, and assets of society for creative, ameliorative, and redemptive work on behalf of humanity. It recognizes man's morning vision of his destiny as an authentic potentiality. It apprehends the entire human race as one family, human beings everywhere as brothers, and all nations as component parts of an indivisible community:

"There is no alternative to the federation of all nations except endless war. No substitute for the federation of the world can organize the international community on the basis of freedom and permanent peace. Even if continental, regional, or ideological federations were attempted, the governments of these federations, in an effort to make im-

pregnable their separate defenses, would be obliged to maintain stupendously competitive armies and navies, thereby condemning humanity indefinitely to exhaustive taxation, compulsory military service, and ultimate carnage, which history reveals to be not only criminally futile but positively avoidable through judicious foresight in federating all nations. No nation should be excluded from membership in the federation of the world that is willing to suppress its military, naval, and air forces, retaining only a constabulary sufficient to police its territory and to maintain order within its jurisdiction, provided that the eligible voters of that nation are permitted the free expression of their opinions at the polls.

"It being our profound and irrevocable conviction—

"That man should be forever free and that his historic rights as an individual and as a citizen should be protected by all the safeguards sanctioned by political wisdom and experience.

"That governments are essentital to the existence of communities and that the absence of government is anarchy.

"That there exists an international community, encompassing the entire world, which has no government and which is destined, as a consequence of the present war, either to be ruthlessly dominated and exploited by totalitarianism or to be federated by democracy upon the principle of freedom for all nations and individuals.

"That all human beings are citizens of this world community, which requires laws and not treaties for its government.

"That the present conflict will determine the survival of free institutions throughout the world, and that it is morally incumbent upon this generation, as one of the declared objectives of the current war, to federate the nations in order to make secure and hereafter unchallenged freedom for all peoples everywhere, and in order to impart to those who are called to give their lives and fortunes for the triumph of democracy the positive assurance of the incorruptible utility of their sacrifice.

"That world federation is the keystone in the arch of civilization, humanity's charter of liberty for all peoples, and the signet authenticating at last the union of the nations in freedom and peace.

"That the universal ordeal, through which mankind is now passing, marks the birth of a new epoch that will affirm for all time the indestructible solidarity of civilization and the abiding unity of the human race.

"That there are supreme moments in history when nations are summoned, as trustees of civilization, to defend the heritage of the ages and to create institutions essential for human progress. In the providence of God, such a crisis is this hour, compelling in duty and unprecedented in responsibility, a fateful moment when men meet destiny for the fulfillment of historic tasks: Now, therefore, be it

"Resolved by the General Assembly of Maryland, That all peoples of the earth should now be united in a commonwealth of nations to be known as the Federation of the World, and to that end it hereby endorses the declaration of the federation of the world as if specifically set forth in the preamble hereof, and makes said declaration a part of this resolution in the same manner as if same were recited herein, and requests the Senators and Members of the House of Representatives in Congress from the State of Maryland to support and vote for a resolution in the Congress of the United States, approving the principle of world federation and requesting the President of the United States to initiate the procedure necessary to formulate a constitution for the federation of the world, which shall be submitteed to each nation for its ratification; and be it further

"Resolved, That in the opinion of the General Assembly of Maryland, there should be selected a territory for the seat of government for the Federation of the World, and that the nation in which the said territory is located be requested to withdraw its jurisdiction over this area and cede it to the Federation of the World for its capital with all the prerogatives and attributes of sovereignty, in order that there might be built in this area a city symbolic of world unity, adequate for the needs of the nations and worthy of the aspirations and destiny of mankind; and be it further

"Resolved, That the secretary of state of Maryland be and he is hereby directed to send, under the great seal of the State of Maryland, copies of this resolution to the President of the United States, the President of the United States Senate, to the Speaker of the House of Representatives of Congress, and to each Member in the United States Congress from the State of Maryland."

(The ACTING PRESIDENT pro tempore laid before the Senate a joint resolution identical with the foregoing, which was referred to the Committee on Foreign Relations.)

By Mrs. CARAWAY:

A concurrent resolution of the General Assembly of the State of Arkansas; to the Committee on Education and Labor:

"House Concurrent Resolution 20

"Whereas the Works Progress Administration has cooperated in the establishment and operation of the hot lunch projects, which has been furnishing hot lunches in the various public schools of the State of Arkansas for the use and benefit of our school children; and

"Whereas said Works Progress Administration is curtailing its activities in the State of Arkansas, and will discontinue serving said hot lunch projects at the expiration of this term: Now, therefore, be it

"Resolved by the House of Representatives of the Fifty-fourth General Assembly of the State of Arkansas (the Senate concurring therein), That we memorialize the Congress of the United States of America to take the necessary action to provide for the continued operation of the hot lunch projects in the public schools of our State; be it further

"Resolved, That the secretary of state be, and is hereby instructed to mail a copy to the President of the United States Senate, the Speaker of the House, and to the two United States Senators, and the Representatives from the State of Arkansas."

(The ACTING PRESIDENT pro tempore laid before the Senate a concurrent resolution identical with the foregoing, which was referred to the Committee on Education and Labor.)

By Mr. McCARRAN:

A joint resolution of the Legislature of the State of Nevada; to the Committee on Commerce:

"Senate Joint Resolution 4

"Joint resolution memorializing Congress not to enact legislation concerning commercial and private air commerce, and aviation, until such time as the present war has been concluded

"Whereas the Congress of the United States has before it for consideration House bill 1012 and Senate bill 246 affecting air commerce; and

"Whereas air commerce (air lines) represents a minor part of civil aviation, and private flying and fixed-base operations represent a major part of civil aviation whose operations are not interstate in character and, therefore, are of no concern of the Federal Government, the pending legislation would deny to the States their inherent rights to govern within their own State and would seriously jeopardize private flying and fixed-base operations; and

"Whereas by applying the intent of this legislation to other forms of transportation our national economy would be seriously affected; and

"Whereas there is no immediate need for this legislation as the President of the United States is vested with full power under the defense act to regulate all aircraft, civilian or otherwise, if necessary; and

"Whereas those men who are serving their country in the various branches of service are unable to voice their sentiments or opinions on this proposed legislation at this time, and they are the persons who have contributed more to the development of aviation and are entitled to their place in aeronautics when and if they return from active duty; and

"Whereas there is ample time for such legislation to be considered in the future since consideration has not been given future developments and improvements which will change methods now used in the regulation of aircraft: Now, therefore, be it

"Resolved, That the State Legislature of the State of Nevada respectfully requests that no action be taken on the above-mentioned bills or any similar bill or bills by Congress until the present war is over and peace is established; be it further

"Resolved, That a copy of this resolution be forwarded to the clerk of the United States Senate, the Clerk of the United States House of Representatives, the clerk of the interstate and Foreign Commerce Committee of Congress, and to each of the Nevada Senators and Representative in Congress."

(The ACTING PRESIDENT pro tempore laid before the Senate a joint resolution identical with the foregoing, which was referred to the Committee on Commerce.)

By Mr. McCARRAN:

A joint resolution of the Legislature of the State of Nevada; to the Committee on Mines and Mining:

"Senate Joint Resolution 2

"Joint resolution memorializing Congress to relax restrictions on gold and silver mining

"Whereas the recent orders of the War Production Board closing gold and silver mines in the State of Nevada have resulted in only negligible transfers of miners to other fields of work; and

"Whereas this transfer is more than offset by the impairment of the morale and the far-reaching effect on the economic structure of mining communities; and

"Whereas the State of Nevada by its acts and the use and sacrifice of its men and resources in the present world-wide struggle has proven its unqualified, all-out devotion to the war effort; and

"Whereas the preservation of the mining industry of this State by the employment of men too old for induction in military service and where they cannot be employed in other fields of work will not impede the war effort: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of Nevada, That the Congress of the United States be memorialize to pass necessary legislation to relax restrictions on gold and silver mining to the end that the economic structure of mining communities in this State will not be destroyed; and be it further

"Resolved, That duly certified copies of these resolutions be transmitted by the secretary of state to the President of the United States, to the Presiding Officer of the United States Senate, to the Speaker of the House of Representatives, to each of the United States Senators from Nevada, and to the Nevada Representative in Congress."

(The ACTING PRESIDENT pro tempore laid before the Senate a joint resolution identical with the foregoing, which was referred to the Committee on Mines and Mining.)

By Mr. GILLETTE:

A concurrent resolution of the General Assembly of the State of Iowa; to the Committee on the Judiciary:

"Senate Concurrent Resolution 14

"Whereas the people of the State of Iowa have steadfastly and sacrificially, in peace and in war, manifested their devotion to the ideals of democracy; and

"Whereas a vigilant citizenry is the best safeguard of the democratic way of life; and

"Whereas it is held by the people of Iowa to be a fundamental right of the people to know how their duly elected representatives in the General Assembly vote on the final passage of all measures affecting the people, and to protect this right have impressed the Constitution of Iowa with the following provision:

" 'Passage of bills. Article 3, section 17. No bill shall be passed unless by the assent of a majority of all the members elected to each branch of the General Assembly, and the question upon the final passage shall be taken immediately upon its last reading, and the yeas and nays entered on the journal'; and

"Whereas, measures of grave concern to the people of Iowa and of the Nation are not infrequently passed by the Congress of the United States without a recorded vote of its members on final passage, thus depriving the people of Iowa of a fair opportunity of knowing how their duly elected members in the National Legislature voted thereon; and

"Whereas a fair opportunity on the part of the people of Iowa to scrutinize the acts and conduct of the Members of Congress is essential to the fulfillment of the ideal of democracy; and

"Whereas men and women on the fighting fronts, on land and sea, and those held in enemy prisons in distant places in the world, are entitled, upon their return to the homeland, to have a record of the votes cast by their representatives in the National Legislature, on the final action on all important measures during this critical period of the Nation's history: Therefore be it

"Resolved by the Senate of the Fiftieth General Assembly of Iowa (the House concurring), That the Congress of the United States be memorialized to forthwith take such action as may be appropriate to require a recorded vote of the Members of the Congress on the final passage of all bills and all measures of general public interest."

(The ACTING PRESIDENT pro tempore laid before the Senate a concurrent resolution identical with the foregoing, which was referred to the Committee on the Judiciary.)

By Mr. MAYBANK:

A resolution of the House of Representatives of the State of South Carolina; to the Committee on Commerce:

"Whereas the bridge over and the approaches to the Great Pee Dee River on United States Highway 76 between Florence, S. C., and Marion, S. C., was completed in 1923; and

"Whereas this crossing is now obsolete and unsuitable for present-day traffic, especially military traffic; and

"Whereas the crossing is on the established strategic network and is on the route between Fort Bragg, N. C., and Fort Jackson, S. C., and also between Fort Bragg, N. C., and Charleston, S. C., which is a port of embarkation; and

"Whereas the State Highway Commission of South Carolina, on February 20, 1941, authorized and approved the rebuilding of this crossing and allotted funds for this purpose but the project is held up because of the nonavailability of necessary materials: Now, therefore, be it

"Resolved by the house of representatives, That the War Department is hereby respectfully memorialized to declare the improvement of this crossing as essential to the war effort and to secure release of the necessary materials in order that the State Highway Department may proceed with its construction; be it further

"Resolved, That copies of this resolution be immediately sent to the Secretary of War, to the two United States Senators from South Carolina, and to the Representative in Congress from the Sixth South Carolina Congressional District."

By Mr. THOMAS of Oklahoma:

A resolution of the House of Representatives of the State of Oklahoma; to the Committee on the Judiciary:

"House Resolution 31

"A resolution memorializing the Congress of the United States to enact legislation permitting garnishment proceedings to be directed against any salaries, wages, or fees paid by the Federal Government to its employees; and declaring an emergency

"Whereas there exists no Federal law permitting garnishment proceedings to be instituted against an employee of the United States Government for the purpose of levying legal claims against his salary, wage, or fees for such Federal employment; and

"Whereas an inequality is apparent, in that such action may be taken against an employee of the State of Oklahoma; and

"Whereas the lack of such a law pertaining to Federal employees has resulted in great injustice to persons holding legal and valid claims against employees of the United States Government, in that such persons are without legal remedy in the satisfaction of such claims: Now, therefore, be it

"Resolved by the House of Representatives of the Nineteenth Session of the Oklahoma Legislature:

"SECTION 1. That the Congress of the United States be memorialized and urged to enact suitable legislation removing the exemption of Federal salaries, wages, and fees from garnishment proceedings.

"SEC. 2. It being immediately necessary for the preservation of the public peace, health, and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval."

RELIEF FOR POLISH REFUGEE CHILDREN

Mr. DANAHER. Mr. President, on March 20 I received from the Right Reverend Monsignor Lucien Bojnowski, of New Britain, Conn., a resolution and petition addressed to the President of the United States. As chairman of the resolutions committee, Monsignor Bojnowski reported the action of the Polish American Citizens Committee inspired by the poignant sufferings of Polish refugees, and petitioning for relief. The situation is well outlined in the resolution, and because of its significant import, I ask unanimous consent that it be printed in full in the body of the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas thousands of Polish children are now refugees from their native land; and

Whereas these children, now found in Russia, India, Iraq, and other countries are not provided for sufficiently to assure them continual living conditions; and

Whereas our United States of America has shown herself to be today the compassionate mother of the oppressed peoples of the world and has often opened her arms to take under her mantle this earth's refugees: This assembly therefore

Resolves, We American citizens of Polish descent, of the Sacred Heart of Jesus Parish, of New Britain, Conn., totaling more than 5,000 in number, do earnestly request our President, His Excellency Franklin Delano Roosevelt and other honorable members of our Government to grant permission that at least a portion of the aforesaid Polish refugee children be allowed entrance into these Continental United States of America, and be allowed asylum within these borders for the duration of the present world struggle.

REV. L. BOJNOWSKI,
MARCIN ROSAL,
PAULEN NUREGYZK,
Rev. I. J. FIEDORCZYK,
Resolution Committee.

Mr. MALONEY subsequently said: Mr. President, I have received a letter from Rev. A. J. Fiedorczyk, president, Polish American Citizen Committee of New Britain, Conn., and with it a resolution adopted by members of the Sacred Heart of Jesus Parish in New Britain, Conn., and signed by Rev. L. Bojnowski and others, praying that Polish refugee children be allowed entrance into the United States for the duration of the present world struggle. In view of the fact that my colleague [Mr. DANAHER] has presented and had printed in the RECORD an identical resolution, I shall not, of course, request that printing of the resolution be duplicated in the RECORD.

STANDARD FOR GRADING OF BUTTER—RESOLUTION OF NEBRASKA LEGISLATURE

Mr. BUTLER. Mr. President, the State of Nebraska, while it might not be at the top, is near the top among the States in the production of dairy products. A recent method of scoring or grading butter very definitely reflects to the disadvantage of the grading custom which has been developed over a good many years. It was deemed sufficiently important by the Legislature of the State of Nebraska to cause it to adopt a resolution on the subject, and in behalf of my colleague, the junior Senator from Nebraska [Mr. WHERRY], and myself, I present for appropriate reference and should like to have appear in the body of the RECORD at this point the resolution adopted by the Legislature of the State of Nebraska.

The resolution was referred to the Committee on Agriculture and Forestry and under the rule ordered to be printed in the RECORD, as follows:

Legislative Resolution 11

Resolution grading butter and cream

Whereas the Department of Agriculture of the United States has recently revised the standards of quality of butter, substituting for an official point score an alphabetical score of AA, A, B, and C grades; and

Whereas the statutes of Nebraska prescribe grades of cream and require a higher price to be paid for No. 1 cream than for undergrades, and for over 20 years the butter made from Nebraska No. 1 cream has been graded and sold in the butter markets of the United States as "Standard 90 Score," and is the top grade of butter sold and consumed in this and many other States; and

Whereas the revised grade of butter established by the Department of Agriculture of the United States classifies this butter, made

from Nebraska's No. 1 cream, grade "B," thereby misleading consumers to believe it is a second or inferior grade of butter: Therefore be it

Resolved by the Fifty-sixth Session of the Nebraska Legislature,

1. That the Secretary of the Department of Agriculture is requested to rescind the Revised Official United States Standards for grade of creamery butter which became effective February 1, 1943, and restore the former standards, or to revise such standards so that butter made from Nebraska No. 1 cream may continue to be classed and known as "Standard A grade."

2. That a copy of this resolution be suitably engrossed by the clerk of the legislature, and sent to the Secretary of Agriculture of the United States, and to each of the Senators and Representatives from Nebraska in the Congress of the United States.

INVESTIGATION OF HIGHWAY TRANSPORTATION CONDITIONS—RESOLUTION OF NEVADA LEGISLATURE

Mr. McCARRAN. I present a joint resolution passed by the Legislature of Nevada, memorializing the Congress of the United States, that a committee be appointed to investigate the conditions that prevail in the highway transportation industry in 11 Western States in respect to the procurement of necessary repair parts and tire replacements, and to take such other and necessary action in the premises as will relieve and prevent any further disruption of the motor trucking and passenger bus industry, and to enable food producers to produce and cultivate their crops, and so forth. I ask that the resolution be referred to the appropriate committee.

There being no objection, the joint resolution was referred to the Committee on Commerce, and, under the rule, ordered to be printed in the RECORD, as follows:

Assembly Joint Resolution 20

Joint resolution relative to the growing shortage of motor transportation

Whereas the population of the 11 Western States is thinly spread over an area of 1,189,140 square miles, with a railroad trackage of only about 40,000 miles; and

Whereas within the State of Nevada there are 265 communities wholly dependent upon highway transportation for the movement of persons and property; and

Whereas the farming and stock-raising industries are almost wholly dependent upon highway transportation for the shipment of in-bound equipment and supplies and the hauling of their products to market; and

Whereas the mining industry is entirely dependent upon truck transportation for equipment, materials, and supplies, and the movement of ore to the mill or to railhead; and

Whereas the State of Nevada depends heavily upon neighboring States, particularly California, Idaho, and Utah, for a large portion of its fruits, vegetables, meat products, and vital food supplies of all kinds, which must of necessity be transported by truck during all or part of the journey to the retail outlet or ultimate consumer; and

Whereas Nevada is an important bridge State through which must necessarily pass huge quantities of essential war materials, foodstuffs, and other important commodities moving between the Pacific coast and inland points, a large portion of which must move via highway; and

Whereas large numbers of Nevada's citizens are dependent upon highway busses for transportation from point to point, particularly at the present time, when the use of private automobiles is drastically restricted; and

Whereas the railroads are overburdened in furnishing the transportation needs of the armed forces of the United States during the war emergency, and are not equipped with rolling stock, cars, or locomotives to take over any considerable portion of the transportation of foodstuffs, war materials, and commodities essential to the maintenance of the necessary civilian economy, heretofore transported by motor vehicles; and

Whereas new or additional motor vehicles are unobtainable; and

Whereas large numbers of motortrucks, trailers, busses, and motorized farm implements, indispensable for the necessary production of foods, supplies, and war materials are in disrepair and out of service because needed repair parts or tires cannot be obtained; and

Whereas motortruck and bus transportation is rapidly becoming difficult or impossible to obtain, due to the increasing demands and the lessening number of motor vehicles available for the necessary needs of the people; and

Whereas any further lessening of the number of motor vehicles available for transportation will seriously interfere with the agricultural, livestock, and mining industries of this State and jeopardize the supply of food, the production of strategic minerals, and the essential civilian economy of the State of Nevada; and

Whereas it is apprehended that because of the conditions recited above the farmers, fruit and vegetable growers, and livestock men will be hindered in the production and marketing of food and there will not be a sufficient number of motor vehicles to transport this year's crops of vegetables, fruits, grains, and livestock to market, and the transportation of strategic minerals and other raw and processed materials from and to war production plants will be seriously interfered with: Now, therefore, be it

Resolved by the Assembly and the Senate of the State of Nevada (jointly), That the Congress of the United States be, and the same is hereby, memorialized to appoint a committee to immediately investigate conditions that prevail in the highway transportation industry in the 11 Western States in respect to the procurement of necessary repair parts and tire replacements and to take such other and necessary action in the premises as will relieve and prevent any further disruption of the motor trucking and passenger bus industry and enable food producers to produce and cultivate their crops and convey the same to market, and insure the production and transportation of strategic ores and minerals; and be it further

Resolved, That copies of this resolution be forwarded to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Nevada Senator and Member of the House of Representatives in the Congress of the United States.

(The ACTING PRESIDENT pro tempore laid before the Senate a joint resolution identical with the foregoing, which was referred to the Committee on Commerce.)

COMPARISON OF INCOME OF RURAL AND URBAN POPULATIONS

Mr. SHIPSTEAD. Mr. President, I present and ask to have printed in the RECORD and appropriately referred a letter in the form of a petition from the International Apple Association dealing with the income of persons on the farm in relation to the income of persons living in villages and cities, and also a table prepared by the International Apple Association, and a statement dealing with the data contained in the table.

There being no objection, the letter and table, together with the statement, were referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

INTERNATIONAL APPLE ASSOCIATION,
Rochester, N. Y., February 23, 1943.

Hon. HENRIK SHIPSTEAD,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR: We desire to submit for your consideration certain data released by the Department of Agriculture with regard to the income of persons not engaged in agriculture as compared with the income of persons engaged in agriculture.

We are satisfied that we cannot get production by the retention of the relationship in existence in 1910–14 or 1919–29, and by calling either basis parity.

It is essential that the food be produced to win the war and, in order to do this, the producer must pay his employees and he must be able to live.

We are satisfied you will appreciate from this record of the income during the past 33 years that the placing of prices on perishable agricultural commodities is fraught with danger. The producer never knows whether he will get a crop or not.

If the Office of Price Administration, in price fixing, adheres to parity, it must follow prices of a base period which may or may not have been remunerative or even cover costs of production. The matter is serious. We are deeply concerned.

The highest costs ever known in agriculture are assured.

Weather and conditions determine the yield. A low yield with high costs per unit necessitates a commensurate price, if the individual is to stay in production.

A low yield and a low price will put the producer out of business, and we need the food to win the war and write the peace.

We must do all in our power to aid in the production of the food and in keeping those who are left in agriculture in position to work.

Sincerely yours,

SAMUEL FRASER.
Secretary.

Income per year and per capita of persons not on farms and persons on farms

[U. S. Department of Agriculture, Bureau of Agricultural Economics]

Year	Person not on farms			Person on farms			
	Yearly income per person not on farms	Daily income, person not on farms		Yearly net income from agriculture per person on farms	Daily income of person on farms	Yearly and daily with Government payments added, 1933 to date	Ratio nonfarm income to farm
1910	$482	$1.32		$139	$0.38		
1911	468	1.28		123	.34		
1912	483	1.32	$1.33	135	.37	$0.37	3.59 to 1
1913	521	1.43		137	.38		
1914	482	1.32		141	.39		
1915	502	1.37		137	.38		

Income per year and per capita of persons not on farms and persons on farms—Continued

Year	Person not on farms		Person on farms			Ratio nonfarm income to farm
	Yearly income per person not on farms	Daily income, person not on farms	Yearly net income from agriculture per person on farms	Daily income of person on farms	Yearly and daily with Government payments added, 1933 to date	
1916	$579	$1.58	$157	$0.43		
1917	638	1.75	259	.71		
1918	670	1.83	305	.83		2.20 to 1
1919	762	2.09	321	.88		
1920	875	2.40	266	.73		
1921	718	1.97	120	.33		6.00 to 1
1922	715	1.96	154	.42		
1923	812	2.22	181	.49		
1924	788	2.16 $2.70	182	.50 $0.58		3.79 to 1
1925	810	2.22	224	.61		
1926	856	2.34	217	.59		
1927	818	2.24	211	.58		
1928	828	2.26	223	.61		
1929	870	2.38	224	.61		
1930	760	2.08	172	.47		
1931	605	1.66	115	.31		
1932	442	1.21	75	.21		
1933	417	1.14	91	.25	$95 $0.26	
1934	487	1.33	99	.27	112 .31	
1935	540	1.48	144	.39	158 .43	
1936	626	1.72	165	.45	170 .47	
1937	670	1.83	192	.53	197 .54	
1938	621	1.70	154	.42	164 .45	
1939	657	1.80	154	.42	171 .47	
1940	716	1.96	161	.44	179 .49	4.00 to 1
1941	825	2.26	237	.65	254 .70	3.23 to 1
1942[1]	1,014	2.77	369	1.01	389 1.06	2.60 to 1
	Average					
1910–19	$559	$1.53	$185	$0.51		3.00 to 1
1920–29	809	2.22	200	.55		4.04 to 1
1930–39	583	1.60	136	.37	$143 $0.39	4.10 to 1

[1] 1942 preliminary and subject to change.

The headings are self-explanatory. The record covers 33 years. The first column shows the yearly income per person not on farms. The second column shows the daily income of these individuals. The third column shows the yearly income per person on farms, and the fourth column shows their daily income. For the period 1933 to 1942 there are Government payments to agriculture and these have been added to give the total yearly and daily income per person on farms. The final column shows the ratio of the nonfarm income to the farm income.

These data are pertinent at this time. There is much misconception as to the position of agriculture.

Population: Our population consists of about 29,000,000 people in agriculture and about 105,000,000 not in agriculture. Included in the latter are about 7,000,000 or more in the armed forces. The total is about 134,000,000.

1910–14 period: This is the so-called base period for parity consideration. 1910–14 shows a relationship existing between the daily per capita income of urban and agricultural inhabitants of $1.33 to $0.37; or, when the agricultural population had $1, the rest of society has $3.50.

Income of persons on farm: In arriving at the income of agriculture this includes the rent for the farmhouse and charges for the commodities furnished by the farm to the farm family; it is not the cash income.

In the case of the urban population, the record is that of the total urban income divided by the total urban population. All figures are close approximations; they cannot be regarded as exact to the cent.

In the case of the income of the urban dweller, employed in factory or office, and of those securing income from dividends, there is not a problem of the home and farm supplies as covered with regard to agriculture.

1919–29 period: 1919–29 may furnish a better basis for comparison because it is closer to the present date. This period shows a per capita daily income relationship of $2.20 to $0.58, or $3.79 to the urban dweller whenever the agricultural worker receives $1. It has been suggested as a better basis for parity than 1910–14.

1933–41 period: In this period agriculture was in receipt of funds from the Government for conservation and limitation of food production and other purposes. These Government payments reached a total of $800,000,000 a year in 1941, which was equivalent to 5 cents a day per person on the farm, in the year 1941, and about this amount in 1942. This raised the income of the agricultural group in 1941 to 70 cents a day while the urban group received $2.26.

The year 1941 shows a return to the relationship of the so-called base period 1910–14 and to that of the decade 1910–19 and away from the second base period 1919–29; for the relationship for the year 1941 was $3.23 to the urban dweller when agriculture received $1, with Government payments included, as compared with $3.47 to $1 without Government payments.

1930–39 and 1941: Contrast the relationship to which society had become accustomed in the decade 1930–39, of $1.60 for the urban dweller and 39 cents for agriculture, a relationship of $4.10 for the urban dweller when agriculture received $1 with that of 1941 or 1942.

1942 income of persons not on farms (preliminary and subject to revision): This is the highest per capita income the United States has ever known. The total of $1,014 per year, and a daily per capita income of $2.77 for persons not on farm, exceeds the favorable condition which prevailed in 1920 when the figures were $875 total and $2.40 per day. The population figure used for the year 1942 is 104,917,000 for this group. It includes the armed forces.

1942 income of persons on farms (preliminary): The sum of $369 per capita was received by the 29,048,000 farm population. This exceeds the previous high of 1919 when $321 were received, and is in marked contrast with the $75 per person received in 1932 and the 3-year average of $88 for the period 1932–34. Stated on a per-day basis, the 1942 record is $1.01, against a previous high in 1919 of 88 cents and compared with a 1930–39 average of 37 cents and with the low of 21 cents a day in 1932. Some idea can be developed of the condition of agriculture after living for a 10-year period on an average per capita income of 37 cents a day. Some reference has been made at times to the Government payments, and with the Government payments added, the average per day for the decade 1930–39 is 39 cents. Having become accustomed to so meager an income, the sum of $1.06 (Government payments added) made available in 1942 has been an important factor in enabling payment of debts. In many places the payment of debt has been so important that there is little left available for accumulation of savings which could be used for capital expenditures for production of crops in the forthcoming year.

Averages: The 1910–19 average is $3 to $1. The 1920–29 average is $4.04 to $1. The 1930–39 average is $4.10 to $1. Since that time the relationship has become closer. In 1940 it was $4 to $1; in 1941 $3.23 to $1; while 1942 shows a relationship of $2.60 to $1. (Preliminary.)

For two decades the public have become accustomed to a relationship of about $4 to $1, or that when the person not on the farm had a $4 income the individual on the farm should receive $1. In 1941 when the first break-away from this relationship became evident and with the Government payments, the relationship was $3.23 to $1, statements were frequently made that the increases in prices of food were piratical and unconscionable, and demands for price fixing arose. Any question as to the correctness of the relationship was and is lost sight of. It was simply that the public expected prices to be continued in their former relationship. Whether we can ever win a war on such a basis, or the fact that we may lose a war because of this relationship is not recognized, but it is high time to give consideration to the problem.

Some relationships: The record shows bright spots and tragedies; 1918 shows the highest relationship for agriculture, when the daily income of those not on the farm was $1.83, while those on the farm got 83 cents, a relationship of $2.20 to $1. The collapse of farm prices in 1921 and the tragedy accompanying same are fully borne out by the figures; the urban population received $1.97 and the farm population received 33 cents, a relationship of practically $6 to $1. Food was cheap in relation to income. The relationship was, if anything, worse for agriculture than that existing in 1932.

Since food is to win the war and write the peace, and unless we have food, the whole of our activity ceases; it is essential that the facts be known and the public advised of their peril. Inability to pay the price for labor from the meager returns available and the draft have caused a loss of over 1,000,000 workers from agriculture in 2 years, or over 12 percent of the men in the total—30,269,000 men, women, and children then in agriculture. The whole question of our food supply and its production is in jeopardy and yet the uninformed believe it is essential to hold prices of agricultural commodities to the 1910–14 relationship or the 1919–29 relationship and expect and propose that the agricultural population shall be frozen to the farm, with these returns for their labor. Out of the profits from his labor the farmer is to save the additional essential capital needed to finance the winning of the war so far as food and farm products affect it. Certainly our financial support of this essential would not indicate realization of the seriousness of the situation.

If the whole problem were not so tragic, it might be viewed as a comedy of errors.

We are at war. We are in peril. Our whole mode of life is in the balance. So long as there is freedom to move in industry, agri-

culture must be able to pay those it employs and it should at this time be able to repay some of its most pressing indebtedness, for 2 decades of a relationship of $4 to $1 have been a serious matter and nothing but the urge of ownership of land and the urge to work land kept these people tied to it.

Agriculture must be enabled to produce the food, and we believe that this can and will be done if the people are left free to operate with the skill and knowledge that have been developed and are inherent. If this is done, these people will again produce the wherewithal to win the war and write the peace, but it requires men as well as money.

Statesmanship requires that the majority shall not destroy an essential minority.

Consider the record.

The data are furnished by the United States Department of Agriculture.

Fruits and vegetables are perishable: So far as fresh fruits and vegetables are concerned, and we do not undertake to speak for any other branch of agriculture, the perisability of these commodities is an important limiting factor in their holding or storing and in their distribution, as well as in their production, and it is our good judgment that there is no mind sufficiently comprehensive in its vision, scope, and ability to view the picture of a continental area like the United States and prescribe or dictate the proper policy for each of the 3,000,000 farms which are engaged in the production of these commodities. Of the 6,000,000 farms in the United States about half grow fruits and vegetables to a greater or lesser extent. To win the war we believe that these individuals should be left free to function to their greatest capacity and should be encouraged to produce as was done with success in World War No. 1.

In the opening address before the new session of Parliament at Ottawa on January 28, 1943, Mr. Mackenzie King, Premier of Canada, closed his address with the statement: "Only the utmost sustained effort on the part of all the United Nations will insure the defeat of the Axis Powers."

President Roosevelt in his proclamation December 16, 1942, of Farm Mobilization Day, said: "Food is no less a weapon than tanks, guns, and planes. As the power of our enemies decreases, the importance of the food resources of the United States increases." Also that farmers must find "ways and means of insuring for the year 1943 the maximum production of vital foods upon every farm in this country"—all of which we most earnestly endorse.

With four men to a square mile, one man to 160-acre farm, and climate and weather dominating, when they do not determine, when these men can work and at what they can work, what crops they can produce and their yields, there is little possibility of other successful control, we might say no other control is possible. Little incentive is needed; all that is required is that it shall be made humanly possible for this portion of society to function, and, as with the production of guns and planes, the wherewithal to meet the essential cost is the first requisite. The farm producer must be able to pay his way. This cannot be accomplished by insistence on the retention of the ratio of income in effect between agriculture and the rest of society in 1910–14 or 1919–29 and naming it "parity."

PETITION OF FARMERS OF TREGO COUNTY, KANS.

Mr. CAPPER. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in the RECORD as part of my remarks at this point, without the attached signatures, a petition signed by W. P. N. Hansen, of Ogallah, Kans., and more than 100 other farmers of Trego County. The petition urges that the A. A. A. be kept functioning through the emergency on "a changeable basis to meet requirements of war or peace," and it also advocates full parity loans; continuation of soil conservation payments; parity loans only when necessary; continuation of crop insurance; acreage allotments only when necessary; greater local authority, especially as to conservation practices in the counties; less red tape and paper forms.

The petition also suggests that the farmer is entitled to a fair income in return for the task of feeding and clothing so many of his fellow men. I believe this petition represents very fairly the thinking of a very large proportion of our farmers in these days, and I commend it to the attention of my colleagues.

There being no objection, the petition was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, without the signatures attached, as follows:

To the honorable Members of Congress of these United States of America

GENTLEMEN: On the occasion of the tenth anniversary of the farm program, we farmers of Trego County endorse the Agricultural Adjustment Administration to the extent the name implies: Adjustment up or down, whatever is necessary, with a surplus not too burdensome, financed soundly, not to depress markets.

Farming is different than any other industry, there is a capital investment to be protected, labor to be compensated, and a standard of living involved. Products of the farm are produced in two categories, daily produce and seasonal products. Under seasonal products wheat and livestock are our main products for this locality.

Not beyand recall, just a few years ago, wheat was 25 cents, corn 10 cents, hogs 3 cents ($3 per hundredweight), cattle 2 to 4 cents locally. These prices may have been avoided by a farm program.

We respectfully submit the following:

The keeping of the Agricultural Adjustment Administration to function on a changeable basis to meet requirements of war or peace because it is the only farm organization elected by farmers and reaching everyone that is interested in farming, without the customary membership fees, dues, closed meetings, and black balls; no objections to these other farm organizations, as they do a great good.

Full parity loans on a basis to include items in cost of production, labor, taxes, and interest.

Soil conservation payments, wind and water erosion, guarding of fertility and practical use of land.

Parity payments only when necessary if prices are not obtainable by other methods.

Crop insurance takes most of the hazards out of farming.

Acreage allotments when necessary.

A little more authority at the county or farm level, especially as to conservation practices in the counties.

A little less red tape and paper forms.

At war or in peace we think farmers are entitled to a fair income comparable to the great job they do of feeding and clothing their fellow men.

REPORTS OF A COMMITTEE

The following reports of the Committee on Military Affairs were submitted:

By Mr. HILL:

S. 872. A bill to authorize the President to appoint Frank T. Hines a brigadier general in the Army of the United States; without amendment (Rept. No. 131); and

S. J. Res. 31. Joint resolution providing for awards of honor for agricultural production; without amendment (Rept. No. 132).

AMENDMENT OF SECTIONS 722 (d) AND 780 (b) OF THE INTERNAL REVENUE CODE

Mr. GEORGE. Mr. President, from the Committee on Finance I report back favorably without amendment House Joint Resolution 100 extending the time within which certain acts under the Internal Revenue Code are required to be performed, and I submit a report—No. 129—thereon. The joint resolution deals with a matter which the Senate Finance Committee has considered, and the committee has unanimously reported the bill.

It is a measure on which the Treasury Department asks immediately action. As soon as the morning hour shall have been concluded I will ask that the joint resolution be taken up for consideration.

INCLUSION OF COST OF FARM LABOR IN DETERMINING PARITY PRICE

Mr. SMITH. Mr. President, from the Committee on Agriculture and Forestry I report back favorably without amendment House bill 1408 to amend section 301 (a) (1) of the Agricultural Adjustment Act of 1938, as amended, and the first sentence of paragraph (1) of section 2 of the Agricultural Adjustment Act of 1933, as amended, and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, approved June 3, 1937, as amended, so as to include the cost of all farm labor in determining the parity price of agricultural commodities, and I submit a report (Rept. No. 130) thereon. The report made by the House committee is so pertinent that I have attached it to the report of the Senate committee. I wish to give notice now that on the first legislative day the Senate again meets I shall ask for consideration of the bill.

The ACTING PRESIDENT pro tempore. The bill will be received and placed on the calendar.

Mr. BARKLEY. Mr. President, for the information of the Senate and the Senator from South Carolina, I will say that conversations have been going on as to when that bill might be taken up. The first suggestion was that we meet tomorrow for its consideration, but certain Senators felt that it was entitled to greater study than could be given it between now and tomorrow. It is my present view, however, that the Senate will be in session on Thursday, and, so far as I am concerned, I know of no reason why the bill should not be disposed of then one way or the other. The bill is on our doorstep, and should be disposed of.

Mr. SMITH. Mr. President, I do not know how there can be any controversy over the subject matter of the bill. It contains but one amendment; that is to add to the parity of the farmer's produce the cost of his labor. That is

the only change made by the bill. I do not see how there can be any controversy over that matter.

REPORT ON DISPOSITION OF EXECUTIVE PAPERS

Mr. BARKLEY, from the Joint Select Committee on the Disposition of Executive Papers, to which were referred for examination and recommendation two lists of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted reports thereon pursuant to law.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CLARK of Missouri:

S. 903. A bill to amend Section 602 (d) (1) of the National Service Life Insurance Act of 1940, as amended; to the Committee on Finance.

By Mr. McNARY:

S. 904. A bill to provide that certain lands within the State of Oregon may be opened for location and entry under the mining laws; to the Committee on Public Lands and Surveys.

By Mr. THOMAS of Idaho:

S. 905. A bill for the relief of Antonio Arguinzonis; to the Committee on Immigration.

By Mr. MALONEY:

S. 906. A bill to amend section 74 of the Judicial Code, as amended, to change the terms of the District Court for the District of Connecticut; to the Committee on the Judiciary.

By Mr. THOMAS of Oklahoma:

S. 907. A bill to amend the Bank Robbery Act of May 18, 1934, as amended; to the Committee on the Judiciary.

By Mr. DOWNEY:

S. 908. A bill to further the national defense and security by checking speculative and excessive price rises, price dislocations, and inflationary tendencies, and for other purposes; to the Committee on Banking and Currency.

S. 909. A bill for the relief of Mrs. Stephen A. King; to the Committee on Claims.

S. 910. A bill to amend the Social Security Act, and for other purposes; to the Committee on Finance.

By Mr. NYE:

S. 911. A bill exempting from taxation so much of the compensation of personnel in the armed forces as does not exceed $2,000; to the Committee on Finance.

By Mr. MEAD:

S. 912. A bill to extend the provisions of the Reclassification Act of February 28, 1925, to include custodial employees in the Postal Service; to the Committee on Post Offices and Post Roads.

By Mr. RUSSELL:

S. 913. A bill to amend the act of February 5, 1917, to extend the authority to deport aliens; to the Committee on Immigration.

By Mr. WHERRY (for himself and Mr. NYE, Mr. BYRD, Mr. McKELLAR, and Mr. GEORGE):

S. 914. A bill to provide for the orderly liquidation and dissolution of the regional agricultural credit corporations; to repeal the laws authorizing their creation by the Reconstruction Finance Corporation and their operation; and to restore to the United States Treasury the funds subscribed by the United States or by the Reconstruction Finance Corporation to the capital of such corporations, thereby strengthening the credit of the Government, reducing its nonessential expenditures, contributing to the present manpower problem through a reduction in the number of Government employees, resulting in a substantial contribution to the war effort, and for other purposes; to the Committee on Banking and Currency.

INTERNATIONAL CONSTITUTIONAL CONVENTION TO PROVIDE FOR AN INTERNATIONAL GOVERNMENT

Mr. KILGORE (by request) submitted the following concurrent resolution (S. Con. Res. 10), which was referred to the Committee on Foreign Relations:

Resolved by the Senate (the House of Representatives concurring), That the Congress respectfully requests the President to invite foreign governments to send representatives to attend an international constitutional convention charged with the duty of drafting a constitution which shall provide—

(1) For an international government;

(2) For participation by all nations desiring so to do;

(3) For an International Administrative Board consisting of 15 men;

(4) For an International Supreme Court;

(5) For an International Congress consisting of senators from each participating nation;

(6) For free religion;

(7) For free press;

(8) For free speech;

(9) For free assembly;

(10) For retention by all nations of the right to maintain the form of internal government desired by each;

(11) For the abolition of all armaments by all nations; except an international police force under the control of the international government;

(12) For complete control by the international government of all international questions and relationships;

(13) For a program designed to raise the economic condition, living standards, wages, etc., of all people;

(14) For a program of improved international trade relations;

(15) For a program of international social improvement;

(16) For a program of international educational improvement; and

(17) For machinery to amend the constitution when found necessary.

PORTRAIT OF THE LATE SENATOR ARTHUR PUE GORMAN, OF MARYLAND

Mr. RADCLIFFE. Mr. President, I submit a resolution providing that the Architect of the Capitol be authorized and directed to accept the portrait of the late Hon. Arthur Pue Gorman, formerly a Senator from the State of Maryland, as a gift to the Senate of the United States from his family, and to cause the portrait to be hung in the Senate wing of the National Capitol.

Mr. President, I do not wish to take the time of the Senate with any extended remarks on this subject at this time, but will doubtless make a longer statement on some later date. Senator Gorman was long a prominent figure in Maryland. He was a Member of the United States Senate between the years 1881 and 1899. In 1903 he returned to this body, remaining here until his death in 1906. For years Senator Gorman was one of the ablest and most active and dominant men in the Senate, and was so recognized generally in those days. For instance, he was chairman for a long time of the Democratic steering committee of this body, and was the leader of the Democratic Party in several of the most dramatic and successful contests conducted in the Senate during the years he was a Member. It is no reflection upon the many competent men who have represented Maryland in this body to say that no Senator from Maryland during the past 100 years was more influential or powerful in the United States Senate than was Senator Gorman. His chairmanship of the national Democratic campaign of 1884 was highly skillful and dramatic.

The portrait which his family has offered is a very generous, suitable, and highly prized gift, and I hope it will be accepted, and will be hung in a very prominent position in the Capitol near the Senate Chamber.

I ask that the resolution be referred to the Committee on the Library.

The resolution (S. Res. 117) was referred to the Committee on the Library as follows:

Resolved, That the Architect of the Capitol is authorized and directed to accept a portrait of Hon. Arthur Pue Gorman, late a Senator from the State of Maryland, as a gift to the Senate of the United States from his family, and to cause such portrait to be hung in a suitable place in the Senate wing of the National Capitol.

REVISED EDITION OF SENATE DOCUMENT NO. 58, SEVENTY-SEVENTH CONGRESS—ORGANIZATION, PERSONNEL, FLEET, AND SHORE ESTABLISHMENTS OF THE NAVY

Mr. WALSH submitted the following resolution (S. Res. 118), which was referred to the Committee on Printing:

Resolved, That a revised edition of Senate Document No. 58, Seventy-seventh Congress, containing information relative to the organization, personnel, fleet, and shore establishments of the United States Navy, with corrections and supplemental data, be printed with illustrations as a Senate document.

DEATH OF FORMER GOV. FRANK O. LOWDEN, OF ILLINOIS

Mr. BROOKS. Mr. President, on last Saturday, March 20, the Nation lost one of its outstanding citizens, Illinois lost one of her most illustrious sons, and thousands upon thousands of us lost a dear friend, in the passing of former Gov. Frank O. Lowden, of Illinois. His life story is filled with hardships overcome, as he, the son of a blacksmith, forged his way from poverty to vast riches—not alone in money, but genuine riches in friendships, in accomplishments, in service rendered to the political party of his choice, to the people of his district whom he so ably represented in Congress for two terms, to the State of Illinois which he led as Governor through the trying days of the First World War, to the Nation which constantly felt his influence in matters of public interest, including prison reforms, intelligent taxation, protection and advancement of our land, and the people who live in the land, in matters of domestic and foreign affairs.

The influence of this great man's activity during his 82 years will live on and on, for few citizens are ever privileged to have such vast knowledge of so many phases of our national advancement and life, including the law, agriculture, industry, philanthropy, and politics. I express the sentiment of the State I in part represent when I say we have lost a

great citizen, a dynamic leader, and a beloved friend.

Mr. President, I ask unanimous consent to have printed in the RECORD as a part of my remarks the detailed account of his life as presented by the Associated Press on March 20, so that those Members now serving in Congress who were not privileged to know him personally may read of the service and accomplishment of this distinguished former Member of the Congress of the United States.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SUCCUMBS AT 82 AFTER ATTACK OF PNEUMONIA—STRICKEN ON WINTER STAY IN ARIZONA

TUCSON, ARIZ., March 20.—Frank O. Lowden, 82 years old, World War No. 1 Governor of Illinois, died today at El Conquistador Hotel, where he was a winter visitor.

Tired and feeble when he arrived, the Republican elderly statesman suffered an attack of pneumonia 2 weeks ago. He gradually grew worse until his death.

Only his nurse, Miss Maxine Brown, was with him, but members of the family had been in close contact by telephone as his condition grew worse. His daughter, Mrs. Albert F. Madelener, Jr., was informed in Chicago of his death.

PLANNED TO SPEND WINTER

Lowden arrived here January 26, intending to remain until spring. He lived on his farm near Oregon, Ill., but spent the winters in Arizona for his health.

During his 25 years in active politics, Lowden held only two offices—Congressman and Governor—but few men in history came closer to the Presidency of the United States without attaining it.

His last years were spent quietly, but upon numerous occasions he was consulted on Republican Party affairs by midwestern leaders, particularly regarding agricultural policies.

OPPOSED RANCOR IN PEACE

His last interview with the press, given on his birthday anniversary January 25, contained a plea that contending nations approach the peace table without rancor or passion if they wish for an enduring peace in the future.

Lowden supported the position of his old friend, Herbert Hoover, that a "cooling-off period" should be had before determining final conditions of peace.

MIDWEST'S FAVORITE SON

Frank Orren Lowden, World War No. 1 Governor, was called the favorite son of the Midwest. He was successful as a teacher, lawyer, businessman, and farmer. He was a national authority on farm problems. His famed Sinnissippi farm in Ogle County is noted for the fine Holstein cattle bred there.

But perhaps Lowden was better known as the man who missed by a narrow margin realizing his ambition to become President of the United States; as the man who in 1924 declined the Republican nomination of Vice President, a nomination that was tantamount to election; and as the man who turned down more Federal appointments than any other person in American history.

ENTERED POLITICS IN 1896

Lowden entered politics in 1896 as a speaker in the "full dinner pail" campaign for President McKinley. He was active as a Republican leader until a few years before his death. Yet in that length of time he held but two elective offices. He served in the National House of Representatives from 1906 to 1911 and was wartime Governor of Illinois from 1917 to 1921.

It was with the election of President McKinley that Lowden began his record of turning down political appointments. He declined the appointment of First Assistant Postmaster General. Next, President Taft asked him to become Assistant Secretary of the Navy. President Harding urged him to head the Navy Department. President Coolidge invited him to be Ambassador to Great Britain or to join his Cabinet, presumably as Secretary of Agriculture. He preferred to remain on his farm.

Despite his great wealth (he was Illinois' wealthiest Governor), Lowden came up through the ranks of adversity. He was born January 26, 1861, at Sunrise, Minn., the son of the village blacksmith. As a boy he went to Iowa in a prairie schooner, his family settling on a farm in Hardin County.

TAUGHT COUNTRY SCHOOL

He taught a country school as a young man at Burlington, Iowa, for 5 years and then earned his way through the University of Iowa to be graduated as valedictorian of his class.

Young Lowden came to Chicago in 1886. He worked his way through law school by serving as a law clerk and living in an attic. He completed a 2-year course in 1 and again was named valedictorian and prize orator of his class.

As a young lawyer he won recognition for his brilliance. He established a profitable law practice, being noted especially for his trial court ability. Here was the beginning of his great wealth. This was augmented in several business reorganizations and by his farm holdings.

In 1896, when he was 35, he married Florence Pullman, daughter of George Pullman, founder of the Pullman Co. Three daughters and a son were born to them. Mrs. Lowden died July 5, 1937.

ELECTED GOVERNOR IN 1916

Lowden was a candidate for Governor of Illinois in 1904, but was defeated for nomination by Charles S. Deneen. However, he was chosen national Republican committeeman and held that post until 1912. In 1916 he again ran for Governor. This time he won easily.

It was during that campaign that his opponents ridiculed him as a gentleman farmer, and said he didn't know how to milk a cow.

"I didn't know that ability to milk a cow was one of the qualifications for Governor," he answered, "but I challenge the other candidates to a milking contest and I'll agree to let the contest decide the election." His challenge was not accepted.

As Governor, Lowden established himself as a sound business executive. He reduced taxes. He established the budget system. He consolidated 125 bureaus, boards, and commissions into 9 major departments, each with a responsible director. He launched an extensive good-roads program throughout the State.

WON NATIONAL ATTENTION

His excellent record as Governor, his handling of the Chicago race riots, and his quick settlement of the Chicago streetcar strike brought him national attention, and in 1920 he consented to run as a Presidential candidate. During the close of the Wilson Administration it was evident that the next administration would be Republican.

Lowden, Senator Hiram W. Johnson, and Gen. Leonard Wood were the outstanding Republican candidates, with Lowden having the solid backing of the agricultural interests. At the Chicago convention the race was reduced to these three.

For hours, ballot after ballot, the three candidates were deadlocked, with indications, however, of a probable victory for Lowden. Then at a psychological moment charges of vote buying were raised. Lowden, Johnson, and Wood were eliminated, with the nomination and ultimate election going to Warren G. Harding, the dark horse of the convention.

ASKED TO RUN WITH COOLIDGE

Four years later the Republican Party offered Lowden the nomination for the Vice Presidency as running mate for Calvin Coolidge, but he upset all precedent and declined the nomination. Gen. Charles G. Dawes replaced him on the ticket.

Again in 1928 Lowden consented to run for President, and he wrote the farm plank for the Republican platform. His plank was rejected and he withdrew as a candidate.

For several years after the 1928 campaign, Lowden remained virtually out of political life, devoting himself to his farming interests, but his hatred of the New Deal brought him out of retirement in 1936, when he campaigned for Gov. Alfred M. Landon, of Kansas, Republican nominee for President.

Lowden's role in ensuing years was that of a revered elder statesman of the Republican Party. He made a Nation-wide radio address in behalf of the Republican national ticket in October 1940, warning that the 1940 Presidential election might be the last free election in the United States.

OPPONENT OF UNDECLARED WAR

From his summer camp on an island in the St. Lawrence River, he issued a statement in August 1941, bearing the signatures of 15 widely known persons, including Landon, former President Herbert Hoover, former Vice President Dawes, and Hanford MacNider.

This statement declared that "fundamental principles of democratic government" were being undermined by naval action and military occupation of bases outside the Western Hemisphere and appealed to Congress to "put a stop to step-by-step projection of the United States into an undeclared war."

OPPOSED COUNTY SYSTEM

In the last few years Lowden divided his time between his farm and his winter home in Chandler, Ariz. On his eightieth birthday—January 26, 1941—he issued a message of optimism to the world, reaffirming his confidence that right triumphs in the end, and expressing the belief that the future may be looked forward to with faith and hope.

Advancing age did not hang cobwebs on his ideas. In a 1932 speech he advocated abolition of the county system of government "as a relic of oxcart days."

On the eve of his birthday in 1936, he made public his plan for a permanent farm program within the framework of the Constitution, warning that swift steps must be taken to protect the soil from overcropping and erosion. Former President Hoover urged that the essence of the plan be incorporated in the Republican Party's 1936 platform.

KNOWN FOR PHILANTHROPIES

The Presidential campaign of 1940 brought him out of retirement briefly. He made one radio speech in opposition to a third term for President Roosevelt, declaring it carried with it a threat of dictatorship.

Lowden was known for his many philanthropies. At his Sinnissippi farm he and Mrs. Lowden maintained a recuperation home for sickly children. He was a trustee of the old Thomas Orchestra Association and had served on the boards of St. Luke's Hospital, the Chicago Relief and Aid Society, and the Carnegie Endowment for International Peace. He headed the directorate of the Pullman Free School of Manual Training. He gave the Boy Scouts a 20-year lease, without cost to them, on a 240-acre tract of virgin timberland, part of his Sinnissippi farm.

From 1921 to 1930 he was president of the Holstein-Friesian Association of America, the largest purebred livestock association in the world. He had served as trustee of Northwestern University and had been honored by many universities.

ONE-HUNDREDTH BIRTHDAY ANNIVERSARY OF MRS. ANNA KNIGHT GREGORY

Mr. BARKLEY. Mr. President, an opportunity has been afforded me by the absence of the junior Senator from Pennsylvania [Mr. GUFFEY] to call the Senate's attention to the fact that Mrs. Anna Knight Gregory, of Williamsport, Pa., the last real Daughter of the American Revolution, is today celebrating the hundredth anniversary of her birth.

Mrs. Gregory, the former Miss Anna Knight, was born at Liverpool, Pa., March 23, 1843. Her father, Richard Knight, was a drummer boy in Capt. John Beatty's Company of the Fifth Pennsylvania Battalion in the Revolutionary War.

I wish to extend to Mrs. Gregory, on the part of the Senator from Pennsylvania [Mr. GUFFEY] and myself, congratulations at reaching such an advanced age and enjoying good health.

It is indeed interesting and unusual that there may still be living, even though at such an age, one whose father participated in the Revolutionary War as an actual soldier.

I ask unanimous consent that a clipping from the Williamsport Sun of March 16, 1943, which gives an account of Mrs. Gregory reaching the one-hundredth milestone in life, be printed as a part of my remarks at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WOMAN OF THE CENTURY—AFTER 100 YEARS OF LIFE, LAST ACTUAL DAUGHTER OF THE AMERICAN REVOLUTION HOPES SHE'S SEEING END OF WARFARE

(By Marguerite Young)

Mrs. Anna Knight Gregory, 608 Packer Street, this city, marking her hundredth birthday in the midst of the fourth war of her lifetime, says, "I hope to goodness that when this war ends, people will fix things up so that everyone will live well and happily together."

She is the last literal Daughter of the American Revolution.

Mrs. Gregory's face is deeply wrinkled. But she holds her head high. And her sharp blue eyes look on people with clarity, tolerance, and faith.

Her mind is darting nowadays . . . it skips swiftly from the stories her father told her about Valley Forge, to today's newspaper headlines about Tunisia and the Solomons.

It's an abiding conviction with her that living for most people grows better as the decades pass. Once she molded her own wax candles; then she had, successively, kerosene lamps, gas, electric lights. She has seen travel quicken magically; she has used river arks and canal boats, stage coaches, horses and buggies, railroads, automobiles, airships. She pulled lint and spun to make bandages for Civil War soldiers; now her neighbors in modern textile factories turn out parachute silk, for flying soldiers, at incredible speed.

ALL MENFOLK IN WARS

"In one way," she says, "people are not so happy as they were. They live so fast nowadays, and it takes so much to make them happy. In another way, though, people are happier. They have so much more."

Longevity runs in her family—her father was 75 when she was born.

Her own menfolk have been in four wars besides the Revolution . . . in the Civil War, her brother; the War of 1812, her father; the World War, her two grandsons; and now two great-grandsons are just about to go.

None of those died in war, however, and her father outlived three wives. His father, Conrad Knight, enlisted in the Revolutionary forces in 1777. He also was a widower, and insisted upon taking his son, Richard, to war with him. Richard Knight, 11, thus became a drummer boy in Capt. John Beatty's Fifth Pennsylvania Battalion. Both Richard and Conrad were with Washington at Valley Forge—Richard, half a century later, recalled the cold, sickness, and starvation of the barefooted winter of '77, to his daughter, Mrs. Gregory.

Anna Knight was born at Liverpool, Pa., on March 23, 1843. She attended a select boarding school, the Freeburg Academy, and at 18 she married Benjamin Franklin Gregory, a banker, of Selinsgrove.

SELDOM ILL

Mrs. Gregory calls herself a Democrat. ("Roosevelt's got plenty of faults, like the rest of us, but I like him.")

She has taken no special care of her physique, and has been sick rarely. As a young woman she was told by a doctor that she had tuberculosis. She went out West for several months, and hasn't heard of the disease since. Last time she had a doctor was 4 years ago, when she was threatened with pneumonia.

She is up at dawn. She dresses herself, walks about her bright, simply furnished room with pictures of George and Martha Washington on the walls, then sits in her straight chair and reads, or takes a nap. She may nap again after lunch. At about 90 she got her second sight, and for years could crochet and do needlepoint without glasses. She is hard of hearing now, and, she admits, weary at times.

What's kept her healthy and happy? "Being busy," she supposes. "I was always doing something."

ADDRESS BY COL. ARTHUR EVANS, MEMBER OF THE BRITISH PARLIAMENT, AND COMMUNICATION FROM THE BRITISH LORD CHANCELLOR

Mr. BARKLEY. Mr. President, there is in this country, and in the city of Washington, a very prominent Member of the House of Commons of Great Britain and Northern Ireland, Col. Arthur Evans, who is the president of the British group of the Interparliamentary Union. He has today presented to the Speaker of the House of Representatives a communication, in his capacity as president of the British group, and in the same capacity he has brought to me a communication similar in tenor, addressed to me in my capacity as president of the American group. I ask unanimous consent that this communication from Colonel Evans be read from the desk.

The ACTING PRESIDENT pro tempore. Is there objection to the request made by the Senator from Kentucky? The Chair hears none, and the clerk will read.

The legislative clerk read as follows:

On behalf of the Lord Chancellor of Great Britain I am charged to deliver to you, sir, as Acting Presiding Officer of the Senate, this communication, which is addressed to Vice President HENRY A. WALLACE, and in the name of four parliamentary committees, the British group of the Interparliamentary Union, the Welsh Parliamentary Party, of both of which I am chairman; also the British-American Parliamentary Committee and the Empire Parliamentary Association, to express their appreciation of your kindness in receiving me.

These committees, in the aggregate, represent the total membership of both the British Houses of Parliament, and their Members are most anxious to have the closest possible practical contact with their colleagues in the Senate of the United States of America.

You, Senator BARKLEY, as chairman of the American group of the Interparliamentary Union, will recall that in August 1939, at Oslo, this body celebrated the fiftieth year of its foundation and it was on this occasion that your group were good enough to support my nomination as the representative of the United States, the Irish Free State, France, and Great Britain, on the executive committee of five, which executes the decisions of the Union.

For half a century the Interparliamentary Union has devoted its efforts to studying methods for the establishment of a system of law between nations which would permit of the peaceful solution of international disputes. As I ventured to say in the speech which I have just been privileged to make to the Speaker and Members of the House of Representatives, discarding utopian conceptions and all dogmatism, the Union summons to its councils political men of good will, whatever their native country or their opinions. As a unique meeting place where the elected representatives of the people could freely express their opinion, the Union has accomplished work based both on experience of public affairs and on a sincere desire for justice.

Briefly, the object of the Interparliamentary Union, as given in its statutes, is "the development of the work of international peace and cooperation between nations." It also studies questions of general interest, the solution of which can be furthered by parliamentary action. Owing, unhappily, to the exigencies of total war, it has not been possible for the annual conferences to take place, but parliamentary opinion, as expressed through the committees to which I have referred, is strongly of the opinion that it is essential, in the interests of those they represent, and in spite of manifest difficulties, that every effort should be made to bring about personal contact which would enable frank and open expression of views on those essential problems, the solution of which is vital before final victory is achieved.

It is well, I think, for us to remember that the English-speaking people were the first to light the torch of parliamentary government. It is now for us to hold it aloft as a beacon of light to people of less happy lands. That is a real responsibility, both for our countries and, in particular, for the American and British groups of the Interparliamentary Union and to those of us who are steeped in congressional and parliamentary tradition. With a firm conviction of the advant ges which it confers on all free peoples, it should be a very congenial responsibility.

During the prosecution of total war it would be idle to pretend that parliamentary government is an easy system to work, for it entails in all electors rare qualities of self-control and understanding. We who are in this position cannot only think of ourselves or of our own section of the population. Our responsibility is to think of the whole community and what is to the advantage of all. Under this system the people have a right to think and speak as they will, but those who are charged with the responsibility of voicing opinions in high places must think wisely and speak wisely. Other-

wise, the liberty which we enjoy will gradually degenerate into license, and that license will degenerate into anarchy, and finally authority will have to be restored by some such revolutionary methods as we have seen so painfully adopted in other countries. Under our system, rights imply duties, and we feel that one of these duties is to see whether it is in any way possible for parliamentarians to have the benefit of the direct guidance of Members of Congress at this most critical period in the history of the United Nations.

I hope, Senator BARKLEY, as chairman of the American group of the Interparliamentary Union, you will accept this fragment of stone from the bombed chamber of the House of Commons which was destroyed by enemy action in May 1941. The Portcullis crest of the Houses of Parliament which adorns it is worked in lead from the roof. The scene depicted above the stone is taken from a mural painting in the Palace of Westminster and represents Cabot and his sons receiving the charter from Henry VII to sail in search of new lands.

I think you will agree, Senator, that this souvenir is not without its symbolic significance to the United Nations resisting Nazi tyranny.

Mr. BARKLEY. Mr. President, in connection with the address by Col. Arthur Evans just read, he has also presented to me a brief communication addressed to the Vice President of the United States, signed by the Lord Chancelor of Great Britain, and in the absence of the Vice President I ask that the clerk read this document addressed to the Vice President.

The ACTING PRESIDENT pro tempore. Without objection, the clerk will read.

The legislative clerk read as follows:

LORD CHANCELOR'S OFFICE,
HOUSE OF LORDS,
Westminster, S. W. 1, February 1943.

The Honorable HENRY A. WALLACE,
President of the Senate,
Washington, D. C.

DEAR MR. VICE PRESIDENT: I gladly take the opportunity afforded by the visit of Col. Arthur Evans, M. P. to Washington, as the Chairman of the British Group of the Inter-Parliamentary Union, to send to you my warm greetings and good wishes.

We, in our Upper House here, fully appreciate the many urgent problems before the Senate, over which you preside with so much distinction, and your heavy responsibilities. You and we are at one in our firm resolve never to relax the struggle until complete victory has been achieved and the freedom of the peoples of the world ensured. The close and cordial relations between our two countries and governments constitute a happy augury for the future. The work of the Inter-Parliamentary Union has provided most useful opportunities for the friendly interchange of views and experience, and I am sure that Colonel Evans' visit cannot fail to strengthen the links which unite Westminster and Washington.

I ask you to accept, Mr. Vice President, on your own behalf and that of your honorable House, this assurance of our deep good will and our admiration of the unremitting efforts made by the people of the United States in the cause of world-wide freedom.

Believe me,

Very sincerely yours,

SIMON,
Lord Chancelor.

THE NEEDS OF AGRICULTURE IN WISCONSIN

Mr. LA FOLLETTE. Mr. President, under date of March 19, I received a letter from Hon. Walter S. Goodland, the Acting Governor of Wisconsin, concerning the critical situation with regard to Wisconsin's agriculture. I ask unanimous consent that the Governor's letter and the enclosed resolutions adopted at the Governors' Conference held at Des Moines, Iowa, on March 15, 1943, may be printed in the RECORD as a part of my remarks.

There being no objection, the letter and resolutions were ordered to be printed in the RECORD, as follows:

STATE OF WISCONSIN,
EXECUTIVE OFFICE,
Madison, March 19, 1943.

Hon. ROBERT M. LA FOLLETTE, Jr.,
Senate Office Building,
Washington, D. C.

DEAR SENATOR LA FOLLETTE: The Wisconsin representatives at the Midwest Governors' Conference, held March 15 at Des Moines, have reported to me that the resolutions adopted by the conference check closely with the present needs of agriculture in this State. A copy of these resolutions is enclosed, and I hope you will give all possible support to the recommendations regarding actions that should be taken by the Federal agencies concerned.

We in Wisconsin subscribe to the emphasis which the resolutions have given to the provision of farm machinery repairs and needed new farm and dairy equipment, and to expansion in the manufacture and use of commercial fertilizer to increase crop yields.

We, also, face a serious shortage of manpower on Wisconsin farms, particularly skilled men to care for our livestock and expecially our dairy cattle. These skilled livestock men are needed on a year around basis, not just during the summer season as is the case with cash crop farms in some States. We hope that our need for year around livestock men can be given careful consideration in all future policies adopted by the Manpower Commission, Selective Service, and other Federal agencies concerned.

A special labor problem in rural Wisconsin is the acute shortage of trained cheesemakers, buttermakers, dairy plant workers, skilled canning factory employees, and other types of skilled workers employed in the local food processing plants. We believe these key workers in the local food processing plants are as urgently needed where they are, as are the workers on farms, and that they should be given the same occupational deferment by Selective Service.

Most of all we urge that the Congress and the President take immediate steps to remedy the present confusion and inefficient duplication and competition between the many Federal agencies concerned with agricultural manpower, food production, and distribution. Centralization of responsibility and authority for all Federal matters that concern farmers in their efforts to increase production will enormously increase farmers' confidence and effectiveness.

We believe, also, that the Nation's welfare will be greatly advanced if less time is spent exhorting farmers to food-production goals, and instead give all possible aid to farmers in order that they can meet the practical difficulties that must be overcome if food production is to be maintained at 1942 levels, let alone increased as is so urgently needed.

Finally, I am convinced that State agencies and organizations could render much more assistance in these food matters than they have been given the opportunity to do by Federal agencies. By both law and practice the States have large authority in these matters. It is unfortunate that so many Federal employees adopt a go-it-alone policy at the expense of the public welfare and the whole war program.

Wisconsin is a leader in the production of most of the foods given highest priority from the standpoint of nutrition and war needs—the high-vitamin, high-protein foods, such as fluid milk, cheese, evaporated milk, butter, dried milk, meat, eggs, and canned vegetables. Our farmers are giving all-out effort to maintain and, if possible, increase the output of these health-giving foods. All they ask is that their Government permit them to obtain the absolutely essential factors for this food production.

Sincerely,

WALTER S. GOODLAND,
Acting Governor.

We, the members of the Governors' Conference at Des Moines, Iowa, March 15, 1943, and composed of the States of Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin, that annually produce approximately two-thirds of the food produced in this Nation, do hereby adopt the following conclusion:

The agricultural situation is in crisis—unless we have more manpower and more machinery the food production cannot be maintained. Already serious losses in crop and animal products are imminent; there can be no delay.

We therefore recommend—

1. That agriculture be recognized as an essential war industry and be rated as such with respect to manpower, materials, and equipment.

2. That, while we are not proposing blanket deferment for agricultural workers, we recommend that all experienced labor, essential to farm production be deferred, and that all such farm workers be given proper recognition by Federal authorities with suitable insignia or other mark of distinction forgiving their best services to the country, by remaining on the farm front.

3. That there be provided immediately a supply of steel and other material adequate to complete the manufacture of all partially completed machinery; that all present stocks of machinery be now released for sale; that the needs of material which should be this year provided for farm machinery to be used in 1944 be ascertained by May 1, 1943; and that the present unsatisfactory system of allocation of such machinery which sends machinery where it is not adapted, be supplanted by one which recognizes the actual needs of respective areas.

4. That material be immediately supplied manufacturers of farm machinery repairs and parts, and all restrictions on the manufacture and distribution of the same be removed at once; that full authority be placed in the hands of the local war boards to supply welding rod, bar steel, and other materials used in the local repair of farm machinery.

5. That migrant seasonal agricultural laborers be furnished the necessary transportation to and from work.

6. That available supplies of fertilizer be released immediately for the 1943 crop season.

7. That Congress pass the legislation appropriating $26,000,000 to the Agricultural Extension Service for the purpose of recruiting, transporting, housing, and placing agricultural labor.

In this 1 day's conference, our conclusions have been limited to manpower, machinery, and supply of fertilizer. We do not at this time pass on other farm problems.

Mr. WILEY. Mr. President, I received from the Acting Governor of Wisconsin a letter similar to that which my colleague has received. In view of the fact that he has asked that the letter of the Acting Governor be reproduced in the RECORD, I shall not at this time make a similar request. However, I ask that a

copy of my reply to Acting Governor Goodland be included, and that the short statement which I am about to make follow the introduction of the letter by my colleague.

The ACTING PRESIDENT pro tempore. Without objection the letter referred to by the Senator from Wisconsin will be printed in the RECORD.

The letter is as follows:

UNITED STATES SENATE,
Washington, D. C., March 22, 1943.

Hon. WALTER S. GOODLAND,
Acting Governor, State of Wisconsin,
Madison, Wis.

DEAR GOVERNOR: Thank you for your letter of March 19 and for your courtesy in sending me a copy of the resolutions adopted by the Midwest Governor's Conference held on March 15, 1943, at Des Moines.

I concur wholeheartedly that agriculture should be recognized as an essential war industry, and I have repeatedly recommended such a recognition.

I likewise agree that farm labor should accordingly be recognized as essential and I concur with the recommendation for some suitable insignia to those who serve on the farm front. I might point out that on January 8, 1943, I urged Secretary Wickard to adopt a special recognition for farms whose production is outstanding.

I also agree that the problem of farm machinery has not been adequately met and I have a voluminous file of correspondence in my office indicating my efforts to secure a more workable policy from the W. P. B. I suggested an inventory of farm equipment and farm equipment needs early last year, and I have consistently fought for the adoption of a program which will meet the actual needs of the respective areas. You may be certain that I will continue this fight.

I recognize the necessity of making available adequate supplies of fertilizer for the 1943 crop season and I likewise recognize the necessity for adequate transportation for seasonal agricultural laborers. You may be certain of my active interest in these matters.

Like yourself, I feel that trained dairy workers in food processing plants are an indispensable part of our dairy industry economy and if our war production is to be effective these trained workers must be given proper consideration in our manpower program.

Like yourself, I believe in a clearer integration of State agencies and organizations with the Federal program, and you can be certain of my active interest in this direction.

It is my purpose to insert your very fine letter and the resolutions of the Des Moines conference in the CONGRESSIONAL RECORD.

Yours for victory,

ALEXANDER WILEY.

Mr. WILEY. Mr. President, I should like to stress one point particularly in this correspondence and that is the need for a greater and more effective integration between the various State agencies and organizations with the Federal program. It is obvious that these State agencies and organizations are not being fully utilized despite the valuable services which they could render.

I should like, also, at this point to urge a clarification of the existing confusion and duplication and competition in connection with the food distribution program. All the elements which go to make up the food distribution program are subject to orders and regulations and control and planning by men entirely outside the scope of the food distribution administration. Obviously, this has resulted in cross-purposes and confusion.

The Director of Economic Stabilization and the Administrator of the Office of Price Administration control prices; the Director of W. P. B. controls materials; the Chairman of the War Manpower Commission and the Director of the National Selective Service Agency control manpower.

All these factors are involved in food distribution, and there is apparently little genuine correlation of these conflicting interests in one coordinated food distribution program under one separate and distinct management. That is a crucial problem and until it is met realistically, our food distribution production problem will not be solved.

RATIONING OF GASOLINE AND FUEL OIL

Mr. LODGE. Mr. President, I have recently been in conference with officials of the Office of Price Administration on matters which are of much interest to everyone coming from the rationed States. I have been advised by Mr. John R. Richards, who is the Director of the Gasoline Rationing Division of the Office of Price Administration, that holders of "A" cards who have been using their automobiles for occupational purposes are now authorized, under a new ruling, to apply to their local ration boards for "B" cards. Inasmuch as a number of my constituents were not aware of this ruling, and believing that might be true of constituents of Senators from others of the eastern States, I make this announcement.

I have also been in conference with Mr. Joel Dean, Director of the Fuel Rationing Division of the Office of Price Administration, and have had an exhaustive conference with him, in order that next year some of the errors which have occurred this year in the administration of oil rationing may be avoided. I submitted a great many suggestions to him, which I had received from citizens of my State, and a number of suggestions of my own, and he has responded to those suggestions by letter. Because the matter is of wide public interest to citizens of the rationed area, I ask unanimous consent that the letter be printed in the RECORD as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OFFICE OF PRICE ADMINISTRATION,
Washington, D. C., March 19, 1943.

The Honorable HENRY CABOT LODGE, JR.,
United States Senate.

MY DEAR SENATOR LODGE: I want to thank you for the many helpful suggestions that you have made in connection with planning of fuel-oil rationing for the heating year 1943–44. I appreciate the time and thought that you have been willing to give to this rationing program and the care with which you have collected and appraised the suggestions of Governor Saltonstall and your constituents. This is an excellent example of the important role that the people's representatives can have in the development and administration of a war emergency program.

Every one of your suggestions is being carefully studied by members of the national office staff. In addition, they are being discussed with each of our several advisory groups. Our Industry Advisory Council, composed of leading members of the petroleum, oil-burning equipment, and insulation industries, has just completed a 2-day meeting. Your suggestions were presented to and discussed by the members of this group. Key members of our field operating staff spent 5 days last week in Washington going over our experience in fuel-oil rationing with a fine-tooth comb and studying the suggestions made by you and by others for streamlining and simplifying the program for next year. Tomorrow an advisory group composed of a few outstanding chairmen of our local boards will come to Washington to confer with us for 2 days on next year's program. In addition, we are planning to have meetings with labor and consumer advisory panels.

By and large the advisory groups that we have met with to date feel that the program has been remarkably successful in view of the magnitude of the supply deficiency, the lateness of the decision to ration and the lack of any previous experience in any place in the world with this kind of rationing problem.

As you know, we formed last year under the chairmanship of Dr. L. D. Bristol a health advisory group composed of 30 of the leading medical and public health authorities and administrators. This group, together with some 60 chief public health advisers of the affected States and cities, were asked whether the fuel oil rationing program had impaired public health during the past winter and whether they had any suggestions for improving the program from the viewpoint of protection of public health. Without a single exception these authorities reported that there was no evidence whatsoever that the health of the people in the fuel oil rationed areas had suffered as a consequence of fuel oil rationing. Furthermore, they specifically denied the occasional rumors of deaths or sickness as a result of the program. Many pointed out that rationing of fuel oil had been a major contribution to the protection of public health since the desperate shortage of fuel oil would have doubtless resulted in much suffering and injury if its distribution had been left to favoritism and chance. The suggestions of these authorities for the improvement of the program from the health viewpoint were few and minor.

This does not mean that improvements cannot be made but it does indicate that the general framework of the plan is sound and that what is most needed are simplifications and revisions rather than complete revamping. Although it is too early to try to indicate specifically the exact nature of the simplification and revision of the program that will result from the excellent suggestions made by you and by other Members of Congress and discussed with these advisory panels, it is clear from the thinking of the groups we have met with so far and from our own planning that the fuel rationing planning for 1943–44 will incorporate many of the suggestions and will in other ways be improved, simplified, and streamlined as a result of our year of operating experience.

A little later when our plans are approaching completion I should like to have an opportunity to discuss this whole problem with you again so that you can see how your suggestions have been concretely helpful to us.

Very truly yours,

JOEL DEAN,
Director, Fuel Rationing Division.

WAR ACTIVITIES OF BOSTON METROPOLITAN CHAPTER, AMERICAN RED CROSS

Mr. TOBEY. Mr. President, among the many agencies and organizations making valuable contributions to the war effort there is none which commands our interest and support to a greater extent

than does the American Red Cross. I take this opportunity to read into the RECORD a recent response to an emergency call made by the Department of Boston, Metropolitan Chapter, American Red Cross. It reads:

In response to a request received from Col. F. J. Shearer, officer in charge, the War Relief Garment Department of the Boston Metropolitan Chapter, American Red Cross, made in their headquarters workrooms, 1,300 bags, 6" x 8", for the Army induction center of Boston. These bags were made in 2½ days.

The original request from the War Department was for 1,000 bags. A great deal of credit goes to these volunteers, who, in response to a telephone call, gladly and quickly came to the Red Cross headquarters to work, many of them putting in a full day, from 9 to 5. This department is under the chairmanship of Miss Helen Cabot.

I wish to say, in closing, that the spirit of the Minute Men of Lexington and Concord is exemplified by these noble, patriotic women of the Boston Metropolitan Chapter of the American Red Cross.

FOOD PRODUCTION—MEMORANDUM BY MINNESOTA DAIRY INDUSTRY COMMITTEE

Mr. SHIPSTEAD. Mr. President, I ask unanimous consent to have printed in the RECORD a memorandum to the Congress of the United States by the Minnesota Dairy Industry Committee.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MINNESOTA DAIRY INDUSTRY COMMITTEE,
St. Paul, Minn., February 12, 1943.

MEMORANDUM TO THE CONGRESS OF THE UNITED STATES BY THE MINNESOTA DAIRY INDUSTRY COMMITTEE

"Food will win the war and write the peace," so declared Secretary of Agriculture Wickard, in urging farmers of the United States to expand agricultural production enormously.

If this statement be true, and we believe that it is, anyone familiar with the recent trend of events must have great concern lest this country fail to achieve its ends. The unpleasant fact is that if food will win the war, we are in great danger of losing that war.

If the war is lost through the lack of that vital necessity which is food, the fault will rest squarely upon the shoulders of Government officials charged with the administration of the food and manpower program.

No Government decree, no Presidential directive, no law passed by Congress can cause grain to grow or cows to give milk. Men must work with their hands to produce and process the food needed by this Nation and our allies. Workers on farms must be paid for their work. The pay must come from the food and fiber they produce. The recent Presidential order to increase by 12 hours per week the pay of employees in war and industrial plants, an order that in many cases will add 30 percent to pay-roll costs, will further drain workers from farms into industry. The recent order of Director Byrnes freezing farm prices at less than the necessary levels means that farmers will have less, rather than more, income from which wages can be paid.

As proof of this assertion, there is need only to point out that the national income in 1942 is estimated at approximately $117,000,000,000. Less than 10 percent of this income accrued to agriculture, despite the fact that farmers represent some 23 percent of the population of this country.

The farm manpower situation has been aggravated rather than improved by recent governmental action. The situation will become even more hopeless if the Government further extends its excursions into the farm manpower field by subsidizing the farm wage through paying the difference between what farm labor demands and farmers can pay. Farm labor must work under the direction of the farm operator, not under codes developed by swivel-chair production strategists at the National Capital. The food-production situation is too serious to trust to the mercies of dreamers. Dreams will not produce food.

Until this Nation departs from the use of money as a medium of exchange, farmers also must have money to meet the demands of farm labor and the demands of the tax gatherer and the sellers of farm supplies. This income must come from the sale of farm products. Farm prices must be adjusted to permit farmers to use money for the things that only money can buy.

There is nourishment neither for the body nor the mind in the orders and counter orders, the directives and misdirectives that flow from Washington in an appalling stream. No decree, although signed by the President of the United States, as Commander in Chief of the Army and Navy, and adorned with the great seal of the Republic, will prepare a seedbed, sow the crop, nor furnish the trained, competent workers needed to do the job. Farmers must be free to produce if this Nation and our allies are to be fed. Farm price ceilings must be fixed in accord with facts rather than the dreams of dreamers or the wishes of wistful politicians.

Subsidies cannot help, they can only complicate and aggravate a situation that is alarming, and from indications of the past few weeks is becoming increasingly acute.

We must look to the Congress to take immediate action in the hope that a balanced production of war needs may be had; arms, ammunition, ships, planes, clothing, and the fundamental human need—food.

D. T. CARLSON,
President.

ST. PATRICK'S DAY ADDRESS BY SENATOR MEAD

[Mr. MEAD asked and obtained leave to have printed in the RECORD an address entitled "The Irish-American in World War No. 2," delivered by him at the St. Patrick's Day dinner of the Ancient Order of Hibernians in Syracuse, N. Y., on March 17, 1943, which appears in the Appendix.]

ADDRESS BY HON. HERBERT HOOVER TO MIDWEST GOVERNORS' CONFERENCE

[Mr. CAPPER asked and obtained leave to have printed in the RECORD the address delivered by Hon. Herbert Hoover to the Midwest Governors' Conference at Des Moines, Iowa, on March 15, 1943, which appears in the Appendix.]

RATIONING OF GASOLINE

[Mr. MALONEY asked and obtained leave to have printed in the RECORD an editorial entitled "Free To Go, but Tied," from the Hartford Courant of March 19, 1943, and an editorial entitled "What 'Pleasure Driving'?" from the Hartford Times of March 19, 1943, which appear in the Appendix.]

THE CITADEL: AMERICAN EPIC—ARTICLE BY HERBERT RAVENAL SASS

[Mr. MAYBANK asked and obtained leave to have printed in the RECORD an article entitled "The Citadel: American Epic," by Herbert Ravenal Sass, published in the Saturday Evening Post for March 20, 1943, which appears in the Appendix.]

DEFERMENT OF FARM WORKERS—EDITORIAL IN SIOUX FALLS (S. DAK.) ARGUS-LEADER

[Mr. GURNEY asked and obtained leave to have printed in the RECORD an editorial entitled "Class Deferment of Labor Inadvisable," published in the Sioux Falls (S. Dak.) Daily Argus-Leader of March 19, 1943, which appears in the Appendix.]

ORGANIZATION AND COLLABORATION OF UNITED NATIONS—NEWSPAPER COMMENT

[Mr. BURTON asked and obtained leave to have printed in the RECORD an article written by Walter Lippmann and published in the Washington Post of March 16, 1943, and with an editorial on the same general subject from the Cleveland News of March 15, 1943, which appear in the Appendix.]

RECOMMENDATIONS OF 89 ECONOMISTS FOR ADEQUATE WAR TAXATION

[Mr. BURTON asked and obtained leave to have printed in the RECORD a document entitled "Recommendations of 89 Economists for Adequate War Taxation," which appears in the Appendix.]

PRODUCTION OF FOOD FOR ARMED FORCES AND ALLIES

[Mr. THOMAS of Idaho asked and obtained leave to have printed in the RECORD a letter from J. A. Stewart, of Blackfoot, Idaho, regarding the production of food for the armed forces and the Allied Nations, which appears in the Appendix.]

ELECTRIC COOPERATIVES — EDITORIAL FROM BURLINGTON (VT.) SUBURBAN LIST

[Mr. AIKEN asked and obtained leave to have printed in the RECORD an editorial entitled "Electric Cooperatives," from the Burlington Suburban List of March 18, 1943, which appears in the Appendix.]

PROPOSED CONSTRUCTION OF PIPE LINE FROM TEXAS TO INDIANA

The ACTING PRESIDENT pro tempore. The Chair lays before the Senate a resolution coming over from a previous day, which will be stated.

The CHIEF CLERK. A resolution (S. Res. 103) to investigate certain matters in connection with the proposed construction of an additional pipe line from Texas to Indiana, submitted by Mr. CLARK of Missouri (and other Senators) on February 15, 1943.

Mr. LA FOLLETTE. Mr. President, in the absence of the Senator from Missouri [Mr. CLARK], I ask that the resolution may go over without prejudice.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

That concludes the routine morning business.

AMENDMENT OF SECTION 722 (D) AND SECTION 780 (B) OF INTERNAL REVENUE CODE

Mr. GEORGE. Mr. President, I ask unanimous consent for the immediate consideration of House Joint Resolution 100, which was favorably reported from the Finance Committee earlier today.

The ACTING PRESIDENT pro tempore. The joint resolution will be stated by title.

The CHIEF CLERK. A joint resolution (H. J. Res. 100) extending the time within which certain acts under the Internal

Revenue Code are required to be performed.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the House joint resolution?

Mr. McNARY. Mr. President, I shall have no objection if the routine morning business has been completed.

The ACTING PRESIDENT pro tempore. The routine morning business has been closed.

Mr. McNARY. I have no objection to the consideration of the joint resolution.

Mr. GEORGE. Mr. President, I shall offer a word of explanation. The joint resolution has the approval of the Treasury Department. Section 1 of the joint resolution extends the time within which, under section 722 (d), a taxpayer may file an application for relief from what he considers to be an excessive or discriminatory excess-profits tax.

The second provision extends for the benefit of the Treasury the provisions of another section of the Internal Revenue Code, section 780 (b), from 3 months to 1 year. That particular extension applies to the time in which the Treasury is authorized and required to issue bonds for the tax credit payable to excess profits taxpayers. The time is so short that the Treasury is not able to comply with the exact terms of the law, and is asking for the passage of the joint resolution in order that it may have 1 year, rather than 3 months, from the date of the enactment of the Revenue Act of 1942 in which to issue the bonds to taxpayers who are entitled to receive post-war bonds representing a portion of their excess-profits taxes paid.

Mr. President, that is all I have to say regarding the matter.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution (H. J. Res. 100) extending the time within which certain acts under the Internal Revenue Code are required to be performed was considered, ordered to a third reading, read the third time, and passed.

CALL OF THE ROLL

Mr. GEORGE. Mr. President, it is my purpose to move that the Senate take up House bill 1780, a bill to increase the debt limit of the United States, and for other purposes. The majority leader has requested, however, that the presence of a quorum be ascertained before motion is made to take up the bill. Therefore, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Butler	Gerry
Austin	Byrd	Gillette
Bailey	Capper	Green
Ball	Caraway	Gurney
Bankhead	Chavez	Hatch
Barkley	Clark, Mo.	Hawkes
Bone	Connally	Hayden
Brewster	Danaher	Hill
Brooks	Downey	Holman
Buck	Ellender	Johnson, Calif.
Burton	Ferguson	Johnson, Colo.
Bushfield	George	Kilgore
La Follette	O'Daniel	Thomas, Utah
Langer	O'Mahoney	Tobey
Lodge	Overton	Truman
Lucas	Pepper	Tunnell
McCarran	Radcliffe	Tydings
McClellan	Reed	Vandenberg
McFarland	Revercomb	Van Nuys
McKellar	Reynolds	Wagner
McNary	Russell	Wallgren
Maloney	Scrugham	Walsh
Maybank	Shipstead	Wherry
Mead	Smith	White
Milliken	Stewart	Wiley
Moore	Taft	Willis
Murray	Thomas, Idaho	Wilson
Nye	Thomas, Okla.	

Mr. HILL. I announce that the Senator from Florida [Mr. ANDREWS] and the Senator from Virginia [Mr GLASS] are absent from the Senate because of illness.

The Senator from Kentucky [Mr. CHANDLER] is out of the city on official business for the Committee on Military Affairs.

The Senators from Mississippi [Mr. BILBO and Mr. EASTLAND], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Idaho [Mr. CLARK] and the Senator from Utah [Mr. MURDOCK] are detained on important public business.

The Senator from Montana [Mr. WHEELER] is necessarily absent.

Mr. McNARY. The Senator from Pennsylvania [Mr. DAVIS] is absent on important public business.

The Senator from New Jersey [Mr. BARBOUR] is necessarily absent.

The Senator from Wyoming [Mr. ROBERTSON] is absent on public business.

The ACTING PRESIDENT pro tempore. Eighty-three Senators having answered to their names, a quorum is present.

INCREASE IN THE PUBLIC DEBT LIMIT—LIMITATION OF SALARIES

Mr. GEORGE. Mr. President, I move that the Senate proceed to the consideration of House bill 1780.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 1780) to increase the debt limit of the United States, and for other purposes, which had been reported from the Committee on Finance with an amendment, on page 3, after line 7, to strike out:

SEC. 4. Effective as of October 2, 1942, section 5 of the act of October 2, 1942, entitled "An act to amend the Emergency Price Control Act of 1942, to aid in preventing inflation, and for other purposes," is amended, by adding subsection (d) to section 5, as follows:

"(d) No action shall be taken under authorization of this act, or otherwise, which will limit the payment of annual salaries to a maximum amount less than the greater of the following:

"(1) The annual rate of salary paid to such employee on December 7, 1941; or

"(2) An amount which after reduction by the Federal income taxes thereon would equal $25,000."

And in lieu thereof to insert:

SEC. 4. (a) Section 4 of the act approved October 2, 1942, entitled "An act to amend the Emergency Price Control Act of 1942, to aid in preventing inflation, and for other purposes" (Public Law 729 of the 77th Cong.), is hereby amended, effective as of October 2, 1942, to read as follows:

"SEC. 4. No action shall be taken under authority of this act with respect to wages or salaries, (1) which is inconsistent with the provisions of the Fair Labor Standards Act of 1938, as amended, or the National Labor Relations Act, or (2) for the purpose of reducing wages or salaries for any particular work below the highest wages or salaries paid therefor between January 1, 1942, and September 15, 1942."

(b) (1) Section 7 of title II, and all other provisions of Executive order No. 9250, "Providing for the stabilization of the national economy" issued October 3, 1942, and all provisions of Regulation No. 4001.9, promulgated by the Economic Stabilization Director on October 27, 1942, which are in conflict with this section are hereby rescinded; and (2) all orders, regulations, and other directives, and all decisions, promulgated or made by virtue of the said Executive order or regulation which are in conflict with this section are hereby rescinded.

So as to make the bill read:

Be it enacted, etc., That this Act may be cited as the Public Debt Act of 1943.

SEC. 2. Section 21 of the Second Liberty Bond Act, as amended, is further amended to read as follows:

"SEC. 21. The face amount of obligations issued under the authority of this act shall not exceed in the aggregate $210,000,000,000 outstanding at any one time."

SEC. 3. Section 22 of the Second Liberty Bond Act, as amended, is further amended by adding at the end thereof the following subsections:

"(h) The Secretary of the Treasury, under such regulations as he may prescribe, may authorize or permit payments in connection with the redemption of savings bonds to be made by incorporated banks and trust companies.

"(i) Any losses resulting from payments made in connection with the redemption of savings bonds shall be replaced out of the fund established by the Government Losses in Shipment Act, as amended, under such regulations as may be prescribed by the Secretary of the Treasury. The Treasurer of the United States, any Federal Reserve bank, or any incorporated bank or trust company authorized or permitted to make payments in connection with the redemption of such bonds, shall be relieved from liability to the United States for such losses, upon a determination by the Secretary of the Treasury that such losses resulted from no fault or negligence on the part of the Treasurer, the Federal Reserve bank, or the incorporated bank or trust company. The Post Office Department or the Postal Service shall be relieved from such liability upon a joint determination by the Postmaster General and the Secretary of the Treasury that such losses resulted from no fault or negligence on the part of the Post Office Department or the Postal Service. The provisions of section 3 of the Government Losses in Shipment Act, as amended, with respect to the finality of decisions by the Secretary of the Treasury shall apply to the determinations made pursuant to this subsection. All recoveries and repayments on account of such losses, as to which replacement shall have been made out of the fund, shall be credited to it and shall be available for the purposes thereof. The Secretary of the Treasury shall include in his annual report to the Congress a statement of all payments made from the fund pursuant to this subsection."

SEC. 4. (a) Section 4 of the act approved October 2, 1942, entitled "An act to amend the Emergency Price Control Act of 1942, to aid in preventing inflation, and for other purposes" (Public Law 729 of the Seventy-seventh Congress), is hereby amended, effective as of October 2, 1942, to read as follows:

"SEC. 4. No action shall be taken under authority of this Act with respect to wages or salaries, (1) which is inconsistent with the provisions of the Fair Labor Standards Act of 1938, as amended, or the National Labor Relations Act, or (2) for the purpose of reduc-

ing wages or salaries for any particular work below the highest wages or salaries paid therefor between January 1, 1942, and September 15, 1942."

(b) (1) Section 7 of title II, and all other provisions of Executive Order No. 9250, "Providing for the stabilization of the national economy" issued October 3, 1942, and all provisions of Regulation No. 4001.9, promulgated by the Economic Stabilization Director on October 27, 1942, which are in conflict with this section are hereby rescinded; and (2) all orders, regulations, and other directives, and all decisions, promulgated or made by virtue of the said Executive order or regulation which are in conflict with this section are hereby rescinded.

Mr. LANGER. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. LANGER. Is the committee amendment the section which refers to the $25,000 salary limitation promulgated by the President?

Mr. GEORGE. Yes.

Mr. LANGER. When the time comes I wish to speak against that amendment.

Mr. GEORGE. Mr. President, it is unnecessary, I think, to call the attention of the Senate to the main feature of the bill, which is to increase the debt limit of the United States. The present debt limit is $125,000,000,000. That is to say, under the terms of the present Debt Limit Act only $125,000,000,000 may be outstanding at any one time. The bill proposes to increase the debt limit to $210,000,000,000, and also to amend section 21 of the Second Liberty Bond Act, as amended, so as to authorize the increase.

There are two other minor provisions in the bill as it comes from the House. They are to be found in subparagraphs (h) and (i) on page 2 of the bill. They are made necessary by virtue of the fact that as the sale of bonds constantly increases, the redemption of bonds may likewise increase. The Treasury desires to have the assistance of chartered banks and trust companies in redeeming the bonds, and desires to compensate the banks and trust companies, which may act as clearing houses for the redemption of bonds.

It will be recalled that the Treasury will find it necessary greatly to increase bond sales early in April. At the present time the $125,000,000,000 debt limit is very nearly reached. That is to say, outstanding bonds absorb the borrowing power with the exception of approximately $6,000,000,000. Early in April it will be necessary for the Treasury to increase the debt by some $14,000,000,000. An increase of $14,000,000,000 would therefore exceed the existing debt limit of $125,000,000,000.

It will also be recalled that in the Budget and in the message of the President it was stated that the national debt would stand at approximately $135,000,000,000 at the end of the current fiscal year, and that it was contemplated that the national debt would stand at approximately $210,000,000,000 by the end of the next fiscal year—that is, by July 1, 1944. Therefore, the bill would authorize an increase in the debt limit from $125,000,000,000 to $210,000,000,000.

The House inserted section 4 in the bill, and by unanimous action of the Senate Finance Committee section 4 was stricken and a substituted section 4 was adopted. I should say that on the motion to report the bill to the Senate the action was not unanimous on reporting the new section 4. The distinguished junior Senator from Pennsylvania [Mr. GUFFEY] registered his vote against it, on the ground, as he explained, that the matter embraced in section 4 should not be contained in the bill.

Mr. President, I take it that the only controversial feature in the bill is section 4. The Senate committee substitute for the so-called Disney amendment contained in the original section 4 of the bill begins at line 21 on page 3 and continues to the end of the bill. As the Finance Committee interpreted the Disney amendment, it was thought that that amendment, dealing only with salaries and not with wages, would limit the power of the President to place limitations upon any increases in salaries after December 7, 1941, until the salary reached approximately $25,000 after taxes, or until the salary reached the level of approximately $67,200. Under our present revenue laws an earned income of $67,200 will result, after the payment of Federal taxes, in a balance to the taxpayer of approximately $25,000.

So interpreting the so-called Disney amendment, offered in the other House by the distinguished Representative from Oklahoma, the Senate Finance Committee was of the opinion that no limitation or prohibition should be placed upon the power of the President and the Stabilization Administrator to limit increases in salaries above the base fixed in the Stabilization Act.

The Senate Finance Committee was also of the opinion that December 7, 1941, having in fact no actual or legal relation to the act to amend the Emergency Price Control Act of 1942, to aid in preventing inflation, and for other purposes, the base wage or salary level, below which there should be no reduction, should be related to the period fixed in the act itself. So section 4 of the act as amended by the Finance Committee is as follows:

No action shall be taken under authority of this act with respect to wages or salaries, (1) which is inconsistent with the provisions of the Fair Labor Standards Act of 1938, as amended, or the National Labor Relations Act, or (2) for the purpose of reducing wages or salaries for any particular work below the highest wages or salaries paid therefor between January 1, 1942, and September 15, 1942.

That is the language in the act to which I have referred as the Stabilization Act.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. VANDENBERG. I invite the Senator's attention to what is obviously a typographical error in line 7, section 4, page 4, which might well be corrected before we forget it. Instead of the words "reducing wages or salaries," the language in the print is "reducting wages or salaries." I suggest that the Senator ask for a correction of the typographical error.

Mr. GEORGE. I was reading from the committee report on the bill, which is correct. I ask unanimous consent that on page 4, in line 7, of the printed bill, "reducting" be changed to "reducing."

The ACTING PRESIDENT pro tempore. Without objection, the correction will be made.

Mr. GEORGE. Mr. President, section 4 is the exact language found in the act approved October 2, 1942, namely, the Emergency Price Control Act of 1942. The Senate Finance Committee merely stopped at that point and eliminated the proviso in the law as it was passed last year. That provision reads as follows:

Provided, That the President may, without regard to the limitation contained in clause (2), adjust wages or salaries to the extent that he finds necessary in any case to correct gross inequities, and also aid in the effective prosecution of the wa .

I believe I may say, Mr. President, that it was the judgment of the majority of the Finance Committee—and I certainly have no hesitancy in saying that it is my best opinion—that this provision did not authorize, and cannot be fairly construed to authorize the wholesale or general reduction of salaries or wages below the level which wages or salaries reached during the period fixed in the act, to wit, between January 1, 1942, and September 15, 1942. That, Mr. President, is itself a definite limitation upon the power of the Administrator to affect wages or salaries. However, the proviso did authorize some action by the Administrator within the limitation itself, which the act had already prescribed, to wit—

for the purpose of reducing wages or salaries for any particular work below the highest wages or salaries paid therefor between January 1, 1942, and September 15, 1942.

That itself, as I have said, is a definite limitation upon the power of the Administrator. But if I may use somewhat involved language, the proviso is an authorization for affirmative action within the limits of that limitation. It was the judgment of your committee, and, as I have already said, it seems to be undoubtedly sound, that no authority generally to reduce all salaries was contemplated or given by the act. That interpretation harmonizes with statements made on the floor of the Senate by the distinguished former Senator from Michigan, Mr. Brown, in charge of the emergency price-control bill of 1942, when he assured the Senate that it was not intended by the bill to authorize a general reduction of salaries, and in fact that no provision of the bill did so.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. BARKLEY. Inasmuch as the Senator may not have read the debate recently, I think his attention should be called to the response of the then Senator from Michigan, Mr. Brown, who was in charge of the bill, to a question propounded by his colleague the senior Senator from Michigan [Mr. VANDENBERG] as to whether the bill, or any part of it, authorized a general decrease in all incomes. Mr. Brown stated that in his judgment it did not authorize a decrease in all incomes. It seems that an effort

has been made to draw a distinction between incomes and salaries which are specifically mentioned in the law. It is my recollection that in reply to the question former Senator Brown confined his denial to the authority of the bill to authorize the President to reduce all incomes, but not necessarily salaries. I do not wish to get into a controversial interpretation on that point.

Mr. GEORGE. I thank the Senator for calling it to my attention; but, with all due respect, the bill then before the Senate did not deal with incomes at all except income arising from wages and salaries. Therefore, when the question was propounded to the distinguished former Senator from Michigan he could have referred only to incomes derived from wages and salaries. It was his view, it would seem, that the authority to reduce salaries and wages was confined, in any event, to specific instances on narrow classes. The distinguished Member in charge of the bill on the floor of the House of Representatives committed himself precisely as I have just stated.

Mr. President, since the bill dealt only with salaries and wages, it would have been a perfectly idle question to ask whether or not the bill authorized a reduction in all incomes. That was not the subject matter of the price-control bill. That bill gave to the Administrator the authority to fix ceilings on wages and salaries, and on farm products under certain conditions. That was the sole purpose of the legislation.

When one reads section 4, which is the existing law, or so much of it as the Senate Finance Committee recommends the reenactment of, it seems perfectly clear. It is as follows:

> No action shall be taken under authority of this act with respect to wages or salaries, (1) which is inconsistent with the provisions of the Fair Labor Standards Act of 1938, as amended, or the National Labor Relations Act, or (2) for the purpose of reducing wages or salaries for any particular work below the highest wages or salaries paid therefor between January 1, 1942, and September 15, 1942.

The act contemplated the fixing of salaries for particular work, and, correctly read, it meant only one thing, namely, that the rate of wages or the rate of salary could not be reduced below the level reached by the wage or salary during the period from January 1, 1942, to September 15, 1942. Therefore the Finance Committee was of the opinion that no general authority to reduce all salaries above a certain level had been intended by the act or was, in fact, granted by the act.

I say that, Mr. President, by way of explaining the reason why the Senate Finance Committee recommended the elimination of the proviso which I have already read.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. TYDINGS. Will the Senator inform me what would be the effect in the following instance: Suppose the president of a concern died last month and suppose the vice president became the president; under the committee amendment would the vice president be entitled to receive the same salary the deceased president had received, assuming that it was above the limitation fixed in the bill?

Mr. GEORGE. Mr. President, that is a matter which the committee thought was beyond its jurisdiction. The committee was very well satisfied with the rules and regulations which had been adopted by the Treasury Department and by the Commissioner of Internal Revenue. The committee did not, in the first instance, when this bill was originally introduced, suggest any change in section 4 of the Price Stabilization Act; but the House, having rewritten section 4 providing that no salary should be reduced below the level of the salary as of December 7, 1941, and also providing that no limitation should be placed upon any increase of any salary until it reached approximately $67,200, the Senate committee rewrote the provision which the House itself had rewritten and had included in the bill.

Mr. President, I do not think that a lengthy argument upon this matter is called for. The other provisions in section 4 following the one referred to are simply intended to make it entirely clear that no action taken by the Executive in a specified Executive order or taken by the Economic Stabilization Director in a numbered regulation would be continued, thereby resulting in some confusion.

The whole question is covered in section 4 of the bill, which is made effective as of the date of the passage of the Wage Stabilization Act, that is October 2, 1942, and reads as follows:

> No action shall be taken under the authority of this act with respect to the wages or salaries—

Reading the second part only which is in controversy—

> or (2) for the purpose of reducing wages or salaries for any particular work below the highest wages or salaries paid therefor between January 1, 1942, and September 15, 1942.

Mr. VANDENBERG. Mr. President, will the Senator yield?

The ACTING PRESIDENT pro tempore. Does the Senator from Georgia yield to the Senator from Michigan?

Mr. GEORGE. I am pleased to yield to the Senator from Michigan.

Mr. VANDENBERG. I should like to ask the Senator from Georgia if this would be a fair statement of the situation which results from the Senate committee amendment: In cleaning up the illegal action taken under the Executive order, is it not a fact that the Disney amendment, as adopted by the House, left certain discriminations in favor of salaries as against wages, and that the amended bill, as now presented by the Senate Finance Committee, removes all discriminations, and all chance of a charge of any discrimination as between the treatment of wages and salaries, and puts both of them on the same level under the original terms of the Price Control Act?

Mr. GEORGE. The Senator is entirely correct. Both wages and salaries under this bill as amended by the Senate Finance Committee can be stopped at the level reached by the wage or salary during the period specified in the original act, but no reduction of either wage or salary is to be made which will have the effect of pulling down the wage or salary below the level of the wage or salary during the period specified in the Price Control Act.

Your committee, therefore, thought and felt, Mr. President, that, since both wages and salaries were placed upon precisely the same basis, and since it had not been the intention at least of the Congress, and as we think had not been the legitimate act of the Congress, to authorize any general reduction of wages or salaries below those levels, we recommend the passage of this bill.

Mr. DANAHER and Mr. BONE addressed the Chair.

The ACTING PRESIDENT pro tempore. Does the Senator from Georgia yield, and, if so, to whom?

Mr. GEORGE. I yield first to the Senator from Connecticut.

Mr. DANAHER. In view of the fact that when the original regulation was issued on October 27, 1942, it contained a provision to the effect that any determination of the Board should not be subject to review by the Tax Court or by any court in any civil proceedings, I feel certain that the Senator from Georgia shares the common feeling of dismay which pervaded the minds of many of us upon discerning that provision. In the light of the discussion of the subject now appearing in the Senate Finance Committee report, would not the Senator from Georgia feel that properly the entire report might be printed in the RECORD as a part of his remarks or, at least, to follow his discussion of the bill?

Mr. GEORGE. I shall be very glad to ask that so much of the report as relates to section 4 down to the end of the report be printed in the RECORD as a part of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The portion of the report (No. 123) referred to is as follows:

> Section 4 of the bill which was referred to the committee also contained a provision which would have the effect of prohibiting any action under the Stabilization Act of October 2, 1942, or otherwise limiting the payment of annual salaries to a maximum amount less than the greater of the following:
>
> "(1) The annual rate of salary paid to such employee on December 7, 1941; or
>
> "(2) An amount which after reduction by the Federal income taxes thereon would equalize $25,000."
>
> In lieu of this provision, the purpose of which is explained at some length in House Report No. 181 at pages 4 to 7, inclusive, the committee recommends amending section 4 of the Stabilization Act of October 2, 1942, so as to repeal the provision which served as the basis for the action taken by the President and the Economic Stabilization Director in reducing salaries to approximately $25,000 net after payment of taxes.
>
> The amendment recommended by the committee also provides for rescinding all provisions of Executive Order No. 9250 issued by the President on October 3, 1942, Regulation No. 4001.9 issued by the Economic Stabilization Director on October 27, 1942, and all orders, regulations, and other directives, and all decisions, promulgated or made by virtue

of such Executive order or regulation, which are in conflict with section 4 of the Stabilization Act of October 2, 1942, as amended. The committee amendment also provides that it shall be effective as of October 2, 1942.

The committee amendment would have the effect of terminating, as of October 2, 1942, the authority which the Congress granted to the President by the following language of section 4 of the Stabilization Act of October 2, 1942:

"*Provided*, That the President may, without regard to the limitation contained in clause (2), adjust wages or salaries to the extent that he finds necessary in any case to correct gross inequities and also aid in the effective prosecution of the war."

The power of the President to reduce wages or salaries by Executive action "to the extent that he finds necessary to correct gross inequities and also aid in the effective prosecution of the war" would thus be terminated.

The balance of the language of such section 4 would remain unchanged under the committee amendment, and the section would read as follows:

"SEC. 4. No action shall be taken under authority of this act with respect to wages or salaries (1) which is inconsistent with the provisions of the Fair Labor Standards Act of 1938, as amended, or the National Labor Relations Act, or (2) for the purpose of reducing the wages or salaries for any particular work below the highest wages or salaries paid therefor between January 1, 1942, and September 15, 1942."

As a result of the retention of this language, the powers granted to the President by the Congress with respect to limitations upon salary and wage increases for the purposes of the stabilization program would remain as they have been since October 2, 1942.

With regard to the effect of the amendment made by the bill to section 4 of the Stabilization Act of October 2, 1942, your committee wishes to point out that in that section, as so amended, the words "any particular work" contained in clause (2) refer to the particular work of a particular employee and not merely to a particular type of work. For example, this section, as amended, is not intended to invalidate or prohibit a wage-stabilization order establishing a maximum wage for any particular type of work, so long as exception is made allowing the payment of wages higher than such maximum wage to any particular employee for that particular type of work where such higher wages were being paid to such employee for such work at the time the order was issued.

In connection with the Executive action taken for the purposes of the stabilization program, it was brought to the attention of the committee by Senator Danaher that Regulation No. 4001.2 of the Economic Stabilization Director, issued October 27, 1942, provided that determinations of the National War Labor Board with respect to certain wage and salary payments were to be final and not subject to review. The language referred to is as follows:

"Any determination of the Board made pursuant to the authority conferred on it shall be final and shall not be subject to review by the Tax Court of the United States or by any court in any civil proceedings."

An amendment was suggested to the effect that nothing contained in the Stabilization Act of October 2, 1942, should be construed to authorize the issuance of any regulation or order denying the right of appeal to or review by any court concerning any determination, ruling, or decision where the right to such appeal or review would otherwise exist.

By Regulation No. 4001.4, issued by the Economic Stabilization Director on October 27, 1942, the Commissioner of Internal Revenue was granted authority to determine the validity of certain wage and salary payments for the purposes of the stabilization program, and the following provision is found in such regulation with respect to the determinations made by the Commissioner:

"Any determination of the Commissioner made pursuant to the authority conferred on him shall be final and shall not be subject to review by the Tax Court of the United States or by any court in any civil proceedings."

On behalf of the Treasury Department it was stated that the existing regulations promulgated by the Commissioner of Internal Revenue and the Secretary of the Treasury, and having the approval of the Economic Stabilization Director, expressly state that the provision therein contained relating to the conclusiveness of determination is not intended to deny to any employer or employee the right to contest, in the Tax Court of the United States or in any court of competent jurisdiction, any provision of the regulations, on the ground that such provision is not authorized by law, or otherwise to contest any action taken or determination made under such regulations, on the ground that such action or determination is not authorized, or has not been taken or made in the manner required, by law.

In view of this statement, which clarifies the intent of the provisions in the regulations issued by the Economic Stabilization Director on October 27, 1942, the proposal relating to the right of appeal and review was not included in the amendment recommended by the committee.

The committee believes that no construction should be placed upon such regulations, or upon any other regulations issued in connection with the stabilization program, that would preclude any individual from exercising any rights or remedies that he might otherwise have under the law by way of protection against arbitrary administrative action.

The committee urges the speedy enactment of the bill as reported.

Mr. DANAHER. Mr. President, will the Senator yield further?

Mr. GEORGE. I yield.

Mr. DANAHER. When the matter was discussed it was brought out that when the Treasury itself realized the full import of the original regulation it had sought to apply certain correctives, and we in the committee were satisfied that there was no longer to be apprehended under the regulation a denial of a test of the legality of the regulation or of any case arising thereunder. Is not that so?

Mr. GEORGE. That is correct, and it is so stated in the report.

Under the regulations of the Treasury, which have the approval of the Stabilization Director, any person aggrieved may, in any court of competent jurisdiction, question the legality of any action taken; that is to say, it is open to him to assert that the action taken is not authorized by law, or that it was taken in a manner not provided by law, or, stating it in the negative, that it was not taken or made in the manner required by law.

Mr. BONE. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. BONE. I have heard so much discussion about the figure $67,200 that I should like to inquire how that figure is achieved. Is it the average figure of the income of a married man with one or two children, or how is it arrived at? It has been used so freely as a basis of comparison that I should like to know.

Mr. GEORGE. I will make this statement generally. I do not know to what particular class of taxpayers it was applied, whether to a single person or to a person with wife or children, but in the stabilization order issued by the Stabilization Director the figure $67,200 came into the picture. Earned net income of $67,200 will yield approximately $25,000 a year to the person earning it, after he has paid his Federal income tax only. That is not exactly accurate, because, as the Senator points out, the taxpayer may be an unmarried person, or he may be married with wife and no children, or he may have children. The net result would vary somewhat, but, broadly speaking, earned income of $67,200 will yield, after paying Federal income taxes only, a net of approximately $25,000.

Mr. BONE. Unless there has been a drastic change in our income-tax statutes, which I have not noted, the credits and allowances to the taxpayer would include the payment of State taxes of all kinds, so that he would not be compelled, out of his remaining $25,000, to pay State taxes.

Mr. GEORGE. The Senator is wrong. Under the order issued by the President the earned income, the income from salary, can be affected only by the Federal income tax, not by any other kind of tax.

Mr. BONE. If a man pays taxes on his home in a State, for instance, he is allowed that as a deduction.

Mr. GEORGE. He is allowed that as a general tax deduction, but not under this order.

Mr. BONE. I appreciate that; but, as I understand and as I recall the order, it did not affect adversely, or attempt to change, the provision allowing a deduction or a credit for the payment of State taxes. I do not so recall. I may be in error.

Mr. GEORGE. It fixed a flat limitation of $25,000 net, approximately $25,000, after the payment of Federal income taxes only, and that might, of course, be reduced, and would be reduced, by the payment of State income taxes, if any, or taxes upon property which the taxpayer might own.

Mr. BONE. Taxes on property, for instance, payable to a State, have always been allowed as a deduction, precisely as the operating overhead of a business has been allowed, or wages and salaries paid by a corporation are allowed.

Mr. GEORGE. That is true; they are allowed in computing the net taxable income, but not under the salary limitation order. Without any regard to what else the taxpayer might be entitled to set up by way of deduction, the order merely cuts off the salary at $25,000 net, after the payment of Federal income taxes only, and it takes an income of $67,200 to result in a $25,000 net.

Mr. BONE. I am not sure that I made my position clear. It cuts the salary off after the payment of the Federal income tax. Enshrined in the Federal income-tax statement is the allowance for State taxes. All of us are allowed to claim

credit for the payment of taxes on our homes.

Mr. GEORGE. In the case of a salary of $100,000, it is simply cut back to $25,000 under the Executive order. A person can have no consideration whatever for any tax he may pay to any State or city.

It might be of interest to the Senator if I called his attention to a few cases, figures as to which I myself secured. These are actual cases, though I do not wish to call the names.

In the first case, the salary of the individual is $150,000. His net income from stocks, bonds, rents, and other investments is $57,800, making a total of $207,800, before the application of the salary limitation order.

Under the order the salary is reduced to $67,200, and the individual has the same $57,800, or a total income of $125,000.

His Federal tax on 1942 taxable income amounted to approximately $142,000. His State tax on his 1942 income amounted to $11,000. His victory tax amounts to $3,300. He paid premiums on insurance and old-age retirement amounting to $8,000. He paid taxes on tangible personal property of $13,000. He paid interest and amortization on mortgages in the amount of $6,000. He paid charitable subscriptions which he had made amounting to $5,000. His expense for needy relatives, to which he was committed, was $1,700.

This individual has a net deficit of $65,000, whereas, if he had been permitted to retain his salary of $150,000, he would have a net balance of $13,600.

No expenditures for living, for food, for clothing, for medical expenses, or for anything else, enter into the computation.

Mr. President, I do not care to discuss the matter at length, certainly not at this time. I wish merely to say that, under a fair interpretation of the emergency Price Control Act, it was not intended by the Congress, at least it was not intended by those in charge of the bill on the floor of the Senate, to authorize a general reduction in salary, but only reduction in specific cases, or in specific classifications. That is the view we have taken of the matter.

Mr. President, I do not need to call attention to the fact that the salary limitation does not fight against inflation, it does not touch the question of inflation. It is not a revenue-producing matter. It actually results in the loss of revenue. It was estimated by Mr. Colin F. Stam, I believe, before the House committee, that this order would result in an annual loss in revenue of approximately $100,000,000.

Moreover, the Bureau of Internal Revenue must draw cut its best equipped men and send them over the country to administer the Executive order. The order accomplishes no purpose save the fanciful purpose of producing a state of equality.

Mr. President, equality in earnings has its place in no economy save the communistic state. Equality in opportunity is written into the economy of every forward-looking and progressive free enterprise system on the face of the earth.

On the face of it the Executive order is grossly inequitable, because it applies only to earned income; it reduces only what a man earns as his salary or his wage, and does, not, because it cannot, affect those incomes which result from investment. I would not support the order if it did affect all incomes, but since it does not and cannot affect all incomes, it is grossly inequitable to apply a limitation upon what a man may earn as a result of his labor, his ability, his initiative, his energy, his capacity to manage human enterprise.

I undertake to say that if in the beginning of this Government our fathers had been unwise enough to have limited the income which any citizen could make, instead of labor now receiving, in some cases, more than $10 a day, it would be receiving less than $1 a day. That is the history of the free enterprise system.

The Executive order applies to only a relatively few persons. What has that to do with it? It is undoubtedly the chief function of the Government, speaking through its judicial branch, to preserve the rights of the one man as against the 90 and 9, and when Government ceases to function in that way it degenerates into a mob.

Mr. President, without further discussion of this matter, except to revert to the fact that the order applies to only relatively very few people in the United States, variously stated to number from 1,580 to about 3,000—and again to repeat that that has nothing whatever to do with the merits of this proposal—I should like to add that, while there may be only a few hundred or a few thousand men in the country whose earnings have exceeded $25,000 a year after payment of Federal income taxes alone, without any regard to other taxes, there are several million young Americans who would like to know and like to feel that it is within their power, if they have the intelligence, and the industry, and the ambition, to earn more than $25,000 a year after the payment of Federal income taxes.

The Finance Committee was of the opinion, and of the settled opinion, that the Executive order is unwise, that it goes beyond the intent and purpose of the Congress, that it accomplishes no desirable purpose, that it results in the loss of Federal revenue and increased cost to the Government to administer it. The committee was of the opinion that if taxes are not sufficiently high they can be raised again, and that the whole question is properly dealt with under the tax act.

I may say, Mr. President, that not only under the tax act but under the renegotiation of contracts law passed by the Congress no unreasonable salary on Government contracts may be earned. The taxes themselves in the higher brackets go beyond 90 percent of the total income of the taxpayer.

We were compelled to put a ceiling on rates, and to provide that in the case of individual income taxpayers no income should be taxed at a rate in excess of 90 percent. Actually the applicable rates would very nearly run the tax up to 100 percent in the very highest brackets. Even a $200,000 income, Mr. President, under our tax law, is today taxed 88 percent income tax, plus 5 percent Victory tax, plus the State income tax, plus the property tax, plus every other tax that applies to it. So it was the opinion of the committee that the tax act dealt adequately with this matter. It was the opinion of the committee that under the renegotiation of contracts act no person dealing with the Government—and the Government is a large customer now—could make an exorbitant salary. An exorbitant salary would be disallowed, and such salaries are disallowed by those who administer that act.

Recalling these facts, Mr. President, we thought it was entirely useless to continue this provision in the act upon which the Executive order numbered in the bill and the administrative regulation identified in the bill had been issued.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. GEORGE. I am pleased to yield to the Senator from Michigan.

Mr. VANDENBERG. The Senator referred to two existing checks upon excessive salary, namely, the renegotiation act and the higher brackets of the income tax. In order to complete the record, I suggest that the Senator might add that there is a third check against exorbitant salaries in the continuous power of the Treasury Department to disallow excessive salaries as corporation charges.

Mr. GEORGE. That is true, and that has been a part of the law since the beginning of our income tax laws. It is now a continuing part of the law, and of course the Commissioner of Internal Revenue has that power, and unquestionably exercises it.

Mr. President, the very greatest difficulty we have is in finding administrative officers who will content themselves with the carrying out of the plain, the manifest, and the undoubted intent and purpose of the Congress. I am not criticizing any particular administrator, but whenever those who administer the law share no public responsibility for its enactment, such a result may be expected.

We intended to do a few obvious things in the Price Control Act. We intended to give authority under certain conditions to place a ceiling on the prices of farm products. We intended to authorize the placing of a ceiling on wages and salaries. The clear purpose of Congress cannot be mistaken; the clear intent of Congress cannot be doubted by anyone. If those charged with the administration of the act would content themselves with carrying out the unquestioned intent of Congress there would be far greater happiness in the United States than there is at this hour.

The present Administrator of the Office of Price Administration is earnestly striving to do and is doing a very good job. He will do a better job if he will reject once and for all the theory of Dr. Galbraith that price ceilings must be imposed to prevent people from making what he considers exorbitant profits. If he adheres to that theory and applies it, the act will be further amended on this

floor. The O. P. A. is charged with stopping as far as possible the increase in the cost of commodities, including farm products, under the conditions named in the law, and checking the rapid rise of wages and salaries. Why cannot the administrators content themselves with the discharge of their plain duty under the law? Is not that just about as big a job as anyone is capable of performing?

The difficulty here arises because under some possible interpretation of the law price ceilings may be adjusted, lowered to prevent profits believed by the agent to be unreasonable. We would meet the inflation problem, Mr. President, if we did not attempt to remake American economy and to right all of the fancied inequities in our price system according to the judgment of administrators who have no responsibility for the enactment of the law. They have no responsibility, in the last analysis, to the American people. We alone have that responsibility. I deplore the attempt to read interpretations into a simple program of this kind, which was intended to stop the rapid rising of prices which would result in the destruction of the workers and of the people in the middle brackets, at least, and the destruction of our whole economy, if we may say so, instead of doing the simple things which Congress intended should be done—simple in the sense that they could be readily understood, and not misinterpreted, in any quarter.

So, Mr. President, the House of Representatives having nullified the orders made and actions taken under this particular section of the Emergency Price Control Act, and the Senate desiring to correct it, as we think, in the manner which I have imperfectly pointed out, the committee voted to accept the action of the House in principle, and specifically the substance of an amendment which was offered on the floor of the House, and which was rejected by a narrow vote, as being preferable to the so-called Disney amendment.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. McNARY. I have greatly enjoyed the clarifying statement of the able Senator in charge of the bill with respect to salary limitations; but as my eyes glance over section 21, which is with regard to the obligations which may be issued, I see that they shall not exceed $210,000,000,000. While that is House language, unquestionably the Senate committee considered that as thoroughly as though it were their own incorporation. I should like to have an explanation from the Senator as to why that sum was settled upon as the amount which governmental obligations should not exceed. What elements did the committee take into consideration in connection with that matter?

Mr. GEORGE. They will be found set forth on page 2 of the report. If I may briefly read it, I think the Senator will understand the essential facts which we had in mind:

> The 1944 Budget submitted to Congress in January indicates that the deficit for the current fiscal year will amount to $57,000,000,000 and, in addition, that the Treasury will be required to advance to governmental corporations approximately $5,000,000,000 to finance their activities.
>
> The reference is to such agencies as the Reconstruction Finance Corporation and other agencies which at this time are financed in part, and in many instances in whole, by the Treasury.
>
> The report continues:
>
> On the basis of these estimates the public debt on June 30, 1943, will amount to $134,800,000,000. The estimated deficit in the fiscal year beginning July 1, 1943, without taking into consideration any additional budgetary revenues from new taxation, will amount to $71,000,000,000. The Treasury will also be required to raise $4,700,000,000 for the governmental corporations. The estimated increase in the public debt for the fiscal year beginning July 1, 1943, based on these estimates, will thus be $75,700,000,000 and leave a public debt on June 30, 1944, of $210,500,000,000.
>
> Therefore, the limit of $210,000,000,000 was thought to be adequate to enable the Government to carry on its fiscal program until the end of the next fiscal year.

Mr. McNARY. Then it would apply only for the fiscal year 1944?

Mr. GEORGE. For the remainder of the current fiscal year, and for the next fiscal year.

Mr. McNARY. Until June 30 of next year, at which time it is thought by the able Senator in charge of the bill that it will be necessary to pass another bill extending the limit for the issuance of obligations. Is that correct?

Mr. GEORGE. Undoubtedly, if our expenditures continue at the current or present rate, it will be necessary further to raise the debt limit.

Mr. McNARY. Did the committee consider the estimate that we might have to face next year at this time?

Mr. GEORGE. No; the committee did not go into that matter. Probably it proceeded on the theory that we should cross bridges as we come to them, that we could not forecast what the expenditures would be, but that unquestionably they would be high, even if the war should come to an abrupt end at any time within the current calendar year.

Mr. McNARY. The Senator gives a great deal of attention to matters of this kind, and is skilled beyond most Members of the Senate in fiscal matters.

From time to time we read that an estimate of $300,000,000,000 has been placed on the debt of the country in 1945, at the beginning of the fiscal year, which would be July 1 of next year. I assume that the Senator has speculated, or prophesied, or given consideration to certain figures, which I thought would be very interesting to have in the RECORD. That is the reason I am asking for the best judgment of the able Senator from Georgia.

Mr. GEORGE. I have not undertaken to do so, Mr. President, and I would not be competent to do it. However, at the present rate of expenditure and the present rate of tax revenues, or income, the deficit for the fiscal year beginning July 1, 1944, will approximate, at least, the deficit for the next fiscal year. That alone would amount to more than $75,000,000,000, which, added to the $210,000,000,000, would make the amount at the end of the fiscal year 1944 approximately $285,000,000,000, assuming that no additional expenditures are made.

Mr. McNARY. I think that is a very safe prophecy and I appreciate having it for the RECORD.

Mr. BARKLEY. Mr. President, will the Senator yield to me for a question?

Mr. GEORGE. Certainly.

Mr. BARKLEY. I was not present in the city last week when the committee took action on the bill. I note that in the Senate amendment on page 4, reenacting section 4, clause (2) at the end of that section, as written into the act of October 2, is omitted. This language is omitted:

> *Provided*, That the President may, without regard to the limitation contained in clause (2), adjust wages or salaries to the extent that he finds necessary in any case to correct gross inequities and also aid in the effective prosecution of the war.

The Committee on Banking and Currency, of which I also happen to be a member, in writing that language into the price-control measure, felt that there might be individual cases of gross inequity with respect to salaries or wages, and the President was given authority to correct such gross inequities in such cases as we might all admit he might have done so in contemplation of this provision, without regard to any reduction covering large classes of persons whose pay might be regarded as constituting a gross inequity. Why did the committee, in the proposed reenactment of section 4, eliminate clause (2)?

Mr. GEORGE. The committee eliminated it for this reason: If the Senator will look at section 4, clause (2) of section 4 to which he refers, as it now stands in the existing law, reads:

> No action shall be taken under authority of this act with respect to wages or salaries * * * (2) for the purpose of reducing the wages or salaries for any particular work below the highest wages or salaries paid therefor betwen January 1, 1942, and September 15, 1942.

In the opinion of the committee that is itself a limitation upon the power of the Administrator.

Mr. BARKLEY. Yes.

Mr. GEORGE. The further power, which is given in the proviso to which the Senator refers, having been used as the basis of a general order limiting or reducing all salaries to a certain level, the committee was of the opinion that the power should not be longer continued. There was no practical purpose to be served by it, for the reasons which I have tried briefly to discuss.

The Senator will see that there is no limitation on the power of the President or the Administrator to prevent further increases in salaries or wages beyond the level reached by wages or salaries within the dates specified.

Mr. BARKLEY. As I interpret the elimination, clause (2) at the bottom modifies clause (2) in the middle of that section, so that while it is provided that no action shall be taken for the purpose of reducing wages or salaries for any particular work between those dates, clause (2) at the bottom was a modification of that, to the extent that where there was

an individual gross inequity the President might, without regard to the limitation in the earlier clause (2), make adjustments under the later clause (2).

Mr. GEORGE. Personally I think that the Administrator would have technical authority to do precisely that; but I do not think there was any authority for a general or wholesale reduction.

Mr. BARKLEY. I understand the Senator's position in that respect, and I am not entering into that controversy; but with this language stricken out, the Administrator would have no authority even to adjust an individual outstanding inequality. Is that the Senator's interpretation?

Mr. GEORGE. That is true, because we did not think that the congressional intent was to confer such authority. What the Congress contemplated was a clear purpose to prevent further increases in wages, salaries, and prices.

Mr. BARKLEY. There is no doubt that under the language of the law the Administrator has authority to prevent any increases in wages or salaries.

Mr. GEORGE. Yes; and we have left it that way. The House bill did not do so.

Mr. BARKLEY. There has been doubt in the minds of perfectly honest persons as to whether reductions should be made, whether they be of salaries or wages. No effort has been made to reduce wages. An effort has been made to stabilize wages by putting a ceiling upon them. The only case in which the law has been administered in such a way as to attempt to reduce wages generally has been in Executive Order No. 9250, I believe, which affected salaries above $25,000, or up to $67,200. If I am mistaken, the Senator will correct me; but I do not think there has been any effort to reduce salaries or wages except in that order. Is that true?

Mr. GEORGE. I know of none, except perhaps that the Labor Board has fixed wages within one or two narrow areas, and provided that the wages should not exceed a certain level. However, in such cases the Board was at pains to take care of any individual wage which had already exceeded the ceiling.

Mr. BARKLEY. I think the situation referred to by the Senator applied to cases in which there had already been more than a 15-percent increase, based upon the so-called Little Steel formula, and that in the adjustment within that 15-percent formula, here and there some reductions were probably necessary.

Mr. GEORGE. That is true; but the reduction was not made with respect to a wage which had actually been established.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. GEORGE. I am glad to yield.

Mr. LANGER. Are we now considering section 4, or the entire bill?

Mr. GEORGE. The entire bill.

Mr. President, I ask unanimous consent to have printed in the RECORD following my remarks a definition of salary and wages, found in the report on the bill by the House Committee on Ways and Means.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

DEFINITION OF SALARY AND WAGES

For the purposes of this section:

The amendment made by section 4 of the bill applies only to salaries. All forms of direct or indirect compensation for personal services of an employee which is computed on a weekly, monthly, annual, or other comparable basis, except a wage basis, constitutes a salary. Thus bonuses, additional compensation, profit-sharing payments (except that for the purposes of this section compensation calculated by a percentage of corporate earnings before taxes shall not be considered a profit-sharing payment and will not be considered as a "rate of salary") and other similar forms of remuneration to a salaried employee are included as part of his salary. Insurance and pension benefits to the extent that they are reasonable in amount are, however, not included. Wages are to be distinguished from salaries in that wages are compensation for personal services computed on an hourly, daily, piece work, or other comparable basis.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the committee amendment on page 3, after line 7.

Mr. LANGER. Is that section 4?

Mr. GEORGE. It begins with section 4.

Mr. McNARY. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hatch	Radcliffe
Austin	Hawkes	Reed
Bailey	Hayden	Revercomb
Ball	Hill	Reynolds
Bankhead	Holman	Russell
Barkley	Johnson, Calif.	Scrugham
Bone	Johnson, Colo.	Shipstead
Brewster	Kilgore	Smith
Brooks	La Follette	Stewart
Buck	Langer	Taft
Burton	Lodge	Thomas, Idaho
Bushfield	Lucas	Thomas, Okla.
Butler	McCarran	Thomas, Utah
Byrd	McClellan	Tobey
Capper	McFarland	Truman
Caraway	McKellar	Tunnell
Chavez	McNary	Tydings
Clark, Mo.	Maloney	Vandenberg
Connally	Maybank	Van Nuys
Danaher	Mead	Wagner
Downey	Millikin	Wallgren
Ellender	Moore	Walsh
Ferguson	Murray	Wherry
George	Nye	White
Gerry	O'Daniel	Wiley
Gillette	O'Mahoney	Willis
Green	Overton	Wilson
Gurney	Pepper	

Mr. McNARY. The Senator from Pennsylvania [Mr. DAVIS] is absent on important public business. He has requested me to announce that he supported the debt limit bill in committee and favors its passage by the Senate.

The Senator from New Jersey [Mr. BARBOUR] is necessarily absent.

The Senator from Wyoming [Mr. ROBERTSON] is absent on public business.

The PRESIDING OFFICER (Mr. O'MAHONEY in the chair). Eighty-three Senators having answered to their names, a quorum is present.

Mr. LANGER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. LANGER. Am I correct in understanding that if section 4 of the pending bill shall not be adopted, the old section 4, containing the proviso clause will remain the law?

The PRESIDING OFFICER. The Senator is correct.

Mr. LANGER. Mr. President, if there is one man in the United States who I believe has proven to be a friend of the average citizen, it is Thurman Arnold. I desire to bring to the attention of the Senate three or four paragraphs from his book entitled "Democracy and Free Enterprise," which is the last book written by him. In the book Mr. Arnold says:

> In the same way the disease of cartelization progressed in other industries; concentration grew to an alarming extent, particularly in the basic materials which are the source of all industrial production. The building up of these organizations did more than simply create shortages in basic war materials. It led—

And this is significant—

to the development of an economy divided into two economic worlds.

> The first was the world of organized industry; the second was the world of small, unorganized businessmen, farmers, laborers, and consumers. In the first world there was the power to maintain high prices no matter how much the demand for the product fell off. When this power was exercised, purchasing power was curtailed, production dropped, men were laid off. This, in turn, lowered purchasing power and made demand drop still further. A vicious downward spiral was set in operation. In the second world unlimited competition still existed and could not be controlled. In this world lived the farmers, retailers, and small businessmen who supply the consumers with both goods and labor. Here, when the supply increased or the demand fell off, prices dropped to the bottom, but the people went right on producing as much as the conditions of the market would permit. In the first world we had concentrated control, which makes possible high and rigid prices. These, in turn, led to restriction of production and wholesale discharge of labor. In the second world we found competition among these groups, low flexible prices, large production, and labor standards often at starvation levels.
>
> The final result, before the unbalanced industrial boom created by the present war, has nowhere been better described than by President Roosevelt in his monopoly message of 1935. He said:
>
> "Statistics of the Bureau of Internal Revenue reveal the following amazing figures for 1935:
>
> "Ownership of corporate assets: Of all corporations reporting from every part of the Nation, one-tenth of 1 percent of them owned 52 percent of the assets of all of them.
>
> "And to clinch the point: Of all corporations reporting, less than 5 percent of them owned 87 percent of all the assets of all of them."

Mr. Arnold quoted President Roosevelt further as follows:

> "Income and profits of corporations: Of all the corporations reporting from every part of the country, one-tenth of 1 percent of them earned 50 percent of the net income of all of them.
>
> "And to clinch the point: Of all the manufacturing corporations reporting, less than 4 percent of them earned 84 percent of all the net profits of all of them."

Mr. President, as Mr. Arnold says:

> All this is history. It is an old story to the farmers of this country. However, I present it as background, since it bears on the

economic problem which the present has forced on the unorganized industries of this country. Billions of dollars had to be poured into this unbalanced economic structure under the pressure of sheer immediate necessity. This necessity brought into sharp relief how our antiproductive monopoly control had been working.

We suddenly woke up to find acute shortages in every basic noncompetitive industry. We are short of power in a country abounding in power; we are short of metals and chemicals; we are short of transportation; we are short of skilled labor. In every industry which has been able to restrict supply in order to put a floor under prices, we find a lack of capacity. This lack of capacity is not hurting the industries which are responsible for these shortages. The burden—

I call this to the attention of the Senate as forcefully as I possibly can—

The burden is being borne entirely by independent businessmen and farmers whose supplies are being cut off by the imposition of priorities.

So, Mr. President, here we have speaking an expert, Thurman Arnold, who in charge of the Antitrust Division of the Department of Justice, has made a thorough study of the situation extending over a period of years. Anyone who has read his book on Democracy and Free Enterprise knows how the East has been built up at the expense of the South and the West; how in the East the large industries have been using the South and the West as colonies, and have been transporting raw material from those sections to the East, where it is manufactured into goods. There is no better example of it than synthetic rubber. Anyone who has followed the testimony before the Gillette committee knows that it would be much simpler and certainly much more economical to take the fruits that rot in Oregon or the grain that spoils in the Middle West and manufacture them into synthetic rubber in those sections, instead of transporting those products to the Atlantic coast where they may reach the point of being considered waste and poured into the ocean, but in the West they could be used for feed to fatten cattle.

Mr. President, I come now more definitely to the consideration of section 4 of the pending measure. I oppose section 4, and I hope it will not be adopted, but that the original act may stand.

Mr. President, I have only the greatest respect for the distinguished senior Senator from Georgia [Mr. GEORGE], but he said this morning there was some doubt as to the legality of the proviso clause which was added to the original section 4 which reads:

That the President may, without regard to the limitation contained in clause (2), adjust wages or salaries to the extent that he finds necessary in any case to correct gross inequities, and also aid in the effective prosecution of the war.

When the distinguished Senator from Georgia indicates that there is some doubt as to the legality of that provision I call the attention of the Senate to an opinion rendered by Mr. Biddle, Attorney General of the United States, dated October 3, 1942, in which he advised the President that he had examined the proposed Executive order providing for the stabilization of the national economy submitted to him and he said that it had his approval as to form and as to legality.

Mr. President, I also have before me a speech which I consider the best one delivered in the other House of Congress on this subject.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. TAFT. The opinion rendered by the Attorney General rather expressly avoids any indication of a desire to give an opinion. He says it has his approval as to form and contents, but as to frankly expressing any opinion that it was legal or giving any reason for his view, the Attorney General completely avoided the issue, and has not put on record any defense whatever of the adoption of the $25,000 salary limitation.

Mr. LANGER. Probably at least a dozen Members of this body have been attorneys general of their States at some time or other, as I have been, and they know, as I think the Senator from Ohio must know, that it is not necessary that an attorney general go into all of the details and ramifications of a measure, such as the senior Senator from Ohio would seem to suggest. The Attorney General said—and I quote his opinion in its entirety—

OCTOBER 3, 1942.

The PRESIDENT,
The White House.

MY DEAR MR. PRESIDENT: I have examined the proposed Executive order providing for the stabilizing of the national economy submitted to me today.

It has my approval as to form and legality.

The distinguished Senator from Georgia a few moments ago said he had some doubt as to its legality. Here we find the Attorney General of the United States specifically passing upon that point.

As I was about to say, in the other House there was no speech which interested me more greatly than that delivered by Representative USHER L. BURDICK. His speech is short, so I am going to read it in full, for I think it is of tremendous importance. Speaking on the 17th day of March, he said this:

Mr. Speaker, it is not often that the House indulges in dishonest parliamentary practice. Last week, in the passage of the debt-limit bill, we had a glaring example of this kind of legislation.

I call the attention of the Senate to the fact that I do not say that that action over there of the other body was dishonest, but that one of their own Members upon the floor said so. He calls it dishonest parliamentary practice.

Mr. BURDICK continues:

The issue before us should have been whether we would or would not increase the debt limit from $115,000,000,000 to $210,000,000,000. That issue would have been straight-cut and, of course, would have passed with only a few dissenting votes.

We are at war and whatever debt limit it takes will be arranged.

When this bill came in, however, it had an extraneous matter attached to it that had no relation whatever to the issue on the debt limit. This rider—in substance—repealed the Executive order limiting salaries to $67,200.

The chicanery practiced by those who handled this bill was to compel everyone who wanted to raise the debt limit—which every patriot wanted to do—to vote to rescind the President's order fixing a limit on salaries. Of course, it did not work out that way. I, for one, voted "no," not because I refused to raise the debt limit, but for two other reasons.

First, I do not believe in this kind of "foxy" legislation. Every person with just a common understanding of parliamentary law will see that the matter of the President's order should have come before the House as a direct issue rather than being sneaked in under cover of legislation that everyone favored anyway.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. TAFT. The Senator will note, however, the peculiar position in which Congress would place itself if that argument were admitted. Congress passes a law, let us say. The President then issues an Executive order for which no basis is provided in the law, although it is claimed that he has that right. Thereupon it is claimed by the Senator that we must pass another law, which the President will have the power to veto. It seems to me that if we are assuming to say here that the President acted without authority, that he was usurping power, it is perfectly proper to put such an amendment on a bill which the President practically cannot veto. Of course, that practice has been pursued for many years in the Senate. It may not always be justified, but it seems to me that if there is any case in which it may be justified, it is a case in which Congress takes the position that the President has usurped power which Congress did not intend to give the President in the legislation it enacted.

Mr. LANGER. Of course, the answer is that the President may veto the bill now pending, if it shall be passed. It is no argument to say that he could veto the rider if it were all by itself, because he can veto the whole measure. But the attempt is made to take something which some of us in the Senate do not like and attach it to something which its sponsors know we will want to vote for—namely, the measure increasing the debt limit. I object to that practice; I do not think it is proper. I think the Senator should have the right—and I propose to give it to the Senate before I get through, if my amendment shall be adopted—to vote separately on the rider and on the provision for the increase of the debt limit.

Mr. TAFT. The Senate has that right now, in voting on the amendment. Nothing deprives the Senate of the right to vote separately on the question of the $25,000 salary limit. In fact, that is the question now before the Senate. It is unnecessary to offer an amendment further to that effect.

Mr. LANGER. I understand that, but the reason I am on my feet speaking is that I intend to see to it that the Senate

shall have a right to vote on the two proposals separately.

Representative BURDICK proceeds:

Second, I voted "no" because I was of the firm opinion that this Congress had given the President power to issue such an order, and that when he fixed the top salary at $67,200, or $25,000 clear of all taxes, that he did the best thing that could be done for the country.

I may add, in passing, that Mr. BURDICK is one of the outstanding lawyers of our State. He has been an assistant United States district attorney in the State, by appointment of President Hoover, in addition to holding very many other prominent positions. He proceeds:

PRESIDENT'S RIGHT TO FIX SALARIES

I have gone over this act—to amend the Emergency Price Control Act of 1942—as a lawyer and after careful consideration I am of the opinion that the President usurped no function or power which had not been given him by the Congress. Every person who does not agree with my conclusions ought to read Public Law 729 pertaining to the matter of the right of the President to fix salaries. Here is what Public Law 729 says:

"The President may, except as otherwise provided in this act, thereafter provide for making adjustments with respect to prices, wages, and salaries, to the extent that he finds necessary to aid in the effective prosecution of the war or to correct gross inequities.

* * * * *

"The President may, from time to time, promulgate such regulations as may be necessary and proper to carry out any of the provisions of this act.

* * * * *

"No action shall be taken under authority of this act with respect to wages or salaries (1) which is inconsistent with the provisions of the Fair Labor Standards Act of 1938, as amended, or the National Labor Relations Act, or (2) for the purpose of reducing the wages or salaries for any particular work below the highest wages or salaries paid therefor between January 1, 1942, and September 15, 1942: *Provided*, That the President may, without regard to the limitation contained in clause (2), adjust wages or salaries to the extent that he finds necessary in any case to correct gross inequities and also aid in the effective prosecution of the war."

It will be obvious that the President was given absolute power over the matter of fixing salaries—with two reservations. The first reservation was that he could take no action inconsistent with the two labor acts already on the statute books, namely, the Fair Labor Standards Act and the National Labor Relations Act. The second reservation was that he could not reduce wages or salaries below those paid in a certain period. But there immediately follows a clause under a provision that gives the President full power to reduce salaries "to correct gross inequities and also aid in the effective prosecution of the war." This provision suspends, in certain cases, the reservation contained in provision second of section 4 of Public Law 729. In other words, Congress made two reservations of power. The first was absolute. The second was not absolute and to be disregarded entirely if to "correct gross inequities and also aid in the effective prosecution of the war." Does anyone contend that a salary of $400,000 paid to the head of a concern making instruments of war is not a "gross inequity" in comparison to the pay of labor, the pay of soldiers, or the pay received by 90 percent of the American people? Does anyone contend that lowering this $400,000 salarly to a net of $25,000 does not contribute to the "effective prosecution of the war?"

The President exercised the authority granted in this act and by proper proclamation announced that no salary would be permitted which netted the individual more than $25,000 annually. To put it in other words, no salary above $67,200 would be permitted. These figures seem inconsistent, but after the Federal tax is deducted from a $67,200 salary, only $25,000 remains.

About 130,000,000 people in the United States will applaud the President in reducing these salaries which, in some instances, reached over $400,000 annually.

Mr. President, when the Senate had under consideration the question of taxing future issues of securities which had hitherto been tax exempt, the senior Senator from Wisconsin [Mr. LA FOLLETTE] read into the RECORD upon the floor of the Senate a statement showing that one man in America has an income of $5,000,000 a year, and that scores of others have incomes of over a million dollars a year. At about the same time, as I recall during the same week, the Senator from Iowa [Mr. GILLETTE] presented upon the floor of the Senate a record prepared by one of the Federal bureaus showing the number of persons who were drawing large salaries, some salaries extending not to the sum of $400,000 a year, but to over $800,000 a year.

Mr. President, let us contrast that with another speech made upon the floor of the Senate a short time ago by the senior Senator from Wisconsin. Who is paying for the war? The Senator from Wisconsin, when he opposed the use tax on all automobiles, said the poor man is paying for the war, the middle class man is paying for the war, just as they paid for World War No. 1. Yet after the senior Senator from Wisconsin had argued so eloquently as to the unfairness of placing a use tax of $5 on every automobile, regardless of its value, after he had argued that a hired man on some farm may on Sunday use an automobile which is worth only $15 or $20 to go to town, and that under that tax measure he pays $5, the same amount as is paid by a man who owns a Rolls Royce or some expensive automobile which is used every day, yet when the question came to a vote the Senate, by a vote of 35 to 32, voted against the proposal made by the senior Senator from Wisconsin.

Mr. BURDICK continued:

Those few millions of people that are left in our population—after deducting 130,000,000—will, of course, find fault with the Presidential order.

The proponents of this bill—containing a repeal of the President's order—strove diligently to make the issue one of the President having assumed a power which he did not have in law. The President was made to appear as a usurper of this power. Many of the Members who made such statements also voted this extraordinary power to the President.

Mr. BURDICK then said:

I could not follow my brother Republicans in their almost solid vote for the repeal of the President's Executive order, for two reasons: First, I try to be consistent. Nearly all Republicans who voted this power to the President voted to rescind it, not because the President had not done the right thing, but because they wanted to get back the power which they themselves had handed over. This did not apply to the new Republican Members because they had no part in the matter, but the old Republicans who made all the noise in the debate were the very ones who voted the power to the President.

Secondly, the President wisely exercised his power. He found salaries ranging all the way from $85,000 to $400,000 being paid in industries holding Government contracts. He could see that—even with tax deductions—some few were enriching themselves off the misery of the people who were supporting this gigantic war effort. Where can be found a sane man or woman who would appear on a witness stand and say the President was wrong? Deep in their hearts, those who voted against the President on this legislation know the President was right.

Nothing can be gained—politically—by any party in taking a stand against a measure which is right and which will be supported by 90 percent of the American people.

I am not here in this Congress—

Mr. BURDICK said—

to contribute to the success of the Republican Party—or any party. I am here to contribute to the success of our common country, and no party consideration will have the least effect upon my determination to see this war through as quickly as possible to a complete victory. The President is the Commander in Chief of all our forces. He is not only entitled to my support but has it. As long as he never does anything worse than reduce a salary from $400,000 to $67,200 annually, neither he nor those who support him will be condemned by the overwhelming majority of the people of the United States.

Mr. President, in this connection I desire to bring to the attention of the Senate a speech made by the minority leader, the Senator from Oregon [Mr. MCNARY] on November 5, 1942, immediately following the last election. What did the Senator from Oregon say at that time? His speech is found on page 8711 of the CONGRESSIONAL RECORD. He said:

Mr. President, if the recent election should cause our friends in control of the administration and the conduct of the war to be more careful in respect to such vast expenditures, the election will have been a grand victory for the American people. Every time we waste such vast sums of money it means more taxes to pay. My sympathy—

The Senator from Oregon said—

does not go out to the man whose salary is limited to $25,000. That does not matter. There are millions of the underprivileged, of the toiling, who receive but little compensation, who will suffer, who, indeed, are now suffering, but who will suffer more acutely from nervous disorders, and other forms of misery when March 1, 1943, comes around.

Mr. President, what do we find in the Republican Party now? We find that a few weeks ago Representative MARTIN made a speech, the main contention of which was that the $67,200 limitation had to be removed.

Three days after Mr. MARTIN made that speech, his successor as chairman of the Republican National Committee, Mr. Spangler, made a speech, in which he reiterated that the Congress would have to take off the limitation of $67,200.

Mr. President, I am happy to belong to the Republican Party in the State of North Dakota, but I say as one belonging to the major faction of that party in that State that no support will be found for the kind of doctrine preached, so far as the pending bill is concerned, by those

leaders of the Republican Party, but rather the Republicans of North Dakota will follow the Senator from Oregon [Mr. McNARY], the minority leader of the Senate.

I agree with the statement made by a columnist in an article published in a Washington newspaper last week. He said that the Republican Party, in leading the fight as it did in the House, when 9 of the 10 Republican members on the Ways and Means Committee voted to attach the rider to the pending bill, will be committing political suicide among the common people of this country by advocating such legislation.

So, Mr. President, even assuming that the argument made by the senior Senator from Georgia is correct, that the country would not have reached the high state of development it has reached if salaries had been limited at the time of the foundation of our Government, nevertheless in a time of war I, for one, believe in human rights above property rights, and I believe that the President should be authorized not alone to reduce salaries but to take any property anywhere in America which he believes to be needed to carry on the war effort successfully.

Our sons are taken for the war. In a short time our daughters may be taken, and I say that when an administration can do that, it should be authorized, as the President was authorized by legislation, at least to reduce a millionaire's salary to $67,200 a year. It is my cold, considered judgment that when this question is put up to the American people—as it will be put up to them, because the President will see to that when the time comes—the people will express themselves in no uncertain terms.

The President's record is clear on it. He has written three letters to the Senate. In one, the President said to the Democratic Members of the Senate, "We made a pledge. It is contained in our platform. That pledge was that we should tax future tax-exempt securities issued by the National Government and by the States and counties." Yet some of the very Democratic Senators who were elected on that platform voted against their own President.

Some time later the President wrote to the Congress a letter in which he said that he believed in the limitation of $67,200.

When such a limitation was attached to the bill in the House, the President wrote a third letter in which he said that he believed that incomes and salaries together should not amount to more than $50,000 net.

So the President has made a record upon which he can go before the people of America. It is my judgment that if the Republican Members of this body are so foolish as to follow the reactionaries in the other House—those who did not dare let the House have a record vote on the bill by itself, but attached it, and passed it as thus attached, to a bill involving an increase in the debt limit—a measure for which they knew every patriotic Member of the Senate would vote—I say that in my opinion, at least—take it for what it may be worth—a Senator who follows what was done over there is not representing the rank and file of the people of the country.

So, Mr. President, I hope that section 4, as it is contained in the bill, will not be adopted; and on that question I ask for a yea-and-nay vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee. On that question the yeas and nays are demanded.

Mr. TAFT. Mr. President, I should like to make a few comments on phases of the situation which I think have not perhaps been clearly brought out by the debate which has already occurred.

In the first place, in the debate relative to large salaries the question of taxation has been entirely overlooked. As a matter of fact, under the tax law now in effect, and which may well be made more severe, a man who receives a salary of $100,000 has to pay in taxes approximately $63,000, so that he nets $37,000; for the second $100,000 in salary he can keep only about $9,000; and for the third $100,000 in salary he can keep only $7,000. So as a matter of fact, the actual difference in terms of dollars that he will receive, whether under the present law or under the law with the particular section referred to repealed, will not be very material. The total salary received, as limited by our tax system, is reduced almost as much as it is reduced by the President's order.

I think it is also fairly clear that the President's order does go beyond anything which was authorized by the statute which was passed in October by the Congress. It will be remembered that the President proposed to the last Congress that they put a limitation of $25,000 on all incomes, both those from salaries, those from investments, or otherwise. That proposal was considered both by the House committee and by the Senate committee. Both committees rejected it. No Member of either the House or the Senate even attempted to offer the amendment. As a matter of fact, representatives of the American Federation of Labor appeared before the Senate Finance Committee and opposed any limitation to $25,000. Such a limitation had originally been a proposal of the C. I. O., and the C. I. O. appeared in favor of it, but they were the only ones who did appear in favor of it before the committee. So the proposal was rejected by Congress.

Then we came to consider a bill the purpose of which was not to limit salaries, but to stabilize wages and salaries. That bill was passed by the Congress. It provided that such stabilization should, so far as practicable, be on the basis of the levels which existed on September 15, 1942. Clearly, the over-all purpose was simply to stabilize wages and salaries where they were, and thereafter to permit the President to make adjustments if he might see fit to do so. There was no power to impose any limits. It might be argued that in a particular case the President had power to consider the question and decide whether there was a gross inequity as to it; but no general power was given; and I think the gentlemen in charge of the bill, both in the Senate and in the House, took that position.

Mr. STEAGALL, the chairman of the House Committee on Banking and Currency, when he was asked specifically whether under the bill the President could limit salaries to $25,000, stated that—

> I do not think so. I think the record will show that such is outside of the legislative intent, and I do not believe that the President of the United States would deliberately go against a clearly disclosed opinion of Congress. I cannot think that. I am not prepared to say that the President is going to do anything under the proposed measure except what he understands Congress intends him to do. This is a mandate and a guide for his action.

The then junior Senator from Michigan, Mr. Brown, speaking in the Senate, did not make so definite a statement as that; but in answer to a question as to the meaning of the words "gross inequities," he said:

> We strove to find a phrase which would enable the President to stick as closely as reasonably possible to the level of September 15, 1942. We wanted to confine him to allowing increases or decreases only for those cases where great injustice would otherwise be done.

That was the statement of Mr. Brown, who was in charge of the bill for the Committee on Banking and Currency.

So I think what Congress intended is perfectly clear. When the bill was before the Senate and the House no Member of either body intended to have the President given any such power.

After the bill was passed the President issued an order limiting salaries—not limiting them to any specific figure, not acting under the power to determine what a man's services were reasonably worth, but purporting to limit the total he could receive. He modified it. To show clearly that the modification does not have any relation to services, he said that in a particular case a man who had large insurance premiums to pay or many debts to pay might be paid a larger salary by the company that was concerned, thereby interpreting some of the provisions which we were considering in the tax law. In other words, the order issued by the President and the Stabilization Director was an attempt to levy a tax. It was an attempt to carry out, so far as there was any possible legal support, any shadow of legal support, the original plan of limiting all incomes to $25,000. Not only that but there was no general stabilization order. The act says, "First, you shall stabilize everyone; then you shall consider particular cases."

In his first order the President, instead of stabilizing, attempted to say that no salaries could be over $25,000. That in itself, I think, voids the order; but it may take years to determine that question in court; and, in the meantime, no one knows what salaries can be paid, and companies which follow a lawyer's advice and pay a larger salary are subject to very high income taxes, and must take

a chance which naturally they should not take.

It seems to me that we can deal with this question by way of taxation. If we think that the rate on the higher salaries ought to be 95 percent, let us make it 95 percent. Today the rate on incomes of more than $200,000 is 93 percent. On the second $100,000 I think it averages about 91 percent.

There is this tremendous difference: If we undertake, as a matter of principle, to say that no one's income shall be more than so many dollars, we depart entirely from the general plan on which our economy is based, of a reward for incentive based upon what a man's services are worth as determined by those who pay for his services. I care not how high the tax goes, but it seems to me that what a man has left should have some relation to what his services are worth in the open market, to what his ability, experience, knowledge, and training entitle him, as determined by those who are seeking that kind of services. If the difference is only a few dollars, still there should be that difference.

There should always be an incentive to a man to work harder, to develop greater ability and gain more experience. The moment we depart from that principle and attempt to impose an arbitrary limit, we depart from the principle on which our economy is based. Under the proposed system I see no reason why the limit should not be $20,000, $15,000, $10,000, or $5,000. It is a system which says that a man who is worth $50,000 shall not receive 1 cent more than a man who is worth $40,000. We might as well make the limitation $5,000, or the average income in the country, which is approximately $2,500.

I think it is right that we should insist that the value of a man's services shall be determined by those who employ him, and that we should insist that the more his employers think he is worth the more he should be entitled to retain.

I think we have done a good job in imposing the 93 percent tax. If we want to go to 95 percent, let us go to 95 percent; but I think it is a fundamentally erroneous principle, a principle which distinguished communism and socialism from a free enterprise system, to undertake to say that there is a limit beyond which the salary or income of no one may go.

Mr. LANGER. Mr. President, I wish to say just a few words in reply to the senior Senator from Ohio.

Possibly what the senior Senator from Ohio says would ordinarily be correct; but we are at war. Millions of our boys are being taken away from their jobs and inducted into the military service, where they receive $50 a month. I do not think it is socialism to say to 2,500 individuals—according to the Senator from Georgia [Mr. GEORGE] only 2,500 individuals would be affected—"You will not be permitted to receive more than $67,200 in salary." I believe that the Senate would be doing its patriotic duty if it should adopt that principle.

So far as concerns the argument of the Senator from Ohio as to departing entirely from the general plan of government, of course we are departing from it. We have been departing from it ever since the 7th of December 1941. Time and time again things have been done in the Senate to aid in the prosecution of the war which we would not do if the country were not at war.

Mr. President, I hope we may have a yea-and-nay vote on this question. Are we to say to the soldier boys, "No matter how much money you were getting before, you must now get along on $50 a month, or $600 a year," and say to the millionaires, "You may make all the money you can. We are going to tax you perhaps 93 or 95 percent, after you have taken advantage of various ways and means of avoiding taxes"? In my opinion, that is the question which is involved.

I ask for the yeas and nays.

Mr. BARKLEY. Mr. President, I had hoped that we might dispose of this measure before now. I have no intention of delaying a vote on it for more than a very few minutes, I hope. I wish to make a few observations in order, if I can, to clear up one or two confusions which may exist in view of the history of the legislation, as well as to clear up my own attitude regarding it.

I happen to be a member of the Committee on Finance, as well as of the Committee on Banking and Currency, both of which considered the question of a limitation on salaries. As I recall, the President had recommended such a limitation to Congress before the last tax bill was enacted, and the Committee on Finance held hearings. Let me say that, in my judgment, the hearings held on the last tax bill by the Committee on Finance were the most constructive and valuable hearings held on any tax bill for a good many years.

During the hearings on the tax bill the question of the $25,000 limitation was discussed in the Committee on Finance. I recall that there was a sharp division among those who testified on the subject as to the wisdom of the policy, in the first place, and its practicable workability in the second place. There was a sharp division among those who testified on behalf of labor. The C. I. O. through its representative, who read to the committee an address which had been prepared by Mr. Murray, the head of that organization advocated the limitation of salaries to $25,000.

Mr. William Green, President of the American Federation of Labor, who as I now recall appeared in person testified against it. He opposed it as a matter of policy as well as a matter of principle.

The committee discussed it in some detail in executive session, as well as during the hearings. The committee took the view—and I shared that view so far as the tax bill was concerned—that the best way to reach high salaries and high incomes was by taxation. The jurisdiction of the Finance Committee over the subject seemed logically to be limited to the question of tax rates in order to reach the higher brackets in fixed salaries as well as compensation from general sources. I think it may be truthfully said without contradiction—and if any member of the Committee on Finance disagrees I hope he will correct me—that so far as the limitation of salaries was concerned, as it was presented to the Committee on Finance, it was felt that the best way to deal with that question was through taxation. As the Senator from Georgia [Mr. GEORGE] and other Senators have said, we tried to deal with it by the rates which we assessed against incomes in the various brackets.

When the matter came before the Committee on Banking and Currency, not in connection with a tax measure, but in connection with the price-control measure which was enacted in the fall of 1942 and signed by the President on the 2nd of October of that year, the same question arose for discussion in that committee. As I recall—and I am subject to correction—the Senate committee struck out certain language in the bill as it had been introduced. I know that the question was raised by the Senator from Connecticut [Mr. DANAHER]. Certain language in the price-control bill as it had been introduced seemed to be sufficiently broad to include the regulation of salaries by fixing a limit or ceiling upon salaries in the higher brackets. The Senate committee struck out that language on the theory that it would authorize what subsequently was actually done by the President.

The bill went to conference. When the conference report was agreed to, and the bill was signed by the President on October 2, 1942, it contained language which undoubtedly could be construed to authorize him to deal with salaries in the same way in which he might deal with wages. In the language of the act there is no difference between the treatment of salaries and wages. Of course, the original bill had for its object the curbing of inflation by authorizing the fixing of price ceilings, or maximum prices, as we call them, on all sorts of commodities in order that such a runaway inflation period as occurred during and following World War No. 1 might not occur again.

So the Price Administrator was authorized to place maximum limits upon salaries and wages. There is no doubt of the fact that under that authority the President, or the Price Administrator, or the Economic Stabilization Administrator, individually, collectively, or separately, could deal with the question of wages and salaries insofar as increases were concerned. I do not suppose anyone would dispute that.

With reference to decreases, either in wages or in salaries, there was not a very clear discussion either in the House or in the Senate, or in the two committees, as to whether there should be any decreases in wages or in salaries. I presume that the word "adjust" would carry with it the necessary interpretation that wages or salaries might be decreased as well as increased. One could hardly conceive of an adjustment which was only upward, and particularly in view of the language of section 4, which I read for the RECORD:

> No action shall be taken under authority of this act with respect to wages or salaries, (1) which is inconsistent with the provisions of the Fair Labor Standards Act of 1938, as amended, or the National Labor Relations Act.

We all know what those acts were. We know that they provided for collective bargaining relative to hours, and all that. So it was provided in section 4:

No action shall be taken under authority of this act with respect to wages or salaries, (1) which is inconsistent with the provisions of the Fair Labor Standards Act of 1938, as amended, or the National Labor Relations Act.

That language is fairly simple.

Then we come to the remainder of the section which reads as follows:

Or (2) for the purpose of reducing wages or salaries for any particular work below the highest wages or salaries paid therefor between January 1, 1942, and September 15, 1942.

If the act had stopped at that point there would be no question that the President was without power to reduce wages or salaries. There is no definition of salaries which would make it apply to a small or a large salary. There would be no authority conferred upon the President to reduce salaries below the figure which they had reached between January 1, 1942, and September 15, 1942. Of course, in interpreting a law the courts and the Congress are under the obligation of reading the whole law and, if possible, ascertaining the intent of the Congress in its enactment.

After saying these things the act went on to provide as follows:

That the President may, without regard to the limitation contained in clause 2—

Which I just read, relating to the National Labor Relations Act, and the Fair Labor Standards Act; notwithstanding that—

The President may adjust wages or salaries to the extent that he finds necessary in any case to correct gross inequities and also aid in the effective prosecution of the war.

Therefore the only authority, as I conceive it, which the President had to issue Order No. 9250 was based on this proviso contained in section 4, which gave him authority to adjust wages and salaries to the extent he found it necessary in any case "to correct gross inequities and also to aid in the effective prosecution of the war."

We may debate in our minds, and do so honestly and sincerely, whether the "gross inequities" referred to were individual inequities, whereby some individual, by reason of circumstances, or his employment, was receiving a wage or salary which, by comparison with other salaries and wages in a similar field, constituted a gross inequity as between him and his fellow workers, or between him and the public generally, or as between him and his Government.

I do not deem it necessary to go into that controversy. It is a field for legitimate argument. It is subject to an honest difference of opinion as to whether under that authority the President had a right to take into consideration 1,500, 2,000, or 3,000 men who were drawing more than the amount which he fixed as the limit, thereby creating a gross inequity as compared with all other wage earners, or all other salary drawers in the United States. In his interpretation of section 4 the President undoubtedly thought that the phrase "gross inequities" applied to groups of people as well as to individual wage earners or salary drawers. Based on that interpretation he issued the order.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. VANDENBERG. Conceding for the sake of the argument the point which the able Senator now makes, that the language which he quotes is somewhat equivocal, and that the President might have interpreted it in the fashion he did, is there any doubt in the Senator's mind as to what was the congressional intent and expectation and interpretation of the law when it was passed?

Mr. BARKLEY. I will come to that point in a moment.

Mr. President, I desire to supplement what I said about the President's interpretation by this observation: The President has no means of knowing what transpires within the walls of an executive session of a committee. The President would not necessarily have the means of knowing that in discussing this subject in executive session, the Finance Committee decided that the best way for it to reach the matter and deal with it was in the tax bill which was then being considered. Neither would the President have any way of knowing what had transpired within the walls of an executive session of the Committee on Banking and Currency which, as I now recall, sought to amend and did amend the bill as originally introduced so as to take away from the President the power which the committee thought the original bill gave him to deal with this subject.

My point is that regardless of the intention which the Congress arrived at in two committees in executive session, where no records are kept and where the President is not supposed to know what transpired across the table in give-and-take discussions on any provision, the President had the right when looking at the cold law itself, to interpret the word "salaries" to mean all salaries, and to interpret the phrase "gross inequities" to mean inequities which might include 1,500 or 3,000 men and women, as the case might be.

Answering the inquiry of the Senator from Michigan as to the intention of the two committees; in the first place, I think I ought to say in all frankness that so far as the discussions reveal, and so far as the action of the committees revealed, it was not contemplated by either of them that the action would be taken, which was taken, based on the proviso in section 4 of the act of October 2, 1942. When the bill came before the Senate the question was raised again here as to whether the act of October 2 conferred upon the President the power to reduce, in the language of the Senator from Michigan [Mr. VANDENBERG], all incomes, which was the question propounded to the then Senator from Michigan, Mr. Brown, who was in charge of the bill.

I recognize the validity of the point made by the Senator from Georgia in reply to my interrogatory this morning, that there was no need to ask the question about all incomes, in view of the fact that the bill itself dealt only with salaries and wages; but whether it was necessary to deal with all incomes or not, that was the question propounded by the Senator from Michigan to his colleague in charge of the bill; and, if it was not necessary to inquire about all incomes, because the bill itself mentioned only salaries, the Senator from Michigan evidently did not take that view of it, because he was particular to inquire whether the bill authorized the President to reduce all incomes, and, of course, "all incomes" would mean salaries as well as profits and income received from any source by a man or woman.

I desire, however, to be entirely frank with myself as well as with the Senator and the country. I think it is fair to say that when the bill was enacted into law, in view of the discussion in the other House and in the Senate, and in view of the discussions which occurred in both the House and Senate committees, it was not within the the contemplation of Congress that the action taken would be taken. There was no guaranty to that effect; no one attempted to make a guaranty; and in the administration of a law, not only the one in question but in the administration of the act which we amended a few days ago by the Bankhead proposal with respect to the deduction of Government benefit payments and soil-erosion payments from the ceiling prices of agricultural commodities, the President had the right to make his interpretation of the language which he found in the law, especially in view of the opinion of the Attorney General to the effect that the act which the President contemplated was legal. Undoubtedly it would have been more enlightening and more revealing if the Attorney General had written an opinion giving his reasons instead of simply saying that the act contemplated by the President was legal. Be that as it may, the President, I believe, acted in entire good faith in interpreting the word "salaries" as he did interpret it, and in interpreting the clause "gross inequities" as he did interpret that clause, because the law itself fixed no limitation upon the number of people who might be enjoying or who might be suffering gross inequities as the Administrator might interpret that clause of the law.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield to the Senator from Wisconsin.

Mr. WILEY. In view of the fact that a great deal of what I think might almost be termed misinformation has gone out to the country on this matter, I wonder if the distinguished Senator could give me some information on this question: Assuming that the President's order should remain in effect, in other words, that the pending bill should not pass, would the Treasury of the United States be benefited by that order remaining in effect or would there be a greater income resulting to the Treasury if the bill should be passed?

Mr. BARKLEY. There has been a general estimate—I do not know how accurate it is, because I do not think the representatives of the Treasury gave any figures a few days ago when this matter was before the Committee on Finance—but it has been generally estimated that the issuing of the order resulted in a loss. I think I might say that Mr. Stam, head of the staff of the Joint Committee on Internal Revenue Taxation of the two Houses of Congress, estimated that the loss in revenue to the Government by reason of this order was between $100,000,000 and $110,000,000. That is the most reliable figure I have heard with respect to it.

Mr. WILEY. In other words, then, if we should pass this bill it would operate to put more money into the Treasury than if we simply let the President's order remain in effect?

Mr. BARKLEY. Assuming that Mr. Stam is correct—and I do not vouch for his figures, because they have not been discussed so that we could cross-examine and arrive at the basis of how he established the figures—but assuming that his report or his statement on that subject is accurate, the passage of the pending bill, of course, would automatically result in that much more money going into the Treasury.

I would suggest that it is impossible to arrive at an absolutely definite and correct answer to the question asked for this reason: If all the money above $25,000 provided in the President's order after the deduction of taxes went into the Treasury of the United States and was recaptured by the Government for war purposes it might involve one figure; and simply to deny to a recipient the receipt of the extra amount above the provisions of the President's order on the theory that the part withheld from the recipient would in some way be taxed, either directly or indirectly, because the corporation itself or the employer would withhold from the wage or salary earner that much money which would otherwise be paid in salaries might involve another figure. I suppose it is true that there would be some increase in revenue in the latter case; but how to adjust the balance between what would be collected in the higher brackets out of what is withheld from a man who otherwise would draw more than $25,000 and what the Government would get into the Treasury if it itself recaptured all the excess, it is impossible for me to calculate. I presume that the $110,000,000 is offset in some respects by whatever indirect taxes might go into the Treasury because the corporation would pay a tax upon that part of a salary withheld under the President's order. So I think, by any fair calculation and any fair estimate, we might say that because of the difference between what the Treasury would get by the taxing of the income of a corporation in the higher brackets on what it does not pay in salaries and that which would otherwise go to the Government if the Government itself withheld it, there would be a net loss to the Treasury of the United States.

I think I should make a further statement. I do not make it after any consultation with the President of the United States. I have not talked with him about the pending bill one way or the other. I did have a conversation with him months ago, even before the tax bill became a law, on the subject of the $25,000 limitation, and, of course, I am not at liberty to repeat that conversation. The President has been consistent all the way through. From the beginning I took the position that if any limitation should be imposed in the way of a salary limitation, to be arrived at by a deduction of Federal taxes from the gross amount earned in order to arrive at a net of $25,000, all other taxes likewise should be taken into consideration, and, in my opinion, I have not deviated from that view. In other words, I do not think there is anything any more sacred in a Federal tax, or an obligation to the Federal Government, than there is in an obligation to a State, county, or city, and I have always believed, and I now believe, that if the Federal tax is to be eliminated in order to arrive at the $25,000, State taxes, county taxes, and city taxes, and all other taxes which constitute obligations to any form of government, large or small, should be deducted in the same way in arriving at the net sum.

In the President's order he did not provide for one thing in which I have always believed. There are many people who have property upon which they pay taxes. There are many others who make large incomes who do not have property. They make their investments, not in real estate, but in life insurance. They take out life insurance policies in order that their families may not suffer if death calls them suddenly; in other words, that they may leave an estate to their wives and their children; whereas others invest all their money in real estate, upon which they pay taxes, leave that to their wives and children.

It has been my contention from the beginning that if those who have property, who invest their savings in property, are to be allowed to deduct their taxes upon such property in order to determine the maximum of $25,000 a year net, those who insure their lives in order to leave their families an estate in the form of a life-insurance policy should likewise have the right to deduct the premiums paid upon their policies, in order to create an estate similar to that which would be created by the ownership of real estate by the taxpayer. In his order the President recognized the justice of that contention, I think, by providing that premiums upon life-insurance policies might be deducted in the consideration of the $25,000 limitation.

As I stated a while ago, the President has been consistent about this matter. Before the enactment of the tax bill or the price bill he urged it upon Congress. There was nothing new in it. It has been asserted in the newspapers that this idea of the President was taken from the platform of the Communist Party somewhere, that it was an original C. I. O. proposition, and therefore should be condemned. There is nothing new about the theory. In 1924 the Democratic and Republican Parties made some declarations about this matter, not in the exact form, but they were squinting at the same idea, for in the platform of the Democratic Party in 1924, soon after the soldiers had returned from World War No. 1, the Democratic Convention made this declaration:

> In the event of war in which manpower of the Nation is drafted, all other resources should likewise be drafted. This will tend to discourage war by depriving it of its profits.

That was in 1924, 19 years ago. The Republican platform in the same year went further than did the Democratic platform. This is what the Republican platform said:

> We believe that in time of war the Nation should draft for its defense not only its citizens but also every resource which may contribute to success. The country demands that should the United States ever again be called upon to defend itself by arms the President be empowered to draft such material resources and such services as may be required, and to stabilize the prices of services and essential commodities, whether utilized in actual warfare or private activity.

That was in the platform of the Republican Party in 1924, when it demanded that if we ever got into war again we should not only draft men, not only require them to risk their lives and their limbs and their health for the cause, but that resources and services should likewise be drafted, and that the President of the United States should be authorized by Congress "to draft such material resources and such services as may be required, and to stabilize the prices of services and essential commodities."

Of course, salaries or wages are the price of services, which the two platforms, nearly 20 years ago, soon after the last war, declared in favor of drafting.

Congress has not yet done that specifically by act. Even though we are in war again, Congress has not yet by law drafted all resources and all services. But when the President issued the order which he promulgated, order No. 9250, he was not merely relying upon the interpretation of the word "salary" which he found in the law, he was not relying upon the advocacy of that policy by any particular organization, but he had the right to rely upon the fact that both political parties meant what they said when they declared in 1924 that the President should be authorized not only to draft resources and services, but to fix the prices of services during the war.

Mr. President, I call attention to these points in order that the record itself may be established and clear. Not only the present President of the United States, but the men who two decades ago ran upon the platforms from which I have quoted, declared themselves before the people of the Nation as being in favor of a principle advocated then by the returned soldiers, advocated then and since by the American Legion, as the representative of the returned soldiers who

fought in World War No. 1, that if we should ever again engage in warfare, we should not satisfy ourselves with drafting and commandeering the limbs and the bodies and the lives of men, but that we should also draft resources and services, including salaries and wages, and stabilize the prices of commodities, that we should treat these things in the same way at least in which we treat the life, blood, flesh, and bone of human beings.

There was therefore nothing inconsistent in the President's attitude, not only so far as the individual was concerned, but there was nothing inconsistent as between him and the declarations of the two great political organizations of this country on the subject of utilizing commodities and services, conferring upon the President the power to fix and to stabilize the prices thereof. There is nothing any more sacred about a wage or a salary than there is about the price of cotton, or of wheat, or of tobacco, or of cattle, of commodities which are produced as a result of the activities of human beings. So much for that.

I did not believe the amendment affecting the order of the President should have been attached to a bill increasing the debt limit, and when the Finance Committee met and authorized a report, without amendment, of the original bill introduced by the Senator from Georgia [Mr. GEORGE], which merely provided for increasing the debt limit to $210,000,000,000, I think it was the unanimous view of the Committee on Finance, without regard to party or economic viewpoint, that no amendment should be added to the bill, that it should provide merely for an increase in the debt limit of the United States of America.

He did not make that report because it was recognized, I think, as a matter of propriety, if not as a matter of constitutional right, that the House should act first on the increase of the debt limit, because it was an authorization for the issue of bonds, which has always been regarded as a revenue matter which must originate in the House. If the House Committee on Ways and Means had reported to the House a simple bill increasing the debt limit to $210,000,000,000, the amendment with which we are now dealing would not have been in order on the floor of the House, because it was not germane to the bill increasing the debt limit, and no doubt would have been declared out of order if a point of order had been raised against it. But it was placed in the bill by the Committee on Ways and Means, reported to the House with that provision in it, passed by the House, and it is here now on our doorstep and we must deal with it.

Mr. President, I think the Senate committee was wise in striking out the so-called Disney provision and substituting the language of the committee amendment. I happened to be out of the city when the committee met and do not know what transpired in the committee, but I myself would be better satisfied with the committee amendment if it had not eliminated the last proviso of section 4 of the Price Control Act of October 2. I still think there may be instances and situations where it would be wise to retain the authority for the Price Administrator, or the Economic Stabilizer, or the President to deal with individual gross inequities which may be found.

Notwithstanding the fact that I would be better satisfied if that provision had not been eliminated, I think the Senate committee amendment as a whole is a vast improvement over the House provision in the bill, and it is my purpose to vote for the committee amendment as a substitute, because I believe it is an improvement, and because I believe that the dates fixed in the committee amendment harmonize with the general theory of the bill as it passed the House with respect to the dates January 1 and September 15, 1942.

Mr. President, I realize that when the committee amendment is adopted, if it shall be adopted, and I presume it will be, there will be presented to the Senate the question whether, with the committee amendment, dealing with the question of the President's order in the bill it would be our duty to vote against the bill increasing the debt limit with that provision in the bill, or whether it would be our duty to vote for the bill extending the debt limit notwithstanding the fact that the bill contains the amendment dealing with the $25,000 salary limitation order of the President.

I shall vote for the committee amendment, much as I regret the injection of this question into the bill, and much as I feel that the Congress ought to have been fair enough to have dealt with it on its own merits and not tied it up with essential and emergency legislation, so that the President could have passed upon it on its merits. That, by the way, confirms me somewhat in my growing advocacy of the suggestion of the Senator from Michigan [Mr. VANDENBERG] and other Senators that the President ought to have the right to veto items in a bill, not simply in an appropriation bill, but in other bills, so that he might pick out an undesirable provision of a bill and veto it, with the provision, of course, that the Congress could still pass upon the item after the exercise of the veto. I think it would have been fairer to the President and to the country not to have taken advantage of a legislative situation which existed, and still exists, to tack this extraneous thing onto a bill which must be passed, and without much delay, simply in order to embarrass or compel the President either to sign the bill with, so far as he is concerned, an objectionable provision in it, or to veto the entire bill, and thus defeat the obvious needs of the Treasury in increasing the debt limit so it may go forward with its war financing.

I am going to vote for the committee amendment because I think it is an improvement over the House language. Notwithstanding the objectionable legislative situation to which I have referred, I feel it to be my duty to vote for the bill, because I think the objectives of the increase in the debt limit are more important for the time being than the controversy over the language of the two bills regarding the exercise of Presidential authority in limiting of salaries.

Mr. President, I do not look upon this subject from a political standpoint, certainly not from a partisan standpoint. Senators on both sides of the aisle, and persons throughout the country have honest differences of opinion about it. I do not want to inject any political equation into it more than I have by quoting from both political parties, which makes it nonpolitical in the narrow sense. But it is not going to be so very easy, I should say, to convince eight or ten million American soldiers who are required to serve their country for $600 a year, that the President has done any very great injustice in limiting salaries to $25,000 a year. It does not affect me one way or the other. So far as I know, it does not affect anyone who is kin to me even remotely, so I have no personal interest in the matter one way or the other. But there are many attitudes, there are many positions, there are many conceptions which are going to come out of this war which most of us have not thought very much about, and most of us have not thought through. Notwithstanding the furor raised about this matter, about the questionable policy involved, as it is said, in the President's issuing an order of this kind under language which he himself had a right to interpret, I am not so certain that the furor which has been raised about it will find universal response in the hearts of all the American people when they come to pass upon it in their own good way and in their good day.

Notwithstanding these doubts which I myself entertain about these questions, I feel it my duty to vote for the Senate committee amendment, and to vote for the bill.

Mr. President, I ask unanimous consent to have printed in the RECORD as part of my remarks at this point the letter written by the President of the United States on this subject addressed to the chairman of the House Committee on Ways and Means, Representative DOUGHTON.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEBRUARY 15, 1943.

HON. ROBERT L. DOUGHTON,
Chairman, Ways and Means Committee,
House of Representatives,
Washington, D. C.

DEAR MR. CHAIRMAN: Some days ago you wrote me that there was a proposal before your committee to amend the public debt bill by adding a provision nullifying the Executive order issued by me under the act of October 2, 1942, limiting salaries to $25,000 after taxes, and asked if I cared to submit any views with reference to the proposal. In reply, I told you that I hoped the public debt bill could be passed without adding amendments not related to the subject, but that if the committee thought otherwise I would later write you my views.

In a message to the Congress on April 27, 1942, I stated, "* * * discrepancies between low personal incomes and very high personal incomes should be lessened; and I therefore believe that in time of this grave

national danger, when all excess income should go to win the war, no American citizen ought to have a net income, after he has paid his taxes, of more than $25,000 a year." Thereafter the Treasury advised the committee "to implement the President's proposal, the Treasury now recommends the enactment of a 100 percent war supertax on that part of the net income after regular income tax which exceeds a personal exemption of $25,000. * * * It is recommended that for the purpose of the supertax joint returns be made mandatory and that a personal exemption of $25,000 for each spouse be allowed, or in effect $50,000 for the married couple."

So far as I know, neither House of the Congress acted upon the recommendation.

When the act of October 2, 1942, was passed it authorized me to adjust wages or salaries whenever I found it necessary "to correct gross inequities and also aid in the effective prosecution of the war." Pursuant to this authority, I issued an Executive order in which, among other things, it was provided that in order to correct gross inequities and to provide for greater equality in contributing to the war effort, no salary should be authorized to the extent that it exceeds $25,000 net after the payment of taxes. Provision was made for certain allowances in order to prevent undue hardships.

The legality of the Executive order was attested by the Attorney General prior to its issuance. No Executive order is issued without such approval.

The regulation issued under this order, with my approval, was so worded that it affected only gross salaries in excess of $67,200, the amount of taxes due upon such salaries reducing them to approximately $25,000 net. I could not exercise the discretion vested in me by the Congress to adjust salaries without finding that it is a gross inequity in wartime to permit one man to receive a salary in excess of $67,200 a year while the Government is drafting another man and requiring him to serve with the armed forces for $600 per year. I believed it a gross inequity for the president of a corporation engaged in the production of materials for the Government to receive a salary and bonus of $500,000 a year while the workers in the corporation were denied an increase in wages under the provisions of the law and my Executive order. The correction of such inequities, I believed, would aid in the effective prosecution of the war.

I call your attention to the fact that the limitation of salaries was, by the language of the order, limited to the war period; and that the law upon which the order was based expires June 30, 1944, and can be continued only by the affirmative action of the Congress. Therefore, no fair argument can be made that the limitation was intended either by the Congress or by the Executive to become permanent law. The intention was made plain in my original message. I then and there affirmed my belief that this limitation should be made "in time of this grave national danger when all excess income should go to win the war."

This desire to limit personal profits during wartime is no new thought. Its origin is neither alien nor obscure. It is in accord with the solemn pledges of the Republican Party and the Democratic Party.

In 1924, just after our soldiers had returned from the first World War and the leaders of both parties were conscious of the views of the returning soldiers as to war profiteering, the Republican Party declared in its platform:

"We believe that in time of war the Nation should draft for its defense not only its citizens but also every resource which may contribute to success. The country demands that should the United States ever again be called upon to defend itself by arms, the President be empowered to draft such material resources and such services as may be required, and to stabilize the prices of services and essential commodities, whether utilized in actual warfare or private activity."

The Democratic Party platform, the same year, solemnly pledged:

"In the event of war in which the manpower of the Nation is drafted, all other resources should likewise be drafted. This will tend to discourage war by depriving it of its profits."

I repeat, this was in 1924, not 1928, and that these were the platforms of the Republican and Democratic Parties.

I agree with those who say that the limitation of salaries does not deal adequately with the problem of excessive personal profits and that the limitation should extend to all income. My Executive order endeavored to correct the inequity to the extent of the power granted me. The Congress can, however, make the limitation adequate by extending it to the coupon clipper as well as the man who earns the salary.

Therefore, I urge the Congress to levy a special war supertax on net income from whatever source derived (including income from tax exempt securities) which, after payment of regular income taxes, exceeds $25,000 in the case of a single person, and $50,000 in the case of a married couple. If the Congress does not approve the recommendation submitted by the Treasury last June that a flat 100-percent supertax be imposed on such excess incomes, then I hope the Congress will provide a minimum tax of 50 percent with steeply graduated rates as high as 90 percent. The exact amount of the exemptions to be allowed and the exact rate of taxation to be applied are necessarily arbitrary and these are matters the Congress must decide.

If taxes are levied, which substantially accomplish the purpose I have indicated, either in a separate bill or in the general revenue bill you are considering, I shall immediately rescind the section of the Executive order in question. The Congress may appropriately provide that such taxes should take the place of the $25,000 limitation imposed by Executive Order.

I trust however that without such tax levies, the Congress will not rescind the limitation and permit the existence of inequities that seriously affect the morale of soldiers and sailors, farmers and workers, imperiling efforts to stabilize wages and prices, and thereby impairing the effective prosecution of the war.

Very truly yours.

ADMINISTRATIVE BUNGLING DESTROYS CONFIDENCE

Mr. MOORE. Mr. President, appearing in the newspapers today are various advertisements by the Treasury Department which urge the people throughout the country to buy War bonds. These advertisements are of various types and character; they are persuasive; and they are intended to be persuasive because of the need by the Treasury of the money for all the costs of war. These efforts on the part of the Treasury are commendable, and the need for the purchase of War bonds exists; also the very great need for extending unlimited credit to the Government exists. Of course, it is generally understood that the proceeds from the sale of War bonds are to be applied to the war needs. There appears frequently the evidence of willingness on the part of the people to buy War bonds to the full extent of their capacity. Everyone recognizes that it is the duty of all good Americans to extend to their Government full faith and credit in its honest effort to win this war. All men and women recognize, and willingly consent, that their Government must be supported in this war effort.

Everyone recognizes the need for placing in the hands of the Government every needed resource of the people for this purpose. Almost all people realize that the proceeds from the sale of War bonds should be applied to the war needs, and most people believe that nonessential spending should cease while this great war burden exists. I want to call attention to the following advertisement of the Treasury Department:

WHAT WILL YOU BUY WITH WAR BONDS?

Rural electrification has made great strides during the past 10 years, bringing to thousands of farm homes the conveniences of heir city brothers. Today, however, copper wiring, fixtures—all the materials which are required for rural electrification—are out for the duration. The farmers of the Nation, however, can start now buying rural electrification and all the equipment which goes with it through purchase of War bonds. Your War bonds today will buy rural electrification tomorrow and give you back $4 for every $3 you invest.

The above advertisement emphasizes that all the materials which are required for rural electrification are "out for the duration" of the war. It also emphasizes that money now invested in War bonds will buy rural electrification tomorrow and will give back $4 for every $3 invested.

We understand that the rural electrification activity is conducted by a Government-sponsored corporation, that it is engaged in the building of transmission lines and the distribution of electricity for the rural communities of the country, that its capital is contributed by the Government, and that its operation is under the supervision of a corporation created for that purpose. Money is expended from the United States Treasury only by appropriations made by Congress. The Treasury of the United States is without authority to represent to the purchasers of War bonds that the proceeds of the War bonds will be used for rural electrification. The statement made in the advertisement referred to—"your War bonds today will buy rural electrification tomorrow and give you back $4 for every $3 you invest"—is not true. Such a statement made on the part of those in private industry to induce the purchase of stocks, bonds, or other securities would constitute a fraud under the laws of the country. It will take years for $3 invested in War bonds to yield $4, and the Treasury is going beyond its authority and power in stating to the farmers that the proceeds, or any part of them, can be applied to the purchase of rural electrification.

A representation of the same character made by individuals would be, under most of the State laws, in violation of the blue-sky laws governing the sale of securities in private enterprise. It would be in violation of the conduct exacted by the S. E. C. on the part of corporations and individuals. Does not such persuasive effort as that indicated in the advertisement create a distrust in the Government on the part of investors? Would not there likely be more unity of purpose if the prospective pur-

chasers were told that the money was needed directly for war purposes? Cannot the people of the country be depended upon to respond to the appeal of the Government if told the plain, unvarnished truth? Will not such representations, which are literally untrue, tend to build up a lack of confidence on the part of the people in their Government? When the people lose confidence in their Government, disunity follows. Disunity on the part of the American people today, during this country's crisis, would be deplorable. It was disunity between the Government of France and the people of France that caused its enslavement. Disunity in our country might lose us the war.

A great deal has been said about the smugness and complacency of the people of the country. There is not, and never has been, smugness and complacency on the part of the American people with reference to this war. The smugness and complacency lie with official Washington. Probably a million homes in the country will be saddened and bereaved before this war is won. Today the first and uppermost thing in every good American's mind is the winning of the war with a minimum loss of life. We have to pay the price in the defense of all we cherish. We will give—and we will give willingly—of everything we possess, to the winning of this war in the shortest possible time. We will give all our treasure, to the point of complete exhaustion, and will give it willingly.

We will give every necessary directive of our lives to that end; we will give to the Government, through its officers, every needed thing we possess; but we exact from this Government of ours a fidelity of purpose on its part. We exact from the Government the requirement that every patriotic man and woman in the country be given an opportunity to make his or her contribution to the winning of the war; but the inefficient, political prosecution of the war has caused the people to have a lack of confidence in the Government. Lack of confidence in the Government will produce a disunity of purpose which will result in prolonging the war and in the unnecessary sacrifice of lives and treasure. Under the emergency of war there has been created in the country an unwieldy, inefficient mass of bureaus which work at cross purposes with one another and produce confusion and frustration among the people. Even the President and those directly responsible under him for the conduct of the war produce daily evidences of a lack of cooperation. They issue conflicting statements to such an extent that the people are unable to determine who is right.

There has been discussed in the present Congress legislation for the modification of the Selective Service Act; there are pending now such legislation and such intents upon the part of Congress. There are pending now in Congress efforts to solve the many problems confronting the farmers of the country. There is a conflict between the Office of Price Administration and the agricultural branch of the Government that has produced nothing but confusion, frustration, and discouragement on the part of the producers on the farms. The administration of the Selective Service Act has made a large contribution to the depletion of the needed manpower on the farms. The exercise of the powers of the War Production Board has resulted in the scarcity of machinery and tools for the operation of the farms. The demand for products from the farms is greater than it has ever been in the history of the country. The demand for men on the part of the armed forces of the country is thought to be greater than the country can sustain. It is thought that granting the demands by the Army will cause a break-down of production both in the factory and on the farm. The manpower of the farm has been depleted both by the induction of its men into the Army and because of the disparity as to wages between the farm and the factory. The orderly process that makes possible production from the farms is so dislocated as to produce a frightful apprehension of a scarcity of food for the armed forces, both our own and our allies.

Right now, in the midst of all this confusion and frustration and distraction, the country is being treated to political maneuvering for what is called the fourth term. An effort is being made by every means, fair or foul, to create in the minds of the people a belief that we depend upon one man, and one man only for the effective administration of the war effort, the securing of the peace, and the maintenance of our domestic economy. That is contrary to American concepts; it is destructive of constitutional government.

By every means available, there is an attempt to concentrate all power in a central government, to the total destruction of the States and their reserved powers under the Constitution. Today there have been created in the country units that conflict with constitutional concepts. They are called regions. State governments are ignored; the governors and their functions have been supplanted by bureaus created in Washington. Today every contributory enterprise is forced to maintain numerous representatives in Washington, supplicating the bureaucrats, in order to have an opportunity to make its contribution to the war effort. In place of appealing to the patriotism of the people, directives are constantly being issued. Those directives, orders, and edicts do not find a ready lodgment in the minds of the people. They feel that an appeal to their patriotism and love of country would be met with effective response.

Quoting from the language of resolutions adopted by State legislatures, we find that they favor "the removal of all restrictions on production of essential war products," and urge that each farmer be permitted to plant an unlimited amount of any crop, without any interference from any person or bureau, or bureau representative, so that his production will be limited only by his inability to obtain labor; that the farmers are 100-percent patriotic and will produce to the limit of their ability, if permitted to do so; and that the rationing of gasoline and other motor fuels for farm tractors and trucks be confined to the O. P. A., so that it will not be necessary for anyone to obtain permission from more than one agency in order to get the needed fuel, and thus save duplication of effort. No such liberty of action is permitted the farmer. He is hindered daily by senseless, conflicting directives from a multiplicity of bureaus and bureaucrats. Uncertainty of every kind and character stalks his every effort. The price fixing and the price ceilings on the products of the farm, established on foods and livestock, are so dislocating as to render indefinite the results of the operations of the activities necessary to produce food for the country.

In addition to these conflictions, hindrances, and distractions from bureaus created under the administration under the cloak of the war effort, there is another great hindrance to which we generally refer as labor racketeers or labor managers. There has just been published for the public to read an article entitled "Democratic Party Forgets How Hungry It Used to Be," by Daniel J. Tobin. It appears in the April issue of the International Teamster, official publication of the Teamsters' Union. It is being mailed in advance to all Senators and Representatives in Congress, international unions, central labor bodies, and many labor leaders, and public officials. Mr. Tobin asserts dissatisfaction with both the Democratic and Republican Parties. He says that the Democratic Party should recognize the fact that it owes its majority to the workingmen's vote, which has been directed and substantially influenced by the trade-union movement of America; that the southern Democrats do not care much about labor, but that if the Democratic Party should lose its majority, the southern Democrats now holding the most important positions, both in the House and the Senate, would lose their majority influence on very important committees; and that the southern Democrats are crucifying labor. He asks us to remember that their power and influence is due to the fact that their party is in control and was placed in control by the labor vote of the United States.

Mr. Tobin claims to have been successful in cementing every element of organized labor in behalf of Democratic candidates in 1932, 1936, and 1940. He also warns that unless the Republicans govern themselves by progressive expressions they will never get back the control of the political machinery of the United States. Then Mr. Tobin's article goes on to criticize quite vehemently the War Labor Board, and to warn that the farmers of the country do not control elections, but that elections are controlled by union labor. He admonishes Congress to cease its efforts to convince itself that it is now stylish to attack labor, and that if it does not desist—

> You will find yourselves on the outside looking in as you were from March 4, 1931, until March 4, 1933.

He also says—

Then you won't have much to say about political jobs for your friends.

If we persist, says Mr. Tobin, in driving labor too far, labor, being human, will retaliate and resent our actions. He suggests that labor may take the position that if it is to be crucified, it would rather be crucified by those who do not claim to be its friends.

Congress is also warned that labor leaders still have considerable influence over labor itself, and that we can depend upon the labor vote being cast under the direction of the labor leaders. Many of us think that organized labor, though it is only a small minority of labor as a whole, did dominate the elections referred to, and many of us think that today union labor, though it is a minority of labor throughout the country, has the present administration literally by the throat. Labor constitutes millions of men and women throughout the country who do not belong to labor unions. Millions of laborers outside the unions, and millions of farmers and workers in all the other industries and activities outside the so-called labor unions are governed by the minority of which Mr. Tobin speaks. He threatens that if we do not continue to favor and take dictation from union labor, it will turn against us and submit to crucifixion at the hands of those who do not even claim to be its friends.

This brings us to the fear that the New Deal administration has made such a Frankenstein out of union racketeers that it now fears its very creation. It seems that there is justification for the fear that we may have a government within a government that is greater than the Government itself. Some of us think that this is destructive of constitutional government. Some of us are convinced that the present administration has brought about a condition that prevents unity because of the inequities resulting from special privileges to union labor exacted by their dominant labor leaders and others who are not organized as the unions claim to be organized.

The fact is that labor unions themselves are victims of profiteering labor racketeers, and those profiteering labor racketeers are the product of the New Deal administration. The New Deal administration has made the so-called labor oligarchy so strong that it fears to cross swords with it. No right-thinking persons have any fault to find with the organization of labor to the end that it may be treated fairly. Few employers have any objection to the organization of labor; but employers cannot function efficiently and effectively under the present domineering practices of the labor tyrants. Labor will suffer—as labor well knows—in the continuance of this practice. Employers and employees may well know that if the present practice continues, free and private enterprise will cease to exist and will give way to whatever politicians may happen to be in power.

We no longer have the relationship of employer and employee. Labor itself has become a pawn between managers of enterprise and managers of labor. Labor can be forced to strike or sit down and cease production by the dictates of the labor overlords; and Government can do nothing except to take over from the employers the management of their enterprises. This, followed to its last degree, will result in an enterprise being controlled and managed by Government; and then will follow complete dictatorship over everything, labor included. This is the pattern always followed by totalitarian governments; and this pattern, followed as it is now being followed, would lead precisely to governmental tyranny and dictatorship.

Today this country is treated to propaganda for the necessity of the continuation of the party in power. Multiplied millions of dollars are being spent for that purpose, and there is an attempt to create in the minds of the people the impression that a fourth term is necessary for winning the war and winning the peace after the war. This is being done in the midst of a crisis in our country; and anyone who appears to take issue with this propaganda is immediately branded as an isolationist or a traitor. Millions of us, however, believe that the continuance of dishonesty and deceit in Government is the contribution on the part of this administration, which is producing, and will continue to produce, a lack of necessary cooperation on the part of the people in all their enterprises looking to the expeditious winning of this war and the writing of a just and lasting peace at its close.

All this drain of vast expenditures, under the cloak of war, may produce total bankruptcy, which is always followed by such distress and distraction that dictatorship logically follows. Great numbers of examples of excessively vast and unnecessary expenditures of public funds could be cited which, if continued, will become so burdensome that the destruction of our capitalistic system will result. Quoting from a contemporary patriot and statesman—

The free enterprise system can have its blood sucked out of it by the vampire of taxation with the same result as if it faced a firing squad.

It is to be hoped that the people are becoming conscious of that fact. Evidences of this consciousness, we think, were manifested at the recent elections. It is to be hoped that the people have come to realize that the Congress is the last great bulwark of the people's liberties and freedom.

The people's vote in the last election indicated that they had lost faith in the Congress. They sent a great many untried and inexperienced Members to both branches of the Congress to supplant stalwarts of the prior Congress. Of course, many of us have a feeling of diffidence and a consciousness of our lack of experience, of which we have been reminded and expect to continue to be reminded; but out of the expressed and ardent hope that we feel the people believe in our good intent and fidelity of purpose, we will be emboldened to move for the preservation of the greatest government of all time.

We are mindful of the momentous problems confronting us. We will strive for a right solution of those problems as God gives us the light to see them. Having made these promises, we shall hope that when error comes into our acts we shall have the courage and strength to admit the errors and repair the damage at the earliest possible moment. We shall go about our work humbly and determinedly, with gratitude in our hearts for the opportunity which we have had to live in this country, and hope that our reward will be the consciousness of having done our best. We pledge ourselves now to a devotion to reparation of the greatest damage that was ever done to any country, any time, anywhere, by this administration, both in peace and in war.

Mr. REED. Mr. President, as one of the older Senators—but not very old—I have joined my colleagues in recognizing the great ability, high class, and fine character of the new Senators to whom the Senator from Oklahoma [Mr. MOORE] has made reference. I should like to ask the Senator from Oklahoma when they expect to display those qualities of shrinking modesty and self-effacement to which the Senator has adverted? [Laughter.]

INCREASE IN THE PUBLIC-DEBT LIMIT—LIMITATION OF SALARIES

The Senate resumed the consideration of the bill (H. R. 1780) to increase the debt limit of the United States, and for other purposes.

Mr. LANGER. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Gurney	Pepper
Austin	Hatch	Radcliffe
Bailey	Hawkes	Reed
Ball	Hayden	Revercomb
Bankhead	Hill	Reynolds
Barkley	Holman	Russell
Bone	Johnson, Calif.	Scrugham
Brewster	Johnson, Colo.	Shipstead
Brooks	La Follette	Smith
Buck	Langer	Stewart
Burton	Lodge	Taft
Bushfield	Lucas	Thomas, Idaho
Butler	McCarran	Thomas, Okla.
Byrd	McClellan	Thomas, Utah
Capper	McFarland	Tobey
Caraway	McKellar	Tunnell
Chavez	McNary	Tydings
Clark, Mo.	Maloney	Vandenberg
Connally	Maybank	Van Nuys
Danaher	Mead	Wagner
Downey	Millikin	Walsh
Ellender	Moore	Wherry
Ferguson	Murray	White
George	Nye	Wiley
Gerry	O'Daniel	Willis
Gillette	O'Mahoney	Wilson
Green	Overton	

The ACTING PRESIDENT pro tempore. Eighty Senators having answered to their names, a quorum is present.

Mr. LANGER. Mr. President, I offer the following amendment to the committee amendment: On page 4, after line 10, insert the following:

Provided, That the President may, without regard to the limitation contained in clause (2), adjust wages or salaries to the extent that he finds necessary in any case to correct gross inequities and also aid in the effective prosecution of the war.

Mr. President, this would leave section 4 exactly as it was before the last four

lines were eliminated by the Committee on Finance.

Mr. TAFT. Mr. President, will the Senator yield for a question?

Mr. LANGER. I yield.

Mr. TAFT. Am I correct in understanding that the Senator has no objection to the last part of the committee amendment, which would nullify the President's order?

Mr. LANGER. No; I am in favor of the President's order.

Mr. TAFT. As I understand, the Senator's amendment would not change the express provision of the committee amendment, which would nullify the order.

Mr. LANGER. It would not nullify the President's order, because my amendment is proposed as an addition, and it would leave the law exactly the way as it is at the present time.

Mr. TAFT. The next paragraph of the committee amendment would nullify the President's order.

Mr. LANGER. My amendment proposes to strike out everything thereafter.

The ACTING PRESIDENT pro tempore. The amendment offered by the Senator from North Dakota to the amendment reported by the committee will be stated.

The CHIEF CLERK. On page 4, after line 10, in the committee amendment, it is proposed to insert "*Provided*, That the President may, without regard to the limitation contained in clause (2), adjust wages or salaries to the extent that he finds necessary in any case to correct gross inequities and also aid in the effective prosecution of the war" and to strike out lines 11 to 20, inclusive, as follows:

(b) (1) Section 7 of title II, and all other provisions of Executive Order No. 9250, "Providing for the stabilization of the national economy" issued October 3, 1942, and all provisions of Regulation No. 4001.9, promulgated by the Economic Stabilization Director on October 27, 1942, which are in conflict with this section are hereby rescinded; and (2) all orders, regulations, and other directives, and all decisions, promulgated or made by virtue of the said Executive order or regulation which are in conflict with this section are hereby rescinded.

Mr. GEORGE. Mr. President, all the Senator is doing is opposing the committee substitute. He could accomplish identically the same object if the substitute were rejected. He could then offer any amendment he wished to the House text. I have no objection to a vote on the amendment.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from North Dakota [Mr. LANGER] to the amendment reported by the committee.

Mr. LANGER. Mr. President, I ask for the yeas and nays.

The yeas and nays were not ordered.

The amendment to the amendment was rejected.

The ACTING PRESIDENT pro tempore. The question now recurs on agreeing to the committee amendment on page 3, after line 7.

Mr. LANGER. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. McNARY (when his name was called). I have a pair with the junior Senator from Pennsylvania [Mr. GUFFEY]. If he were present, he would vote "nay." If I were permitted to vote, I should vote "yea."

Mr. THOMAS of Utah (when his name was called). I have a general pair with the senior Senator from New Hampshire [Mr. BRIDGES], who is necessarily absent. I transfer that pair to the junior Senator from Mississippi [Mr. EASTLAND] who, I am advised, if present and voting, would vote "yea." I am therefore at liberty to vote. I vote "yea."

The roll call was concluded.

Mr. CLARK of Missouri. I desire to announce that my colleague [Mr. TRUMAN] is absent on official business for the Special Committee to Investigate the National Defense Program. If present, he would vote "yea."

Mr. BARKLEY. I announce that my colleague [Mr. CHANDLER] is absent on official business. If present, he would vote "yea."

Mr. HILL. I announce that the Senator from Florida [Mr. ANDREWS] and the Senator from Virginia [Mr. GLASS] are absent from the Senate because of illness.

The Senator from West Virginia [Mr. KILGORE] and the Senator from Washington [Mr. WALLGREN] are absent on official business for the Special Committee to Investigate the National Defense Program.

The Senators from Mississippi [Mr. BILBO and Mr. EASTLAND], the Senator from Idaho [Mr. CLARK], the Senator from Pennsylvania [Mr. GUFFEY], and the Senator from Utah [Mr. MURDOCK] are detained on important public business.

The Senator from Montana [Mr. WHEELER] is necessarily absent.

Mr. McNARY. The Senator from Pennsylvania [Mr. DAVIS] is necessarily absent on important public business.

The Senator from New Jersey [Mr. BARBOUR] and the Senator from Wyoming [Mr. ROBERTSON] are necessarily absent.

The Senator from Michigan [Mr. FERGUSON] and the Senator from Maine [Mr. BREWSTER] are detained in a meeting of the Truman committee.

I am advised that, if present, all the Senators mentioned would vote "yea."

The result was announced—yeas 74, nays 3, as follows:

YEAS—74

Aiken	Ellender	McFarland
Austin	George	McKellar
Bailey	Gerry	Maloney
Ball	Gillette	Maybank
Bankhead	Green	Mead
Barkley	Gurney	Millikin
Brooks	Hatch	Moore
Buck	Hawkes	Murray
Burton	Hayden	Nye
Bushfield	Hill	O'Daniel
Butler	Holman	O'Mahoney
Byrd	Johnson, Calif.	Overton
Capper	Johnson, Colo.	Pepper
Caraway	La Follette	Radcliffe
Chavez	Lodge	Reed
Clark, Mo.	Lucas	Revercomb
Connally	McCarran	Reynolds
Danaher	McClellan	Russell
Scrugham	Thomas, Utah	Walsh
Shipstead	Tobey	Wherry
Smith	Tunnell	White
Stewart	Tydings	Wiley
Taft	Vandenberg	Willis
Thomas, Idaho	Van Nuys	Wilson
Thomas, Okla.	Wagner	

NAYS—3

Bone	Downey	Langer

NOT VOTING—19

Andrews	Davis	Murdock
Barbour	Eastland	Robertson
Bilbo	Ferguson	Truman
Brewster	Glass	Wallgren
Bridges	Guffey	Wheeler
Chandler	Kilgore	
Clark, Idaho	McNary	

So the amendment of the committee was agreed to.

The ACTING PRESIDENT pro tempore. The bill is before the Senate and open for further amendment. If there be no amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill H. R. 1780 was read the third time and passed.

Mr. GEORGE. I move that the Senate insist upon its amendment, request a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Acting President pro tempore appointed Mr. GEORGE, Mr. WALSH, Mr. BARKLEY, Mr. LA FOLLETTE, and Mr. VANDENBERG conferees on the part of the Senate.

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Swanson, one of its clerks, announced that the Speaker pro tempore of the House had affixed his signature to the enrolled bill (S. 677) to amend the National Housing Act, as amended, and it was signed by the Acting President pro tempore.

TREASURY AND POST OFFICE APPROPRIATIONS

Mr. TYDINGS. Mr. President, I move that the Senate proceed to the consideration of House bill 1648, making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1944, and for other purposes.

Mr. McNARY. Mr. President, I observe that it is now 10 minutes after 4 o'clock, and we would have to give hurried consideration to the bill if we were to conclude its consideration today. I should like to have a little time to read the report. Indeed, I did not know that it was contemplated the bill would be brought up today. I have no objection to making it the unfinished business, provided we can proceed to its consideration at the next session of the Senate, which I think will be on Thursday. That will give us all ample time to study it. Frankly, as I have said, I did not know that it was in contemplation to bring the bill up today, or that a motion would be made to that effect. I should like to have a little time to go through

the bill and the report of the hearings. This is one of the annual appropriation bills. Certainly a bill carrying an appropriation of a billion dollars might well be studied and considered for 48 hours. I appeal to the very able and accommodating Senator from Maryland that the bill be made the unfinished business. I have no objection to that being done, if the bill may go over until Thursday.

Mr. TYDINGS. Mr. President, I have no desire to take advantage of the situation by asking that the bill be disposed of this evening, if Senators would like to have time to consider its provisions. However, I should like to get it before the Senate, and have it understood that the committee amendments may be acted on first, and then, if it pleases the majority and minority leaders, if they desire to have some other business taken up, and the appropriation bill may be the unfinished business when the Senate next meets, I have no disposition to insist upon the consideration of the bill at the present time.

Mr. BARKLEY. Mr. President, I think the arrangement suggested will be entirely agreeable.

Mr. TYDINGS. With that understanding, I ask that my motion be put.

Mr. McNARY. I understand, then, that if the bill shall be made the unfinished business, it will go over until the meeting of the Senate on Thursday.

Mr. BARKLEY. That is correct.

Mr. McNARY. I have no objection.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Maryland.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 1648), making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1944, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. TYDINGS. I ask unanimous consent that the formal reading of the bill be dispensed with, that it be read for amendment, and that committee amendments be first considered, including two amendments which the chairman is authorized to offer on the floor of the Senate on behalf of the committee before other amendments are considered.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PROFIT FROM CONSTRUCTION AND OPERATION OF SHIPS—REAR ADMIRAL LAND

Mr. BAILEY. Mr. President, with respect to the discussion had in the Senate several days ago on the subject of the Maritime Commission, and somewhat relative to the subject of the confirmation of the reappointment of Rear Admiral Land to be a member of the Commission, I rise for the purpose of asking leave to place in the CONGRESSIONAL RECORD, as a part of my remarks, a series of exhibits and statements, at considerable length it is true. The object, however, is fully to inform the Senate as to every aspect of every matter concerning which there has been complaint or criticism. I should like to make the presentation briefer, but if we are to go into a matter of this sort we must go into it thoroughly and at some length. I hope the Senate will grant my request.

Mr. McNARY. Mr. President, the suggestion has been made that in order to prevent an extraordinary amount of matter appearing in the RECORD, that it be printed as a Senate document.

Mr. BAILEY. That, Mr. President, is perfectly agreeable to me, if I can obtain unanimous consent.

Mr. BARKLEY. Mr. President, the difficulty about printing it as a Senate document is that in all likelihood the document will not be printed and available to Members of the Senate before the question of the confirmation is taken up and disposed of.

Mr. McNARY. Of course, there may be a few days' delay in the matter of printing, but it would result in avoiding an enormous and voluminous load being carried in the CONGRESSIONAL RECORD, and if it were printed in the form of a document it would serve the same purpose.

Mr. BARKLEY. Ordinarily that may be true, but I understood the Senator from North Carolina wanted the matter to be placed in the RECORD in connection with the confirmation of the appointment of Admiral Land, which is now pending before the Senate, and in my judgment, there would be quite a delay in having the matter referred to printed as a Senate document.

Mr. BAILEY. Let me say further to the Senator from Oregon that accusations of rather a serious character were made on the floor of the Senate, and they appear in the RECORD. In view of those accusations, and since the CONGRESSIONAL RECORD is circulated throughout the country—I do not know how widely read it is, but it is widely circulated—I feel that as a matter of justice the document about which I am now speaking should be placed in the RECORD.

Mr. McNARY. Mr. President, I am not trying to dictate a course different from that which the able Senator from North Carolina desires to pursue. I was thinking only about keeping the RECORD in ordinary normal bounds. If the Senator feels that it would serve the purpose better to have the matter printed in the RECORD, I shall not continue my remarks.

Mr. BAILEY. Mr. President, I am in full sympathy with efforts to keep the RECORD within ordinary and normal bounds.

Mr. JOHNSON of California. Mr. President, I inquire what is the matter under discussion?

Mr. BAILEY. Considerable complaint and criticism has been made concerning the administration of the United States Maritime Commission. In previous debates we could not tell——

Mr. JOHNSON of California. Mr. President, I simply wanted to know the subject matter under consideration. I do not know to what the Senator is referring. I do not know whether he is referring to the policing of the Hottentots, or whether he is referring to the policing of some other people.

Mr. BAILEY. No, the matter referred to does not concern the policing of Hottentots or any others. The matter I request to have placed in the RECORD is for the information of the Senate and the people of the country. A thoroughly domestic question is involved. I do not care to make a speech, but I shall read a letter received from Admiral Land under date of March 22 addressed to me, which I think contains some very important information. I ask the Senate to hear it as I read it:

MARCH 22, 1943.

Hon. JOSIAH W. BAILEY,
United States Senate.

DEAR SENATOR BAILEY: A review of the discussion on the floor of the Senate on Friday, March 12, 1943, with regard to various matters relating to the Maritime Commission or the War Shipping Administration suggests the desirability of amplifying the record in certain particulars.

(1) May I state categorically at the outset that neither the Maritime Commission nor the War Shipping Administration has at any time tried to suppress any report from the General Accounting Office or to avoid a full disclosure or investigation of any of the activities of either organization.

Mr. President, I can corroborate that so far as I am concerned. The administration has given me information promptly whenever I have called for it.

The House Committee on the Merchant Marine and Fisheries has been conducting prompt and complete investigations of all of the items upon which the Comptroller General has commented. Hearings have already been held in connection with the Waterman and Tampa controversies, at which representatives of the General Accounting Office were heard, and reports are expected shortly.

Hearings on the other matters are scheduled for the near future.

Mr. AIKEN. Mr. President, I did not understand the Senator from North Carolina. Did the letter state that hearings had been held by the House committee, and reports made?

Mr. BAILEY. The letter states:

The House Committee on the Merchant Marine and Fisheries has been conducting prompt and complete investigations of all of the items upon which the Comptroller General has commented.

Mr. AIKEN. Have reports been made?

Mr. BAILEY. The statement is that—

Hearings have already been held in connection with the Waterman and Tampa controversies, at which representatives of the General Accounting Office were heard, and reports are expected shortly.

Mr. AIKEN. Yes; but, if the Senator will recall, one of my principal objections was that action should not be taken until the reports are made. I know that hearings have been held; in fact, I have copies of the hearings, but I had no copy of the report as to whether the Comptroller General's reports are justified.

Mr. BAILEY. What the Senator refers to would be a report of the House committee.

Mr. AIKEN. And I have received no report as to whether the members of the House committee are unanimous in their position regarding the matter.

Mr. BAILEY. I do not know a thing about the House reports. I am reading

a letter which makes certain statements of fact.

Mr. AIKEN. I am sorry to interrupt the Senator, but I wanted to make the matter clear.

Mr. BAILEY. If the Senator had wanted to make the matter clear the other day in making his argument, he would have read Admiral Land's letter when he sent it to the desk. I am reading the letter, and I hope I shall be allowed to read it without being interrupted:

Full statements of our position in connection with all these matters have also been furnished by us to the Senate Committee on Commerce.

I have those statements, and I am going to have them placed in the RECORD now.

The letter continues:

I wish to assure you that we would be happy to appear before your committee at any time to explain any item upon which the committee desires further information or explanation.

(2) In connection with the question of valuation and rate-fixing for vessels there seems to be some misunderstanding as to the exact situation in this regard. The Comptroller General's ruling on November 28, 1942, is not in the nature of a report to the Congress. It was solicited by me—

That is, by Admiral Land—

as soon as I ascertained that some members of his staff were of the opinion that methods used by us in fixing rates and values were incorrect. The original opinion of the Comptroller General was based on the assumption (a) that the enhancement clause in section 902 of the Merchant Marine Act, 1936, became effective simultaneously with the effective date of section 902, and (b) that section 902 became effective upon the President's declaration of a limited emergency on September 8, 1939. We replied in full to the Comptroller General on December 31, 1942, calling his attention to the fact that section 902 did not become effective until May 27, 1941, when the President declared an unlimited emergency and supported our views with references to statements made and action taken by various Members of Congress, the Congress itself and the Chief Executive. The Comptroller General replied on January 7, 1943. He shifted the basis of his reasoning and held that even if section 902 did not become effective until May 27, 1941, the enhancement clause was retroactive in application and should, as a matter of administrative practice, be made applicable from September 8, 1939. However, even the Comptroller General, in recommending that values be fixed as of that date, further conceded that subsequent increases in values could be allowed unless "such excess be deemed as due to economic conditions directly caused by the national emergency."

After consultation with the chairman of the Senate Committee on Commerce, the chairman of the House Merchant Marine and Fisheries Committee, and the Comptroller General's office, I transmitted to all shipowners whose vessels were involved in this controversy a communication dated December 17, 1942 (which had previously been cleared with all three officials)—

I confirm that; the communication was submitted to me for approval—

advising that pending a clarification of the problem, all payments would be withheld on total losses, 25 percent would be withheld on time-charter hire and 50 percent on bareboat hire. These arrangements were made so as to avoid any danger of violating the ruling of the Comptroller General. Subsequent analysis indicates that the amount withheld was far too great to meet the requirements of that ruling. At the present time, insurance payments on approximately 162 large vessels are being withheld representing claims of over $85,000,000. Payments for approximately 100 large vessels requisitioned for title are being withheld. These cases represent claims of about over $50,000,000. Approximately $12,000,000 a month is being withheld from the time- and bareboat-chartered vessels, and substantial sums are being withheld in connection with the small-craft-procurement program. In all, the amount withheld in accordance with the letter of December 17, 1942, is approaching $200,000,000.

We hope to be able to release a substantial part of the sums withheld in the near future, since it is our feeling that there is at this time a reasonable prospect that rates satisfactory both to the Comptroller General and to this organization can shortly be announced. Conferences with the Comptroller General on this point have been in process for some time.

(3) There seems to be a misunderstanding as to the situation regarding vessels constructed with the aid of construction-differential subsidies. There are approximately 160 vessels in this category. Approximately 35 of these vessels have either been purchased by the Government or lost while under charter to the Government. The remainder are now under charter. In each case, the owners of such vessels are paid only depreciated cost.

That takes section 802 out of the controversy.

The letter continues:

No profit whatsoever is allowed. I wish to repeat that under no circumstances does the owner of a vessel built with the aid of construction subsidy profit by one cent when the Government requisitions title to the vessel, or reimburses him in case the vessel is lost while under charter to the Government. The controversy over valuation relates to vessels built without construction-differential subsidy and includes vessels of all types, including fishing vessels, tugs, barges, harbor craft, freighters, tankers, and passenger ships.

I wish to have the Senate give especial attention to the statistics contained in the fourth paragraph:

(4) It is regrettable that the accomplishments of the Maritime Commission and the War Shipping Administration in achieving reduction in rates and values have been completely overlooked and clouded by disputes on questions of statutory interpretation. We have prepared and submit herewith a memorandum outlining the rates and values established by the War Shipping Administration and comparing the results achieved with the standards established by the Comptroller General. At this point, may I direct attention to the fact that in the first war earnings of freighters and tankers on bareboat charter were fixed at a basic rate of $4.15, which the Court of Claims increased to $6.60 in several cases that the Supreme Court refused to review. Earnings on freighters and tankers under our existing charters are estimated at between $1 and $1.50 per deadweight ton per month, or approximately one-third of the earnings permitted in the first war. The existing rates also represent drastic reductions in the earnings and profits from the peak year of 1941, when vessel owners earned well in excess of $4 per deadweight ton on old freighters and tankers. Our insurance values for old freighters and tankers start at a basic rate of $65 per ton, while the comparable rate in the first war was $160 per ton for freighters and $165 per ton for tankers. In 1941, the values of freighters and tankers had risen to about between $100 and $150 per ton.

We doubt that Congress or the public fully appreciate the significance of the job that has been done in this respect and the enormous savings that have been accomplished by those in charge of administering the law, as compared with the experience in the first war. For that reason, we have included in the enclosed memorandum a more complete comparative analysis of the facts and figures in this respect.

(5) I should also like to make reference to the statements regarding the high earnings of the steamship industry in 1941. It is true that 1941 was a prosperous year for most steamship companies. This prosperity was not based on monies received from the United States Government for we were then at peace and had not requisitioned our merchant fleet, but rather on the great improvement in the steamship business in that year, which was worldwide in scope. The history of the steamship industry indicates that these peak periods occur once in 10 or 20 years. In this case, the boom was rather short-lived, since the Maritime Commission and the War Shipping Administration rates of hire have drastically reduced steamship earnings. We can state with confidence that 1943 earnings in the steamship industry represent a slash of over 66⅔ percent from the 1941 peak, before taxes, and an even greater slash after taxes. It is believed that current earnings in the steamship industry will compare most favorably with the trend of profits in general. The Office of Price Administration has recently reported that railroad earnings have increased over 2,000 percent before taxes since 1938 and that the profits of mining, manufacturing, and trade in general have increased over 300 percent, before taxes in the same period. It may therefore be said that during this war, the historic wartime advantage of the steamship industry as compared with industry generally has largely been destroyed.

Very truly yours,

E. S. LAND,
Administrator.

Mr. President, I send forward the letter which I have just read, together with the exhibits, which are numbered, and ask that they be printed in the RECORD as a part of my remarks.

There being no objection, the exhibits were ordered to be printed in the RECORD, as follows:

JUST COMPENSATION UNDER SECTION 902 OF THE MERCHANT MARINE ACT, 1936

The purpose of this memorandum is to discuss the significance of the Comptroller General's ruling on the question of just compensation for vessels purchased, chartered, or requisitioned by the Maritime Commission or the War Shipping Administration.

I. PRELIMINARY

1. Scope of problem

It is estimated that approximately 30,000 vessels of all types and sizes are subject to requisition under section 902 of the Merchant Marine Act, 1936, and of these nearly 4,000 have heretofore been either requisitioned, chartered, or purchased. Over 90 percent of these vessels were acquired after the outbreak of the war on December 7, 1941. Of these approximately 2,500 are small craft, such as fishing vessels, yachts, tugs, barges, and harbor craft, while approximately 1,500 are large vessels such as freighters, tankers, and passenger ships.

2. Applicable statutes

The power to requisition vessels and the requirements with respect to the valuation of

requisitioned vessels are fully set forth in section 902 of the Merchant Marine Act, 1936, which insofar as is pertinent reads as follows:

"SEC. 902. (a) Whenever the President shall proclaim that the security of the national defense makes it advisable or during any national emergency declared by proclamation of the President, it shall be lawful for the Commission to requisition or purchase any vessels or other watercraft owned by citizens of the United States, or under construction within the United States, or for any period during such emergency, to requisition or charter the use of any such property. The termination of any emergency so declared shall be announced by a further proclamation by the President. When any such property or the use thereof is so requisitioned, the owner thereof shall be paid *just compensation* for the property taken or for the use of such property, *but in no case shall the value of the property taken or used be deemed enhanced by the causes necessitating the taking or use.* * * *

"(b) When any vessel is taken or used under authority of this section, upon which vessel a construction-differential subsidy has been allowed and paid, the value of the vessel at the time of its taking shall be determined as provided in section 802 of this act, * * *."

The italicized provision of section 902 (a) is generally known as the enhancement clause and is the source of the present controversy.

3. Vessels built with construction differential subsidies not involved

At the outset it is necessary to draw a sharp line of distinction between vessels which were built with the aid of construction differential subsidies under the Merchant Marine Act, 1936, and vessels which did not have the benefit of such construction subsidies. Vessels built with construction differential subsidy are covered by section 902 (b) above quoted, and their valuations are determined in accordance with the formula set forth in section 802 of the act which provides that:

"In the event the United States shall, through purchase or requisition, acquire ownership of the vessel or vessels on which a construction-differential subsidy was paid, the owner shall be paid therefor the value thereof, but in no event shall such payment exceed the actual depreciated construction cost thereof. * * *"

Accordingly, all vessels for which construction subsidies have been paid are purchased or requisitioned at actual cost to the owner without any resulting profit. No shipowner who acquired his ship with the aid of a construction differential subsidy has been allowed any profit by the Government. We repeat that not 1 cent in profit has been paid to any owner of a vessel built with a construction differential subsidy. There are approximately 160 ships in this class, about 35 of which have been purchased by the Government or lost while under charter to the Government. The remaining 125 vessels of this fleet are now under charter to the United States and in the event of the loss of any such vessels, the owners will be paid only the actual depreciated cost without any profit. At no time has the Maritime Commission or the War Shipping Administration suggested that vessels in this class should receive more favorable treatment. Further, since the right of the Government to acquire these vessels at depreciated cost is clearly set forth in the contract under which the vessels were purchased there can be no question as to the legal power of the Government to insist upon acquiring such vessels without profit. Accordingly, there is no problem as to vessels built with construction differential subsidies. The problem with which we are confronted relates exclusively to vessels for which construction subsidies have not been paid and which therefore are valued in accordance with section 902 (a) of the act.

4. Valuation standard applicable to vessels built without construction differential subsidies

As above pointed out the Maritime Commission and War Shipping Administration have been concerned with the rates and values of nearly 4,000 vessels of which only about 160 were built with the aid of construction differential subsidies. The balance of the fleet must therefore be valued in accordance with section 902 (a) of the Merchant Marine Act, 1936, above quoted, which provides that such vessels shall be paid just compensation "but in no case shall the value of the property taken or used be deemed enhanced by the causes necessitating the taking." It should be noted that section 902 (a) provides a uniform system of valuation which is applicable to all unsubsidized vessels, including fishing boats, tugs, barges, freighters and tankers, irrespective of whether they have been purchased from the Government at low prices or purchased in the open market at high prices. Congress did not discriminate between vessels purchased from the Government and other classes of vessels and the Administrator is therefore powerless to make any such distinction.

The Comptroller General has construed section 902 (a) as follows:

"It would appear reasonable to conclude the enhancement clause in said section 902 (a) prohibits the payment of compensation for such vessels to the extent that it may be based upon values in excess of the values existing on September 8, 1939, provided such excess be determined as due to economic conditions, directly caused by the national emergency."

This standard of valuation apparently requires that September 8, 1939, values be taken as a basis upon which subsequent enhancement is allowed, unless caused directly by the emergency. The extent to which increases are allowable thus becomes a question of fact requiring an analysis of price rises and increases in earnings since September 1939. It is believed that with some moderate adjustments most of the existing rates and values can be justified upon such an analysis even under the Comptroller General's ruling and conferences looking toward a practical clarification of the ruling are now in progress.

5. Analysis of rates and values

Whatever differences there may be between the Comptroller General's standard of values and that followed by the War Shipping Administration, there is no fundamental difference in the objective sought to be achieved, since the War Shipping Administration and the Maritime Commission have both sought, as far as possible, to avoid payment of inflated wartime cost for shipping such as that which occurred in the first war. This will become more apparent from a consideration of the specific rates and values now in effect.

(a) Charter Rates, Freighters and Tankers

Earnings of freighters and tankers have been slashed about 66⅔ percent from the earnings of World War No. 1. Equally drastic reductions have been made from 1941 earnings. It is estimated that under existing charters earnings are between $1 to $1.50 per deadweight ton per month on the older vessels. Average earnings of 20-year-old freighters and tankers on September 8, 1939, before overhead, capital charges, and taxes as shown by voyages terminating during the last quarter of 1939 were as follows: $1.25 per deadweight ton per month for unsubsidized freighters; $1.51 per deadweight ton per month for subsidized freighters; $1.62 per deadweight ton per month for tankers.

In 1940, earnings increased about 100 percent, and by 1941 had increased over 300 percent. Moreover, during 1941, a number of vessels were chartered by the Army, Navy, and other charterers on a bare-boat basis at from $3 to $5 per deadweight ton per month, while berth earnings had risen to an average exceeding $4 before taxes, overhead, and capital charges. It was during this peak period that the Red Sea charters were made. This sharp increase in earnings in 1940 and 1941 should be compared with increases in railroad earnings which have increased 300 percent since 1939 and with profits before taxes in the mining and manufacturing industry which have increased over 300 percent since 1939, before taxes.

In 1941 and 1942 the Maritime Commission and the War Shipping Administration progressively reduced earnings to levels permitting estimated profits of between $1 to $1.50 per deadweight ton per month and for the first time in history the earnings of steamship companies declined in wartime.

The achievement in this respect becomes more apparent upon comparison with the profits of World War No. 1. In the First World War the Shipping Board fixed basic bareboat rates of $4.15 per dead-weight ton per month. The Court of Claims increased these rates over 50 percent to $6.60 per deadweight ton per month in several decisions which the Supreme Court refused to review. *Standard Transportation Company* v. *United States* (61 C. Cls. 951, cert. den. 273 U. S. 732); *Atlantic Refining Company* v. *United States* (69 C. Cls. 713, cert. den. 282 U. S. 859); *Atlantic Refining Company* v. *United States* (72 C. Cls. 1, cert. den. 285 U. S. 542). In this war, we have fixed bareboat rates on comparable vessels of from $1 to $1.25 per deadweight ton and time-charter rates of $4 designed to produce a profit of $1 per deadweight ton per month, with allowances for contingencies from which the more efficient vessels are earning up to about $1.50 per dead-weight ton.

Thus, the War Shipping Administration by administrative action has reduced ship profits before taxes to amounts not substantially in excess of September 8, 1939 earnings and about 66⅔ percent below levels established by the courts in World War No. 1 or levels prevailing in 1941, as will be seen from the following table:

World War No. 1 court established basic rate	$6.60
World War No. 1 administratively established basic rate	$4.15
1941 bareboat basic rates and earnings	$3 to $4.00
War Shipping Administration time form basic earnings	$1 to $1.50
War Shipping Administration bareboat basic earnings	$1 to $1.25

The results accomplished by the War Shipping Administration demonstrate more effectively than any legal theory, that the fundamental policy of destroying inflated and strategic war-time earnings in the shipping industry has been accomplished. Therefore, whatever views one may hold about the relatively high berth earnings of 1941, it is now clear that such earnings are a thing of the past, and that present-day steamship industry's profits compare most favorably (in comparison with 1939) with earnings of other transportation industries or of business generally. It is believed that these results are in substantial compliance with the Comptroller General's ruling.

(b) Insurance Values, Freighters and Tankers

Insurance values for chartered freighters and tankers have also been greatly reduced from 1941 levels as well as World War No. 1 standards. The basic War Shipping Administration value is $65 per dead-weight ton. The comparable World War No. 1 value was

$160 per dead-weight ton for freighters and $165 per dead-weight ton for tankers.

By comparing present-day values with actual sales in 1939, it may be contended that there has been a very large enhancement in value since 1939. It is true that in 1939 old freighters were liquidated at around $20 to $25 per dead-weight ton. Old tankers of comparable age and condition brought substantially higher figures. Prior to September 8, 1939, old tankers were sold at prices of between $40 to $50 per ton after taking account of deferred repairs. During the latter part of 1939 sales values had risen to over $60 per dead-weight ton. These 1939 sales represent liquidations of undesirable tonnage by companies who had no need for such vessels or were faced with the problem of surplus tonnage arising from the replacement by new ships. The low sales prices thus reflected the fact that these were surplus and less desirable vessels. The low prices, moreover, reflect the overtonnaged condition which prevailed throughout the world generally, especially as to freighters, and particularly in the United States, a fact of which Congress took official recognition when it adopted legislation in August 1939 authorizing the Maritime Commission to buy up old tonnage and to sterilize it in a pool of laid-up vessels for use in emergencies. The Comptroller General has recognized that depressed 1939 values are not controlling.

We have shown that old vessels were earning about $15 per dead-weight ton per annum before taxes and overhead on September 8, 1939. The War Shipping Administration basic values represent less than five times September 8, 1939, earning capacity.

It is also significant to note that although freighters sold for about $20 to $25 per ton in 1939, the average insurance value for freighters was about $40 per ton, while the average insurance values for tankers was nearly $60 per ton. In 1940 insurance values for freighters had also risen to between $50 and $60 per ton. These facts are especially significant in view of the British practice, since the British Government under a law which prohibits any "appreciation in value" resulting from the British declaration of emergency of September 3, 1939, has allowed insurance values on all chartered vessels based on the actual war-risk insurance carried by the owner as of the date of requisition, except where requisition occurred after March 6, 1940, in which case values were frozen as of May 6, 1940. In other words, May 6, 1940, insurance values control in Britain. In addition, the British have also allowed additional sums up to 25 percent of basic insurance values to all owners participating in the replacement program. Under a law which is much less severe than the British law, the War Shipping Administration has fixed insurance values at levels which are not substantially in excess of those prevailing in 1940 without any replacement allowance.

By comparison with the World War No. 1 values of $160 per dead-weight ton or the 1941 market values of over $100 per dead-weight ton, or the British scale of May 6, 1940, the basic value of $65 per dead-weight ton represents a drastic reduction in shipping valuation successfully accomplished by the War Shipping Administration. We do not yet know the extent to which these insurance values exceed the permissible maximum based on the Comptroller General's ruling. Our tanker values are believed to be in conformity with his ruling and we do not believe that the freighter values are greatly out of line with his formula. In any event, we submit that the scale of values represents a substantial accomplishment as compared with the fantastic values of World War No. 1 or of the high prices of 1941. Comparison with those values rather than original cost would seem to offer the best standard of comparison.

(c) Passenger Ships and Special Type Vessels

With respect to passenger ships nd other special type vessels, the average values fixed by the administration have been less than the average insurance values actually carried by the owners in 1939. If 1939 insurance values are fair standards for 1942 insurance values then there has been no enhancement of value since 1939 in these cases. The earnings allowed on such vessels likewise, on the average, have been below those actually earned in 1939, and therefore are not in conflict with the Comptroller General's ruling. Comparable World War No. 1 earnings per gross ton were about 300 percent greater.

(d) Fishing Vessels

In the case of fishing vessels, values have averaged approximately 33⅓ percent in excess of 1939 values which compares favorably with the general increase in the wholesale commodity index which likewise reflects approximately a 33⅓ percent increase since 1939. Fishing ship values are generally below 1940 values paid by the Navy. While the Comptroller General has not as yet conceded the point, it seems to us that an enhancement in value which does not exceed the average enhancement in wholesale prices is not the type of enhancement condemned by section 902.

(e) Yachts

Yachts have been compensated at 1939 levels with sharp deductions for depreciation and are obviously within the Comptroller General's formula.

Summary of rates and values

The situation regarding rates and values can be summarized as follows:

(1) Earnings of freighters and tankers under existing charters do not result in any substantial enhancement over the actual earnings on voyage terminations in the last quarter of 1939; and produce a profit substantially below 1940 results.

(2) Basic insurance values for tankers are at about levels reached at the end of 1939;

(3) Basic insurance values for freighters are not substantially above 1940 levels;

(4) Earnings on passenger and special type vessels are on the average below 1939 levels. Insurance values of such vessels are on the average actually below 1939 insurance values;

(5) Values of fishing vessels are approximately 33⅓ percent above 1939 values, which represent the approximate increase in the wholesale price index;

(6) Yachts are valued at 1939 levels, less heavy depreciation.

Regardless of technical refinements of the meaning of the statute and differences of opinion in connection therewith, it is submitted that the stabilization of rates and values on the above levels represents solid administrative accomplishment and a fulfillment of the full purpose and intent behind the enhancement clause.

Comparison with other industries

In evaluating the results achieved, it is of interest to contrast steamship earnings with the earnings of other transportation agencies largely dependent upon the Government and the defense effort for revenue, such as the railroads. From the statistical material in War Shipping Administration files, it appears that railroad earnings, before taxes, increased from $68,000,000 in the third quarter in 1939 to $556,000,000 in the third quarter of 1942, a percentage increase of about 800 percent, which reflects an enhancement in railroad earnings vastly greater than that permitted in steamship industry. The Office of Price Administration has recently estimated that railroad earnings are now over 2,000 percent above 1939 levels. Corporate profits generally, before taxes, have increased by over 300 percent between 1939 and 1942 in mining and manufacturing industries, according to Office of Price Administration studies. Unbelievable as it may seem, the 1943 earnings in the steamship industry are greatly below the level of other industrial earnings based on comparisons with September 8, 1939, levels.

1. THE PROVISO CLAUSE IN THE COMPTROLLER GENERAL'S RULING AND ITS APPLICATION TO ENHANCEMENT IN VALUE SINCE 1939

The Comptroller General's ruling is as follows:

"It would appear reasonable to conclude that the enhancement clause in said section 902 (a) prohibits the payment of compensation for such vessels to the extent that it may be based upon values in excess of the values existing on September 8, 1939, provided such excess be determined as due to economic conditions, directly caused by the national emergency."

The latter portion of this quotation is hereinafter referred to as the "proviso clause." What the Comptroller means by "economic conditions directly caused by the national emergency" is not disclosed by him, but the inference is that indirect enhancement may be allowed even though such enhancement may be traceable to the economic conditions resulting from the World War. Support for this interpretation of this proviso clause is found in the Comptroller General's recognition of the need for allowing enhancement in 1939 values in the case of vessels that were built after September 8, 1939, or substantially reconstructed after that date. More specific recognition of the soundness of this broad interpretation is found in the Comptroller General's reply to question number 12 indicating that increase may be allowed for enhancement since September 8, 1939, where market conditions as of that date were abnormally depressed.

If the Comptroller General intended that the proviso clause should be so construed, then there is no important difference in his position and that taken by the War Shipping Administration, although there may be some differences in the application of that principle and some further reductions may be justified. Fixing values as of September 8, 1939, and allowing subsequent enhancement which is not directly caused by the emergency should produce a result no different in principle than the formula which would fix valuation as of the date of taking, and then disallow previous enhancement directly caused by the emergency although there may be differences as to actual amounts to be allowed. Thus, whether the calculation starts with September 8 and works forward or starts with the date of taking and works backward, the final results should not vary considerably, since in both cases the basic problem is to the degree to which increase in values resulted from "causes necessitating the taking," as required by the statute, or "economic conditions directly caused by the national emergency," as construed by the Comptroller General.

We have previously pointed out that the War Shipping Administration has succeeded in chartering vessels at rates approximating September 8, 1939, earnings and substantially below those prevailing in 1940, whereas the values are not substantially in excess of 1940 values. The issue, therefore, can be boiled down to the relatively simple question as to whether enhancement in values in shipping which occurred in 1940 may be allowed without violating section 902, even as construed by the Comptroller General. In our opinion this can be done.

1. Causes of 1940 enhancement: What factors enhanced values in the fourth quarter of 1939 and the first half of 1940, but were not among the causes necessitating the taking? At the risk of some repetition, let us review these factors again to determine if they were directly caused by the national emergency. It is a well-known fact that the

domestic trades were overtonnaged in 1939, and were suffering from competition with the railroads. The need for relief in this connection was recognized by Congress in August of 1939, just prior to the outbreak of the World War, when it adopted the act of August 4, 1939. That law permitted the Commission to purchase old tonnage, particularly from the domestic trades and prohibited the resale of such vessels. This provision was adopted upon recommendation of the Commission in order to help to cure the depression prevailing in the domestic trades because of the overtonnaged conditions. Upon the outbreak of war in 1939, the belligerent powers withdrew some of the ships theretofore engaged in neutral trades, thereby making room for the operation of a larger quota of American tonnage in such trades, providing vessels with better cargoes in both directions, and reducing the competitive practices such as rate cutting. In addition, the sale of over 100 vessels by American shipowners to British, French, and other governments further reduced the excess of tonnage in existing domestic trades. The remaining vessels then benefited from the increase in earnings and the elimination of excessive competition.

At the same time, shipping benefited from the general improvement in business which occurred in 1940. This is borne out by statistical results of economic conditions taken from Government publications. The Department of Commerce "Survey of Current Business" for June 1942 (page 14) reveals that corporate profits generally rose over 40 percent in the first 6 months of 1940, as compared with the first 6 months of 1939, and over 30 percent for the full year 1940, as compared with 1939, after taxes and other charges. The increase was of course much higher before tax deductions. The United States Treasury Department, "Statistics of Income for 1940," part 2, page 13, shows that net income for 1940 reported in corporate income-tax returns increased 33 percent over 1940—from approximately $6,700,000,000 in 1939 to approximately $8,900,000,000 in 1940. The figures for transportation companies generally are even more impressive. The compilation of statistical data submitted herewith shows an increase in net operating income from $166,000,000 in the first 6 months of 1939, to $246,000,000 in the first 6 months of 1940, a net gain of approximately 50 percent. The same schedule shows that the net profit of railroads after taxes rose from $94,000,000 in 1939 to $189,000,000 in 1940, a gain of approximately 100 percent. An analysis of the Treasury Department's statistics of income for 1939 (page 10, part 2, with the same compilation for 1940, pages 9 and 10, part 2), will demonstrate that for all transportation companies net income rose from approximately $178,000,000 in 1939 to approximately $330,404,000 in 1940 or a net gain of nearly 90 percent. The Office of Price Administration has prepared calculations showing that the improvement in 1940 earnings over 1939 before taxes was approximately 100 percent for class one railroads, approximately 50 percent for mining and manufacturing industries, and about 40 percent for trade and service.

These statistics demonstrate very clearly the great economic improvement through the business world in 1940 which accounted for a general increase in corporate profits ranging from 30 to 100 percent. They further demonstrate the recognized economic fact that transportation, as a service industry, tends to benefit more sharply and suffer more severely from the rise and fall of the business cycle. In the case of railroads the rise of profits for transportation aggregated between 90 to 100 percent over 1939 results.

Obviously, sharp increases in general business conditions materially affected that phase of the transportation industry represented by shipping. Coupled with the elimination of the surplus of old tonnage in the domestic trades, and other favorable developments, such improvement caused a substantial rise in net earnings before taxes which rose to over $2.50 per deadweight ton per month in 1940. These increases are not out of line percentagewise with the general results of transportation industries and were due to improved business conditions rather than "enhancement resulting from the causes necessitating the taking." We emphasize the 1940 figures because the existing War Shipping Administration scale of rates is greatly below 1940 earnings, while the War Shipping Administration scale of values is not substantially in excess of 1940 values. Nineteen hundred and forty ship rates and values cannot be disallowed as having been "enhanced by the causes necessitating the taking" unless increased profits of business generally are classed in the same category.

The improvement in general economic conditions as reflected in shipping created a sales market for ships in 1940 which averaged between $50 to $60 per deadweight ton for vessels in good operating condition, and these values then approximately coincided with insurance values which were also fixed at about that level, thus creating a normal relationship between sales and insurance values, which in itself is an indication of a restoration of ships sales values to normal conditions.

We do not see how the improved condition of 1940 can reasonably be attributed to "economic condition directly caused by the national emergency."

2. British rule: Support for allowing the 1940 enhancement under the Comptroller General's ruling is also found in the British practice. In September of 1939, Parliament passed a law known as the Compensation Defense Act, 1939 (2 and 3, sec. 6, ch. 25) pursuant to which property of all kinds was made subject to requisition. Under the law reasonable values were required, "no account being taken of any appreciation in the value thereof due to the emergency." Since Great Britain was at war when the law was passed, there was no doubt as to the effective date of this provision. It was effective from September 3, 1939. Thereafter, Great Britain gradually requisitioned the use of her merchant fleet on a time-charter basis which is approximately the same procedure that we followed after we entered the war. In fixing insurance values for loss of such requisitioned vessels, the British Government administratively allowed the actual war-risk insurance value at the time of requisition, except that if requisition was after May 8, 1940, the May 8 values applied. (See form T774 schedule in the compilation of general valuation data submitted herewith.) In addition, the British Government created a replacement scheme and allowed up to 25 percent additional value to those who participated. Thus the British Government, although actually at war and operating under a statute "denying any appreciation in value due to the emergency," has allowed an appreciation in insurance values up to May 8, 1940, and in addition has allowed a 25-percent increase for replacement. Apparently, these allowances were made in recognition of the fact that enhancement between September 8, 1939, and May 1940 was not "due to the emergency," and that increase in replacement costs, which justifies the 25-percent allowance, likewise did not represent "any appreciation due to the emergency."

3. Congressional intent: Congress has at no time indicated that the increase in ship earnings and values during 1940 represented prohibited enhancement in values. In fact, it may be said that Congress indirectly sanctioned the 1940 levels. Two laws were passed in 1940 and two more laws in 1941 which in purpose and spirit appeared to be inconsistent with the disallowance of enhancement between 1939 and 1940. In 1940 Congress passed the so-called O'Leary bill (Public, 840, 76th Cong.) and the so-called laid-up fleet bill (Public Res. 74, 76th Cong.). The O'Leary bill permitted shipowners to deposit profits on ship sales in construction funds and provided that such funds would not be taxable. It was pointed out to Congress that many shipowners had sold their vessels to foreign buyers at greatly enhanced values as compared with 1939 sales values. There was no indication that 1940 "enhanced values" of $50 per deadweight ton or more were considered excessive. The laid-up fleet bill permitted the Maritime Commission to sell vessels in its laid-up fleet "upon such terms and conditions and subject to such restrictions as the Commission may deem necessary or desirable for protection of the public interest." Congress presumably intended that vessels sold under this bill would be sold at 1940, not 1939, prices.

In 1941 Congress passed the so-called Ship Warrant Act at the request of the Maritime Commission, to permit the Maritime Commission to control freight rates in the foreign trades, Public 173, Seventy-seventh Congress. Over the objection of the Commission, Congress inserted a provision that maximum rates fixed by the Commission under that law should be "fair and reasonable." This was done notwithstanding the protests of the Commission which pointed out that rates had reached excessively high levels. Finally, in June 1941 Congress authorized the Commission, in Public 101, Seventy-seventh Congress, to purchase or charter vessels "at such prices and upon such terms and conditions as it may deem fair and reasonable and in the public interest * * * nothwithstanding any other provision of law." At the time of that enactment, rates and values had reached their all-time peak and were from 50 to 300 percent higher than those now prevailing, yet there was no effort made in Congress to force rates and values back to 1939 levels.

It is believed that courts would find in this record of action for the years 1940 and 1941 (1) a strong inference against the contention that Congress believed 1939 values to represent maximum rates and values for shipping services and (2) an indirect sanction for the payment of 1940 values, since the history of legislative action during that period is inconsistent with the view that Congress expected a return to September 8, 1939, values by a sweeping edict applicable to ships of all categories or other property.

In view of the foregoing, it is not believed that the courts would find that the improvement in ship values resulting in 1940 was the consequence of causes necessitating the taking, even as construed by the Comptroller General to mean economic conditions directly caused by the national emergency.

4. Intent of Congress as shown by Moran interpretation: Strong support for the conclusion herein reached is found in the debates in Congress during 1935, prior to the enactment of the Merchant Marine Act, 1936.

In 1935 the President requested Congress to pass legislation dealing with the merchant marine. Congressman BLAND on April 15, 1935, following the President's message introduced H. R. 7521, section 1004 of which dealt with the requisitioning of vessels. The section follows:

"REQUISITION OF VESSELS

"SEC. 1004. Section 702 of the Merchant Marine Act, 1928, is hereby amended to read as follows:

" 'REQUISITION OF VESSELS

" 'SEC. 702. (a) The following vessels may be taken over and purchased or used by the United States for national defense or during any national emergency declared by proclamation of the President:

" '(1) Any vessel in respect of which, under a contract heretofore or hereafter entered into, a loan is made from the construction-loan fund created by section II of the Mer-

chant Marine Act, 1930, as amended, at any time until the principal and interest of the loan have been paid; and

"'(2) Any vessel in respect of which an ocean-mail contract has been heretofore or is hereafter entered into—at any time during the period for which the contract is in effect.

"'(3) Any vessel in respect of which a construction or operating subsidy or shipping trade promotion aid is granted pursuant to the Merchant Marine Act, 1935, and any vessel which the Government of the United States has the right to acquire or take over pursuant to such act.

"'(b) In such event the owner shall be paid the fair actual value of the vessel at the time of taking, or paid the fair compensation for its use based upon such fair actual value; but in neither case shall such fair actual value be enhanced by the causes necessitating the taking. In the case of a vessel taken over and used, but not purchased, the vessel shall be restored to the owner in a condition at least as good as when taken, less reasonable wear and tear, or the owner shall be paid an amount for reconditioning sufficient to place the vessel in such condition. The owner shall not be paid for any consequential damages arising from such taking over and purchase or use.'"

It will be noted that the proposed legislation related only to subsidized vessels and did not fix requisition prices at cost less depreciation for subsidized vessels but rather provided for fair value not "enhanced by the causes necessitating the taking."

The failure of the bill to provide for a depreciated cost basis for the acquisition of subsidized vessels led to a successful attack upon this defect by Congressman Moran, a Government ownership advocate, who led the fight against the payment of excessive prices during wartime for requisitioning vessels. He offered an amendment as indicated by the following excerpt from the CONGRESSIONAL RECORD (vol. 79, pt. 9, p. 10200):

"Amendment offered by Mr. Moran: On page 65, line 8, after the word 'Taking', insert 'not, however, to exceed the cost of such vessels to the owner less depreciation based on a 20-year life of the vessel.'

"'Mr. MORAN. Mr. Chairman, this section deals with taking over ships in the event of war, and therefore it is most important for our consideration. We have managed by legislation since the war to do some things that have obviated the condition that existed during the World War, when we had such things as consequently damage to pay for. We have made an improvement in this respect.

"'However, in this case we find two instances in this particular section to which we should give consideration. One is that the owner shall be paid the fair actual value of the vessel. The determination of that is a difficult thing at best. It seems to me in the event of an emergency, where the cost of taking over the ship is enhanced sometimes, as we found in the World War, that a different rule should apply. We did not get into the World War until 1917, but the World War began in 1914. The price of the vessels had enhanced from 1914 to 1917. We needed them, but that was not the cause of the enhancement, nevertheless, we have to pay a higher price on that account. This particular amendment states the limit that we shall pay, and that is the actual cost of the vessel to the owner less depreciation, based on a reasonable 20-year life.

"'The CHAIRMAN. The question is on the amendment offered by the gentleman from Maine.

"'The amendment was agreed to.'"

The bill then passed the House as amended.

Mr. Moran's observations are of great significance. In the first place, he seems to have been the only person who predicted on the floor of the Congress at any time during the legislative proceeding relating to the 1936 act that the next war might represent a recurrence of the first war, which the United States did not enter for about 2 years after it first broke out as a European war. His remarks, based on such foresight, are aimed at the crux of the controversy, namely, whether the enhancement clause was intended to and would operate so as to exclude enhancement occurring during the 2 years prior to our entrance into the war and prior to the date when our need for vessels developed. His view that such pre-war enhancement would not be excluded because it was limited to enhancement caused by the "need" for vessels apparently was shared by the House of Representatives, for the House voted to accept his amendment, which would make subsidized vessels available to the Government at cost less depreciation. Further, Mr. Moran did not attempt to make this limitation a general rule applicable to all vessels, but was content to have the provision apply only to subsidized vessels, as now reflected in section 802 of the act.

It is important to note in this connection that after the 1936 act had been adopted, Mr. Moran was appointed by the President as one of the five members of the Maritime Commission, which was charged with the responsibility of administering the enhancement clause then found in section 902 of the 1936 act. The views which he had expressed in Congress in 1935 as to the proper meaning of the enhancement clause were still maintained by him in 1940 (after a limited emergency had been declared) when he was a member of the Maritime Commission. On March 27, 1940 (after that declaration and after ship values had risen substantially from 1939 levels) he made the following observations in a memorandum to the Commission:

"Under section 902 the market conditions existing at time of requisition, govern the price to be paid by the Government if a privately owned vessel is requisitioned by the Government in time of emergency. There is the saving clause (section 902 (a) 'but in no case shall the value of the property taken or used be deemed enhanced by the clauses necessitating the taking or use,' but this does not protect against price rises caused by the general conditions leading to an emergency before the actual emergency arises, as experienced in the years 1914–17. Section 902 (b) however, provides that if a construction differential has been paid, the value of the vessel shall be determined as provided in section 802; in other words, different treatment for a vessel constructed by aid of a construction subsidy."

Here is a clear expression by a highly qualified official to the effect that 1940 price adjustments were not excluded by the enhancement clause.

The War Shipping Administration has established rates and values well below those permissible under the above interpretation placed on the law by a former member of the United States Maritime Commission who had been a leading figure in and intimately associated with the legislative proceedings resulting in the enactment of the Merchant Marine Act, 1936, and whose special qualifications were attested by his appointment as a member of the Maritime Commission immediately after the Merchant Marine Act, 1936, had been adopted.

CONCLUSION

The War Shipping Adminnistration and the Maritime Commission do not wish to be placed in the position of defending high values for ships of any kind. The policy of the organizations has been to reduce such values to the lowest level consistent with sound administrative practice. It is believed that very substantial results have been achieved in comparison with 1941 values, and even more so by comparison with World War No. 1 values. The program contemplated a series of reductions, strategically effected, so as to avoid judicial defeat and other mistakes of the first war. It is believed that any effort to return rates and values to 1939 levels in all cases without regard to the problems herein stated would be unsuccessful and would ultimately cost the Government considerably more than the existing policy under which rates have been reduced below 1940 levels and values are not substantially in excess of 1940 levels. Such action does not seem to be required by the Comptroller General's ruling.

It is the desire of the Administrator to fix rates and values at the lowest reasonable levels. By this is meant the lowest levels consistent with equity which can be sustained in the event of judicial attack. The Administrator does not have dictatorial powers to fix values by edict, and any attempt by him to fix rates and values at levels which will force all shipowners into the courts can be justified only if there is reasonable probability that the courts would sustain such reduced rates and values. Forcing the valuation into the court in the absence of such reasonable probability would merely result in the payment of higher rates and values plus interest during the interval. Wise administrative action therefore calls for fixing rates and values at the lowest reasonable levels that can be sustained in the courts. Without contending that the existing rates and values may not now be successfully further reduced (it was the intention of the Administrator to reduce values progressively), it does not seem to the Administrator that a drastic effort to return rates and values to 1939 levels will meet with success, for reasons hereinafter indicated. The choice is between a gamble on 1939 values and a stabilization of rates and values at or below 1940 levels. In this connection it should be noted that the courts invariably increased the World War No. 1 determinations of the Shipping Board by almost 50 percent, even though World War No. 1 rates and values were from 150 to 400 percent higher than those now prevailing. A review of the judicial decisions arising out of the various problems relating to the first war indicates the danger of inviting litigation so long as high market values exist, and the advisability of reducing or otherwise destroying such high market values. One effective method of accomplishing this objective is to secure concurrence from the majority of the industry to greatly reduced values as noted in the Vogelstein case, a line of strategy which the War Shipping Administrator has been pursuing.

It should also be noted that the enhancement clause may not apply in the event of litigation, since judicial proceedings would be instituted in accordance with section 902 (d), which reads as follows:

"(d) In all cases, the just compensation authorized by this section shall be determined and paid by the Commission as soon as practicable, but if the amount of just compensation determined by the Commission is unsatisfactory to the person entitled thereto, such person shall be paid 75 percent of the amount so determined and shall be entitled to sue the United States to recover such further sum as, added to said 75 percent will make up such amount as will be just compensation therefor, in the manner provided for by section 24, paragraph 20, and section 145 of the Judicial Code (U. S. C., 1934 ed., title 28, secs. 41, 250)."

This provision does not contain any enhancement clause. The courts might therefore hold that the enhancement clause was not intended to be a limitation upon the judicial branch of the Government, particularly in view of the change in language from the original 1936 act which limited the courts

to the payment of "such" just compensation—the reference being to 902 (a). The cross reference was not carried into the 1939 amendment.

The absence of the enhancement clause from the above provisions would appear to be of substantial significance. All these factors indicate the wisdom of not relying too heavily upon the courts on this question, and the desirability of an administrative solution of these difficulties if one can be found. To that end, the Administrator has been conferring with the Comptroller General's office. If no solution develops from such conferences, a prompt report will be made to the Senate Committee on Commerce and the House Committee on Merchant Marine and Fisheries. At the present time, it is not believed that the differences between the General Accounting Office and the War Shipping Administration as to legal theories necessarily preclude agreement as to appropriate rates and values for the majority of the 4,000 vessels with which we are concerned.

UNITED STATES MARITIME COMMISSION,
Washington, March 22, 1943.

Hon. JOSIAH W. BAILEY,
United States Senate.

MY DEAR SENATOR BAILEY: This communication is in response to your request that there be supplied to you a brief statement on my part with reference to the matter of the profits of steamship companies holding operating-differenial subsidy contracts with the Commission, the deposits made by such operators in the reserve funds provided for under title VI of the Merchant Marine Act, 1936, as amended, the tax benefits accorded to such operators under that title, and the tax benefits accorded to operators who do not hold operating-differential subsidy contracts. The following summarizes very briefly the general situation:

1. The question of reserve funds of the subsidized operators and the tax benefits which are given to deposits therein and the tax benefits which are given to the nonsubsidized operators, are all matters of legislative policy which has been embodied in the various applicable statutory provisions which the Commission is called upon to administer.

2. Of the total deposits of $173,000,000 made in the reserve funds during the years 1938 to 1941, inclusive (of which, it is estimated, about $141,000,000 consists of operating earnings and of gains on sales and losses of vessels, $22,000,000 accrued depreciation on the subsidized vessels, and about an estimated $10,000,000 return of the original capital investment of the operators less accrued depreciation), there has been used $96,000,000 for down payments on new vessels and payment of mortgage indebtedness on subsidized vessels. Out of the balance of $79,000,000 there is reserved for ultimate recapture of subsidy by the Government about $28,500,000. This leaves about $50,000,000 which is available for future use in carrying out the replacement programs of the operators and to meet possible future operating losses. To this figure of $50,000,000 we may add $5,000,000 representing amounts accumulated in the reserve funds under temporary agreements of certain operators entered into for the most part, in 1937, or a total of $55,000,000 available for the purposes just mentioned.

3. About $42,700,000 has been paid in operating subsidies under the 1936 act, up to and including 1941, of which, as stated above, $28,500,000 has been earmarked for eventual recapture. Therefore, the net expenditure, after allowing for accrued recapture, to the Government for operating-differential subsidies is $14,000,000, or approximately $3,500,000 per year. This amount is very small as compared to what the Government paid out in ocean-mail pay in the years prior to the enactment of the 1936 act. In this connection, the report of the Postmaster General, under date of April 19, 1935, shows the substantial amount which the Government paid in the form of ocean-mail pay:

"Mail pay has constantly increased since the enactment of the 1928 act. The mail contracts for the fiscal year 1929 amounted to approximately $9,000,000; in 1930 they were $13,000,000; in 1931 they were $18,000,000; in 1932 they amounted to $22,000,000; in 1933, $26,000,000; and in 1934 they were $29,600,000. For 1935, they are estimated at $28,850,000. For 1936 the amount would have been $32,851,954 if the contractors were to receive the amounts due by reason of reclassification of ships, new ships, and full performance of the service, but the Budget Director disapproved of the increased allowance and recommended that the appropriation be continued as for the fiscal year 1935."

4. The tax-exemption benefits accorded to the holders of operating-differential subsidy agreements was a major inducement offered by Congress to the steamship companies for entering into the subsidy agreement, whereby such operators agreed to devote all of their earnings and all the proceeds which might be derived from the disposition of their vessels over long periods of time, for the purpose of maintaining and building up the American merchant marine, agreed to the recapture of operating subsidies, and submitted to various other restrictions too numerous to detail.

The Commission has recommended, in connection with the hearings before the House Committee on the Merchant Marine and Fisheries, suspending the tax-exemption provisions for the war years, beginning with 1942. The bill just mentioned is now being studied by such committee and will no doubt receive further study by your committee and be the subject of debate on the floor of both Houses. Accordingly, I will content myself with saying that during the war period the Commission believes that the suspension of these tax benefits, together with suspension of all subsidy payments, can be accomplished without serious harm to the merchant marine policy of the United States and is desirable in the light of the fiscal needs of the Government.

5. The tax benefits which are afforded to owners of vessels with respect to which no operating differential subsidy is paid, do not constitute tax exemptions, but simply permit tax deferment where the proceeds of sold or lost vessels of such operators are not, to the extent that they constitute capital gains, taxed at the time of the transaction giving rise to such proceeds, but, in lieu thereof, the tax is recovered through reduced depreciation allowances with respect to the new vessel which is acquired in replacement of the sold or lost vessel. These tax-deferment provisions are similar to the provisions obtaining for many years in the internal revenue laws with respect to other forms of business property but which were not wholly adaptable to shipping in the absence of modifications therein contained in section 511 of the Merchant Marine Act, 1936, as amended. There is no tax exemption or tax deferment with regard to operating earnings—simply relief from tax on undistributed earnings for a sufficient length of time to facilitate the acquisition of new vessels. Even without section 511, it is not likely that these quasi-penal taxes would be asserted by the Treasury Department against steamship owners who held the proceeds for new construction, and the only effect of the statute is to furnish a certain amount of legislative justification for this practice.

If you desire amplification with respect to any of the matters mentioned in this letter, I shall be glad, of course, to furnish further particulars in accordance with your wishes.

Sincerely yours,

E. S. LAND,
Chairman.

RESERVE FUNDS AND TAX EXEMPTIONS UNDER THE MERCHANT MARINE ACT, 1936, AS AMENDED

In the course of the debate before the Senate last Friday, March 19, 1943, a number of compilations of figures were introduced and certain statements made involving the activities of the Maritime Commission in the granting of operating-differential subsidies under title VI of the Merchant Marine Act, 1936, as amended, with particular reference to the deposit of profits in the reserve funds provided for in that title and the tax exemptions granted by the statute with respect to such deposits. There was also discussion of the distinct question of the reserve funds of operators not receiving operating-differential subsidies but who, under the provisions of section 511 of the act, were entiled to establish a so-called construction reserve fund and obtain certain tax benefits thereunder. It is to be kept in mind, of course, that in these matters the Maritime Commission was simply following out the policies and purposes which Congress adopted at the time of the enactment of these statutory provisions. However, it seems desirable, in the interest of clarification, to comment, in the simplest possible terms, upon these provisions, which are, it must be admitted, of a complicated and technical nature, and also to show in brief how certain of them have operated in practice.

I. PROFITS AND RESERVE FUNDS OF STEAMSHIP COMPANIES HOLDING OPERATING-DIFFERENTIAL SUBSIDY CONTRACTS

In the table which was introduced into the record in the course of Friday's debate, it is stated that the "earnings and profits deposited in the reserve funds free of all Federal taxes" by the 12 subsidized operators were $173,154,460. The figure is an overstatement of the tax-free deposits in the reserve funds. Over $22,000,000 of the amount represents depreciation on the vessels, which, of course, is not taxable income of the operator. Furthermore, there is included in the $173,000,000 some $41,000,000 representing proceeds of sold or lost vessels. To the extent only that such proceeds exceed the book value of the sold or lost vessels can the deposits be considered taxable income. Assuming only $10,000,000 of the $41,000,000 represents the book value of the vessels which were sold or lost, which is a most conservative estimate, this represents an additional overstatement of some $10,000,000.

However, if an adjustment is made to reflect that the figure of $173,000,000 should properly be about $141,000,000, it is possible to give a reasonably true picture of how this money has been used or will be used for the purpose of carrying out the purposes and policy of the Merchant Marine Act of 1936.

The amount shown in the table as having been expended for down payments on vessels and the payment of mortgage indebtedness on subsidized vessels is stated to be approximately $96,000,000. If we deduct from this figure the $32,000,000 which does not represent taxable income at all, this leaves the figure of $61,000,000 of presumably tax-free money which was used for the acquisition of new vessels or for the liquidation of mortgage indebtedness on subsidized vessels.

The balance of $79,000,000, which is the figure shown in the last column of the table, represents unexpended balances in the reserve funds resulting from deposits and withdrawals during the years 1938 to 1941. This figure does not represent the actual balances in the funds as of January 1, 1942, because there have been omitted the deposits required under certain temporary agreements which were in force, in the case of some of the companies, prior to entering into of the long-range agreements mostly in 1938. These additional deposits amount to some $5,000,000. So actually we have about $84,000,000 unexpended money, but out of this $84,000,000

the Commission has earmarked approximately $28,500,000 as representing recapturable subsidy due to the Commission, for which the companies will become liable at the end of the 10-year accounting period provided for in the statute and the subsidy agreement. This amount represents over two-thirds of all the operating-differential subsidy which was paid by the Maritime Commission. Whether or not the Commission will recover this amount of $28,500,000, or more or less, depends upon future operations, since, under the law, the amount of recapturable subsidy is limited to 50 percent of the net earnings of the operator in excess of the 10 percent on his capital necessarily employed allowed by the statute averaged over a 10-year period. But as matters presently stand, it is sufficient to say that the Commission has the security of the reserve funds for such recapture, and it is its policy not to permit the operators to make any payments out of the reserve funds for replacement purposes, which would reduce the amount thereof below the accrued contingent liability of the operators for recapturable subsidy. Accordingly, there is left only some $55,000,000 which is still unexpended, and therefore available for the purpose of carrying out the post-war replacement programs of the operators. If such funds are not used for replacements or not used to meet future operating losses, they will become taxable in the year they become part of the general funds of the operator.

It should be noted that the 12 subsidized operators have, during the 4 years from 1938 to 1941, inclusive, withdrawn only $17,000,000 for their own use, on which amount, of course, they have to pay taxes. Everything else has been put into its reserves for replacement of their fleets, payment of their mortgage indebtedness to the Government on the fleet, by way of provision for possible operating losses in future years, and provision for recapturable subsidy.

As previously shown, over the 4-year period from 1938 to 1941 the Government paid about $42,700,000 in subsidy to the 12 subsidized operators. The greater part of the subsidy so paid was for the two items of wages and repairs, or, in other words, to foster the employment of American citizens as seamen in our merchant marine, to keep alive our American repair facilities and to maintain employment for the skilled labor which is used in such repair work. The value of these features of the subsidy program, in the light of our all-out war effort, is obvious.

When it is realized that $28,500,000 of the $42,700,000 is recapturable and that the net cost of the operating differential subsidy program as it now stands is only $14,000,000, the conclusion is inescapable that this program was one of the best investments for national prosperity and national security that this Government has ever made. Furthermore, although the profits for the years 1940 and 1941 were substantial, it must be remembered that they were not peculiar to the subsidized operators but were due to the general shipping situation and that both these 12 subsidized operators and the nonsubsidized operators were the beneficiaries of a general improvement in shipping conditions. So, for that matter, did our railroads, our manufacturers, and other industries enjoy similar increases in earnings.

Finally, it must be remembered that most of the $28,500,000 which has been built up to be available for recapture by the Government came out of these 1940 and 1941 profits and, in addition, the schedules submitted in the record show that the Government received, by reason of these profits, another $10,000,000, approximately, by way of increased charter hire paid by the subsidized operators. If anyone had stated to Congress that at the end of 5 years from the institution of the operating-differential subsidy agreement, the amount of subsidy paid in excess of that subject to recapture would be only $14,000,000 and that, in addition, the Government would make a profit of $10,000,000, approximately, through the receipt of excess charter hire on its own vessels, the statement would have been unbelievable. Yet this is exactly what has happened and, in addition thereto, when the war is over and we are again in a position to sail American vessels in peaceful trades over the seven seas, we will have available, thanks to this program, the operators, the seamen, the vessels, and the money to do so.

II. TAX BENEFITS ACCORDED TO HOLDERS OF OPERATING-DIFFERENTIAL SUBSIDY CONTRACTS

The subsidized operators obtain tax exemption with regard to the earnings and capital gains deposited in their reserve funds to the extent that they use these moneys for the acquisition of replacement vessels or in payment of mortgage indebtedness on the subsidized vessels, and to meet operating losses of other years. The balance which may, under certain conditions, become part of the general funds of the operator, is taxable at the time of withdrawal. In return for these tax benefits, the operator agrees to carry out a replacement program prescribed by the Commission, agrees to maintain and operate an essential service, agrees to recapture of the subsidy, and agrees to tie up all of the moneys he receives from operations in excess of an annual return of 10 percent on his capital necessarily employed, for 10 years in the case of moneys in the special reserve and for the life of the subsidy agreement, which may be as much as 20 years, in the case of deposits in the capital reserve. The operator is restricted as to foreign-flag operations, employment of affiliates, engaging in the intercoastal trade, and is subject to other restrictions too numerous to set forth in detail. The tax benefits are therefore in no sense a gratuity, but represent a large part of the consideration which the Government pays in return for the obligations assumed by the steamship company under the operating-differential subsidy program.

By no means all of the steamship companies conducting our foreign trade have been willing to submit to the disadvantages under the operating-differential subsidy program, despite the subsidy and other benefits offered thereunder.

The tax benefits were, and will continue to be, a major factor in inducing American-flag operators to continue in this important program. In this connection, the following quotation from an opinion of the United States Tax Court in the case of *Seas Shipping Company, Inc., petitioner*, v. *The Commissioner of Internal Revenue, respondent* (Docket No. 107931), promulgated November 17, 1942, expresses admirably the spirit and purpose of the tax exemption provisions of the 1936 act:

"We do not think that there is any ambiguity in the language used by Congress in section 607 (h) of the Merchant Marine Act of 1936, as amended. That section says that 'The earnings of any contractor receiving an operating-differential subsidy under authority of this charter, which are deposited in the contractor's reserve funds as provided in this section * * * shall be exempt from all Federal taxes.' This section of a long and complex statute must be interpreted in the light of all the provisions of the statute. By the Merchant Marine Act, as we have seen, Congress was principally concerned in building up a merchant marine. The act was not primarily for the benefit of the operator. It was for the benefit of the United States. The Congress was interested in having a large and up-to-date merchant marine which could be availed of in case of war or national emergency. It is true that it was not the intention of Congress to permit an operator to earn money which could be distributed as dividends which would be exempt from income tax. The statute makes ample provision to protect the revenues in any case where earnings are withdrawn from reserve funds for distribution to its stockholders. The capital reserve fund is dedicated to a particular purpose. It is to be used for the replacement of subsidized vessels and for the construction of new vessels, all of which were to be in accordance with the plans and requirements of the United States Maritime Commission.

"That section 607 (h) is not to be narrowly construed is apparent from the fact that Congress provided that an operator could deposit not only a percentage of its earnings but all of them. When they were deposited they were removed from the operator's general funds. They could not be used for the payment of any income taxes or any other taxes."

It may well be that during the war years the tax-exemption benefits should be suspended because of the very great need for tax revenues in aid of the prosecution of our war effort. A bill to that effect, which was the outcome of discussions between Admiral Land and members of the committees of the House and Senate having jurisdiction over the activities of the Maritime Commission, has been introduced by Chairman BLAND, of the House Committee on the Merchant Marine and Fisheries, and is being given careful consideration by that committee. It provides, among other things, for the suspension of the tax privileges for 1942 and subsequent war years. It is not necessary to go into detail as to that bill at the present time, because it will be examined into by the Committee on Commerce of this body and no doubt will be the subject of considerable discussion on the floor in the reasonably near future. It is sufficient to state at this time that the problem of the war years rests upon entirely different considerations than those which are applicable to the period 1938 to 1941, or which might be considered appropriate in connection with the post-war years.

III. TAX BENEFITS ACCORDED NONSUBSIDIZED OPERATORS

As to the nonsubsidized operators, which include not only nonsubsidized owners of dry cargo and passenger vessels but also tankers, tugs, barges, and fishing vessels, such operators receive no tax exemption with regard to their operating earnings whatsoever, but are allowed to hold such earnings in the reserve funds without incurring the additional tax liability imposed under the revenue law against unreasonable accumulations of profits, if, and only if, within a limited period of time set forth in section 511, they use such withheld earnings for new construction. It is perfectly sound legislative policy to say to a shipowner, if he will put his earnings into new construction and accordingly assist in the development o the merchant marine, "We will not penalize you for not having distributed the money so utilized to your stockholders."

As a matter of fact, however, no operator has taken advantage of this provision of section 511 by depositing operating earnings thereunder. The reason is that even in the absence of these provisions of section 511, it is only in very unusual cases that the Treasury Department will consider accumulation of earnings for necessary new construction unreasonable and consequently shipowners have not thought it worth while to restrict the free use of their funds as required by section 511.

The other source of deposits permitted under section 511 consists of the proceeds of sale or loss of vessels. These provisions are not fundamentally different in character from the provisions obtaining a long time in our revenue laws with regard to tax-free exchange of property and replacement of property, of which the taxpayer is involuntarily deprived by requisition or casualties. Section 511 simply makes these principles more workable in the case of shipping. For example, you cannot trade ships like you can trade an

old automobile for a new one. Therefore, the transaction takes the slightly different form of selling one ship for the purpose of building or buying another. Under the internal revenue laws, in the case of loss of a vessel, the replacement must be one for one and like for like. You cannot under such laws use the proceeds of two old vessels to buy one new one, even though the new one may have equal or greater utility than the two old ones. Restrictions of this nature are clearly not desirable if we are to develop a program of encouraging the construction of newer, faster, and larger vessels. Section 511 has now been in effect a little more than 2 years and has resulted in a considerable amount of desirable new construction.

Both under the internal-revenue laws and under section 511, all that happens is that the Treasury Department does not tax the capital gain involved at the time it occurs, but in the ordinary course of events the tax is collected because of the lower allowance of depreciation due to the fact that the base of the new vessel is reduced by deducting from its acquisition cost the amount of gain which was not taxed in connection with the transaction involving the old vessel. Therefore, in the long run, there is no loss in tax revenue to the Treasury Department. As a matter of fact, by reason of recent amendments to the tax laws, the Treasury Department may collect more tax in the long run because the capital gain in many instances is taxed at a 25-percent rate, whereas the increased earnings of the new vessel, caused by reducing the amount of depreciation allowed, is subject in full to the income and excess-profits tax at rates ranging up to 90 percent. The very situation created by these amendments to the tax laws have induced a number of steamship owners who can afford to do so to pay the 25-percent tax at this time in order to avoid the imposition of a tax at much higher rates in future years.

S. 163, which contains certain amendments to section 511, does not disturb its fundamental principles. The bill simply makes some changes as to detail which, in the light of the experience obtained in the administration of section 511, appear desirable. The matter is covered fully in the report of the Committee on Commerce of February 22, 1943.

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, November 28, 1942.

ADMINISTRATOR, WAR SHIPPING ADMINISTRATION.

DEAR ADMIRAL LAND: I have your letter of November 24, 1942, in which you refer to section 902 of the Merchant Marine Act of 1936 and request decision of certain questions presented as follows:

"(1) Is it your opinion that the enhancement clause in section 902 requires the Administrator to fix values for all vessels including passenger ships, freight ships, fishing vessels, tugs, barges, small craft, and other water craft as of a specific calendar date, or may the Administrator fix such valuation under the ordinary rules of law applicable to the subject of valuations after deducting all enhancements which he finds to have been proximately caused by the necessity of the taking or use?

"(2) If it is your opinion that values must be based on a specific calendar date, is the Administrator in a position to reach his own determination as to the appropriate date, or is it mandatory under the law for him to pick a specific date such as the date of the President's proclamation of the limited emergency or the date of the unlimited emergency.

"(3) If in your opinion the Administrator is required to fix values as of a specific date, please advise as to the date which in your opinion the Administration is required by law to adopt for this purpose.

"(4) If it is your opinion that a specific date must be selected, is it likewise your opinion that values so fixed must be applied to vessels built subsequently at higher prices?

"(5) If you find that a specific date must be taken, would you apply the valuation determined by this method in cases of vessels purchased by bona fide purchases subsequent to that date at higher prices which reflected the then prevailing reasonable market price?

"(6) If you find that a specific date valuation must be applied, how would you treat vessels which have been reconstructed or extensively repaired after that date with a resulting bona fide reasonable cost to the owner substantially in excess of such value.

"(7) If you are of the opinion that the specific date must be adopted, would you insist on applying such valuation to vessels valued by competent regulatory bodies at a later date at substantially higher valuations reflecting appropriate standards for rate-making purposes?

"(8) If you are of the opinion that the specific date theory must be applied, is the Administrator required to insist upon applying this valuation in cases of vessels subject to bona fide judicial valuations in connection with judicial sales or in fixing of up-set prices or in other judicial proceedings?

"(9) If you are of the opinion that the specific date theory must be applied, will you insist on applying this theory in situations where the vessel was involved in general average proceeding subsequent to that date in connection with which the valuation of the vessel was fixed in accordance with the market value at a substantially higher price.

"(10) If you feel that the specific date theory must be applied would you insist upon its application to cases where vessels are encumbered by liens representing advances by creditors or other interests at values in excess of such value but not in excess of reasonable market value?

"(11) If the specific date theory must be applied, is it your opinion that the Administrator must apply such valuation in connection with fixing hire for the use of vessels on a time-charter basis notwithstanding the greatly increased costs and risks of operation which have developed since that date?

"(12) If the specific value theory must be adopted, must it be applied to any vessels or class of vessels if demonstrated to the satisfaction of the Administrator that the value of such vessels or class of vessels was abnormally depressed or enhanced on that date by reason of extraordinary business circumstances?

"(13) If the specific date theory must be applied must the Administrator's claims arising out of marine casualties be limited to the value of the vessel as under such date notwithstanding the higher market value as of the date of the casualty?

"(14) Can the Administrator properly determine values on the basis of the most favorable results to the United States Government using the enhancement-clause ambiguities to reduce the market values drastically with concurrence of the substantial segment of the industry so as to take advantage of *Vogelstein* v. *United States* (262 U. S. 337), or is the Administrator required to insist upon the most extreme interpretation of the law even though, in his opinion, this interpretation will not be sustained by the courts and would ultimately result in substantially increased costs to the United States?

"(15) Is it your opinion that the enhancement clause has not been satisfied by a program which has resulted in slashing charter rates by over 50 percent and valuations of ships by from 30 to 50 percent over 1941 rates and by an even greater reduction over the rates of World War No. 1?"

Section 902 (a) of the Merchant Marine Act of 1936, as amended, 53 Stat. 1254, provides, in pertinent part, as follows:

"Whenever the President shall proclaim that the security of the national defense makes it advisable or during any national emergency declared by proclamation of the President, it shall be lawful for the Commission to requisition or purchase any vessel or other watercraft owned by citizens of the United States, or under construction within the United States, or for any period during such emergency, to requisition or charter the use of any such property. The termination of any emergency so declared shall be announced by a further proclamation by the President. When any such property or the use thereof is so requisitioned the owner thereof shall be paid just compensation for the property taken or for the use of such property, *but in no case shall the value of the property taken or used be deemed enhanced by the causes necessitating the taking or use.* * * *"

It is understood that the italicized portion of said section is "the enhancement clause" referred to in your letter, supra.

It is at once apparent that the Congress in using such language contemplated that the compensation to be paid a private owner whose vessel had been requisitioned by the United States under the stress of danger to the national security should be measured by standards prevailing at a time when various factors ordinarily attending such a state of affairs were not operative to enhance the value of vessels.

There are certain fundamental truths—of which it is to be presumed that Congress was cognizant—which would appear to underlie the provision in question. War, or the threat of war, exercises a tremendous influence on commodity prices, particularly those directly connected with the war effort. The equalizing influence which the forces of supply and demand exercise upon such prices under normal times and conditions is weakened by the inability of supplies to keep pace with the increased needs. The vital importance of shipping to the prosecution of war or to the strengthening of the national defense in times when the security of the Nation has been imperiled places vessels and various other watercraft directly and immediately in the path of whatever abnormal influences such times produce.

The power lawfully to requisition vessels of private owners was, by the express terms of section 902 (a), authorized to be exercised whenever the President shall proclaim that "the security of the national defense makes it advisable or during any national emergency declared by proclamation of the President." On September 8, 1939, the President issued the following proclamation:

"Whereas a proclamation issued by me on September 5, 1939 proclaimed the neutrality of the United States in the war now unhappily existing between certain nations; and

"Whereas this state of war imposes on the United States certain duties with respect to the proper observance, safeguarding, and enforcement of such neutrality, and the strengthening of the national defense within the limits of peacetime authorizations; and

"Whereas measures required at this time call for the exercise of only a limited number of the powers granted in a national emergency:

"Now, therefore, I, Franklin D. Roosevelt, President of the United States of America, do proclaim that a national emergency exists in connection with and to the extent necessary for the proper observance, safeguarding, and enforcing of the neutrality of the United States and the strengthening of our national defense within the limits of peacetime authorizations. Specific directions and au-

thorizations will be given from time to time for carrying out these two purposes."

This proclamation is commonly known and spoken of as the proclamation of a limited national emergency. However, it would seem that, although for some purposes and in other connections the emergency might have been a limited one, only, it certainly was such a state as was contemplated by said section 902 (a) with respect to the requisitioning of vessels. Hence, it would seem that the conditions set out in said section 902 (a) as necessary for the lawful taking of a private vessel existed as of September 8, 1939.

What are the causes that necessitate the taking or use by the Government of a private vessel? There would appear to be but one answer to that question: The prevalence of a danger or threat to the Nation. In other words, it would seem that the conditions under which the power to requisition was to be exercised and the reason or cause which necessitated such exercise of power are but one and the same. Consequently, it seems but a logical step to conclude that the date upon which such conditions came into being must likewise be considered the date when the causes necessitating the taking or use began to exercise their influence on the market value of vessels.

Furthermore, unless a certain and fixed date be recognized as controlling in this connection, it would appear difficult—if not impossible—to give full effect to the intent of the Congress in fixing the basis on which compensation to be paid owners of private vessels taken over by the Government is to be determined. Hence, it would appear reasonable to conclude that the enhancement clause in said section 902 (a) prohibits the payment of compensation for such vessels to the extent that it may be based upon values in excess of the values existing on September 8, 1939, provided such excess be determined as due to economic conditions directly caused by the national emergency. Questions 1, 2, and 3 are answered accordingly.

The remaining questions will be answered specifically in the order given.

4. No. While, unquestionably, the construction cost of vessels has increased since September 8, 1939, due—in all likelihood—to the same causes that have enhanced the values of vessels, the provision reasonably may not be construed as requiring the elimination of such actual increases in the cost of construction of vessels and other watercraft constructed after such date in determining the just compensation to be paid therefor.

5. Yes. To make exception in such cases—where no exception has been made by the Congress—not only would be going beyond the sphere of statutory interpretation but would be providing a means by which the limitations of said section 902 (a) successfully might be avoided by unscrupulous shipowners feigning circumstances which well might cloud the lack of bona fides of a particular transaction. Furthermore, said section 902 (a) has been the law of the land throughout the present emergency—of which law everyone is presumed to have had knowledge—so that purchasers of vessels since September 8, 1939, must be deemed voluntarily to have assumed the risk created by the presence of said law on the statute books that the vessel purchased subsequently might be requisitioned by the Government and compensation therefor fixed in accordance with the express terms of said law.

6. This situation is more or less analogous to that presented in question 4. In such cases the value of the vessel has been enhanced by reason of the improvements or repairs effected thereon by the owner. Judged by standards existing as of September 8, 1939, the value of the work done may not equal the actual cost thereof just as in the case of the construction of an entire vessel. The variance represents, of course, the inflated cost of labor and materials which, in turn, is caused by the emergency. However, in view of the obvious hardships that would result were the limitation to be applied in such cases, it may be concluded that the Congress did not intend to limit the compensation insofar as such indirect elements of the value of a vessel are concerned.

7. Yes. The language of section 902 (a) is clear and comprehensive in providing that the enhancement prohibition is to be applied "when any such property is so requisitioned." It would appear that any "appropriate standards for rate making purposes" must be regarded—insofar as the requisitioning of vessels under section 902 (a) is concerned—as subject to the limitations imposed by the enhancement clause of said section.

8. Yes. As pointed out in answer to question 7 the statute makes no exceptions—either specifically or by necessary implication—with respect to the operation of the enhancement clause.

9. Yes. See answer to question 8.

10. Yes. The situation here is very similar, in theory at least, to that presented by question 5, and the affirmative answer is based on the same reasons.

11. No; the effect of the statute—with respect to instances in which the use of a vessel is requisitioned—would appear to be only that the compensation under the charter should not be increased by reason of an enhancement in the value of the vessel from the causes specified. It would appear to have no application to increased costs of operations, etc.

12. Presumably, this question has reference to a situation where it is found that an abnormal value of a temporary and unusual nature existed as of September 8, 1939, with respect to a particular vessel or class of vessels, but where it is possible with a fair degree of accuracy to estimate what the value of such vessel or class of vessels would have been had such extraordinary circumstances not existed. Under such circumstances, it would appear that the purposes of the enhancement provision would be fully accomplished by the use of such estimated value or values.

13. No; it would appear that the amount to which the Government is entitled under such claims may or may not be affected by the value of the vessel on September 8, 1939. This question properly is for adjudication by a court of competent jurisdiction and, in order fully to protect the interest of the United States in such matters, the claims of the Administrator arising out of marine casualties should not be limited to the compensation paid upon the requisitioning of such vessels.

14. There is not understood under what authority the head of an administrative department of the Government is entitled to disregard—or give anything less than full force and effect to—a statute because of any personal opinions that may be entertained as to its constitutionality. Such questions properly are for determination by the judicial branch of the Government. Where payments are to be made administratively, without judicial determination, they should be in full accord with the intent and purposes of said statute.

15. It is my opinion that the enhancement clause of said section 902 (a) has not been satisfied unless the compensation paid for vessels requisitioned thereunder has been and is being determined in accordance with its terms as herein construed.

Respectfully,

LINDSAY C. WARREN,
Comptroller General of the United States.

DECEMBER 31, 1942.

Hon. LINDSAY C. WARREN,
Comptroller General of the United States.

DEAR MR. WARREN: In your letter of November 28, 1942, concerning the application of section 902 of the Merchant Marine Act, 1936, your answers to the questions contained in my letter of November 24, appear to be predicated upon the opinion that section 902 became operative on September 8, 1939, by reason of the President's proclamation of limited national emergency issued on that day. Your opinion that the limited national emergency "was such a state as was contemplated by section 902 (a) with respect to the requisitioning of vessels," and that "the conditions set out in said section 902 (a) as necessary for the lawful taking of a private vessel existed as of September 8, 1939," pervades and appears to control all of your conclusions.

A careful review of executive, legislative, and administrative action on and after September 8, 1939, indicates that such a conclusion is in conflict with the interpretation placed upon the proclamation by the Chief Executive, with various acts of Congress, and with explicit statements by Members of Congress, including the chairman of the Committee on the Merchant Marine and Fisheries of the House of Representatives and other members of that committee.

In view of the importance of this question, the matters reviewed are set forth herein for your further consideration.

I. THE PROCLAMATION OF SEPTEMBER 8, 1939

The proclamation of September 8, 1939, which you have described as being "commonly known and spoken of as the 'proclamation of a limited national emergency,'" and which the President himself so characterized in his proclamation of unlimited national emergency dated May 27, 1941, reads as follows:

"Whereas a proclamation issued by me on September 5, 1939, proclaimed the neutrality of the United States in the war now unhappily existing between certain nations; and

"Whereas this state of war imposes on the United States certain duties with respect to the proper observance, safeguarding, and enforcement of such neutrality, and the strengthening of the national defense within the limits of peacetime authorizations; and

"Whereas measures required at this time call for the exercise of only a limited number of the powers granted in a national emergency:

"Now, therefore, I, Franklin D. Roosevelt, President of the United States of America, do proclaim that a national emergency exists in connection with and to the extent necessary for the proper observance, safeguarding, and enforcing of the neutrality of the United States and the strengthening of our national defense within the limits of peacetime authorizations. Specific directions and authorizations will be given from time to time for carrying out these two purposes."

Attention is invited to the terms of the proclamation itself, stating (1) that "measures required at this time call for the exercise of only a limited number of the powers granted in a national emergency," and (2) that "specific directions and authorizations will be given from time to time for carrying out these two purposes" (i. e., neutrality and national defense).

The proclamation did not purport to be self-executing. As will more fully appear hereinafter, it was in fact supported by specific directions and authorizations in the only instances wherein it is known to have been effective.

The United States Maritime Commission received no direction or authorization during the entire period of the limited emergency

(from September 8, 1939, to May 27, 1941), either as to section 902 of the Merchant Marine Act, 1936, as amended, or as to section 37 of the Shipping Act of 1916, as amended (which is also operative "during any national emergency, the existence of which is declared by proclamation of the President"), or as to any law or duty within the scope of its administration.

II. EXECUTIVE ACTION

Following the issuance of the proclamation of limited national emergency of September 8, 1939, the President issued a series of Executive orders. Three of these orders, issued on the same day as the proclamation, referred to the proclamation in opening the premises upon which the President invoked certain statutory powers. Executive Order No. 8244 (4 F. R. 3863) authorized an increase in the strength of the Army. Executive Order No. 8245 (4 F. R. 3863) authorized increases in the enlisted strengths of the Navy and Marine Corps. Executive Order No. 8247 (4 F. R. 3864) authorized increases in the personnel of the Federal Bureau of Investigation of the Department of Justice. On September 18, 1939, the President issued Executive Order No. 8254 (4 F. R. 3983) authorizing increases in the personnel and facilities of the United States Coast Guard, Treasury Department. The opening premise in each of the four Executive orders above cited is as follows:

"Whereas a proclamation issued by me on September 8, 1939, proclaimed that a national emergency exists in connection with and to the extent necessary for the proper observance, safeguarding, and enforcing of the neutrality of the United States and the strengthening of our national defense within the limits of peacetime authorizations."

On September 21, 1939, the President addressed a joint session of the Senate and the House of Representatives, convened in extraordinary session. In his address, the President said (see CONGRESSIONAL RECORD, vol. 85, pt. 1, pp. 11 and 12):

"In respect to our own defense, you are aware that I have issued a proclamation setting forth 'a national emergency in connection with the observance, safeguarding, and enforcement of neutrality and the strengthening of the national defense within the limits of peacetime authorizations.' This was done solely to make wholly constitutional and legal certain obviously necessary measures. I have authorized increases in the personnel of the Army, Navy, Marine Corps, and Coast Guard which will bring all four to a total still below peacetime strength as authorized by the Congress.

"I have authorized the State Department to use, for the repatriation of Americans caught in the war zone, $500,000 already authorized by the Congress.

"I have authorized the addition of 150 persons to the Department of Justice to be used in the protection of the United States against subversive foreign activities within our borders.

"At this time I ask for no other authority from the Congress. At this time I see no need for further Executive action under the proclamation of limited national emergency."

In connection with the President's use of Executive action, it is significant to note that statutory powers were invoked from time to time under specific findings of emergency in terms of the specific statutes invoked. For example, see Executive Order No. 8246 (4 F. R. 3863), dated September 8, 1939, making funds available for the protection of American citizens in foreign countries. This Executive order quoted the terms of the Department of State Appropriation Act, 1940 (53 Stat. 890), and contained a specific finding that "an emergency exists endangering the lives of American citizens in foreign countries within the meaning of the said act." Further illustrations are contained in Proclamation No. 2361, dated September 11, 1939 (4 F. R. 3889), suspending the operation of title II of the Sugar Act of 1937, and Proclamation No. 2378, dated December 26, 1939 (4 F. R. 4941), declaring that the emergency found in Proclamation No. 2361 had ceased and revoking the suspension order.

Another Executive order issued by the President on September 8, 1939, tends to emphasize the limited character of the national emergency declared by proclamation on that day. Executive Order No. 8248 (4 F. R. 3864), dated September 8, 1939, established the divisions of the Executive office of the President and defined their functions and duties. This Executive order was based upon the authority of the Reorganization Act of 1939, and provided in part as follows:

"There shall be within the Executive office of the President the following principal divisions, namely: (1) * * *, (2) * * *, (3) * * *, (4) * * *, (5) * * *, and (6) in the event of a national emergency, or threat of a national emergency, such office for emergency management as the President shall determine."

On May 25, 1940, the President issued an administrative order (5 F. R. 2109) establishing the Office for Emergency Management in the Executive Office of the President and prescribing regulations governing its activities. This administrative order opens with the premise "Whereas, I find there is a threatened national emergency." The order then establishes the Office for Emergency Management and directs it to assist the President in the clearance of information with respect to the measures necessitated "by the threatened emergency."

Further indication of meticulous care on the part of the Chief Executive in specifying the emergency powers invoked by him is contained in Proclamation No. 2412 (5 F. R. 2419), dated June 27, 1940. The purpose of this proclamation was to provide Executive consent to the exercise, with respect to foreign and domestic vessels, by the Secretary of the Treasury and the Governor of the Panama Canal, of powers conferred upon them by section 1 of title II of the act of Congress approved June 15, 1917 (40 Stat. 220; U. S. C. title 50, sec. 191), which provided as follows:

"Section 1. Whenever the President by proclamation or Executive order declares a national emergency to exist by reason of actual or threatened war, insurrection, or invasion, or disturbance or threatened disturbance of the international relations of the United States, the Secretary of the Treasury may make, subject to the approval of the President, rules and regulations governing the anchorage and movement of any vessel, foreign or domestic, in the territorial waters of the United States * * *."

In order to establish the necessary consent, the President issued the proclamation cited above, reaffirming the proclamation of September 8, 1939, and further declaring "the existence of a national emergency by reason of threatened disturbance of the international relations of the United States." The opening premises of this proclamation, coming as late as June 1940, are believed to be particularly significant:

"Whereas a proclamation issued by me on September 8, 1939, proclaimed that a national emergency existed in connection with and to the extent necessary for the proper observance, safeguarding, and enforcing of the neutrality of the United States and the strengthening of our national defense within the limits of peacetime authorizations, and that specific directions and authorizations would be given from time to time for carrying out these two purposes; and

"Whereas the continuation of the conditions set forth in said proclamation of September 8, 1939, now calls for additional measures within the limits of peacetime authorizations."

Attention is drawn to the care with which this proclamation reiterates "that specific directions and authorizations would be given from time to time for carrying out" the proclamation of September 8, 1939, and to the further statement that conditions then existing called for additional measures under the terms of this proclamation.

In view of the facts (1) that the September 8, 1939, proclamation of limited national emergency expressly provided that specific directions and authorizations would be given for carrying out its purposes; (2) that specific directions and authorizations were contained in a series of Executive orders following the proclamation by hours or days; (3) that the President, in addressing the extraordinary session of Congress on September 21, 1939, reviewed the measures invoked by him and declared that there was no further need at that time for Executive action under the terms of the proclamation; (4) that other proclamations and Executive orders indicate a clear distinction between the limited emergency declared by the September 8 proclamation and a national emergency in the usual sense of the term (witness the references on September 8, 1939, and May 25, 1940, to the "threat of national emergency" and "threatened national emergency"); and (5) that in June 1940, the President explicitly reaffirmed his intention to adhere to "specific directions and authorizations" for carrying out the purposes of the proclamation of September 8, 1939, it would appear that the absence of specific directions or authorization to the Maritime Commission with respect to the powers to be exercised by it "during any national emergency declared by proclamation of the President," as provided by section 902 of the Merchant Marine Act, 1936, as amended, and section 37 of the Shipping Act of 1916, was conclusive evidence that such powers had not been invoked.

III. ADMINISTRATIVE ACTION BY THE COMMISSION

In all of its administrative interpretations the Maritime Commission has held to the view that the powers available to it in the event of a national emergency were not operative by virtue of the proclamation of September 8, 1939.

At that time, two sections of the Merchant Marine Act, 1936, as amended, and one section of the Shipping Act of 1916 contained provisions which would have become operative by a proclamation of national emergency. Under the terms of section 902 (a) of the Merchant Marine Act, 1936, as amended, it is made lawful for the Commission to requisition vessels "whenever the President shall proclaim that the security of the national defense makes it advisable or during any national emergency declared by proclamation of the President." Section 510 (g) of the same act prohibits the use for commercial operation of any obsolete vessel acquired by the Commission or in its laid-up fleet (which vessel is or becomes 20 years old or more), except that any such vessel "may be used during any period in which vessels may be requisitioned under section 902 of this act." Under the terms of section 37 of the Shipping Act of 1916 certain types of sales, leases, mortgages, or charters of vessels automatically become unlawful and subject to severe criminal penalties "when the United States is at war or during any national emergency, the existence of which is declared by proclamation of the President."

The question as to section 37 of the Shipping Act of 1916 was twice considered and ruled upon by the General Counsel of the Maritime Commission. The two opinions were dated September 22, 1939, and January 9, 1941, respectively. In the first opinion, the general counsel said:

"* * * It is true that the provisions of section 37 might be invoked by the proclamation by the President of 'any national emergency' without expressly referring to said law. However, by said proclamation and the subsequent specific directions issued pursuant thereto, it is believed the President has so definitely limited the extent of the national emergency therein proclaimed as to make clear that it was not intended by the President to apply to, and does not apply to, said section 37 of the Shipping Act, 1916, as amended."

The same position was taken regarding section 510 (g) of the Merchant Marine Act, 1936, as amended, as noted in the following excerpt from a letter addressed by the Chairman of the Maritime Commission to a Member of the United States Senate under date of April 6, 1940. The purpose of the letter was to explain why the Maritime Commission was unable to sell its laid-up fleet in the absence of congressional action or a Presidential proclamation of unlimited national emergency.

"Reference is frequently made to the Commission's laid-up fleet of which there are about 109 cargo vessels of wartime construction. This fleet is primarily a war reserve and action taken by the Congress in August 1939 sterilized this fleet insofar as vessels in the fleet are 20 years of age or older. There are at this time about 20 of these vessels which are not so sterilized as they have not yet reached the 20-year age limit. With the exception of these 20, action by the Commission is restricted by statute except as outlined in the Merchant Marine Act of 1936, as amended, particularly inviting attention to section 902, which requires a Presidential proclamation to release this fleet, as outlined in this section. Any other general action with regard to the release of this fleet would require congressional authority."

With respect to section 902 (a), the Commission's interpretation of the effect of the September 8 proclamation was likewise reported to the Congress when the Commission on April 16, 1941, filed a report with the Committee on the Merchant Marine and Fisheries of the House of Representatives in support of Congressman Oliver's bill (H. R. 4088), which was intended to grant the Commission power to purchase and charter vessels, a power that would have been in existence if section 902 (a) had been operative under the September 8 proclamation. This report said in part (see House Rept. No. 440, 77th Cong., 1st sess., p. 9):

"Under existing law, the Commission is not authorized to procure vessels by charter. Under title VII of the Merchant Marine Act, 1936, as amended, the Commission may charter out vessels owned by the Commission, under certain conditions and for use in essential trade routes, and may operate certain of its vessels under specified conditions when it is unable to sell or charter them for operation in essential trade routes. The Commission has a limited authority to purchase vessels (constructed in the United States) under section 215 of the Merchant Marine Act, 1936, as amended, for use on essential trade routes. The Commission would have authority to acquire and operate vessels owned by United States citizens under section 902, as amended, of the 1936 act, but this section is not operative until the President proclaims that a national emergency exists or that the security of the national defense makes advisable the requisition or purchase of such vessels."

In its administrative actions the Maritime Commission has consistently followed the interpretation that its emergency powers did not become operative under the proclamation of September 8, 1939. These actions were taken in the usual course of business. They bore no relation to any controversy. On the contrary, the Commission, on more than one occasion, reported the situation to the committees of Congress in support of supplementary authority with which to meet the needs of changing conditions.

IV. LEGISLATIVE ACTION

The action of Congress in shaping and adopting further enabling legislation relating to the merchant marine, and the approval by the President of such laws are believed to be further evidence of the correctness of the Commission's view that section 902 did not become operative under the proclamation of September 8, 1939. Cited herein are certain steps in the development of the following laws: (1) Public Resolution No. 74, approved May 14, 1940; (2) Public Law No. 101, approved June 6, 1941; and (3) Public Law No. 173, approved July 14, 1941.

A. Public resolution 74

As heretofore noted, the laid-up fleet had been sterilized by the provisions of section 510 (g) of the Merchant Marine Act, 1936, as amended. (The exact provisions of this subsection are set forth hereinafter as part of another quotation.) Although this provision became law by the act of August 4, 1939, events following the outbreak of war led to a demand within less than a year thereafter for the Commission to place the laid-up fleet in operation. Section 510 (g) authorized the use of the laid-up fleet "during any period in which vessels may be requisitioned under section 902," but the Commission had taken the position that section 902 was not operative, and that section 510 (g) was therefore still in effect, as indicated in the letter from the Chairman of the Maritime Commission to a Member of the United States Senate, dated April 6, 1940, hereinabove quoted.

On April 9, 1940, Mr. Buck, of California, introduced in the House of Representatives House Joint Resolution 509, reading as follows:

"*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That section 510 (g) of the Merchant Marine Act, 1936, as amended (restricting the use of vessels in the laid-up fleet of the Maritime Commission), is hereby suspended until the proclamation heretofore issued by the President under section 1 (a) of the Neutrality Act of 1939 is revoked."

Thereafter, Mr. Buck explained the joint resolution to the Committee on the Merchant Marine and Fisheries of the House of Representatives in the following language:

"The purpose of the resolution which I originally introduced was to repeal section 510 (g) of the Merchant Marine Act of 1936, as amended, which provides as follows, and for the information of the committee I should like to read that subsection:

"'(g) An obsolete vessel acquired by the Commission under this section which is or becomes 20 years old or more, and vessels presently in the Commission's laid-up fleet which are or become 20 years old or more, shall in no case be used for commercial operation, except that any such obsolete vessel, or any such vessel in the laid-up fleet may be used during any period in which vessels may be requisitioned under section 902 of this act, as amended, and except as otherwise provided in this act for the employment of the Commission's vessels in steamship lines on trade routes exclusively serving the foreign trade of the United States.'

"The exception provides that, in the event the President shall find that a national emergency exists, these vessels may be utilized otherwise than as set out in subsection (g). We do not contend that national emergency exists. In fact, I think that the President would find it rather difficult to justify a proclamation to that effect which would release these vessels."

Attention is drawn to the closing lines of the quotation. The Congressman not only did not contend that a national emergency existed but said that he thought the President would find it rather difficult to justify a proclamation to that effect which would release the vessels.

In reporting the measure to the House of Representatives, the Committee on Merchant Marine and Fisheries said that:

"It appears that to enable the Government to be in a position to make effective disposition of its old vessels in any shipping emergency in foreign or domestic trade, it would be desirable to lift the restrictions of section 510 (g), and to vest in the Commission broad and flexible authority to sell or charter its vessels, including those in the laid-up fleet, for use in the coastwise or intercoastal trades, as well as to sell or charter for use in the foreign trade."

The significance of this language is the committee's recommendation that the restrictions of section 510 (g) be lifted. The restrictions would automatically have been lifted by the operation of section 902 (a).

On the floor of the House of Representatives the chairman of the Committee on the Merchant Marine and Fisheries made the following statement (CONGRESSIONAL RECORD, vol. 86, pt. 5, p. 5614):

"Mr. BLAND. There are 116 ships involved. What is meant by the sterilization is that in this Congress we passed a bill that those ships, over 20 years of age, in what is known as the laid-up steel fleet, should not be sold or used except under a proclamation of an emergency by the President, which would be very unwise at this time."

The ranking minority member of the Committee on Merchant Marine and Fisheries also stated (CONGRESSIONAL RECORD, vol. 86, pt. 5, p. 5620) that the resolution would authorize the Maritime Commission "to sell or charter its laid-up ships during the continuance of the war," and another minority member of the committee [Mr. CULKIN] said that he could not "conceive of any opposition to this bill from the standpoint of any patriotic American."

Prior to passage a new section was added to the language orginally proposed by Mr. BUCK, as follows:

"SEC. 2. At any time prior to revocation of the proclamation issued by the President on November 4, 1939, under section 1 (a) of the Neutrality Act of 1939, all vessels transferred to the Maritime Commission by the Merchant Marine Act, 1936, or otherwise acquired by the Commission (other than vessels constructed under the Merchant Marine Act, 1936) may, notwithstanding any provision of law contrary hereto or inconsistent herewith, be sold or chartered by the Commission, upon competitive bids and after due advertisement, upon such terms and conditions (including with respect to charters the charter period) and subject to such restrictions (including restrictions affecting the use or disposition of the vessel by the purchaser or charterer), as the Commission may deem necessary or desirable for the protection of the public interest."

It is significant to note that in this joint resolution the Congress, in May 1940, authorized the Maritime Commission "notwithstanding any provision of law contrary hereto or inconsistent herewith" to sell or charter the vessels in the laid-up fleet "upon such terms and conditions * * * and subject to such restrictions * * * as the Commission may deem necessary or desirable for the protection of the public interest."

If the view that section 902 of the Merchant Marine Act, 1936, became operative under the proclamation of September 8, 1939, is correct, the authority contained in Public Resolution No. 74 was not only unnecessary, but the Congress, in adopting it, made it possible for

the Commission to sell vessels in 1940 at 1940 prices, when the same vessels were subject to immediate requisition at 1939 prices. It is submitted that the action of Congress in suspending the provisions of section 510 (g) as above set forth establishes beyond question the fact that Congress did not then subscribe to the view that section 902 became operative on September 8, 1939.

B. Public Law No. 101

In April 1941, Mr. Oliver, of Maine, introduced a bill, H. R. 4088, under which the Maritime Commission would have been authorized to purchase or charter vessels of American or foreign flag. At about the same time, the chairman of the Committee on Merchant Marine and Fisheries introduced a joint resolution to permit the requisition of foreign-flag vessels immobilized in American ports. These bills were consolidated as H R. 4466, and became Public Law No. 101, Seventy-seventh Congress, first session, approved June 6, 1941. Although the approval date is subsequent to the proclamation of unlimited emergency on May 27, 1941, the bill was considered by the committees of Congress before such proclamation.

Under date of April 16, 1942, the Maritime Commission submitted to the Committee on Merchant Marine and Fisheries a report favoring the Oliver bill, H. R. 4088. The Commission pointed out that it had no legal authority to charter vessels and only limited authority to purchase vessels at that time, since section 902 had not yet become effective. The report said:

"The Commission would have authority to acquire and operate vessels owned by United States citizens under section 902, as amended, of the 1936 act, but this section is not operative until the President proclaims that a national emergency exists or that the security of the national defense makes advisable the requisition or purchase of such vessels."

In the consideration of H. R. 4466 in the House of Representatives, the following discussion took place between Mr. Oliver and the chairman of the Committee on the Merchant Marine and Fisheries (CONGRESSIONAL RECORD, vol. 87, pt. 4, p. 3721):

"Mr. OLIVER. Is it not perfectly possible that under the terms of this bill the Maritime Commission might very well, and might very conceivably, become the operator of merchant ships?

"Mr. BLAND. Yes; I think so.

"Mr. OLIVER. And is it not possibly conceivable, also, that these ships, in turn, if a state of national emergency was proclaimed, might come under jurisdiction of some other agency of government which might not feel so sympathetically inclined toward labor?"

Also, in the course of debate (CONGRESSIONAL RECORD, vol. 87, pt. 4, p. 3681), Mr. MICHENER, of Michigan, asserted that "I have not yet heard a lawyer contend that the President had any authority to declare a general emergency on September 8, 1939."

It is to be noted that this law, drafted and considered some 18 months after the proclamation of September 8, 1939, contained the following provision:

"SEC. 4. Whenever the United States Maritime Commission is authorized to charter vessels under section 3 hereof, it is further authorized, notwithstanding any other provision of law, to purchase any vessel, whether undocumented or documented under the laws of the United States or of a foreign country, * * * at such prices and upon such terms and conditions as it may deem fair and reasonable and in the public interest."

Under the terms of section 3 the Commission was authorized to charter vessels under certain conditions "during the national emergency declared by the President on September 8, 1939, to exist, but not after June 30, 1942."

Such enabling legislation was wholly unnecessary if section 902 were then operative, and the language of the statute clearly demonstrates prevalence of the view that the national emergency declared by the proclamation of September 8, 1939, was of limited scope and insufficient to render the terms of section 902 effective.

Public, 101 granted authority to the Commission to purchase or charter vessels "at such prices and upon such terms and conditions as it may deem fair and reasonable and in the public interest." Ship prices and charter rates had risen to very high levels (levels much higher than those now prevailing) at the time this legislation was under consideration in Congress. Nevertheless, the Commission was authorized, "notwithstanding any other provision of law," to negotiate charters "at such rate of hire as it may deem to be fair and reasonable in view of the attendant circumstances." It is hardly conceivable that Congress would have granted authority of this nature in the spring of 1941, in the face of 1941 values, if it had considered the vessels subject to requisition at 1939 values.

C. Public Law No. 173

In February 1942 the Maritime Commission was directed by the President to assemble a shipping pool of 2,000,000 tons to transport strategic and critical materials and otherwise to serve the national-defense effort. At that time charter rates and equivalent earnings had reached a very high level, and ship values were up accordingly. In an effort to obtain larger control of ships and their values, the Maritime Commission asked the Congress for legislation which was incorporated in the so-called ship warrant bill, H. R. 4583, introduced on April 29, 1941. In its essence, this measure provided a scheme of rate control and priorities whereby facilities for the operation of ships could be denied to owners who did not comply with the warrant requirements at least until owners who would so comply had been served. This law, as finally adopted, provided, in part, as follows:

"The warrants to be issued pursuant to this act shall be in such form as the Maritime Commission shall prescribe, and shall set forth the conditions to be complied with by the affected vessel as a condition to receiving the priorities and other advantages provided in this act by reference to an undertaking of the owner or charterer with respect to the trades in which such vessel shall be employed, the voyages which it shall undertake, the class or classes of cargo or passengers to be carried, the fair and reasonable maximum rate of charter-hire or equivalent, and such incidental and supplementary matters as appear to the United States Maritime Commission to be necessary or expedient for the purposes of the warrant."

The proposed legislation, as suggested by the Commission, did not contain the requirement for the payment of "fair and reasonable" rates. This provision was inserted in the bill at the insistence of shipowners who contended that they should be entitled to "just compensation" under the fifth amendment to the Constitution, or, in the absence of specific provision for just compensation, to the equivalent protection of the "fair and reasonable rate" provision. The Maritime Commission through Commissioner Dempsey, made its position emphatically clear. Mr. Dempsey pointed out that freight rates had risen to a very high level and the Commission had no authority to freeze them. Notwithstanding the Commission's contention that the rates were at that time unreasonably high, the Committee on Commerce of the Senate wrote into the law the provision that rates should be "fair and reasonable."

If section 902 had become effective in 1939, and if the consequence of its operation had been the freezing of rates and values, it is inconceivable that Congress in 1941 would have provided in the warrant legislation for "fair and reasonable" rates, notwithstanding the protest of the Maritime Commission to the effect that 1941 rates had become excessive and abnormal. The only fair deduction from this proceeding is that while Congress wished to reduce rates below the extreme levels then prevailing, it had no thought of reducing rates to 1939 levels.

The insertion of "fair and reasonable" as a limitation on the Commission's authority under the ship warrants law is a straw in the wind toward the attitude of Congress in adopting the general requisitioning law (Public Law No. 274, approved Oct. 16, 1941). Under this law, military and naval equipment, supplies, or munitions, or materials necessary for the manufacture, servicing, or operation thereof, was made subject to requisition by the President of the United States. The President was required to pay fair and just compensation, the determination to be made on the basis of the fair market value of the property at the time it is requisitioned.

When this legislation was adopted and later amended (by the Second War Powers Act, Public Law No. 507, approved March 27, 1942), the Congress had before it all the laws relating to the requisitioning of property, including section 902 of the Merchant Marine Act, 1936, as amended, and, with all the facts before it, directed that:

"The President shall determine the amount of the fair and just compensation to be paid for any property requisitioned and taken over pursuant to this act and the fair value of any property returned under section 2 of this act, but each such determination shall be made as of the time it is requisitioned or returned, as the case may be, in accordance with the provision for just compensation in the fifth amendment to the Constitution of the United States."

The chairman of the Committee on the Judiciary of the House of Representatives took a leading part in the discussion of this measure on the floor, and expressed his views as follows (CONGRESSIONAL RECORD, vol. 88, pp. 1831, 1832):

"Now here is the citizen's guaranty of a square deal. It is in the Constitution. This is the language:

" 'Nor shall private property be taken for public use without just compensation.'

* * * * *

"There is no difference between wartime and peacetime insofar as the duty of the Government and the necessity of the Government to respond in just compensation when private property is taken. Since the beginning of the Government, by judicial construction, measures of fair compensation have been established * * *.

"No act of requisitioning and no act that this Congress can pass can limit the right or recovery guaranteed to the citizen by the Constitution of the United States."

* * * * *

"I do not care what you write in the statute, what rule of damages you prescribe here, you could not make the compensation less than just compensation. You may by legislation prescribe a rule that would make the Government pay more than just compensation, but you cannot make it pay less. I repeat that. You may by legislation provide that the Federal Government must pay more than fair compensation, but you cannot effectively provide that it shall pay less."

In the course of the Senate hearings on the legislation the point was made by one Senator, and concurred in by another who was joined by the Assistant Secretary of War, that ships, or even railroads, might be subject to requisition under the authority of the bill.

The significance of this course of legislative history in the hearings and debates of Congress, wherein section 902 of the Merchant Marine Act, 1936, as amended, was mentioned, considered, and discussed time and again, is that not once was the suggestion ever advanced that the provisions of that

section had become operative by the proclamation of September 8, 1939. The contrary view, on the other hand, was so apparent and so prevalent that the matter never became an issue.

V. CONCLUSION

Inasmuch as the view that the emergency powers of section 902 were not made operative by the proclamation of September 8, 1939, finds such support as herein cited from the record of Executive action, as contained in the proclamations and Executive orders of the President, together with the President's express declaration to the extraordinary session of Congress that further action under the proclamation was not necessary, and from the record of legislative action, as contained in the provisions of statutes passed by Congress and in the expressed views of the members of responsible committees, I am transmitting the substance of the review that has been made with the thought that if a reconsideration by you of this single point should lead to agreement on it between us, the questions remaining as to the meaning of section 902 would be far less difficult of solution.

Sincerely yours,

E. S. LAND,
Administrator.

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, January 7, 1943.

ADMINISTRATOR, WAR SHIPPING ADMINISTRATION.

DEAR ADMIRAL LAND: I have your letter of December 31, 1942, in which you request reconsideration of my decision of November 28, 1942, on certain questions involving the so-called enhancement clause of section 902 of the Merchant Marine Act of 1936 in the light of certain facts contained in your letter.

In the first paragraph of your letter you state—

"Your opinion that the limited national emergency 'was such a state as was contemplated by section 902 (a) with respect to the requisitioning of vessels' and that 'the conditions set out in said section 902 (a) as necessary for the lawful taking of a private vessel existed as of September 8, 1939,' pervades and appears to control all of your conclusions."

The letter then purports to show that this interpretation of said section 902 (a) is at variance with that placed upon it by the Chief Executive and various Members of Congress, including the chairman of the Committee on the Merchant Marine and Fisheries of the House of Representatives and inconsistent with various other acts of Congress.

Congress prescribed in section 902 (a) two separate and distinct situations under which the powers conferred therein might be exercised: (1) "Whenever the President shall proclaim that the security of the national defense makes it advisable"; or (2) "during any national emergency declared by proclamation of the President." On September 8, 1939, the President proclaimed that "a national emergency exists in connection with and to the extent necessary for the proper observance, safeguarding, and enforcing of the neutrality of the United States and the strengthening of our national defense within the limits of peacetime authorizations."

Apparently, there has been no authoritative ruling by the courts or opinion by the Attorney General upon the question of whether the power conferred by section 902 lawfully could have been exercised upon the issuance of that proclamation. However, it does appear from your letter that it was determined administratively by the Maritime Commission that the proclamation did not have that effect. I find it unnecessary for present purposes—as will hereinafter appear—to disagree with that interpretation.

The third paragraph, on page 3 of your letter, reads:

"The United States Maritime Commission received no direction or authorization during the entire period of the limited emergency (from September 8, 1939, to May 27, 1941), either as to section 902 of the Merchant Marine Act, 1936, as amended, or as to section 37 of the Shipping Act of 1916, as amended (which is also operative 'during any national emergency, the existence of which is declared by proclamation of the President'), or as to any law or duty within the scope of its administration."

In decision of November 28, 1942, there was a statement to the effect that the conditions prescribed by Congress in said section 902 (a) as necessary for the lawful exercise of the requisitioning power appeared to exist upon the proclamation by the President on September 8, 1939, that "a national emergency exists in connection with and to the extent necessary for the proper observance, safeguarding, and enforcing of the neutrality of the United States and the strengthening of our national defense within the limits of peacetime authorizations." In this connection, it is to be noted that, although the concluding sentence of said proclamation stated that "specific directions and authorizations will be given from time to time for carrying out these two purposes," no specific direction or authorization from the President was necessary under the terms of section 902 (a) of the Merchant Marine Act of 1936 for it to become operative.

However, assuming that private vessels could not have been taken over by the Government under said section 902 until the President had proclaimed the existence of an unlimited national emergency—as he did on May 27, 1941—certainly by that time the market values of most types of vessels had been enhanced by "the causes necessitating the taking or use." Hence, it is readily apparent that to attach significance to that date in fixing the compensation to be paid for requisitioned vessels would practically nullify the effect of the enhancement clause.

The principal considerations upon which my decision may be said to have been based may be stated briefly as follows: (1) That it would be difficult—if not impossible—to give full effect to the intent of the Congress in enacting the enhancement clause unless a certain and fixed date be recognized as controlling in fixing the compensation to be paid by the Government for requisitioned vessels; (2) that no more appropriate date could be selected than the day upon which the Chief Executive deemed it advisable to issue a formal proclamation that a national emergency existed for certain stated purposes; and (3) that the appropriateness of that date is fully attested by subsequent conditions and circumstances affecting the value of vessels.

It was concluded in my decision of November 28—upon the assumption that vessels lawfully could have been requisitioned upon the issuance of the proclamation of September 8, 1939—that "the date upon which such conditions came into being must likewise be considered the date when 'the causes necessitating the taking or use' began to exercise their influence on the market value of vessels." However, that such dates were one and the same was a matter of coincidence only, there being nothing in said section 902—either specifically stated or necessarily implied—to require that where it was determined that from and after a certain date ship values became inflated due to economic conditions directly caused by the national emergency, the enhancement clause did not prohibit the payment of compensation based upon such inflated values unless there existed, also, during that time the power to requisiiton such vessels.

Consequently, the fact—if it be a fact—that private vessels could not have been taken over by the Government under said section until the proclamation of an unlimited national emergency on May 27, 1941, would appear to have no material bearing upon the questions considered in my decision of November 28, nor upon the conclusions reached therein, and I am pleased to have been afforded this opportunity to correct any erroneous impressions to the contrary that may have been entertained with respect to this feature of my decision.

Respectfully,

LINDSAY C. WARREN,
Comptroller General of the United States.

WAR SHIPPING ADMINISTRATION,
Washington, December 17, 1942.

To the Owners of All Vessels Purchased, Chartered, or Requisitioned for Use or Title by the War Shipping Administration:

In view of recent developments with respect to the interpretation of section 902 of the Merchant Marine Act, 1936, as amended, we find it necessary to advise you of the following:

During the latter part of this year, the Administrator learned for the first time that certain of the officials of the Office of the Comptroller General of the United States were of the opinion that under section 902 of the Merchant Marine Act, 1936, as amended, it was unlawful for the Administrator to pay for vessels requisitioned under section 902 of the act sums in excess of the values on these vessels as of the date of the President's proclamation of limited emergency dated September 8, 1939. Section 902 had been administered by the War Shipping Administrator and prior thereto by the United States Maritime Commission, in a manner that was inconsistent with such interpretation.

As soon as the views of the subordinate officials of the Comptroller General were made known to the Administrator, conferences were held with the Comptroller General but no solution to the problem developed therefrom. The Comptroller General then offered to state his views upon receipt of a formal request for an opinion which could be transmitted to Congress for such action as it deemed appropriate. Accordingly, the Administrator directed a request to the Comptroller General of the United States for formal opinion under date of November 24, 1942, on 15 specific questions, and on November 28 the Comptroller General replied on all points. A copy of his opinion is attached herewith.

You will note that in the opinion of the Comptroller General values of all vessels, including both large and small craft—freighters, passenger ships, tugs, barges, fishing vessels, and other watercraft—were, in effect, frozen by the President's proclamation of limited emergency on September 8, 1939, except for vessels built or rebuilt after that date, as to which the Comptroller apparently would allow payment of actual cost, less depreciation, and that, in his opinion, the Administrator may not lawfully pay for use or title to vessels at higher rates or values than those prevailing on September 8, 1939. It will be noted that the 1939 values apply notwithstanding the fact that the vessels were purchased after that date at substantially higher cost and even though replacement vessels cannot now be obtained at 1939 prices. Charter rates also would be reduced under this ruling to September 8, 1939, levels, except for additional allowances for increases in expenses since that time.

Immediately upon receipt of this opinion the Administrator ordered that payments for vessels purchased or requisitioned for the War Shipping Administration under section 902 of the Merchant Marine Act of 1936, as amended, be discontinued. Payments for vessels lost from marine or war casualties

under charters made under this section were also stopped, pending a clarification of the situation.

The Administrator promptly transmitted copies of the Comptroller General's opinion to the chairman of the Senate Committee on Commerce and the chairman of the House Committee on the Merchant Marine and Fisheries. There was at that time pending in the Senate Committee on Commerce legislation affecting the War Shipping Administration known as the omnibus bill, and designated H. R. 7424. After considering the Comptroller's ruling, the Senate Committee on Commerce on December 4, 1942, reported out H. R. 7424 with an amendment to section 902 which would have the effect of eliminating the enhancement clause contained in the existing provision of law, thus confirming the Administrator's application of the law. The reason for this action was explained in a report submitted on behalf of the committee (No. 1813, 77th Cong., 2d sess.), pertinent excerpts of which are attached herewith.

However, although the bill was placed on the Senate Calendar, it did not come to a vote prior to adjournment of this Congress, leaving the entire question open for the next Congress.

During the interim, unless the Administrator applies the statute in accordance with the Comptroller General's ruling, he will be in a position of administering the law in a manner inconsistent with the interpretation of the Government's accounting officers. Under the circumstances the Administrator feels that it is incumbent upon him, in view of the large sums of money involved in this problem and the public interest relating thereto, to apply the Comptroller General's ruling and accordingly to take the following action:

1. WITH RESPECT TO PAYMENT FOR VESSELS PURCHASED OR LOST

(a) To withhold payments for all vessels previously requisitioned for title by the War Shipping Administration or purchased by the War Shipping Administration pursuant to the provisions of section 902 of the Merchant Marine Act, 1936, as amended, except in cases where the value of the vessel as determined by the Administrator does not exceed the value of the same vessel on September 8, 1939, or, with respect to vessels constructed or reconstructed subsequent to that date, where the value of the vessel is determined at an amount not in excess of actual construction or reconstruction cost less depreciation.

This means that with few exceptions (principally yachts which have been valued at 1939 values) payments will be withheld on all vessels heretofore taken for title, including freighters, tankers, passenger ships, tugs, barges, fishing vessels of all kinds, and all other watercraft, even though a determination of value has been reached and the owner has been notified thereof.

(b) To withhold all payments for total loss of vessels from marine or war risk assumed by the War Shipping Administration to the same extent as noted in paragraph (a). Claims for total loss of such vessels will be treated in the same manner as claims for vessels requisitioned for title by the War Shipping Administration.

(c) In cases where the application of the rules set forth in (a) and (b) result in hardship to any owner, the Administrator is prepared to determine the value of such vessel in accordance with the decision of the Comptroller General of the United States upon request for such determination from the owner, and to tender the amount so determined to the owner. The owner would then have the election of accepting the amount tendered in full settlement or of accepting 75 percent thereof and instituting suit in the appropriate court for just compensation under section 902.

II. WITH RESPECT TO VESSELS CHARTERED BY THE WAR SHIPPING ADMINISTRATION

(a) With respect to vessels chartered by the War Shipping Administration on time-charter basis, for which charters have actually been executed, instructions have been issued that payments of charter hire should be limited to 75 percent of the amount stipulated in the charter. With respect to executed bareboat charters, payments for hire will be limited to 50 percent of the stipulated hire. This is a precautionary move and further analysis may demonstrate that in many, if not most cases, a substantial reduction in charter hire will not be required to comply with the Comptroller General's ruling. Payment and acceptance of the above amounts shall be without prejudice to the rights of the parties under the law and charter agreements.

Withholding charter hire in the amount above mentioned will apply to vessels of all types chartered to the War Shipping Administration, including freighters, tankers, passenger ships, barges, tugs, fishing vessels, and other craft.

(b) With respect to vessels chartered by the War Shipping Administration as to which charter parties have not actually been executed, the tender of charters will be withheld pending further analysis and determination as to the extent, if any, to which the existing charter rates must be reduced to comply with the Comptroller General's ruling. However, where the owners require immediate financial assistance, such owners will be tendered charters providing for charter hire at the rate of 75 percent of the existing rates in the case of time-chartered vessels and 50 percent in the case of bareboat chartered vessels, without any specified insurance values. The owners would then be in a position to accept 75 percent of the hire tendered, reserving their legal rights for later adjudication. In any case, where a time-chartered owner feels that the amount made available in this manner will not be sufficient to provide for the cost of operating such vessels, the Administrator, upon request will give consideration to the desirability of converting the requisition from time form to bareboat form, as a result of which all operating costs would be assumed by the Administrator.

(c) Attention is directed to the fact that under the Comptroller General's ruling charter hire and compensation for vessels lost previously paid may have been in excess of the amount the owners were lawfully entitled to receive. Pending further direction from Congress no effort will be made for the time being to secure readjustment of such prior overpayments based on the Comptroller's ruling. However, all rights of the Government in this respect are reserved.

(d) Consideration is being given to the desirability of canceling all or certain classes of outstanding charters.

III. FOREIGN-FLAG VESSELS

With respect to vessels under foreign flag, which the Administrator has no legal authority to requisition under section 902 of the Merchant Marine Act, 1936, as amended, or under Public Law 101, Seventy-seventh Congress, existing agreements and charters will be maintained in full force and effect.

It is hoped that the action of the Administrator as above outlined will not cause undue hardship or inconvenience to the owners and operators of vessels. The Administrator is most anxious that the problem of valuation should not impede the prosecution of the war and, accordingly, wishes to make certain that adequate funds for operating requirements will be available to owners whose vessels are being operated in the war effort. It is believed that the above arrangements will accomplish this objective without violating the rules laid down by the Comptroller General. Suggestions for further relief will be given prompt consideration. The Administrator will be prepared to confer with owner's representatives during the week of December 21 for this purpose.

W. C. PEET, Jr.,
Secretary, War Shipping Administration.

APRIL 14, 1942.

Hon. LINDSAY C. WARREN,
Comptroller General of the United States, Washington, D. C.

MY DEAR MR. WARREN: You have requested in your letter of February 28, 1942, certain information with respect to contracts entered into between the United States Maritime Commission and the Tampa Shipbuilding & Engineering Co. and other matters relating to these contracts. A full report in compliance with your request is in preparation and will be made available to you shortly.

Meanwhile, however, I thought it might be helpful to you to have before you a general statement of the Tampa matter.

The Tampa Shipbuilding Co. has played an exceedingly useful part in the working out of the Commission construction program, particularly in the early stages thereof. Although the company experienced certain financial difficulties during the period of its contracts, a series of circumstances made it possible to work out the corporate and contractual situation in such manner that there were no losses involved to the Government. The company was preserved as a going concern and became available to the Navy Department as an important factor in their own building program as well as an important repair yard; certain bonds of the company held by the Reconstruction Finance Corporation which were in default have been in effect salvaged, and very substantial sums have been saved to the Commission through lower shipbuilding prices resulting from the original Tampa award, affecting the Commission's entire early construction program.

When bids were solicited early in 1938 for the first group of cargo vessels, the prices offered by the various shipyards that had ability to perform were, with the exception of the Tampa bid, far beyond the estimates which the Commission had made. The Tampa bid was approximately in line with the Commission's estimates.

The Commission was faced with the problem of whether it was better to reject all bids and readvertise with no assurance that any substantial reductions in contract prices would result or accept the Tampa bid in order to serve notice on the other builders of what the Commission was prepared to do in order to attain this vital construction at proper prices.

During the First World War cargo ships had been successfully built at the Tampa yard. The company was, to a certain extent, already under the control of the Government through its obligations to the Reconstruction Finance Corporation and administrative and financial controls were thereof feasible. The only serious question appeared to be the matter of sufficiency of financing for some necessary plant improvements and for working capital. The Reconstruction Finance Corporation had a nonliquid investment in mortgage bonds resulting from the construction of a drydock. Interest on these bonds was in default for a year or more and the best way of preserving such investment was through putting the company into a going-concern condition. The Reconstruction Finance Corporation therefore agreed to a refunding of the defaulted mortgage bonds, including the overdue interest, and made available to the company $500,000 cash, two Tampa banks participating to the extent of $100,000 each. The Reconstruction Finance Corporation insisted however on a guaranty by the Commission with respect to its $300,000

part of the $500,000 loan, the guaranty being solely of the nature of an interdepartmental transaction and any possibility of third parties securing any rights thereunder being specifically excluded. Certain suppliers of steel and machinery were willing to grant credits to help the working capital situation, and arrangements were made whereby Mr. Kreher, the president of the company, and Mr. Spadaro, served as sureties. Mr. Spadaro was induced to act in this capacity by one of the local banks and consented to do so under a plan which limited his liability to $500,000 Mr. Kreher pledged his stock in the company as collateral to his surety bond.

The Tampa bid was, therefore, accepted, and contracts entered into for four vessels. The circumstances were far from ideal but the award appeared to be fully justified by the circumstances, a view that was, I believe, well borne out by subsequent happenings.

As a result of the action taken in the Tampa situation, the second set of bids obtained on readvertising the remaining vessels were at prices which, although higher than the Tampa award, nevertheless, were very much lower than the previous bids and were at a level which justified awards.

This reduction was so substantial that, in my opinion, the Tampa transaction, even had it resulted in a complete loss to the Government, would still have saved money.

It is not necessary for purposes of these present comments to go into detail as to the Tampa operations except to say that the company's estimates of funds required for necessary plant improvements proved inadequate, and the particular payment plan embodied in the contracts further strained the company's cash resources. This situation was partially corrected by changing the terms of payments to a plan which put payments to the contractor into a better relation with his current disbursements for labor and material.

In April 1939 a second group of C–2 contracts was advertised for competitive bidding. Tampa was a bidder on these contracts at a price somewhat in excess of the previous bid and more nearly in line with its competitors. Since Tampa was the low bidder, it was entitled to consideration, provided it made necessary financial arrangements. At this point, a group of commercial surety companies who had previously followed a policy of not going into contracts with new shipyards and who had specifically refused to act as sureties with respect to the first Tampa award agreed to go on the Tampa bonds under the second award provided more working capital was made available, arrangements for which, including a segregation of funds, were made with the Reconstruction Finance Corporation.

As a commentary on this award, it should be pointed out that the Commission felt that the new contracts should yield the company a profit, although on the basis of information then available, the company might not do better than break even or might sustain a small loss on the first group of vessels. There was no indication at that time that there would be a substantial loss, although the company was obviously working on narrow margins. However, the working funds which had been made available for the second contract were segregated with a view to safeguarding operations under that award.

Some months after the award of the second contract, it became evident that the company was experiencing higher costs due in part to labor difficulties and to difficulties in management, which became more evident as the volume of their operations increased. The company had based its bid upon labor rates then prevailing at its yard and in the vicinity, but before starting work found it necessary to enter into a labor agreement at much higher rates and a substantial increase in cost resulted. As its contract did not contain the usual provision for adjustment of the contract price on account of increased labor rates, this unfavorable cost situation directly affected profit. The labor problem was seriously aggravated by unfortunate controversies that arose and that accompanied the further adjustment of the company's labor relation. The Commission did what it could in the hope of correcting both the labor and the management situation, but found it difficult to obtain the necessary cooperation.

Nevertheless, the company completed and delivered the first of its vessels, the *Sea Witch*, which proved an exceptionally able ship. Shortly before the second vessel was completed, however, it became apparent that working funds available for the first group of vessels were not going to be sufficient to permit continued operation for any great period of time. Unpaid bills were piling up, creditors were threatening action, and key men in the company's working organization were on the point of accepting employment elsewhere.

At this stage of the matter, and quite independent of difficulties of the company, the Navy Department asked the Commission to furnish three of the first group of four Tampa C–2 vessels. They originally suggested that this include the *Sea Witch*, but as this vessel already had been turned over to the United States Lines and was on an extended voyage to the Orient, the Navy Department consented to take the three under construction. Obviously, these vessels could not be obtained on any condition unless the arrangements made, in addition to reimbursing to the Commission its payments to the shipyard, included taking care of the unpaid bills, some, or all of which, would be liens on the vessels, or otherwise lead to reclamation suits by the creditors.

The company was not, at that time, technically in default under its contracts with the Commission, although such default was, of course, imminent, and while it was without sufficient working funds to complete the remaining three vessels of the first group, it still had working funds for the second group of vessels because of the segregation thereof. The Commission had the right, in event of default, to enter the shipyard and complete the vessels for its own account. Had the Commission done so, it would probably have found it necessary to satisfy all or a large part of the creditors whose claims related to these vessels. Such action would, in any event, have been exceedingly expensive and would have also involved difficult questions relating to the rights of various parties, since the Reconstruction Finance Corporation, the Commission, the sureties on the first group of vessels and the sureties under the second group all had rights in this connection, not to mention the possible rights of a trustee or receiver who might be appointed in the interest of the general creditors. Another alternative which was considered was to remove the vessels from the yard in their uncompleted condition and contract for their completion elsewhere. This also would have been very costly and would have been wholly impractical with respect to the fourth of the vessels of this group which had not advanced sufficiently to permit of launching, and the completion of which, therefore, would have probably had to be abandoned.

Any drastic action under default clauses of the first contract would in any event have automatically brought about a default under the second contract and would also have resulted in the immediate loss of the company's supervisory organization, which would have rendered further operation impracticable until such time as a new organization could be recruited, the possibility of which, in view of the temporary character of the resulting operation, would have been remote.

In order, therefore, (1) to preserve the shipyard as a going concern, and (2) to complete the remaining seven vessels, the only feasible plan was that which was actually adopted; namely, to get a new general management and a new corporate entity to take over the situation.

The Commission and the Reconstruction Finance Corporation having come to this conclusion, Mr. George B. Howell, vice president of the Exchange National Bank of Tampa, was approached and agreed to give up his vice presidency of the bank and to form a new company and management and himself to become the active head thereof. Mr. Kreher, the president and principal stockholder of the old company, and other stockholders, representing nearly all of the capital stock of the old company, agreed to an arrangement whereby the new company, which was organized with nominal capital, would take over the assets of the old company in consideration of assuming its liabilities. The arrangement included the voluntary surrender by the old company to the Commission of the three uncompleted hulls of the first group of vessels; the sale of these hulls in their then condition to the new company for an amount equal to what the Commission had expended upon them by way of payments to the old company; the making of an agreement with the Navy Department whereby these hulls were taken over from the company under contracts for their completion with the Navy Department at values which would permit the unpaid bills relating to these vessels to be discharged without exceeding what these vessels would have cost had they been built under contemporaneous contracts with other shipyards, and the assumption by the new company of the second group of contracts.

This procedure would not have been practicable had the result been a price for the vessels in excess of their value as determined by other current construction, but careful analysis of the situation indicated that even under these arrangements these three vessels were the cheapest which the Navy could obtain.

The plan had the additional advantage of avoiding a default on the second four vessels, which, in view of the working capital available for them and the management being provided by the new corporation could thus be kept alive.

The amount of the unpaid bills on the first group of contracts was approximately $900,000; the guarantor, Mr. Spadaro, was liable for $500,000 of this amount; the other surety, Mr. Kreher, after the wiping out of the value of his stockholding in the company as a result of the losses on the first group of ships, had no substantial assets which could be availed of to meet his obligation.

Analysis of the situation indicated that it was possible that the Government claims against the surety had already been weakened by the arrangements which it had been necessary to make previously in order to keep the company going, and that, in any event, we could not change this contract from a contract for merchant vessels to a contract for naval auxiliaries without, in effect, releasing it. Furthermore, had recourse been had to Mr. Spadaro as surety, the first claim, as a practical matter, would have been on behalf of the suppliers of machinery, materials, and services under the payment bond, so that there would have been no salvage to the Government out of his bond.

The reorganization plan, however, included arrangements with Mr. Spadaro whereby, in effect, he underwrote part of the working capital for the new company, and the new company undertook to pay out of any profits of this or future construction for the Government the amount of the $500,000 liability which Mr. Spadaro had formerly had.

This undertaking was implemented by an arrangement with the new company as to recapture of profits, in addition to those prescribed by law, such that it could make no

profit on the first group of vessels, and that it was to give the Government half of all the profits on the second group and on any subsequent Government contracts until all of the $500,000 representing the Spadaro liability was thus recovered. It is our understanding that the company, through work subsequently placed with it by the Navy Department, is in process of liquidating this obligation and that its entire liquidation in the very near future is indicated. The Government will therefore have recovered without litigation all that it could have recovered from Mr. Spadaro even disregarding the probability that a suit under this bond would at best have led to a partial recovery by creditors only, with no net recovery by the Government.

It will, therefore, be seen that the maximum possible book loss to the Government is $400,000, all of which went to pay claims which were payable in any event and which were recompensated for by (1) the fact that this was fully offset by the value of the uncompleted hulls acquired by the Navy as determined from contemporaneous contracts with the builders, (2) the avoidance of losses due to disruption of the yard, and (3) the economies involved when the Navy started its conversion work in advance of completion of vessels.

Subsequently, the Navy asked us to turn over all of the four ships in the second group of contracts for conversion to naval auxiliaries. It was not desirable in the interest of the Government that these vessels be first completed as merchant vessels and then taken by the Navy, since most of the value of the work done in the latter stages of construction would have been a complete loss to the Government, and the cost of conversion would have been unnecessarily high. Accordingly, the company was requested by the Commission to consent to the cancelation of these contracts against payment for work actually done and for materials on hand and in progress.

Again careful comparison was made with the cost of these vessels to the Navy Department in their then stages of completion as compared with other vessels of the same type under construction, and it was found that the Navy would be acquiring these vessels on favorable terms. The transaction involved no profit to anyone. The Navy then made its own contractual arrangements with the company for the changes and additional work involved in completing them as naval auxiliaries.

As a result of this last transaction, the Maritime Commission's interest in the Tampa yards and its commitments to the Reconstruction Finance Corporation with respect to their advances which had been given in connection with their advances of working capital is terminated, and a collapse that would have been a serious economic blow to the city of Tampa and the State of Florida was averted. In connection with this and other Navy construction, the Reconstruction Finance Corporation investment is in healthy condition, and the Navy has available for war needs a shipyard with which it is well pleased and which it has subsequently caused to be considerably expanded.

Sincerely yours,

E. S. LAND, *Chairman.*

OCTOBER 15, 1942.

Hon. JOSIAH W. BAILEY,
United States Senate.

RE: COMPTROLLER GENERAL'S REPORT DATED AUGUST 8, 1942, RELATING TO CERTAIN TRANSACTIONS BETWEEN MARITIME COMMISSION AND WATERMAN STEAMSHIP CORPORATION

DEAR SENATOR BAILEY: This letter is in reply to your request that the Commission make a report to your committee upon the report of the Comptroller General of the United States dated August 8, 1942, and entitled as follows: "Report of the sale by the United States Maritime Commission to Waterman Steamship Corporation of five obsolete vessels from the Commission's laid-up fleet, with option to repurchase said vessels, and the subsequent purchase from said corporation of five other similar and older vessels at greatly enhanced prices, instead of exercising said option."

The report submitted by the Comptroller General contains a number of statements as to matters of fact which are wholly or partially inaccurate and the legal discussion therein involves important misconceptions with respect to the statutes under which the Commission operates. It is regrettable that the Comptroller General's representatives did not consult with me or the other Commissioners or with the responsible officials of the United States Maritime Commission with a view to ascertaining the factual situation or as to the Commission's legal powers and rights in connection with this matter, since, if this had been done, the preparation of this report would have been much simplified.

Soon after the Maritime Commission was established, it began to dispose of its vessels in a manner directed by Congress in the Merchant Marine Act, 1936, as amended. As to the regular lines previously operated by the Government and the vessels employed thereon, such lines were sold to established operators or the vessels chartered to operators who agreed to maintain regular service. The vessels then in lay-up, so far as practicable, were handled in the same manner—that is to say, they were put in condition and then sold or chartered to operators who were maintaining or agreed to maintain regular service. There were certain other vessels in the laid-up fleet which were either unsuitable as to type and size or in poor condition. These vessels were disposed of for scrap or sold alien under suitable trading restrictions.

Thereafter, there remained another class of vessels in the laid-up fleet which could be put into condition, but at a cost which the Commission felt would not justify the expenditure by the Government in view of uncertain shipping conditions. Early in 1940 it was decided that these vessels should be offered on an "as is" basis. As an essential part of the consideration for the sale, the purchaser was required (a) to recondition the vessels, (b) to specify a regular service which had already been considered by the Commission to be an essential foreign-trade route or which might, prior to award, qualify as such, (c) to maintain such service with the vessels, and (d) to replace the old vessels. Four of the vessels were offered on these terms to established lines under a proposal issued March 26, 1940. The Commission's proposal indicated that applications for an operating-differential subsidy and a construction-differential subsidy would be entertained, and a replacement program was made a condition of the bidding.

Upon the opening of the bids on April 17, 1940, bids were received from Ocean Dominion Steamship Co. and Waterman Steamship Corporation. The Ocean Dominion bid was considered inadequate, while Waterman did not in its bid offer to maintain regular service on an essential trade route. For this reason, the general counsel of the Commission ruled that the Waterman bid was unresponsive to the proposal. Accordingly, both bids were rejected by the Commission.

Since no operator would undertake to maintain regular service on an established trade route with the advertised vessels, the Commission decided that it was not warranted in reconditioning the vessels at the Government's expense. This left as the only alternatives (a) abandoning all attempts to dispose of the vessels, or (b) inviting further bids upon terms which did not require an undertaking on the part of the operator to maintain regular service on an established foreign-trade route. Alternative (a) was obviously undesirable in the public interest and the Commission thereupon worked out terms of a proposal which, while not requiring such regular service, would, nevertheless, put the vessels in operation as part of our merchant marine, and, at the same time, provide for their replacement with new vessels. The Commission considered it proper in this connection not to offer a construction-differential subsidy for the construction of new vessels, but it did agree to entertain applications for financial aid under section 509 of the Merchant Marine Act, 1936, which section provides for loans amounting, in the case of vessels of the type proposed, to not more than 87½ percent of the full domestic construction cost. This was a fair and proper basis on which to dispose of these four old vessels and one other old vessel that was included in the new proposal. In effect, the operator wanted ships; we wanted the ships in service, but in accordance with the statute and with adequate protection to the Government.

Since Waterman had submitted a bid in connection with the earlier proposal, it was thought likely that it would be a bidder in connection with a second offer, but there was a possibility that other American operators might be interested. Accordingly, a new proposal was issued on May 10, 1940, along the foregoing lines and containing two additional conditions for the protection of the Commission's interests. The first was that if any vessel was sold within 2 years from the date of award, the buyer or its affiliates would pay to the Commission 80 percent of the amount by which the selling price exceeded the sum of the purchase price plus the cost of improvements and repairs made by the buyer subsequent to delivery of the vessel but prior to its first voyage. The second condition was that the buyer agreed that "if the United States shall acquire ownership of any vessel through purchase or requisition under the provisions of section 902 of the act, after delivery to the buyer, the amount to be paid to the buyer or any succeeding owner of such vessel shall in no event exceed the depreciated cost of the vessel to the buyer or such succeeding owner, or the fair and reasonable scrap value of such vessel as determined by the Commission, whichever is the greater."

This agreement with regard to the rights of the United States to acquire vessels under section 902 of the act has been rather loosely referred to as an "option to purchase" in records of the Commission which the representatives of the Comptroller General examined in connection with this matter, and the same phrase has been used by the Comptroller General in his report. As a matter of law, there was no option to purchase. The language of the agreement on this point follows rather closely that of section 802 of the Merchant Marine Act, 1936, which is not considered by the Commission to confer an unqualified option to purchase. The purpose and intent of the agreement, which was similar in scope to that of section 802 (which relates to vessels constructed with the aid of a construction-differential subsidy) was that if it became necessary, in case of emergency, pursuant to a Presidential proclamation as provided in said section 902, to requisition a particular vessel subject thereto, the price formula set forth in such special agreement would in such event govern, and that the same result would obtain if, because of a voluntary purchase arrangement, requisition proved to be unnecessary. As a practical matter, once the requisition powers of the Commission came into effect by virtue of the Presidential proclamation of an unlimited emergency of May 27, 1941, it did have the right to acquire the vessels at the agreed price, and the term "option to purchase" was not entirely inappropriate in connection with nontechnical discussions on the subject. However, the intent and spirit of the agreement obviously raised a serious question as to whether or not such power of requisition should be exercised in the

absence of a general requisition for title. I mention this matter for its bearing upon the action later taken by the Commission in acquiring other vessels by way of purchase.

When the bids were opened on May 22, 1940, Waterman Steamship Corporation was the only bidder. A careful analysis of the bidding was made in order to determine how the total of the bid price and the estimated cost of repairs compared with the aggregate of the same items in connection with other sales made by the Commission. It appeared, even on the Commission's estimate of the cost of repairs, which were lower than those of Waterman, that the prices for the vessels were in line with those involved in such contemporaneous sales. (The actual cost of repairs as now reported by Waterman of $783,097.32 is close to its then estimate of $806,000.)

Since the carrying out of the replacement program was of prime importance to the Commission, it imposed several conditions to the acceptance of the award, among which were requirements that the replacement contract be entered into within 6 months rather than 1 year as contained in the proposal, that the liquidated damages for failure to carry out the replacement program be set at $550,000, and that in order to assure the due carrying out of the agreement, a joint account be established, in which was to be deposited $1,500,000, $550,000 immediately, and the balance in six equal monthly installments.

In accordance with the foregoing, the sales agreement was executed, dated as of June 8, 1940, and the sale of the five vessels to Waterman was consummated.

As I read the Comptroller General's report, he does not criticize this phase of the matter except by the statement that the invitation was "framed to meet Waterman's desires," and that rejection of the corporation's bid was recommended as inadequate. It should be observed (a) that, as shown above, the vessels were offered the second time under terms which could be met by a greater number of operators than could qualify under the terms and conditions of the earlier proposal, (b) that the spirit and intent of the law with respect to competitive bidding was fully carried out, (c) that the reference to the inadequacy of the bid is based upon the opinion of one member of the Commission's staff out of a considerable number who made recommendations to the Commission on this matter, and (d) that such dissenting recommendation was not concurred in by the Commission. The Commission has always encouraged the full expression of views by members of the staff but the ultimate responsibility is with the Commission itself and no proper objection lies to action by the Commission because such action is not that recommended by one or more members of the staff.

After the consummation of the sale of the five old vessels to Waterman, the company proceeded to make the required deposits aggregating $1,500,000 in a joint account and entered into construction contracts with the Gulf Shipbuilding Corporation for the construction of four vessels of the modified C–2 design. These contracts were entered into in November 1940, and approvals of the Commission obtained during the following 2 months. Waterman, in the meantime, had filed an application under section 509 for aid in financing the acquisition of these four vessels. This application was withdrawn when Waterman decided it did not then require Government financial aid.

In August 1941 the Commission, in furtherance of its expanded shipbuilding program, entered into contracts with Gulf Shipbuilding Corporation for the construction of 14 vessels similar to the vessels covered by the yard's contract with Waterman.

This series of Maritime Commission contracts, together with some Navy work undertaken by the yard in the interests of national defense, made it impossible for the yard to complete the construction of the last two of the foregoing vessels. Accordingly, the Commission agreed that Waterman's obligations under the sales agreement with respect to the construction of these two vessels be extended to December 31, 1944, which date was approximately 1 year after the estimated date of completion of the Maritime Commission contracts with the yard, thus enabling the Commission to carry on its own construction program without being hampered by the previous commitments of the yard, and at the same time, insuring completion of the Waterman new construction program at the earliest practicable date thereafter.

In September 1941, Waterman initiated discussions with the Commission looking toward the disposal of certain of its old vessels with the intent of acquiring additional new tonnage. Coincident thereto, the Commission desired to obtain a number of vessels to participate in the Russian aid program, particularly on the hazardous northern route. Discussions with the steamship companies with the object of chartering vessels for this service were unsuccessful. Their unwillingness to make such charter was based on the risks involved, the greater earnings available in other trades, and certain legal difficulties arising from the fact that the vessels had to be placed under foreign flag. The Commission was thus faced with the alternative of purchasing additional vessels or obtaining them by requisition.

The question of requisitioning the privately owned merchant marine was the subject of considerable discussion by the Commission during the summer and fall of 1941. The Commission had determined as a matter of policy that it was not yet prepared to adopt this procedure. Until general control of freight and charter rates had fully taken effect, it was considered possible that the just compensation which an owner might receive under section 902 would of necessity reflect the more lucrative employment available to American flag vessels under then existing conditions, and that, based on these factors, such just compensation might be substantially in excess of the price at which it was felt Waterman was prepared to sell these vessels.

The original proposal of Waterman Steamship Corporation contemplated a trade-in of the old vessels under the provisions of section 510 of the Merchant Marine Act of 1936. The enactment of this section had been urged by the Commission prior to the outbreak of war and was designed to facilitate the acquisition of new tonnage by operators in domestic trades, which at that time were overtonnaged. Under section 510 as originally passed the Commission was required to immobilize old tonnage obtained thereunder, but this restriction was suspended on May 14, 1940. About a year later, Congress, under Public 101 (77th Cong. approved June 6, 1941) extended the Commission's power to purchase vessels. In view of the fact that the removal of the immobilization requirement made the value of vessels, if determined under section 510, substantially the same as if they were purchased under Public, 101, the acquisition of the vessels under the last mentioned statute was adopted as the more convenient procedure.

While preliminary negotiations were being conducted by Waterman with the Commission, and prior to any formal action thereon, the requirements of the Russian-aid program made it imperative that additional vessels be placed in this service. As indicated above, the Commission's policy at this time was against vessel requisition. This was the only procedure whereby the specific vessels covered by the sales agreement could have been acquired by the Commission pursuant to and at the price stipulated under section 7 of that agreement. The Commission, therefore, felt free to acquire other vessels required to meet specific needs at prices fair and reasonable and in the public interest. In so doing, its rights under the sales agreement with respect to the five vessels covered thereby were not in any way affected, in the event that the Commission should later determine upon their requisition.

In connection with the previous negotiations for the sale of some of these old vessels, the appraisal committee of the Commission determined the figure of $79.25 per dead-weight ton as being a fair and reasonable value for the vessels. The Commission had previously placed an insurance valuation of $100 per dead-weight ton on similar vessels, but it was then considering whether or not such insurance valuation should not be reduced to $75 per dead-weight ton in order to avoid any question of enhancement due to causes necessitating the taking." It was therefore decided that it would not acquire these vessels by voluntary purchase for more than $75 per dead-weight ton. Such figure thus represents a fair and reasonable price and excludes any element of enhancement due to causes necessitating the taking.

Shortly after the acquisition of these five vessels pursuant to Commission action taken in November and December 1941, Waterman filed a new application under section 509 for aid in the construction of 7 new vessels. These 7 vessels were out of a total of 14 covered by the Commission's contract with the Gulf Shipbuilding Corporation, which, together with the 2 vessels under direct contract between Waterman and Gulf, would make a total of 9 new vessels.

In the course of consideration of this matter an analysis of the financial situation of the company indicated that while the company could make the necessary down payments, it was a matter of grave doubt whether, over a period of years, the prospective earnings would be sufficient to meet amortization and interest requirements on such a large number of new vessels. Since the fall of 1941 the Commission, in the interests of national defense, had taken action toward reducing charter rates and freight rates which necessarily affected the earning power of the company during the war years. The post-war prospects were, of course, purely a matter of conjecture. In January 1942 Waterman made a proposal whereby the Commission would rely on the vessels alone for payment after 50 percent of the mortgage debt had been paid. This suggestion was presented to the Commission on February 6, 1942, and rejected. Thereupon, Waterman amended its section 509 application by reducing the number of vessels with respect to which financial aid was requested from seven to two. They coupled this action with a renewal of the suggestion that the liability of the company for a deficiency judgment be limited, modifying the form of proposal, however, so as to increase such personal liability from 50 percent to 65 percent of the full construction cost of the vessels. The company stated in this connection that if the proposal was acceptable to the Commission additional vessels would be contracted for. This modified proposal was submitted to the Commission on March 10, 1942, and was rejected for both policy and legal reasons.

In April 1942, Waterman proposed to the Commission that its outstanding contracts with the Gulf Shipbuilding Co. for the construction of two vessels be taken over by the Commission and the vessels then sold to Waterman under section 509 of the act. Since under the original sales agreement of June 8, 1940, the Commission had agreed to give financial aid under section 509 for four new vessels, this proposal was accordingly approved by the Commission. Waterman, following this action by the Commission, amended its 509 application so as to include four new vessels. As a result of this action by the Commission,

Waterman, in effect, would upon carrying out the proposed acquisition of four new vessels financed under section 509, carry out the replacement requirements of the sales agreement. Two questions, however, still remained open: (a) whether or not Waterman, in connection with the acquisition by the Commission of the five old vessels in the latter part of 1941, had obligated itself to acquire new vessels in addition to the four new vessels which were the required replacements under the sales agreement, and (b) if the answer to the first question was in the affirmative, whether Waterman should be permitted to use its construction reserve fund under section 511 of the Merchant Marine Act, 1936, as amended (in which the proceeds from the five vessels sold to the Commission had been or were about to be placed) for the replacement vessels, or whether such fund should be held for the purpose of acquiring additional new tonnage.

Because of the fact that Waterman had originally offered to trade in these vessels under section 510 of the act and after sale of five vessels to the Government had filed an application for financial aid under section 509 for seven vessels, there was some basis for the opinion held by certain members of the Commission's staff that Waterman had undertaken to use the proceeds from the sale of the old vessels for additional new tonnage. Waterman denied the existence of any binding commitment, and the general counsel felt that, regardless of the equities involved, there was no sufficient legal basis for the Commission enforcing the alleged obligation. This conclusion necessarily disposed of the second question, but in view of the attention given to the section 511 fund by the Comptroller General, some comment thereon may be in order.

As the Merchant Marine Act of 1936 was originally passed it contained tax-exemption provisions with respect to the proceeds of sale and indemnities for loss of subsidized vessels where, as required by the statute, such sales and insurance proceeds were placed in a capital reserve fund. Unsubsidized vessel operators had no such privilege and could not secure any tax advantages except in the case of loss of the vessel under the very restricted provisions of section 112 (f) of the Internal Revenue Code. In 1939 a proposal was made to Congress whereby an operator having an old vessel could trade it in and turn it over to the Commission and receive a credit therefor against new construction undertaken either by the Commission or through a direct contract between the operator and a private shipyard. This proposal was made with the dual purpose of immobilizing the obsolete tonnage and encouraging new construction, particularly by the unsubsidized operators in the intercoastal trade. Since the transaction involved no cash receipts by the owner, and since the existing provisions with regard to tax deferment seemed to be inapplicable, special provisions to effect tax deferment were inserted in the legislation, after consultation with the Treasury Department. For some time, at least, section 510 was not taken advantage of by the unsubsidized operators.

In 1940 proposals were made to Congress for the establishment of construction reserve funds, in which would be placed the proceeds of sales and insurance and also operating earnings. Complete exemption from tax rather than tax deferment was asked for These proposals of the ship operators were opposed in their then form, both by the Commission and by the Treasury Department. While the bill was under consideration by Congress the Navy began to acquire a number of small craft, including fishing vessels. Since many of these vessels were heavily mortgaged, their taking by the Navy would leave, in many cases, an insufficient amount over the mortgage to make replacements after meeting the required tax payment. Accordingly, the owners of these small craft joined with the operators of larger vessels, principally in the intercoastal trade, in asking for some measure of relief. Since it was important to encourage new construction of smaller craft as well as larger vessels, Congress requested that the Maritime Commission and the Treasury Department get together on a program whereby, (a) while no tax exemption from earnings was to be granted, earnings deposited in the construction reserve fund would not be subject to the penalty tax under section 103 of the Internal Revenue Code relating to unreasonable accumulation of earnings, (b) proceeds of sales and insurance losses would be placed in a construction reserve fund and would be entitled to tax deferment in a manner similar to existing sections of the internal-revenue laws involving nonrecognition of gain in cases of exchanges or involuntary conversion and to section 510, but without imposing all of the restrictions thereof, and (c) the tax deferment was only obtainable if new vessels were, within a limited time, acquired out of moneys deposited in the construction reserve fund, thus making the construction of new vessels a condition to tax deferment. Section 511 was favorably reported by the House Committee on the Merchant Marine and Fisheries on the basis of these modified suggestions and became law on October 10, 1940.

I wish to point out in this connection that it is not discretionary with the Commission to withhold the benefits of section 511 to any operator who meets the requirements of the statute and the joint regulations of the Commission and the Commissioner of Internal Revenue, promulgated with the approval of the Secretary of the Treasury, nor do the statutory provisions justify inquiry by the Commission into the motives, real or conjectural, which lead any operator to avail himself of the statutory benefits granted by said section. The Commission does have some discretion with respect to the character of new construction, but if the new vessel is suitable as to type and size, it would be an abuse of its discretion to prohibit, for nonstatutory reasons, the use of section 511 funds to aid in its construction. In the Waterman case, the only problem was whether or not the operator, as a matter of law, had specifically agreed with the Commission not to use the proceeds of the sale of the five old vessels deposited under section 511 in order to carry out its obligations under the sales agreement. If such were the case, the Commission could properly have said that it would not permit such use of the section 511 funds, but, as stated above, the Commission did not consider that there was an enforceable commitment on which to base a denial of the use of the section 511 funds in connection with the four replacement vessels under the sales agreement.

That the right of the Commission to restrict the use of section 511 funds is dependent upon the existence of some collateral agreement is well illustrated by the situation which arose in the case of the *Fairport* and the *Fairisle*. These vessels, it will be remembered, were originally the subject of a private contract between Waterman and the Gulf Shipbuilding Corporation. When the Commission, in April 1942, agreed to take over these contracts for the purpose of selling the vessels under section 509, it imposed as a condition to this action that the down payment on these two vessels should be made out of Waterman's free funds.

As to the remaining two vessels, the Commission made no specific requirement. But it does not follow from this that Waterman will necessarily obtain tax exemption through the use of section 511 funds. This question of tax deferment is a complicated one which is primarily within the jurisdiction of the Bureau of Internal Revenue and not of the Commission. The Commission, however, is taking steps to place all of the relevant facts before the Bureau of Internal Revenue in order fully to inform that agency in the matter.

This leaves open for discussion solely the question of what is the proper thing to do as to the five old vessels which were sold to Waterman in 1940 under conditions giving the Commission the right to requisition them at the sales price, plus improvements, less depreciation. As stated before, the consensus of opinion of the Commission in November 1940, was against the singling out of these vessels when there was no general requisitioning of the American merchant marine. In April 1942, the War Shipping Administration requisitioned for use practically the entire dry cargo and tanker tonange of the American merchant marine but did not generally requisition vessels of such classes for title. The powers of requisitioning vessels, either for use or title, are now vested in me as Administrator, War Shipping Administration, and the question of proper future action with respect to these five vessels has had careful study.

These five vessels have been requisitioned for use for some months and the War Shipping Administration is about to tender charters fixing the terms and conditions pertaining to such use. In order to protect the interests of the Government, there will be inserted in the charters as tendered a provision limiting the amount which the Government is required to pay, in the event of loss, to the amount for which they could have been requisitioned for title under the sales agreement. By adopting this procedure, any possible injustice to Waterman due to depriving them of the use of the vessels after the war, is avoided, and, at the same time, the Government is not required to expend funds for their purchase, although it is protected as to the amount which it has to pay if the vessels are lost. One of the vessels has already been lost and the charter as tendered will contain the same provision as to payment for such loss. If the operator refuses to accept the charters as tendered, the War Shipping Administration will requisition the four remaining vessels for title and deny any claim by Waterman to obtain compensation for the lost vessel in excess of the price for which title could have been acquired under the sales agreement.

In the final portion of his report, the Comptroller General refers to the connection of the Commission's former general counsel, Bon Geaslin, with the transactions mentioned in the report. He infers that such connection was improper, constituting a possible violation of the spirit, if not of the letter, of section 807 of the Merchant Marine Act, 1936, as amended. The Commission has adopted comprehensive regulations regarding admission to practice of agents and attorneys representing shipping interests, including provisions similar to those adopted by the Bureau of Internal Revenue prohibiting former employees from appearing before the Commission with respect to matters on which they formerly acted in an official capacity. Mr. Geaslin resigned as general counsel on April 29, 1939, effective July 10, 1939, with the expiration of his accrued annual leave. At that time, Waterman had no business before the Commission. On December 29, 1939, he was admitted to practice before the Commission generally, and not in relation to then pending business of any operator. It was not until April 1940 that our records show he took any part in any of the matters relating to Waterman.

In conclusion, I wish to state that there is nothing in the whole transaction which, in my opinion, is contrary to the letter or the spirit of the statutes under which the Commission operates; that the decision to buy the five vessels from Waterman, rather than to requisition the five vessels sold under the sales agreement, was proper under condi-

tions existing at the time the decision was made; that the price paid for these vessels was fair and reasonable, and that the Government, in entering into this transaction, did not waive or limit its rights with respect to requisitioning thereafter the other five vessels at the prices specified in the sales agreement.

This letter has been considered by and is transmitted with the approval of the Commission.

Sincerely yours,

E. S. LAND,
Chairman.

MARCH 12, 1943.

Hon. S. O. BLAND,
Chairman, Committee on the Merchant Marine and Fisheries, House of Representatives.

DEAR JUDGE BLAND: You have requested the comment of the Maritime Commission with respect to the report which the Comptroller General of the United States transmitted to the Speaker of the House of Representatives on January 21, 1943, relative to the purchase of the steamship *President Roosevelt* by the Maritime Commission for the account of the War Department.

In October 1940 the Secretary of War asked the Maritime Commission to acquire and transfer to it two vessels for which there was immediate need as Army transports. The War Department had previously ascertained that the steamship *President Roosevelt* was suitable for its purposes, and that the owner of the vessel was willing to sell it for $600,000. The Commission thereupon purchased the vessel from its owner at the price indicated and transferred it to the War Department.

The steamships *President Wilson* and *President Lincoln*, sister ships of the *President Roosevelt*, were sold by the American President Lines in April 1940 for $675,000 each. The price paid for the *President Roosevelt* would therefore appear to be decidedly on the low side, as was pointed out to the Comptroller General in my letter of September 5, 1942.

The Comptroller General's report apparently ascribes "irregularity" to the failure of the Maritime Commission to acquire the vessel at the price of $178,531, which the report says was "the value of the vessel at the time of acquisition" upon the basis of the Commission's General Order No. 24.

It is obvious that the owner would not have parted with the vessel on a voluntary basis for the price of $178,531. The Commission would therefore had had to use compulsion in order to obtain the vessel at less than $600,000, and then would have had to sustain the proposition that under such compulsory process the amount which it should pay for the vessel was the figure quoted by the Comptroller General.

That this is what the General Accounting Office believes should have been done is the inference to be drawn from the reference in the report to the requisition authority contained in the Merchant Marine Act of 1936.

Whether or not the requisition authority of section 902 of the 1936 act was operative (1) on and after September 8, 1939, the date of a proclamation of limited national emergency issued by the President, or (2) on and after May 27, 1941, the date of the President's proclamation of unlimited national emergency, has been the subject of recent correspondence between the Comptroller General and the Administrator of the War Shipping Administration.

The Maritime Commission is in accord with the view that the authority of section 902 did not become operative under the President's proclamation of September 8, 1939, for the reasons set forth in the Administrator's letter of December 31, 1942, a copy of which was forwarded to you.

It is to be inferred from the instant report that the Comptroller General adheres to the view that the authority of section 902 became operative on September 8, 1939, in spite of the evidence heretofore submitted that such a conclusion is contrary to the belief and intent of the executive and legislative branches of the Government.

On this basis, the report concludes that the enhancement clause in section 902 would have required the payment of the lower value for the vessel acquired in October 1940.

Detailed discussion of the meaning and application of the enhancement clause may properly be left to the further development of the difference in viewpoints between the General Accounting Office and the War Shipping Administration since the whole question of the orderly administration of section 902 in the public interest is involved in that difference of opinion.

The Comptroller General takes the position that the amount that should have been paid for the vessel was established by the Commission's General Order No. 24.

A copy of that order, as amended, is attached.

As its title indicates, it is an order prescribing the basis for the valuation of vessels for the purpose of determining capital employed and net earnings under operating-differential subsidy agreements in accordance with the terms of section 607 of the Merchant Marine Act, 1936, which governs the reserve funds of contractors. Reference is made to the section and order for details.

The order is not, and does not purport to be, a basis for the valuation of assets for general corporate or other purposes—a fact that is obvious when it is noted that many vessels have been sold at various times at prices greatly in excess of the General Order 24 basis, such prices being the result of values fixed by buyers and sellers in voluntary sales transactions.

The report does not specify the ground upon which this basis of valuation would be required in lieu of the market value on September 8, 1939—the basis heretofore indicated by the Comptroller General for the determination of requisition values.

The report closes with the statement that action by the General Accounting Office "as required by law" will be taken to withhold credit in the account of the Chief Disbursing Officer of the Treasury Department for the amount of the alleged overpayment.

The legal basis for this action is not clear to the Maritime Commission, in view of the provisions of section 207 of the Merchant Marine Act, 1936, as amended.

The history of the vessel, including the outlay of the Government for the cost of construction and operation prior to the enactment of the Merchant Marine Act, 1936, is set forth in the report. The pertinency of these matters is not apparent, since the history of the efforts of the United States Government to promote the American merchant marine was fully reviewed by the Congress prior to the adoption of the 1936 act.

The gravamen of the alleged irregularity on the part of the Maritime Commission appears to lie in its failure to exercise the power of requisition as contained in section 902 in the acquisition of the vessel. Since this matter will be made the subject of an extensive review in the near future, it would not appear to be advisable to undertake it in this letter; but it should be emphasized that even if requisitioning had been resorted to, there is no adequate basis for the theory that the value of the vessel for the purposes of just compensation would properly have been determined in the manner indicated in the report.

Sincerely yours,

E. S. LAND,
Chairman.

MEMORANDUM ON PRICES THE WAR SHIPPING ADMINISTRATION MAY PAY FOR REQUISITIONED VESSELS

I. THE QUESTION

The question involved is one of interpretation of section 902 (a) of the act of June 29, 1936, known as the Merchant Marine Act of 1936, as amended by the act of August 7, 1939, which is as follows:

"SEC. 902. (a) Whenever the President shall proclaim that the security of the national defense makes it advisable or during any national emergency declared by proclamation of the President, it shall be lawful for the Commission to requisition or purchase any vessel or other watercraft owned by citizens of the United States, or under construction within the United States, or for any period during such emergency, to requisition or charter the use of any such property. The termination of any emergency so declared shall be announced by a further proclamation by the President. When any such property or the use thereof is so requisitioned, the owner thereof shall be paid just compensation for the property taken or for the use of such property, but in no case shall the value of the property taken or used be deemed enhanced by the causes necessitating the taking or use. If any property is taken and used under authority of this section, but the ownership thereof is not required by the United States, such property shall be restored to the owner in a condition at least as good as when taken, less ordinary wear and tear, or the owner shall be paid an amount for reconditioning sufficient to place the property in such condition. The owner shall not be paid for any consequential damages arising from a taking or use of property under authority of this section."

We also quote section 902 (d), which is as follows:

"(d) In all cases, the just compensation authorized by this section shall be determined and paid by the Commission as soon as practicable, but if the amount of just compensation determined by the Commission is unsatisfactory to the person entitled thereto, such person shall be paid 75 percent of the amount so determined and shall be entitled to sue the United States to recover such further sum as, added to said 75 percent will make up such amount as will be just compensation therefor, in the manner provided for by section 24, paragraph 20, and section 145 of the Judicial Code (U. S. C., 1934 ed., title 28, secs. 41, 250)."

The particular question is the interpretation of the "enhancement" clause in the sentence, which reads:

"When any such property or the use thereof is so requisitioned, the owner thereof shall be paid just compensation for the property taken or for the use of such property, but in no case shall the value of the property taken or used be deemed enhanced by the causes necessitating the taking or use."

To focus more sharply, the question is, "What are the 'causes necessitating the taking' within the meaning of the statute?"

The War Shipping Administration was established by an Executive order as a branch of the Maritime Commission, and for convenience it is here included in the term "Commission." The President, on September 8, 1939, issued a proclamation declaring the existence of a limited national emergency. On the face of the proclamation, as well as from the subsequent administrative action, it is clear the power of the Commission to requisition vessels was not brought into operation and there were not then, or for some time later, any causes existing which necessitated such requisitions. By proclamation of May 27, 1941, the President declared a general national emergency which was intended to and did bring into operation the requisitioning power of the Commission. Then and

thereafter there were causes existing which necessitated requisitions of vessels. In 1939 ship values seem to have been at a low level and not to have yet been enhanced by world or national conditions. Between 1939 and May 27, 1941, there was a rise in the general market values of ships (excepting vessels such as pleasure yachts) because of the outbreak of war in Europe, destruction by submarines and the operation of the laws of supply and demand.

The Commission, in paying for ships requisitioned since May 1941, has established base prices higher than general market prices prevailing in 1939, but below those reached by the time of the President's proclamation in May 1941.

If the causes necessitating requisitions arose in 1939 or 1940, then any enhancement thereafter resulting from such causes must be excluded from the prices voluntarily to be paid by the Commission. On the other hand, if the cause necessitating requisitions was the national emergency which arose and was proclaimed in May 1941, then obviously only those enhancements occurring thereafter, as a result of the emergency, are to be excluded by the Commission. Events commencing in 1939, such as the outbreak of war in Europe, may, it is true, have contributed to and eventually brought about in 1941 the national emergency, and by application of the doctrine of the Squibb case, a sort of house-that-Jack-built type of reasoning, earlier events, which finally developed the national emergency of 1941, might be said to be "causes necessitating the taking." On the other hand, the enhancement clause is plainly susceptible of the interpretation that the national emergency which arose and was proclaimed in 1941 was the immediate and proximate "cause necessitating the taking." The choice lies between these two interpretations.

II. SUMMARY OF CONCLUSIONS

1. Compensation for property taken by the United States under the power of eminent domain need not be paid in advance of or at the time of taking. If a statute made no provision for payment by the executive branch and required the owner to sue in the Court of Claims for just compensation, it would be valid provided, as in section 902 (d), the Congress does not attempt to limit the judicial award to something below value at the time of taking. Such a law is not made invalid by giving the Commission power to offer less than just compensation. It follows that we must disregard arguments that to be valid, 902 (a) must be construed to allow the Commission to pay constitutional just compensation.

2. The origin and history of the enhancement clause demonstrate that it was intended to operate, under some circumstances, to limit payments to less than value at the time of the taking.

3. The phrase "causes necessitating the taking" refers to the coming into existence of a national emergency proclaimed by the President, and bringing into operation the Commision's power to requisition. The date of the arising of the cause is the date of such a proclamation. Only enhancements occurring subsequently are to be excluded. Conditions prevailing for years prior to the proclamation, which may have contributed to and finally culminated in a national emergency, are not causes necessitating the taking, within the meaning of section 902.

4. The Comptroller General's original opinion was sound in reasoning, but made the mistake of assuming that the proclamation of September 8, 1939, proclaimed an emergency necessitating ship requisitions, and brought into operation the Commission's power to requisition. The proclamation of May 27, 1941, is one which did that, and May 27, 1941, is the crucial date. Only enhancements occurring after that date may be excluded from the Commission's offers to owners. The shift in the Comptroller's position is not maintainable in law or in fact. He has attempted to apply his own judgment as to whether in 1939 conditions existed necessitating ship requisitions, notwithstanding the President, the Congress, and the Maritime Commission had the contrary view and acted accordingly.

5. Under established law shipowners, resorting to the Court of Claims, could recover compensation greatly in excess of 1939 values and substantially in excess of the base prices (1940 values) established by the Commission. The enhancement clause should not be construed so as to force the owners into litigation, with heavy expense to both sides, hardship to owners, and loss to the Government through awards higher than the Commission's present basis.

6. The enhancement clause in 902 (a) has not been impliedly repealed either by the act of June 6, 1941, for requisition of foreign vessels or by the General Requisition Act of October 16, 1941, as amended.

7. It is recommended that the Commission apply to the Attorney General for an opinion. If he accepts the views of this memorandum, the Commission may rely on his opinion and continue to pay more than 1939 values, not more than market values as of May 27, 1941. If the Attorney General adopts the Comptroller General's view, the Congress should promptly be asked to enact law allowing the Commission to at least maintain its present base prices.

III. PRELIMINARY DISCUSSION

There should be no misapprehension as to what the Congress attempted to do as bearing on the problem how far any question of constitutional validity may influence interpretation of the statute.

Section 902 does two distinct things. In (a) it defines and restricts the amounts which the Commission may offer, and voluntarily pay, without litigation. In (d) it provides a remedy to the shipowner in the Court of Claims, if he is dissatisfied with the Commission's offer. The fifth amendment provides that "private property shall not be taken for public use without just compensation." It contains no requirement (as do some State constitutions) that the compensation must be paid in advance of or simultaneously with the taking.

Accordingly, the Supreme Court of the United States has repeatedly held that the constitutional requirement for just compensation is satisfied, if ultimate compensation is assured, and that such assurance is given if at the time of the taking there is in effect a law which gives the owner a full and adequate remedy against the United States, in the Court of Claims, to recover the full "just compensation" guaranteed by the fifth amendment, and which carries with it an implied pledge of the public good faith, to pay the judgment (*Crozier* v. *Krupp*, 224 U. S. 290, 306; *Yearsley* v. *Ross Construction Co.*, 309 U. S. 18, 21).

It follows that if a statute providing for requisition by the United States of private property in time of national emergency authorizes the taking without any provision for either complete or partial payment by executive officers or agencies, but gives to the owner as his only means of obtaining compensation the right to sue in the Court of Claims, and if the statute leaves that court freedom to award "just compensation" as judicially determined—the statute is valid. Such statute is not rendered invalid by adding to it a provision giving an executive officer power to offer, and the owner a chance to accept, without litigation, a sum which may be less than the owner could obtain in court. The validity of the statute depends on whether the courts are left free to award full "just compensation" undiminished by any legislative formula. Section 902 (d), fairly construed, gives such a remedy in the courts.

Section 902, as originally enacted in 1936, after providing in (a) that payments by the Commission for requisitioned vessels should exclude, as an element of value, enhancements by the causes necessitating the taking, then proceeded to say in subdivision (b) that the owner, if dissatisfied with the Commission's offer, could "sue the United States for the amount of such just compensation." The word "such" suggested that the courts, as well as the Commission, should be restricted by the enhancement clause.

When section 902 was revised August 7, 1939, the enhancement clause in (a) restricting prices paid by the Commission was retained, but in the clause [now (d)] relating to suits against the United States for compensation, the word "such" before the word "compensation" was omitted. Some significance may properly be given to striking out the word "such." As now worded, the statute does not expressly make the enhancement clause a limitation on judicial awards. What is just compensation is a judicial question and legislative action cannot validly prescribe that property may be taken for less. These considerations require that the enhancement clause constitutes a limitation only on voluntary payments by the Commission. The same thought was expressed by the Chairman of the Maritime Commission in his testimony before committees in April 1939 when he said, relating to the enhancement clause in section 902:

"It is understood that this is a limitation upon the amount of just compensation that may be determined and paid by the Commission, even though there may be some question as to whether such limitation may be binding upon the courts."

What I have said points at the proposition that the constitutionality of the enhancement clause, applying as it does only to the Commission and not to the courts, is not really at issue, and to sustain it there is no necessity for construing it as a mere legislative declaration of rules applied by the courts in fixing just compensation. It may be construed as intended to prescribe a formula, binding on the Commission though not on the courts, by which less than constitutional just compensation is all that the Commission may offer or pay without litigation. Eliminating fears of invalidity leaves us to interpret the enhancement clause according to its fair meaning, legislative history and other appropriate considerations.

IV. INTERPRETATION OF THE ENHANCEMENT CLAUSE

Its history does show convincingly that the Congress used the clause in a sense which under some conditions might produce a price basis less than just compensation in the constitutional sense.

The clause was coined and first appears in the ship subsidy bill of 1922, when the Congress was considering subsidizing ship construction. (See sec. 412, Committee Print No. 6, June 12, 1922, quoted in the Commission's Memorandum on Legislative History.) The clause reappeared in section 702 of the Merchant Marine Act of 1928, and again in a bill (H. R. 7521, sec. 1004) introduced April 15, 1935, by Congressman BLAND.

All those measures related to requisition, so-called, of ships respecting which there had been granted construction loans or operating subsidies or mail contracts. The debates and committee reports, as well as the provisions of the bills, show conclusively that the Congress was invoking the principle that, as a condition to receiving a subsidy, the Government could exact from the shipowner an agreement to turn the ship over to the Government at a price fixed by a stipulated formula. It is also clear that the enhancement clause was formulated for the purpose of enabling the Government to acquire the vessels at a figure below the general market value at the date of taking, which it would have to pay if compelled to resort to bargaining at arm's length, or to the power of eminent domain.

The arguments which have been suggested that the enhancement clause must be so construed as to provide constitutional "just compensation" in all cases, as a mere statutory declaration of principles already applied by the courts, must be laid aside and we must return to the question of interpretation first stated.

This view is supported by the words then used. Committee print No. 6, June 12, 1922, reads:

"In such event the owner shall be paid the fair actual value of the vessel at the time of taking, or paid fair compensation for her use based upon such fair actual value, but in neither case shall such fair actual value be enhanced by the causes necessitating the taking."

The word "but" means "except." According to the dictionaries it is "a word used to introduce a statement in modification of the preceding statement." The plain inference is that the amount paid might be less than actual value. The word "but" was retained in section 902.

Although the enhancement clause as first used had no application to eminent domain, it later was transplanted into legislation dealing with requisitions under that power. There is no basis for now giving the phrase a meaning different from that in which it was originally used.

V. WHAT IS MEANT BY "CAUSES NECESSITATING THE TAKING"

Does the phrase "causes necessitating the taking" refer to the existence and declaration of a national emergency, thus limiting the term "enhancement" to subsequent price rises, or may it be construed to include conditions prior to the time the national emergency arose and require exclusion from the price of enhancements occurring prior to the national emergency?

One of the considerations is a practical one. In 1939 ship values were low. Thereafter, during the period up to May 1941, there was a very considerable increase in market values of ships. There was an established market, because ships were bought and sold by private owners. During that period the Government did not attempt to control or limit in any way ship prices. They grew larger through the operation of the laws of supply and demand. Under these circumstances, if ships have been requisitioned by the United States since May 1941, and the Commission's offers to the owners are limited by this statute to 1939 values, such offers will necessarily be rejected. As has been pointed out above and the owners know, on rejecting such offers, owners may go into the Court of Claims and recover market value at the time of taking, more than double 1939 value. The judicial rule that just compensation is not enhanced merely because the Government wants the property, or beyond the value to the owner, if left in his hands, will not prevent the owner from recovering in court sums more than double the amount offered. Owners would be forced to resort to the courts. Any owner who had, late in 1940, bought a ship for double its 1939 value would know his property could not be taken at its value in 1939. The Government and its courts would be burdened with expensive ligitation, in which the awards would be at least values as of May 1941, plus interest. The owner would be subjected to expensive litigation and meanwhile deprived of his property and its proceeds with possible financial stress to him.

It is not conceivable that any court would adopt an interpretation of the statute producing such a result if any other reasonable conclusion is possible. As between two possible interpretations, the one fixing 1939 values as the limit to payments by the Commission is neither rational, supported by good sense or anything but harmful to the Government and the shipowners. The only shipowners who would be coerced to accept such offers from the Commission would be those faced with financial disaster by long delay in recovering its value—and that sort of coercion is not a pretty business for government to engage in.

The statute itself points to a national emergency proclaimed by the President as the cause necessitating the requisition of ships. The proclamation and the causes necessitating the taking are linked together in the law. The power of the Commission to requisition was not to exist or come into operation until such proclamation issued. The Congress declared in effect that only a national emergency was a cause justifying requisition, and left it to the President to decide when and if such a cause existed. It is not for the courts to say that prior to his proclamation any cause for requisition existed, and if a national emergency is the "cause" mentioned in the statute, it follows that the "enhancement" in value mentioned must be an enhancement following the cause and not one preceding it.

The legislative history of the clause fortifies this view. Of particular interest are the proceedings in the House relating to H. R. 7521 (sec. 1004), introduced by Mr. BLAND on April 15, 1935. That section dealt with so-called requisition of ships, the construction or operation of which was subsidized. The provision for taking the ships at less than current value, was that value should not be enhanced by the causes necessitating the taking. Congressman Moran proposed an amendment that the price should not exceed the cost to the owner, less depreciation based on an assumed 20-year life of the vessel. His point was that the enhancement clause alone would not exclude increases in market value occurring before the emergency arose necessitating the taking. He said (CONGRESSIONAL RECORD, vol. 79, pt. 9, p. 10200):

"We did not get into the World War until 1917 but the World War began in 1914. The price of vessels had enhanced from 1914 to 1917. We needed them but that was not the cause of the enhancement. Nevertheless we had to pay a higher price on that account."

The House seems to have accepted his view, as it adopted his amendment. In March 1940, when he was a member of the Maritime Commission, Mr. Moran, in a memorandum to the Commission relating to section 902, reiterated the view he had successfully urged upon the House in 1935, saying:

"There is the saving clause (sec. 902 (a)) 'but in no case shall the value of the property taken or used be deemed enhanced by causes necessitating the taking or use' but this does not protect against price rises caused by general conditions leading to an emergency before the actual emergency arises, as experienced in the years 1914–17."

It is obvious that the enhancement in ship values from 1939 to May 1941 are analogous to the enhancement from 1914 to 1917 which he described.

VI. THE COMPTROLLER GENERAL'S OPINION

Turning now to the Comptroller General's original opinion of November 28, 1942, we find that he concluded that the existence of a national emergency requiring the requisition of vessels was the "cause" in the sense the word was used in the statute, and he said:

"It would seem that the conditions under which the power to requisition was to be exercised and the reason or cause which necessitated such exercise of power are but one and the same."

His opinion, fixing September 8, 1939, as the crucial date, was based on the assumption that the proclamation of September 8, 1939, brought into operation the requisitioning power of the Commission. He pointed out that it was necessary that "a certain and fixed date be recognized" as the date when the cause arose which necessitated the requisitioning, with the result that enhancements occurring prior thereto may be allowed, and enhancements occurring thereafter may be excluded, and he concluded that the crucial date was the date of the proclamation of an emergency requiring the requisition of ships, the bringing into operation the Commission's power to requisition.

It is a logical opinion, and probably develops more clearly than is done in this memorandum the tying together of the proclamation with the origin of the "cause." The fault in the opinion was the mistaken assumption that the proclamation of 1939 brought the requisitioning power into operation or had anything whatever to do with ships, or was intended to declare the existence of any situation requiring the requisition of ships.

The Commission's reply of December 31, 1942, pointed out the Comptroller General's mistake as to the purpose and effect of the proclamation of September 8, 1939. It demonstrated beyond cavil that the proclamation was deliberately framed to avoid calling into operation the requisitioning power of the Commission, and that the President in later Executive orders and a message to Congress made clear that the "limited" emergency was not one affecting ships or creating a governmental need for them; that the Congress enacted laws inconsistent with the view that any emergency existed or had been proclaimed September 8, 1939, bringing into operation the Commission's requisitioning power under section 902.

It was also disclosed in the Commission's letter of December 31, 1942, that after September 9, 1939, the Commission and its counsel had repeatedly held that the proclamation of September 8, 1939, had not brought into operation its requisitioning power. After this disclosure an adherence to the reasoning of the Comptroller General's opinion of November 28 would have resulted merely in shifting from September 8, 1939, to May 27, 1941, as the date when there came into existence causes or conditions necessitating requisitions of vessels. It was the proclamation of May 1941 which declared an unlimited national emergency, and which was meant to and did make operative under section 902 the Commission's power to requisition. Instead, the Comptroller General, in his letter of January 7, 1943, shifted his position and adhered to September 8, 1939, as the date when there had arisen causes necessitating the taking of vessels. He seems then to have adopted what has been labeled above as the Squibb case, or "House that Jack built" argument, to the effect that it is not a national emergency which is the cause necessitating requisitions, but prior conditions and events which contributed to and finally produced the national emergency.

This theory, carried to its logical reasoning, might carry us back to Munich and Czechoslovakia, or even to the defects of the Versailles Treaty, as a direct contributing cause of our present troubles. This theory puts the Commission at sea without chart or compass, without a definite date as a basis for action, the need for which the Comptroller General emphasized so carefully in his original opinion.

It should also be noted that in announcing his adherence to the view that in 1939 causes had arisen necessitating requisitioning of vessels, the Comptroller General has substituted his judgment for that of the President, the Congress, and the Maritime Commission which is going a bit too far. Furthermore, the Comptroller General's view that in 1939 there had actually arisen, though not proclaimed, causes necessitating requisitioning of ships, is without a factual basis.

Memoranda prepared by the Commission show that in October 1939 we had a surplus of merchant vessels, many of which were

idle. There was a crisis of idle ships and idle seamen which continued well into the spring of 1940 and attracted wide attention in the press and in Congress. In 1940 the Government did not requisition any vessels. It bought a very few in 1940, principally for the Army and Navy. In May 1940 Congress even passed a joint resolution (Public Resolution 74) authorizing the Commission to sell any of their vessels except those constructed under the Merchant Marine Act of 1936. The first requisitions were in August 1941 when a few were so acquired. Not till April 1942 were ships requisitioned in considerable numbers.

No cause or condition necessitating ship requisition was known or thought to exist prior to April 1941 when the Commission, reporting to the House Committee on Merchant Marine, said:

"The United States urgently needs more oceangoing tonnage. It needs it for its foreign commerce and for its national defense program. It must now try to fill needs not reasonably foreseen a few months or even a few weeks ago, and certainly not in their present scope and intensity."

In 1942 the Congress considered a bill (H. R. 7424) to amend various provisions of law relating to the War Shipping Administration. After it passed the House and while it was pending in the Senate, the Comptroller General's opinion of November 28 was issued and came to the attention of the Senate Committee on Commerce. That committee then inserted and reported out an amendment revising section 902 (a), by striking out the enhancement clause and substituting the sentence:

"For any such property or the use thereof, heretofore or hereafter so requisitioned, the owner shall be paid just compensation in accordance with the standards set forth in the act of October 16, 1941 (Public Law 274, 77th Cong.) as amended."

The act of October 16, 1941, is the general requisition act authorizing the President or agencies designated by him to requisition property needed for war or national defense, and to pay therefor just compensation in accordance with the fifth amendment. The committee report (Rept. No. 1813, 77th Cong., 2d sess.), after citing decisions holding that just compensation guaranteed by the fifth amendment is the value at the time of taking and that market value is controlling if a market exists, made the following statement:

"Section 902 (a) of the act contains language relating to enhancement of values which is ambiguous and which may be susceptible of an interpretation which might force a rolling back of prices to some earlier period, possibly even to 1939 as the Comptroller General has pointed out. It is not believed that such an extreme interpretation was intended to be applied. In any event such interpretation would result in serious inequities, discriminations, and injustices to shipowners of various classes of vessels including freighters, tankers, fishing vessels, barges, and other small craft. Such interpretation further would seem to clash with the standards of just compensation established by the Supreme Court under the fifth amendment and recently readopted by Congress in the act of October 16, 1941, pursuant to which the President is authorized to requisition all property required for the war effort in conformity with the Constitution. The purpose of this amendment is to restate the meaning of section 902 (a) as to this matter and to avoid any danger that it may be construed in a manner conflicting with the fifth amendment of the Constitution or the wartime congressional policy in the act of October 16, 1941, as amended."

The committee disagreed with the Comptroller General's conclusion that the enhancement clause required the Commission to use 1939 values in paying for ships, emphasized the resulting injustices, and pointed out that under the Constitution shipowners could not be compelled to accept 1939 values.

The bill died in the Senate through the ending of the session.

VII. IN THE COURT OF CLAIMS THE OWNERS COULD RECOVER MUCH MORE THAN 1939 VALUES, AND MORE THAN THE COMMISSION'S BASE PRICES

Something further should be said in support of an earlier statement in this memorandum, that if 1939 values fix the limit which the Commission may offer and pay for ships requisitioned after August 1941, and in 1942, the owners, forced into the Court of Claims, will ultimately recover as "just compensation" sums greatly in excess of 1939 values and considerably more than the 1940 standard of values used by the Commission in payments for requisitioned ships.

What is "just compensation" is a judicial question. It is not competent for Congress to prescribe a formula binding the courts, which requires the exclusion of any element of value. Hon. HATTON SUMNERS summed it up, when the Second War Powers Act, approved March 27, 1942, was under consideration, saying:

"You may by legislation provide that the Federal Government must pay more than fair compensation, but you cannot effectively provide that it shall pay less."

It is also settled that the fifth amendment providing for just compensation operates in time of war as well as in time of peace, and that market values produced by war conditions cannot be excluded. The numerous judicial decisions relating to requisitions during World War No. 1 are unanimous on that point. It is also established that market value, if there exists a market, is the best standard of value.

In the case of ships from 1939 through 1941 and into 1942, the fact is established that there was an active market in ships, in which they were bought, sold, and chartered. It was a free market in the sense of being unaffected by governmental price control until well into 1942.

Among the rules established by the courts in fixing just compensation are the following:

The mere fact that the Government wants the property should not be allowed to enhance just compensation. Stated otherwise, it is the loss to the owner and not the gain to the Government which controls. Again, it is the value to the owner, if the property were left in his hands, which controls.

None of these principles would operate here to restrict values of ships below those reached by May 1941. There was a real market for vessels and charters, with abundant cargoes to carry. If the requisitioned ships had been left in private ownership, the owners would have had a ready market at prevailing market prices, producing large earnings. The doctrine that value for the "highest available use" must be rejected if the condemning government is the only person who could put the property to that use, has no application here. A ship has only one use—to transport freight and passengers—and that use was open to every private owner.

Some of these principles were reiterated in the recent case of *United States* v. *Miller*, decided by the Supreme Court of the United States January 4, 1943. The Court also held that where the Government had determined to acquire certain property and published its decision, enhancement in value resulting from the likelihood of acquisition by the Government forms no part of just compensation. That principle is not helpful here, because not before the proclamation of May 1941, and probably not before the general requisition of ships was determined upon in April 1942, was there exposed a probability of Government acquisition. Even if May 27, 1941, is accepted as the date, so as to exclude subsequent enhancements, May 1941 values, if awarded to owners by the courts, would be very greatly in excess of 1939 values and substantially in excess of the schedule of prices which the Commission has established and which it has been paying.

If the statute is construed to allow the Commission to continue to pay 1940 values, the Government will be saved large sums and much litigation expense.

Indeed, the Commission has evidently done a fine job in holding down payments for ships to a standard definitely below market values at dates of acquisition, and effecting an enormous saving as compared with ship costs to the Government in the last war.

VIII. OTHER STATUTES AND THE GENERAL REQUISITION ACT OF OCTOBER 16, 1941, AS AMENDED

Much material has been prepared by the Commission in an effort to show that the enhancement clause must be construed to allow payment by the Commission of full just compensation, and is no more than a statutory declaration of constitutional law.

For reasons above stated, including the origin and history of the clause, such a contention is unacceptable and, in any event, may be laid aside because the conclusions here expressed are not disturbed by the admission that the Congress intended to limit voluntary payments by the Commission to a standard under some conditions below "just compensation."

There are, however, two statutes which have been cited which deserve examination. One is the act of June 6, 1941, to authorize acquisition of foreign vessels. By section 1 the President was authorized "through such agency or officer as he shall designate, but not after June 30, 1942," to requisition title or use of ships, "provided that just compensation shall be determined and made to the owner or owners of any such vessel in accordance with the applicable provisions of section 902 of the Merchant Marine Act of 1936, as amended."

This adopts the provisions of section 902, including the enhancement clause, governing voluntary payments without litigation, and affords no help but leaves us where we started. The President delegated the power to the Maritime Commission. It is true section 4 authorized the Commission to purchase vessels "at such prices and upon such terms and conditions as it may deem fair and reasonable and in the public interest." At first blush it might seem incongruous that the Congress should make a distinction between purchases and requisitions, as to the price to be paid, but the same situation exists under section 902 (a) of the Merchant Marine Act, and we cannot assume that the Congress had no reason for it. However this may be, the statute offers no solution of the meaning of "causes necessitating the taking."

The other statute is the general requisition act of October 16, 1941, as amended by the Second War Powers Act of March 27, 1942. The pertinent provisions are as follows:

"That whenever the President, during the national emergency declared by the President on May 27, 1941, but not later than June 30, 1943, determines that (1) the use of any military or naval equipment, supplies, or munitions, or component parts thereof, or machinery, tools, or materials necessary for the manufacture, servicing, or operation of such equipment, supplies, or munitions is needed for the defense of the United States; (2) such need is immediate and impending and such as will not admit of delay or resort to any other source of supply; and (3) all other means of obtaining the use of such property for the defense of the United States upon fair and reasonable terms have been exhausted, he is authorized to requisition such property for the defense of the United States upon the payment of fair and just compensation for such property to be determined as hereinafter provided, and to dispose of such property in such manner as

he may determine is necessary for the defense of the United States. The President shall determine the amount of the fair and just compensation to be paid for any property requisitioned and taken over pursuant to this act and the fair value of any property returned under section 2 of this act, but each such determination shall be made as of the time it is requisitioned or returned, as the case may be, in accordance with the provision for just compensation in the fifth amendment to the Constitution of the United States If, upon any such requisition of property, the person entitled to receive the amount so determined by the President as the fair and just compensation for the property is unwilling to accept the same as full and complete compensation for such property he shall be paid 50 percent of such amount and shall be entitled to sue the United States in the Court of Claims or in any district court of the United States in the manner provided by sections 24 (20) and 145 of the Judicial Code (U. S. C., 1934 ed., title 28, secs. 41 (20) and 250) for an additional amount which, when added to the amount so paid to him, he considers to be fair and just compensation for such property."

This gave the President or any agency selected by him power to requisition certain kinds of property and pay "just compensation," as defined in the Constitution. It does not aid in the interpretation of the enhancement clause in the Merchant Marine Act It does not operate as an implied repeal of the enhancement clause. Repeals by implication are not favored. It is a grant of power to the President, not to the Maritime Commission. It may be that the Congress was willing to give to the President or agencies designated by him wider power than to the Commission.

It is not apparent how the General Requisition Act can operate effectively on the present problem. If it be assumed that the phrase "military or naval equipment" includes merchant vessels, then, if the President has designated or does designate the Commission as an agency under that act, it would follow, as to requisitions made after such designation, the Commission could voluntarily pay, without litigation, just compensation in the constitutional sense, without any limitation by the enhancement clause.

One difficulty would be that prior to such designation by the President requisitions would have been made by the Commission which have not yet been paid for, and as to these, section 902 controls and the problems of interpretation dealt with above would still remain as to such requisitions.

A greater difficulty arises because of a serious doubt that the term "military or naval equipment" includes ships. The context indicates that the word "equipment" has a narrower scope. This is emphasized by the fact that when the General Requisition Act was passed in October 1941 and also when it was amended March 27, 1942, there was already in operation the Merchant Marine Act, which enabled the Government to requisition domestic ships for any purpose, and the act of June 6, 1941 (operative until June 30, 1942), authorizing the President to requisition foreign vessels, and it was not necessary in the act of October 16, 1941 (General Requisition Act) to make any provision for taking ships. The safer conclusion is that the words "military or naval equipment" in the act of October 16, 1941, does not include ships. At most, it could be construed to do no more than cover ships for the direct use of the Army or Navy as transports, tenders, supply ships, or other auxiliaries.

The conclusion is that the act of October 16, 1941, as amended, should not be relied on as the basis for requisitioning and paying for ships.

IX. COURSE TO BE FOLLOWED

The Commission should apply to the Attorney General for an opinion. (If under the law the Commission may not require an opinion from the Attorney General, the President could ask for it.)

If the Attorney General accepts the view that the enhancement clause only relates to enhancement occurring after May 27, 1941, the Commission may proceed accordingly. If the Attorney General accepts the Comptroller General's view, application should then be promptly made to the Congress for a "clarifying amendment" to section 902.

This memorandum does not deal with price to be paid for a ship, the construction or operation of which has been subsidized under a statute prescribing the price, or the formula for fixing a price, at which the owner shall sell the vessel to the United States. Such subsidies were granted and accepted on an agreement at least implied, if not expressed in a contract, that the price formula in the subsidy statute should be applied, and the owner is bound to accept the formula, which may be very much less than the value at the time the Government takes the vessel.

The numerous subsidiary questions stated in the Commission's letter to the Comptroller General of November 24, 1942, have not been discussed. If the basic principles to be followed are settled, their application to the peculiar facts of individual cases should be determined without much trouble.

WILLIAM D. MITCHELL.

UNITED STATES MARITIME COMMISSION,
Washington, March 22, 1943.

Hon. EDWARD J. HART,
Chairman, Special Subcommittee on Charter Rates, Committee on the Merchant Marine and Fisheries, House of Representatives.

DEAR CONGRESSMAN HART: The Maritime Commission desires to present to your committee information which may be helpful in its consideration of the charter rates paid for voyages to the Red Sea in the summer and fall of 1941.

The Commission has asked the owners who took part in these voyages to agree, voluntarily, to a revision of the charter rates paid, and to make a refund to the Government thereon. Attached is a copy of the statement made to representatives of the owners who met with the Commission on November 19, 1942. The owners agreed to take the matter under consideration, but no action thereon has been taken by them.

The Red Sea voyages in question represent the first arrangements of their kind undertaken by the Maritime Commission. The sailings began in the early part of May 1941 and were continued for several months thereafter.

The President had directed the Commission a few weeks before the Red Sea voyages were authorized to assemble a pool of 2,000,000 tons of merchant shipping for use in the national defense effort. The Commission thereupon set about to obtain the necessary shipping through voluntary arrangements with the owners. Vessels needed by the armed services for conversion were purchased, while ships needed for cargo transportation were obtained, as far as possible, on a charter basis, bareboat and time charters predominating.

The assembling of this pool of shipping was barely under way when the Commission was directed to make available to the British Ministry of War Transport enough ships to transport quantities of material from the United States to Suez and vicinity via the Red Sea. The task was most urgent, because of the military situation in north Africa at the time.

The Commission did not pay the charter hire, in this instance or others, at the time under discussion. It approved the rates to be paid. In obtaining the use of ships on a voluntary basis, the Commission undertook to correlate and direct traffic. Charters were made between the shippers and the owners. The Maritime Commission organized the schedules, spotted the cargo and loading berths, and approved the charter rates. Its control was exercised by indirection.

In the case of the Red Sea voyages, the ships were chartered by their owners to the British Ministry of War Transport. The charter hire was paid out of lend-lease funds allocated for the purpose, presumably on account of the problem of exchange involved.

A combination of factors led the Maritime Commission to adopt the space charter form for the Red Sea voyages, instead of the bare-boat or time-charter forms more commonly used by it.

The nature of the cargo to be carried was perhaps the primary factor, when considered in connection with the speed with which the undertaking had to be set in motion.

The British Purchasing Commission had bought quantities of war equipment and supplies in the United States. The Red Sea voyages were undertaken in order to get as much of this material to Africa as might be assigned to that theater of operations. The items were as diverse in nature as the needs of an expeditionary force would require.

Under the usual space charter arrangement, the shipper paid on the basis of the total cubic content of the ship, delivering to the vessel whatever he wanted to go, and the vessel owners took care of all expenses of loading and discharging. The device was suited to the needs of the Red Sea movement, since it would permit prompt sailings with a minimum of detail in determining rates. Space charters were being used to some extent at the time by commercial operators for similar voyages.

American vessels, restricted in their movements by the Neutrality Act of 1939, had not theretofore gone into waters potentially as dangerous as the Red Sea. Neither had they carried ammunition and explosives in such quantities as were included in these shipments. No one knew the actual hazard in the undertaking. Events proved that the actual hazard was less than anticipated.

The largest factor in judgment from the standpoint of hazard was the risk of delay. War-risk insurance was available to cover the loss of or damage to a ship resulting from hostilities, but the owners had to assume the risk of extensive delays in the return of their ships.

Ships were then at the peak of their earning power. Replacements for ships lost were hard to find, and the cost high. If a ship should be damaged at some place where repairs were difficult or impossible to obtain, the owner lost the use of his vessel during the delay in its repair and return.

The risks of delay were intensified by factors other than the dangers of loss or damage resulting from attack. Ships sometimes had to unload at Red Sea ports that were inadequately equipped. They had to sail in unfamiliar and poorly charted waters to reach such ports, and might have to sail under black-out conditions to reach them.

Another important consideration was the uncertainty of return cargo.

American demand for strategic and critical materials meant that there was cargo to be carried, but the movement o such cargo had not been fully organized and coordinated. The Commission had undertaken to control inward cargo and rates thereon, but it was unable to advise a ship operator in May or June 1941 that after his vessel had unloaded in the Red Sea it could obtain a return cargo at a specific point.

There was no return cargo to be had in the Red Sea. The distances from Port Said to the ports at which return cargo might be had are considerable. From Port Said to Colombo is 3,500 miles; to Beira, 4,000 miles; to Calcutta, 4,700 miles; to Singapore, 5,000 miles. It is 1,400 miles from Port Said to Aden, at the other end of the Red Sea. A

ballast voyage of considerable length was therefore indicated before a ship could be placed on a homeward loading berth.

Under these conditions, it appeared advisable to approve charter rates on a one-way basis, so that the owners could and would undertake the voyages, assuming the risks of time and delay.

Commercial rates current at the time for voyages of comparable length amounted to $1 or more per cubic foot. Such rates yielded an enormous return. We were close to the situation that obtained during World War No. 1, when a vessel paid for itself with a single voyage, if it made a safe return.

The Maritime Commission had no legal control over charter rates (except the powers of sections 9 and 37 of the Shipping Act of 1916, which were of limited application) until after the adoption of the Ship Warrants Act, which was approved on July 14, 1941. In the course of the hearings on that legislation prior to its passage, the Commission pointed out that ship earnings were very high and in danger of getting out of hand.

When the Commission undertook to organize the Red Sea voyages, ship earnings were at their peak, as heretofore noted. The owners were in a position to demand $1 or more per cubic foot for commercial cargoes to the Red Sea.

The cost of loading and discharging these Red Sea vessels was to be assumed by the British Ministry of War Transport, thereby relieving the owners of an expense normally borne by them under the above-quoted $1 rate. It was also estimated that the cargoes to be carried, because of the nature of the items to be shipped, would leave about 20 percent open space in the vessel which could not be utilized.

The Maritime Commission took the position that inasmuch as this amount of free space was greater than normal, a deduction of 20 percent from the going rate should be made. This modification, with a 5 percent deduction for the stevedoring provided by the shipper, made the rate 75 cents per cubic foot.

The owners demurred, contending that the commercial rate was $1 or more, that their vessels were in no different position than any other neutral vessels, and that they should be paid on the commercial basis, making allowance only for the cargo expense assumed by the shipper. The Commission was unwilling to approve the going rate for this purpose, considering it too high, particularly in view of the anticipated volume of the business.

The alternative would have been requisitioning. The Commission wanted to avoid, or at least to postpone, the application of section 902 until there had been a further opportunity to effect a reduction of ship earnings and values. The Commission was intent upon effecting a downward revision of the whole structure of rates and values before resorting to requisition.

The Commission therefore insisted upon the downward adjustment of the space charter rate, and finally the owners acquiesced in it.

The actual experience with the Red Sea venture proved that the hazards of war were not so great as had been feared, that the delays encountered were not extensive on the average, and that the operators obtained return cargoes with relative ease and in substantial volume. The time element which loomed so large when the voyages were undertaken did not prove a material handicap in the majority of cases, although some losses were incurred. As a result, the returns to most of the owners who made the Red Sea voyages were completely out of line with what had been anticipated.

In August 1941, the Commission required a downward revision in the space charter rate, from 75 cents to 60 cents per cubic foot, and the elimination of any payment for cargo carried on deck.

The Red Sea operation is the only instance in which the Commission made extensive use of the space charter arrangement. It has preferred to use bareboat and time charters, the rates for which have been brought pretty well into line, in the opinion of the Commission, although those rates were also very high when the Commission initiated its effort to scale ship values and charter hire downward.

Attached is a chart showing the fluctuations of world time charter rates from the third quarter of 1939 to the first quarter of 1942. As indicated therein, vessel earnings improved immediately after the outbreak of the war in September 1939, but it was not until near the end of 1940 that the inflationary effect of war conditions on merchant shipping began to be conclusively evident. Then, within less than 6 months, world time charter rates went up from a point less than $4 per dead-weight ton per month to a figure above $10 per ton per month.

The Commission had begun its efforts toward reduction of values and rates only a few weeks before the date shown on the chart as the peak of time charter rates, which occurred just about the time the President's proclamation of unlimited national emergency (May 27, 1941) made the powers of section 902 operative. The chart therefore indicates graphically the reason for the Commission's desire to avoid, or at least to postpone, the use of its powers to requisition vessels.

The effort to assemble a pool of 2,000,000 tons of merchant shipping, and the control which the Commission has assumed over the traffic in strategic and critical materials gave it some bargaining power, which it used to the utmost of its ability, while the ship-warrants law was pending. One instance of this use is reflected in the establishment of the Red Sea charter rates.

As soon as the Ship Warrants Act was approved, the Commission brought about a drastic reduction in time charter rates, as indicated by the scale of rates set forth in the Commission's Press Release 970, on July 30, 1941, a copy of which is attached. While the new rates become effective only as charters were made after that date, they were responsible in large measure for the continued downward revision of charter rates, as reflected in the curve on the chart, and for making it possible for the War Shipping Administration to stabilize charter rates at a reasonable level in the spring of 1942.

A further reduction in rates had been initiated in January 1942, as shown by the Commission's Press Release 1117, a copy of which is attached.

The significance of the Commission's actions in regard to charter rates is apparent from a comparison of current rates with the rates paid during World War No. 1 and during the present conflict before measures of control became effective.

Referring again to the chart, it will be seen that although world time charter rates went from $4 per ton per month in December 1940 to more than $10 per ton per month in May 1941, they were brought down again to their 1940 levels by the end of 1941. If controls had not been applied, there would undoubtedly have been further and pronounced inflationary effects after the Japanese attack on Pearl Harbor.

During World War No. 1 the Shipping Board paid more than $4 per ton per month for vessels on bare-boat charter. The Court of Claims later allowed the owners $6.60 per ton per month as just compensation for the bare-boat rate. The Commission and the War Shipping Administration have been able to hold the bare-boat charter rates down to a level of $1 to $1.50 per ton per month, which is not appreciably higher than 1939 pre-war earnings in many instances.

When the War Shipping Administration initiated extensive requisitioning of vessels for use in the war effort a year ago, the general structure of charter rates and ship values had been restored to the levels of 1940.

The owners who took part in the Red Sea venture are still participating in the war effort on the basis of the stabilization herein described, subject only to the Comptroller General's decision of November 28, 1942, concerning which the War Shipping Administration is still negotiating.

If there is any further information your committee desires in connection with this matter, the Commission will be glad to furnish it.

Sincerely yours,

E. S. LAND,
Chairman.

JANUARY 28, 1943.

The Honorable JOSIAH W. BAILEY,
United States Senate.

MY DEAR SENATOR BAILEY: The Commission has for some time given careful consideration to the operation of the South Portland Shipbuilding Corporation, of South Portland, Maine, and has had before it the results of independent investigations made by the House Committee on Merchant Marine and Fisheries and by the Truman committee of the Senate. The conclusion has been reached that the company, operating under the management that existed up to the end of 1942 failed to exercise due diligence in the prosecution of its contracts for facilities and ship construction. On January 4, 1943, however, the company installed a new management and, in the interest of avoiding, if possible, any interruption in essential ship production it has appeared desirable to permit continuance of work under the contracts by the present company for a reasonable period during which the new management will have the opportunity to demonstrate its efficacy.

After some prolonged and extremely difficult negotiations, including a formal hearing before the Commission at which Mr. John Reilly and Mr. Joseph Haag, of the Todd Shipyards Corporation, appeared on behalf of the South Portland company, there was addressed to Mr. Reilly a letter dated January 20, 1943, and at the same time a technical notice of default under the facilities and shipbuilding contracts was mailed to the South Portland Shipbuilding Corporation.

Mr. Reilly has replied to the letter of January 20, under date of January 25, 1943, indicating that the South Portland Corporation with certain reservations agrees to the procedure and conditions outlined in the Commission's letter.

Copies of the letters and notices of default as well as a copy of the press release issued today by the Commission are enclosed herewith.

In substance and effect the plan contemplates the following:

(a) That the new management installed on January 4, 1943, will have a period of approximately 2½ months in which to demonstrate its effectiveness. If at the end of that period, there are still grounds for default, no further notice will be required. A general criterion of performance is indicated, which, while severe, having in mind the seasonal situation at South Portland, may be treated with some degree of flexibility by the Commission should performance of the new management warrant it.

(b) Fees payable with respect to the 16 vessels covered by the first contract are eliminated entirely insofar as relates to vessels still to be launched or delivered, and fees already paid under that contract are to be returned to an extent that will eliminate any profit by the corporation arising out of operations prior to December 31, 1942; that is to say, arising out of the operations of the old management.

(c) Fees with respect to all other vessels are reduced approximately 45 percent, and

the matter of the additional facilities is settled.

In proposing this plan to the company, the Commission had in mind the necessity of protecting the Government's interest against any continued faulty management, but deemed it necessary to avoid, if possible, the interruptions to production that would almost inevitably result from more drastic action, particularly during the 30-day period of notice to which the contractor is entitled under the default provisions of the contract.

The Commission feels that it has thus met the primary objectives contained in the reports of the committees of both Houses of the Congress.

Sincerely yours,

E. S. LAND,
Chairman.

UNITED STATES MARITIME COMMISSION,
Washington, March 21, 1943.

Production requirements for the 60-day period starting January 20, for the South Portland Shipbuilding Corporation, as set by the Maritime Commission, have been met and the contract with that yard will be continued, the Maritime Commission announced today.

With the delivery Saturday by the Maine yard, of the *Hannibal Hamlin* the quota of 12 ships to be delivered within the trial period has been exceeded by 2. The stipulated quota of 36,000 tons of steel to be fabricated also has been exceeded materially. This performance, the Commission states, is adequate evidence of the yard's ability to carry out its contract. Both labor and management have cooperated in expediting production.

Following investigation by the Maritime Commission, the House Merchant Marine and Fisheries Committee, and the Truman committee of the Senate, new management was installed at the yard on January 4. Shortly thereafter the Commission announced it would be in the interest of the war effort and would avoid any interruption in essential ship production if the yard were permitted to continue operations for 60 days, subject to a stipulated production minimum.

The present yard, with 13 ways, is the result of a consolidation of the adjoining yards of the Todd-Bath Iron Shipbuilding Corporation and the South Portland Shipbuilding Corporation. The former company originally constructed 30 Liberty-type ships for the British Government. At the conclusion of that contract, keels were immediately laid for the construction of Liberty ships for the United States Maritime Commission.

Recent operations at the shipyard, the Commission said, showed indications of a decided decrease in the number of man-hours required per ship, and in costs and construction time. For the first time since the inception of the ship construction program, the South Portland yard is now averaging less than 105 days from keel laying to completion for the construction of a Liberty ship. In one instance, the yard delivered a new ship into service in 95 days. It is expected this performance will be improved upon during coming months.

Latest reports definitely indicate to the Commission that the personnel in the combined yards are fully appreciative of the vital importance of the work they are doing so that production will be continuously increased.

INCREASE IN PAY OF POLICEMEN AND FIREMEN IN THE DISTRICT OF COLUMBIA

The ACTING PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 17) to provide for a temporary adjustment of salaries of the Metropolitan Police, the United States Park Police, the White House Police, and the members of the Fire Department of the District of Columbia, which were, to strike out all after the enacting clause and insert:

That all employees of the District of Columbia Government whose compensation is prescribed by the act entitled "An act to fix the salaries of officers and members of the Metropolitan Police Force and the Fire Department of the District of Columbia," approved July 1, 1930 (including the United States Park Police in the District of Columbia), or by the act entitled "An act to amend the act entitled 'An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia,'" approved June 4, 1924, all other employees of the District of Columbia Government except employees whose wages are fixed on a daily or hourly basis and adjusted from time to time in accordance with prevailing rates by wage boards or similar administrative authority serving the same purpose not covered by the joint resolution entitled "Joint resolution extending until April 30, 1943, the period for which overtime rates of compensation may be paid under the acts of June 28, 1940 (54 Stat. 676), October 21, 1940 (54 Stat. 1205), and June 3, 1941 (55 Stat. 241), and for other purposes," approved December 22, 1942, and all individuals whose rate of compensation is prescribed by the act entitled "An act to create the White House Police Force, and for other purposes," approved September 14, 1922, as amended, shall receive additional compensation at the rate of $300 per annum, except that—

(1) any such employee shall be paid only such additional compensation as will not cause his aggregate compensation to exceed the rate of $5,000 per annum; and

(2) employees paid on a per diem basis shall receive an increase of 10 percent in their compensation otherwise provided for by law, but such percentage increase shall not in any case exceed $25 per month.

SEC. 2. This act shall take effect as of December 1, 1942, and shall terminate on June 30, 1944, or such earlier date as the Congress by concurrent resolution may prescribe.

Amend the title so as to read: "An act to provide for a temporary increase in compensation for certain employees of the District of Columbia Government and the White House Police Force."

Mr. McCARRAN. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

By Mr. CONNALLY, from the Committee on the Judiciary:

Tom C. Clark, of Texas, to be Assistant Attorney General of the United States, vice Thurman Arnold, resigned.

By Mr. WALSH, from the Committee on Naval Affairs:

Dental Surgeon Alexander G. Lyle, to be a dental surgeon in the Navy, with the rank of rear admiral, for temporary service, to rank from March 13, 1943.

By Mr. REYNOLDS, from the Committee on Military Affairs:

John D. Howard, of Texas, to be area director at $4,600 per annum in the Beaumont area office of the War Manpower Commission; and

Sundry officers for promotion under the provisions of law, and sundry other officers for appointment, by transfer, all in the Regular Army.

NOMINATION OF HUGH B. COX

Mr. WHERRY. Mr. President, it is a privilege to report that the Judiciary Committee, to whom the nomination of Hugh B. Cox, of the District of Columbia, to be Assistant Attorney General of the United States, was referred, unanimously recommends that the nomination be confirmed. I now report the nomination.

The ACTING PRESIDENT pro tempore. The nomination will be received and placed on the Executive Calendar.

If there be no further reports of committees, the clerk will proceed to state the nominations on the Executive Calendar.

UNITED STATES MARITIME COMMISSION—NOMINATION PASSED OVER

The Chief Clerk read the nomination of Rear Admiral Emory S. Land, United States Navy, retired, to be a member of the United States Maritime Commission.

Mr. BARKLEY. Mr. President, I ask that the nomination go over.

The ACTING PRESIDENT pro tempore. Without objection, the nomination will be passed over.

WAR MANPOWER COMMISSION

The Chief Clerk proceeded to read sundry nominations in the War Manpower Commission.

Mr. BARKLEY. I ask that the Manpower Commission nominations be confirmed en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are confirmed en bloc.

POSTMASTERS

The Chief Clerk proceeded to read sundry nominations of postmasters.

Mr. BARKLEY. I ask that the nominations of postmasters be confirmed en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations of postmasters are confirmed en bloc.

Mr. BARKLEY. I ask that the President be immediately notified of all nominations confirmed today.

The ACTING PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

That concludes the calendar.

RECESS TO THURSDAY

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock meridian on Thursday next.

The motion was agreed to; and (at 4 o'clock and 45 minutes p. m.) the Senate took a recess until Thursday, March 25, 1943, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate March 23, 1943:

DIPLOMATIC AND FOREIGN SERVICE

Boaz Long, of New Mexico, now Ambassador Extraordinary and Plenipotentiary to Ecuador, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Guatemala.

Robert M. Scotten, of Michigan, now Envoy Extraordinary and Minister Plenipotentiary to Costa Rica, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Ecuador.

Fay A. Des Portes, of South Carolina, now Envoy Extraordinary and Minister Plenipotentiary to Guatemala, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Costa Rica.

James B. Stewart, of New Mexico, now Envoy Extraordinary and Minister Plenipotentiary to Nicaragua, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Nicaragua.

Walter Thurston, of Arizona, now Envoy Extraordinary and Minister Plenipotentiary to El Salvador, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to El Salvador.

John D. Erwin, of Tennessee, now Envoy Extraordinary and Minister Plenipotentiary to Honduras, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Honduras.

Avra M. Warren, of Maryland, now Envoy Extraordinary and Minister Plenipotentiary to the Dominican Republic, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Dominican Republic.

John Campbell White, of New York, now Envoy Extraordinary and Minister Plenipotentiary to Haiti, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Haiti.

APPOINTMENTS AND PROMOTIONS IN THE NAVY

TEMPORARY SERVICE

Capt. Ingram C. Sowell to be a rear admiral in the Navy, for temporary service, to rank from the 13th day of September 1942.

The following-named commanders to be captains in the Navy, to rank from the date stated opposite their names:

Felix B. Stump, June 30, 1942.
Joseph W. Fowler, June 30, 1942.
Leland P. Lovette, June 30, 1942.

The following-named lieutenant commanders to be commanders in the Navy, to rank from the date stated opposite their names:

Nicholas B. Van Bergen, January 1, 1942.
Jesse R. Wallace, March 1, 1942.
Henry E. Eccles, June 30, 1942.
Ralph Earle, Jr., June 30, 1942.
Albert K. Morehouse, June 30, 1942.
William V. Saunders, June 30, 1942.
Henry A. Schade, June 30, 1942.
Joseph N. Wenger, June 30, 1942.
Roland N. Smoot, June 30, 1942.
Paul C. Wirtz, June 30, 1942.
Daniel F. J. Shea, June 30, 1942.
Arthur A. Ageton, June 30, 1942.
Thayer T. Tucker, June 30, 1942.
Peter W. Haas, Jr., June 30, 1942.
William R. Thayer, June 30, 1942.
Louis A. Reinken, June 30, 1942.
Olin Scoggins, June 30, 1942.
Pleasant D. Gold 3d, June 30, 1942.
Paul B. Koonce, June 30, 1942.
William H. Hamilton, June 30, 1942.
John B. Moss, June 30, 1942.

The following-named lieutenants to be lieutenant commanders in the Navy, to rank from the date stated opposite their names:

Charles J. Hardesty, Jr., January 1, 1942.
Earle C. Hawk, January 1, 1942.
William L. Kabler, June 30, 1942.
George K. Carmichael, June 30, 1942.
Nickolas J. F. Frank, Jr., June 30, 1942.
Henry J. McRoberts, June 30, 1942.
Frank A. Brandley, June 30, 1942.
Richard G. Visser, June 30, 1942.
Andrew McB. Jackson, Jr., June 30, 1942.
Wellington T. Hines, June 30, 1942.
Richard T. Spofford, June 30, 1942.
Harold M. Heiser, June 30, 1942.
Stanley M. Alexander, June 30, 1942.
William B. Moore, June 30, 1942.
Robert E. Perkins, June 30, 1942.
Leonidas D. Coates, Jr., June 30, 1942.
Robert T. Sutherland, Jr., June 30, 1942.
David L. Whelchel, June 30, 1942.
Robert L. Moore, Jr., June 30, 1942.
John T. Hayward, June 30, 1942.
William T. Nelson, June 30, 1942.
Denys W. Knoll, June 30, 1942.
Francis S. Stich, June 30, 1942.
Eddie R. Sanders, June 30, 1942.
Jefferson R. Dennis, June 30, 1942.
Robert J. Stroh, June 30, 1942.
John Corbus, June 30, 1942.
Christian L. Engleman, June 30, 1942.

The following-named lieutenants (junior grade) to be lieutenants in the Navy, to rank from the date stated opposite their names:

John H. Maurer, November 1, 1941.
Carter B. Jennings, January 1, 1942.
Johns H. Janney, January 1, 1942.
Robert L. Neyman, February 2, 1942.
James J. Southerland 2d, March 1, 1942.
Robert "W" McElrath, March 16, 1942.
James H. Barnard 2d, April 1, 1942.
Delmer F. Quackenbush, Jr., April 1, 1942.
Warfield C. Bennett, Jr., April 1, 1942.
Norman C. Gillette, Jr., June 30, 1942.
Richard A. Teel, June 30, 1942.

The following-named ensigns to be lieutenants (junior grade) in the Navy, to rank from the 1st day of June 1942:

Louis H. Roddis, Jr.
Charles H. Johnson, Jr.
John P. Aymond
Frank W. Bampton
Wade C. Wells
Wade E. Bertram
James C. Wootton
Howard W. Crews
Carl H. Horenburger
Jess W. Barnes
Harold N. Funk
Clark F. Rinehart
Roy M. Plott
John F. Spivey, Jr.
Harold P. Gerdon
Franklin J. Martin
Rolla S. Lemmon
Arthur J. Brassfield
Maurice A. Peters
Kenneth P. Hance
Jacob W. Onstott
Chandler W. Swanson
Robin M. Lindsey
Thomas S. White
Ned L. Broyles
William E. Rowbotham
William H. McRee
Alvin C. Berg
Billy V. Gates
Beecher Snipes
Otto F. Meyer, Jr.
Hal F. Perrenot
Lacy L. McColloch
Jesse L. Pennell
John B. Honan
Charles A. Van Dusen, Jr.
Clarence E. Olson
John J. Worner
George W. Smith
Delbert M. Minner
William H. Munson
Myron P. Fishel
Robert C. Lefever
James M. Dunford
Walter B. Miller
Marshall E. Turnbaugh
Ernest F. Schreiter
John V. Wilson
William C. Hushing
Neil E. Harkleroad
John N. Renfro
Oliver H. Payne
William E. Kuntz
John C. Fisher
Dave Johnston, Jr.
Robert V. Laney
Charles R. Chandler
James H. Smith, Jr.
Francis B. Weiler
John B. Pye
George R. Smith
Chester J. Kurzawa
Dwight O. Ness
Charles S. Thomas, Jr.
John R. Wallingford
Jim D. Miller
Thomas W. Murphy
Frank M. Ralston
Paul E. Loustaunau
Preston N. Shamer
Paul A. Holmberg
Leroy E. Harris
Roger W. Paine, Jr.
Joseph C. Roper
Marvin D. Norton, Jr.
Robert L. Border
Frank Blaha
Elbert C. Lindon
William S. Dawson
Waller C. Moore, Jr.
James C. Bidwell
Alfred H. Higgs
Edward Ackerman
Vadym V. Utgoff
George M. K. Baker, Jr.
Edward C. Blonts, Jr.
John B. Ritch, Jr.
Jack C. Young
Eugene H. Simpson
John F. Quinn, Jr.
Paul W. Gill
Thomas R. Eddy
Alexander S. Wadsworth 3d
Louis P. Spear
David H. Pope
Harry L. Harty, Jr.
William Denton, Jr.
James L. Abbot, Jr.
Daniel K. Weitzenfeld
Allyn B. Ostroski
William D. Adams
Charles M. Cassel, Jr.
Richard M. Swensson
William J. Valentine
William L. Savidge
Thomas C. Hart
Robert C. Truax
Arthur G. Harrison
Kenan C. Childers, Jr.
Sam J. Caldwell, Jr.
Egil T. Steen
Frederic C. Fallon
James F. B. Johnston
John C. McCarthy
Charles A. Dancy, Jr.
Richard McC. Tunnell
Winfred E. Berg
William J. Walker
Thomas J. Walker 3d
Fernald P. Anderson
Andrew B. Hamm
Harvey S. Moredock, Jr.
Ernest L. Schwab, Jr.
Clyde H. Parmelee
Gustav A. Norwood
Peter Shumway
William M. Shifflette
Wendell W. Bemis
Chester W. Smith
John B. Guerry, Jr.
James R. Banks
Alton L. C. Waldron
Henry G. Reaves, Jr.
John S. Moyer
Robert E. Lawrence
Wayne Herkness 2d
Eugene G. Fairfax
William W. Brehm
Floyd E. Moan
Rafael C. Benitez
Robert L. Gurnee
Harry W. McElwain
Nathan F. Asher
Onofrio F. Salvia
Robert J. Trauger
Richard E. Robb
Lee D. Goolsby
Charles F. Leigh
Charles R. Clark, Jr.
Frank D. Miller
Theodore M. Ustick
John B. Dudley
James W. McConnaughhay
John D. Harper, Jr.
Edward Olcott
James P. Coleman
Tom J. Gary
Richard T. Fahy
Robert L. Mastin
Willard Y. Howell
Chester H. Fink
Noble C. Harris, Jr.
Blake S. Forrest
Benjamin C. Jarvis
Robert H. Dasteel
Will P. Starnes
Francis J. Fitzpatrick
Emmett P. Bonner
Fredric "B" Clarke
Paul R. Schratz
Calvin S. George, Jr.
Walter A. McGuinness
William R. De Loach, Jr.
Jack A. Mahony, Jr.
James G. Glaes
George C. Duncan
Earle F. Craig
John E. Parks
Joseph M. West
Carl F. Pfeifer
Norton E. Croft
Frederick L. Taeusch
Joseph W. Hughes
Curtis F. Vossler
Thomas J. Rudden, Jr.
James D. Reilly
William J. Manning
John A. Fidel
Robert W. Gavin
John W. Salvage
Joseph D. Linehan
Almer P. Colvin
William H. Snyder
Edward D. Mattson
Ralph W. Rawson
John H. Millington
DeWitt McD. Patterson
Robert P. Guiler 3d
Charles K. Miller
Thomas C. Williamson
Edward I. Gibson
Harry A. Seymour
Robert B. Wood
Henry J. Brantingham
Donald C. Brewington
Morris D. Gilmore, Jr.
Richard L. Downing
Roland W. Schumann, Jr.
Harry E. Davey, Jr.
Herbert A. Cassidy, Jr.
Donald J. Hardy
Frederick B. Tucker
Gaylord S. Parrett
William L. Thompson
Douglas N. Syverson
Augustus J. Rush
Robert C. Evins
Edward H. Seiler, Jr.
Richard F. Barry, Jr.
John J. A. Michel
Lucien C. Powell, Jr.
Posey A. Hooper
Orville O. Liebschner
Robert J. Slagle
Henry F. Lloyd
Charles R. Stapler
Frank H. Kolb, Jr.
Jesse W. McCoy
Edmonds David
Gordon W. Smith
Houston C. Tucker, Jr.
Robert E. Paige
Richard K. Gould
Herbert Kriloff
John E. Dunn
John J. Munson
Daniel S. Baughman, Jr.
Edward J. Foote

George R. Palus
Robert R. Stuart, Jr.
Harold C. Lank
Stanley W. Kerkering
Bernard J. Germershausen
Albert R. Strow
Theodore C. Siegmund
Montrose G. McCormick
Paul C. Rooney
Clarence E. Bell, Jr.
Robert F. Deibel, Jr.
Robert W. Clark
William B. Fargo
Roy E. Breen, Jr.
George F. Sharp
Allen B. Register
William W. Huffman
John V. Cameron
Wilbur S. Wills, Jr.
Edwin G. Reed, Jr.
Frank C. Perry
Lester S. Wall, Jr.
Neal Almgren
Edward T. Grace
Eugene V. Knox
Warren L. Hunt
Jacob J. Vandergrift, Jr.
Charles D. Nace
John B. Balch
John D. P. Hodapp, Jr.
Dudley H. Adams
Donald C. Deane
Macgregor Kilpatrick
Roman V. Mrozinski
Francis T. Cooper, Jr.
Frederick N. Russell
John C. Jolly
John C. Lawrence
Leslie S. Robinson
David W. Watkins, Jr.
Richard S. McElroy, Jr.
Fred M. Bush, Jr.
Robert F. Wadsworth
Elmore F. Higgins, Jr.
Howard J. Greene
Howard P. Ady, Jr.
Ernest H. Dunlap, Jr.
Richard W. Lombard
Herbert D. Remington
William R. Dunne
William L. Poindexter
John C. Spencer
Murray B. Frazee, Jr.
Overton D. Hughlett
Paul E. Glenn
William K. Yarnall
James W. McCrocklin
Kenneth B. Hysong
Wilson G. Wright 3d
John E. Shepherd 3d
Elmar S. Waring, Jr.
Raymond P. Kline
Albert R. Barbee, Jr.
John A. Sharpe, Jr.
Norman W. Doudiet
Kenneth L. Kollmyer
John F. Miller, Jr.
Robertson C. Dailey
Harold W. Gehman
Paul T. Krez
Thomas D. Keegan
Hubert T. Murphy
Claude L. Goodman, Jr.
Rexford J. Ostrom
Richard W. Phillips
George V. Rogers
Raphael A. Zoeller
Clayton Ross, Jr.
Iler J. Fairchild, Jr.
Alfred J. Toulon, Jr.
Harold C. Miller
Charles N. G. Hendrix
James L. May
James H. Elsom
Selwyn H. Graham, Jr.
Wilbur J. Mason
Irving D. Dewey
Lemuel D. Cooke
Clay H. Raney
George J. Largess
Marcus L. Lowe, Jr.
Richard J. Dressling
James McC. Hill
Robert W. Conrad
Robert A. Gulick, Jr.
Walter K. Stow, Jr.
John W. Magee
Alfred B. Wallace
Charles DeW. McCall
Loren H. Kiser
Marlin D. Clausner
Edward R. Holt, Jr.
Ronald F. Stultz
Frank J. Coulter
James B. Wallace
Francis M. Welch
Sigmund A. Bobczynski
James A. McAllister
Ivan D. Quillin
Warren J. Davis, Jr.
Carl J. Ballinger, Jr.
John R. Blackburn
Canterbury B. Pierce
John C. Mathews
Harvey R. Nylund
Andrew R. Drea
Frederick M. Radel
Robert Brent
Arthur F. Fischer, Jr.
Emmett M. Compton
Lincoln Marcy
Partee W. Crouch, Jr.
Stephen C. O'Rourke
Edward F. Rye
John R. Zullinger
Allan G. Wussow
Davis Cone
Albert G. Neal
Landon L. Davis, Jr.
James D. Ramage
Walter L. Douglas, Jr.
Joseph W. Castello
Jack W. Hough
Ellis J. Fisher
Richard L. Helm
Gene T. Shirley
William J. Carey, Jr.
George D. Ghesquiere
Charles W. Cushman
John P. Weinel
Byron E. Cooke
George W. Forbes, Jr.
James J. Madison
Robert M. Brownlie
Paul A. Dimberg
Harvey L. Lasell
John B. Williams, Jr.
Hugh B. Sanders, Jr.
William D. Bonvillian
Franklin E. Cook, Jr.
Grant H. Rogers
Rowland F. Nicolai
William T. Alford
George T. McDaniel, Jr.
Ira S. Hardman, Jr.
Edward L. Dashiell, Jr.
John B. Howland
John C. Weatherwax
Samuel L. Collins
Reginald F. Ockley, Jr.
Robert G. Merritt
Russell C. Dell
Edwin L. Harris, Jr.
Robert J. Duryea
Robert H. Smith
John M. Cease
Tom S. Sutherland
Edmond A. Hoggard
Russell H. Buckley
Max A. Berns, Jr.
George C. Simmons, Jr.
Karl S. Van Meter
Robert R. Startzell
Richard W. Robinson
John T. T. O'Neill
Harold A. Wells
Stephen L. Johnson
Nelson J. Allen
Eugene B. Henry, Jr.

Lt. (Jr. Gr.) Ira W. Brown, Jr., A–V(N), United States Naval Reserve, to be a lieutenant (junior grade) in the Navy, to rank from the 1st day of December 1941.

The following-named officers of the Naval Reserve to be ensigns in the Navy, to rank from the date stated opposite their names:

Willard E. Eder, April 1, 1940.
William W. Hunker, June 7, 1940.
Carl C. Schmuck, Jr., June 7, 1940.
Harry H. Basore, Jr., July 15, 1940.
Ralph S. Smyle, July 15, 1940.
James Thanos, August 1, 1940.

Dr. Charles F. Deppe to be an assistant surgeon in the Navy, with the rank of lieutenant (junior grade), to rank from the 16th day of March 1943.

The following-named officers of the Naval Reserve to be assistant paymasters in the Navy, with the rank of ensign, to rank from the date stated opposite their names:

Gardiner T. Pollich, November 7, 1940.
Bennett H. Hunter, November 7, 1940.
Kenneth L. Jeffery, Jr., November 7, 1940.
John J. Shea, November 19, 1941.
James K. Lytle, Jr., November 19, 1941.
Raymond P. Barker, November 19, 1941.
Burnett N. Hull, November 19, 1941.
Joseph L. Howard, November 19, 1941.
Russell M. Hoverman, November 19, 1941.
Palmer Hughes, Jr., November 19, 1941.
William W. Winkleman, November 19, 1941.
Charles L. Knight, November 19, 1941.
Harry J. Hicks, Jr., November 19, 1941.
Charles H. Drayton, November 19, 1941.
Coleman W. Morton, November 19, 1941.
Asher J. Thompson, November 19, 1941.
John W. Graham, November 19, 1941.
Don C. Christensen, November 19, 1941.
John J. O'Connor, Jr., November 19, 1941.
James R. Fordham, November 19, 1941.
R. Douglas Davis, November 19, 1941.
Franklin W. Hynson, November 19, 1941.
Fred C. Culver, November 19, 1941.
Norman L. Arrighi, November 19, 1941.
George Henry, Jr., November 19, 1941.
Norman M. Schwartz, November 19, 1941.
James J. Lynch, November 19, 1941.
Richard J. Lautze, November 19, 1941.
Richard E. Forrest, November 19, 1941.
Robert H. Blandford, November 19, 1941.
Lawrence A. Wheeler, March 23, 1942.
William P. Catchpole, March 23, 1942.
W. Howard Nolan, March 23, 1942.
Paul J. Flamand, September 11, 1942.

Lt. John A. Stelger, CEC–V (S), United States Naval Reserve, to be an assistant civil engineer in the Navy, with the rank of lieutenant (junior grade), to rank from the 4th day of December 1939.

Lt. (Jr. Gr.) Joseph A. Roseman, D–V (G), United States Naval Reserve, to be a lieutenant (junior grade) in the Navy, to rank from the 1st day of June 1942.

IN THE MARINE CORPS

Col. David L. S. Brewster to be a brigadier general in the Marine Corps, for temporary service, from the 16th day of September 1942.

Col. Clifton B. Cates to be a brigadier general in the Marine Corps, for temporary service, from the 16th day of September 1942.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 23, 1943:

WAR MANPOWER COMMISSION

APPOINTMENTS

Samuel M. Derrick, to be field supervisor, at $5,600 per annum, Atlanta regional office.

A. Frederick Smith, to be senior economist, at $4,600 per annum, Atlanta regional office.

James J. Carney, Jr., to be program control technician, at $4,600 per annum, Atlanta regional office.

POSTMASTERS

ARIZONA

Jessie L. Beyard, Seligman.
Sara O. Delgado, Tiger.

CALIFORNIA

Howard K. Goodwin, Long Beach.

MAINE

Christine G. Davis, Eliot.
Bertha M. Plummer, Raymond.

OHIO

Mary P. Mowl, Aurora Station.
Albert D. Owen, Austinburg.
Charles T. Wilford, Avon.
Harold Q. Overholser, Camden.
Agnes M. Jones, Columbia Station.
Earl J. Brulport, Fayetteville.
Leslie O. Campbell, Georgetown.
Myrtle I. Grant, Grove City.
Samuel E. Fleming, Manchester.
Karl S. Schiller, Petersburg.
Thomas F. Short, Seaman.
Hugh M. Parker, Windham.

VIRGINIA

Andrew W. Cameron, Hot Springs.

HOUSE OF REPRESENTATIVES

TUESDAY, MARCH 23, 1943

The House met at 12 o'clock noon, and was called to order by the Speaker pro tempore [Mr. McCORMACK].

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Eternal God who livest and reignest above all space, Thou hast ever before Thee those who mourn and all who are sorrowful. Grant to every one a sense of Thy sympathizing presence and a simple understanding of Thy holy nature that those graces may be sealed out of which spring the most beautiful affections. In Thy great mercy empower us with that spirit that will enable us to face trial and every bereavement of this mortal world.

Grant that our country may be disentangled from those spurious desires of self-indulgence, rather obeying the demands of a high sense of accountability. Whatever there may be which stains her good name and imperils her marvelous mission, we humbly pray for it downfall. Whatever there may be in our homeland which qualifies public contentment and individual rights, O let it live and remain. Whatever there may be of her sacrifice to preserve her glorious destiny, may it yield a sublime service for our democracy. We pray for the numberless men and women who know not of the delights and splendors of the world and belong to no order of distinction but are in the front ranks of defense. When their toiling days are over they will stand beside the noblest of mankind. Bear in Thy merciful arms our firesides, our presiding Speaker, and the Congress. In the name of our Redeemer. Amen.

The Journal of the proceedings of yesterday was read and approved.

CALENDAR WEDNESDAY BUSINESS

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of this week be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

EXTENSION OF REMARKS

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial from the Boston Evening Globe of yesterday.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. KEAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial from the Newark Evening News on the subject of the proposed New Jersey ship canal, which certain outsiders are trying to put over contrary to the wishes of an overwhelming majority of the people of New Jersey.

The SPEAKER pro tempore. Is there objection?

There was no objection.

THE TREASURY'S "SLAY-AS-YOU-GO" TAX PLAN

Mr. CELLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. Mr. Speaker and Members of the House, I shall vote for any amendment or amendments to the pending tax bill that embodies the Ruml pay-as-you-go plan. The Gallup poll shows conclusively that the preponderating majority of Republicans, Democrats, those in lower brackets, those in higher brackets throughout the Nation favor the plan. The House should favor it.

It is difficult to follow the tortuous paths of the Treasury in its attempted tax reform. It first opposed the Ruml pay-as-you-go plan, and then demands its own double tax pay-as-you-go. Now it right about faces and espouses the latest Ways and Means Committee tax proposal, which is the very opposite of pay-as-you-go.

To my way of thinking, the Treasury Department's attitude is like a green apple. It agrees with no one.

The whole tax muddle stems from the ineptitude of Treasury officials.

In resisting the Ruml pay-as-you-go plan, Secretary Morgenthau may think he is playing "big time," but, frankly, in such opposition he is merely playing the role of a "Triton among minnows."

He fears the Ruml plan will only aid the rich. That is untrue. It is a demagogic slug below the belt. The Ruml plan, with all the bugs taken out, would favor no one class. All can be treated alike. All would benefit and the Government would be enriched with less tax delinquencies, defaults, and refusals to pay.

As a Democrat, I shall support any bill or amendment that contains the Ruml pay-as-you-go plan. I shall oppose any bill or amendment to the contrary.

THE LATE DR. MERTON S. RICE

Mr. RAMEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio

There was no objection.

Mr. RAMEY. Mr. Speaker, our attention has just been called to the passing of that great spiritual leader, Dr. Merton S. Rice. I heard Dr. Merton S. Rice not long ago make this utterance:

That life is the greatest which costs the world the least and gives to the world the most in return.

When our younger son went into the service about a year ago, he said to me, "Dad, don't worry about me. I give everything I have to Uncle Sam, and he takes the responsibility."

In these confusing days I am constrained to say, being inspired with both of these thoughts, that if we forget ourselves and place radical reliance on God Almighty and forget ourselves in our duty to the world and our country, standing always by principle, we will not need to be disturbed, because then God Almighty and the sovereignty of principle will assume the responsibility.

RELATIONS BETWEEN CONGRESS AND PARLIAMENT

Mr. VORYS of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio

There was no objection.

[Mr. VORYS of Ohio addressed the House. His remarks appear in the Appendix.]

SHORTAGE OF MEATS AND OTHER STAPLES

Mr. O'TOOLE. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and revise and extend my remarks.

The SPEAKER pro tempore. Is there objection?

There was no objection.

[Mr. O'TOOLE addressed the House. His remarks appear in the Appendix.]

RESIGNATION OF NORMAN R. POND, JR.

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. SPRINGER. Mr. Speaker, it is enlightening when we read that one of needless and useless employees in the War Production Board has resigned and has quit his job, which carries with it a salary of $5,600 per year, all because that agency of Government is "crammed with confusion and idle employees."

Mr. Norman R. Pond, Jr., who was employed in the Smaller War Plants Corporation, has done just that. In the article appearing in the Washington Star, of recent date, Mr. Pond is reported to have stated, when he resigned, "that although he asked for more work, he did not get it, but he just sat at his desk and did nothing." He also is reported to have stated that because of this condition he "became disgusted and quit."

It is a very serious indictment against those in power in the War Production Board to have such an incident happen. This is a glaring example of the needless employees now on the Government pay roll. The people are giving their all-out effort to win this war, and, at the same time, this administration is placing useless and needless employees on the pay roll, with high salaries, and such employees just "sit and wait," because they have no work to do. Mr. Pond is to be congratulated upon his patriotic stand in this matter. Many thousands of the others should do likewise, because "they are just sitting and waiting"—they have nothing to do—they draw their salaries, and they are, in fact, obstructing the war effort.

THE FORAND TAX BILL AMENDMENT

Mr. FORAND. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. FORAND. Mr. Speaker, I call the attention of the House to the bill, H. R. 2277, which I am introducing today and which I expect to offer as a substitute to H. R. 2218, the new tax bill, reported by the Ways and Means Committee a few days ago.

My bill incorporates the provisions of the committee bill, with respect to withholding, plus the original Robertson plan provisions of forgiving to all taxpayers 19 percentage units—in other words, the first bracket, 6 percent normal and 13 percent surtax, plus the discount provisions of the committee bill on voluntary advanced payments with the exception that the discount will apply only to tax liability in excess of the basic tax because that will be paid currently.

There is one additional change which provides for an estimate of income on a yearly basis, rather than on a quarterly basis, and for revising the estimate at any time during the year, and a provision to allow farmers to file their declaration for the taxable year on or before the 15th day of the last month of the taxable year.

EXTENSION OF REMARKS

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a report of the recent conference of Governors in the Midwest on the farm situation.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. CUNNINGHAM. Also, Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an editorial on the subject of the Ruml plan of taxation, from the Des Moines Register.

The SPEAKER pro tempore. Is there objection?

There was no objection.

WARTIME SALARIES

Mr. ALLEN of Louisiana. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection?

There was no objection.

[Mr. ALLEN of Louisiana addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. SCHIFFLER. Mr. Speaker, yesterday I asked and was granted permismission to extend my remarks and include an editorial from the American Glass Review. I am advised by the Public Printer that the matter exceeds the ordinary limitation and consists of two and a quarter pages, involving an additional cost of $125.25. I ask unanimous consent now that the matter may be extended in the RECORD.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mrs. BOLTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including therein an address I delivered over the Mutual Broadcasting System Monday, March 22, 1943, on the door-key children program—convention of the air of the American Association of School Administrators.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. BLAND. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on discipline in the merchant marine, and include therein a report from the War Shipping Administrator of the Office of War Information.

The SPEAKER pro tempore. Is there objection?

There was no objection.

LEAVE TO ADDRESS THE HOUSE

Mr. GALE. Mr. Speaker, I ask unanimous consent that on Wednesday next, at the conclusion of business on the Speaker's table and any other special orders, I be permitted to address the House for 10 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent to address the House on Wednesday at the conclusion of other business, for 15 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

DR. MERTON S. RICE

Mr. LAMBERTSON. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. LAMBERTSON. Mr. Speaker, I thrilled at hearing the gentleman from Ohio [Mr. RAMEY] speak on the life of Dr. Merton S. Rice. I heard Dr. Rice and knew him in his first pastorate. Bishop William A. Quayle was his hero. Rice was a football player on the champion Baker University team in the West in the early nineties. When I was in the academy at Ottawa, Kans., a few years later I walked 2 miles to hear him preach in North Ottawa, where he had about 100 in his congregation, although I was a Baptist and he a Methodist.

I recall the words of Ella Wheeler Wilcox:

Thought is a magnet; and the longed-for pleasure or boon, or aim, or object, is the steel; and its attainment hangs but on the measure of what thy soul can feel.

He was the magnet, and what he accomplished was the steel, "what his soul can feel" or did feel made the difference between his humble start and his glorious end. He remains an inspiration to thousands. Forty-five years ago we called him "Mert," and we loved him. His living and acting make the idea of immortality easy.

REPORT FROM COMMITTEE ON RIVERS AND HARBORS

Mr. MANSFIELD of Texas. Mr. Speaker, I ask unanimous consent that the Committee on Rivers and Harbors may have until midnight tonight to file both the majority report and minority views upon the bill, H. R. 2208.

The SPEAKER pro tempore. Is there objection?

There was no objection.

PARTICIPATION OF CHINA IN DELIBERATIONS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I agree with Mme. Chiang Kai-shek that it is very unfortunate that on Sunday last in his radio talk Hon. Winston Churchill did not mention China in speaking of the war and peace deliberations. It must have been some strange oversight. I know the United States will insist that China be considered in those deliberations.

In his radio address of April 28, 1942, President Roosevelt made the following statements:

The Japanese may cut the Burma Road; but I want to say to the gallant people of China that no matter what advances the Japanese may make, ways will be found to deliver airplanes and munitions of war to the armies of Generalissimo Chiang Kai-shek.

We remember that the Chinese people were the first to stand up and fight against the aggressors in this war; and in the future an unconquerable China will play its proper role in maintaining peace and prosperity not only in eastern Asia but in the whole world.

That is an assurance from the President of the United States, and I know the entire country is behind him in wanting China considered in all deliberations for peace and for war and will insist that it be done. And it will insist also that the promised airplanes and munitions be delivered to General Chiang Kai-shek.

The SPEAKER pro tempore. The time of the gentlewoman from Massachusetts has expired.

THE TAX BILL

Mr. DISNEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. DISNEY. Mr. Speaker, reference was made this morning to the Forand bill, a duplicate or copy of the so-called Robertson plan. Let me assure you, Mr. Speaker, that this proposal violates every principle of progressive income taxation. You will know that when you study it. It is subject to all the vices of the so-called Ruml "forgiveness" plan and to the additional criticism that it is class legislation of the very worst sort, something that we have thought to avoid in this House.

While I am on this subject, we remember that Congress has been subject to serious criticisms in the last few years, both from the common vulgar and those in power, but the other day when the majority committee report was brought out we observed in the press that our esteemed minority leader announced that it was a "monstrosity." Let me suggest to him that he consider the propriety of more temperate language as related to a mattter that received the most conscientious, the most earnest, the most nonpartisan attention of a committee of conscientious men who worked hard on the subject—lest he add to the lexicon of encouragement to the detractors of Congress.

The SPEAKER pro tempore. The time of the gentleman from Oklahoma has expired.

EXTENSION OF REMARKS

Miss STANLEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and to include a speech by Gov. Thomas E. Dewey.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. SIMPSON of Pennsylvania. Mr. Speaker, I ask unanimous consent to extend my remarks and include an editorial from the Philadelphia Inquirer of yesterday.

The SPEAKER pro tempore. Is there objection?

There was no objection.

ADDRESS OF HON. WINSTON CHURCHILL

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include therein an address delivered by Prime Minister Winston Churchill on last Sunday.

The SPEAKER pro tempore. Is there objection?

There was no objection.

[Mr. RANKIN addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. MANSFIELD of Montana. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an article from the Christian Science Monitor.

The SPEAKER pro tempore. Is there objection?

There was no objection.

LOYALTY TO AMERICA

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, all I have to say is that I do not know of anybody in a responsible position in the American Government who does not put the interests of America before the interests of any other nation. I might also add that we are in the greatest world war in all history, that we have got to win that war, and that we have to marshal all the strength of all the United Nations to do so.

EXTENSION OF REMARKS

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my remarks and include an editorial from the Times-Herald of this morning.

The SPEAKER pro tempore. Is there objection?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. SABATH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and that I may extend my remarks and include an editorial from the Washington Star and also another article from the Chicago Times.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SABATH. Mr. Speaker, day in and day out we hear gentlemen on this floor assailing the so-called bureaucrats in Washington. I concede that we may have some gentlemen in the service who have been brought in by some of the heads of the departments who have been recommended by some of our industries who may not be performing their duties as efficiently as could be done. But the continuous attacks against all of our departments and bureaus is unwarranted and uncalled for. Whatever I say may leave the impression that I am endeavoring to protect the administration and the various departments. Therefore, it was heartening to me when I observed an editorial appearing in the March 18 issue of the Chicago Times entitled "A Bureaucrat Talks," which carries excerpts from a speech delivered by Mr. Mark A. Brown, vice president of the Harris Trust & Savings Bank of Chicago, formerly financial adviser to the Director of Industry Operations of the War Production Board. For the enlightenment of the Members who have seen fit to unfairly attack as a whole those who are faithfully serving our Government in this crisis I am inserting the complete editorial.

BUREAUCRATS

Mr. TABER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. TABER. Bureaucrats are a great institution. If you really know them and have had experience trying to get any action or anything connected with the departments or agencies of the Government in the last 2 years—I say the last 2 years because that is closer to date—you know they are ignorant, they are bigoted, they are absolutely impossible, and the only way that we can cure this Government from that disease is to eliminate them from the pay rolls.

The SPEAKER pro tempore. The time of the gentleman has expired.

DEPORTATION OF ALIEN SEAMEN

Mr. SABATH. Mr. Speaker, I call up House Resolution 161 and ask for its immediate consideration.

The SPEAKER pro tempore. The Clerk will report the resolution.

The Clerk read as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 2076) to authorize the deportation of aliens of countries allied with the United States. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Immigration and Naturalization, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SABATH. Mr. Speaker, this resolution makes in order House bill 2076, unanimously agreed to by the Committee on Immigration and Naturalization and unanimously reported by the Rules Committee after the Rules Committee insisted that certain provisions in the original bill be clarified and amended. Acting on the suggestion of the Rules Committee, the Immigration Committee has eliminated the objectionable features and submitted a new bill, H. R. 2076.

The rule provides for 1 hour debate on the bill after which it will be taken up under the 5-minute rule and be open for amendment.

The purpose of the bill is to amend section 20 of the Immigration Act of February 5, 1917, as amended, so as to enable the Government, while the United States is at war, to deport to countries allied with the United States certain aliens, citizens or subjects of Allied countries, who cannot for reasons growing out of the war to be deported to their own countries. It applies to seamen who have deserted their ships and it is my understanding that there are between 7,000 and 10,000 now in this country in such deserted status.

As one who supported and voted for the enactment of the La Follette Seamen's Act and who is opposed to any harsh laws in time of peace, I feel that now that we are at war that conditions confronting us justifies this legislation. Efforts have been made to obtain the release of some of these detained seamen on the basis of their willingness to reship on our vessels or those of our allies. It appears, however, that most of them have refused to do so and as most of them cannot be deported to the countries of their nativity it is necessary that the adoption of this bill be had because three Federal district courts have ruled that it is not within the provisions of existing law to deport Allied seamen to the United Kingdom on the theory that the government of such persons is set up there in exile, holding the language "the country from whence they came" means the "country territorially" and not the "country governmentally."

Mr. Speaker, I fully appreciate the objections interposed to the bill by the representatives of various organizations, namely, Hugh DeLacy, national chairman, American Committee for Protection of Foreign Born; Joseph Curran, president, National Maritime Union; Hon. Vito Marcantonio, president, International Labor Defense; Carol King, chairman, committee on immigration and naturalization, National Lawyers Guild; George Marshall, president, National Federation for Constitutional Liberties; and Bjorne Halling, executive secretary, C. I. O. Martime Committee. However, we are at war and I do not know of any reason why these men who deserted their ships should be permitted to remain here to avoid serving their own country or to reship on the vessels under the flag which brought them to our shores. All of them, I understand, signed at the port of departure with the agreement that term of employment would include the return trip to home port. As the situation stands, they are in the United States in violation of our laws and in violation of the contract into which they entered freely. In peacetime they would be subject to immediate deportation to their country of origin or to the port from which they shipped. We are not doing any violence to them because we are at war and the fact that we are badly in need of seamen to man the ships to transport supplies and materials, the same as our allies, is not the only reason for me to support and vote for this bill. Frankly, I cannot conceive of any reason why these men should take advantage of conditions and remain here beyond the legal time limit provided by existing law.

Mr. Speaker, I reserve the balance of my time and yield 30 minutes to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, as the Chairman of the Rules Committee has pointed out, this bill comes from the Committee on Immigration and Naturalization with unanimous support. It was originally introduced by the gentleman from New York [Mr. DICKSTEIN]. The report has been made for the committee by the gentleman from Louisiana [Mr. ALLEN].

Briefly, the situation is about as follows: We have had deportation laws for a long time and there are presently in effect deportation laws outlining certain circumstances under which aliens illegally in this country may be deported. There are many alien seamen in this country who came here on the vessels of our allies, seamen who are refusing to reship on those ships or other ships, and are staying on in this country illegally. Some of them, of course, are attracted by the high pay in domestic jobs. Some of them are attracted by the higher pay on American ships. However, in order that the ships of our allies may put to sea to carry goods and materials needed not only by them but in some cases by our own armed forces, the services of these men are needed. There has been much delay in sailings and that must be stopped if possible.

The deportation laws that are presently on the books provide for the deportation of aliens illegally in this country to their native country. It was determined sometime ago that under that provision of the law alien seamen illegally in the country might be deported to the location of their government in exile and that that would be a compliance with the statute. As long as that view and practice was followed most of the seamen reshipped. But after that practice had been followed for a little while several of our courts held that the term "native country" refers to the country territorially, and not governmentally, and that therefore under the present statute the seamen could not be deported to the country of the government in exile.

Many of our Allied countries are presently occupied by the Axis. It is impossible to order the deportation of the alien seamen from this country to their own native countries because they could not be transported and accepted there. So this bill is designed simply to provide that where aliens of our allies are illegally in this country, they may be ordered deported to the location of their country in exile or if their country in exile is not in such location as to make possible their deportation, then they shall be deportable to the country of the registry of the vessel on which they came to this country. Of course this proposal applies generally to all aliens but it is clear that it is expected to be particularly applied to alien seamen.

The effect of this bill will be that these men will not be permitted to shirk their responsibilities and to avoid the jobs that they have undertaken, but particularly in view of the manpower shortage that affects all of us will be required under the operation of this law either to reship as seamen on their vessels or else face detention in this country. It is also my understanding that the governments of our allies are not adverse to this legislation.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. HALLECK. Mr. Speaker, I yield myself 3 additional minutes.

Mr. Speaker, as a matter of fact most of them I believe are hopeful that the legislation will be enacted to the end that their ships may contribute their full share to the prosecution of the war effort in which we are all so vitally interested.

As I said a moment ago, our experience under the assertion of authority under existing law prior to the court decisions operated to bring about the voluntary reshipment of practically all of these seamen. It is hoped that when this statute is put on the books it will have the same effect, that when these alien seamen recognize they are not going to be able to stay here in contravention of the clear policy of the country and of our statutes they will then again voluntarily join up for service on their vessels and again go to work as they should go to work.

Mr. MARCANTONIO. Will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from New York.

Mr. MARCANTONIO. Will the gentleman please explain why 600 Chinese seamen are going to be deported to England under the provisions of this bill? Is not that a method by which the British Government seeks to settle some dispute that it has with the Chinese Government?

Mr. HALLECK. I do not think so.

Mr. MARCANTONIO. Then what is the justification for the deportation of the 600 Chinese seamen?

Mr. HALLECK. The gentleman has asked the question. Let me answer it as best I can. I certainly do not think the British Government by this procedure or process is attempting to work out anything with the Chinese. The fact of the matter is there are many Chinese in the service of the British merchant marine, and there are Chinese in service on the merchant vessels of others of our allies. Obviously, the Chinese cannot be deported to their native land, China, because the situation of the waters around China is such that they cannot be sent there. Insofar as these Chinese seamen have joined up for service on British vessels, they joined up for a round trip, and I cannot see any reason why that class certainly should not be deportable under this bill.

As to the others, I recognize that there is something of a different category, but it seems to me that in this broad over-all proposition it would not be feasible to attempt to separate one nationality from another or to separate into certain groups those of one nationality.

That proposition was raised before the Rules Committee and my understanding is that it has been properly reached. Of course, I am not permitted to speak for the Chinese Government, but I have not yet seen anything that would indicate to me in any way an objection on the part of the Chinese Government to this action. Rather, it is my understanding that there is no objection to it and that the Chinese, along with all of the other representatives of the governments who are our allies, are anxious that these ships not be delayed here in America. They have been delayed, there is no question about that. They must be used expeditiously, quickly, and most efficiently in the prosecution of the war.

Mr. GWYNNE. Will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Iowa.

Mr. GWYNNE. In the case of the Chinese, do I understand they came in on British ships?

Mr. HALLECK. Many of them came in on British ships. I will not say that all of them did.

Mr. GWYNNE. If they did not come in on British ships, what is the reason for sending them back to the British?

Mr. HALLECK. The provisions of the bill simply authorize deportation to the country in which their government is in exile or to the nation of registry of the vessel. This, of course, would not apply to China because of the fact heretofore stated.

The SPEAKER pro tempore. The time of the gentleman from Indiana has expired.

Mr. SABATH. Mr. Speaker, I yield the gentleman from Indiana 1 additional minute.

Mr. HALLECK. I refer to the language of the bill:

> To the country of the registry of the vessel on which he entered the United States, or to the country wherein is located the government in exile of the country of registry of the vessel on which he entered the United States.

I take it therefore that unless they came here on British vessels they would not under the provisions of the statute be deportable to Great Britain.

Mr. WHITE. Mr. Speaker, will the gentleman yield in this additional minute he got?

Mr. HALLECK. I yield.

Mr. WHITE. What deficiency in the present law does this bill seek to correct?

Mr. HALLECK. I do not know whether the gentleman from Idaho heard the opening part of my statement, but for his benefit I will restate it. It seeks to correct the deficiency in the present statute which requires that all aliens generally, including seamen, shall be deported to their native country if illegally in the country and so deportable. The courts have held that "native country" means country territorially and not governmentally. So we cannot deport them by reason of the existing Axis occupation of many of these countries, and under present law we cannot deport them to the country in which their country in exile is located or the country of the registry of the vessel. We need the added authority to see to it that these seamen are available for service.

The SPEAKER pro tempore. The time of the gentleman from Indiana has again expired.

Mr. SABATH. Mr. Speaker, I yield 5 minutes to the gentleman from Virginia [Mr. BLAND].

Mr. BLAND. Mr. Speaker, I wish to commend the Committee on Immigration and Naturalization for reporting out this bill and for the close attention they have given to the important matters that are involved in it.

There is no more important piece of legislation that has been or can come before this Congress than this bill. If I were permitted the time I might trace this problem of deportation of alien seamen back to the early days of shipping

legislation when the La Follette Seamen's Act was passed and provisions that are being amended now were enacted for the correction of conditions existing formerly. As I recall, the law permitted that seamen leaving alien ships should have about 60 days in which to reship and to leave the country, but if they remained beyond that time, they might be deported to the country from which they came.

For some time last year an attempt was made to send these deserters to the countries from which they sailed or to the countries where the government was governmentally located; as, for instance, Norway in Great Britain or Greece in Great Britain. There was considerable benefit from that interpretation and that procedure; desertions fell off very considerably. However, last fall certain courts decided—three, I think—that, as the gentleman from Indiana has said, these deportations could only be made to the government territorially of the country from which they came and not the government governmentally. The result was that if the Government of Greece—and I am using Greece only by way of illustration—was established governmentally in Great Britain, yet that there could be no deportation to Great Britain for the reason that the existing laws mean the country geographically. It follows that the law providing deportation is unenforceable, as there is no country geographically to which these men could be deported.

Let me call your attention to the fact that within the last 24 hours the necessity for this legislation has been emphasized. Within the last 24 hours it has been necessary to supply a ship which is carrying 6,000 American troops with 227 men from the Army to make up the shortage by reason of these desertions. That ship has now been declared a naval auxiliary. Desertions have increased considerably since the courts rendered these decisions, and if you want to protect this country from desertions, as has been the desire of Congress for the past 25 years, and if you want to protect our merchant marine in the carrying of essential goods, necessities of war, munitions, men, and supplies, it is necessary that this bill be passed, and passed at once.

The SPEAKER pro tempore. The time of the gentleman from Virginia has expired.

Mr. SABATH. Mr. Speaker, I yield the gentleman from Virginia 2 additional minutes.

Mr. BLAND. Something was said about the Chinese. I am informed that in August of last year an agreement was entered into in good faith between representatives of this Government, the British Government, and the Chinese Government, providing for shore leave and for arrest, detention, and deportation of those who violated these laws. Who has more interest than China herself in this legislation? For it is another aid in the fight that we are making for Chinese freedom.

Nothing is more vital than ships. Ships cannot be operated without experienced seamen. Our allies cannot afford to lose their seamen. The barriers cannot be lowered in the enforcement of their laws, and it is confidently believed that the pending legislation made applicable to all countries, as it is, will take care of the situation. It is a defensive measure for the protection of America. If I had time I could trace the problem from the passage of the earliest legislation on the subject, including the time when aliens procured what were known as their first papers, which entitled them to be classified as American citizens under then existing shipping laws.

I congratulate the Committee on Immigration and Naturalization for the splendid work it has done. I looked into this problem last year, as I thought the Committee on Merchant Marine and Fisheries should handle it. I found it was being handled most efficiently by the Committee on Immigration.

The SPEAKER pro tempore. The time of the gentleman from Virginia has again expired.

Mr. SABATH. Mr. Speaker, in view of the fact that the gentleman from Michigan desires to ask a question of the gentleman from Virginia, I yield the gentleman from Virginia 2 additional minutes in order that he may have time in which to answer.

Mr. MICHENER. I am very much in harmony with what the gentleman has said, but there is something more to this bill than the matter about which the gentleman has expatiated. I hope to vote for the bill, but what I want to know about and understand is this: As far as I know, this is the first legislation passing through the Congress in which the Congress officially recognizes governments now in exile. Possibly such recognization is an executive function. However, the executive gets this power from Congress; therefore, recognition is important.

This bill provides that if in the opinion of the Attorney General it is impractical or inconvenient to comply with the present deportation law, or for any other reason, such alien at the option of the Attorney General may be deported, (a) if such alien is a citizen or subject of a country whose government is in exile, to the country wherein is located that government in exile, if that country will permit the entry; or (b), if such alien is a citizen or subject of a country whose government is not in exile, to the country of registry of the vessel.

Those are just about as radical departures from our immigration law as can be conceived of. First, the whole matter rests within the discretion of the Attorney General with no limitation; and second, the alien may be deported, in case the ruler of the country has fled from the alien's native country and has declared that the government of the alien's native country has accompanied the ruler to the place where he then is, to the latter country.

These are all very broad and very important questions. I am asked by one of the members of the committee what I am going to do about it. I am going to think about it. I assume the committee of which the gentleman is a very distinguished member has thought about the matter and has given weight to all these things, and will explain fully the matters about which I have just spoken to the House when the bill is up for consideration.

The SPEAKER pro tempore. The time of the gentleman from Virginia has again expired.

Mr. SABATH. Mr. Speaker, I yield 2 additional minutes to the gentleman from Virginia.

Mr. STEAGALL. Mr. Speaker, will the gentleman yield?

Mr. BLAND. I yield to the gentleman from Alabama.

Mr. STEAGALL. The gentleman from Michigan has made certain inquiries that I think are very pertinent, but I do not think he has gone far enough to cover the information that it occurs to me is desirable to have in connection with this legislation. The gentleman from Michigan called attention to the fact that under the amendment the matter of deportation is lodged in the discretion of the Attorney General. The question I wish to ask is whether or not under existing law the Attorney General is clothed with the discretion to decide whether or not deportation is convenient.

Mr. BLAND. I am not prepared to say. I do not think so.

Mr. STEAGALL. If the present law does not leave the matter in the discretion of the Attorney General, this amendment would permit the Attorney General to decide that it was convenient to deport an alien under existing law, and then that alien could be deported only under the provisions of the amendment. Under those provisions he could not be deported unless his deportation was acceptable to the particular country to which the proposed deportation was directed.

Mr. BLAND. I am not concerned about those technical legal questions. I am concerned about the safety of America. Decision must rest in some hands. We are at war. The gentlemen who have considered this legislation, those who have heard the testimony and have seen men deserting who are needed to sail our ships, to carry the cargoes, and our fighting men, have decided that this legislation is necessary in this form. As an emergency matter, in this as in many other matters, I am not going to split hairs. The practical way is the way that is offered in the bill that has been presented to this House.

The SPEAKER pro tempore. The time of the gentleman from Virginia has again expired.

Mr. SABATH. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. Without objection, the resolution is agreed to.

Mr. MARCANTONIO. I object, Mr. Speaker.

The SPEAKER pro tempore. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. DICKSTEIN. Mr. Speaker, I move that the House resolve itself into

the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 2076) to authorize the deportation of aliens to countries allied with the United States.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 2076, with Mr. SHEPPARD in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

Mr. DICKSTEIN. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, the previous speakers have overlooked stating what this bill actually does. We are facing a serious emergency. Our ships are being deserted on the last day before sailing or sometimes the day before. The desertions have become a serious problem. In the last 18 months there have been over 10,000 desertions from our ships engaged in bringing war materials to our soldiers. As a matter of fact, this problem became so serious that some of our ships that were carrying our soldiers, together with matériel and ammunition, were not properly manned.

You must bear in mind also that that figure includes all seamen who entered the ports of the United States. In my judgment, we owe no obligation to them. They are not part of our merchant marine. They come from foreign ports. They signed up on ships and agreed to return those ships to the foreign ports.

All the technicalities that have been raised here are of no consequence, in my opinion. We owe these seamen no obligation. We have complied with all the provisions of the seamen's law.

I understand that heretofore when ships entered our ports with Chinese crews we would not let the seamen off the ships. However, in order not to discriminate against the Chinese seamen we have given them shore leave under the La Follette Act and given them every possible comfort, so that they would return their ships fully loaded. Apparently that did not satisfy them.

Then there was the question of wages. As I understand, through the efforts of our State Department and the War Shipping Administration, the pay of these alien seamen has been raised to almost $68, whereas a white man gets only $72. There is a difference of only $4.

They have been receiving the same treatment given to the white men, but nevertheless we have these continuous desertions by those men. I have a paper here which, however, I do not intend to put in the RECORD because it might hurt our war effort if the Axis Powers should know something about these desertions. The fact remains that all of these countries are recognized by this Government and Great Britain. All the exile governments in England are recognized by the United States, and England is willing to take these seamen back. If England is willing to accept all of these Chinese and other nationals who left one of her ports under a British flag, why not help her do it? If these men know that we have a law that will compel them to go back, they will all voluntarily go back, as was so ably stated by the first speaker. Under the present law, we cannot send them back. If we were at peace, we could send them back to the countries where they belong, and the Attorney General would not need any additional legislation to cope with the problem. This is a war measure. The various departments of the Government, four different divisions, considered this matter in executive session. I do not care to go any further than to say that their representatives consider this legislation very important and request that it be enacted as soon as possible.

I yield back the remainder of my time.

Mr. MASON. Mr. Chairman, I had expected to make a few general observations concerning this bill, but the gentleman from Michigan [Mr. MICHENER] has made those observations, and has done a much better job than I could, so that leaves nothing for me to say on the bill.

I yield 10 minutes to the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Chairman, I think it has been pretty well pointed out that this measure is classed as emergency legislation. It would not be before us except because of our war conditions. This legislation has the approval of the Department of Justice, of the War Department, and of the Shipping Board, as a matter of fact no one who appeared before our committee opposing the legislation.

Mr. MARCANTONIO. I can give the gentleman some information on who opposes the legislation.

Mr. REES of Kansas. In just a moment I will yield. This legislation deals particularly during the war period.

Under our present law, aliens who enter this country illegally are deportable to the country from whence they came. In peacetime we simply send them back to their own countries.

This measure extends the authority of the Department of Justice, so that such aliens who cannot be returned to their native countries, because of war conditions, may be sent to the country where his government has set up a country in exile, or he may send such deportable aliens to the country from which he embarked when he sailed to the United States or as some one suggested where "he took ship."

The distinguished gentleman from Michigan [Mr. MICHENER] raised the question as to safeguarding this legislation to make sure that where an alien is deported to the country where his government is in exile, that we make sure such government is one that is recognized by our Government, as I understand him.

I do not think there is any particular necessity for it, but a proper amendment on that question would, I believe, not be objectionable.

This is simply an executive matter. I do not know how else you can handle the problem. If you cannot send them back to the country from which they came, and some other country—Great Britain, for example—sees fit to recognize the setting up of foreign governments within its territories, then I see nothing wrong in deporting the individual to that country. I see nothing particularly out of the way in deporting the individual who came in here illegally, who is here in violation of our law. We have certain laws by which we admit individuals into this country, but if they come here illegally, the only thing we can do with them at the present time, if we cannot send them back to the country from which they came or to the countries where they have set up their own governments, is to put them in detention camps for the duration of the war.

Most of the individuals involved in this legislation are persons who have "jumped ship." They signed up on these ships and ought to be willing to return on these ships to the port or country from which they embarked. We did not bring them to this country.

Under our present law, if we cannot follow the procedure outlined in this bill, these aliens will have to be detained until the close of the war and then shipped to the home country. It hardly seems right to place these people in jail or a detention camp if there is some other reasonable way to solve the problem. I see nothing unusual about a proceeding of this kind under the circumstances.

One thing more. This legislation is extremely important. These individuals have been carried into our country aboard these ships, and they were not forced to go on those ships, but they came over here voluntarily. They were employed, and they were in service, and when they got here they looked around and saw places where they could be more gainfully employed, and so they want to stay here and be in civil employment. We all know that in time of peace we would not allow them to remain illegally. Then, why allow it in wartime? Further, these individuals are needed on these ships. Let us be plain about it. They came with those ships as a part of the force that brought them here. Is it fair for us to say to them, "Yes, you brought the ship into our harbors, but so far as we are concerned we do not care whether you go back on these ships or not, but we will let you stay right here in New York or Boston"? Not only that, but should we say to them, "You came here in violation of law, and yet you can stay here and do anything you want to"? That is something you would not allow in peacetimes, and it is something that you do not want in wartime. These men are needed on the ships. Ship them back, if you please, let them go back to the place where they signed up, and then if that country where they signed up wants to discharge them, well and good.

Let us not, at least, be a party to permitting them to stay here in violation of our laws and in violation of any contracts they made with the country or with the group with which they signed.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. AUGUST H. ANDRESEN. Will this legislation in any way interfere with the proposals of the post-war planners

who want to remove all immigration restrictions?

Mr. REES of Kansas. Well, I do not think it belongs in that particular category. I will agree that the post-war plans that we have in the background are pretty broad, but I do not think this legislation has anything to do with that problem.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. MARCANTONIO. The gentleman has made a very clear statement with regard to the purpose of the bill. I believe no one has any quarrel with the main objective, that is, to get these men to sail the ships and get the ships sailing on schedule. But I am sure the gentleman must agree with me, that to enforce upon these men indecent working conditions by deportation and intimidation is not going to attain the objective—to sail the ships. The solution lies somewhere else. I believe the solution lies in the formation of a pool of foreign seamen under the administration of the War Shipping Administration, and the regulation of that pool by our own Government and the enforcement of decent working conditions on ships. If you do that, these men will sail these ships. Otherwise you will only clog up the ships with the deportation of seamen.

Mr. GILCHRIST. Mr. Chairman, will the gentleman yield to me?

Mr. REES of Kansas. I yield.

Mr. GILCHRIST. Is it true that at the present time without the passage of this bill—and I am for the bill—that there is no law that punishes men who come in on foreign ships and desert those ships in our harbors? Is there not some law that already handles those men?

Mr. REES of Kansas. No; we do not treat them as deserters as the term is generally used. That is, those individuals may have deserted their ships all right and they may have violated the law of some other country in deserting the ship, but so far as our Government is concerned they are here illegally. We do have the right now, if we want to exercise that right, to put those individuals in concentration or detention camps. But the law provides that we shall deport them to the country from which they came. We cannot comply with that law at the present time. We cannot take Germans back to Germany right now. We cannot take Chinese back to China; we cannot take Italians back to Italy; and so on. So because of that fact we seek to broaden the law to say that if we cannot return them to their own countries, then we will send them to the country where their country has set up governments in exile, or we will send them to the countries where they signed up on these ships. I do not see anything unreasonable about that. If a man signs on a British ship and sails from a British port, I do not see why it is not reasonable to send him back to that port.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. MASON. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. BLAND. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. BLAND. Is it not a fact that when the bill was passed about 1914 or 1915, certain treaties that were then in existence, providing for the arrest of seamen, were canceled under authority of that law, and in order to encourage an increase in wages and that sort of thing, under the La Follette Seaman's Act, there was rather encouraged desertions for a period, with the idea that there would be reshipment? We did not have any merchant marine at that time to amount to anything. The idea was that there would be reshipment at an increased wage, and there was a permissive period of 60 days within which they might reship, after which they could be deported to the country from which they came. That law is on the statute books now, but the trouble is you cannot get them back to the country to which they should be deported.

Mr. ALLEN of Louisiana. Will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Louisiana, a distinguished member of the committee.

Mr. ALLEN of Louisiana. The gentleman from New York [Mr. MARCANTONIO] raises the question of our submitting these seamen to unfavorable working conditions. The answer is that they have imposed their own conditions on themselves by accepting employment at first, and all we do now is to insist that they live up to the commissions which they took upon themselves.

Mr. REES of Kansas. In any event, they accepted employment.

Mr. BLAND. Will the gentleman yield further?

Mr. REES of Kansas. I yield to the distinguished Member from Virginia and the very able chairman of the Committee on the Merchant Marine and Fisheries.

Mr. BLAND. Is it not a fact, and was it not shown in evidence—certainly it was before my committee—that for the last year the War Shipping Administration under Mr. Dimmock has been negotiating with these very people, whereby they are now allowing better conditions and higher wages than have ever been allowed before?

Mr. REES of Kansas. I believe that is generally true.

Mr. BLAND. They have entered into contracts between the companies and the seamen whereby they are getting better money and they have improved conditions such as they have never had before. That certainly was the testimony brought out before my committee about 6 months ago.

Mr. REES of Kansas. I think that statement is correct.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. CRAWFORD. I would like to get two or three things straightened out in my mind. If I understood the gentleman from Virginia [Mr. BLAND] correctly, something like 10,000 seamen have deserted the ships. Is that correct?

Mr. BLAND. I did not give the number. I have understood that is approximately true, however.

Mr. ALLEN of Louisiana. That is correct.

Mr. CRAWFORD. That is over 18 months or 24 months?

Mr. ALLEN of Louisiana. That is right.

Mr. CRAWFORD. Now, in the event this bill becomes law, what is there in the machinery that gives us the authority or makes it possible for us to force discontinuance of desertions, or for us to put these men back on the ships on which we want to ship goods?

Mr. REES of Kansas. The present law provides we can send them back to the country from which they embarked.

Mr. CRAWFORD. The gentleman has stated, and I agree with him, if I understood him correctly, that we cannot send these fellows back to those countries. If that is correct, and I will accept that statement as being practical, at least——

Mr. REES of Kansas. Physically, how can we take them back?

Mr. CRAWFORD. I am not arguing that. I will accept that. Now, if it is true that we cannot send them back and if these desertions have taken place, 10,000 in 24 months, what is there in the proposed legislation which enables us to force those fellows, after this bill becomes law, to remain on the boats or go back on the boats which we want to use in which to ship goods or men? In other words, let us be practical about the thing. I am not for or against the bill. I am trying to find out what the situation is.

Mr. REES of Kansas. You mean that inquiry as to the mechanical method used?

Mr. CRAWFORD. Oh, no. The argument is made here that we have got to have this bill to stop desertions and thereby deprive us of seamen personnel. What is there in this bill which puts that personnel back on the ships so we can use it?

The CHAIRMAN. The time of the gentleman has expired.

Mr. MASON. I yield the gentleman from Kansas 2 additional minutes.

Mr. BLAND. Will the gentleman yield?

Mr. REES of Kansas. Yes, I yield.

Mr. BLAND. Under the existing law, if a man deserts and he could legally desert, but if he stayed in this country 60 days, he could be arrested and deported to the country from which he came, or the country of his nativity.

Mr. CRAWFORD. We are in agreement as to that.

Mr. BLAND. That is under the existing law.

Mr. CRAWFORD. Yes.

Mr. BLAND. For awhile there was an attempt where the Government had moved to another country, and I assume this was the testimony, to arrest them and send them back there. The practice of doing that was a deterrent, but the courts held that it could not be done because under the language of the existing law, the courts said "the country

from which they came" meant the country territorially or geographically and not the country governmentally.

This provides that they can be sent to the country governmentally where there is in existence that government that we recognize, or, at least, I think we ought to recognize, that may be doing business with us. They can be sent back, and if we cannot, then send them back to the country under whose flag they came, and provide a measure of deportation. Of course, this does not imply they can be taken and forced on a ship, but the proof of the pudding is in the eating and as long as they can be deported it will serve the purpose.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. MASON. I yield the gentleman 1 additional minute.

Mr. REES of Kansas. I just want to reiterate that this is an emergency legislation and it would not be here except because of war conditions. I do want the House to know what it is all about. I am anxious that this legislation be fully explained and understood. If you have any further questions, now is the time to ask them.

I fail to find anything about this measure that is unreasonable or unfair, especially under the circumstances involved. We are not attempting to put anything over. If Members of the House would like to find out anything further about the measure, and want a fuller explanation, now is the time to request it. That is all I have to say, Mr. Chairman.

Mr. MARCANTONIO. Will the gentleman yield?

Mr. REES of Kansas. Yes; glad to yield.

Mr. MARCANTONIO. In answer to the gentleman from Virginia [Mr. BLAND] in regard to conditions: Seamen on American and Panamanian ships average $200 a month; Norwegian seamen, whom you seek to deport under this bill, average $105; Greek seamen average $84; and Chinese receive $76. If you correct those conditions you will have no difficulty in getting these seamen to sail these ships.

Mr. REES of Kansas. But the gentleman from Virginia, who is in pretty close touch with this problem, states that they are receiving more consideration than they have been in the past, and that the conditions have improved and they are a lot better off now. I certainly do not contend that they could not be further improved. I think they should be.

Mr. BLAND. That was the testimony before us.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. DICKSTEIN. Mr Chairman, I yield 5 minutes to the gentleman from Louisiana [Mr. ALLEN], a member of the committee.

Mr ALLEN of Louisiana. Mr. Chairman, during the limited time at my disposal it will be impossible to discuss all the angles entering into this bill under consideration but I do hope to impress upon the membership the seriousness of the shipping situation confronting us. I say very frankly that we members of the committee who have listened to the testimony in executive session feel, and I think all of the Members feel that way, that we have had no more important legislation this whole session than this bill.

As the law now stands, we may deport aliens to the country whence they came or to the foreign port at which such aliens embarked for the United States. Now, let us see briefly where we stand under the existing law. We have had thousands of seamen to desert their ships when their ships docked at our ports. This has given rise to a very serious shipping problem. I am not at liberty to divulge the testimony which was given our committee in executive session but I can assure you that the great number of desertions of seamen has created a bottleneck which is seriously hampering the war effort. I will go so far as to say, without giving numbers, that the War Shipping Administration, charged with great responsibility in this matter, has experienced great difficulty in getting enough seamen to man our ships destined to very strategic points. I cannot overemphasize the importance of removing this bottleneck and it should be done at once, and many of us feel that this bill will at least help solve the situation. Reverting to the law again, these deserting seamen have found that under the present law, as interpreted by three recent court decisions, we are obliged to deport them, if at all, to the country whence they came or to the foreign port at which such aliens embarked for the United States. Since most of the countries involved are occupied by the Axis Powers, it is impossible for us to deport them in keeping with this provision of the law.

Your committee, therefore, has reported out this bill which will change this law so that, during this emergency, we may deport these seamen to the country wherein is located that government in exile, if their government is in exile, or if the government is not in exile, to the country of registry of the vessel on which he entered the United States. Since most of the governments in exile are in Great Britain, this enables us to deport a great many of these seamen to Great Britain. The Government of China is not in exile in Great Britain, but many of the Chinese sailors come here on British ships, and the bill therefore will cover a great many Chinese seamen.

It seems that most of the objection to this bill has been urged because that it does affect a good portion of the Chinese seamen, but, Mr. Speaker, perhaps no nation allied with us is in greater need than China, and it therefore logically follows that whatever helps the Allied cause is bound to greatly help China. Therefore, China, of all nations, could least afford to object to this bill.

If it interferes with the rights of a few alien seamen to pick them up and send them back on ships, as some would have us believe, what rights do these alien seamen have that will transcend the rights of 130,000,000 Americans? What rights do these alien seamen have that are more important than getting supplies to the Americans who are sacrificing their all for this country? What rights do the alien Chinese seamen have that are greater than the rights of 400,000,000 Chinese who will be helped by this bill? Moreover, these seamen who come here do so under a contract with the shipping company, which binds them to make the round trip. When they jump ship here, they are breaking that contract, and they are illegally entering this country. We certainly have a right to control their actions. It is an element of sovereignty.

Mr. DEWEY. Will the gentleman yield?

Mr. ALLEN of Louisiana. I yield to the gentleman from Illinois.

Mr. DEWEY. I would like to ask if there has been any agreement reached by the British maritime authorities as to putting the wages of Chinese seamen somewhat on a par with British seamen when employed on British ships, and if there is any insurance to be taken out on these Chinamen who are members of the crew in connection with the hazards of their duty?

Mr. ALLEN of Louisiana. I am not in position to answer the gentleman's question fully, and I would prefer that he direct his question to the gentleman from New York, chairman of the committee. May I say this to the gentleman from Illinois: Can we afford in this country at this critical time to quibble over what may be at most a technical matter? Can we afford to do that?

Mr. DEWEY. May I say in answer to that that I would hate to have an unhappy seaman sail some of our munition ships.

Mr. ALLEN of Louisiana. We have had some of these ships tied up because we could not get the seamen. Let me say with reference to China that this bill will only cover a part of these Chinese sailors because we cannot cover them all under the bill and this bill does not undertake to cover all of them. Let me say in the moment remaining, and I only have a moment, that I want to impress upon the Members the seriousness of this. We have had no opposition to the bill except from a few people who were spokesmen for certain radical groups that came before our committee last year and kicked about the bill. As I remember it I think one of those who came before our committee and kicked about the bill was this woman named "King" who defended Harry Bridges. You know how I felt about that.

Mr. Chairman, we must have this bill. The defense of our country depends upon it.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MASON. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. VORYS].

Mr. VORYS of Ohio. Mr. Chairman, I am one of those who object strenuously

to any encroachment by the Executive on the functions of Congress. I also wish to be just as watchful of any encroachment by the Congress upon the functions of the Executive.

I am fully in accord with the main purpose of this bill, and the method proposed to carry out that purpose.

In this bill, however, is involved the question of recognition of foreign governments, which is exclusively a matter for the Executive. I do not believe that the Congress can recognize governments in exile and I am concerned lest the way this bill is drafted would make it appear that the Congress is attempting to exercise that function.

I hope, therefore, that the word "recognized" may be inserted before the words "government in exile," so that it will be perfectly clear we are following the traditional pattern of constitutional and international law. Let me read from Bouvier's Law Dictionary where occurs a succinct statement of this matter of recognition in international law:

In the United States it devolves upon the President to determine when recognition is to be accorded to a new state and his decision is not subject to review by the courts. It has been claimed that Congress may dictate to the President on this point, but precedents are against the claim (Quoting Willoughby on Constitutional Law.)

I happen to have heard a description of the steps which the Norwegian Government, for instance, has taken to insure that its government in exile shall be a legal, de facto, dejure government which must be recognized. Their constitution which they formed in 1905 made provision for just the sort of thing that has happened. Without attempting to describe the intricate and ingenious steps that have been taken, the nation of Norway arranged so that its official government could be in exile if its country were overrun. The same thing is true, I believe, of Belgium and Holland and a number of other countries. The question as to whether these governments in exile have complied with constitutional steps and are in fact governments is an intricate and difficult one. The question as to which of two contending governments is the proper government is a matter of high diplomacy, a matter in which Congress should not interfere. I am perfectly certain that it is not the desire of Congress to trespass on that field. What is needed here in order to implement this bill is to have it relate to the government in exile which is recognized by the President and by the State Department. I hope therefore an amendment will be offered which will make this perfectly clear and not make it appear as though Congress were attempting to recognize any and all governments in exile whatsoever; and I hope such an amendment will be adopted.

Mr. DICKSTEIN. Mr. Chairman, will the gentleman yield for a question?

Mr. VORYS of Ohio. I yield.

Mr. DICKSTEIN. Doc the gentleman as a lawyer contend that by amending the Deportation Act of 1917 as we do in order to deal with an emergency and in a section dealing strictly with immigration, the Congress goes on record for this country as recognizing these governments in exile?

Mr. VORYS of Ohio. I think the language of this bill by repeated reference to "government in exile" without any definition of what we mean by such government is dangerous. I believe that before the phrase "government in exile" we should insert the word "recognized." This, under the law and traditions of our country and of international law would mean recognized by the Executive.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. MASON. Mr. Chairman, I yield 1 additional minute to the gentleman from Ohio.

Mr. VORYS of Ohio. I do not want to see something creep in here inadvertently which would be construed as an attempt by the Congress to decide what are the governments of certain countries; and so I simply suggest that we carry out the traditional law by inserting an appropriate phrase or word to indicate that we mean the recognized government in exile.

Mr. Chairman, permit me to say in closing that in these times and in the times that lie ahead we must be realistic on this matter of nationality, sovereignty, and governments. We are not going to permit certain ancient theories, or rights which could be adhered to in other days, to prevent our country from dealing realistically with the people that are on our ships or that are on our shores.

The CHAIRMAN. The time of the gentlemar from Ohio has expired.

Mr. DICKSTEIN. Mr. Chairman, I yield 13 minutes to the gentleman from New York [Mr. MARCANTONIC].

Mr. MARCANTONIO. Mr. Chairman, I think we are all in accord on the proposition that everything must be done to avoid delay in the sailing of ships. The criterion by which to judge this bill is whether or not this purpose is accomplished. If, as a matter of fact, we should find after debating this bill thoroughly that this bill would only bring about a condition which would cause a further delay of ships, then I submit this bill should be scrapped.

The bill provides that deserting seamen are to be deported to the country in which their so-called government in exile exists. It makes no provision whatsoever for the establishment of a scheme or a pool by which we can put these men on ships so as to have these ships sail on schedule. Deporting seamen is not going to solve the problem. Passing this bill which virtually makes possible the shanghaiing of seamen will not sail foreign-flag ships on schedule. Deporting the 600 Chinese seamen to Great Britain is no solution; nor will the deportation of the Norwegian, Swedish, and Greek seamen to Great Britain cause these ships to sail on schedule.

This is indeed a shipowners' bill. Ships are delayed by the refusal of these foreign shipowners to grant decent wages and conditions to men daily risking their lives to deliver the goods.

In order to understand the present situation of desertions of foreign seamen from foreign-flag vessels in the United States, and whether or not movements of all of the vessels are delayed by these desertions, I have some figures which to some extent clarify which groups of vessels are affected and which are not.

From October 1 1942, until the end of February 1943, a period of 5 months, a total of 2,000 foreign seamen allegedly deserted from foreign-flag vessels. Of this figure 600 were Chinese seamen deserting from British and Dutch vessels. Five hundred were British seamen deserting mainly from British vessels. Approximately 450 were of nationalities other than the United Nations, and the remaining 450 were nationals of the United Nations whose governments are in exile and presently operating out of England. These six nationalities were: Yugoslavia, Greece, Norway, Belgium, Holland, and Poland.

In the amendment to the deportation law promulgated in H. R. 2076, emphasis is made on deportation of nationals whose countries are occupied and their governments in exile. Broken down in the figure of 450 seamen belonging to the groups of governments in exile, we find that on a monthly basis there would be approximately 90 desertions of the whole group as such, or, if an average were taken, 15 of each nationality a month. My opinion is that for such a small number there is no need for that section of the amendment dealing with nationalities of occupied countries whose governments are in exile.

My contention is that most certainly there is, and will undoubtedly be, a problem on moving British vessels. Ever since the outbreak of war figures show that in vessels of British registry there is constant desertion, and we find that mainly in that group of vessels we have desertions and delays. From June 1942 until February 1943 approximately 50 vessels were delayed, half of which were British and Dutch vessels with Chinese crews. Almost all of that half were delayed because of problems in obtaining crew replacements due to desertions.

Of the remaining half, divided among the various registries under the governments in exile, the largest group of delays occurred among Norwegian flag vessels. Here, however, we have an interesting situation. The Norwegian Government operates a pool for seamen in the United States. In the month of Decembe: 1942, there were registered in this pool approximately 250 licensed officers and approximately 125 unlicensed personnel. In the month of January 1943 they had registered in the pool approximately 275 licensed officers and approximately 225 unlicensed personnel. If the vessels were delayed due to manpower, the delays invariably have been due to unlicensed personnel. We find that from this pool, in both December 1942 and January 1943, there were shipped approximately 90 licensed officers. These figures indicate that licensed officers are permitted an approximate period of 3 months shore leave whereas the immigration regulations today grant

upward of 1 month. If the Norwegian vessels were delayed due to manpower, it is not because manpower was not available but because the operators of the pool were unwilling to use licensed officers in unlicensed capacity in order to see the vessels moving. Since these officers are permitting on an average of 3 months shore leave, it seems that the local or Federal immigration authorities are permitting such a violation of immigration regulations.

In other words, the cry that vessels of Norwegian, Greek, Yugoslavian, Belgian, Polish, and Holland registry are delayed due to manpower is not a factual one. This is admitted by the War Shipping Administration. No doubt vessels of British registry or vessels carrying Chinese crews are delayed due to manpower, and this is a major problem. But this in no way excuses the introduction of fundamental changes, such as the amendment dealing with nationalities whose governments are in exile. That paragraph of the amendment is unnecessary and most dangerous.

On the question of the Chinese seamen, I have found that the problem of these men has never been approached from the point of view of being a seaman's problem. I am certain that the Chinese seamen who so have deserted from vessels in the United States are being used as a means to settle other differences between the Chinese and British Governments.

One more aspect is the inefficiency of operators in seeing to it that vessels are sailing on time. For instance, a ship of British registry, was in the port of New York the first week of February. They needed six firemen replacements in order to be able to leave. The British shipping officials attempted to obtain this number of firemen from their own pool but were unable to do so. Only after the vessel had missed its convoy was the War Shipping Administration advised that firemen were needed. This caused an 11-day delay of that vessel.

May I also point out that when you seek to solve this problem of ships' delay by the deporting of these seamen to Great Britain, you ignore the cause of the desertion. Let me read what was stated by United States District Court Judge D. J. Rifkind in connection with cases dealing with exactly this problem:

> The rates of compensation upon the ships of Allied Nations which touch our ports are considerably below the rates which prevail upon the American and Panamanian ships. Other conditions of employment show a similar disparity in standards.

As I pointed out before, seamen on American and Panamanian vessels average $200 a month, Norwegian seamen average $105 a month, Greek seamen average $84 a month, and Chinese seamen receive $76 a month.

I do not justify these desertions. I feel that there should be no desertions, but wishful thinking is not going to solve this problem, nor is deportation to Great Britain of these seamen going to solve the problem. The solution for this problem is the solution which has been recommended by the National Maritime Union, which incidentally opposes this bill and has gone on record in opposition to the bill. The patriotism of the members of the National Maritime Union cannot be challenged. The lives of 3,600 members of that Union have been sacrificed in an historically heroic effort to deliver the goods. The National Maritime Union is most anxious to assist to have the foreign-flag ships sail on schedule, and has proposed the following plan:

That the Government establish a central pool of able seamen in the United States to facilitate the manning of foreign-flag ships in a democratic manner.

That foreign shipowners correct existing conditions which discourage alien seamen from manning foreign-flag ships; special attention must be paid to serving better food, raising wages, improving working and health conditions, and supplying adequate safety equipment.

That the United States Government undertake to insure the establishment and maintenance of minimum food, living, health, and safety conditions on foreign-flag ships using American ports.

The problem, I repeat, is to have these seamen on these ships and avoid delays. We want these ships to sail and we want them to sail on schedule. We all want that. In order to do it you say you now propose to deport these seamen to Great Britain. Will this prevent desertions, will it correct the situation? Deportation will reduce available alien seamen and increase our manpower shortage in this industry. Deportation and intimidation will not cure desertions. As a result there will be more delay in the sailing of foreign-flag ships than that which exists today.

The only concrete and specific manner in which to correct this situation is to have the Bureau of Recruitment and Manning of the War Shipping Administration set up a pool of foreign seamen and make arrangements with the foreign shipowners to bring about better living conditions. By having such a pool in existence and having better conditions brought about by our own War Shipping Administration, you will guarantee against desertions on the part of these Chinese, Norwegian, Yugoslavian, and Danish seamen. You will have these men available to insure the scheduled sailing of the ships.

If you are going to deport these seamen you will not be sailing the ships. Deportation is not the answer. Deportation will not work. You cannot force these men to sail these ships. Under existing law you can detain them, and yet despite this detention, which is imprisonment, you cannot get them to sail the ships. How will deportation accomplish what you want? They will not sail the ships unless horrible living and wage conditions that obtain are improved.

The cure is not deportation, the cure is not intimidation, the cure is not to send these seamen to England. That does not guarantee the sailing of the ships. Congress wants these ships to sail and sail on time. Why not have some legislation brought here by the Committee on the Merchant Marine and Fisheries along the lines I have suggested, although I believe such legislation is not necessary because the Division of Recruitment and Manning of the War Shipping Administration has the power to establish this pool and enter into negotiations with the foreign shipowners and bring about conditions which are conducive to having these seamen sail the ships. You can never force seamen to work under these conditions, whether you deport them or do not deport them. This bill will not bring about the sailing of the ships. It will only cause more confusion and more delay in the sailing of the ships.

Mr. Chairman, under leave to extend my remarks, I include a memorandum on this legislation prepared by the American Committee for the Protection of the Foreign Born and a copy of a letter addressed to the War Shipping Administration by the Greater Detroit and Wayne County Industrial Union Council:

A MEMORANDUM ON H. R. 2076 AND MANNING OF FOREIGN-FLAG SHIPS

H. R. 2076, introduced by Representative SAMUEL DICKSTEIN, of New York, provides for the deportation to Great Britain of United Nations seamen, who are in this country illegally and whose government in exile is located in Great Britain.

H. R. 1681 will create confusion and disrupt the many serious constructive efforts that are being made to man foreign-flag vessels.

MANPOWER SHORTAGE

More than 50 percent of all materials produced in the United States for the battle front is carried to the armies of the United Nations by foreign-flag vessels. These ships are manned by citizens of the United Nations. During the first year of the war, foreign seamen made outstanding contributions to winning the war against the Axis by their service on these vessels.

Foreign-flag shipping interests have been faced with a serious shortage of manpower. H. R. 2076 reflects a policy that seeks to solve this manpower shortage by threats and intimidation.

This memorandum will examine some of the factors contributing to the manpower shortage and the manner in which H. R. 2076 aggravates the conditions leading to this serious shortage.

CONDITIONS

The basic problem discouraging the manning of foreign-flag vessels is the working, wage, safety, and health conditions on these ships.

United States District Court Judge D. J. Rifkind, in an opinion on October 19, 1942, stated, "The rates of compensation upon the ships of Allied Nations which touch our ports are considerably below the rates which prevail upon the American and Panamanian ships. Other conditions of employment show a similar disparity in standards."

Able seamen on American and Panamanian ships average $200 a month. Norwegian seamen average $105 a month; Greek seamen average $84 a month; Chinese seamen receive $76 a month.

H. R. 2076 will not eliminate this difficulty in the manning of foreign-flag ships. The bill plays into the hands of the business-as-usual foreign shipowners, who have refused to improve conditions on their ships because they are more interested in making profits than in helping to win the war.

It is the responsibility of Congress and the Government to enforce minimum health, working, and safety conditions on foreign-flag ships that use American ports.

MORALE

H. R. 2076, if enacted, would serve as a weapon in the hands of shipowners to intimidate foreign seamen. The bill would seriously affect the morale of alien seamen and hurt the cause of the United Nations by creating antagonism to the United States.

H. R. 2076 would destroy rather than build the morale of alien seamen. It would not encourage them to keep the ships sailing nor would it help to convince alien seamen in the United States to return to their vocation as seamen.

RECRUITING

The United States is engaged in a drive to bring back to the sea every available man with sea experience.

The loyalty and devotion of foreign seamen to the cause of the United Nations is vital to the success of this war shipping program. We must build morale and the spirit of sacrifice among foreign seamen. Their countries have been overrun by the Axis armies. Their friends and their relatives have been murdered by the Axis invaders.

H. R. 2076 would discourage participation of alien seamen in the United Nations war effort. At this time, when United Nations ships, including United States vessels, are in dire need of manpower to guarantee speedy delivery of supplies to the battle front, this bill would create confusion and disruption and discourage recruiting of seamen for United Nations ships.

DEPORTATION

H. R. 2076 would amend basic American deportation laws and procedure, making them more harsh. The bill is also unnecessary if proper steps were to be taken by the Government to facilitate the manning of foreign-flag ships by positive and contractive measures.

CENTRALIZED HIRING

Intimidation and maltreatment of alien seamen, such as proposed by H. R. 2076, and chaotic use of manpower, such as prevails at present in the manning of foreign-flag ships, delimits utilization of alien seamen and interferes with the efficient and speedy transport of supplies to the battle front.

In order to guarantee full utilization of available manpower for foreign-flag vessels, it is imperative that the Government institute a hiring pool of alien seamen, thereby promoting centralized control and stabilization of employment on foreign-flag vessels.

Before the war Holland and Belgium adopted this procedure for all foreign-flag ships and found it to be highly successful. All interested groups—government, shipowners, and seamen—were satisfied with the operation of this centralized plan of hiring.

Last year Thomas Christensen, director of the pan-American division of the National Maritime Union, urged the establishment of a centralized control in the shipping of foreign seamen in this country. A memorandum on A Wartime Shipping Pool of Alien Seamen Sailing Out of United States Ports Under the Provisions Granted by United States Laws was submitted by the National Maritime Union to Marshall E. Dimock, Director of the Recruitment and Manning Division of the War Shipping Administration.

By establishing such a special procedure we would be promoting greater utilization of manpower, building morale, and helping the war program for victory.

SUMMARY

We hold no brief for those alien seamen who refuse to perform their wartime duty. The overwhelming majority of alien seamen now in the United States are anxious to do their part as loyal citizens of the United Nations. There are, however, many unnecessary handicaps discouraging and preventing alien seamen from fulfilling their responsibility in the war against the Axis. H. R. 2076 contributes to greater confusion and demoralization.

In furtherance of America's victory war program, we recommend:

1. That Congress defeat the bill H. R. 2076, introduced by Representative SAMUEL DICKSTEIN, of New York, which provides for the deportation to Great Britain of United Nations seamen, who are in this country illegally and whose government-in-exile is located in Great Britain.

2. That the Government establish a central pool of alien seamen in the United States to facilitate the manning of foreign-flag ships in a democratic manner.

3. That foreign shipowners correct existing conditions which discourage alien seamen from manning foreign-flag ships; special attention must be paid to serving better food, raising wages, improving working and health conditions, and supplying adequate safety equipment.

4. That the United States Government undertake to insure the establishment and maintenance of minimum food, living, health, and safety conditions on foreign-flag ships using American ports.

GREATER DETROIT AND WAYNE COUNTY INDUSTRIAL UNION COUNCIL,
Detroit, March 18, 1943.

Mr. MARSHALL DIMOCK,
Director, Recruitment and Manning Division, War Shipping Administration, Washington, D. C.

DEAR SIR: At the regular meeting of the Greater Detroit and Wayne County C. I. O. Industrial Union Council, representing 400,000 Congress of Industrial Organizations members in this area, the question of H. R. 2076, which is H. R. 1681 revised, was considered.

It is the opinion of the council that this bill aimed at the deportation of alien seamen of the Allied Nations, can only create confusion and disruption in the manning of foreign-flag vessels. During this period of extreme national emergency, when every delay may mean the difference between life and death for some fighting men at the front, the enactment of such legislation can do untold harm.

Foreign seamen have demonstrated outstanding loyalty and devotion to the war effort in face of overwhelming odds to insure the delivery of vitally needed war supplies to the allied battle fronts. Yet working conditions and wages on foreign-flag vessels are far inferior to that on American ships.

The enactment of H. R. 2076 would be a weapon in the hands of ship operators to intimidate these men and hamper their contribution to the war effort. This group of United Nations' fighters should certainly be given the same consideration as any other division of the fighting forces.

H. R. 2076 is an attack upon a minority group, and therefore upon all labor. We urge, therefore, that you use your good offices to insure the defeat of this measure, and that steps be taken to set up centralized hiring pools for all alien seamen. This procedure would promote centralized control and stabilization of employment on foreign-flag ships and eliminate the need for the kind of legislation that has been introduced against these men.

Sincerely yours,
C. PAT QUINN, *President.*

Mr. MASON. Mr. Chairman, I yield 1 minute to the gentleman from Illinois [Mr. DEWEY] to ask a question.

Mr. DEWEY. Mr. Chairman, I desire to ask the gentleman from New York a question.

Mr. DICKSTEIN. I yield the gentleman 1 minute.

Mr. DEWEY. I take this time to inquire of the distinguished chairman of the committee, the gentleman from New York [Mr. DICKSTEIN], whether there has been any betterment in connection with the wages and the living conditions and the insurance of Chinese seamen. I understand there was a great disparity of wages between them and the English seamen sailing on English ships, but I understand that there has been some correction of that.

Mr. DICKSTEIN. In executive session the committee heard various Government departments, and I am glad to say that the conditions have been greatly improved, and they are now better than ever before in the history of Chinese crews. I think the Government has gone far to better the conditions of these seamen.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. MASON. Mr. Chairman, I yield 1 minute now to the gentleman from California [Mr. WELCH].

Mr. WELCH. Mr. Chairman, for the purpose of asking the author of the bill a question, I have asked for this time. Will this bill increase the flow of goods, ammunition, and materials to our troops and to our allies?

Mr. DICKSTEIN. By all means, yes.

Mr. WELCH. In what way?

Mr. DICKSTEIN. In the first place, before the court decision came out, we deported a number of these seamen, and when they found that we could deport them, they all went back and sailed their ships back to the port where they started. In other words, desertions decreased. The moment the decision came out that we cannot deport them to England under the present law, but only to their native countries, to which we cannot deport them because they are under German control—then they commenced to desert by the hundreds. They know that we cannot deport them, and when they sign up on the ship and come here they know that they can just jump ship and stay here. If they know there is some authority in the Government by which we can send them back to the country in which their provisional government is located, then they will not desert.

Mr. WELCH. The gentleman is not answering my question. Will this bill increase the flow of war munitions and materials to our troops and to our allies?

Mr. DICKSTEIN. I say yes.

Mr. WELCH. The statement of the gentleman is not the answer to my question.

Mr. DICKSTEIN. Oh, I cannot sit down and discuss this question for an hour with the gentleman. If ships are not delayed by a shortage of manpower, it is natural that the flow of war materials and munitions to our troops will be expedited.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. DICKSTEIN. Mr. Chairman, I yield myself 1 minute. If we can get these men back on their ships—ships that take munitions and other materi-

als to our soldiers—it will certainly expedite the shipments sent to our soldiers who are fighting over there now.

Mr. WELCH. Are any ships being held up now in the ports of the United States?

Mr. DICKSTEIN. Yes. I do not want to disclose any information of military value, but the committee was told by responsible representatives of the War Shipping Administration that ships already loaded are being held up where there have been desertions at the last minute.

Mr. MARCANTONIO. We all agree that these ships need to sail but you will not bring about the sailing of these ships by threats of deportation and intimidation. As a matter of fact, these men can now be detained, and imprisonment is worse than deportation. Yet they will not sail. The cure is decent working conditions, and the establishment of a pool under our own jurisdiction to control the situation and thereby bring about the sailing of ships on schedule.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. MASON. Mr. Chairman, I yield now to the gentleman from Virginia [Mr. BLAND] such time as he may desire.

Mr. BLAND. Mr. Chairman, I thank the gentleman. Answering the question propounded by the gentleman from California [Mr. WELCH] permit me to say that within the last 24 hours a ship carrying armed troops, 6,000 American troops, was held up by desertion, and the shortage was replaced by the Army, amounting to 227 men. It is believed by the War Shipping Administration and those who are responsible, that, guided by experience, when they are able to deport these men, those ships will sail under this legislation.

Mr. WELCH. I am very glad to have the answer of the distinguished chairman of the Committee on the Merchant Marine and Fisheries of which I am a member. The gentleman from Virginia has answered my question.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. MASON. Mr. Chairman, I now yield to the gentleman from West Virginia [Mr. SCHIFFLER].

Mr. SCHIFFLER. Mr. Chairman, I am opposed to the passage of H. R. 2076. My opposition to this bill is by reason of what I believe to be our duties and responsibilities in accordance with the Constitution of our beloved Nation.

In my judgment, this legislation is nothing other than an attempt to legalize the shanghaiing of the unfortunate seamen and others who may be temporarily stranded in this country. All of this by reason of circumstances beyond their control. With the aid of this legislation, they will be shipped to other countries and thereupon enticed or driven into service that will make them serfs of the sea. This legislation is but an attempt to legalize a conspiracy. It is the committing of a most atrocious sin against freedom and humanity. To deprive subjects or citizens of our allies in this great war of their inherent right of liberty, and to send them wherever we may desire, is not in accordance with the objects of this war.

When I think of the purposes of this legislation and what it is designed to do, I blush with shame. In our own beloved country, where liberty is paramount and the cornerstone of our Government rests upon the principle of equality to all, this, the greatest legislative assembly in the world, in a cultured and civilized nation, proposes to place upon the auction block by this subtle conspiracy the bodies and souls of men who are our friends.

Just how will this act operate if made a law? The Attorney General, through any investigating or arresting agency of the Government, including the Federal Bureau of Investigation, will locate alien seamen who have left ships which have entered the ports of this Nation while registered under foreign flags. The owner of the ship may have abandoned such seamen and left them to drift wherever they may. True, the seamen are illegal entrees into this country. They have been left stranded. Their ship is no longer engaged in commerce, and they may be charges upon some agency of our Government. They are picked up by the Government agents, deported, and landed at Liverpool or some other foreign port. Prisoners, and without funds to support themselves, they are helpless. Their occupation is that of a seaman. The rules of the sea are rigid and discipline is sometimes harsh. Owners of ships in need of capable seamen and of whatever registry, but having ships in the port at which such seamen are landed, find these men at their mercy. By coercion and necessity they are obliged to sign up with one of these ships.

This measure therefore clearly aids in the construction of a conspiracy. By implication, at least, it is clearly in contravention of the thirteenth amendment to the United States Constitution. What cannot legitimately in good principle be done directly by no means justifies it to be done by connivance and indirection. This legislation undertakes to do that.

I recognize that these men may now be without employment and rightfully or wrongfully they are within our country. Until such time as they can be sent to their native lands they are entitled to the hospitality and humane treatment that we can at this time, under all existing circumstances, give to them. Slave traffic was stopped in this country more than 75 years ago. I shall not be a party to again opening up these avenues, no matter under what guise. If these people are here, as I have said, legally or illegally, we have the opportunity of utilizing their services. Agriculture, industry, or even in their own trade, they can be made serviceable to the cause of our Nation.

If we pass this measure it will bring eternal disgrace to us and a blot upon the glorious flag for which millions of our young men are today ready to give of everything they possess. I am certain just how my son will feel abroad, fighting for principles of freedom, if he felt that I was a party to the passage of legislation that had for its object the enthralment of his comrades in arms.

I do not know who these seamen are. I do not know their nationalities or color, or their religious beliefs, but whoever they are, they certainly are entitled to that consideration, which we, as Americans, believing in the fundamentals of the Bill of Rights of our Constitution, seek to give to all in the world today—that of justice, liberty, and equality.

The passage of this bill denies this, and I therefore urge that the measure be defeated by an overwhelming and decisive vote.

Mr. DICKSTEIN. Mr. Chairman, I ask that the Clerk read the bill.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That section 20 of the act of February 5, 1917, as amended (39 Stat. 890; U. S. C., title 8, sec. 156), be, and it hereby is, amended by adding the following after the first sentence:

"If the United States is at war and the deportation, in accordance with the preceding provisions of this section, of any alien who is deportable under any law of the United States, is deemed by the Attorney General to be impracticable or inconvenient because of enemy occupation of the country whence such alien came or wherein is located the foreign port at which he embarked for the United States or because of other reasons connected with the war, such alien may, at the option of the Attorney General, be deported (a) if such alien is a citizen or subject of a country whose government is in exile, to the country wherein is located that government in exile, if that country will permit him to enter its territory; or (b) if such alien is a citizen or subject of a country whose government is not in exile, to the country of registry of the vessel on which he entered the United States or to the country wherein is located the government in exile of the country of registry of the vessel on which he entered the United States, if such country will permit the alien to enter its territory."

Mr. REES of Kansas. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. REES of Kansas: On page 2, in lines 6, 9, and 11, before the word "government" insert the word "recognized."

Mr. DICKSTEIN. Will the gentleman please explain the purpose of the amendment? I have not had a chance to consider it.

Mr. REES of Kansas. Mr. Chairman, this amendment simply inserts the word "recognized" before the word "government" in each case by reason of the question raised by the gentleman from Michigan [Mr. MICHENER] and also the gentleman from Ohio [Mr. VORYS] both of whom are distinguished lawyers with many years of experience. I am not sure that it adds so much to the legislation, but it certainly works no injury. I see no reason why the amendment should not be agreed to.

Mr. BLAND. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I shall be glad to yield.

Mr. BLAND. The only apprehension I have about the word "recognized" is possibly some interpretation, legislative or

otherwise, whether it should be construed as recognized by treaty obligation or recognized by confirmation—some paper that is formally signed. If we could get away from that, so that it is an informal recognition, I see no objection.

Mr. REES of Kansas. I think the term "recognized" would be broad enough to cover the points the gentleman from Virginia suggests.

Mr. VORYS of Ohio. Will the gentleman yield?

Mr. REES of Kansas. I am glad to yield to the distinguished member from Ohio who suggested the language of this amendment.

Mr. VORYS of Ohio. I think it is clear that the word "recognized" with reference to international law and our own domestic law means recognized by the Executive, however informally. In international law we have, if you please, recognition of both de jure and de facto governments, and we have even recognized de facto governments even temporarily. This would simply make sure that Congress is not attempting to create a new thing under the sun called "a government in exile," regardless of what the Executive has done.

Mr. BLAND. And it is the sense of the Congress generally that that is the interpretation that is given to the word "recognized," in voting for this amendment?

Mr. VORYS of Ohio. I think that is quite clear.

Mr. REES of Kansas. That is our understanding and the interpretation I shall place on the amendment.

Mr. DICKSTEIN. Will the gentleman yield?

Mr. REES of Kansas. I shall be glad to yield to my distinguished chairman.

Mr. DICKSTEIN. Is it the intention of the author of the amendment to in any way destroy the President's program dealing with the countries in exile?

Mr. REES of Kansas. Oh, certainly not in any respect whatever.

Mr. DICKSTEIN. And it is not the intention here in any way to do something that will destroy certain policies laid down by the administration?

Mr. REES of Kansas. Oh, it certainly would not in any respect whatever.

Mr. DICKSTEIN. It is simply a clarifying amendment, as the gentleman has pointed out?

Mr. REES of Kansas. That is correct.

Mr. VORYS of Ohio. Will the gentleman yield further?

Mr. REES of Kansas. I yield.

Mr. VORYS of Ohio. I would say that it is clearly the intention of Congress, apart from destroying the President's policy with reference to recognition of governments in exile, to definitely recognize that policy of his, and to implement it, rather than to raise any question that Congress is attempting to set up some other arrangement.

Mr. REES of Kansas. The statement of the gentleman from Ohio is correct and the interpretation as already set out will be the interpretation of Congress.

Mr. DICKSTEIN. With that explanation, the chairman will accept the amendment.

Mr. BLAND. And the proponents accept that interpretation as indicated?

Mr. REES of Kansas. The statement of the gentleman from Virginia is correct.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

The question is on the amendment.

The amendment was agreed to.

Mr. JONKMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JONKMAN: Page 1, line 9, after the word "states", strike out "is deemed" and insert "shall be found."

The CHAIRMAN. The gentleman from Michigan is recognized for 5 minutes.

Mr. JONKMAN. Mr. Chairman, on previous occasions I have called attention to the fact that the word "deemed" is being inserted in legislation in various instances. The only thing this amendment will do to the bill is to preserve constitutional processes. It will not in the least impair the bill as a war measure, nor interfere with the war effort in the slightest degree. As I have said on previous occasions, this word "deemed" is an arbitrary word, and if I may use the term, a "totalitarian" term. It comes down to us from the ages of despotism. With the development of constitutional government it was supplanted with the word "find" and the word "deem" as a legislative and judicial term became obsolete.

Mr. DICKSTEIN. Mr. Chairman, if the gentleman will yield, I think I can accept the amendment and save the time of the gentleman and the House.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the amendment offered by the gentleman from Michigan [Mr. JONKMAN].

The amendment was agreed to.

Mr. MARCANTONIO. Mr. Chairman, I move to strike out the last word.

There are one or two points I want clarified before we vote on this bill. First, these foreign ships are carrying our munitions and carrying other supplies and are being paid by the Government of the United States. Their profits come from us. I am not quarreling with that. They transport some of our goods and transport whatever else we want to have transported and we pay the shipowners for it. These seamen risk their lives daily to deliver for us and for the United Nations. It is my contention, however, that it is the duty of the War Shipping Administration to try to enforce upon these companies a decent wage standard, living standard, and working conditions for these seamen.

Mr. McKENZIE. Mr. Chairman, will the gentleman yield?

Mr. MARCANTONIO. I yield.

Mr. McKENZIE. Do I understand that it is your contention that when the boys who are in the service today are fighting for $50 a month you are going to stand here and propound the argument that those who desert ships should be better paid than our boys are?

Mr. MARCANTONIO. That is not the question. Certainly the boys in the service who are fighting and being paid that small amount are not fighting for pay, nor are they fighting for a kind of a world in which workers are to be paid $50 per month. Evidently that is what the gentleman from Louisiana [Mr. McKENZIE] desires. Our boys are fighting for a decent world in which workingmen will be given a decent living wage.

Mr. HOFFMAN. Will the gentleman yield?

Mr. MARCANTONIO. I want to finish my argument on the bill. I do not want to go into an extraneous discussion with the gentleman.

Now if these men are to be deported and the foreign shipowners know that these men are going to be deported, certainly the foreign shipowners are not going to sit down with a representative of the Government of the United States and work out decent living conditions and working standards on these ships. They have been given a weapon. This bill gives them a weapon with which they will seek to continue the terrible conditions that exist on these foreign-flag ships. You give enormous profits to the shipowners and by this bill you guarantee to them their privileges of exploiting these seamen.

The failure to pass this bill is not going to hold up the ships, and by passing it you are not going to sail the ships. Do not think that by the threat of deportation, you will force these seamen to sail these ships. You are very much mistaken. Without this bill these men may now be apprehended and they may be detained at Ellis Island or any other place. In fact, many of them are, and even this imprisonment does not force these men to sail these ships. So neither deportation nor detention brings about the sailing of these ships; and therefore we do not accomplish what we seek to accomplish—the sailing of these ships on time and on schedule. So what will do it? As deportation will not do it, and as detention does not do it, then I think the honest and intelligent thing to do is for our Shipping Administration to set up a pool of foreign seamen, to regulate this pool and control it completely, and to negotiate with the owners of these foreign-flag ships, and bring about agreements as to wages and conditions. This method will bring these seamen to ships and sail them. To give to the foreign-flag shipowners this weapon which you give under this bill is disastrous to our interests. By this bill you give them that weapon; you strengthen their position, and thus permit them to collect from our Government for delivering our supplies and permit them to continue substandard wages and indecent conditions.

With a pool of foreign seamen controlled by our Government and decent wages and conditions established, you will be able to have these ships sail on schedule. Intimidations and deportations will not work because detention has not worked. Many of these seamen are detained and it has not accomplished the purposes we seek to accomplish. The only way we can accomplish the purpose of having these ships sail on time is to have a pool regulated by our own Administration and have our

Shipping Administration force living wages and decent conditions on the foreign shipowners.

If legislation is needed it should come from the Committee on the Merchant Marine and Fisheries. This is not an immigration problem. You are giving it the wrong cure. You are just going to cause more confusion and delays, and you are giving the foreign-flag shipowners a weapon which they can hold over the heads of these seamen and thereby continue to pay the horribly low wages that they are now paying.

[Here the gavel fell.]

Mr. HOFFMAN. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. HOFFMAN. Mr. Chairman, well do I recall when we were talking about appropriations and the making of appropriations to take care of people here in America a conversation I had with the gentleman from New York [Mr. MARCANTONIO] several years ago with reference to one of those bills. The statement he made to me at that time was in substance that his people in New York could not live on less than $200 a month.

Mr. MARCANTONIO. I think the gentleman must have been dreaming. I never made any such statement.

Mr. HOFFMAN. How much did the gentleman say?

Mr. MARCANTONIO. I know of few people in my district who earn $200 a month.

Mr. HOFFMAN. Who could not live on it, did not have a job.

Mr. MARCANTONIO. I never said it.

Mr. HOFFMAN. All right. Make it $2 a month. My memory is just as good as yours.

Here was the argument at that time: His people were unemployed, they could not grow crops as we did in the country, the potatoes, corn, and the things they needed to eat. Those things did not grow on the streets of New York and they could not grow them in their window boxes. He was right. I suggested to him at that time that perhaps the remedy was to get out in the country and dig in the dirt a little and aid in the growing of some of the things we need to eat.

Now, he comes along with the argument that we must have better working conditions, better living conditions, higher wages, and that those are the things our boys are fighting for. No doubt they are. But some social gains must wait until the war has been won. And as I get it, the conditions under which they are fighting are not ideal living conditions and they are not getting what the gentleman from New York regards and refers to as a living wage. They are getting fifty-odd dollars a month, that is what they are getting, and I know of no reason why the people at home who are working for themselves and for whom our soldiers are fighting should not be willing to undergo some of the same sacrifices and some of the same privations that the soldiers and sailors and the other men in the armed forces must suffer from day to day. Let us forget higher wages, shorter hours, profits, and better living conditions for all until the war has been won.

Often we hear about our enlisted men grouching about their meals and their food, and I can understand that, because Americans are so constituted that we will always hear kicks. Members of the House are kicking about something all the time. So are others. That is our nature. That is the way we are built. I realize that some privates will kick even if the food is of the best. You and I do the same.

But here is a letter which came in yesterday from a man in a position to know. I want the gentleman from New York to listen to it so he will know it is not all honey. Perhaps he will then think about something other than higher wages. This is from a man who is neither a seaman nor a sailor but he is in the Navy. He is a man I have known for years. I know he is reliable, I know he is not emotional, and I know he is not exaggerating. Listen to this:

DEAR MR. HOFFMAN: It has been mentioned to me today a congressional inspection or investigation of Camp Peary is to be held here next Tuesday (March 23, 1943).

If such is the case and you or perhaps friends of yours are members of the committee, I and others here at Camp Peary would like to have you informed as to what we know.

It cuts into our hearts to see how sick boys are fed here and treated. These boys' mothers, if they knew, would certainly protest in only a way a mother could.

For instance, a sick man, regardless of what ails him, stomach trouble or scarlet fever, he gets the same food.

This is only one of the conditions—another, our boys are not given fresh milk to drink; only time they get it is when it is put on cereal in the morning. They may, however, go to the ship's store and buy a pint container. When you see these boys carrying pints of milk into the mess hall to eat with their meals, it's a bit too much—it doesn't sound like our Navy.

Moreover, yesterday any number of boys in my area went hungry at breakfast. Second helpings were discouraged, and as a result we find them filling up at their own expense at the ship's store with candy, peanuts, cola, and milk.

There is nothing I can do about the situation here—Navy is a closed shop, so to speak, and it is because of this that you treat this note absolutely confidentially.

Again I ask that you treat this message as confidential.

Now, there you have it; that man is not a private. Oh, you may laugh if you want to—the laughter comes—because I have read the letter, but I will not put the writer's name in the RECORD. There you have it. You talk about hard working conditions, low wages, talk about the strike up here for $2 a day additional wages. The kind of things to which I have referred are happening right here in our own camps, and the conditions may be worse across. I think it is time to forget some of these social gains and devote our energy to winning the war.

Mr. MARCANTONIO. But the gentleman wants to correct conditions by cutting wages.

Mr. HOFFMAN. No; not cutting wages, just holding everything—wages and all prices just where they were or are; cutting down on all things and spending the money on the Army and the Navy.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. DICKSTEIN. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore having resumed the chair, Mr. SHEPPARD, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 2076) to authorize the deportation of aliens to countries allied with the United States, pursuant to House Resolution 161, reported the same back to the House with sundry amendments adopted in the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

CALL OF THE HOUSE

Mr. CURTIS. Mr. Speaker, I make a point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Mr. DICKSTEIN. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 29]

Anderson, Calif.	Gallagher	Miller, Pa.
Barden	Gavagan	Murphy
Bates, Mass.	Gavin	Murray, Tenn.
Beckworth	Gerlach	Myers
Bell	Gibson	Nichols
Boykin	Gillette	O'Brien, N. Y.
Bradley, Pa.	Green	O'Toole
Brown, Ohio	Gross	Patman
Buckley	Guyer	Pfeifer
Butler	Hagen	Ploeser
Camp	Hancock	Pracht
Cannon, Fla.	Harris, Va.	Reece, Tenn.
Capozzoli	Heffernan	Rodgers, Pa.
Cochran	Hess	Rowe
Cole, N. Y.	Holmes, Mass.	Satterfield
Culkin	Horan	Scott
Cullen	Izac	Slaughter
Curley	Jarman	Smith, Maine
Dawson	Kennedy	Somers, N. Y.
Delaney	Keogh	Starnes, Ala.
Dingell	King	Talbot
Ditter	Kinzer	Taylor
Douglas	Klein	Tibbott
Eaton	LeCompte	Troutman
Eberharter	Lewis, Colo.	Van Zandt
Elston, Ohio	Luce	Vinson, Ga.
Engel	McCowen	Walter
Fay	McGranery	Wene
Feighan	McGregor	Whelchel, Ga.
Fellows	Maas	White
Fenton	Magnuson	Wolfenden, Pa.
Fogarty	May	Woodrum, Va.
Fulmer	Merritt	Wright

The SPEAKER pro tempore. Three hundred and thirty-five Members have answered to their names, a quorum.

Mr. RAMSPECK. Mr. Speaker, I move that further proceedings under the call be dispensed with.

The motion was agreed to.

The SPEAKER pro tempore. Is a separate vote demanded on any amendment? If not, the Chair will put them en gross.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill (H. R. 2076) was passed.

A motion to reconsider was laid on the table.

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their own remarks in the RECORD on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

REFUND OF CERTAIN FREIGHTS FOR TRANSPORTATION ON FRUSTRATED VOYAGES

Mr. BLAND. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (H. J. Res. 92) to authorize the refund by the War Shipping Administrator of certain freights for transportation on frustrated voyages.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, will the gentleman from Virginia explain the joint resolution?

Mr. BLAND. The purpose of this joint resolution is to authorize the War Shipping Administration, which had collected certain freights prior to Pearl Harbor, to refund to the shippers the freights received for voyages that were frustrated and not completed. About $1,400,000 is involved, not money of the Government but freights that had been paid in by these people for services that were not rendered.

The resolution provides that when the United States has incurred any expense in connection with such frustrated voyages the refund shall be prorated upon such basis as the Administrator shall deem appropriate.

There is a question as to the legal authority to make these refunds, and this resolution removes that doubt.

Mr. MARTIN of Massachusetts. It is purely a permissive resolution?

Mr. BLAND. That is all.

Mr. MARTIN of Massachusetts. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read the joint resolution, as follows:

Resolved, etc., That the Administrator, War Shipping Administration, is authorized to refund to shippers or their authorized representatives sums collected by or for account of the United States as freight for transportation which was not completed by reason of frustration of the voyage on or about December 1, 1941, and before February 16, 1942: *Provided*, That when the United States has incurred any expense in connection with such frustrated voyages the refund shall be prorated upon such basis as the Administrator shall deem appropriate.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made on the bill just passed and include therein two statements, one from the National Maritime Union and one from the Detroit C. I. O.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HARNESS of Indiana. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein two letters.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. JONES. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial appearing in yesterday's issue of the Chicago Tribune.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. CARLSON of Kansas. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an article written by Rodney Crowther appearing in the Baltimore Evening Sun.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kansas.

There was no objection.

Mr. CLASON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a letter and a newspaper article.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MORRISON of Louisiana. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial appearing in the State Times, of Baton Rouge, and I further ask unanimous consent to extend my own remarks and include therein a letter and an address by Andrew J. Higgins.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BRYSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein certain letters I have received.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. KEFAUVER. Mr. Speaker, I ask unanimous consent that on Friday next, at the conclusion of the legislative program of the day and following any special orders heretofore ordered, I may be permitted to address the House for 30 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

EXTENSION OF REMARKS

Mr. GATHINGS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an article by Judge A. B. Shafer.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. ROCKWELL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial from the Denver Post.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. SCHWABE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a letter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. SHAFER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a newspaper article.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. WEST. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a radio address recently made by the Honorable RICHARD M. KLEBERG, of Texas.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD in two particulars, and to include certain documents.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

SENATE ENROLLED BILL SIGNED

The SPEAKER pro tempore announced his signature to an enrolled bill of the Senate of the following title:

S. 677. An act to amend the National Housing Act, as amended.

JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. KLEIN, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, a joint resolution of the House of the following title:

H. J. Res. 83. Joint resolution to permit additional sales of wheat for feed.

WAR SECURITY ACT

Mr. COX. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 175, which I send to the desk.

The Clerk read as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 2087) to provide for the punishment of certain hostile acts against the

United States, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. COX. Mr. Speaker, this resolution provides for the consideration of the so-called war-securities bill. It is a measure which the House could well afford, because of complete lack of opposition, to adopt by unanimous consent. I have pretty well canvassed the membership and find no opposition to the bill. There is, however, express concern that time sufficient be taken in its consideration to make clear that the measure would not be misused. There were apprehensions entertained by some members of the Rules Committee, when the Committee on the Judiciary prepared and asked for a rule on the bill, as to just what powers were being conferred upon the Department of Justice, or what powers were being used that would affect the citizen in the exercise of his right of freedom of speech. The committee heard not only the members of the Judiciary Committee, but representatives of the Department of Justice, and upon the basis of the statement made to the Rules Committee by representatives of the Judiciary Committee upon the letter to the Judiciary Committee by the Attorney General, and by the testimony given before the Rules Committee by a representative of the Department of Justice in considering the application for a rule, the committee reported out the rule, and I am occupying the floor at this moment to urge its adoption. The purpose of the bill is to protect the United States against warfare of espionage, sabotage, and treachery, and, quoting from the report of the Judiciary Committee, its purpose is to—

Close certain serious gaps and correct serious defects in our present wartime security laws; * * * to enable the courts to try cases involving acts of secret warfare with the speed appropriate to their importance and to empower the court to take such steps as may be necessary to prevent the disclosure of facts revealed during the course of the trial which might be of value to the enemy; * * * to place upon every person within the United States the duty of making a report to a law-enforcement official whenever he knows or believes that another person has committed, is committing, or is about to commit a hostile act against the United States. * * *

The need for legislation to carry out these three purposes was demonstrated unmistakably in the summer of 1942 when eight Nazi saboteurs landed on the shores of the United States from German submarines.

Mr. Speaker, the need for legislation to carry out these express purposes as just quoted was demonstrated when those eight Nazi saboteurs landed on the shores of the United States from German submarines.

Mr. Speaker, I ask that as a part of my remarks I may insert in the RECORD testimony given before the committee by Assistant Attorney General Cox, a representative of the Department of Justice, including questions propounded by members of the committee and answers given by Mr. Cox.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. COX. Also, Mr. Speaker, I ask unanimous consent to insert at this point the letter of the Attorney General to the Speaker, dated October 17, 1942.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. COX. Mr. Speaker, let me say again that after we shall have heard gentlemen representing the minority members of the Committee on Rules, I believe that it will be agreed that there can be no opposition offered to the adoption of the measure, and that it will be the pleasure of the House to accept the proposal by unanimous consent.

The testimony of Mr. Cox and letter of the Attorney General follow:

Mr. OSCAR COX. As I believe, if there is any criticism of the bill, it is that it does not go far enough. The bill was brought out as a result of the trial of the eight saboteurs who landed on the shores of Florida and New York from German submarines. These men arrived in the United States with more than a hundred thousand dollars in United States currency, with quantities of explosives and incendiary devices, with instructions for the making of ink and the carrying on of secret communications, and with instructions and plans for an extensive campaign of sabotage. The purpose of the saboteurs was clear. All of them had been in the United States before and, upon their arrival, they immediately sought out various friends who aided them by sheltering them, hiding the money which they had brought, and establishing communications with other possible accomplices. At least 15 persons in the United States knew of their presence and their purpose here. Not one of those people made any effort to communicate this knowledge to the Federal Bureau of Investigation or to any other law-enforcement agency. If the saboteurs had not been subject to military jurisdiction, the maximum penalty which could have been given to them in an ordinary criminal court would probably have been 2 years, for the crime of conspiring to commit sabotage. They had landed in the United States illegally but they were punishable for this only by minor penalties under the immigration statutes; they had collected large quantities of explosives and incendiary devices, but for this they may have been guilty only of illegal possession of explosives. Since they were apprehended by the Federal Bureau of Investigation before they could make any real start on their program of sabotage, they were probably not guilty of an attempt to commit sabotage. Although they possessed a formula for secret ink and undoubtedly intended to communicate with each other and with Germany, it is doubtful whether or not they had yet engaged in any act of espionage or in any attempt at espionage under existing law.

The central part of the proposed statute is that the hostile act against the United States shall have been done with an intention to aid the enemy.

Mr. DIES. It is necessary to show intention in any criminal case.

Mr. OSCAR COX. The element of intent is important. Under the existing sabotage statute if one throws emery dust into a delicate piece of machinery with knowledge that such act would probably result in impeding the war effort, he could be prosecuted.

Mr. DIES. We are all agreed that any effort to deal with sabotage should be made; but the question in this case is whether this proposal may be used by the Department of Justice or anybody therein in an attempt to punish or smear any citizen who criticizes the administration or any member of it.

Mr. OSCAR COX. It could not possibly be used for that purpose.

Mr. DIES. Does the gentleman know any instance wherein great pressure has been brought to bear to use the Department of Justice for the purpose of attempting to smear anybody, especially one in public life?

Mr. OSCAR COX. I have heard of such attempts, but I do not of my own knowledge know of any such attempt. Under this proposed statute it would not be possible to do that.

Mr. DIES. The bill provides that the term "hostile act against the United States" shall mean "acquiring, compiling, obtaining access to, or transmitting any data calculated to inform the enemy with respect to the war effort of the United States or the war effort or defense of any nation whose defense shall have been publicly declared by the President of the United States * * *." That is rather broad language.

Mr. OSCAR COX. Please read the remainder of that sentence or the last part of it, which says, "with intent to aid a country with which the United States is at war."

Mr. DIES. I understand that.

Mr. OSCAR COX. I will give you a practical illustration which would not come under this proposed statute, although the end result might be the same. Suppose a newspaperman starts a criticism of the operation of the north African campaign; he finds fault with the manner in which it is being conducted or he says it should not have been undertaken. That would not be covered by this proposal, although it might create difference in opinions and create doubts as to the proper conduct of the war; but it could not be covered by this proposal. No matter how much we may disagree with criticism, how much we may resent it, we must also recognize that it is what makes a democracy work and it should not be suppressed.

Mr. DIES. In connection with sedition trials, if some citizen should allege that there are dangerous Communists in the employ of the Government, and submit proof of it, what I am anxious to know is whether such legislation as we are now considering could possibly be used against an American citizen exercising his constitutional right to criticize and point out defects in our governmental administration, whatever administration is in power or whoever the minority may be. We should be very careful, I am sure you will agree, to distinguish between actual sabotage, the work of those who willfully help our enemies, and those exercising, even though mistakenly, their rights to express their views of Government and those who may be running it. Each citizen has a guaranteed right to criticize governmental operations freely.

Mr. OSCAR COX. I agree with what you say. There is nothing in this proposed statute that would make an interference with that right of criticism possible. Comparing this proposed statute with the sedition statute, the test is whether a certain act impedes the war effort, regardless of the intention. That is quite different from a criticism even though it may be a mistake or a foolhardy one. We have to allow proper scope for criticism, and this proposal does that unmistakably. Subsection (b) of section 103 is similarly both broader in some respects and narrower in others than existing law. The existing statute specifies in some detail the types of information which it is illegal to obtain or disclose and the various means which may not

be used to gain access to or obtain information. It refers generally to acquiring, compiling, obtaining access to, or transmitting any data calculated to inform the enemy with respect to the war effort of the United States or of an associated nation. Thus there can be no doubt that any type of act which is intended to secure or transmit information to the enemy is to be punished; the single limitation is that the information must consist of data calculated to inform the enemy with respect to the war effort. Therefore what you have in mind could not come under this proposal.

Mr. HALLECK. In connection with that same subsection of 103, suppose a newspaper reporter or a newspaper publisher came into possession of information with respect to our war effort, having to do with the number of bombers being made or the kind of bombers being made or something else that comes under the heading of secret military information and suppose he published that so that it might be said it was transmitting data to the enemy. Or suppose some broadcaster put it out over the radio and it could be said that such information could be picked up by the Germans. Would that be covered by this proposed statute?

Mr. OSCAR COX. No.

Mr. HALLECK. The only reason it would not is that you would have to prove the intent to aid a country with which the United States is at war.

Mr. OSCAR COX. That is right.

Mr. HALLECK. If a situation should do what I have described and it could be shown that the information by radio had been transmitted to a country with which we were at war, and it was alleged that he actually was trying to help a foreign country, an issue would be joined as to intention. Could he then be prosecuted under this proposed law?

Mr. OSCAR COX. Yes. The espionage laws of 1917, as amended, refer to acts committed with intent to or reason to believe that the information to be obtained is to be used to the injury of the United States or to the advantage of any foreign nation. The securing or publication of secret information may be punished under existing law even though there is no actual intent to aid the enemy, if the person committing such act had reason to believe that the United States would be injured or any foreign nation benefited thereby. The proposed bill applies only to acts of espionage committed during time of war with positive intent to aid the enemy, not merely reason to believe that the enemy may be aided. Say the New York Times published a story about a troop movement, it wouldn't be punishable under this proposal, whether or not it had reason to believe the information would aid the enemy. If it were intended to aid the enemy it would be punishable.

Mr. BROWN. Suppose a newspaperman sends out a story in violation of the censorship order giving information such as Mr. HALLECK has suggested. Would that be considered an intent to aid the enemy?

Mr. OSCAR COX. No.

Mr. BROWN. I remind you of the instance where they censored the story of the Guadalcanal airfield, saying it would be a benefit to the enemy, when the Japs had built it.

Mr. FISH. I gave out a public statement concerning three bases set up in northern Ireland and Scotland under the lend-lease arrangement 8 or 9 months before we entered the war. That was a statement of fact. I did not give the names or the location of those bases, although I knew where they were. I did not want to give that information to the press and I did not fully do so. I gave the cost of those bases. If I had said where those bases were located, would I have qualified for punishment under this proposed statute?

Mr. OSCAR COX. No; it would not be possible to prosecute for that under this proposal, because I do not think anybody in this country would seriously question your motives for putting out such information. Everybody would say you did not do it with the intention of aiding any enemy.

Mr. DIES. One cannot always tell about that. I wrote the Vice President of the United States a letter pointing out certain employees in his Board of Economic Warfare and in reply the Vice President said to the country that I was an agent of Hitler. Now he himself comes out with the statement that there is a possibility that the Americans are going to doublecross the Russians; and yet he does not consider that aiding the enemy.

Mr. FISH. Some of our judges become hysterical and think we are about to be attacked by Hitler.

Mr. OSCAR COX. I think the safeguards in this proposed statute are very clear. If somebody were inclined to talk loosely and say something that might aid the enemy, we could not prosecute under this proposal unless it could be shown that the statement was made with the intention of aiding the enemy. There might be criticism to improve the war effort; there might be criticism to call the attention of our citizens to alleged bad conditions, yet they would not come under this proposal. We cannot delimit the proper utterances and actions of our people.

Mr. DIES. The question of intent is something for a jury to determine, but in any case a man is presumed to intend to do what he does. It is a question of what kind of proof one would have to offer. In some section of the country there might be an unfriendly atmosphere, and it would all depend upon the jury. There is no question as to what would happen in my country—the juries would be all right, but in some other section or sections of the country a jury could be persuaded to convict somebody on any kind or amount of evidence.

The CHAIRMAN. The Department of Justice and the district attorney would have to act before a case was presented to a grand jury; and they would not be disposed to ill-treat anybody, I am sure.

Mr. OSCAR COX. The incident that gave birth to this proposed statute is the acts of the eight saboteurs who came here on submarines as agents of Hitler and on his pay roll with more than $100,000 in hand. It is fair to presume that Hitler would not let those saboteurs use his submarine and money for a junket. They came here with the definite intention of blowing up bridges, powder plants, railroads, and so forth; and those who knew that intention helped them by furnishing them shelter, caring for their money, and arranging dates for them, without reporting their presence or intentions. Those people had all been active in German bunds and had gone back to Germany after the European war started. They were friends and even relatives of the saboteurs. The proof was crystal clear at the trials of the saboteurs and their accomplices. This bill was drawn on a restricted basis because we did not want to in any way or to any degree limit the scope of criticism, regardless of the result and whether the criticism be justified or not.

Mr. FISH. We are all for getting after these saboteurs and their accomplices. No good citizen opposes that effort. Aside from the case of these eight German saboteurs who came to the United States in submarines and their accomplices, have you any knowledge, or has the Department of Justice any knowledge of any saboteurs coming here or interfering with our war effort?

Mr. OSCAR COX. There is some evidence of that; but I cannot give it because the investigation is not complete.

Mr. FISH. I understand that the Attorney General has said there is no evidence of sabotage of foreign origin except the case of these eight German saboteurs.

Mr. OSCAR COX. There has not been sufficient evidence developed in the impending investigation to warrant prosecution, but the Federal Bureau of Investigation is daily following up leads, many of which avail naught.

Mr. FISH. The Attorney General says he knows of no act of sabotage from a foreign source, except the case of these eight German saboteurs who landed in the United States from the submarines; therefore I do not think it is necessary to become hysterical at this time, if the statement of the Attorney General is true, and I believe it is.

Mr. OSCAR COX. As a purely practical matter it may be said that on June 1, 1942, the Federal Bureau of Investigation had no evidence of the presence of these eight German saboteurs, yet they landed on the coast of the United States within a week.

Mr. FISH. I am for any such law that is properly restricted, so that innocent men and women may not unjustifiably be dragged into court.

Do you know anything about the Army courts that have been set up in New York without authority of law, consisting of three lieutenant colonels and two majors; which court calls our citizens, old and young, before it and asks them whether they favored isolation before Pearl Harbor and whether they favor the lend-lease arrangement, and so forth, on the basis that one who favored isolation or opposed the lend-lease arrangement should not live within 300 miles of Governors Island? Do you know anything about that?

Mr. OSCAR COX. Very little.

Mr. COX. That is an activity carried on without the jurisdiction of the Department of Justice, whose representative the gentleman is at this time.

Mr. OSCAR COX. That is correct. That is a War Department activity, and it has nothing to do with the pending bill.

Mr. DIES. When the gentleman talks about acts of sabotage from abroad, I do not think there is any question but what Hitler organized in the United States years ago these nefarious societies which had no other purpose than to train for sabotage. They were frustrated when we seized all their papers and membership records. From the files of my select committee I can give you membership cards running into many thousands of such persons, when the country well knew who they were and where they lived. We sent the Department 17,000 such cases at one time.

Mr. FISH. I introduced a resolution 2 or 3 years ago to prohibit the army-like marching and parading of these German bunds.

Mr. DIES. The more important bunds had a membership requirement that one must be eligible to do underground work. They had many more such people here than the average man suspects. They were potential saboteurs. Great commendation should be accorded the Federal Bureau of Investigation and the law-enforcement agencies who have so successfully coped with that unwholesome condition here; and at the time they had all these memberships they were available and we seized them. In the case of the Japs they had their boxes of information, official records, on the dock ready to load them onto outgoing vessels when we took them. They, too, were potential saboteurs. You cannot convict or arrest such a man before he does something overt. The difficulty is to know what an overt act is. Propaganda may become sabotage, but we have to distinguish between that which is done obviously to aid an enemy and something that is done by even a crackpot who is honestly or illogically mistaken in his views. There are those in our country who are insane, say, on the question of Jews. There is nothing remedial you can do with them. They are so filled with the anti-Jewish feeling that you can talk all day long with them and not get anywhere. I have a whole room full of

their testimony. Difficult factors arise in connection with this subject; and the question is just what should be done to best handle it. I think the Government has to distinguish between a man who is insane and goes off on religious or some other grounds—in connection with something that is an obsession with him, and one who has real ill at heart. If you use such a statute to prosecute such people, when this war is over you will have a bunch of martyrs to deal with, and instead of killing this that is undesirable, as we all admit, you will spread it as a disease. I think the Department of Justice should be cautiously careful about this matter.

Mr. COX. If there be any doubt as to the manner in which the Department of Justice would administer this proposed statute, let him read into the RECORD the statements of Judge SUMNERS, Mr. COX, Mr. CELLER, the letter of the Attorney General, and the report of the Committee on the Judiciary, and then vote for the proposal.

Mr. FISH. I would not vote for this bill if it were not for the good statement of the Chief Justice. I think that statement cleared the atmosphere very much, both in the courts and the Department of Justice.

DEPARTMENT OF JUSTICE,
Washington, D. C., October 17, 1942.

The honorable the SPEAKER,
House of Representatives,
Washington, D. C.

MY DEAR MR. SPEAKER: I wish to call your attention to certain serious gaps and defects in our present criminal statutes which have become ever more apparent to the Department of Justice during the months since the United States entered the war. We have found that during a period of total war waged with all the instruments of espionage, sabotage, and treachery which are being employed by our present enemies, these statutes are not broad enough to enable us to punish adequately many persons whose activities are seriously endangering the national security. Many acts which endanger our wartime security are not punishable in any way under existing statutes; many other such acts, although covered by existing law, are not punishable by a sentence in any way commensurate with the gravity of the offense. There is no statutory provision, moreover, by which cases of this type may be tried with the dispatch appropriate to their importance, and no statutory provision by which a court is empowered to take the steps necessary to prevent the disclosure of facts of value to the enemy which might be revealed during the course of the trial.

The proposed War Security Act, a copy of which I enclose for your consideration, has been prepared under my direction to remedy these defects in existing law. It was drafted after much careful study by many officials of the Department of Justice. We believe that it would prove an effective solution to our wartime security problems and at the same time would preserve in every essential our American standards of fairness and justice.

The objective of the proposed War Security Act is to punish, with appropriately severe penalties, all persons who, with intent to assist the enemy, commit, or attempt or conspire or prepare to commit, sabotage, espionage, or other hostile acts. It is also designed to expand the provisions of law relating to the harboring of persons who are agents of, or members of the armed forces of, an enemy nation or who are engaged in hostile acts in the interest of an enemy nation. A person guilty of any of these "hostile acts" may be punished by death or by imprisonment for life or, in the court's discretion, for a shorter term; in the case of a corporation, a fine of not more than $100,000 is authorized in addition to penalties against individuals. To aid in its enforcement, the bill imposes a duty on every person to report to the Federal Bureau of Investigation or some other law-enforcement agency any information which he has concerning violations of the act, with a maximum penalty for failure to report such information of $10,000 or imprisonment for 10 years.

The inadequacy of existing criminal statutes in time of war is illustrated by the absence of any provision under which persons who are preparing to commit acts of sabotage or espionage may be properly prosecuted. If an enemy agent, for instance, plans a campaign of sabotage and collects for that purpose large quantities of explosives and incendiary materials, he is not guilty of any serious crime unless he comes close enough to the actual dynamiting or burning of a factory or a bridge so that he can be charged with an "attempt." A person who is engaged in carefully calculated preparations to dynamite a vital synthetic rubber plant obviously should be punished for something more than the illegal possession of explosives. Similarly, a man who builds a powerful short-wave transmitter so that he can send vital war information to the enemy may not be guilty under present laws of any serious crime. Yet it is obvious that in time of national peril, we must be able to apprehend and punish a man who, with intent to damage seriously our war effort, is caught before the damage is done.

The existing statutes concerning conspiracy are equally inadequate for wartime purposes. All the members of a group engaged in a joint plan of sabotage, for instance, may be punished by imprisonment for 30 years or a fine of $10,000 if any one of them actually commits some act of sabotage or is caught in an attempt to commit such an act. This punishment is clearly not as severe as it should be, but if an act of sabotage or an attempt has not occurred, the inadequacy of the punishment is even more striking. In the latter case, the most far-reaching and carefully planned conspiracy to destroy by fire a vital shipyard is punishable now only by a fine of $10,000 or imprisonment for 2 years. You will agree, I am sure, that these punishments are not severe enough to enable us properly to cope with the enemy's elaborate plans for secret warfare.

The harboring of enemy agents is not adequately covered by existing law. The sabotage already attempted against this country shows how necessary it is that we deal severely with any one who knowingly lodges or cares for a person whose actions or plans endanger the national security. Yet the only statutes making harboring illegal relate to specialized cases such as the harboring of violators of the espionage statute or the harboring of a person for whom a warrant has been issued. Thus, a harborer of a known saboteur or of a person who is known to be planning acts of sabotage cannot be reached at all.

There are still other gaps in existing criminal statutes which may seriously hamper us in our duty of maintaining internal security in wartime. There are certain types of sabotage, for instance, such as removing or hiding a vital part of a machine or regulating a machine so that it does not efficiently perform its functions, which might be held to be outside the present statutes. Similarly, killing or injuring a person within the United States as a part of a plot to aid the enemy would at the present time be a violation only of State law, in spite of the fact that it obviously should be possible to treat such an act of illegal hostilities as a crime against the national security.

The proposed War Security Act would correct all the inadequacies of existing criminal statutes to which I have referred. A realistic view of the character of modern warfare makes obvious the urgent need for such legislation. We cannot maintain our national security in time of war unless the crimes defined as "hostile acts" in the proposed bill can be prosecuted vigorously and effectively.

The proposed bill is not a substitute for existing criminal statutes. Its severe punishments are to be visited only upon persons who commit the hostile acts defined with intent to aid the enemy or to harbor an enemy agent. The bill is designed to punish persons who are in reality participating in our enemies' secret attack upon us within our own borders. The proposed bill is in no way a substitute for the treason statute. It is not based on the idea of allegiance to the United States, but would apply to any person whatsoever even temporarily within our territory. Although in some cases acts punishable under the proposed bill may also be punishable as treason, they would not be punished under this statute as treason, but as acts which a nation, whatever the allegiance of the person committing them, cannot tolerate in time of war.

To insure that all persons will cooperate with the Government in detecting activity endangering the national security, the bill requires that reports be made to the Federal Bureau of Investigation or some other law-enforcement agency by those who know or believe that a "hostile act" has been or is about to be committed. Under existing law, if a man knows or believes that another person is actively preparing to destroy with explosives a vital radio station, he is under no duty to take any affirmative action but is merely required to refrain from assisting the saboteur and from actively concealing any evidence if the man is later apprehended. By requiring knowledge or belief, the bill avoids penalizing innocent persons who through ignorance fail to realize the significance of something which they see or hear. The bill thus merely writes into law an obligation which every patriotic American recognizes and discharges without prompting on the part of the Government. It is needed only for those few disloyal persons who are unwilling to cooperate in the maintenance of our national internal security.

The procedural as well as the substantive provisions of existing criminal law are inadequate in certain respects. Crowded dockets frequently delay the bringing of cases to trial. For this reason the proposed War Security Act would direct the courts, if the Attorney General certifies that a case arising thereunder or under certain other acts is of importance to the prosecution of the war to give precedence thereto over all other cases. Again, procedural motions and pleas are sometimes used solely for purposes of delay. The bill accordingly provides that the court, on motion of the Government, may reserve decision upon any demurrer, plea in abatement, or other plea or motion until the end of the trial. Further, no error at any stage of the proceedings is to be ground for dismissing, setting aside, or reversing a conviction unless the error would result in substantial prejudices to the accused. Thus, all the rights which protect defendants in criminal trials will be preserved intact, but at the same time important war crime cases may be tried without any unnecessary delay.

Criminal prosecutions of this kind may involve the disclosure in court of information of value to an enemy government. It is true that military tribunals are able to cope with this problem. Many of the offenses covered by the proposed bill and related existing legislation are, however, not within the jurisdiction of military tribunals. Moreover, it is very often desirable to try in the ordinary courts cases which could legally be tried before military tribunals. The bill therefore provides that, on motion of the Government, the trial judge shall take such precautions as shall be necessary to prevent disclosure outside the courtroom of information valuable to the enemy. It does not violate our traditions by authorizing the Federal courts to proceed

in secrecy. Moreover, it provides that all evidence received shall be recorded and transcribed and made part of the record in every case.

The bill is designed to reach only those persons who, with intent to aid the enemy, are seeking to hinder the effective prosecution of the war. The contrast between it and the regimes which exist in the enemy countries is striking. The bill conforms to our Anglo-American tradition that crimes shall be defined as narrowly and specifically as the subject matter permits. In that and in all other respects, the draftsmen have sought to enable the Government to protect itself against enemy agents and sympathizers without impairing the traditional safeguards which our system of law affords to persons accused of crime.

I am informed by the Director of the Bureau of the Budget that he has no objection to the presentation of this legislation for the consideration of the Congress.

Sincerely yours,

FRANCIS BIDDLE,
Attorney General.

Mr. COX. Mr. Speaker, I reserve the remainder of my time, and yield 30 minutes to the gentleman from New York, [Mr. FISH].

Mr. FISH. Mr. Speaker, I yield myself 5 minutes. The rule was adopted by a unanimous vote, to bring this wartime bill before us. It is a very drastic measure, because it provides for the death sentence and for life imprisonment. No Member of Congress is inclined to oppose any legislation that is aimed at the enemies of our country from within, those who are helping our enemies with intent to do so. The crux of this bill is simply the question of intent, and that may go to the grand jury and to the courts to decide what the intent is. The gentleman from Georgia [Mr. COX] very properly incorporated in his remarks the statement made by the Assistant Attorney General, Mr. Cox, who specified exactly what the Department of Justice meant by the word "intent," and I am glad that the gentleman has also incorporated in his remarks the letter written by the Attorney General, Mr. Biddle, which goes into considerable detail as to the purpose of the legislation.

It is essential that we do not go wild in the midst of war hysteria and repeat the mistakes of the last war, which caused our jails to be filled with numbers of persecuted innocent Americans. When we come to discuss this bill under the 5-minute rule certain clarifying amendments may be offered. If amendments are offered to make the question of intent even stronger, I shall support all such amendments, because I want no mistake made by the courts or by the grand juries as to the purpose of the Congress, and certainly we want to protect all American citizens who do not intend or willfully intend to commit any crime.

Certainly while we are fighting for the four freedoms abroad, we must protect the constitutional right of freedom of speech at home, and the constitutional right of a free press. We want no Americans indicted under this law for mere criticism of the Administration, or of the foreign policy of President Roosevelt prior to Pearl Harbor, or because of some speech or writing or newspaper comment on the conduct of the war, or maybe because they are anti-Communists, or even anti-Semitics. Even that is not a crime under the Constitution of the United States. It is the duty of Congress to make it crystal clear that there must be no action taken by the Department of Justice unless the intent to aid the enemy is unmistakable. The House wants this bill so written as to safeguard and protect loyal American citizens in their constitutional rights of free speech, free inquiry, and of a free press. This is the very essence of Americanism and of a free people and a free nation. Any public official who attempts to suppress these constitutional rights of every American should be dismissed from office or impeached. If amendments are offered that can make the question of intent any stronger, I certainly will support those amendments, particularly any amendment that will protect the freedom of the press.

Paragraph (b), page 3, reads as follows:

> Acquiring, compiling, obtaining access to, or transmitting any data calculated to inform the enemy.

Of course, that is pretty broad. Any speech that any Member makes in Congress or out, in regard to the size of the Army or of the Navy, appropriation bills for the Army or the Navy or Air Force, manpower legislation, or any other of a half dozen subjects, could be brought under that provision, calculated to inform the enemy. The only safeguard is in the words "with intent," and if the word "intent" as defined by the members of the Judiciary Committee and others who have participated in the debate is adhered to by the Department of Justice the rights of American citizens will be fully protected.

If the Department of Justice in defiance of the intent of Congress prosecutes any American under this law then it will be up to Congress to start impeachment proceedings.

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

Mr. FISH. Mr. Speaker, I yield myself 5 additional minutes.

Any speech that any Member of Congress makes outside of Congress concerning almost anything in connection with the war would come under that provision, "calculated to inform the enemy." The only protection is the words "with intent." That is, that the intent must be clearly proved.

Mr. COX. Will the gentleman yield?

Mr. FISH. I yield.

Mr. COX. Does not the gentleman think that the precaution taken by the gentleman and his colleagues on the Rules Committee has made pretty certain that the abuses to which the measure might be put will be avoided? In other words, the intent of the Congress is set forth with such emphasis that there is no probability of the disregarding of it?

Mr. FISH. That is the reason the gentleman from Georgia spoke today and the reason I am speaking now, to make it as emphatic as possible what the intent of the Congress is.

The gentleman has put in his speech the letter from Attorney General Biddle and Assistant Attorney General Cox, and I think that all the speeches which will be made today will also very clearly point out what the intent of Congress is. Before that I was very apprehensive, because I believe that the indictment—and I hold no brief for any of the 34 alleged peacetime seditionists under the Alien Registration Act of 1940—was accomplished by distorting, twisting, and torturing the provisions of that act and also the intent clause on undermining the morale of the Army and Navy. A number of little Midwestern editors, writers, speakers, and so on, and some crackpots and cranks were indicted, not because they distributed seditious literature on board our warships or in military camps, which was the purpose of that bill when we discussed it in Congress 3 years ago, as most of them had never been near an Army camp nor ever seen a warship, but they were indicted for conspiracy with intent to destroy the morale of our armed forces. Most of them did not even know each other, and they were brought all the way to Washington to defend themselves against such charges. That was contrary, I think, both to the law and the Constitution, and violated their constitutional right of free speech.

I ask unanimous consent, Mr. Speaker, to include my views on the Alien Registration Act of 1940 at the conclusion of my remarks and to point out that the intent of Congress was so distorted that free speech has been seriously threatened and impaired.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. MASON. Will the gentleman yield?

Mr. FISH. I yield.

Mr. MASON. Is the gentleman willing to say, in view of the experience this Congress has had after making its intent as clear as the noonday sun and having that intent ignored on the $25,000 salary limit, that he is satisfied that this bill, if we make our intent clear, that intent will not be ignored in the administration of this bill?

Mr. FISH. I cannot guarantee to the gentleman that our intent will not be ignored as it has been before this. I doubt if I would vote for this bill unless it had been for the statement made by Chief Justice Stone in a recent case which cleared the atmosphere in the courts in the District of Columbia.

I admit I am fearful of the attitude of some of the judges here in Washington because I believe those judges—and I want the distinguished gentleman from Texas [Mr. SUMNERS], chairman of the Judiciary Committee, to hear what I say, as it is said in good faith and without regard to any personalities whatever—I believe some of the judges in Washington, at least before that famous statement made by the Chief Justice of the Supreme Court recently, had the idea that they were an arm of the Department of Justice, instead of being a part of the judiciary of the United States, a separate and independent branch of the Government

the same as we in the legislative branch are. But because of wrong practice or some other reason, some of the judges sitting here in Washington were under the impression that they were acting for the Department of Justice, a part of the executive branch of the Government. If that condition exists, of course an American citizen will have some difficulty in getting a fair and an impartial trial. These judges are not an arm of the Department of Justice and represent the judiciary solely.

Mr. SUMNERS of Texas. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield to the distinguished gentleman from Texas.

Mr. SUMNERS of Texas. The gentleman from New York, I assume, would like to have in the RECORD a statement from the chairman of the committee to the effect that the representative of the Department of Justice stated before the Rules Committee that there was no purpose on the part of the Department of Justice to initiate, or, as far as it could be controlled, to permit prosecutions which would annoy or harass citizens?

The SPEAKER pro tempore. The time of the gentleman from New York has again expired.

Mr. FISH. Mr. Speaker, I yield myself two additional minutes.

Mr. SUMNERS of Texas. Especially members of the press who procure facts and give them publicity; and that great consideration was given to the last paragraph of the subsection to which the gentleman referred; that is, that everything would depend upon the intent to aid a country with which the United States was at war, and that that attitude and construction expressed by the Department of Justice was acquiesced in by representatives of the Committee on the Judiciary which reported the bill and appeared before the Rules Committee in support of the application for the rule. I assume the gentleman from New York and the Congress would like to have that statement incorporated both with reference to the construction of the provision and the declared intention with reference to this subsection.

Mr. FISH. I am sure the whole Congress would like to have that incorporated in the RECORD.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield to the gentleman from Indiana.

Mr. HALLECK. In view of the fact that the eminent and able Chairman of the Committee on the Judiciary is on his feet, may I inquire of him whether my recollection of the law is correct that sometimes it is stated that a man is presumed to intend the consequences of his act?

Mr. SUMNERS of Texas. That is a construction——

Mr. HALLECK. That brings me to this question.

Mr. SUMNERS of Texas. I would not like to stop at that bare statement.

Mr. HALLECK. I understand.

Mr. SUMNERS of Texas. It is the common sense, generally humanly recognized fact that people usually do intend what is the reasonable and probable consequences of their conduct.

Of course, here you are dealing with viciousness, with criminal intent and the burden of proof would be on the Government in such a situation to establish substantial evidence of guilt, beyond reasonable doubt.

Mr. HALLECK. There are one or two things I want to get clear. If this bill becomes law, I do not want prosecution initiated under this section where the proof of the intent necessary to be shown would be presumed from the fact that the consequences of the act had, in effect, aided the enemy. In other words, I think we all agree that any prosecution would have to show affirmatively and as an essential element of proof the clear intent of the accused to aid the enemy.

Mr. SUMNERS of Texas. Mr. Speaker, the gentleman is such a good lawyer that I know that he knows that the established rules of evidence in criminal prosecution would have to control prosecutions under this subsection. But the Government representatives in the Department of Justice, I think, went further than that in making a very clear statement and gave very definite assurance; I believe they convinced the Rules Committee and convinced everybody that there would be the greatest caution exercised. Of course the gentleman knows that you cannot possibly write into a statute anything that will control the individuals who happen to be the public officers.

Mr. HALLECK. Mr. Speaker, I would just like to ask the gentleman from New York permission to ask one further question of the gentleman from Texas.

Mr. FISH. I yield to the gentleman.

Mr. HALLECK. The Sedition Act of 1917, in creating the offense used the words "shall willfully make and convey," and so forth, "with intent."

Is it the gentleman's opinion that the absence of the word "willfully" in this proposal is not important because the term willfullness is included in the words "with intent"?

Mr. SUMNERS of Texas. I have not examined the act to which the gentleman refers. I understand my colleague the gentleman from New York [Mr. CELLER] has. I would state it as an offhand, horseback opinion, that you would have to prove willful intent.

Mr. HALLECK. That is the very point I want to make.

Mr. SUMNERS of Texas. Beyond reasonable doubt.

Mr. HALLECK. And I want the record to show that so far as I am concerned, as to the matter of legislative intent here, I do not want any presumption of intent from the consequences flowing from the act, but rather it seems to me that before prosecution could lie under this section, that the Government would have to show, beyond a reasonable doubt that the act was willful, that it was made with an aggressive, positive intent to commit the crime.

Mr. SUMNERS of Texas. That is the gravamen of this subsection.

Mr. CELLER. Mr. Speaker, will the gentleman from New York yield?

Mr. FISH. I yield to the gentleman from New York.

Mr. CELLER. I want to say to the gentleman who just addressed the House [Mr. HALLECK] that the way we drafted this proposed statute was even narrower than the existing statutes. The existing statutes referred to acts committed "with intent to or reason to believe that the information to be obtained" is to be used, for example, to the injury of the United States or to the advantage of any foreign nation. It leaves it in the alternative in the present statute. If a man has reason to believe that his acts would aid the enemy he can be deemed guilty, or if his words are intended to aid the enemy, then he would be deemed guilty. We eliminated the reason to believe in the present statute.

I would say to the gentleman who last spoke, that if the intent could only and merely flow from his act, it would be insufficient if there were not deliberate, clear-cut evidence beyond a peradventure of doubt as to intent. So that we safeguard that entire situation, and if you will read what appears on page 4, section 104, you will find even more carefully worded what we meant by intent. I will just read it. It is very short.

> SEC. 104. As used in this act, the term "intent to aid any country with which the United States is at war" shall mean an intent to assist any country with which the United States is at war or to further the illegal purpose of any person (whether or not a national of such country) known or believed to be an officer, employee, or agent of such country, or a member of its armed forces, or to further the illegal purpose of any person who is known or believed to be engaged in assisting or acting in the interest of such country in such a way as to violate any provision of this act.

So there you have a very clear-cut definition of what "intent" really means. Nobody could misinterpret it. The Supreme Court and any of the lower courts must not only read that language exactly as we have given it but must take into consideration the letter from the Attorney General, they must take into consideration the report of the committee, they must take into consideration the debates in this House and certainly the debates indicate, as the report does, that no innocent person, no dumb person who does not know the effect of his acts, could come under the provisions of the act and be convicted under the act.

Mr. MICHENER. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from Michigan.

Mr. MICHENER. I was going to add to what the distinguished gentleman from New York just said, it is plain but it is understandable that a dumb person may willfully commit an act which does not carry any intent. The bill as a whole and this particular feature of the bill was written—the language—by the committee. A number of Members have come to me on the floor and have dragged out some old statute enacted back in 1917 and wanted to go back and

include the word "willful." One newspaperman came to me and said that we should include the word "willful," but after talking a minute he soon came to the conclusion that by adding the word "willful" we would destroy the very purpose for which he had sought me out. "Willful" weakens here and does not in any way liberalize.

Mr. FISH. Mr. Speaker, it seems to me the crux of the whole question is the interpretation of the word "intent." It has been pretty well nailed down and that has been the purpose of the whole debate.

Mr. COX. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from Georgia.

Mr. COX. Does not the gentleman agree with me that the main purpose of the act is to confer power upon our civil courts to try a certain type of offense against the public welfare, with power to inflict adequate punishment which offenders can at present be only tried for by a military court which has the power to inflict no punishment other than very light and inadequate punishment?

Mr. FISH. Yes; and to punish those Americans who are aiding our enemies.

Mr. HOBBS. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from Alabama.

Mr. HOBBS. I think it might be well if we called the attention of the two gentlemen who have spoken, the gentleman from New York [Mr. CELLER] and the gentleman from Michigan [Mr. MICHENER] to the fact that they should clarify their expressions of the word "dumb" so that it will mean "stupid" or "ignorant" and not refer to those who are unable to speak.

Mr. FISH. Yes; that is certainly correct.

Mr. RANKIN. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from Mississippi.

Mr. RANKIN. I have two questions I want to ask. In the first place, on page 2, lines 7 to 9, inclusive, it seems to me that you impose a penalty on a corporation that does not even begin to compare with the death penalty you impose upon an individual for the same offense.

Mr. FISH. Five hundred thousand dollars is still quite a tidy sum.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. FISH. Mr. Speaker, I yield myself 4 additional minutes.

Mr. RANKIN. Five hundred thousand dollars is a very small amount when you come to dealing with a billion-dollar corporation that has its oil tankers, its pipe lines, and its other lines of communication all over the world. You limit this to $500,000 and say then that an individual—for the same offense—leaving out the word "willful," that is in every indictment brought in every State court of America—shall be condemned to death, but if it happens to be a great oil-tank company with its tankers and its tentacles all over the world, you let it off with a penalty of not more than $500,000.

Mr. FISH. I would prefer a member of the Judiciary Committee answer that because I have no responsibility for writing the bill.

Mr. ROBSION of Kentucky. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. Of course, a tanker company cannot do business except through the mind and acts of individuals. The officers of that company can be put to death under this bill, or be put in prison for life. The company and the stockholders still could be punished in that way.

Mr. RANKIN. In other words, the gentleman from Kentucky would take the individual who is operating the boat or delivering the gasoline to an alien enemy and put him to death, but the crowd that was drawing the rake-off up in Wall Street would get by without punishment?

Mr. FISH. Mr. Speaker, I call the attention of the House to article I of the Registration of Alien Enemies Act of June 28, 1940.

With malice toward none and charity to all; without seeking to defend or to attack or impugn the motives of anyone, I propose to state, without fear or favor, my views regarding what I consider to be the perversion, misinterpretation or misconstruction of article I of the Registration of Aliens Act of June 28, 1940, by the Department of Justice in the indictment of 34 alleged American seditionists.

The peacetime sedition law of 1940 was aimed specifically at preventing the distribution of handbills and propaganda to cause disaffection and mutiny on board warships and disobedience and desertion in our armed forces; and should not, by any stretch of interpretation by the Department of Justice, be applied to editorials or to statements and speeches by American citizens exercising their constitutional right and ancient fireside privilege of commenting on or criticizing the administration, the President, the New Deal, the foreign policies of the President and of Congress prior to Pearl Harbor, or racial or religious issues, or the conduct of the war.

The intent and purpose of the House of Representatives in adopting section 1 of the Alien Registration Act of June 28, 1940, known as the peacetime sedition law, is very clear and there can be no misunderstanding by any fairminded person who has read the testimony of the witnesses before the House committee or the debates in the House. The House at no time ever conceived of the law being used except to prevent Communist, Nazi, or subversive elements from distributing revolutionary propaganda and leaflets among our armed forces to cause mutiny, disobedience, desertion, or to seriously undermine their morale.

It is utterly preposterous to attempt to twist and distort section 1 of the Alien Registration Act of 1940 into indicting and bringing to trial opponents of the administration's foreign policies or of President Roosevelt or anti-new dealers, anti-Communists, or anti-Semites.

Such a distortion of the obvious and declared purpose of the bill, and interference with the rights of American citizens to free speech and to a free press, revives the discredited and infamous Sedition Act of 1798, under which Jeffersonian writers, speakers, and editors, were jailed for opposition to the Federalists then in power.

The Sedition Act of 1798 died within 2 years, and was the main factor in destroying the Federalist Party, which sponsored it, and any attempt to revive it by the New Deal, thereby abridging freedom of speech in America, against critics of the administration will develop an issue that will destroy the New Deal just as surely and quickly as the first Sedition Act undermined and virtually wiped out the Federalist Party 144 years ago.

In a letter to Mrs. John Adams, written at the end of his first term in the Presidency, Thomas Jefferson stated: "I discharged every person under punishment or prosecution under the sedition law, because I considered, and now consider, that law to be a nullity, as absolute and as palpable as if Congress had ordered us to fall down and worship a golden image; and that it was as much my duty to arrest its execution in every stage as it would have been to rescue from the fiery furnace those who should have been cast into it for refusing to worship the image." (Thomas Jefferson, by Albert Jay Nock, p. 230.)

The golden calf in the present instance is the foreign policy of the New Deal administration prior to Pearl Harbor, and those who failed to fall down and worship it before Pearl Harbor are being charged and in some instances indicted under the provisions of the present day Sedition Act (1940).

Fairminded Americans, regardless of party affiliations, will never remain silent and permit freedom of speech or a free press—without which free America ceases to exist—to be curbed or gagged, or opponents of the foreign policies of President Roosevelt prior to Pearl Harbor—who numbered one hundred million—sent to jail through bold distortion of the peacetime sedition law and the intent of the Congress.

If American citizens, clergymen, editors, writers, and crackpots or cranks from all parts of the Nation can be brought to Washington and tried for expressing their nonintervention anti-Communist and anti-New Deal views prior to Pearl Harbor, half of Congress and 80 percent of the American people could be sent to prison under such a Gestapo procedure.

I have met and know only a few of the 34 persons now under indictment under what I consider to be a gross misconstruction and interpretation of a congressional statute. No witness or Member of Congress who advocated section 1 of the Alien Registration Act ever imagined that the law could be used to punish individuals who uttered or wrote criticisms considered objectionable by the administration, particularly when they do not constitute a clear or present danger of mutiny, disobedience, or desertion in our armed forces.

I am informed that there is a group of anti-Semites among the 34 Americans

indicted. I do not approve of their words or actions, as I believe there should be no religious test under the Constitution, and that all American citizens regardless of race or color have a right to their own religious convictions. But, while antisemitism is un-American, I know of no Federal law or constitutional provision that prohibits freedom of discussion of racial and religious issues, as much as I deplore them. It certainly was not the intent of the Congress to write any such restriction or limitation into section 1 of the Alien Registration Act.

I am convinced the Department of Justice is in error in attempting to abridge freedom of speech and of the press, in violation of the Constitution of the United States, and contrary to the intent of Congress. If it succeeds in establishing such an unfortunate and unhappy precedent, carried to its natural and logical conclusion it would mean the setting up of a Gestapo in America that would rival that of Hitler's Reich, and destroy freedom of speech and of the press and endanger the life, liberty, and pursuit of happiness of every American citizen.

This issue is so important that it far exceeds all party lines. It is a great American issue, involving the most fundamental and precious of all American rights and liberties—that of freedom of speech. No sacrifice is too great to safeguard freedom of speech and of the press, symbols of freedom in America. We are fighting a war all over the world for these very principles, and must not permit them to be destroyed here at home.

Paraphrasing the words of Voltaire, I say of these 34 defendants under indictment through a distorted and tortured construction of article I, of the Alien Registration Act of 1940, "I may not believe in what you say, but I will fight to the death for your right to say it in time of peace."

Mr. FISH. Mr. Speaker, I yield the balance of my time to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Speaker——

Mr. JONKMAN. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. Yes; I will yield for a question.

Mr. JONKMAN. Is not this question of intent far more vital in section 102, getting everybody to become an informer on probable cause subject to a penalty, and could not a conspiracy be framed there where I am told certain facts I do not believe, if I do not report them?

Mr. HOFFMAN. You can frame a conspiracy on anybody whether they do anything or not. You have it right here in Washington, where people were indicted for repeating statements made on the floor of the Senate by Winston Churchill when he addressed the joint session on the 26th of December.

If you will look at the bottom of page 2 under section 103, all of page 3 and the upper quarter of page 4, you will notice that there is hardly any activity that a person might engage in that does not come under this act. I do not know what a man could do from the time he got up in the morning until he went to sleep at night that is not brought within the provisions of this act. If he does any one of those things he can be convicted if the jury finds that he did it with intent to aid the enemy.

How do you prove intent? Remember that it is only occasionally you can prove intent by a declaration of a defendant; in the vast majority of cases the jury is told that the intent must be found from the acts shown by the evidence. To my mind the vital thing in this and one objection I have to a bill of this kind is that the cases may be, probably will be, tried here in Washington, where war hysteria, prejudice, and political feeling run high.

Why is it that we need this law? We have laws against treason and sedition. Eight men were electrocuted last year. Must we now acknowledge that those men were electrocuted, that their lives were taken, and we did not have any law to cover it? The execution of those eight must have been legal. I have heard intimations around here today that there was no law to reach those guilty of sedition and, therefore, we must have this law. But each of the eight is as dead as though this law had been on the books. How can it be said that we need another law when the old sedition law covers everything; when we have a law against treason? We need better enforcement, if we need anything, not more law. Under this bill you try a man and the judge tells the jury that an act you thought was innocent—perhaps you repeated a statement made by a Member of Congress on the floor of the House or the Senate—but the judge tells the jury that they have the right to infer intent from the things you did. Do you see where you finally land? This question of whether you have a certain intent depends upon the working of the minds of that particular jury. You do something; you are tried here in Washington where pretty nearly everyone is either on the District pay roll or on the Federal pay roll. You go down before a jury composed of pay-rollers. You have said something against the administration; you have said something against the public officials who give them their daily bread; and what do they find? You have it here today. Let me repeat what I have said so often; I hold no brief for any one of the thirty-odd defendants indicted here in Washington for sedition, but for more than a year some of those defendants have been in jail and denied a trial in accordance with the law of the land; and now we come along after approximately 2 years of investigation, and after some of those defendants have spent a year in jail we find this Department of Justice that was referred to by the chairman of the committee—they assure us they are not going to do this, that, or the other—but we find the Department of Justice announcing that it is going to dismiss those indictments, quash them, seek and obtain a third indictment for the same things. Talk about intent. This Congress passed a Price Regulation Act, did it not? And under it the President said that it was our intent to place a limit on salaries. This Congress in 1934 passed an anti-racketeering bill to get the racketeers; yet when the racketeers in New York City held up farmers and said to them they could not enter the city until they paid $8.41 the Supreme Court over here said that Congress never intended to stop that particular kind of racketeering, only the Dillinger kind. You see where you get on the question of intent. You are at the mercy of a jury and a political-minded jury at that. It is my purpose to offer two amendments to, in part, aid in giving a citizen a chance.

The SPEAKER pro tempore. The time of the gentleman from Michigan has expired.

Mr. COX. Mr. Speaker, I yield 1 minute to the gentleman from Vermont [Mr. PLUMLEY].

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent to speak out of order, and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Vermont?

There was no objection.

THE REPORT OF THE NATIONAL RESOURCES PLANNING BOARD

Mr. PLUMLEY. Mr. Speaker, when I first read the report of the National Resources Planning Board, I was shocked by its apparent and obviously deliberate, but insidiously covert attempt to destroy individualism, encourage federalization, advance socialization, and generally change our existing order.

If you have not read the report as yet, do it now and forget it for the present. But remember it for the future and for all time. It is seed sown against a day of harvest.

The condition on which God has given liberty to man is eternal vigilance.

So said John Curran in 1790. It is true today. And Burke said:

The people never give up their liberties except under some delusion.

That also is to be well remembered.

INDIVIDUALISM

I vividly recall that recently Archbishop Spellman forcefully and forcibly expressed that in which I strongly believe when he enjoined his hearers and readers that the best way to preserve our country, strong and free, is to build up the citizen as an individual. This up-building of the citizen as an individual is the fundamental basis of all victory.

I may be old-fashioned—and I hope so—but I am still concerned with the thought that, if we expect this country not to follow the wide road to destruction which has been trodden by every civilization which has preceded us, we must save it by following the advice of former President Calvin Coolidge who suggested that sovereignty was vested in the individual and who further remarked that the America which Washington founded does not mean that we shall have everything done for us, but that we shall have every opportunity to do everything

for ourselves. That is the liberty and freedom for which we are fighting today.

The report of the National Resources Planning Board, if its suggestions were to be followed, would uproot, overturn, and overthrow the fundamental concepts and the bases on which rest all that has been or is to be accomplished growing out of the wisdom of the founding fathers:

All we have of freedom, all we use or know,
This our fathers bought for us long and long ago.

Woodrow Wilson once said, and truly, that freedom exists only where the people take care of the government.

Mr. Speaker, the American people should not be foolish nor should they be fooled. I suspect that the report of the National Resources Planning Board was filed to forestall congressional action along similar lines. Its filing was purely a political maneuver. As such the filing of the report was a trial balloon.

THE BALLOON LEAKED GAS

The reaction to its filing was so hostile that the balloon leaked gas and will have to be repaired if it is ever to float again. Since the balloon burst, the astute politicians who let it loose have pulled the rip cord and the cable. So the report rests on the Speaker's desk, where it will repose for some time; perhaps only till the atmosphere is such as to permit another flight with new and more gas.

The program it proposes is the definitive policy of those who would sacrifice everything to establish it in contravention to our established order. It cannot be otherwise construed.

The report speaks for itself. It confirms my statement. As an attempt to forestall congressional action it was a dud, as evidenced by the alleged willingness of the administration to let Congress lead the way if no commitments are made. The whole program smells of partisan politics if I can trust my sense of smell.

DESTRUCTION OF INDIVIDUALISM

I have read and studied history all my life. Honestly I never read such a declaration as the National Resources Planning Board report, or one drawn so insidiously to destroy the individualism of a people.

In one fell swoop it is proposed to go back to the age of feudalism. State lines are wiped out with the mop of Federal supervision and gratuity. Industry and labor are regimented. The taxpayer is made a serf. The axiom is ages old that corrupted freemen are the worst of slaves.

The report is an example of theory and idealism gone mad in a practical world. Somewhere I have heard or read that those whom the gods would destroy they first make mad.

Mr. Speaker, at a later date I propose to analyze the report seriatim and with particularity, but for the present I am going to follow the advice of Aeneas and fear the Greeks, even when they bring gifts—"timeo Danaos et dona ferentes."

Norman Thomas, the Socialist, could not have done better at his best, or half as well. Talk about socialization of a democracy. This report goes beyond anything and everything anybody ever thought of to undermine and to wreck us as a government of, for, and by the people.

THE ISSUE IS CRYSTAL CLEAR

Incidentally, but emphatically, may I say right here and now that the issue is crystal clear that this war is going to have to be fought on two fronts. We must fight the enemies from without and those who would revolutionize America from within.

The document and the proposal is the most insidiously vicious I have read during this era of crackpot planning. It is proposed and espoused by the same master minds of chicanery who have been unable to bring orderliness and logic to the simplest issues; those same people who have messed up the manpower problem beyond all hope of correction; those who ordered our bread unsliced and then rescinded the order, disturbed the farm and food situation to the point of crisis, and brought the country to the brink of a taxpayers' revolution as a result, primarily, of their wicked, wanton wasting of the taxpayers' money in their boondoggling and other social and liberal experimental programs so unwisely sponsored for the regulation, regimentation, and control of everything and everybody from birth to death.

For the land's sake, the Lord's sake, and our own sake, let us fight this war to a finish for our safety and the preservation of freedom and civilization and our established liberties, before we start such a civil war as this proposal will engender.

I say, Mr. Speaker, the plan is not only unwise and economically impossible, but it is the outstanding threat to all we hold dear, submitted at a time when no sensible man can but feel it sows the seeds of revolution. It is dangerous ground on which those stand who would submit such a plan to set up a dynasty.

THE AMERICAN PEOPLE WILL HAVE NONE OF IT

The American people will have none of it when they realize what it portends for them and for those who come after them.

If anything were needed to justify the action of Congress in refusing to appropriate another cent for the continuation of the National Resources Planning Board, it is found in this report, which involves the life and death of this Republic as well as the lives of every single citizen.

The people should know what is being attempted to be done to them, and I am sure Congress will not destroy the foundations on which has been erected the finest type of government the world has ever seen or known.

To follow the plan outlined would be, as I have said, to go back to the age of feudalism.

AN AGGREGATION OF CRACKPOTS

Assembled in Washington and vicinage we have the greatest aggregation of crackpots the world has ever seen together at one time. They are smart enough to realize and appreciate that for them and their crazy theories incident to the destruction of the existing order, and in order to save their own jobs, now is the accepted time to act. That they would take advantage of the war status may seem strange, but in doing so they are running true to form. They are keen enough, though un-American enough, to take advantage of the opportunity afforded while the American people are too busy fighting a world war to realize that they are being blown out of the water at home. I think this is despicable.

As for me, I cannot understand how the President of the United States could have even transmitted such a document to Congress except to get it out of his hands. I wish I could really think that was the true reason, but I am a suspicious individual and I am not so sure that such reason was controlling.

Again, Mr. Speaker, I am all fed up with this utilization of the war state of mind for the purpose of establishing a different form of government from that the founders contemplated.

There is nothing in the record of this administration which contradicts my intuitive conclusions that another trial balloon has been floated. Now is the time to shoot it full of holes. Now, I say.

AN UN-AMERICAN REPORT

The report is un-American in concept and delivery and should be consigned to the category of all other attempts to federalize this Republic by the destruction of individuals and individual initiative and the abolition of the States.

The gentleman from Virginia [Mr. WOODRUM] suspects that the report will be followed by proposals for legislation to and for:

Benefit payments to workers under social security who become ill or disabled.

Federal aid to qualified youths who desire college training.

Extension of social security to some classes now exempt.

Aid to local communities to build hospitals as part of a broad health program including Government cooperation with the medical profession in a plan for patients to pay medical expenses on a budget plan.

Greater assistance to the aged, blind, and other groups receiving public assistance.

Free lunches for all school children.

Guarantee every man released from armed forces or war plants a job with fair pay and working conditions.

Continue rationing and other wartime restrictions so long as necessary.

Give labor responsibility in organization and sharing in management.

Consolidation of railroads into a limited number of regional systems.

Government-private partnership in some plants and facilities with Government deciding what concerns should be left operating in such fields as aircraft, shipbuilding, aluminum, and magnesium.

Mr. WOODRUM'S suppositions are well founded and are not based on imagination.

Mr. Speaker, the reception that will be accorded such proposals by 100-percent Americans as represented in Congress, if and when they are aroused to a realization of what is involved, ought to spell the doom of any consideration of sub-

stantially all of the proposals, at least during the war period.

This is no time to be negotiating contracts with other governments for a future so indeterminate, so dependent upon contingencies, and so all-dependent upon the very individuals who will suffer by reason of such surrender of their individualism as is contemplated by the report.

And again, aside from the fact of the futility of and the dangers incident to all this premature, long distance planning, this is no time to divert the attention of the public by projecting a controversial discussion of many of the issues entirely internal, when our main business and sole aim should be to concentrate to win the war first. Attention should be directed to that one issue, not diverted for the purposes of distracting attention from the failures of the administration's program for socialization up to date.

"THE VOICE IS JACOB'S VOICE, BUT THE HAND IS THE HAND OF ESAU"

Finally, the best thing and the only really good thing about it all is that it exposes the hand of those whose sole intent and purpose is and has been to do what is proposed by the report.

I am opposed to the attempts to divert our attention from the administration's deficiencies and from the main question, namely, the winning of the war, to postprandial programs.

The National Resources Planning Board, ostrichlike, has hidden its head in the sand, but in so doing has exposed the vulnerable portion of its anatomy.

No matter how good the program may be—and it is bad—there is and will be time enough to start a fight between us and our allies later.

WHY START A REVOLUTION?

Why commence it now when without them and their aid we are licked? We cannot win this war alone. Why start a revolution at home or a row between us and our allies now?

Mr. Speaker, it may be well enough right in the family, though I doubt it, to be discussing our "operations," exposing our wounds, and talking about what we will do when we get well and what will be necessary after the war. Let us concentrate on winning the war.

NOT WHAT WE ARE FIGHTING FOR

The only good thing about all these plans, I say again, is found in their exposition of the clear and indisputable fact that what they propose is not what we are fighting for. We are fighting for fundamentals, for the continuation of our democratic-republican principles, for our established form and system of government, which they would destroy.

Were the plans proposed to be adopted, they would spell the end of everything we believe to be right and just and necessary to continue the American theory of democratic-republican government.

I am opposed to this astute, cute, and diabolical interjection of politics into a situation already fraught with almost insuperable obstacles to victory, a regrettable situation superinduced by inefficiency, incompetency, greed for power, and purely personal politics, exemplified by the report.

All this is part of a pattern and a plan conceived by some of the shrewdest un-American intellectuals ever attached to any government. It is time for the practical people to wake up and to realize how some people are trying to put them to sleep perpetually.

INSULT TO INDIVIDUALISM

What a beautiful and gratuitous insult to individualism is this report. Read it with a red light in your hand, pointing to every paragraph, for in each paragraph lies your danger. We should not be misled by its sophistry.

I ask you, Mr. Speaker, is this the Republic of George Washington, Thomas Jefferson, and Abraham Lincoln, or are we ready to follow the path which leads to destruction. I cannot believe that it can be so. I do not believe the American people will tolerate it.

A FIGHT FOR INDIVIDUALISM

Have we the intestinal fortitude to fight for our individualism, or will we go the way of all who have preceded us?

What a shame! What a disgrace if we who have done so little, and that badly, should now do worse and betray our country as we sell our birthright for a mess of pottage.

That what began best, can't end worst,
Nor what God blessed once prove accursed.

The Socialists and Anarchists and Communists and all who oppose our form of government must view this report and this attempt to destroy our form of government with great glee, while confessing that it goes so far beyond their dreams of its reorganization as to make them look like pikers.

As I have said, Mr. Speaker, at some later date I intend to discuss with particularity that concerning which I have spoken generally today. So in conclusion may I suggest that history is full of the stories of those preceding us who have gone along the easy path, which runs parallel to the soporific suggestions in the report in question that we are asked to follow. Free men set themselves free.

AN INSIDIOUS AND PATERNALISTIC REPORT

In my opinion, since the attempt to "pack" the Supreme Court, no such threat to the land of Washington and Jefferson and Lincoln has ever been written as is contained in this seemingly harmless but voluminously insidious and paternalistic report.

No such danger from a foreign foe has ever confronted lovers of liberty, freedom, and the possible continuation and advancement of the interests of mankind, as is to be found in this report.

Our only safety as individuals and as a republic lies in the possibility of making the dream of the founders of this Government come true. To follow the suggestions of the report is to commit national and individual suicide, to go the way of all those civilizations that have preceded us along the similar wide paths which have led to their destruction.

THERE IS A STRAIT GATE

So, in conclusion let me say to all lovers of America, do not be deceived by grandiose phrases and promises. Follow the advice of St. Matthew:

Enter ye in at the strait gate: for wide is the gate, and broad is the way, that leadeth to destruction, and many there be which go in thereat:

Because strait is the gate, and narrow is the way, which leadeth unto life, and few there be that find it.

Beware of false prophets, which come to you in sheep's clothing, but inwardly they are ravening wolves.

I hope you do not think I take myself too seriously, but "some must watch, while some must sleep; so runs the world away."

As Woodrow Wilson once said when addressing the Congress of the United States:

Our objective, now as then, is to vindicate the principles of peace and justice in the life of the world as against selfish and autocratic power. * * * Only free people can hold their purpose and their honor to a common end.

Our first job is to win this war.

Delenda est pan-Germania et Japan.

They must be buried forever in the death, dust, and hot ashes of a world conflagration they started, for which they are held solely responsible, against the remotest possibility of any renewal or repetition by them of such an atrocity against civilization as they have perpetrated.

This is our job now.

"Only free people can hold their purpose and their honor to a common end."

Mr. COX. Mr. Speaker, I yield to the gentleman from New York [Mr. BLOOM] to submit a unanimous-consent request.

Mr. BLOOM. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including a speech made by Col. Arthur Evans, M. P., today on delivering a letter from the Speaker of the House of Commons addressed to the Speaker of the House of Representatives, which was accepted for Speaker RAYBURN, who is absent on account of the death of his brother, by Speaker pro tempore MCCORMACK, and the speech of Speaker pro tempore MCCORMACK in reply thereto.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. COX. Mr. Speaker, the pending bill is a war measure. Not one of us can afford to vote against it. We have done our utmost to make it perfectly clear that the Congress is taking the Attorney General to mean just what he says, that there will be no abuse of the law on the part of the Department of Justice or any other prosecuting agency of the Government.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. COX. I yield to the gentleman from Mississippi.

Mr. RANKIN. I wish I shared the optimism of the gentleman from Georgia in his confidence in the Attorney General

and the Department of Justice, but he has gone into my State and dragged individuals 100 miles from their homes and indicted them for an offense against the State laws, an insult to the people of Mississippi that has not occurred since the dark days of reconstruction. Let me say to the gentleman from Georgia that some amendments should go into this bill to protect innocent Americans from the kind of prosecution the Department of Justice is trying to mete out to the people of Mississippi.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. COX. I yield to the gentleman from Michigan.

Mr. HOFFMAN. Along the line of what the gentleman from Mississippi is saying, when the bill is read for amendment I propose to offer an amendment providing that these defendants shall be tried in the district where they live and not in the District of Columbia.

Mr. RANKIN. Mr. Speaker, will the gentleman yield further?

Mr. COX. I yield.

Mr. RANKIN. I have been a prosecuting attorney. I do not believe there is a State in the Union that does not have written into its indictments for felonies that the defendant did willfully, unlawfully, feloniously, and so forth, commit the crime. We should not leave the word "willfully" out.

Mr. COX. It does not indict anybody, but it is intended to cover everyone. The gentleman is unduly alarmed.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. RANKIN. Reserving the right to object, Mr. Speaker, I understand the rule provides for 2 hours of general debate. Under this procedure will we consider the bill under the 5-minute rule and have the right to amend it?

The SPEAKER pro tempore. The gentleman is correct. If the unanimous-consent request is agreed to, the 2 hours of general debate are eliminated, and the bill will be considered under the 5-minute rule.

Miss SUMNER of Illinois. Reserving the right to object, Mr. Speaker, is it possible in that case to offer amendments to the bill?

The SPEAKER pro tempore. Yes, just the same as when the bill is being considered in the Committee of the Whole under the 5-minute rule.

Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc.—

TITLE I

SEC. 101. (a) Whoever, when the United States is at war, commits any hostile act against the United States (as defined in sec. 103) shall, upon conviction, suffer death or imprisonment for life or for such term of years as the court may direct.

(b) Whoever, when the United States is at war, attempts to commit or conspires to commit, any hostile act, against the United States (as defined in sec. 103) shall, upon conviction, suffer imprisonment for life or for such term of years as the court may direct, or, if an official, employee, or agent of a country with which the United States is at war, shall, upon conviction, be punished as provided in subsection (a) of this section.

(c) Should the violation of any provision specified in subsection (a) or (b) be by a corporation or association, it shall, upon conviction, be fined not more than $500,000.

SEC. 102. Whoever, when the United States is at war, knowing or having probable cause to believe that another has committed, is committing, or is about to commit, any act in violation of section 101 of this title, fails to report his information thereof as soon as is reasonably possible to the Federal Bureau of Investigation of the United States Department of Justice shall, upon conviction, be imprisoned for not more than 10 years or fined not more than $10,000, or both: *Provided,* That such failure to report shall not be a violation of this section if the accused shall show that he made such report to any other Federal, State, or local law enforcement officer.

SEC. 103. As used in this act, the term "hostile act against the United States" shall mean—

(a) Injuring, destroying, carrying away, concealing, or tampering with, or making or repairing in a defective manner, any property, real or personal, with intent to aid a country with which the United States is at war.

(b) Acquiring, compiling, obtaining access to, or transmitting any data calculated to inform the enemy with respect to the war effort of the United States or the war effort or defense of any nation whose defense shall have been publicly declared by the President of the United States pursuant to law to be vital to the defense of the United States, with intent to aid a country with which the United States is at war.

(c) Acquiring or possessing any money, weapon, explosive, means of communication or transportation, or any property, real or personal, with intent to use the same to aid any country with which the United States is at war.

(d) Killing, injuring, confining, obstructing, or otherwise by any act in violation of law interfering with another with intent to aid any country with which the United States is at war.

(e) Harboring, concealing, sheltering, lodging, or otherwise assisting another person with knowledge or belief that such person has violated, is violating, or is about to violate section 101 of this title, or that such person is an officer, employee, agent, or member of the armed forces of any country with which the United States is at war, with intent to aid any country with which the United States is at war.

(f) Intercepting, delaying, suppressing, diverting, or otherwise tampering with any communication or any means of communication, or transmitting any communication or information, which communication or information was known to be false, with intent to aid any country with which the United States is at war.

(g) Entering, traveling within, or over, or departing from the United States, the Canal Zone, or any Territory, possession, or waters, continental or insular, subject to the jurisdiction of the United States, with intent to aid any country with which the United States is at war.

SEC 104. As used in this act, the term "intent to aid any country with which the United States is at war" shall mean an intent to assist any country with which the United States is at war or to further the illegal purpose of any person (whether or not a national of such country) known or believed to be an officer, employee, or agent of such country, or a member of its armed forces, or to further the illegal purpose of any person who is known or believed to be engaged in assisting or acting in the interest of such country in such a way as to violate any provision of this act.

TITLE II

SEC. 201. All proceedings under title I of this act, and when the United States is at war, all proceedings under the act of June 15, 1917 (40 Stat. 217), as amended, the act of April 20, 1918 (40 Stat. 533), as amended, and section 1 through section 8 of the act of March 4, 1909 (35 Stat. 1088), as amended, shall be conducted in accordance with the provisions of this title.

SEC. 202. Whenever there is presented to a court an indictment charging an offense committed when the United States is at war, against any of the provisions of law referred to in section 201 of this title, the Attorney General may file with the clerk of such court a certificate that, in his opinion, the case is of importance to the prosecution of the war. Thereupon the trial under such indictment and all appellate proceedings (including certiorari) relating thereto shall be given precedence over other classes of cases and in every way expedited and assigned for hearing at the earliest possible day.

SEC. 203. (a) On the motion of the United States, made at the direction of the Attorney General, the court may take such precautions as may be necessary to prevent the disclosure to persons other than those to whom disclosure is necessary for purposes of the trial of information which may be valuable to any country with which the United States is at war: *Provided,* That all evidence received during the continuance of such precautions shall be duly recorded, shall be promptly transcribed, and shall form part of the record of the case. The judge shall make such provision as he deems proper to insure that the evidence so recorded shall not be revealed to any unauthorized person: *Provided further,* That nothing therein contained shall be construed to modify the rules of evidence.

(b) Upon any arrest and at any stage in the course of a case the proceedings in which are regulated by this title bail may be taken, but, whether or not the crime charged is punishable by death, only in accordance with the provisions of section 1016 of the Revised Statutes (U. S. C., title 18, sec. 597).

SEC. 204. Any person, whether citizen or alien, accused of committing, when the United States is at war, an offense against any of the provisions of law referred to in section 201 of this title may, in the discretion of the court, conduct his defense and all appellate proceedings (including certiorari) incident thereto in forma pauperis, subject to the provisions of the act of July 20, 1897 (27 Stat. 252), as amended.

SEC. 205. The provisions of this act shall extend to offenses punishable under section 101 wherever committed. They shall extend to offenses punishable under section 102 when committed within the United States, the Canal Zone, or any Territory, possession, or waters, continental or insular, subject to the jurisdiction of the United States.

SEC. 206. Nothing in this act shall be construed to deprive any court martial, military commission, or other military tribunal of jurisdiction over any offenses or offenders over which such jurisdiction exists under the Articles of War, or under the law of war, or otherwise. Nothing in this act shall apply to uniformed members of the armed

forces of the enemy acting in accordance with the law of war.

SEC. 207. This act shall be construed to be supplementary to, and not in lieu of, any other law.

SEC. 208. This act may be cited as the "War Security Act."

The SPEAKER pro tempore. The Chair will state that under the present parliamentary situation amendments may be offered to any part of the bill.

Mr. SUMNERS of Texas. Mr. Speaker, I move to strike out the last word, and ask unanimous consent to proceed for 10 additional minutes for the purpose of attempting to explain the bill to gentlemen who may be interested.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mrs. BOLTON. Mr. Speaker, will the gentleman yield for a parliamentary inquiry?

Mr. SUMNERS of Texas. I yield to the gentlewoman from Ohio.

Mrs. BOLTON. Are we now proceeding with the 2 hours of general debate or are we proceeding under the 5-minute rule?

The SPEAKER pro tempore. The Chair will state that the bill is now being considered under the 5-minute rule. The 2 hours of general debate have been eliminated by unanimous consent.

Mr. MICHENER. Mr. Speaker, will the gentleman yield for a parliamentary inquiry?

Mr. SUMNERS of Texas. I yield.

Mr. MICHENER. Mr. Speaker, there seems to be some misunderstanding about the present parliamentary situation, especially on our side. As I understand the situation, it is this: Any Member having an amendment to offer to any part of the bill may offer it at any time.

The SPEAKER pro tempore. Exactly.

Mr. MICHENER. Second, anyone desiring to be heard on the bill may move to strike out the last word and proceed as we usually proceed when pro forma amendments are offered.

The SPEAKER pro tempore. The gentleman explains the situation exactly.

Mr. RANKIN. Mr. Speaker, I have an amendment on the desk, and I ask unanimous consent that it be read for the information of the House.

The SPEAKER pro tempore. Does the gentleman from Texas yield to the gentleman from Mississippi for that purpose?

Mr. SUMNERS of Texas. I yield, Mr. Speaker.

The SPEAKER pro tempore. Without objection, the Clerk will read the amendment of the gentleman from Mississippi for the information of the House.

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. RANKIN: On page 1, line 5, after the word "war" insert the word "willfully."

Mr. HOFFMAN. Mr. Speaker, will the gentleman from Texas yield to me for the same purpose of offering an amendment for information?

Mr. SUMNERS of Texas. Yes.

Mr. HOFFMAN. Mr. Speaker, I offer the following amendment to be read for information.

The SPEAKER pro tempore. Without objection, the Clerk will read the amendment of the gentleman from Michigan, for information of the committee.

The Clerk read as follows:

Amendment offered by Mr. HOFFMAN: Page 5, line 10, after the word "war" insert "which shall be held in the United States district court sitting in the district where the defendant resides, and which, if there be more than one defendant, shall be held in the United States district court sitting in the district where a majority of the defendants reside, and said trial."

Miss SUMNER of Illinois. Mr. Speaker I offer the following amendment to be read for information of the committee if the gentleman from Texas will yield.

Mr. SUMNERS of Texas. I yield.

The SPEAKER pro tempore. Without objection the Clerk will report the amendment of the gentlewoman from Illinois, for information.

The Clerk read as follows:

Page 3, line 9, after the word "war" insert "Provided, nothing in this paragraph shall be construed as applying to any newspaper of general circulation."

The SPEAKER pro tempore. Will the gentleman from Texas restate his unanimous consent request for additional time?

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent that I may have 10 minutes, 5 minutes additional, in which to attempt to explain any provisions of the bill that I may be able to explain relative to which Members of the House have any questions.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. The gentleman from Texas is recognized for 10 minutes.

Mr. SUMNERS of Texas. Mr. Speaker, I am not going to attempt any general discussion of the bill, and I shall make only one or two general statements and then yield myself for any questions which Members of the House may desire to ask.

The first thing which I think will be important to the Members of the House is that with reference to the executions which have been referred to. Those executions were possible as a result of trial by a military commission because the people tried and executed committed offenses against the law of war. This bill is deemed to be necessary by the Department of Justice because of the fact that at the present time there is not sufficient protection of the Government against individuals doing the hurtful things which it is sought to prohibit by the provisions of this bill. The Committee on the Judiciary took the bill as introduced and worked it over and finally got together in agreement, unanimous agreement on its provisions. Everybody on the Committee on the Judiciary is agreeable to this bill. It is one of those bills that makes one ask questions, when first read, but when one thinks it through, apprehension disappears. It is my recollection that there was considerable concern in the Committee on Rules when this bill first came before it. Gentlemen were very earnest in trying to find out whether the bill is sound, and as I recall, the same procedure and the same results were had in the Rules Committee that were had in the Committee on the Judiciary, namely, that as members of the committee looked more deeply into the bill the apprehension first held disappeared. I believe it to be a correct statement to say that this bill comes to the House with the unanimous approval of the Committee on the Judiciary and the unanimous approval of the Committee on Rules, in each of which committees, as I stated, there was concern and careful examination. In the Committee on the Judiciary there was substantial modification until the cause for apprehension was removed.

If Members will consider for a minute, I believe they will agree that if the apprehensions which seem to be aroused in their minds by reason of the provisions of this bill should be held justified, then practically all the general enactments on the statute books ought to be repealed because, the same possibilities for abusive exercise of official powers are present everywhere. We might as well be frank, there is no possibility of writing effective law so that a public official cannot use the power of which he is trustee so as to put a private citizen to inconvenience or even in jeopardy.

I was 4 years a prosecutor, and it just cannot be done. The only precaution that we can have, that the private citizen can have, is first, officers who will not do such a thing, and second, a condition of public opinion that will not permit it. The language of the bill limits its penalties to those who do prohibited things to aid our enemies in time of war. The things prohibited are those which no patriotic citizen would think of doing and no other person ought to be permitted to do. With that general statement, if there are any questions in the minds of individual Members of the House, that I may be helpful in trying to answer, I am very glad to yield.

Mr. O'HARA. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. I yield to my distinguished friend, a former member of our committee, and I wish he were yet a member.

Mr. O'HARA. I thank the gentleman for his kindly words. Section 103 refers in broad language to the injury or destruction of property of any kind. It need not be the property of the Government of the United States, it need not be property which is engaged in the war effort, according to either the language of the report, or the very language of the bill itself. I wonder if the distinguished chairman of the Committee on the Judiciary would not agree with me that the broad language of that section commencing with subdivision (a) of section 103 and down to paragraph or subdivision (b) is not subject to the broadest kind of interpretation?

Mr. SUMNERS of Texas. Yes; I agree that it is susceptible of broad interpretation, in other words, it is intended to make illegal injury to property, destroying, carrying away, concealing, or tampering with or making or repairing in a defective manner any property, real or personal, with intent to aid a country with which the United States is at war. That ought not to be allowed—doing these things to aid the enemy with which we are at war.

I call the gentleman's attention to a concrete case with which, perhaps, he is familiar.

One of the big concerns in this country defectively made a war material, manufactured some wire, not for the purpose, of aiding an enemy of this country perhaps, but to defraud the Government. They did it for the purpose of making cheaper, inferior material that would make it possible for them to get more profit. But suppose that wire had been made in a defective manner for the purpose of aiding the enemy so that when the United States was attempting to use it on the battlefield it would have put our troops at a disadvantage. It is the purpose of this bill to get that sort of people with a maximum penalty of death.

Mr. O'HARA. May I say to the gentleman that I recognize the difficulty that the committee and those engaged in presenting this legislation to the House faced in drawing such a provision, but if I may say to the distinguished gentleman, I am concerned with the broad interpretation that might be placed upon that very language. For example, a man might be engaged in driving his own automobile and he might run into a Government truck. Someone would get the idea, if that truck were damaged or destroyed, that the driver of the private automobile was engaged in aiding the enemy.

Mr. SUMNERS of Texas. If he does it with intent to aid the enemy, and they prove it, if they prove it, why should he not be convicted? We are at war and our boys are dying on the battlefields, and I ask what right has anybody to do that thing with the purpose of aiding the enemy? Take this situation: I submit to my friend, suppose that automobile was carrying the commanding officer, who was rushing to the battle front, and somebody would drive into that car for the purpose of incapacitating him and aiding the enemy, should the offender go free?

Mr. O'HARA. Of course, my answer would be "No." But the language is so broad. I realize it may have to be broad.

Mr. SUMNERS of Texas. Yes. That is the trouble. I do not believe you can take a statute on our books if you figure that the judges are crooked and the prosecuting attorney is crooked and the jurors are fools, that you can figure out any security for the private citizen under it. You could be scared to death every night waking up thinking about what could happen to you.

Mr. O'HARA. I think that most of the Members of the House are more concerned with some zealot who is a prosecuting attorney, who may go so far beyond what the intent of this Congress is.

Mr. SUMNERS of Texas. The gentleman is right about that. You cannot possibly frame effective legislation that will take care of a general situation that will not make it possible for some fool or some zealot in office to do a thing that is harmful or at least harassing to the individual citizen. Protection against their selection, open public trial, public guardianship, and public opinion, right of appeal, and of review—those are the only protections aside, of course, from the legislative duty to make clear, reasonable, and plain what is prohibited, and, at the same time, not so to weaken the governmental power that it cannot protect the public interest.

The SPEAKER pro tempore. The time of the gentleman from Texas has expired.

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. RANKIN. Will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. RANKIN. I have offered an amendment to include the word "willfully." The gentleman from Texas has been a prosecuting attorney and so have I. This law is not directed at alien enemies. It is to be used in trying American citizens. Under the law of every State in the Union where a man is indicted for a felony the indictment is worded as follows: "The defendant did willfully, unlawfully, feloniously, and so forth." If it is anything less than a murder case, then the expression "with intent" to do so and so is added. So the words "with intent" do not take the place of throwing around a defendant that safeguard that has been recognized throughout the history of the common law of saying that he did willfully commit the offense.

Mr. CELLER. Will the gentleman yield?

Mr. SUMNERS of Texas. Will the gentleman wait until his amendment is under consideration? I desire to hurry through with this now.

Mr. HINSHAW. Will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. HINSHAW. I think there is no Member of the House any more jealous of the rights of the American citizen than the gentleman from Texas, Mr. Sumners, and we all recognize that fact, but I would like to have the gentleman repeat the statement he made a few moments ago as to the meaning of "intent." In other words, that part of it which refers to the actual consequences of the act. Will the gentleman repeat that statement?

Mr. SUMNERS of Texas. As I recall, the statement I made a moment ago had to do with where the burden of proof lies in establishing the intent to aid. That, of course, would rest upon the Government.

Mr. HINSHAW. Did not the gentleman say that the intent was to be judged by the results of the act, and not necessarily by the act itself?

Mr. SUMNERS of Texas. It is a matter for the jury to pass upon, taking into consideration all the evidence and the charge of the court, as the gentleman well knows.

Mr. HINSHAW. Then is the gentleman perfectly sure in his own mind that this act protects the innocent American citizen who may, without intent to aid the enemy, nevertheless gives information which might aid him?

Mr. SUMNERS of Texas. In my opinion, this language protects the innocent private citizen as well as you can protect him, and have a reasonable chance of convicting the guilty. That is about as broad a statement as I could make, and I think that runs through the whole philosophy of criminal law.

Mr. HINSHAW. Is the gentleman later going to argue against some of these amendments that are pending?

Mr. SUMNERS of Texas. We will wait until they are taken up.

Mr. HINSHAW. I would like to hear the gentleman's remarks about some of them if he is not going to argue them later.

Mr. SUMNERS of Texas. We will take those up later.

Mr. HALLECK. Will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. HALLECK. As I understand it, the gentleman and his very able committee take the position that this act is necessary to supply a deficiency in our Criminal Code?

Mr. SUMNERS of Texas. There is not a member on the committee, as far as I know, who has any doubt about it.

Mr. HALLECK. I have just this further question: In recent times some are inclined to characterize as pro-Nazi anyone who happens to find fault with or criticize some conduct of the Government or someone in the Government. I take it that no such attitude as that could be considered as evidence of intent to aid the enemy.

Mr. SUMNERS of Texas. We did not think so.

Mr. O'HARA. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman.

Mr. O'HARA. May I have the opinion of the gentleman as to subsection (b) of section 103? For example, that particular section would apply, I believe, to the newspapers of this country. Let us assume a news item is published which also might contain some data. It might be innocently published. Someone might charge that it was giving aid or information to the enemy. It was not the intention of the committee or of the gentleman to make that a criminal offense for which some person would be subject to the death penalty.

Mr. SUMNERS of Texas. I appreciate my colleague asking me that question, because it gives me an opportunity to state for the RECORD that it was neither the intention nor the construction of the

committee that a successful prosecution could be had under the state of facts which have been just detailed by the gentleman.

Does that answer the question of the gentleman from Minnesota?

Mr. O'HARA. Yes; and may I thank the gentleman for his statement?

Mr. SUMNERS of Texas. It puts it in the RECORD.

Mr. O'HARA. It puts the statement in the RECORD as to the intent.

Mr. FISH. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. FISH. The gentleman has repeatedly stated to the House and defined his definition of intent, and so have other very able members of the Committee on the Judiciary. Assuming that some attorney general or some district attorney, in defiance of the Congress, should bring suit, would it not be the duty of the Congress to take court action and impeach that man?

Mr. SUMNERS of Texas. It would be the duty of some regulatory agency of the Government, first, the Department of Justice, in the first instance; then it would be the duty of the Congress, if a man is misusing his authority, to take action.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the bill may be read for the purpose of offering amendments.

Mr. ROBSION of Kentucky. I object.

Mr. CELLER. Mr. Speaker, I rise to strike out the last word.

The SPEAKER pro tempore. The gentleman from Mississippi [Mr. RANKIN] asks unanimous consent that the bill be read for the purpose of amendment. Is there objection?

Mr. ROBSION of Kentucky. I object.

Mr. RANKIN. A point of order, Mr. Speaker.

Mr. ROBSION of Kentucky. Mr. Speaker, a member of the committee was on his feet and moved to strike out the last two words.

The SPEAKER pro tempore. Do I understand the Member was on his feet for the purpose of offering an amendment?

Mr. CELLER. I move to strike out the last two words.

Mr. RANKIN. The bill has not been read.

Mr. Speaker, a point of order.

The SPEAKER pro tempore. The Chair has recognized the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Mr. Speaker, I offer an amendment which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. RANKIN: Page 1, line 5, after the word "war" insert the word "willfully."

Mr. RANKIN. Mr. Speaker, of course I am as strong for prosecuting violators of the law as any other man in Congress or out of it. You know, it is said that prosecuting attorneys never get over it because they realize that the overwhelming majority of the people who are brought into court charged with crimes are guilty.

But it has been the practice under the common law and under every statute of every State in the Union, so far as I know, to throw about the accused all the necessary safeguards to guarantee him a fair and impartial trial and to definitely define the offense with which he is charged.

Mr. GWYNNE. Will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Iowa.

Mr. GWYNNE. Personally, I would have no objection to the gentleman's amendment, but in view of the requirement for specific intent, just what does it add to the bill?

Mr. RANKIN. Let me say to the gentleman from Iowa that if you were indicted for assault and battery with intent to kill and murder in any State of the Union, the indictment would read that you had willfully, feloniously, and unlawfully assaulted, beaten, bruished, or cut and wounded the person attacked "with the intent to kill and murder him." So the intent is written in addition to the words "willfully" and "feloniously," and "maliciously." The word "intent" is also written into the indictment in every State court in the Union, and so far as I know up to now it has always been done in every Federal court.

Mr. GWYNNE. That all may be true so far as the wording of the indictment is concerned, but if proof were made and the act were done with the specific intent, would that not carry with it the same meaning?

Mr. RANKIN. If this man is guilty, there would be no trouble to prove that he willfully did this. Some gentleman on that side awhile ago cited the case where a man ran his car and came in conflict with another and probably was charged with willfully doing this. But later in the indictment you say that it is done not willfully, but with a certain intent. Now, why not follow the beaten path of precedent laid down by the English courts 300 or 500 years ago and followed by every court in America down to the present time? I say if you are going to pass this bill, there are safeguards that should be included here.

Mr. MICHENER. Will the gentleman yield?

Mr. RANKIN. Yes; because I was surprised awhile ago at the gentleman's attitude on this.

Mr. MICHENER. I am not surprised that the gentleman is surprised because possibly the gentleman from Michigan is very often unconsciously mistaken.

Mr. RANKIN. Knowing the gentleman from Michigan as I do, I am certain that he would oppose this amendment.

Mr. MICHENER. Personally, I have no objection to including "willfully" along with "intent." I do believe, however, that it is mere surplusage.

Mr. RANKIN. I do not yield for a speech. I yielded for a question.

Mr. MICHENER. I will ask the gentleman a question then.

Mr. RANKIN. No. The gentleman is repeating the words of the prosecuting attorney. Now, then, all prosecuting attorneys are zealous. As I said, I have been one myself. Sometimes they become so zealous that they would like to strike out all the safeguards in the indictment and just say, "Bill Smith killed a man," or tried to kill him, therefore he is guilty of murder or of assault and battery with intent to commit murder.

When I see the Department of Justice violating the laws of my own State, going out of its way to insult and mistreat the people of Mississippi, as they have not been mistreated since the dark days of reconstruction, I must say that it does not inspire me with enough confidence to place the people of this Nation at the mercy of the radicals in charge of that Department without writing all the necessary safeguards I can into the law. I do not know whom they might want to persecute next.

When we write a bill here to give them authority, I want that bill protected with those safeguards that the English-speaking lawyers and the English-speaking courts have said for 500 years were necessary if we are going to give an individual a fair and impartial trial.

I am not sure that these representatives of the Department of Justice have not gone out—I think they have—and used their powers for the purpose of political persecution in other cases. I do not want to leave a gap here whereby an innocent victim can be persecuted, punished, and imprisoned or hanged without having the benefit of all the protection the law has always provided up to now.

The Department of Justice, as now constituted, by its mistreatment of the people of Mississippi, has forfeited the respect and confidence of the people of the entire South.

The SPEAKER pro tempore. The time of the gentleman from Mississippi has expired.

Mr. CELLER. Mr. Speaker, I rise in opposition to the amendment offered by the gentleman from Mississippi.

Mr. MICHENER. Mr. Speaker, will the gentleman yield for a parliamentary inquiry?

Mr. CELLER. I yield.

Mr. MICHENER. Mr. Speaker, may we have the amendment again reported?

The SPEAKER pro tempore. Without objection, the Clerk will read the amendment offered by the gentleman from Mississippi for the information of the House.

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. RANKIN: On page 1, line 5, after the word "war", insert the word "willfully."

The SPEAKER pro tempore. The gentleman from New York is recognized for 5 minutes.

Mr. CELLER. Mr. Speaker, that amendment would affect all the subversive actions aimed at under the bill and might have a tendency to weaken the bill in the sense that many of the espionage and sabotage statutes of the past deliberately eliminated the word "willful." I have those statutes before me, that is, title 50 of United States Code on the subject of war: Section 31 with reference to obtaining or permitting the obtaining of information for national defense; section 32 with reference to unlawfully disclosing information affecting

the national defense, and so forth. In those old statutes the word "willful" is omitted. To now stick in the word "willful" in the pending bill which in a way amends several of these old acts or supplants these acts, might affect the well-settled interpretations placed upon these statutes by the courts; because of the fact that Congress now inserts the word "willful" in this new statute some judge might take the position that more evidence should be required, a stronger case might be required to be made out by the prosecution during the national emergency, during the war. You might place a greater burden upon the Government than is necessary.

We are called upon to pass an emergency statute to meet extraordinary situations devised and planned by our enemies against our war economy, our peace, and safety. It is essential that we Members of the House anticipate and circumvent with befitting legislation the ingenuity and the cleverness and the resourcefulness and the skill of the Nazis in all their schemes—these Nazis who have many friends in this country endeavoring to sabotage our war plants and our industries, who are continually plotting against our security and safety.

Think for one moment: These eight Nazi saboteurs landed on the coast of Florida and Long Island. They had with them $100,000 in cash, a large amount of dynamite, and blueprints of all our essential industries, maps of our important highways, our bridges, and our railroads. They intended to blow up and sabotage vital war plants, and yet under the present statute we practically stultified ourselves in the sense that we could inflict upon them if they had been tried in a civilian tribunal only 2 years' imprisonment and an insignificant fine or try them for a possible violation of our immigration statutes, with also a comparative minor punishment. Because of this lack we tried them before a military tribunal without right to trial by jury. I cannot understand the solicitude of some Members for the rights of the accused when without the present statute, we compel a military trial without the time-honored right of jury trial.

Mr. RANKIN. Mr. Speaker, will the gentleman yield at that point?

Mr. CELLER. I cannot yield for the moment; let me continue, please.

We have in this legislation gone as far as we could to cover every possible activity of a Nazi or Fascist who has an intent to aid our enemies. It would not add to the bill to put in the word "willful" with reference to proving intent, but it might have a deleterious effect upon the judicial tribunal in its interpretation of what we now mean by "willful" when we have heretofore left it out of some of our Federal statutes despite the fact that many States may use the word "willful" in their criminal statutes. Now, if the gentleman has any fear as to what must be proved under intent——

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. CELLER. In just a moment. I want to state that under the present Federal statute with reference to espionage and sabotage we find the statute worded in the alternative: Either there must be "reason to believe" the act will aid the enemy, or there must be an "intent" to aid the enemy; so you can have a prosecution for espionage and sabotage under the present statute on either only "intent" to aid the enemy, or on "reason to believe." Thus, if a man commits some act which he may or should have "reason to believe" was calculated to aid the enemy and has that result, despite the fact he has no such "intent," under the present statute you can convict him.

We went to extra lengths in order to safeguard the citizen's rights in this bill so as to do away with that alternative. Thus, if the act is only reasonably calculated to aid the enemy, he cannot be convicted unless the act is coupled with a specific, deliberate, clear-cut, well-defined "intent." If there is any doubt, any attorney for the accused can request and demand the court to instruct the jury that such doubt must be resolved in favor of the accused. I say, therefore, that with all these safeguards I cannot conceive why we should try to weaken the bill by the addition of the word "willful"—weaken it by a possible greater burden placed upon the prosecution as the result of faulty interpretation of the word "willful."

Remember also that this is only a war measure, for the duration of the war only. It had the unanimous vote of the members of the Committee on the Judiciary, who struggled for months to take all the "bugs" out of the bill, to use words of common parlance. We do not want to arrogate to ourselves perfection, but I assure the Members of the House that we worked arduously and long to bring out the best bill possible. It is not perfect. We do not arrogate to ourselves perfection, but this word "willful" would have a tendency to injure what we have done and weaken the bill considerably.

This bill covers every possible act that could be contemplated by saboteurs. The bill, therefore, is comprehensive in its scope. It has to be; otherwise, it would be abortive. Whenever an act is described, it is not deemed a guilty act or hostile act unless it is done or performed with intent to aid the enemy. Section 104, page 4, describes what is meant by the use of the word "intent." It is as follows:

SEC. 104. As used in this act, the term "intent to aid any country with which the United States is at war" shall mean an intent to assist any country with which the United States is at war or to further the illegal purpose of any person (whether or not a national of such country) known or believed to be an officer, employee, or agent of such country, or a member of its armed forces, or to further the illegal purpose of any person who is known or believed to be engaged in assisting or acting in the interest of such country in such a way as to violate any provision of this act.

The Axis has inaugurated a campaign of secret warfare by treason and poisonous propaganda. They want to disrupt our production; they want secret troop and ship movements and details of our convoys. This bill seeks to nullify their campaign.

The present statutes are inadequate. There are many ambiguities and gaps which must be corrected, if our legal weapons are to be sufficiently strong to combat this type of secret warfare.

Thus, a saboteur might conceal an essential part of a war machine to render it useless. He is guilty of no crime under the present statute, even though he conceals that part with specific intent to aid the enemy by slowing down production. This is so because the existing law makes injury only to, first, war materials; second, war plants, or third, war utilities, punishable. The courts have placed narrow construction on these half phrases. It may be doubted whether any of these includes rendering a machine useless by concealment of a vital part.

The present bill punishes every kind of injury whether tampering with, concealment of, or making defective any property or part of a war plant when committed with intent to aid the enemy.

The eight Nazi saboteurs were guilty of no violation of the Espionage Acts because the were not guilty of any overt act. They had the intention to wreck and destroy and, therefore, the present bill provides that plans of the type devised and inaugurated by the saboteurs if accompanied by no overt act would nevertheless be a violation of this War Securities Act. These saboteurs had instructions for making secret ink and for carrying on secret communications, with plans for an extensive campaign of sabotage. Surely, it is our purpose to frustrate by extreme punishment such culprits and to prevent the carrying out of their schemes before they can commit overt acts. Why wait until they can accomplish their aims? Under the present statutes, they were not guilty of an attempt to commit sabotage. The weakness of our statutes, therefore, must be corrected. We must apprehend and punish before they carry out their nefarious schemes.

Furthermore, the current bill makes necessary the reporting of evidence of the presence and activities of saboteurs. Deliberate failure to report means a violation of this statute.

Most of the persons who knew of the presence of the eight saboteurs not only failed to report but also committed positive acts to aid them. By so doing, they brought themselves within the scope of the treason statutes. Some of them have already been convicted of treason. but if they had not committed these positive acts of aiding the saboteurs, it would have been impossible to punish them. It has been contended that the treason statutes are not applicable to non-citizens. The failure to report since not accompanied by some positive act, some overt act, some injury or violence could not be the basis of a prosecution.

Every loyal American owes it to himself and to his country to report promptly suspicious actions. Under this act, he must report the suspicious circumstances to an F. B. I. agent. Failure to report shall not be a violation if the accused shall show he made such a report to any other Federal, State or local law enforcement or public officer.

Military jurisdiction by way of court martial or military commission under the Articles of War or law of war is unaffected by this Act.

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

Mr. MICHENER. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, one thing about the Committee on the Judiciary is that we do not always agree among ourselves but we always speak frankly and say what we think. I do not wholly agree with all the distinguished gentleman who just preceded me said; that is, if I understood him correctly. I am inclined to think that I would not oppose inserting the word "willfully" before the word "commits" in line 5 on page 1. This section 101 (a) is the penalty clause. It refers to section 103 wherein the definitions of the hostile acts for which the penalty is provided is found. Section 103 makes it clear that there can be no conviction under section 101 until the intent of the accused to aid a country with which the United States is at war is proven beyond all reasonable doubt. Certainly if proof of such intent is required then the act must of necessity be willful.

Mr. VORYS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. I yield to the gentleman from Ohio.

Mr. VORYS of Ohio. Is it possible that there could be a specific intent without its being a willful act? A number of us are unable to see that inserting the word "willfully" adds or detracts anything.

Mr. MICHENER. That is my view exactly. Without proof of the specific intent required in each subsection of section 301 there is no guilt. The amendment of the gentleman from Mississippi has no vitality. It is mere surplusage.

Using the illustration I attempted to use a moment ago when the gentleman from Mississippi had the floor, I might write a letter to the Speaker of the House for instance saying something derogatory about the gentleman from Indiana here. I might say something the gentleman from Indiana had purportedly said to me about the Speaker. Assuming the Speaker might become inflamed and even kill the gentleman from Indiana. Could I be tried and convicted of murder, of having had the intent to kill the gentleman from Indiana, because perchance jocularly I wrote a letter to the Speaker about the gentleman from Indiana? The writing of the letter was willful. I did it voluntarily. I intended that the Speaker should get the letter but I had no intent to kill the gentleman from Indiana. Two factors must be present for conviction under this bill. The voluntary, willful act committed with the specific intent named.

Possibly some laws are written as suggested by the gentleman from Mississippi. Many unnecessary words were formally included in legal papers. Conciseness, clarity, and brevity are attributes in modern draftsmanship. My distinguished oratorical friend from Mississippi has gone back a long ways.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. I yield to the gentleman from Mississippi.

Mr. RANKIN. Why does not the gentleman just say way back in the days of Charles Evans Hughes and William Howard Taft?

Mr. SHAFER. The horse-and-buggy days.

Mr. RANKIN. This word is in every indictment in the country. The word "intent" does not imply "willful." In order to make this perfect and to protect these people and give them a proper trial, the word "willfully" must be written into the law, or you will have a weak place in it.

Mr. MICHENER. Of course I do not agree with my friend, however, if such a useless amendment will add to his peace of mind the reward might compensate for the redundancy.

The SPEAKER pro tempore. The time of the gentleman from Michigan has expired.

Mr. SPRINGER. Mr. Speaker, I rise in opposition to the pro forma amendment.

Mr. Speaker, quite an extensive discussion has been had with respect to section 101 of title I of the pending bill with reference to the insertion of the word "willfully" in line 5 on page 1. I cannot see that such insertion either adds to, or detracts from, the provisions of this measure. I make that statement because if you read section 101, which refers to the commission of a hostile act, and then turn to section 103, which begins at the bottom of page 2 and carries over on pages 3 and 4, you will find that each one of these hostile acts is specifically defined. I want each Member to read over each one of these particular provisions by which the hostile acts are defined. You will find that each one of them refers to a specific intent to aid a country with which the United States is at war. That specific intent certainly controls each specific and separate offense as defined in the measure.

Mr. VORYS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from Ohio.

Mr. VORYS of Ohio. Is it possible to unintentionally intend anything? It seems to me that is what is involved here on this amendment.

Mr. SPRINGER. I think the gentleman's question is his own answer, because it is apparent.

Under this provision, by which a specific intent must be positively and definitely shown, the fact that the word "willfully" is added does not give any more weight to the provision of the statute than it already carries with the provision of the intention.

Mr. O'HARA. Mr. Speaker, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from Minnesota.

Mr. O'HARA. Will the gentleman agree with me that in times of hostility, in times of emergency, it would not do any harm to be on the side of safety and insert the word "willfully," as the gentleman from Mississippi has suggested?

Mr. SPRINGER. Answering my good friend from Minnesota, may I say that I do not believe the addition of the word "willfully", in line 5 on page 1, as suggested by the gentleman from Mississippi, will in any way relieve the situation which develops under this provision of this proposed law. Regardless of hysteria and regardless of any other fact which might develop at any future time, we know the provision of specific intent fully protects anyone charged with a violation of the law. We know that when a specific intent is provided, and with the certainty with which it is provided under the various subdivisions of section 103, and that intent so provided, is the intent to aid a country with which the United States is at war, that intent must be proven, and it must be proven beyond a reasonable doubt, a safeguard which attends every defendant in the trial of every criminal case. I cannot conceive that any person charged with a violation of this proposed legislation would find that the doors would be closed against him. He would have every available defense at his disposal. Those prosecuting the cause would necessarily have the burden of proving the guilt of the defendant, beyond a reasonable doubt, which would also include the "intent," as provided by this measure.

Mr. CREAL. Mr. Speaker, will the gentleman yield?

Mr. SPRINGER. Yes. I yield to the gentleman from Kentucky.

Mr. CREAL. I understood the gentleman from New York [Mr. CELLER] to have some objection to having the word "willful," for fear it might require a different interpretation of the act. I understand the gentleman from Indiana is a member of the same committee, and that he differs with the gentleman from New York [Mr. CELLER], and yet the gentleman from New York stated that you were all together.

Mr. SPRINGER. I do not believe that such addition either adds to or detracts from the measure.

Mr. CREAL. Then you do not differ with the gentleman from New York. The gentleman read the report?

Mr. SPRINGER. I read the report; yes.

Mr. CREAL. And signed it?

Mr. SPRINGER. The pending bill has the unanimous report of the Judiciary Committee.

Permit me to proceed a little further. Looking at page 4, of the bill, under section 104 the language "with intent to aid any country with which the United States is at war" is further interpreted under the language of the bill itself. The bill says that such language will mean, first, one might aid in and attempt to assist any country with which the United States is at war—that is, to aid that nation or second, to further the legal purpose of any person known or believed to be an officer, employee, or agent of such country, or third, to aid a member of its armed forces, or fourth, to further the

illegal purpose of any person who is known to be engaged in assisting or acting in the interest of such country in such a way as to violate the provisions of this act. That defines the intent set forth in this bill. That section fully clarifies the specific intent set forth in this proposed legislation, in my opinion.

The specific intent, provided in the measure, entirely controls, and that intent, provided in every subsection of section 103 of the bill, is the very crux of the legislation. That intent must be to aid a country with which the United States is at war.

Mr. Speaker, this is purely a war measure. It has but one objective and that is to protect the United States against the warfare of sabotage, espionage, and treachery which is now being waged against us by our enemies with every weapon which they can command. We need this law for the purpose of dealing with those aliens, and those people within our own gates who would scuttle our war effort in every manner available. The eight saboteurs who invaded our country found us without adequate laws with adequate punishment provided, with which to cope with such enemy agents. This measure merely bridges the gap which has existed in our law since the attack was made upon us at Pearl Harbor. We need this law. We need it now.

Mr. Speaker, I wish to direct the attention of the Members of the House to section 102, which contains a provision making it mandatory upon our people to report acts which have been committed, are being committed, or which are about to be committed which come within the purview of "hostile acts," as defined by the proposed bill. But, mark you, the person, or persons, upon whom such obligation rests must have knowledge, or probable cause to believe, that such hostile act, or hostile acts, have been committed, are being committed, or are about to be committed, before the law would become operative. This particular provision of our pending measure is highly necessary, and most desirable. It affords protection to all of our people, and this protection must be thrown about our people in time of war.

Title I of the bill relates to the offenses defined and the penalties prescribed. Title II of the bill provides the procedure to be followed in all such cases.

We are engaged in war. While our boys are fighting on every front, we must throw the strong arm of the law, as a protective measure, about every American—we must not permit sabotage, espionage, and treachery to undermine the stability of our Nation, and we must not permit the disaster of spies and secret enemy agents to destroy the morale of the American people.

The SPEAKER pro tempore. The time of the gentleman from Indiana has expired.

Mr. KEFAUVER. Mr. Speaker, I rise in opposition to the amendment. It seems to me that the House should not be called upon to write in a lot of words that are not necessary and do not mean anything. We should be able to legislate without putting a lot of adjectives in front of words where they are not necessary. If you consider the old espionage act and the old sabotage act, passed many, many years ago, which were amended, and which amendments I imagine the gentleman from Mississippi [Mr. RANKIN] voted for, you will find that they used the word "intent" without prefixing it with any adjective such as willful or malicious. It must be with intent to aid the enemy. The gentleman sets up the statutes in the great State of Mississippi as models of criminal codes to show that the word "willfully" should be used before the word "commit" in criminal definitions. We have here the Criminal Code of the State of Mississippi. In some statutes the word "willfully" is used, and in some statutes it is not used. For instance, in murder, defining homicide, the word "willful" under the Penal Code is not used.

Mr. RANKIN. Mr. Speaker, will the gentleman read that where it says that it does not have to be willful?

Mr. KEFAUVER. I was about to read some of this statute.

Mr. RANKIN. The gentleman will find they used the word "willful" in every indictment.

Mr. KEFAUVER. "Homicide: The killing of a human being without authority of law by any means or in any manner shall be murder in the following cases." It does not say the willful killing of anyone. Then in the case of larceny, in the sale of railroad tickets, the stealing of any passenger railroad ticket, in the severing of fixtures, "if any person shall sever from the wall or any other section"; and in larceny respecting stolen goods, "if any person aid or receive in any manner or for any consideration personal property of any value, feloniously taken"; and also in the kidnaping statute, chapter 20, Public Statute 76, "any person who shall hold, forcibly seize or confine any person, or kidnap any person with intent to cause such person to be confined, etc."; so the word "willful" in describing some of the most heinous crimes of the gentleman's State is not used. Of course the indictment may properly include it, but it is not mandatory insofar as the definition of the crime is concerned in the instances I have mentioned.

Mr. RANKIN. It is written into the law that it must be written into the indictment.

Mr. KEFAUVER. I was going to say further that I do not know of any crime against the Government of the United States which is more dastardly than treason. Section 1 of title 18, in defining treason, reads:

> Whoever, holding allegiance to the United States levies war against them or adheres to their enemies, giving them aid or comfort, is guilty of treason.

It does not preface any act with the word "willful." Likewise, in section 3 of the code, mistreatment of prisoners, the word "willful" is not used, and in subversive activities, undermining loyalty and discipline or the morale of the armed forces, subsection (a) of section 9:

> It shall be unlawful for any person with intent to interfere with or impair or influence the loyalty, morale, or discipline of the military or naval forces of the United States.

Notice the absence of the word "willfully." The Sabotage Act and the Espionage Act do not have the word "willfully." If you now put this word in this law, where most of the other provisions of our criminal code do not use the word "willfully," that may cause some trouble or bring about some interpretation by the courts that this Congress did not intend. We have case law which covers the situation and protects the innocent, so why upset the present interpretations?

Mr. NEWSOME. Will the gentleman yield?

Mr. KEFAUVER. I yield to the gentleman.

Mr. NEWSOME. It has been suggested that adding the word "willfully" will not add or detract from the bill. That being true, what is the objection to putting it in?

Mr. KEFAUVER. I do not think it would add or detract anything, except that it might bring about confusion. Other statutes do not have it and I do not think we ought to start by using it in this law.

The SPEAKER pro tempore. The time of the gentleman from Tennessee has expired.

Mr. ROBSION of Kentucky. Mr. Speaker, I move to strike out the last four words.

Mr. RANKIN. Will the gentleman yield for a unanimous-consent request?

Mr. ROBSION of Kentucky. Yes; I yield to the gentleman.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that all debate on this amendment close in 10 minutes.

Mr. ROBSION of Kentucky. Well, I did not intend to enter into that.

Mr. RANKIN. I am not going to debate it.

The SPEAKER pro tempore. Does the gentleman yield to the gentleman from Mississippi?

Mr. ROBSION of Kentucky. Not for that purpose, Mr. Speaker.

Mr. RANKIN. Well, he yielded. I said I was going to propound a unanimous-consent request.

The SPEAKER pro tempore. The gentleman is recognized for 5 minutes.

Mr. ROBSION of Kentucky. Mr. Speaker, H. R. 2087 provides for the punishment of those who when the United States is at war commit or conspire to commit any hostile act against the United States, as set forth and defined in section 103 of this bill, with the intent to aid a country with which the United States is at war. It provides punishments all the way from one day's imprisonment to life imprisonment, and even death, with fines extending to $10,000, or both, according to the degree of the offense. It provides for the granting of bail to persons accused in accordance with the provisions of section 1016 of the Revised Statutes, United States Code, title 18, section 597, and it further provides that the courts shall provide counsel for poor persons in the district courts and aid them in taking and presenting their appeals, even to the Supreme Court, at the expense of the United States, as provided in the act of July 20, 1897, as amended.

The Department of Justice and other agencies of the Government engaged in the prosecution of war offenders, urge the passage of this measure as being necessary for the protection of our country and to aid in our war effort. This act will be known as the War Security Act.

Each Member of the House and Senate takes a solemn oath to defend the United States against all its enemies, both foreign and domestic. The landing and the apprehension of the alien saboteurs on our shores some months ago, and the aid given them by American citizens, and many other hostile acts against this country since we entered the war prove conclusively that we do have, I regret to say, a number of alien and domestic enemies in our country, and, of course, others will come. They imperil the lives, homes, and industries of our country and threaten our national security.

There appears to be no Federal law at the present time that will adequately take care of this situation, and hence the necessity for this act.

The group of saboteurs arrested and later on tried and convicted were well supplied with arms, money, bombs, and other instrumentalities to kill our citizens and blow up our defense plants. The Constitution defines treason as giving aid and comfort to the enemies of the United States in time of war. Each and every offense set out in this war security bill, if committed by a citizen, with intent to aid a country at war with the United States, would be treason, and if these offenses were committed by an alien, while it would be the same as treason committed by a citizen, yet, inasmuch as he or she is an alien, they could not be charged with treason against the United States, and therefore the measure provides that whoever commits a hostile act against the United States with intent to aid a country with which the United States is at war shall be punished as provided in this act.

There has developed some opposition to this measure. The feeling is expressed that during a period of war hysteria some innocent citizens might be indicted and convicted of the offenses set out in this measure. We are frank to say that the conduct of some of our Federal courts and our Federal prosecutors have created this feeling in the minds of some of our citizens and some Members of Congress. No one could be more anxious to protect the innocent and uphold the constitutional rights of our citizens than I am. The freedom of the press, freedom of speech, and other rights guaranteed to our citizens by our Constitution must be preserved.

We have been assured by the Attorney General and others in the Department of Justice that there will be no witch hunt or invasion of the constitutional rights of the people of this country. They will exercise great caution in seeking out only those who have, or are about to, commit a hostile act against the United States with the intent to aid a country or countries with which the United States is at war. I might say in passing, however, that neither the Congress nor the legislatures of the several States have been able to pass any measure that prevents the indictment in some instances of innocent persons through the urging of an overzealous prosecutor and a partisan or inflamed grand jury. We have every hope that the courts, the grand juries, and the prosecutors will see to it that innocent persons are protected, and bring to justice only those who have committed or are about to commit a hostile act against the United States with the intent to aid one or more of our enemies.

Our boys on land, sea, and in the air are meeting bravely the bullets of our enemies in foreign lands and on foreign seas. No traitorous citizen or enemy alien ought to be permitted to hide behind the American flag and stab American soldiers and sailors in the back, put to death our citizens, destroy our munition plants, or wreck our transportation agencies.

Our law enforcing agencies, I am sure, will ferret out offenders and punish these traitorous citizens and enemy aliens in our midst, and in that way protect and defend our country, law abiding citizens, and aliens.

I am inclined to favor striking from section 102, on page 2, line 11, the words "or having probable cause to believe." This is a statute requiring citizens to report hostile acts against the United States to the F. B. I. or to some other Federal, State, or local enforcement officer. It is the duty of every loyal citizen to report persons who have committed or are about to commit any hostile act against our country with the intent to aid our enemies, if they have knowledge of such crimes or attempt to commit such crimes. The words "or having probable cause to believe" are too much of a dragnet. It might cause some of our citizens to be overzealous and they might feel compelled to report many innocent persons merely on suspicion, and then, on the other hand, even if there was some suspicion and the citizen failed to report, he might be subject to indictment, trial, and conviction through an overzealous prosecutor and by reason of the war hysteria. We want to apprehend the guilty, but at the same time protect the innocent.

INTENT, WILLFUL, AND WILLFULLY

There has been much argument today as to the meaning of "intent, willful, willfully, and feloniously." Under the bill before us, the Government would have to prove beyond a reasonable doubt that the defendant committed some hostile act against the United States, while at war, with the intent to aid the country with which the United States is at war. Some of our colleagues have suggested that we write into the act willfully or feloniously. Many States, in writing their criminal statutes, merely use the word intent, and this has been followed by Congress in drafting legislation.

The word "intent" includes and perhaps is stronger than either the words willful, willfully, or felonious. I read from Black's Law Dictionary. It says:

Intent is defined as purpose; formulated decision; a resolve to do or forbear a particular act; aim; determination; in its literal sense the stretching of the mind or will towards a particular thing or act.

Now, what is "willful" or "willfully"?

Proceeding from a conscious motion of the will; having a set thing in mind; a determination to do a certain thing or act.

The word "felonious" is defined by the law writers and reports as—

Proceeding from an evil heart or mind and with the determination to commit a crime.

Some law writers define willfully or willful as intentional and not accidental.

In drafting legislation surplus words should not be used. Intent certainly includes willful, willfully, and felonious as applied to a crime.

I have already pointed out that the crimes denounced in this bill, if committed by citizens, would be treason. Treason is the highest crime known to our law. Therefore, every citizen who commits either one of these acts, and does it with intent, he commits the crime of treason, and an alien who commits either one of these hostile acts, with intent to aid our enemy, he commits an offense of equal gravity to treason. Therefore, if any traitorous citizen, or any enemy alien commits either one of these acts, with intent, he must do it willfully and feloniously. To do it willfully or feloniously, the criminal must have intended to do it.

No person can be reached under this act until and unless it is shown that whatever act he did he did it with the intent to aid a country with which the United States is at war. No traitorous citizen or enemy alien commits within the provisions of this act or is subject to its penalties unless he himself commits or conspires with others to commit some hostile act to aid some country with which the United States is at war. In other words, he must give aid and comfort to the enemies of the United States, and what he did he must have resolved to do it and do it with determination. He must do it with a conscious motion of his will, having a set thing in his mind, and a certain act to perform. This is what intent means as defined by our law writers and by our highest courts. The words "willful," "willfully," and "felonious" would be mere surplusage. If my colleagues, however, feel that it would add anything to the strength of the law and the protection of innocent persons, I would have no objection to its going in.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that all debate on this amendment close in 15 minutes.

Mr. MICHENER. Well, Mr. Speaker, I object. The manager of the bill on the floor of the House, who is chairman of the Judiciary Committee, I think is capable of handling the matter. When he makes such a request I will give it consideration. I object unless the manager of the bill makes the request.

Mr. RANKIN. Oh, well, the gentleman does not need to get too smart.

The SPEAKER pro tempore. The Chair hopes the debate will proceed with expedition.

Mr. RANKIN. That is all I was trying to do, expedite the proceedings.

Mr. SUMNERS of Texas. Mr. Speaker, we have had a great deal of debate on this matter. May I ask how many gentlemen would like to speak on the amendment? May I make a parliamentary inquiry, Mr. Speaker? Is there just one section to this bill?

The SPEAKER pro tempore. The bill has been read. Unanimous consent was granted to dispense with the reading of the bill and the bill was placed in the RECORD at that point. Any section of the bill is now open to amendment. There is an amendment before the House and several others to be reported shortly.

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent that the debate on the amendment to section 101 and all amendments thereto close in 25 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. The gentleman from Wisconsin [Mr. SAUTHOFF] is recognized.

Mr. SAUTHOFF. Mr. Speaker, I am in favor of the Rankin amendment, because I think that most any amendment will be an improvement to this bill, which I consider destroys about all the civil liberties that have been placed about our citizens in order to protect them from unjust prosecution. I say that with some experience in the last World War, where I both prosecuted cases and defended them. We had two Members of Congress prosecuted under the Espionage and Sabotage Acts, prosecuted by unfair, prejudiced district attorneys who were of the opposite political faith, because they wanted to kill them off, and they succeeded.

Now, let me give you those two cases. One of them involved a Socialist from Milwaukee, opposed to our entrance into the First World War. What was it he said? He made the statement that all we were getting out of the war was the flu and prohibition. Succeeding events proved that he was right. But he was prosecuted, he was convicted, and on appeal to the circuit court of appeals, that court sustained his conviction. Then he went to the United States Supreme Court, which overthrew it. But that man lost his seat in the House, he lost the patronage that his newspaper had, and in addition to that it cost him about $10,000 to clear his good name.

One other case, a case that occurred in relation to the gentleman who had the honor of representing my district for 22 years and whom many of you know, John M. Nelson. Nelson was prosecuted by a hostile district attorney of an opposite party on the charge of entering into a conspiracy with his son to violate the Draft Act. The indictment itself said that he and his son entered into that conspiracy in April when the act was not passed until May.

Talk about injustices and rank prosecutions and persecutions? Why, we have had them right down here in the District. We have had them committed by a district attorney who has been several times slapped down by the Supreme Court because of his indecent acts in prosecuting a case.

Let me show you and point out one or two things. On page 2 a man can be put to death under this bill—remember that he can be put to death if convicted—if he should work in a war plant and should take a screw out of an essential piece of machinery so that it cannot operate for an hour or two. That is what can happen. Yet the Aluminum Steel Trust, which was charged by the Truman committee with having sabotaged the war effort in regard to bomber planes and with having prevented the building of planes more than all the strikes and airplanes plants put together, has not even been indicted.

Mr. RANKIN. Will the gentleman yield?

Mr. SAUTHOFF. I yield to the gentleman from Mississippi.

Mr. RANKIN. I may say to the gentleman that another great corporation, the name of which I shall not call, has been accused of being mixed up with these cartels that have vastly hampered our war efforts. They would get out under this bill with a fine of $500,000 while it probably made $50,000,000.

The SPEAKER pro tempore. The time of the gentleman has expired.

The gentleman from Minnesota [Mr. O'HARA] is recognized for 5 minutes.

Mr. O'HARA. Mr. Speaker——

Mr. CURTIS. Mr. Speaker, will the gentleman yield?

Mr. O'HARA. I yield.

Mr. CURTIS. I should like to have the gentleman explain section (d) on page 3.

Mr. O'HARA. Let me say to the gentleman that if he will allow me just to make a brief statement I will appreciate it. I know nothing about the bill except as I have read it here today; I am not a member of the committee, but I shall be pleased to answer his question when I get to it.

Mr. Speaker, I appreciate, and all of us are concerned with the enactment of every law which is necessary for the protection of the sovereign Government of the United States. In that same concern and in our zeal to see that our Government has all necessary legislation, it is our responsibility to safeguard the rights of the most humble citizen of this country. Let me say to the gentleman from Wisconsin [Mr. SAUTHOFF], who spoke of the result of the fanaticism and hysteria which arise in time of war and of which he gave us examples from his own State in the last war. I am aware of other examples of hysteria, in other States, in time of war. I am therefore supporting the amendment offered by the gentleman from Mississippi, because I believe it will do no harm to have the expressed and repeated expressed concern of this Congress as to willful intent in criminal charges which may be made against citizens of the United States.

Permit me to call attention to the fact that the language of each and every one of these sections which carry with them the death sentence is extremely broad. I fully appreciate the grave problem which the able members of the Judiciary Committee have had in the consideration of this bill. We must protect our country from spies and sabotage.

I want it to be plain, inasmuch as I asked the distinguished chairman of the Committee on the Judiciary with reference to subsections (a) and (b) of section 103 of this bill, that I appreciate very much his frank and complete disclosure of the intent of the Committee on the Judiciary in regard to the questions I asked.

As one of the gentlemen has pointed out, the removal of a screw, under subsection (a), might be an offense which would make a man liable to be prosecuted and subject to the death sentence if convicted.

Let me call your attention to subsection (b), under which the slightest communication or the compiling of anything that might be construed to be data might draw down upon an individual the death sentence.

The gentleman from Nebraska has called my attention to subsection (d) of section 103. I will confess that it was rather startling to me that murder had to be respecified in this bill.

Mr. CURTIS. But suppose it is not murder, suppose one is guilty of assault and battery against a defense worker, and that defense worker is doing a job essential to the war effort; how are you going to prove it was not done with intent to aid our enemies?

Mr. O'HARA. I am frank to say to the gentleman I do not know. May I ask the distinguished chairman of the Committee on the Judiciary if he will give us the benefit of his interpretation of subsection (d), beginning in line 14 on page 3?

Mr. SUMNERS of Texas. The subsection that reads:

> Killing, injuring, confining, obstructing, or otherwise by any act in violation of law interfering with another with intent to aid any country with which the United States is at war.

Mr. O'HARA. Yes.

Mr. SUMNERS of Texas. I think it means just what it says.

Mr. O'HARA. For example, what does the word "obstructing" cover?

Mr. CELLER rose.

Mr. O'HARA. Perhaps the gentleman from New York has the answer.

Mr. SUMNERS of Texas. I believe he wishes to refer to a provision in the committee report.

Mr. CELLER. I read from the report, at the bottom of page 9—

> Section 103 (d) makes punishable as a hostile act "killing, injuring, confining, obstructing, or otherwise by any act in violation of law interfering with another with intent to aid any country with which the United States is at war."

Mr. O'HARA. I appreciate the language of the report.

Let me submit this question, about a situation which worries me. Assume two persons engaged in a war plant become engaged in a fight. They are stopping the work there. Is that obstruction?

Mr. CELLER. That does not involve an intent to aid the enemy. There must be a deliberate, clear-cut intent to aid the enemy.

The SPEAKER pro tempore. The time of the gentleman from Minnesota has expired.

ADJOURNMENT

Mr. SHAFER. Mr. Speaker, in my opinion an effort is being made here to rush through this legislation without proper consideration. I make the point of order that a quorum is not present.

Mr. RAMSPECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 56 minutes p. m.) the House adjourned until tomorrow, Wednesday, March 24, 1943, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE JUDICIARY

Subcommittee No. 1 of the Committee on the Judiciary will conduct hearings on H. R. 694, a bill to provide for the attachment, garnishment, execution, or trustee process of wages and salaries of civil officers and employees of the United States, at 10 a. m. on Wednesday, March 24, 1943, in room 346, House Office Building, Washington, D. C.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a hearing of the Committee on Immigration and Naturalization on Wednesday, March 24, 1943, at 10:30 a. m., for the consideration of H. R. 2207.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will meet in open hearing on Monday, March 29, 1943, at 10 a. m. to consider the subject of allegations by certain labor leaders of wasted space on ships going to north Africa and delays in ship sailings.

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Thursday, April 1, 1943, at 10 a. m., on S. 163 (H. R. 498) to amend section 511 of the Merchant Marine Act, 1936, as amended, relating to ship construction reserve funds and for other purposes.

As advised in notice of March 10, 1943, Congressman BATES of Massachusetts, patron of the bill H. R. 1766, upon which hearings were scheduled on April 8, 1943, is a member of the Committee on Naval Affairs and of a subcommittee of that committee which has arranged a schedule of hearings throughout the country which will compel Congressman BATES of Massachusetts to be absent from Washington on April 8 and also April 15.

The Chairman of the Committee and the Commissioner of Fisheries will be out of town on intervening dates which will necessitate a further postponement of the hearing until May 13, 1943. You are hereby notified that the hearings scheduled for April 8 and postponed until April 15 have been postponed to May 13, 1943, at 10 a. m., at which time the hearings will follow.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

267. A letter from the chief scout executive, Boy Scouts of America, transmitting a copy of the thirty-third annual report of the Boy Scouts of America for the year 1942 (H. Doc. No. 17); to the Committee on Education and ordered to be printed, with illustrations.

268. A letter from the Archivist of the United States, transmitting the Eighth Annual Report of the Archivist of the United States, which covers the fiscal year ending June 30, 1942; to the Committee on the Library.

269. A letter from the President, United States Civil Service Commission, transmitting a draft of a proposed bill to provide uniform allowances for transportation of civilian officers and employees, their families and effects, upon permanent transfer from one official station to another or from one Federal agency to another; to the Committee on Expenditures in the Executive Departments.

270. A letter from the Secretary of Commerce transmitting the Annual Report of the Department of Commerce for the fiscal year 1942; to the Committee on Interstate and Foreign Commerce.

271. A letter from the Chairman, Reconstruction Finance Corporation, transmitting the report of the Reconstruction Finance Corporation for the month of December 1942; to the Committee on Banking and Currency.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. O'TOOLE: Committee on the Library. S. 319. An act to authorize the acceptance of a permanent loan to the United States by the Board of Trustees of the National Gallery of Art, and for other purposes; without amendment (Rept. No. 281). Referred to the Committee of the Whole House on the state of the Union.

Mr. MANSFIELD of Texas: Committee on Rivers and Harbors. H. R. 2208. A bill to promote the national defense and to facilitate and protect the transport of materials and supplies needful to the Military Establishment and essential to domestic requirements through safe and adequate inland waterways, by the immediate authorization of the construction of the New York Bay-Delaware River section of the Atlantic Intracoastal Waterway; without amendment (Rept. No. 282). Referred to the Committee of the Whole House on the state of the Union.

Mr. DONDERO: Committee on Rivers and Harbors. H. R. 1258. A bill instructing the Secretary of War to henceforth designate the new lock in the St. Marys River at Sault Ste. Marie, Mich., as the General Douglas MacArthur lock and designating the lock at that point now known as the fourth lock as the Colonel L. C. Sabin lock, with amendment (Rept. No. 283). Referred to the House Calendar.

Mr. BLAND: Committee on the Merchant Marine and Fisheries. H. R. 2238. A bill to authorize the return to private ownership of certain vessels formerly used or suitable for use in the fishing or related industries, and for other purposes; with amendment (Rept. No. 284). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FORAND:

H. R. 2277. A bill to provide for the payment currently of basic tax on individuals; to the Committee on Ways and Means.

By Mr. CULKIN:

H. R. 2278. A bill to provide for the improvement of the Great Lakes-St. Lawrence Basin in the interest of national defense, and for other purposes; to the Committee on Rivers and Harbors.

By Mr. ELLSWORTH:

H. R. 2279. A bill to provide that certain lands within the State of Oregon may be opened for location and entry under the mining laws; to the Committee on the Public Lands.

By Mr. PITTENGER:

H. R. 2280. A bill to provide for the improvement of the Great Lakes-St. Lawrence Basin in the interest of national defense, and for other purposes; to the Committee on Rivers and Harbors.

By Mr. BLAND:

H. R. 2281. A bill to provide for the issuance of a device in recognition of the services of merchant sailors; to the Committee on the Merchant Marine and Fisheries.

By Mr. GALE:

H. R. 2282. A bill to incorporate the United Philippine War Veterans; to the Committee on the Judiciary.

By Mr. McGEHEE:

H. R. 2283. A bill to amend the act approved January 2, 1942, entitled "An act to provide for the prompt settlement of claims for damages occasioned by Army, Navy, and Marine Corps forces in foreign countries"; to the Committee on Claims.

By Mr. WASIELEWSKI:

H. R. 2284. A bill to provide for the improvement of the Great Lakes-St. Lawrence Basin in the interest of national defense, and for other purposes; to the Committee on Rivers and Harbors.

By Mr. TOLAN:

H. R. 2285. A bill to establish an Office of War Mobilization, and for other purposes; to the Committee on Military Affairs.

By Mr. WEISS:

H. J. Res. 104. Joint resolution to prohibit discrimination in hiring because of age; to the Committee on the Judiciary.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Nevada, memorializing the President and the Congress of the United States to relax restriction on gold and silver mining; to the Committee on Mines and Mining.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BREHM:

H. R. 2286. A bill for the relief of Herman Miller; to the Committee on Claims.

By Mr. COFFEE:

H. R. 2287. A bill reinstating Jesse F. Dressler to the position and rank of captain in the Army of the United States, and for other purposes; to the Committee on Military Affairs.

By Mr. HARNESS:

H. R. 2288. A bill for the relief of Donald J. Munson; to the Committee on War Claims.

By Mr. SNYDER:

H. R. 2289. A bill for the relief of Jozef Kvartek; to the Committee on Immigration and Naturalization.

By Mr. WHITE:

H. R. 2290. A bill for the relief of Joseph MacGuffie and Eugene Rohrer; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

334. By Mr. COFFEE: Petition of J. Frank Liby, of Tacoma, Wash., pointing out need

for improvement in proposed tax legislation, and promulgating a plan which contemplates a new method of paying income taxes; to the Committee on Ways and Means.

335. By Mr KEARNEY: Petition of the New York State Legislature, petitioning the Congress of the United States to amend the social-security law to include certain employees now excluded from the benefits of the social-security law; to the Committee on Ways and Means.

336. By Mr. ROLPH: Resolution of the International Association of Bridge, Structural, and Ornamental Iron Workers, Shopmen's Local Union of the Bay Area, No. 472, San Francisco, relative to the rationing program of the Office of Price Administration; to the Committee on Banking and Currency.

337. Also, resolution of the International Brotherhood of Electrical Workers, Local Union 202, San Francisco, Calif., endorsing resolution of San Francisco Labor Council, relative to the rationing program of the Office of Price Administration; to the Committee on Banking and Currency.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MARCH 24, 1943

The House was called to order by the Speaker pro tempore, Mr. MCCORMACK, at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Thou who art all in all, the fountain of infinite love, we approach Thy footstool in gratitude and prayer. We come to Thee not in fear nor distress, for Thy goodness is ever with us and Thy mercy endureth forever. Thou art the everlasting Son of the Father and nothing can ever equal or surpass the holy Exemplar of men. Sadly, dear Lord, some choose self-preservation, others preferment or riches: But when Thou tookest upon Thee to deliver man, Thou didst humble Thyself to be born of the Holy Virgin and didst glorify the cross with Thine own sacrifice.

Almighty God, we pray that men and nations may cease pounding themselves to pieces in the storm of savage hate. The world waits anxiously and reverently bows at the altar of Thy will until the old things are passed away and all things become new. Everywhere let personal aggrandizement be crucified, all anger calmed, and prejudice give way to Christian unity. Prepare us by gain and loss, by joy and sorrow, to rise above all things false, giving contented and liberated minds, and do Thou hush all selfish spirits. We pray that the United Nations, with no acclaim of infinite power but with hands clasped and with one voice, may lead the chorus of a redeemed world until the allies of freedom shall become the legions of peace. Through Jesus Christ, our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H. J. Res. 100. Joint resolution extending the time within which certain acts under the Internal Revenue Code are required to be performed.

The message also announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 1780. An act to increase the debt limit of the United States, and for other purposes.

The message also announced that the Senate insists upon its amendment to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. GEORGE, Mr. WALSH, Mr. BARKLEY, Mr. LA FOLLETTE, and Mr. VANDENBERG to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 17. An act to provide for a temporary adjustment of salaries of the Metropolitan Police, the United States Park Police, the White House Police, and the members of the Fire Department of the District of Columbia.

The message also announced that the Acting President pro tempore had appointed Mr. BARKLEY and Mr. BREWSTER members of the Joint Select Committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers in the following department and agencies:

1. Department of the Navy.
2. Federal Trade Commission.
3. Interstate Commerce Commission.
4. Tennessee Valley Authority.
5. United States Tariff Commission.

LEAVE TO ADDRESS THE HOUSE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that after the disposition of business on the Speaker's table today, and other special orders, the gentleman from Pennsylvania [Mr. SNYDER] may be permitted to address the House for 10 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent that after the disposition of business today and other special orders, I be permitted to address the House for 10 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

CONSTRUCTION OF CERTAIN PUBLIC WORKS

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 1692) to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The SPEAKER pro tempore. The Clerk will report the Senate amendment.

The Clerk read as follows:

Page 2, line 8, strike out "defenses" and insert "defense."

The SPEAKER pro tempore. Is there objection?

Mr. MARTIN of Massachusetts. Mr. Speaker, I reserve the right to object. This seems to be merely a clerical correction.

Mr. VINSON of Georgia. When the bill was before the House it read "defense" and when engrossed, it read "defenses." This is an amendment to correct that clerical error.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The SPEAKER pro tempore. The question is on agreeing to the Senate amendment.

The Senate amendment was agreed to.

A motion to reconsider laid on the table.

DEBT LIMIT OF UNITED STATES

Mr. DISNEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 1780) to increase the debt limit of the United States and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. The Clerk will report the title of the bill.

The Clerk reported the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. Without objection the Chair appoints the following conferees: Mr. DOUGHTON, Mr. COOPER, Mr. DISNEY, Mr. KNUTSON, Mr. REED of New York.

EXTENSION OF REMARKS

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a short excerpt from an address delivered to the graduating class of the University of Pennsylvania.

The SPEAKER pro tempore. Is there objection?

There was no objection.

THE GINSBURG CASE

Mr. FLANNAGAN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection?

There was no objection.

[Mr. FLANNAGAN addressed the House. His remarks appear in the Appendix.]

(By unanimous consent, Mr. FLANNAGAN was granted leave to extend his remarks and include certain excerpts taken from the record of the Costello committee and certain letters dealing with Mr. Ginsburg's attempt to be deferred from Army service.)

EXTENSION OF REMARKS

Mr. HEIDINGER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a resolution passed by the House of Representatives of the General Assembly of the State of Illinois.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a joint memorial passed by the Twenty-eighth Legislative Assembly of the State of Montana.

The SPEAKER pro tempore. Is there objection?

There was no objection.

EFFECT OF WITHHOLDING TAX ON CERTAIN RAILROAD EMPLOYEES

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and revise and extend my remarks.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. O'CONNOR. Mr. Speaker, I received a very interesting letter from one of my constituents living in Livingston, Mont., my home town, with reference to the proposed tax measure coming before the House withholding 20 percent of the monthly wage. The letter is in respect to the average paid railroad worker drawing $200 a month and what he has left for living expenses after necessary deductions. A break-down shows he has but $23.25 to live on. Can he do it?

The letter follows:

Foodstuffs in the chain stores here in Livingston have increased over 33⅓ percent over a year ago.

Take the average top-paid railroad worker here in Livingston who is drawing $200 a month if he works a full week of 7 days, 8 hours a day, or 56 hours.

Here is how it would work out:

Monthly salary	$200.00
20 percent withholding tax for 1943	40.00
15 percent we are saving each month to apply on 1942 taxes	30.00
10 percent bond deduction	20.00
3¼ percent deduction for Railroad Pension Act	6.50
Group insurance	7.50
N. P. B. A. insurance	1.75
Accident and health insurance	5.00
Life insurance	10.00
Rent	35.00
Light	3.00
Heat (10 inches snow on ground, 20° above now)	16.00
Telephone	2.00
	176.75

This leaves a balance of $23.25 for two people to live on for 30 days. Is there a Congressman in Washington who can go back on the farm and live on less than $12 a month?

FARM MACHINERY

Mr. CLEVENGER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. CLEVENGER. Mr. Speaker, the members of the Committee on Agriculture, which has been dealing for many weeks with this serious problem of manpower and machinery on the farm, are absolutely alarmed by the knowledge that practically no steel has been allotted for production machinery. Possibly some may be available by harvest time. The country is rather lulled into a mistaken sense of well-being by a statement of the Secretary of Agriculture relative to the increased production of poultry and various products. We find there will be no additional machinery for the production of those poultry items.

Now we have just gone through a great scrap drive. Millions of pounds of scrap have been contributed by the farmers of this Nation. A second scrap drive is about to proceed. Could we blame the farmer if, when this drive takes place, he demands the equivalent of a plow for a plow, or a drag for a drag?

The SPEAKER pro tempore. The time of the gentleman from Ohio has expired.

EXTENSION OF REMARKS

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein a speech made by me before the Committee on the Merchant Marine and Fisheries on March 18.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an article by Mr. Horace C. Carlyle, of Washington, on the Capitol pages.

The SPEAKER pro tempore. Is there objection?

There was no objection.

THE RUML PLAN

Mr. GEARHART. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. GEARHART. Mr. Speaker, what has become of the Ruml gift plan?

Though we will commence the consideration of various tax plans tomorrow, to date not one of our 435 Representatives has consented to father this Wall Street boondoggling proposal.

The gentleman from Kansas [Mr. CARLSON] came a little closer to it than any other.

He got close enough to get a whiff of its bad smell—dropped a bill and ran back a mile, stopped, got another whiff, dropped another bill, resumed his flight.

When still a mile farther away, a third whiff resulted in the dropping of another bill and another hasty get-away.

When last heard from he was still running away from the Ruml plan—right into the arms of the committee bill, we hope, we hope.

So, Mr. Speaker, I again inquire, What has become of that sweet-scented tax-gypping proposal of Banker Ruml of which we have heard so much?

The SPEAKER pro tempore. The time of the gentleman from California has expired.

EXTENSION OF REMARKS

Mr. ABERNETHY. Mr. Speaker, I ask unanimous consent to revise and extend my remarks on the Agricultural Adjustment Act.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. SUNDSTROM. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a letter addressed to me by the director of aviation of the State of New Jersey.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. STEFAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. McWILLIAMS. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix and include therein excerpts from one of the leading newspapers in my district pertaining to the gasoline and meat shortages.

The SPEAKER pro tempore. Is there objection?

There was no objection.

(By unanimous consent, Mr. GWYNNE and Mr. BENNETT of Michigan were granted permission to extend their own remarks in the RECORD.)

BORROWING TO PAY TAXES

Mr. CARLSON of Kansas. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. CARLSON of Kansas. Mr. Speaker, I am placing in the RECORD today an answer to those who contend that we do not need to get on a current tax payment basis. This is a statement just released by the vice president of the Morris Plan Bank, of New York City. Fifty thousand families in the city of New York borrowed $10,000,000 to pay their taxes for the first quarter. It is estimated that a half million families in the Nation borrowed $100,000,000 to pay their taxes for the same period. It is estimated for the second, third, and fourth quarters, based on past borrowing experience, we will have 5,000,000 American families borrowing $1,000,000,000. The American people are demanding pay-as-you-go tax legislation. We must not let them down. I ask you to read the statement in the Appendix of the RECORD.

The SPEAKER pro tempore. The time of the gentleman from Kansas has expired.

Mr. CARLSON of Kansas. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix and include a statement from the Morris Plan Bank.

The SPEAKER pro tempore. Is there objection?

There was no objection.

TEACHERS COME FIRST

Mr. BUFFETT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. BUFFETT. Mr. Speaker, Diogenes said, "The foundation of the state is the

education of its youth." Diogenes was right. But in America today, as a result of ignorance or bungling in Washington, that foundation is beginning to crumble. How? The school teachers of America are being enticed to trade the genuine honor of the noblest profession for the intoxication of martial glory. Under the lure of Hollywood recruiting practices and a misdirected sense of patriotism, they are leaving posts of solemn duty. Here is the tragedy of the farm and food crisis all over again.

In October 1942, the United States Office of Education informs me, 7,500 classrooms were without teachers. In February 1943, 4 months later, over 12,500 classrooms were vacant—an increase of over 70 percent in teachers lost and not replaced.

If the future of America's youth means anything to them, I call on the responsible authorities of this administration for appropriate action. Tell the school teachers of America, "The minds and souls of our children are a sacred responsibility, entrusted to you. Serve America most nobly by remaining at your post."

The SPEAKER pro tempore. The time of the gentleman has expired.

FOOD SUPPLIES FOR ALASKA

Mr. KEEFE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection?

There was no objection.

[Mr. KEEFE addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. KEEFE. Mr. Speaker, may I submit this further request? I ask unanimous consent to revise and extend my own remarks and to include a brief joint resolution adopted by both the houses of the Legislature of the State of Wisconsin relating to the allocation of butter for lease-lend shipment and to the use of butter by our armed services.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my own remarks.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. GROSS. Mr. Speaker, yesterday at Chester, Pa., in the great Sun shipyard, I saw for the first time a ship launching. When those three great tankers that we are reading about today in the headlines slid down the ways I got one of the thrills of my life.

The Maritime Commission awarded the Sun Co. the M-flag for efficiency in production which, I am sure, was well earned.

As we were escorted through the great shipyard with its many shipways, the thought occurred to me that maybe the "economic royalists" are helping to win this war. As I observed the 20,000 workers, many of them working in groups high up on scaffoldings, and noted the great expansion and activity on every side, I was still more convinced that the award was well placed. There is little absenteeism in this yard; men everywhere were showing their patriotism by being on the job and working. The good morale that exists throughout this yard was, I think, best expressed by one of the speakers, who said:

Here the men are free to work, or strike, or belong to a union of his liking.

Then it occurred to me that here in Washington and elsewhere throughout the country we could cooperate in this gigantic war effort by eliminating waste, saving food wherever possible, by putting into effect the phrase I coined the other day and which I hope will become a national slogan. I am inviting every Member of the House to join by putting into effect my program of "lick your platter clean." It is the patriotic thing to do.

EXTENSION OF REMARKS

Mr. BRADLEY of Michigan. Mr. Speaker, I have three requests: First, to extend my own remarks and include a broadcast delivered by me recently.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. BRADLEY of Michigan. Second, that I may be permitted to extend my remarks in the Appendix and include as part thereof an article by John O'Donnell.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

THE NILES POLITICAL MACHINE

Mr. BRADLEY of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my own remarks.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. BRADLEY of Michigan. Mr. Speaker, on Monday morning in the Washington Times-Herald I read an interesting editorial written by John O'Donnell in his Capital Stuff column, which article I intend to include in the Appendix. The article dealt with one David K. Niles, brother-in-law of Harry Hopkins, and the outstanding exponent of the passion for anonymity so frequently displayed by many behind-the-scenes policy makers of the New Deal. I noticed that this David K. Niles seems to have been put in command of the fourth-term drive. Niles is a very, very clever operator and I take off my hat to him for his cleverness. In my speech on the Trojan horse in the merchant marine, May 13, 1940, I exposed many of Mr. Niles nefarious actions. Niles did some clever work behind the scenes and in the cellars and sewers during the famous third-term convention in Chicago in 1940. I suspect he will pull many diversified and clever tricks in his management of the fourth-term campaign.

I intend to delve into some of his activities to date in setting up the greatest political machine in all time in any nation. Next week, I shall take the floor and expose some of his present plans which even a dumb Congressman cannot help but see through. Niles is a practical politician. He will stop at nothing, including preying on the patriotism of the fathers and mothers of this country whose sons and daughters are now in the services. I intend to show that he is building a stupendous political organization cleverly and serenely screened within the Office of Civilian Defense, the Office of War Information, and others. I intend to take the floor, Mr. Speaker, and bring forth that exposé regardless of whether or not this House and Senate later pass this outrageous, un-American Gestapo bill now under consideration in this body.

EXTENSION OF REMARKS

Mr. STARNES of Alabama. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Texas [Mr. MANSFIELD] may have permission to extend his own remarks in the RECORD and to include therein excerpts from public documents.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

PARENTAL SACRIFICES TO THE WAR EFFORT

Mr. JENKINS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

[Mr. JENKINS addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. RIZLEY. Mr. Speaker, I have two requests to submit: First, that I may be permitted to extend my own remarks in the Appendix of the RECORD and include therein a copy of Concurrent Resolution No. 14 of the Oklahoma Legislature memorializing the Secretary of Agriculture to release all restrictions on cotton; and, second, that I may extend in the RECORD a copy of House Resolution No. 36 of the Oklahoma Legislature memorializing the Secretary of Agriculture to remove some of the restrictions on the inspection of cattle.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. KEEFE. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made a few moments ago and to include therein the letter referred to from the Secretary of the Interior.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

MORRIS PLAN BANK TAX STATEMENT—ABILITY TO PAY TAXES NOW

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. CRAWFORD. Mr. Speaker, in reading the press release which has been submitted by the Morris Plan Bank of New York City we must bear in mind that New York City is not a war-produc-

tion center. I think, therefore, it is fair to say that the presentation of figures based upon experience shown in that particular locality is unfair and unsafe, so far as the balance of the country is concerned. It would be well to study the flow of war dollars into the hands of the people who reside in the great war-production centers; observe there the rapid increase in demand and time deposits; decline in personal indebtedness, and rise in liquid savings. New York City is not the United States.

Furthermore, the statistician of that particular bank which filed these figures in no way reflected the liquid savings, the cash on hand, and other resources which those particular people may have had at their command. A lot of people borrow money in order to avoid digging into their savings, and, as a matter of fact, if you will look at the bank records you will find many people put up their savings books as collateral on the loans which they obtain from the banks.

There is a lot of whifflepoof in all these figures that are being submitted, and so far as I am personally concerned I am not going to be misled by something which gives only a small part of the picture. If you will give me the whole picture in the form of statistics, then I will be interested and pay some attention to it. Last year we saved $28,900,000,000 of liquid savings in this country. This year the best figures I can get from Government agencies indicate that we will save at least $43,000,000,000 in liquid savings. These savings of last year, plus the high income which will flow this year, will certainly place someone in position to pay Federal taxes. This fact might as well be recognized now as later, as someone will have to pay taxes, and a lot of them as measured in dollars.

The SPEAKER pro tempore. The time of the gentleman has expired.

EXTENSION OF REMARKS

Mr. BRYSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a statement from the Christian Science Monitor.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina [Mr. BRYSON]?

PERMISSION TO ADDRESS THE HOUSE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my own remarks in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi [Mr. RANKIN]?

There was no objection.

[Mr. RANKIN addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an editorial.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan [Mr. HOFFMAN]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my own remarks in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan [Mr. HOFFMAN]?

There was no objection.

[Mr. HOFFMAN addressed the House. His remarks appear in the Appendix.]

Mr. KENNEDY. Mr. Speaker, I ask unanimous consent that at the end of the day and at the conclusion of all special orders heretofore entered, I may be permitted to address the House for 15 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. KENNEDY]?

There was no objection.

EXTENSION OF REMARKS

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. REED]?

There was no objection.

Mr. DISNEY. Mr. Speaker, I ask unanimous consent to insert in the RECORD certain analyses and tabulations which I believe to be correct, explaining the statement with reference to salary increases inserted in the RECORD yesterday by the distinguished gentleman from Louisiana [Mr. ALLEN].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma [Mr. DISNEY]?

There was no objection.

CONSIDERATION OF CONFERENCE REPORT ON H. R. 1780, THE DEBT LIMIT BILL

Mr. DISNEY. Mr. Speaker, I ask unanimous consent that it may be in order today to consider the conference report on the bill H. R. 1780, notwithstanding clause 2 of rule XXVIII.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma [Mr. DISNEY]?.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, and I am not going to object, merely for the information of the House will the gentleman state that we will have that up later in the afternoon?

Mr. DISNEY. If the conference committee agrees on a report, yes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma [Mr. DISNEY]?

There was no objection.

AMENDMENT TO ACT TO AID IN STABILIZING THE COST OF LIVING

Mr. SABATH. Mr. Speaker, I call up House Resolution 172, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 1698) to amend the act entitled "An act to aid in stabilizing the cost of living" (Public Law No. 729, 77th Cong). That after general debate, which shall be confined to the bill and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. RANKIN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. RANKIN. Mr. Speaker, what happened to the bill we had up yesterday?

The SPEAKER pro tempore. The Chair will state that that bill will be considered later.

Mr. RANKIN. Can the Chair give us any information as to how much later? The later the better so far as I am concerned, but I would like to know how much later.

The SPEAKER pro tempore. The Chair welcomes the inquiry and feels the Members of the House should be advised with respect to the legislative program.

After this bill, if the conference report on the debt-limit bill is ready and reported that will then be disposed of. The Chair assumes that that will not take very long. The Chair feels that the debate on the tax bill should start tomorrow. If it appears that after the disposition of the Steagall bill and the conference report there is not sufficient time during the remainder of the afternoon to dispose of the bill that was under consideration yesterday, it is the thought of the Chair that the bill should go over until after the disposition of the tax bill.

Mr. RANKIN. I may say to the Chair that I am of the opinion that it will take a great deal more time than was first anticipated to dispose of the bill that was under consideration on yesterday, and I think carrying it over until after the disposition of the tax bill would be a wise move.

The SPEAKER pro tempore. The Chair is of the opinion that the gentleman's observation is sound.

Mr. CELLER and Mr. HOFFMAN rose.

The SPEAKER pro tempore. Does the gentleman from Illinois yield to the gentleman from New York or to the gentleman from Michigan for the purpose of submitting an inquiry?

Mr. SABATH. I yield to the gentleman from New York.

Mr. CELLER. Mr. Speaker, I am asking at the suggestion of the distinguished chairman of the Judiciary Committee whether what the Chair has just stated means that the war-security bill therefore will not come up until some day next week?

The SPEAKER pro tempore. The Chair has not gone quite as far as that in his observation in reply to the parliamentary inquiry of the gentleman from Mississippi, but the Chair very strongly feels that that condition will develop.

Does the gentleman from Illinois yield to the gentleman from Michigan?

Mr. SABATH. I yield.

Mr. HOFFMAN. Mr. Speaker, does the ruling just made by the Chair——

The SPEAKER pro tempore. The Chair has not made a ruling, the Chair has made an observation.

Mr. HOFFMAN. Is that observation equivalent to a motion to recommit, in effect?

The SPEAKER pro tempore. Of course, the gentleman from Michigan is capable of answering that question himself, because the question answers itself.

Mr. HOFFMAN. I thank the Chair. I did not understand.

The SPEAKER pro tempore. Of course, it does not; that is the answer.

Mr. SABATH. Mr. Speaker, the resolution makes in order the bill H. R. 1698, a bill to amend the act entitled "An act to aid in stabilizing the cost of living," known as the Steagall bill. I myself was under the impression that we would proceed this morning with the bill that was under consideration yesterday, the bill that was reported from the Judiciary Committee. So consequently I have had little time to prepare my views on the bill.

The resolution provides for 2 hours of general debate on the bill, and when the rule is adopted it will be taken up under the 5-minute rule and be open for amendments.

This is one additional bill in the interest of agriculture and the farmers of the United States. I honestly believe, Mr. Speaker, that the farmers and agriculture in general are not seeking this legislation. I think this legislation has been sponsored by some of the leaders of the agricultural groups and a few overanxious Representatives in the House.

You may recall that only a few days ago we passed the bill reported by the Agricultural Committee providing for the sale of 100,000,000 bushels of excess wheat for feed purposes to aid the stock raisers of the country.

Mr. ZIMMERMAN. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I will yield in a moment.

After that we passed the bill known as the Pace bill. Now we have this bill before us. You recall what the Pace bill provides, and it is not necessary for me to remind you of it or enlighten you as to its provisions. That bill was opposed by some of the gentlemen on my left as well as some of the gentlemen on my side of the aisle.

The Steagall bill now before us provides as follows:

Provided further, That notwithstanding any other provisions of law, rule, regulation, or order, no subsidy payment parity payment, conservation payment, incentive payment, or payment in any other form or by any other term described shall be deducted in establishing, maintaining, or adjusting maximum prices or in determining parity or comparable prices for any agricultural commodities or for any commodity processed or manufactured in whole or in substantial part from any agricultural commodity.

I am really fearful, as many other Members are, that the proponents of this as well as other bills that we have already passed, and those that are pending, are going altogether too far, and I fear that in the near future these laws may react against the best interests of our farmers. The provisions of this bill together with the benefits granted under the Pace bill is bound to increase the cost of living.

Of course, I recognize that labor engaged in war activities is receiving a high wage, but somehow or another we are neglecting to take into consideration the millions of men and women who are not receiving these high wages, and especially the white-collar group. Within the last year the cost of living has increased over 50 percent, but these people in whom I am interested especially—namely, professional workers, office help, store clerks, dentists, nurses, municipal and State employees, and a great many other groups too numerous, in fact, to mention—have not received any increase, or at least a small increase in their wages and salaries. They represent in vast numbers that group of unorganized workers. They have no one here to speak for them. I feel that it is our duty to take that into consideration, because thousands upon thousands of families will not be able to exist on the meager wages or salaries they now receive, if we continue to increase the cost of living. Therefore, I feel that we should give due consideration to them when voting on this bill.

The Committee on Rules has, as usual, granted a special rule for the consideration of this bill. It has been my policy and the policy of the Committee on Rules to give the House the right and privilege to vote on any and all matters important to the people of the country. This is the reason I have reported this rule, just as I have many others. Surely the agricultural leaders here and throughout the Nation cannot complain; in fact, they must concede that the Committee on Rules has been extremely liberal in bringing before the House any and all bills that have been reported by the Committee on Agriculture or any other committee having to do with giving aid and assistance to agriculture.

If this bill were to be the last one of its kind, perhaps we might say we have gone far enough, but in addition to this bill we have the Brown bill, which I am told is different from the Pace bill, and its consideration is demanded. I believe it will receive due consideration. Other measures are pending. How far can we go and be fair to ourselves and to the country?

Mr. ZIMMERMAN. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Missouri.

Mr. ZIMMERMAN. The gentleman has on a number of occasions referred to the numerous bills to help agriculture that have been introduced, reported by the committee, and granted rules by the Committee on Rules for their consideration. May I ask my distinguished colleague from Illinois if he does not recognize the fact that agriculture is just as important in this war effort as the manufacture of planes, guns, and munitions with which to combat the enemy?

Mr. SABATH. I concede that. I will not quarrel with the gentleman on that.

Mr. ZIMMERMAN. Does not the gentleman believe this legislation is in the interest of all the people of this country who are vitally concerned right now with whether or not we are going to have enough food to feed the people at home, our armed services, and the people in other countries who are dependent upon us?

Mr. SABATH. I am just as much interested as you are, sir, to see that the people of this Nation and our armed forces and those that are relying upon us should have sufficient food, and I have every reason to believe from the reports that I have perused that this year's crops will be even greater than the record crops of 1942. I am of the opinion that many of you gentlemen are unduly alarmed, or in your extreme anxiety to pass this beneficial farm legislation, you are losing sight of the fact that though we will grow sufficient crops it will be impossible for the rank and file of the American consumers and especially the wage earners and the white-collar workers to purchase food because of the extremely high prices which their earnings will not permit.

I concede that agriculture is needed and that it is entitled to consideration, but it has received consideration. I say to the gentleman and to all others that in the last 10 years we have appropriated $11,000,000,000 to agriculture. This bill and other bills will increase the amount that must be paid by the Government and the people by many more billions of dollars.

Will there not be justification on the part of labor to demand higher wages if the cost of living will continue to increase, and, gentlemen, this is bound to happen.

Where would they get the money to pay for their needs and their wants, if we continue to increase the cost of living and do not increase the wages of every one of these people? If this continues we will have inflation, which, somehow or other, is not being taken into consideration by us at all to the degree that it should receive consideration.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield now.

Mr. O'CONNOR. I believe that the gentleman will agree with me in this statement, because I know he wants to be fair, and is fair, that notwithstanding all of the laws that we have passed, presumably for the purpose of benefiting the farmer and increasing production of farm products, the farmer today is not guaranteed even the cost of production of the things that he produces to feed the country, let alone making any profits.

Mr. SABATH. I say this to the gentleman. He may not be guaranteed it,

but as it is today, the consumer is obliged to pay, in many instances, from 50 to 100 percent more than he did formerly.

Mr. O'CONNOR. But the gentleman would not want the farmer to produce for less than the cost of production, I am sure.

Mr. SABATH. No; I would not. I believe the farmer should have a fair return. I say from observation and investigation that I have made, that the farmers of this country are better off today than they ever were in the history of our country.

Mr. O'CONNOR. I agree with the gentleman that this administration has materially helped the farmer.

Mr. SABATH. And I challenge the gentleman or any other gentleman to disprove the statement that I have made. To bear out my statement I insert at this point the prices the farmer received for some of his crops in 1932 as compared with the prices he is receiving today:

Farm prices	1932	1943
Wheat	$0.38 per bushel	$1.19 per bushel.
Corn	$0.31 per bushel	$0.90 per bushel.
Oats	$0.15 per bushel	$0.55 per bushel.
Rye	$0.28 per bushel	$0.64 per bushel.
Barley	$0. 22 per bushel	$0.70 per bushel.
Beans (dried)	$1.97 per bushel	$5.37 per bushel.
Cattle	$4.25 per hundredweight (4¼ cents per pound).	$12.36 per hundredweight (12⅓ cents per pound)
Hogs	$3.34 per hundredweight (3⅓ cents per pound).	$14.63 per hundredweight (14⅜ cents per pound).
Calves	$4.95 per hundredweight (5 cents per pound).	$14.18 per hundredweight (14⅛ cents per pound).
Sheep	$2.19 per hundredweight (2⅛ cents per pound).	$7.09 per hundred weight (71/10 cents per pound).

These authentic figures which I obtained from the Bureau of Farm Economics prove that farm prices today are approximately 300 percent higher than they were 10 years ago.

Mr. O'CONNOR. I agree with the gentleman, but, on the other hand, the farmer is paying at least 100 percent higher price for everything that he buys than he did years before. And his cost of operation, labor, taxes, and all are correspondingly higher.

Mr. SABATH. Oh, I appreciate that the gentleman is a great friend of the farmer, but, as he knows, I never have done them any harm. Yet, as I have pointed out, the farmers are receiving about 300 percent higher prices.

Mr. O'CONNOR. I do not say that the gentleman has; in fact he has been friendly to the farmers.

Mr. SABATH. I do believe that it is my duty to call the gentleman's attention, and the country's attention, to the acts that we have passed in the last few weeks, and I do think that we are going far beyond what the farmers themselves ask for. I say that the farmers themselves are not asking for this legislation. They do not want to be receiving all of these benefits, and therefore with the removal of acreage restrictions and the opportunity given them for full acreage production these payments and benefits should be taken into consideration in determining parity prices.

M . GILCHRIST. Mr. Speaker, will the gentleman yield?

Mr. SABATH. Yes.

Mr. GILCHRIST. Is it not true that at the present time industrial workers are getting food at a less percentage of their wages than they ever got food before?

Mr. SABATH. I disagree with the gentleman. I presume you have reference to the highly paid industrial war workers and skilled labor but not to the great mass of white collar and unorganized wage earners of this country whose salaries and wages, as I stated before, have not been increased to any extent. I think he will find that his statement cannot be justified.

Mr. GILCHRIST. Is it not true that the Bureau of Farm Economics has said that these people are getting food at 17 percent of what used to cost them 30 percent of their wages? Is not that true, and does the gentleman deny that?

Mr. SABATH. I do not know whether the Bureau of Farm Economics made any such statement or not, but I know this, that today you can go into any store and it costs you twice to three times as much to get a pound or a can of any food product than it did a few years ago.

Mr. GILCHRIST. Yes, but the industrial worker is getting a great deal for his wage.

Mr. SABATH. The gentleman means war workers, but I am interested especially in the white collar workers, the fifteen to eighteen million people who do not belong to any organization, and whose wages and salaries have not been increased, and who cannot afford to live on the wages they are receiving and the prices they are being forced to pay, in view of the high and ever-increasing cost of living.

Mr. Speaker, in conclusion let me say that the farmers' estimated income for 1942 was $9,700,000,000, representing an increase of 55 percent over their already large income of 1941, and two to three times over their 1939 income.

I reserve the remainder of my time and yield 30 minutes to the gentleman from Illinois [Mr. ALLEN], a member of the Committee on Rules. I ask unanimous consent to extend and revise my remarks.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself such time as I may desire. I am somewhat surprised that the leader of the farm bloc from the pavements of the South Side of the city of Chicago should alter his ways. Two or three weeks ago, we were convinced that he was a real dirt farmer, and here he comes today and talks against the farmer. What has caused that reversal of form I do not know, but we who are really interested in agriculture felt that we were changing the gentleman so that he would look our way a little bit, as evidenced by the three or four bills that have been before this session of Congress.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. Yes.

Mr. SABATH. Nothing I said could possibly be construed as saying that I am against the farmer. I only say that we are really going too far, and we should consider that, so that this would not react against his interest in the future. A few weeks ago we passed the Pace bill. I know the gentleman opposed it. I did not say anything about that, because I felt that the House believed that it should be passed, but my colleague from Illinois did oppose it, as, of course, he had the right to do.

Mr. ALLEN of Illinois. I did oppose the Pace bill, but, as I recall, the leader of the farm bloc, from the South Side of the city of Chicago, was taking the position that the consumer should pay less and that the farmer should receive more. I believe that was his position on that particular bill.

Mr. FISH. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. Yes.

Mr. FISH. Is not the gentleman from Illinois [Mr. SABATH] a member of the farm bloc, and does the gentleman mean to say that he has abandoned us?

Mr. ALLEN of Illinois. Oh, he is a member of the pavement farm bloc, not the dirt farm bloc.

Mr. SABATH. And I want to say that I am as good a friend of the farmer as is my colleague from Illinois or the gentleman from New York. In fact, I think I am a better farmer and know more about farming than both of these gentlemen put together.

Mr. FISH. I think he is doing better now. He has come back.

Mr. ALLEN of Illinois. He is back with us, then. If we can abide by that decision and if we can get around to the point where the housewife consumer will pay less and the farmer will receive more, I am sure we will all give the gentleman credit for it.

Mr. THOMAS of New Jersey. Will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. THOMAS of New Jersey. Did I understand the gentleman from Illinois to say "paving blocks"?

Mr. ALLEN of Illinois. No. This gentleman to whom I referred is from Chicago and not New York.

Mr. BROWN of Georgia. Will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. BROWN of Georgia. All this bill seeks to do is to correct an error made by Presidential order. Nobody ever contemplated that the President had authority to, or would issue an order to take benefit payments from parity. To

show the injustice of it and to show the purpose of this bill, there are many farmers who do not receive any benefit payments and therefore they will be losers. That was discussed in the House. I do not see how anybody can vote against this bill.

Mr. ALLEN of Illinois. I thank the gentleman from Georgia for his contribution.

Mr. AUGUST H. ANDRESEN. Will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. AUGUST H. ANDRESEN. As I understand the gentleman from Georgia indicates it is necessary for us to pass this legislation so that we may let the administration know the intent of Congress with reference to the other bill which we have already passed?

Mr. ALLEN of Illinois. I believe that is one good purpose of it.

This is an identical bill to the Bankhead bill which passed the Senate practically unanimously. The farmers are for this bill. By that I do not mean the farm leaders. I have received several letters from real, actual dirt farmers, along with letters from leaders of agriculture. They in Illinois, particularly, believe that this will help the corn farmer a great deal. As you all know, several pieces of legislation have been passed which militate against the interests of the corn farmer. They are behind this measure unanimously. This bill was reported by the Committee on Banking and Currency practically unanimously. It was reported by the Rules Committee the same way. It passed the Senate with only two votes against it. I believe we all admit that this bill should be passed without hesitation.

Mr. AUGUST H. ANDRESEN. Is it not a fact that the farmers of the country generally want to receive fair and decent parity prices at the market places, rather than continually being under subsidy from the Government?

Mr. ALLEN of Illinois. That is correct.

Mr. AUGUST H. ANDRESEN. And the time is rapidly approaching now, due to the tremendous expenditures for war purposes, when the Congress will not longer be able to pass subsidy appropriations?

Mr. ALLEN of Illinois. I thank the gentleman for his usually considered and fair statement.

Mr. RANKIN. Will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. RANKIN. I note that some of the gentlemen from the paving block areas, as the gentleman from Illinois characterized them, are very much disturbed by the fear that the rising price which the farmer gets will unduly penalize the consumers in the large congested centers. Now, as a matter of fact, when salaries and wages reached what they are now during the last World War, wheat went to $2.50 a bushel, did it not?

Mr. ALLEN of Illinois. That is correct.

Mr. RANKIN. And cotton went to 35 or 40 cents a pound. Therefore if the farmer were paid on anything like parity with men in industry, to say nothing of men working in war plants and on the Federal pay roll, the prices paid to the American farmer for their staple crops would be doubled at once.

Mr. ALLEN of Illinois. I thank the gentleman for that splendid contribution.

Mr. Speaker, I yield 5 minutes to the gentleman from Kansas [Mr. HOPE].

Mr. HOPE. Mr. Speaker, this is a bill which it should not be necessary for the Congress to pass. Under any proper conception of our traditional form of government it would never be before us. We have before us the same question that we had a few days ago when we were considering the Disney bill, the bill which repealed the Executive order which placed a $25,000 limitation on salaries. We have exactly the same situation here, in that an Executive order has been issued directly contrary to the authority and language contained in a bill passed by the Congress.

The House will recall that last October we passed an amendment to the Price Control Act. That measure provided that no price ceiling should be imposed on an agricultural product at less than parity, or upon the product of an agricultural product at a price that would reflect less than parity for the price of the primary agricultural product. After the passage of the legislation an Executive order was issued which provided that in determining price ceilings under that act there should be deducted from parity the amount of any benefit payments, parity payments or other government payments, which might be paid upon the crop in question. I submit that the language of the act was as clear and unequivocal as it could possibly be and that by no stretch of the imagination could an interpretation have been placed upon the act which would justify this Executive order.

It is therefore necessary for us to come here today and pass legislation specifically prohibiting the interpretation which has been placed upon the Price Control Act by the Executive order in question.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. HOPE. I yield briefly to the gentleman.

Mr. SABATH. If I agree to buy a bushel of wheat and agree to pay $1.25 for it, and then advance you 25 cents in advance, do you not think I am entitled to credit for that before I pay the balance?

Mr. HOPE. That would depend upon the terms of your agreement. You certainly would not be, under the act we passed last October, because that law specifically, clearly, and directly provided that no price ceiling should be fixed at less than parity. It did not say anything about crediting anything that might have been paid in benefit payments.

Mr. SABATH. But this bill will deny credit for the prepayment that was paid in fixing the price.

Mr. HOPE. This bill puts into effect specifically what the other bill did. It is necessary for us to come here now and prohibit the administration from putting the interpretation on the other bill which it has done.

Acting under the Executive order, there has been imposed a ceiling on corn prices which is approximately 6 cents a bushel less than parity, and there has been imposed a ceiling upon flour which, when reflected back to wheat prices, is approximately 15 cents per bushel less than the parity price of wheat. The purpose of this legislation is to repeal that Executive order and to provide that in the future no Executive order shall be at any time based upon that interpretation of the act.

Replying now to the gentleman from Illinois who asked why the farmer is not just as well off if he gets benefit payments plus the market price, I may say that in the case of both corn and wheat farmers there are a great many who do not get benefit payments.

The SPEAKER pro tempore. The time of the gentleman from Kansas has expired.

Mr. FISH. Mr. Speaker, I yield the gentleman 3 additional minutes.

Mr. HOPE. There are at least four instances in which corn farmers do not get these benefit payments. In the first place they do not get them if they are not in the program. In the second place all corn farmers who are outside the commercial corn area do not get corn benefit payments except such incidental payments as they might get under the soil-conservation program. In the third place, benefit payments are based upon the normal production of the allotted acreage on a farm so that if a man had a normal production of 30 bushels of corn an acre but raised 50, he would only get benefit payments on 30 bushels. In the fourth place, a farmer who grows more than his allotted acreage, even though he is permitted to do it under present regulations would not receive any payments upon that produced above his allotted acreage. It thus appears that a very large proportion of corn is not subject to benefit payments. Something like the same situation applies to wheat, although in a lesser degree.

So far as I know, all the farm organizations support this bill. It will be recalled that when the Pace bill was before this House the other day the farmers' union opposed it. That, however, is not the case with this bill. I have in my hand a telegram from the president of the National Farmers' Union, Mr. James G. Patton, and signed also by M. W. Thatcher, president of the National Federation of Grain Cooperatives, and also an official in the National Farmers' Union, reading as follows:

ST. PAUL, MINN., *February 27, 1943.*
Hon. CLIFFORD R. HOPE,
House Office Building:

We have just wired Senator BANKHEAD, as follows: "We are tremendously pleased and encouraged by your effective work which resulted in the Senate's approval yesterday by an almost unanimous vote to protect agriculture against ceilings imposed by O. P. A. at less than parity prices. We have always contended that parity payments were to provide parity of income and soil-conservation payments were to compensate the farmers for taking land out of production and preserving the soil." We will appreciate your placing our position in the record with your

Committee on Agriculture, and on the floor of the House.

NATIONAL FARMERS UNION,
JAMES G. PATTON, *President*,
M. W. THATCHER, *Vice Chairman, National Executive Council*.
NATIONAL FEDERATION OF GRAIN COOPERATIVES,
M. W. THATCHER, *President*.

I am glad that this measure has such unanimous support from the farm organizations. It ought to be passed. Certainly no one can very well oppose it on this floor knowing as I think we all know that when we passed the original legislation last October it was clearly the intent of Congress that prices should be fixed at not less than parity. There was no discussion at that time of deducting benefit payments. The language is perfectly clear. It is just a question as to whether Congress is going to write the laws or whether they are going to be written in the executive departments by men who have never been elected by the people and could not be elected if they wanted to be. Certainly everyone who believes in maintaining the integrity of the legislative branch of the Government should support this measure.

The SPEAKER pro tempore. The time of the gentleman from Kansas has expired.

Mr. FISH. Mr. Speaker, I yield 5 minutes to the gentleman from Indiana [Mr. HARNESS].

Mr. HARNESS of Indiana. Mr. Speaker, I ask unanimous consent to proceed out of order.

The SPEAKER pro tempore. Without objection it is so ordered.

There was no objection.

Mr. HARNESS of Indiana. Mr. Speaker, I want to take this opportunity to report to the House the interesting and possibly significant developments attending the examination of the personnel roster of the Office of War Information, undertaken by the special subcommittee of the Committee on Military Affairs, which is now investigating draft policies and practices.

A few days ago the distinguished gentleman from New York [Mr. TABER] supplied to me as a member of this special committee an official letter of transmittal from Mr. Elmer Davis, accompanying lists of O. W. I. male employees between the ages of 18 and 37, inclusive, who are subject to induction into the armed forces through selective service. This letter, dated February 23, 1943, and signed by Mr. Davis, was addressed to the Honorable JOHN TABER, House of Representatives. It stated merely that he was transmitting with the letter the information requested as to draft age men in the Office of War Information. There was nothing in that letter, or in the personnel lists which it covered, to indicate that the lists were not compiled from information current at the date the letter was written.

Three lists were transmitted. The first and largest list included the names of 746 men 18 to 37, inclusive, who were deferred by local draft boards, not at O. W. I. request. The second included the names of 222 in this age bracket who are not deferred, and who might be assumed to be awaiting call. Finally the third list carried the names of 82 men in this same age bracket who have been deferred at the specific request of O. W. I.

On last Monday, March 22, in a session of the special committee I used this list as the basis for interrogating Maj. Gen. Lewis B. Hershey, the Director of Selective Service. While General Hershey was before the committee the principal list of 746 names was discussed at some length, for we wanted to learn from General Hershey, if we could, why the local draft boards were deferring these men. I can assure you for the committee, as I have already assured officials of O. W. I., that it was not the intention during this discussion to imply improper motives on the part of the agency, or to cast any insinuations against the men who made up this list. We simply were after facts.

Then there was the second list of 222 young men, only 31 of whom were 30 years of age, or over, and only 43 of whom are married. Of that list, 99 single men and 27 married men were reported as unclassified by their draft boards.

When I asked General Hershey why there was such a great number of these young men employed in this agency who had not yet been classified by their draft boards, he, like the members of the committee, could offer no explanation. There naturally was considerable interest also in the fact that there were on that list 60 or more men in class 1–A and 30 or more in class 1–B who have not yet been called for induction.

It is reasonable to assume that a very high percentage of the men on this list are qualified for induction, for even men in 1–B, those reported with slight physical defects, are eligible for limited service assignments. It was naturally hard to understand why an agency would maintain on the pay roll here in Washington a list of some 200 young men while draft boards in most parts of the country are already dipping deeply into the reserves of married men and fathers.

The press and the public generally are naturally quite interested in the circumstances discussed in the committee hearing, as the whole matter was promptly reported Monday evening and Tuesday morning. The O. W. I. at once felt the reaction, and felt called upon to make a statement in defense. Accordingly, shortly after this meeting of the committee, Mr. Davis, according to the press, announced that his agency had asked deferment for only a small number of men considered to be irreplacable; and that implications against the agency or insinuations against individual employees were unwarranted.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. FISH. Mr. Speaker, I yield the gentleman 4 additional minutes. Will the gentleman yield?

Mr. HARNESS of Indiana. I yield to the gentleman from New York.

Mr. FISH. General Hershey was quoted in the press as saying that he was opposed to having these governmental departments and agencies ask for any deferments, is that correct?

Mr. HARNESS of Indiana. No, he did not say just that. His thought, I believe, was that the governmental departments and agencies should set an example for the rest of the country in a ready willingness to release any but the most essential employees.

Mr. FISH. Will the gentleman answer this question: Why, in the name of heaven, should any young man under 30 years of age, single, be indispensable to the service of any department of the Government?

Mr. HARNESS of Indiana. I disagree just as heartily as does the gentleman with the doctrine of indispensability of individuals. I cannot imagine an instance of a man under 30 whose service to the Government is indispensable. I would go much further than that and say that there is simply no such thing as the indispensable man, in government or out. There are, of course, a small percentage of assignments in government where it would take time and effort to make replacements, but the number in relation to the total of employment is extremely small, and I think government is very seldom warranted in asking more than short-time deferment.

But back to the release from O. W. I. as it has appeared in local papers. It would appear from this release and from subsequent inquiry that the O. W. I. reports examined by the committee are months old, and therefore do not reflect the true condition existing in that agency today.

Now, who really is to blame for the false picture, if an erroneous impression actually has resulted from the use of old statistics? Remember that Mr. Davis transmitted these lists here at the specific request of the gentleman from New York [Mr. TABER] on February 23, and certainly, in the absence of any notice to the contrary, there was no reason to doubt that the information was accurate for the date on which it was submitted. We might very properly ask why an agency of Government, when requested to furnish information to Congress, fails so signally as O. W. I. admits to failure in this instance to furnish pertinent, timely, and absolutely reliable information. It might also be appropriate for this special committee to demand an explanation as to why such conditions were permitted to exist even 5 months ago, for there was no better excuse for men of draft age being unclassified then than there is right now. Even at that date it will be remembered also that practically all draft boards had exhausted their reserves of 1–A's.

Mr. TABER. Will the gentleman yield?

Mr. HARNESS of Indiana. I yield to the gentleman from New York.

Mr. TABER. Does the gentleman think that when an agency supplies information to a Member of this House that every Member of the House is entitled to rely upon the information?

Mr. HARNESS of Indiana. I certainly do think so, especially when it comes as an official communication to a Member of Congress purporting to give the facts.

Mr. TABER. There was nothing upon any of these lists to indicate that the information was 5 months old?

Mr. HARNESS of Indiana. There was absolutely nothing, either in Mr. Davis' letter or anywhere among the lists, to indicate such a thing. Mr. Davis' letter to the gentleman was the simplest sort of a transmittal form and nothing more. The accompanying lists gave the name, age, marital status, and draft status of the individual where known. Only that and nothing more. There was not a single thing to indicate that the lists were not accurate up to February 23, 1943, the date the letter was sent.

Mr. Speaker, the gentleman has touched upon a very important matter here, one on which I think this Congress should express itself in vigorous and unmistakable terms. Congress must have information from Government agencies which is absolutely reliable. It has the right and the authority to ask for and receive such information; and it follows that it has the corresponding duty to act summarily in instances where agencies or persons in Government for any reason fail to provide such information. I do not wish to bring a definite indictment against O. W. I. in the present case, but that agency has definitely exposed itself to the suspicion that it was seeking a loophole in sending up information which it certainly must have known was outdated, and which it might deny if occasion demanded.

It is indeed a sorry condition if governmental agencies are to be permitted to make offiical statements or issue official information to Congress one day which they may deny on the next if there is need to save face.

Mr. SHORT. Will the gentleman yield?

Mr. HARNESS of Indiana. I yield to the gentleman from Missouri.

Mr. SHORT. How much are we paying the O. W. I. for this valuable service?

Mr. HARNESS of Indiana. I am sure it is a fancy price, but I would prefer that the gentleman from New York [Mr. TABER], a member of the Appropriations Committee, answer that question.

Mr. TABER. They have 2,300 employees and it costs millions and millions of dollars.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. FISH. Mr. Speaker, I yield the balance of my time to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein a letter addressed by me to the Secretary of Agriculture and his reply thereto.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. HALLECK. Mr. Speaker, getting back to the bill before us, and apropos of something that was suggested by the chairman of the Rules Committee, I would like to make this suggestion. Since this Seventy-eighth Congress convened we have been required to spend a great deal of our time undoing executive and administrative acts which were outside and clearly beyond the scope of the authority contained in many measures enacted by Congresses preceding this one. Many of those acts have been in direct contravention of the statutes. The action which is required here today is necessary because of an Executive order which I say flies right straight in the face of the mandate and will and the intention of the Congress.

So long as executive and administrative agencies insist upon that sort of misinterpretation and distortion of the will of Congress, then I suppose so long will the Congress of necessity be required to spend a great deal of its time in undoing what some executive or administrative official has sought to do. But it does seem to me that right shortly now the people in charge of administering the laws that the Congress puts on the books should understand and know that we expect them to be administered as we have written them. If they do not voluntarily so administer them we are going to see to it that they do, and that without regard to how long or what it takes.

At this point I would like to insert a copy of my letter to the Secretary of Agriculture and a copy of his reply to me. My letter was addressed to him on January 18, inquiring particularly of the corn ceilings, and his reply is dated February 6. In connection with his reply I would like to point out, first, that the whole basis of the reply is the Executive order originally entered. There is no effort that I can find in the letter to justify that Executive order. The letter in its concluding paragraph indicates the hope that certain matters contained in the preliminary order fixing corn ceilings would be corrected when the permanent order is entered. It is true that those corrections have not been made in the permanent order entered.

The letters referred to follow:

JANUARY 18, 1943.

Hon. CLAUDE R. WICKARD,
Secretary of Agriculture,
Washington, D. C.

DEAR MR. SECRETARY: Under Public Law 729 of the Seventy-seventh Congress, approved October 2, 1942, and generally referred to as the Price Control Act, it is provided in part as follows:

"But nothing in this section shall be construed to permit the establishment in any case of a maximum price below a price which will reflect to the producers of any agricultural commodity the price therefor specified in clause (1) of this section."

Clause one referred to in the above quotation refers to the parity price of agricultural commodities.

It seems clear to me that the statute as written prohibits the fixing of any ceiling price below the parity figure for the actual producer on the farm.

You are, of course, familiar with the recent action of the Office of Price Administration freezing the price of corn. My information and understanding is that the price so fixed and determined is considerably below the parity figure.

In order that there be no misunderstanding of the facts on my part, I wish you would advise me as to the present parity price for corn, and also advise me as to the cash price for corn at the country elevators in northern Indiana, with the Chicago price at the point fixed and determined by the freezing order.

Very sincerely yours,

CHARLES A. HALLECK.

DEPARTMENT OF AGRICULTURE,
Washington, D. C., February 6, 1943.

Hon. CHARLES A. HALLECK,
House of Representatives.

DEAR MR. HALLECK. I have at hand your letter of January 18, 1943, referring to ceiling prices for corn.

Paragraph 2, title IV, of the Executive order issued by the President, October 3, 1942, reads as follows:

"In establishing, maintaining, or adjusting maximum prices for agricultural commodities or for commodities processed or manufactured in whole or in substantial part from any agricultural commodity, appropriate deductions shall be made from parity price or comparable price for payments made under the Soil Conservation and Domestic Allotment Act, as amended, parity payments made under the Agricultural Adjustment Act of 1938, as amended, and governmental subsidies."

The parity price of corn on December 15, 1942, was 99.5 cents per bushel. As you know, this parity price is based upon, and is comparable to, the average price received by farmers for all grades and types of corn. On the average, however, there is a normal spread of about 6 cents per bushel between the price of No. 2 yellow corn at Chicago and the average farm price of all corn. That is, the current ceiling price which has resulted in a price of slightly over $1 per bushel for No. 2 yellow corn at Chicago, would normally allow or reflect an average farm or local market price of about 94 cents per bushel for all corn.

The corn payment for 1942 under the agricultural conservation program was 5.5 cents per bushel. When this payment is deducted from the parity price of 99.5 cents per bushel, it is clear that the present ceiling price, as established by the Office of Price Administration, reflects an average farm price which meets the minimum requirements of Public Law 729, as approved October 2, 1942.

We do not have specific data as to the current cash price of corn at country elevators in northern Indiana. However, corn prices in northern Indiana should not be much below Chicago prices for the same grade and quality of corn, and we are reasonably sure that, when the Office of Price Administration issues a permanent maximum price regulation for corn, provision will be made for the normal differential between country markets and prices in such central markets as Chicago.

Sincerely,

CLAUDE R. WICKARD,
Secretary.

Mr. GILCHRIST. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. Yes.

Mr. GILCHRIST. In the committee, to questions asked by me, the Secretary of Agriculture himself said that he thought that this order, so far as it respected corn, had many elements that were unfair. The Secretary of Agriculture said that.

Mr. HALLECK. The suggestion has again been made here that the passage of this legislation will raise the cost of living to our people. In the first place, in response to that, we had a great deal of controversy about whether farm prices should be limited to 110 percent of parity or 100 percent of parity. We originally had 110 percent and it was reduced to 100 percent. I have never heard anyone

contend that the cost of living should be kept down by keeping farmers' prices below parity, and that is what this Executive order seeks to do.

In the second place, consumers do not buy corn—and corn, as I understand the situation, is the only commodity presently involved. People do not buy corn for direct consumption in any quantity. They buy beef and pork and poultry products and dairy products. Those products are above parity, and there is no ceiling operating on them, so this legislation will not have any effect on those particular products except as producers of those commodities will have to pay more for their corn for feed.

Insofar as the price of corn is concerned, if it is raised to parity following the passage of this legislation, then the price will be raised to the people who are buying the product corn in order to convert it into something that the country needs and the consumers need.

The demand for this legislation is not coming alone from the farmer or the farm representatives. And I might say to my very amiable chairman from Illinois that I think a lot of farmers are interested in this, not just the leaders. But be that as it may, if he would look around the country he can find many people—the distillers, for example—who are making commercial alcohol in order to promote the war effort who are saying, "We have to have this legislation in order that the corn will move into the channels where it is needed." The feeders are beginning to say the same thing. I have not heard any feeders of hogs or cattle, or anyone who uses corn as a feed for the production of consumer goods, urging that the price of corn should be kept down below parity.

Further, as a matter of equity, many corn farmers are not in the farm program. They are not getting Government checks. They look only to the price of corn. To include Government payment is a rank discrimination against them.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. SABATH. I yield such time as he may desire to the gentleman from Arkansas [Mr. CRAVENS].

Mr. CRAVENS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include therein a copy of House Joint Resolution No. 30, adopted by the Arkansas Legislature.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. SABATH. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Speaker, I take this time merely to express my view that no deferment should be given by any department of the Government or agency of the Government to any unmarried man. I even go further. I see no reason why any deferment should be given to anyone under 35, married or single. Their jobs could be taken over by older men or by women. If they are going to continue this policy of giving deferments, then it is up to the Congress to act and to stop them.

Mr. SABATH. Mr. Speaker, in view of the fact that I have made my position clear in behalf of the consumers of America, and also in respect to the benefits that will accrue to the farmers of this Nation, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. STEAGALL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 1698) to amend the act entitled "An act to aid in stabilizing the cost of living"—Public Law No. 729, Seventy-seventh Congress.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 1698 with Mr. GORE in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

Mr. STEAGALL. Mr. Chairman, this bill has a rather unusual history. I think it would not be unfair to say that this House has expressed itself on two occasions in favor of what we are undertaking to do by this legislation. Likewise, it has been approved twice by the Senate as well as by the appropriate committees of the two Houses.

In that connection let me say also that the bill is approved by the leading farm organizations of the Nation. I have in my hand a letter of this date from Hon. Edward A. O'Neal, president of the American Farm Bureau Federation which I shall insert in my remarks. I shall also include statements from Hon. A. S. Goss, master of the National Grange, and from the executive secretary, Ezra T. Benson, of the National Council of Farmer Cooperatives, together with a letter from Charles W. Holman, secretary of the National Cooperative Milk Producers' Association.

AMERICAN FARM BUREAU FEDERATION,
Washington, D. C., March 24, 1943.

Hon. HENRY B. STEAGALL,
House Office Building, Washington, D. C.

MY DEAR CONGRESSMAN STEAGALL: The American Farm Bureau Federation is strongly in support of your bill (H. R. 1698) prohibiting the deduction of payments to farmers in establishing ceilings on agricultural commodities. The strong sentiment in the Senate, which the farmers appreciate, as evidenced by an overwhelming vote in favor of such a prohibition, is indicative of the farmers' strong feeling on this matter.

Farmers everywhere are united in opposition to the policy of paying subsidies in lieu of fair prices. Representatives of four great national farm organiations recently adopted unanimously a statement opposing the payment of subsidies in lieu of fair prices to farmers for agricultural commodities. Farmers do not want to be forced into the position of seeking subsidies when fair prices can be obtained in the market place. If there ever was a time when the consuming public is able to pay fair prices for farm commodities. they can do so now when our national income has reached the record-breaking total of approximately $120,000,000,000 annually, and certainly workers are receiving the highest wages in the history of the Nation. Despite increases in the cost of food, the average nonfarm worker is paying only 22 percent of his income for food, which is the lowest percentage in the past 30 years.

We do not believe that Congress intended the Office of Price Administration to include subsidies in fixing maximum prices on agricultural commodities. Neither the Emergency Price Control Act of 1942 nor the act of October 2, 1942, authorized such action. On the contrary, the provisions relating to ceilings on agricultural commodities, which are very specific and mandatory in character, refer consistently to prices rather than to mandatory rates or payments.

Notwithstanding, the Office of Price Administration, by administrative interpretation, has adopted the policy of including subsidy payments to farmers in fixing ceilings on some agricultural commodities. The maximum price recently imposed upon corn is a flagrant illustration. This ceiling, in our opinion, is a violation of the intent of the law, which prohibits the placing of ceilings on any agricultural commodity below the parity price.

I hope that the House of Representatives will speedily approve your bill in order to protect farmers against this abuse of administrative power.

Sincerely yours,

EDW. A. O'NEAL,
President.

THE NATIONAL GRANGE,
Washington, D. C.

Hon. JOHN H. BANKHEAD,
United States Senate,
Washington, D. C.

MY DEAR SENATOR BANKHEAD: We have always felt that the Price Control Act of October 2 set forth a very clear policy that maximum prices should be adjusted to meet rising costs, and that subsidies should not be used either in lieu of fair prices or any calculated ceilings with reference to parity.

We are therefore glad to see your bill S. 660, and trust it will receive the favorable consideration of the Congress.

Yours very truly,

A. S. GOSS,
Master, National Grange.

NATIONAL COUNCIL OF FARMER COOPERATIVES,
Washington, D. C., Feb. 11, 1943.

Senator JOHN H. BANKHEAD 2d,
United States Senate,
Washington, D. C.

DEAR SENATOR BANKHEAD: On behalf of the many cooperative organizations affiliated with this council, with farmer memberships totaling in excess of 2,000,000, distributed in all of the 48 States, we endorse the principles of your bill S. 660, "to prevent certain deductions in determining parity or comparable prices of agricultural commodities, and for other purposes."

Practically all farmers are firmly and unalterably opposed to subsidies in lieu of a fair price in the market place that will result in maximum production. We believe that your bill is in line with the intent of Congress when it passed the Price Control Act of October 2, 1942. It seems to us unfortunate that legislation of the character of S. 660 is necessary when Congress, as we believe, so clearly intended that the parity price referred to was the price in the market place, exclusive of Government subsidies, incentive, conservation, or other Government payments.

The farmers of this country are disappointed and discouraged because they are prevented from producing, to the maximum, the vital foods necessary to the effective winning of the war, when Congress clearly

intended that modifications in ceiling prices in the market should be made to increase the production of farm products for war purposes.

Sincerely yours,

EZRA T. BENSON,
Executive Secretary.

THE NATIONAL COOPERATIVE MILK PRODUCERS' FEDERATION,
Washington, D. C., February 23, 1943.

Hon. JOHN H. BANKHEAD,
Senate Office Building, Washington, D. C.

DEAR SENATOR BANKHEAD: We would like to advise you that the National Cooperative Milk Producers' Federation wishes to go on record as supporting your bill, S. 660. We believe that this bill will correct the present violation of the intent of Congress in that parity and conservation payments should not be included in computing ceiling prices for specific commodities.

The provision that subsidy and incentive payments shall not be included in computing parity and comparable prices should do much to discourage the program of subsidies and incentive payments to which we are unalterably opposed.

Sincerely yours,

CHAS. W. HOLMAN,
Secretary.

It will be recalled that when the original price-control bill was before the House there were included in the legislation certain specific limitations upon the power of the Price Administrator in fixing prices upon farm commodities. One of those provisions in the first act, which was controversial at the time and remained so, as long as it was in the law, provided that no limitation could be set at a price lower than 110 percent of the parity price on any commodity.

It has been recognized everywhere that the farmers of the Nation are entitled to receive parity prices. There was considerable misrepresentation and misunderstanding of the purpose and effect of the provision of the first price-control bill limiting the Price Administrator to 110 percent of the parity price in fixing prices on farm commodities. The controversy was fought out in the Committee on Banking and Currency of the House, again in the House, again in the Committee on Banking and Currency of the Senate, and again in the Senate, and those provisions along with other provisions incorporated in the House bill were approved in conference and they were finally enacted into law and approved by the President of the United States.

The 110 percent of parity limitation provision in the price-control bill continued to receive criticism from many quarters, culminating in a message from the Chief Executive with which the Members of Congress are familiar, and after which the House Committee on Banking and Currency proceeded to consider the second price-control bill. In the second price-control bill the limitation placed upon the Price Administrator was that he could not set a price on any agricultural commodity below 100 percent of parity, but in calculating parity for the purposes of price ceilings the Price Administrator was required to give credit to all the cost of farm labor. That bill went to the Senate and resulted in the passage of the bill with language relating to the cost of farm labor different from that which was incorporated in the House bill, but which expressed the same legislative intent. The language finally adopted required that adequate weighting should be given the cost of farm labor.

Other protective provisions for the benefit of agriculture were carried in the bill, the principal provision placing a floor under agricultural commodities during the continuance of the war and for 2 years following the war. At no time throughout all those long months that that legislation was under consideration by the Congress was there ever any suggestion that in fixing price ceilings on agricultural commodities or that in determining the parity price for any agricultural commodity for the purpose of price ceilings, subsidy payments, conservation payments, or any other payment out of the Treasury of the United States should be included.

It was understood by everybody that Congress meant to establish limitations upon the power of the Price Administrator to fix limitations or ceilings on farm prices. It was prices with which we dealt at all times, and prices alone that were in the mind of the Congress when the legislation was under consideration. What would have been the use spending all the time that was consumed in the Committee on Banking and Currency of the House in connection with the first bill or the second bill, and the time consumed by the committee in the Senate and by the Senate itself in long debate that took place if that were not the case? Why should the Congress be called upon in the first instance to repeal the 110 percent parity limitation fixed upon the Price Administrator in the first price control bill, if there had been any authority or any intention on the part of Congress to permit the Price Administrator to count benefit payments of any kind as a part of the parity price for the purpose of price ceilings? The controversy could have been ended in a few moments if that had been the intention. It is ridiculous to contend otherwise. When the 110 percent provision of that bill was under assault from so many quarters for such a long time, both in the public press and in the discussions in both Houses of Congress, nobody ever suggested that the Administrator would take any action that would circumvent the requirements of the law by adding to a less-than-parity price, benefit payments out of the Treasury of the United States in order to bring the price up to parity. Neither the first Price Control Act nor the second would permit the Price Administrator to fix price ceilings on farm commodities below parity and add benefits of any kind to raise the return to the farmer to the level of parity.

Only after the final action in the Senate, when the bill was passed, did we hear of any proposal that prices would not be considered as such or that a price might be fixed below the requirements carried in the bill and the discrepancy be paid out of the Treasury of the United States.

The first price-control bill was offered us as an anti-inflation measure, and the entire discussion was waged on the problem of inflation. Just here let me say that the farmers of this Nation are not in favor of inflation. Many thousands of them were ruined by deflation. In 1932, during the first session of the Congress after I became chairman of the Banking and Currency Committee of the House, the committee, after long study and consideration, and after having before us many of the leading economists of the country, reported a stabilization bill requiring the Treasury of the United States and the Federal Reserve System to conduct all of their operations and use all of their vast powers to restore the 1926 price level and to stabilize prices in the United States on that basis. That measure passed this House with only 60 votes against it, and it was supported by the same farm organizations of the United States that are supporting the bill now before the House. When the second price-control bill was handed to us for consideration, inflation was not mentioned in the bill. You may read the law as finally passed, and you will find the only place in which the word "inflation" occurs in that legislation is in the title of the bill, and I wrote it there with my own hand.

Mr. WHITE. Mr. Chairman, will the gentleman yield?

Mr. STEAGALL. Yes.

Mr. WHITE. The first price-control bill, and this amendment proposed that we are considering now is aimed at preventing the consideration of conservation payments in establishing price ceilings.

Mr. STEAGALL. Absolutely, that is the purpose of it. An identical bill has passed the Senate by a vote of 78 to 2. It comes to the House with unanimous support from the Banking and Currency Committee of the House.

Mention was made here today of the Disney bill, and somebody said that this bill was in the identical situation as the Disney proposal that was added to the debt-limitation bill. The action that was taken in limiting salaries rests entirely in a different category, technically, from that to which reference is made in the bill before us. I understood that there was no legislative intention to authorize such limitation upon salaries, but there was room for division of judgment among lawyers, or opportunity for difference of legal interpretation because of the broad general language employed, and under which that order was made, but in the matter of farm commodities there were specific limitations so that the general language did not apply. They were placed in the first bill and in the second bill. It will be remembered that in the first bill handed us for consideration, there was no limitation on the power of the Price Administrator to fix the price of farm commodities.

He would have been given the same authority to fix the price of farm commodities as was conferred with respect to any strategic or critical material for war purposes, and the bill at that time carried a specific exemption of wages. So some of us felt that that broad power should not be entrusted to the Price Ad-

ministrator at that time, and we incorporated in that bill the specific limitations to which I have referred. I am not mentioning all these limitations, because it is only this matter of parity that is involved in the legislation before us.

In both bills there were specific limitations upon his power to fix limitations upon the price of farm commodities. I do not believe there is a lawyer in this House who will read those two bills and contend that any such authority was given, or deny that the intent was to refuse to confer any authority upon the Price Administrator to limit the prices of farm commodities, except as specifically provided.

The farmers of this country now, when purchasing power is at an unprecedented level, do not feel that they should be put in the attitude of suppliants for favors at the hands of Congress, or for a hand-out from the Treasury of the United States. They are opposed to any such action as that in connection with the control of prices by the Price Administrator. There is no necessity for it under present economic conditions.

As far as the matter of the cost of living is concerned, there is no difference in the farmer's spending power, whether he gets the money out of the Treasury, or has it handed to him across the counter in a legitimate transaction representing the price of the commodity which he has to offer in the market. As far as inflation is concerned, in heaven's name what has a more dangerous inflation tendency than unnecessary appropriations from the Treasury of the United States? Heaven knows the Treasury of the United States faces at this time a task that will demand enough of economic leadership and enough sacrifice on the part of the people of the United States in support of this war, without undertaking to set up bureaucratic machinery and unnecessary appropriations out of the Treasury to supplement the price of farm commodities, in order that the farmer may receive a price that everybody agrees is fair and just. Consumers have greater purchasing power than ever known before in our history. The Treasury of the United States has enough problems on its hands at this hour. We have enough danger of inflation. I am not sure that we do not face a worse condition than inflation at no distant day, because if some of the tendencies that are to be observed at this time reach their legitimate end, we might well begin to reflect upon whether or not we are coming upon the time when we shall face danger of repudiation. Now to open up the Treasury and allow bureaucracy to be expanded in order that farmers may be deprived of prices which everybody agrees is just and fair, is certainly something that should not be contemplated.

Mr. KEFAUVER. Will the gentleman yield?

Mr. STEAGALL. I yield.

Mr. KEFAUVER. Did I understand the gentleman to suggest that the farmers do not want any further payments under the Soil Conservation or Domestic Allotment Acts; that they would be perfectly willing to take parity and not have any more payments?

Mr. STEAGALL. The farmers have never asked anything but parity, and these plans have been devised for the purpose of securing parity for the farmer. They were adopted as a measure of relief when fair prices could not be obtained. There is no need for the present situation if the Price Administration will allow farm prices to reach normal levels or observe such rules as laid down by Congress. There is not any authority of law to justify the use of public appropriations to supplement farm prices under ceilings to be established by the Price Administration. But to show conclusively that no such intention occurred to anybody and that such plan is utterly impractical and unfair, I call attention to the fact that conservation payments and subsidy payments cannot be applied except to farmers who conform to the control program. More than two-thirds of the corn produced in 1942 was not eligible for payments under the agricultural program. There is something like one-fourth of the wheat of this country that cannot, under existing law, be taken care of under the order that has been imposed by the Price Administrator.

Mr. KEFAUVER. If the gentleman does not think any further payments should be made under the Soil Conservation and Domestic Allotment Acts, then what difference does it make whether they are figured in or not, because if we follow the recommendation of the gentleman from Alabama, no payments should be made under those two acts?

Mr. STEAGALL. I do not know that I catch what the gentleman has in mind. I have not said there should not be any further payments made. Of course, there are some farm commodities that are below parity, and the law stands on the statute books authorizing the Secretary of Agriculture and the Commodity Credit Corporation to take care of that differential. I have not for a moment said that that should not be done. But there is not any authority under the law to take care of all corn producers of this country or all the wheat producers of this country who do not receive a parity price now. They cannot take conservation payments and domestic allotment payments, under the terms of the existing farm act, and devote them to that purpose.

Mr. KEFAUVER. Apparently I have misunderstood the gentleman. Then will the gentleman tell us how much this would add to the general cost of living insofar as farm products are concerned?

Mr. STEAGALL. If you will take the record and turn to the price of corn, which is used as feed for poultry and livestock, you will find that the parity price of corn in February, 1943, is 102, and the ceiling put at about 88 percent of parity. You will find that hogs, beef, veal, and lambs run all the way from 126, 131, 143 to 146. They are entirely out of line. As has been stated this afternoon, there is not any insistence on the part of those who desire to consume the corn for feed that is available in this country that the price should be reduced. They would be glad to pay parity in order to get the corn. But the increased cost of living by reason of this bill, which under existing conditions relates only to wheat and corn, is so infinitesimal that I have not been able to get anybody to give me figures on it, and I have asked at the department and everywhere. The gentleman knows that when wheat was $2.50 a bushel, bread sold for just the same as it does today.

Mr. KEFAUVER. Has the gentleman any expert testimony? That is what a lot of us are worried about; there do not seem to be any hearings printed on this bill. We would like further information.

Mr. STEAGALL. There have been extended hearings, both in the House and in the Senate; this is a matter that has been gone over and over and over again.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. STEAGALL. I yield.

Mr. RANKIN. If it is facts that the gentleman from Tennessee wants, I can give him a few facts to justify the contention of the gentleman from Alabama that farm prices are far below what they should be under the present situation, and especially under the prices paid to industrial labor. As I pointed out the other day, prices are regulated by two things in a free economy: The volume of a nation's currency multiplied by the velocity of its circulation. The largest amount of money in circulation per capita at the close of the last war was $53.21. Cotton at that time rose to 35 or 40 cents a pound, and wheat to $2.50 a bushel. Industrial wages were not as high as they are today. Two months ago we had $114.50 per capita in circulation with the highest velocity of circulation ever known, and industrial wages are far above what they were at the peak, during, and at the close of the last war. Farm prices; and I am speaking now of the price of wheat, corn, cotton, and the other basic commodities, would not be on a parity with the wages paid to industry if cotton doubled its value tonight, and wheat, corn, and the other commodities did the same thing.

Mr. STEAGALL. This might also be said: Not only is that true, but there has never been a time when labor's wages would buy or take care of as much of the cost of living so far as farm prices are concerned as they will now. I have the figures on farm income here before me but you have heard them many times; there are many of them, and I am not going to take time to read them. Suffice it to say that a comparison of the income of that portion of our population engaged in agriculture with that engaged in industry shows a discrepancy and a discrimination against the farmers of this country that is horrible to contemplate. If you will make a comparison between the Nation's wealth 30 years ago and its wealth today and the wealth of those engaged in agriculture on the other hand you will find that in every decade the national wealth has been increasing by billions, while the wealth of the

Nation's farmers has been continually decreasing. Remember that farmers constitute nearly one-third of the Nation's population. No man can be indifferent to these facts if he has any concern about a balanced economy in this country or any regard or solicitude for social justice.

Mr. GRANGER. Mr. Chairman, will the gentleman yield?

Mr. STEAGALL. I yield.

Mr. GRANGER. I agree with what the gentleman said in reply to the gentleman from Tennessee but let me get this straight: It is not the gentleman's contention, is it; he is not arguing, is he, that incentive payments or soil-conservation payments should be considered in the fixing of the parity formula?

Mr. STEAGALL. This is an emergency war measure conferring this extraordinary power upon a single administrator. It carries the power of life and death over the economic structure of this country—the power to make and to destroy prices and values. It is limited to the duration of the war and we put these limitations upon that power. It is different from the permanent law known as the Agricultural Adjustment Act; this measure is the war emergency act and it is upon the exercise of this unusual power that we place limitations——

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. STEAGALL. I yield to the gentleman from Mississippi, but I must hasten to conclude.

Mr. RANKIN. Some Members are very much afraid this will permit inflation. As I pointed out a moment ago, inflation is already here. It came when you inflated the currency. Furthermore, this bill and the rise in farm prices that it will bring will not have the slightest effect on inflation and will not cause the issuance of an extra dollar.

Mr. STEAGALL. I do not hesitate to make the statement that if our farmers were to give to the people of this country the entire crop of wheat or the entire crop of corn raised last year, it would not have any serious bearing on the matter of inflation in view of the hundreds of billions of dollars that are being expended out of the Treasury during the period of this war.

Mr. KEFAUVER. I may say to the gentleman it seems to me there is quite a difference between $1 corn, which is 88 percent parity and full parity. It seems to me the gentleman is not serving the public interest at this time in bringing this bill out when the matter of inflation is in a very precarious balance, as the gentleman very well knows. Certainly if this bill is going to force wages up and break the little steel formula, the farmer will be right back where he started, only probably in a worse place than he is now. It is a vicious cycle, and we ought to stop this tampering with disaster now.

Mr. STEAGALL. I have no quarrel with labor. I have been a friend of organized labor. I have always wanted to see labor receive justice, to be paid a fair wage, I wanted to see their standard of living elevated, I have always recognized that as we elevate the standard of living in urban centers we would increase the demand for the great surplus crops produced by the farmers of the United States; so not only from social considerations but from a selfish economic standpoint I have always been friendly to labor. I know that mistakes are made, I know we are in an unusual situation now, and that legislation for the protection of labor in normal times enacted is not always suited to wartime conditions. I make this statement as a preface to what I want to say in answer to the gentleman's question.

First, when the original price control bill came up we knew then who the administrator would be, we knew who his advisers would be, both legal and otherwise. That bill would have given a free hand to the Administrator in controlling agricultural prices. Some of us had foresight enough from what we knew and understood at that time to anticipate the kind of action that might be taken and we refused to support a bill without some limitation upon the power of the Administrator in dealing with agricultural prices, although there was no such provision in the bill we were asked to support, and that bill not only as presented to us but, as passed, carried a specific exemption of wages. That was the law during all the months between the passage of the first price control bill and the enactment of the second price control bill. During that time wages were rising steadily, day after day, and reaching unprecedented levels. Mr. Henderson himself made the statement that during the period of 1 month last year the increase in industrial wages amounted to $1,200,000,000 which upon a fair accounting is greater than the price of the entire farm crops of the United States during the year 1942, and during all that time the powers of the Administrator were like the sword of Damocles over the prices of agricultural products. The press was filled day in and day out with threats the Administrator of destructive policies to be adopted against agricultural commodities. That was the time to be alarmed about the danger of inflation, but we heard little about it except as applied to the requirement of the law that prices upon farm commodities should not be fixed below a standard that everybody said was simple justice and fairness to the farmers of the United States. The fact is it was not fair and just. The standard is not fair and just now and I do not think anybody will contend that it is.

Mr. KEFAUVER. I may say to the gentleman that I was not originally in favor of the bill that allowed these high wages to come about. I agreed with my colleague from Tennessee [Mr. GORE], that everything should have been frozen. But the gentleman brought out, supported, and Congress passed this bill that allowed wages to get out of line and which did not put any limit on agricultural products until they reached 110 percent of parity. But we have gotten ourselves into this desperate situation now, and the gentleman feels as I do, I am sure, that we do not want the Little Steel formula broken, yet here in Congress we are adding fuel to the fire that is liable to break this formula unless we watch out. I do not think this bill should have been brought out at this time. I do not believe we should put this additional burden upon the President and Mr. Byrnes in the valiant effort to prevent the breaking of the Little Steel formula. The pressure will be almost irresistible if this bill goes through.

Mr. STEAGALL. I am sure the gentleman does not think that their problems are limited to agricultural prices right at this time. They are faced with far more serious problems right now.

Mr. STARNES of Alabama. Will the gentleman yield?

Mr. STEAGALL. I yield to the gentleman from Alabama.

Mr. STARNES of Alabama. Pursuing further the inquiry made by the gentleman from Tennessee and his apparent concern lest the demand for parity on the part of the American farmer will bring about inflation, I call attention to the fact that in 1918, during the World War No. 1, the total national income of the Nation in that year was $58,000,000,000 and that the farmers received 16 percent of the total national income. In 1942 the national income was estimated at $115,000,000,000, double that of 1918, and the American farmer actually received less than he received in 1918. The nonfarm income of this Nation doubled in 1942 over 1918, and I cannot understand the great concern of the gentleman.

Mr. STEAGALL. The discrepancy between farm income and the general national income and between the value of farm wealth and national wealth is vastly greater today than it has ever been in the history of this country. The national wealth is mounting every day, but not the farm wealth, because it is being held down.

Mr. KEFAUVER. The gentleman speaks of 1918. That condition, as the gentleman must agree, was the most unhealthy situation that was ever brought about for the American farmer. He was afterward taken through the wringer and that is what is going to happen to him again if we emulate the conditions of 1918.

Mr. STEAGALL. Will the gentleman permit me to ask him a question?

Mr. KEFAUVER. Why, certainly.

Mr. STEAGALL. Who was taken through the wringer except the farmer?

Mr. RABAUT. Wait a minute.

Mr. STEAGALL. Yes, I will wait.

Mr. KEFAUVER. The gentleman agrees that the conditions in 1918 were not healthy, and certainly we do not want to set up those conditions as a model to follow at this time.

Mr. STEAGALL. Does the gentleman contend what we ask here is an inflationary proposition compared to what he is talking about?

Mr. KEFAUVER. That is how I understood the gentleman.

Mr. STEAGALL. All we are asking for is that they observe the act of Congress which attempts to preserve to agriculture a standard that everyone agrees is no more than fair.

Mr. RANKIN. These two gentlemen from the industrial centers seem to be

very much alarmed for fear we might raise the farmer a little, then he might fall back later. What happened after 1918 was this They put a man by the name of W. P G. Harding at the head of the Federal Reserve Board. He had a bunch of Wall Street associates on the Board with him. After the war, when we had $53 per capita in circulation, they contracted it back down to below $30 per capita, and drove prices of farm commodities down and broke the farmers of the country. It was not prosperity that hurt the farmer, it was the depression that was brought on later by the Federal Reserve Board.

Mr. STEAGALL. I was here during all that experience. There are lots of things around here now that are not new to me. I lived through similar conditions as a Member of this House during the World War.

The farmers of this country were ground down under the deflationary administration of the banking and credit agencies of this country until millions of them were bankrupt and hundreds of thousands were turned out of their homes. The first time that Congress dealt with the situation to which I refer was when the banks were on the verge of collapse, when the insurance companies were about to break, and when the railroads were about to go into the hands of receivers. They had made great profits during the period of inflation, but they were not put through the wringer. We opened up the Treasury of the United States under the administration at that time for the relief of the banks, insurance companies, and railroads. The farmers had already gone through the wringer.

Mr. WICKERSHAM. Mr. Chairman, will the gentleman yield?

Mr. STEAGALL. I yield to the gentleman from Oklahoma.

Mr. WICKERSHAM. If this bill did give the farmers just what the law was intended to give them as you wrote it before, which it does, it would only increase the price of wheat say 15 cents a bushel, which would mean that it would increase the price of bread to the consumer only one-fourth of a cent a week. If a man ate one or two loaves of bread a week, the increase would amount to only one-quarter or one-half of a cent.

Mr. STEAGALL. The record shows it would not increase the price of bread at all. The price of bread did not go up when wheat was $2.50 during the last war.

Mr. WHITE. Mr. Chairman, will the gentleman yield?

Mr. STEAGALL. I yield to the gentleman from Idaho.

Mr. WHITE. Referring to the instance mentioned by my colleague the gentleman from Mississippi [Mr. RANKIN], is it not a matter of fact that the Federal Reserve Board retired and destroyed $2,000,000,000 of money in the period around 1920 to which the gentleman referred, that it actually destroyed it, macerated it, took it out of existence?

Mr. STEAGALL. I am sure the gentleman understands that I do not want to enter into a discussion of the money question at this time. I may say to the gentleman, however, that there were many, many billions in excess of $2,000,000,000 of what is actual currency in the United States that were destroyed in that period of deflation. I refer to our real currency which is our real credit.

Mr. WHITE. I refer the gentleman to the record.

Mr. STEAGALL. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore, Mr. MCCORMACK, having resumed the chair, Mr. GORE, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had had under consideration the bill (H. R. 1698) to enact the act entitled "An act to aid in stabilizing the cost of living" (Public Law No. 729, 77th Cong.), had come to no resolution thereon.

INCREASING THE DEBT LIMIT OF THE UNITED STATES

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent that the Speaker be authorized to appoint two additional conferees on the bill (H. R. 1780) to increase the debt limit of the United States, and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina? [After a pause.] The Chair hears none, and appoints as additional conferees the gentleman from Virginia [Mr. ROBERTSON] and the gentleman from Massachusetts [Mr. TREADWAY].

AMENDMENT TO ACT TO AID IN STABILIZING THE COST OF LIVING

Mr. STEAGALL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 1698.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 1698, with Mr. GORE in the chair.

The Clerk read the title of the bill.

Mr. WOLCOTT. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, I do not predicate my approval of this bill solely upon the premise that the farmer is going to be benefited any more by the passage of this bill than he is under existing law, if the administrative branch of this Government interpreted existing law in keeping with the clear intent of Congress, so the issue might be clarified by saying that all we are doing in this bill is to maintain in status quo assurances which we gave to the farmer last year, and in particular in the act of October 2, 1942, that he was going to get his fair share of national income.

You will recall that we adjusted the formulas, the standards in that act, by providing that no maximum price should be put on a farm commodity below the parity price or the highest price received by the farmers, whom we call in the act the producers, between January 1 and September 15, 1942. Parity is tied to the cost of nonagricultural products. It always follows the cost of nonagricultural products. It can never get out in front. It is tied, the formula itself, and always has been, to the cost of nonagricultural products. We are not raising any farm commodity prices in this bill. We are preventing the administrative branch of the Government from writing an entirely new parity formula, different than the Congress has set up, and so this question, again I say, resolves itself into whether the legislative branch of this Government shall write these laws or whether the executive branch of the Government shall write these laws. And, regardless of whether you are in favor of stabilizing farm costs or farm income, I hope there is no one in this House who does not consider this bill in the light of the fundamental issue as to whether we are today, as we have in the past, going to insist on the preservation of the American form of government.

Let us turn for a moment to the effects of the Executive order which was issued on October 3, Executive Order No. 9250. Title IV of the Executive order provides, first, that the prices of agricultural commodities, and of commodities manufactured or processed in whole or in substantial part from any agricultural commodity, shall be stabilized as far as practical on the basis of levels which existed on September 15, 1942, and in compliance with the act of October 2, 1942.

The act of October 2, 1942, was very, very clear. Section 3 provides—

> That no maximum price shall be established or maintained for any agricultural commodity under authority of this act or otherwise below a price which will reflect to producers of agricultural commodities the higher of the following prices, as determined and published by the Secretary of Agriculture:
>
> (1) The parity price for such commodity, adjusted by the Secretary of Agriculture for grade, location, and seasonal differentials—

We do not say in that act that he would adjust them after subsidy payments or incentive or other benefit payments were deducted. We set up a standard which the President saw fit to deviate from after the clear intent had been not only established in the debates and committee reports, but on the floor of both House and Senate—

> or, in case a comparable price has been determined for such commodity under and in accordance with the provisions of section 3 (b) of the Emergency Price Control Act of 1942, such comparable price (adjusted in the same manner), or (2) the highest price received by such producers for such commodity between January 1 and September 15, 1942 (adjusted by the Secretary of Agriculture for grade, location, and seasonal differentials), or, if the market for such commodity was inactive during the latter half of such period, a price for the commodity determined by the Secretary of Agriculture to be in line with the prices, during such period, of other agricultural commodities produced for the same general use.

In section 2 of the Executive order the President mentions governmental substitutes. He says:

> 2. In establishing, maintaining, or adjusting maximum prices for agricultural commodities or for commodities processed or manufactured in whole or substantial part

from any agricultural commodity, appropriate deductions shall be made from parity prices or comparable prices for payments made under the Soil Conservation and Domestic Allotment Act, as amended, parity payments made under the Agricultural Adjustment Act of 1938, as amended, and Government subsidies.

We do not pay subsidies, that is, we do not authorize them by act of Congress, but the Commodity Credit Corporation presumes to have authority under some act of Congress which no Member of Congress knows anything about to pay subsidies, but if subsidy payments are made, then they are made as an incentive to increase production. Now, we will assume that an incentive payment is deducted in the establishment of the parity price. The result is that there is no incentive to the farmer at all, and he is merely kidded into the belief that he is getting a few cents more per pound or per bushel for his product than he would otherwise, because the parity price is reduced by the same amount. It is time we stopped kidding the American people. It is time that we stopped kidding ourselves in respect to this legislation. It is time for the American Congress to say definitely, and perhaps in words of one or two syllables, to bureaucrats and those who would usurp congressional functions and arrogate to themselves powers which were not given or never intended to be given to them by Congress—it is time for us to say to them that from now on we are going to make the language of the laws that we enact so simple that even "you can understand the intent of Congress," and make it impossible for them to flex the language of the statutes, even the Constitution itself, to put into effect some pink policy which somebody who is not as secure in his Americanism as I believe every Member of Congress is, wants to write into existing law. So, the question here is not whether the farmers shall get a higher or a lower price. That question has already been determined by Congress under the October 2 act. The only question before the Congress today is whether the American form of government shall be preserved now, and that is why I am supporting this bill.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. Yes.

Mrs. ROGERS of Massachusetts. I think the gentleman knows that we have suffered in New England from lack of oil and kerosene as well as shortage of gasoline.

We are tremendous users of kerosene. I have found in going over the possibilities for bringing kerosene into New England that in a great many areas where there is plenty of gasoline, the farmers, because of the price, are using kerosene and oil in their tractors. I understand that kerosene is not good for the tractors. If it were not for the tax on gasoline they would be using gasoline. I wonder if the gentleman had considered some sort of help in reduction of State taxes for gasoline, so that they could use gasoline in the tractors, which would, of course, alleviate some of our suffering from shortage of kerosene.

Miss SUMNER of Illinois. If the gentleman will permit me——

Mr. WOLCOTT. I yield to the gentlewoman from Illinois.

Miss SUMNER of Illinois. In our State these very corn ceilings that this bill will raise are keeping our corn from going to the consumers of gasoline, so that this ceiling that the Administration has put on is keeping gasoline off the market and your people are suffering from it.

Mrs. ROGERS of Massachusetts. And kerosene is bad for the tractors. So it would help in both directions.

Mr. WOLCOTT. I am not a mechanic. I did learn the machinist's trade at one time but did not have much to do with internal-combustion engines, but I do know that the farmers in my locality have been using kerosene for a great many years and have told me that because the farm income was so low they could not afford to use anything else.

Mrs. ROGERS of Massachusetts. So it would help a great deal if they could use gasoline.

Mr. WOLCOTT. Undoubtedly.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. GIFFORD. Mr. Chairman, I yield myself 10 minutes.

Where are our President's defenders? Must we day after day listen to condemnation of the administration by its own party members? Certainly lately there seems to have been nothing but just that. I wish I could find it in my heart to defend him today. Is he not sincere in his desire to keep down the high cost of living?

Mr. McMURRAY. Will the gentleman yield?

Mr. GIFFORD. I do not imagine the gentleman will feel comfortable until I do. I do hope he has something to offer.

Mr. McMURRAY. Does the gentleman think that the administration or any sincere friend of the administration ought to waste its time or our time talking back in answer to a great deal of the worthless chatter that goes on on the floor of this House?

Mr. GIFFORD. I do not recognize the importance of that kind of a question and I will not bother to answer it. The gentleman seems to always be worried lest he does not get a chance to say something. Sometimes it may be well to keep silent and people will think you are wise. Often when we try to say something, we prove we are not. I try to follow that advice and suggest that the gentleman also follow it.

I hope and think the President in sincere in this matter of his construction of the laws we have passed. But we have a Congress not supporting him on several measures lately. He evidently has greatly overreached his authority. Has he alienated the affections of the people? As you not afraid that the people are becoming doubtful of him? Evidently, the Congress has heard from the people. I can defend the President by saying that some of us declared that we knew he would count these incentive and subsidy payments, when he proclaimed parity prices. I so declared on the floor of the House when the latest price-control law was passed. There was some reason for thinking so. I will now yield to the distinguished gentleman from Illinois [Mr. DIRKSEN]. There was some justification, was there not?

Mr. DIRKSEN. Exactly. If the gentleman will yield to me for about a minute.

Mr. GIFFORD. Yes, certainly.

Mr. DIRKSEN. When the 1942 appropriation bill was under consideration in conference between the House and Senate there was a great controversy developed relative to parity payments, and the gentleman from Missouri [Mr. CANNON] and Senator BANKHEAD and others went to the White House. They came back and they could not determine even then what the President had in mind, except that he said:

> If you are going to calculate parity payments, you must include benefit payments. You take the market price and add the benefit payments. Then, if you add the parity payments and it goes above parity, you must adjust your parity payment.

I remember the controversy we had in the conference on the matter, and finally we accepted it, and it is written here in the law which was approved on the 1st of July 1941.

Out of that I draw this conclusion: First, that the House was remiss in connection with the amendments to the Price Control Act in 1942 in not specifically, according to the gentleman from Massachusetts, writing that language into the bill; and, secondly, and I say this in all kindliness, I think the Committee on Banking and Currency was partly at fault in not taking advantage of their opportunity to particularize in the bill that it should not be included, because the President had insisted on its inclusion once before.

Miss SUMNER of Illinois. Will the gentleman yield?

Mr. GIFFORD. I yield.

Miss SUMNER of Illinois. The Banking and Currency Committee as a whole did not have any opportunity. The administration had a meeting of a majority of the committee, and the bill was brought into the committee and there was no opportunity for debate. It was pushed through that committee and it was practically pushed through the House under a time limit from the White House. That may be a republican form of government, but it is not the way it used to be.

Mr. DIRKSEN. Certainly it had to come to the House by a majority vote of the committee and somebody was at fault.

Miss SUMNER of Illinois. I told the gentleman that the administration got their members bulked up with some refugee Republicans.

Mr. GIFFORD. Perhaps, like ladies usually are, she thinks so because she thinks so.

Now, you will possibly identify me, will you not, as somewhat of a defender of the President? But of course I rather think he fully understood the intent of Congress. He now has as his chief ad-

visers Jimmy Byrnes and Marvin Jones, great favorites with us, as buffers, and he may have felt that they could overcome any possible criticism of the legislative body. Is there no one today to really defend the President? This attitude seems gathering momentum every day. Dairy farmers are severe in their criticism of the administration. Farmers generally are loud in their condemnations of the administration; certainly the honeymoon seems to be over.

Mr. McMURRAY. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. No; not again. The gentleman cannot seem to contribute anything that we can understand as relevant.

Mr. McMURRAY. I think the gentleman will understand this.

Mr. GIFFORD. I could not possibly understand.

Mr. McMURRAY. I think the gentleman could.

Mr. GIFFORD. No; the gentleman's contributions are beyond me in any semblance of relevancy to the topic under discussion.

I, of course, am voting for this bill; I know what the intent of it was at the time. I think the President certainly knew what the intent of Congress was, but he evidently hoped to evade it. He saw to it that the benefit payments were added to determine parity prices, apparently expecting the usual subservient Congress. What have soil-conservation checks, granted for land held out of use, got to do with prices? That is a little beyond me. Therefore, I am willing to support the bill. I am quite willing to do so.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. I yield.

Mr. CRAWFORD. I should like to have the gentleman's opinion on this new formula which has been proposed by Mr. Fulton Lewis, Jr., to the effect that all of these problems could be solved pretty well if, given our total production of a commodity, we set a ration amount below that production, thus creating a surplus, then removing all controls with reference to prices and letting the so-called law of supply and demand operate freely? From Mr. Fulton Lewis' statement over the radio it seems that he has converted Mr. Prentiss Brown, Mr. Baruch, and Mr. Hoover, the distinguished gentleman from Tennessee who now occupies the chair, and many others to that philosophy, and I have been anxious to learn what the gentleman from Massachusetts who is now addressing the House has to say on the subject.

Mr. GIFFORD. My opinion would probably be a favorable one. The whole rationing business seems entirely out of hand and badly bungled. The public at large are becoming very angry at the constant harassments caused by maladministration.

I read that the cattlemen came out with a smile on their faces yesterday after their interview with O. P. A. about placing a ceiling on live cattle. I imagine the O. P. A. have learned that some cattle are fat and some are lean; that some are old and some are young; and that they find some difficulty in putting a proper ceiling price on meats. But the O. P. A. must wiggle out of this miserable meat situation some way. Our offices are very busy helping our constituents to wiggle out of many foolish regulations. I do not wonder that you Democrats are beginning to feel the sting of this bungling and awful inefficiency. I sympathize with you deeply. I do not know what to advise you. I can only wonder how you will be able to extricate yourselves. Not to be able to support your own administration is rather dreadful in times like these. Your President needs defenders. Honestly, I think he is quite sincere in wanting to keep down the cost of living, but I also think he is very sincere in his fear of what organized labor will do to him if the prices of farm products rise much more. He seems to have had that fear for a long, long time. Organized labor has seemingly had him pretty much under full control for some time. Now that the farmers demand fair prices he is probably very fearful of labor's future demands.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. GIFFORD. I desire 1 minute more.

Mr. GAMBLE. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. GIFFORD. I need this minute because I have been condemned lately by some members of my own farm bureau as not having been as loyal to the farmers as I ought to have been. I had thought that I had generally voted with them. At the same time I have tried to help my poultrymen and my dairymen get feed a little cheaper, and perhaps I did not like to see wheat and corn go too high. I have expostulated about that at times and mildly claimed that I should protect farmers in my own locality in matters of high feed prices. I want the word to go out that today I have tried to defend the President in his really sincere decisions he has made relating to these parity payments. His own party seems unwilling to do so.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. I have no more time. I suggest that the gentlewoman from Illinois take the floor; I yield her the floor.

Miss SUMNER of Illinois. I ask the gentleman how he thinks the President will defend himself from labor and their wives and children when it is discovered that when he interfered with the law of supply and demand and failed to fix the price high enough to get production in this country it is making the people want for food which they desire more than they desire the few extra pennies they get on pay day.

Mr. GIFFORD. There will probably be a fireside chat rather soon and he will probably soothe the people by laying all the blame on the Congress. You must expect that.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. SPENCE. Mr. Chairman, how much time remains on this side?

The CHAIRMAN. The gentleman from Kentucky has 15 minutes remaining.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Chairman, I agree with our good colleague, the gentleman from Illinois [Mr. DIRKSEN], that there is eminent and conclusive congressional authority for the President to have issued the Executive order under attack. I wish to give you a bit of history in that regard.

Mr. DIRKSEN. I did not say there was conclusive authority. I let it go at color of authority by what the Congress did in 1942.

Mr. CELLER. I accept the gentleman's amendment. I say "conclusive" on my own account.

Mr. Chairman, there was eminent and conclusive congressional authority for the President to have issued the Executive order under attack.

Under the original Price Control Act the Administrator was forbidden to fix prices for agricultural products which reflected less than 110 percent of parity to the producer. By the act of October 2, 1942—or the second Price Control Act—this limitation was reduced to 100 percent of parity to the producer.

The method of computing the basis of the limitation is thus the same in both acts, the only difference is in the percentage of parity required. Undoubtedly, then, the Congress attached the same meaning to the terms "a price which will reflect to producers of agricultural commodities the parity price for such commodity" in the second Price Control Act as had been given to similar words in the original Price Control Act.

The meaning of "parity" under the original act had been well established administratively and the Administrator's construction had been upheld by the Attorney General prior to the introduction of the act of October 2, 1942. Congress was so advised before it enacted the act of October 2, 1942—see page 37, hearings before Senate Banking and Currency Committee on Senate Joint Resolution 161. This administrative construction authorized the Office of Price Administration to include parity and soil conservation payments received by the producer of an agricultural product in determining whether the price fixed under the original Price Control Act for such product reflected 110 percent of parity to the producer.

And the Congress was also advised that if the act of October 2, 1942, was enacted, employing similar basic language to that of the original act, parity and soil conservation payments would continue to be considered in determining whether a parity price was reflected to the producer. Thus the President, in his message recommending the act of October 2, 1942, said:

> In computing parity we should continue to use the computations of the Bureau of Agricultural Economics made under the law as it stands today, and in determining whether a commodity has reached parity

we should include all benefits received by the farmer from his Government under the Agricultural Adjustment Agency program, allocable to the particular commodity. For it is unfair to give a farmer a parity price and, in addition, to pay him benefits which will give him far more than parity.

Again, Mr. Henderson, in testifying before the House Committee on Banking and Currency, said:

I think we would be better off, provided, as I say, the benefit payments and the parity payments and other forms of payment on subsidy are taken into consideration. Under existing law they may be taken into consideration, and we have done so. The Attorney General approved this practice. That assures a parity return.

The meaning of these statements was called to the attention of the House during the debates on the act of October 2, by our revered and distinguished colleague from Massachusetts [Mr. GIFFORD], who said:

In passing, I desire to call your attention that your President now desires that these benefit payments and these other payments running from the customs duties should also be figured in when you arrive at your 100 percent parity. (88 CONGRESSIONAL RECORD, p. 7280.)

The gentleman from Oklahoma [Mr. WICKERSHAM], while the act of October 2, 1942, was under consideration in the House and after our friend from Massachusetts [Mr. GIFFORD] had made his observation, offered an amendment to that act which would have voided the power to consider parity and soil conservation payments in computing parity as a basis for fixing minimum agricultural prices. This amendment was defeated (88 CONGRESSIONAL RECORD, p. 7385). By this action, Congress gave its approval to the prior action of the Administrator and clearly authorized him to continue to include parity and soil conservation payments in its calculation of parity as used in the price control acts. There is, accordingly, no basis for any argument that section 2, title IV, of Executive Order 9250 violated the intent of Congress. In fact, the record establishes beyond doubt that the Executive order was in keeping with the congressional purpose.

Moreover, Congress had, even before the enactment of the first price control act, indicated that, with respect to other farm legislation, soil conservation payments should be included in determining whether the farmer received parity for his products. Under the Agricultural Adjustment Act of 1938, Congress is under the obligation to appropriate by way of parity payments an amount supplementary to the market price of the basic crops sufficient to provide the farmer parity. In discharging this obligation in the agricultural appropriations bill for the fiscal year 1942, the Congress provided that soil conservation payments should be included in determining whether the farmer received parity for his products.

The President, in his Executive order under the act of October 2, 1942, merely followed the pattern set by this previous action of Congress.

NOVEMBER 20, 1942.

Mr. P. E. O'BRIEN,
President, Board of Trade of the City of Chicago, Chicago, Ill.

DEAR MR. O'BRIEN: Mr. James F. Byrnes, Director of Economic Stabilization, has referred to us your letter of October 10, regarding ceiling prices for agricultural commodities.

In that letter, you stated that Executive Order No. 9250, dated October 3, 1942, and the President's letter to Mr. Henderson, of the same date, were directly contrary to the expressed provisions of the act to amend the Emergency Price Control Act of 1942, approved October 2, 1942, and contrary to the intent of Congress insofar as they directed that, in the establishment of maximum prices for agricultural commodities, appropriate deductions should be made from parity prices, or comparable prices, on account of payments made under the Soil Conservation and Domestic Allotment Act, as amended, parity payments made under the Agricultural Adjustment Act of 1938, as amended, and governmental subsidies.

I am sure that you realize that the problem with which we are dealing originated long before the recent amendment to the Price Control Act. A review of what has transpired in the past 2 years in connection with legislation pertaining to parity prices will demonstrate that the President's order and directive pursuant to the Emergency Price Control Act of 1942, as amended, are in accordance with the intent of Congress.

On May 26, 1941, the President approved an amendment to the Agricultural Adjustment Act of 1938 (Public Law 74, 77th Cong.), which contained a directive to Commodity Credit Corporation to make available on the 1941 crops of cotton, corn, wheat, rice, or tobacco commodity loans at the rate of 85 percent of the parity price for the commodity as of the beginning of the marketing year. In connection with the approval of that legislation, on May 26, 1941, the President issued a public statement which was given wide press circulation. It reads, in part, as follows:

"There is, nevertheless, an obscurity or perhaps an omission in the language of the resolution which I have sought to clarify before affixing my signature.

"One effect of increasing the loan rate on the major crops will in many cases result in a lowering of existing or budgeted parity payments. It should be obvious to all that the Government ought not now to change the existing policy by giving to farmers a total remuneration greater than parity.

"When this bill becomes law the cooperating farmer will be able to receive an 85-percent parity loan plus a cash parity payment plus a cash soil-conservation payment. Under no circumstances should the sum of these three exceed parity.

"Therefore I have taken up the construction of the law with certain legislative leaders chiefly responsible for it and have received from them letters stating in effect that for the 1941 crop the broad intention is that parity payments should if necessary be so curtailed as to avoid a price above parity when added to the loan and the soil-conservation payments. I am therefore confident that in the pending appropriation bill this clear interpretation and intent will be carried out.

* * * * * *

"I am approving this joint resolution on the distinct understanding that parity payments will be limited to the amount necessary to bring the basic commodities to parity but not beyond parity."

This understanding as to the meaning of the legislation was also the understanding of the entire Congress, as is evidenced by the legislative history of that part of the agricultural appropriation bill for the fiscal year 1942 providing funds for making parity payments with respect to basic agricultural commodities. The language of that provision of the bill, as finally adopted (act of July 1, 1941, 55 Stat. 408, 436), is as follows:

"If the sum of the prevailing basic-loan rate or the average farm price, whichever is the higher, for the crop year 1941 and the applicable rate of the payments announced under the Soil Conservation and Domestic Allotment Act, for the purposes of the 1942 agricultural conservation program and the parity payments herein appropriated, exceed an amount sufficient to increase the farmers' returns to parity prices, parity payments shall be so adjusted as to provide a return to producers which is equal to but not greater than parity price."

This language was inserted in the bill by a Senate amendment and, after the failure of the House to agree to the Senate amendment, the appropriation bill was sent to a conference committee. With respect to the action of the conference committee on this amendment, there was considerable debate between Representative CANNON, the manager of the bill, and Representative TARVER. Included in Mr. TARVER'S remarks were the following statements:

"Many of us who are interested in agriculture did not feel that soil-conservation payments should be included, because they are benefits which are not granted by the Government to the farmer as subsidies or donations, but which are earned by the farmer through the expenditure of a great deal of effort and some money in the carrying on of soil-conservation practices. * * * On the face of it (the amendment) that would appear to be fair, and it would be fair except for the proposition which I mentioned in opening; that is, that there has been included in the farmer's income in determining whether he is receiving parity, soil-conservation payments which ought not to be included therein and which probably some of us were willing to agree to include because of the language which limited to 85 percent parity loan the consideration of what the farmer is actually receiving for his crop when it is not sold but placed in the loan.

"This pending proposal takes something very material away from your constituents who are engaged in the production of the five basic commodities."

Mr. CANNON replied:

"It does not affect in the slightest the amount of soil-conservation checks received. It follows in every respect the basic principle of parity prices for the five agricultural commodities. It carries out the understanding on both sides of the aisle in this House, and in the Senate, that appropriations should not be made from the Federal Treasury to provide subsidies above the parity price of any commodity." (87 CONGRESSIONAL RECORD, p. 5903.)

The House then proceeded to adopt the Senate amendment as part of the appropriation bill.

On December 19, 1941, during the debate on an amendment to the Sugar Act of 1937, proposed in H. R. 5988, Seventy-seventh Congress, Senator Brown described the effect of sugar conditional payments on the determination of a ceiling price for sugar. He discussed the pendency of the price-control bill, H. R. 5990, and its primary purposes to protect consumers against high prices and, at the same time, to provide protection to agriculture based on parity principles. He said:

"The price control will most probably be placed upon the manufactured product. Since August 1941, the Price Administrator has established a ceiling of 3½ cents per pound on raw sugar. In order to bring about parity or any percentage of parity—whether 100 percent or 110 percent or some other per-

centage—the effect of the ceiling on the manufactured product will necessarily require less if we first subtract the amount of the sugar conditional payment from the total price for sugar beets or sugarcane. Thus, if a 3½-cent raw ceiling will result in the beet grower receiving, let us say, $8.50 per ton of beets, including a sugar-act payment at the base rate of 60 cents per hundredweight, it follows that a payment at a base rate of 80 cents, or 33 percent more, will reduce the necessity for increasing the price of sugar as food prices rise, or as inflation tendencies increase, or as the parity index mounts higher. Without going into too many details, and as a member of both the Finance Committee, which considered the Sugar Act, and the Banking and Currency Committee, which is considering the price-control bill, I am convinced that the 80-cent base rate will have the doubly beneficial effect of providing an incentive for greater production of sugar, which American consumers need, and at the same time of reducing the prospect of higher prices for sugar which might otherwise result in view of emergency conditions and the general tendency of food prices to go higher." (87 CONGRESSIONAL RECORD, p. 10271.)

The amendment to the Sugar Act being discussed at that time became law on December 26, 1941 (52 Stat. 872).

The Emergency Price Control Act of 1942, approved January 30, 1942, in section 3 (a), provided that no maximum price should be established for any agricultural commodity below the highest of any of the following prices: (1) 110 percent of parity or comparable price; (2) the market price prevailing on October 1, 1941; (3) the market price prevailing on December 15, 1941, or (4) the average price for such commodity during the period July 1, 1919, to June 30, 1929. Section 3 (c) provided that no maximum price should be established for any commodity processed or manufactured from any agricultural commodity below a price which would "reflect to producers" of such agricultural commodity a price equal to the highest price specified in subsection (a).

Throughout the committee hearings on H. R. 5990, the original price control bill, there appear a number of calculations of parity for sugarcane and sugar beets in which Government payments are included both by witnesses and by the committee members. The testimony of Mr. Henderson, found at page 509 of part I of these hearings, is typical:

"Mr. HENDERSON. Mr. Chairman, in the course of the discussion with Congressman CRAWFORD this morning as to whether or not the $3.50 price would yield parity for the sugar-beet growers, I asked if he included the probable Federal payments and said I thought that was where his computation and what I had in my mind disagreed. And, during the recess, I have had a check made, and I desire now to insert the following into the record:

"For the 1941 sugar-beet crop, payments will be made to sugar-beet growers under the present Sugar Act at the base rate of 60 cents per 100 pounds of recoverable sugar. This is equivalent to a payment of about $1.90 per average ton of sugar beets.

"In addition, growers, under their contracts with processors, will receive payments on the basis of the net returns to the companies from the sale of their sugar, generally, during the period October 1, 1941–September 30, 1942. Consequently, if the ceiling price of 3.50 cents per pound for raw sugar, duty paid New York, just established, should remain in effect throughout that marketing period, it is estimated that with the usual price differential between raws and refined of about 1.535 cents per pound, an average price of $5.30 per ton of sugar beets will be paid to growers by processors, or a total of $7.20 per ton, as compared with a parity figure of $7.15 calculated as follows:

"Average index number of prices paid by farmers, including interest and taxes, for the first 7 months of 1941	130
"Pre-war average	$5.50
"Total parity price	$7.15

"In other words, it hits it almost on the nose."

The committee members indicated no disagreement with this method of calculating ceiling prices.

It is clear from the legislative history of the Emergency Price Control Act of 1942 that the Congress had before it the details of the method used in determining ceiling prices for sugar and that it indicated no objection to the use of that same method in determining maximum prices under the then pending legislation. In order to obtain an authoritative construction of the law the question was submitted to the Attorney General whether the Emergency Price Control Act of 1942 operated to prevent the payment of subsidies otherwise authorized to canners when existing ceiling prices for wholesalers and retailers would not without subsidies, but would with subsidies, reflect to producers a price equal to the highest of the prices specified in section 3 (a) of the act. In response to that inquiry, the Attorney General ruled that such subsidies were not prohibited. Furthermore it was said that the requirement of section 3 (c) that the ceiling prices be sufficiently high to "reflect to producers" section 3 (a) prices means that ceiling prices must be sufficiently high so that, taken together with all other factors affecting return to producers, they will "reflect to producers" section 3 (a) prices. The Attorney General found nothing in the Price Control Act or in the appropriation for the administration of that act that requires or justifies the disregard of any factor which actually does operate to affect the returns to producers. He found that the legislative history of the Price Control Act supported this interpretation of the two sections. In accordance with the opinion of the Attorney General, in the administration of the original act ceiling prices were computed on commodities processed from agricultural commodities by taking into consideration the amount which the farmer received as Government payments.

The next occasion when the subject was discussed in the Congress was in the hearing in connection with H. R. 6790, the 1943 Agriculture Department appropriation bill. In his testimony before the agriculture subcommittee of the Committee on Appropriations of the House of Representatives, in connection with this bill, Mr. Rudolph M. Evans, then Administrator of the Agricultural Adjustment Administration, suggested an amendment to the language of the parity payment provision. The following testimony from page 48 of those hearings deals with that amendment:

"Mr. EVANS. The $212,000,000 will be paid to farmers this year as soon as it is determined that they have complied with this year's acreage allotment. The amount of the parity payment will be based upon the average farm prices of the respective commodities, which will be determined after a great majority of each commodity raised last year has been marketed; by the 1st of April, I should say.

"Then for 1943 parity payments you take into account the payments that have been made under the 1942 A. C. P. program, and these payments, the 1943 parity payments, will be paid to those farmers who stay within their 1943 acreage allotments. Regarding the rate of payment, we wanted a little change in the language to permit the rate to be based upon the A. C. P. payment for 1942. In other words, you take the farm price of the crop in 1942 and add to that the 1942 A. C. P. payment, and then you determine the difference between that and the parity price on the 1942 crop, which difference represents the rate of parity payment.

"Mr. TARVER. In other words, according to this language you want to charge the farmer, in deciding whether he is getting parity or not, with the amount of his soil-conservation benefits?

"Mr. EVANS. Yes, sir.

"Mr. TARVER. It is something which the law, in my judgment, did not contemplate. And it is very unfair to the farmer because he goes to expense in earning these soil-conservation payments. They are not donations to him from the Government. He goes to expense in the purchase of fertilizer and material to improve his land. And there is the expense of labor involved. And oftentimes the expense incurred is more than the amount of payment received. So there is no reason, based in logic or common sense, why the farmer should be charged with soil-conservation payments in determining whether or not he has received parity for his crops. If there is such a reason I would be glad to have you outline it.

"Mr. EVANS. I did not explain it as I should have. The payments the farmers receive for performing soil-building practices are not taken into account. It is the diversion part of the A. C. P. payment."

The bill, as originally passed by the House, did not contain the suggested provision. However, the Senate again approved an amendment to that section of the appropriation bill dealing with parity payments, providing that in computing the rate of parity payments, the payments made to producers by the Government under the Soil Conservation and Domestic Allotment Act should be included. There was considerable disagreement between the House and Senate with respect to this amendment, but the House finally receded from its position and the amendment was incorporated in the appropriation bill as finally passed. (Public Law 674, 77th Cong.). Representative TARVER again explained his position with respect to that provision in his report of the conference committee's preliminary action. Mr. TARVER, the manager of the bill in the House, spoke, on June 26, 1942, as follows:

"The language of the Senate amendment to which we are asking that you disagree would include within the farmer's market price for his product, in determining whether or not he may be entitled to parity benefits, the amount of soil-conservation benefits earned by him in the soil conservation and domestic allotment program. The matter has been thoroughly discussed several times on the floor of the House in connection with the pending bill, and it would, in my judgment, avail nothing for me to undertake to cover the subject matter again. * * * I believe that I speak for all of the members of the conference committee when I say that I can conceive of no justification whatever for charging the farmer with these soil-conservation benefits earned by him, and in connection with the earning of which he incurred considerable expenditure, for labor, materials, fertilizer, and for seed, in determining the amount that he receives for the particular basic agricultural product, which he produces." (88 CONGRESSIONAL RECORD, p. 5627.)

But on July 16, 1942, when Mr. TARVER reported the results of further conferences with respect to this amendment, he stated (88 CONGRESSIONAL RECORD, p. 6152):

"The conference report relates first to amendment No. 81. Amendment No. 81 inserted by the Senate in the parity provisions of the bill provides for taking into account of the soil-conservation payments in determining the market price received by the

farmer for his agricultural commodities. Personally I did not think that the House should recede. I believe that it is unfair to charge the farmer with these payments which he earns by the expenditure of money, labor, and material in determining what the market price of his product may be. I feel that even if it should be fair to charge him with such benefits the Agricultural Adjustment Act of 1938 ought to be amended to so provide rather than that we undertake to amend the statute law on the subject by a provision in an appropriation bill. But I found I was the only member of our subcommittee present at the conference on yesterday and today who maintained that viewpoint, and in a spirit of trying to agree with my brethren and to bring the consideration of this bill to a final conclusion I yielded on my own personal views concerning this amendment. The conference report provides that the House shall recede from its disagreement to Senate amendment No. 81. As a matter of fact, the Senate conferees stated they were willing to recede on this amendment but my colleagues insisted that the House recede."

In the Senate, the final conference report was explained by Senator RUSSELL on July 15, 1942, who remarked as follows (88 CONGRESSIONAL RECORD, p. 6172):

"There were four other items in disagreement which are embraced within the conference report. One was the Senate amendment which stipulated that the soil-conservation payments should be taken into account in determining whether or not a farmer had received parity for a basic commodity. The House receded on that amendment."

The Senate then proceeded to agree to the conference report, and the provision under discussion was finally incorporated in the appropriation bill for the 1943 fiscal year

Attention was drawn to this problem next in the message from the President to the Congress on September 7, 1942. In that message, he requested amendments to the Emergency Price Control Act of 1942, particularly with respect to the limitations regarding maximum ceilings on the price of farm commodities. In asking that the farm prices be limited to parity, the President said:

"In computing parity, we should continue to use the computations of the Bureau of Agricultural Economics made under the law as it stands today, and in determining whether a commodity has reached parity we should include all benefits received by the farmer from his Government under the Agricultural Adjustment Administration program, allocable to the particular commodity. For it is unfair to give a farmer a parity price, and, in addition, to pay him benefits which will give him far more than parity."

The President's message was included in the committee reports accompanying H. R. 7565 and Senate Joint Resolution 161, the bills introduced for the purpose of amending the Emergency Price Control Act of 1942.

The problem of taking into consideration payments to farmers in fixing parity prices was before the Congress throughout its consideration of the amendments to the price-control act. For example, when testifying before the Senate Banking and Currency Committee with respect to Senate Joint Resolution 161, Mr. Henderson made the following statement (at p. 37 of the hearings):

"I think we would be better off, provided, as I say, the benefit payments and the parity payments and other forms of payment on subsidy are taken into consideration. Under existing law they may be taken into consideration, and we have done so. The Attorney General approved this practice. That assures a parity return."

During the debates in the House the statement in the President's message of September 7, 1942, was called to the attention of Congress by Representative GIFFORD. He said:

"In passing I desire to call to your attention that your President now desires that these benefit payments and these other payments running from the customs duties should also be figured in when you arrive at your 100-percent parity." (88 CONGRESSIONAL RECORD, p. 7280.)

Also, during the debates Representative WICKERSHAM offered an amendment to the amendments to section 3, which read as follows:

"Provided, however, That notwithstanding any other provision in any law to the contrary, A. C. P. payments or soil-conservation benefits shall not be considered as part of the farmer's income in figuring parity income, but shall be considered separate earned benefits." (88 CONGRESSIONAL RECORD, p. 7385.)

In discussing this amendment, Representative TARVER stated that there was no provision of law requiring that agricultural conservation payments should be considered in determining what parity is for farm products. To this contention Mr. WICKERSHAM replied:

"At this time they should not be considered, but they are by virtue of a provision written into the last agricultural appropriation bill against my will and against your wishes, and the farmers are getting cheated out of the amount they have already earned. When parity payments are figured soil-conservation benefits are again deducted, even though the farmers have already earned same by conforming to certain soil-building practices.

"I submit to you that this is nothing more than fair to those who earned these payments, and if we do not go ahead and continue the soil-conservation program we will be sorry.

"Mr. Chairman, I urge the adoption of this amendment." (88 CONGRESSIONAL RECORD, p. 7385.)

The House, in defeating the amendment, again indicated its intention that such payments are to be considered in determining whether the ceiling price for an agricultural commodity reflects parity to the producer.

In connection with the final conference report, Senator Brown explained the effect of section 3 of the bill to amend the Emergency Price Control Act of 1942 in the following manner:

"In substance, therefore, the parity price or the highest 9-month price, whichever is higher, has been substituted for 110 percent of parity and the other limitations contained in section 3 (a) of the Price Control Act. In determining whether these limitations and the other maximum price limitation and standards contained in section 3 have been satisfied, parity payments and other direct or indirect Government subsidy or other payments shall continue to be taken into account." (88 CONGRESSIONAL RECORD, p. 7722.)

In view of the clearly expressed congressional intent, as indicated above, we cannot concur in your statement that the President's order and his letter to Mr. Henderson are in conflict with the intention of Congress.

We have recognized the difference between maximum prices established for wheat under Temporary Maximum Price Regulation No. 22, issued in conformance with the Executive order, and the loan rates established at 85 percent of parity prices. As you indicate, the maintenance of these price relationships would result in difficulties affecting the market supply of good milling wheat and the operations of the grain market. To overcome these difficulties, the Office of Price Administration and the Department of Agriculture have announced a procedure whereby loan wheat will be released by the Commodity Credit Corporation to producers for sale in the markets at prices approximately the levels prevailing from September 28 to October 2, inclusive. A copy of the press release describing the program is enclosed. This program should permit the movement of good milling wheat through normal channels and provide adequate supplies for millers.

Sincerely,

GROVER B. HILL,
Assistant Secretary,
Department of Agriculture.

Mr. CELLER. Mr. Chairman, I ask unanimous consent to include in my remarks a letter as my own remarks.

The CHAIRMAN. Is it the gentleman's own remarks?

Mr. CELLER. It is not my own remarks, but I shall make it my own remarks.

The CHAIRMAN. In order to include any extraneous matter, the gentleman must obtain permission from the House.

Mr. WOLCOTT. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Chairman, so that I will not be misunderstood, a while ago when I referred to the radio broadcast by Mr. Fulton Lewis, Jr., I think I left the impression that Mr. Lewis had led me to believe that the distinguished gentleman from Tennessee who now occupies the chair had endorsed his plan. I did not mean to leave that impression. If I understood Mr. Lewis correctly, it was to the effect that he had submitted that plan to the gentleman from Tennessee [Mr. GORE] and that the gentleman from Tennessee [Mr. GORE] had reserved comment on the plan. I make that statement because the gentleman from Tennessee is in the chair.

(Mr. HARRIS of Arkansas assumed the chair.)

Mr. GORE. Will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Tennessee.

Mr. GORE. The distinguished commentator whom the gentleman has named did call me and suggested the plan which he had in mind. I said it had admirable elements and at first blush I could not see any holes in it but I did not want to commit myself about it. Now, the distinguished commentator, who is one of the able analysts of this Nation——

Mr. CRAWFORD. I think so. I agree with the gentleman.

Mr. GORE. Takes it for granted in his plan that there would be a steady and a constant supply. If it is said as a policy of the Government that prices will be allowed to reach their level, meat prices for instance, the question then is whether the farmers will send in a constant flow of their products and whether packers would withhold from the market. I have some hogs about ready to be sold. If this were the policy, I might hold the hogs, thinking that the level would reach a higher price. In order for the plan which the distinguished commentator has suggested to work we would have to have assurances, in my humble opinion, that the allocations, the rations, would be below the demand and also that the supply would be constant.

Mr. CRAWFORD. I am very glad to have the gentleman from Tennessee give

us that explanation. That is about the way I understood Mr. Lewis to explain his position.

Mr. GILCHRIST. Will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Iowa.

Mr. GILCHRIST. I would like to ask my very distinguished friend from Tennessee how he is going to hold his hogs off of the market profitably when they are ready to go. He spoke awhile ago of the circumstance that he might want to hold them off for a higher price when the hogs are ready to go and you are feeding them corn or wheat. What are you going to do with the hogs?

Mr. GORE. I know the gentleman is a practical farmer. A hog will go to the market as a top at about 190 pounds in my State. Perhaps the best profit a man makes on feeding is from 190 to 250 pounds. I might hold them for another 3 weeks in order to feed them an additional amount. Of course when they reach the point where I cannot make a profit that would be a different thing.

(Mr. GORE resumed the chair.)

Mr. CRAWFORD. I bring this into the debate because of the remarks which have been made which have to do with the inflationary forces, that may or may not be involved in this proposal.

It seems to me that we have reached the hour as a result of the acts of this Congress where some power of government must place us under complete, absolute, and full regimentation insofar as rationing and pricing operations are concerned. I see no escape from that. Certainly, the Congress and the people are back of these appropriations which we have made in connection with the war effort and I am now satisfied that the commercial banks of this country are going to be called upon to issue inflationary dollars in the form of direct credit to the Treasury to the tune of billions and billions of dollars.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GAMBLE. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. CRAWFORD. Mr. Chairman, if that is to be the program to follow and if our people are to induce the Congress to not place the heavy taxes on the people, certainly the inflationary forces will increase by leaps and bounds and that, in turn, with the race between the so-called primary producer, the farmer, and the industrial worker, we will designate as organized labor, each striving to hold his position and each more or less suspicious of the other, will all tend to increase this downward slope which we are traveling and move us into a position where full regimentation and full control will take over our people and tell us exactly what we can do and what we cannot do.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GAMBLE. Mr. Chairman, I yield 6 minutes to the gentleman from New Jersey [Mr. KEAN].

Mr. KEAN. Mr. Chairman, it is with reluctance that I must add a sour note to the field day which the representatives of the farm districts are having in the House this afternoon. I also hesitate to oppose this bill, because I think there is considerable truth to what previous speakers have said that the present regulations are to some extent contrary to the intent of Congress when the price-control bill was passed. However, we are faced with a serious situation and I want to be sure that when the House passes this bill we do so with our eyes open.

We have for the past year and a half been fighting inflation with only partial success. A year and a half ago some of us stood in the Well of the House and urged passage of an over-all ceiling. Our urgings were of no avail, for the administration was opposed to its enactment.

That was the right time to have taken the matter squarely in hand, as the administration realized 6 months afterward, but there is no use now in crying over spilt milk.

In the past year we have had a considerable rise in the cost of food. It is this rise which is being used by labor as its excuse for trying to break the Little Steel formula.

We have all seen the decision of the War Labor Board on yesterday refusing to change this formula, but you have also read their statement that they could not continue this policy if, through acts of Congress, the cost of living should rise appreciably.

We all know that if the Little Steel formula is broken it will add to the cost of the things the farmers buy and so raise the parity price. We all know that this, in turn, will cause even higher prices for food and again create a justifiable demand for higher wages, and so forth, ad infinitum.

The spiral of inflation would be in full force and everyone, except perhaps organized labor and organized farmers, would be caught in the middle.

Not only would this cause suffering but the expense of the war to our taxpayers would be greatly increased by the resulting rise in prices. With costs of manufacturing at such a high level it would be difficult for us to compete in world markets after the war.

We are going to win this war, but we may well lose the peace after the war as a result of the forces which we are letting loose today.

According to figures which have been given me by the O. P. A., the effect of this bill would be as follows:

The increased cost to consumers from the rise in food prices alone through this Steagall-Bankhead bill would be one and a half billion dollars, or approximately a 7-percent increase in the cost of the housewife's food bill. Added to that would be the extra cost to the taxpayer through purchases of food by the Government for the Army, lend-lease, and so forth, of a half a billion dollars.

In conjunction with this there would be taken out of the housewife's rather thin pocketbook for additional food costs, by the Pace bill which we passed last Friday, $2,300,000,000; and under that bill the additional cost to the taxpayer for Government purchases would be $760,000,000.

Thus the two bills taken together will add to the food bill of the Nation approximately $5,000,000,000.

Now I fully realize that we must have food to win this war, that the farm labor situation is tragic, but I cannot see that this type of legislation which will ultimately result in increased cost of all labor will cure the situation.

Do not be surprised when, as a result of what you are doing today and what you did last Friday, you find that the War Labor Board will feel it necessary to allow a higher wage scale. They will not be able to do otherwise. Today you are sowing the wind. We will inevitably reap the whirlwind.

Mr. CURTIS. Mr. Chairman, will the gentleman yield?

Mr. KEAN. I yield to the gentleman from Nebraska.

Mr. CURTIS. If the administration is interested in preventing inflation, why did it not bring in a sales tax bill here immediately following the declaration of war?

Mr. KEAN. Do not ask me to excuse the administration.

Mr. CURTIS. Should that not have been done?

The CHAIRMAN. The time of the gentleman has expired.

Mr. GAMBLE. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. GILCHRIST].

Mr. GILCHRIST. Mr. Chairman, I do not know how any honest lawyer can read the Price Control Act that we passed last year and give an interpretation saying that you must add to the market price of a bushel of corn the sum he is getting out of the benefit payments that the law allows him and thus reach parity prices. Under previous laws, I might, for example, have been a farmer raising 80 acres of corn and the A. A. A. comes along to me and says, "Reduce that to 50 acres and we will give you benefit payments." Give me benefit payments, why? For having lost 30 acres of corn.

These gentlemen from the pavements of Forty-second Street in New York come along and say that that is a fair thing to do. I say to you that it is not fair to make the farmer pay for that twice. I have already paid for that benefit payment when I lost the 30 acres. When I sell my corn in the market there is no one who has a right to charge it to me a second time. Such a man is not honest, and he does not give a fair interpretation to the price-fixing laws when he tries to enforce that sort of an arrangement. In other words, that man and that interpretation compels the farmer to pay double for the thing that he has earned once. That is what the people opposing this bill today are trying to do.

You know, as was pointed out by the gentleman from Kansas, there are at least 40 percent of the farmers who raise corn that do not get one nickel's worth of payments, not a nickel, and still these gentlemen from the city avenues say that you have got to take out these benefit payments a second time.

Suppose I walk into the market with my corn and I ask for parity-price payment. I have never gotten a nickel's worth of benefit payments and 40 percent of the farmers have not. I am met then by the Attorney General or some other lawyer from the administration who says, "Oh, well, we have got to take out benefit payments against you," but I never got anything or any such payments. If I did get anything, as I said a while ago, I paid for it once before. That is unfair. It is damnable. If I got the benefit payments, I paid for them once. Do not take them away from me a second time. If I did not get them, it is wicked to make me pay for them in the market place.

They talk about the high cost of living. Meat prices are so high now that this bill will not add a penny's worth to the price of meat. Let us take the figures: The corn-hog ratio is about 11 to 1. Now, if you pay parity price for corn, at 11 to 1, hogs would only sell at $11.88, and today they are selling at over $15 or $16, and still these boys from the pavements say that the payment of parity for corn will raise the cost of living. It will not raise the cost of meat one bit. There are a few things that it might possibly raise. It could scarcely raise prices of those things which are above parity—the only thing below parity is corn, and I think wheat—but anything which is already above parity will not be materially affected by the bill nor will it increase the cost of living on these things. All of this agitation and fear is just worked up, and there is no truth in most of it.

They talk about raising the price, and say that if this is passed it will raise the price all along the line. They talk about a spiral. Why, bless your hearts, do you know that all along the line the prices are fixed; the price of labor is fixed, the price of freight is fixed and frozen, the price of rent is fixed and frozen, the price at the grocery store is fixed and frozen, and so on clear along the line. This bill cannot increase prices all along the line. Such statements are ridiculous.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GAMBLE. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. SMITH].

Mr. SMITH of Ohio. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. SMITH of Ohio. Mr. Chairman, I think Members are going pretty far afield when they take this floor and acknowledge, as was done a moment ago by the gentleman from New York [Mr. CELLER]—at least by inference it was acknowledged—that there is no statute which permits the President to exercise the authority with respect to including farm benefit payments and subsidies in calculating parity; that because we discussed the matter here on the floor and because opinions were expressed that he had that authority, therefore, he has the authority. I think such a view as this is as erroneous as it can be.

I am going to vote for this bill principally because I am in the same position I was when we had the $25,000 salary limitation before us. There the President exercised an authority which he did not have, and he has exercised an authority here which he does not possess. I think on that ground we are justified in voting for this measure.

Let me say a few words about the question of inflation. There is perhaps more confusion about the question of inflation than anything else discussed on this floor. It would be much better if the farmers were allowed to get their just share of income through the prices of the products they sell than to make up any deficiency through so-called farm benefit payments; it certainly would be better from the standpoint of inflation. Let us not overlook this fact, that every dollar that the farmer receives in the form of farm benefit payments is inherently inflationary. It represents Government-printed money. It represents money that has been raised by financing through the banks. I believe the farmers would feel better if they were permitted to get their share of income through the prices of their produce, as they were accustomed to do before the New Deal came into existence.

I know and you know what the purpose of the farm-benefit payments is. Its purpose is bureaucratic control of the farmer. What the farmer wants and needs today, above everything else, is to be relieved of these terrible political shackles that have made him almost a slave. I say a slave advisedly, because when the farmer must come to Washington and ask the politicians and bureaucrats to place a value on his labor and on the things he produces, he is nothing else but a slave.

Mr. McMURRAY. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Ohio. I yield to the gentleman from Wisconsin.

Mr. McMURRAY. Does the gentleman intend to tell the Members of this House that he wants farm prices and farm incomes to return to the pre-New Deal level of 1931 and 1932?

Mr. SMITH of Ohio. The gentleman asks a demagogic question. I have never yet answered a demagogic question on this floor and do not intend to answer any now.

Mr. McMURRAY. May I say that if I understood the gentleman correctly he used the phrase, "unregulated pre-New Deal prices." Unregulated pre-New Deal prices, I may inform the gentleman, apply to 1931 and 1932.

Mr. SMITH of Ohio. The question which the gentleman from Wisconsin [Mr. McMURRAY] asks is pure demagogery. Or is it possible he really believes in enslaving the farmers to a cruel bureaucracy as the New Deal has done?

The CHAIRMAN. The time of the gentleman has expired.

Mr. GAMBLE. Mr. Chairman, I yield 4 minutes to the gentleman from Wisconsin [Mr. MURRAY].

Mr. MURRAY of Wisconsin. Mr. Chairman, in regard to the bill before us today, let me call your attention to the fact that it would not be necessary to have this bill here for consideration if the Price Control Act had been carried out according to law in the first place. This act is necessary to clarify the Price Control Act and to enforce the Pace bill in case it should become law.

If the bill now under consideration is not carried out any better than the previous laws enacted on this same subject, no great benefit can be expected.

While we have these bills that provide equality for the various groups, I call your attention once more to the fact that large groups of our citizens are living on an income frozen by law, regardless of the cost of living. In this class we have the veterans that are receiving pensions; the recipients of mothers' pensions; the physically handicapped, and the elderly citizens of our country. I well realize that anyone is subjected to considerable criticism if he says a word for the elderly people of our country. I also realize the mandate of the people in the last election. I did not take this mandate and do not now construe it, however, to mean that we should starve any group of our people.

During the past several months we have added up to $290 to the annual income of all Federal employees receiving up to $2,900 a year. We have provided for a $300 increase in salary for the Post Office employees for the duration. We have increased up to $300 per year the pay of District of Columbia employees. I call your attention also to the fact that we have also taken care of the employees of the District that are getting $4,000 to $5,000 a year.

They were included and were given the $300 additional annually. We have increased the income of other groups of our people through other legislative means. Our elderly citizens have not only been asked to live on a fixed income as low as $9 a month—the national average is something over $20 a month—but we still have not made provision so that these elderly people can perform a few tasks to supplement this meager income in order to provide themselves with the necessities of life.

Mr. BENDER. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield to the gentleman from Ohio.

Mr. BENDER. The cost of living all over the country has increased tremendously, but not the pension allowances. I commend the gentleman on his fine observation.

Mr. MURRAY of Wisconsin. I thank the gentleman from Ohio. The time has come to provide for these pension groups, regardless of whether the recipients are veterans, mothers, or the elderly people of our land. The Townsend group, as well as all these groups, are justified in bringing the seriousness of this situation to the attention of our legislative leaders at this time.

As a constructive contribution to this problem we can provide the necessary foods. We can meet the problem by increased monthly payments. We can provide that all people receiving a pension can work for the duration without jeopardizing their dependency status. We should feel obligated to support the necessary legislation to provide for these groups without further delay.

Mr. GAMBLE. Mr. Chairman, I yield 4 minutes to the gentleman from Connecticut [Mr. MILLER].

Mr. MILLER of Connecticut. Mr. Chairman and my colleagues, I must confess that the more I listen to debate on farm legislation and so-called parity payments, the more confused I become. At the outset, may I say that I certainly want to see the American farmer get a fair rate for his labor and for his invested capital. In connection with this particular legislation may I add that I want to see the President and others in the executive branches of our Government recognize the intent of Congress in legislation that we pass here.

As I recall it, the first farm debate I heard in this House was in 1939. It was in connection with an appropriation bill providing parity payments to farmers growing basic crops for the purpose of paying them 75 percent of so-called parity. I think the RECORD will bear me out when I say I voted for that appropriation. The next debate on farm legislation that I recall was a proposal to give the farmer 85 percent of parity. Throughout these two debates I understood that if the farmers of America ever received 100 percent of parity they would be in some sort of an economic seventh heaven.

During the Seventy-seventh Congress a bill reported out of the Banking and Currency Committee of the House proposed a formula whereby the farmer was to be guaranteed 110 percent of parity. I returned to Congress in January of this year, satisfied that at long last the farmers were receiving a parity price for their produce, and I did not anticipate that there would be more so-called parity legislation presented to this Congress. In that assumption I was in error.

Last Friday the House changed the rules of the game or the formula for determination of parity and legislation was adopted providing that the labor of the farmer and the members of his family be included in determining a parity price. Today we are considering legislation which, in substance, provides that any farm-benefit payments, such as soil-conservation payments, be left out of consideration when determining a parity price. For the life of me I cannot understand why such cash benefits paid to the farmers from the Federal Treasury should be considered when parity is being determined.

My colleague from New Jersey, Congressman KEAN, pointed out just a few minutes ago that the bill passed last Friday, along with the bill now under consideration, if enacted, will increase the cost of farm commodities to the American people to the extent of $5,000,000,000.

I am one of those who have a great fear of just what the future of all of us is going to be if we keep on raising the cost of living, as proposed in this type of legislation. I represent a rather unusual district in that I represent approximately 100,000 men and women who are engaged in defense industries, and who are receiving a fairly substantial wage at the present time. I also represent approximately 40,000 white-collar workers, most of whom are working in insurance-company offices. These white-collar workers, in most cases, have received only 5-percent salary increase since 1939, and, under existing law, 5 percent of that salary is being withheld as a Victory-tax payment. In addition to this Victory tax, most of them are permitting a deduction of 10 percent of their salary for the purchase of War bonds. It is this white-collar group particularly that will suffer if Congress enacts legislation along the lines considered last Friday and now.

It is beyond me to discover any good reason why, in this year of 1943, with an apparent scarcity of farm commodities and with the American people earning more money per month than they have in a great many years, it is still necessary to make any payments to farmers out of the Federal Treasury. If a lot of this so-called farm legislation could be repealed and a lot of the regulations and restrictions that are now retarding the farmer removed, I believe the farmers of the United States could produce the food we so badly need and sell it at a price that would give them a fair profit. If Congress is in a frame of mind to do something for the farmer, I suggest that we turn our attention toward the problem of providing him with labor-saving machinery and making labor available to the farmer at a decent wage that he could afford to pay, taking into consideration the market price of farm products.

Mr. SPENCE. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. WRIGHT].

Mr. WRIGHT. Mr. Chairman, I dislike to differ with my genial chairman. I would find it much more pleasant to agree with him, but I feel like the previous speaker, the gentleman from Connecticut [Mr. MILLER], hailing from a consumers' district. It is not that I wish to be deliberately unfair to the farmer, but I find it rather difficult to understand some of the figures that I have listened to on the floor of the House and to compare them with what I read as to the increase in the income of the farmer, somewhere around 100 percent over the past 2 years. I also am concerned with the effect of the rise in the cost of living upon the white-collar worker, the salaried worker, many of whom at the present time, at the present price levels, are barely able to make a go. I know that there is always a jockeying back and forth on the floor between those people who represent men who work in industry and men who work in agriculture, but there is a third group that should be considered, and, as the previous speaker stated, they have received a maximum of 5-percent increase in salaries. Those men are going to feel the burden of such legislation as this and the bill that we passed last Friday.

The gentleman from Massachusetts a few moments ago was concerned as to whether or not the members of the Democratic side of Congress today have lost their enthusiasm for the leadership of the President. I think he should probably distinguish between the votes which some Members cast here against what they feel to be an encroachment upon Congress by the administrative heads and the Members' fundamental loyalty to the man we all admire on both sides of the House. I think the President is doing the most difficult job in fighting this great war of possibly any President since the beginning of this country, and doing it superbly, and I think that in the vast job he is undertaking and the necessary increase in administrative employment there is bound to be abuses. I feel those here, in the majority as well as in the minority, should try to wipe out those abuses. I do not think it should be considered, and I do not want the RECORD to show that for that reason we have lost any respect for our great leader and Commander in Chief.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. WOLCOTT. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. WIGGLESWORTH].

Mr. WIGGLESWORTH. Mr. Chairman, I have asked for this time to read a telegram addressed to the Massachusetts delegation this morning by Mr. Norman MacDonald, executive director of the Massachusetts Taxpayers' Association. I read:

> Newspapers today report New England Republicans in Congress have protested to Office of Price Administration against meat shortage in this area. Below is copy of telegram sent today to Secretary Wickard and Price Director Brown:
>
> "Investigation here shows more than 6,000,000 pounds of rationed foods with a value of more than 27,000,000 ration points were held in Federal warehouses in Massachusetts on March 1 as 'surplus' to be given away, while same food items are either nonexistent in local markets or have high ration point value. This must be but small fraction of quantity of rationed foods held as 'surplus' in all parts of country while serious shortages of same products exist in open market. Urge steps at once to get release of this food either to military services or to regular channels of trade so that civilian supply may rise. Sure you will recognize that it is unconscionable that American householders should be unable to buy necessary food from local merchants while a Federal agency hoards vast quantities on shockingly false ground that it is 'surplus.'"
>
> Will you not move at once to get your group behind movement to free millions of pounds of vitally needed food now held in Federal warehouses?

Mr. Chairman, the telegram speaks for itself. It furnishes further evidence of the shocking manner in which the administration bureaucrats are dealing with the food problem at this time.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. WOLCOTT. Mr. Chairman, I yield the balance of the time on this side to the gentleman from Illinois [Mr. DIRKSEN].

The CHAIRMAN. The gentleman from Illinois is recognized for 6 minutes.

Mr. DIRKSEN. Mr. Chairman, I shall not require the remaining time, but I do

want to reecho and reaffirm the fundamental issue as appraised by the gentleman from Michigan [Mr. WOLCOTT].

This is really not an economic issue before us today. Once more this is a question of a clash between the executive and the legislative branches. It is a question of whether or not laws shall be written by the constitutional lawmaking branch of the Government or whether laws shall be written by Executive decree. That is the real issue. It was so essentially well appraised by the gentleman from Michigan [Mr. WOLCOTT], in his remarks earlier this afternoon.

Obviously we cannot be constantly contending with the executive branch. This is the second time in as many weeks that we have sought to resolve this issue. Last week there came the question whether or not the President had authority under amendments to the Price Control Act to issue the salary ceiling order. Today we find ourselves engaged in a controversy as to whether or not the President had authority to so define parity under the amendments to the Price Control Act, that he could include Government subsidies, benefit payments, and parity payments. That is the real issue today. So we should not blink it.

Let me say—and I say this in all charity and humility—I think, to some extent, the Banking and Currency Committee was somewhat at fault in connection with the preparation of the amendments to the Price Control Act in September and October 1942.

The gentleman from Massachusetts [Mr. GIFFORD] alluded to the point at that time, that we should spell out in the law that parity, as it was envisioned in that act, would not include subsidies and benefit payments. Yet the President came along with an Executive order and he did include them. So that when you figure the parity price and deduct the benefits, the farmer's net of course will be a price in a field infinitely lower than the price he should have.

So the conclusion to be drawn from this controversy today and the one last week, lies in the fact that the Congress must have scrupulous regard for the language that it employs in the writing of bills. It must spell out carefully every limitation. Particularly so was that true in this case, because the President had some color of authority, as I indicated earlier in the course of the remarks of the gentleman from Massachusetts [Mr. GIFFORD]. In 1941, when the 1942 fiscal year appropriation bill for Agriculture was under consideration and it went to the Senate, a controversy arose then as to whether or not parity payments or benefit payments should be included in the calculation of parity. A number of Senators were called to the White House. They came back. There was a conference. I remember sitting in on it. It was said then that the President would not sign the bill unless in the calculation of parity, these benefit payments were included. I objected, but in the conference they decided finally to go along with that viewpoint.

When the language finally came back here in the form of a conference report, here was a provision that in determining parity you should take the market price, you add the soil-conservation payments, then you determine how close you are to parity, and you add enough money to bring it to the parity level. If the normal parity payment brought it over the parity level, the language of the bill was that the payments had to be adjusted downward to remain at the parity level or a little under.

It occurs to me that the President seized upon that action by the Congress, that action that was approved by the House and Senate, to include subsidy and benefit payments in the order that he issued, predicated upon the price-control amendments of 1942.

So we find ourselves for the second time in this controversy. It is not healthy for the country. It is not good for the war effort. It is not good for the serenity and peace of mind of the people of the country. We cannot spend every week chopping away at each other and developing frictions and difficulties between the executive and the legislative branches, so that finally we develop a real tumult and mental unrest in the country that certainly detracts from the war effort.

So out of all this I draw the conclusion today that in every bill that goes across this floor, let us be careful and meticulous in spelling out its meaning, so that there can be no question in the mind of a lawyer who is given to tenuous interpretations, as to what the intent of the Congress really was.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to my colleague from Illinois.

Miss SUMNER of Illinois. I think we ought not to forget, because history certainly will not, that when that second price-control bill came on, this Congress was under an ultimatum from the President that unless we got it out of here in 2 weeks, the President would take the law into his own hands. There was a scurrying around in this Congress. I think it was a mistake. I think the Congress should stand firm. But nevertheless the Members of this Congress, in order to save the President from himself, hustled a bill through that they hardly knew what it contained.

Mr. DIRKSEN. We were not unadvised, as indicated by the remarks of the gentleman from Massachusetts, on the price-control bill. So from here on there must be scrupulous regard for legislative language.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. DIRKSEN] has expired.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from Georgia [Mr. BROWN].

Mr. BROWN of Georgia. Mr. Chairman, this bill before us now is very simple. The President's Executive Order No. 9250 states clearly that all benefit payments shall be deducted from parity. In the first place, I think the President was mistaken as to his authority in law to issue the order. In the second place, it was not contemplated by any Member of this House or Members of the other body. I am quite sure that when we passed this last price-fixing bill and adopted by a large majority an amendment I introduced that all labor costs should be calculated in parity the other body would have incorporated the principle of the Brown amendment if they had known or contemplated that the President would issue an order to deduct all benefit payments from parity. It is unfair, because probably half the farmers of this country receive no benefit payments. For these reasons, I hope there will not be a vote in the House against this bill.

In my opinion, the first price-control bill voted out of our committee in the fall of 1941 was fairer to the farmers than any bill or amendment to any price-control bill we have passed.

To be fair to all the farmers and give equality alike to the producers, there must be more than one formula. In the first bill we had four formulas: One was 110 percent of parity; one was the prevailing price on October 1, 1941; one was the prevailing price on December 1, 1941; and the fourth was the average price 1919–29. After 4 months of study we found that it was necessary to have more than one formula to give equality to all the growers of agricultural commodities and even today I think that is the best bill we could have. Suppose we pass this bill and the other body passes the bill to include all labor costs in the calculation of parity prices. We would then have about the same floor on agricultural commodities as we had when the first price-control bill was passed. We find we have delayed too long already giving help to the farmers in regard to labor. Farm labor should have been deferred to some extent in the first instance. Many, many men have gone into the Army, the Navy, and the Marine Corps, and many more into industrial plants who should have remained on the farms to produce food and clothing. Long ago many farmers should have been deferred, and now it is going to be very difficult to get labor to give us the agricultural production we need.

When we had the second price-control bill up in October of 1942 we brought to the attention of the Congress that it was just as necessary to produce food and clothing as it was to produce the implements of war and that labor was leaving the farms in large numbers for higher wages in plants and going to the armed forces. In other words, up to that time we had put too little stress upon the production of food so essential to the armed forces and the civilian population.

I am glad that this body realizes the condition of the distressed farmer and is more sympathetic with him in his plight. I hope we can yet obtain something like equality for the farmers.

Therefore I hope this bill will be passed without a dissenting vote.

We also realize that commodity prices should be raised some because wage rates on the farms are now much higher than during the base period and, too, there has been a tremendous increase in wages in industrial plants. The index of farm wage rates in January 1943 was 232 as compared with 100 for the 5-year period

1910–14. The index of hourly earnings of factory workers for the year 1942 was 402 as compared with 100 for the years 1910–14.

I hope those Representatives from the larger cities will realize that this bill is also favorable to their constituents because the farmer feeds us all and the farmer cannot produce unless he obtains a sufficient price for his commodities that will authorize him to pay a fair wage to his employees.

The CHAIRMAN. The time of the gentleman from Georgia has expired, all time has expired. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That section 3 of the act entitled "An act to aid in stabilizing the cost of living" (Public Law No. 729, 77th Congress) be amended by striking out the period at the end of the section, inserting a colon, and the following: "*Provided further*, That notwithstanding any other provision of law, rule, regulation, or order, no subsidy payment, parity payment, conservation payment, incentive payment, or payment in any other form or by any other term described shall be deducted in establishing, maintaining, or adjusting maximum prices or in determining parity or comparable prices for any agricultural commodity or for any commodity processed or manufactured in whole or in substantial part from any agricultural commodity. The agencies of the Government having jurisdiction with respect to such prices and payments shall make such adjustment in any such prices heretofore determined or established as may be necessary to carry out the purposes of this act."

Mr. PACE. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Georgia is recognized for 5 minutes on his motion.

Mr. PACE. Mr. Chairman, I ask unanimous consent to proceed for an additional 10 minutes.

The CHAIRMAN. The gentleman from Georgia asks unanimous consent to proceed for an additional 10 minutes. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from Georgia is recognized for 15 minutes.

Mr. PACE. Mr. Chairman, I hope I can say something that will help you in determining your vote on this bill. I must say that the most irresponsible statement that has been made on the floor of this House is that one under which O. P. A. took advantage of the gentleman from New Jersey and permitted him to state that this bill would mean an increase of a billion and a half dollars in the cost of living. I wish you would follow me very closely for I think I can prove to your total satisfaction that the college economists and statisticians in the Office of Price Administration are the most irresponsible group of men in this Nation today. Let us analyze the situation.

In the first place, of course, we are dealing only with soil conservation and parity payments for one particular year, because only 1 year can be involved. We are not going back over any long period of years, but it is the price of one crop and the payments made on that particular crop. I am going to take the crop of 1942. The total appropriation for parity was $212,000,000. Considerable administrative expense was involved and the farmers received of that $198,000,000; that is the payments they received. The soil conservation payments—now follow me—the soil conservation payments were $420,000,000 and of those the farmers received $370,000,000; so all of the payments paid out—get this—on all of the crops was the sum of those two, which is $568,000,000. The Office of Price Administration, however, would have you believe that by adding $568,000,000 to the price of food you would increase the price of food $1,500,000,000. That would be assuming that the entire $568,000,000 is involved in this bill. But it is not. Only a small part of it is.

There are really two principal commodities involved in this bill. Those are corn and wheat. Of the $212,000,000 appropriated for parity every dollar of it with the exception of about $200,000 which was paid to one particular grade of tobacco, all of the remainder, was paid to corn and wheat. Consequently those are the two commodities involved as to parity payments. But those amounts of money are not involved here and I want you to listen and I think you will agree with me.

The payments on corn were about 5½ cents for soil conservation and 11 cents for parity payments. Do you know what the deduction on corn is today? It is 6 cents out of a possible 16½ cents. Corn is today within 6 cents of the parity price. Therefore, the entire amount paid corn of 16½ cents is not involved under this bill and the Office of Price Administration has no justification in trying to mislead this Congress as they have deliberately tried to do in calculating under this bill all of the benefit payments involved. In the case of corn there is only 6 cents a bushel.

Let us go to the next step. How much corn is produced and sold? The average production of corn is 2,500,000,000 bushels, but any farmer present will tell you that only 15 percent of the corn moves to market. Eighty-five percent of the corn does not. Am I right, I will ask the gentleman from Iowa?

Mr. GILCHRIST. Quite right.

Mr. PAGE. Eighty-five percent of the corn is fed on the farm in the county in which it is produced. All right. We have involved affecting the cost of living only 15 percent of the 2,500,000,000 bushels of corn produced, which is 375,000,000 bushels of corn. If there is only 6 cents in payment deducted then that involves the stupendous figure of $22,500,000. I ask the gentleman from New Jersey to make a note of that and supply it to the Office of Price Administration.

Let us turn to wheat a minute. There is a part of wheat not involved in this bill at all. The parity price on flour made from Soft Red Winter wheat is now at 100 percent of parity. May I repeat that. There is no ceiling on wheat. It is on flour. The ceiling price of flour made from Soft Red Winter wheat is today 100 percent of the parity price of flour. So that wheat is not involved in this bill. It does not make any difference, whether the bill passes or not, it is not going to affect the ceiling on Soft Red Winter wheat.

How much of the wheat is Soft Red Winter wheat? I asked the gentleman from Kansas a moment ago and he says it is accepted that Soft Red Winter wheat is about 20 percent of the wheat crop. Therefore you have involved here only 80 percent of the wheat.

Now, here is a significant thing. The ceiling on the price of flour made from the remainder of the wheat is at 86 percent of parity. There are two things significant about that, as a matter of fact. You have a ceiling on one kind of wheat at 100 percent parity and you have a ceiling on the remainder of the wheat at 86 percent of parity. The other significant thing is that you have a ceiling on wheat that is less than the loan, and I am sure every man in this House will admit it is certainly an unhealthy situation for the Office of Price Administration to be putting a ceiling on a farm commodity that is less than he can go to the Commodity Credit Corporation and borrow on it.

What is the effect? Of course, every farmer is going to take his wheat to the Commodity Credit Corporation and borrow Government money. But in addition to that, there is one shortage of wheat, and that is the Soft Red Winter wheat on which now the ceiling is 100 percent of parity. On the balance of the wheat we have a 2-year supply. If the Office of Price Administration would be thoughtful enough to go to the Department of Agriculture, they would be told that the supply of the remainder of the wheat is so great that it is not anticipated that the passage of this bill will have the slightest effect upon the price of wheat on account of the enormous supply, except possibly in one important area, Kansas City. The supply of wheat up in the Minnesota area, the supply of wheat on the western coast on hand is so enormous that, whether this bill passes or not, it will have no appreciable effect upon the price of wheat; and I repeat that any group of men who so far forget themselves as to engage in the business of propaganda, which appears to be now the business in which the Office of Price Administration is engaged, and to send to this Congress and induce and mislead the gentleman from New Jersey in reading such a statement to the Congress, should be run out of the Government service before the sun sets.

Mr. HOPE. Will the gentleman yield?

Mr. PACE. I yield to the gentleman from Kansas.

Mr. HOPE. I just want to add this to what the gentleman has said: The price of Hard Winter wheat today—and I think the same thing is true of Hard Spring wheat—is only about 15 cents a bushel less than parity. That is in spite of the fact that the ceiling on flour is lower than that.

Mr. PACE. That is right.

Mr. HOPE. So that, if the price went to parity under this bill, you could not

possibly add more than one-quarter of a cent to the price of each loaf of bread, and bread today is selling at the same price it was selling for when the war began and less than it was selling for in 1926.

Mr. PACE. I will make a further statement, which will be confirmed by the Department of Agriculture, and that is that a one-half cent rise in the price of a loaf of bread would take care of a 20- to 25-cent rise in the price of wheat.

Mr. CRAWFORD. Will the gentleman yield for a question?

Mr. PACE. I yield to the gentleman.

Mr. CRAWFORD. I would like to get the gentleman's judgment on this. Assuming that planned economy goes no further than at the present time—that is, we do not have to get into it any deeper than at the present time—how can anyone justify a planning or a plan which leaves the farmers of this country receiving less than parity for their labor in the form of the products they place on the market?

Mr. PACE. Of course, you cannot, and it is contrary to everything that this administration has been trying to do ever since the day I entered Congress.

Mr. CRAWFORD. Correct.

Mr. PACE. Comments have been made here today about two bills, one passed last Friday and the one now before you as if the farmers of this Nation were asking too much. Do you know what you did last Friday, and do you know what you propose to do today? You are simply enforcing legislation that you passed last October and nothing more. The farmers of this Nation are asking only that the enactment of the Congress approved by the President on the 2d day of October 1942 be carried out.

It is most unfortunate that this Congress finds its necessary to fortify the action it took on October 2, 1942, by this legislation. Let no one leave this Chamber with the idea that in passing the bill last Friday or passing this bill today you have done one single thing more than you did in the act of October 2, 1942.

The CHAIRMAN. The time of the gentleman has expired.

Mr. PACE. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. PACE. The reason I say that is that the Congress gave the Office of Price Administration two mandates. Let me read one of them to you. That is the reason the bill was passed last Friday, and for no other reason. Here is the bill we passed last Friday, containing language which we had previously enacted on October 2:

> Modifications shall be made in maximum prices established for any agricultural commodity and for commodities processed or manufactured in whole or substantial part from any agricultural commodity, * * * in any case where it appears that such modification is necessary to increase the production of such commodity for war purposes, or where by reason of increased labor or other costs to the producers of such agricultural commodity incurred since January 1, 1941, the maximum prices so established will not reflect such increased costs.

That is substantially what you call the Pace bill. It is written in the act of October 2, 1942, but the Office of Price Administration has steadfastly refused to put it into effect.

The bill you have here today is a reenactment of this language:

> No maximum price shall be established or maintained for any agricultural commodity below the parity price for such commodity.

That is what you enacted last October. What you are doing today is saying the same thing in different language. I hope you are saying it so plainly that no man can fail to understand what your purpose is.

The CHAIRMAN. The time of the gentleman from Georgia has again expired.

The Chair recognizes the gentleman from Wisconsin [Mr. HULL].

Mr. HULL. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, there is one feature regarding this parity-price situation that has not been mentioned here today. I call the attention of Members who come from counties or districts like my own, outside the Corn Belt, and the larger part of the country is outside the Corn Belt, to the difference in conditions as between our districts and our sections of the country and those sections where corn loans and parity prices are involved. There are only about 21 counties of Wisconsin included in the Corn Belt. The rest of our counties, the larger portion of Minnesota, I think all of North Dakota, and practically most of the other States, are wholly outside of that Corn Belt area. They have no corn loans and no parity prices.

Yet, if this order of the President stands, if this legislation fails, the parity price of corn in our district will be fixed on the benefits received by the farmers living in the Corn Belt area. It seems to me that that alone is sufficient reason for the passing of this bill.

There has been so much said here by some Members from the urban centers regarding the cost of living, and the farmer's part and portion in increasing the cost of living, that I should like to call attention to a United Press dispatch which appeared in the papers, today, quoting facts from the Bureau of Foreign and Domestic Commerce, to the effect that about $28,000,000,000 were spent by our people for food alone in 1942.

Also, I would direct your attention to the frequently published figures from the Department of Agriculture indicating that the total farm cash income for all production, which, of course, would include cotton, in 1942, was less than $10,000,000,000.

So, instead of $28,000,000,000 of that food bill going to the farmers, $18,000,000,000 of it went to the people who processed and distributed the farmer's product.

But there are some other salient points in these figures, which show an increase in spending from 1939 to 1942 of $20,000,000,000. Independent of that increase in the cost of foodstuffs after they leave the farm, let me call attention to this, that there was an increase of three and a quarter billion dollars in the cost of clothing. The cost of wool in a suit of clothing is about a dollar and a half today, and the cost of cotton in a $2 or a $3 shirt is less than 15 cents. Yet there has been added an increase of three and a quarter billion dollars for clothing alone.

Let us now take furniture, and certainly no farmer is interested in producing furniture, but the increased expenditure in the 4-year period went from $2,998,000,000 to $4,085,000,000, and so that portion of the increase in the cost of living is not included in what the farmer got. If I had the time I might go on and mention many other interesting items in this particular statement, but here is the fact. Of the $20,000,000,000 increase in expenditures in the 4 years, it is utterly impossible to charge to the farmers for all the products they raise more than 25 percent of the total amount. So, of the $20,000,000,000 increase in the cost of living, more than $15,000,000,000 have gone to the people living in urban centers.

It does seem to me that the present situation as to food should cause people to stop and think about this farm situation. Last year over a million and a quarter cows from the dairy herds were slaughtered and consumed as meat products. This year there will be one million and a quarter less calves coming into the markets to be sold for meat than we had last year. Butter production decreased 23 percent during the month of January. I hope that decrease will not continue throughout the year, but 23 percent decrease in butter production means a falling off of over 450,000,000 pounds in 12 months.

The only manner in which the supply of food may be increased and a still worse situation avoided is to procure more products from the farms. Every measure passed by Congress which will lead to greater production on the farms is of as much importance to city workers and city people in general as it is to those on the farms.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. KEFAUVER. Mr. Chairman, I move to strike out the last word and ask unanimous consent to proceed for 5 minutes additional.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. KEFAUVER. Mr. Chairman, I have hurriedly read the record of the debate when the last price-fixing bill was passed in the House, and it is not entirely clear to me that the intent of Congress was shown by what was said in that debate to be that soil-conservation payments and other A. A. A. benefits should not be included in fixing the price of parity by the Executive. The gentleman from Massachusetts [Mr. GIFFORD] at one point in the debate stated in very plain language that the President intended to include the benefit payments in fixing the price of parity. Nothing else seems to have been said on the subject until a little while later

when the gentleman from Oklahoma [Mr. WICKERSHAM] offered an amendment which is in these words:

Provided, however, That any other provision in any law to the contrary, acreage-conservation-program payments, or soil-conservation benefits, shall not be considered as part of the farmer's income in figuring parity income, but shall be considered separate earned benefits.

Then the gentleman from Oklahoma [Mr. WICKERSHAM] made a short argument in favor of his amendment. Thereupon the gentleman from Georgia [Mr. TARVER] said he did not think the amendment was essential, but the gentleman from Oklahoma [Mr. WICKERSHAM] disagreed with the gentleman from Georgia and said these payments should not be included, but that they were being included by virtue of a provision written into the last agricultural appropriation act.

The result was that the amendment was voted down in this House. So that we could take that as indicating that the House wanted soil-conservation payments included. I concede that many Members probably voted against the amendment because Mr. TARVER said it was not necessary.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. KEFAUVER. Not now. Mr. Chairman, assuming for the purpose of argument that the President or the O. P. A. made a mistake in arriving at the intent of Congress, and that we have a desire to reprimand the President, shall we take a chance of destroying the economy of this Nation at this time, when this matter is in a very precarious balance, merely because we want to get even with somebody? Shall we pursue a dangerous and unwise course just to spank the President or chastise him? It seems to me that that is a very short-sighted policy to pursue. I wish that I had the power to express the conviction I feel very deeply in my heart about this matter. I feel that while our boys are winning on the fields of battle, we are allowing our home defenses to crumble. The great fight we have in this Nation right now, in order to win the peace, and have some substantial economy when this war is over, is to prevent uncontrolled inflation. That is the great job this Congress has to do at this time, and, frankly, we are not doing our share. We are not facing the issue bravely. The Pace bill, which we passed the other day, was inflationary. The Disney amendment to the debt ceiling bill was inflationary. I voted against both of them. The Senate modified the Disney proposal to make it less objectionable, but it is still inflationary and undesirable and I could only vote for the conference report on the grounds that the debt limit must be raised for the prosecution of the war.

We are in these matters not meeting our responsibility. I know it is popular to rise and argue for the farmer and say, "Give him more." But I wonder if those gentlemen who are doing this will find that they have been the true friend of the farmer in the end? This matter of inflation is tottering in the balance, and instead of trying to hold things where they are, we are adding fuel to the fire. The first thing we know we are going to have a situation that we cannot control. It has been said that only Members from the city districts do not want this bill passed. I want to say that more than half of the people in my district live on farms and are good farmers. I am against this bill because I do not think in the long run it will be in their interest. I do have considerable industry in my district, and one of the largest industries is coal mining. In these mines are employed hundreds of coal miners who are members of the United Mine Workers. I want to say frankly and sincerely that I hope they do not get the raise they are asking for and I hope that the Little Steel formula is sustained.

What would it benefit the farmer if he gets a little temporary advantage and then all along the line the price of labor and everything that he has to buy goes up? Then we and the farmers would be back where we are now. Then the price of labor and equipment would rise and the farmer would want parity raised, and so on ad infinitum. But there would be a great group in the Nation who would be utterly ruined by such a procedure, and that is the middle-class man, the white-collar man, the man who is not on the farm, who is not represented by powerful unions. Even the farmers and the men in the unions themselves would in the end be ruined, because after all they have investments in bonds, and they have to foot the bill and pay for this war like everybody else. If we keep inviting inflation this war will cost so much that we will never be able to pay the bill. The investments those people have in life insurance, bonds, and other things that they rely upon to protect them in their old age are going to be worth increasingly less and less.

Mr. Chairman, we have a great opportunity if we would set our foot down on any further inflationary measures, and back up Mr. James Byrnes, Economic Stabilization Director, and our Chief Executive, and say "the Little Steel formula shall not be broken and we who represent the farmers of this Nation and the workers of this Nation are willing to take what we have at this time and go along with you on that program." We have a great opportunity to make history. It looks like we are turning our backs on our plain duty and are considering the problem from a political viewpoint, with the aim of gaining favor with the farmers.

I have not received many letters from farmers complaining of prices. I have received many letters from farmers complaining of the high cost of things they have to buy and that it looks like inflation is going to engulf us. I do not believe the farmers want a lot of additional benefits at a time when the Nation is trying to keep its economy stable. I know there is a tremendous farm-labor problem. That farm-labor problem will probably continue. Let us give some incentive subsidies to the farmer to enable him to pay a little more for his labor. That can be done in such a way that our whole economy will not be thrown out of balance. That is the only safe way we can meet this problem.

The gentleman from Georgia says that only $500,000,000 in parity payments will be paid. We all know, as a matter of fact, if you raise the base $500,000,000, everything else along the line rises. The gentleman from Wisconsin [Mr. HULL] said that if you raise the base one point you raise the price a third more. I think he is conservative in that. If $500,000,000 additional goes out to farmers, you will find the cost of living, the cost of what people have to pay for merchandise will be raised by three times that amount. If that is done the Little Steel formula will be broken. Wages are going to be increased more and more, and you gentlemen sponsoring this bill will be back asking for additional increases, and we will keep on until we have the worst situation on our hands that could be imagined.

Mr. PACE. Will the gentleman yield?

Mr. KEFAUVER. Yes, I yield.

Mr. PACE. The total food bill is about $25,000,000,000, so that it would not really cost anything.

Mr. KEFAUVER. According to the gentleman from Georgia, this bill would not give the farmers a cent. Therefore, I do not see why he is so insistent that it be passed. The gentleman said it would not help the wheat farmers; that it would only help a few corn farmers.

Mr. PACE. That is right.

Mr. KEFAUVER. Considering the great danger we are facing and the necessity of protecting the Little Steel formula, I am surprised that for the little benefit the gentleman says this would bring the farmers, he would take a chance of throwing our economy out of balance and bringing about uncontrolled inflation.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. KEAN. Mr. Chairman, I move to strike out the last five words.

Mr. Chairman, the gentleman from Georgia [Mr. PACE] has shed many tears over my innocence and the fact that I have been taken in by the O. P. A. I would be the last one to sing the praises of the statisticians in the O. P. A., but in fairness to them, I have just had them on the telephone and I think I should tell the House how they figure that the cost of living under this bill would go up $1,500,000,000, while the actual payments to the farmers would be $572,000,000.

Mr. PACE. If the gentleman will yield right there, the total maximum payment to the farmer is that amount, but the fact here is that the payment on corn is 16½ cents, but the ceiling on corn is now within 6 cents of parity. So there is but 6 cents involved.

Mr. KEAN. Will the gentleman let me tell him the answer which the O. P. A. statisticians gave me and he can take it for what it is worth.

In the first place, they said that an increase in the parity figure would break a number of price ceilings. One of the things they mentioned was dried beans, and several others.

In the second place, as the gentleman from Tennessee [Mr. KEFAUVER] stated, payment to the farmer is at the farm

level, and there is always a mark-up before it reaches the retail level, and that the Department of Agriculture figures is about 35 percent.

In the third place, most of the payments which have been made are made on grains which are used for feed. If you increase the price of feed to the farmers you will have to increase the price of meat. They stated again they felt that though actual payments to the farmers were only $500,000,000, that the rise in the cost of food to the consumer would be a billion and a half.

Mr. PACE. Mr. Chairman, will the gentleman yield?

Mr. KEAN. I yield.

Mr. PACE. To begin with, dried beans have nothing whatever to do with it. No payments will be made on dried beans; they do not figure in parity or soil conservation. In the second place the official figures of the Department of Agriculture are that the farmer gets 53 cents of the consumer's dollar which does not reconcile with the gentleman's statement. In the third place——

Mr. KEAN. It is not my statement, it is the statement of the O. P. A. statisticians, if the gentleman please.

Mr. PACE. And in the third place, every hog raiser on this floor will tell you that the spread today between the cost of corn and the price of the hog is the greatest it has been since the United States Government was founded; that the spread between the cost of the corn and the price of the hog is the greatest that has ever been known; and the gentleman ought to assume that nothing was to be done to affect that 17-to-1 spread that now exists, when Members have attempted to explain this afternoon that a slight increase of 6 cents on 15 percent of the corn that is produced, which is the amount of corn that goes into the market, would have no appreciable effect on the price of hogs; and in the fourth place there is no ceiling on the price of hogs or on the price of cattle at the present time, and therefore there would never be any adjustment in those prices.

Mr. BROWN of Georgia. Mr. Chairman will the gentleman yield?

Mr. KEAN. I yield.

Mr. BROWN of Georgia. Does the gentleman believe the President had authority under the price-fixing bill of October 1942 to issue the Executive order requiring the inclusion of soil-conservation payments in the calculation of parity?

Mr. KEAN. I do not know; I am not a lawyer.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

Mr. KNUTSON. Mr. Chairman, I rise in opposition to the pro forma amendment and ask unanimous consent to proceed out of order.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. KNUTSON. Mr. Chairman, I am wondering whether O. P. A. has gone berserk. It would seem so. Let me read you a telegram that came to hand this afternoon:

Office of Price Administration informed 500 locker plant representatives yesterday new order requires beef and veal for farmers' own use must be Federal graded costing $2.20 per hour from time grader leaves South St. Paul to return.

In my case it would cost me $50 to have a little 50-pound locker examined, so if the order stands I shall have to continue to live out of cans. I continue quoting the telegram:

Pratt of Office of Price Administration and Dr. Booth representing Agriculture before meeting said they could not understand reason—

Well, they are not alone; neither can I.

We think this most unreasonable of all unfair orders and is apparently designed to kill locker plants. Farmers present dumfounded and spirit is rebellious. Please contact Office of Price Administration and Agriculture demanding removal inspection requirement where meat for farmer's own use.

Signed:

Twin City Milk Producers Association, W. S. Moscrip, R. B. Goodhue, F. H. Rohe, S. R. Houlton, A. T. Frank, H. R. Leonard.

They tell us there is a serious shortage of manpower, yet here we find a Government agency embarking on a new program of Government inspection that will require the full time of hundreds of inspectors. The order should not be charged to Prentiss Brown or any of his appointees. Rather it must be charged to some crackpot who is holding over from Leon Henderson's crackpot regime. Mr. Brown probably does not know anything about it, but he surely will be fully advised tomorrow morning. There will be great rejoicing in "packingtown" over the order, but it will evoke righteous indignation in tens of thousands of homes that use lockers to store their meat for summer use. It is high time that Congress step into the picture and put a stop to this devilish and damnable foolishness.

Mr. AUGUST. H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. I yield.

Mr. AUGUST H. ANDRESEN. I have just had a session with the bureaucrats down in O. P. A. in regard to the matter to which the gentleman refers. The key policy makers down there inform me that these two O. P. A. men who are out over the Northwest giving out this compulsory order for inspection of meat a farmer slaughters for his own use has been rescinded, that they had not caught up with the latest regulation which permits the farmer to slaughter his pork and beef for his own use without having to have it graded by a Government grader.

Mr. KNUTSON. We should not criticize the two gentlemen who are way out there. None of us, much less they, can keep up with what is being done by bureaucrats in Washington.

Let me say to my colleague from Minnesota that I am glad he has contacted O. P. A. I would have gone down there this afternoon, but was in a conference on a tax bill. I am glad the gentleman has got it all fixed up, for I shall be able to sleep better tonight.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

By unanimous consent the pro forma amendments were withdrawn.

Mr. BELL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, my district is at the geographical center of the United States. About one-third of the voters of my district are farmers and the other two-thirds live in town, Kansas City. I want to say a word this afternoon in behalf of these city dwellers. The eastern half of my district has been pretty largely a dairy district. At the beginning of 1942 we had 273 farmers engaged in the dairy business. During 1942 O. P. A. began to fix price ceilings. The farmers immediately began to complain that they could not remain in the dairy business under those ceilings as fixed. The year has gone by and we are now in 1943. There were 273 farmers in the dairy business. Seventy-five of them remain. One hundred and ninety-seven have been put out of business because they could not stay in business under these price ceilings. The dairy herds have been sold largely to the packing houses and the cows have been killed as low-grade beef. That is what these ceilings have done to the dairy business in my district, and I do not bring up my district because I think it is of greater interest to this discussion than districts of the rest of you but because it is a cross-section of the country and the price ceilings are substantially the same as those fixed in other parts of the country. I am assuming, and I think correctly, that the situation with respect to that business in my district perhaps may be parallel to the situation in hundreds of other communities all over the United States.

Some time ago a price ceiling was fixed so that the farmer got 2.6 cents a pound for his milk. I do not know what the man in the city paid for it, but that is what the farmer got. That ceiling has been raised at the present time. The farmers are now getting $3.65 per hundred pounds. The result is that the situation is not as bad as it was, but almost three-quarters of the dairies have gone out of business. I do not think I will have to argue with any of the city dwellers in my district about that. They will understand that if the dairies of the country go out of business, or at least three-quarters of them, the people in the towns and cities are going to lack milk. If the farmers go out of business the people in the towns are going to go hungry. So I think the first statement I made is correct. I am talking on behalf of the city dwellers in my district. The bill now before the House, which will perhaps raise the ceilings that the farmers are to have a little bit, is really a bill that will, in the months to come, benefit the city dwellers even more than the farmer. I think that everybody within the sound of my voice at this moment certainly knows that if we get to the point where there is not enough food to go around, the farmers are going to eat first and the city dwellers after that.

Mr. AUGUST H. ANDRESEN. Will the gentleman yield?

Mr. BELL. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. The trouble with some of the men who are making the orders down here—and that is one need for this legislation—is the

fact they believe they can turn on a spigot and get milk; that it does not take any manpower or food to produce that milk.

Mr. BELL. I think the gentleman is correct in that. Some of these folks who make these orders have not known just what they were doing.

I do want to add that I have the feeling that ex-Senator Brown has started out to do a splendid job. I believe in him and I believe that when he raises the ceiling on milk in my community and in other communities of the country he will have taken a long step toward seeing to it that the people in the cities have milk in the months to come.

There is talk about fixing a ceiling on beef and hogs. In regard to beef cattle I have been concerned for a year or more because of the ceilings which have been fixed on finished beef. The packers are not going to pay more for a steer on the hoof, than they can afford, to kill him. dress him, and sell him for to the public. The result has been that the price of beef on the hoof has been too low for a feeder to make any money. The feed lots of the Middle West are not filled with cattle like they ought to be. I can remember very well during the First World War the farmers were getting 26 cents a pound for steers on the hoof. Today they are getting 15 cents, 60 percent of the price during the last war. We had plenty of beef in the last war, yet with beef selling at prices ranging around 40 percent lower than 25 years ago, we are talking about placing a ceiling lower than this low price.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HOPE. Mr. Chairman, I move to strike out the last seven words.

Mr. STEAGALL. Will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Alabama.

Mr. STEAGALL. May we not close the debate at the end of 5 minutes?

Mr. KEEFE. No.

Mr. STEAGALL. Mr. Chairman, I ask unanimous consent that all debate on this bill and all amendments thereto close in 20 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama [Mr. STEAGALL]?

There was no objection.

The Chair recognizes the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, I am ready to go along with any bill that is, in my opinion, fair and designed to help the farmer. Frankly, I cannot agree with this bill. I think the farmer should receive a fair price for his product. I think we should do away with subsidies of every type. I have understood from many, many farmers that is what they want. I do not think that we should say that if the farmer receives a subsidy that should not be taken into consideration in arriving at the price, but we should see that we do get rid of the subsidies and stop all this "monkeying" around which has destroyed very largely the independence of the farmers. Let us give them a fair price and stop this subsidy business.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Kansas.

Mr. HOPE. Does not the gentleman agree with me that if we pass this legislation so the subsidy cannot be deducted, the price of most commodities will go up to parity and there will be no further need for subsidies? That is what I would like to see, and I agree with the gentleman in that.

Mr. TABER. I think we should pass a bill to prohibit the payment of subsidies rather than putting something in to do it by indirection. That is what we ought to try to do.

Mr. HOPE. Will the gentleman yield for a further question?

Mr. TABER. Yes.

Mr. HOPE. Right on that point, there are Government agencies like the Commodity Credit Corporation that already have vast amounts of funds that they can use in paying subsidies, and whether we pass any legislation this year or not they will probably still go in and pay subsidies to keep prices down.

Mr. TABER. If they are going to pay subsidies and the farmers get the subsidies, we are not hurting the farmers if we let that be considered.

Mr. HOPE. If we pass this legislation they will have to stop that.

Mr. TABER. I want to be fair, I think we have to be fair with the public. I think that we ought to pass legislation that would absolutely prohibit the payment of any of the subsidies, and that would prevent any of those things being paid out of the Treasury or any corporation or anything of that kind.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. TABER. Yes.

Mr. AUGUST H. ANDRESEN. I do not think it makes much difference if we pass this bill or not. They are going to interpret the law the way they want to down there, as they have done with many laws.

Mr. TABER. You mean that the legislation does not mean a thing, that the administration has no respect for the law whatever? I think perhaps the gentleman is right in that; I think I could go along with him on that. On the other hand, I do not want to pass some bill that seems to say something that I do not believe the farmers are asking and I do not believe that it is fair that we put it in their mouths.

Mr. AUGUST H. ANDRESEN. One of the problems, of course, we have had here is that we pass one law stating a certain intent of the Congress and the bureaus administer the law the way they want to; then we have to pass another law telling them what the intent of the Congress was in the first law.

Mr. TABER. And then they pay no attention to either one of them.

Mr. AUGUST H. ANDRESEN. That is right.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from Colorado [Mr. HILL].

Mr. HILL. Mr. Chairman, I take this time to call attention to what the gentleman from Minnesota, Congressman KNUTSON, was just talking about—farm lockers—where farmers have kept their meat for years. I am going to read a 6-line statement that I received about lockers in my district:

> Bureaucracy is the worst menace American business faces—and unless business fights it tooth and nail all the time, bureaucracy will win, business will be doomed.
>
> A new example: Farmers, small towners in eastern Colorado, from time immemorial, have rented lockers, stored surplus meats, including ducks, pheasants, rabbits they killed while hunting.
>
> Last month Government bureacrats came to town, investigated lockers, ruled those who held foodstuffs (some of it a year, 2 years old) were operating black markets.
>
> Of course, if the matter came to a trial, probably courts would hold defendants innocent. But do we in America constantly have to go to court to uphold our inalienable rights?

I call your attention to that and ask you, What is going on in this country? Who knows down here in Washington? Who is running these bureaucrats, I want to know?

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. May I say to the gentleman that his constituents cannot get into court under any regulation of the O. P. A., so they will have to take their medicine.

Mr. HILL. What would the gentleman advise those farmers to do when a man comes along without any regulations or rules in his pocket and asks them to open their lockers, to make him prove that he has a right to do this? What would you do for them?

Mr. AUGUST H. ANDRESEN. What I would advise them to do I am unable to state right now, because it might not be fit for the RECORD.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield to the gentleman from Michigan.

Mr. CRAWFORD. I can understand the wrath of the fine people in Colorado, because I have lived there, and I know a lot of them close to the gentleman's district, and I can understand the gentleman's wrath, but let me repeat again, we have not seen anything of regimentation compared to what we shall have to go through before this war is won. We might just as well be fair with ourselves and fair with the people of this country. I am telling the people in my district what they are up against. I do not know of any remedy for it. We must win the war.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield to the gentleman from Illinois.

Mr. MASON. May I ask the gentleman who has just spoken whether he considers this locker business as an aid in winning the war.

Mr. CRAWFORD. If the gentleman will yield, if it has to do with food, of course, it has something to do with winning the war. We will learn more about that later.

Mr. CURTIS. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield to the gentleman from Nebraska.

Mr. CURTIS. I think this Congress would perhaps be interested in knowing that while the manpower shortage is noticeable on every hand the Office of Price Administration mailed to every lawyer in Nebraska a three-page document telling them what George Washington believed about price control. The only thing I got out of it was that those fellows down there might have a little respect for George Washington, but it certainly took a lot of time and it costs money to send them through the mails. I can see no connection between that and the war effort.

The CHAIRMAN. The time of the gentleman from Colorado has expired.

The Chair recognizes the gentleman from Wisconsin [Mr. KEEFE].

Mr. KEEFE. Mr. Chairman, from day to day I hear, as you do, these constant complaints about the O. P. A. and about bureaucratic control of Government. I hear illustration after illustration of the wrath of the people, coming from the Democratic side and coming from the Republican side. Members standing here day after day giving the opinions of what they conceive to be an outraged constituency, pointing out illustration after illustration of where the O. P. A. or some other bureaucratic agency is impinging upon what are conceived to be the sovereign rights of the people. We hear these illustrations, we hear the complaints about lockers, we hear the complaints about this, we hear the complaints about that. But what are you doing about it except talk? It costs some money to print this talk and to send it throughout the country, too, I tell you. You are not getting anywhere with your talk, because person after person stands here, day after day, and tells the Members of this Congress of their inability to get satisfaction from the bureaucrats, as they are called.

As one Member of Congress, I am getting a little bit tired of these complaints and this constant bitterness, and I am beginning to want some action. I could tell you of dozens of meat-processing plants in my State and in my district that have been closed as a result of what I conceive to be silly and asinine orders of the O. P. A. But what good is that going to do? I could bring their protests and their letters and their telegrams here, and they might get some benefit out of seeing them in the CONGRESSIONAL RECORD, but of what benefit is it unless it will restore these plants, of what benefit is it unless it will keep these people in business?

What are you doing about it, you people in the majority? What are you doing to stop this O. P. A.? Oh, you are doing one thing, you are turning the patronage boys loose down there, and you are manning these regional offices now, and you good Democratic boys are getting a lot of patronage, and you are getting all your friends in there—at least you are in my State. They are doing it in my State, and I know what they are doing there, and I hope to God that as a result you will get some men who will understand human nature and understand the American people, and I hope you get some results. I doubt it. I think you are going to destroy the price control by what you are doing. I want to see this Congress do something, and I have indicated time and time again on the floor of this House that the only way that you can do anything and the only language that these fellows understand down here is money—money; and when they come up here asking for money to hire these long-haired professors that are making these orders, and these economic analysts, and these lawyers and these economists that write these orders that your patronage boys will have to go out and try to enforce—when they ask for money you give it and you keep on giving it to them. When they come up here the next time you will have the control by simply telling Prentiss Brown that from now on unless he corrects these intolerable situations that both sides of this House condemn, he is not going to have the funds to operate with at all until he does.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I move to strike out the last work. The gentleman from Wisconsin [Mr. KEEFE] wants action. I am glad that he has signified his ideas in that respect. We have already had some action I may say to the gentleman from Wisconsin. Mr. Hamm has been dismissed from the service——

Mr. SHORT. But there are plenty of "hams" left.

Mr. AUGUST H. ANDRESEN. The assistant chief and Colonel Ginsburg have been dismissed from the service.

Mr. HILL. But when will they dismiss this other professor, Dr Galbraith? He is still on the list.

Mr. AUGUST H. ANDRESEN. I may say to the gentleman that I think Dr. Galbraith will be dismissed when his true worth is discovered by Prentiss Brown, which I hope will be very soon.

Mr. CLEVENGER. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. Yes.

Mr. CLEVENGER. Did anybody back in the gentleman's district tell of the A. A. A. being called in to distribute the Vice President's speech the other night?

Mr. AUGUST H. ANDRESEN. I do not think so.

Mr. CLEVENGER. We had them in every county in my district.

Mr. AUGUST H. ANDRESEN. The gentleman from Wisconsin [Mr. KEEFE] has demanded action. Well I hope that he, as one of the prominent members of the Appropriations Committee, will give us the action that he is advocating.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. Yes.

Mr. KEEFE. The gentleman is familiar with the fact that the Appropriations Committee has already given you some action.

Mr. AUGUST H. ANDRESEN. Well, we want action on this proposition, and if the gentleman says that we can get it by denying the appropriations to the O. P. A. and these other agencies, he and the other members of his committee, both the majority and the minority, should set a good example to us and present bills which will cut the appropriations out from under them.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. Yes.

Mr. RANKIN. I quite agree with the gentleman from Wisconsin [Mr. KEEFE] but if I remember correctly it is only 2 weeks ago that he was demanding that certain Communists be taken off the pay roll, but when the time came to vote, he voted the other way.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Under the rule, the Committee will rise.

Accordingly the Committee rose; and the Speaker pro tempore having resumed the chair, Mr. GORE, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration the bill H. R. 1698, and pursuant to House Resolution 172, he reported the bill back to the House.

The SPEAKER pro tempore. Under the rule, the previous question is ordered. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

Mr. BRADLEY of Pennsylvania. Mr. Speaker, on that I demand the yeas and nays.

The SPEAKER pro tempore. Those in favor of ordering the yeas and nays will rise and remain standing until counted. [After counting.] Three Members have risen, not a sufficient number, and the yeas and nays are refused. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. MARCANTONIO) there were—ayes 149, noes 40.

So the bill was passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

Mr. STEAGALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill S. 660, which is an identical bill to the one just passed, and pass the Senate bill.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

Mr. WOLCOTT. Reserving the right to object, the gentleman made a statement which I do not think he intended to make and which I do not think should stand in the RECORD. The bill S. 660 is not an identical bill. It covers the same subject matter.

Mr. STEAGALL. In substance, it is the same bill.

Mr. WOLCOTT. No; S. 660 is not an amendment to the Price Control Act.

Mr. STEAGALL. No; it is not an amendment to the Price Control Act, but it accomplishes the identical purpose that would be accomplished by the bill which amends the Price Control Act, which was just passed.

Mr. WOLCOTT. Is the gentleman's request to strike out all after the enacting clause of the Senate bill and substitute the House bill?

Mr. STEAGALL. No. My request was to pass the Senate bill, after which I will ask that the proceedings whereby we passed the House bill would be vacated.

Mr. WOLCOTT. Do I understand that if we consent, all after the enacting clause will be stricken and the House bill substituted? Is that the gentleman's request?

Mr. STEAGALL. Mr. Speaker, I will amend my request by asking unanimous consent to substitute the bill S. 660, to prevent certain deductions in determining parity or comparable prices of agricultural commodities, and for other purposes, and then I shall offer an amendment to strike out all after the enacting clause and substitute the provisions of the House bill, H. R. 1698, for the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama as amended?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Strike out all after the enacting clause and substitute the provisions of the bill H. R. 1698.

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER pro tempore. Without objection, the proceedings by which the bill H. R. 1698 was passed will be vacated, and the bill laid on the table.

There was no objection.

ORDER OF BUSINESS

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. MARTIN of Massachusetts. I would like to know how many conference reports will be brought up tonight.

The SPEAKER pro tempore. The Chair understands there is a conference report from the Ways and Means Committee which is in order, unanimous consent having been obtained earlier today for its consideration. The Chair also understands that the naval subcommittee of the Committee on Appropriations has agreed on the naval deficiency bill, and unanimous consent will be asked for the consideration of that after the conference report from the Ways and Means Committee has been disposed of. It is quite important that that bill be enacted today if possible.

The Chair will state, and the Chair assumes the gentleman from Massachusetts has been consulted, that the gentleman from Virginia [Mr. BLAND] is going to ask unanimous consent for the consideration of the bill H. R. 2238.

Mr. MARTIN of Massachusetts. I understand that is a unanimous report for the benefit of those engaged in the fishing industry?

Mr. BLAND. That is correct.

The SPEAKER pro tempore. The Chair will recognize the gentleman from Virginia.

RETURN TO PRIVATE OWNERSHIP OF CERTAIN VESSELS USED IN THE FISHING INDUSTRY

Mr. BLAND. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 2238) to authorize the return to private ownership of certain vessels formerly used or suitable for use in the fishing or related industries, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

Mr. MARTIN of Massachusetts. Reserving the right to object, this is merely turning back to those engaged in the fishing industry some ships that were taken over?

Mr. BLAND. They were taken, and title was acquired by the United States. There is no way by which they can be disposed of now except by sale. This will authorize the return, first, to the people from whom they were taken; second, if they cannot negotiate terms, then they shall be sold with a limitation for the protection of the fisheries and related industries, and I will say it is necessary for the fishing industry.

Mr. DONDERO. Will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. DONDERO. Does this apply to fisheries on the Great Lakes?

Mr. BLAND. This applies to fisheries on the Great Lakes and fisheries generally.

Mr. MAGNUSON. Will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. MAGNUSON. Does the bill also apply to fishing outside the territorial limits of the United States?

Mr. BLAND. This simply applies to boats that were taken over. Now there is nothing to do except to sell them.

Mr. MAGNUSON. For instance, the Alaskan fisheries whose boats have been taken could buy them back?

Mr. BLAND. They can buy them back if they can arrange terms with the Administrator and if the vessel is not needed by a war agency.

Mr. MAGNUSON. And then, if not, somebody else in the same related industry could buy it back?

Mr. BLAND. He would have preference then. Then after that, if none of them would buy it, the boat would be sold generally.

Mr. MARTIN of Massachusetts. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That any vessel formerly used or suitable for use in the fishing or related industries the title to which has been or may hereafter be acquired by the United States through purchase or requisition, be returned to private ownership in accordance with the provisions of this act.

SEC. 2. Every such vessel shall, upon determination by the department or agency having possession thereof that the vessel is no longer needed or can be spared by such department or agency without detriment to its service, be made available to the Administrator of the War Shipping Administration (hereinafter referred to as the Administrator), who shall notify the owner from whom such vessel was purchased or requisitioned that the vessel may be returned to such owner upon repayment to the United States of the compensation paid therefor less such allowances as the Administrator may deem reasonable (1) to cover the cost of such reconditioning as may be necessary to make the vessel suitable for use in the fishing or related industries (ordinary wear and tear excepted), and (2) to compensate such owner for the use of the vessel by the United States, and upon compliance with such other terms and conditions as the Administrator may prescribe. The determination of such allowances by the Administrator shall be final.

SEC. 3. If any such owner shall fail, within a reasonable time after notice, to make arrangements satisfactory to the Administrator for such return of the vessel or shall expressly waive the right thereto, the Administrator may advertise the vessel for sale upon competitive sealed bids subject to such terms and conditions as the Administrator may prescribe, including a requirement of assurance that the vessel will not be used, for the period of one year from the date of sale, other than in the fishing or related industries, without the approval of the Administrator: *Provided, however*, That the Administrator may reject any bid which does not equal the purchase price or compensation paid or payable by the United States for such vessel less a reasonable allowance to cover the cost of reconditioning as hereinabove defined.

SEC. 4. The Administrator may withhold from the funds received for the return or sale of any such vessel the expenses incurred by him in such return or sale, and shall pay over the balance of such receipts to the department or agency by which such vessel was made available.

With the following committee amendments:

Page 1, line 6, after the word "requisition", strike out the comma and insert the word "may."

Page 2, line 9, strike out the words "may be" and insert in lieu thereof the words "the Administrator and the owner may find."

Page 2, line 10, strike out the words "fishing or related industries" and insert in lieu thereof the words "fisheries or industries related thereto."

Page 2, line 15, after the word "final" and before the period, insert the words "notwithstanding any other provision of law."

Page 2, line 17, after the word "notice" and before the comma, insert in parentheses the following: "which time shall be specified in the notice, but may be extended by the Administrator."

Page 2, line 24, strike out the words "fishing or related industries" and insert in lieu thereof the following: "fisheries or industries related thereto."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill to authorize the return to private ownership of certain vessels formerly used or suitable for use in the fisheries or industries related thereto."

TO INCREASE THE DEBT LIMIT OF THE UNITED STATES

Mr. DISNEY, from the Committee on Ways and Means, presented the following conference report and statement on the bill (H. R. 1780) to increase the debt limit of the United States and for other purposes, which was referred to the House Calendar and ordered printed:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1780) to increase the debt limit of the United States, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows: That the House recede from its disagreement to the amendment of the Senate and agree to the same.

R. L. DOUGHTON,
JERE COOPER,
WESLEY E. DISNEY,
A. WILLIS ROBERTSON,
ALLEN T. TREADWAY,
HAROLD KUNTSON,
DANIEL A. REED,
Managers on the part of the House.

WALTER F. GEORGE,
DAVID I. WALSH,
ALBEN W. BARKLEY,
ROBERT M. LA FOLLETTE, JR.,
A. H. VANDENBERG,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1780) to increase the debt limit of the United States, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House bill provided for increasing the limitation of the public debt from $125,000,000,000 to $210,000,000,000 and also authorized the Secretary of the Treasury to utilize incorporated banks and trust companies in connection with the redemption of United States Savings bonds. No changes were made by the Senate in these provisions.

Section 4 of the House bill contained a provision which would have the effect of prohibiting any action under the Stabilization Act of October 2, 1942, or otherwise, limiting the payment of annual salaries to a maximum amount less than the greater of the following:

"(1) The annual rate of salary paid to such employee on December 7, 1941; or

"(2) An amount which after reduction by the Federal income taxes thereon would equal $25,000."

In lieu of this provision, the Senate amendment amended section 4 of the Stabilization Act of October 2, 1942, so as to repeal the provision which served as the basis for the action taken by the President and the Economic Stabilization Director in reducing salaries to approximately $25,000 net after payment of taxes. It was also provided that this change should be effective as of October 2, 1942. The Senate amendment also provided for rescinding all provisions of Executive Order No. 9250 issued by the President on October 3, 1942, regulation No. 4001.9 issued by the Economic Stabilization Director on October 27, 1942, and all orders, regulations, and other directives, and all decisions promulgated or made by virtue of such Executive order or regulation, which are in conflict with section 4 of the Stabilization Act of October 2, 1942, as amended.

The conference agreement retains the provisions of the Senate amendment.

R. L. DOUGHTON,
JERE COOPER,
WESLEY E. DISNEY,
A. WILLIS ROBERTSON,
ALLEN T. TREADWAY,
HAROLD KNUTSON,
DANIEL A. REED,
Managers on the part of the House.

Mr. DISNEY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill (H. R. 1780) to increase the debt limit of the United States and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. DISNEY. Mr. Speaker, I ask unanimous consent that the statement of the managers be read in lieu of the report.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

(The Clerk read the statement of the managers on the part of the House.)

The SPEAKER pro tempore. The gentleman from Oklahoma is recognized for 1 hour.

Mr. DISNEY. Mr. Speaker, I shall not take the hour. I have had no requests for time.

Briefly stated, what the Senate amendment does is to repeal the proviso section 4 and only the orders issued under the proviso of section 4. It is substantially the Wolcott amendment as offered here on the floor of the House which freezes salaries at their highest rate from January 1 to September 15, 1942. In substance, that is what the Senate amendment does. It was agreed to by unanimous vote of the conferees. Personally, I believe that fairness and candor compel me to state that the Wolcott amendment is preferable to the paragraph in the bill as originally drawn by myself.

Mr. GORE. Mr. Speaker, will the gentleman yield?

Mr. DISNEY. I yield.

Mr. GORE. Under the terms of the conference report there is eliminated from the bill the language which the House passed which would have forbidden the President, or any agency, to exercise control of increases until salaries reached the approximate level of $67,200.

Mr. DISNEY. That is correct.

Mr. GORE. As I understand the conference report, it merely repeals that part of the law under which the President acted to reduce salaries.

Mr. DISNEY. Yes; that is correct. The great bone of contention here on the floor of the House is taken care of by the Senate amendment.

Mr. GORE. And may I say to the gentleman that that was the particular thing that caused so many of us to express our opposition so vehemently. If that had not been brought before the House there would not have been such strong opposition to his proposal.

Mr. DISNEY. So I learned last week.

Mr. WOODRUFF of Michigan. Mr. Speaker, will the gentleman yield?

Mr. DISNEY. I yield.

Mr. WOODRUFF of Michigan. Mr. Speaker, I was not one of the conferees on this bill but I do know from the two who were representing the minority of the House that they are in entire agreement on this conference report. Inasmuch as no member of the committee on this side appears to want any time, I have no objection to the motion of the gentleman from Oklahoma.

Mr. CASE. Mr. Speaker, will the gentleman yield?

Mr. DISNEY. I yield.

Mr. CASE. In addition to the points which the gentleman has mentioned, as I understand it the language of the Senate amendment which is substantially that of the Wolcott amendment as offered in the House, does not employ the words "or otherwise" that were in the House bill. Consequently, by the adoption of the language of the Senate amendment the legislation now will not interfere with the operation of the renegotiation statute or the provision in the tax laws for the control of excessive wartime salaries.

Mr. DISNEY. The gentleman is correct about that.

Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

Mr. GORE. Mr. Speaker, I ask for the yeas and nays.

Mr. DISNEY. Yes; Mr. Speaker, I think in common fairness we should have the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 297, nays 46, not voting 91, as follows:

[Roll No. 30]

YEAS—297

Abernethy	Busbey	Dirksen
Anderson, N. Mex.	Butler	Disney
Andresen, August H.	Camp	Ditter
Andrews	Canfield	Dondero
Angell	Cannon, Mo.	Doughton
Arends	Carlson, Kans.	Douglas
Arnold	Carson, Ohio	Drewry
Auchincloss	Carter	Dworshak
Baldwin, N. Y.	Case	Elliott
Barden	Chapman	Ellis
Barry	Chiperfield	Ellison, Md.
Bates, Ky.	Church	Ellsworth
Beall	Clark	Englebright
Bell	Clason	Fellows
Bender	Clevenger	Fenton
Bennett, Mich.	Cole, Mo.	Fernandez
Bennett, Mo.	Cole, N. Y.	Fish
Bishop	Colmer	Fisher
Blackney	Compton	Flannagan
Bland	Cooley	Forand
Bloom	Cooper	Fulbright
Bolton	Costello	Fulmer
Bonner	Cox	Gale
Boykin	Cravens	Gamble
Bradley, Mich.	Crawford	Gathings
Brehm	Cunningham	Gavin
Brown, Ga.	Curley	Gearhart
Bryson	Curtis	Gerlach
Buffett	Day	Gifford
Bulwinkle	Dewey	Gilchrist
Burch, Va.	Dickstein	Gillette
	Dies	Gillie
	Dilweg	Goodwin

Gore	Larcade	Rogers, Mass.
Gorski	Lea	Rohrbough
Gossett	LeFevre	Rolph
Graham	Lewis, Ohio	Rowan
Granger	Luce	Sabath
Grant, Ala.	Ludlow	Sasscer
Grant, Ind.	McCord	Schiffler
Gregory	McCormack	Schuetz
Griffiths	McCowen	Schwabe
Gross	McGehee	Scott
Gwynne	McGregor	Shafer
Hagen	McKenzie	Sheppard
Hale	McMillan	Sheridan
Hall, Edwin Arthur	McWilliams	Short
	Maloney	Sikes
Hall, Leonard W.	Manasco	Simpson, Ill.
	Mansfield, Tex.	Simpson, Pa.
Halleck	Martin, Iowa	Smith, Ohio
Hancock	Martin, Mass.	Smith, Va.
Hare	Mason	Smith, W. Va.
Harness, Ind.	Merrow	Smith, Wis.
Harris, Ark.	Michener	Snyder
Hart	Miller, Conn.	Sparkman
Hartley	Miller, Nebr.	Spence
Hays	Miller, Pa.	Springer
Hébert	Mills	Stanley
Heidinger	Monkiewicz	Starnes, Ala.
Hendricks	Monroney	Steagall
Herter	Morrison, La.	Stearns, N. H.
Hill	Mott	Stefan
Hinshaw	Mruk	Stevenson
Hobbs	Mundt	Stockman
Hoeven	Murdock	Sullivan
Hoffman	Murphy	Sumner, Ill.
Holmes, Mass.	Murray, Wis.	Sumners, Tex.
Holmes, Wash.	Newsome	Sundstrom
Hope	Norman	Taber
Jeffrey	Norrell	Talle
Jenkins	O'Brien, Ill.	Thomas, N. J.
Jennings	O'Brien, Mich.	Thomas, Tex.
Jensen	O'Brien, N. Y.	Thomason
Johnson, Anton J.	O'Connor	Tibbott
	O'Leary	Towe
Johnson, Ind.	Pace	Troutman
Johnson, J. Leroy	Patton	Van Zandt
	Peterson, Fla.	Vinson, Ga.
Johnson, Luther A.	Philbin	Vorys, Ohio
	Phillips	Vursell
Johnson, Ward	Poage	Wadsworth
Jones	Poulson	Walter
Jonkman	Powers	Ward
Judd	Pracht	Wasielewski
Kean	Price	West
Kearney	Priest	Wheat
Keefe	Rabaut	Whitten
Kefauver	Ramey	Whittington
Kennedy	Ramspeck	Wickersham
Kerr	Randolph	Wigglesworth
Kilburn	Reed, Ill.	Willey
Kilday	Reed, N. Y.	Wilson
Kinzer	Rees, Kans.	Winstead
Kleberg	Richards	Wolcott
Knutson	Rivers	Wolfenden, Pa.
Kunkel	Rizley	Wolverton, N. J.
LaFollette	Robertson	Woodruff, Mich.
Lambertson	Robinson, Utah	Wright
Landis	Robsion, Ky.	Zimmerman
Lane	Rockwell	
Lanham	Rodgers, Pa.	

NAYS—46

Allen, La.	Hoch	Marcantonio
Boren	Hull	Myers
Bradley, Pa.	Jackson	Norton
Brooks	Johnson, Lyndon B.	O'Konski
Burchill, N. Y.		Outland
Burdick	Johnson, Okla.	Pittenger
Capozzoli	Kelley	Rankin
Celler	King	Russell
Coffee	Kirwan	Sauthoff
Courtney	Lemke	Scanlon
Creal	Lesinski	Somers, N. Y.
Crosser	Lynch	Tarver
D'Alesandro	McMurray	Vincent, Ky.
Fitzpatrick	Madden	Weiss
Folger	Magnuson	Worley
Heffernan	Mahon	

NOT VOTING—91

Allen, Ill.	Culkin	Fogarty
Andersen, H. Carl	Cullen	Ford
	Davis	Furlong
Anderson, Calif.	Dawson	Gallagher
Baldwin, Md.	Delaney	Gavagan
Barrett	Dingell	Gibson
Bates, Mass.	Domengeaux	Gordon
Beckworth	Durham	Green
Brown, Ohio	Eaton	Guyer
Buckley	Eberharter	Harless, Ariz.
Burgin	Elmer	Harris, Va.
Byrne	Elston, Ohio	Hess
Cannon, Fla.	Engel	Holifield
Chenoweth	Fay	Horan
Cochran	Feighan	Howell
Izac	Morrison, N. C.	Smith, Maine
Jarman	Murray, Tenn.	Stewart
Johnson, Calvin D.	Nichols	Talbot
	O'Hara	Taylor
Kee	O'Neal	Tolan
Keogh	O'Toole	Treadway
Klein	Patman	Voorhis, Calif.
LeCompte	Peterson, Ga.	Weaver
Lewis, Colo.	Pfeifer	Welchel, Ohio
McGranery	Ploeser	Welch
McLean	Plumley	Wene
Maas	Reece, Tenn.	Whelchel, Ga.
Mansfield, Mont.	Rogers, Calif.	White
	Rowe	Winter
May	Sadowski	Woodrum, Va.
Merritt	Satterfield	
Miller, Mo.	Slaughter	

So the conference report on the bill H. R. 1780 was agreed to.

The Clerk announced the following pairs:

Mr. Miller of Missouri for, with Mr. Eberharter against.

Mr. Ploeser for, with Mr. McGranery against.

General pairs:

Mr. Woodrum of Virginia with Mr. Reece of Tennessee.

Mr. Keogh with Mr. Treadway.

Mr. Slaughter with Mr. Calvin D. Johnson.

Mr. Gavagan with Mr. Eaton.

Mr. Dingell with Mr. Plumley.

Mr. Pfeifer with Mr. Rowe.

Mr. Weaver with Mr. Guyer.

Mr. Cullen with Mr. Elston of Ohio.

Mr. Jarman with Mrs. Smith of Maine.

Mr. Merritt with Mr. Allen of Illinois.

Mr. May with Mr. Brown of Ohio.

Mr. Byrne with Mr. Chenoweth.

Mr. Cochran with Mr. Howell.

Mr. Cannon of Florida with Mr. Elmer.

Mr. O'Toole with Mr. Hess.

Mr. Patman with Mr. Taylor.

Mr. Buckley with Mr. Welchel of Ohio.

Mr. Lewis of Colorado with Mr. LeCompte.

Mr. Harris of Virginia with Mr. Culkin.

Mr. Beckworth with Mr. H. Carl Andersen.

Mr. May with Mr. O'Hara.

Mr. O'Neal with Mr. Winter.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. MYERS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an article by Ralph W. Page which appeared in the Philadelphia Evening Bulletin of Wednesday, March 17, 1943.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania [Mr. MYERS]?

There was no objection.

Mr. BLOOM. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a statement on China made by the majority leader, Mr. JOHN W. MCCORMACK.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. BLOOM]?

There was no objection.

Mr. SHERIDAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a letter from Lt. Thomas B. Spencer, of the United States Army.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania [Mr. SHERIDAN]?

There was no objection.

Mr. BARRY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a letter to the American Jewish Congress.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. BARRY]?

There was no objection.

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by insertion in the RECORD directly after my remarks this afternoon on H. R. 1698 a letter sent to Mr. O'Brien, president of the Chicago Board of Trade, by Grover B. Hill, of the Department of Agriculture.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. CELLER]?

There was no objection.

Mr. GRANT of Alabama. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a statement by the Secretary of Agriculture.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama [Mr. GRANT]?

There was no objection.

Mr. HOEVEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a letter from W. H. Badeaux, secretary of the Iowa Retail Lumbermen's Association.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa [Mr. HOEVEN]?

There was no objection.

(Mr. CURLEY asked and was given permission to extend his own remarks in the RECORD.)

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include a newspaper article.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan [Mr. HOFFMAN]?

There was no objection.

NAVY DEPARTMENT APPROPRIATION BILL—1943

Mr. SHEPPARD submitted the following conference report and statement on the bill (H. R. 2068) making additional appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1943, and for other purposes:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2068) making additional appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1943, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 2.

That the House recede from its disagreement to the amendments of the Senate numbered 3 and 6; and agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$750,000,000"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: ", toward contract authorization heretofore granted, to remain available until expended, and this appropriation shall be available for expenses incurred prior to July 1, 1943, pursuant to the contract authorization contained in this Act in consequence of Public Law 1, approved February 19, 1943"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows:

"CONSTRUCTION OF FLOATING DRYDOCKS, NAVY

"The Secretary of the Navy is authorized to enter into contracts in the amount of not to exceed $210,000,000 for the construction of mobile floating drydocks and collateral facilities and incidental work, and such other objects, as authorized by the Act approved February 19, 1943 (Public Law 1)."

And the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1 and 5.

HARRY R. SHEPPARD,
ALBERT THOMAS,
JOHN M. COFFEE,
JAMIE L. WHITTEN,
J. W. DITTER,
CHARLES A. PLUMLEY,
NOBLE J. JOHNSON,
Managers on the part of the House.

CARL HAYDEN,
MILLARD E. TYDINGS,
JOHN H. OVERTON,
GERALD P. NYE.
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2068) making additional appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1943, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

Amendment No. 2: Strikes out the proposal of the Senate to eliminate the existing $5,000 limitation upon new employments at pay rates in excess of $5,000 per annum unless specifically authorized by law.

Amendment No. 3: Appropriates $48,000,000 for the Naval Reserve, as proposed by the Senate, instead of $40,800,000, as proposed by the House.

Amendment No. 4: Appropriates $750,000,000 for "Maintenance, Bureau of Ships," instead of $737,230,464, as proposed by the House, and $765,000,000, as proposed by the Senate.

Amendment No. 6: Places a limitation of $5,000 upon expenditures for renting passenger-carrying automobiles outside continental United States, as proposed by the Senate.

Amendment No. 7: Makes the appropriation "Repair facilities, Navy," available until July 1, 1943, for expenses incurred in carrying out the provisions of Public Law 1, approved February 19, 1943, in lieu of the proposal of the Senate to permit contractual authority under such appropriation for carrying out completely the objects of such law.

Amendment No. 8: Restores the provision proposed by the House granting contractual authority to effectuate the provisions of Public Law 1, approved February 19, 1943, broadened to make certain that the authorization is all inclusive.

DISAGREEMENTS PURSUANT TO CLAUSE 2, RULE XX

Amendment No. 1, relating to the detail of Navy Department employees for service with congressional committees.

Amendment No. 5, relating to the appointment of enlisted men of the Navy, Naval Reserve, and Marine Corps to the Naval Academy.

HARRY R. SHEPPARD,
ALBERT THOMAS,
JOHN M. COFFEE,
JAMIE L. WHITTEN,
J. W. DITTER,
CHARLES A. PLUMLEY,
NOBLE J. JOHNSON,
Managers on the part of the House.

Mr. SHEPPARD. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill H. R. 2068, and I also ask unanimous consent that the statement of the managers on the part of the House may be read in lieu of the full report.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California [Mr. SHEPPARD]?

There was no objection.

(The Clerk read the statement of the managers on the part of the House.)

Mr. SHEPPARD. Mr. Speaker, this conference report represents a unanimous agreement on the part of Members on both sides of the aisle in our conference with the Senate.

Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. DITTER].

Mr. DITTER. Mr. Speaker, it is not my purpose to detain the House at this time unduly, but I do feel I should make a passing reference to one amendment that has been agreed to by the conferees.

Approximately 10 years ago the opportunity was afforded certain men in the enlisted force of the Navy to qualify as appointees to the United States Naval Academy. Among other requirements that we set up at that time was the requirement that a man of the enlisted force in order to qualify had to serve 9 months aboard a commissioned vessel. I believe the condition that was tied in at that time was a wise one. I believe there are men in the enlisted force who are there by reason of their love of the sea.

The change that has been made by the conferees removes the limitation of sea service and makes it possible for a man to become a candidate for appointment from the enlisted force without having served at sea. I want to express my own disapproval of the raising of the limitation that has heretofore been established. I want to take the opportunity of emphasizing what I believe was a wise course in that which has been advocated in the past, and to express my regret that the conferees have seen fit to enable an office boy, not a seafaring man, necessarily, to become a candidate for appointment to the Naval Academy from the enlisted force.

Mr. SHEPPARD. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

The SPEAKER pro tempore. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 1: On page 2, line 13, after "$6,723,117" strike out the remainder of line 13 and all down to and including line 22.

Mr. SHEPPARD. Mr. Speaker, I move to recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. SHEPPARD moves to recede and concur in the Senate amendment with an amendment as follows: Restore the matter stricken out by said amendment, amended to read as follows:

": *Provided*, That, except as hereinafter provided, no appropriation for the Navy Department or naval service available during the fiscal year 1943 (except funds transferred or made available to other executive agencies for use for naval purposes) shall be used after March 31, 1943, for the employment of persons for the performance of service in other than the Navy Department or elsewhere than under the Navy Department, except (1) employees who had been employed by and performing service under the Navy Department for 3 months or more immediately prior to their detail for service elsewhere and (2) employees now or hereafter detailed and assigned pursuant to the lawful authority of the Secretary of the Navy, to any committee of the Congress operating under resolution duly authorizing such assignment and the allocation for that purpose of funds now available therefor or appropriated hereunder, is hereby authorized."

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate Amendment No. 5: On page 4, line 21 after "$494,968,000" insert, ": *Provided*, That so much of the Naval Appropriation Act, 1943 (Public Law 411, 77th Cong.), under the heading 'Pay, subsistence, and transportation of naval personnel' as reads '*Provided further*, That no part of this appropriation shall be available for the pay of any midshipman appointed from enlisted men of the Navy who has not served aboard a vessel of the Navy in full commission or performed equivalent service with fleet aircraft for at least 9 months prior to admission to the Naval Academy', is amended to read as follows: *Provided further*, That during the present emergency qualified enlisted men of the Navy, Naval Reserve, and Marine Corps may be appointed to the Naval Academy after such periods and under such conditions of service as may be prescribed by the Secretary of the Navy."

Mr. SHEPPARD. Mr. Speaker, I move to recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. SHEPPARD moves to recede and concur in the Senate amendment with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

": *Provided*, That so much of the Naval Appropriation Act, 1943 (Public Law 411, 77th Cong.), under the heading 'Pay, subsistence, and transportation of naval personnel' as reads '*Provided further*, That no part of this appropriation shall be available for the pay of any midshipman appointed from enlisted men of the Navy who has not served aboard a vessel of the Navy in full commission or performed equivalent service with fleet aircraft for at least 9 months prior to admission

to the Naval Academy', is amended to read as follows: *Provided further*, That during the present emergency qualified enlisted men of the Navy, Naval Reserve, and Marine Corps may be appointed to the Naval Academy after 9 months of service."

The motion was agreed to.

A motion to reconsider the votes by which the several motions were agreed to was laid on the table.

A UNITED NATIONS COUNCIL AND POLICE FORCE

The SPEAKER pro tempore. Under special order heretofore made, the Chair recognizes the gentleman from Minnesota [Mr. GALE] for 10 minutes.

Mr. GALE. Mr. Speaker, it has often been said, and to the point of becoming a platitude, that we must win the war first and then talk about the peace.

True, we must win the war, and win it we will. But it will not last forever; some time, some day, this war will be over and there will be a peace treaty.

If it is not a good peace, if it is not an intelligent peace, if it is a near-sighted peace through dark glasses, it will not be a peace at all—just a truce, another interlude between slaughter, another armistice like the one which started in November 1918 and ended in September 1939.

So, gentlemen, let us give thought now before it is too late. Time is not on our side. Let us think just a little about the post-war world. Let us try with all sincerity and realism to build, not a dream world, not a finished plan ready for delivery—we cannot do that—but a policy, what we would like to do and what we can reasonably expect to do. A rough draft of the picture with colors to go in later.

To come suddenly upon the peace without a plan, without a purpose, will be to wallow in a sea of indecision and doubt. Armed with nothing but opportune expediency, what chance have we of facing a bitter, sorry, disillusioned world? What hope for us but to take another trimming from those who come prepared, from those who have a plan?

Some day the war will be over. Some day there will be a peace treaty and some day the United States will have a chance to either make or break not only our own destiny but world destiny.

We cannot draw back into our shell. The world will be too small for that. A world made small, made accessible, a world of neighbors, a world made very, very near by the four-motored transport.

America will step out into this new era. Will be a dominant factor in this untried world, either on the old empire basis or on an intelligent, cooperative basis.

As of today, it is impossible to dot the "i" and cross the "t" but it is not impossible to have a policy, an attitude, a purpose, a will, and it is not impossible for the United States to accept the responsibility of leadership. Leadership in honestly trying to see the world game played according to our rules, fair play, and a break for the underdog. No kidney punches—no hitting in the clinches.

A United Nations Council, not to suggest, but with real power to act, power to temporarily regulate the defeated Axis, to temporarily reconstruct Axis-occupied territory. Power to regulate international sea routes and international air bases.

A United Nations police force to quickly and boldly knock down the ears of any future Hitler, before and not after these Hitlers are ready to march.

Not an alliance which works only in fair weather, but something stronger—a governmental structure larger than the United States. A code or constitution—a council, a congress, a court, a police force. Bluntly, this means yielding sovereignty by all the sovereign members, yielding a little of our American sovereignty—not much but some.

The world is too small and the danger of another war is too great, to bull it alone, to play the old game of empire and balance of power. The world is too small and the danger of another war is too great to go back to a system which has failed and failed again—to go back to a world system which has delivered two catastrophes in one generation. A third war in 20 years or 30 years or 40 years will not be a catastrophe or a calamity or a sorrow, but lights out for what we consider civilization, i. e., everything we like to live by.

So, gentlemen, I most humbly bring to mind our solemn duty to consider the peace which is bound to come. And in considering the peace in the midst of war, let us not forget the resolution recently introduced in the Senate by Senator BALL. True, we in the House may not be called upon to consider this measure, but it is well to think about it. It is well to cast a careful glance at this shadow of events to come. It is well for the Nation to do this. It is well for our allies and our enemies, too. It is well for us who are Members of the Congress to also take good note of this shadow in order that we may prepare for events to come.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. GALE. Yes.

Mr. AUGUST H. ANDRESEN. I know that the gentleman agrees with me that our first job is to win this war.

Mr. GALE. That is correct.

Mr. AUGUST H. ANDRESEN. Does the gentleman think that for the future, after the war is won, our country should pursue a policy where some of our leading men who are in control of our war materials should sell these raw materials to our potential enemies, so that they could rearm themselves?

Mr. GALE. I have advocated a United Nations police force to very definitely crack down on anybody building up against the common peace.

Mr. AUGUST H. ANDRESEN. Does the gentleman think that we should furnish our potential enemies with these natural resources so that they can rearm themselves in order to provoke war after peace again?

Mr. GALE. No.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. GALE. Yes.

Mr. HOFFMAN. Does the gentleman advocate that we maintain a police force so that if, for example, Russia wants to annex some territory we should fight Russia and say "No"?

Mr. GALE. I am advocating a police force to maintain peace.

Mr. HOFFMAN. I have asked the gentleman a question.

Mr. GALE. And I am attempting to answer it.

Mr. HOFFMAN. I did not think the gentleman was. I thought the gentleman started off on something else.

Mr. GALE. I am advocating a general police force, having the strength of the powers of the governments concerned, which will be able to crack down on any country threatening the general peace of the world.

Mr. HOFFMAN. Then, in other words, if Russia should want some territory, is it the gentleman's idea that we should aid Great Britain or whatever other nations might join with her and tell Russia she cannot have that territory and go to war with them to keep them from getting it?

Mr. GALE. Yes; if Russia enters into this thing, we have got to do that.

Mr. HOFFMAN. And if Britain wants to keep India, and if India wants to be independent, we would help India in keeping Britain out?

Mr. GALE. Oh, that is a matter of internal affairs. If England wants to handle the India question in her own way, that is something for her, but if she threatens the peace of the world in so doing, that is something else.

Mr. HOFFMAN. But suppose Britain intends to keep that part of North Africa which rests in the hands of the Allies, after the war is over, does the gentleman think that we should go to war with Britain, as against France, if she owns territory there, and that after this war we should give that territory to Britain?

Mr. GALE. I am advocating a United Nations council to decide issues of that sort.

Mr. BARRY. Mr. Speaker, will the gentleman yield?

Mr. GALE. Yes.

Mr. BARRY. And assuming that after the war is over Russia decides to annex Bessarabia or Poland, does the gentleman think we should have a police force that would stop that?

Mr. GALE. I do not believe——

Mr. BARRY. Does the gentleman believe we should join an international police force to preserve that situation and throw the four points of the Atlantic Charter into the ashcan? Does the gentleman believe that? Would the gentleman be in favor of that police force to maintain that picture?

Mr. GALE. If it were a decision of the United Nations council, yes.

Mr. BARRY. But would that not be casting the "four freedoms" of the Atlantic Charter into the ashcan?

Mr. GALE. I would not want to go into that.

Mr. BARRY. But the gentleman thinks the war started with Hitler annexing Poland, does he not? Did not Britain and France declare war on Germany when Hitler tried to annex Poland?

Mr. GALE. Yes. It is purely an academic question.

The SPEAKER pro tempore. The time of the gentleman from Minnesota has expired.

ENSIGN CLEM C. WILLIAMS, JR.

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. CANNON of Missouri. Mr. Speaker, the heroic efficiency of the young manhood of the Nation recently drawn from civil life to man the rapidly expanding United States Navy is writing an epic chapter in American history.

A notable instance is the cool-thinking and prompt and effective action of Ensign Clem C. Williams, Jr., in saving the lives of the remaining members of the crew of the *DeHaven*, which went down in action in the recent battle of the Solomons, as reported in the Washington Star, carrying an Associated Press account of the incident as follows:

DISTRICT OF COLUMBIA OFFICER CREDITED WITH SAVING MOST OF DESTROYER CREW—ENSIGN WILLIAMS PRAISED FOR QUICK THINKING AS "DE HAVEN" WENT DOWN

Quick thinking of Ensign Clem C. Williams, Jr., of Washington, was credited by a naval officer yesterday with saving the lives of most of the crew on the destroyer *De Haven*, lost in the Pacific.

The Associated Press quoted Lt. John J. Rowan as saying in an interview at San Diego, Calif., that Ensign Williams "set all of the depth charges on safety before he left the ship," and credited this quick thinking to saving lives of most of the crew.

Ensign Williams, son of Dr. and Mrs. Clem C. Williams, 3922 Ingomar Street NW., was a graduate of Woodrow Wilson High School and Yale University, where he took training as a Reserve officer in the Navy. He was editor of the yearbook at Wilson and selected as the outstanding student to represent the school at the annual Rotary Club luncheon.

Ensign Williams is of Missouri stock, his family being one of the prominent families of my native county for generations back. Missouri takes great pride in the achievements of this distinguished son of worthy sires.

The SPEAKER pro tempore. The time of the gentleman from Missouri has expired.

Under previous order of the House, the gentleman from Pennsylvania [Mr. SNYDER] is recognized for 10 minutes.

COMPENSATION OF COAL MINERS

Mr. SNYDER. Mr. Speaker, I live in what is known by coal men as the hub of the bituminous coal field of the United States—the Pittsburgh seam—8 to 10 to 12 feet in thickness of the world's best coal. The best coke is made from this coal. Coke was discovered, or first manufactured, within 10 miles of my home at Perryopolis, Fayette County, Pa., some 80 years ago. More tons of coal are mined on the banks of the Monongahela River than any other river in the United States. This river passes through my district. More than 30,000 men and boys from my district work in or about the coal mines.

As we know, coal is the first essential product in this all-out World War effort. Coal ranks first. We speak of steel and copper and aluminum, and so forth, as ranking high in this war or in priorities.

Mr. Speaker, there would be no steel if we could not get the coal to the mills. There would be no steel if we did not have the coke. Half of all the bee-hive oven coke made in the United States is made in my district. They rush this coke to Pittsburgh, Youngstown, and so forth, and other steel factories. These 30,000 miners in my district are fine, patriotic American citizens. Thousands of them are of Polish and Slavish and Italian descent, of the second, third, and fourth generation in this country. I have hundreds of Slavish and Polish and Italian fathers and mothers in my district that have two sons in the armed forces. I have scores of these people that have three sons and one family I know personally that have nine children in the service—seven sons and two daughters—and the father works in the mines.

Yes, Mr. Speaker, coal is absolutely the first essential in this war-production program. I have seen these thousands of fine sturdy American miners going to their work at 2, 3, and 4 o'clock every morning. Down the shaft they go, hundreds of feet under the surface, or in the slope and they dig and toil to get these black "diamonds" for our war effort. Did you ever see thousands of coke ovens burning? A beautiful sight on a dark night—but it takes toil and labor and sweat by these coal miners to get this coke burning, and then get it to the mills. Yes, my friends, it takes the very life blood out of men to do this strenuous work in the mines and about the mines.

Mr. Speaker, I do not know the technique of the wage levels of the various mills and factories and office groups who are working in this war effort, but I do know that we have had in the last year or so, hundreds of thousands of boys graduate from high school. Many of the physically fit went into the Army, but about 65 percent of them that left their homes went into the war-effort mills and factories, and these boys receive from $150 to $200 to $300 a month for their work in these factories. The fathers of many of these boys in my district work in the coal mines and if it were not for the war effort these boys would go to the coal mines, but they make more money going to the steel factories or other war factories. Coal miners are becoming scarce because the sons are not following in the footsteps of their fathers. A son 18 years of age will come home from the factory with a $200 or $250 check for the month, and his dad who has been working for 30 or 40 years in the mines, will come home with a check for $150 or $160.

Mr. Speaker, this is not the right kind of wage scale. I think that the bituminous coal miners should have an increase in their wages. I do not know whether it should be $1, or $2, or $3 a day. As I said previously, I don't know the technique of these wage levels, but we can readily see that in comparing these wages, the average coal miner gets much less than his son or his neighbor that works in the mill or the factory, in spite of the fact that mill or factory could not run, if he did not dig coal.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania has expired.

Under previous order of the House, the gentleman from Michigan [Mr. WOODRUFF] is recognized for 10 minutes.

WE MUST KEEP OUR EYE ON THE BALL

Mr. WOODRUFF of Michigan. Mr. Speaker, I have been very much interested in the remarks of the gentleman from Minnesota [Mr. GALE].

Mr. Speaker, thousands, yes, hundreds of thousands of Americans undoubtedly are pondering seriously the words spoken by the British Prime Minister, Winston Churchill, in his world-wide broadcast of Sunday, March 21. It was a powerful speech and its force must have been felt by every American listener, because it was so simple and direct. Mr. Churchill made it very plain that the British people do not intend to permit cradle-to-grave plans, Atlantic Charters, or any other considerations to divert them from their paramount purpose to win the war by stamping the Axis criminals and their hordes of armed fighting men "into death, dust, and ashes." There was a deep significance in the British Prime Minister's admonition to his own people to "keep our eye on the ball," while discussing post-war plans and cradle-to-grave social theories. The British Prime Minister admonished his own people that Britain must not permit any of these considerations, even while they are being considered, to interfere with the supreme necessity of Britain to win the war in such a total fashion as to prevent any possibility of the aggressors against civilization being able to raise their hands against their neighbors again for a century.

Winston Churchill also made it abundantly plain that he did not intend to mislead the British people by promises which could not be fulfilled or to blind them by visions which cannot be realized. He further made it abundantly plain that the British mean to hold on to all they have, to recover all they have lost, and to run the British Empire in the way they think it ought to be run, regardless of what any other nation in the world may think about it.

Mr. Churchill did not hesitate to speak of a "council of Europe" although he did include the United States in that plan. No American could misunderstand or misinterpret what Mr. Churchill meant when he said that Britain for the second time had saved civilization. That should tell every American how our effort and our contribution of men, money, and materials are regarded by our allies. It is clear that we are not expected to take any credit, or expect much consideration for our contributions of men, money, and materials, and that we are to be grateful to those who have saved us from a dreadful fate of being subjugated by some enemy from across the seas.

There are many Americans who will not agree with Mr. Churchill's views. There are many Americans who believe that we were the ones who saved civili-

zation in the First World War, and that America will have contributed the balance of power to save civilization this time.

No one can blame Mr. Churchill or the British people for looking out for themselves—which unquestionably they mean to do. There was not a single note in the Churchill speech to indicate that they intend to adhere in spirit and in letter to the provisions of the Atlantic Charter after the war is ended.

Mr. Churchill has rendered a service to the world in thus bluntly stating the intentions of his government in the postwar world as well as in the war struggle. There is no question but that our American officials will have to adopt the same attitude of mind concerning America or else we will come out of this war as we did the last one—without a friend, resented, hated, and ignored.

There is no question but that America's economic strength will be a factor in world affairs which Britain and all the other nations will have to consider. There is no question but that we will have to do our share in reestablishing a war-wrecked world on a new foundation of peace and progress. There is no question but that we will have to help other people—those who will help themselves—back to sanity and peaceful civilized pursuits; but there is also no question about the fact that if we are as sensible as we ought to be, we will keep our eye on the ball, just as Mr. Churchill advised the British to do. We must not permit cradle-to-grave plans to be used as red herrings across the trail of bureaucratic bungling, arrogance, and scheming; nor must we permit such plans and discussions to obscure inefficiency from the sight of the people in the prosecution of the war. Unless we win this war, as Churchill means to win it, there will be no use discussing cradle-to-grave plans in America. We will find ourselves enslaved from the cradle to the grave.

Of course, no such thing is going to happen. We simply have got to win this war. Having won it, we have got to be careful that we are not euchered out of the peace, because we are not keeping our eye on the ball.

There are "four freedoms" which the rest of the world will freely accord the people of the United States if we will practice them, and those four freedoms are freedom to lend, freedom to give, freedom to forgive, and freedom to forget.

Let us, while considering post-war plans, keep uppermost in mind the supreme task of winning this war, and of protecting the interests of the United States of America after the war has ended.

Let us Americans keep our eyes on the ball, too.

The SPEAKER pro tempore. The time of the gentleman from Michigan has expired.

Under previous order of the House, the gentleman from New York [Mr. KENNEDY] is recognized for 15 minutes.

ONE HUNDRED AND TWENTY-SECOND ANNIVERSARY OF GREEK INDEPENDENCE DAY

Mr. KENNEDY. Mr. Speaker—

The name of Greece fills the mind and heart with the highest and noblest sentiments. Superior skill and refinements in arts, heroic gallantry in action, disinterested patriotism, enthusiastic zeal and devotion to liberty are connected with our memories of old Greece. The disappearance of this country for a long time under an aggressive dark yoke has profoundly grieved the generous spirits of the past; it was therefore natural for the reappearance of this people in its original character, fighting for its liberty, to arouse the enthusiasm and sympathy everywhere in the United States.

These simple and solemn words might have been spoken this very day. They are the words of President James Monroe, in an address to the Congress of the United States on December 4, 1822. Tomorrow is March 25, the one hundred and twenty-second anniversary of Greek Independence Day, and Greece is again under a yoke as dark and aggressive as ever was imposed by the Turks for almost 400 years.

Greek Independence Day marks the anniversary of the hoisting of the blue and white flag of independence at the Monastery of Aghia Lavra, in Greece, on March 25, 1821, when the Greek Nation, although almost entirely unarmed, started the 7 years' war of liberation for all their people from the Turkish rule. The Turks had been in control of Greece since the fall of Constantinople and the disintegration of the Greek Byzantine Empire in 1453.

The celebration of the one hundred and twenty-second anniversary of Greek Independence Day finds the Greek people again fighting for their liberty—and fighting, too, for the liberty of the world—side by side with the great American people and all the United Nations. We know that, in spite of deprivations of food which have resulted in country-wide starvation; in spite of the wanton execution at will of great numbers of innocent hostages, including women and children; and in spite of the incarceration of more than 20,000 men, women, and children in prisons and concentration camps, the Greek people are fearlessly waging large-scale guerrilla warfare and are constantly, at the peril of their lives, manifesting their stubborn resistance by open scorn of the invaders, by sabotage, and by interference with the destructive plans of the enemy.

We know, too, that after the Battle of Crete brave King George II of the Hellenes, assisted by his able Prime Minister, Tsouderos, created a new army of 2 brigades, numbering more than 17,000 men, in Palestine. These are all soldiers who escaped from Greece. Since last September a large part of this army and several Greek air squadrons have been fighting side by side with the British Army in Libya, and now with the United Forces in Tunisia. The Greek Navy of more than 30 warships, including submarines, is operating, together with the American and British Fleets, in the Mediterranean Sea, the Indian Ocean, and the North Sea.

The evzones, as the picturesque Greek skirted mountain warriors are called, know no surrender. They will not cease fighting until they liberate their country; until they make it unquestionably safe from the barbaric aggressors who hold it today. Those of you who may not have traveled to Greece have undoubtedly seen, over and over, pictures of these fierce soldiers whose stiff full skirts, today covered by olive-drab tunics, are belied by their hawklike faces and crisp, clipped beards. In times of peace the warriors of Greece have been from immemorial ages shepherds in the steep hills of the interior. It seems appropriate to give you a poem written recently by His Hellenic Majesty's consul general of New York, the Honorable Nicholas G. Lely. The author has entitled it "To the Evzone: Famous Greek Shepherd-Warrior":

As the horses men ride
Sense the master astride them,
Prancing with pride
To prove princes ride them:
So the summits you leap
Sense you, hero of story,
Deathless herder of sheep,
Gallant captain of glory.

I have mentioned something of the sabotage and interference carried on by the Greek people against the invaders. It scarcely seems necessary to enumerate instances, but I cannot refrain from mentioning one or two minor instances which show the temper of the people. On this anniversary, last year, every Greek household openly displayed photographs of the late Premier Metaxas, decorated with ribbons and flowers. This was at the peril of having food supplies cut off, not from individual families, but from entire villages. Not long ago the German invaders wanted a news photograph of a German officer offering candy to a starving Greek child. A small boy was selected, and posed reluctantly for the picture, immediately afterward throwing the piece of candy in the dust and stamping on it. We are told that it takes more than 80,000 picked German fighting men to "keep Greece in order."

Let me tell one more story of Greek courage and the Greek spirit. I believe it has not been circulated widely in this country, but every Greek knows it by heart. When, at the very beginning of the Italian aggression in Greece, the Ambassador from Italy called on Premier Metaxas at 4 in the morning, and ordered him, at pistol's point, to surrender his country or die on the spot, the Premier declared—

I will not give up the Greek Nation for the sake of one man's life.

While the Greeks were fighting for their lives in their homeland, and while they fight now in Tunisia, they sing constantly. They sing the old songs of Greece, stirring patriotic airs and plaintive sentimental melodies, but they also sing certain new songs which have proved particularly irritating to the morale of the enemy. Early in the war

they fitted insulting words to extremely familiar Italian and German tunes, and the hills and desert still echo to amusing and often ribald epithets chanted about Mussolini, Ciano, Goering, Goebbels, and Hitler. These taunts, carried on the tunes of the enemy, and reechoing from mountain to mountain, a number of times threw the invaders into a frenzy of disorder.

Our ardent admiration for, and intense sympathy with, the courage of the Greek people and their passionate devotion to liberty go back to the very beginnings of our own national existence. Thomas Jefferson derived many of his fundamental ideas and principles concerning the American charter of liberties from his study of Greek history and Greek heroism. It seems not amiss to quote the words of two of our country's greatest statesmen in an earlier day.

Daniel Webster, in 1824, said:

What I have to say of Greece concerns the modern, not the ancient; the living and not the dead. It regards her, not as she exists in history, triumphant over time, and tyranny, and ignorance; but as she is now, contending against fearful odds; for being; and for the common privilege of human nature.

In the same year Henry Clay said:

From Maine to Georgia, from the Atlantic Ocean to the Gulf of Mexico, the sentiment of approbation has blazed with the rapidity of electricity Everywhere the Grecian cause is felt with the deepest intensity, expressed in every form, and increases with every new day and passing hour.

In 1941, just 100 years after the Greeks emerged from Turkish bondage, our President, Franklin Delano Roosevelt, made a statement which is cherished by every Greek today. This was his message to the officers of the Greek Society, Ahepa, on April 25, 1941:

The heroic struggle of the Hellenic people to defend their liberties and their homes against the aggression of Germany after they had so signally defeated the Italian attempt at invasion has stirred the hearts and aroused the sympathy of the whole American people.

During the Hellenic war of independence more than a century ago, our young nation, prizing its own lately won independence, expressed its ardent sympathy for the Greeks and hoped for Hellenic victory. That victory was achieved.

Today, at a far more perilous period in the history of Hellas, we intend to give full effect to our settled policy of extending all available material aid to free peoples defending themselves against aggression. Such aid has been and will continue to be extended to Greece.

Whatever may be the temporary outcome of the present phase of the war in Greece, I believe that the Greek people will once more ultimately achieve their victory and regain their political independence and the territorial integrity of their country. In that high objective, the people of Greece and their Government can count on the help and support of the Government and the people of the United States.

The emancipation of the Greeks has been, from the beginning of the onslaughts upon them, a subject of increasing interest to the democratic world. Other and greater battles have been fought; other and greater battles will continue to be fought until the world is clean again. But, as Thomas Mann so aptly puts it:

All other battles have a specialized interest; the deathless glory of the Greeks rests upon the great cause that was saved.

Five centuries before the birth of Christ, King Darius demanded from the Greeks only a little water and a handful of soil, as token recognition of his sovereignty. But the Greeks survived the Persian wars, and then, as now, the Greek women were proud that they shed not a tear as their men went off to war.

We may read from Thucydides the speech of Pericles to the men and women of Athens in 431 B. C., just after the first battle of the Peloponnesian War:

Nay, rather, you must fix your gaze upon the power of Athens and become lovers of her, and when the vision of her greatness has inspired you, reflect that all this has been acquired by men of courage who knew their duty and in the hour of conflict were moved by a high sense of honor, who were resolved that their country should not find herself deserted by their valor, but freely sacrificed to her the fairest offering it was in their power to give. For they gave their lives for the common weal, and in doing so won for themselves the praise that grows not old and the most distinguished of all sepulchres—not that in which they lie buried but that in which their glory survives in everlasting remembrance.

Today the "glory that was Greece" is the ancient heritage of every one of us, but the "glory that is Greece" flames like an heroic banner before every victorious rampart of democracy.

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted, as follows:

To Mr. KEE, for 1 week, on account of illness in family.

To Mr. LECOMPTE (at the request of Mr. GWYNNE), for the rest of the week, on account of illness.

To Mr. HESS, for 1 week, on account of illness.

To Mr. FAY, on account of illness.

To Mr. GAVAGAN, on account of illness.

To Mr. HORAN (at the request of Mr. HOLMES of Washington), for March 23 and 24, 1943, on account of illness.

SENATE ENROLLED BILL SIGNED

The SPEAKER pro tempore announced his signature to an enrolled bill of the Senate of the following title:

S. 17. An act to provide for a temporary increase in compensation for certain employees of the District of Columbia Government and the White House Police force.

ADJOURNMENT

Mr. RAMSPECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 16 minutes p. m.) the House adjourned until tomorrow, Thursday, March 25, 1943, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The hearings scheduled for Monday, March 29, 1943, at 10 a. m., to consider charges of waste of space in ships going to North Africa and delays in ship sailings have been postponed indefinitely.

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Thursday, April 1, 1943, at 10 a. m., on S. 163 (H. R. 498) to amend section 511 of the Merchant Marine Act, 1936, as amended, relating to ship construction reserve funds and for other purposes.

As advised in notice of March 10, 1943, Congressman BATES of Massachusetts, patron of the bill H. R. 1766, upon which hearings were scheduled on April 8, 1943, is a member of the Committee on Naval Affairs and of a subcommittee of that committee which has arranged a schedule of hearings throughout the country which will compel Congressman BATES of Massachusetts to be absent from Washington on April 8 and also April 15.

The chairman of the committee and the Commissioner of Fisheries will be out of town on intervening dates which will necessitate a further postponement of the hearing until May 13, 1943. You are hereby notified that the hearings scheduled for April 8 and postponed until April 15 have been postponed to May 13, 1943, at 10 a. m., at which time the hearings will follow.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

272. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Federal Security Agency, for the fiscal year 1943, in the amount of $2,294,000 (H. Doc. No. 135); to the Committee on Appropriations and ordered to be printed.

273. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the legislative establishment, House of Representatives, fiscal year 1944, involving an increase of $110,000 in the form of an amendment to the Budget for said fiscal year (H. Doc. No. 136); to the Committee on Appropriations and ordered to be printed.

274. A letter from the Attorney General, transmitting a draft of a proposed bill to expedite the payment for land acquired during the war period by eliminating the use of commissioners, appraisers, and assessors in Federal condemnation proceedings; to the Committee on the Judiciary.

275. A letter from the Acting Secretary of the Interior, transmitting a copy of a report submitted by the Commissioner of the General Land Office in compliance with the act of June 14, 1926 (44 Stat. 741; 43 U. S. C., sec. 869); to the Committee on the Public Lands.

276. A letter from the Secretary of War, transmitting a report dated October 16, 1942, from the Chief of Engineers, United States Army, together with accompanying papers and illustrations, on the cooperative beach erosion study of the Lake Erie shoreline in the vicinity of Huron, Ohio; to the Committee on Rivers and Harbors.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk

for printing and reference to the proper calendar, as follows:

Mr. SPARKMAN: Committee on Military Affairs. H. R. 1857. A bill to provide for the appointment of female physicians and surgeons in the Medical Corps of the Army and Navy; with amendment (Rept. No. 295). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLOOM: Committee on Foreign Affairs. House Joint Resolution 15. Joint resolution authorizing the appropriation of such sums as may be necessary to pay the proportionate share of the United States in the annual expenses of the Inter-American Financial and Economic Advisory Committee; without amendment (Rept. No. 298). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLOOM: Committee on Foreign Affairs. House Joint Resolution 16. Joint resolution providing for participation by the United States in the Emergency Advisory Committee for Political Defense, and authorizing an appropriation therefor; without amendment (Rept. No. 299). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PITTENGER: Committee on Claims. S. 52. An act for the relief of Hazel M. Lewis; without amendment (Rept. No. 285). Referred to the Committee of the Whole House.

Mr. FERNANDEZ: Committee on Claims. S. 404. An act for the relief of Richard Barker; without amendment (Rept. No. 286). Referred to the Committee of the Whole House.

Mr. MANASCO: Committee on Claims. H. R. 235. A bill for the relief of Forrest W. Dickey; with amendment (Rept. No. 287). Referred to the Committee of the Whole House.

Mr. PATTON: Committee on Claims. H. R. 292. A bill for the relief of Mrs. Lila A. Wemp; without amendment (Rept. No. 288). Referred to the Committee of the Whole House.

Mr. ABERNETHY: Committee on Claims. H. R. 1160. A bill for the relief of Alva Burton Rickey; with amendment (Rept. No. 289). Referred to the Committee of the Whole House.

Mr. ABERNETHY: Committee on Claims. H. R. 1557. A bill for the relief of Robert H. Pullium; with amendment (Rept. No. 290). Referred to the Committee of the Whole House.

Mr. DICKSTEIN: Committee on Claims. H. R. 1597. A bill for the relief of Joseph Spear; with amendment (Rept. No. 291). Referred to the Committee of the Whole House.

Mr. PATTON: Committee on Claims. H. R. 1837. A bill for the relief of Manuel G. Souza and Manuel Souza, Jr.; with amendment (Rept. No. 292). Referred to the Committee of the Whole House.

Mr. ROWAN: Committee on Claims. H. R. 2067. A bill conferring jurisdiction upon the United States District Court for the Middle District of Georgia to hear, determine, and render judgment upon the claim of H. M. Reid & Co., of Macon, Ga.; with amendment (Rept. No. 293). Referred to the Committee of the Whole House.

Mr. DICKSTEIN: Committee on Claims. H. R. 2089. A bill for the relief of Jennie Walker; without amendment (Rept. No. 294). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BARRY:

H. R. 2291. A bill to amend further the Civil Service Retirement Act approved May 29, 1930, as amended; to the Committee on the Civil Service.

By Mr. BLOOM:

H. R. 2292. A bill to amend an act entitled "An act to provide for the use of the American National Red Cross in aid of the land and naval forces in time of actual or threatened war"; to the Committee on Foreign Affairs.

By Mr. SASSCER:

H. R. 2293. A bill to provide disability and death compensation or pension in the case of certain members of the Naval Enlisted Reserve who received Civil Aeronautics Administration war training prior to December 15, 1942; to the Committee on Naval Affairs.

By Mr. BATES of Kentucky:

H. R. 2294. A bill to grant service pension to certain veterans and widows and children of deceased veterans of the Spanish-American War, Boxer Rebellion, and Philippine Insurrection, based upon service which terminated honorably notwithstanding any prior or subsequent period of service which terminated other than honorably; to the Committee on Pensions.

By Mr. DIMOND:

H. J. Res. 105. Joint resolution to name the Alaska highway; to the Committee on Roads.

By Mr. GATHINGS:

H. Res. 184. Resolution providing for an investigation of all loaning agencies of the United States under the jurisdiction of the Department of Agriculture; to the Committee on Rules.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

338. By Mr. ANDREWS: Resolutions adopted by the Niagara County (N. Y.) Pomona Grange, covering ceiling prices on agricultural products; to the Committee on Agriculture.

339. By Mr. BLAND: Petition of 559 employees of the Newport News Shipbuilding & Dry Dock Co., Newport News, Va., urging support of a compulsory pay-as-we-earn income-tax plan, and the making possible under the plan abatement of some part of 1942 taxes; to the Committee on Ways and Means.

340. By Mr. ENGLEBRIGHT: Assembly Joint Resolution No. 25 of the California Legislature, Assembly of California, concerning reciprocal trade agreement; to the Committee on Interstate and Foreign Commerce.

341. Also, Senate Resolution No. 65 of the Legislative Department of the State Senate of California, relating to the growing of guayule for rubber production; to the Committee on Ways and Means.

342. Also, Assembly Joint Resolution No. 33 of the California Legislature, Assembly of California, memorializing Congress to enact legislation providing a Federal system of workmen's compensation for civilian defense volunteers injured in course of duty; to the Committee on Labor.

343. By Mr. ROLPH: Resolution of the San Francisco-Oakland Photo Engravers Union No. 8, of San Francisco, relative to rationing program of the Office of Price Administration; to the Committee on Banking and Currency.

344. Also, resolution of the United Garment Workers' Local No. 131 of San Francisco, relative to the rationing program of the Office of Price Administration; to the Committee on Banking and Currency.

345. Also, resolution of International Association of Cleaning and Dye House Workers, Local No. 7, relative to amending the Social Security Act so as to include all cemetery employees within the benefits and provisions of the act; to the Committee on Ways and Means.

SENATE

THURSDAY, MARCH 25, 1943

(Legislative day of Tuesday, March 23, 1943)

The Senate met at 12 o'clock noon, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O God, Thy word is hidden in the very framework of the world; Thy image is stamped in the very core of our being; Thy voice soundeth in experiences which sing, and sob, and sigh across life's changing scenes. Bowing in this hushed moment, we would discard every mask and disguise of pretense which, alas, too often we wear before the face of man. To give Thee back the life we owe is but to exchange the shallow pools of our vain designs and desires for the ocean depths of Thy eternal purpose in us and through us.

May the fretful fears that film our sight be cast out by a love that takes the dimness of our souls away. With new eyes may we see Thee as our Father, our fellows as our neighbors, and ourselves as our brothers' keepers. In that vision splendid of Divine Fatherhood and of human brotherhood may we dream our dreams, mold our lives, enact our laws, build our Nation, and plan our world, until this shadowed earth which is our home rolls out of the darkness into the light and it is daybreak everywhere. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, March 23, 1943, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, who also announced that the President had approved and signed the following acts:

On March 23, 1943:

S. 677. An act to amend the National Housing Act, as amended.

On March 24, 1943:

S. 405. An act for the relief of Mrs. Ernestine Fuselier Sigler;

S. 517. An act for the relief of Vodie Jackson;

S. 518. An act for the relief of Robert T. Groom, Daisy Groom, and Margaret Groom Turpin;

S. 171. An act for the relief of Arthur A. Schipke; and

S. 786. An act to amend title I of Public Law No. 2, Seventy-third Congress, March 20,

1933, and the Veterans Regulations to provide for rehabilitation of disabled veterans, and for other purposes.

REPORT OF THE T. V. A. ON REGIONALIZED FREIGHT RATES: BARRIER TO NATIONAL PRODUCTIVENESS (H. DOC. NO. 137)

The ACTING PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Agriculture and Forestry:

To the Congress of the United States:

I transmit herewith for the information of the Congress copy of a communication from the Chairman of the Tennessee Valley Authority submitting the third report of the authority entitled "Regionalized Freight Rates: Barrier to National Productiveness."

The Tennessee Valley Authority emphasizes the timely and practical nature of the survey.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *March 25, 1943.*

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

LANDS EXCHANGED PURSUANT TO AN ACT OF CONGRESS

A letter from the Acting Secretary of the Interior, submitting, pursuant to law, a detailed list of lands exchanged pursuant to the act of June 14, 1926 (44 Stat. 741; 43 U. S. C., sec. 869) (with an accompanying paper); to the Committee on Public Lands and Surveys.

REPORT OF THE ARCHIVIST OF THE UNITED STATES

A letter from the Archivist of the United States, transmitting, pursuant to law, his annual report for the fiscal year ended June 30, 1942 (with an accompanying report); to the Committee on the Library.

DECEMBER 1942 REPORT OF RECONSTRUCTION FINANCE CORPORATION

A letter from the Chairman of the Board of the Reconstruction Finance Corporation, transmitting, pursuant to law, the report of the Corporation for the month of December 1942 (with accompanying papers); to the Committee on Banking and Currency.

TRANSPORTATION ALLOWANCES FOR CIVILIAN OFFICERS AND EMPLOYEES, THEIR FAMILIES AND EFFECTS

A letter from the President of the Civil Service Commission, submitting a draft of proposed legislation to provide uniform allowances for transportation of civilian officers and employees, their families and effects, upon permanent transfer from one official station to another or from one Federal agency to another (with an accompanying paper); to the Committee on Expenditures in the Executive Departments.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A letter in the nature of a memorial from Local No. 180, Pacific Colony Employees, American Federation of State, County, and Municipal Employees, in the State of California, remonstrating against the enactment of the so-called McKellar bill, providing for confirmation by the Senate of nominations to Federal positions with compensation of $4,500 per annum or more; to the Committee on the Judiciary.

A joint resolution of the Legislature of the State of Wisconsin; to the Committee on Agriculture and Forestry:

"Senate Joint Resolution 8

"Joint resolution memorializing Congress and the United States Department of Agriculture to supply butter to our armed forces and those of our allies and to properly allocate butter for lend-lease shipment in order to safeguard the dairy industry

"Whereas the people of Wisconsin recognize that a successful army must be properly fed, clothed, and equipped and that our fighting forces at home and abroad must have plenty of butter and that lend-lease needs for our fighting allies must also be met; and

"Whereas the United States Department of Agriculture in charge of purchases of food for lend-lease is reported to have approved the shipment of 130,000,000 pounds of butter in 1943 to Russia, at a time when the supplies of butter are critically and seriously short and the consumption of oleomargarine is on the increase at home; and

"Whereas new food and drug standards and specifications permit the fortification of oleomargarine with vitamins and flavoring extracts so that detection from butter is difficult and thereby dupe and deceive thousands of people of the United States into the purchase of an inferior substitute; and

"Whereas the Government freezing regulations will take 30 percent of our national butter output after February 1, 1943, or approximately 503,000,000 pounds; and

"Whereas our Government should use every precaution against any limitation of butter supplies available for our armed forces and our civilians because for years the United States has been on a domestic basis in the production and consumption of butter, our consumers did not need to depend on imports, and our producers did not need to depend on exports; and

"Whereas in 1943 there is expected to be a decrease in butter production of 100,000,000 pounds due to diversion of milk to the manufacture of cheese, the increased consumption of butter by the armed forces, and other territorial emergencies; and

"Whereas it is fully recognized that our fighting allies have miraculously, courageously, and tenaciously withstood the onslaughts of the Axis forces, and that our country is gratefully appreciative of the valor, bloodshed, and heroism of the fighting forces of our allies, but that in all fairness to both our allies and the United States, a plan be formulated and adopted so that both butter and oleomargarine may be so transported; and

"Whereas such compromise on allocation of lend-lease supplies not only will not upset and disturb the delicate balance of home consumption and manufacture of butter but will also prevent oleomargarine manufacturers to explosively utilize the present butter shortage to expand their local markets for a long period of time; and

"Whereas it is the sense of this legislature that the dairy industry of the United States should continue to be protected by a wise and cautious administrative discretion so as to maintain the practical and legislative safeguards for dairy commodities in competition with and marketing of inferior products: Now, therefore, be it

"Resolved by the senate (the assembly concurring), That this legislature respectfully memorializes the Congress of the United States that our fighting forces and those of our allies must be supplied with good food, including butter, and that a fair share of this nutritive product must be supplied to our people on the home front so that they will not be compelled to resort to inferior substitute products; and that the lend-lease authorities be directed to stabilize, control, and properly allocate the distribution of butter for lend-lease shipment during the present emergency in order to safeguard the health of the workers and toilers on the home front and their families, to protect the great dairy industry of the country, and to prevent further entrenchment and encroachment of the oleomargarine market; be it further

"Resolved, That properly attested copies of this resolution be sent to the Secretary of Agriculture of the United States, the lend-lease authorities, and to each House of Congress of the United States and to each Wisconsin Member thereof."

A concurrent resolution of the Legislature of the State of Michigan; to the Committee on Banking and Currency:

"Senate Concurrent Resolution 20

"Concurrent resolution memorializing the Congress of the United States to effect a substantial increase in the price of copper, iron, and other strategic metals

"Whereas the prosecution of the war has resulted in a great and constantly increasing demand for copper, iron, and other strategic metals; and

"Whereas with underground mining it is imperative to stock pile some strategic metals while navigation is closed on the Great Lakes, thus making it necessary to keep men employed and the mines in operation during the winter months; and

"Whereas the ceiling prices currently effective for these metals may have been adequate when set, but since these prices have been fixed everything entering into the cost of mining has increased and the small operators, particularly, are finding themselves with inadequate loans and unable to realize full production; and

"Whereas the mining industry should be enabled to operate on a fair and equitable basis, equal to that enjoyed by other war industries: Now, therefore, be it

"Resolved by the senate (the house of representatives concurring), That the Congress of the United States be respectfully requested to take the necessary steps to insure a substantial increase in the price of strategic metals; and be it further

"Resolved, That copies of this resolution be transmitted to the President of the United States, the President of the Senate, and Speaker of the House of Representatives of Congress, and to the Michigan Members in the Senate and House of Congress.

"Adopted by the senate March 11, 1943.

"Adopted by the house of representatives March 12, 1943."

A memorial of the House of Representatives of the State of Arizona; to the Committee on Education and Labor:

"House Memorial 2

"Memorial relating to foreign-language schools

"To the Congress of the United States:

"Your memorialist respectfully represents:

"Throughout the United States, in cities and localities having considerable populations of foreign-born persons and their descendants, private schools are known to exist which are conducted and taught in foreign languages native to the heads, leaders, and parents of such groups.

"The subversive uses to which schools of this character may be put are apparent. They afford a ready and effective means of enlisting the aid of foreign-born parents whose children attend such schools, in projects and enterprises inimical to this country's war effort. They provide a made-to-order opportunity to instill and promote the growth in the minds of attending children of views, ideas, and interests subversive in their nature and contrary to the welfare of the United States. They may easily lead to treasonable

actions or activities, to sabotage, to spying, to the imparting to enemy nations of valuable and vital information, and to the hampering of the struggle of this country and its allies to liberate the world. They constitute a menace to the peace and welfare of the United States.

"Wherefore, your memorialist, the House of Representatives of the State of Arizona, prays:

"1. That the Congress speedily enact legislation to prohibit the maintenance of any school which is taught or conducted in a foreign language, and the teaching of a foreign language in any school, private or public, except as an incidental study included in a curriculum sanctioned by law."

A joint memorial of the Legislative Assembly of the State of Montana; to the Committee on Military Affairs:

"Substitute for House Joint Memorial 3

"Joint memorial to the President and the Senate of the United States of America, setting forth the wishes of the Twenty-eighth Legislative Assembly of Montana, relative to the winning of the war by the total defeat of the Axis Powers, and relative to post-war settlements affecting the peace and stability of our country and of the world, and asking the President and the Senate, as the treaty-making power in our country, to fully recognize and accept our national duty and responsibility in the reestablishment and future maintenance of world peace and order

"To the President and the Senate of the United States:

"Whereas young men from Montana are for a second time in a generation fighting and dying on foreign soil for the freedom and security of our Nation; and

"Whereas the people of our State mindful of the fact that a nation as large and as powerful as the United States of America will find it impossible to maintain a policy of complete isolation in a world in which distances are being cut down every day by continually improving means of transportation and communication, and hopeful that in the peace to follow our certain victory that our country will, together with the other nations, accept its full share of responsibility in the reorganizing and rebuilding of the post-war world and the safeguarding of world peace; and

"Whereas realizing that the new problems our Nation will face in its task of helping to establish and maintain a just and durable peace, may require certain sacrifices, a high devotion to the cause of world peace, a united effort on the part of all citizens of the Nation, and a determination to insist on the maintenance of a free and stable order in the world regardless of race or religion: Now, therefore, be it

"Resolved, That the Twenty-eighth Legislative Assembly of the State of Montana, in regular session assembled, the senate and house concurring, do respectfully and earnestly urge upon the President and the Senate of the United States, our firm conviction that our war effort should not stop short of the total military defeat of all the Axis Powers, our belief in the vital need of our country's full cooperation and responsibility with the other United Nations, in reestablishing order after the present war; in the maintenance of peace in the many countries where civil law has been wiped out during this war, and in the necessary use of international policing or such other means as may be required to keep such peace: In the readjustment of treaties with other nations so the world trade and commercial needs and possibilities may be encouraged and developed to the mutual benefit of all nations and peoples; and in the necessity that our country accept this inevitable change in our world relations, and enter upon such new policy with the courage and determination characteristic of the United States of America, and with a full confidence in the eventual solution of the principal problems ahead, to the end that American principles may benefit the rest of the world, and strengthen and fortify here at home, those same principles of economic and political democracy which we so deeply cherish; be it further

"Resolved, That copies of this memorial be transmitted by the secretary of state of Montana, to the Honorable Franklin D. Roosevelt, President of the United States; to the honorable Senate of the United States; to the Members of Congress from the State of Montana; and to each of the legislative assemblies of the several States of the United States of America."

By Mr. GILLETTE:

A concurrent resolution of the Legislature of the State of Iowa; to the Committee on Banking and Currency:

"House Concurrent Resolution 21

"Whereas the application of arbitrary rules and regulations by the Rent Control Division of the Office of Price Administration promulgated under the authority of Federal legislation has resulted in an unfair and inequitable imposition against landlords; and

"Whereas by virtue thereof substandard rentals cannot be brought to a fair parity with other rentals and undesirable tenants may not be ejected from property; and

"Whereas as a result property owners in many instances are compelled to accept rentals insufficient to maintain their properties and make a fair return on their investment; and

"Whereas landlords are compelled to retain renters who are destructive to property and in some instances the health and welfare of other occupants of the premises; and

"Whereas the rent ceilings in Iowa are far below the parity of labor and commodities, as a consequence of which an unjust burden is imposed against a landlord; and

"Whereas this situation is the result of national policy and not local administration: Now, therefore, be it

"Resolved by the House of Representatives of the Fiftieth General Assembly of the State of Iowa (the Senate concurring), That the Congress of the United States be memorialized to forthwith take such action as may be necessary and appropriate to make more flexible the arbitrary rules of the Rent Control Division of the Office of Price Administration and provide the means through which unfair and inequitable impositions against landlords may be heard by an impartial tribunal on the merits of the case."

RESOLUTIONS OF NORTH DAKOTA LEGISLATIVE ASSEMBLY

Mr. LANGER. I ask consent to present for appropriate reference and printing in the RECORD a resolution passed by the Twenty-eighth Legislative Assembly of the State of North Dakota, being Senate Concurrent Resolution N.

And, also, another resolution, being House Concurrent Resolution V, which I present on behalf of my colleague [Mr. NYE] and myself and ask to have printed in the RECORD and appropriately referred.

There being no objection, the resolutions, were received, referred to committees, and, under the rule, ordered to be printed in the RECORD, as follows:

To the Committee on Post Offices and Post Roads:

Senate Concurrent Resolution N

Concurrent resolution memorializing Congress to enact into law S. 207, known as the Nye bill, providing for waiver of second-class postal fees upon resumption of publication by newspapers that were compelled to suspend publication because of war conditions

Whereas numerous newspapers throughout the Nation, and particularly those in towns in smaller communities, were compelled to suspend publication because of the economic conditions brought about by the war emergency; and

Whereas the country newspaper is a valuable economic and social asset in the community life of the Nation and should, therefore, be encouraged: Therefore be it

Resolved by the Senate of the State of North Dakota (the House of Representatives concurring), That we memorialize, petition, and urge Congress to take such steps as are necessary to enact into law S. 207, known as the Nye bill, which provides for the waiver of second-class postal fees upon resumption of publication by newspapers which were compelled to suspend publication during the war and because of war conditions; and be it further

Resolved, That copies of this resolution be mailed to the President of the United States, to the President of the Senate, to the Speaker of the House of Representatives, and to each Member of Congress from the State of North Dakota, and to each of the secretaries of state and to the Members of Congress in the States of Montana, South Dakota, and Minnesota.

To the Committee on Indian Affairs:

House Concurrent Resolution V

Concurrent resolution memorializing Congress and the President to authorize the Indians to elect their Commissioner of Indian Affairs and other administrative officials and that treaty rights and claims be promptly adjudicated and paid

Be it resolved by the House of Representatives of the State of North Dakota (the Senate concurring therein)—

Whereas the Indian Americans who have loyally been serving their country and ours, both in the armed forces and elsewhere, have long been under practically complete domination of the Indian Bureau, with no voice in the administration of tribal property and affairs, and have witnessed, without power to effectively protest, the building up of a vast array of life-term employees, very few of whom are Indians, paid from tribal funds or a charge against tribal property and other resources; and

Whereas rights, as assured by treaties and legislation, have in too many instances not been adjudicated and the Indians reimbursed for their property, neither financially nor by larger, more profitable allotments of lands and equipment; and

Whereas on the Standing Rock Sioux Indian Reservation, near our capital city, magnificent new brick buildings have been erected at Fort Yates for administrative offices and housing employees, with many Indians living the year around in poor tents, without coal, sufficient clothing, or food, and sickness so prevalent that the agency hospital facilities are wholly inadequate: Now, therefore, be it

Resolved, That we believe in preserving the personal and property rights of the Indians, of whom there are nearly 10,000 in our State, and commend their loyalty, and that we recommend to Congress and the President that the Indians, as citizens and voters under the act of June 2, 1924, be authoried to vote for and elect their own Commissioner of Indian Affairs and other administrative officials; and be it further

Resolved, That all tribal and personal rights and claims, as evidenced by treaties

otherwise, be promptly adjudicated and paid; and be it further

Resolved, That the secretary of state of North Dakota send copies of this resolution to the President of the United States, to the President of the Senate and Speaker of the House of Representatives, the North Dakota Members of Congress, and to the secretaries of state of the States of Minnesota, South Dakota, Montana, Wisconsin, Kansas, Oklahoma, Wyoming, and Washington for the attention of their respective legislative assemblies.

(The ACTING PRESIDENT pro tempore laid before the Senate a concurrent resolution identical with the foregoing, which was referred to the Committee on Indian Affairs.)

INCREASE OF SOLDIERS' PAY

Mr. LANGER. Mr. President, I also ask consent to present for the appropriate reference and printing in the RECORD at this point of a letter received by me from Mr. and Mrs. W. Lynosty, of Duluth, Minn.. in favor of the proposal to raise the base pay of the soldiers to $100 a month.

There being no objection, the letter was referred to the Committee on Military Affairs and ordered to be printed in the RECORD, as follows:

DULUTH, MINN., *March 3, 1943.*

Hon. Senator LANGER,
Senate Office Building.

DEAR SIR: Your proposal to raise the salary of the soldier, the base pay, to $100 per month is a fine one and deserves the support of every individual.

Have talked to many parents of soldiers who have mentioned their having to send their sons (soldiers) help each month, as after buying War bonds and paying for their insurance, laundry, etc., they have very little if anything left to work with.

Kindly put forth your every effort toward the movement.

Thanking you,
Mr. and Mrs. W. LYNOSTY.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. THOMAS of Utah, from the Committee on Education and Labor:

S. 400. A bill for the organization and functions of the Public Health Service; with amendments (Rept. No. 133).

By Mr. STEWART, from the Committee on Claims:

S. 373. A bill for the relief of Charles Favors; with an amendment (Rept. No. 134).

By Mr. WHERRY, from the Committee on Claims:

S. 671. A bill for the relief of Charles Francis Fessenden; without amendment (Rept. No. 135).

By Mr. ELLENDER, from the Committee on Claims:

H. R. 940. A bill for the relief of Howard E. Dickison; with an amendment (Rept. No. 136).

By Mr. ROBERTSON, from the Committee on Claims:

H. R. 1128. A bill for the relief of Bernice James; without amendment (Rept. No. 137); and

H. R. 1131. A bill for the relief of the estate of Ola Fowler; without amendment (Rept. No. 138).

By Mr. WILEY, from the Committee on Claims:

S. 695. A bill for the relief of Joseph F. Bolger, with amendments (Rept. No. 139).

By Mr. TUNNELL, from the Committee on Claims:

S. 252. A bill for the relief of Philip Kleinman; without amendment (Rept. No. 140); and

S. 510. A bill for the relief of Inez Smith; with an amendment (Rept. No. 141).

By Mr. DOWNEY, from the Committee on Military Affairs:

S. Res. 113. Resolution requesting certain governmental departments and agencies to assign representatives to accompany the Military Affairs Committee in its investigation of labor shortages in certain Western States; without amendment, and, under the rule, the resolution was referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

ENROLLED BILLS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on March 23, 1943, that committee presented to the President of the United States the following enrolled bills:

S. 171. An act for the relief of Arthur A. Schipke;

S. 405. An act for the relief of Mrs. Ernestine Fuselier Sigler;

S. 517. An act for the relief of Vodie Jackson;

S. 518. An act for the relief of Robert T. Groom, Daisy Groom, and Margaret Groom Turpin; and

S. 677. An act to amend the National Housing Act, as amended.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred, as follows:

By Mr MEAD:

S. 915. A bill for the relief of Robert Kish Lee and Elizabeth Kish; to the Committee on Claims.

S. 916. A bill relating to the classification of substitute driver-mechanics in the Postal Service; to the Committee on Post Offices and Post Roads.

By Mr. MURRAY:

S. 917. A bill to declare that the United States holds certain lands in trust for Indian use, and for other purposes; to the Committee on Indian Affairs.

By Mr. DAVIS:

S. 918. A bill to amend the Servicemen's Dependents Allowance Act of 1942, as amended, with respect to the date of the beginning of the period for which allowances are paid; to the Committee on Military Affairs.

By Mr. VAN NUYS:

S. 919. A bill to expedite the payment for land acquired under the war period; and

S. 920. A bill to eliminate private suits for penalties and damages arising out of frauds against the United States; to the Committee on the Judiciary.

By Mr. ELLENDER:

S. 921. A bill for the relief of Mrs. Neola Cecile Tucker; to the Committee on Claims.

By Mr. LANGER:

S. 922. A bill to amend the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," as amended; to the Committee on Education and Labor.

By Mr. RUSSELL:

S. 923. A bill to amend the National Defense Act, as amended, with respect to the minimum age limit for persons appointed as second lieutenants in the Regular Army; to the Committee on Military Affairs.

By Mr. HAYDEN:

S. 924. A bill to amend the act entitled "An act to aid the several States in making, or for having made, certain toll bridges on the system of Federal-aid highways free bridges, and for other purposes," as amended by section 1 of the act approved July 19, 1939 (53 Stat. 1066), and for other purposes; to the Committee on Post Offices and Post Roads.

By Mr. REYNOLDS:

S. 925. A bill for the relief of certain widows of Foreign Service officers; to the Committee on Foreign Relations.

TEMPORARY ADDITIONAL COMPENSATION FOR POSTAL EMPLOYEES—AMENDMENT

Mr. MEAD submitted an amendment intended to be proposed by him to the bill (H. R. 1366) to provide temporary additional compensation for employees in the Postal Service, which was ordered to lie on the table and to be printed.

THE LATE GOVERNOR FRANK O. LOWDEN, OF ILLINOIS

Mr. LUCAS. Mr. President, last Tuesday my colleague the junior Senator from Illinois [Mr. BROOKS] paid a very high, glowing, and well-deserved tribute to the late Frank O. Lowden, former Governor of Illinois. At this time I desire to concur in what he said with regard to the life of that great man and fine citizen of Illinois. In addition, I ask unanimous consent to have printed in the RECORD following these remarks an editorial which appeared in the Washington Evening Star on Monday last.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FRANK OREN LOWDEN

Historians writing half a century hence may appreciate Frank Oren Lowden more than the generality of his contemporaries did. He was a conservative thinker, yet it happened that he frequently was far ahead of his contemporaries in his political and social views. The paradox arose from the fact that his mind was not patterned to a rigid dogma. He was a practicing American in the full and complete meaning of that term. Such a man is very apt to be misunderstood or perhaps condemned by his intellectually lazy neighbors.

It would be a mistake, however, to suggest that Mr. Lowden was lacking in friends. The contrary is the truth. No political leader of his time was more affectionately loved by those who knew him well than he. Particularly by children was he appreciated. He found great joy in developing a summer health resort for youngsters brought from Chicago hospitals to recuperate in the country. His own distinctive quality of enthusiastic boyishness remained with him to the end.

Born in a log cabin at Sunrise City, Minn., January 26, 1861, and educated at the University of Iowa, Mr. Lowden was a self-made success from the start of his active career at 15. His debut in Chicago was in the role of a clerk in a law office. He was graduated at Northwestern Law School only to become a teacher there, and much of his achievement in later life may be traced back to the skill in exposition which he developed as a faculty member His political interests led to his election to the House of Representatives in 1906 and 1908 and as Governor of Illinois in 1916. The movement for State administrative reorganization which he launched in 1917 spread throughout the entire Nation. Because of it, the chief executive officers of the several Commonwealths ceased to be figureheads.

When the 1920 Republican convention met, Mr. Lowden was the outstanding candidate for the Presidential nomination. Possibly it was because of his philosophic eminence, his distinction of character, his experience, and his zeal that he was not chosen.

Mr. Lowden's farm thereafter was his principal concern. He made his 5,000 acres at Sinnissippi an agricultural laboratory of

world-wide importance. Better crops, better stock, better systems of marketing were his objectives. He achieved them and instructed other agrarian realists how to do the same.

Meanwhile, the dark shadow of tyranny which he repeatedly warned against spread across the sky of Europe and the East. Referring to the war against the Axis on his eighty-first birthday, Mr. Lowden spoke these words, which now may be quoted as his epitaph: "Of course, we shall have to endure great hardship. Let us not forget, however, that the pioneers of America suffered more, made larger sacrifices, and took greater risks to conquer this rich continent which they bequeathed to us than any we shall be called upon to make to save our great heritage."

PROPOSED CEILING PRICES ON LIVE ANIMALS

Mr. CAPPER. Mr. President, I ask unanimous consent to have printed in the RECORD at this point, following a few brief remarks I have to make, an editorial from the Daily Drover's Telegram, published at Kansas City. The editorial points to dangerous implications in the proposal by the Office of Price Administration to fix ceiling prices on live hogs.

Mr. President, the entire livestock industry is practically unanimous that any attempt to fix ceiling prices on live animals, particularly on cattle, will be disastrous to that industry, and, what is even more serious, that live animal price ceilings, particularly on cattle and sheep, will bring about lessened production of meats at a time when the need is for increased production.

It looks easy in the offices of Government bureaus in Washington to fix prices on each grade of cattle sold on the markets—or on the farms through direct buying, or to local butchers or slaughterers—but, Mr. President does O. P. A. realize that the ange of cattle prices frequently is as much as $10 from the highest to the lowest, and that prices between these go in jumps as small as 5 cents?

Of course, it would mean many more jobs for inspectors and graders, and practically require such officials to be sent to every farm producing livestock for sale, as most farms do. It would also require much more bookkeeping and accounting and auditing, and the filing of more reports of many kinds. Maybe O. P. A. thinks that is desirable, but I say it would not conduce to the successful prosecution of the war.

The O. P. A. has undertaken to register and issue permits to every farmer who sells meat; it has installed meat rationing—and very properly. I might suggest that we see how the permit system for all slaughtering, and the rationing for all buying of meats, work out, before trying to place ceiling prices on live animals. I send the editorial to the desk.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

IMPLICATIONS OF A HOG CEILING

Meetings are to be held in Washington this week on live hog ceiling problems.

It is the old story. When one regulation fails to work according to theory then issue another, more far reaching. The meat ceilings have resulted in a considerable amount of dodging around, evidenced in live hog prices above the pork ceiling base. That has undoubtedly resulted in hardship for some packers, especially the smaller operators. So they clamor for a live hog ceiling, thus not openly but actually expressing the hope that the result will be a fixed operating margin which will give them a certain profit. The hog producer can go hang. Fix his income but not his costs—and his costs are going up every day.

Those agitating live hog ceilings have been camping on the doorstep of the price administrators, and they have been welcomed there, because the price administrators are looking for a way out. The hog producer is too busy to run to Washington, and he can't hire lawyers to represent his cause there. So to heck with the farmer! But if the live hog ceiling is undertaken there will be repercussions that will, to say the least, be politically embarrassing.

What we can't understand is the naïveté of the whole thing. Why the boys think when they can't make ceilings on meat work they can make ceilings on the live animal work is beyond us. But they can make it work, the advocates argue. All that will be necessary is to allocate supplies. That shortly is to follow the live hog price edict. Simple. Complete control. Under allocation, obviously, the hog producer would be told where and when he could sell.

The implications of this new plan are far reaching, and no little disturbing. For steer and lamb ceilings would in time follow a hog ceiling, and the livestock producers of this country would for the first time in history be completely hamstrung.

Ten thousand farmer telegrams to Congressmen this week might save the situation. That is, it would appear, the only chance of saving it.

ORGANIZATION AND COLLABORATION OF UNITED NATIONS—ADDRESS BY SENATOR MAYBANK

[Mr. HATCH asked and obtained leave to have printed in the RECORD a radio address delivered by Senator MAYBANK on the evening of Tuesday, March 23, 1943, which appears in the Appendix.]

AMERICAN FOREIGN POLICY AND THE SENATE—ADDRESS BY SENATOR BREWSTER

[Mr. HATCH asked and obtained leave to have printed in the RECORD a radio address on the subject American Foreign Policy and the Senate, delivered by Senator BREWSTER on the evening of Tuesday, March 23, 1943, which appears in the Appendix.]

ORGANIZATION AND COLLABORATION OF UNITED NATIONS—ARTICLE BY WILLIAM HENRY CHAMBERLIN

[Mr. MCNARY asked and obtained leave to have printed in the RECORD an article entitled "America Is Not God," written by William Henry Chamberlin and published in the Progressive of March 22, 1943, which appears in the Appendix.]

REDUCTION IN NUMBER OF FEDERAL EMPLOYEES—RESOLUTION OF SHREVEPORT, LA., CHAMBER OF COMMERCE

[Mr. OVERTON asked and obtained leave to have printed in the RECORD a resolution adopted by the Shreveport, La., Chamber of Commerce advocating a reduction in the number of Federal employees, which appears in the Appendix.]

REORGANIZATION AND COLLABORATION OF UNITED NATIONS—GALLUP POLL

[Mr. MAYBANK asked and obtained leave to have printed in the RECORD an article, by George Gallup, entitled "Convinced United States Should Begin Action Now," together with a poll of public opinion, which appears in the Appendix.]

DEFERMENT OF FARMERS—EDITORIAL FROM JOURNAL-EVERY EVENING

[Mr. TUNNELL asked and obtained leave to have printed in the RECORD an editorial entitled "Deferring Farmers," published in the March 19, 1943, issue of Journal-Every Evening, of Wilmington, Del., which appears in the Appendix.]

ORGANIZATION AND COLLABORATION OF UNITED NATIONS—NEWSPAPER COMMENTS

[Mr. BURTON asked and obtained leave to have printed in the RECORD an editorial from the Dayton Daily News of Monday, March 15, 1943, entitled "War and the Peace," and an article entitled "The Problem of American Policy," by Barnet Nover, published in the Washington Post of Thursday, March 18, 1943, which appear in the Appendix.]

SAFEGUARDS OF THE CONSTITUTION—RESOLUTIONS OF DISTRICT OF COLUMBIA SOCIETY OF SONS OF THE AMERICAN REVOLUTION.

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD an extract from the March 1943 Bulletin of the District of Columbia Society of the Sons of the American Revolution, embodying resolutions adopted at the February meeting of the society, which appears in the Appendix.]

THE CHALLENGE OF WARTIME TRAFFIC—ADDRESS BY PYKE JOHNSON

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD an address entitled "The Challenge of War-Time Traffic," delivered by Pyke Johnson, president Automotive Safety Foundation, at the fifth annual Southern Safety Conference at Memphis, Tenn., which appears in the Appendix.]

TREASURY AND POST OFFICE APPROPRIATIONS

The ACTING PRESIDENT pro tempore. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H. R. 1648), making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1944, and for other purposes.

Mr. TYDINGS. Mr. President, on Tuesday evening when the Senate recessed there was pending the bill providing the annual appropriations for the Post Office and Treasury Departments. I should like briefly to explain the bill. First of all, it carries in excess of $200,000,000 less than the similar appropriation bill for last year. It represents a cut or a saving or a reduction, as you please, of about 20 percent in the annual appropriation, notwithstanding that both the Treasury Department and the Post Office Department have extraordinarily heavy and unusual burdens to carry at this time in order to perform their regular and wartime functions as well. The bill as it passed the House provided for $1,098,840,960.

Mr. MCNARY. Mr. President, this is important legislation, carrying somewhat more than a billion dollars. I think we should have a quorum, and I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gurney	Radcliffe
Austin	Hatch	Reed
Bailey	Hawkes	Revercomb
Ball	Hayden	Reynolds
Bankhead	Holman	Robertson
Barkley	Johnson, Calif.	Russell
Bone	Johnson, Colo.	Scrugham
Brewster	Kilgore	Shipstead
Bridges	La Follette	Smith
Brooks	Langer	Stewart
Buck	Lodge	Taft
Burton	Lucas	Thomas, Idaho
Bushfield	McCarran	Thomas, Okla.
Butler	McClellan	Thomas, Utah
Byrd	McFarland	Tobey
Capper	McKellar	Truman
Caraway	McNary	Tunnell
Chavez	Maloney	Tydings
Clark, Mo.	Maybank	Vandenberg
Connally	Mead	Van Nuys
Davis	Millikin	Wagner
Downey	Moore	Wallgren
Ellender	Murdock	Walsh
Ferguson	Murray	Wherry
George	Nye	White
Gerry	O'Daniel	Wiley
Gillette	O'Mahoney	Willis
Green	Overton	Wilson
Guffey	Pepper	

Mr. BARKLEY. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from Mississippi [Mr. BILBO], and the Senator from Virginia [Mr. GLASS] are absent from the Senate because of illness.

The junior Senator from Kentucky [Mr. CHANDLER] is out of the city on official business for the Committee on Military Affairs.

The Senator from Idaho [Mr. CLARK], the Senator from Mississippi [Mr. EASTLAND], and the Senator from Alabama [Mr. HILL] are detained on important public business.

The Senator from Montana [Mr. WHEELER] is necessarily absent.

Mr. McNARY. The Senator from New Jersey [Mr. BARBOUR] is absent because of illness.

The ACTING PRESIDENT pro tempore. Eighty-six Senators having answered to their names, a quorum is present.

Mr. TYDINGS. Mr. President, the measure before the Senate is House bill 1648, making appropriations for the Treasury and Post Office Departments. The appropriations recommended are $200,000,000 less, in the aggregate, than was appropriated for these two departments last year. This represents a cut, or reduction, or savings, as one may please to call it, of about 20 percent, which is very considerable when we recall that the Treasury and Post Office Departments are called upon in this war emergency to perform many abnormal functions in addition to their regular normal functions.

The bill as it passed the House appropriated $1,098,840,960. The Senate committee added $3,540,465 to that, making a total of $1,102,381,000. The amount of the regular estimates for 1944 was $1,112,855,830. The amount of appropriations for 1943 was $1,315,896,712, while the pending bill carries only $1,098,000,000, in round figures. Therefore, the bill as reported to the Senate is $213,000,000 less than the equivalent appropriation for last year, and it is $10,474,000 less than the Budget estimates provided for these departments. That, briefly, is an outline of the bill.

Mr. President, the amounts which the Senate committee added to the bill, approximating $3,000,000, comprise chiefly a restoration of $2,000,000, in round numbers, to the Treasury Department for the bureau having charge of the collection of customs. The officials of the Treasury Department told us that if the cut made by the House remained in the bill they would be so handicapped on the piers and wharves and at other reception centers of the country that they could not provide the safety and the administration which the war effort necessitates.

The House Committee on Appropriations did not take this $2,000,000 out of the bill; the cut was made on the floor of the House, with practically no consideration or hearing as to the evidence to support it. Therefore, if the Senate shall restore this item, it will go to conference, where we can meet with officials of the Treasury Department and ascertain how far we can make a cut without jeopardizing in any manner the war effort.

I shall be very glad to answer any questions which may be propounded.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. VANDENBERG. The last item the Senator has been discussing, dealing with the Bureau of Customs, involves, does it not, the offices of the seven comptrollers of customs?

Mr. TYDINGS. They are not affected by the $2,000,000, but the whole addition would involve them.

Mr. VANDENBERG. I do not understand why persistently over the years the House strikes out this provision and does away with these jobs, and the Senate just as persistently year after year restores them. My recollection is, from the information I had on the subject once upon a time, that as a matter of cold reality it is not necessary to maintain these comptrollerships. What has the Senator to say on that subject?

Mr. TYDINGS. First, there are two reasons why the Senate Committee on Appropriations did not accede to the House provision in this particular respect. The first is that the offices in question are fixed by legislation, and, so long as they are fixed by legislation, it is the duty of the Congress to provide for them. The way to get rid of them is to repeal the law which makes provision for them.

The second reason was that it was not clearly shown to the Senate committee that if these offices were abolished there would be any real saving, because the civil-service personnel would in a very short while move up into the position of collectors, with others moving up all along the line, and while we would have what appeared to be a saving, it was not demonstrated that a saving would actually result.

Mr. VANDENBERG. The Senator assigns no validity whatever to the persistent annual action of the House respecting this matter?

Mr. TYDINGS. The Senator is rather inclined to give it additional consideration at this time; but we decided that if we could take the matter to conference, we could sit down with the House proponents of elimination and see what the real facts were, and if they made out a case in conference, we would be governed accordingly.

Mr. BALL. Mr. President, will the Senator from Maryland yield?

Mr. TYDINGS. I yield.

Mr. BALL. There appears at the bottom of page 3 of the bill a provision which was in the bill at it passed the House, but was stricken out by the Senate committee. What would be the effect of that paragraph if it were kept in the bill, and why was it stricken out by the Senate committee?

Mr. TYDINGS. I personally would have been sympathetic to leaving out this provision, or at least changing the silver law to some extent. However, this is in effect legislation upon an appropriation bill, and we did not feel that the Committee on Appropriations should legislate on a matter of this magnitude without giving the proponents and opponents in both Houses a chance to be heard.

Those who favor the silver policy of the Government asked us to bring the matter up in separate legislation. For that reason only, and so that it would not be injected into the consideration of an appropriation bill, we agreed to the amendment.

Usually Senators do not like to have legislative amendments placed on an appropriation bill when they do not favor the amendments, but when Senators like an amendment, sometimes they are not so careful to hold the Committee on Appropriations down to its proper function. However, we took the view that legislative matters should not be a part of an appropriation bill providing revenues for the conduct of the Post Office and the Treasury Departments.

Mr. BALL. Can the Senator tell me whether that provision was written into the bill by the House committee or on the floor of the House?

Mr. TYDINGS. It was written in on the floor, and never was considered by the House Committee on Appropriations.

Mr. BALL. Its effect would be to nullify the two acts mentioned?

Mr. TYDINGS. The Senator is correct. If there are no further questions, I ask that the committee amendments be considered in their order.

Mr. TUNNELL. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. TUNNELL. I understood the Senator to say that the appropriation for the Treasury Department and the Post Office Department was less than usual.

Mr. TYDINGS. Yes; 20 percent under the usual appropriation.

Mr. TUNNELL. Perhaps the Senator made an explanation, but I did not understand in what particular line, for instance, the reduction in the Post Office Department was made.

Mr. TYDINGS. The reductions in the Post Office Department are very few.

The major reductions are in functions of the Treasury Department.

Mr. TUNNELL. And what are those reductions?

Mr. TYDINGS. The reductions are all along the line. A considerable reduction was made in the amount provided for income tax refunds.

Mr. TUNNELL. I thank the Senator.

The ACTING PRESIDENT pro tempore. The clerk will proceed to state the committee amendments.

The CHIEF CLERK. The first amendment of the Committee on Appropriations was, under the heading "Title I—Treasury Department—Office of the Secretary", on page 3, after line 18, to strike out:

> No part of any money appropriated by this act shall be used, directly or indirectly, during the fiscal year 1944, for the purchase or procurement of silver under the provisions of the Silver Purchase Acts, namely, the act of June 19, 1934, and the act of July 6, 1939, or for the carrying out of any of the provisions of said Silver Purchase Acts.

The amendment was agreed to.

The next amendment was, under the subhead "Foreign funds control", on page 4, line 13, after the word "expenditures", to strike out "$3,100,000" and insert "$3,800,000."

The amendment was agreed to.

The next amendment was, under the subhead "Division of Tax Research", on page 4, line 17, after the word "experts", to strike out "$116,000" and insert "$163,760."

The amendment was agreed to.

The next amendment was, under the subhead "Office of Tax Legislative Counsel", on page 4, line 21, after the word "experts", to strike out "$74,700" and insert "$90,165."

The amendment was agreed to.

The next amendment was, under the subhead "Miscellaneous and contingent expenses, Treasury Department", on page 6, line 9, after the word "therefore", to strike out "purchase, exchange, and repair of typewriters and labor-saving machines and equipment and supplies for same"; and, on page 7, line 4, after the word "for", to strike out "$274,300" and insert "$271,000."

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of the Public Debt", on page 12, line 22, after the word "exceed", to strike out "$57,000,000" and insert "$58,600,000."

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Customs", on page 16, line 10, after the numerals "1930", to strike out "$20,481,585" and insert "$22,525,535"; and in the same line, to strike out the colon and the following: "*Provided*, That the offices of seven comptrollers of customs, with annual salaries aggregating $43,950, are hereby abolished. The duties imposed by law and regulations upon the comptrollers of customs, their assistants and deputies, are hereby transferred to, imposed upon, and continued in positions now established in the Customs Service by or pursuant to law, as the Secretary of the Treasury by appropriate regulations shall specify; and he is further authorized to designate the title by which such positions shall be officially known hereafter. The Secretary of the Treasury, in performing the duties imposed upon him by this paragraph, shall administer the same in such manner that the transfer of duties provided hereby will not result in the establishment of any new positions in the Customs Service."

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Narcotics", on page 21, line 16, after the words "in all", to strike out "$1,100,000" and insert "$1,200,000."

The amendment was agreed to.

The next amendment was, under the heading "Title II—Post Office Department—Salaries in bureaus and offices", on page 33, line 14, to increase the appropriation for salaries in the Office of the First Assistant Postmaster General, from $570,000 to $586,900.

The amendment was agreed to.

The next amendment was, on page 33, line 16, to increase the appropriation for salaries in the office of the Second Assistant Postmaster General, from $460,000 to $475,000.

The amendment was agreed to.

The next amendment was, on page 33, line 18, to increase the appropriation for salaries in the office of the Third Assistant Postmaster General, from $780,000 to $138,000.

The amendment was agreed to.

The next amendment was, on page 33, line 22, to increase the appropriation for salaries in the office of the Solicitor for the Post Office Department, from $130,000 to $138,000.

The amendment was agreed to.

The next amendment was, on page 33, at the end of line 23, to increase the appropriation for salaries in the office of the Chief Inspector, from $274,320 to $281,000.

Mr. McNARY. Mr. President, I should like to inquire of the able Senator from Maryland in charge of the bill why the increases were made which appear on page 33 of the bill, covering salaries in bureaus and offices in the Post Office Department.

Mr. TYDINGS. Mr. President, I inadvertently overlooked explaining those increases, and I shall be delighted to explain them now. The Senator's inquiry is very pertinent.

The Post Office increases, as Senators will note, are all for small amounts. There are no large amounts involved in any of the increases. I shall state the circumstances in a nutshell. Throughout the United States, because of the war, the Post Office Department is having a great deal of difficulty, particularly in certain areas, in obtaining the necessary personnel to distribute the mails and handle the postal business of the country. The House cut down a great many of these appropriations a very small amount, but when the Postmaster General and others appeared before the Senate committee they told us very pointedly, I thought, that what would happen if these cuts remained would be that the Postal Service would not be able to keep up with its task.

One of the principal increases is for an accounting service, which is already established in the Post Office Department. That service is charged by law with making surveys continually to find out if the Post Office Department in its various contracts with the railroad companies and others is operating on an efficient and economical basis. It was proved to me, and I believe to the committee, that the net result of the proposed reduction would be inefficiency and extravagance; that the particular agency had brought about many of the savings and benefits and much of the efficiency with which the Post Office Department had been able to conduct its operations.

Coming to the items specifically, it will be noted that on page 33, beginning with line 13, first of all there is an increase of $16,900 in the office of First Assistant Postmaster General; then there is an increase of $15,000 in the office of Second Assistant Postmaster General, and so on. They are all small increases. Everyone will appreciate the fact that the Post Office Department is fighting a very difficult battle. It is a difficult job in many of the congested areas to keep the mails moving, to find the trains, and to find the help that is necessary properly to keep the Department on an efficient basis. For that reason we thought the cuts made in these particular groups, which were small cuts, ought to be restored in line with the Budget estimate and in the interest of efficiency.

Mr. WHITE rose.

Mr. TYDINGS. I yield to the Senator from Maine.

Mr. WHITE. I thought the Senator from Maryland had concluded. I desired to say a word in my own time.

Mr. TYDINGS. I am glad to yield to the Senator from Maine.

Mr. WHITE. Mr. President, I think the statement made by the Senator from Maryland completely justifies the committee's action, but there was information before the committee of a general sort which is of so much interest, and which is so complete a justification of what the committee has done, that I wish to trespass on the time of the Senate long enough to put into the RECORD some of the material furnished the committee, and which influenced its decision.

The Postmaster General's office presented to the committee this information:

> During the fiscal year 1942 there was received, transported, and delivered 30,117,633,460 pieces of mail, weighing 3,244,000 tons—

I will leave off the odd figures.

> representing an increase over the fiscal year 1941 of 881,000,000 pieces of mail, or 120,000 tons.

Amplifying somewhat further, let me say that there were increases in particular services. In the number of domestic money orders issued there was an increase of 20.32 percent. In pieces of paid registry there was an increase of 122.07 percent. In pieces of free registry

there was an increase of 53.90 percent. In pieces of insured mail there was an increase of 36.09 percent. In pieces of C. O. D. delivery there was an increase of 7.74 percent. In pieces of special-delivery mail there was an increase of 13.95 percent.

Then there are additional figures as to revenues which add influence and interest; but it seems to me that the figures I have presented show a tremendous increase in the activities and obligations of the Department and, I think, warrant the very small increases to which the committee gave sanction.

Mr. TYDINGS. I thank the Senator for his remarks, which presented the details as to why the Senate committee voted to increase the appropriations so as to make them as they were originally intended.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the committee amendment on page 33, line 23.

The amendment was agreed to.

The ACTING PRESIDENT pro tempore. The next amendment of the committee will be stated.

The next amendment was, on page 33, at the end of line 25, to increase the appropriation for salaries in the Bureau of Accounts, from $133,640 to $300,000.

The amendment was agreed to.

The next amendment was, under the subhead "Office of Chief Inspector", on page 36, line 14, after the word "and", where it occurs the first time, to strike out "seven hundred and sixty" and insert "eight hundred and thirty-five"; and, in line 15, after the word "inspectors", to strike out "including twenty-five only for the fiscal year 1944, $2,840,500" and insert "$3,025,500."

Mr. McNARY. Mr. President, I observe that since the bill has passed the House the Senate committee has increased to 75 the number of inspectors provided for. At this particular time, when there is a great shortage in manpower in the various industries of the country, we should be careful not to expand Federal employment. Unless the case is very urgent and unless there is an extreme need for the additional inspectors—and doubtless the House must have considered those points—it does not seem to me to be conformable to good business practice to have the Senate committee increase by 75 the number of inspectors in the short distance the bill has traveled in coming from the House to the Senate. I appeal to the Senator to explain that item.

Mr. TYDINGS. Mr. President, let me say to the distinguished senior Senator from Oregon that when the Post Office Department authorities appeared before the committee, as I recall, they stressed this particular provision of the appropriation bill more than they did any other provision. They said that with the few persons who were being put on a temporary basis—often not regular civil-service employees, particularly in large cities and other congested areas where war work was being done—the need for inspectors was great, not only for the orderly transaction of business, but in order to prevent the perpetration of fraud on the Government, and that in all probability the amount of money appropriated would be many times saved if the inspectors were on the job in sufficient numbers to see that the Postal Service was being honestly as well as efficiently administered.

Mr. McNARY. Mr. President, let me ask the able senior Senator from Maryland whether the matter was presented to the House committee.

Mr. TYDINGS. I do not believe it was; I believe the House made the cut without having had as thorough a hearing on the matter as the Senate committee had.

I read the testimony of the Postmaster General upon the matter:

> The next item is with reference to post-office inspectors.
>
> Post-office inspectors, salaries: The amount approved by the Bureau of the Budget was $3,025,500, which provided for 100 additional inspectors. The House committee approved 25 additional inspectors, providing for their employment for the fiscal year 1944 only.
>
> The 1-year limitation on the new positions is impractical as new men would be dropped before their 3½-year training period was completed.
>
> Under war conditions the examination of post offices by inspectors is more necessary than ever before.
>
> It is a regrettable condition that during the last fiscal year, due to a depleted force, war work, and other emergency cases, inspectors were unable to examine and audit but 63 percent of our first-, 56 percent of our second-, 38 percent of our third-, and 48 percent of our fourth-class post offices.
>
> Because of lack of experience on the part of many new postal employees and officers who have replaced those who have joined our armed forces, the advice and counsel of inspectors are especially needed to avoid wasteful expenditures and protect postal revenues. Lack of such advice and counsel may result in an increase in cases of delayed mails, embezzlements, and shortages.

It was upon the basis of that specific testimony that we restored the appropriation.

Mr. McNARY. Mr. President, I have never enthused over increases by a Senate committee if they have not first been presented to the House committee. Such a procedure almost amounts to an evil practice. In the long years of service I have had here, when a matter is not presented to the House committee, but the representatives of the agency concerned come to the Senate committee and ask for an increase, I am not so much concerned about the increase in the amount of the appropriation, but I am stingy about the manpower of the country. Unless a very excellent case has been made for the increase of 75 inspectors, unless the matter was presented to the House committee and the House committee had a reason—a good reason, a decent reason, a common-sense reason—for rejecting the request, I do not think the Senate Appropriations Committee had any right, upon the basis of the statement the Senator just read, to propose to increase the number of inspectors.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. McNARY. I am practically through. I speak with considerable earnestness because I do not like such increases to bob up in the bill as reported to the Senate unless the House had the matter before it and, for some reason, unjustifiably refused to increase either the appropriation or the number of employees involved.

Mr. TYDINGS. The Senator is correct, and I agree with his review of the case. However, let me point out that the situation came about in the following way: The Postmaster General, with his assistants, generally comes before the House Appropriations Committee and presents the Post Office Department's case. Some questions are asked by the committee. When the witnesses are through, the House Appropriations Committee goes over the testimony and makes reductions where it deems wise.

Often the Postmaster General or other representative of the Department is not cognizant of the fact that the House committee is looking at a particular item, and therefore does not give it, unless the committee so requests, the full scope of information pertaining to that particular item. When the House makes a cut, and the bill thereafter comes to the Senate, the Postmaster General knows about the cut; he has been put on notice, and he comes to the Senate committee and gives us all the details. Therefore, quite often we have information which the House Appropriations Committee did not elicit from the witnesses when the Post Office Department officials were before it.

However, I should say to the distinguished senior Senator from Oregon that I shall be a member of the conference. The mattter will be in conference; and if any case can be made out for the elimination of a single one of these employees, I shall take the House view. But, pending the counter argument from the House, it appeared to us, from all the information available, that it would be to the Government's interest, from the standpoint of both economy and efficiency, if we were to provide these inspectors for the Department.

Mr. McNARY. Mr. President, I feel somewhat comforted by the personal assurance of the very able senior Senator from Maryland. I have great faith in his integrity and his desire to economize. Being in a helpless position, I must rest with the satisfaction that I have elicited a promise.

Mr. WHITE. Mr. President, the doubt expressed by the Senator from Oregon prompts me to say a word in justification of my own support of the action of the Senate committee. It seems to me that our post-office inspection service is a service in the public interest. If it is, it ought to be sufficiently manned to meet its responsibilities under the law. If it is not, it should be abolished in its entirety. When testimony was brought to us that in the past year, with the then force, the post-office inspectors were able to inspect only 63 percent of a certain class of offices, and a diminishing percentage of other classes of offices, it seemed to me that there was justification for the increased number sought. If there is no such justification, it seems to me there is no justification for the post-office inspection service. That was what primarily influenced me.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the

committee amendment on page 36, commencing in line 14.

The amendment was agreed to.

The next amendment was, on page 37, line 4, after the words "Post Office Inspection Service", to strike out "$1,001,450" and insert "$1,089,200."

The amendment was agreed to.

The next amendment was, on page 37, line 8, after the word "of", to strike out "three hundred and thirty-six" and insert "three hundred and forty-seven"; and, in line 11, after the word "inspectors", to strike out "$815,000" and insert "$835,900."

The amendment was agreed to.

Mr. McNARY. Mr. President, I shall not be fussy, but I am curious to know if these clerks are employed in the District of Columbia.

Mr. TYDINGS. They are field clerks.

Mr. McNARY. If they are field clerks, I will subside with that statement.

The ACTING PRESIDENT pro tempore. The clerk will state the next committee amendment.

The next amendment was, under the subhead "Office of the First Assistant Postmaster General on page 39, line 5, after the word "services", to strike out "$8,600,000" and insert "$8,700,000."

The amendment was agreed to.

The next amendment was, under the subhead "Office of the Second Assistant Postmaster General", on page 40, line 13, before the word "service", to insert "and air mail."

The amendment was agreed to.

The next amendment was, under the subhead "Public buildings, maintenance and operation", on page 51, after line 14, to strike out:

SEC. 204. No part of the money appropriated in this title shall be expended for the purpose of collecting, sorting, handling, transporting, or delivering free the mail of any officer in any executive department or administrative agency of government.

The amendment was agreed to.

The next amendment was, on page 51, after line 19, to insert:

SEC. 204. The Director of the Bureau of the Budget and the Postmaster General are hereby directed to conduct jointly a study of the use of the mails free of postage by the departments and independent establishments of the executive branch of the Government, and shall report to the Congress not later than 60 days after the passage of this act such actions as may be considered in the best interests of the Government toward reduction in the volume and cost of handling such penalty mail.

The amendment was agreed to.

The ACTING PRESIDENT pro tempore. That completes the committee amendments.

Mr. TYDINGS. Mr. President, I am authorized and directed by the Committee on Appropriations to offer two amendments from the floor. The first amendment was submitted by the Senator from Virginia [Mr. GLASS]. The committee recommends its adoption. I send it to the desk and ask that it be stated.

The ACTING PRESIDENT pro tempore. The amendment offered by the Senator from Maryland [Mr. TYDINGS] on behalf of the committee will be stated.

The CHIEF CLERK. On page 13, line 5, after the word "Treasury", it is proposed to insert *"Provided further*, That field employees of the War Savings Staff may be reimbursed, at not to exceed 3 cents per mile, for travel performed by them in privately owned automobiles while engaged in the promotion of the sale of United States Government securities (estimated War Savings bonds) within the limits of their official stations."

Mr. BYRD. Mr. President, the Treasury Department has the right to deduct 1 percent from the proceeds from the sale of War bonds for the expense of selling the bonds. As I understand, the bill would limit that expenditure to a certain specific amount.

Mr. TYDINGS. This particular amendment——

Mr. BYRD. I am not speaking of the amendment. I am speaking of the fact that by authority of other legislation, the Treasury Department has the right to spend 1 percent of the proceeds from the sale of War bonds for the expense of selling.

Mr. TYDINGS. I think the Senator will find the answer to that question on page 12, under "Expenses of loans."

Mr. BYRD. My question is whether the limitation in this bill would take precedence over the other legislation, which allows a deduction of 1 percent.

Mr. TYDINGS. I understand that it would take precedence over it.

Mr. BYRD. Then $58,600,000 is the total amount which the Treasury may spend.

Mr. TYDINGS. That is my understanding.

Mr. McNARY. Mr. President, may I be advised where this insertion is to occur?

Mr. TYDINGS. On page 13, line 5, after the word "Treasury."

With the indulgence of the Senator from Oregon, I should like to explain what caused the committee to recommend this amendment.

We had before us a very large number of persons from the Treasury Department, most of whom have come here very recently. Many persons taken from banking institutions and business houses are aiding in the sale of bonds and stamps. We were more critical of them, perhaps, than of any other Treasury officials who appeared before us, because the cost involved in selling War bonds and stamps seemed to be large. We asked them to show us the mechanics which they employed in the sale of bonds and stamps. Our first inclination was to cut out many of the things they were doing by denying them the money with which to do them. However, on the whole, the results seemed to justify the expenditure of money for promotion purposes.

This particular amendment was an offshoot of that inquiry. We favored it for this reason: There are a great many volunteers in the War Stamps Savings Branch who are in the habit of going to various plants located outside of cities, at their own expense and without any salary, to induce the workers to buy War stamps and bonds, and also to establish various plans for weekly and monthly savings. Many of them get no pay at all for this work. They have voluntarily enlisted in the sale of War bonds and stamps. Therefore we felt that they had some right to come to us and present their case, not for salary, but for an allowance to take care of their expenses. Because of gasoline rationing and other limitations incident to the war, it is often difficult to get volunteers to go to a plant, because they must pay all their expenses in addition to giving their own services.

After we had assured ourselves that if this request were granted as the Treasury Department wished it to be granted by the Congress, it would not be abused, that the Department would adequately police the fund, and that more War stamps would probably be bought, the Senate Appropriations Committee authorized me to offer this amendment on behalf of the committee to provide an allowance of 3 cents a mile for travel by persons who are engaged in the sale of War stamps and bonds at plants located near cities.

Mr. McNARY. May I ask with respect to this amendment, as I did with respect to the former one, was the matter presented to the House committee?

Mr. TYDINGS. I am advised that it was, and that the request was rejected by the House committee.

Mr. McNARY. Unquestionably the amendment is subject to a point of order. It is legislation on an appropriation bill.

Mr. TYDINGS. That is correct.

Mr. McNARY. Has the Senator given notice to suspend the rule?

Mr. TYDINGS. I have.

Mr. McNARY. I had something to say along this line when another bill was before the Senate last week. I think it is an intolerable and vicious practice to legislate on appropriation bills. This is a small item as compared with the very large one presented by the distinguished Senator from Arizona [Mr. HAYDEN] last week, which was purely legislative in character, and was rejected by the Senate on that account, and properly referred to the appropriate committee having jurisdiction.

Why did the House reject this request, and why did the Senate committee take a different view?

Mr. TYDINGS. The House rejected it for the very reasons which the Senator has so ably expounded. I believe the only reason the Senate committee took a different view was the testimony of Mr. Graves, who is in charge of War Savings bond and stamp sales all over the country. As I recall, he was before the committee for 2 or 3 days, and we questioned him in great detail. After we had gone into the subject at some length, it seemed that the results which would flow from giving the department this opportunity to extend the sales of War stamps and bonds to factory plants, chiefly through volunteers, would far more than overcome the disadvantage.

I shall be perfectly frank with the Senator and tell him I share largely his views. If it were not a war measure, I

would not be in favor of it for a moment, but I realize there has to be some relaxation of the orthodox ways of doing business, particularly when it is justifiable on the ground of increasing the revenue received by the Federal Government.

Mr. McNARY. Mr. President, may I inquire how many employees would come within the provisions of the proposed amendment?

Mr. TYDINGS. I am advised that there are not many. For the most part, they are volunteers who are furnishing their own cars, their own rubber, and their own time, without salary.

Mr. McNARY. What is the Senator's standard for "not many"?

Mr. TYDINGS. We had information as to one or two communities, and I am taking that as a yardstick and applying it to the whole country. I remember there was an illustration given by Mr. Graves of airplane plants, adjacent to certain cities in California. Their War-stamp selling program had not been as aggressively pursued as it had been in other sections of the country, due to the fact that they were a long way from the center of population, and it was not always feasible to get the volunteers to use their own cars, gas, tires, and time to go to those points. In order to correct such situations, it is desired to offer some inducement.

Mr. McNARY. Does the able Senator state that the committee did not even investigate as to the number of employees who might be affected by this amendment?

Mr. TYDINGS. Mr. Graves testified that the number would fluctuate. It would depend on when drives were undertaken. Then volunteers would be obtained for short periods. The number of volunteers is not constant at all times.

Mr. McNARY. Did he not give an estimate as to whether there were 3 or 300,000?

Mr. TYDINGS. We asked him for an estimate, and my recollection is that he said he was not in a position to give one; but that, if the privilege were extended, he would see that it would not be abused, and he believed that if it were extended it would bring in increased revenues to the Government which otherwise would not be forthcoming.

Mr. McNARY. What amount of money does the able Senator think is involved in this amendment?

Mr. TYDINGS. I could not answer that question.

Mr. McNARY. Then the Senator does not know how many employees are concerned in this matter.

Mr. TYDINGS. I do not.

Mr. McNARY. Or how many would be affected, or what the probable cost would be.

Mr. TYDINGS. No.

Mr. McNARY. But, he does present the amendment.

Mr. TYDINGS. There is no one in America who could answer that question, because the answer would depend on the fluctuating number of volunteers who from time to time participate in the sales of War stamps and bonds. Of necessity, the number would be larger in one case than in another, but the volunteers serve during the duration of the drive. For example, not long ago there was a big drive. I forget the amount involved, but allotments were made to all cities. Volunteers were solicited from every community in America. They went to various plants and tried to sell different plans to the workers and try to induce them to allot a certain portion of their pay to the purchase of War stamps and bonds. The volunteers did this at their own expense, they paid for their own gasoline and received no salary. Mr. Graves said he thought this compensation would be helpful by affording encouragement to the volunteers; that better service would be received from them and they would make more frequent trips and put forth greater effort in selling the plan. He said that in the past they could not always induce volunteers to make this effort, but they would be able to do so if they could give them this encouragement.

I have no particular reason for advocating the proposal. I wish to present it to the Senate and if the Senate thinks it is unwise, I shall be content, of course, as I am in any case, and shall abide by its decision.

Mr. AIKEN. Mr. President, will the Senator yield for a question?

Mr. TYDINGS. I yield.

Mr. AIKEN. I was wondering if under the proposed amendment thousands of volunteers could be designated as field employees for the sale of savings stamps and then be reimbursed for their mileage. Does the Senator know whether or not that could be done?

Mr. TYDINGS. I do not entirely follow the Senator's question.

Mr. AIKEN. The amendment applies to the field employees engaged in the sale of War Savings stamps. The Senator has stated that large numbers of volunteers are engaged in these drives.

Mr. TYDINGS. That is correct.

Mr. AIKEN. Is there anything in the law which would permit volunteers to be designated temporarily as employees of the War Savings Staff and thus be entitled to receive 3 cents a mile for the use of their cars? I was wondering just how far the amendment would go.

Mr. TYDINGS. Of course, a volunteer would have to be approved by the War stamp selling agency in Washington before he or she would be entitled to any mileage benefits.

Mr. AIKEN. But the Senator thinks it might be done.

Mr. TYDINGS. Will the Senator repeat the question?

Mr. AIKEN. Does the Senator know of anything that would prevent that being done?

Mr. TYDINGS. No money has ever been appropriated for this work heretofore. This is an attempt to provide the money. As I understand, no money has ever been allowed for expenditure in this particular field under any provision of any appropriation bill.

Mr. McNARY. I do not want to take the able Senator from Vermont off his feet, but provision for promoting the sale of War Savings stamps by implication would necessarily come under a military supply bill; would it not?

Mr. TYDINGS. No; I think it would come under the Treasury appropriation bill.

Mr. McNARY. War Savings?

Mr. TYDINGS. Yes; they are all under the Treasury in Washington.

Mr. McNARY. How large is that organization at this time? Of what does its staff consist?

Mr. TYDINGS. The figures are in the RECORD, but I do not recall them. We asked Mr. Graves to inform us as to the personnel and to explain the work he was doing, and the different programs he had put into effect.

Briefly, the only reason for the proposed amendment is merely this and nothing else: He feels that there are many plants in the country which are removed considerably from large centers. In these drives it is hard to get volunteers to go to those plants at their own expense, and use their own gasoline, to talk with the workmen during the lunch hour and induce them to subscribe.

Mr. McNARY. The Senator is now speaking of volunteers?

Mr. TYDINGS. That is correct.

Mr. McNARY. And the proposed amendment is to encourage them to sell War Savings stamps. They are outside the present organization and staff. I should like to have some description of the size of the staff and where the appropriation for it is carried.

Mr. TYDINGS. The Senator will find that information in the House hearings on pages 243, 244, and 245. The Senator will appreciate that I will not attempt to read in detail the composition of the staff as set forth in this document [exhibiting] because it can be seen from a distance that it is broken down into some 40, 50, or 60 categories. I can give him the totals which is what I believe he wants.

I may say generally that at the present time we have about 350 people in Washington, and 850 in the field, making a total of 1,200.

Mr. Graves then proceeds to break down that personnel in every category of its employment. After the salary paid the administrator the highest salary runs up to $6,500. There are only two employees who receive $6,500. There are three who receive $5,000, and between that and $6,000. There are six who receive $4,000, and all the others receive less than $4,000 a year; indeed most of them receive less than $2,500 a year. So, from the standpoint of high priced personnel, this agency is not overloaded.

Mr. McNARY. Mr. President, I think that is a very direct answer. The Senator is always very frank and open in discussion of these matters. I can understand and visualize what the staff would do. The purpose of this amendment is to expand the organization so as to take in volunteers.

Mr. TYDINGS. That is correct.

Mr. McNARY. And every volunteer who uses a private car and shows that he has sold a stamp would receive 3 cents a mile for the use of his car. There is no limitation upon the possible abuse of a provision of that kind. Evidently the service in question has gotten along

very well up to date. They did not influence the House committee to expand the personnel, or invite these volunteers at 3 cents a mile.

Mr. TYDINGS. I think the Senator's statement has much force. I think the committee could have put some limitation by way of a safeguard around this proposal. I shall be very glad to pledge my abilities for whatever they may be worth to make certain that this amendment is safeguarded by appropriate amendment in conference so that it will not be abused.

Mr. McNARY. Again I may say, Mr. President, that I am highly gratified and partially satisfied. The Senator will do that, of course, but he can readily see the temptation for a private owner to take his car and volunteer to sell stamps. It might lead to very serious abuses, extravagance, and wastage of public funds.

Mr. TYDINGS. I think the Senator's observation is correct and sound. It is unfortunate that we did not foresee this condition, but I believe we can correct the amendment in the conference, so that it will be satisfactory to the Treasury and satisfactory to the Congress.

Mr. REVERCOMB. Mr. President——

The ACTING PRESIDENT pro tempore. Does the Senator from Maryland yield to the Senator from West Virginia?

Mr. TYDINGS. I yield.

Mr. REVERCOMB. I should like to make an inquiry of the Senator. Under the item "Expenses of Loans" how does the appropriation in the pending bill of $58,600,000,000 compare with the appropriation for the present fiscal year for the same purpose?

Mr. TYDINGS. To what page is the Senator referring?

Mr. REVERCOMB. To page 12 under the item "Expenses of loans."

Mr. TYDINGS. I am not in a position to answer the Senator's question offhand, and, frankly, I do not know where to find it in the hearings. I am advised from a source that I am sure is accurate that last year the Department was given $45,000,000 as a standard appropriation, and $22,000,000 after that as a supplemental appropriation, making $67,000,000 for this purpose last year, as against $58,000,000 carried by the pending bill for this year. So there is a reduction of $10,000,000.

Mr. REVERCOMB. Will the $67,000,000 be used in the present fiscal year?

Mr. TYDINGS. I understand it will be.

Mr. REVERCOMB. Will it be used entirely under the item "Expenses of loans"?

Mr. TYDINGS. That is my information, I will say to the Senator.

Mr. GERRY. Mr. President——

Mr. TYDINGS. I yield to the Senator from Rhode Island.

Mr. GERRY. Can the Senator tell me how the jurisdiction of the Post Office Department extends to the mail of the military forces?

Mr. TYDINGS. As I understand, the Post Office Department takes the military mail to the military posts. The Post Office Department then, more or less, turns it over to the military post-office organizations. However, some of the Post Office personnel has been detailed for duty in foreign countries, so that they may supervise the installation of the military post offices. Does that answer the Senator's question?

Mr. GERRY. The Senator has answered my question, but I should like to ask him another one. How is the expense borne for the mail after it is turned over to the military authorities? Is that carried in the military appropriations?

Mr. TYDINGS. My understanding, which I think is correct, is that the revenues siphon back to the Post Office Department.

The military post-office personnel act as quasi agents of the Post Office Department in line with the postal regulations, but in fact, are responsible directly to the military authorities and are detailed for that purpose. They are on detached service, so that, while they are under the Army, as a matter of fact, they take their orders from the Post Office Department.

Mr. GERRY. One reason I asked the question was I wondered how the expenses of the Post Office Department could be kept down if that item was added to them.

Mr. TYDINGS. It is done in the fashion of having men in each division set up a division post office or each detachment set up a detachment post office which is paid for out of the Army funds, but they are usually men who were in the Postal Service in civil life and who have been detailed for this particular function. The expense is paid directly from the military rather than from the post-office funds.

COL. ARTHUR EVANS, M. P.

Mr. BARKLEY. Mr. President, under our rules, members of legislative bodies of other nations are entitled to the privilege of the floor of the Senate of the United States. We are happy to have in our midst today a very distinguished guest who, at my invitation, has taken advantage of that privilege. He is now and has been for some 20 years, a member of the House of Commons from one of the districts of Wales.

In 1925, when the Interparliamentary Conference met in Washington, he was secretary to the British group of the Interparliamentary Union. He is now president of the British group of the Interparliamentary Union. We are all interested in the preservation of all parliamentary processes by which there may be an exchange of views and opinions not only between diplomatic representatives of all countries but between the legislative representatives who are chosen by the people directly.

We are interested in the preservation, therefore, of the Interparliamentary Union so that it may be revived in all its vigor and usefulness when the war is over, and, so far as possible, perform some useful function even during the war.

The distinguished member of the House of Commons to whom I refer is Col. Arthur Evans, whose communication to me was read at the desk on Tuesday and made a part of the CONGRESSIONAL RECORD, along with a communication from the Lord Chancelor of Great Britain to the Vice President.

Under the rules of the Senate the members of other parliamentary bodies are not permitted to speak unless a recess should be taken, and that was not thought desirable on the part of Colonel Evans. I wanted, however, to call the attention of my colleagues to his presence here, to his outstanding and distinguished service in the House of Commons and his standing in the British Empire, and to welcome him on the floor of the Senate as our guest. We are delighted to have him; we hope his visit to Washington and to America will be enjoyable and profitable and that he may have occasion in the future to return often.

(Colonel Evans rose from the seat he was occupying next to that of Mr. BARKLEY, and bowed.)

TREASURY AND POST OFFICE APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 1648), making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1944, and for other purposes.

The ACTING PRESIDENT pro tempore. The question is on the amendment on page 13, line 5, offered by the Senator from Maryland [Mr. TYDINGS] on behalf of the committee.

Mr. TYDINGS. Mr. President, unless some Senator desires to make a point of order, I shall not ask that the rule be suspended. I give my pledge to the distinguished leader upon the other side that we will bring this amendment back, if it is adopted, in such form that the safeguards which I know he wants thrown around it will be provided insofar as we are able to do it.

Mr. McNARY. Mr. President, I feel deeply in this matter insofar as there is a possibility, because of an amendment in an appropriation bill, of abuses occurring from overemployment and the expansion of the service to private individuals selling stamps.

I said awhile ago I was somewhat comforted by the pledge of the Senator from Maryland who is in charge of the bill. I could make the point of order which I suggested a moment ago might be made, and if I had the feeling which I should like to share that this amendment will be given very careful consideration, and that limitations will be placed upon it so that it will not expand the possibilities that lie within the amendment to include persons who are really not concerned about selling stamps; but may, more or less, be concerned about propaganda or political matters, I would not make the point of order.

Mr. TYDINGS. I promise the Senator, as one individual who will be on the conference committee, that I think his point is so well taken that I myself would be inclined to let the amendment go out unless there can be put around it safeguards which will confine it to the very worthy purpose for which it is intended.

Mr. McNARY. I am glad to rely upon that assurance.

Mr. WHITE. Mr. President, as I understand the amendment, it applies only to the employees of the War Savings Staff. The testimony before the committee was that there are throughout the entire United States about 350,000 volunteer workers in connection with the sale of stamps. This amendment, however, does not comprehend them, as I understand. I do not know the precise number of persons constituting the War Savings Staff.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. WHITE. I yield.

Mr. TYDINGS. The Senator will recall that during a part of the time when the post-office appropriation bill was before the Senate Committee on Appropriations the Senator from Maryland had to be in the subcommittee considering the naval appropriations, and it was during that time that this 3-cent proposition was being considered. I make this statement only because I was trying to explain this phase of the bill, not from having been present but from the manner in which I understood it had been acted upon by the Senate committee. I am very glad to have the correction made, because I thought this applied only to the groups to which I said it applied.

Mr. WHITE. To repeat, I understand the amendment does not apply to about 350,000 volunteer workers scattered throughout the United States, but only to the staff of employees in the Treasury Department. I do not know how many of those there are, but I understand that the estimates called for only about $9,300,000 for the staff of War Savings employees in the Treasury.

Mr. President, when this matter was before the committee I felt that there might be great advantage in the amendment if it were wisely administered, but that there might be great harm and great abuse if it were improperly administered. I was inclined to assume, of course, that it would be wisely handled, and on the merits I was disposed to support it. But I am so much opposed to legislation by the Committee on Appropriations, I am so firm in my belief that it is in the interest of good general legislation that matters of this character should be considered by the appropriate legislative committees, that I did not give my approval to the action taken by the chairman under the authority of the full committee. I shall not vote now to suspend the rules in order to make this amendment in order.

Mr. TYDINGS. Mr. President, I was not present when the amendment was discussed and authorized by the committee, but in order to get the facts before the Senate, having unwittingly not stated them in accordance with the record, let me read for the RECORD one paragraph:

> This proviso was incorporated in the item "Expenses of loans" by the Budget Bureau upon the Department's recommendation. The restoration of this proviso would materially assist the War Savings Staff in the performance of its duties in many large cities, as, for example, the cities of Chicago, Philadelphia, Boston, Los Angeles, and San Francisco. Employees of the War Savings Staff assigned to these territories are required to hold several meetings daily in connection with the installation of pay-roll savings plans in industrial plants. If these employees could be permitted to use their own cars, on a reimbursable basis, a serious loss of time could be avoided. A similar proviso has already been approved by Congress with respect to certain other agencies. The amendment of the bill accordingly is recommended.

Mr. President, that is a statement made by Mr. Bell, Acting Secretary of the Treasury, and was read in the committee. I ask that action be taken on the amendment.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Maryland on behalf of the committee.

The amendment was agreed to.

Mr. TYDINGS. Mr. President, I send to the desk another amendment offered by the senior Senator from Virginia [Mr. GLASS], which I was instructed to offer for action by the Senate.

The ACTING PRESIDENT pro tempore. The clerk will state the amendment.

The CHIEF CLERK. On page 33, line 25, after the words "Bureau of Accounts", it is proposed to insert the following:

> Including the employment of temporary personnel by contract or otherwise without regard to section 3709 of the Revised Statutes or the civil-service and classification laws, for the purpose of making studies of the cost, rating, and accounting procedures of the Postal Service.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment.

Mr. TYDINGS. Mr. President, I suppose the Senate would like a brief word of explanation of the amendment offered by the Senator from Virginia [Mr. GLASS]. It has to do with the cost accounting board of experts. Postmaster General Walker, testifying, made the following statement:

> They allowed me some money last year. I started on this shortly after I came into the Post Office Department and got an appropriation last year, and set up a budget and planning board of men in the office, and that has been very helpful.
>
> TOO MUCH DETAIL WORK DEMANDED OF ASSISTANT POSTMASTERS GENERAL
>
> We have been so crowded with work that most of our men over the years have had too much detail, and the executives have had little opportunity to do any thinking about constructive plans.

I wish to commend Mr. Walker's statement. It has seemed to me that in some of the other departments the experts have been doing nothing but thinking, and that down the wrong line. I continue reading from Mr. Walker's statement:

> I think the Postal Department, in my opinion, especially the home office is guilty in not taking away details from the desk of Deputy First Assistant Donaldson, who has so much detail work he has not had an opportunity to get a full picture of the postal situation.
>
> That applies equally in the Second Assistant's Bureau, Mr. Purdum's department. He is in charge of air mail, domestic and foreign, and he also has charge of the Railway Mail Service.
>
> I find Mr. Purdum oftentimes at his office at 7 and 8 o'clock at night. The same with Mr. Donaldson and other heads of departments. They have too much work, and I think with a little planning some of the detail can be eliminated.
>
> COST OF MANAGEMENT PERSONNEL FOR POST OFFICE DEPARTMENT SLIGHT
>
> Our low overhead expenses in the Post Office, compared to the average business, appeared amazing to me when I came in the Department, and I think they have done a remarkable job with very little help. The expenditures for management personnel in the Post Office Department, including the inspection service, amount to but $0.006 for each dollar of postal expenditures.
>
> I am not asking to increase our force very much at all. I think we just cannot do it overnight.
>
> TYPE OF CONSULTANTS TO BE EMPLOYED
>
> What I had in mind, as I stated to the House committee, was getting somebody who had been engaged in a somewhat comparable business to study our problems of cost ascertainment and cost accounting that improvements may be made so that I may supply the Congress with dependable data concerning rate structures and costs.
>
> Fortunately, I am in touch with a man who has been comptroller of the American Telephone & Telegraph Co. It is highly desirable to get a man of that type. We are not taking a young man from the armed services, or one of the essential war industries, but one who has considerable experience and understudies for his present position. I think he streamlined the accounts for railroads some years ago in the Interstate Commerce Commission, and for the last 17 or 18 years has been comptroller of the American Telephone & Telegraph Co. They have a great many problems in estimating their costs, as we have here in our business, which compares somewhat to telephone, telegraph, and express businesses.
>
> I do not think we will be able to establish our costs with absolute accuracy. You cannot do it mathematically the way it is being done now. We are hazarding a guess because we have such an immense volume of business and so many small articles.
>
> Large business concerns know when it pays them to utilize the post-office system to carry their parcels, papers, and circulars and when it pays to provide their own transportation because they know their costs. We do not know our unit costs and cannot successfully present changes for increases or decreases in our postal-rate structures.

Mr. President, I think that statement presents the view of the Post Office Department on this matter better than I could state it.

Mr. McNARY. Mr. President, I listened as best I could to what the Senator read. I really do not know now what the amendment is about. I gathered from the reading of the hearings by the Senator that the House Committee on Post Offices and Post Roads very definitely rejected this proposal. I am seeking confirmation.

Mr. TYDINGS. I may say to the Senator from Oregon that the House allowed the same amount of money that the Senate Appropriations Committee recommended, but Mr. Walker submitted to us that the language of the bill was not such as would enable him to use the money as he wanted to use it. Hence we had to amend the language.

Mr. McNARY. What does the proposed language enable him to do that he could not otherwise do?

Mr. TYDINGS. The proposed language would permit him to go outside the civil service and obtain a competent man to make a survey of the Post Office Department in all its functions and branches, into income and expenses, and so forth.

Mr. McNARY. As I read the amendment it provides for "temporary personnel."

Mr. TYDINGS. Yes.

Mr. McNARY. As the Senator read Mr. Walker's statement I understood he wanted one man.

Mr. TYDINGS. Yes.

Mr. McNARY. There is no limitation provided in the amendment. "Personnel" is a term which can be expanded to any number of individuals.

Mr. TYDINGS. My understanding of the matter is that Mr. Walker is not asking for more money. He has enough money with which to do what he wishes in this connection. He is not asking for personnel. The House has already provided in the bill all the money he wants for this particular purpose. In other words, what Mr. Walker wants to do is to have a free hand to get the best man he can obtain to examine into post-office income and expenses and ascertain whether the weights and the charges and so on are accurate in line with the services rendered to the public.

Mr. McNARY. Would the Senator from Maryland be willing to have the amendment read "including the employment of a temporary expert," and eliminate the word "personnel"?

Mr. TYDINGS. On what line of the amendment is that?

Mr. McNARY. Line 3.

Mr. TYDINGS. I do not think that language would be at all objectionable to the purposes of the amendment.

Mr. McNARY. That would confine it to one individual and not permit the use of a multitude of individuals.

Mr. TYDINGS. I shall be delighted to accept that modification of the amendment.

Mr. McNARY. I propose that modification of the amendment.

The ACTING PRESIDENT pro tempore. The Senator from Maryland has agreed to the proposed modification of the amendment, and the amendment is so modified. Without objection, the amendment, as modified, is agreed to.

If there be no further amendments to be offered, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill, H. R. 1648, was read the third time and passed.

Mr. TYDINGS. I move that the Senate insist upon its amendments, request a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Acting President pro tempore appointed Mr. GLASS, Mr. MCKELLAR, Mr. TYDINGS, Mr. MCCARRAN, Mr. BAILEY, Mr. LODGE, and Mr. WHITE conferees on the part of the Senate.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Taylor, its enrolling clerk, announced that the House had passed the bill (S. 660) to prevent certain deductions in determining parity or comparable prices of agricultural commodities, and for other purposes, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 1780) to increase the debt limit of the United States, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. DOUGHTON, Mr. ROBERTSON, Mr. COOPER, Mr. DISNEY, Mr. TREADWAY, Mr. KNUTSON, and Mr. REED of New York were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1780) to increase the debt limit of the United States, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2068) making additional appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1943, and for other purposes, and that the House receded from its disagreement to the amendments of the Senate numbered 1 and 5 to the bill, and concurred therein, each with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H. R. 2076. An act to authorize the deportation of aliens to countries allied with the United States;

H. R. 2238. An act to authorize the return to private ownership of certain vessels formerly used or suitable for use in the fisheries or industries related thereto; and

H. J. Res. 92. Joint resolution to authorize the refund by the War Shipping Administrator of certain freights for transportation on frustrated voyages.

ENROLLED BILL SIGNED

The message also announced that the Speaker pro tempore of the House had affixed his signature to the enrolled bill (S. 17) to provide for a temporary increase in compensation for certain employees of the District of Columbia Government and the White House Police Force, and it was signed by the Acting President pro tempore.

HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and joint resolution were severally read twice by their titles and referred, as indicated:

H. R. 2076. An act to authorize the deportation of aliens to countries allied with the United States; to the Committee on Immigration.

H. R. 2238. An act to authorize the return to private ownership of certain vessels formerly used or suitable for use in the fisheries or industries related thereto; and

H. J. Res. 92. Joint resolution to authorize the refund by the War Shipping Administrator of certain freights for transportation on frustrated voyages; to the Committee on Commerce.

INCLUSION OF COST OF LABOR IN DETERMINING PARITY PRICES

Mr. SMITH. Mr. President, I move that the Senate proceed to the consideration of House bill 1408, calendar number 129, to amend section 301 (a) (1) of the Agricultural Adjustment Act of 1938, as amended, and the first sentence of paragraph (1) of section 2 of the Agricultural Adjustment Act of 1933, as amended, and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, approved June 3, 1937, as amended, so as to include the cost of all farm labor in determining the parity price of agricultural commodities.

Mr. McNARY. Mr. President, is that the Pace bill?

Mr. SMITH. It is the Pace bill, which came from the House several days ago, and concerning which, when I introduced it, I gave notice of my intention to move consideration today.

Mr. McNARY. I have no objection. I think, though, we should have a quorum present, and I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gurney	Radcliffe
Austin	Hatch	Reed
Bailey	Hawkes	Revercomb
Ball	Hayden	Reynolds
Bankhead	Holman	Robertson
Barkley	Johnson, Calif.	Russell
Bone	Johnson, Colo.	Scrugham
Brewster	Kilgore	Shipstead
Bridges	La Follette	Smith
Brooks	Langer	Stewart
Buck	Lodge	Taft
Burton	Lucas	Thomas, Idaho
Bushfield	McCarran	Thomas, Okla.
Butler	McClellan	Thomas, Utah
Byrd	McFarland	Tobey
Capper	McKellar	Truman
Caraway	McNary	Tunnell
Chavez	Maloney	Tydings
Clark, Mo.	Maybank	Vandenberg
Connally	Mead	Van Nuys
Davis	Millikin	Wagner
Downey	Moore	Wallgren
Ellender	Murdock	Walsh
Ferguson	Murray	Wherry
George	Nye	White
Gerry	O'Daniel	Wiley
Gillette	O'Mahoney	Willis
Green	Overton	Wilson
Guffey	Pepper	

The PRESIDING OFFICER (Mr. MURDOCK in the chair). Eighty-six Senators having answered to their names, a quorum is present.

The question is on agreeing to the motion of the Senator from South Carolina that the Senate proceed to the consideration of House bill 1408.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 1408) to amend section 301 (a) (1) of the Agricultural Adjustment Act of

1938, as amended, and the first sentence of paragraph (1) of section 2 of the Agricultural Adjustment Act of 1933, as amended, and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, approved June 3, 1937, as amended, so as to include the cost of all farm labor in determining the parity price of agricultural commodities.

Mr. SMITH. Mr. President, it might be very well to have the bill read, but to do so would consume time. All the bill proposes to do is to provide that in calculating parity prices for agricultural commodities the increase in farm wages since the base period 1909–1914 shall be included. That is all; there is nothing else to the bill.

I may say that the bill was passed almost unanimously by the House of Representatives. It is so just and fair that I think it is hardly necessary for me to make any further remarks. I should like to state that in America there are only 8,425,000 farmers and farm families to feed not only the population and members of the armed forces of our country but also our allies.

The PRESIDING OFFICER. The bill is before the Senate and is open to amendment.

Mr. McNARY. Mr. President, of course I know the general purposes of the bill and the laudable objects which are attempted to be accomplished by it. Let me ask the distinguished Senator in charge of the bill whether the bill is the one which is known as the Pace bill?

Mr. SMITH. It is the Pace bill.

Mr. McNARY. Does it follow the outlines of the formula for parity which was proposed in the Senate a few months ago by the distinguished senior Senator from Oklahoma [Mr. THOMAS]?

Mr. SMITH. No. All it does is to repeat the law as it is, and to include the estimate as to labor which the Department has determined represents 32 percent of the cost of production.

Mr. McNARY. The answer does not quite cover my inquiry, or at least it does not have direct application to it.

I recall the amendment—and I supported it—offered some months ago by the able senior Senator from Oklahoma, the purpose of which was to include labor costs in the definition of parity.

Mr. THOMAS of Oklahoma. Mr. President, will the Senator yield?

Mr. McNARY. I shall be through as soon as I finish stating my thought. Parity was described, as I recall, in the Agricultural Adjustment Act of 1938. It omitted labor costs; and the Senator from Oklahoma offered an amendment embracing labor in the definition.

My direct question was whether the Pace bill which passed the House and is now being presented by the very able senior Senator from South Carolina, chairman of the Committee on Agriculture and Forestry, would be similar in operation to the amendment which was offered a few months ago by the Senator from Oklahoma and adopted by the Senate?

Mr. SMITH. That is correct.

Mr. McNARY. That is what I wanted to know.

Mr. THOMAS of Oklahoma. Mr. President, if the Senator will yield for a brief statement, let me say that the amendment which the Senate considered on a former occasion was a very simple amendment embracing only about one line.

The pending bill proposes to amend all of the law which is on the statute books at the present time, for one specific purpose—to include in the parity formula farm labor of all kinds. As the law now stands on the statute books, it refers only to certain kinds of agricultural commodities. If the pending bill should be passed it would affect and apply to all agricultural commodities. The bill is in a different form, but it is intended to come to the same point or to establish in the law the same point as that which would have been established by the amendment we had under consideration in connection with the second price-control bill.

Mr. McNARY. Mr. President, if I may obtrude at this point, let me say that I am now coming to the general scope of the proposal.

In the Agricultural Adjustment Act passed in 1934, which was declared unconstitutional by the Supreme Court, and reenacted in 1938, parity applied only to the so-called major commodities—wheat, corn, cotton, tobacco, and rice.

Mr. THOMAS of Oklahoma. The five basic commodities.

Mr. McNARY. I say they were so-called. I never considered all five of them as wholly basic, as there are many other commodities, as I have stated on the floor of the Senate, the income from which is very much greater, but which were not considered basic or treated so generously as were the five commodities just enumerated. However, that matter is quite apart from my inquiry.

As I understand the bill, it includes all agricultural commodities; is that correct?

Mr. THOMAS of Oklahoma. That is correct; it applies to all.

Mr. McNARY. Not merely to the five?

Mr. THOMAS of Oklahoma. It applies to the five and to all others.

Mr. McNARY. Yes.

Mr. VANDENBERG. Mr. President, I should like to ask the Senator from Oklahoma a question?

Mr. THOMAS of Oklahoma. I do not have the floor, but with the permission of the Senator who has the floor, I shall be glad to answer a question.

Mr. VANDENBERG. Can the Senator tell me precisely what would be the net result in respect to parity prices? Would the bill result in raising the existing parity price upon every commodity?

Mr. THOMAS of Oklahoma. It would, in cases in which labor costs are involved.

Mr. VANDENBERG. And they are involved in the case of every commodity, are they not?

Mr. THOMAS of Oklahoma. I think so, unless the Senator can mention some commodity about which I do not know. The bill would affect the basic commodities which involve labor—such commodities as corn, wheat, cotton, rice, and tobacco.

Mr. VANDENBERG. Does that mean that the increase in the market price would be in proportion to the increase in the parity price caused by the rise in wages and the cost of labor?

Mr. THOMAS of Oklahoma. The bill would increase the parity price. It has nothing to do with the market price. The market price is controlled by the supply and the demand. The record shows that some commodities now are far above parity. The bill, if passed, and if it should raise prices to the extent claimed by its most extreme critics, would not raise prices to the level of some of the present prices in the market places.

Mr. VANDENBERG. Mr. President, has the Senator an estimate as to what would be the impact upon market prices, as he views the situation?

Mr. THOMAS of Oklahoma. At the present time it would be practically nothing for the reason that the bill would have no effect whatever upon prices which now are above parity. It would have no effect upon prices which now are below parity because of the existence of surplus crops. The bill, if passed, would have an effect upon the parity prices of this year's crops. For example, when wheat comes on the market in July and August the parity price would be increased. Then, if loans are provided for wheat, the farmer will get a larger amount of money on his loan because he will have from 85 to 90 percent of a higher parity price. The same thing would be true with respect to cotton and the other crops which are eligible for loans. That is the only respect in which, so far as I can see, the bill would have any effect on the loan value this year.

Mr. SMITH. The estimate is that it may increase by 3 percent the parity on certain commodities as to which labor is involved.

Mr. VANDENBERG. Would that be translated into an increase in the market price?

Mr. SMITH. I do not know. Usually, if we start with a certain increase to the farmer, by the time we reach the consumer the increase is doubled. We have nothing to do with that. We are looking after the 8,000,000 farmers who now feed the world.

Mr. VANDENBERG. I sympathize with the Senator's objective; but I should like to know the ultimate impact on 122,000,000 other people.

Mr. SMITH. That would depend upon other factors than the amount of parity. We should do our duty and take care of those who multiply the costs from the farmer to the consumer. Our committee is now investigating that question.

Mr. McNARY. The bill would not affect the price of the carry-over of 600,000,000 bushels of corn and 100,000,000 bushels of wheat. Those crops are harvested. The costs have been determined. I believe I am safe in saying that practically all farm crops have

attained parity under the present formula. Is that not true?

Mr. SMITH. That is practically true.

Mr. THOMAS of Oklahoma. I might give the Senator some information on that point.

Mr. McNARY. I am asking for some data. I was not present at the meeting of the committee. I believe the committee reported this bill without holding hearings. Is not that true?

Mr. SMITH. There were no hearings.

Mr. McNARY. The only way we can obtain information is by asking the Senator in charge of the bill or some member of the committee or some other Senator who is fully advised on the general question. As I understand, under the present formula corn is now at parity.

Mr. SMITH. Yes.

Mr. McNARY. Wheat is slightly below parity; but, of course, the market price is controlled by the law of supply and demand. There is no question about that. The bill would affect the loan value which the farmer could receive for his corn, wheat, or any other commodity. Is not that true?

Mr. SMITH. That is true.

Mr. McNARY. Let us take the crop which is coming on and will be harvested during the marketing year beginning August 1. If we should now include farm-labor costs, the parity price would be raised, would it not?

Mr. SMITH. That is correct.

Mr. McNARY. What estimate have we with respect to the amount, in cents, which would be added to the parity price under the present formula during the marketing period beginning August 1 if we should pass the bill?

Mr. SMITH. Taking the House committee report, which I think every Senator should read, it is claimed that there would be an increase in the parity price of approximately 3 percent.

Mr. McNARY. On how many crops?

Mr. SMITH. On all crops with respect to which the cost of labor is included.

Mr. McNARY. That is not very clear. Some crops are highly mechanized. A great deal of machinery is used in harvesting wheat and corn, and labor is a small item. To my own knowledge, one combine pulled by a tractor can harvest about 40 acres of grain a day, with two men. The cost lies chiefly in the operation of the mechanized unit, and the manpower is small. However, in the case of other crops as to which hand labor is necessary in planting, thinning, and harvesting, and no mechanized facilities can be used, labor is a large item.

I have lived on this earth too long and have farmed too long to be fooled by the statement that the 3-percent increase would be a level increase applied to all crops. It must vary greatly. Let me give an illustration. In the case of wheat the increase in cost under this formula would be very little, and, in my opinion, the impact on the cost of bread would be almost nominal. In the case of fruits, vegetables, poultry, and dairy products, the labor costs are very much higher, and the increased cost reflected to the consumer would be very much greater than in the case of wheat, cotton, or hay.

Mr. SMITH. I am not very familiar with the large-scale production of wheat. However, the House committee has this to say:

> But that relationship cannot be maintained and the goal of parity income can never be realized, unless all of the things which the farmer must buy in order to produce that bushel of wheat are included in the calculation of parity prices. Most of them are included. The cost of farm machinery has gone up quite considerably, and this has brought about a slight increase in parity prices.

Of course, they are calculated in parity now.

> Each item is weighted according to its respective percentage of use by the farmer.

Then follows a list of the things bought by the farmer, and the percentage of increase.

Mr. McNARY. Some one should answer this question: Assuming that the Pace bill becomes law, what reliable estimate have we regarding the increased cost of living to the consumer?

Mr. BANKHEAD. Mr. President——

Mr. SMITH. Mr. President, it is hardly possible to calculate what increase there will be to the ultimate consumer. The Senator is well aware of the fact that costs to the producer are multiplied beyond all reason by the time the product reaches the consumer. I cannot tell to what extent an increase in the parity price would ultimately increase the price to the consumer. That is outside my jurisdiction and control.

Mr. McNARY. Mr. President, I hesitate to concur in the Senator's view that anything in the farm picture is outside his jurisdiction or ability to understand.

Mr. SMITH. The Senator knows that the original raw material cost may be so much, but when the product gets into the channels of trade no one knows where the price will go. To illustrate: A Senator went to a packing house and found out what pork chops cost. When they reached Washington the price was almost 75 percent higher. He then ascertained the freight cost, which was about a cent and a quarter.

Mr. McNARY. Mr. President, the Senator knows, as I know—and I have never heard it contradicted—that there is a relationship between the raw material cost and the price of the finished product. There has always been such a relationship. In the Department of Agriculture, the Department of Labor, and the Department of Commerce, there are statisticians who from time to time furnish estimates as to what an increase in the cost of a raw product will represent when the finished product reaches the consumer. Of course, there may be some variations.

Mr. SMITH. I have never been able to see any connection between the price of the raw material and the price to the ultimate consumer. Of course, there are many theorists who speculate on the question.

Mr. McNARY. Mr. President, I am asking only for information to guide our course of action. I have seen a statement in the press, which was attributed to one of the leaders of a great industrial group, to the effect that the passage of the Pace bill would increase the cost of living practically 30 percent. I do not believe that is true, but there must be some estimate by some Government agency. I believe that the increased cost to the consumer would be very much less, and in some instances would perhaps not be appreciable. However, there would be some increase.

Mr. SMITH. We might obtain an average from various markets, and an average of the costs of those who perform various services. The Senator from Alabama [Mr. BANKHEAD] says he has some figures.

Mr. McNARY. I know, Mr. President, that there are plenty of Government agencies which can give estimates of increased costs on all goods supplied to consumers if the costs of the raw materials are increased. Every Senator who has been here for some time and has been patient enough and careful enough in legislative matters readily understands that.

Mr. BANKHEAD. Mr. President, will the Senator yield?

Mr. McNARY. I yield.

Mr. BANKHEAD. I fully agree with the Senator.

Mr. McNARY. Of course the Senator does.

Mr. BANKHEAD. I have some figures which were prepared by the Bureau of Agricultural Economics, based upon estimates of the Bureau of Labor Statistics.

Mr. McNARY. Those are the two agencies which I have in mind.

Mr. BANKHEAD. They apply to wholesale food prices and retail costs during the period from 1942 to 1944. They show the retail costs of food for 1943, this year, without the Pace bill. This information shows the index figure to be 140.

Mr. McNARY. Yes.

Mr. BANKHEAD. With the Pace bill, it is 144.

Mr. McNARY. There is an increase of 4 points.

Mr. BANKHEAD. Yes. The statement says:

> On the basis of estimated 1943 consumption separate computations indicate that each point increase in the index of retail food costs will cost the consumers $190,000,000 for food. Therefore, the above table indicates that consumer expenditures for food would be increased $760,000,000 in 1943.

And not into the billions, as has been so frequently publicized. Multiplying 4 by $190,000,000 is how we get the total cost to the consumers for this year.

Mr. McNARY. I appreciate the very great courtesy of the distinguished Senator from Alabama. I know of the statistics to which he has referred, although I could not place my fingers upon them.

Mr. President, I wish to make a further observation. I have supported parity; I believe in parity. I believe the cost of labor should be included in a proper definition of parity, in all fairness to the agricultural producers of the country. Following that observation, I wish to ask if it is the opinion of the distinguished Senator in charge of the

bill that the enactment of the proposed legislation would bring about inflation, or increase the inflationary spiral that has attended our war efforts?

Mr. SMITH. Mr. President, I think many sins are being committed under the word "inflation." With the way things are going at the present time there cannot be very much inflation because there is not very much to buy. I see the American family has been rationed to 2 pounds of meat a week. So far as inflation is concerned, I do not see how there can be inflation when there is an abundance of things to sell. The pending bill is an attempt to arrange matters so that 8,000,000 producers will have the means with which to produce. The way we appropriate money, it seems to me, that if there is any danger of inflation it will come from that source. I do not think there is any danger of inflation from doing justice to the people who produce our foodstuff. Thirty-two percent of the cost of production is represented by labor. We are merely asking to have the amount of increase since the period from 1909 to 1914 taken care of in the parity price.

Mr. McNARY. Mr. President, I appreciate the kindness of the able Senator, the chairman of the Committee on Agriculture and Forestry. I desire to support the proposed legislation. I am sorry we did not have hearings on the measure, and go into some of the matters which rather disturb me. There are certain complexities involved in the bill about which I am concerned, particularly with regard to what effect it may have on other groups who may claim the right and privilege of asking for an increase in their wages.

Mr. President, I realize that psychology has to do with everything in life. It affects us in our war efforts and our domestic efforts. It affects the man in public life, as well as the private individual. The psychology may be a substantial factor or it may be a fantasy, but it has its direct effect upon the individual. If we should do something now which probably was not necessary which would serve as an argument to those who represent certain groups for demanding increases, I think probably such action would be unfortunate. Unless there is something in the pending proposal which merits attention at this time, I am in doubt about this being the proper time to urge its adoption. I place great stress on timing, whether it be in golf or farming. If we can avoid doing anything at this time which will prove an excuse to someone else to continue the upward spiral, I should like to see that course followed.

My remarks are in the nature of an inquiry. I am not finding fault. I think this is a matter which we should discuss, and arrive at some sane conclusion with respect to it. I know that, in order that he may expand his production, the farmer should receive more money for his products. If I had my way, there would be fewer restrictions, fewer ceilings, less regimentation, and less rationing. If it were in my power, I would permit in every possible way the law of supply and demand to operate. I think some of the present ceilings should be punctured, but I do not know that the enactment of legislation is the right way in which to handle it. I should rather see the law of trade, rather than legislation, direct our course.

This is a matter which disturbs me, although I have always supported farm legislation when I thought it was within reason. I have had the problem before me for a good many years, but there is involved the question whether we are justified at this time in expanding the definition and operation of parity, or should permit a continuation until some future time of present prices, which are close to or above parity, thereby preventing an excuse for some of the groups to claim larger compensation for labor or supplies.

Mr. SMITH. Mr. President, all that concerns me and every other honest thinking man is whether farmers are entitled to their cost of production. Everyone knows that labor is 32 percent of the cost of production. Therefore, to repeat, the Government has undertaken to fix prices. It is fixing the prices of articles, and it decrees that the price the farmer shall receive is parity. As we understood parity, it meant the cost of production. That was the Government's act. In order to be fair, what have we considered as constituting parity? It is that the farmer's dollar shall be equal, as nearly as may be, to the dollar which he purchases. That was the concept of parity. Then, when those charged with the responsibility fixed parity, they left out the cost of the farmer's labor. They did not include the rise in the cost of labor. Now comes a time when the labor cost is 100 percent higher than it was when parity was fixed. The farmer says, "Just give me the rise in the cost, and it will be all right." What have we to do with what effect it will have, when we are face to face with an honest-to-God obligation to deal fairly? Is it right to say to the farmer, "Your parity shall be without consideration of the cost of labor"?

I just had a report which indicates that a certain telephone concern is demanding that wages paid every laborer shall be considered in fixing the price of its service. Then, why should not the farmer have the right to have the cost of his labor included in fixing his tariffs? That is all it is proposed to do. It is not a question of how it will affect other groups. According to that logic, if it is necessary to bring the farmer down to poverty in order to preserve other groups, then we should do it. The farmer represents the line of least resistance. He is not organized. Through certain leaders he comes here and does some lobbying, but today he is the only individual who is left in America who is not organized, and he thinks that we who represent him should deal fairly with him. This bill provides only that whatever the public consumes of whatever is produced shall take care of the extra cost of agricultural labor. That is all I am concerned with.

So far as the consumer is concerned, if he thinks I as a farmer must work and feed him at a loss to myself, I shall tell him that I am going to try to get the cost of what I produce.

As to the "ultimate price," that will depend upon many conditions which are not open here to us. I do not want to be put in the attitude of trying to protect others when justice to the group for which I am now speaking is absolutely essential.

Labor has gone up; the cost of the materials the farmer must have in order to produce are taken care of in the old formula, but the element of labor is left out. I insist that the Senate, in justice to itself, should see to it that in fixing the parity, which is the terminology used to express fairness to the farmer, his labor shall be counted in it. That is all I have to say about this bill.

Mr. McNARY. Mr. President, I am grateful to the distinguished Senator from South Carolina for his remarks. Of course, we all know that the idea of parity is based upon the interchangeability of the farmer's dollar with the service dollar and the industrial dollar. That has been known to some of us for a good many years. That, however, is not what I am discussing.

I supported the formula which was offered, very similar to this one, by the distinguished Senator from Oklahoma, and I can see that labor costs are reflected in all commodities which are above the parity line.

I am not sure that all the great farm organizations are happy about the presentation of this bill. Much as I love the great Senator from South Carolina——

Mr. SMITH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from South Carolina?

Mr. McNARY. I yield.

Mr. SMITH. According to the report, it has the endorsement of all but one of the so-called farm organizations.

Mr. McNARY. Well, Mr. President, I still express my doubt that all the farm organizations at this time are supporting this proposal, and I had occasion to visit some of them within the last few days. I am not at this time attempting to say that I think this amendment should be defeated. I have been trying to inquire as to some of the reactions which may follow its adoption.

I particularly state that a great many farm products—I do not know how many, because there are no hearings printed upon this bill—are above parity, and in those instances labor costs are naturally reflected because of the operation of the great law of supply and demand.

Secondly, Mr. President, I think it is unfortunate to bring this question up now. I voted for a proposal such as this 3 or 4 months ago; I would support it at almost any time; but when one reads the newspapers, as we all do, and finds what some of them want to do in case the

cost of living is increased, there must come to mind the picture of almost uncontrollable inflation—not that I think the cost would be so high as to be particularly severe on any consumer, but there are certain groups in this country that like to take advantage of an increase in costs to further their plan of asking for greater compensation for services rendered. That is as plain as I can make it, and that is a fact that must be considered in the broad framework of this proposed legislation.

No formula can stand by itself; no one can be fair to legislation proposed if he does not take into consideration and properly analyze all the matters that go into its simple application. That is what we want to do now.

I should like to know if we have to do this now? Would it not be better to wait for a while and see if we cannot handle the farm problem by other methods?

I stated a moment ago, and it is worth repeating, that there are some instances where ceilings unfortunately are low but it has been the theory of those who placed the ceiling that we could get by with that through subsidization of either the processor, the manufacturer, or probably the producer of the raw material. I do not believe in subsidies. On the other hand, if we are going to discuss parity as a permanent solution to the farm problem, we must include the cost of labor, but is this the time to do it, when most of the processed products of agriculture are in excess of parity? That is the plain question that I want someone to discuss and answer, and I know of no one quite so capable of answering it as the distinguished Senator in charge of the bill, and his and my colleague from Oklahoma, whom we all admire, and our other colleague from Alabama.

Mr. SMITH. Mr. President, the only question that concerns me, and which should concern everyone else, is, Are the farmers entitled to add labor costs into the price of their product? That is all that is involved.

In reply to the Senator about the farm organizations, I do not know where the information was obtained but it is printed—and I have not heard it denied—that the farmers of the Nation are practically unanimous in their demand for the passage of this bill. I will enumerate some of the organizations: The National Grange, the Farm Bureau Federation, the National Council of Farmer Cooperatives, the National Cooperative Milk Producers' Federation, and other farm groups. I think those, however, about cover the situation.

Mr. President, I have been here a long time, and have heard much said to the effect that this is not the time to help the farmer. I never saw a time when it was admitted that it was time to do it. If there happens to be speculation that puts the price of some commodity above parity, how can we know that speculation will not put it down tomorrow? This is an effort to see to it that the farmer shall receive in his parity the cost of his labor. All other considerations are pure theory.

The question seems to be what the effect will be on other groups. I am concerned with what the effect will be on the 8,000,000 men who produce the food and feed for this country, as well as for our allies. I think it is up to the Senate to decide here and now, without regard to what effect it will have on the price to the ultimate consumer, that the farmer is entitled to justice. That is all that is involved in this matter. I must go and hire hands to work my crops, and I must pay the cost out of my pocket, and is it to be said that the price is not to be reflected? I do not see how that can be.

Mr. LUCAS. Mr. President, I always dislike to find myself in disagreement with the very able chairman of the Committee on Agriculture and Forestry, of which committee I am a member. I have learned much under his guidance and leadership, as a member of that committee, since I have been in the Senate, but I find myself in complete opposition to the consideration of the Pace bill, especially at this particular time.

I take this opportunity of congratulating the minority leader in this body, the Senator from Oregon [Mr. McNARY], for the fine presentation he made, and the reasons he assigned as to why the Senate should not at this particular time consider the pending measure. I think he gave the Senate some wisdom and advice which at this moment we should follow. I hope that in the final analysis those in charge of the bill will decide to ask for postponement of the consideration of the measure, for many reasons, and the reasons have been more or less stated by the able minority leader.

I shall have quite a little to say in connection with the pending bill before the debate shall be concluded, but at this moment I wish to state that it seems to me rather unusual that the farm group would play into the hands of the labor leaders of this country; and that is exactly what is being done when we start out upon the road that is before the Senate at this moment. Only yesterday, before the Truman committee, we found Mr. Green and Mr. Murray both complaining at this time against the War Labor Board for failure to increase the wages in certain cases. All they are waiting for is an opportunity to use the Pace bill to go before the War Labor Board again and insist on an increase in wages, as a result of the increases in the prices, not 3 percent, but, according to the best authority, 14 or 15, or 16 percent, so far as the Pace bill is concerned.

Mr. President, what will be the result? The effect will be that the War Labor Board will not be able to stand the pressure.

Mr. SMITH. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. SMITH. Because we desire to have the labor costs on the farm taken into consideration—it is not fixing the price of farm labor, it is taking the average—does the Senator think it is his duty to deny a man the cost of the things the Senator eats and the clothes he wears? Because the farmer is not organized as a political unit, does the Senator think he can be fooled, and that we should not give him that to which he is entitled?

Mr. LUCAS. I think the farmers of this country are pretty well organized, if I know anything about organization. They have about the strongest groups that come before Congress. Labor and agriculture are both strongly organized. Their leaders are constantly before us advocating their views on legislation.

At this particular time I am not talking for either one of these groups. I am trying to look at the picture from a national viewpoint. I am attempting to look at the picture from the viewpoint of the consuming public. That is the unorganized, inarticulate group, which never has any representation in the Halls of Congress. There are millions and millions of those people, who are frozen to salaries, who cannot obtain any relief of any kind. Those are the individuals who are going to suffer if the Pace bill shall be enacted, because that is the start of the spiral of inflation, a dangerous leap, which, in my opinion, cannot be controlled once it is started. That is what I fear.

It is a strange thing to reflect that I, coming from the corn section of the country, and the Senator from Oregon, representing a great wheat section of the country, are the two individuals most vitally concerned in suggesting this be returned to the Senate committee, because both those basic commodities are below parity, while every other commodity that is worth while is above parity. Yet we stand here and ask, under those circumstances, that the pending bill not be considered at this particular time.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. McNARY. I am merely seeking information. I did not catch the last remark of the Senator, because I was discussing the bill with the junior Senator from Minnesota. What products does the Senator say are under parity?

Mr. LUCAS. Corn is practically at parity. Wheat is under parity.

Mr. McNARY. Are there any others?

Mr. LUCAS. Oats and rye.

Mr. McNARY. That is, the cereal group?

Mr. LUCAS. Yes. Practically all other commodities are above parity. They are all doing quite well, in the opinion of the Senator from Illinois.

Mr. President, I have a deep feeling about this question. I contend that if the bill is passed, and should then be passed over the veto of the President, it would be the beginning of the end on the home front. Inflation then would be here, and we could not stop it. We are having a difficult time right now dealing with inflation.

I rose primarily to furnish a little information to the Senator from Oregon,

because there is not a scintilla of evidence in the record anywhere as to what this bill would do with respect to the increase in price to the consuming public. There was not a line of evidence concerning that before the House committee. I called Monday last and requested the clerk of the House committee to furnish me the report on the matter, and she advised me that the committee had taken no evidence. Like the Senator from Oregon, I was unfortunate in not being present at the meeting of the Committee on Agriculture and Forestry last Monday, and I am told that in 15 minutes time the bill was reported favorably by the committee, and here it is on the floor of the Senate.

Mr. President, millions upon millions of dollars in the future are involved in this bill. The life of the home front of America is involved in it, and if the home front goes down, watch out for the military front. As a result of a 16-percent increase to the consuming public in this instance, I can see other groups coming in to ask the same thing, to ask what they think they are entitled to receive. The result will be that we will get into the old vicious spiral of inflation, and the little 16 percent or 14 percent increase, or whatever the farmer is going to get at this particular time, which he may think will help him, will, as he will find out in due course of time, cost him six times 16 percent.

Mr. President, why is it that we could not have had the Secretary of Agriculture, who is against the bill, testify before the committee? Why is it that we could not have had O. P. A. Director, Mr. Brown, who is against the bill, testify before the committee? Mr. Brown wrote a letter to me this morning, in which he said, among other things:

> The Pace bill would raise parity prices of farm products by 14 percent. This, in the course of time, would drive up the retail prices of food 10½ percent, and add two and one-third billion dollars to the consumers' annual food budget. It would increase the Government expenditures for food by about three-quarters of a billion dollars per annum.

That is Mr. Brown's statement. That is the kind of testimony which ought to have been before the committee in order that the committee might have interrogated and cross-examined Mr. Brown upon that point. We should have had the right to cross-examine and interrogate the Secretary of Agriculture upon this question.

Mr. President, the corn farmers of Illinois are not for this bill. Earl Smith is the vice president of the American Farm Bureau, and president of the Illinois group. That group held a meeting at Springfield recently at which 1,500 farmers were present. They unanimously endorsed a resolution condemning the Pace bill as being dangerously inflationary. I am told that the Iowa Farm Bureau group has joined with the Illinois group in this fight. Why should not these farm leaders have a chance to testify before the Committee on Agriculture and Forestry?

Mr. President, if the bill shall be passed it will be a serious hour in the life of the Nation. There is a strange thing about this parity formula, as the able Senator from Oregon said a while ago. In all commodities above parity, of course, the cost of labor is reflected, and I undertake to say in commodities below parity the labor costs are also reflected. Why do I say that? Back in 1933, when the parity formula was given to the people by the Congress, corn, for instance, according to the base period, was worth 62½ cents, as I recall. That base period was figured over 5 years from 1909 to 1914. The average price of corn for each month during that period of time was taken, the figures were added up, and the general average obtained. That is what is called the base period on corn.

What has happened to corn since that time? The parity price then was 62½ cents. Has it remained there? Not at all. Parity today on corn is 99 cents or $1 per bushel. Parity is a relative thing. It has no fixed or definite scheme in the affairs of things. It moves up and down. So when parity on corn moves up, labor is reflected in that move, or in that price increase in corn. The price of corn may go up and it may go down, but in the beginning those who had anything to do with the parity formula left labor out of it. Why? Because then labor was cheap, and if labor had been placed in the parity formula at that moment as a factor, instead of corn being 62½ cents it probably would have been about 59 or 58 cents a bushel. So labor costs were left out. But in the last 2 years labor has spiraled to the top, and now, because wages are high on the farm, an effort is made to change the basic formula in parity in order to obtain an increase.

Mr. President, mark my words when the war is over, and the farmers who are now in the service of the country, who are in the shops, and in the industries making munitions and implements of war, flock back to the farms, labor will then become cheap, and then this parity formula will again be brought before the Congress, and we will be asked to change it in order to eliminate labor costs. That is exactly what will happen.

Mr. President, I hope that those in charge of the bill will postpone action upon it for awhile at least, or at least let it go back to the committee where some testimony can be taken upon this important matter. No testimony has been taken on it. Whatever testimony was taken on the Thomas amendment last September is not pertinent today, because of the change in conditions of the affairs of the country. I do not know where the facts were obtained which are set forth in the report on the Pace bill. Someone sent me a report on the bill which was made by the House committee. The truth of the matter is that no evidence was taken by that committee. I say with all the sincerity I possess that this measure is too important to the Nation and to the world to be passed now without exploring each and every fact involved in its provisions, and involved in the effort, which we have constantly tried to make, to keep down inflation.

Only a few days ago, when the distinguished Senator from Georgia [Mr. GEORGE] brought in a bill dealing with the $25,000 limitation on salaries, he explained that the Disney amendment was defeated in the Senate committee—why? Because it permitted the salary of one having $2,000, $5,000, or $10,000 to be raised to a point of $67,000, if necessary. Such a raise in salary could be made under the Disney amendment. We all agreed that that would be inflationary and should not be done. That was the primary reason why the Disney amendment was amended, and why the Senate acted as it did.

If the bill now under consideration is not inflationary, then I do not understand the meaning of inflation. No one, Mr. President, has more interest in the farmer than has the Senator from Illinois. I know what happened after the last war. I know what will happen after this war if we do not control inflation. The individual who thinks he is receiving a little benefit as the result of a 16-percent increase in wages may find himself ruined and bankrupt after the war, if inflation hits us, as I think it will if the bill is passed.

That is all I care to say at this time, Mr. President.

SUPPLEMENTAL NAVAL APPROPRIATIONS—CONFERENCE REPORT

Mr. OVERTON submitted the following report:

> The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2068) making additional appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1943, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:
>
> That the Senate recede from its amendment numbered 2.
>
> That the House recede from its disagreement to the amendments of the Senate numbered 3 and 6; and agree to the same.
>
> Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$750,000,000"; and the Senate agree to the same.
>
> Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: ", toward contract authorization heretofore granted, to remain available until expended, and this appropriation shall be available for expenses incurred prior to July 1, 1943, pursuant to the contract authorization contained in this Act in consequence of Public Law 1, approved February 19, 1943"; and the Senate agree to the same.
>
> Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows:
>
> "CONSTRUCTION OF FLOATING DRYDOCKS, NAVY
>
> "The Secretary of the Navy is authorized to enter into contracts in the amount of not to exceed $210,000,000 for the construction of mobile floating drydocks and collateral facili-

ties and incidental work, and such other objects, as authorized by the Act approved February 19, 1943 (Public Law 1)."

And the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1 and 5.

CARL HAYDEN,
MILLARD E. TYDINGS,
JOHN H. OVERTON,
GERALD P. NYE,
Managers on the part of the Senate.

HARRY R. SHEPPARD,
ALBERT THOMAS,
JOHN M. COFFEE,
JAMIE L. WHITTEN,
J. W. DITTER,
CHARLES A. PLUMLEY,
NOBLE J. JOHNSON,
Managers on the part of the House.

The report was agreed to.

The PRESIDING OFFICER (Mr. MURDOCK in the chair) laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 2068, which was read, as follows:

IN THE HOUSE OF REPRESENTATIVES,
March 24, 1943.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 1 to the bill (H. R. 2068) making additional appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1943, and for other purposes, and concur therein with the following amendment:

Restore the matter stricken out by said amendment amended to read as follows: ": *Provided*, That, except as hereinafter provided, no appropriation for the Navy Department or naval service available during the fiscal year 1943 (except funds transferred or made available to other executive agencies for use for naval purposes) shall be used after March 31, 1943, for the employment of persons for the performance of service in other than the Navy Department or elsewhere than under the Navy Department, except (1) employees who had been employed by and performing service under the Navy Department for 3 months or more immediately prior to their detail for service elsewhere, and (2) employees now or hereafter detailed and assigned pursuant to the lawful authority of the Secretary of the Navy to any committee of the Congress operating under resolution duly authorizing such assignment and the allocation for that purpose of funds now available therefor or appropriated hereunder, is hereby authorized"; and

That the House recede from its disagreement to the amendment of the Senate numbered 5 to said bill and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment insert: ": *Provided*, That so much of the Naval Appropriation Act, 1943 (Public Law 411, 77th Cong.), under the heading 'Pay, subsistence, and transportation of naval personnel' as reads '*Provided further*, That no part of this appropriation shall be available for the pay of any midshipman appointed from enlisted men of the Navy who has not served aboard a vessel of the Navy in full commission or performed equivalent service with fleet aircraft for at least 9 months prior to admission to the Naval Academy', is amended to read as follows: '*Provided, further*, That during the present emergency qualified enlisted men of the Navy, Naval Reserve, and Marine Corps may be appointed to the Naval Academy after 9 months of service.' "

Mr. OVERTON. Mr. President, I move that the Senate agree to the amendments of the House to the amendments of the Senate numbered 1 and 5.

The motion was agreed to.

INCREASE IN THE PUBLIC DEBT LIMIT; LIMITATION OF SALARIES—CONFERENCE REPORT

Mr. GEORGE submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1780) to increase the debt limit of the United States, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same.

WALTER F. GEORGE,
DAVID I. WALSH,
ALBEN W. BARKLEY,
ROBERT M. LA FOLLETTE, Jr.,
A. H. VANDENBERG,
Managers on the part of the Senate.

R. L. DOUGHTON,
JERE COOPER,
WESLEY E. DISNEY,
A. WILLIS ROBERTSON,
ALLEN T. TREADWAY,
HAROLD KNUTSON,
DANIEL A. REED,
Managers on the part of the House.

The report was agreed to.

INCLUSION OF COST OF LABOR IN DETERMINING PARITY PRICES

The Senate resumed the consideration of the bill (H. R. 1408) to amend section 301 (a) of the Agricultural Adjustment Act of 1938, as amended, and the first sentence of paragraph (1) of section 2 of the Agricultural Adjustment Act of 1933, as amended, and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, approved June 3, 1937, as amended, so as to include the cost of all farm labor in determining the parity price of agricultural commodities.

Mr. TAFT. Mr. President, I wish to oppose the bill. I do it with regret, knowing the care which has been devoted to it by the members of the committee.

I do not think the question is one of parity. Parity is a very complicated question about which it is so very easy to argue that argument can be made on all sides of it.

The bill is a measure not to increase parity, but to increase farm prices, and was so described by its sponsor. The purpose is to increase prices and thus to increase production. So Congress is asked, by taking the action requested, to increase farm prices.

Mr. SMITH. Mr. President, will the Senator from Ohio yield to me so that I may ask him a question?

Mr. TAFT. I yield to the Senator from South Carolina.

Mr. SMITH. We have heard about inflation, and we hear about increasing the prices received by farmers. The only question involved in the pending bill is this: Since we have established parity, shall we allow parity to involve the farmer's costs of production—that is, his labor costs? If to do so will destroy our home front——

Mr. TAFT. Mr. President, is the Senator asking me a question or is he making a speech?

Mr. SMITH. Mr. President, I desire to know if the Senator from Ohio wants to deal fairly with the farmers of the country.

Mr. TAFT. I certainly do want to deal fairly with the farmers of the country. My feeling is that in opposing the bill I am serving the best interests of the farmers. I think no one would suffer more from a general inflation than would the farmers.

Let me say that I have studied the comparative figures, which I think are interesting, for the last 2 years covering increases of farm prices and labor prices. In the 2 years from the first of January 1941 to the first of January 1943—which has been the period in which there has been the increase; before that time, prices and wages were relatively stable for a number of years—farm prices have increased, according to the index, from 69.7 to 115.2. In other words, the farmer has had an increase of 60 percent in farm prices. At the same time the cost of living has gone up about 20 percent—perhaps slightly more than 20 percent. Hourly wage rates have gone up 33 percent. Average weekly earnings of labor have gone up from $26.90 to $40.27—an increase of 50 percent. In other words, in these 2 years farm prices have already gone up 60 percent, and the average weekly earnings of labor have gone up 50 percent.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. AIKEN. I think there is one other percentage which the Senator from Ohio has omitted. I understand that the profits of industry have increased 300 percent.

Mr. TAFT. No, Mr. President; I think the profits of industry have not increased 300 percent. However, I do not have the figures. I shall be glad to obtain them and to insert them in the RECORD.

Mr. AIKEN. I think the Senator will find that that figure is approximately correct.

Mr. TAFT. No; it is not correct. So far as dividends are concerned—and dividends are the ultimate result of the activity of industry—I think they have scarcely gone up at all. So far as interest is concerned, it has not gone up at all.

Mr. VANDENBERG. Mr. President, if industrial profits have gone up 300 percent, they are all excess profits, and are taxable up to 90 percent.

Mr. TAFT. Of course, if the Senator from Vermont is referring to gross profits, I am not sure that he may not be right; but taxes have increased to such an extent that, roughly speaking, as I remember, 2 years ago the net profits of industry were approximately $6,500,000,000, and this year the net profits of industry, as I estimate them today, will be approximately $8,000,000,000. So I should say the increase in the net profits

of industry for the 2 years does not exceed 33 percent.

Mr. AIKEN. Mr. President, my authority was the Chairman of the Maritime Commission, in a statement which he made the other day.

Mr. TAFT. I think the Chairman of the Maritime Commission may have been referring to steamship companies; and in that connection the figure may be correct. I know nothing about steamship companies. But according to information available to the Finance Committee—I should like to correct the figures if I find them to be wrong—in 1940 the net profits of corporations were, after taxes, approximately $6,000,000,000. For the year 1942, the net profits of corporations, as we now estimate them, will be approximately $8,000,000,000—or an increase of 33⅓ percent.

Mr. AIKEN. Mr. President, let me call the Senator's attention to just one other point, which is that the farmer also is subject to the excess-profits tax. I do not know what the amount has been, or what amount has been collected from the farmers because of excess profits.

Mr. TAFT. Of course, excess-profits taxes apply only to corporations, and almost no farmers are incorporated. So the statement of the Senator from Vermont is hardly accurate.

In any event, Mr. President, what has happened in these 2 years is that farm prices have gone up 60 percent, an increase which is undoubtedly balanced by the increase in general. I think there can be no question about that. Whatever that increase in cost may be, I certainly would estimate that it would not be over 30 percent.

The increase in labor costs referred to is perhaps half of 32 percent of the total cost, which might be 15 percent. I should say that if the farmer fairly can be said to have retained 30 percent of the increase of 50 percent in the average weekly earnings of labor, he also has had to give up approximately half of that because of the increase in the cost of living. I maintain that today both the farmer and the laborer have benefited substantially from the effect of the war, that the farmer is a great deal better off than he was 2 years ago, and that the relative rise in the farmer's income has not been duplicated for any other class of individuals with whom I am familiar. I do not say that the farmers were not entitled to it; I do not say that before that time they were fairly treated; but I do say that the increase has occurred. I do not say that is a good place to stop. I do not say there should not be increases for some classes of labor. I do not say there should not be increases in the prices of some farm products. I know of some for which there should be increased production; but that will not be obtained by adopting a formula based on some mythical conception of parity on which it is impossible to reach any agreement.

As I understand the bill, it will have two effects. In the first place, it will immediately raise the parity price. That rise will not be for the next crop or for anything else; it will be an immediate rise in the parity price. That will have the effect of forbidding the Price Administrator to fix the price of any of those products below the new parity price.

I voted for the bill the Senate recently passed, providing that the Price Administrator should follow our instructions, that he should not fix the prices below parity prices, and that he should not take into account the various subsidy payments or soil-conservation payments, because we fixed parity as the floor below which he could not fix a maximum price.

Of course, the effect of the bill would be immediately to raise that floor, and to say to the Price Administrator, "Whereas before you could not fix the price below a dollar a bushel, now you cannot fix the price below $1.10 a bushel."

What the effect of that may be, I do not know, but the net result is certainly to be an over-all increase, regardless of whether we want to increase the production of a particular crop. After all, we must leave the question as to the prices of particular crops to an administrative agency. I am opposed to fixing any prices in time of peace. I thought it was absolutely essential to fix them in time of war. If they are to be fixed, we must delegate to someone the power to fix them. We cannot determine the prices. We do not know what the circumstances are. The Committee on Agriculture and Forestry has not even held hearings to determine what are the actual circumstances with respect to individual crops.

Mr. President, the effect of the bill is to say that we think there should be a general increase in farm prices, and that we ourselves propose to put it into effect.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. LANGER. During the last war the Senator from Ohio was chief assistant to Mr. Hoover, the Food Administrator.

Mr. TAFT. Not chief assistant. I was in the legal department.

Mr. LANGER. The Senator will remember that the price of wheat at that time was $2.26 a bushel in Minneapolis.

Mr. TAFT. Yes.

Mr. LANGER. What is it today?

Mr. TAFT. The Senator can tell me.

Mr. LANGER. It is $1.45 at Minneapolis. I should like to have the Senator name one product which the farmer buys the price of which has decreased in the same proportion.

Mr. TAFT. I believe that a comparison with the World War, if that is what the Senator means, is hardly one which I should care to make. In the World War, from beginning to end, prices rose to a level of 220, that is, by 120 percent. The effect in this country was disastrous. I do not think we ever recovered from it.

The very purpose of the Price Control Act is to prevent the kind of increase which took place during the World War. The purpose of the present policy is to hold back the increase in prices as much as we can. I think it can be held to 10 percent a year. So far the net increase has been approximately 20 percent, over a period of 2 years. I believe that if we can hold the increase to 10 percent a year, we shall be doing a good job; but I do not believe we can do it if Congress insists on general increases throughout a whole range of products, instead of leaving the question to those who are trying to work out the problem in the best way they can.

I do not agree with the Price Control Administrator in some of his prices. I think we ought to increase some of them. I am willing to go with any farmer who has a case to present, and present the facts and urge them upon Mr. Brown as strongly as I can; but I do not believe that Congress should undertake by any general law to say that all farm prices ought to be further increased. They have already been increased 60 percent. A further increase would unquestionably be followed by an increase in the cost of labor. We could not prevent it. If the cost of living increases, we are bound to have an increase in the cost of labor; and when the cost of labor increases, we immediately increase farm parity again. Automatically that is the effect of farm parity. An increase in the cost of the products which are being sold is reflected back into parity, and we again increase farm prices. It is a spiral which will go on indefinitely. Perhaps we cannot stop it entirely, but certainly we do not have to insist, by deliberate action of Congress, upon the resumption of the spiral which has occurred.

Mr. LANGER. Mr. President, I have the highest respect for the opinion of the senior Senator from Ohio. I wish to call attention to one part of his argument which I think is fallacious. Take farm machinery as an example. During the last World War the price of farm machinery rose nearly to the level of 200. The prices of farm products went to about 220 or 221; but after the war, when hard times came, the prices of farm products dropped to 67, as the Senator well knows. However, the price of farm machinery has been going up continually. It has never dropped. There has been a succession of increases. During the past 2 years the price of farm machinery has reached its peak. Today the farmer is paying for a mower, binder, or combine, far more than he ever paid during the last World War, whereas for his wheat he is receiving 60, 70, or 75 cents a bushel less. It is not a fair deal for the farmer.

Mr. TAFT. Mr. President, a comparison with the last war is interesting. The last war afforded me the opportunity of first becoming acquainted with the junior Senator from North Dakota. I was in the legal department of the Food Administration, and the Senator from North Dakota was then attorney general of South Dakota. The Food Administration attempted to fix the price of wheat, which, as I remember, was selling for $2.30 a bushel at the time.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. TAFT. I shall be glad to yield in a moment, if the Senator will permit me to finish this story.

Wheat was selling for about $2.30 a bushel, and the attorney general of North Dakota proposed to impose an embargo on the shipment of wheat out of North Dakota because it was felt that

$2.30 a bushel was not enough for wheat. Mr. Hoover sent me out to North Dakota. I spent the night with my friend the junior Senator from North Dakota in Bismarck. The next morning he took me out to show me why it was not possible to raise wheat for $2.30 a bushel in North Dakota. He found some places in North Dakota where it was not possible to raise wheat for $2.30 a bushel; but the net result was that finally he agreed to the price.

I mention this only to show that no matter what the price is, there are always plenty of arguments to prove that it ought to be higher. I believe that is particularly true of farm prices, because of the tremendous variation in the cost of raising farm products on one farm as compared to the cost of raising them on another farm.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. LANGER. The trouble with the Senator from Ohio is that he has a very faulty memory. The truth of the matter is that wheat was selling for $2.26 a bushel; but Mr. Hoover had slipped a clause into the regulations which provided that if the farmer did not sell his crop within 30 days after he harvested it, the Federal Government could come in, through the county food administrator, and take the poor farmer's crop. It so happened that in North Dakota a poor farmer had 2,000 bushels of wheat at Baldwin, N. Dak. One of Mr. Hoover's subordinates came in and took the farmer's wheat at the end of the 30-day period and sold it for $1 a bushel. The result was that the attorney general ordered the arrest of everybody in sight, including the food administrator. The only reason Mr. Hoover escaped was because he was not in North Dakota at that time. [Laughter.]

The result was that Mr. TAFT came out to look the situation over. We went to Flasher, N. Dak., where I introduced Mr. TAFT to the local elevator man, who said, "I have been fooled before. This is not President Taft's son. This is a Nonpartisan League organizer." [Laughter.]

The elevator man said, "I want to demonstrate that the rules which Mr. Hoover has promulgated for wheat are absolutely foolish." He pointed to the wall, where the 57 grades were posted. He said to the senior Senator from Ohio, "There are 11 bins in this elevator, but Mr. Hoover has 57 kinds of wheat. Under the rules and regulations I cannot mix this wheat. I have only 11 bins. You tell me how to run the elevator."

Mr. TAFT came back to Washington and did a splendid job for the people of North Dakota in getting Mr. Hoover to change practically all the regulations. One of the best friends the farmers of North Dakota had in Washington for years was the present senior Senator from Ohio, who got the rules changed so that we could operate an elevator in North Dakota honestly and legally. Lately he has not been associated with me enough to keep him from going back to the old standard. [Laughter.]

Mr. TAFT. I now yield to the Senator from Minnesota.

Mr. SHIPSTEAD. Mr. President, I believe that the law establishing the Food Administration in the last war provided that the minimum price of wheat should be $2.25 at the terminal market. That was the minimum.

Mr. TAFT. That was later. My trip to North Dakota was in connection with fixing the maximum price. Then, in order to stimulate the production of wheat the following year, a special law was passed, in accordance with Mr. Hoover's program, to fix the price of wheat at $2.50 a bushel. As a result, in the year 1918, we had the largest crop of wheat the country had ever seen. We had some difficulty in getting rid of the wheat, because the war came to an end and we had much more wheat than we needed. That is, as I recollect, the circumstances.

Mr. SHIPSTEAD. Does the Senator recall the date of approval of the Food Administration Act in 1917?

Mr. TAFT. The Lever Act must have been approved about June, 2 or 3 months after the war began.

Mr. SHIPSTEAD. The Senator will recall that wheat was selling at from $3 to $3.25 a bushel. When the Food Administration Act was approved, it contained a provision that the minimum price at the terminal market should be $2.25. The Food Administrator said that should be the maximum price at the terminal market. Does the Senator remember that?

Mr. TAFT. My recollection is that the guaranty of a price for wheat was contained in a later act. I do not think the guaranty was contained in the first Lever Act. I am subject to correction. I do not remember. My recollection is that the Lever Act was the general act, and under it the Food Administrator fixed the maximum price of wheat. I think he guaranteed the minimum price of wheat by the following year, 1918.

Mr. SHIPSTEAD. Two dollars and twenty-five cents was guaranteed by the Food Administration Board. While the law said it should be the minimum price, the Board said it should be the maximum price at the terminal market.

Mr. TAFT. The Board may have said that. I am not sure what was in the law.

Mr. SHIPSTEAD. Will the Senator yield for another question?

Mr. TAFT. I yield.

Mr. SHIPSTEAD. Wages are based on the cost of living under the Little Steel formula. Is that not so?

Mr. TAFT. If the Board adheres to the Little Steel formula it will provide a 15-percent increase in wages over those prevailing on January 1, 1941—2 years ago. The actual increase in the cost of living today is slightly more than 20 percent. Therefore the Board is attempting to adhere to a formula which will not reflect the entire increase in the cost of living. In other words, that is the present rule. Whether it is a wise rule, I do not know. It is the rule to which the Labor Board is attempting to adhere.

Mr. President, as I have said, during the First World War there was a general increase in prices of 120 percent. I think that brought on a most unfortunate result. It resulted in a great decrease later. It resulted in tremendous losses occurring by reason of speculation in farm lands on the basis of large increases in the prices of farm land as a consequence of high farm prices. I think it was responsible largely for the final coming of the depression itself in 1929 to 1932. I believe we should avoid the recurrence of such a thing. I do not think any argument as to what took place during the First World War is worth the paper it is written on. If something objectionable occurred during the First World War we should avoid it now in the midst of another war rather than encourage it. I think the increase which occurred—60 percent in the case of farm prices, and 50 percent in the case of labor—represents an important increase. We should now do everything we can to maintain that general level of prices and wages approximately where it is, and I have perfect confidence that no one will benefit more from that general policy than the farmer with whose interest we deal here today.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. WILEY. I have listened with a great deal of interest to the Senator from Ohio and also to the remarks of the Senator from Illinois. I am concerned about all the issues which have been discussed here. As I understand, there are but three commodities which would be affected, namely, wheat, corn, and rye. Am I correct in my understanding?

Mr. TAFT. I would rather leave the answer to that question to some expert. I do not know. I believe, however, that as various other commodities come in, considerably more than three commodities will be affected. If we are going to deal with those three commodities, we had better deal with them and say that our action does not apply to any other commodity. In such event I would not have so much difficulty with the bill. But I do not think the effect is limited to three commodities. It extends to every commodity which today has not reached 110 to 115 percent of parity. There are a great many such commodities. Whether it would have an immediate effect, or whether it would have merely an ultimate effect when the price gets to a point where the Price Administrator can fix a price, I am not prepared to say. On those questions I am afraid I must admit I am not informed.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. TAFT. I will yield to the Senator from Illinois to answer the question propounded by the Senator from Wisconsin.

Mr. WILEY. Before the Senator yields, I should like to make a comment. It seems to me that we have an utter lack of information on the subject. A wrong impression concerning it may go out to the country. We recently debated the measure doing away with the President's order placing a $25,000 limitation on incomes. The country got the impression in that instance that if the President's order remained in force, the Nation would benefit; whereas it was

clearly demonstrated that by the passage of the bill then under consideration the country would benefit to the tune of $110,000,000.

We are today discussing a matter which seems to me to be merely one of conjecture. We must know the true situation before we can go ahead and take a course designed to prevent a condition which might result—largely from psychological ills, so to speak—in producing a serious inflation. I for one would be glad to have the Senator from Illinois give me further information on the subject.

Mr. TAFT. If I may have the privilege of yielding the floor, I will yield it to the Senator from Illinois.

Mr. LUCAS. I can answer the Senator from Wisconsin. Before I do so, I wish to say that I agree with what he has said. The data I have has been picked up by me for my own information on this subject. It is not before the committee. It should be. What I am about to say may be made a part of the record for the Senate committee so it may consider the facts.

The Senator from Wisconsin wishes to know what commodities are affected. Wheat is affected, corn is affected, oats are affected, rye is affected, sweet potatoes are affected, hay is affected, and citrus fruits are affected. That is the point exactly which the Senator has raised. It is an interesting point. Citrus fruits, potatoes, and wheat are all affected as a result of the Pace bill. It will not make so much difference with respect to wheat, potatoes, citrus fruits, and these other commodities I have discussed. Beans are also affected as a result of the Pace bill. As far as the consumer is concerned, those are important food commodities, as everyone knows, throughout the Nation.

I hope that will help the Senator to a certain extent, but that is the thing which ought to be developed first. It has not been settled before the Senate or House committee. It is the thing about which I am still complaining. The Senate ought to be tremendously interested in it when it is realized, as the Senator from Ohio and the Senator from Oregon have said, that this is an inflationary measure. We should explore every avenue of thought, and every field of endeavor in connection with all these commodities before we pass to the President of the United States a bill of such importance as the one now pending.

Mr. BARKLEY. Mr. President, in view of a communication which I shall have read before I conclude my remarks, I think there ought to be a larger attendance in the Senate. One of the difficulties about the passage of the proposed legislation is that in neither body of Congress has there been a fairly representative attendance of the Members. The bill passed the other body with less than 100 Members on the floor, and without a roll call. The committee in the other House had no hearings. The committee of the Senate had no hearings. We now have on the floor not more than one-third of the Members of the Senate, and I will make the point of no quorum.

Mr. VANDENBERG. Mr. President, before the Senator does so, will he permit me to make a very brief statement?

Mr. BARKLEY. I withdraw my point, and yield to the Senator from Michigan.

Mr. VANDENBERG. Mr. President, I doubt that any subject has caused me more concern than the pending bill, because fundamentally I totally agree with the position of the able Senator from South Carolina [Mr. SMITH] and his associate, the Senator from Alabama [Mr. BANKHEAD], that in many aspects agriculture has been almost the forgotten man in connection with the American economy. Agriculture must be equitably stabilized or we can have no peacetime prosperity and we can have no adequate wartime production. On the other hand, Mr. President, the vice of the situation which confronts us today is that when we undertake to apply price control on a piecemeal basis, there is no possible way of being sure that we are even helping the beneficiary to whom we are seeking to extend our assistance because we may release related and reciprocal forces, not contemplated by us at the moment, which can swiftly overtake these benefits and wipe them out. Meanwhile the great consuming public has been additionally burdened without any net benefit to anybody.

I repeat that I do not believe it is humanly possible to deal with price control on a piecemeal basis. The able Senator from South Carolina says we must do justice to the farmer, and I agree, but, Mr. President, how can we be sure we have done him any sort of justice when the repercussions of what is done here may produce somewhere else a compensatory inflationary move, which, as we know, is lurking just around the corner, in this instance, and which is only waiting for the go sign to start a race between prices and wages which may never end this side of total economic collapse.

Just so long as we permit piecemeal treatment of price control, we are flirting with the most suicidal kind of inflation, and it is doubly dangerous, it seems to me, to undertake piecemeal price control when we are dealing with it in half a dozen different places—now including the legislature—without any closely geared relationship between these authorities. It is impossible, Mr. President, for me to isolate this pending bill and consider it independent of its implications, its related consequences, and its contemporary psychology. I regret to say that I cannot escape the conviction that we here deal with the total wartime economy of the whole American people.

If I could be sure the pending bill would do only what is claimed for it, it would tremendously interest me because I subscribe to its purpose. But I am unable to rid myself of the conclusion that the thing I would undertake to do by this method today for the farmer would actually penalize him very shortly by the reciprocal spiral forces of inflation which I would thus unwittingly release. I think, as the Senator from Illinois has indicated, and as the Senator from Oregon has indicated, that the impulse thus flung into the inflationary movement might well destroy the economy of the home front, despite the inherent merit and justification in promptly assuring the farmer a total offset to all his costs of production.

Agriculture, unquestionably, is entitled to consideration which it has not received. It is indispensable to the war effort. Food is as important as bullets. I voted to give farm help complete draft deferment the other day because obviously the farmer must have a minimum of indispensable farm help—and he has failed to get it any other way. I voted for the Bankhead bill to exclude benefit payments from calculations of parity. I believe agriculture must have greater priorities for essential farm machinery. I believe agriculture must have more practical and equitable price consideration from the O. P. A. and the Secretary of Agriculture. But I am unable to see how we can make price adjustments here on the floor of the Senate. There never will be an adequate and just relationship between price factors in agriculture or anything else so long as we continue to attempt piecemeal price control.

This problem has got to go to one place; it has got to be handled in one place, on an over-all basis, where equitable relationships are established between all factors involved. If farm prices are too low at some points, as they are, the Price Control Authority should have "guts" enough to raise those prices that deserve to be raised. There should never be, in my humble judgment, any attempt to deal by general rule on a piecemeal basis with any of these factors if we are to have the slightest hope of saving the rank and file and mass of our citizenship, labor and agriculture included, from the curse of progressive inflation.

Mr. SMITH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from South Carolina?

Mr. BARKLEY. I yield.

Mr. SMITH. The Senator from Michigan is always frank. Now we have parity. I do not know where it comes from but the farmers are educated to look upon parity as being their savior, insofar as the sale of their products is concerned. Let us grant that we have parity; what is it supposed to do? It is supposed to give the farmers fairness and justice. Now he comes along and says, "I do not know what parity is; you fixed it but why did you leave out labor?" My object is not to put prices up; it is to include whatever costs it is necessary for the farmer to pay, and, then, in the sale of his commodities let parity cover such costs. Will the Senator from Michigan stand here today and tell me that he believes that fixing the formula for parity is going to smash the home front, starve all the soldiers, and run us into hell, and back and forth? I want to ask, does the Senator think——

Mr. VANDENBERG. I should like to answer the question.

Mr. SMITH. Does the Senator really think that including the price of the farmers' labor in the parity price is not

indicated, is not fair, is not just? We have got nothing to do with what comes after.

Mr. VANDENBERG. I am sorry but we cannot escape what comes after. That is the precise point I make. My answer to the Senator's question is that the farmer, of course, is entitled to have all costs of production covered in the market price, precisely as is any businessman; but I am saying to the Senator that the way that must be done in the situation which this country confronts today is by the direct application of a fair price ceiling by the Price Control Authority in each instance. I am saying further to the Senator, though I may be all wrong, that, even though I wanted completely to achieve the result he describes—and I should like very much to do it—I could not be even remotely sure of it by the passage of this bill so long as I have the irresistible feeling that the moment this bill passes it will, rightly or wrongly, be used as an excuse for an attack upon other prices, upon the levels of wages, and upon other factors in the cost of living, so that the farmer will lose all we undertake to give him by this bill, and all the others will have lost a substantial chance for stabilized price control in this country, unless we can stop at one general over-all control where equity is applied by the Price Authority himself to each one of these factors.

I will join to the limit of my capacity in seeking legitimate recognition of all farm costs in the price ceilings fixed by O. P. A. and the Secretary of Agriculture. But I am not going to be a party, no matter what the appeal, to any menace to the economic solidarity of the home front in the presence of this war emergency. I am not going to yield the wage line; I am not going to yield the price line. I am going to insist, so far as I am concerned, that the price-control authorities shall do their duty and shall deal equitably upon their own responsibility, with these factors. I cannot hold them to strict accountability for these inestimably necessary results if I make their administration of the trust impossible.

Mr. BARKLEY. I renew my suggestion of the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gerry	Moore
Austin	Gillette	Murdock
Bailey	Green	Murray
Ball	Guffey	Nye
Bankhead	Gurney	O'Daniel
Barkley	Hatch	O'Mahoney
Bone	Hawkes	Overton
Brewster	Hayden	Pepper
Bridges	Holman	Radcliffe
Brooks	Johnson, Calif.	Reed
Buck	Johnson, Colo.	Revercomb
Burton	Kilgore	Reynolds
Bushfield	La Follette	Robertson
Butler	Langer	Russell
Byrd	Lodge	Scrugham
Capper	Lucas	Shipstead
Caraway	McCarran	Smith
Chavez	McClellan	Stewart
Clark, Mo.	McFarland	Taft
Connally	McKellar	Thomas, Idaho
Davis	McNary	Thomas, Okla.
Downey	Maloney	Thomas, Utah
Ellender	Maybank	Tobey
Ferguson	Mead	Truman
George	Millikin	Tunnell
Tydings	Wallgren	Wiley
Vandenberg	Walsh	Willis
Van Nuys	Wherry	Wilson
Wagner	White	

The PRESIDING OFFICER. Eighty-six Senators having answered to their names, there is a quorum present.

Mr. BARKLEY. Mr. President, I asked for the presence of a quorum, not to force Senators to come into the Chamber to listen to what I might say, but I have a letter from the Price Administrator which I intend to have read very shortly, which I think Senators should hear in considering the bill now before the Senate.

Before having the letter read, I wish to say that I think a more inappropriate, inopportune time to have brought this bill before the Senate could not be imagined. In the first place, the problem concerned is not quite so simple as some men would have us think it is. The question of parity itself is a complicated one. I would not hazard a guess how many people in the United States really understand what parity means, but there are millions of them who do not understand that parity, as it is provided for in the Agricultural Adjustment Act, is not a static figure, not an inflexible formula, but is a flexible formula, intended to preserve the purchasing power of the American farmer in harmony with the relationship which existed between his purchasing power and the cost of what he had to buy in the base period of 1909 to 1914.

Every time the cost of what the farmer buys rises, either through an increase in wages, or an increase in profits to the manufacturer, or an increase in the costs of raw materials, parity automatically rises because the law fixed it as the duty of the Secretary of Agriculture to adjust parity from time to time so as to preserve the relationship between the farmer's purchasing power, or the income out of which he makes purchases, and what he has to buy. Whenever what he has to buy rises in price parity automatically goes up, without legislation, but only after the Secretary of Agriculture has readjusted parity in accordance with the formula which Congress fixed.

The pending bill is before the Senate. We dealt with this subject last fall, and I thought we had dealt with it rather satisfactorily, because the Senate overwhelmingly adopted, after much discussion, the provision which is now in the law which the President signed on October 2, 1942, and in order to refresh the memories of Senators I should like to read the provision. I had some part in its preparation. After negotiations here, public and private, for days and weeks, I think by a vote of 75, or thereabouts, to about 6, the provision was put into the Price Control bill which was signed on October 2. After many other features, this provision appears:

Provided, That modifications shall be made in maximum prices established for any agricultural commodity and for commodities processed or manufactured in whole or substantial part from any agricultural commodity, under regulations to be prescribed by the President, in any case where it appears that such modification is necessary to increase the production of such commodity for war purposes, or where by reason of increased labor or other costs to the producers of such agricultural commodity incurred since January 1, 1941, the maximum prices so established will not reflect such increased costs.

Mr. BANKHEAD. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. BANKHEAD. I know about the preparation of that provision. I wanted to ask the Senator if the Price Administration or the Secretary of Agriculture have given any consideration to that provision, and if that provision has in any way been reflected in the fixing of ceiling prices on agricultural commodities?

Mr BARKLEY. I cannot testify as to what consideration either the Price Administrator or the Secretary of Agriculture have given to it. Even if the Pace bill should not be passed, it would still be within the power of the Secretary of Agriculture, under the law as it is now, to fix parity prices in view of increased cost of farm labor.

Mr. BANKHEAD. But if the pending bill should become law he would have a mandatory, specific duty to perform based upon the finding of one of his bureaus.

Mr. BARKLEY. It seems necessary whenever we have a farm bill up for consideration in the Senate to refresh our recollection about this matter. A provision with respect to the increased cost of labor is contained in the parity formula as it was originally written into the Agricultural Adjustment Act. The costs of labor, which go into everything the farmer buys, are a part of the parity formula, and must be considered in determining parity price of any agricultural commodity.

Then the language continues:

Provided further, That in the fixing of maximum prices on products resulting from the processing of agricultural commodities, including livestock, a generally fair and equitable margin shall be allowed for such processing: *Provided further*, That in fixing price maximums for agricultural commodities and for commodities processed or manufactured in whole or substantial part from any agricultural commodity, as provided for by this act, adequate weighting shall be given to farm labor.

So in two places in section 3 of the act of October 2, 1942, we have attempted to provide that the increase in cost of farm labor which has occurred since the 1st of January 1941 shall be taken into consideration and given adequate weight; that is something which shall be taken into consideration over and above the increase in industrial wages, which go into everything the farmer must buy, which was a part of the parity formula as originally drafted.

Mr. President, I said a moment ago that a more inappropriate time could not have been chosen to present this question to the Senate and to the House, and I say that in all sincerity. I do not have to reiterate over and over again my attitude on the question of agriculture during a period of 30 years. The other day I voted for the bill which denied the right of the Price Administrator, the President, or the Economic Stabilizer to deduct benefit and soil-conservation payments in fixing the maximum ceiling

prices on agriculture. But, Mr. President, we are now in the midst of a rather critical and delicate situation with respect to wages. I think we might as well confess that if we are to adhere to the formula which has been adopted and followed by the Government in trying to stabilize not only costs of living for civilians but the costs to our Government in the support of the Army and the Navy and in the purchase of equipment, we must somewhere along the line put on the brakes, and we cannot release those brakes with regard to one thing without releasing them automatically as to most other things.

A great controversy is now raging within the country over the question of wages for coal miners in the United States. I am tremendously concerned as a citizen and as a Senator with that subject, because there are many thousand of coal miners in my State who are asking for the increase of $2 a day in their wages. I might say, also, and I do not believe it can be controverted, that considering the type of work done by the men who go down into the darkness of the earth in order to bring out the coal to assure comfort and prosperity to the rest of the people, considering the type of houses in which they are required to live, many of them mere hovels, considering the fact that most of them are required by their economic considerations to buy all their products from the companies for which they work, no lower wage scale exists in any other group of workers in the country than exists among the coal miners.

Mr. President, I do not say that in justification or in advocacy of the $2 a day wage increase which the miners have asked, but I refer to it in order to emphasize the fact that if by our legislation here we are not only to make it possible but to make it mandatory that the cost of living to these men shall be increased by even as much as 16 percent, as stated in the letter which I shall have read in a moment, and certainly as much as 14 percent, as stated before the conference in New York the other day by the representatives of the miners, it will be a difficult thing to deny to these men some increase, if not the entire increase which they are seeking in the conferences which are being held in the city of New York.

I mention this particular group of laboring men because that situation is immediately before the Government of the United States. Probably the crucial test has been postponed for 30 days by an agreement to continue operating and to make any wage adjustments retroactive to March 31.

Not only is this true, Mr. President, with respect to this lower wage scale group in the coal industry but it is true with respect to others, and will be used as a lever for other applications for increases, and it will be difficult to deny them, based upon the increase in the cost of living. There will be an unavoidable increase in the cost of living, in spite of all our legislation, and in spite of all the restrictive orders which may be issued by the Price Administrator or by the Economic Stabilizer, or by the President of the United States himself. So I say it is unfortunate that in the midst of this particular situation we are called upon here to pass upon this bill without having adequate information.

I do not say it in criticism because it is against the rules and against the proprieties to criticize a coordinate branch of the Congress, but the bill received no hearings in the other body. I was told by a Member of the House that it was passed with less than 100 Members on the floor and without a roll call. It came over to the Senate and was sent to the Committee on Agriculture and Forestry, and I am told that almost within 5 minutes that committee reported it favorably without any hearings of any kind.

Mr. President, I now ask in the interest of the Senate itself, and in the interest of the country, if it would not have been fair, for the information of the Senate and the country, to have had some hearings, and to have called before the committee the Price Administrator, the Secretary of Agriculture, to have called our former colleague from South Carolina, Mr. Byrnes, the Economic Stabilizer in the Government of the United States, and others who might have wanted to be heard, in order that we might have obtained information and might have had the opportunity to cross-examine witnesses in order to determine the accuracy of their statements instead of being compelled to rely, as we now are, upon a letter which I have in my possession, and which I received this morning from the Administrator of the O. P. A., which I shall ask to have read? Would not that have been a better course?

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TYDINGS. I do not wish to interrupt the remarks of the Senator on the point on which he is now speaking, but I would appreciate it if, when he gets around to it, he would draw the issue a little more clearly, for me at least, between the existing law, from which I presume he read, and the pending bill, which is now before us, so that I might see for myself exactly what is the difference between the two.

Mr. SMITH rose.

Mr. BARKLEY. I will attempt to do that. First, I will yield to the Senator from South Carolina.

Mr. SMITH. As chairman of the Committee on Agriculture and Forestry, I wish to say that the only question before our committee was the one on which the House had passed almost unanimously. I think the Senator from Kentucky is wrong in his estimate of the number of Members present on the floor of the House when the bill was passed.

Mr. BARKLEY. I was told by a Member of the House who was present that less than a hundred were there at the time. There was no yea-and-nay vote on the bill. Therefore it is impossible to tell how many were present.

Mr. SMITH. The only question that was presented to us was whether, in establishing parity, that much discussed question, we should take into consideration the factor of farm labor. It does not make any difference whether farm labor increases or decreases the price of the farm product. The question was whether we should incorporate the cost of labor in determining the question of parity. That was all that was in the bill. The bill simply amended one section of the act by providing for the inclusion of farm labor in fixing parity price.

Mr. BARKLEY. I understand.

Mr. SMITH. That is all there was to the bill. Why should we have heard witnesses who might come before us and theorize on the question of the home front, and the battle front, and every other front? If anyone other than the farmers were involved there would not be any speeches against the bill.

Mr. BARKLEY. If it would have been unfair to have men theorize before the committee, it is equally unfair to compel us to theorize on the floor of the Senate without any information on the subject.

Mr. SMITH. All the information the Senator needs is that in computing parity the costs of production must be added; and the cost of labor is one of the principal costs. That is all there is to the matter. Now let us have a yea-and-nay vote in order to find out who is in favor of it and who is not.

Mr. BARKLEY. Of course, the issue is not whether we shall vote "yea" or "nay" on the bill. There are many implications and approaches to the subject. It is all very well to say that if a Senator votes against the bill or votes to send it back to the committee he is against the farmer. That is easy to say, but it will not be true when it is said.

Mr. SMITH. Does not the Senator believe in taking into consideration the costs of labor in computing parity?

Mr. BARKLEY. Of course I do, and I helped to write the law that does that very thing.

Mr. SMITH. Yes, but making it indefinite.

Mr. BARKLEY. That may be; but let me emphasize what the Senator's question is. It emphasizes the whole proposition. When we wrote the law the farmers and their representatives got what they wanted, which was a parity which provided an equality of purchasing power, predicated on the base period 1909 to 1914. So when there is an increase in the price of the things the farmer buys, automatically there is an increase in the farmer's parity price.

In the parity formula we did not specifically say that farm labor should be taken into consideration; but it was then recognized that in determining the prices of the things the farmer had to buy, the cost of all nonfarm labor which went into the costs of production was to be taken into consideration, and that, inasmuch as all other labor was higher than farm labor, as to any increased prices paid by the farmer for the products he bought, the increased costs of labor would also include his own labor costs, the increase of which was smaller than were the industrial labor cost increases for the products he had to buy. At that time, no one on the part of agriculture asked for the definite inclusion of farm labor.

When we wrote the first Price Control Act in 1941 we provided, not that parity

should be the ceiling, but that the ceiling should be either 110 percent of parity or the prices which prevailed on October 1 or December 15, whichever was the higher. So if those prices were higher than 110 percent of parity, they were to prevail.

Last fall we wrote the provision which is now under discussion. The substance of the present law is that if there has been an increase in farm labor costs since January 1, 1941, in fixing maximum prices for agricultural products or products which are manufactured from agricultural products, increases in farm labor costs shall be taken into consideration. In order to emphasize that point, at the suggestion of the Senator from Vermont [Mr. AIKEN], there was added at the end of the section language to the effect that in fixing maximum prices for agricultural commodities and other things made from them either in whole or in substantial part, as provided for in the act, "adequate weighting"—that was the language—should be given to farm labor.

The difference between that language and the provisions of the pending bill is that the pending bill goes back to the original parity formula written into the original Agricultural Adjustment Act and adds not only the increase in the cost of hired labor but also an estimated increase in cost of the labor of all members of the farmer's family, in order to arrive at a formula below 110 percent, of which the Price Administrator may not set an agricultural-commodity price ceiling.

Does that answer the question?

Mr. TYDINGS. It partly answers it. It seems to me that an inevitable conclusion which could be drawn from the Senator's definition, as I understand it, is, first of all, that the Senator contends that labor is a part of parity, as originally written, although not specifically set forth in the bill. Then there was adopted an amendment providing that increases in labor costs should be added in determining parity.

Mr. BARKLEY. That is true, and I may say that the increase in farm-labor costs is added to the inevitable result of any increase in industrial wages which go into the price of what the farmer buys, which is a part of parity.

Mr. TYDINGS. So, assuming that the Senator's diagnosis of the situation is correct, the only additional thing which the pending bill would write into the law would be the cost of labor as supplied by the farmer and his family, because, as I understand the matter according to the Senator's analysis, the cost of hired help is already a part of the parity-price formula.

Mr. BARKLEY. The cost of hired labor is definitely a part.

Mr. BANKHEAD. Mr. President, does the Senator mean a part of parity?

Mr. BARKLEY. No; a part of the ceiling that we provided for in the Price Control Act.

Mr. BANKHEAD. If the Senator bases it on parity, it is not, of course.

Mr. BARKLEY. I never have contended, and I have not said today, that the cost of farm labor is specifically included in the original parity formula. The parity formula has not been amended except insofar as it was modified by the provisions of the Price Control Act providing that in fixing a ceiling for agricultural products, farm labor shall be taken into consideration and given due weight.

Mr. REED. Mr. President, will the Senator yield there for a moment?

Mr. BARKLEY. In a moment I shall yield. I have already yielded to the Senator from Maryland.

Mr. TYDINGS. Mr. President, let me continue my line of questioning for a moment, please. Who now determines the price of an agricultural product?

Mr. BARKLEY. The Price Administrator, subject to the approval of the Secretary of Agriculture. The Price Administrator cannot act alone; both he and the Secretary of Agriculture must act together.

Mr. TYDINGS. I wonder what the Price Administrator and the Secretary of Agriculture would reply if they were asked the following questions: "Are farm labor costs now a part of the prices you fix for agricultural products? If so, to what extent are they a part of the prices you fix for agricultural products?"

Mr. BARKLEY. I am not able to state what they would say, because I do not know; I have not heard them express themselves; but I think it would be interesting to the Senate if they were given an opportunity to answer those questions.

Mr. TYDINGS. That is what I am coming to. I think the proponents of the bill—I am not familiar with its ramifications—should at some time put into the RECORD a statement from the two persons who fix the prices of agricultural commodities, showing what labor is included, if any at all, and, if it is included, how much is included—whether merely the paid labor or whether, as well, all labor of the farmer's family who are not paid. If I could obtain that information, it would help very much in clarifying my opinion about the matter.

Mr. BARKLEY. I doubt very much whether the Senator could obtain it, because I doubt whether the Price Administrator or the Secretary of Agriculture has definitely said how much of any ceiling they have fixed on any commodity since October, when the Price Control Act became effective, was fixed on the basis of farm labor. But I think the Price Administrator and the Secretary of Agriculture should be given an opportunity to make such a statement.

Mr. BANKHEAD. Mr. President, I think we should be entirely frank about the situation. I am not charging anyone with not being frank, but I want to have an opportunity to make a statement which will be frank.

Mr. BARKLEY. I shall yield to the Senator just as soon as the Senator from Maryland has concluded.

Mr. BANKHEAD. I cannot obtain an opportunity to make a statement, because the Senator from Maryland is still given an opportunity to proceed.

Mr. BARKLEY. I will give the Senator an opportunity in a moment.

The PRESIDING OFFICER. Does the Senator from Kentucky yield; and if so, to whom?

Mr. BARKLEY. I yield to the Senator from Maryland.

Mr. TYDINGS. Mr. President, I am trying to find out in my own way just what the issue is. Suppose we should pass the pending bill as it came from the Senate Committee on Agriculture and Forestry; what reason has anyone to believe that that would increase agricultural prices?

Mr. BARKLEY. I assume that the reason why anyone believes it would do so is that it is assumed that the Price Control Administrator and the Secretary of Agriculture would add to any ceiling which they have already fixed or may hereafter fix, whatever is included in addition by way of price in the bill now sponsored by the Senator from South Carolina.

Mr. TYDINGS. I have the highest regard for our former colleague, Prentiss M. Brown. I think he is trying to do a very good job, and I think he has made considerable progress. But my impression as an onlooker, without knowing the facts—and I may be entirely wrong—is that price-fixing is more or less arbitrary, and has very little relationship to any law which the Congress may enact. I think the administrators try to find some medium, about which the public will not complain too much, and about which the producer will not yell too loudly on the other side. If they can do that, they are content; and all the laws which we enact are pretty much rhetorical propositions, and have very little bearing in fixing the formula itself.

Mr. BARKLEY. I think that naturally the Price Administrator and the Secretary of Agriculture, or anyone else charged with the responsibility of carrying out the mandate of Congress in good faith would recognize, to use a colloquial country barnyard expression, that it is impossible to "get down to a gnat's eye" on everything he has to do in the way of fixing prices.

Mr. TYDINGS. About a month ago I placed in the RECORD a statement showing farm wages, with and without board, for every State in the Union. They varied from $22 a month in the Southern States to about $100 a month in California. A price ceiling usually is about the same all over the country, which rather leaves me out on a limb. Unless we are to have area price ceilings, or State price ceilings, I do not see how the farm labor content can be accurately and fairly reflected for the whole country in one price ceiling. If wages vary from $22 or $25 a month in one State to $100 a month in California, and nearly that much in New England, it seems to me that if the formula is now in effect, or is to be put into effect, butter, for example, ought to sell at probably half or three-fifths as much in the South as in Boston. However, my understanding is that the ceilings are fixed more or less on the basis of the domestic market in a given locality, with a little leeway one way or the other to aid agriculture or to aid the public, as particular extraneous circumstances seem to

warrant. As I see it, all these fine formulas become so difficult for the Administrator to administer in a changing situation that in the end he really must be a sort of umpire between the consuming public on the one hand and the producer on the other. He hopes to high heaven that he will not injure either side too much, and will not have too many bricks thrown at him by either side.

Mr. BARKLEY. The Senator's assessment of the situation is substantially accurate.

I now yield to the Senator from Alabama.

Mr. BANKHEAD. Mr. President, it has been so long since I rose to try to get into this discussion that I fear Senators have forgotten the point.

The Senator from Maryland [Mr. TYDINGS] insisted that the Administrator of O. P. A. or the Secretary of Agriculture should state whether or not the cost of farm labor has been included or is included in parity or ceiling prices.

Mr. TYDINGS. That is correct.

Mr. BANKHEAD. Everyone who has been connected with this legislation during the past 10 years knows that time and time again the statement has been made that it was not included as a factor in the original A. A. A. law, and has never been included since, as we all know, as a factor in working out either parity or price ceilings.

I have read the debate which occurred in the House of Representatives the other day. The whole debate was pitched upon the proposition, concededly, that the farmers are entitled to have consideration of their cost of labor, and that they have never had such consideration. Nobody denies it. No Senator will deny it, because there are no facts upon which to deny it. It is an admitted and confessed situation in all the debates.

We had the same question before us when we passed the stabilization act. We had the Thomas amendment before us, which is the same as this amendment, and debated it for a day or two. That same proposition was conceded on all sides. There is no use in leaving the question in doubt on a proposition which is so well known and so generally admitted by everyone who knows anything about the subject.

Mr. TYDINGS. Mr. President, I certainly want to give the farmer all the consideration to which he is entitled in every way. I should be grateful if the Senator would get either from Mr. Brown, Mr. Wickard, or both of them, a simple statement that labor has not been included in the price ceilings which have heretofore been fixed.

Mr. BANKHEAD. I know about it. If the Senator is still in doubt after my statement, let him get such a statement.

Mr. TYDINGS. I do not question the Senator's good faith; but I think we ought to act on the basis of primary evidence from those in a position to give it, just as we would do in trying a lawsuit. We ought to have the statement made directly, beyond peradventure of doubt, and then we could vote to do justice. On the one hand, we have the contention that labor is included, and on the other hand we have the contention that labor is not included.

Mr. BANKHEAD. I do not know of anyone who contends that labor is included.

Mr. BARKLEY. Mr. President, that observation was due to what I stated a while ago, that the cost of industrial labor is included in parity, and must be, because the cost of industrial labor goes into the manufacture of what the farmer buys; and the price of what he buys, including that labor, goes into parity. The question really is whether we are to include both industrial labor and farm labor in parity. If we are to include the cost of farm labor as the criterion, the question is, Are we to include also the cost of industrial labor, which is greater, and has been subjected to greater increases? The price of industrial labor is reflected in parity through the cost of what the farmer buys. As stated awhile ago, it is a part of parity, although I said then, and I now say, that until we passed the act of October 2, 1942, farm labor was not specifically included in the parity formula. Even now it is not included.

Mr. BANKHEAD. That is correct.

Mr. BARKLEY. I have never said that it was.

Mr. TYDINGS. Mr. President, that statement satisfies me.

Mr. BARKLEY. It is not included; but, without modifying the formula which we had written, we said last October that in considering maximum agricultural prices, consideration shall be given to increases in farm labor in the past 2 years.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. BARKLEY. The Senator from Kansas [Mr. REED] asked me to yield to him some time ago. I am glad to do so now.

Mr. REED. Mr. President, perhaps I misunderstood the Senator from Kentucky and the Senator from Alabama. I understood the Senator from Kentucky to agree with the Senator from Alabama that the parity formula has not been changed by legislation since the beginning.

Mr. BANKHEAD. No. I said that so far as farm labor is concerned, it has not been changed. There have been other additions to the formula.

Mr. BARKLEY. There have been other additions. In the Price Control Act we superimposed on that formula an additional equation but we did not change the formula itself. We added a superstructure to it.

Mr. REED. Mr. President, it is unnecessary for me to say to the Senator from Kentucky that during the years I have been in the Senate, and for years previously, I have been a champion of the farmer. I want the farmer to have recognition of all his costs, including labor.

In my opinion this is an unfortunate time to bring up this question. I am sorry that it is here. We are in a delicate situation. I do not want to do anything in the Senate which will upset the existing situation to the disadvantage of everyone, including the farmer. Therefore I wish to say to the Senator from Kentucky that if a motion is made to recommit the bill I shall vote for the motion, although if the issue were presented on the main question, without a motion to recommit, I would vote for the bill. I think it would be very much better procedure, and a safer way to handle it, to send the bill back to the Committee on Agriculture and Forestry and let the committee use its best judgment. Let the committee hold hearings if it so desires, and bring the bill back in a few weeks.

Mr. President, any change in the parity price, up or down, does not necessarily affect the price of the product. Parity price is only a price at which we think the farmer may have an equitable return. As a matter of fact, wheat, which is the principal crop in my State, is below parity. Notwithstanding the fact that the parity price of wheat in Kansas City, we will say, is $1.35, or $1.39, wheat has never been sold at that level.

On the other hand, livestock, cattle, and hogs, have been constantly above the parity price for the last 15 or 18 months.

May I impress upon Senators that "parity"—to fix a parity price—is only an expression of the price the farmer, in equity, ought to have? It does not in and of itself do anything to the price. The Senator from Kentucky will remember that I had a fairly active part in working out the solution which was later adopted. It is true we did say that in fixing a ceiling the price administrator could not fix a ceiling without consideration of the increased cost of labor to the farmer, and other costs, as I remember the language. The point I wish to make is that a delay of 4 weeks would not hurt the farmer in his prices at all. It might have an effect on a situation in the United States which is very delicate and which I do not wish to disturb. Therefore, if a motion to recommit is made, with all the friendliness I have had for the farmers during all these years, I shall vote for it. I think it would be a wise thing to recommit the bill to the committee and let it come back to the Senate after further consideration.

Mr. BARKLEY. I thank the Senator. I represent an agricultural State. We produce a variety of farm crops. We produce cotton, corn, wheat, tobacco, hemp, and rye. We raise large quantities of cattle, hogs, and every other type of livestock. I have not received any complaints from the farmers of my State about the prices they are receiving. The great complaint of the farmers of my State, and of farmers all over the country, is because of the labor situation. They will produce, at the prices they are now receiving, all the farm products they can grow with the labor they have. There is no question about that.

There has been some question among dairymen not only in this vicinity but in other places, as to what they were getting for their milk, in view of what they have to pay in the way of adequate compensation. I think that is a serious problem; but, speaking by and large of all agricultural commodities, I do not think there is any dissatisfaction among the farmers

of the country with the level of prices they are receiving. If we could find some way to help them to get labor to produce at the prices which they are now receiving we should see the earth bursting with a surplus of products which would be justified by the prices which farmers are now receiving.

Therefore I do not think the main difficulty is with agricultural prices. It is largely one of labor supply; and on that subject we have recently undertaken to bring about some remedy.

Mr. SMITH. Mr. President, I do not want the Senate to be misled by the statement that those of us who are advocating this bill are hoping that the farmers will receive an increase in price. Of course, we know that they will not. But we want the formula upon which their basic prices are fixed, so far as legislation is concerned, to have in it all the elements of expense. How long would an industrial organization continue if it did not charge for its labor? Take the railroads. If they could not charge for labor, how long would they be in business? The farmer can always make a scratch in the ground and put in his seed, and nature will do the rest. If he had to buy his farm every year, as the manufacturer buys his raw material, the situation would be different. It would be artificial. I am contending that we have an unfair parity base. Why not put into parity all the elements, and do justice, regardless of what effect it may have?

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. LUCAS. Just before the Senator from Maryland [Mr. TYDINGS] left the chamber he was discussing with the Senator from Alabama and the Senator from Kentucky the question whether or not farm labor had ever been included in the parity program. Of course, it has not been included, as I pointed out earlier in the debate upon this measure. There was a very good reason why farm labor was not considered as an element or factor in parity at that time.

When the parity formula was written in 1933 farm labor was far below all other factors. It was deliberately left out of the formula, because if it had been included, as I stated a few moments ago, parity on corn, for example, instead of being 62½ would probably have been around 58 or 59.

The record shows, Mr. President, that when the parity formula was written in 1933 farm wages had an index figure of 85; in 1934, 95; in 1935, 103; in 1936, 111; and in 1937, 126. In 1938 it had an index figure of 125; in 1939, 123; in 1940, 126; and in 1941, 154. Nineteen hundred forty-one was the year in which the farm wage rate exceeded by 6 points the parity rate. In the next year, 1942, the figure was 201. In 1943 it is 232.

When farm labor is now at its highest peak, in comparison with what it was at the time when the formula for parity was written, it can be understood, when taking into consideration the index of 232, why there would be such a startling increase as testified to by the Honorable Prentiss Brown, O. P. A. Director, and the Honorable Earl Smith, who is the head of the Illinois agricultural group in Illinois. In writing to me, Mr. Smith said:

> The Illinois Agricultural Association does not favor the passage of this legislation for a number of reasons, chief among them being:
>
> (1) It would greatly impair, if not destroy, the basis of fair exchange value of the prices of farm commodities with the prices of industrial commodities that are now used for determining parity prices.

This is the point I just made—

> (2) While it is recognized that the Pace bill would temporarily increase farm prices, this would not have been true until 1941 had such inclusion been in effect, and it is very doubtful it would have this result in postwar years.

Mr. President, that is the point exactly. If the farm wage rate were not 234 today this bill would not be before us now.

The point I made earlier—and I reiterate it—was that after the war this parity formula with labor costs included would be a detriment to the farmer, because farm wages are bound to go down. When farm labor is cheap it pulls the formula down on parity. In the interest of the American farmer I submit that it is to his detriment to have Congress change the basic parity formula at this particular time. Just as sure as I am standing here, the wage rate which the farm laborer is receiving will spiral downward after the war. When it goes below what it was in 1941 then it will impair the parity structure. The farmer will get less.

That is the reason Congress did not include the cost of farm labor in the beginning. Now, because the farm price index for farm labor is higher, an attempt is being made, if not to destroy, certainly to juggle something which was carefully thought out in the beginning by some of the best minds in agriculture in this country. The farmers throughout the Nation agreed to the parity formula at that time. Congress agreed to it, and it has never been changed, with the exception that taxes, interest, and a few minor things have been added; but no basic change such as is being attempted today by the pending bill was made. Now we see an attempt being made to make a fundamental change in the original parity formula. The pending bill is nothing more or less than a cost-of-production bill. Congress has never gone on record in favor of that type of legislation.

Although it has been tried time and time again since I have been here, never in either branch of Congress has it been able to muster enough strength to win.

Furthermore, this is the worst time I can conceive of to bring up an important measure of this character and attempt to enact it into law. I am convinced beyond the shadow of a doubt that if the bill passes it will start rolling the ball of inflation, and, Mr. President, I do not want that responsibility upon my shoulders. Not by my vote shall there be ignited the spark of inflation which will ultimately, in my humble opinion, for whatever it may be worth, take us on the road to doom on the home front. The Senator from South Carolina may smile at the words "home front," if he wants to, but any time the home front is crushed in a great measure the military front is also seriously damaged. Mr. Hitler will be pleased whenever dangerous inflation starts in this country. He is one, along with some others, who is hoping that we will pass this very bill in order that disunity and trouble may be promoted here. This bill should be recommitted for further study and consideration. It must be, Mr. President. At the proper time, I shall make such a motion.

Mr. BARKLEY. Mr. President, I wish to confirm what the Senator from Illinois has said about the effect which would have resulted if the farm labor price had been included in the original parity formula. It would, undoubtedly, have dragged down the price of agricultural products, and it is because it would have dragged down the price that neither the farmers nor their representatives nor their friends in Congress would include it. I will add that, in my judgment, if this bill should pass, or if the present price of farm labor should be included in the parity formula without at the same time considering the increase in industrial wages as reflected by the cost of what the farmer has to buy, even this bill would drag down farm prices in the United States.

Mr. President, that is all I had intended to say, and I now ask that the clerk read from the desk a letter which I received today from the Price Administrator, our former colleague, Mr. Prentiss M. Brown, giving his views as to the effect of the legislation now pending before the Senate. For the reason I have expressed, confirmed, and fortified by the statements Administrator Brown has included in his letter, I shall myself vote to recommit this bill to the Committee on Agriculture and Forestry, in the hope that, if and when, the committee rereports it to the Senate it will be accompanied by some information from those in charge of the responsibility of administering the law as well as those who are interested in its passage.

Mr. SMITH. Mr. President, I should like to make a brief remark about what the Senator from Illinois said that when the time shall come when the element of cost in the production of farm commodities goes down, parity will go down. Of course, that is what we are here for now, because we are not getting a just parity, and when costs go up we want parity to go up, and when costs go down we want parity to go down.

Mr. BARKLEY. Mr. President, does the Senator mean by that that when the war is over and all farm wages go down he will be here advocating that farm labor will be excluded from the calculation of parity?

Mr. SMITH. No; but let parity go down to represent the fall in labor. The farmer is just as patriotic as is the Senator from Kentucky or as I am.

Mr. BARKLEY. I think so, too, and I include the Senator from South Carolina in that superlative. Nobody has ever reflected upon the patriotism of the farmer; least of all have I ever done so. I think if the Members of the Senate of

the United States, of the entire Congress of the United States, and the officials of the Government of the United States should go among the farmers of this country and sit down and talk with them they would find, we would all find, that there is not a more patriotic, loyal, or dependable group of people in the United States than are the farmers of our country.

Mr. SMITH. I merely wanted to reply to the insinuation that after the war, when farm labor and the cost of production went down, parity would not go down. We are not trying to put it up and keep it up.

Mr. THOMAS of Oklahoma. Mr. President——

The PRESIDING OFFICER. Will the Senator from Oklahoma wait for a moment until the clerk reads the letter which was sent to the desk by the Senator from Kentucky?

Mr. THOMAS of Oklahoma. I inquire what is pending before the Senate?

Mr. BARKLEY. If there is objection to the clerk's reading the letter, I myself will read it.

Mr. THOMAS of Oklahoma. I have no objection to the letter being read.

Mr. BARKLEY. I asked that the clerk read the letter in my own time.

Mr. THOMAS of Oklahoma. I want the floor, and I merely desired to know what was pending.

Mr. BARKLEY. What is pending is my request that the clerk read the letter from former Senator Brown, which he sent here to have read in connection with the pending bill. I did not suppose the Senator would object to that.

The PRESIDING OFFICER. The clerk will read the letter as requested.

The legislative clerk read as follows:

OFFICE OF PRICE ADMINISTRATION,
Washington, D. C., March 24, 1943.

Hon. ALBEN W. BARKLEY,
United States Senator,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR: I am writing you to express my opposition to the Pace bill, which has passed the House and is now before the Senate, and the Bankhead bill, which has passed the Senate and is now before the House.

The Congress is troubled, and not without justice, by the management of the stabilization program. The Office of Price Administration, more than any other agency, I suppose, must bear the responsibility for this. We recognize this and are moving with might and main to improve our regulations, to remove the sources of irritation, to remedy the mistakes which were made in the agency's period of expansion. I am confident that we are making progress in remedying past mistakes. I am equally confident that we shall make fewer mistakes in the future.

But while mistakes must be remedied and inequities eliminated, the line must be held. It would be fatal if the Congress, in its annoyance with the management of the program, lost sight of the basic objective of stabilization.

Because the issues are so grave, I must speak with the utmost frankness. I have given the most careful consideration to the Pace and Bankhead bills, to the reasons advanced in their support, as well as to their consequences. Enactment of these bills means not an adjustment to improve the program—it means a break-down of the program.

Enactment of the Bankhead bill would force up the price of sugar by a cent to a cent and a half a pound, the price of bread by a cent a loaf, and the price of family flours by 18 percent. Furthermore, it would compel us to raise the price of corn between 9 and 10 percent and thus increase the cost of producing beef, hogs, poultry, eggs, and dairy products. If the producers of these essential foods were not to suffer injury, these prices would have to be raised too. In the end the Bankhead bill would raise the retail price of foods by 7 percent and add $1,500,000,000 to the consumers' food budget. It would force the Government itself to spend an additional $500,000,000 every year in order to feed the armed forces and to supply our allies.

The Pace bill would raise parity prices of farm products by 14 percent. This, in the course of time, would drive up the retail prices of food 10½ percent and add two and one-third billion dollars to the consumers' annual food budget. It would increase the Government's expenditures for food by about three-quarters of a billion dollars per annum.

Taken together, these two bills would thus raise the retail price of foods between 17 and 18 percent, increase the annual food budget of consumers by three and three-quarter billion dollars, and cost the Government an additional one and one-quarter billion dollars a year.

So radical a change in the price of foods would end the stabilization of prices. It would end the stabilization of wages as well. The stabilization of wages can be justified only upon the basis of a stable cost of living. We must face the fact that radical change in the cost of food means radical change in the Little Steel formula as well. If the Congress requires the one, it must accept responsibility for the other.

I recognize how strong are the claims of the farmer upon the Nation, how great is his service, how difficult his task. I recognize that for two decades farm prices were inequitably and uneconomically low, and that it was urgent that farm prices and farm incomes be raised to fair levels.

I believe, however, that farm prices and farm incomes have in fact been raised to fair levels. Between August 1939 and January 1943 the prices farmers receive rose 110 percent. During the same period the prices that farmers pay were held to an increase of only 26 percent. As a result, farm prices, which were 30 percent below parity at the time war broke out in August 1939, reached a level 15 percent above parity in January of this year.

Not only have prices the farmers receive risen four times as much as the prices farmers pay, but they have also risen four times as much as farmers' cort of production, including the cost of hired labor. The prices farmers receive therefore yield to the farmer, for his own labor and that of his family, a better return than he has ever known. The net income of farm operators in 1942 was $10,200,000,000 128 percent higher than the level of 1939. This income was $1,400,000,000 greater than ever before received by farmers. The highest previous peak was reached in the year 1919 at the height of World War No. 1 inflation, and because of that inflation every dollar of the farmer's income in that year bought far less than it does today.

While under other circumstances I should be the last man to oppose an increase in farm income, as my record will show, I am deeply convinced not only that the economic position of the farmer is more favorable than it has ever been before, but that farm prices and farm incomes are fair. Our job is to keep them fair and to preserve the favorable position which the farmer has reached. We can't do so if the stabilization program is destroyed. If that program is destroyed, farm prices will go up—there is no doubt of that—but so will the prices farmers pay and so will farm costs. In the end the farmers will lose just as they did during and after the last war.

It is on the basis of these broad and crucial considerations that I am writing you to express my deep opposition to the Pace and Bankhead bills and my hope that the Congress will reject them.

Sincerely yours,

PRENTISS M. BROWN.

Mr. BANKHEAD. Mr. President, in view of the fact that the letter just read refers frequently to the Bankhead bill, I feel that some of the statements in the letter should not go unchallenged.

It will be recalled that the Bankhead bill was considered by this body a few weeks ago, and on a yea and nay vote was passed by a vote of 77 in favor to 2 against. The record has been made in the Senate, and the bill has also passed the House, and all that remains to be done is formal action on a minor amendment. In the face of that record, now comes this letter to the leader of the Senate. I am at a loss to understand why now, from an agency of the Government, this criticism is directed at the bill.

I have the very highest regard for the Administrator of the O. P. A. I really have an affectionate regard for him, but I am convinced that some theorist in his department, who has invented a new multiplication table, prepared the figures for him which are included in his letter.

Let us see what the situation is with regard to the Bankhead bill, which the Administrator at this time so vigorously criticizes. What was that bill? He says it would raise prices in staggering amounts. The Bankhead bill, so-called, merely prohibited the deduction of benefit payments under an Executive order by the President, the authority supposedly being given in the Price Control and Stabilization Act. It prohibited the deduction of benefit payments from parity or ceiling prices, as had been ordered in the Executive order called the stabilization order.

It merely reaffirmed the law on that subject, as contained in the Stabilization Act. It reinstated, regardless of Executive order, the decree of the Congress of the United States, made with the approval of the President, fixing parity prices or other prices between January 1 and October 1 as the point below which ceiling prices could not be fixed.

Former Senator Brown is an able man, a persuasive man, a man who had our confidence, and who still has mine. As a Senator he was in charge of the stabilization bill here on the floor of the Senate. He was the author of it. Almost entirely, with only a few exceptions, he had his way about the contents and provisions of the bill. Members of the Banking and Currency Committee know, as other Senators know, and as members of the conference committee know, that he was the dominant spirit in the framing and passage of the bill. He looked upon it with pride then. Why this change now with reference to the effect of the Bankhead bill and of the Stabilization Act, of which he was the author?

Mr. CLARK of Missouri. Mr. President——

The PRESIDING OFFICER (Mr. MAYBANK in the chair). Does the Senator from Alabama yield to the Senator from Missouri?

Mr. BANKHEAD. I yield.

Mr. CLARK of Missouri. Will the Senator from Alabama tell the Senate what difference, if any, there is between the Pace bill and the Bankhead bill, the latter of which passed the Senate some time ago by an overwhelming vote?

Mr. BANKHEAD. There is no connection, really, between the Pace bill and the Bankhead bill. The Bankhead bill, which the Senate passed by an overwhelming vote, nullified the Executive order which required a Government agency to deduct from parity or ceiling prices all benefit payments, and thus, in that indirect way, to reduce below the level of prices prevailing at that time the parity price and the ceiling price.

That was the order under which there has been brought about the situation whereby the sale of corn has been stagnated all over the Corn Belt, because no one knows what the parity price is. Under the order, deductions were made from the parity price as figured by the Bureau of Agricultural Economics. The Bankhead bill nullified that.

Mr. CLARK of Missouri. Let me say to the Senator from Alabama that I propounded my inquiry because as I heard former Senator Brown's letter read, it seemed to refer to the Bankhead bill and the Pace bill as one measure. As a matter of fact, they are two entirely different measures.

Mr. BANKHEAD. Absolutely.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. AIKEN. I should like to ask the Senator from Alabama if he can give us approximately the amount of benefit payments paid to the farmers during the last year?

Mr. BANKHEAD. I do not have the figures before me, but $212,000,000 was appropriated for parity payments and $450,000,000 for soil-conservation payments. Those payments practically all went to corn and wheat producers.

Mr. AIKEN. In other words, the total is approximately $600,000,000?

Mr. BANKHEAD. Yes.

Mr. AIKEN. It does not amount to a billion and a half dollars, as is intimated in the letter of the Price Administrator.

Mr. BANKHEAD. No.

Mr. AIKEN. And that total will be taken out of the tax bills of the people for this year and succeeding years?

Mr. BANKHEAD. Yes.

Mr. AIKEN. And simply added to the cost of the farm products?

Mr. BANKHEAD. Yes.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. BARKLEY. I think in fairness to former Senator Brown, who wrote the letter, it should be stated——

Mr. BANKHEAD. Mr. President, I do not want to be unfair to him.

Mr. BARKLEY. I understand. I did not say that the Senator meant to be unfair to him. Mr. Brown's letter is intended to reflect the cost to the consuming public, which would be more than the actual amount paid out of the Treasury by the time all the turn-overs were made in the cost of the agricultural products. The farmers would receive the $600,000,000 or $650,000,000, but by the time the products reached the consuming public the whole transaction would involve one billion and a half dollars in increased cost of living.

Mr. AIKEN. That simply illustrates how small a part of the consumer's dollar the farmer receives. It is that spread which ought to be corrected.

Mr. BANKHEAD. I can make one remark at this point which ought to convince the Senator from Kentucky that that statement is totally inaccurate. Mr. Brown talks about a $600,000,000 increase to the farmers resulting in an increase of one billion and a half dollars to the retail consumers.

Mr. BARKLEY. Former Senator Brown said that the cost of the Bankhead bill to the public, to the consumers, would be one billion and a half dollars. He said that that is accounted for by the increase in the turn-over of these products, because every time they turn over, based upon the original amount involved, there is an increase in price.

Mr. BANKHEAD. What I want to point out to the Senator is that the Department of Agriculture, through its statistical bureau, the Bureau of Agricultural Economics, has been carrying for months and months tables and figures in its releases showing that the farmers receive 53 percent of the total amount of the cost of the product when sold by the retail stores to the consumers. So it would be impossible to increase an appropriation of $600,000,000 paid to the farmers to a billion and a half dollars, unless one should want to falsify and nullify the statistics prepared over a long period of years by the Bureau of Agricultural Economics.

Mr. BARKLEY. I wanted to say that the average of 52 or 53 percent of the consumer's dollar which the farmer receives is a percentage figure which has continued over a long period of years, and does not fluctuate very much.

Mr. BANKHEAD. It has fluctuated somewhat and increased somewhat.

Mr. BARKLEY. I think the Senator will find that from year to year it has not fluctuated more than 2 or 3 percent up or down. But even at that rate it would be over a billion dollars, or approximately a billion dollars, assuming that former Senator Brown was mistaken in his figures.

Mr. BANKHEAD. Of course he was mistaken. It is self-evident that he was mistaken.

Mr. REED. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. REED. I wish to emphasize what the Senator from Alabama has said, and to express my regret that former Senator Brown confuses the Bankhead bill with the so-called Pace bill now before the Senate. The Senator from Alabama has correctly stated the situation. The Bankhead bill, which passed this body by a vote of 78 to 2, only reiterated our understanding of the law, and only told the executive departments that the bill expressed what the law meant. That is what we thought in the first place. The Pace bill is an entirely different thing. The Bankhead bill would not change the law in any respect. It was directed only at the interpretation of the law which the Senator from Alabama and I thought was wrong all the time. The bill now before the Senate, however, would change the law. I wish to say again that on the basis of the main question and fundamentally I would vote for the pending bill. If it should go back to the Committee on Agriculture and Forestry and be returned to the Senate in its present form I should vote for it.

Mr. President, I am sorry that former Senator Brown has confused the two bills. I have imposed on the Senator from Alabama only to do what I could to clear up any misunderstanding which may have been left in the minds of Senators.

Mr. BANKHEAD. Mr. President, I do not care to prolong the argument. If the consideration of the measure goes over until tomorrow I shall discuss more in detail the statements made by Mr. Brown and by others with respect to the Pace bill. The two bills in question are so entirely separate and directed to such different objectives, and have such totally different effects, that I do not care to confuse the situation by discussing them at the same time. I simply wish to say this, and then I shall yield the floor, that the Bankhead bill was written in a spirit of loyalty to and admiration for former Senator Prentiss Brown. The Bankhead bill was written in the spirit of the act sponsored in the Senate by former Senator Brown, of which he was proud when he was in the Senate, regardless of his present attitude toward it. It did nothing but reaffirm the provisions of the act sponsored by former Senator Brown, with which he was so fully in accord and of which he was at the time so proud.

Mr. THOMAS of Oklahoma. Mr. President——

Mr. AIKEN. Mr. President, will the Senator yield to me for a moment to make a statement to clear the record?

Mr. THOMAS of Oklahoma. Yes.

Mr. AIKEN. When the Senator from Ohio [Mr. TAFT] was speaking, I called his attention to the fact that profits in industry had increased 300 percent since 1939, and gave as my authority for that statement the Chairman of the Maritime Commission. The Senator from Ohio seemed skeptical. I wish to say that that statement is not exactly correct. The authority is to be found in a letter from the Chairman of the Maritime Commission to the Chairman of the Commerce Committee of the Senate, and was inserted in the RECORD of March 23. I should like to quote from that letter:

The Office of Price Administration has recently reported that railroad earnings have increased over 2,000 percent before taxes

since 1939 and that the profits of mining, manufacturing, and trade in general have increased over 300 percent, before taxes in the same period.

It will be seen that the Office of Price Administration is the real authority for those figures, and that is the agency the Senator from Ohio was praising very highly at the time he questioned my statement.

Mr. TAFT. Mr. President, will the Senator from Oklahoma yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. TAFT. All the figures given are of earnings before taxes. As a matter of fact the railroads were earning nothing, or practically nothing, at the time referred to. We have now increased the tax about four or five hundred percent. This year we are taking about $8,000,000,000 out of corporation profits, whereas in 1939 we were taking about one billion and a half dollars out of corporation profits. So I think the figures to which I referred are substantially correct.

Mr. THOMAS of Oklahoma. Mr. President, before the final vote on the bill, H. R. 1408, is taken, and before any vote is had upon any amendment thereto, I desire to submit some observations and to ask some questions. The bill proposes to give farmers the benefit of farm labor costs in arriving at the parity prices on the products which they produce.

My first question is: What article can a farmer purchase that either he or some other farmer did not produce, upon which he does not pay the labor cost of production? I pause for a moment and wait for some Senator to reply.

My answer is: There is no article, save farm commodities, in which the cost of labor is not included.

Mr. President, my next question is: Are farmers members of our economic system?

My answer is: At present; no.

My next question is: Should farmers be members of our economic system?

My answer is: Yes.

The pending bill does nothing more than to permit the farmers of this country to join and become members of the economic system of America.

Much has been said today about inflation. Before I discuss that subject, I desire to have printed in the RECORD at this point, in connection with my remarks, a copy of the act in full as it would appear if amended. The bill would add only a few words, and states where the words would appear in existing law. I desire to have printed at this point in the RECORD the existing law with the amendments proposed in this bill. I do not ask that the text be read, but be printed at this point in connection with my remarks.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

Agricultural Adjustment Act of 1938, as amended:

"SEC. 301. (a) GENERAL DEFINITIONS.—For the purposes of this title and the declaration of policy—

"(1) 'Parity' as applied to prices for any agricultural commodity, shall be that price for the commodity which will give to the commodity a purchasing power with respect to articles that farmers buy equivalent to the purchasing power of such commodity in the base period; and, in the case of all commodities, which will also reflect current interest payments per acre on farm indebtedness secured by real estate, tax payments per acre on farm real estate, freight rates, and the cost of all farm labor (on the basis of the national average and including hired workers, farm operators, and members of the families of farm operators engaged in work on the farm, computed for all such labor on the basis of wage rates for hired farm labor), as contrasted with such interest payments, tax payments, freight rates and costs of all farm labor during the base period. The base period in case of all agricultural commodities except tobacco shall be the period August 1909 to July 1914. In the case of all kinds of tobacco except Burley and flue-cured such base period shall be the period August 1919 to July 1929, and, in the case of Burley and flue-cured tobacco, shall be the period August 1934 to July 1989; except that the August 1919-July 1929 base period shall be used in allocating any funds appropriated prior to September 1, 1940."

Agricultural Adjustment Act of 1933, as amended and as reenacted and amended:

"DECLARATION OF POLICY

"SEC. 2. It is hereby declared to be the policy of Congress—

"(1) Through the exercise of the powers conferred upon the Secretary of Agriculture under this title, to establish and maintain such orderly marketing conditions for agricultural commodities in interstate commerce as will establish prices to farmers at a level that will give agricultural commodities a purchasing power with respect to articles that farmers buy equivalent to the purchasing power of agricultural commodities in the base period; and, in the case of all commodities for which the base period is the pre-war period, August 1909 to July 1914, will also reflect current interest payments per acre on farm indebtedness secured by real estate and tax payments during the base period; as contrasted with such interest payments and tax payments during the base period; and in the case of all commodities, which will also reflect the cost of all farm labor (on the basis of the national average and including hired workers, farm operators, and members of the families of farm operators engaged in work on the farm, computed for all such labor on the basis of wage rates for hired farm labor), as contrasted with the costs of all farm labor during the base period. The base period in the case of all agricultural commodities except tobacco and potatoes shall be the pre-war period, August 1909-July 1914. In the case of tobacco and potatoes, the base period shall be the post-war period, August 1919-July 1929."

Mr. THOMAS of Oklahoma. Mr. President, in 1926, during an administration of which I was a Member of the minority of the House of Representatives such administration in power fixed a price level goal. The then administration set that price level goal at 100. The administration said that the price level or commodity index should be 100, which would mean that the dollar would have a buying power of 100 cents as measured in terms of property as measured by the price level or commodity index. That goal was fixed at a time which I have heard described as the Coolidge era of prosperity.

Mr. President, that 100 percent price level has been the goal for these many years. So far as I know, it still is the goal of the American people.

During the past several years—beginning in 1929—the price level fell far below that goal. The price level fell from 100, starting in 1929, to 63 in 1932. That meant that the dollar had a buying power of some 160 cents in 1932. At the beginning of the present administration, in March 1933, we adopted a policy of raising the price level which policy was primarily in the interest of the farmers and the producers of raw materials generally. For almost 10 years we tried to get the price level up to 100. All the money we spent and all the legislation we passed with respect to agriculture was in an effort to get the price level up to 100. We did not reach that goal until last November. On November 19, 1942, the price level reached 100. The price control bill was passed the 31st of January, 1942, as I remember. It took about 3 months to get the Price Control Act into operation. Mr. Henderson set up his organization, and the act was in full operation about May 2, 1942. At that time the price level stood at 98.7—not yet up to 100. That was almost 11 months ago. During the past 11 months the price level has risen only from 98.7 to 103. On March 20, 5 days ago, the price level stood at 103.

That means that in the last 11 months all the inflation we have had in this country has been less than 5 percent—to be exact—only 4.3 percent, which means less than one-half of 1 percent a month. Figured in terms of money, one-half of 1 percent is 5 mills. During the past 2 weeks the price level rose two-tenths of 1 percent, or in terms of money, 1 mill a week. I do not call that violent inflation. The price trend is upward, that is true. It has been upward for some time, due wholly to the fact that now we are spending more than $6,000,000,000 a month in financing the war effort. We are collecting taxes, we are selling War stamps and bonds, and we are placing bonds in banks and writing checks against the credit thus created in order to get the money to meet our war bills. To meet our bills we are paying out at the rate of over $6,000,000,000 a month, which means over $72,000,000,000 a year.

Yet in spite of those large payments, the price level is being held down to a rise of less than one-half of 1 percent a month. Nevertheless, with this fine record, Senators will stand upon this floor and try to frighten other Senators and try to frighten the country into believing that we are now to be engulfed in an orgy of uncontrolled inflation.

Mr. President, how can farmers pay their fair share of the tax bills if they cannot obtain costs of production for the things they produce? Farmers embrace some 30,000,000 of our population. We now have a population of 133,000,000. Farmers make up about 30,000,000 of that 133,000,000—a most substantial number of our society. Yet the issue is raised here that 30,000,000 American citizens should not be allowed costs of production, especially their labor costs, in making up their parity formula.

If my good friend, the junior Senator from Virginia [Mr. BYRD], producing the finest apples I ever saw or ever

tasted—I say that because I have had a chance to sample his apples; he sent me a box of them, and I now make proper acknowledgment of his gift—could not charge for the apples he sells a price including the amount of his labor cost, how long could he live and exist economically? He might draw on his surplus capital and last awhile, but in time the surplus would be gone. Then what would happen? Probably one of the finest orchards in Virginia would wither and decay

Mr. President, at this point I desire to have printed in the RECORD—and I shall hurry through my remarks—some facts which I think cannot be controverted. They are taken from official statistics. I refer now to the committee report on the bill, submitted by the chairman of the committee. On page 11 of the report is found table No. 1 "Nonfarm family income and cost of family food purchases, 1913–42."

In 1913 the food cost as percentage of income was 31 percent. At the beginning of 1942 the food costs, expressed as a percentage of income, had fallen from 31 to 22 percent. That is the lowest percentage that is recorded in any year since 1913.

On the next page of the committee report we find the following language:

> The following table shows that during the base period the average hourly earnings of the factory worker were at the rate of 21 cents per hour, while today they are at the rate of 85 cents per hour, or an increase of over 300 percent.

Mr. President, on former occasions it has been demonstrated on this floor that the men, women, and children producing cotton on the southern farms and plantations receive for each hour's labor approximately the amount received for each pound of cotton produced. When cotton sells for 20 cents a pound—about the price at the present time—the cotton planter and the cotton producer receive 20 cents an hour for their work. When cotton goes down to 12 cents a pound, the cotton planters receive 12 cents an hour for their work. When cotton sold for 5 cents a pound the population of 11 Southern States engaged largely in raising cotton were forced to work at something like 5 cents an hour.

Mr. President, this bill makes it possible for 30,000,000 of our people to join the same economic system provided for 123,000,000 of our people. How does the Government treat those engaged in industry? As has been shown in the RECORD, if a firm or a corporation secures a contract to make war supplies and the contractor loses money, what happens? In a few days he is given an additional contract at a sufficiently higher figure not only to make up for the loss on the first contract but to make a substantial profit on contract No. 2.

Contrast that system for industry with the system which the Congress has provided for the farm population of America. It is already boasted in some quarters that those who are renegotiating our war contracts have saved and recovered for the American people—which means the Federal Treasury—approximately $1,000,000,000. That means that the original contracts were not only let at a profit but were let at a figure approximately $1,000,000,000 over and above what has been construed to be a liberal profit; and yet some Senators are not willing to write into the law of the land a provision that farmers shall receive even the cost of their labor and the labor that they employ in their parity formula.

Mr. President, at this moment there is pending before the Appropriations Committee of this body a bill on which hearings are now being held proposing to appropriate some $65,000,000—for what purpose? To import to this country, if they can be secured, Mexican, Haitian, and Bahaman laborers to work upon the farms. In addition, the Government is considering proposals to enter the Federal and State prisons and, if proper paroles can be obtained, take from those prisons men and place them upon the farms. The Government is considering the advisability of taking internees in the prison camps and place them on the farms. We are now bringing to this country prisoners of war. It may be that some of the prisoners of war will be placed on the farms of this country to insure that we shall have an adequate supply of food during the duration of the war.

Why? Because the Nation is not only threatened with a food shortage but actually faces a food shortage now. Mr. Wickard does not hesitate to say that he cannot now fill the orders which he has for food to send abroad for our soldiers, for lend-lease, and to feed the peoples being liberated by the force of allied arms.

Mr. President, this situation confronts us just after we have had the most bountiful crop ever grown in America. We hope to have a good crop this year. We know that we are going to have a reduced acreage planted to crops. We know that we shall not have sufficient farm machinery or fertilizer this year. We hope that we shall have a good season; but with reduced acreage, reduced farm labor, reduced machinery, and reduced fertilizer, what is the prospect? Even if we have as good a season as we had last year, we cannot raise the crop this year that we raised in 1942. I hope we can, but I am not enough of an optimist to predict that we shall.

Mr. President, the conditions I have just related are the reasons for the bill to which I refer. It has passed the House of Representatives and is now before the Appropriations Committee of the Senate. The bill would appropriate money to import labor into this country to produce the food which is necessary to support our soldiers and those of our allies, as well as the people of the liberated countries.

If the Senate should send the pending bill (H. R. 1408) back to the committee, or if the bill should fail of passage or fail in some other place, by reason of failure to be signed, what would be the effect upon some 30,000,000 of our people? The farm boys are at war. No farm labor is available. If food production must depend upon the labor of Mexicans, Haitians, Bahamans, Chinese, or interned or prison labor—and I do not say that in any invidious sense—what will be the effect upon 30,000,000 of our people, who are expected not only to produce as much food as they produced last year, but 30 percent more, when this Senate says, "You cannot even have the cost of your labor figured in your parity formula?"

Mr. President, this issue will be upon the backs and may gnaw at the stomachs of multiplied millions until it is solved.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an editorial published in a recent issue of the Chicago Daily News. The editorial is entitled "Farm Facts and Fancies."

There being no objection the editorial was ordered to be printed in the RECORD, as follows:

FARM FACTS AND FANCIES

Fortunately for the American people, the wiggling and wobbling at Washington over farm and food cannot produce a famine. If American agriculture were organied like big business, where many financial and labor adjustments are so delicate that political bungling can wreck the productive processes, we might have reason for grave alarm at the confusion reflected in the daily output of contraction and controversy from Government bureaus and from Congress, too.

The bulk of American farming is still biological—the cultivation of the earth and the husbandry of animal life by families, groups of kinsfolk, and by naturally integrated neighborhood groups. Their natural productive urge and instinct of workmanship has not been sufficiently impaired, by the price and profit incentive to monopolistic restriction, for farm output to be curtailed to a starvation point for the American people.

Not all the efforts of the Agricultural Adjustment Administration to introduce into farming the practices of planned nonproduction, characteristic of the monopolistic corporation and the labor union, have served to create in foodstuffs any such situation as the Nation found in aluminum, synthetic rubber, and other industrial products after Pearl Harbor.

As family-unit farming is only secondarily capitalistic, the bulk of farmers being workers who own their tools of production, the countryside is allergic to sabotage, and also to "class war." These facts may be intensely distasteful to the pinko wing of the New Deal, including many of the book farmers of the bureaus and the pavement peasantry who write about farming in the lefty pulps that Westbrook Pegler calls "little butcher paper magazines."

It is from those circles that we always hear about the alleged struggle between the big farmers and the little farmers, between the corporation farms and plantations on the one hand, and the sharecroppers and tenantry on the other. The fact is that neither big farms nor tenant farms produce the bulk of foodstuffs of this country. Nearly all of the alleged organizations of little farmers and sharecroppers are phony commie fronts subsidized by the same rich but frustrated old dowager coupon clippers who keep the kept liberal prints.

In short, the American farmer is a "kulak" to the commie and the pinko, but unlike the helpless Russian kulaks who were destroyed and whose destruction brought on the great Russian famine of 1933–34, the American kulaks are the best organized and most alert economic group in America, when it comes to protecting their property.

Industrialized farming and plantation farming in this country account for less than 10 percent of agricultural production, and that is mostly in cotton, sugar, or range livestock.

One frequently encounters fantastic figures about the number of poor farmers or marginal farmers in this country, also the number of sharecroppers. Many American tenant farmers and many sharecroppers are more prosperous than many farm proprietors, so tenure means less than might seem plausible in terms of social attitudes or of production either. A marginal farmer is mainly marginal because he lives on poor marginal land, and that fact is sufficient comment upon some of the pinko pleas that the way to boost production is to subsidize poor farmers and little farmers to do it. Most of them produce now, and always have produced, about all they can.

Mr. THOMAS of Oklahoma. I also ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an article entitled "The Farm Problem," written by Roger W. Babson and published in the Washington Post of March 22, 1943. The subhead is, "Too much regimentation seen."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE FARM PROBLEM

(By Roger W. Babson)

TOO MUCH REGIMENTATION SEEN

Backed by the drive for Victory gardens and as spring draws closer my thoughts and those of countless others turn naturally to the production of food. England has been successful in increasing her productive acreage. What she can do, we can do here. Hence, I advise all who can to have a small subsistence garden this year, place your seed orders now, but don't overbuy.

I have no concern over the amateur gardener. He will do a good job on his little home tract. In the course of the summer he will raise a good many wholesome vegetables to supplement his rationed foodstuffs. Thus, in writing today, I am more fearful over the plight of the man who makes his livelihood from farming.

Whether we like it or not, we are all intimately wrapped up with the farmers. I have at times taken exception to their demands and have not much use for the farm blocs. Yet I recognize that they have many real troubles. The demand for foodstuffs continues while some 2,000,000 farm workers have left to go into industry and the armed services. This alone is a major headache.

Unquestionably farmers are in agreement with wage workers and others and do not want excessive inflation. This is being controlled now to some extent but is still advancing too rapidly. Farmers want the haggling over the parity question by the administration stopped and consideration given to the increase in farm operating expenses. While being asked to produce more foodstuffs farmers are up against one bureau trying to increase food production, another drafting farm labor, and a third stopping production of farm tools.

A good deal can be said in sympathy for the current position of the farmers. Most of them who are workers are not looking for subsidies. What they want is a reasonable price for their products and a small margin after expenses are deducted. The average farmer has not been able to build up much of a financial backlog and hasn't any money to lose. But many of them would be able to weather the next depression if they could make a profit now. Farmers as a rule are careful spenders for tools, buildings, and other equipment. What they might obtain now would relieve future capital expenditure at a time when cash may be tight.

Farmers are the real rugged individualists. They are dead against too much tinkering with the institution of property. They do not want the noose of government to so tighten that it may lead to dictatorship and socialism. They are proud of their independence and proud of their ownership of land. In common with many others, they still regard it as the only real property. But they simply cannot understand many of the rules and regulations from Washington that restrict their purchase of new equipment and new parts for old equipment.

Livestock farmers in particular are having great trouble in moving their products. This is not only true in connection with their own truck transportation which is rapidly wearing out, but also in connection with rail transportation. Railroad personnel is, of course, decreasing by reason of men going into the armed services and in connection with their employment in war industries

Coupled with the need for hauling great quantities of war goods the railroads cannot be blamed. Adequate farm power and transportation are vital to the operation of any farm and our Washington representatives should provide it.

The United States has some 10,000,000 farmers and millions of productive acreage and grazing lands. By any comparison, agriculture is a big business. As such it involves certain obligations. Yet many farmers are so constituted that they chafe under red-tape restrictions and regimentation. Certainly, industrial management, too, has its labor, material, transportation, and many other problems. But both groups have buckled down under the load and done an unprecedented job of production since Pearl Harbor.

Farmers resent ceilings on any kind of farm crops, particularly without adequate floors. But under our present managed economy, rightly or wrongly, the old rule of supply and demand is out for the duration. The farmer cannot understand this and needs some definite encouragement.

Certainly, if the rest of us, in view of lend-lease requirements and rationing, are going to eat, the farmer ought to be at least provided with the tools of his trade. He needs a little hog wire, a few tires, gasoline and repair parts, but above everything else he needs help in terms of manpower. The reclassification of draftees up to the age of 45 may go a long way toward solving the farm-labor problem. It is a welcome move on the part of the Manpower Commission.

ONE HUNDRED AND TWENTY-SECOND ANNIVERSARY OF THE BEGINNING OF THE GREEK WAR FOR INDEPENDENCE

Mr. BARKLEY. Mr. President, I wish to make a few observations regarding a subject not at all connected with the bill under consideration. I had intended to do so earlier in the day, but the time did not seem appropriate.

Mr. President, today is the one hundred and twenty-second anniversary of the beginning of the Greek War of Independence.

Let us pause for a moment to pay tribute to Greece, "the cradle of civilization," whose heroic people, refusing to surrender their honor and liberty, stood up gallantly in defense of their homeland, their freedom, and self-respect.

One hundred and twenty-two years ago today the Greek Orthodox archbishop of Patras raised the standard of the Greek Revolution against the authority of the old Ottoman Empire. After a struggle of several years, during which the incomparable deeds of the Greek revolutionists won the admiration of the entire world, Greece was once again free. Then, as now, the Greeks had the moral and material support of the young American Republic. Philhellenic societies in Boston, Philadelphia, and other American cities, collected funds, food, and clothing for embattled Greece. The pro-Greek orations of President Monroe, Daniel Webster, Henry Clay, and other American statesmen, bear witness to the historic fact that Greek-American friendship dates from the days of the rebirth of the Hellenic nation. As time has passed, the bonds of this traditional friendship have become very strong.

Today Greece finds herself once again fighting tyranny and oppression. And once again the Greeks are our friends and allies in this titanic struggle. Their cause is our cause. By their stern, unwavering courage, and their terrible torment and suffering, they have won a lasting claim on our friendship and comradeship.

Two years and a half ago Mussolini started out to subjugate peace-loving Greece.

The Greeks, when attacked, rose up in their wrath and, though vastly outnumbered, hurled the invader back. The invading hordes, it will be recalled, used the previously treacherously conquered little Albania as a springboard against Greece.

But the Italians barely set foot upon Greek soil when they were pounded back day by day until they had lost almost all of Albania. Incidentally, since the deflation of the Fascist myth in Greece, Italy has been but a passive, almost negative force in the Hitler scheme of things.

The deflated Duce was down and almost out when the ruthless Nazi machine heard his outcries for help and came to his rescue.

Then the world was given an imperishable example of incomparable courage, moral strength, and love of freedom. Fully aware of the danger, the Greeks walked bravely and unhesitatingly into the jaws of almost certain death, risking disaster rather than surrendering their integrity by dishonorably submitting and yielding their freedom without putting up a fight to save it.

The gallant Greeks fought heroically. But they were crushed by the insuperable weight of superior numbers and far superior mechanical equipment, overwhelming masses of tanks, and endless squadrons of airplanes.

In thus resisting, the Greeks, like their traditional friends and allies, the Yugoslavs, have rendered an inestimable service to the cause of freedom.

Hitler, now that France was prostrate, had counted on bringing Yugoslavia and Greece eventually under the swastika, just as he had conquered Austria, Bulgaria, Hungary, and Rumania without a fight.

But the two heroic Balkan countries chose to fight, and thereby the Nazi timetable of conquest was upset. Hitler and his hordes were forced to postpone their attack against Soviet Russia until the month of June was more than two-thirds gone. This delay enabled the Russians to rally the armed forces of Russia, and

the German attack bogged down as winter approached. We know now the role of the winter on the Russian front in the present war.

Angered at this upsetting of the Nazi timetable of conquest, Hitler set out to exterminate the Greek Nation.

A victor in whom there was a lingering vestige of decency or chivalry would have honored the Greeks in their defeat, for theirs was a gallant heart as never the Nazis may hope to attain.

But instead the order was issued to despoil them—to steal away from the helpless conquered the little that was left to them. The Germans stripped the country of food like a plague of locusts. It became apparent that they intended to destroy the population through starvation. Although the Italian Army now occupies the larger part of Greece, the Germans, during their 2 months of absolute control of the country, are said to have done so thorough a job of spoliation that when the Italians arrived they found the country virtually stripped of all its transportable wealth and foodstuffs. The Nazis had even shipped all the seed wheat to Germany.

As a result of these Nazi measures, conditions in Greece are appalling. The streets of Greece are filled with starving men, women, and children. Greek authorities report that more than 500 persons perish daily of hunger in the Athens-Piraeus section alone.

None of the old Greek tragedies told a more somber, a more heart-rending story than the day by day account of starvation and destitution told in the news dispatches from the martyrized Balkan state.

Sometime ago a Swiss journalist sent the Journal de Geneve a typically pathetic account of hungry Greek children lining up outside soup kitchens. "The silent, ragged procession is sinister," writes this correspondent. "Small children carry even smaller ones who cannot stand on their legs. Some seem like skeletons. Others have swollen limbs."

This is the beautiful so-called "new order" in Europe that children should die of starvation.

No one knows precisely how many thousand Greeks have already perished. Greek officials estimate that fully 500,000 of their fellow-countrymen have already died by execution, massacre, starvation, or malnutrition.

Enforcing harsh rule by killing hostages is also a set policy of the Nazis. Greeks are being hunted from their villages by both Germans and Bulgars. On obviously trumped up charges they are being hanged or shot. In certain villages the entire male populations were put to death—particularly in villages of strategic importance near highways and railroads.

Mr. President, the Nazis have given evidence of barbarism and inhuman brutality wherever they set their foot. What is happening in Greece is entirely in character. Their so-called new order means only starvation and slavery. The suffering which the Greek people endure pleads even more strongly than the plight of other victims of Axis aggression for the extermination of the Nazi leaders responsible for these crimes against humanity.

Through the cooperation of the United States, British, Canadian, and Swedish Governments, the International Red Cross, and the Greek War Relief Association some food and medical supplies are being sent to Greece regularly by Swedish ships, but these merciful imports have not been adequate to the needs of the stricken country. This succor must be increased. If any freedom-loving people is entitled to our aid in this conflict, it is the Greek people.

Despite these appalling conditions in Greece, we have yet to read one report which speaks about the weakening of the valiant spirit with which the Greeks have opposed the invading forces. With what strength remains to them they continue to oppose the enemies. It does not seem to be in the nature of the Greek people to yield the fight while yet there is a Greek patriot who can swing a sword or pull a trigger.

It is reported that patriot warfare in Greece is growing in intensity, making the highways unsafe for the occupying Nazi-Fascist forces.

Countless Greek patriot bands, often led by former army officers, are striking at German and Italian encampments and supply lines. Bridges are being blown up. Trains are blasted. This Greek patriot activity immobilizes troops which Hitler needs badly for the eastern front.

One of the most heartening signs of the war has been the re-creation of the Greek fighting forces—Army, Navy, and Air Corps.

The Greek Merchant Marine—more than a million tons—is in the service of the Allies.

The Greek Navy is an important part of the Allied fleet in the eastern Mediterranean and the Indian Ocean. It is actively engaged in war duties, and has recently been augmented by 12 new ships. The Greek Air Force, equipped with American planes, is in action in Africa.

After the invasion of Greece a nucleus of the Greek Army escaped to Africa and Palestine and at once began to reform its lines in the Middle East. Recruits to this Army have come from all parts of the world, at the risk of their lives. This Army covered itself with fresh glory in the successful African campaign.

Thus Greece fights on. Her stubborn refusal to accept the abominable Nazi so-called "new order" typifies the unconquerable spirit, the smoldering anger, and the stern determination of the invaded countries to enjoy again all the rights and privileges of freedom.

Just so surely as day follows night gallant Greece will be freed. And when the task of reconstruction begins, generous aid will be in order for Greece. Certainly her people have earned an honored place among the United Nations and full recognition in the peace of the future. Their sacrifices must not have been made in vain. When the day of reckoning comes, an honored place will be given Greece at the council table, for she has lived up to the noblest of her glorious tradition. Greece has been true to her own soul.

INCLUSION OF COST OF LABOR IN DETERMINING PARITY PRICE

The Senate resumed the consideration of the bill (H. R. 1408) to amend section 301 (a) (1) of the Agricultural Adjustment Act of 1938, as amended, and the first sentence of paragraph (I) of section 2 of the Agricultural Adjustment Act of 1933, as amended, and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, approved June 3, 1937, as amended, so as to include the cost of all farm labor in determining the parity price of agricultural commodities.

Mr. LUCAS. Mr. President, I move that the House bill 1408 be recommitted to the Committee on Agriculture and Forestry for further study and consideration.

Mr. McNARY. The Senator has no intention of bringing his motion to recommit up tonight, has he?

Mr. LUCAS. Not at all.

Mr. BARKLEY. I will say that it is my purpose to move a recess until 11 o'clock tomorrow, in the hope that we may dispose of the motion of the Senator from Illinois, and if the motion shall not be agreed to, that we may dispose of the bill tomorrow.

Mr. LUCAS. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. LUCAS. Will the motion of the Senator from Illinois be the pending business tomorrow?

The PRESIDING OFFICER. It will be the pending business when the Senate convenes tomorrow.

CONDITIONS IN THE POSTAL SERVICE

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a letter dated March 23, 1943, from John J. Barrett, president of the United National Association of Post Office Clerks, to Hon. Frank C. Walker, Postmaster General.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MARCH 23, 1943.

HON. FRANK C. WALKER,
Postmaster General,
Post Office Department,
Washington, D. C.

MY DEAR MR. POSTMASTER GENERAL: May I again call to your attention the unhappy condition of the Postal Service throughout the Nation and urge your immediate personal intervention with the Congress in order that what was once, by all odds, the most efficient branch of the Government service will not be reduced to chaos and confusion.

Unhappily complaints are accumulating everywhere, in the cities and in the rural districts, because of the increasing deterioration of the Postal Service. The American public has become so accustomed to the fast, efficient, and intelligent distribution of the United States mail that it is now losing its patience with the Postal Service. This is a matter which not only deeply distresses us as members of the United National Association of Post Office Clerks, but, obviously, disturbs our pride of workmanship.

Of greater importance this condition is slowing up the prompt, efficient transmission of the mail which is so vital to the furtherance of the thousands of aspects of the war and which must of necessity be entrusted to the mails. As you are aware, the normal, almost infinitesimal percentage of errors in

the proper distribution of the mails, is increasing to an alarming extent. At a time when business, particularly business devoted to making the instruments of war, must depend more and more for efficiency and speed in the Postal Service, it is being placed under a terrible handicap because the United States mail service no longer is as dependable and as speedy as the public has long been accustomed to. Actually in time of war, despite all obstacles, the mail service should be better than ever.

The fact that the Postal Service has lost more than 25,000 experienced employees to industry and to the armed services, and this number is increasing day by day, makes it imperative that we retain in the Postal Service those veteran postal clerks who are not subject to military duties. Unfortunately, however, because of inadequate pay our personnel in order to meet the rising cost of living is being forced in increasing numbers to find employment at higher wages in defense industries.

Between the call to military service and the call of bigger and better wages in defense plants, experienced postal clerks are leaving the Postal Service in such numbers that the distribution of the United States mail has reached its most inefficient stage since the turn of the century. Such a condition, very definitely, is contrary to the best interests of the Nation in time of war.

We cannot prevent men from entering the Army and the Navy, nor would we if we could. We can, however, make the Postal Service so attractive that men will not be forced to seek employment elsewhere.

It has been 18 years, Mr. Postmaster General, since there has been an increase in the pay classification of postal employees. Back in 1925 $2,100 a year was fixed as the top bracket for postal clerks. This wage, as you know, is reached only after long years of service and efficiency. Since 1925 practically every branch of industry in the Nation has had several basic pay raises and now, under stress of high living costs occasioned by the war, wages everywhere are being increased.

Is it any wonder then that the Postal Service is losing its attractiveness?

Last December a hastily drawn piece of legislation tried temporarily to improve conditions in the Government service, but as variously administered locally chaos and confusion resulted for the Postal Service.

There is now pending in the Congress proposed legislation to improve the status of postal clerks but it seems that selfish interests are trying to block its passage. The United National Association of Post Office Clerks seeks no more for its membership than the Government itself has adopted as a policy in the Little Steel decision of the War Labor Board. In this decision, as you recall, basic wages of January 1, 1941, were increased 15 percent, plus time and one-half for overtime. Because our pay has not been adjusted since 1925 we seek a 20 percent increase plus time and one-half, based on a 260-day computation, for overtime.

Surely there is nothing selfish or greedy or unfair in this request. Postal employees should not forever be a part of the underfed, badly housed one-third of the Nation. We, too, are entitled to live as self-respecting American citizens. I am sure that the American people who have so long been proud of their Postal Service want us to live as decent, self-respecting citizens. I am equally sure, too, that the American people want the Postal Service restored to its former high degree of efficiency.

You, yourself, Mr. Postmaster General, in your last annual report to Congress wrote that "Postal employees are above the average in intelligence and, in my opinion, are unexcelled in their devotion to duty."

All of us in the Postal Service deeply appreciate this compliment because we know that you are not given to double talking. We would appreciate even more if you will recognize that workers "above the average in intelligence" must also pay the increased costs of everything they buy these days. This seems to me to be fundamental.

As you know, Mr. Postmaster General, our organization, the United National Association of Post Office Clerks, is independently owned and operated and controlled by our members. We are the oldest organization of post-office clerks. We were organized in 1882, with the approval of the Post Office Department, for the purpose of improving the status of the postal clerks and for the betterment of the Postal Service. We are not affiliated with any national labor organization. We are, in every sense of the word, civil servants of the United States Government.

Some postal employees, however, have been persuaded by high-pressure tactics to join an organization owned, operated, and controlled by and subservient to the American Federation of Labor. We think that this was an error in judgment on the part of these employees and is as unthinkable as if the enlisted personnel of the United States Army and the United States Navy were affiliated with and subservient to the American Federation of Labor. Like soldiers and sailors, our Commander in Chief is Uncle Sam. We too have enlisted for the duration, but the duration with us is our life's work.

When we appeal therefore for an adjustment of our pay scale we find it difficult to understand why the American Federation of Labor will advocate increased pay and time and one-half for overtime for its other affiliate unions, but opposes time and one-half for postal employees. We can't understand why one group of workers should be fish and the other fowl when the American Federation of Labor endeavors to obtain pay adjustments. This does not make sense, Mr. Postmaster General. It not only is inconsistent, but it is an example of power politics as well as labor politics.

We of the United National Association of Post Office Clerks are not labor politicians. We are Government employees who are making a career of the Postal Service.

Once again, Mr. Postmaster General, may I quote from your last annual report. You wrote that since the base pay of postal employees has not been adjusted since 1925 an increase in pay now is "well merited and urgently needed." You also told Congress that the "Post Office Department wants them (the employees) to be contented and happy in their work."

Under the circumstances I appeal to you not only to help us keep our employees "contented and happy," but also to prevent a further deterioration in the Postal Service which has, unfortunately, occurred because entirely too many of our postal clerks have been forced to seek contentment and happiness outside of the Service.

With kindest personal regards, I am

Very sincerely,

JOHN J. BARRETT,
President.

A CALL TO ACTION

Mr. LANGER. Mr. President, because I was twice attorney general and twice Governor of North Dakota before I was elected Senator by the people of my State over the unscrupulous opposition of both the old gang predatory Republican and Democratic machines, I feel it my bounden duty, in these most perilous hours in the Nation's history, to call the people to action.

If you millions of plain, everyday folks were in one vast auditorium, ready to embark on a fight to protect your own and your children's interests, I would speak to you thus:

People of America: We are facing a national election. On the one side are your political enemies, those who believe in vast aggregations of wealth, in having a few men at the top run the country, in a continuation of the old system where the farmer and laboring man get just enough to exist, and the small businessman is almost no more; and on the other side are you, the miner, the factory worker, the farmer, and the laborer whom these autocratic powerful monopolists wish to keep on controlling. These predatory sinister interests are again already busily engaged with some of their newspapers in trying to array the farmers against the laborers, the laborers against the farmers, and dividing both the farmers and the laborers into organizations where they even fight each other; in arousing the passions of one class against the other, in the continuation of prejudice against American citizens because of race, color, or creed.

These monopolists, who divided the business of the world before the war and were responsible for the depression, the low wages, the starvation farm prices, and farm foreclosures, are already carrying out their plans to again dominate the world when this war is over. The international banker, the members of infamous cartels, the millionaires and their friends who have been fighting the limitation of $67,200 a year salaries which would leave the rich man a net of $25,000, while the soldier's wife and children have gone hungry, struggling to keep alive on $50 a month, or $600 a year, while praying for the life which the soldier is daily offering upon the altar of democracy.

These enemies of yours who have fought and are fighting the establishment of synthetic-rubber plants, and who have fought the manufacture of synthetic rubber out of our grain and the fruit that has rotted on the ground, these disciples of greed and avarice, are determined, by electing the next President of the United States, to gain a deadly strangle hold upon the lives of the people. Through a pliant tool in the White House whom they hope to elect while your minds are occupied by the war, they plan to rule you after the war, and unless you wake up you will find yourselves helpless when you greet those millions of soldier boys and girls who trusted you to preserve democracy at home, while hundreds upon thousands lost their lives or came back blind, insane, or maimed. Shall we look to the new crop of millionaires created by World War No. 2 to rehabilitate them or shall we do this job ourselves? Remember, Congress has voted in favor of the $67,200-patriot; but my measure to pay our soldiers at least $100 per month still sleeps in the committee.

My friends, our enemies are organized. They know neither race, color, nor creed. They are interested in money and profits and in ruling you. To them the word "democracy" is a joke. To them a Republican or a Democrat or a Socialist is all right if he plays their game. They know neither east, west, north, nor south, except to array one against the others.

There is only one solution, and that is to fight fire with fire. They have proven that party affiliations mean nothing to them. You, by voting for nonpartisan candidates for school boards, township officers, mayors, and Governors, have proven that you have the power now to go one step further and vote men into the offices of President and Vice President on a nonpartisan basis.

It is to rally you to that kind of fight that I address you. Alone, one of you suffering from injustice can do little. United, you can rule America as God Almighty intended the people should rule. The way to do that is by the organization of yourselves. Adopt the slogan "Every man a politician," and organize your voting precinct. The method which two other friends of you folks and I have decided upon and which I suggest that you adopt is as follows:

On a day chosen by us we will ask you leaders in every precinct in America to call a meeting of the people at your home. There, delegates will be chosen who will meet a week later at the county or parish courthouse. There, delegates will be chosen to meet at a State convention, and there delegates will be chosen to meet at a national convention. In no other way can the people, whom our political enemies are attempting to divide and array one against the other, better work out their problems, adopt their own platform, select their own candidates, and emerge unitedly pledged to fight for that platform and for those candidates.

If but a few of you Americans in every precinct pledged yourselves to enter this fight, we would start with a nucleus of over 2,000,000 American votes. By secret vote at the national convention of the people your elected delegates may select Mr. Roosevelt, or Wendell Willkie, or Norman Thomas, or, in their deliberations, they may choose some great labor or farm leader, or some farmer, laboring man, or businessman who today has not even been mentioned, but when they choose one man for President and another for Vice President, you can definitely depend upon the fact that it is your convention, made up of your friends, who are selecting these candidates whom you are pledged to support, and not the parasites who have grown fat and wealthy and powerful through the selection of their creatures to office.

This fight can be successful only if enough of the people enlist in it. This fight will not even get started unless enough of you show that you are determined to take control and organize for your own government. If not enough of you do it, then my talk to you today might as well be forgotten. If enough of you respond by signing the pledge herein contained, we will go on to a glorious victory. You are not organizing a new party—and yet that may result.

You are simply calling a convention in an endeavor to have the people take control of the parties now existing. But if you find that Wall Street and the politicians are controlling the Republican, the Democratic, and the Socialist Parties, and that you cannot nominate a liberal friend of the people in one of these conventions, then the national convention, made up, as I have before said, of your own delegates, representing you, will decide the course to take, or which of the parties to support, or whether to create a new party relying upon the pledge we are asking you to sign.

If you will take up this battle, America at last will have one political group fighting for America first. You who gave your sons and daughters in this World War, and not the politicians, will say whether this world is going to continue to be a place of exploitation for the benefit of the few at the expense of the many, you and not the politicians will say whether there is to be a continuation of discrimination because of race, color, or creed.

Already, although the war is not yet won, we see an attempt to tie this country into a new League of Nations, an attempt to have your boys part of a great force to police the world. We see this although one-third of our own people are still undernourished and ill-clad. We have seen our Government for decades making a ghastly failure at ruling little Puerto Rico, and yet some wish to have us help rule the world. I say that you, and not groups of internationally minded controlling large newspapers, should decide.

You, and not the politicians, will decide whether lovers of America shall run this country, or whether it shall be governed by a horde of bureaucrats, none of whom you elected, and most of whom are seemingly more interested in how much of the taxpayers money and property they can give away to other countries rather than in America. You will never sell America short. To you America will always be first. You and not the politicians will be the political force that will unite the farmer, the laborer, the returned soldier, the small businessman, the miner, the factory worker, and all other patriots into a relentless battle against monopoly, greed, cunning, wicked, cruel, avarice, and un-Christian prejudice. The pledge we ask you to sign is as follows:

I do hereby promise at a date to be selected by the national committee to call together at my home on the day specified, patriotic men and women who, regardless of race, color, and creed, will pledge themselves to fight the battle of the people.

Name_____

Address_____

MAIL TO SENATOR LANGER TODAY

Sign this pledge and mail it to me, Senator WILLIAM LANGER, Washington, D. C., as temporary chairman, and if enough of you will do this you will begin one of the finest, grandest battles for the common man ever begun in any nation on this earth. You, you, if you believe in America's future, sign this pledge that you will organize your precinct immediately, and mail it to me today.

Mr. President, I wish to say that I do not speak for and have no authority to speak for the Non-Partisan League of North Dakota. The suggestion I have made has no connection with that organization.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Taylor, its enrolling clerk, announced that the House had agreed to the amendment of the Senate to the bill (H. R. 1692) to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker pro tempore of the House had affixed his signature to the following enrolled bill and joint resolution, and they were signed by the Acting President pro tempore:

H. R. 1692. An act to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes; and

H. J. Res. 100. Joint resolution extending the time within which certain acts under the Internal Revenue Code are required to be performed.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. MAYBANK in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF FOREIGN RELATIONS COMMITTEE

Mr. CONNALLY, from the Committee on Foreign Relations, submitted the following favorable reports of nominations:

Robert M. Scotten, of Michigan, now Envoy Extraordinary and Minister Plenipotentiary to Costa Rica, to be Ambassador Extraordinary and Plenipotentiary to Ecuador;

Fay A. Des Portes, of South Carolina, now Envoy Extraordinary and Minister Plenipotentiary to Guatemala, to be Ambassador Extraordinary and Plenipotentiary to Costa Rica;

Walter Thurston, of Arizona, now Envoy Extraordinary and Minister Plenipotentiary to El Salvador, to be Ambassador Extraordinary and Plenipotentiary to El Salvador;

Boaz Long, of New Mexico, now Ambassador Extraordinary and Plenipotentiary to Ecuador, to be Ambassador Extraordinary and Plenipotentiary to Guatemala;

John D. Erwin, of Tennessee, now Envoy Extraordinary and Minister Plenipotentiary to Honduras, to be Ambassador Extraordinary and Plenipotentiary to Honduras;

James B. Stewart, of New Mexico, now Envoy Extraordinary and Minister Plenipotentiary to Nicaragua, to be Ambassador Extraordinary and Plenipotentiary to Nicaragua;

John Campbell White, of New York, now Envoy Extraordinary and Minister Plenipotentiary to Haiti, to be Ambassador Extraordinary and Plenipotentiary to Haiti;

Avra M. Warren, of Maryland, now Envoy Extraordinary and Minister Plenipotentiary to the Dominican Republic, to be Ambassador Extraordinary and Plenipotentiary to the Dominican Republic; and

Merlin E. Smith, of Ohio, to be a Foreign Service officer, unclassified, a vice consul of career, and a secretary in the Diplomatic Service.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will proceed to state the nominations on the Executive Calendar.

NOMINATION PASSED OVER — UNITED STATES MARITIME COMMISSION

The legislative clerk read the nomination of Rear Admiral Emory S. Land to be a member of the United States Maritime Commission.

Mr. McNARY. Mr. President, I am somewhat embarrassed by the absence of the junior Senator from Vermont [Mr. AIKEN].

Mr. BARKLEY. It is the understanding that this nomination shall go over.

Mr. McNARY. I had so understood.

The PRESIDING OFFICER. The nomination will be passed over.

DEPARTMENT OF JUSTICE

The legislative clerk read the nomination of Tom C. Clark, of Texas, to be Assistant Attorney General of the United States.

Mr. CONNALLY. Mr. President, I ask that the nomination be confirmed.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Hugh B. Cox, of the District of Columbia, to be Assistant Attorney General of the United States (new position).

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

WAR MANPOWER COMMISSION

The legislative clerk read the nomination of John D. Howard, of Texas, to be area director at $4,600 per annum, Beaumont area office.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters on the calendar.

Mr. BARKLEY. I ask that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the postmaster nominations are confirmed en bloc.

THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

Mr. BARKLEY. I ask that the nominations in the Army be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the Army nominations are confirmed en bloc.

THE NAVY

The legislative clerk read the nomination of Alexander G. Lyle, to be dental surgeon, with the rank of rear admiral, for temporary service, to rank from March 13, 1943.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

That completes the calendar.

Mr. BARKLEY. I ask that the President be immediately notified of all nominations this day confirmed.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 11 o'clock a. m. tomorrow.

The motion was agreed to; and (at 5 o'clock and 10 minutes p. m.) the Senate took a recess until tomorrow, Friday, March 26, 1943, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate March 25 (legislative day of March 23), 1943:

COLLECTOR OF CUSTOMS

James R. Wade, of Sullivan, Mo., to be collector of customs for customs collection district No. 45, with headquarters at St. Louis, Mo., to fill an existing vacancy.

SELECTIVE SERVICE SYSTEM

Holmes B. Springs to be State director of selective service for South Carolina.

WAR MANPOWER COMMISSION

Rhoton Parrott Clift, from the State of Tennessee, to be area director, at $4,600 per annum, in the Memphis area office of the War Manpower Commission.

William Gordon Ennis, from the State of Connecticut, to be area director at $6,500 per annum, in the Hartford area office of the War Manpower Commission.

George Sidney Drysdale, from the State of California, to be head manpower utilization consultant at $6,500 per annum, in the San Francisco regional office of the War Manpower Commission.

Henry K. Arneson, from the State of Arizona, to be area director for Arizona, at $4,600 per annum, in the Phoenix office of the War Manpower Commission.

William Royle, from the State of Nevada, to be area director for Nevada, at $4,600 per annum in the Reno office of the War Manpower Commission.

James Asbury Downey, Jr., from the State of Alabama, to be area director, at $4,600 per annum, in the Birmingham area office of the War Manpower Commission.

Harry Hardie, from the State of Maryland, to be senior manpower utilization consultant, at $4,600 per annum, in the Washington regional office of the War Manpower Commission.

William Harry Barron, Jr., from the State of Missouri, to be housing and transportation specialist, at $4,600 per annum, in the Kansas City regional office of the War Manpower Commission.

Ben Alvin Barnard, from the State of California, to be senior training specialist, at $4,600 per annum, in the Los Angeles area office of the War Manpower Commission.

Dale Yoder, from the State of Minnesota, to be Chief of the Planning Division in the Bureau of Program Planning and Review, at $8,000 per annum, in the Washington office of War Manpower Commission.

Chester A. Smith, from the State of Minnesota, to be principal administrative analyst in the Office for Field Management, at $5,600 per annum, in the Washington office of War Manpower Commission.

Ike P. Taylor, from the Territory of Alaska, to be area director for Alaska, at $7,000 per annum, in the Juneau office of the War Manpower Commission.

Clarence A. McGowan, from the State of Pennsylvania, to be housing and transportation specialist, at $4,600 per annum, in the Philadelphia regional office of the War Manpower Commission.

Richard H Abbott, from the State of Ohio, to be principal manpower utilization consultant, at $5,600 per annum, in the Cleveland regional office of the War Manpower Commission.

Mary E. Miller Dewey, from the State of Connecticut, to be area director, at $5,600 per annum, in the Waterbury area office of the War Manpower Commission.

Wallace D. Holden, from the State of Massachusetts, to be regional representative, at $6,500 per annum, in the Boston regional office of the War Manpower Commission.

Harold Philip Redden, from the State of Massachusetts, to be area director, at $5,600 per annum, in the Springfield area office of the War Manpower Commission.

Vincent DePaul Murphy, from the State of New York, to be area director, at $4,600 per annum, in the Utica area office of the War Manpower Commission.

TEMPORARY APPOINTMENTS IN THE ARMY OF THE UNITED STATES

TO BE MAJOR GENERALS

Brig. Gen. Alan Walter Jones (lieutenant colonel, Infantry), Army of the United States.

Brig. Gen. John Bernard Brooks (colonel, Air Corps), Army of the United States.

Brig. Gen. John Taylor Lewis (lieutenant colonel, Coast Artillery Corps), Army of the United States.

Brig. Gen. Elbridge Gerry Chapman, Jr. (lieutenant colonel, Infantry), Army of the United States.

Brig. Gen. Clarence Ralph Huebner (lieutenant colonel, Infantry), Army of the United States.

Brig. Gen. Eugene Manuel Landrum (lieutenant colonel, Infantry), Army of the United States.

Brig. Gen. Stephen Garrett Henry (lieutenant colonel, Infantry), Army of the United States.

Brig. Gen. George Ralph Meyer (colonel, Coast Artillery Corps), Army of the United States.

Brig. Gen. Gladeon Marcus Barnes (colonel, Ordnance Department), Army of the United States.

Brig. Gen. Lloyd Davidson Brown (lieutenant colonel, Infantry), Army of the United States.

Brig. Gen. Stonewall Jackson (lieutenant colonel, Infantry), Army of the United States.

Brig. Gen. Claire Lee Chennault (captain, U. S. Army), Army of the United States.

Brig. Gen. Clayton Lawrence Bissell (lieutenant colonel, Air Corps; temporary colonel, Air Corps), Army of the United States.

Brig. Gen. John Breitling Coulter (colonel, Cavalry), Army of the United States.

Brig. Gen. Thomas Dewees Finley (lieutenant colonel, Infantry), Army of the United States.

Brig. Gen. Ennis Clement Whitehead (lieutenant colonel, Air Corps; temporary colonel, Air Corps), Army of the United States.

Brig. Gen. Delmar Hall Dunton (lieutenant colonel, Air Corps; temporary colonel, Army of the United States—Air Corps), Army of the United States.

Brig. Gen. Everett Strait Hughes (colonel, Ordnance Department), Army of the United States.

Brig. Gen. Horace Logan McBride (lieutenant colonel, Field Artillery), Army of the United States.

Brig. Gen. Harry Fouts Hazlett (colonel, Infantry), Army of the United States.

Brig. Gen. Herman Frederick Kramer (lieutenant colonel, Infantry), Army of the United States.

Brig. Gen. Willard Stewart Paul (lieutenant colonel, Infantry), Army of the United States.

Brig. Gen. William Maynadier Miley (lieutenant colonel, Infantry), Army of the United States.

TO BE BRIGADIER GENERALS

Col. Cornelius Martin Daly (lieutenant colonel, Cavalry), Army of the United States.

Col. Theodore Francis Wessels (lieutenant colonel, Infantry), Army of the United States.

Col. Herbert Towle Perrin (lieutenant colonel, Infantry), Army of the United States.

Col. Elliot Duncan Cooke (lieutenant colonel, Infantry), Army of the United States.

Col. Samuel Tankersley Williams (lieutenant colonel, Infantry), Army of the United States.

Col. Joseph Vincent de Paul Dillon (major, Judge Advocate General's Department), Army of the United States.

Col. William George Walker (lieutenant colonel, Infantry), Army of the United States.

Col. Henry Pratt Perrine, Infantry.

Col. Arthur Ringland Harris, Field Artillery.

Col. Claude Mitchell Adams (lieutenant colonel, Infantry), Army of the United States.

Col. Clare Hibbs Armstrong (lieutenant colonel, Coast Artillery Corps), Army of the United States.

Col. Pleas Blair Rogers (lieutenant colonel, Infantry), Army of the United States.

Col. Clinton Frederick Robinson (major, Corps of Engineers), Army of the United States.

Col. James Thomas Duke (lieutenant colonel, Cavalry), Army of the United States.

Col. James Millikin Bevans (major, Air Corps; temporary lieutenant colonel, Air Corps; temporary colonel, Army of the United States—Air Corps), Army of the United States.

Col. Loyal Moyer Haynes (lieutenant colonel, Field Artillery), Army of the United States.

Col. John Stewart Bragdon (lieutenant colonel, Corps of Engineers), Army of the United States.

Col. William Arthur Beiderlinden (lieutenant colonel, Field Artillery), Army of the United States.

Col. Russel Burton Reynolds (lieutenant colonel, Infantry), Army of the United States.

Col. Charles Richard Doran (lieutenant colonel, Field Artillery), Army of the United States.

Col. Richard Cox Coupland (lieutenant colonel, Ordnance Department), Army of the United States.

Col. William Lloyd Richardson (major, Coast Artillery Corps), Army of the United States.

Col. Don Gilmore Shingler (lieutenant colonel, Corps of Engineers), Army of the United States.

Col. Charles Franklin Born (captain, Air Corps; temporary lieutenant colonel, Air Corps; temporary lieutenant colonel, Army of the United States), Army of the United States—Air Corps.

Col. Clarence Hagbart Danielson, Adjutant General's Department.

Col. William Earl Crist (major, Infantry), Army of the United States.

Col. Herbert Joseph Lawes, Quartermaster Corps.

Col. James George Christiansen (lieutenant colonel, Corps of Engineers), Army of the United States.

Col. Thomas Leroy Holland (lieutenant colonel, U. S. Army), Army of the United States.

Col. Edgar Harrison Underwood (lieutenant colonel, Coast Artillery Corps), Army of the United States.

Col. Charles Henry Barth, Jr. (major, Corps of Engineers), Army of the United States.

Col. James Hess Walker (major, Cavalry), Army of the United States.

Col. William Curtis Chase (lieutenant colonel, Cavalry), Army of the United States.

Col. Constant Louis Irwin (lieutenant colonel, Infantry), Army of the United States.

Col. Alonzo Patrick Fox (lieutenant colonel, Infantry), Army of the United States.

Col. Paul Wilkins Kendall (lieutenant colonel, Infantry), Army of the United States.

Col. William Alexander McCulloch, Infantry.

Col. James Gasper Devine (lieutenant colonel, Coast Artillery Corps), Army of the United States.

Col. Leon Alexander Fox (lieutenant colonel, Medical Corps), Army of the United States.

Col. Sylvester De Witt Downs, Jr., Field Artillery.

Col. Adam Richmond (lieutenant colonel, Judge Advocate General's Department), Army of the United States.

Col. Joseph Andrew Holly (lieutenant colonel, Infantry), Army of the United States.

Col. Lee Saunders Gerow (lieutenant colonel, Infantry), Army of the United States.

Col. Elwyn Donald Post (major, Infantry), Army of the United States.

Col. Paul Langdon Williams (lieutenant colonel, Air Corps; temporary colonel, Air Corps), Army of the United States.

Col. Clarence Lionel Adcock (lieutenant colonel, Corps of Engineers), Army of the United States.

Col. George Arthur Davis (lieutenant colonel, Infantry), Army of the United States.

Col. Joseph Alfred Cranston (lieutenant colonel, Infantry), Army of the United States.

Col. Gerald Saint Claire Mickle (lieutenant colonel, Infantry), Army of the United States.

Col. Foster Joseph Tate (lieutenant colonel, Field Artillery), Army of the United States.

Col. Edwin Butcher, United States Army.

Col. John Leonard Whitelaw (lieutenant colonel, Infantry), Army of the United States.

Col. Joseph Vincil Phelps (lieutenant colonel, Field Artillery), Army of the United States.

Col. Lauris Norstad (captain, Air Corps; temporary major, Army of the United States; temporary lieutenant colonel, Air Corps), Army of the United States, Air Corps.

Col. Leo James Ahern, Field Artillery.

Col. Beverly Charles Dunn, Corps of Engineers.

Col. Edward Elliott MacMorland (lieutenant colonel, Ordnance Department), Army of the United States.

Col. Norman Thomas Kirk, Medical Corps.

Col. George Jacob Richards (lieutenant colonel, Corps of Engineers), Army of the United States.

Col. Francis Augustus Woolfley (lieutenant colonel, Infantry), Army of the United States.

Col. George Fairless Lull, Medical Corps.

Col. Miles Andrew Cowles (lieutenant colonel, Field Artillery), Army of the United States.

Col. Stewart Elvin Reimel (lieutenant colonel, Ordnance Department), Army of the United States.

Col. William Edward Bergin (lieutenant colonel, Adjutant General's Department), Army of the United States.

Col. Edmund Wilson Searby (lieutenant colonel, Field Artillery), Army of the United States.

Col. Charles Kilbourne Nulsen, Infantry.

Col. William Evens Hall (captain, Air Corps; temporary lieutenant colonel, Air Corps; temporary lieutenant colonel, Army of the United States), Army of the United States, Air Corps.

Col. James Stevens Simmons, Medical Corps.

Col. William Joseph Donovan, Cavalry Reserve.

Col. Edward Samuel Greenbaum (lieutenant colonel, Ordnance Reserve), Army of the United States.

Col. Ronald Cornelius Brock, Field Artillery, National Guard of the United States.

Col. Thomas Bayne Wilson, Army of the United States.

Col. Alexander Newton Stark, Jr. (lieutenant colonel, Infantry), Army of the United States.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 25 (legislative day of March 23), 1943:

DEPARTMENT OF JUSTICE

ASSISTANT ATTORNEYS GENERAL

Tom C. Clark to be Assistant Attorney General of the United States.

Hugh B. Cox to be Assistant Attorney General of the United States.

WAR MANPOWER COMMISSION

John D. Howard to be area director at $4,600 per annum in the Beaumont area office, War Manpower Commission.

IN THE ARMY

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

To Ordnance Department

Lt. Col. George DeVere Barnes

To Air Corps

Second Lt. John Streett Baldwin
Second Lt. Joseph Briggs De Vennish
Second Lt. Kenneth Lee Garrett
Second Lt. Jacob Whitman Klerk.
Second Lt. John Rossignol Lovett
Second Lt. Thomas Ranson Opie

PROMOTIONS IN THE REGULAR ARMY

To be colonel, Infantry

Charles Harrison Corlett

To be colonel, Air Corps

William Ord Ryan

To be colonel, Field Artillery

William Francis Maher.

To be first lieutenants in the Air Corps

Richard Churchill Hutchinson
Peter Joseph Prossen
Frank Peter Bostrom
Herbert Otto Wangeman
Richmond Archibold Livingstone
Sylvan Davis Hand
Jack Southmayd Marks
Robert Copeland Paul
Donald Earl Meade
James Franklin Whisenand
Don Allen Pomeroy, Jr.
Abraham Donley Olson
William Joseph Alvin Bowen
Walter Winfred Cross
Frank Burkley Harding
Roland John Barnick
Thomas Harber Holbrook
Clarence Bernard Hammerle, Jr.
John William Weltman
Milton Elmo Thompson
Robert John Koster
Marcus Alfred Mullen
Donald Martin Alexander
James Daniel Mayden
Anthony Vincent Grossetta
John Henry Carter
Thaddeus Lewis Woltanski
William Robert Purinton
Duane Haren Skiles
Albert Arnold Cory
Brunow William Feiling
Glen Webster Martin
Richard Francis Ezzard
Charles Edward Gregory

Paul John Yurkanis
Charles Marion Eisenhart
Theodore Ross Clinkscales
Frank Elgin Bomar
Warren Sanford Wheeler
Gilbert Louis Meyers
Keith Wesley Dech
Chester Charles Busch
John Campbell Wilkins
Earl Brown Cook
Charles Paul Sheffield
William McMillan Knowles
Frank Lowry Dunn
Robert Jerome Hughey
George Joseph Ola
Everett Wilson Stewart
Frank Robbins Pancake
William Wallace Momyer
Raymond Steele Morse
Martin Perdue Crabtree
Harold Frederick Wilson
Milford Felix Itz
William Nelson Boaz, Jr.
Joseph James Preston
John Gilliland Simpson
Thomas Marion Todd
John Randolph Maney
Jerome Tarter
Charles Dewey Slocumb, Jr.
James Ernest Haile, Jr.
Ralph LeRoy Merritt, Jr.
Francis Bernard Carlson
Adriel Newton Williams
Fred Wright McNelly
Paul Constantine Schauer
Francis Frey Seeburger 4th
Harold Thaddeus Babb
George Echelbary Cranston
Keith Streeter Wilson

To be colonels in the Medical Corps

Edgar Fremont Haines
John Randolph Hall
Royal Kendall Stacey
John Wade Watts
George Albert O'Connell
Charles Kettig Berle
Percy James Carroll
Harry Hunt Towler
Leon Alexander Fox
Floyd William Hunter
James Hubert Blackwell
Irwin Beede March
Robert E. Thomas
Henry Colmore Bradford
Samuel McPherson Browne
William Joseph Froitzheim
Leonard Watson Hassett
William Thomas Weissinger
John Roy Oswalt
Joseph Edward Campbell
Erick Martin Paulus Sward
Charles Benjamin Kendall
Jame- Porter Crawford
Thomas Dreux Hurley
John Howard Sturgeon
Wood Sue Woolford
Raymond Wright Whittier
Elias Earle Cooley
Gerald D. France
Clarke Blance
Paul Miller Crawford
Miner Frank Felch
Frank Lamont Cole
Charles Augustus Pfeffer
Cadmus James Baker
George Sawyer Woodard
Harry Elton Hearn
Carlton Lakey Vanderboget
Francis Elwood Weatherby

To be captains in the Medical Corps

Samuel Charles Harwood
William Charles Burry
Robert Christian Rauscher
Edward Virginius Swift

To be colonel in the Dental Corps

George Magnor Krough

To be captain, chaplain, United States Army

John Alphonsus Dunn

IN THE NAVY

TEMPORARY SERVICE

Alexander G. Lyle, to be a dental surgeon, with the rank of rear admiral, for temporary service, to rank from March 13, 1943.

POSTMASTERS

GEORGIA

Mack B. Smith, Drybranch.
Elvis L. Hopper, Hapeville.
Victor L. Howe, Tallapoosa.
Stephen C. Tate, Tate.

LOUISIANA

Paul T. Thibodaux, Donaldsonville.

MASSACHUSETTS

Patrick J. Connelly, Boston.

OHIO

Orpah M. Geeding, Addyston.
George M. Hanlon, Hamersville.
William E. Steck, New Lebanon.

PENNSYLVANIA

J. Raymond Stratton, Blossburg.
Mary R. Yocom, Douglassville.
Flora E. Falter, Glassmere.
Russell D. Stein, Kutztown.
Richard H. Ziegler, Red Lion.
Harold E. Burnham, Wattsburg.
Delia L. Meckly, West Milton.

HOUSE OF REPRESENTATIVES

THURSDAY, MARCH 25, 1943

The House met at 12 o'clock noon, and was called to order by the Speaker pro tempore.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, out of the limitations of our knowledge we would pour out our prayer at Thy mercy seat. Do Thou combine in us our understanding and Thy transforming spirit of divine revelation that we may be wise to know the right and strong to perform it. Above the eager, vehement, and restless spirit give us the true light with the clearest ray and the supremest wisdom, and let a deep sense of our obligation brood over our pride and power.

We praise Thee that the words of our great Teacher, whose path of humble service was a path of enchantment, gave sanction to democracy, an inspiration to its champions, and a guarantee of its triumph. We pray that the Cross, the symbol of divine love and tenderness, may be enthroned in all breasts and its spirit imparted to all hearts. In this season, set apart for spiritual meditation, O let us commune in the quiet and solitude of our souls, beholding the open mind of the Christ and dedicating our talents with greater fidelity in all things. O save our people from personal indulgence and avarice, which turn life into wormwood and make it like the chaff which the wind driveth away. Send Thy still waters which bring fragrance and life to those dwelling on the shore line. In our Saviour's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On March 10, 1943:

H. R. 839. An act to amend the act approved May 27, 1937 (ch. 269, 50 Stat. 208), by providing substitute and additional authority for the prevention of speculation in lands of the Columbia Basin project, and substitute and additional authority related to the settlement and development of the project, and for other purposes.

On March 11, 1943:

H. R. 1501. An act to extend for 1 year the provisions of an act to promote the defense of the United States, approved March 11, 1941.

On March 17, 1943:

H. R. 1749. An act to amend Veterans Regulation No. 10, as amended, to grant hospitalization, domiciliary care, and burial benefits in certain World War No. 2 cases.

On March 18, 1943:

H. R. 1975. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1943, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1943, and for other purposes.

On March 23, 1943:

H. R. 2023. An act to amend section 301, World War Veterans' Act, 1924, as amended, to authorize renewal of expiring 5-year level premium-term policies of those in active military or naval service and certain others outside the continental limits of the United States, and for other purposes; and

H. R. 2030. An act to permit the shipment tax-free of certain tobacco products to territories of the United States for the use of members of the military and naval forces of the United States.

On March 24, 1943:

H. R. 133. An act to amend and clarify certain provisions of law relating to functions of the War Shipping Administration, and for other purposes.

EXTENSION OF REMARKS

Mr. REED of New York. Mr. Speaker, I ask unanimous consent that in the remarks which I make in the debate on the tax bill I may include certain tables and quotations.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

EXPENSES OF COMMITTEE TO INVESTIGATE FARM SECURITY ADMINISTRATION

Mr. PATTON. Mr. Speaker, I call up House Resolution 81, to provide for the expenses of investigation authorized by House Resolution 80, a resolution creating a select committee to investigate the activities of the Farm Security Administration, and ask unanimous consent for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the expenses of the committee of investigation authorized by House Resolution 80, not exceeding $10,000, including expenditures for the employment of experts and clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by the committee, signed by the chairman thereof, and approved by the Committee on Accounts.

Mr. PATTON. Mr. Speaker, I offer a committee amendment.

The Clerk read as follows:

Committee amendment: Page 1, line 2, strike out "80" and insert "119."

The amendment was agreed to.

The resolution was agreed to, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a memorial from the General Assembly of Iowa.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

PATRIOTIC SERVICE OF AMERICAN SEAMEN

Mr. BLAND. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. BLAND. Mr. Speaker, Mr. Joseph Curran, president of the National Maritime Union, has informed me that some remarks made by me in the House when the bill for the deportation of alien seamen, H. R. 2076, was under consideration have been construed as detrimental to American seamen and detracting from or reflecting upon their service. I thank Mr. Curran for giving me that information.

A careful perusal of the remarks which I made will, I am sure, disclose that no such implication is warranted. The ship to which I referred as carrying 6,000 American troops, which had such a shortage of men that it was necessary to supply 227 men from the Army, was a foreign ship and not an American ship.

The law prohibits an American ship from carrying more than a small percentage of aliens.

No one is more keenly conscious or justly proud of the splendid service and sacrifices that have been made by American seamen than I, and I resent as keenly as the seamen themselves malignant slanders which detract from the self-sacrificing, noble, patriotic, and heroic service which they are rendering.

EXTENSION OF REMARKS

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

SHORTAGE OF AGRICULTURAL WORKERS

Mr. BROOKS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. BROOKS. Mr. Speaker, I have just received a very strong protest from the chairman of the Claiborne Parish war board in Louisiana against the recruitment of agricultural workers in this parish. He states that there is an acute shortage of agricultural workers in this vicinity, and the records of the Agriculture Department show that there is in fact less than 50 percent of a normal supply of agricultural labor available. I say, Mr. Speaker, that the folly of the Farm Security Administration in trying to get farm workers from places where there is no idle farm labor available should cease.

Mr. Speaker, for the information of the Members I read this telegram which I have received:

HOMER, LA., *March 23, 1943.*

OVERTON BROOKS,
Member of Congress:

The war board in session this date requests you take whatever steps necessary to stop movement of farm labor from Claiborne Parish. Serious shortage of labor here already.

L. M. GREEN,
Claiborne Parish War Board.

EXTENSION OF REMARKS

Mr. MICHENER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and include therein a resolution by the State Legislature of Michigan.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. KENNEDY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial which recently appeared in the New York Times and a letter in reply that I wrote to the editor.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

WAR DAMAGE CORPORATION INSURANCE POLICIES

Mr. KENNEDY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. KENNEDY]?

There was no objection.

Mr. KENNEDY. Mr. Speaker, today I shall introduce a House concurrent resolution and a bill concerning the War Damage Insurance Corporation. Both the resolution and the bill are designed to achieve the same objective; that is, the extension of all existing policies of insurance of the War Damage Insurance Corporation for a period of 1 year, without further payment of premiums upon the part of the policyholder.

A recent official statement of the Corporation indicates that there are more than 3,750,000 policies in force, providing coverage in an amount of $94,000,000,000 and for which the Corporation has collected over $119,000,000. The losses have been negligible. Because the Government should not profit from this insurance, I believe it could and should give to the policyholders this extended coverage on the basis of the loss experience of the past year on the basis of the premiums heretofore paid to the War Damage Insurance Corporation.

Let us adopt my proposals and help save money for our overburdened taxpayers.

JOSEPH WEINER

Mr. CELLER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. CELLER]?

There was no objection.

Mr. CELLER. Mr. Speaker, Joseph Weiner, Office of Civilian Supply, of farm machinery fame, is at it again. He gave us, you will remember, that mumbo jumbo "bedrock" report of civilian supplies which would give us prohibition through the back door, which would give us, for example, practically no watches or radios, but would guarantee 50 percent of the supply of golf balls and 70 percent of the supply of lipstick.

Weiner and the Weinerites wanted to cut newsprint paper to 40 percent, which would destroy practically all the small newspapers in the country. Contrary to the views of Donald M. Nelson, the distinguished Administrator, now, Mr. Weiner wants to set up a brand new bureau of civilian supplies, outside of the War Production Board, with a new entourage of experts, economists, professors and what have you. He probably aims to be the "pooh-bah" of this new outfit of Weinerites—or we may call them a new string of "weinies."

Remember, this is the same man whose office gave us the idea that farmers might lessen the wear and tear on horseshoes by taking them off the animals seasonly—by way, I suppose, of giving the horses a vacation—barefoot.

Watch out for this fellow, I ask you gentlemen of the Congress.

The SPEAKER pro tempore. The time of the gentleman has expired.

EXTENSION OF REMARKS

Mr. FORAND. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and to include an analysis of my bill, H. R. 2277, which I intend to offer as a substitute for the committee bill after we have disposed of the Carlson bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Rhode Island [Mr. FORAND]?

There was no objection.

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD, and to include a short editorial on the experiment of collectivism in the United States.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan [Mr. DONDERO]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. WEISS. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania [Mr. WEISS]?

There was no objection.

[Mr. WEISS addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. McMURRAY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and to include an editorial from the Milwaukee Journal.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin [Mr. McMURRAY]?

There was no objection.

A. F. L. GROUPS PLAN DONATION OF BLOOD

Mr. McMURRAY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin [Mr. McMURRAY]?

There was no objection.

Mr. McMURRAY. Mr. Speaker, I have heard a good many words uttered on the floor of this House in regard to American labor. I should like to read a brief news item from the Milwaukee Journal, Milwaukee, Wis., of March 10, 1943. It is headed "A. F. L. groups plan donation of blood," and reads as follows:

A. F. L. GROUPS PLAN DONATION OF BLOOD

Executives of the Federated Trades Council and of the Milwaukee Building and Construction Trades Council Thursday noon will initiate a program designed to provide 50,000 pints of blood plasma for the armed forces this year.

Twenty-four of them are scheduled to appear at the Red Cross blood procurement center, 507 East Wells Street, at noon under the direction of J. F. Friedrick, general organizer of the Federated Trades Council, and Peter Schoemann, head of the Building and Construction Trades Council.

Mrs. Ray Rose, director of the center, said that she had been advised that the American Federation of Labor had printed for distribution 10,000 cards for enrollment at the center.

Mr. Speaker, that is Milwaukee labor, that is Wisconsin labor, that is American labor.

The SPEAKER pro tempore. The time of the gentleman has expired.

EXTENSION OF REMARKS

Mr. JACKSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include an article by Dorothy Thompson.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington [Mr. JACKSON]?

There was no objection.

Mr. JACKSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an article by Samuel Grafton.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington [Mr. JACKSON]?

There was no objection.

INVESTIGATION BY COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. SABATH, from the Committee on Rules, submitted the following privileged resolution (H. Res. 98, Rept. No. 301), which was referred to the House Calendar and ordered to be printed:

Resolved, That the Committee on Interstate and Foreign Commerce, acting as a whole or by subcommittee, is authorized and directed to conduct an investigation for the purpose of determining—

(1) Whether the War Production Board, the Office of Price Administration, or any other agency or officer in the executive branch of the Government has formulated or is formulating plans with a view to putting into effect (a) requirements with respect to Federal grade labeling of articles or commodities, and the discarding of private brand names of articles or commodities; (b) requirements which would have the effect of curtailing the production or consumption of newsprint on book papers used in the printing of newspapers, magazines, or such other publications as are admitted to second-class mailing privileges; or (c) any other requirements intended to bring about simplification and standardization of production, marketing, and distribution of articles or commodities, as well as concentration of industry or production; and

(2) Whether, and to what extent, the formulation and carrying out of such plans are necessary in connection with the war effort; and

(3) The extent to which any such plans may represent an attempt to change our domestic economy along lines not authorized by Congress.

The committee shall report to the House (or to the Clerk of the House if the House is not in session) as soon as practicable during the present Congress the results of its investigation, together with such recommendations as it deems advisable.

SEC. 2. For purposes of carrying out the provisions of this resolution, the committee, or any subcommittee thereof, is authorized to sit and act during the present Congress at such times and places within the United States, whether the House is in session, has recessed, or has adjourned; to hold such hearings; to require the attendance of such witnesses and the production of such books, correspondence, memoranda, papers, and documents, by subpena or otherwise; and to take such testimony as it deems necessary. Subpenas shall be issued over the signature of the chairman of the committee, and may be served by any person designated by the chairman.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—REGIONALIZED FREIGHT RATES: BARRIERS TO NATIONAL PRODUCTIVENESS (H. DOC. NO. 137)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Military Affairs and ordered to be printed, with illustrations:

To the Congress of the United States:

I transmit herewith for the information of the Congress copy of a communication from the Chairman of the Tennessee Valley Authority submitting the third report of the Authority, entitled "Regionalized Freight Rates: Barrier to National Productiveness."

The Tennessee Valley Authority emphasizes the timely and practical nature of the survey.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *March 25, 1943.*

PERMISSION TO ADDRESS THE HOUSE

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent to proceed for 1 minute, and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection?

There was no objection.

[Mr. HINSHAW addressed the House. His remarks appear in the Appendix.]

Mr. HENDRICKS. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks in the Appendix and include a letter written by the gentleman from Texas, Congressman MANSFIELD, chairman of the Rivers and Harbors Committee, to the gentleman from Pennsylvania, Hon. BUELL SNYDER.

The SPEAKER pro tempore. Is there objection?

There was no objection.

[Mr. HENDRICKS addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mrs. BOLTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a talk given Monday evening, March 22, over the Mutual Broadcasting System, by Hon. Charles P. Taft, Assistant Director, Defense Help and Welfare Services, Social Security Agency, entitled "School Services for Children of Working Mothers."

The SPEAKER. Is there objection?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to insert therein a copy of a bill we passed a few days ago for the rehabilitation of disabled veterans.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

[Mr. RANKIN addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to extend my remarks on House Joint Resolution 96, dealing with the appropriation of $26,000,000 for labor on the farm, on the ground that, in my opinion, it is legislation which affects statutes which are not within the purview of the committee that reported the bill out.

The SPEAKER pro tempore. Is there objection?

There was no objection.

CALL OF THE HOUSE

Mr. GORE. Mr. Speaker, I make the point that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Mr. COOPER. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 31]

Andersen, H. Carl	Engel	Jennings
Anderson, Calif.	Englebright	Kee
Andrews	Fay	Keefe
Baldwin, Md.	Feighan	King
Bates, Mass.	Ford	Klein
Beckworth	Gallagher	Larcade
Bonner	Gathings	LeCompte
Bradley, Mich.	Gavagan	Lewis, Colo.
Brehm	Gearhart	Maas
Brown, Ohio	Gerlach	May
Buckley	Gibson	Merritt
Byrne	Guyer	Merrow
Cochran	Halleck	Miller, Mo.
Cole, N. Y.	Harless, Ariz.	Morrison, N. C.
Culkin	Harris, Va.	Murray, Tenn.
Dawson	Hart	Myers
Delaney	Hays	Nichols
Dirksen	Hess	O'Toole
Douglas	Hope	Patman
Elmer	Izac	Pfeifer
Elston, Ohio	Jarman	Ploeser
	Jenkins	Reece, Tenn.

Robertson	Sheridan	Taylor
Rogers, Calif.	Slaughter	Treadway
Rowe	Smith, Maine	Walter
Sadowski	Stewart	Weichel, Ohio
Schiffler	Taber	West
Schwabe	Talbot	

The SPEAKER pro tempore. Three hundred and fifty-one Members have answered to their names. A quorum is present.

On motion of Mr. COOPER, further proceedings under the call were dispensed with.

EXTENSION OF REMARKS

(Mr. LAMBERTSON, Mr. LANDIS, and Mr. WHITE asked and were given permission to extend their own remarks in the RECORD.)

Mrs. LUCE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the pending bill and include therein an amendment, which I intend to offer to the Carlson amendment.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Connecticut?

There was no objection.

Mr. CASE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial from the Saturday Evening Post entitled "How We Take the Profiteer Out of War."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

INDIVIDUAL INCOME TAX COLLECTION ACT OF 1943

Mr. DOUGHTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 2218) to provide a method for the payment currently of individual income taxes, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 2218, with Mr. BULWINKLE in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

Mr. DOUGHTON. Mr. Chairman, I yield myself 40 minutes.

Mr. DOUGHTON. Mr. Chairman, in presenting this bill from the Committee on Ways and Means—H. R. 2218—may I say at the outset that this is a committee bill from first to last. I do this in direct response to unwarranted charges that the Treasury Department has written this tax bill. If ever any bill has come before the Congress of the United States written by the committee having responsibility for it, this is such bill.

I want the members of the press to take note of this statement. At no time during the consideration of this bill has the Treasury Department presented any bill or attempted to usurp the prerogatives of our committee or shown any special favoritism toward any bill. The staff of the Treasury have been helpful and cooperative, as always, in furnishing legal advice, statistics, and information that was very helpful to the committee.

We appreciate the help that has been furnished our committee by the Treasury staff and the staff of the Joint Committee on Internal Revenue Taxation. Had it not been for the help furnished us by these staffs, our work would have been greatly delayed and we would have been handicapped in our efforts.

In presenting the revenue-collection bill of 1943 I regret that it is necessary to state that our committee was unable to reach a complete agreement as to all the provisions of the bill, as we have been able to do in the case of all other tax bills made necessary by the war. However, the only issue on which complete agreement was impossible was that relating to the novel proposal originating in the brain of the great self-proclaimed tax expert and prophet, Beardsley Ruml, of the House of Macy, calling for complete forgiveness of at least 1 year's taxes on incomes which have already been earned and enjoyed by the taxpayer. And this, regardless of the fact that in the year to be forgiven, 1941, 1942, or 1943, salaries and wages were the highest and other income the greatest in the history of our country.

Last year the Committee on Ways and Means spent almost half of its time on the biggest tax bill ever enacted by Congress. This bill, estimated to produce additional net revenue of about $8,000,000,000, set an all-time precedent in revenue legislation. While the bill now before us deals with methods of collection and is not a revenue-raising measure, we must keep in mind the effect it will have on future revenue bills. If we should adopt the Ruml-Carlson plan and forgive 10 billions of taxes already due on income already received and enjoyed, I would not know when or where to start to raise the additional 16 billions of tax revenue which we have been asked to provide, nor would I have the heart to undertake such a task. It is agreed by all who have studied this problem that it is desirable to collect from current incomes a substantial portion of the current tax liability. From a careful study of the subject of collecting taxes currently, it became apparent that it is impossible, even in the case of persons of fairly fixed incomes, such as salaries and wages, to evolve or work out a fully current tax-collection system. The income picture at the beginning of the year is no reliable criterion for the entire year. Moreover, incomes are not stable—in more than two-thirds of the cases they fluctuate substantially, not only from year to year, but within the taxable year itself.

Our committee bill has been described as a monstrosity by the highly esteemed and able leader of the minority, the gentleman from Massachusetts [Mr. MARTIN]. He is entitled to his opinion. However, I am surprised that without having heard the evidence and data which was available to his capable and distinguished colleagues, the minority members of the Committee on Ways and Means, which I doubt if he had time to read, he should step out ahead of them in criticism of the committee's efforts.

Webster defines a monstrosity as anything unnaturally huge or distorted—out of the common course of nature—unnatural in form or structure. If the gentleman from Massachusetts will read this definition and then re-examine the Ruml-Carlson plan, I am sure he can find a more appropriate use for the word "monstrosity" than to apply it to our committee bill. It is an old practice when one has no facts to support his position to resort to high-sounding phrases, invectives, or grandiloquent platitudes.

If he still insists on his designation, I must call to his attention the fact that the minority members of our Committee on Ways and Means, as a group, were not in opposition to a single phase of this bill. As a group, they acquiesced in every provision it contains as shown by the minority report. Our only point of issue was that the bill did not go further and cancel 1 year's tax liabilities. Thus, the sole distinction between the committee bill and the bill presented by the gentleman from Kansas is that of tax forgiveness. Any objection which can be directed against the committee bill, except for the question of tax forgiveness, can be made with equal force against the Carlson bill. Any question which any Member wishes to ask may be directed as well to the gentleman from Kansas as to me, since the bills are identical except for the tax forgiveness feature. Our bill a monstrosity? Then the Carlson bill is a super super super monstrosity, because this is his third attempt and each attempt approaches nearer and nearer to our committee bill. Maybe, if we give him one more chance, his bill will be identical with ours. And may I inquire why an economic and moral issue such as that presented by the Ruml plan or the committee bill should be viewed by the gentleman from Massachusetts and his colleagues of the minority as a partisan issue?

In previous considerations of tax bills, as far as I recall, never has a partisan issue been raised. But for some reason, I do not know why, partisanship and partisan questions have been brought into the consideration of this bill. I think we should consider this bill entirely separate and apart from hope of political reward or fear of political punishment.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. I yield.

Mr. RANKIN. During the Sixty-seventh Congress this same row arose between the Mellon plan advocated by Mr. Mellon, who was Secretary of the Treasury at that time, and the Garner plan. The Mellon plan took care of the big taxpayers; the Garner plan took care of the small ones. Although Mr. Mellon's party was in the majority by 169 in the House and 23 in the Senate, if you will search the records you will find that the

Garner plan won, and the American people backed it up.

Mr. DOUGHTON. I will now give a brief explanation of the bill under consideration. The plan contained in the bill under consideration is not a novel one, nor is it unusual or experimental in any sense. The Congress has the duty and obligation to raise as much revenue as the economy of our country can reasonably bear. I feel that this is no time to experiment with will-o'-the-wisp or chimerical methods, which are conceived and brought forth for selfish or political reasons rather than patriotic motives. In my opinion, if the selfish and political considerations were eliminated from the Ruml or Carlson plan it would never get to bat, much less to first base. Our bill does not force persons to become current, but encourages them to do so and goes as far as practicable toward this end without doing injustice either to the Government, the taxpayer, or both. Theirs does injustice to both. We have tried to steer clear of a bill that will do injustice either to the taxpayer or the Government. I am willing to leave it to the fair judgment of the membership of this House whether we have succeeded.

A taxpayer who pays his tax for 1942 is entitled, under the bill, to the following discounts on amounts paid toward his 1943 tax in 1943. If he makes such payments on or before June 15, 1943, his discount is 6 percent. If on or before September 15, 1943, 4 percent; and if on or before December 15, 1943, 2 percent. If he is subject to withholding, he is entitled to a discount of 3 percent on the amounts withheld during 1943, which is applied against his 1943 tax. This, of course, is simply a method of averaging in his case the discounts allowed in the quarterly payment case previously described, and to give him benefits comparable to those enjoyed by persons to whom withholding is not applicable. For 1944 and subsequent years, somewhat the same system is provided, but with reduced percentages. The small taxpayers whose taxes are withheld at the source get this discount on amounts withheld and applied to their current taxes. So it cannot be truthfully said that only the rich get the benefit of these discounts.

These discounts do bestow equal benefits since in order to get the higher discounts the entire payment must be made prior to June 15, while the individual subject to withholding gets his discount based upon his entire tax liability, although the amounts withheld are deducted as the income is earned throughout the year. Thus, in the case of the person completely prepaying his tax, the Government has the use of a greater amount of money for a longer time than it does in the case of withholding. This system is of mutual benefit to both the taxpayer and the Government by allowing the taxpayer a reasonable interest for the use of his money and by giving the Government the use of the money in advance of its due date. There is nothing novel or experimental about this step. A discount was allowed for taxes paid in advance under the War Revenue Act of 1917, when we were in somewhat the same position that we are in today.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. I yield.

Mr. CRAWFORD. Mr. Leo Crowley, head of the Federal Deposit Insurance Corporation, and his experts were before our committee this morning and pointed out that all over this country the small merchants and the large merchants are liquidating their inventories and getting into a cash position as never before in the history of their business. Those people can take advantage of this discount privilege as they never could do before. I cannot think of any class or group that will be helped to a greater degree than the small merchants of this country under this discount privilege.

Mr. DOUGHTON. I thank the gentleman for his very appropriate contribution to this discussion. Income tax is based on a progressive basis and it is supposed to be on the basis of ability to pay. It may be as difficult for the large taxpayer to pay his taxes promptly, because the tax is large, as it would be for one paying a small tax, to pay currently. So we endeavored as best we could to place it on the same discount basis, and I believe we have succeeded in that respect.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. I yield.

Mr. VOORHIS of California. Is there not a continuing provision for discounts in the committee bill for future years?

Mr. DOUGHTON. A discount is provided for later years, but it is at a lower rate. This bill constitutes the extent to which the Committee on Ways and Means, after careful study, feels that we should go at this time toward a current basis of individual income-tax accounting. The discount provisions were discussed at length, and full consideration was given to every aspect of the adjustment provision. I believe we have worked it out as fairly and equitably as was possible.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. I am pleased to yield to my distinguished friend from Tennessee.

Mr. COOPER. I am sure our distinguished chairman will recall that there appeared to be no difference of opinion as to these discount provisions, and as the gentleman has very properly pointed out, for the calendar year 1943, this present year, half of the year will be gone before the withholding provisions can take effect. We thought special provisions for discount should be made for this year. Hereafter, for 1944 and all subsequent years, the rate of discount, as the gentleman has pointed out, is 4, 3, 2, 1.

Mr. DOUGHTON. In the case of persons completely paying their tax the Government has the use of a greater amount of money for a longer period of time; in other words, if he pays his 1943 tax in June 1943 the Government has the use of that money for 9 months ahead of the due date, March 15, 1944. The first payment on his taxes would not be due until next March under the present law, the second one in June, the third one in September, and the fourth in December, but if he pays up all in June this year the Government, of course, has the use of the money and any taxpayer like any individual, if he pays his tax or he pays his debts before the due date, is entitled to interest on the money or a reasonable discount. The Government has to borrow just that much less money. I insist, therefore, that the discount provisions of this bill are not subject to any just, fair, or reasonable criticism. The system is of mutual benefit to both the taxpayer and the Government alike. I call particular attention to this. By allowing the taxpayer a reasonable interest for the use of his money and by giving the Government the use of the money in advance of its due date, both profit by it.

This bill provides for withholding at the source, not an additional tax but a withholding of the present tax. This bill does not impose any new tax as the country has been led to believe. This is not an added tax but is simply a method of collecting existing taxes.

Mr. DISNEY. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. I yield.

Mr. DISNEY. While the gentleman is on that subject it seems to me this is the proper place to assure those Members who might be under misapprehension, that there is no doubling up under the committee bill.

Mr. DOUGHTON. Oh, no; and of course it is evident that it is not subject to any criticism either on the ground of doubling up or of forgiveness. No one is forced to double up his tax payments. That is one reason for the kind of showing that was made by the Gallup poll, one reason it was so one-sided. The country had been led to believe that if they did not get the Ruml plan they would have to pay 2 years' taxes in 1 year when there never has been such a proposal. Had they wanted to be fair they might have asked: "Do you believe in paying only 1 year's taxes out of 2 years' income?" That would be a fair way to propound the question: "Do you believe in skipping an entire year?" They did not ask it that way. Instead they asked: "Do you believe in the Ruml plan?" And the country had been led to believe that if they did not get the Ruml plan they would be compelled to pay 2 years' taxes out of 1 year's income. I repeat and emphasize that there has been no proposal to collect 2 years' taxes out of 1 year's income. I challenge anyone to deny it. The effect of the Ruml plan is to pay 1 year's tax out of 2 years' income. At a time when the country is in the most desperate need of money in its history should war profiteers escape 1 year's tax? How absurd, how ridiculous, and how preposterous, and how unbelievable, how unthinkable is such a chimerical, unheard-of, one-sided proposition.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. I yield to the distinguished gentleman from Mississippi.

Mr. RANKIN. I wish to correct the statement I made a while ago about the contest between the Mellon plan and the Garner plan. Instead of being in the Sixty-seventh Congress it was in the Sixty-eighth Congress and the party in power did not have the vast majority I said they had. We had had a revival of righteousness throughout the country and the parties were pretty evenly divided.

Mr. DOUGHTON. I thank the gentleman. Now, I shall discuss the withholding provisions.

The bill provides for the withholding of tax at the source, beginning July 1, 1943. This is not an added tax but is simply a method for collecting existing taxes. For those taxpayers subject only to the Victory tax, a 3 percent withholding rate is provided. The reduction of the rate from 5 percent to 3 percent will eliminate many refunds and adjustments. Taxpayers liable for both income tax and Victory tax will be withheld on at the rate of 20 percent, of which 3 percent will cover the Victory tax and 17 percent will apply to the general income tax. The 3-percent rate applies to all wages and salaries above $624, and the 17-percent rate is limited to wages and salaries above the regular income-tax exemptions and credits, plus 10 percent of the amount of such exemptions and credits. This 10 percent is designed to allow for normal deductions. Here I shall point out that the employer will not be required to make separate computations for the Victory tax and the regular income tax. The amount to be withheld under both the Victory tax and regular income tax will be combined in a single amount to be deducted from each wage payment if the employer elects to use the wage band tables provided in the bill. In the case of taxpayers subject only to the income tax, that is, single persons whose wages and salaries are between $552 and $624 per year, withholding is required at the rate of 17 percent.

Mr. O'CONNOR. Will the gentleman yield?

Mr. DOUGHTON. I yield to the gentleman from Montana.

Mr. O'CONNOR. Does this withholding tax of 20 percent apply on the 1942 or 1943 taxes?

Mr. DOUGHTON. On the 1943 tax if his 1942 tax has already been paid. We do not give any discount on the tax already due. If a man owes you a note which is due, you would not give him any discount, but if he owed you a note that was due in 12 months without interest and he was willing to make payment, or to pay it, you would give him a discount in all probability to get your money.

Mr. COOPER. Will the gentleman yield?

Mr. DOUGHTON. I yield to the gentleman from Tennessee.

Mr. COOPER. I feel sure the distinguished chairman of the Committee on Ways and Means did not fully catch the import of the question asked by the gentleman from Montana. The 20 percent withholding is not a tax at all. It is not a tax at all.

Mr. O'CONNOR. I understand that.

Mr. COOPER. In fact, there is not any tax levied under this bill. The 20 percent withheld is simply a method of paying taxes already levied by other tax legislation.

Mr. DOUGHTON. I understood the gentleman to inquire about the discount.

Mr. O'CONNOR. No.

Mr. DOUGHTON. And if the discount applied to 1943.

Mr. O'CONNOR. I am trying to find out whether the withholding of the 20 percent is to be applied on the 1942 or the 1943 tax.

Mr. DOUGHTON. On the 1942 tax until it is paid, and then on the 1943.

Mr. O'CONNOR. Then, as I understand it, the 20 percent withholding tax is simply a method of collection and not an added tax?

Mr. DOUGHTON. That is true.

Mr. GIFFORD. Will the gentleman yield?

Mr. DOUGHTON. I yield to the gentleman from Massachusetts.

Mr. GIFFORD. As a farmer do you withhold 20 percent from your employees?

Mr. DOUGHTON. No. I will get to that directly. He is exempt since he is employed in agriculture.

Mr. GIFFORD. You pay him wages.

Mr. DOUGHTON. This applies to salaries and wages.

Mr. GIFFORD. But you pay him wages.

One more point. You say we withhold this 20 percent merely to pay the 1942 taxes. You say you will give a discount to those who pay the 1942 taxes. When are you going to collect the 1943 taxes from those who do not discount?

Mr. DOUGHTON. I do not get the gentleman's question.

Mr. COOPER. The 1943 tax liability is not discounted when collected on March 15, 1944.

Mr. GIFFORD. Oh, you will be 1 year behind all the time?

Mr. COOPER. We continue the present system unless a man wants to get current.

Mr. GIFFORD. He will be 2 years behind.

Mr. COOPER. He has had 2 years' income.

Mr. DOUGHTON. No; he does not have 2 years' taxes. Something does not hang over a man when it is not yet due. He can let it go until it is due. If you had one note due in January 1942 and another one due in 1943, you do not prepare for payment of both of them in 1942. We have just as many taxes as we have years' income, no more and no less, under our bill. Does the gentleman favor an income tax for each year's income?

Mr. GIFFORD. I will tell the gentleman what I favor. I favor the old method. There is no choice between these two rotten apples.

Mr. DOUGHTON. We are a good deal nearer that than the substitute bill.

Mr. GIFFORD. I would be enthusiastic for the Ruml plan compared to this, with a 2-year hang-over.

Mr. DOUGHTON. There is no 2-year hang-over; but with all due deference to the gentleman, I cannot convince him.

Mr. GIFFORD. No; you cannot convince me.

Mr. DOUGHTON. There is no 2-year hangover, as I have already told the distinguished gentleman.

Mr. COOPER. Let me say to the distinguished gentleman from Massachusetts this committee bill simply gives the taxpayer the option. He may take advantage of this discount and pay it and become current if he wants to. If he does not want to, he may continue under the present system.

Mr. GIFFORD. I may want to. I would want to awfully, but I could not do it.

Mr. COOPER. You can do it.

Mr. GIFFORD. I have not the money.

Mr. COOPER. It is purely optional with you.

Mr. GIFFORD. Everybody would want to. This is a wealthy man's bill.

Mr. COOPER. You are entirely wrong about that.

Mr. DONDERO. Will the gentleman yield?

Mr. DOUGHTON. I yield to the gentleman from Michigan.

Mr. DONDERO. I think the impression has gone out to the country that if this bill becomes law there shall be a withholding tax of 20 percent due on July 1, and, in addition to that, the taxpayer is expected to pay his entire 1942 taxes. The explanations thus far made seem to dispute that.

Mr. DOUGHTON. Many people have supported the Ruml plan because through such misrepresentation they have misunderstood it. If my good friend will read the committee bill, then read the report, he will understand. It has been represented that under the committee bill the taxpayer will have to pay 2 years' taxes in 1 and that misrepresentation has gone out all over the country. Our committee bill does not force any doubling up of tax payments.

Mr. DONDERO. It is a wrong impression?

Mr. DOUGHTON. Of course it is. There have been so many erroneous impressions.

Mr. GIFFORD. If you have paid your 1942 taxes, after July 1 the subtraction or withholding would pay the 1943 taxes, would it not?

Mr. DOUGHTON. It would be applied on 1943 liabilities if the 1942 liabilities have been discharged.

Mr. GIFFORD. If you have already paid them?

Mr. DOUGHTON. If you have already paid them, certainly.

Mr. GIFFORD. But if you have not already paid the 1942, the withholding tax in July would pay the 1942 first?

Mr. DOUGHTON. The remainder of 1942, yes.

Mr. GIFFORD. But the two taxes are involved there. You are trying to get people to pay two in one, if you only could get them to do it voluntarily.

Mr. DOUGHTON. No. Our bill does not require double payments. Taxpayers may prepay if they desire, but they

are not forced to pay the tax until the regular due date.

Mr. GIFFORD. I know, but you are trying to offer them a discount to do it, and only the rich could pay it.

Mr. DOUGHTON. Those who could not pay it would not be hurt. If they are in position to pay they will get the discount, but those who do not prepay and therefore do not get a discount are not injured.

Mr. GIFFORD. But the purpose is to try to get on a pay-as-you-go basis.

Mr. DOUGHTON. Of course you know that is impossible; it is impossible, and Mr. Ruml himself admitted that a completely current system of paying taxes is impossible.

Mr. GIFFORD. I agree that it is impossible.

Mr. DOUGHTON. It is impossible to get on a completely current system of paying taxes, but we are going as far as we can. We cannot do the impossible and should not do the unreasonable.

Mr. BARRY. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. I yield to the gentleman from New York.

Mr. BARRY. Under this plan, at the end of the war, if the people do not take advantage of paying in advance or take advantage of the discount, they will still owe a year's taxes, sill be behind a year.

Mr. DOUGHTON. Of course, if they have not paid their taxes.

Mr. BARRY. Yes.

Mr. DOUGHTON. Suppose I owe you a debt. If I owe that debt when the war closes, would you say that the debt is paid?

Mr. BARRY. Let us say there are people at the close of the war who will not be able to pay their taxes.

Mr. DOUGHTON. How do you know they will not be able to pay? We can cross that bridge when we come to it; let us cross that bridge when the war ends and we find out that there are people in that situation. Then we can provide for them, but let us not throw away tax money now, when people are in position to pay their taxes.

Mr. BARRY. Then you are favoring one group as against another.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. I yield to the gentleman from Tennessee.

Mr. COOPER. Certainly, if the situation should develop as stated by the gentleman from New York, then would be the time to consider forgiving taxes and not now when the national income is the highest in our history.

Mr. DOUGHTON. Let us not forgive the taxpayer who is able now to pay the tax because, perchance, at some future time he might not be able to pay his tax.

Mr. BARRY. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. I do not yield for a speech.

Mr. BARRY. The Ruml plan treats everybody alike, but at the end of the war if you legislate for those who have not made provision, then you are favoring a group.

Mr. DOUGHTON. I have given the gentleman an explanation; if he cannot understand it I am sorry, but I have tried.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. I yield to the gentleman from Michigan.

Mr. CRAWFORD. May I follow up the thought expressed by the gentleman from Tennessee [Mr. COOPER] with official figures placed in my hands only this morning by Government agencies showing accumulated savings of individuals at the end of this year, as of December 31, 1942, that is, just a few days ago. This is savings of individuals I am talking about:

Currency at their command, $13,000,000,000; demand deposits, $27,600,000,000; time deposits, $26,600,000,000; current, in the savings and loan associations, $5,000,000,000; insurance that they could call on and obtain from the insurance companies if they desired to do so, $33,000,000,000; that which they can get from the Government any time they want to turn in bonds, which represents savings with which to meet an emergency, $12,400,000,000.

That is a total of $117,600,000,000 in paying power which some 75,000,000 of our people have at this particular moment with which to pay their $10,000,000,000 of 1942 taxes if they desire to become current.

The savings since January 1 of this year up to March 15, after paying their March 15 Federal tax liability, in liquid funds alone amount to $5,000,000,000, and yet we talk about the people not having the money with which to pay their taxes.

Mr. DOUGHTON. I thank the gentleman from Michigan for his contribution.

There never has been a time when our people were as able to pay their taxes as they are today, and there never has been a time when the Government needed the money as badly as at present.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. DOUGHTON. Mr. Chairman, I yield myself 30 additional minutes.

Mr. COOPER. Mr. Chairman, I ask unanimous consent that the gentleman may proceed even if he exceeds the hour allowed in the Committee of the Whole.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. DOUGHTON. In my opinion, Mr. Chairman, our position would not have been so difficult if it were not for the erroneous impression that has gone out, the misleading information, the information that taxpayers would not be required to make a return, that they would be forgiven the 1942 taxes. The advocates of the Ruml plan are responsible for the impression which has gotten abroad that the 1942 taxes would not have to be paid, that they would be forgiven or canceled, and a great many people are now under this misapprehension. That is where the difficulty arose. We had to go on the air and on the screen, we had to make speeches, to make it clear that everybody would have to make a tax return. Of course they said, "Why? If we are not going to be required to pay our 1942 taxes, if they are going to be forgiven, then why should we report our 1942 taxes?"

A false impression was given to the people through the Ruml propaganda. Believing that they would not have to pay the 1942 taxes, they could very consistently say, "If I am not going to have to pay them, why should I report them, or why should I make a total payment or partial payment on my tax? I expect that it will be forgiven and I am not going to pay." Of course, that was very popular with many people. The majority of the people of this country, however, want to pay their taxes, but have simply been misled by advocates of the Ruml plan into believing they will have to pay 2 years' taxes in 1 year if the Ruml plan is not adopted, which never has been proposed.

If you would take a Gallup poll on the question of whether or not the people believe in skipping an entire year's taxes, or paying 1 year's taxes on 2 years' income, we all know the answer would have been entirely different.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. I yield to the gentleman from Mississippi.

Mr. RANKIN. I called the attention of the gentleman from North Carolina the other day to the fact that I have introduced a bill (H. R. 1927) to reach the vast estates that have been placed in trust for the purpose of evading inheritance and income taxes, such as the Marshall Field estate, through which Marshall Field 3d will come into possession of approximately $200,000,000 in September, and a large number of other estates that are escaping income and inheritance taxes. May I ask the distinguished gentleman from North Carolina if such a measure would be in order as an amendment on this bill?

Mr. DOUGHTON. I am not a parliamentarian, but I do not think it would be in order on this bill. I may say to my distinguished friend that in my judgment that is a situation that should be examined. Our committee will give that matter consideration at the first opportunity, when we have before us a revenue bill to which that amendment will be in order.

I understand. The gentleman is making a very timely contribution to the discussion. Evidently, in my judgment, there is a loophole that ought to be closed, but I do not think we can do it in this bill.

Mr. RANKIN. I thank the gentleman from North Carolina for making the attempt.

Mr. DOUGHTON. The withholding provisions apply only to wages and salaries. Moreover, there is exempted from the withholding requirements, compensation for the following types of services: First, military service—other than pensions and retired pay; second, agricultural labor; third, domestic service; fourth, casual labor; fifth, the services of ministers of the gospel; and several less important categories such as certain nonresident aliens, employees of foreign governments, and citizens of the United

States performing services outside of the United States in certain cases.

We have tried to put the employer, in his discharge of the duties of withholding, to as little inconvenience as possible. He is under no obligation to investigate the status of his employee, but may base the withholding upon information furnished him by the employee. This will be done through a withholding exemption certificate on a form prescribed by the Secretary of the Treasury. By reference to the bill, on pages 10 to 34, inclusive, you will note that there is provided a number of wage band tables setting out every possible status of personal exemptions and dependents for all types of pay-roll periods. Thus, the withholding in any case can readily be ascertained by reference to the tables in the bill itself. This bill constitutes the extent to which your Committee on Ways and Means, after careful study, feel that we should go at this time toward a current basis of individual income-tax accounting.

Never has our committee worked under more difficult conditions. This whole issue has been prejudged and misrepresented by many, but not all, newspapers, columnists, and news commentators, regardless of the true facts. In such an atmosphere of misrepresentation and misunderstanding, the difficulties of our task have been greatly accentuated. In dealing with this most difficult question of war taxation, there arose a prophet who proposed and proclaimed a novel cure or panacea for our present tax ailments. There have been many profound and lifetime tax students who have been unable to discover this particular panacea as a solution of our tax troubles. This panacea seemed reserved by destiny to be conceived and brought forth by one Beardsley Ruml, high priest of the House of Macy.

The distinguished Secretaries of the Treasury of the past, from the beginning of the income tax, like Mr. McAdoo, Carter Glass, and Andrew Mellon, of whom it was said by some, was the greatest Secretary of the Treasury since Alexander Hamilton, Ogden Mills, our former colleague on the committee and one of the ablest men with whom I have ever served, and the present able Secretary of the Treasury, the Honorable Henry Morgenthau, who is carrying perhaps the heaviest economic and fiscal burden any man ever had—none of these, in a lifetime spent in the profound study of tax problems, could work out and solve this matter as has been done by Beardsley Ruml. None of the various chairmen of the Committee on Finance in the Senate, since the time when we first began to tax incomes—Simmons, Harrison, McCumber, and all of the other distinguished chairmen of that great committee. Neither Cereno Payne, nor Claude Kitchin, nor Oscar Underwood, nor Fordney, nor Charley Crisp, acting chairman under Collier, nor Hawley, nor Green, outstanding chairmen of the Committee on Ways and Means, were wise enough to discover this panacea. Mr. Ruml never came before our committee and offered advice when we were struggling to raise $8,000,000,000 of additional revenue in 1942. He did go to the Senate and try to sell his goods there, and they decided they were counterfeit, rather than genuine, and by an overwhelming majority vote of the committee of which Senator GEORGE is chairman they repudiated his proposition.

If there ever was a counterfeit proposition brought before the American people, in my opinion, this is it.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. Yes.

Mr. COX. I simply rise to commend my friend, whom I consider to be just as good, just as serious, and just as devoted to the public interest as was the Elder Cato, for insisting at this time of our country's peril, we must rise above partisan politics, if we are to serve our country well, and not be entrapped into a position that is false to ourselves and our country, by enacting a Utopian plan brought in here and expected to be used as a platform for some political campaign, at some time in the future.

Mr. DOUGHTON. What I shall have to say concerning the Ruml-Carlson plan, sponsored, embraced, and wet nursed by my distinguished friend and colleague, the gentleman from Kansas, is in no sense a reflection on the honesty and sincerity of any of my colleagues, for whom I have the greatest admiration, respect, and friendship. But I vigorously challenge and take issue with what I consider the unsoundness of their position. In the light of my understanding of the plan and the effects which the forgiveness of a year's taxes would have both upon the Government and upon the taxpayers, I am convinced that the adoption of such a plan is immoral and unsound at any time, and especially so at this time when our Government is in such desperate need of revenue.

It has been impossible to keep up with the many modifications of the Ruml plan and the many editions of the Carlson bill. As soon as the light was turned on one plan or bill, its sponsors or authors abandoned a part of it and substituted some new complexity which our committee had no opportunity to examine or discuss. If all of the complexities, convolutions, adornments and window dressing are stripped from the present edition of the Carlson bill, the following inescapable inequities are still present:

First. For those making less than $20,000 a year, their tax for 1942 is completely forgiven. I wonder if this provision will bear some special appeal to Members of this body whose compensation, as you well know, is safely under this figure.

Second. An amount equivalent to the entire tax liability for one year, 1941, 1942, or 1943, of every individual taxpayer is forgiven in spite of these years being swollen war income years, the greatest in our Nation's history.

The windfall provisions of Mr. Carlson's bill do not to any substantial degree cure the fundamental fault in the Ruml plan. As a matter of fact, the addition of new windfall provisions to each new edition of the bill of the gentleman from Kansas [Mr. CARLSON] and the gentleman from New York, Mr. Ruml, have not eliminated or appreciably diminished the one great windfall that must result from the forgiveness of a year's tax liability. They simply accentuate the inescapable fact that the only solution to their problem is through no tax forgiveness at all. Their efforts in this respect clearly demonstrate that they are fully conscious of the inherent windfall evil in such a plan.

In my opinion, the Ruml plan is nothing but tax heresy. It is to sound tax policy what infidelity is to true Bible religion. It would bankrupt any business concern. No nation, state, or other taxing jurisdiction has ever adopted such a system. In fact, Mr. Ruml has been unable to induce his own State of New York to give his plan a try-out. Last year, after a full hearing, the Senate Finance Committee turned him down by an overwhelming majority. The nearest parallel in any other country is the proposal now being considered in Canada. The Canadian proposal, even if it should be adopted, which it has not been, as erroneously claimed in the minority report, and may never be, is in no way analogous to complete forgiveness or to the Carlson bill.

The greatest benefits of the Ruml-Carlson plan would go to those who are ablest to pay. The very wealthy would derive a windfall equal to 5 or 6 years' income after taxes, completely without justification or excuse. The taxpayers with million-dollar incomes during the war years would each pocket a gift from their Government of at least $850,000. This step seems especially incongruous just as we are asked to produce additional tax revenue of about $16,000,000 annually.

While wealthy taxpayers would derive enormous benefits from the forgiveness of a year's tax liabilities, the benefits of those in the very lowest brackets would be not only completely eliminated but more than offset by the added burden they would have to bear in increased taxes for future years. All of these benefits must be made up at some time; consequently, those having no incomes in 1942, those receiving no benefits whatsoever from the forgiveness, including the members of our armed forces, will have to make up in future years the increase necessary to offset the advantages which the wealthier taxpayers would now gain.

Mr. LYNCH. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. I yield.

Mr. LYNCH. Has any reason been advanced for the forgiveness of the taxes of these people who are able to pay the 1942 taxes?

Mr. DOUGHTON. Of course, to those who want to believe, the shadow of a reason is convincing. When you get down to the cold facts, I do not see any reason. I may be stupid, I may be difficult of understanding, but I can see no reason at any time why the taxpayer should not pay his legitimate taxes on income he has received and enjoyed.

In a time when we are threatened with world disaster, when we should be making sacrifices, some are trying to conjure up some way by which to avoid paying taxes when people should more than ever be willing to pay their taxes.

They say that through forgiveness the Government will make money. If it will make money by forgiving 1 year's taxes, why not make more by forgiving 2 years' taxes, and if we keep on forgiving taxes, we finally would not have to pay any taxes at all. That is the logic of their position. That is the way they say you can make money by forgiving 1 year's taxes.

Beyond serious question, the forgiveness of 1942 tax liabilities will result in a loss to the Government of almost $10,000,000,000. The loss may not be felt in 1943. In fact, it probably would not be reflected to any great extent in our tax collection so long as the income for each succeeding year exceeds or equals that for the previous year. But the loss is there all the same, and its impact is only delayed or postponed until the year of declining incomes, when it will strike with full force against our revenues and against a different set of taxpayers.

There will be new taxpayers. Many who are forgiven taxes this year will not be taxpayers in future years. These taxes, if forgiven now, will have to be made up from future taxpayers and out of future income.

Suppose I should retire at the end of my present term, which I may do, then when would I ever pay my 1942 taxes, which I owe and which I should pay and want to pay and intend to pay, and most of which I have paid? Why should I get out of this just obligation and impose the burden on some future taxpayer who may not be half as able to pay his taxes as I am?

Mr. DISNEY. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. I yield.

Mr. DISNEY. Is it not likely that when these bad years come that hundreds of thousands or millions of these new taxpayers to whom you referred a little while ago will be veterans who are now in the field fighting battles for us?

Mr. DOUGHTON. Yes; I will come to that a little later. No; I will refer to it now also, for it will bear repeating.

If we who are at home do not pay every dollar of tax we owe and our Government needs, what justification can we give to the returning soldier for asking him to make up a part of the bonus we have voted ourselves. Such hypocrisy, such patriotism, such tax economy, my friend, staggers my very imagination—that we will neither fight nor pay, yet say that they must both fight and pay. That would be the result of this substitute tax proposal.

But the advocates of the Ruml plan say that here is the very point at which the virtues of cancelation come to the front. Here, they say, the advantages of being on a more nearly current basis are fully demonstrated. The advantages to whom? To the million-dollar-a-year income individual who has pocketed the $854,000 of tax forgiven for 1941 or 1942—to the taxpayer with the swollen war income of $500,000 in each of the years 1941 and 1942, who ordinarily makes only $100,000 and who has had his wealth increased by the $414,000 of 1942 taxes which would be canceled. Here is more money than he would make in 4 normal years before taxes and more than he would have left after taxes in more than 11 years of normal business activity.

They will then say, "But these cases are not the average ones." And ask, "Are the mass of our taxpayers to be denied the benefits of the Ruml-Carlson plan simply because the wealthier taxpayers reap an outrageous and completely unjustifiable windfall?" I ask, "What benefits, and to whom do they accrue?" A half, or more, of our taxpayers are enjoying substantially increased incomes during the war. Their ability to pay will never be greater. Compare our own cases with fixed incomes of around $10,000 with that of an individual who before the war earned about $10,000 a year also. Now he is making $25,000. If 1942 liabilities are forgiven we save about $2,100, he pockets almost $10,000, the amount of our entire salary before taxes. Thus, in the period of 4 swollen war-income years, he realizes $100,000 of income out of which he pays only $28,000 in taxes instead of the $37,000 he should pay. The $10,000 saved by this individual is equal to his entire income before taxes for a normal year and equals 1½ year's income after taxes for a normal year. Thus, the man with the fixed income receives a benefit equivalent to his income for about 2 months while the individual making unusual profits during the war receives enormously greater benefits in proportion.

I trust that I am not misunderstood in this connection. I am not drawing a distinction measured solely by the size of various incomes alone. What I am trying to drive home is the simple fact that the Ruml-Carlson plan not only favors the wealthier taxpayers as compared with their less fortunate brethren, but that it discriminates sharply against the fixed income individual while tossing into the lap of the person enjoying a swollen wartime income a golden harvest which unjustly enriches him at the expense of his Government, his fellow taxpayers, or both. All of the sophistry that Satan can invent cannot obscure this simple fact.

Moreover, let me point out to those of you who have raised your voices in protest against unnecessary expenditures and governmental extravagance the forgiveness of a year's tax liabilities presents the ultimate in extravagance. If you can vote to present yourselves and our war profiteers this golden windfall—if you can support the cancelation of ten billions of our Government's accounts receivable, especially at a time when our Treasury is in desperate need of revenue—if you can justify or condone this action, you are forever foreclosed and barred, in my opinion, from voicing further criticism of extravagant spending.

Our people have been deceived and misled into the false belief that if the Ruml plan is not adopted they would be compelled to pay 2 years' taxes in 1 year. Many of them believe that the adoption of the Ruml plan would relieve them from paying any taxes in 1943. Both of these beliefs are entirely without foundation. The compulsory doubling up or forgiveness of taxes is neither the object nor result of our committee's bill. We all realize that it is impossible to collect 2 years' taxes in 1 year without unduly burdening the taxpayer. The Ruml-Carlson bill, however, goes to the other extreme. It collects only 1 year's tax out of 2 years' income. Our soldiers are not requesting forgiveness of a year's duty. In fact, many of them are called upon to give an entire lifetime in one moment of duty. Is this any time to forgive a year's tax liability?

It is argued that taxpayers should be made fully current in their tax payments—that they should discharge completely their current liabilities out of their income as it is earned. It has been fully demonstrated, and even stated by Mr. Ruml himself, that this is an impossibility. While there is considerable merit to the argument that they should approach as closely as practicable to this desirable goal, it can be and is being overdone. Millions of our taxpayers will find it impossible to make even an approximation of their year's income in advance. Consider the case of the farmer, the merchant, the lawyer, the doctor, the businessman, or any other self-employed individual. Their incomes fluctuate widely from year to year. Many of them are engaged in seasonable businesses entirely dependent upon unpredictable factors. The farmer's income cannot be measured until his harvest. Until that time he has nothing but expenses. Shall we add to those expenses an additional one for taxes based upon an hypothesis which intervening market declines, droughts, or floods may destroy? No legislation can do better than to make an approach to pay as you go for such persons. The committee bill encourages this step to the extent that each taxpayer deems desirable in his particular case by letting such taxpayer handle his own money and budget himself to meet his tax obligations if and when they are realized. Shall we force him, as does the Carlson-Ruml bill, to prepay taxes he may never owe upon income he may never receive?

The CHAIRMAN. The time of the gentleman has expired.

Mr. DOUGHTON. Mr. Chairman, I ask unanimous consent to proceed for an additional 20 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina [Mr. DOUGHTON]?

There was no objection.

Mr. DISNEY. I must call the gentleman's attention to the fact that Dr. Gallup in his poll seems to convey the idea that the farmer is just on fire for the current plan of taxation. There must be something seriously wrong with the gentleman's argument because Dr. Gallup says that the farmer has got to have it.

Mr. DOUGHTON. I have not had a letter from a single farmer, and I represent an agricultural district.

Mr. DISNEY. Nor have I.

Mr. DOUGHTON. I have not had a letter from a farmer favoring the Ruml plan and I have not had a letter from a single soldier, for both of whom tears are shed in the minority report. The farmer wants to pay his taxes when he receives his crop money. When he receives an income he will pay his taxes. He may never owe a tax, and to offer a plan which provides that he shall pay a tax out of an income he has not received is the most unreasonable, asinine, absurd, contrary, ridiculous proposition that has ever been proposed to an intelligent people.

Mr. BARRY. Will the gentleman yield?

Mr. DOUGHTON. I yield to the gentleman from New York.

Mr. BARRY. Does not the gentleman recall that in pre-Pearl Harbor days time and again the administration used Dr. Gallup's poll to justify their position?

Mr. DOUGHTON. What is that?

Mr. BARRY. Does not the gentleman remember the pre-Pearl Harbor days when time and time again Dr. Gallup's polls were used to justify the administration position?

Mr. DOUGHTON. Satan can repeat the Scripture to prove his argument. You can take the Gallup polls and prove anything you want. I do not know, but many people believe it has gotten to be a racket. I heard a man say the other day, and he is a Member of Congress, that he was approached by somebody out on the street who asked him, "How do you stand on taxes? Are you for the Ruml plan or the other?" He said, "What is the Ruml plan?" The man said, "The Ruml plan forgives taxes." "Of course," he replied, "I do not want to pay any taxes; I am for the Ruml plan." That is the kind of canvassing the Gallup poll does. It is not a criterion, it is not correct, and it does not reflect the sentiments of the people, because the question is not being put to them in a fair way. Let the Gallup poll or any other poll ask the people whether or not they believe in paying one tax out of 2 years' income and you will see what the answer is. Ask them whether they want to forgive an entire year's tax and you will see what the answer will be. You will find some who never want to pay a tax, but the honest, patriotic people want to pay their taxes and they will pay their taxes if given an opportunity.

Mr. HARE. Will the gentleman yield?

Mr. DOUGHTON. I yield to the gentleman from South Carolina.

Mr. HARE. As I understand it, Dr. Gallup referred to the Ruml plan as the pay-as-you-go plan and not as the cancelation of taxes plan, is that correct?

Mr. DOUGHTON. Perhaps he did, but the impression has been prevalent that if the Ruml plan were not adopted the people would have to pay 2 years' taxes in 1, and then, of course, some people have been led to believe they would get out of paying any taxes in 1943 if the Ruml plan were adopted.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. I yield.

Mr. CRAWFORD. May I ask the chairman of the committee for the purpose of the RECORD and for future use if the chairman has received a letter from any farmer anywhere in the United States or any farm group specifically asking for the approval of a law which cancels taxes on 1942 incomes?

Mr. DOUGHTON. I have not, and never expect to.

Mr. CRAWFORD. Neither have I, not one.

Mr. DOUGHTON. The farmer does not want his taxes abated, if he owes any. But, at the same time, he does not want to pay taxes he does not owe on income he does not have and may never have. You cannot put him on a current basis and there is no use trying it.

Something was said to Mr. Ruml about making taxpayers current. Mr. Ruml was before our committee. The gentleman from Tennessee [Mr. COOPER] asked him about it. I quote:

> Mr. COOPER. I do not mean to interrupt you, but is there any such thing as absolutely current income-tax payment?

That was the question propounded by the gentleman from Tennessee [Mr. COOPER], a distinguished member of our committee, to the great high priest and tax expert of the House of Macy, Ruml. This is what Mr. Ruml said—good authority on the minority side, but very poor authority over here on the majority side:

> Mr. RUML. Only one, and it is absolutely impractical, and that is to collect every night.

Turn to page 200 of the hearings. You folks who talk about making taxpayers current, see there what the high priest himself says about making taxpayers current:

> Collect every night—
>
> Says Mr. Ruml.
>
> Mr. COOPER. That is not practical, is it?
>
> Mr. RUML. Quite right.
>
> Mr. COOPER. And eliminating that which you say is not practical, there is no such thing as an absolutely current income-tax return for the people of this country, is there?
>
> Mr. RUML. No. I think it is something like a fresh egg; there is no such thing as an absolutely fresh egg on the market, but there are all sorts of degrees of it.

There is no such thing as currency in paying taxes. Read that yourself. That is out of your own Bible, from your own witness. Out of the mouth of their own witnesses, the Rumlites, you are condemned. He admits himself that there is no such thing, yet we are called upon to forgive $10,000,000,000 in taxes on profits already earned and on salaries already received, taxes which the Government desperately needs, and this is in order, as they say, to do something that the man who proposes it himself says cannot be done.

Mr. CASE. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. I yield.

Mr. CASE. Does not the committee bill in an attempt to get people on a current basis offer a tremendous inducement that will be damaging to the war financing, when it proposes to give 6 percent for 9 months' payment in advance, which, to my way of thinking, would encourage people to sell their War bonds that pay a small amount of interest in order to get that 6 percent?

Mr. DOUGHTON. No; to get that discount the payment must be made 9 to 18 months in advance.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. Yes.

Mr. COOPER. I submit to my good friend from South Dakota: Is it not better to forgive 6 percent to encourage taxpayers to become current than to give them 100 percent by forgiving the whole of it?

Mr. CASE. I do not think that the choice before the House ought to be either, and if you are going to put it on that basis, then certainly the committee is not in good form when it attacks the proposal of a substitute bill as inadequate, when you are proposing a plan that will cause people by the hundreds to sell their War bonds in order to take advantage of the discount.

Mr. DOUGHTON. But if people have War bonds to sell, and they want to pay their taxes, do you not think they have a right to sell the War bonds? I have bought War bonds, and if I want to have cash I have a right to sell my bonds. If one wants to sell his bonds to pay his taxes, it is all right, because the Government will have the money, and it will not have to pay any interest on it as it would if the money were in bonds.

Mr. CASE. It certainly gives advantage to the man of wealth.

Mr. DOUGHTON. Oh, no; it gives advantage also to the wage and the salary earner. We give the man equal chance. The large taxpayer may have as great difficulty in paying his large tax as the small taxpayer has in paying his tax.

Mr. CASE. It stands to reason that the man who has cash and has the mind to do it will take advantage of the discount.

Mr. DOUGHTON. But there is nothing sacred about the rate of discount. I do not mean any reflections by that on the gentleman from South Dakota. His question is a perfectly good question. There might be some discussion in our committee, but not along party lines, and that was the consensus of the majority of the members of the committee.

Mr. GIFFORD. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. Oh, I cannot yield at this time.

Mr. GIFFORD. The gentleman has done a splendid job, and I congratulate him. Would it be fair to ask him, in summing up, for the gentleman to agree that in order to become current sometime, we would have to pay 2 years' taxes in 1?

Mr. DOUGHTON. Yes?

Mr. GIFFORD. Is that a fair summing up ?

Mr. DOUGHTON. Is what?

Mr. GIFFORD. To become current along with this withholding tax, will the gentleman admit that in order to be current at sometime, some year, we will have to pay 2 years' taxes in 1?

Mr. DOUGHTON. Not necessarily. Suppose a man has already paid the bulk of his taxes, as many have.

Mr. GIFFORD. We will have to pay 2 in 1 year, and the withholding tax.

Mr. DOUGHTON. It depends upon the year.

Mr. GIFFORD. The gentleman wants to be fair about it. To become current, we must pay 2 years in 1, must we not?

Mr. DOUGHTON. Yes; but the bill does not force you to pay 2 years in 1, but if you want to become completely current you must sometime pay the back year's tax liability.

Mr. GIFFORD. Oh, you cannot get away from that, and the gentleman ought not to try to do it.

Mr. DOUGHTON. I am not trying to do it.

Mr. GIFFORD. Because the gentleman wants to be fair, and I know that he is fair.

Mr. DOUGHTON. Of course, you could pay it all in 1 year. In order to get current, does the gentleman want to forgive an entire year's taxes?

Mr. GIFFORD. Yes. If you forgive one $10, I want you to forgive a man a million.

Mr. DOUGHTON. Oh, there is no difference between the gentleman and me.

Mr. GIFFORD. Do not forgive one unless you forgive the other.

Mr. DOUGHTON. Oh, the gentleman from Massachusetts is confused. He is one of the most distinguished and able men in the House. Of course, as the gentleman is aware, certain folks can be deceived, and the Ruml plan has deceived many of the really strong people of this country, I am sorry to say.

I want now to read one or two letters. Here is a letter from North Carolina:

ORGANIZED FAMILIES OF THE
AMERICAN EXPEDITIONARY FORCES,
March 20, 1943.

Hon. JOSEPH W. MARTIN, Jr.,
House of Representatives,
Washington, D. C.

DEAR SIR: Any form of forgiveness of any taxes would destroy American morale and would stab in the back our overseas men.

The American people are awakening to the realization that the Ruml plan is really a Rommel plan to sell the American people to the war profiteers. Nothing Hitler or his crafty deceptive generals could do would so effectively destroy American patriotism and democracy.

The Teapot Dome scandal, black markets, and other scandals would be tiny blots of disgrace on the pages of American history compared with the enaction of this Ruml plan of tax forgiveness. How can anyone worthy of living in America ask that their just taxes be forgiven when our men are dying? Is it possible that our American Congress would sell us out to the war profiteers and tax dodgers?

We cannot believe that you in Congress, the symbol of democracy and of our defense on the home front, would so betray us and our fighting men. Surely the courage of our forefathers will rise up in you and you will defeat this diabolical scheme of betrayal and destruction of American patriotism.

Very respectfully yours,
MRS. PAUL CHEEK, *Secretary.*

Mr. ROBSION of Kentucky. Will the gentleman yield?

Mr. DOUGHTON. I yield to the gentleman.

Mr. ROBSION of Kentucky. In the first place, that letter comes from the gentleman's own great State, and I received a copy. How many persons belong to that organization that is headed on that letter?

Mr. DOUGHTON. It is not a question of the number of persons——

Mr. ROBSION of Kentucky. No——

Mr. DOUGHTON. I do not want to argue with the gentleman. I do not want the gentleman to make a speech. I yielded for a question.

Mr. ROBSION of Kentucky. The gentleman has read that letter to the House. Does the chairman of the great Ways and Means Committee endorse what that woman says in that letter?

Mr. DOUGHTON. I endorse every word of it. What part of it do you condemn? You quote the sentence you condemn.

Mr. ROBSION of Kentucky. Does the gentleman mean to tell me that 85 percent of the American people who have millions of boys in the Army, like myself, are traitors because they vote for the Ruml plan?

Mr. DOUGHTON. Well, that is what the woman says. I do not know. It must have got under the gentleman's jacket.

Mr. ROBSION of Kentucky. The gentleman from North Carolina endorsed a statement like that about Members of Congress, and that is what I do not like.

Mr. DOUGHTON. It is the truth that hurts. That does not apply to those who do not convict themselves.

It is folly to talk about forgiving billions of dollars of tax liabilities when our war revenue needs are so imperative. A great deal of this money was earned as a direct result of the war effort and would not have been earned otherwise. The man who put on the uniform of our military forces and in doing so accepted a substantial reduction in income could but regard with contempt any action which would allow persons at home to unduly swell their bank accounts at the expense of the war effort.

Why should we underestimate the ability and willingness of our people to sacrifice and cooperate? If our boys can risk their lives at the front it seems little enough for those of us who are at home to stand with fortitude the financial and economic pressures which are necessary to fully support our armed forces and the entire war effort.

I cannot emphasize too strongly that the burden of any taxes, from which we are relieved, will, in the light of our enormous war expenditures, have to be borne by future taxpayers, many of whom would be our returning soldiers. Certainly we cannot put ourselves in the position of neither fighting nor paying while calling upon our soldiers to both fight and pay. I recall a letter received from a constituent, pleading that he be forgiven his 1942 taxes because that was the first year in which he had ever made so much money. He pointed out that he had had so many lean years that he ought to be able to retain these swollen profits.

But gentlemen this is blood money. It is being made while thousands of our countrymen are making the supreme sacrifice on the field of battle. We on the home front should not vote ourselves a bonus, an unjust enrichment at their expense. The least which could be asked of us is that we pay our taxes on incomes which have already been earned and enjoyed. As I stand here today, after 32 years of service in this great body, I feel confident what the answer of my colleagues will be. Let us not be misled. Let us face the issue squarely and sincerely. We must not be slackers on the home front. We must help win the war by contributing our share of the tax burden, not by forgiven tax.

The CHAIRMAN. The time of the gentleman from North Carolina has again expired.

Mr. KNUTSON. Mr. Chairman, I yield myself 30 minutes.

Mr. Chairman, I am reminded by the chairman's remarks of a story of a young minister who was preaching his first sermon, and his mother was a very much interested spectator. In the course of the sermon the old lady showed signs of deep emotion. On the way home the son said, "Mother, I feel glad that you approved of what I said in my sermon." To this she replied, "Son, it was not so much what you said; it was the way you said it."

Now, there are those, not very many, who have an idea that the Ruml plan was conceived by Marshal Rommel in Africa. Perhaps that explains their antipathy. Let me assure them that Mr. Ruml, the author, is a successful American businessman who happens to be closely associated with the New Deal administration.

Mr. Chairman, the committee bill will probably go down in legislative history as the bill with a tax hang-over. I listened with a great deal of attention and interest to my very dear friend the chairman of the Ways and Means Committee. Those who do not know the inside history would think that the idea of forgiving any part of 1942 tax liability is anathema to the distinguished gentleman from North Carolina. Now that that committee has finished its deliberations, perhaps I may divulge what happened in executive session. The chairman, in the first place, voted for every tax-forgiveness plan except one that was offered in the committee. Not only did he vote for every one, but he proposed three himself. The first Doughton plan would have forgiven four and one-tenth billion dollars. I will read the figures from the Treasury statement given to the committee so that there cannot be any question about it. That plan, as I say, would have forgiven four and one-tenth billion dollars. Then he had an outburst of generosity and brought in another plan or bill which would have forgiven six and one-half billion dollars. Under the first plan he would have forgiven the man with a million dollar income a total of $121,000, as compared with only a few dollars to the man in the lower brackets. Under the second plan the million-dollar

man would have received a forgiveness of $427,000.

Mr. DOUGHTON. Will the gentleman yield?

Mr. KNUTSON. Mr. Chairman, I am going to yield to the gentleman because I have referred to him, but I shall not yield to others, because I want to make a consecutive statement, and that is something that this House is badly in need of. I yield to the distinguished chairman of the committee, who is my good friend.

Mr. DOUGHTON. I never brought in a single bill at all. I made two suggestions, and the more I looked into them myself the less I thought of them.

Mr. KNUTSON. I do not agree with my chairman. His second plan was a 50-percent Ruml plan, since it would have abated one-half of the 1942 tax for everyone, but would have collected the balance in addition to current taxes over a short period of years.

My good friend certainly recalls that he offered one plan that was known as Doughton plan No. 1, which would have forgiven $4,100,000,000. Then a few mornings later he told us that he had had a vision during the night. Now, I am not joking. He said he had a vision or inspiration during the night. As a result of that vision he proposed Doughton plan No. 2, which would have forgiven $6,500,000,000, and I voted for it because it was at least half a loaf, which, as the saying goes, is better than none. Then later on he combined the vision and the other plan into what he called a modified No. 2 plan, which would have forgiven $5,000,000,000.

Now, if those facts are not true I would like to have them challenged right now while I am here to answer them. [After a pause.] No one arises to challenge these facts because what I am saying is the gospel truth.

The chairman said that no hearings had been held upon the Carlson bill. It is not necessary for me to tell the House that no hearings were ever held on the committee bill, and very little consideration given to it. Now, if I may proceed with my prepared statement:

Mr. Chairman, at the outset of my remarks I wish to say that the Ways and Means Committee has labored over the tax problem for many weeks, giving it thorough and painstaking consideration. There was absolutely no partisanship shown at any time, and although we seem to have divided along party lines, I assure the House that the division is based on honest differences of opinion, not politics.

When the committee began its deliberations the entire membership seemed united in a desire to place income-tax payments on a current assessment and collection basis. Prior to the call for public hearings Republican members of the committee all joined in a statement urging prompt and favorable action on the subject. Later the full committee met and unanimously decided to hold public hearings on all pay-as-we-earn proposals, beginning February 2. These hearings continued until February 15, after which the committee went into executive session with the avowed purpose of drafting a pay-as-we-earn bill.

Various plans were proposed and considered, but not one was able to command a majority vote. I may say, however, that the Republican members of the committee, with one exception, were convinced that the only fair and practicable plan for effecting the change to a current collection basis was that presented by Mr. Beardsley Ruml. However, as we were a minority of the committee, and as no member of the majority side supported our position, we were simply outvoted.

The majority members, who vainly sought a compromise or substitute for the Ruml proposal, could not agree among themselves, hence, while they control the committee, they found themselves in the position of being unable to act. As a result of the stalemate a subcommittee was appointed for the purpose of trying to work out a solution.

This subcommittee worked diligently for sometime, and likewise came to a dead end when it was unable to agree on a plan. However, as there was unanimity both in the subcommittee and in the full committee as to the need for a system of withholding at the source, no matter what pay-as-we-earn plan might finally be adopted, the subcommittee acted on this phase of the matter and threw the abatement problem back into the lap of the full committee.

The majority of the committee was aware that this indecision could not continue in the face of the public's demand for action. Being unwilling to be convinced of the merits of the Ruml plan, and being unable to find any substitute which would make all taxpayers current with no doubling up in tax payments, they withdrew in disorder from the pay-as-we-earn objective and sought to find some other basis upon which at least they could agree. The result is the make-shift bill now before the House.

The action of the majority reminds me of the ancient fable of Phaedrus, which runs as follows:

> A mountain was in labor, sending forth dreadful groans, and there was in the region the highest expectation. After all it brought forth a mouse.

In relation to the expectations of the people, the majority's bill is truly a mouse.

The great and generous heart of America extends to all the unfortunates of other lands but when it comes to doing something for our own people a hue and cry is immediately raised. I am reminded of an incident that is related in a book written by a Russian author, I believe Tolstoy. A Russian noblewoman, bundled in warm and costly furs, went to the opera one bitterly cold night. Upon arriving there she directed her coachman to await her return out in front of the opera house. The opera was a sad one, depicting much suffering and hardship, whereat the noblewoman wept copious and bitter tears. Later, returning to her sleigh, she found that the coachman had frozen to death during her absence. This tragic happening she took as a matter of course and, we are told, left her unmoved.

A few Members of Congress are like that Russian noblewoman. With unctuous piousness they gladly vote for measures that take the food from our own people's mouths and send it to other lands. I have no quarrel with that but I do strongly condemn the attitude of these same individuals when it comes to doing something for our own people.

The President told the country several years ago that our national debt is in fact not a debt at all because we owe it to ourselves. If that be true, then it follows that in moving the tax clock forward, as is proposed in the Ruml-Carlson bill, there will be no forgiveness in tax liability because we owe the tax to ourselves. In other words we merely forgive a debt that we owe to ourselves.

Many of those who are loudest in their denunciation of the Carlson-Ruml bill only a few days ago voted for the renewal of the lend-lease law, under which some eight thousand million dollars have already been advanced to our allies, and I cannot recall that a single one of them bothered about asking how and where the distribution had been made. It has been going to foreign countries and that is all they wanted to know.

I want to discuss briefly the committee bill, but will not waste too much time on it because a large number on the majority side already are convinced that the majority leadership have made arrangements to desert it and throw their supports to the C. I. O.-Robertson-Forand plan in an attempt to effect a face-saving compromise. I shall be glad to go further into this unprincipled plan for dealing with the problem, if and when the issue is presented. Suffice it to say at this time, it, too, fails to make all taxpayers current. It was rejected in the committee by an overwhelming majority and is just a vote-catching expedient, which would make a large number of taxpaying voters current but deny equal treatment to the rest of the taxpayers. It attempts to compromise on the abatement principle in the face of the fact that there can be no compromise with principle.

There are two essential features to any real pay-as-we-earn plan:

First. It must provide that personal income taxes shall be assessed only against current income and paid out of current income.

Second. It must, insofar as practicable, time such tax payments with the receipt of income, such as by withholding at the source.

While the bill, which a majority of the committee have reported, makes provision for collection at the source, it utterly ignores the main objective by failing to assess and collect the tax currently. And since the majority's bill proposes to use the withholding device primarily to collect the past year's tax debt, virtually all the benefits which would accrue from current collection are lost. For one thing, it will be of no avail to try to collect the past year's income-tax liability at the source after the taxpayer has lost his job, retired, or died.

There are several definite indications that the Democratic leadership plan to scuttle the committee bill. In the first

place the committee bill comes before the House unaccompanied by a closed rule. This is the first such incident that I can recall in a number of years. Heretofore, tax bills have always been accompanied by closed rules, but the Democratic leadership didn't want a closed rule this time because it would prevent them carrying out their program to displace the committee bill with a substitute measure at the proper time.

The bill before us has no genuine friends. It is a wondrous concoction of guile, bile, and rile. The leaders realize that it is a bill they cannot go before the country and defend, hence it must be sidetracked with something more nearly in conformity with what the people want. While the Secretary of the Treasury has informed the country that the administration is 100-percent behind the committee bill, we must not take that statement too literally. Everything indicates the contrary. I fear time will prove the Secretary was merely administering an anesthetic prior to performing the major operation of substitution.

The committee bill is, in effect, a complete repudiation of the admittedly desirable objective of getting taxpayers on a current basis. It simply gives a new lease on life to the present outmoded and wholly unsatisfactory system of collecting the income tax the year after the income against which it is assessed was earned.

Realizing that their bill is a bitter disappointment to the great masses of the people who have been seeking relief from the present overhanging income tax debt, the majority have attempted to sugar-coat it by offering taxpayers a discount if they voluntarily get themselves on a current basis by paying both the past year's liability and the current liability in 1 year.

This obviously involves a doubling up of payments. Only those who have surplus cash on hand will be able to take advantage of the discount provisions and get themselves on a current basis. To the great mass of the people, who are already having a difficult time trying to pay 1 year's tax, the committee bill offers no ray of hope. On the contrary, it would virtually require them to continue to be 1 year behind in their tax payments, with all the hardship which may result.

The majority seem to have lost sight of the fact that it is persons in the lower income levels on whom the present overhanging income-tax debt rests most heavily. The discount provisions of the committee bill would bring no relief to this group, since in most cases the small taxpayer will be unable to make the double payment required in order to get current.

The discount provisions, obviously, will be of benefit only to well-to-do persons.

The committee bill discriminates in their favor and against those to whom the income tax is already a serious financial problem and who have not the means to pay 2 years' taxes in 1 year.

It should be made clear that in order to get the benefit of the 6-percent discount provision, a taxpayer must pay his past year's liability in full by this coming June 15, and at the same time, pay in full his liability for the current year. The discount then applies to the advance payment of the current liability, not to the payment of the past year's liability. If the payment is not made until September 15, the discount is reduced to 4 percent, and if not made until December 15, it is reduced to 2 percent. Beginning in 1944, and thereafter, the discount will be 4 percent on advance payments made by March 15, 3 percent on payments made by June 15, 2 percent by September 15, and 1 percent by December 15.

Amounts withheld at the source are also subject to the discount provisions where the past year's liability has been paid in full. The amount of the discount on sums withheld at the source, under such circumstances, is 3 percent for 1943 and 2 percent thereafter.

I have pointed out that only well-to-do persons will be able to take advantage of the discount provisions of the committee bill, which means a discrimination in their favor and against smaller, less fortunate taxpayers. But that is not all the discrimination there is in the committee plan. It should be made clear that once one of these "flush" taxpayers voluntarily gets on a current basis by paying 2 years' taxes in 1, he will get the benefit of the discount provision the rest of his life by thereafter paying only 1 year's tax in a given year. Thus, the committee bill offers a lifetime bonus to well-to-do taxpayers and in effect amounts to a substantial reduction in their tax. In short, the New Deal majority are in effect giving a stone to the great masses of the people, when they ask for bread.

The committee bill even discriminates against small taxpayers if they have sufficient savings to double up in their payments and get on a current basis. This discrimination results as follows:

The small taxpayer will have his entire tax liability withheld at the source whether it is credited against the past year's tax—as will be the usual case—or against the current year's tax. If he should desire, on March 15, to pay his past year's liability in full, in order to take advantage of the 4-percent interest allowed on the prepayment of his current liability, he will find that the only way he can do so is by paying, not 2 years' taxes in 1, but 3 years' taxes in 1, since withholding at the source will continue even if he is otherwise current. Hence, in effect, the committee bill puts the small taxpayer in a 2-percent strait jacket. Of course, he does not have to pay 3 years' taxes in 1, but it is the only way he can get the 4-percent interest that is offered those who do not have to depend on a pay envelope for their income.

The discount rates of the committee bill would result in a definite cash loss to the Treasury amounting to $500,000,000 in 1943 and $250,000,000 a year thereafter. This information was furnished to the committee by the Treasury Department, which stated that these amounts represented a net cost to the Government over what it would cost the Treasury to borrow the money pending the time payments would otherwise become due.

The majority profess to abhor any forgiveness of tax liability, but under their 4-percent discount allowance, the taxpayer who stays current for 25 years would actually receive 1 full year of tax forgiveness during the period. Pray tell us, what more does the Ruml-Carlson plan bill do? It abates 1 year's tax liability in the lifetime of all taxpayers. All get the benefit, not just a selected few.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. KNUTSON. Mr. Chairman, I yield myself 20 additional minutes.

While the Secretary of the Treasury has indicated that he will stand 100 percent behind the committee bill, I do not see how he can look with complacency on the discount provisions which may very readily offer serious competition to the War bond program by reason of the higher return afforded.

Inasmuch as the Treasury Department was opposed to any plan of using the withholding tax to collect the past year's income-tax liability, I feel that the House is entitled to know the basis of its opposition. In a memorandum furnished the committee during the executive sessions, the Treasury pointed out that any such plan would not provide a pay-as-we-earn system for the great majority of the taxpayers. The Treasury's objections are referred to on page 7 of the minority report and are as follows:

1. Since the great majority of the taxpayers would not be made current, a serious payment problem would arise in the years when income declined and employment decreased.

2. Changes in the economic situation from year to year would have a very different impact on persons whose income-tax payments were entirely current than on persons whose income-tax payments were not at all current, even though their incomes and tax liabilities for any given year were identical.

3. Factors to be considered when changes are made in the income-tax system would increase in complexity. Changes made in any year in rates, exemptions, or in what constituted taxable income might have an entirely different impact on persons who are meeting the tax liabilities of 1 year than on those who are discharging the liabilities of another year. No method of timing tax changes would be applicable to all persons alike.

4. The plan would require practically all the administrative arrangements necessary to instituting a genuine pay-as-we-earn system without the advantages.

Numerous other criticisms could be made of the committee plan, but inasmuch as it seems unlikely that the House will give the plan its approval in any event, there perhaps is no good reason for going into them further.

Now, for a few words as to the defects in the present tax system which have given rise to the insistent demand that the personal income tax be placed on a current basis.

When the income tax was inaugurated in 1913, the law was not enacted until October and was made retroactive to March 1, the effective date of the income-tax amendment. Hence, the year had gone by before anyone became liable

for a tax on what he had earned. There was no opportunity to pay the tax out of the income as it was earned. Congress provided, therefore, that it could be paid during the following year.

Ever since that time the taxes we have been paying in 1 year have been based on the prior year's income.

As long as rates were low, little or no attention was paid to this situation, but with constantly mounting rates, which have now attained burdensome proportions, people have become painfully aware of the necessity for getting the personal income tax on a current basis.

Even the Treasury has recognized the desirability of such a tax reform. In its statement before the Ways and Means Committee, the Treasury strongly urged that tax payments be made current, and it pointed out the advantages which would accrue thereby to both the taxpayer and the Government.

The three principal defects of the present income-tax system from the standpoint of the taxpayer are as follows:

First. That the present method of collecting income tax on a given year's income in the year following works a terrific hardship on taxpayers whose income declines, as in the case of men going into the service, or whose income ceases entirely, as at retirement or loss of employment. The income-tax debt for the past year then becomes an unbearable burden, which may easily wipe out every asset that the taxpayer possesses.

Second. That the present system of collecting income tax on a given year's income in the year following gives no regard to the taxpayer's present ability to pay, whether greater or less.

Third. That tax payments are not timed with the receipt of income by the taxpayer.

All of these defects would be cured by the adoption of a real pay-as-we-earn plan which would place all taxpayers on a current basis. From the standpoint of the Government, there are the following defects in our present system of collection:

First. Delinquencies in payment are bound to result when taxes are not collected until a year after the income is earned. This defect promises to be a serious threat to the whole income-tax system when the war boom ends and millions are thrown out of employment.

Second. Under the present system the 1-year lag in collection does not permit prompt adjustment of the tax burden.

These defects would also be cured if the income-tax system were put on a current pay-as-we-earn basis. If we accept the premise that such a tax reform is not only desirable but necessary, the only question remaining is, How shall it be brought about?

After careful study of all the various pay-as-we-earn plans presented to the Ways and Means Committee, I have become convinced—and my colleagues who joined with me in the minority report have become convinced—that there is only one practicable and fair method of bringing this about, namely, by adopting the so-called Ruml plan as embodied in the bill introduced by the gentleman from Kansas [Mr. CARLSON], H. R. 2245.

There are, as a matter of fact, only two possible methods of getting all taxpayers on a current basis this year. One is by requiring the payment this year of both 1942 and 1943 tax liabilities. However, as this method would involve an intolerable burden of double taxation, it is absolutely out of the question. The only remaining alternative is to abate the 1942 assessment and assess the income tax for 1943 and subsequent years on the current income instead of the past year's income. This latter method is the Ruml-Carlson plan in essence.

Any plan which attempts to collect the 1942 liability in addition to current taxes, necessarily involves double taxation if the entire past liability is to be collected immediately, or it involves a partial doubling up if it is spread over a period of years. In the latter event, there is also a continuation of the overhanging tax debt.

It may be of interest to note that our neighbor to the north, Canada, has, within the past month, decided to go onto a fully current basis in the collection of the individual income tax. Heretofore, Canada has been on what may be termed a partially current basis, inasmuch as withholding at the source has made it possible for Canadian taxpayers to be approximately 50 percent current. In order to give Canadian taxpayers and the Canadian Treasury the benefit of a fully current collection system, the Canadian minister of finance has recommended that the unpaid half of the 1942 liability be abated in order that the 1943 liability may be collected currently without any doubling up in payments.

In presenting the Ruml pay-as-we-earn plan to the Canadian Parliament, the minister of finance stated that the complete abatement of the balance of the 1942 liability in the case of all taxpayers was necessary in order to prevent "unreasonable overlapping" as a result of the transition to a full pay-as-we-earn basis.

Evidently the minister of finance of Canada, our distinguished chairman to the contrary notwithstanding, also believes that taxpayers can be made approximately current. Unfortunately, the chairman is not alone; there are others on the committee who profess to hold to that belief.

On the fiscal phase the minister of finance made this very interesting statement, to which I invite close attention:

> The adoption of the pay-as-we-earn plan, together with the other changes associated with it, will increase our revenues in the next fiscal year and in subsequent years.

Note that:

> It will increase our revenues.

Continuing, he said:

> It may seem strange at first sight that a rearrangement which involves canceling some tax liabilities and making no increase in tax rate could somehow increase our tax revenues. The reason is that we replace the canceled liabilities by bringing forward the taxes to be paid in all future years.

Mr. Chairman, that is precisely what the minority members of the House Ways and Means Committee propose to do under the Ruml-Carlson bill.

While the 1942 liability would be abated, we bring forward by one year the time of payment of the 1943 liability and that of all future years.

And that is for all future years. This is not a change for a year or two, it is a change that will endure as long as the Republic stands, and may I say to you that we can afford to pay something to go onto such a sound basis.

Thus there is no loss of revenue under the Carlson bill, but on the contrary an increase in revenue because we would be tapping the higher level of 1943 incomes 1 year sooner than under the present law.

In other words, Canada has adopted the Ruml plan insofar as it is applicable to her situation. Inasmuch as we, in this country, are a full year behind in our collections, we must abate all of the 1942 assessment in order to start with a clean slate in assessing taxes currently in 1943 with no doubling up.

For the benefit of those who appear to be frightened by political and fiscal hobgoblins which they profess to see in the Ruml plan, I would like to make note of the fact that in the budget message of the Canadian finance minister, suggesting the adoption of the Ruml plan in Canada, there was no suggestion of any threat to the solvency of the Government, or any unfair discrimination as between taxpayers being inherent in the plan.

The Carlson bill, H. R. 2245, which embodies the underlying principles of the Ruml plan, will be explained in detail by its author, the gentleman from Kansas. If enacted into law, it would make all taxpayers immediately current in 1943 by treating all tax payments made this year as being in discharge of the 1943 liability rather than the past year's liability.

In order to avoid any doubling up of tax payments in 1943, the past year's liability would be abated. No loss to the Treasury would result since all who had incomes in 1943 would go on paying taxes as usual. In fact, the Treasury stands to gain $3,000,000,000 by the adoption of the Carlson bill since the 1943 income-tax assessment is estimated at $13,000,000,000 as against only $10,000,000,000 for the 1942 assessment. Thus, any charge that the Treasury will lose money by the adoption of the Carlson bill is utterly ridiculous and fantastic. Even the Treasury Department was forced to admit, in the course of the hearings, that no cash loss would be involved. Opponents overlook the fact that the 1942 tax liability becomes a part of the estate and will be largely recovered through the estate tax at death.

The charge is frequently made that the adoption of the Carlson bill would create new war millionaires and let the wealthy escape their just tax burden. This

charge, too, is utterly false and ridiculous. In order to provide against any unjust enrichment to wealthy persons, the Carlson bill has two antiwindfall provisions which effectively prevent any such result. In the first place, where the 1942 income exceeds $20,000 and is higher than the 1943 income, the Carlson bill would require that the tax for 1943 be paid on the higher 1942 income. Secondly, in order to make sure that any war profits by individuals do not escape taxation, it is provided that where both the 1942 and 1943 incomes exceed the 1941 income by more than $50,000, a special tax shall be imposed on the income-tax liability of the year which otherwise would be abated by the bill. This tax would be 25 percent of the first $500,000 of the abnormal portion of the income for the year and 50 percent of the balance. This special tax can be justified on the ground that the tax paid out of the 1942 income in such cases on the low 1941 liability does not represent a fair and just tax on the high 1942 income. If, on the other hand, the taxpayer had received the same income in 1941, the tax paid on it out of the 1942 income would have represented a fair tax on that 1942 income.

The Carlson bill includes the withholding provisions of the committee bill, except it provides that the amounts withheld out of pay envelopes shall be credited to the current liability rather than to the past year's liability.

Under the Carlson bill, income-tax returns filed on March 15, would be treated as tentative returns on the 1943 income, and the payments made on March 15 would be credited to the current liability, as would all other payments made during the year. Also, as I have indicated, the amounts withheld at the source, beginning July 1, would be credited against the current liability and offset against any subsequent quarterly payments if any are due.

In order to provide the utmost flexibility in gearing current tax payments to current income, taxpayers would be permitted to file an amended return to reflect any change in income or circumstances and to adjust their subsequent installments accordingly.

I may say that the Carlson bill also includes the so-called Woodruff amendments relating to members of the armed forces which appear in the committee bill.

Thus, the Carlson bill presents to the House simply the one issue of whether Congress is going to place income-tax payments on a current basis. I shall not go into any further detail regarding the operation of the Carlson bill as it is fully explained in the minority report and will be discussed further by the able gentleman from Kansas [Mr. CARLSON] when he speaks on the bill.

The Carlson bill is progressive and forward looking—the committee bill represents arrested motion and reaction at its worst.

The Carlson bill prepares for the difficult post-war days ahead when many will be jobless and unable to pay their taxes—the committee bill prepares for nothing, and would pin the odious label of "tax defaulter" on the breasts of the unfortunate.

The Carlson bill will create no administrative difficulties—the committee bill would compound those already inherent in our antiquated system.

The Carlson bill will spur purchase of War bonds and investments by setting the taxpayer's budget in order—the committee bill would threaten the whole War-bond program by offering higher discount rates of interest than can be obtained by purchasing bonds.

The Carlson bill treats each and every taxpayer exactly as he or she is treated under our system of progressive income-tax rates—the committee bill offers one rate of discount to persons of means, a lesser discount to the wage earner and salaried person whose income tax is all withheld at the source.

The Carlson bill will benefit 44,000,000 taxpayers—the committee bill only a handful.

The Carlson bill meets the demand of the people for a real pay-as-we-earn tax system—the committee bill evades it.

The Carlson bill is a modern, streamlined proposal geared to a 1943 world—the committee bill is the same old 1913 model mounted on a couple of retreads.

There is only one thing wrong with the Ruml plan—the Treasury did not think of it first. The fact that it has indicated a willingness to abate three-quarters of the 1942 tax liability shows that its opposition to the Ruml-Carlson bill is not to be taken too seriously.

The principle of the Ruml-Carlson bill has been endorsed by the two representative agricultural organizations, the American Farm Bureau Federation and the National Grange. It has been endorsed by representatives of the American Federation of Labor and the American Legion. It has received virtually the unanimous approval of the newspapers of the country, which are an accurate barometer of public opinion. According to the Gallup poll, which appeared in the press of last Sunday, it has the overwhelming support of the people, being favored by 83 percent of the taxpayers in the upper income brackets and 86 percent of those in the lower brackets, showing that the masses of the people are as much, if not more, interested in the plan than are persons of means.

The majority, in their bill, have turned their backs on the people. The Carlson bill, embracing the Ruml plan, is what the people want. It is supported by 9 of the 10 Republican members of the Ways and Means Committee. It will, I am sure, be supported by an overwhelming majority of the Republican Members of the House, and, I hope, by at least a substantial number on the Democratic side.

The House has an opportunity to render a real service to the people and to the Government by adopting the Carlson bill.

It will put the income-tax system on a sound basis and provide the people a means of meeting their heavy tax obligations with a maximum of convenience and a minimum of hardship.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The gentleman from Minnesota yields back 2 minutes.

Mr. DOUGHTON. Mr. Chairman, I yield 40 minutes to the gentleman from Tennessee [Mr. COOPER].

Mr. COOPER. Mr. Chairman, the bill H. R. 2218 is before the House for consideration after more than 2 months of most careful consideration and diligent work by the Ways and Means Committee. The bill was reported from the committee by a vote of 17 to 8—and there are 15 Democrats on the committee.

As has been my custom since I have had the honor of serving on this committee, I shall endeavor to explain the provisions of the bill and would appreciate an opportunity to do so without interruption, and I shall then gladly yield to answer any questions as best I can about the provisions of the bill.

After I have thus endeavored to cover the committee bill, I shall enter into some discussion of the Ruml plan, or Carlson bill, as I understand it is to be offered as a substitute for the committee bill.

It is difficult to anticipate what form it may be in by the time it is offered because it has been changed so frequently up to now. All I can do is to take the last version of it and try to analyze it.

The purpose of the committee bill can fairly be stated in 1 sentence of about 25 words.

The bill provides for withholding at the source on wages and salaries beginning July 1, 1943, and a method for taxpayers to become current by paying their taxes.

The bill does not forgive any taxes and does not require a taxpayer to double up to become current in the payment of his taxes unless he desires to do so. It is entirely optional with the taxpayer whether he becomes current or continues substantially on the present system if he prefers to do so. We have heard much talk about the taxpayer desiring to become current, and this bill provides a method and encouragement for him to do so if he desires.

This bill does not levy taxes but provides for the collection of taxes already imposed by existing revenue acts.

This is not a new experiment in this country and certainly it is not new in other countries of the world. I might invite your attention to the majority committee report on this bill, page 2, where reference is made to the withholding provisions included in the first income tax act of 1913 and also this remark with respect to that act:

> This proposal embodies the best judgment and the longest experience of the oldest income tax countries. Both England and Australia today collect taxes at the source in payment of the liability for the prior year.

As I stated a moment ago, the withholding is not a tax, but it is a method of collecting taxes already imposed by existing revenue law.

This bill provides that on July 1 of this year there shall be withheld at the source 20 percent of the wages and salaries. That 20 percent includes 3 percent for the Victory tax and 17 percent for the income tax. You will recall that the

Victory tax is 5 percent gross. The taxpayer has the right to take a credit as he goes along. If a single person, he is entitled to a credit of 25 percent, while a married person is entitled to a credit of 40 percent, if used for three purposes: Payment of outstanding debts, payment of outstanding insurance, or the purchase of War bonds and stamps.

That 5-percent gross means after credit is taken for these three purposes that the net for the married person is 3 percent, the net for a single person is 3.75 percent, and the net for the two taken as a whole is about 3.2 percent. If this credit is not taken against the Victory tax as the taxpayer goes along he is entitled to a post-war refund of that amount; in other words, 25 percent for a single person or 40 percent for a married person of the amount of the tax. So that we provide in this bill of the 20 percent withheld at the source 3 percent or the net amount shall be for the Victory tax and 17 percent for the income tax.

It will be remembered that the normal income tax is 6 percent. The first bracket of surtax is 13 percent. That makes 19 percent gross, which applies to the first dollar of taxable net income and extends on up through the first bracket of surtax. Again, 19 percent is gross. The taxpayer is entitled to an earned income credit of 10 percent up to $14,000 and other credits, so that the result is that this 19 percent—6 percent normal and 13 percent first bracket surtax equaling 19 percent—is gross and the net is 17.3 percent. So we take the 17 percent for the income tax and 3 percent for the Victory tax and we withhold 20 percent at the source.

Provision is made in this bill for certain discounts to assist taxpayers in reaching a current basis. I think it can be agreed that one of the oldest principles of American business is the allowance of a discount for the advance payment of a debt. If I owe a man a note for a thousand dollars and go to him 9 months or a year before the note is due, I expect him to give me some discount and he expects to allow some discount for the advance payment of that debt.

The discount provision in this bill was based upon that sound American principle of business and practice that is known by everybody. I do not recall that there was any difference of opinion among the members of the committee with respect to these discount provisions or advance payment of taxes.

Mr. McLEAN. Will the gentleman yield?

Mr. COOPER. I yield to the gentleman from New Jersey.

Mr. McLEAN. Does the gentleman know of any State in the Union where the offering of a discount for payment of taxes has stimulated the payment of taxes to any considerable extent?

Mr. COOPER. Yes; I think that is undoubtedly true. I think the State of Texas and maybe others. As an illustration, in my home town we have a municipal water and light plant. If people pay their bills before the 10th day of the month they get a 10-percent discount for cash. That is a practice known everywhere, and it is followed generally in business activities.

Mr. McLEAN. I may say to the gentleman that in New Jersey we have not been successful in stimulating the payment of real-estate taxes by the offer of a discount, and I have understood that in Wisconsin there has been the same experience.

Mr. COOPER. I may say, also, since the gentleman has mentioned it, that the only State in the Union that has ever tried anything approaching the Ruml plan was the State of Wisconsin, and I understand that State abandoned it after they had given it a fair trial.

Mr. DISNEY. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Oklahoma.

Mr. DISNEY. Is it not a fact that the records of the Treasury Department show that the interest rate itself is in the nature of an effective discount?

Mr. COOPER. The gentleman is correct.

Mr. FORAND. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Rhode Island.

Mr. FORAND. On the question just asked by the gentleman from New Jersey I can state that in the State of Rhode Island several cities and towns have for a number of years given discounts for the prepayment or advance payment of real-estate taxes and it has brought in not only current taxes but many taxes that were long overdue; it really has been meritorious.

Mr. COOPER. And it is a practice that is recognized generally by American businessmen. As I said a moment ago it is common practice for people who know they can get a discount for advance payment of the amount due on a note or debt.

For the calendar year 1943 only, if the taxpayer pays his tax liability by June 15, he is allowed a discount of 6 percent; by September 15, it is 4 percent; by December 15 it is 2 percent, and also for the year 1943 only, a discount of 3 percent is allowed for the amount withheld at the source. This is all absolutely on a fair and equal basis. An allowance or discount is made for advance payments voluntarily made by citizens to help them get on a current basis, and where the amount is withheld at the source a discount is allowed.

There has been much said about this discount provision being in the interest of wealthy people. There is no substance in that argument at all. The same rate of discount is allowed for everybody; the man with a dollar of tax liability is allowed the same rate of discount as the man with a $1,000,000 tax liability. Certainly, as I stated to some gentlemen a few minutes ago, you do not have to sit up all night to figure out whether 6-percent forgiveness amounts to as much as 100-percent forgiveness as provided under the Ruml plan.

For the year 1944 and for subsequent years, if the tax liability is paid by March 15, the discount is 4 percent.

Mr. DOUGHTON. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the distinguished gentleman from North Carolina.

Mr. DOUGHTON. Not only does the 6 percent not involve as much forgiveness as the 100 percent but the 6 percent is for the payment of money before it is due and the 100 percent is for money that is already due; it is 100-percent discount for taxes already due.

Mr. COOPER. The gentleman is absolutely correct.

For 1944 and for subsequent years, if a taxpayer pays his tax by March 15 a discount of 4 percent is allowed; by June 15, 3 percent; September 15, 2 percent; and December 15, 1 percent. For 1944 and all subsequent years, a 2-percent discount is allowed for the amount withheld at the source. Again, it is absolutely fair and equal between all types and kinds of taxpayers; the same ratio of discount applies to all of them.

Mr. ZIMMERMAN. Mr. Chairman, will the gentleman yield?

Mr. COOPER. Yes.

Mr. ZIMMERMAN. Let us assume that the farmer does not harvest his cotton crop until September; that is when they gather cotton down in southeastern Missouri. Up until that time he gets no revenue from his farming operations. As I understand the gentleman from Tennessee, that farmer would not be able to avail himself of this discount in March 1944.

Mr. COOPER. Unless he has saved it out of the previous year's earnings.

Mr. ZIMMERMAN. I know, but that is income for the year 1943. I thought you were referring just now to income for the year 1944.

Mr. COOPER. Certainly, and all subsequent years. Let us take as an illustration the year 1950.

Mr. ZIMMERMAN. Yes.

Mr. COOPER. If a man is in position to do so and wants to pay his income taxes by March 15 he gets a 4-percent discount; or by June 15, he gets 3 percent; or by September 15, 2 percent; or December 15, 1 percent. For 1960 or any other year in the future the same thing is true.

Mr. ZIMMERMAN. I just want to make this observation if the gentleman will permit: The man who has a stated salary from month to month might be able to do that; he is getting his income regularly, but, as I say, the farmer, for example, does not get any revenue until he gathers and sells his crop. It seems to me that there is some disadvantage for a man in his position, and he is not quite on an equal footing with the man who may be collecting money earlier in the year.

Mr. COOPER. The gentleman will agree, I am sure, that so far as the farmer is concerned, or the lawyer or the doctor or the professional man or the merchant or the self-employed, there is no practical plan for pay-as-you-go

for them, because there is nobody to withhold from them.

Mr. ZIMMERMAN. I think the gentleman is right about that, but there is a little discrepancy as it applies to the farmer.

Mr. SCOTT. Mr. Chairman, will the gentleman yield?

Mr. COOPER. Yes.

Mr. SCOTT. Will not the gentleman agree with me that the discount favors the man who has the ready money as against the man who does not have?

Mr. COOPER. I do not think that is exactly correct. This 4, 3, 2, 1 percent is for all the years of the future. How can anybody tell now what a man's ready-cash situation might be in 1950 or 1960? Of course, the man has to have the money to pay in order to get the discount; there is no doubt about that.

Mr. SCOTT. It would, therefore, favor the man who has ready money available to pay his taxes.

Mr. COOPER. If a man does not have the money, he cannot pay, but, under this bill, if he does not have the money and cannot pay, he does not have to pay.

Mr. SCOTT. My point is that the rich are more likely to have available money than the average citizen.

Mr. COOPER. Of course, the provisions are exactly the same for everybody who can take advantage of them.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. COOPER. Yes.

Mr. MASON. A discount for cash always enters into all transactions, of course, and why should it not apply to this in the same way?

Mr. COOPER. It is the same principle, of course. The discount for cash has to be taken advantage of by the man who has the money to pay and can take advantage of it.

Mr. BROOKS. Mr. Chairman, will the gentleman yield?

Mr. COOPER. Yes.

Mr. BROOKS. As I understand from the gentleman's explanation, and he has made a very fine explanation of the plan, it is really a prepayment plan.

Mr. COOPER. That is correct.

Mr. BROOKS. There is no hope, then, of getting down to date on a pay-as-you-earn plan?

Mr. COOPER. Certainly; a man can get on a current basis.

Mr. BROOKS. An individual can, if he has the cash, but that same individual, year by year, must pay in advance, and if he does pay in advance, he gets the discount.

Mr. COOPER. If he wants to pay in advance, an opportunity is afforded here for him to do so; he is given the inducement to do so; and if he does not want to do that, he goes right on as he does under the present system.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from California.

Mr. HOLIFIELD. Is it not true that now the man who has the ready cash can buy anticipation certificates which will allow him a discount?

Mr. COOPER. Absolutely. That practice has been in effect for several years. A man can buy tax anticipation notes and take advantage of them, and many men are doing that.

Mr. HOLIFIELD. If he can do it now, what is the advantage of this plan?

Mr. COOPER. It is simply that not all people are taking advantage of buying tax anticipation notes, but those who do get that advantage.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. At this point let us see if we understand. It will be necessary for a taxpayer before he can anticipate his taxes to pay first his 1942 taxes in full?

Mr. COOPER. That is right.

Mr. WHITTINGTON. If that is so, if he pays his 1942 income taxes in full by June 15, 1943, he can anticipate his estimated 1943 taxes and get a discount of 6 percent.

Mr. COOPER. That is correct.

Mr. WHITTINGTON. If he waits until September he gets a discount of 4 percent, and if he waits until December 15 he gets a discount of 2 percent.

Mr. COOPER. The gentleman is correct.

Mr. WHITTINGTON. For the next year, that is to say, for the year 1944, having paid his 1942 taxes and anticipated his 1943 taxes, he can anticipate his 1944 taxes by the same method, except that the discount rate to begin with will be 4 percent instead of 6 percent.

Mr. COOPER. The gentleman is correct.

Mr. WHITTINGTON. That will be repeated through the years.

Mr. COOPER. Yes.

Mr. WHITTINGTON. So there will always be an incentive under the committee bill to pay the taxes the year you owe them, once you have got on a current basis.

Mr. COOPER. The gentleman is correct. That is an inducement for keeping current.

Mr. WHITTINGTON. That inducement applies to what is called the big taxpayer as well as the smallest taxpayer in the Nation? They all get the same discount whether or not the amounts of the taxes are the same?

Mr. COOPER. They get exactly the same discount.

Mr. WASIELEWSKI. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield.

Mr. WASIELEWSKI. The 4-percent discount is a consideration that is given to the taxpayer in order to alleviate the necessity of making the payments in monthly installments or quarterly installments, thereby causing a great deal of extra clerical and paper work?

Mr. COOPER. The gentleman is exactly correct. In other words, we provide this withholding at the source for wages and salaries. There are a vast number of other taxpayers who do not receive their income from wages and salaries. We felt it was fair to provide some method for them to keep current, as we have provided for the withholding tax applicable to wages and salaries.

Mr. WHITTINGTON. If the gentleman will yield further, under the terms of the committee bill there is no doubling up of the withholding tax that becomes operative on July 1, because it is applied first to the payment of any balance that may be due on the 1942 tax, and if then it should happen that there was a prepayment, the taxpayer would have the credit for the prepayment at the end of the year.

Mr. COOPER. The gentleman is correct; he is anticipating me. That is the next point I expect to cover.

Mr. WHITTINGTON. I did not mean to do that. The gentleman mentioned that, and I wanted to bring it out.

Mr. COOPER. I thank the gentleman.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from California.

Mr. VOORHIS of California. I want to get one point clearly in mind, then I want to ask the gentleman a question. Of course, it is true that the withholding applies to that portion of a person's income over and above his exemptions, not to the entire income. Is that right?

Mr. COOPER. That is right, if you include credit for dependents, plus 10 percent of such exemptions for deductions.

Mr. VOORHIS of California. Then there is a 10-percent allowance beyond that. Is that 10 percent on exemptions or 10 percent on income?

Mr. COOPER. It is 10 percent on the amount of the exemption.

Mr. CURTIS. Mr. Chairman, will the gentleman yield?

Mr. COOPER. Yes.

Mr. CURTIS. Is it true that when those who wish to pay their taxes in advance in 1944, and thereafter take their discount, that that discount is lost to the Treasury, and that all the other taxpayers will have to carry that rate of lost discount percent?

Mr. COOPER. The amount of the discount does not go to the Treasury.

Mr. WHITE. Mr. Chairman, will the gentleman yield?

Mr. COOPER. Yes.

Mr. WHITE. The gentleman from Mississippi [Mr. WHITTINGTON] referred to a particular class he had in mind, and they are the property owners. I would like to refer now to the people who are not property owners, the people who make a big salary, and spend it as fast as they make it, and when the 15th of March rolls around, they have not a cent, but they have earned on an average of $400 a month during that time. A number of people are doing that.

Mr. COOPER. Under both bills under consideration, or the committee bill and the bill that will be offered as a substitute, the withholding-tax provision is the same.

Mr. RUSSELL. Mr. Chairman, will the gentleman yield?

Mr. COOPER. Yes.

Mr. RUSSELL. Take the discount the gentleman spoke about that fails to reach the Treasury. The Treasury would get

the money 6 or 8 months ahead of the time it is due and payable, and so, thereby would be relieved of paying interest on money borrowed, and save the interest on that for that period of time.

Mr. COOPER. The gentleman is correct.

Mr. DOUGHTON. All that is paid on the 1943 tax—that is, before it is due, will be that much less on the $16,000,000,000 necessary to be raised by additional taxation.

Mr. COOPER. The gentleman is correct.

Mr. GORE. Where, then, is the justification for all of this talk we hear over the radio that the committee bill requires the payment of 2 years' taxes in 1?

Mr. COOPER. I do not know the reason for the talk, but it is not accurate. The taxpayer who has paid his 1942 tax is current or substantially so. The taxpayer who paid his first quarterly payment on March 15 will pay the second quarterly payment on June 15, on his 1942 taxes. The amount withheld, beginning on July 1, will apply on his third and fourth quarter installments of his 1942 tax, and any balance will apply to his 1943 tax.

I trust I may be pardoned for a personal illustration, but I shall assume this type of case. I have paid my 1942 taxes. I saved the money out of my 1942 income, and have paid my taxes. I have done that every year since I have paid a Federal income tax. I know of many, many other people who do the same thing. Practically everyone could do it if he wanted to. I knew substantially what my tax liability would be on my congressional salary. I simply set aside about $150 per month out of my salary that I considered belonged to the Government. I was simply the trustee, holding that money for my Government. I knew I owed it. I knew I would have to pay it, and I knew, in order to be able to pay, the common-sense business thing to do was to save the money as I went along. I made out my income-tax return on February 15, and paid the tax I owed. Now let me assume this illustration to try to point out how this plan in the committee bill will work. Assume the illustration that the 1942 tax was $2,000 and has been paid. Then, using my case as an illustration, having a fixed salary, knowing what the income will be from that fixed salary, I can very accurately estimate what my tax for 1943 will be.

I estimate the tax for 1943 will be $2,000, about what it was for 1942. I know that there will be withheld at the source beginning July 1, 20 percent, and that withholding will apply to the last 6 months of this year. In other words, there will be about $1,000 withheld at the source. I know then that the balance I will owe above the amount withheld at the source will be another thousand dollars. Then on June 15 I can take a discount of 6 percent and pay that other thousand dollars, and on January 1, I shall be current, except a small amount above the 20 percent that would be due in connection with the amount withheld. We know that we come in the surtax bracket above the first 19 percent. Then, if a man wanted to estimate his taxes in 1944 on the same basis as I have outlined here, if his income was still such as that he knew in all reason that he would owe $2,000 taxes, he could pay the amount of his tax by March 15 and get his discount of 4 percent. From then, year after year, he would be current as long as he wanted to be current, but if adversity overtook him, if a situation developed so that he could not be current, then he could go back to the present system that we have. In other words, it leaves the American citizen the opportunity of exercising his own free will, his own free option as to whether he wants to be current or wants to continue on the present system.

Mr. HARRIS of Arkansas. Will the gentleman yield?

Mr. COOPER. I yield.

Mr. HARRIS of Arkansas. If in 1944, March 15, he chooses to pay his anticipated tax for the year, then what happens to the withholding procedure for the rest of the year?

Mr. COOPER. He anticipates that, of course, just as the illustration I gave. I know that the last 6 months of this calendar year, 20 percent is going to be withheld at the source. So I take that into account when I estimate the amount of tax that I will owe in 1943. But bear this in mind, and it should be remembered all along, we are going on a withholding basis in the middle of the year. Here is 6 months of the calendar year 1943 that the withholding has not applied. Now, you have to pay your tax for that 6 months. You drew the same salary in the first 6 months of 1943 that you will draw in the last 6 months, but you have to anticipate the amount of income you have for the first 6 months, and in estimating what your income will be for the year you take into account that which you know is certain, that for the last 6 months of the year the 20 percent will be withheld at the source. Now, for the calendar year 1944, coming more directly to the point raised by the gentleman, I know for the calendar year 1944 that 20 percent is going to be withheld at the source for the entire calendar year. Therefore, I take that into account in estimating the amount of my taxes. I will only have to estimate that part above the first bracket, the surtax that my salary happens to cause me to reach. That I will have to take into account in estimating the amount of my tax, as far as my salary is concerned.

Now, of course, if any taxpayer whose income is not sufficient to take him above the first surtax bracket—in other words, if the 20 percent will discharge his Victory tax liability and his income-tax liability, he is current right along from the beginning of 1944 and every year thereafter. But it is only those taxpayers who go in the higher brackets that will have to estimate their income, which brings them into the brackets above the amount affected by the withholding, and the other great body of taxpayers who do not receive their income from wages and salaries.

Mr. WHITTINGTON. Will the gentleman yield?

Mr. COOPER. I yield.

Mr. WHITTINGTON. In the event a taxpayer dies, I take it that under the terms of this bill there will be a refund to his estate?

Mr. COOPER. Of course.

Mr. WHITTINGTON. As provided by law?

Mr. COOPER. Of course provision is made. If there is overpayment made, whether the man is dead or alive, he gets his refund. If there is underpayment, he has to pay the difference. If he estimates too low he will have to pay in the difference.

Now bear this in mind: There is one very important thing in connection with this committee bill. We now have a withholding tax of 5 percent at the source. It is commonly confused as being a Victory tax. That is not correct. We have a Victory tax of 5 percent gross, but, as I pointed out a moment ago, it only amounts to about 3.2 percent net. But we have withheld a tax of 5 percent at the source. That withholding tax is first applied to the discharge of the victory tax, but any amount that may be over the Victory tax liability is applied to the income tax. That is true now. With the situation as it exists at this time with respect to the present withholding, the Commissioner of Internal Revenue estimates he will probably have 17,000,000 claims for refunds. Now we try to correct that in this bill, because we try to put the withholding on a net basis and not a gross basis. For a married man who has 5 percent withheld and is entitled to a credit of 10 percent, you will readily see that 40 percent of 5 percent is 2 percent. Therefore 3 percent net is the exact amount for him. There is a slight difference in the case of a single man, but the 3 percent withholding net, in the case of a married man, puts him on the exact basis.

Mr. CUNNINGHAM. Will the gentleman yield?

Mr. COOPER. I yield.

Mr. CUNNINGHAM. In the gentleman's very clear illustration, applying to his own situation, I want to ask this question: When 1943 is ended and the gentleman has paid all of his taxes, is it not true that the gentleman this year will have paid 2 years' taxes, namely, 1942 and 1943?

Mr. COOPER. Not at all.

Mr. CUNNINGHAM. You just said you were going to pay twice.

Mr. COOPER. Not at all. That is the great confusion about this whole issue.

Mr. CUNNINGHAM. That is what I would like to have cleared up.

Mr. COOPER. Very well. Every dollar of tax that I paid on February 15 this year was out of 1942 income.

Mr. CUNNINGHAM. I understand but did you not pay it in this year?

Mr. COOPER. Certainly. I wrote the check this year.

Mr. CUNNINGHAM. Then you actually paid 2 years in the same year.

Mr. COOPER. No. I have received 2 years' income, and I expect and I feel

that I should pay taxes on my 2 years' income.

Mr. CUNNINGHAM. But did you not pay it in the same year?

Mr. COOPER. You may write the check in the same year, but it is not out of this year's income.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. DOUGHTON. Mr. Chairman, I yield the gentleman 20 additional minutes.

Mr. COOPER. Now, that is a clear-cut question. The gentleman talks about payment of 2 years' taxes out of 1 year's income.

That is a fallacy; there is no basis in fact for it; it is unsound and untenable.

Mr. CUNNINGHAM. I agree with the gentleman.

Mr. COOPER. Because I received a full year's income in 1942 and I owed tax on it I paid that tax on it. Certainly, I had not received enough income up to February 15 of this year to pay all of last year's taxes.

Mr. CUNNINGHAM. My question was not directed to what year's money the gentleman's tax came out of, but what year he paid it in.

Mr. COOPER. The Ruml plan, of course, means that you receive 2 years' income and pay 1 year's taxes; that is what it means.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield.

Mr. DINGELL. And under the Carlson proposal they just give you an option of paying either the 1942 or 1943 tax, but nevertheless your Uncle Sam is gyped out of 1 year's revenue.

Mr. COOPER. There is no doubt about that.

Mr. ALLEN of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield.

Mr. ALLEN of Louisiana. Does this bill make any provision on the length of time in which these refunds shall be made?

Mr. COOPER. Yes; there is a provision on that, but I do not have it immediately before me. It is taken care of, however.

Mr. ALLEN of Louisiana. Then any taxpayer who has money coming back to him would not lose it.

Mr. COOPER. That takes effect immediately and automatically; there is no doubt about that.

Mr. GIFFORD. Mr. Chairman, will the gentleman yield to me?

Mr. COOPER. Briefly.

Mr. GIFFORD. I want to compare my personal position with the gentleman's.

Mr. COOPER. I will not have time to yield for that; I am sorry.

Mr. GIFFORD. Yes.

Mr. COOPER. I decline to yield.

Mr. GIFFORD. Oh. The gentleman does not yield?

Mr. COOPER. Not to go into a long discussion on that.

Mr. GIFFORD. Then I will ask the gentleman a question.

Mr. COOPER. I will yield for a question.

Mr. GIFFORD. In my case doctors, surgeons, hospitals intervened and I have to wait all through 1943 to pay my 1942 taxes; I have not the cash like the gentleman has.

Mr. COOPER. Under this bill the gentleman would have an opportunity to do that.

Mr. GIFFORD. I have the opportunity, yes; but I cannot embrace it.

Mr. COOPER. If the gentleman cannot take advantage of it he will have to pay the other way.

Mr. GIFFORD. I planned to do it, but somebody took it away from me. Has the gentleman no sympathy?

Mr. COOPER. This bill takes care of the man who is not in a position to do it and is not able to do it, but it does not take care of it by forgiving it.

Mr. GIFFORD. But I cannot get current when I pay 2 years' taxes.

Mr. COOPER. In my experience in life I have known but one way to discharge an honest debt, and that was to pay it.

Mr. GIFFORD. Would the gentleman pay the doctor first or the hospital first? He has not given me an answer; would the gentleman pay the doctor and the surgeon?

Mr. COOPER. Mr. Chairman, I decline to yield further.

Mr. GIFFORD. That is the question.

Mr. COOPER. I have told the gentleman that if he is not prepared or in a position to take advantage of the discount and pay that he does not have to; he can continue under the present system. This bill does not forgive any of the tax.

Mr. GIFFORD. No; you bet it does not.

Mr. COOPER. And, as I said a moment ago, the only way in life that I have found to discharge an honest debt was to pay it, and that is all this bill proposes.

Mr. GIFFORD. And I do the same myself, but I suggested that sometimes the hospital intervenes.

Mr. COOPER. We all regret the gentleman's misfortune of being ill, but I do not believe it was the fault of the Federal Government, and do not believe he really wants his taxes forgiven to enable him to pay his other debts.

There can be no doubt about our needing the amount of revenue now provided by law. Our net receipts for the fiscal year ending June 30, 1944, are estimated at $33,000,000,000 and our expenditures for the fiscal year at $104,000,000,000. Thus, we face a deficit of $71,000,000,000 for the fiscal year ending June 30, 1944. Bear this in mind: 96 cents out of every dollar the Federal Government is now spending is for this war. This enormous debt must be paid. In the President's Budget message we are requested to raise an additional $16,000,000,000. Your committee, therefore, does not see how we can afford to forgive $10,000,000,000 of 1942 taxes which have already accrued and are owing by the taxpayers.

We hear a great deal of emphasis laid on the slogan: "Work or fight." I think the time has come when we might well adopt the slogan: "Pay or fight." That is what it really comes to. Our fighting men will defeat the generals on the battlefields but we shall have to defeat General Greed and General Selfishness here on the home front.

I invite your attention to a recent news release by the Secretary of Commerce showing the national income.

NATIONAL INCOME HITS $119,000,000,000 RECORD—JONES SEES 1943 TOTAL OF $140,000,000,000

National income in 1942 reached a record high of $119,800,000,000—approximately $24,200,000,000 more than in 1941—and this year will climb to $140,000,000,000, Secretary of Commerce Jones estimated last night.

Gross national production in 1942, he announced, also reached a new high of $151,600,000,000—an increase of $32,400,000,000 over 1941—and in 1943 is expected to total $180,000,000,000.

Income payments to individuals will amount to $135,000,000,000 in 1943, Mr. Jones predicted. Since all taxes paid out of individual income will take only $14,000,000,000, or $15,000,000,000 on the basis of present legislation, the consumer will have an unprecedented volume of money to save or spend, he pointed out.

If prices are held at approximately present levels so that consumers' expenditures for the available supplies are limited to about $77,000,000,000, savings of individuals will soar well above $40,000,000,000, Mr. Jones said. It is thus clear, he warned, that severe intensification of the inflationary threat is in prospect this year.

Individual savings in 1942 reached the phenomenally high level of $26,900,000,000, Mr. Jones said, because the consumer's income advanced substantially while his expenditures were limited by the shortage of goods and price control. Individual savings in 1941 amounted to $13,700,000,000.

Secretary Jones sees 1943 national income total of $140,000,000,000. Think of it, in 1942 a national income of $119,000,000,000, the largest in our history, and yet we are only asking the individual taxpayers of this country to pay $10,000,000,000 of that to the support of their Government and for the preservation of their liberty, less than 10 percent of the national income. Then men stand up and say that we ought to forgive that $10,000,000,000 that is owing to the United States Government, turn loose all the war millionaires and all of those who have made more money than they ever made in all history and at a time when the people have about $29,000,000,000 on savings in the banks and institutions of this country. We have nearly 3 times the amount of this $10,000,000,000 tax liability in savings. The people have the money, and we talk about forgiving $10,000,000,000 that the Federal Treasury so badly needs and that our people have already accumulated and are prepared to pay.

Mr. WHITTINGTON. Will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. The gentleman speaks of forgiving. In this bill, the committee bill and the substitute, that applies to individuals?

Mr. COOPER. That is right.

Mr. WHITTINGTON. If the Congress of the United States is going to heed the sophistry of the Ruml plan to for-

give individuals, when individuals and corporations have heretofore been treated alike, it will be only 12 months until the corporations will come to Congress and ask for forgiveness also.

Mr. GORE. Will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Tennessee.

Mr. GORE. I know the gentleman does not like to carry on the example of his own case, but since he has cited it and it was so clear, will he not tell us what would happen in his case, having paid his 1942 taxes, if the Carlson bill is adopted? Would it be refunded to the gentleman or what would become of it?

Mr. COOPER. Certainly I assume it would be refunded or applied on other taxes. If they are going to forgive everybody, my Government certainly would not keep my money and deprive me of it. As long as I am participating in the writing of tax bills I would try to see to that because certainly the small taxpayer if he had only paid $5 income tax and if everybody else is going to be forgiven, should have his money refunded to him. We certainly want to be honest about that.

Mr. GORE. We might even have to pass an appropriation bill to pay this tax back?

Mr. COOPER. It might come to something of that kind.

Mr. DEWEY. Will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Illinois.

Mr. DEWEY. I would like to say that I also have paid my tax and under the Carlson plan if my 1943 income is going to be higher than 1942 it would be applied to that?

Mr. COOPER. Yes.

Mr. DEWEY. I would be in the same position as the gentleman.

Mr. CRAWFORD. Will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Michigan.

Mr. CRAWFORD. May I ask at this time, does the Ruml-Carlson plan propose to this country, and are there provisions in that bill which cancel the 1942 tax liability of Members of Congress?

Mr. COOPER. Certainly.

Mr. CRAWFORD. I think that ought to be told to the country.

Mr. COOPER. Why, certainly, it cancels every dollar of tax you owe on your congressional salary, $2,154.

Mr. CRAWFORD. I just wanted to get that in the RECORD.

Mr. COOPER. Two thousand one hundred and fifty-four dollars is the tax on a $10,000 net income. That means that every Member of Congress who votes for the Ruml-Carlson bill would vote for himself a forgiveness of his Federal income tax for the calendar year 1942. It means he could take that $2,154 and go home and buy a farm, buy a piece of property, buy bonds, buy anything he wants. It is his, free, clear, and from now on.

Mr. CRAWFORD. Or he could give it to a child and even take it out of his estate and escape the estate tax?

Mr. COOPER. Yes, I will put something in the RECORD if I do not have time to reach it about the fallacy of reaching the amount forgiven in income taxes by an estate tax. Bear in mind you have a $60,000 exemption from estate taxes. That is one thing to bear in mind.

Mr. CRAWFORD. Would it also take care of the tax liability of those Members of Congress who were here last year and were not reelected?

Mr. COOPER. Certainly. Any man who served in Congress last year and received a salary of $10,000 during the year 1942 and did not come back to Congress this time, either voluntarily or otherwise retired from Congress, does not pay a dollar of income tax on that $10,000 salary that he received during the year 1942 when he was serving here.

Mr. CRAWFORD. From the Treasury.

Mr. COOPER. From the Treasury, yes.

Mr. STEAGALL. Will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Alabama.

Mr. STEAGALL. I would like to ask the gentleman in connection with the suggestion made by the gentleman from Michigan that Members of Congress propose to vote to cancel their tax debt for last year and retain the money in their pockets. I am wondering what has become of the critics who were so abusive and critical of Members of Congress a little while ago who proposed to establish a retirement fund for Members of Congress?

Mr. COOPER. That is a very appropriate observation.

Mr. COLE of Missouri. Will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Missouri.

Mr. COLE of Missouri. The gentleman does not contend that these 105 new Members of Congress are voting to save themselves last year's taxes, does he?

Mr. COOPER. You are voting to save any tax that may be due for last year; yes, certainly.

Mr. COLE of Missouri. But not of your congressional pay.

Mr. COOPER. You did not receive any congressional salary last year, but whatever income you did receive and whatever income tax you paid on it, you are voting to forgive that absolutely.

I want to cite one little illustration that I mentioned in the hearings, which I think is in point with this. Suppose when I go home I meet a friend on the street, maybe some boy with whom I served in the Army during the World War, who has been a friend of mine for a lifetime. I get in conversation with him and ask him how he is getting along. He says, "Very well," but finally he says something about taxes getting pretty high. I say, "Well, how much was your Federal income tax last year, in 1942?" Suppose he says $25. I say, "I voted for the Ruml plan, I voted to forgive you that $25." He says, "I appreciate that, but when you did that, did not you vote to forgive yourself about $2,000 on your congressional salary?" I am just not going to get myself in any such spot as that.

Mr. COLE of Missouri. New Members are not forgiving themselves anything on the congressional salary because they are going to pay this year's taxes next year.

Mr. COOPER. You did not get any congressional salary last year. You were not here.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Michigan.

Mr. HOFFMAN. If this would result in forgiveness to some forty-odd-million people, does the gentleman think it is a good reason, just because some four-hundred-odd Congressmen might benefit, to deny the relief to the others?

Mr. COOPER. I do not think it is wise to forgive $10,000,000,000 in this critical time in our Nation's history.

Mr. HOFFMAN. If you are going to serve 40,000,000 other taxpayers, does the gentleman believe they should be denied relief just because some 400 Congressmen are going to get a little relief?

Mr. COOPER. I am not saying that Members of Congress receive the only relief.

Mr. HOFFMAN. But that is the reason you would not vote for it, because you were going to get something out of it?

Mr. COOPER. I am just saying that is one additional reason. I am saying that these war millionaires, these people who have made enormous profits on war contracts, should not be forgiven all their 1942 taxes.

Mr. HOFFMAN. Are you not going to get them under other tax provisions?

Mr. COOPER. No.

Mr. HOFFMAN. Why not? The gentleman is on the committee.

Mr. COOPER. If you forgive it, you do not get it at all.

Mr. HOFFMAN. You can tax war profits.

Mr. COOPER. What is the sense in levying taxes and then voting to forgive the tax?

Mr. DEWEY. Mr. Chairman, will the gentleman yield on the matter of congressional salaries?

Mr. COOPER. I am sorry; I should like to go ahead.

Mr. DEWEY. I have some interesting figures.

Mr. COOPER. The gentleman will have time on the bill. I hope he will allow me a little time to proceed here.

I want to touch on a further point that I think is of some interest. We have heard a great deal of talk about the lost revenue on account of individual income-tax assessments being abated as uncollectible. I present a table on this point covering the fiscal years 1921 through 1942, which shows the amount lost in each of those years, the number of taxpayers, the income tax collected from

individuals, the number of uncollectible individual income-tax items, and the amounts for the fiscal years 1921 through 1942:

Number of taxpayers, income tax collected from individuals, number of uncollectible individual income-tax items, and amount for the fiscal years 1921 through 1942

[Amounts shown in thousands of dollars]

Fiscal year ending June 30	Number of taxable individual income tax returns [1]	Income tax collected from individuals [1]	Individual income-tax assessments abated as uncollectible			
			Number of items	Percent of total collections	Amount [1]	Percent of total collections
1921	5,874	1,284,799	10,220	0.2	3,168	0.2
1922	3,702	1,056,398	13,395	.4	4,152	.4
1923	3,730	885,116	42,504	1.1	9,650	1.1
1924	4,305	762,120	32,709	.8	6,045	.8
1925	4,514	845,426	33,986	.8	9,144	1.1
1926	2,558	879,124	60,389	2.4	24,230	2.8
1927	2,486	911,940	31,953	1.3	9,664	1.1
1928	2,455	882,727	22,885	.9	23,659	2.7
1929	2,489	1,095,541	12,552	.5	23,506	2.1
1930	2,516	1,146,845	7,137	.3	20,477	1.8
1931	2,078	833,648	6,267	.3	11,195	1.3
1932	1,575	427,191	7,769	.5	20,204	4.7
1933	1,946	352,574	8,090	.4	14,042	4.0
1934	1,782	419,509	11,696	.7	13,943	3.3
1935	1,836	527,113	11,093	.6	14,643	2.8
1936	2,160	674,416	7,371	.3	6,994	1.0
1937	2,933	1,091,741	11,843	.4	12,497	1.1
1938	3,398	1,286,312	7,841	.2	9,492	.7
1939	3,093	1,028,834	13,554	.4	12,832	1.2
1940	3,985	982,017	20,194	.5	11,552	1.2
1941	7,577	1,417,655	10,075	.1	7,098	.5
1942	14,608	3,262,800	12,050	.1	9,838	.3
Total for 22-year period	81,599	22,053,845	395,573	----------	278,024	----------

[1] Figures are rounded and will not necessarily add to totals.

Source: Bureau of Internal Revenue, Statistica Section, Income Tax Unit

I shall not read all of these, but for the year 1921 the individual income-tax assessments abated as uncollectible were two-tenths of 1 percent, and for 1942—last year—three-tenths of 1 percent, just one-tenth of 1 percent more last year than in 1921, the lowest year on record. The highest point ever reached was 1932, the year of the depression, when the assessments abated as uncollectible amounted to 4.7 percent. In 1942, the most prosperous year in all the history of the country—the year of the highest national income—it was only three-tenths of 1 percent.

In Great Britain today there are only 80 persons who have a net income of $24,000 or over. This applies to investments, as well as salaries.

The Ruml plan forgiveness would wipe out a large part of the tax increases imposed to finance this war. In the case of a person with $2,000 net income, it would wipe out 77 percent of the tax increases imposed in the last 3 years. At the $100,000 level the amount forgiven would equal 102 percent of these increases, and at the million-dollar level it would amount to 320 percent. In effect the Ruml plan would force a shift of part of the tax burden from the few at the upper end of the income scale to the many at the middle and lower end, and I would like to present here 2 tables showing the effect of the Ruml plan in income groups:

EFFECT OF RUML PLAN

ALL INCOME GROUPS

The total estimated amount of income taxes to be reported by individuals on 1942 incomes is $9,815,000,000. Under the original Ruml plan this represents the amount to be canceled in order to place all taxpayers on a pay-as-you-go basis.

The distribution by net-income classes is as follows:

TABLE 1.—*Estimated number of taxpayers, net income, and taxes for 1942, by net income classes; and average tax*

Net income classes	Number of taxpayers	Net income	Income tax	Average tax per taxpayer
Under $1,000	9,385,000	$7,518,000,000	$318,000,000	$33.88
$1,000 to $2,000	17,363,000	25,802,000,000	2,170,000,000	124.98
$2,000 to $3,000	6,887,000	16,564,000,000	1,176,000,000	170.76
$3,000 to $4,000	2,697,000	9,349,000,000	927,000,000	343.72
$4,000 to $5,000	1,176,000	5,252,000,000	645,000,000	548.47
$5,000 to $10,000	943,000	6,178,000,000	1,024,000,000	1,085.90
$10,000 to $25,000	299,000	4,369,000,000	1,193,000,000	3,989.97
$25,000 to $100,000	75,000	3,051,000,000	1,470,000,000	19,600.00
$100,000 to $200,000	4,300	568,000,000	397,000,000	92,325.54
$200,000 to $500,000	1,200	345,000,000	275,000,000	229,166.67
$500,000 to $1,000,000	200	147,000,000	126,000,000	630,000.00
$1,000,000 and over	60	99,000,000	94,000,000	1,566,666.64
Total	38,831,560	79,242,000,000	9,815,000,000	252.76

TABLE 2.—*Amount of taxes to be canceled at selected levels of net income—married persons—no dependents*

Net income before personal exemption	Amount of tax at 1942 rates [1]	Net income after tax
$1,200	----------	$1,200
$1,300	$13	1,287
$1,500	48	1,452
$2,000	140	1,860
$2,500	232	2,268
$3,000	324	2,676
$4,000	532	3,468
$5,000	746	4,254
$10,000	2,152	7,848
$15,000	4,052	10,948
$20,000	6,452	13,548
$25,000	9,220	15,780
$50,000	25,328	24,672
$100,000	64,060	35,940
$500,000	414,000	86,000
$1,000,000	854,000	146,000
$5,000,000	4,374,000	626,000

[1] Excludes Victory tax. Rates based on 1942 Revenue Act assume maximum earned income credit and no net long-term gains.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. DOUGHTON. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 10 minutes.

The CHAIRMAN. Is there objection? There was no objection.

Mr. COOPER. I will only take time to refer to a few of these—net income classes $100,000 to $1,000,000: We have 4,300 of those, and the net income is $568,000,000. Income tax, $397,000,000 and the average per taxpayer $92,000 plus. Now we have 200 people who had an income between $500,000 and $1,000,000. That income was $147,000,000 and the tax $126,000,000. Over $1,000,000 there are 60 people. Each one of those 60 people with incomes of $1,000,000 would be forgiven $824,000 under the Ruml plan.

Mr. HOLIFIELD. Is it not true that that amount of money will be the total of what they will make in the next 6 years from any income for the next 6 years if their business continues at the same rate of income?

Mr. COOPER. The gentleman is correct. For these 60 people who had a million dollars or more of net income that one year, it would forgive them under the Ruml plan $854,000 of taxes, and that means that they are forgiven more than they could save in the next 6 years, if they saved every penny that they had above taxes; and if they saved half of all they made above taxes, it would take 12 years to overcome to this forgiveness to them.

Mr. GORE. Mr. Chairman, will the gentleman yield?

Mr. COOPER. Yes.

Mr. GORE. Then this Ruml plan looks like a redistribution of wealth in the wrong direction.

Mr. COOPER. It is a forgiveness of wealth. Of course, it amounts to that. Whatever you forgive them now in taxes, you are going to have to levy on somebody else to make it up. There cannot be any doubt about that. You cannot give away $10,000,000,000 and not have to raise that

money and get it into the Treasury from some source, with the expenditures we are now making for this war. That means then when you forgive it to those large taxpayers, in the upper brackets it is gone forever. You never can get it back from them, because the rates in the higher brackets are about as high as you can make them. That means that all of this forgiveness will have to be reimposed in the form of income tax on the middle and lower income-tax groups. There is no escape from that. This Ruml plan is directly in the interest of the wealthy taxpayers of this country, in the interest of these people who have made such enormous profits out of this war. Think about it for a moment. Last year we labored for months, and the House passed by an overwhelming majority the 1942 revenue bill. There was no criticism anywhere that we heard of against those rates and against the revenue under the 1942 tax bill. Then a few months later we come in and say, "We are going to forgive you all of that; we thought we were right in passing the 1942 revenue bill; the Government needed the money and it had to have it to finance the war, but now we have decided we were mistaken then, and we do not have to have it, and we just forgive you all of that, so that you can now take it and use it as you please as a generous gift from your Government in the most critical period of the Nation's history."

Mr. LYNCH. Mr. Chairman, will the gentleman yield?

Mr. COOPER. Yes.

Mr. LYNCH. Does it not also mean that when the soldiers come back from the war and go into civil life, their tax will be larger than it ordinarily has been by reason of this forgiveness of $10,000,000,000?

Mr. COOPER. Absolutely. There is no doubt about that. It not only means that this has to be made up by increasing the taxes of people in the lower and middle brackets but also increase the burden placed upon the future generations, and placed upon the soldiers who are now baring their breasts to the hostile enemy bullets on the battlefield, fighting for your country and mine to preserve our liberty and bring Old Glory back again victorious to us. In effect we will say to them, "We stayed at home; we did not either pay or fight; you had to do the fighting; and when you come home you will have to help do the paying; you will have to help pay for the guns and ammunition that you used over there while you were fighting for us."

It is unfair; it is indefensible to take any such position as that.

Mr. COLE of Missouri. Will the gentleman yield?

Mr. COOPER. I yield.

Mr. COLE of Missouri. Will you just explain, please, when this forgiveness will take effect? If the 1943 tax is based on the earnings of 1942, as proposed by the Carlson plan, and you pay the tax in 1943, just when will the forgiveness take place?

Mr. COOPER. Unfortunately for the distinguished gentleman, he is allowing himself to fall for the fallacious argument that has been advanced in favor of the Ruml plan. I know when I am forgiven a tax of about $2,000 on my 1942 income I have got that money in my jeans right then, and can go out and use it.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield.

Mr. WRIGHT. Do not the proponents of the Ruml plan make this fallacious assumption, that is, that wartime prosperity is going to continue forever? In other words, we are depriving the Government of the revenue from one of the greatest boom years we will ever have, and, if you go into the future, you will find that that prosperity will diminish, and you will get into a period of lower income, and you are losing the income of the boom years of the country?

Mr. COOPER. Certainly. In all common sense and fairness, if there is ever to be forgiveness of taxes, we should wait until after this boom period, the highest national income in all of our history, is over, and we find people in a depression. Then is the time to talk about forgiving taxes, but not forgive them when they are making more money than they ever made in all history.

Mr. MURDOCK. Will the gentleman yield?

Mr. COOPER. I yield.

Mr. MURDOCK. On listing Members of Congress who are parents of sons or daughters in the Army, or grandsons or granddaughters, I find there are more than a hundred such parents here. I wonder if the gentleman can find any logic or reason by which any one of those parents or grandparents can forgive this debt due to the Government by war profiteers received for war purposes, and thus pass that additional interest-bearing burden on to his son or daughter or grandchildren?

Mr. COOPER. No; I cannot, and I do not believe anybody else can feel right in doing it.

Mr. MURDOCK. I myself have been unable to figure out any justification for our passing on the debt to be paid by those through a long future who are now paying in blood.

Mr. COOPER. Now I want to present here a statement of Mr. Paul, General Counsel for the Treasury Department, made before the Ways and Means Committee on February 15, 1943:

DEFECTS OF THE RUML PLAN

The so-called pay-as-you-go income tax plan proposed by Mr. Beardsley Ruml has the following major defects:

1. By fully canceling individual income taxes on the high 1942 incomes and profits, it would seriously violate the principle of ability to pay.

a. It would bestow the greatest benefit on those best able to pay and the smallest benefit on those least able to pay. About 60 taxpayers with million-dollar incomes in 1942 would each receive a benefit of at least $854,000. At one stroke, the Ruml plan would add to their wealth more than they could save in 6 years, even if they saved every cent of their income after taxes. The benefit to a person with a $100,000 net income would be about $64,000; to one with $10,000 income, about $2,150; and to one with $2,000, only $140. Those who had no income in 1942 would receive no benefit whatsoever.

b. In view of war revenue needs, tax collections will have to be increased substantially. Speeding up the payment of taxes, without the forgiveness of any taxes, will provide part of the increase in tax collections needed. Complete forgiveness will mean that tax collections can be increased only by tax rate increases. These increases will necessarily fall in large part on the smaller incomes because the rates on large incomes are already very high. Forgiveness would in effect shift part of the tax burden from the few at the upper end of the income scale to the many at the middle and the lower end.

c. Only those who had incomes in 1942 would benefit from tax forgiveness but all who will receive incomes after 1942 will bear the burden of the tax increases. In other words, tax burden would be shifted from old to new taxpayers. Those in the armed forces would not share in the benefits but would share in the costs when they return to civilian life.

2. The cancelation of a year's taxes would be a psychological deterrent to the war effort.

a. It would be injurious to the morale of the armed forces, since it would imply economic gain rather than economic sacrifice on the home front.

b. It would lead people to expect lower taxes at a time when higher taxes cannot be escaped.

c. It would release funds which had been set aside for taxes already due and would thereby contribute to the psychology of inflation.

3. The Ruml plan cannot place the income tax on a pay-as-you-go basis. The tax paid in any one year would be determined by incomes received during the 2 preceding years. Tax payments in 1944 would consist of a tentative tax based on 1943 income, together with an adjustment to take account of the change in income between 1942 and 1943. The Ruml plan presupposes that incomes are stable, whereas in more than two-thirds of the cases, income fluctuates substantially from year to year. The continual adjustments made necessary by income fluctuations would throw tax payments even further out of step with income than they are at present.

4. The collection of taxes under the Ruml plan, which requires both the taxpayer and the Government to work with 2 years' incomes to determine each year's taxes, would complicate tax administration and taxpayer compliance.

5. It is important that the income tax be placed on a pay-as-you-go basis. Collection at source must be the keystone of a pay-as-you-go plan. If collection at source is combined with the Ruml plan, it would have to be unnecessarily complex. A workable collection at source plan can be achieved directly without cancelation of a full year's taxes.

Mr. BROOKS. Mr. Chairman, will gentleman yield?

Mr. COOPER. I yield.

Mr. BROOKS. Before the gentleman concludes, I wonder if the gentleman can give us his ideas on the Forand plan, H. R. 277?

Mr. COOPER. I am sorry, but I will not have time.

The CHAIRMAN. The time of the gentleman from Tennessee has again expired.

Mr. DOUGHTON. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 5 additional minutes.

The CHAIRMAN. Is there objection? There was no objection.

Mr. WOLCOTT. Will the gentleman yield?

Mr. COOPER. I yield.

Mr. WOLCOTT. Frankly, I am a little disappointed at the gentleman's answer to the gentleman from Missouri [Mr. COLE].

Mr. COOPER. I am sure the gentleman can give a better answer.

Mr. WOLCOTT. No, not that, but as to when this forgiveness takes place, because, frankly, that has been bothering us a great deal. I feel the gentleman knows more about this than most of us. The gentleman has made a very effective argument that there is forgiveness of the tax on a million-dollar income, if it accrues in 1942, if an income of that kind is reduced to $25,000 in 1943. Now, as I understand the Carlson plan, if the income is over $20,000 in 1942 he must pay upon whichever is the higher, 1942 or 1943. And unless the gentleman can answer that satisfactorily, I think the effect of his argument is entirely lost.

Mr. COOPER. I think I may be able to help the gentleman some. If I may be permitted, I was about to proceed to an analysis——

Mr. WOLCOTT. Well, cannot the gentleman answer the question as to when this forgiveness will take place, provided the salaries are over $20,000?

Mr. COOPER. I say that when you forgive 1942 taxes, the forgiveness is right then. There is not any doubt about it. I received a salary for 1942. If I had not paid my taxes on February 15, as I did, that would be forgiven to me. I could take that money and go out and use it. It is forgiven right there.

Mr. WOLCOTT. Does the gentleman make that statement with knowledge of the fact that the Carlson proposal anticipates of the 1942 taxes, provided it is over $20,000?

Mr. COOPER. The Carlson bill forgives everything below $20,000.

Mr. WOLCOTT. But you are talking of these million-dollar salaries. If the salaries are over $20,000——

Mr. COOPER. Please do not take all of my time. I get your point and I will try to answer it. These questions were asked about salaries within the range of Members of Congress and I was trying to explain that. But the Carlson bill forgives all taxes for 1942 up to $20,000. There is no mistake about that.

Mr. McCORD. Will the gentleman yield?

Mr. COOPER. I yield.

Mr. McCORD. If the sentiment that has been created over this word "forgiveness" were really out of this plan and we would call it an out-and-out contribution of a debt that is actually owed the people, would there be very much sympathy for it?

Mr. COOPER. I do not think so. I think all this talk about people just wanting to get current, all this talk about various other phases of this thing—the outstanding, the biggest, the most popular of all is forgiveness of the tax. There is not any doubt about that.

Mr. Chairman, I would like to speak briefly about the antiwindfall provisions of the Carlson bill. The advocates of the Ruml-Carlson bill, as they call it in the minority report, claim that its provisions "make it impossible for war profiteers or persons of wealth to escape their just share of the tax burden." That is exactly the question the gentleman from Michigan [Mr. WOLCOTT] asked, and they say that statements to the contrary are "ridiculous" and "utterly without foundation." Let us see what the facts are. There are two provisions in the Carlson bill which are supposed to accomplish this result. The first is that for incomes above $20,000, the smaller of 1943 and 1942 taxes will be forgiven. That is above $20,000. Obviously this will not "make it impossible for war profiteers or persons of wealth to escape their just share of the tax burden," because both 1942 and 1943 are war years and large war profits in many cases are being received by the same people in both of these years.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. DOUGHTON. Mr. Chairman, I ask unanimous consent that the gentleman from Tennessee may proceed for 5 additional minutes.

Mr. KNUTSON. Mr. Chairman, reserving the right to object, so far the majority has used 167 minutes and we have used only 48.

Mr. DOUGHTON. The gentleman from Minnesota can yield time as soon as the gentleman from Tennessee finishes.

Mr. KNUTSON. Certainly it is not fair for the gentleman's side to empty the Chamber on us and then have our speakers go on with nobody here to listen to them. The fair thing to do is to let us have our time tomorrow.

Mr. DOUGHTON. The committee is going to sit here until 5 or 5:30.

Mr. KNUTSON. Will the gentleman agree that we can go on tomorrow morning and use our time?

Mr. DOUGHTON. We will go ahead until 5 or 5:30 this evening; the gentleman can use the time between now and then.

The CHAIRMAN. The Chair wishes to state to the gentleman from Minnesota that the Chair will see that the time is evenly divided.

Mr. DOUGHTON. I am not responsible for the interest of the Members. If the Members are interested in what the speakers have to say, they will stay here; if not, they will go.

Mr. KNUTSON. I want to have an understanding about this so we are not placed at a disadvantage.

Mr. COOPER. May I inquire if the gentleman contemplates objecting to my having 5 additional minutes?

Mr. KNUTSON. No; but I want an understanding because there is such great discrepancy in the time so far.

Mr. COOPER. I just wanted to know if that was going to be the gentleman's attitude.

Mr. KNUTSON. No, no, no; I have no objection to the gentleman's having additional time. All I want is an understanding about the division of time and suggest that we be allowed to go on in the morning. I have no objection to the gentleman's making his statement.

The CHAIRMAN. Has the gentleman withdrawn his objection?

Mr. KNUTSON. Mr. Chairman, I withdraw my objection.

The CHAIRMAN. The gentleman from Tennessee is recognized for 5 additional minutes.

Mr. COOPER. The second provision relied on by the advocates of the Carlson bill imposes a special tax on the amount by which the income in both 1942 and 1943 exceeds the 1941 income, or $50,000, whichever is greater. There are three defects which make it impossible for this provision to do what the advocates of the Carlson bill say it does. In the first place, the year 1941 is taken as a normal year, but 1941 was a year of wartime incomes. When Congress in 1940 passed an excess-profits tax it considered 1940 as a year of war profits; 1941 was the second year in which the excess-profits tax on corporations was in full operation. Can any special tax to eliminate war-profit windfalls be effective which takes the income of a war year as the base? Obviously not.

The second defect with this so-called antiwindfall provision is its high exemptions. If the income was below $50,000 in 1942 the provision does not apply. If the 1942 income is not $50,000 more than the 1941 income the provision does not apply. If the 1941 income was less than $50,000 the normal income is assumed to be $50,000. A lot of war profiteers will escape under these exemptions; there cannot be any doubt about that.

Mr. CARLSON of Kansas. Mr. Chairman, will the gentleman yield at that point?

Mr. COOPER. Will not the gentleman permit me to conclude?

Mr. CARLSON of Kansas. The gentleman made one statement that I think he will want corrected.

Mr. COOPER. The gentleman certainly will have time of his own on the bill. I hope he will not interrupt.

Mr. CARLSON of Kansas. I just wanted to tell the gentleman that the 1941 payments represented the tax on 1940 incomes.

Mr. COOPER. The excess-profits tax for corporations applied even to 1940, because we considered it a war year; we knew that.

In the third place, the rate of tax is not 90 percent as under the excess-profits tax on corporations; it is not even 70 or 88 percent, as under the individual income tax at these levels. It is 25 percent of the first $500,000, and if there is any amount above that it is 50 percent. The average rate will scarcely be more than a fraction above 25 percent, but assume the average is 30 percent. Is a 30-percent rate the equivalent rate of a 90-percent excess-profits tax or the 70- or 80-percent income tax? Obviously not, and, if

not, the Carlson bill does not make it impossible for war profiteers to escape their just share of the tax burden.

Indeed, let us take the example that the minority themselves used in their attempt to show how good their plan is. It takes the example of John Smith who had a taxable income for 1941 of $100,000 and for 1942 and 1943 of $1,000,000. John Smith's tax for 1942 under existing law would be about $854,600. Under the Ruml-Carlson bill, even this extreme case of increase above 1941, would pay only $325,000.

Mr. DOUGHTON. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina [Mr. DOUGHTON]?

There was no objection.

Mr. COOPER. Mr. Chairman, there is still a saving under the Carlson bill of $529,600, or more than half of the whole year's income. And yet, with this as their own example, the advocates of the Carlson bill say that this so-called antiwindfall provision makes it impossible for war profiteers to escape their just share of the tax burden.

Let me give you another example. Here is the case of a man whose peacetime income was about $10,000. After the war starts and the United States gets its defense program into operation, he steps his income up to $100,000 a year, beginning in 1940 or 1941 and he continues to get that amount. That $100,000 a year is war profits. He makes it because of the war. Does the Carlson bill do anything about that case? Not at all.

It says, in effect, that such profits are not windfall profits at all and that it is entirely proper to forgive the tax for 1942 on the $100,000 of income. That man will have his $36,000 after tax augmented by the additional $64,000. And yet the advocates of the Carlson bill say that under that bill it is impossible for war profiteers to escape their just share of the tax burden.

I would like to make it clear, however, that even if the advocates of the Ruml-Carlson bill thoroughly revise these provisions and make them really effective in preventing the escape of war profits, the bill still would not carry out its advocates' assertion that it is impossible for "persons of wealth to escape their just share of the tax burden." The windfall to wealthy persons is present under the Ruml plan even though that income has been received each year since before the war.

Let me give you an example. Here is John Jones with an income of $3,000 a year. He has had that income of $3,000 since 1940. His 1942 tax is $324. Now, so far as his saving and spending is concerned, his income after tax is not $3,000 but $2,676. Here is John Brown. He has had a $100,000 income each year since 1940. His tax for 1942 is about $64,000. The income he has to spend and to save is not $100,000 but $36,000. Now, what does the Carlson bill do? It forgives John Jones $324 and it forgives John Brown $64,000, and the proponents of the bill say that is right and fair. But let us see what happens. John Jones has his $2,676 of income increased to $3,000, or about one-ninth. It is the equivalent of about 5 or 6 weeks' additional income to him. But John Brown has his $36,000 increased to $64,000, or close to double. He has had an increase in income of about 20 months' income.

The CHAIRMAN. The time of the getleman has expired.

Mr. DOUGHTON. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina, [Mr. DOUGHTON]?

There was no objection.

Mr. COOPER. Mr. Chairman, Is John Brown really paying his just share of the tax burden? Is there no windfall there? Is it fair and equitable to increase John Jones' wealth by only 5 or 6 weeks income, while John Brown's wealth is being increased by over 20 months income? Certainly this is not fair and equitable treatment. Yet the proponents of the Carlson plan say this is the proper application of progressive taxation.

CANCELATION OF THE 1942 TAX

This Carlson bill embodies the most alluring yet most dangerous provision of the Ruml plan. It would forgive 1 year's taxes. It would wipe out a $10,000,000,000 debt, a debt to the public. Taxpayers would be freed of an obligation to their Government. They would be freed because the creditor cancels the debt not because they as debtors meet their responsibilities. Wiping out 1 year's tax is too great a departure from the requirements of sound finance to pass as a mere bookkeeping or accounting formality. Soothing phrases will not soften the hard realities of the situation.

Let us face facts. Everyone with a taxable income in 1942 would have his debt to the Government wiped out. He would be made better off financially. His net worth would be increased, not because of any sacrifice, thrift, or wise investment on his part, but because one of his liabilities, the liability to his Government, has been canceled. True, his cash payments to the Treasury may remain roughly the same for several years. But whether now or 10 years from now, he will sometime cash in on the windfall. Then his cash position will reflect today's improvement of his debt position. If he were to retire now, he would realize his cash benefit now.

This proposed solution to a difficult problem has a dangerously deceptive appeal. Since we are all human, we are probably all a little pleased, even though we may not admit it, at the prospect of escaping tax on 1 year's income. This is especially true when the tax is the highest in our history. If we look at the situation honestly, however, we must recognize its folly and its inequity.

Ten billion dollars of wealth would be distributed among the American public. The distribution of this vast sum would vary widely. Millions of our citizens, those in the poorest economic circumstances, would gain no benefit. Millions would receive a few dollars only. A few, however, would receive hundreds of thousands or millions of dollars. Taxpayers with million-dollar incomes would receive a benefit of $854,000 each. At one stroke this plan would add to their net worth more than they could save in nearly 12 years if they saved half of all their income after taxes. A person with $100,000 net income would receive a benefit of $64,000. This is not equality.

Such cancelation would seriously violate the basic principle of taxation, the adjustment of burden according to ability to pay. It would distribute benefits not in proportion to need, but, on the contrary, in inverse proportion. The greatest benefit would go to those with the least need. This point is so strikingly obvious that it need not be labored. The examples that have been presented during the last few months' discussion can leave no honest man in doubt of its validity. Cancelation would constitute irresponsible shirking of our duties to the Nation as a whole. History would not overlook such a betrayal of trust.

Who would pay the bill? Who would meet the burden that this selfish action on our part would create? To some extent those in the lower income groups would foot the bill. Their tax rates can be increased more than the rates on persons in the upper brackets. In the upper ranges rates are so high now that the possible increases are small. Perhaps it is recognition of this fact that has made the plan so popular among those groups who can be expected to look beneath the surface to see what things really mean. The fact is that the proposal has not aroused the storm of protest one might expect from those who would suffer. The public has been deceived. It has not been shown that we can get collection at source without handing taxpayers a $10,000,000,000 gift. Such widespread misunderstanding increases our responsibilities as representatives of the whole public.

More serious, perhaps, is the burden that would be shifted to future taxpayers who cannot be expected to raise their voices today. Everyone with a 1942 taxable income would benefit. Those becoming subject to tax in later years would receive no benefit. Thus a person with 20 years of taxable income, one of which was 1942, would pay tax on 19 years' income only, whereas a person with 20 years' taxable income beginning in 1943 or a later year would pay tax on 20 years' income. By passing this bill, we would be seizing a benefit that would never be available to future taxpayers. None of us wish to benefit ourselves by increasing the burdens of future taxpayers. When those of us in this room first earned taxable income, we waited till the next year to pay the tax. This bill would free us from any requirement to pay when our taxable income stops, but it would force those following us to pay for every year. I maintain that such action is unfair.

IF CANCELATION DOES NOT REDUCE THE TREASURY'S RECEIPTS, IT IS BECAUSE HIGHER BURDENS ARE IMPOSED ON SOME TAXPAYERS

Proponents of plans for fully canceling liabilities on 1942 income have asserted that such cancelation would not result in a decrease in the Treasury's cash receipts this year. Sound tax policy, particularly in wartime, requires, however, that we look not only to the total amount of tax receipts; we must also look to the sources from which the money comes. It may be true that if certain changes are made in our system of collecting income taxes, the full cancelation of the 1942 liabilities will not result in a decrease in Treasury receipts. It will, however, significantly alter the burden of the taxes among different persons. It is important that we consider just how the burden would be altered by full cancelation. Only then can we decide whether this is what we really desire to do.

The result of full cancelation over the next few years would be that all persons who had taxable income in 1942 would pay less than they would were it not for full cancelation. In any 1 year, including 1943, certain persons would be relieved entirely of a year's income tax. These losses in revenue could be made up only by increasing tax rates and lowering exemptions, or by making some people pay their taxes earlier than they otherwise would. It is assumed, of course, that cancelation will not be repeated in the future.

To require certain people to pay their tax a year earlier than they otherwise would will certainly tend to increase Treasury receipts as new taxpayers become subject to tax. The explanation of the fact that receipts under such a plan as that in the Carlson bill would not fall in 1943 is to be found in this speeding up of collections from new taxpayers and taxpayers with rising incomes. There would be losses, however. The losses would be felt gradually.

The plain arithmetic of the matter is that if we cancel the $10,000,000,000 of liabilities on 1942 incomes we can never collect $10,000,000,000 now on the books. The loss would be felt as individuals drop out of the body of taxpayers and as incomes decline. If we were to speed up collection, as the committee's bill would do, without cancelation, our receipts would be larger. It is these receipts that must be compared with those under the Carlson bill. Such a comparison will demonstrate the loss of revenue produced by cancelation.

This will have to be collected from incomes in 1943 and following years. By allowing 1942 incomes to be tax-free, we compel ourselves to impose greater burdens than would otherwise be necessary on incomes received in 1943 and subsequent years. It is here that we observe the gross inequities that would result from full cancelation. Since rates on higher incomes are already so high that they cannot be sufficiently increased to make up for the loss from cancelation, the increased burden must of necessity fall on the middle and lower income classes. Simply stated, cancelation of 1942 taxes would shift billions of dollars of the cost of the war from persons with large incomes to those of only moderate means and those in the lower income groups.

A further inequity of full cancelation is apparent when we note that only persons who had taxable income in 1942 would benefit from cancelation. The future generation would reap no benefit from the cancelation. They would feel its results, however, because their tax burdens would have to be greater to make up for the cancelation. For them no year would be skipped. They would pay on every year's taxable income. All of us, however, would escape tax on 1 year's income and shift the cost in higher rates to our children.

CANCELATION OF TAX ON 1942 INCOME WOULD DISCRIMINATE AGAINST THE MILLIONS OF TAXPAYERS WITH SMALL INCOMES

The Carlson bill would discriminate against the small taxpayer. The forgiveness of a year's tax to those persons who in 1942 had little or no tax liability means nothing. To a man with a million-dollar income in 1942 the saving is $854,000. This large-income taxpayer has probably saved for his taxes. He may have bought tax anticipation notes. He may have set up a special bank account. He may have done any number of things to prepare for the payment of the tax. If the Carlson bill were enacted, this tax would never become due and these people would realize a real immediate saving. This saving is not one which is deferred until judgment day, or until death. It is real and actual in the year 1943, a year when ostensibly we are calling upon all America to share in the financial burdens of the war.

Large taxpayers are already upon a pay-as-you-go basis. They may not pay the taxes over to the Government until they are due, but each taxpayer in his way may accrue his tax over the year so that his 1942 liability in effect has been paid out of his 1942 income. For such taxpayers forgiveness of a year's tax is nothing more nor less than the presentation to them of that amount of money at the expense of taxpayers generally.

The Carlson bill discriminates in favor of large taxpayers in still another way. It makes no special provision with respect to the treatment of capital gains. The effect of this is to forgive the tax on capital gains realized during 1942. If there is to be any forgiveness it should be in those cases where it is necessary to relieve hardships. Can there be any reason why gains derived from stock-market transactions or other forms of capital gains should be allowed to escape tax free when the income of the worker in a defense plant is to be subjected to the highest rates of taxation ever known in this country? Certainly there is no excuse for not having funds with which to pay the capital-gains tax. Even Mr. Ruml, who first preached the sophistry of tax forgiveness, realized that there was no satisfactory case for the forgiveness of the tax on capital gains. His revised plan would not forgive the tax on capital gains. The Carlson bill, which has been described as a modification of the Ruml plan designed to overcome some of its shortcomings, turns out as even more objectionable than the Ruml plan for not only does it forgive a year's tax on ordinary income as does the Ruml plan but in addition it allows capital gains derived in 1942 to escape from tax. I need not criticize this phase of the Carlson bill any further. The defenders of the Ruml plan have already done that.

The desirability of pay as you go is not being questioned, but it may be questioned whether the introduction of pay as you go demands as its price the introduction of substantial inequities into our tax system. We can have pay as you go without injustice to the great masses of our taxpayers. The Ways and Means Committee has indicated one method. There may be other methods. I do not speak in favor of any of these at the moment. I speak in opposition to any plan which presents windfall gains to a few of our taxpayers and forgives the tax on capital gains.

LITTLE OF THE TAX CANCELED BY H. R. 2245 WOULD BE RECOVERED BY HIGHER ESTATE-TAX RECEIPTS

Advocates of cancelation of year's tax have frequently asserted that what the Government loses, or individual taxpayers gain, would eventually return to the Government in higher estate-tax receipts. Their failure to cite figures may give some clue as to the true importance of this point. So far as I can determine, a small part, in fact a negligible part, of a $10,000,000,000 total would be recovered under present estate-tax rates and exemptions. Let us look at the facts.

At the present time the estate-tax exemption is $60,000. There is in addition a gift-tax exemption of $30,000 and generous exclusions under the gift tax that in effect increase the exemption substantially. If the $10,000,000,000 of 1942 tax forgiven is distributed among roughly 39,000,000 persons, little of the total will ever be subject to estate tax. In 1941, for example, there were about 8,300 persons leaving net estates before exemption of $60,000 or more and about 10,300 leaving $50,000 or more. Over the next 35 years, approximately a generation, less than 375,000 persons will leave estates that will be taxable under the present law. This is less than 1 percent of the number having tax canceled on 1942 income. This is indeed a small percentage.

On the basis of 1941 figures at present estate tax rates, five-eighths of the taxable estates would have been subject to a maximum rate of 28 percent. Therefore, of this 1 percent of 1942 taxpayers, five-eighths would find that the tax forgiven would be subject to an estate tax rate of not more than 28 percent. There would be fewer than 100 cases a year in which the Government would recover half or more of the windfall. Furthermore, all of this recovery would not come to the Federal Government because a

part of the Federal tax on such estates never reaches the Treasury; it is turned over to the States.

It is absurdly unrealistic to assume that every taxpayer with a potentially large enough estate to be subject to estate tax will retain the income tax windfall until death. Some will lose the property in one way or another, others may consume it, and others may give it away before their death. At the time of gift the chances are that it will escape tax because of our generous gift tax exemption and exclusions. However, even if it is subject to gift tax, the gift tax rate is apt to be much lower than the rate of the estate tax.

Obviously an addition to the wealth of taxpayers will increase the amount of estate tax paid in some cases. It is foolish, however, to count upon receiving any substantial recoupment through the estate tax of the income tax lost as a result of the Carlson bill.

I should like to put into the RECORD some figures indicating the amount of the income tax recovered by the estate tax in a few sample cases. These figures illustrate that the amount recovered by the Treasury will depend upon the amount of other property in the taxpayer's estate. Income tax that is forgiven for persons with large accumulations of capital will fall into higher estate-tax brackets, by and large, and hence be taxed by higher rates than amounts forgiven persons with little property. If Congress desires to raise the relative burden on persons with incomes from property as against executives and professional persons with similar incomes largely from earnings, then we should do so frankly and directly.

Perhaps you recall that Mr. Ruml has proposed an additional estate tax designed to recover part of this loss. I am frank to admit that I cannot see how such a tax could be made to operate in practice. But that is beside the point now because the Carlson bill does not contain even this gesture for mitigating the inequity of forgiveness.

Let us not try to salve our conscience by speciously assuming that any substantial part of this hand-out will be recovered by the estate tax. The facts indicate only too clearly that such is not the case.

Amount of tax liability on 1942 income and increase in estate-tax liability which would result if the amount of the 1942 income-tax liability were canceled and added to the estate

MARRIED COUPLES—NO DEPENDENTS

1942 net income before personal exemption	Assuming all income is derived from earnings				Assuming all income is derived from property			
	Income tax liability [1]	Assumed size of estate [2]	Increase in estate tax resulting from the addition to the estate of the canceled 1942 income tax [3]	Excess of income tax canceled over increase in estate tax	Income tax liability [4]	Assumed size of estate [2 5]	Increase in estate tax resulting from the addition to the estate of the canceled 1942 income tax [3]	Excess of income tax canceled over increase in estate tax
$1,000						$25,000		
$2,000	$140	$2,000		$140	$140	50,000		$140
$4,000	532	10,000		532	538	100,000	$118	420
$6,900	992	20,000		992	1,010	150,000	283	727
$10,000	2,152	25,000		2,152	2,194	250,000	658	1,536
$50,000	25,328	75,000	$3,822	21,506	25,394	1,250,000	9,904	15,490
$100,000	64,060	150,000	19,018	45,042	64,126	2,500,000	31,587	32,539
$200,000	150,012	300,000	47,804	102,208	150,078	5,000,000	98,152	51,926
$400,000	326,000	600,000	116,420	209,580	326,066	10,000,000	250,471	75,595
$1,000,000	854,000	1,500,000	394,260	459,740	854,066	25,000,000	657,631	196,435

[1] Assuming maximum earned income credit.
[2] Before addition to the estate of the amount of canceled 1942 income tax.
[3] Assuming that the amount of canceled income tax is held until death and added to the estate; that none is spent, lost or given away.
[4] Assuming minimum earned income credit. [5] Assuming that the property yields 4 percent.

ENACTMENT OF H. R. 2245 WOULD VIOLATE THE PRINCIPLE OF ABILITY TO PAY

The Carlson bill would seriously violate the principle of ability to pay. It would apply the principle of ability to pay in reverse. It would incorporate into dreadful reality the Biblical saying, "To him that hath shall be given, while from him that hath not shall be taken away even which he hath."

It would make the individual's income the standard and measure of how much he was to benefit from the public purse. It is difficult to conceive of a plan better calculated to shift the war burden from those more able to pay to those less able to pay. A great deal has been said in connection with pay-as-you-go about windfalls. There may not be anything seriously wrong in permitting some windfalls, if the quality and quantity of the apple harvest may be improved thereby. But the Carlson bill, like the so-called Ruml plan, would subject the orchard to some very peculiar wind stresses. It would apply to the millionaire's section a veritable whirlwind, while the worker's tree would have to be content with the gentlest zephyrs. If the crop is to be maintained despite this ordeal, the smaller trees would have to work overtime to make up the difference.

My reference to apples in connection with the Carlson bill is perhaps misleading. What we are dealing with as proposed under this bill is plums. A glance at the table showing amounts of tax forgiven to taxpayers at different levels of income shows how big some of the plums are. Unquestionably this piece of proposed legislation is not the first in legislative history whose purpose is the dispensation of plums. However, the present proposal, which would be bad at any time, comes at a singularly inopportune moment. We can ill afford to distribute bonanzas to the makers of swollen war profits and to the recipients of swollen war incomes, at the same time that we are placing heavier burdens on persons receiving incomes below what have been heretofore considered peacetime minimum standards of ability to pay income tax, and at the same time that members of the armed forces and, in many cases, their families are making grave sacrifices without adequate monetary rewards.

I can hardly conceive of anything so unfair as a plan which would permit a comparatively few wealthy taxpayers to make capital out of a wartime situation at the expense of the millions of taxpayers. The distribution of windfalls to the few is nominally at the expense of the Treasury. Actually it is at the expense of the millions of individuals of small and moderate means who must contribute heavily to the program of mass financing which must be the basis of any financial program for total war.

The technique of tax forgiveness must be used if at all with the utmost caution. It is particularly dangerous when revenue needs are great, and it is especially important to keep a taut financial ship. It means narrowing the basis which must carry the load, by chopping out a sizable segment of ability to pay. The result is that increased taxes must be based on ability to pay as measured by income over a shorter period of time—shorter by 1 year—and this is an important year because it is one of abnormally high income. It is not intelligent and it is not fair to gage the payment of wartime taxes by the fall of loaded dice, loaded in favor of the large income receiver in general and particularly loaded in favor of the man who happened to have an especially large income in a critical war year.

Wartime tax schedules must be drawn up with the greatest care and consideration. Members of this House, and particularly the members of the Ways and Means Committee, are fully and keenly aware of the thought and attention which must be given to the exacting task of allocating increased burdens. It would be worse than senseless to throw such a monkey wrench as the proposed scheme of tax forgiveness into the works. Let us not toss emery dust into the delicate mechanism of the American tax system. Let us put the system on a current collection basis without smashing it into an unrecognizable shape. Let us maintain the standards of fair play for which we are all fighting.

THIS CARLSON BILL WOULD SET THE TAX CLOCK BACK

In discussion of pay-as-you-go by the more enthusiastic proponents of complete forgiveness of 1 year's taxes a certain phrase is used again and again. That phrase is "let us turn the tax clocks ahead 1 year." Presumably this simple way of describing the very difficult and troublesome process of transition to a current basis represents a distillation of the wisdom of cancelation as embodied

in the Carlson bill. Those initiated into the mysteries have chosen this phrase to vouchsafe their meaning to the many. "Turn the tax clocks ahead 1 year." Is it as simple as all that?

There is no doubt that the proponents of this plan want to put themselves on "tax-saving time." If you look at the tax clocks they want to move ahead and read dollars on the dial instead of hours, you will find that some people would save a lot more than others. In fact the procedure proposed would not really put everyone on the same basis. They may call this a proposal to put the tax clock ahead, but it really is intended to set the calendar back several years for some groups of taxpayers.

At the million dollar income level the proposal would in effect wipe out all the income-tax increases since 1935, or it would give the taxpayer at this level the wherewithal to meet the increase in tax provided under the Revenue Act of 1942 for the next 7 years. Thus it would delay the impact of the necessary wartime increase under the 1942 act as compared with the 1941 act for 7 years until, in other words, the war has ended and its burdens shouldered by individuals less fortunate in the clock- and calendar-shuffling process. This is not setting the tax clock ahead; it is stopping it while war needs grow more intense.

At the $100,000 level the plan would give the taxpayer enough to pay the 1941–42 increase for 5½ years; thus delaying the effect of wartime taxes for that period of time. Examined in the light of those observations, the proposal puts those most able to pay on a tax-saving time, by setting the tax calendar back to peacetime days and stopping the hands of the tax clock until the war burdens have been taken care of by those less able to pay.

In the discussion of pay-as-you-go, much has been said by proponents of full cancelation on the subject of equal treatment. The gist of this is that if you give one taxpayer a year's taxes, then you must give another taxpayer a year's taxes, regardless of the different amounts involved. To attempt to measure equality in terms of the period for which taxes are forgiven gives no guaranty of truly equitable treatment. Taxes must be measured in terms of dollars and cents, not hours or days on a clock or calendar. If the clock adjustment is put in the correct terms—dollars and cents—we find that the adjustment proposed in the Carlson bill would spin some individual's clocks ahead at propeller speed. It would barely nudge some tax clocks.

I think it is clear that this is not equal treatment. Even Mr. Ruml, while advocating full forgiveness for all taxpayers in the interest of equal treatment, has, in the same breath, been constrained to advocate a special tax on the estate of the taxpayer to recoup windfalls and provide for equality of treatment. Now, I submit that if the forgiveness on the Ruml basis means equal treatment, then the additional estate tax for the purpose of recouping these tax bonanzas is unnecessary. But, since such a windfall tax is recommended, it is because Mr. Ruml recognizes the inequalities of full cancelation. These are inequalities which the estate tax, for obvious reasons, cannot effectively remove. The Carlson bill, however, contains no special estate tax. Mr. Ruml concedes the inequity of his plan; this bill fails to provide Mr. Ruml's remedy, faulty as the latter is. Could there be a clearer admission of the inequity of this bill?

Mr. REED of New York. Mr. Chairman, I ask unanimous consent to extend the remarks of the gentleman from Massachusetts [Mr. TREADWAY] at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York [Mr. REED]?

There was no objection.

Mr. TREADWAY. Mr. Chairman, it is not my purpose to make any extended remarks on the bill.

I have been very much interested in the pay-as-you-go idea ever since it was first suggested. I believe it would accomplish a much-needed and highly desirable tax reform.

The arguments in favor of being on a current basis are well known and need not be repeated. The people are squarely behind the pay-as-you-go proposal, recognizing in it a means of meeting their heavy and ever-increasing tax burden with as much convenience as possible and with a minimum of hardship. As the Treasury has pointed out, advantages would also accrue to the Government if taxes were currently assessed and collected. Differences of opinion exist, however, as to how the transition to a pay-as-you-go basis should be brought about.

The simplest, fairest, and most practicable solution of the transition problem has been suggested by Mr. Beardsley Ruml, author of the so-called Ruml plan. Mr. Ruml proposes that we get onto a current basis by simply turning the tax clock ahead 1 year; in other words, by treating the tax payments we are making this year out of this year's income as being in discharge of the current tax liability instead of the past year's tax liability. Stated more simply, the Ruml plan means assessing 1943 taxes against 1943 incomes rather than 1942 incomes.

Other than by abating the 1942 tax liability, as proposed by Mr. Ruml, there is no way of making taxpayers current this year without requiring them to pay double—once on their overhanging past year's liability and once on their current liability. As this would involve an impossible burden, the Ruml plan remains the only alternative.

Any plan to carry forward the past year's assessment, and collect it over a period of years in addition to future taxes, would involve at least a partial doubling up, and therefore would constitute an arbitrary increase in the tax burden without regard to ability to pay.

The committee bill is not even a substantial approach to the problem. It does little more than continue the present system of collecting the income tax the year after the income is earned. Only by voluntarily doubling up their payments for a year can taxpayers get onto a current basis, which means that the great masses of the people, who already find it difficult to pay even 1 year's tax, would be denied the benefit which would come from being current. The discounts allowed for such doubling up are such that they merely constitute an inducement for doing so to those who have the means. They do not make it possible for anyone to become current who does not have on hand at least 194 percent of 1 year's tax liability.

I have received hundreds of letters from my constituents on the subject of pay-as-you-go taxation, and with only a few isolated exceptions they are strongly behind the Ruml plan. These letters have come from leading citizens and businessmen, from workers in the factories, from farmers, from men who have gone into the armed services; in fact, from all walks of life. They want the Ruml plan, and they know why they want it. It is so simple and understandable, and so practical and fair, that they cannot see why Congress has delayed so long in enacting it into law.

The Ruml plan has been introduced in the form of a bill by the gentleman from Kansas [Mr. CARLSON]. His measure provides for the abatement of the 1942 liability and for the current collection of the income tax in 1943 and subsequent years. In order to provide against any possibility of windfalls, he has included in his bill certain provisions which effectively prevent any such result.

I have joined with my Republican colleagues on the Ways and Means Committee in supporting the Ruml plan, as embraced in the Carlson bill. At the proper time this measure will be offered as a substitute for the provisions of the committee bill, and I hope will be adopted by the House. The Carlson bill, by embodying the Ruml plan, will give the people a real pay-as-you-go tax bill which will make all taxpayers immediately current. I shall vote for the Carlson substitute and trust that the good judgment of the House will result in it being adopted by an overwhelming vote.

Mr. KNUTSON. Mr. Chairman, I yield to the gentleman from Illinois [Mr. MASON] such time as he may desire.

Mr. MASON. Mr. Chairman, the House is confronted with a choice between two plans for the payment of future Federal income taxes—the so-called Ruml plan as modified in the Carlson bill, and the committee bill, which provides for a withholding tax, but does not provide for making tax payments on a current basis. I wish to offer a few pertinent facts that should be considered in making a choice.

There are some 44,000,000 Federal income taxpayers today. About 90 percent of them—a sizable group—must pay their last year's tax out of this year's income because for one reason or another they have been unable to save any of last year's income. About 10 percent of our taxpayers have been provident enough—thrifty enough—so that they can pay last year's tax out of their savings on last year's income, and most of this group will do so. Which of these two groups would you say is in trouble today and needs help? Which group represents

the taxpayer who finds that taxpaying has become pretty tough? Which group will be benefited most by the committee plan and which group will be benefited most by the Carlson plan? If you can answer these questions to your own satisfaction, then you should not find it very difficult to decide between the two plans that are before us.

The Ruml plan was proposed, in the first place, to take care of distressed taxpayers—the 90-percent group—and to facilitate tax collections. It has been twisted and mangled by the Ways and Means Committee into a scheme for encouraging the provident thrifty taxpayers who have money in their pockets—the 10-percent group—to pay 2 years' taxes in 1 year by granting generous rebates. It also provides forgiveness to the members of our armed forces of their tax liabilities. However, the committee bill, if adopted would tend to discourage the average taxpayer—the 90-percent group—by keeping suspended over his head a tax debt that he never can hope to get from under.

The opponents of the Ruml plan make quite a fuss about the fact that the Ruml plan will permit the 10-percent group of present-day taxpayers—those who have money in their pockets—to have a 2-year income, out of which they will be required to pay only a 1-year tax bill. They say that would be deplorable, if not criminal. They overlook the fact that the committee plan would require 90 percent of our present-day taxpayers to pay a 2-year tax bill out of a 1-year income in order to become current in their tax payments. if we adopt a pay-as-you-earn plan without including the Ruml proposal to drop a year's tax.

The opponents of the Carlson bill say that if a Congressman votes for that bill he will be voting to save himself something like $2,000 that he owes Uncle Sam. Well, that sounds pretty bad—and it would be bad if it were true. But under the Carlson bill I will be required to pay Uncle Sam $2,000 this year, $2,000 next year, and $2,000 every year from now on until I die, if I continue to receive the same annual income, and the rates remain the same—which they will not. Just when am I going to hold back the $2,000 I owe Uncle Sam? The fact is, of course, that the only year that Uncle Sam will fail to collect from me will be the year after I die—and then my estate will not be charged with a year's back tax, as it would be under the present tax set-up—and I imagine that very soon I will be called upon to vote increased rates that will add another $1,000 each year on top of my present $2,000 tax bill, and, besides, there is no telling what increase will soon be added to our inheritance-tax rates. I doubt that Uncle Sam will let any of us get out of paying our share of the tax load.

When I vote for the Carlson bill I shall do so with a clear conscience, knowing that I shall be doing what 90 percent of the taxpayers want done, namely, placing them on a current tax basis.

Mr. Chairman, I want to take up and answer that indictment, shall we say, that is being brought against the Members of Congress if they would or should vote for the Carlson bill. It is stated in substance that if they vote for the Carlson bill they are voting to save themselves approximately $2,000 of a tax bill that they owe Uncle Sam for last year's taxes.

Mr. DOUGHTON. That is right.

Mr. MASON. That is the charge.

Mr. DOUGHTON. That is the fact, too.

Mr. MASON. I want to make it a little clearer, and in order to do so I shall take myself as a horrible example, following the lead of the gentleman from Tennessee.

Under the Carlson bill, I shall pay $2,000 to Uncle Sam this year and I shall pay $2,000 to Uncle Sam next year and the year following and every year thereafter until I die. That is, if my income remains the same and if the rate of taxation remains the same, which it will not, as we all know. But if it remains the same, I shall pay every single year until I die, and then my estate will not owe Uncle Sam, if the Carlson or Ruml plan is adopted, because I will be paid up to date. The only time Uncle Sam will be robbed by MASON will be after he is dead, and that is the only time. And there will not be a year in which I will not pay my full taxes under this bill.

I want to illustrate by this: When I die I shall go up and knock on the pearly gates and St. Peter will challenge me with this question, "MASON, what about those $2,000 which you have cheated Uncle Sam out of?"

I shall say, "St. Peter, if that is all you have got against me, you have got to open those gates, because I have brought with me a receipted tax bill for every year that I was supposed to pay taxes down below." And St. Peter cannot get around those receipted tax bills. I am also going to look St. Peter in the eye and I am going to say, "St. Peter, you should not pay any attention to these new dealers who accuse me of cheating Uncle Sam out of $2,000, because these new dealers do not know what they are talking about half the time."

Then I am going to say to St. Peter, "If you check over every single one of those tax bills and find that I have paid for every year that I was down below, then unless you have got something else against MASON, you have just got to open the pearly gates and let me in." St. Peter will say, after he has checked over those tax receipts, "Why, MASON, you are entirely vindicated." The gates will open and I will enter, and that is the position every Member of Congress will be in.

Mr. DIES. Mr. Chairman, will the gentleman yield?

Mr. MASON. I yield to the gentleman from Texas.

Mr. DIES. Of course, the gentleman is assuming something that may not exist in every case; some of us may never see St. Peter.

Mr. MASON. That is all right; the gentleman from Texas will probably be as sure of seeing St. Peter, and I think perhaps surer of getting through the pearly gates than I.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. MASON. Yes.

Mr. MURDOCK. When St. Peter goes through your tax receipts, will he find one for every year you had a taxable income? Will he find one for 1942?

Mr. MASON. Oh, yes, he will find one for 1942.

Mr. MURDOCK. And 1943?

Mr. MASON. 1943 and 1944, and I do not care which year you put on the tax receipts, he will find a tax receipt for every single year, and not one year will I be forgiven my taxes until I die, and you know it, and every Member of the House knows it.

Mr. DOUGHTON, Mr. HOLIFIELD, Mr. LYNCH, and Mr. McMURRAY rose.

Mr. KNUTSON. Mr. Chairman, I ask that the gentleman who has the floor be protected against these economists.

Mr. MURDOCK. Speaking of protection, I feel that somebody should protect the Government against such mathematicians, but, as Webster said to Lafayette, "Late may you arrive in heaven," so say I to my friend from Illinois, and if he does not get there until 50 years from now, he will have 50 additional tax receipts, including tax receipts for 1942 and 1943, but will he have paid an installment for every year he had a taxable income?

Mr. MASON. I will have paid an installment in every year that I live, until I die.

Mr. CURTIS, Mr. CRAWFORD, and Mr. KNUTSON rose.

Mr. RANKIN. Mr. Chairman, I ask that the gentleman be protected from the economists on the other side.

Mr. KNUTSON. These are real economists. I was referring to pseudo economists.

The gentleman from Arizona expects to live 50 years and I hope he does.

Mr. MURDOCK. No, I was applying the words of Webster to the gentleman who has the floor and thinking of his receipt for the first year of taxable income, which was dated the following year. There is one missing some place.

Mr. KNUTSON. I hope his tribe may increase, although it does not deserve to. If the gentleman lives 50 years, under the committee plan he will be forgiven 2 years. Four times 50 is 200 percent. I congratulate the gentleman if he lives 50 years and the committee bill is in operation.

Mr. CURTIS. Mr. Chairman, will the gentleman yield?

Mr. MASON. I yield to the gentleman from Nebraska.

Mr. CURTIS. Is it not also true that when a young man arrives at his majority and starts to make money, he starts 1 year earlier under the Carlson bill to remit to the Treasury of the United States?

Mr. MASON. Of course.

Mr. LYNCH. Mr. Chairman, will the gentleman yield?

Mr. MASON. Mr. Chairman, I claim the floor and I do claim protection

against some of these overheated tax experts.

The CHAIRMAN. Does the gentleman yield to the gentleman from New York?

Mr. MASON. I yield.

Mr. LYNCH. I would like to know whether you could tell St. Peter when you arrive at the pearly gates what you did with the $2,152 that was not paid for 1942 taxes.

Mr. MASON. I would be glad to tell St. Peter that the $2,000 will be paid and the receipt will so state for 1942, 1943, and 1944, and so on to the end. The only time that Uncle Sam will lose any money will be after MASON is dead and then only if he cannot collect the year's taxes out of his estate, and you know that is correct.

Mr. LYNCH. And who will benefit by the $2,150?

Mr. MASON. I will not benefit.

Mr. LYNCH. But the gentleman will benefit because he pays only 1 year's taxes on 2 years' income.

Mr. MASON. I will not benefit from any unpaid taxes, and you know it, and no one will benefit from any unpaid tax bill until after his death.

Mr. Chairman, I think that is the whole sum and substance of this forgiving business. There is no such thing as forgiving in this tax bill that is labeled the Carlson bill. You can call it forgiveness if you want to; there is no forgiveness until after the death of every person present and then his estate is paid up to date instead of being a year behind in the taxes. This is the sum and substance of it.

I yield back the balance of my time.

Mr. KNUTSON. Mr. Chairman, I wish to announce that the gentleman from New York [Mr. REED] will be the first speaker tomorrow.

Mr. DOUGHTON. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore, Mr. MCCORMACK, having resumed the chair, Mr. BULWINKLE, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 2218) to provide a method for the payment currently of individual income taxes, and for other purposes, had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. CURTIS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a statement made before an O. P. A. hearing by Mr. P. O. Wilson.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

SIDNEY'S ANSWER TO THE MANPOWER PROBLEM

Mr. JONES. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. JONES. Mr. Speaker, I hold in my hand an issue of the Saturday Evening Post dated March 27, 1943. I do not want to sell magazines or to sell the Saturday Evening Post to you, but here is an article that should be put in the hands of every civilian employee of the Federal Government:

Sidney, with 10,000 people, and the surrounding county of Shelby, with 16,000 more, are the homes of the .0002 percent. Sidney is as American as Kansas wheat or Paddy's diner or its own Buck's Taxi, and its solution of its problem is an American sort of solution. The manpower problem in Sidney—finding men for the Army, for factories, and for farms—was, as it is everywhere, one of simple arithmetic. Arithmetic told Sidney it was a problem which couldn't be met, and Sidney proceeded to give arithmetic one of the worst pastings it has ever had since it stuck its 2-plus-2-equal-4 nose out of Arabia. Sidney today has arithmetic yelling "Uncle" and willing to admit that 2 plus 2 may equal 6 or 8 or whatever Sidney says.

Sidney has no chamber of commerce. At least it doesn't call what it has a chamber of commerce. It calls him Mike. Elmer Michael Seving is his name and he draws his pay from the Government as a field officer for the United States Employment Service. In the business of persuading Sidney men and women to take factory jobs in addition to their usual jobs, Mike Seving was the chief persuader, though he had expert assistance from Mayor John Sexauer, E. C. Amos, publisher of the Sidney Daily News, and other community war horses. Since Mike Seving is into everything in Sidney, it is hard to tell where Mike leaves off and Sidney begins, but we shall try.

It is one thing for leaders of a community to dream up the idea that people will double up and work two jobs, putting in 16 or more hours a day. It is quite another thing to sell the idea to the people themselves. But Seving is a great believer in ringing doorbells and asking people to do what he wants them to do.

Now let us look specifically at a few more of the people described in the article.

Mayor John A. Sexauer, in order to meet the acute housing shortage, personally subsidized a Sidney carpenter and small contractor, John Hussey, to build houses.

Hussey has put up more than 200 of the 425 houses built in Sidney in the last 4 years.

To handle the problem of transporting workers from nearby communities, Sidney took over 10 school busses.

Mayor Sexauer works until late at night for the city and gets up before dawn to bake bread in his bakery so that others may be freed for war-plant work.

Let us take a look at the chief executive of Sidney's Monarch Machine Tool Co., Mr. Wendell E. Whipp, president. Back in 1911 Wendell Whipp was lured to Sidney from the National Cash Register Co. when bankruptcy was making faces at it. He had to borrow the pay roll every week for the first 6 months and postage stamps for advertising circulars.

It is this sort of thing that shows you to what extent Sidney's blood and bone are in Monarch and its other industries.

Judge Robert Eshman leaves his chambers in midafternoon and changes into overalls to work for 8 hours on a lathe.

In charge of teaching new Monarch employees their skills is a Scotsman, Donald MacKellar, who came to America in 1919 and within 20 minutes after leaving Ellis Island appeared before a Federal judge to apply for his first papers.

Ed Flinn keeps busy managing a 10-cent store and rushing off to a plant to work, too. Mrs. John Libbee, the wife of a public-utilities executive, works in a factory producing airplane parts; while Mrs. Robert B. Wilgus, whose husband is an insurance broker, works on a lathe. Mrs. Robert Eisenhut thought her 2-year-old Jimmy and her house were a full day's work, but now she finds she also has time for 8 hours on a lathe.

Around the Monarch plant is a tall, erect old man with silver hair standing outside the watchman's box at the gate who recently resigned as pastor of one of Sidney's churches.

Kenneth F. Rike, owner of a haberdashery, follows this schedule each day.

Eight-thirty to 9 a. m., shave and breakfast; 9 a. m. to 12:45 p. m., work in store; 12:45 p. m. to 1:15 p. m., lunch; 1:15 to 3:30 p. m., work in store; 4 p. m. to midnight work in factory, with a half hour off for lunch; midnight to 1 a. m., supper and bath; 1 to 3:30 a. m., sleep.

City Auditor Wilson Stockstill follows just about the same schedule, working for the city from 9 a. m. to 3:30 p. m. and from 4 p. m. to midnight for a factory.

Bill Dilbone was the former sheriff of Shelby County and is now a postman. He works for the post office from 6:30 a. m. until 3:30 p. m. and then goes to one of the plants until midnight.

Mrs. Lafayette Lintz picks rivets in the Stolle plant each day for 8 hours in addition to her home work. Life is pretty bleak for Mrs. Lintz, but the brightest and best thing in it for her is the son she and her husband adopted when he was a baby, who is now grown and has gone off to the war.

No one of Sidney's 97-percent native-born populace is a more "dyed-in-the-wool" Sidneyite than Harry Gilfer, who runs a haberdashery just off Courthouse Square. He says:

I don't think anybody appreciates this country enough.

He had been up all night, working the midnight-to-8 shift at a factory, and, without sleep, had gone to his store.

Mr. Taylor Cummins, an attorney, also is engaged in various defense activities and his wife spends long hours doing hospital work, in addition to helping run the Girl Scouts and the Sidney canteen.

The article concludes:

Sidney has handled, uniquely and with surprising success, the toughest problem war has left on the doorstep of the home front and, in doing it, has blazed a trail which may well be followed in many communities throughout the country.

It is a lesson in self-sacrifice and devotion to our country that places the people of Sidney and Shelby County, Ohio, by the side of our country's heroes from Valley Forge to the Battle of Tu-

nisia, the battle for Australia, and the great battles of the Coral Sea, Midway, and the Solomons.

Everyone of us knows that Washington is the greatest waster of manpower in the world. For Washington to gain this reputation, it takes a lot of individuals who are wasting time on the Federal pay roll, a lot of bureaus that are not contributing directly to the war effort, and a lot of peacetime programs that should have been discontinued long since. I hope that the lesson in the life of our Nation may bring such shame upon the wasters that the still small voice of conscience will compel them to resign from the positions of waste and stand by the side of the civilian army of Sidney and Shelby County, Ohio, to help win this war with the same measure of sacrifice and devotion to our boys on the sixty-odd fighting fronts.

Does it not appear strange to you—ladies and gentlemen of the House—that all the bright young men, with their doctors' degrees that have been enlisted in the war effort at Washington in one expert position after another have never thought of a plan that begins to rise above the gutter along the streets of Sidney, Ohio? Singularly, Elmer Davis and all of his expert writers have never been able to write an epic, dramatize a radio program, or direct a movie that will thrill the hearts of the readers, listeners, or seers like this article describing the homespun, hard-working, horny-handed sons and daughters of toil in the Fourth Congressional District of Ohio. Here is a people that visualized that the enemy is fighting in their main street and they are making their last stand.

It is timely and appropriate as we are considering a bill to raise more taxes than this Nation has ever been able to raise in any single fiscal year previously in the history of our country, that we should stop and appraise the programs of the long-haired professors—of the bright young men with their doctors degrees—of the New Deal bureaus that were born with the labor pains of leaf turning. It might be a lesson for us in Congress, that this war will never be won by the Washington planners who hope to direct the farmers when to sow and reap, by the theorists who see millions of men in a lock step civilian march to their idea of victory, and by the social dreamers who want to use the war to make America over.

No, we will preserve America by the spirit and genius of common men and women, humble, hard-working, honest people whose love of country overshadows hate of anyone else, whose family obligations, born and nurtured in the American way that we have always known in America, compels them to work day and night—every day and night—for our own flesh and blood on the battle fronts of America. Victory will be won on the battle fronts sure enough, but those who supply the sinews of war throughout the length and breadth of the Nation will win the battle of production and supply for those men and women at the fronts. Love of America in their own hearts even as these people have set the pace for the not far distant future when other communities, reading of this glorious performance in Sidney, Ohio, will work to bring glory to their own community in an attempt to overshadow the sacrifice of the people of Sidney. Then, all that the bright young men and the long-haired professors dream of will be cast into oblivion by the performance of all the American people.

Read this article. You will have a more critical view of the wasters on the Federal pay roll, of the foolish efforts of some bureaus. We should highly resolve here that each one of us shall ask ourselves the question each night as we put our head on our pillow, Have we cut out all the red tape, all of the bureaus, all of the useless functions, and all of the time wasters and boondogglers that interfere with the war effort?

EXTENSION OF REMARKS

Mr. COOPER. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made in the Committee of the Whole today and include therein certain tables, excerpts, and material in connection therewith.

The SPEAKER pro tempore (Mr. RAMSPECK). Is there objection to the request of the gentleman from Tennessee?

There was no objection.

THE FORGOTTEN ISLANDS OF LAKE ERIE

Mr. RAMEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. RAMEY. Mr. Speaker, the remarks of Congressman JONES have inspired me to speak about the citizens of the islands of Lake Erie, located in the Ninth District of Ohio. There is a chain of islands there known to a great many as the Forgotten Islands. We have not heard of them and their good works since 1913. They are South Bass Island, on which is located the village of Put-in-Bay, Middle Bass Island, North Bass Island, Ballast Island, Mouse Island, Starve Island, Old Hen and Chickens Islands, Green Island, Sugar Island, and Rattlesnake Island. Perry's victory was fought between Rattlesnake Island and the harbor at Put-in-Bay.

Every boy on these islands is in the war. On Middle Bass Island everyone of war age is in the war. They are cut off from the land ashore except by use of small boats and the plane that carries the mail. I had a letter from a mother the other day who heard her son was lost. When we received word from him and he wrote his mother she did not say, "Get him a commission, get him something soft, get him a desk job." She just said, "I am glad he is there to go on with the cause." This good mother in her devotion to her country said: "Other boys are carrying on. I am glad my boy is."

We do hope the islands are not forgotten. The islands of Lake Erie give more to the war effort and to the United States of America without making a fuss about it, and take less from this country, than any other group that has come to my observation. I am extremely proud of the people of these little islands, so unselfish as to forget themselves and give all.

ENROLLED BILLS SIGNED

Mr. KLEIN, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 1692. An act to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes; and

H. J. Res. 100. Joint resolution extending the time within which certain acts under the Internal Revenue Code are required to be performed.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 7 minutes p. m.) the House adjourned until tomorrow, Friday, March 26, 1943, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE PUBLIC LANDS

There will be a meeting of the Subcommittee on National Homestead Land Laws of the Committee on the Public Lands at 10:30 a. m. Friday, March 26, 1943.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The hearings scheduled for Monday, March 29, 1943, at 10 a. m., to consider charges of waste of space in ships going to north Africa and delays in ship sailings have been postponed indefinitely.

The Subcommittee on Fisheries of the Committee on the Merchant Marine and Fisheries will meet in executive hearing at 10:30 a. m. on Wednesday, March 31, 1943, to consider the matter of price ceilings on fishery products.

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Thursday, April 1, 1943, at 10 a. m., on S. 163 (H. R. 498) to amend section 511 of the Merchant Marine Act, 1936, as amended, relating to ship construction reserve funds, and for other purposes.

As advised in notice of March 10, 1943, Congressman BATES of Massachusetts, patron of the bill H. R. 1766, upon which hearings were scheduled on April 8, 1943, is a member of the Committee on Naval Affairs and of a subcommittee of that committee which has arranged a schedule of hearings throughout the country which will compel Congressman BATES of Massachusetts to be absent from Washington on April 8 and also April 15.

The chairman of the committee and the Commissioner of Fisheries will be out of town on intervening dates, which will necessitate a further postponement of the hearing until May 13, 1943. You are

hereby notified that the hearings scheduled for April 8 and postponed until April 15 have been postponed to Thursday, May 13, 1943, at 10 a. m., at which time the hearings will follow.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

277. A letter from the Secretary of War transmitting a draft of a proposed bill to change certain exemptions relating to the renegotiation of contracts with the War Department, the Navy Department, the Treasury Department, and the Maritime Commission, and subcontracts thereunder, and to require in certain cases the filing of financial statements for each expired fiscal year; to the Committee on Ways and Means.

278. A communication from the President of the United States, transmitting an estimate of appropriation for the Office of Defense Transportation of the Office for Emergency Management for the fiscal year 1944, amounting to $14,900,000 (H. Doc. No. 138); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PATTON: Committee on Accounts. House Resolution 81. Resolution providing for expenses of investigation of activities of Farm Security Administration as provided by House Resolution 80; without amendment (Rept. No. 300). Referred to the House Calendar.

Mr. SABATH: Committee on Rules. House Resolution 98. Resolution to direct the Committee on Interstate and Foreign Commerce to conduct an investigation with respect to contemplated requirements with respect to the labeling, production, marketing, and distribution of articles and commodities; with amendment (Rept. No. 301). Referred to the House Calendar.

Mr. GOSSETT: Committee on Immigration and Naturalization. H. R. 2207. A bill to amend the Nationality Act of 1940; with amendment (Rept. No. 302). Referred to the Committee of the Whole House on the state of the Union.

Mr. MAY: Committee on Military Affairs. S. 222. An act to authorize the Secretary of War to convey to the people of Puerto Rico certain real estate now under the jurisdiction of the United States; without amendment (Rept. No. 303). Referred to the Committee of the Whole House on the state of the Union.

Mr. MAY: Committee on Military Affairs. S. 223. An act to authorize the exchange of lands between the War Department and the Department of the Interior; without amendment (Rept. No. 304). Referred to the Committee of the Whole House on the state of the Union.

Mr. MAY: Committee on Military Affairs. S. 224. An act to authorize the exchange of lands in the city of Philadelphia, Pa., between the War Department and the city of Philadelphia, trustee under the will of Stephan Girard, deceased; without amendment (Rept. No. 305). Referred to the Committee of the Whole House on the state of the Union.

Mr. MAY: Committee on Military Affairs. S. 427. An act to provide additional pay for personnel of the Army of the United States assigned to diving duty; without amendment (Rept. No. 306). Referred to the Committee of the Whole House on the state of the Union.

Mr. MAAS: Committee on Naval Affairs. H. R. 1364. A bill to amend the Naval Reserve Act of 1938, as amended; with amendment (Rept. No. 307). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLACKNEY: Committee on Naval Affairs. H. R. 2018. A bill to authorize certain officers of the Navy, Marine Corps, and Coast Guard to act as notaries public during the existence of war or a national emergency and 6 months thereafter; without amendment (Rept. No. 308). Referred to the Committee of the Whole House on the state of the Union.

Mrs. SMITH of Maine: Committee on Naval Affairs. H. R. 2168. A bill to amend sections 6 and 11 of the act approved July 24, 1941, entitled "An act authorizing the temporary appointment or advancement of certain personnel of the Navy and Marine Corps, and for other purposes," as amended, to provide for the grade of commodore, and for other purposes; with amendment (Rept. No. 309). Referred to the Committee of the Whole House on the state of the Union.

Mr. RIVERS Committee on Naval Affairs. H. R. 2198. A bill to amend the act of March 3, 1909, as amended by the act of January 23 1942, providing for the sale of naval stores, in order to authorize the Secretary of the Navy to permit the sale of naval stores in the continental United States during the war and 6 months thereafter to civilian officers and employees of the United States, and to other persons at stations where purchase from private agencies is found to be impracticable; without amendment (Rept. No. 310). Referred to the Committee of the Whole House on the state of the Union.

Mr. MAY: Committee on Military Affairs. H R. 905. A bill to release all the rights, title, and interest of the United States in certain land constituting a portion of the tract of land conditionally granted to the County of Los Angeles, State of California, under the act of March 24, 1933, as amended; without amendment (Rept. No. 311). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. SUMNERS of Texas:

H. R. 2295. A bill to exempt certain officers and employees of the United States from certain provisions of the Criminal Code and Revised Statutes; to the Committee on the Judiciary.

By Mr. VOORHIS of California:

H. R. 2296. A bill to amend subsection (i) of part II of section 4 of the Bituminous Coal Act of 1937, as amended; to the Committee on Ways and Means.

By Mr. KENNEDY:

H. R. 2297. A bill to extend gratuitously policies of insurance issued by the War Damage Insurance Corporation for 1 year; to the Committee on Banking and Currency.

H. Con. Res. 15. Concurrent resolution to express the sentiment of the Congress regarding War Damage Corporation policies of insurance; to the Committee on Banking and Currency.

By Mr. EBERHARTER:

H. Res. 185. Resolution requesting the President to transmit certain information with respect to the approval or disapproval of priority applications; to the Committee on Military Affairs.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States requesting Federal assistance with regard to highway construction in the Territory of Hawaii; to the Committee on Roads.

Also, memorial of the Legislature of the State of Nevada, memorializing the President and the Congress of the United States not to enact legislation concerning commercial and private air commerce and aviation until such time as the present war has been concluded; to the Committee on Interstate and Foreign Commerce.

Also, memorial of the Legislature of the State of Arkansas, memorializing the President and the Congress of the United States to take the necessary action to provide for the continued operation of the hot lunch projects in the public schools of our State; to the Committee on Appropriations.

Also, memorial of the Legislature of the State of Wisconsin, memorializing the President and the Congress of the United States to supply butter to our armed forces and to our allies so as to safeguard the dairy industry; to the Committee on Foreign Affairs.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to make appropriations for the endowment and maintenance of the agricultural experiment station of the Territory of Hawaii; to the Committee on Agriculture.

Also, memorial of the Legislature of the State of North Dakota, memorializing the President and the Congress of the United States to authorize the Indians to elect their Commissioner of Indian Affairs; to the Committee on Indian Affairs.

Also, memorial of the Legislature of the State of Washington, memorializing the President and the Congress of the United States to pass legislation to collect taxes monthly as the money is earned; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Michigan, memorializing the President and the Congress of the United States to effect a substantial increase in the price of copper, iron, and other strategic metals; to the Committee on Banking and Currency.

Also, memorial of the Legislature of the State of Arizona, memorializing the President and the Congress of the United States to enact legislation to prohibit the maintenance of any school which is taught or conducted in a foreign language, except in an incidental study included in a curriculum sanctioned by law; to the Committee on Education.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. GRANT of Indiana:

H. R. 2298. A bill for the relief of George H. Hines, Jr.; to the Committee on World War Veteran's Legislation.

By Mr. HAYS:

H. R. 2299. A bill conferring jurisdiction upon the United States District Court for the Eastern District of Arkansas to hear, determine, and render judgment upon the claims of W. M. Hurley and Joe Whitson; to the Committee on Claims.

By Mr. KELLEY:

H. R. 2300. A bill for the relief of Rose B. Luzar; to the Committee on Claims.

H. R. 2301. A bill granting an increase of pension to Herbert B. Holloway; to the Committee on Invalid Pensions.

By Mr. LYNCH:

H. R. 2302. A bill granting an increase of pension to Elizabeth A. Axson; to the Committee on Pensions.

By Mr. LANHAM:

H. R. 2303. A bill for the relief of O. W. James; to the Committee on Claims.

By Mr. ROWAN:

H. R. 2304. A bill for the relief of Harry Tansey; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

346. By Mr. GRAHAM: Petition of the Lawrence County (Pa.) Pomona Grange, No. 65, urging the Congress of the United States to do all in their power to relieve agriculture, industry, and labor from all unnecessary restrictions and keep as many skilled workers where they can serve their country best, realizing that one experienced farmer can produce as much as four inexperienced workers; to the Committee on Agriculture.

347. By Mr. GOODWIN: Petition of the Universalist Club of Boston, urging our Senators, Representatives, and the State Department that they use all their power to persuade the Government of Great Britain to allow all Jews to use Palestine as a refuge; to the Committee on Foreign Affairs.

348. Also, petition of the Saugus Council of Churches, urging our Senators, Representatives, and the State Department that they use all their power to persuade the Government of Great Britain to allow Jews to use Palestine as a refuge; to the Committee on Foreign Affairs.

349. By Mr. SHORT: Petition of the Sixty-second General Assembly of Missouri, memorializing the Congress of the United States to amend the Federal Social Security Act to the effect that any citizen may obtain information concerning names and amounts of payments made under this act; to remove limitations and conditions placed upon the States; and permit exercise of greater authority by State and local boards in administration and payment of assistance to the needy; to the Committee on Ways and Means.

350. By Mr. SMITH of Wisconsin: Petition of the Racine Real Estate Board, Racine, Wis.; to the Committee on Ways and Means.

351. Also, petition of the State of Wisconsin; to the Committee on Foreign Affairs.

352. By Mr. STEARNS of New Hampshire: Joint resolution of the General Court of the State of New Hampshire endorsing the Ruml plan; to the Committee on Ways and Means.

353. By Miss STANLEY: Petition of Saxon Bede and others, concerning the recognition of Korea as an independent republic; to the Committee on Foreign Affairs.

354. By Mr. RABAUT: Petition of the legislative action conference of the Greater Detroit and Wayne County Congress of Industrial Organizations urging free transportation for soldiers on furlough; to the Committee on Military Affairs.

355. Also, petition of the legislative action conference of the Greater Detroit and Wayne County Congress of Industrial Organizations, urging incentive payments to farmers; to the Committee on Agriculture.

356. By Mr. THOMAS of New Jersey: Petition of the New Jersey Implement Dealers and New Jersey Farm Bureau, requesting that the establishment of prices upon products produced on the farm be the direct responsibility of the Secretary of Agriculture and it will be his duty to establish prices monthly for all basic commodities; to the Committee on Agriculture.

SENATE

FRIDAY, MARCH 26, 1943

(Legislative day of Tuesday, March 23, 1943)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

The Chaplain, the Reverend Frederick Brown Harris, D. D., offered the following prayer:

Eternal God, Thou hast made us heirs of all the ages. For us every poet has sung until now, for us every prophet has prophesied and the martyrs have glorified Thee in radiant lives of selfless service. At our feet every inventor, every explorer, every scientist, has laid the harvest of his patient seeking.

We give Thee thanks for those shining souls whose vision saw ends too great to be reached in their own lifetime and whose courage and faith enabled them to go down to defeat with causes that were destined to win. With eager steps and glad may we follow in the train of the pathfinders of humanity, as we break new seas, confident that time's mirror is turned forward to reflect the glories of the future, not the past. In the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. GREEN, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, March 25, 1943, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

CALL OF THE ROLL

Mr. GREEN. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore (Mr. LUCAS). The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Green	O'Mahoney
Austin	Guffey	Overton
Bailey	Gurney	Reed
Bali	Hatch	Revercomb
Bankhead	Hawkes	Reynolds
Barkley	Hayden	Robertson
Bone	Holman	Russell
Brewster	Johnson, Calif.	Scrugham
Bridges	Johnson, Colo.	Shipstead
Brooks	Kilgore	Smith
Buck	La Follette	Stewart
Burton	Langer	Thomas, Idaho
Bushfield	Lodge	Thomas, Okla.
Butler	Lucas	Thomas, Utah
Byrd	McCarran	Truman
Capper	McClellan	Tunnell
Caraway	McFarland	Tydings
Chavez	McKellar	Vandenberg
Clark, Mo.	McNary	Van Nuys
Connally	Maloney	Wagner
Davis	Maybank	Wallgren
Downey	Mead	Wherry
Eastland	Millikin	White
Ellender	Moore	Wiley
Ferguson	Murdock	Willis
George	Murray	Wilson
Gerry	Nye	
Gillette	O'Daniel	

Mr. BARKLEY. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from Mississippi [Mr. BILBO], and the Senator from Virginia [Mr. GLASS] are absent from the Senate because of illness.

The Senator from Kentucky [Mr. CHANDLER] is out of the city on official business for the Committee on Military Affairs.

The Senator from Idaho [Mr. CLARK], the Senator from Alabama [Mr. HILL], the Senator from Florida [Mr. PEPPER], the Senator from Maryland [Mr. RADCLIFFE], and the Senator from Massachusetts [Mr. WALSH] are detained on important public business.

The Senator from Montana [Mr. WHEELER] is necessarily absent.

Mr. McNARY. The Senator from New Jersey [Mr. BARBOUR] is absent because of illness.

The Senator from New Hampshire [Mr. TOBEY] is absent because of illness in his family.

The Senator from Ohio [Mr. TAFT] is necessarily absent.

The ACTING PRESIDENT pro tempore. Eighty-two Senators having answered to their names, a quorum is present.

NOTICE OF HEARING ON NOMINATION OF CLARENCE MULLINS TO BE JUDGE, NORTHERN DISTRICT OF ALABAMA

Mr. McCARRAN. Mr. President, in accordance with the rule of the Committee on the Judiciary, I desire to make an announcement.

The Committee on the Judiciary has received the nomination of Clarence Mullins, of Alabama, to be judge of the District Court of the United States for the Northern District of Alabama—a new position.

As chairman of the subcommittee appointed to consider this nomination and as required by a rule of the committee, I announce that Friday, April 2, 1943, at 10:30 a. m., has been set for a hearing in the Senate Judiciary Committee room on this nomination. At that time and place all interested parties may make representations to the committee.

EXECUTIVE COMMUNICATION

The ACTING PRESIDENT pro tempore laid before the Senate a letter, which was referred as indicated:

SECOND QUARTERLY REPORT, WAR RELOCATION AUTHORITY

A letter from the Director of the War Relocation Authority, transmitting, pursuant to law, the second quarterly report of the Authority covering the period from July 1 to September 30, 1942 (with an accompanying report); to the Committee on Military Affairs.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A letter in the nature of a petition from the Longshoremen's Union of San Juan, P. R. (affiliated with the Free Federation of Labor, State Branch of the A. F. of L.), praying that relief, pecuniary or otherwise, be granted to the longshoremen of the island of Puerto Rico; to the Committee on Territories and Insular Affairs.

A concurrent resolution of the General Assembly of the State of Iowa; to the Committee on Agriculture and Forestry:

"House Concurrent Resolution 18

"Whereas apparently there has been no determination made by responsible officers of the Government of the total required production of essential food and fiber for the duration of the war and for the reconstruction period following the war; and

"Whereas food and fiber goals have thus far been established only on a short time basis; and

"Whereas the War Manpower Commission was created for the purpose of analyzing and giving proper weight to the minimum manpower requirements of all war industries

including agriculture, the armed forces and the necessary civilian economy; and,

"Whereas although several months have elapsed since the creation of said Manpower Commission, the drain of agriculture's trained manpower into industry and the armed forces through the Selective Service System, continues at substantially the previous rate, notwithstanding the fact that thousands of auction sales have been held and that breeding herds of sheep, hogs, and both beef and dairy cattle continue to be reduced through shipment to market as a result of the manpower shortage already existing throughout this area; and

"Whereas notwithstanding the fact that agriculture in the Great Plains area normally renews completely its mechanized equipment every 10 years, and the further fact that the whole Middle West has just come through a 10-year period of depressed times which made normal replacement difficult, thus multiplying the minimum requirements for both new machinery and repair parts, and,

"Whereas notwithstanding the recent increase over previous allocations of iron and steel for farm equipment granted by the War Production Board, there may reasonably be reduced acreage as compared to 1942 for the combined reasons of manpower shortage and inadequate machinery and repair parts; and

"Whereas Iowa now has thousands of its young men serving in the armed forces and being almost wholly an agricultural State, it is self-evident that a very large percentage of any subsequent drains on our manpower have and must come from our farms; and

"Whereas if Iowa is to contribute her best in this prosecution of this total war, it can only be done through maximum utilization of its one great resource, namely, agriculture; and

"Whereas this can be done only if immediate and realistic consideration, followed by positive action, be given to minimum requirements of our farmers in the fields. Manpower, machinery, repair parts, tires, gasoline credit availability, credit cost, nonrecourse production, loans, equitable relationship between price floors and ceiling to production costs to the added risks incident to the efforts to meet expanding production goals under wartime conditions, the apparent necessity for lifting all acreage restrictions on wheat and other commodities as has been done for corn: Now, therefore, be it

"Resolved by the house of representatives (the senate concurring), That we earnestly recommend and ask that the Senate Committee on Agriculture and Forestry make an immediate and thorough investigation of all the agricultural 'musts' to the end that the requirements of sufficient manpower, sufficient current credit, proper price relationship between production costs, ceilings, and floors, sufficient farm machinery and repair parts, gasoline, rubber, fertilizer, and other necessary supplies be definitely determined on a long-time basis, not only for the war years, but for the reconstruction period following the war, and allotted to agriculture so that sufficient food and fiber may be forthcoming to meet increasingly expanding goals and to supply the requirements of our armed forces, the civilian population, the lend-lease commitments to the Allied Nations, and food for occupied countries and that such investigation include the careful weighing and consideration of the inter-relationship and division of authority and responsibility among the following agencies in connection with such determination: United States Department of Agriculture, Office of Price Administration, War Production Board, War Manpower Commission, Office of Petroleum Coordinator; be it further

"Resolved, That a copy of this resolution be transmitted to each Member of Congress from Iowa, Presiding Officer of the Senate, Speaker of the House of Representatives, Secretary of the United States Department of Agriculture, Office of Price Administration, chairman of the Senate Committee on Agriculture and Forestry."

A concurrent resolution of the General Assembly of the State of Iowa; to the Committee on the Judiciary:

"House Concurrent Resolution 26

"Be it resolved by the house (the senate concurring), That the Congress of the United States call a convention, in pursuance of the provisions of article V of the Constitution of the United States, for the purpose of proposing an amendment to the said Constitution, prohibiting the President of the United States from serving more than two terms of 4 years each; unless, in lieu thereof, the Congress, in its wisdom, shall elect to submit to the several States a proposed amendment to said Constitution, providing for the said limiting of the tenure of office of any President of the United States to two terms of 4 years each, subject to ratification by three-fourths of the States in manner provided; be it further

"Resolved, That copies of this resolution be transmitted to the President of the United States, to the President of the Senate and the Speaker of the House of Representatives of Congress, and to the Iowa Members in the Senate and House of Representatives of Congress."

A concurrent resolution of the General Assembly of the State of Iowa; to the Committee on Military Affairs:

"House Concurrent Resolution 25

"Concurrent resolution memorializing the Congress of the United States to lift the priorities and restrictions on dry-cell batteries

"Whereas telephones and radios in rural and farm communities are of great convenience and of practical necessity in securing information relative to farm work, livestock marketing, and community affairs necessary in the war effort and conserving rubber; and

"Whereas the restrictions and priorities placed on these commodities by the Federal Government have resulted in great inconveniences to farmers and residents of rural communities, thereby retarding the war effort: Now, therefore, be it

"Resolved by the House of Representatives of the State of Iowa (the Senate concurring), That we respectfully urge and memorialize Congress to lift the priorities and restrictions on batteries used for rural telephones, radios, and electric fences, to the end that a sufficient supply of such commodities may be made available to rural communities.

"That copies of this resolution be transmitted to the President of the Senate and the Speaker of the House of Representatives, the War Production Board, and to the Iowa Members of the Senate and House of Representatives in Congress."

A resolution of the House of Delegates of the State of Maryland; to the Committee on Finance:

"House resolution requesting the elimination of tariffs on foodstuffs shipped into the United States, during the present emergency

"Whereas there now exists in this country an acute food shortage, which arises out of the fact that we are shipping about one-fourth of our foodstuffs to our armed forces and to other of the United Nations; and

"Whereas it has come to our attention that a food surplus exists in certain other countries adjacent to ours, notably the Republic of Mexico; and

"Whereas a large tariff on the importation of foodstuffs from other countries increases the cost to consumers of such foodstuffs; and

"Whereas the importation and utilization of this food surplus is therefore not availed of by this country due to the fact that these high tariff barriers make it economically impractical to import the said foodstuffs in any large extent; and

"Whereas it is highly desirable that our country at the present time avail itself of all possible food resources in order to alleviate the food shortage currently present and thereby to raise the standard of nutrition and diet of our people and to release more of our foodstuffs for the use of our armed forces and valiant allies: Therefore be it

"Resolved by the House of Delegates of Maryland, That the Secretary of State of the United States and the Congress of the United States be and they are hereby requested to take such action as they may deem necessary to effect the elimination of tariffs on all foodstuffs imported into this country during the emergency of the present war; and be it further

"Resolved, That the chief clerk of the house be, and he is hereby, directed to send a copy of this resolution to the Secretary of State of the United States, the President of the United States Senate, the Speaker of the House of Representatives, and to the Members of the Congress of the United States from the State of Maryland."

A concurrent resolution of the General Assembly of the State of Illinois; to the Committee on the Judiciary:

"Senate Joint Resolution 8

"Whereas article 5 of the Constitution of the United States provides as follows:

"'The Congress, whenever two-thirds of both Houses shall deem it necessary, shall propose amendments to this Constitution; or, on the application of the legislatures of two-thirds of the several States, shall call a convention for proposing amendments, which in either case, shall be valid to all intents and purposes, as part of this Constitution, when ratified by the legislatures of three-fourths of the several States, or by conventions in three-fourths thereof, as the one or the other mode of ratification may be proposed by the Congress; provided that no amendment which may be made prior to the year 1808 shall in any manner affect the first and fourth clauses in the ninth section of the first article; and that no State, without its consent, shall be deprived of its equal suffrage in the Senate'; and

"Whereas from the foregoing it is obvious that State legislatures may apply to the Congress of the United States for the calling of a convention to propose amendments to the Constitution of the United States, subject to ratification by the legislatures or conventions of three-fourths of the States, as provided; and

"Whereas, an elective term of office of the President of the United States is limited to 4 years by the Constitution of the United States, without any present restrictions of provisions as to the number of terms, successive or otherwise, for which a President may be elected; and

"Whereas George Washington, Thomas Jefferson, Abraham Lincoln, and other great American statesmen of immortal memory held inviolate the sanctity of American tradition that no President of the United States ought to serve in that high office longer than two terms of 4 years each; and

"Whereas the office of the Presidency embodies and personifies an immense, growing, and encompassing authority, as exercised by the Executive Branch of the National Government, and for that reason ought to reflect American opportunity of attainment, without restricting high favor to the few, yet admit of such wholesome modifications of national policy as the American people, in their rightful progress, shall be entitled to, in perpetuity of the American order of life; and

"Whereas in the years to come, the necessity for strong and undissipated American perspectives, traditions, and practices, exemplified by such leaders as Washington, Jefferson, and Lincoln, will transcend personal and partisan interests, if the Republic of the United States of America is to continue to live and function as a leader of world civilization; and

"Whereas 44 State legislatures are in session this year, and 8 additional State legislatures, including those that convene annually, will be in session in 1944: Therefore be it

"*Resolved*, That the Senate of the Sixty-third General Assembly of the State of Illinois, the House of Representatives concurring herein, do and hereby apply to, and petition, the Congress of the United States to call a convention, in pursuance of the provisions of article 5 of the Constitution of the United States, for the purpose of proposing an amendment to the said Constitution, prohibiting any President of the United States from serving more than two terms of 4 years each; unless, in lieu thereof, the Congress, in its wisdom, shall elect to submit to the several States a proposed amendment to the said Constitution, providing for the said limiting of the tenure of office of any President of the United States to two terms of 4 years each, subject to ratification by three-fourths of the States, in manner provided; and be it further

"*Resolved*, That copies hereof be transmitted to the legislatures of all other States of the Union, inviting those of like mind to pursue the course herein provided, to the end that a determination of this vital issue may be had and, if consummated, incorporated as the twenty-second amendment to the Constitution of the United States, at as early a date as State ratification and constitutional procedure shall make possible."

A joint resolution of the Legislature of the Territory of Hawaii; to the Committee on Territories and Insular Affairs:

"Senate Joint Resolution 2

"Joint resolution memorializing the Congress of the United States of America to make appropriations for the endowment and maintenance of the Agricultural Experiment Station of the Territory of Hawaii in accordance with the provisions of the act of Congress entitled 'An act to extend the benefits of certain acts of Congress to the Territory of Hawaii,' approved May 16, 1928 (43 Stat. L. 571)

"Whereas the act of Congress entitled 'An act to extend the benefits of certain acts of Congress to the Territory of Hawaii,' approved May 16, 1928 (45 Stat. L. 571), provides that the Territory of Hawaii shall be entitled to share in the benefits of the Hatch Act (24 Stat. L. 440), as amended and supplemented by the Adams Act (34 Stat. L. 63) and the Purnell Act (agricultural experiment stations) (43 Stat. L. 970), and authorizes certain sums to be appropriated for the endowment and maintenance of an agricultural experiment station in the Territory of Hawaii; and

"Whereas the amounts authorized to be appropriated by said act of May 16, 1928, and those actually appropriated by the Congress have been as follows:

Fiscal year—	Amount authorized	Amount appropriated	Difference	Accumulated deficit
1930	$15,000	$15,000		
1931	20,000	20,000		
1932	22,000	22,000		
1933	24,000	24,000		
1934	26,000	26,000		
1935	28,000	28,000		
1936	30,000	30,000		
1937	50,000	50,000		
1938	60,000	50,000	−$10,000	$10,000
1939	70,000	55,000	−15,000	25,000
1940	80,000	60,000	−20,000	45,000
1941	90,000	67,500	−22,500	67,500
1942	90,000	67,500	−22,500	90,000
1943	90,000	67,500	−22,500	112,500

"and

"Whereas by reason of deficiencies in the appropriations for the fiscal years 1938 to 1943, inclusive, there is at present an accumulated deficit of $112,500 which the Territory was entitled to be granted under the said act of May 16, 1928; and

"Whereas the loss of $112,500 which would have been utilized for diversified agricultural research over the past 6 years would have aided materially in facing the present crisis; and

"Whereas all States, regardless of size, importance, nearness to Federal research centers or other factors, receive $90,000 a year from the Federal Government for the support of their agricultural experiment stations; and

"Whereas the Hawaii agricultural experiment station is provided with a technical staff of highly trained men, land, buildings, laboratories, and other facilities for conducting agricultural research in the manner provided in the several acts of Congress; and

"Whereas the Territory is bearing a larger portion of the cost of maintenance of its agricultural experiment station than many of the States; and

"Whereas in this time of national emergency, because of the isolation of the Territory, the production of food and feed crops is next in importance only to the maintenance of the armed forces in the Territory, if, indeed, it can be distinguished as a separate problem; and

"Whereas the production of food crops and the development of an economically sound program of diversification of crops requires continuous, intensive, and detailed research; and

"Whereas such deficiencies in appropriations represent important research which might have been accomplished, such as development of adapted varieties, improved cultural practices, new methods of disease and insect control, greater utilization of local feeds and byproducts, control of poultry and livestock parasites and diseases, etc.; and

"Whereas the Hawaii Agricultural Experiment Station needs a greatly increased endowment to pay the necessary expenses of conducting the investigations and making the experiments upon which an adequate program of seed and food production can be based; and

"Whereas in view of the strategic position of the Territory, the agricultural problems of the Territory are of national concern as well as of vital importance to the welfare of the people of the Territory: Now therefore,

"*Be it enacted by the Legislature of the Territory of Hawaii*—

"SECTION 1. That the Congress of the United States of America be, and it hereby is, urgently requested (1) to give careful consideration to the facts hereinbefore set forth, and (2) to maintain the increased appropriation made in the Federal Budget to the Territory of Hawaii for its agricultural experiment station as authorized by the said act of May 16, 1928.

"SEC. 2. That duly authenticated copies of this joint resolution shall be forwarded to the President, the Secretary of Agriculture, the Secretary of the Interior, the President of the Senate, and the Speaker of the House of Representatives of the Congress of the United States, and to the Delegate to Congress from Hawaii.

"SEC. 3. This joint resolution shall take effect upon its approval."

By Mr. CAPPER:

A petition of sundry citizens of Independence, Cherryvale, and Jefferson, all in the State of Kansas, praying for the enactment of Senate bill 860, relating to the sale of alcoholic liquors to the members of the land and naval forces of the United States; to the Committee on Military Affairs.

CONCURRENT RESOLUTION OF SOUTH CAROLINA LEGISLATURE—ARMY PHARMACY CORPS

Mr. MAYBANK. Mr. President, I ask unanimous consent to present and to have printed in the body of the RECORD and appropriately referred a concurrent resolution passed by the General Assembly of the State of South Carolina.

There being no objection, the concurrent resolution was referred to the Committee on Military Affairs, and, under the rule, ordered to be printed in the RECORD, as follows:

Concurrent resolution memorializing the Congress of the United States to take such action as necessary to create a pharmacy corps in the United States armed forces

Whereas there is now pending in the Congress of the United States House bill No. 997 and Senate bill No. 216, to create a pharmacy corps in the United States Army; and

Whereas there is a definite need in this war emergency for the capable handling of drugs, medicines, and pharmaceuticals which are now used in the treatment of disease of our boys and girls in the armed forces; and

Whereas at the present time there is no law providing for the creation of such a pharmacy corps: Now, therefore, be it

Resolved by the House of Representatives of South Carolina (the Senate concurring), That we memorialize the Congress of the United States to put forth every effort to see these two bills enacted into law; and be it further

Resolved, That a copy of this resolution be sent to the President of the United States, the chairman of the Military Affairs Committee of the Senate and House, and to the congressional delegation of South Carolina.

AUSTIN-WADSWORTH WAR SERVICE BILL—RESOLUTION OF FARM GROUP AT SHEYENNE, N. DAK.

Mr. LANGER. Mr. President, I ask consent to present for appropriate reference and printing in the RECORD at this point a letter from J. H. Moe, acting secretary of a group of farmers in Sheyenne, N. Dak., embodying a resolution expressing opposition to the enactment of the so-called Austin-Wadsworth bill.

There being no objection, the letter embodying a resolution was referred to the Committee on Military Affairs and ordered to be printed in the RECORD, as follows:

NEW ROCKFORD, N. DAK., *March 23, 1943.*
Hon. WILLIAM LANGER,
Washington, D. C.

DEAR MR. LANGER: A group of us farmers met at Sheyenne, N. Dak., March 22, 1943, and considered the Austin-Wadsworth bill now pending before United States Congress, and from that passed the following resolution:

"*Be it resolved*, That we are unalterably opposed to the above Austin-Wadsworth bill because it is fundamentally opposed to the Declaration of Independence * * * it threatens the freedom of free men and women in a democracy; further, it is a long step toward fascism and dictatorship.

"We, therefore, request your strongest opposition to the above bill."

War crops, prices of farm produce, etc., was discussed also, and the sentiment seems unanimous that the farmers want some kind of incentive payments for the production of those war crops and not labor plus cost of production price.

Yours truly,

J. H. MOE,
Acting Secretary.

FOOD PRODUCTION AND WORK OF FARM SECURITY ADMINISTRATION—LETTER FROM E. K. DEAN, PRESIDENT OF KANSAS FARMERS UNION

Mr. CAPPER. Mr. President, I ask unanimous consent to present for appropriate reference a letter just received

by me from Mr. E. K. Dean, president of the Kansas Farmers Union.

While I have the floor I desire to supplement Mr. Dean's letter by stating that, in my judgment, the Farm Security Administration has done a good job of rehabilitation for thousands of farmers who have been in difficulty. I think there is a place for the Farm Security Administration in our governmental set-up, and I am not in sympathy with the efforts being made to destroy the F. S. A. But, on the other hand, it has seemed to me that during this war emergency there has been an attempt made to spread the F. S. A. over too much territory. This is a time, as I see it, to contract, rather than expand, governmental agencies which serve a very useful purpose in times of depression but whose activities are not so necessary in periods of inflation.

I know and have a very great respect for Mr. Dean, and present his views to the Senate with the recommendation that they are entitled to very thoughtful and sympathetic consideration. I ask that his letter be printed as part of my remarks at this point.

There being no objection, the letter was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

THE FARMERS EDUCATIONAL AND COOPERATIVE UNION OF AMERICA,
Salina, Kans., March 22, 1943.

Senator ARTHUR CAPPER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR CAPPER: This is to advise you that the Kansas Farmers Union is deeply interested in the action taken by Congress on the appropriation for funds to recruit farm labor, the action Congress will take on appropriations for Farm Security Administration, and the release of Government-owned wheat for feed.

Thousands of farm families in Kansas could increase their production of the badly need meat animals, dairy and poultry products, and other necessary crops, if they could secure adequate finances and the necessary farm labor. Whether they get the finances and manpower or not is up to the Congress of the United States.

We urge you to lend all of your influence to the support of the Farmers Union request of $1,000,000,000 for Farm Security, so they can recruit the manpower necessary to thousands of farms in Kansas alone if they are to maintain their present rate of production and adequately finance the 1,850,000 underfinanced and underemployed farm families in this country. We urge you to use all of your influence to secure favorable action for the release of Government-owned stocks of wheat for feed on the same basis or a similar program to that of last year.

People in Kansas are already beginning to ask why American agriculture can't meet our food requirements. As rationing covers more and more food items, their demand for an explanation will be louder and louder. Our organization has accepted the responsibility of acquainting Kansas people as to where the stumbling blocks in our food-production program lay.

We want to call to your attention the March 1 issue of the National Union Farmer which you received; we urge you to read it thoroughly. It would take thousands of similar papers to unfold all the good work done by Farm Security in the past, and that record is a mere pittance of what can be accomplished by Farm Security in the war-food-production program, if they are furnished adequate funds and in time.

The words of Secretary Wickard, "Food will win the war and write the peace," will be as hollow as a rain barrel unless the underfinanced, underequipped, and underemployed farmers in this country are brought into full production, along with supplying the necessary manpower and equipment for the families and farms in full production now so they can continue.

Sincerely yours,

KANSAS FARMERS UNION,
E. K. DEAN, *President.*

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MEAD, from the Committee on Civil Service:

S. 635. A bill to provide for the payment of overtime compensation to Government employees, and for other purposes; with an amendment in the nature of a substitute (Rept. No. 142).

By Mr. CLARK of Missouri, from the Committee on Finance:

S. 903. A bill to amend section 602 (d) (1) of the National Service Life Insurance Act of 1940, as amended; with amendments (Rept. No. 143).

ENROLLED BILLS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on March 25, 1943, that committee presented to the President of the United States the enrolled bill (S. 17) to provide for a temporary increase of the District of Columbia government and the White House Police force.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. NYE:

S. 926. A bill to amend the Fair Labor Standards Act of 1938, as amended, to make its provisions relating to minimum wages and maximum hours inapplicable to persons employed as outside buyers; to the Committee on Education and Labor.

By Mr. THOMAS of Oklahoma:

S. 927. A bill relating to the disability compensation and allowances of certain veterans who are totally and permanently disabled as a result of tuberculosis; to the Committee on Finance.

S. 928. A bill for the relief of Harry W. Robertson; to the Committee on Military Affairs.

SALE OF PUBLIC LANDS GRANTED TO STATE OF IDAHO—RECOMMITTAL OF BILL

Mr. THOMAS of Idaho. Mr. President, I ask unanimous consent that Senate bill 479, relating to the sale of public lands granted to or vested in the State of Idaho by the act of July 3, 1890, be recommitted to the Committee on Public Lands and Surveys. The bill was introduced by my colleague [Mr. CLARK] and affects Idaho only. For myself and on behalf of my colleague I ask that the bill be recommitted.

Mr. McNARY. Mr. President, I wish to say that I know that the request for recommittal of the bill comes as a joint request from the able senior Senator from Idaho [Mr. CLARK] and his colleague the junior Senator from Idaho [Mr. THOMAS].

The ACTING PRESIDENT pro tempore. Is there objection to the request made by the Senator from Idaho? The Chair hears none, and it is ordered that the bill be recommitted.

REQUEST FOR RETURN FROM THE PRESIDENT OF SENATE BILL INCREASING PAY OF DISTRICT OF COLUMBIA POLICEMEN AND FIREMEN

Mr. McCARRAN. Mr. President, I submit a Senate concurrent resolution which I ask to have stated.

The ACTING PRESIDENT pro tempore. The resolution will be stated.

The legislative clerk read the concurrent resolution (S. Con. Res. 11), as follows:

Resolved by the Senate (the House of Representatives concurring), That the President of the United States be, and he is hereby, requested to return to the Senate the enrolled bill (S. 17) to provide for a temporary increase in compensation for certain employees of the District of Columbia government and the White House Police force; that if and when the said bill is returned by the President, the action of the presiding officers of the two Houses in signing the said bill be deemed to be rescinded; and that the Secretary of the Senate be, and he is hereby, authorized and directed, in the reenrollment of the said bill, to make the following corrections, namely, on page 1, line 11, of the engrossed House amendment, after the word "Government", insert a comma; and on page 2, line 1, of the said engrossed amendment, after the word "purpose", insert a comma.

Mr. McCARRAN. Mr. President, I wonder if just a word of explanation would not be in order. Senate bill 17 passed both Houses some days ago and went to the Executive Office. Somewhere along the line two commas were dropped from the text. In order to have the bill read as it was intended to be read when it came from the House, it is necessary to make the correction by having the two commas inserted. That is all.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution was considered and agreed to.

TRANSPORTATION STUDIES BY INTERSTATE COMMERCE COMMISSION

Mr. STEWART. Mr. President, I ask unanimous consent to submit, out of order, the resolution which I send to the desk. I ask that it be read.

The resolution (S. Res. 119) was read, as follows:

Whereas the Congress has made appropriations to the Interstate Commerce Commission for the purpose of ascertaining the costs of transportation in connection with the services of the several public transportation agencies subject to regulation; and

Whereas the results of such work, particularly as they relate to the development of adequate cost-finding formulas, are of general public interest: Therefore be it

Resolved, That the Interstate Commerce Commission be requested to file with the Senate as soon as practicable such of the studies of its cost-finding experts as may now be suitable for publication in documentary form and that when so filed such material be published and disseminated as a Senate document or documents.

Mr. STEWART. Mr. President, the report of the Interstate Commerce Com-

mission is based upon a study which it was directed by the Congress in Senate bill 2009, I believe, to make, and for which money was later appropriated. Under the terms of that bill the Commission was not required to file its report with the Congress or to report to the Congress. However, it has made a very exhaustive study of the costs of transportation throughout the Nation. While I have not seen the entire document, and it is not in shape to be presented here today, I understand that it is a very valuable contribution to the study of the transportation question and contains information which everyone interested in the problem should have. I think it should be made a Senate document and printed at public expense.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. STEWART. I yield.

Mr. BARKLEY. As I understand the situation, the Commission was ordered by the Congress to make the investigation, for which an appropriation was made, but the Commission was not required to report its findings to the Congress.

Mr. STEWART. That is correct.

Mr. BARKLEY. Therefore it would not only be under no obligation to do so without a resolution, but it would have no reason to send to the Senate or to the House the compilation which it is preparing. Therefore, in order that we may have the data available for the Congress and for the public, the Senator wishes, when it is available, to have it made a Senate document.

Mr. STEWART. That is correct.

Mr. BARKLEY. I think the information will be very helpful, and I hope the resolution will be agreed to.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

MANUFACTURE OF RUBBER FROM GRAIN AND PETROLEUM — TEMPORARY DISCONTINUANCE OF INTERVAL REPORTS BY RUBBER DIRECTOR

Mr. WILLIS. Mr. President, in keeping with provisions of a Senate resolution which I submitted and which was agreed to by the Senate during the Seventy-seventh Congress, the Rubber Director has submitted one report to the Senate, and is about to submit a second report, outlining in some detail various aspects of the progress being made by the Rubber Director's office toward accomplishment of its natural-rubber and synthetic-rubber goals. However, on several occasions I have been informed by the Rubber Director's office that for one reason or another it is not possible to make available figures clearly showing the contrast between the cost of making synthetic rubber and its components from grain alcohol, on the one hand, and the much higher cost of making rubber and its components from petroleum, on the other hand.

Yet, it was the request for those very figures which was paramount in my resolution.

In view of the fact that a large staff of technicians is kept busy preparing the reports requested in the resolution—consuming time which they could better spend in directly constructive work—and in view of the fact that Mr. Jeffers' periodic "progress reports" to Mr. Donald Nelson are made available to the Senate and include much of the material hitherto included in the additional reports to the Senate, I send to the desk a resolution; and, after it has been read, I shall request unanimous consent to have it immediately considered.

The ACTING PRESIDENT pro tempore. The resolution will be read.

The legislative clerk read the resolution (S. Res. 120), as follows:

Resolved, That the provision of Senate Resolution 294, requesting interval reports from the Federal Rubber Administrator, now the Director, agreed to on December 3, 1942, be, and the same is hereby, suspended until such time as the Director may be able to submit to the Senate figures showing the comparative cost of preparing rubber from grain and from petroleum.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

Mr. BAILEY. Mr. President, I do not intend to object to the request for present consideration of the resolution. However, the majority leader, the senior Senator from Kentucky [Mr. BARKLEY], is now out of the Chamber, at lunch. He asked me to protect him to a certain extent. I simply ask that the Senator delay the matter until the majority leader can return.

Mr. WILLIS. Mr. President, I submitted the matter to the senior Senator from Kentucky, and had his approval.

Mr. BAILEY. Very well; then I withdraw my objection.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

OKLAHOMA "SCHOOLS AT WAR PROGRAM" — ADDRESS BY SENATOR THOMAS OF OKLAHOMA

[Mr. THOMAS of Oklahoma asked and obtained leave to have printed in the RECORD an address delivered by him, in connection with the broadcast of the Oklahoma "Schools at War Program," before a joint session of the house and senate of the Oklahoma Legislature, at Oklahoma City, on February 22, 1943, which appears in the Appendix.]

THE NATIONAL RESOURCES PLANNING BOARD—NEWSPAPER COMMENT

[Mr. WAGNER asked and obtained leave to have printed in the RECORD an article entitled "Two National Resources Planning Board Reports Are Sober, Moderate," written by Ernest Lindley and published in the Washington Post of March 14, 1943; and an article entitled "Similarities Are Noted in Plans of Churchill and Resources Board," published in the Washington Evening Star of March 23, 1943, which appear in the Appendix.]

ORGANIZATION AND COLLABORATION OF UNITED NATIONS—NEWSPAPER COMMENT

[Mr. BURTON asked and obtained leave to have printed in the RECORD an editorial entitled "Now Is the Time," published in the Toledo Blade of March 16, 1943, and an article entitled "Intimate Message: Washington" by Roscoe Drummond, published in the Christian Science Monitor of March 18, 1943, which appear in the Appendix.]

"RELEASES"—EDITORIAL FROM ALPENA (MICH.) EVENING NEWS

[Mr. WILLIS asked and obtained leave to have printed in the RECORD an editorial entitled "Releases," published in the Alpena (Mich.) Evening News, which appears in the Appendix.]

INCLUSION OF COST OF LABOR IN DETERMINING PARITY PRICE

The Senate resumed the consideration of the bill (H. R. 1408) to amend section 301 (a) (1) of the Agricultural Adjustment Act of 1938, as amended, and the first sentence of paragraph (I) of section 2 of the Agricultural Adjustment Act of 1933, as amended, and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, approved June 3, 1937, as amended, so as to include the cost of all farm labor in determining the parity price of agricultural commodities.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Illinois [Mr. LUCAS] to recommit the pending bill (H. R. 1408) to the Committee on Agriculture and Forestry.

Mr. DOWNEY. Mr. President, while I believe the pending bill is a fair and just one for the farmers and for the Nation, and while I intend ultimately to cast my vote for some such measure, I must admit that the eloquent and forceful argument of the senior Senator from Illinois [Mr. LUCAS] and the remarks of our majority leader, the Senator from Kentucky [Mr. BARKLEY], have predisposed me toward voting for a recommittal of the bill. In view of the publicity attending the consideration of the bill, I think that labor groups in the United States, and our people generally, will entertain totally uninformed opinions about the measure. I believe that, as the situation stands at present, the President of the United States would feel justified in vetoing the bill if it should pass, and it is my opinion that the proponents of the measure would then find it impossible to pass it over a Presidential veto.

Mr. President, the farmers of the State of California are perhaps as much and as vitally concerned over the outcome of the pending measure as are the farmers of any other State. I say that because the citrus crop, the potato, sugar beet, and the bean crops, as well as many others, will all be vitally affected by what happens ultimately to the proposal now before us.

In my opinion, the Department of Agriculture at present is not dealing wisely with the California growers of the crops I have mentioned. Several months ago the Department and the O. P. A. were considering the fixing of a price ceiling upon beans. I believed their data were unfair to our farmers; I believed their conclusions were erroneous. Nevertheless, a certain price ceiling was fixed upon edible beans in the State of California, and the Secretary of Agriculture called for the production of 600,000

acres of edible beans in California. The Department of Agriculture believed, the price being fixed as it was, that California would produce for the Nation the 600,000 acres of edible beans, and the Department of Agriculture, rather optimistically, has made plans to feed our allies, our military forces, and our own people upon the basis of the expectation of the farmers producing that amount of beans in California, and a similar proportion of beans throughout the remainder of the Nation.

The farmers of California and of the other States have totally disagreed with the Department of Agriculture that the price fixed for beans is sufficient to induce them to go ahead, and in the State of California, according to the statement just made by the Department of Agriculture, instead of having devoted to the cultivation of beans the 600,000 acres asked for by the Department and needed by the Nation, there we will have less than 400,000 acres; and that, Mr. President, is generally true concerning vegetables and the other heavy crops of California, and of the other States. The acreage planted has not been in the amount desired by the Secretary of Agriculture because the price ceiling is too low.

Rather misleading conclusions have been given out by the Department of Agriculture. The Department of Agriculture has recently stated that we in the State of California have failed by only 3 percent to reach the acreage desired by the Government. That, Mr. President, is probably true, but what has happened is that our farmers have largely shifted from heavy crops to the grain crops, and consequently, while the acreage is approximately what was expected by our Government, there will be a serious falling off in the amount of farm products in California and the entire country.

Mr. President, in the last few months it has seemed to me that in many ways the O. P. A. and the Department of Agriculture have failed to understand and have not been properly sympathetic to the problems of the farmers of the Nation, and again I advert, for example, to the State of California because I know the facts there.

Let us now discuss only one or two of those facts, for I do not want to intrude upon the Senate too long. Last year the farmers of California were lured and persuaded into entering into contracts with our canners for the production of tomatoes. Most of us felt that the policy of the Department of Agriculture was unfair to the farmer, but pressure was exerted, and a final price was fixed. Due to chaotic labor conditions there the price which our tomato growers had to pay for labor became so excessive, and the efficiency of labor so low, that a substantial proportion of our tomato growers lost money in serious amounts. I think the whole situation as developed by the O. P. A. and by the Government was totally unfair and impolitic.

This year, Mr. President, the Secretary of Agriculture fixed what, in my opinion, was a fair price for tomatoes, considering the present cost of production and present labor charges, but 25 or 30 percent of our tomato growers, many of whom lost money last year, were unwilling to jeopardize what little capital they had left this year, unless there would be an assurance given by the Department of Agriculture that if labor prices should continue to advance so that tomatoes could not be sold by the farmers at a profit at the price fixed there would be a further adjustment of prices. I myself negotiated with O. P. A. and the Department of Agriculture on that matter, and O. P. A. and the Department of Agriculture took the position that so far as tomatoes were concerned they would not commit themselves to any advance in price to cover advancing labor charges, but that, if wages went beyond the amount used by the Department of Agriculture as a base in determining the price of tomatoes, the farmer himself must take whatever loss there would be, and as a result of that, Mr. President, the planting of tomatoes in the State of California was substantially below what it would have been if our tomato growers could have been given some kind of assurance that their prices would be adjusted upward if it were necessary to provide for an increased amount of wages. Other similar examples could be cited.

Mr. President, from the very beginning I have been unable to understand the opponents of various farm measures when they have very vehemently argued that the cost of labor should not be considered as a factor in determining parity price, or supporting prices, or in fixing price ceilings.

I have already indicated my intention to vote to support the motion for a recommittal of this measure, which I believe has already been made by the Senator from Illinois [Mr. LUCAS], not only because I believe it is necessary that the Nation should be better educated upon this subject, but I think that the Office of Price Administration and Price Administrator Brown himself should be better educated.

Mr. Brown has sent a letter to the Senate upon the pending measure. If I understand correctly the meaning of his letter I think he is saying to us that while the Bankhead bill will add $500,000,000 or $600,000,000 directly to the farmers' income, its indirect result will be to increase the retail cost of food by three times that amount, or $1,500,000,000. If that is what the head of the O. P. A. means to say, then I contend that no more serious indictment could be brought against the workings of the O. P. A. than that very statement.

I think likewise that Mr. Brown in the remainder of his letter has used parallel figures. As I understand his economists, they have calculated the amount of money which would be received by the farmers in addition to their present income, if the pending bill were passed; then they have multiplied that amount by three, and stated that is the sum which will be added to the retail cost of food by reason of the passage of the pending bill.

Mr. President, I desire to ask the opponents of this measure: Do they defend figures of that kind, and do they defend that kind of thinking? I should like to ask the attention of the majority leader, the Senator from Kentucky [Mr. BARKLEY] for a moment. Does the Senator from Kentucky support the position of the distinguished head of the O. P. A. that if, by an increase in the price of cotton, the cotton in a pair of overalls costs 10 cents more, it is thereby necessary for the American people to pay 25 or 30 cents or 40 cents more for overalls? As I understand the letter which was read by our distinguished leader, that is the effect of Mr. Brown's argument; that, because the Bankhead bill would add approximately $500,000,000 to the farmers' income, therefore the retail cost of food would be raised $1,500,000,000?

Mr. BARKLEY. Mr. President, does the Senator desire to have an answer to his question?

Mr. DOWNEY. Yes; I should appreciate having one.

Mr. BARKLEY. The Senator will realize that the Price Administrator's letter did not go into the details as to cotton overalls or any other particular item. He did state that, as to the original producers, whether they be producers of food, of wearing apparel, or of whatever other article or product, in terms of the increase in the original amount the producer would receive, after the article was manufactured and had gone through the various hands through which it must pass in order to reach the retail consumer, the Bankhead bill would add approximately a billion and a half dollars to the ultimate cost to the consumer, and that by the same process the pending bill would add approximately two billion and a half dollars, or some such figure, which made the total about three and three-quarter billion dollars as a result of the effect of the two bills.

I think that the Price Administrator based that statement upon the generally accepted knowledge that every time any article of goods is resold, a certain percentage is added to the ultimate cost. The retail consumer never gets off by paying just what the original producer has received. The price is always multiplied by some percentage based upon taxation, overhead costs, and other items. That is what the Price Administrator had in mind, I am certain, although I have not talked to him about his letter—that by the time the goods got to the consumer, the operation of the bills he discussed would have added the amount mentioned to the cost.

Mr. DOWNEY. Mr. President, I am appreciative of that statement by the majority leader, and I here and now say that ultimately the American people will realize that by that statement he has made the strongest possible kind of condemnation of the operations of the O. P. A. Very likely if the O. P. A. continues to operate in the way in which it has been operating we may see whatever increase is given to the farmer multiplied two, three, or four times in the process of arriving at the ultimate cost to the consumer. Such an ultimate increase is totally unnecessary. I say that because, first of all, almost all the retail

stores of America are prosperous. If today they sell a shirt and make a profit of 50 cents, then, because a farmer is subsequently given 10 cents more for the cotton in the shirt, there is no justification for a large increase in the price of the shirt when it is sold by the retailer or other merchant, because it will not cost 1 more cent to sell it or 1 more cent to transport it or 1 more cent to manufacture it. I repeat that the statement of the Office of Price Administration that the consumers of America would have to pay in addition to the final retail costs three times as much as would be given to the farmer under the pending bill is a most serious indictment of the Office of Price Administration itself.

Mr. President, I can go further. While I understand that the price of men's clothing is being held in check, nevertheless the size and quality of most articles are steadily depreciating. While perhaps a man's shirt sells for little more than it formerly did, a purchaser obtains only 60 or 75 percent of the value which he formerly obtained. So in many, many cases the manufacturers and retailers are making larger profits.

So, Mr. President, I, for one, am anxious that there should be a further consideration of the bill, so that we can find out why the Office of Price Administration believes it will be necessary to add 30 percent to the price of every article of food or fiber sold if and when only a 10-percent increase is given to the farmer as an additional payment.

Mr. President, another reason why I should like to see a further hearing upon the bill is because the figures which continue to be given out by our Government, showing the present condition and situation of the farmer, are in my opinion wholly fallacious, wholly unsound, and wholly unjustified. It is true that one can take the income of the farmer in 1942 and show that it was materially better than in prior years; but unless one knows that farming and farmers were almost prostrate in prior years, one has no true understanding of the picture. Unless one fairly compares the income of farmers with that of industrial workers of today, and compares the situation of industrial workers of today with that of such workers in prior years, one gets no honest or sound understanding of the picture.

Mr. BONE. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. BONE. Mr. Brown referred to the Bankhead bill passed a short time ago. I wonder if he referred to Senate bill 729, which passed the Senate on March 17, a bill which merely deferred farm labor. If so, I am curious to know how that would add to farm prices.

Mr. DOWNEY. No, Mr. President; I may advise the Senator from Washington that the Bankhead bill referred to was the one which overruled the President's Executive order declaring that benefit and soil-conservation payments should be deducted from the prices fixed for the products of the farms.

Mr. BONE. Very well.

Mr. DOWNEY. Mr. President, in order that we may have a fair understanding of the whole picture—and I regret that the majority leader is not here to hear the figures, and to answer them—I should like to present a few simple figures which apparently the Office of Price Administration and the Department of Agriculture know nothing about, although all of them have been compiled in the Bureau of Agricultural Economics of the Department of Agriculture. The figures of the Department of Agriculture itself show this to be the situation: In 1913 and 1914 the food cost as a percentage of the income per employed industrial worker was 55 percent. Let us clearly understand that figure. In 1913 and 1914 the average industrial worker gave up 55 percent of his income in buying his food. By 1918 and 1919 that 55 percent had dropped to 52 percent. We might immediately ask, "Well, in view of the great increase in the cost of farm products, how could the amount spent by the average industrial worker for his food drop from 55 percent to 52 percent of his income?" Mr. President, I answer, because the average income of the industrial worker had gone up more than had the average cost of the food he was buying. There can be no other answer.

From 1925 to 1929 the position of the average industrial worker had greatly improved, because he was then paying only 41 percent of his income for the food products he bought.

From 1935 to 1939 he was in a still more fortunate position because he expended only 36 percent of his total income for the food he bought.

By 1940 the amount spent for food was only 31 per cent; by 1941 it had dropped to 29 percent; and by the end of 1942 the average percentage of income of the industrial worker spent for food was still only 29 percent, the lowest it ever has been in the history of the United States.

Mr. President, unfortunately those figures bring the picture up only to November of last year; but I believe that if we leave out of consideration the cost of meat and the tremendous added cost of fresh vegetables, if we properly consider only the amount received by the farmer for his crops, the industrial worker of America is still in the best position he has ever occupied with respect to the amount of his income which he is is compelled to spend for food.

Mr. President, it is true that in California and in other States, due to the total ineffectiveness of O. P. A. in dealing with meat, hundreds of our workers have been able to get no meat at all, and when they have been able to buy it it has cost them 2 or 3 or 4 times what it should cost. However, the farmers of America certainly cannot be blamed for that.

Mr. GILLETTE. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. GILLETTE. I ask the Senator to yield to permit me to read certain data from a letter which I received this morning from the Secretary of Commerce, referring to the prices of meat.

The freight rate from Chicago to Washington, D. C., on meat is 0.6 of a cent a pound. That is the entire freight charge. On the 17th day of March, ham sold in Iowa City, Iowa, at 32 cents a pound. It sold in Washington, D. C., at 61.8 cents a pound. On that date bacon sold at 28 cents a pound in Iowa City. It sold in Washington at 40.4 cents. Pork loins sold at 26.5 cents a pound in Iowa City. They sold in Washington, D. C., at 41.8 cents a pound. The only possible differential that could have been added was the freight rate of 0.6 cent a pound; and yet the charge to which the Senator has so cogently referred is made over and over again that this is a matter of the grasping greed of the producers of food and fiber.

Mr. DOWNEY. Mr. President, I am indeed grateful to the distinguished Senator for the insertion of those data in the RECORD. They clearly headlight what I wish to say, that the profits unjustly made in the bootleg or black markets of this Nation in the past few months far surpass any possible amount the farmers might get as a result of the enactment of this bill.

Mr. GILLETTE. Mr. President, will the Senator further yield?

Mr. DOWNEY. I yield.

Mr. GILLETTE. Might it not be well worth the while of the O. P. A. organization, in fixing price levels, to give some attention to these matters before charging the whole burden of the responsibility to the producer?

Mr. DOWNEY. Yes. I am very much in agreement with that remark.

On my way to the office this morning I stepped into a drug store to buy a pocket handkerchief. I paid 25 cents for it. Ordinarily I could have bought two for a quarter. That is typical of a great deal that is happening in the United States today.

Mr. SMITH. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. MAYBANK in the chair). Does the Senator from California yield to the Senator from South Carolina?

Mr. DOWNEY. I yield.

Mr. SMITH. The remarks made by the Senator from Iowa [Mr. GILLETTE] lead me to inquire if the situation to which he refers is not the basis of the great inflation which it is alleged the passage of the pending bill would bring about? I think his remarks are very pertinent.

Mr. DOWNEY. I thank the distinguished Senator for his comment.

Mr. BANKHEAD. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. BANKHEAD. In connection with the remarks of the Senator, last night I read in the CONGRESSIONAL RECORD the remarks of a Member of the House with relation to this bill. The Member stated that in January he personally went to a store to price certain articles. Among the items was canned tomatoes of a certain size. The price was then 5 cents. He went back a month later, and the price was 6 cents. Sometime later he returned to the store, and the price was

11 cents. There was an increase of 120 percent since the first of January. Of course, the tomatoes were all canned from last year's crop. The farmer received possibly 2 cents for the tomatoes in the can. After they left the farm, in some way the price reached 11 cents, representing an increase of 120 percent in the retail price of the canned tomatoes.

Mr. DOWNEY. I thank the distinguished Senator for that comment.

Mr. President, I must admit a total sense of bewilderment at the attitude of the Government and its representatives toward the farmers of America. I say unequivocally that there never has been a comprehensive, candid statement by our Government on this whole question. I realize that there are two sides to the shield, and I know how unfortunate a great inflation would be. We all agree that we want to check, so far as we can, any advance in the cost of goods to consumers; but does that justify the officials of the Government in their unsympathetic attitude toward the farmers, and the continuous outpouring of prejudicial, partial data?

Mr. President, I happen to be a member of the legal profession by which cases are tried, presumably, before impartial judges and juries. In the trial of a case every lawyer is confronted by another lawyer on the other side of the table to check up on him and point out his errors. I must admit to a total sense of loss in dealing with the data and propaganda which go out from Washington.

Mr. BONE. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. BONE. Speaking of lawyers, courts, and judicial determination of facts in the calm, dispassionate atmosphere of the court room, I wonder if my friend from California has ever been privileged to attend a rate base hearing involving a utility such as a power company. Brilliant counsel reach out into the empyrean, into the realm of metaphysical speculation, in writing into the rate base of a power company values which no man in his right mind would ever think could be written into it. I wonder if any courageous and brilliant Member of the Senate would suggest that in setting up a rate base and fixing rates, for example, for the Potomac Electric Power Co., the Senate should step in as amicus curiae, or friend of the public, and suggest that in the interest of lower rates we should not allow the Potomac Electric Power Co. to add the cost of labor. I know very well that it would be inflationary to add the cost of labor to the cost of producing electric energy in the city of Washington, D. C. It would be much more profitable to me not to have to pay the cost of labor of the Potomac Electric Power Co., and the cost of some other operations of that company.

As I listen to these arguments I find myself wondering why we make fish of one and flesh of the other. The farmer has certain costs attaching to his operations, and obviously one of them is the labor cost, precisely as a certain amount of labor is required to turn out flour in a flour mill.

Some Members of this body have been businessmen. I have been a lawyer all my life. I should not want to answer for businessmen; but I should like to have some distinguished Member of this body who has been a businessman rise and tell me how far he would go in his business operations if he could not add labor costs, as they have been defined in this bill, in part at least. I think it would be very illuminating in this argument, and it would also help tremendously, although it would be very boresome to anyone who had to read the RECORD, to set out at length in this debate the proceedings in one of the cases establishing a rate base for a private power utility, so that those who read the CONGRESSIONAL RECORD could see the processes by which the various values are set up, and how proper operating and overhead costs are established. It would be very illuminating, and I think would tend to end some of the debate in the Senate on this question.

Mr. DOWNEY. I thank the Senator very much for his comments.

Mr. President, the first point I made was that the statement of the Office of Price Administration — a statement which is supported by the majority leader of the Senate—that for every dollar added to the farmer's profits the consumer had to pay three times over, is not only unsound and probably incorrect, but if it works out will itself provide the strongest condemnation which could be made of the operations of the O. P. A.

The second point I made was that by the end of 1942 the industrial wage earners of America were in the most fortunate position they had ever occupied as to the percentage of their income they were compelled to expend for the purchase of food.

Let us take another rather simple set of figures and see what we can develop from them. I have before me a table showing the average incomes of persons on farms compared with the average incomes of persons not on farms. During the period from 1910 to 1914 the average income of persons on farms was only 28 percent as much as that of individuals not on farms. In 1918 and 1919 the figure had risen to 45 percent. In other words, during the era in which farmers received high prices, the farm population on the average was about one-half as well off as the rest of the Nation. But by 1925 to 1929, the percentage had dropped back to 27. So during the Hoover era the farm population was receiving only 27 percent as much income as was being received by the rest of the Nation. In 1935 to 1939 it had risen to 28 percent. In 1940 it had dropped to 25 percent. So, in 1940, the year which the economists of the O. P. A. and the Department of Agriculture love to take as the base year for comparison, the average income of the farm population was one-quarter that of the rest of the Nation.

In presenting these happy figures showing great gains by farmers since 1940, the O. P. A. never seems to realize that in that year the people living on farms received one-quarter as much income as did the rest of the Nation.

In 1941 the farmer had begun to regain his position, and the farm population had 31 percent as much as the rest of the Nation. Last year the farmer actually advanced to 38 percent of income as compared with the rest of the Nation.

So, Mr. President, these figures finally resolve themselves into the fact that the workers and the farm proprietors of the United States in 1942 were in a much less favorable position than our other citizens. Some gentlemen may say, "Yes, but those figures are misleading, because in the rest of the Nation you include all of our well-to-do and wealthy class." That is a fair statement, so let us see how the farmers and farm workers compare with the industrial workers of the Nation. I think the examination will be enlightening.

In 1910 to 1914 the average wage per industrial employee was $583, while the net income per person engaged in agriculture was $365. That figure includes the farm operators as well as the workers.

By 1941 the wage income per employed industrial worker had reached $1,484, and the net income per person engaged in agriculture was exactly one-half of that, or $742.

In 1942 the wage income per employed industrial worker was $1,766, while the net income of a person engaged in agriculture was $1,052. So the average income of a person engaged in agriculture was only 60 percent of that of the average industrial worker.

I hear some gentlemen make the same comment that I myself might have made: "Yes, but you are now comparing the poor unfortunate underpaid farm worker with the industrial worker of America to the advantage of the latter." Let us then take our next table and compare the net income per farm operator with the wage income per employed industrial worker. In 1940 the average wage was $1,268, while the net income per farm operator was $767.

In 1941 the average wage was $1,484, and the net income per farm operator was $1,107.

In 1942 the average income per employed industrial worker was $1,766, and the net income per farm operator was $1,605. So even during last year the man with the responsibility and risk of running a farm was still receiving less than the average industrial worker. I have consistently championed higher wages. I shall continue to do so. But that will not blind me to the condition of the farmer.

I wish to say, Mr. President, that even though we pass the pending bill, the average income of the farm operator would still be below the average of industrial wages, because they too have increased since the fall of 1942.

I wish now to point out as fallacious and misleading another set of facts relied upon by the O. P. A. The O. P. A. purports to give out data showing how very greatly—by several billion dollars—the gross income of the farmers has increased in the past 2 or 3 years. It is true that in 1942, for the first time in several years, a substantial majority of our farmers in California were prosperous. But many of them lost money.

Some of them hardly made a living at all, but most of them did make substantial profits and a larger gross income than they had made theretofore. But, Mr. President, I know something about the situation prevailing on the farms of California in 1942, and it is my opinion that the average time worked by the farm proprietors of California last year ran between 75 and 80 hours. If our farmers had not worked from dawn to dusk they could not have produced the abundant crop they did. I assume my remarks apply to the farmers in most of the other States of the Union.

I have no doubt, Mr. President, that the farmers of this Nation, due to lack of labor and their intensive efforts, worked from 25 to 35 percent more time than they had in prior years. If the farmers of California are going to be able to plant and harvest their crops they have almost got to abandon sleeping or recreation except when they sleep from sheer exhaustion. Does not the O. P. A. realize that men working 70, 75, 80, yea 100 hours a week should have a far larger income? Why do they, naively and rather stupidly, it seems to me, compare the gross income of the farmer in a former year with last year without stating that it is true that the farmers probably put in one-third more time in the production of the crops that yielded the greater income?

Mr. President, there is another respect in which the statistics of the Department of Agriculture and O. P. A. are foolish, fallacious, and misleading. In California during the last year farm wages almost doubled in the amount paid to the farm workers. To a certain extent the Department of Agriculture has taken that fact into consideration, but it has totally ignored, almost as though it had not been told repeatedly, and which is an admitted fact, that the efficiency of farm labor, due to conditions I will not review, decreased from 25 to 50 percent, in the West, at least, and, I assume, in many other sections in the United States in 1942.

Mr. President, I think there had better soon be a more sympathetic understanding by governmental agencies of the problems of the farmer and a more sympathetic attitude toward their solution. We have now committed ourselves to giving up approximately 40 percent of the food supply of the United States to our allies and to our military machine. In this year we will have left theoretically 60 percent of the production for our civilian workers. That 60 percent, in my opinion, will not provide sufficient heavy food for the heavy workers of America. In my opinion, fishermen, loggers, miners, shipbuilders, truck drivers, and farmers will not be able to get along on the very meager diet which has been allocated for them. But, Mr. President, meager as that proposed diet is, it is based upon very optimistic figures which it has already been admitted will not be realized. The vegetable production of America is clearly far less than what we had believed it would be.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. BARKLEY. I am informed that during my temporary absence from the Chamber, when I was called out on official business, the Senator from California made an ungenerous reference to my absence. He stated that I did not have enough interest in this situation or this subject to remain on the floor and listen to the facts. I am sorry the Senator from California saw fit to make any such reference. Frequently I am called from this Chamber in the performance of my duty, and I was called from the Chamber in the performance of my duty a few moments ago.

I always listen to the Senator with great interest whenever I can, but I feel sure that the Senator forgot himself when he took advantage of my temporary absence from the Chamber, when I was just as much in the performance of my duty as if I had been here listening to the Senator, to call attention to it. I hope the Senator will realize that, under such circumstances, that that is not very legitimate debate.

Mr. DOWNEY. Mr. President, of course, in the heat of debate I have forgotten what I did say. I meant to say nothing critical or ungenerous about the distinguished majority leader. I was expressing regret that he could not be upon the floor of the Senate to listen to remarks I wanted to make in reply to statements he had made. I did not speak critically but optimistically, for I am hoping the day will come when the distinguished majority leader will see this problem more nearly as some of the other Senators from farming States see it. I did not mean to speak critically; I did not mean to speak ungenerously. I did mean to express regret that the Senator could not hear statements I was making in reply to statements he had made.

I want further to say to the majority leader that I am most sympathetic to the heavy burdens he has to carry—heavy beyond anything that I could hope to carry; heavy almost beyond the limit of endurance. We have been catapulted into a world of such complications and difficulties that, in 1 single week here in the Senate, or in the White House, we have five times the major problems before us that were put up to Andrew Jackson in the 8 years he was in office. None of us can measure up to the tasks we have, but I know of no one who could measure up to the duties and responsibilities of the majority leadership any better than does the Senator from Kentucky. If I have said anything in the RECORD that sounds critical, I will ask permission to correct it, and I apologize to the majority leader.

Mr. BARKLEY. That is very generous of the Senator, and I appreciate his statement; but I did not want the opportunity to go by without reminding him of the fact that his statement was made during my unavoidable and only temporary absence from the Chamber for not more than 5 or 10 minutes.

Mr. DOWNEY. Mr. President, a great reformer who was making a speech was hissed and booed for 10 or 15 minutes. When finally he regained the floor he began by saying, "I have forgotten what I was saying; I only know I did mean what I did say." I have forgotten the particular remarks and data that I had hoped to have the opportunity to call to the attention of the distinguished Senator, but I still stand by the figures.

Mr. BARKLEY. I would not ask the Senator to repeat the figures he gave during my momentary absence, but I will promise that I will read them in the RECORD.

Mr. DOWNEY. I am appreciative.

Mr. REED. Mr. President——

Mr. DOWNEY. I yield to the Senator from Kansas.

Mr. REED. I wish to suggest to the Senator from California that his affection for the distinguished Senator from Kentucky, the present majority leader, is no greater than is my own. I have such a high regard for the character of service the Senator from Kentucky renders as majority leader that I hope he may continue as minority leader in the Seventy-ninth Congress. [Laughter.] I am sure the Senator from California will join in that tribute to the Senator from Kentucky.

Mr. BARKLEY. I appreciate the compliment, if it is a compliment, which the Senator from Kansas is attempting to throw in my direction, but if I should ever occupy the role of minority leader—which I hope I may never have to do—I trust that I will receive the same cordial and generous consideration from the majority, as the Senator now contemplates it, as I have tried to afford the minority in the position which I have held; and I am satisfied that I would.

Mr. REED. I desire to concur with the Senator from Kentucky in that statement, and I hope he will do as good a job as minority leader as the present minority leader has been doing since I have been a Member of the Senate.

Mr. BARKLEY. I may say that if the Senator from Oregon ever becomes majority leader, I hope he will do as good a job as the Senator from Kansas says I have been doing in the same capacity. [Laughter.]

Mr. DOWNEY. Mr. President, the only comment I would be inclined to make is that I do not know anyone I would prefer to have as a majority leader than the distinguished Senator from Oregon, if, unfortunately, he had to be a Republican, which pray not. [Laughter.]

Mr. President, while I am convinced of the wisdom and justice of the pending bill, I heartily agree with the remarks of the distinguished Senator from Illinois [Mr. LUCAS], and our majority leader, that, in view of the great importance of this subject, and the effect upon the Nation generally of whatever we may do, the bill should have further consideration in committee.

I believe, certainly, that Mr. Brown should be allowed to appear before the committee, with his experts, and that the Secretary of Agriculture should likewise be permitted to appear. It is not because I am not in accord with the bill that I am supporting the motion to

recommit, but because I believe that, considering what has gone before, and the national interest as a whole, further consideration of the measure should be had by the Committee on Agriculture and Forestry.

I ask unanimous consent that the document from which I have been quoting entitled "Agricultural Income Comparisons," compiled by Dr. H. R. Wellman, director of the Giannini Foundation of the University of California College of Agriculture, be printed in the RECORD at this point.

There being no objection, the document was ordered to be printed in the RECORD, as follows:

AGRICULTURAL INCOME COMPARISONS

(By Dr. H. R. Wellman, director, Giannini Foundation, University of California College of Agriculture, Berkeley, Calif.)

Average wage income per employed industrial worker and average retail cost of food per industrial worker's family, United States

	Wage income per employed industrial worker (1)	Retail cost of food (2)	Food cost as percentage of income (3)
	Dollars	*Dollars*	*Percent*
Average 1913–14	602	330	55
Average 1918–19	1,126	580	52
Average 1925–29	1,316	543	41
Average 1935–39	1,147	408	36
1940	1,268	394	31
1941	1,484	430	29
1942 [1]	1,766	505	29

[1] Preliminary estimate, subject to revision.

Sources of data: Column 1, U. S. Bureau of Agricultural Economics, Farm Income Situation. November 1942, p. 9; column 2, U. S. Bureau of Agricultural Economics, 1943 Outlook Charts, p. 14: column 3 is column 2 divided by column 1.

Average net agricultural income per person on farms and average nonagricultural income per person not on farms, United States

	Nonagricultural income per person not on farms (1)	Net agricultural income per person on farms (2)	Income per person on farms as a percentage of income of person not on farms (3)
	Dollars	*Dollars*	*Percent*
Average 1910–14	474	134	28
Average 1918–19	691	312	45
Average 1925–29	818	219	27
Average 1935–39	612	172	28
1940	705	179	25
1941	812	254	31
1942 [1]	980	368	38

[1] Preliminary estimate, subject to revision.

Sources of data: 1910–41, U. S. Bureau of Agricultural Economics, Net Farm Income and Income Parity Summary, 1910–41, July 1942. (mimeograph). 1942, column 1 based upon data published in U. S. Department of Commerce, Survey of Current Business, monthly issues; column 2, U. S. Bureau of Agricultural Economics, The Agricultural Situation, p. 3, November 1942.

Average wage income for employed industrial worker and average net income per person engaged in agriculture, United States

	Wage income per employed industrial worker (1)	Net income per person engaged in agriculture (2)	Net income per person engaged in agriculture as a percentage of wage income per employed industrial worker (3)
	Dollars	*Dollars*	*Percent*
Average 1910–14	583	365	63
Average 1918–19	1,126	926	82
Average 1925–29	1,316	627	48
Average 1935–39	1,147	511	45
1940	1,268	527	42

Average wage income for employed industrial worker, etc.—Continued

	Wage income per employed industrial worker (1)	Net income per person engaged in agriculture (2)	Net income per person engaged in agriculture as a percent of wage income per employed industrial worker (3)
	Dollars	*Dollars*	*Percent*
1941	1,484	742	50
1942 [1]	1,766	1,052	60

[1] Preliminary estimate, subject to revision.

Sources of data: U. S. Bureau of Agricultural Economics, Farm Income Situation, November 1942, p. 9.

Average wage income per employed industrial worker and average net income per farm operator, United States

	Wage income per employed industrial worker (1)	Net income per farm operator (2)	Net income per farm operator as percentage of wage income per employed industrial worker (3)
	Dollars	*Dollars*	*Percent*
Average 1910–14	583	586	101
Average 1918–19	1,126	1,348	120
Average 1925–29	1,316	916	70
Average 1935–39	1,147	719	63
1940	1,268	767	60
1941	1,484	1,107	75
1942 [1]	1,766	1,605	91

[1] Preliminary estimate, subject to revision.

Sources of data: Column 1, U. S. Bureau of Agricultural Economics, Farm Income Situation, November 1942, p. 9; column 2, U. S. Bureau of Agricultural Economics, Net Farm Income and Income Parity Summary, 1910–41, July 1942 (mimeograph). Net income of farm operators as given in table 1, column 7, divided by number of farms as given in table 3, column 3; 1942 based on tentative estimate of net income of farm operators as given in U. S. Bureau of Agricultural Economics, 1943 Agricultural Outlook Charts, October 1942, p. 4, divided by same number of farms as in 1941.

Index of farm prices of agricultural products and average hourly earnings of factory workers, United States

	Average, 1910–14	Average, 1918–19	Average, 1925–29	Average, 1935–39	1940	1941	1942 [1]
Index of farm prices (average, 1910–14=100)	100	208	147	106	98	122	153
Hourly earnings of factory workers (cents per hour)	21.2	44.2	55.4	60.8	67.0	73.6	84.5

	1942 as a percentage of—					
	Average, 1910–14	Average, 1918–19	Average, 1925–29	Average, 1935–39	1940	1941
Index of farm prices	153	74	104	144	156	125
Hourly earnings of factory workers	399	191	153	139	126	115

[1] Estimated on the basis of June and July monthly figures.

Sources of data: Index of farm prices—U. S. Bureau of Agricultural Economics and Agricultural Situation, monthly issues. Hourly earnings—1910–41, U. S. Bureau of Agricultural Economics, Net Farm Income and Income Parity Summary 1910–41, table 5, p. 12, July 1942 (mimeograph). 1942, U. S. Department of Commerce, Survey of Current Business, December 1942, monthly issue, p. S–12.

Index of cost of living, index of retail prices of food, and average weekly earnings of factory workers, United States

	Average 1913–14	Average 1918–19	Average 1925–29	Average 1935–39	1940	1941	1942 [1]
Index of cost of living (Avg. 1935–39=100)	71	116	124	100	100	105	117
Index of retail prices of food (Avg. 1935–39=100)	81	142	133	100	97	106	124
Weekly earnings of factory workers (dollars per week)	----------	----------	26.11	23.14	26.11	31.08	38.28

	1942 as a percentage of—					
	Average 1913–14	Average 1918–19	Average 1925–29	Average 1935–39	1940	1941
Index of cost of living	165	101	94	117	117	111
Index of retail prices of food	153	87	93	124	128	117
Weekly earnings of factory workers	(2)	(2)	147	165	147	123

[1] Estimated on the basis of June and July monthly figures.

[2] Data not available.

Sources of data: U. S. Department of Labor Series as reported in U. S. Department of Commerce, 1942 Supplement, Survey of Current Business, pp. 16 and 53; and December 1942, monthly issue.

SUBSIDIES AS THEY RELATE TO AGRICULTURE

(By Ray B. Wiser, president, California Farm Bureau Federation)

The California Farm Bureau Federation is unalterably opposed to the use of subsidies. Subsidies merely put off the date of reckoning and are exceedingly unsound for the following reasons:

(1) Our economic system cannot be maintained on a sound basis by the subsidy method. Subsidy money can only be obtained through taxation, and no tax has ever been devised which is borne equitably by all. This statement can be borne out by a study of those nations which have been wrecked by governments employing the subsidy system.

(2) Subsidies are unsound because they delay the day of financial reckoning and place the burden of payments on future generations.

(3) Subsidies are unnecessary because our people have sufficient income to pay the entire cost of articles in the market place. (One of the biggest problems before us economically is to drain off the increased earning power. Therefore, paying the complete price for food purchased is one of the best methods to hold down inflation.)

(4) Subsidies are inflationary in that they permit overspending at a time when people have the ability to pay. To resort to subsidies in a period such as this, when earnings are on the increase and surplus funds should be used to increase production, particularly food which is so vitally needed, and to prevent inflation is a flagrant disregard of economic law.

(5) Subsidies conceal costs and in that way delay and defeat efforts to correct excessive expenditures.

(6) Subsidies promote inefficiency, particularly by developing top-heavy political machines and decreasing manpower available for constructive endeavor.

(7) Subsidies lead to future inflation. Some state that subsidies are deflationary because they increase debt, and that debt is deflationary. This is a complete fallacy, inasmuch as increased debt is deflationary only when taxes are levied in full amount to retire them, and it is much sounder for this money to be spent for the article than to go through a tax system and then redistribute it as a subsidy. Therefore, as debts rise and are not reflected in direct increase in taxes, they become inflationary. History has pointed out repeatedly that overburdensome debt has only been wiped out either through repudiation or through partial repudiation by later inflation.

(8) Subsidies are the oldest and cleverest mechanic known to man for legalizing political abuse, for building political patronage, and for saddling on the masses the extravagances of the few.

(9) Subsidies once begun will be exceedingly difficult to get rid of, as the apparent need of them will appear more necessary as time progresses.

(10) Subsidies are destructive of individual and collective initiative.

(11) Subsidies undermine character, destroy civic pride, and impair the national integrity.

(12) Subsidies evade the balancing of the national economy and in developing fundamental corrections.

(13) Subsidies create class consciousness and may enlarge distrust in the public mind.

(14) Subsidies allow those in authority in government to dodge disagreeable issues. All consumers resent increase in price, but the use of subsidy is self-evident that an increase in price is needed. It is much sounder to face the issue in time of need rather than delaying, which delay will eventually create greater inflation than originally would have been needed.

(15) Subsidies build, enhance, and maintain strongly centralized governments. Overly centralized governments in the past have always destroyed individual freedom and responsibility, which go together and may lead to dictatorship.

Mr. HATCH. Mr. President, I wish to say a few words in explanation of the vote which I shall cast upon the pending motion. It will be recalled that some months ago I advocated on the floor of the Senate the adoption of a substantially similar measure. I believed then that the amendment we offered at that time was proper and desirable, and I believe so now. I believe that the cost of labor should be included in the cost of production.

I am not one of those who are greatly alarmed by the present cost of farm commodities. I do not think they are too high. I do not think they are inflationary. I do not believe that if the bill were passed it would eventually be an inflationary measure in itself; but, as the Senator from Oregon [Mr. McNARY] yesterday very ably expressed, there is a question of psychology connected with it—there is such a thing as proper timing—and I think the present is the poorest time that the bill could have been brought forward.

Mr. President, I think it is unfair to those of us who believe in its principles—who actually believe that farm labor costs should be included in parity—to require us now to take the course I am about to take when I say that I shall have to vote to recommit a bill in which I believe. I wish the leaders who are responsible for this measure would get up on the floor of the Senate and relieve us of the embarrassing position in which some of us find ourselves, and say, "Let the bill go back to the committee," and bring it out at a time when it will not have the effect on national affairs which its passage today would have.

Mr. President, I am utterly convinced that if the bill should be passed now we would take from the hands of the Director of Economic Stabilization, Mr. Byrnes, and the Price Administrator, former Senator Brown, a weapon and place it in the hands of those who are seeking to secure an advance in wages, which, if obtained, will lead to another advance, and then another, and then I think we shall have destroyed all that our two former colleagues, Mr. Byrnes and Mr. Brown, are trying to do at this very moment. I do not think we should take that weapon from them. I think we should arm them and strengthen them instead of taking a weapon from them and giving it to others.

That, in substance, Mr. President, is what I believe respecting the bill. I believe in its terms, I believe in its provisions, but I believe it would be disastrous to pass the bill now. Notwithstanding my strong belief in the measure, I shall vote to recommit it.

Mr. DAVIS. Mr. President, the bill which is being considered at the present time is concerned with a very controversial issue—whether or not the action which the bill contemplates will tend to give further vigor to the forces of inflation. Since that issue is a source of keen interest to every American citizen, it is my firm belief that public testimony should be had upon the bill before we proceed further with it.

When I learned that the bill was before the Senate for consideration, I immediately set about to find out where the hearings on this matter were being held. I was most surprised to learn that none were being held, and that none were contemplated. When the bill was presented on this floor, it was admitted that it had been approved in committee without benefit of public hearings.

Mr. President, it has always been the policy of the American Congress to permit and, oftentimes even to require, open hearings on measures which are fraught with public interest. I submit that it would be a most dangerous policy for us to presume to pass upon the bill, controversial as it is, when the American people themselves have had no opportunity to be heard upon the questions involved. Neither those in favor of nor those opposed to the enactment of the bill have been permitted to testify as to their conclusions, nor have they been permitted to set forth the reasons for their conclusions. I strongly feel that before any definite action is taken on this measure, it should be subjected to the proper public hearings. I therefore shall vote to recommit the pending bill to the Committee on Agriculture and Forestry, where the hearings necessary to determine the will of the American people on this particular issue can be held.

Mr. BARKLEY. Mr. President, before the vote is taken on the pending motion made by the Senator from Illinois [Mr. LUCAS], I send to the desk a letter which I have just received from The National Farmers' Union, signed by James G. Patton, president, and M. W. Thatcher, vice chairman, executive council, and ask that it be read.

The ACTING PRESIDENT pro tempore. Without objection, the clerk will read as requested.

The legislative clerk read as follows:

MARCH 26, 1943.

The Honorable ALBEN W. BARKLEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: Would you please call to the attention of the Senate once again the opposition of the National Farmers Union to the Pace bill to include in parity the wage rates of hired labor and to credit those rates to farm operators and unpaid farm workers as well as to hired labor?

The Farmers Union has been against any tampering with the parity formula during this national emergency ever since such proposals were first made nearly 2 years ago. Consistent with our attitude of many years, we have also opposed changing parity to include conservation benefits in figuring parity payments, and have recently again so informed the Senate.

Last September we alone among all farm groups opposed including this measure in the stabilization bill. We said to the Senate then:

"We stand for full parity for agriculture and no more. Let others try to explain any

formula which asks for more at this time. Whatever the merits of arguments for revising the parity formula, we believe it would be breaking faith with the Nation to do so at this moment. Moreover, no set of prices, however devised, will be sufficient to meet our production needs. Higher prices cannot direct limited supplies to their most efficient use.

"The Nation is moving to a manpower crisis without adequate plans and machinery to meet it. Neither in industry nor agriculture can the manpower problem be met primarily by the payment of higher wages. This will soon be apparent. The Executive should have power to allocate the supply of farm labor and supplement wages where necessary. This is the answer to farm leaders crying labor shortages."

Please note that some farm leaders who formerly vigorously supported this measure now agree with the position the Farmers Union has held all along.

Our information continues to indicate that the level of farm prices is adequate for full farm production, although we may need some price adjustments between particular commodities, which must be made upon a careful and selected basis. This bill makes no such careful distinction between commodities. It would raise by 13 or more percent a haphazard and even undetermined list of commodities without any relation either to need or to the effect upon total farm production. We believe it would actually discourage farmers from producing the maximum of those products which the Nation needs most. By bringing no compensating increases in production not otherwise attainable, this bill without question would be a dangerous threat to holding down the cost of living for everyone, including farmers. It would cost the Government on its purchases of farm products a tremendous amount, far in excess of what is needed to offer farmers adequate incentives for the extra effort they must make to increase production.

This bill would not modernize the parity formula, as some have claimed, but, indeed, would make parity less useful both to farmers and to the Nation's war effort. It would increase by a flat percentage the prices of many commodities, without any regard to the widely varying labor costs and labor supply and demand situation in individual commodities. It would not meet the increased labor costs of those farmers incurring the greatest increases, nor would it secure labor for them.

The total net income of agriculture has increased more rapidly than the total farm wage bill. Even the net income of those farmers who employ labor has more than kept pace with their increased labor costs. Their net income went up 50 percent in 1942 after they had paid only 25 percent more for their labor. They can well afford to pay still higher wages, and are doing so, but they cannot hope, in a period of total war, to get enough labor solely by bidding for it in the open market.

More than two-thirds of the effect of this bill would be secured by awarding a fictitious wage to farmers and members of their families for their work. That is completely illogical as a part of the parity idea, which is to provide a parity buying power to the farmer's dollar received for products sold when it is spent for production and living needs. Unpaid wages have no more place in the parity formula than would the value of the home-produced food consumed by the farm family.

If this provision had been in the parity formula since 1933, the total farm income between then and 1941 would have been lower by billions of dollars than it was. That is why all farm leaders until 1941 opposed putting in labor costs. The very reasons which now make the Pace bill such a dire threat to a stabilized price level would have made parity prices far lower from 1933 to 1941. The base period of 1909–14 was prior to the mechanization of farming. Farm wage rates were then much higher relative to the rest of the prices paid by farmers than they were between 1930 and 1941. Thus, in the base period, cash labor costs made up 32 percent of all farm expenses, but even in 1942 they were only 12 percent. The extremely low wage rates for farm labor during the 1930's, combined with a weighting in the parity index nearly three times greater than what labor costs now are, would have held back an increase in farm income at the very time when it was most necessary to restore parity between industry and agriculture and when farmers were most in need.

We urge the Senate to vote down this measure decisively and thus help end the misleading and ill-conceived efforts to meet our farm production needs by tinkering with parity. Let the Senate turn its attention to devising for farmers the kind of income insurance and incentives for increasing production which have been extended to industry. Farmers need that kind of help.

We thank you for this courtesy and for the many good things which you have done for agriculture in the past.

Respectfully yours,

THE NATIONAL FARMERS UNION,
JAMES G. PATTON, *President,*
M. W. THATCHER, *Vice Chairman,*
Executive Council.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Illinois [Mr. LUCAS] to recommit the pending bill (H. R. 1408) to the Committee on Agriculture and Forestry.

Mr. SMITH. Mr. President, in view of the fact that so many friends of the bill, whom I know to be its friends, seem to desire that it go back to the committee, if it is recommitted I hereby state—and I think I am speaking for the members of the committee—that we shall hold hearings, we shall consider the letter which the majority leader had read yesterday, and I shall make an effort to have the farm leaders, so-called, and the various farm organizations come before our committee and testify as to what they think of the proposition. When we have completed the hearings, the bill will again be reported to the Senate—whether favorably or unfavorably, I do not know, but I am rather of the opinion that it will be favorably.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. BARKLEY. Does not the Senator mean that the committee will make a report?

Mr. SMITH. Yes; it will make a report; and I hope the report will be overwhelmingly favorable.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Illinois [Mr. LUCAS] to recommit the bill to the Committee on Agriculture and Forestry. [Putting the question.] On this question the vote seems to be unanimous, and the bill is recommitted to the Committee on Agriculture and Forestry.

Mr. THOMAS of Oklahoma. Mr. President, I ask unanimous consent to have printed in the body of the RECORD four telegrams received by me endorsing House bill 1408.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

GUYMON, OKLA., *March 26, 1943.*

Senator ELMER THOMAS,
Washington, D. C.:

Texas County Farm Bureau wholeheartedly endorses Pace bill and demands continuous fight for passage.

H. C. HITCH, Jr.,
President, Texas County Farm Bureau.

HELENA, OKLA., *March 26, 1943.*

Hon. ELMER THOMAS,
United States Senate:

The Alfalfa County (Okla.) Farm Bureau respectfully demands your continued fight for passage of Pace bill.

J. A. SCHMOOK,
President, Alfalfa County Farm Bureau.

KINGFISHER, OKLA., *March 26, 1943.*

Senator ELMER THOMAS,
Washington, D. C.:

We urge your support and continued fight for passage of Pace bill.

EDWARD HARRISON,
Chairman, Kingfisher County
Farm Bureau.

WATONGA, OKLA., *March 26, 1943.*

Hon. Senator ELMER THOMAS,
Washington, D. C.:

We ask your continuous fight for passage of Pace bill.

BLAINE COUNTY FARM BUREAU.

INDUSTRIAL AND AGRICULTURAL PRODUCTION—LETTER FROM OVERSEER OF NEBRASKA STATE GRANGE

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the RECORD a letter which illustrates how some people who never have farmed like to tell the farmer how to conduct his business, and how some deny to the farmer his just position in the economic structure. The letter to which I have referred was addressed on February 8 by Mr. H. C. Filley, overseer of Nebraska State Grange, to Time magazine. I think it would interest the Members of the Senate to know that Mr. Filley wrote a letter to Time on October 7, 1942, calling attention to some of the gross errors in an article published in its October 5 issue. On October 22 one of the editors answered this letter, and received another letter from Mr. Filley, dated October 29. This letter was answered on January 26, 1943, and was replied to by Mr. Filley on February 8. I ask that the letter be printed immediately following my remarks. It will indicate the tenor of the conversation which took place between the overseer of the Nebraska State Grange and the editor of Time. By a reading of the letter I am sure one will gain the impression that the editor of Time knows better how to publish a magazine than he knows how to farm. He evidently has been so busy publishing the magazine that he has not had time to make reply to the letter of February 8 hereto attached.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

LINCOLN, NEBR.,
February 8, 1943.

Miss JANET MORISON,
Time, Time and Life Building,
Rockefeller Center, New York, N. Y.

DEAR MISS MORISON: I have been unable to decide what inference I am supposed to draw from your statement that the increase in industrial production is greater than the increase in agricultural production. The in-

crease in industrial production during the past 2 years certainly should be the greater, because the number of workers in industry has increased very materially while the number of workers in agriculture has decreased.

Efficiency of production has increased through the years for both industry and agriculture. For example, in 1790 when the First Census was taken, 90 percent of the persons who were engaged in any gainful occupation were engaged in agriculture. In other words, 9 persons out of every 10 who were gainfully employed were needed to produce food, raw materials for clothing, and a few other products classed as agricultural. The percent of the workers engaged in agricultural production has decreased as efficiency of production has increased. In 1940 only about 22 percent of the persons gainfully employed were required to produce farm products. The other 78 percent of the working part of the population were free to produce clothing, furniture, automobiles, books, bathtubs, and a thousand other things that form a part of the American standard of living. The efficiency of agricultural production has approximately doubled since 1900.

As a matter of course an increase in the efficiency of producing any one product should redound to the benefit of all, rather than to the benefit of the small group who happen to produce that particular product. As the manufacturers of automobiles have improved manufacturing processes, the price of cars has decreased and the quality has improved. The benefits of this increased efficiency of production have been distributed over the entire country.

In the same way, the benefits of increased efficiency of agricultural production have been distributed among all consumers. An hour of labor will buy more wheat today than before the invention of the reaper, twine binder, and combine. In fact the wages received for an hour of labor in almost any industry will buy a larger quantity of almost any farm product—as sold by the farmer—than would the wages of an hour of labor at almost any time in the past, except during the depths of depression periods.

You undoubtedly know that as a result of increased wage rates per hour, the margin between the value of products at the farm and the price at retail has increased materially during the past 30 years. For example, during the 10 years 1921–30, farm prices of food products averaged 138 percent of 1910–14 prices, but retail prices of these foods were 164 percent of the base years. During the next 10-year period, which includes the years that Time apparently believes are satisfactory for using as a base for farm income, the index number of the farm prices of food products was 95 and the index of retail food prices was 132. I do not recall that Time has called attention to the influence which the increased cost of processing and marketing farm products has had on the cost of living. Time apparently fears the inflationary effects that would result if the cost of farm labor should be included in computing "parity," but maintains a discreet silence over the much greater inflationary influence of the increased cost of getting the products to the home of the consumer.

Time seeks to arouse class hatred by the use of invective—"the greedy farm bloc," "to gouge $3,500,000,000 out of the public for big farmers", "top-drawer farmers." Apparently Time thinks that such tactics are essential to carrying out the program of the New Deal leaders.

I am interested in your statement that Time is doing its best to give farm organizations—which doubtless includes farmers—an even break. I am, however, more deeply impressed by the statements which have been printed in Time during recent months.

Time refers to the years 1910–14 as "lush years" and "halcyon years." The truth is, as Time could very easily have learned, that during the years 1910–14 the more than one-third of the population who lived on farms received less than one-eighth of the national income.

Time says, "Money from (1942) farm marketings is double the 1935–39 average." Time neglects to state for the benefit of the uninformed reader that receipts from farm marketings were small in the years selected for comparison. During these years production was below normal and prices averaged but 82 percent of parity. The average annual farm income would have been increased by more than $2,200,000,000 if prices had been at parity. The average annual net income per person on farms for these 5 years was only $172. This was the amount available for clothing, purchased food, household equipment, books, church, charity, recreation, and savings. Probably the editors of Time neither know nor care that many thousands of farm owners lost their farms during this period which Time uses as a base for giving information upon income.

Time blazons forth the gross farm income in 1942 but discreetly fails to give the amount of the net farm income.

Time gives the percent of increase in net income per farm dweller since 1910–14 but omits to mention that the 1910–14 income was only $134. Time also neglects to state that the per capita increase in income per person not on farms was over 280 percent of the per capita increase of the net income per person on farms.

The inevitable results of the policies which Time and many other periodicals failed to oppose when opposition might have had some influence are now becoming apparent. The high wages and short hours of industry have drained labor from the farms and now when the need for increased food production is recognized, Time objects to considering the labor costs of agriculture. Even under existing conditions, which are becoming serious, the administration and its supporters have failed to urge upon Congress the necessity of amending the wage-hour law and increasing the length of the basic workweek. For obvious reasons food, munitions, and other supplies essential to winning the war and caring for the home needs can be provided only through work. The United Nations will not win the war with a 40-hour week. This fact has long been recognized by Great Britain and Russia, but has apparently been considered by only a few persons in the United States. The farm population is the only large group so far as I know whose members have been working more than 50 hours per week. You are undoubtedly well informed upon the length of the working week of miners and various other groups.

The chart upon wages and living costs published in the February 8 issue of Time presents information that will doubtless be of great value to many of your readers. A study of this chart ought to aid almost anyone in determining at least one of the major reasons why serious inflation is imminent.

Time is widely read. It has an opportunity to perform a great public service by presenting the truth honestly and accurately. On the other hand, Time can work against the interest of the public and the Nation by indulging in propaganda and giving to uninformed readers a prejudiced view upon various current problems.

Yours very truly,

H. C. FILLEY,
Overseer, Nebraska State Grange.

PREVENTION OF DEDUCTIONS IN DETERMINING PARITY OR COMPARABLE PRICES OF AGRICULTURAL COMMODITIES

The ACTING PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 660) entitled "An act to prevent certain deductions in determining parity or comparable prices of agricultural commodities, and for other purposes," which was to strike out all after the enacting clause and insert:

That section 3 of the act entitled "An act to aid in stabilizing the cost of living" (Public Law No. 729, 77th Cong.) be amended by striking out the period at the end of the section, inserting a colon, and the following: "*Provided further*, That notwithstanding any other provision of law, rule, regulation, or order, no subsidy payment, parity payment, conservation payment, incentive payment, or payment in any other form or by any other term described shall be deducted in establishing, maintaining, or adjusting maximum prices or in determining parity or comparable prices for any agricultural commodity or for any commodity processed or manufactured in whole or in substantial part from any agricultural commodity. The agencies of the Government having jurisdiction with respect to such prices and payments shall make such adjustment in any such prices heretofore determined or established as may be necessary to carry out the purposes of this act."

Mr. BANKHEAD. Mr. President, the House amendment to the Senate bill is in the form of an amendment to the Price Control Act and would shorten the duration of the bill passed by the Senate, because when the Price Control Act expires the amendment to it would, of course, also pass out of existence. That is the only material difference. So I move that the Senate concur in the House amendment.

The motion was agreed to.

TEMPORARY ADDITIONAL COMPENSATION FOR POSTAL EMPLOYEES

Mr. HAYDEN. Mr. President, I move that the Senate proceed to the consideration of House bill 1366 to provide temporary additional compensation for employees in the Postal Service.

Mr. McNARY. Mr. President, I believe the bill is on the calendar. Is that correct?

Mr. HAYDEN. Yes; it is on the calendar.

Mr. McNARY. I am not familiar with it; it has not been called to my attention. Will the Senator make a brief statement concerning its general purposes?

Mr. HAYDEN. I shall be glad to state the general purpose of the bill. Legislation which has been pending for some time applies to civil-service employees generally, and is to be a substitute for the temporary measure which was enacted last fall. It was found that it does not equitably apply to the employees of the Postal Service. So the House considered the matter and passed the bill which the Senate Committee on Post Offices and Post Roads reports favorably. The bill provides that, in lieu of the provisions which normally would apply to civil-service employees, a bonus of $300 a year shall be granted to postal employees, that that shall be all the increase they shall receive, and that any change by way of increase in the compensation of other civil-service employees shall not be applicable to them.

Mr. McNARY. Mr. President, the able junior Senator from Ohio [Mr. BURTON], who is now detained in the Truman committee, has done some work along

the line of increased compensation, particularly, as I recall, for the school teachers and policemen of the District of Columbia. From what he said to me one day, I think the statement should be made that he has an idea for a plan along the line of increased compensation for such employees. From what he said, I think I should suggest the absence of a quorum. Therefore, Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Green	O'Mahoney
Austin	Guffey	Overton
Bailey	Gurney	Reed
Ball	Hatch	Revercomb
Bankhead	Hawkes	Reynolds
Barkley	Hayden	Robertson
Bone	Holman	Russell
Brewster	Johnson, Calif.	Scrugham
Bridges	Johnson, Colo.	Shipstead
Brooks	Kilgore	Smith
Buck	La Follette	Stewart
Burton	Langer	Thomas, Idaho
Bushfield	Lodge	Thomas, Okla.
Butler	Lucas	Thomas, Utah
Byrd	McCarran	Truman
Capper	McClellan	Tunnell
Caraway	McFarland	Tydings
Chavez	McKellar	Vandenberg
Clark, Mo.	McNary	Van Nuys
Connally	Maloney	Wagner
Davis	Maybank	Wallgren
Downey	Mead	Wherry
Eastland	Milliken	White
Ellender	Moore	Wiley
Ferguson	Murdock	Willis
George	Murray	Wilson
Gerry	Nye	
Gillette	O'Daniel	

The PRESIDING OFFICER (Mr. EASTLAND in the chair). Eighty-two Senators have answered to their names. A quorum is present.

The question is on agreeing to the motion of the Senator from Arizona [Mr. HAYDEN] that the Senate proceed to the consideration of House bill 1366.

Mr. MEAD. Mr. President, let me ask my distinguished colleague from Arizona if he is moving to substitute the House bill for the Senate bill?

Mr. HAYDEN. No; I moved to proceed to the consideration of the House bill.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Arizona.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 1366) to provide temporary additional compensation for employees in the Postal Service.

Mr. MEAD. Mr. President, I offer an amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from New York will be stated.

The LEGISLATIVE CLERK. On page 2, line 8, after the word "exceed", it is proposed to strike out "$300 per annum" and insert in lieu thereof "an average of $25 per month for the fiscal year or fractional part thereof."

Mr. MEAD. Mr. President, I shall be glad to explain the amendment.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. McKELLAR. As I recall, the committee had conferences with the representatives of the Department and of the employees, and it seems to have been unanimously agreed at that time that the bonus to be given to the employees of the Post Office Department should be $300 per annum. As I understand, the House passed the bill in that form, and the Senate committee agreed to it.

Mr. MEAD. That is correct.

Mr. McKELLAR. What is the purpose of making it $25 a month? Is it merely to make it payable monthly instead of in a lump sum?

Mr. MEAD. That is correct. The amendment was sent to me by Mr. Purdum, of the Department, who said that it would result in better bookkeeping methods.

Mr. McKELLAR. Is the proposed change to $25 a month now satisfactory both to the employees and the Department?

Mr. MEAD. It is my understanding there is no objection to it, and that it is satisfactory to both parties.

Mr. McKELLAR. In that situation it seems to me that the amendment might well be adopted and be allowed to go to conference, or be agreed to by the House.

Mr. President, I wish to say that during the last war we had to agree to an increase of wages of post-office employees. As I recall, we agreed to two increases, the first in the amount of $150, and, shortly thereafter, the second for another $150. So there is no great difference between the proposal made then and the one which is now being made. After many conferences with officials of the Department, including our splendid Postmaster General, Mr. Walker, and after a most careful examination by the experts of the Post Office Department, it was agreed to between the Department and the employees—who acted in a very fine way about the whole matter—that $300 would be a proper bonus to be paid on account of the increased cost of living brought about by the war. I hope very much, Mr. President, that the bill will be passed. I see no objection to the amendment offered by the distinguished Senator from New York.

Mr. MEAD. Mr. President, as a member of the committee, and as the one who has charge of the bill, I desire to compliment the chairman of the committee under whose leadership and direction the bill was considered and reported to the Senate.

Mr. GEORGE. Mr. President, I should like to propound a question to the Senator in charge of the bill. There is, of course, no objection to the $300 bonus, and I do not know that there is any objection to the total pay the postal employees will receive if the pending bill shall go into effect. But, I think the Senate should understand it, and I should like to ask if my understanding of the situation is correct.

About a year ago, or several months ago, a bill was passed by Congress providing for the payment of straight time for work in excess of 40 hours a week. I have been looking for a copy of the act, but I have not been able to lay my hands on it.

Mr. MEAD. The Senator is correct in his statement that such a bill was passed.

Mr. GEORGE. That bill, I think, applied to the postal employees?

Mr. MEAD. The Senator is correct.

Mr. GEORGE. And it applied to the field service, as well as to all other services. As I understand, by Executive order the work week was increased to 48 hours, that is, straight time, not double time.

Mr. MEAD. That was applicable to many offices, and only to employees who work on an hourly basis.

Mr. GEORGE. That is what I understand. The increase did not apply to rural carriers. It applied to city carriers, all clerks, and all inside office workers. If we add to the basic salary an 8-hour additional compensation at straight time, we will, with the increase added, increase the pay of postal employees to approximately 35 percent above their basic pay. That is according to my information.

Mr. BANKHEAD. Does the Senator mean in addition to the 35 percent?

Mr. MEAD. No; altogether.

Mr. GEORGE. Three hundred dollars plus the 8 hours straight time would amount to an increase of about 35 percent in the base pay. I desire to ask the Senator, who is unusually well informed on matters of this kind, if my information is correct.

Mr. MEAD. In the aggregate the Senator is correct in his understanding, but I would have to detail my explanation by saying that the postal employees are divided, first of all, into two classes. First, there are the clerks, carriers, and laborers in the city post offices, who will be given a $300 bonus and straight time for overtime. In addition to those employees, there are special-delivery messengers, clerks in third-class offices, charmen, charwomen, custodial employees, substitutes, temporary employees, rural letter carriers, railway mail clerks, and others who cannot be adjusted to a purely hourly basis. Those who are on a purely hourly basis, namely, clerks and carriers for the most part, are given a 15-percent increase in their average wage under the $300 provision in the pending bill. That is 6.6 percent less than is being received by civil-service employees in other departments. It is 15 percent less than is being paid to 60 percent of Federal employees whose salaries are adjusted by wage boards. Sixty percent of Federal employees who are receiving a 30-percent increase in compensation are field employees who compare favorably with the field employees of the Postal Service. So, by reason of the fact that time and a half is being paid for overtime in the departmental service, and that a wage increase was granted to field-service employees outside of the Postal Service by wage boards—which amounts to more than 30 percent—the committee decided that it would be reasonable treatment of the postal employees to recommend a 15-percent increase, which is $300, and to add to that, not time and a half, as is the case with other employees, but straight time for such work as the employee works in excess of 40 hours.

A great many postal employees who are working on the railroads have had their work increased tremendously, but because their mileage has not been in-

creased they receive no additional pay. There are times when such employees work in the terminals in the cities in which they live, and for this work they receive straight time. It seems only reasonable to utilize this vast force of postal employees by having them pitch in during emergency periods when their services are needed to do the work which piles up here and there throughout the United States. So we divide the postal employees into two categories. To those in the first category, namely, those who cannot be put on an hourly basis, we propose to give a 15-percent increase in pay and allowances. To all others who cannot be adjusted on an hourly basis we would give a $300 bonus, plus straight time only for overtime. That compares favorably with the increases granted in the field services of other departments of the Government. The field services number about 60 percent of the entire Government personnel.

Mr. McKELLAR. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. OVERTON in the chair). Does the Senator from New York yield to the Senator from Tennessee?

Mr. MEAD. I yield.

Mr. McKELLAR. I should like to make a further explanation to the Senator from Georgia [Mr. GEORGE] relative to the purpose of the Department in securing the money to pay these increases in salary. Through its experts the Department has worked out a plan by which there is to be an increase in the rates on various classes of mail, including some of each class. By increasing the rates, it is the hope and purpose of the Department to become self-sustaining, as it is if we except departmental mail and other mail which goes free, the latter being very little as compared with the departmental mail. By the way, I want to say for the Post Office Department that they are taking steps in connection with the other several departments of the Government to see if the departmental mail cannot be limited as far as possible so as to reduce that expense. There is a proposal for an increase in mail rates which I have not before me. I am sorry that I have not, for I think the figures ought to go into the RECORD to show just what is proposed so that Senators and Members of the other House might see them. I am quite convinced that such a bill should pass, and I believe that it will pass, because it is manifestly the proper way to take care of the increase in salaries proposed by the pending bill. As Senators will see, the pending measure applies during the present war emergency and for 6 months thereafter, and the purpose of the increase in rates of the several classes of mail will be to continue to make the department as nearly self-sustaining as possible.

Mr. GEORGE. Mr. President, I should like to ask a further question. Has the Comptroller General been called upon to say whether or not the $300 per annum bonus would become a part of the base pay? If so and if this principle is to be extended throughout the Government service, obviously we shall have an enormous increase in cost.

Mr. MEAD. It is a straight wartime bonus added to the base pay, but it is not a permanent feature of the base pay.

Mr. GEORGE. I know it is not permanent, but has any inquiry been made of the Comptroller General as to whether or not the bonus would become a part of the base pay?

Mr. McKELLAR. No; that has not been done, and I regret that it has not been done. Up to the time of my illness, I know it had not been done, and if it has been done at all it has been done since that time. Perhaps the Senator from New York can tell us about that.

Mr. MEAD. I should say this plan follows the general plan which has seemed to meet with the approval of Congress in the passage of the bill increasing the pay of policemen, firemen, and school teachers in the District of Columbia. In that instance, for the most part, the same general plan of adding a bonus of $300 was adopted.

Mr. McKELLAR. For the emergency?

Mr. MEAD. Yes, for the emergency.

Mr. McKELLAR. And not to become a part of the base pay. So far, however, as the Comptroller General's opinion about the matter is concerned, I do not think it was ever asked.

Mr. MEAD. The Civil Service Committee of the Senate, as is true of the Civil Service Committee of the House, have adhered to the $300 bonus idea rather than the original plan of time and a half based on a 260-day work year. So we seem to be following the general plan which involves the civil-service employees of the departments and the employees of the District of Columbia.

Mr. GEORGE. I should like to ask, Is it the opinion of the committee that a $300 temporary wartime bonus would become a part of the base pay during the war period?

Mr. McKELLAR. It would not, in my opinion, and, so far as I know, it is the opinion of the committee that it would not become a part of the base pay.

Mr. GEORGE. This bill does not specifically deal with the question?

Mr. McKELLAR. So far as I am concerned, I should have no objection to an amendment providing that it should not become a part of the base pay. I do not think it was intended by anyone that it should.

Mr. BARKLEY. Mr. President, if the Senator from Georgia will let me interject, it may be important, because if it becomes a part of the base pay, the 15 percent would be calculated upon the increased base pay, but if it is not a part of the base pay, the 15 percent would not be so calculated. I assume it was not the intention of the committee to make it a part of the base pay so as to use it as a base for calculating the percentage increase. That point should be made clear.

Mr. HAYDEN. Mr. President, as a member of the committee, this is the first time I have heard that question raised. I do not believe that any member of the Committee on Post Offices and Post Roads for a moment assumed that the $300 would become a part of the base pay.

Mr. McKELLAR. I am quite sure of that.

Mr. GEORGE. I was not by my questions indicating that these employees should not have all that is proposed to be given them under the bill, but I think it is a fact that the Senate ought to know that a year ago we provided for an increase of pay for postal employees by the extension of the 40-hour week and the payment of straight time.

Mr. MEAD. We repealed the 40-hour week and allowed them to work 48 hours straight time, so as to increase their earning power rather than the base pay.

Mr. GEORGE. Yes; so as to increase their earning power.

Mr. MEAD. The $300 bonus would be in addition to that, but we repeal by this legislation the present time-and-a-half legislation as applied to their overtime. Today they are receiving time and a half for overtime, but under this bill those who work will only receive straight time for overtime. It must be taken into consideration that we cannot put the entire Postal Service on a 48-hour week, because, in some instances, they have less work than they had prior to the war; so there is an adjustment from post office to post office. We took that into consideration.

Mr. GEORGE. I appreciate that, and I am not saying that the bill does not provide justly and properly, but I am worried somewhat about the percentage increase. If the bill is passed in this form there would be nothing in conference even to indicate, except for the expressions here on the floor of the Senate, whether or not it was the opinion of the committee that the $300 bonus was not to be considered a part of the base pay.

Mr. MEAD. Of course, for the most part, the $300 applies to the group to whom the 15 percent does not apply. There is a division between the two groups.

Mr. McKELLAR. I wish to suggest to the Senator from New York, who is in charge of the bill, that he accept the amendment the Senator from Georgia has prepared, so that it may be in conference.

Mr. GEORGE. I have not prepared an amendment. I was simply inquiring to ascertain what this bill meant and in what position it would put us.

Mr. McKELLAR. If the Senator will suggest an amendment, we will accept it and let it go to conference, and work the matter out there.

Mr. GEORGE. I think it would be well to have some amendment go to conference so that it would be open to further consideration.

Mr. McKELLAR. If the Senator will prepare an amendment, we will accept it.

Mr. BANKHEAD. Mr. President, I should like to get a little general information. I am aware that the Senator from New York knows as much about the

salaries and compensation of Federal employees as does any other Member of the Senate, and probably more. He has had a very active hand in all the increases which have been made. It is my understanding, though I have not investigated it, that there has been an increase in the salaries of all civil-service employees within the last year or so since we got into the war situation. Is that correct?

Mr. MEAD. Yes. In December we passed a joint resolution placing the employees of all departments on a time-and-a-half basis, and lengthening the workweek from 40 to 48 hours, so as to add to the earning capacity of the employees.

Mr. BANKHEAD. How much, on the average, did that increase the income of the employees?

Mr. MEAD. It increased their income 21.5 or 21.6 percent. Prior to that time we passed a bill, referred to as the automatic increase bill, applying to departmental employees, under which every 18 months an employee in the departmental service whose rating was good or better would receive an automatic increase in his salary, and the Appropriations Committee would be called upon to make provision for it. It called for an automatic increase of $60 to take place every 18 months. Then, in addition to that, for custodial employees in all departments within a year we passed a bill increasing their salary some $300.

Mr. BANKHEAD. Three hundred dollars.

Mr. MEAD. Approximately. That bill applied to employees from charwomen all the way up to those whose salaries were $2,900; but since 1925 we have not done anything for the postal employees or the field service.

Mr. BANKHEAD. I am not specifying; I am really trying to understand the present situation in reference to the increase in pay to Government employees. Will the Senator tell me, if he knows—and I hope he does know—what the average increase per capita to Federal employees has been since the salary raises began?

Mr. MEAD. As a result of the joint resolution which was enacted in December, we increased the earnings approximately 21 percent.

Mr. BANKHEAD. What does that amount to per capita, on an average?

Mr. MEAD. Their salaries run all the way from $1,200——

Mr. BANKHEAD. How many hundred dollars each year does that mean, on an average? I can understand it better in that way than on the percentage basis.

Mr. MEAD. The average salary in the Federal Government, I suppose, is fifteen or sixteen hundred dollars per annum; I would say $1,600. A few years ago it was $1,400. If it is $1,600, the increase would then be about $240, on the average.

Mr. BANKHEAD. That is the Senator's present idea about the average increase to all Federal employees?

Mr. MEAD. Yes; but, of course, there is another thing to take into consideration. Before the war, there was a comparatively small personnel in the Federal service.

Mr. BANKHEAD. Now we have over 2,000,000.

Mr. MEAD. As a result of the expansion, many old-line employees have been given raises because of added responsibility. But that is not so of the Postal Service. Once a man becomes a letter carrier, he is a letter carrier for life.

Mr. BANKHEAD. I am not complaining about the postal bill; I am trying to obtain information. I want to see about how much we have increased the expenditures of the Government within the last year by reason of additional payments to Federal employees. It is my understanding, from the Senator's statement, that it amounts to between five and six hundred million dollars. Is that correct?

Mr. MEAD. I would say so; but there has been added the new army of employees who have been hired as a result of the emergency.

Mr. BANKHEAD. But they are here; we are paying out that much more.

Mr. MEAD. They are here.

Mr. REVERCOMB. Mr. President, will the Senator from New York yield?

Mr. MEAD. I yield.

Mr. REVERCOMB. Am I to understand that the pending bill takes the place of the 15-percent increase given under existing law?

Mr. MEAD. Yes; this supersedes the present law.

Mr. REVERCOMB. And is not in addition to it?

Mr. MEAD. It is not in addition; the Senator is correct.

Mr. BYRD. The previous law provided 10 percent.

Mr. MEAD. Yes; the joint resolution passed by Congress calls for time-and-a-half for overtime, and 10 percent for those who could not be accommodated under the overtime provisions. This will give them straight time for overtime, and a $300 bonus, and to those who cannot have their workweek arranged on an hourly basis, we give 15 percent instead of 10 percent. So it raises the percentage by 5 percent.

Mr. BURTON. Mr. President, it has been my privilege to serve with the Senator from New York on the Committee on Civil Service, which is also dealing with the question of wage increases, and I know the Senator has also served on the Committee on Post Offices and Post Roads, and I believe it is of great importance that the Senate should determine whether or not there is a discrimination between the two bills being considered.

I should like to ask the Senator a question or two, so that the matter may be brought out clearly. The bill we have before us is, I believe, House bill 1366, which already has passed the House.

Mr. MEAD. Yes.

Mr. BURTON. That is the same as Senate bill 360, which has been recommended by the Senate Committee on Post Offices and Post Roads. On the other hand, the bill which has been before the Senate Committee on Civil Service is Senate bill 635, which the committee voted this morning to report to the Senate.

I should like to compare the effect of the two bills and to ask the Senator whether or not they are discriminatory when contrasted with each other. Under the civil-service bill, which we have been considering in our committee, we have excluded the field offices of the Post Office Department?

Mr. MEAD. That is correct.

Mr. BURTON. Therefore they are not involved in our civil-service bill?

Mr. MEAD. That is correct.

Mr. BURTON. But during the hearing on our bill there was some testimony to the effect that the bill which was being considered in the Committee on Post Offices and Post Roads discriminated in favor of the post-office employees, and that is what I wish to clear up.

Under our general bill for the civil service, Senate bill 635, which the committee just voted on this morning, it is provided that in cases where there is no overtime readily computable, there shall be a flat increase of $300 a year for employees. Then, in cases in which overtime can be computed, there will be time and a half for overtime allowed for the employee's work with a guaranteed minimum of $300 a year, or $25 a month for such overtime, and in order to give a basis for the computation of overtime an employee's daily rate shall be one three-hundred-and-sixtieth of his annual pay. This is practically the same rate that is now being used under the temporary overtime bill, passed last December and expiring April 30?

Mr. MEAD. That is correct.

Mr. BURTON. The net effect is just what the Senator pointed out, that for the employee who gets 8 hours' overtime, he will get a 21.6-percent increase in pay. So that if, for example, he is a $2,100 employee—which figure I use because it is a figure comparable with the average rate of pay in the Post Office Department, which I will use in a moment—he will get $453 increase in pay under the proposed arrangement?

Mr. MEAD. Yes.

Mr. BURTON. The Post Office bill is not quite the same, because instead of having a minimum of $300 against which is charged the overtime pay, the Post Office bill prescribes a $300 bonus and allows straight time for overtime in addition to the $300.

Mr. MEAD. Yes.

Mr. BURTON. Therefore, the man drawing $2,100, which, I understand from the budget office of the Post Office Department, is the average salary which may be used for comparison purposes in dealing with the Post Office Department, would receive a $300 bonus plus his overtime. This overtime is computed in the way they do it there, on a straight time basis, and I think their daily rate is one three-hundred-and-sixth of his annual pay. Computed on that basis, he will receive about $356 for overtime. The $300 bonus and the $356 for overtime gives him a total increase of $656, as compared with a total increase of $453 under the ordinary civil-service bill. It is about

$200 more. It is an increase of about 30 percent, as compared with 21.6 percent. On its face this would appear to discriminate in favor of the Post Office Department as against the rest. I have been given to understand, however, that it is the opinion of the Committee on Post Offices and Post Roads that this does not amount to discrimination, and I have understood they have arrived at that conclusion because they feel there is a preexisting discrimination against the Post Office Department before any adjustment is made.

I should like to have the Senator explain if that is the fact, because otherwise it might result in discrimination, and if the bill for the post-office employees were passed and were discriminatory in their favor, we would be faced next week with that argument when we bring out our civil-service bill. I want to make sure the bills are not discriminatory when compared with each other.

Mr. BARKLEY. Mr. President, will the Senator from New York yield to me to make an announcement for the information of the Senate before he proceeds?

Mr. MEAD. I yield.

Mr. BARKLEY. Following the disposition of the pending bill, it is expected that the Senate will take up Calendar 117, which deals with the deferment under the Selective Service Act of certain Government employees. Following that, it is the intention to go into executive session to consider the nomination of Admiral Land, Chairman of the Maritime Commission. I wanted Senators to know the program so that they would be governed accordingly.

Mr. MEAD. Mr. President, if I were to reveal the thoughts which motivated the minds of the committee, particularly my own thoughts, I would have to take the Senate back to 1925, which was the time when the postal employees in the field service received their last pay raise. Then I would have to take into consideration legislation enacted providing for increases to other employees, and I would have to add to that the fact that the other employees of the Government are divided, as the Senator well knows, into two groups. Forty percent of them are provided for under the legislation which came out of the Civil Service Committee, of which the Senator from Ohio and I are members. Sixty percent of them, as a result of laws enacted by Congress, have their wages adjusted from time to time by wage boards. The latter class have received a successive number of increases during the past 2 years.

Mr. BURTON. Increases in the basic rates of pay, really.

Mr. MEAD. Increases in basic rates, not temporary rates. I would have to say that we have given that consideration, and we particularly emphasize the fact that it would be better to compare employees of the field services of the other departments, who received successive increases, with the employees affected by the pending bill, because the employees under the pending bill are field employees also, rather than employees in the District of Columbia. Then we take into consideration the fact that within the last few years we passed the automatic promotion bill, which applies, not to postal workers, not to workers in the field service who have their wages adjusted by wage boards, but to departmental workers in the District of Columbia, who will be included in the bill which the committee has just reported.

We would have to take into consideration the increases all along the line approved by the Congress in recent years for custodial employees, and for policemen, guards, mechanical workers, skilled workers, and so forth, who are in the departmental service, but whose wages are not fixed by wage boards. So, taking them all into consideration, and dividing the postal workers into two classes, those who work on a mileage or fee and on a revenue basis and cannot have their hours adjusted, and are not to be given any overtime pay, and those who work on an hourly basis and can be adjusted to a longer hourly wage, and who will be given a bonus plus overtime, it is the opinion of the committee that if there is any discrimination over a period of years, the discrimination lies against the postal employees, and not in their favor.

Mr. BURTON. Mr. President, that is the point on which I want to be clear. I think there is a generally sympathetic attitude toward postal employees because of the service they render, but we must not discriminate in favor of or against them. I take it what the Senator from New York is saying is that there now exists sufficient discrimination against the postal employees so that when this bill gives them an average of $656 total increase, including both their standard overtime and their $300 bonus, as compared with the civil-service employee getting $453, the Senator regards that as evening up an existing discrimination against the postal employees. The Senator therefore regards this bill as being in conformity with the civil service employee bill, so that when the civil service employee bill comes up for consideration next week we can say that it is in conformity with the bill now under consideration.

Mr. MEAD. Yes. And further, we do not place all the field employees of the Postal Service on an overtime basis. Many of them will work straight time, and if they relied on overtime to increase their earnings they would not have any increase in earnings. So the bill as we have written it will allow the Postal Service employees to work one station 48 hours, another station 44 hours, and the third station 40 hours a week.

Mr. BURTON. Mr. President, I have heard discussion to the effect that the Post Office Department itself had some objection to this bill with which I am not familiar. The Department even indicated, through some witnesses in the House hearings, that the bill may run into a veto on the basis of discrimination. I should like to have the Senator from New York assure the Senate that he can meet that argument of discrimination sufficiently so as to overcome the objection on the part of the Post Office Department.

Mr. McKELLAR. Mr. President, if the Senator from New York will yield to me I think I can answer the question asked by the Senator from Ohio.

Mr. MEAD. I yield.

Mr. McKELLAR. The Post Office Department did have such a view. The Post Office officials examined into the matters which have just been discussed by the Senator from New York [Mr. MEAD] and the Senator from Ohio [Mr. BURTON], and came to the same conclusion the committee has reached, and have given this bill their approval, on the ground that there has been a previous discrimination against the employees of the Post Office Department in the matter of salaries and wages. It was for that reason that the Department approved the bill, and it is agreed to by all sides. I hope the bill may pass. I am perfectly willing to accept the amendment which has been offered to the bill.

Mr. BURTON. I should like to add to the point I have made that I think there is no more important principle involved in all pay-roll discussion than that of equality of treatment.

Mr. McKELLAR. I agree with the Senator from Ohio.

Mr. BURTON. That principle is more important than the rate of pay itself. Therefore, if the pending bill is in conformity with the civil-service bill, I think it has met that most important principle, and the passage of the pending bill will become an argument in favor of the passage of the civil service bill as we have approved it in committee.

Mr. MEAD. I agree with the Senator from Ohio. I think the important principle he has mentioned is contained in the pending bill, as well as in the civil-service employees bill, and the bill relating to employees of the District of Columbia. I wish to say, Mr. President, that I think the Senator from Ohio has devoted more time to consideration of those bills, and has been more helpful than anyone else in attempting to arrive at the uniformity of which he has just spoken.

Mr. GEORGE. Mr. President, I should like to offer an amendment. In the absence of knowledge of what the Comptroller General might be compelled to hold in construing the bill, and in order that it may go to conference, so that the matter will be open, I offer an amendment, on page 2, at the end of line 8, to add a proviso as follows:

Provided, That the additional compensation at the rate of $300 per annum shall not be considered in computing or fixing the earned basic compensation for any purpose under this act.

Mr. MEAD. Mr. President, I shall be glad to accept the amendment offered by the distinguished Senator from Georgia.

The PRESIDING OFFICER (Mr. GURNEY in the chair.) Does the Chair understand that the amendment offered by the Senator from Georgia is an amendment to the amendment of the

Senator from New York, which is now pending?

Mr. MEAD. My amendment is pending, and I should like to have it agreed to. Then action on the amendment proposed by the Senator from Georgia would be in order.

The PRESIDING OFFICER. Without objection, the amendment offered by the Senator from New York [Mr. MEAD] on page 2, line 8, is agreed to.

Mr. GEORGE. Mr. President, the amendment which I have offered is on page 2, at the end of line 8, as follows:

Provided, That the additional compensation at the rate of $300 per annum shall not be considered in computing or fixing the earned basic compensation for any purpose under this act.

Mr. MEAD. I ask that the amendment offered by the Senator from Georgia be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Georgia [Mr. GEORGE].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. BYRD. Mr. President, I wish to suggest to the Senator from New York that the same expiration date should apply to the proposed legislation that applies to the bill which was reported by the Civil Service Committee with respect to other employees of the Government. That bill was also introduced by the Senator from New York, and it provided as follows:

This act shall take effect on May 1, 1943, and shall terminate on June 30, 1945, or such earlier date as the Congress by concurrent resolution may prescribe.

The pending bill provides:

This act shall take effect May 1, 1943, and shall remain in effect for the duration of the war and for 6 months thereafter, or until such earlier date as Congress by concurrent resolution may prescribe.

Mr. President, I have no preference as between the two provisions, except I think a definite date is somewhat preferable.

Mr. McKELLAR. There would be no objection to the substitution of the language first read by the Senator from Virginia.

Mr. MEAD. Mr. President, in the interest of uniformity I believe we should accept, as an amendment, the language first read by the Senator from Virginia. I think that language ought to apply to every similar bill.

Mr. BYRD. This is emergency legislation.

Mr. MEAD. I concur in the proposal made by the Senator from Virginia.

Mr. BYRD. Mr. President, I submit as an amendment the following language, as a substitute for section 3 of the bill:

SEC. 3. This act shall take effect on May 1, 1943, and shall terminate on June 30, 1945, or such earlier date as the Congress by concurrent resolution may prescribe.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Virginia.

The amendment was agreed to.

The PRESIDING OFFICER. If there be no further amendment, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill H. R. 1366 was read the third time and passed.

The PRESIDING OFFICER. Without objection, Senate bill 360, a similar bill, will be indefinitely postponed.

SELECTIVE-SERVICE DEFERMENT, ON OCCUPATIONAL GROUNDS, OF GOVERNMENT EMPLOYEES

Mr. LODGE. Mr. President, I move that the Senate proceed to the consideration of Senate bill 886, Calendar No. 117.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 886) relating to the selective-service deferment, on occupational grounds, of persons employed by the Federal Government.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Massachusetts.

Mr. McCARRAN. Mr. President, I ask that the calendar number of the bill be stated.

The PRESIDING OFFICER. The bill is Calendar No. 117.

Mr. McCARRAN. Mr. President, may we have an explanation of the bill?

Mr. LODGE. Mr. President, the purpose of the bill is to prevent employment in the Federal service to be used as a device for evading the draft. The bill does three things. In the first place, it reaffirms the Executive order issued by the President on the 6th of March, which set up the procedure for determining whether an employee in the executive branch is essential; and unless he is essential he cannot be deferred from the draft. That is the first thing the bill does.

The second thing it does is to set up a similar system for employees of the legislative and judicial branches of the Government. It was not felt that the Congress could take a very strong position relative to prevention of evasion of the draft by employees of the executive branch, and not take a similar position and apply similar standards as to the employees of both Houses of Congress.

The third feature of the bill is that it provides that the names of persons who are deferred shall be transmitted to Congress.

In other words, the bill represents a moderate and, I think, a sensible approach to a problem about which there is a great deal of talk and discussion. I think the bill is one which will be welcomed by every person of good will who is in the Federal service. The only persons who will not like it are those who make up the very small percentage of employees seeking to evade the draft.

I may say that the thought for the bill did not originate in my mind; I was simply one of many Senators who thought of doing something about the matter. In the first place, the junior Senator from South Carolina [Mr. MAYBANK] joined himself with me in introducing it; but I should also mention the senior Senator from Tennessee [Mr. McKELLAR] and the senior Senator from Arizona [Mr. HAYDEN], who in the Appropriations Committee discussed this subject and brought it forward with their customary eloquence.

It was first thought to accomplish the desired end by means of a limitation on an appropriation bill, but subsequently it was felt that it would be more expeditious to proceed in the regular way, by introducing a bill and having it referred to the Committee on Military Affairs.

Consequently, we drafted the bill. The Committee on Military Affairs was unanimous in reporting it favorably, and I hope it will be passed by the Senate.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. LODGE. I yield.

Mr. HAYDEN. As I observe section (d) at the bottom of page 3, which provides that, "For the purposes of this section and Executive Order No. 9309, the Government Printing Office shall be deemed to be an agency in the executive branch of the Government," it seems to me that is a sound proposition, and that the Library of Congress should likewise be presumed to be such. I suggest to the Senator that, in line 1, page 4, the word "shall" be stricken out, and the words "and the Library of Congress shall each" be inserted.

Mr. LODGE. I am glad to accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Arizona.

The amendment was agreed to.

The PRESIDING OFFICER. If there be no further amendment to be offered, the question is on the engrossment and third reading of the bill.

The bill S. 886 was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That (a) in the classification, reclassification, or deferment, under section 5 (c) (2) or section 5 (e) of the Selective Training and Service Act of 1940, as amended, of persons employed in or under the Federal Government, no consideration shall be given to the fact that any such person is so employed, unless a request for the deferment of such person shall have been made (1) in accordance with the provisions of Executive Order No. 9309, dated March 6, 1943, in the case of persons employed in the executive branch of the Government, or (2) in accordance with the provisions of subsection (b) of this section in the case of persons employed in the judicial or legislative branches of the Government.

(b) There is hereby established (1) a committee in the judicial branch of the Government to consist of such persons in the judicial branch of the Government as may be appointed to such committee by the Chief Justice of the United States, and (2) a committee in the legislative branch of the Government to consist of three Members of the Senate, to be appointed by the President of the Senate, and three Members of the House of Representatives to be appointed by the Speaker of the House. The committees established under this subsection shall have powers and duties with respect to officers and employees in their respective branches of the Government corresponding to the powers and duties of the committees established pursu-

ant to Executive Order No. 9309, and shall make all requests for selective-service occupational deferment of officers or employees in their respective branches of the Government; and no request for the occupational deferment of any such officer or employee shall be considered by any local board unless it has been made by one of such committees. In exercising their functions under this section such committees shall, as far as practicable, follow the procedures and standards set forth in such Executive Order No. 9309; and the provisions of such Executive order, insofar as they are not inconsistent with this subsection, shall be deemed to apply with respect to persons employed in the judicial and legislative branches of the Government, except that this section shall not be deemed to confer upon the Chairman of the War Manpower Commission or the Review Committee on Deferment of Government Employees any jurisdiction with respect to such persons.

(c) Beginning 60 days after the date of enactment of this act, the Director of Selective Service shall make monthly reports to the Congress showing, as nearly currently as is practicable, the names and positions of the persons who have been deferred or placed in any class or subdivision of a class under such sections 5 (c) (2) or 5 (e) because of their employment in or under the Federal Government, and showing whether or not requests for the deferment of such persons have been made in accordance with such Executive order or subsection (b) of this section; and such Director shall obtain from the selective-service local boards, and from the several departments and agencies of the Federal Government, such information as may be necessary for this purpose.

(d) For the purposes of this section and Executive Order No. 9309, the Government Printing Office and the Library of Congress shall each be deemed to be an agency in the executive branch of the Government.

NOMINATION OF REAR ADMIRAL EMORY S. LAND—AGREEMENT TO VOTE

Mr. BAILEY. Mr. President, upon the suggestion of the Senior Senator from Kentucky [Mr. BARKLEY], who is momentarily absent, I move that the Senate proceed to the consideration of executive business.

The PRESIDING OFFICER. Without objection——

Mr. AIKEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Green	O'Mahoney
Austin	Guffey	Overton
Bailey	Gurney	Reed
Ball	Hatch	Revercomb
Bankhead	Hawkes	Reynolds
Barkley	Hayden	Robertson
Bone	Holman	Russell
Brewster	Johnson, Calif.	Scrugham
Bridges	Johnson, Colo.	Shipstead
Brooks	Kilgore	Smith
Buck	La Follette	Stewart
Burton	Langer	Thomas, Idaho
Bushfield	Lodge	Thomas, Okla.
Butler	Lucas	Thomas, Utah
Byrd	McCarran	Truman
Capper	McClellan	Tunnell
Caraway	McFarland	Tydings
Chavez	McKellar	Vandenberg
Clark, Mo.	McNary	Van Nuys
Connally	Maloney	Wagner
Davis	Maybank	Wallgren
Downey	Mead	Wherry
Eastland	Millikin	White
Ellender	Moore	Wiley
Ferguson	Murdock	Willis
George	Murray	Wilson
Gerry	Nye	
Gillette	O'Daniel	

The PRESIDING OFFICER. Eighty-two Senators having answered to their names, a quorum is present.

The question is on agreeing to the motion of the Senator from North Carolina [Mr. BAILEY] that the Senate proceed to the consideration of executive business. There being no objection——

Mr. HOLMAN. Mr. President, there is objection.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from North Carolina [Mr. BAILEY.]

The motion was not agreed to.

Mr. BAILEY. Mr. President, I am very anxious that the Senate shall proceed to consider the pending nomination of Admiral Land. I was rather surprised at the negative vote on the question of going into executive session. I think it was quite clear that the nays were in the majority. I do not know just what is the purpose of the delay. Why should we postpone the consideration of this nomination? It has been before the Senate for fully a week, I should say, probably 10 days. The nominee is not unknown to us. He has served the Government of the United States for more than 40 years. At the hands of his countrymen he has received practically every honor which can be given a naval officer. He has served in naval construction from the period prior to the first World War up to the present time. He has served in the capacity for which he has been reappointed—that is, as a member of the Maritime Commission—for the last 6 years.

The President of the United States has not sent to the Senate the name of a new, unknown, or untried man. On the other hand, by reason of the intimacy of their dealings during the present emergency, the President has sent the name of a man who is probably better known to himself than any other man available for this position. Not only that but ever since he has been chairman of the Maritime Commission, Admiral Land has, week in and week out, dealt frankly with the Commerce Committee of the United States Senate. There are few men in this country who are better known to the members of the Commerce Committee than is Admiral Land. As chairman of the Commerce Committee I am perfectly willing to say that among the officials of the United States Government Admiral Land is better known to me than is any other person. So I cannot see why there should be any delay in passing upon the merits of the nominee. I should not like to suspect that the Senate has refused to go into executive session without some very good reason, but the reason has not been disclosed. I do not even believe that Senators who voted against going into executive session would vote against the confirmation of Admiral Land. The presumption in my mind is that they would be in favor of confirming his nomination. I hope I am not mistaken. At any rate, the nomination is before the Senate. For 6 years the President has dealt with Admiral Land as a member of his administration, and as the leader and keyman at the key point of the war effort.

Mr. McFARLAND. Mr. President, will the Senator yield for the purpose of suggesting the absence of a quorum?

The PRESIDING OFFICER. Does the Senator from North Carolina yield for that purpose?

Mr. DOWNEY. Before that, let me ask a question, as I am unadvised concerning the matter. Was there a vote recently against going into executive session?

Mr. BAILEY. Yes.

Mr. DOWNEY. A viva voce vote?

Mr. BAILEY. Yes, a viva voce vote.

The PRESIDING OFFICER. Does the Senator from North Carolina yield for the purpose of a quorum call?

Mr. BAILEY. I yield to the Senator from Arizona.

Mr. McFARLAND. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Green	O'Mahoney
Austin	Guffey	Overton
Bailey	Gurney	Reed
Ball	Hatch	Revercomb
Bankhead	Hawkes	Reynolds
Barkley	Hayden	Robertson
Bone	Holman	Russell
Brewster	Johnson, Calif.	Scrugham
Bridges	Johnson, Colo.	Shipstead
Brooks	Kilgore	Smith
Buck	La Follette	Stewart
Burton	Langer	Thomas, Idaho
Bushfield	Lodge	Thomas, Okla.
Butler	Lucas	Thomas, Utah
Byrd	McCarran	Truman
Capper	McClellan	Tunnell
Caraway	McFarland	Tydings
Chavez	McKellar	Vandenberg
Clark, Mo.	McNary	Van Nuys
Connally	Maloney	Wagner
Davis	Maybank	Wallgren
Downey	Mead	Wherry
Eastland	Millikin	White
Ellender	Moore	Wiley
Ferguson	Murdock	Willis
George	Murray	Wilson
Gerry	Nye	
Gillette	O'Daniel	

The PRESIDING OFFICER. Eighty-two Senators have answered to their names, a quorum is present.

Mr. BAILEY. Mr. President, I will be compelled to conclude the statement which I had begun to make. When I yielded for the purpose of having the absence of a quorum suggested, I was saying that Admiral Land is not only known to the President and to the country but is extremely well known to the members of the Commerce Committee of the United States Senate, and the committee, without exception, has reported his nomination favorably. He has dealt with the committee for a long time. The maritime activity of the committee is, I think, its greatest, most important, and certainly its most difficult activity. So Admiral Land, in his position as a member of the Commission and as Chairman of the Commission and as War Shipping Administrator, has so conducted himself as to commend himself not only to the President, who, by the way, could have removed him at any time under law for neglect of duty or malfeasance in office, but he has also commended himself to the committee, which, I think, has been

guided very largely by his advices and his experience.

Since I began, however, we have had a conference of an informal character, the Democratic leader has come into the Senate, and it has been suggested that the question of an executive session be not pressed at this time, with the understanding that when the Senate next meets, which I understand, will be on the coming Tuesday, we shall proceed not only to executive session but to the consideration of the nomination of Admiral Land to be a member of the Maritime Commission.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. BAILEY. I yield.

Mr. BARKLEY. I wish to say that this nomination has been pending now for some 10 days or more, following its report from the Committee on Commerce. It has gone over from day to day because certain Members of the Senate desired to address the Senate on the subject. It was my understanding the last time the Executive Calendar was called that at the next executive session, when we would have time to discuss the nomination, it would be taken up and considered and disposed of. When we met today it was impossible to anticipate the course of events which would bring about a situation in which we would have time to consider the nomination and give to everyone interested an opportunity to discuss it. I do not know how many Senators wish to discuss the nomination, but I have been advised that the Senator from Michigan [Mr. FERGUSON], who is a member of the committee, desires to address the Senate on the nomination, and that he is now tied up in an interrogation in the Truman committee, with Mr. John L. Lewis before that committee, and now under process of cross-examination.

I am not willing to have the nomination delayed any longer than the next meeting of the Senate. It had been my purpose to bring about a call of the calendar on Tuesday next, when I hope the Senate may meet again, and that following that we would take up whatever unfinished business there might be. But I have consulted the Senator from North Carolina, and he says no harm will come by further delay until next Tuesday. I shall therefore propose a unanimous-consent request that next Tuesday, following the conclusion of the routine morning business, the Senate shall go into executive session immediately for the consideration of the nomination of Admiral Land, and that at not later than 3 o'clock p. m. the Senate shall proceed to vote on the nomination.

Mr. HOLMAN. Why should there be only an hour or so for the consideration of this important nomination? Why put a limit on the time?

Mr. BARKLEY. There would be no limit on the time. As the Senator knows, the routine morning business is nearly always concluded within a very short time, and immediately upon the conclusion of the routine morning business the Senate would go into executive session.

Mr. HOLMAN. But there is a limit proposed on the time in executive session?

Mr. BARKLEY. I was requesting that a vote be taken at not later than 3 o'clock.

Mr. HOLMAN. That is what I was inquiring about. I think probably that is too close a limitation for the debate which will no doubt ensue.

Mr. BARKLEY. I doubt that, because we know that the routine morning business is over usually within not more than 30 minutes. I know of no reason why it should be delayed longer on Tuesday. I could propose that the Senate go into executive session for the immediate consideration of the nomination upon convening on Tuesday, without regard to morning business, and, furthermore, if we go into executive session today, which I hope we may, for the consideration of the other nominations on the Executive Calendar, and take a recess as in executive session, we will meet in executive session on Tuesday, and we could immediately enter upon the consideration of the nomination, and would have practically 3 hours for debate.

Mr. MCNARY. Mr. President, the latter suggestion of the able Senator from Kentucky really approaches what I had in mind. I think the Senate should take a recess today, if we enter into an agreement, and meet at 12 o'clock Tuesday, which would prevent the necessity of having routine morning business.

Mr. BARKLEY. That is entirely agreeable because we could put off the routine morning business until after the final vote on the nomination.

Mr. MCNARY. The routine morning business usually ends in 15 or 20 minutes, but under the suggestion we would start consideration of the nomination at 12 o'clock. I concur that there should be no further delay in the consideration of the nomination. The suggestion has been made that the time be equally divided between those for the nomination and those opposing it.

Mr. BARKLEY. That is entirely agreeable, provided the Senator from North Carolina [Mr. BAILEY], the chairman of the Committee on Commerce, may control the time in favor of the nomination, and that the junior Senator from Vermont (Mr. AIKEN), who seems to be most active in the matter on the other side, control the time of the opposition.

Mr. AIKEN. Mr. President, a few moments ago, when I discussed the matter with the majority leader and said that, so far as I knew, we could finish any presentation in 3 hours' time, it did not occur to me that perhaps the Senator from North Carolina, who takes a somewhat different view of some matters from that taken by some of the others of us, might require a considerable amount of time. Day before yesterday we found on our desks the CONGRESSIONAL RECORD, containing 40,000 words which had been inserted the previous day by the Senator from North Carolina. I certainly would not wish to limit the time to 3 hours, and then let him read those 40,000 words, because he could not do it in the time suggested.

Mr. BAILEY. Mr. President, I should like to say to the Senator that he is unduly suspicious.

Mr. AIKEN. I have had 2 days, and have not yet been able to read all the material the Senator put into the RECORD.

Mr. BARKLEY. I do not know how many words there are; I have not counted them.

Mr. AIKEN. There are more than 40,000.

Mr. BARKLEY. No doubt the Senator from North Carolina had them printed in the RECORD so that Senators might read them, so he himself would not be required to read to the Senate the 40,000 words, if there are that many.

Mr. AIKEN. So far as I know, the evidence would probably be presented in about 3 hours. I do not, however, undertake to speak for any of my colleagues. I doubt whether an hour and a half would be sufficient time, because I might require an hour, and the Senator from New Hampshire, I believe, has requested time. He had to leave today because of illness in his family. I do not know how much time the Senator from Michigan [Mr. FERGUSON] will feel he may need, but it seems to me that we probably could present a good deal of the evidence in 3 hours.

Mr. BARKLEY. The Senator from New Hampshire [Mr. TOBEY] is usually a very vigorous speaker, but not a long-winded speaker. I dare say he would not require a great deal of time.

Mr. AIKEN. I do not know whether there are other Senators who will require time. I would rather have the Senator from Oregon and the Senator from North Dakota speak for themselves, because they are perfectly able to do so.

Mr. BARKLEY. I will modify my request by changing the hour so as to provide that at not later than 4 p. m. the Senate shall proceed to vote.

Mr. AIKEN. Why not let us take all day, if necessary, up to midnight?

Mr. BARKLEY. It is perfectly ridiculous to suggest that we take to midnight.

Mr. AIKEN. I wish to get the matter out of the way just as much as does any other Senator, because we all have much else to do.

Mr. BARKLEY. I conferred with the Senator from Vermont, and I thought he agreed that 3 o'clock would be acceptable.

Mr. AIKEN. I told the Senator from Kentucky that I thought probably we could present all the evidence we had in 3 hours, but I do not want to be put in the position of speaking for other Members of the Senate.

Mr. BARKLEY. Mr. President, if it is agreeable to the Senator from North Carolina, I will ask that the Senate proceed immediately to the consideration of executive business when we meet Tuesday, that we vote at not later than 4 o'clock p. m., and that the Senator from North Carolina [Mr. BAILEY] control one-third of the time and the Senator from Vermont [Mr. AIKEN] control two-thirds. Is that agreeable?

Mr. AIKEN. That is quite a responsibility to put on the Senator from Vermont.

Mr. BARKLEY. That does not mean the Senator would have to occupy all that time; he would have control of it. That would give the opposition——

Mr. AIKEN. Four hours for debate.

Mr. BARKLEY. No; it would give the opposition two-thirds of 4 hours, and it would give the proponents of the nomination one-third of 4 hours.

Mr. AIKEN. I agree with the Senator from Kentucky. We probably will not take that much time. It seems to me, however, that the opponents should have 3 hours on a matter so important as this is. The nomination is one of the most important that has come before the Senate. The nomination is that of a member of a commission which I believe has already had appropriated to it $19,000,000,000.

Mr. BARKLEY. There is no use to go into that matter now, if we are to debate it on Tuesday.

Mr. President, I suppose we might as well devote the whole day Tuesday to this matter. I had hoped that we might dispose of the calendar on Tuesday, but, if we do not, we can meet on Wednesday.

I, therefore, ask unanimous consent that at an hour not later than 5:30 p. m., on Tuesday next, the Senate shall proceed to vote on the nomination of Rear Admiral Land, and that the time shall be equally divided between the Senator from Vermont [Mr. AIKEN] and the Senator from North Carolina [Mr. BAILEY], to be disposed of as they see fit.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request made by the Senator from Kentucky? The Chair hears no objection, and it is so ordered.

EXECUTIVE CALENDAR

Mr. BARKLEY. Mr. President, I now move that the Senate proceed to consider the Executive Calendar, with the exception of the nomination of Admiral Land.

The motion was agreed to.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDING OFFICER (Mr. GURNEY in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

The PRESIDING OFFICER. The clerk will state the nominations on the calendar, with the exception of the nomination of Admiral Land.

FOREIGN SERVICE

The Chief Clerk proceeded to read sundry nominations in the Foreign Service.

The PRESIDING OFFICER. Without objection, the nominations in the Foreign Service are confirmed en bloc.

That completes the calendar.

Mr. BARKLEY. I ask that the President be notified immediately of the nominations this day confirmed.

The PRESIDING OFFICER. Without objection, the President will be so notified.

RECESS TO TUESDAY

Mr. BARKLEY. Mr. President, as in executive session, I move that the Senate take a recess until 12 o'clock meridian on Tuesday next.

The motion was agreed to; and (at 2 o'clock and 23 minutes p. m.) the Senate, as in executive session, took a recess until Tuesday, March 30, 1943, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate March 26 (legislative day of March 23), 1943:

DIPLOMATIC AND FOREIGN SERVICE

John K. Caldwell, of Kentucky, a Foreign Service officer of class 1, to act as Minister Resident and Consul General of the United States on Foreign Relations.

THE JUDICIARY

Dozier A. DeVane, of Florida, to be United States district judge for the northern and southern districts of Florida, vice Curtis L. Waller, elevated.

Ray J. O'Brien, of Hawaii, to be judge of the third circuit, circuit courts, Territory of Hawaii, vice James Wesley Thompson, term expired.

Philip L. Rice, of Hawaii, to be judge of the fifth circuit, circuit courts, Territory of Hawaii, vice Carrick H. Buck, transferred.

Edward M. Connelly, of Washington, to be United States attorney for the eastern district of Washington, vice Lyle D. Keith, resigned.

George Philip, of South Dakota, to be United States attorney for the district of South Dakota. (Mr. Philip is now serving in this office under an appointment which expired June 24, 1942.)

Charles W. Robertson, of South Dakota, to be United States marshal for the district of South Dakota. (Mr. Robertson is now serving in this office under an appointment which expired June 24, 1942.)

UNITED STATES PUBLIC HEALTH SERVICE

The following-named senior surgeons to be medical directors in the United States Public Health Service, to rank as such from the date set opposite their names:

Roy P. Sandidge, March 26, 1943.
Ralph C. Williams, March 26, 1943.
Paul D. Mossman, March 24, 1943.
Richey L. Waugh, March 23, 1943.
Thomas Parran, March 26, 1943.

The following-named surgeon to be senior surgeon in the United States Public Health Service, to rank as such from the date set opposite his name:

Lucius F. Badger, March 26, 1943.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 26 (legislative day of March 23), 1943:

FOREIGN SERVICE

AMBASSADORS EXTRAORDINARY AND PLENIPOTENTIARY

Boaz Long to be Ambassador Extraordinary and Plenipotentiary to Guatemala.

Robert M. Scotten to be Ambassador Extraordinary and Plenipotentiary to Ecuador.

Fay A. Des Portes to be Ambassador Extraordinary and Plenipotentiary to Costa Rica.

James B. Stewart to be Ambassador Extraordinary and Plenipotentiary to Nicaragua.

Walter Thurston to be Ambassador Extraordinary and Plenipotentiary to El Salvador.

John D. Erwin to be Ambassador Extraordinary and Plenipotentiary to Honduras.

Avra M. Warren to be Ambassador Extraordinary and Plenipotentiary to the Dominican Republic.

John Campbell White to be Ambassador Extraordinary and Plenipotentiary to Haiti.

FOREIGN SERVICE OFFICER

Merlin E. Smith to be Foreign Service officer, unclassified, a vice consul of career, and a secretary in the Diplomatic Service.

HOUSE OF REPRESENTATIVES

FRIDAY, MARCH 26, 1943

The House met at 12 o'clock noon, and was called to order by the Speaker pro tempore, Mr. MCCORMACK.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Heavenly Father, Thou hast opened for us the gates of a new day; be Thou a garrison to the words of our mouths and the meditations of our hearts. We pray that our decisions may be for the best and broadest for all the sections of our country. For the sake of our historic traditions, as an example to the perplexed world, and as a means of our national honor and redemption, we pray that we may labor with the spirit of uncomplaining sacrifice, acceptable in Thy sight.

We beseech Thee that our Saviour, like the keystone, may give place and value to all the experiences and tasks which confront us; let us find in Him that secret which lifts us over the dusty ways of doubt. Preserve us from the fruits of vacillation with their early collapses and depressions of that which we should do. Teach us, blessed Lord, that strength is never so strong as when it stoops to the weak; purity is never so divine as when it stretches a hand to succor the impure; and we are never so near the heart and soul of our fellow countrymen as when we give full proof of our honor and responsibility. Help us to be gentle without being weak, humble without being servile, and courageous without being intolerant. In our Redeemer's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 1648. An act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1944, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. GLASS, Mr. MCKELLAR, Mr. TYDINGS, Mr. MCCARRAN, Mr. BAILEY, Mr. LODGE, and Mr. WHITE to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing

votes of the two Houses on the amendments of the Senate to the bill (H. R. 2068) entitled "An act making additional appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1943, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to the amendments of the Senate numbered 1 and 5 to said bill.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1780) entitled "An act to increase the debt limit of the United States, and for other purposes."

EXTENSION OF REMARKS

Mr. CURTIS. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix in two different instances, and include therein three excerpts from a newspaper.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. GILLIE. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein a newspaper article containing the final referendum poll on Wendell Willkie in my State of Indiana.

The SPEAKER pro tempore. Is there objection?

There was no objection.

UNIFORM FREIGHT RATES IN THE SOUTH

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and revise and extend my remarks.

The SPEAKER pro tempore. Is there objection?

There was no objection.

[Mr. WHITTEN addressed the House. His remarks appear in the Appendix.]

PURCHASE OF DICE BY THE ARMY

Mr. RUSSELL. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and revise and extend my remarks.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. RUSSELL. Mr. Speaker, the civilized people of America were horrified and shocked when they read an Associated Press dispatch of March 11, which was as follows:

JERSEY CITY, N. J., March 11.—A total of 750,000 pairs of dice have been purchased by the Army Quartermaster Corps for the troops, it was revealed at the corps depot Thursday.

"We do not encourage gambling, however," said Maj. Harold R. Giblin, head of the overseas resale and issue procurement section. "Our job is to supply little things that keep morale high."

It is not hard to understand how the people of this country felt when they read this article, after having heard the Commander in Chief, the President of the United States, solemnly promise the mothers and fathers of the boys who are in the service, in one of his fireside chats over the radio that everything possible would be done to safeguard the morals of the men in uniform. And such action on the part of the War Department in buying gambling paraphernalia, which can only be used to lessen the morals of our men in uniform, it is a new day, a new philosophy when encouraging gambling by furnishing gambling paraphernalia on the theory that it will keep morale high of our men in the services, such action stinks in the nostrils of all good citizens.

EXTENSION OF REMARKS

Mr. SIMPSON of Pennsylvania. Mr. Speaker, I ask unanimous consent to extend my remarks and include in the Appendix an article by David Lawrence.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. LEWIS of Ohio. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix and include statistics and statements compiled by the so-called National Emergency Committee.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. BRYSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include a resolution from the State general assembly.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. BENNETT of Missouri. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and insert therein a letter to the President.

The SPEAKER pro tempore. Is there objection?

There was no objection.

LICK YOUR PLATTER CLEAN

Mr. GROSS. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. GROSS. Mr. Speaker, little did I think a few days ago when I came into the Well of the House and called attention to the terrific waste going on in food everywhere that I was going to attract the attention of the Nation. The cooperation and the support and encouragement that I am getting from every section of the country compels me to carry on this fight with greater vigor. Last night in Times Square, in New York City, in one of the most patronized restaurants in America, there appeared a sign 4 feet square, with the picture of a clean dinner plate, urging their patrons to lick their platters clean. At an early day, as soon as this tax bill is passed, at the request of an Army colonel and some other people, I am going to discuss at great detail this matter of waste of food in restaurants and also in the Army camps.

BANK OF INTERNATIONAL SETTLEMENTS

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, I am today introducing a resolution for an inquiry by the Committee on Banking and Currency—not a special committee, but the Committee on Banking and Currency—into the Bank of International Settlements. This is prompted by some extremely disturbing questions regarding this institution, to which I should like very much to have the answer.

Why with nations bitterly at war, with merchants and traders forbidden to deal with any companies in neutral nations which are suspected of having, in turn, trade with Axis-controlled countries—why are Montague Norman, president of the Bank of England, and Thomas McKittrick, an American citizen still associated with Herr Walther Fund, Nazi economic minister in this Bank of International Settlements, located at Basle, Switzerland?

I have here a clipping from the New York Times of February 6, 1942, which states that:

Thomas McKittrick, president of the Bank of International Settlements, will retain his post in full agreement with the other members of the bank, despite the fact his American nationality is that of a belligerent.

The article continues with saying:

It is understood both the Italian and German commissions requested that he be allowed to retain his post.

Why should this be when Axis and Axis-controlled banks hold 72 percent of the share capital and voting control? Why was the 1942 annual report of the Bank of International Settlements outlining certain international financial schemes for the post-war world received with acclaim in the official Nazi press, whereas in Britain it was roundly attacked, and in this country hardly mentioned? Does Hitler purpose to use this bank, which he controls, as a means of putting out the kind of peace offensive he may want to launch? Does he use the Bank of International Settlements to protect Axis assets in Britain, the United States, and Latin America? Does Hitler intend to use this bank to promote his own plans for a post-war world in case he can break the present will of the United Nations to destroy him utterly? Otherwise, why does he, with 12 of the 16 directors under his direct control, permit Americans and Englishmen to sit on that board of directors? Here is a bank that was formed after the First World War by the Bank of England, the German Reichsbank, the Bank of France, the Bank of Italy, the National Bank of Belgium, a Japanese financial syndicate, J. P. Morgan & Co., the First National Bank of New York, and the First National Bank of Chicago. All these banks were and are private institutions. All these banks are now under Hitler's control except the Bank of England and the American banks. At the present time 72 percent of the voting stock is in the hands of Axis controlled banks. Nevertheless, Hitler does not depose the American and British officials of the bank. Why not? And why, if Hitler does not act, do not the American and British participants

withdraw, at once? Why are they not instructed so to do? Is there some reason the people do not understand? Are these private banks anxious to maintain this international corporation in order to forestall a working out of post-war international financial problems directly by the peoples' governments?

Maybe there are valid answers and convincing ones to all these questions. But the American people have a right to inquire and to know about this matter. That is the reason for my resolution.

The SPEAKER pro tempore. The time of the gentleman from California has expired.

EXTENSION OF REMARKS

Mr. McLEAN. Mr. Speaker, I ask unanimous consent that in the remarks I shall make today in Committee of the Whole on the tax bill, I may include therein the report of the Ways and Means Committee on the Revenue Act of 1913 and a portion of the report of the Senate committee on the Revenue Act of 1917.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. RABAUT. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein a statement by Hon. Jesse H. Jones, Secretary of Commerce, with reference to the operations of the Defense Plant Corporation.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. SHAFER. Mr. Speaker, I ask unanimous consent to extend my remarks in three particulars, and to include newspaper editorials, a newspaper article, and a resolution.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. ROBERTSON. Mr. Speaker, I ask unanimous consent to extend my remarks by inserting in the Appendix a copy of a radio speech that I made in New York last night under the auspices of the Town Hall of the Air.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. LAMBERTSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and include therein a short article.

The SPEAKER pro tempore. Is there objection?

There was no objection.

(By unanimous consent, Mr. HOFFMAN was granted permission to extend his own remarks in the RECORD.)

"LICK THE PLATTER CLEAN"

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. HOFFMAN. I wonder where our friend from Pennsylvania [Mr. GROSS] has gone?

Mr. RANKIN. Maybe he is in the Democratic cloak room. He is referred to in the press as a Democrat.

Mr. HOFFMAN. Now do not take all of my time. Now, the gentleman from Pennsylvania is going to get this lick-the-platter-clean proposition all right, because food rationing will bring that about anyway. But what I would like to have the gentleman do is this. He succeeded in getting the restaurants, hotels, and cafes to cut down on the food portion. I wish he would get them to cut down on the price so that the two would be on a sort of parity.

The SPEAKER pro tempore. The time of the gentleman from Michigan has expired.

EXTENSION OF REMARKS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a copy of an indictment returned by the grand jury of the District of Columbia.

The SPEAKER pro tempore. Is there objection?

Mr. HOFFMAN. Reserving the right to object, Mr. Speaker, is the gentleman going to talk about Wendell Willkie?

Mr. RANKIN. Not if I can help it.

Mr. HOFFMAN. The gentleman has not been able to help it before.

Mr. RANKIN. But conditions have changed.

The SPEAKER pro tempore. Is there objection?

There was no objection.

[Mr. RANKIN addressed the House. His remarks appear in the Appendix.]

THE TAX BILL

Mr. COX. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. COX. Mr. Speaker for many years I have been combating all political, social, and economic heresies. I have insisted that governmental policies be formed so as to bear some resemblance to reason and common sense; that the thinking of the people be not corrupted, and that popular support of the Government be made to rest upon a sounder and more enduring basis than bought friendships. From that course I cannot now depart.

Deep buried in the souls of most of us rests the conviction that any tax-forgiveness plan that deprives the Government of revenue at this time of the country's peril is wrong, and Congress will lose its moral rectitude when it adopts self-interest as a principle of action and will expose itself to criticism which it cannot answer.

Let us take counsel of reason before we commit an irreparable and unpardonable blunder. Congress cannot afford to participate in a scheme that means voting a cash bonus to Members.

The SPEAKER pro tempore. The time of the gentleman from Georgia has expired.

THE TAX COLLECTION PLAN

Mr. ROBERTSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. ROBERTSON. Mr. Speaker, the distinguished chairman of the Ways and Means Committee has very kindly and generously agreed that I may address the House when we meet on the tax bill tomorrow, and he has given me 30 minutes. Ten minutes will be all I shall need to express my own views, and that is as far as I shall go unless there be some Members of the House who feel that I might through the questions they ask me throw some light on a very troublesome problem. I plan to reserve 20 minutes of my time to answer bona fide questions on what the various proposals mean as far as I understand them.

The SPEAKER pro tempore. The time of the gentleman from Virginia has expired.

Mr. DISNEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. DISNEY. Mr. Speaker, we all remember our Republican friend, Robert F. Rich, of Pennsylvania. He made for years the best speech made on this floor: Where are you going to get the money? A letter from him dated March 25 reads as follows:

WOOLRICH, PA., *March 25, 1943.*

HON. WESLEY E. DISNEY,
House Office Building,
Washington, D. C.

MY DEAR DISNEY: Last night I listened to your radio speech against forgiveness of 1942 taxes and in my judgment your theory is correct and judgment sound.

The House and Senate in 1942 passed the tax bill in good faith that many Members in the House now want to forgive payment. The only reason I can figure that they wish to do that is because it will make it easier for the constituents and to gain favor. Certainly it is not sound. It is not reasonable and it is not just to our country under present day conditions to cancel the 1942 taxes that must eventually be paid by the American taxpayers. Congress is trying to shove everything off to future generations.

* * * * *

If I were still in Congress I would vote to let the 1942 taxes be and get our current tax bill payments going as soon as possible. Each day the load will become heavier and heavier on the American taxpayer and you will not lighten their burden by fooling the taxpayers into believing that they will have less taxes as days go on. As long as this war lasts they will have greater and more difficult burdens to bear and you better get used to it and that the quicker the better if this country is to survive. More power to you.

Very respectfully,

ROBERT F. RICH.

Mr. KNUTSON. Mr. Speaker, in order to expedite the important matter before the House let me express the hope that Members will not ask for special time to speak on the tax bill. The address just made by the gentleman from Oklahoma should have been reserved in all fairness

until we got into the Committee of the Whole. From now on I am going to object to any more unanimous-consent requests. We are not going to take these short cuts.

Mr. SABATH. Mr. Speaker, I ask——

Mr. KNUTSON. I shall object.

Mr. SABATH. All right; that will apply to everybody then from now on.

Mr. KNUTSON. Yes; and I ask the gentleman's cooperation.

Mr. SABATH. I will cooperate.

Mr. DIES. I ask the gentleman to withhold his objection on requests to extend remarks; I do not think anyone wants any time.

Mr. KNUTSON. I mean in reference to the tax bill.

The SPEAKER pro tempore. Will the gentleman from Minnesota advise the Chair——

Mr. KNUTSON. I shall object to any more speeches being made in the House on the tax bill.

Mr. SABATH. I did not wish to speak.

Mr. DIES. I am asking the gentleman to withhold his objection and let me ask a question.

Mr. KNUTSON. Yes.

The SPEAKER pro tempore. Does the gentleman from Minnesota ask unanimous consent to proceed for 1 minute? Otherwise the gentleman has not got possession of the floor. The Chair is very anxious to assist the gentleman.

Mr. KNUTSON. I do not think I need any more time to amplify what I have said.

The SPEAKER pro tempore. If there is going to be a colloquy, under the rules, of course, somebody must have the floor.

Mr. KNUTSON. All right; I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. KNUTSON. Mr. Speaker, I yield to the gentleman from Texas.

Mr. DIES. I was going to suggest to the gentleman that one of the few privileges Members of Congress have is to speak for 1 minute. I hate to see the gentleman establish the precedent of objecting to that privilege which Members enjoy.

Mr. KNUTSON. I shall not object on any matter but the tax bill. We are going to discuss that in the Committee of the Whole, as the rules of the House provide, and there will be no short cuts.

CALL OF THE HOUSE

Mr. MARTIN of Massachusetts. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. The gentleman from Massachusetts makes the point of order that a quorum is not present. Evidently a quorum is not present.

Mr. RAMSPECK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 32]

Andersen, H. Carl	Baldwin, Md.	Beckworth
Anderson, Calif.	Barry	Bell
	Bates, Mass.	Bender
Bonner	Gibson	O'Leary
Bradley, Mich.	Gilchrist	O'Toole
Brehm	Guyer	Patman
Brown, Ohio	Hall, Leonard W.	Pfeifer
Burdick	Harless, Ariz.	Philbin
Byrne	Harris, Va.	Phillips
Cannon, Fla.	Hébert	Ploeser
Capozzoli	Heffernan	Poulson
Celler	Hess	Pracht
Cochran	Izac	Reece, Tenn.
Cooley	Jarman	Rogers, Calif.
Culkin	Jennings	Rowe
Cullen	Kee	Sadowski
Davis	Kelley	Satterfield
Dawson	Kennedy	Schiffler
Delaney	Keogh	Scott
Dickstein	King	Sheridan
Dirksen	Kirwan	Slaughter
Douglas	Klein	Smith, Maine
Drewry	Lea	Stanley
Durham	LeCompte	Stearns, N. H.
Eaton	Lewis, Colo.	Taber
Elston, Ohio	Maas	Talbot
Engel	Marcantonio	Taylor
Fay	Merritt	Thomas, N. J.
Feighan	Merrow	Treadway
Fish	Miller, Mo.	Walter
Fogarty	Mundt	Ward
Furlong	Murphy	Weichel, Ohio
Gallagher	Murray, Tenn.	Weiss
Gamble	Myers	Wene
Gathings	Nichols	Whelchel, Ga.
Gavagan	O'Connor	Wolverton, N. J.
Gerlach		

The SPEAKER pro tempore. Three hundred and twenty-six Members have answered to their names. A quorum is present.

On motion of Mr. RAMSPECK, further proceedings, under the call, were dispensed with.

EXTENSION OF REMARKS

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to insert a resolution in the RECORD from the New York State Senate on behalf of the gentleman from New York, Representative BALDWIN.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. REED]?

There was no objection.

Mr. MILLS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a statement made by me last night.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas [Mr. MILLS]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. KEEFE. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin [Mr. KEEFE]?

There was no objection.

Mr. KEEFE. Mr. Speaker, on March 24 I addressed the House when it had under consideration H. R. 1698. Those remarks appear on page 2438 of the CONGRESSIONAL RECORD. Following those remarks the gentleman from Minnesota [Mr. ANDRESEN] was recognized. He yielded to the distinguished gentleman from Mississippi [Mr. RANKIN], who made this statement, which appears on page 2438 of the RECORD for March 24, 1943:

> I quite agree with the gentleman from Wisconsin, but if I remember correctly it is only 2 weeks ago that he was demanding that certain Communists be taken off the pay roll, but when the time came to vote, he voted the other way.

This characteristic interjection from the gentleman from Mississippi provoked some laughter. His remarks, however, are not in accord with either truth or facts as the RECORD will clearly demonstrate. At no time have I ever demanded that certain Communists be taken off the pay roll and then voted the other way. The fact is that I suggested to the House that those Federal employees including William Pickens, against whom charges have been leveled, were entitled to be accorded the elementary right to a hearing before dismissal from the public service. I so voted and have no apologies to make for maintaining such an attitude.

The House of Representatives by an overwhelming vote was in accord with such suggestion and created a special committee to carry out the expressed will of the House. I am a member of that committee and I have every reason to expect that every charge against every employee who is accused of subversive activities will be thoroughly investigated and at least a semijudicial determination of the facts will be presented to the House for its consideration.

The gentleman from Mississippi may continue his advocacy of legislative "lynch law" if he so desires. I shall stand for the American principle of giving every man a right to be heard in his own defense.

EXTENSION OF REMARKS

Mr. GEARHART. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a speech I made over the radio last night.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California [Mr. GEARHART]?

There was no objection.

INDIVIDUAL INCOME-TAX COLLECTION ACT OF 1943

Mr. DOUGHTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 2218), to provide a method for the payment currently of individual income taxes, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 2218, with Mr. BULWINKLE in the chair.

The Clerk read the title of the bill.

Mr. KNUTSON. Mr. Chairman, I yield 30 minutes to the distinguished gentleman from New York [Mr. REED].

Mr. REED of New York. Mr. Chairman, on yesterday in his frenzied extremity, the distinguished and venerable chairman of our committee accused us of heresy—that advocacy of paying this year's tax liability out of this year's income is to taxation what infidelity is to Bible religion: In the religious view of our good chairman, the income tax must be considered as a charge on last year's income, paid out of the specific funds of last year's income.

With due deference to his view, may I call the attention of the House to the view of a distinguished authority, and a distinguished Democrat, often referred to as one of the fathers of our income

tax? He was construing the 1913 act on this very floor. He said:

The proposed law should be construed as similar laws have been construed by the courts with respect to the application of the tax, and that is that the income in question shall be the measure of the tax and not the specific fund out of which the tax is necessarily payable; the bill takes as the measure of the tax the net income of the preceding year. (Vol. 50, CONGRESSIONAL RECORD, 63d Cong., 1st sess.)

In other words, the income of the preceding year is merely the measure of the tax and not a specific fund against which the tax charge shall run. That was the view, Mr. Chairman, of a former member of the House, of the United States Senate, one of the authors of our income tax, the distinguished Secretary of State of the United States, Mr. Cordell Hull.

So much for religion.

Mr. Chairman, the proposals brought here today for the consideration of the House are, none of them, revenue measures in the sense of any change in the tax rates.

The proposals relate entirely to the methods to be employed in the collection of the revenue under existing revenue laws.

The real issue in the controversy, as it relates to the various proposals, except one, is whether the 44,000,000 taxpayers who toil and sacrifice to raise the revenue for the Government shall have a voice, as against the bureaucrats, in the method that shall be employed in the collection of this revenue.

After I review in some detail the procedure before the Ways and Means Committee and the reasons for a change in the present system of collection, I feel that the Members of the House of Representatives will be better able to judge between the merits of the bill brought here by the Democratic majority of the committee and the merits of the Carlson-Ruml bill which will be offered at the proper time as a substitute for the majority bill.

Chairman DOUGHTON of the Ways and Means Committee, in opening the hearings on February 2, 1943, on the tax collection proposals, made this statement:

We are opening hearings today on the proposal to place the income tax of individuals on the pay-as-you-go basis. Therefore, we shall consider all possible methods to accomplish this purpose.

In the case of salaries and wages, one of the methods suggested is that of withholding at the source. In the case of many of the taxpayers, such as those who are in business, for example, it may not be practical to withhold at the source, and we will have to consider every method or plan to put the taxpayer on a current basis, so that he may pay his taxes currently.

This opening statement of our chairman indicated clearly the task confronting the committee. The open hearings continued from February 2 to February 15, 1943, inclusive. The full committee held executive sessions from February 15 to February 19, inclusive. During the executive sessions of the full committee many pay-as-you-go plans were considered, the avowed objective being to put 44,000,000 individual income-tax payers, so far as possible, on a current pay-as-you-go basis.

There were none of these proposed pay-as-you-go plans, except the Carlson-Ruml plan, which would, if adopted, even aproach the problem of making income-tax payers current. Each plan presented was voted down by the full committee, yet each member of the committee did at one time or another vote for a substantial abatement of the 1942 taxes.

SUBCOMMITTEE

On February 19, 1943, the Ways and Means Committee authorized the chairman to appoint a subcommittee, composed of the three ranking members of the majority and two ranking members of the minority, with Chairman DOUGHTON acting ex officio. The subcommittee was in session practically every day from February 19 to March 5, 1943.

It became evident to the members of the subcommittee on March 4 that no agreement could be reached relative to the abatement of the 1942 income taxes. However, inasmuch as there was general agreement on the subject of the necessity for collection at the source through a withholding device, the subcommittee went into this matter and confined its recommendations to the full committee to this phase of the subject. The question of getting taxpayers current was brought back to the full committee without recommendation. Following is the text of the subcommittee's report to the full committee. I shall not read it because the Members of the House are familiar with it.

REPORT OF THE SUBCOMMITTEE OF THE COMMITTEE ON WAYS AND MEANS RELATIVE TO PAY-AS-YOU-GO TAXATION, MARCH 8, 1943

This report embodies the recommendation of the subcommittee of the Committee on Ways and Means to the full committee with respect to pay-as-you-go taxation.

The subcommittee agreed:

1. To provide, beginning July 1, 1943, a withholding tax of 20 percent. Three percent would be above exemptions of $624 on wages and salaries, to cover the Victory tax, and 17 percent above regular income-tax exemptions of $500 for a single person and $1,200 for married persons, plus, $350 for each dependent, increased by 10 percent to allow for deductions, to cover the regular income tax. The amount to be deducted from each wage payment is to be set forth in tables to be incorporated in the law. The type of tables to be used is illustrated at pages 64–65 of Treasury Data No. 9, of March 2, 1943.

2. To exempt from withholding taxpayers in the armed forces, agricultural labor, and domestic servants in the home.

3. In the case of taxpayers whose chief interest is farming to allow them to pay two-thirds of their estimated current-year liability at any time on or before December 31 of the current year and the remaining amount when the annual return is filed on March 15 of the following year.

4. In the case of taxpayers (other than farmers and those from whom withholding at source has been made and have no further tax liability) to require them to make quarterly returns and pay one-fourth of the tax each quarter, estimating the income on an annual basis for the current year. Taxpayers will be allowed 1 month after the close of the quarter to make quarterly returns and pay the tax due.

5. To pass back to the full committee the question of forgiveness of 1942 liability.

The subcommittee's proposals regarding withholding at the source were such that they could be incorporated in any pay-as-you-earn plan which the committee might adopt. The full committee thereupon agreed in principle to the subcommittee's report and proceeded to discuss further the question of getting taxpayers current.

The majority members, still resisting the demand of the people for the adoption of the Carlson plan, as proposed in the committee by the Republican minority, realized that inaction on the subject of pay-as-you-earn taxation could not continue without subjecting the committee to severe criticism. The majority were unable to agree among themselves on any substitute plan for getting taxpayers current, so they resolved their dilemma by turning their backs on that objective.

The bill which they have presented to the House is simply a continuation of the present discredited system of collecting the income tax a year after the income on which it is based is earned. True, they have provided for a withholding tax, but it is to be used not to collect the current tax liability at the source—which would be highly desirable—but to collect, in whole or in part, the past year's overhanging tax obligation.

The majority's bill is a great disappointment to the American people, who have become convinced of the imperative necessity of getting taxes on a current basis if they are to be able to pay the present high tax burden without being literally crushed under it.

While the majority's bill does not provide for current tax payments, it purports to provide a means whereby taxpayers can voluntarily become current if they choose. But there is a catch in their plan. That catch is that the taxpayer must pay 2 years' taxes in 1 year in order to do this, and, of course, we know that the great majority of the 44,000,000 taxpayers, who are already having a difficult time scraping together the money to pay 1 year's tax, will be unable to take advantage of the committee's "kind" offer.

Only those like the gentleman who wrote in in regard to this proposal and who was against the Carlson plan, can get the 6-percent bonus running over the years as long as they live because they can afford to pay and become current.

Only those who have ample savings deposits or other assets will be in a position to take advantage of the discount provisions provided under the committee bill in cases where a taxpayer becomes current by voluntarily paying 2 years' taxes in 1.

The discount provisions may be an inducement to well-to-do persons, who will thereby be enabled to earn a higher rate of interest on their money than by investing in War bonds, but they will be of no avail to anyone who is unable to pay 2 years' taxes in 1 year.

It is the persons in the lower income brackets who are most in need of relief, but the committee bill would pay a lifetime bonus to well-to-do taxpayers since the discount provisions would continue to apply as long as the taxpayer stayed on a current basis.

The majority profess to be unalterably opposed to any abatement of taxes; yet through the discount provisions they offer a substantial abatement to the wealthy which is not available to those in the lower income brackets. In 25 years' time, the 4-percent-discount provision would result in the abatement of a full year's tax to anyone who is now able to get himself on a current basis by paying 2 years' taxes—of whom there would be relatively few out of the 44,000,000 taxpayers. This is indicative of the fact that the discount provisions of the committee bill are nothing but class legislation.

There is no doubt whatever that the people want to get out of tax debt to their Government. They want to pay as they go. They want their taxes collected at the source and collected currently. On March 15, 1943, after paying the first installment of the 1942 income-tax liability, most income taxpayers still owed 9 months of their 1942 taxes and 3 months of their 1943 liability. They want all taxes paid in 1943 to apply to their 1943 tax liability. They are opposed to doubling up of taxes to accomplish the transition from the present system to a current pay-as-you-earn plan.

To achieve the objective of current payment of taxes as earned there must be an abatement of the 1942 taxes.

Those on the majority side who voted for the tax monstrosity which has been brought in here by the majority members of the Ways and Means Committee cannot claim that they were opposed to the forgiveness or abatement of income taxes in order to become current on any moral grounds or convictions as to the violation of any principle of honesty and fair dealing. Throughout the hearings the majority side of the Ways and Means Committee never once questioned the soundness of the abatement principle, as was indicated by their votes on the various abatement plans submitted to the committee:

One plan would have forgiven $7,600,000,000, but the Treasury would gain $2,200,000,000 in revenue on account of the unabated liability.

Another plan would have forgiven $4,100,000,000, but the Treasury would gain $5,700,000,000 in revenue by collecting the unabated portion in addition to current taxes.

Another plan—Treasury—would have forgiven $3,700,000,000, but the Treasury would gain $6,100,000,000 in revenue.

Another plan would have forgiven $6,500,000,000, but the Treasury would gain $3,300,000,000 in revenue through partial doubling up.

Mr. Chairman, let us dissect these ventures in sin by the majority. It will shed some light on the confused thinking applied to this problem to remind the House that several plans were submitted for the consideration of the Ways and Means Committee, every one of which contains some element of so-called forgiveness.

The Doughton No. 1 would have forgiven or abated the difference between the 1941 and 1942 tax.

The Doughton No. 2, as first proposed, would have forgiven and abated 50 percent of the 1943 liability and, as modified, 50 percent of the 1942 liability.

The Robertson proposal would have forgiven or abated the basic 1942 liability of 19 percent for all taxpayers, which means that only those in the first bracket would be current.

The Disney proposal would have forgiven or abated one-half of 1942 and deferred half of 1943.

The Cooper proposal revived the Doughton No. 1, but modified it to forgive or abate the difference between the tax at 1942 rates and exemptions and the tax at 1941 rates and exemptions.

Finally, the Doughton bill which is here and which may be called the Doughton No. 3 plan forgives or abates through a discount system. It discounts for those who can pay out of savings, or can raise the money by the sale of their War bonds or their property. In 25 years it would forgive 1 year's tax to anyone who could afford to double up. Those who are least able are forgiven nothing but are left to the clutches of the loan shark.

But note carefully that every single one of the plans considered by the committee proposed some abatement, which they called forgiveness. It is the position of their proponents that the abatement of the Carlson bill is sin; but that it is all right to sin 50 percent, or to sin the difference between 1941 and 1942, or to sin as to one class but not as to another, which is the Robertson plan of sinning, or finally, as under the Doughton bill, to sin at the rate of 6, 4, 2, and 4, 3, 1, which are the rates of discount which the Doughton bill provides.

I might remark at this point that I think the distinguished chairman, if he were going to sin, should have thought of that years ago and done his sinning then rather than trying to rape 44,000,000 taxpayers when the bill is brought in.

All of those proposals would leave the taxpayer in a more complicated muddle than under existing law, would plunge the Government into a worse dilemma than now, and would inflict the worst evil that can befall our income tax—the distortion of the taxpayer's burden from the principle of ability to pay.

The income tax is the backbone of our revenue system. It will be so long as it is imposed according to the principle upon which it is founded—the measurement of tax according to ability, and the income of the year in which the liability falls.

In a nutshell, if the taxpayers are to become current without doubling up, you must adopt the Carlson bill.

Mr. Chairman, there is not a defect in the present income-tax collection system that has not been known to the income-tax-paying public, especially since the tax rates were jacked up between the years 1940 and 1942.

Why has the public been stirred over these rates? Because for the great mass of the old taxpayers the tax due for the year 1942 is from four to six times the amount of tax imposed in 1940.

Can even a majority of the 44,000,000 individual income taxpayers stand a doubling up of such a tax? No, emphatically no.

Is this hardship to be inflicted on all of the 44,000,000 individual taxpayers by the committee bill? Oh, no. Not at all. A small group of the rich, the well-to-do, the close-to-the-throne elite can find favor under a discount system by which they may profit.

Does any Member of this House believe that the gentleman from North Carolina, honest, honorable ROBERT DOUGHTON, ever conceived this piece of iniquitous tax favoritism? I, for one, absolve him from any part in this unworthy piece of class tax legislation. I cannot believe that he would admit being the father of this defective, bureaucratic New Deal tax foundling.

I have referred to the tremendous increase in rates between 1940 and 1942. In 1940 we had the first tax bill for national defense, which increased taxes by approximately a billion dollars. Later in the year the excess-profits tax was enacted. When Congress was considering the revenue bill of 1941 we had a Federal tax burden of about nine and one-half billions and the addition of three and one-half billions was expected to bring the burden up to twelve billions. When Congress came to write the 1942 bill it found that the 1941 act had actually increased the tax burden to approximately eighteen billion. The seven billions added by the 1942 act was supposed to bring the burden up to approximately twenty-five billions, but according to the President's Budget message of last January, it will actually bring the tax burden up to thirty-three billions, as compared with the 1940 load of nine and one-half billions. Thus, since 1940, the Federal tax burden has been virtually quadrupled.

The most vicious aspect of these recent tax increases has been that they have not been enacted until most of the taxable year had gone by. The 1941 act, for example, was not approved until September 20. The 1942 act was not approved until October 21, after 10 months of the year had gone by and most of the income had been spent in paying living expenses and the taxes assessed against 1941 incomes.

Following is a list of various retroactive tax measures enacted since 1913:

RETROACTIVE TAX BILLS

1913 act (first income tax under sixteenth amendment): Enacted October 3, 1913; retroactive to March 1, 1913; period covered, March 1 to December 31, 1913; returns filed March 1.

1916 act (substantial increases in taxes): Enacted September 8, 1916; retroactive to January 1, 1916; period covered, 1916; returns filed March 1.

1917 act (first war-tax bill): Enacted October 3, 1917; retroactive to January 1, 1916; period covered, 1917; returns filed March 1.

1918 act (World War Revenue Act): Enacted February 24, 1919; retroactive to January 1, 1918; period covered, 1918-19; returns filed March 15.

1921 act (reduction of taxes): Enacted November 23, 1921; retroactive to January 1, 1921; period covered, 1921-23; returns filed March 15.

1924 act (reduction of taxes): Enacted June 2, 1924; retroactive to January 1, 1924; period covered, 1924; returns filed March 15.

1926 act (reduction of taxes): Enacted February 26, 1926; retroactive to January 1, 1925; period covered, 1925–27; returns filed March 15.

1928 act (reduction of taxes): Enacted May 29, 1928; retroactive to January 1, 1928; period covered, 1928–31; returns filed March 15.

1932 act (taxes increased): Enacted June 6, 1932; retroactive to January 1, 1932; period covered, 1932–33; returns filed March 15.

1934 act (taxes increased): Enacted May 10, 1934; retroactive to January 1 1934; period covered, 1934–35; returns filed March 15.

1936 act (taxes increased): Enacted June 22, 1936; retroactive to January 1, 1936; period covered, 1936–37; returns filed March 15.

1938 act (taxes increased): Enacted May 28, 1938; retroactive to January 1, 1938; period covered, 1938–39; returns filed March 15.

1940, First Revenue Act of (taxes increased): Enacted June 25, 1940; retroactive to January 1, 1940; period covered, 1940; returns filed March 15.

1941 act (taxes increased): Enacted September 20, 1941; retroactive to January 1, 1941; period covered, 1941; returns filed March 15.

1942 act (taxes increased): Enacted October 21, 1942; retroactive to January 1, 1942; period covered, 1942; returns filed March 15.

Based on this, we find the 1916 act substantially increased taxes. The 1917 act was the first war tax bill; 1918, World War Revenue Act. You gentlemen will recall the 1921 act reduced taxes. In the 1924 act there was a reduction of taxes; 1926 act, reduction of taxes; 1928, reduction of taxes; 1932, taxes slightly increased; 1934, taxes increased; 1936, taxes increased; 1938, taxes increased; 1940, taxes increased; 1941, taxes increased; 1942, taxes increased.

Let me also call attention to the amount of these retroactive tax increases since 1940. The following tables show the tax burden on different levels of income under the 1940, 1941, and 1942 acts:

Comparison of individual income tax on specified incomes under the 1940, 1941, and 1942 Revenue Acts

SINGLE PERSON

Net income before personal exemption	Amount of tax (assuming maximum earned income allowance)		
	1940 act	1941 act	1942 act (including net Victory tax)
$500			
$600			$17
$700			40
$800		$3	62
$900	$0.44	11	85
$1,000	4.00	21	107
$1,500	24.00	69	220
$2,000	44.00	117	333
$2,500	64.00	165	446
$3,000	84.00	221	574
$4,000	123.00	347	829
$5,000	172.00	483	1,105
$6,000	255.00	649	1,401
$8,000	449.00	1,031	2,052
$10,000	686.00	1,493	2,783
$15,000	1,476.00	2,994	4,968
$25,000	4,253.00	7,224	10,644
$50,000	14,709.00	20,882	28,058
$100,000	44,268.00	53,214	69,665
$500,000	330,933.00	345,654	441,863
$1,000,000	718,404.00	733,139	899,500

Comparison of individual income tax on specified incomes under the 1940, 1941, and 1942 Revenue Acts—Continued

MARRIED PERSON, NO DEPENDENTS

Net income before personal exemption	Amount of tax (assuming maximum earned income allowance)		
	1940 act	1941 act	1942 act (including net Victory tax)
$600			$1
$800			8
$1,000			15
$1,200			21
$1,500			79
$1,800		$23	144
$2,000		42	188
$2,500	$11.00	90	297
$3,000	31.00	138	405
$4,000	70.00	249	647
$5,000	110.00	375	894
$6,000	150.00	521	1,173
$8,000	317.00	873	1,780
$10,000	528.00	1,305	2,467
$15,000	1,258.00	2,739	4,533
$25,000	3,843.00	6,864	10,035
$50,000	14,128.00	20,439	27,075
$100,000	43,476.00	52,704	68,584
$500,000	330,156.00	345,084	440,747
$1,000,000	717,584.00	732,554	899,000

It is apparent from these tables that the highest percentage of increase since 1940 has been in the lower income brackets. For example, the single man with an income of $1,000 paid $4 tax under the 1940 act, $21 under the 1941 act, and will be subject this year to a tax of $107 under the 1942 act, counting the net Victory tax liability payable on 1943 income. The single man with a $2,000 wage has been increased from $44 under the 1940 act to $117 under the 1941 act, and $333 under the 1942 act. At the $3,000 income level the increase has been from $84 under the 1940 act to $221 under the 1941 act and $574 under the 1942 act. On a $5,000 income the tax has been raised from $172 under the 1940 act to $483 under the 1941 act and $1,105 under the 1942 act.

Why is it important at this time to make Federal income taxpayers current, so far as possible, under a pay-as-you-earn system, with collection at the source? I shall let Mr. Randolph Paul, general counsel for the Treasury Department, who appeared before the Ways and Means Committee on February 2, 1943, and who testified in part, enumerate the defects of which the tax-paying public complains.

The problem—

Said Mr. Paul—

of putting income taxes on a pay-as-you-go basis was emphasized by President Roosevelt in his recent Budget message in connection with his request to Congress for $16,000,000,000 of additional collections for the fiscal year 1944 * * *.

Mr. Paul continued:

The method employed to put the income tax on a pay-as-you-go basis will directly affect the dollar-and-cents yield of the tax and the timing of the flow of revenue into the Treasury.

Continuing:

Owing to the great expansion of the individual income tax now taking place in response to war needs, the strengthening of our system of income-tax payment has become a first order of business. The 39,000,000 individual taxpayers required to pay income taxes of almost $10,000,000,000 for 1942 under the present law must be afforded a way of meeting their tax obligations with a maximum of convenience and a minimum of hardship. In addition, the Treasury should be protected from taxpayer delinquency and resultant loss of revenue.

These are Mr. Paul's own statements.

And finally—

Said Mr. Paul—

the Government needs a flexible instrument of fiscal policy under which revenues will react speedily to changes in tax rates and exemptions and in the national income.

Continuing further, what does Mr. Paul say about the present system of payment? Here is what Mr. Paul states as to the present system:

For the great masses of taxpayers the present method of collecting the income-tax payment has the basic defect that tax payments are not synchronized with the receipt of the income on which the tax is based. This defect arises partly because installment payments are not tuned to fit the receipt of income and partly because the taxes on a given year's income are not payable until the following year.

Listen to this from Mr. Paul:

A system of equal quarterly installments ignores the basic fact that most people budget on a weekly, semimonthly, or monthly basis, according to the interval between pay checks. * * * Equal quarterly installments are accordingly ill-adapted both to prevailing budget habits and to the flow of income.

Mr. Paul stresses the defect of the present system as it affects millions of additional taxpayers. Here is Mr. Paul's comment:

This defect—

Present system—

was not serious when income-tax rates were low and the tax reached only the minority of our population with relatively large incomes. But in recent years the defect has been greatly magnified. The tax has been broadened to reach many millions of additional taxpayers with small incomes and little experience in planning their finances to meet large bills at infrequent intervals. Moreover, the burden of the tax has been greatly increased for all taxpayers. A suitable pay-as-you-go method will be of great assistance to millions of persons.

Mr. Paul points out a further defect in the present system of income-tax collection, namely:

The lag in payments: Another difficulty of our existing method of payment from the standpoint of the vast majority of taxpayers is that this year's tax payments are based on last year's income. The resultant lag causes no serious payment problem as long as the income-tax burden was relatively low, and the persons principally affected by the tax were accustomed to saving and budgeting for various obligations, including taxes. But with the expansion of the income tax, the payment lag has become a vital problem. To be sure, the lag does not cause the taxpayer difficulty as long as his income continues at a steady pace. If, however, his income varies from year to year, his taxes will be poorly geared to his receipt of income. And if his income declines sharply or ceases entirely, as at unemployment, retirement, disability, or death, the overhanging tax debt may cause real hardship.

Let us follow Mr. Paul's testimony further as it relates to income taxpayers as they fall into different income-tax categories:

The problem faced by taxpayers in meeting their tax bills and the nature of the solutions that can be provided depend in large part on the size and source of their incomes. For present purposes the estimated 44,000,000 individuals obligated to pay taxes on 1943 income may be classified into three distinct groups: (1) 30,000,000 wage and salary earners whose incomes after exemptions do not go above the first surtax bracket of $2,000; (2) 10,000,000 taxpayers whose incomes also do not go above the first surtax bracket, but who receive more than a nominal amount of income from sources other than wages or salaries; and (3) 4,000,000 persons whose incomes from all sources exceed the first surtax bracket (table 1).

Now, then, Mr. Paul turns to the wage and salary earners and discusses the payment problems, and here is what he says:

The overwhelming majority of the 44,000,000 taxpayers for 1943 will be wage and salary earners whose incomes after exemptions and credits will not exceed the first surtax bracket of $2,000. This group covers, for example, single persons with net incomes up to $2,500, married couples without dependents with net incomes up to $3,200, and married couples with two dependents with net incomes up to $3,900. It is this group which is hit hardest by the defects in our present payment system.

Mr. Paul then points out why this "overwhelming" majority of low-income group are so hard hit by the present tax collection system. Here is what he says:

Taxpayers in this group are accustomed to weekly or monthly budgeting under which expenditures are directly governed by the pay envelope. They are under considerable pressure to use their income as soon as it becomes available. They find it extremely difficult to make adequate provision for meeting lump-sum tax bills which fall due a year after the receipt of the income. Because of uncertainty of employment, they cannot escape uncertainty about future income. Moreover, if their income stops because of unemployment, entrance into the armed forces, sickness, or death, the income-tax debt for the last year of income may become a crushing burden.

What does Mr. Paul say with reference to the 30,000,000 salary and wage earners whose incomes, after exemptions, do not go above the first surtax bracket of $2,000? Here is what Mr. Paul said on this point:

No pay-as-you-go plan is adequate unless it makes current at least this group of wage and salary earners.

Mr. Paul explains there are about 10,000,000 taxpayers—1943—of the 44,000,000 who receive more than a nominal amount of income from sources other than wages and salaries, and whose total income is not in excess of the first surtax bracket. These 10,000,000 require a different set-up of collection. Mr. Paul informed the committee that:

Of the 44,000,000 taxpayers estimated for 1943, only 4,000,000 would have surtax net incomes in excess of $2,000, that is, in excess of the first surtax bracket.

Thus, the testimony from Randolph Paul is most emphatic that it is the group of 30,000,000 wage and low-income salary earners who are hardest hit by the defects in our present system; that "no pay-as-you-go plan is adequate unless it makes current at least this group of wage and salary earners." Furthermore, Mr. Paul, as to this group, says:

Moreover, if their income stops because of unemployment, entrance into the armed forces, sickness, or death, the income tax for the last year of income may become a crushing burden.

The question then is how to become current in income-tax payments and thus relieve 30,000,000 taxpayers from the crushing burden in 1943. Mr. Paul says it is a question of "transition" from the present defective system to a current pay-as-you-go collection system, and he points out how the transition can be made. Here are the possible methods suggested by Mr. Paul:

One method of achieving transition is to forgive part or all of a year's tax liabilities. A second method is to require individuals to continue to pay their 1942 taxes as at present, and at the same time bring current collection of 1943 taxes. A third method is to postpone part or all of a year's liabilities, permitting the postponed amounts to be amortized over a period longer than a year.

When it comes to the transition problem relating to current payment of taxes, Mr. Paul says:

Another question is whether the transition to current payment should be made by forgiving a year's liability by paying 2 years' taxes in 1, or by postponing or deferring 1 year's taxes over several years. In the light of the revenue needs of the Government, and the equitable distribution of the tax burden, complete forgiveness seems very undesirable. Complete doubling up would undoubtedly be too harsh for some taxpayers. * * * This is not to say that some discount, or even a certain amount of forgiveness, may not be found to be desirable for the same reason.

Mr. Chairman, after such an exhaustive study and review of the defects of the present out-moded system of collecting individual income taxes as Mr. Paul, the Treasury tax expert, presents, should such an indefensible, defective system be rammed down the throats of those who have to bear the burden?

Mr. Chairman, I say that in the light of such evidence that the tax-paying individuals, 44,000,000 strong, who toil and sacrifice, whether in factory, business, or on the farm, to supply the sinews of war, know that the objective of a current pay-as-you-earn system can be had only by an abatement of the 1942 tax liability, as provided in the Carlson-Ruml bill. They know that this abatement will not diminish the flow of revenue into the Treasury, and the Treasury has been forced to admit this fact. They know that the adoption of the one and only collection bill which will make them current in their tax payments will increase the flow of revenue into the Treasury by not less than $3,000,000,000 this year, exclusive of the taxes which would be collected under the antiwindfall provision of the Carlson bill.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. KNUTSON. Mr. Chairman, I yield the gentleman 20 additional minutes.

Mr. REED of New York. The day is past when the New Deal can silence a public demand with the statement that "the public is too d——d dumb to understand." The public does understand and thoroughly understands why it wants the Carlson bill and why it does not want the doubling-up tax-debt-sugar-coated-discount committee bill. They want it because it will make them current; they want it because if they should not get it the doubling-up tax burden will bring disaster to them. There are millions of taxpayers who have budgeted their incomes to enable them to pay on the purchase price of their homes, the premiums on their small insurance policies, on the education of their children, and to provide the necessary care for dependents. They know that the doubling up of taxes under the committee bill, together with the daily increase in the cost of living will bring ghastly consequences to them and to their families. These are only a few of the reasons why 44,000,000 taxpayers are so vocal in their opposition to a continuation of the pay-after-it-has-gone system of collection, and some of the reasons, also, why they are so insistent that they be made current under a pay-as-you-earn system.

One excuse offered by the majority for their opposition to the Ruml plan is that the assessment of 1942 incomes by Congress as the measure of 1943 tax payments constitutes a legal debt which must at all events be paid. In this assertion they are but echoing the sly propaganda of down-town bureaucrats and a group of loan sharks.

I repeat that loan sharks have entered into this picture.

Taxes are not a debt in the legal sense. They are an assessment levied by Congress, and only after being levied and assessed do they constitute a debt. Congress, if it sees fit to do so, can change the basis of the assessment of taxes. It can provide, as the Carlson plan would do, that 1943 taxes shall be measured, not by 1942 incomes but by 1943 incomes. This would be no different than if the State taxing authorities were to decide that the property tax for 1943 should be based on the 1943 valuation of the property rather than the 1942 valuation.

That was recognized by the committee from the time the first income-tax bill was enacted.

Therefore, all this talk about canceling a debt is beside the point. The income tax is supposed to be based on ability to pay. The present method of assessing the tax for a given year on the income of the previous year is not a true recognition of the ability-to-pay principle, since the income of the previous year may be greater or less than the current income out of which the assessment must be paid. Nobody knows this better than the taxpaying public. The adoption of the Carlson bill would cure this defect.

Another weak excuse offered by the majority as a basis of their opposition to the Carlson plan is that it would amount to giving away taxes at a time when increased revenues are sorely

needed. This charge, too, is utterly ridiculous. There would be no moratorium on taxes under the Carlson plan. Tax payments would continue to be made this year by all who have taxable incomes, of whom there are an estimated 44,000,000 persons. The only difference would be that the taxes due in 1943, instead of being based on 1942 incomes, would be levied against and collected out of 1943 incomes.

The effect of the abatement of the 1942 assessment, as provided under the Carlson bill, would not be felt immediately, either by taxpayers or the Government, except to the extent that any person ceased having income. Those persons, under the bill, would have no overhanging tax burden based on their last year's income to be paid this year, when they have no current income. Those who do have taxable incomes would continue to pay taxes year after year. Not until they lost their jobs or retired would the full benefit of the abatement of the 1942 tax come to them, and at that time they, too, would be relieved of any back-tax obligation after their income had ceased. All during this time, however, they would have the satisfaction and advantage that their tax obligations were being paid currently.

Congressmen will continue to pay if they have any income after they retire, and certainly any "lame duck" Congressman, while the New Deal is in power, will have income.

There are no special advantages to any class under the Carlson bill. All are treated alike. The Carlson plan does not involve any special benefit to Congressmen. They will pay just as much tax this year under the plan as they would under the present law or under the committee bill. Moreover, they will keep on paying taxes without interruption as long as they have their congressional salary. And when they retire to private life they will continue to pay taxes even then if they are fortunate enough as to have an income large enough to be subject to tax.

I repeat the question, Why is there such a widespread demand to have personal income-tax payments placed on a current pay-as-you-earn basis? It is because millions of individual taxpayers know that a tax on their income payments, if collected at the source, will be easier to bear. They want to discharge their 1943 liabilities out of 1943 income. They want no hang-over taxes levied against income already spent. They know that income received in 1942 was mostly spent before they were aware that the Congress had doubled and trebled their 1942 tax rates and had made them retroactive to January 1, 1942. They do not want to pay this year for last year's dead horse.

Taxpayers know that if this war continues the 1942 tax rates will surely be retained. They know that these 1942 rates, or even higher rates, will be less burdensome when levied currently on income as it is received rather than will be the case if both the levy and the obligation to pay are deferred until long after the income has been spent.

There are many millions of taxpayers who are fully aware that their 1942 income-tax payments are not easier to pay just because the payment of them has been deferred to 1943. The fact is that the rising cost of living makes it more difficult to meet last year's taxes out of this year's income. The income-tax payers are insistent, and rightfully so, that when the year 1943 ends they shall have discharged their tax liability with respect to the income received during the year 1943. They want no doubling up. They want no discount rate, available only to the rich but unavailable to over 40,000,000 taxpayers because of their lack of financial ability to take advantage of the rich man's discount bonus.

If the taxpayer does not have the money to pay his tax, he is immediately faced with the question, Can you borrow the money? There are millions of taxpayers who shudder when they think of being driven by this tax bill into the jaws of the loan sharks. The very thought of their taxes being doubled up, thus placing a crushing financial burden upon them, and then having to face finance charges and interest rates as high as the legal rate of 36 percent, and as high as 240 percent in undercover operations, is terrifying to the man who is endeavoring to maintain a home and trying to keep up insurance policies for the protection of his family.

Many of these same families have their boys fighting at the front, and they know what sacrifice means. These small taxpayers cannot understand why this administraton should discriminate as between them and the large taxpayer who, under the committee bill, can step in and get all the advantages of a discount bonus. This comes with poor grace from an administration which has been preaching in season and out of season equality of sacrifice in this war but, with unfailing duplicity, favoring the small group which can afford to become current in their taxes, while driving the small taxpayer into the grinding, grilling, endless treadmill of exorbitant interest loan rates.

I do not charge the majority of the Ways and Means Committee with ulterior motives. I have never known a more honorable and patriotic group of public servants but I do say that the tax bill which they have brought to the floor is absolute proof that these good men have lost the common touch. They have completely forgotten the human problems of the average man. They have been too closely associated with those who think that one of the greatest of all offenses that can be committed by the ordinary individual is to exercise his rights as a sovereign citizen. The atmosphere in the Capital City has been surcharged for years with a totalitarian philosophy that the administration is everything and the common man nothing. The idea that the sovereign citizen should make a suggestion as to how his taxes should be collected is considered a species of les majeste.

Those who have really suggested the provisions of the committee bill which has been brought in here know nothing of the struggles of the common man in meeting his income-tax payments. They only sign the check and send it in. Highly paid bookkeepers, sitting at a mahogany desk in a palatial office do all the detail work and, of course, men with such an organization behind them need not sweat and worry about the problem of becoming current, but even so they want their 6-percent discount and the committee has seen to it that these boys get theirs, if the committee bill goes through.

But what about the small man? The United States News of March 5 outlined the procedure for the many who could not pay the March 15 installment:

> First thing to be done by anyone who can't pay on March 15 is to go into a sort of one-man caucus and ask a few searching questions: How can I raise the money? Haven't I a savings account I can tap? Haven't I anything I really don't need, that I can sell? Can I borrow the money?

After mailing in the return without the money, the taxpayer is then to wait until the collector calls him in. The taxpayer takes with him a statement of all he owns and all he owes and makes oath to its correctness.

The taxpayer's examination by the collector will be searching and thorough. It may last several hours. Here the borrowing will really begin.

At this very moment the loan sharks are hanging around the war plants like vultures. One airplane manufacturer recently said they would have to get rid of the loan sharks or stop making airplanes.

I charge that every one of these doubling-up proposals is a loan-shark bill. Did anyone ever know of legislation for the District being carried through this Congress when that organization, the loan-shark organization, did not step in?

I have reliable information—and the whole report will soon be made public—that $100,000,000 has been loaned, undercover, at interest rates of from 120 to 240 percent, and $500,000,000 at from 30 to 36 percent. But this is only the beginning. Wait until the delinquent taxpayers are called into the collectors' offices, and watch the mounting figures when the second installment becomes due. The lending agencies estimate there will be 5,000,000 borrowers for income-tax payments of the next installment. There are millions more who will not pledge their household furniture for loans or who will not embarrass themselves or their families by obtaining cosigners. Talk to these citizens about a 6-percent discount for payment of 2 years' taxes in 1 year, as provided in the committee bill.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. REED of New York. If I yield to the gentleman I will have to yield to all.

Mr. KNUTSON. I merely want to make an observation; I do not want to ask a question.

If the figures contained in the statement by the gentleman are true, the committee bill nullifies the emancipation proclamation.

Mr. REED of New York. I will say this, these men over here on this side who have brought in this slimy thing called a bill are in position to know from their own administration just exactly what has been revealed in regard to the loan-shark operations in connection with the tax. You have seen the newspapers all over the country. These loan sharks are so sure of their ground that this Congress will never interfere with them, and that they will get the kind of bill they want from this committee, that the papers are literally filled with their advertising.

Instead of making the taxpayer current, you majority Members are putting him in "hock" for life.

How can any men who have any regard for their Government drive the war workers into the hands of these money lenders? Why should the majority members of the great Ways and Means Committee bring out a bill which, if drawn by these money lenders, could not have better served their purpose of exploitation?

I shall support the Carlson bill when it is offered as a substitute for the committee bill. It is the one bill that will make it possible for millions of patriotic people, who ask that their tax load be so distributed and collected that they can render the highest possible service to their country by financing this war without being ruined by the action of their Government. This is not an unreasonable demand; it is a necessity for 90 percent of the taxpayers to enable them to do all that they would like to do in support of the cause to which the country is committed.

I am astounded that the majority members of the Ways and Means Committee have not realized that every tax collection proposal, except one, presented to the committee for consideration was a loan-shark bill. Just how this idea of a partial forgiveness, rather than a whole forgiveness, was so skillfully channeled into the committee room for consideration presents a most interesting puzzle in legislation.

Of course, it is well known to everybody who has followed the history of these organizations that they have had a lobby in every capital in every country in the civilized world for over 2,000 years and those who invest in and operate these loan-shark organizations are the most subtle and skillful masters of finance in the world.

Every proposal to double up taxes, varying from a few to several billion dollars, is meat for these ravenous men who live by extracting their pound of flesh with no just and righteous Portia to say them nay.

Why should a great committee, charged with the protection of millions of taxpayers from exploitation, lend its tax powers to carry out such a gigantic fraud? Why should a government that is asking equality of sacrifice to win a great war drive millions of war workers and others into this money changers' black pit of despair?

In the light of the iniquity of this whole program of proposals to double up I am surprised to see the crusading zeal with which some Members on this floor condemn the one bill which will stand between the loan sharks and millions of our citizens.

It is unfortunate that the record revealing the scandalous operations of the loan sharks, who are to be benefited by these proposals, has not been made public so that those Members of this House who have a high regard for their country can cast their vote in the light of all the facts. I regret that these undercover financial operators should find protection in any partisan alinement for and against the legislative measures before us for consideration. The issue here between 40,000,000 people and the loan sharks far transcends any partisan political issue. There is no man familiar with the facts and who seeks to save this Republic from these insidious forces who can vote for any of the proposals to be presented to this House except the Carlson bill.

If it is "immoral" to abate the 1942 tax, or any portion of it, in order to clear the slate for collecting the income tax currently, then some of the Members on the majority side who have been loudest in their denunciation of the Ruml plan have convicted themselves of immorality by reason of having offered substantial forgiveness plans in the Ways and Means Committee. There is not a Member of the majority who did not vote for one or more forgiveness plans. Following is a list of the various Democratic forgiveness plans offered as a substitute for the Ruml plan:

Amount of forgiveness under various pay-as-you-go plans offered by Democratic members of the Ways and Means Committee

Robertson-C. I. O.-Forand plan	$7,600,000,000
Doughton plan No. 1	4,100,000,000
Doughton plan No. 2 (65-percent Ruml plan)	6,500,000,000
Doughton plan No. 2, as modified (50-percent Ruml plan)	5,000,000,000
Cooper plan (similar to Doughton plan No. 1)	5,600,000,000
Cooper plan, as modified	4,500,000,000
Disney plan (similar to Doughton, 65-percent Ruml plan)	6,500,000,000

Comparison in amount of forgiveness as between man with $1,500 income and man with $1,000,000 income (married man, no dependents), under various Democratic plans

	$1,500 man	$1,000,000 man
Robertson—C. I. O.—Forand plan	$48	$189,000
Doughton plan No. 1	24	121,212
Doughton plan No. 2	24	427,000
Cooper plan	48	121,446
Disney plan	24	427,000

The following table shows the amount of forgiveness under the various Democratic plans by income brackets:

Amount of tax forgiven under various pay-as-you-go plans offered in committee by Democratic members of the Ways and Means Committee

[Based on tax of married person, no dependents]

Net income before personal exemption [1]	Income tax, present law [2]	Amount of tax forgiven			
		Robertson—C. I. O.—Forand plan [3]	Doughton plan No. 1 [4]	Doughton plan No. 2 and Disney plan [5]	Cooper plan [6]
$1,500	$48	$48	$24	$24	$48
$1,800	103	103	50	52	80
$2,000	140	140	68	70	98
$2,500	232	232	112	116	142
$3,000	324	324	156	162	186
$4,000	532	508	244	261	283
$5,000	746	692	332	373	371
$6,000	992	876	420	496	471
$8,000	1,532	1,244	596	766	659
$10,000	2,152	1,612	772	1,076	847
$15,000	4,052	2,538	1,214	2,026	1,313
$20,000	6,452	3,488	1,712	3,226	1,838
$25,000	9,220	4,438	2,212	4,610	2,356
$50,000	25,328	9,188	4,712	12,664	4,889
$100,000	64,060	18,688	11,152	32,030	11,356
$500,000	414,000	94,688	68,688	207,000	68,916
$1,000,000	854,000	189,688	121,212	427,000	121,446
$5,000,000	4,374,000	949,688	451,236	2,187,000	451,476

[1] Maximum earned income assumed.
[2] Exclusive of Victory tax.
[3] Forgives basic 1942 liability or 6 percent of total normal tax net income plus 13 percent of total surtax net income.
[4] Forgives difference between tax at 1942 rates and at 1941 rates.
[5] Both Doughton No. 2 plan and Disney plan forgive ½ the 1942 tax in the case of all taxpayers.
[6] Forgives difference between tax at 1942 rates and exemptions and at 1941 rates and exemptions.

QUESTIONS AND ANSWERS ON THE RUML PLAN AS EMBRACED IN THE CARLSON BILL

First. What is the so-called Ruml plan?

Answer. It is simply a proposal to change the method of assessing and collecting the Federal personal income tax so as to correct certain defects and weaknesses in the present system. Under the present law personal income taxes are assessed against the past year's income. Thus the collection of the tax is always 1 year behind. Under the so-called Ruml-Carlson bill the personal income tax would be collected currently; that is, the assessment would be against current income, and the tax would be paid out of current income.

Second. What are the defects and weaknesses of the present system which the Ruml plan seeks to overcome?

Answer. Under the present method of collecting the income tax on income the year after it is earned, the taxpayer is always in debt for his income tax. If he suffers a reduction in income, or loses his job, or dies, the tax debt from the prior year becomes a serious financial problem. In case his income has merely been reduced, he finds himself having to pay out of that reduced income an income tax based on the higher income of the previous year. Thus, while the income tax is supposed to be based on ability to pay, the present method of collection does not actually gear the tax payment to the amount of current income out of which it is paid. Where the taxpayer's income is completely cut off by loss of his job, retirement, or death, the past year's

income-tax liability becomes a great burden, since there is no current income out of which it may be discharged. This debt for last year's income tax may be great enough to wipe out every asset the taxpayer possesses.

Third. What advantages will accrue to taxpayers by changing to a current, pay-as-you-go basis in collecting the income tax?

Answer. The individual taxpayer will be able to discharge his income-tax liability as his income is earned, and thus will have no tax debt hanging over him when he retires, loses his job, or dies. Moreover, if he suffers a reduced income, his current tax payments will be reduced to conform to the lower income.

Fourth. Will any advantage accrue to the Government as a result of the proposed change to a current, pay-as-you-go basis?

Answer. Yes, in several ways. In the first place, there would be fewer tax delinquencies, since the Government would collect the tax liability as the income is earned. Moreover, it would receive the tax on a particular year's income 1 year sooner than under the present system of collecting the tax the year after the income is earned. This is very important from the standpoint of helping to control inflation.

Fifth. Will not the question of tax delinquencies be a serious problem for the Government when the war boom ends and millions are thrown out of work?

Answer. Unquestionably, if the present system is continued, but not under the Ruml-Carlson bill.

Sixth. It has been asserted that the objective sought to be achieved by the Ruml plan could be realized if all taxpayers saved out of their current earnings enough money to pay their tax on March 15. What about this?

Answer. The fact is that we must take human nature as we find it. Most people do not set aside money to pay future taxes, though it probably is the wise and prudent thing to do. They either live right up to their income, whether by choice or by force of circumstances, or they find it impossible to save the money to discharge the income-tax liability on their current income while at the same time meeting the installment payments on their last year's income-tax. The income-tax law as presently drafted contemplates that the taxpayer shall pay his income tax liability on the prior year's income out of the income of the following year, or it would not have permitted the taxpayer to pay the prior year's tax in four quarterly installments during the next year. If the law contemplated that taxpayers would accrue their taxes, it would have required them to pay the full amount when filing their income-tax return on March 15 following the close of the taxable year. Of course it would have been difficult for taxpayers to have accrued their 1942 tax since the act was not enacted until October 21, when most of the year had gone by.

Seventh. From what source does the demand for the adoption of a current pay-as-you-go system come?

Answer. It has been acclaimed by the general public as a most desirable tax reform, and the people are becoming increasingly impatient over the failure of Congress to act upon the matter. The proposal is so simple, and its advantages to both the taxpayer and the Government so apparent, that they are utterly unable to understand why there should be so much determined resistance to the expressed will of the people.

Eighth. Does the demand for a current pay-as-you-go tax system come only from the public?

Answer. No; the Treasury Department has itself made the strongest possible argument that could be advanced for getting taxpayers on a current basis. Following are excerpts from the statement made before the Ways and Means Committee by the Treasury spokesman, Mr. Randolph Paul:

> Owing to the great expansion of the individual income tax now taking place in response to war needs, the strengthening of our system of income-tax payment has become a first order of business. The 39,000,000 individual taxpayers required to pay income taxes of almost $10,000,000,000 for 1942 under the present law must be afforded a way of meeting their tax obligations with a maximum of convenience and a minimum of hardship. In addition, the Treasury should be protected from taxpayer delinquency and resultant loss of revenue. And, finally, the Government needs a flexible instrument of fiscal policy under which revenues will react speedily to changes in tax rates and exemptions and in the national income.
>
> * * * * *
>
> For the great masses of taxpayers the present method of collecting the income-tax payment has the basic defect that tax payments are not synchronized with the receipt of the income on which the tax is based. This defect arises partly because installment payments are not timed to fit the receipt of income and partly because the taxes on a given year's income are not payable until the following year. * * * The resultant lag caused no serious payment problem as long as the income-tax burden was relatively low, and the persons principally affected by the tax were accustomed to saving and budgeting for various obligations, including taxes, but with the expansion of the income tax the payment lag has become a vital problem. To be sure, the lag does not cause the taxpayer difficulty as long as his income continues at a steady pace. If, however, his income varies from year to year, his taxes will be poorly geared to his receipt of income. And if his income declines sharply or ceases entirely, as at unemployment, retirement, disability, or death, the overhanging tax debt may cause real hardship.

Mr. Paul further pointed out that the chief beneficiaries of a pay-as-you-go system would be those in the lower income brackets, saying:

> The overwhelming majority of the 44,000,000 taxpayers for 1943 will be wage and salary earners whose incomes after exemptions and credits will not exceed the first surtax bracket of $2,000. This group covers, for example, single persons with net incomes up to $2,500, married couples without dependents with net incomes up to $3,200, and married couples with two dependents with net incomes up to $3,900. It is this group which is hit hardest by the defects in our present payment system.
>
> Taxpayers in this group are accustomed to weekly or monthly budgeting, under which expenditures are directly governed by the pay envelope. They are under considerable pressure to use their income as soon as it becomes available. They find it extremely difficult to make adequate provision for meeting lump-sum tax bills which fall due a year after the receipt of the income being taxed. Because of uncertainty of employment, they cannot escape uncertainty about future income. Moreover, if their income stops because of unemployment, entrance into the armed forces, sickness, or death, the income-tax debt for the last year of income may become a crushing burden.

Ninth. Would not the Ruml plan be of great benefit to servicemen who now are obliged to pay a high tax on their past year's civilian income out of a soldier's meager pay?

Answer. Absolutely. They would be the chief beneficiaries, since under the Ruml plan they would only pay tax on their current income. They would come back from the war free of income-tax debt. While provision is now made for deferment of their civilian income-tax liability under certain circumstances, it still remains a debt which must be discharged after the war. If they fail to come back the debt will have to be paid by their widows or out of their estate, if any. The Ruml plan would wipe out this debt as a result of shifting to a current assessment basis.

Tenth. Is there anything to the charge that the abatement of the 1942 tax liability in order to get on a current basis would cause a $10,000,000,000 loss of revenue to the Government, which soldiers would have to make up on their return to private life?

Answer. It is absolutely baseless. Even the Treasury Department concedes that there would be no cash loss to the Government, as appears from the following statement by the Treasury representative, Mr. Randolph Paul, before the Ways and Means Committee:

> The Government by forgiving a year's tax liabilities would be discarding assets as a business would that canceled its accounts receivable from customers. * * * The Government differs from the business in that it has the power to make up the loss by compelling quicker collections and by imposing additional taxes on the same or other people. Through the resulting partial redistribution of the tax burden the cash receipts of the Treasury could be maintained even though the tax liability was forgiven.
>
> Accordingly it is not correct to assume that the forgiveness of a year's tax liability combined with corresponding current income-tax collection would reduce the cash flow into the Treasury. The effect on the amount of money taken into the United States Treasury resulting from placing the income tax on a current basis and forgiving a year's taxes cannot be determined except by comparing this treatment with some alternative. If the comparison is with the present payment method at existing rates, the cancelation of 1942 liabilities combined with current collection of subsequent liabilities need not involve either an increase or decrease in the amount of money taken into the Treasury in any given spar of years. Each individual subject to taxation in 1942 has 1 year's liability canceled, but he is at the same time required to pay another year's liability sooner than he otherwise would. Individuals who were not taxpayers in 1942, but who become taxpayers subsequently, will be obliged to pay their liabilities 1 year sooner than under existing law. Individuals who die, or who

cease receiving an income, pay the Government 1 year's less taxes, but by and large the money loss on their account is offset by the gain from new taxpayers who begin paying their taxes a year earlier.

The net result in money paid to the Government depends on whether the payments dropped out exceed or fall short of the payments added in the same year. The payments dropped out will be spread over a period of years. If any given year is a year of higher national income than the war-boom year of 1942, the actual receipts of the Government for that span of years would be increased by the change. If it is a year of lower national income, governmental receipts would be decreased by the change.

Eleventh. If income-tax payments in 1943 are based on 1943 income instead of 1942 income, would not the flow of revenue into the Treasury actually be increased?

Answer. Yes. The 1942 personal income-tax liability is estimated at $10,000,000,000. The 1943 liability, which under the present system we would not collect until 1944, is estimated at $13,000,000,000. If we substitute 1943 income for 1942 income as a basis for assessment of 1943 taxes, we will actually collect $3,000,000,000 more this year.

Twelfth. Why is it necessary to cancel the 1942 liability in order to get on a current, pay-as-you-go basis?

Answer. Under the present system, we pay 1942 taxes in 1943. If we desire to advance the time of paying the 1943 liability to 1943 so that we will be on a current basis, something must be done about the 1942 liability, or taxpayers will be required to pay 2 years' taxes during the first year of the transition. The only way the shift to a current pay-as-you-go basis can be made without doubling up 2 years' taxes in 1 year, or spreading the past liability over a period of years in addition to current taxes, is by canceling the 1942 liability, as proposed under the Ruml plan.

Thirteenth. Does the Ruml plan involve a year's moratorium on taxes?

Answer. Not at all. Any person who has taxable income in 1943 will continue to pay taxes just as if nothing had happened, the only difference being that his payments would be measured by his 1943 income, rather than his 1942 income. Only those who had no taxable income in 1943 would pay no 1943 tax. Those who had lower incomes in 1943 than in 1942 would pay less tax, and those who had more income in 1943 than in 1942 would pay more tax.

Fourteenth. Has the Ruml plan been introduced in Congress in the form of a bill?

Answer. Yes; the bill H. R. 2245, by Mr. CARLSON of Kansas, embraces the basic features of the Ruml plan, including the abatement of the past year's tax liability so that we may start with a clean slate on a current, pay-as-we-go basis.

Fifteenth. How would the March 15 tax return, based on 1942 income, be treated under the Carlson bill?

Answer. It would be regarded as a tentative return on 1943 income, subject to final adjustment March 15, 1944. In order to reflect increased or decreased income over 1942, and adjust installment payments accordingly, the taxpayer at his option could file an amended return on any of the subsequent quarterly installment dates.

Sixteenth. How would the Carlson bill treat payments made in connection with the filing of the March 15 return, based on 1942 income?

Answer. They would be applied on the current 1943 liability.

Seventeenth. Does the Carlson bill provide for withholding at the source?

Answer. Yes; provision is made for withholding at the source beginning July 1, 1943. The withholding would be on wages and salaries, at a rate of 20 percent on the amount in excess of the usual exemptions and credit for dependents.

Eighteenth. Would quarterly installment payments be continued under the Carlson bill?

Answer. Yes, but taxpayers whose full liability was being collected at the source would not have to make any installment payments after July 1. Those whose liability exceeded the amount withheld at the source would pay the balance on the regular installment dates. Those whose income was not subject to withholding, which would include self-employed persons and those with investment income, would pay their full liability in quarterly installments.

Nineteenth. Would the Carlson bill provide any relief to those having seasonal incomes, such as farmers?

Answer. Yes, it would permit them to adjust their payments to the receipt of their income, since they would have up to December 31 to file a tentative return for the year and make their payment.

Twentieth. Is any provision made to assure the filing of reasonably accurate tentative returns?

Answer. Yes; a 6-percent-interest charge is made if the final liability for the year, as adjusted the following March 15, exceeds the amount paid during the year by more than 20 percent. The interest charge applies only to the excess amount over the 20 percent. In other words, a 20-percent "tolerance" is allowed.

Twenty-first. Does the Carlson bill do anything to prevent possible "windfalls" to those in the upper brackets as a result of abating the 1942 tax liability?

Answer. Yes; in two ways:

First. Where the taxpayer's income in 1942 exceeds $20,000 and the 1942 tax liability is greater than the 1943 liability, he would be required to pay on the higher 1942 income instead of the lower 1943 income. In order to provide fair treatment to taxpayers whose 1942 income is only slightly in excess of $20,000 and who have less than $20,000 income in 1943, a so-called notch provision is included to equalize the effect as between them and the taxpayers not affected by the antiwindfall provision.

Second. The second antiwindfall provision is intended to recapture any war profits in the year which would otherwise be dropped under the bill. For example, if a taxpayer had an income of $100,000 in 1941 and $1,000,000 in both 1942 and 1943, there would be levied, in addition to the full assessment on the 1943 income, a special tax on the amount by which the 1942 income exceeds the 1941 income, namely, $900,000. The rate would be 25 percent on the first $500,000 of the abnormal profits and 50 percent on the balance. If the 1942 income were higher than the 1941 income, and the first antiwindfall provision were also applicable, the special tax would be on the 1943 income, which would otherwise be dropped.

Twenty-second. Would the abatement of the 1942 tax result in creating any new millionaires, as has been charged?

Answer. No; the antiwindfall provisions previously referred to would prevent this.

Twenty-third. Would the Ruml-Carlson proposal be of more benefit to the wealthy than to persons in the lower brackets?

Answer. This argument has been made, but if it is sound to impose income taxes under a progressive rate schedule, then the only fair way to abate the tax assessment in order to get current is on the same basis, so as to wipe out the liability to the same extent it has been imposed. Every person is treated alike in the sense that the basis for his 1943 tax is his current income rather than his past year's income.

Twenty-fourth. Does the Ruml-Carlson plan involve the collection of only 1 year's tax on 2 years' income?

Answer. No; because under the present year-behind collection system, it may be said that the taxes paid in 1942, based on 1941 incomes, were actually collected out of 1942 incomes, as contemplated by the law, which permits the tax to be paid in four installments during the following taxable year. The taxes which the present law now collects in 1943 on 1942 incomes are actually paid, in the case of nearly every taxpayer, out of the 1943 income. Therefore, if Congress were to provide that the taxes collected in 1943 were to be credited to the 1943 liability, as provided under the Ruml plan, the taxpayer would still be paying 1 year's tax out of 1 year's income.

Twenty-fifth. Does the Ruml-Carlson plan answer the demand for current, pay-as-you-go taxation?

Answer. It is the one plan, and the only plan, that will achieve this desirable objective. All other plans considered by the Ways and Means Committee, of which there were many, either failed to make taxpayers current or as the price for doing so required the doubling up of tax payments.

Mr. KNUTSON. Mr. Chairman, I yield 30 minutes to the gentleman from Illinois [Mr. DEWEY].

Mr. DEWEY. Mr. Chairman, I have listened with the greatest interest to the debates of yesterday and today. Toward the close of the debate yesterday I was a bit confused as to the purpose of this legislation. There seemed to be all sorts of cross currents; there were denials, there were accusations, there were presentations and refutations, but we are here for only one purpose, if I correctly understand it, and that is to find a means of answering the demands of the American people to get this heavy burden of taxation on a current basis, so they may be able to pay their taxes out of current earnings. They know full well, as do we

all, that this extreme business activity, this extreme high employment, the high wages, and the time-and-a-half overtime will not last forever and that someday the reckoning will come, and the readjustment that will put a lot of men out of work. The man who is today receiving high wages may be without a job next year and may not have the wherewithal to pay the taxes of the year past. The people, because they are commonsense, thinking people, are making demands on us, their Representatives in Congress, to do something about it.

I would like to hesitate here for one moment to speak of something that occurred yesterday that surprised me, that at a time like this when we are considering the revenue with which to finance a war, anyone could be of such disposition as to even consider how any tax legislation would affect him personally or politically. But to encourage those of faint heart, I would like to say that aside from us 435 Congressmen who are getting $10,000 and who would be affected in one way or another by a complete abatement of 1 years taxes, there are 95,951 other hard-working people throughout the United States getting the same salary; there are 125,000 other hard-working people who get $9,000 a year, and there are 63,000 that get $11,000 a year. So, in this little group of people receiving $9,000, $10,000 and $11,000, there are 285,000 men, not just us 435, that might be benefited.

Beyond that there are 44,000,000 American citizens who are looking to see what we do, and we will have to answer to them. So let us take this matter seriously, without partisanship. We are dealing with our country's welfare.

There have been three major proposals resulting from the considerations of the Ways and Means Committee. First, there is the so-called Committee bill. As you know, a subcommittee was appointed to study the whole situation and make a report. That subcommittee of five distinguished gentlemen produced an administrative bill. It had nothing to do with making taxes current. It only provided means by which wages and salaries might be collected at the source. It was a well-thought-out plan, so well thought out that it has been carried over into the provisions of the so-called Carlson-Ruml bill, together with other amendments that were put in in the full committee in connection with exemptions of soldiers' service pay. Those are all in the so-called Carlson bill and emanated from the subcommittee report to the Ways and Means Committee. But when we got in the full committee to consider the subcommittee report, something happened. The bill was not good enough as it was. Some of the members of the committee wanted to make it a transition bill by which a certain amount of the taxes would be remitted though a discount procedure.

I have had a little experience with taxes and governmental finance, but, frankly, I have never seen anything so fantastic in my life as this 6-percent discount privilege.

It has been brought up by other speakers that back in their town there was a waterworks or there was something else that had a discount provision in connection with the taxes, but we are dealing with the revenue system of the United States.

You gentlemen are familiar, I am sure, with the fact that when the Treasury Department takes in any money through taxes that money belongs to the Treasury irrevocably.

Mr. McMURRAY. Mr. Chairman, will the gentleman yield?

Mr. DEWEY. I will not yield at all during my discourse. I attempted to ask a question yesterday, but I was told to proceed on my own time today, which I am doing.

There is another means by which the Treasury Department obtains its revenue, and that is by the sale of securities. Every time the Treasury Department sells a security it obtains cash, but it becomes a debtor to the holder. Every time it redeems a security that cash goes out and the Treasury loses cash.

Let us take an example of what this discount situation is. It is provided under this bill that anybody who has paid in full his 1942 taxes may on or before June 15, 1943, pay on account of 1943 and receive a 6-percent discount on such payment.

There are $17,000,000,000 savings securities of the Treasury outstanding, and I think the national debt is about $119,000,000,000, all of which securities have, as we know, a going rate of about 2½ percent.

Let us consider what would happen in the case of a man of considerable means if he wanted to get current. He has a $1,000 Government bond, which he can sell at any time, and does sell on June 15, 1943. If he had held it until March 15, 1944, that bond, which probably bears a 2½-percent coupon, would have earned him in those 9 months $18.75.

Our holder of the bond sells his bond and gets $1,000. By not holding it he has lost $18.75. But what does he do with the cash? He goes to the Treasury Department and buys another Government security, his 1943 tax receipt, at a discount of $60. In that operation he has made the difference between $18.75 and $60. On an annual basis the $60 discount amounts to 8 percent. He has made enough in that operation to pay the interest on a bond at 2½ percent for about 2 years.

Do you think the people who are smart, who know about stocks and bonds, the richer people, will not take advantage of that? The thing is so fantastic that it made an equally fantastic jingle spring into my mind:

Discount, brothers, discount fast
This discount racket will not last;
The Treasury will shortly know
It only helps the boys with dough.
They'll cash their bonds and pay their tax,
Then being current, can relax.
Now that won't help the revenue
But will surely help the wealthy few.

That is pretty nearly as bad poetry as the discount provision itself.

To conclude this particular phase of our tax consideration, I should like to say that the provisions for withholding contained in the committee report are good. The provision for taking care of our boys and giving them an exemption of $3,500 is splendid, although some details must be worked out because, as I figure it, the single man gets a better cut than does the married man under that provision. Probably that will be taken care of.

Now I should like to go to the next proposal that has been offered to us, sometimes referred to under the name of the Robertson plan.

The parentage of this plan is shrouded in some mystery. Gossip has it that it originally came from the Treasury Department, but my esteemed friend, for whom I have profound respect and affection, the gentleman from Virginia [Mr. ROBERTSON], first presented it in committee. It was discussed there, and then the next I heard about it, lo and behold the distinguished gentleman from Rhode Island [Mr. FORAND] had put on a few new angles and it was then presented as the Forand bill. But what shocked me most was one day when I received a large document from Mr. Philip Murray, president of the C. I. O., adopting it as his plan, so I do not know just to whom to give credit, but let us say that it is the Treasury-Robertson-Forand-C. I. O. plan. In any event it has some most remarkable provisions.

This plan is a step in the right direction, because actually by cutting out the normal tax of 6 percent and 13 percent in the first surtax bracket, or a total of 19 percent, it relieves about 90 percent of the taxpayers of paying any tax at all. It is just that procedure that sounds so awfully good, and awfully logical, and the right thing to do, that fools everybody until you realize that it is perfectly socialistic in character and unfair in principle.

The official records will substantiate my position. In the first place, as I said, there is an abatement of 19 percent, consisting of 6 percent normal tax and the 13 percent first bracket of the surtax, applied to all taxpayers. We have had precedents of tax reductions, but never before has this type of tax reduction been employed.

In the Revenue Act of 1921 we reduced the surtax rate from 1 or 2 points in the lower brackets to 15 in the higher brackets. If we are going to treat all taxpayers alike by percentage treatment, all taxpayers must be treated in conformity with the existing progressive tax structure. In other words, as we have developed our surtax rates, we have followed the principle of ability to pay and increased the surtax rates accordingly; but if you are going to abate or decrease taxes, you should decrease them, in all fairness, in the same manner. Nineteen percent of reduction at the bottom means complete forgiveness of 100-percent taxes to some and only a small reduction to others.

Reductions in taxes have been made before, as I have already stated. In the Revenue Act of 1921 tax rates were reduced by 1 or 2 points in the lower brackets up to 15 points in the higher. A flat rate reduction of 25 percent applicable to 1923 was incorporated in the

1924 Tax Act. That was similar to the reduction suggested by my distinguished chairman in his plan of flat abatement of 50 percent. In the Revenue Act of 1924, surtax rates were reduced from 1 point in the lowest bracket to 10 in the highest. The Revenue Act of 1926, from 1 point in the lowest to 20 in the highest; and it was not until 1928 and 1929 that we have a precedent of a flat reduction by percentage points such as is considered in the so-called Robertson plan, and that applied only to the normal tax. The normal tax was reduced from about 4 percent to 3 percent, because the normal tax is levied at a flat percentage rate, and it could be so reduced. It is strange, indeed, that the originators of this Robertson plan should ignore those 5 or 6 precedents in tax reduction and select the only one where there was a flat percentage point reduction, and that did not apply to the surtax.

This Robertson proposal, which abates 100 percent in one group and a diminishing percentage for all other groups, puts the tax basis back to the exemptions of 1931. During all of these periods we have been lowering exemptions, trying to spread out the base, but here in this bill by one stroke that is all wiped out, and we go back to the $2,500 martial exemption of 1931.

I would like now to speak for a minute about who are paying and have been paying the taxes for a great many years past. It might surprise a good many of us to recall that in 1926, which was a flush year of prosperity, there were only 2,523,000 Federal taxpayers. Then, jumping to 1934, the taxpayers had shrunk to 1,795,000. Then in 1936 they had gone up a little bit, but to only 2,861,000 taxpayers, and then we lowered the exemption, and spread the base somewhat, and in 1940 we had 7,437,000 taxpayers, and, today, under the 1942 bill, it is contemplated there will be 44,000,000 taxpayers. If we apply these rates, and the provisions in the Robertson bill, we return to the exemption of 1931, which will as the gentleman from Virginia [Mr. ROBERTSON] admits, eliminate 90 percent of the taxpayers. Those that remain will still be liable for their 1942 tax liability. I claim this to be unjust, unfair, inequitable, discriminatory, and certainly not in accordance with American tax principles.

I am now going to speak for this "constant" group who, under the Robertson bill, get no comparable relief. What have they been doing during all this period? In 1934 the group of people who made returns from $10,000 to $50,000 paid 33 percent of all the taxes paid. I rise in defense of that group of our taxpayers. There is no one who does any collective bargaining for them. They are some of the best people we have in our country. They have fought their way on their own initiative and ability.

I have records here that I presented before the Senate Finance Committee on the 1941 bill. The owners of 168,000 little factories employing 44 percent of all the employables and doing about half the manufacturing of goods are in that group.

If we are to reduce or rebate taxes, let us either wipe them out entirely for 1942 or decrease them in percentages in the same manner by which they were increased.

So much for the Robertson plan. I now turn to certain provisions of the Carlson plan. There has been some criticism of this plan to the effect that because it abates the tax liability for 1942 or 1943, whichever is lower, it will let a lot of war profiteers escape. There are two provisions in the Carlson bill which are well known to you all. One is that the higher of the 2 tax years for incomes over $20,000 will be chosen for the tax base. That we all know about. But that leaves out 1 year in which there may have been some large profit.

The second provision, section 2, paragraph c, I think it is, of the Carlson bill, attempts to take care of that. I am going to endeavor to explain it.

Mr. KNUTSON. Mr. Chairman, I yield the gentleman from Illinois 10 additional minutes.

Mr. DEWEY. The second provision establishes what is a war profit. The income as derived in the year 1940 and set down in the 1941 tax return, or $50,000, whichever is the higher, is taken as the base. Now, I am going to demagogue a little myself. I am not very good at it, but I would like to put this line at $50,000. That represents the base. Now, who is under this? Who are these people here under $50,000? Those are the backbone of our country. There has been a great deal of talk about the sacrifice of our soldiers, but there has not been enough talk about the purpose for which that sacrifice is being made. I say to you, and I will say this to anybody, that when those men come home they may have left their homes as boys, but they are coming back as self-reliant, grim, earnest men, and they will want to find here the kind of country they left, not some country where opportunity has been taken away, where it is wicked to have a decent income that you have earned yourself. I say to you that any man, if he may have had a $20,000 income and the war came along and probably in his effort to carry on his business he might have made an additional $20,000 by working 18 or 20 hours a day on war production, I think the soldier on the firing line will be and every other American ought to be satisfied for him to keep it. I do not think this country has come to the point where $50,000 makes a millionaire.

Now, I would like to take 1941, 1942, and 1943, in explaining this situation, how the recapture operates.

Mr. X had an income of $75,000 in 1941, an income of $100,000 in 1942, and an income of $150,000 in 1943. Under this plan 1943 would be chosen as the taxable year, being the highest, but in 1942 his income was $25,000 greater than it was in the normal income year of 1941. This $25,000 will be taxed at the capital gain rate as being an increase of net worth at the rate of 25 percent. He would thus in 1943 currently pay a tax on his 1943 income, plus 25 percent of that part of 1942 income in excess of his normal 1941 income.

Mr. Y, on the other hand, while having a $75,000 income in 1941, had $150,000 in 1942, but only $100,000 in 1943. In this case the 1942 income would be chosen as being the higher as the 1943 tax liability, but as the 1943 income of $100,000 was $25,000 greater than the basic normal income of 1941, the taxpayer would be taxed 25 percent on his excess. The resultant tax to be paid currently being exactly the same as in the case of Mr. X.

Mr. Z, however, is a problem child of great wealth and predatory habits. He had an income of $75,000 in 1941, but somehow or other was able to receive an income of $1,000,000 in 1942, and in 1943 his income was also $1,000,000. The income for 1942 and 1943 being the same, his 1943 current tax payments will be applied to his 1943 liability, but as the 1942 income was not only similar to his 1943 income, but $925,000 in excess of his 1941 normal or basic income, certain special treatment is given him under the Carlson bill. The flat rate of 25 percent will be applied to the first $500,000 of net income in excess of the basic year 1941. A special tax rate of 50 percent will apply to all sums in excess of $500,000.

It will be seen from these three examples that war profiteers will not escape taxation.

It has been asked: Where did you get that basis of taxation in the first place? And is $50,000 fair? And why did you take taxable returns for the year 1941?

I sat for several months in 1941 on the Banking and Currency Committee under the distinguished chairmanship of the gentleman from Alabama [Mr. STEAGALL]. We talked about prices and price control. One of the Members yesterday said that 1940 was a war year, and that it was unfair to take that as a normal year because it was a war year, I suppose meaning that prices were too high. If that is true, it must apply to all phases of our economy. The average price received by farmers for cotton in 1940 was 9.8 cents. The average price received by farmers for cotton in February of this year was 19.68 cents. It is one thing or the other, either 1940 was a fair normal year or it was a high year. If it was a high year, then we are way out of line on the price of cotton today, and we had better get it down. If it is admitted that it was a normal year for cotton, then it is a normal year for anything else; it is a normal year for the man who sweated out an income in 1940 that was under $50,000. I state this only to illustrate that 1940 as a basis cannot be much out of line.

Why did we take the 25-percent rate? We went to the law as it existed. These laws are on the statute books. The capital-gains tax has been fixed. Let us go back to our farmer and his cotton. Suppose somebody bought some cotton in 1940 at 9.8 a pound and carried it until today. He would have 10 cents a pound profit. When he sold it, would that 10 cents a pound go on the top bracket of his personal income tax or would it go on his capital-gains tax? In this recapture tax provision an attempt is

made to tax unusual increases in net worth. One may inquire why only a 50-percent rate was employed. The answer is we are trying not to require the payment of 2 years' taxes in 1. We are collecting one tax in 1 year to make it current. If the recapture rate was higher than 50 percent, we would get into that situation where people would be paying 125 or 150 percent of their income in 1 year. The whole committee shied away from that condition every time it was brought up. They said it was not fair and was not possible. But even this fellow with his 50-percent tax and his 1943 current tax liability will be over 100 percent of his annual income. I do not think you can handle the matter in any other way except as is provided for in the Carlson bill.

I have tried to cover here in a few broad strokes the different features of the bills that have been proposed to us. I kept an open mind on this whole subject from the time it was first proposed. I listened with great interest to every proposal that was made. Finally I subscribed to the Carlson-Ruml plan, which is the only plan that at one stroke makes every individual taxpayer, big and little, current; and it is perfectly obvious the Treasury will not lose any revenue by doing so.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. DEWEY. I yield.

Mr. AUGUST H. ANDRESEN. In the case of a man who makes a million dollars more in 1942 than he did in 1941, his tax on that million would be $625,000. Is that correct according to the provisions in the Carlson bill?

Mr. DEWEY. It would take 50 percent of $500,000, which is $250,000, and 25 percent of $500,000.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. KNUTSON. Mr. Chairman, I yield 35 minutes to the gentleman from New Jersey [Mr. McLEAN].

Mr. McLEAN. Mr. Chairman, we are talking about the tax on personal incomes.

The personal income tax is a tax based upon ability to pay. It best allows for the fluctuations in the taxpayer's means which result from the vicissitudes of life and business. Its weakness is that the date of payment may be so long deferred that the taxpayer may have no funds left with which to pay it. The taxpayer may have lost or dissipated all of his assets between the end of the taxable year and the date of payment. Our present system has this defect. The tax is not collectible when the taxpayer is confronted with his obligation and has the ability to pay out of the income by which his tax is measured. Hence there is a demand for change in our system so that taxpayers may pay as they earn.

From whence does this demand come? The effort was made yesterday to show that it comes from a few people in the higher income-tax brackets who seek some mysterious personal advantage. That is not so. The record will show that the Secretary of the Treasury has requested it. Experience has forced the realization of the need upon us.

The Revenue Act of 1942, as it came from the Ways and Means Committee and as it passed the House, made an effort to provide for payment out of current income. The Victory tax is an abortive effort to accomplish the purpose. The Ways and Means Committee believes it to be desirable—the report of the majority of the committee on this bill says so—and for the minority, I admit it. Most of all the people want it. In the light of these facts, a bill which leaves it optional with the taxpayer as to whether he will change to a pay-as-you-earn basis or continue on the present defective system falls short of accomplishing the desired purpose. The bill before us is such a measure. It is an attempt to satisfy the demand by compromise. We are dealing with a principle which does not lend itself to compromise. It is for the Congress of the United States, charged with the duty of providing and protecting the revenue, convinced of the need of it, to provide that all taxpayers be required to make payment of their income taxes out of current income.

What we are required to do is to correct an error made by the act of 1913 which established our present income-tax system. The 1913 act was retroactive so that the tax was not paid out of current income, but was paid out of income of the year subsequent to that in which it was earned. The statesmen of that day had the benefit of the taxes collected and left us holding the bag. Had the tax become effective as of the date of the act, we would not now be confronted with this difficulty.

In the early days of the income tax this defect was of little consequence. The number of taxpayers were few, the rates were low, and those at whom the tax was aimed were of a class who always had the ability to pay.

The greatly expanded power and authority of the Federal Government, to which must be added the cost of the war, has created new problems in Federal taxation. The income tax has become the principal source of Government revenue. We have attempted to meet the increased demands by piecemeal expansion of our tax program. We have increased the number of taxpayers and the rates, with the result that the revenue to be derived from the tax must be largely realized out of current income when the taxpayer has the ability to pay.

Every consideration of our present-day tax problems suggests the need of economy and efficiency, a reduction in expenditures by abolishing unnecessary or duplicating agencies, and greater efficiency in the operation of those agencies which are essential. Improved efficiency is the purpose of the proposal to modernize our system for the collection of the income tax. It is just as important from a revenue standpoint to improve the administration of the income-tax law as it is to find new sources of taxation or to increase rates. Under the Carlson proposal the result will be improved collections, fewer delinquencies, and increased revenue.

The difficulty in instituting this reform is that in the year of transition we will be confronted with the collection of taxes for the former year, as well as the taxes of the current year. It is difficult because such a program suggests the payment of 2 years' taxes in one, which will meet resistance on the part of the taxpayer, and justly so. The burden may be too much to bear, and inasmuch as benefits are resulting to the Government, corresponding benefits to the taxpayer would be expected; also, inasmuch as the present-day taxpayers are not responsible for the error that was made in 1913, they should not be expected to suffer the inconvenience and expense incident to its correction.

Yet there is an insistence, and this bill contemplates, that 2 years' taxes, or a substantial part, should be paid in a single year. Any suggestion to abate a portion of these taxes is met with the statement that it would result in a loss to the Government—the inference is that the Treasury would suffer a reduction of its anticipated income for the current year—and also that any abatement will materially interfere with the ability to raise needed additional revenue.

The effort has been to create the impression that by the adoption of the Carlson substitute, the Treasury would be presently deprived of a considerable amount of cash income which would have to be supplied by those in the lower income brackets as of this time, to the advantage of the rich. The fact is that by the adoption of the Carlson substitute the flow of income to the Treasury will not be affected. It is more likely to be increased by reason of fewer delinquencies, better collections, and the increased income of the current year. There is difference of opinion between those who claim a loss to the Treasury and Mr. Randolph Paul, who is an experienced tax attorney, and for the time being the adviser on tax matters of the Treasury Department, Mr. Paul will go no further in support of the argument that there will be a loss than to say that the tax which it is proposed to abate amounts to nothing more than an asset which may or may not be realized on at some time in the future. It is an asset that is not carried on the books of the Treasury with a reserve to cover losses.

We had the benefit in the Committee on Ways and Means of a document prepared by Mr. Paul, and I would like to read to you what he had to say under the title "Effect of Forgiveness on Federal Revenue," and I think that we as Representatives in Congress, charged with the conduct of governmental affairs, should confine our thoughts to the effect of foregiveness on Federal revenues rather than, as we seem to be doing, discussing the effect of forgiveness on the economic status of individuals.

Mr. Paul's comments will be found at page 17 of the hearings, paragraph (a), as follows:

(a) The effect of forgiveness on Federal revenues: The tax liability of the taxpayer is an asset of the Government, although it is not counted as such in the general accounts of the Government. Forgiving a year's tax would wipe out assets of this kind amounting to close to $10,000,000,000—the estimated amount of individual tax liabilities on 1942

income. The Government by forgiving a year's tax liabilities would be discarding assets as a business would that canceled its accounts receivable from customers. Such a business might be able to maintaian its receipts by going on a cash-sales basis. Yet no one would say that the business had not lost assets to the extent of the accounts canceled. The Government differs from the business in that it has the power to make up the loss by compelling quicker collections and by imposing additional taxes on the same or other people. Through the resulting partial redistribution of the tax burden the cash receipts of the Treasury could be maintained even though the tax liability was forgiven.

Accordingly it is not correct to assume that the forgiveness of a year's tax liability combined with corresponding current income-tax collection would reduce the cash flow into the Treasury. The effect on the amount of money taken into the United States Treasury resulting from placing the income tax on a current basis and forgiving a year's taxes cannot be determined except by comparing this treatment with some alternative. If the comparison is with the present payment method at existing rates, the cancelation of 1942 liabilities combined with current collection of subsequent liabilities need not involve either an increase or decrease in the amount of money taken into the Treasury in any given span of years. Each individual subject to taxation in 1942 has 1 year's liability canceled, but he is at the same time required to pay another year's liability sooner than he otherwise would. Individuals who were not taxpayers in 1942, but who become taxpayers subsequently, will be obliged to pay their liabilities 1 year sooner than under existing law. Individuals who die, or who cease receiving an income, pay the Government 1 year's less taxes, but by and large the money loss on their account is offset by the gain from new taxpayers who begin paying their taxes a year earlier.

The net result in money paid to the Government depends on whether the payments dropped out exceed or fall short of the payments added in the same year. The payments dropped out will be spread over a period of years. If any given year is a year of higher national income than the war-boom year of 1942, the actual receipts of the Government for that span of years would be increased by the change. If it is a year of lower national income, governmental receipts would be decreased by the change.

Mr. Paul has determined for us the fact there would be no present loss in income to the Treasury, and that there is no relationship between the problem we are discussing and the problem of raising additional taxation, as was so strongly contended by the chairman of the Committee on Ways and Means yesterday.

The abatement of the taxes for an entire year, say 1942, would not disturb the flow of income to the Treasury. It would be replaced by a like amount by the collection of the taxes of the current year, 1943, which according to estimates will be the same, if not larger, than the 1942 income. The raising of new revenue has no relation to a change in the method of payments, unless a considerable number of taxpayers can be wooed by a discount into paying 2 years' taxes in 1 as is attempted in the present bill. It would appear that the proponents of the committee bill are seeking to divert our efforts to reform the tax-collection system into a treasure hunt, and have presented a bill the main purpose of which is to raise revenue. They assume that the demand for current payments comes from those who are seeking for reasons of their own to rearrange their tax payments; that such persons can be induced to pay in advance by offers of discounts, and that whatever amount can be collected by this method will reduce the amount of new taxes that will have to be raised to meet the demands of the President's Budget message.

We had better not rely too much on the revenue anticipated from the offer of discounts for advance payments. People will pay their taxes promptly to avoid penalties, but they are not so much interested in discounts for payment in advance. During the depression period laws were enacted in several States to relieve the situation of municipalities by offering discounts for the early payment of current taxes and the liquidation of delinquent taxes. The experience as to current taxes was unsatisfactory in my neighborhood and, I am told, in other States. It was more satisfactory as to delinquent taxes, because mortgages and financial institutions with interest in properties and adequate capital were quick to protect their investments by taking advantage of the discounts offered.

The approach of the pending bill to the problem before us entirely disregards the main purpose of our deliberations. It leaves the Government out on a limb so far as any system of pay-as-you-earn tax collections is concerned.

The bill would divide American taxpayers into two classes—class A, those who are self-employed and whose income cannot be conveniently reached and who are to have the privilege of determining for themselves whether they desire to pay their income taxes out of current income, and who are to be allowed a discount for paying their 1943 taxes in advance. Class B, those who are employed on a wage or salary basis and who will be compelled to pay their income taxes out of current earnings whether they desire to or not and whose employers will be compelled under heavy penalties to deduct and forward to the Government 20 percent of their income out of their pay envelopes.

I address myself to the features of the bill pertaining to class B. This is known as the withholding feature of the bill. I am not enthusiastic about it. It is contained in the pending bill and the Carlson proposal, and I must vote for it in order to have the virtues of the pay-as-you-earn system enacted into law. I have an abiding conviction that in the course of time we will be considering the repeal or substantial modification of this provision if it is enacted into law.

Such a provision was contained in the Revenue Act of 1913. It was repealed in 1917. The minority report on the pending bill states as follows:

In referring to this provision of the Revenue Act of 1913, the report of the Committee on Ways and Means on the revenue bill of that year contains the following statement:

"Probably two-thirds of the income tax proposed as to individuals would be deducted and withheld at the source of the income and paid in full to the Government. This method of collection saves the taxpayer annoyance and at the same time practically doubles the amount of income the Government would otherwise receive. By this method, the amount of tax due or to become due upon every fixed or determinable annual income is withheld and paid to the Government before the income reaches the taxpayer."

There was no doubling up of liability under the Revenue Act of 1913. The amount collected in the current year was first applied in reduction of the tax liability of the prior year. In speaking of this proposal, the report of the Committee on Ways and Means on the revenue bill of 1913 said:

"This proposal * * * embodies the best judgment and the longest experience of the oldest income tax country."

Both England and Australia today collect taxes at the source in payment of the liability for the prior year.

I am informed on reliable authority that the original act of 1913 was taken pretty much from the British statutes, and the withholding provisions were included along with the rest. Withholding in those days caused considerable confusion. The withholding provision was repealed in 1917 and the Internal Revenue Bureau was glad to get rid of it. The committee should have included in its report the reference to this subject contained in the report of the Senate Committee on Finance, accompanying the Revenue Act of 1917. The Senate committee report, made after an experience of 4 years, sets forth among other reasons for the repeal of the withholding provision that, whereas it was contemplated that two-thirds of the income tax proposed as to individuals would be withheld, only about 10 percent of the total receipts from personal income taxes was derived from collections made at the source, and that for the year 1916 less than 5 percent was so derived. The portion of the Senate committee report to which I refer is as follows:

EXCERPTS FROM REPORT NO. 103, SIXTY-FIFTH CONGRESS, FIRST SESSION, UNITED STATES SENATE, ON REVENUES TO DEFRAY WAR EXPENSES, AUGUST 4 (CALENDAR DAY, AUGUST 6), 1917 (H. R. 4280)

(H. R. 4280 became the act of 1917 above cited)

TITLE XII. INCOME-TAX AMENDMENTS

* * * * *

Fourth. That the provisions of the law requiring withholding at the source of the tax due on profits or incomes of resident taxable persons be repealed and instead there be substituted "information at the source," where the amount of income received in any taxable year and paid over to the taxable person exceeds $800 for any taxable year. The proposed amendment is conducive to a more effective administration of the law in that it will enable the Government to locate more effectively all individuals subject to the income tax and to determine more accurately their tax liability. This is of prime importance from a viewpoint of collections. In addition to this very important consideration, the changes will result in the saving of annoyance and expense to taxpayers and withholding agents in lessening of expense to the Government, and in simplifying administration, and in increased effectiveness, especially in view of the enormous increase in the number of income-tax payers through the lowering of the exemption. At the present time only about 10 percent of the total receipts from the personal income tax is derived from collections made at the source; for the year 1916, less than 5 percent was so derived.

It is the Treasury Department's judgment, based upon close observation and study of the practical workings of the withholding

feature of the income-tax law as well as of the general requirements of administration, that information at the source is a foundation upon which the administrative structure must be built if the income-tax law is to be rendered most effective and if due regard is to be paid to economy and simplicity of administration and to the imposition of no greater burden and expense upon taxpayers than is necessary for effective administration.

Before approving any grandiose scheme of withholding, it would be wise to make a study of what happened in the years when withholding was an important part of the law.

But there is another feature of the practice of withholding with which I am more concerned. The practice of deducting payment for various items out of pay envelopes has increased considerably during recent years. Mr. Randolph Paul, while testifying before the Committee on Ways and Means, stated that an investigation made by the Treasury developed the fact that it was common practice, and that as many as 20 items were deducted by many concerns. This surprised me, but my own investigation confirms what Mr. Paul said. Assuming that each of these items is no greater than 1 percent of income and we add 20 percent for the income tax, that will amount to 40 percent of a worker's income which never comes into his possession. Payment at the source whereby the employer deducts the amount of the tax from his employee's pay envelope and makes payment to the Government is, of course, the ideal method of collection. It is claimed for it that it assures the revenue to the Government and provides a convenience for the employee. However, it is a question whether the practice of personal payment by the taxpayer, made certain by information furnished the Government by the employer of the amount to be paid, is not to be preferred. It is true that many of these deductions are for items resulting to the employee's personal advantage, such as social security, purchase of Victory bonds, hospitalization, group insurance, etc., but there are others, such as taxes and dues to various organizations, which are deducted by contract obligations or by the operation of State and Federal laws. I have seen some pay checks that looked like a card used for a bingo game—so many squares are provided for noting these deductions. In most cases the authorizations to make these deductions are a condition precedent to employment. The suggestion has recently been made to expand the Social Security program. That will probably contemplate further pay-roll deductions. My concern is—how far can this practice extend before it is resented by the employee?

At what point will the pride of the average American be touched to the quick in being deprived of his right as a citizen to handle his own affairs? And what will be the consequences? Already such deductions are an invitation for a demand for increased wages to cover them. For myself, I have not yet lost faith in the patriotism or the integrity of the average American, nor confidence in his capacity to act as a free agent.

I was not enthusiastic over the proposal to abate a year's taxes when it was first suggested. It was only after careful thought and study that I became convinced that it is the only way to correct the error of 1913 and provide a uniform system of pay-as-you-earn income tax payments.

There are only two methods by which the transition to current payment of income taxes can be made. All other proposals are but a modification of either of these methods. First, it can be provided that all taxpayers shall pay the tax on 2 years' income in one, with perhaps a plan for deferred installment payments to ease the burden. Second, to abate the taxes for 1 year and start off with a clean slate, recognizing and putting into operation the principle of ability to pay as provided in the Carlson bill.

The first system would necessitate a program of administration, a corps of collectors, and the creation of another bureau, keeping account of the collection of installment payments. There would be losses resulting from the nonpayment of the installments. The program would be continued over a period of years. The cost of these administrative features, the losses, and the discounts offered for early payment would reduce the amount collected far below the amount anticipated. Such a plan would also create new problems. At some time in the future when a new tax bill is being considered it is not at all unlikely that it would be found difficult to write a law which would meet the situation resulting from the existence of several classes of taxpayers, a law which might be suitable to those on a current basis might not work for those who are on a deferred basis, and vice versa. So that I am convinced in the interest of economy, simplicity, uniformity, and certainty the second plan is to be preferred. Knowing that the losses in the attempt to collect may approach the amount involved, it would be better to anticipate the loss and mark it off.

By the adoption of the Carlson substitute the flow of revenue to the Treasury would not be disturbed, all taxpayers would be treated alike, and there would be a saving in administrative expenses, improved collections, fewer delinquencies, and increased revenue.

Mr. WHITTINGTON. Will the gentleman yield?

Mr. McLEAN. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. Reference has been made to the windfall provisions of the Carlson bill and the preceding speaker and the author himself on yesterday spoke of the taxable year 1940. I have before me the Carlson bill, section 2 thereof, and I see no reference to the taxable year 1940. They are the taxable years 1941, 1942, and 1943. I am wondering if the gentleman understands that the Carlson bill provides for the taxable year 1940, and a windfall of 25 or 50 percent with respect to that year and the taxable years 1942, 1943. I would like to have the gentleman's opinion on that bill because I do not find the taxable year 1940 in the Carlson bill.

Mr. McLEAN. I understood it was to be covered; I will ask the gentleman from Kansas to answer that.

Mr. WHITTINGTON. I read from the bill:

> The term "taxable year, 1940, taxable year, 1942, taxable year, 1943" means, respectfively, the years beginning 1941, 1942, and 1943.

The same language obtains elsewhere in that section, so I would like to inquire where it is included.

Mr. McLEAN. I think you will find that you are referring to the 1940 income payment in 1941. That is some of the confusion that results from our existing situation.

Mr. WHITTINGTON. I am saying that I fail to find the income for the 1940 taxable year in section 2. It merely refers to the taxable year.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. McLEAN. Yes.

Mr. COOPER. That has been my experience. I have failed to find it.

Mr. WHITTINGTON. I have failed to find it, and I have not been able to find a lawyer who has been able to find the income for the taxable year 1940.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DOUGHTON. Mr. Chairman, I yield 20 minutes to the gentleman from New York [Mr. LYNCH].

Mr. LYNCH. Mr. Chairman, this bill, entitled "Individual Income Tax Collection Act of 1943," is a war measure, and make no mistake about it.

I will for the moment divert to say that this bill does not make the taxpayers go to loan sharks, as could probably be inferred from the statement of our distinguished colleague, the gentleman from New York, [Mr. REED]. The fact of the matter is that if anybody must go to the loan sharks in order to pay his 1942 taxes, it might be the result of the bill that we passed in July of last year. There were only two votes against that bill, the 1942 income-tax bill, and the gentleman from New York who has been so solicitous about those who do not have money to pay their income taxes was not one of the two who voted against the income-tax bill of 1942.

It has been said here that it is unfair to give a discount for prepayment of taxes, and that it is a boon to the rich or to those who have the money to pay their taxes.

If you say that a discount is a boon to those who have money with which to pay their taxes in advance, then you must take the position that interest paid as a penalty by those who are not able to pay their taxes on the due date should be abolished. Everyone knows that a discount is only a prepayment, as it were, of interest, and if it is fair to charge people interest as a penalty for failure to pay their income taxes on the due date, then certainly, in all fairness, it should be considered equally just that those who have prepaid their taxes should be allowed a discount.

This is a war measure as definitely as the Lend-Lease Act of 1943, which we passed only the other day, or the various appropriation acts that we have passed for the Army and Navy since the Congress convened. Therefore, it is with deep regret and considerable apprehension that I view the almost solid ranks of

the minority with their professed "loyal opposition," which has become the shibboleth of the minority party.

This purely war measure has been tossed into the political arena, where, at this crucial period of the Nation's history, it does not belong. When the minority party goes into conference on a war measure, the American people have good grounds to believe that the war has given way to politics in the consideration of this vital legislation.

For many months the country has been regaled by the plan of Beardsley Ruml for ready relief for the rich. Full-page advertisements have appeared in the daily newspapers, costing thousands of dollars in support of this plan. Through the editorial and news columns of the press, over the air, and on the motion-picture screen, an unprecedented effort has been made to sell this Ruml plan of taxation, now embodied in the Carlson bill, to the American people.

For years past the minority have been looking for a political issue of national importance. Four years ago they thought they had one in the conduct of our foreign affairs, but their candidate walked out on them and the Presidential campaign ended with only one question in dispute—whether Wendell Willkie could do the same things in the same way better than President Roosevelt. In desperation they are now looking ahead for an issue for the next Presidential election and Beardsley Ruml today, like Wendell Willkie in 1940, has sown the seed. The "Ruml ready relief for the rich" plan may prove a springboard in 1944 for the Republican nomination as Information Please did in 1940.

Among the forgotten things of today is the plank in the Republican national platform of the past, pledging the Republican Party to take the profits out of war. That plank was put in the platform before there was a war and now that war is here the Republicans are ripping out that plank with the Ruml plan. They are starting a new W. P. A., not to help the poor of the country, but a "war-profits aid" to help those in the high income-tax brackets. They want to wreck the war economy of the country built up by the Democratic administration and through that wreckage climb back to political power. They succeeded in their first effort, when ,almost as a body, they voted to blow off the ceiling on salaries up to $67,200, while at the same time wages were still nailed down. That was a long stride toward inflation and it points the way to where we are heading. To further bring about the destruction of our war economy, they now present the Ruml plan, as embodied in the Carlson proposal, which provides for the payment of 1 year's taxes out of 2 years' income. At a time when the flower of our manhood is sacrificing life and blood on the battle fronts, when labor is being called upon at home to bend harder to its tasks on the farm and in the factory, when the national income of the country of $115,000,000,000 in 1942 was the greatest in its history and the estimated income for 1943 will be $125,000,000,000, when the need of our Government for money to carry on this global war, which has no parallel in history, is greatest, the Republican minority of this House wants to forgive to taxpayers ten billions of taxes that have accrued on their 1942 incomes.

Mr. Chairman, the proponents of the "Ruml-ready-relief-for-the-rich" plan will tell you that the Government will get more in taxes under their plan because the income of the wage earner in 1943 will be higher than in 1942. I hope that the income of the wage earner in 1943 will be higher than in 1942, but it will avail him little if you unloose $10,000,000,000 that will be used to inflate the prices of the things the wage earner needs to exist. Let me give you an example. If a man has a taxable income of $1,000,000 in 1942, he would pay $854,000 of that amount in taxes. If he had $1,000,000 income in 1943 he would, at the present rate, pay $854,000 taxes on that amount. Under the plan championed by the Republicans he is forgiven—or the Government skips—as you prefer to call it—the 1942 tax of $854,000, so out of his total income of $2,000,000 for 2 years he only pays $854,000, or a tax of 1 year on 2 years' income. By the "Ruml-ready-relief - for - the - rich" plan you give that man at one fell swoop $854,000 to play with at a time when our Government is trying to get every dollar it can muster to purchase equipment and food for our troops. To the man with the million-dollar income you will, under the Ruml plan, in effect be releasing to him $854,000, while at the same time you will be deducting 20 percent from the wages of 30,000,000 taxpayers with net taxable incomes of less than $2,000 per annum after deductions of credits and exemptions.

It will be argued that there are only a small number of $1,000,000 incomes. Let us take the case of the person with a net taxable income of $10,000, or, better still, let us take the case of a Congressman with a salary of $10,000 per annum. I assume that most of us have income over and above our salary. If the Ruml plan passes, everyone with a taxable income of $10,000, the amount of our salary, who votes for it will be voting himself a bonus equivalent to a tax benefit of $2,152. I, for one, as a Member of Congress, will not vote myself a bonus of $2,152 under the Ruml plan, while the boys in the Army are sweating and bleeding in Africa, or are burrowed in some stinking foxhole in New Guinea. Let the Republicans vote themselves the bonus, while they sit here safely in Washington, but as for me, I want to be able to look those boys whom I voted into the draft squarely in the eye when they return and say to them, "You were on the square with your country; your country was on the square with you."

I challenge the Republicans, or any Democrat in the House, to go back to their districts and tell their people that they voted themselves a bonus of $2,152 by forgiving their own tax for 1942; I challenge any Republican who intends to vote for the Ruml plan to ever again raise his voice against inflation when he has put profits in the war to the tune of $10,000,000,000; I challenge any Republican who votes for the Ruml plan to criticize the demands of labor for wage increases when he has voted to release $10,000,000,000 that can be used for purchases in scarce markets of food and essential civilian goods.

Mr. Chairman, no one in the House has a better understanding or appreciation of the disastrous effects that the Ruml plan will have upon the country than our distinguished colleague the Representative from the Eighth Congressional District of Michigan [Mr. CRAWFORD]. I have had the honor of serving for 2 years with the gentleman from Michigan [Mr. CRAWFORD] on the Banking and Currency Committee and I say, without minimizing the ability of our other colleagues on the committee, he was the most brilliant of many brilliant men on that committee, both Democratic and Republican. Let me quote his testimony before the Ways and Means Committee—page 248:

> I deny the insinuation that our people, in this great hour when their spiritual, moral, economic, and physical strength is on the testing block, are morally and financially incapable of meeting the call which is now before them in the form of a 1942 income debt. The Members of this Congress and of the previous Congress had no complaint of consequence from the people against the enactment of the law which is the basis of these assessments which Mr. Ruml would now have remitted or canceled. Our people were, as a matter of fact, far ahead of the Congress and, in the spring of 1942, the people were reconciled to far heavier tax burdens than were then imposed and which now under the 1942 law rest against them.

And again—page 249:

> Remitting taxes in an hour such as this is not a sound fiscal policy. No proof that such a policy is sound has been submitted.

And, on page 250, he made this statement, which I know will be remembered by the people of his district and to which I sincerely trust this Congress will give heed:

> There never was a time in my life when I was any more anxious to pay taxes than at the present time. And in no way do I propose to face the people of this country, to say nothing about the citizens of my district, and plead that I thought it was sound fiscal policy to cancel out the 1942 tax liability against our people. And this is particularly true when I see my Treasury, my Federal Treasury, in the month of December 1942, having placed in the commercial-bank portfolios of this country over $5,000,000,000 of securities which added that much of fuel to the inflationary fires that are now burning in this country. To me it is positively immoral to preach such a philosophy at this particular time and cause our people to be confused, as were those three good citizens who spoke to Mr. COOPER yesterday morning, before he came to the committee, and who wanted to know if they would have to pay any taxes if the Ruml plan was enacted into law.

Mr. Chairman, those are the words of a Congressman whose ear is close to the heart of his people. Those are the words of a Republican Congressman, a patriot, if ever there was one, who, in the hour of travail of his country, having before his mind's eye the blood and the sweat of those at the battle front, the toil and the tears of those at home, will not vote himself a bonus of $2,152 in the form of tax forgiveness. When we vote on this bill, the country will see how many Crawfords there are on the Republican side.

Mr. Chairman, if the Ruml plan passes, the day of reckoning will not be far off. We will not have to await the return of our fighting men. Long before the 2 years, which Churchill estimates will be required to beat Germany and Italy into the dust, the imprecations of mothers and the curses of fathers, whose boys are in the services, will fall upon the heads of those who forgive the taxes of those well able to pay, while they put ceilings on wages and unloosed $10,000,000,000 for use in black markets. These people of our districts know, as you and I well know, that the executives of war plants and of other business organizations, who are in favor of forgiving taxes to themselves and others to the extent of $10,000,000,000, are not willing to forgive the Government one red cent for the guns, planes, ammunition, food, and clothing that the Government bought in 1942. The people of our districts know that the Government must pay for what it bought, and they are asking, "Where will the Government get the money?" They do not know—and the newspapers and radio commentators have not told them—that all tax experts agree that no higher taxes can be placed on those in the high brackets of taxation. They do not know—and the newspapers and radio commentators have not told them—that the way this $10,000,000,000 will be made up is by increasing the tax load for those in the low brackets, while the war is going on, and when the war is over, by putting this extra tax on the boys when they return to civil life. It will be a sad commentary to all the men in service when they return and are told, "Your taxes are higher than they should be, but that is because we forgave $10,000,000,000 of war profits for 1942, so you will have to pay for the guns, ammunition, and airplanes that you used. After all, you used them; now you pay for them."

Mr. KNUTSON. Mr. Chairman, I yield myself 2 minutes.

I want to read an article that appeared in the Washington News of March 16, entitled "New Deal Maps Strategy To Defeat Ruml Tax Plan," by the well-known Thomas L. Stokes. I read:

> The House Democratic leadership has decided to bull its way through and try to defeat the Ruml pay-as-you-go tax plan—espoused by Republicans—by dunking it in a bath of demagoguery on the floor next week.
>
> The party strategy now being devised calls for going beyond the class argument that it will benefit a few rich people. Democrats have decided to try to turn the plan right back upon Congress with the question "Would you vote yourselves a $2,000 bonus?"

Mr. Chairman, I hold in my hand the roll call in the committee, and I will ask the gentleman from New York if he voted for the Robertson plan?

FROM THE DEMOCRATIC SIDE. He does not remember.

Mr. KNUTSON. Of course, it was in executive session, so I cannot divulge what happened.

Mr. COOPER. Of course.

Mr. KNUTSON. But I will say that the gentleman has a very convenient memory. Also I would like to call attention to the fact that the Robertson plan would have forgiven the gentleman from New York $1,620 on his salary.

The CHAIRMAN. The time of the gentleman has expired.

Mr. KNUTSON. Mr. Chairman, I yield to the gentleman from Pennsylvania [Mr. SIMPSON] 20 minutes.

Mr. SIMPSON of Pennsylvania. Mr. Chairman, I dislike being in disagreement with a majority of the membership of my committee. Under the leadership of the distinguished chairman, the gentleman from North Carolina [Mr. DOUGHTON], and the equally distinguished chairman of the subcommittee, the gentleman from Tennessee [Mr. COOPER], the members sought long and earnestly for a formula by which substantially all income taxpayers could be placed on a true pay-as-earned basis. We failed to agree and the majority have reported for our consideration this bill, which, should it become law, will when considered alongside other Government policies, make it literally impossible for most of the present 44,000,000 ever to become current.

The President asked for a law to place taxpayers as far as feasible on a pay-as-you-go basis.

The Treasury, in its every appearance, emphasized the desirability of collecting taxes on income as it is earned.

In addition to these authorities, the common sense of each of us demands a method of current tax payment. We know that when a taxpayer has the money he will pay his taxes, and when he has no money he cannot.

No, Mr. Chairman, there is no disagreement here or in the Nation of the desirability of tax collections to pay current taxes as the money is received.

Because the Ways and Means Committee bill now before us fails in the slightest degree to do this, except by an unreasonable burden of double taxation upon the vast majority of taxpayers, I oppose that bill. Because the Carlson substitute places all taxpayers on a true substantially current taxpaying basis, with no doubling up, I am for it.

The advantages to the Treasury so earnestly set forth by the experts, the advantages to the taxpayer—the 44,000,000 who never have to worry about what to do with their excess wages—are so great that I, for one, am willing to pay the price.

I recognize that the income-tax burden has for a quarter of a century been borne by those with larger incomes. Certainly, if any measure of relief is to be given taxpayers in this legislation, fairness requires that all taxpayers get the same measure of relief, including relief from double taxation.

The bill offered by the committee does not make a single taxpayer owing 1942 taxes current. It guarantees that no taxpayer owing 1942 taxes will ever become current unless he doubles up sometime and pays 2 years' taxes in 1.

Then adding insult to injury, the committee offers to forgive, not the struggling workingman, but only the taxpayer who is wealthy enough to pay 2 years' taxes in 1, and to forgive him 4 percent a year for all time to come, so that every 25 years there will be 100 percent forgiveness under the committee plan for only the few who are able to bear a double tax burden. This discount will be made up by the unfortunate who cannot pay double. In the future the Congress under this bill will have to take into consideration in its revenue bills this complete forgiveness each 25 years for the wealthy and increase the taxes on those small taxpayers to make up for the forgiveness by way of discounts allowed the rich. Truly this majority bill is a rich man's bill.

I said earlier that this committee bill, when considered together with other governmental policies, creates a situation under which it is literally impossible for most of the 44,000,000 taxpayers ever to become current with their obligation to Uncle Sam.

We hear much of inflation checks today. There is too much money in the hands of the public, and our Government is in several ways seeking the return of that surplus to the Treasury. Therefore, we are asked to tax and tax till it hurts, and taxes will be increased this year. We are persuaded in every way possible to purchase Government bonds. Wage and salary controls are imposed to insure that increases in wages and salaries, whether deserved or not, are not made. In short, the Government's policy is to take from the hands of the workingman any surplus of money he might have after pay-roll deductions and living expenses. In the face of this national policy it is literally impossible, I repeat, for the 44,000,000 to ever get enough ahead to pay 2 years' taxes in 1.

Lest someone claim the Carlson substitute bill is inflationary, I answer by pointing to the Treasury's figures. The Treasury estimates collections under the 1942 revenue law on personal incomes at $9,800,000,000.

They estimated collections under the Carlson substitute at $13,000,000,000. More money will flow into the Treasury from taxes in 1943 by $3,000,000,000 than will reach it under existing law. Why, Mr. Chairman, merely by passing the Carlson substitute bill $3,000,000,000 of the $16,000,000,000 in new taxes demanded by the President in January will be secured.

Our distinguished chairman, as has been stated, proposed, offered, or suggested to the committee a forgiveness plan amounting to 50 percent of 1942 taxes. He made it, as he does all things, in good faith. It was, from the standpoint of equality, a fair proposal. There was no class distinction in it. The long-established theory of progressive taxation was continued, though in reverse.

That he did not have a majority of the committee with him is perhaps due to the Treasury's opposition to his plan. This raises in my mind a most interesting question, of which I will now speak.

The Treasury early in the hearings recognized that a certain amount of forgiveness would be necessary. They offered a plan to forgive the difference

between the tax on 1942 income computed at 1942 rates and the tax on 1942 income computed at 1941 rates, which would have abated a total of $3,700,000,000.

Mr. DOUGHTON. Mr. Chairman, will the gentleman yield?

Mr. SIMPSON of Pennsylvania. I yield.

Mr. DOUGHTON. Did I understand the gentleman to say that a plan was proposed by the Treasury Department, or did I misunderstand you?

Mr. SIMPSON of Pennsylvania. I said the plan was proposed by the Treasury.

Mr. DOUGHTON. They did not propose any plan at all. I am certain that is correct.

Mr. SIMPSON of Pennsylvania. I stand corrected.

Mr. DOUGHTON. They did not propose a plan.

Mr. SIMPSON of Pennsylvania. I will accept the gentleman's explanation.

Mr. DOUGHTON. I thought I had misunderstood the gentleman.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. SIMPSON of Pennsylvania. Yes.

Mr. KNUTSON. The Treasury certainly submitted several proposals to the committee. Whether we call them plans or proposals does not make any difference per se.

Mr. SIMPSON of Pennsylvania. The Treasury, however, scorned the plan of the chairman, a plan, I repeat, which was based on a fair and equitable formula of forgiveness involving $5,000,000,000, more or less.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. SIMPSON of Pennsylvania. I yield.

Mr. REED of New York. I just want to say for the benefit of the other side that, of course, the only reason that the Treasury swarmed up there like flies every day at the request of the chairman was just to drink tea and have a good time.

Mr. SIMPSON of Pennsylvania. I thank the gentleman.

The Treasury spent a great deal of time with us.

Mr. Chairman, they, however, scorned the plan of the chairman—a plan, I repeat, which was based on a fair and equitable formula of forgiveness involving $5,000,000,000, more or less. And then, mystery of mysteries, they approved the plan, now known as the C. I. O. plan, which would forgive $7,800,000,000 of 1942 tax liability—a plan forgiving nearly $3,000,000,000 more than Mr. DOUGHTON'S proposal—a plan, Mr. Chairman, which disregards entirely our long-established policy of progressive taxation, a plan so forcefully described by the gentleman from Oklahoma [Mr. DISNEY] as one which keeps the feet of the well-to-do in the fire.

Why did the Treasury do this? Why as between Mr. DOUGHTON'S proposal and the C. I. O. plan did the Treasury express a preference for the C. I. O. plan, costing $3,000,000,000 more?

Was it simply because they see in the C. I. O. proposal a means of soaking the well-to-do—a means of breaking down to a common level the wealth of all people? Do not they recognize in the C. I. O. bill a chance to discriminate against the man with money? Do they see in that proposal a chance to break down the theory of progressive taxation and to substitute a tax levy directly on wealthy persons individually? There is some concealed reason for their choice of this C. I. O. proposal or they would not agree to pay $7,800,000,000 for it.

Members of the committee, let us write a true pay-as-earned income-tax bill. Let us write it for the 44,000,000 taxpayers who will benefit from the payment of taxes as they accrue—for those primarily who today do not know what the morrow holds in store for them, for those who cannot pay double taxes.

Under the committee bill, there is no real relief for nearly all of the 44,000,000 taxpayers—under Mr. CARLSON'S proposal there is real relief for all of the 44,000,000. I will support the Carlson substitute and benefit the 44,000,000, even if in doing so I incidentally benefit the 60 individuals of whom we hear so much.

Mr. DOUGHTON. Mr. Chairman, I yield 30 minutes to the gentleman from Michigan [Mr. DINGELL].

Mr. DINGELL. Mr. Chairman, whatever might be the decision of the House with regard to the pending bill, I am not sanguine enough to believe that there is anything which I might do or say at this time that will alter the result. It is my purpose, however, as a member of the committee to attempt clarification of several points which have been grossly misrepresented and to point out the possible result should the membership of this House, stampeded by certain subsidized columnists, radio commentators, newspapers, and periodicals, choose to override the well-considered plan submitted by the Committee on Ways and Means.

I want the House to act with full knowledge of its intended action. I want each Member to know the reason for the majority's conclusions as presented in this bill, then with eyes wide open and his conscience as his guide to vote as he deems wise and proper. If a Member chooses the easy bypath of the Ruml plan in response to the pressure groups which have agitated the question and made themselves heard, or whether the sound, the righteous, and the defensible course presented by the Committee on Ways and Means is chosen, regardless of pressure or ultimate consequences, that is something for each individual Member to decide for himself and the many extraneous utterly irrelevant considerations which have been brought to bear should be brushed aside. My purpose is to aid the individual Member of the House to cast his vote intelligently by pointing out at the very outset that the Ruml plan is not, as people were led to believe, original with the man whose name it bears. Moreover, and more important, the Committee on Ways and Means presented, and the House adopted, a pay-as-you-go collect-at-the-source tax deduction in the tax bill of 1942. True, it was but a token deduction of 5 percent, though it embodied the essential principle of collecting at the source and paying as you go, but there was no remission, forgiveness, or forgetting of any percentage of the amount or of the total due in taxes which should be paid to the Treasury of the United States.

Therefore, to debunk the Ruml plan, we must repeat, we must emphasize, that the only thing original about it is the remission, the foregiveness feature and that amounts to a mere $10,000,000,000 in American money. The Ruml plan is, as its proponents claim, a very simple plan. To any man of intelligence it is too glaringly simple to be acceptable and at a time when the Government of the United States, engaged in the greatest war of all time, is fighting for its very existence, it seems to me that the plan is about as legitimate as robbery. The committee's plan recognizes the desirability of the objective of currency in tax collections, but the committee cannot in good conscience go so far as to remit an amount which would take even more than the last tax act was expected to produce. As one member of the committee, I cannot reconcile myself to the thought that the price which your Government must pay to bring about a desirable reform is worth $10,000,000,000 or, for that matter, that it is necessary to do so in order to attain the objective. If you strike the bait of forgiveness out of the Ruml plan, you have nothing left to howl about and all of the bush-beating, artificial stimulation, and propaganda about its originality and genuine worth will collapse. The only thing in the Ruml plan that has any attraction and originality at all is centered in the picking of the pocket of your Uncle Sam while he is busily occupied with defending everything that is held dear by the American people.

Various modifications have been offered. Under the Carlson plan I believe there have been three successive and retrogressive steps taken away from the original Ruml proposal. There are other modifications that forgive to a greater or a lesser degree, but the majority of the committee felt that now was not the time to submit to blackmail in order to attain the objective of numerically full or partial currency in tax collections.

If the skip-a-year Ruml plan, or any other modification seeking the same objective, is desirable as has been so greatly emphasized by its proponents, and, by the way, the proponents are the chief beneficiaries, then I believe this House should amend any proposal of that kind by providing for skipping 2 years or 5 years in tax payments. If throwing away $10,000,000,000 in one fell swoop of what rightfully belongs to the Treasury, because it was legally assessed, is desirable, then throwing away twice as much or five times as much should be even more desirable. It is worthy of your observation, and it strikes me as very strange, that when a proposal was made that certain classifications of taxpayers be excused from paying the 1942 taxes, and these were to be chiefly in the lower brackets, the reaction of the noisy and

powerful originators of the Ruml plan was that it was class legislation and grossly unfair; this in spite of the fact that 85 percent to 90 percent of the taxpayers would have been made current, and mark you, the Rumlites started their campaign by pleading the cause of the neophyte among the taxpayers, that element of which there are so many of recent classification. The demand for remission or forgiveness did not originate with the average taxpayer. The idea was conceived and was supported by the high bracketeers, the greater the amount of tax due, the greater the benefit should this attempted steal be made legal and, as my friend from California [Mr. GEARHART] so well said, the Ruml plan or any other plan seeking the same objective will make countless additional wartime millionaires. To this I want to add that the additional wartime millionaires will be made not as a result of war profiteering or as a result of legitimate war profits, but they will be created in countless numbers as a result of the action of the Congress in remitting an amount of tax money which has been legally and properly levied for the year 1942, money that has been obligated and spent for war purposes, for tanks, for ships, for planes, and for other war purposes, upon which our boys are dependent on the battlefields of the world.

If it is true that in the last war 3,500 new millionaires were made then, following this war, there should be several times that many, and this prospect in spite of the fact that the Committee on Ways and Means and the Congress had attempted to control this run-away tendency even before it had an opportunity to get started.

The objectional feature of the Carlson-Ruml plan is like working a three-shell game on the rube, Uncle Sam; he is the loser either way because there is no pea under either the 1942 or 1943 shell.

A substitution for the committee plan, the bill before you, means an outright repealer for the well considered controls, intended to restrict unjustified and unconscionable profits from the war. If you follow the leadership of my friend from Massachusetts, JOE MARTIN, who branded the committee bill a monstrosity and vote down the committee bill, I want you to know that the next move will be to reassess the amount so forgiven upon the low income and salary groups for it is argued that you cannot increase the tax burden upon the high brackets where the collection of taxation amounts to 85 percent to 92 percent and, therefore, the tax schedules will have to be increased in the bottom and lower brackets. More than that, there will be a strengthening of the demand for a uniform general sales tax which will hit, and hit hard, the worker, the man of family, and the larger the family, the greater will be the impact of a sales tax.

The effect of such action might come at or about the time when our soldiers, who have fought for the preservation of the American ideal, are returning to their homes. These veterans, numbering millions, will be expected to shoulder the burden which was created in a large part by the remission, by the forgiveness, by the forgetting of the $10,000,000,000—the gift of the Ruml plan. I am sure this militant and cohesive group of veterans will gladly assume the burden of paying for the buck shot, barbed wire and baled hell which they used against the Jap in the Pacific and against the Hun in Europe and north Africa. I am wondering if my Democratic friends, as few as there are on this side, will follow the Republican leadership when the time comes to vote on the question of reassessment and the placing of this burden upon the lower bracket income taxpayers, in which classification 99 percent of our veterans of this war will be found, or will you choose then to join with the majority which you are now inclined to desert?

Naturally, if a taxpayer is asked whether he likes the idea of skipping a year of taxes, his answer would be in the affirmative, but when he finds out that the amount will be reassessed and levied upon him in greater amounts than it is intended he should pay now when it is due, he will turn upon and excoriate you for your actions here today, and your opponent in the election a year from next fall will keep you on the defensive and the complexion of this House will change very materially as a result.

Not all of the bait of the Ruml plan is to be found in the legalized rape of the Treasury in the forgiveness or remission of the money due your Government. I am convinced that the minority, sitting on the Republican side of the aisle, has promise of abundant campaign funds should the remission bring about the skipping of 1 year's taxation and all this money will come out of the Treasury of the United States in the middle of the most critical war in all history and I do not know but what the generous Republicans would not remember the assistance given them by a few Democrats on our side. You may have a substantial campaign fund to enhance your reelection, but your opponent, if he has a lick of sense, will beat you to a frazzled edge and will take your seat in this House because you cannot defend giving away $10,000,000,000 needed for war purposes at this critical time and your generosity in this respect will be so clearly portrayed to the constituents that the voters in all the States will understand them only too well. So, not all of the bait, as I see it, is in the Ruml plan or any modification thereof. I assume that my deduction is correct because I remember my friend the gentleman from New York [Mr. REED], when he cautioned his minority colleagues with regard to the compulsory joint return as he pleaded for support for the committee action at that time. He charged that members of the minority were promised substantial campaign assistance if they voted right—CONGRESSIONAL RECORD, page 6722, August 4, 1941, Seventy-seventh Congress.

The amount of money involved in that fight was a mere bagatelle compared to the amount involved in forgiveness under the Ruml plan. To be more exact, the Ruml plan seeks to forgive from 20 to 30 times as much tax money, in the possession of the taxpayer and rightfully due the Treasury of the United States, as was calculated in the committee proposal compelling joint returns and which amounted to less than one-half billion dollars.

It is by some strange phenomena that a fake scheme of this kind is made possible in this country, but stranger still is the fact that these schemes and plans are not confined to any element or strata of our people. There is always, however, a monetary bait attached to make it palatable to attract adherents.

During the Coolidge administration we heard a great deal about the so-called Mellon plan, a plan which was intended to single out as beneficiaries the income taxpayers in the highest brackets. Well, the Garner plan became the law because the American people would not stand for this iniquitous attempt at favoritism and class legislation.

In more recent years we had the so-called Frazier-Lemke bill, which was decisively beaten and which, for all practical purposes, is dead. Later came the chain-letter plan, which, while not a legislative action, electrified the country. Then came the Townsend plan and the promise of Utopia.

Now comes the greatest fake and humbug of all, the so-called Ruml plan and involving the legalizing of the robbery of the United States Treasury to the tune of $10,000,000,000, and the ultimate reassessing of this huge amount upon the lower-bracket income taxpayers. In every instance an illegitimate profit motive, self gain, was the bait, the motivating action of the proposal.

In every instance which I have here cited, the common sense of the people of the United States, as expressed by the Congress, prevailed and the selfishness of certain groups was definitely set back.

The committee plan, as I see it, is a genuine and an honest effort to arrive at the desirable objective of paying as you go and of collection at the source. The plan does not skip, forgive, or forget anything that is due the Government of the United States during this critical time. The committee plan is the only real American plan. It does not force the taxpayer to double up nor in any way to burden himself in the payment of his just dues to his Government. It provides for payment of the 1942 taxes and for the attainment of currency in tax payment on a voluntary basis, the only truly American and desirable way of bringing about this reform. The committee plan provides for a nominal inducement in the form of a discount in an amount not to exceed 6 percent. All members are familiar with these provisions so it would not serve any good purpose to recite in detail the basis of this plan, but it is quite proper to reiterate that it provides a basis, a voluntary and an American basis, for the attainment of the objective. Naturally it is not as attractive as the Ruml plan in that it does not skip, forgive, or forget $10,000,000,000.

Who will take advantage of the committee plan if it becomes law? I dare say, in due time, as many people will become current under the committee plan as we could possibly expect under the Ruml plan and without the loss of any

greater amount of revenue than has been the average collection experience of the Treasury Department over a period of years. Whatever losses in tax collections might occur within the next year or two, greater than the average experience in tax collections, will be due largely to the stimulus which was given by the press and the radio which sought to confuse and encourage default among the taxpayers, creating the impression that the Ruml plan and forgiveness would become law and, therefore, that tax payments need not have been made as provided under existing law.

The committee plan is one which can be defended in your districts back home because it is as clearly understandable in the Fifteenth District of Michigan as it is in the bayou country of Louisiana, that while I did not vote to remit or forgive $20 to a small taxpayer in my district, I did not at the same time forgive myself a hundred times as much, and as we go into the higher brackets, the explanation for forgiveness becomes increasingly more difficult and unjustified.

If the taxpayers of the country do not know it today, they will learn before election time, when we are called upon to make a report of our stewardship, that the taxpayer having a net taxable income of $1,000,000 would receive a gratuitous remission of $854,000, an amount greater than the total increase in the tax schedules applicable to his bracket of the past 5 years. The report clearly shows the great amounts of remissions applicable to schedules lower than $1,000,000 in net taxable income and it would be well for the membership of this House, both Republican and Democratic, to study these tables very carefully before you finally make up your mind to cast your vote.

Headed toward conclusion, let me say to those who persist in arguing that the Treasury loses nothing under the Ruml plan, that their arguments are misleading and incorrect. I cannot accept these utterances as genuine. If a taxpayer owes his Government $50,000 for the year 1942, or if he owes $50 for that matter, if he is not called upon to pay it as he originally expected he would be, he, the taxpayer, is ahead the stated amount and the Treasury is out that same amount; or is the method of reasoning of the Rumlites so clouded by the prospect of immediate gain that they cannot see the fallacy of their twisted, selfish calculations and expressions. If they see it and deny it, they are not dealing fairly and honestly with their Government and with the taxpayers generally.

I am willing to concede that the percentage of improvident prospective taxpayers who failed to set aside a portion or all of the tax money, which was due and payable on March 15, is greater in the lower bracket classification than in the higher brackets. My contention is, and the statement challenges refutation, that the man who has an income subject to ten, twenty, or one hundred thousand, or a million dollars, has foresight enough to set aside the amount payable and collectible on the date when it is due. If the windfall of a Ruml forgiveness becomes the law he, the taxpayer, retains the amount in his possession.

March 15 of this year was the date when all income taxpayers were expected to make their returns and to pay at least the first quarter of their 1942 income taxes. Due to the confusion engendered by certain selfish newspapers and radio commentators, a greater number of small taxpayers were inclined by the misleading propaganda toward delinquency, but I dare say that the taxpayers misled in the higher brackets are numerically no greater than in previous years. It is a dangerous practice and a deplorable state of affairs that certain selfish interests will undertake to whip up a revolt among taxpayers at a most critical time in order to foist a spurious and selfish abatement plan upon the country; it borders on treason. I think it is reasonable to assume that any man who has initiative and the good fortune to earn or create ten thousand, one hundred thousand, or a million dollars per annum has the good judgment to set aside an amount approximating the tax he will be expected to pay under the law. If that supposition is correct, and I am sure it is, why should he not be called upon to pay?

It has been argued repeatedly that the people, and particularly those in war industry, the mechanics, the artisans, the craftsmen, the white-collar workers, men and women who have never before made any great amount of money, today are flush with money which may bring about a dangerous inflation. That was the argument which was drummed in our ears with an ever-increasing volume and reached crescendo during the consideration of the last tax bill. Ways and means were devised through voluntary bond purchasing and through a percentage deduction from pay envelopes for the purpose of forestalling the threat of inflation. The people of these United States have responded patriotically and nobly to the appeal for bond purchases. All savings banks of the Nation are bulging with an unprecedented amount of money, all of this wealth supposedly a potential threat to our well-being, a possibility of uncontrolled destructive inflation.

If these arguments were true and sincere a year ago, they are more positive and impressive at this time when the people of the country have the money to pay whatever their obligations might be to their Government and are anxious to pay them if they are not led into revolt by selfish interests. To those who can and will become current, the bearded and good-natured Uncle Sam, your Government and mine, is willing to grant a discount of up to 6 percent of the amount due.

It seems almost a sacrilege to expect any discount during these tragic days in our national existence, but if there must be an incentive, if there must be an inducement, if there must be a remission, 6 percent is more than ample. To forgive 100 percent, or a percentage anywhere near this amount, is criminal.

I stand ready to defend my position as expressed in the committee bill. I will feel that I have played fair with my Government and with the men and women who are giving their all for America. I stand to benefit very substantially by any remission plan and perhaps in my financial condition I could use the money to a very good advantage, but like millions of our patriotic citizen taxpayers I cannot in good conscience include myself in that category.

It cannot be successfully disputed that under the Ruml plan I, personally, would be the beneficiary of a refund of the amount which I paid to the internal revenue department on March 15, and that pay-as-you-go taxes beginning July 1 would come out of my current earnings. In other words, I would be ahead that amount which I now owe the Treasury on my salary for the year 1942. Be the amount small or large, my gain would be the Government's loss. The higher the income for 1942, the greater would be the remission under the Ruml skip plan.

I am happy to know that many Members on the Republican side have joined hands with the majority, and I hope that this wholesome coalition will stand as substantial proof of the sterling worth and substantial character of this Congress, symbolizing integrity and good government. I hope that the Rumlites, having had their fling, will disappear on the horizon of time as the promoters of the biggest and most selfish hoax ever attempted in this country.

The Rumlites, aided and abetted by the newspapers and commentators in the tax-evasion conspiracy, tried hard to stampede the Committee on Ways and Means into favorable action by March 15 or earlier. The purpose of the rush act is not altogether clear, but a reasonable and tenable deduction is that the plan had to be rushed through and legalized before the public got wise to the big steal.

Just imagine a taxpayer in the 1,000,000-net-income-tax bracket owing the Government $854,000 for 1942. Under the Ruml plan, he is forgiven; then, hypothetically, he retires without ever paying any income tax on this amount of earnings. The only income tax he would ever have to pay would be assessed against the accretion due to the earning power of this huge amount. The Jack and Heintz boys of Cleveland, of hijacking fame, who robbed your senile old Uncle Sam on war contracts, would be among the worthy beneficiaries of a Ruml remission plan.

Ohio members please take note and prepare to explain your vote to your constituents if you insist upon forgiving this "deserving type" of taxpayer. Under existing law and under the committee plan, this kind of tax bandit is bound beyond escape. It is up to you if you want to release him. Our boys on Bataan did not demand any forgiveness; you heard no protest from Guadalcanal and New Guinea, or objections from North Africa, or from any other combat area throughout the world where our boys are giving their all for our country. Why, then, make such sacrilegious concessions to ourselves here on the home front.

It is a foul and sinful grab in violation of the Seventh Commandment of God, and a mean attempt to traduce existing law. The Ruml plan is as legitimate as horse stealing, and I am thinking the plan will die like a horse thief.

Mr. JENKINS. Mr. Chairman, I yield 15 minutes to the gentleman from California [Mr. POULSON].

Mr. POULSON. Mr. Chairman, I rise to oppose both the Carlson bill and the committee bill. In doing so, I want to state that I sincerely believe that both groups have tried to honestly present legislation which, in their opinion, was for the general welfare of the people of our country. I reluctantly oppose the leaders of my party, whom I respect.

This is one subject which we should approach in a calm and analytical fashion. Oratory and demagoguery should have no part in this discussion. We should eliminate superficialities or attempts to cloud the issues, and confine ourselves to the fundamentals and facts contained in this problem. First, let us find the points upon which we agree, and then those upon which we disagree. Without a doubt, the people of this country, the members of the majority party, the members of the minority party, as well as the Treasury Department, admit that we are all desirous of finding an equitable method of getting on a pay-as-you-go or pay-as-you-earn policy.

Mr. Paul, general counsel of the Treasury Department, has made considerable contribution to this cause in his statement of February 2, 1943, before the Committee on Ways and Means. I might further state, for the benefit of the RECORD, some of the important reasons why it is desirable, and even necessary, that we attain the goal of a pay-as-you-earn status. The payment of income taxes has been for many years just one of those undesirable instances in our life, because of the fact that they have never been exceedingly high. Today, our income tax is one of our largest problems. In the average man's budget, it is probably the largest item today. It has taken precedence over the payment on the car, the payment on the furniture, and even threatens precedence over the payment on the home.

In trying to solve this problem, we must have in mind the interest of both the Government and the taxpayer. First, we want to be sure that the Government is protected in the collection of taxes; and second, we want to set up a procedure whereby the taxpayer can budget his annual tax liability. Especially is this necessary when we think of the inevitable decrease in national income and individual earnings.

The fallacy of our present system is that we pay out of this year's earnings for the taxes on last year's earnings. Our unanimous desire is to obtain the final objective where we can set aside moneys out of our current earnings to pay for the income tax of the current year, the direct amount of which will not be determined until the end of the year. I think it is important to clear up this point, that under no system will we be able to liquidate our taxes weekly or monthly, but it means we are just setting aside so much, and the Government would be accepting payments on a tax, the amount to be determined at the end of the year. That would be the case of any pay-as-you-earn plan.

I think we have all agreed upon the point that the best method of collection is the collection at the source at the time the money is paid to us. I venture to say that this is even advisable for some of us Congressmen. Now, the question is how are we going to obtain the objectives outlined above. We have had several plans or theories advanced to date, but I would like to discuss three of them. The first is the famous Ruml plan, which has been modified and improved upon by what is known as the Carlson bill, which will be presented before this House. The second method is to have a doubling of the tax in 1 year in order to get on a pay-as-you-earn basis. This is almost an impossibility. The third is an amortization plan, which I am going to discuss later, after I have discussed and shown the impracticability of the other two plans.

I might state at this point that the present committee bill, which is before us, does not come in any of these categories, and, futhermore, does not get us on a pay-as-you-earn basis, unless the special discount could be called a voluntary method by which the few favored would benefit.

Now, for the discussion of the Ruml or Carlson bill. The object and the main talking point of this plan is to get us on a current basis. The question we must decide is whether the penalty or method of obtaining this objective is worth the results. To begin with, it eliminates 1 year's taxes. The improvement of the Carlson plan over the Ruml plan is that it states that whichever of the 2 years the income is higher—1942 or 1943—the tax is based upon that particular year; but nevertheless, the taxes of 1 year are forgiven. In addition, it has another clause, the intention of which is to eliminate any abnormal wartime income by what they term a special antiwindfall tax of 25 percent on the first $500,000 and 50 percent on the balance of said excess based upon the 1941 tax.

First of all, let us clear up the confused idea about forgiveness. In the minority report, they do not deny the fact that this is a plain and simple forgiveness or an abatement of a definite tax liability. On page 13 of their report, they state this full benefit will not be felt until the taxpayer loses his job, retires, or dies. I state that this cancelation of a debt is immediately reflected in the taxpayer's net worth.

On any financial statement, properly prepared, you will find the item of taxes accrued or tax liability. In applying for loans of any kind, that is the one item the bankers demand to know about—your tax liability. As you all know, your net worth is figured by taking your total assets and subtracting your liabilities, and if your liabilities are decreased by the amount of taxes you owe, your net worth immediately reflects a gain. Remember, the taxes under the Carlson plan, which we would still pay this year, are prepayments on a definite liability to be established at the end of our taxable year. The direct cash benefit is noted the minute your income drops or upon your death, because under the Ruml and Carlson plans you would be current, whereas today the estate owes the back year's taxes.

When this forgiveness and direct benefit to the 1942 or 1943 taxpayer occurs, it definitely means that this tax load is shifted onto the future taxpayers. To this new group of eligible taxpayers of 1943 are added the man who makes more income in later years than in 1942 or 1943, the new taxpayer who comes into the income-tax brackets either in the lower bracket or a young person just beginning to earn, and, most tragic, it will also fall upon our boys in the fighting forces who return from the battlefields after saving our country.

These are facts which we cannot deny, because the tax load will be absorbed by all of these people, if and when eight or ten billion dollars "forgiveness" goes into effect. I, therefore, challenge the statement made by the minority group on page 13 that the soldiers will not have to share part of this load. If 1 year's taxes were forgiven to the taxpayers in any one year, it definitely means that the future taxpayers will have to absorb this. On January 1, 1943, we owed as a Nation $108,000,000,000. We individually, in different amounts, owed the Government $10,000,000,000 for last year's taxes, so the net debt of the Government was $98,000,000,000. Now, if we cancel these taxes, the Government will owe a net of $108,000,000,000. Therefore, under this plan all people subject to income taxes from January 1, 1943, on will start with an additional ten billion to pay.

Now, let us see what they have attempted to do by the so-called antiwindfall provision. They have attempted to pattern it after the excess-profits tax applicable to corporations. When this tax was passed, it designated 1940 and 1941 as war years and made the normal tax basis the years 1936, 1937, 1938, and 1939. In the Carlson bill they have taken 1941 as a normal year. Let me show you why 1941 is not a normal year. The national income of individuals in 1939 was $70,800,000,000. In 1940 it was $76,500,000,000; in 1941, $92,200,000,000; and in 1942, $115,500,000,000. It is true the income in 1942 is higher than 1941, but bear in mind the income of 1941 is $22,000,000,000 higher than 1939. I also want to call your attention to the Senate investigation of our national defense in 1941, wherein such men as the famous Mr. Corcoran testified that he received numerous fees, one of which was for $35,000, another $25,000, and still another $65,000. Does this bill mean that this same man has the right to make the same amount of money in 1941 and 1942, and will not be penalized, whereas some new agent or contractor will be penalized because he was not in on the kill at that particular time?

Let us refer to the minority report on page 15 wherein they state:

> Another ridiculous assertion is that the Ruml-Carlson bill would create a "new crop of war millionaires" and let wealthy persons escape taxation.

These charges are utterly without foundation, and as proof we invite attention to the so-called antiwindfall provisions of the Carlson bill, which make it impossible for war profiteers or persons of wealth to escape their just share of the tax burden.

I now refer you to the example they have given on page 23 of Mr. John Smith. In this example, it is shown where Mr. Smith made $1,000,000 in 1942, or $900,000 more than in 1941. They show that he has been taxed for this excess the sum of $325,000 but they do not call your attention to the fact that if he had not received a "forgiveness," he would owe $854,000. In other words, he will still receive a cancelation of his tax liability in the amount of $529,000. This means that this particular taxpayer, according to the minority report, will save in 1 year an amount equal to what he could possibly save in 3½ years of an annual income of $1,000,000.

I am having inserted in the RECORD some tax schedules prepared by the Treasury Department from which I will make the following analysis:

Following up on my claim that the so-called antiwindfall provision does not eliminate the large forgiveness of taxes to many taxpayers of large incomes, let me call to your attention that in 1941 there were 50 individuals, whose income was $1,000,000 and over, as against approximately 60 in 1942. The average earnings of these 50 individuals in 1941 was more than one and one-half million dollars each. The proponents of the Carlson bill cannot argue that most of these 50 men of 1941 were not among the 60 of 1942. Of these men in that class there would be many eligible to be forgiven an amount in excess of $1,000,000 each.

The schedule shows there were approximately 200 in the five hundred thousand to one million net income brackets in 1941, and a like amount in 1942. Their average forgiveness would equal in excess of one-half million dollars each.

There were 1,000 taxpayers in 1941 in the $200,000 to $500,000 net-income class as against 1,200 in 1942. This still shows that most of them would be eligible for an average refund in excess of $200,000 each.

There were 3,600 in the $100,000 to $200,000 net-income class in 1941 as against 4,300 in 1942. According to the Treasury Department schedule, they would receive forgiveness of an average of $92,000 each.

There were 928,000 in the $5,000 to $100,000 net-income class in 1941 as against 1,317,000 in 1942.

Now, turning to lower brackets, we find that there are 9,385,000 taxpayers who would receive an average forgiveness of $33.88 each.

There are 17,363,000 taxpayers who would receive an average forgiveness of $124.98 each.

There are 6,887,000 taxpayers who would receive an average forgiveness of $170.76 each.

Remember, the taxes were formulated on the basis of the ability to pay, but that formula does not work in the forgiveness of taxes.

We must realize that when we forgive these large taxpayers these enormous amounts they are forgiven amounts which they would be unable to save out of the same income with tax deductions except over a period of from 5 to 6 years.

Another example of inequities between taxpayers in the large income brackets is given in a letter which I received from a tax expert of one of the largest national accounting firms. I quote from his letter:

A serious objection is that the plan does not propose to treat corporations and other taxpayers on an equality. I know people who have made immense profits in 1942 operating as sole proprietors or as partnerships. Under the Ruml plan they would be forgiven the 1942 tax, whereas if they had been incorporated they would still owe it.

I might add that these corporations are subject to the excess-profits tax up to 80 percent of their income. We all know that they are the financial backbone of our country, and that many of the small taxpayers throughout this land have ownership in the form of stock in these corporations. These corporations have been carrying a heavy tax load for many years. Now, during this war we create a situation of our own making whereby a group of men can form a partnership to execute big war contracts merely for the duration of the war in order to avoid these heavy corporation taxes. I know of instances where this has been done.

Of course, the partnership does not pay taxes, but the individual partners, who would be subject to a tax for these large incomes on war contracts, would be forgiven a tax for 1 year. We would tear down the fence which this Congress has sincerely attempted to construct against that very monster—the war millionaire.

Now, I will discuss the double-up basis by merely stating that I consider it impractical, unfair, and almost impossible, because of the inability of the taxpayer to comply with the requirements of such a plan.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. DOUGHTON. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. POULSON. I thank the gentleman.

Before going into the last plan, which I am sponsoring, let me briefly discuss the committee plan. With certain exceptions, the committee plan does nothing else but this: It puts us on a monthly collection-at-source basis of paying the taxes, rather than leaving us on the present basis, where the taxpayer makes his payment from his own funds to the Treasury. In no shape or form does it put us on what is termed "the current basis," or a payment for current taxes out of current earnings.

The rate of 17 percent mentioned in this bill is to approximate a withholding which will pay for the amount due for the balance of 1942, and in 1944, it would have the effect of collecting the money for taxes we owe in 1943. The inconsistency of this plan would be that if our earnings are higher or lower in either of those years, the amount withheld would be either excessive or deficient to meet the tax payment of that particular year on last year's income. However, it will definitely do this, as all collection plans will do—it will insure the Treasurer that all earnings of the taxpayers are reported. The taxpayer will not have a false sense of security in thinking that he possesses permanently that money which is due the Government in taxes.

The provision to allow taxpayers who are in a position to do so to pay in advance and receive a discount is contrary to any ideas advanced on our income taxes heretofore, because it is a case of benefiting the "haves" and not the "have nots."

The plan which I am proposing is a plain amortization plan with the exception of certain provisions. Before discussing this let us consider all of the problems confronting us today. First, we have a request from both the President and the Treasury Department for additional revenue for the Government to finance the war. We recognize that the Ways and Means Committee has evidently used all the sources of income, and that most likely if this request was met, it would require higher rates. We are all aware of the impending threat of inflation with the increased income of the Nation and the decreased products that we can buy. We have a combined problem of obtaining new revenue and finding the proper place for the people to invest their money. Therefore, I suggest rather than obtaining our money by increasing the taxes that we formulate a compulsory plan whereby the people can pay in this additional money to the Government for its need, and this money will be considered as their amortization payment on the liquidation of their 1942 tax. The number of years, and the amount of this amortization, could be determined after a careful study. As an example, I can state that an additional 5-percent withholding from what has been proposed so far, after allowing for personal exemptions, would raise sufficient money in 3½ years to liquidate the 1942 tax for 40,000,000 of 44,000,000 taxpayers. This means that by beginning now by paying on the current taxes, and paying this amortization payment on the 1942 tax, that we would be current in 3½ years or on January 1, 1947. The greatest value of this plan would be that we would raise more money for the Government, and at the same time would attain a current basis of pay-as-you-go, and do it without any of the inequalities arising in the Carlson bill. This would not only in effect be a saving plan for the many taxpayers, but it would also greatly assist in solving our inflation problem.

ALL INCOME GROUPS

The total estimated amount of income taxes to be reported by individuals on 1942 incomes is $9,815,000,000.

The distribution by net income classes is as follows:

TABLE 1.—*Estimated number of taxpayers, net income, and taxes for 1942, by net income classes, and average tax*

Net income classes	Number of taxpayers	Net income (in millions)	Income tax (in millions)	Average tax per taxpayer
Under $1,000	9,385,000	$7,518	$318	$33.88
$1,000 to $2,000	17,363,000	25,802	2,170	124.98
$2,000 to $3,000	6,887,000	16,564	1,176	170.76
$3,000 to $4,000	2,697,000	9,349	927	343.72
$4,000 to $5,000	1,176,000	5,252	645	548.47
$5,000 to $10,000	943,000	6,178	1,024	1,085.90
$10,000 to $25,000	299,000	4,369	1,193	3,989.97
$25,000 to $100,000	75,000	3,051	1,470	19,600.00
$100,000 to $200,000	4,300	568	397	92,325.54
$200,000 to $500,000	1,200	345	275	229,166.67
$500,000 to $1,000,000	200	147	126	630,000.00
$1,000,000 and over	60	99	94	1,566,666.64
Total	38,831,560	79,242	9,815	252.76

TABLE 2.—*Amount of taxes to be canceled at selected levels of net income—married persons—no dependents*

Net income before personal exemption	Amount of tax at 1942 rates [1]	Net income after tax
$1,200		$1,200
$1,300	$13	1,287
$1,500	48	1,452
$2,000	140	1,860
$2,500	232	2,268
$3,000	324	2,676
$4,000	532	3,468
$5,000	746	4,254
$10,000	2,152	7,848
$15,000	4,052	10,948
$20,000	6,452	13,548
$25,000	$9,220	$15,780
$50,000	25,328	24,672
$100,000	64,060	35,940
$500,000	414,000	86,000
$1,000,000	854,000	146,000
$5,000,000	4,374,000	626,000

[1] Excludes Victory tax. Rates based on 1942 Revenue Act, assumes maximum earned income credit and no net long-term gains.

Number of taxable individual and fiduciary returns with net income, net income, and total tax, 1941,[1] distributed by net income classes

[Money amounts in millions of dollars; number of returns in thousands]

NUMBER OF TAXABLE RETURNS

Net income class [2] (thousands of dollars)	Simple distribution		Cumulative distribution from lowest income class		Cumulative distribution from highest income class	
	Amount	Percent	Amount	Percent	Amount	Percent
Form 1040A [3]	6,100	35.02	6,100	35.02	17,416.9	100.00
Form 1040 and 1041:						
Under 5 [3]	10,385	59.62	16,484	94.64	11,317.4	64.98
5 to 10 [3]	624	3.58	17,108	98.22	932.8	5.36
10 to 25 [3]	241	1.39	17,349	99.61	309.0	1.78
25 to 100	63	.36	17,412	99.97	67.6	.39
100 to 200	3.6	.02	17,415.7	99.99	4.8	.03
200 to 500	1.0	.01	17,416.7	100.00	1.2	.01
500 to 1,000	.2	(4)	17,416.9	100.00	.2	(4)
1,000 and over	.05	(4)	17,416.9	100.00	.05	(4)
Total	17,416.9	100.00				

NET INCOME [5]

Form 1040A [3]	10,714	23.30	10,714	23.30	45,986	100.00
Form 1040 and 1041:						
Under 5 [3]	23,944	52.07	34,658	75.37	35,272	76.70
5 to 10 [3]	4,192	9.12	38,850	84.49	11,328	24.63
10 to 25 [3]	3,564	7.75	42,414	92.24	7,136	15.51
25 to 100	2,604	5.66	45,018	97.90	3,572	7.76
100 to 200	479	1.04	45,497	98.94	968	2.10
200 to 500	285	.62	45,783	99.56	489	1.06
500 to 1,000	110	.24	45,893	99.80	204	.44
1,000 and over	93	.20	45,986	100.00	93	.20
Total	45,986	100.00				

TOTAL TAX [6]

Form 1040A [3]	361	9.28	361	9.28	3,890	100.00
Form 1040 and 1041:						
Under 5 [3]	882	22.68	1,243	31.96	3,529	90.72
5 to 10 [3]	391	10.06	1,634	42.02	2,647	68.04
10 to 25 [3]	678	17.43	2,313	59.45	2,256	57.98
25 to 100	1,013	26.03	3,325	85.48	1,578	40.55
100 to 200	266	6.84	3,591	92.32	565	14.52
200 to 500	169	4.34	3,760	96.66	299	7.68
500 to 1,000	69	1.78	3,829	98.44	130	3.34
1,000 and over	61	1.56	3,890	100.00	61	1.56
Total	3,890	100.0				

[1] Preliminary, returns filed in period January through June 1942.
[2] For taxable fiduciary returns, the net income used for classification and tabulation is net income taxable to the fiduciary.
[3] The data for individual returns, Form 1040A with gross income of $3,000 or less, and those for individual returns, Form 1040, with net income under $25,000, are estimated on the basis of samples of such returns.
[4] Less than 0.05 percent.
[5] Net income is the sum of (1) net income on Form 1040, (2) gross income on Form 1040A, and (3) the net income taxable to the fiduciary.
[6] Aggregate of normal tax, surtax, alternative tax, defense tax, and the optional tax reported on Form 1040A.

NOTE.—Figures are rounded and will not necessarily add to totals.
Source: Preliminary Report of Statistics of Income for 1941, pt. 1.

Mr. KNUTSON. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. CRAWFORD].

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield to me for 1 minute.

Mr. CRAWFORD. Yes.

Mr. HOLIFIELD. Mr. Chairman, with the gentleman's permission, I merely desire to say that I rise to compliment my colleague from California [Mr. POULSON] in presenting the figures that he has given us. Although he is on the other side of the aisle, I happen to know that he is a certified public accountant, and I believe his figures are worth investigating.

Mr. DOUGHTON. Mr. Chairman, I yield the gentleman from Michigan 5 additional minutes.

Mr. CRAWFORD. Mr. Chairman, it would give me more pleasure if I found myself lined up with the leaders of the Republican Party, if I believed they were right economically and morally in their presentation, but feeling that they are wrong in the matter I cannot go along with them, and I make no further apology for my position.

Casting aside all other considerations, elements, and factors which are involved, the simple manner to prepare for the application of a pay-as-you-earn taxing policy would be to cancel, lock, stock, and barrel, or in toto the 1942 assessments. That is the simple step which editors, columnists, radio commentators, and others have written about.

But, casting aside the other factors and elements which are involved in the cancelation approach, it is not so simple.

And what is my proof for that statement?

I submit as my exhibits in support of my statement the several Carlson-Ruml bills which grow more intricate and less acceptable to the cancelation enthusiasts with each revised bill introduced; and, in addition all the other plans submitted and which carry to some persons the thought they may obtain a partial cancelation of the 1942 liability.

If it be true that the advertising firm of Bruce Barton—a former Member of this House—has sold to the people of this country the thought that the Ruml-Carlson bill does cancel a full year's tax on all the people, I can only say there will be a secondary reaction or kick-back and a genuine awakening by millions of taxpayers when they are forced to suffer the advancing costs of living by reason of an unsound fiscal policy, and, of course, the higher rates of taxation which will prevail for the calendar year 1943.

Furthermore, when it is found that the Republican Party in the Congress, through its support of, first, full cancelation and, secondly, reduction of rates and partial cancelation has created a specific hole or blind alley through which the war millionaire can be made and can escape, and contrary to the President's solemn pledge to the people no war millionaires would be made, here will be another secondary reaction. When the President made that pledge he had reason to assume the Congress would back him up. But we find Messrs. Ruml and CARLSON leading the way, cutting and burning the brush, pulling the stumps, and paving the highway for the piling up of

vast war profits and income, pipe-lined directly from the Treasury to these recipients. God forgive my party for getting caught in such a trap.

And why, oh why, does my party, the historical friend of the American enterprise system, preach and promote the philosophy that it is a 6-percent, a 4-percent, a 2-percent, or a 1-percent sin to discount a bill by paying it in advance of the due date? A cardinal principle of the capitalistic system is to promote thrift and permit the discounting by prepayment. Can it be the Republican Party is now running out on American business principles? Will my party, after I have gone back to my farm and business, be a stanch supporter of sound American business principles or a follower of Karl Marx? Figures have been submitted showing loans for tax purposes by the Morris Plan Bank. I ask, Does my friend from New York brand that institution as a loan shark?

And may I further inquire of my New York friend, Does he argue that heavy taxes drive taxpayers to the loan sharks? Can he inform the House whether or not the loan-shark business has prospered in England as a result of the terrific increases in personal taxes in that country? Has my New York friend any loan-shark figures to back up his argument?

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. Yes.

Mr. REED of New York. All I ask the gentleman to do is to obtain from the Department of Justice the testimony that they offered before the Committee on Appropriations, and if that does not stink to high heaven and brand this whole thing as an outrageous thing on the American people, then I am mistaken.

Mr. CRAWFORD. Let us put the testimony and figures in the RECORD, if the gentleman has them. If our people and the country is now controlled by the loan sharks, let us have the proof for the education of the people. They are entitled to know about it.

Mr. REED of New York. I put some of them in the RECORD.

Mr. CRAWFORD. Let us show that the loan sharks are running this Government, and if they are not, let the record stand as it is, because I have not been able to find any such figures, or any such proof. Riotous living at times brings people to some very sad ends; at other times it is dire misfortune. Our Treasury knows how to deal with the latter and in a very American way, as it has over a long period of time.

Mr. REED of New York. I can give the gentleman the page number here.

Mr. CRAWFORD. Let us put them in this RECORD, and if the gentleman will furnish me with the material, I shall put them in the RECORD myself.

Mr. REED of New York. I am telling the gentleman I put some of them in the RECORD and the others will be available in a few days.

Mr. CRAWFORD. I shall use them, because, if the loan-shark business is running this country, I want to know it. I have tried to get some figures, but I have not been able so far to get the facts which would support such a contention.

Mr. REED of New York. The gentleman can get them from the Department of Justice.

Mr. CRAWFORD. Finally, can it be that my friend from New York, with his many years of devoted service to his country as a member of the Ways and Means Committee, is unmindful of the fact—the indisputable fact—that if the taxpayer is utterly unable to meet the tax payment and makes a clean showing to the Bureau of Internal Revenue and thus obtains additional time in which to pay the tax that the delay imposes on the taxpayer an interest burden of no more than 6 percent per annum? Why did my friend overlook this fact and instead of giving us this information, promote the business of the loan shark operator by spreading the doctrine contained in his presentation this afternoon? Personally, I don't think, in view of his position on the tax committee, it was just exactly cricket.

Mr. REED of New York. Oh, that is very easily answered. A man has to sacrifice every dollar he has, ultimately, to pay those taxes.

Mr. CRAWFORD. He does not have to do it if things are as they should be. I am experienced enough in handling tax matters to know that that statement will not stand up, if a taxpayer is honest with the Treasury. Furthermore, consider what the loan shark does if you ever get thoroughly caught in his clutches. But everyone knows the Treasury Department does not operate a bucket shop or a loan-shark's office. It attempts to enforce the revenue laws of the Congress. Let the Congress assume whatever unfair burden is imposed. Let me make this clear. If I owe taxes to my Federal Government, and I go there with a financial statement, just as you have to do when you go to borrow money at a bank, my Government will labor with me and will help me get into a paying position and for the time being, and for the delay, I pay no more than 6 percent per annum. So there is no reason for anybody to go to the loan sharks. That absolutely washes out all statements to the effect of this loan-shark proposition.

Mr. REED of New York. All the testimony shows, and it is a matter of public record, that they are going to them by the millions, and they are being bled white, and the gentleman knows it.

Mr. CRAWFORD. Oh, the loan sharks have operated since time immemorial, but the Federal Government does not drive people into the hands of the loan sharks, and the gentleman from New York knows that just as well as I do.

Mr. MALONEY. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. MALONEY. As a collector of the internal revenue, I can state that what the gentleman last says is absolutely correct.

Mr. CRAWFORD. Of course it is correct.

Mr. REED of New York. The gentleman is not a collector under the high rates, and he never has been. Let him answer that.

Mr. MALONEY. I am quite sure there will not be a bit of difference, because taxes have increased progressively ever since they first started.

Mr. CRAWFORD. Now, there is no personal animosity in this as far as I am concerned. To me this is just cold-blooded floor discussion between men whose opinions differ. I would talk to my business associates just like I am talking here if we differed as deeply. We take the gloves off and go after it there, and that is the kind of a contest I like to get into. There are no personalities in this whatsoever, because I regard my friend from New York too highly. But we are dealing with the fate of a nation and the fate of 133 or 134 million people. Why did not my friend give us this information with reference to the 6-percent charge by the Treasury, instead of standing here and promoting the loan-shark business by leading the people of this country into the belief that they have to go to the loan sharks in order to get the money to meet a bill which they are unable to pay at the Treasury, when the Treasury will work with them and try to bring them into a current position.

Mr. REED of New York. Will the gentleman yield?

Mr. CRAWFORD. Oh, no, not to read, unless you give me some more time. If you will give me some more time I will yield to you for an hour.

Mr. REED of New York. I do not have control of the time, but you have asked a question and I am going to answer it.

Mr. CRAWFORD. Oh, the gentleman cannot pass the buck that way. I yield to the gentleman if he will get me the time. Your control agreed to let me have only 10 minutes' time and you knew I was opposed to the Carlson bill. But the Democratic chairman is very kind in assisting me with time for which I am grateful.

Mr. REED of New York. You asked for the information and I am prepared to give it right here.

Mr. CRAWFORD. I do not want the gentleman to take all of my time.

Mr. REED of New York. Of course you do not.

Mr. KNUTSON. Would the gentleman yield if I gave him another minute?

Mr. CRAWFORD. Why, certainly; by all means.

Mr. REED of New York. Section 3690:

Authority to distrain: If any person liable to pay any taxes neglects or refuses to pay same within 10 days after notice and demand, it shall be lawful for the collector or his deputy to collect the said taxes, with such interest and other additional amounts as are required by law, by distraint and sale in the manner provided in this subchapter of the goods, chattels or effects, including stocks, securities, bank accounts, and evidences of debt of the person delinquent as aforesaid—

And the gentleman knows it.

Mr. CRAWFORD. There is nothing wrong with that language. That is good business. I would support a law of that kind anywhere, because if you do not do that, the Treasury would have no protection. You are reading there about where a person willfully refuses to pay.

Mr. REED of New York. It does not say "willfully," and the gentleman knows it.

Mr. CRAWFORD. Well, I misunderstood you. If he neglects or refuses to

pay, I should think there was some willful element involved. But let us stand on the language.

Mr. COOPER. If the gentleman will yield, certainly the gentleman from New York must know that that applies after the extension is used.

Mr. CRAWFORD. Why, of course it does.

Mr. COOPER. After the expiration of the extension that a man can get for 6-percent interest.

Mr. CRAWFORD. Certainly.

Mr. REED of New York. This says "after 10 days," and the gentleman knows it.

Mr. COOPER. Ten days after the extension has expired.

Mr. REED of New York. And ample security, including furniture, jewels, and the clothes of the people. Nothing exempted.

Mr. COOPER. After the extension has expired and notice is given, then within 10 days.

Mr. KNUTSON. I hope all this is not being taken out of the gentleman's time, because I am not in a position to give him any more.

Mr. COOPER. Of course, that statute has been on the books since the Civil War.

Mr. CRAWFORD. Now, let us look at another thing. Call it what you please, I do not know but that it is just about as well for the taxpayer who has not attended to business to give up his jewels and his chattels as it is to have your son or my nephew or my sister to give up their lives on the battlefield. If you want to get down to this giving-up stuff, we will just throw in a little of that. If a man lives in this country and is not willing to pay his taxes he had better go off into some other part of the world and suffer under that government as best he can. I am not now, or at any other time, going to be caught in the trap of making excuses of why people should not pay taxes who live under our form of Government and who remain at home in wartime and receive whatever wages and salaries are paid. I do not have to do that. I can still live on canned jack rabbits and fried skunks. Some of our boys in the islands are probably doing much worse, and all in behalf of those who remain here at home, and who want to escape taxes.

It reminds me of the great jail scare which has been spread over the country by the Ruml followers. Since when did the Federal Government ever jail a taxpayer because of his inability to pay his Federal income taxes?

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. CRAWFORD. How much time have I consumed, Mr. Chairman?

The CHAIRMAN. The gentleman has consumed 15 minutes.

Mr. COOPER. The gentleman from Minnesota [Mr. KNUTSON] promised the gentleman additional time.

Mr. KNUTSON. I yield the gentleman 2 additional minutes. I do not go back on my word.

Mr. DOUGHTON. Mr. Chairman, I yield the gentleman 5 additional minutes.

The CHAIRMAN. The gentleman is recognized for 7 additional minutes.

Mr. CRAWFORD. That just does not happen in this country. Of course some of the Al Capone and Dillenger gangs have been nabbed by F. B. I. But, that was not on account of being unable to pay the income tax, as we all well know, and my colleagues agree as to why those fellows were nabbed.

Now, Mr. Chairman, in the absence of cancelation of the 1942 tax, what is the sound thing to do? It appears to me that it would be sound for us to adopt a program which will enable the taxpayer, if he is financially able to do so, to immediately place himself on a current basis; and if he is unable to do this, prepare the way so that he may within a reasonable period of time bring himself current with regard to his Federal tax liability. In other words, in the case of financial inability, make it possible for him to move into current position and give him some choice in the matter so that he may arrange his personal finances to accomplish the desired goal. This is exactly what the committee's bill would do. There has been no debate presented which successfully refutes this statement. Although bitter charges have been made against the committee bill and to the effect that it will assist the loan sharks and that it is a rich man's bill, the fact remains that nothing in the committee bill justifies such a charge.

ABILITY TO PAY

Are our people as a group financially able to make a contribution to the tax box out of their $114,000,000,000 of national income received in 1942, this contribution to be in the neighborhood of $10,000,000,000 minus the amount already paid as of March 15, 1943?

Let us look at some of the figures.

The accumulated savings of individuals as of December 31, 1942, may be summarized as follows:

Accumulated savings of individuals, Dec. 31, 1943

ASSETS

	Billions of dollars	
1. Cash:		
a. Currency	13.0	
b. Demand deposits	27.6	
c. Time deposits	26.6	
Total		67.2
2. Savings and loan associations		5.0
3. Insurance:		
a. Private	33.1	
b. Government	12.4	
Total		45.5
Totals 1, 2, and 3		117.7
4. Securities:		
a. Federal	23.5	
b. Municipal	7.6	
c. Corporate bonds	20.4	
d. Corporate stock	75.0	
Total		126.5
5. Total assets		244.2

LIABILITIES

1. Mortgage debt	14.3	
2. Other debts	4.8	
3. Total liabilities		19.1
Accumulated saving		225.1

As that table shows they have $225,000,000,000 against which they can draw to pay their $10,000,000,000 liability. Seventy-five million people have those liquid funds to their credit, yet we sit here and try to convey the idea to our people that they are unable to pay taxes. Of course they can, under these terrible conditions of today, pay those taxes. And if we go ahead and do it without grumbling God will bless us for it and we will be better spiritually, morally, and otherwise for doing so. Let me here ask my Republican friends what they propose to do with the problem of servicing and amortizing the direct interest bearing Federal debt if they find themselves in power in the years to come? Are you, the Republican leadership, proposing to extend yourself into office through continuing the "happy progressive kindergarten of fiscal fantasy where the curriculum consisted of having fun and games with deficits and gold standards, and where we have been taught to believe that everything—peace, prosperity, security, and power—can be bought with money"? Do you intend to oppose the assessment of taxes? Is it your policy to vote for every appropriation and then force the Treasury to resort to the commercial banks for the dollars with which to pay the bills and thus be an instrument of bringing into operation trillion dollar budgets? Do you not know that in the counting house of Mars only labor and material count these days? Cannot you realize that just dollars — deficit dollars — commercial bank dollars where people are led to believe that they cannot pay taxes and should not pay taxes, will not win this war? Do you know of any surer way to bring about collapse of industry than through wild inflation caused by people not putting into the tax box the necessary dollars to maintain a sound fiscal policy?

No one can carefully scrutinize such a situation of savings in such fantastic totals as shown in the table and to the credit of 75,000,000 of our citizens and at the same time sustain the argument that our people are unable to meet presently assessed tax burdens.

At the same time, everyone who is at all familiar with the complexity of our economy, the number of people involved, the financial commitments which we have made in connection with obligations assumed under lend-lease and the prosecution of the war and the rapid increase in tax rates which must be applied in order to assist in preventing most destructive inflation, is fully cognizant of the fact that a tax bill cannot be designed which will not impose upon certain individuals what to them appears to be an appalling burden.

For us to contend or admit that under the dance of the war billions now flowing

we cannot pay in excess of $35,000,000,000 of Federal taxes per annum or that we are devoid of the moral stamina and short of the necessary will power to meet the emergency of this hour, is for us to proclaim to the whole civilized world that we have failed; that our bone structure has disintegrated, and that we are not the world leaders which we purport to be. The entire philosophy proclaimed by Mr. Ruml and his close followers insofar as it relates to cancelation and the inability to pay is in my opinion so highly destructive that I will not go along with it. I am prepared spiritually, financially, and otherwise to bear the consequences of my position on this issue. There comes a time when a man must do what he thinks is right regardless of the political strategy which is advocated.

With respect to the pay-as-you-earn phase of the program under discussion, I am prepared to say that I have not only advocated but have practiced this doctrine for some time. As early as January 1941, I specifically pointed out to the committee that the day would soon come that we would have to deal with enforced savings in order to meet the fiscal requirements of the Federal Treasury. Beginning my advocacy on that early date, the hour arrived sooner than I forecasted.

The Treasury informs me that the taxpayers of this country in 1939 paid 71.2 percent of their full tax liability on or before March 15; and in 1941 72 percent; and in 1942, although the agitation for withholding at the source and a pay-as-you-earn plan was being discussed and the dislocations incident to the declaration of war in December 1941, the taxpayers met 60 percent of the liability.

This is conclusive evidence that our people have not heretofore in recent years paid their Federal taxes out of current income, but that to the extent here recited they were ready to pay on or before March 15.

SHOULD WE PAY TAXES NOW?

The regimentation to which our people are now submitting themselves is not for the purpose of directly benefiting the war, but this program is necessary to counteract the inflationary borrowing which we, the Congress and the people, are forcing upon the Federal Treasury.

As has been pointed out in the debate, the national income, after paying business taxes, is expected to reach $140,000,000,000 in the calendar year 1943. And it is interesting to note that salaries and wages alone may exceed $100,000,000,000.

And where are these billions coming from primarily? For an answer to this question we only need to look at the President's 1943 Budget message for the coming fiscal year and current disbursements of the Treasury, and may I remind you that the first 20 days of the current month the expenditures of the Treasury for war activities alone exceeded $4,500,000,000. As previous debate has shown, the Treasury expects to disburse during the coming fiscal year approximately $96,000,000,000 for war purposes.

What Member in this House can truthfully argue that such a fantastic dance of the billions can be managed in a manner to prevent destructive inflation in the absence of tax contributions to the Federal Treasury by the people of this country to an extent far, far beyond that called for by the 1942 Revenue Act?

It we desire to be honest with our people in this fiscal approach, we will raise war revenue from existing moneys instead of forcing the Federal Treasury to further resort to inflationary financing through obtaining credit from the commercial banks.

Let me at this point quote the economic policy commission of the American Bankers' Association in its March 1943 The Hundred-Billion Budget and the Banks:

> The tax program still leaves much to be desired. A larger proportion of the newly created income should be drawn back into the Treasury currently. Nearly all are now agreed that some form of pay-as-you-earn tax is essential and very many qualified students think a sales tax is also necessary.
>
> The Nation looks to its bankers for leadership in sound finance. This applies to bankers in small communities as well as in larger ones. Whatever its effect on us as individuals, we must urge increased taxes up to the maximum that can be borne without checking the war effort. We must encourage purchase of more and more Government bonds by individuals.

If inflation destroys our economy it certainly cannot be charged against the banking interests of this country, because they are speaking out in very loud and understandable terms what should be done, even going to the point of saying that we should not sell these Treasury obligations to the commercial banks.

We know something about O. P. A. with its rationing, price ceilings, innumerable controls, and general and growing powers. The justification for O. P. A., if there is any justification, is its power and influence to soften the inflationary blows on our economy. The people are beginning to comprehend this fact. O. P. A. must deal with the problems which involve the more than $74,000,000,000 now standing to the credit of our corporations, partnerships, and individuals on the books of the banks of this country and which represent dollar liabilities those banking institutions owe to the people who have those credits running in their favor; it must deal with 50,000,000 of our people who, in addition to participating in the above-mentioned $74,000,000,000 of demand and time deposits, hold equities of over $16,250,000,000 in the savings bonds issued by the Treasury and registered in the names of those individuals; with 25,000,000 pay rollees who during the month of December last participated in the purchase of savings bonds; with probably as much as $5,000,000,000 or more in currency and coin now hoarded and in the hands of our people, stored away in bank safe-deposit boxes, private homes, and other places of hiding.

Our people thus know that at any moment they decide to run away from the ownership of these bank deposits, the equities they hold in these savings bonds which can be cashed at the Treasury upon call, and the hoarded currency and coin above mentioned, and thus transfer their equities into properties—real and personal—there is no law at the present time sufficient to prevent them from doing so. In this manner I emphasize to you the potential inflationary force which our people now hold in their hands and which they can proceed to execute as, when, and if they decide to do so. And all of this they know.

Finally, the people in the majority are possessed of an intuition which warns them in advance of the destructive influence of deficit financing of the type and in the volume which is now flowing. They intuitively know that if one wants to utterly demoralize a nation—to destroy it in both body and soul—it is only necessary to give that nation a good hard dose of inflation. They know that once the economic runaway gets really going, every department of working or living must bow and make adjustments to the inflationary force—or lay down and die. Our people have seen and read and heard of these disastrous inflationary economic consequences in Germany and in France. They know that it is only natural for the arms, and stomach, mind, and heart, to unite under the banner of "to hell with tomorrow." At the beginning is the time to stop inflation. But history shows that those who aggressively attempt to stop it are called the enemies of Utopia—they are branded a traitor to the group. This because in the early stages, everyone enjoys the "dance of the billions"; labor leaders justify new members through increased wages that naturally come; and union fees are collected with ease. Inventories advance in market value and books reflect increased market equities; farm lands and chattels advance in market price, and beautiful gains are marked up in the minds and on the account books of owners and operators. Of course, when such an hour arrives, inflation should be arrested—but who is going to say the word? Will it be the politician who wants to be reelected? Will it be the labor leaders? Will it be the farmers? Will it be the war worker? Who will assume the responsibility of being called a traitor to his group? Who will gracefully extend his neck and place it on the guillotine block? The Members of Congress should take the lead in arresting the inflationary force of the "dance of the deficit billions." And the taxing power should be the chief tool used in this operation; and this because when the billions cease to dance, the taxing power at that moment should be operated so as to lighten the tax burden and make it possible for the individual and industry to survive in the period of reduced income and earnings. The country's political leaders have it in their power to maintain economic equilibrium, and it is my frank opinion that the only reason this particular group fails in such a crisis is because the application of the proper cure requires political leaders to use what to them must at all times be the costliest of commodities—just plain guts.

The time to fish is when the fish are running.

The time to tax income is when there is income to tax. With $140,000,000,000 of national income flowing this year and

with probably no more than $70,000,000,000 worth of goods and services available for the consumers' use, just what are we to suffer in the form of economic consequences if we are to refuse to pay taxes? This Congress has a duty to perform and that duty does not consist of canceling taxes on incomes built out of war deficits. Too bad we cannot submit this question to the men and women on the military fronts.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The gentleman yields back 1 minute.

Mr. DOUGHTON. Mr. Chairman, I yield 15 minutes to the gentleman from Louisiana [Mr. MALONEY].

Mr. MALONEY. Mr. Chairman and fellow Members of the House, as a member of the Ways and Means Committee I have listened to much discussion on many proposals to put into effect a so-called pay-as-you-go plan for income-tax legislation.

With the task of making income-tax returns since the beginning of the corporation-tax requirements of 1909, and the individual income-tax requirements of 1913, the added experience in the years that followed as a business executive, as a legislator in Congress, and recently as collector of internal revenue, I have had much to do with income taxes and have gained some knowledge and formed some very definite ideas relating to the income-tax subject. The most pronounced conviction is that the requirements in making out income-tax returns have become by far too complicated and exhausting to the taxpayer, and exceedingly too cumbersome for the Government collecting agencies. And, again, there is too much of a trend to place greater responsibilities and expense upon the employer in making him a collecting agency of the Government, whereas, if anything, the trend should be to go further with the principle adopted as embodied in the 1040A optional return, simple and to the point.

The number of taxpayers since the beginning has progressively increased with the lowering of the exemption—the number of returns to be made out by the potential taxpayers, as well as the rates has also progressively increased. Today in making out an income-tax return, there is much confusion and difficulty—in the face of which we are proceeding to make this work both for the taxpayer and the Government even more complicated in adopting a so-called pay-as-you-go plan. I have failed to see any suggested pay-as-you-go plan that would place the taxpayer current and be workable.

To forgive any taxes that have been assessed does not seem to be a patriotic and common-sense move. We may disguise it in representation in any way we may choose, but in the last analysis, we are canceling a debt that is honorably due, which will not in any manner, shape, or form produce an efficient, workable plan of pay-as-you-go taxes that will make the taxpayer current—if that is the real goal.

The question of using the 1942 assessment base for a monthly or quarterly base for calculating the following year's taxes will not make the taxpayer current, because his account will never be squared; it will always be under- or overpaid, only adding to the confusion of the taxpayer and giving the Internal Revenue Department an abundance of additional work which, of course, will result in a very much increased personnel in the revenue-collecting offices. Further, the personnel of the revenue-collecting offices now has a terrific burden and is very much overworked.

Any plan of forgiveness worked out along any of the plans that have been suggested or any method of doubling up taxes upon the taxpayer would work injury either to the Government or the taxpayer.

Surely everyone realizes that we are creating a tremendous debt that some day will have to be seriously reckoned with, and it would appear to me that it would be sound Government business to at least keep that debt in sight by raising as much taxes as we possibly can in these times of much business activity that is now being caused by the war. We should consider no plan that would forgive or repudiate in any way any tax debt that is owed to our Government. You realize, my fellow Members, that if we start on a road of forgiveness, which in reality is a form of repudiating taxes, we will probably be establishing a precedent that may rise to an embarrassing degree; as it could be expected at a later date that some request for the repudiating of payment of bonds may be encouraged.

I think the principle is bad and the plausible construction being placed upon the reasons and the results to be obtained is most unsound. Any forgiveness of the 1942 assessment will eventually be a gratuity to every taxpayer that is indebted for taxes for 1942. It will be his option when to accept this tax gift—to the larger taxpayer the gift will be very substantial, to the smaller, not so consequential. The larger taxpayer should make note that there will be another tax bill coming, and in its construction much emphasis, I am sure, will be placed upon that forgiveness that is now being sought if it is granted.

There is no sound reason why the partner in a business should obtain a dividend before it is earned. The Government is your partner in your net income, and for any stockholder or partner to be paid his share of the profit before you know whether you earned it or not, is not in the book of common sense or good business principles.

Yes; from one who has wages and salaries, you probably can collect at the source, and have some idea as to his tax liability. Even in this procedure, there will not be a taxpayer who will not have an underpayment or overpayment of his tax. There are many types of incomes that are seasonal, and many whose income is irregular that would be placed at a great disadvantage on any program that has been suggested similar to the so-called Ruml pay-as-you-go plan, requiring quarterly payments on a supposedly current income. For instance, the professional men who obtain large incomes at odd times, lumber mills who have to wait months and months for a drying-out process before their product is marketed. There is also the farmer who produces his crop in 1 year, and may not be able to sell it until the following year. These and thousands of other incomes that have similar operations can never be put on a so-called pay-as-you-go plan without much injustice and confusion and impracticableness.

Mr. Chairman, I am as desirous as anyone to see something worked out on a pay-as-you-go plan, as I feel the citizens would like such to be, if it were possible. However, I am of the opinion that if any of the so-called pay-as-you-go plans are adopted, it is going to bring much dissatisfaction and expense both to the taxpayer and the Government, and the groups who are so feverishly seeking such legislation now will be the very ones who will be asking for its repeal later on, if adopted, when they fully realize the impossibility of its workability.

The end of this war is not in sight, which means that we are going to continue having much activity for a long time, thereby producing larger incomes, so there is no immediate need to rush into questionable permanent legislation on this subject; and for that, and the other reasons, I am strong in favor of the committee's recommendation for a beginning in this type of legislation. I think it will be an experiment in view of our past method of collection.

The committee's recommendation does not decrease or increase taxes except in giving further exemptions to the men and women who are in the service—a gross exemption of $3,500—and the additional provision that the income tax of those who lose their lives will automatically be canceled and not held against their estates, as is now the case.

This plan requires, in addition to the present 5 percent that is now being held, 15 percent more, making a total of 20 percent after exemptions, from wages and salaries to be held at the source, to be applied against the tax that has been computed on the previous year's net income. Of course, the new taxpayer coming in the tax group for the first time in the current year will have his reductions credited against his tax liability for that year, and adjustments up and down for all would be calculated at the following annual filing date.

I feel, personally, that we in this Congress are carrying a great responsibility. Congress has legislated many boys into the battle front. They have been taken from comfortable homes and their families and sundry vocations in their earning lives—they have been stopped from building their foundations for their careers in after life—they have gone forward to fight for this glorious country and our way of life. Many of them will give up their lives in this gigantic task,

many of them will be crippled, and many, many of them will come back home to take up where they left off.

And, may I ask, is it just or right that we should take approximately $10,000,000,000 that is now due the Government, and forget or forgive it?

If we do, we are simply adding $10,000,000,000 more that we will have to find taxes or income for in some manner, shape, or form to take its place, and then ask those returning to participate and help pay this $10,000,000,000 that we so generously gave away when they were giving their blood for us.

No; we cannot do such a thing—it is unthinkable.

Let us give those who are carrying on at the battle front most liberally of everything they may need and at the same time do our duty toward those who remain at home and see to it that those who are profiting shall pay their just share of taxes.

This, Mr. Chairman, is the only equitable way.

This, Mr. Chairman, is the way our duty calls.

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

Mr. DOUGHTON. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore, Mr. McCORMACK, having resumed the chair, Mr. BULWINKLE, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 2218, had come to no resolution thereon.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 11. Concurrent resolution requesting the President to return to the Senate the enrolled bill (S. 17) to provide for a temporary increase in compensation for certain employees of the District of Columbia government and the White House Police Force, and authorizing its reenrollment with certain corrections.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 1366. An act to provide temporary additional compensation for employees in the Postal Service.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 660. An act to prevent certain deductions in determining parity or comparable prices of agricultural commodities, and for other purposes.

EXTENSION OF REMARKS

Mr. GAVIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an editorial from the Franklin News Herald.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. O'KONSKI. Mr. Speaker, I ask unanimous consent to insert in the Appendix some remarks pertaining to the set-up of a district office in the city of Superior, Wis., and some newspaper articles relative to the subject.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a joint statement of management and labor of R. C. A. Communications, Inc., on the subject of absenteeism.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. POULSON. Mr. Speaker, I ask unanimous consent to place in the RECORD in connection with the remarks I made some statistical charts.

The SPEAKER pro tempore. Is there objection?

There was no objection.

INCREASE OF COMPENSATION FOR EMPLOYEES OF THE DISTRICT OF COLUMBIA

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent for the immediate consideration of Senate Concurrent Resolution 11.

The Clerk read as follows:

Resolved by the Senate (the House of Representatives concurring), That the President of the United States be, and he is hereby requested to return to the Senate the enrolled bill (S. 17) to provide for a temporary increase in compensation for certain employees of the District of Columbia Government and the White House Police force; that if and when the said bill is returned by the President, the action of the presiding officers of the two Houses in signing the said bill be deemed to be rescinded; and that the secretary of the Senate be, and he is hereby, authorized and directed, in the reenrollment of the said bill, to make the following corrections, namely: on page 1, line 99, of the engrossed House amendment, after the word "Government", insert a comma; and on page 2, line 1, of the said engrossed amendment, after the word "purpose", insert a comma.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

Mr. JENKINS. Mr. Speaker, reserving the right to object, may we have an explanation of this?

Mr. RANDOLPH. Mr. Speaker, there were typographical errors made in that two commas were dropped in the so-called pay increase bill for the District of Columbia employees. It is simply to rectify a mistake which was made by the printer. The bill had gone to the White House and that is why it is necessary to have action here before signature.

Mr. JENKINS. As I understand it, the gentleman has communicated his intentions to our distinguished minority leader the gentleman from Massachusetts [Mr. MARTIN]?

Mr. RANDOLPH. Yes; I did that earlier in the afternoon.

Mr. JENKINS. And there is no objection by any of the members of the committee on our side?

Mr. RANDOLPH. That is correct.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Senate concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Tennessee [Mr. KEFAUVER] is recognized for 30 minutes.

THE TENNESSEE VALLEY AUTHORITY

Mr. KEFAUVER. Mr. Speaker, on March 1, in my home State of Tennessee, a steamfitter stepped to a platform to throw a switch, and power from Douglas Dam was brought into the electricity system of T. V. A. A new world's record in the construction of major hydroelectric projects was established when that dam was put in service less than 13 months from the day when its construction was authorized by the Congress. In itself that record was a glorious achievement for which the management of the Authority deserves unstinted praise. It was a remarkable result, accomplished by remarkable methods, methods which were symbolized, I think, when the Authority selected a steamfitter to be the one to say, "I now throw the switch that places this power on the firing line."

Usually such ceremonial offices are reserved for presidents or heads of boards of directors. Champagne bottles are customarily wielded by persons chosen because of the embellishment of their appearance or for their family connections. I have no objection to those qualifications, and those are pretty ceremonies. But I should like this Congress to know that we have departed from that tradition down in the Tennessee Valley. A steamfitter threw the switch when the dam this Congress directed T. V. A. to build came into service. He was one of the men who had worked through heat and flood, with sun on their backs or mud to their knees, in order to get this war job done in time. In more than a year he had never been absent from work a day.

Such records as T. V. A. has made do not happen by magic. They are a direct result of the way the job is done. They are the consequences of a system of good relations between management and labor, a system of unique cooperation between the Government and its citizens. Those achievements have occurred because every workman employed by T. V. A. and every citizen affected by its operations feels a sense of deep responsibility to do his share in carrying out this Federal program. He contributes and he benefits. He has a share in the struggle and takes part in the triumph. Because of these methods, in less than a decade the T. V. A. has won the confidence and lifted the hearts of the people in the Tennessee Valley. The T. V. A. is different from other agencies of the Federal Government.

So far as I am aware, no other agency of the Federal Government has tried similar methods. And so far as I know, no other agency has had a record of achievement of similar proportion. Cer-

tainly no single Government organization has worked with such success in so many fields of endeavor as T. V. A., and none of them can be tested by such specific and practical standards. I want members of this House from other parts of the country to know the story. It is not simply pride in a multitude of unusual activities that makes Members from States in the Tennessee Valley rise to praise the work of T. V. A. It is not alone because we want to boast a little about these massive new structures and the great accomplishments that we have seen. It is not entirely because we feel compelled in fairness to give credit to one Government agency that has kept faith with all its obligations to the Congress.

We speak for another reason. It is because we realize that when the T. V. A. was created it was recognized as an experiment whose operations were to be observed by the whole country. A novel device of Government was to be tried out there. A unique and new instrument for carrying out a national policy was deliberately created by the Congress. It was intended that its progress should be reported. Funds were advanced from the Federal Treasury to develop the great natural resources of this one area not alone for local benefit but that the welfare of every region of the Nation might be promoted.

We in the South acknowledge a debt to this Congress, a debt we promise to discharge threefold. Ultimately, with money collected from the consumers of electric energy, we will repay the Federal funds advanced so generously from the National Treasury. And we will pay our debt again as the rising economic level of the area permits the valley of the Tennessee to make a larger contribution to the welfare of the country as a whole. But we will pay it most enduringly, I think, as the experiments tried out and found successful in that region are reported to this body and the Nation so that every agency of Government and every area of the country can profit if it will.

Mr. PRIEST. Mr. Speaker, will the gentleman yield?

Mr. KEFAUVER. I am very happy to yield to my distinguished friend from Tennessee.

Mr. PRIEST. I appreciate very much the statement the gentleman is making; it is very interesting and informative as his speeches on this subject always are, a subject he knows so well. I am sure the gentleman is acquainted with the geography and the topography of all the State of Tennessee as well as merely the Tennessee Valley. Being thus acquainted I believe he will agree with me that as long as it is practically possible we should integrate the Cumberland River and its tributaries with the Tennessee River and its tributaries, placing the Cumberland River under the jurisdiction of the Tennessee Valley Authority in order that this great developmental program may proceed on a much larger basis than at present. Will the gentleman agree that this seems feasible at the practical time?

Mr. KEFAUVER. I am glad the gentleman asked me to yield. It is true, as he has stated, that the geographic and topographic conditions of the Cumberland Valley are very similar to those in the Tennessee Valley and that the two valleys are adjacent. It seems therefore very fitting that at the appropriate time the Congress should include the Cumberland region, integrate it into the Tennessee Valley Authority. The gentleman has done great work during the time he has been in Congress in an effort to bring this about, and I am sure that with his useful activity in this regard and the support he has from other Members of Congress that when the situation is so that it can be done he will have success in his worthy endeavor.

Mr. PRIEST. I thank my colleague.

Mr. KEFAUVER. Mr. Speaker, it is my share of that latter obligation that I want to start paying today. I want to tell you not only what has been done but how it has been accomplished. Not every region has a river to develop. Hydroelectric energy is not everywhere available. Some of you may not be able to take advantage locally of new techniques in dam construction or improved procedures in the management of a public-power system. Minerals may not lie in your hills awaiting new processes to be developed by men. The land in your States may be abundantly fertile. But in every State in this land Federal agencies are operating. In each one of them something can be learned from T. V. A. experience in a new way to do a Federal job. Every representative in Congress and every agency of the Federal Government ought to know that down in the Tennessee Valley, State and local governments, public and private agencies, and individual citizens have all been mobilized and are working together to make a success of a program outlined by the Congress. It is that participation in a Federal program by individual citizens through their local institutions that I want to emphasize, for the program of T. V. A. has not atrophied our agencies of local government, as it is sometimes claimed on this floor that national activities are likely to do. T. V. A. has stimulated the vigilance and energy at the grass roots that is the very stuff of a living democracy.

We appreciate that it was Congress that created the statute within which the methods of the T. V. A. were developed. It was Congress that gave it independence from old-line Government agencies; that set it up in corporate form, so that new procedures and new methods of administration could be tried out. It was Congress that made its charter of authority cut across the conventional lines of Government jurisdiction, so the T. V. A. could face the problems of the region as a whole. It was Congress that authorized cooperation with existing institutions and thus made possible the participation of a hundred agencies in the common goal of all—the full development of our natural resources that the economic level of the area might be raised.

The charter created by the Congress in 1933 made all these things possible. It did not make them inevitable. Within the legal limits of the statute a very different type of organization might have been developed. We might have had a centralized administration even within the region. We know that, and that is why we who live in the Tennessee Valley have a sense of warm appreciation that the management of the Authority gave full expression to the opportunities presented by the statute, that in this case there can be no complaint that a national policy has miscarried.

Mr. HAYS. Mr. Speaker, will the gentleman yield?

Mr. KEFAUVER. I am very happy to yield to my friend from Arkansas.

Mr. HAYS. The people of my State are tremendously interested in the contribution T. V. A. is making to the adjustment of freight rates. If it will not cause the gentleman to digress too much from his prepared address I wonder if he wants to comment on that phase of the important work of this agency?

Mr. KEFAUVER. I appreciate the gentleman asking me that question at this time. I recall that more than 8 or 9 years ago I had many contacts with the gentleman before I entered public life. At that time the gentleman was very greatly interested in this matter and did a great deal of constructive work in attempting to improve the economic conditions of the South with particular reference to freight rates.

DISCRIMINATORY FREIGHT RATES—T. V. A. TRYING TO DO SOMETHING ABOUT IT

At this time I wish to call attention to the work of T. V. A. in trying to help bring about the correction of a condition which has always placed an unfair burden on the South. I refer to freight rates.

Yesterday the President transmitted to the Congress the third report from T. V. A. on the subject of the freight-rate structure under which commerce moves on the railroads of the United States. I have a copy of it here, which I have been looking over. It is a splendid presentation.

The report is entitled "Regionalized Freight Rates: Barrier to National Productiveness." I hold a copy in my hand. Charts and tables illustrate the text. It is a splendid presentation of a substantial technical achievement. But the issue itself, as the letter of transmittal from Mr. Lilienthal to the President points out, is not a technical one. It is a broad question of national policy, concerning which T. V. A. has presented the technical data upon which decision must be reached. Previous reports have abundantly disclosed that the existing freight-rate systems have operated as a barrier to the industrial development of the South and the inland West. The effects of that barrier to full productiveness are now appraised. The question presented now is whether the Nation can afford to tolerate that waste of manpower and natural resources in the face of the post-war needs for the full employment of

men and the total efficiency of all the resources of the whole country.

Since 1933 the major objective of T. V. A. has been to assure the most effective use of the resources of the valley of the Tennessee. The existing freight-rate structure had long been recognized as a barrier to development. But never until the T. V. A. was organized had the case been adequately presented to the public. The southern Governors' conference and the T. V. A. have together worked industriously and intelligently on this difficult problem. The Authority organized a small staff of transportation specialists who have devoted their energies to an examination of the total effect of such restrictions on the area economy as a whole, not the impediments it may impose to the development of any single industry or business.

This latest report demonstrates that it is a problem of more than regional consequence. This system of regional freight rates is limiting the productiveness of our Nation. It restricts developments which private enterprise would otherwise create. It forces the South and West into wasteful agricultural practices as it increases the economic pressures which are draining the fertility from our soils. It favors large business enterprises over small industrial developments. It must be changed. We must have a national system of freight rates.

Let me read a paragraph from the report's conclusion:

> The immediate issue is lack of equal competitive opportunity. The transcendent issue, however, is freezing surplus, or idle, or uneconomically employed manpower, materials, and energy throughout the Federal Union. We are a great nation, but we have loaded our gigantic power with unnecessary shackles. Not the least of them is the existing regionalization of freight rates.

The T. V. A. has performed a most useful service in showing how our region has been unfairly treated in the matter of freight rates and has brought this fact to the attention of the people of the United States. I think that through the work of the T. V. A. in cooperation with other agencies in the South and other associations such as the Southern Governors' Conference that a very substantial work has been done and good progress made; and that should be one of the foremost matters for the attention of Members from the South and the West—to try to bring about an adjustment of freight rates that discriminate against us.

Mr. SPARKMAN. Mr. Speaker, will the gentleman yield?

Mr. KEFAUVER. I am happy to yield to my good friend from Alabama.

Mr. SPARKMAN. I am sure the gentleman recalls that all three of these reports that have been issued by the Tennessee Valley Authority dealing with our freight-rate structure and with the request that that program of making the study and making the report was initiated by Mr. J. Hayden Alldredge, who at the time was head of the Commerce Department of the Tennessee Valley Authority. Mr. Alldredge is now a member of the Interstate Commerce Commission and I think undoubtedly it was the monumental work he did in that first report that brought him so prominently to the attention of the Nation as a whole and showed him to be so well fitted for the position he now holds on the Interstate Commerce Commission. All three reports have been splendid, but I believe the gentleman will agree with me that the first report was the one that pointed up the problem and got this Nation to seeing just how badly handicapped some areas of our country were as against other areas by these regionalized freight rates.

Mr. KEFAUVER. I am glad to have the observation of the gentleman from Alabama who has always been most keen, alert, and intelligent in interpreting the work of the T. V. A. to the Congress and to the Nation.

Mr. GAVIN. Will the gentleman yield?

Mr. KEFAUVER. I yield to the gentleman from Pennsylvania.

Mr. GAVIN. I would like to know what particular branch of industry or what basic industries have been so vitally affected by these regional rates the gentleman speaks of here? What particular section has been affected?

Mr. KEFAUVER. I may say to the gentleman that the whole South and the West, outside of the so-called official territory in the North and the Northeast, are adversely affected by discriminatory freight rates. I have the report of the Tennessee Valley Authority here. Has the gentleman read it?

Mr. GAVIN. I have not read the report, but I thought possibly offhand the gentleman could tell me some basic industry or some particular branch of industry that has been discriminated against.

Mr. SPARKMAN. I may mention one—stoves. We can ship the pig iron out of our area and let some other area make the stoves, and then let those stoves come back to our area at a much lower rate than we can ship those stoves if we manufacture them and try to send them into some other area. That freight-rate differential discriminates against every area of the United States except the so-called official classification territory.

Mr. GAVIN. Does not the gentleman think that if the volume of business was there to justify the changed freight rate they would be glad to grant it to you?

Mr. SPARKMAN. I submit this question is entirely too big to discuss it on the gentleman's time when he is trying to cover the whole T. V. A.

Mr. GAVIN. That is all right.

Mr. SPARKMAN. I would like to suggest to the gentleman that he get that first report of the T. V. A. on interterritorial freight rates. He will find it very illuminating, interesting, and informative.

Mr. GAVIN. I will be glad to review it.

Mr. KEFAUVER. I may say to the gentleman that what the gentleman from Alabama said about stoves is true of practically every other commodity that we produce in the South—grain, wheat, corn, and also the articles we manufacture. The result has been that only in light products that do not call for a heavy charge for freight have we been able to compete on anything like an equal basis. I particularly call the gentleman's attention to the last report sent to the Congress by the Tennessee Valley Authority. Table 2 of the report at page 4 gives the comparisons. We are charged excessive rates over the official territory of from 8 to 56 percent.

Mr. FULBRIGHT. Will the gentleman yield?

Mr. KEFAUVER. I yield to the gentleman from Arkansas.

Mr. FULBRIGHT. One example, I think, is the development of bauxite and the aluminum industry in Arkansas. Ninety-five percent of the supply of bauxite is found in Arkansas. Yet until the outbreak of this war no refining plant had been established there. The raw material had been shipped into official territory primarily. Until the development of T. V. A. it was shipped into official territory for refining. May I not ask the gentleman if he believes that the lack of industry in the South and the Southwest especially is due primarily to these discriminatory freight rates?

Mr. KEFAUVER. I think that is unquestionably true. I want to make it clear that the equalization of the freight rates, while this would help us and enable us to develop our industries in order that the natural resources of our section may be utilized, would not as shown by the Tennessee Valley Authority report to Congress, in the long run do damage to the section that has a preferential rate. We are not asking for or expecting the movement of industries from other sections of the country to our section. But it is not a wholesome thing to have one part of the Nation, however, shackled by discriminatory freight rates. All sections must be treated equally and fairly.

Mr. GAVIN. I may point out to the gentleman that the incident he is talking about actually occurs as far as my State is concerned. We furnished part of the money to build the T. V. A., that is, the great State of Pennsylvania of 11,000,000 people, for the development of hydroelectric, cheap power, which wipes out the coal industry, and affects the economic well-being of thousands of our people and whole communities in the western part of the State. These people and their industries are wiped out because of the T. V. A. being developed in that particular section of the country. So, in the transition we are losing too as well as you are when the gentleman talks about discriminatory freight rates.

Mr. KEFAUVER. It is apparent the gentleman has not made a detailed study of the program of the Tennessee Valley Authority or as to what it means to the Nation as a whole. Of course, in the end, may I say to the gentleman that the taxpayers of the Nation will not lose 1 cent by virtue of the Tennessee Valley Authority.

The electrical operations are amortized so that every penny that is used down there will eventually be repaid to the National Treasury. It is making money now.

Also I say to the gentleman further that it is the very shortsighted policy which prevents the development of this country of ours. I do not have the exact

figures at this time, but when a dam is built in Alabama, in the district represented by the gentleman from Alabama [Mr. SPARKMAN], or in Tennessee, materials are used which come from 95 percent of the States of the Nation. The generators come from Wisconsin. Machinery, tools, and probably some of the generators come from the gentleman's State of Pennsylvania. This makes business for the people in Pennsylvania. The consumption of coal in the Tennessee Valley has increased very considerably due to the development of the Tennessee Valley Authority.

Mr. SPARKMAN. Is it not true that the amount of coal used for the production of electric power in the area served by the Tennessee Valley Authority has greatly increased since the T. V. A. went in?

Mr. KEFAUVER. It has increased very greatly, and if I recall correctly, since the T. V. A. began, we have in the valley used almost twice as much coal over comparable periods as we did before T. V. A.

In addition to that, if you can build up the purchasing power of the people in one section, if you can raise the purchasing power, as the T. V. A. has raised the purchasing power by a very substantial amount, and it was very low before the T. V. A. came in and is still low, that means that the farmers can buy more tractors and buy more equipment; they can buy more of the things you people in the North and East and other places manufacture, so the economy of the whole Nation is helped. It does not merely benefit the South. We are perfectly willing that the program shall eventually, as it is set up, amortize itself and pay back every dollar for electrical purposes that the Congress has spent on the T. V. A. Of course our section of the country is helped, but at the same time every other section of the country is benefited.

Mr. GAVIN. Mr. Speaker will the gentleman yield?

Mr. KEFAUVER. Yes.

Mr. GAVIN. What is the cost thus far of the T. V. A., approximately?

Mr. KEFAUVER. I do not have the figures up to date. It is in the neighborhood of a half billion dollars.

Mr. GAVIN. Let us say it is a half billion dollars. Pennsylvania pays 10 percent of the Federal taxes, so it costs our particular State maybe $50,000,000 to produce cheap hydroelectric power, and when you produce cheap hydroelectric power you do not need the coal from Pennsylvania; so you are building up your particular section and affecting adversely one of the basic industries of the State of Pennsylvania upon which thousands of our people are dependent for their livelihood. Therefore, we are very much interested in this particular project.

Mr. KEFAUVER. I have told the gentleman, and he does not seem to want to understand, that the amount of coal that has been used in the Tennessee Valley has very, very substantially increased as a result of the T. V. A. I will be glad to give the gentleman the number of tons of coal increase at a later date.

Mr. FULBRIGHT. Mr. Speaker, will the gentleman yield?

Mr. KEFAUVER. Yes.

Mr. FULBRIGHT. Is it not true that the great taxes that are paid by Pennsylvania and New York are based upon a cumulation of wealth which really originated because they were able to suck most of the natural resources out of the South and the West?

Mr. SPARKMAN. Mr. Speaker, will the gentleman yield?

Mr. KEFAUVER. Yes.

Mr. SPARKMAN. One example of that is the Aluminum Co. of America, which is domiciled in the gentleman's State, but is using the raw resources out of the Tennessee Valley, right down in the gentleman's State of Tennessee.

Mr. KEFAUVER. I appreciate the observation of the gentleman.

I want to say that by and large the Southern States have not been treated unduly generously by the Federal Government over the period of the life of this Nation. I think we always have gotten the little end of the horn.

Mr. Speaker, this is a sizable development and we are going to pay for it, and if the gentleman will only see it, it will help the economy of his State as well as the economy of every State in the Union.

I did not intend to start an argument between the various States. We were supposed to have settled that 80 years ago and the gentleman should help us get relieved of that part of the reconstruction which is still with us—unjust and discriminatory freight rates. I shall proceed with some of the other things I wanted to say.

First, I want to remind you briefly of the changes T. V. A. has made in the valley in these 10 years, how far it has advanced in the task of water control it was given to do. When T. V. A. began its work in 1933 the Tennessee was a vagrant sort of river. In the dry season it was worthless for navigation, and in the rainy months it overran its banks. Every year we lived in fear of the desolation brought by intermittent floods. The river was an ugly menace to the city where I live. Yet for generations experts had told us of the benefits that would accrue if its potential energy were controlled. Actually, however, only a little of that energy was being put to work. In 1933 consumers of electricity in the Tennessee Valley used less than the national average in their homes, and for all they used they paid over 5 cents a kilowatt-hour. Only 1 out of 30 farms in the 7 States of the valley had electric service 10 years ago.

Less than a decade later that river has been tamed. Today it flows serenely and navigation moves around the year. Soon there will be a water highway, 650 river miles from Knoxville, to the river mouth near Paducah in Kentucky. The danger from floods is approaching an end. Flood crests will be reduced by the tremendous storage in multipurpose reservoirs to the point where endangered communities will be able economically to assure themselves of total safety by local protective works. Ten huge new multipurpose dams control the Tennessee today. They have transferred its winding course of shallows and rapids and shoals into a series of lovely lakes. Those dams have been built by T. V. A., and six more projects are being rushed to completion today. They are providing a matchless inland waterway for commerce, beautiful bodies of water for recreation. We are approaching security from floods in the Tennessee Valley. And in the valleys of the lower Mississippi and the lower Ohio people know that the turbulent waters of our river will no longer rush to raise the crests of floods they annually fear.

A GREAT ELECTRICITY SYSTEM HAS BEEN ORGANIZED

Those same dams are providing power for our industries, our farms, and our homes, and power for the production of the implements of war—the metals and the chemicals which will assure our country's triumph. In 10 years T. V. A.'s electricity system has grown to an installed capacity of 1,500,000 kilowatts, making it second in size in the United States today. More than 10,000,000,000 kilowatt-hours will flow out over the transmission lines of T. V. A. next year. Of that amount, about three-fourths will be used directly in the production of war materials. Civilian consumers will sit at the second table. They will accept whatever restrictions on their use as are necessary to keep the war plants going. But even a meager percentage of the total will permit the homes and farms of the Tennessee Valley to use more current than they did in 1933. Already our residential consumption is above the national average by more than 50 percent, an average we had not equaled a decade ago. And the rate at which we pay has dropped on an average from 5 to 2 cents per kilowatt-hour. Consumers who had service prior to T. V. A. now save a total of almost $10,000,000 a year on their electricity bills. And new customers have come in. By the end of 1941, in the 7 valley States, the number of farms having electric service had increased from the 60,000 served in 1933 to more than 400,000. Of these, over 132,000 rural customers got power from the Authority's system. The rest were served by neighboring utilities where rural use had been encouraged by the Authority's example and by the activities of R. E. A. In this period, rural electrification had increased 232 percent in the country as a whole. In the Tennessee Valley, not an area of high farm incomes, the increase was 575 percent or more than twice as much.

Now, that construction program through which the river has been controlled, or the organization of the power program which it created, would be a proud record to cite if it represented the total job of T. V. A. But the Authority was given other responsibilities by Congress.

AN AGRICULTURAL PROGRAM IS CHANGING OUR FARMS

For one thing, it was directed to develop new forms of plant food and to

demonstrate their use on the land of the Nation. In 1933 a considerable part of our land in the Tennessee Valley was worn and eroded. Its fertility was sharply declining, and the river was dark with the soil it washed away. At Muscle Shoals in Alabama T. V. A. developed a new and highly concentrated form of phosphatic plant food to meet this threat of soil exhaustion. Since 1933, more than 464,000 tons of these new fertilizers have been produced. Of this amount 185,000 tons have been distributed for use in a test demonstration program on 6,200,000 acres in 28 States. In the watershed of the Tennessee where the Authority has intensified its efforts, and where more than 30,000 farms have cooperated in the program—20,000 are now active—we know what this program will mean to the land. The very look of the country is different, and the farmers' incomes prove the changed conditions. Just one example. In 63 Tennessee counties where the test demonstration farms have been operating for 5 years, milk production has increased 230 gallons per 100 acres of open land, while in other counties where the program was not undertaken, the increase was only 30 gallons. Just think what such a demonstration forecasts. It means a better life and more money for the farmer; it means abundant food for everyone. Think what it would have meant if every county in this country had participated fully in this program. Had that been true this county would not be facing a shortage of food today. As it is, the shortage would be more acute without its benefits, for the farms in the Tennessee Valley can take a larger share of the burden now than they would have been able to do if this demonstration had never been undertaken. The results of this program cannot be matched in lasting benefits by the record of any other agricultural program that I know.

THE METHODS USED BY TENNESSEE VALLEY AUTHORITY ARE RESPONSIBLE FOR THESE ACCOMPLISHHMENTS

I speak of these things of my personal knowledge. I have seen the change in the Tennessee Valley. I have marveled at it, and I have wondered how this Federal agency had accomplished so much in so short a time, without the storm of protest which usually arises when the routines and lives of citizens are affected by a Government program.

For no one can say that the T. V. A.'s job was a simple one to undertake. No one can suggest that its impact on the lives of the citizens has not been immediate, and in some respects uncomfortable. Remember that when dams are built lands are flooded. Homes and farms and villages must be surrendered. New patterns of life must be established. Since 1933 the T. V. A. has acquired almost 900,000 acres of land, and up to March 1, 11,412 families had been moved away from their homes in T. V. A. reservoir areas. No program can touch the lives of individuals more drastically than that. Even simpler changes are disturbing. Every time the route of a road or the location of a bridge is altered, people's habits must be violated. Few of us like change. Most of us are even inclined to resist improvements when they are forced upon us. So T. V. A. from the beginning had the basic problem faced by every agency of this Government today; that is, how to carry out effectively and in the national interest a program that was bound to change the lives of individuals and the activities of local institutions. In the beginning, of course, there was a certain amount of suspicion, and even some hostility. Some business enterprises feared the impact of the program on their individual problems, and there were people who by temperament or experience had come to be afraid of change. Hostility is almost gone today, and suspicion is removed. With few exceptions, the people in the valley have discovered that what is good for the region will in the end be good for them. They have learned that this agency of government will, whenever possible, aid in easing their transition problems. They have learned that its attitude is not arrogant or dictatorial, that the legitimate problems of each business and every citizen are recognized as real and worthy of attention. Through the years the confidence of T. V. A. in the people, and the loyalty of the people to T. V. A. have steadily increased.

THE PURCHASE OF LARGE AREAS OF LAND AS AN EXAMPLE OF THE METHODS OF TENNESSEE VALLEY AUTHORITY

The methods of T. V. A. are responsible for that result. Those methods grew out of the statute which had made possible this decentralized administration of centralized authority. If every Federal program could be administered in like manner at the grass roots I am confident the same results would follow. The problems of the individual then would be recognized as the problems of the Government. Let me illustrate what happens when the men who make the decisions are on the ground. I have already mentioned the thousands of families that have had to move from areas now flooded. Perhaps if T. V. A.'s responsibility had been limited to construction or to the organization of a power system, it would not have been concerned about the individual problems that relocation caused. Fortunately, T. V. A. is concerned with a wider problem. Its task is to make every operation contribute to the improvement of the economy of the area as a whole. The boundaries of its statute are geographical, not limited by subject. That wider responsibility made the conventional procedures for the acquisition of land by government impossible to follow. As a natural result, T. V. A. from the beginning has acknowledged its responsibility to assist those families in relocating, so that they might contribute to the well-being of the area in the future, and not, because of maladjustment, pull it down.

This assistance has included help in locating new farms and in adjusting to new conditions. The use of improved machinery and farming methods has been encouraged and as a matter of record farm and home ownership has increased among these displaced families. In many cases they are located where community facilities and good roads are more accessible than formerly. Seventy-eight percent of the families have relocated within the original counties, 16 percent in other counties in the same State. Five percent have left the State of their former residence. The location of only 1 percent is unknown. A survey was made of the families removed from the Norris Reservoir area, the first dam completed, and it was discovered that 70 percent of those removed expressed themselves as being as well or better satisfied with their new situations.

Some individuals are undoubtedly disgruntled that they had to move at all. Unquestionably a few landowners feel they should have been paid a higher price. Under the happiest circumstances there is usually a margin between the buyer's and the seller's appraisal. But, in general, it is recognized throughout the area that representatives of the Authority have been fair in their dealings, considerate in their approach, and honest in all their transactions. On a very sensitive issue there is no charge that the "bureaucrats" have been arrogant or unfair.

The success of this program has been called conspicuously to my attention recently, since the War Department was obliged to acquire almost 60,000 acres in the district adjoining my own. I know the Representative from the Second District has been swamped with the complaints and protests of thousands of bewildered farmers, and the rest of us who hear from neighboring counties have received a disturbing number. Not complaints and protests because they must give up their land. They are patriotic citizens. But complaints and protests over the way it is done. I do not blame the War Department nor the individuals assigned to this particular job at all. But I do condemn the traditional methods that Department is obliged to use. What I am pointing out is the success of the T. V. A. system of land acquisition, the ways in which it is different.

First of all, T. V. A. does the job itself. It avoids condemnation as much as possible and only uses it when efforts to obtain a voluntary conveyance of property have failed. It is important to remember, moreover, that T. V. A. does no price trading, and purchases are made only at prices affixed by its appraisal staff. If the landowner is not satisfied with the offered price, the Authority proceeds to condemnation under a special system set forth in the statute, which has worked remarkably well. Whether he moves as a result of voluntary sale or condemnation, however, assistance in relocation is always available.

The War Department, on the other hand, files a blanket condemnation suit entitling it to take possession of the property immediately. Then the transactions, or condemnation proceedings, with the owners are completed over a period of time. Removal comes before payment. Of course, there are protests. Certainly man-hours of work are lost while an uprooted population seeks new homes.

I concede that in many instances the War Department must act with great

speed. But speed is not a full excuse for such procedures. On inquiry, I discovered that the blanket condemnation petition for the Clinton Engineer Works to which I referred was filed on October 6, 1942. I got comparative data from T. V. A. Since that date, and in the same general area, T. V. A. has itself acquired 52,067 acres in 1,670 tracts, and has purchased rights-of-way for transmission lines totaling 139 miles in 581 tracts. The protests have been negligible. Let me add, too, that when the Authority speaks of having acquired a certain amount of property, it refers only to property which has actually been conveyed by deed and for which the grantor has received already the purchase price.

Someone of you may fear that such attention to the individual problems created by a program of Government land buying costs too much money, or someone may contend that to concern itself with problems of relocation is not an appropriate responsibility. The fact is that the costs of T. V. A. land acquisition have been remarkably low. And in my judgment it is the job of the Federal Government to do everything within its powers to make readjustment possible when its operations specifically disturb the lives of its citizens in peace or war. Preventable hardships should be removed.

AGREEMENTS WITH LOCAL INSTITUTIONS HAVE BEEN WIDELY DEVELOPED

As a matter of fact, the work of assistance in family relocation, though unique in connection with a Government construction program, is not costly as carried on by T. V. A., because in this, as in other operations, the Authority early worked out cooperative arrangements with institutions already existing in the area. For this work contractual agreements were entered into with the land-grant colleges. No duplicating staffs were set up. The agent of the Federal Government, the T. V. A., did not insist on doing it its way and alone. Those agreements were typical of many arrangements with local agencies which inaugurated T. V. A.'s decentralized administration.

Perhaps the most important to us in the Tennessee Valley are those contracts with the land-grant colleges and the extension services in the seven valley States under which the work on more than 35,000 test demonstration farms, to which I earlier referred, has been carried on. T. V. A. alone is responsible for the production of these new plant foods. But in demonstrating the use of the products it has made full use and has given generous credit to the older institutions. Remember that 40,000 private businessmen have cooperated in this Federal program. Here again it was not an easy job. The individual farmer took a risk when he was selected by his neighbors and agreed to make his farm the one to be tested. He got the fertilizer free, but he paid the freight. He agreed to alter his farm-management practices and to keep books, to make his place a sort of schoolroom for his neighbors. The risk is out now. We know what these plant foods and this type of farm management will accomplish. And during the years that these experiments have been under way, when there might have been lack of trust or understanding, I have never heard a complaint. It was recognized as a program of the people. It has been carried out from the beginning in cooperation with their familiar institutions.

Another contract was negotiated with the Alabama State Department of Health. It provides for a cooperative program in the prevention of malaria and other health hazards in those Alabama counties in which the problems are affected by reservoirs of T. V. A. Likewise, there is an agreement with the Department of Conservation of the State of Tennessee which provides for cooperation in the development and management of the fish and game resources on T. V. A. lands and reservoirs in the State. There are contracts with Tennessee and Alabama State Planning Commissions, outlining the terms of planning assistance by T. V. A. to reservoir-affected communities.

Too, contracts have been negotiated with public and private institutions of learning so that new laboratories did not have to be set up as experiments in the processing of raw materials were undertaken as new industrial machinery and farm equipment were perfected. For example, there is an agreement with the University of Georgia Agricultural Experiment Station providing for research on dehydration and food processing, and on quick-freezing studies. This Federal and that State agency are working together in small rural plants in the processing of peanuts, soybeans, and flax seed to produce oil and protein concentrates for feed, and they are working on the dehydration of fruits and vegetables to determine the feasibility of various methods of food preservation.

New agreements are constantly being worked out as new problems and new opportunities for joint action develop. One I know well. When Chickamauga Dam, near Chattanooga, was completed, T. V. A. rightly decided that beautiful spots on the waterfront should be dedicated to public use for recreation. Now one way, the old-fashioned centralized way, would have been for the Federal Government to maintain the areas as national parks. That was not the way it was done. When the developmental period was concluded, leases were entered into and the parks were turned over for operation by the county government. The obligations of each party and the purposes of the covenants were clearly set forth. We have three such parks operating under such agreements in my home county. Hamilton County is taking its share of responsibility in making a reality of the policy declared by Congress, and with its participation the river is being made to serve more fully the public good.

These opportunities to participate in carrying out a national policy are welcomed by local agencies. Let me read from a report of the Georgia Department of Natural Resources to the Georgia General Assembly. Here the contrast between a Federal agency operating from Washington and a Federal agency with headquarters in the region in which it works is strikingly brought out by the official comments of a local institution itself. I quote:

> The United States Geological Survey has cooperated by assigning geologists from their staff to map areas in which bauxite should be investigated, to outline possible manganese areas, and to prepare a special report for the War Production Board on strategic mica. Unfortunately, the policy of the United States Geological Survey is not to make available reports of this type to this agency until such reports are published for general distribution. This renders such work and reports of little value to us or to others outside the War Production Board who are interested in aiding the war effort by producing war minerals in Georgia.
>
> In contrast with this attitude, the Tennessee Valley Authority has been most cooperative in investigating Georgia mineral deposits and in conducting research designed to work out new processes for their beneficiation. As pointed out elsewhere, the Tennessee Valley Authority has worked out a process for beneficiating manganese in the Cartersville district and we have published this report. No doubt it will be quite valuable in connection with our efforts to convince the War Production Board that manganese should be mined in Georgia.
>
> For 2 months past the assistant State geologist and geologists from the Tennessee Valley Authority staff have been conducting field investigations of all mica deposits in Georgia. It is expected that this investigation will be completed in about 1 month. The data obtained in this manner will prove most valuable in determining just what localities and which mines offer the greatest possibilities as sources of high-grade strategic mica. In this way such information will not only speed up the output of good mica but will conserve time and money by eliminating those properties which do not justify further expenditure.

I noticed this sentence:

> The Tennessee Valley Authority has worked out a process for beneficiating manganese in the Cartersville district and we have published this report.

I do not mean to criticize the United States Geological Survey. I am sure the results of their investigations will ultimately be very helpful to the State of Georgia. I am only trying to contrast the way an agency whose work is centralized in Washington proceeds with the grass-roots approach of an organization which carries out its operations in the field.

OPERATION OF THE ELECTRICITY SYSTEM IS A COOPERATIVE UNDERTAKING

Take the Authority's electricity program. That is an outstanding example of local participation. T. V. A. owns and operates only the facilities of generation and transmission. Municipalities and rural cooperatives own and operate the distribution systems. Some people argued that the Federal Government should do the whole job of operation from generation down to distribution. A great many people declared that competent local managers could not be found. They feared such systems would become the football of local politicians. It has not worked out that way. Those local systems are notably successful. Recently a meeting was held in my home city. About 500 delegates representing more than 100 agencies of distribution in 6 States met in Chattanooga to discuss their part in this national program.

These local power boards, too, are working under contracts with T. V. A. which clearly set forth the duties and the responsibilities of each party. The contracts make certain that the intent of Congress will be carried out, that revenues shall be appropriately used and fully accounted for, that the consumer and no party's political coffer will benefit by their economy of operation. Those local boards are doing an excellent job.

I have referred to only a few of more than a hundred written agreements. I mention these contracts only because they illustrate a novel method of Federal administration which has been notably efficient, and which has won the support of the people. Obviously, a good many instances of cooperation are not set forth in written agreements. Constantly there are meetings and conferences between representatives of the Authority and groups of local citizens working together on common problems. It has been so from the beginning. I think it would be so in the case of any Government agency which made its decisions in the field where the people live. Such evidences of mutual confidence grow out of consulting and working together. A Federal official on the ground is soon aware of the enormous resources in energy and good will that can be utilized if local agencies are given an appropriate share in the accomplishment of national objectives.

THE EFFECT OF SUCH RELATIONSHIPS ON REPRESENTATIVES OF GOVERNMENT AND ON THE PEOPLE

Such procedures have an effect on representatives of the Federal Government. They have an effect on the people, too. The growth of respect and confidence is on both sides. Last July the Chairman of the Board of T. V. A. made a speech before the North Carolina Press Association at Asheville, N. C. Referring to the criticism, both fair and unfair, that T. V. A. had endured, he said:

> And all of the criticism served to remind us of that truth that every public officer might well daily repeat: "For today I wield some of the powers of the state—but I must never for a moment think that I am that power. As a public official I am in the service of the public and to that public I am in everything responsible and accountable."

I think the attitude expressed in that quotation is generally characteristic of the staff of T. V. A. I see it widened not only in my personal contacts but in the press. I was interested in an item appearing in a Tennessee paper sometime ago. It referred to a matter earlier brought to the attention of this Congress. Some of you may remember that one of the arguments advanced against the building of Douglas Dam was that a portion of the village of Dandridge would be flooded. Dandridge is a lovely and historic town. The prospect of injury to it was very disturbing to many people. Now T. V. A. did not just say "too bad." Its officers were burdened almost beyond endurance at the time, and they might have been forgiven if they had bought the land and let the waters rise. Instead, they listened to the protests of the community. They met with the local planning commission, and finally the engineers determined that the damage could be avoided by the construction of a dike. This the Authority agreed to do. Another agency might have done the same thing, but I wonder if any other organization would have done it in just the same way. The press reported that the Chairman of the Board, the chief engineer, and the general manager of the Authority went to Dandridge to consult with local officials. The town did not have to send a delegation to Washington. And when a decision was arrived at it was announced, not by the Authority in Knoxville or at the National Capitol, but by the planning commission itself in the little town of Dandridge. They gave the good news to their own people.

So I began to notice the papers for similar items. I observed that it was a fellow townsman of mine, Mr. Earl P. Carter, acting as chairman of the committee on navigation of the Chattanooga Chamber of Commerce, who recently announced that work on the public-use terminal, halted a few months earlier, would be resumed by T. V. A. Local businessmen have been enormously interested in that project. As shippers or distributors, even as consumers, the savings in water transportation will mean a great deal to them. From the beginning they have participated in the plans and surveys. They regard it as their project, not something imposed for good or ill from above.

These simple instances are not important in themselves. They are significant only as they reveal the degree to which this Federal agency is sharing its program with the people. They reveal the friendly atmosphere in which they work. It cannot be argued that such methods take too much time—that they are inefficient or hampering. No agency of this Government has accomplished more in 10 years than T. V. A. Nobody can say these methods are expensive. T. V. A. keeps a balance sheet. The cost of many activities shows up in the cost of the dams. We know the record there. Compared with similar construction programs conducted without regard to local situations, those costs are low, and on those costs its revenues are based. The electricity consumer of the Tennessee Valley pays a share in his monthly bill. T. V. A.'s methods are beginning to pay out in money. For the fiscal year beginning next July 1 it is estimated that power revenues will be more than $38,500,000. They have paid out in a record of incomparable achievement. They pay out in the loyal vigilance of the people when the integrity of T. V. A. is threatened.

The people of the Tennessee Valley speak out, no matter who proposes to obstruct or harm the T. V. A. Right now they are pounding me with protests, not against the T. V. A., mark you, or against my record of support, but against a proposal introduced in the other body that would require the T. V. A. to pay its revenues monthly into the Treasury of the United States and thereafter depend upon annual appropriations by the Congress to provide the funds for operation. Such a proposal might sound reasonable to one not familiar with the electricity business, or not aware of the difference between absentee management and local control. The people of the valley understand the problems of their electricity business. They know what that proposal means. They know it might threaten the continuity of their electricity service. They know it might jeopardize all the contracts T. V. A. has entered into to furnish power to towns and villages and industries. From experience in running their own systems, they know that the expenses of maintenance and operation are determined by the day-to-day decisions of management, that sometimes they reflect the costs of storms and tornadoes, the unexpected consequences of acts of God. They know that to control the expenses of maintenance and operation is to run a power system. They do not want their system run from Washington. They are done with remote control. They rise up to endorse and support the T. V. A. Act as it was drawn by Congress in 1933. They expect to pay enough for the current they consume so that the Federal Treasury will be repaid for its investment in these power facilities as the statute directed. They are not complaining about that, but they do not want the responsibilities of management removed from the area, they do not want local control divided, or diminished. And they do not want the T. V. A. in politics. They know that would spell the ruin of this great public enterprise.

The people of the valley are demanding to be heard on another measure, a bill which was designed to make the service of several hundred of T. V. A.'s employees subject to confirmation by the Senate—a bill from which T. V. A., happily, has now been exempt by the recommendation of the Judiciary Committee of the Senate. Chambers of commerce, service clubs, women's groups, organizations of farmers and labor, every type of organization in my district has protested its enactment. They want the merit system set up by T. V. A. continued. They do not want me, or any other Representative, to have an opportunity or a temptation to build up a political machine at the expense of T. V. A. And they are right. No man should locate a dam, or control flood waters with the wishes of a political sponsor even remotely in mind. No Member of Congress should have the right to threaten the tenure of the manager of a power system if that manager chances to incur his displeasure. I am personally grateful for this provision in the act creating T. V. A.:

> In the appointment of officials and the selection of employees for said Corporation, and in the promotion of any such employees or officials, no political test or qualification shall be permitted or given consideration, but all such appointments and promotions shall be given and made on the basis of merit and efficiency. Any member of said board who is found by the President of the United States to be guilty of a violation of this section shall be removed from office by the President of the United States, and any appointee of said board who is found by the

board to be guilty of a violation of this section shall be removed from office by said board.

I want no responsibility for the selection of T. V. A.'s staff. I want to judge them, and my constituents want to judge them, on the basis of their performance on their jobs.

I think the storm of protests I have received is a very wholesome sign. I believe the vigor and vitality of these expressions of understanding of a Federal program are vastly encouraging for the future of this Nation. We need more programs and more methods such as these. T. V. A. has become a common bond bringing men of all kinds together in a common interest for the Tennessee Valley. And it is a bond of unity between the valley and the Nation. It is democracy in action.

So I have a privilege rare in the House these days. On behalf of my constituents, I want to express our deep appreciation to that Congress which created T. V. A. and to this Congress for supporting it, and to report our satisfaction with the devotion and the skill and good faith with which the management of the Authority is carrying out the tasks that Congress assigned, the policies it laid down, and the opportunities for service it afforded.

Mr. SPARKMAN. Mr. Speaker, will the gentleman yield?

Mr. KEFAUVER. I yield to the gentleman from Alabama.

Mr. SPARKMAN. May I call the attention of the gentleman to the commercial shipping up and down the Tennessee River, also to the fact that in my district, at Decatur, Ala., there are two of the best-equipped inland boatbuilding plants in the country. One of them has been engaged in quite an extensive program of building invasion barges for the Navy and the other is engaged in building ocean-going vessels for the Maritime Commission. This has been made possible by this development of the river.

Mr. KEFAUVER. I thank the gentleman. I have dealt only briefly with the matter of navigation. I should like to have more to say about navigation on the Tennessee and also the subject of the terminals that are being built at four places on the river, but time does not permit.

BILLS PRESENTED TO THE PRESIDENT

Mr. KLEIN, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, a bill and a joint resolution of the House of the following titles:

H. R. 1692. An act to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes; and

H. J. Res. 106. Joint resolution extending the time within which certain acts under the Internal Revenue Code are required to be performed.

ADJOURNMENT

Mr. COOPER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock p. m.) the House adjourned until tomorrow, Saturday, March 27, 1943, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The hearings scheduled for Monday, March 29, 1943, at 10 a. m., to consider charges of waste of space in ships going to North Africa and delays in ship sailings have been postponed indefinitely.

The Subcommittee on Fisheries of the Committee on the Merchant Marine and Fisheries will meet in executive hearing at 10:30 a. m. on Wednesday, March 31, 1943, to consider the matter of price ceilings on fishery products.

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Thursday, April 1, 1943, at 10 a. m., on S. 163 (H. R. 498) to amend section 511 of the Merchant Marine Act, 1936, as amended, relating to ship construction reserve funds, and for other purposes.

As advised in notice of March 10, 1943, Congressman BATES of Massachusetts, patron of the bill H. R. 1766, upon which hearings were scheduled on April 8, 1943, is a member of the Committee on Naval Affairs and of a subcommittee of that committee which has arranged a schedule of hearings throughout the country which will compel Congressman BATES of Massachusetts to be absent from Washington on April 8 and also April 15.

The chairman of the committee and the Commissioner of Fisheries will be out of town on intervening dates, which will necessitate a further postponement of the hearing until May 13, 1943. You are hereby notified that the hearings scheduled for April 8 and postponed until April 15 have been postponed to May 13, 1943, at 10 a. m., at which time the hearings will follow.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. McGEHEE: Committee on Claims. H. R. 2283. A bill to amend the act approved January 2, 1942, entitled "An act to provide for the prompt settlement of claims for damages occasioned by Army, Navy, and Marine Corps forces in foreign countries"; with amendment (Rept. No. 312). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. JENNINGS: Committee on Claims. H. R. 309. A bill for the relief of Marion O. Cassady; with amendment (Rept. No. 313). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on Claims. H. R 951. A bill for the relief of W. Harold Shackleford; with amendment (Rept. No. 314). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R 2214. A bill for the relief of the East Coast Ship & Yacht Corporation, of Noank, Conn.; without amendment (Rept. No. 315). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. COFFEE:

H. R. 2305. A bill to authorize the appointment of official court reporters in the district courts of the United States, to fix their duties, to provide for their compensation, and for other purposes; to the Committee on the Judiciary.

By Mr. SUMNERS of Texas:

H. R. 2306. A bill to expedite the payment for land acquired during the war period; to the Committee on the Judiciary.

By Mr. ROBINSON of Utah:

H. R. 2307. A bill to amend the act entitled "An act to aid the several States in making, or for having made, certain toll bridges on the system of Federal-aid highways free bridges, and for other purposes," as amended by section 1 of the act approved July 19, 1939 (53 Stat. 1066), and for other purposes; to the Committee on Roads.

By Mr. LESINSKI:

H. R. 2308. A bill to provide vocational rehabilitation for members of the Regular Establishment after termination of hostilities in the present war; to the Committee on Education.

By Mr. MAGNUSON:

H. R. 2309. A bill to amend the Immigration Act of 1924, as amended, to provide that aliens who are subjects of China shall be admitted into the United States under such act; to the Committee on Immigration and Naturalization.

By Mr. COFFEE:

H. Con. Res. 16. Concurrent resolution to investigate the supplying of equipment and facilities for furnishing electric power and energy for war purposes; to the Committee on Rules.

By Mr. DOUGHTON:

H. Con. Res. 17. Concurrent resolution authorizing the Committee on Ways and Means of the House of Representatives to have printed for its use additional copies of the hearings held before said committee during the current session relative to individual income tax; to the Committee on Printing.

By Mr. LEWIS of Ohio:

H. Res. 186. Resolution to empower standing committees to investigate the interpretations of the laws by the executive department; to the Committee on Rules.

H. Res. 187. Resolution to amend the rules of the House; to the Committee on Rules.

By Mr. VOORHIS of California:

H. Res. 188. Resolution to investigate the Bank of International Settlements; to the Committee on Rules.

By Mr. KNUTSON:

H. Res. 189. Resolution authorizing the printing of a revised edition of a Digest of State Laws Affecting the Hard of Hearing and the Deaf; to the Committee on Printing.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Iowa, memorializing the President and the Congress of the United States to raise the restriction of batteries used in radios, rural telephones, and electric fences; to the Committee on Banking and Currency.

Also, memorial of the Legislature of the State of Iowa, memorializing the President and the Congress of the United States to propose an amendment to the Constitution limiting the terms of the President to two; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Iowa, memorializing the President and the Congress of the United States to investigate the agricultural situation; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. SHERIDAN:

H. R. 2310. A bill for the relief of Gaylon Dhue; to the Committee on Claims.

H. R. 2311. A bill for the relief of Richard M. Cripps; to the Committee on Military Affairs.

By Mr. McGEHEE:

H. R. 2312. A bill for the relief of Everett A. Alden, Robert Bruce, Edgar C. Faris, Jr., Kathryn W. Ross, Charles L. Rust, and Fredrick C. Wright; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

357. By Mr. ELLIS: Resolution adopted by the Board of Directors of the West Virginia Society of Professional Engineers, Charleston, W. Va., protesting against any act on the part of the mine operators or the United Mine Workers of America that would require members of the engineering profession to join, or to be represented by, any organization; to the Committee on Labor.

358. By Mr ROLPH: Resolution of the International Brotherhood of Electrical Workers, Local Union No. 6, relative to the rationing program of the Office of Price Administration; to the Committee on Banking and Currency.

359. Also, resolution of the International Longshoremen's and Warehousemen's Union, Locals Nos. 1–10, San Francisco, Calif., relative to amending the Social Security Act so as to include all cemetery employees within the benefits and provisions of this act; to the Committee on Ways and Means.

360. Also, resolution of the Brotherhood of Teamsters and Auto Truck Drivers, Local No. 85, San Francisco, Calif., relative to amending the Social Security Act to include all cemetery employees within the benefits and provisions of this act; to the Committee on Ways and Means.

HOUSE OF REPRESENTATIVES

SATURDAY, MARCH 27, 1943

The House met at 12 o'clock noon, and was called to order by the Speaker pro tempore, Mr. McCORMACK.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Merciful Father, be pleased to consider and hear our prayer: Grant that the spirit of our Lord may rest like a shaft of light over all lands and like a lane of beams across the troubled waters of this raging earth. O dwell in its heart and soul until it is humiliated and aroused and accepts the government of a righteous God who blesses those who have known the cross and are waiting for the victor's crown.

We beseech Thee to deliver all men from the unchastened bonds of selfishness which lure from the high altitude of the soul; bless them with the spirit of Him who had human hands and a human heart. Help us so to labor that each man's good shall be every man's rule, thus lifting one another to a life of mutual helpfulness. All through the days of our hope, enable us to elect for the service of humanity, the universal interest, a broader, richer devotion for the welfare of all Thy children. In the way of Him who went about doing good, inspire us not with abstractions, but with the realities of service and self-denial. In the sympathy and fortitude of our Lord, may we work zealously for the crowds whose sorrow no one mentions and nobody shares, that Thy kingdom of peace may be strengthened and secured forever. In the name of the Teacher of Nazareth. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 886. An act relating to the selective-service deferment on occupational grounds of persons employed by the Federal Government.

HOUR OF MEETING MONDAY

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock on Monday.

The SPEAKER pro tempore. Is there objection?

There was no objection.

TEMPORARY COMPENSATION, POSTAL SERVICE

Mr. BURCH of Virginia. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 1366) to provide temporary compensation for employees in the Postal Service, with Senate amendments thereto, and concur in the Senate amendments.

The SPEAKER pro tempore. The Clerk will report the title of the bill and the Senate amendments.

The Clerk reported the title of the bill.

The Clerk read as follows:

Senate amendments:

Page 2, line 8, strike out "$300 per annum" and insert "an average of $25 per month for the fiscal year or fractional part thereof: *Provided*, That the additional compensation at the rate of $300 per annum shall not be considered in computing or fixing earned basic compensation for any purpose under this act."

Page 2, strike out lines 13 to 16, inclusive, and insert:

"SEC. 3. This act shall take effect on May 1, 1943, and shall terminate on June 30, 1945 or such earlier date as the Congress by concurrent resolution may prescribe."

The SPEAKER pro tempore. Is there objection?

Mr. MARTIN of Massachusetts. Mr. Speaker, I reserve the right to object. Will the gentleman from Virginia please explain to the House the effect of these amendments?

Mr. BURCH of Virginia. Mr. Speaker, the first amendment simply clarifies the "not to exceed $300 per annum", found on page 2, line 8. It clarifies the provision of not to exceed $300 per annum for the employees on part time in the Postal Service. It provides that not to exceed an average of $25 a month shall be paid.

Mr. MARTIN of Massachusetts. And there is no real change there?

Mr. BURCH of Virginia. No real change there. Also, in the compensation over and above 40 hours, straight pay time, it clarifies that that shall be made upon the basic salary, and not with the $300 included. As for the other amendment, instead of remaining in effect during the war and 6 months thereafter, as in the House bill, it provides that it shall terminate on June 30, 1945.

Mr. MARTIN of Massachusetts. Then the gentleman's committee is unanimously in favor of the amendments?

Mr. BURCH of Virginia. Yes.

Mr. MARTIN of Massachusetts. Mr. Speaker, I withdraw my reservation of objection.

Mr. RAMSPECK. Mr. Speaker, I reserve the right to object, although I do not intend to do so. When this bill came before the House under suspension of the rules, the gentleman from Texas [Mr. POAGE] raised a question about what the effect would be on the pay of postal employees. I undertook to answer that question, and my answer has been construed by leaders of some of the postal unions, as I understand it as being in opposition to the bill. I was not opposed to the bill. I voted for it, and, as a matter of fact, I introduced a similar bill last year at the request of the employee organizations. However, I do think that in the interest of getting the facts before the public and the House, it might be well to restate what this means. Prior to something like a year ago legislation dealing with the pay of postal employees provided that they should work a 40-hour week, and that if they worked more than 40 hours in any one week, they should be given compensatory time off during the following week. Just about a year ago the House amended that legislation and provided that they could be worked beyond 40 hours a week, and paid straight pay for the additional hours of work. That legislation is still on the statute books and will again become effective April 30, when Senate Joint Resolution 170 expires. Now, we have passed a bill giving the postal employees $300 per year. As I said, I am in favor of it because I think we can justify it. It is the only increase in basic compensation to be provided for the employees for the same work since 1925. If we should apply the Little Steel formula to the Federal employees, they would be entitled to 30 percent for 8 hours of overtime and to a 15-percent increase in the basic wage rate, but we are not going that far in this legislation. It does mean, and we may as well admit it, that if they work a 48-hour week, which they are now doing under order of the President of the United States and the Postmaster General, that their weekly or monthly wage under this legislation plus the legislation passed a year ago will be 35 percent more than it was a year ago.

Mr. BURCH of Virginia. Will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. BURCH of Virginia. I have no idea that any of the postal employees think the gentleman from Georgia is opposed to this bill, because they know he has always been their friend and supported their legislation. Now, fur-

ther, I want to state that in case the postal employees did work 48 hours, then what the gentleman states would possibly be correct. But you must bear in mind that when this bill becomes effective they are only paid on straight time; they are only paid for the hours overtime they work. They will not work 48 hours. If these regulars were not working that time, substitutes would have to be used for that time, and therefore there is no additional cost on account of this bill. I want to state one other thing: Only about 33 to 40 percent of the post offices in the United States require overtime work. Some of them do not have as much work as they had before the war. So when you take it on the average, it cannot possibly be 35 percent.

Mr. RAMSPECK. Of course, the gentleman and I agree as to the facts, I think. The difference between us is that he thinks they are only going to work 40 hours after April 30, and I do not. I do not see how this Government can say to the private employers of this country, "You must work your employees in the critical labor areas 48 hours a week and pay them time and a half, and then we are going to take 200,000 employees in the Postal Service and work them 40 hours a week." It would not be right. We cannot afford to do it.

Mr. BURCH of Virginia. Do not understand me that they will work 40 hours. They will work 48 hours when needed, but it is not generally needed.

Mr. RAMSPECK. Will the gentleman answer this question: If any employee works 48 hours, under this legislation will he not get 35 percent more than he got a year ago?

Mr. BURCH of Virginia. Yes, certainly. But I make this point: If he does—and but few of them do that—if when needed they do not work 48 hours, a substitute would have to go in and work the time needed because he is only called when he is needed.

Mr. RAMSPECK. I say it is justified because of the policy we have adopted in this country for private employees. We are not going as far for the postal employees as we have gone under the Little Steel formula for private employees, by 10 percent.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. DONDERO. The joint resolution which will expire on April 30 is a resolution providing a 10-percent flat increase. Is that correct?

Mr. RAMSPECK. No. It provided 21.6 percent for most of the postal employees, and 10 percent for rural letter carriers and employees who could not work on an hourly basis.

Mr. DONDERO. Under the flat increase of $25 a month, or $300 a year, will that not be paid for the regular time put in by postal employees, rather than for any overtime?

Mr. RAMSPECK. Oh, no. That is an increase in their base pay.

Mr. DONDERO. But it will not apply to overtime pay?

Mr. RAMSPECK. No, it will not apply to overtime pay. It applies to the man who only works 40 hours a week. If he works beyond 40 hours, he will get regular, straight pay for as many hours as he works.

Mr. DONDERO. How much will it amount to in the aggregate—the total cost to the Government?

Mr. RAMSPECK. If they all work 48 hours a week, I estimate the additional cost of this bill, plus the other bill which pays them straight time, will be somewhere in the neighborhood of $175,000,000 per year. The cost of this bill is $88,000,000, and the remainder is for the extra hours worked because of the additional 8 hours per week.

Mr. DONDERO. I am like the gentleman. I also supported this bill from the Post Office Committee in the belief that the postal employees had had no increase since 1925, and we had to do something to bring them up to the level of the increased cost of living.

Mr. RAMSPECK. The gentleman is correct in that, and I justify it because we are still not doing as much for them as we require the private employer to do for his employees under the Little Steel formula.

Mr. PACE. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. PACE. I understand that where an employee works in excess of 40 hours he is not paid time and a half for the excess time.

Mr. RAMSPECK. That is correct. He only gets straight time.

Mr. PACE. And, secondly, of course that extra time or extra compensation for the extra time would not apply to rural carriers, but the only increase they would get under both bills would be this increase under the present bill of $300 a year?

Mr. RAMSPECK. That is correct. All they would get out of any legislation now pending or that has been passed would be $300 after April 30. They get the 10 percent increase now under that joint resolution.

Mr. PACE. And that will not be in effect beyond?

Mr. RAMSPECK. That is correct; it expires on April 30, 1943.

Mr. HOFFMAN. Will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. HOFFMAN. You were speaking of the Little Steel formula. Does that apply to Congressmen?

Mr. RAMSPECK. No; it does not apply to Congressmen or to any other Federal employee.

Mr. COLE of Missouri. Will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. COLE of Missouri. This straight time pay for overtime worked is figured on the old basic rate of pay and the $300 increase is not included in computing that under the Senate amendment?

Mr. RAMSPECK. This is correct under the Senate amendment. I doubt whether that would have been the situation under the bill as it passed the House, but it has now been made certain under the Senate amendment that 20 percent for 8 hours' additional work will be paid on the basic salary of $2,100 for a letter carrier or postal clerk.

Mr. COLE of Missouri. That is, the $25 additional per month is not considered.

Mr. RAMSPECK. That is correct.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia [Mr. BURCH]?

There was no objection.

The Senate amendments were agreed to.

A motion to reconsider was laid on the table.

TERM OF THE PRESIDENT OF THE UNITED STATES

Mr. MASON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. MASON. Mr. Speaker, we witness today a grass-roots demand that—

> No person who has been twice elected to the office of President of the United States shall thereafter be eligible for reelection to such office.

This demand is spreading like a prairie fire through Midwestern States, in the form of resolutions passed by State legislatures, my own State, Illinois, being one of the first. In response to the action of the Illinois Legislature I have this day introduced a joint resolution proposing an amendment to the Constitution of the United States which, if adopted, would disqualify any person from serving as President for more than two elective terms.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. MASON. I yield.

Mr. RANKIN. Why do not you Republicans just come across now and adopt the Confederate Constitution which limited the term of the Presidency to 6 years and which provided that he could not succeed himself?

Mr. MASON. I think that is a pretty good idea at this particular date.

APPOINTMENT OF MR. DAVIS AS FOOD ADMINISTRATOR

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, in my judgment the appointment of Mr. Chester C. Davis to be Food Administrator is an excellent appointment. I only hope that in Mr. Davis' hands will be sufficient power with regard to farm prices, machinery, and labor to enable him to do this job in the way I am certain he is competent to do it.

EXTENSION OF REMARKS

Mr. FORAND. Mr. Speaker, I ask unanimous consent to extend my own remarks and include the script used by Mr. Richard Harkness and myself on the air last night to describe the Forand-Robertson plan.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein extracts from letters received from canners from the State of Indiana.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. GRANT of Alabama. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Alabama [Mr. BOYKIN] may extend his own remarks in the RECORD and include therein an editorial from the Mobile Labor-Journal.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

APPOINTMENT OF MR. DAVIS AS FOOD ADMINISTRATOR

Mr. HOPE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. HOPE. Mr. Speaker, on Thursday of this week it was announced that Chester C. Davis had been appointed as Food Administrator. This is an excellent appointment—one of the best that the President has made. Mr. Davis' previous service with the Government has demonstrated his ability in the field of Government administration. There is no man in the country who knows the over-all agricultural situation better than he.

Press reports, however, indicate that Mr. Davis has been given no authority over the food situation excepting a part of that which had previously been given Secretary Wickard. If this be true, it is difficult to see how the appointment of Mr. Davis can do more than add to the great confusion which already exists in the field of food production and distribution. Secretary Wickard has never had a chance as Food Administrator. He has had the job but not the power to carry it out. No Administrator can successfully meet the food crisis confronting the country today unless he is given broad authority over farm prices, farm manpower, and the production of farm machinery and equipment. I hope that Mr. Davis has not accepted this appointment without having a definite understanding that he is to have adequate powers to meet what is becoming an increasingly critical situation. If he does not have, it will make matters worse rather than better.

CUMBERLAND GAP NATIONAL HISTORICAL PARK

Mr. PETERSON of Florida. Mr. Speaker, I ask unanimous consent to take from the Speaker's table and immediately consider the bill (H. R. 1896) to amend sections 1 and 2 of the act approved June 11, 1940 (54 Stat. 262), relating to the establishment of the Cumberland Gap National Historical Park in Tennessee, Kentucky, and Virginia, and to grant the consent of Congress to such States to enter into a compact providing for the acquisition of property for such park, with amendments recommended by the committee.

The Clerk read the title of the bill.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, as I understand it, this is a unanimous report; that the bill simply limits boundaries by transferring some land from public to private ownership.

Mr. PETERSON of Florida. The gentleman is correct. The bill was reported out unanimously by the Committee on the Public Lands. It had been found difficult to acquire some of the land set forth in the original boundary. This bill curtails the boundary a little. It takes no funds. The States will enter into a compact with reference to the funds.

Mr. MARTIN of Massachusetts. Mr. Speaker, I withdraw my reservation of objection.

Mr. ROBSION of Kentucky. Mr. Speaker, reserving the right to object, this bill deals with the national park at Cumberland, Tenn.?

Mr. PETERSON of Florida. Yes; and it was reported unanimously by the committee. There were certain features which the original bill contemplated including, but these tracts we have not been able to acquire. This bill reestablishes the boundaries on a somewhat smaller scale.

Mr. ROBSION of Kentucky. I appreciate the action taken by the gentleman's committee and strongly favor the amendments. I think it ought to be done.

Mr. PETERSON of Florida. I thank the gentleman. I know the gentleman is very much interested in the Cumberland Gap National Historical Park.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That sections 1 and 2 of the act approved June 11, 1940 (54 Stat. 262; 16 U. S. C., 1940 ed., title 16, secs. 261, 262), relating to the establishment of the Cumberland Gap National Historical Park, are hereby amended to read as follows:

"That when title to such lands, structures, and other property in the Cumberland Gap-Cumberland Ford areas, being portions of the Warriors Path of the Indians and Wilderness Road of Daniel Boone, within Bell and Harlan Counties, Ky.; Lee County, Va.; and Claiborne County, Tenn.; and may be determined by the Secretary of the Interior as necessary or desirable for national historical park purposes, shall have been vested in the United States, such area or areas shall be, and they are hereby, established, dedicated, and set apart as a public park for the benefit and inspiration of the people and shall be known as the Cumberland Gap National Park: *Provided*, That the United States shall not purchase by appropriation of public moneys any lands within the aforesaid area.

"SEC. 2. The total area of the Cumberland Gap National Historical Park, as determined pursuant to this act, shall comprise not less than 6,000 acres and shall not exceed 50,000 acres, and lands may be added to the park following its establishment within the aforesaid limitations. The park shall not include any land within the city limits of Middlesboro and Pineville, Ky.; Cumberland Gap, Tenn.; which the proper officials thereof shall indicate to the Secretary of the Interior prior to the establishment of said park are required for expansion of said cities.

"(a) The consent of Congress is hereby given to the States of Tennessee, Kentucky, and Virginia to enter into a compact providing for (1) the acquisition of the lands, structures, and other property in the Cumberland Gap-Cumberland Ford areas referred to in section 1 of such act of June 11, 1940, as amended by this act, and (2) the transfer of title to such lands, structures, and other property to the United States.

"(b) The right to alter, amend, or repeal this section is hereby expressly reserved."

With the following committee amendments:

Page 2, line 6, strike out "and" and insert "as."

Page 2, line 12, after "National", insert "Historical."

Page 2, line 4, strike out "area" and insert "areas."

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. O'HARA. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a speech by Henry M. Wriston, president of Brown University.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota [Mr. O'HARA]?

There was no objection.

Mr. O'BRIEN of New York. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a letter sent to the Honorable James F. Byrnes, Chairman of the Economic Stabilization Board.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. O'BRIEN]?

There was no objection.

Mr. MANSFIELD of Montana. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an article from the Daily Missoulian of Sunday, March 21, 1943.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana [Mr. MANSFIELD]?

There was no objection.

Mr. JENSEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a letter to me from Mr. W. H. Badeaux, secretary of the Iowa Retail Lumbermen's Association, together with short statements from 45 farmers.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa [Mr. JENSEN]?

There was no objection.

WASTEFUL EXPENDITURES BY GOVERNMENT DEPARTMENTS

Mr. HARNESS of Indiana. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana [Mr. HARNESS]?

There was no objection.

Mr. HARNESS of Indiana. Mr. Speaker, I have before me what purports to be a news map sent out each week by the War Department from the Industrial Division. This map was sent to me by a small manufacturer in my district who said he received it once a week and he assumed there were literally thousands of them going out through the country.

I think it appropriate to bring this to the attention of the House now while we

are considering the biggest revenue-raising measure in the history of the Republic. This, in my opinion, is a needless waste of money and a waste of paper at a time when the O. P. A. is cutting down on newsprint and magazine paper. This goes out from the War Department to industries throughout the United States.

May I say further, Mr. Speaker, this map is about 3 by 5 feet, printed on heavy semigloss paper and in five or more colors.

Mr. RANKIN. Will the gentleman yield?

Mr. HARNESS of Indiana. I yield to the gentleman from Mississippi.

Mr. RANKIN. Has the gentleman seen that communistic magazine, 2,000,000 copies of which the O. W. I. is now mailing to all Negroes in the country? If he has not, he will certainly vomit when he reads it over.

Mr. HARNESS of Indiana. No; I have not seen the publication to which the gentleman refers.

The SPEAKER pro tempore. The time of the gentleman has expired.

EXTENSION OF REMARKS

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein certain newspaper material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia [Mr. RANDOLPH]?

There was no objection.

Mr. COMPTON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a table.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut [Mr. COMPTON]?

There was no objection.

Mr. STEFAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a letter from a farmer.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Nebraska [Mr. STEFAN]?

There was no objection.

Mr. GORDON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a resolution from the Chicago Federation of Labor concerning an adequate provision for the National Resources Planning Board.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois [Mr. GORDON]?

There was no objection.

Mr. SMITH of Ohio. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a short resolution from a Kiwanis Club, Mount Gilead, Ohio.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio [Mr. SMITH]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. GILLIE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana [Mr. GILLIE]?

There was no objection.

[Mr. GILLIE addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. GILLIE. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include a letter from Bishop Noll, of Fort Wayne, Ind.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana [Mr. GILLIE]?

There was no objection.

Mr. HEIDINGER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a resolution adopted by the General Assembly of the State of Illinois.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois [Mr. HEIDINGER]?

There was no objection.

CALENDAR WEDNESDAY BUSINESS DISPENSED WITH

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule for next week be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia [Mr. RAMSPECK]?

There was no objection.

PUERTO RICO

Mr. SABATH, from the Committee on Rules, submitted the following privileged resolution (H. Res. 159), which was referred to the House Calendar and ordered printed:

Whereas various and sundry legislation has been submitted to the House of Representatives and particularly that embodied in House Joint Resolution 47, H. R. 784, H. R. 1018, H. R. 1019, H. R. 1248, and H. R. 1393, with special reference to the political, economic, and social conditions in Puerto Rico; and

Whereas the President has submitted a recommendation to Congress embodied in House Report No. 126, Seventy-eighth Congress, and relating to political affairs affecting Puerto Rico; and

Whereas an inquiry and investigation into and a study of the political, economic, and social conditions in Puerto Rico are material and necessary to the proper performance by Congress of its legislative functions and duty relative to the legislation hereinbefore mentioned and for the purpose of guiding and assisting Congress in the introduction and passage of such other or further legislation as may be found necessary or advisable: Therefore be it

Resolved, That the Committee on Insular Affairs, acting as a whole, or by a subcommittee or subcommittees, appointed by the chairman, is authorized and directed to conduct a study and investigation of political, economic, and social conditions in Puerto Rico.

The committee shall have the right to report to the House at any time the results of its studies and investigations together with such recommendations for legislation as it may deem advisable.

For the purpose of this resolution the committee, or any subcommittee or subcommittees thereof, are authorized to hold such hearings, to sit and act during the present Congress at such times and places as it deems necessary whether or not the House is in session, has recessed, or has adjourned, and to require the attendance of such witnesses and the production of such books, papers, and documents by subpena or otherwise, and to take such testimony as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee and shall be served by any person designated by such chairman. The chairman of the committee or any member thereof may administer oaths to witnesses.

In the event the committee transmits its report to the Speaker at a time when the House is not in session, as authorized herein, a record of such transmittal shall be entered in the proceedings of the Journal and CONGRESSIONAL RECORD of the House on the opening day of the next session of Congress and shall be numbered and printed as a report of such Congress.

AMENDMENT OF SELECTIVE TRAINING AND SERVICE ACT OF 1940

Mr. SABATH, from the Committee on Rules, submitted the following privileged resolution (H. Res. 192), which was referred to the House Calendar and ordered printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 1730) to amend paragraph (1) of section 5 (e) of the Selective Training and Service Act of 1940, as amended. That after general debate, which shall be confined to the bill and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Military Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

PERMISSION TO ADDRESS THE HOUSE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. RANKIN. Mr. Speaker, I had the office of the gentleman from Wisconsin [Mr. KEEFE] called to notify him that I was going to make these few remarks.

On yesterday the gentleman from Wisconsin took me to task for a suggestion I made a day or two before, when he was demanding that we do something about bureaucrats in this Government. On yesterday he said:

At no time have I ever demanded that certain Communists be taken off the pay roll and then voted the other way.

He did admit that he voted against striking from the pay roll a Negro the Dies committee had found to be a Communist. So it must have been Democrats and Republican bureaucrats that he was complaining about.

He said in his extension of remarks:

The gentleman from Mississippi may continue his advocacy of "legislative lynch law" if he so desires.

What he meant was that I was backing up the Dies committee; and by that

statement he brands the Dies committee as guilty of advocating "legislative lynch law" because it recommended striking from the pay roll a Negro Communist who is drawing a salary of $5,600 a year. The Dies committee showed that he belonged to 21 subversive organizations and had made Communist speeches practically all over the world.

If it is "legislative lynching" to vote to drive from the pay roll of this Government a Negro Communist or a white Communist the Dies committee has found to be guilty of advocating the overthrow of this Government by force and violence, then I must plead guilty to the charge of the gentleman from Wisconsin [Mr. KEEFE], who voted the other way.

EXTENSION OF REMARKS

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial.

The SPEAKER pro tempore. Is there objection?

There was no objection.

INDIVIDUAL INCOME TAX COLLECTION BILL OF 1943

Mr. DOUGHTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 2218) to provide a method for the payment currently of individual income taxes, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 2218, with Mr. BULWINKLE in the chair.

The Clerk read the title of the bill.

Mr. DOUGHTON. Mr. Chairman, I yield 30 minutes to the gentleman from Virginia [Mr. ROBERTSON], a member of the committee.

Mr. ROBERTSON. Mr. Chairman, for me this has been the most difficult session of the Congress of the past 10 years. We are in the midst of a global war, a terrible war, and it brings domestic problems scarcely less difficult than the major problem of winning the war. Almost every week we are called upon to face up to some categorical imperative without the aid of an empiric device. As Benjamin Franklin once said, "We are groping in the dark, as it were, for political truth, scarce able to perceive it when presented to us."

We are dealing here today with a great economic problem, one affecting not only some 44,000,000 taxpayers but all the one-hundred-and-thirty-two-million-odd people of the United States. It is a technical problem, a difficult problem, a difficult problem. Frequently members of the Ways and Means Committee are asked, "Why do you not make the business of paying taxes simple and easy?"

You might as well ask, Why do you not make differential calculus simpler and easier? The bigger your tax collections grow, the more difficult your problem grows.

For the first 15 years that we had income-tax laws we collected less than the tax liability for 1942. When we were attempting to collect two or three hundred million dollars, even a billion dollars in 1 year, the old collection system worked; it was good enough. When we faced up to the problem of collecting $10,000,000,000 of taxes for 1942, $13,000,000,000 of taxes for 1943, and perhaps $20,000,000,000 of taxes before this terrible war is over, we reached the conclusion that the method of collecting income taxes is not adequate. So our committee started to work to see if we could not bring to you a better method, a method geared to the current problem.

In discussing today the various proposals that have been made to meet this troublesome problem I wish to make it very clear that I have no pride of authorship in the plan that I have proposed and to which certain newspapers have attached my name. My sole interest is in the welfare of this Nation. Had I sought to get any personal advantage out of my plan I would have catered to certain members of our committee with the hope that they would have given me their personal support for the plan I sponsored. I certainly would not have vigorously opposed in the committee the plan offered by the distinguished chairman, whom I love and admire, and he knows it. In the committee I pulled no punches against any plan that I did not think met the issue or would advance the general welfare of the Nation. It has been suggested to me that in speaking today I tread softly when it comes to Mr. Ruml or when it comes to the distinguished gentleman from Kansas [Mr. CARLSON], who is my friend, who is one of the ablest Members of this House, and who is an honor to his district, his State, and his party, in order that maybe, if his plan be not adopted, I could get some support from the Republican Party for my plan in the next go-around.

I want to tell you gentlemen that it makes no difference to me, personally, whether you vote for my plan or what plan you vote for. I do not propose to pull my punches about Mr. Ruml's plan or to shade in any way, shape, or form the objections that I see to the plan that has been proposed by my friend the gentleman from Kansas [Mr. CARLSON].

We are dealing, as I say, with an economic issue, and if that issue be settled correctly it will be settled on the basis of merit; it will be settled on the basis of facts.

I regret that there has been injected into the debate over the last 2 days what I regard as a sour and foreign note, what was clearly intended to be an appeal to passion and class prejudice. "What is truth," said jesting Pilate, "and would not stay for an answer." Then, turning to the multitude, he asked if he might release the incarnate Spirit of Truth. The mob howled, "No, give us Barabbas," and the simple record then said, "Now, Barabbas was a robber."

Last summer before the metropolitan press created all of this hullabaloo about turning the clock ahead and forgiving everybody's taxes for 1942, Mr. Ruml appeared before the great Senate Finance Committee with his plea and got three votes, and only three.

That committee then, desiring to do something to meet a new collection problem, facing the necessity of collecting an unprecedented amount of taxes, considered the proposal offered by Senator BYRD, of Virginia, to waive for all taxpayers the first 10 units of their tax liability. On both sides of that Senate committee there was support for Senator BYRD's proposal, and it lost by a majority of 1.

I did not hear any leader of this House condemn Senator BYRD and the Republicans on the Senate Finance Committee who supported that proposal, not of 19 units as I propose but of the first 10 units for everybody, as being the stooges of the C. I. O. or as proposing a C. I. O. socialistic program that violated every fundamental principle of justice for the rich.

I say we are dealing with an economic issue, and it is no compliment either to the intelligence or the fairness of the Members of this House to think that they will resolve this problem on the basis of an appeal to class prejudice. If the plan I propose be fair, if it be just, if it has in it the element of truth and merit, then endorsement of it by the C. I. O. cannot make it bad. If on the contrary it be bad, no endorsement the C. I. O. or any other agency can give it would make it good.

I hope for the rest of this debate my distinguished friends will see fit to advance the merits of the plans they support, point out the defects of the plans to which they are opposed, and leave all appeal to passion and prejudice out of their argument.

As I have just indicated, Mr. Ruml got three votes in the Senate for his plan last year. Not a single Member of the House would introduce his plan. Up to this minute they have not done it. Why? Not a Member of this House could face the issue of the windfall that echo said was in the proposal. They could not do it.

My friend from Kansas modified the Ruml plan before he introduced it. He cut the windfall to $9,800,000,000. But he is a very conscientious man, seeking to serve the public. He was still troubled in spirit and worried about these windfalls. He looked over his handiwork and decided it was not good. He cut the windfalls again, and this time he got the figure down to $9,400,000,000. Again he viewed his handiwork and again he was not satisfied with the job he had done. Again he took the pruning knife, and on his last effort he pruned it down to $9,340,000,000.

In a spirit of levity I said to him—and I love him; he is a great man—"Make one more move and you are down to the Robertson plan."

Why do I say that the Carlson plan as modified still provides windfalls that give us pause? Why do I say that this plan, as important as it may be to get on a pay-as-you-go basis—as important as it may be—facing a $10,000,000,000 or $15,000,000,000 liability, to have as many

taxpayers current as possible, still has windfalls at a price too high to be paid?

In 1940, when the flames of war had enveloped Europe and the four horsemen of the apocalypse were riding roughshod, with women and children not escaping famine and disease, we envisioned the possibility that those flames might extend to us. In January 1940 we commenced what we called a defense-spending program. When we commenced a defense-spending program we commenced war taxes with which to meet that spending, and we imposed war taxes in 1940, 1941, and 1942.

On an income of $1,000,000 the total increase of war taxes for 1940, 1941, and 1942 amounted to $268,000. If under the original Ruml plan—and, as I say, only about $60,000,000 of the windfall has been taken out of that by the last Carlson plan—we waive the 1942 liability of $854,000, that taxpayer would not pay one cent toward the war effort in war taxes unless the war lasted for 3 more years—a global war, a people's war, a war which we said will not be the rich man's war and the poor man's fight, a war which we said we will prosecute on the fundamental principle of Jeffersonian democracy—equal burdens for those that are to get equal benefits and special privileges for none.

I tell you, you cannot successfully defend any proposal that goes before the country and says to a group of rich people, "You do not have to pay 1 cent of war tax until this war lasts for 3 more years, after 1943." The most fallacious argument that Mr. Ruml presented was that after the war is over the national income will continue to rise until it reaches the unprecedented, the almost astronomical figure of $180,000,000,000 a year. He argued on the basis of that, that we would suffer no loss by immediately writing off a current liability of $10,000,000,000. He said the income will keep going up. That is a fine argument to be presented by the chairman of the board of the Federal Reserve Bank of New York City. We could get $180,000,000,000 income on the basis of printing-press money, but what we are afraid of, what we are trying to do in writing a tax bill, is to use that in part as a safeguard against inflation. Do not think when we finish this collection bill we are through with taxes. According to Dr. Gallup, the rank and file of the people of this Nation think that we are starting out to run a gravy train, and all that is involved is to hand out bounties, and the only argument is, Who is going to get the biggest hand-out?

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. ROBERTSON. I shall be very happy to yield after I get through with a few scattered thoughts. I have no manuscript, and I would rather finish what I have in mind before I yield. When I have gone 15 minutes, I shall be happy to yield whether I have finished or not.

Mr. Chairman, what we fear is unemployment after this war.

The crocodile tears shed by Mr. Ruml have been for that war worker who will have no employment when this war ends, and he says, make it better for him by turning the clock ahead a year, but he has not said what it does for the millionaire, or for those who need no guardian, which constitute about one-tenth of 1 percent of the taxpayers, the group that makes $25,000 a year or more. Suppose a man made $200,000 in 1942. He dies in 1943. Mr. Ruml says that you do not lose anything. The tax on that income was $174,000. The estate tax on that amount would be about $50,000. That is the difference for him. Suppose that business executive is making $200,000 a year, and is 60 years old, and wants to retire when he is 65 years old. Under the Carlson bill he will earn $200,000 a year for 6 years, and he will pay taxes on that for 5 years, and then he steps out of the picture, and lets somebody else get into the vineyard and labor. Under the Ruml plan the national income does not immediately go down. Under none of the plans does it go down immediately, but when your national income eventually falls, you will have a loss. You have written off $10,000,000,000, and it is no use trying to kid yourself that you have not lost an asset when you do it. Under the Ruml plan, if you go to get it back, you will find inherent in it a redistribution of the tax burden. You cannot go back to the man paying a top of 90 percent and ask him to ante up more. You go back to the lower and middle income groups if you try to make up in future years what you will need to keep this Government going. When Mr. Ruml appeared before us I conceded the necessity of a pay-as-you-go plan, and I tried to meet that issue by offering one myself. In doing so I said that if somebody offered a better one I would be happy to adopt that. I threw mine out for discussion and analysis. We went through all of the hearings, all of the executive sessions, and I reached the conclusion that no better one had been offered, and so I stuck with it until the final vote, and I voted for the committee bill because I was not willing for the committee not to bring out a bill. I voted for the committee bill because it was embodying half of my bill, and therefore I thought to that extent it was good. Why call that a monstrosity, when it is incorporated in the Carlson bill, and all of the Republicans, according to the press, said that they would vote for it? It is also in the Forand bill. So, so far as withholding is concerned, it is not easy to call that a monstrosity. That is what everybody is going to vote for, if we vote for any bill at all. I assure you that we are not going to leave this Chamber next week some night and tell the country that we have not done anything at all. We are going to do something. We are going to bring out some kind of a bill, and if it is not like some of us wish, the Senate still has a chance at it. I now yield to the gentleman from Minnesota.

Mr. KNUTSON. Mr. Chairman, the gentleman is making a very fine statement.

I want to compliment him on being one of the very few members of the Ways and Means Committee who has been consistent throughout.

Mr. ROBERTSON. I thank the gentleman.

Mr. KNUTSON. I presume the gentleman will discuss the committee bill before he takes his seat. I want to ask the distinguished gentleman from Virginia if it is not true that under the committee bill, with its 4-percent annual discount, an entire year of taxes will be wiped out in 25 years?

Mr. ROBERTSON. Well, that is based upon the supposition that a man will pay in advance for 25 years. It is theoretically possible but not practically feasible.

Mr. KNUTSON. We are told by experts that the average expectancy of those paying income taxes, at an average age, will be 25 years.

Mr. ROBERTSON. But from a practical standpoint, will not my distinguished friend agree that we are going to vote for the withholding tax in the committee bill because it is in the Carlson bill, it is in the Forand bill and it is in the committee bill, and the argument is not on that, but the argument is on the "gravy train."

Mr. COOPER. Will the gentleman yield?

Mr. ROBERTSON. I yield.

Mr. COOPER. I am sure the gentleman will not have to devote much time to thinking through the question as to whether it is better to spread out a little forgiveness over 25 years than to give 100-percent forgiveness in 1 year in the midde of a war?

Mr. KNUTSON. But under the committee bill very few will become current and the gentleman will admit that was the objective we started out with. Is that not true?

Mr. ROBERTSON. That is the reason I wanted to be pardoned for taking a minute or two to say that I think my plan is better not only than the Carlson plan but also the committee plan.

Mr. KNUTSON. Pour a little oil of lavendar on the committee bill.

Mr. ROBERTSON. One criticism, if it be called a criticism, of the committee bill is that we set out to get a pay-as-you-go plan and make people current. The plan I offered, to waive 19 units, the 6-percent normal and 13-percent first-bracket surtax, will make 90 percent of the people current; 99 percent, 75 percent or more current; and for an income up to $5,000 net before exemption, by the payment of only 1.1 percent more he can become current; less than $5,000, not as much as 1 percent; and you will have 96 percent of them current under my plan, and no windfall for anybody. Now, as to whether that is socialistic, as to whether it is unfair to the rich, bear in mind it was pointed out by the gentleman from New York [Mr. REED] that that was the exemption in the 1913 act. Last year we lowered the exemption and brought in about 12,000,000 new taxpayers. Those additional taxpayers, out of an increase of $1,100,000,000, contributed $100,000,000. Those already paying taxes put up the other billion dollars. That was not called socialistic.

That was not called unfair to the rich. A lot of the rich asked us to do it. They said, "I want to make that fellow down there who is a free spender tax conscious, so that he won't keep running to Congress and asking for an appropriation." They did not call it unfair.

Now, I took the reverse of that in this proposal, and by indirection raised the exemption, and when you raise the exemption you let 90 percent of them out. The other 10 percent get their proportionate rebate, too. For the man with a million dollars it amounts to approximately $190,000. I have not figured it out for the $2,000,000 man because I do not know who he is, and perhaps he does not exist any more.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. ROBERTSON. I yield.

Mr. VOORHIS of California. Is this not important, too, that assuming we are going to have to raise additional revenue in the future, it will have to come out of the general, ordinary taxpayers, because you cannot get much more out of the higher brackets even if you tried?

Mr. ROBERTSON. The gentleman is clearly right. When additional taxes are collected, either by raising income rates or a general sales tax most of the new burden will fall on the low and middle income groups. You cannot get much more out of those now paying 90 percent. As I say, we must forget that the major thing is handing out bounties. Our major program is to get more money. The President says we must have sixteen billions in addition to what the present rates will yield. Where are you going to get it? We are trying to make some concession to a bad collection problem. The majority committee report says "Do not forgive anybody's taxes." I would be for that if it would make them current. I am not for forgiving anybody because I want to be generous, as we have to raise more taxes when this bill is behind us. Do not forget that.

Mr. VOORHIS of California. But under the gentleman's plan the tax brackets who would be relieved of paying the 1942 tax, under his plan, are the same ones who are going to have to bear the bulk of the additional burden of increased taxes in the future. In other words, it seems to me the abatement provided in the gentleman's plan is abatement to those same tax brackets where the additional burden will mostly fall.

Mr. ROBERTSON. The gentleman is right. My present objective is to make current and thus take care of that group when the war suddenly ends and a big tax liability will have accrued and men will not have jobs, else we may have chaos after the war. I want to make that worker current if we can, and then we can take up who is going to pay what, for the next increase. But let us now tell him, "Do not let this war-tax nightmare hang over you. We will make 96 percent of you current, but you may have to pay some more taxes, but you will pay it as we go along."

Mr. COOPER. Will the gentleman yield?

Mr. ROBERTSON. I yield.

Mr. COOPER. I wanted to ask the gentleman one question before the gentleman from California [Mr. VOORHIS] asked his question. The gentleman mentioned forgiveness as provided under the Ruml plan. The gentleman will recall that every dollar we are asking the individual taxpayer of this country to pay for 1942 was the tax imposed by the 1942 revenue act, which passed this House, as I recall, with only 2 votes against it.

Mr. ROBERTSON. And when Mr. Ruml was before our committee I said, "Mr. Ruml, do you think the rates of the 1942 act were fair and just?"

He said: "I think so."

"Are you seeking to change those rates, Mr. Ruml?" He said: "I am not."

Mr. DEWEY. Mr. Chairman, will the gentleman yield?

Mr. ROBERTSON. I yield to the gentleman from Illinois.

Mr. DEWEY. My distinguished friend and colleague from Virginia and I at various times talked over certain sections of the taxpayers.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. DOUGHTON. Mr. Chairman, I yield 3 additional minutes to the gentleman from Virginia.

Mr. DEWEY. I refer to that section of the taxpayers which I call the middle section that I thought were not dealt with fairly in the other tax reductions that we have had. These, as the gentleman well knows and as I mentioned yesterday, have been done on a percentage basis and not on a percentage point basis. In the chairman's proposal that was spoken of as the Doughton No. 2 plan it was a flat 50-percent proposal. Is it not true that when you get on a percentage point basis that a reduction of 19 percent means 100 percent for a certain group and only a smaller percentage for people in the higher brackets? I think it is not fair.

Mr. ROBERTSON. That may be true, but on the contrary, under the Carlson plan, the forgiveness means 3 years' of savings for the rich man and 1 week's savings for the poor man. You can just pay your money and take your choice as to which is preferable.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. ROBERTSON. I have but 2 more minutes in which I want to say something for myself.

Mr. COOPER. But the gentleman knows they do not impose taxes by percentage; they impose them by percentage points.

Mr. DEWEY. But by a system of progression.

Mr. ROBERTSON. As I said, Mr. Chairman, it is immaterial to me which plan you take. I am trying simply to give you my impression of a plan that will take care of 90 percent of the taxpayers without any windfall. If you do not approve I will not quarrel with your viewpoint; but I have taken my position. I concede to you the right to take yours.

One of my friends said to me yesterday afternoon that if the Members of the House got tired hearing me talk about taxes I could make them a speech on Robert E. Lee. I said that there was nothing I would love more than to tell them about the greatest military leader the world has yet produced, and withal an outstanding Christian gentleman. I am not going to make a speech about Robert E. Lee, but I want to quote one sentence from a letter. When writing to his son at West Point that great leader said:

> Duty then is the sublimest word in our language. Do your duty in all things. You cannot do more. You should never wish to do less.

May the Father of Light illuminate our understanding as we seek to know our duty; and, as we do it may one and one-half centuries of American constitutional freedom look down upon us with approval.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. KNUTSON. Mr. Chairman, I yield 20 minutes to the gentleman from Kansas [Mr. CARLSON].

Mr. CARLSON of Kansas. Mr. Chairman, it is a pleasure to follow the distinguished gentleman from Virginia [Mr. ROBERTSON]. He has made a very fair statement for his proposal. The gentleman from Virginia and I are not very far apart on the objective of getting taxpayers current.

Before I discuss my own proposal I will say just a few words on the committee bill.

DISCOUNT PROVISIONS

Let us see how the committee discount provisions would apply in the case of a Government stenographer earning $1,500 a year.

She now owes $181 tax on her 1942 income. Last March 15 she filed a return and paid one-fourth of the tax, or $45.25. She still owes $135.75.

Now, let us make a violent assumption. Let us assume that she has some extra funds on hand and wants to take advantage of the committee's discount provisions by paying both her 1942 and 1943 tax liabilities in 1943. How much will she get in the way of discount?

In order to qualify for the discount, she must first pay her 1942 tax in full. If she does this by June 15, she will have to pay at that time her second, third, and fourth installments, amounting to $135.75. This would place her in a position to claim discount on the prepayment of her 1943 liability.

Now, what will the 1943 liability be? It will be the same as in 1942, except that a $52 Victory tax will be added, making her total tax $233 for 1943. Allowing for the 25-percent post-war credit against the Victory tax, her net 1943 liability will be $220.

If she were not subject to withholding at the source, she could discharge her $220 1943 liability by paying $206.80 on June 15, in addition to the balance of her 1942 tax. Thus her discount would be $13.20. Her total payments in 1943, out of the $1,500 income, would be $181 plus $206.80, or a total of $387.80.

This $1,500 stenographer, however, cannot take advantage of the 6-percent discount because her tax will be withheld at the source beginning July 1. If she pays her back tax in full, the amount

withheld at the source entitles her to a 3-percent discount against the 1943 tax to which it is credited. Since she is paid twice a month, and receives $62.50 each pay day, the amount withheld from her will be $9.30, or a total of $111.60 for the last 6 months of 1943, which is approximately one-half the 1943 liability. This would earn a 3-percent discount of $3.35. By prepaying the other half June 15, this stenographer could earn a 6-percent discount on the $108.25 of the 1943 liability which would remain, or $6.50. Thus her total discount would be $3.25 plus $6.50, or $9.75. And in order to earn this small discount, she would have to pay in 1 year, out of a $1,500 income subject to other deductions—such as 5 percent for retirement, 10 percent for War bonds, and so forth—$181 plus $210.25, or a total of $391.25.

Now, in comparison with the $9.75 which this $1,500 stenographer would get, let us see what the man with a million-dollar income would get. His 1942 tax would be $854,616. His 1943 tax, including the net Victory tax liability, would be $899,500. By paying his 1942 tax June 15, and by prepaying his 1943 tax on the same date, he would earn a discount of $53,970.

The chairman of the Ways and Means Committee and other Members have inferred that there is no difference between the withholding provisions of my bill and of the committee bill. There is a vital difference in this respect: The withholding under the committee bill is applied in the first instance to the payment of the past year's liability. Under my bill, the amount withheld is credited in all instances to the current liability. There is just as much difference between the two as between black and white in this respect. The only similarity is in the mechanical details of the withholding. Where we differ is in regard to what the withholding is credited against. I hope that this difference is clear to the House.

I appreciate very much the opportunity to enter into this dicussion on pay-as-you-go taxation. I do not believe anyone can approach this problem with an unbiased viewpoint without reaching the definite conclusion that our tax collections must be placed on a current basis. It is a fundamental change in our income-tax law and one that should be debated and discussed from every angle. The change is of vital importance to the Treasury, as well as the taxpayers. The issue is clearly drawn and I hope that after the debate is over and the vote is taken it can be said of the Members of the House of Representatives that they had the courage to approve a bill that would remove the tax debt that hangs over all taxpayers and make personal income tax payers current.

This personal income tax indebtedness if a threat to the solvency of our Federal Treasury and a millstone around the neck of the taxpayer.

Under our present law personal income tax payers are 1 year behind. That is, they must pay in 1943 a tax based on their 1942 income. If the taxpayer suffers a serious reduction in income, or loses his job, or dies, the tax debt for the prior year becomes a serious problem.

There are two, and only two, methods of getting the taxpayers immediately on a current basis. First, Congress can base this year's tax on this year's income. In other words, move the tax clock ahead 1 year. Second, Congress can try to collect 2 years taxes in 1 year; in other words, levy an impossible burden of double taxation. These are the only two alternatives. Proposals to collect the 1942 liability in whole or in part in addition to current taxes over a period of years also involve some degree of double taxation and also continue the objectionable overhanging income-tax debt.

For several months I have been studying this problem and am convinced that the only practical way to remove the personal income tax debt is to assess the personal income tax on current income and collect it out of current income. If the problem is as serious as I firmly believe it is, our Nation can well afford to pay whatever the cost may be, if any. This fundamental change in our income-tax law is proposed for all years in the future, and the benefits of the change would continue to accrue, both to taxpayers and the Treasury.

Many economists and tax authorities have offered various proposals to get our taxes on a current basis. One of the original sponsors of a pay-as-you-go tax plan and an outstanding tax authority in the United States, Mr. Beardsley Ruml, of New York City, has proposed the plan which has received Nation-wide approval. It is commonly referred to as the Ruml plan. Mr. Ruml is Chairman of the Federal Reserve Board of New York and treasurer of R. H. Macy & Co., Inc. He was first formerly associated with the administrative branch of the Federal Government in 1930 as a member of Col. Arthur Wood's committee on employment, and more recently as adviser of the National Resources Planning Board. He has also served as a member of the advisory committee of the Division of Cultural Relations of the Department of State, of the advisory committee of the Coordinator of Inter-American Affairs, and of the advisory council of the Department of Agriculture.

Mr. Chairman, before the end of the Seventy-seventh Congress I began studying the problems connected with getting our tax payments on a current basis. I approached this subject with an open mind and studied every plan I could secure. I can definitely state that, in my opinion, just criticism can be levied at any or all of them. It was after this study and research that I reached the conclusion that the Ruml plan offered the best solution to our problem of getting taxpayers current.

Either the tax clock must be advanced 1 year or there must be a collection of 2 years' taxes in 1 year. My knowledge of the economic problems of the American people convince me that our taxpayers cannot pay 2 years' taxes in 1. In my study of this problem I discovered many interesting things concerning our income-tax law. Historically, our Federal income-tax law goes back to a bill signed by President Lincoln on August 5, 1861. It was first announced as a war-revenue measure and even at that early date one provision of the act provided for collections by withholding at the source. The act was carried on the statute books for several years. In its early stages it was definitely an excise tax or a duty and so construed by the courts. A most informative statement in regard to the early history of the income-tax law was recently written by Mr. F. Morse Hubbard, formerly of the legislative drafting research fund of Columbia University, and a former legislative draftsman in the Treasury Department. This compilation of information concerning our income-tax law is so well written that I am making it a part of my statement and the record:

I. THE INCOME TAX IS AN EXCISE TAX, AND INCOME IS MERELY THE BASIS FOR DETERMINING ITS AMOUNT

The first Federal income tax law was approved by President Lincoln on August 5, 1861, a little less than 4 months after the bombardment of Fort Sumter and the President's call for 75,000 volunteers, and less than a month after the disaster at Bull Run. It was distinctly a war-revenue measure. The act of 1861 (12 Stat. 292) provided for a tax to be levied, assessed, and collected in the year 1862, the tax to be based on income for the "preceding" year, that is, the year 1861. This tax, which was due and payable on or before June 30, 1862, was levied only for that 1 year.

In 1862, in order to meet the need for continued war revenues, Congress passed the second income-tax law. This act took effect on July 1, 1862, the day after the tax under the act of 1861 expired. The act of 1862 (12 Stat. 432) which used the word "duty" instead of "tax," provided that this duty should be levied, collected, and paid in the year 1863 and in each year thereafter until and including the year 1866 "and no longer" (sec. 92). Like the act of 1861 it provided that the tax (or duty) collected in each year should be based on the income for the "preceding" year (sec. 91). At the same time it contained a provision for withholding at the source, which will be referred to later on.

The general pattern of the act of 1862 was followed in the subsequent income tax laws of this period, namely, the act of June 30, 1864 (13 Stat. 223), and its amendments, and the act of July 14, 1870 (16 Stat. 256). Under each of these acts the tax to be paid in any given year was based on the income for the preceding year, provision was made for withholding at the source, and the tax was to be in effect only for a limited period. Under the act of 1864 the tax terminated in 1870, and under the act of 1870 the tax terminated in 1872.

The income on which the tax was based was defined as income from all sources, "whether derived from any kind of property, rents, interests, dividends, salaries, or from any profession, trade, employment, or vocation" (act of 1864, sec. 116). Thus investment income, as well as other kinds of income, was included in the basis for measuring the tax.

In sustaining the Civil War income tax laws, the Supreme Court held that the tax based on income was not a direct tax but was an excise or duty and as such did not require apportionment among the States. *Springer v. United States* ((1880) 102 U. S. 586). This decision, rendered after the income tax had been thoroughly tested for a period of 10 years, represents a deliberate determination as to the fundamental nature of the tax.

The true character of the income tax was at the outset so firmly fixed in the minds of those charged with its administration that for 6 years the Treasury Department held that if a person died at any time between

January 1 of one year and the date when his return was due in the following year the income for such period was not subject to tax, even though he may have made a return of income before his death in advance of the due date (T. D. June 9, 1865, 2 Internal Revenue Record 54). This rule was not changed until 1867, when it was held that such income was subject to the tax and should be returned by the executor or administrator (T. D. Apr. 6, 1867, 5 Internal Revenue Record 109; T. D. Jan. 1, 1868, 7 Internal Revenue Record 59). See also *Mandell* v. *Pierce* (C. C. D. Mass. 1868, 16 Fed. Cas. 576). The change was doubtless prompted by two important considerations; first, the taxes expired by definite limitation within a very few years; and, second, persons whose tax had been withheld at the source would already have paid their tax up to the date of death. At any rate, the change did not involve any modification in the concept of the income tax as an excise tax based on income.

After a lapse of about a quarter of a century Congress again passed an income-tax law. The act of 1894 (28 Stat. 509, 553; Aug. 27, 1894) provided for a tax to be levied, collected, and paid "from and after" January 1, 1895, "and until the 1st day of January 1900" (sec. 27). Like the Civil War acts it provided that the tax should be based on the "income received in the preceding calendar year." Although the Supreme Court held this portion of the act to be unconstitutional, it still recognized that the income tax was in essence an excise tax. The Court said that a tax on income from business, privileges, or employments, standing by itself, would be valid as an excise tax; but the tax on investment income was held to be invalid because the Court regarded a tax based on income from property as a tax on the property itself and therefore a direct tax which must be apportioned among the States (*Pollock* v. *Farmers' Loan and Trust Co.* (1895), 157 U. S. 429; 158 U. S. 601). The Court said that to sustain a portion of the tax while declaring the rest invalid, "would leave the burden of the tax to be borne by professions, trades, employments, or vocations; and in that way what was intended as a tax on capital would remain, in substance, a tax on occupations and labor. We cannot believe that such was the intention of Congress" (158 U. S. 601, 637). So the entire portion of the act relating to income tax was declared invalid.[1]

[1] It must be remembered that the Court was not appraising economic theories, but was construing provisions of the Constitution. The first related to the power of Congress:

"To lay and collect taxes, duties, imposts, and excises, to pay the debts and provide for the common defence and general welfare of the United States; but all duties, imposts, and excises shall be uniform throughout the United States" (art. I, sec. 8, subdiv. 1).

The second was the provision that:

"No capitation, or other direct, tax shall be laid, unless in proportion to the census of enumeration herein before directed to be taken" (art. I, sec. 9, subdiv. 4).

Thus the Constitution made a distinction between "taxes" on the one hand, and "duties, imposts, and excises" on the other. Uniformity was required in the case of the latter, whereas apportionment according to population was required only in the case of "taxes." The only taxes generally regarded as "direct" were poll taxes and taxes on property. The only direct taxes which had been imposed by Congress prior to 1894 were taxes on lands, houses, and slaves. See Foster and Abbott, A Treatise on the Federal Income Tax under the act of 1894, pp. 27 ff. The Court had no difficulty in classifying a tax on income as an excise tax. Its objection to the act of 1894 was doubtless based on the theory that a tax on rents was not in reality an income tax but was a direct tax on lands and buildings. (See Foster and Abbott, op. cit., pp. 117–118.)

There are still those who think that in this case the Court went further than necessary in treating a tax based on income from property as a tax on property itself, and that in any event the excise-tax principle should have been applied to rents and other investment income, as was done under the Civil War acts. In other words, the making and holding of investments, while perhaps not technically a business, is, at least, a kind of activity or privilege which can properly be subjected to an excise tax measured by reference to the income derived therefrom.

That investment income may be included as a part of the basis for measuring an excise tax was recognized by Congress in the act of August 5, 1909 (36 Stat. 11, 112). This act provided "That every corporation * * * shall be subject to pay annually a special excise tax with respect to the carrying on or doing business by such corporation, * * * equivalent to 1 percent upon the entire net income over and above $5,000 received by it from all sources during such year, exclusive of amounts received by it as dividends upon stock of other corporations * * * subject to the tax hereby imposed; * * *." Certain corporations, such as religious, charitable, and educational organizations, etc., were specifically exempted from the tax.

The tax imposed by this act was really an income tax in that it was based on net income, but was given the correct designation of "excise tax." It was imposed with respect to carrying on or doing business; and it should be noted that the basis was net income from all sources, except dividends from other corporations subject to the tax. Such dividends were excepted not because they constituted investment income but because they represented income which had already been taxed. The sole test of taxability under this act was whether a corporation was engaged in business. If it was so engaged, then all the income (except dividends), including investment income as well as strictly business income, was used in measuring the tax. The Supreme Court held that the fact that the tax was measured by net income, and that income from nontaxable property or property not used in business was included in computing net income, did not prevent the tax from being construed as an excise tax which did not require apportionment. *Flint* v. *Stone Tracy Co. et al.* ((1911) 220 U. S. 107).

So far as the objections raised in the Pollock case are concerned, the principle applied to corporations under the act of 1909 with the approval of the Supreme Court might have been extended to individuals engaged in business. In that way investment income of most individuals as well as of corporations could doubtless have been brought under the terms of the act. And the field of income could have been completely covered by applying the principle that the ownership and management of investment property is an activity or privilege with respect to which Congress may impose an excise.[2]

However that may be, Congress chose to remove all doubt by an amendment to the Constitution. The resolution embodying the proposed amendment (S. J. Res. 40, 36 Stat. 184; 61st Cong., 1st sess.) was deposited in the Department of State on July 31, 1909, a few days before the act of 1909 was approved by the President. The amendment was duly ratified and became effective as the sixteenth amendment on February 25, 1913. (Secretary of State's Certificate of Adoption, 37 Stat. 1785).

The sixteenth amendment authorizes the taxation of income "from whatever source derived"—thus taking in investment income—"without apportionment among the several States." The Supreme Court has held that the sixteenth amendment did not extend the taxing power of the United States to new or excepted subjects but merely removed the necessity which might otherwise exist for an apportionment among the States of taxes laid on income whether it be derived from one source or another.[3] So the amendment made it possible to bring investment income within the scope of a general income-tax law, but did not change the character of the tax. It is still fundamentally an excise or duty with respect to the privilege of carrying on any activity or owning any property which produces income.

The income tax is, therefore, not a tax on income as such. It is an excise tax with respect to certain activities and privileges which is measured by reference to the income which they produce. The income is not the subject of the tax: it is the basis for determining the amount of tax.[4]

The purpose of the income tax is to raise revenue in the year of its levy. It is a method by which some of us make annual payments on account of the governmental expenses and the public debt of all of us—contributions to a common fund to preserve the blessings of liberty. The great French political philosopher and jurist, Montesquieu, stated the fundamental principles of taxation as follows:

"The revenues of the State are a portion that each subject gives of his property in order to secure, or to have the agreeable enjoyment of, the remainder." (Spirit of Laws, book XIII, chap. 1.)

The income tax is now a permanent part of our tax structure, and is designed to provide for such contributions, or payments, year after year, indefinitely. The tax "for" any given year is the tax which is to provide revenue for that year. Strictly speaking, then, the "1942 income tax" was the tax payable in 1942; and the "1943 income tax" is the tax payable in 1943.

The amount of the payments for any year is determined by applying certain rates to a specified basis. Both of these factors are matters of legislative policy. Congress may fix any rates which are not confiscatory and may adopt any basis which is reasonable. Hitherto the previous year's income has been used as the basis. But the basis, as well as the rates, may be changed at any time. In these matters of policy, the Constitution, both before and since the Sixteenth Amendment, has left to Congress practically unrestricted freedom of choice.[5]

Under our existing Federal income-tax law which has been operating for many years, the amount of income tax payable in any year by an individual taxpayer is based, not upon the income of the taxpaying year, but upon the income of the preceding year. This method whereby

[2] That such is the case is clearly indicated by the recent provision in the Revenue Act of 1942 which allows deductions for expenses incurred in the management of investments (sec. 121). The retroactivity of this provision suggests not merely the declaration of a new policy but the recognition of a fundamental principle.

[3] *Brushaber* v. *Union Pacific Railroad Co.* ((1916) 240 U. S. 1); *William E. Peck and Co.* v. *Lowe* ((1918 247 U. S. 165); *Eisner* v. *Macomber* ((1920) and 252 U. S. 189).

[4] If the tax should be construed as a tax on income as a specific fund the disappearance of the fund before the date of assessment would prevent the collection of the tax. (See Foster and Abbott, op. cit., p. 85.)

[5] "If the income is merely the measure of the tax, it is clearly quite immaterial whether the income that is adopted as a measure is that of the past, or of the present, or of the future, provided only it is practically ascertainable." (Foster and Abbott, op. cit., p. 87.)

a taxpayer must use the previous year's income as a base for the next year's tax payments results in many inequalities and injustices. When the tax rates were low and the exemptions very large these injustices were felt only in a small number of cases. Under greatly increased tax rates and reduced exemptions, the problems presented by this system have multiplied to a degree that not only works a great hardship on large numbers of taxpayers, but might readily prove very embarrassing to the Federal Treasury.

Few people realized how much money they owed the Government for taxes on last year's income until they made out their income-tax returns. There seems to be a prevailing impression that when you pay your quarterly income-tax payments everything is paid until the taxes for the next quarter are due, or at least they assume they are not in debt to the Federal Government. This is an erroneous impression. The fact is that every citizen is indebted to the Federal Government for last year's taxes until they are fully paid, and more than that, the taxpayer is indebted to the Federal Government for the accrued taxes due in the year in which he is paying income taxes.

The income-tax debt hurts most when sickness strikes, when a shift of employment reduces your salary or when you have lost your regular income.

Under the present plan of taxation a man this year pays out of this year's income the taxes assessed against last year's income. In 1944 he is required to pay a tax out of his 1944 income, but based upon his income for 1943. Under the present system it can truthfully be said that a dead man pays income taxes because his estate is liable for income taxes accrued for the year previous to his death. Such a situation—to put it mildly—is not one in which we as a Nation can take pride.

It is true that a man does not have to die to face a similar anomalous position. Any man who at the end of the year has the misfortune to cease to receive an income due to an accident, illness, or other misfortune which might disqualify him from his earning capacity is, under our present law, compelled during that year to pay an income tax on last year's income. Assessing an income tax to be paid in 1 year upon the income of a different year departs widely from the ability-to-pay principle of taxation. Our income-tax law is based on the sound philosophy of ability to pay—that is, it was based on that sound philosophy in 1913, when it was first approved by our Nation. Theoretically, that principle holds true today, but from a practical standpoint I am not so certain that it will stand analysis. Demanding payment of income taxes from dead men or those who have ceased to have income is a complete violation of such a principle. Ability to pay relates to the ability in the year in which payment must be made and not to the condition in some other year. Theoretically, a man sets aside a part of his income for the tax that the law requires him to pay in the following year. This may be good theory, but does not work out in practice. It was the intention of the framers of our income-tax law in 1913 to use 1913 merely as a base for the tax payments to be made out of the next year's income. This is the practical effect of the law today. The fact that the law now allows all of the year 1943 to pay the assessment on 1942 incomes clearly indicates that Congress intends the tax to be paid out of 1943 income.

I do not know of any better illustration of how setting the tax clock ahead 1 year will work than to refer to our distinguished chairman who was here when the Congress passed the first income tax law in 1913. He was a Member of Congress at that time. Bear this in mind, that if we had had the Ruml plan in 1914 and moved the tax clock up 1 year, he would not be $1 better off today, as far as tax money is concerned; he would not have gained a dollar and he will never gain a dollar until his income ceases or until his income decreases.

Mr. DOUGHTON. Mr. Chairman, will the gentleman yield? He has referred to me.

Mr. CARLSON of Kansas. I yield to our distinguished chairman.

Mr. DOUGHTON. If my tax is forgiven for 1942, when will it ever be paid? When will the Government ever get it? The gentleman has gone too far back. Come right down to brass tacks. Say now my tax in 1942 is forgiven and wiped out, $2,500. Then I would keep that much money, would I not? When would the Government ever have me pay it? I would keep it in my pocket. When would the Government ever get it? That is a fair question.

Mr. CARLSON of Kansas. The distinguished chairman paid his taxes in 1941. He paid them on the basis of earnings back in 1940. He paid his taxes in 1942 on his 1941 income. There is no question about that. We pay taxes every year. He does not gain and would not gain anything until his income decreases or ceases.

Mr. DOUGHTON. I did not pay my tax in 1913 because it was not due until the next year.

Mr. CARLSON of Kansas. That is right.

Mr. DOUGHTON. It was not due. I do not ordinarily pay my debts until they are due, but I do try to pay them when they are due. I do not try to dodge them or run out on them. I pay them.

Mr. CARLSON of Kansas. The chairman knows that the taxes he paid in 1914 were based on his income for 1913. That was the standard they set up; that is what they determined he should pay a tax on. But he paid them out of 1914 income.

Mr. DOUGHTON. I had no notion of interrupting the gentleman because he is a very fine and able member of this committee.

Mr. CARLSON of Kansas. I thank the gentleman for his compliment.

Mr. DOUGHTON. However, as long as the gentleman referred to me I think he ought to answer my question. If I get out of my 1942 tax, if it is abated, when would I ever pay it? When would the Government get it?

Mr. CARLSON of Kansas. The chairman will never receive any tax benefit from this program until his income ceases or his income declines; not 1 cent.

Mr. DOUGHTON. I challenge that statement absolutely. If I keep it in my pocket, I have benefited.

Mr. CARLSON of Kansas. The gentleman does not have any money in his pocket in this at all, because he will still be paying tax in 1943 under my bill.

Mr. DOUGHTON. The Government never gets it.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. CARLSON of Kansas. I yield to the gentleman from Minnesota.

Mr. KNUTSON. Will the gentleman inform the House just what his taxes would be this year under existing law and what they would be under his bill?

Mr. CARLSON of Kansas. I will make this statement because it seems so clear. If there is any man on this floor who thinks he is going to have some tax money left in his pocket if he votes for this bill of mine, he is just mistaken for this reason. You do not get out of a dollar of tax. You pay just the same taxes in 1943 under my bill that you would have paid on the 1942 liability in 1943 under the present law. The only difference is that it is your current year's taxes under my bill. You are current instead of being 1 year behind.

Mr. GEARHART. Mr. Chairman, will the gentleman yield?

Mr. CARLSON of Kansas. I yield to the gentleman from California.

Mr. GEARHART. You will pay the same taxes, but you will have had 2 years of income—1 year's tax but 2 years' income. Is that not correct?

Mr. CARLSON of Kansas. I do not agree with the gentleman at all. The gentleman can figure 2 years' income out of that. I wish I could, but I cannot. The fact is that a tax was collected out of the 1942 income measured by the 1941 income.

Mr. GEARHART. You will have the income of 1942, in the gentleman's case $10,000. You will not pay any tax on that. You will have the income of 1943, and you will pay the tax on that alone. That is $20,000 of income, but a tax on only $10,000.

Mr. CARLSON of Kansas. The gentleman and I have gone over this before. He forgets that in 1941 I paid taxes on my 1940 income. In 1942 I paid on my 1941 income. I did not skip any tax years. I did not gain anything, and I will not gain this year.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. CARLSON of Kansas. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. The gentleman has referred to Congress either lowering or raising the rate. There is no reason why Congress cannot pass another tax bill in October of this year and raise the rate to 40 percent, is there?

Mr. CARLSON of Kansas. No; there is no reason why it cannot. We do it continually.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. CARLSON of Kansas. I yield to the gentlewoman from Illinois.

Miss SUMNER of Illinois. It seems to me the trick is that Congressmen are going to serve here this year and we know it, but take it this way. Say that I go out of Congress in 1944 and do not serve. Then what is going to happen? Say I go into the law business right away. In 1945 I have no income. I do not know whether my clients are going to pay me. Maybe they will not pay until 1946. I do not have anything to pay in the way of income tax that year, do I? The way the law is at present, I would have to pay $2,000 or $3,000, according to what my tax would be in 1942.

Mr. CARLSON of Kansas. That is absolutely correct. You are 1 year behind. The gentlewoman from Illinois is thrifty and prudent. I have no doubt she will have her tax money all stored up in tax-anticipation notes, but there will be many of the people in this country who will not be able to pay a cent of that money. That is the reason we have to get current.

I am frank in saying this may cost us something, but because of what it is worth to the country in the future we need to get it done.

Mr. HARNESS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. CARLSON of Kansas. I yield to the gentleman from Indiana.

Mr. HARNESS of Indiana. I have in mind a young man who died in November of 1942. He had a substantial income during the time he lived in 1942. I understand the Government will claim from his widow a tax of several hundred dollars, almost $1,000, for the man left no estate other than the home in which his widow lives. Under the committee bill the Government would collect from that widow and force her to sell that home and pay that $1,000.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. KNUTSON. Mr. Chairman, I yield the gentleman 5 minutes more.

Mr. CARLSON of Kansas. I will say to the gentleman from Indiana [Mr. HARNESS] that this is the situation, and it is true, sadly true, in this country at this time. We have boys dying in Africa, boys who died last year. Their widows are subject to a personal income tax, and the distinguished Senator from Michigan, Senator VANDENBERG, placed in the RECORD early this year or in December of last year a letter from the Treasury Department to one of these widows reminding her that the income tax was due. Now if there was not any other thing that could come from this, certainly we ought to take care of that situation.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. CARLSON of Kansas. Yes.

Mr. COOPER. In all fairness both the gentleman's bill and the committee bill take care of that.

Mr. CARLSON of Kansas. The gentleman from Tennessee knows just as well as I do that it is in both bills, but that is not the law today. There is no abatement under the committee bill on the civilian income of soldiers unless they die in the service.

Mr. COOPER. But it is in both bills.

Mr. CARLSON of Kansas. To the extent I have stated. After all, that is not the law today. The law today is that they must pay. Of course it is in both these bills. I purposely put it in there.

Mr. COOPER. It is in the committee bill, and the gentleman copied it in his bill.

Mr. CARLSON of Kansas. It is the Woodruff amendment, and I have included it in my bill also. But it is not the law today.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. CARLSON of Kansas. Yes.

Mr. ROBSION of Kentucky. There might be something in this thing about forgiveness, if we paid income tax for a year, but it is clearly the policy of this Government to collect income taxes. Under the gentleman's bill, the Ruml plan, will the Government collect from more income taxpayers this year or less than under the committee bill?

Mr. CARLSON of Kansas. That is correct.

Mr. ROBSION of Kentucky. Will the Government collect more taxes this year under the gentleman's plan than it will under the committee plan, and if so about how much?

Mr. CARLSON of Kansas. The facts are, and I think that is agreed to by the Treasury, and the President in his Budget message stated that we would collect $3,000,000,000 more revenue in 1943 than in 1942, and under my bill the Government will collect $3,000,000,000 more revenue than under existing law.

Mr. ROBSION of Kentucky. And would that not also hold for 1944?

Mr. CARLSON of Kansas. Of course.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. CARLSON of Kansas. Yes.

Mr. MURDOCK. Did I understand the gentleman to say as a positive fact that we must either forgive 1 year's taxes, or else we must double up and pay 2 years' taxes in 1 year, and that there is no other possible alternative to fix the law for getting on a current basis?

Mr. CARLSON of Kansas. I made that statement, yes. It is the only way we can get everyone current immediately with no doubling up.

Mr. MURDOCK. I deny that statement as a fact.

Mr. CARLSON of Kansas. The gentleman has a right to deny it, but it is still true.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. CARLSON of Kansas. I hope I will not have to yield any more.

Mr. COOPER. I think in all fairness the gentleman misunderstood the question asked by the gentleman from Kentucky [Mr. ROBSION]. The gentleman knows the situation stated by him would be the same under both bills.

Mr. CARLSON of Kansas. If I misunderstood the gentleman I am very sorry. I thought the gentleman asked the question as to whether this bill of mine would bring in more or less revenue than existing law and that is what I tried to answer.

Mr. COOPER. And the committee bill would, too. There is no difference on that point.

Mr. CARLSON of Kansas. Oh, I think there is a great deal of difference on that point. The committee bill would collect taxes in 1943 based on the lower level of 1942 income.

Mr. COOPER. That is brought about by the increased national income.

Mr. CARLSON of Kansas. Oh, just a minute. I want to answer the gentleman from Tennessee. If the people get current, it would be true, but if they do not then they still pay their 1942 tax liability as under existing law, and the only way that you can get those $3,000,000,000 additional revenue is to collect it on the 1943 income.

Mr. COOPER. The gentleman is mistaken on that. The increase from $10,000,000,000 tax liability in 1942 to $13,000,000,000 tax liability in 1943 is because we will have $140,000,000,000 national income in 1943 as against $119,000,000,000 in 1942. The rates are the same for both years.

Mr. CARLSON of Kansas. I just want to say this. The committee bill will collect that increase in 1944 in the way of taxes. My bill would collect it in 1943.

Mr. ROBERTSON. In the gentleman's opinion, what is the second best bill?

Mr. CARLSON of Kansas. I have not made any choice. I do not believe we can compromise on principle.

The CHAIRMAN. The gentleman's time has expired.

Mr. KNUTSON. Mr. Chairman, I yield the gentleman 1 minute more.

Mr. CARLSON of Kansas. The best proof that income-tax payments for last year's income-tax liability are made out of current income is the large amount of money that is borrowed to make quarterly payments. This reaps a real harvest for the loan sharks in the Nation. They are the ones who really benefit from the present back-taxing system. If the present system is allowed to continue the loan sharks will continue to reap their rewards. If you will follow the classified ad section in the newspapers for the month preceding income-tax payment dates you will find they are filled with ads headed "Loans to pay income taxes." They display very cleverly arranged tables and call attention to the ease with which this money may be borrowed. In fine print in the same ad you will find statements reading like this:

> We guarantee that these payments will repay loans in full, if payments are made on schedule. Total cost will be reduced if payments are made ahead of schedule. Payments include charges at the rate of 2½ percent per month on balances of $100 or less, and 2 percent per month on that part of the balance in excess of $100.

You will note that the interest rate is 2½ percent per month on amounts less than $100. This means an annual interest rate of 30 percent. Certainly Congress cannot afford to allow the continuation of this graft on the American taxpayers.

The statement released on March 23d by Mr. Syn J. Hughes, vice president of the Morris Plan Industrial Bank of New York, the largest consumer credit bank in the Nation, tells that a minimum of 50,000 New York families borrowed from banks and lending agencies an estimated $10,000,000 to pay their first quarterly income-tax installment. Mr. Hughes also estimated that at least a half million families over the Nation as a whole borrowed a minimum of $100,000,000 for the same purpose. It is his estimate that the number of taxpaying borrowers might rise to as many as 5,000,000, involving a billion dollars, directly or indirectly due to the present tax base.

The objective of pay-as-you-go taxation is to remove the income-tax debt that hangs over the head of all taxpayers. That is what is meant when it is said the purpose of the Ruml plan is to put personal income tax collections on a current basis. The way in which it is proposed to do this is to move the tax clock ahead 1 year. It is now 1 year behind all the time. The Ruml plan would make taxes current with income.

The fault of this system of back tax-debt collection has been recognized for a long time, but nothing has been done about it. The fault of the present system has become increasingly recognized and some change must be made to minimize the evil effects of the present law.

As I have stated previously, there are two ways to get personal income taxpayers on a current basis. First, the Congress can base this year's tax on this year's income, in other words move the tax clock ahead, or secondly, Congress can try to collect 2 years' taxes in 1 year. I do not think it would be practical or expedient to try and collect 2 years' taxes in 1 year.

Double taxation in any year or in any series of years would result in a ratio of assessment that is utterly unjust. In many cases it would mean that the amount of tax to be paid would be greater than the income. That would result in a confiscation of capital.

This leaves only one other alternative and that is to change the income-tax base from a preceding year to a current year.

It was with this thought in mind that I have introduced H. R. 2245 in the House. Basically it follows the proposal of Mr. Ruml in regard to the transition of the tax base from one year to another. It has several antiwindfall provisions and a section dealing with withholding for collection of taxes at the source. It is a perfected Ruml plan.

The question naturally arises in everyone's mind as to how we can drop an income-tax year out of the calendar in this way without having the Treasury lose a lot of money badly needed for the war effort. The answer is that we shall all go along paying our income taxes as we have before, except they will be on a current basis. The Treasury will also go along getting its revenues.

Unfortunately, many of our people have been led to believe that by setting the tax clock ahead 1 year they would not be obligated for payment of current taxes. Everyone must realize that our Federal Treasury must have more tax revenue, not less tax revenue.

I would be the last person to suggest that any plan be proposed which would threaten the solvency of our Federal Government. This bill protects our Federal Treasury.

The big difference between proposed and existing tax collections is that when a taxpayer dies, or when his earnings or other income are cut off or diminished he does not owe the tax as he does under the present system. The only reduction that is possible under the proposed bill is when the taxpayer's income ceases or declines. The reduction is therefore spread over the whole lifetime of the present income-tax-paying generation, and occurs beneficially for each taxpayer at the time when his income fails. The Treasury has at no time ever considered taxes receivable as an asset, and accordingly they can be written off the balance sheet of the Government without the change of a single penny.

The tax experts estimate that the rate of loss to the Government by such means would be so slow that 35 years would pass before a total sum equal to 1 year's income-tax revenue from the whole country would be dropped out of the Treasury's anticipated revenue.

The second point is that the loss of revenue in any case would be offset by better tax collections and collection methods.

At the present time tax collections are important as a part of the anti-inflation control, and the point has been raised that this method of advancing tax collections might have an inflationary effect by releasing funds set aside for last year's tax liability. I doubt this very much, as there are comparatively few people who make provision in advance to take care of their income-tax payments. Those people who do are not spendthrifts and are not the type who would go out into the open market and spend their money promiscuously.

The current tax collections might have a wholesome effect on inflationary tendency because our people would be required to pay their taxes from current income. The Revenue Act of 1942 carries a provision for a Victory tax which was enacted by Congress to siphon off excess purchasing power in addition to furnishing needed revenue.

The third point in the pay-as-you-go income-tax plan is designed to solve the problem of how we can pay our income taxes on a current basis, when we do not know at the beginning of a year what our income is going to be in that year. The way of solving this problem is not too difficult. We will go ahead as we do today, filing an income-tax schedule about the 15th of March declaring our previous year's income. But this will be a tentative return for the year then beginning and we will pay our current taxes on the basis of this tentative return. After the year had ended there would have to be an adjustment up or down depending on whether our actual income for the year was greater or less than that on our tentative return. But this adjustment would be made on the same blank and at the same time as our return for the following year. This return would be at one time the final return for the old year and the tentative return for the new. There would be no doubling of returns involved and only a few extra lines for the adjustment computations.

The fourth feature of the plan is the provision for adjustment in case a taxpayer knows his income in the current year is going to be less or greater than that of the year of his tentative declaration. The plan provides that he may declare his true knowledge of lower or higher income, as a result of salary changes, and so forth, which have actually occurred, and make his current payments accordingly. This provision eliminates the awkwardness of year-end adjustments and keeps the plan closer to a true pay-as-you-go basis than it would otherwise be.

The fifth point about the pay-as-you-go income-tax plan is that it proposes to give fair treatment to all taxpayers under the plan. This means to start the whole country debt-free as far as the income tax is concerned.

The plan I have included in my bill and just outlined forgives nothing in the way of taxes. Whether the word "forgiveness" as applied to this plan was initiated maliciously or through a misunderstanding of the plan is not now pertinent. It did do great damage to the country's welfare through confusing the issue and creating in many minds a completely false impression. The plan does not propose the forgiveness of income tax in any year, nor does it involve skipping a year of taxation. Income taxes under this plan will be paid every year as under existing law. It does, however, eliminate the inequities of the present law. Under such a system the result for each taxpayer will be that as income increases the amount of the tax to be paid from such income increases. As income decreases the amount of the tax decreases. If income ceases the tax ceases. This plan brings taxation more nearly in accord with ability to pay. It does not demand that an income tax shall be paid by a dead man nor by a man who has through other causes ceased to earn or receive income. If that be construed as "forgiveness" it would appear that few of our elected Government officials would be hardy enough to state that this country has reached a point where it cannot carry on its proper activities, even in wartime, without collecting income taxes from dead men.

The use of the term "forgiveness" implies a relationship between two parties utterly at variance with the relationship of the United States Government and the taxpaying people of this country. The Government of the United States is the people. The Government of the people, by the people, and for the people has not yet perished from this land. The people through their chosen representatives — the Government — decide how much revenue the people must contribute to the needs of the country as a whole. That is taxation. The people

through their elected representatives may decide at any time to improve the method of allocating these contributions to the Government. Under such new allocation duly enacted into law, the amount each taxpayer must contribute becomes his obligation in lieu of his prior obligation. There is no forgiveness. There is merely a substitution of the amount determined under the new basis for the amount determined under the old basis. In other words, the people decide how much must be paid by the people for the benefit of the people. The amounts so decided upon become the obligation of each of the people affected. To change the base of such contributions in order to reduce the inequities of the past method has no relation whatsoever to the term "forgiveness."

The opponents of my plan, having no real facts upon which to base their opposition, are resorting to pure demagogery. The skeleton of 60 millionnaires and a $10,000,000,000 forgiveness to the Treasury are being dragged over every trail in the Nation. It is the hope of the opposition that they can so imprint these various misrepresentations on the minds of the people that they, the people, will not see the benefits to the individual taxpayer, the Nation as a whole, and the Federal Treasury. The Treasury has submitted figures showing that in 1943 there will be 44,000,000 personal income tax payers. This same Treasury table shows that out of this group there are only 60 individuals who have an income of $1,000,000 or over. There are only 200 individuals in the United States who have an income of between one-half million and one million dollars. Contrast this with the 37,509,000 citizens and taxpayers who have an income of less than $5,000.

All the opposition has been able to see are the 60 millionaires sunning themselves on the beach. They do not want to recognize the other 44,000,000 taxpayers who are hanging to driftwood and rafts, hoping and praying that someone will rescue them from their tax indebtedness.

Now, let us analyze this purported $10,000,000,000 loss of assets which the opponents keep dangling before the eyes of the American people. In the first place, if there were a forgiveness or loss to the Treasury, it would immediately show up in the revenue of the Treasury. No one in authority will concede that moving the tax clock ahead 1 year will cause a loss of revenue to the Treasury. The President, in his Budget message to Congress, stated that the revenue for 1943 would be $3,000,000,000 more than for 1942. If this is true, then the substitution of one tax base for another would increase the revenue by $3,000,000,000. Certainly there is no loss in that transaction.

The plan proposed in my bill does not involve forgiving a year's taxes, nor does it skip a year of taxes. Income taxes under this plan will be paid year after year according to the rates applicable to each year. No taxpayer will receive any benefit under this bill unless his income decreases or his income ceases. Congress establishes an individual's tax liability by law. It may increase it or decrease it as deemed necessary. A decrease in tax liability is not a forgiveness of a taxpayer's liability, but merely a reduction in the tax he should pay. It is purely a bookkeeping transaction between the taxpayer and the Government.

We can safely change the basis of assessment to 1943 instead of 1942 because the Government will be in a much better financial condition by doing it. This does not mean forgiving or not paying a debt. It means a substitution of one debt for another with no loss to the Treasury and no gain to the taxpayer.

The opponents of the Ruml plan are attempting to defeat it on the ground that it is an expediency of the moment—a scheme to relieve the people from the burden of last year's taxes. That is the way they would have you look at it.

They suggest that you isolate the means by which objectives are to be obtained, blast, damn, and excoriate those means unmercifully, and utterly ignore the objectives.

I am going to talk about both the means and the objectives. If you will consider them together you will speedily understand what we are trying to do under the Ruml plan. You will be won over, as any clear-thinking man must be.

What are the objectives?

Before discussing them we must first consider certain fundamentals on which we are all agreed—both the proponents and the opponents of the Ruml plan.

It is unanimously agreed, for example, that there is no possible method by which we can collect 2 years' taxes in 1 from everybody—I repeat, everybody. If we tried to do that, it would mean outright confiscation in some cases, an unconstitutional levy against capital in other cases, and most certainly an unbearable burden on all. So we are agreed we cannot double up the payments.

It is unanimously agreed, I think, that once this war is over, millions of persons are going to find themselves jobless or with drastically reduced incomes, during the transition back to a peacetime economy. So we are agreed that we have a gigantic problem ahead of us, 1, 2, or 3 years hence.

It is a fact, and therefore unanimously agreed, that 1943 finds millions of persons—somewhere between 17,000,000 and 21,000,000 persons—paying income taxes for the first time in their lives. They are, for the most part, people who are not accustomed to tax budgeting, people who never before filled out an income-tax form or made a payment.

I believe that we unanimously agree that when this war is over the majority of people who are going to be jobless or who are going to have drastically reduced incomes are these very same people who are now paying taxes for the first time.

I think we are agreed on all these things, and I want you to remember them as we discuss the objectives of the Ruml plan.

Now—a tax system which collects taxes a year after the income is earned will collect little or nothing from those millions of persons who will be jobless or hard pressed financially in the post-war period. I do not think anybody will stand up here and argue that you can collect taxes from people who do not have the money. But you cannot escape the fact that they will owe those taxes.

If you do not prepare for that day, that post-war period—if you do not prepare for it now, you are going to have this grave situation on your hands:

You are going to have a Government that is not the servant of the people, but a debtor of the people. You are going to have millions of people with the awesome specter of their Government holding a first lien on anything a jobless person might ever earn again. Think of it. Consider—when people owe taxes which they cannot pay; when they owe burdensome taxes for which they have no money, you are flirting with another Boston tea party. You are supplying the one kind of fuel which has touched off more uprisings than any other single thing in history—taxes.

Consider—when people find that their Government has placed them in the position of tax defaulters, as will be the case, you are inviting disrespect for government; and when you have disrespect for government, when the confidence of the people is shaken, then watch out. Trouble is ahead.

The plain fact is this—the people have the money today, but many of them will not have it tomorrow when they must pay. The time to prepare for tomorrow is now. Not next year, but now.

There is a second aspect to this post-war picture. If people owe taxes and do not have the money to pay them you may find some dangerous demagogue, some pint-sized leader with the rabble-rousing voice of a Hitler or a Mussolini, rise up to a place of dreadful political power on the sole issue that he will wipe out what the people owe and cannot pay. Talk about tax moratoriums—as some Members are talking—and he and his followers will laugh you off the front pages.

We are facing serious tax problems, grave problems, and the Ruml plan, as proposed in my bill, and only this plan meets them head-on. The Carlson-Ruml plan, and only the Carlson-Ruml plan, will solve this tax problem. Its objectives are two-fold: First, to provide a method of collecting taxes while people have the money; and second, to provide a method which will relieve the people of their tax debt owing their Government in times when they have no money for taxes.

The Ruml plan—and I stress this—is both realistic and forward-looking. It, and only it, will solve both the problem facing us today and the problem facing us on some darker tomorrow.

Now get this: The Ruml plan deliberately chooses the abating of 1 year's taxes as a means—not to relieve either the poor or the rich, the weak or the strong, the many or the few—but as a means, a method, a way, in fact the only way, by which these two objectives can be attained now.

Let us now discuss for a few minutes the statement made by the Treasury that "forgiving a year's tax would wipe

out assets amounting to close to $10,000,000,000." It is simply nonsense to say that the Government would be wiping out $10,000,000,000 of assets if we put the tax clock ahead.

The Treasury's analogy is wholly false. Taxpayers owe the Government what the Government at any time chooses to say they owe it—no more and no less. Congress has the authority to increase or decrease taxes as they see fit, and forgiveness is not involved. There is no valid comparison whatever between taxes and a fixed debt which once forgiven cannot be unforgiven. The Treasury insists on talking about losing the tax revenue on last year's income. That phrase "losing tax revenue" is being used to appeal to sound and honest people who dislike the idea of the Government building up the present huge debt. It sounds as though the revenue to the Treasury Department is going to be reduced. That is absolutely untrue.

The Treasury will continually—without any break or pause—get more money if we switch to a pay-as-you-go plan than under existing law. Under the present tax law collections will be about $10,000,000,000 while if we adopt the proposal in the Carlson bill the tax collections in 1943 would be $13,000,000,000. As further proof of the fact that you will not be forgiven anything, you as an individual will pay just as much tax money to the Treasury during 1943 as you are paying under the present system, unless you have a reduced income.

Let us see how this forgiveness works out from a practical standpoint. Take, for instance your own personal income tax payments this year. If your income for 1943 is the same as for 1942, and the rates remain the same, you will pay exactly the same amount of tax, whether it is paid on the 1942 liability or 1943 liability.

What happens if Congress should retroactively, by legislative enactment, reduce the income-tax rates or increase the exemptions? For instance, if a taxpayer's liability for the previous year was $1,000 and the Federal Government decided they only needed to collect $800 of it in order to meet the current obligations of the Government, Congress could reduce the rates or increase the exemptions retroactively and reduce this taxpayer's tax liability $200.

I ask you in all fairness if the Treasury will lose any money through this transaction? Would they lose any assets? Of course the Treasury would not lose any revenue, nor would they lose any Treasury assets.

The benefits of this proposal are of value to every taxpayer in more ways than one. They are especially beneficial to millions of our men and women who are employed in wartime industry. You realize your jobs are secure only as long as the war lasts or war production is needed. When these factories must shift from war production to the manufacture of goods needed in peacetimes you will be out of a job for several months and maybe several years. Under existing law you will be liable for income taxes on last year's income. This transition in industry will affect at least 20,000,000 citizens who will be required to pay last year's income taxes out of unemployment compensation checks.

The farmers of the United States are another group that will receive great benefits from this bill. There is no group of people whose income is more uncertain than that of the farmers. Droughts, floods, fluctuating farm prices make the farmers' income more uncertain. The present tax debt adds another unnecessary worry to the farmers of our Nation. They should be permitted to pay their income taxes on the basis of the income they receive the year the taxes are due.

Another group that will be greatly benefited by this bill are the hundreds of thousands of small businessmen in every community in the Nation who had a small thriving business in 1942 but are gradually being forced into bankruptcy. These small businessmen are in debt to the Federal Government for their 1942 taxes. They will be expected to pay these taxes in 1943 when they have little or no income.

The passage of the Carlson bill would be a godsend to millions of boys who have entered military service. Many of them left good paying jobs and are now serving Uncle Sam at $50 a month. They, too, owe income taxes accrued in 1942 and are now asked to pay them out of a soldier's pay. This situation must be corrected.

Let us not forget the heartaches and suffering this bill would remove from widows and mothers who are left alone with an income tax hanging over their heads. Thousands of these wives and mothers have only a small amount of money to meet the emergency forced upon them. Yet the Federal Government steps in and asks them for the income tax earned by their late husband or father in the previous year.

Broadly speaking, what will the plan accomplish?

The pay-as-you-go income tax plan is a three-way plan:

First of all, it is a plan that will relieve thousands of citizens from hardship and distress arising from income tax debt, and that will bring peace of mind to millions more who are in income tax debt-danger.

Second, it is a method for clearing the decks for an all-out war financing program. If we can all be free of income tax debt on the first of 1943 we can start on a pay-as-you-go basis and stay there. If we need high, withholding taxes we can have them; if we need to supplement voluntary savings with compulsory savings, we can do that too. But whatever is called for, it would be paid out of the current year's income as an assessment on the same year's income. We would not be paying for dead horses while we are fighting a war.

In the third place, the pay-as-you-go income-tax plan is the best kind of financial planning for the post-war period. Our policies can then be forward looking, not backward looking. We will not be trying to collect income taxes from people who are unemployed, we will not be debating whether we should collect taxes on 1941 or 1942 income from men demobilized from the armed forces. We will not have a spending spree in the first little boomlet, financed on unpaid taxes, and then a tax-debt headache if income should drop off for a year or so.

As a nation of individuals, we will be better able to meet the present and to attack whatever the future has in store for us if we are paid up in our income tax, and, being out of income-tax debt, can pay as we go out of what we earn.

I believe that the problem of tax debt must be solved in some manner. As I have pointed out, the problem is an intensely personal one affecting every taxpayer. The suggested solution offered in the pay-as-you-go plan gives relief to the taxpayer and yet does not embarrass the revenues. The pay-as-you-go plan may not be, in all its details, the very best solution, but it is the best that I and those with whom I have consulted have been able to devise. Whether the solution of the problem of income-tax debt takes the exact form suggested in the pay-as-you-go plan is not important; what is important is that the problem should be solved.

DETAILED EXPLANATION OF PROVISIONS OF THE CARLSON BILL, H. R. 2245

The first section provides that the bill may be cited as the Current Payment of Individual Income Tax Act, 1943, and provides that terms used in the bill are to have the same meaning as when used in the Internal Revenue Code.

PREVENTION OF DOUBLING UP OF TAX PAYMENTS

The bill provides for current tax payments only by individuals.

Section 2 contains the provisions relating to the manner of transition from the present system to a pay-as-you-go system.

Since the bill requires that the tax assessed against the income of any year is to be paid currently during that year, it is necessary, in order to prevent the doubling up of tax payments in 1943, to abate 1 year's tax liability.

This is effected under section 2 (a) of the bill by the discharge of the 1942 liability.

PREVENTION OF WINDFALLS

Sections 2 (b) and 2 (c) of the bill contain special rules for the preventing of windfalls to taxpayers.

(a) Taxpayers with substantial incomes whose 1942 tax is greater than 1943 tax: Section 2 (b) of the bill contains provisions designed to prevent the abatement of the 1942 tax from resulting in a windfall to well-to-do taxpayers whose 1942 tax is greater than their 1943 tax. It provides that if the reported taxable income for 1942 was $20,000 or more and the reported 1942 tax greater than the reported 1943 tax, the 1942 tax is to be abated only to the extent of $7,100—the approximate tax on a taxable net income of $20,000—and the 1943 liability is abated to the extent it exceeds $7,100.

This provision has the effect of requiring such a taxpayer to pay the tax on the higher of the 2 years, but treats the 2 years together and abates a portion of the tax for each so as not to discriminate against the taxpayer whose 1942 income is slightly over $20,000 as compared with

the taxpayer whose 1942 income is slightly under that amount. Thus the $7,100 abatement constitutes an automatic "notch" provision. So far as payments in 1943 are concerned, the "notch" provision has no effect where both the 1942 and 1943 incomes are over $20,000, since the amount it abates for 1 year it recaptures in the next. The "notch" does, however, have the effect of graduating the amount payable in 1943 where the 1943 income is less than $20,000.

Two examples will illustrate how section 2 (b) of the bill will operate:

Example 1. Taxpayer with a 1942 income of $1,000,000 and no 1943 income: Richard Roe, single, reported a net income for 1942 which after subtraction of the personal exemption and credit for dependents equaled $1,000,000; and reported no net income for 1943. Without the application of the bill, the 1942 tax on the $1,000,000 would be approximately $854,000. Section 2 (b) of the bill abates only $7,100 of this amount. Thus Richard Roe would have to pay in 1943 approximately $846,900 on account of his 1942 tax.

Example 2. Taxpayer with 1942 income of $21,000 and no 1943 income: Charles Coe, single, reported a net income for 1942 which, after subtraction of the personal exemption and credit for dependents, equaled $21,000; and reported no net income for 1943. Without the application of the "notch" provision, the whole 1942 income would be subject to tax in 1943, amounting to approximately $7,710. Section 2 (b) of the bill abates the first $7,100 of the 1942 tax, leaving a balance of $610, which is the amount of tax payable in 1943 on the 1942 income.

Example 2. Taxpayer whose 1942 income slightly over $20,000: John Doe, single, reported a taxable income for 1942 of $21,000; and he reported a taxable income for 1943 of $19,000. Without the application of the bill, the 1942 tax on the $21,000 would be approximately $7,710, and the 1943 tax on the $19,000 would be approximately $7,640 (including the Victory tax). Section 2 (b) of the bill abates $7,100 of the 1942 tax leaving a balance of $610. It abates the excess of the 1943 tax over $7,100, or $540, leaving a balance of $7,100. Thus, John Doe would have to pay in 1943 $610 on account of his 1942 tax and $7,100 on account of his 1943 tax, or a total of $7,710.

It is apparent from this example that the amount which the taxpayer is required to pay in 1943 is equal to the tax on the higher of the 2 years, and that if the $19,000 income had occurred in 1942, the amount required to be paid in 1943 would be the same. Thus there is no discrimination between taxpayers with incomes slightly under $20,000 in 1942 on one hand and those with incomes slightly over $20,000 on the other hand.

(b) Taxpayers with substantial income whose 1942 and 1943 incomes are substantially greater than normal income: Section 2 (c) of the bill contains a special rule for the case in which both the 1942 and 1943 incomes are more than $50,000 in excess of the normal income. For the purpose of this provision the taxable income for 1941 is considered the normal taxable income, that being the last year in which the income was not substantially affected by the present war.

The rule contained in this section provides in this case that if the 1942 income is equal to or less than the 1943 income—in which case the regular 1943 income tax would be based on the 1943 income—the first $500,000 of the excessive portion of the 1942 income is to be taxed at the rate of 25 percent, and the balance at 50 percent.

If the 1942 income is greater than the 1943 income—in which case the regular 1943 income tax would be based on the 1942 income—the first $500,000 of the excessive portion of the 1943 income is taxed at the rate of 25 percent, and the balance at the rate of 50 percent.

The taxpayer is given the right, upon the furnishing of adequate security, to an extension of time for the payment of the 25 and 50 percent amounts. The original extension cannot exceed 18 months, and in exceptional cases a further extension of 12 months may be granted. These periods of extension are similar to the extensions permitted under existing law for the payment of deficiencies in income tax. If an extension is granted, interest is charged at the rate of 3 percent per annum.

Two examples will illustrate how this provision will operate:

Example 1. Taxpayer whose income as a result of war has increased $900,000: John Smith, single, had a taxable income for 1941, 1942, and 1943, as follows: 1941, $100,000; 1942, $1,000,000; 1943, $1,000,000. Thus both his 1942 and 1943 income is substantially in excess of his normal income of $100,000. Section 2 (c) of the bill provides in this case that in addition to the 1943 tax on the $1,000,000 income for 1943, John Smith must pay as 1942 tax 25 percent of the first $500,000 of the excess of his 1942 income over his 1941 income, or $50,000, whichever is the greater, and 50 percent on the balance. Since his 1941 income is greater than $50,000, he must pay as 1942 tax 25 percent of 500,000, and 50 percent of $400,000, or a total of $325,000. He may get an extension of time, not exceeding 30 months, in which to make this payment.

Example 2. Taxpayer whose income as a result of war has increased $900,000 in 1942 and whose 1942 tax is greater than 1943 tax: John Jones, single, had a taxable income for 1941, 1942, and 1943, as follows: 1941, $100,000; 1942, $1,000,000; 1943, $900,000. Thus both his 1942 and 1943 income is substantially in excess of his normal income of $100,000. As explained in example 2 in subdivision (a) above, the 1942 tax is abated to the extent of $7,100 and the 1943 tax abated to the extent it exceeds $7,100, under section 2 (b) of the bill. Section 2 (c) of the bill also deals with this case and adds to the unabated portion of his 1943 tax 25 percent of the first $500,000 of the excess of his 1943 tax over his 1941 income or over $50,000, whichever is the greater, and 50 percent of the balance. Since his 1941 income is greater than $50,000 he must pay as an addition to the unabated portion of his 1943 tax 25 percent of $500,000, and 50 percent of $300,000, or a total of $275,000. He may get an extension of time, not exceeding 30 months, in which to make this payment.

TENTATIVE TAX

Section 3 amends the Internal Revenue Code to provide for the payment each taxable year of a tentative tax for that taxable year.

Subsection (a) amends section 56 of the code to define the tentative tax for any taxable year. The tentative tax is either (1) the tax shown on the return for the preceding taxable year (minus the foreign tax credit), or (2) the tax shown on a tentative return which the taxpayer is permitted—though not required—to file, or (3) the tax withheld at source on salaries and wages.

The taxpayer may treat the tax shown on the return for the preceding year as the tentative tax during the first quarter or first two or three quarters, and then switch to a tentative return basis, or he can begin by filing a tentative return and if he desires file superseding tentative returns each quarter; or he may treat the amount withheld at source on his wages or salary as the tentative tax, if he has not filed any tentative return and has not paid any installment on the basis of the return for the preceding year. Later in the year he may switch from this basis of computing the tentative tax to a tentative return basis.

The taxpayer whose income consists almost entirely of wages or salary and who is not above the first surtax bracket (estimated to be approximately 70 percent of all individual taxpayers) will undoubtedly decide to treat the amount withheld at source as the tentative tax, for by doing so he will not have to make any tentative returns or pay quarterly installments on the basis of the return for the preceding year. If during the course of the year, however, he gets an increase in wages or salary so as to put him above the first surtax bracket, or gets some dividend income, he will undoubtedly make one or more tentative returns later in the year, and pay the remaining tentative tax on the new basis.

The taxpayer whose income consists of amounts not subject to withholding will either use the previous-return basis or the tentative-return basis in computing his tentative tax. If his income does not vary widely from year to year, he will undoubtedly compute his tentative tax on the basis of the return for the preceding year. If his income does vary substantially, he will compute his tentative tax on the basis of one or more tentative returns, or will begin the year computing his tentative tax on the previous-return basis and later in the year switch to a tentative-return basis. A tentative return—as hereafter explained—may be filed as late as December 31, which means that farmers having one money crop a year could file their tentative return and pay their tentative tax for the year at that time if they should desire.

TIME AND MANNER OF PAYMENT

If the tentative tax is computed on the basis of the return for the preceding year or on the basis of a tentative return, it is payable in four installments,

one on the 15th day of the third month, one on the 15th day of the sixth month, one on the 15th day of the ninth month, and one on the last day of the last month of the taxable year. Because the taxpayer is permitted to change the method of computing the tentative tax, the installments may not be equal. Thus a rule is prescribed for computing the amount of any particular installment. The amount of any installment is the excess of the tentative tax, as last determined, over the amount of the previous installments, divided by the number of remaining installments.

OVERPAYMENT OF TENTATIVE TAX

If the tentative tax paid for any taxable year exceeds the tax imposed for the taxable year, the excess is to be credited or refunded in the same manner as an overpayment made on the date prescribed for paying the tax.

CREDIT AGAINST TAX IMPOSED

The tentative tax paid for any taxable year is allowed as a credit against the tax imposed for the taxable year.

TENTATIVE RETURNS

Any individual, on or before the 15th day of the third, sixth, or ninth, or the last day of the twelfth month of the taxable year, or on or before any two or more such dates, is permitted to make a tentative return which is to state the items which the taxpayer estimates as the items of his gross income, deductions, and credits against net income for the taxable year. The effect of making such a return has been discussed above in the explanation of the tentative tax.

SUBSTANTIAL UNDERPAYMENT OF TENTATIVE TAX

In order to require that taxpayers with wages or salaries above the first surtax bracket or with income from sources other than wages and salaries, keep their tax payments reasonably current, either by using the previous-return basis or the tentative-return basis of computing the tentative tax, it is provided that if the final tax liability for the year exceeds 120 percent of the tentative tax paid during the year, there shall be collected as an addition to the final tax an amount equal to 10 percent of such excess.

TAXABLE YEARS TO WHICH APPLICABLE

The amendments made by section 3 of the bill—relating to the tentative tax—are to be effective only with respect to taxable years beginning after December 31, 1942.

WITHHOLDING AT SOURCE ON SALARIES AND WAGES

Section 4 of the Carlson bill provides for withholding at the source on salaries and wages.

The withholding provisions are, except in one respect, the same as those contained in H. R. 2218 reported by the majority of the committee.

Under the committee bill, H. R. 2218, the amounts withheld during any calendar year are permitted to be credited against the tax for the preceding year. Since the Carlson bill, H. R. 2245, puts taxpayers on a current basis, this provision of H. R. 2218 is unnecessary.

Sections 4, 5, and 6 of the Carlson bill are the same as sections 4, 5, and 6 of H. R. 2218 reported by the majority of the committee.

Section 4 (a) contains a technical provision relating to the refunding of excessive withholding, and section 4 (b) extends to the allowance of interest on such refunds the existing rule applicable to the refund itself which prevents review of the Commissioner's determination by any other administrative or accounting officer of the Government. This provision is necessary to speed up the allowance of refunds to small taxpayers.

TAX RELIEF FOR SOLDIERS AND SAILORS

Section 5 of the Carlson bill is the same as section 5 of the committee bill, and provides relief from income tax for members of the armed forces. During the present war, a member of the military or naval forces of the United States will have excluded from gross income so much of his military pay as does not exceed the difference between $3,500 and his personal exemption. Thus, a married man is entitled to a personal exemption of $1,200. In arriving at his income subject to tax, he will be entitled to exclude $2,300 of his military pay. In addition, he will still be entitled to the personal exemption of $1,200 and the credit for dependents of $350, which is allowed under the present law as a credit against net income. A single person in the armed forces will be entitled to exclude from gross income so much of his military pay as does not exceed the difference between $3,500 and $500. Thus, a single person will be entitled to exclude $3,000 of his military pay from income. In addition, he will be entitled to the personal exemption of $500 and the credit for dependents of $350, if he has dependents, which will be allowed as a credit against his net income. This provision is somewhat similar to a provision contained in section 213 (b) (8) of the World War Revenue Act of 1918, which excluded from gross income so much of the compensation received by a person in the military or naval forces as salary or compensation from the United States for active service in such forces as did not exceed $3,500.

The bill makes this relief applicable to 1942 and subsequent years, but it is confined to compensation for active service in the military or naval forces during the present war.

Section 6 of the Carlson bill, which is the same as section 6 of the committee bill, applies to individuals dying in the active service as a member of the military or naval forces of the United States. Any Federal income tax which is outstanding at the time of the death of such individual—including interest, additions to the tax, and additional amounts—is abated and if collected after the date of death will be refunded. This provision is effective on or after December 7, 1941.

Mr. DOUGHTON. Mr. Chairman, I yield 30 minutes to the gentleman from Georgia [Mr. CAMP].

Mr. CAMP. Mr. Chairman, I feel a hesitancy in addressing the House on this subject after listening to the able speeches of our great chairman of this committee and other members of the committee who have preceded me; but I feel so very deeply on this subject that I am going to ask you to indulge me for a few minutes in order that I may express my own feelings.

I feel deeply that a very grave injustice, a very great hurt may be put over on the people of this country under a very false impression that they are laboring under all over this land. In recent visits to my own district in the last 2 months I have had dozens and dozens of men meet me on the street and say, "CAMP, I understand they have got a bill up there to take a tax paying holiday; not pay any taxes this year; this Ruml plan. I sure hope you pass it."

I think Mr. Ruml and his followers and that crowd that has put on this big campaign of advertising, although they may have done it unintentionally, have done this country a great disservice in a year of war when we need tax money more than at any time in the history of this country. They talk about not losing 1942 taxes if you forgive them, and argue until they are blue in the face to make you see that the country does not lose it. They put their argument on the wrong basis.

As I understand the principle of income taxation, the country asks its people for a proportion, a percentage, of its national income. That is not used for any basis. They simply want a proportion of the national income. If the national income of this country is $119,000,000,000, as it was last year, the greatest in all our history, and the people of this country owe $10,000,000,000 of it in income taxes, to come here and say "You need not pay it, but we will let you pay 1943 in advance," is the same identical proposition as this, if you will allow me to use a homely illustration. I own a little farm down in Georgia. I rent it out to an old darky. He pays me five bales of cotton a year as rent. He cannot pay it in advance, because he cannot even pay for his fertilizer in advance. I furnish him his fertilizer, money, and his food. But in the fall, when he picks the cotton, he pays my rent and the fertilizer money. Suppose he comes this fall and says, "Mr. CAMP, I am going to pay you those five bales, but not for 1943. I want you to take this in advance on 1944." Does anybody in this House say that I would not lose a year's rent? I leave it there.

On last Thursday the gentleman from Minnesota, the ranking minority member of our committee, referring to our work and the bill we have brought out, said, "The mountain labored and brought forth a mouse." Well, I would like to say that he is at least 50 percent right. The committee has really labored. No group of men ever worked more conscientiously or with more perseverance, and no chairman of any committee ever kept a group closer to the work in hand than has our distinguished chairman.

The subject of taxation, and I think we should say "current taxation," was taken up soon after I became a member of this great committee in January. Citizens had appeared before our committee representing practically every phase of American business life. We

have carefully listened to all of them. Letters from all over the country have been received by the members of our committee. Many different changes in our income-tax collection procedure have been suggested and to all of this we have given our best thought and attention.

The principal ideas advanced to us seemed to revolve around two propositions and I ask you to listen closely to this because this is what I got out of it.

The first proposition was this: There are so many new taxpayers on the rolls, because of the advance in salaries and wages due to the war and the lowering of exemptions and broadening of the tax base, that it is feared by many that thousands of them will fail to make income-tax returns, and will escape taxation by simply becoming lost in the shuffle unless some method of collecting the tax at the source by deductions from their weekly or monthly pay checks is adopted.

That proposition seems to have worried a great many people. It seems to have especially worried those employers who are paying big wages to people. We have had so many of them to come.

The second proposition is this: It is highly desirable that individuals pay their taxes currently from month to month out of their income as it is earned and as they receive it, rather than to pay it at the end of the year as it is done at present.

There are the two propositions. Those propositions were thoroughly investigated by our committee. As to the first one, it was shown by the Treasury Department that their past experience did not warrant the fears of so many of our citizens that thousands of the workers of this country would avoid payment of their taxes. In fact, it was shown by the records of the Treasury Department that during the past 10 years this country has lost only two-tenths of 1 percent in the collection of income taxes. It was also shown that the Treasury Department requires every employer who pays to anyone a salary or wages in excess of the exemption of a single man, to make a return, called "information at the source." From this return the Treasury Department has lost only two-tenths of 1 percent. I think that is a great record.

Mr. BARRY. Mr. Chairman, will the gentleman yield?

Mr. CAMP. I yield.

Mr. BARRY. Does that two-tenths of 1 percent represent those who have filed?

Mr. CAMP. It represents all that is due, whether they filed returns or not.

Mr. BARRY. I mean there are many who never file.

Mr. CAMP. According to this two-tenths of 1 percent get away, they say.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. CAMP. I yield.

Mr. COOPER. There is, of course, no difference on that point. The Carlson bill just copies the provisions of the committee plan.

Mr. CAMP. Yes; and I will get to that in my next statement.

Mr. COOPER. There is no issue on that point at all.

Mr. CAMP. I made some investigation of this question in my own State during the past month with our collector who had the same fears on the subject to begin with. He was most agreeably surprised by the prompt response of our new taxpayers. I want to give you three examples. About March 1 of each year the collector sends his deputies out over the State to assist the people in making their income-tax returns. They stay at the county seats for 2 weeks up to March 15. In one Georgia town these information sheets that I have just spoken of indicated that there were 120 new taxpayers, and the deputy who was holding office there in the post-office building to assist new taxpayers make returns was told that if at the end of his 2 weeks' stay these men had not reported to file returns, to look them up and to get them. Before the 2 weeks were up every single one of the 120 new taxpayers came there voluntarily and filed his return, and 101 of the 120 paid their entire 1942 tax in cash.

I went to my home town. I was making out my income tax down there along about the 6th or 7th of March.

Mr. DONDERO. Was that State income tax or Federal?

Mr. CAMP. Federal, of course; we are talking about Federal. I went there and I asked: "Well, what is your record here?"

"Well," he said, "It is better than that."

He said: "We had 135 new taxpayers here. One hundred and twenty have paid their 1942 tax in full, leaving only 15 making the quarterly payment."

I understand that down at Savannah they had to keep the office open on the 16th of March because they turned so many back the previous day. They had the greatest income-tax receipts of all their history there, and more than 50 percent of the taxpayers were workers in the shipyards paying taxes all the way up to $600, all paying it happily, and gladly, and patriotically.

Talk to me about losing taxes if you do not make them deduct them. I say it is not necessary to do that, although it may be desirable. I should like, however, to state here that both the Carlson bill and the committee bill take care of this proposition by deducting the 20 percent at the source, so we need not bother about the first proposition any further; the two bills are identical on that.

Mr. BARRY. Mr. Chairman, will the gentleman yield?

Mr. CAMP. I yield.

Mr. BARRY. Does the gentleman believe that when the war ends and these people are faced with the loss of jobs when the war-production effort ceases, that same condition is going to exist?

Mr. CAMP. That is the time to do your forgiving if you ever do any. That may come, but I am not willing to do it in these flush years.

Mr. BARRY. But then when you do that you forgive those people, but at the same time you penalize those millions of taxpayers, white-collar taxpayers, who continue to pay their bills right along and because they still pay their tax they have no reason to be forgiven. Is not that true?

Mr. CAMP. This Congress will never pass a law that would be unfair to one class at the expense of another.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. CAMP. I yield.

Mr. COOPER. The gentleman from New York overlooks the very basic fundamental principle of income-tax law, that, if a man does not make the income, he does not have to pay any tax at all.

Mr. CAMP. Why, of course. Now, let us get back to this second proposition about paying taxes currently. On first consideration it seems unanswerable.

Mr. BARRY. Mr. Chairman, will the gentleman yield once more?

Mr. CAMP. I cannot yield further until I finish my statement.

Mr. BARRY. I want to answer the gentleman.

Mr. CAMP. Mr. Chairman, I decline to yield. As I say, on first consideration, this proposition of paying taxes currently seems unanswerable, but the more you delve into it and inquire, the more you find how mysterious it is. We discovered, for instance, that it is impossible to place a great number of our taxpayers on a current basis; in fact, it would be an unjust and unfair thing to make a great many of our citizens pay currently.

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. CAMP. I yield.

Mr. BROWN of Georgia. Under the Carlson plan, when will the citizen pay the 1942 tax?

Mr. CAMP. They know they will never be paid and there is no backer of that proposal who could ever explain when the 1942 tax would be paid, because it is like Tennyson's brook, it goes on forever, only I may paraphrase Tennyson by saying, "It is gone forever; it is gone forever."

Mr. MORRISON of North Carolina. Will the gentleman yield?

Mr. CAMP. I yield to the gentleman from North Carolina.

Mr. MORRISON of North Carolina. Is there any precedent whatever, and was any cited before your committtee, to retroactively repeal a revenue act where the tax under it had already been levied, as the bill levied it, assessed and the people made out their bills and sent their money? Is there any precedent?

Mr. CAMP. There was no precedent given to us.

Now, let us take the case of the corporations. No corporation can estimate its net income in advance. It may have for 6 months, or even 9 months, a very profitable business at the beginning of the year, and then have losses the last 3 months that would wipe out the profits of the first part of the year. Even Mr. Ruml himself admitted before the committee that his famous plan could not possibly apply to corporations. So you have got to wipe out that great class of taxpayers to start with.

Second, let us take the farmers. I want to ask you Members just a plain, every-day question here and I want you to ponder it a little. How in the world can a cotton farmer pay his 1943 taxes now when the cottonseed are not yet in

the ground? Is he going to be able to get labor to work his crop after he gets the seed planted? Are we going to have a drought this year or a flood or a storm? Are the boll weevils going to eat it up this fall when it comes on? How are you going to make him pay taxes with all those contingencies facing him? All of us know that the average cotton farmer is hard pressed to buy supplies, his fertilizer, his seed, his implements, and many of them borrow from the banks and the Government credit agencies to finance their crops. Even if he had a good idea as to how much crop he is going to make and what his tax may be, where is he going to get the money to pay it with? I am talking now about my part of the country. You folks may have your money to pay in advance, but we do not have it. The same thing is true of the wheat farmer, the corn farmer, the tobacco farmer, the grain farmer or any one-crop farmer.

This same man I am talking about, the cotton farmer, is the nearest current man in this country today anyway, because his 1942 tax was due on March 15. He just sold his cotton along in December. It takes him to March 15 to pay his debts, get straightened out, and pay his taxes. He is paying it out of the money he receives just as soon as he can. He is practically current right now. If you ask him to pay the 1943 taxes why you are just about 14 months ahead of the proposition.

Now come the professional men—lawyers, doctors, and dentists. Their earnings greatly vary from year to year and the collections vary the same way. They cannot estimate in advance what their incomes will be. They, like the corporations, should be allowed to finish their year's work, cast up their accounts, reckon their net income, and pay at the end of the year, and that is what they want to do. If you change this law any other way you are going to get more kicks than you ever heard of. Then there are the real-estate men, insurance men, small merchants, mechanics, contractors—any kind of self-employed people.

Why, as an attorney I have had some friends who were contractors. They would go to a contract letting and come to me and say, "Mr. CAMP, I am going to make some real money. I have a contract here and I am going to be able to take the wife and children to Florida this winter for a trip." And he thought that. But along came the rains, labor troubles, and delay in getting materials, and my old friend changed his demeanor. He got blue, and he lost instead of making money on the contract. You tell me you can let that fellow estimate in advance and pay his tax in advance? Why, as I stated before, you are going to have the biggest kick in the world on this thing.

Mr. Chairman, suppose we did not have any income-tax law on the statute books at all and we were about to enact one and we passed a law here today. We are going to tax the incomes of all the people this year, and we say, "Everybody come up and tell us what your income is going to be and pay the tax now." Do you think the people of this country would stand for that? Think about that a little.

So you see all you have left who could possibly pay that tax currently are those people whose principal income is derived from wages and salaries. Now that is what we get down to and that is not over one-third of the whole. It is said that only the most provident save up their money during the year so as to be able to meet their taxes on March 15. Well, the American people are to be congratulated on their sagacity, for although the law allows each taxpayer to pay his income tax in quarterly installments throughout the year, the Treasury Department's records show that the record of payments during the past 10 years is that 60 percent of the taxpayers pay all their tax in cash on March 15. Now, where is your argument that you shed crocodile tears over about the fellow who will not be able to pay his taxes? Sixty percent of our people have done it in the past, and if it had not been for this great disservice, this newspaper advertising campaign all over the country about this Ruml plan, we would have gotten 60 percent of them this time. That is what I think about the whole business.

Let us see what may happen when you begin these so-called current payments. Suppose a man pays monthly for 8 months. Let us take this same girl that the gentleman from Kansas [Mr. CARLSON] told us about a while ago. Suppose that young lady on this current-payment business pays for 8 months, taking out 20 percent of her salary, and then the poor thing gets sick and has to go to a hospital. She has to quit work and loses that salary. Why, at the end of the year she would not owe any tax for this year. There the Government would be with 20 percent of her money for 8 months and the poor thing needing money badly to pay hospital bills. I may say further she may need it very much worse before the Government gets around to refunding it to her. He kept talking about how much tax that young lady would pay this year, but forgets, and all these Rumlites forget, that she had last year's salary and this year's, too.

She has had 2 years' salary to pay 1 year's tax with, but they will not talk about that income for last year.

I am awfully glad that Mr. Ruml appeared before our committee. The high-pressure advertising that has been done by the selfish group sponsoring his plan, the misleading information given out about it, the very great disservice to the Government in delaying payment of taxes at a time when every dollar is so badly needed in this costly and perilous war, has caused me to wonder about Mr. Ruml, but as he stood on his feet before our committee for 5½ hours, I reached the conclusion that he may be like our colleague who told us the other day about what he is going to say to St. Peter when and if he gets there. He has thought so much about his 1942 taxes that he really wants to believe this plan is sound. He really wants it so badly that his wish has become father to his thought.

Mr. Ruml frankly admitted before our committee that the plan could not apply to corporations. He frankly admitted that the great war profits, or the windfalls, as he called them, should not go untaxed. As the lawyers down our way would say, in my opinion, Mr. Ruml just admitted his case out of court.

Mr. HARE. Mr. Chairman, will the gentleman yield?

Mr. CAMP. I yield to the gentleman from South Carolina.

Mr. HARE. The gentleman has made a very informative statement here. I would like to just ask a question or two to see if I can get this in my mind as he has it.

In the first place, am I correct in the conclusion that the only difference between the bill now before the House, and what we know as the Ruml plan, or the Carlson bill, is the cancelation of the taxes for 1942?

Mr. CAMP. Absolutely; that states it in very terse words. The only difference is the cancelation.

Mr. HARE. Now, another question. Then all of the provisions in the bill now before the House are similar to the provisions in the Carlson bill with the exception of the cancelation of the taxes for 1942?

Mr. CAMP. It is not only similar but it is word for word practically all the way through.

Mr. HARE. The gentleman will pardon me, I am sure, because I want to get this clear in my mind: Does either one of these bills attempt to levy new taxes?

Mr. CAMP. No.

Mr. HARE. Then I understand the only purpose is to supply a new method for collecting taxes?

Mr. CAMP. That is right, and to give people an opportunity to become current if they want to.

Mr. HARE. Is there any provision in the proposed bill that requires the payment of 2 years' taxes in 1?

Mr. CAMP. Not in the committee bill; no.

Mr. GIFFORD. Mr. Chairman, will the gentleman yield?

Mr. CAMP. I yield to the gentleman from Massachusetts.

Mr. GIFFORD. I want to get some help from the gentleman. My people have heard that they are to be forgiven 1 year's taxes, but they earnestly request me to tell them what year they do not have to pay taxes. What years are forgiven? Apparently they have to pay every year. They cannot quite get it.

Mr. CAMP. If the gentleman heard what I said about the Negro paying his rent down in Georgia, he ought to be able to answer that question.

Mr. Ruml was referred to here the other day as the high priest of the house of Macy. He is a banker as well as a great merchant. The founders of the house of Macy, the Strauses, were born and originated in my district in Georgia and we are awfully proud of them. They are greatly loved there for their generosity and patriotism. They have a great branch store in Atlanta. Mr. Ruml was entertained, wined and dined on his recent visit there. Many of our people fell for his proposition like a ton of brick, as the saying is, and they began clipping coupons out of the papers. They have had an advertising campaign down there,

with a coupon down in the corner of the page ad reading:

Send this to your Congressman and demand that he vote for the Ruml plan without change or amendment.

They started to send them to me after Mr. Ruml's visit to Atlanta. Well, in the past week or so there has been a change taking place. The biggest taxpayer in my county, who is a real taxpayer, by the way, president of one of the largest textile mills in the South, wrote and said, "Sid, please disregard my other letter. I have thought about this thing. You and I were in the last war together. I don't know why I ever fell for the Ruml plan."

The CHAIRMAN. The time of the gentleman has expired.

Mr. DOUGHTON. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. CAMP. Now he says, "I am wrong about it. Just disregard my letter." I have had many such letters; I even got some today of that tenor. People are going to get the Ruml plan down in their minds one of these days, and I hope they will do it before we pass it. I hope we are not deceived by the vast advertising campaign promoted to put it over. It was not paid for by those whose income is derived principally from salaries and wages. I have received a pile of letters and pamphlets more than a foot high regarding it, and among these are represented a great many of the leading manufacturers and suppliers of Army-Navy goods in this country. A funny thing happened. I picked up on a streetcar a copy of Nation's Business, or some such business magazine, and I read an article in it about the wonderful profits the manufacturers of fountain pens made last year. They said that every soldier boy and every sailor boy received from his wife, his sweetheart, or his mother a fountain pen when he went into the service. When I got down to my office, why, bless my soul, if there was not a letter from the president and general manager of the Sheaffer Fountain Pen Co. asking me to please vote for the Ruml plan.

Now, that is the crowd that paid for the advertising and that is the crowd that want to save their 1942 taxes.

Mr. Chairman, in my humble opinion the Ruml plan and similar plans are not aimed principally at simply placing these poor working people, these salary and wage earners, on a pay-as-you-go or current basis. The Rumlites are not so concerned about them. As my old law professor used to say, the Rumlites are not mad about what they are mad about. There is a "nigger in the wood pile." I can see nothing to it except a scheme to avoid paying the taxes due to the Government of the largest national income our people ever received, $119,000,000,000 of income in 1942, a tax amounting to over $10,000,000,000. The savings accounts in this country today show deposits of $29,000,000,000, and our people are amply able to pay the $10,000,000,000 of 1942 taxes.

Many years ago a man by the name of John Law, a naturalized Frenchman of English birth, originated a famous scheme to pay off the huge national debt of France and at the same time make all the people rich. His plan was similar to the Ruml plan. They are both based on the fallacy that you can beat simple arithmetic, and both operated by simply projecting the payment of taxes into the future. But that tax load is going to have to be borne by someone some day. Who is it? Your son, the returning soldiers. Did you not hear them say that all you had to do was just increase the tax rate to make up for it? They have used that argument this morning.

Mr. Ruml told us that the Government would lose nothing by his plan, that everyone would pay just as usual, except, he said—and he made this motion—we move the tax clock up a year. Using the same reasoning he gave, why not move it up 2 years and pay 1944 taxes instead of 1943 taxes this year? The Government would get the money just the same, would it not? The same Carlson argument would hold true. You know that is foolish. You cannot move it up 2 years. It is just as foolish to move it up 1 year.

Our people are able to pay their taxes. They will pay them, and had they been left alone and not been confused by this gigantic advertising campaign, I believe the cash payments on March 15 would have broken all records. Our people know what it requires to win this war. They know that every man, woman, and child must toil and work and sweat, and that every citizen of this country must pay taxes that are burdensome.

The CHAIRMAN. The time of the gentleman from Georgia has again expired.

Mr. DOUGHTON. Mr. Chairman, I yield 5 additional minutes to the gentleman from Georgia.

Mr. CAMP. Mr. Chairman, not long ago Eddie Cantor came home from Europe. He was met at the boat by the newspapermen. They propounded to him many questions. Finally they said, "What about the new tax law?" Eddie Cantor scratched his head and thought about what he had seen across the waters and said, "The tax rates are too low."

What about this committee bill that was attacked here yesterday as the rich man's bill, one favoring the business of the loan shark? If it is the rich man's bill, is it not strange that the rich men are not supporting it, and if so, how can you explain the strange support the Carlson bill is receiving?

The committee bill has been fully and ably explained by the gentleman from Tennessee [Mr. COOPER]. It makes no changes in the present rate of taxation or the method of making returns or payments, except to begin withholding at the source from salaries and wages on July 1 and to grant high exemptions to our men in the armed services, and to provide inducements for prepayment of taxes, in the form of discounts. Under it no one need pay more than 1 year's taxes this year or any other year unless he desires or wants to do so.

The Carlson bill has every provision contained in the committee bill, the only difference being that under the Carlson bill the taxpayers are made current by forgiving them the 1942 tax.

As I stated before, one of the ranking minority members of our committee facetiously ridiculed the work of our committee as a mountain bringing forth a mouse. If he calls our bill a mouse, I want to tell him an old story that some of you may have heard which illustrates what I think of the Ruml plan.

Over at the State agricultural college there was a great professor of entomology. He tried to help all the boys in their work. They would bring specimens to him from time to time and he could always identify them. The boys wanted to catch him, so one of them went out and got a big black beetle, and to that black beetle he glued some grasshopper's hind legs and a pair of butterfly wings. He carried it up to the professor of entomology and said, "Doctor, what is this?" The old doctor looked at it awhile and finally he looked up and said "Young gentleman, that is a humbug."

Mr. Chairman, we have the flower of our youth in our armed forces fighting in every corner of the globe. Many are giving their lives every day. Many of these men have already been in service over two years, and those who are not killed will have given years of their lives to their country, the years of youth, so precious to us all. As a veteran of the first World War who spent over 2 years in France in the Army, I think I know what these boys are going to think when they get back.

In the last war we had more than 55,000 men killed in battle, and while they were being killed over 65,000 American citizens became millionaires in contracting to furnish the Government war supplies. I think the most solemn pledge this Congress has made to our boys is that we would not allow a new crop of millionaires to grow up out of this war. We thought we were protecting ourselves in this pledge when we passed the excess-profits tax law, and raised the income-tax rate in the higher brackets as high as 88 percent. I tell you here and now this Ruml plan is a scheme adopted to get around all our plans.

The young men who are fighting this war will be the ones to pay for it, just as they shouldered the load following the last war, while the brittle old men who stayed at home and piled up war profits passed out of the picture.

In Flanders fields the poppies blow
Between the crosses, row on row,
That mark our place; and in the sky
The larks, still bravely singing, fly
Scarce heard amid the guns below.

We are the dead. Short days ago
We lived, felt dawn, saw sunset glow,
Loved and were loved, and now we lie
In Flanders fields.

Take up our quarrel with the foe:
To you from failing hands we throw
The torch; be yours to hold it high.
If ye break faith with us who die
We shall not sleep, though poppies grow
In Flanders fields.

Mr. Chairman, are we going to break faith with these soldiers, sailors, marines—those boys who fell on Bataan, Guadalcanal, in the naval battles in the

South Pacific, those who are falling now in Africa—and those who in the grave days to come will lay down their lives for America? God forbid.

The CHAIRMAN. The time of the gentleman from Georgia has again expired.

Mr. KNUTSON. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. COLE].

Mr. COLE of New York. Mr. Chairman, no proposal of recent years has captivated public imagination and aroused Nation-wide interest and support so completely as the plan advanced by Beardsley Ruml providing for payment of income taxes on a current basis rather than a deferred basis, as has been the practice ever since the income tax was first inaugurated. Under this plan, taxes would be paid in installment payments currently with the earning of income. Under it, except in certain instances, no tax would be collected by the Government on income earned in 1942. Simply stated, the tax clock would be turned forward for 1 year and revenues to the Government would continue to flow as in the past, except that the basis for determining the amount of tax due would be the earnings of 1943 rather than 1942.

The proposal has been discussed in its various phases by public officials and by radio and newspaper commentators. Its effect and purposes are fully understood by all. The businessman, the salaried worker, and the wage earner have all voiced their general approval of it. In spite of the many serious arguments presented by sincere persons in opposition to it, the response has been so widespread and so unanimous that it is the duty of the Congress to adopt the principle of pay-as-you-earn in income taxation.

Taxpayers are fully aware of the tremendous burden which they must carry in the future. It is they who must bear the load for any "forgiveness" of taxes entailed by adoption of the current payment plan. Their desires must be considered, because it is they who are adversely affected by any possible mistake in having made a change in the system.

If democracy is to survive, the wishes of the people must be followed when made manifest so unanimously and completely as in this instance. Congress should immediately act favorably on the basic principles of the Ruml plan.

Mr. KNUTSON. Mr. Chairman, I yield now 1 minute to the gentleman from Ohio [Mr. VORYS].

Mr. VORYS of Ohio. Mr. Chairman, the gentleman from Georgia [Mr. CAMP] gave us an illustration which is unfortunate from his standpoint. He told us about this poor Negro tenant who paid 5 bales of cotton for rent in 1943 out of his 1943 income. If that tenant is as poor as he is described, of course, the landlord will not get anything out of him if he dies. The gentleman from Georgia has got his tenant on the Ruml plan now. Of course, he cannot advance him a year into the future because he is operating the Ruml plan now on that Georgia farm, to wit, pay as you go, do not pay if you are dead. He, of course, approves of advancing the clock an hour in wartime, of advancing Thanksgiving so that you can gain a couple of weeks of shopping, but because it was not first suggested by his administration he seems to object to a pay-as-you-go system for the Government, although he applies it to his own tenant.

Mr. KNUTSON. Mr. Chairman, I yield myself 1 minute. After listening to the mental gymnasts on the other side, I have come to the conclusion that the thing that is wrong with the Ruml plan is that it was planned by a successful businessman. Had it been proposed by a W. P. A.'er, who had been on the town before the W. P. A., the other side would be embracing it with open arms.

I now yield 20 minutes to the gentleman from California [Mr. GEARHART].

Mr. GEARHART. The great American hoax of 1943: The Ruml plan—a bonanza for the rich, a cruel joke upon the poor. That, Mr. Chairman, is what we are here today to discuss—a plan which slogans built—"Pay as you go"; "Withhold it at the source"; "Skip a year"; "Wipe the old slate clean."

It is a crafty tax-gypping program that has been sold to the American people with ear-catching slogans—slogans that have been so often repeated and so loudly proclaimed that our ears are ringing with them today—and they that have embraced this well-advertised scheme are very choosy about the slogans they use. They only use the slogans that have the proper flavor. Forgiveness? Horrors, no. Because that word proclaims the truth in all of its ugly nakedness. Whatever may have been said of this plan, whatever may be said of it in the future, the truth will yet be made manifest, even to the most obtuse.

It is simply a cleverly and smartly devised plan to get 2 years of income and pay upon it but a single year of taxes. They use the most ingenious of arguments, but, if you please, after the spell of oratory has been dissipated and we have recaptured our reason, it will be the same old iniquitous thing—2 years of income and 1 year of taxes.

Even my friend the gentleman from Kansas [Mr. CARLSON]—and I want to say that there is no man in this Congress for whom I have a warmer affection—even he tried to duck on that plain and undeniable thing. He did his best to convince us that, should his plan go through, he would not have 2 years of income upon which he would pay but 1 year of taxes. But, despite his heroic effort, the immutable fact will remain to haunt him, as it will everyone who votes for the Ruml-Carlson plan—he will have had a $10,000 salary check paid him in 1942 and another $10,000 salary check will be paid him in 1943, and when those 2 years are passed and each of them has receded into history it will in time dawn upon him that he has paid only 1 year of taxes—this because we will have skipped the taxes on his income of 1942 and taxed only his income earned in 1943.

Mr. MILLER of Connecticut. Mr. Chairman, will the gentleman yield?

Mr. GEARHART. Please permit me to proceed with my argument.

Mr. MILLER of Connecticut. Which year will he skip?

Mr. GEARHART. In practical effect it does not make any difference what year he skips. He still has 2 years of income and only pays 1 year of taxes.

Mr. MILLER of Connecticut. He will pay $2,000 each year.

Mr. GEARHART. Yes; the tax he paid in 1942 was on the income he earned in 1941. If the Carlson bill should prevail, the tax he would pay in 1943 would be on his income he earned in 1943. The income on the $10,000 he earned and received for 1942 would go scot-free of all tax. That 1942 income would be all velvet.

Mr. BARRY. Mr. Chairman, will the gentleman yield?

Mr. GEARHART. Yes; I would be glad to yield to the distinguished gentleman from New York.

Mr. BARRY. There are millions of white-collar employees who have been paying taxes, whose cost of living is rising daily, and whose salaries are not increasing at all. In order to get current, they must pay under the committee bill 2 years' taxes in 1.

Mr. GEARHART. Under the committee bill no taxpayer is required to double up. If he does not want to become current, he does not have to. It is a matter entirely under his own control——

Mr. BARRY rose.

Mr. GEARHART. Please do not press me further in respect to that fallacy. The saying of it over and over again does not make it true. No doubling up is required whatsoever.

Though you may deny the fact as vigorously as you please, until this Chamber echoes with your protests, this crafty scheme is just an ill-disguised maneuver to get 2 years of income and pay but 1 year's taxes. Now, vote to exempt your 1942 income from all taxes, if you please. Deceive yourself, believing that you are performing your full duty to your country, if you will. But for myself, I will vote for no bill to get out of the paying of any part of the taxes on any part of the income I have already earned and enjoyed.

Now, I want to get down to the point. What is the difference in the impact of a Ruml law upon the rich and the poor? It is simply this: From the bottom up to a certain point, poor people pay their taxes in sacrifice. When they pay those taxes they, of necessity, give up many things they would like to have. But the rich man, if you pass the Ruml plan, will not pay his taxes in sacrifice. He will pay his taxes out of surplus. Oh, what a vast difference in paying your taxes out of surplus and paying your taxes in sacrifice. Now, maybe you have been turning this ear-catching phrase of "pay as you go" over in your mind, weighing the desirability of achieving it. Maybe you have forgotten that the people have had the right to pay their taxes in four equal installments for as long as we have had income-tax laws. Now, I ask you Members of this House why did we write that quarterly installment into the law that was passed in the early days of our income-tax experience? Why have we rewritten it into every succeeding law down to the present time?

Simply because we know that many of the people in America—and, of course, you know I am referring to those in the lower income-paying brackets—have to have credit extended to them; that those people will have to have time in which to earn the tax that they owe to the Government which is theirs and yours and mine. So those people in the poorer class—that group that pay their taxes in four installments, pay their taxes out of the earnings they make from day to day. The taxpayers in the lower brackets have always been on a pay-as-you-go basis. But the people who pay their taxes out of surplus are in an entirely different classification. The change from the old law to the Ruml plan impacts upon these two groups in an entirely different way. The upper-bracket group makes no sacrifice. They have everything they want. They have their automobiles, their marble palaces; they have all the food they can consume. These people simply write a check on their tax-savings account and send it on March 15 to Uncle Sam. If they should not set up a tax-savings account, did not anticipate the taxes coming due on next March 15, they would not long be in the rich class, because it is just that failure to look after the substance which is theirs that turns a rich man into a poor man. If they did not save, they would soon again be poor men, paying on the four-installment basis, just as the poor people in our country have always paid their taxes down through the years.

What is the importance of this distinction to which I call your attention? I think most of you on either side of the aisle will agree that it is sound. What is the difference when the Ruml plan begins to operate on these two groups of taxpayers? The difference is simply this: The poor people go on paying their taxes as they earn, whatever year the assessment is based upon, paying year in and year out on the pay-as-you-earn basis.

In other words, the change to the Ruml plan will mean to them no change whatsoever. But to the rich man who takes care of his affairs diligently there is a vast difference. In anticipation of his next year of taxes he starts out by creating a sinking fund to which he adds each month until he has safely on deposit the money needed to take care of the tax falling due on the 15th of March of the year that follows. That man approaches the 15th day of March with all the money in the bank which he needs to pay his tax on the day it must be paid. He is always ready to write the check for the internal-revenue collector. The man with a million-dollar income will see to it he has $850,000 in the bank ready for Uncle Sam. If you adopt the Ruml tax-gypping proposal, all the rich man will do will be to strike out "tax-anticipation account" and write in "personal account," and then, by that simple operation the money which belongs to Uncle Sam immediately becomes capital; more capital for him to invest; more capital to get richer upon—richer beyond dreams of Midas.

Oh, the cruel joke you play on the poor. The windfall you insure to the rich. The Ruml plan is the most unfair, unjust, and discriminatory proposal that has ever been urged upon any legislative body in this great country of ours.

If I have not made the truth of what I have said clear to every one of you by this time my saying of it over and over again will serve no purpose. So I am going to leave that to discuss in detail another phase of the Carlson bill, to call to your attention another defect which is equally true, and upon the truth of which I will stake my reputation as a lawyer of 20 years' experience. I say that the Carlson bill fails 100 percent to make anybody current that will not become current under the committee bill, if the taxpayer desires to achieve that position.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. GEARHART. I am sorry but I want to proceed without interruption for the time being.

Mr. MOTT. When the gentleman has concluded will he yield?

Mr. GEARHART. I will, gladly. In both the committee bill and the Carlson bill we have withholding at the source in precisely the same words. The Carlson bill in this respect was copied, as the gentleman from Kansas [Mr. CARLSON] admitted a moment ago, from the committee bill. Withholding at source, only affects, if you please, people whose income is derived from wages or salaries. It does not reach the outside income of the people within this group. So, I am quite sure you will all agree that withholding at the source can only be applied to that portion of a person's income which is derived from fixed income paid at fixed intervals.

So, what is the other great class of taxpayers, the self-employed? In this great group are found the farmers, lawyers, doctors, realtors, commission merchants, small businessmen. They are the self-employed. Is there anything in the Carlson version of the Ruml plan which would make the members of the group current? I say to you that, while there are a lot of "mays" scattered through it there is only one "must" which can be applied to the self-employed in the Carlson bill. If a self-employed person does not pay 80 percent of his income tax by December 31 then, and in that event he must suffer a penalty of 6 percent. Taxpayers in this classification do not have to pay a nickel until December 31, the end of the year in which they earned their income. If they are willing to suffer a penalty of 6 percent, they do not have to pay a cent until the following March 15.

Now tell me, what does this do to the currency idea in the Carlson bill? They do not have to pay during the current year at all unless they want to save 6 percent on 80 percent by paying it before December 31. Is that currency? I think the gentleman from Kansas is thinking of the kind of farmer he has out in his State who gets all of his money paid to him at the end of the year, along in the fall; but let me tell him that we have other kinds of farmers besides wheat farmers; we have citrus growers, we have orange, lemon, and grapefruit growers who get the bulk of their money in the early spring. So the citrus grower would collect in the spring, use his money throughout the entire year. If he does not want to avoid a 6-percent penalty, he does not have to settle until March 15 of the following year.

O, Mr. CARLSON! This is time for a Carlson bill No. 4. You did not make our taxpayers current in Carlson bill No. 1; you missed it again in Carlson bill No. 2; and, as I have pointed out, you missed the bus in Carlson bill No. 3.

The last one; oh, the last one. That was the bill that was going to prevent windfalls to the millionaires. Oh, yes; it was going to take care of the windfalls. And what do we find? When the experts had checked it up we found that this third Carlson bill would only save $60,000,000 from the windfall grabbers, yes, the measly sum of only $60,000,000. That is all the 25 to 50 percent formula which you would have us enact would save from the richest—as the poor look on. You give it to them just the same as Mr. Ruml would give it to them, every nickel; you just reached in and took a small commission of $60,000,000 back. Maybe a Carlson bill No. 5 could fix it, but, in my humble opinion, you will never have a good bill until you outlaw the forgiveness idea, lock, stock, and barrel.

Now, I am going to devote myself for the next few minutes to things which are nearest and dearest to me, the things that are throbbing within my heart, the things which all of us are now thinking of. My colleagues of this Congress, this is not the time to be forgiving taxes.

The time to forgive taxes is when it is necessary to forgive, in times of recession and depression, not when the people have in their pockets billions of dollars: $13,000,000,000 in their pockets, in the old sock, behind the clock, and in their safety deposit boxes. The people have $13,000,000,000 of currency in their possession today. The people have almost $19,000,000,000 of war and savings bonds readily convertible today or tomorrow—yes, readily convertible for almost $20,000,000,000. The people have on deposit in the banks over $37,000,000,000. Let us look at this report; they have in currency and on deposit in the banks $67,000,000,000. Just think of it, now they have $67,000,000,000 in liquid assets.

How about their Government securities? Now the people have $23,500,000,000 of these. By simple addition, it is revealed that the people have in their possession in this land of ours in liquid assets—and I say liquid assets with emphasis because I want to be precisely correct—liquid assets in the amount of $90,500,000,000. These are the people which some say cannot afford to pay 2 years' taxes in this 1 year, this year when the Government needs money more than it ever has needed it in its history.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. KNUTSON. Mr. Chairman, I yield 5 additional minutes to the gentleman from California.

Mr. MOTT. Mr. Chairman, will the gentleman yield in this extended 5 minutes?

Mr. GEARHART. I shall be glad to yield but I should prefer to go ahead a little further.

Mr. MOTT. It is a short question.

Mr. GEARHART. I yield.

Mr. MOTT. The gentleman propounded a proposition of interest. He said that the gentleman from Kansas [Mr. CARLSON], if he was successful in getting his bill through would receive two $10,000 salary checks from the Government but that he would pay income taxes upon only one. Suppose at the conclusion of this Congress the gentleman from Kansas should decide not to be a candidate for reelection, should go out of the Congress: Upon which of Mr. CARLSON's salary checks would he avoid the payment of Federal taxes under the Carlson bill?

Mr. GEARHART. He will be here all of 1943 and 1944; I do not think we need worry about the gentleman from Kansas.

Mr. MOTT. I am not worrying; I am asking on which salary check the gentleman from Kansas would avoid paying the Federal income tax.

Mr. GEARHART. If the Ruml plan went through?

Mr. MOTT. Yes.

Mr. GEARHART. The tax on his 1942 income, of course, the tax due under his 1942 assessment. Should we spend more time on that?

Mr. MOTT. I think it would be profitable to spend a little more time; it is a matter of mathematical calculation.

Suppose in 1944 he does not run and is no longer a Member of Congress, I am asking the gentleman upon which of those checks, 1941, 1942, or 1943, the gentleman from Kansas will avoid paying a Federal tax on?

Mr. GEARHART. I will answer that question.

Mr. MOTT. Did the gentleman say he would not answer or he could not?

Mr. GEARHART. I said I would answer the question. If the gentleman has studied his income-tax return and if he will look up in the corner he will see that the one he filled out in 1943 said, "Income tax for 1942." The income tax that you have paid one-fourth of or all of was a tax on the $10,000 check you got in 1942. That money was due not on March 15, but was due on January 1, 1943. It was just an accommodation which Uncle Sam extended to you, and which you may have taken advantage of. If those A B C's are kept in mind, I hate to take further time to explain these A B C's, the gentleman will be able to answer his own question.

Mr. MOTT. I thought the gentleman said he was going to answer the question.

Mr. GEARHART. I am through with the gentleman. Everyone but he seems to know that it is the tax on the income earned in 1942 that would be forgiven if the Carlson bill becomes the law.

I want to discuss the liquid assets now in the hands of the people. Ninety billion, five hundred million dollars is the stupendous figure as of December 31, 1942. And some still say that the people cannot pay their taxes. Why can they not pay $10,000,000,000 of 1942 income taxes when they have in their possession almost $100,000,000,000 in liquid savings? The thing is ridiculous.

I want to talk now about an emotional subject, a subject which ought to be uppermost in the minds of each and every man and woman in this Chamber today, and that is the question of winning this war, a question that has to do with the national debt that you the other day raised to $215,000,000,000.

The CHAIRMAN. The time of the gentleman has expired.

Mr. KNUTSON. Mr. Chairman, I am sure the galleries would like to see the finish of this mental marathon.

The CHAIRMAN. Does the gentleman from Minnesota yield to the gentleman from California any further time?

Mr. KNUTSON. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. GEARHART. Mr. Chairman, the country needs every nickel it can get to win this war. This is no time to be dodging taxes when our American fighting boys are dodging enemy bullets. This is no time to be cutting a tax cake when our boys are eating cold rations in the fox holes of Tunisia. This is no time for announcing to them that we are passing a portion of this debt over to them to pay when they return, a debt which we ought to pay ourselves, here and now. Is there one among you so naive as to think that you can forgive $10,000,000,000 of money that you now owe to Uncle Sam that you will not have to issue an equivalent $10,000,000,000 in bonds? Everyone of you know that when you issue bonds, that for every $100 in bonds you issue that it will require $200 in taxes to redeem that bond. Do not forget that those boys who come back are going to hear about those new war millionaires that you have allowed to spring up when they were away. Who will it be that is going to have to pitch in and pay for those bonds that have to be redeemed? Why the soldier who will come limping back on his crutches. He is the man you will be passing the $10,000,000,000 obligation to that you are now so willing to forgive. He is the one, the one who asked for no skip a year on the job he had to do.

Are you going to do it? Mr. Chairman, this is just a Wall Street boondoggling, tax-gypping scheme, one to make the rich richer, one which will make the poor poorer. Do not tell the poor that you have given them anything. All that this Carlson bill would do would be to force upon them a debt which they will have to pay back $2 for every dollar that you give them, a debt of $2 which will be represented in bonds and which will have to be paid for in the future by all the people, the heroes of the Republic included. If you do not see it that way, then wait until the boys come home and let them explain it to you. How do you think they are going to feel when they get home and they find out that Mr. Ruml has made arrangements for them to pay for the tanks that they used, the guns they fired, and the ammunition they burned? If we pass this Carlson bill look for trouble in the future. There will be plenty of it.

Two years' income and 1 year's tax. That is the essence of the Ruml plan and that is why the Rumlites must not and shall not pass.

Mr. KNUTSON. Mr. Chairman, I yield 10 minutes to the gentleman from Iowa [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Chairman, after listening to the debate through Thursday, yesterday, and today I am convinced that the proponents of both the committee bill and the Carlson bill seek identically the same objectives. First, each of them seeks to put the taxpayer on a current basis or on a pay-as-you-go basis. Next, each of them seeks to do this without costing the Treasury any revenue. Third, each of them seeks to accomplish this purpose without hardship to the taxpayer and, lastly, each one is attempting to do it without creating windfalls for the rich.

In the few minutes allotted me, and I hope I may have more time because I cannot cover it in 10 minutes, I shall take up these four objectives of each bill, analyze them, and see how much each bill accomplishes the objectives every one is seeking to accomplish.

First, I shall take the committee bill. Does it put the taxpayer on a pay-as-you-go or current basis? The answer is no. By the admission of the proponents of the bill the most it does is give the taxpayer the option of going on a current or pay-as-you-go basis. How many of them will go on it? How many of them will be on a pay-as-you-go basis at the end of this year, under the plan in the committee bill? I leave that to your judgment, but I venture the guess that 90 percent or more will still be operating under the present plan if the committee bill is adopted. So the committee bill falls down in its first objective.

Next, what does the committee bill do on the second objective in the way of getting money into the Federal Treasury? It does a magnificent job and I will give the committee bill credit, because it will get into the Federal Treasury all the money the taxpayer would owe on his 1942 income payable in 1943, plus whatever it gets from those who are suckers enough to comply with the option and go on a pay-as-you-go basis under the provisions of that bill. So it could not get less money for the Treasury; it is bound to get more money.

Third, will it accomplish this without hardship to the taxpayer? Absolutely not. I want to talk to you for a few minutes about the unrecognized voter who has not been mentioned in this discussion. I am referring to the white-collar man or woman on a very moderate income, as well as the wage earner or the factory worker.

I have worked out a schedule with one of the individuals who has a taxable income of approximately $1,050. Under the present tax schedule now in force the tax payable on that taxable income of $1,050, approximately, would be $200, on 1942 income payable in 1943.

Under the committee bill the taxpayer would have to pay that $200. In addition, after July 1, they will start withholding 20 percent of that taxpay-

er's income, which will be equal to if not greater than the proportionate tax for last year. Then on July 1, when they start withholding, he decides, "I want to go on a pay-as-you-go basis," and exercises the option under the committee bill. He goes to the revenue collector to see what he must do and here is what he finds out. He must pay the full $200 on his 1942 income. In addition to that, he has 20 percent withheid in the last half of this year, which is about another $100, so he must borrow or dig up from some source the $100 for the first 6 months of 1943, which will make him pay a total of approximately $400, less 6 percent on the first half of 1943, that he advanced out of his borrowings or savings, less 3 percent credit on that withheld which would leave him paying this year $391, under the committee bill, whereas under the present plan, if you do nothing, he would only have to pay $200. I ask you, is that doubling up or is it not? Is that paying 2 years' taxes in one or is it not? Between March 15 of this year and December 15 of this year he will have paid $391 instead of just $200 that he would have to pay under the present plan. Is that a hardship to the laboring man? Is that a hardship to the white-collar worker?

Something was said yesterday by the gentleman from New York about how this would affect the loan sharks. I am not going to call loan sharks these legalized lending agencies that charge from 18 to 42 percent interest a year on the money they loan in the various States, depending on the State in which they are located, because after all they are legalized, but let us look at the white-collar worker who has to borrow money to come under this plan. He is the man who has raised a family and spent everything he has made to buy milk and clothing and shoes for his family. He has not been able to save money because he does not make enough income to do it.

Where can that fellow get money to go onto a pay-as-you-go basis under the committee bill unless he borrows it from some source? I say to you that the statement contained in the Evening Star of day before yesterday that 50,000 taxpayers who are already going to the Morris Plan banks and other lending institutions of a commercial nature to get this money represent only a drop in the bucket to what it will be if the committee bill goes through and if the taxpayer wants to go under it. That kind of a workingman, the white-collar or factory worker, is not able to go to the established banks because he has not established credit. He is not able to go to the regular banks because they long ago ceased to loan money on character and have put it on a collateral basis. He does not have bonds and stocks to put up as security and he cannot furnish a financial statement, so there is only one place left for him to go, to the commercial, established lending companies who are permitted to lend and charge the borrower all the way from 12 percent, which you will find is the minimum in the Morris Plan Bank, up to 42 percent a year. That is what this poor fellow will have to do if he goes on a pay-as-you-go basis under this plan.

I could talk about the man with a $2,000 income or about the Congressman, as did one gentleman day before yesterday, who would have to pay approximately $2,000 on their 1942 income. If a Congressman elects to go under the plan of the committee bill he would have to pay $3,910 in 1943. You can take any amount you want and you find the same percentage all the way through.

I say to you, therefore, there is a doubling up and you cannot get away from it, I do not care what kind of hieroglyphics in the way of talk you use to say that there is no doubling up, and that is what our people do not want.

Coming to the fourth objective, about the windfalls, will there by any windfall under the committee bill? Yes; for the very, very wealthy who are able to go to the bank and borrow money at 2 or 3 percent and pay it to the Government and get 4½ to 6 percent in return.

Is that a windfall for the wealthy man? But can the poor white collar worker or the factory worker do that? No. If he wants to borrow, he has to pay the higher rates. To the man of wealth, the man with money in his own account, to take advantage of the provisions of the committee bill, and go on the pay-as-you-go basis, it gives a premium. It puts a discount or a detriment on the poor fellow who has not been able to save in advance. He is the man who has to go to the higher rate lending agencies in order to get the money to go on the pay-as-you-go basis. So it definitely creates a windfall for the wealthy man.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. Yes.

Mr. REED of New York. All of these millions made by so-called wealthy men to whom the gentleman refers, all of that will be thrown back on the back of the man who does not have that money.

Mr. CUNNINGHAM. Absolutely. Eventually he will pay their bill over a period of 25 years, at 4 percent.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. KNUTSON. Mr. Chairman, I yield the gentleman 3 minutes more.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. Yes.

Mr. MOTT. Will the gentleman answer the question that was put to the gentleman from California?

Mr. CUNNINGHAM. I shall endeavor to answer it. I noticed that the gentleman from California could not answer the question.

Mr. MOTT. The gentleman did not answer the question.

Mr. CUNNINGHAM. I understand the question. On which of the salary years will the man pay the income tax? I do not know that I can answer the question. The gentleman from California did not. Under the Ruml bill, probably the year that he is forgiven will be 1942 but not in case the gentleman from Oregon wants to carry the question 1 year further. If the gentleman from Kansas does not come back to Congress in 1945 he will pay his tax for the year 1944 in the year 1944 and in 1945 he will pay on what he earns in 1945 only. It is almost an unanswerable question, except just to say that it is 1942 that will be forgiven.

Going back to my main theme, I want to take up the Carlson bill with the four main objectives, and see what the Carlson bill does with it. First, does the but a corporation will not be on a pay-as-you-go basis? Absolutely. No one but a corporation will not be on a pay-as-you-go basis, under the Carlson bill, if it is enacted, where 90 percent of our people will not be on a pay-as-you-go basis under the committee bill, because practically they cannot get on it. Second, will the Carlson bill do this without loss of revenue to the Treasury? Absolutely, because the income of the taxpayer in 1944 is and will be greater than the income for the year 1942, and to that extent the Treasury will profit under the Carlson bill. I understand the figure is somewhere near $3,000,000,000, but I have not attempted to get at it. There is one thing that has been emphasized again and again and again in this debate, and it has gone out over the country, through the press and over the radio, and has caused a misconception in the minds of our people. That is, millions of our people have been led to believe that under the Ruml plan they will not have to pay any taxes in 1943. It is regrettable and unfortunate, because it is not true. It is unfortunate that the news did not carry the further statement that when the 1942 tax is forgiven, the taxpayer in 1944 is stepped ahead a year, and he pays this year instead of next year, that is, this year's taxes are payable this year and not next year's taxes payable next year.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. Yes.

Mr. O'CONNOR. The gentleman says the Treasury would not suffer any loss under the Ruml plan.

Mr. CUNNINGHAM. That is correct.

Mr. O'CONNOR. Let us assume that when this war ends, and we may as well be realistic about this thing and not indulge in any utopian ideas, but when this war closes in 1945, fixing arbitrarily that date, then we take a nose dive in business, and another depression comes on and our earnings drop, say, to $60,000,000,000 a year, and that is the date, in 1944, under the Ruml plan, that we will be paying on the income of 1945.

Mr. CUNNINGHAM. That is correct. Of course, we cannot imagine such a situation happening under the New Deal.

Mr. O'CONNOR. Oh, let us forget the New Deal.

Mr. CUNNINGHAM. But the gentleman brought it in.

Mr. O'CONNOR. No; I did not. I am going to say to you that if the depression comes, and our earnings drop, that that is when the Treasury will suffer under the Ruml plan. It does not suffer as long as the earnings of the country are as great as they are now, but the moment those earnings drop, then the tax income drops, and then the persons

who are the beneficiaries under the Ruml plan will be the gainers, with $5,000,000,000 in their jeans.

The CHAIRMAN. The time of the gentleman from Iowa has again expired.

Mr. KNUTSON. I yield the gentleman 5 minutes more.

Mr. CUNNINGHAM. There are two answers to the gentleman's question, and I want to say that it is a very good question: The first is that under the committee bill we will be in exactly the same situation, and the second answer is that under the present taxing plan you simply postpone that suffering 1 year to 1946. I wish to go further and say that the individual tax book just given me here in regard to the income to the Treasury states:

> It is not correct to assume that the forgiveness of a year's tax liability combined with the corresponding current income-tax collection would reduce the tax flow into the Treasury.

That is on the hearings before the Committee on Ways and Means.

Mr. KNUTSON. That is from Mr. Randolph Paul.

Mr. CUNNINGHAM. Mr. Randolph Paul is the one who made the statement I just read from his testimony given before the House Ways and Means Committee.

Now, this is a serious thing. I sometimes have felt in the past 3 days as the gentleman from Massachusetts [Mr. GIFFORD], said, that it would be better if we had never heard of any pay-as-you-go plan, because of the great amount of confusion in the minds of our people and the trouble we are in on account of it. But it is a problem this Congress has to face. What I like about this debate is the attitude of everyone in trying to work out the best bill.

Now, I want to go to the third provision in the Carlson bill, that is, that this is without hardship to the taxpayer. The Carlson bill allows the worker, the taxpayer, to get on a pay-as-you-go basis without any hardship at all. It simply provides that the taxes he pays this year, instead of calling them last year's taxes, will be called this year's taxes. We are going to advance the tax he would otherwise have paid in 1944 forward to 1943. If I may use a homely example, and I think it applies to most of you in your own States, in my State for years we have been paying real property taxes in the year succeeding, just as this present income tax, without any of these bills, does. In other words, in 1943 the real-property tax that is paid is the 1942 property tax, payable in 1943 on the 1942 assessment. How often I have thought it would be better for the people, and more sensible, to call it 1943 based upon 1942 assessments instead of having our property owners always a year behind in their obligations for taxes on their real property. The property owner would pay the same and the State would get the same amount of money. There would be no loss in revenue. Now, lastly on the Carlson bill is the windfall proposition, but before coming to that I wish to read to you from a white-collar worker, a woman who wrote me this letter that was received yesterday morning. She is the treasurer of a small university at Fayette, Iowa.

> I do not see how our faculty can possibly pay two taxes in 1 year. They are on very modest salaries which have not been raised for several years except in the case of a very few. Those salaries range from $1,100 to $1,650 a year, which is no more than a bare living wage. Most of them have families to support. These are the people upon whom a great deal of the burden falls to sustain the churches and other worth-while community projects. They also wish and are expected to buy Defense bonds with which to support the war. It seems to me that we cannot afford to allow our civilian morale—

That is something we have not given much consideration in the Committee of the Whole House, how it would apply—

> our civilian morale to drop to too low a point. This is bound to happen if the tax burden is excessively heavy.

What she means by "excessively heavy" is that if our taxpayers are called upon to pay 2 years' taxes in 1943. Can you imagine any greater shattering to the civilian morale, the morale of the men in our arms plants who are producing munitions, the men who are producing food and clothing that our boys at the front need? Talk about patriotism. If you break down the civilian morale by putting this up to the people who want to go on a current basis as is done in the committee bill, they will have to pay approximately 2 years in 1, you will do more to shatter the morale of the home front than anything that has ever been brought before this Congress.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. KNUTSON. Mr. Chairman, the gentleman is making a fine contribution. I yield him 5 additional minutes.

Mr. HARE. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. I yield.

Mr. HARE. Referring to the lady who was unable to pay last year's taxes out of her $1,500 salary—I assume that is correct—would she be any more able to pay the same tax out of her income this year?

Mr. CUNNINGHAM. No.

Mr. HARE. Now, the point is she is talking about being required to pay double taxes. She would not be able to pay either one.

Mr. CUNNINGHAM. Yes. But she is perfectly willing to have it deducted from her salary, which is what is proposed in both of these bills. Unfortunately it does not start until July 1. Neither of these bills will take care of that lady for the first 6 months.

Mr. HARE. She knew last year she was going to have this tax to pay.

Mr. CUNNINGHAM. She should have.

Mr. HARE. If she did not elect to pay it out of the income last year, then why would she be better able to pay the 1943 income tax than she was in 1942?

Mr. CUNNINGHAM. Aside from the fact that the Sergeant at Arms keeps books for us, how many Members of Congress even anticipated it and set it aside? People do not do that. In addition we must not overlook the terrible hardship the committee bill would inflict upon the unmarried teachers of whom there are many.

Mr. KNUTSON. Will the gentleman yield?

Mr. CUNNINGHAM. I yield.

Mr. KNUTSON. Only the other day a former Member of this body dropped in and expressed the hope that the Ruml plan would be adopted. He said, "You know I have been here so many years and well known to all of you." He said, "It was necessary for me to mortgage my furniture in order to pay the first quarter of my 1942 taxes." That was after his check had stopped in March.

Mr. CUNNINGHAM. There are millions like that.

Now, I touch the last point in the Carlson bill and I want to lay emphasis upon the fact that everyone here is thinking about less than one-tenth of 1 percent of the taxpayers and overlooking the benefit to 43,990,000 taxpayers who need a practical plan somewhat along the line of the Carlson bill, and which relief they will not get under any set of circumstances from the committee bill. The proponents of the committee bill, I have heard them say time and again that the Carlson bill or the Ruml bill would rob the Treasury. I say it would not, but I do say that the committee bill will crucify the average taxpayer on a cross of gold, if you will permit me to plagiarize the great William Jennings Bryan.

Now, are there any defects in the Carlson bill? Namely, will it create any windfalls? Yes; it will. I want to be frank about it. I am trying to point out exactly how these bills attain their objectives. There is not any question about it that somewhere along the line those who make exceedingly large incomes may have a benefit, particularly if they retire. But I have never heard of any man who was making a large amount of money speculating or gambling or on war contracts who quit. They keep on going. As long as they keep on going they pay just the same amount to the Government every year until they die. Then we get some through the inheritance and estate taxes. So here you set up a straw man of a very, very few people and overlook 43,990,000 or more who need a practical plan, and who get it under the Ruml plan.

Because some Members of the House are concerned about this windfall the gentleman from Kansas [Mr. CARLSON] and those supporting his plan have recognized it to the extent of adding an additional 25 percent on earnings up to $500,000, and 50 percent on earnings above $500,000 and have done a pretty good job toward getting the man of large income to pay his just share. So, as between the two bills, there is but one choice, the Carlson bill. But I have what I believe to be an improvement. I shall make the suggestion, but I am not going to propose it as an amendment, because any amendment I propose I want the sponsors of the bill to agree on, but I do offer this as a solution that I believe is better than the one now in the Carlson bill. The Carlson bill does not apply at all to corporations; I understand the committee bill does not either.

If it is all right to leave corporations out and not put them on a pay-as-you-go basis, but just let them pay under the present system and not have this bill apply to them, why not solve the windfall danger as far as the extremely wealthy are concerned by leaving out every taxpayer whose income exceeds a certain amount? I do not care whether it is $5,000, $10,000, $25,000, or $50,000; there could be no windfalls under this system and it could be easily taken care of.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. KNUTSON. Mr. Chairman, I yield 1 additional minute to the gentleman from Iowa.

Mr. CUNNINGHAM. In conclusion, you have been very patient with me. I do not want to close without again emphasizing the morale angle of this bill and this plan. The committee bill as compared to the Carlson bill and as emphasized by this lady who works for a college, the lady I put in the unrecognized voter class—we have got to keep the morale of this class of our citizens up to the highest possible pitch if we are to get the necessary food supply and munitions for our men on the fighting front and back them up a hundred percent, as we must do to win this war, and as we are going to do.

Mr. Chairman, I yield back the balance of my time.

Mr. DOUGHTON. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. DIES].

Mr. DIES. Mr. Chairman, I hesitate to intrude my views upon the House, because I recognize that I am not a tax expert. I have listened to this debate carefully and read the reports of the committee for the purpose of reaching what I conceive to be a correct decision. After having heard the arguments pro and con I am amazed that Members of the House should undertake by specious arguments to convince the House of something that no man could possibly believe—namely, that by the Carlson plan or any similar scheme we are not in effect forgiving taxes. Mr. Chairman, it seems to me that plain common sense should demonstrate to all of us that we owe the Government $10,000,000,000 of taxes. This debt accrued on January 1. It is not money that belongs to this Congress; the money has already been spent; it is money, Mr. Chairman, that we owe to sustain our national economy and our obligations as an honest people. We are trustees of this money; it is our duty to see that it is administered for the purposes for which it was intended. We are asked to forgive $10,000,000,000—and that is all it amounts to—now, let us not try to deceive ourselves by specious arguments to the effect that we will be paying the same amount of tax. What are the facts in that connection? I owe a tax; if I fail to pay it, or if the Government forgives me the Government loses the tax. I have but so many productive years of life. Even under normal conditions a man's productive years are limited to only several decades and when that period passes then he ceases to produce at anything like the maximum rate he did during his best years. If, therefore, I am forgiven my 1942 tax it simply means for all practical purposes that the Government is making me a gift of $2,500. Now, can I justify that? I have spoken against this philosophy of pretending to give people something for nothing; it is a mere illusion. Here we are in America with the most stupendous debt ever known in all our history.

Every day we are accumulating more obligations for our descendants. You would think a Nation that owes $125,000,000,000, with the probability that that debt will be increased to $300,000,000,000 before this war is over, would realize the serious situation in which we find ourselves; but, to the contrary, we talk as if we have something to give away. This whole psychology of "something for nothing" is disastrous to the morale of our people and to our country, and I am convinced that the people we represent, our taxpayers, or 90 percent of them at least, realize that if they accept this bonus from the Government in the long run they will be penalized.

Do you know what sort of precedent this will establish? Whether you like it or not, all over this country it will be charged that we are making blood millionaires, that we are violating our pledge to the American people that in this war we will not permit war profiteers and millionaires to be created. You can argue all you want to that the same amount of tax will be paid, but the common sense of the American people knows that if it were not for the element of forgiveness there would not be any enthusiasm for a pay-as-you-go program.

Mr. Chairman, I have heard from the lips of many of my conservative friends denunciation of the philosophy that you can give something for nothing when we have had before the House measures designed to relieve those in distress, when we were confronted with the bonus bill, and now the cradle-to-the-grave program and similar schemes and panaceas. Many of my conservative friends have cried out in alarm, "Where will this end?" Yet I find some of them today advocating the very principle that they have denounced in the past. Stripped of all verbiage and specious arguments and long-drawn-out phrases and sentences, this Carlson plan can only mean one thing, that is that the Government has $10,000,000,000 and by our act in Congress we are forgiving that $10,000,000,000. This is not money which we own or have or have any right to, but money that we have already pledged to maintain the solvency and the honor of these United States of America.

In my home town of Orange, Tex., already three of the boys who used to play in my yard with my boy have made the supreme sacrifice and laid their lives upon the altar of their country. All over our land people are sacrificing. There is not a mother or father in America who understands the true situation but is not willing to give not only his 1942 tax but, if need be, to double that amount so that our boys can be equipped with the implements that they need to defend themselves and the honor and the integrity of these United States.

Let me give you some plain facts. In my district we have a number of shipyards. There are men in those shipyards who are making more money than they ever made before, literally thousands of them and there are some forty or fifty thousand men working in war industries in my district. Many of those men made high wages and salaries during 1942. Do you mean to say that we should say to them. "You owe the Government $500, but we are going to forgive that $500"? What do you think the mothers and the fathers in my home town and all over my district, whose boys are now fighting in Africa, will say when they look at the shipyards and see able-bodied men who are making $400 or $350 or $250 a month, working 8 hours a day. What will those mothers and fathers say when they think, "My boy is fighting and dying and suffering on foreign soil, but here is a boy or man making $400 a month, yet the Congress of the United States forgave him his tax of $500 that he owed to support our Government"?

The CHAIRMAN. The time of the gentleman has expired.

Mr. DOUGHTON. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. DIES. Mr. Chairman, I recognize that there is merit in the argument that we should make our taxes current and put them as far as possible on a pay-as-you-go basis. I do not know how much the Government would gain by such transition. I have not been presented with any concrete facts to convince me that the Government will save a billion dollars, two billion dollars or three billion dollars. Let us assume, however, that it will be desirable and that in the long run in my district those who are working in war industries will be benefited and the Treasury will be benefited by reason of the fact that when those industries discontinue and the men are no longer employed the Government will have already collected its tax. I recognize the force and the validity of that argument, but, Mr. Chairman, it has occurred to me that if the Government is going to make our taxes current the Government should not be compelled to now forego more advantages in making currently the taxes than the Government hopes to eventually reap from that process.

In other words, Mr. Chairman, I am perfectly willing to vote for some reasonable and fair proposal that will enable us to go on a pay-as-you-go basis, but I submit it is ridiculous to talk about giving up $10,000,000,000 in order to go on a current basis. In the first place, I am not convinced that the American people will default when the war is over. The people of my country are devoted to this Government. They believe in its support and in its maintenance.

I believe that public sentiment will be so crystallized in the State of Texas that any man who refuses to pay the tax that he owes to the Federal Government to support the war effort will be held up as

an object of scorn in the community. But assuming that there are advantages, why can we not come in with a fair and reasonable program that will not ask the Government to forego more than it hopes to obtain in the final result?

I would caution you gentlemen on the Republican side to think very carefully before you commit yourselves to a proposal which in the public mind will always be branded as another bonus, as another scheme to give something for nothing, as another Townsend plan. You cannot justify your position by pointing to similar precedents of this House. You are by your act opening the door to a veritable flood of demands in the future for forgiveness of taxes. You by your vote are establishing a precedent that will prove embarrassing in the months and in the years to come. I will not by my vote forgive a man who made $800,000 or $400, and I am not interested in the amount involved. Let us not place this on the narrow basis of class prejudice. I say that the people working in my shipyards owe a debt to this Government and they ought to pay it. If I thought for one moment they would not want to pay it, I would not want to represent them in the Halls of Congress. Remember, you cannot adopt language so convincing or specious as to deny what is obvious.

What is obvious? Water will not run uphill. Yet here for 2 or 3 days I have listened to speeches clothed in deceptive language and based upon specious arguments and illogical statements, all designed to do what? To further extend this money illusion under which the people are laboring in this country.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. DOUGHTON. Mr. Chairman, I yield 2 additional minutes to the gentleman from Texas.

Mr. DIES. What I want to get down to is this: I have an abiding faith in the fairness of the Members of this House on both sides. We are confronted with a problem that ought to be solved, and it ought to be solved in a fair and sensible way. I believe the great majority of the Members of this House are prepared to support some reasonable and fair proposal in order to make taxes current in the United States. I believe further that if you insist upon the Carlson plan and if it should pass this House it will never become a law. It is not going to pass the other body, or if it does pass the other body the President has already by his commitments and statements made it certain that he will veto it. Therefore, in the final analysis, no action will be obtained, whereas if we could work out a fair compromise that will allow for a fair abatement distributed equally among all classes and not designed to raise the class issue in any respect, I believe the majority of the Members of this House could support it in good conscience and the Treasury in the end would make more money than it would lose. This would not be giving something for nothing. It would be a fair trade in which the Government would gain as much, if not more, in the end than it now foregoes to make taxes current.

Mr. MARTIN of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. DIES. I yield to the gentleman from Massachusetts.

Mr. MARTIN of Massachusetts. May I ask my dear and respected friend from Texas how he would compromise the principle he has enunciated so eloquently in the last 15 minutes?

Mr. DIES. I have a great deal of confidence in the gentleman's judgment. What principle does the gentleman mean?

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. KNUTSON. Mr. Chairman, I yield 10 minutes to the gentleman from Connecticut [Mr. MILLER].

Mr. MILLER of Connecticut. Mr. Chairman, at this point in the debate I doubt if there are many Members of this House, including the majority of the Ways and Means Committee, who think that the committee bill will be approved. Later on in the debate much may be said about the necessity or wisdom of accepting a compromise bill as proposed by Congressman ROBERTSON of Virginia or Congressman FORAND of Rhode Island.

Why should a compromise be even considered? Either it is desirable to put income taxes on a current pay-as-you-earn basis, or else it is desirable to continue the present unsatisfactory method of tax collection. Certainly the committee's proposal of paying 1½ years' or even 2 years' taxes in 1 year is impossible. If we want a pay-as-you-earn method without paying 2 years' taxes in 1 year, we have no alternative but to accept the Ruml-Carlson bill, H. R. 2245. As pointed out by the acting ranking minority member of the Ways and Means Committee, the gentleman from Minnesota [Mr. KNUTSON], no member of that committee is in a position to argue against the Carlson bill on the grounds that as a matter of principle they are opposed to rebating or forgiving taxes. We have been told—and thus far it has not been denied—that every member of the Ways and Means Committee, including the chairman of that great committee, voted for the forgiveness of all or part of the 1942 taxes. That record disposes of any possible argument against the principles involved in the Ruml-Carlson bill.

In years to come Mr. Beardsley Ruml will be acclaimed by the American people as the man who made the greatest contribution toward winning an economic battle on the home front during this period of war. For the past 3 months the American people have been making known their desires that income-tax payments be placed on a current pay-as-you-earn basis, and that the provisions of the 1943 tax bill be made known to the taxpayers at the earliest possible date. The bill now being debated in this House is a great disappointment to our constituents. First of all, it is not a tax bill, it is simply legislation changing our outmoded method of collecting income taxes and it is quite easy to understand that our people are disturbed by the thought that it may be July, August, or even October before they know what new taxes are to be assessed against them during this year of 1943.

Have you ever heard anyone object to a reduction in the real-estate tax rates of the home community simply because Squire Jones will have his taxes reduced $300 while Mr. You-Know-Who receives a reduction of only $30?

If Congress fails to speedily enact the Ruml-Carlson plan into law, what will those who oppose it say to the 11,000,000 men and women who will some day, we hope, be discharged from our Army and Navy, only to be faced by a collector of internal revenue with a bill for three, five, seven hundred, or more, that they owe as a tax on the income for 1942? Income earned prior to their induction into the armed services. What are you going to say to the soldiers and sailors who worked 7, 9, or even 12 months in 1942 and who were then inducted into the service? Perhaps they had even saved a few hundred dollars to be used toward paying their income tax on March 15, 1943. Sad but true, it sometimes takes several months for a soldier's allotment checks to reach his wife and children, and in many cases while waiting for the allotment checks they may have to use the money saved for taxes for their living expenses. This certainly could not be made up out of the soldier's meager allotment.

The most recent Gallup poll shows that 83 percent of the taxpayers who were interviewed favored adoption of the Ruml plan, and only 17 percent were opposed to it. One interesting factor in connection with this survey by Dr. Gallup was the rather unusual situation wherein no one who was interviewed declined to express an opinion on the Ruml plan. It is my considered judgment that if the people interviewed by Dr. Gallup's organization could have known of the so-called antiwindfall provision recently written into the Carlson bill, the report would have been much nearer 100 than 83 percent in favor.

It seems to me that the sooner we adopt the Ruml plan and turn our attention to writing the badly needed 1943 revenue bill, the better for the economy of the United States. And when the 1943 tax bill is brought on the floor, let no man stand on this floor to contend that the new tax bill is offered to make up what has been forgiven under the Ruml plan. We are going to have higher taxes no matter which bill we pass next week.

In 1913, the first income-tax law was adopted by Congress. At that time income taxes were the concern of a very few citizens. The rate of taxation was low, and the exemptions were high—for example, $3,000 for a single person. Today, the situation is far different; practically every working man and woman is now required to pay an income tax. Who has a better right to say when and how income taxes will be collected than the people who sent us here? Whose Government is this? Whose Treasury is it? We are but the representatives

of those who sent us here. Will any Member of this House stand on this floor and say that the overwhelming majority of the people are not in favor of placing the collection of income tax on a pay-as-you-earn basis? Who in this House will say that the American people do not understand the provisions and purposes of the Ruml plan as presented to Congress in the Carlson bill? Today, any idea can be discussed in any city of the United States and in a very short space of time, due to the radio and improved news-gathering agencies, every detail of the idea is known to the people of every city, town, and hamlet throughout the United States.

Let us look at the Ruml plan as contained in the Carlson bill. First of all, it is well to remember that neither the Carlson bill nor the House Ways and Means Committee bill change, in any way, the rates or method of collection of corporation taxes. If that is understood, any discussion of profits in the war industry is pretty well eliminated. Very, very few people attempt to do business today as individuals. You will find that pretty generally those who have war material contracts are incorporated. It is tragic that we must admit that there are some people who so despise the few wealthy men and women left in the United States that they would deny beneficial legislation to more than 40,000,000 citizens for fear that some benefit might accrue to the so-called wealthy 60 families. Fortunately, such fears are not well founded. The Ruml-Carlson plan takes care of the so-called "windfall cases" by directing that where an extraordinary income has been earned in either 1942 or 1943, the tax collection would be on the higher income of the 2 years. The distinguished chairman of the Ways and Means Committee, during his discussion of the committee bill, made much of the fact that three different Carlson bills had been introduced. That is as it should be, in my way of reasoning.

The gentleman from Kansas [Mr. CARLSON] and his colleagues on the Ways and Means Committee were as anxious as anyone could be that no possible loophole be left in the bill as finally presented to the House. With that thought in mind, the most recent Carlson bill carries an additional antiwindfall provision.

It seems to me that there are a few additional things that we should keep in mind throughout this debate. First of all, during the calendar year of 1943 and in years to come the Treasury will receive more dollars, under the Ruml plan, than it will receive under the committee bill. No one can successfully challenge that statement. Next, the Treasury will not be adversely affected until one of three things happen:

First. When and if the world comes to an end the taxpayer may owe the Treasury some money.

Second. If and when—and God forbid it will ever happen—we all go broke and the Government collapses.

Third. Probably at the death of any taxpayer who was liable for 1942 income tax.

A lot has been said about the few wealthy taxpayers who will benefit temporarily, if the Ruml plan is enacted into law. For the sake of argument, let us admit that such a charge is true, but I do not admit it. May I point out that it is not the wealthy man who really suffers by high income-tax rates. The man who pays a half million dollars into the Treasury each year as his income tax will not have to lapse his life insurance if the Ruml-Carlson plan is not adopted. He will not have to take his son or daughter out of school; no indeed; he will simply take a few of his 2-percent tax-exempt bonds, push them through the cashier's window at his bank as collateral for a loan. He will then pay his 1942 taxes and 1943 taxes in June of 1943 and accept the 6-percent discount so generously provided for the wealthy in the committee bill now under consideration.

It has been alleged that the Ruml plan would bring disproportionate benefits to those in the upper brackets as against those in lower brackets. The answer is that the Ruml plan abates the 1942 liabilities in the same manner as the progressive rates schedule of the income tax increases it. If the progressive principle of the income-tax system is fair and sound in the imposition of taxes, it is fair and sound in reverse.

Mr. DOUGHTON. Mr. Chairman, I yield 30 minutes to the gentleman from Rhode Island [Mr. FORAND].

Mr. FORAND. Mr. Chairman, I ask unanimous consent to revise and extend my remarks, and I would appreciate not being interrupted until my brief statement is made.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. FORAND. Mr. Chairman, at the outset let me say that the chairman of the Committee on Ways and Means is one of the outstanding Members of this House and about as fair a man as I have ever met. I pay public tribute to him for the way that he has handled a very, very difficult situation in the committee and for the recognition that he has given each of us new Members who came on that committee this year. Never was there a question that came before the committee upon which even the least ranking member of the committee did not have just as fair an opportunity as did the ranking members on both sides. Frankly I was surprised, because I know of other instances where just a few members of the committee were recognized to discuss matters before it, but that was not so on the Committee on Ways and Means. The distinguished gentleman saw to it that we were all given a fair break, and for that I am thankful and pay public tribute to him. Also I pay public tribute to every other member of the committee and appreciate their kindliness and willingness to help new members to get their feet on the ground and know what it was all about.

Mr. Chairman, in any discussion of the question before us—a pay-as-you-go plan for income taxes—it is only fair to say that the Committee on Ways and Means as a whole, and every member of it as an individual, worked hard and diligently during several weeks in an effort to solve a very complex problem.

Every member of the committee, at one time or another, supported some form of forgiveness, but at no time could a majority agree on one specific plan.

I have a proposal of my own, which I intend to offer at the proper time, and I desire it to be fully understood that I am merely exercising my prerogative as a Member of this House to disagree with the committee and place before my colleagues a pay-as-you-go plan on which I believe we can agree and which will be satisfactory to the taxpayers. My disagreement with the committee is on two points: First, the committee bill forgives nothing. Second, I am opposed to the discount unless there is forgiveness.

MEANING OF THE TERM "PAY-AS-YO-GO"

The term "pay-as-you-go," since it has been used in connection with income taxes, has been generally interpreted as meaning a system whereby, through withholding at the source, taxpayers would be made current in the payment of income taxes—that they would pay 1943 taxes out of 1943 incomes, and that 1942 taxes would be canceled.

By reading the hearings before the Ways and Means Committee, on the bill now before the House, you will find that the committee, as well as all the witnesses who testified, accepted that meaning.

In opening the hearings on February 2, 1943, the chairman said—page 1 of hearings:

> We are opening hearings today on the proposal to place the income tax of individuals on the pay-as-you-go basis. Therefore, we shall consider all possible methods to accomplish this purpose.
>
> In the case of salaries and wages one of the methods suggested is that of withholding at the source. In the case of many of the taxpayers, such as those who are in business, for example, it may not be practical to withhold at the source, and we will have to consider every method or plan to put the taxpayer on a current basis, so that he may pay his taxes currently.
>
> The hearings will be confined, unless otherwise directed or changed by this committee, to a consideration of the pay-as-you-go proposal, of which the withholding tax is one part.

Mr. Randolph E. Paul, general counsel for the Treasury Department—see page 9 of hearings—testified:

> The problem of putting income taxes on a pay-as-you-go basis was emphasized by President Roosevelt in his recent Budget message in connection with his request to Congress for $16,000,000,000 of additional collections for the fiscal year 1944.

Here is what the President said in his Budget message:

> I hope that the Congress in working out the revenue program will consider that the fiscal measures must be designed not only to provide revenue, but also to support the stabilization program as well by deterring luxury or nonessential spending. The cost of the war should be distributed in an equitable and fair manner. Furthermore, care should be taken that the fiscal measures do not impair but actually promote maximum war production. Finally, it is more important than ever before to simplify taxation both

for taxpayers and for those collecting the tax, and to put our taxes as far as feasible on a pay-as-you-go basis.

The Treasury Department favors my pay-as-you-go plan—see page 9—because for the 39,000,000 individual taxpayers required to pay income taxes of $10,000,000,000 for 1942 under the present law, it affords a way of meeting their tax obligations with a maximum of convenience and a minimum of hardship, and also because the Government needs a flexible instrument of fiscal policy under which revenues will react speedily to changes in tax rates and exemptions and in the national income.

Approximately 17,000,000 more persons are expected to file income-tax returns this year than last year. These are persons in the low-income brackets, most of whom never filed an income-tax return before. Many of them were hard hit during the depression. For a long time they and their families did not live, as we understand the term, they merely existed. The depression forced many of them to give up their homes and to double up with relatives. Others moved into most undesirable dwellings. Many went in debt with the grocer, the baker, the landlord, and everyone else with whom they had dealings, relying on the sympathetic consideration of their creditors.

Now, I consider the American people, generally, are honest men and women. As soon as these people were able to obtain employment, true most of them went into war work at good wages. Yes, in many cases, high wages. But as the money came in they paid their debts, moved into respectable living quarters, rehabilitated their homes and provided decent living for their families. They have not had a chance to set cash aside for the future.

Nearly all of these people have been purchasing War bonds in addition to discharging their other obligations. Many found it necessary to cash these bonds in order to pay the first installment on their income tax. Others who intended to use their bonds to pay their tax and thought that they could just turn in the bonds with their income-tax returns were surprised that this could not be done, so not having the money available they just filed their returns and will pay the penalty of 6 percent interest until such time as they can cash their bonds and pay their tax.

These people are patriotic. They are willing and anxious to pay their fair share of the war through taxation. However, many of these people never paid taxes before, and made no provisions to accumulate the amount necessary to meet that obligation. Others did set aside some money but anticipated that the tax rate would be about the same as for 1941. They did not know, nor did anyone else know until the 1942 revenue bill became law last October, that the 1942 rate would be nearly double that of 1941.

When the war ends many of these people will, for some time at least, be thrown out of employment. They will have no income with which to pay their tax for the preceding year.

What will happen? Are we going to put them all in jail or are we going to break down our tax system by wholesale abatement? One course or the other will have to be followed unless we look forward now and adopt a plan of pay-as-you-go, as we understand the term. Now is the time to act.

By adopting my plan all taxpayers will pay the same amount of tax during 1942 as they would under present law. The Treasury will collect not only as much this year, but more because collection at the source on wages and salary will get what is already reported and in addition will reach many who do not now file returns.

Do you know that during the first 5 days in March 1943 there were $24,995,000 worth of series E bonds cashed as against $5,000,000 for the same period in 1942; that during January 1943 there were $62,973,000 worth cashed as against $15,408,000 for January 1942; that in February 1943 there were $76,352,000 worth cashed as against $15,774,000 in February 1942? A total for January, February, and the first 5 days of March 1943 of $164,320,000 as compared to only $36,322,000 for the same period in 1942. Why? I say it was to get cash to pay taxes.

That our present system of tax payment is defective is acknowledged by the Treasury Department. Here is what the Treasury Department spokesman has to say on the subject:

DEFECTS IN OUR PRESENT SYSTEM OF PAYMENT

The income tax is the most direct and equitable method of reaching taxpaying ability. Since it is, and must remain, the backbone of the Federal tax system, every attention should be given to improving its structure and application. For the great masses of taxpayers the present method of collecting the income tax payment has the basic defect that tax payments are not synchronized with the receipt of the income on which the tax is based. This defect arises partly because installment payments are not timed to fit the receipt of income and partly because the taxes on a given year's income are not payable until the following year.

POOR ADAPTATION TO TAXPAYERS' BUDGETS AND FLOW OF INCOME

A system of equal quarterly installments ignores the basic fact that most people budget on a weekly, semimonthly, or monthly basis according to the interval between pay checks. Such a system also ignores the wide variations in income receipts from one quarter to the next for such persons as farmers and seasonal workers. Equal quarterly installments are accordingly ill-adapted both to prevailing budget habits and to the flow of income.

This defect was not serious when income-tax rates were low and the tax reached only the minority of our population with relatively large incomes. But in recent years the defect has been greatly magnified. The tax has been broadened to reach many millions of additional taxpayers with small incomes and little experience in planning their finances to meet large bills at infrequent intervals. Moreover, the burden of the tax has been greatly increased for all taxpayers. A suitable pay-as-you-go method will be of great assistance to millions of persons.

THE LAG IN PAYMENTS

Another difficulty of our existing method of payment, from the standpoint of the vast majority of taxpayers, is that this year's tax payments are based on last year's income. The resultant lag caused no serious payment problem as long as the income-tax burden was relatively low, and the persons principally affected by the tax were accustomed to saving and budgeting for various obligations, including taxes. But with the expansion of the income tax the payment lag has become a vital problem. To be sure, the lag does not cause the taxpayer difficulty as long as his income continues at a steady pace. If, however, his income varies from year to year, his taxes will be poorly geared to his receipt of income. And if his income declines sharply or ceases entirely, as at unemployment, retirement, disability, or death, the overhanging tax debt may cause real hardship.

Opponents of forgiveness have mentioned the possibility of inflation if any part of the 1942 tax is canceled, and to support their argument they have cited the fact that savings deposits have reached the huge figure of $29,000,000,000.

That amount of savings, at first blush, seems staggering, but let us look at the figures for the past years, and keep in mind that the rich do not put much of their money in savings but prefer to invest it in stocks and bonds. Savings usually are the property of wage earners and little businessmen. Do you know that at the height of the depression savings deposits never went below $21,000,000,000, although the national income went down to thirty-nine and nine-tenths billions? The low mark was struck in 1933 when 39,000,000 depositors had savings of $21,125,000,000 an average per account of $538.06, that in 1930 and 1931 savings exceeded $28,000,000,000 and that since 1939 these savings deposits have always been over $25,000,000,000.

The savings deposits at the end of 1942 were $29,000,000,000 against a national income of $115,000,000,000. Compare that with a low in savings deposits of $21,000,000,000 against a national income of forty-two billions during the depression. I am sure that we should not be alarmed because savings have reached $29,000,000,000 when we consider what the term "savings deposits" as used with these statistics means.

The American Bankers' Association, in explaining its figures, says:

The term "savings deposits" is construed as including deposits in savings accounts, Christmas clubs, and similar accounts, time certificates of deposit due in 30 days or over, and postal savings redeposited in banks.

The Securities and Exchange Commission, in a footnote to its release, says:

These figures include the cash and deposits of unincorporated business as well as of consumers. Probably the two most important groups included in unincorporated business are agriculture and trade. It should be noted that part of the above increase in cash and deposits reflects a liquidation of inventories of unincorporated trade.

I am not afraid of permitting the small wage earner to accumulate a few dollars now to tide him over when the slack comes after the war when we will

have to transform our present war economy to a peace economy. I want them to have a few dollars ahead then so that they will not have to again seek relief.

Let us not permit this bug-a-boo to frighten us against doing what is right. Let us adopt my plan and make as many people current as it is feasible to do.

THE CARLSON BILL

The Carlson bill is the Ruml plan with some revision. It is written, we are told, with a view to preventing windfalls because it provides that persons having incomes in excess of $20,000 shall pay the tax on either 1942 income or the 1943 income whichever is the greater.

True the Carlson bill would put the tax on the larger of the 2 years' incomes, and now he has another provision to go back to 3 years, but that would still permit windfalls where the incomes for the 3 years were the same. Take, for instance, in the case of the million-dollar taxpayer, if his income was the same for 1941, 1942, and 1943 years he would receive a windfall of $854,000 under the Carlson bill just as he would under the Ruml plan. In the case of the $500,000 taxpayer the windfall would be $414,616. In the case of the $100,000 taxpayer the windfall would be $64,641. You just cannot get away from windfalls if you forgive a whole year's taxes. The President stated at a recent press conference that to adopt the Ruml plan would mean forgiving 60 millionaires the amount of $94,000,000. I cannot subscribe to such a plan. I am opposed to making war millionaires.

Another reason why I am opposed to the complete forgiveness of a year's taxes is that when the time comes to increase the tax revenue it will not be possible to increase the rates for the taxpayer in the higher brackets, the taxpayer with the larger income, because he is already taxed about 90 percent of his income over his exemptions. This would, of necessity, place the additional burden upon those taxpayers in the lower brackets and would be a most unfair imposition. Under my proposal all taxpayers would receive the same treatment. The basic tax, that is, the first 19 units—6 percent normal and 13 percent surtax—would be forgiven. When the time comes for raising the rates, and that is bound to come real soon, the increase in rates can be applied to all brackets and not only on the small-income earner.

Mr. DISNEY. Mr. Chairman, will the gentleman yield?

Mr. FORAND. Yes.

Mr. DISNEY. And from the 19 percent where would you go? What would be the next bracket after you get to the 19 percent?

Mr. FORAND. Whatever difference there is in the bracket that there is today. I think the next one would be one point about.

Mr. DISNEY. And 19 percent would get the fellow of about what income?

Mr. FORAND. Twenty percent would take care of up to $3,200 of net income for a married man with no dependents.

Mr. DISNEY. He would be forgiven up to there?

Mr. FORAND. Yes.

Mr. DISNEY. And then start in the 22-percent rate just above that?

Mr. FORAND. That is correct.

The bill brought here by the Committee on Ways and Means provides for no forgiveness whatever. It makes no one current except those who desire to pay 2 years' tax in 1 year. It offers a discount for those who would do so.

The taxpayers in the $100,000 class could save $6,000 if he paid his 1943 tax by June 15 next. The little fellow whose tax amounts to $100 would save $6. I am sure, ladies and gentlemen, that if the little fellow could pay $94 to make himself current, he could and would pay the $100 without this discount. I doubt very much, though, that the $100,000 man would give up the use of his money unless he received a consideration for it. So, I say, this discount provision will help those who do not need help and be a discrimination against those who do need help unless my proposal is adopted.

If the House agrees to my plan of forgiving the basic liability it will make approximately 90 percent of the taxpayers current. Under those circumstances I would have no objection to providing a discount for the remaining 10 percent of the taxpayers, all of whom are in the higher brackets, from obtaining the additional forgiveness that the discount would bring them on the amount over their basic liabilities if they should choose to become current. This would mean more revenue to the Treasury at a time when we need it.

My proposal contains all of the committee bill, plus the forgiveness features of the Robertson plan.

Here they are:

First. Forgiveness of the first 19 units, the basic liability on all income tax returns—6 percent normal tax and 13 percent surtax.

Second. Withholding 20 percent at the source on all salaries and wages—3 percent Victory tax and 17 percent income tax.

Third. Discounts up to 6 percent for voluntary advance payments on that part of the tax in excess of basic liability, because that would be paid currently.

Fourth. Increasing exemptions for members of our armed forces to $3,500—less personal exemptions—on compensation received for military service.

Fifth. Abating all taxes owed by a member of our armed forces who dies while in active service.

The collection provisions of my amendment are:

First. Collect March 15 and June 15, 1943, installments of 1942 tax liabilities, as provided under present law. Treat the part of these payments corresponding to the basic liability—6 percent normal tax plus 13 percent of surtax net income—as advance payments of 1943 basic liabilities. Treat the payments in excess of the basic payment as payments of 1942 taxes.

Second. Require September 15 and December 15 installments on 1942 tax only with respect to liabilities in excess of the basic liability.

Third. Forgive the basic liability on 1942 income by crediting it to 1943 tax.

Fourth. Begin collection at source from wages and salaries, July 1, 1943, at a rate of 20 percent to cover basic liability of 6 percent normal tax and 13 percent surtax, and the Victory tax.

Fifth. For income not subject to collection at source begin current payments of basic liabilities with the third quarter of 1943 on the basis of simple quarterly statements of income, permitting the use of 1942 income as a presumptive basis where desired.

Sixth. Farmers, because it is impossible for them to know what their crops will bring until the crop is harvested, will be allowed until December 15 to file a declaration and pay two-thirds of their basic tax. Payment of the balance due on that basic liability will be made when they file their income-tax return on the following March 15.

Seventh. Collect the balance of liability above the basic liabilities in the year following receipt of income as under existing law. Under my proposal we could eliminate the requirement of filing income-tax returns for the 33,000,000 taxpayers whose income does not exceed the basic liability. They would be made current through the withholding of the tax at the source. We could thus save millions of dollars in administrative costs.

The Treasury informs me it cost 50 cents to process each nontaxable return in 1942, 33,000,000 returns times 50 cents is $16,500,000 that could be saved. It may interest you to know that processing taxable returns cost an average of $1 per return. The cost of collecting taxes in 1941 was 89 cents per $100. In 1942 it was 56 cents per $100, the lowest cost ever, and it is estimated 1943 cost will be still lower than that.

I am hopeful, therefore, that you will find it in the best interest of the country to support my proposal.

Mr. JENKINS. Mr. Chairman, I yield 5 minutes to the gentleman from North Dakota [Mr. BURDICK].

Mr. BURDICK. Mr. Chairman, I do not pose as a tax expert. About the only experience I have ever had in that matter has been paying taxes. I have great admiration for the leaders on both sides of this debate, and I am sorry that I cannot subscribe wholeheartedly to the program of my party upon this question, but I cannot do it. There seems to be an unanimity of opinion on both sides that we ought to adopt a new plan of collecting taxes. I have no objection to that, if you think it will work. Personally, I believe the method we are using now is working. It always has with me, and everybody with whom I am personally acquainted; but if you want to change the system to a pay as you go, you will not have any fight from me. In order to do that, however, I hope I have not lost the power of reasoning that I was credited with when I came here. I still have it, unless 9 years' service in Congress has destroyed it. I still think I know what two and two make. They

make four. They did years ago, and I hope they do now. In order to pay as you go, whatever that means—and, of course, there is a lot of them that will not go very far—you are reaching into the pockets of the American people, giving away $10,000,000,000 that already belongs to them. Do you not realize that the business for 1942 is all completed? For God's sake, cannot we agree on that? That is finished, and on that basis for 1942 there is a tax that has been assessed, according to law. That tax is due, is it not? It was due January 1, although the Government gave us until March 15 to pay up. That tax is due this very minute that I am speaking to this Congress. Have we any right, constitutionally or otherwise, to say, just because you want to change the method of collection, that we can give away this $10,000,000,000, especially in time of war? That is what you do. I do not want to be personal about this matter. I have great respect for my Republican friends, and I have respect for my Democratic friends—not as much respect, of course, but still some. I do not see why we cannot reason this thing out together without getting mad about it. Suppose I go home to North Dakota and am in a campaign, and I am speaking to a large body of people.

They say, "Mr. BURDICK, did you pay your 1942 income tax?" "No, I did not." "Why didn't you?" "Well, because there was a fellow by the name of Ruml came along and suggested that we did not have to pay it." My answer will have to be, "Yes, I voted for it." You cannot explain this like the gentleman from New Jersey did in the prohibition days. An excited voter came up and he said, "Mr. EATON, are you for or against prohibition?" Mr. EATON straightened up and said, "I am, sir." "Well," the fellow said, "by gosh, I thought you were"; and he was perfectly satisfied.

The CHAIRMAN. The time of the gentleman from North Dakota has expired.

Mr. JENKINS. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. BURDICK. This is the best place I ever got into. This is the first time I ever got any extra time.

That is what you will have to answer. Now, I do not have any quarrel with my Republican friends. If you want to take the chance of going before the people on that issue, you go ahead, but I submit to you that I am not strong enough in my State to weather the storm. I would not stand here and be an advocate of giving away that which is already due for any new plan of collection.

Mr. JENKINS. Mr. Chairman, will the gentleman yield?

Mr. BURDICK. I yield.

Mr. JENKINS. I wonder if the gentleman received a letter from the Grange this morning, in which they advocated the same plan as the Republicans advocate?

Mr. BURDICK. It would not make any difference if I got a letter from every citizen of the United States. If I did not believe it was right it would not have any influence on me on this occasion. I do not care whether the Grange is for it or against it. I do not care whether Farmers Union is for it or against it. If I inherited anything from my New England ancestors outside of being called a wild jackass of the plains, it was the consciousness to pay my obligations.

Mr. DOUGHTON. Will the gentleman yield?

Mr. BURDICK. I yield.

Mr. DOUGHTON. Mr. Brinkman, the representative of the Grange came before our committee and urged some form of forgiveness, but he never did endorse the Ruml plan, according to my recollection.

Mr. BURDICK. When the Reserve Board in 1920 passed a resolution that broke every bank and every individual in the West, I went broke with all the rest of them. I owed $17,000 worth of nothing; but I stayed with it and paid it. At the time I was sorry I had ancestors that insisted upon that sort of thing, but now I am glad of it. I paid it. I want to pay the tax now. And by the way, I would be willing to pay more than the tax, as every patriotic American citizen is willing to do.

Now, I propose this, and I think the committee is not averse to it, that if there are cases where it is a burden on those who have not paid their taxes for 1942 and must pay in 1943, divide the old debt up into 6 months' payments, without interest, and that will take care of the loan sharks. You never saw a loan shark operate unless he got some interest or commission. If you will cut that out he cannot operate. Then the people who pay-as-you-go can occasionally pick up one of those obligations and retire it.

I know from experience in North Dakota that where the Government poured in million after million to keep us eating out there when we did get one good crop we paid back 290 percent of the current obligations to the Government. They will all pay. I am afraid to look at these reports that come in from the War Department on North Dakota, because our boys are getting killed right and left, as they are from Iowa and some of the other States. When we are furnishing all these fine young men for this war, do you want to condemn the people of North Dakota and say they would not pay their taxes if you gave them a chance? You will not lose 2 percent out of 100 if you will extend this. But the Government needs this, and now is no time to want to give back to anybody.

I know of common, ordinary fellows who have made $500,000 in the last year out of war contracts. If they can get away with the tax for 1942 they are all right.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. DOUGHTON. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. BURDICK. I yield.

Mr. MURDOCK. I want to commend the gentleman upon the logical and proper stand he has taken on this important matter. I want to ask the gentleman, in view of what he has just said regarding the stern ideas of virtues he inherited from his ancestors, whether he does not feel it is a sacred obligation which the taxpayer owes in his tax debt to the Government, just as sacred and binding as the Government's debt obligation to its creditors? In other words, we would call it repudiation if the Government did not pay its bonds, but if the taxpayer does not pay his debts we call it forgiveness.

Mr. BURDICK. The gentleman is right. Now, listen. Whatever donation you make to this tax fund will be just so much more added to the new taxpayers who come in, in the years to come. If you give back this $10,000,000,000, that whole amount will have to be added on to the new bunch and my $500,000 friend this year will escape, and there is not any question about it.

Now, what is the use complicating this thing? You are going to take some base year. I want to show you how it is complicated. There are a great many persons who made good incomes in 1942 and on those incomes there is an exact debt due the Government. Do not forget that. The debt is due. What is the use of complicating this simple matter by taking a year of the big flood or a year of the dry rot in potatoes as the base year and then subtract the income of the base year from 1943 and add 25 percent of the difference between the business done in the great flood year and the business done in 1942, and keep on juggling until you think you have demonstrated your own wisdom and it has made you entitled to escape the 1942 tax?

I cannot follow all these ramifications with reference to how you are going to compare one year with another. I have to have things made simple in order to understand them. The reason they gave me No. 444 on my office was so I would remember it. But I am wise enough to know, when the business of 1942 is finished, upon which this Congress has placed a tax, that I owe something, and I know what it is. If I do not they tell me what it is.

What is the use of destroying a thing that has already been passed and making it retroactive just because you want to try something new? I do not care how many are in favor of the other view, I still insist that we leave the money alone that belongs to the people. They are entitled to this money to extinguish some of the debts we have created in fighting this war. If you want to start out on a new plan, go ahead. Incidentally, I do not think very much of that either, if you want to know my view. I think you will get further along by going ahead just as we have in the past, but if you think this is the thing to do, I would not be the one to vote to destroy it. Let us try it.

It seems strange to me that we get all this feeling stirred up over this Ruml plan, when there is nothing behind it except advertising. It has been advertised in the newspapers, magazines, and on the radio for months, and there is not anyone in the Congress who knows a thing about it. Also there is not anyone

in the country who knows anything about it except a few who owe a substantial amount.

Mr. HOLIFIELD. Will the gentleman yield?

Mr. BURDICK. I yield to the gentleman from California.

Mr. HOLIFIELD. I do not agree with the gentleman that that is all that is behind it. There is a $10,000,000,000 steal behind it.

Mr. BURDICK. Well, maybe the gentleman is right because I have discovered in campaigns that it costs money to advertise in newspapers, I have discovered in campaigns that it costs money to talk on the radio. All this propaganda has been going on for 6 months. Who in heaven's name paid for it?

Mr. DOUGHTON. Mr. Chairman, I yield 5 minutes to the gentleman from Mississippi [Mr. WINSTEAD].

Mr. WINSTEAD. Mr. Chairman, after listening patiently to the able gentlemen of the Ways and Means Committee discuss the committee bill and the Carlson and Ruml plan, after carefully studying every other plan which has been suggested, together with the hearings of the Ways and Means Committee, and after talking to many Members of the House, I am convinced that the thing the majority of the people of this country and the membership of this House want to do, is to make it possible for all of us to pay taxes as we earn. At the same time, we do not want to disturb our revenue system to the extent that it will be unfair to our Government, which, at this crucial period of our Nation's history, cannot afford to forgive $10,000,000,000 which the taxpayers owe. I am in favor of exempting the men in the armed forces from all their taxes, but I cannot subscribe to the Carlson bill or the Ruml plan of forgiving all 1942 taxes, which would mean millions of dollars to some people, and at the same time would mean that these same boys, who are fighting on the battle fronts of the world, will, after the war, be burdened with the payment of debts accumulated, due to the forgiveness of taxes during one of the greatest money-making years in the history of our country. As has been previously indicated, 96 percent of every dollar spent for taxes goes for the war effort.

Mr. Chairman, I am opposed to forgiving anybody's tax except the boys in service, unless it is to the best interest of the Federal Government as well as the tax-paying public. Since the membership of this House and the people of the country believe it best to go on a pay-as-you-go plan, at the proper time I propose to submit an amendment to the committee bill which I believe will be as fair or more so than any other proposal I have heard up to now.

Let me say here that I know in the beginning that many will say that my amendment is for the poor man; I admit it is for the average man or taxpayer; but you have also accused the committee bill of being a rich man's bill. On the other hand, the Ruml plan is a rich man's bill. If we will try to work out a compromise, take my amendment and attach it to the committee bill, pass the bill with the amendment, we will accommodate the average taxpayer, but at the same time will meet the decided judgment of all here by placing the average taxpayer on a pay-as-he-goes basis.

The amendment which I intend to submit is as follows:

After subsection (4) on page 50, line 13, add a new subsection as follows:

"Subsection (5). All taxpayers who shall pay 1942 income taxes and the total of 1943 income taxes including the credit hereafter provided in the year 1943, shall be credited with 50 percent of the first $500 or part thereof due in taxes by such taxpayer for the year 1942, and said sum so forgiven shall be credited toward the payment of 1943 taxes, which shall be in addition to all other discounts and incentives hereinbefore provided."

The Treasury Department furnished me with the following information as of March 25, 1943:

Eighteen million four hundred thousand tax recipients pay under $100 in taxes.

Ten million five hundred thousand tax recipients pay from $100 to $200 in taxes.

Four million eight hundred thousand tax recipients pay from $200 to $300 in taxes.

Two million one hundred thousand tax recipients pay from $300 to $400 in taxes.

One million two hundred thousand tax recipients pay from $500 to $1,000 in taxes.

Eight hundred thousand tax recipients pay from $1,000 and over in taxes.

There are 38,800,000 taxable income recipients for 1942. My amendment would apply 50 percent of all 1942 tax payments up to an amount of $500, to every taxpayer's 1943 tax debt. For example:

One hundred dollars 1942 tax payment will have $50 credit to 1943 debt.

Two hundred dollars 1942 tax payment will have $100 credit to 1943 debt.

Three hundred dollars 1942 tax payment will have $150 credit to 1943 debt.

Four hundred dollars 1942 tax payment will have $200 credit to 1043 debt.

Five hundred dollars 1942 tax payment will have $250 credit to 1943 debt.

All above $500 1942 tax payment will have $250 credit to 1943 debt.

By this plan 36,800,000 taxpayers, which is approximately 95 percent of all taxpayers, would be materially benefited. It gives every taxpayer in the higher bracket the maximum credit, and permits practically everyone who desires to make special sacrifices to become current in his 1943 tax payments. This would also aid the little businessman, who, as we all know, is very much in need of help, giving him a chance to stay in business and remain on the tax roll. It would also include the low-salaried people, and there are millions of them, and the much discussed so-called forgotten group. Therefore, those who could never do so otherwise, could become current taxpayers in 1943. I believe that the $500 exemption for single persons and the $1,200 exemption for married persons is too low, under present living conditions, to begin the collection of income taxes. I understand that the 1942 tax law was not passed until October 1942, which means that the taxpayer had worked for 9 months before he knew what tax rate he would be called upon to pay. This being true, my plan would certainly be fair.

In other words, I advocate collecting the 1942 and 1943 taxes, give a credit of 50 percent of the first $500 or part thereof that each taxpayer owes, provided he gets himself current by January 1, 1944. I do not believe the majority of the membership of this House understands all about the 6-percent normal and surtax, neither does the average taxpayer. Let us talk about some figures. If a man owes this Government $500 and you give him a credit of 50 percent of that amount on condition that he goes on a current basis, he knows what we are talking about. In other words, the man who paid $100 would receive a credit of $50 on his 1943 taxes. Then when we start collecting at the source on July 1, 36,800,000 of our taxpayers would become current at the end of 1943.

Mr. Chairman, I contend that if we are going to work this thing out we must not reach a maximum that would give too much benefit to any particular person, and at the same time not cost the Treasury of the United States too much money. If this policy is carried out, under my plan only $2,900,000,000 in tax obligations would be lost to the Treasury. This Government could stand a sacrifice in tax obligation of $2,900,000,000 in order to keep many of our little businessmen in business and permit 36,800,000 of the 38,800,000 taxpayers to become current in 1943, since all agree that it is to the interest of the Government that persons with small incomes be on a current basis. On the other hand, you would give the same credit to that level of the highest taxpayers in this country.

Mr. Chairman, it is my belief that it is the small taxpayer who needs to become current in meeting his tax obligations. Further, Mr. Chairman, it is the smaller taxpayer whom the Government needs to have meet his tax obligations on a current basis. He is the man who draws wages, small salaries, little income, who had rather meet his debt to his Government each month, and not face a big tax bill on March 15 each year after he has spent his income.

It is not so necessary for the large taxpayer. He handles enough money, shows by his income that he possesses business ability sufficient to be conscious of his tax obligations and to make arrangements to meet them.

Mr. Chairman, I say to you that my amendment will place the average taxpayer, or 95 percent of all income taxpayers, on a current basis, with a minimum of loss in tax obligation to the Federal Treasury. To my mind, from the arguments made here, my amendment will meet the committee's objections which make the Carlson bill or Ruml plan impossible. At the same time, it meets the chief objections followers of the Ruml plan have to the committee bill. While my amendment will result in the loss in tax obligations of $2,900,000,000, it will cause 36,800,000 out of 38,800,000 taxpayers to go on a current basis, which

seems so desirable to all who have debated this question.

It is the one plan offered, in my judgment, whose benefits exceed its drawbacks.

I submit that my plan is simple. The simplicity of it will enable the average man on the street to understand, with little effort, how he is being affected. I hope that it will be adopted.

Mr. DOUGHTON. Mr. Chairman, I yield 10 minutes to the gentleman from Montana [Mr. O'CONNOR].

Mr. O'CONNOR. Mr. Chairman, I am not in doubt as to the Ruml plan, but I may be wrong. I am in doubt as to whether or not I will vote for the committee bill. That I will determine later.

I am opposed to the Ruml plan and I believe I can state reasons that at least are satisfactory to myself. First of all, as I understand, this bill covers only the liabilities against the individual taxpayers. They are estimated by the Treasury to be $9,800,000,000, based on the 1942 earnings. This amount is due and payable during this year to the Government and is based on total income of approximately $119,000,000,000.

In 1943 we may assume that we will have a larger over-all income than in 1942. We may assume it will reach $120,000,000,000 and the tax that will be levied against individuals under the present law may reach as high as $10,000,000,000. This tax would be payable in 1944. The over-all income of 1944 would be approximately $120,000,000,000, and the individual tax liability will be in the neighborhood of $10,000,000,000. This amount would be payable in the Treasury in 1945.

We will say that the war is over in 1945, or whenever it is over, and that business takes a nose dive, as we know it will whenever that event happens. Let us be realistic about the matter, because I am not a believer in that Utopian dream of a bottle of milk to everybody which we heard about this year, or two chickens in every pot, or two automobiles in every garage that we heard so much about in 1928, and before we got through the 4 years following there was not even a squawk of a chicken for the pot and the garages were empty.

Those are dreams. So we are going to suffer a decline in the income when this war is over. When we do, see what will happen. The Treasury will need money as never before when the war is over, because the income will then go down. Under the present system the taxes on the earnings of 1944 will be payable in 1945. The Treasury will have the money when the war is over, and then as never before it will need it.

What happens under the Ruml plan? First of all, you do not pay anything on the earnings in 1942 under the Ruml plan but you pay your income tax on the earnings of 1943, and approximately $10,000,000,000 will come into the Treasury. That is why you say the Treasury does not suffer this year. With that statement I agree. You follow on to 1944. The war is still on. Your 1944 over-all income will be as big as the 1943 income and the tax that you will collect in 1944 is just as big, because it will be based on 1944 income. There is no loss to the Treasury up to that point, in 1944.

In 1945, it is estimated by those who are in a position to know something about the matter, this war will end—in any event it will end sometime. Anybody who has lived in this world as long as I have and has seen the many ups and down realizes that these Utopian dreams are not going to work out. There will not be a job for everybody. There will not be a bottle of milk for everybody in the world. You know it and I know it, and every other thinking person knows it. Let us be realistic.

We are going to have this drop in over-all income. When you face that, you are going to face a drop in taxes. The year 1945, or whenever this war is over, is when you are going to need those taxes, and you will not have them. You have collected your money on the earnings of 1944, in 1944 and under the Ruml plan you collect your earnings for the year 1945 in 1945, and that is when, or whenever the war is over, your tax drops down to just half of what it was before, because national income drops.

Let me show you where the Treasury suffers. This bill does not involve all the money that has been accredited to it. It involves only the individual taxes. That is estimated for this year at $9,800,000,000 by the Treasury. All right. If we cut down their income and cut down their taxes in 1945, when we close this war, or whenever it is closed, to $60,000,000,000, you will collect only one-half in 1945, or whenever the war closes, of what you collect now, and the loss to the Treasury—and I want gentlemen on the minority side to get this; I only want you to be fair, and I know when you realize this, and I know you will when you think it through—the Treasury will suffer when the income of the country drops. That is when the Treasury will suffer for this forgiveness, and not before, and when business drops to $60,000,000,000 a year, and when the taxes drop to one-half of what they are today, then the Treasury will suffer the difference between the amount due the Government today, namely, about $9,800,000,000, and the amount the Treasury will collect on an over-all business of $60,000,000,000 a year, which under the present rate of taxation would be approximately $5,000,000,000. Now, in whose pockets or in whose jeans will this $5,000,000,000 be? It will be in the jeans of the people who can today afford to pay their taxes for 1942. They will have that much money in their pockets to cushion the shock that businessmen will suffer with the rest of us when business drops down as it inevitably will at the close of this war. Is there anybody so strongly deluded that they cannot see back of the Ruml plan this very thought?

What is back of this? Mr. Chairman, this Ruml plan is nothing in God Almighty's world but an insurance to big business against loss when business drops, and they are the ones who will have in their jeans this money, that they now owe the Government.

Mr. CUNNINGHAM. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR. If the gentleman will get me some more time.

Mr. CUNNINGHAM. I do not want to do that. I cannot get the time for the gentleman.

Mr. O'CONNOR. I feel this way. Let me take myself. I have explained what will happen and when the Treasury will suffer the loss. How can I go home to Montana and look into the faces of the boys and the men and the women who have gone out to sell stamps and bonds to finance this war? How can I look into the face of the returned soldier when he has placed his life and blood upon the altar of his country, when I have voted to remit taxes on the people who can afford to pay them? How can I do it? How can I cast a vote that will imperil, if you please, the security of the things that the people are buying, namely, United States Government bonds to win this war?

Mr. Chairman, I pledged my people that I would do my best to prevent profits from being made out of this war. We know from investigations that were made that profits going into the hundreds of millions of dollars were made in 1942 out of this war. If we voted for the Ruml plan, those taxes would be abated or forgotten. I would be false to my pledge to my people and unworthy to represent them were I to vote for such a fantastic, unsound, and dishonest piece of legislation.

The CHAIRMAN. The time of the gentleman from Montana has expired.

Mr. DOUGHTON. Mr. Chairman, I yield the gentleman 1 minute more.

Mr. O'CONNOR. Mr. Chairman, I cannot up to date satisfy myself on the present committee bill, and I will say why. Why make the white-collar voter the goat, and hold back his wages, when you do not hold anything back from business? You do not hold anything back from anybody else, but you take the food out of the wives' and children's mouths of the white-collar men and you say that we withhold it from them. I put a break-down of the salary of a man who gets $200 a month in the RECORD the other day, and under the present withholding plan, he would have $23.35 left with which to buy groceries and pay for clothes and medicines and dental bills. We are discriminating in this bill against that man. Here is what you are trying to do. You are trying to take an initial step on pay-as-you-go, and in addition to that you are trying to get the fellow receiving a tremendous wage in war industry and make him pay something while he has got it. That is what this bill is trying to do, but in doing so, you are going to penalize the fellow who gets from $100 to $150 or $200 a month and who cannot afford to have that 20 percent taken out of his wages, because he cannot feed his family if that is taken out.

I quarrel with an inequality that would be placed on a worker who might only

be receiving one one-hundredth more a month than another fellow worker.

Under the witholding exemption in accordance with the schedule on page 26 of the bill a married employee receiving a monthly wage of $199.99 would have withheld $15.70 per month from his pay check, while a married employee working next to him and receiving $200 would have $23.70 withheld each month from his check. In other words, the second fellow for being paid one one-hundredth more a month than the first fellow would have to pay $8 more a month, or $96 more a year. Now, I understood that any amount of the tax withheld at the source which exceeds the taxes imposed is to be credited against any income tax or installment then due from the taxpayer and any balance thereof is supposed to be immediately refunded to the taxpayer by the Treasury, but I question as to whether or not the average American worker can afford to be deprived of the use of $8 a month of his money, and I therefore would like to see some system worked out whereby no more would be withheld than would be actually due and owing.

I also object as to the way the administration of the bill will work out. You are going to have one employer using the tables as a basis for withholding while another may be using the more accurate and fair method as outlined under subsection (a) of section 466.

By using the table, in the case of an employee making $200 a month his withholding tax as I have just stated would amount to $23.70 a month or $284.40 for the year when as a matter of fact his taxes for the year would only amount to $236.88 so he would be forced to pay approximately $48 more than he should and at the same time be deprived of the use of that money until the Treasury got around to sending him a check for the overcharge. This, I think, is a clear injustice to that man and one which many are not in a position to stand without causing an unnecessary hardship to themselves and their families. If any of you have had money coming to you from the Treasury, you must know what a job it is collecting it.

Mr. JENKINS. Mr. Chairman, we do not have any more to go on with at this time.

Mr. DOUGHTON. Mr. Chairman, I yield 10 minutes to the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK. Mr. Chairman, 2 days ago in a colloquy with my friend from Illinois [Mr. MASON], who has just explained that he was expecting to have a little bookkeeping with St. Peter when he arrived at the pearly gates, I asked him whether he would be sure to have a tax receipt for every year that he had a taxable income. He maintained that he would if we enact the Ruml plan. Now, I would like my friend from Illinois to check up on his tax receipts very carefully, because I would not want any slip-up for him at the pearly gates. I am positive from the hurried way we discussed it Thursday he overlooked the fact that his first yearly tax receipt was dated the year after he earned the income upon which the tax was levied and that there is something which St. Peter will find missing.

As a matter of arithmetic, I have not heard as much fallacy, and as much sophistry in all of my life as I have heard the last three days of debate on this Ruml plan and as I have read from the minority report on this bill. It is arithmetic in reverse. Could it be the kind Aristotle taught? I am sure the sophistry must have come from the ancient Sophists who knew how "to make the worse appear the better cause."

I do not want to be facetious, but I am reminded of a smart young fellow who came to an old lady who was running a fruit stand. She had apples and oranges on display. He picked up an orange and said, "How do you sell this?" She said, "For a nickel, sir."

He was about to walk away with an orange but said, "How do you sell those apples?" She said, "Five cents apiece." He said, "Then I will take an apple." He handed her the orange and put an apple in his pocket and started to walk away. She called after him, "You have not paid me for the apple." Said he, "I gave you the orange for the apple." "Yes, but you had not paid for the orange," she shouted. "Well, I do not have the orange; you have it," replied the clever young fellow, leaving the poor old soul muttering, "There is something queer about this, but I do not see it."

I want to say to those of you who are expecting to get admission to the pearly gates by claiming to have a tax receipt for each year of taxable income, in case the Ruml plan should become law, you are going to be in the hands of a better mathematician, St. Peter, than this poor old lady at the fruit stand. And when the Rumlites try to walk away with ten thousand million dollars belonging to Uncle Sam, will Uncle Sam fail to see through it?

Mr. CUNNINGHAM. Will the gentleman yield?

Mr. MURDOCK. Yes; I will yield to the gentleman.

Mr. CUNNINGHAM. I know that the gentleman from Arizona is seriously concerned about our mutual friend from Illinois [Mr. MASON] getting into the pearly gates, as well as every other Member of Congress.

Mr. MURDOCK. That is right.

Mr. CUNNINGHAM. Your question is not being answered by the gentleman from Illinois and, in his absence, I will try to answer it for him. He will have a receipt for St. Peter for every year except the year he died, and he ought not to have one and he should not be called upon to have one for that year, and St. Peter will not expect it from him.

Mr. MURDOCK. No. I am afraid the number of years of his taxable income and the number of his yearly tax receipts will differ by one. The first income tax he paid to Uncle Sam was paid on the previous year, and he will have a receipt for it dated the following year.

Mr. DISNEY. Will the gentleman yield?

Mr. MURDOCK. I yield.

Mr. DISNEY. Will not St. Peter say something about "skipping"?

Mr. MURDOCK. Oh, certainly. That is all we have heard—"skip a year." All this extensive campaign and all these radio addresses, all I have seen is about the "Ruml skip-a-year plan." Do they mean it, or do they not? What on earth does "skip a year" mean if it does not mean "forgive"? By the way, that word certainly does sound scriptural, but if "forgiveness" means anything it means to forget; cancelation; and should not be confused with abatement. Abatement means that the Government is going to come back some time and call for that money which has been passed over temporarily; but if you forgive it, you will never get it again, and that is what the word "forgiveness" means.

Mr. KNUTSON. Will the gentleman yield?

Mr. MURDOCK. I am sorry, I do not have the time. If the gentleman will get me time I will be glad to yield.

Mr. KNUTSON. Well, I do not have the books.

Mr. MURDOCK. Now, very seriously, there is a great fallacy in this Ruml argument. The Rumlites seem to disregard all relation between tax revenue and the public debt or the national defense. Under what supreme law are we acting here as a Congress? I read in the Constitution of the United States, article I, section 8, clause 1:

> The Congress shall have the power to lay and collect taxes, duties, imposts, and excises, to pay the debt and provide for the common defense and general welfare—

And so forth. I want to ask you seriously, you lawyers, you constitutional students, What does that mean? Does the part of the Constitution which I have quoted give two powers or one? For what purpose do we lay and collect taxes? One school would say two powers are granted. Others would say only one power is granted, meaning the Congress has the power to lay and collect taxes in order to pay the debt and provide for the common defense. If one school says—and this is not my view—that the clause gives Congress power to collect taxes for whatsoever purpose, and a separate grant of power to pay debts and provide for the common defense, there need not be any relationship between the two functions. I deny that there is no relationship between those two powers and functions. They are intimately related. Congress is given by the supreme law of this land the power to lay and collect taxes in order to pay the debt and to provide for the common defense. Revenue due from taxpayers is the very basis, for one thing, for the Government's bonds.

Now, talk about forgiving $10,000,000,000 due this Government on 1942 income. The Government itself has incurred obligation to that amount for goods and services of benefit to the taxpayers supposed to be forgiven. Shall the Government then forget to pay for those goods and services?

All that money has accrued and is owing to the Government, and the Government has gone ahead and spent much more than that. Shall the 1942 taxpayers be forgiven and the Government bor-

row ten billions more or collect ten billions from another set of taxpayers? Can I say to my insurance company after a year's protection, "I did not pay my premium last year, but I did not die. Let me pay my premium for 1943 on a monthly plan and forget about my premium for 1942"? Do you think I could get away with that? Certainly I could not.

Now, Uncle Sam has furnished the American people protection in this worst of all wars. We have, of course, spent many times $10,000,000,000. If we do not pay that in taxes we will simply increase the burden of the bonded debt for future generations to pay. I cannot look my two boys, who are now wearing the uniform of this country, in the face and say to them, "I have put a large part of the debt off for you to pay—the dollar cost as well as the blood cost."

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK. I yield.

Mr. COOLEY. Does the gentleman think that Congress has any moral right to forgive 1942 taxes as contemplated by the Ruml plan?

Mr. MURDOCK. No moral right whatsoever. Regardless of the mixed motives of the backers of the idea, it is a terrible thing. That is the way I feel about it.

Mr. DILWEG. Will the gentleman yield?

Mr. MURDOCK. I yield.

Mr. DILWEG. I want to drive home an observation that I think was lost. That is, can we not assume that the popularity of the Ruml plan is based upon the forgiveness feature, the use of the word "forgiveness"?

Mr. MURDOCK. That is correct. Undoubtedly the popular notion is that these taxes will never be collected.

Mr. DILWEG. May I add this, that the words "abatement" and "forgiveness" were used synonymously by the gentleman from New York [Mr. REED] yesterday. As I understand the term one can abate without forgiving. They believe they are going to be forgiven a tax where the real intent is to abate it until such time as they need it, and they will assess it again later on. Is that correct? Certainly if the taxpayer knew that he would pay this tax at a later date the Ruml plan no longer would be attractive. To permit the public to believe that forgiveness and abate are synonymous is a fraud on the public.

Mr. MURDOCK. That is correct.

Mr. KNUTSON. Mr. Chairman, I yield the gentleman an additional minute or two, if he will answer a question.

Mr. MURDOCK. I thank the gentleman.

Mr. KNUTSON. Will the gentleman please inform the House how much less we will pay in 1943 and 1944 under the committee bill than we will pay under the Carlson bill?

Mr. MURDOCK. You are looking at the wrong thing when you think only of the amount collected instead of the obligation satisfied. That is just exactly the fallacy. My friend, Frank, said to me on Sunday evening, the 24th of January last, down here at the Shoreham Hotel when we were on a Nation-wide hook-up——

Mr. KNUTSON. You were on a what?

Mr. MURDOCK. A Nation-wide hook-up on the Forum of the Air. My friend Frank said, "John, your tax under the Ruml plan will be greater this year than it was last." I admit that for me on a fixed income they would be at least as much. It simply means, though, that I have skipped a part of my obligation. I understand that under the Ruml plan we could get more out of the taxpayers, but it would be a different group of taxpayers. I tell you, Mr. Chairman, the taxing power of this Government is not to see how much money we can drag in, forgiving to some and taking it from others. That is what this means. If you forgive some, you have got to get it from others.

Mr. KNUTSON. Will the gentleman yield?

Mr. MURDOCK. I yield to the gentleman from Minnesota.

Mr. KNUTSON. Does the gentleman agree with the President that we have no national debt because we owe it to ourselves? Does the gentleman agree with that philosophy?

Mr. MURDOCK. I am not going to approve any such philosophy as that. That is fallacious, too.

Mr. KNUTSON. That is fallacious?

Mr. MURDOCK. In this respect. We have 133,000,000 people in America. How many of them are bondholders? Only a relatively small number. The debt is owed principally to those bondholders by all the rest of the 133,000,000 people. I would not say 133,000,000 American citizens owe the national debt to 133,000,000 identical Americans.

Mr. KNUTSON. The gentleman would burn down the barn in order to catch a few rats?

Mr. MURDOCK. Oh, no. I am simply a Democrat doing the unusual thing of suggesting to a Republican some sound principles of public finance.

Mr. KNUTSON. That is what his argument amounts to.

Mr. MURDOCK. The gentleman who spoke a moment ago referred to the sacredness of the tax debt obligation and he was exactly right. A debt owed to this Government is a sacred and binding thing. We have no right to shirk it, or forgive it, if we are the lawmakers, unless there is extreme justification. After the War between the States when a great many bondholders of this country were fearful they might have their bonds deteriorate, they said, "Be careful now not to accept spurious money for them. There must be no repudiation." I tell you, that is a wicked word, "repudiation." Republicans were once most apprehensive of it. Would they want now to suggest it? The Ruml plan is highly suggestive.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DOUGHTON. Mr. Chairman, I yield such time as he may desire to the gentleman from Kentucky [Mr. GREGORY].

Mr. GREGORY. Mr. Chairman, in view of the fact that the entire picture as presenting itself in this issue has been very thoroughly covered by the many speakers who have preceded me, it is doubtless not worth while for me to take the time of the House at this time for such thought as I might advance on the subject—and possibly such thought as others at this late date might advance on the subject—would be a matter of repetition. I am sure by this time that every Member of the House has a very decided and a very firm conviction as to his views on the question. I do not challenge the sincerity of the views, although there is a very wide difference of opinion in the minds of us on it. Because I feel this matter so deeply I am constrained to express my views at this time briefly.

My own position and view is very decidedly contrary to the views of those who favor the Ruml or Carlson bills carrying forgiveness of taxes. I sat through the very lengthy hearings before the Ways and Means Committee with an open mind and with an effort to give careful and impartial consideration to each presentation of view with the hope that I might get to the bottom of all facts presented and that we might reach a decision which would not too heavily burden taxpayers and at the same time would not jeopardize or endanger the position of the Federal Treasury. This question is so far-reaching that it directly affects more than 40,000,000 of our citizens and indirectly reaches into every American home. This question is one which will have some bearing on the life and possibly the security of every American man, woman, and child.

Some of my colleagues have stated that the existing tax program is very burdensome to the American people and that the payment of 1942 taxes in any form will bring about great difficulty to the small taxpayers.

I have heard a great many statements both in committee and on the floor of this House to the effect that thousands of our citizens in the so-called lower salary groups are not prepared to meet their 1942 assessments on any basis. I have received numerous letters from various people on this subject expressing this view, but until this moment I have not received a single letter from an individual in the so-called small-salaried group. Because of my personal contact with this group, which constitutes the major portion of the citizenship of my own congressional district in Kentucky, I am inclined to believe that those who have this view are mistaken, and I am sure honestly mistaken, for I do not think that the district which I have the honor to represent differs greatly from any other district in the Nation so far as patriotism and so far as mentality is concerned. I have in mind one particular case in my own town. One day this week the president of this concern which employes more than 1,000 people sat in my office and told me that prior to March 15 arrangements were made for expert tax accountants to assist their employees in preparing their returns. He told me that more than 600 of these

employees sought this assistance and as a matter of information a record was kept as to the attitude af these taxpayers in the small-income groups, and that not one complaint was offered, but, on the other hand, the major portion of this group expressed a desire to pay all the tax at one time rather than on a quarterly basis. These people, while drawing comfortable salaries, and salaries in line with their particular vocation, are not high-salaried people but are people who are conscious of their responsibility to their Government and of their part in the successful conduct of this war, and by their action in meeting these tax responsibilities so willingly have convinced me that the American working man is fully conscious of the need of the Treasury for money and perfectly willing to bear his pro rata share of the burden.

If I correctly understand the various proposals, they all provide for approximately 20 percent withholding as of July 1, and each proponent accepts this withholding method. It has been stated by Ruml advocates that it makes very little difference as to whether you call the fund collected as tax for 1942, 1943, or any other year. That being the case, what is our problem, if it takes the same amount of current funds or collections, regardless of the year to which it is applied, and under all plans withholding will continue in an orderly way? So the question resolves itself, as I see it, as to whether or not we shall forgive or forget a proportion or all of taxes due or shall continue on the regular basis, as is provided by the committee bill, allowing those new taxpayers and others who feel so disposed and have the money to become current. In other words, we are debating the question as to whether or not we shall pay as we go or pay when we know.

Now that this has become such a great national issue, I wonder if the proponents of forgiveness or so-called pay as you go are advocating the same plan in their State, city, and local taxes in their own communities, for, after all, it strikes me as parallel.

It is quite possible that the so-called pay-as-you-go plan and a great deal of the enthusiasm behind this plan is prompted by the desire of the American people to see the temporarily employed war worker who is earning wages without parallel bear his share of the tax burden. Under the committee's withholding plan this problam is solved, for withholding will start July 1, as in any other plan, and their percentage of tax payment will be withheld, regardless of the year to which it is applied.

It is estimated by the Treasury Department that approximately 72 percent of individual income-tax returns for 1942 and 1943 are from salaries and wages and by the suggested forgiveness plan, these workers may become current by having taxes which are now due forgiven. But I am wondering what becomes of the other 28 percent who in my opinion could not become current. This 28 percent embraces the small professional man, the small merchant, the farmer and those having kindred employment. The small merchant has no idea as to what his income will be for the current year until he has closed his year, taken his inventory, charged off his bad debts, and had a general break-down of his business operations. It is claimed that he can make an estimate based on the volume of the previous year, which would be more or less accurate. This I think would be a reasonable assumption in normal times, but no small merchant, or in fact any other merchant, knows today what his volume will be in 1943 because he does not know that he can get merchandise and does not know what the future may hold so far as merchandising is concerned. Therefore, in any estimate he might prepare it is safe to assume that his estimate would be most conservative and that he would make his arrangements so that at the end of the year he would not have overpaid, and it is a natural conclusion when the year is closed if his business was anything like normal he would owe a substantial amount to the Government for the year closed, and therefore would not have been current through the year.

The farmer in the tobacco-growing section, which is the section I represent, will soon begin to prepare his plant beds for tobacco for the 1943 crop. The plants later will be transplanted and the crop harvested and housed, probably in September. Following the period of care in the barns, the tobacco markets will open and in all probability his crop will not be sold until next January or February of 1944. Therefore, he will not have had any idea what his income might have been in 1943, for he does not know what the weather conditions will be or what other conditions will be and can make no estimate as to the type crop he will produce. This would apply to all years, and this individual is part of the 28-percent group, and this group could only be current one time and that is the year in which his taxes have been forgiven. All of you Members who represent rural areas know this problem would exist in almost any kind of crop, and know this condition would exist in the case of the small merchant and professional man.

It strikes me that in giving 100-percent forgiveness for 72-percent currency, the odds are far too great as the remaining 28 percent will, of necessity, have to pay when they know. I therefore think we should proceed very cautiously on this pay-as-you-go plan. Let us suppose that peak employment should end in coming months or next year. What have we gained by forgiving taxes when income was at its peak in national history and savings at the peak of our national history? It strikes me it would be much more appropriate to make this experiment when the American laborer needs it and not at a time when his income is at an all-time peak. I cannot see why this great hue and cry for forgiveness would come when more men are at work at higher wages than ever before in history. I have never known the American Congress to be deaf to the cry of the people of America when stricken by adversity, and I believe that when the time of depression comes the American Congress would be willing to consider sympathetically forgiveness.

As I have previously stated, it must be remembered that the small laborer has not spoken in this instance but rather the voice we have heard is the voice of the titled executive pleading for the little fellow. We have the men who made the real money during 1942 crying for the 1942 tax forgiveness to help the fellow who cannot pay, meaning the little fellow. It does not take a smart man to see that either way it goes, the so-called little fellow will have to be taxed to the limit of his ability to pay, whether it is called 1942, 1943, or current taxes and that taxes canceled on war made millions during 1942 must be made up by someone, and doubtless that someone at the making-up time will be the average taxpayer. I am wondering what will happen to the swollen wartime profits made both by legitimate business and by greedy, unpatriotic profiteers during 1942. All wages, all salaries, and all profits made by individuals and corporations are based on general overhead conditions. In the early days of the W. P. A. the wage scale was not as high in the South as it was in the North. This was due to the fact that it was considered that living expenses in the southern areas were not as high as in the congested areas, even though the same type work was performed. My point is that in every wage and in every salary, the employer must take into consideration the living costs of the employees to include his estimated taxes as part of his living costs. War contractors in 1942 in taking contracts figured in their estimates of overhead all forms of overhead. This included Federal, State, and local taxes. So, therefore, the war contractor who made millions in 1942 received from his Government as part of the remuneration for his services a sufficient amount, first, to defray overhead and then a legitimate profit. This overhead included his estimated Federal taxes. Therefore, the man who made a million dollars on a war contract estimated in his contract the payment of $854,000 of taxes to his Government and collected from his Government in war contracts this amount of money for repayment to his Government for assessed taxes. If we forgive him his taxes, we have not only paid him $854,000 to be used for taxation, but we have allowed him to keep that same amount of money—$854,000—which we paid to him for the specific purpose of meeting his tax liability as an added but not anticipated profit.

Mr. Chairman, with the Nation facing the greatest emergency since its inception, both from an economic and physical safety standpoint, and with the greatest expenditure of Federal funds in 1942 and anticipated in 1943, a major portion of which income was from the almost empty tills of the Treasury, I would feel—though I would benefit by this forgiveness more than $2,000 as would each of you—that I might be to an extent guilty of misappropriation of funds, that I would be derelict in my duties to my country to accept this abate-

ment when the major portion of my income was derived primarily from taxes. Therefore, I am very definitely against the so-called Ruml or Carlson plan, and I feel that in my opposition I can with a clear conscience face the Kentucky boys who come back from the hell holes of war with the feeling that although I have not been with them in physical combat, I have shouldered my share of responsibility so far as the financial and economic burden incident to war is concerned.

Mr. DOUGHTON. Mr. Chairman, I yield 10 minutes to the gentleman from North Carolina [Mr. FOLGER].

Mr. FOLGER. Mr. Chairman, I confess that this is the strangest proposal I ever heard. Either my mind will not work or this Ruml plan is the most preposterous thing I have ever heard in all my life. I am reminded in the discussions that have taken place in support of this plan, and the arguments and the answers given, of a very significant definition of "words." It is this, "Words are used to conceal thoughts."

It looks to me like that is about the place we have gotten to from the proponents of this Ruml plan. Here we are in this day, 1943, with our men on nearly every battlefield of this world fighting to save this country—to save it from every standpoint, including our economy in the years that are to follow this day. Here we were a few days back increasing the debt limit to $210,000,000,000, which means that we apprehend that the time is soon coming when this Government will owe $210,000,000,000 of necessity, because we are bound to win this war and we are going to do it. Yet somebody by the name of Ruml, reinforced by advertisements in every newspaper and magazine in this country, proposes that the American people, not on the battle front but back home, shall stage a sit-down strike.

What a fallacy. Who are you going to fool with the idea that the Government will not lose anything? Whenever you forgive the taxes of 1942 you have lost them as completely as when you turn back to the gentleman from Tennessee, JERE COOPER, his $2,154 and say to him, "Do what you please with it."

After that it may be possible to meet this $210,000,000,000 by levying a higher tax hereafter, but if you forgive this $10,000,000,000 now, you are going to have to make somebody pay it with interest in the years that are to come.

The shameful part of it is that we will have nobody to use to make a contribution to this fund in the years that are to come except the soldiers who are fortunate enough not to die on the battlefields, but who may come back maimed whom we will make pay part of this $10,000,000,000 that we were not men enough to stand up and pay. You cannot make anything else out of it when you propose to repudiate outright as much as $10,000,000,000 of the Federal debt.

Unless you put it on the backs of the present taxpayers, you must put it on the backs of men in the generations soon hereafter to come, augmented by the numbers of those who will come back, seven or eight million of them, those who are not killed, to pay this debt that you and I ought to have paid.

If you saw such a thing as has been staged here on the floor of this House you would imagine that our Government had reached the point where we had an excess of money and were distributing that concerning which we had made a mistake and authorized its collection. You would imagine we had suddenly found ourselves free from any obligations and debts, had levied too much taxes, and were going to pay some money back, that we did not need the money and nobody expected to need it at all. If we are not going to need that money, pay it back.

If we meant what we said when we authorized the raising of the debt limit to $210,000,000,000, or if we realized that we are now $125,000,000,000 in debt, then in any moral conception of human right, honesty, and truth, we have no right to forgive a dollar of that 1942 tax levy which we as men ought to pay. There may come a time in the years that are to follow the conclusion of this war when we will say, "Can we raise $10,000,000,000? No. The people are not receiving the great income they received in the years 1942 and 1943." We will have to levy it according to their ability to pay. After all, if you do not get it in 1 year you have to add it on to the other year. We will have to pay this repudiated indebtedness and obligation if we as citizens of this country in this time of war, being more able to pay than at any other time, are not men enough to stand up and pay it.

I do not believe the men who are following this fallacious proposition realize what they are doing. I think too much of their integrity, I think too much of their patriotism, to believe that they realize they are not contributing to the welfare of this country but are doing that which is positively detrimental and entirely unfair. When they do come to a realization of it, they will flee from it, and maybe before we take this vote.

Mr. Chairman, I should like to forgive, I should like to hand back to anybody that which I am able to do, but in this circumstance we realize that it is absolutely and positively immoral for us as men in this day and this time to cancel this debt and put it over any year or any number of years as an added burden, with its accumulated interest, in the form of debt for others to pay hereafter when they will probably not be as able to pay as we ourselves are now. You know this debt will draw interest. We may go on to this $210,000,000,000 debt now authorized. If we cancel this $10,000,000,000 tax debt, we will jump $10,000,000,000 immediately toward the reaching of that $210,000,000,000 authorized indebtedness of the United States, and do it at one stroke. I am against it.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. DOUGHTON. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and Mr. RAMSPECK having resumed the chair as Speaker pro tempore, Mr. BULWINKLE, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration the bill H. R. 2218, and had come to no resolution thereon.

PROPOSED AMENDMENT TO H. R. 2218

Mr. ANDERSON of New Mexico. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and revise and extend my remarks in the RECORD.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. ANDERSON of New Mexico. Mr. Speaker, I have asked for this time to call attention to an amendment which I intend to offer to the committee bill, H. R. 2218, when section 2 of that bill is reached under the 5-minute rule. If other suggestions or substitutes are adopted prior to the time that section is reached, my amendment naturally will not be in order. These remarks are based on the assumption that the previous substitutes will not prevail and that the bill to be read for amendment will be the committee bill.

The purpose of my amendment will be to apply to 1942 income the 1941 rates and exemptions and to abate the difference. In order that there may be relief against the serious problem of double taxes in a single year, the taxpayer may secure an extension of time to pay the unabated portion of taxes on 1942 income for an initial period of 5 years and, in extreme cases of hardship, for an even longer period. Provision is made for collecting 4 percent interest on unpaid balances during such a period of suspension.

The provisions of section 3 of the Carlson bill, relating to the payment of a tentative tax in each year, are also included in the amendment, so that taxpayers with incomes from sources other than salaries and wages and with incomes above the first income bracket will be required to become current on tax payments.

These changes in the committee bill are being suggested, due to a feeling that taxpayers had little chance to prepare for increased tax liabilities carried in the 1942 bill. That act did not become a law until October 21, 1942, too late for the taxpayer to know what the 1942 liability was likely to be and to save to meet it. By the time the bill became law, he had either spent the money, had invested it, or had used it to reduce indebtedness.

We should remember that the 1942 tax law increased the burden on the taxpayer in the lower brackets five times over the 1941 requirements. In addition, it brought in many new taxpayers. These people will largely become subject to the withholding provisions of the present bill. My amendment does two things to them: it takes off the tax burden exactly as it put it on, and it gives them a chance to reach that goal which so many people have endorsed as desirable, being current on income taxes by the close of the present calendar year.

The truth of this statement is self-evident as to those people in the lowest brackets. But let us consider what it does to the wage earner who has a wife and one child and an income that, due to high wage scales and regular employment, has reached $4,000 in a year.

The liability of this taxpayer under the 1941 rates and exemptions would be approximately $213, and under the 1942 rates and exemptions approximately $472. My amendment abates this difference. However, it also requires the taxpayer to make in 1943 current payments on account of his 1943 tax which at present rates, and without including the Victory tax, would be the same as his 1942 tax, namely, $472. These payments are to be made through deductions from the taxpayer's pay check and also by direct payments to the collector of that portion of the 1943 tax which will not be so deducted.

Thus, under my amendment, the taxpayer in 1943 will have to pay into the Treasury at least $472. By also paying the unabated portion of his 1942 tax, $213, or making a total payment of $685, he will be completely current. If he made a like payment under the committee bill, he would be only half current.

If the financial situation of the taxpayer is such as to make it difficult to make in 1943 this payment of the unabated portion of his 1942 tax he may get an extention of 5 years in which to make this payment.

This strikes me as a more desirable solution of our income-tax difficulties.

Mr. Speaker, under unanimous consent to revise and extend my remarks at this point, I include the text of the amendment I intend to offer:

Amendment proposed by Mr. ANDERSON of New Mexico to section 2 of H. R. 2218: Beginning on page 36, line 9, strike out down to and including line 9 on page 38, and insert:

"(e) Credit for tax withheld at source: The tax withheld and deducted under this part shall not be allowed as a deduction either to the employer or to the recipient of the income in computing net income; but the amount withheld and deducted as tax under this part during any calendar year upon the wages of any individual shall be allowed as a credit to the recipient of the income—

"(1) Credit against installment of tentative tax: As a credit against any installment of the tentative tax payable under section 56 (i) (2).

"(2) Credit against tax under sections 11, 12, and 450: As a credit against the tax imposed by sections 11, 12, or 400, as the case may be, and by section 450, for the taxable year beginning in such calendar year, but only to the extent of the excess of the tax so withheld and collected over the portion thereof allowed as a credit under paragraph (1).

"(f) Manner in which credit against installment of tentative tax claimed: The credit for amounts withheld and collected under this part during any calendar year upon the wages of any individual against the tentative tax shall be allowed to the recipient of the income as follows: Such recipient may credit against such tax, or any installment thereof, the amount which he estimates as the amount withheld and collected under this part for the quarter of such calendar year during which such tax or installment is paid, and for preceding quarters of such calendar year to the extent not previously credited against such tax or any preceding installment. This subsection shall not apply in respect of amounts withheld and collected, or installments payable, prior to July 1, 1943."

And on page 46, after line 22, insert:

"SEC. 3. Payment of tentative tax.

"(a) Partial relief from double payments in 1943 by abatement of difference between tax computed at 1941 and 1942 rates:

"(1) In general: The tax imposed upon any individual (other than an estate, trust, or nonresident alien) under chapter 1 of the Internal Revenue Code for the taxable year beginning in 1942 shall be computed without regard to sections 102, 103, 104 (a), and 131 of the Revenue Act of 1942 (relating to increases in rates and reductions in the personal exemption and credit for dependents), except that any payments made on or prior to June 15, 1943, on account of the tax under such chapter for the taxable year beginning in 1942 shall be treated as payments on account of the tentative tax for the taxable year beginning in 1943.

"(2) Deferment of payment of undischarged portion of 1942 liability: Upon application by the taxpayer, the Commissioner shall, under regulations prescribed by the Commissioner with the approval of the Secretary, extend the time for the payment of the undischarged portion of the liability of the taxpayer for the tax for the taxable year beginning in 1942 for a period of 5 years, and provide for its payment in 20 equal quarterly installments during such period. If the aggregate of the installments payable in any calendar year under this subsection plus the tax imposed by chapter 1 of the Internal Revenue Code for the taxable year beginning in the preceding calendar year is greater than either 90 percent of the individual's net income for such taxable year, or 120 percent of such tax, upon application by such individual the Commissioner shall, under such regulations, extend the time for the payment of the unpaid portion of such excess for an additional period, and provide for its payment in equal quarterly installments during such additional period. The length of any such additional period shall be prescribed by the Commissioner so that the aggregate of the installments payable under this subsection in any calendar year plus the tax imposed by chapter 1 of the Internal Revenue Code which became payable in the calendar year in which the length of such additional period is so prescribed will not exceed 120 percent of such tax or 90 percent of the net income in respect of which such tax is imposed, whichever is the lesser. Interest on the installments provided for in this subsection shall be collected at the rate of 4 percent per annum for the period beginning with the date as of which the original extension of time under this subsection becomes effective until such installment is paid and no other interest shall be collected on such installment for such period. The taxpayer may pay any installment provided for under this subsection prior to the date prescribed for its payment. Regulations prescribed under this subsection may include provisions conditioning any extension under this subsection on the furnishing by the taxpayer of adequate security for the payment of the amounts with respect to which the extension is requested.

"(b) Tentative tax and payment thereof: Section 56 of the Internal Revenue Code (relating to payment of tax) is amended by inserting at the end thereof the following:

"'(i) Tentative tax:

"'(1) Definition: For the purposes of this section, the tentative tax of an individual (other than an estate, trust, or nonresident alien) for any taxable year shall be considered an advance payment of the tax for such taxable year and be whichever of the following amounts is applicable:

"'(A) Tentative tax computed on basis of return for preceding year: Except as provided in subparagraph (C), in case a tentative return has not been made under section 51 (e), an amount equal to the tax shown on the return for the preceding taxable year (adjusted for any mathematical errors appearing on the face of the return), minus the credit allowed by section 31 (relating to taxes imposed by foreign countries and by possessions of the United States) for such preceding taxable year; or

"'(B) Tentative tax computed on basis of tentative return: In case a tentative return has been made under section 51 (e), an amount equal to the tax which would have been imposed under this chapter for the preceding taxable year on the basis of the net income and credits against net income included in such tentative return, minus the credit that would have been allowed under section 31 (relating to taxes imposed by foreign countries and by possessions of the United States); or

"'(C) Tentative tax computed on basis of tax withheld at source: If no installment of the tentative tax computed under subparagraph (A) has been paid and no tentative return has been made under section 51 (e), the amount of the tax withheld at source under section 466.

"'(2) Time and manner of payment: The tentative tax for any taxable year computed under paragraph (1) (A) or (B) shall be payable in four installments, the first of which shall be paid on the fifteenth day of the third month following the beginning of the taxable year. Of the remaining installments one shall be paid on the fifteenth day of the sixth month, one on the fifteenth day of the ninth month, and one on the last day of the twelfth month, following the beginning of the taxable year, except that any installment of the tentative tax may be paid, at the election of the taxpayer, prior to the date prescribed for its payment. The amount of any installment shall be the excess, divided by the number of remaining installments (including the installment in question), of the tentative tax over the amount of the previous installments thereof paid under this paragraph.

"'(3) Tentative tax not applicable in respect of certain short taxable years: A tentative tax shall not be payable for any taxable year the taxable year next preceding which does not begin in the preceding calendar year.

"'(j) Refund of excessive tentative tax: If the tentative tax paid for any taxable year exceeds the tax imposed by this chapter for such taxable year, the excess shall be credited or refunded in the same manner as an overpayment made on the date prescribed for the payment of the tax for such taxable year. For the purposes of this subsection, if the tax withheld at source under section 466 is credited against any installment of the tentative tax, the tax so withheld shall be considered to have been paid as tentative tax.'

"(c) Credit of tentative tax against tax imposed: Chapter 1 is amended by inserting after section 35 the following new section:

"'SEC. 36. Credit for tentative tax paid.

"'The amount of the tentative tax (provided for in sec. 56) paid for any taxable year shall be allowed as a credit against the tax imposed by this chapter for such taxable year.'

"(d) Willful failure to pay tentative tax: Section 145 (a) is amended by inserting before 'tax' wherever appearing therein 'tentative tax provided for in section 56.'

"(e) Making of tentative return permitted: Section 51 (relating to individual returns) is amended by striking out subsection

(e) (cross-reference) and inserting in lieu thereof the following:

"'(e) Tentative returns: Any individual (other than an estate, trust, or nonresident alien) on or before the 15th day of the third, sixth, ninth, or twelfth month following the beginning of the taxable year, or on or before any two or more of such dates, may make a tentative return for the taxable year, which shall contain or be verified by a written declaration that it is made under the penalties of perjury, stating specifically the items which he estimates as the items of his gross income, deductions, and credits against net income for such taxable year, and such other information for the purpose of carrying out the provisions of this chapter as the Commissioner with the approval of the Secretary may by regulations prescribe. Except for the purposes of section 145 (c) (relating to penalties for making false return) and section 55 (f) (1) (relating to penalties for disclosing information contained in return) such tentative return shall not be deemed a return for the purposes of this chapter.

"'(f) Fiduciaries: For returns to be made by fiduciaries, see section 142.'

"(f) Substantial underpayment of tentative tax: Section 294 (a) of the Internal Revenue Code (relating to additions to tax) is amended by inserting at the end thereof the following:

"'(3) Substantial underpayment of tentative tax: If the amount of the tax imposed by this chapter for any taxable year upon an individual (other than an estate, trust, or nonresident alien), minus the credit allowed by section 31 (relating to taxes of foreign countries and of possessions of the United States), exceeds 120 percent of the tentative tax for such taxable year paid during such taxable year, there shall be collected as part of the tax an amount equal to 6 percent of such excess.'

"(g) The amendments made by subsections (b) to (f) of this section shall apply only with respect to taxable years beginning after December 31, 1942."

RATIONING OF ESSENTIAL FOODS

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and revise and extend my remarks.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, for the first time in the history of our country, 75 percent of all essential foods will be placed under a point ration system, with controls and enforcement in the hands of a governmental agency. It is my understanding that Mr. Chester Davis, for whom I have a very high regard, will be in charge of food production and distribution. He is a man of broad experience, and if I am not mistaken, his knowledge of practical affairs is so vast that he will take into consideration the laws of supply and demand in order to make the rationing of food a success, rather than to be guided by the theoretical philosophy of many policy makers who are now administering rationing of food in the O. P. A.

If the present program of meat rationing is not changed, I predict that within 30 days 75 percent of the Nation's meat will find its way into the black market. This would mean a scarcity of meat for the armed forces, and very little if any for civilian needs, except through the black market at double or more than the price fixed by the O. P. A. I urge Mr. Davis and his associates to examine the proposal agreed to by the meat industry as the only sound method for the handling and distribution of meat products. This proposal will keep the price down and assure consumers the full supply provided in the ration program. I am giving herewith an outline of the meat-rationing plan:

MEAT INDUSTRY PROGRAM FOR SOLVING WARTIME MEAT PROBLEMS

Wartime meat controls are not functioning in the public interest.

Recognizing the need for an over-all comprehensive meat-management program that will work, the industry has produced such a plan through the coordinated efforts of more than 200 operating heads of various departments of a large number of meat-packing companies. They were assigned to study the industry operations in which each had had many years of experience.

Every avenue of approach led to the one unescapable fact that demand must be balanced with supply.

The outline of the program which they have produced is as follows:

Since there is not enough meat to go around, the Government must decide to what extent civilian demand for meat shall be restricted in order to free meat for Government needs. Rationing tickets are then issued to permit the public to purchase that amount of meat each week.

In order to make all of the supply available to the meat program, all slaughterers are licensed or put under other compulsion to sell their meat only to the Government itself or to holders of the Government-issued ration tickets.

Then the Government buying program must be managed from day to day and even from hour to hour. Each Government purchase must be made with regard to the supply which is available at the moment. In this way the Government always will be able to maintain the price level which the Government itself may determine.

Of course, Army and Navy needs come first, and coupon values must be set so that there will surely be enough meat left over to take care of these needs every day.

An essential of the whole meat management program, however, is that lend-lease purchases shall be made to fit the flow of livestock to market. When more meat is available, lend-lease must buy more and build up a stock pile. When little meat is available, lend-lease must buy less and draw on its stock pile. If it is determined to increase the total quantity going to lend-lease, it is first necessary to reduce the domestic demand by reducing coupon values and the purchases for lend-lease can be made only after the reduced domestic demand has become effective and after the extra meat has been made available.

This meat-industry program depends on the free play of natural forces with regulations imposed at these two points only—the control of the slaughter of livestock to put the meat into channels where its flow is controllable; consumer rationing to control civilian demand.

Meat management is complete if, and only if, these two controls are used to fortify meat management, which relates coupon demand and Government purchases to the way livestock is flowing to market.

Such a program is adequate and does away with the necessity for quotas, restrictions, price ceilings, and all other devices, which, indeed, under such a program, would hinder rather than help.

EXTENSION OF REMARKS

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a statement of taxation submitted by the Committee on Taxation of the National Workers Guild.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. MURDOCK. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix and include part of my remarks on the radio program at the Shoreham Hotel, January 24 last.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my remarks and include letters protesting against the elimination of the appropriation for the Bureau of Foreign and Domestic Commerce field and regional offices.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. ENGLEBRIGHT. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. BRADLEY], be permitted to extend his remarks in the RECORD.

The SPEAKER pro tempore. Is there objection?

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. LARCADE, for 1 week, on account of official business, on account of United States engineers hearing on bridge at Lake Charles, La., over Calcasieu River.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 886. An act relating to the selective-service deferment, on occupational grounds, of persons employed by the Federal Government; to the Committee on Military Affairs.

ENROLLED BILLS SIGNED

Mr. KLEIN, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 1780. An act to increase the debt limit of the United States, and for other purposes; and

H. R. 2068. An act making additional appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1943, and for other purposes.

ADJOURNMENT

Mr. COSTELLO. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 2 minutes p. m.) the House, pursuant to the order heretofore made, adjourned until Monday, March 29, 1943, at 11 o'clock a. m.

COMMITTEE HEARINGS

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The hearings scheduled for Monday, March 29, 1943, at 10 a. m., to consider charges of waste of space in ships going to North Africa and delays in ship sailings have been postponed indefinitely.

The Subcommittee on Fisheries of the Committee on the Merchant Marine and Fisheries will meet in executive hearing at 10:30 a. m. on Wednesday, March 31, 1943, to consider the matter of price ceilings on fishery products.

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Thursday, April 1, 1943, at 10 a. m., on S. 163 (H. R. 498) to amend section 511 of the Merchant Marine Act, 1936, as amended, relating to ship construction reserve funds, and for other purposes.

As advised in notice of March 10, 1943, Congressman BATES of Massachusetts, patron of the bill H. R. 1766, upon which hearings were scheduled on April 8, 1943, is a member of the Committee on Naval Affairs and of a subcommittee of that committee which has arranged a schedule of hearings throughout the country which will compel Congressman BATES of Massachusetts to be absent from Washington on April 8 and also April 15.

The chairman of the committee and the Commissioner of Fisheries will be out of town on intervening dates, which will necessitate a further postponement of the hearing until May 13, 1943. You are hereby notified that the hearings scheduled for April 8 and postponed until April 15 have been postponed to Thursday, May 13, 1943, at 10 a. m., at which time the hearings will follow.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

279. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Interstate Commerce Commission amounting to $11,700 for the fiscal year 1943 (H. Doc. No. 142); to the Committee on Appropriations and ordered to be printed.

280. A communication from the President of the United States, transmitting a draft of a proposed provision pertaining to an existing appropriation for the Tax Court of the United States for the fiscal year 1943 (H. Doc. No. 143); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SABATH: Committee on Rules. House Resolution 159. Resolution authorizing the Committee on Insular Affairs to investigate the political, economic, and social conditions in Puerto Rico; without amendment (Rept. No. 316). Referred to the House Calendar.

Mr. SABATH: Committee on Rules. House Resolution 192. Resolution for consideration of H. R. 1730, a bill to amend paragraph (1) of section 5 (e) of the Selective Training and Service Act of 1940, as amended, without amendment (Rept. No. 317). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. SNYDER:

H. R. 2313. A bill to defray the cost of travel and transportation of household effects of Government employees transferred other than by their own request, and for other purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. D'ALLESANDRO:

H. R. 2314. A bill to grant credit, in computing service for pay purposes, to certain commissioned officers of the Coast Guard for services as civilian employees in the Bureau of Lighthouses; to the Committee on Military Affairs.

By Mr. BARRY:

H. R. 2320. A bill to establish a Civilian Supply Administration, and for other purposes; to the Committee on Banking and Currency.

By Mr. RANKIN:

H. R. 2321. A bill to amend section 603, title VI, Public Law 801, Seventy-sixth Congress, approved October 8, 1940; to the Committee on Ways and Means.

H. R. 2322. A bill to amend subparagraphs (a) and (d) of paragraph 1 of part III of Veterans Regulation 1 (a), as amended; to the Committee on World War Veterans' Legislation.

By Mr. GWYNNE:

H. J. Res. 106. Joint resolution proposing an amendment to the Constitution of the United States; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. MASON:

H. J. Res. 107. Joint resolution proposing an amendment to the Constitution of the United States by disqualifying any person from serving as President for more than two elective terms; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. CALVIN D. JOHNSON:

H. Res. 190. Resolution expressing the sense of the House that certain members of the armed forces be released from active duty in order to increase the supply of farm labor during the calendar year 1943; to the Committee on Military Affairs.

By Mr. SCHWABE:

H. Res. 191. Resolution expressing the sense of the House that certain members of the armed forces be released from active duty in order to increase the supply of farm labor during the calendar year 1943; to the Committee on Military Affairs.

By Mr. MAAS:

H. Res. 193. Resolution providing for the consideration of H. R. 1364, a bill to amend the Naval Reserve Act of 1938, as amended; to the Committee on Rules.

By Mr. PHILLIPS:

H. Res. 194. Resolution for the relief of William A. Pixley; to the Committee on Accounts.

By Mr. COFFEE:

H. Res. 195. Resolution granting a gratuity to Leonard G. Peck; to the Committee on Accounts.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. COLE of New York:

H. R. 2315. A bill for the relief of Ethel Phillips; to the Committee on Claims.

By Mr. HOPE:

H. R. 2316. A bill granting a pension to Canzada Minton; to the Committee on Invalid Pensions.

By Mr. McMURRAY:

H. R. 2317. A bill for the relief of John F. L. O'Leary; to the Committee on Claims.

By Mr. MANASCO:

H. R. 2318. A bill for the relief of Mrs. Neola Cecile Tucker; to the Committee on Claims.

By Mr. PHILLIPS:

H. R. 2319. A bill to permit the naturalization of Raymando Gonzales, Santa Ana, Calif.; to the Committee on Immigration and Naturalization.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

361. By Mr. MANSFIELD of Montana: Petition of the Twenty-eighth Legislative Assembly of the State of Montana; to the Committee on Foreign Affairs.

362. By Mr. SULLIVAN: Assembly Joint Resolution No. 10 of the Nevada Legislature, petitioning Congress to keep open in winter mountain passes over the Sierra as a defense measure; to the Committee on Military Affairs.

363. Also, Assembly Joint Resolution No. 6 of the Nevada Legislature, memorializing Congress to decentralize the Office of Price Administration; to the Committee on Banking and Currency.

364. Also, Assembly Joint Resolution No. 13 of the Nevada Legislature, petitioning Congress to enact S. 450 for the compensation of civilian defense workers and others for damages suffered in the conduct of their duties; to the Committee on Appropriations.

HOUSE OF REPRESENTATIVES

MONDAY, MARCH 29, 1943

The House met at 11 o'clock a. m., and was called to order by the Speaker pro tempore, Mr. MCCORMACK.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O God of comfort and Father of all mercies, stretch forth Thy right hand and show us the substance of the Cross. As Thy goodness is round about us as the air we breathe, our grateful prayers rise from the altars of our souls with thanks for the bounties Thou dost bestow upon us. In this rushing, sordid world, whose currents threaten to engulf the monuments which are sacred and enduring, O give us deeply serious minds and engaging hearts to bend our energies toward that cooperation which our defenders have learned on fields of battle.

Make us acutely conscious of the life and destiny of our Republic; our great task must not be cramped nor chilled by a meager and gloomy outlook, nor the high sense of duty perverted and bound by a narrow horizon. We pray that the eclipse of a speedy victory may not only purge our vision but add to our wisdom and increase our spirit of determination to lift the weights from all shoulders until man everywhere is free. Impress our citizens of every station that no one fulfills his mission who does not feel that his life belongs to his God and his country. In the name of Him who gave His life for all mankind. Amen.

The Journal of the proceedings of Saturday, March 27, 1943, was read and approved.

JAPANESE SHOES

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. DONDERO. Mr. Speaker, on last Saturday, out of the boundless and far-flung reaches of the Pacific Ocean, from a doctor and surgeon who was formerly connected with the Food and Drug Division of our Government, came a little package addressed to me. Inside that package was a note and a pair of rubber shoes used by the Japanese for the purpose of aiding their snipers to climb trees, disguise and conceal themselves, in order to pick off the men who wear the uniform of our country.

These shoes are so constructed that the foot goes in from the heel and the soles are corrugated like the tire of an automobile. The split toe indicates they are worn by men similar to the "cloven hoof." The fact occurred to me that the rubber in those shoes should have been in new tires on our cars.

The symbol of Japan, the "Rising Sun," is stamped all over these shoes. I am going to leave them here. They are made with the split toes in order to make them more usable for climbing trees in the jungles. They are here for your inspection.

I would like to read to the House the little note that our doctor-surgeon sent with this war trophy:

Here is a souvenir. There is a "Nip" over here short a pair of shoes. These are new ones. They tried to float them ashore in a barrel, but we took them away from the yellow men.

It is signed Owen H. Taylor, M. D.

I would be pleased to have the Members of the House inspect these shoes used by our enemies against our men in the far-off jungles of the Pacific.

The SPEAKER pro tempore. The time of the gentleman from Michigan has expired.

KOREAN—NOT JAPANESE—CHERRY TREES

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

[Mr. RANKIN addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. ROLPH. Mr. Speaker, on Monday, March 22 the Board of Supervisors of the City and County of San Francisco adopted a resolution asking that additional aid be sent to General MacArthur. I ask unanimous consent to extend my remarks in the RECORD to include that resolution.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. GEARHART. Mr. Speaker, I ask unanimous consent to extend by remarks in the Appendix and include an editorial which appeared simultaneously in the Sacramento Bee, the Fresno Bee, and the Modesto Bee.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

(By unanimous consent, Mr. GEARHART and Mr. PHILBIN were granted permission to extend their own remarks in the RECORD.)

AIR TRANSPORTATION

Mr. HARE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. HARE. Mr. Speaker, some time ago the director of the South Carolina Aeronautics Commission addressed a communication to the attorney general of the State requesting his opinion as to what extent, if any, the regularly recognized rights of the State would be infringed upon, or the powers of the Federal Government increased, should the bill H. R. 1012 or S. 246, dealing with air transportation be enacted into law.

In view of the interest being manifested in this subject and in view of the fact that the Congress is going to be called upon to analyze and solve this problem, I ask unanimous consent that I may extend my remarks in the RECORD and include therein the opinion of the attorney general.

The SPEAKER pro tempore. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. HOPE. Mr. Speaker, I ask unanimous consent that the gentleman from Kansas [Mr. WINTER] may be permitted to extend his own remarks in the RECORD.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. MURPHY. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and to include therein a speech made by the distinguished Senator from Missouri, Hon. HARRY S. TRUMAN, made at Scranton, Pa.

The Speaker pro tempore. Is there objection?

There was no objection.

Mr. WOLVERTON of New Jersey. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix and include therein two editorials from Courier Post newspapers.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

THE LATE HONORABLE JOSEPH B. SHANNON, JEFFERSONIAN DEMOCRAT

Mr. BENNETT of Missouri. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. BENNETT of Missouri. Mr. Speaker, Joseph B. Shannon died yesterday. He was my friend. For many years he had been a Member of this House and was the friend of numerous Members of Congress. Last year he retired, voluntarily, from Congress and returned to his home at Kansas City, Mo. It was there that he died.

Joe Shannon was a regular and an organization Democrat. He was a Jeffersonian Democrat. He was a student of government and of human nature. Loyal as he was to his party, he put his country above political considerations and in recent years fought what he believed to be an assault upon Jeffersonian principles by the party professing to espouse them. He saw a big difference between the New Deal and the Democratic Party.

Joe Shannon loved peace. He had lived through wars and was familiar with the paths down which this country was being led before Pearl Harbor. He did all he could, as he understood it, to preserve the peace and build up a strong national defense.

Bitterly fought at times by members of the Republican Party, to which I owe allegiance, and by members of his own party, he nevertheless survived these battles in good form. He was a rugged character. Missouri has lost one of her most prominent public servants. His passing, mourned by all who knew him, marks the end of an era in the political life of his State and, in a way, of the country he served so long. God rest his soul.

The SPEAKER pro tempore. The time of the gentleman from Missouri has expired.

Mr. McLEAN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. McLEAN. Mr. Speaker, I take advantage of this opportunity to add my tribute of friendship to what has been said of the late Joseph B. Shannon. Others know more of his public career and service here, because he was a veteran Member when I arrived. On that account I was flattered by his attentions. Our habits in attending the House were very much the same and threw us together considerably on our way from our offices to the sessions and returning. We had many visits together. He lived a great many years—76, I believe. He was many years my senior. He told me once that "A man is only as old as he feels. It is my habit of life to keep myself young by associating with younger people."

One way in which he practiced his philosophy was to give a party each year for the boys who served as pages in the House of Representatives. His annual page-boy dinner was to him and the boys one of the events of the year. I met him one morning after the dinner. He was radiant with happiness and talked freely of the joy association with the boys gave him. He said:

They are—
"Just at the age 'twixt boy and youth
When thought is speech and speech is truth."
We owe them so much and can learn so much from them.

A man with such a heart is bound to leave behind a lot of good that he has done. His useful example will live in the hearts he leaves behind.

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON of Missouri. Mr. Speaker, I am certain every veteran Member of the House heard with a tightening of the heartstrings the radio announcement this morning of the death of our former colleague Joseph B. Shannon, of Missouri. His death brought to a close a unique career in Missouri and national politics. For nearly half a century he had been a notable, and at times a commanding figure in the affairs of his State. And be it said to his credit that, although he exercised for many years a dominant influence in city and State elections, the finger of scandal was never pointed at him; in serving his party he served his country. He was not only a Jeffersonian Democrat by profession but he was a Jeffersonian scholar and possessed probably the most extensive collection of Jeffersonia in the State. Undoubtedly he was more familiar with the writings and philosophy of the Great Commoner than any other Missourian. It is said that on more than one occasion during the extended deliberations of the last State constitutional convention, of which he was a member, he influenced profoundly the decisions of the convention by apt quotations from Jefferson quoted from memory during extemporaneous debate. He had looked forward with keen anticipation to the completion and dedication of the Jefferson Memorial here in Washington, for the authorization and construction of which he had labored zealously. He was particularly impatient with those who protested its location and sought to delay it and it is to be regretted that he could not have lived another springtime to have witnessed the realization of his dreams and the fulfillment of what he deemed an appropriate acknowledgment of the Nation's debt of gratitude to one of its founders—the author of its Declaration of Independence, a sponsor of its guaranty of religious liberty, and its most prominent patron of universal education.

He had a wide horizon. His interest even in his earlier days was not confined to his State but reached beyond into national affairs. I doubt whether any other Missourian can match his record of having attended consecutively every Democratic National Convention meeting in the twentieth century. And with one or two exceptions he attended as a delegate and participated actively in the proceedings. He had already discussed tentatively his plans to attend the convention in 1944. He looked always to the future and notwithstanding increasing physical infirmities had planned to file for reelection to the House. And I am certain that when the Grim Reaper came he met him with the same high courage, the same forward-looking spirit he had maintained through life—and with no regrets for the past.

Mr. COX. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. COX. Mr. Speaker, I am grieved to note the passing of our former colleague, Mr. Shannon. He was a very extraordinary person. He was a man whose heart was pure gold. I had the honor of serving as a member of a select committee of which he was chairman, whose business it was to investigate the competition of Government with private enterprise. I think under his chairmanship the committee conducted the most fruitful investigation of which I have any knowledge. It built up a valuable record, but about the time when it would have been utilized by the Congress as the basis for legislation, there came about a change of administration, a change of policy, which put to sleep forever, I fear, the fine work he did.

Mr. PLUMLEY. Mr. Speaker, Joseph B. Shannon, late of Missouri, will be long remembered by those of us who were so fortunate as to have served with him.

He was of the old school of statesmen who, while bitterly partisan if and whenever the occasion seemed to him to compel, nevertheless believed that "he serves his party best who serves his country first."

Very few men, if any, anywhere, know, and certainly no man in Congress knew, his "Jefferson" as did Joseph Shannon. In my early days of association with him he emphasized the fact that in his opinion Vermont was fundamentally and always a Jeffersonian-democratic State, a survivor and a protagonist of Jeffersonian doctrines and principles. The record substantially bears out his statement.

Joseph Shannon was much interested in the erection of the monument to Thomas Jefferson, which, God willing, we shall dedicate on the 13th day of April, and which is appropriately constructed exteriorally of marble from the Jeffersonian State of Vermont, which exemplifies the percepts of and is dedicated to the everlasting perpetuation of the ideals of the man whose monument it is.

Could Joseph Shannon speak today, I am sure he would again quote as the controlling principle of his career of public service that excerpt from the statements of Jefferson:

> I am not an advocate for frequent changes in laws and constitutions. But laws and institutions must go hand in hand with the progress of the human mind. As that becomes more developed, more enlightened, as new discoveries are made, new truths discovered and manners and opinions change, with the change of circumstances, institutions must advance also to keep pace with the times. We might as well require a man to wear still the coat which fitted him when a boy as civilized society to remain ever under the regimen of their barbarous ancestors.

Those who never knew Joseph Shannon cannot measure the loss we who were privileged to be associated with him have suffered by reason of his passing.

Mr. LAMBERTSON. Mr. Speaker, Hon. Joseph B. Shannon was an able public servant and a real student of history, possessing an idealism in Thomas Jefferson to such an extent as is seldom witnessed. He had firm convictions and abided by them, was very human, likable, and companionable. He had more than an ordinary sense of political proportions, evaluated the true extent of a public life or of a public endeavor.

It was my pleasure to know him only these last 10 years as a Member of the House of Representatives. His purposes were always high and effective, his analysis was accurate, and his Americanism was unchallenged. We have lost a friend and neighbor and his passing will be regretted by the thousands of Kansans who knew him, particularly those who remembered him as a traveling salesman in the early days in Kansas.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute on the life and character of our distinguished friend from Missouri, Hon. Joseph Shannon.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. RANKIN. Mr. Speaker, we all join the Members of the Missouri delegation in mourning the death of Hon. Joseph B. Shannon, one of the most colorful characters who ever served in this House.

Joe Shannon was an individualist. He was a real patriot. He was one of the best informed men on Jeffersonian democracy and on the life and policies of Thomas Jefferson with whom I have ever served. He was not only a man of unusual ability, but he possessed that great moral courage so necessary for public servants in these times of extreme stress. Joe Shannon was not afraid. He was not a cynic. He was a friend to all. However hot the battle might become on the floor of the House during the day, he seemed to lay it aside at night and came back the next morning, fresh, bright, and ready for the fray.

He often reminded me of the expression of Walter Malone, the great Tennessee poet, in his immortal verse called "Opportunity," in which he said:

> Wail not for precious chances passed away,
> Weep not for golden ages on the wane,
> Each night I burn the records of the day,
> At sunrise every soul is born again.

That expresses the life and character of Joseph B. Shannon.

Peace to his ashes; honor to his memory. May he greet the coming of another age of youth and usefulness in another radiant Easter beyond the gates of night.

EXTENSION OF REMARKS

Mr. JONKMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the subject of Frustration on the Food and Fighting Fronts.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan [Mr. JONKMAN]?

There was no objection.

Mr. SCHIFFLER. Mr. Speaker, I ask unanimous consent to extend my own

remarks in the RECORD and to include an editorial.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia [Mr. SCHIFFLER]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. GRANT of Indiana. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my own remarks in the RECORD, and to include copy of an opinion by the United States District Court for the Northern District of Indiana.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana [Mr. GRANT]?

There was no objection.

[Mr. GRANT of Indiana addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a resolution from the Legislature of Nebraska.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Nebraska [Mr. MILLER]?

There was no objection.

Mr. BROWN of Ohio. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a letter which I received from Price Administrator Prentiss M. Brown, in answer to a communication of mine relative to allotments of sugar for home canning purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio [Mr. BROWN]?

There was no objection.

FOOD-PRODUCTION PROBLEMS

Mr. CHURCH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my own remarks in the RECORD and to include therein a telegram from the Governor of Illinois.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois [Mr. CHURCH]?

There was no objection.

Mr. CHURCH. Mr. Speaker, as the new Food Administrator, Chester B. Davis, starts out in his new office today, I have called his attention to the following telegram. I hope that Mr. Davis will be able to do something immediately toward bringing chaos out of the food-production and distribution problems of the Nation and of my State of Illinois.

The telegram sent to me and others of the Illinois delegation by the Honorable Dwight H. Green, Governor of Illinois, is as follows:

SPRINGFIELD, ILL., *March 27, 1943.*

Hon. RALPH E. CHURCH:

I strongly urge you to do everything possible to assist in the movement to obtain necessary priorities for raw materials to speed up manufacture of farm implements in Illinois factories. The factories involved are equipped to produce large quantities of farm implements so necessary in the present food shortage. This is a splendid opportunity to carry out one of the important declarations made at the recent Governors' conference in Des Moines, Iowa, in which the States of the great Middle West demanded that they be given the go-ahead signal in the production of food so vital on the home front. The ban on the manufacture of farm implements has developed a serious employment situation in several Illinois communities and particularly in Rock Island and Moline, where the closing of the Quad Cities Tank Arsenal has thrown 3,000 men out of work. The implement factories can give employment to these men if materials are available.

DWIGHT H. GREEN,
Governor.

EXTENSION OF REMARKS

Mr. WICKERSHAM. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include a brief editorial from the Oklahoma Banker for January 1943, with reference to conservation farming as a war weapon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma [Mr. WICKERSHAM]?

There was no objection.

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Vermont [Mr. PLUMLEY]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. WIGGLESWORTH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my own remarks in the RECORD and to include therein certain documents from Massachusetts in reference to the food shortage.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts [Mr. WIGGLESWORTH]?

There was no objection.

[Mr. WIGGLESWORTH addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a newspaper article on the war industry with reference to shipbuilding in Portland.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon [Mr. ANGELL]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. FOLGER. Mr. Speaker, in view of a speech or two made by several of the young Governors of our Southern States, I ask unanimous consent that at the conclusion of the work of the day and any other special orders I may address the House for 10 minutes on the subject The South Is Not Ready To Secede.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina [Mr. FOLGER]?

There was no objection.

UNION RACKETEERS

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute, and to revise and extend my remarks.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. HOFFMAN. If the majority party wants to get some money it might adopt the methods of its political allies, the union racketeers. Certainly we are short of rubber and we are short of gasoline, but the organizers, so-called, down in Detroit, get rubber and they get gasoline; they get C cards to drive up to Port Huron to follow milkmen who are delivering milk to anybody in that city, including the babies, and intimidate their customers. I do not know whether you want to adopt that method or not, but they are your political allies and you stay by them right along and let them do it. The people of Port Huron are getting terribly sick of it. I hope when this tax business is over you will think about that and see if we cannot devise some way so an honest man who wants to work will have that opportunity.

EXTENSION OF REMARKS

Mr. MICHENER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial.

The SPEAKER pro tempore. Is there objection?

There was no objection.

(Mr. LEMKE asked and was given permission to extend his own remarks in the RECORD.)

Mr. GRANT of Indiana. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein an editorial.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. BRYSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and to include therein the remarks I made at the conferring of the Army and Navy E on an industry in my district.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

EMPLOYMENT OF DISABLED AND INCAPACITATED EX-SERVICE MEN

Mr. MILLER of Connecticut. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. MILLER of Connecticut. Mr. Speaker, I have asked for this minute to call the attention of the Members of the House to an advertisement which appeared in the Hartford Courant recently. The advertisement is as follows:

A SINCERE MESSAGE TO DISABLED AND INCAPACITATED EX-SERVICE MEN

We would like to help you fit yourself back into a happy productive life and we feel that perhaps we can help.

There are jobs open in our plant from time to time which you may be able to fill. Some of these jobs involve little activity, are only moderately manual, and are important.

Our desire to help you get into production is not based on sympathy or on a sense

of obligation (as grateful as we are to you for what you have given our country), but on the cold, hard fact that we know you want to continue to work for victory. We and the country need your continued help.

We know, too, that your presence here will be an inspiration and incentive to us to give our best to war production.

Our personnel office is open from 8 to 12 a. m. and 1 to 5 p. m., Monday through Friday, and on Saturday mornings. We shall be glad to have you or any member of your family come in and see Mr. Tribble, our personnel director. If you prefer to telephone in advance, our telephone number is 3-5258.

THE GRAY MANUFACTURING CO.,
W. E. DITMARS, *President*.

The Gray Manufacturing Co., of Hartford, Conn., is one of our most progressive manufacturers.

I call this advertisement to the attention of the House with the hope that other manufacturers will copy the idea. This is a problem which will soon have to be faced, not only by industry throughout the country but by the Federal Government as well.

EXTENSION OF REMARKS

Mr. MAGNUSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

INDIVIDUAL INCOME TAX COLLECTION BILL OF 1943

Mr. DOUGHTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 2218) to provide a method for the payment currently of individual income taxes, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 2218, with Mr. BULWINKLE in the chair.

The Clerk read the title of the bill.

Mr. KNUTSON. Mr. Chairman, I yield 5 minutes to the gentleman from Nebraska [Mr. MILLER].

Mr. MILLER of Nebraska. Mr. Chairman, for several days we have been listening to the debate in the House upon a new method of paying taxes. This debate has been most interesting although at times confusing. The suggested bills have been linked to the Holy Script and wrapped up in the Bible. They have been called full of sin and iniquity. It has been suggested it would lead the bewildered taxpayer out of the wilderness much like Moses led the children of Israel out of Egypt. These same bills have been wrapped up in the flag and wild statements were made that to support one bill or the other would be like stabbing America in the back. There have been many unfortunate statements made in the heat of debate which have been confusing. The hot, yes, demagogic words give me the impression that someone is getting a bit tired, that the nerves are getting frayed, and that we are going around in circles not accomplishing very much.

As a physician, I should like to warn you that when you get so excited and hot under the collar your blood pressure may go dangerously high. I have been earnestly looking for information.

Mr. Chairman, the Members of this House should be able to present a bill that will be acceptable to the country. I am convinced that the folks at home want and expect to pay taxes. They are willing to give everything they have to help prosecute this war to an early and victorious finish. I am convinced, Mr. Chairman, that the people want to get on a pay-as-you-go-and-earn tax policy. It will make it so much easier for a large group of people who must now pay taxes. I am convinced that the people would be opposed to any form of a forgiveness of taxes which would mean a big windfall or create a new crop of millionaires. I am convinced that the people want a simplified tax form, one that can be understood and easily made out by themselves.

I have read the hearings on both bills carefully. There are some good points in both bills, but I doubt if this body is ready to accept either bill as written. The committee bill gives a discount for the paying of taxes. It does not place the individual on a must pay-as-you-go-and-earn policy, but merely gives him the privilege of paying as he earns. The bill doubles up and attempts to make individuals pay 2 years of taxes in 1 year. It penalizes a great group of taxpayers for not paying their taxes. It gives a windfall to the man with money by giving him a discount. The rich man gets the benefit the one group cannot enjoy. This is not acceptable to me. The Carlson-Ruml plan is excellent in that it does place an individual on a pay-as-you-go-and-earn basis. The weak part of the bill is that it does not seem to forgive a part of the taxes. However, the benefits are not reached until either the individual's income stops or the individual dies. The withholding provisions of both bills are similar.

I am convinced, Mr. Chairman, that before the bill is finally agreed to in the Senate and the conference committee that a compromise must be reached. Is there any reason why the men and women of this House cannot work out a bill that will be acceptable to the people of the country. A pay-as-you-go-and-earn method of paying taxes.

I listened to the debate yesterday on the Forum of the Air in which four of our oustanding colleagues took part. That was an interesting discussion. Some points were brought out that were worth while yet there were places in that debate which I felt might cause the people of the country to feel just a little dubious and would be more confused as to just what method would be adopted for them to pay taxes.

I am convinced that the Members of both sides of the aisle want to thoroughly and honestly represent their people and solve the problem of taxation.

I am hoping that when the amendments are presented to the bill that the discussions will then give us more light and less heat.

Mr. KNUTSON. Mr. Chairman, I yield 20 minutes to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS. Mr. Chairman, I am not one of those who think that this matter before us is an easy matter to solve. It is difficult. This is what we call a tax bill. It is a very unusual tax bill in that it is different than the usual tax bills. Of all the tax bills that come before us year after year, not a single one has been like this one. This is different, and in a very distinctive and important way. Every other tax bill we have had was a bill levying taxes. Such bills are complicated, very intricate, and very difficult to put together. This is not a bill that levies taxes, however. It does not change any tax rate in any respect. It is simply a tax-collecting bill. In other words, this bill seeks to change the method by which the taxes are collected, and that makes it a very important matter. Let me emphasize by repetition that although this bill does not fix tax rates it is very important because it seeks to provide a new method of collecting taxes.

Why do we need a bill to change the system of collecting taxes? What is wrong with this system we have? There must be something wrong about it, because the people in the country are very much dissatisfied with the system. Our system of collecting income taxes was adopted 30 years ago. Basically it has not changed much. It needs to be modernized.

The complaint that the people are making demands the best thought of this Congress. Our decision will determine whether we modernize our tax-collecting system, and upon our decision will depend the disposition of billions of dollars.

From whence comes this demand to modernize our tax-collecting system? The first income-tax bill under the sixteenth amendment was passed in 1913. That was passed before some of the Congressmen were born, and yet it was passed within the service of one or two of our distinguished Congressmen, who were here at that time. The sixteenth amendment was passed because Congress and the Treasury had experienced much trouble in collecting income taxes. They could not collect income taxes effectively because under the Constitution it was necessary to apportion certain taxes among the States according to population. Quite frequently aggrieved taxpayers resorted to the courts, and finally the Supreme Court rendered a decision which resulted in the growth of sufficient public sentiment to bring about the adoption of the sixteenth amendment to the Constitution. That amendment went into effect in 1913, and at that time a new Congress came into power.

That was the first Congress under President Woodrow Wilson's administration. Mr. Wilson came into power on the 4th of March 1913, and with him came a Democratic Congress, and that Democratic Congress proceeded immediately to do what it was expected of them. It proceeded to try to pass a tariff bill.

They called it the Underwood tariff bill. Naturally, it took them all summer to do that, because you cannot pass a tariff bill in a day or two. As I remember the history of that time that tariff bill included a provision with reference to the collecting of income tax, and that bill was passed in the last part of October 1913. The first income tax collection under that bill would be paid on the 4th of March 1914. One-fourth of that assessment would be paid at that time, then the next quarter would be paid in June, and the next in September, and the next in December, just as we pay it now. In other words, that gave us the present system of collecting taxes. I want you to reason with me for a minute or two. If that bill was passed in October, the public could not reasonably be held to know what it could contain before it was passed, and could not be expected to prepare to pay a tax before any law levying such a tax had been passed. The law fixed the date of payment and all payments were to be made quarterly and the first payment was to be made on March 15, 1914. It was not intended that the taxpayer should pay in 1913. The assessment and collection of the tax was done in 1914. The year 1913 was only used as a measure by which the amount to be assessed and paid in 1914 was fixed.

I know that this question of forgiveness of taxes has worried some of you.

How many of you Congressmen save up the money a year in advance to pay your taxes? I imagine that 99 percent of you will pay your June taxes with money that you will earn between now and June, and your September taxes you will pay in the same way, and also your taxes for next December. Of course, occasionally there is a man who is able to pay in advance, but there are not very many of them. As a rule, people pay their taxes as they go; a lot of them have much trouble in doing that. That is how they paid in 1914 when the first payments were made.

In those early days income taxes were so light and so few paid taxes that the method of collection was not so important as it is now. It did not mean much when the first income tax was levied, and why? Because under that law a single man had an exemption of $3,000, and a married man had a larger exemption. Only a few people were taxed under the original bill. But what has happened since then? The Federal income tax has increased from thousands to billions. Last year the Treasury reported that it would send out 35,000,000 tax returns for 1942 and for 1943 there will be 44,000,000 people who will pay income taxes. That is an increase of 9,000,000 taxpayers for 1943 over 1942. The people who pay taxes now include nearly everybody. Nearly everyone who works and has much of a job is an income-tax payer, and he is very much interested in the time and the method by which that tax is collected. This tremendous increase in the number of income-tax payers is due to several reasons. Among the reasons are the fact that our population increases about a million each year. And another reason is that the exemptions have been lowered, which results in more people coming within the tax law. And another is that people are earning more money now than formerly.

Let me go back a moment and show what the Congress said in 1913 and 1914 about taxes. I am one of those who maintain that if I had been an income-tax payer in 1914 and had paid my tax in 1914 I should at that time had felt that I had paid my tax for 1914. I would have paid it in 1914, for I could not have paid it in 1913, as the law could not have been in effect before October 1913. And if I had continued to live I would have paid my tax in 1915 for the year 1915, and on down to 1940, when I would have paid my 1942 tax in 1942, and I will pay my 1943 tax in 1943. If greater care had been taken when the 1913 law went into effect to fix definitely in the minds of the taxpayers just what periods of time were covered by the payments there would be no room for argument about it now. Let us see what those in Congress at that time had to say about the matter.

There was one in Congress then who sat on the Democratic side of t is House when I came to Congress quite some few years ago. I had great respect for him then and still have. Early in his congressional career he showed the genius that has since carried him into the high position that he now occupies. I refer to Cordell Hull. His opinion was requested at that time as to what he thought about the application of the new income tax to certain income earned in 1913. He wrote a brief on that subject. Here is what he said:

> An income tax is assessed and collected in the year subsequent to the accrual of the income returned, and by which the tax is measured.

There is no ambiguity in that language. It is susceptible to but one interpretation. The language is clear. There are two very important steps in the collection of income taxes. In fact there are only two important steps. The first is the assessment of the tax, and the other is the collection of the tax. Mr. Hull said in 1913, with reference to the income-tax law enacted in 1913 that—

> an income tax is assessed and collected in the year subsequent to the accrual of the income returned—

It would seem that this language indicates clearly what was intended by the Congress when the income tax law was enacted.

Why was Mr. Cordell Hull, with several other distinguished Democratic Congressmen, called upon to render this opinion? It was because Mr. Elihu Root, who was then a prominent member of the Senate, had raised the question about the method and manner of collecting that first income tax. The Democrats of the House defended their position, and their position then was that the tax was assessed and collected in the subsequent year. The Democrats were sustained as against Mr. Root.

As I have heretofore stated, I have always maintained that if I paid income tax in 1914 I paid the 1914 tax, and if I paid in 1932 I paid the 1932 tax, and if I paid in 1942 I paid the 1942 tax, and if I pay in 1943, as I hope to do, I shall pay the 1943 tax. What could be wrong with my position? Who has lost and who will stand to lose by that method of proceeding? Nobody will lose. If I paid in 1914 and every subsequent year, why have not I paid in full? I have paid in full. And if the Carlson plan is adopted I shall continue that plan and thereby keep my taxes paid up.

It has been brought out repeatedly in these debates that the soldiers will hold us accountable if we abate any taxes and thereby prevent sufficient funds coming into the Treasury to provide adequately for our Army. The answer to that argument is the fact that three billion more will come into the Treasury from the Carlson bill than from the present law. The plan that we present, the Carlson plan, will provide more successfully and completely for the military needs than any other plan that has been put before this body. It will bring into the Treasury more money. It will bring it in more efficiently, more carefully, more sensibly, more honestly than any other system, because the man who pays in 1943, who thinks he is paying in order to pay up, will then, in fact, be paid up. If you are going to put a withholding-at-the-source tax on our working men and women in July 1943 and at the same time expect them to pay 2 years' taxes in 1 in order to get caught up with their taxes, you shall have done a grave injustice to them. When they find out that they still owe another when they come to December 31, 1943, someone will be called to account.

Mr. DOUGHTON. Mr. Chairman, will the gentleman yield?

Mr. JENKINS. I shall yield to the distinguished chairman of the Ways and Means Committee because he occupies a high position in this House and because of his fine character and his honesty and his sincerity of purpose.

Mr. DOUGHTON. I dislike to take the time of the gentleman even to ask him a question, but he has referred to the tax that was paid in 1914. Was the tax which was paid in 1914 a tax on 1914 or 1913 income? That is a simple question.

Mr. JENKINS. Oh, yes; it is simple. I will answer it so that anybody can understand it. You cannot collect income taxes at one fell swoop. Some measure or yardstick must be laid down. Back in the early days this could be done more easily because very few paid any income tax, but now a great many more people—I will say millions more people—pay income taxes. They will not all be even in the same economic position at the end of the year as they are in the first part of the year. Changes in income are sometimes swift. I say that the first tax that was levied was levied in 1914, and it was paid out of the income the man made in 1914, and it was to pay the taxes for 1914 that he made his payments. How could it have been intended that it would be the taxes for 1913, a year before the constitutional amendment was adopted? How could you conclude

this for the first part of 1913, when we had no tax law then and when the constitutional amendment had not been invoked?

In order to defend your position you must find some plausible argument that Congress meant to levy a tax on a period before it passed the first law. You have to have levied a tax on a man before the law went into effect originally and before the constitutional amendment was adopted.

Mr. DOUGHTON. Will the gentleman yield further?

Mr. JENKINS. Yes.

Mr. DOUGHTON. Suppose in 1913 you had $10,000 taxable income; and in 1914 you had $5,000 taxable income, which income would that be assessed on? The 1913 income or the 1914 income?

Mr. JENKINS. I take you back to the beginning. In 1914 if the tax should have been paid in 1914 and applied on 1914 then the tax levied and collected in 1943 should go on the year 1943. That is exactly what I maintain.

Mr. DOUGHTON. Is the gentleman satisfied with that answer?

Mr. JENKINS. I surely am.

Mr. CASE. Will the gentleman yield?

Mr. JENKINS. Not now, if you please. I know the philosophy of the gentleman from North Carolina. The gentleman has a philosophy that has made him conscientious. In other words, he is conscientiously satisfied with his philosophy, and I cannot blame him. I am not going to try to have him change his philosophy, but he has an erroneous philosophy, especially measured in these modern times. Let me show you why. The gentleman is very meticulous in all of his habits, especially in everything that has any aspects of a financial contract. If a man came to the distinguished chairman, to his bank when he was a banker, and wanted to borrow $100 or $200, and signed a note—certainly the obligation would be fixed right then. The obligation was fixed right then, and put down in writing. The two minds met. That was a contract.

That was an obligation. The man was bound to pay it. That was an obligation that the debtor sought. He wanted to borrow and agreed to repay. But when the Government comes to levying income taxes, the man is never called in and asked how much he wants to pay. He is never consulted about it. The Government is sovereign and we are its subjects. The Government has a right to take what it thinks it needs from the national income to perpetuate the Republic, and when it does, there is no element of contract about it. The Government measures by 1 year's income what income tax we pay in the next year. The Government said that I should pay so much in 1943, measured by my income in 1942. When I pay that I should be paid up to the end of 1943. That is all the Government has said that I owe. The Government will require me to file a return showing my income in 1943 by March 15, 1944, and will tell me how much I will be expected to pay in 1944, and if I pay it, I have done what the Government demanded of me. If I continue this course as long as I live, who can say I have not been square with my Government. Then, when I am dead, the Government can take from my estate whatsoever amount it decrees by law in the form of an estate tax. I ask what more can a man do when he has done all that was asked of him. That is what Cordell Hull meant when he said that income tax is assessed and paid in the year subsequent to the time it is measured. It is assessed in the year it is collected. You say there might be inequities from the fact that the income in the year selected to measure by might be a lean year. That may be true, but you must remember that it works both ways, for the measuring year might show a big income and the subsequent year might be a very lean one. But Congress or the Treasury cannot go out over the country to see how 44,000,000 people are fixed for paying their taxes this year as against last year.

Mr. KNUTSON. Will the gentleman yield?

Mr. JENKINS. I yield.

Mr. KNUTSON. I wish the gentleman from Ohio would tell this House just how much sunshine we lost when the President moved the clock ahead 1 hour?

Mr. DOUGHTON. He did not move it ahead. He moved it back.

Mr. JENKINS. Mr. Chairman, I do not want to yield my time for these gentlemen to discuss the daylight-savings law.

Mr. DOUGHTON. If the gentleman would just answer this one question, I will not interrupt him any more.

Mr. JENKINS. I yield to my distinguished chairman.

Mr. DOUGHTON. I thank the gentleman and I do not want to take the gentleman's time. When they assessed the tax for 1914, when they paid the 1914 tax, was that on the income of 1914 or 1913? If you pay for 1943 and skip 1942, what will become of the income of 1942?

Mr. JENKINS. Under my theory I am not going to skip any time. I pay every year as the Government assesses me.

Mr. DOUGHTON. On each year?

Mr. JENKINS. On the year they assess me to pay on.

Mr. DOUGHTON. In 1914, was that on your income for 1914? Let me ask this fair question: When you paid in 1914, was that on 1914 income or 1913 income?

Mr. JENKINS. A levy is not on an income at all.

Mr. DOUGHTON. What is it on?

Mr. JENKINS. It is not on an income. Whenever you levy a tax you do not do as the sheriff who goes out and levies on an automobile. The Government does not levy on an income. The Government takes the income of 1 year as the measure of the tax that the taxpayer should pay in the following year.

Mr. DOUGHTON. What is the base?

Mr. JENKINS. The earnings of that year.

Mr. DOUGHTON. There has to be a profit. You have to have a net income.

Mr. JENKINS. I hope I have answered the gentleman's question. I have said that back in the early days they collected income taxes without much trouble, but now the situation is different. What does your bill do with reference to taxing the millions of men and women and girls who work in our mills and factories? On the 1st of July you expect to withhold from their wages and salaries a withholding tax of 20 percent. You have not asked them if they can or are willing to pay it. You have not provided for them any pay-as-you-go plan. You will be taking their money and when December 1943 comes you will tell them that they have paid but they have gone nowhere. They still owe a full 1½ years' taxes.

Mr. DOUGHTON. Here is what I would say. I am going to say just what the law said that the gentleman helped to pass in 1942 himself, that they owe that much tax. The gentleman helped pass that law, and I am going to say what we did in that law and just what he said in that law.

Mr. JENKINS. Yes, but they will not be interested in what was done last year. They will want to know why they are not paid up. I say that the tax-collecting business has come to the place, and you cannot get around it, where 44,000,000 people are marching up and paying taxes and they are demanding to be considered. Whenever you put that tax on the girl who goes to work, and on the men and women who work, you take the tax out of the wages without their previous consent. They did not make an agreement with you like one does when he comes up and signs a note at the bank. The man who pays the tax has nothing to say about it. The Government fixes the time and makes the measurement and assesses the tax and, as Cordell Hull said, it is paid in the year after the measurement is made. Now, I hope that, although I have gone afield somewhat, I hope the gentleman thinks I have answered his questions again.

Mr. DOUGHTON. No; I do not.

Mr. JENKINS. There is no use proceeding any further then.

Mr. DOUGHTON. Let me ask the gentleman one more question.

The CHAIRMAN. The time of the gentleman has expired.

Mr. KNUTSON. Mr. Chairman, I yield the gentleman an additional 5 minutes with the understanding that he does not yield.

Mr. DOUGHTON. May I say that I have a profound respect for the gentleman's ability and his high character. There is a difference of opinion between him and me as to who is right on this question.

Mr. KNUTSON. He is smothering you with kindness.

Mr. JENKINS. Mr. Chairman, I am going to say some nice things about my fine friend the gentleman from Minnesota in the hope he might give me some more time.

Mr. KNUTSON. The gentleman cannot bribe the gentleman from Minnesota.

Mr. JENKINS. From the twinkle in his eye, I know I shall get more time.

Mr. Chairman, let us see how this bill comes before us. What brings this bill before the House and before the Congress? What is the reason for it? The reason for it is somebody at the psychological time sensed the great sentiment that existed in this country for a pay-as-you-go tax plan. That man's name was Ruml. I do not know much about Mr. Ruml, except what I get from the press. I know he is a man with a fine reputation for ability and efficiency. The first time I ever saw him was when he appeared before the Ways and Means Committee. I was much impressed with his frankness and with his knowledge of public questions.

Mr. DISNEY. Will the gentleman yield?

Mr. JENKINS. I yield to the gentleman from Oklahoma.

Mr. DISNEY. How does it happen you take up with him so closely?

Mr. JENKINS. The gentleman asks me a question which really does not do him credit. I have not seen or communicated with Mr. Ruml since or before his appearance before the committee. I am in no way connected with him.

Mr. COOPER. Entirely aside from this, would the gentleman yield on a noncontroversial point?

Mr. JENKINS. I would rather not, but I will.

Mr. COOPER. The gentleman referred to the 1913 act. I do not think, in all fairness, that the gentleman completed his statement.

Mr. JENKINS. I think I did. I thank the gentleman for his suggestion, but I was through. Now, I do not yield. I will put that in my speech.

Mr. COOPER. Let me ask the gentleman a question.

Mr. JENKINS. No. I must heed the admonition of my colleague the gentleman from Minnesota [Mr. KNUTSON] or he will refuse to give me more time.

Mr. COOPER. If I yield him a minute from this side, will he yield?

Mr. JENKINS. No; I want to go ahead. Something happened last summer and fall in this country that crystallized public sentiment. A great deal has been said that was critical of the manner of procedure of this man Ruml.

Mr. McMURRAY rose.

Mr. JENKINS. I will not yield to the gentleman under any circumstances.

Mr. KNUTSON. Mr. Chairman, I submit that the gentleman announced that he did not want to yield. The Chair should protect the gentleman.

Mr. JENKINS. I can protect myself; do not worry.

The CHAIRMAN. May the Chair suggest to the gentleman from Minnesota that that is up to the gentleman from Ohio himself.

Mr. KNUTSON. But the gentleman from Ohio announced that he did not wish to yield.

The CHAIRMAN. The gentleman from Ohio is not yielding.

The gentleman from Ohio will proceed.

Mr. JENKINS. I have not yielded because I do not have time to do so.

Mr. Chairman, let us see how Mr. Ruml got his program started; let us see what was the first thing he did about it; let us see what was the first step he took. He went down to the Treasury. He did not take it to the newspapers, he did not publicize it, he went down to the Treasury and submitted it to the Treasury. This is exactly what he should have done. He did not bring it to the House of Representatives, because the House was then almost through with considering the tax bill of 1942. After going to the Treasury he took it over to the Senate. Someone remarked the other day on this floor that he got only 3 votes for it in the Senate. It never was voted on in the Senate; it never was considered in the Senate. It went before the Senate committee, and the Senate committee realized how important it was, that it could not be taken up in that length of time, and they decided then not to take it up; but the people have taken it up, the people in every section of the country have taken it up; they have taken it up by a tremendous majority of both parties. What class of people? It is not a rich man's bill; it is not a poor man's bill, it is the bill of the man who says, "I want to pay as I go." And, Mr. Chairman, when you say "pay as you go," there is something in that pay as you go besides pay. There ought to be some accent put on the "go," a taxpayer ought to know something about where he is going, and that is what the people want to know today.

Let us now see how this progressed. It was widely endorsed. After the people took it up, what happened? The sentiment behind it was so overwhelming that our dear chairman, out of the innate justice that is his outstanding attribute was irresistibly forced to call the Ways and Means Committee together. He took it up, not because of the importuning of anybody in particular. The President did not send him a message; no, nobody in particular sent him a message, but he heard the cry of the people. He knows the voice of the people, and he called the Ways and Means Committee together.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. KNUTSON. Mr. Chairman, I yield the gentleman 10 additional minutes.

Mr. JENKINS. I thank the gentleman. I knew I would get more time. Let us proceed with our consideration of how this suggestion progressed. When this got into the Ways and Means Committee what happened? You know, we have a way in the Ways and Means Committee of considering legislation even without a formal bill before us; we do not always have to have the bill before us; we hardly needed to have a bill on this subject, but we took it up generally; we called people of importance before us and let them testify, let them present their views. We let them come and testify for 3 or 4 weeks from all over the country. Everybody came. Mr. Ruml came. The Treasury came. Mr. Randolph Paul made a magnificent statement before the committee. I recommend it to you if you have not read it.

Read what Randolph Paul said. Randolph Paul stressed the importance of the pay-as-you-go plan, not a plan such as this bill proposes, pay as you go 2 or 3 years after. Now is the time when you get the "pay" but the "go" does not come for 2 or 3 years after.

Now I want to tell you a little about what happened in the committee; let me talk to you a little confidentially. I do not want to violate anything confidential by telling what happened in the committee, but you have heard it said on this floor that every member of the Ways and Means Committee at some time or other in these negotiations voted for a forgiveness plan. The chairman himself had a forgiveness plan that would forgive about five and a half billion, and another, I think, six and a half billion—I forget the exact amount, but the exact amount is immaterial. Several Members had bills that they brought in, but when we came to vote you will be surprised to know how the vote stood. We could not pass any of these bills. We could defeat everything, but we could agree on nothing. There were plenty of votes to defeat everything, and after all these weeks and weeks of work we found ourselves right back exactly where we started, as if nobody had done anything.

To have labored for weeks with no apparent results was not encouraging. The committee resumed its sessions and, instead of realizing the sentiment of the people, the majority of the committee proceeded to put together a makeshift bill. They proceeded to prove that the law is fearfully and wonderfully made. Truly it may be said of the committee and its efforts that the mountain labored and brought forth a mouse. The committee brought forth a bill that the minority unanimously opposed and that the committee itself is not at all proud of. It has in it all the bad things of all the bills. Instead of having courage enough to heed their consciences, they retreated to save their faces.

What are we going to do about the committee bill? I am not going to take the time, although I wish I had the time to discuss with you just exactly how this bill was put together, where they got this feature, and where they got that feature.

For fear that I may forget, let me say to you gentlemen on the Democratic side who make speeches about the soldiers' relief in this bill that you do not take to yourselves the credit for that section of the bill which gives relief to the soldiers and sailors because that section was prepared and inserted by a distinguished man on the Republican side who served in two wars and never said much about it, who served in the Spanish-American War and in the World War, in the infantry, with great distinction. He is the author of that particular section.

I refer to our colleague the gentleman from Michigan, Mr. ROY WOODRUFF.

So I say to you that taxes ought not to be a partisan matter and will not be a partisan matter if the legislation is handled properly because people pay taxes regardless of their political party. There is no place in this discussion for partisanship. The people want sensible tax legislation.

I want to speak just a minute about another matter. I should like to call your attention to the title of the committee bill.

Listen as I read the bill to you; here it is: "A bill to provide a method for the payment currently of individual income taxes, and for other purposes."

Those favoring this bill must surely mean that this is a bill "for other purposes," because it surely does not provide a method for the payment of income taxes currently. No; it does not do that. So we had better strike that part and just say that this it a bill brought in "for other purposes." Undoubtedly it has been brought in for other purposes. As I said before, it was brought in out of desperation. It is a poor waif without parentage that is proud of it and without much of a chance to survive.

Let us talk just a minute about the Robertson bill. If we start out to pay as we go, let us not get confused with withholding at the source. They are two entirely different propositions. Withholding at the source is one thing and pay-as-you-go is another. But do not pass a withholding-at-the-source bill and make these people think they are going to be paid up. That would not be honest; that would not be fair. No, sir. Every one of these bills has in it that provision to withhold at the source. They want to get at the fellow who, they claim, is receiving big wages. I do, too, They want to get at the fellow that makes big money out of defense work. But let us not forget the little man or woman, the little gray-haired man who has been selling shoes for 50 years and gets the same old salary, or the man who has worked here or yonder. Do not forget there are a lot more people than the fellows you are trying to reach. You are going to include under the withholding-at-the-source many millions of people who, because of the high cost of living and the withholding tax, cannot survive.

You are going to take their money away from them. That is the first time you have ever done that.

When a man came to see the gentleman from North Carolina [Mr. DOUGHTON] about borrowing money on a note, he asked him for the money. He wanted it. The gentleman from North Carolina could lay down his terms. But when a man pays his taxes he pays on the terms of the Government.

I should not like to vote for a bill like that. That puts a load on the people. It puts a load on their backs and on their necks, and takes them right up and makes them pay, and then does not give them anything. If we start on a new program of tax collection, if we start on a pay-as-you-go plan, we must keep faith with the people, and if we take their money we must do something for them.

What does this bill do? It gives them what? It gives the rich man 6 percent on his money, if he pays in advance, but to the poor fellow you say, "Go right ahead and pay on the old system if you can."

What does the Carlson plan do? The Carlson plan says, "Come on in and pay, pay for 1943, and we will give you credit for 1943." Under the Carlson bill we will bring $3,000,000,000 more money into the Treasury than under the present plan.

What does the Robertson bill do? It gives freedom to a few people. Yes; it gives freedom to the person who makes up to about $3,200 or $3,500. It gives him some freedom. It gives 19 percent to everybody. But there are just millions of people who will not be freed under the Robertson plan. They have a year or a year and a half of taxes dragging behind them like an iron ball on their leg.

The committee bill has effective no pay-as-you-go feature unless you can pay 2 years in 1. The Robertson plan is not satisfactory. The Carlson plan is forthright and it puts the taxpayers on a pay-as-you-go footing.

Mr. Chairman, let me sum up my remarks with these brief observations.

The present income-tax law was passed late in 1913 and provided that the payments should be made in March, June, September, and December of 1914. Manifestly, it was not intended that these payments should be made from money earned in 1913. Consequently, it must have been intended that the payments would have to be made from money earned in 1914. This being true, the 1914 payments were in reality the payment of the 1914 tax. There was much discussion of when the tax should be assessed, and so forth, at that time. I think that the written opinion rendered by Cordell Hull at that time is significant. He said:

> An income tax is assessed and collected during the year subsequent to the accrual of the income returned and by which the tax is measured.

The Doughton bill, commonly known as the committee bill, has practically been abandoned by many leading Democrats. It is worse than nothing. The Robertson bill is a make-shift bill prepared by the Treasury in an effort to thwart the Ruml movement. It makes the people pay but they do not go any place for sure. A few of them are made current but millions are not. If we are going to pay and still have a hang-over of 25 or 50 or 75 percent of last year's tax we had as well stay where we are.

The Carlson bill has the support of 90 percent of the American people. It is the voice of the people telling Congress what they want done. The committee bill is not a pay-as-you-go bill in any sense. It is the old system in every respect except that it collects at the source. The people are willing to submit to a collect-at-the-source plan if that will pay them up to date. But it is absolutely dishonest to inflict on the small salaried and working people of this country a collect-at-the-source plan which leads them to believe that they are paying as they go when as a matter of fact they are paying on last year. When the people pay as they go, they want to know that they go as far as they pay.

Those who are talking compromise know that the people just will not accept the committee bill. That bill is far worse than the present law. The people want to pay as they go and do not want to pay 2 years in 1. They just cannot do it. The Carlson bill is the only way out. There should be no compromise with right. The people are supporting this plan regardless of party affiliation and Congress should not make it a party matter. There is nothing political about paying taxes.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DOUGHTON. Mr. Chairman, I yield 1 minute to the gentleman from Tennessee [Mr. COOPER].

Mr. COOPER. Mr. Chairman, what I wanted to point out to the gentleman from Ohio [Mr. JENKINS], and I did not want to take his time, is that as a matter of record, the withholding provisions in both the Carlson and the committee bills are identically the same. Mr. CARLSON frankly admits that he copied the committee bill provision with reference to that. What I wish to point out is this: The 1913 act withheld at the source as to wages, salaries, interest, and dividends. The first Income Tax Act was passed in 1913, and this continued until the 1917 act, and it was changed in the 1917 act, because the employers of the country complained about the difficulties they were encountering in having to do this withholding. So that we had a withholding provision from 1913 to 1917.

Mr. KNUTSON. Mr. Chairman, I yield 1 minute to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS. Mr. Chairman, my reply to the gentleman from Tennessee is this: Everybody who knows anything about tax bills knows that they are difficult to draw and that we all get the help of the drafting force of the House and the drafting force of the Treasury to draw these bills. There are about 20 pages of figures and tables in the Carlson bill. They are the same as those in the committee bill. We did not copy from the committee bill, for they got their figures from the Treasury and so did we. There is an agency in the Treasury which works for all of us, and we asked them to work out a plan for us. It is just as much our plan as it is theirs. The Treasury does not belong to the Democrats absolutely. The Treasury also gave the plan to the gentleman from Virginia [Mr. ROBERTSON] and he has the same plan in his bill. There is no logic or argument in what the gentleman from Tennessee has just said.

Mr. DOUGHTON. Mr. Chairman, I yield now to the gentleman from New York [Mr. FITZPATRICK].

Mr. FITZPATRICK. Mr. Chairman, I have heard a great many speeches by Members of the House during the last 2 years in relation to the high wages paid to the American workers; have also read many newspaper comments on the same.

Recently I contacted the Bureau of Labor Statistics of the Labor Department and they furnished me with a report showing the annual income of the 42,000,000 workers in the United States up to December 31, 1941, which does not include the agricultural workers. The

report for 1942 has not as yet been completed; however, my understanding is that the 1942 report will not be much different from the one for 1941.

I was rather surprised when I read the break-down. Wage earners represent 70.2 percent of the 42,000,000 workers and salaried workers represent 29.8 percent.

Fifty-three and three-tenths percent of the 42,000,000 workers received less than $1,000 a year; 28.8 percent received less than $2,000 per year; 13.9 percent received less than $3,000 per year. This makes a total of 96 percent of the 42,000,000 workers. It seems to me that some action should be taken to increase the compensation of the 53.3 percent that received less than $1,000 per year and the 28.8 percent that received less than $2,000 per year, especially now in view of the high cost of living.

I am inserting in the RECORD the break-down I received from the Bureau of Labor Statistics, which I believe may be helpful to the Members of the House and the country as a whole in realizing the small salaries received by the majority of the workers of this country and which is very much contrary to the previous statements made on this subject. Last week I heard a number of my colleagues speaking on the tax bill, in which they stated that there will be 44,000,000 persons in this country affected by the 1942 income tax law. I wonder where they get their figures as the income received by over 50 percent of the workers in this country will not come under the tax law after their exemptions have been allowed, and with the high cost of living they should not be compelled to pay any tax because of the small salary they receive.

Survey of family spending and saving in wartime—Preliminary

(U. S. Department of Agriculture, Agricultural Research Administration, Bureau of Human Nutrition and Home Economics. U. S. Department of Labor, Bureau of Labor Statistics, in cooperation)

PERCENTAGE DISTRIBUTION OF WAGE AND SALARY EARNERS BY AMOUNT OF EARNINGS, UNITED STATES, 12 MONTHS, 1941

Classification of earners and amount of earnings:	*Percent of distribution of earners*
All earners	100.0
Wage earners	70.2
Under $1,000	42.7
$1,000 and under $2,000	19.2
$2,000 and under $3,000	7.3
$3,000 and under $5,000	1.0
Salaried workers	29.8
Under $1,000	10.6
$1,000 and under $2,000	9.6
$2,000 and under $3,000	6.6
$3,000 and under $5,000	2.0
$5,000 and over	1.0

The above table represents 42,000,000 workers in the United States, but does not include the agricultural workers.

Mr. DOUGHTON. Mr. Chairman, I yield 5 minutes to the gentleman from Georgia [Mr. COX].

Mr. COX. Mr. Chairman, the humor and good nature displayed by our friend the gentleman from Ohio [Mr. JENKINS], who has just yielded the floor, is, of course, to be commended. There is nothing personal in what is said in this debate. No one means to give offense to any other. With that understanding, I want to say that the adoption of the Ruml tax plan, in my opinion, would constitute the most gigantic steal in all our history. It violates every concept of equity, justice, duty, decency, and right. It proposes that the Members of this Congress double-cross and betray our sons, our brothers, and the sons and brothers of those we represent, who are now fighting, bleeding, and dying on every battlefield of the world, in order that our country may survive. It is an invitation to convict ourselves of being an aggregation of either scoundrels or fools.

The gentleman from Ohio [Mr. JENKINS] said that the bill ought not to be written along partisan lines, and with that I agree. Let me say to my friends who have banded themselves together in support of the Ruml plan that they are committing a terrible blunder. It will likely cancel out the rising tide in their political affairs that was evidenced in the election of November last year, and that is something that I do not want to see happen, because if they are to continue as a minority party, I want to see a virile and vigorous minority. Stooping to conquer in this particular instance could mean their complete undoing. As for the other version of the plan, the Robertson bill, I think it even more iniquitous than the straight-out Ruml plan represented by the Carlson bill. It is the plan that is being supported by the "goons" who are following the milk wagons in Detroit that our colleague the gentleman from Michigan [Mr. HOFFMAN] referred to this morning. It is the plan that is being given undercover administration support, I do not mean to say that the President knows anything about it; I do not believe he does, and if he knew I am sure that he would disapprove. I hope that when this House comes to express its will on the proposition, we will find it consistent with that sense of duty and obligation that rests upon all of us and to which we are most sensitive to hold fast to the truth and do our duty as we see it. I would like to say to my friends that this is the counsel of one who has on hundreds of occasions broken over party lines to stand with them in fighting just such extreme and unreasonable proposals as this Ruml plan happens to be. Your support of the plan, my friends, is unworthy of you, and it is something that you should cast out of your bosom before it stings you to death.

Mr. DOUGHTON. Mr. Chairman, I yield 20 minutes to the gentleman from Arkansas [Mr. MILLS].

Mr. MILLS. Mr. Chairman, since the discussion of pay-as-you-go taxation started many weeks ago I have listened to innumerable arguments on whether it is equitable to forgive a whole year's tax for everyone. On one side of that argument have been those who said that to cancel a larger percentage of tax for one taxpayer than for another taxpayer would be intolerable, immoral, class legislation. If the taxpayer with the smallest income has a year's tax canceled, this argument went, then every other taxpayer, from bottom to top must have a year's tax canceled. If a taxpayer with a $1,000,000 income is to have only one-fifth of his tax canceled, then, it was claimed, no other taxpayer could in fairness have any more than one-fifth of his tax canceled. Only in this way, it was claimed, would the principle of our progressive tax system be carried into effect in the forgiveness.

On the other side of the argument have been those who pointed to the fact that a taxpayer with a $1,000,000 income would have forgiven him $854,000, while a taxpayer with a $3,000 income would have forgiven him a tax of $324. Is it fair, they asked, for one taxpayer to be forgiven more than another? Should not the Government, when it makes gifts to people, give equally to all, or at any rate, nor more to the higher income groups than to the lower income groups? As a matter of fact, I did not hear anyone seriously argue this way before our committee, but the argument appeared in press stories and editorials in exaggerated form in the course of bitter criticism of anyone stupid enough not to agree that the fair way to forgive is to forgive all a whole year's tax, large or small.

To me the issue of what is fair to forgive is the heart of this whole problem. In my opinion the advocates of complete forgiveness have been the victims of an error in thinking—a very understandable error, but nevertheless a very serious error. That error has arisen because they have thought of a man's actual income as his gross salary or other amounts which he receives. They have failed to grasp the fact that while this is the apparent income it is not the actual income. Under our tax laws a salary of $10,000 does not mean that we have $10,000 to spend or save as we see fit. Before we have any right to call that income our own we must pay the income taxes which the very act of receiving the money has made us liable for. For example, I must deduct that tax before I arrive at the figure of what my actual income is.

On the basis of 1942 tax rates a single man with $10,000 disregarding deductions is liable for $2,390; his actual income is $2,390 less than his apparent income. The income which he has within his control to spend or save is not $10,000 but $7,610. A married man with no dependents with the same $10,000 income is liable for a Federal income tax of $2,152; his actual income is $2,152 less than his apparent income; the income which he has within his control to spend or save is not $10,000 but $7,848.

Now let us see what this is at other income levels. At $2,000 the married man with no children owes 1942 tax of $140 and has actual income under his control of $1,860.

At $5,000 such a man is liable for $746 tax and has an income under his control of $4,254.

At $50,000 his tax is $25,328 and the income under his control is $24,672.

At $100,000 his tax is $64,060 and the income under his control is $35,940.

At $1,000,000 his tax is $854,000 and the income under his control is $146,000.

You will recall that this same effect of taxes on income came up in the discussion of the $25,000 salary limitation. A person to have $25,000 income under his control would have to receive in 1942 an apparent income of $67,200 so the limit on salaries was not $25,000 but $67,200.

If we want to see the effect of tax forgiveness we must level on these incomes after taxes, these real incomes, which the taxpayer controls and can spend or save. For 30 years there has been no such thing as an income above exemptions without its accompanying tax liability. The only exception is that special tax-exempt income from State and local government that has been a matter of debate before this House on many occasions. For all other incomes the tax liability comes into existence along with the income. When we consider tax forgiveness we cannot properly make a comparison with income before taxes because ever since 1913 the very existence of income has always created a tax liability. It is the income after tax, not the income before tax, that is the proper basis of comparison.

This basis of comparison puts the matter of forgiveness in its true light. If we cancel a tax of $10,000 for a person who had income after taxes of $20,000 we would be increasing his income by one-half. We would in effect be putting 6 months' income in his pocket.

Now the trouble with forgiving a year's taxes is that it does not forgive 6 months or 1 month or any other amount of actual income for each taxpayer. It treats different taxpayers very differently.

The $2,000 man whose actual income after tax is $1,860 would have $140 added to his $1,860, or slightly less than 4 weeks' actual income.

The $5,000 man whose actual income after tax is $4,254 would have $746 added, or slightly less than 9 weeks' actual income.

The $10,000 man whose actual income after tax is $7,848 would have $2,152 added, or nearly 14 weeks' actual income.

The $50,000 man whose actual income after tax is $24,642 would have $25,328 added, or a little more than 1 year's actual income.

The $100,000 man whose actual income after tax is $35,960 would have $64,060 added, or about 20 months' actual income.

And the $1,000,000 man whose actual income after tax is $146,000 would have $854,000 added, or about 6 years' actual income.

Here is the real test of equity. This has nothing to do with war profits. Even if every vestige of favoritism to war profiteers could be removed from the Carlson bill—and I am sure that cannot be done—but even if it could be done, the forgiveness of a year's tax would give 6 years' or more actual income each to about 60 taxpayers in this country, while it would give less than 1 month's actual income to about 26,000,000 taxpayers in this country. That is what the Ruml plan does; that is what the Carlson bill does. That, to my way of thinking, simply means that the forgiveness of a year's tax is grossly unfair and discriminatory against the mass of low-income taxpayers.

There is only one sure way to get away from this fatal unfairness of tax forgiveness. That is not to forgive at all. The Ways and Means Committee bill does not forgive at all and thereby avoids unfairness. Several measures considered by the committee would forgive portions of a year's tax and larger percentages or fractions of the taxes on small incomes than on large incomes. Those plans are not perfectly fair to the small incomes. All of them discriminate against the small incomes to some extent. But some of them are far nearer being fair than is the Carlson bill or any other plan granting full forgiveness.

Aside from the question of the fairness of a forgiveness program to the taxpayer individually, there is another factor dealing on the question of fairness which cannot be overlooked in this consideration. If 96 cents of each tax dollar is applied to the war effort, then 96 cents of each dollar of 1942 tax liability which is forgiven is lost to the war effort and will never be applied on the war debt that is being created. Before the debt is paid, many billions of interest will be added to the debt so that the forgiveness of $10,000,000,000 today will mean a future burden in interest and principal of many more billions on future taxpayers including the boys now in the front lines. Is any plan which even permits the possibility of this fair to the average taxpayer of today and tomorrow?

The thinking of the committee produced a bill that does not forgive one cent, does not force doubling up, though it does induce a taxpayer to get current. Is this not, after all, worth more to Uncle Sam than giving a bounty in time of war?

Cancelation of 1942 tax liability would add to the net worth of a part of the American public the colossal sum of $10,000,000,000. Such a redistribution of wealth would be an economic event without precedent in our history or world history.

What we are urged to accept is merely a bookkeeping device, an accounting change without any real substance which would, in fact, add to the wealth of a group of our citizens more than the annual net savings of every individual in the land in a normal peacetime year. In 1937, for example, and 1937 was a year of relative prosperity, individuals saved less than $5,500,000,000 net; that is, a little more than half of the cancelation under this bill.

This country has always operated on the principle that the citizen should gain his wealth by honest effort, thrift, and wise investment. True, public hand-outs have not been unknown, but they have been exceptions. They are not the American way.

Neither is the Ruml plan the American way. At the expense of the many the Ruml plan would distribute a huge sum in inverse ratio to need and without regard to the current sacrifice exerted in the public interest. During the war individuals should increase their net worth. Out of their currently high incomes they should save, save in unprecedented amounts. But the improvement in their wealth and position should come as a result of their effort and thrift, not the bounty of Congress. We should not do at one apparently effortless stroke considerably more to favor the most fortunately situated part of our public than the whole Nation by hard effort and frugal life would do in a normal year.

Must we forever be confronted with schemes which when stripped of their glowing colors always show a tendency to change the American concept of life?

No plan of forgiveness is sound that necessitates the Government losing more on a current basis or to get on such a basis than it will lose under existing law. If more is given up than will be lost it is a bounty undeserved. The deductions of the committee bill if received by all taxpayers, who would then be current, will not force the Government to take less than it will lose under existing law. Thus the deduction is not a bounty but consideration for paying taxes before they are due.

The minority report contains a few curious paragraphs on pages 14 and 15 to the effect that the Ruml-Carlson bill will not affect the way new tax burdens are distributed among different taxpayers. It alleges that new tax burdens will fall on the same people regardless of the plan of taxation or plan of transition to pay as you go. This is a very strange doctrine, to say the least.

When the majority agreed that the scheme of wholesale forgiveness raised important issues as between different taxpayers, it went on the working assumption that there would be some turnover in tax-paying personnel between now and Judgment Day. That assumption is apparently now being called into question by the minority report. Frankly, I am inclined to the conservative view that there will be some change in the composition and position of different taxpayers between one year and the next. Certainly the known facts bear this out. By Judgment Day this process of change may have gone so far that most of the old landmarks will probably be gone. But under the Ruml-Carlson bill they will not have gone empty-handed. Not if they had a substantial income in the year for which this forgiveness measure took effect.

Further, the minority report alleges that there would be no burden on future taxpayers under the Ruml-Carlson plan. This is certainly a mistaken view. The taxpayer who is always current is out of debt to be sure. But if payment of taxes is advanced by 1 year, there is no question that the taxpayer is denied the disposal of 1 year's tax money.

Under the present system, for instance, the taxpayer always has the use of this money. It is a privilege, to be sure, that is not without its dangers. It is like any credit transaction which is open to misuse. But a taxpayer under the present system has the privilege of keeping his

accrued tax fund invested in Government bonds and earning interest. Over the taxpayer's lifetime this interest may be a substantial item. Now, payment of taxes on a current basis will eliminate this advantage. It will also prevent carelessness and misuse of the time-payment privilege.

On the whole, it is better that the taxpayer be made current, to a substantial extent at least. Most of us are agreed on that point. Nevertheless, let us recognize the burdens involved. If this additional burden resulted in additional revenue and an improved fiscal position for the Government, taxpayers of the future may feel well rewarded for any sacrifices due to prompt payment of tax liability as fast as it accrues. But if their advanced payments merely make good a gap in the Government's revenues caused by wholesale forgiveness and the handing out of tax bonanzas, they may well feel that their burden is an unfair one. Furthermore, if the taxpayer of the lower and middle brackets finds he is later on being called upon to pay more because of a past forgiveness what will his attitude then be? He will find he is bearing the whole load of the increase since the higher brackets cannot well be raised.

The provision of H. R. 2245, a bill for the tax relief of Congressmen and the rich to limit cancelation in the case of taxpayers with incomes over $20,000 to the amount of the tax on the lesser of 1942 and 1943 income would not appreciably reduce the inequity of cancelation. A negligible number of the 125,000 taxpayers with 1943 income above $20,000 would be affected. This provision might deprive some large income receivers of a part of the windfall they would have received if their incomes had been stable at the higher level. I am reliably informed that it will only amount to a savings to the Government of $50,000,000. If the provision were effective, some heartburning and resentment might result in a few exceptional cases. But the provision would not be effective in many cases because many taxpayers with large incomes may choose to realize enough in capital gains in 1943 to avoid loss of windfall. Others may reduce their charitable contributions in 1943 to keep their net incomes high. There is a more important factor, however. I fail to see how changing essentially arbitrary rules which would govern the amount of the individual's windfall, thus victimizing a few exceptional cases, is going to improve significantly the equity of the measure as a whole. Probably the victims of this piece of legislative camouflage would tend to be receivers of earned income whose earnings may have been abnormally low in 1943 as compared with 1942 for reasons for which they should not be penalized.

Moreover, this provision will tend to create a false impression on those who do not consider its import carefully. It may sound as though it subjected the great windfalls of the large income receivers to some kind of control or effective limitation. This is not the case. The overwhelming majority of receivers of large incomes, which tend to be substantially property incomes, will receive the same enormous windfalls whether 1942 or 1943 is made the basis for determining the precise amount of the bonanza.

This provision offers less real protection against outrageous concessions to the wealthy than the three provisions proposed by Mr. Ruml—no cancelation on capital gains, a special estate tax on the amount forgiven, and averaging where large refunds are involved. Why are these features of the Ruml plan not incorporated in this bill?

Is there not more business sense to a proposal such as the committee bill which does not admit the possibility of windfalls, since it is very apparent that all windfalls cannot be removed from the Carlson-Ruml idea?

The minority report asserts that "Canada has adopted the Ruml plan 100 percent." It is true that the Budget speech of March 2, 1943, contained proposals that would result in making most taxpayers current by the end of 1943. However, neither the transition to pay as you go nor the pay-as-you-go method as it will finally operate can be called the Ruml plan.

Transition to a pay-as-you-go system was effected in Canada by a method far different from the full cancelation of a year's tax as proposed by the Ruml plan. The Canadian cancelation was limited to one-half of the tax liability on earned 1942 income and one-half of tax liability on 1942 investment incomes not over $3,000. In addition, payment of one-half of the tax on 1942 investment incomes exceeding $3,000 was postponed until the death of the taxpayer; it was not canceled. Thus, the statement in the minority report that 50 percent of 1942 liabilities was canceled is incorrect. Fifty percent of total liabilities was either canceled or postponed; the cancelation was limited to earned incomes and investment incomes not exceeding $3,000.

The unforgiven or unpostponed half of the 1942 liability must be paid during 1942 and 1943, when most of the 1941 and all of the 1943 tax must also be paid. The result is obviously considerable doubling up. In the great bulk of cases, 2½ years' tax—and at considerably higher rates than prevail in this country—had to be paid in 2 years. For example, in calendar year 1942 a married Canadian taxpayer with no dependents and with an income of $500,000, paid $524,693 tax, only $376,120 of which represented his tax on 1941 income; the remainder represented the doubling up of part of his 1942 tax.

Canada, to say the least, is not comparable to the United States in the matter of wealth and size of taxpayers. Even if Canada had to date adopted a modified Ruml plan, which it has not, that is not sufficient reasons for us to do likewise.

The minority report contends that the Ruml plan would bring no cash loss to the Treasury. There has been much confusion over the issue of just how the Treasury loses from cancelation of $10,000,000,000 outstanding tax liability. Of course, there can be no question that there is such a loss. If the tax is canceled, the Treasury never collects it. Proponents of the Ruml plan point out, and the Treasury has never denied, that during periods of stable income collections would be maintained under the Ruml plan, in periods of rising income, collections would increase, in periods of falling income, collections would be smaller.

What is the answer to the apparent paradox of larger collections in 1943, the year of forgiveness? The answer is purely and simply that requiring payment at an earlier date of currently accruing liability makes up for the cash loss resulting from cancelation. The valid comparison, however, is the receipts under the committee bill without cancelation but with induced speeding up of payments and receipts of the Carlson bill. If we move to a current basis without cancelation, collections will be larger than if we cancel. This is as simple as two plus two equals four. The committee bill will bring in more revenue in 1943 than the Carlson bill. This is the alternative Mr. Ruml never discusses. In a sense it is the doubling up or advancing of payment for new taxpayers. Under his plan that accounts for the acceleration of payment. It is this acceleration that in turn makes it possible for taxpayers with canceled 1942 liability to reap a bounty without the Treasury's experiencing a decline in cash receipts for 1943 or writing a check for the amount of the windfall.

The minority report goes on to say that under the Carlson bill most taxpayers would go on making tax payments as if nothing had happened. If this were true, it would constitute a sufficiently damning indictment of the Carlson bill. Something has happened—war—and tax payments must reflect this momentous event. Tax payments must increase.

The committee bill induces, without compelling, an increase in payment. It encourages taxpayers to meet their outstanding obligations to the Treasury while becoming current on their accruing obligations. Each taxpayer can suit his own best convenience. Treasury receipts will increase without an increase in tax rates and without uniform compulsion that would put all taxpayers in a strait jacket without regard to variations in individual situations.

I must repeat what has been said so often, however. If 1942 taxes are cancelled, taxpayers would not go on paying just the same! If they would, do you think we would hear such a hue and cry for the Ruml plan? No! The cry comes from those who see in forgiveness a tremendously valuable windfall, one that increases net worth at the moment the bill becomes law and one that increases the taxpayer's cash the moment his taxable income begins to decline or ceases. Ask the man who retired last January or who expects to retire soon. He knows that there is a difference under the committee and the Carlson plans. He knows that tax payments would not continue just the same under the Carlson bill.

The most vigorous and most publicized proponent of wholesale cancellation, Mr.

Beardsley Ruml himself, has admitted the existence of windfalls under his plan. These so sorely troubled him that he attempted to recoup them by means of a special estate tax. This remedy was patently ineffective. However, the present bill, H. R. 2245, does not even make a token gesture toward the elimination of unconscionable windfalls. It out-Rumls Mr. Ruml. Many taxpayers with large incomes could retire, purchase an annuity with the reserves accumulated for payment of 1942 taxes, and live in comfort on their windfall for the rest of their days. If collections are to remain the same, and if some people gain strikingly large amounts, isn't this a clear admission that the rank and file of taxpayers will have to make up the difference?

H. R. 2245 is a clever device, it is an ingenious device. But it is a device to shift the burden of the costs of the war. In a period calling for great sacrifices from our humblest citizens, the answer which this bill gives to the problems of the low-income taxpayer is to increase the concentration of wealth. This Congress must take cognizance of the problems of adjustment of even the smallest taxpayers. But when they ask for bread let us not give them a stone under the guise of the Carlson bill. Let us give them a withholding measure that spreads income-tax payments as salaries and wages are spread without increasing their burdens as the committee bill does.

The proponents of wholesale cancelation admit that their plan will do some damage to our fiscal structure. However, they claim that this damage will not come to light until Judgment Day. They say that we can therefore dismiss it for the time being from practical considerations. Now the exact date of Judgment Day has been the subject of considerable dispute, some of which has been of a sectarian nature. However, if Judgment Day coincides with the day when harmful effects of wholesale cancelation will be felt, Mr. Ruml's dating of this momentous occasion is the earliest I have heard from any responsible authority.

Actually, H. R. 2245 would threaten a very formidable day of reckoning in the near future. I do not believe that Members of this Congress would choose to be defendants at the bar when that day arrived. We would be laying ourselves wide open to the charge of discriminatory class legislation. We might even be liable for serious damage to the Nation's financial structure as has been pointed out.

The minority report states that "members of the armed forces would be among the chief beneficiaries of the Ruml plan." The reason given by the minority for this statement is that the Ruml plan would forgive the tax debt which the soldier owed on his civilian income at the time of his entrance into the armed forces.

The Ruml plan would cancel that tax debt of some of the members of our armed forces, but only those members of the armed forces who had private incomes for the greater part of 1942. Those members of the armed forces who entered the service either before or immediately after Pearl Harbor, would not be the beneficiaries of any forgiveness. Further, those who entered the armed services during the early part of 1942 and whose private incomes during those months had not been sufficient to render them taxable, would also not receive any forgiveness. Only those members of the armed forces who had substantial private incomes during 1942 would stand to benefit from the Ruml plan.

There is, however, a broader issue involved. The minority claims that the Ruml plan would be particularly beneficial to servicemen. With that position I do not agree. Our Army is a citizen army. It is made up of average men—young men just getting started in the business or professional world. This type of taxpayer, be he a civilian or in the armed forces, is the forgotten man of the Ruml plan.

Statistics indicate clearly that the benefits under the Ruml plan would be distributed in an inverse ratio to need. We have asked our soldiers to come from all walks of life to give up their civilian occupations and professions, to break up their homes, and if need be, to sacrifice their lives. What explanation can we give to these men if we now adopt a measure which would allow those at home with million-dollar incomes to add to their wealth in one fell swoop, more than they could save in 6 years if they saved ever cent of their income after taxes? We might say to these soldiers what the Rumlists suggest, namely, "but your 1942 taxes have also been forgiven." The average soldier whose tax probably would not amount to more than 10 percent of his income would hardly be satisfied with that sophism. He would feel that his treatment was far less favorable than that given to the millionaire. And he would be right. For his forgiveness would amount to but 11 percent of his net income after tax, whereas forgiveness for the millionaire would amount to almost 600 percent of his net income after tax. Is that the kind of treatment that the proponents of the Ruml plan advocate for the armed forces?

I do not need to recall to you the sacrifices being made by our men in the armed forces. I do not need to retell the heroism of our men on Bataan or in the fox holes of New Guinea or on the sands of the African deserts. What sacrifices would the Ruml plan extract from our large-income citizens at home? For a man with a $1,000,000 income the Ruml plan would forgive over 100 percent of all of the increased taxes imposed during the years 1936–42, and over 300 percent of the increase imposed during the war years 1940–42. In other words, while our armed forces are called on to lay down their lives, the Ruml plan would reward those at home with large incomes by returning to them more than 3 times the increase in taxes which was imposed upon those persons during the selective-service years 1940–42.

The Rumlists claim to be the benefactors of the men in the armed services. As evidence, they throw a pittance of tax relief to some of them, while bestowing huge tax gifts on the wealthy. If these be the friends of our fighting boys, then may God protect them from their friends.

The Rumlists tell us the passage of the Ruml plan would be of great benefit to the farmers. This is not the first time an effort has been made to sell the farmers a gold brick. They have failed in the past, and they will not be able to get away with it now. The farmers are too intelligent to fall for any such bunk as that. They are skeptical of Greeks bearing gifts—they have in the past seen efforts made to put over nefarious schemes, in which the proponents have used them as bait to feather their own nests. The farmer's present system of paying is too near current for him to approve a plan from which he gets so little in proportion.

Likewise, they seek to use the small businessman, who well knows that if his large competitors are relieved of taxation they are in that much better position to drive him out of business. The present system is not so bad for him that currentness is to be desired at this risk.

Proponents of the high priest of taxation also shed tears over the wives and mothers, who they say have this tax debt over their heads. These wives and mothers whose husbands and sons are in the fighting front are not so concerned about this debt as they are concerned with the safety of their husbands and sons and whether they are being furnished the necessary munitions and equipment with which to end this war, and which would hasten their safe return home. No, my friends, these wives and mothers want this $10,000,000,000 collected and used to win the war, not to enrich us, who stay at home, from "blood, sweat, and tears" of war.

Let me speak for a moment to those writers and commentators who have, on the one hand, been criticizing Congress for indifference toward the inflation problem and, on the other hand, advocate the Ruml plan. The public is receiving more income than ever before. This year, in my opinion, it is able to pay much higher taxes than those called for under present law. The rising tide of income and the decreasing flow of civilian goods have increased ability to pay. They have also increased the inflationary danger. On both these counts we should stick to payment of scheduled taxes and seek for methods of accelerating payment, as the committee bill does, rather than look for ways to skip taxes now due. Skipping a year's taxes may prove to be the crucial move of a hop, skip, and jump into the depths of inflation.

It would seem that the tax-forgiveness proposal too often stems from a complacent attitude about the inflation problem. This attitude is the mistaken one that runs something like this: "We have set up the O. P. A. The O. P. A. has established price ceilings to protect the consumer and the consumer's dollar. Therefore, we have licked the inflation problem." This is a dangerously mistaken view. Price controls and rationing do not prevent inflation. These are

merely methods of getting along with an inflationary condition on a tolerable and workable basis. But unless we do everything within our power to get at the inflationary forces directly, our O. P. A. stands a good chance of putting on a pretty fair imitation of King Canute addressing his remarks to the waves. The pressure of a rising volume of excess purchasing power may be as hard to check as the waves of the ocean.

I believe that we can prevent calamitous inflation, but we are not going to further this important purpose by indiscriminate forgiving of taxes. Only by collecting taxes—heavy taxes—can we do the job. Now that people have more money than ever before—more than can be spent on the scarce available goods—is the time to collect taxes. To forgive taxes is to present the taxpayer with increased purchasing power. Added pressure would be put on price ceilings—perhaps enough more pressure to break the ceilings and plunge us into a serious inflation.

No one can advocate the Ruml plan and have any concern over the effects of inflation or a desire to see its prevention.

At this moment we are facing a crisis in the battle against inflation. The root of the danger is the tremendous gap between the income the public is receiving and the volume of consumer's goods on which that income can be spent. The public has far more money in its pockets than ever before in our history. Incomes are still rising. The volume of consumer's goods and services, however, is declining. The wider this gap between income and goods, the greater the threat to our system of control. Any measure that reduces the financial pressure upon consumers adds to the dangers ahead.

The inexorable requirements of war leave us no alternative to drastic reduction in our standards of living. Such a reduction is not easy to face, especially when it may call for undoubted hardship. The public, with money in its pockets, will inevitably try to use this money to buy what it wants, what it may need. The pressure of taxes and the desire to save act to discourage spending. The cancelation of taxes, the wiping out of the taxpayer's debt to his Government, would leave him less reluctant to try to spend his income. To check the forces making for inflation, we must direct our tax policy toward diverting an ever larger part of the funds of persons above subsistent levels into the Public Treasury. Unless we do this, we shall be failing in our responsibility to the public. Reducing taxes will make the burden greater rather than smaller because it will convert the burden from an orderly burden of tax payment to the cruel, erratic burden of inflation.

Cancelation would ease, at least temporarily, the financial position of tens of millions of families. Although in most cases cash payments of taxes might not be reduced, each taxpayer's economic situation would be improved. He would feel less restraint on his spending. There would be less need for him to save.

Those taxpayers, and there are many, who had set aside funds in one form or another for payment of 1942 taxes would be freed from the necessity of saving a similar amount from their 1943 income to pay 1943 taxes. They would, therefore, be better able to spend. Those taxpayers who had not already begun to lay aside funds to meet higher taxes would be freed of the pressure to do so. Their financial position with respect to taxes would be eased just when the driving necessities of war call for drastic tightening. Although taxpayer's cash would continue, except for those whose taxable income for 1943 is less than that for 1942, the pressure to save would be reduced. The net worth of every taxpayer with a taxable income in 1942 would increase. In order to maintain his economic position he would not be required to make the same sacrifices that he would under the plan recommended by the Committee on Ways and Means, for this plan involves no tax cancelation.

I am not asserting that $10,000,000,000 will be added to the flood of money seeking to be spent. Whatever the amount, however, the results will be potentially dangerous. We cannot run such risks at this time. The stakes are too great.

I defy anyone to successfully disprove the following statement: At a time when the excess of consumer purchasing power is threatening our whole economic structure, it would be the height of folly to add to the surplus of funds billions of dollars of canceled tax liability.

The taxpayer whose liability is forgiven does not have to wait until he retires to benefit from forgiveness. He is better off as soon as the forgiveness law is enacted. An asset or an anticipated income which he had to earmark to meet his taxes is freed from that earmarking.

You may say: "But he has to go on paying taxes just the same." That is not accurate. He does not have to go on paying "just the same." Over his taxpaying lifetime he will have one less year's taxes to pay. This is a factor which he can take into consideration at once. His attitude toward his income and his assets is bound to be affected thereby. If he is human, he will do the human thing, which is to feel a great deal easier about how much he can spend and how much he needs to save. The perfectly human result which we could expect is some untying of purse-strings and some increase in spending.

You may call this condition greater peace of mind, as does Mr. Ruml. But it is not a healthy state of mind under present conditions. We cannot afford to buy that kind of peace of mind at the cost of an indiscriminate and excessive remission of taxes. We cannot afford to lull ourselves into a fool's paradise when the inflation threat is as real and as close as it is today. Every dollar of taxes the individual pays, every bit of pinching and scraping which the taxpayer does to meet his taxes, will pay real dividends in keeping down the pressure on the cost of living and in maintaining financial security for his savings, his life insurance, his bank accounts, and his bond investments. There is no doubt that even the public discussions of the Ruml plan have left in the mind of millions some feeling that they can take things easier so far as concerns their taxes. In other words, they have been led to believe that the process of adjustment necessary to foot the tax bill is less demanding than it can be. This easing up has been based in many cases on misapprehension or misguided hopes. Nevertheless, it is not difficult to see that it would be increased a hundredfold if tax forgiveness became a reality. The kind of results that a tax-bonus spending spree would produce would not give peace of mind for long. No; the only kind of peace of mind that we can afford or can really get is the kind that comes from payment of taxes and financing the war on a sound and equitable basis.

In many cases, particularly at the higher income levels, funds to meet tax payments are systematically accrued. These funds are carried as assets in a kind of contingency fund, which will be liquidated and used in payment of taxes. As long as income is maintained at the accustomed level, taxes may in a very real sense be paid out of current income, while the contingency fund is maintained as a reserve. It is understood, of course, that the investments in the fund—tax anticipation notes or other liquid securities—turn over from time to time. But the fund itself continues. If the tax liability for a year is forgiven, this fund can be considered as an increase in capital; it represents a net addition to the individual's wealth.

If he spends it, he may obtain the benefits of all the things he may buy with the windfall, and yet have as much other wealth as before. For instance, if his income is $20,000 and he has been accruing money regularly to insure convenient payment of taxes, tax forgiveness means that he can go out and buy himself a farm costing between $6,000 and $7,000 in the district of the gentleman from Kansas. Such a property might represent the lifetime savings of many industrious farmers in his district. Yet the taxpayer in question is given this property at one stroke under H. R. 2245, the gentleman's substitute.

Now, it may be pointed out that all taxpayers do not accrue systematically. This is true. Different taxpayers accrue in different degrees. It is questionable, however, that any taxpayer of substantial income fails to accrue to some extent. Even if he does not consciously accrue, the present system of payment has always given him the disposal of 1 year's taxes prior to their due date. This advantage may be reflected in various ways in his personal position. His bank account may be higher, his mortgage may be paid off, he may own a better house, he may have more and better furniture, he may have enjoyed numerous advantages of travel and luxuries of various kinds.

As taxes are raised, however, and as the responsibility of meeting these necessary increases presents the taxpayer with a graver problem, the normal effect is to encourage him to put his financial house in order. He will begin to accrue

consciously the funds required to insure payment. This process may not be altogether pleasant. It may mean going without some of the accustomed luxuries or even some of the comforts. But in wartime such adjustment is necessary, and from the standpoint of inflation control very salutary. The scheme of indiscriminate tax forgiveness, however, exempts the individual from this type of adjustment to wartime tax increases and gives a year's holiday from sacrifice to those who have accrued.

Some people are urging that the prodigal taxpayer be treated like the prodigal son of the parable. Without denying the broad and humane wisdom of the parable, or the importance of giving careful and sympathetic attention to the taxpayer's welfare and his capacity to pay in assessing wartime taxes, I submit that the present time is not the time for killing the fatted calf. With goods growing scarcer every week because of wartime needs, and with more money in the pockets of the public than ever before, every action the Congress should take should be toward collection of additional taxes, not forgiveness of taxes already on the books. Therefore, the committee bill should be adopted.

Because of my great love of the House of Representatives and the constitutional ideals for which is stands, because our job is to preserve the principles of democracy, I beseech you not to, by your action on this matter, place the Congress on the sacrificial altar of special interest by voting indiscriminate tax forgiveness.

Mr. KNUTSON. Mr. Chairman, I yield 10 minutes to the gentleman from Massachusetts [Mr. GIFFORD].

Mr. GIFFORD. Mr. Chairman, I am allowed but 10 minutes, so fit no arrows to your bow, as no opportunity will be given you to discharge them. I shall favor the Ruml plan. I am not disturbed at the criticisms of "the holier than thou people." I always distrust such pretensions and prefer to sit with the sinners. The soldier fighting at the front has been used as the whipping boy all through this debate. The assumption of virtue by the previous speakers in their great concern for the soldier boy is not inspiring. The Members on this side have just as many and probably more boys at the front than you have. They love them just as much and are just as much concerned as you. They will not suffer from your indictment in seeking virtue for yourselves. It is the rankest kind of demagogery on your part and will avail you nothing. I am not the only one who feels that way. Nearly all of the newspapers indict you in like manner.

Mr. Chairman, one of the greatest pains to human nature is the pain of a new idea, especially to those who fail to understand it.

I trust that I am able to analyze new and plausible schemes, and not be carried away with every wind of doctrine.

We have learned that a little experience wipes out a good many theories. Forcible collections may soon wipe out the theory of withholding at the source.

This Ruml plan surely needed analysis. It has been under consideration now for some time and approved by nearly all editorial writers in the Nation. They are supposed to give such matters studied attention, before advising their readers to give their support. From all the available sources provided for us to learn public opinion we are compelled to believe that the great majority of our people favor the Ruml plan and seem to desire to become current in their tax payments. The Doughton bill has not responded to this demand. It simply provides a method for those who are able to make use of it. I hardly think it will appeal to the taxpayers. Some who have been provident may pay 1942 taxes from their savings and even receive a discount for 1943 payments. The great majority, however, have been accustomed to pay quarterly from their income of the year when it is collected. Small comfort for them to be chided because they had not saved during the last year to pay taxes falling due this year.

The Doughton plan does not pretend to force current payments; therefore it fails entirely to meet the issue.

We had far better proceed as in the past than adopt such a measure. The harassments placed upon all employers can only be excused by acknowledgment of the necessity of a forced withholding tax to make all taxpayers current. The Doughton plan compels employers to collect, but demands no one to become current in their payments.

However, it forcibly takes the tax from the employee even before he receives it. Both plans operate the same in this phase of the proposition.

I am wondering how a liberty-loving people in, supposedly, a free country will enjoy this forcible seizure.

"Compulsory loyalty will crack much sooner than the genuine kind."

Employers may well be their brother's keeper, but now they are to be his bookkeeper and may find it an unpopular business.

Personally, I would prefer to proceed as before in the matter of tax collections. Most taxpayers will notice but little difference except the forced method of taking his money before he gets it.

To choose between the two plans to me becomes somewhat "a choice between rotten apples." However, I could almost enthusiastically support the Ruml plan, rather than any plan, even contemplating collection of two taxes in 1 year.

It is proclaimed here that to allow the profits of 2 years to pay 1 year's taxes is immoral and against true religion. Somehow that does not disturb many of us. Tirades are always indulged in when logic is lacking. As long as all citizens are treated alike, I have no complaint. If one is allowed to retain more than another, and he rightfully earned it, I rejoice for him that his foresight and ability should be rewarded. If we are not to worry about our national debt because "we owe it to ourselves," why so much bother about the method we adopt for ourselves to pay it? To whom do we owe taxes then but to ourselves? Is our own constantly yawning Treasury really our creditor, unless we so authorize it? For 13 long years we seem to have been using a wrong method of collection and now when taxes are high we must use either violent or easy methods to get in the right track. We must now make that choice.

I would prefer to pay when I know what I owe.

Let it be fully understood that the Treasury will receive more money in 1943 by three billion even if the Ruml plan is adopted.

Shall I write my constituents who favor the Ruml plan they are accused of an act comparable with an act of infidelity and that they are not Christians?

Perhaps we should desire to collect from war workers while they earn it and stop collecting when they do not; well, most of them have already spent what they made in 1942.

The Treasury is a harsh collector. Administrators of estates are forced to pay their taxes in preference to other bills. Any tentative returns forcing a period of 1 year of doubt will be a real burden on those settling estates and also a burden on their beneficiaries.

Shall we assume that those having some free cash left over by the adoption of the Ruml plan will not properly spend it and use it to advance our national economy?

It is most unfortunate that this matter is now made a political issue and not to be determined on its merits.

The gentleman from Connecticut [Mr. COMPTON] has a plan "to void 75 percent of 1942 taxes to 100 percent of the taxpayers." He still has some regard for the principles on which this Nation was founded. He does suggest equal treatment. The gentleman from Illinois [Mr. DEWEY] courageously defended this principle. I commend them and hasten to join them. It is far removed from the New Deal doctrine and many who might wish to join with us will dare not because of the indictment already hurled at us as sinners.

The gentleman from Connecticut [Mr. COMPTON] reminds us "that for 10 long years the taxpayer has poured an ever-increasing stream of dollars into the bottomless pit of the New Deal. That it now is time to give the taxpayers a break."

He realizes that this administration has been swindling posterity on a large scale. His plea "to treat all taxpayers alike without regard to class, group, or income." However, class hatred must run its course until "the doctrine of dividing what there is, instead of producing more, kills off themselves," and until there is no more fat for the nonproducer to live on. Only punitive taxation schemes will fit with New Deal philosophy. This now seems rapidly to run its course as the people seem not to become so entranced as formerly in fireside illusions.

This administration set loose the forces of prejudice and disunity.

It is often quoted "Wealth is a curse when your neighbor has it." I have learned better, especially if the owner of wealth is a good and generous neigh-

bor and they usually are. Our great charitable and educational establishments proclaim humanitarian and generous impulses.

We have been taxing some 90 percent of the income from these people and we may well grant them a little respite while we try to get on a reasonable current method of collection.

I believe I have read all of the hearings before the committee. Certainly I was shocked to learn that in executive session that the chairman had suggested even a 50 percent so-called forgiveness. His speech on the floor implied anything but that. He declared the Ruml plan to be wicked. However, he was willing to be half-wicked, although when confronted with the indictment he seemed to have repented his suggestion. We forgive no one but ourselves, and the word "forgiveness" should be removed from the picture.

Mr. Crider, of the New York Times, has accurately reported this debate. He writes:

> Demagoguery flowed like the British around the Mareth line, as both sides wrung their hands over the pitiful plight of the taxpayer and the sinfulness and immorality of forgiving taxes while men die on the battle fronts. Scripture was quoted and one Member took his colleagues on a tour to the Pearly Gates of St. Peter to show his tax receipts.

However, if we delete the demagoguery out of the debate we will find much of real value, and on the whole a most creditable type of argument. Many speakers impressed us as having a real understanding of the problem.

Many showed real concern for the taxpayers, while some demonstrated real concern for the Treasury, in spite of the proof and acknowledgment that the Treasury would not suffer any loss of income. "If their understanding fails, we must have patience with them."

Our Mr. COOPER, of Tennessee, may well be recognized by us as an expert on the problem.

He is an honorable man. He told us so. He saves his money and anticipates his taxes and holds himself up to us as an example. Certainly I do greatly honor him and extend fulsome praise for his great ability and high character. The afflictions suffered by me from the New Deal, excessive real estate taxes, unfortunate illnesses in my family and an endeavor to help more unfortunate neighbors, have kept me only one step ahead of a horde of tax collectors. The gentleman makes me wonder if I am an honorable man. My real comfort is that my neighbors seem to think so and I have been allowed to remain here for a long time. The last few days I have had dreams of the beautiful magnolias in Tennessee and found myself humming that old tune and wishing I might go to the promised land of the T. V. A. where I could save up for my taxes. I suppose this is demogogery, but two can play at that game, if necessary, to influence votes.

The gentleman from New York [Mr. REED] made a masterful address full of real information and indisputable facts. I bestow upon him grateful appreciation. The gentleman from Kansas [Mr. CARLSON] presented his case with clarity and without apology for his views. He is a true gentleman and his opponents clearly indicated that "while they hated the sin, the loved the sinner." He reminds me of the saying, "Of all the things you wear your expression is the most important." Greatly do I need to heed that admonition.

The gentleman from New Jersey [Mr. MCLEAN] gave a careful analysis of the problem which ought to be read and studied by all. His portrayal of the effect on the employees and the exactions to be forced upon employers was most revealing. Already committed to give up 10 percent for bond purchases and other considerable items, this 20-percent deduction will create a storm of protest from the workers. An immediate demand for pay raises and frequent appeals not to deduct in certain months when unfortunate and unforeseen expenses occur will create more than headaches. I hesitate to impose this burden on already harassed employers.

So many have argued that we are forgiving 1 year's taxes that they have led people to inquire what year they will not have to pay. This makes an awkward situation for us to explain fully. The gentleman from Georgia [Mr. CAMP] referred me to his old darkey who raises his cotton for him. "This witticism did not prove a good substitute for wisdom." The gentleman from Georgia [Mr. CAMP] seems to feel that an individual transaction with another individual is exactly the same as with a government of the people. Under the Ruml plan this darkey would have to give up his 5 bales each year as usual. He displayed such ability otherwise that the great difference sometime will dawn upon him, and, I trust, convince him. Certainly his President has not failed in promulgating this doctrine.

My good friend the gentleman from North Dakota [Mr. BURDICK] does not wish to be classed as sinful, but finally declared, "I think you will get further along by going ahead just as we have in the past." He made an interesting speech but gave scant comfort to either side in this controversy.

Some speakers declared they had received no letters from farmers. Of course not; they are exempt from this withholding plan. Many of those advocates come here with very few votes needed to elect them. That is proof of a great lack of interest by most of their constituents. Some of us have had letters aplenty and certainly I have had enough to convince me that my people want a pay-as-you-go plan similar to the Carlson bill. My people will find me responsive, but I have no enthusiasm, as has been indicated by many others. I can wax enthusiastic for the Carlson plan when compared to the half-hearted, oppressive committee offering.

Mr. FORAND's splendidly stated opposition to the committee's plan is most convincing and should be read carefully. His Robertson idea is somewhat appealing, but fails utterly in willingness to treat all taxpayers on an equal basis. He feels that he must tread softly and show no mercy to the successful members of our society. He dares not, or prefers not, to grant equal treatment.

Our Mr. MURDOCK, of Arizona, claims that he can prove that taxpayers can become current without paying 2 years' taxes in 1 year. He can. I will help him. They can go into bankruptcy.

We are indebted to the gentleman from Minnesota [Mr. KNUTSON] for his masterful handling of the debate and for his incisive and illuminating information of the bickerings and weakness of the opposition. What an interesting recital of the proceedings in the executive session it was. Small wonder that so much abuse has been resorted to in order to hide the actual motives and contortions of those who now condemn forgiveness as so sinful.

As has been so often said, both plans contain identical propositions except for the abatement or so-called forgiveness portion. Therefore we are limited to the discussion of that phase of the question.

I have tried to refresh your mind as to many of the arguments presented and would like to have referred to statements made by many others. Time does not allow.

I restate my position. I shall support the Ruml plan. The great majority of my people demand it. I shall vote with a little reluctance, having in mind the harassment to employers, the hardship on employees, and above all, I dislike forced seizure of wages in a free country, as I had hoped our country could continue to be. I feel compelled to do all I can to defeat the oppressive committee proposition. I close these remarks by saying, "The thing that is worse than paying an income tax is not paying an income tax." I do hope to be allowed to earn enough to do so.

Mr. KNUTSON. Mr. Chairman, I yield 4 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. ALLEN of Illinois. Mr. Chairman, I would like the attention of the gentleman from North Carolina [Mr. DOUGHTON], the distinguished chairman of the Ways and Means Committee. I learned some astounding facts today. One was that the total amount of the 25 highest taxpayers in the United States, amounted to $26,874,000. That is a very interesting figure, because reading from the San Francisco News of March 24, 1943, I read the following about the identical figure $26,874,000:

> John J. Burns, spokesman for 19 shipping firms, charged with excessive profits on charter voyages to the Red Sea with British Army supplies, said today the companies "have no intentions of acceding to demands that some of these profits be returned."
>
> Testifying before a House Merchant Marine Subcommittee, Mr. Burns, counsel for the Merchant Marine Institute, defended contracts which allowed profits of $26,874,176 on shipments whose total cost, paid from lend-lease funds, was $31,364,880. These figures were reported yesterday by James V. Hayes, general counsel for the committee.

Let me repeat that the total tax of the highest 25 taxpayers in the United States

is $26,874,000. It is the identical figure allowed these merchant marine companies, namely, $26,874,000 in profits on total cost paid from lend-lease funds of $31,364,880. Think of it, a profit of over $26,000,000 on a $31,000,000 transaction.

The reason I mention that is that lately we have heard a great deal from the chairman of the Ways and Means Committee and the gentleman from Texas [Mr. DIES], and others about making blood millionaires.

I recall that the only ones who have come here wanting to take from these shipping merchants this $26,000,000 profit have been the gentleman from California [Mr. WELCH], the gentleman from New York [Mr. CULKIN], and Senator AIKEN in the Senate, who are all Republicans. The gentleman from California [Mr. WELCH], particularly, is using his every effort to have these "shylock" merchants return this graft to the United States Treasury. I wonder why the New Deal Members of the Ways and Means Committee who for the past few days have been talking about the Carlson tax bill making so many blood millionaires have not used their great powers to bring back the billions of dollars of graft and profits sucked out of our Treasury by leeches "in the know." If they would they would be doing their constituents and their country a greater service than using their every energy in the passage of their "rich man's tax bill."

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. HOLIFIELD. Is it not true that the Ruml plan will forgive those same gentlemen in San Francisco their earnings for 1942?

Mr. ALLEN of Illinois. Of course not. Corporations must pay their taxes under the Carlson plan.

Mr. HOLIFIELD. Do not corporation dividends go to individuals?

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. KNUTSON. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. RODGERS].

Mr. RODGERS of Pennsylvania. Mr. Chairman, I have listened for 3 days to this debate. I have reviewed the bills and hearings, as have most of you. There seems to be confusion in the minds of some as to tax years and tax payments. I will take about 2 minutes to give you my understanding of the issue before us. If I misunderstand, I am ready to be corrected and convinced otherwise.

Under the Carlson plan you do skip 1 year's tax label—1942. But, you do not skip 1 year's tax payment—1942, or any other year. You do not forgive anybody anything, anytime, who continues to live and to enjoy a taxable income. So far as this bill—the Carlson plan—is concerned, it makes individual tax payments current—it does not change them one thin dime. Only death or change of income, either up or down, will affect those payments or the individual's liability to the Federal Treasury.

In order to effect daylight saving the time clocks were moved ahead 1 hour. But there is just as much daylight, between sunrise and sunset, regardless of the position of the hands on the dial of the clock. In like manner, moving the "tax clock" 1 year ahead will not mean that the flow of revenue to the Federal Treasury will be suspended or diminished. But, owing to the withholding feature and the present rising national income, Treasury receipts will be increased rather than reduced.

That is my conception of the Carlson plan and is also my conception of what we are trying to accomplish.

The CHAIRMAN. The time of the gentleman has expired.

Mr. KNUTSON. Mr. Chairman, I yield 5 minutes to the gentlewoman from Ohio [Mrs. BOLTON].

Mrs. BOLTON. Mr. Chairman, I have listened to the debate on this bill with a great deal of interest, with the hope that some of my eminent colleagues would reduce the opposing opinions to simple statements, especially in the matter that has been so mistakenly called forgiveness. Several days ago my attention was called to an editorial in the New York World-Telegram by one of the 44,000,000 taxpayers who will be benefited by such an honest pay-as-you-earn plan as the so-called Ruml or really the Carlson plan. I purposely emphasize the words "pay as you earn," because that is what our taxpayers want and that is what the Carlson plan does set up.

Because I have not found in the debate any such simple explanation I present this editorial for your consideration. It is called The Original Sin. Some of you have probably seen it.

THE ORIGINAL SIN

A retroactive income tax is like a cyst. You don't worry about it until it gets big. Then you want to have it cut out.

The income tax 30 years ago was a puny thing. It now protrudes from the public's neck like an oversized ostrich egg. And now nearly everybody's got one. Hence the present urge for surgery.

The Federal income tax law became effective as of October 3, 1913. A fellow who ranked as quite a statesman in those days, Elihu Root, got the point; a simple point, and logical; but too simple for the "experts" even then. He said if a tax becomes effective as of October 3, 1913, collections should start as of October 3, 1913. That would have meant paying as you go.

But it was too logical—not complicated enough. And, after all, it was a small-change proposition. So what the hell.

Pardon me, gentlemen, I am merely reading.

Make it on the year preceding and get on to other matters. And thereby a retroactive system was born. Under it the taxpayer immediately got a year behind. But the tax was still chicken feed and affected only a few.

Came a couple of wars, interspersed by a boom and a depression. The cyst grew.

Now, after three decades, we're calling the surgeon.

If you want to find the original sin, read Senate Document 171 of the first session, Sixty-third Congress, dated August 26, 1913, presented by Mr. Williams.

The record shows that the Ruml plan—

And here I want to insert the suggestion that we call it the Ruml-Carlson plan, at least—

this pay as you earn—isn't a case of forgiving a year's taxes now, as Chairman DOUGHTON, of the House Ways and Means Committee contends, but rather of having added 1 year too much at the beginning.

Gentlemen, that is the editorial which I submit for your understanding perusal.

The CHAIRMAN. The time of the gentlewoman from Ohio has expired.

Mr. KNUTSON. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. GERLACH].

Mr. GERLACH. Mr. Chairman, in consideration of H. R. 2218, to provide a method for the payment currently of individual income taxes, the change is, of course, desirable. I am sure that our present collection method, which has been in effect since 1913, is obsolete, but I do not agree that the measure before us can achieve the highly desirable tax reform so obviously needed.

For the past 3 or 4 months the editorial writers of our Nation's newspapers and our people from all walks of life have urged the Congress, and particularly the Ways and Means Committee, to place personal income-tax payments on a current pay-as-you-go basis, with taxes to be deducted at the source of income.

Let me say that those words pay as you go have become the byword in the consideration of this tax legislation, and do not forget that the words "at the source" are also of most vital content in this impending legislation, for it is only through such a system that the full amount of revenue due the Treasury can be secured. And once such a plan becomes law we will be able, for the first time, to procure accurate figures on the great numbers of persons who should have paid income taxes and did not, and of the vast amounts which the Treasury has therefore not collected through our present outmoded collection methods. Although such figures are not available now, there is no doubt in my mind that there exists an enormous group of people who were unable to pay their taxes on March 15 because they had spent their money as they earned it, and before the Bureau of Internal Revenue is able to apprehend them under existing regulation, the war will long since be over. Even should the Bureau uncover the many thousands of such delinquents that now exist, what good will it do? Like that old but true adage, "You cannot get blood out of a stone."

Mr. Chairman, it is therefore quite evident to all that it is essential to the welfare of our country and its citizens that we devise a method whereby our taxpayers can meet their tax payments from their pay envelopes. It is the one practical solution, to collect income taxes at the source from the weekly, semimonthly, or monthly pay check of the wage earner. This will preclude any loss of revenue; this will prevent that occurrence so frequent today, that when the taxpayer has spent his money as he earned it, and there are millions in this category, the Government is left holding the bag, and it is an empty bag. Our efforts now must bring about a practical and equitable answer to this problem.

The measure before us—H. R. 2218—reported by the Ways and Means Committee as a proposal to take the place of all genuine pay-as-you-go-at-the-source plans is not such a solution. As I view this measure, the committee merely

continues the obsolete system of collecting income taxes in the year following that in which the taxable income was earned. It offers no change in the outmoded pay-as-you-went system, and further complicates matters by adding a 20-percent withholding tax, to be collected at the source, with a sugar-coated discount feature which in effect is supposedly a reward to taxpayers who bring themselves to a current basis by paying both back taxes and taxes on current income at the same time. This means that a fortune-favored few who have the means with which to pay 2 years' taxes in 1 year will be elevated to the select status of current, pay-as-you-go taxpayers. The millions of others, and they will be in the vast majority, who have difficulty meeting their tax obligations under the existing system, will be even more oppressed and hampered under this proposal, for they will still remain a full year behind in the face of increasing rates of taxation. In other words, this committee plan offers a discount to a very few who will continue to benefit throughout their lives after voluntarily having paid 2 years' taxes in 1 year, while their less fortunate friends and neighbors must continue to struggle to make ends meet.

As an illustration, let us assume your income was $3,000 in 1942, and in 1943 it continued at the same rate. Under existing law your tax for 1942 would be approximately $180, minus whatever deductions and exemptions were allowable in your case. Your 1943 tax would, at prevailing rates, amount to an identical sum. In the legislation now before us, the committee proposes that you pay all of the $180 of your 1942 tax then, no longer being in debt for past taxes, you will have your 1943 taxes payable with discounts as follows:

For whatever amount of your 1943 tax you have paid on or before June 15, 1943, you receive a 6-percent discount; for whatever amount you pay after June 15 and before September 15, 1943, you receive a 4-percent discount, and for whatever amount you pay between September 15 and December 15, 1943, you receive a discount of 2 percent. For those whose tax is collected at the source, if they have paid all of their 1942 taxes prior to the collection of such withholding tax, the amounts withheld will be credited against their 1943 taxes and the individuals allowed a 3-percent discount. This, regardless of what name the committee applies, is pure and simple double taxation. And it furthermore is quite discriminatory, for the discount feature is an award to those who are able to assume a double liability which, unfortunately, is going to leave the great mass of American income taxpayers, those in the lower income-tax brackets, just where they are now—1 year behind.

I am therefore in favor of the Carlson-Ruml plan, which I am convinced is the only practicable and equitable means of immediately achieving the highly desirable change in our income-tax collection methods.

The great majority of our people, from all walks of life, are for this system. Let me point out that Mr. William Hutcheson, head of one of the most powerful A. F. of L. unions, is strongly in favor of the Ruml proposal. Mr. James L. McDevitt, president of the Pennsylvania State Federation of Labor has this to say:

> We are convinced the pay-as-you-go income-tax plan is the only feasible method of collecting money necessary to the support of our brothers in the fighting forces and sustain the greatest war-production program in our history.

The farmers of the Nation are behind the plan, as is evidenced in the testimony before the committee of Mr. Fred Brenckman who represents the National Grange, an organization of more than 800,000 farmers operating in 37 States. This support, coupled with that contained in the voluminous amount of mail I have received from my constituents—laborers, farmers, merchants, businessmen, and industrialists—is ample proof to me that this House should enact the Carlson measure and not the committee proposal.

Mr. Chairman, in conclusion, let me say that we should rid our citizens of the burden of an archaic, obsolete, unjust method of income-tax collection that might have worked well when individuals who earned taxable incomes were very few in number, and replace it with a method that will work to the best interests of all in these years when our taxpayers number in the tens of millions. Let us assert ourselves, take the bit in our teeth, and establish the imperative reform so long overdue.

Mr. KNUTSON. Mr. Chairman, I yield 10 minutes to the distinguished gentleman from Louisiana [Mr. HÉBERT].

Mr. HÉBERT. Mr. Chairman, when I first read and tried to digest the bill brought before this House by the Ways and Means Committee, I was reminded of a story told in the old vaudeville days, and which most of you have heard but I will repeat. It is the story of the lady of the stage who was boasting about the accomplishments and the attainments of members of her family and among other things she told her listener about a brother who was attending a school of higher education. The listener asked about the brother and she said, "Why, he has two heads." The listener looked at her astounded. "Two heads? Why, where is he?" "Oh," she said, "he is at Harvard in a bottle of alcohol." I submit this bill deserves a place alongside of that two-headed brother in a bottle of alcohol.

Allow me to pause briefly at this time to say something about party adherence and party loyalty. Unfortunately, the red herring of party loyalty and party adherence has been dragged across the trail in the consideration of this bill. I for one do not subscribe to that. I am a Democrat, as everybody in this House knows, and I come from a State, the loyalty of which to the Democratic Party cannot be challenged. In the dark days of the Democratic Party in 1928 when for the first, only, and last time the solid South was broken, the State of Louisiana remained under the Democratic Party banner and will in the future always remain under that banner. And when I say "Democratic Party," I am speaking of the Democratic Party to which my father belonged, I am speaking of the Democratic Party to which my grandfather belonged; I am not speaking of a hybrid party, which during the daytime marches under the standard of the Democratic Party and at night drives the dagger of Brutus into its principles.

The Republicans and Democrats, the Democratic side of this aisle and the Republican side of this aisle, are both in accord and should be in accord in discussing the best and most appropriate way of helping one great party, the American people. Certainly nobody can charge the Democratic side that this has been a party issue.

Oh, yes, I have read it in the newspapers, I have heard it over the radio, that the Democrats have made it a party issue. I, as a member of the Democratic Party on this side of the aisle, have never been called into a caucus, or conference, if you want a lighter word, and surely our leaders would not think of committing the Democratic side if they do not consult us. So the bugaboo of partisanship is out of the window at this time.

Now, going to the bill itself. I am not a tax expert. I have not enough accomplishments along that line to make out my own income tax and have not done it for years. But I think I know the common, ordinary language of the man in the street, I think I know what the people I represent here want. The reason I am opposed to this committee bill is a very simple one. The reason I am opposed to it is because my people are opposed to it.

There is nothing strange about a statement of that kind, there is nothing demagogic in that statement, and I think the evil day came in this House when some people tossed this whole discussion into a quagmire of demagogic confusion that ran the whole gamut from dragging the Bible through the door to waving the flag with the gusto of a Yankee Doodle Dandy.

Shame on you, and I repeat, shame on such tactics when the very life of America is at stake. Shame on you who wave the flag of those boys who are fighting for our liberties on the front, and who almost raise up the sacred dead from the grave and put words in their mouths that they never even thought of or uttered during their lifetime.

They would have some tell you, and I have heard it said before, that if this committee bill is not adopted and the Carlson plan is adopted, there will be $10,000,000,000 less for ammunition for our boys at the front. What disgraceful demagogy. Is there any man in this House on either side of the aisle with the temerity to rise now and tell me that if the committee bill does not pass and if the Carlson bill does pass, there will be one less airplane, one less tank, one less gun, yea, one less bullet for our armed forces at the front?

Nobody rises so let them forever keep their peace on such a statement.

Mr. Chairman, I want to get down to the factual point of this as the man on the street understands it. What does

this committee favor? It creates an economic triangle which would be as devastating to our financial front as the so-called eternal triangle is to the home. Follow my picture. Here we have at one part of the triangle the group of people who have to borrow to pay their taxes, and the figures show that a half-million already have borrowed a hundred million dollars. They are in the hands of the loan sharks, they are the ones who have to pay, pay and pay, and never catch up.

At the other side of the triangle, at this point, whom do we have? We have the thrifty, the frugal men and women, and would there were more of them in this country today, who set aside a part of their earnings and budget themselves to pay their taxes. They are able to pay their income tax in due time.

At the top of the apex of the triangle whom do we have? We have the rich man, the man who can pay his taxes at anytime or double up if he cares to.

What do we find the committee doing with their bill? The man down at this part of the triangle is in the hands of the loan shark already. He is put into bondage more than ever because come July 1 when the 20-percent withholding tax goes into effect, under either plan, he still has to pay that loan shark back, he still has to pay back on what he has borrowed to pay the first 6 months' tax. So he is sinking deeper and deeper into the mire.

What do we have over here? This man is not affected at all, the man who has the ability to pay his taxes according to his budget. He remains in status quo.

But what do we have at the top of that triangle? We have the rich man, who is able to get 6 percent on his money because he is able to pay 2 years in one.

The members of the Committee on Ways and Means have used the word "forgiveness," but what do they do? They forgive the rich man 6 percent on his entire tax bill. If they say to those of us who espouse the Carlson plan, "You forgive a year," I say, What is the difference between committing sin by part or by whole? If you forgive him all in 1 year, what is the net difference between that case and the case of the man who is forgiven 6 percent each year, and allowed to accumulate forgiveness of 6 percent a year over a period of time?

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

Mr. KNUTSON. Mr. Chairman, I yield the gentleman from Louisiana 5 additional minutes.

Mr. Chairman, will the gentleman yield?

Mr. HÉBERT. I yield.

Mr. KNUTSON. May I call the gentleman's attention to the fact that under the committee bill the well-to-do taxpayer will get 4 percent year after year, year after year. It follows that in 25 years he would have his taxes for a complete year forgiven. Is not that true?

Mr. HÉBERT. That is what I am trying to point out. It goes on ad infinitum.

Mr. KNUTSON. And ad nauseam.

Mr. HÉBERT. Whereas the man at the bottom, who is forced to borrow to pay his taxes, goes on getting in deeper and deeper, ad infinitum. The man at the top, the rich man, is the man who benefits in the end.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. HÉBERT. I yield to the gentleman from Pennsylvania.

Mr. WRIGHT. Under the Carlson plan he gets his 100-percent deduction in 1 year instead of in 25 years.

Mr. HÉBERT. He gets his abatement or forgiveness in 1 year. I am not condemning that. I am condemning the other as a sound tax-policy basis for a pay-as-you-go plan. Do I understand from the gentleman, then, that he objects to the 25-year plan of giving him 1 year's taxes? Does he just want to spread the thing out or get it over with quick?

Mr. WRIGHT. I think the gentleman is familiar with the distinction between mortal and original sin.

Mr. HÉBERT. The gentleman is very familiar with them both, but they are both sinful. Since the gentleman has brought in the Bible, may I say of those who subscribe to this committee plan, without being sacrilegious, "Forgive them, for they know not what they do."

Mr. WRIGHT. I am not particularly sold on the 6-percent reduction but I am very much against the 100-percent forgiveness.

Mr. HÉBERT. The gentleman just wants to take his sin in doses.

I repeat, there is only one consideration in this bill, whether it be the committee bill or the Carlson bill, and that consideration is to give to the people what they want. I am no political Messiah. I am not trying to lead any people out of the desert. I am one who votes for what the people want, what I think the people believe in. I may say to some of my distinguished colleagues on this side of the aisle that if more of us had done that in the last election there would be many more of us back here today.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. HÉBERT. I yield to the gentleman from Arizona.

Mr. MURDOCK. We have heard a good deal about approval of the Ruml plan at the grass roots. Does the gentleman think that if Ruml had recommended that all Federal income taxes be abolished, he would have gotten even greater approval?

Mr. HÉBERT. I will not indict the American people with such asininity or stupidity.

Mr. MURDOCK. Yes, such would be worse than stupid but how much worse than Ruml's forgiveness? I think this matter has been misrepresented in the press and over the radio to the American people. It is an apparent approval of which the gentleman speaks.

Mr. HÉBERT. I do not know about that. I will tell you that I have not received one letter from my district which was against the Carlson or Ruml plan. I have received only letters of commendation for it. The only letter against it that I did receive was a circular letter published in the State of North Carolina, obviously a circular letter issued by some organization of which I never heard before. I received it after I had announced publicly last Tuesday that I would oppose the plan of the committee and in preference support the Carlson plan. Then I got letters from all over the United States from people who never knew I was in Congress until I made that statement. The letters flowed in, I will tell the gentleman.

Mr. MURDOCK. The gentleman knows full well the power of the press on public sentiment. The gentleman is supposed to have heard somebody claiming that if the Carlson plan should be adopted it would bring in less revenue. I have not heard that claim myself, although I have not heard all of the debates——

Mr. HÉBERT. Whoever says that cannot add 2 and 2. As a matter of fact, there will be $3,000,000,000 more collected under the Carlson plan.

Mr. DISNEY. If the gentleman will yield, how many letters has the gentleman received favoring the Ruml plan?

Mr. HÉBERT. I will tell the gentleman how many letters I have received and tell him that they represent a good cross section of my district.

Mr. DISNEY. Yes; but how many?

Mr. HÉBERT. I will tell the gentleman.

Mr. DISNEY. How many hundred—about 300?

Mr. HÉBERT. I have not had time to count them all, yet.

Mr. DISNEY. The gentleman told me a while ago he had counted them, and there were about 400.

Mr. HÉBERT. That was up until about a week ago. I have not counted those I have received since.

Mr. DISNEY. What is the population of the gentleman's district?

Mr. HÉBERT. Three hundred fifty thousand, of ordinary American people who want this plan, and not rich oil men from the State of Oklahoma, such as the gentleman represents.

The CHAIRMAN. The time of the gentleman from Louisiana has again expired.

Mr. COOPER. Mr. Chairman, I yield 15 minutes to the gentleman from Mississippi [Mr. WHITTINGTON].

Mr. WHITTINGTON. Mr. Chairman, in the storm and confusion of debate I believe it would be well for us to take our bearings. We have two principal bills before us. They are termed tax-collecting bills, but they might more properly be termed tax-reduction bills. The Doughton, or the committee bill, and the Carlson bill both provide for withholding. Both bills provide for reducing the revenues of the United States, as I am advised, approximately $250,000,000. When the Revenue Act of 1942 was passed many millions of taxpayers were to pay Federal income taxes in 1943 for the first time. The great virtue of that act was making the American people tax-conscious. The beneficial results are evident. People in all walks of life are insisting on a reduction and elimination of wasteful expenditures.

The Seventy-eighth Congress, after the Seventy-seventh Congress in October 1942, had levied an $8,000,000,000 tax bill, is being asked to levy $14,000,000,000 more, and after 3 months, the Congress of the United States, that is, the House of Representatives, has to date not considered a tax bill, but has considered a tax-collection and a tax-reduction bill. When the workers and the laborers were asking for an increase in their wages in 1942, they pointed to the war profiteers, unconscionable salaries, and the war contractors. We responded by passing an act to get those profits in taxes. Both of the pending bills provide for a withholding tax. There is nothing new about withholding. We had a collection and a withholding plan in the bill as it passed the House in 1942, but it was stricken out in the other body. The principle of a withholding tax is in the first income tax that Congress enacted. It is fair to say that conditions are different now, and with an exemption of $3,500 I can well see why additional accounting was not justified from 1913 to 1917, and why the provisions for withholding were repealed. But we are bringing in millions of additional taxpayers under the act of 1942. There is ample justification for a withholding tax. Both bills in that regard are sound.

The Carlson bill adopts the Ruml plan. I have read the hearings. To me they are most interesting, and some of them are intriguing. If there was no fluctuation in income, if normal incomes obtained, if there were a depression in normal times the Ruml plan might apply. There is such a thing justifiable as tax abatement or tax forgiveness, and it is recognized in our income-tax laws. There is something good in the slogan, pay as you go, but there is much more bad in the abatement of taxes coupled with it during war, or universal prosperity, and the argument is then specious. There is no such thing as a pay-as-you-go tax in the farm income. How does the farmer know what his income is, or how does the businessman, generally, know until the end of the year? There is a place for withholding a pay-as-you-earn plan in salaries and wages, and there is a place for the pay as you go go in the sales tax.

It is said that the Ruml plan as embodied in the Carlson bill will be of tremendous benefit to the millions of taxpayers for the first time in 1943. When did Mr. Ruml propose his plan? What year did he advocate an abatement and cancelation? He came before the Secretary of the Treasury last year and before the Senate Finance Committee in 1942 and advocated the cancelation of the 1941 taxes. It would not have affected the millions of taxpayers under the act of 1942. The gentleman from Tennessee [Mr. COOPER], fair legislator that he is, asked Mr. Ruml during the hearings substantially: "Is there in reality and in truth such a thing as a current income tax?" Mr. Ruml responded, "Not unless taxes are collected every night, and that is impossible." Is there a loss to the Government? I have in mind the questions of the forthright gentleman and capable legislator from California [Mr. GEARHART]. Mr. Ruml said, "Yes; the Government will lose when the income ceases or the taxpayer dies." If a taxpayer with a $10,000 income dies in 1943; in December, by paying the 1942 taxes, which apply under the Ruml plan, his estate gets the benefit and is some $2,000 larger. Mr. Ruml said that the remedy is to collect an inheritance tax, but the exemptions in inheritance taxes are so large that there would be no collection in most cases. More than that, I was intrigued when the farmer from North Carolina, level-headed, honest BOB DOUGHTON, put to the great economist of Wall Street, the man who was unable to solve Mr. Hoover's depression in 1930, who is an adviser of the National Resources Planning Board, and chairman of the Federal Reserve Board of New York, this question in substance:

In 1942 we made the biggest crop, the most abundant crop with the largest income in the history of the Republic and we paid the highest wages and salaries ever paid. The gentleman from North Carolina said that he would like Mr. Ruml to tell him what government, what State, what municipality, or what county ever canceled or abated taxes in similar circumstances. Mr. Ruml responded and gave two illustrations, and what were they? One was of an Iowa doctor in the very depths of the depression in 1934 who canceled what his clients owed him. There is nothing new about that. Many a farmer in Mississippi, when cotton went from 20 to 5 cents a pound, canceled every dollar that his tenants owed him. The other was that a competitor of Macy's, in 1934, in the depths of the depression canceled all indebtedness due the firm. Are those two cases applicable to the period of the greatest prosperity in the history of the United States, 1943, the period of the highest income, which should be the period of the highest taxes? There is a place for abatement, and there is a place for bankruptcy, but it is not in prosperity. Mr. Chairman, what is the danger of forgiving millions in cancelation? What are we going to say to laborers and workers?

Much has been said about the stenographers who get $1,400. They have been misled, as have the school teachers. There is no doubling up required under either bill, but for my part, Mr. Chairman, I believe that those stenographers getting $1,400, when they recall their brothers in the hell holes of Guadalcanal, in the fox holes of the Solomons, on the desert sands of the African coast, in the muck and mire of Northern Africa, getting $50 a month, will be content to pay taxes to buy them guns and ammunition. I believe also that the stenographers and the women and the workers of America are just as heroic as the women and the workers of Russia, and when the great economist Mr. Ruml undertook to get the Ways and Means Committee to adopt his plan in 1943—a plan that might, if all incomes did not materially fluctuate, in normal times or in a depression, be applicable, I said as I read the question propounded to him by the gentleman from North Carolina [Mr. DOUGHTON] charged with the responsibility of telling the American people the truth, that we taxed them in 1942 until it hurt, and that $14,000,000,000 more is necessary—I found no satisfactory reply from Ruml, when the gentleman from North Carolina [Mr. DOUGHTON] asked over and over again if we forgive, how can we ask the taxpayers, whom we have abated and forgiven, to pay more taxes in 1943?

The economic stability of the Government would be undermined if we were so generous and unwise as to forgive and abate now, in the hour of our country's greatest need and greatest danger.

Something has been said about a compromise; a compromise by substituting 1941 rates for 1942 rates. I know of no better way to promote war millionaires and war profiteers. How can you ask the taxpayers, if you abate the taxes for 1942 for the first time, thus admitting that they were unable to pay them in 1942, to pay taxes?

We are going to win this war. We have all got to have a part in it. We have got to fight and we have got to work. When I read the hearings before the Ways and Means Committee, when I see over and over again the repeated demands of something for nothing, I said to myself and I now say to you, When drives are being made upon the public treasury, when specious plans of something for nothing are proposed, I thank God that we have as chairman of the Committee on Ways and Means an honest and courageous farmer, as rugged as the North Carolina rock from whence he was hewn, ROBERT L. DOUGHTON, who is in the political kingdom for a time like the present.

There can be no victory unless every citizen of America pays the price of victory. We think of pleasure too much. We hear too much about the dollar today. We are either paying our taxes or we are not. There can be no middle ground. By cancelation, by abatement, no matter what you call it, if the taxes for 1942 are eliminated, somebody over yonder on the battle front, when he comes back, has to pay that tax. We are asking the stenographers and the workers to buy bonds. We must make them secure. Great Britain is paying substantially 42 percent of the war costs today by taxes, in order to strengthen the security of the bonds sold to her citizens. We are paying 30 percent and we have been asked to increase that by $14,000,000,000.

I think it is most unfortunate that these tax bills are passed the latter part of the year. It is most regrettable that they are postponed. But now in the period of our greatest prosperity we are asked to discard and eliminate the system of income-tax payments best suited to all of the taxpayers of the Nation, by and large; a system under which we successfully fought the First World War, and a system under which we have gone through two depressions. The proposal is unsound.

For my part, I maintain that we cannot substitute economic gains for the economic sacrifices we must make if we are to win this war.

My excuse for extending and revising my remarks is that influential Members have suggested a compromise. It is urged that we must do something for the taxpayers and that we should treat all alike. There are suggestions of compromise by influential Democratic Representatives. Congress needs leadership today and not compromise. Too few are thinking of country. Too many are thinking of dollars. Whatever else may happen, taxes must be paid in 1943. None liable to taxes under the act of 1942 should be exempted. If we substitute the rates of 1941 for the rates of 1942, we make difficult, if not impossible, the passage of a tax bill in 1943. We would thus tell the American people that we made a mistake in 1942. How on earth could Congress take the leadership in increasing taxes or in passing a tax bill in 1943? The American people are fair. They are patriotic. Congress should take the lead in preparing the people for the sacrifice in the days ahead. Patriotism means tears. Patriotism means taxes, and more taxes for the citizen. Patriotism means blood and death for those on the battle front. It is time for us to render unto the Government the things that belong to the Government.

Mr. Chairman, the pending bill is not to levy taxes but to provide a method for the current payment of individual income taxes. The committee bill supported by the report of the committee is known as the Doughton bill. The minority of the committee submitted minority views and they support the Carlson bill.

There has been a widespread agitation for a pay-as-you-go or pay-as-you-earn income-tax plan. It is urged, and I think with merit, that such a plan is essential to provide for the collection of income taxes from wages and salaries. There is merit, therefore, in the pay-as-you-earn plan especially with respect to wages and salaries. The pay-as-you-go plan is especially applicable as a sales tax. It is generally conceded that in the Revenue Act of 1942, individual incomes have been taxed to the limit, especially in the higher brackets.

Current payment, as far as it is applicable to income taxes, is all right. It is good. But usually with the good there is some of the bad. There is urged, in connection with the current payment, the absurd and fantastic proposal utterly inapplicable at this time, and especially to the self-employed to abate or to forgive the 1942 income taxes. It is thus proposed to make income taxes current.

Ordinarily abatement of debts and forgiveness of debtors obtain when there are depressions. The Ruml plan, proposed by Beardsley Ruml, Governor of the Federal Reserve Board of New York, and treasurer of Macy & Co., proposes to abate the 1942 taxes. In his statement before the Committee on Ways and Means as I have said, he used the illustration of the doctor in Iowa who forgave all of his debtors and canceled all of his accounts receivable during the depths of the recent depression. He cited the case of a competitor in 1934 in the depths of the depression who pursued a similar policy. But these illustrations are not in point. They do not illustrate. There are adjustments, compromises and abatements of debts when debtors are without earning capacity and are thus unable to pay. Forgiveness and cancelation obtain in depressions. The history of the competitor of Macy's, following the cancelation of accounts receivable, would be interesting. The probability is that it has had difficulty to keep out of the bankruptcy courts.

Income taxes, from the beginning in 1913 in the United States, in all of the States of the Union where they obtain, and in all of the countries of the world, are generally applicable to the preceding year. The same is true with respect to general property taxes. They are paid at the conclusion of the year, sometimes in a lump sum—sometimes in quarterly payments. The same is true of the payment of dividends by corporations. Profits are distributed when they are earned and the reserves provide for taxes; 1942 income taxes are on 1942 incomes. If they are abated, they are forgiven, and if they are forgiven they are abated. The difference between abatement and forgiveness is a distinction without a difference.

NATIONAL INCOME

When the national income is the highest in the history of the United States, when there is less unemployment and salaries and wages generally are the highest of record, when the United States is engaged in the greatest war ever waged, when taxes were more imperative than ever, when the President of the United States has recommended that an additional $16,000,000,000 be levied in taxes, when it is estimated that the national income for 1943 will be around $140,000,000,000, or some $25,000,000,000 in excess of the income of 1942, the Congress of the United States is considering the forgiveness and abatement of taxes already levied. No greater disservice could be done to the war effort. I can conceive of but few things that would contribute more to undermining the morale of the home front. We must harden ourselves to sacrifice. It is always difficult to pay taxes, but it is less difficult to pay them in March 1943 than it has been in any previous year. The armed forces are fighting on the battle fronts in all of the continents and on all of the seas. The least the citizens can do is to pay taxes to the limit at home.

It is a sad commentary that many of those who criticized the humanitarian policies of the administration in providing for unemployment in the depths of the depression, under the leadership of the great economist of Wall Street, Mr. Ruml, are now marching upon Washington asking that their taxes for 1942, in the hour of the greatest need, be forgiven or abated.

War millionaires have been denounced. War profiteers and war contractors have been crucified on the cross of public opinion. Laborers asking for increased wages have been assured that war contractors and war profiteers would be taxed to the limit and that the Treasury would recover substantially all of the enormous increases in the incomes of war contractors and of war profiteers. What reply will be made to the laborers of the country if Congress now cancels taxes for 1 year? Many war profiteers would be satisfied with an estate consisting of the profits of 1 year, whether that year be 1942, 1943, or 1941.

NOTICE TO TAXPAYERS

Revenue acts should either be passed earlier in the year in which they are effective, or they should not be made effective until the following year. The Revenue Act of 1942 was passed in October. It was applicable to 1942 incomes. It should have been passed much earlier in the year. The average person should have been notified as to the amount of his income to be taken in taxes. It is fair to say that the public knew generally that there would be an increase in taxes in 1942, just as they knew generally that their sons would be drafted. We are now asked to pass a revenue bill for $16,000,000,000 additional revenue in 1943. I repeat, we should be considering this bill now. I do urge that if there be delay, except as to sales tax, the effective date of revenue bills should cover the succeeding year so that taxpayers may have ample notice.

THE DOUGHTON BILL

The bill provides for the continuation of the collection of the Victory tax of 3 percent and 17-percent withholding tax and it prescribes the computation. It thus provides for a pay-as-it-is-earned of salaries and wages. If any current income tax, except a sales tax, is justified, this provision will make taxes as nearly current and as far current as it is practicable.

While the withholding taxes may be applied on the 1943 taxes, unless the income taxes for 1942 have been paid, they will be first applied to such taxes. Taxes for 2 years are not contemplated or required. Taxes for only 1 year, under the Doughton bill, must be paid. The withholding tax begins July 1. There is no merit in any contention that those receiving salaries and wages will be required to make double payments in 1943.

The bill contains exemptions for members of the armed forces. Let it be said to the credit of the armed forces that no man in the armed service asked for such exemptions. An individual who dies while in the active service has his tax abated for the year of his death. The Doughton bill provides that any taxpayer, large or small, may anticipate his taxes by paying the estimated amount thereof and receiving a discount of from 2 to 6 percent. There is no distinction. There is no discrimination. The provision is not mandatory. It is permissible. Personally, the anticipation of payment does not appeal to me. Taxpayers do not like to pay income taxes on incomes that they may not have made. Taxpayers die every day and every month in the year. They generally prefer to await maturity before payment. Frankly, I repeat that the anticipated payments do not appeal to me, but if taxpayers are desirous of becoming current, I can conceive of no

better way than to allow a reasonable discount for payments in advance. If the discounts in the bill are too large, they can be reduced.

THE CARLSON BILL

The Carlson bill adopts the Ruml plan. It abates or forgives all taxes for 1942 where the income is $20,000 or less. It abates or forgives a part of the incomes in the antiwindfall provision, where the 1942 income is in excess of $20,000.

There is much misunderstanding. I repeat that the people of the United States have been done a disservice. We are all human. The average man never feels that he is able to pay his taxes. Many citizens have been led to believe that the Ruml plan will release them from paying income taxes in 1943. Both the majority and the minority bill provide for the payment of the 1942 income taxes, and under the Ruml plan these taxes will apply to the 1943 income.

Inasmuch as there is an abatement of the 1942 taxes, of course the Carlson bill contains no provision for the anticipation of payments.

IDENTICAL PROVISIONS

Both the Doughton bill and the Carlson bill contain identical provisions with respect to the withholding tax of wages and salaries and with respect to exemptions for members of the armed forces. The difference between the two bills is that the Ruml plan forgives or abates, while the Doughton bill provides for payment.

The Carlson bill is a modified Ruml plan. Antiwindfalls are provided for in the Carlson bill.

It is urged that inasmuch as 1942 taxes will be paid at all events, there is no forgiveness.

The statement will not bear analysis. A person with a salary of $10,000 pays an estimated tax of $2,000 on his 1942 income. If his income is the same in December 1943, then his tax is applied to his 1943 income, and if he dies in 1943 his estate is $2,000 better off. If his income tax for 1942, even with the antiwindfall provisions, amount to $1,000,000, the taxpayer, under the Carlson bill, will be better off by hundreds of thousands of dollars. War profiteers will thus be promoted. It is immaterial whether the taxpayers or their estates get the benefit. There are those who say that abatement is not forgiveness; that abatement is not cancelation. They urge the abatement of taxes for 1942. Heretofore all taxpayers have been treated alike. The Carlson Bill discriminates. If it be sound to remit 1942 taxes for incomes of $20,000 and less, it is equally sound to remit those whose incomes exceed $20,000, and yet the Carlson-Ruml plan makes such taxpayers, in the antiwindfall provisions, pay an additional tax to the one year's taxes that he will pay in 1943. I invoke, therefore, the Carlson proposal as one of the best answers to the Ruml forgiveness proposal. The fact that any taxpayer is required to pay in excess of 1 year's taxes is proof that there is a remission or forgiveness of taxes.

LOSS OF REVENUE

Congress should be considering the revenue bill of 1943. We have taxed individuals to the limit. A sales tax is inevitable. The members of the armed forces have not asked for the exemptions. The pending bill is not only a provision for collecting taxes, but the Doughton bill and the Carlson bill both contemplate a reduction of existing income taxes from all the members of the armed forces. Nothing is too good for a soldier. Many of those in the Army and Navy and the Air Corps are on the home front. The compensation of officers and men has been increased. Personally I think they are willing to pay their income taxes. Yet the pending bill provides for a reduction, as I am advised, and as I have stated, by exemptions in favor of the men in the armed forces of around two hundred fifty millions of dollars. Nothing, I repeat, is too good for the men fighting and dying for their country. Congress has provided for the delay in the filing of income taxes by the men in the armed forces. I favor any adequate and sound provision for their accommodation.

SOMETHING FOR NOTHING

The Ruml plan is a streamlined edition of the Townsend plan. The Townsend plan was intended to help those who have not. The Ruml plan will help those who have. In both cases it is something for nothing. No amount of specious argument or sleight-of-hand arithmetic can disguise the fact that the Ruml plan cancels 1942 income taxes. It would be worse than tragic, when the income, including salaries and wages in 1942, is the highest in history. It is always fundamental that it is sound to levy heavier taxes when earnings are heavy. The Ruml plan reverses the reasoning of the ages. It cancels taxes when incomes are largest.

If 1942 income taxes are canceled, the money will have to be raised some other way. It will hurt more in the long run than it would help.

Many who made big wages in 1942 will not make any money in 1943.

It is incomprehensible to me that one man will be drafted into the armed service and that another will be left to work at a good wage or a high salary and then be freed from his taxes. If Ruml had proposed that R. H. Macy & Co. forgive all of their debtors in 1942, provided that they would pay for their purchases in 1943, what would Macy & Co. have done with or to Ruml?

There is nothing new about this specious reasoning of the Ruml plan. As I have indicated it linked some of the good with much of the bad, but the good and the bad are not the same thing. The proposal to pay as you go is sound where it is applicable. As I have stated, it applies to wages and salaries. It applies to a sales tax, but it does not apply to ordinary taxes due the State, county, or the municipality. It has never applied to Federal income taxes for the self-employed. It does not apply to a State income tax. Something has been said about Canada. The national income of Canada is probably one-twentieth of the United States. Conditions are different there. The fact that no state and no government has ever undertaken to apply the so-called Ruml plan should at least cause Congress to stop, look, and listen before adopting any such specious program at a time when revenue is needed as never before. When the people discover that the profiteers and those who have profited as a result of the war are having their 1942 taxes abated, or are having their estates increased by the cancelation of $10,000,000,000 due the Government, it will be a sad day for the Members of Congress for voting for such a proposal. Moreover the people know that a pay-as-you-go plan does not require forgiveness or abatement.

IRRELEVANT ISSUE

The real issue is often obscured by an irrelevant one. It is said that the Treasury will receive the same amount of money, but the argument is entirely irrelevant. Taxes may be raised or lowered after the war. They should be lowered. The real issue is between the taxpayers. If the taxpayers of 1942 are forgiven, the taxpayers of a later year will have to pay. Many boys and many men are receiving generous pay in war industries. Many women are working in munitions plants. When peace is resumed many thousands who had taxable incomes in 1942 may have no incomes at all. If they have no incomes, they will pay no taxes. Again, the spendings, when there are no incomes, are small. But when the incomes are high spendings are large. If the taxes of 1942 are abated, unbridled inflation will confront the country. The price-control program will be in danger. Most of all, the so-called Ruml plan involves injustice to young men in the armed forces. They do not object to paying a share of the war debt after the war is won, but they have a right to claim that they should not have to pay the part that the taxpayers of 1942 should have paid. It will be hard to explain to them why they should help pay taxes of those who stayed at home and made good incomes in 1942, while they were risking their lives in foreign lands. We have heard much about Great Britain and Canada. As I have indicated, the budget of Canada is probably one-twentieth of the war budget of the United States, but let this be said for Great Britain: In 1942 she paid 42 percent of her current war budget out of taxes, as compared with 38 percent in 1941 and 36 percent in 1940. Great Britain is increasing taxes to pay the costs of war while the United States, even if we do not forgive or remit or abate, will be only paying 30 percent of the estimated Budget for 1943.

Individuals have been taxed to the limit. America's taxes per capita are higher than those of Canada or Great Britain. Individual incomes should not be further increased. The remedy is to tax those who are receiving the benefits of war wages and war salaries. A manufacturers' sales tax is inevitable. It applies to all alike, and will be paid by all taxpayers.

CONCLUSION

I conclude as I began. The Ruml plan is fantastic during war. It is wishful thinking. As has been said, the plan reminds one of a child crying for a stick of candy while its home is burning down.

Millions of dollars were borrowed to pay 1942 taxes. The borrowing would not be eliminated by passing either the Doughton or the Carlson bill. They were used to pay taxes in 1943. Men have been improvident from the beginning. Others have been unfortunate. Borrowing and lending is the difference between success and failure. Those who cite borrowings to pay 1942 taxes are grabbing at straws. Some may save and find it more profitable to borrow. Others may invest and find it more profitable to borrow.

It is a sorry spectacle for those who have heretofore urged that the citizens support and maintain the Government to turn about face and in the hour of our country's greatest need and greatest peril, and it is worse than a sorry spectacle for those who have heretofore denounced a humanitarian government for feeding the hungry and providing employment for those who were unable to obtain work in the depths of the depression, when taxes are needed as never before, when the deficits are mounting by the millions daily, now to ask the Government to cancel taxes.

If taxpayers ask for forgiveness now, what will they ask for when pay day for the costs of the war in the years to come confronts the country? If taxpayers are unable to pay in the hour of their greatest prosperity, what will they demand in the hour of their adversity? If they ask to be released from the payment of their taxes, they might well ask to be released from the payment of their bonds. If individuals are forgiven, corporations will demand forgiveness. Unbridled inflation would result. The Ruml plan is not only a disservice, but it undermines the security of the Public Treasury.

It is estimated that individual income taxes for 1943 will amount to $10,000,000,000. The acts of 1942 and 1941 broadened the base and increased the number of income taxpayers from 4,000,000 to around 44,000,000. The rates previously existing materially increased.

As I have said, there is a sentiment that the Ruml plan involves the forgiveness of taxes in 1943. Many people have been led to believe that this means they would not pay 1942 income taxes. There will be a rude awakening, for the people now understand that they are expected to pay 1942 income taxes to be applied on their 1943 income taxes. As the truth becomes known the people will be reconciled to pay their taxes. If the Carlson bill, as a modified Ruml plan, is passed and the people ascertain that they have got to pay taxes in 1943 just as they would if the bill had not passed, it will be unfortunate for the Members of Congress voting for the bill.

The Ruml plan is deceptive. It has been properly said it is a hoax during war. It is streamlining something for nothing. The American people are fair and when they understand the Ruml plan they will repudiate the proposal. When the people understand that in every State in the Union, and since 1913, in the United States, citizens pay income taxes on the income for the previous year, they will repudiate the Ruml plan.

It is asserted that the antiwindfall provisions of the Carlson bill will prevent the escape of war profiteers and war contractors. The income taxes are largely derived from returns on incomes above $20,000. It has been estimated that there will be a recovery of only $60,000,000 under the antiwindfall provisions of the Carlson bill, whereas the total individual income taxes for 1942 are estimated at $10,000,000,000.

It is urged that under the Carlson bill all taxpayers will be current. I challenge the statement. Under the terms of the bill, taxpayers may pay the tax as shown by their 1942 reports, or they may file tentative income reports. If any payment or report has been made for the 1942 income, a tentative return for 1943 can be subsequently filed. There is nothing in the bill to require the payment of the tentative taxes before December 31. Now taxes are required to be paid on March 15. There is but little difference between December 31 and March 15. Those who file tentative returns are not under the pay-as-you-go plan. They are not current. Pay as you go is not applicable to a farmer, to a small businessman, or to the self-employed generally. Tentative returns will be filed. Pay-as-you-go is only applicable, as I stated in the beginning, generally to those receiving wages and salaries and to sales taxes. I repeat, therefore, that the argument that the Carlson bill provides for current income-tax payment is specious. Tentative returns may be filed. There is nothing mandatory about their being filed by a given date.

There is a fallacy about income taxes being made current. The pay-as-you-go contemplates that there shall be no fluctuation; that there shall be no crop failure; that there shall be no business failures. Again the antiwindfall provisions of the Carlson bill, insignificant as they are, violate the principles of ability to pay.

Some have borrowed to pay income taxes. There will always be borrowers and there will always be lenders. But there are those who have saved. Bank deposits in 1943 were $67,000,000,000, whereas in 1940 they were only $3,000,000,000. In 1943 investments in Government bonds were $23,000,000,000, whereas the investments in 1940 were only $700,000,000. Who said that the American people do not have the money with which to pay their taxes? Who has asked for a hand-out? Who has demanded an abatement? What becomes of the savings for taxes if the taxes are abated? To ask the question is to answer it. The savings reserved for taxation will be released for spending. Spending will promote inflation. With the experiences following previous wars, unbridled inflation is being dreaded as a plague.

The best service that the Congress of the United States can render to the American people is to repudiate the specious, fantastic plan proposed by Beardsley Ruml, and thereby proclaim to the people of the United States that we cannot have our revenues and abate our taxes, and proclaim again that there is no such thing as something for nothing. The repudiation of the specious plan—utterly inapplicable at this time and during war—would promote courage and sacrifice among the people.

It has been said that inasmuch as there has been an agitation for forgiveness that taxes should be lowered; that taxes should be reduced; that we might adopt the 1941 schedule instead of the 1942 schedule of income-tax payments. If we reduce taxes when the Commander in Chief of our Army and Navy, the President of the United States, has insisted that there shall be an additional $16,000,000,000, if taxes are lowered at the very climax and peak of employment and prosperity, if taxes are lowered when the highest national income in history in 1942 is to be followed by a national income of $25,000,000,000 more in 1943, Congress will not be in position to withstand pleas for lower taxes in the days to come. Lower taxes cannot be granted when it is impossible to escape higher taxes. One thing more—the adoption of the fallacious skip-a-year Ruml-Carlson plan will deter the war effort. The lads in the far-flung battle fronts are sacrificing their all. Our Nation is in peril. The Congress of the United States is on trial. It is time for clear thinking and high resolutions. We cannot—we must not—substitute economic gain for the economic sacrifice that is essential to win the war. Taxes hurt and they mean sacrifice; without tears and taxes America cannot win. There can be no victory without sacrifice.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. KNUTSON. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, as this debate proceeds, I become more and more mystified. I used to think I knew something about human nature—not Congress. Today we heard one of the most sweeping indictments of the Carlson bill by one—well, I suppose I cannot tell how he voted in executive session—but I will say there was very little difference between his position in committee and the Carlson plan. Now we have just heard another Member open up his heart of hearts. Just what kind of an organ that is I do not know.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. KNUTSON. Mr. Chairman, I yield myself another minute.

The gentleman from Mississippi is very much concerned over the fact that we are going to move the clock ahead without depriving the Federal Treasury of any money. But I have not heard of that gentleman returning to the Federal Treasury any of his soil-conservation checks, some of which ran as high as $15,000, for not producing. If I were so concerned over the boys in the fox holes of Bataan and in the gullies of North Africa, I would tell the Government, "Keep your checks; I am going to produce the maximum that my farms are capable of."

I think that the country would respect the Congress much more if we were more consistent and if we were more honest when our own welfare is concerned. For one, I am getting tired of all this demagoguery, and that is all it is.

Mr. ALLEN of Louisiana. Will the gentleman yield for a question?

Mr. KNUTSON. No. I do not want any more exhibitions.

The CHAIRMAN. The time of the gentleman from Minnesota has again expired.

Mr. KNUTSON. Mr. Chairman, I yield to the gentleman from New York [Mr. REED].

Mr. REED of New York. Mr. Chairman, I am sure that all Members of the House have, by this time, familiarized themselves with the proposals now before us. The majority report on the bill has been before us since a week ago last Saturday; the minority report since last Tuesday morning. Both deal with a method of collection of the income tax written into the law by the Revenue Act of 1942.

The alleged purpose of the Doughton bill is stated in its heading "To provide a method for the payment currently of individual income taxes, and for other purposes."

The purpose of the Carlson bill as stated in its heading is "To provide for the payment currently of individual income taxes, and for other purposes." It is stated in the enacting clauses that the Doughton bill may be cited as the Individual Income Tax Collection Act of 1943; the Carlson bill as the Current Payment of Individual Income Tax, 1943.

Though the wording is similar the difference therein is symbolic—the Doughton bill is a collection act merely. It does not carry out its stated purpose to provide a method of payment currently except for a fortunate few, and for those few the payment is out of savings and not out of current income. The Carlson bill not only purports to, but does, provide for the payment currently of income tax and is in truth a current payment-of-individual income-tax bill.

But aside from this symbolism, it must be noted that the true purpose of the two proposals and of all proposals which may be submitted on this floor are twofold; namely, to provide (1) for the current payment of income tax; and (2) to provide for collection at the source as far as possible. Both provide for collection at the source in practically the same manner, but the Doughton bill fails as to its first and most important purpose, while the Carlson bill achieves its purpose—the payment currently of the individual income tax.

While the two have been explained in the reports and by other Members, let me summarize in a few words how the two bills seek to accomplish their purpose.

First. While the Doughton bill sets up collection at the source in the case of income from salaries and wages beginning July 1, 1943, it provides that payments shall be credited to a bookkeeping charge for the year 1942, or on the previous year's income. Under it a taxpayer can become current only after completing payment of the bookkeeping debt on 1942 income and making additional payment of the income-tax liability as to 1943—in other words, by doubling up his payments.

Second. The Carlson bill sets up a similar method of collection at source beginning July 1, 1943. It provides, however, that payments in 1943 shall be credited to 1943 liability, and the taxpayer is out of debt. It contains two so-called windfall provisions to insure that taxpayers shall not pay less than their fair share of the tax burden.

In short, the Doughton bill would require all taxpayers to pay more than the burden imposed under the existing law, or 2 years in one, if they desire to become current in 1 year; while the Carlson bill follows the fundamental principle of our income tax, the ability-to-pay doctrine, by providing that taxpayers need only pay the amount the existing law imposes, measuring that amount by the income of the current year, in order to become current, thus guaranteeing not only that the amount of the liability, but the method of paying that liability, shall be on the basis of the capacity of the taxpayer.

ABILITY-TO-PAY DOCTRINE

One of our early mentors of income tax, Mr. Joseph S. McCoy, honored Actuary of the Treasury Department under a Democratic administration and under a Republican administration, liked to say that the real origin of the ability-to-pay doctrine, long acknowledged by all to be the basis upon which our income tax is founded, was in the tithing principle of the Scriptures: That the citizen should contribute according to the way he had prospered. Of course, tithing is contributing a tenth, but that was long before the high rates of the New Deal. While the ability-to-pay doctrine is sound and universally accepted, great sins have been committed in its name; and today we have a majority bill proposing, first, that the acute needs of the Government and of the taxpayer require that the income tax be placed on a current basis, but at the same time the method offered the taxpayer to become current has no relation to his ability. The fortunate few who may become current under this method must do so by paying out of savings, and not out of the current year's income.

NEED FOR BECOMING CURRENT

The reason the problem has become so acute is, of course, in the high rates now imposed, and to be imposed if we are to raise the enormous sums out of incomes we are called upon to raise. When the rates were low the problem was not great; but today 44,000,000 people are becoming more and more tax-conscious. The ability of the taxpayer to meet this ever-increasing burden depends not only on the amount of the burden but the way he is called upon to pay it.

Everyone recognizes the need for collection at the source, as far as possible. The House bill tried to institute such a system last year. The Senate turned it down and provided for some withholding in connection with the new Victory tax, but none for the purpose of the regular income tax, and the House accepted the change. The need has become so great that every proposal here will attempt to provide such collection for the purpose of the regular income tax.

The second need, which is universally recognized, is for paying this year's tax out of this year's income.

The imperative need for this has likewise been recognized on all sides.

First, by the Treasury.

Second, the need for it is recognized by the committee; the Doughton bill itself states as its purpose a method for the payment of taxes currently.

And, third, the whole country has recognized this need. Taxpayers are willing and anxious to carry whatever tax load is necessary to win this war, but they demand that a sensible system of payment be provided.

If it is recognized that payment of this year's tax out of this year's income is necessary, as the Treasury and the majority admit, the question becomes simple: If the taxpayer is asked to pay this year's tax bill out of this year's income, how shall he in the same year pay off last year's tax, which is now a charge on the books against him?

From the beginning of our income tax except for a brief period, the tax on the income of one year has been paid in the year following. This presented no problem when the tax rates were low. Even in the first World War it did not become a problem.

The very high rates of that war first became effective on income of the year 1918. The war was over in November 1918, and by the time the tax was due the taxpayer was in a better position to pay it. Also, some form of tax reduction took place in 1921, 1924, 1926, and 1928.

Now rates have gone so high, and disadvantages of paying tax on last year's income have become so acute, both for the Government and the taxpayer, that a solution must be found.

Moreover, it will become more and more acute as rates may be increased. No one knows what burdens we may have to impose before this war is over.

PAY-AS-WE-EARN SYSTEM

This means we would pay our tax of this year out of this year's income. We would owe no tax debt on last year's income. And it will enable us to enact a real system of collection at the source.

ADVANTAGES TO THE TAXPAYER BY PAYING AS WE GO

First. The taxpayer will owe no tax debt when he ceases to have income by reason of lack of employment, disability, or retirement. The plague of tax debt will no longer haunt the taxpayer where he has had a long illness, loses his job, or when he reaches the retirement age.

Second. There will be no tax debt for the widow to pay out of savings left for her support.

Third. Whatever his income, the taxpayer would always be current.

Fourth. The taxpayer, by paying his tax as his income is earned, will never accumulate tax debt.

TRANSITION TO PAY-AS-YOU-GO SYSTEM

If we were enacting our first income tax there would be no transition problem. We could simply start paying tax out of current income of this year's tax liability on a collection-at-source basis; at the end of the year we would be current, and we could keep current.

But since we have been paying this year our last year's tax bill, then in order to get on a pay-as-you-go basis we would have to pay the tax bill of last year plus the tax bill of this year out of this year's income. This would double the tax burden. No one can stand that. In the case of some taxpayers it would mean they would take all, and in some cases almost double, all the income they have in the current year to pay 2 years' bills in 1 year. But no one can afford to pay 2 years' taxes in one at the present high rates. That would be doubling the tax burden, when the object of this bill is not to increase the burden imposed by existing law but simply to provide a system of payment. To impose any such additional burden on taxpayers in the system of collection is preposterous. No longer would the tax be imposed according to the ability-to-pay principle; and the way the tax is to be paid has just as important a relation to the taxpayer's ability to pay as the total tax which he is required to contribute.

NO TRANSITION PROBLEM UNDER THE CARLSON BILL

Under the Carlson bill there is no complicated transition problem. Taxpayers will be paying current-year liability as income is earned. They will be current. The amount of the payment and the method of payment is consistent with the principle of the ability of the taxpayer to pay. All other proposals than the Carlson bill deal with 2 years, complicate the system with discounts or deferment, including doubling up of tax payments, and otherwise complicate the tax system.

THE ARGUMENT FOR SIMPLICITY

In order to be successfully enforced the income tax must be kept as simple as possible. It is widely conceded that in the case of the oldest income-tax country in the world, Great Britain, the wide acceptance and cooperation of taxpayers results from the confidence of the taxpayer that he is being fairly treated and his understanding of the tax. Under the Doughton bill and the other plans the problem of the taxpayer is made more difficult. The Carlson bill provides a simple, straightforward, honest system which will enable taxpayers to know exactly what their tax payment must be, which will be easier to administer, and will gain the cooperation and understanding of the taxpayer.

The Doughton or committee bill, if enacted into law, would be a monstrous fraud upon the low income-tax group. Two years' taxes in one, under the committee bill, would crush the small income-tax payer, but quite as bad would be the lifetime bonus granted to the well-to-do under the discount provisions of the committee bill. I cannot conceive how the majority members of the Ways and Means Committee could think of granting such a bonus to those abundantly able to pay 2 years' taxes in 1, but even more astounding is to have the majority members bring in a bill that would make millions of people the victims of the loan sharks. This is a poor way to build up the morale of the American people. The committee bill, as it now stands, would take a large segment of fine, loyal people and drive them like beasts to slaughter on the home front. To perpetrate such a cruel fraud upon the low-income group is, to say the least, unworthy of those responsible for such a proposal as we find in the committee bill now under consideration. The bonus to the rich only emphasizes the extent of the discrimination between those in the low-income brackets and the favorable treatment of the rich in the high-income brackets. The affront to the American people becomes greater when there is such a unanimity upon the part of the public in favor of a current pay-as-you-go plan, such as is embodied in the Carlson bill.

Mr. KNUTSON. Mr. Chairman, I yield 10 minutes to the gentleman from Missouri [Mr. BELL].

Mr. BELL. Mr. Chairman, I rise at this time to speak against the bill brought in by the Ways and Means Committee. I have great admiration for the chairman of the Ways and Means Committee. I have known him throughout the years of my service in this body as a man of great ability and unquestioned integrity. My admiration for the majority members on that committee ordinarily would strongly predispose me to vote in favor of the bill brought in with the support of those gentlemen. I have voted for every bill that that committee has brought in until this time. I voted for every bill to raise money to conduct this war. I voted for every bill to prevent the making of war millionaires. I voted for the bill which levied a 90-percent tax against the corporations of this country for their war earnings. I am opposed to the making of war millionaires. On the other hand, the bill brought in by the Ways and Means Committee—and I have given it careful thought and study, as I know everyone of you have—in my humble opinion is perhaps the most dangerous bill to the future of our country that has come before this body in all the years I have been a Member of Congress. That bill provides a new method of collecting our taxes. It has been the custom of the American people of recent years to pay the taxes of last year out of the revenues of the current year. That is true down to the present time. Over 7,000,000 people paid their 1941 taxes out of 1942 revenue. Somewhere between ten and twenty million people will pay their 1942 taxes out of 1943 revenue. The bill as brought in gives a man the right and privilege to pay 2 years' taxes in 1 if he can.

But now he must start paying currently, month by month, and the money will be taken out at the source. This at least is true for those people who are working upon salaries. It does not hit the man who has a vast income and who has resources. He, of course, can pay his 2 years' taxes in 1 and forget it; but for the man who cannot do that, and there are millions of our American citizens under these higher rates of taxation and under the burdens some of them have of supporting families, and that some of them have in paying necessary expenses of mere living in these days, there will be from ten to twenty million people who will be unable to pay 2 years' taxes in 1 and that means that from year to year from now on millions of people will be a year behind in their taxes with a year's taxes hanging over their heads like the sword of Damocles; but, you say, those taxes are just a year's taxes. That is true, they are just a year's taxes. The rich man may have half a million and the poor man $500, but the $500 that rests as a lien against the little home of the poor man is just as much for him as the half million is against the home of the rich man. The result will be that when these war years are over many people will find themselves unable to pay last year's taxes. Out in my community we have people who for the first time in their lives are making large incomes, people who normally had small earning capacity, people who never made more than $500 or $1,000 are now making three, four, and five thousand dollars. Sooner or later we are going to win this war; there is no question about that, because every American is spending every ounce of energy of body and mind to help win it, and we are going to win it. When this war is over certainly we shall find 30,000,000 men and women of our country leaving these wartime factories and trying to get jobs in peacetime industries. We hope every one of them will quickly be transferred to peacetime industry and will go on at a fair wage; but we do know that they are not going to continue to receive the high incomes that millions of them are getting today. This means that the homes of America will have liens upon them by the millions. In almost every State in the Union there are certain laws of exemption.

Mr. DISNEY. Mr. Chairman, will the gentleman yield at that point?

Mr. BELL. I yield to my friend from Oklahoma.

Mr. DISNEY. Does the gentleman think that the Congress is going to sit here idly and not attend to that situation if these deplorable things the gentleman suggests occur?

Mr. BELL. I have that in mind and I will discuss it in just a moment.

Mr. Chairman, I ask that I be not interrupted again because my time is getting short.

Before I get to that point, let me say that the laws of practically all of our States, the humane laws of our States, provide certain exemptions to the little home or the little farm against the exactions of private creditors; but there is no statute of exemption against the tax laws of the United States. Never in all the history of our country have you seen a law of that sort; so this tax lien that you are about to fix upon the homes of the little people of America will descend upon them with no humane law

to protect them. When this war is over, we shall find that that situation exists.

I now get to the question raised by my good friend, the gentleman from Oklahoma. Let us assume that Congress would like at that time to do something. We realize that no act of Congress is going to be necessary to permit the bureaucrats or whoever happens to be in power at that time from taking over the homes of this country by foreclosures for taxes. It is not necessary for a Congress to pass an act to do that. If you, as a private individual, have a mortgage against a home in this country, you can foreclose that mortgage, but you have got to go into court first and you have got to establish your lien and you have got to allow certain waiting periods and all that; your mortgage can wait, but the taxes of the United States do not wait. There are just two things certain within the history and experience of mankind: One is death; the other is taxes.

Mr. CAMP. Mr. Chairman, will the gentleman yield at that point?

Mr. BELL. I decline to yield.

Mr. Chairman, this thing reaches way down, deep into our roots as a country and into our civilization.

The whole fabric of our Anglo-Saxon civilization has been centered about the hearthstones of our people. The right of a man to labor with his hands or with his brain and to buy a little plot of ground and to build thereon a home which should be his against the claims of all the world, has been recognized for centuries as one of the corner stones of our liberty.

In the sixteenth century, that great British jurist, Sir Edward Coke, in his ruling in the Semayne case, said:

> The house of everyone is to him as his castle and fortress, as well for his defense against injury and violence as for his repose.

More than a century later, near the time of our American Revolution, the great William Pitt, in a speech in Parliament when he was debating the excise bill, used the following words:

> The poorest man may in his cottage bid defiance to all the forces of the Crown. It may be frail; its roof may shake; the wind may blow through it; the storms may enter, the rain may enter, but the King of England cannot enter; all his forces dare not cross the threshold of the ruined tenement.

From the very beginning of our Republic, the home has been the thing around which our civilization has centered.

The CHAIRMAN. The time of the gentleman has expired.

Mr. KNUTSON. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. BELL. Mr. Chairman, the home has been the place upon which has been erected the shrine of our liberties. When our forefathers came to the unfriendly shores of the American Continent, they first built homes, then churches, then schools. And upon that sort of a foundation we have grown in little more than a century and a half from a little fringe of colonies along the Atlantic seaboard to the greatest Nation upon the face of the earth today, a nation with the highest standards of living, a nation with the freest people, protected by the most just and freest laws of any country that has ever existed since the beginning of time.

Mr. Chairman, I wonder how you, my friends here, are going to feel when your constituents back home, those of you who vote for the committee bill, find out that you have placed a lien upon the millions of homes in this country, a lien that could be avoided without sacrificing one dollar of taxes, and without sacrificing one gun, plane, or tank. I want to say that again and again in the years that have gone by you have heard distinguished Members of this House come into the well of the House and say to you that here in America are men well organized and determined who would like to see our democratic form of government done away with, they would like to see this free democracy abolished, and they would like to set up in its place the hated and filthy doctrines of Godless communism. In a communistic state the government owns everything. The first step toward communism is government ownership, and I do not need to tell that to any in my presence today. You know that. Mind you, when this war is over and the time comes to foreclose these millions of homes, it will not take an act of Congress to do it. The law will already be on the books. All it needs is to have some moving hand of a burcaucrat who may at that time be in the Treasury Department do the necessary and say, "We want your property." I do not know of any other one thing that would so quickly turn loose the hateful and fifthy forces of communism upon this great country of ours than to put ourselves in the position where that sort of thing might happen. God grant that it may never happen. Of course, there will be gentlemen who may say, "Congress will not permit it. Congress will get together and pass laws to prevent it," but, Mr. Chairman, when you are dealing with the very destinies of this country that we all love, why take those chances?

My friends, I wonder what your constituents back home are going to say when they find out that you have voted for a bill which leaves them but two horns of the dilemma, either, on the one hand, to be sufficiently well off to pay 2 years taxes in 1, or, on the other hand, to have the threat of a great tax lien hanging over their homes.

I wonder if your constituents back home are going to appreciate it when they know you have played fast and loose with the most precious things that they love and cherish? It has been said there are some politics in this bill. You all know me. You know where I stand. You Republicans know I am a Democrat from the bottom of my feet to the crown of my head. My ancestors for generations have been Democrats, ever since there was a Democratic Party. This tax bill has nothing to do with the Democratic Party or the Republican Party. It has to do with the fate of this country that we love. It goes too deep for party politics, it goes too deep for partisanship, it goes too deep for petty little things.

It is not easy for me to come up here and make this speech today. The easy thing for me to do would be to go along with a majority of the Ways and Means Committee. Nothing but the deepest conviction that I would be voting against the interests of those little folks in Missouri, and those little folks from coast to coast of this country, has prompted me to get up and speak against the bill brought in by this distinguished committee whose members I love.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DOUGHTON. I yield 30 minutes to the gentleman from Oklahoma [Mr. DISNEY].

Mr. DISNEY. Mr. Chairman, judging from the remarks of my esteemed friend from Missouri, I think that this has resolved itself in his mind into a question of Who killed cock robin? This is a fair sample of the material that has been hurled at the committee's bill regularly for 3 days. With no serious real argument against the bill, truck like that comes forth. I do not want to be too sarcastic about my friend from Missouri, but he fell into the bottom of the well. Somebody has got to drag him out.

He shed a lot of tears about the lien upon the homesteads of the poor people down in Missouri, and I would shed tears with him if he were not mistaken in what he said. But he is entirely incorrect. He is not so devoid of legal information as not to know that the State exemptions on homesteads by the conformity laws follow right into the administration of the Federal laws. He should know that.

Mr. BELL. The gentleman knows there is no State exemption even against State taxes.

Mr. DISNEY. Ask Mr. Stam, counsel for the committee. That is the error you have fallen into.

Mr. BELL. The gentleman is a great lawyer.

Mr. DISNEY. Just trying hard to be right.

Mr. BELL. Do you not know that the laws of your own State do not protect your citizens against a lien for taxes?

Mr. DISNEY. Does not the gentleman know, as a lawyer—if he does not, he ought to—that State exemptions follow under the conformity laws right through in the administration of the Federal laws? So all these tears you shed are wasted. They are characteristic of the criticisms that have been hurled at us for several days.

Mr. MICHENER. If the gentleman made a mistake, will he yield?

Mr. DISNEY. Yes; I yield to the gentleman.

Mr. MICHENER. Has the gentleman read the decision within the last 3 months from the Supreme Court in the Bank of Detroit case?

Mr. DISNEY. No; I have not.

Mr. MICHENER. Wherein it is held clearly that the minute a tax is assessed,

even without notice anywhere, it becomes a lien on even the joint property and remains there indefinitely?

Mr. DISNEY. Does the gentleman mean to tell me or to imply to the other Members of this House that the State homestead exemptions do not follow through in the administration of the Federal law? All right, then. Let me make my speech.

So that is the kind and character of argument that has been produced here for the last 3 days against the committee bill, all of this haggling about the committee bill being a rich man's bill, when you know it is false. When you talk about forgiving $854,000 of a $1,000,000 income or $32,000 of a $100,000 income, you know that argument is a red herring dragged across the trail. When you suggest the committee bill is a rich man's bill, that is a red herring, a little crimson fish, as we said over the radio last night.

Mr. Chairman, I had a pretty good prepared speech to make to you, but I am afraid it would not enliven the procedure. I was amused just a little while ago when my friend, the gentleman from Louisiana [Mr. HÉBERT] was speaking. Last night we got pretty hot under the collar in the radio debate. I dared him to come in today and tell how many letters he had received from his district, which he says comprises about 400,000 people. You noticed how readily he wanted to answer. He told me privately he had received 300 or 400 letters. What is 300 or 400 letters? Does that mean the American people are for the bill?

That reminds me of the Congressman who had a dream about making a speech on income taxes in favor of the Ruml plan, and sure enough, he woke up and it was true.

About the American people being for this bill, I have a representative district, as my colleagues from Oklahoma can tell you. Here before you is a picture of it. It seems like a small matter to bring out a picture of one's district, but I think this will illustrate the situation to you. I think you do not want to walk off the end of the log. I know one good old Republican, the gentleman from Oklahoma [Mr. RIZLEY], sitting there. He is too smart to walk off the end of the log on this Ruml plan. I know how he feels. He has sense. He is not going to do it.

Here is a typical district, with 10 counties. Pawnee County is a Republican county which I always carry. I got two letters from that county against the Ruml plan and none for it.

Let me give you a summary, first, and describe the district. Here is Tulsa County, with two newspapers, each with over 80,000 subscribers. Tulsa has 175,000 people. The people down there are advised by those dailies, if from no other source.

Up here is Washington County, with a big daily paper at Bartlesville, a town of about 20,000 people. Over here is Pawhuska, with a daily paper. Over here is Nowata, with a daily paper; Ottawa, with a daily paper. Here is Craig, with a daily paper; and Mayes, with a daily paper; and Rogers, with a daily paper. There are just two counties in my district without a daily paper. It looks as if the folks down in my district ought to be pretty well informed about what is going on. There are 47 weekly papers in the district. They ought to know just about what is going on in America, as far as the First District of Oklahoma is concerned.

Now, talk about the American people being for this plan. How many letters do you think I have received from that rich district, that populous district, that district with mining in Ottawa County and oil in Tulsa, Washington, and Osage Counties, and all those agricultural interests? There are about 500,000 people in that district. By actual count, I got 51 letters from the whole district. The American people for the Ruml plan. Bosh.

Forty-six of those letters came from Tulsa County, 4 of them came from Washington County, and 1 from a mining county. There are some well-to-do men in these counties. Incidentally and in passing, only 3 men in my district are affected by the famous $25,000 limitation. There are poor men and rich men there, and both poor men like me and the rich men, too, can appreciate that we ought to maintain our form of government. Only 3 men in my district were affected.

Over here in Mayes County is a powder plant employing 15,000 men. Not a letter came from Mayes County. Some schemer, if there had been one in the du Pont Co., which is building the plant over here, could have gotten thousands of letters if they had been inspired, because if you say to people, "Do you want your taxes for 1942 forgiven without further explanation?" he will say, of course, "Yes."

Over here at Tulsa is an airplane factory run by the Douglas Co., employing about 15,000 people. There is not a letter from a farmer, not a letter from a laborer in my files. This forgiveness business produced just that little flimsy 51 letters from a district of nearly half a million people.

A fellow from Tulsa called me up a few days ago, a real old pal of mine. I have an affection for him such as I have for every Member of this House whom I know well, because the good qualities in you are so great that if the good qualities in me did not respond there would be something wrong, I think, because you do have those qualities, and I appreciate and love you.

I like this old boy. He has had quite a struggle in his lifetime. He was born the son of a rich father. The money got away somehow; you know how it is for these boys who are born with rich fathers. At one time he occupied a sort of a county officer position in one county. He is a lovable fellow. He has one boy who is the apple of his eye. All he has in this world is that boy, and there is no extent to which he will not go for him.

The other day he called me up about an incidental matter relating to something down in one of the departments, and when we got through with that he said, "I hope you vote for the Ruml plan, DISNEY." I said, "I should say not. Vote for that lousy, immoral thing? I will do nothing of the kind." He was a little bit taken aback. I was a little rough, maybe. We talk in ordinary street language to each other. He said, "Well, I hoped you would." I said, "Jim, have you suddenly become enamored of this idea of currency in tax payments?" He said, "Oh, forget it. You know I don't care a rap about currency in tax payments. I would just as leave not pay that 1942 tax if you fellows will vote forgiveness of it, if you know what I mean."

I said, "Jim, how much are your 1942 taxes?" He replied, "$253,000." I said to him, "That is a very big amount, but that does not mean a thing more to you than $2,152 taxes mean to me." I then asked him where his boy was, and he replied, "On a tanker in the North Atlantic." "Mine is in Africa," I added.

I then asked whether we would not look like a couple of cheaters if we were to forgive him the taxes of $253,000 and my taxes of $2,152. The line became a little silent then for a moment, and he said, "DISNEY, you are right. I will have a fine nest egg left after I pay the taxes anyway, and I guess you are right."

Mr. Chairman, the gentleman from Oregon [Mr. MOTT] in the last few days, several times asked those speaking in behalf of the bill what year's taxes would be forgiven. Before I go further in this prepared speech, which I think will weary you somewhat, I want to invite some gentleman on the Ruml side to ask me those questions again. My good friend the gentleman from Ohio [Mr. JENKINS] this morning castigated us about this New Deal idea, this New Deal committee bill. He did not seem to like it. He seems to be against the old New Deal, but certainly is in favor of this new, raw Ruml deal. It is pretty raw. Yes; these people down here in my district as I indicated, know what the ordinary rules of arithmetic mean. They still think that 2 times 2 is 4, and they do not understand this fantastic set-up. They still try to believe that 2 times 2 is 4.

Mr. DEWEY. Mr. Chairman, will the gentleman yield?

Mr. DISNEY. Yes.

Mr. DEWEY. I am awfully interested in that fellow who made a $264,000 profit in 1942, and thought that he was not going to pay any taxes.

Mr. DISNEY. Oh, he did not think that. He was not fool enough to think that. He is too smart a man.

Mr. DEWEY. I am still interested in the $264,000, and this man who is naive enough to think that he was going to pay no taxes, whether under the Ruml plan or any other plan.

Mr. DISNEY. He said he hoped that we would forgive him. He did not think that we would.

Mr. DEWEY. Did he know of any bill that was passed that would forgive him?

Mr. DISNEY. Oh, yes; he had heard of the Ruml bill.

Mr. DEWEY. What did he make in 1941?

Mr. DISNEY. I did not ask him. He was thinking about the $253,000.

Mr. DEWEY. And what would he make in 1943?

Mr. DISNEY. I do not know.

Mr. DEWEY. If he is only a one-tax-year man, he will pay for that income of 1942, as fixed in the new Ruml plan, as the gentleman knows.

Mr. DISNEY. I am very glad to have that information. It is the first time I ever heard about it.

Mr. DEWEY. I can assure the gentleman it is in section 2.

Mr. DISNEY. I will be very glad to read it.

Mr. JENKINS. The gentleman does not want to leave the impression that the man would escape the taxes under the Ruml plan.

Mr. DISNEY. There have been so many statements made about it, that if I am mistaken, the gentleman will surely forgive me.

Mr. JENKINS. I am very glad that the gentleman does acknowledge that there is a mistake about it.

Mr. DISNEY. I want to call your attention to the Carlson plan, and if what I say is not correct, I want you to correct it, and to give me your attention now, if you think that the Ruml plan has a Chinaman's chance of being passed by this House.

The language used by the Carlson bill to forgive the tax liability for 1942 is as follows:

SEC. 2 (a) Except as provided in subsection (b)—

The windfall provision for incomes over $20,000—

the liability of any individual for the tax imposed by chapter 1 of the Internal Revenue Code—

The income tax—

upon such individual for the taxable year beginning in 1942 is discharged, except that any payment made on or prior to June 15, 1943, on account of such liability shall be treated as a payment on account of the tentative tax for the taxable year beginning in 1943.

Those are the words that give away $10,000,000,000 of the choicest assets of our Government. Six-percent discount for future obligation in the committee's bill—100 percent discount for a debt already owing, and past due. I can demonstrate that they do much more than that. The 20-percent withholding, which is identical under both the Carlson bill and the committee bill, does not begin until July 1, 1943, and applies only to wages and salaries. Let us examine the case of the self-employed individual, the farmer, the banker, the merchant, the lumberman, or any other individual deriving income other than wages or salaries. He has, we will assume, already filed his return on March 15, 1943, for the year 1942 and paid one-fourth of the tax due. If the Carlson bill is enacted into law before June 15, 1943, no more is required of this individual until December 31, 1943. There is nothing in the Carlson bill requiring him to make any payment of tax on June 15, September 15, December 15, or at any time after the Carlson bill becomes law until December 31. Would our friends expect those individuals to voluntarily prepay this tax liability? They could do that under existing law, and are encouraged to do so under the committee bill by a special discount.

Thus, the 1942 liabilities are forgiven, and no tentative returns or payments of tax on account of 1943 liabilities are required until December 31. Where then is the $13,000,000,000 of revenue, which we have been lead to expect? The June 15, September 15, and December 15 payments will not be forthcoming on account of the 1942 liabilities, because that liability has been forgiven. They will not be forthcoming on account of 1943 liabilities because there is nothing in the Carlson bill requiring it.

Thus, the only individual income-tax revenue we can expect up until midnight December 31, 1943, is the payments that have already been made on March 15 on 1942 liabilities, and the amounts that will be withheld at the source on wages and salaries for the last 6 months of 1943.

Those are the words that give away—give away, I tell you—the $10,000,000,000 of the choicest assets of our Government, if I have read this bill correctly, and if I am wrong I am glad to be corrected. I cannot find anything from cover to cover of this monstrosity, 43 pages of which you hooked out of the committee bill, and put into your own 57-page bill. I do not find a word requiring him to pay anything until the last day of the year.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. DISNEY. Yes.

Mr. McCORMACK. It is a fact that the last Carlson plan forgives $9,340,000,000.

Mr. DISNEY. In round numbers $10,000,000,000. If I am mistaken about my reference to the Carlson bill I would like to be corrected. There will be an opportunity to do that under the 5-minute rule.

Mr. GEARHART. Mr. Chairman, will the gentleman yield?

Mr. DISNEY. Yes.

Mr. GEARHART. He does not have to pay on December 31. All he has to pay is 80 percent, and if he does not pay 80 percent, he suffers the discount of 6 percent on the difference between what he pays and the 80 percent.

Mr. DISNEY. That is correct.

Mr. GEARHART. And he does not have to make final return until the 15th of March following.

Mr. DISNEY. Now, let us move over to 1944 and see what will happen.

There is not a line in the Carlson bill requiring anyone to make a tentative return or to make any tax payment in 1944, or any future year, except for amounts withheld at the source on wages and salaries, which is provided also in the committee bill, until December 31 of that year.

Where is this much vaunted tax currency, which the Carlson bill is supposed to achieve? What will really happen is that by the last day of 1944 taxpayers will again be a year behind in their tax payments and will need another year's forgiveness in order to make them current.

Thus, all the Carlson bill has achieved in the case of the self-employed is to move the due date of his tax for any year forward by two and a half months. But, while the self-employed individual is allowed to retain his tax money until the last day of the taxable year, the salaried person and the wage earner has had 20 percent withheld from his pay check throughout the year, as his income was earned, and is given no discount or compensation whatever.

Perhaps this is for the special benefit of the farmers in Mr. CARLSON's district. I hope it is, because he tells me they are all climbing on his back for tax currency. They never heard of it before they heard of Ruml, but still they are for it. It is a new disease, the germ of which is "forgiveness propaganda."

Here is a substantial discrimination against the wage and salary earner and in favor of the self-employed.

The committee bill has been criticized for putting salary or wage earners who desire to become current on a 2- or 3-percent discount. This criticism is entirely unfounded, since the flat discount in his case is exactly equal to the graduated discount allowed in the case of prepayments by the self-employed. The Carlson bill, however, gives the wage and salary earners no discount, although the Government has their tax money months in advance of the payments required by the self-employed.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. DISNEY. Yes, I yield.

Mr. COOPER. I hope the gentleman will also point out, as he doubtless will before he finishes his very able address, that the Carlson bill leaves out any treatment of capital gains and leaves out any estate tax treatment, both of which Mr. Ruml said should be included.

Mr. DISNEY. Yes. The third edition, the morning edition of the Carlson bill has holes in it big enough to drive a hack through.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. DISNEY. Yes, I yield.

Mr. DONDERO. The great question before the country is whether or not taxpayers can become current. If the committee bill is adopted and the 20-percent withholding tax is enacted, is there anything in any bill before the House which will permit the taxpayer to become current without paying the 20-percent withholding tax and also paying the last half of the 1941 tax?

Mr. DISNEY. If he wants to do it, that is correct. We have the incentive situation in the committee bill and you have the forgiveness plan in the Ruml bill. We on the committee think it is sounder and better and more sensible to offer a discount feature, and the Ruml people think it is sounder and more sensible to give away $10,000,000,000.

Mr. DONDERO. I have not said that.

Mr. DISNEY. I beg your pardon. I mean the proponents of the Carlson bill.

Mr. DONDERO. I made a suggestion to your committee that perhaps a way to arrive at this would be to defer the

last half of the 1942 taxes over a period of years, permitted to be paid in installments, in order to permit the taxpayer to become current.

Mr. DISNEY. We worked on that. This is a sensible committee. This committee has sense. It sometimes differs, but the gentlemen on your side will tell you that we explored every pig tail of taxation, every proposal that came up. We did it earnestly and conscientiously, and in a nonpartisan manner, and when we finally got through we settled back and looked across the table at each other, and the majority said, "We just cannot go for this forgiveness." That is where we finally arrived.

Mr. COOPER. Will the gentleman yield further?

Mr. DISNEY. I yield.

Mr. COOPER. I think, on the point raised by the gentleman from Michigan [Mr. DONDERO], it can be said that at least under the committee bill that the last 6 months of 1942, which would be collected out of 1943, makes it possible for a year's deferment of that additional amount; at least that much.

Mr. DISNEY. I did not mean to cut the gentleman short. We went into everything we could work on.

Mr. CARLSON of Kansas. Will the gentleman yield?

Mr. DISNEY. I yield to the gentleman from Kansas.

Mr. CARLSON of Kansas. I am sure the gentleman did not want to leave the impression that my bill did not collect taxes. The facts are that my bill repeals no law that is in the internal revenue act now.

Mr. DISNEY. No; but you fell into the well on this bill. You forgive these taxes and there is nothing in your bill requiring them to be paid later on.

Mr. KNUTSON. If the gentleman will take page 11 and read it, he will find he is mistaken.

Mr. DISNEY. Now let us get to this under the 5-minute rule. I do not want to use all my time.

Mr. CARLSON of Kansas. Well, let us get this straight now as we go along. If my bill does not require them to pay taxes, it is the fault of the drafting service. It is the same language that is in your bill.

Mr. DISNEY. How is that? The same language—the Martin monstrosity bill?

Mr. CARLSON of Kansas. I do not know what bill that is.

Mr. ROBERTSON. Will the gentleman yield?

Mr. DISNEY. I yield.

Mr. ROBERTSON. Is it not true that if you are to get any taxpayers current, there are only two ways to do it? One is by doubling up. The gentleman from Michigan [Mr. DONDERO] mentioned that—doubling up of half of 1942; doubling up of $5,000,000,000; so that in certain brackets you get nearly all the income.

Mr. DISNEY. Now, let me touch on that just a minute. If we start doubling up in 5 years you would soon start running into incomes over $200,000, where you would have more income tax, Federal and State, than income. It would get worse as it gets higher. The same is true to some extent of a 10-year amortization. We worked seriously on amortization. You must give us some credit for exploring everything that could be explored.

Mr. ROBERTSON. Mr. Chairman, will the gentleman yield?

Mr. DISNEY. I yield.

Mr. ROBERTSON. We also explored the forgiveness of the basic liability which will make 90 percent of the taxpayers 100-percent current.

Mr. DISNEY. Yes; and we decided that that was worse than the Ruml bill.

Mr. ROBERTSON. I was not one of the "we."

Mr. DISNEY. No; no; that is all right. I think the Ruml plan stinks, but I think the Robertson plan stinks worse.

Mr. ROBERTSON. That may be the gentleman's opinion.

Mr. DISNEY. Mr. Chairman, I cannot yield further.

Mr. ROBERTSON. I just want to say that the plan I proposed is a pay-as-you-go plan.

Mr. DISNEY. It is a give-away plan.

Mr. CARLSON of Kansas. Mr. Chairman, will the gentleman yield?

Mr. DISNEY. No; I am going to talk about the Ruml plan a little bit.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DOUGHTON. Mr. Chairman, I yield 10 additional minutes to the gentleman from Oklahoma.

Mr. DISNEY. I have talked about this thing so seriously, and others have talked about it so seriously, that I want to indulge in something ridiculous, something humorous; I want to just show you the ridiculous side of this thing. This is so devilishly nonsensical, the idea of giving away $10,000,000,000. It is too foolish for words. I do not know how America has ever come to accept and think about such things that come drifting along the alleys and the wayside. Last year whoever heard anyone talking about this idea of tax currency. A professor out in Iowa suggested that it would be a good idea and the Treasury then thought it might be a good idea and has since until now—upon my soul. You would think everytime you threw a rock at a poodle pup it would start yelping "Currency! Currency! Currency!" It is deplorable that this nonsense ever got here.

In this picture in Collier's you see the main originator of the idea in a dress suit and a black tie making out his income-tax returns—and all the pencils in front of him are unsharpened, they have got erasers, for forgiveness purposes it is true, but they are not sharpened. Probably he used those unsharpened pencils in evolving the Ruml plan.

Mr. DEWEY rose.

Mr. DISNEY. I am not going to yield.

Mr. Chairman, I cannot yield until I get through discussing Mr. Ruml and his grandiose plan to throw away $10,000,000,000.

The CHAIRMAN. The gentleman refuses to yield.

Mr. DISNEY. Has Mr. Ruml advised his associates in the store business that they would be nothing out if they forgave all their accounts receivable, some $7,000,000? That they would still be on an even keel, under his theory, if they canceled out the lay-away plan entries and delivered the merchandise? Why not? There is this year's crop of money still coming in. The uncollected amounts should not be needed and think how such forgiveness would build morale among the store's customers. Why, they would be lifted to new heights of morale; they would overrun the store every day to express their gratitude—and to see whether the forgiveness would be repeated next year.

By further reference to the Collier's article we learn that Mr. Ruml is a man with big ideas. I agree. He is described as a man who is unconventional in many respects, including his attire. In his moments of relaxation in his New York home—shall we say, at the Ruml seat?—he greets his guests in a yellow dinner-jacket and midnight-blue trousers, while for less formal occasions, in the country, he wears pastels—orchid jacket and dove-pink trousers. As we have noted, he wears semiformal black when writing to the income-tax department with unsharpened pencils.

We are not informed as to which combination brought forth the tax forgiveness plan. Was it the pink panties, or the blue breeches? Or perhaps taupe trousers. Would a cerise coat and violet shorts have resulted in a plan to forgive every-other-year's taxes? What delicate shadings would have produced a repudiation of the national debt?

A final word concerning the putative father of this new thought movement, Mr. Ruml. Should his plan become the law of the land, I suggest that we go the full distance and establish the national forgiveness authority, with Mr. Ruml as maharajah, and with full power to legalize all forms of debt evasion. I know that we should soon witness some wholly unexpected results.

Now, Mr. Ruml—I have met him—he is just as friendly as can be and I personally like him. I told him that I did not think he would ever grow up. Read this Collier's article you who are demagoging for you will need it when you go back to your districts and your constituents begin to ask you about it. They may have it; they will read it. When he was faced with the question that this was just giving away $7,000,000,000—that is all he thought it would be at the time the article was written. "Why not?" said the man with the million-dollar mind: "Seven and a half billions is only about a month's Government expenses; it will never be missed."

Never be missed. Wait a minute; listen to me, please. He spent 10 years giving away money for the Laura Spelman Rockefeller Memorial. He knows how to give away money; he is an expert at giving away money; he spent 10 years at it. And then what do you suppose he did? He accepted a professor's chair at the University of Chicago, a Rockefeller institution, and became professor of thinking—he gave off ideas.

Mr. WOODRUM of Virginia. Mr. Chairman, will the gentleman yield for one little question?

Mr. DISNEY. I yield.

Mr. WOODRUM of Virginia. Speaking of giving away money, the gentleman also recalls, I hope, something about the mandate this Congress received to protect the Treasury.

Mr. DISNEY. Yes. Indeed the gentleman has always been on the job protecting the revenues.

Mr. DEWEY. Mr. Chairman, will the gentleman yield for just one question there? I want to ask just one question.

Mr. DISNEY. After a bit; I cannot yield further.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. DISNEY. I must decline to yield. I want to describe this man a little further, not to do Mr. Ruml any injury, but to show you how ridiculous you are in following this fellow in pink pants and coats of pastel shades. Here he is in Collier's. Every demagogue in your district can get a copy of that and use it on you; and do not believe that they will not. This is a Macy executive talking—Macy's. And do you know what Macy's said as to why they hired him?

We hired him for his breadth of vision—

Said that Macy executive—

we did not care whether he knew anything about being a treasurer or not; he stimulated us.

[Cries of "Hurrah!"]

Mr. DISNEY. Now, let me tell you, that "hurrah" will not help you any in your district. Just keep it up. Somebody will say that to you out in your audience in your district.

Do you want to know something further about Mr. Ruml? He is an adviser to the National Resources Planning Board—you new dealers on the Republican side. Here is his whole pedigree. Do you want it, the pedigree of this new companion of yours? He is adviser to the National Resources Planning Board; he is a director of the National Board of Economic Research; and he is a trustee of the Farm Foundation.

How do you like that? Now, here is the most important part: I am quoting from Collier's again:

Ruml cares mighty little for tradition in finance or anything else. Take his clothes: When guests come to dinner, he greets them in a yellow dinner jacket, midnight-blue trousers. "Why not," says Ruml, who is known among his friends as the Big Breeze.

It says so here in the book—in Collier's for March 6, 1943. Just imagine trying to get some farmer to vote for you. He will say: "Listen, Congressman, what made you take up with a fellow called the Big Breeze? If you want to find a big breeze, you ought to look up my wife's brother Claude. He's the biggest breeze I know. Regular whirlwind. But you can't trust him with money or anything like that."

This article continues:

He laughs his big bass laugh at quips about his bright plumage and casually mentions that in the country he wears pastels—an orchid corduroy jacket, dove-pink corduroy trousers.

If pastels brought forth the forgiveness of $10,000,000,000, I suppose if he got into maroon and violet shorts he would have evolved the expenseless liquidation of the public debt.

You see what kind of company you are getting into? I am not demagoging. I am just telling you what might happen back in your districts. I have something else here that I think is pretty good too.

Mr. CARLSON of Kansas. Will the gentleman yield if he is through with the magazine now?

Mr. DISNEY. This is not quite the stage. You all remember Robert Rich of Pennsylvania, who gave us some good advice when he was here. His constant cry was, "Where are you going to get the money?" And we all knew it was sound. However you voted, you knew that was sound. He is a man of means, he has a large income and it would profit him to have his 1942 taxes ignored, abated, skipped or forgiven. He has written me as follows, and I think this is good common sense:

The House and Senate in 1942 passed the tax bill in good faith that many Members in the House now want to forgive payment. The only reason I can figure that they wish to do that is because it will make it easier for the constituents and to gain favor. Certainly, it is not sound. It is not reasonable and it is not just to our country under present-day conditions to cancel the 1942 taxes that must eventually be paid by the American taxpayers. Congress is trying to shove everything off to future generations.

* * * * *

If I were still in Congress, I would vote to let the 1942 taxes be and get our current tax bill payments going as soon as possible. Each day the load will become heavier and heavier on the American taxpayer, and you will not lighten their burden by fooling the taxpayers into believing that they will have less taxes as days go on. As long as this war lasts they will have greater and more difficult burdens to bear, and you better get used to it, and that the quicker the better if this country is to survive. More power to you.

To me, this sounds like better judgment and wiser counsel than is given us by those who are urging this Ruml plan upon us.

That is sound sense.

Mr. KNUTSON. Will the gentleman yield?

Mr. DISNEY. I yield to the gentleman from Minnesota.

Mr. KNUTSON. Of course, the RECORD should show at this point that Mr. Rich is a very wealthy gentleman.

Mr. DISNEY. Yes. You forgive the rich under the Carlson bill just the same as the poor. He would be glad to be forgiven if you appeal to his selfish side, but there are some people in this country who are not thinking of their own selfishness all the time. Most of our people are patriotic and unselfish. We want to win the war. To me this sounds like better judgment and wiser counsel than is given us by those who are urging the Ruml plan.

Mr. COOPER. Will the gentleman yield?

Mr. DISNEY. I yield to the gentleman from Tennessee.

Mr. COOPER. Speaking about the passage of the 1942 revenue bill, it passed the House 395 yeas, 2 noes, and neither of those who voted "No" are with us now, the gentleman from Pennsylvania Mr. Moser, and the gentleman from Maine, Mr. Oliver, both of whom failed to be renominated by their parties.

Mr. DISNEY. I wonder if it would not be wise to go back and seek counsel from some of the original founders of this Government? Let us take a look at the Father of our Country, this portrait of him which stands in majesty by the Speaker's desk, and see if he looks like he would vote for such a fantastic scheme. Can you not imagine General Washington with his deportment, his mien with his conduct as a President and as a general, if he could be here today, putting his hand on the shoulder of each Member and saying, "Son, this is not sound."

The CHAIRMAN. The time of the gentleman has expired.

Mr. DOUGHTON. Mr. Chairman, I yield the gentleman 15 additional minutes.

Mr. DISNEY. Mr. Chairman, here is what Washington said and I know you want to hear this. It is sound and reasonable. In his Farewell Address Washington said:

As a very important source of strength and security, cherish public credit. One method of preserving it is to use it as sparingly as possible, avoiding occasions of expense * * *; avoiding likewise the accumulation of debt * * *. The execution of these maxims belong to your representatives, but it is necessary that public opinion should cooperate. To facilitate to them the performance of their duty it is essential that you should practically bear in mind that towards the payment of debts there must be revenue; that to have revenue there must be taxes; that no taxes can be devised which are not more or less inconvenient and unpleasant.

What sounder advice could we ask for but that given us by the Father of our Country? How does that compare with the easy money, get-rich-quick schemes that have been drifting past us in recent years? No; what he said is basic and will endure forever. Schemes like the Ruml plan will soon be gone and forgotten.

Mr. Chairman, I would like to go a little further. I do not want to get too serious on this matter. We have had two or three days of serious debate and I thought it might enliven the occasion a little bit not to try to discuss some of the matters too seriously, but to fall back on something that sounds a little nonsensical, as this Ruml bill is nonsensical and ridiculous. There is nothing that I could say that would be so ridiculous compared to the general idea of the Ruml plan being seriously entertained by the House of Representatives of America, this nefarious scheme to throw away, give away, hop-skip-and-jump away $10,000,000,000. Oh, you say you are not doing that. The gentleman from Oregon [Mr. MOTT], asked a question, "What year are you not paying taxes on?" Why, it is just as simple as 2 times 2 is 4.

In 1942 what taxes did you pay? You paid in 1942 on your 1941 income, and

then you jump over to 1943 and you pay your 1943 taxes on your 1943 income. What do you pay on the $10,000 you got in 1942 under your plan? Not a cent.

When the gentleman from Illinois [Mr. MASON] goes up to St. Peter with a sheaf of receipts, if he tries a trick like that on St. Peter, St. Peter is going to touch his pedal integument to Mr. MASON'S posterior extremity and chase him out, because that will not be true. He will have a tax receipt for every year, oh, yes. He will have a 1942 tax receipt for his 1941 taxes and a 1943 tax receipt for his 1943 taxes, under the Carlson bill, but not a sign of a tax receipt for his 1942 taxes.

This is a cheat, this is a steal, and you ought to have sense enough to know it.

Now, having had some discussion that is serious, let me call your attention to what you might encounter back in your districts.

Let us imagine some Congressman setting forth in 1944 to tell of the wonders of the Ruml plan, assuming that it has, the Lord forbid, been enacted into law. He calls at the cow lot of one who theretofore has been one of his sturdy supporters. The farmer is engaged at the moment in milking one of his contented cows. She is a docile beast, chewing her cud and reaching out languidly ever and anon with her tail to discourage a too-persistent fly.

The Congressman hunkers down beside the elector and begins his explanation of how the income taxpayers suddenly found themselves out of debt without paying anything. He rises to beauties of language hitherto unequaled even by him. There is lilt and cadence in his tones. The speech comes as smooth as sorghum out of a gallon jug. Not a speck or flaw in it. Unconsciously, the voter's hands beat out the time and the twin streams of milk tinkling against the side of the milk pail form a gay obbligato.

Suddenly the symphony ends. Old Bossy has landed a left hook and upset the whole bucket of milk on the ground and into the Congressman's face and the farmer's shoes.

Shall we reprove her? Shall the farmer belabor her with a neckyoke? No. She has merely adopted the Ruml plan. The pailful of milk is not lost and it will not be missed because, in the morning, she is due to give another three gallons.

Of course, this is silly and ridiculous. It is pure damphoolishness, but I am saying it. That is what you will find on the stump, you who are trying to pour this down the throats and the ears and the minds of the American people, who still think 2 times 2 is 4.

The "Big Breeze" says, "Oh, we will not lose anything, not a thing" Oh, such falsity, such nonsense. That is a tra-la-la, on and on, that goes along with the swing age, the jazz age, with "chickens in every pot," "happy days are here again," all this nonsense we have been hearing in recent years.

Mr. SHAFER. The more abundant life.

Mr. DISNEY. Come on; I am no respecter of persons.

Mr. SHAFER. The bureaucratic performances?

Mr. DISNEY. Sure, put them in. Does anybody have any other suggestions? They are valuable. I say we have had too much nonsense in America in recent years.

The "Big Breeze," with whom you have gone arm in arm, in effect, through your district, says that we would lose only $7,250,000,000. That is all he got it up to. It is just a trifle, it does not make any difference. And what is the difference? Give it away. I have heard gentlemen over here argue that way, but that is not so, and you know it.

Just suppose that in 1945 we took a nose dive from the income of $115,000,000,000 in 1942 and $135,000,000,000, in 1943. Just suppose that in 1945, just a year or two from now, we take a nose dive in national income and get a year's personal taxes of only two or three billions! Do you think if you give away $10,000,000,000 this year you will not know about it and it will not hurt, that it will not destroy the credit of the Treasury? You know better than that. Most of you are businessmen. How you got mesmerized by this thing is just more than I can understand.

If I have not demonstrated to you that this Ruml thing is political rat poison of the very worst sort, then I am a steeple jack. It is rat poison, and you better not take it yourself. You better let the other fellow take the poison, in my judgment. I would not advise you for the world, but I am just tossing in these few suggestions.

Ten billion dollars can create an awful lot of propaganda. You know these editorial writers. They have become as obsessed with this thing as my friend, FRANK CARLSON. They get the forgiveness, and Frank takes the responsibility. They write an editorial for tax forgiveness and, incidentally, tax currency every day. How they love you boys who are going to vote for this rotten thing. But you remember how they fed you to the dogs on your Congressional pensions. "Money makes the mare go," as we say in the West. Ten billion dollars can create a lot of propaganda, a tremendous lot of propaganda, but 2 times 2 still makes 4.

Mr. DEWEY. Mr. Chairman, will the gentleman yield?

Mr. DISNEY. I yield to the gentleman from Illinois.

Mr. DEWEY. Being a well-known farmer from Clark Street, Chicago, I wanted to find out——

Mr. DISNEY. Does the gentleman wear a dress suit when he makes out his income-tax return? That is what I want to know. That is the most important thing here now.

Mr. DEWEY. I want to ask the gentleman about this cow. I am all confused. Nineteen forty-four is going to be leap year, and there will be 29 days in February.

Mr. DISNEY. Stop him. He is going still further than the Ruml plan.

Mr. DEWEY. Is that cow going to give an extra gallon of milk on that 29th day?

Mr. DISNEY. The gentleman is not a humorist, and neither am I.

Mr. DEWEY. How about that, when there are 29 days in February in one year and 28 in another? Can the gentleman get me straightened out on the milking of that cow?

Mr. DISNEY. It is impossible to straighten the gentleman out after that speech he made the other day on the Ruml plan.

Mr. DEWEY. That was a good speech.

Mr. DISNEY. My time is terribly limited. I will not be able to straighten out my friend from Illinois.

Mr. CARLSON of Kansas. Mr. Chairman, will the gentleman yield?

Mr. DISNEY. Oh, I am afraid that I will get in a hole if I yield to the gentleman.

Mr. CARLSON of Kansas. I would very much appreciate it if the gentleman would yield on the matter of the Collier's weekly. We Republicans had to campaign against the New Republic last election, and I think it might be a good thing if we can get this magazine against us.

Mr. DISNEY. Oh, the New Republic put me on the black list also. It is foolishness, and I am giving you this advice gratis. Now, you take most any demagogue in my district who may live in Oklahoma right about here where I point on the map. He is running for Congress. He has a little gang around him making a speech, to whom he is giving the benefit of his advice and eloquence. He has wrapped the flag around him. He talks about the soldier boys and then finally gets down to the Congressman, and he will say to them, "Oh, I think your Congressman got into bad company up there in Washington, and you better take him out. He got into bad company." The question is asked how that is, and he replies that it looks like he took up with some fellow by the name of Ruml. The question is asked, Who is Ruml?—and the reply is made that he is the Governor of the Federal Reserve Board and he has probably a salary of four or five million dollars a year, and that he runs the biggest store there is in the whole world up there in New York. Yes; that is the fellow that you are talking about, and this Congressman of yours has forgiven this man Ruml $854,000 of taxes on every million dollars of income he has. Oh, he was good to old man Ruml.

And then he will make a little innuendo about what the Congressman got. Oh, I know that tobacco-chewing, juice-spitting, hell-raising fellow that I am talking about, and I don't want him in my hair. Yes, he will tell them, the Congressman has forgiven this man Ruml $854,000 on every million dollars. Then he would say that he does not know just how much money this man Ruml has but he has got a lot. And then he says, "How much have you folks round here got and how much did he forgive you? Eight dollars and twenty-five cents to Jim over there. How much did he give that fellow Sam over there? Oh, he was good to him, he forgave him $37.16. What did this Congressman forgive you over there—oh, about eight or ten dollars and then how much did he forgive himself?" And then he really turns loose.

He writes it in letters of fire 10-feet high, $2,152, and all of the angels in Heaven, and all of the tax receipts that the gentleman from Illinois [Mr. MASON], can show him, will never make the average intelligent farmer believe that the Congressman did not get a forgiveness in cash of $2,152. I know it is tough to take, but you brought it on yourselves. Personally I talked to some members of the Committee on Ways and Means on your side to get them off this nonsense. I do not want to get too patronizing, but this stuff will not stand the wash, it just will not stand trial by jury. I must be pardoned if I make mention of a sentimental thing. My own boy started to Africa, and I said to him, "Son, give a good account of yourself." He said, "Dad, I will," and I was mighty glad that he did not say jokingly, "Dad, give a good account of yourself," because I wanted to feel that he inherently knew that I would give a good account of myself. Let me tell you one little secret. I have paid my 1942 taxes, and I am going to pay my 1943 taxes, Ruml plan or no Ruml plan. I am going to have that satisfaction. I want to do that so that my two boys will know that dad was tough and stood up and did what he believed in. That is worth more to me than the $2,152—than all the effort it took to save it.

Mr. Chairman, as I understand the duty and obligation undertaken by a Congressman to his Government and to his people is this: That he takes an oath to support and defend the Constitution of the United States and as a Representative of the people he takes an obligation to conserve and protect the revenues.

As was said to you the other day by the gentleman from Texas, Congressman DIES, whither are we going? Whither do these Ponzi paths lead? We have thought and talked about the wise and prudent spending of the revenues of the Government. Sometimes the Congress has even voted that way. Now comes this fantastic scheme to forgive $10,000,000,000 of taxes in the hour of the Nation's greatest need. I wonder what has become of the thinking processes of those supporting it. It is indeed a revelation to any student of psychologic and social movements.

Only a few months after an election, at which the people expressed themselves most heartily with reference to newfangled notions, hardly had we taken our oaths and settled down to serious work of the Congress when this Mississippi bubble came along, originating with a man who has neither official responsibility nor official experience and who knows little or nothing of Government finance and taxation but who had 10 years' experience in giving away money as head of a memorial fund.

The more surprising thing is the earnestness of the zealots of this wild scheme urging it upon us. There were times in the Congress when will-o'-the-wisps like this were either wholly ignored as unworthy of attention or when proposed were laughed down and discarded. I am wondering what has come over America when no scheme is too foolish, too ridiculous, too wild-haired to be taken seriously in the legislative department of the Government.

The forgiveness of taxes is a moral issue. There is only one side to a moral issue—the right side. This is no time to forgive taxes when the needs of the Government for money are greater than they have ever been in the history of the Nation. When there is more money in the country to pay taxes than there has ever been. If there is any virtue in the blanket forgiveness of taxes, which I deny, the time of that forgiveness should be when the forgiveness is needed. Not when the banks are overflowing with money. Not when the people are flushed with money. Not when prices are high and money flowing freely. Not when the people have little else to spend for. Not when there is the greatest ability to pay taxes in all our times.

The country is full of money to pay this $10,000,000,000 in taxes. In 1942 $29,000,000,000 in savings was placed in the banks, most of it, of course, came from business with the Government. There are approximately $100,000,000,000 in the banks of the United States and in the pockets of the people at the present time. I repeat—this is no time to forgive taxes. It is totally, wholly, and completely wrong from every standpoint.

When the time comes Congress can reduce taxes in the regular manner, but there is a yawning chasm between reducing and forgiving taxes.

This fantastic Ruml plan outrivals any scheme for printing-press money ever proposed. It puts in the shade Dr. Townsend's plan for pensions of $200 a month. It is cavalierly proposed by this nefarious scheme to give away $10,000,000,000 in taxes, to forgive the highest tax bill of any nation in all recorded history. Debonairly, its advocates say to toss this money back to the taxpayers. They add insult to our intelligence by claiming that it will not make any difference in the Government's credit, or hurt the revenues. In fact, you would think that Utopia is just around the corner. No loss to the Government. How downright false. In 1942 we had an immense income of over one hundred and fifteen to one hundred and thirty-five billion dollars—so ten billions in personal income taxes is the tax take. They say forgive it. But if, say 1945 is a year of only fifty billions income, the tax take would be less than $4,000,000,000—a loss in a few years of five, six, or seven billions of dollars to the Nation's Treasury.

Now let us get right down to cases and see what this brazen scheme does. It would forgive taxes according to these figures:

$5,000	$746
$10,000	2,152
$15,000	4,052
$20,000	6,452
$25,000	9,220
$50,000	25,328
$60,000	32,492
$80,000	47,720
$100,000	64,060
$150,000	106,536
$250,000	194,000
$500,000	414,000
$750,000	634,000
$1,000,000	854,000
$2,000,000	1,734,000
$5,000,000	4,374,000

This Ruml forgiveness runs rampant. Nobody could escape forgiveness. He is forgiven his 1942 taxes whether he deserves to be forgiven or not—not even if he has saved up the money to pay. Even if he has the money in his pocket to pay. The Congressman on his $10,000 salary could not escape—he would simply be compelled to forgive himself the neat little sum of $2,152. Along would come the collector and say: "Now I've just got to forgive you those '42 taxes, whether you like it or not. Get yourself ready to endure it. Unbutton your collar, because I'm going to choke this forgiveness down your throat, Congressman."

Stripped of its falsity, what the Ruml plan amounts to is this: That the taxpayer gets 2 years' income and pays only 1 year's taxes. Duck and dodge and evade as they may, the proponents of the Ruml plan cannot escape this issue. It remains to haunt them. The Congressman would get $20,000, 2 years' income, and pay 1 year's taxes, $2,152. On the stump this would be charged as downright dastard dishonesty.

Pursuing the instance of the Congressman still further, I, as a Congressman, will be $2,152 better off for the rest of my life under the Ruml plan of enforced forgiveness. If I am better off, is not my creditor, the Government, the less better off if I am forgiven $2,152 in taxes? Bonuses for Congressmen! Not for me! I heard of congressional pensions once. And of congressional X cards. How sweet your newspaper friends were to you then, you who are chasing this Ponzi scheme!

But it is lightly proposed by these chasers of windmills that we forgive $10,000,000,000 in taxes in March, and then in the next tax bill in July or August reimpose the taxes by raising the rates on the people. What a tawdry trick to play upon an intelligent American public! But the joker, the card up the sleeve, in the whole thing is that the rates on high incomes are now already so high that it is practically impossible to raise the rates on the higher brackets. So after forgiving the big taxpayers and letting them go scot free with their largess of forgiveness, the Congress would be compelled in the next tax bill to sock the lower bracket taxpayers, and the middle-class taxpayers and let those in the higher brackets escape by sheer force of circumstances. I shall be a party to no such iniquitous scheme. I have paid my 1942 taxes, and I shall pay my 1943 taxes, although I am a poor man, with practically no income but my salary. I have saved. There is only one side to a moral issue—the right side.

The so-called Robertson plan to forgive the first 19 percent of taxes is even more fallacious than the Ruml plan, if that is possible. It violates all principles of progressive income taxation and is

class legislation of the worst sort—something we should be getting away from in America. It would forgive the little fellow and hold the big fellow's feet to the fire. It forgives only between seven and eight billion dollars. This, right here in America.

Nobody ever heard of tax currency having so many virtues until the forgiveness of $10,000,000,000 came "Rumling" along with its bait of forgiveness, its selfish self-propelling propaganda.

But they say that the American "peepul" are for it. I have 10 counties in my district, 8 of them agricultural counties. Not a letter has come from any of these 8 counties in favor of the Ruml plan—and very few from the 2 richer counties. My people know they are in a war; they want to pay their taxes.

We are compelled to be realistic about this whole subject matter. It is not demagoguery to suggest the realities of our own situations. Demagoguery, as I understand it, is the false use of the truth, or the distortion of the truth. We will find plenty of demagoguery at home, if this fallacious, fantastic scheme is voted in the House of Representatives. So let us have a little nonsense and see how this ridiculous plan will show up on the hustings and on the stump. We ought to try to see it in the light in which it will be presented by our critics and our detractors as well as by our opponents.

Never was there more material for a demagogic appeal than is furnished by the Ruml plan. The CONGRESSIONAL RECORD is full of material for every man who wants to make a monkey out of us in our districts, whether he be an opponent or not. The charges that this is a nefarious, iniquitous, foolish, absurd, and unbelievable scheme are theirs for the reading in our own CONGRESSIONAL RECORD. These statements made upon this floor are the sinews of war in a campaign against us. Upon our heads will descend a vaster criticism than was ever visited on us by the passage of the bill for congressional pensions.

Will our newspaper friends come to our rescue? Not on your life. They will feed us to the dogs. Some of the friends of the Ruml plan seem to feel that the editorial writers who are saying nice things to them now will take them by the hand and lead them about their districts when the going gets rough. That is a forlorn hope. The Congressman will be the forgotten man once the Ruml advocates get forgiveness for the 1942 taxes.

Nowadays when someone wants to clinch an argument, he refers to somebody's poll. So they say that the recent Gallup poll settles it. Polls are an unreliable, new, and insidious type of pressure group. Dr. Gallup predicted prior to the last election we would have 265 Democratic Members in this Congress, but it turned out we Democrats have a majority only by the skin of our teeth. Shades of the Literary Digest poll! What Member of Congress knows who does the mystical "Galluping" for this particular pressure group? The F. B. I., expert at capturing kidnapers, could not locate a "Galluper" if it tried.

This is a fight for decency in Government. There are too many tough-minded, sensible, intelligent men in the Congress to stand for this outrageous, brazen raid on the Treasury of the United States. If some visionary would propose to appropriate $10,000,000,000 to pay off this tax bill, he would be derided, and the measure would not get a vote.

Mr. Chairman, $10,000,000,000 can produce a lot of propaganda, but $10,000,000,000 cannot prevail against the common sense of the American people, in the time of their Government's greatest stress. This chimerical Ruml plan will be defeated, and take its place among the other unsound schemes that have drifted by in the past.

I ask you: How many guns, how many planes, how much ammunition, how much food, how much medicine for our soldiers all over the world, would $10,000,000,000 buy? Consider the effect on their morale—with us at home forgiving ourselves ten billions.

LOAN SHARKS

Now, just a word about the charge that the committee bill will drive taxpayers into the hands of the loan sharks. Wage and salary earners are the only class of taxpayers to whom this argument could have the slightest application. But the committee bill affords to this class exactly the same treatment provided by the Carlson bill except for the forgiveness of 1942 liabilities, and except for the discount provided in the committee bill for applying the amounts withheld to the current year's taxes will cause wage earners to pay the loan sharks large interest for the money to pay the previous year's liability.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. DOUGHTON. Mr. Chairman, I yield the gentleman 3 minues more.

Mr. DISNEY. I am going to read to you now what Mr. Ruml is quoted as having said concerning the forgiveness of 1942 taxes in Collier's:

> Give away the 1942 taxes. Why not? Seven and a half billion is only enough to meet a month's governmental expenditures. It never will be missed.

Only a month's expenditures. Only a month's cost of operations of the men and the machines now in battle stations the world around; men to whom there are no such things as months, only the seconds that mark the beginning of eternity.

There is one debt that cannot be forgiven. The creditors under that debt look to us for payment. You may write to them, if you wish, and ask them what they think of the Ruml plan. Their addresses are military and naval secrets, but your letters will be forwarded to North Africa and New Guinea and the Aleutians and to many other places among the ice floes, the desert sands, or the tropical jungles, far from their homes and their boyhood haunts. The sum of money that will pay for a month's operational costs is quite important to this class of creditors.

Yes, you may write to them. I doubt that they understand the Ruml plan. If they should have a quiet moment they might reply to your letter and ask for an explanation—and a defense.

Mr. KNUTSON. Mr. Chairman, I yield myself 1 minute. I am sure that we have all been greatly edified and entertained by the gentleman from Oklahoma [Mr. DISNEY] who has just taken his seat. He is a very fine gentleman, and a very persuasive speaker, though not always convincing. He is not always too particular about his facts. But he is a very effective Member. As I sat and listened to him I said to myself, "Oh, what would Huey Long not have given to be here with us today."

I yield 1 minute now to the gentleman from Kansas [Mr. CARLSON].

Mr. CARLSON of Kansas. Mr. Chairman, for fear the gentleman from Oklahoma [Mr. DISNEY] left the impression with any Member that my bill does not provide for the collection of taxes from June 1 on, I want to allay their fears, because my bill simply amends and does not supersede the internal-revenue code. It is a method of tax collection. In order to be certain about the point the gentleman from Oklahoma raised, I just checked with the drafting service, who prepared my bill, and tomorrow I shall place in the RECORD a statement from them as to what my bill does. I am assured there is no loophole such as the gentleman inferred.

Mr. DISNEY. Mr. Chairman, will the gentleman yield?

Mr. CARLSON of Kansas. Yes.

Mr. DISNEY. If you forgive the taxes in April, will you not forgive them in June?

Mr. CARLSON of Kansas. Oh, I have moved the tax clock ahead for 1 year. We would collect taxes in 1943 and all future years under it. There would be no tax moratorium in 1943.

Mr. DISNEY. If you forgive them from January to April, will you not forgive them from April to June?

Mr. CARLSON of Kansas. My bill abates the 1942 liability, and any payments made on such liability will be credited to the 1943 liability. The tentative 1943 tax will be collected under section 3 of my bill.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. KNUTSON. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. CARLSON of Kansas. Just to keep the record clear, I will place in the record a statement from the drafting service, which clears up this matter, and confirms the statement I have just made.

Mr. Chairman, the remarks of the gentleman from Oklahoma [Mr. DISNEY], gave the impression to many Members on this side of the aisle that he was charging that under my bill taxpayers would not be required to make any further tax payments this year. If that is what the gentleman said, he is in error.

Under section 3 of my bill every individual is required to pay approximately 80 percent of his Federal income-tax liability for each taxable year in advance during that year. In the case of taxpayers whose income is derived from salary or wages and is subject to tax only at the first bracket rates, the payment of this 80-percent amount will, except for 1943, be fully discharged through the 20-percent withholding at

the source. In the case of farmers, lawyers, merchants, doctors, and other self-employed individuals, this payment can be made either in four or less installments during the year, or by payment of the whole amount on the last day of the year.

In the case of taxpayers 80 percent of whose tax liability is not discharged by deductions at the source—that is, taxpayers with income from other sources in addition to their salary or wages, and wage and salary earners in 1943 from whose wages and salaries deductions at the 20-percent rate are made during only half of the year, the difference between such 80-percent amount and the amounts withheld at the source can be paid by the taxpayer in four or less installments during the year, or by payment of the whole amount of this difference on the last day of the year.

If the actual tax liability for the year exceeds the amounts paid on or prior to the last day of the year on account of such liability by more than 120 percent of such amounts, 6 percent of such excess is added to and collected as part of the tax. Willful failure to pay the tentative tax makes the taxpayer liable for the criminal penalties of section 145 of the code. Those penalties consist of a fine, of not more than $10,000, or imprisonment for not more than 1 year, or both.

I have submitted the above explanation of these provisions of my bill to the legislative counsel's office, which assisted in its drafting, and I am informed by them that it is correct.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. KNUTSON. Mr. Chairman, I yield 10 minutes to the gentleman from Kentucky [Mr. ROBSION].

Mr. ROBSION of Kentucky. Mr. Chairman, the gentleman from Oklahoma [Mr. DISNEY], a member of the Ways and Means Committee, submitting here what he termed a "demagogic speech," turned to the beautiful, life-size portrait of Washington, and called on him to denounce the pay-as-you-earn plan, and also spoke at length on Washington's Farewell Address. This is the first time a Democrat in the House under this administration has turned to the majestic likeness of Washington and called upon us to consider Washington's Farewell Address.

He should likewise have urged us to look upon the faces of the immortal Jefferson and the heroic Jackson. I wonder what difference there would have been in our country if he and his party and the administration for the last 10 years had heeded the wise counsel and followed in the footsteps of Washington, Jefferson, and Jackson? He knows our country would be better off today.

The gentleman from Oklahoma [Mr. DISNEY] shows great concern about what will happen to Republican Members of the House in the election of 1944 if they vote for the pay-as-you-earn and according-to-your-earnings plan. I have never before witnessed such deep concern on the part of one of our Democratic friends for Republicans. The gentleman from Oklahoma [Mr. DISNEY] knows he and his associates are in the "doghouse" because of their opposition to the pay-as-you-earn plan that is so popular with all groups of American people, and he and they—not the Republicans—are in danger of the wrath of the American people at the polls in November 1944. He and his associates are in misery. They want us Republicans and Democrats who are for the pay-as-you-earn plan to vote with them and join with them in their misery. They want the Republican Party to make the same mistake as he and his party are making.

This is a great American problem. We must solve it looking alone to the best interests of our country, and, with that purpose in mind, I desire to discuss with you the pay-as-you-earn plan embodied in the Carlson bill.

In the solution of the vexatious tax problem we now have before us there have been submitted three plans: First, the Doughton bill, backed by Mr. Morgenthau, Secretary of the Treasury; second, the Robertson or Forand bill, and third, the Carlson bill, embodying the Ruml pay-as-you-earn plan.

Let us first eliminate the things that neither one of these plans deals with. I have received letters from some people outside my district who opposed the plan because of the benefits that would accrue to corporations, and especially those alleged to have made and are making large profits in the handling of war contracts. The income taxes of corporations, or the time or manner of their payments are not involved in any way in either one of these bills. These measures before us deal solely and only with individual Federal income taxes. The questions of rates on these individual income taxes is not involved. Whatever action is taken on either one of the three plans before us, so far as rates are concerned, will be governed by the act of Congress approved in October 1942 by almost unanimous vote.

It was urged by the administration that the rates fixed in that act are based on the ability of the individual income taxpayer to pay. They ranged from a low rate for those in the lower income brackets to 90 percent on those in the higher income brackets. So these measures have nothing to do with corporation taxes or the rates for either individuals or corporations.

Some months ago it seems that the country generally, and most public officials, including administration leaders, felt we must get rid of our archaic system of collecting individual income taxes. It was urged that we adopt a pay-as-you-go or pay-as-you-earn policy, so that our individual income taxpayers would not be 1 year or more in arrears in paying their income taxes to the Government, and it was also urged, so far as practicable, these individual income taxes should be collected at their source. It is estimated 44,000,000 persons will have a net income requiring them to file income-tax returns. Thirty million or more of these are persons who are working on salaries or for wages, and 10,000,000 more will be deriving a good part of their income from salaries, professional fees, or wages. Only a handful of these 40,000,000 will have a net taxable income of more than $2,000. The net incomes for these 40,000,000 will range all the way from $1 up to $2,000. The other 4,000,000 will come in the higher brackets, with about 60 at the top, but, as pointed out, the rate of taxation on this 44,000,000 was fixed in the Revenue Act of October 1942.

The Democratic chairman of the Ways and Means Committee announced at the first hearing in February 1943 that the committee would take up the question of pay-as-you-go and the withholding of income taxes at their source. It seems Mr. Morgenthau and other administration leaders set about to defeat the so-called pay-as-you-go plan, and the result of this opposition on the part of the administration developed what is known as the committee bill introduced by Chairman DOUGHTON. The Doughton-Morgenthau plan eliminates the pay-as-you-go plan, but it does contain the plan to withhold individual income taxes at their source.

There is no way to get on the pay-as-you-go plan under the Doughton-Morgenthau bill, except to pay 2 years' taxes in 1, and to accomplish that this bill offers juicy discounts to those who have the money or have bank credit to borrow the money and pay 2 years' taxes in 1. This 6-percent discount is an attractive proposal, but it only benefits the rich. It offers no relief to the income taxpayers in the lower brackets. The rich people have lots of money they cannot invest for as much as 6 percent net and they can borrow all the money they want at two or two and a half percent, so that the rich and moneyed classes would profit greatly under the Doughton-Morgenthau plan, and no doubt the rich income taxpayers would take advantage of this plan.

The Treasury Department experts say the Government this year would pay out to this rich group five hundred million in discounts under the Doughton bill. I object to this Doughton-Morgenthau plan because it favors only the rich, and because of the bonus of five hundred million paid to this very small group of taxpayers this year and a 4-percent discount in future years, which they estimate will amount to two hundred and fifty million a year; and we can see this small rich group in the course of a few years will wipe out more than a full year's taxes. Nearly 44,000,000 taxpayers could not take advantage of this liberal discount. We would have a small number operating on a pay-as-you-go basis and nearly 44,000,000 taxpayers operating under the present system of paying last year's taxes out of this year's income and always being 1 year behind in the payment of their taxes to the Government, and, furthermore, under the withholding provisions of the Doughton-Morgenthau plan, with no forgiveness of last year's taxes, these wage earners and salaried taxpayers would have to pay up out of this year's income last year's taxes and on July 1 an additional withholding tax of about 20 percent will be taken from their salaries and wages, so that these 30,000,000 of small income taxpayers would be forced to pay 1942 and 1943

taxes in order to get on a pay-as-you-go basis, and whether they wished to or not they would have to pay at least all of 1942 and one-half of 1943 out of their salaries and wages under the withholding provisions. The Doughton-Morgenthau plan shows very great partiality for this small group of rich and will be a very great hardship on nearly 44,000,000 other income taxpayers.

THE ROBERTSON-FORAND PLAN

The Robertson-Forand plan, sponsored by the gentleman from Virginia [Mr. ROBERTSON], Democrat, and the gentleman from Rhode Island [Mr. FORAND], Democrat, if adopted, would put about 90 percent of the Federal income taxpayers on a pay-as-you-go plan, and would provide for withholding the income taxes of 30,000,000 or more wage earners and salaried workers at their source, while the remaining 10 percent would operate under the present system that has been so widely condemned by the American people. We are advised that Chairman DOUGHTON and many of the supporters of his bill are very much opposed to the Robertson-Forand plan. I am opposed to this plan and favor the Ruml pay-as-you-go or pay-as-you-earn plan.

PAY AS YOU EARN AND ACCORDING TO YOUR EARNINGS

This plan undertakes to place as nearly as is practicable the 44,000,000 Federal income taxpayers of the Nation on a pay-as-you-go or pay-as-you-earn and according-to-your-earnings basis. Let us repeat, this plan has nothing to do with the income taxes of corporations and it has nothing to do with fixing the rates. This plan, like the other two, provides for withholding the taxes of salaries and wage earners, and withholding the taxes from the incomes of others where it is practicable to do so, but the taxes under this plan will be assessed on the earnings of these salaried workers and wage earners and others on their earnings for 1943 and not on the salaries and earnings of 1942, as provided in the Doughton-Morgenthau plan. It puts the 44,000,000 taxpayers of the Nation on a pay-as-you-earn and according-to-your-earnings basis. For instance, the taxes on individual incomes will be based on this year's earnings and paid this year. When the year is up their taxes will be paid and they will not have a year's taxes hanging over their heads.

We have pointed out that in order to get on a pay-as-you-go basis under the Doughton-Morgenthau plan the taxpayers, both great and small, will have to pay 2 years' taxes in 1 year, and under the Robertson-Forand plan 10 percent of the taxpayers will have to pay 2 years in 1 to get on a current basis.

PAY-AS-YOU-GO PLAN MEETS GENERAL APPROVAL

Since this proposal has come up I have visited my district two or three times and have talked with a great many people in all walks of life, and they favor the plan. I received a great many letters and telegrams from people in all walks of life in my district urging me to support this Ruml pay-as-you-go plan. In the daily newspapers in my district—the Middlesboro News and Harlan Enterprise—Democratic and Republican, there have appeared strong editorials supporting this plan, and this is also true of the weekly newspapers, so far as I have been able to observe. In fact, no one in my district has expressed opposition to it to me or in the press. It appears that the leading daily paper of Lexington, Ky.—the Herald-Leader—favors the plan. The Louisville (Ky.) Times, a leading daily Democratic newspaper of Kentucky, had this to say in an editorial on March 22, 1943, under the caption "Taxpayers Offered a Stone":

The administration plan seems to be Mr. Morgenthau's plan. Mr. Morgenthau is ignorant that many people cannot pay 1942 and 1943 taxes in 1943 and buy bonds without selling the bonds they now have. The House Ways and Means Committee majority offered the average taxpayer a stone when he asked for bread.

The Louisville Courier-Journal, the leading daily newspaper of Kentucky—Democratic—in an editorial on March 25, 1943, had this to say in regard to the pay-as-you-go tax plan:

The idea was originally conceived as a plan to convert from a delayed-payment basis of income-tax payers to a current collection basis. As such, it has obvious advantages to both the Treasury and the taxpayer. The Treasury would have a tax system which would be instantly responsive to changes in rates and exemptions. This would constitute a much more powerful economic weapon than the Treasury now has for combating inflation and deflation. It would also give to the Treasury a much more efficient means of collection and a device by which widespread delinquencies and deliberate failures to pay could be avoided. The taxpayer would have the burden of debt lifted from his shoulders and the satisfaction of knowing that whether he lost his job, was inducted into the Army, or died, he or his family would not be confronted by an unpaid tax debt of serious proportion.

Fulton Lewis, Jr., one of the outstanding radio commentators, said in a recent broadcast in discussing these tax proposals that the only objection to the Ruml plan was "the American people are for it."

The two great farm organizations—the National Grange and the American Farm Bureau Federation—as well as the American Federation of Labor have gone on record as favoring this pay-as-you-go plan. A recent Gallup poll shows that 83 percent of the Democrats and 87 percent of the Republicans are for this policy, and the most significant fact in connection with this poll was that 86 percent of those in the lower income brackets and only 83 percent of those in the higher brackets favor a pay-as-you-go plan. A representative of one of the great Negro organizations of the Nation appeared for his organization and urged the adoption of this plan. Many other groups and organizations have likewise approved.

The gentleman from North Carolina, Chairman DOUGHTON, and others seem to express the belief that such a plan would be inimical to the interests of our veterans. I have had letters from some of our fighting men in various branches of the service and they approve the plan. The very able national commander of the American Legion, Hon. Roane Waring, in a letter to the Committee on Ways and Means of the House of Representatives, dated Springfield, Ill., February 12, 1943, strongly urges the Congress to enact legislation to put the Nation on a pay-as-you-earn basis. As he puts it so clearly, I am reading his letter into my remarks:

SPRINGFIELD, ILL., *February 12, 1943.*
COMMITTEE ON WAYS AND MEANS,
HOUSE OF REPRESENTATIVES,
Washington, D. C.:

Under the present "back taxing" system, whereby personal income taxes are collected the year following the year in which the income is earned, soldiers returning after the war will owe taxes on incomes earned before they entered the armed services; the hardships which will arise if this system is not changed are too obvious to mention. I believe that the Government will receive more revenue and that all taxpayers will be in a better position to pay their taxes if taxes are collected as near currently as possible—collecting during 1943 taxes on 1943 incomes. If 1943 taxes are collected this year the following facts are self-evident:

First. Taxpayers cannot pay 1942 taxes at the same time.

Second. If 1942 taxes are amortized over a short period, the additional burden would be too large to be added to the present highest taxes in history.

Third. If they are amortized over a long period, all of us will be owing taxes during the next depression year. I recommend, therefore, that Congress enact legislation to put the Nation on a pay-as-you-earn basis and that in doing so taxpayers be required to pay no more than 1 year's taxes in any year.

ROANE WARING,
National Commander, the American Legion.

He points out how greatly such a change will benefit the men and women of our fighting forces, and he concludes by saying:

I recommend, therefore, that Congress enact legislation to put the Nation on a pay-as-you-earn basis, and that in so doing the taxpayers be required to pay no more than 1 year's taxes in any year.

I wish also to include in my remarks a telegram that I received some days ago from a group of working people in my district, and but for the lack of space I would include others. This telegram points out some valid reasons for the pay-as-you-go plan:

CORBIN, KY., *February 18, 1943.*
Hon. JOHN M. ROBSION,
House of Representatives,
Washington, D. C.:

Millions of Federal income taxpayers will be unable to pay taxes due March 15. On our behalf and for millions of taxpayers we earnestly urge you to support the pay-as-you-go plan. It insures badly needed tax collections monthly and will prevent high penalties, embarrassment, hardship, and discouragement. It will improve morale, and high morale is valuable for increased war production. Help the taxpayers in your district by supporting the pay-as-you-go plan.

TREASURY WILL RECEIVE MORE MONEY

The experts in the Treasury Department admit that if we change our plan of collecting taxes and apply it to the 1943 incomes that millions of persons will pay income taxes this year and the Government will receive three billion more

taxes than if we followed the old system. This is confirmed by the able editorial in the Courier-Journal, and by many other groups and individuals, who have made a study of this program. The gentleman from Kansas [Mr. CARLSON], whose bill embodies the Ruml pay-as-you-go or pay-as-you-earn plan, gives the facts in support of this contention and, as stated by the Courier-Journal editorial and others, the Government will receive this additional revenue this year when it is so badly needed, and this will help to control inflation.

The national income in 1943 will be the greatest in our history. It will be easier for more people to pay taxes and to pay more taxes than any other year in our history and three billion of this big income will be withdrawn from commodity markets and turned over to the Treasury, and thereby greatly check inflation.

Let us bear in mind that the law fixing the present higher rates and lowered exemptions was not adopted until October 1942. That new act brings within the income-paying class millions of people. If we invoke the 1942 statute, it would claim income taxes from these millions of new income-tax payers from January 1, 1942. These millions had no notice before that time they would have to save to meet this income-tax burden. Many of them, of course, discharged obligations they owed out of these new incomes and then most of these millions had families and comparatively small incomes and it was necessary for them to consume their incomes in providing food, clothing, shelter, education, and medication for their families, and they were not in a position to meet the 1942 taxes in 1943. If we follow the old system, the taxes on these big incomes for 1943 would not be payable until 1944, and perhaps by that time the war would be over and millions would be thrown out of employment and millions of taxpayers would not be able in 1944 to meet the taxes of 1943. The Carlson plan places us on a current basis. We pay as we earn and according to our earnings and this applies to both great and small. This measure will greatly benefit the Government and the millions of income-tax payers of the Nation and it will put our taxing system on a scientific, progressive, equitable, and business-like basis. It has and deserves the almost universal approval of Democrats and Republicans and people in all walks of life.

Our distinguished chairman, the gentleman from North Carolina [Mr. DOUGHTON], seems to think that this approval is due to the fact that the people do not understand what they are talking about. Following the radio, the press, the editorials, and the people of the Nation, I am constrained to say that the American people were ahead of the Congress in their thinking on this important subject.

I have served with our friend, the gentleman from North Carolina [Mr. DOUGHTON] ever since I have been a Member of this House. I am his friend and admire him. I was surprised the other day when he read into the RECORD as a part of his speech a letter of Mrs. Paul Cheek, of his State, in which she said that—

> Any form of forgiveness of any taxes would destroy American morale and would stab in the back our overseas men.

She also said that—

> The Ruml plan is really a "Rommel plan" and that nothing that Hitler's crafty, deceptive generals could do would so effectively destroy American patriotism and democracy.

I could not sit idly by and see such an unfair indictment made of the millions of the American people who favor the pay-as-you-go plan, and, therefore, I arose in my place and inquired if the distinguished chairman of the Ways and Means Committee endorsed what this woman had said in her letter. His reply was, "I endorse every word of it." This letter indicts my friend himself. We are told that he offered a plan in the committee to forgive four and one-half billion, and then he offered a second plan to forgive six and one-half billion, and later on a third plan to forgive five billion taxes of 1942; and in his present bill he proposes that the rich and those able to pay 2 years in advance that they be given a discount of 6 percent this year and 4 percent in future years. The Treasury Department says that this discount this year would amount to five hundred million, and the 4 percent in subsequent years would take from the Treasury two hundred and fifty million annually. I am sure when our friend said he endorsed those statements he did so without mature reflection.

My only son is in the service. Many other Members of the House have sons and daughters in the service. Millions of fathers and mothers in this country who favor this pay-as-you-earn plan have sons in the service.

The so-called Robertson-Forand plan would forgive seven and one-half billion, and that plan has many loyal supporters here in the House, and, of course, this letter condemns the proponents of that plan and its supporters.

I have listened to literally a hundred speeches on the floor of the House and many on the radio and read nearly everything that I could get hold of on this important question, and I have come to the conclusion that the sound, fair, and just plan is the pay-as-you-go or pay-as-you-earn plan covered by the Carlson bill, and I shall vote for it.

WILL THE GOVERNMENT LOSE REVENUE UNDER PAY-AS-YOU-EARN?

Let us bear in mind that the policy of paying individual income taxes was established during a democratic administration in 1913, and has been followed ever since and it will continue perhaps so long as this Nation stands as one of the means of raising revenue for the Government. If we turn the tax clock ahead 1 year that does not mean the Government forgives or gives up revenue. We have pointed out under the pay-as-you-go plan the Government will collect from more income taxpayers this year, and three billions more under the pay-as-you-go plan would be collected this year than under the old plan of deferring collections for 1 year.

The war will likely be on next year, and our income will likely be as much as it is this year, and we again will collect substantially the same amount of taxes, unless the rates are lowered or increased as provided in the Revenue Act of October 1942, and, therefore, as the years come and go we still collect year by year. Under the pay-as-you-go plan the only way you can avoid paying income tax will be to die, have no employment or earnings, or, as provided under this bill, enter the armed forces. Otherwise, if we have an income, large or small, that would bring us within the income-tax brackets, we will continue to pay 10 years, 20 years, and when we die there will be others to take our places.

I hope the time will come, however, when we can greatly reduce the burden of not only income taxes but the other taxes that are bearing so heavily on the people of this country. Some have used the example that if you owed a man a debt and canceled the debt you would be out that much money. That does not apply here. This is our country, our people, our incomes, and our taxes, and if the Government finds that it needs more income and more taxes there is nothing to keep it from reaching out and getting every dollar that is required. This would not be true of the man who had canceled a store debt. He would not have the power to go back and collect that amount or even a greater amount than the amount of the debt, but the Government does have that power, and so long as we are getting more revenue under the pay-as-you-go plan, and it benefits both the people and the Government, and the people want such a plan, why should we deny this to them?

WINDFALLS FROM WAR PROFITS

We are told the Carlson plan will enable some persons who have made great fortunes out of war contracts to escape their tax obligations. We must remember that nearly all the plants and concerns producing war equipment and war materials are corporations. Congress has fixed rates on profits of corporations running as high as 93 percent, and Congress has also passed an act giving the War, Navy, and Treasury Departments the power to renegotiate these contracts, and find out and recover into the Treasury any unreasonable profits. Many of these contracts have been renegotiated and more than a billion dollars recovered and paid into the Treasury. This law has given these agencies the power to renegotiate the profits of individuals holding war contracts, and under this power they can take practically every dollar away from any contractor who has made unfair profits, and at the same time Congress has fixed tax rates running as high as 90 percent on the incomes of these or any other individuals.

This administration is responsible for any excessive profits on war contracts. We did have a law requiring competitive bidding in letting these contracts. The administration forced through a bill to repeal this safeguard for the people. I

voted against it. The administration entered into many cost-plus contracts.

The Carlson bill, in addition to the high income tax on individuals running up to 90 percent and the right of the Government to renegotiate these contracts to squeeze out any unjust or unfair profits, provides for recovery in high taxes on any so-called windfall in favor of any individual or contractor.

It looks to me as if these three safeguards will fully protect the American people from anyone receiving or holding any unjust or unfair profits. I strongly favor these safeguards in the Carlson bill. Why deny relief to 44,000,000 taxpayers because of the acts of a small number of profiteers?

The administration now shows great interest in the taxpayers of the Nation. I hope they will carry through from now on. For more than 10 years now they have shown an utter disregard for the taxpayers and the maintenance of the credit of the Nation. These so-called windfalls are just a red herring they are drawing across the trail to prevent the passage of this measure that is so strongly urged by the American people, and especially the more than 40,000,000 income-tax payers in the lower brackets.

There is no doubt but what this bill will help the small salaried people, the workers, in industry and on the farms, and the farmers, and our service men, and the small taxpayers generally, and for that reason they are endorsing and backing this "pay as you earn" plan.

LET US THINK OCCASIONALLY OF THE AMERICAN PEOPLE

The American people are in a tremendous strain on account of this war and they are responding nobly. They want this plan, and I want them to have it. The American people have been doing their full share in this war effort. Some of those who are opposed to the pay-as-you-go plan voted power to the President to give away to any nations that he may desire sixty-three billions. The Chancelor of the Exchequer of the British Empire reported the other day that Great Britain had spent in 3½ years of war sixty billions, and they would spend twenty-one billions this year, and that the people of Great Britain would pay in about eleven billions in taxes. Let us not forget last year we spent more than seventy-five billions for war purposes, and this year we will spend over one hundred and five billions, and the American people will pay to the Federal Government and their State and county taxes more than thirty billions. Russia is spending fifteen billions a year on the war effort, and China about five billions.

The President has the right to give away more than Great Britain has spent on the war effort in the last 3½ years and 3 times as much as Great Britain will spend on the war effort this year, and we will spend nearly 5 times as much on the war effort this year as Great Britain and 7 times as much as Russia and 20 times as much as China.

We started out by stating that we would be the arsenal of the democracies. We are producing more ships, bombers, planes, guns, tanks, and shells than Great Britain, Russia, and China combined. We are producing more food than all of those countries. The American people will pay nearly twice as much in taxes this year as Great Britain will spend altogether on the war. We have more men in our armed forces than the British Empire or China. We have become not only the arsenal of the democracies, but the bank, the bread basket, and the manpower for the democracies. I have heard no squawk and have seen no shedding of tears by those opposing the Carlson plan for this great contribution in equipment, food, money, and manpower to our allies. I want us to do all we can to help win the war as speedily as possible, but at the same time I want to grant some relief to the 44,000,000 taxpayers of our Nation and place our income-tax system on a progressive, scientific and equitable basis.

Mr. DOUGHTON. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. FORD].

Mr. FORD. Mr. Chairman, first of all, let me say I am supporting the committee's bill because I do not believe in forgiving, abating, or rebating taxes at a time like this.

As a matter of fact, I am not in the least enthusiastic about the graduated scale of discounts which the committee's bill affords. It is of course true that discounts for advance payments is a common business practice and not subject to the criticism that the forgiving of taxes justifies.

Something has been said on this floor about campaign funds. Well, if the Ruml plan would not create one of the greatest potential campaign corruption funds in history, then I do not know anything about politics as she is played by the loyal opposition.

I also wish to revert briefly to the impassioned plea of the very able and distinguished gentleman from New York [Mr. REED] to save the people from the loan sharks. His implication, that the committee bill was designed to aid this particular species of human bloodsucker, was, to say the least, unkind to his colleagues on the committee. I am wondering if the distinguished gentleman realizes that loan sharks are as old as written history and waxed fat for centuries before income tax or methods of collecting income tax were ever thought of.

Proposals are being made to spread the payment of these taxes over a 5- or 10-year period. That plan, I submit, would be fine in peacetime. But, gentlemen, we are in a war. A world war. A war for the very existence of our way of life. Will the proponents of this plan couple with it a guarantee that Hitler, Hirohito, and Mussolini will abate their efforts and agree to put forth those efforts on a 5- or 10-year installment plan. If so, I might be induced to go along with them.

Next may I be permitted to indulge in some random thoughts on the so-called Ruml plan?

First of all, its advocates are taking a lot for granted when they quote the Gallup poll.

When Mr. Gallup posed the simple query, "Do you favor or oppose the Ruml plan?" he failed to add "if it is designed to forgive or cancel ten billions of revenue that the Treasury needs?"

I was deeply impressed by Mr. DISNEY's suggestion that the gentleman from Minnesota [Mr. KNUTSON] introduce a bill in the House to appropriate $10,000,000,000 to pay the 1942 tax bill of the people.

I am also wondering what the response to the Gallup poll would have been if the introduction of such a bill to pay the 1942 tax bill was part of the question.

Now, as to popular understanding of the Ruml plan. This plan has been ballyhooed by both press and radio as a plan to prevent double taxation. If that were true, which it certainly is not, the popular response to Mr. Gallup's misleading question would be justified.

Now, Mr. Chairman, I am convinced that there is no opposition to a pay-as-you-go tax plan.

I am sure you will all recall that when the automobile industry was in its heyday it adopted a very similar slogan, "Pay as you ride."

Now, just for purposes of illustration or comparison, let us assume that all automobile companies carried their own paper.

Let us further assume that the industry had outstanding $1,000,000,000 and that because of a slow-down, or for some other reason, collections dropped off and the percentage of defaults increased alarmingly. I wonder if the industry would undertake to cure the situation by forgiving all outstanding paper, both current and delinquent, and say, "Let us forget about the principal and interest on the outstanding obligations. Come in and buy new cars and pay for them as you ride in them."

Automobile owners would, to a man, be strong for that plan, would they not? But I am wondering if Mr. Ruml would approve of that. As a banker would he call it good business?

Well, that is what Mr. Ruml proposes that Mr. Morgenthau do.

Talk about "boon"-doggling, talk about windfalls. Boy, oh boy! I quote the word "boon," for that is what this plan would be to the taxpayers—the bigger the amount, the greater the boon.

I am also wondering, Mr. Chairman, if the Ruml plan is adopted and the Treasury forgives $10,000,000,000, who is going to forgive the Treasury if it has to borrow an additional $10,000,000,000. Will Mr. Ruml's bank take the lead in forgiving the Treasury?

Unless I totally misunderstand the true intent of the American people, and I am sure I do not, they want to pay their taxes. They do not want to pay their taxes twice, naturally, but they have been shamefully and shamelessly misled as to the true intent and final effect of the Ruml plan.

To me the Ruml plan is one of the most cold-blooded attempts in the Nation's history to permit those who are able to pay to avoid paying and to force, by trick and device, those less able to pay to assume the major burden of taxation incident to the winning of the war.

Let me, Mr. Chairman, just in passing, make this observation: I have noted with deep chagrin that many of our most vig-

orous flag-wavers are also our most enthusiastic tax dodgers. And I have further noted with equally deep chagrin, but not with much surprise, that it is the leadership of the loyal opposition, that is, the minority, who always persistently and consistently support measures that have for their final objective the saving of the skins of these gentlemen who would filch the last dollar of the less prosperous for the benefit of the more prosperous.

In other words, war or no war, the leadership of the loyal opposition is always intent on listening to its master's voice, which persistently and consistently advocates:

For whosoever hath, to him shall be given, and he shall have more abundance; but whosoever hath not, from him shall be taken away even that he hath.

Mr. DOUGHTON. Mr. Chairman, I yield such time as he may desire to the gentleman from Mississippi [Mr. ABERNETHY].

Mr. ABERNETHY. Mr. Chairman, I am no tax expert. I hesitate, as a new Member, to discuss the all-important, intricate, and complex issue. Since this subject has now resolved itself down to the simple and single issue of forgiveness of 1942 income taxes, then I feel qualified to discuss it.

From the early days of this Congress I have received, at intervals, letters from some of my constitutents and others, requesting that I support the Ruml plan. Previously, it appeared as though everyone favored it. I even thought that I did and in a few instances so expressed myself. The plan was couched in soothing English, sweet, sugar-coated words, and laces and trimmings of a colonial maid. Some of us were thinking that Banker Ruml had originated a new means of paying taxes without paying taxes. Acting impulsively, our minds told us it was truly a great discovery—a miracle.

After 2,000 years we had discovered in our midst a real tax genius. Two thousand years of painful taxation had, at last, brought forth the painless panacea. Mr. Ruml was on the lips of every taxpayer. He was the toast of the Nation. Big business got behind the plan. With the blare of trumpets and roll of drums the campaign was under way to save the dear people 10,000,000,000 tax dollars. Letters, telegrams, bulletins, resolutions, and even visitors, began to pour into the offices of the representatives of the people. Vote for the Ruml plan! Vote for the Ruml plan! The chant was on! Then those, including this servant, who had become mentally drunk on this fantastic hoax of 1943, began to arouse themselves from their slothful slumber. It was discovered to the surprise of no one that the Ruml plan was no plan at all. It was simply a moratorium on taxes. Yes, even more than a moratorium—a simple gift, a pension, a skip-a-year, 1 year's tax on 2 years' income.

The people of America today have $90,000,000,000 in liquid assets. They earned over $119,000,000,000 in 1942—the highest earned income in history. It is estimated that our people will earn, during 1943, over $125,000,000,000. The fact remains that we are today in a much better position to pay income taxes than ever before.

Millions of our sons are on the field of battle. There are others yet to go. We are spending money by the billions to defend our shores from totalitarian domination. If the youth of this Nation is willing to face enemy guns in the preservation of our rights of liberties, then the home front should certainly welcome the privilege to pay, through taxation, for the guns, and pay until it hurts. Yet some, I am ashamed to say, want to forgive those here at home of 10,000,000,000 tax dollars and pass it on to the returning soldiers and future generations. Should this Congress adopt a tax bill which forgives $10,000,000,000 in income taxes when the Nation's earning capacity is greater than in all history, what will be the psychological effect of that news on those at the battle fronts? I am not going to lend my support to a tax program that will leave a large sum of money in my bank account—money which Congress last year said, and even now admits, was a positive necessity to fight this war. My patriotic constituents are happy in their privilege to make their contribution through means of taxation. I shall not lend support to a tax program that will forgive Members of this House $2,152 income taxes out of a $10,000-a-year salary. That is exactly what the Ruml-Carlson bill proposes to do.

You recall the World War millionaires of 1918. Do you not recall your pledges of last year to not let them spring up again like mushrooms overnight? You know that millions upon millions of dollars are now resting in the surplus accounts of war contractors, earmarked, "1942 income taxes due and payable to Uncle Sam." The adoption of the Ruml-Carlson substitute will merely mean a transfer of these funds to their savings accounts. Some of you may be interested in helping these financial monarchs in their nefarious efforts to force Banker Ruml's plan down the throats of the American people. You shall not do so with my support. You talk of inflation. Why, to waive the collection of these billions would be equivalent to printing and permitting a gratuitous distribution of that amount of printing-press money.

The time to forgive taxes is in time of peace, in time of recession, in time of depression—not when the earnings of our people have reached their greatest level in history and not when we are entangled in a costly conflict.

This Government incurred billions of dollars of obligations in 1942 for war contracts in the construction of planes, ships, munitions, Army, Marine, Air and Naval bases, and so on. Many of these obligations are unpaid. Uncle Sam expects to pay for them from 1942 income taxes. Suppose Uncle Sam should propose that he not pay his war debts of 1942? Is that not just as logical as Mr. Ruml's idea of leaving Uncle Sam holding the bag for our 1942 debts?

We have had an influx of the big boys into Washington; lobbying, sweet talking, and back slapping for Banker Ruml's scheme of forgiveness. But let Uncle Sam suggest he would not pay his war debts of 1943. Then yes, then, my good friends, the contractors and big boys will really descend like clouds of locusts on this Capital City. They will appear with fire in their eyes, demanding their millions and denouncing our Uncle Sam in terms unfit for public print.

Some of you talk about paying as you go—making everyone current with his taxes. I subscribe to and would like to see such a program put into effect. But tell me how it would be possible to collect taxes from a farmer of my district, or yours, before he has gathered and sold the crop? After all, he is the most current taxpayer that we have. He gathers a crop in the late fall. It takes him until about the middle of December to close out the year's business and then it is only a few weeks until his taxes are paid, and paid from money which he has just collected. How could a merchant liquidate in advance his income tax by the month, by the quarter, or even semi-annually? He knows not whether he has a profit until the end of the year. Will one of you Rumlites tell me even how a contractor could be placed on pay-as-you-go before the contract is completed, before he has determined the profit or loss? The professional man knows not what his income will be each month nor does even a banking corporation, an insurance company, or any other similar enterprise.

The salaried man could, perhaps, successfully be placed on a tax plan of pay-as-you-go and he probably welcomes it. The committee bill provides such a means. Other than the salaried man, I know of no other taxpayer who could possibly be made current. Even Mr. Ruml himself, in testifying before the Ways and Means Committee, admitted there was, in reality, no such thing as putting business and the people of this country entirely on a pay-as-you-go basis. The effectuation of such a plan is entirely beyond my comprehension and, undoubtedly, beyond that of the Members of this Congress because no plan offered to this date has with fairness and justice to everyone, solved the pay-as-you-go formula.

The proponents of the Ruml plan offer the fallacious argument that the Government will make money by forgiving 1 year's taxes. I cannot subscribe to this reasoning which is no reasoning at all. It might be simply, yet effectively, answered by saying, "If you can earn money by giving away 1 year's tax, aggregating $10,000,000,000, then why not give away 2 years', or 3, or more, and thus double or even treble the income?" If we are going to be so liberal as to forgive $10,000,000,000 income taxes, then why not be real liberal? Let us cancel all ad valorem taxes, privilege taxes, sales taxes, all taxes of every kind and character. Then let us return last year's income collections and divide the public properties and buildings. We might go a little further and give away the entire Government. We could give banker Ruml the Capitol building for a palatial

home, the Morgans, Maceys, Fields, the war contractors, and big business executives could also use some of this beautiful Government marble. When we have accomplished these most liberal donations, let us put the printing presses to humming and give everyone a barrel of money, or even two barrels. Let us make real blood millionaires out of everyone while our servicemen fight in a veritable hell and die like flies. Oh, yes, you say I am being ridiculous. I agree. So is Mr. Ruml. The loss of $10,000,000,000 which would be occasioned by the adoption of the plan would be of the greatest benefit to those who are ablest to pay. It would have to be made up out of increased levies upon the future incomes of taxpayers in the lower and middle brackets, many of whom will be our returning servicemen and new taxpayers who derive no benefit from the 1942 forgiveness.

It is a blessing that the Ways and Means Committee has so thoroughly gone into this bonanza for the rich. It came to us couched in sweet words, sugar-coated, and disguised. The veil has been lifted, a horrible picture has been exposed. The American people are learning the facts. Where before they wrote their Congressmen and asked them to vote for the skip-a-year Ruml plan, they are now evincing their disgust and asking this Congress to forget it. They know now that this is a scheme for the benefit of the rich, the wealthy. They know now that it is not in equal proportion for the benefit of the farmers and the low-income sections of this Nation such as I and most of you represent.

Our Nation is at war—an expensive war. I am not thinking of pinching tax dollars for Mr. Ruml or myself. I think of the flowering youth of America. God knows if they can fight for me, for my home, then I certainly can and will pay the bill. I refuse to be a party to this hoax. I refuse to pass a burden of $10,000,000,000 in taxes on to the wearer of the khaki and the blue, to my children, to yours, to those yet unborn. I positively refuse to aline myself with the Rumlites.

Two years' income and 1 year's tax—with this Nation bulging with money. Two years' income and 1 year's tax—in time of war, with our very existence threatened. Two years' income and 1 year's tax with James and John and Joe fighting the battles for us. Forgive $10,000,000,000 in taxes under these circumstances? Never, Mr. Chairman, never!

Mr. KNUTSON. Mr. Chairman, I yield 10 minutes to the gentlewoman from Connecticut [Mrs. LUCE].

Mrs. LUCE. Mr. Chairman, not being a tax expert, there is little I can add to the current confusion on the pending legislation. Nevertheless, during this past week, in spite of the bitterly contradictory counsels of many wise gentlemen, I have learned something. The first thing I learned was that the Nation's tax bills are written in the sweat of every Congressman's brow. The second is that as debate gains in heat it tends to lose in clarity. For example, today few of us on this floor can guess what may have been the main intent of the Ways and Means Committee when it first began to fashion this year's tax bill. Was its prime purpose to bring out a bill which would raise the largest revenue in our tax history? Or was it to relieve the people of a tax load which has grown too onerous? Or was it to put the individual taxpayer on a relatively more current basis? Was it to collect votes in 1944 by the millions? Or was it, as now seems the case, by trying to accomplish all these desiderata simultaneously, to drive everybody on this floor, and in the Nation, stark, staring crazy? In short, what was the original tax bill aimed to achieve—revenue, reform, remitment, or reelection?

Certainly when the bill was first conceived in committee both the very distinguished gentleman from North Carolina and the very able gentleman from Kansas knew the answers. But today I am reminded of a story about Robert Browning, who, when he was asked by an admirer what he was driving at when he composed a certain rather abstruse poem, answered, "Madam, when I wrote that, only God and I knew. But now only God knows."

Indeed, all three bills propounded on this floor have been referred for corroboration, with an astounding frequency, to the Almighty. Also called upon to testify here as witnesses to the nobility and purity of purpose of each bill's proponent, as well as to the bill's own ability to raise revenue, have been the saints and the archangels. And two colleagues have gone so far as to indulge in grim little colloquies with St. Peter at the Golden Gate, and with Charon on the River Styx, in the effort to prove that neither of these great personages had the slightest objection to a man's dying tax-free.

But, disputatious though all the adherents of the three bills have been to date, there remains a wide area of agreement among them. For example, the Doughton committee bill, the Forand-Robertson bill, and the Carlson-Ruml bill, all plunk for getting relatively more current by collection at the source of income. So getting relatively current is not the question which has caused blood pressures to rise and lifted the rafters of this Chamber. Everyone agrees about the method of the bill. There is also considerable agreement about the ability of this method to raise enough taxes this year. For instance, the gentleman from North Carolina [Mr. DOUGHTON] does not deny Mr. CARLSON'S assertion that the Treasury by collecting 1943 taxes in 1943 will take in as much this year and probably more than if 1942 taxes only were collected. Nor does the gentleman from Kansas [Mr. CARLSON] for a moment deny Mr. DOUGHTON'S assertion that if, in addition to collecting this year's taxes this year, the Treasury would attempt to collect part of last year's as well, that Mr. Morgenthau would wind up a good deal flusher. But—and here's the rub for the Democratic side of the aisle—it does not take any giant brain to figure out that however healthy Mr. DOUGHTON'S bill would be for the state of the National Exchequer, it will be dashed unhealthy for the Congressman who supports it. For the third, and perhaps most important, thing I learned is that the ballot box hath reasons which the Treasury Department knoweth not of. But the gentleman from North Carolina knows that. Indeed, his defense of the committee bill, while to my admittedly unexpert mind both logical and statesmanlike, was delivered with the unmistakable overtones of a funeral oration. Wherefore I have made the assumption which I hope is not too cynical a one, that Mr. DOUGHTON'S bill will not pass.

Now, no matter what anyone tells you to the contrary, the Carlson-Ruml bill, as it now stands, is very, very, very popular with everybody. The man in the street gets the idea—pay-as-you-go and skip-a-year taxes—instantly, and he likes that. It is so neat, so simple, so pleasant. To say that the man in the street, or the average taxpayer, does not understand the full implications of the Carlson-Ruml bill for the future is not, after all, to make much progress on this floor in defeating it. The man in the street did not, in my opinion, understand the implications of isolation, and yet previous Congresses voted time and time again as he wished on this issue. And this Congress may have to do so on the Ruml plan, unless it can manage to educate the man in the street in the next 24 hours—in short, before he is forcibly educated by the passage of the bill itself. There can even be Pearl Harbors in tax bills. As I have said, right or wrong, the committee bill is very unpopular and the Ruml plan is very popular.

Now since both bills make the taxpayer relatively current and both contain the withholding feature, it is plain that it is not either which explains the Ruml's enormous popularity. Then what is it? What is the Carlson bill got the committee bill has not got, in the eyes of the public? This, and nothing else: the Ruml plan forgives, abates, gives back, returns, forgets, ignores, skips last year's taxes for everyone. This feature of the plan and no other, is the very crux of this week's bitter argument.

To forgive, or not to forgive, that is the question. To forgive, to forget—and thus perchance to make a wartime millionaire. Aye, there is the rub, gentlemen.

For let us face it: there is one feature of the Ruml plan which is sooner or later going to be decidedly unpopular with about 43,900,000 of tomorrow's estimated 44,000,000 taxpayers. That is the part which extends the principle of forgiveness to 100,000 so-called rich men. For the extension of this principle to them, however fair it seems on principle, would forgive them in many cases, sums far larger than they could save in years, under present taxes.

Now, few on this floor have read the amendment, I hope to be permitted to add to the Carlson-Ruml plan when the bill is read. I like to believe that is because so many members have amendments devised to deal with this very problem, in their own pockets.

My amendment to the Carlson-Ruml bill strikes out all of the forgiveness and

antiwindfall provisions of the Carlson bill and inserts in their place a provision which, first, forgives all of the 1942 tax on taxable incomes up to $25,000; second, on taxable incomes over $25,000 forgives only the portion of the 1942 tax which is attributable to the first $25,000 of taxable income; third, permits the taxpayer whose taxable income for 1942 was over $25,000 to spread the payment of the unforgiven portion over a period of 5 years, and in hardship cases—which are clearly defined in the amendment—over an even longer period; fourth, charges interest at the rate of 6 percent per annum on the unforgiven portion until it is paid up, every penny of it; fifth, authorizes the Commissioner to condition any extension of time for the payment of the unforgiven portion on the furnishing by the taxpayer of adequate security.

Now, many of you will insist that thus arbitrarily to put one-hundred-odd-thousand taxpayers, of whom I am one, incidentally, in a special nonfavored, discriminated-against, unforgiven dog-house group is rank demagoguery. Against that there is no rational defense. No; there is certainly no legal justification, nor hardly a moral one, for saying that up to such and such an amount a man shall be forgiven his debts to the community; over and above that amount he shall not be.

But, on the other hand—and this, I believe in the end, is the more cogent argument, politically and morally—if so-called equitable forgiveness of all groups, a la Ruml, tends to create by law a special highly favored, overly forgiven group, that, too, is rank class legislation. And against that there also can be no moral defense whatsoever—and hardly a legal one, if progressive taxation is in reality the intent and spirit of the law, which I believe it to be. It is just not open to argument that the Carlson-Ruml plan, as it stands today, will save a very few a very great deal of money, while it will save only a very little money to the great masses. To pass such a law will invite demagoguery such as we have not seen since, since—when? Well, since the last election.

The Carlson plan may yet be a well-deserved political boomerang unless it is amended by whatever "unequal" provisions are necessary in order to achieve that equality of sacrifice among all our citizens which is the sine quo non of healthy morale in a war-torn nation. And remember, for us to "give" the people a bonus of last year's taxes will in the end never incite their gratitude if we give ourselves and the 100,000 above us bonuses hundreds of times greater.

Moreover, it is my conviction that most of the hundred thousand who will be adversely affected by such an amendment will, in the end, approve of it heartily. Not only will they deem it a privilege to sacrifice most to win this war this year and in the next years of the duration, but they will see deeper than the political imperatives which dictate the amendment; they will see that if such an amended bill passes in the year 1943 it will have been established conclusively beyond the power of any Communist or labor organization to contradict that this is not a rich man's war.

In conclusion, the Carlson-Ruml plan, unless thus amended, however sound it may be from a revenue or reform standpoint, is political dynamite. So is the Ways and Means Committee bill, for quite different reasons. And so is the Robertson plan, for still different ones. In my humble opinion, for the good of the Nation they should all be returned to the committee until the committee has made up its joint mind whether (a) it wants to raise money, and more money, and still more money, to pay for the bloodiest war in history—which necessity may yet require this Congress to treat its constituents like patriotic adults, instead of spoiled and whining infants; or (b) whether it wants a very popular but semisocialistic bill which forgives the poor and does not forgive the rich. Pay-as-you-go can be had with either bill—but only at a price. But does the committee really want the Nation's Treasury to pay that price now? That is the third and perhaps most important question.

Politics, they say, are made in the stomach and pocketbook. That may be true in times of peace, but in times of war, when our Nation's destiny and our sons' lives are in great jeopardy, politics must also be made in the head and the heart, if we are not to drag out the war indefinitely. Indeed, before this war is over it may yet be our sad duty to vote for emptier stomachs and emptier pocketbooks, struggling constantly as we must to insist that the same degree of emptiness be shared by all members and classes of the community. But in my opinion, neither empty pocketbooks nor empty stomachs are necessary today, or will be necessary tomorrow if we don't favor too many empty heads and empty hearts here in Congress. For which reason, whether our hearts or our heads are inspiring us to vote for the Carlson-Ruml plan, let us continue to use both most energetically and amend it so that it will not be said of this bill in '44: It was a bill which "forgave" the poor man what he had never been able to lay by anyway, and returned, special delivery, to the rich man the big package which he had already wrapped up to send to his Nation's Treasury.

Mr. KNUTSON. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. MILLER].

Mr. MILLER of Pennsylvania. Mr. Chairman, a democracy has well been likened to a raft—it never sinks, but it has great difficulty in reaching any desired definite place of destination.

For identification purposes, I represent the Eleventh District of Pennsylvania, Luzerne County, with a population of approximately 430,000. There are anthracite miners there, of whom you have heard so much recently, and some day I hope to tell you more about them. They are among the finest citizenry in this country of ours and they would be if they lived in the individual districts of any of you men. There are also farmers in the county of Luzerne, the third largest in Pennsylvania. Many of them have listened and wondered at what is taking place in Congress. Why are we drifting? Where are we drifting to? They want this tax matter, which has been kicked around here like a football for months, finished up, and I may say to my good friend, the delightful gentleman from Oklahoma [Mr. DISNEY], that if he were up in my district and he told stories such as he told here today, even Joe Maverick, whom some of you are familiar with, would say, "What to hell."

I am not afraid to go back to my electorate and tell them the truth. I do not think there is a man here in Congress who is afraid of the electorate. There is one man here, who has to be here. He is here for the purpose of helping his constituents and any time his constituents do not agree with him he is satisfied to be relegated to private life.

Each one of us shall do our duty as we see it. These are just general observations that I am making. I know what I am going to do. There is not a man in the House who does not know what he is going to do as far as the vote on this question is concerned. The sooner we vote, the better. There has been a lot of idle talk, interesting and entertaining, and I may say, incidentally, that I have learned something. I hope everybody has.

When you talk about the war and the war effort and the fact that some boy carries a pack of 60 pounds on his back, may I say that I feel the same way as the mothers and fathers, yet I have no sons. Some of us were in the last war, some of us would like to have been in the last war but we had no opportunity. I say now, advisedly, there is not one among you, if the situation warranted, who would not be glad to be beaten to a crimson pulp for the sake of a principle, and, if need be, I and other men here, the gentleman from Oklahoma [Mr. DISNEY], would be fighting alongside of your son. So let us not talk about patriotism as far as this vote is concerned, because it does not mean anything. This is not an argument out of harmony in any sense of the word, but I call your attention to the fact that the last refuge of a scoundrel is patriotism.

The gentleman from North Carolina [Mr. DOUGHTON] is a splendid man. If he should win on this bill, he will be generous, generous in victory, but when his bill is defeated, as I hope it will be, he will be gracious in defeat, because, after all, we are all Americans.

In conclusion may I say that I am advocating the Carlson amendment, and I shall vote for it.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DOUGHTON. Mr. Chairman, I yield 15 minutes to the gentleman from Georgia [Mr. VINSON].

Mr. VINSON of Georgia. Mr. Chairman, I cannot believe that the advocates of the Ruml-Carlson plan fully realize the implications of skipping the taxes for the war year 1942. As chairman of the Naval Affairs Committee I have been in a position to see what that plan means in relation to the facts on war profiteering which have been revealed by the committee. I propose to give you those

facts so you will see why I oppose the Ruml-Carlson bill.

The investigations by the committee have shown that the lessons of the past have been lost upon us. The committee has uncovered war profiteering on a gigantic scale. We are now absorbed in the task of putting an end to this outrageous profiteering, but while we are so engaged, the advocates of the Ruml-Carlson plan are pulling in the opposite direction. We cannot effectively stamp out war profiteering if a proposal is adopted to enable the profiteers to escape their share of taxes on 1 whole year of their windfall war gains. It is almost incredible to me that anyone could seriously advocate such a proposal.

Let me tell you about some of these profits which the Ruml-Carlson plan proposes to let the profiteers keep intact. Among them are the enormous contingent fees and commissions being received by "sales representatives" or war brokers in connection with the procurement of Government contracts.

This contingent-fee practice is already a public scandal. Listen to this excerpt from the opening statement of the general counsel of the Naval Affairs Investigating Committee, at the hearings on H. R. 1900, a bill which I have introduced to put an end to this colossal war-profiteering practice. The general counsel said:

> Five such agents * * * were brought before the committee and testified at length. They told a startling story of war profiteering—selling commissions and brokerage fees so large as to be almost unbelievable. Based upon a percentage of the Government business obtained, their commissions had come in so fast they hadn't had time to count the chips. They all conceded they were making too much money, far in excess of any legitimate service they were rendering.

The only justification for these profits advanced by these agents—and I would like the proponents of the Ruml plan to listen to this carefully—was that most of these commissions would have to be repaid to the Government, anyway, in the form of taxes. Yet those are the very taxes which the Ruml-Carlson plan now proposes to forgive. Here are excerpts from the testimony of some of these war brokers at the hearings before the House Committee on Naval Affairs, in its investigation of the naval defense program—Seventy-seventh Congress, second session, volumes 1 to 7, March 23–July 16, 1942:

One of these agents, Floyd Bronson Olcott, of Washington, D. C., testified:

> We agree now that this thing has gone beyond all bounds, and the reason that we haven't been particularly concerned about rushing these negotiations is, we figure, that this money we are getting, 80 percent of it will go back to the Government in taxes, and it didn't make much difference whether the Government got it from us or from our companies (p. 1176).

Again, William Scrimgeour, of Washington, D. C., testified:

> Possibly I will make an explanation here that is not in accordance with Hoyle, but this business has jumped on us so darn quick and fast here that we haven't had time to do anything in the way of adjustments.

Whereupon, one of the committee members asked him:

> Why don't you make an adjustment by way of a reimbursement to the Treasury for what you have taken out.

To which Mr. Scrimgeour replied:

> I can't do that. They are taking quite a lot of it out in taxes. We don't get much of it (p. 1225).

This was the war brokers' justification for their windfall profits—that they expected the Government to take back a large part of those in taxes. Yet those are the very taxes which the Ruml-Carlson plan would now forgive.

Now let me cite some specific cases uncovered by my committee so that you may have a clearer conception of what the Ruml-Carlson bill means.

The partnership of Shirley, Olcott & Nichols received over $750,000 for the first 6 months of 1942. For the whole of the year 1942 the firm actually received about $1,000,000 plus an unknown amount which remained due to it. Floyd B. Olcott, whom I have already quoted, testified before the Naval Affairs Committee that he "had no idea that business would jump to the proportions it has overnight," but that he anticipated that 80 percent of his profits "goes back to the Government." That statement, however, was made before the minority espoused the Ruml plan. It could not be used as a justification if that plan were to succeed.

Another case in point is the firm of W. Lester Baker which in 1939 received $27,957; in 1940, $81,015; in 1941, $184,471; and in 1942, $261,947, plus an unknown amount which remained due to it. Exhibit No. 3 is Horace Ward, in 1941 he received $133,116; and in 1942, $582,846. Exhibit 4 is the family firm of William Scrimgeour & Sons, which during 1942 received about one-half a million dollars in war brokerage fees, plus an additional unknown amount which remained due to it. And so it goes. I could cite case after case. Mr. Chairman, I ask leave to insert into the RECORD a table showing some of the cases uncovered by the Naval Affairs Committee. Hundreds of people reaped large commissions in 1942. Much of this income should never have been received, and although it has ultimately been paid by the Government, we are now urged to relieve these profiteers of the taxes which the Government needs. If the proponents of the Ruml plan have their way, this windfall income will remain in the hands of these agents, either wholly or in greatest part free of tax.

For a moment, when first glancing through the Carlson bill, I was pleased to note that the fantastic nature of such a proposal had at last occurred even to its proponents. On page 3 of the bill, line 14, I saw these words:

> In order to avoid windfalls. * * *

Here at last was an expressed recognition of the basic fallacy and gross inequity of the plan. But as I read further it soon became apparent that the antiwindfall provisions rendered nothing more than lip service to the evil of forgiving the tax on windfall gains acquired at the expense of the war effort. It was bad enough when complete forgiveness of the tax on these war profits was seriously advocated. But it is doubly reprehensible to recognize the complete fallacy of such a proposal and then fail to include adequate safeguards against it.

Here are the so-called antiwindfall provisions which the Carlson bill offers: One provision is, in effect, that for incomes above $20,000, the tax forgiven shall be the lower of 1942 or 1943. The other provision is that for incomes in excess of $50,000, a special tax is imposed if 1942 and 1943 incomes both exceed by more than $50,000 the income of 1941. The tax is on the excess of 1942—or 1943—income over 1941 income, such tax amounting to 25 percent on the first $500,000 of excess and 50 percent on the balance of such excess.

Let me show you how these provisions will work. As I have pointed out, the war-brokerage firm of Shirley, Olcott & Nichols received almost $1,000,000 in 1942 that we know of. In 1941 the firm received $605,899 in war-brokerage fees and commissions. Under the Carlson bill, assuming the antiwindfall provisions to apply, and assuming, as stated by Mr. Olcott, that the tax rate applicable to the partners would be 80 percent, the tax under the Carlson bill would be 25 percent of the excess of 1942 profits over 1941 profits, or about $91,000 for all three partners; that is, less than 10 percent of the 1942 profits. The other 70 percent of profits which the partners had expected to pay in taxes would be the Government's gift to them for making profits which Mr. Olcott admitted had "gone beyond all bounds."

Here is Luther Matthew Bolton who received $140,000 in 1942. In 1941 he received $69,000. On this $140,000 for 1942, Mr. Bolton's tax is approximately $98,000. Under the Carlson bill's so-called antiwindfall provision he would pay only $17,750, or approximately 18 percent of the tax which would otherwise be due. This would mean a tax saving of almost 80 percent.

The same incredible result occurs all up and down the line of war profits. It is completely incomprehensible to me that anyone could find any merit or justice in such a result.

Observe these fallacies in the minority's antiwindfall alleged safeguards: In the first place, the base year, 1941, represents an unwarranted and unjustifiable choice. The year 1941 was a year of special wartime profits. We all know that during that year there were innumerable cases of large salaries, of large war incomes and profits based on American and foreign war contracts and contingent fees and other large incomes incidental to these contracts. There were also larger dividends from corporations doing wartime business. In view of the fact that 1941 was itself an abnormal year, the use of that year as the basis for preventing windfalls is nothing more than camouflage to conceal the special wartime windfall of forgiveness under the Ruml-Carlson plan.

It is clear also that since the 1942–43 provision relates only to incomes above

$20,000 and the special tax on the excess over 1941 applies only for incomes over $50,000, there are very substantial areas of windfall not within the range of these provisions. Thus, John B. Brady received $105,000 during 1942. This was $38,000 more than he received during 1941. The antiwindfall provisions of the Carlson bill would not apply to this taxpayer, and his saving would be $68,286—the full amount of his 1942 tax.

It is a sound objective to achieve current collection of the income tax to the fullest practicable extent. It is equally sound to collect the tax out of income as it is earned. But it is unsound and unjustifiable to forgive the tax, or all but a shadow of the tax on the fat windfall war gains of 1942 in the process. In considering forgiveness of taxes on 1942 incomes we are not speaking of the income level of normal, peaceful times. We are dealing with a war year and with the war-made incomes of that year. Yet those are the incomes which the Ruml-Carlson bill proposes to relieve wholly or in greatest part from taxation. It is unthinkable to me that such a piling of windfall on windfall could seriously be advocated.

Let me outline for you a plan which will achieve current collection of tax to the fullest practicable extent and at the same time provide a complete safeguard against windfall forgiveness of tax on 1942 war incomes.

The Treasury is to collect the March 15 and June 15 installments on 1942 tax liabilities as provided under present law. The 6-percent normal tax plus 4 percentage points of surtax, or a total of 10 percentage points of tax, would be forgiven on 1942 incomes. Begin collection at source from wages and salaries on July 1, 1943, at a withholding rate of 20 percent the same as under the committee's bill. This rate would be sufficient to cover the net basic liability for income tax, that is, the 6-percent normal tax and 13-percent first bracket surtax, as well as the net Victory tax. For income not subject to collection at source, two corresponding quarterly payments of tax would be made, one on September 15 and one on December 15, 1943. The amount of the basic liability thus collected at source or paid quarterly during the last half of 1943 would be credited against the 1943 liabilities in March 1944 when the return for 1943 is filed.

In the meantime, by making his March and June installment payments of 1942 tax, the taxpayer will have paid one-half of his 1942 taxes, which means, of course, that he will have paid one-half of his 1942 basic liability, leaving the other one-half unpaid. But since the plan would forgive 10 percentage points of the 1942 liability, it follows that this remaining one-half of the basic liability for 1942 will not be paid. In other words, when the June 15 and September 15 installment dates for 1942 tax arrive, the taxpayer will pay on each of those dates only one-fourth of the 1942 tax liability in excess of the basic 19-percent liability.

In this way there would be no decrease of revenues to the Treasury and no doubling up of taxes for the taxpayer in the year in which he goes on a current tax collection basis. By the middle of 1943 the taxpayer will have paid one-half of his basic liability for 1942. From the middle of 1943 to the end of 1943 he will have paid the corresponding one-half of the 1943 tax liability. And throughout 1943 he will have paid the balance of the 1942 tax over the basic liability. Thus, at the end of 1943, all of his 1942 taxes will have been liquidated by payment and forgiveness, and one-half of his 1943 basic liability will also have been paid. There will then remain outstanding the other one-half of his 1943 basic liability and all of his balance liability for 1943 in excess of the basic 19 percent.

This balance of 1943 taxes above the basic liability would be collected in 1944, as under present law. The remaining one-half of the basic liability for 1943 could be handled in one of two ways. One method would be to require that it be paid quarterly during 1944. This small amount of doubling up would not be burdensome because it would not occur in the year of transition to a current collection system, and the taxpayer would have sufficient advance notice to enable him to meet it. The other method would be, beginning with 1944, to increase the withholding rate and the basic liability rate for current quarterly payments on incomes not subject to withholding, by 5 percentage points, until the remaining 1943 basic liability has been fully discharged.

The advantages of this plan are these:

First. It would achieve current collection of taxes to the extent of the basic liability, which is the only feasible extent of current tax collection.

Second. In return for small additional payments during 1944, the taxpayer will receive the benefit of being able to pay his tax out of the income which gives rise to the tax, and the benefit of the forgiveness of 10 percentage points of his 1942 tax.

Third. The windfall war incomes of 1942 will not escape their just and proper share of the burden of financing the Nation's war needs, as they would under the Ruml-Carlson bill.

Amounts of retainer fees, reimbursements of expenses, salaries, and commissions paid to and due manufacturers' agents, 1939–42 [1]

Name of agent	1939	1940	1941	1942 [2]	
				Received	Due [3]
Associated Manufacturers, Inc.			$17,529.89	$47,797.19	$75,073.21
Baker, W. Lester	$27,957.71	$81,015.39	184,471.76	[4] 261,947.00	[5]
Brady, John B.	17,035.59	16,616.18	67,308.66	104,808.59	10,944.24
Brew, Altiery & Wesely, Inc.			7,634.61	49,332.35	[4] 64,841.48
Bolton, Luther Matthew	2,175.00	17,194.19	68,784.83	[4] 123,604.55	[4] 16,000.00
Charles Rubel & Co.	68,901.75	102,493.84	203,529.61	287,553.26	[5]
Commercial Engineering Co.	15,024.13	18,511.45	32,998.06	59,714.00	141,200.00
Ettenger, E. Lloyd	6,675.45	10,359.20	13,810.42	21,676.84	24,792.42
Gibson, S. Douglas	5,038.37	18,167.36	65,438.25	130,456.96	34,744.22
Goodloe, E. S.	3,072.66	9,072.73	20,542.52	49,764.43	40,863.89
Leyde, Glen H.			9,000.00	30,250.00	46,511.30
Macintosh & Sheridan	38,935.04	39,532.77	124,186.38	123,352.92	47,933.27
Meeks, S. J.	13,469.00	14,608.00	28,452.00	39,755.00	56,799.00
Meleney, George L.	13,721.23	15,627.53	23,509.03	34,877.63	80,650.90
Nichols, J. R.	8,161.60	8,624.90	35,660.00	23,500.00	35,034.31
John J. Orr [6]				16,571.39	35,627.32
Powell, Benjamin A.	12,597.35	13,849.08	35,350.49	[4] 89,343.96	[4] 78,466.63
Shirley, Olcott & Nichols [6]	67,072.78	165,944.96	609,899.43	[7] 972,568.84	[5]
Scrimgeour, William, & Sons [6]				[7] 430,171.09	[5]
Stone, Alexander H. [6]				46,038.64	429,259.76
Taylor, R. E.		750.00	5,425.91	25,325.83	141,591.68
Thumm, C. A.	53,039.33	46,888.36	212,754.11	[4] 144,232.47	[4] 188,836.30
Ward, Horace [6]			133,116.32	298,346.99	284,499.73
Weiler, Edward W.	1,361.54	2,711.42	15,268.86	38,752.42	66,219.23
Whitehead, Edward	2,929.39	5,555.15	22,128.40	58,438.95	[5]

[1] In some cases amounts include payments on commercial business.
[2] As of approximately August 1942 (see footnote 4).
[3] Represents amounts due and to become due.
[4] As of Dec. 31, 1942.
[5] Not determinable.
[6] Agents who previously appeared before committee.
[7] As of Sept. 30, 1942, including amounts previously mentioned during hearings.

Source: Committee print, opening statement of Robert E. Kline, Jr., general counsel, Naval Affairs Investigating Committee, and hearin on H. R. 1900.

Mr. CARLSON of Kansas. Mr. Chairman, I yield myself I minute. The gentleman from Georgia [Mr. VINSON] has just called attention to a large number of profits being made during this war and defense era. I think if his statements are true, and I do not doubt them at all, it is a severe indictment of the Army, the Navy, the Maritime Commission, and the Treasury, for failure in the negotiation of private as well as corporation contracts and of private sales.

I now yield to the gentleman from New York [Mr. LEONARD W. HALL].

Mr. LEONARD W. HALL. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD at this point.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. LEONARD W. HALL. Mr. Chairman, we are getting close to the time for a decision on this bill. We have listened to a lot of arguments—some thoughtful, reasoned expositions on the subjects, others purely political, and some tending to the demagogic.

But let us now come back to the point of where the people's interests lie, what their views are, and what their pleas are. By every poll the Nation's support of the Ruml-Carlson plan is indicated. The great bulk of the newspapers are for it. Our mail shows our people of all walks of life are for it.

If there was ever general unanimity for a tax bill, it is for the Ruml-Carlson plan.

Yet we find the administration and a goodly bloc on the Democratic side bitterly fighting the accomplishment of a tax reform that is inevitable—inevitable because the people demand it and it is right.

Here is a progressive step—an enlightened step—that is characterized as heresy and paganism. But the people know better, and we know better. For months now the Ruml plan has been debated over the Nation, and for months the adherents to the plan have swelled in numbers. The people sense—and rightly—that it is the greatest and most progressive tax reform we have had since the inception of the income-tax system in 1913.

Years ago, to many of us, taxation used merely to be a bother. Today, to all of us, it has become a matter of terribly real and intimate importance. The impact of taxes today impacts on our living standards, on our personal plans, on our hopes—so much so that plans and hopes these days can no longer be made confidently. At best they must be tentative.

But even in these days the people of the country would not be demanding the Ruml-Carlson plan if all were well to do, if all were rich, if all were able easily to anticipate tax payments. But all of us are not well to do or rich, and we are not only not able to lay aside money for anticipated tax payments but we are hard put to make the payments at any time. It is for these people that the Ruml-Carlson plan has been devised, not for the few rich and the well to do. The rich and the well to do do not need any Ruml plan; remember that. The plan is for the overwhelming numbers of our people, not the few.

The Ruml-Carlson plan is for the 26,000,000 taxpayers whose incomes are not more than $2,000. It is for the 37,500,000 taxpayers out of a little more than 38,000,000, all told, whose incomes are less than $5,000. These millions—who really constitute the Nation's taxpayers—are not the rich and the well to do. It is these people who want the Ruml plan and it is these people who are determined to get it. It is the little fellow and not the big fellow who is in great trouble on his taxes today. The $100,000-income group, of which there are 5,800 in number, are not in as serious trouble. But to those of us not in this latter group and who must be counted among the 37,500,000, taxes must be, as they are, keen sacrifices, often harsh ones, and that bring in their trail mental harassments and anguish.

For the record, I want to include the summary of the Republican minority report on just how the Ruml-Carlson bill would operate. Here is how:

1. In general, the income-tax assessment against 1942 incomes, now due and payable in 1943, would be abated, so that all taxpayers would be placed in a position to pay their income tax currently in 1943 and subsequent years, with no doubling up.

An exception would be made in the case of those with more than $20,000 income in 1942 and whose 1943 income was less than the 1942 income. They would, in effect, be required to pay taxes in 1943 on the basis of their higher 1942 income, and the assessment against their 1943 income would be abated instead. This difference in treatment of larger incomes is to prevent any possibility of windfalls. A so-called notch provision is added to equalize the effect of this anti-windfall provision on those with 1942 incomes slightly over $20,000, as against those having less than that amount.

In order to prevent the possibility of windfalls to well-to-do persons having abnormally high incomes in 1942 and 1943 in comparison with 1941, a special tax is imposed on the abnormal portion of the income of the year not taxed in full at the regular rates. The special tax in such case is 25 percent of the first $500,000 of the abnormal profits and 50 percent of the balance.

2. All tax payments made in 1943 would be credited to the 1943 liability, rather than the 1942 liability.

3. The income-tax returns which taxpayers filed on March 15, based on their 1942 income, would be treated as tentative returns on their prospective 1943 income, subject to final adjustment March 15, 1944. The final return then filed would become the tentative return for the ensuing year. Thus only one return a year would actually be required.

4. In order to provide the maximum flexibility in adjusting current income-tax payments to current income, taxpayers at their own option would be permitted to file an amended return on one or more of the quarterly installment dates on June 15, September 15, or December 31. Subsequent quarterly installments could be adjusted up or down to conform to the taxpayer's changed circumstances.

In 1944, and subsequently, the taxpayer could file a tentative return on March 15 based either on his previous year's income or on his prospective income for the year, subject to amendment during the year if necessary to reflect a substantial change in income or circumstances.

5. In order to require the filing of reasonably accurate tentative returns, 6-percent-interest assessment would be collected on the amount by which the final liability for the year, as shown on the March 15 return, exceeded the tax liability shown on the tentative return or returns by more than 20 percent. In other words, a 20-percent "tolerance" would be allowed. Since the taxpayer could file an amended return for the year as late as December 31 and adjust his tax payment accordingly, a taxpayer should easily be able to come within 20 percent of estimating his 1943 tax.

6. Withholding at the source would be inaugurated July 1, exactly as provided in the committee bill, except that the amounts withheld would be credited against the current liability rather than that of the past year. The amounts withheld at the source would be set off against the subsequent quarterly installment payments otherwise due. Those not subject to withholding would pay their current tax in installments, as at present.

7. The provisions of sections 5 and 6 of the committee bill relating to special income-tax relief for members of the armed forces have also been included in the revised Carlson bill.

8. The bill as drawn thus presents to the Congress only one issue as between it and the committee bill, namely, whether taxpayers are to be made immediately current in their tax payments, with no doubling up.

The Ruml-Carlson proposal promises genuine tax reform in the interest not only of the taxpayer but of the Government. In principle, it is enlightened, progressive, and liberal. It is grained through with common sense. And the people know it.

The Treasury Department has argued persuasively for a pay-as-you-earn plan. It has provided none.

The Ways and Means Committee have striven to put form and substance on this same idea. It has provided none.

The administration, by its Chief Executive, endorsed the principle. But he provided no plan. One wonders what the situation would have been had he thrown his prestige and his strength behind the Ruml plan with the zeal and the enthusiasm that he has shown for projects less popular or even quite unpopular.

The Nation wants a pay-as-you-earn plan. The Ruml-Carlson proposal provides it, and we are now faced with the decision to legislate it in the people's interest or to withhold it.

It seems odd, if not incomprehensible, why the majority side on the Ways and Means Committee were not willing, and eager, to sponsor the Ruml plan. Seemingly they were willing to sponsor 50 percent of it, or even 75 percent of it. It must be assumed—any other reason being indiscernible—that their unwillingness to sponsor the Ruml plan was due simply to an inherent weakness that it simply would not be expedient for the administration to sponsor or embrace a Republican proposal, no matter if the country wanted it. From that moment on theirs was the job to convince the country that the people did not want the Ruml plan; that it was no good; that it was selfish; that it was inequitable—that it was paganism, heresy.

Not being able to agree on any of their own plans, and there were many—too many, as the people know, from the reports that daily emanated from Washington—the pending committee bill finally came before us. And the country knows it for exactly what it is—a hodgepodge, a stubborn attempt to hide this administration's utter inability to provide something better than the Ruml plan; and failing that, to give us something as near to the Ruml plan as possible—except the meat of it. For the Members on the Democratic side of the aisle may as well admit that the committee bill does not give the country a pay-as-you-earn plan.

Oh, you are trying to sell it as something better. And as an inducement to the people to take it, you have packaged up a gift wrapper or coupon in it. And what is this gift wrapper or coupon? Simply a promise that if the harassed taxpayer can double up on his income tax this year that you will give him a cash discount running from 2 to 6 percent this year and from 1 to 4 percent next year.

This is just giving the public a sugar-coated pill. We all know what business discounts are. The little fellow, the average merchant, rarely ever is able to take advantage of them. He simply has not got the money. And the average little taxpayer will not be able to take advantage of this discount either, for the good reason that he simply has not got the money. If the people of this country were in the position of taking the discount, some amelioration of their

present tax burden would be forthcoming, but we all know they are not in such a condition. Right now, not only can they not take the discount by doubling up on their taxes, but they are borrowing hundreds of millions, selling war bonds, "hocking" themselves—all in the desperate effort to pay their 1942 taxes, not to mention those for 1943.

The chairman of the Ways and Means Committee has termed the Ruml-Carlson proposal a heresy. Others may call it economic paganism. They have deluged it with expletives of every type. But the principle of the plan remains as bright as ever; and the more the people have studied it, the more converts it has made; and the tax reform embraced within the principle of the Ruml plan bids fair to mark it as one of the greatest and outstanding tax reforms in the world.

The opposition argues that the Ruml plan would rape the Treasury; that it would forgive $10,000,000,000 of taxes; that it subordinates the interests of the little fellow. But everyone of these arguments, resurrected and heightened in tempo in the last few days, is an argument that has been thoroughly dispelled by the close analysis given to this plan by the people themselves in the last 6 months.

Our people are just as solicitous of the Nation's assets as are Mr. Morgenthau or any of his experts. The people of the country are no more willing to dissipate those assets than anybody else. They know that by every rule or measure of practicality the Treasury will not lose a single dime under the Ruml-Carlson plan. And they know that tax liability is precisely what the Congress may at any moment declare it to be. The 1942 tax liability is a liability that is subject to change, depending entirely on the will of Congress. If the Ruml-Carlson plan is enacted the Treasury will not suffer one cent of loss in revenues. The little fellow and the big fellow will pay his taxes every year just as he has been paying them but on a pay-as-you-earn basis. And if anybody in the higher brackets made excessive taxes in 1942, the windfall provisions, so-called, of the Ruml-Carlson plan will catch him.

There is simply no way in the world for the people to become current in their tax payments under the administration proposal unless—yes, unless—they are rich or well-to-do. The inducement or encouragement discount provision in the committee bill is something quite outside the reach of the ordinary taxpayer. Remember, that the only people who are going to be able to take advantage of the discount are those who could get along without the Ruml plan. They will be the ones who can pay in advance out of their own funds; and they can probably, at least in many cases, borrow funds at less than the discount rate, and thus be able to make themselves a tidy profit.

There is no shift of burden to the average man under the Ruml-Carlson plan. Likewise, there is no shift of benefits. Everybody is treated alike, except that the individual with windfall profits will have to pay on those profits. If there is a shift to higher taxation during any year, the increase would be applied equitably on the progressive principle of ability to pay. And similarly, where there is a lowering of the tax rates.

In a desperate effort to confuse the issue—to evolve a political issue perhaps—there have been some unfortunate and, I think, quite regrettable charges as to the Ruml-Carlson plan. But these charges, I would believe, have been made out of desperation, political desperation, rather than out of common sense. The whole country simply cannot be wrong and the administration right. The majority committee report gushes forth, page after page, about the "inequities" of the Ruml-Carlson plan and about the windfalls to the rich. Let it be remembered in this connection that the majority committee report does not refer to the pending Ruml-Carlson bill. There will be no windfalls under that measure. Where individuals have been able to garner together a greater income in any one year, to show a windfall, the tax recapture provisions of the Ruml-Carlson bill will catch such windfalls.

The support for the Ruml-Carlson plan, I want again to emphasize, comes from the people. The demand for this tax reform is mounting. The people are looking to their Government to give them this relief, and they are determined to get it, and no amount of politics and rhetoric is going to satisfy them if by any combination of political forces the Ruml-Carlson relief bill is defeated.

Mr. CARLSON of Kansas. Mr. Chairman, I now yield to the gentleman from Maryland [Mr. ELLISON].

Mr. ELLISON of Maryland. Mr. Chairman, in the tax legislation before us, it is conceded, I think, that the paramount objective is to place the taxpayers on a current pay-as-you-earn basis. It is also admitted that to obtain this result, only two methods are possible: One, for the taxpayer to pay both the 1942 and 1943 income taxes; two, that some or all of the 1942 taxes be abated.

There are three bills before us:

First. The so-called committee bill. This bill in substance does not provide for any abatement of taxes, and it leaves to the taxpayer the option of becoming current in his tax payment by paying both years' taxes. We know, however, that the payment of 2 full years' taxes in 1 year is beyond the capacity of the vast majority of those subject to the payment of income tax.

Therefore, this bill will not meet the primary purpose for the change in the present law, namely, that of placing all taxpayers on a pay-as-you-earn basis.

Second. The Forand-Robertson bill. This bill does provide for abatement of the 1942 taxes to the extent of the normal tax of 6 percent and the first surtax bracket rate of 13 percent, making a total abatement, generally speaking, of 19 percent. This plan, however, will not place all taxpayers on a current pay-as-you-earn basis. It is estimated that about 96 percent of the 1942 taxpayers would be so placed, but the remaining taxpayers would be partially on a pay-as-you-earn basis and partially on a deferred basis; and even among the latter class the extent to which they will be on a current basis and on a deferred basis will vary with the amount of income. For this main reason, therefore, the Forand bill, too, will not meet the desired result.

Third. The Carlson-Ruml bill. The plan involved in this bill will place all taxpayers on a pay-as-you-earn basis, by providing for the abatement of 1 year's taxes. It is the only bill before us which will achieve this paramount objective. The objection to this bill is based upon the theory that abatement of taxes is against our policy, especially at a time when the Government needs more money than ever before, and at a time when some incomes are very large, and in the latter cases would create a windfall in favor of the large taxpayer. It is true that this bill contains provisions to reduce somewhat the windfall benefits: (a) By compelling the taxpayer to pay taxes on the 1942 or 1943 income, whichever is larger, and (b) by imposing a tax of 25 percent, and in certain instances 50 percent on incomes which are at least $50,000 above normal—the 1941 income being considered as normal. However, many persons think that these checks on windfalls are not sufficient and, for that reason, still oppose the Carlson bill.

If there were no other methods of achieving the principal objective of placing all taxpayers on a current basis, I should favor the Carlson bill. However, there certainly must be a middle ground between the two extremes, and it is such a middle course that I wish to suggest. It is to amend the Carlson bill so that taxes on incomes up to $20,000 for 1942 be entirely abated. In dollars and cents, it would mean that each taxpayer in this group would be entitled to a tax abatement up to $7,100, depending on the amount of his income, this figure being the approximate tax on $20,000. The taxpayer with an income above $20,000 shall pay his tax on income in excess of $20,000 in four equal annual installments, the first installment to be paid in 1943. These installments are to be paid in addition to his taxes payable during the current year. Deferred payments are not to bear interest, but an inducement discount shall be permitted on the following basis: If he pays all of his 1942 taxes in 1943, he shall be allowed a discount of 6 percent on three-quarters of his 1942 tax obligation. If he pays all or any portion of his unmatured installments on his 1942 taxes in 1944, he should receive 4 percent of such prepayment; and similar payments on his 1942 taxes in 1945 shall entitle him to 2 percent of such prepayments. This would serve as an inducement to those who could afford to prepay their 1942 taxes, to do so. Inasmuch as persons with an income over $20,000 are usually sufficiently provident to provide for their income taxes out of their current earnings, it is likely that the majority of those people would prepay the 1942 taxes. I suggest that the deferred payments shall not bear interest because that class of taxpayers is already placed, under this

plan, at somewhat of a disadvantage in comparison with those whose incomes are less than $20,000, and no additional burden should be placed upon them. In all other respects, the provisions of the Carlson bill shall remain.

At first blush this plan may be subject to the charge that it would be soaking the rich. However, tax levies are made on the principle of ability to pay, and those with incomes above $20,000 are usually in a position to pay more than those with lesser incomes.

It is admitted that there is no plan for the transition from the present method of tax collection to the pay-as-you-earn method, which would distribute the burdens equally on all classes of taxpayers, based upon the tax burden borne by them under the present law. It is submitted, however, that the most equitable method of transition should be based on abatement of a definite portion of the taxpayer's income and not on percentages, such as is involved in the Forand bill. This basic principle was also suggested by the lady from Connecticut [Mrs. LUCE].

The advantages derived from these suggestions are:

First. That all taxpayers will be placed on a current pay-as-you-earn basis.

Second. That no windfalls can accrue, as the highest saving by the taxpayer would be $7,100, which amount cannot be considered as materially enriching.

Third. In cases of hardship the taxpayer would have 4 years in which to pay his 1942 taxes.

Fourth. Withal, this plan has the merit of simplicity as compared with the plans embodied in the pending three bills.

As you will notice, I have not discussed the practical and theoretical merits or demerits of the pay-as-you-earn plan, or of the various other aspects in the several bills, but I am merely presenting what I think a better method of placing the taxpayers on a current pay-as-you earn basis.

I have, therefore, prepared and intend to offer an amendment embodying the above suggestions.

Mr. CARLSON of Kansas. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. RAMEY].

Mr. RAMEY. Mr. Chairman, because a tax is a forced contribution to pay the expenses of government, instinctively one rebels when he hears the word "tax." Anyone will give his last cent to his church, or his charitable organization, because he gives it of his own free will and accord, but when he is assessed a certain amount or is told to pay, he does not like it.

We have heard some strong words here today and in other days, Members calling one another demagogues. I do not believe there is a demagogue in the House on either side. A demagogue is a man who panders to popular prejudice, a man who seeks public approval, or to get applause of the masses, or a man who seeks votes for another term. I do not believe there is any such man here. Most of us have sons in the Army, and the one who is the most patriotic is the one who mentions it the least, and if there is anything that they are saying to us now, it is to not talk about another term, not speak about what someone is saying about us, and not discuss letters he receives, but to do that which is right, that which is just, and have the same courage about a tax plan or any other plan and to do what is right and just, just the same as the soldiers are doing on the battlefields today. It calls for courage to suppress our emotions, as it does the soldier to suppress his fears.

Because a tax is a forced contribution, human nature rebels, but we must be bigger than mere humanness. As Americans, complete self-forgetfulness must have the right-of-way.

Mr. Chairman, I have received the following letter from Paul B. Shawen, a friend and constituent of mine, who is an attorney at Toledo, Ohio, and who has assisted numerous taxpayers with the preparation of their income-tax returns. Mr. Shawen's report of the attitude of some of the taxpayers with whom he has come into contact and the warning he sounds regarding the problems and difficulties that would arise if this attitude becomes widespread will, I believe, prove of interest to all the Members of this body, and especially to the members of the Ways and Means Committee. Mr. Shawen's letter reads as follows:

TOLEDO, OHIO, *March 15, 1943.*

Hon. HOMER RAMEY,
Washington, D. C.

Re: Income tax.

DEAR HOMER: Please ask the chairman or most influential member of the House taxation committee to read this.

I have prepared several dozen income tax reports, mostly for taxpayers earning from $2,500 to $5,000. Not one had sufficient cushion to pay more than 25 percent March 15, 1943, according to their own statements. Several were selling War bonds to meet their 25 percent due now. Only with difficulty did I dissuade several from borrowing at 3 percent per month from personal finance companies to pay Uncle Sam. Several said, I can't pay.

Several factory workers reported a "try and get it" attitude among their fellow workers—a few even said they didn't intend to file (of course that's mostly big talk), but many workers have a bad attitude.

We all know that unless 90 percent or 95 percent plus of our taxpayers cooperate, the cost of enforcing any tax will soon result in diminishing returns. As soon as 90 percent or 95 percent of our taxpayers learn the other 5 percent or 10 percent are cheating, evasion will become as common as bootlegging. We must at all costs retain respect for Federal taxation.

I sincerely fear a complete break-down of our tax system unless pay roll taxes are instituted immediately. Some pay-as-you-go plan is not only necessary—in my opinion it is our only salvation. Not one person has opposed pay roll taxes in my hearing.

You men in Congress cannot be as close to the taxpayers as we. Believe me, I am giving you a true picture as I see it.

Respectfully,

PAUL B. SHAWEN.

In the midst of the discussion on this most complicated and controversial subject of taxation in which the Members of this body are now engaged, I believe that it is timely to call attention to the fact that, regardless of whether our efforts succeed in switching the 44,000,000 taxpayers of this country to a current-payment tax basis or whether we fail in that effort and continue on the present outmoded and belated tax-payment basis, no sound tax policy can abandon the long-established and just principle of taxation in accordance with ability to pay; if that principle be abandoned, then any program of taxation is foredoomed to failure. Let me emphasize that the effectiveness and success of any sound tax program must rest on a consistent and reasonable structure; under existing conditions, with which we are all familiar, certainly it must be evident and obvious to every thinking person that the main bulwark of that structure is, in plain language, collecting while the collecting is good. There is an old adage that "Blood cannot be squeezed from a stone"; if a year after the present industrial activities come to an end, as they will following the close of hostilities, trying to collect last year's taxes in a year of unemployment and industrial dislocation would be tantamount to trying to squeeze blood from a stone; it cannot be done, and any attempt to do it would result in resentment, chaos, and failure.

Mr. CARLSON of Kansas. Mr. Chairman, I yield now to the gentleman from Ohio [Mr. CARSON].

Mr. CARSON of Ohio. Mr. Chairman, let us suppose that no Ruml plan or its counterpart had ever been suggested or dreamed of and that in the year 1943 the Government would receive only the tax derived from income earned in 1942, then in 1944 the tax from 1943 income, and in 1945 the tax from 1944 income, and so on ad infinitum. There would be nothing to argue about. Everyone would be paying his income tax if he had it saved up or could pay it from his present income, if the Government could catch him before he quit his job, or lost his job, or moved to parts unknown.

We have all heard about the Victory tax, and it might have been less confusing had we called this a war tax. It seems to me the most amazing of all amazing arguments used against income-tax reform by the supporters of the Ways and Means Committee bill and their advisers in the Treasury Department is the one about favoring the rich man. The Carlson bill embodies the Ruml plan and also provides for recapturing excessive income. Under the Ways and Means Committee bill a rich man would get a 6-percent discount if he cared to sell his War bonds or liquidate other savings to pay off his income-tax debt while paying his current obligations under a withholding tax. A poor man, of course, never would have enough left over after his withholding tax had been deducted to pay off his income-tax debt. It would be taken out of his meager savings, if any, when he died and the debt fell due. This, ladies and gentlemen, is actually the plan favored by legislators and experts whose hearts always throb with sympathy, so they say, for the little man. They would give the wealthy taxpayer a 6-percent discount on his debt, but the little taxpayer would pay the full amount.

Well, the working man is finally getting a break—or is he? He has 3 months

to get up 2 years' taxes and be entitled to a 6-percent discount on the second year. In other words, all he has to do is pay up completely his tax liability to date all before June 15. Of course, what we started out to do was to get the people—all the people—on a cash-pay basis.

The individual who has to pay a thousand dollar tax in 1943 is not the least bit concerned about what you call it. You don't fool him either by telling him you have forgiven the 1942 tax when he is paying just as much as if you had not. Nor is he fooled into thinking you are not doubling the tax up on him when you make him pay the $1,000 and then another $1,000 tax which you call the "withholding" tax or a tax for another year. The opponents are apparently so afraid that there may be a few individuals who will not pay as much in 1943 under the Carlson plan as they would if there were no change, that they are perfectly willing to oppose the adoption of this plan even though it is admitted by our own Treasury Department that this plan would bring in approximately $3,000,000,000 more in 1943 than under the present plan.

I want to give you a few facts and figures which I sincerely hope you will seriously consider. Up until the time we entered into this war the Federal expenditure on only three projects in this Government amounted to over $14,000,000,000. In addition to this, on specific reclamation projects we had spent $816,768,590. The Internal Revenue Department advised me today that in the fiscal year 1942 12,000 individual income tax assessments were abated as uncollectible. This, as you know, is for income of 1941 and amounts to $9,838,000. This does not include the many other cases in litigation. Such a thing could never happen under the pay-as-you-go plan. The best analysis of this entire plan was given you Friday by my colleagues the gentleman from New York [Mr. REED], and the gentleman from Illinois [Mr. DEWEY], and today the gentleman from Ohio [Mr. JENKINS], my own good State. For your information, I would like to break down a little further the estimates of the percentage of total income tax liability.

On individual incomes the percentages of individual taxpayers with salaries of $2,000 and under is 25.35. On incomes of from $5,000 to $10,000, the percentage is 38.43; from $10,000 to $25,000, the percentage is 12.15; from $25,000 to $50,000, the percentage is 14.40; from $50,000 to $100,000, the percentage is 11.52; and on incomes from $500,000 up there is 1.56 percent. Summing up this entire matter, we as a body of men who presume to know what we are doing are here for days and days arguing over a group of people whose incomes in this entire Nation are only 1.56 percent of the population of this entire Nation and are apparently forgetting the 44,000,000 taxpayers who will materially benefit by this plan. Not only will they benefit, but by the admission of the Treasury Department, the country and the entire Nation will benefit, which is, after all, my greatest concern. We are all faced with the fact that we must pay for this war and every single one of us here are heartily in favor of a peaceful and lasting post-war plan. Yet here we are dickering, bickering, fighting, about a tax plan which will benefit a group of 44,000,000 taxpayers. Will it be possible, I ask you, for us to approach a lasting peace if we cannot agree on a tax plan so simple and yet so beneficial to the many taxpayers in our entire country.

Mr. CARLSON of Kansas. Mr. Chairman, I yield to the gentleman from Missouri [Mr. ELMER].

Mr. ELMER. Mr. Chairman, during the past several days I have listened to many of the heavy artillery speeches for and against the Ruml and Carlson plans. I admire the tenacity of both sides. I love scrappers. After all, the tax matter resolves itself into this status:

1. All want to put the tax paying on current basis. All want to catch the newly enriched worker while he still has the money with which to pay his taxes. To be sure we get him the tax is deducted at the source. Even those people so affected are for this plan. It brings us up to date. We all like to be modern.

2. By passing the Carlson bill we compliment a fine Member of this House. To pass the committee bill adds nothing to the political or statesmanesque stature of any Member. This bill would still be like a mule, without pride of ancestry or hope of posterity.

3. The plans would help a lot of rich people and this is politically wrong and has dynamite in it.

4. The Carlson plan relieves a much larger crowd of small taxpayers who are struggling to make ends meet and who are afraid of losing jobs, home, and reputation for honesty if they cannot or do not pay, hence will sacrifice and deny themselves and families by borrowing the money to liquidate taxes. They make friends with loan sharks. Classes at 3 and 4 would be permanently relieved if they never paid and temporarily relieved if the payments are extended or skipped until called for as I indicate hereafter at No. 8.

5. A lot of soldiers, their estates, and widows would be benefited. All want to do this. It is not politically expedient for anyone to take a contrary position, but it is all put on patriotic basis regardless of whether the soldier is a very rich or very poor draftee. Because of this patriotic endearment for him he is taken out of class 3, above, and put in class 4.

6. The plans help the taxpayer who loses his job, cannot earn any more, dies, or who tries to live through the depression, panic, or hard times that are sure to follow the war.

7. It makes all feel good toward our Government for canceling, forgiving, or skipping a year's taxes, for whatsoever ye think ye receive, believing ye have it, so it is. The whole thing is a mental process, wholly desirable and realistic until you get a shock, as shown at 8.

8. It makes no difference who is to be benefited or if the taxes are skipped, canceled, or forgiven. If I owe you $10 and you cancel the debt, it is forgiven for good. You cannot collect thereafter. When God forgives a man his sins He wipes the slate clean and remembers them against him no more. But the Government can forgive taxes 1 day and check them up against the taxpayer the next. It can skip, cancel, or forgive the 1942 taxes, which merely means its power to tax is held in abeyance. It is just a gesture. There is no res adjudicata as to policy. It can within 60 days, 6 months, or any time thereafter, levy an income tax on the 1942 return, increase or double the rate, or pass a new law. How, then, can the Government lose? The 1942 returns are in the form of a bank deposit, subject to check by the Government. The only chance of loss is insolvency of a taxpayer, and this is potentially present at all times. We would all have to go broke before the Government would lose, and that cannot happen so long as the Government borrows from us, levies taxes on us, and passes the money out to us, to increase our national income. The Government is safe—we are saved.

9. I hear nothing here but taxes, increase of taxes, and debt. I hear nothing from the powers about economy or saving. We spend to get rich and owe the debt to ourselves. It strikes me a great service could be rendered by scanning every appropriation bill and cutting it to necessities. We would not then hear these facetious remarks about 750,000 pairs of dice lend-leased to North Africa.

Mr. DOUGHTON. Mr. Chairman, I yield 10 minutes to the gentleman from North Carolina [Mr. MORRISON].

Mr. MORRISON of North Carolina. Mr. Chairman, one of the choice bits of American literature is Mr. Thomas Nelson Page's study of the old Virginia lawyer, incidentally, the lawyer of the old time southern section of the country. He describes him as a peculiar old fellow. He did not have much to say about religion. He was very quiet about that subject. He made no professions but his wife always had the purest and most orthodox religion. He could prove, both as a legal and theological proposition, that if he behaved himself so that if she wanted to take him to heaven with her she could do so. If he did not he would go to hell, where he belonged. Another thing he said about him was when he approached the discussion of an important matter he disregarded the pin feathers and tore directly to the entrails of the matter under consideration.

In the spirit of that choice piece of American literature I want to go for the entrails of this much perplexing tax question before us. I think it would help us all if we realized that tax is not only in personem but it is in rem. It goes through the person from whom we receive the tax to the transactions out of which he earned the profits of which the Government demands a part. We do not tax by the year. That is the mark or period within which we tax transactions. We do not tax alone persons, but we tax transactions, and this Carlson-Ruml-Republican Party bill is such a remarkable thing that it forgives the tax on every transaction out of which profits

were made by individuals during the year 1942, except a little windfall trick that they have attached to it in desperation at the last.

Now let us think about that. I do not care whether the transactions are unpatriotic and subject to the disapprobation of our countrymen because they are war profits, or whether they are perfectly legitimate profits made in trade and business. Why, I ask in the name of common sense and common justice, does the Republican Party wish to make nontaxable all profits in this greatest year in our history, wherein we had more transactions and derived more profit than in any other period up to this time for which we have a full return? Oh, yes. I listened to the gentleman from Georgia [Mr. VINSON], with his war-contract profits, but the transactions of our people during the whole year are well nigh as multitudinous as the sands of the seas. I do not care how honorable the profits were, they were taxed, justly taxed, for our country's needs to prepare us for our national defense, and to discharge the other functions of an enlightened and progressive Government. Why should we release them?

You may imagine a man who made $10,000 as a merchant in 1942, honorably and above board; or a man trading in stocks, upon which his Government had fixed by law a tax on a net profit of $10,000; or a land trade, or any other transaction that we might mention. If we relieve it in 1942, surely the audacity of the Republican Party of the United States has not grown so great again as that they will stand before the American people and claim that we will ever get that tax back again. Imagine with me that a man sold stocks and bonds upon which he was fixed with a net taxable income of $10,000, made honorably, but subject to tax in 1942. If you pass the Carlson-Ruml-Republican Party bill, that tax is not paid. When will it be paid? Never. Never. Never. Except it will leave a charge unrequited against the taxpayers of this country which some day will have to be met, but that particular tax will never be paid.

What do you want to give it to him for? They want to resort to all the oriental reasoning for which that great party has been famous for so long a period of our history, but they cannot bring back a dollar of the tax upon any transaction in 1942, honorably or dishonorably made, if you pass this bill that I am attacking. How are you going to get it back? My friend, the sweet gentleman from Illinois [Mr. MASON], whom I do not know, very innocently was so sincere and so honest that he went up to see St. Peter with his tax receipts.

Oh, what a blessing it is that we are not tried up there and examined as an intellectual matter, but according to the purity of our hearts. I think the gentleman from Illinois [Mr. MASON] will get in all right, but it is upon his sweet spirit and not upon his ability as a tax accountant or a legislator in the Congress of the United States.

How will you get it back? You will never get it back, and we will give, distribute it to the people who would have paid taxes, $10,000,000,000. They say the Republicans have become liberal. You had better quit it, my friends. You do not know how to be liberal. You are grand old reactionaries and conservatives and you do very well at that, but God knows you make a great mistake when you undertake to be liberal if this is the best you can do. Ten billion dollars. Nobody hurt. No injustice practiced upon anybody. Where are you going to get it back? The very distinguished gentleman who is conducting the Carlson bill—and I think he is sincere; he looked to me as if he were really very sincere. He pictured how we would do away with all this and then the Government would get more money this year than we would get if we did not pass his bill, and give away $10,000,000,000. That might be so, but what of it? You will not get that $10,000,000. You will not get the tax from transactions so numerous and so profitable that the taxes alone on it amount to $10,000,000,000, nearly one-third of all the income taxes and other taxes collectible under the last dreadful year of Republican government and Mr. Hoover. Give it away. Suppose the tax in 1943 is just as much as it would be if we did not pass it. We will grant that it is. It may be that if we raised the tax we could make it greater. But the tax that we are talking about has gone forever and never will be recovered. We have given it away; whatever tax we collect is on other transactions and on other years.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. CARLSON of Kansas. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. JONES].

Mr. JONES. Mr. Chairman, I have listened to this debate on the tax bill with a great deal of interest. It is indeed encouraging to hear the members of the majority side say they are concerned with the loss of $10,000,000,000. I say it is encouraging because this is the first semblance on the part of many of you of saving the Treasury $1,000,000,000. Certainly the Administration has ignored the existence of an apparent gigantic conspiracy to permit a comparatively few profiteers to loot the Treasury to the tune of nearly $1,000,000,000.

Following the close of World War No. 1, and aware of the wholesale looting of the Treasury during the First World War, the Congress created the General Accounting Office. This office is Congress' own body; it is independent of the executive branch except that the President appoints the Comptroller General and his assistant. However, the Congress, and Congress alone, can remove him from office. The Comptroller General's Office was given vast powers to act for Congress in approving or disapproving of the expenditures of Government agencies, and the Comptroller General and his assistant are freed from political influence of the executive branch of the Government for a period of 15 years because that is the term of office, once the Comptroller General is appointed by the Chief Executive.

There has been a new angle added to political affairs since the adoption of the General Accounting Act under which the Comptroller General operates which now prevails more or less, to my way of thinking. It is the practice of political promotions—to kick upstairs the officials who stand in the way of the Administration policy.

Case No. 1 in point is Justice Thurman Arnold, recently "Trust Buster" Thurman Arnold. His case is called to my attention by the article appearing in the Evening Star of Saturday, March 27, night final edition. The news article says:

> The Justice Department asked the Supreme Court today to dismiss the Government's appeal from a decision by the Federal District Court for Delaware leaving in effect a 1932 consent decree on antitrust charges that had been brought against the Radio Corporation of America, General Electric Co., and others. No reason was given for asking the dismissal.

Since the ink is not yet dry on Justice Arnold's appointment to the bench, I naturally wonder if Mr. Arnold was kicked upstairs so this case could be dismissed quietly because his official acts as trust buster in the Justice Department embarrassed those economic royalists who, at one time, we heard so much about.

Over the week end nearly every paper in Washington predicted restrictions upon labor unions, and I remember a controversy between Mr. Thurman Arnold and his boss, Mr. Francis Biddle, over Mr. Arnold's appearance before Mr. HOBBS' subcommittee of the judiciary last summer. To the layman's eye it would appear that Mr. Arnold had been kicked upstairs because he had a philosophy of government that ran at cross-purposes with his superiors—Washington Post, May 2, 1942.

Since Mr. Lindsay Warren, Comptroller General, has made his report and has held up nearly $200,000,000 worth of Maritime Commission funds, the Congress of the United States and you gentlemen of the majority side, who deplore the loss of $10,000,000,000 for the Treasury, have not gotten high blood pressure over the implications of the report that will lose, as I shall show later, a billion dollars to the same Federal Treasury. As a matter of fact, if nothing is done in the light of your new baptism in the fire of economy, it is not a hazardous guess that the present occupant of the Comptroller General's office may well become disgusted with the apparent lethargy or apathy of the Congress and may be constrained to the same boot upstairs. This, I should regret immensely and intensely because I have a high regard, respect, and admiration for the present Comptroller General. I hope that this Congress will not permit another day to pass without your blood pressure rising to the same degree over the billion dollars that you have shown over the $10,000,000,000 bookkeeping item in this tax bill.

I do not mean to imply that I agree with all that "Trust Buster" Arnold sought to do or his use or misuse of the powers of that office while he was Assistant Attorney General under Mr. Biddle—I merely say that if his acts were

contrary to law he should have been removed from office or forced to resign rather than kicked upstairs to the Federal bench as a nuisance value to help him forget what he had already learned. All I know is that the Star of last Saturday carried the announcement that the suit was dropped which was instituted by Arnold, charging the existence of a radio monopoly and seeking an inquiry into the manner in which the consent decree was engineered shortly after the 1932 elections.

Incidentally, I had some time this morning to check the Thad Brown appointment herrings wherein the Senate committee, a year or so ago, brought out such sworn evidence regarding the Federal judge and the clerk of his court at the time this consent decree was entered that I am informed the judge and the clerk both resigned.

The present Comptroller General has a right to believe that so long as he did his duty, he certainly should be freed from political molestation and unjust criticism on the part of the Congress or any of the executive branches of the Government, and we certainly owe a duty to the Comptroller General who has made this finding against the Maritime Commission, to look into the full facts and the laws upon which he made his finding and come to a definite conclusion. The Comptroller General's report presents a serious charge against the operation and administration of the Maritime Commission under Admiral Emory S. Land. The Comptroller General reports on the Tampa Shipbuilding Co., the Waterman Steamship Co., and the South Portland Shipbuilding Co. alone have shown, to my way of thinking, improper and illegal expenditures of several millions of dollars.

In addition, I note in the CONGRESSIONAL RECORD, at page 2349, that Admiral Emory S. Land, Chairman of the Maritime Commission, wrote a letter to the chairman of the Senate Committee on Commerce stating that the Comptroller General has refused to approve and has held up the payment of some $200,000,000 to various ship operating companies by virtue of the findings against the first three companies named above.

While only a few hundred millions of dollars are involved in the instance reported, the modus operandi on which these reports are based involves the question of the repayment or refusal to pay from the fund of the Treasury more than $1,000,000,000 of taxpayer moneys.

I now call your attention to report No. 898 of the Seventy-fourth Congress, first session, which is the report of Justice Black's—then Senator Black—special committee to investigate air-mail contracts. On May 13, 1935, at page 4, Justice Black at that time had this to say:

> The United States emerged from the World War with the firm conviction that this country should possess an adequate merchant marine, and with a fleet afloat and under construction of more than 2,000 sea-going vessels, acquired at an approximate cost of $3,000,000,000. Declaring almost immediately the policy of private ownership and operation, the Government has disposed of most of these vessels. Two hundred and twenty of these ships are now used in mail-contract service. These 220 ships originally cost the United States $516,174,249.48. They were sold for $31,411,665.10.

I want to remind you again that the Comptroller General is not under the jurisdiction of anyone except the Congress of the United States and they—and they alone—can remove him or interfere with his administration of office by removal, but after the reports on the three companies that I mentioned to you were made, apparently the Maritime Commission and the ship operators attempted to get a ruling from the Attorney General that would be more favorable to them. Bear in mind that the emergency within the meaning of the law upon which the Comptroller General's report was made went into effect and existed from September 9, 1939; even so we find these shipowner conspirators with the Maritime Commission fronting for them, attempting to use a former Attorney General to get the present Attorney General authorized to decide the issue between the Comptroller General and the Maritime Commission.

The issue involved is as to when the emergency started. Admiral Land in his testimony on the 19th of December 1940, before the Independent Offices Subcommittee on Appropriations, said:

> The Merchant Marine Act of 1936 had a second and coequal purpose: That of providing a merchant marine which will aid in the national defense by serving as a naval and military auxiliary in time of national emergency or war. Such an emergency now exists.

He said this in December of 1940. So any controversy respecting the date when the emergency existed should be settled by this admission of Admiral Land.

I hold in my hand an article from the New York Herald Tribune of Sunday, March 28, which says:

> The Maritime Commission has won strong support in its long-standing and bitter dispute with Comptroller General Lindsay Warren over what constitutes "just compensation" for privately owned ships requisitioned for war service.

Now, since Congress has not taken any action on the reports and the Maritime Commission considers that it is deadlocked with the Comptroller General's office, so Mr. Mitchell, former Attorney General, has made his opinion available to Congress and he has recommended, according to the new article, that the Attorney General be asked for a formal opinion, but his—Mitchell's—report supported some of the Commission's intentions. Mr. Mitchell says, according to the news article:

> If the Attorney General adopts the Comptroller General's view, Congress should promptly be asked to enact law allowing the Commission to at least maintain its present base prices.

In other words, the former Attorney General says if the law is not as he states it or believes that it should be, then legislation should be enacted in order that those who seek to secure for themselves this sum of a billion or more dollars of the taxpayers' moneys should not be denied these unusual and illegal net capital gains and net profits, free of any taxation, which the chairman of the Maritime Commission seeks to pay to them.

Is it possible that the evasion of the law which the chairman of the Maritime Commission seeks is so brazen that the conspirators even hesitate to present this case to the New Deal courts? They all have the right to go into court, if the Comptroller's decision is unjust, unfair, or biased. Why have they not pursued legal remedies instead of trying to thimblerig another opinion?

Now, I call your attention to page 721 of the independent offices hearings, wherein is printed the letter I received from Admiral Land regarding insurance contract on the American Presidents Lines, Ltd., covering the *President Coolidge*.

Admiral Land says the original cost of the *Coolidge* was $7,871,971.84. They expended an additional sum of $63,588.97, making the total cost-plus betterments $7,935,560.81. Depreciation at the time of sinking, October 25, 1943, amounted to $4,275,027.71. It follows, therefore, Admiral Land says, that at the time of sinking the net value of the vessel was $3,660,533.10.

The administration assumed insurance liability for all risks in the sum of $7,000,000, which is nearly twice the book value, and I refer to the hearings of the Merchant Marine and Fisheries Committee of the House, at page 226, showing that the estimated subsidy on this vessel alone was $2,634,000. Deduct this $2,634,000 subsidy from the $3,660,533.10 figure that Admiral Land says is its present value and you have the actual book value of the ship as $1,026,533.10, which was insured by the Maritime Commission for $7,000,000. Multiply this method of operation of insurance contracts by the number of ships operated or chartered now by the Maritime Commission, add to that the information contained on page 4 of the Black committee investigation and Lindsay Warren's report on the contractors with the Maritime Commission, and you have a cool billion dollars of which the taxpayers will be defrauded.

Is it possible that these gentlemen who operate these shipping companies expect Congress to so quickly forget the unusual and amazing admissions revealed of their operations by the senatorial committee in 1935 and 1936?

The report of the Black senatorial committee stated that our failure to possess an adequate merchant marine must lie at the door of the three classes of people:

> First, this burden of costly failure rests upon the enactment of an ill-advised compromise law. Second, upon certain public officials who flagrantly betrayed their trust and maladministered those laws. Third, upon those individuals who, publicly posing as patriots, prostituted those laws for their private profit.

On last Saturday my eyes fell upon a statement of a Member of the other legislative body as follows:

I now wish to supplement these reports with detailed statements of 12 individual subsidized ship operators, which statements have been furnished, at my request, by the Comptroller General.

On page 2222, I see that the table of 12 subsidized shipping concerns, showing that they had $173,154,469 earnings and profits deposited in reserve funds free of all Federal taxes. From 1938 to 1941 they had enhanced their capital employed from $35,446,005 to $80,824,634. The differential of capital employed between 1938 and 1941 is $44,000,000 which represents, to my way of figuring, $200,000,000 of earnings and profits in their reserve fund tax free.

This brings up an interesting fact and statement. Admiral Land is reported in the Washington Post to have made contracts with ship firms so that they could make millions of dollars on lend-lease. According to the Washington Post:

James V. Hayes, general counsel, told the House Merchant Marine Subcommittee that a total of 81 vessels made 90 trips to the Red Sea in the spring and summer of 1941, and collected a total of $31,364,880 in charter hire, of which $26,874,176 represented profits.

The report showed six American Export Lines ships valued at $232,350 made six trips for which $1,724,918 was received in charter hire, and of which $1,572,144 was profit.

Apparently Admiral Land would try to justify these exorbitant profits at page 2222, subnote 5, explaining the table of the Comptroller General; it is noted that the Maritime Commission owns 90 percent of the stock of the American President Lines, Ltd., which had, according to the Post article—if American President Lines, at page 2222 in the CONGRESSIONAL RECORD is the same as American President Lines, Ltd., in the Washington Post article—two vessels valued at $307,828; three voyages charter hire, $1,181,643; profit, $814,242.

These alleged patriots, in addition to their possession of almost $200,000,000 in net capital gains and operating profits, deposited in tax-free funds, now seek to obtain from the Public Treasury exorbitant values for vessels which they purchased or secured from the Government at but a pittance of their cost upon the assurance of the law, written in plain language, that those ships could be reacquired by the Government upon the declaration of any emergency, at cost less depreciation.

While we strive to enact an equitable tax bill, may I remind you again of the taxpayers in the RECORD at page 2222 showing how 8 of the 15 ship-operating companies hold some $200,000,000 of capital gains and net profits free of any tax, and on page 2355 I find nobody shedding any tears that section 607H of the Merchant Marine Act of 1938, as amended, says the following:

The earnings of any contractor receiving an operating-differential subsidy under authority of this charter, which are deposited in the contractor's reserve funds as provided in this section * * * shall be exempt from all Federal taxes.

In addition to this "ducker clause," you have an apparent billion-dollar conspiracy wherein a few ship-operating companies seek to divert to themselves this billion dollars of taxpayers' money illegally through the ruling of the Chairman and other officials of the Maritime Commission. This is no new experience for some of these gentlemen, as the Senate hearings that I have referred to will show. These hearings reveal that upon an investment of $500 one of these companies through profits of $6,700,000 and how through "unjustified and inexcusable classifications on the part of Government officials," at page 13 of the Black committee report, the Government suffered losses of $15,000,000.

Despite this printed record, a public document, we now find ourselves in a position where we must either sustain the decisions and findings of Comptroller General Lindsay Warren and help him to thwart this brazen effort on the part of the Chairman of the Maritime Commission and the ship operators, who, through this conspiracy, seek to enrich the ship operators with an additional billion or more dollars out of the Treasury.

Is the Congress, or at least the House, to stand idly by and ignore the findings and decisions of a former and honored Member of this body who now occupies the position of Comptroller General, especially when he seeks to save the taxpayers of our country a billion or more dollars?

Administration leaders should explain to the House and to the American people what influence they listen to when they refuse to soften the burden of taxation to the average American taxpayer while they ignore the findings of the Comptroller General, who, in polite but plain language, has called their attention to these improper expenditures in only one of the myriad of governmental agencies.

Mr. CARLSON of Kansas. Mr. Chairman, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. VAN ZANDT].

Mr. VAN ZANDT. Mr. Chairman, for the past several days the debate on the various methods of income-tax collection has given everyone a splendid opportunity to study each proposal and reach a definite decision as to the best possible course to adopt in fairness to the Government and 44,000,000 income taxpayers.

The discussion on the subject has embraced every provision of the various bills introduced in Congress, and considered by the House Ways and Means Committee, so that detailed reference to them would be repetitious and serve no useful purpose. The cardinal principle that must be considered at all times is that the American taxpayer is insistent that his income-tax obligation be placed on a current basis. That is, that when the calendar year for 1943 ends, he wants to be able to say to the Government, "my income taxes have been paid." He does not desire to look ahead to the first 2½ months of the new year and rely on fate to enable him to meet this obligation.

There has been much discussion of offering bargain discounts to taxpayers to encourage them to become current in their income-tax payments. In any man's language, a cash discount demands cash payment. The absence of such cash in the pockets of the overwhelming majority of the 44,000,000 income taxpayers is the prime reason for the universal appeal for placing income-tax payments on a pay-as-you-go basis.

In some quarters it has been intimated that Mr. Beardsley Ruml, through ulterior motives, has started a wave of propaganda for the inauguration of the pay-as-you-go plan. Such assertions are ridiculous because the vast majority of American citizens realize that the greatly increased income-tax rates and the resultant high income tax payable on incomes have made it evident that a huge segment of the income taxpayers of America are not prepared to meet their tax obligations the year following the period in which the income was earned. These millions of distressed taxpayers are responsible for the public appeal to place the collection of income taxes on the pay-as-you-go basis.

It is folly to dangle in front of them as bait the promise of bargain discounts if they will become current. There is a homely old saying "You can't get blood out of a turnip" which aptly illustrates the position of millions of income-tax payers in being unable to take advantage of the discount offer. To those fortunate enough to have sufficient cash, the payment of income tax takes on the aspect of paying 2 years' income taxes in 1 calendar year. The argument that to advance the income-tax clock 1 year would defeat the plan to halt inflation is without any sensible foundation. The withholding of income tax at the source through the proposed 20-percent pay-roll deduction, when considered with other various pay-roll deductions such as social-security or other retirement plans, group life, accident or hospital insurance benefits gives every evidence that the wage-earners of the United States will have the proceeds of his pay envelope reduced by at least 25 percent monthly beginning July 1. The increased cost of living as evidenced by the skyrocketing of prices in foodstuffs should convince any thinking person that the inflation argument is an insult to the intelligence of the taxpayers of America.

To postpone adoption of a real pay-as-you-go method for the collection of income taxes is breaking faith with the overwhelming majority of the American people and threatening the financial stability of our Government. The pay-as-you-go method, if adopted, will result in the Treasury Department collecting $3,000,000,000 in excess of the amount to be collected during 1943 on 1942 income taxes. The hue and cry that the Treasury of the United States will be robbed of $10,000,000,000 of revenue is not borne out by the facts If the $10,000,000,000 are charged off the fact must be kept in mind that this sum is absorbed over a generation and the imme-

diate benefits in increased revenue and the added guaranty that income tax will be paid as earned are beneficial results that will fully justify discarding the present antiquated and uncertain system of collecting income taxes a year after the period in which the income is earned.

The present system of collection has opened a fertile field to loan sharks and pawnbrokers, who it is reported during the first 2 weeks of March 1943, did a land-office business from the unfortunate millions of taxpayers who found it necessary to seek loans at interest rates from 2 to 3½ percent monthly. During the depression years these taxpayers found it a difficult proposition to secure employment. Their plight had been constantly referred to by President Roosevelt in numerous public addresses when he stated that one-third of our population was ill-clad, undernourished, and ill-housed.

With the inauguration of our program for national defense, unemployment decreased as we began the gigantic task of supplying our own military needs and those of our allies. Pay rolls increased as many workers were recalled or hired by industry. When these millions of workers began to experience the thrill of a full week's pay, the first in several years, they had an accumulation of household bills that found them heavily indebted to the doctor, butcher, landlord, local tax collectors, and corner grocer. America has taken pardonable pride in the fact that many of its citizens are home owners. Through the depression years these thrifty citizens were forced to witness their homes being mortgaged for taxes. In countless instances in my own State of Pennsylvania home owners were forced on relief or W. P. A. rolls and a lien placed on their property in favor of the Commonwealth of Pennsylvania to assure repayment of any relief granted. In this group you found the banker as well as the laboring man. In a great many instances home owners who did not give a lien on their property availed themselves of the 5-year extension plan for payment of their real-estate taxes, if it was at all possible to do so. Many of these home owners, since 1940, have begun to enjoy income from regular employment for the first time in many years. Being conscientious Americans they are discharging their obligations to the grocer, butcher, landlord, and local tax collector. This accounts in a large measure for their inability to meet their 1942 income taxes, which are approximately three times greater than in 1940.

It must be remembered that in the closing months of 1942 the present high rate of income-tax payments were approved and assessed against 1942 income which became due payable March 15, 1943. There was little opportunity in view of such a circumstance for these millions of distressed taxpayers to budget if possible for their 1942 incomes taxes. Thus the argument that the Carlson bill defeats the program against inflation is ridiculous when given proper consideration.

The history of income-tax rates is founded on ability to pay. Hence the rates are graduated according to income earned. By the same token any abatement must necessarily in simple justice follow the same basis of rating. To meet the cry of opponents of the Carlson bill that wealthy taxpayers are favored, the measure has antiwindfall provisions that will bring about increased rates of taxation on incomes above $20,000 annually and thus guards against any possible favoritism to a special class of taxpayers.

My congressional district has numerous small businessmen who have felt the economic shock to business and have been obliged to withdraw life's savings in order to avert liquidation of their business or bankruptcy. The provisions of the Carlson bill will definitely assist these businessmen by enabling them to become current with their income taxes. In like manner, the debt-ridden farmers of the Nation will have an opportunity to remove the burden of income tax payable each spring by being placed on a current basis.

In my congressional district we have many coal miners, railroaders, and industrial workers who, when they reach retirement age, are faced the following year with paying last year's income taxes from the modest sum they receive monthly as retirement benefits. The Carlson bill will definitely aid these classes of workers by making them current in their income-tax obligation during their productive years.

Frankly I am convinced the Carlson bill merits approval, because from reading the testimony of Mr. Randolph E. Paul, general counsel for the Treasury Department, during the hearings on the legislation before the House Ways and Means Committee, he virtually endorses the Ruml plan, which is embodied in the Carlson bill. Mr. Paul cited the necessity for a pay-as-you-go program to assure collection of income taxes. He advocated a program to make the taxpayer current and cited the inability of the taxpayer to meet the high income taxes now in effect. Mr. Paul is authority for the statement that a pay-as-you-go plan that would put the taxpayer on a current basis is adequate and necessary at this time. He also stated:

> Complete doubling up would undoubtedly be too harsh for some taxpayers.

Mr. Chairman, I am supporting the Carlson bill because it is definitely beneficial to at least 30,000,000 of the 44,000,000 income taxpayers of America and from the fact that these 30,000,000 represent the great middle class of our citizens—the backbone of the Nation. Such a pay-as-you-go method has been in successful operation in Great Britain, Canada, Australia, and the Argentine.

Mr. Chairman, I am convinced that all the wrangling that took place in the House Ways and Means Committee and which delayed action on this important legislation may be properly charged to petty jealousy over pride of authorship. This is proven by the fact that the House Ways and Means Committee toyed with the idea and had the support of Treasury officials in the proposal to abate up to three-fourths of the 1942 income taxes in an effort to reach the pay-as-you-go basis. To save face they could not take the last step and embrace the principles of the Carlson bill because of the desire to refrain from yielding their prerogatives.

When the Carlson bill becomes a law it will represent the first action taken by this Congress to follow the dictates of the American people who are, after all, paying the bill for this war.

Mr. DOUGHTON. Mr. Chairman, I yield such time as he may desire to the gentleman from Texas [Mr. THOMASON].

Mr. THOMASON. Mr. Chairman, I am not in favor of the Ruml plan, which would forgive and forget a full year's indebtedness to the Government. This country at no time, much less when we are engaged in a deadly struggle for our existence as a Nation, could afford the loss of revenue, some ten billions of dollars for 1942. I believe, if they will think it over more carefully, our people will not ask that this economically unsound policy be adopted, nor will they desire to pass on to future generations a debt which they personally incurred. As to the national debt, we must of necessity pass it on, as it is not within the bounds of possibility to pay it within any time limit that we can foresee.

Last year billions of dollars were made from war contracts, most of them on a cost-plus basis where the contractor assumed little or no risk. Many lines of business in this country had a record-breaking year of profits. Banks, loan companies, merchants, and almost all our citizens never had so much money. The national income was the largest in all history. It would appear to me that those who have profited so handsomely at the hands of this Government would be glad of the opportunity to contribute to its support by paying the 1942 tax. Of course, tax legislation must be general in scope and bear in proper proportion on every taxpayer. Some plan must be worked out that will take into consideration the ability to pay. The report of the Ways and Means Committee to the House of Representatives points out significantly that the benefit sought by the Ruml plan would be to distribute benefits in inverse ratio to need. I quote from that report:

> Inequity: Your committee is impressed by the fact that cancelation of taxes on 1942 incomes would constitute gross violation of the ability to pay. Cancelation would bestow the greatest benefit on those best able to make economic sacrifices and the smallest benefit on those least able to make such sacrifices. * * * Forgiveness would wipe out a large part of the tax increases imposed to finance the war. In the case of a person with a $2,000 net income, it would wipe out 77 percent of the tax increases imposed in the last 3 years. At the $100,000 level the amount forgiven would equa' 102 percent of these tax increases, and at the $1,000,000 level, 320 percent. In effect, the plan would force a shift of part of the tax burden from the few at the upper end of the income scale to the many at the middle and lower end. * * * Forgiveness would also tend to impede the war effort. It would be detrimental to the morale of the armed forces because it would imply gain rather than

sacrifice for those on the home front. It would endanger the morale of those at home by leading them to expect lower taxes at a time when higher taxes and severe sacrifices cannot be escaped. Since heavier burdens are inevitable, your committee does not feel that any risk should be run, even temporarily, of deceiving the public into believing that the pressure of taxes can be reduced in the visible future.

With my colleagues in the House of Representatives whose names are signed to that report, I agree. The committee gave the Ruml plan full and fair hearing and consideration and reached the conclusion that it is inequitable and unsound.

If there is to be any thought of forgiveness of taxes by this Government, it should not be in connection with the year when money was plentiful, when wages, salaries, and profits the highest ever known. If there is ever a time when this policy should be adopted, let it be some year in the future when possible depression threatens in the immense readjustment that is bound to follow the war. But Mr. Ruml, the banker and merchant prince, chooses that year, 1942, of the highest—far and away the highest—income in the history of this country.

I do not see why this Government, any more than a private business, should be expected to forego collection of money which is owed and which is urgently needed to carry on the war. I do not know of a private business enterprise that would consider the remission of an entire year's indebtedness and indeed few could do so and continue to operate.

I advocate some method of payment of taxes out of current income and a withholding tax, but I will not vote to forgive all my taxes for last year nor anyone else's. I could not reconcile such a vote with my belief of what constitutes sound economic policy in government.

Mr. DOUGHTON. Mr. Chairman, I yield such time as he may desire to the gentleman from Mississippi [Mr. WHITTEN.]

Mr. WHITTEN. Mr. Chairman, the newspapers of the country have made a successful job of selling the Ruml plan to the people of the Nation. Of course, it has its appeal to everyone, not the pay-as-you-go so much as the forgiveness of 1 year's income tax. Why, Mr. Chairman, from a selfish standpoint passage of the Ruml plan means a saving of several thousand dollars to every Member of Congress which he must pay on last year's salary. That is no reason for us to vote for such a plan, however, rather it is reason to vote against it. We certainly cannot be moved by any such selfish reason. This plan has been so sold to the people that farmers of my district, which is predominately agricultural, where probably 90 percent of the people make their living from farming, that many have written me favoring the Ruml plan. How can a farmer pay as he goes under any form of income tax? The year must be finished, the crops gathered and sold, and his State and county taxes paid before the farmer knows his income for that year.

Of course, to forgive this farmer last year's tax would be of benefit to him but is there any honest way to do this, with the tax he pays going toward the payment of the support of his boys in the Army, in pay, munitions of war, hospitalization, and other things so necessary at this time? Another thing we must remember is that each dollar in taxes we do not pay during this war, means that dollar with interest is largely saddled on the boys returning as an increased national debt.

We learn that 64 individuals had incomes of more than $1,000,000 in 1942. To forgive those individuals 1942 taxes means forgiving to each of these persons more than $850,000. You would be giving to that man more than he would make net, after income-tax payments, in 5½ years. It would take more than 181,000 persons paying $300 income taxes each to replace that amount. And the persons with small incomes would have to make it up because the rates on huge income are so high as to make it practically impossible to increase the rates in the higher brackets. This illustration does not mention thousands who made large incomes but less than $1,000,000.

Mr. Chairman, it is commonly talked here that the Ways and Means Committee knows it will have to bring out a manufacturer's war tax measure which they contemplate passing at a later date. When that measure comes in it will be under a closed rule. We must take it or leave it. I say to you it is grossly unfair and unworkable to force a man making only a living to pay income taxes and provide for deducting such tax from his salary and then have a war tax placed on his purchases. If we are to have such a tax, we should face the issue squarely and take the man only making a living out from under the income tax by increasing the exemption under the income tax to possibly $2,500 or some such figure, and letting all persons with a lower income pay his share of the tax burden by means of a war tax.

I believe even a casual glance at the committee bill, H. R. 2218, will convince you that it is rather complicated as to the man with small income. It would take an expert accountant to keep up with the average small taxpayer's tax situation with his Government. Some provisions of the bill would do credit to the regulations issued by some of the dreamy-eyed boys in the Office of Price Administration.

I quote from an editorial appearing in one of our local papers:

How to save on taxes.—Among heroes on the home front showing fortitude under brutal punishment, kindly include all Members of Congress now listening to taxperts (tax experts of the Treasury) day after day. With no relief in sight, they stand bloody but unbowed under suoh assaults as the following proposal: "Section 37 (b) (2): Payments prior to due date of second installment of tax for preceding taxable year—In the case of any payment under section 56 (1) made (A) after the tax shown on the return for the preceding taxable year (adjusted for any mathematical errors appearing on the face of the return) has been paid in full, and (B) on or prior to the 15th day of the 6th month of the taxable year, the difference between such payment and the amount which when discounted by 6 percent in the case of payments so made in the taxable year beginning in 1943, and by 3 percent in the case of payments so made in subsequent taxable years, equals such payment." One Congressman, interviewed on the matter, was noncomittal. "It requires thought," he said. "It is a masterpiece of something or other, and has already sent Gertrude Stein screaming for cover. If we pass it, we ought to pass the aspirin along with it. I can see one break in it, however, for the taxpayer. The prepayment seems to be optional, so, if he prefers sanity to dollars, he can skip the whole thing."

Mr. Chairman, while there are some advantages to the so-called committee bill, I do not see how we could afford to take deductions out of the pay of a man making only a living and then have the committee come along later with a bill placing an additional war tax on his purchases. If we are to have a war tax, make it a part of the all-over plan of taxation, and as the best plan for the man of small income to meet his obligation to his Government and not as an additional tax on the man whose income is too low for the income tax to be fair as to him.

Such a war tax, as a form of taxation has its advantages and would serve on a current pay-as-you-go basis which is the simplest and best way known. Such a war tax could be placed on each article or product manufactured based on a percentage of the manufacturer's price, and be paid by the manufacturer. Such article or product should carry a stamp showing the amount of war tax which has been paid. The exact amount of such war tax should be passed on to the consumer. Then each time the consumer buys such article or product he pays his share of taxes; he pays as he goes. As to percentage, this should be determined by the value of the goods manufactured, which in 1942 was more than $121,000,000,000 in this country, and the amount of taxes to be raised. We all know, however, that the man who makes only a little more than a living should not have to pay any income taxes in the face of such a war tax; and this Congress must take care of him by increasing the deduction under the income tax to $2,500 or some reasonable figure.

The man who makes more than a living then pays the war tax on money spent up to $2,500 but an income tax only on that part of his income above a substantial living.

The cost of this war has been so great as to make it necessary that the average man contribute taxes to help meet such cost. When the deduction from the income tax was reduced to $500 you then started taxing the average man with small income. In my judgment everyone wants to do his part, each must do his part, and I say the man who makes only a little more than a living who pays taxes now should have a chance to cut his pattern to his cloth, make his contribution as he goes along, rather than have to wait until March 15, and be

called on for money that he does not then have. If necessary, food items could be eliminated from the operation of the tax.

We know that today thousands of people are making more money in war factories and work than they ever made before. They are spending that money and few of them will have the money to meet income taxes. If such tax is not paid, then the Federal Government is faced with having to file suit against such individuals, and reducing the claims for taxes to judgment. In many instances this will serve to lose workers greatly needed to prosecute the war effectively.

But there are other advantages of such a plan. Such a plan would increase the selling price of all manufactured articles. Nothing will make the American people use less of a given article than the high price for which it sells. Thus we will lighten the demand for such articles, helping our serious labor shortage and also lessening the use of strategic materials.

Such a plan would help keep down the problems of inflation. The minute such a war tax is passed, the purchasing power of the money in circulation is decreased by the amount of such tax, thus lessening the consumer demand. Such a tax would eliminate the endless bookkeeping on the part of small business people, farmers, and wage earners, not to mention the Government, which would be required under the so-called committee bill.

The Congress can easily make such a tax truly a war tax by providing in the bill for its expiration when the terms of peace are made. It may be said that we can collect such taxes in the form of a Victory tax, as we are at present. We all know that increases have been made in the pay of all governmental employees and most others since the 5-percent Victory tax was passed—greater in amount than the amount of the Victory tax. In private industry these increases have been passed on to the Government in higher costs, and, of course, the increase is paid direct to Government employees. Thus, we have the unwholesome situation of the Government paying its own taxes by issuing more bonds and increasing the national debt.

Further, do you not know that if the committee bill is adopted and a percentage of wages deducted a drive will be made to increase wages and salaries to the amount of such deductions? And, judging by the past, there is real danger that labor unions and organized lobbyists may be able to secure such increases in spite of the feeling of some of us.

If such a war-tax plan were to be adopted, then I do not believe that the so-called committee bill would be feasible. The average man could not stand a deduction of a large percentage of his income and then be required to pay approximately the same amount in war taxes through the years. True it is that the committee bill does provide that a man may put himself in date with his tax liability—even offers him an inducement in the form of a discount to put himself in date—but to do that a man must be able to pay 2 years' taxes in one. It is my firm belief that this does not help the average taxpayer because he cannot pay 2 years' taxes in one, and, therefore, does nothing to allow him to be current and to pay as he goes.

I have the highest regard for the members of the Ways and Means Committee. However, I am advised by several members of that committee that they do not believe in the committee bill but it was the only thing they could get together on.

I will not offer a bill here as a substitute for the committee bill because I feel that a tax bill should come from the committee after hearings.

I hope that the committee bill will be recommitted and such war tax be considered as a part of the taxation plan and not be brought out later as an additional tax. If desirable to forgive a part of 1942 taxes before such a war tax becomes law, the committee can easily provide foregiveness of all income taxes on the first $2,000 of taxable income to each taxpayer.

Mr. Chairman, I know it is not popular to speak in behalf of any proposed tax. However, it is time for someone to have courage to speak his convictions. There are many Members here ready to vote for such a measure as I mention but hesitate to take a stand. If they do not take a stand now, I fear we will have such war tax in addition to all other taxes. I think it is time for us to stop other folks from kidding us and trying to kid the people of the Nation. If we need a pay-as-you-go system, let us have an honest-to-goodness current pay-as-you-go for the average taxpayer, the one who really needs it now, and not have a war tax later placed on folks who then cannot meet it.

Mr. DOUGHTON. Mr. Chairman, I extend 15 minutes to the gentleman from Pennsylvania [Mr. McGRANERY].

Mr. McGRANERY. Mr. Chairman, now that the great debate is rapidly drawing to a close on what I think one of the most highly publicized, subsidized, and ballyhooed programs since the nomination of Wendell Willkie at Philadelphia, I predict for it the same fatality that Mr. Willkie met at that time.

It is rather peculiar to sit in the House here and only a week ago observe the Republican leadership cracking the whip to lift the limitation on salaries in excess of $67,250 and then to come back this week and find them excusing the same people from the payment of taxes on that amount of money.

I was rather impressed, at first, and then amused a little later, and finally confused when the distinguished gentlewoman from Connecticut spoke this afternoon. She very ably pointed out the evils of forgiveness, then proceeded to say that she was going to offer an amendment that would excuse persons from payment of taxes on incomes up to $25,000. She spoke about the committee bill as being confusing. I know of no more forthright piece of legislation ever brought to the floor of this House than the committee bill. It is unalterably opposed to forgiveness. So there can be no confusion about that.

It is a very frank, simple bill. It just does not forgive any taxes.

We are, I believe, all agreed that a pay-as-you-go system of tax collection would be an improvement over the present method. However, we seem to differ as to the method of achieving the transition and as to what is a fair price to pay for it. The majority members of the Ways and Means Committee and at least one of the minority members have concluded that it is not necessary to pay the price of any part of last year's taxes in order to achieve the objective. I propose briefly to reexamine the whole concept of cancelation or forgiveness of 1942 taxes in view of developments that have come to light since it was proposed.

The national income has been increasing at a much faster rate than was anticipated, amounting to $120,000,000,000 in 1942, and now estimated at $140,000,000,000 in 1943. At the same time the supply of goods available to the public has been diminishing. This has resulted in a vast accumulation of new liquid funds by the public which in the year 1942, according to releases of the Securities and Exchange Commission, amounted to nearly $29,000,000,000.

When the Ruml plan was first brought forward it was brought forward under the theory, and mark you well this, that in order to effect a current system of tax collection it would be necessary to forgive taxes because it would be a burden on the people if they had to pay their 1942 taxes. The statement was made that the money was not available to pay the taxes—so let us take a peek at the record of savings of our people.

These tremendous funds were put aside by the public after a spending spree amounting to $82,000,000,000. During 1942 the American people, that is, individuals, families, and small businessmen, added $11,000,000,000 to their holdings of cash and bank deposits, mostly in the form of currency and checking accounts. This alone was sufficient to pay all of the public's income-tax liabilities under the 1942 act without even taking into account the tremendous amounts of saving in other forms, including over $10,000,000,000 in United States Government securities. Part of this growth in cash and bank deposits undoubtedly represented provision for payment in 1943 of 1942 taxes.

I have here further proof that the people in this country can well afford to pay their tax bills and need no forgiveness at all. I have just received estimates that during this very quarter of 1943 individuals in this country will have increased their holdings of cash and put into banks, deposits no less than $5,000,000,000, and that is after payment of their March 15 taxes, after payment for their War bonds, and after saving in other forms. This is a cash saving at the rate of $20,000,000,000 a year, and I understand that there is reason to believe that these cash savings after taxes will be even higher later in the year. These figures provide us with two interesting conclusions:

First, that the public is well able to foot not only their present tax bills but

also the $16,000,000,000 additional taxes called for by the President. Second, that the public will have money on hand and in the bank drawing practically no interest which by the end of this year will be close to $90,000,000,000, so that the public should be able and glad to take full advantage of the discounts offered under the committee's bill for anticipating tax payments without having recourse to their holdings of War bonds. I have good reason to believe that the public will avail itself of these discounts. One reason for my confidence in this respect is because I know how the bankers of the country feel about the accumulation of these huge idle deposits. They do not like them and they realize full well their dangerous inflationary possibilities. The bankers would be glad to have the public draw down a good part of their swelling demand deposits. I think we can count upon the bankers to make the committee's discount offering a big success. As I foresee it, the banks might even send out to their depositors with each month's statement a notice calling attention to the discounts available for advance tax payments and urging that they use their idle and noninterest-bearing cash to pay their taxes in advance.

Although there are as yet no wholly reliable analyses showing what income groups have received the higher national income and saving, it would certainly seem from what little evidence is available that wage earners have benefited as well as the rich people whom the Carlson-Ruml bill supporters have stressed are the only group who could stand doubling up of taxes. I might cite one admittedly rough analysis which estimates that of over $25,000,000,000 of savings in 1942, apart from Government insurance funds, close to $8,000,000,000 was saved by people with money incomes of $10,000 or more, $6,000,000,000 by people with incomes of $5,000 to $10,000, and the remainder of over $11,000,000,000 by people with incomes under $5,000.

In this connection I should like to point out that in view of the tremendous liquid savings which I have discussed, it is difficult to credit the figures presented last week by the gentleman from New York [Mr. REED] purporting to show borrowing by individuals to pay taxes. According to Mr. REED "the 1942 tax burden has driven millions of small taxpayers to the loan sharks who have lent them $600,000,000 at rates as high as 240 percent." I have not seen the published study corroborating this statement, which was promised last week.

In considering whether to forgive or cancel part or all of last year's tax liabilities, let us also consider how this is likely to affect the inflationary pressures already evidenced in the accumulated and rapidly increasing holdings by individuals of currency and checking accounts and in other highly liquid forms of saving. The forgiveness of several billions of tax liabilities would mean that part of this money which had been earmarked for the payment of taxes would be diverted into consumption and other channels, making the control of inflationary tendencies increasingly more difficult.

One indication of what may result from these tremendous increases in the public's cash resources is provided in what has been happening in the stock markets. Starting less than a year ago, the price of industrial stocks has advanced about 35 percent. The volume of trading on securities exchanges was $507,000,000 in January of this year, $615,000,000 in February, and is running at a higher rate this month. On Thursday, last week, over 2,000,000 shares of stock were sold with the largest price advance in the past 2 years. And today the stock market is again showing great speculative activity at higher levels.

With the financial situation so fraught with inflationary dangers, what we should be thinking about is how to reduce these dangerous accumulations of spendable funds rather than to go out of our way to increase them.

Mr. DEWEY. Mr. Chairman, will the gentleman yield?

Mr. McGRANERY. I yield to the gentleman from Illinois.

Mr. DEWEY. May I ask one question on those large accumulations of demand deposits. Is not a great deal of that Government money in Government war loan accounts?

Mr. McGRANERY. No; the gentleman will see in the record that I have separated those figures.

When we examine the Ruml plan, what do we find? Every newspaper in the city of Philadelphia, from which I come, supports the Ruml plan. Every newspaper without exception day after day carries editorials about the Ruml plan. I would have to be a very foolish fellow to think politically and to oppose the Ruml plan in the face of this tremendous publicity, but I know deep in my heart that when the American people wake up and find what has happened if the Carlson-Ruml plan was to be enacted into law, as they did after the nomination of Mr. Willkie, something is going to happen, and when that reaction comes, mark my word, although I am not a prophet I say to you that you will not be able to answer the questions that are then propounded to you.

Coming from the city of Philadelphia, a city of over 2,000,000 population, I have in my files 62 letters that advocate support of the Ruml plan. The people just have not studied it, they are relying on you and me as their Representatives to do the right thing.

Let us go back in our minds a few years when the Congress was talking after the last war about a bonus for the soldiers. Four million men returned. The bonus question was kicked around until we had the soldiers marching over here in Anacostia from all over the country. We did not know whether or not we were on the verge of a revolution. Finally the Congress passed a bookkeeping entry of a bonus. It gave to the soldiers a certificate in futuro for cash. Mark this well. Coming back from this war will be 13,000,000 men, we are told now, and when they get home and find that while they were away the boys back home gave a little bonus of $10,000,000,000 to those who had the good fortune to remain here and take it easy, and make plenty of money out of the war and certainly the ability to pay their taxes, are you going to have any excuse to give them as to why you gave away $10,000,000,000?

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. DOUGHTON. Mr. Chairman, I yield 3 additional minutes to the gentleman from Pennsylvania.

Mr. McGRANERY. We cannot do that. It just does not make sense. There is no end to this thing. The real reason behind this whole business, as I see it, is that the Carlson-Ruml plan is a rich man's bill. I defy any man to say to the contrary. We have men who are geared up in their living to a point where they can no longer live off income and must dip into the barrel. They have to dip into the barrel to maintain their same standard of living, they simply do not want to gear down and it is your job to tell them that during this war at least they will have to.

As Mr. Ruml finally admitted in our committee, a man with a $1,000,000 income is forgiven $854,000. That same man would have to have 17 successful years, with an income of $1,000,000 each year, and save $50,000 a year, from his net of $146,000, to accumulate an equal amount of money. You are going to give it to him at one fell swoop, and yet you are shedding crocodile tears here now about relieving the poor man. You are really putting a burden on the back of the poor man, and passing on to the future the amount you now forgive. Why do you not stop trying to fool the poor man?

You will not be able to tell the boys who are now scattered throughout the four corners of this world why you gave this $10,000,000,000 to persons who could well afford to pay it.

Everybody speaks in terms of forgiveness. When you have the facts and figures to show that our people have made more money than ever before in the history of our country and the record shows this accumulated savings then they have a right to pay their taxes to their Uncle Sam when he needs the money most. If we Members of Congress do our duty there will be no question of the overwhelming vote opposing the Carlson-Ruml bill, thereby telling our boys on the fighting front that our people are not concerned about dollars, but we do want to get this war over with and we will keep faith with them.

The CHAIRMAN. The time of the gentleman from Pennsylvania has again expired.

Mr. DOUGHTON. Mr. Chairman, I yield now to the gentlewoman from Illinois [Miss SUMNER].

Miss SUMNER of Illinois. Mr. Chairman, I feel that I cannot honorably yield to any temptation to keep silent in this debate. I deeply disapprove the Ruml plan as being unfair to future taxpayers.

The Ruml plan is new dealish in the extreme. I think that rank and file Republicans whose record in Congress I have watched so proudly, would not vote for this plan if they could see through it, but it is a bit complicated and fallacious

arguments have been used in support of it by sincere men upon whose judgment one may ordinarily depend.

New Deal political leaders have managed to keep themselves in power by means of the ancient racket of giving various politically potent groups of our citizens benefits to which they are not justly entitled at the expense of other people. Deficit financing has been the New Deal Christmas present to contemporary taxpayers at the expense of future taxpers. The Ruml plan is new dealish because it erases tax liabilities for 1942 and thus gives a Christmas present to 1942 taxpayers at the expense of future taxpayers. The higher your tax bracket for 1942 income, the bigger is your Christmas present under the Ruml plan. Thus it offers a bribe to smaller taxpayers to support a plan which will vastly enrich large taxpayers in much greater proportion than small taxpayers will be enriched under the plan.

Who will pay for the expense of the $10,000,000,000 Christmas present given to 1942 taxpayers under the Ruml plan and when it will be done, remains, of course, to be determined by Congress. Maybe it will be made up in increased estate taxes—penalizing the children of the kind of citizens wise governments have always been alert to encourage, the kind of parents who deprive themselves in order to save for their children, the kind of men who invest in business instead of squandering their money. Maybe it will be made up by a sales tax, though, so far, you have lacked the courage to impose a sales tax. Maybe it will be paid for by inflated currency. The larger the tax bracket in which you are already paying taxes, the smaller your share of the $10,000,000,000 which will have to be made up is likely to be, because tax brackets become steeper as they go up, the way taxes now are and we should scarcely dare make them steeper. The group which is sure not to have to pay for any part of this Christmas present is the group that takes the money given back under the Ruml plan and then sits down and lives up the money, as many will do.

There is one group which is sure to have to pay some of this $10,000,000,000 which would not otherwise have to pay any of it. That is the soldier group who survive this war, who Congress says in this same bill is already doing so much for the country that we excuse them from paying 1942 taxes. That part of this bill, if the Ruml provisions also become law, becomes a lie to our soldiers or at least an illusory promise.

Maybe we have already reached the saturation point and taxes should be reduced. If so the fair way to reduce them is by lowering rates all along the line in the usual orderly way, not just by giving 1942 taxpayers a Christmas present which many of them will not have to repay. Maybe the Ruml plan would be a good pump-priming plan, but we do not need pump priming in a period of war inflation. The time for pump priming is in a depression era.

It is easy to believe what you want to believe, particularly if you think it will make you personally some money. There is much argument for being current. The kind of currency which interests many Ruml plan supporters, I think, is the currency which the Ruml plan enables them to deposit in the bank. Editors and columnists leading the fight for this bill are the very editors and columnists who led the fight to get America into war as soon as possible. You would think they might have the grace to want to pay all they can to support this war and not argue for a Christmas present which will be paid for by soldiers and the little children of soldiers who, having the clock moved ahead, will have to start 1 year sooner doing the job of paying for this war and for the Ruml pudding which enables 1942 taxpayers to shirk paying what they would otherwise have to pay. I know my constituents wish to do whatever is fair and right to support their sons in the service.

Sometimes looking at the little children of my neighbors, knowing the tax burdens we are deliberately accumulating to heap upon their shoulders when they grow up, I am glad that I have no children.

Mr. DOUGHTON. Mr. Chairman, I yield 15 minutes to the gentleman from Wisconsin [Mr. WASIELEWSKI].

Mr. WASIELEWSKI. Mr. Chairman, when the Ways and Means Committee began its consideration of the various pay-as-you-go plans of individual income-tax collection, it appeared to be a simple matter that might be disposed of in a few days. We found, as the committee began to consider the method of transition from the present system to the new, that many difficult problems presented themselves. At the very outset a considerable number of the members felt that some substantial tax forgiveness should be made. But as the hearings, and later the studies, were carried on in executive session, we found that more and more members were convinced that all taxes due must be collected now, and in the end the majority had definitely decided against forgiveness.

It has been frequently stated that no man can escape death or taxes. I have yet to find a man who looks forward to either of these experiences with anticipated pleasure. But men pay their taxes and die, nevertheless, and will continue to do so.

No tax bill was ever devised that had universal popular appeal, except possibly one that would reduce or eliminate payment completely. There is no doubt in my mind but that the greatest attraction about the Ruml plan is its forgiveness feature. Stripped of the tax gift, the Ruml plan loses its glamour. All arguments like "pay as you go" are mere slogans in an attempt to make forgiveness palatable.

Our national debt today amounts to approximately $125,000,000,000. Only a few days ago we voted to increase the debt limit to $210,000,000,000. At the opening of this Congress the President informed us that during the coming fiscal year our war spending alone would run up to $100,000,000,000. He recommended that in anticipation of this large expenditure Congress raise an additional $16,000,000,000 in taxes. We are informed that during 1942, our national income surpassed all previous records, reaching the huge sum of $119,000,000,000. It is estimated that at the present rate the national income for 1943 will reach between one hundred and thirty and one hundred and forty billion dollars.

Thus, today, our national debt is greater than it has ever been in the history of our country; we are called upon to raise the largest taxes in our history; our national income has mounted to unprecedented heights. In the face of this great national obligation, the Treasury's crying need for funds, and the country lush with money, a proposal to forgive a year's taxes is entertained. This is an outrageous paradox. And the surprising element of this paradox is that the sponsors claim that by forgiveness, more money will be brought into the Treasury. They have, however, failed to demonstrate this contention. They have produced no figures, and it is hard to understand how they could.

The time to collect the moneys needed to win the war, insofar as that is possible, is now. We are today engaged in a life-and-death struggle. The people are willing and anxious to do their bit in order that we may bring this war to as early a victorious conclusion as possible. They ask no tax abatement. They ask no forgiveness.

I was back in my district only a week ago and spoke with many taxpayers and have not found one of them who wanted to have his tax forgiven. The only reaction that I have observed was that most of the taxpayers expected and were prepared to pay more than they were actually assessed.

Mr. Chairman, let us assume that the Ruml-Carlson plan is adopted. The effect of this action would mean that the collection of the $10,000,000,000, which could be used to reduce the national debt now, would be deferred to a future date and the liability transferred to some future time, when the people would be less able to meet such an obligation. Today we are worried about the problem of inflation; we are concerned about the surplus funds in the hands of consumers, the savings accounts in the banks are bulging. Under these circumstances when, if not now, is a more prudent and sensible time to collect the moneys needed to win the war? Let us not make the same mistake that was made after the last World War, when, instead of collecting taxes to pay off the national war debt, large refunds were made to taxpayers. It is quite possible that the inflation and the economic downfall of the late twenties might have been averted had the surplus funds in circulation in the lush years of the twenties been gathered up in taxes to pay off the war debt. The inflation days of the late twenties brought about the depression decade of the thirties, which found us still owing more than $18,000,000,000 of our debt from World War No. 1.

We are all praying and hoping for an early victory. That day cannot come too soon for any one of us. While I do not believe that the cessation of hostilities will plunge our country into a period of

unemployment and economic depression, a slight let-down in the process of transition to peacetime production is inevitable. We have no way of guaranteeing or knowing that in the post-war era our national income will remain at its present height or return to it soon thereafter. There is too much at stake for us to speculate. It is, therefore, our duty to collect now as much of the money needed to finance the war as we possibly can.

The committee plan to collect individual income tax now before the House provides for collection at the source from all wages and salaries and offers an inducement to all taxpayers in the form of a discount if they become current in their tax payments before December 15, 1943, in accordance with the schedules and tables that have been discussed by previous speakers. The supporters of the Ruml-Carlson bill and the Forand-Robertson plan express alarm that the committee-approved bill will not make all the taxpayers current by the end of 1943. But they fail to point out that, even under the Ruml-Carlson plan, which gives complete forgiveness of the 1942 tax liability, the taxpayer will be obliged to file a return for his 1943 tax in March of 1944 and pay up any difference that will remain outstanding between his actual tax and his estimated tax for 1943. Thus the taxpayer will be paying toward both his 1943 and 1944 tax liability under this plan in the same year—namely, 1944.

Under the Robertson plan roughly 90 percent of the taxpayers would be forgiven their 1942 tax liability; the remaining 10 percent would never become current. Yet all the taxpayers under this plan, like those under the Ruml plan, would have to make their settlements for 1943 in March of 1944. So it is apparent that both these plans are stripped of their pay-as-you-go feature when analyzed and become mere something-for-nothing plans.

I believe that a substantial number, if not all, of the taxpayers will exercise the option offered them under the plan before the House and will become current without the aid of loan sharks. There is no question but that the 1942 tax liability will be paid by the American taxpayers pursuant to existing laws. If, in addition, only one-half the taxpayers choose to become current, the Treasury will realize approximately fifteen or sixteen billion dollars in taxes this year, thus probably making it unnecessary for the Ways and Means Committee to make any increase in the tax rates for personal incomes for the year 1943. This will also bring into the Treasury more than one-third of the additional $16,000,000,000 that Congress has been requested to raise.

The whole question before the House resolves itself into Which is the more important? Raising more money for the war needs or making taxpayers current? The Ruml-Carlson plan, as well as the Forand-Robertson plan, would both be very costly to the Treasury, but neither of these two plans would make the taxpayer current. The plan before the House would raise more money for the winning of the war and would make the taxpayers substantially as current as the Ruml-Carlson plan and more so, perhaps, than the Forand-Robertson plan.

The effect upon the people of the country of any forgiveness plan would prove tragic. Here, while our Nation is engaged in the most serious conflict in its history, while the blood of our men is being shed on the battlefields throughout the globe, while appeals are daily being made for the purchase of War bonds, while the national debt is growing, the taxpayers of the Nation are being forgiven a tax debt and liability that accrued on the 1st day of January 1943. This most certainly would have a devastating effect upon the morale of our men in the armed forces and their people at home. The people would hesitate to invest money in War bonds, for they would take the position that the Nation's appeal for money is sham and groundless. This might open up an era of inflation, the like of which we have never witnessed.

Mr. Chairman, it is generally contended that the Government should be the servant of the people. There are many fine and solid gentlemen in this House and in the Nation, who during the past decade espoused the philosophy that the people should support the Government, and not the Government the people; that under no circumstances, should the people expect a bounty from their Government. It is amazing that today, we find that so many of the men who had supported the principle of no gifts from the Government are now recommending a measure that would have the Government make a gift to the taxpayers in the sum of $10,000,000,000. There might be some excuse for that if the country were free of debt and the Government had no good purpose for the money and the taxpayer were unable to meet his obligation. But such is not the case today. We find ourselves in the midst of a great war that requires funds in amounts that tax even the imagination—the national debt is almost backbreaking, while the national income has reached fabulous sums never dreamed of. Mr. Chairman, certainly this is no time to forgive. This is the time to collect.

Mr. DEWEY. Mr. Chairman, will the gentleman yield?

Mr. WASIELEWSKI. Yes.

Mr. DEWEY. Mr. Chairman, the distinguished gentleman from Wisconsin and myself have the pleasure of each being a member of the committee, he being the junior on one side and I on the other. I have listened with a great deal of interest to his splendid factual statement, and while I cannot agree with him in everything he has said, I admire him for the way in which he said it. I ask this question of the gentleman: Is it not true that during all of the hearings, when he and I were present for the first time, there was the highest degree of attention given to all of the witnesses, and a great deal of study to the subject, and did not a nonpartisan spirit maintain throughout all of the hearings?

Mr. WASIELEWSKI. The gentleman's statement is correct.

Mr. DEWEY. And is it not true that we all of us at one time voted for some sort of forgiveness?

Mr. WASIELEWSKI. Yes; that is true. I voted for the Robertson plan at one time, but when it came up the second time I voted against it.

Mr. DEWEY. Mr. Chairman, as the junior member I am very happy to sit under the splendid leadership of our distinguished chairman, and despite some of the vituperative statements that have entered into the debate during the last 3 or 4 days, yet none such thing took place at any time in our committee.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. DOUGHTON. Mr. Chairman, I yield now to the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD, at this point.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MURDOCK. Mr. Chairman, having already spoken on the bill and having pointed out the fallacies of the Ruml plan of forgiving taxes, I will be brief. Much has been said here about the political implications of the Ruml bill, and I have heard several Democrats warn Republicans of what they are facing at the election, if they favor the Ruml plan. Undoubtedly, every Member of this Chamber who votes for the Ruml bill and comes up for reelection in 1944, may have some very embarrassing questions put to him. However, I think what is more likely to happen is this: If the Ruml plan should be enacted into law, and $10,000,000,000 taxes in war profits forgiven, the individual Members who voted for the measure are likely to be overlooked, and this Republican-sponsored steal will be charged to the Democratic Party which is the majority in this Congress.

How many, many times I have heard gentlemen on the other side of the political aisle during the 6 years I have been here, complain sarcastically and bitterly of New Deal spending under the leadership of Harry Hopkins through the W. P. A. But when it comes to getting money out of the Treasury, regardless of purpose, I say Harry Hopkins is a piker compared with Beardsley Ruml. The W. P. A. billions went to keep worthy people from starving and did result in much constructive work of lasting value to our Nation. The Ruml billions kept from the Treasury will help a class, most of whom need no help, boost the spiral of inflation in a very destructive manner when our country is in a death struggle.

How very sarcastically the gentlemen on the other side of the aisle have characterized our efforts during the depression in priming the economic pump by dipping out of the Treasury. To my mind, such efforts were far less fantastic than Ruml's attempt to fill the reservoir in the midst of the greatest fire in human history, with a brigade of empty buckets.

Do we want to prevent the growth of a crop of war millionaires? I certainly do.

I look upon this terrible war as a desperate struggle for survival, and insist there shall be no element of profit in it for anybody. Why did I introduce a bill in the Seventy-sixth Congress, H. R. 5775, in October 1939 calling for an excess-war-profits tax? Why did I go down to the White House with like-minded Congressmen to urge action toward that purpose upon the President? Why did I vote on March 12 to uphold the President's Executive order on salary limitation—although I do not like the idea in principle? Why do I expect, this week, to vote against the Ruml forgiveness or tax scheme? One of my most impelling reasons for each and every one of these things is an attempt to prevent the growth of a crop of war millionaires.

Mr. DOUGHTON. Mr. Chairman, I yield 5 minutes to the gentleman from Idaho [Mr. WHITE].

Mr. WHITE. Mr. Chairman, the legislation we are considering here is a simple business proposition, the levy and collection of taxes. Many of us recall the fight that was made to pass legislation to collect taxes on incomes in this country, and the delays and adverse court decisions that attended the adoption of this taxing program. A tax plan that has been in operation for 30 years—a tax that is levied on incomes on a calendar-year basis with allowance of 10 weeks after the close of the taxing period to close up business transactions and compute items of taxable income.

This taxation plan up to now has mainly affected the larger incomes and those with substantial property interests. These taxpayers have computed and paid their taxes according to the schedules and regulations made and provided in the existing tax laws.

In the more recent legislation, it is proposed to extend this form of taxation to the lower incomes and incomes received by many propertyless individuals.

The taxes that have accrued for the calendar year 1942 were made payable March 15 of this year—they applied to 1942 and were due and could have been paid on the last day of December. The Government merely extended the time of reporting income and payment of taxes for 10 weeks to permit the orderly computation of taxable incomes—now with so many propertyless people, many of them improvident, receiving incomes subject to taxation it has been found necessary to devise and adopt a pay-as-you-go tax-paying program.

The application of this plan will not affect the taxes that have accrued for the calendar year 1942, nor can it be made to apply, for the first months of 1943, which will pass before any new law can be made effective.

The plan proposed in this bill, as I see it, is to make tax payments current by placing these payments on a monthly basis. In fairness to the taxpayers themselves, this plan is necessary. All over this country thousands of people are receiving taxable incomes which are spent as fast as received. Shall these people be forgiven the squandering of money which is due their Government simply because it is impractical to collect their share of Government taxes under the provisions of existing law, while the more substantial and property-owning citizens are forced to carry their full tax load?

Mr. Chairman, on one Government defense project in my State, there was a peak employment of 20,000 people composed principally of transient personnel drawing an income averaging $400 per month. Money that was spent as fast as received. Similar conditions prevail in all sections of the country. It is easy to see that there is no way to be found under existing law to collect any fair share of taxes due from this class of taxable individuals.

Mr. Chairman, we are dealing with a simple business proposition—the Committee on Ways and Means have embodied the best plan that could be devised to meet existing conditions and insure the collection of taxes, and I urge the support of the committee bill.

Mr. DOUGHTON. Mr. Chairman, I yield 10 minutes to the gentleman from South Carolina [Mr. HARE].

Mr. HARE. Mr. Chairman, it seems we have about come to the conclusion of a 4-day debate on a tax bill, and it appears now that I am to have the last word in general debate. Taxes is a subject that has been here for a long time; they have been discussed from the beginning of the Christian era; as a matter of fact, if I am correct in my history, the lowly Nazarene was born in a taxation atmosphere, because we are told that Caesar Augustus had issued a decree that all the people in the world should be taxed, and it was when Joseph and Mary went up to Bethlehem to see about the payment of their taxes, the Christ was born. From that day to this we have been talking about taxation.

Montesquieu, the great French philosopher, in discussing the question of taxation 200 years ago, said:

> As the general rule in constitutional states liberty is a compensation for heaviness of taxation.

Benjamin Franklin, the great philosopher of this country, 150 years ago, said:

> Taxes are indeed very heavy, and if those laid by the Government were the only ones we had to pay, we might more easily discharge them; but we have many others, and much more grievous to some of us. We are taxed twice as much by our idleness, three times as much by our pride, and four times as much by our folly.

But he went further and said:

> He who goes a borrowing goes a sorrowing.

This observation is just as true when applied to a government as when applied to a person, and if we cancel these $10,000,000,000 in taxes for 1942, our Government will have to borrow the money to carry on this war and those of us who are due to pay these taxes now will be called upon later to pay the borrowed money with interest, unless we pass the debt on to those boys who are now in the armed forces and require them to pay when they return, or to those who are fortunate to return, which would be tragic, and I do not propose to be a party to the tragedy. I would not be able to look your boys in the face again; I would hang my head in shame before my own children; I would feel like an unworthy and cowardly sire before those two boys now in the Pacific begging for more planes and at the same time offering their all—not a few paltry dollars—to protect and defend the Stars and Stripes, the flag they are following as "A pillar of cloud by day and a pillar of fire by night"; fighting to defend the homes and property of men now insisting that we should cancel, forgive, skip, and refund 1942 taxes regardless of what effect it may have on their security, efforts, or success. If I had the time at my disposal and you were inclined to listen at this late hour, I would like to philosophize further on these proposals because they furnish an opportunity for much discussion, but before proceeding further I would like to quote from the RECORD of last Saturday, I believe it was, when I had the privilege and honor of interrogating the gentleman from Georgia [Mr. CAMP], a member of the committee, who, by his remarks, impressed me as being familiar in every detail not only with the committee bill but with the Ruml plan as it appears in the bill of the gentleman from Kansas [Mr. CARLSON].

I propounded these questions:

> Mr. HARE. Mr. Chairman, will the gentleman yield?
>
> Mr. CAMP. I yield to the gentleman from South Carolina.
>
> Mr. HARE. The gentleman has made a very informative statement. I would like to ask a question or two to see if I can get this in my mind as he has it.
>
> In the first place, am I correct in the conclusion that the only difference between the bill now before the House, and what we know as the Ruml plan, or the Carlson bill, is the cancelation of the taxes for 1942?
>
> Mr. CAMP. Absolutely; that states it in very terse words. The only difference is the cancelation.
>
> Mr. HARE. Now, another question. Then all of the provisions in the bill now before the House are similar to the provisions in the Carlson bill with the exception of the cancelation of the taxes for 1942?
>
> Mr. CAMP. It is not only similar but it is word for word practically all the way through.
>
> Mr. HARE. The gentleman will pardon me, I am sure, because I want to get this clear in my mind: Does either one of these bills attempt to levy new taxes?
>
> Mr. CAMP. No.
>
> Mr. HARE. Then I understand the only purpose is to supply a new method for collecting taxes?
>
> Mr. CAMP. That is right, and to give people an opportunity to become current if they want to.
>
> Mr. HARE. Is there any provision in the proposed bill that requires the payment of 2 years' taxes in 1?
>
> Mr. CAMP. Not in the committee bill; no.

Now, the only question in issue here, as I see it, is simply this. Are we prepared to cancel the income tax for 1942? The only reason assigned so far, as I understand, is that it will bring the payment of taxes current. That is the reason suggested. But I have listened to some very able men, and 99 percent of them say it will not bring taxes current except for those who draw wages or those of us who draw salaries. The farmer, the merchant, the businessman, the corporation, the professional man, and all of the others will not be current

with their taxes and can never be for the reason they cannot know what their income will be until the end of the year.

Mr. DOUGHTON. Will the gentleman yield?

Mr. HARE. I yield.

Mr. DOUGHTON. Those who pay a tax on wages and salaries will not be current if they have other income.

Mr. HARE. They will be current as to wages and salaries only.

Mr. DOUGHTON. And that is all.

Mr. HARE. My feeling is that people, as a rule, want some kind of a pay-as-you-go plan, and I am in favor of that. This is provided for in this bill, and if the two bills are exactly alike in every respect except the cancelation of the taxes for 1942, then my mind is made up, because I do not believe that this Government can afford to cancel these taxes under the circumstances. I do not think it is wise or prudent. I do not think it is really honest to the people or their Government, particularly when we are in a war and so desperately in need of funds to prosecute it to a successful end.

We need this money for the purpose of supplying equipment, supplying material, supplying planes, tanks, and so forth for carrying on the war. Now, if we forgive or cancel this tax, certainly we are going to interfere to some extent with the development or the prosecution of the war. That is all there is to it. If we do that, we are delaying the prosecution of the war, and Mr. Chairman, we must remember that we are in the midst of a terrible war; we have millions of young men in our armed forces; they know it will take billions of dollars to furnish them with food and equipment to bring this war to a successful termination; they know they have responded to the call to make the greatest possible sacrifice of any citizen and when they learn that the American people, through their representatives in Congress, have failed and refused by affirmative action to make the necessary sacrifice to furnish them with the necessary food, clothing, and equipment, it will certainly not maintain that spirit of morale necessary to win a battle. I have a well-grounded feeling that the American people are not willing to let those boys down but that they are willing to make the necessary sacrifices to keep them going with the proper support.

It must be remembered further that when the Congress accepted Japan's challenge at Pearl Harbor for war we pledged the entire resources of our Nation, which included all of our financial strength and all of our available manpower if necessary. In formulating and executing our war program the Congress for nearly 2 years now has definitely and affirmatively recognized the fact that we cannot wage a successful war without money. To relent now and adopt a plan which would defer the induction of sufficient funds into the Treasury would indicate that we may be ready and willing to give up the fight. I am sure that would be my reaction if I were in the armed forces on foreign soil, and therefore feel it will be a dangerous policy to adopt at this time.

This bill is going to give every Member of the Congress an opportunity to demonstrate his patriotism and display his loyalty to our war program, or to leave the impression that he may be ready to abandon the ship. This is no time for the people's representatives to play the game of tweedledee and tweedledum or discourage the program by playing partisan politics among themselves. We should remember that real patriotism is an unselfish virtue and that a true patriot is more willing to sacrifice in times like these than to seek personal gain, whether it be political preferment or financial benefits.

Now, $10,000,000,000 is not an amount to be sneezed at. Do you know how many planes that would produce? Somewhere between 30,000 and 50,000.

Mr. CARLSON of Kansas. Will the gentleman yield?

Mr. HARE. I yield.

Mr. CARLSON of Kansas. The gentleman is making a very good statement on this. As I understand it, he is stressing the fact that we need money this year, but, of course, we get $3,000,000,000 more under my bill than under existing law or under the committee bill.

Mr. HARE. You do not get $3,000,000,000 more than is due now, do you?

Mr. CARLSON of Kansas. We get into the Federal Treasury $13,000,000,000 instead of $10,000,000,000 as under existing law.

Mr. HARE. For 1942?

Mr. CARLSON of Kansas. For 1943. We pick up $3,000,000,000.

Mr. HARE. Well, I am not prepared to subscribe to that. We may get more in 1943 than in 1942, but what we have at the end of 1943 will be $10,000,000,000 less than we would have if we collect for both years.

Mr. COOPER. Will the gentleman yield?

Mr. HARE. I yield.

Mr. COOPER. The gentleman from Kansas [Mr. CARLSON] is entirely mistaken. He does not change a single tax rate in his bill. Neither does the committee bill change any rate. The only reason that under his bill or under the committee bill the estimated income tax will be more in 1943 than it was in 1942 is because the national income is estimated at $140,000,000,000 for 1943 as against $119,000,000,000 in 1942. That is where this difference of $3,000,000,000 comes in.

Mr. HARE. Certainly, if our incomes are more in 1943 than in 1942, our income taxes will be proportionately larger, but the point I am trying to make is that we will be $10,000,000,000 poorer at the end of 1943 if we pass the Ruml plan and cancel the 1942 taxes, and if I am not correct in that, I am going to ask the chairman of the committee [Mr. DOUGHTON], whom we all believe to be fair and honest, to correct me.

Mr. DOUGHTON. There is not any doubt about it. If $10,000,000,000 is the amount of last year's taxes that are canceled, that is exactly what it will be. If you repeal it and say the people do not owe it, then the Government never gets it. That is all there is to that.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. DOUGHTON. Mr. Chairman, I yield the gentleman 5 additional minutes. He is going strong.

Mr. HARE. As I was about to say, that $10,000,000,000 will produce anywhere from 30,000 to 50,000 bomber planes. If I know how the men in the Army and the Navy feel, they are begging day after day for additional equipment, better equipment, more efficient equipment, and a greater number of bomber planes. We have been told by some of the men in the Pacific if they had 10,000 planes of a certain type they would capture Tokyo in 90 days.

Mr. DEWEY. Mr. Chairman, will the gentleman yield for an observation and a question at that point?

Mr. HARE. I cannot yield for an observation, but for a question only.

Mr. DEWEY. The gentleman does not believe that we are going to get $23,000,000,000—$10,000,000,000 for 1942 and $13,000,000,000 for 1943—all in 1943, with which to buy these bomber planes, does he?

Mr. HARE. My answer to that is, the Ruml plan or the bill carrying the Ruml plan means that the Treasury of the United States will forego having $10,000,000,000 now due, a greater portion of which has been paid. If we do not forgive the unpaid balance and refund that which already has been paid and then collect the $13,000,000,000 for 1943 as the gentleman suggests, we would certainly have $23,000,000,000 at the beginning of 1944.

Mr. DEWEY. But not in 1943?

Mr. HARE. No; it may be paid in 1943 but the $10,000,000,000 for 1942 would be paid out of 1942 income though not paid until 1943. I have paid my income tax for 1942 but did not pay it until March 1943 but it was paid out of my 1942 income. I subscribe to the philosophy of the gentleman from Tennessee [Mr. COOPER] when he expressed his personal experience last Thursday and said he felt that when he knew what his income was per month, his Government, under the law, is entitled to a certain portion of it and he is ready and prepared to set it aside to pay that debt to his Government, just like he would pay a debt due a neighbor when it is due.

There is no reason why under existing law the payment of taxes should not become approximately current because most of us liable for income taxes knew a good portion of last year that we would be eligible to pay income tax at the end of the year and there is no reason why arrangements could not have been made to pay it because our income tax for 1942 is supposed to be paid out of our 1942 income. One excuse offered for canceling these obligations is that under the proposal we will be required by law to pay 2 years' tax in 1. This is not correct because if the law requires anything it requires that our last year's income taxes be paid out of last year's income. Of course, we may elect to pay last year's income tax out of the 1943 income but it is not a legal requirement. There is no law under which the Collector of Internal Revenue can require me or you or anyone else to pay 1942 income taxes out of 1943 income but, on the contrary, he can

penalize me for having failed or refused to pay my 1942 income tax out of my 1942 income.

I can best illustrate my point by a personal allusion, and I am indebted to the gentleman from Georgia [Mr. CAMP] for the suggestion. On January 1 of this year I rented a small farm to a tenant for a bale of cotton or 500 pounds of lint. If for any reason he does not make any cotton, as he did in 1941, I will not get any rent, but if he does my share or interest attaches to that cotton and he has no right to use or dispose of it without my consent. Now, the Government says to me, in effect, that after deducting $1,200 from my income as a married man and such other exemptions as may be provided in the law, it has levied a tax of 6 percent, 13 percent, 25 percent, 40 percent, 80 percent, or whatever it may be, on the amount over and above the exemption and my theory is that as soon as my income exceeds the exemptions then the right of the Government to its share of that income attaches and it is my duty and obligation to set aside whatever the amount may be in order that I may be able at the proper time to discharge my debt or obligation to the Government. Of course, the Government does not say that I shall pay the tax then and there but it does not expect me to spend it and when pay day arrives come to Congress, as Mr. Ruml suggests, and have a law passed canceling the 1942 taxes upon the theory that I will pay the Government in 1943 just as soon as the income is obtained.

The Rumlites insist it will be better to do this, saying the Government would get more money by attaching this plan than it would by collecting the 1942 taxes. I cannot see it that way, and I will go back to my tenant contract to illustrate my point. He has promised me a bale of cotton for rent for this year. He will not have it until towards the end of the year, and the chances are he will deliver it about next Christmas. Now suppose when he brings that bale of cotton and says he is willing to work under the same arrangement next year but he will turn the bale of cotton over to me the first of January, provided I consider it as pay in advance for the rent for 1944. To my mind that represents exactly what the Ruml plan is, and I am unable to see where the Government would be any better off. As a matter of fact, it looks to me as if it will just lose 1 year of taxes, just as I would lose a bale of cotton if I accepted the offer. The people of this country know the taxes must be levied and that they must be collected if the integrity of our Government is to be sustained. Of course, we all complain about the amount of taxes, and many of us think they are excessive, but if we cancel these taxes now there would probably be some scheme next year to cancel them again, and cancellation may become a habit which would certainly prove to be a bad habit if we expect to survive as a democracy. Some will say they are not able to pay their actual living expenses and pay an income tax, too. No doubt there are some few instances of this kind, and my feeling is that the law should be changed so as to provide such exemptions as will take care of the actual necessities of the family, but why should there be a general cancellation of all income taxes for 1942? The $10,000,000,000 you propose to cancel would not come from these few exceptions of low-income taxpayers. The greater portion of it will be for the benefit of millionaires and war profiteers, who are now insisting upon the passage of the Ruml plan.

If this Congress had spent 4 days trying to instill into the minds and hearts of the American people the value, the necessity, and the wisdom of meeting tax obligations when due instead of trying to instill in their minds the new philosophy of trying to avoid them and get away from paying taxes at all we would have been doing them and our Government a far greater service. Let me repeat the words of Montesquieu: "Liberty is the compensation for taxation." If we do not pay taxes we will not have liberty. That is as true today as it ever was. When our people get to the point that they are unwilling to pay and want to shirk paying taxes they are ready to sacrifice their liberties. I do not believe the American people want to shirk taxes.

It was said a few days ago by a Member on the other side, and it made me shudder, when he said, "If we do not forgive these taxes we will insult 44,000,000 taxpayers in this country, or we will interfere with the morale of 44,000,000 taxpayers." Mr. Chairman, if I thought there were 44,000,000 taxpayers in this country who wanted this tax forgiven and canceled I would trmble for the future and the destiny of our American system of government. If I thought there were 44,000,000 people in this country—and I do not believe it—who are trying to get out of paying their taxes, and thereby trying to sabotage our war effort, then I would almost be ready to say to our boys on foreign soil: "You might just as well come home because your Government is gone."

The CHAIRMAN. The time of the gentleman from South Carolina has again expired.

Mr. DOUGHTON. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. HARE. Mr. Chairman, it is a serious matter to me, because I do not know what is going to be the effect on the morale of those boys in the Army and the Navy if we pass this bill and cancel the payment of $10,000,000,000 of taxes already due. These boys may say: "Well, the people at home do not care whether they furnish us with materials or not; they do not care whether they furnish us with equipment or not; why should I go out here and sacrifice my life for a system of government which the people at home are repudiating?" That is the effect it would have on my morale if I were one of those boys.

They talk about politics; there is plenty of politics in this bill. I have a suspicion, or, I might say, I have some apprehension, Mr. Chairman, some real apprehension because when I call the roll of the men who are advocating the cancelation of these debts and go back to 1939, 1940, and 1941 and find some of the same people opposing the amendment to the Neutrality Act or opposing repeal of the Embargo Act, or when I read the speeches of today and go back and read the speeches made at the time the lend-lease bill was passed, and when we passed the Military Training Act and the Selective Service Act, then I am not certain as to the effect it may have by the deferment of this payment; I am not certain but that it may result in sabotaging our war effort. The only thing I have to go by is the record. Suppose we had failed to repeal the Embargo Act, or failed to pass the Lease-Lend Act or the Military Training Act or the Selective Service Act; what would be our predicament today? Now, suppose we cancel the taxes we levied last year to be used in prosecuting this war, what effect will it have on our war program?

Mr. DEWEY. The gentleman has made a pretty stern indictment.

Mr. HARE. I am glad the gentleman calls attention to that statement, because I want to assure him that I was not making an indictment but simply recording a mental observation.

Mr. DEWEY. We are all of us, of course, at liberty to have those. I am glad it was only a mental observation.

Mr. HARE. And it is based entirely upon the record.

Mr. DEWEY. I have not, of course, seen the record the gentleman refers to which would cause me to think that anybody who was defending any measure before this House was not doing it with the thought that he was doing the best he could for his country; and I am sure the gentleman will agree with me on that.

Mr. HARE. I have no reason to question that at all, but when I read and compare the speeches of yesteryears with those of today, just a little inquiry arose in my own mind. My apprehensions referred primarily to the judgment displayed by some people in the past. Suppose their judgment had prevailed when we repealed the Embargo Act, or when we passed the Lend-Lease Act, the Military Training Act, or the Selective Service Act, we all know now what effect it would have had on our defense program and our war effort, and in the light of that observation I am apprehensive as to what effect the cancelation of $10,000,000,000 in taxes will now have on our defense program and our war effort. It may not be a question of loyalty or patriotism but a matter of good or bad judgment. These men in the service must have food, they must have clothing, they must have medical attention, they must have guns, tanks, planes, ships, submarines, and everything else essential to wage a successful war, and it will take money to get them, and a lot of it, and the only way to get money is through taxes collected.

The CHAIRMAN. The time of the gentleman from South Carolina has again expired.

Mr. DOUGHTON. Mr. Chairman, I move the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore, Mr. RAMSPECK, having resumed the chair, Mr. BULWINKLE, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 2218, had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. MILLS. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. LUTHER A. JOHNSON], may be permitted to extend his own remarks in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas [Mr. MILLS]?

There was no objection.

THE LATE JOSEPH B. SHANNON

Mr. BELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri [Mr. BELL]?

There was no objection.

Mr. BELL. Mr. Speaker, it was with deep sorrow and regret that we learned today of the passing yesterday evening of the Honorable Joseph B. Shannon.

He will long be remembered with feelings of high esteem and affection by his many friends here in Congress.

Throughout the years of his service as a Member of this body, he displayed not only great human sympathy for every man and every part of our population in distress, but he approached every problem with high courage and intellectual honesty. There were times when some of us did not agree with him on some issue or other, but we were always dead sure that when he cast his vote, he cast it out of a deep conviction that he was doing the best thing for his country.

He was a great Democrat—a lifelong Democrat. There were few men in this body who knew more thoroughly the great doctrines upon which our great Democratic Party was founded. He perhaps knew more of the life and teachings of Thomas Jefferson than any other single Member of Congress.

He now has departed from this life and gone to his reward as a patriotic American who sincerely and courageously played his part in shaping the destinies of his country.

EXTENSION OF REMARKS

Mr. RAMEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein as a part of the remarks a letter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio [Mr. RAMEY]?

There was no objection.

Mr. MURDOCK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include a portion of a report from an official in Arizona.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona [Mr. MURDOCK]?

There was no objection.

Mr. JONES. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include therein newspaper articles and portions of hearings.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio [Mr. JONES]?

There was no objection.

Mr. MADDEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an editorial.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. FISH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include articles from an Indiana newspaper.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. FISH]?

There was no objection.

Mr. CARLSON of Kansas. Mr. Speaker, I ask unanimous consent that the gentleman from Kansas [Mr. GUYER] may be permitted to extend his own remarks in the RECORD on the death of former Representative Joseph B. Shannon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kansas [Mr. CARLSON]?

There was no objection.

Mr. CARLSON of Kansas. Mr. Speaker, I also ask unanimous consent that the gentleman from Kansas [Mr. GUYER] may be permitted to extend his own remarks in the RECORD and to include a resolution by the Kansas State Legislature.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kansas [Mr. CARLSON]?

There was no objection.

Mr. CARLSON of Kansas. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. SHAFER] may extend his own remarks in the RECORD in two separate instances and in one to include an editorial.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kansas [Mr. CARLSON]?

There was no objection.

Mr. GEARHART. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an editorial from the Chicago Tribune.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California [Mr. GEARHART]?

There was no objection.

Mr. GEARHART. Mr. Speaker, this morning I was granted permission to extend my own remarks in the RECORD. I make the additional request that I may be permitted to include in those remarks certain tables furnished me by the Securities and Exchange Commission.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California [Mr. GEARHART]?

There was no objection.

Mr. NORMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an editorial from Daily Olympian, of Olympia, Wash.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington [Mr. NORMAN]?

There was no objection.

Mr. O'KONSKI. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the subject of absenteeism and to include figures from a shipbuilding concern in my own district substantiating my statement.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin [Mr. O'KONSKI]?

There was no objection.

Mr. GAVIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an address by P. J. Noon, secretary of the Bradford Oil Producers Association.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania [Mr. GAVIN]?

There was no objection.

Mr. FOLGER. Mr. Speaker, I ask unanimous consent that my colleague, the gentleman from Florida [Mr. HENDRICKS] may insert in the Appendix of the RECORD a brief item from the Boston Traveler of March 26, on the Florida Ship Canal and also an editorial from the Times-Herald of March 29 on the same subject.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina [Mr. FOLGER]?

There was no objection.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from North Carolina [Mr. FOLGER] is recognized for 10 minutes.

THE SOUTH IS NOT READY TO SECEDE

Mr. FOLGER. Mr. Speaker, I have been disturbed recently on account of an article that has been called to my attention appearing in the Saturday Evening Post and substantially copied in the Atlanta Constitution.

Mr. Speaker, before making the prepared observations I have in relation to this matter I think I should say that I am a southerner. My home is in North Carolina. I was born there. My father was born there. My grandfather was born there. The original of our family perhaps came from the State of Massachusetts, but that was before the Revolutionary War. We have learned to be southerners not only on account of the location of our family south of the Mason and Dixon's line but because of in reality and in fact believing in the traditions of that part of our Nation commonly referred to as the South.

It is true that at one time questions arose which resulted in the declaration of a cessation movement of the Southern States. I shall not stop to discuss the validity of that action. I may say, however, that as one from the South I have no apology, because I believe they believed that one of the fundamental doctrines upon which this Government was founded was being violated, that which I hold as one of the most important that yet obtains in this Union of States, the matter of State rights.

I do not believe in the Hamiltonian theory of government that the State should be subservient and that there

should be a powerful centralized government, with the States themselves having no rights, in a fashion, except as the National Government might in subordination of some of its functions yield them to the States. I believe in the Jeffersonian theory of government that the Federal Government is not to have any law or authority except that delegated to it by the several States. There are now 48 of these States, and this theory of government has not been disturbed and cannot be disturbed unless our constitution is amended.

I have heard much with regard to bureaucracts and things of that sort, and complaints of different kinds that have nauseated me beyond question. The Federal Government has been trying to help the people of all the States at a time when they needed help, and we have been somewhat unmindful of that fact.

Mr. Speaker, the cause of Governor Jones, of Louisiana, and Governor Arnall, of Georgia, is just, and the grounds for their complaint are, in the main, too well founded in fact. That portion of this Union commonly referred to as "the South" has not received, and does not receive, in instances the consideration and treatment to which it is in simple justice entitled. In at least one particular this is true as to the West. Something real must be done about it. I am ready to proceed now.

But, Mr. Speaker, I am not willing to enter into a campaign of spite, nor do I believe this would have any promise of accomplishing the correction of evils so well recognized. We are discriminated against in freight rates. Most sections of the South have been forgotten in war contract work and have suffered, and will continue to suffer, more on that account if equality of treatment shall not soon be accorded.

The Governor of Louisiana concedes that the Republicans, having originated the discriminatory freight rates sin and adhered to it, are more blameworthy, but leaves the impression that one need not expect anything different from that source. To me this would be to realize at least some element of hope for fair treatment from the Democratic Party.

It is unfortunate that action and counsel cannot be found always in the same person. The adage, "Young men for action, old men for counsel," seems proven. The dangers from the impatience of the two young men, who have been elevated to positions where their voices are heard, can be avoided only by the wisdom of age through suggestion of action with hope of success along orderly lines. Their diagnosis is patently sound; their prescription of remedy would leave our last state worse than the first.

Let us join together in pursuit of a remedy to correct the evils, a remedy that appeals to reason and has promise of success; not offering a suicidal act as a means of deliverance.

I have not lost faith in the justness or fairness of the party of "Equal rights to all and special privileges to none"; the party of Jefferson and Jackson, Tilden and Cleveland, of Bryan and Wilson and Roosevelt; a national party of glorious history in forming a more perfect Union, in establishing justice; insuring domestic tranquillity; providing for the common defense, promoting the general welfare, and securing the blessings of liberty to ourselves and our posterity.

Mr. ROLPH. Mr. Speaker, will the gentleman yield?

Mr. FOLGER. I yield to the gentleman from California.

Mr. ROLPH. I am very much interested in the remarks of the gentleman. I am wondering if he will enlarge on what freight rates the governors refer to concerning which the people of the section the gentleman so ably represents feel they are being discriminated against.

Mr. FOLGER. This has been a ground of complaint since I was a boy. I think the Tennessee Valley Authority has made representation for a second time to the President that the West and South are being very greatly discriminated against in the freight rates and have been for all these years. It comes about by the principle of zoning, seemingly adopted a long time ago and since adhered to without amendment, as far as I know.

The article by Josephus Daniels, appearing in the News and Observer, which I shall include in my remarks, sets out the differences in rates that obtain and affect the West and South on this subject.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include therein an editorial from the Raleigh News and Observer upon this subject.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The editorial referred to is as follows:

END DISCRIMINATION

Those southern Governors who think progress can be made to end discrimination of freight rates by threats of getting a divorce from the National Democratic Party do not exhibit as much wisdom as do those other Governors who press the battle on its merits. The discrimination began under Republican administration and all attempts to end it failed. Now the just appeal is made to the Interstate Commerce Commission in the Roosevelt era and there is every reason to believe the case presented is so strong that the appeal will be granted.

The Tennessee Valley Association in a report made public this week says that "a freight rate handicap hampers industry in the South and West and that it must be cleared away if the Nation's post-war economic machine is to keep running satisfactorily." It says the existing inequalities "tend to increase the concentration of industry in the East while confining the South and West largely to the production of raw materials and other simple goods," and "such policy is contrary to sound public policy" and "creates economic instability in the South and West." Mr. Lilienthal points out that "the more valuable types of manufactured goods must pay rates 37 percent higher in the South than for an equal quantity in the East; 46 percent higher in western trunk line territory than in the East; 61 percent higher in the Southwest; and 71 percent higher in the Mountain-Pacific States." He asserts that "regional rate differences are not justified by cost differences."

This testimony adds weight to the demand of the Southern Governors for an end of all inequalities and discrimination. One lion in the path of just rates may be the fact that nearly all the railroads in the South are owned or controlled in the financial district of New York. One of the Governors of Tallahassee spoke of "industrial slavery in the South." Unfortunately, outside of cigarette, textile, and a few other industries nearly all transportation, steel, and power companies are owned and controlled in the financial centers.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mrs. LUCE until March 31, on account of the death and funeral of a close friend.

ADJOURNMENT

Mr. COOPER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 34 minutes p. m.) the House adjourned until tomorrow, Tuesday, March 30, 1943, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE PUBLIC LANDS

The Committee on the Public Lands will hold hearings on Tuesday, March 30, 1943, at 10 a. m., on H. R. 647 and various bills pertaining to taxation on public-owned lands.

COMMITTEE ON MILITARY AFFAIRS

The Committee on Military Affairs will meet in open hearings on Tuesday, March 30, 1943, at 10 a. m., to consider H. R. 2239, to amend the Selective Training and Service Act of 1940 and to provide further for the successful prosecution of the war by prohibiting acts interfering with the full utilization of manpower; H. R. 1742, to provide further for the successful prosecution of the war through a system of civilian selective war service with the aid of the Selective Service System; H. R. 1728, to increase the supply of farm labor during the calendar year 1943; and H. R. 992, to provide for the reclassification under the Selective Training and Service Act of 1940 of employees engaged in war production participating in strikes; to make it unlawful for persons to conspire to stop or slow down production in war contracts; to suspend the 40-hour week and provisions for overtime compensation; to limit the profits on war contracts; and for other purposes.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Subcommittee on Fisheries of the Committee on the Merchant Marine and Fisheries will meet in executive hearing at 10:30 a. m. on Wednesday, March 31, 1943, to consider the matter of price ceilings on fishery products.

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Thursday, April 1, 1943, at 10 a. m., on S. 163 (H. R. 498), to amend section 511 of the Merchant Marine Act, 1936, as amended, relating to ship construction reserve funds, and for other purposes.

As advised in notice of March 10, 1943, Congressman BATES of Massachusetts,

patron of the bill H. R. 1766, upon which hearings were scheduled on April 8, 1943, is a member of the Committee on Naval Affairs and of a subcommittee of that committee which has arranged a schedule of hearings throughout the country which will compel Congressman BATES of Massachusetts to be absent from Washington on April 8 and also April 15.

The chairman of the committee and the Commissioner of Fisheries will be out of town on intervening dates, which will necessitate a further postponement of the hearing until May 13, 1943. You are hereby notified that the hearings scheduled for April 8 and postponed until April 15 have been postponed to May 13, 1943, at 10 a. m., at which time the hearings will follow.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

281. A letter from the Secretary of War, transmitting an interim report dated August 27, 1941, from the Chief of Engineers, United States Army, on surveys and studies of Hungry Horse Dam, Mont., made under authority of section 7 of the Flood Control Act, approved on June 22, 1936, together with accompanying papers; to the Committee on Flood Control.

282. A letter from the Secretary of War, transmitting an interim report dated January 31, 1942, from the Chief of Engineers, United States Army, together with accompanying papers, on a survey of Youghiogheny River, Pa. and Md.; to the Committee on Rivers and Harbors.

283. A letter from the Archivist of the United States, transmitting report of the Archivist of the United States on lists of papers recommended to him for disposal by certain agencies of the Federal Government; to the Committee on the Disposition of Executive Papers.

284. A letter from the Administrator, Federal Security Agency, transmitting a draft of a proposed bill to provide for the training of nurses for the armed forces, governmental and civilian hospitals, health agencies, and war industries, through grants to institutions providing such training, and for other purposes; to the Committee on Interstate and Foreign Commerce.

285. A letter from the Chairman, United States Maritime Commission, transmitting report of the United States Maritime Commission for the year ending June 30, 1942; to the Committee on the Merchant Marine and Fisheries.

286. A letter from the Comptroller General of the United States, transmitting a report and recommendation to the Congress concerning the claim of the Meadow Brook Club against the United States; to the Committee on Claims.

287. A letter from the President, Board of Commissioners of the District of Columbia, transmitting a draft of a proposed bill to amend the Fire and Casualty Act of the District of Columbia; to the Committee on the District of Columbia.

288. A letter from the Administrator, Veterans' Administration, transmitting a draft of a proposed bill entitled "A bill to provide for furnishing transportation in Government-owned automotive vehicles for employees of the Veterans' Administration at field stations in the absence of adequate public or private transportation"; to the Committee on World War Veterans' Legislation.

289. A letter from the President, Board of Commissioners of the District of Columbia, transmitting a draft of a proposed bill to provide for regulation of certain insurance rates in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. JACKSON: Committee on the Merchant Marine and Fisheries. H. R. 2281. A bill to provide for the issuance of a device in recognition of the services of merchant sailors; without amendment (Rept. No. 318). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HANCOCK:

H. R. 2323. A bill to amend the Judicial Code with respect to the admission of attorneys at law to practice before the courts, departments, and offices of the Government; to the Committee on the Judiciary.

By Mr. DOUGHTON:

H. R. 2324 (by request). A bill to change certain exemptions relating to the renegotiation of contracts with the War Department, the Navy Department, the Treasury Department, and the Maritime Commission, and subcontracts thereunder, and to require in certain cases the filing of financial statements for each expired year; to the Committee on Ways and Means.

By Mr. ANDERSON of California:

H. R. 2325. A bill to validate a certain conveyance heretofore made by Southern Pacific Co., a corporation, to San Jose Water Works, a corporation, involving certain portions of right-of-way in the county of Santa Clara, State of California, acquired by South Pacific Coast Railway Co. (predecessor in interest to Southern Pacific Co.) under act of Congress approved March 3, 1875 (18 Stat. L. 482); to the Committee on the Public Lands.

By Mrs. BOLTON:

H. R. 2326. A bill to provide for the training of nurses for the armed forces, governmental and civilian hospitals, health agencies, and war industries, through grants to institutions providing such training, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. SULLIVAN:

H. R. 2327. A bill to authorize Members of Congress, Delegates, and Resident Commissioners to rent or lease housing quarters in or near the District of Columbia from the United States; to the Committee on Public Buildings and Grounds.

By Mr. LYNCH:

H. R. 2328. A bill to amend title 18, Criminal Code, to declare certain papers, pamphlets, books, pictures, and writings nonmailable, to provide a penalty for mailing same, and for other purposes; to the Committee on the Post Office and Post Roads.

By Mr. RAMEY:

H. R. 2329. A bill to amend section 75 (a) of the act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, as amended; to the Committee on the Judiciary.

By Mr. SOMERS of New York:

H. R. 2330. A bill to authorize the erection of a Veterans' Administration general medical and surgical hospital and domiciliary facility in the Borough of Brooklyn, city of New York; to the Committee on World War Veterans' Legislation.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the Territory of Puerto Rico memorializing the President and the Congress of the United States to execute a deed of ownership or certificate of possession to laborers now occupying agricultural farms; to the Committee on Insular Affairs.

Also, memorial of the Legislature of the Territory of Puerto Rico, memorializing the President and the Congress of the United States to continue Work Projects Administration in Puerto Rico; to the Committee on Appropriations.

Also, memorial of the Legislature of the State of Maryland, memorializing the President and the Congress of the United States to eliminate tariffs on foodstuffs shipped into the United States during the present emergency; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Michigan, memorializing the President and the Congress of the United States commending the stand of Senator BYRD demanding the elimination of useless expenditure of public moneys; to the Committee on Expenditures in the Executive Departments.

Also, memorial of the Legislature of the State of Illinois, memorializing the President and the Congress of the United States to amend the Constitution of the United States relative to the term of the President of the United States; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Nevada, memorializing the President and the Congress of the United States to provide compensation to civilians, including civilian defense workers; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States to pass legislation to secure an increase in wages for employees of the Post Office Department; to the Committee on the Post Office and Post Roads.

Also, memorial of the Legislature of the State of Kansas, memorializing the President and the Congress of the United States and the War Production Board to change their policy in regard to the location of alcohol manufacturing plants; to the Committee on Agriculture.

Also, memorial of the Legislature of the State of Washington, memorializing the President and the Congress of the United States to establish a regional office of the War Production Board in the city of Seattle, Wash.; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BUFFETT:

H. R. 2331. A bill for the relief of William Weitz; to the Committee on Claims.

By Mr. BARRY:

H. R. 2332. A bill for the relief of Christian Wenz; to the Committee on Claims.

By Mr. DIRKSEN:

H. R. 2333. A bill for the relief of Mrs. Samuel M. McLaughlin; to the Committee on Claims.

By Mr. GRANT of Alabama:

H. R. 2334. A bill to place John P. Shaffer on the emergency officers' retired list, and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. HARRIS of Virginia:

H. R. 2335. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claims of the

persons named in this act for overtime service in the Norfolk (Va.) Navy Yard, Portsmouth, Va., between the years 1878 and 1882; to the Committee on Claims.

By Mr. MORRISON of Louisiana:

H. R. 2336. A bill authorizing the President of the United States to award posthumously in the name of Congress a Medal of Honor to William Mitchell; to the Committee on Military Affairs.

By Mr. O'TOOLE:

H. R. 2337. A bill for the relief of John Joseph Defeo; to the Committee on Naval Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

365. By Mr. CUNNINGHAM: Petition of 26 members of Eden Church of Marion County, Iowa, urging the enactment of Senate bill 860, and also the re-enactment of legislation similar to that of 1917 so as to give the young men in our armed forces the same protection had by their fathers in 1917; to the Committee on Military Affairs.

366. By Mr. ELSTON of Ohio: Petition of the Retail Store Employees Union, Local No. 1099, signed by 107 residents of Cincinnati, Ohio, and vicinity, urging the enactment of House bill 997 and Senate bill 216, which provide for a Pharmacy Corps in the armed forces of the United States; to the Committee on Military Affairs.

367. By Mr. FITZPATRICK: Petition of the Victory Consumer Information Center, Parkchester, Bronx, New York City, N. Y., favoring the appropriation of adequate funds for Office of Price Administration enforcement of price control regulations; subsidizing the production of basic commodities, whose costs are increased by the war, so that the price ceilings will remain stable; also favoring the restoration and extension of the food stamp plan for needy families, so that a well-nourished America may produce for victory at peak strength; to the Committee on Banking and Currency.

368. By Mr. FOGARTY: Memorial of the General Assembly of the State of Rhode Island, urging enactment of House bills 886 and 1180, relating to veterans, their wives, and/or widows and orphans; to the Committee on World War Veterans' Legislation.

369. By Mr. FORAND: Joint resolution from the General Assembly of the State of Rhode Island, requesting the Senators and Representatives from Rhode Island in the Congress of the United States to work for the passage of two important measures now pending in Congress, namely, House bills 886 and 1180, both relating to veterans, their wives, and/or widows and orphans; to the Committee on World War Veterans' Legislation.

370. By Mr. HOLMES of Washington: House Joint Memorial No. 11 of the Legislature of the State of Washington, urging legislation to create a Federal agency to study tax structures to the end that inequitable burdens be avoided and the financial stability of the various local governmental units assured; to the Committee on Ways and Means.

371. By Mr. LARCADE: Petition of the Presbyterian Women's Auxiliary of the Seventh Congressional District of the State of Louisiana, urging restoration of funds to the Children's Bureau of the Department of Labor; to the Committee on Appropriations.

372. By Mr. ROLPH: House Resolution No. 139 of the California State Assembly, adopted March 26, 1943, relative to ceiling prices for poultry in the State of California; to the Committee on Banking and Currency.

373. Also, Assembly Joint Resolution No. 28 of the State of California, adopted March 22, 1943, relative to destruction of crops by ducks; to the Committee on Agriculture.

374. Also, Assembly Joint Resolution No. 34 of the State of California, adopted March 22, 1943, relative to securing to all employees of the Post Office Department an increase in wages commensurate with the increased cost of living and other benefits; to the Committee on the Post Office and Post Roads.

375. Also, resolution of Tile Layers Union, Local No. 19, San Francisco, Calif., endorsing resolution adopted by San Francisco Building and Construction Trades Council March 4, 1943, relative to the rationing program of the Office of Price Administration; to the Committee on Banking and Currency.

376. Also, resolution of the Brotherhood of Painters, Decorators, and Paperhangers of America, Local 1158, San Francisco, adopted March 19, 1943, relative to amending the National Security Act so as to include all cemetery employees within the benefits and provisions of this act; to the Committee on Ways and Means.

SENATE

TUESDAY, MARCH 30, 1943

(Legislative day of Tuesday, March 23, 1943)

The Senate met in executive session at 12 o'clock noon, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O Thou God of our salvation, the darkness and the light are both alike to Thee. Lest we lose our footing and our way in all the terror and tragedy of these testing days, worn and weary we turn from the din of earth's shouting and tumult to the quiet pavilion of Thy presence and of Thy peace. Bowing our heads and our hearts at this noontide altar we would be still and know that Thou art God.

Through the tangled wilderness of human relations show us the clear path of Thy will for our troubled day. In the dense darkness, black as the pit from pole to pole, be to us as a pillar of cloud and of fire. In the confusion of tongues and counsels endue us with the wisdom to rightly discern the signs of the times. This day keep our tongues from evil and our lips from speaking guile, so that no careless word of ours may smite or shadow the spirit of another by our side. So may we do justly, love mercy, and walk humbly with Thee, our God: We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Friday, March 26, 1943, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

NOTICE OF NOMINATION OF DOZIER A. DEVANE TO BE JUDGE OF THE NORTHERN AND SOUTHERN DISTRICTS OF FLORIDA

Mr. VAN NUYS. Mr. President, in accordance with the rule of the Committee on the Judiciary, I desire to make an announcement.

The committee has received the nomination of Dozier A. DeVane, of Florida, to be United States district judge for the northern and southern districts of Florida, vice Curtis L. Waller, elevated.

As chairman of the subcommittee appointed to consider this nomination and as required by the rule of the committee, I announce that Wednesday, April 7, 1943, at 10:30 a. m., has been set for a hearing in the Senate Judiciary Committee room on this nomination. At that time and place all interested parties may make representations to the committee.

NOTICES OF HEARINGS ON NOMINATIONS OF RAY J. O'BRIEN, TO BE JUDGE OF THE THIRD CIRCUIT, AND PHILIP L. RICE, TO BE JUDGE OF THE FIFTH CIRCUIT, CIRCUIT COURTS, TERRITORY OF HAWAII

Mr. McCARRAN. Mr. President, in accordance with the rule of the Committee on the Judiciary, I desire to make an announcement.

The Committee on the Judiciary has received the nomination of Ray J. O'Brien, of Hawaii, to be judge of the third circuit, circuit courts, Territory of Hawaii.

As chairman of the subcommittee appointed to consider this nomination and as required by the rule of the committee, I announce that Wednesday, April 7, 1943, at 10:30 a. m., has been set for a hearing in the Senate Judiciary Committee room on this nomination. At that time and place all interested parties may make representations to the committee.

Mr. President, also in accordance with the rule of the committee, I desire to announce that the Committee on the Judiciary has received the nomination of Philip L. Rice, of Hawaii, to be judge of the fifth circuit, circuit courts, Territory of Hawaii.

As chairman of the subcommittee appointed to consider this nomination and as required by the rule of the committee, I announce that Wednesday, April 7, 1943, 10:30 a. m., has been set for a hearing in the Senate Judiciary Committee room on this nomination. At that time and place all interested parties may make representations to the committee.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 1366) to provide temporary additional compensation for employees in the Postal Service.

The message also announced that the House had passed a bill (H. R. 1896) to

amend sections 1 and 2 of the act approved June 11, 1940 (54 Stat. 262), relating to the establishment of the Cumberland Gap National Historical Park in Tennessee, Kentucky, and Virginia, and to grant the consent of Congress to such States to enter into a compact providing for the acquisition of property for such park, in which it requested the concurrence of the Senate.

The message further announced that the House had agreed to the concurrent resolution (S. Con. Res. 11) requesting the President to return to the Senate the enrolled bill (S. 17) to provide for a temporary increase in compensation for certain employees of the District of Columbia government and the White House Police force, and authorizing its reenrollment with certain corrections.

ENROLLED BILLS SIGNED

The message also announced that the Speaker pro tempore of the House had affixed his signature to the following enrolled bills, and they were signed by the Acting President pro tempore:

H. R. 1780. An act to increase the debt limit of the United States, and for other purposes; and

H. R. 2068. An act making additional appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1943, and for other purposes.

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

By Mr. GEORGE, from the Committee on Finance:

Thomas A. Gallagher, of Cincinnati, Ohio, to be collector of internal revenue for the First District of Ohio, to fill an existing vacancy;

Surgeon Lucius F. Badger, to be senior surgeon in the United States Public Health Service, to rank as such from March 26, 1943; and

The following-named senior surgeons to be medical directors in the United States Public Health Service, to rank as such from the date set opposite their names:

Roy P. Sandidge, March 26, 1943;
Ralph C. Williams, March 26, 1943;
Paul D. Mossman, March 24, 1943;
Richey L. Waugh, March 23, 1943; and
Thomas Parran, March 26, 1943.

By Mr. CLARK of Missouri, from the Committee on Finance:

James R. Wade, of Sullivan, Mo., to be collector of customs for customs collection district No. 45, with headquarters at St. Louis, Mo., to fill an existing vacancy.

By Mr. REYNOLDS, from the Committee on Military Affairs:

Denton O. Rushing, from the State of Arkansas, to be field supervisor, at $4,600 per annum, in the Kansas City regional office of the War Manpower Commission;

Frederick Foote, from the State of Minnesota, to be program control technician at $4,600 per annum in th Minneapolis regional office of the War Manpower Commission;

George A. Selke, from the State of Minnesota, to be field supervisor at $5,600 per annum in the Minneapolis regional office of the War Manpower Commission;

Joseph Earl Smith, from the State of Ohio, to be area director at $4,600 per annum, in the Youngstown area office of the War Manpower Commission (vice Marion A. Gregg, transferred);

John D. Kingsley, from the State of Ohio, to be program control technician, at $5,600 per annum, in the Cleveland regional office of the War Manpower Commission;

Albert L. Nickerson, from the State of Massachusetts, to be director, Bureau of Placement, at $8,000 per annum, in the Washington office of the War Manpower Commission; and

Sundry officers for temporary appointment in the Army of the United States, under the provisions of law.

By Mr. WALSH, from the Committee on Naval Affairs:

Col. David L. S. Brewster to be a brigadier general in the Marine Corps for temporary service from the 16th day of September 1942;

Col. Clifton B. Cates to be a brigadier general in the Marine Corps for temporary service from the 16th day of September 1942;

Capt. Ingram C. Sowell to be a rear admiral in the Navy, for temporary service, to rank from the 13th day of September 1942; and

Sundry officers for promotion in the Navy.

CALL OF THE ROLL

Mr. BARKLEY. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore (Mr. LUCAS). The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Guffey	Radcliffe
Austin	Gurney	Reed
Bailey	Hatch	Revercomb
Ball	Hawkes	Reynolds
Bankhead	Hayden	Robertson
Barkley	Holman	Russell
Bone	Johnson, Calif.	Scrugham
Brewster	Johnson, Colo.	Shipstead
Bridges	Kilgore	Smith
Brooks	La Follette	Stewart
Buck	Langer	Taft
Burton	Lodge	Thomas, Idaho
Bushfield	Lucas	Thomas, Okla.
Butler	McCarran	Thomas, Utah
Byrd	McClellan	Tobey
Capper	McFarland	Truman
Caraway	McKellar	Tunnell
Chavez	McNary	Tydings
Clark, Mo.	Maloney	Vandenberg
Connally	Maybank	Van Nuys
Danaher	Mead	Wallgren
Davis	Millikin	Walsh
Downey	Moore	Wheeler
Ellender	Murdock	Wherry
Ferguson	Murray	White
George	Nye	Willis
Gerry	O'Mahoney	Wilson
Gillette	Overton	
Green	Pepper	

Mr. BARKLEY. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from Mississippi [Mr. BILBO], and the Senator from Virginia [Mr. GLASS] are absent from the Senate because of illness.

The Senator from Kentucky [Mr. CHANDLER] is detained on official business for the Committee on Military Affairs.

The Senator from Mississippi [Mr. EASTLAND], the Senator from Alabama [Mr. HILL], the Senator from Idaho [Mr. CLARK], the Senator from Texas [Mr. O'DANIEL], and the Senator from New York [Mr. WAGNER] are absent on important public business.

Mr. McNARY. The Senator from New Jersey [Mr. BARBOUR] is absent because of illness.

The Senator from Wisconsin [Mr. WILEY] is absent on official business.

The ACTING PRESIDENT pro tempore. Eighty-five Senators having answered to their names, a quorum is present.

NOMINATION OF REAR ADMIRAL EMORY S. LAND TO BE MEMBER OF MARITIME COMMISSION

The ACTING PRESIDENT pro tempore. Under the order of Friday last, the Senate, in executive session, will now proceed to consider the nomination of Rear Admiral Emory S. Land, United States Navy, retired, to be a member of the Maritime Commission. The question is, Will the Senate advise and consent to this nomination?

The Chair will further state that, under the order, the time for and against the confirmation of the nomination is to be equally divided and controlled, respectively, by the Senator from North Carolina [Mr. BAILEY] and the Senator from Vermont [Mr. AIKEN].

Mr. BAILEY and Mr. STEWART addressed the Chair.

The ACTING PRESIDENT pro tempore. The Chair recognizes the Senator from North Carolina.

Mr. BAILEY. Mr. President, yesterday the junior Senator from Tennessee [Mr. STEWART] made request of the junior Senator from Vermont [Mr. AIKEN] and myself, and I think of the leaders on either side of the Chamber, for leave to make some remarks today to the extent of about 20 minutes. That is agreeable to me, but I anticipate that if we begin the process of yielding a great deal of time may be consumed. I am willing to yield my half of the time, if it belongs to me, on condition that no further requests will be made. I see several Senators rising. If they are rising to have something put into the RECORD, taking only a moment or two, I shall not object to that, and I take it the Senator from Vermont will not object; but what we wish to do is to get at the business in hand, and finish it.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. BAILEY. I yield.

Mr. BARKLEY. While we agreed, last Friday, that we would vote today at not later than 5:30 o'clock p. m.—and, of course, the agreement will be carried out—it is my hope that we may conclude the matter in hand long before 5:30 o'clock, in fact, in time to have a call of the calendar today. I hope the Senate may then recess over until Friday, and then over until Tuesday.

Mr. AIKEN. Mr. President, I do not know how long it will take to present the material relating to the question before the Senate from the side on which I happen to be. I realize the position in which the Senator from Tennessee finds himself, and I agreed that if his speech would not occupy more than 20 or 22 minutes, I would yield half the time. If it should require much longer, however, I should want to yield only 10 minutes of the time. I hope there will not be any further requests for time. Like the majority leader, I hope we may reach a conclusion of the pending question in time to attend to some other business, and I much prefer to have any requests for time put over until after we conclude the principal business of the afternoon.

The ACTING PRESIDENT pro tempore. Under the agreement, the Senator from North Carolina yields 11 minutes to the Senator from Tennessee, and the Senator from Vermont yields 11 minutes to the Senator from Tennessee.

Mr. OVERTON. Mr. President, will the Senator from North Carolina yield?

Mr. BAILEY. I have yielded to the Senator from Tennessee.

Mr. OVERTON. I merely wish to make a brief observation, if there is no objection. I wanted to say, Mr. President, that I should like to make some observations on the same subject matter on which I understand the junior Senator from Tennessee is about to address the Senate. Of course——

The ACTING PRESIDENT pro tempore. The Chair advises the Senator from Tennessee that this is coming out of his time.

Mr. STEWART. I understand.

Mr. BAILEY. Mr. President, I think we can settle this matter. The Senate is supposed to vote at 5:30 o'clock p. m. I cannot conceive of those who are advocating confirmation taking all the time allotted to them. The entire time will amount to about 5 hours. I do not intend to take 2½ hours. I think I can conclude in perhaps an hour. A number of Senators are interested, and most of them have said that they would speak rather briefly. I believe that if the Senate will permit us to proceed, there will be time for Senators to make their presentations on various subjects, and certainly if there should be some time left over on the affirmative side, I should be very glad to give it up to Senators who wish to make remarks on other subjects. I do not wish to be discourteous, or unkind, or ungenerous in any way, but the nomination before the Senate has been hanging fire for some time, and I should like to go ahead with it. When the Senator from Tennessee made his request I felt that this sort of situation would be opened up, and it has been, but I am good for my agreement. Therefore I yield to the Senator, and will let him proceed, and then we will take up the other matter.

DISCRIMINATORY FREIGHT RATES

Mr. STEWART. Mr. President, transportation has always been a problem to people—as individuals and as a Nation. It would be difficult to exaggerate its importance throughout history. Communities are born, grow and prosper through the introduction of a railroad and for the want of one often decline and die.

As an historical observation, we are all aware of the vital nature of transportation in any economy; but I wonder how many of us are conscious of the undernourishment of four-fifths of the people of the country today from transportational inequality. I wonder also if we have considered the effect of this inequality upon our wartime economy, and, in particular, the deadly shackle it constitutes for small business enterprises throughout that great portion of the land where, in normal times, the major portion of all business is small business.

I speak of discriminatory freight rates.

It is an old subject of discussion. It has been and, in some quarters, is still a hazy sort of issue. But it is also a damning reality which has warped the economy of the whole Nation.

Of late we have heard much criticism of imperial economies; and much talk of lowering trade barriers throughout the world. I tell the Senate the destruction of imperialism and the lowering of trade barriers should begin at home.

Mr. President, my words are not for rhetorical effect. I have never spoken more gravely measured truth. Because the restraints have been economic, not political and have dealt with individuals, not bodies politic, their social consequencies have been little realized. But I tell the Senate that discriminatory freight rates have made an imperial capital of the so-called eastern or official territory, and have made of the remaining 30 States, a colonial area, as truly tributary as any Roman or British colony ever was.

To ship by freight manufactured goods out of the South into this imperial realm above the Ohio River and east of the Mississippi, where 51 percent of our population lives, the people of the South must pay approximately a 35-percent privilege tariff, and in those rate-making territories west of the Mississippi a part of the tribute to transportational imperialism is even greater. I repeat, southern shippers must pay about 35 percent higher rates on the average to freight their finished products into the North and East than is there charged.

Transportation shackles first bound the South's limbs as she was attempting to rise from the devastation of civil war and the conquest of so-called reconstruction. It has remained a chain of her bondage throughout—a bondage which our President described a few years ago as "the long and ironic history of the despoiling of this truly American section of the country's population."

Mr. President, I am not trying to speak for the West, of course; it is ably represented here; but the West has suffered and is suffering. Duluth, Minn., businessmen know that it costs them 32 cents more a hundred pounds to ship products by first-class rate to Dayton, Ohio, in the "official territory," a distance of 700 miles, than, for example, it costs Dayton, Ohio, shippers to send the same freight to Kingston, N. Y., a like distance. Topeka, Kans., shippers know that freight of this class will cost them 51 cents more a hundred pounds to ship, for example, to Elkhart, Ind., a distance of 518 miles, than it will cost Chicago, Ill., shippers to move their goods to Johnstown, Pa., a like distance. And to give this difference a proportional meaning, 51 cents a hundred pounds represents almost 50 percent of the shipping costs.

Cheyenne, Wyo., shippers shipping to Chicago, Ill., are penalized 95 percent on 100 pounds first-class freight as compared with Chicago shippers moving goods in "official territory" a like distance—for example, I will say, to Providence, R. I. Shipment of freight to Chicago from Iowa, from Wisconsin, from the Dakotas, from Nebraska, from Nevada, and other Western States also costs more. These random illustrations, I believe clearly show that the West is in the same boat as the South, a part of the same unfortunate area in the same colonial status.

Probably more than any other, freight rate discrimination has been and is a circumstance binding the South to a single-crop tenancy system of agriculture, for it has restrained the development of manufacturing, has virtually prohibited our making finished goods, and so has made a balanced economy in the South impossible. If prohibitory barriers continue to deny manufacturing to the South and our raw materials go on draining off into official territory, we will eventually have an exhaustion of our natural resources, without leaving to the population which will have devoted itself to exploiting such resources anything tangible for the wealth they shipped away. The same statement applies to the West.

Moreover, the evil effect of these trade barriers has not been confined to the colonial area alone; they have resulted in unbalanced industrial concentrations in the North and East which are socially unwholesome. They have given that region its own peculiar single-crop tenancy, industrial tenancy. Northern leadership may not have seen to the root of our trouble, but even those leaders are now concerned over its ugly symptoms.

Mr. President, as I said at the outset, freight rates discrimination is not a new subject of discussion. The Congress first began legislating to prevent or remove unjust discrimination in 1887. Many years ago it created the Interstate Commerce Commission to protect the public interest and deal with inequalities.

The problem of interterritorial discrimination is as old as the Commission, or older, and the Congress has attempted to deal with it legislatively a number of times. But the railroads, for many years as powerful in politics as they were in transportation, successfully thwarted the efforts with their claims of its impracticability. Industrialists of the North and the East and some of the State governments in official territory have joined in this opposition. Over the years the rate makers for the railroads, the experts, have held it their exclusive prerogative to speak on the subject of transportation cost. Despite their partisan status they were the accepted authority, even by the Commission. No method or formula existed for measuring costs, for bringing a reckoned order out of the chaotic maze of interterritorial transportation cost factors. Even the railroad experts depended on mystical inspiration, and on their instincts of self-interest. And behind their inviolable freight-costs buttress, whose fabulous proportions they expanded at will to suit their need, they have repelled all assaults upon the territorial freight barriers.

They have repelled all assaults and until the advent of the present Democratic administration there had been no material accomplishment toward removing

the discrimination. This administration's first move was sponsored by the Tennessee Valley Authority with the President's blessing. It consisted of an independent and comprehensive factual study of the interterritorial freight rate problem of the United States. This study was made by the present Chairman of the Interstate Commerce Commission, J. Haden Alldredge, aided by a technical staff. It irrefutably established the existence and proportions of the freight rate barriers.

It contributed even more vitally toward making the case of the freight-rate "colonies" against imperial "officialdom." It offered for the first time factual proof to show that the territorial rate discriminations were not based on transportation costs. This monumental document was ordered printed by the Committee of the Whole House on the state of the Union on June 7, 1937.

It was followed in 1939 by a second, or supplemental, study of the problem by the same source. On this occasion Mr. Alldredge and his associates conclusively demonstrated, to the everlasting shame of this country, that the Dominion of Canada pays far less toll to ship into the rich and populous markets of the United States "officialdom" than do the tributary colonial South and West, who claim fraternity in the same political union.

Is that economic democracy? Is that the constitutionally guaranteed equal opportunity for Americans of which we are wont to boast?

The President took official cognizance of the freight rate barrier which has so long retarded the South, in his message to the Conference on the South's Economic Conditions in 1938, when he said:

> Southern industry has been handicapped by discriminations in interterritorial freight rate, and in tariffs; and has therefore lagged far behind the rest of the Nation.

And in 1939, when it appeared that directive legislation would pass the Congress, the Interstate Commerce Commission launched a Nation-wide comprehensive investigation to determine whether the difference in regional freight rate structures constituted unjust discrimination, with a view to removing it.

Several southern Members of Congress, including my colleague the senior Senator from Tennessee [Mr. MCKELLAR] had pooled their antidiscrimination legislation in 1939, and their efforts bore fruit in the Transportation Act of 1940. This measure for the first time specifically prohibited unfair discrimination between districts, sections, and regions, and specifically directed the Interstate Commerce Commission to investigate such discrimination to see if it was unjust.

In ex parte proceedings, the Commission has launched upon this investigation, and the Governors of all of the Southern States, acting jointly, have become parties to a suit to remove the barrier between us and free domestic trade.

Mr. President, I wish to remind the Senate today of the first important result of the Interstate Commerce Commission's investigation. It is so important a piece of work that I believe it will clear the air of freight rates discussion for many years to come, and introduce a new day into rate and classification controversies before the Commission. I believe it is the foundation stone upon which the southern Governors can build their case, foolproof and irrefutable.

The contribution to which I refer is the important cost-finding formulas which experts of the Commission have developed, which result from the Transportation Act of 1940. For the first time, I am told, the Commission now has the benefit of adequate independent cost-finding formulas upon which to base, soundly and fairly, classification and rate decisions.

Since this investigation was made at the instance of the Congress and through its appropriation, and because it is of such value and widespread interest, the Senate last week ordered this report printed as a Senate document.

Very soon the Southern Governors Conference class-rate case is to come up before the Commission for another hearing. It is moving toward a conclusion. But all of this is provisional and for the future—an uncertain future.

Mr. President, as I indicated at the outset of my remarks, we of the South and West suffer now from the freight-rate inequalities. Our suffering is ever present and acute under the wartime economy; and nowhere is it so extreme as with the small business enterprises.

There are ominous rumblings in the South, and I assure the Senate it is far more than the mere "letting off of steam." Two of our Governors have already publicly talked of urging the South to desert this administration and the Democratic Party.

One of them, the Governor of Louisiana, has recently aired his views in a national magazine. To reflect the sense of injustice of that section of the country I think I might well quote from his article:

> Until a committee of 7 chief executives, representing the 11 members of the Southern Governors Conference, waited on the President and frankly pointed out possible chinks in the solid South, we had been doled out only 7 percent of the Nation's war industries.
>
> This was not only rank discrimination; it flew in the face of all informed strategy for the dispersal of plants and the wisest use of nearby raw materials.
>
> Since then we have fared a little better, but whenever it is possible to cancel a southern contract or divert another factory into the closely packed aerial-target area of the East and North, alert dollar-a-year men are always on hand to do the job.
>
> The freight-rate discrimination against the South is so gross as to verge on the scandalous. We have complained about it until we are hoarse. We have gone to Washington and remonstrated. We get polite smiles, double talk, and skillful brush-off.

Again, the Louisiana Governor says:

> I say the new dealers, sitting in office by the grace of the southern ballot, have been blind and deaf when the South pleaded with them to begin correction of the No. 1 cause of the Nation's No. 1 economic problem.

The Governor of Louisiana may not be altogether correct in fixing responsibility for the South's plight in the present emergency, but he is aware of both the principal cause and the effect.

On March 24 last the Southern Governors' Conference, in session at Tallahassee, Fla., listened to an address made by Ellis Arnall, the new Governor of Georgia, in which he said, among other things:

> We want to win this war as soon as possible, but regional barriers on freight movement cannot aid in the war effort. I think the time has come for us to stand together politically as well as standing shoulder to shoulder to wage a court fight about freight rates.
>
> Soon we will be choosing our national leadership * * *. The influence of the South might be the deciding factor in national politics.
>
> * * * * *
>
> Each section must be treated fairly, and we have not received our deserved recognition.

Those expressions by the Governors of Louisiana and Georgia and similar expressions by Governors of other Southern States honestly reflect the feeling of the people of the South. We have long suffered and struggled and shed both sweat and blood, and have known poverty and the things that go with it, largely because of regional freight rate discriminations which are utterly unjust and fundamentally dishonest. High freight rates are shackles that have manacled the feet of the South so as to prevent normal strides toward a deserved and needed progress. These freight rate discriminations have no place in modern civilization. They are relics of a punitive system. For more than a quarter of a century the South has begged for a correction of this condition and a fair chance to enjoy a deserved and normal and needed growth, but our pleas have fallen on ears that are deaf. We ask for bread, and are given a stone; we beg for water, and vinegar is our portion. Such a condition cannot be permitted to continue. An honest people in a great nation should not permit the continuance of such unjust punishment. The young manhood of the South and West have for many generations been forced to go to the industrial East to seek employment in industry because there has been no industry in the South and West, for the reason that the South and West could not manufacture goods and sell them in the markets of the Nation in competition with manufacturers located in the favored freight rate zone.

The South and West have in every respect done their part toward the building up of this country. Today each and every State in the Union is furnishing its share of soldiers to fight in this war to save and preserve Democracy and our way of life, to save our country from an invasion by the German armies and the Japanese armies, and to preserve our country free from the influences of nazism, fascism, and communism, with the hope that after this war we may be able to return to our democratic and peaceful way of living. But shall we return to a way of life in which government permits one section of the country to thrive and prosper at the expense of other sections?

In the South and the West agriculture has been the chief industry. Manufacture has been held to a minimum because, as I have stated, of the unfair freight rates. Being principally agricultural, therefore the chief source of

income to the people in the South and West has been the farm. In 1939 the Department of Agriculture compiled figures showing the farm population of each State in the Union and the per capita cash farm income by States for that year. In the group of figures the Southern States showed up to particularly bad advantage. The annual per capita cash income of the Tennessee farmer was $95, and the figures for farmers in other States in the South were, with few exceptions, almost as low. I placed those figures in the CONGRESSIONAL RECORD for April 1, 1941, and they appear therein on page 2891.

I have stated that there must be a correction of this condition before the South and the West can be placed on a basis of equality with their sister States in the eastern or official zone or territory. Freight rates should be set up, in my judgment, somewhat in the manner that parcel-post charges are established for the shipment of merchandise through the mails. The parcel-post rates are set up by an agency of Government which recognizes distance as the chief criterion. Freight-rate schedules should be set up without regional variation in level, and tariff schedules should be written in terms of the utmost simplicity.

The report of the Tennessee Valley Authority which was recently submitted to the Congress by the President, declares that the States in the South and West have been primarily feeders of manpower and materials to far-away industry, and have been kept poorer than the imperial region. The report also states that the South and West must build up their earning power by means of opening up new industries within their borders; otherwise, they must resign themselves to the continued loss of ambitious youth and to remaining poor, as heretofore.

The Board of Investigation and Research—Transportation, which was provided for by the Transportation Act of 1940, has been making a study of the cost of freight transportation, which necessarily includes freight rates. I understand that that body has prepared a report which is to be filed today. I shall be interested in reading the report, which I am sure will recommend a change and correction of the existing freight-rate differential—a change in such a way as to give the South and West not only "fair and just" consideration, but absolutely equal consideration. Certainly, the Board can come to no other just conclusion.

The Board consists of three members who are very capable and high-class gentlemen who have been working consistently on this problem for about 2 years.

The members of the Board are the Honorable Nelson Lee Smith, of Vermont, Chairman; the Honorable Robert E. Webb, of Kentucky; and the Honorable C. E. Childs, of Nebraska.

The scandalous inequity in the distribution of war contracts in the South and elsewhere beyond the borders of favored official territory bears a direct relationship to freight-rate discrimination. It is not merely that the long-existing trade barriers have prevented the upbuilding of industrial facilities for the manufacture of war materials. They now—at this moment—make unprofitable the conversion of existing plants for war production. They now—at this moment—make it virtually impossible for the manufacturers of the South and West to compete with those of officialdom in securing war contracts. As I have pointed out, they are the handicap, the shackle that binds especially the smaller enterprises. For example, the giant Aluminum Corporation of America, which has a plant in my State of Tennessee, has been strong and influential enough to make its demands upon the railroads heard, and to secure for its commodities special rates that exempt it from the common inequitable tariff.

It is the small, independent manufacturer, representing our traditional democracy, who is denied the opportunity of securing war contracts by the unequal terms of competition maintained by the freight rates. It is American free enterprise that, excluded from participation in the war program, is in danger of extinction.

To me there is no graver concern. True, I put our success at arms first. Along with many others here, I am personally and directly concerned in the fortunes of our armed forces. But I want no empty victory. I would feel that I had broken faith with every man who has taken up arms in defense of this country if I did not do everything within my power in the halls of this Congress to preserve free enterprise and the American way of life, because that is one thing they fight for.

I have prepared and introduced a resolution which I hope and believe will in a large measure remove the freight-rate handicap for small business enterprises during this emergency. It supports and furthers the policy toward small business adopted by the Seventy-seventh Congress in Public Law 603 in which this body formally enunciated the policy of mobilizing aggressively the productive capacity of all small business concerns, and determined the means by which such concerns can be most efficiently and effectively utilized to augment war production. It will be remembered that in that act the Congress also said that it—

> Recognizes the fact that business concerns operating small plants are frequently unable to produce certain articles at as low a per-unit cost as business concerns operating large plants and that, as a consequence of such fact, in order to mobilize the Nation's full productive capacity, including both large and small plants, it may be necessary for the Government to pay a higher per-unit price for such articles to business concerns operating small plants than it pays to business concerns operating large plants.

My resolution would place into effect a table of flat freight-rate arbitraries for evaluating all bids by small business enterprises for supplying materials, supplies, and equipment required by the Government in the prosecution of the war. Under the resolution the Government would bear the actual freight charges on all shipments.

For the purpose of evaluating bids, the resolution's force and effect would be common throughout the land, without regard for ancient, outworn, and discriminatory rate-making territories. It would be uniform for every small business enterprise in this country, and would in great measure equalize the transportation advantages the corporate giants now enjoy.

In the table of arbitraries, a general, per-ton rate is set up for each of five commodity groups recognized by the Interstate Commerce Commission. These are:

First. Products of agriculture.
Second. Animals and products.
Third. Products of mines.
Fourth. Products of forests.
Fifth. Manufacturers and miscellaneous. There is provision also for less than carload loads.

Because of the continental expanse of this country, I have recognized the factor of distance, too, fixing separate rates for five distance blocks of 400 miles each—that is, rates for distances, as follows: From origin to 400 miles; 400 to 800 miles; 800 to 1,200 miles, and so forth.

I am a layman, and, of course, I make no claim to qualification as a freight-rate expert. Nevertheless, the rate table incorporated in the resolution is not a project of imaginative art, nor is it guesswork. In its preparation I have had the aid of rate experts of experience and reputation.

To begin with, the rate scales are based on the figures for the actual revenue per hundredweight and the average haul for each commodity group, as obtained from freight commodity statistics in use by the Interstate Commerce Commission and generally accepted by common carriers.

The scales for carload traffic were computed by first obtaining from freight commodity statistics the figures for the actual revenue per hundredweight and the average haul for each commodity group. Next we obtained the ratio between the revenue per hundredweight and the official territory sixth-class rate, which is the lowest official class, being 27.5 percent of first class. We got this percentage relationship by dividing the revenue per hundredweight by the sixth-class rate for the average haul.

Then, the sixth-class rate applicable to each mileage block was multiplied by this percentage to obtain the rates for the various mileage blocks beyond the first.

The scale for the less-carload traffic was computed in the same manner, except that the official territory fourth-class rate was used in lieu of the sixth class.

We used for the purpose of the scale the official territory sixth-class rate for carload traffic, and the fourth-class rate, which is 50 percent of the first-class rate, for less-than-carload lots, because we believed them to be the best graded scales according to distance. The scales, expressed in dollars and cents per ton of 2,000 pounds, are to be considered as approximate.

Because we were considering only Government transportation charges, we deemed it equitable to recognize the land grant and other rate reductions which the Government enjoys. We found no available data on the amount of traffic

moving under land-grant rate reductions. However, the Board of Investigation and Research recently made a study of the effect of land-grant rate reductions. Their study shows that the Government is now receiving an approximately 20-percent reduction in transportation charges by reason of land-grant rate reductions. The majority of the land-grant rate reductions are applicable in the western district, the South having some land-grant railways, and the East having but a negligible number. However, competition makes the reduction effective generally; hence, we discounted our original figures by 20 percent so to make them reflect that factor.

The rate scheme for evaluating small-business war-contract bids is, of course, uniformly applicable to transportation by railroad, highway, and water.

The definition of small business set forth in the resolution may be termed arbitrary, but I know of no definition of it that may not be. I read from the resolution:

> The term "small business enterprise," as herein used, shall be construed to include all businesses, individual, partnership, or corporate, employing, without respect to locality, not more than 500 persons.

The definition may not be a perfect one, but it has the advantage of already being in use by the armed services in the placing of war contracts.

So the provisions of the resolution, including its scale of transportation arbitraries, are supported by realistic substance. However, the factor with which I am most concerned is the resolution's effect in placing all small businesses on an equal footing—not merely to compete with each other, but insofar as transportation cost is concerned to compete with the most powerful of the giant corporations.

Under the present tariff schedules which deal with different zones and territories and subzones throughout the country, so much confusion exists in connection with the submission of bids by contractors that the smaller businessmen are discouraged, and often give up in despair. The commercial freight rates are intricate and confusing, while the schedule of freight rate or transportation arbitraries set out in the measure I have introduced today makes certain and simple the basis on which to calculate rates and under which to operate.

Mr. TUNNELL. Mr. President, I should like to ask the Senator a question, if he will yield to me.

Mr. STEWART. I do not know whether I have time to yield to the Senator.

The ACTING PRESIDENT pro tempore. The Senator has a few minutes remaining.

Mr. STEWART. Then I am glad to yield to the Senator.

Mr. TUNNELL. I simply wanted to inquire about the Senator's reference to the railroads' making rates that seem to be discriminatory. Does the Senator mean that the railroads have been violating the rules of the Interstate Commerce Commission?

Mr. STEWART. As I recall, the railroads are required to prepare the tariffs and submit them to the Interstate Commerce Commission, and they are adjusted on the basis of equality.

To answer the Senator's question directly: No; I do not think the railroads are violating the law at all.

Mr. TUNNELL. But the Senator thinks the railroads are offering different rates to different sections; is that correct?

Mr. STEWART. I do; yes.

Mr. BAILEY. Mr. President, the Senator from Louisiana [Mr. OVERTON] wishes to make some remarks, and he assures me that he will not take more than 5 minutes. I will give him 5 minutes of my time. In doing so I feel that I should say that I cannot yield further time, but I cannot resist the request of the Senator from Louisiana.

Mr. OVERTON. Mr. President, I thank the Senator from North Carolina for his courtesy.

I had intended, following the address delivered by the junior Senator from Tennessee [Mr. STEWART] to make some observations with reference to discriminations in interterritorial freight rates. I believe that the speech of the junior Senator from Tennessee is a very able and timely one.

I wish to express the hope that before long Congress will take some action toward prescribing a policy for rate structures in continental United States. The Interstate Commerce Commission is proceeding with an investigation along those lines with respect to a part of the territory of the United States, but not with respect to all of it. Hearings began back in 1939, and, according to my information, they are still continuing. I have not the slightest idea when they will terminate. Neither have I the slightest idea when, if ever, a decision will be rendered by the Interstate Commerce Commission upon this subject, which is so vital to all the territory of the United States outside the eastern or official region.

Mr. President, the Senator from Tennessee has referred to an investigation which has been made by the Board of Investigation and Research. As a member of the Appropriations Committee, I have undertaken to have an increased appropriation made in order that the Board might extend its labors and be able to submit a report to the Congress.

I am now advised that such a report will be submitted by tomorrow. I am further advised that an advance release has been made by the Board of Investigation and Research for this afternoon's newspapers. I have a copy of the newspaper release before me. I have not had the opportunity to read it. However, I notice on one of the pages of the release that the Board of Investigation and Research makes this recommendation:

> Uniformity in the levels of class rate scales could be advanced in three ways: (a) By adoption of a uniform scale for application throughout the country;
>
> (b) By recognition of rate territories and prescribing for each such territory class rate scales differing only to the extent that differences in transportation costs and carrier revenue needs might require;
>
> (c) By adoption of a uniform basic scale of class rates for application generally throughout the United States, with exceptions in particular areas where unfavorable transportation conditions and the revenue needs of the carriers may require.

I invite the attention of the Senate to this report, which I have not had the opportunity to read, and which I understand will be submitted tomorrow to the Senate and the other House, and also to the report made by the T. V. A. Authority. I wish I could invite the attention of the Senate to some report made by the Interstate Commerce Commission, but, unfortunately, I cannot, and I do not know when I can look forward to the day when we shall have a full report on this important subject from the Interstate Commerce Commission.

I thank the Senator from North Carolina.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Swanson, one of its clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Acting President pro tempore:

S. 660. An act to prevent certain deductions in determining parity or comparable prices of agricultural commodities, and for other purposes; and

H. R. 1366. An act to provide temporary additional compensation for employees in the Postal Service.

NOMINATION OF REAR ADMIRAL EMORY S. LAND TO BE A MEMBER OF THE MARITIME COMMISSION

The Senate resumed the consideration of the nomination of Rear Admiral Emory S. Land to be a member of the Maritime Commission.

Mr. BAILEY. Mr. President, I believe this is the first time in my life that I have been the possessor of time. I begin to realize how precious it is. I find running through my mind what the biographers say were the last words of Queen Elizabeth as she stood in the middle of her bedroom, refusing to die. Finally, when the collapse came, she exclaimed, "I would give all my jewels for one moment of time." So I am rich today in that I have 2 hours, and a good deal of it to give away. I am sure that if Queen Elizabeth were here in the condition in which she was when she made that statement, or if any Senator were in such condition, I should again yield; but I hope I shall not be called upon to do so.

This matter comes before us, so far as I can see, generally upon the record of Admiral Land, with which most of us are familiar. I do not intend at this time to go into his record. He has spent 40 years in the service of his country, and in all the 40 years there has never been a blot of even the faintest character upon his escutcheon. There is none now; and when we shall have finished with this discussion there will be none.

In the past 6 years, since 1937, he has rendered distinguished service in a most important position, a position which I think is at the heart of things in our war effort. I do not intend to go into that record either. I shall content myself with saying that his record is generally familiar to us. I believe I will add my own personal opinion, from a long contact with him and considerable

knowledge of the burdens which he has carried and the unsparing industry and fine intelligence which he has brought to them, that the failure to confirm this nomination would, in my judgment, be a public calamity of the first magnitude.

It is said that no man is indispensable. That is based upon John Wesley's famous statement, "The worker dies, but the work goes on." That is true, and in that sense no man is indispensable. However, if there is a man in our Government under the Commander in Chief whose services are indispensable at this time, and will be for several years to come, in my humble judgment that man is Admiral Land.

I shall pass by those considerations with only these sentences, and undertake to meet certain accusations which have been brought against him. I think that is due him. When I ask the Senate to confirm the nomination, I do so not by any appeal to sentiment, or by any special pleading whatsoever, but on the merits. Admiral Land would not have me do otherwise. He would not have me cover up anything. He would not have me substitute bouquets for facts and arguments. I do not think the man desires our praise. I think he has earned our confidence; I think that justly he has a right to ask it of those who know him.

Let us take up the matters which have been brought forward by the junior Senator from Vermont [Mr. AIKEN] in the CONGRESSIONAL RECORD of March 19, 1943.

Mr. OVERTON. Mr. President, will the Senator yield before he proceeds further?

Mr. BAILEY. I yield.

Mr. OVERTON. The able Senator from North Carolina is chairman of the Committee on Commerce. I happen to be a member of the committee. Very frequently we have occasion to call Admiral Land before the committee to discuss pending bills and to give us his advice and his counsel. I should like to ask the able chairman of the Commerce Committee if he has ever known of any occasion in which Admiral Land was not perfectly frank in his statements of fact to the committee? Has he ever at any time undertaken to conceal anything which might be considered unfavorable to what he was advocating or favorable to what he was opposing?

Mr. BAILEY. My answer, of course, is that I never have heard of Admiral Land doing anything such as that, and I will add the statement that the whole committee has learned to rely on Admiral Land, and, I should say, to be guided by his judgment. Our Government is one of coordinate powers, and we must rely on someone who has special information.

I was about to take up the accusations which have been made against Admiral Land. As reported in the CONGRESSIONAL RECORD of March 19, 1943, the junior Senator from Vermont said:

> I do not say the man is guilty of everything with which he has been charged by the Comptroller General's office, but I will say that his desperate attempts to avoid an investigation are not reassuring.

I think the distinguished Senator is utterly mistaken in that statement. It happens that I can be a witness in that respect. All the reports of the Comptroller General came first to the Senate, and by the Vice President were referred to the Committee on Commerce, of which I am chairman. Immediately upon receiving those reports I sent copies to Admiral Land and asked him to explain them and give me the facts in detail. He did so without hesitation. He did not come down to see me and beg me to gloss anything over. He said, "Here are the facts," and he sent them to me by messenger. He did not send anyone to see me, nor did he say, "Now, BAILEY, I am in trouble; I want you to help me out." He merely said, "Here are the facts." I placed the facts in the RECORD, where they embrace 22 pages. I think no Senator will contradict the truth of the facts stated, and I believe that when they are read in the light of the objectives of the Maritime Commission law, and of the Federal policy, it will be agreed that they absolutely exonerate the Maritime Commission and its Chairman of anything which would tend in the slightest degree to suggest any element whatever other than of the best of faith. We may differ with regard to the interpretation of the law, and there may be differences as to the significance of facts, but there cannot be any difference on the subject of the candor and promptness with which Admiral Land has responded to every inquiry. I bear that testimony, as it is my duty to do.

There has been no investigation made by the Commerce Committee, and if anyone is to be held guilty of anything on that account, I am the guilty one. I could have held an investigation. I could have come to the Senate and asked for an appropriation. But I read the statements. I read very carefully what the Comptroller General said. I then read the explanations and the full details of facts. I was convinced that no investigation was necessary. But I have in evidence, not only by personal contact and conversation with the Comptroller General, but in writing, the statement of the Comptroller General that Admiral Land has been cooperating with him to the fullest degree, and has disclosed everything pertaining to the situation. Admiral Land's office has been open, of course, at all times to the auditor. So I do not think this accusation will stand.

Think of the statement that Admiral Land "has made desperate attempts to avoid an investigation." Where did he make the desperate attempts? He did not make them here so far as the Senate is concerned; he did not make them with me. An investigation is taking place in the other House; I take it he made no such attempts there; indeed, I know he made none there because I have talked with the chairman of the House committee, Mr. BLAND. He made none with the Comptroller General, and the Comptroller General has said so. I do not know what justification there can be for the accusation unless my own default be imputed to him. I made the investigation wholly by way of inquiry. If I had time I would go into the matter of investigation, but I shall take the responsibility here of saying that, after reading the record on both sides of the question, I was convinced beyond peradventure that there was no necessity whatever for an investigation.

I turn again to the statement of my distinguished friend from Vermont that he has no personal accusation to make against Admiral Land. The statement will be found in the CONGRESSIONAL RECORD on March 19, 1943. The Senator from Vermont said:

> I want it further made clear, Mr. President, that in asking, as I have, for an investigation of these charges and of the entire situation—

If he had come to me as chairman of the committee, and asked for one, he could complain. He did not ask for that. If he had I would have given him everything I had. But he said:

> In asking, as I have, for an investigation of these charges and of the entire situation, I am asking for investigation of existing system—

Not a man, but a system—

> more particularly than of any one man.

Mr. President, the system may be wrong; I do not think it is; but if it is wrong, it has been created by the Congress. If there is a remedy to be had, it is to be had by corrective legislation, not by striking down the character of a man who has served his country for 40 years. This is the first time that ever a breath was uttered touching Admiral Land's efficiency, his character, or his worthiness. So it is not against the man.

In his statement before the Senate on March 19, 1943, the junior Senator from Vermont [Mr. AIKEN] continued:

> I have taken especial pains not to refer to the Chairman of the Maritime Commission by name, but only as the Maritime Commission Chairman. I hold him responsible for conditions because, as Chairman of the Maritime Commission, he is one who should be held responsible.

So he moves from systems to conditions. I shall discuss the conditions. There are specifications.

> In all the reports which have come to me concerning the activities of the Maritime Commission—

The Senator does not say where he got his reports, but merely reports which have come to him.

> I wish to say that there never has been one implying that the Chairman of the Commission has made any financial profit out of any alleged waste or misspending of Government funds. If there has been any corruption, it is the corruption of a system, and it ought to be investigated and corrected.

So, at any rate, there is a personal exoneration, and so the accusation now comes down to the system with which the Senators who have been here for 6 years or more, or even less, know is a great system. Admiral Land has done great work under it. There is nothing inherent in the system that would imply anything wrong, so far as I know.

Then it comes down to the idea of conditions, and the conditions, I take it, are based upon allegations derived from transactions concerning 3 or 4 ships or shipping companies out of 4,000 with which the admiral has had to deal.

I am rather amazed that, although this man in the last 18 months has had

to take over by purchase, requisition, or charter, 4,000 ships; although he has had to regulate 60 shipyards, and control the whole shipping of the United States under the Shipping Warrants Act, fixing their rates, determining their priorities and their rights and facilities, we come down to but 3 or 4 specifications. I am going to answer those, and answer them from the record. Let us take the case of the steamship *Roosevelt*. He says that, as a result of examination by the General Accounting Office, certain facts are reported as follows:

(1) The steamship *President Roosevelt* was built for the Government in 1922 at a cost of $5,924,000.

I do not know whether it was too little or too much, but certainly Admiral Land did not have anything to do with that in 1922.

(2) The Government operated the vessel for approximately 7 years, and on March 21, 1929—

That brings us to 1929—

sold same to the United States Lines, Inc. (predecessor of the United States Lines Co.), for $1,000,000, resulting in depreciation in value (absorbed by the Government) of $4,924,000 during the period of Government operation of 7 years.

It may be that was scandalous; I do not know; but it was in 1929, and Admiral Land did not become Commissioner until 1937. He cannot be charged with things that happened 8 years before he ever had the slightest responsibility. I take it that matter was investigated by the committee which investigated the whole shipping business several years ago. All I am saying is, what has that got to do with the present situation?

(3) The United States Lines, Inc., made payments aggregating $300,000 and thereafter defaulted on the unpaid balance of $700,000 due on the vessel.

(4) Under contract dated October 30, 1931, the United States Shipping Board, in effect, reacquired the vessel and sold same to the United States Lines Co. (successor to the United States Lines, Inc.), for $262,500, resulting in the Government absorbing further depreciation in value of $437,500, and at the same time the United States Lines Co., by write-up of $437,500 for its account, increased the value of the vessel on its own books to $750,000.

Very well. That was in 1931. What has that got to do with what we are talking about here? Why should those facts be brought forward? How do they affect Admiral Land? The Shipping Board at that time was responsible.

(5) The United States Lines Co. operated the vessel for 9 years, and depreciated the value of the vessel at the rate of $75,000 per annum, with corresponding charges to operating expenses.

(6) The Commission, under date of October 31, 1940—

This is where Admiral Land comes in—

purchased the vessel for the account of the War Department and paid therefor $600,000—

Well, he got a $6,000,000 ship for $600,000, or for 10 percent. The complaint is that—

whereas the value based on Commission's General Order No. 24 was only $178,531.01, resulting in an overpayment of $421,468.99.

What is "General Order No. 24"? That is the general order fixing the capital necessarily invested in a ship on a voyage. It was not intended to fix the value of the ship. The question here should be, was that $6,000,000 ship, 22 years old, or perhaps more than 22 years old, worth $600,000? In the same year two sister ships, the *President Coolidge* and the *President Harding*, were sold for $675,000. Who made that bargain? The War Department of the United States. They asked Admiral Land to purchase the S. S. *Roosevelt*, saying they could get it for $600,000.

So we find that the effect on the mind of that narration of events, whatever may have been the purpose, is to create something in the nature of suspicion. When we get to the point, though, we find the whole sum and substance of the accusation against Admiral Land is that he bought a $6,000,000 ship for $600,000 in the midst of the war. It is from that sort of thing that we are asked to find that Admiral Land avoided an investigation, and that his system is corrupt—not Admiral Land, not his suggested system, but the system which we created. I think that clears that.

Now let us take another item; there are not many of them.

Here is the Tampa Shipbuilding Co. matter:

Report of irregularities (1) in the construction by the United States Maritime Commission of certain vessels under contracts with the Tampa Shipbuilding & Engineering Co. and (2) in the sale thereof to the Navy Department.

What are the facts about that? The Tampa Shipbuilding Co. was a wreck; it was a very feeble company; it was hopelessly in debt to the R. F. C. back yonder in 1935 and 1936. That was under Mr. Kennedy. When Mr. Kennedy was Chairman of the Commission in 1937 the Government was embarked upon a program of shipbuilding. It is very interesting to me that in the entire 15 years preceding 1937 we had built only two cargo ships in the United States. We started this program of building; Mr. Kennedy, the Chairman, advertised for bids, and all the bids were so high that Mr. Kennedy was shocked. He said we could never build a merchant marine with prices aggregating from three to three and a half million dollars a ship.

The little Tampa company made a very low bid, an improvidently low bid. The consequence was that all the bids were thrown out, except the Tampa company's. All the shipbuilding concerns in America had been notified that here was a competitor who had bid very much lower, and when the bids were opened again, the new bids were much lower, and they got an award. The effect of that was to bring all the shipbuilding companies in the United States down to an entirely different level, and they were in an entirely different attitude from that with which they had started. The Tampa company built ships, but went broke; they had bid too low, but through bidding too low the Tampa company saved from forty to fifty million dollars to the Government of the United States, in connection with the encouragement of the Maritime Commission. We have built our ships for that much less. Then we wished to rescue the company, not for its sake but it had three of our ships on its ways, and we are in this new building period.

The company owed $900,000, and the $900,000, or a large part of it, represented liens on ships on which we had advanced money. We wished to have the Tampa yard remain in existence, because we were then just building up our great construction program.

The Maritime Commission had this option: It could have moved those unfinished ships out, at great expense, and wrecked the company. We would have been short one shipyard in that section of the country, and there would have been removed from the field the one competitor who could be trusted to underbid the others. Or it had the option of saving the ships and saving the plan by an expenditure of $400,000.

The very worst light that can be put upon that was that $400,000 were lost by rescuing the company which had made improvident bids, the effect of which was to save the Government from forty to fifty million dollars.

Mr. BONE. Mr. President, will the Senator yield?

Mr. BAILEY. Let me utter one more sentence, and I will yield.

It happened that all that matter was submitted to the Committee on Commerce. Mr. Kennedy, who was then chairman, came before us. The senior Senator from Missouri [Mr. CLARK] was present, the senior Senator from Michigan [Mr. VANDENBERG] was present. Mr. Kennedy, with his fellow member, Admiral Land, told us of the situation. We advised them to encourage the Tampa company, which was the low bidder, and which was depressing the bids of other companies. I do not wish to say anything unmannerly about them, but Mr. Kennedy thought that there was evidence of collusion, and he wanted the Tampa company to drive a wedge into that situation. That is what it came to.

Where is the evidence of fraud? Where is the evidence of wrongdoing? Where is there any evidence, except evidence of a fine, constructive piece of work? Who here will say that while we were developing our ship program, we should have stricken down the Tampa company, wiped it off the map, and let it go into the hands of the bankruptcy court? We would have lost $400,000 just the same, I think, and we would have lost much more. But by the simple expenditure of that amount of money, we have a very strong, fine company, building ships, and it has built them at low prices.

There is another allegation, which is almost an absurdity. It is said that in the reorganization of the company, taking it out of the hands of the men under whom it had failed, the president of the company, Mr. Howell, was made rich, that he got a million dollars. There is not a word of truth in that statement. What he got was 10,000 shares of stock of no par value. I take it every Senator knows about that. I question whether the stock would be worth $25,000 right now; but this allegation is made merely because it was 10,000 shares of stock. It

might have been 100,000 shares, it might have been a million shares. It does not make any difference how many shares of stock one has if they have no value. I question whether the stock is worth anything, but I challenge the common sense of anyone who would jump to the conclusion that, because there were 10,000 shares of stock, they were worth a million dollars. It is a non sequitur of the first order.

Now I yield to the Senator from Washington.

Mr. BONE. I was interested in the Senator's statement about the salvaging of this company saving the Government forty or fifty million dollars. Was that due to lower bids?

Mr. BAILEY. All other companies reduced their bids.

Mr. BONE. Did any of the other companies go broke by virtue of bidding on a comparative basis or was the Tampa company the only casualty?

Mr. BAILEY. I think two or three companies got in difficulties. The Senators from Maine could tell us about the rescue of the Portland Co.

I would not say that all the other companies came down to the original low price bid by the Tampa company; I am saying that the low bid brought about a reduction, but it did not bring the others down to the level of the Tampa company.

What I am getting at is that with this great showing, on the basis of which there is an attempt to make it appear that there is some wrongdoing, the facts indicate perfect good faith and that a constructive policy was followed all the way through.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BAILEY. I yield.

Mr. McKELLAR. Let me say to the Senator and to the Senate that I am not intimately acquainted with Admiral Land. I have never seen much of him, except as he has come before the Committee on Appropriations. For about 20 years the admiral has been appearing before the Committee on Appropriations in one capacity or another.

For many years I was a trial lawyer, and was used to examining witnesses, and I think I know something about whether, when a witness appears before a committee or before a court, he is telling the truth. I wish to say that I do not know of any officer of the Government who has impressed me, and I believe has impressed the members of the Committee on Appropriations generally, without regard to political affiliations, as being more upright and honest, more straightforward and manly than Admiral Land. I think he is as honest a man as I ever heard testify.

He is as independent as a wood sawyer. His testimony will show that he speaks out with the utmost candor concerning all matters that come before him. That his integrity should in any way be questioned is one of the most astounding things I have ever heard.

Admiral Land used to come before us when he was a naval officer, before he went with the Maritime Commission. Of course, we have seen him oftener since he has been with the Maritime Commission than we did previously. On every occasion, however, he has impressed us as being one of the most straightforward and honest and courageous of men.

My friend the Senator from Maine [Mr. WHITE] suggests that those are outstanding qualities possessed by Admiral Land, and I think they are. He comes before the Committee on Appropriations in the natural course of his business several times every year, and if there ever was a man in whom there is no trickery, no double dealing, no fraudulent conduct, in my judgment it is Admiral Land. Unless it can be shown that there is something wrong of which I never heard, I do not see how it would be possible for the Senate, in the exercise of its power of confirmation, to reject his nomination. I think such action would constitute a great mistake upon our part. Admiral Land is one of the outstandingly honest, straightforward, and able officials of the Government. I will say to the Senator from North Carolina [Mr. BAILEY] that I know of no official of the Government in whom I have greater confidence than I have in Admiral Land. I have confidence in him because of his integrity, his sincerity, and because of his hard work and ability to do a great job.

I thank the Senator from North Carolina for allowing me to say what I consider to be the truth about Admiral Land.

Mr. BAILEY. I am very grateful to the Senator from Tennessee.

Mr. REVERCOMB. Mr. President, will the Senator yield?

Mr. BAILEY. I wanted to conclude within an hour. I will yield to the Senator, however, for a question.

Mr. REVERCOMB. The Senator has made the statement that some 10,000 shares of no par value stock were paid to the president of the steamship company.

Mr. BAILEY. No; they were not paid him. That, however, was no part of the Commission's business. They were issued by the company.

Mr. REVERCOMB. Can the Senator advise us what the value of that stock was at the time?

Mr. BAILEY. Yes. I said I did not think it was worth $25,000. I think its main value lies in this, that it is controlling stock, and probably enables the holder to obtain a salary. It is somewhat like stock in the Seaboard Air Line Railway which was listed on the market at 75 cents a share. I thought oftentimes I would go on the market and buy the stock and vote myself into the presidency, but I am not quite willing to undertake it.

Mr. REVERCOMB. Does the value of 75 cents a share represent the value of the stock at the time of issuance or at this time?

Mr. BAILEY. I do not know. I do not know what it is worth. What I say is that the fact of there being 10,000 shares of no par value stock indicates nothing.

Mr. TOBEY. Mr. President——

The PRESIDING OFFICER (Mr. WALLGREN in the chair). Does the Senator from North Carolina yield to the Senator from New Hampshire?

Mr. BAILEY. I yield.

Mr. TOBEY. I should like to give the Senator from North Carolina a bit of helpful advice. He spoke of the stock of the Seaboard Air Line Railway, and that he had played with the thought of buying some of it and making a killing by obtaining control. Let me advise the Senator, as a friend and as a colleague, that in view of the recent decisions of the Supreme Court of the United States those equities are not worth a tinker's dam.

Mr. BAILEY. I believe I might agree, leaving out the last word he used.

Mr. President, in connection with what the Senator from Tennessee [Mr. McKELLAR] has said, it occurred to me to be appropriate to read from page 530 of the hearings on House bill 1876, of March 3, 1943, indicating the confidence of the chairman of the House Naval Affairs Committee in Admiral Land. The chairman said:

> Admiral, before you leave I want to take this opportunity of publicly thanking you for the great service and outstanding work you have done as Chief of the Bureau of Construction and Repair because it was your vision and you led the fight in building up the American Navy which has given such great account of itself today.

The Navy happened to be doing so that day.

> You were the Chief of the Bureau and started the shipbuilding program back in 1933 and started to lay down a group of destroyers and other types of ships which are now rendering great service. And no man in the Government is more responsible for the fine shape that the Navy is in than you are. It is always a pleasure to have you.

That, Mr. President, was the statement made in the committee on the House side by the chairman of the Committee on Naval Affairs, the gentleman from Georgia [Mr. VINSON].

I come to the third count. That is the Waterman case. If Senators will refer to the exhibit which I have placed in the RECORD they will find that Admiral Land has given us the entire history of the Waterman case. It occupies six columns, two pages, in the RECORD. I think I can with a reasonable amount of accuracy state the facts. The accusation comes to this: The Maritime Commission, under the authority of a special act of the Congress, was disposing of what it has called its old laid-up fleet. Congress had passed an act forbidding that fleet to be sold or to be used. Under the pressure of the emergency, however, we decided to make use of every ship we could. The cost of repairing the five ships which the Waterman Co. bought would be about $800,000. The Maritime Commission and its Chairman decided that they would sell those ships "as is." That is a current expression which, I take it, everyone understands. The purchaser takes the ships as they are. I think the price was about $600,000. The Waterman Co. spent $780,000 or $790,000 putting the ships in good shape. They found business for them.

About 18 months later the Maritime Commission bought five ships from the Waterman Co. of about the same size and about the same age as these, and paid a great deal more for the ships it bought than it received for those it sold.

That on its face looks bad. It is argued that by that time the Maritime Commission had the right to requisition the ships. It is argued that in the contract of the sale of the first five ships it was provided that in event the Government should acquire the ships by purchase or requisition, the price should be as provided under section 802, which is cost less depreciation, and, of course, plus the cost of improvements. But the whole fallacy lies in the comparison of the price obtained when selling the "as is" ships with the price paid, I think about a year later, for going ships.

Let us look into that situation. I will agree that on the face of it one can make an argument based upon those facts. I think one can make a stump speech based upon them, and make quite an impression. I do not think though in a court or in the Senate one could get anywhere with such an argument.

When the first five were sold, why were they sold at such a low price? It was a sale made upon condition. It was a sale "as is" and upon a chance. Here was a sale made upon a condition. What was the condition? In the first place, it was provided that if the Waterman Co. should ever sell those ships at a profit the Maritime Commission should receive 80 percent of the profit. If one buys a horse on such conditions what will he pay for it? In buying it he will have lost the element of ownership. He is really a trustee. If one buys a piece of land on the condition that he will pay the seller 80 percent of what he receives over and above the purchase price, he is not going to pay much for the land. The price is almost in the nature of rental.

But, Mr. President, that was not all. It was stipulated that the Waterman Co. would have to replace the ships and buy new ships to the extent of $3,000,000. The Waterman Co. was required to put up a million and one-half dollars to guarantee that.

The difference between selling the ships under those conditions and buying the ships in the open market will account for the whole transaction, particularly when it is remembered that the ships bought were going concern ships and were in operation.

Mr. President, someone may ask, "Why did the Commission not requisition the ships?" Certainly, the Commission had a right to requisition them after July 14, 1941. It is contended that it may have had the right prior to that time. I shall come to that matter.

Why did not the Commission requisition the ships and take them under contract according to the provisions of section 802? In the first place, requisitioning was not favored as a general policy. That statement requires me to go into a matter as to which I think the Senate should be fully informed. The Commission has the right to requisition for title or to requisition for charter. There is a vast difference. The policy of Congress—the policy under the act—is to preserve the principle of private ownership. If we requisition all the ships at once for ownership we have gone to very great expense—hundreds of millions of dollars—and we have practically extinguished private enterprise in the shipping business throughout the country.

If I had been in charge of the Maritime Commission I should have avoided that consequence as I would have avoided pestilence. I am not a Government-ownership man. The policy of the Maritime Commission was to avoid the expense of requisitioning for title, and to develop requisitioning for charter—which is the general policy—and thus preserve private enterprise and avoid paying for all the ships at once.

So, under a policy of requisitioning for title there would be no end of cost and there would be the destruction of private enterprise so far as shipping was concerned.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. BAILEY. I yield.

Mr. WHITE. The Senator has spoken of the policy. That policy was determined not by the Maritime Commission but by every shipping act enacted by Congress from 1916 on. Is not that correct?

Mr. BAILEY. Yes; it was laid down by the acts of Congress. That is the second objective. The first objective is to establish the merchant marine. The second is to establish private enterprise. The third is to provide facilities for use in time of war by the Army and the Navy. Those are the objectives to be pursued. In order to make the requisitioning just it would have to be done all the way through. I have said that such a procedure would be very expensive and cumbersome, and would destroy private enterprise, and I have tried to paint the picture of the condition in which we would be at the end of the war.

Many persons talk about the post-war world. I have some concern about that, and I have, too, a great deal of concern about our post-war economy. If general requisitioning had proceeded and had been adopted as a general policy, and if title had been taken to all the ships, at the end of the war we should have to start all over again.

There is another reason for doing what was done. Admiral Land did not wish to embark at that time upon requisitioning as a general policy, notwithstanding that under section 802 the ships could have been taken under general contract; because at that time the price of ships was very high. I want the Members of the Senate to get this point if they do not get any other. Admiral Land was dealing with a situation in which the world time charter rate for shipping was $10 a dead-weight ton a month. The Ship Warrant Act had not been enacted by the Congress. It came into effect, I think, on the 7th of June.

The effect of the Ship Warrant Act was to reduce the rate from the world rate of $10 to the present rate of $4. That brought down the requisitioning values. It also brought down the charter values. That was a very wise thing to do. It shows the constructive character and genius of the man. Suppose he had plunged in and said, "I have the power to requisition, and I will requisition. I will take 4,000 ships. I can get ships from the Waterman Co. under the contract at a very low rate, because we sold them at a very low price." He would have had to pay for the ships he took at arm's length the market price, whatever it might have been, not allowing anything for enhancement due to causes necessitating the taking, but allowing for all the economic enhancement, if the two could ever be separated.

So, in avoiding requisitioning for title and in avoiding any requisitioning at that time, Admiral Land was calmly awaiting the passage of the Ship Warrant Act, under which he reduced the world charter hire rate from $10 to the American rate of $4, and the requisitioning values accordingly. So when we look into that situation all we find is a discrepancy between the values of ships which were resold under special conditions, with limited profits, and the purchase of going-concern ships, on their way and doing their work.

There was another consideration: The special need for ships at that particular time was for the route to Murmansk, which was very hazardous. There was not a shipping concern on earth that wished to see its ships go by way of Iceland to the Arctic. That is where the Battle of the Arctic was being fought. I hope it is won. I do not know. The Waterman Co. did not wish their ships to go there. The question might be asked, "Why should they not? They would have received insurance." What good would insurance do a man at a time such as this? Insurance does not operate ships. Insurance does not build ships. The Waterman concern could have obtained the insurance and could probably have put it into bonds, but it would not have had ships. I think that is enough on that point. I shall shortly conclude, because I see that my time is running out.

Something has been said about the Red Sea charters. A considerable exhibit has been offered with respect to the profits. The operators did make good profits, and since 1938 the shipping industry as a whole has been making good profits. What is wrong about the shipping industry making good profits? Do we want the industry to go broke? Are we angry with people who make profits? I hope Senators will hear me when I say that for 100 years the American people have struggled along with a broken-down merchant marine. They never have been able to make it pay. In the First World War it paid too much. It was a scandal. As everyone knows, we have had to pay subsidy upon subsidy. We had the old mail subsidy, and then we had the cash subsidy. We have no subsidy now. I take it the chairmen of the committees on economy in the Government will be glad to hear that. Not only that; but we are paying off the operating differential subsidies which have been accumulated over the years. I suppose that is what is called a corrupt system. It would have been very corrupt if we had not paid them off; but now we pay them off with horror. Why should we not pay off the subsidies? We have paid off the subsidies down to about $14,000,000. That means that the subsidies cost us about $2,500,000 a year. If we continue for a year or two longer, we shall clear out the operating subsidies.

It is said that the rates were high. That is not true. The rates were low.

The voyages were prosperous. The Red Sea fleet was organized under the auspices of the British, to carry lend-lease goods. The Maritime Commission did not organize it. The Maritime Commission had the right to approve or disapprove, and it approved.

The Red Sea fleet had a 189-day journey. The going rate was $1 per cubic foot. One can easily figure out what that means. Admiral Land beat the rate down to 75 cents a cubic foot, and we owe that saving to him. Then he beat it down 15 cents more.

Mr. WHITE. He beat it down to 60 cents.

Mr. BAILEY. The Senator from Maine says that the rate is down to 60 cents. Compare that with the World War rate. Compare that with the world rates in 1939, 1940, and 1941.

It is said that the operators made money. Yes; they made some money. It is said that they will not pay taxes. Of course that is not so. They will pay taxes on every dollar of profit they receive, unless they convert the profit into a fund for reconstruction, for building ships, and then they will pay for it by a reduced rate of amortization over a period of years.

The profits look large, and I might say something on that point. The journey was very hazardous. The fleet had to be organized with all speed. The President of the United States called upon the admiral to assemble 2,000,000 tons of shipping at once, in order to save the British in Africa. We made a great deposit there of war materials. We sowed a harvest there. Thank God, we are reaping the harvest today! Suppose we had not sent those goods there? Where would the men of Eisenhower be today? What would have become of Montgomery's great triumph at El Alamein, and his triumph today at Gabes? After all, we got it through at 75 cents per cubic foot, later reduced to 60 cents. That figure was arrived at on the basis that the ships would not have a return cargo; but fortunately they got return cargoes. They were lucky, and there were not many losses. After all, that is no scandal, and I do not believe it indicates any corruption in the system. It indicates the efficiency of the system.

I think that clears up that question. Admiral Land did not like those rates; and when the ships came home and it developed that they had had a more prosperous journey than was anticipated, he sent for the owners of the ships and told them that they must put the rates down further. He got them down to 60 cents. That is an all-time war record rate. We were not in the war at that time, but we were helping England, and the lend-lease goods were war goods. They were going for war purposes. They were going for the defense of my country and my home.

Mr. WHITE. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. MAYBANK in the chair). Does the Senator from North Carolina yield to the Senator from Maine?

Mr. BAILEY. I yield.

Mr. WHITE. The Senator was speaking of rates, and made reference to the last war. I happen to have in mind some of the figures with respect to the rates then charged. It comes to my memory that the rate on cotton moving to the Liverpool market went from 35 cents a hundredweight to a maximum of $11. The rate on wheat went from 8 cents a bushel to a maximum of $1.36 a bushel. The rate on flour went from 10 cents to $1. The over-all increase in freight rates at that time was more than 10 times. I think that when we compare the situation of today with the conditions which existed at the time of the last war someone is entitled to credit.

Mr. BAILEY. The whole object of Admiral Land's administration in this emergency period has been to profit by the dreadful experience of World War No. 1. He has kept the rates in hand. Hear me, Senators. He does not have the power to regulate ocean rates. He does not have any power over world rates. He had no power over the American ocean rates until we passed the Ship Warrant Act in June 1941. That gave him the whip hand, and that is the way he regulates them now.

I have before me the tariffs which he has published. I will put them into the RECORD. They show that he has reduced our rate from the world rate of $10 in 1941 to an American rate of $4. That is the time charter rate at the present time. That does not leave much room for profit.

This is a summary of the rates: For World War No. 1 the basic rate established by the Court of Claims was $6.60. The World War No. 1 administratively established basic rate was $4.15, but the court raised it to $6.60. In 1941 the bare-boat basic rate was from $3 to $4. That represents the rate for the ship without any crew and without any operation. The War Shipping Administration reduced the time form basic earnings by amounts ranging from $1 to $1.50, and the War Shipping Administration basic earnings were reduced by $1 to $1.25 a dead-weight ton a month. Perhaps I had better explain what a dead-weight ton is. It is a singular ton to me. It means space. A dead-weight ton is 40 cubic feet below the deck available for shipping. It is not a weight at all. That brings me to one other matter, and then I shall conclude, for the present, at any rate.

It is said that Admiral Land has paid too much for ships. In the first place, he has never paid one penny more than the law provided for any ship built by the construction differential. Let us get that straight. Section 802 says that if a ship is built by a construction differential—that is, the aid of the Government—taking into account the difference in costs here and abroad, when the ship is bought by the Government or taken by the Government under requisition, the price must always be the cost less depreciation, calculated by the revenue department. I defy anyone to find any case—and there were 160 of those ships—in which that rule of law was varied a hair's breadth.

It is said that he paid too much for other ships, under section 902, under which no contribution is made by the Government to the construction. The law says that we shall pay just compensation, which the Constitution demands. The Constitution says:

> Nor shall private property be taken for public use, without just compensation.

We cannot change that provision, Senators. It is in the Constitution. I do not believe even the Supreme Court can change it. We undertook to limit it, and possibly what we did was sound; I am not sure. We said the ship owners should be paid just compensation, but that nothing should be allowed for enhancement due to causes necessitating the taking of the ships. That may be as far as we can go by way of definition, but it leaves much to be said and done.

Mr. President, what were the causes necessitating the taking? One man may say one thing, and another man another. The Accounting Office says one thing, and the Maritime Commission says another. I think it is a matter of debate. I am not complaining. Congress passed the law. In one way or another it has been on the books since 1922.

What is meant by "necessitating"? We read these phrases and we run over the words. We forget them. The law does not say, "causes contributing to the taking," or "causes contributing to the necessity for the taking." It says, "causes necessitating the taking."

I have my own idea about it. The causes necessitating the taking were the great need of the Government for ships on account of war-time conditions. Admiral Land thought he could not go ahead until the President on May 27, 1941, declared the existence of a general emergency. I do not think the Comptroller General has stated so in his latest statement, which I put into the RECORD, but it appears that at one time he was taking the view that we should go back to 1939. At that time the President declared a limited emergency, but stated that he would issue orders as to what to do. He did not issue any orders concerning ships.

I have given the background. What did Admiral Land do? We needed ships, and wherever he could buy them at a price which would end all litigation and not maintain high rates he bought them. He did not go into the market and merely take them; but whenever he could make a bargain and avoid litigation he did so, and he did not pay a large rate a ton. The First World War price was from $150 to $160 a ton per ship. I think the price was based on earnings. The price of our ships went down in the period 1931 and 1932 to $10 and $15 a ton. There was nothing for the ships to do. We were not carrying as much as 33⅓ percent of our commerce, not to mention the commerce of the world. Nor were we building any ships.

Admiral Land proceeded in the following manner: He avoided purchases when the price was too high. He undertook to fix a standard basis of tonnage, and began with $65 a ton. Of course, he paid more than that rate for a fast ship and a better ship. But there is no evidence whatever, notwithstanding we have purchased approximately 4,000 ships, of anything like high prices or prices which are comparable with the First World War prices. The admiral was able to keep the price down by way of the Ship Warrant Act.

Mr. President, I have taken more time than I had intended to take. I will

yield the floor, and I take it that it will be my duty to yield it to the junior Senator from Vermont. I have undertaken to go through these matters in some detail. Senators will have observed that I have done so without notes. I have used no manuscript. A great many other matters are in my mind. However, I think I have been accurate, because this matter has been on my mind for months. For the past 4 or 5 months, or since November, it has been a matter of very intense concern to me.

I will take my seat with one statement: Admiral Land has reduced the price of ships; he has reduced the rates on ships; he has extinguished a subsidy which we were paying on ships, and he is accumulating a fund in the construction reserve by way of the impounding of profits, which will put us on our feet at the end of the present terrible situation. He has administered the law according to its letter.

I should say before I take my seat that some attack was made on him about taxation. I am far more guilty in the matter of taxation than is Admiral Land, and all other Senators are equally guilty. If anyone is guilty with regard to taxation, it is Congress, which writes the tax laws. In what way can anyone show that Admiral Land has not administered the law according to the act of Congress? The regulations are written by the Treasury, not by Admiral Land. The tax laws are administered by the Commissioner of Internal Revenue, not by the Maritime Commission. Yet it has been said there is a great deal of escaping of taxes. I do not think there is any whatever. But, if there is, it is the fault of the Treasury Department, and of the Commissioner of Internal Revenue. If the law as to taxes is wrong, it is my fault and the fault of other Senators. We cannot hold any department of the Government responsible for the law. Congress makes the laws and it alone is responsible. I have repeated that over and over again. I shall not vote for a law because officials of some department tell me to do so, but I shall act on my responsibility. There were times when I did not vote for laws for which the President asked, and I was greatly criticized. I was responsible. So long as I am a Senator, I know my responsibility for the way I vote, and if the law goes wrong, I cannot go back home and say it was the fault of Admiral Land or the fault of the President. I must stand up like a man, if not like a Senator, and say that I am responsible.

Mr. AIKEN obtained the floor.

Mr. McNARY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Does the Senator yield for that purpose?

Mr. AIKEN. I yield.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Brooks	Clark, Mo.
Austin	Buck	Connally
Bailey	Burton	Danaher
Ball	Bushfield	Davis
Bankhead	Butler	Downey
Barkley	Byrd	Ellender
Bone	Capper	Ferguson
Brewster	Caraway	George
Bridges	Chavez	Gerry
Gillette	Maloney	Stewart
Green	Maybank	Taft
Guffey	Mead	Thomas, Idaho
Gurney	Milliken	Thomas, Okla.
Hatch	Moore	Thomas, Utah
Hawkes	Murdock	Tobey
Hayden	Murray	Truman
Holman	Nye	Tunnell
Johnson, Calif.	O'Mahoney	Tydings
Johnson, Colo.	Overton	Vandenberg
Kilgore	Pepper	Van Nuys
La Follette	Radcliffe	Wallgren
Langer	Reed	Walsh
Lodge	Revercomb	Wheeler
Lucas	Reynolds	Wherry
McCarran	Robertson	White
McClellan	Russell	Willis
McFarland	Scrugham	Wilson
McKellar	Shipstead	
McNary	Smith	

The ACTING PRESIDENT pro tempore. Eighty-five Senators having answered to their names, a quorum is present.

Mr. AIKEN. Mr. President, after listening to the Senator from North Carolina [Mr. BAILEY] I find myself tempted to digress from the prepared statement which I have to present to the Senate, and to reply to some of the statements which were made by the able Senator. However I shall resist the temptation; I shall not discuss some of the things which the Senator mentioned, and which could be presented in quite a different light from that in which they have been presented.

Mr. President, it should be required of every public official in high place that he be possessed of certain qualifications. Chief among these qualifications should be, first, a scrupulous regard for the law; second, competency; third, strength of character to resist pressure which will be inevitably brought to bear upon him by self-seeking groups.

The one who has been renominated to membership on the Maritime Commission does not, in my opinion, possess these qualifications. He has a host of friends who eulogize and praise him and apparently admire him. I do not question that he possesses a likeable personality, is a very delightful companion, and is favored socially. I have heard no charge that he has made financial profit as a result of his position as Chairman of the Maritime Commission. I have heard him spoken of highly as a naval architect.

However, Mr. President, the United States Maritime Commission is one of the most important agencies in the world today. It is not only the lifeline to American boys fighting in all parts of the world, and to millions of fighting men of our allies, but it is also entrusted with the spending of over $19,000,000,000 of American taxpayers' money which must be paid by the sweat and toil of men, women, and children in all walks of life.

We can best judge a man by his past performances, when a record of such performances is available. I shall present now several reasons to show that the Chairman of the United States Maritime Commission does not meet the requirements of the trust which is reposed in this high office.

Mr. President, I am sorry that I cannot present my statement in the polished manner possessed by the Senator from North Carolina, and I hope my colleagues will bear with me if I speak rather more crudely than he has spoken.

In answer to those who say that the Chairman of the Commission should not be held responsible for the sins of the whole Commission I have to say that the unauthorized expenditures, the incompetence, the wastefulness, which have been countenanced by the Maritime Commission, have been—must have been—with the full knowledge of the Chairman of the Commission, and on him we must place the responsibility for the Commission's acts.

The charges which are made against the United States Maritime Commission and its Chairman are these:

First. It has requisitioned ships for sale to the Army and Navy, and has reimbursed itself for certain costs from the funds of these Departments in a manner not authorized by law. The total of such unauthorized augmentation of its funds is apparently in excess of $100,000,000.

Second. It has failed to recapture excess profits from shipbuilders, although required by law to do so.

Third. It has paid illegal and exorbitantly high prices for old ships.

Fourth. It has insured old ships at excessive values, thus making public funds liable for unjustifiable payments to shipowners in case of loss.

Fifth. It has approved charter rates which have resulted in excessively high profits being made by certain selected ship operators.

Sixth. It has permitted waste, extravagance, and incompetency to exist in shipyards over which it had full control.

Seventh. It has allowed ships it virtually owned by reason of the default of debtor corporations to go into private hands, and then paid the new owners exorbitant prices for them.

The first reason which I am presenting to the Senate as to why we should not today confirm the nomination of Admiral Land to be Chairman of the Maritime Commission is that the Commission has requisitioned ships for sale to the Army and Navy, and has reimbursed itself for certain costs from the funds of these Departments in a manner not authorized by law.

Mr. President, I now wish to call the attention of the Senate to alleged acts of the Maritime Commission which were without authorization of law and which have been pointed out by the Comptroller General.

I hold in my hand a sheet of financial and statistical data relating to vessels transferred to the Navy Department as of November 30, 1941. Under the Merchant Marine Act the Maritime Commission has the authority to pay construction subsidies on ships suitable for requisition in time of war for Army or Navy purposes. The Congress makes an appropriation to the Maritime Commission for the purpose of paying these subsidies.

I should like to have this list inserted in the RECORD at this point.

The ACTING PRESIDENT pro tempore. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

Financial and statistical data—Vessels transferred to Navy Department as at Nov. 30, 1941

	Hull No.	Dead-weight-tonnage	Construction completed	Date of delivery to Navy Department	Construction cost	Sales by Commission to first purchasers: Purchaser	Construction differential absorbed by Commission	Sales price	Required by Commission for sales to Navy Department: Reimbursement to Commission	Reimbursement to owner	Total cost to Navy
Tankers:											
Chemung (ex *Esso Annapolis*)	MC 9	18,354	Jan. 26, 1940	June 2, 1941	$3,200,000.00	Standard Oil Co. of New Jersey	$875,812.41	$2,324,187.59	$1,175,812.41	$2,324,187.59	$3,500,000.00
Chenango (ex *Esso New Orleans*)	MC 4	18,230	Apr. 14, 1939	May 31, 1941	3,200,000.00	do	880,516.70	2,319,483.30	1,180,516.70	2,319,483.30	3,500,000.00
Cimarron	MC 2	18,230	Feb. 6, 1939	Feb. 6, 1939	3,204,524.16	do	880,250.00	2,324,274.16	882,676.34	2,324,274.16	3,206,950.50
Guadalupe (ex *Esso Raleigh*)	MC 12	18,339	June 21, 1940	June 1, 1941	3,050,000.00	do	854,039.17	2,195,960.83	1,304,039.17	2,195,960.83	3,500,000.00
Kaskaskia (ex *Esso Richmond*)	MC 11	18,339	Apr. 20, 1940	Oct. 22, 1940	3,050,350.37	do	856,706.37	2,193,644.00	1,306,356.00	2,193,644.00	3,500,000.00
Neosho	MC 6	18,302	Aug. 4, 1939	Aug. 4, 1939	3,208,191.30	do	880,250.00	2,327,941.30	879,009.20	2,327,941.30	3,206,950.50
Platte	MC 8	18,230	Dec. 1, 1939	Dec. 1, 1939	3,203,279.15	do	880,250.00	2,323,029.15	891,065.49	2,323,029.15	3,214,094.64
Sabine (ex *Esso Albany*)	MC 10	18,354	Sept. 25, 1940	Sept. 25, 1940	3,212,573.34	do	880,250.00	2,332,323.34	881,676.66	2,332,323.34	3,214,000.00
Salamonie (ex *Esso Columbus*) [1]	MC 13	18,339	Nov. 20, 1940	Nov. 20, 1940	3,040,202.54	do	689,382.58	2,350,819.96	859,780.04	2,350,819.96	3,210,600.00
Sangamon (ex *Esso Trenton*)	MC 7	18,256	Dec. 14, 1939	Oct. 22, 1940	3,031,410.03	do	876,284.03	2,155,126.00	1,344,874.00	2,155,126.00	3,500,000.00
Sanatee (ex *Seakay*)	MC 3	18,276	Mar. 23, 1939	Oct. 30, 1940	2,950,595.70	Keystone Tankship Corporation	880,516.70	2,070,079.00	1,429,921.00	2,070,079.00	3,500,000.00
Suwanee (ex *Markey*)	MC 5	18,240	Mar. 25, 1939	June 26, 1941	3,200,000.00	Standard Oil Co. of New Jersey	879,864.31	2,320,135.69	1,179,864.31	2,320,135.69	3,500,000.00
Total tankers (12)		219,489			37,551,126.59		10,314,122.27	27,237,004.32	[2] 13,315,591.32	27,237,004.32	40,552,595.64
Cargo:											
Alchiba (ex *Mormacdove*)	MC 21	8,656	Sept. 31, 1939	June 2, 1941	2,561,220.66	Moore-McCormack Lines, Inc	1,240,161.31	1,321,059.35	2,219,561.94	280,438.06	2,500,000.00
Alcyone (ex *Mormacgulf*)	MC 30	8,656	Oct. 13, 1939	May 31, 1941	2,573,292.00	do	1,217,117.33	1,356,174.67	2,212,594.92	287,405.08	2,500,000.00
Aldeboran (ex *Staghound*)	MC 37	9,495	Dec. 4, 1939	Dec. 26, 1940	2,421,161.69	Grace Line, Inc	1,145,916.50	1,275,245.19	1,801,126.89	553,700.19	2,354,827.08
Algorab (ex *Mormacwren*)	MC 20	8,656	Aug. 18, 1939	June 6, 1941	2,544,220.66	Moore-McCormack Lines, Inc	1,232,144.72	1,312,075.94	2,232,123.39	267,876.61	2,500,000.00
Alhena (ex *Robin Kettering*)	MC 74	10,048	May 29, 1941	May 31, 1941	2,590,469.71	Acquired by Navy direct from U. S. Maritime Commission.		2,590,469.71	2,625,000.00		2,625,000.00
Almaack (ex *Executor*)	MC 104	9,902	Oct. 22, 1940	June 3, 1941	2,482,889.33	American Export Lines, Inc	1,118,659.64	1,364,229.69	2,145,879.22	304,120.78	2,450,000.00
Arcturus (ex *Mormachawk*)	MC 19	8,514	July 27, 1939	Sept. 26, 1940	2,485,618.02	Moore-McCormack Lines, Inc	1,219,598.28	1,266,019.74	2,050,000.00	337,318.74	2,387,318.74
Bellatrix (ex *Raven*) [3]	MC 126	9,274	Apr. 16, 1941	Apr. 16, 1941	785,569.24	Acquired by Navy direct from U. S. Maritime Commission.		785,569.24	785,569.24		785,569.24
Betelgeuse (ex *Mormaclark*)	MC 31	8,656	Nov. 29, 1939	May 29, 1941	2,573,292.00	Moore-McCormack Lines, Inc	1,215,808.19	1,357,483.81	2,248,565.84	301,434.16	2,550,000.00
Castor (ex *Challange*)	MC 14	9,758	July 10, 1939	Oct. 23, 1940	2,161,510.84	do	117,871.96	2,043,638.88	2,043,638.88		2,043,638.88
Crescent City (ex *Delorleous*)	MC 49	9,021	Aug. 23, 1940	June 9, 1941	3,176,884.32	Mississippi Shipping Co., Inc	1,375,093.52	1,801,790.80	2,534,372.49	665,627.51	3,200,000.00
Electra (ex *Meteor*) [3]	MC 127	9,274	Apr. 16, 1941	Apr. 16, 1941	652,283.98	Acquired by Navy direct from U. S. Maritime Commission.		652,283.98	652,283.98		652,283.98
Fomalhaut (ex *Cape Lookout*)	MC 138	7,400	May 16, 1941	May 16, 1941	1,055,042.60	do		1,055,042.60	1,055,042.60		1,055,042.60
Griffin (ex *Mormacpenn No. 1*)	MC 44	11,930	Jan. 18, 1940	Dec. 13, 1940	2,968,982.92	Moore-McCormack Lines, Inc	1,484,418.01	1,484,564.91	2,559,154.36	371,144.91	2,930,299.27
Hamul (ex *Doctor Lyham*)	MC 40	12,527	May 10, 1940	June 8, 1941	2,564,141.00	Lykes Bros. Steamship Co., Inc	1,160,476.84	1,403,664.16	2,092,900.09	342,099.91	2,435,000.00
Hercules (ex *Exporter*)	MC 34	9,514	Sept. 28, 1939	July 14, 1941	2,448,120.00	American Export Lines, Inc	1,091,795.92	1,356,324.08	2,009,506.07	295,493.93	2,285,000.00
Jupiter (ex *Santa Catalina*)	MC 17	9,420	Nov. 1, 1939	June 25, 1941	2,117,339.03	Grace Line, Inc	1,015,558.16	1,101,780.87	931,666.27	1,068,333.73	2,000,000.00
Kilanea (ex *Surprcie*) [3]	MC 24	9,073	Nov. 14, 1940	Nov. 14, 1940	1,552,448.18	Acquired by Navy direct from U. S. Maritime Commission.		1,552,448.18	1,552,448.18		1,552,448.18
Lassen (ex *Shooting Star*)	MC 23	9,073	Nov. 15, 1940	Nov. 15, 1940	1,746,161.61	do		1,746,161.61	1,746,161.61		1,746,161.61
Long Island (ex *Mormacsnail*)	MC 47	11,913	May 29, 1940	Mar. 18, 1941	3,020,710.55	Moore-McCormack Lines, Inc	64,364.07	2,956,346.48	2,956,346.48		2,956,346.48
Markab (ex *Mormacpenn No. 22*)	MC 66	12,510	May 29, 1941	June 2, 1941	3,188,997.79	Acquired by Navy direct from U. S. Maritime Commission.		3,188,997.79	3,300,000.00		3,300,000.00
Mercury (ex *Mormactera*)	MC 16	9,420	Sept. 29, 1939	June 26, 1941	2,378,151.99	Moore-McCormack Lines, Inc	1,110,698.58	1,267,453.41	2,254,713.61	295,286.39	2,550,000.00
Otus (ex *Fred Morris*)	MC 70	9,249	Dec. 27, 1940	Mar. 1, 1941	1,987,861.61	Lykes Bros. Steamship Co., Inc	988,673.17	999,188.44	986,169.97	1,051,533.86	2,037,703.83
Pelias (ex *Mormacyork*)	MC 45	11,897	Apr. 4, 1940	Nov. 15, 1940	3,005,467.70	Moore-McCormack Lines, Inc	1,480,559.47	1,524,908.23	2,594,113.95	420,654.48	3,014,768.43
Pocomoke (ex *Exchaquer*)	MC 64	12,691	Oct. 16, 1940	Oct. 16, 1940	2,731,681.36	Acquired by Navy direct from U. S. Maritime Commission.		2,731,681.36	2,793,601.02		2,793,601.02
Polaris (ex *Donald McKay*)	MC 18	8,682	June 27, 1939	Jan. 25, 1941	2,486,812.36	Moore-McCormack Lines, Inc	1,169,107.20	1,317,705.16	2,019,427.60	386,515.16	2,405,942.76
Pollux (ex *Comet-1*)	MC 33	9,714	Mar. 25, 1940	Jan. 16, 1941	2,157,818.63	N. Y. & Cuba Mail Steamship Co	972,998.55	1,184,820.08	1,835,927.21	307,100.08	2,143,027.29
President Adams	MC 57	9,937	June 5, 1941	June 5, 1941	3,882,398.72	Acquired by Navy direct from U. S. Maritime Commission.		3,882,398.72	3,980,000.00		3,980,000.00
President Hayes	MC 55	9,937	Feb. 20, 1941	July 20, 1941	3,891,892.96	American President Lines, Ltd	1,708,395.13	2,183,497.83	3,358,491.84	541,508.16	3,900,000.00
President Jackson	MC 53	9,937	Oct. 25, 1940	June 30, 1941	3,871,835.45	do	1,712,202.71	2,159,632.74	3,314,652.04	535,347.96	3,850,000.00
Procyon (ex *Sweepstakes*)	MC 25	9,073	Nov. 14, 1940	Nov. 14, 1940	1,409,566.21	Acquired by Navy direct from U. S. Maritime Commission.		1,409,566.21	1,409,566.21		1,409,566.21
Ranier (ex *Rainbow*) [3]	MC 124	9,274	Apr. 16, 1941	Apr. 16, 1941	1,361,982.06	do		1,361,982.06	1,361,982.06		1,361,982.06
Shasta (ex *Comet-2*)	MC 125	9,276	----do----	----do----	1,066,126.84	do		1,066,126.84	1,066,126.84		1,066,126.84
Tangier (ex *Sea Arrow*)	MC 51	12,595	July 8, 1940	July 8, 1940	3,038,120.24	do		3,038,120.24	3,038,120.24		3,038,120.24
Total cargo (34)		334,952			80,940,072.26		23,841,619.26	87,098,453.00	75,766,835.04	8,592,939.70	84,359,774.74
Transports and tenders:											
Cascade	MC 172				7,854,250.00			7,854,250.00			
Chandeleur	MC 173				6,134,250.00			6,134,250.00			
Doyden	MC 181				4,630,625.00			4,630,625.00			
Feland	MC 182				4,597,812.50			4,597,812.50			
Total transports and tenders [4]					23,216,937.50			[4] 23,216,937.50	15,006,937.50		15,006,937.50
Total	(50)	554,441			141,708,136.35		34,155,741.53	107,552,394.82	104,089,363.86	35,829,944.02	139,919,307.88

[1] Acquired incomplete from the Newport News Shipbuilding & Dry Dock Co. for the Navy.
[2] Includes approximately $13,000,000 to be retained by the Commission as deferred credit for replacement of tankers.
[3] Acquired incomplete from Tampa Shipbuilding & Engineering Co.
[4] Of $23,216,937.50 estimated costs of the 4 transports and tenders, $15,006,937.50 has been advanced by the Navy, the balance to be paid at a later date.

Financial and statistical data—Vessels transferred to War Department as at Nov. 30, 1941

	Hull No.	Dead-weight tonnage	Construction completed	Date of delivery to War Department	Construction costs	Sales by Commission to first purchasers			Reacquired by Commission for sales to War Department		
						Purchaser	Construction differential absorbed by Commission	Sales price	Reimbursement to Commission	Reimbursement to owner	Total cost to War Department
Cargo: *J.W.McAndrew* (ex *Deltargentino*.	MC 50.	9,005	Nov. 8, 1940	June 28, 1941	$3,175,057.57	Mississippi Shipping Co., Inc.	$1,390,138.86	$1,784,918.71	$2,531,469.78	$668,530.22	$3,200,000.00
Transports:											
Frederick Funston..	MC167.				6,633,475.00			6,633,475.00			
James O'Hara.....	MC168.				6,587,237.50			6,587,237.50	10,000,000.00		10,000,000.00
Total transports (2)					13,220,712.50			[1]13,220,712.50	10,000,000.00		10,000,000.00
Total (3)		9,005			16,395,770.07		1,390,138.86	15,005,631.21	12,531,469.78	668,530.22	13,200,000.00

[1] Of $13,220,712.50 estimated costs of the 2 transports $10,000,000 has been advanced by the War Department, the balance to be paid at a later date.

Mr. AIKEN. Mr. President, it appears from this table that the Maritime Commission, having received from Congress the money necessary to pay construction subsidies, has upon delivery of these vessels to the Navy and to the War Department charged to those Departments not only a sum sufficient to reimburse the owner of the ship in full for his investment, but the Commission has also collected from the Navy Department and the War Department the entire cost of the construction subsidy as well. It appears in some instances to have been even more.

It will be noted from this table that the Commission has paid construction subsidies amounting to $23,841,000 on 34 cargo vessels, but when it acquired those 34 cargo vessels for sale to the Navy it reimbursed itself from Navy funds to the extent of $75,766,835.04.

Mr. President, I never could see what right the Maritime Commission had to reimburse itself to the extent of $75,000,000 out of the Navy appropriation when its appropriation is made direct by the Congress.

Under date of November 30, 1942, the Comptroller General, Lindsay C. Warren, wrote to the Administrator of the War Shipping Administration whom we are today being asked to confirm as a member of the Maritime Commission, and I will read a copy of the letter:

COMPTROLLER GENERAL OF
THE UNITED STATES,
Washington, November 30, 1942.

ADMINISTRATOR,
War Shipping Administration.

MY DEAR ADMIRAL LAND: Examination of the numerous records and documents pertaining to the acquisition by the Maritime Commission and War Shipping Administration of vessels for the War and Navy Departments, for war purposes, reflects that prices have been charged to and paid by those departments which include, and operate to effect, a return to the Maritime Commission of construction-differential subsidies borne, paid, and invested in the vessels by the Commission in connection with their construction under the terms of the Merchant Marine Act, 1936, as amended.

In view of the provisions of sections 902 and 802, as well as of the over-all provisions of the act, supra, it does not appear that the Congress intended that such construction-differential subsidies should be recovered by or for the Commission when subsidized vessels are acquired for emergency or war purposes; and it would seem that such recoveries from the War and Navy Departments operate to augment funds appropriated to the Commission and expended by it prior to the acquisition and sale of the vessels to the War and Navy Departments. In other words, the amounts of the subsidies, expended from funds appropriated to the Maritime Commission pursuant to law, do not appear to be properly reimbursable from funds appropriated to other agencies.

Citation of authority for the procedure mentioned will be appreciated.

Sincerely yours,

LINDSAY C. WARREN,
Comptroller General
of the United States.

On December 9, Admiral Land, replying to the Comptroller General and in true bureaucratic style, elected to put his own interpretation, or the interpretation of the Maritime Commission, upon the acts of Congress. A copy of this letter is embodied in a copy of a letter written by the Comptroller General to Admiral Land under date of January 21, 1943. I ask unanimous consent to have a copy of the letter inserted in the RECORD at this point.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The letter is as follows:

COMPTROLLER GENERAL OF THE
UNITED STATES,
Washington, January 21, 1943.

ADMINISTRATOR,
War Shipping Administration.

MY DEAR ADMIRAL LAND: There has been received your letter of December 9, 1942 (hereinafter quoted), in reply to office letter of November 30, 1942, with respect to the recoupment by the Maritime Commission and War Shipping Administration (for the Commission's account) of amounts invested by the Commission from appropriated funds in construction-differential subsidies of vessels, when such vessels are reacquired from their owners for the account of the War and Navy Departments for war emergency purposes, and the deposit of such recoupments into the Commission's construction fund.

Your said letter reads as follows:

"I have your letters of November 30, 1942 (your reference A-51647) in which you raise questions as to legal authority of the War Shipping Administration and the United States Maritime Commission in billing to and receiving from the War and Navy Departments in connection with the acquisition and transfer to these Departments of certain vessels, amounts representing the construction-differential subsidy granted under the provisions of title V of the Merchant Marine Act, 1936, as amended, in aid of their construction.

"It is not entirely clear from your letter whether you are referring both to vessels whose construction was undertaken under title V but which were never delivered to the prospective purchaser and to those which were so delivered but later reacquired as provided in section 802 or section 902 of the act, or whether reference is made to the last-mentioned class of vessels only. The two situations present some points of difference and will be separately discussed herein.

"I

"Where the vessel in question is never delivered to the original prospective purchaser but is transferred upon completion by the shipbuilder directly from the Commission to the War Department or the Navy Department, no reason is apparent why the Commission should not receive reimbursement for the full construction cost of the vessel and necessary expenses incurred which are incident to the transfer, in accordance with the usual practice prevailing in the performance of services by one Government department or agency for another. In such instances, the purchase agreement, which is the foundation of the grant of the subsidy, has never been fully consummated, and, being rescinded, involves only the restitution of payments previously made; and the construction contract alone remains in full force and effect. The Commission's liability thereunder represents the cost of the vessel to it and is the measure of the value of the interdepartmental service rendered. It is not considered reasonable to infer that Congress intended the Commission should build vessels for other Government agencies at less than full cost to it, and the fact that under certain circumstances which never came to pass, a subsidy would have been allowed to a private operator, would appear immaterial.

"II

"In the case of vessels which have been constructed under title V with the aid of a construction-differential subsidy and delivered to the purchaser and thereafter reacquired by the Commission for the account of the War and Navy Department, it has appeared to the Commission that since the purpose of the construction-differential subsidy has been frustrated, there is no reason why the War Department or the Navy Department should be entitled to the vessel for less than the entire sum expended thereon by the Commission, subject to proper adjustment for depreciation. Any contrary view would give the other governmental branch the benefit of the price reduction which was granted for entirely different purposes, would in effect put the Commission in the position of granting a construction-differential subsidy to another Government department, and would leave with the Commission the burden of granting a second construction-differential subsidy in connection with the vessel which it might be necessary to furnish in order to replace the vessel so taken out of commercial service. It is our view that Congress intended that the Commission, in carrying out the long-range program for the rehabil-

itation of the merchant marine, should put into service an adequate number of vessels with respect to which we should grant construction-differential subsidy, and that by recovering the construction differential from the War and Navy Departments the Commission is simply placing itself in the necessary financial position to carry out the congressional mandate.

"It is realized, of course, that the provisions of section 802, relating to the price for which title V vessels may be reacquired, may be construed for the benefit of the Government as a whole and not merely as indicating the amount which the Government has to pay to the owners of these vessels. It is further realized that certain provisions of section 902 may have some bearing on the question, particularly the last two sentences of section 902 (e), which read as follows:

"'In the case of any such transfer the department or agency to which the transfer is made shall promptly reimburse the Commission for its expenditures on account of just compensation, purchase price, repairs, reconditioning, reconstruction, or charter hire for the property transferred. Such reimbursements shall be deposited in the construction fund established by section 206 of this act.'

"However, the Commission and the War Shipping Administration both have believed that they should obtain full reimbursement for all of their expenditures on account of the vessel, without deduction, in the case of vessels acquired after delivery, of the construction-differential subsidy theretofore granted. In this connection, you will doubtless recall that the question of the replenishment of the construction reserve fund comes up periodically before Congress, that it fixes the amount of such replenishment, and that Congress has full information as to the status of the Commission's obligations for current and future construction and receipts in the construction reserve funds from all sources, including the items reimbursable by the War and Navy Departments which are the subject of the present discussion. Accordingly, it is our view that under the procedure which we have adopted, being intended merely to maintain our construction reserve intact for the purposes for which it was established by Congress, there is no true augmentation of the fund as you seem to suggest; but if it be considered a technical augmentation, it has nevertheless met with congressional approval.

"III

"In the light of the foregoing, it appears that the matter is primarily one of budgetary policy. The statutory situation, it may be admitted, is not entirely clear, but the manner in which these reimbursements have been handled in the past has been on the basis of that which would be most consonant with the duty of the Commission and the War Shipping Administration, to protect fully the interests of the Commission, looking toward the proper utilization of the construction reserve fund in accordance with the purposes and policy of the act. The problem will naturally come up again in connection with the next appropriation for the construction fund, and my suggestion would be that sometime in advance of the submission of the next appropriation for the Maritime Commission Construction Fund, the problem be discussed by representatives of the Commission and the War Shipping Administration with the Bureau of the Budget and that, subject to the wishes of the Bureau of the Budget, you be invited to participate in such discussions."

Frankly, I am not convinced that the practice in question is lawful or proper, and I must adhere to the views expressed in office letter of November 30, 1942, namely, that the practice serves to augment funds appropriated to the Maritime Commission, at the expense of funds appropriated to other departments, in a manner not sanctioned by law.

It seems clear that the Congress has not so authorized the augmentation of the Commission's construction fund, as a revolving fund or otherwise, and, as you say, the construction fund is replenished from time to time by additional moneys appropriated by the Congress. It likewise seems clear that, in instances wherein the Congress meant that funds coming into the Commission's hands shall be used to augment the construction fund, express provision therefor has been made, as witness that part of section 902 (e), Merchant Marine Act, 1936, as amended, quoted in your letter, where the Congress expressly provided for recoupment by the Commission of "expenditures on account of just compensation, purchase price, repairs, reconditioning, reconstruction, or charter hire," etc. The act, however, contains no provision for the recoupment by the Commission of appropriated funds expended or invested in construction-differential subsidies. Certainly, the act does not contemplate that the Commission shall pay a vessel owner the amount of the construction-differential subsidy, or any part of it, as "just compensation," or otherwise; hence the right to recoup subsidies from the War and Navy Departments appears to be negatived.

This office agrees that the matters in question, at least for the future, are for determination by the Congress, but it is not felt that they are such as to call for the intervention of this office as between the Commission, War Shipping Administration, and the Bureau of the Budget, as suggested in the last paragraph of your letter.

Sincerely yours,

LINDSAY C. WARREN,
Comptroller General of the United States.

Mr. AIKEN. It will be noted in the last paragraph of the letter from Admiral Land to Lindsay C. Warren that the admiral suggests that the Comptroller General meet with representatives of the Maritime Commission, the War Shipping Administration, and the Bureau of the Budget to discuss the problem before the next appropriation request should come before the Congress.

The Comptroller General adhered to his earlier view that the practice of augmenting Maritime Commission funds from other departments is not sanctioned by law, and he further advised Admiral Land that it is not the business of the Comptroller General's office to intervene in a matter which is clearly for the determination of Congress.

After reading these letters I am sure the Members of this body will agree that the United States Government needs more public officials of the caliber of Hon. Lindsay C. Warren.

I do not know to what extent the Maritime Commission has reimbursed itself from the appropriations made to the War and Navy Departments. The total amount of such unauthorized reimbursement to the Commission by the Navy Department as of November 30, 1941, appears to be $104,089,363.86. The amount of unauthorized collections from the War Department as of this date appears to be $12,531,469.78, with more to be paid later.

Now, taking up the second reason—I do not like to call them charges; I do not like that word—the United States Maritime Commission has failed to recapture excess profits from the shipbuilders, although required by law to do so. The Commission is required to recapture for the Federal Treasury all profits exceeding 10 percent made by contractors who build ships with the aid of construction subsidies.

During the years 1940, 1941, and 1942 there were 109 such ships built under title V of the Merchant Marine Act of 1936, and 145 ships built under title VII. The total cost to the Commission on these 254 ships amounted to $583,558,470.61.

Up to January 1 of this year, 1943, according to the report sent me by the Comptroller General's office, the Commission had recaptured profits amounting to only $7,226,457.61.

Mr President, I do not know the exact amount which is recapturable from these shipbuilders for building these subsidized ships, but I do know that it is a very substantial sum.

It seems very strange, Mr. President, that the Commission has been able to recapture excess profits from only five contractors. The Moore Dry Dock Co. and the Newport News Shipbuilding & Drydock Co. seem to have an excellent record of repayment of excess profits to the Government. About $700,000 has been collected from the Federal Shipbuilding & Dry Dock Co. A small amount, I believe $195,000, was collected from the Bethlehem Steel Co. in 1940. The Western Pipe & Steel Co. of California has also paid back into the Federal Treasury some excess profits.

According to the Comptroller General's office, however, not a nickel of excess profits has been recaptured from any other shipbuilding company who built under this program up to January 1, 1943. Included in the list of those shipyards from which no recapture has been effected, are some of the largest contractors in the United States. I hold in my hand photostat copies of Shipbuilders' Preliminary Report of Profits and Shipbuilders' Final Report of Profits from some of these companies which have been building ships and which have paid nothing back into the Federal Treasury by way of excess profits, according to the Comptroller General's office.

Mr. President, if the officials of our Government would work as diligently in collecting money already due our Government as they work in seeking new sources of taxes, the necessity for imposing new taxes would be obviated to a considerable degree. By its neglect in failing thus to recapture these excess profits from our large shipbuilders the Maritime Commission may lose a very large sum of money for the taxpayers of our country.

The Maritime Commission has paid illegal and exorbitantly high prices for old ships, and I will use the Waterman Steamship Corporation case as an example, also. More people generally are familiar, and more Members of the Senate are familiar with the charges made against the Maritime Commission by the Comptroller General in this case than in any other. I think most of the Members of the Senate are now familiar with the

fact that on June 8, 1940, the Maritime Commission sold five old ships to the Waterman Steamship Corporation at a price of $13.76 a ton, and with an option to repurchase these ships should they be needed later on by the Government. A few months later, instead of exercising the option to repurchase these ships, the Maritime Commission bought five older vessels from the Waterman Corporation at $75 a ton, thus, according to the Comptroller General in his report to the Congress, paying the Waterman Corporation $1,995,000 more than it "should and would have expended had it exercised said option without regard to reasonable depreciation of the vessels sold under said written agreement."

The able senior Senator from North Carolina called attention to the fact that the five older ships which were sold to the Waterman Corporation required repairs to the amount of about $800,000 before they could be put into service. I should like to remind the Senate that the five older ships bought by the Maritime Commission for the United States Government also required about $800,000 to be expended on them for repairs before they were serviceable.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. CLARK of Missouri. I should like to ask the Senator for the source of his information on that point; because it has been my information that the ships which were sold to the Government by the Waterman Co. were ships ready for service; and that, as a matter of fact, as to certain other ships which were acquired by the Government at perhaps a lesser price than the price paid for the ships acquired from the Waterman Co.—ships which did require servicing—when the Government finally came to settle the bill the price amounted to approximately $105, $110, $115, or $120 a ton, whereas the price paid to the Waterman Co. for ships ready for service was the net price.

Mr. AIKEN. No, Mr. President; my understanding is that it cost between $700,000 and $800,000 to put the ships acquired from the Waterman Co. into commission. I cannot inform the Senator the source of my information, but almost all my information has come from the Comptroller General's office.

Mr. CLARK of Missouri. Let me say to the Senator that my information is completely at variance with his.

Mr. AIKEN. I have heard that the ships which the Maritime Commission sold to the Waterman Co. were out at sea, doing service, at the time when the Commission naturally would have requisitioned them; so they requisitioned the five older ships and put them into repair, paying $75 a ton for them. I understand—and this information I have not verified; I desire to make that point clear—that one of the ships was sold to the Waterman Co. by the Federal Government, about 1931, for $9 a ton.

Mr. CLARK of Missouri. Mr. President, will the Senator yield further to me?

Mr. AIKEN. I yield.

Mr. CLARK of Missouri. I do not desire to interrupt the trend of the Senator's remarks, but I should like to say that my information is that the ships were sold to the Waterman Co. by the Government on bids in the first instance; that the Waterman Co. and some other company, the name of which I have forgotten—it was a subsidiary of the Aluminum Co. of America—were the bidders, but that the bid of the subsidiary of the Aluminum Co. of America was rejected, with the result that the Waterman Co. was the only bidder; and that the Waterman Co. agreed to build four fast ships at a cost which ultimately proved to be more than $3,000,000 a ship, in addition to the construction-differential subsidy.

Mr. AIKEN. I think the Senator is undoubtedly correct.

Mr. CLARK of Missouri. The Senator also undoubtedly is familiar with the fact that two of the ships sold to the Government by the Waterman Co. have been sunk, and that under the terms of the insurance the Waterman Co. is reimbursed only to the extent of the cost plus the rehabilitation expense, minus depreciation.

Mr. AIKEN. Let me say to the Senator from Missouri that I shall cover some of those points a little later in discussing other items.

The Waterman Co. evidently made a very good trade, and is perfectly capable of looking out for itself. I do not know that there is any charge of illegal conduct against the Waterman Co. in this matter. Later I shall show how well it has taken care of itself.

As an excuse for making the Waterman Steamship Corporation a present amounting, it appears, to nearly $2,000,000 of public funds, the Maritime Commission offered the claim that the emergency which necessitated the taking of the ships did not begin until May 17, 1941, and that therefore the provisions of section 902 would not apply to the purchase of the five old ships from the Waterman Corporation.

Regardless of whether section 902 applied at that time, certainly there is no excuse for the Maritime Commission's selling ships to the Waterman Corporation at $13 a ton, and buying back older ships at $75 a ton, instead of exercising its option to repurchase the five ships it had sold.

However, the feeble excuse of the Maritime Commission that the provisions of section 902 did not apply until May 17, 1941, will not hold water. I have before me a communication signed by William Creighton Peet, Jr., secretary of the Maritime Commission, dated December 22, 1941, and evidently mailed under date of December 30, because one date appears at the head of the letter and another appears at the end. I quote from the final paragraph of the letter:

> It is suggested that, with respect to combination vessels, the value be determined on the basis of the depreciated construction cost to the owner. In the case of cargo vessels, the only moot question is the valuation of the vessels 20 years of age and over as valuation of vessels built under the 1936 act is determined by section 802. The valuation of the old vessels can either be fixed on the basis of a September 1939 valuation or on the basis of an average value for tonnage of this class over a period of years.

Mr. President, mark this: This is what the secretary of the Maritime Commission said in writing to the Commission before the purchase of the five Waterman ships was completed:

> Under no conditions should current market value be considered the determining factor.

Mr. President, I should like to repeat the last line of the communication from the secretary of the Maritime Commission to the Commission:

> Under no conditions should current market value be considered the determining factor.

Yet in the face of that recommendation to the Commission by its own secretary, the Commission went ahead and bought the old Waterman ships at exorbitant and—as the Comptroller General alleges—illegal prices.

It appears that after the Comptroller General had sent the Waterman report to Congress in August of last year, the Honorable John M. Carmody, a member of the Maritime Commission, made an investigation of the situation, and on September 14 of last year he wrote to the Chairman of the Commission presenting the results of his investigation.

A copy of the letter will be found on pages 241–244 of the hearings before the House Committee on Merchant Marine and Fisheries. I wish to quote some excerpts from the letter of Commissioner Carmody to the Commission itself:

> In retrospect, this appears to have been the logical time—

That is, the time when they bought the five older ships of the Waterman Corporation—

> to have exercised the option under the June 8, 1940, contract, and repossess the five old vessels. A search of the files does not reveal a reason for not doing it.

Mr. Carmody apparently is not fully in harmony with all the acts of the rest of the Commission.

I quote again from his report:

> In the light of the Comptroller General's report to the Congress, it may well be that the complications that have arisen in connection with the purchase of the five old vessels for $3,374,700 may have to be resolved by the General Accounting Office, the Bureau of Internal Revenue, and the Commission. As I write this, I have been informed that the matter has been referred by the Comptroller General to the Attorney General.

Again, I quote from Mr. Carmody's letter to the Chairman of the Maritime Commission:

> The prices paid, while high for old tonnage that cost the seller less than $25 per dead-weight ton, was in line with prices being paid by the Commission for similar tonnage bought at that time on the basis of current appraisals.

That is to say, not only was the Commission purchasing the older boats from the Waterman Co.—the boats which had been sold for from $5 to $20 a ton—but it was purchasing from other corporations as well.

I quote from Mr. Carmody's conclusion:

The five old vessels sold to Waterman Steamship Corporation as a result of the sales agreement of June 8, 1940, should be repossessed. Repossession of these five old vessels under the terms of the sales agreement of June 8, 1940, at the time the five similar old vessels were bought for $3,374,700 would have thrown into sharp relief the inflated values placed on old vessels because of war.

Or the cause which necessitated the taking thereof, as the law states.

Finally, quoting from Mr. Carmody's report to the Commission, he says:

Mr. Bon Geaslin, speaking for Waterman, has objected to the Commission's exercising its option to buy back the five old vessels under the terms of the June 8, 1940, sales agreement on the grounds that similar contracts exist with other operators—Alcoa and Bull Lines, I think—which the Commission has not enforced. He refers also to injustices that have grown out of special advantages granted by the Commission to the American Export Lines resulting from the sale of the India service to that company.

That is what Mr. Carmody, of the Commission, wrote to the Chairman of the Commission.

I have one further reference to make to the Waterman case. I hope Senators will realize the seriousness of this last point which I wish to make in the Waterman case. I have told how the Maritime Commission paid the Waterman Steamship Corporation exorbitant prices over the recommendation of its own secretary.

On August 8 the Comptroller General made a report to Congress on the Waterman Steamship Co. On February 17, 1943, less than 6 weeks ago, he wrote to the Chairman of the United States Maritime Commission as follows:

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, February 17, 1943.

CHAIRMAN, UNITED STATES MARITIME COMMISSION.

MY DEAR ADMIRAL LAND: It has come to the attention of this office that, under date of January 5, 1943, on the request of Mr. Bon Geaslin, assistant vice president, Waterman Steamship Corporation, recommended for Commission approval by Mr. R. E. Anderson, Director of Finance, the Maritime Commission, approved the termination of that corporation's construction reserve fund under the control of the Commission, which fund included the proceeds of sale by the corporation to the Commission of five old vessels in late 1941 and early 1942, as mentioned and referred to in my report to Congress, House Document No. 840, Seventy-seventh Congress, second session, on page 12 of which appears the following:

1. Charges will be raised against Waterman Steamship Corporation in the sum of $1,995,602.68, together with such additional sum as will represent fair and reasonable depreciation of the vessels sold to the corporation under sales agreement of June 8, 1940, to the date or dates when title to the vessels shall have been transferred to, and vested in, the United States Maritime Commission.

2. The United States Maritime Commission will be advised of said action, and it will be requested to render proper assistance in the collection from the corporation of the charges so raised, from the so-called construction fund mentioned herein, or as otherwise may seem proper.

The Commission's action in permitting the termination of the corporation's construction reserve fund appears to have placed that fund beyond the control of the Commission, and it seems possible that the rights and interests of the United States may have been jeopardized thereby. This office will appreciate a statement of the Commission's reason for permitting the termination of said reserve fund in the light of the report hereinbefore quoted.

A copy of this letter is being sent to the chairman, Committee on the Merchant Marine and Fisheries, House of Representatives, for his information.

Your cooperation in this matter will be appreciated.

Sincerely yours,

LINDSAY C. WARREN,
Comptroller General of the United States.

So far as I know, the Chairman of the Maritime Commission has not replied to this letter, although I cannot be absolutely sure of it. He may have replied very recently.

Mr. President, I cannot command words strong enough to condemn such action as this on the part of the Maritime Commission. The Commission was carrying a public trust, and was charged with withholding that money from the Waterman Steamship Corporation. The Commission betrayed its trust and permitted the Waterman Steamship Corporation to withdraw that money in defiance of the Comptroller General's report and request for cooperation, putting the money where it is possibly out of reach of recovery.

I have used the Waterman Steamship Co. as an example because it is the one which is best known to Members of this body. I do not know how many times this illegal transaction could be multiplied. I do know that according to testimony given by the chief investigator of the Comptroller General's Office before the House subcommittee of the Committee on Appropriations on the independent offices bill for 1944, 27 more investigations are now under way in connection with the acquisition, charter, and insurance of vessels by the United States Maritime Commission and the War Shipping Administration. They are investigating 27 other matters besides the three which they have already reported to Congress. I understand that three of these investigations are about ready to be reported.

The Senator from North Carolina [Mr. BAILEY], in defending the purchase of the steamship, *Roosevelt*, says that the chairman of the Commission obtained a $6,000,000 ship for $600,000. The fact is that the Maritime Commission paid $600,000 for the steamship *Roosevelt* in 1940, although it had sold the same steamship to the United States Lines in 1931, I think, for $260,000.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. TOBEY. While the Senator is on that point, with reference to the steamship *Roosevelt*, which was referred to by the distinguished Senator from North Carolina today, I ask him for what amount the Government insured the *Roosevelt*, which was purchased for $600,000? What was the amount of insurance placed upon the *Roosevelt?*

Mr. AIKEN. I do not know.

Mr. TOBEY. I can inform the Senator on that subject.

Mr. AIKEN. I know that the steamship *President Coolidge*, which I think cost originally a little more than $6,000,000, was insured for $7,000,000.

Mr. TOBEY. That is correct.

Mr. AIKEN. That ship was sunk. I believe the Comptroller General is holding up the payment of the $7,000,000 insurance. The excuse given by the Maritime Commission for insuring the *Coolidge* for $7,000,000 appears to have been that it had previously been insured for $8,000,000.

I am now coming to the subject of insurance of old ships at excessive values, whereby public funds are made liable for unjustifiable payments to shipowners in case of loss. I wish to read an excerpt from a letter addressed to me under date of February 3, 1943, by Hon. Lindsay C. Warren:

For a considerable period of time many of the old vessels were insured by the Commission on the basis of a valuation of $100 per deadweight ton without regard to the depreciated value thereof. In early 1942 the War Shipping Administration based insurance on the value of $65 per deadweight ton but apparently without regard to depreciated values.

In other words, even though the ships had been sold for $5 to $15 a ton, they were still insured for $65 a ton.

The Maritime Commission, which carries the insurance risks itself, would make it possible for shipowners in these days of heavy losses to rehabilitate themselves by way of the insurance route. An example is to be found in the case of the steamship *President Coolidge*. On page 721 of the Hearings on the Independent Officers Appropriation Bill for 1944, is a copy of a letter written to Hon. ROBERT F. JONES, a Member of the House, by E. S. Land, Administrator of the War Shipping Administration, in which Admiral Land frankly states that according to his figures the *Coolidge*, which was insured for $7,000,000, had a net book value at the time of sinking of $3,660,533.10. It appears also from a review of the record that the *Coolidge* had previously received mail subsidies—in the early 1930's I think—to the amount of $2,634,000.

In the defense of the Chairman of the Maritime Commission, which was inserted in the CONGRESSIONAL RECORD of March 23 by the Senator from North Carolina, it will be noted that the Comptroller General has stopped payment of insurance on approximately 162 large vessels, representing claims of more than $85,000,000.

I have a letter under date of February 13, 1943, written by the Comptroller General to the Chairman of the United States Maritime Commission, in which he makes objection to the insurance on these old vessels at high prices. I do not think I have time to read the letter. I ask unanimous consent that it be printed in the RECORD, Mr. President, at this point as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, February 13, 1943.

CHAIRMAN,
United States Maritime Commission.

MY DEAR ADMIRAL LAND: Reference is made to your letter of November 2, 1942, in connection with charter party dated June 6, 1941, between the United States Lines Co., as owner, and the United States Maritime Commission, as charterer, covering the steamships *West Point* (ex *America*), *Wakefield* (ex *Manhattan*), and *Mount Vernon* (ex *Washington*), which letter is, in part, as follows:

"In your discussion of the valuation of the vessels in the charter agreement for total loss insurance purposes you state that the values represent the total acquisition cost to the owner and that in the event of total loss the owner will be reimbursed for its original investment and in addition will have the reserve fund that has been set up for depreciation. The valuations only approximate the acquisition costs, but these costs were not taken into consideration in agreeing on the valuations, which were the amounts of insurance that the owner had obtained in the insurance market and would at that time have been able to obtain on the vessels for commercial operations. It is true that a total loss of a vessel under the charter provisions would result in a profit to the owner, but such profit would be of the same character as has been and is being realized from the loss of other vessels on which, as a result of higher market values, the owners have carried insurance for substantially greater amounts than the depreciated book values. Such insurance reflects existing replacement costs and, although the recovery of the full amount in the event of a total loss would result in a book profit, it is anticipated that the increase in construction costs would more than offset such profit.

"Since the date of your letter, arrangements then under negotiation have been made for the acquisition of the title to these vessels by the Government for use in the prosecution of the war, which necessarily involve the cancelation of both the charter to the Commission and the subcharter to the Navy Department, also the termination of the arrangements under the Relief Act.

"Answering your inquiry regarding the distribution of the proceeds of insurance in the event of loss of the vessels, which is also pertinent in connection with a sale, you are advised that with respect to the steamships *Wakefield* and *Mount Vernon* the net payment by the Government on the vessels must be deposited in the owner's capital reserve fund under its operating-differential subsidy agreement. The status of the steamship *West Point* is different in that this vessel has never been a 'subsidized vessel' under the operating-differential subsidy agreement and at this time there has been no decision as to the disposition to be made of the proceeds of the sale of the vessel.

"In all of the above arrangements the Government has had the use of essential vessels in the conduct of the war at reasonable cost. In the maintenance of these vessels under the Relief Act the Commission has been put to no expense and has been able to limit the aid to the conditional extension of the life limitations with respect to the vesesls by approximately 2 years and to the postponement of interest and principal payments on the mortgages held by the Commission. The postponed interest was recently paid in full and upon receipt of statements requested of the owner reflecting the costs of maintenance and the results of the temporary employment of the vessels during the period while they have been under the Relief Act, the Commission will consider the question of the readjustment of the 20-year-life limitations. Further action in this respect to either permanently fix the period of extension of the 20-year-life limitations or to readjust the limitations to the 20-year basis was contemplated when the adjustments of obligations were originally made under the Relief Act and such action will be necessary in connection with the determination of the price to be paid for the steamship *West Point* and the amounts to be deposited in the capital reserve fund for depreciation during the period while the vessels were subject to the Relief Act."

It is understood that the steamship *Wakefield* (ex *Manhattan*) suffered fire damage and was declared a constructive total loss. Information is requested as to the amount of insurance awarded or paid in connection with the loss and, if paid, the date of such payment. Information is also desired as to the amounts paid for the steamships *West Point* (ex *America*) and *Mount Vernon* (ex *Washington*).

Particular reference is made to your statements that "the valuations [for insurance purposes] * * * were the amounts of insurance that the owner had obtained in the insurance market and would at that time have been able to obtain on the vessels for commercial operations"; that "it is true that a total loss of a vessel under the charter provisions would result in a profit to the owner"; and that "such insurance reflects existing replacement costs and although the recovery of the full amount in the event of a total loss would result in a book profit, it is anticipated that the increase in construction costs would more than offset such profit." In such connection, it is to be noted that when compensation for vessels taken or used in the national emergency is mentioned in the Merchant Marine Act, 1936 (sec. 902 and related parts), the words "value" or "values" are employed. Nothing is found in that or any other act which authorizes the compensation of owners for their vessels, either in the form of insurance or otherwise, by the payment of values in excess of those prescribed by the act; namely, the costs of the vessels to the owners, plus improvements thereon, if any, and less depreciation to the time of their taking, as shown in and by Commission general order No. 24, which lays down that rule for determining "capital necessarily employed," and which is in line with the provisions of the act in respect of values. Mention of, and consideration given to, elements of values for commercial operation at the time of taking, profit to the owners, increased construction costs, and the like, appear clearly to be beside the points involved. Indeed, on the occasion of your recent appearance before the House Committee on the Merchant Marine and Fisheries, in the hearings on the Waterman Steamship Corporation matters, you stated, in substance, that the Merchant Marine Act, 1936, as amended, contemplates the payment of compensation for vessels taken and used on the basis hereinbefore stated, and without profit to the owners. Certainly the act authorizing the furnishing of war-risk insurance must be read and considered in connection with the Merchant Marine Act, 1936, as amended, and so read and considered, such acts appear to be susceptible only of the meaning hereinbefore ascribed to them.

Your further comment on these matters will be appreciated.

Sincerely yours,
LINDSAY C. WARREN,
Comptroller General of the United States.

Mr. AIKEN. It appears that the chairman of the Maritime Commission believes that insurance should reflect replacement costs rather than the actual value of the vessel.

In speaking of replacement costs it has been frequently said that it is necessary for the ship-operating lines to build up a very large reserve to take care of their needs during the post-war period, and to reconstruct their lines.

I should like to read from a copy of a communication from the secretary of the U. S. Maritime Commission to the Commission under date of December 22, 1941, so we may see what he thinks about the necessity for ship operators to build up great reserve funds for later use. I quote from the communication:

The argument has also been advanced that shipping companies should be treated leniently with respect to their earnings at this time in order that they may build up a financial position adequate to carry them through a probable deflation of shipping values in the post-war era. An analysis of the financial statements submitted by the subsidized operators as of June 30, 1941, indicates that this position has already been attained. The net worth of the 12 lines presently holding subsidy contracts has increased by $92,000,000 in the 4-year period from the inception of the subsidy program in July 1937. As their program for the replacement of old vessels with new construction involves 123 ships with an estimated cost of $184,000,000, these companies taken in toto, have covered in 4 years one-half the cost of a 20-year program. During this same period, dividends have been paid out in the amount of slightly over $13,000,000, and approximately this same amount has been set aside in the special reserve fund as subject to recapture by the Commission. Estimates of earnings during the remainder of 1941 revealed that an additional $30,000,000 will be added to the total net worth, so that approximately 70 percent of the cost of the entire replacement program will be available by the end of 1941.

Mr. President, what I have read is not my statement, or that of the Comptroller General; it is the statement of the secretary of the Maritime Commission to the Commission.

The fifth charge which has been made against the Maritime Commission is that it has approved charter rates which have resulted in excessively high profits being made by certain selected ship operators. Recently public attention has been focused on news dispatches setting forth the exorbitant profits indulged in by 19 ship operators as a result of the high charter rates paid to vessels making trips to the Red Sea during the spring and summer of 1941.

I wish to have inserted at this point in the RECORD an article containing a list of these ship operators, the value of the vessels employed, the amount of the charter hire, and the amount of profit, as appears in the news columns of the New York Times of March 24, 1943.

There being no objection, the article was ordered to be printed in the RECORD as follows:

SAYS CHARTER GAIN TOPPED SHIP VALUE—COUNSEL TO HOUSE MERCHANT MARINE GROUP TELLS OF LARGE PROFITS BY LINES IN 1941—$31,364,880 FOR 90 TRIPS—$26,874,176 NET WAS MADE BY 81 BOATS USED BY BRITISH ON LEND-LEASE FUNDS

WASHINGTON, March 23.—A congressional committee heard today a report from its counsel that privately owned merchant ves-

sels, chartered to the British Ministry of War Transport in 1941 to carry war supplies to the Red Sea, realized sufficient profit from a single trip to pay off, many times over, the total book value of the vessel.

In all cases, the committee was told, the charter hire was paid out of lend-lease funds.

James V. Hayes, general counsel, told a House Merchant Marine Subcommittee that 81 vessels made 90 trips to the Red Sea in the spring and summer of 1941 and collected a total of $31,364,880 in charter hire, of which $26,874,176 represented profits.

HIGH FIGURES NOT DISPUTED

Mr. Hayes said that the figures were obtained from reports filed with the Maritime Commission by the owners, and, so far as he knew, there was no dispute as to their accuracy.

The report showed that six American Export Lines vessels, valued at $232,350, made six trips, for which $1,724,912 was received in charter hire. Of this, it was shown, $1,572,144 was profit.

Other lines included:

American Foreign Steamship Corporation: Two vessels valued at $895,974; two voyages; charter hire, $634,116; profit, $481,128.

American Hawaiian Steamship Co.: 10 vessels valued at $478,532; 10 voyages; charter hire, $3,565,674; profits, $3,096,749.

American President Lines, Ltd.: Two vessels valued at $307,828; three voyages; charter hire, $1,181,643; profit, $814,242.

Atlas Trading Corporation: One vessel, value not given; one voyage; charter hire, $261,405; profit, $57,624.

Boyd, Weir & Sewell, Inc.: One vessel, value not given; one voyage; charter hire, $374,812; profit, $385,588, including profit on commercial return cargo.

Calmar Steamship Corporation: Seven vessels valued at $695,237; eight voyages; charter hire, $2,967,669; profit, $2,639,989.

Isthmian Steamship Co.: Six vessels valued at $1,589,581; seven voyages; charter hire, $2,554,540; profit, $2,529,292.

Luckenbach Steamship Co., Inc.: 10 vessels valued at $1,426,857; 12 voyages; charter hire, $4,608,456; profit, $3,879,729.

Lykes Bros. Steamship Co., Inc.: Four vessels valued at $187,208; four voyages; charter hire, $1,370,440; profit, $1,318,493.

Matson Navigation Co.: Four vessels valued at $238,779; four voyages; charter hire, $1,301,910; profit, $995,390.

McCormick Steamship Co.: Two vessels valued at $146,065; three voyages; charter hire, $942,641; profit, $743,516.

R. A. Nicol, agent: Six vessels; value not given; six voyages; charter hire, $2,066,206; profit, $1,662,681.

Norwegian Shipping & Trade Mission: One vessel; value not given; one voyage; charter hire, $418,967; profit, $367,230.

Shepard Steamship Co.: One vessel valued at $167,465; two voyages; charter hire, $621,513; profit, $498,554.

Sudden & Christenson: One vessel; value not given; one voyage; charter hire, $374,664; profit, $270,835.

The Union Sulphur Co.: One vessel; value not given; two voyages; charter hire, $671,808; profit, $364,558.

Waterman Steamship Corporation: Twelve vessels; 11 valued at $855,800; 1, value not given; 12 voyages; charter hire, $4,004,987; profit, $3,733,193.

Weyerhauser Steamship Co.: Four vessels valued at $1,037,189; five voyages; charter hire, $1,818,511; profit, $1,463,232.

Maritime Commission officials explained that the vessels were made available to the British to carry urgent war cargo to east African destinations from a pool of 2,000,000 tons of American shipping being assembled at the time through voluntary arrangements with the owners in the defense program.

DIRECT CHARTER CONTRACTS

The charters were entered into directly between the owners and the British Ministry of War Transport, and the Maritime Commission was in the position of approving the charter rates, although without legal power at the time to force a reduction. It was not until late in 1941, when the Maritime Commission obtained authority under the Ship Warrants Act to cause reductions in charter rates, and, by the spring of 1942, rates were stabilized at a reasonable level, they said.

Committee members asked why the Commission did not follow the alternative of requisitioning the vessels, but spokesmen for the United States Maritime Commission said such a step would only have frozen rates at their peak in the world shipping market.

When these charters were entered into, it was testified, ship operators were demanding, and getting, $1 a cubic foot in charter rates for commercial cargo on comparable voyages. Charter rates on early voyages to the Red Sea were on the basis of 75 cents a cubic foot below deck, and 60 cents a cubic foot for deck cargo that was actually carried. Later this was adjusted to 60 cents a cubic foot below deck, with no payments for deck loads.

When it became apparent, after several months of operation, that the shipowners' profits from the operation were completely out of line, Commission officials said, the lines were asked to agree to a voluntary adjustment and return of some of the profits. They agreed to "take the matter under consideration," they said, but, so far, nothing has been done.

Mr. AIKEN. Mr. President, I have no reason to doubt the accuracy of the information. In fact, I believe it is wholly accurate. It shows, for example, that the American Export Lines, had 6 vessels valued at $232,350 and received $1,724,918 in charter hire, and made $1,572,144 in profit. The article contains similar figures showing profit made by the other lines engaged in Red Sea shipping operations which, incidentally, were paid for out of lend-lease funds. It shows that the American President Lines—I believe that is owned 90 percent by the Maritime Commission—employed 2 vessels valued at $307,828, received $1,181,643 for charter hire, and made a profit of $814,242. The list continues. The names of 17 or 18 companies are set forth.

I believe it was more than a year ago that I first heard about the high profits which were made on the Red Sea charter trips, but I have never made any reference to it before. I have never made any accusations whatever of excessive profits on those trips. I realized at the time that the Red Sea was in fact, if not officially, a danger zone. If an investigating committee is looking for really excessively high charter rates I suggest that it examine the rates made for trips to India which I believe may show the Red Sea rates to be quite low in comparison.

The news dispatch in the New York Times to which I have referred states that Commission officials had asked the lines to agree to a voluntary adjustment and return some of the profits. In fairness to the Commission I will say that the charter rates have been reduced from the outrageously high figures which prevailed in 1941. But so far as attempting to recover any of the profits by voluntary means, or otherwise, the real situation is set forth in the letter from the Comptroller General to Admiral Land under date of October 9, 1942. That was as recently as last fall. In the letter I note that although these excessive profits were made during the summer of 1941, it was in September 1942 before the Maritime Commission seriously considered the possibility of recovering some of the profits and requested the advice and cooperation of the Comptroller General. It will be noted that the date to which I have referred was after publicity had been directed toward the shortcomings of the Maritime Commission.

I should also invite the attention of the Senate to the following quotation from Mr. Warren's letter to Admiral Land:

> Your attention is invited to 403 (c) of the act of April 28, 1942, Public, 528, which, in part, is as follows:
>
> "This subsection shall be applicable to all contracts and subcontracts hereafter made, whether or not such contracts or subcontracts contained a renegotiation or recapture clause: *Provided*, That final payment pursuant to such contract or subcontract has not been made prior to date of enactment of this act."

Mr. Warren's letter then proceeds to state:

> Many of the payments appear to have been made prior to April 28, 1942, the date of the approval of this act, supra.

The sixth reason why the Senate should not confirm the nomination of the Chairman of the Maritime Commission is that the Commission has permitted waste, extravagance, and incompetency to exist in shipyards over which it had full control. As an illustration of the unmitigated waste and extravagance permitted in shipyards under the control of the Maritime Commission, I call attention to the report on the investigation of the South Portland Shipbuilding Corporation by the House Committee on the Merchant Marine and Fisheries. The report is dated November 24, 1942. I recommend that each Senator read the report in full. It is a scathing indictment of conditions which were found existing at this yard. It gives to the Maritime Commission the single credit of having removed the old manager and placing a new one in charge; but the committee report states:

> Aside from that single contribution, however, it—the Maritime Commission—has done nothing to improve conditions at the yard other than to plead with the South Portland Ship for better performance.

The committee recommended cancelation of the South Portland contracts.

Mr. President, I should like to take about 2 minutes to read excerpts from the report made by the House Committee on the Merchant Marine and Fisheries concerning conditions in the South Portland shipyard. Here is one heading:

SOUTH PORTLAND SHIP'S POSSIBLE PROFIT

> The fees paid to South Portland Ship as of October 31, 1942, amounted to $450,000. These fees are, for all practical purposes, net earnings of South Portland Ship. Its total investment is $250,000. All costs and expenses incurred by it, including salaries of

officers, even $6,575 of the $10,000 salary paid to Mr. Newell, are being reimbursed to it by the Maritime Commission. It has already received a return on its investment of almost 200 percent. Under its contracts with the Commission it is to build 84 ships. Judging by its performance to date, its fees will not exceed $60,000 per ship, as on the ships built so far the penalties imposed for bad performance keep the fees at the minimum figure. Even at the minimum figure, however, its total fees will amount to $5,040,000, or a return of 2,000 percent on investment. This high return on investment must be considered in the light of the fact that South Portland Ship incurs no risk. Up to the present time it has financed its operations by short-term bank loans, a simple matter when one is enabled to borrow on the security of a Government contract. Incidentally, even the interest expense incurred on such loans is reimbursable.

That is reported by the committee. However, Hon. Lindsay C. Warren, Comptroller General of the United States, wrote to the Chairman of the United States Maritime Commission on January 7 of this year as follows:

JANUARY 7, 1943.

CHAIRMAN, UNITED STATES MARITIME COMMISSION.

MY DEAR ADMIRAL LAND: Examination of the accounts and records of various shipyards performing work for the United States Maritime Commission under cost-plus-fixed-fee contracts discloses that interest paid on borrowed capital by the shipbuilders is considered a. an item of cost and reimbursement made therefor, whereas it appears that the fixed fees were intended to cover interest on invested capital.

It is requested that this office be advised of authority for the reimbursement of interest as an item of cost under such contracts.

An early reply will be appreciated.

Sincerely yours,

LINDSAY C. WARREN,
Comptroller General of the United States.

So it appears that, in all probability, the law was again violated in permitting the South Portland Ship to include interest costs to be paid by the Maritime Commission.

I read another excerpt from this report. I should like to put it all in the RECORD, but there is so much of it that it would take up considerable space. However, I quote the following from the report:

Your committee conceives that it would not be doing its full duty if it merely reported the above facts and did not suggest a remedy. It is clear to your committee that to continue in force the existing contract with South Portland Ship would be to throw away millions of dollars needlessly. As indicated above, South Portland Ship has already received fees representing almost 200 percent of its invested capital. The contracts may be summarily canceled upon payment of fees earned to the date of cancelation. In the alternative the contracts may be terminated at any time without payment of fees when the contractor has failed to exercise due diligence. South Portland Ship has already received more than enough. There is ample cause, as recited above, for the termination of its contracts.

In a hearing held about a month ago, your committee suggested to the representatives of the Maritime Commission, including two of the members of the Commission, that the contracts be terminated immediately because of the failure of South Portland Ship to exercise due diligence in their performance. While the Commission members conceded freely that they were not satisfied with conditions at the yard, they demurred to the suggestion that the contracts be terminated, giving as an excuse that there is bad management in other yards, also.

There were minority views filed by one member of the committee, who, while he agreed with all the indictments of the majority of the committee, maintained that the report did not go far enough.

Mr. President, the cement-ship program, which has been partially exposed by the Truman committee, will take its place in history as a hideous joke on the American people. In excess of a hundred million dollars has been spent to construct ships which the Chairman of the Commission admitted he was not in favor of and which in all probability will never even be launched.

Mr. President, when the taxpayers of America scrape the bottom to bring up a few cents more of tax money, or take a little more of their earnings to purchase war bonds when they need the money for their families, how can we condone the reckless extravagance of the Maritime Commission in throwing hundreds of millions of dollars to the winds?

The last reason which I shall present to show why the nomination of the Chairman of the Maritime Commission should not be confirmed until a thorough investigation is made of the whole situation, is that it has allowed ships which it virtually owned by reason of the default of debtor corporations to go into private hands and then paid the new owners exorbitant prices for the same ships.

The Comptroller General presented a case of this nature to the Congress on June 10, 1942. It is the case of the Tampa Shipbuilding and Engineering Co. It is one report which the Committee on Expenditures in the Executive Departments managed to have referred to it, and which it had printed under date of June 29, 1942.

It is another sordid story of the Maritime Commission bailing out a bankrupt corporation and the R. F. C. Incidentally, it has bailed out the R. F. C. in more than one instance. It is a story of tricky financing which not even the most loyal personal friends of the Chairman of the Maritime Commission can defend. It is another story of a donation of $2,000,000 of the taxpayers' money. I will not go into detail, because the report is printed, and may be read by those who care to read it.

Mr. President, there is one other matter which perhaps I should mention at this time. In the program of shipbuilding, when contracts for tremendous sums were let all over the country, among the contracts were the contracts for a large number of ships to be built by the Higgins Co., in New Orleans. The Maritime Commission put something like $15,000,000 into the construction of facilities for this plant of the Higgins people at New Orleans. Last summer, I believe it was in July, the contracts were summarily ended by the Commission. The reason given was that there was a shortage of steel at that time, and that therefore it was not necessary to have the Higgins Co. construct ships.

There was much mystery connected with the cancelation of the Higgins contracts. The matter was gone into by a subcommittee of the House Committee on the Merchant Marine and Fisheries, and except for charging the Commission with permitting a great deal of waste of money at this place, I suppose it might be considered that the report cleared the Commission of any charge that they had unjustly canceled the contracts with the Higgins Co.

Last fall the American Federation of Labor also conducted an investigation into the cancelation of the Higgins contracts, because it appears that they too were concerned over the manner in which the contracts were canceled, and the reasons given therefor.

The report of the federation committee was never made public. I understand it was submitted to the White House, but it was not given to the public.

Yesterday I received a letter from the gentleman from New York, FRANCIS D. CULKIN, Member of the House of Representatives, which reads as follows:

HOUSE OF REPRESENTATIVES,
WASHINGTON, D. C., *March 29, 1943.*

HON. GEORGE D. AIKEN,
Senate Office Building.

MY DEAR SENATOR: I am sending you herewith a compared copy of the original federation report on the Higgins cancelation. It goes into the situation in detail and I think is a well-documented, factual report. Some of the matters, of course, are inferences.

I have been authorized by William Green, president of the American Federation of Labor, to release this in any fashion I see fit. I have held it until this time, thinking the proper opportunity would present itself. I think your issue on Admiral Land is an excellent time to make it part of the record.

You should know that the report was based on evidence and the committee spent considerable time investigating this under the direction of Charles J. Margiotti, former attorney general of Pennsylvania.

You are free to use it in any way you see fit. I will withhold any action until you have concluded your use of it.

With regards, I am,

Very sincerely yours,

FRANCIS D. CULKIN.

Mr. President, the report is quite bulky. However, I should like to read to the Senate about three or four pages of the report, including the findings and recommendations of the federation committee.

Mr. TOBEY. Will the Senator be kind enough to quote again the authority, and tell us whose report it is?

Mr. AIKEN. It is the report of the American Federation of Labor committee investigating cancelation of Higgins Co. shipyard and shipbuilding contracts.

Most of the persons concerned with this yard, and with the situation I am discussing, as I understand, appeared before the committee. I have not read the report in full, though I have read the conclusions. I understand the Honorable Donald M. Nelson, and other very prominent officials appeared before the committee.

I should like to read the last three or four pages of the report of the American Federation of Labor on the cancelation of the Higgins contract. I do not know whether the figures refer to sections or

paragraphs, but the heading of the one numbered VI, the first I shall read, is:

In asserting that a shortage of steel was the reason for the cancelation of the Higgins contracts the Maritime Commission selected an excuse that was without foundation in truth.

I now read from the report:

In the congressional investigations that followed the cancelation of the Higgins contracts on July 18, 1942, Admirals Land and Vickery asserted repeatedly that the primary reason for canceling the contracts was that there was a shortage of steel. To support this position they have frequently referred to a letter of July 8, 1942, sent to Admiral Land by Mr. Nelson. They didn't reveal to the public the contents of this important communication from the Chairman of the War Production Board. It was not until this committee studied those portions of the letter that referred to steel that the discovery was made that, instead of curtailing President Roosevelt's program, the letter gave Admiral Land the assurance that he would get all of the steel he needed for the shipbuilding program of 24,000,000 tons of ships ordered by President Roosevelt.

The amount of steel made available by the War Production Board in March 1942, when the Higgins contracts were let, was adequate for the building of 24,000,000 tons of ships. The same amount of steel was definitely assured by the War Production Board at the time of the cancelations. Admirals Land and Vickery were well aware of these facts.

At about the time Admirals Land and Vickery were contemplating the cancelation of the Higgins contracts, they made an unsuccessful effort to have the President's program increased 5,000,000 tons.

The Maritime Commission further knew that the President's program for 24,000,000 tons of ships to be built in 1942 and 1943 had not been increased.

Notwithstanding these facts, the Maritime Commission has made it appear to the American people that the President's directive or program called for 29,000,000 tons of ships, and that the War Production Board informed the Maritime Commission that the steel would not be available for such a program and that the cut in steel allotments forced them, reluctantly, to cancel the Higgins contracts.

Not only was this deception practiced on the public, but factual misrepresentations and concealment of material facts were resorted to by Admiral Land in his successful attempt to get Donald M. Nelson to approve the cancelation. Had Mr. Nelson known all the true facts he would not have given his approval.

The steel requirements for the Higgins contracts consisted of (a) fabricated steel for the facilities, (b) steel for the facilities equipment, and (c) steel plate for the 200 Liberty ships. There was no shortage and all steel had been allocated for these requirements. Bethlehem Steel had been given the structural steel order.

Over one-half of it has been so far processed that it had to be scrapped and the balance was available. The equipment for the plant was either finished or in the course of production, and that part unfinished or in the course of production and that part unfinished at the date the Higgins contracts were canceled was later finished and diverted by the Maritime Commission to other yards. The order for the 200 ships was divided among other shipyards, where the ships will be constructed, and the steel plate is available for their construction.

Admirals Land and Vickery, and Joseph W. Powell, all of whom were in a position to give this committee most enlightening information, refused to appear and testify. This committee finds that these refusals were made because these individuals feared their testimony would have resulted in disclosures harmful to them.

This committee cites with satisfaction the example of Donald M. Nelson, Chairman of the War Production Board. Mr. Nelson appeared personally before the committee, testifying for more than 2 hours. His frankness and knowledge favorably impressed this committee.

This committee further finds that the cancelation of the Higgins contracts did not occur because of a shortage of steel, or because of any other of the collateral reasons given by the Maritime Commission.

The only and real reasons for the cancelation were: (a) Favoritism toward existing conventional shipyards, many owned by large companies; (b) fear of competition that would result from mass production through unique assembly-line methods in shipbuilding; and (c) unjustified personal animosity toward A. J. Higgins, Sr.

RECOMMENDATIONS

This committee respectfully submits the following recommendations:

1. A shipyard, producing cargo vessels in mass production, by the Higgins assembly-line method, is vital to our war effort and should be built promptly by the Government.

2. Facilities at New Orleans should be completed by our Government and utilized immediately for the building of Liberty ships, faster cargo vessels, submarines, or other watercraft, or for the construction of giant cargo planes, tanks, or for some other equipment effective to the war effort.

Over a period of almost 4 months from the date of cancelation of the contracts, a large organization has been engaged at full speed in tearing down the facilities and equipment and removing them under orders of the Maritime Commission.

During the preparation of this report, this committee noted with satisfaction that while the dismantling was being carried on, it was announced in Washington that the War Production Board and United States Army Air Corps have planned the utilization of the New Orleans site for the manufacture of cargo planes.

It is the further recommendation of this committee that the entire 1,200-acre site and what remains of the facilities and improvements be utilized.

3. Andrew J. Higgins, Sr., and his organization have shown such outstanding ability to produce war equipment quickly and economically that they should immediately be brought into the war effort in a greater way.

This committee notes with satisfaction that Mr. Andrew J. Higgins, Sr., and his organization have been engaged by the War Production Board and the United States Army Air Corps to build 1,200 cargo planes. It is hoped that the energy and manufacturing ability of Mr. Higgins and his organization will be even further used in our war effort.

4. The actions of Admirals Emory S. Land and Howard L. Vickery, members of the Maritime Commission, and Joseph W. Powell, special assistant to the Secretary of the Navy, have been so detrimental to the general welfare of our country and our war effort that this committee recommends that such action be taken against them as the facts and circumstances warrant.

5. Immediate action should be taken to prevent the Maritime Commission and the Navy Bureau of Ships from placing personal prejudice and bias above our country's welfare.

6. Labor and small business should be given a greater share of the responsibility within departments and agencies of the Government where important decisions are made in our war effort. It is sincerely felt that if the experience and knowledge of labor and small business are utilized when important decisions are made, there will be fewer incidents, such as the cancelation of the Higgins contracts, to hinder our Commander in Chief, President Roosevelt, in our war program.

Respectfully submitted.

Robert Quinn, Henry J. Barbe, B. A. Murray, J. Harvey Netter, Alfred Chittenden, C. W. Owens, John Berni, Steve Quarles, E. H. Williams, E. J. Bourg, American Federation of Labor committee investigating cancelation of Higgins Corporation contracts; Charles J. Margiotti, committee counsel, Pittsburgh, Pa.; Sebastian C. Pugliese, associate counsel, Pittsburgh, Pa.; Donald B. Hirsch, associate counsel, Pittsburgh, Pa.

NOVEMBER 9, 1942.

That, Mr. President, is the summary of the report of the investigating committee of the American Federation of Labor on the cancelation of the Higgins contracts.

In presenting these facts to the Senate, most of which are substantiated by records from the Comptroller General's Office, and which certainly indict the United States Maritime Commission at least for negligence, I believe I have only scratched the surface of what is destined to become the most revolting scandal in the history of national expenditures.

Evidence which I have presented has been nearly all taken from official records. I have made no reference at all to the dozens of rumors and reports which have been coming to me during the last year relating to the affairs of the United States Maritime Commission.

If the evidence which I have presented to the Senate is not considered sufficient to warrant an impartial and fearless investigation of the Maritime Commission, then I do not know what would be required. The Comptroller General has made three official reports to the Congress alleging violations on the part of the Commission. Twenty-seven other investigations are in progress at this time, and reports will be made in connection with them soon. According to the Chairman of the Maritime Commission himself about $200,000,000 is now being withheld from the shipping interests at the insistence of the Comptroller General. The Truman committee has made astounding revelations having to do with shipping. The House Committee on the Merchant Marine and Fisheries has uncovered and exposed outrageous looting of the Treasury, which has gone on uncontrolled by the Maritime Commission. The looting is uncontrolled by the Maritime Commission. I do not mean that the Commission did the actual looting.

Mr. President, I believe the situation warrants impartial, courageous, and thorough investigation of the whole situation before we vote on the confirmation of the Chairman.

I have absolutely nothing against the Chairman personally, but if we do not hold him responsible I do not know who we can hold responsible for the conditions which we all know prevail. If we confirm, without question, the renomination of the Chairman of the Maritime Commission for a 6-year term without

any further investigation, we shall also be held responsible by the citizens of the United States.

Mr. President, it has been suggested to me that perhaps it is unfair to place in the RECORD the summary of the American Federation of Labor report on the cancelation of the Higgins contracts without placing in the RECORD the portion of the report which comes previously. I shall ask unanimous consent to have the whole report inserted in the RECORD. It is matter longer than I ordinarily would expect to insert, but it is not half as long as the material which was inserted in the RECORD the other day in defense of the Commission.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

REPORT OF THE AMERICAN FEDERATION OF LABOR COMMITTEE APPOINTED BY PRESIDENT WILLIAM GREEN TO INVESTIGATE THE CANCELATION OF HIGGINS CORPORATION SHIPYARD AND SHIPBUILDING CONTRACTS

INTRODUCTION

On March 18, 1942, the United States Maritime Commission entered into two contracts with the Higgins Corporation of New Orleans, La., to build a mass-production shipyard and to build Liberty ships. These contracts, from the standpoint of the United States in the present war, were of most vital importance. Every cent of the millions of dollars involved in these two contracts was taxpayers' money.

On July 10, 1942, the Maritime Commission, without informing the Higgins Corporation, called a special meeting and voted to cancel the contracts.

On Saturday, July 18, 1942, at about 11 a. m., notice of these cancelations was telephoned to the Higgins Corporation. This was the first notice it had in any form of the Maritime Commission's action taken more than 1 week previously.

The contracts entered into in March provided:

(a) For the construction of a shipyard at Michaud, in New Orleans, La., for the building of cargo-carrying ships by the assembly-line method.

(b) For the construction of 200 10,000-ton E C-2 type Liberty ships by December 31, 1943.

At the time of the cancelation the shipyard was about 40 percent complete and the Maritime Commission had committed itself to spend approximately $30,000,000, practically all of which had been spent.

More than 3,000,000 man-hours of labor had been consumed in the construction of the yards. Many millions of dollars worth of materials for both the yard and the ships were on hand. Many millions of dollars worth of materials and equipment for both the yard and the ships had either been manufactured and prepared for shipment or was in the process of production. Thousands of carloads and truckloads of materials and equipment for the plant and the ships had been sent over the already heavily burdened railroads and highways of our country to New Orleans. The monetary loss to the Government and to the public is staggering.

This shipyard had been widely publicized as the solution to the shipbuilding problem. The announcement of its cancelation because of an alleged shortage of steel had a most disheartening effect upon the morale of the people.

THE COMMITTEE

In recognition of the right of the American people to be informed accurately about the facts and circumstances surrounding the cancelation of contracts which they had been led to believe would play a most vital and effective part in winning the war, William Green, president of the American Federation of Labor, on September 23, 1942, appointed Holt Ross, southern district representative of the Laborer's International Union, to form and head a committee of representative labor leaders to seek the facts concerning the cancelations and to report their findings to President Green.

Chairman Ross appointed to serve on the committee the following:

As vice chairman, Robert Quinn, president, New Orleans Metal Trades Council; as secretary, E. H. Williams, president of the Louisiana State Federation of Labor; as committee members, John Berni, president, New Orleans Building and Construction Trades Council; E. J. Bourg, secretary of the Louisiana State Federation of Labor; Alfred Chittenden, president, International Longshoremen's Association, Local Union No. 1416; J. Harvey Netter and Monroe T. Stringer, Jr., representing the Colored Workers, American Federation of Labor; M. D. Biggs, representative, Seafarers' International Union; T. M. Freeman, special representative, Laborers' International Union, Gulfport, Miss.; Steve Quarles, president, New Orleans Central Trades and Labor Council; Henry J. Barbe, president, Ship Carpenters, Caulkers and Joiners, Local No. 584; B. A. Murray, vice president of the International Union of Bridge, Structural and Ornamental Iron Workers; and Claude Owens, Louisiana State business agent, Hoisting and Portable Engineers.

Charles J. Margiotti, of Pittsburgh, Pa., former attorney general of Pennsylvania, served as counsel to the committee, aided by two of his associates, Attorneys Sebastian C. Publiese and Donald B. Hirsch. Clyde B. Stovall, certified public accountant, Washington, D. C., served the committee in matters pertaining to accounting.

On Monday morning, September 28, 1942, the committee held in New Orleans, La., the first of a series of hearings and meetings which continued in New Orleans and Washington, D. C., including day and night and Sunday sessions until the date of the signing of this report.

Although this committee had no power of subpena, there appeared before it 26 witnesses, including high officials of Government, industry, and labor. There was also read to the committee and made part of the record, testimony taken before three committees of the United States Congress, namely:

1. The Senate Committee Investigating the National Defense Program, Senator HARRY S. TRUMAN, chairman.

2. The House of Representatives Subcommittee on the Investigation of the Higgins Contracts, Representative J. HARDIN PETERSON, chairman.

3. The House of Representatives Subcommittee on the Shortage of Steel, Representative FRANK BOYKIN, chairman.

This committee was aided by the appearance and testimony before it of Congressman Boykin, Congressman Peterson, and Hugh Fulton, Esq., attorney for the Truman committee.

This investigation included an attendance by this committee at a session of the Boykin committee in Washington.

The committee viewed the abandoned shipyard at New Orleans. It compiled a record of more than 2,000 pages of testimony and hundreds of exhibits.

The committee's report is based upon this record and a careful analysis thereof.

FINDINGS OF FACT

1. Circumstances leading up to contracts

When on December 7, 1941, the United States was attacked and forced into the present war, our Government was faced with the critical problem of speedily transporting men, equipment, and supplies to our own and allied battle fronts in all parts of the world. Our own forces and their brothers in arms of necessity must depend upon the United States to serve as the arsenal from which to draw an ever-increasing supply of the implements and materials of war. It is manifestly impossible for the United States to discharge this responsibility without a tremendous increase in its production of cargo ships.

President Franklin D. Roosevelt, aware of the necessity for "ships, ships, and more ships," acted promptly to meet the need, and in January of 1942 called for a cargo-ship building program of 16,000,000 tons, 8,000,000 tons for 1942 and 10,000,000 tons for 1943; but in February of 1942 the President created his "must" program of 24,000,000 tons of ships, 9,000,000 tons to be built in 1942 and 15,000,000 tons to be built in 1943. (Record, vol. A, p. 17.)

This was the greatest shipbuilding program ever launched in the history of any nation in the world. The facilities for building the ships to meet the President's "must" program were not available at that time, and the Maritime Commission, whose duty it was to see that the ships were built, was required immediately to devise means of fulfilling the President's directive. (Record, vol. B, p. 47.)

The Maritime Commission surveyed all existing shipbuilding facilities in the United States, and after calculating their capacity at that time and the capacity after maximum expansion, concluded that existing facilities would be insufficient to meet the President's program. At that time the annual capacity of existing yards to build ships was only five to six million tons. (Record, vol. A, p. 14.)

The Maritime Commission proposed to meet the President's "must" program through the construction of a standardized ship, the Liberty ship, to be produced in new shipyards, and through expansion of existing shipyards. (Record, vol. B, p. 7.)

Testimony given by Admiral Emory S. Land, Maritime Commission chairman, shows without a doubt that the decision to build cargo vessels by the Higgins assembly-line production method was a result of the desperate situation at the time, and that the Maritime Commission decided that the only way it could comply with the President's directive was to take advantage of the Higgins unique and speedy method. In the words of Admiral Land, they went to Higgins as the court of last resort. The adoption of the Higgins method and the building of the Higgins shipyard was conceived and initiated by the Maritime Commission. (Record, vol. B, p. 56.)

Rear Admiral Howard L. Vickery, one of the Maritime Commissioners, visited shipbuilders throughout the United States in an effort to stimulate production and to expand shipbuilding facilities. Sharing with others a high opinion of Andrew J. Higgins, Sr., and of his unique method of building boats by the assembly-line production method, faster and cheaper than anyone else in the United States, he solicited Mr. Higgins to engage in the construction of cargo ships by his assembly-line production method and finally persuaded and "needled" him into acceptance of the contracts to build the Higgins shipyard and an initial 200 Liberty ships. (Record, vol. B, p. 7.)

2. Andrew Jackson Higgins, Sr.

The president of Higgins Corporation is Andrew Jackson Higgins, Sr., who, as president of Higgins Industries, Inc., enjoys an excellent reputation with the United States Army, Navy, Coast Guard, Maritime Commission, England, and many other friendly foreign governments as a designer and successful builder of small boats, marine equipment, and armaments. At the time the contracts in question were awarded, Higgins Industries, Inc., had contracts with the Army, Navy, and Allied Nations for the construction of invasion boats, tank lighters, troop-carry-

ing lighters, and torpedo boats totaling approximately $40,000,000.

Admiral Vickery, testifying before a congressional committee, had the following to say about Mr. Higgins and his shipbuilding methods:

"His shop down there was one of the best-run shops I have seen, and his method there was exceptionally good. They were small vessels. The man had a great deal of kinetic energy. We have gone through shipbuilding managements, and there was good shipbuilding management there, and what they were doing at the time was good management which could actually operate on large operations, and we had standardized the ship." (Record, vol. B, pp. 6–7.)

Admiral Land, Chairman of the Maritime Commission, testifying before a congressional committee, had this to say about the Higgins invasion-boat-building ability:

"As I say, we initiated the idea with Mr. Higgins because of his boat-building capacity, his record with the Army, Navy, and Coast Guard, and with ourselves, for he had built barges and Eureka boats for the Maritime Commission. * * * He has lived up to what he promised to do and in some cases I think he beat the time * * *." (Record, vol. B, pp. 55–56.)

John M. Carmody, another member of the Maritime Commission, in a speech delivered in New Orleans May 22, 1942, and which he said he wrote with "my own little pencil" (record, vol. 11, p. 25), had the following to say about Mr. Higgins and his Liberty shipbuilding program:

"It is here, Mr. Higgins, that your genius pierces the dark clouds of doubt about production. You and your colleagues at Higgins Industries have shown the way. Your boats are already known around the world.

* * * * *

"But you are not done. You have only begun. You have taken on a new job, a big job, the biggest shipbuilding job of all time in one yard. We think you can do it. We think the fundamentally sound principles of progressive manufacture which the Higgins organization has adapted to boat building and applied so successfully can be expanded to cover the 10,000-ton cargo ships now under contract.

"What you do here may well mean the difference between success or failure on far-flung fronts where the edge is with the side that has supplies—enough and on time." (Exhibit 15, pp. 4–5–11.)

Donald M. Nelson, Chairman of the War Production Board, making his first appearance before any congressional or other group investigating the cancelation of the Higgins contracts, appeared before this committee and had the following to say concerning Mr. Higgins and the necessity of bringing him into the war effort in a bigger way:

"I think he is a man of great enthusiasm, great push as a manufacturer, the type of man I want to see tied up with this program." (Record, vol. 31, p. 7.)

"I admire Mr. Higgins' ability and want to see him do something in this war effort. In my estimation, we have to find the way to bring him more and more into the picture." (Record, vol. 31, p. 20.)

"As I told you, I want to see Mr. Higgins brought into this picture in a big way. I assure you we want to utilize this man's manufacturing ability; his drive, his go-getting spirit and desire to do something to further the war effort, which I think is an intensely patriotic desire, which I personally want to see utilized." (Record, vol. 31, p. 29.)

"One of the reasons in my wanting to see Mr. Higgins brought into this program in a bigger way, and it might be of greater value to our airplane program and more important to the Nation than ships, is the relationship that obviously exists between Mr. Higgins and organized labor. Certainly in war effort, the more cooperation you have between labor and management, the greater production will be. I have seen it all over the country. Show me the plant where relations are good between labor and management, there is a feeling of cooperation through the right kind of relationship, and I will show you the plant that produces more all of the time." (Record, vol. 31, pp. 30–31.)

From these and other witnesses, this committee finds that Andrew Jackson Higgins, Sr., is a man of unusual and resourceful ability; that he is possessed of great energy; that his loyalty to his country and his interest in its welfare are beyond question. The record is replete with evidence of his unselfish and patriotic generosity. For example, he has, without profit, released to our Government, and to our allies, many valuable patents and devices. Even since the cancelation of the Liberty ship contracts, he had certain other contracts reopened, voluntarily reduced the price, and unsolicited, refunded $479,000 to our Government. (Record, vol. 7, p. 15.)

On another occasion, after filling an order for boats for the Government of Great Britain, he not only personally donated an ambulance to that Government but also gave them an unsolicited and voluntary refund of $38,700. (Record, vol. 7, p. 12.)

As a further recognition of the excellent contribution Mr. Higgins has made toward the war effort, on September 13, 1942, the Army-Navy E was awarded to Higgins Industries, Inc., another Higgins-managed war industry.

No witness before this committee, or the three congressional committees, questioned the ability and resourcefulness of Mr. Higgins as a builder of boats and ships, but on the contrary it was the opinion of all the witnesses that Mr. Higgins could have and would have constructed the yard and the ships successfully as required by the contracts and with great economy to the Government.

There was no question about the progress of the shipyard nor could there be any, since the yard was about 40 percent complete at the date of the cancelation of the contracts—4 months after they were made—and it was admitted by Admiral Land (record, vol. B, p. 76) that it usually required a year to construct a shipyard. The Higgins schedule provided not only for building the yard within the year following signing of the contracts but it also provided for the launching of 17 of the 200 ships within that period.

3. Higgins foregoes profit

While it is customary to charge contractors' fees, averaging about 3 percent of the gross amount expended in plant construction, Mr. Higgins contracted to build the Higgins shipyard for a flat fee of $2 for the corporation and took for himself a salary of $1 a month.

This unusual saving to the Government, based on an approximate cost of the facilities of $45,000,000, would have amounted to $1,350,000. (Record, vol. 8, pp. 14 to 18.)

Although the contract profit on the 200 Liberty ships ranged from a minimum of $60,000 to a maximum of $140,000 per ship, Mr. Higgins offered to fulfill the contract to build the approximately 2,000,000 tons of ships without profit to himself, or his company, and renewed that offer during his testimony before this committee. By this patriotic gesture on the part of Mr. Higgins, the Maritime Commission could have saved the Government a cost ranging between $12,000,000 and $28,000,000. (Record, vol. 9, pp. 2 and 13.)

4. The contracts

According to the testimony of Admiral Howard L. Vickery and other members of the Maritime Commission, given before a Congressional committee, Andrew J. Higgins, Sr., did not solicit the contract. (Record, vol. B, p. 7.) As a matter of fact, the subject was first mentioned by Admiral Vickery to Mr. Higgins in February 1942, at which time Mr. Higgins was reluctant to enter into such contracts. (Record, vol. B, p. 7.)

Admiral Vickery testified:

"At first Mr. Higgins was not very much interested in it, but at the end of the talks, why I think I got a little under his hide because I questioned his ability as to whether he thought he could do it or not, whereupon he took the bit in his teeth and found he could do it." (Record, vol. B, p. 7.)

Admiral Land testified:

"Admiral Vickery is responsible more than any other man in the United States for getting Mr. Andrew J. Higgins in this business. He was aided and abetted by me." (Record, vol. 34, p. 26.)

"We got him into it." (Admiral Land, Record, vol. B, p. 67.)

When asked by the committee whether Mr. Higgins had been solicited by the Maritime Commission to take the shipyard and Liberty shipbuilding contracts, Mr. Donald M. Nelson replied:

"Yes, not only solicited, but had to apply considerable pressure to take the contract. They stated he didn't want it. They felt quite good—in fact, we all did—getting a man like Higgins in the picture." (Record, vol. 31, p. 12.)

Great success in building small boats was achieved through Higgins Industries, Inc., which is still operating several plants, employing about 10,000 persons.

Upon the request of the Maritime Commission, a new corporation, the Higgins Corporation, was formed, and on the 13th day of March 1942, Higgins Corporation and the United States of America, represented by the United States Maritime Commission, entered into a contract by which the Higgins Corporation was to erect the shipyard according to plans and specifications approved by the Maritime Commission.

A second contract was entered into at this time between the Higgins Corporation and the Maritime Commission under which the Higgins Corporation was to complete 200 Liberty ships by the end of December 1943.

The entire cost of the shipyard and the ships was to be paid out of Government funds by the Maritime Commission. This included the purchase of a 1,200-acre site, labor, materials, equipment, and all other expenditures.

The Higgins Corporation was a new firm, and the Maritime Commission requested that Mr. Higgins place the guaranty of the long established and financially sound Higgins Industries, Inc., behind the Higgins Corporation obligations. Against the advice of his own attorneys, Mr. Higgins did this.

The Higgins plans and specifications, as approved, were termed by the Maritime Commission as unique in world shipbuilding practice. (Record, vol. B, p. 87.) They comprised, in principle, an adaptation to the construction of ships of the progressive manufacture or assembly line method, whereas, every other shipyard in the country was using an old-line or conventional keel-laying method of construction.

The Higgins plan was based upon the lessons learned by Higgins and many others in the field of mass production. It included, particularly, an application of the same methods that had made the Higgins small boat building activities spectacularly successful.

Instead of following the traditional plan under which one ship must remain stationary on a way and be built from keel to finished hull and launched before construction of another ship can be started, the Higgins plan was such that 32 ships would be under simultaneous construction.

This revolutionary result was to have been achieved by utilizing an area sufficiently large to enable the establishment of construction units which would specialize on the separate building of 8 complete and equipped sections

of the hull. The most involved and difficult part of the Liberty ship to build and equip is the midship section. This section contains the major part of the ship's machinery. Under the Higgins plan, the midship section would have been the first to be completed. The section would then have been rolled out onto a track along which it would have progressed past manufacturing sites of the other seven sections of the ship, each completed section in turn being brought out onto the track and welded in place. At the end of the line, there would have been a finished hull. There would have been four parallel tracks of this nature, each 6,400 feet long, and terminating in a launching lock. From the lock, the ships were to be lowered by a flotation method into a channel, thence transferred to outfitting slips where previously built superstructures and final fittings were to be put in place. The superstructures, having been entirely completed before arrival of the hulls in the outfitting slips, were to be placed in position in one operation through the use of giant cranes.

All of the plates, all of the structural parts, were to be handled in standardized sizes by workmen who would specialize on confined operations, a practice leading to great increase in efficiency and production speed as proved in many other mass-production lines, as well as in the Higgins small-boat-building operations.

Although, since the Kaiser and Higgins contracts were let, there has been a reduction of cost and savings in labor in the old-line shipyards of the country, the average labor required to build a Liberty ship in these conventional yards is still above 500,000 man-hours. The best in other yards, to date, has been 450,000 man-hours, claimed by Kaiser.

It is significant that the shipyard achieving one of the best Liberty shipbuilding records in the Nation is managed by Henry Kaiser, a man who claims that he never saw a ship launched before 1940, and who had had no experience of any kind in shipbuilding construction before that date.

On the other hand, the Higgins organization had accomplished spectacular mass-production results in boat building by the unique Higgins assembly-line method. Had the Higgins method been applied to the construction of Liberty ships at the Higgins Shipyard, the records of all shipyards, including Kaiser's, would have been beaten by large margins.

Under the Higgins plan, the man-hours required to build a Liberty ship would have ranged from 274,000 each for the first few ships, down to 230,000, or less, each when the yard got into full production. On the basis of an average labor cost of $1 per hour in shipbuilding plants, the Government would have saved in labor costs alone on these ships at least a quarter of a million dollars on each vessel launched. The Higgins shipbuilding contract, therefore, had it been permitted to go to its proper conclusion, would have saved the Government at least $50,000,000. Such a saving on the initial 200-ship order would have more than paid for the construction of the shipyard.

Although this committee has pointed out the monetary advantages of the Higgins plan, it is well aware that of even more importance is the necessity for reducing the demands upon the country's dwindling supply of skilled labor. Mr. Donald M. Nelson, testifying before this committee, said (record, vol. 31, p. 25):

"Manpower will get more critical than the critical materials, and they may be the same ultimate factor in our program as critical materials themselves."

The rapidity with which this yard could have launched ships is admitted by every witness who testified on this subject before this committee and is denied by no testimony taken either at this committee's hearings or at the various inquiries conducted by congressional committees.

The Liberty ship production rate at the Higgins yard after it reached full production would have ranged from 1½ to 2 ships per day, a rate far in excess of any shipyard now existing in the world. At the rate of 60 ships per month, the Higgins shipyard could have launched far more in 1 year than have been launched by all other Liberty cargo-ship yards of the United States in the past 12 months. It has been pointed out that the savings on construction of Liberty ships would be at least $250,000 per ship, and that the Higgins yard could have built 2 ships per day, or 720 ships per year. If the Higgins plant had been completed, the ships constructed by the Higgins method would have saved our Nation $180,000,000 annually.

The evidence before this committee establishes conclusively that no shipyard in the country could have competed in cost, speed, or labor savings with the Higgins yard. When asked by the committee whether any plant in the world could compete with the Higgins rate of 230,000 man-hours per ship Mr. Donald M. Nelson replied, "No; I don't know of any that could compete with them. Mr. Kaiser figures he will get it down in the 300's some place." (Record, vol. 31, p. 24.) Mr. Nelson also stated (record, vol. 31, p. 38) that the Higgins yard and the Kaiser yard together could have produced the entire 15,000,000 tons of shipping ordered by President Roosevelt for the year 1943.

Other appraisals of the Higgins shipyard follow:

"* * * In my judgment, the operation would be entirely successful and would probably yield very good returns in the number of ships delivered." (Admiral Vickery, record, vol. B, p. 8.)

"I think this would be a very successful operation; quite a startling operation." (Admiral Vickery, record, vol. B, p. 28.)

"I will tell you it is revolutionary * * *." (Admiral Land, record, vol. B, p. 78.)

"The Higgins method is the most unique type of ship construction that has ever been tried in the history of the world." (Admiral Land, record, vol. B, p. 87.)

"I was persuaded that it was an efficient operation. I felt from what I saw there and from what I had seen in other yards that while the new yard would be a very large yard and the production unique, the production system unique, that there was no occasion for worrying about the ability of the Higgins organization to do the job." (Commissioner John M. Carmody, record, vol. 11, p. 10.)

5. The Higgins shipyard

The basic need for success of the Higgins plan was sufficiency in area for the facilities. The Maritime Commission purchased a 1,200-acre tract at Michaud, bordering the Louisville & Nashville Railroad and U. S. Highway Route 90. The site is about 12 miles north of the city proper of New Orleans, La. The cost of this land was $178,000, which was considered nominal in comparison with the cost of other available and suitable sites in that area.

This tract was more suitable for the purposes intended than any other site in the New Orleans area. The surface, in relation to sea level, was approximately 9 feet higher than the city proper of New Orleans. The subsurface conditions provided firmer footings nearer the surface than other locations in the New Orleans area. Engineering studies, approved by the Maritime Commission, resulted in the decision to raise the surface level of the tract 5 feet. Plans called for the construction of a service canal approximately 11½ miles long, part within and part without the site. This canal would have become an important link in the intracoastal canal system, providing the shipyard with two outlets to the sea. Dredging of the canal provided sand for the fill required. The projects of dredging the canal and raising the surface level of the site were combined and, as the material was dredged from the canal, it was distributed by the same dredges to places where needed to raise the surface level of the site. More than 30,000,000 cubic yards of such fill were moved in that manner and the result is that the site has been improved to such an extent that it can be readily utilized for almost any kind of industrial activity. Only about 2,000 feet of the canal dredging operation remained to be done in order to connect it with the industrial canal. The inland location of the plant was strategically ideal in its freedom from attack by any type of naval gunfire.

Following the general construction practice in the Gulf area, arrangements were made to provide, by means of pilings, adequate foundation for the shipbuilding facilities on the site. Orloff Henry, one of the outstanding construction engineers in the Nation, was in charge of this phase of the work.

Mr. Henry testified before and illustrated to this committee that the foundation conditions at Michaud were equally as good as, and in many respects better than, the subsurface conditions under buildings in New Orleans ranging up to 18 stories in height. Some of the largest of these buildings were built on foundations constructed under Mr. Henry's supervision. He told this committee of his experience in the construction of other shipyards in this country, and that the Michaud site was as good as, and in many respects better than, the sites of these other yards. Included among these yards are those in the Gulf area which are now building Maritime Commission ships. (Record, vol. 21, pp. 15–26.)

Mr. Henry related that he had consulted with the nationally eminent engineering firm of Modjeski & Masters, of Harrisburg, Pa., and had them examine and test the substrata of the site. The report of this engineering firm (committee's exhibit 21) establishes beyond any doubt that the foundation conditions at the site were suitable for any type of industrial activities. Admiral Vickery (record, vol. B, p. 11) described the foundation as good as "100-percent rock." Commissioner Carmody (record, vol. 11, p. 13), after inspection and study, approved the suitability of the site.

There was never any doubt on the part of the Maritime officials or others that the engineering at the plant was of high quality. Admiral Vickery stated, "I was quite impressed with the engineering of the plant that had been done. He (Higgins) had planned the job well. It was well engineered. I think he would have done better than I had expected and not as well as Mr. Higgins had expected, but between the two somewhere in our judgment on it."

"I think the facilities went along pretty well. They are quite well engineered. I think he did very well. On the driving of piling, which is an enormous job, he has had bad weather conditions down there, but I would say he has gone along quite satisfactorily." (Record, vol. B, p. 40.)

A most impressive concentration of engineering ability was to be found on duty at the Higgins yard. A list of these eminent men and an outline of their qualifications appear in committee's exhibit 4, pages 11 to 18, inclusive.

After the Higgins contracts were let, 89,366 piles were received at the Michaud site. These piles were shipped from various points, including Alabama, Louisiana, Mississippi, Texas, Oregon, and Washington. These piles ranged from 30 to 60 feet in length and cost approximately $22 each delivered at the Michaud site—22,291 were driven at an additional cost of approximately $25 per pile.

After the cancelation of the contracts, 2,461 of these piles were disposed of by Higgins Corporation to other purchasers. The remaining 64,614 piles were left lying on the ground at the site where they were viewed by this committee on September 28. Engineers reported that the unused piles were rapidly deteriorating as a result of being exposed to the weather.

At the time of the cancelation, a large number of steel-reinforced concrete footings had been completed.

Of the estimated 27 miles of railroad track needed within the site, about 3 miles had already been completed. Materials for construction of the additional 24 miles of track were on hand or had been ordered. It was expected that the entire trackage would have been finished within a short time. A steam locomotive and a large number of flat cars had been delivered for use on the plant's railroad. Hundreds of huge trucks, about 100 huge busses, dozens of cranes, and large numbers of heavy and light tools and equipment had been delivered to the Higgins Corporation and were on the site. Huge quantities of both heavy and light electrical equipment and many thousands of feet of electric wire and cable had also been delivered.

All but 2,000 feet of the 11½-mile canal, heretofore referred to, is ready for navigation. This waterway runs to depths of 30 feet and widths of 100 feet. Three and one-half miles of waterway 30 feet deep and 750 feet wide, bordering the site on two sides, had been completed. This made a total of 11½ miles of waterway, 11 miles of which were completed. To accomplish this task, seven hydraulic dredges and four clamshell dredges were assembled—making one of the largest concentrations of such equipment in history, greater than the amount of that type of equipment used in the construction of the Panama Canal. This unusually large concentration resulted from Mr. Higgins' desire to build the facilities with the utmost speed.

Particular attention should be given to the committee's exhibits consisting of a series of photographs showing the magnitude and the progress and operations at the site. These photographs are hereto attached and made a part of this report.

The committee's exhibit of a plot plan is also hereto attached and made a part of this report. The plan shows the lay-out of buildings, waterways, railroads, highways, and other facilities.

In addition to the unsalvageable cost of the Higgins Corporation pay rolls, there was lost also the cost of thousands of man-hours put in by officials and employees of the Maritime Commission, the Army, Navy, War Production Board, Federal Housing Administration, United States Engineers Corps, War Manpower Commission, Work Projects Administration, United States Employment Bureau, New Orleans Canal Board, Louisiana State Highway Department, and other Federal, State, and municipal bodies. There was also lost an incalculable number of man-hours through operations by the Bethlehem Steel Co. and numerous other vendors of materials and services, including railroads, power companies, and other utility service organizations.

Orders and commitments for the materials at the shipyard reached a total of $30,000,000. (Record, vol. 28, p 19.) The Maritime Commission's regional director at New Orleans, L. R. Sanford, testified before this committee that in his opinion the unrecoverable loss would be $11,000,000. (Record, vol. 14, p. 8.) Admiral Land testified before a congressional committee that his estimate of the unrecoverable loss was a maximum of $15,000,000 and a minimum of $10,000,000. (Record, vol. B, p. 57.) These figures do not include the loss sustained by the Government through shipping hundreds of carloads of ship materials into and out of the Higgins plant, nor the loss from the resale of same.

The huge collateral losses sustained by private individuals and firms as a result of the cancelation of the Higgins contracts cannot be determined with any degree of accuracy.

The Louisville & Nashville Railroad doubled about 12 miles of its track from the city of New Orleans to the site for the purpose of facilitating its service to the plant. Telephone, power, and other utilities acted rapidly so that when the plant started the needed facilities would be ready. More than $50,000 was spent by the New Orleans Public Service Corporation on power facilities.

New Orleans merchants, anticipating an increase of residents to the community, stocked up with merchandise, and on account of the cancelation of the contracts sustained heavy losses. Real estate and other ventures were numerous. Tragic losses were sustained by many families who sold their homes in other parts of the country to come to New Orleans and purchase homes there in anticipation of aiding in what promised to be a vital contribution to the war effort.

Huge tonnage of steel was wasted by the cancelation. Twenty-nine thousand tons of structural steel was ordered for the plant from the Bethlehem Steel Co., nearly all of which had to be specially fabricated. At the time of the cancelation 15,443 tons of this order had either been fabricated or was well along on its way toward completion.

The Bethlehem Steel Co. has filed a claim with the Maritime Commission for over three-quarters of a million dollars on account of the above-mentioned 15,443 tons of processed steel. The steel company in setting up its claim reported that the entire amount of 15,443 tons was scrapped.

The Maritime Commission wasted the Government's money in expenditures between July 10 and July 18, 1942. As heretofore reported, on the former date the Maritime Commission voted to stop the Higgins project. For 8 days it permitted the Higgins Corporation to work at full speed and continued to ship materials for the plant and for the building of the ships to the site. This expenditure is estimated at approximately $1 500,000. Admiral Vickery told Donald M. Nelson, the Chairman of the War Production Board, of this, describing it as a slip-up on his (Vickery's) part. (Record, vol. 31, p. 22.)

The conduct of the Maritime Commission in this matter contrasts sharply with the efficiency and progress made by the Higgins Corporation in New Orleans. Typical of the foresight, speed, and energy which characterized his activities, Mr. Higgins put more than 1,000 men to work clearing brush on the site the night before the contract was signed. From the very outset of the project the only delays that occurred were those occasioned by agencies outside and independent of the Higgins organization.

The worst delay was related to the subcontract involving the construction firm of Brown & Root, Inc. For several weeks the construction of the facilities was proceeding speedily and satisfactorily under the supervision of Mr. Higgins until Brown & Root, Inc., took charge of the construction work. The employment of this Houston, Tex., concern followed a recommendation and suggestion made by J. L. Baker, assistant chief engineer of the Maritime Commission in the Gulf Coast Region. Mr. Baker had full power of approval and rejection over all Higgins Corporation activities and expenditures. On the day following Mr. Baker's suggestion the heads of this Texas company appeared in New Orleans and were introduced to Mr. Higgins by Mr. Baker. They represented that they had an ample supply of pile-driving equipment and an efficient organization available for the Higgins project. Mr. Higgins was induced to employ this corporation. Brown & Root, Inc., proposed a supervisory fee for themselves of $400,000 and, in addition, proposed a contract that would provide that the Government pay the salaries and wages of all employees, pay for the rental of all equipment, and the cost of all material. After receipt of this proposal, Mr. Higgins requested the Maritime Commission to limit the supervisory fee to $250,000. The Maritime Commission limited the fee in accordance with Mr. Higgins' request and Brown & Root, Inc., agreed to accept the contract at the reduced fee.

The record abounds with the testimony of witness after witness including Maritime Commission officials, to the effect the subcontractor produced neither the organization nor the equipment it represented it possessed. This failure resulted in delays and increases in construction costs. Witnesses charged that Brown & Root, Inc., was grossly inefficient and negligent and that in certain instances construction progress on the project was delayed by the apparently obstructive tactics of Brown & Root, Inc. This firm was and still is the recipient of many millions of dollars' worth of Government work, including work for the Maritime Commission. This committee has been informed that the performance of Brown & Root, Inc., on other Government projects has been satisfactory.

In addition to the difficulties hereinbefore cited, Brown & Root, Inc., had such poor and troublesome relations with its employees that it became necessary for Mr. Higgins to intercede personally in order to prevent a complete cessation in the work.

About 4 weeks before the cancelation of the Higgins contract, Mr. Higgins began complaining to Brown & Root, Inc., about the unsatisfactory manner in which it was performing its work. These complaints terminated in the cancelation on July 16 of the Brown & Root contract. Only 2 days later the Maritime Commission notified Mr. Higgins that they had canceled their contracts with the Higgins Corporation. Brown & Root, Inc., agreed to the cancelation of its contract. Complaints against Brown & Root, Inc., had been registered not only by Mr. Higgins but also by officials of the Maritime Commission and these complaints indicated the likelihood of the cancelation of the Brown & Root, Inc., contract.

The cancelation of the Brown & Root, Inc., contract was made with the full approval of the Maritime Commission. The Higgins Corporation, with the approval of the Maritime Commission, thereupon undertook to complete construction of the shipyard.

The Higgins shipyard was not limited to the building of Liberty ships. This yard could easily be used for the construction of larger and faster vessels. The plant was so designed that it could manufacture submarines, invasion boats, tanks, or planes. Its flexibility was particularly advantageous because of the slight cost required for conversion from the manufacture of one product to another.

The plant was not one of the war baby variety. It could have served as a most economical and efficient repair yard. The facilities could have handled for repair purposes 12 large ships per day in and out of the water.

For the first time in the Nation's history, the United States would have possessed a shipyard capable of competing with the low-cost yards of other countries. Instead of going abroad for merchant ships, American interests would have been able to purchase ships at home for less money and those ships would have been built by American workmen, receiving American standards of pay.

6. Events leading to cancelation

Maritime Commissioners Admirals Land and Vickery repeatedly have told congressional committees that a letter of July 8, 1942, from Donald M. Nelson, Chairman of the War Production Board, was the basis for their action on July 10, 1942, when they voted to cancel the Higgins contracts. Your committee finds that L. R. Sanford, the Commission's regional director at New Orleans, started an inquiry into the conditions at the Higgins project on July 4, 4 days prior to the War Production Board letter. By July 6, Mr. Sanford had called before him Frank Higgins, general manager of Higgins Corporation; Carl Bauer, the corporation's vice president; and Walter Moses, the chief engineer. These men and their staffs were summoned and each group was questioned separately by Mr. Sanford who was then preparing to go to Washington to meet with the Commission. Mr. Sanford's inquiry went into progress made at the plant, costs, conditions, and many other phases of the project.

On the morning of July 10, 1942, Mr. Sanford conferred with Admirals Land and Vickery in their offices in Washington, D. C. and reported to them concerning his inquiry. On the afternoon of the same day, the Maritime Commission held a special meeting at which were present only the five Commissioners and Mr. Sanford. It was at this meeting that the Commission voted to cancel the Higgins contracts. (Record, vol. 13, pp. 18–19.)

On or about July 7, Mr. Donald M. Nelson attended a meeting concerning steel at the office of the Secretary of the Navy. This was followed immediately by a conference between Mr. Nelson and the chiefs of staff after which it was decided to maintain the shipbuilding program as scheduled by President Roosevelt. This definitely included the President's "must" order for 24,000,000 tons of ships to be built in 1942 and 1943 by the Maritime Commission, which was the same "must" program of the Maritime Commission that existed when the Higgins contracts were awarded. Mr. Nelson and Admiral Land left the meeting together by automobile. It was during this trip that Admiral Land asked Mr. Nelson for more steel, not to meet the President's directive, but to pile up a higher inventory and supply of steel in yards. (Donald M. Nelson, record, vol. 31, p. 5.)

Mr. Nelson's version of this conversation is as follows:

"I drove Jerry Land down and he got off at the Department of Commerce, still talking about steel plate and the fact that he would like to have more, because he thought he could get greater production if he had larger inventory, backing up the inventory in these yards."

Either that evening, July 7, or the following evening, Admiral Land telephoned Mr. Nelson and told him that facilities existing before the Higgins contract awards were sufficient to build the tonnage ordered by the President and asked his approval for the cancelation of the Higgins contracts. Admiral Land represented to Mr. Nelson that if the Higgins contract was canceled, 58,000 tons of steel to be used in building the plant facilities could be saved and in addition, steel that went into the equipment could also be saved. Admiral Land did not advise Mr. Nelson of the extent of the progress of the work nor that the Maritime Commission had already committed itself in plant facilities to an expenditure of almost $30,000,000, and that approximately $25,000,000 had already been expended. Relying upon the accuracy of the representations made by Admiral Land, Mr. Nelson gave his approval to the cancelation of the Higgins contracts. (Record, vol. 31, p. 6.)

On July 7, before any letter was written by Mr. Nelson to the Martime Commission, Admiral Vickery told Mr. Higgins that the facilities would cost more than had been anticipated and that it would be necessary to cut the fee that the Higgins Corporation was to receive, on building 200 ships, in order to take care of the increased cost in building the facilities. Mr. Higgins assured Admiral Vickery that he did not care anything about the fee and that it was perfectly all right for Admiral Vickery to cut the fee to anything that he, Admiral Vickery, saw fit. (Record, vol. B, p. 17.)

The letter of July 8, 1942, referred to by Admirals Land and Vickery as the basis for cancelation of the contracts, instead of being a notice that there was a steel shortage, actually was an assurance to the Maritime Commission that it would get enough steel with which to meet the Presidential "must" program of 24,000,000 tons of ships in 1942 and 1943, but that the Board could not agree to supply extra steel for an additional 5,000,000 tons of ships, which the Commission said it was in a position to build. The Presidential "must" program called for a maximum tonnage of 24,000,000 tons but the Maritime Commission claimed that by reason of an alleged increase in the production ability to existing yards it could build and wanted to build an additional 5,000,000 tons of ships. This additional 5,000,000 tons was a laboratory figure injected into the picture by Admiral Land a few days before the cancelation of the Higgins contracts and it was never a part of the program of the President, or of the Chiefs of Staffs or of the Maritime Commission.

Mr. L. R. Sanford was told by Admirals Land and Vickery, his superiors in the Maritime Commission, at the morning meeting of July 10, that the Maritime Commission had "instructions from the War Production Board to cut down the consumption of steel for shipbuilding purposes" and that the "Maritime Commission would have to reduce its requirements." (Record, vol. 13, pp. 18, 19.) Your committee finds that the Maritime Commission had no such instructions.

7. Reasons given for cancelation of the contracts

The shortage of steel was given as the primary reason by the Maritime Commission for the cancelation of the Higgins contracts. From time to time, before the congressional committees, Admirals Land and Vickery and Commissioner Carmody testified that shortage of steel was the sole reason. The Maritime Commission has also given some additional reasons, of a minor nature, all of which it admits could have been eliminated.

The Maritime Commission gave its reasons in a letter dated July 28, 1942, to John Berni of New Orleans, chairman of a joint committee appointed by the Building and Construction Trades Council and New Orleans Metal Trades Council. This committee had called on Admiral Land to be informed relative to the reasons for the cancelation of the Higgins contracts. This letter marked Committee's Exhibit 22, and introduced in evidence before this committee, follows:

Exhibit No. 22

UNITED STATES MARITIME COMMISSION,
Washington, July 28, 1942.

Mr. JOHN BERNI,
Washington, D. C.

DEAR MR. BERNI: With reference to your letter of July 24, and confirming our interview relative to the cancelation of the Higgins contract, you are advised that the primary reason for this cancelation is the shortage of steel allocated to the Maritime Commission.

With this proviso the following points govern the action of the Maritime Commission in this matter:

(1) Allocaton of ship steel by the War Production Board;

(2) Present adequate shipbuilding facilities to meet program set forth by President Roosevelt;

(3) Excessive cost of the Higgins yard facilities;

(4) Time element, whereby actual production in the Higgins yard would not be a reality until December of this year, and the last yard to get into production.

There are enclosed herewith several copies of our press release which gives some elaboration of the reasons for the action taken.

Sincerely yours,

E. S. LAND, *Chairman.*

The testimony of Admirals Land and Vickery and Commissioner Carmody before the congressional committees was to the effect that there was a cut-back in the program for the building of ships because of the lack of steel, and that this necessitated canceling the Higgins contracts.

On August 21, 1942, Admiral Vickery, testifying before a congressional committee as to the reason for canceling the contracts stated (record, vol. B, p. 21):

"I, of course, have my steel requirements for each month, but to build this 24,000,000 tons of shipping I would have required more steel than was allocated. Since we were cut to 395,000 tons, I received another cut down to 368,000 next month, which will not make my 24,000,000 tons of ships."

Before this committee, Mr. Sanford, regional director of the Maritime Commission, testified as follows to questions propounded by the committee's counsel (record, vol. 13, pp. 17–18):

"Mr. MARGIOTTI. When did you get the first intimation that the two Higgins contracts might be canceled?

"Mr. SANFORD. On July 10, from Washington.

"Mr. MARGIOTTI. Who was there?

"Mr. SANFORD. Admiral Vickery and Admiral Land. Admiral Vickery first and then Admiral Land later.

"Mr. MARGIOTTI. What information did you get at that time?

"Mr. SANFORD. The information I got at that time was that the Maritime Commission had instructions from the War Production Board to cut down the consumption of steel for shipbuilding purposes.

"Mr. MARGIOTTI. Did you see those instructions?

"Mr. SANFORD. No; I did not. I heard them read by Admiral Land.

"Mr. MARGIOTTI. What form were they in?

"Mr. SANFORD. A letter.

"Mr. MARGIOTTI. From whom?

"Mr. SANFORD. From the War Production Board; from Donald Nelson.

"Mr. MARGIOTTI. To the Maritime Commission?

"Mr. SANFORD. Right.

"Mr. MARGIOTTI. Do you remember the content of those instructions?

"Mr. SANFORD. Not in detail, but in general it was to the effect that the consumption of steel for all purposes was exceeding the capacity of the steel mills, and, therefore, the Maritime Commission would have to reduce its requirements in a certain amount—the exact figures I don't remember. And that was the matter that first brought up any consideration of the cancelation of the—of any shipbuilding contracts."

There never was a shortage of steel for the President's program. The amount of steel made available by the War Production Board in March 1942, when the Higgins contracts were let, was adequate for the building of 24,000,000 tons of ships. The same amount of steel was still available at the time of the cancelation and assured by the War Production Board. This statement is fully supported by testimony of Mr. Donald M. Nelson before this committee. Questions on this subject by this committee's counsel and Mr. Nelson's replies follow (record, vol. 31, pp. 9–10):

"Mr. MARGIOTTI. Mr. Nelson, so far as the Maritime Commission was concerned, at the time when these contracts were canceled on July 18, they not only had promised them sufficient steel for the program that brought about the contracts between Higgins and the Maritime Commission, but almost double that program?

"Mr. NELSON. For 1943.

"Mr. MARGIOTTI. For 1942 and 1943.

"Mr. NELSON. Yes; it would be 24 as against 18.

"Mr. MARGIOTTI. Admiral Vickery has done most of the testifying before the Peterson committee, and Admiral Land and Mr. Carmody have both corroborated what Admiral Vickery says and Admiral Land, in particular, and they all take the position they had a directive from you which required them, in substance, to cancel the contract because there was no steel for their program.

"Mr. NELSON. No; as I remember the instance, the reason given to me for the cancelation was that the present facilities had stepped up shipbuilding. The number of days on the way had been decreased. He stated the extent of the facilities without Higgins would produce the Presidential objective and that the expenditure of this amount of steel, while completing the Higgins yard, might be good insurance, was not necessary to produce the Presidential objective. Those were the reasons given to me.

"Mr. MARGIOTTI. And not the shortage of steel?

"Mr. NELSON. No. Steel was promised. It must be for the Presidential objective." (Record, vol. 31, pp. 9-10.)

* * * * *

"Mr. MARGIOTTI. There was no action on your part on the question of steel; no letter of any kind that directed or indicated to the Maritime Commission that they were required to cancel the Higgins contracts?

"Mr. NELSON. No, sir. There is not, sir." (Record, vol. 31, p. 17.)

* * * * *

"Mr. MARGIOTTI. If these 200 ships are being built, that shows the steel is available for it?

"Mr. NELSON. There will be steel, no matter how short steel will be. There will be steel plate allocated to build 24,000,000 tons in 2 years." (Record, vol. 31, p. 22.)

The testimony of Admirals Land and Vickery and Commissioner Carmody before the Congressional committees shows that they, too, were well aware that there was a sufficient supply of steel for the President's program at the time of the cancelation of the Higgins contracts.

There is testimony before this committee that a public-relations man of the Maritime Commission told officials of the Higgins Corporation shortly after the cancelation of the Higgins contracts, that he had been given instructions by the Maritime Commission about 6 weeks before the cancelation, to "soft-pedal on Higgins, soft-pedal on Kaiser, and build up Bethlehem Steel." (Record, vol. 33, p. 86.)

This was long before there was any talk of a program by the Maritime Commission to build 29,000,000 tons of ships. As we have heretofore reported, President Roosevelt's program was not one to build 29,000,000 tons in 1942 and 1943, but was consistently a program to build 24,000,000 tons of ships. This committee finds that the Maritime Commission was always aware of this fact.

The only suggestion that the program be increased from 24,000,000 tons to 29,000,000 tons came from the Maritime Commission, itself, about the time when they were contemplating cancelation of the Higgins contracts. Admiral Vickery, testifying before a Congressional committee stated (record, vol. B, p. 13):

"We then (about July 1) drew up these reports which were sent to the War Production Board, to the effect that we would be able to produce 29,000,000 tons of ships in the 2 years."

When this suggestion was made to the War Production Board, Mr. Nelson informed Admiral Land that steel would be available for the President's program, but not for the suggested 5,000,000-ton increase. A conference on this subject took place between Admiral Land and Mr. Nelson on or about July 7, and on July 8, 1942, Mr. Nelson sent to Admiral Land the often-referred-to letter which contained the following statement:

"This will confirm my telephone conversation with you to the effect that on July 4 I discussed with the President the supply and requirements for steel plates in particular relation to recent proposals for increasing certain parts of our shipbuilding program, the President determining that our total program of merchant ship completions for the years 1942–43 should be 24,000,000 deadweight tons, of which 8,000,000 tons or more, if possible, should be completed in 1942.

"I am directing Mr. Batt to make the allocations of steel plate and other materials necessary to meet the program set forth above."

Other parts of this letter containing secret military information not connected with the cancelation of the Higgins contracts, were not made available to this committee.

This is the letter which Admirals Land and Vickery and Commissioner Carmody testified before the congressional committees was the basis of the cancelation of the Higgins contracts. The Maritime Commission took the position that this letter indicated such a shortage of steel as to make it impossible to go on any further with the Higgins contracts.

This committee finds that the Maritime Commission knew this shortage of steel explanation was untenable. The text of the letter quoted above shows clearly that the President's program was to be carried out and that the steel to carry out that program was available and allocated.

In order to obtain Mr. Nelson's approval of the cancelation of the Higgins contracts, Admiral Land represented to Mr. Nelson that if there would be a cancelation "there would be a saving of about 53,000 tons of steel which had not yet been shipped to the Higgins yard for the construction of the yard facilities and, of course, various things which were very tight, such as cranes, etc." (record, vol. 31, p. 6). The total steel tonnage necessary for the construction of the facilities of the Higgins yard was 29,000 tons and the steel had been allocated. (Admiral Land, record, vol. B, p. 51; Admiral Vickery, record, vol. B, p. 40)

In seeking Donald M. Nelson's approval to the cancelation of the Higgins contracts, Admiral Land did not disclose to Mr. Nelson the following facts:

(a) That 15,443 tons of steel processed for the facilities by Bethlehem Steel has to be scrapped (Nelson, record, vol. 31, p. 11);

(b) That the Maritime Commission had committed itself to an expenditure of approximately $30,000,000 for the Higgins plant (Nelson, record, vol. 31, p. 14);

(c) That at least $15,000,000 of the expenditures at the Higgins plant could not be salvaged (Nelson, record, vol. 31, p. 14);

(d) That Mr. Higgins was willing to forego any profit on the shipbuilding contracts;

(e) That New York bankers were willing to put up the necessary funds to build the housing for the Higgins employees.

Mr. Nelson testified unequivocally to this committee that it was Admiral Land who stated to him the alleged facts on which Mr. Nelson based his approval of the cancelation of the Higgins contracts. His replies to questions asked by the committee's counsel are as follows:

"Mr. MARGIOTTI. Those facts you got from Admiral Land?

"Mr. NELSON. Yes.

"Mr. MARGIOTTI. And your conclusions were reached on what he told you?

"Mr. NELSON. Yes. That is right, sir" (record, vol. 31, p. 16).

Mr. Nelson stated positively that he would not have given his approval to cancelation of the Higgins contracts if all the facts as he knew them when he appeared before this committee on October 14, 1942, had been known to him at the time of Admiral Land's request for approval. Mr. Nelson was, without doubt, misled into giving his approval of the cancelation and this is shown by his testimony before this committee (record, vol. 31, pp. 16–25):

"Had I known all of the facts which I now know about it, it probably would have been wise to go ahead with it and shut down some other yards and take equipment from other yards that would not produce as well.

"That is true, and as I see the picture, it might have been much better to have gone on with this yard and taken materials away from other yards which were not in position to do as well, to save manpower."

The members of the Maritime Commission well knew that there was as much steel available at the time the Higgins contracts were canceled as there was at the time the contracts were awarded. The commissioners further knew that the President's program for 24,000,000 tons of ships to be built in 1942 and 1943 had not been increased during that period. Yet, none of the commissioners ever pointed out these facts to anybody, including the congressional committees investigating the matter, nor was this information ever given to the American people.

Admiral Vickery said that because of the shortage it would be impossible to get 9,000,000 tons in 1942 (record, vol. B, p. 33); he stated that they had to cut off facilities because of lack of steel (record, vol. B, p. 77). Mr Carmody's statements made it appear that Mr. Nelson's letter of July 8, 1942, had cut the amount of steel allocated to the Maritime Commission and that, therefore, the cancelation of the Higgins contracts was entirely brought about by the shortage of steel. (Record, vol. 11, pp. 11 and 15.)

Within 1 week after the Higgins Corporation was notified of the cancelation of its contracts with the Maritime Commission, the United States Steel Corporation advertised to the Nation, by full page advertisements, that:

"Ship-plate production in United States Steel plants is in no way affected (by an order from our Government calling for the immediate production of 550 miles of seamless steel pipe, 2 feet in diameter). Current rate is more than enough for 100 ships a month and is climbing.

"Production reports such as this are heartening to the American people. It is their war; they're entitled to these facts." (Record, committee's exhibit No. 10.)

The rate of production of this company alone resulted in a supply of steel greater than the amount used by the Maritime Commission in the entire 12-month period preceding the date of this report. In addition to United States Steel operations, there were scores of other steel companies producing ship-plate at ever-increasing rates.

True, it is stated by the Commissioners that there was an increase in production capacity on the part of existing shipyards, including the Kaiser yards. These were all so-called static yards employing conventional, expensive, and slower methods of shipbuilding. It is a fact that from March 1942 to July 1942 there was some increase in the productive capacity of these other yards to build ships, but an increase in the productive capacity had been anticipated by the Maritime Commission in January and February 1942, previous to the letting of the Higgins contracts. (Vickery, record, vol. A, page 16.)

In the opinion of this committee, the sudden increase in production at the existing conventional shipyards, which immediately

followed the awarding of the Higgins contracts, was due in large measure to the fear that they could not successfully compete with the Higgins plant once it had been completed. It was testified by officials of the Maritime Commission that no existing shipyard in the Nation was geared to build Liberty ships in mass production as fast and as cheap as the Higgins yard would have, if completed. As we have heretofore reported, Liberty ships at the Higgins plant could have been built at the rate of two a day and at a cost of a quarter of a million dollars per ship less than at the existing conventional yards.

The suddenly increased production ability, to the extent claimed by these expanded old-line plants, was used by the Maritime Commission as an excuse for saying that the Higgins plant was not needed for the President's program.

Mr. Nelson further testified before this committee in answer to questions by a member of the committee as follows:

"Mr. CHITTENDEN. But you would be positive of that 15,000,000 tons (ships for the year 1943) if the Higgins plant was built?

Mr. NELSON. Yes; it would be certain as I see it now after seeing Mr. Higgins. I think Higgins and Kaiser together could have made 15,000,000 tons." (Record, vol. 31, p. 38.)

Herman Fox Lame, chief engineer of the Plant Engineering Section of the Maritime Commission, who approved the plans of the Higgins plant, testified before this committee in answer to questions asked by the committee's counsel as follows:

"Mr. MARGIOTTI. If the Higgins plant could have been completed by the first of the year and gotten into full production, would you say, then, that the Higgins and Kaiser outfits could produce the entire production required to fill the President's program?

"Mr. LAME. I would say so, yes." (Record, vol. 33, p. 112.)

Admiral Land testified before the Truman committee that:

"Should this contract (Higgins) be reinstated, it is my best judgment that it will seriously affect from 20 to 30 other shipbuilding concerns in these United States." (Record, vol. 34, p. 39.)

The War Production Board allocated enough steel to the Maritime Commission in February 1942, to enable it to attain the President's objective of 24,000,000 tons of ships. The War Production Board has never cut this allotment.

Notwithstanding these facts, the Maritime Commission has made it appear to the American people that the President's directive or program called for 29,000,000 tons of ships, and that the War Production Board informed the Maritime Commission that steel would not be available for such a program and that the cut in steel allotments forced them, reluctantly, to cancel the Higgins contracts.

This committee finds from the evidence, both oral and documentary, that this position is contrary to fact and that Mr. Nelson's letter clearly repudiates the position taken by the Maritime Commission.

The steel requirements for the Higgins contracts consisted of (a) fabricated steel for the facilities, (b) steel for the facilities equipments, and (c) steel plate for the 200 Liberty ships. There was no shortage and all steel had been allocated for these requirements. Bethlehem Steel had been given the structural steel order. Over one-half of it had been so far processed that it had to be scrapped, and the balance was available. The equipment for the plant was either finished or in the course of production and that part unfinished or in the course of production and that part unfinished at the date the Higgins contracts were canceled was later finished and diverted by the Maritime Commission to the other yards. The order for the 200 ships was divided among other shipyards, where the ships will be constructed, and the steel plate is available for their construction.

The Higgins plant could have been completed and paid for out of the savings on the 200 Liberty ships. Our Government would then have been in possession of the greatest shipbuilding plant in the world, turning out ships in the war effort at a rate far greater than any known today. This plant would have made our Nation more secure during the war.

While canceling the contracts for the 40-percent-completed assembly-line Higgins plant, the Maritime Commission continued the construction work on the Panama City shipyard. This conventional old-line plant, less than 400 miles from New Orleans, is still under construction and has yet to launch its first ship.

Other minor reasons for the cancelation were given by the Maritime Commission. It was stated that although the original estimate for the Higgins shipyard was $29,000,000 that it later became apparent that the cost would be nearer to $45,000,000 or more.

The $29,000,000 figure was a total hurriedly reached before plans or specifications had been completed. It was anticipated at the time the first estimate was made that the final cost would be many million dollars higher. A substantial difference between a preliminary original estimate and final costs is not unusual where the Government erects buildings or shipyards.

The Pentagon Building, in Arlington, Va., the principal office building for the War Department, was originally estimated to cost $35,000,000, but the final cost will be more than $70,000,000. This building was designed to accommodate about 40,000 employees. However, it will accommodate only about half that number. The final cost per occupant, therefore, will be approximately four times the cost anticipated.

Mr. John L. Baker, Assistant Chief Engineer of the Maritime Commission in the Gulf coast region, testified before a Congressional committee that it is not unusual for the cost of shipyards to increase 50 percent or more over the original estimate. (Record, vol. 15, p. 82.) At the time the Higgins contracts were approved, Mr. Herman Fox Lame, Chief Engineer of the Plant Engineering Section of the Maritime Commission, estimated for the Commission that the facilities would cost $55,000,000. (Record, vol. 33, p. 97.)

Admiral Land testified before a congressional committee:

"The only serious complaint we have is his tremendously expensive facilities. He (Higgins) has not fallen down." (Record, vol. B, p. 81.)

Admiral Land, upon being questioned by Congressman BONNER, testified:

"The estimates for his (Higgins') facilities were extremely low and they have been rapidly boosted and there were a great many causes for that. Wages, material, transportation costs, cost of living. Many things, and difficulties in obtaining required material competitive with other war agencies and the Government, and that all applies to every other shipyard."

Upon further questioning by Congressman BONNER, he testified that the cost of the facilities of every other shipyard has increased. (Record, vol. B, p. 83.)

Commissioner Carmody told Mr. A. J. Higgins, Sr., at the time the contracts were awarded, that "it was his guess it (cost of the facilities) would exceed $100,000,000." (Record, vol. 8, p. 12.)

In Mr. Carmody's testimony before a congressional committee (record, vol. 11, p. 8) he testified:

"As a matter of fact, I have no hesitancy in saying that when the original estimate (cost of facilities) was presented, I said it was far too low, but that is a common occurrence with construction estimates."

The upward trend of shipyard costs, over original estimates, is nothing new to the Maritime Commission. According to Mr. Lame, the cost of the Maritime Commission's shipyard at Panama City rose 53 percent, from an original estimate of $8,500,000 to a cost of $13,000,000. The cost of the Maritime Commission's shipyard at Savannah rose 200 percent, from an original estimate of $5,000,000 to a cost of $15,000,000.

The Maritime Commission on July 24, 1942, released to the newspapers the statement that the Higgins shipyard cost "represents the highest cost per ship to be constructed under any of the Maritime Commission's contracts." (Committee's exhibit No. 3). This statement is contrary to the evidence given by Maritime Commission officials and others before this committee and Congressional committees. The July 24 release stated that the cost of the Higgins shipyard, exclusive of the $6,500,000 power plant, was $59,000,000, whereas Admiral Vickery, on August 21, 1942, admitted to a Congressional committee that the top limit had been set at $45,000,000 (record, vol. B, p. 17), and your committee has found that this was actual top cost of the yard. The Maritime Commission's cost per ship allegation was reached by dividing the cost of the shipyard plus the cost of the power plant by 200, the number of ships to be constructed under the March 13 contract with Higgins. Such calculation avoided consideration of the thousands of ships that could have been built at the Higgins plant at the rate of 720 per year following the completion of the first 200 vessels.

A fair method of calculating the per-ship cost of the Higgins plant is to divide the cost of the plant by the number of ships it could have produced during a reasonable amortization period. Using a 3-year amortization period, in that time this shipyard could have launched more than 2,100 ships. Dividing the cost of the plant by such a figure would bring proof that this shipyard was by far the lowest on a cost-per-ship basis of any plant ever constructed anywhere.

The Maritime Commission's official release further carefully avoided any reference to the savings that would have been effected through the offer by Mr. Higgins to forego profits which could have amounted to $28,000,000 on the ship contract. Nor did the release mention his foregoing the usual 3-percent construction-supervisory fee for erecting the shipyard, which would have amounted to approximately $1,350,000.

The most important factor avoided in the official release of July 24 was the savings of $50,000,000 to the Government by the reduction in labor costs on the 200 ships, which would have been accomplished through the Higgins plan.

Instead of being the highest priced shipyard in the country, as the Maritime Commission's statement asserted, the efficiency of the Higgins plant was so great that it, plus the patriotic generosity of Mr. Higgins, would have resulted in our Government's acquisition of the greatest ship-producing center in the world, paid for entirely out of savings made over what the 200 ships cost at old-line, conventional shipyards. These savings would have paid for the shipyard, and also for the erection of a power plant large enough to serve not only the Higgins plant but many other industries in the New Orleans area. All this would have been accomplished before December 31, 1943.

Considering the tremendous contribution to our war effort that would have been made by this shipyard, the amount involved should not have been permitted to have prevented the building of a plant that unquestionably would have accelerated victory. Coming at a time when we are spending approximately $6,000,000,000 a month, the Maritime Commission's sudden attention to economies ignores the greatest values—those of human

lives, of the security of our country, and of universal peace.

It was also suggested by the Maritime Commission in its news release that another difficulty with the Higgins project was the lack of housing facilities. This was a problem met every time new plants were built and would have been easily solved, members of the Maritime Commission admitted. At Panama City, Fla., a town of only 5,000 population, the Maritime Commission is building a shipyard which will employ 9,000 men.

Many of the employees who were going to work at the Higgins plant were residents of New Orleans. The cost of the housing was no problem. A New York banking group offered to invest private capital for the entire cost of building the houses. The housing problem had been thoroughly discussed and plans and specifications for building the facilities had been approved by the Maritime Commission.

The committee is of the opinion that the housing problem was no factor in the cancelation of the contracts.

Other problems, such as the supply of power and transportation, had been fully faced, discussed, and adequately solved.

The Higgins plant operations were so simplified that 80 percent of the work could have been done by women.

At the time of the cancelation a training school had been completed and equipped, ready to train employees. More than 5,000 persons had already filed their applications for such training. It is significant that after the contract was canceled the first project to be abandoned was this training school. Mr. Higgins had offered to purchase this school and operate it at his own expense to provide skilled workers for shipyards throughout the Nation, but the Maritime Commission rejected this offer and dismantled the institution.

There was no labor shortage, as has been pointed out above. On July 18, 1942, 9,000 persons were employed at the Higgins shipyard, 10,000 more would have been available in a week, and 75,000 more would have been available by July 1943. The American Federation of Labor was cooperating with Mr. Higgins, and its officials had assured him that all necessary labor would be made available. (Record, vol. 35, pp. 27–28.)

Holt Ross, chairman of this committee and who is familiar with southern labor conditions, testified as follows (vol. 35, pp. 26–28):

"As district representative of the International Laborers' Union and as a representative of the American Federation of Labor, I have been in constant touch with the Higgins Industries and the Higgins Corporation's labor relations policy, and am of the opinion that no more satisfactory labor relations setup is in effect anywhere in the United States.

"It has been my duty to participate in practically every conference between management and labor representatives in both the Higgins Industries and the Higgins Corporation. I have participated in all negotiations of agreements and do not hesitate to say that Mr. Andrew J. Higgins, Sr., and the officials of his companies have always displayed an extremely cooperative attitude toward organized labor, and we have entered into strictly closed-shop contracts on all operations.

"Members of this committee are representative of all labor organizations in New Orleans, the State of Louisiana, and the United States, and these representatives have authorized me to testify in their behalf, and the statement above reflects the attitude of the other members of the committee.

"Higgins Industries and Higgins Corporation were two of the first to put into effect the labor-management committees for the purpose of insuring harmony and expediting production. I know of no improvement at the present time that could bring about a more sound and satisfactory labor relation set-up than those now existing in the Higgins Industries and that existed in the Higgins Corporation as of the date of cancelation of the contracts, and up to the time that work ceased in connection therewith.

"At the time the Higgins Corporation contract was canceled, approximately 9,000 workers were employed in constructing the facilities, and I am reliably informed more than 10,000 would have been employed within the next 10 days. There was an adequate supply of both skilled, semiskilled, and unskilled laborers available as of the date of cancelation.

"I understand that approximately 45,000 employees would have been required for the shipyard when it began production, and that this figure would be revised upward to some 95,000 by the middle of 1943. I am sure that the various labor organizations could have supplied this number of employees when needed, as applications were coming in by the thousands to the business agents of every organization that would have supplied labor.

"The writer himself received hundreds of applications for employment and hundreds of telephone calls from throughout the entire South, and the writer also visited the training school set up in the city of New Orleans for the purpose of training workers for this particular project. This school was modern in every detail, had sufficient, competent instructors, and thousands had made application to take the necessary training.

"There is no doubt in my mind that we could have furnished without any trouble whatsoever all employees necessary for the successful operation of the plant."

8. Why the contracts were canceled

Since it is the committee's findings that the cancelation of the Higgins contracts did not occur because of a shortage of steel, or because of any of the other collateral reasons given by the Maritime Commission, it is the duty of this committee to make further inquiry and findings as to what were the real and undisclosed reasons for the cancelation.

Gov. Sam Houston Jones, of Louisiana, made the following statement to this committee (record, vol. 24, p. 24):

"I have used every effort to have these contracts reinstated, and after investigation I know of no reason that would justify the cancelation of these contracts. I feel that untold damage was done to the war effort of our Nation and to the morale of the people of our country.

"I hope, therefore, that your committee will be able to find the real reason for the abandonment of this shipyard."

Jared Y. Sanders, Jr., Representative in Congress from Louisiana, testified before a congressional committee on August 3, 1942, as follows:

"The starting of the Higgins plant and then its closing within the period of approximately 4 months would indicate that it was either a mistake to start it or a mistake to close it. There would seem to be a justified assumption that someone had blundered somewhere."

In addition to the record-breaking program of cargo-ship building under the jurisdiction of the Maritime Commission, the Nation is also engaged in a gigantic undertaking in the building of combat vessels for the United States Navy. This latter program is under the direction of the Bureau of Ships, which is part of the Navy Department. There is now and there has existed for some years past a close personal relationship among members of the Maritime Commission, the Bureau of Ships, and Joseph W. Powell, who is special assistant to the Secretary of the Navy.

Admirals Land and Vickery and Mr. Powell are graduates of the Annapolis Naval Academy and have through the years become fast friends and have closely cooperated with each other. Admirals Land and Vickery are still subject to Navy jurisdiction.

The Navy's Bureau of Ships and the Maritime Commission frequently work together. The Bureau of Ships approves the original design of every vessel built by the Maritime Commission. The two agencies work together in many shipbuilding ventures. (Record, vol. 33, pp. 117, 118, 119.)

Long before Mr. Higgins had dealings with the Maritime Commission concerning cargo ships he had been doing business with the Navy through the Bureau of Ships. Your committee finds that these relations resulted in a feeling of personal animosity exhibited by high naval officials toward Mr. Higgins.

In February 1942 Mr. Higgins was called to Washington and sent to Mr. Powell's office by officers of the Bureau of Ships. Mr. Powell criticized Mr. Higgins for failure to deliver tank lighters to the British on the dates provided for in the contracts for those vessels. The delay in this delivery was the fault of Navy officials who admitted they failed to fulfill their duty in supplying Higgins Industries, Inc., with steel for the order. At that time Mr. Powell said to Mr. Higgins, "I thought you were a great boatbuilder. We want boats, not alibis." (Record, vol. 33, p. 162.)

Early in 1942 Admiral Jones, then with the Bureau of Ships, visited New Orleans and warned Mr. Higgins that the construction of the then proposed Industrial Canal plat by Higgins Industries, Inc., was being done "at your own risk" (record, vol. 33, p. 146) and that Mr. Higgins could not expect any orders from the Bureau of Ships for torpedo boats or tank lighters. This plant, now achieving mass production through the assembly line method, is supplying the Navy with the vitally essential invasion boats and torpedo boats which have rendered excellent service to our armed forces throughout the world. Mr. Higgins completed the plant in record time, without any financial or other aid from the Government. It was at this establishment, on September 13, 1942, that the Army-Navy E was awarded to Higgins Industries, Inc., for excellence in production.

On May 25, 1942, tests were made at Norfolk, Va., for the purpose of determining whether the Higgins-designed tank lighter or the Navy-designed tank lighter was better adapted for invasion purposes. Capt. Ben Barbey, United States Navy, made the following report:

"En route to Fort Story, the Bureau tank lighter shipped so much water off Thimble Shoals that it was forced to turn back for fear of foundering. The Higgins tank lighter reached Fort Story successfully and disgorged the 30-ton tank on the beach without difficulty, except that more time than necessary was taken in the disgorging operation, because the tank commander feared the water was too deep. This did not prove to be the case.

"To put the matter boldly, the Higgins tank lighter fulfilled its mission under reasonably rough water conditions and the Bureau tank lighter did not." (Record, vol. 34, p. 7.)

As a result of this proof of superiority, the Bureau of Ships gave substantial contracts to Higgins Industries, Inc., for the building of the boats involved. The resentment of the Bureau of Ships officials, particularly Admirals Jones and Van Kuren, who have since been transferred from that department, was described to your committee.

Early in July 1942 Admiral Land disclosed that he knew of the differences Mr. Higgins was having with the Navy because he told Mr. Higgins:

"Yes; I know all about your attacks on the Navy." Admiral Land then left the room with a show of hostile feeling and resentment. (Record, vol. 33, p. 142.)

On July 8, 9, or 10, Mr. Higgins spoke to Admiral Land on the telephone concerning a giant "Y" boat which he had designed and the design of which he had given to the Navy. Mr. Higgins testified that the Navy had redesigned this boat in such a manner that he felt it could never be used as a landing boat. Mr. Higgins further testified that he felt that the boat as redesigned by the Navy would be impracticable as a landing boat, and that he also felt many lives would be lost through its use. In addition, he felt a great loss of time and money would result from the construction of these boats. First, Mr. Higgins appealed to high ranking Navy officers, pleading with them to change the design of the boat. The officers received the suggestion most discourteously and with resentment. (Record, vol. 29, p. 143.) Mr. Higgins then appealed to Admiral Land to use the admiral's influence and that of Admiral Vickery to have the Navy correct the design. Mr. Higgins, in a telephone conversation with Admiral Land, said that he was making this plea as an American, and that he had no desire to get any business through the change in design, but was interested only in saving the lives of our boys and winning the war. Admiral Land replied sarcastically: "Oh, so you are an American?" (Record, vol. 33, p. 144.)

Mr. Higgins and his staff perfected an explosive which he submitted to the Army, Navy, and Marines. The Marine Corps wanted to adopt that explosive, but the Navy refused them permission, stating that it was not stable. Since that time Mr. Higgins has donated the formula and generous quantities of ingredients to the Russian and Chinese Governments, and these Governments are now using that explosive—"Higite"—in their gallant defense of their countries.

In a public speech at New Orleans, at a banquet attended by Navy officers, Mr. Higgins made substantially the following statement:

"It would be better to build rapidly any kind of vessel that could combat the subs. Why build ships we cannot get out of our ports? We unquestionably would build ships according to the contract, but what good would it do to build two ships a day, if two or more were permitted to be sunk?" (Record, vol. 33, p. 146.)

Members of this committee viewed at Higgins Industries, Inc., yards (see photographs, committee's exhibits 35 and 36), about 1,100 boats, including torpedo boats, tank lighters, and personnel landing boats, which have been completed except for certain vital parts, including in various instances, such items as a propeller, propeller shafts, engines, etc. This committee was informed that it is the Navy's duty to supply these items and that it has failed to do so. This committee was further informed that the Navy has made such parts available to other shipbuilders and that it has even allocated such parts to certain boatbuilders who have not begun to build the boats.

In the early part of 1942 members of the Committee of the United States Senate Investigating the National Defense Program (known as the Truman committee) visited New Orleans and saw 500 of these boats lying idle in the bayous of Louisiana, withheld from action because of the lack of these parts. Although the Truman committee censured the Navy for this condition, no action was taken to improve the situation. On the other hand, the number of vessels now lying useless because of the Navy's failure to supply these needed parts is more than double the number of boats seen by the Truman committee.

After a full investigation by the Truman committee, that committee charged officers of the Bureau of Ships were guilty of either "negligence or wilful misconduct" in failing "to accept with gratitude the proved accomplishments of the private concern (Higgins Industries, Inc.) instead of insisting, as it (the Bureau of Ships) did, upon using models of its own design, despite the repeated failures thereof." In a letter sent by Senator HARRY S. TRUMAN to Navy Secretary Frank Knox, the Truman committee chairman, in strong language, called the attention of the Secretary of Navy to the biased and prejudiced treatment received by Higgins Industries, Inc., from the Bureau of Ships. The full text of this letter of condemnation follows (record, vol. 33, p. 83):

TRUMAN COMMITTEE,
SENATE OFFICE BUILDING,
Washington, D. C., August 5, 1942.

Hon. FRANK KNOX,
Secretary of the Navy,
Washington, D. C.

MY DEAR SECRETARY: There is transmitted herewith for your personal information, and for such action as you may see fit to take, a report of the Special Committee of the Senate Investigating the National Defense Program concerning the manner in which the Bureau of Ships has dealt with a vehicle important to the success of any invasion attempt.

If, in your opinion, the detailed facts set forth in the report and its 36 exhibits taken from the files of the Army, Navy, and Marine Corps should not be made public at this time the committee will postpone publication of the report, but I cannot condemn too strongly the negligence or willful misconduct on the part of the officers of the Bureau of Ships entrusted with this vital matter, involving as it did both the success of your military forces and the lives of American marines, sailors, and soldiers.

The biased and prejudiced treatment received by Higgins Industries, Inc., from the Bureau of Ships is of secondary interest only, but a company possessing the skill and energy in both design and construction now admitted by the Bureau of Ships ought not to have received the treatment accorded to it in this matter.

During the prosecution of a war where the very existence of the Nation is at stake, the Bureau of Ships should have accepted with gratitude the proved accomplishments of the private concern, instead of insisting, as it did, upon using models of its own design, despite the repeated failures thereof.

That the war effort has not suffered an irreparable injury is due largely to the ability and energy of the Higgins Industries, Inc., and to its repeated criticisms of the shortcomings of the design prepared by the Bureau of Ships. Higgins Industries, Inc., should be commended for doing this without fear of the results which such criticisms might incur with the agency on which it was dependent for contracts.

Very truly yours,

HARRY S. TRUMAN,
United States Senator.

Both the Bureau of Ships and the Maritime Commission have for years openly pursued a policy of protecting existing shipyards, by opposing construction of new shipyards by independent firms.

In 1940, while being consulted as to the erection of a new shipyard at Mobile, Ala., Admiral Vickery stated that any new shipyards on the Gulf coast would be built only over his dead body, except at Pascagoula, Miss., and Houston, Tex. (Record, vol. 27, p. 99.) The exceptions applied to conventional shipyards owned by long-established shipbuilding interests.

The hostility and opposition to independent shipbuilding ventures, and the favoritism toward existing shipyards have prevailed for a long period of time among Commissioners Land and Vickery, other high-ranking naval officers, and Joseph W. Powell. This committee heard testimony describing in detail the futile attempts by several groups of reputable individuals to establish new yards in various parts of the country.

In the early months of 1941 the Jacksonville Shipbuilding Corporation, an independent organization managed by individuals of high repute and who were excellently qualified to engage in such business, attempted to establish a new shipyard at Jacksonville, Fla. More than $100,000 was expended by this corporation in developing plans for a cargo ship and shipyard. The ship was designed for a speed of 22 knots. In addition to this advantage in escaping submarines, the ship was designed to mount guns and had a flying deck that permitted the vessel to carry its own planes.

The Navy board, composed of admirals, approved the plans for this vessel and agreed that it went well on the way toward eliminating the submarine menace. This approval by the Navy board was voiced in an official report.

Since the ship combined the features of a cargo vessel and a combat ship, it came under the jurisdiction of both the United States Maritime Commission and the Navy's Bureau of Ships. The latter department's position in the case made it necessary for one of the Jacksonville officials to confer with Joseph W. Powell. It was necessary to submit the plans for the proposed ship and the shipyard to Mr. Powell, and when these plans were submitted, Mr. Powell is reported to have stated that "he was in charge of production of the Navy shipbuilding program; that he was going to run the shipbuilding program of the United States Government; and that he was going to see that it was going to be run under his control and direction." (Record, vol. 29, pp. 20 and 29.)

Not only were the officials of this Jacksonville firm rejected by Mr. Powell, the Bureau of Ships, and members of the Maritime Commission but they and their attorney were discourteously received by the then Captain Vickery, and were subjected by him to "the roughest kind of treatment." (Record, vol. 29, p. 36.)

Another Jacksonville official, a man of considerable standing in his community, was told by the then Captain Vickery to forget about the entire matter and go home and that he (Captain Vickery) was running the Maritime Commission program. (Record, vol. 29, p. 36.)

Mr. Powell told these men that it was his policy that no new shipyard would be opened up or financed by the United States Government and that no yards would be financed or constructed except those which would be under the control and management of existing shipbuilding companies. (Record, vol. 29, p. 20.) The Jacksonville officials received the same type of answer from the Maritime Commission officers. Both Admiral Land and Captain Vickery declared that no new shipyards would be encouraged by the Government and that if the Jacksonville people expected any financial assistance from the Government, they should forget about the matter. (Record, vol. 29, p. 31). When an official of the Jacksonville firm volunteered to put up his whole fortune and underwrite the new shipyard up a $10,000,000 limit if the Government would give the yard business, he was told by Captain Vickery that he was proceeding at his own risk and that the Maritime Commission could not prevent him from going into business. Captain Vickery stated that he could not be given any assurance of any Government contracts even if the shipyard would be built. (Record, vol. 29, p. 37).

During the same period of time, these officials of the Navy and Maritime Commission were financing new shipyards for existing companies only and expanding their vol. 29, p. 37.)

RICHARD J. WELCH, Member of the House of Representatives from California, announced before the congressional committee investigating the cancelation of the Higgins contracts that Mr. Powell told him

that there would be no ships built for the Government on the Pacific coast. Pacific coast shipyards, built since Mr. Powell's statement, have made splendid records in building ships for the Government.

Admiral Land, in his testimony before the House Naval Affairs Committee, also asserted that ships could not be built successfully by the Pacific coast yards.

The opposition to independent firms seeking to build new shipyards is also evidenced in correspondence between Senator J. H. BANKHEAD of Alabama and Admiral Emory S. Land, between May 21, 1941, and November 14, 1941. (Committee's exhibit 38.)

Admiral Land, on October 13, 1941, told Senator BANKHEAD that new shipyards could not be built because of a congressional prohibition against using funds for anything except existing yards. Admiral Land wrote:

"In conclusion, may I invite your attention to the report of the House Appropriations Committee to the Congress on the first supplemental national defense appropriation bill for 1942 which definitely indicates that funds in the bill for facilities ($50,000,000) were for the expansion of existing yards and then only when such expansions were necessary to carry out the act."

Senator BANKHEAD pointed out in his reply to Admiral Land that there was no such restriction in the act, stating:

"There is absolutely nothing in the act that restricts the expenditures, in whole or in part, for the facilities ($50,000,000) therein provided for, to existing yards. I will thank you to inform me what connection, if any you or any other member or representative of the Maritime Commission had with the inclusion of the words 'existing yards' in the Committee's report." (Record, vol. 34, p. 79.)

It is the finding of this committee that previous to the announcement of the President's program (24,000,000 tons of ships), the policy of the Maritime Commission and the Navy Bureau of Ships was to protect existing yards and to discourage the erection of new shipyards by firms or individuals not formerly in the shipbuilding business. If increased tonnage was needed, their policy was to expand the existing shipyards. It was only when faced with the necessity of compliance with the huge program of the President, that the Maritime Commission was forced to abandon this policy of protection. It was the urgency of the situation that compelled Admiral Vickery to seek the assistance of Andrew J. Higgins, Sr., to find a way to build ships faster than by the conventional method. This new policy was adopted despite the fact that a mass-production assembly-line plant would affect the existing shipyards of the country.

As stated earlier in this report, Joseph W. Powell is, and has been since 1938, Special Assistant to the Secretary of the Navy and Deputy Director of the Navy's Office of Production and Material. Mr. Powell graduated from the Naval Academy in 1897 and then took a postgraduate course at that institution. He left the Navy and joined the William Cramp & Sons Ship Engine Building Co. In 1914 he became president of the Fore River Shipbuilding Co., which was a wholly owned Bethlehem subsidiary.

In 1917 he became vice president of the Bethlehem Shipbuilding Corporation, which position he resigned on December 31, 1920. He then became president of the old United States Shipping Board Emergency Fleet Corportation and consolidated all ship-repair yards around New York, except Todd Co., into United Shipyards, Inc., becoming its president until 1938, at which time he assumed his present position with the Navy.

Mr. Powell professed that he wanted to get back into the Navy "to be free to do what I thought I could do to the best advantage to help the national effort" (record, vol. 27, p. 55.)

Mr. Powell's assistance to the national effort during World War No. 1 is a matter of record. In 1917 Mr. Powell was vice president and operating manager of the Bethlehem Shipbuilding Corporation, an affiliate of Bethlehem Steel Co. Then, as now, our Nation was in great need of ships, and our Government, through the Emergency Fleet Corporation, entered into a shipbuilding contract with Bethlehem Shipbuilding Corporation. This contract resulted in a profit of 22 percent, or about $24,000,000, exclusive of the profits of the affiliate Bethlehem Steel Co., which sold, at maximum prices, 43,000 tons of sheet steel used in building the ships under the contract. The contract was negotiated by Joseph W. Powell.

Then, as now, we were fighting for our very existence. Mr. Powell, acting for his company, refused to build ships for our country except upon terms which were most advantageous to his company, and which were dictated by him. The contract terms provided that the ships "be constructed on the basis of actual cost plus a fee, with an agreed-upon probable cost, this company to be paid in addition to the fee, one-half of any saving that may be made below this cost figure * * *." (Record, vol. 22, p. 30.) It is thus readily seen that under Mr. Powell's unfair proposal, which the Government was forced to accept, the shipbuilding corporation assumed no risk whatsoever. It is also clear that the higher Mr. Powell's company made its estimate, the more profit it realized.

In arguing this matter before the Supreme Court of the United States on September 9, 1941, the Attorney General of the United States took the position that Germany's submarine warfare made it imperative that the Government secure the greatest possible number of ships in the shortest possible time; that our Government, faced with this need, was driven into the acceptance of the Powell-dictated contract on whatever terms Bethlehem proposed. The alternatives were to do without the ships that Bethlehem could produce or to risk military defeat. This was well known by Mr. Powell and he used the Nation's desperation to force through an unfair contract, providing for exorbitant profit for his company.

The above facts are a matter of record in the case of United States Shipping Board Emergency Fleet Corporation versus Bethlehem Shipbuilding Corporation, Ltd., decided February 16, 1942, and reported in Volume 62, United States Supreme Court Reporter, page 581.

In a concurring opinion Mr. Justice Murphy stated that it was understandable that one could become indignant at Bethlehem Shipbuilding Corporation's claim. (Opinion, p. 593.)

In a strong dissenting opinion Mr. Justice Frankfurter, after pointing out that Bethlehim Shipbuilding Corporation took no risks at all, adopted the following language of the district court:

"The managers (Joseph W. Powell et al.) for the contractor (Bethlehem Shipbuilding Corporation) adopted the famous Rob Roy distinction, who admitted he was a robber but proudly proclaimed that he was no thief. The contractor orally and openly fixes the figures in the estimated cost so high as to give them the promise of large bonus profits.

"The managers for the Fleet Corporation knew that the estimate was high, why it was high, and so protested it. The reply of the managers was, 'We will take the contract with this promise of bonus profits included in it, but not otherwise. You take it or leave it.' Whatever wrong there was in this may have been the wrong in a daylight robbery, but there was no element of deception in it."

In the light of Mr. Powell's past activities during World War No. 1 and his general background and connections, this committee believes that he influenced the cancelation of the Higgins contracts. By eliminating the Higgins plant, Mr. Powell and the Maritime Commission succeeded in reestablishing their policy of protecting the old-line shipyards. Mr. Powell was in a most favorable position to exert influence against the erection of the Higgins plant, first, because of his power as Assistant to the Secretary of the Navy; second, because of his 40-year friendship with Admiral Land and his close relations with other members of the Maritime Commission; and third, because of his close connection with the big shipbuilding firms which are subsidiaries of the large steel firms of the Nation.

Further evidence of the favoritism enjoyed by the large shipbuilding interests in their relationship with the Maritime Commission is contained in statements made by Dr. Mordecai Ezekiel, Government economist, who, at the instance of the War Production Board, conducted a Nation-wide study of the steel situation in connection with the Maritime Commission's program. Dr. Ezekiel's replies to questions at this committee's hearings included the following (record, vol. 32, pp. 110–111):

"Mr. BARBE. May I ask a question? In your opinion, did you believe there was any semblance of favoritism shown to some shipyards by those who allocated the steel?

"Mr. EZEKIEL. I do not think there is any favoritism by those who allocated the steel. It is quite possible, however, that there was favoritism by those who were supposed to be carrying out the allocation.

"Mr. STOVALL. That boils down to misallocations in one form?

"Mr. EZEKIEL. The compliance procedure of War Production Board has never been completely whole, and there is no question that some of the companies that tied in with the producing companies got more than they were supposed to get and some others who had not been long-time customers did not get as much as they were supposed to.

"Mr. STOVALL. Well, that is favoritism, is it not?

"Mr. EZEKIEL. Errors in making the allocation all happened to fall that way. I believe that the Maritime Commission has been tightening down more and more on that.

"Mr. QUINN. You would not say the law of averages has been strained, would you?

"Mr. EZEKIEL. I think in all American business procedure or the law of averages, if there is a judgment to be made, if there is a shipment to be sent to this guy or the other, you send to the one with whom you have been doing business.

"Mr. STOVALL. In other words, don't favor your competitor.

"Mr. EZEKIEL. No."

The activities of the Bethlehem Shipbuilding Corporation, one of the largest of the world and an affiliate of the Bethlehem Steel Corporation, are best revealed by a full-page advertisement which appeared in newspapers throughout the country on July 24, 1942, 6 days after the Higgins project was shut down. Describing the Bethlehem Fairfield yard, this advertisement stated (committee's exhibit 11):

"We will shortly launch our forty-sixth Liberty ship.

"Since the establishment of the yard, production has been pushed forward at an ever accelerated pace. The number of ways has been quadrupled. An enormous prefabrication shop has been equipped. Outfitting docks have been enlarged and crane facilities augmented. The effort is but a beginning of what can and will be done."

This advertisement emphasized that the yard in question was the first on the Atlantic seaboard to win the M pennant award of the United States Maritime Commission. This award follows the policy of the Maritime Commission—"soft-pedal on Higgins,

soft-pedal on Kaiser, and build up Bethlehem"—described earlier in this report.

Your committee has examined carefully the Maritime Commission's reasons for canceling the Higgins contracts and it finds that these reasons were not valid. This committee finds that the only interests that could be injured in any way by the mass-production success that was inevitable at the Higgins plants were those interests which owned and operated the old-line conventional shipyards throughout the country. The Higgins plant, unquestionably, offered competition that could not be met successfully by conventional plants after the war.

Obviously, it is impossible to obtain direct statements from those persons who may have been responsible for abandoning the Higgins project in order to protect the existing shipyards. However, the competitive threat of the Higgins project was openly recognized by many, including Admiral Land, who, in his testimony before the Truman committee, stated that 20 or 30 other shipyards in the Nation would be seriously affected if the Higgins contracts were reinstated. (Record, vol. 34, p. 39.)

The alleged shortage of steel, given as the main reason for canceling the Higgins contracts, was one chosen by the Maritime Commission in an attempt to escape criticism. This "reason of convenience" was also an attempt to take away from all officials involved any blame for mistakes or partiality. It was described by Admiral Land as being in the nature of a force majeur. This committee finds that the Maritime Commission's claim of an alleged shortage of steel was without merit.

It is significant to this committee that the persons able to shed the most light upon the subject under investigation refused to appear before it. Mr. Joseph W. Powell was invited to appear before the committee. Mr. Powell replied (record, vol. 35, pp. 8–9):

"If a member of your committee wishes to call on me in my office, at the Navy Department, room 2016, at a time convenient to me, I will, as a matter of courtesy, repeat to him the statements that I made before the House Committee on Merchant Marine and Fisheries when this contract was under investigation by that official body."

Such an interview would have been valueless, since this committee already had this former testimony; what was needed was Mr. Powell's replies, for the record, to questions based on evidence before this committee.

On October 8, 1942, your committee sent telegrams to members of the Maritime Commission, inviting them to appear before the committee to testify upon the subject of the investigation. Several communications were exchanged between the committee and some of the members of the Commission. On October 21, the committee received a letter from Commissioner John M. Carmody (record, vol. 34, p. 1) in which Mr. Carmody stated that the Commission, either individually or collectively, would see a member of the committee for an interview, and that this decision had been arrived at after a discussion with the other Commissioners.

The committee thereupon selected Chairman Ross as the person to interview Admiral Land, Admiral Vickery, and Commissioner Carmody individually, and advised Mr. Carmody by letter of this action, stating that Mr. Ross would interview these Commissioners. In order that the committee could obtain an accurate report of the interview, it was proposed that Mr. Ross be accompanied by counsel and a court stenographer.

On October 21 the chairman received a letter dated October 20, from Mr. Carmody, advising that the Commission had reconsidered the matter and refused to be interviewed at all.

It is the opinion of this committee that Admirals Land and Vickery, Commissioner Carmody, and Joseph W. Powell feared disclosures harmful to them, and that this was the reason for their refusal to appear for questioning.

In contrast to the position taken by the Maritime Commisison and Mr. Powell, Mr. Donald M. Nelson came to the committee's hearing, unaccompanied. Mr. Nelson's frank testimony cast much light on the matters under investigation. He impressed every member of the committee as being able, cooperative, and an outstanding, patriotic American.

9. Predominance of large business influence in Washington

Labor and small business are being called on constantly to make sacrifices in connection with the war effort. There is an almost complete absence of representatives from either of these groups in the high Government positions where their knowledge and experience should be utilized.

Typical of this condition was the testimony given before the Senate Committee Investigating the National Defense Program (known as the Truman committee) which record was studied by this committee. In outlining the personnel of the policy-making sections of the steel section of the War Production Board, R. C. Allen, Deputy Chief of the War Production Board Iron and Steel Branch, revealed that all civilian members of the clearance committee of that branch and all civilian consultants were or had been officials of large corporations and that nearly all of these men were dollar-a-year men, still receiving substantial salaries from their firms.

This committee was assured by Donald M. Nelson, Chairman of the War Production Board, that steps are being taken to correct this condition by including labor in policy-making groups.

10. Labor in Government

One of the most promising aspects of your committee's investigation is that it found certain high officials in the Government, such as Donald M. Nelson, in complete agreement with the thought that labor should have a greater part in shaping governmental policy in the war effort. Mr. Nelson's replies to questions by the committee's chairman and counsel follow:

"Mr. Ross. The American Federation of Labor and this committee are not interested so much whether Liberty ships are built there, but what labor is sincerely interested in is doing the best that can be done to expedite the war effort.

"The Chair recalls that on the third day after this contract was canceled, a huge mass meeting was held in New Orleans, which was advertised as a protest mass meeting, but in reality it was not that. The Chair, during an address, stated it was his personal opinion we should have to devise some other means of getting supplies to our boys in foreign countries; on the battlefields of the world, and in his personal opinion it would take giant cargo planes or possibly cargo submarines, because it was apparent at that time for every ship we built we were losing two, and that is how we feel now. We want to do everything humanly possibly to expedite the war effort and the winning of this war. Our personal desires should be in the background and put our shoulders to the wheel.

"Mr. NELSON. That is well expressed, as a good American, and that is the spirit we must have to win this war, and that I have heard expressed by American Federation of Labor leaders. We have had the best kind of relationship with the American Federation of Labor in the war program. We will be glad to work with this committee if there are any things you can suggest to be done with these facilities or building of additional facilities there. I will be glad to work with you and see that it gets careful consideration. (Record, vol. 31, pp. 31, 32.)

"Mr. MARGIOTTI. Mr. Nelson, what is your position of giving labor more of a voice in the affairs of conducting the war program in our great effort to win the war? You think they should have more voice so that occurrences such as happened in the Higgins contract will not occur again?

"Mr. NELSON. Yes; and I am taking steps to see this done. We have just announced formation of this Labor Policy Committee, composed of two from labor, two from management, and an impartial chairman who has been approved by both, and I think that group of five should know anything that is going on. I do want to see labor brought in more, and see labor representatives a part of our work in all branches.

"I have asked President Green and President Murray to sit with me as soon as they get back to discuss more of this participation to bring men in administrative positions where they can be of real assistance—whether we can do it as vice chairmen or other positions, is a question of good organization.

"I do want to see labor have a greater knowledge of what is going on. I have seen and know from experience, the more a person knows of the situation, the better they understand it, and I want labor leaders here to know that.

"In a war program such as we have, it will be necessary to make very great changes in ships as we consider an offensive. There will be changes in the program. A plant may have to be shut down here and another built up rapidly there, and if labor knows that to the point workers understand it and know, they are not suspicious. Lack of knowledge breeds suspicion. The more labor knows the reasons we have to make these changes, and why some critical materials are scarce, along with the knowledge they can increase our production of aluminum, or steel, or copper, or landing craft, the better we can get the job done. That is a fundamental belief of mine.

"Mr. MARGIOTTI. I agree with you and that should take place in all other important governmental boards and agencies. I think the same may be true of the Maritime Commission; in the procurement divisions of the Army and Navy and other departments where the voice of labor would be helpful in winning the war; in getting proper cooperation, as you said, between labor and industry. That same cooperation ought to be between labor, management, and Government.

Mr. NELSON. That is right, and one of the things I instituted was these labor-management committees, which in many cases have helped improve production. I can show you records of that which are very gratifying; suggestions for preventing waste, actually millions of dollars have been saved through the knowledge of the man at the machine, and through this labor-management committee. To me, I think when the war is over—our immediate efforts should be to win the war rather than to try to do anything after the war, but I think you will find this labor-management committee permeating into the structure of our country and doing things that will improve our whole industrial system." (Record, vol. 31, pp. 33-35.)

On the same subject is the following testimony given by Dr. Mordecai Ezekiel:

"Chairman Ross. In industry engaged in war effort and such commissions as the Maritime Commission and the War Production Board and other agencies of that character, do you believe that if able and experienced labor representatives were members of effective agencies and were fully informed as to procedure and regulations and had more of a voice in forming policies, that it would be of vast benefit to the war effort as a whole?

"Mr. EZEKIEL. I think that people who know the labor problem and the labor points of view and that have the confidence of labor should participate in these things. You cannot set up Government administration,

though, as a balance between opposing forces. For example, I do not believe that Mr. Nelson, as head of the War Production Board, is a representative nor spokesman for business. I mean, if he regarded himself as a representative for business, I do not believe he could function in the interests of the general public. I know, certainly and of course, I have been in the Department of Agriculture for many years and have seen at close hand, the functions there. No farm organization designates or selects anybody who runs any action program in the Department of Agriculture. The people who run the action programs there, while they are working for the interests of the farmers and the interests of consumers, are known as such, designees of farmers. I do not know whether you could, in a democratic society, make the administrative work by having a dual administrative person in as one designee of business and one person as a designee of labor.

"I think you must have one administrator who runs things, but, I think, along with that administrator, you should have an advisory council, who does not make the final decision, but a council which does have a chance to make its position felt, and, in an advisory council, people representing labor, business, and the farmers should be present.

"I suppose I am prejudiced in this because I am what the British call a 'career civil servant' paid by everybody out of Government funds, rather than representing any one group. But I believe the man who is paid to represent the general interests can do a better job to represent the general public than somebody who has an affiliation back with a business, such as a dollar-a-year man or with labor. The people representing the different groups should be in an equal advisory position, but you should have people to actually run it responsible to Congress and to the administration.

"How close that fits the British plan I do not know. I would give labor, business, and the farmers exactly an equal voice, but I would not let any one of them run it." (Record, vol. 32, pp. 99–101.)

It is the opinion of this committee that steps should be taken along lines suggested by Mr. Nelson to the end that labor can have a more active participation in the affairs of government and more responsibility in the making of critical decisions, such as the cancelling of the Higgins contracts, which has brought about this investigation.

COMMITTEE'S CONCLUSIONS

After studying the record of this investigation and making the foregoing findings of fact, your committee has reached the following conclusions:

I. Our Nation's victory in this war has been delayed by cancelation of the Higgins contracts

In inducing Andrew J. Higgins, Sr., of New Orleans, La., to undertake construction of a mass-production assembly-line shipyard and to build 200 Liberty cargo vessels, the United States Maritime Commission recognized the ability of Mr. Higgins and his organization to produce cargo vessels faster and cheaper than could any shipyard in our country. The members of the United States Maritime Commission embarked on a program of spending hundreds of millions of dollars of taxpayers' money on this undertaking.

After commitments for some $30,000,000 had been made and after $15,000,000 and more had been spent in such a way that it could not be recovered, these same Maritime Commissioners abandoned the entire project. This was done at a time when American fighting men, stationed over the entire world, were in desperate need of the supplies, equipment, and weapons that cargo vessels could bring to them, a need that will probably last until our victory is achieved. In peremptorily junking what they themselves had proclaimed as the shipyard which might mean the difference between defeat and victory, these same Commissioners retreated to the conventional shipyards of the country for their supply of cargo ships. That retreat placed the lives of the men in service and the future of this country in a position where everything depends upon obtaining the much needed ships from shipyards where each vessel has to be tailor-made at a pace far slower than that the Higgins shipyard would have maintained. At a time when a premium was placed on efficiency, it was determined to do away with shipbuilding facilities that would have proved to be the most efficient in order to favor less efficient conventional shipyards.

On September 26, 1942, the Maritime Commission announced that approximately 60 shipyards of our Nation, employing about 500,000 persons produced 488 cargo ships during the preceding 12 months. The Higgins shipyard in full production, with only 95,000 employees, could have produced 720 Liberty ships in a 12-month period, at a savings to our Government of $180,000,000 per year. What is even more important, in view of the tremendous demands for manpower, the Higgins Shipyard could have made the other 60 yards and over 500,000 employees available to build other types of ships, or to engage in other vital war work.

The Higgins Shipyard was the most desirable, flexible, and economic yet conceived for building and repairing ships in war or peacetime. With a minimum of extra cost, the Higgins assembly line method could have been converted to produce larger and faster vessels, submarines, tanks, or aircraft.

Over 536 cargo vessels have been lost in the western Atlantic since America entered the war on December 7, 1941. Over 500 more cargo vessels have been lost throughout the waters of the world. We need more cargo ships now. Our shipbuilding program cannot be strung out to suit the convenience of anyone or the interests of the large, old-line shipbuilding companies. We must build more ships. We must build them faster, otherwise the policy of too few and too late may cause us to lose the war.

The Maritime Commission ignored wartime threats to the shipyards of our country, most of which are located in vulnerable positions on ou seacoasts. This inland Higgins shipyard would have been free from attack by naval gunfire. It could easily have become our salvation should other shipyards suffer damage or destruction from land, sea, or air attack, accidents, or sabotage.

The winning of the war and the welfare of our Nation must be placed above the welfare of private interests. Patriotism must rise higher than concern about business as usual and what will happen t established business interests after the war. We must win the war; if we don't there won't be any business. Our casualty lists are growing. The hearts of many more families will be saddened. Those responsible for the unfortunate mistakes in the conduct of the war will be held accountable to our people.

This committee has labored arduously in a spirit of cooperation with the President of the United States. It has no interest in the cause of any individual or firm. Its only interest is in winning the war and in rendering service to our country and to our President.

II. The conduct of certain high-ranking officials in departments of our Government has been such as to warrant action fitting for those who place personal feelings above the welfare of our Nation

This committee finds that there exists among certain high-ranking officers of the United States Navy a feeling of caste consciousness that must be overcome if we are to wage this war successfully. The evidence heard by this committee revealed that there exists among men who make vital decisions, a feeling that to their kind alone belongs control of American lives and American money. So deep-rooted is this doctrine and so jealous of their positions are its adherents that they discard any new idea or suggested improvement made by any outside group or individual.

This committee discovered an almost unbelievable atmosphere of bias and prejudice, not only in the Navy but also in the Maritime Commission, where naval officers are entrusted with grave responsibilities. The Truman committee, after investigation, charge the Navy's Bureau of Ships with being biased and prejudiced against Higgins Industries, Inc., and could not condemn too strongly the negligence or willful misconduct on the part of the officers of this Bureau.

In canceling the Higgins contracts, these officers placed personal feelings and prejudices above the welfare of our Nation.

III. Sincere and generous patriots are the victims of hostility and opposition from certain officials in charge of our war effort

Instead of welcoming the suggestions and offers of right-minded Americans who think only of winning the war, members of the Maritime Commission and of the United States Navy Bureau of Ships have discouraged such patriotic conduct. When Mr. Higgins and others, at their own expense, offered suggestions and facilities for aiding the war effort, they were not only rejected but the rejection was accompanied by unmannerly and discourteous treatment, usually found in the conduct of those who mistakenly believe they are of a superior class. The long experience and success of these private citizens in the manufacture of materials now vital to the war have been completely ignored in favor of the designs and plans created by less-experienced individuals whose backgrounds, however, are more to the liking of those in power.

IV. There has been waste of Government funds, much-needed materials, and manpower through the gross negligence of those responsible

The members of the United States Maritime Commission, particularly Admirals Emory S. Land and Howard L. Vickery, have shown a willingness to waste beyond recovery more than $15,000,000 spent on the 40-percent completed Higgins shipyard at New Orleans. After completing the dredging of an 11-mile waterway, large enough for oceangoing cargo ships; after the use of more than 3,000,000 man-hours of labor in the project; after permitting more than 22,000 wooden piles to be driven into the earth; after the sinking of tons of concrete and steel in building foundations; after shipping in thousands of carloads of plant and ship materials to the New Orleans site—these same commissioners in one afternoon's meeting decided to abandon all of that work, selecting a fictitious reason as their excuse for so doing. As though that were not enough, these men permitted the work to go full blast for 8 days more before they issued orders to stop spending further money and to cease using further labor and materials. Approximately $1,500,000 was spent in that 8-day period.

V. Decisions vital to the war effort are influenced by certain men in high places who are protecting private interests

Before our entry into the war, Admirals Land and Vickery and Joseph W. Powell, Special Assistant to the Secretary of the Navy, openly voiced their policy of favoring existing shipyards, many of which were owned by big interests. When our President's demand for "ships, ships, and more ships" made it impossible to adhere to such a policy, Higgins Corporation was given an opportunity to build ships with up-to-date methods and a streamlined, mass-production plant. The shipyard which threatened to revolutionize

the industry through faster and less expensive construction was stopped before completion. The success of the Higgins shipyard loomed as the answer to our shipping problem at a huge savings of taxpayers' money. Only the conventional shipyards, some owned by giant corporations, would suffer from the completion of this mass-production, assembly-line plant which could have produced Liberty ships at a quarter of a million dollars per ship savings over the conventional yards.

The same conventional plants were the ones which, after the Higgins contracts were awarded, suddenly increased their productivity, with the aid of the Maritime Commission's expansion program. The increase to the extent claimed, placed the Maritime Commission in a position where it could say that the Higgins plant was not necessary to meet the President's program. This face-saving excuse was given by the Maritime Commission as one of its reasons for abandoning the Higgins assembly-line shipyard.

The attention given to the welfare of the conventional shipyards is apparent in the testimony of Admiral Land before the Truman committee. The Maritime Commission Chairman there volunteered the information that reinstatement of the Higgins contracts would seriously affect 20 or 30 other shipyards in the Nation.

Joseph W. Powell, Special Assistant to the Secretary of the Navy, is reported to have described himself as in full charge of our Nation's shipbuilding programs. This individual is a former vice president of Bethlehem Shipbuilding Corporation, an affiliate of Bethlehem Steel Co. Mr. Powell is one of the men severely censured by the Supreme Court of the United States in a decision handed down on February 16, 1942, after Mr. Powell assumed his present position. He was censured for his unfair conduct in aiding his company to take advantage of our Nation's desperate need for ships to obtain a contract, the profits of which were most exorbitant.

By eliminating the Higgins plant, Mr. Powell and the Maritime Commission succeeded in reestablishing their policy of protecting the old-line shipyards. Mr. Powell was in a most favorable position to exert influence against the erection of the Higgins plant; first, because of his power as assistant to the Secretary of the Navy; second, because of his 40-year friendship with Admiral Land and his close relations with other members of the Maritime Commission; and third, because of his close connection with the big shipbuilding firms which are subsidiaries of the large steel firms of the Nation.

In the light of Mr. Powell's past activities during World War No. 1 and his general background and connections, this committee believes that he influenced the cancelation of the Higgins contracts.

VI. In asserting that a shortage of steel was the reason for the cancelation of the Higgins contracts the Maritime Commission selected an excuse that was without foundation in truth

In the congressional investigations that followed the cancelation of the Higgins contracts on July 18, 1942, Admirals Land and Vickery asserted repeatedly that the primary reason for canceling the contracts was that there was a shortage of steel. To support this position, they have frequently referred to a letter of July 8, 1942, sent to Admiral Land by Mr. Nelson. They didn't reveal to the public the contents of this important communication from the Chairman of the War Production Board. It was not until this committee studied those portions of the letter that referred to steel that the discovery was made that instead of curtailing President Roosevelt's program, the letter gave Admiral Land the assurance that he would get all of the steel he needed for the shipbuilding program of 24,000,000 tons of ships ordered by President Roosevelt.

The amount of steel made available by the War Production Board in March 1942, when the Higgins contracts were let, was adequate for the building of 24,000,000 tons of ships. The same amount of steel was definitely assured by the War Production Board at the time of the cancelations. Admirals Land and Vickery were well aware of these facts.

At about the time Admirals Land and Vickery were contemplating the cancelation of the Higgins contracts, they made an unsuccessful effort to have the President's program increased 5,000,000 tons.

The Maritime Commissioners further knew that the President's program for 24,000,000 tons of ships to be built in 1942 and 1943 had not been increased.

Notwithstanding these facts, the Maritime Commission has made it appear to the American people that the President's directive or program called for 29,000,000 tons of ships, and that the War Production Board informed the Maritime Commission that the steel would not be available for such a program and that the cut in steel allotments forced them, reluctantly, to cancel the Higgins contracts.

Not only was this deception practiced on the public, but factual misrepresentations and concealment of material facts were resorted to by Admiral Land in his successful attempt to get Donald M. Nelson to approve the cancelation. Had Mr. Nelson known all the true facts he would not have given his approval.

The steel requirements for the Higgins contracts consisted of (a) fabricated steel for the facilities, (b) steel for the facilities equipment, and (c) steel plate for the 200 Liberty ships. There was no shortage and all steel had been allocated for these requirements. Bethlehem Steel had been given the structural steel order. Over one-half of it had been so far processed that it had to be scrapped and the balance was available. The equipment for the plant was either finished or in the course of production and that part unfinished or in the course of production and that part unfinished at the date the Higgins contracts were canceled was later finished and diverted by the Maritime Commission to other yards. The order for the 200 ships was divided among other shipyards, where the ships will be constructed, and the steel plate is available for their construction.

Admirals Land and Vickery and Joseph W. Powell, all of whom were in a position to give this committee most enlightening information, refused to appear and testify. This committee finds that these refusals were made because these individuals feared their testimony would have resulted in disclosures harmful to them.

This committee cites with satisfaction the example of Donald M. Nelson, Chairman of the War Production Board. Mr. Nelson appeared personally before the committee, testifying for more than 2 hours. His frankness and knowledge favorably impressed this committee.

This committee further finds that the cancelation of the Higgins contracts did not occur because of a shortage of steel or because of any other of the collateral reasons given by the Maritime Commission.

The only and real reasons for the cancelation were: (a) favoritism toward existing conventional shipyards, many owned by large companies; (b) fear of competition that would result from mass production through unique assembly line methods in shipbuilding; and (c) unjustified personal animosity toward A. J. Higgins, Sr.

RECOMMENDATIONS

This committee respectfully submits the following recommendations:

1. A shipyard producing cargo vessels in mass production by the Higgins assembly line method is vital to our war effort and should be built promptly by the Government.

2. Facilities at New Orleans should be completed by our Government and utilized immediately for the building of Liberty ships, faster cargo vessels, submarines, or other watercraft, or for the construction of giant cargo planes, tanks, or for some other equipment effective to the war effort.

Over a period of almost 4 months from the date of cancelation of the contracts a large organization has been engaged at full speed in tearing down the facilities and equipment and removing them under orders of the Maritime Commission.

During the preparation of this report this committee noted with satisfaction that while the dismantling was being carried on it was announced in Washington that the War Production Board and the United States Army Air Corps have planned the utilization of the New Orleans site for the manufacture of cargo planes.

It is the further recommendation of this committee that the entire 1,200-acre site and what remains of the facilities and improvements be utilized.

3. Andrew J. Higgins, Sr., and his organization have shown such outstanding ability to produce war equipment quickly and economically that they should immediately be brought into the war effort in a greater way.

This committee notes with satisfaction that Mr. Andrew J. Higgins, Sr., and his organization have been engaged by the War Production Board and the United States Army Air Corps to build 1,200 cargo planes. It is hoped that the energy and manufacturing ability of Mr. Higgins and his organization will be even further used in our war effort.

4. The actions of Admiral Emory S. Land and Howard L. Vickery, members of the Maritime Commission, and Joseph W. Powell, Special Assistant to the Secretary of the Navy, have been so detrimental to the general welfare of our country and our war effort, that this committee recommends that such action be taken against these men as the fact and circumstances warrant.

5. Immediate action should be taken to prevent the Maritime Commission and the Navy Bureau of Ships from placing personal prejudice and bias above our country's welfare.

6. Labor and small business should be given a greater share of the responsibility within departments and agencies of the Government where important decisions are made in our war effort. It is sincerely felt that if the experience and knowledge of labor and small business are utilized when important decisions are made, there will be fewer incidents, such as the cancelation of the Higgins contracts, to hinder our Commander in Chief, President Roosevelt, in our war program.

Respectfully submitted,

Robert Quinn, Henry J. Barbe, B. A. Murray, J. Harvey Netter, Alfred Chittenden, C. W. Owens, John Berni, Steve Quarles, E. H. Williams, E. J. Bourg, American Federation of Labor, Committee Investigating Cancelation of Higgins Corporation Contracts; Charles J. Margiotti, committee counsel, Pittsburgh, Pa.; Sebastion C. Pugliese, associate counsel, Pittsburgh, Pa.; Donald B. Hirsch, associate counsel, Pittsburgh, Pa.

NOVEMBER 9, 1942.

Mr. CLARK of Missouri. Mr. President, it had not been my intention to detain the Senate by entry into this debate upon the subject of the confirmation of Admiral Land as a member and Chairman of the Maritime Commission. It seemed to me originally that the fact that this nomination had been unanimously reported favorably from the Committee on Commerce, the committee having sole and exclusive jurisdiction of

the activities of the Maritime Commission so far as the Senate is concerned, made any extensive debate in Admiral Land's behalf unnecessary. But, in view of the fact that I happen to have some personal familiarity with the record as to some of the charges contained in the bill of particulars advanced by the Senator from Vermont [Mr. AIKEN] against the confirmation of Admiral Land, it seems to me that in fairness, I should bring certain matters to the attention of the Senate.

Mr. President, I doubt if there has been any Member of the Senate, and I am very certain that there has been no member of the Commerce Committee, who has differed from the policies of the Maritime Commission more frequently and more violently than have I, and I may say that when I have differed with the policies or the recommendations of the Maritime Commission I have never hesitated in the least to make myself vocal in my opposition. But, as I see it, the proposition as submitted here has nothing whatever to do with the policies of the Maritime Commission. The proposition which is presented is that because some Members of this body differ with the position taken by the Maritime Commission on the construction of a law, because we may differ with some members of the Maritime Commission, including Admiral Land, on matters of public policy, we should take an action which would attach a stigma to the character of Admiral Land by refusing to confirm his nomination after a general combination of charges to some extent reflecting upon his character, and none of which to my mind has been in the slightest degree proved.

Mr. TRUMAN. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield.

Mr. TRUMAN. I should like to say that it has been the duty of the committee of which I happen to be chairman—the Special Committee to Investigate the National Defense Program—to look into a great many shipyards and shipping contracts. In none of those investigations have we ever found anything which would in any way reflect on Admiral Land or Admiral Vickery. There are a number of things of which we did not approve, such as matters of policy; but those gentlemen have delivered the ships, and I think it would be disastrous under the circumstances not to confirm the nomination of Admiral Land.

Mr. CLARK of Missouri. Mr. President, I thank my colleague very much for that testimony.

So far as I am concerned, as I have said, I have disagreed with Admiral Land and with the recommendations of the Maritime Commission on many things. For instance, I recall the recommendation of the Maritime Commission on three or four different occasions to repeal section 810 of the Merchant Marine Act. That is the section which makes it unlawful for any person who receives an operating subsidy to continue as a party to, or to conform to, any agreement with other carriers which is unjustly discriminatory or unfair to any other citizen of the United States. The purpose of that section, of course, was to prevent American subsidized operators from continuing as members of conferences usually made up for the most part of operators of flagships of other nations, or, if they did so, to prevent them from continuing to receive a subsidy if the conference refused admission to a nonsubsidized American-flag operator. That is a matter of policy on which I disagreed with the Maritime Commission. First Mr. Kennedy, and then Admiral Land, as Chairman, and the Maritime Commission as a whole have repeatedly recommended the repeal of that section. I thought it would be unfair to the nonsubsidized ship operator to do so; and on several different occasions the Commerce Committee has refused to follow the recommendation of the Maritime Commission and of Admiral Land; but the fact that Admiral Land disagreed with the majority of the Commerce Committee on that important question of policy was no reflection on Admiral Land; and as evidence that it was not considered by any member of the Commerce Committee as any reflection whatever on Admiral Land, we have the unanimous report of the Commerce Committee in favor of the confirmation of Admiral Land's new nomination.

I desire simply to refresh the memory of Senators who were members of the Commerce Committee in the early part of 1938, about the Tampa Shipbuilding Co. case, which seems to be the principal item in the bill of particulars brought against Admiral Land by the Senator from Vermont. Senators who were members of the Commerce Committee in January and February 1938, will recall that the policy of the Maritime Commission with regard to the Tampa Shipbuilding & Engineering Co.—which I believe was the first name of the company—was not originated by Jerry Land at all; it was originated during the time when Joe Kennedy was Chairman of the Maritime Commission; and it was a well-calculated, carefully considered matter of public policy. Those of us who were members of the Commerce Committee at that time will recall—I know that the Senator from Michigan [Mr. VANDENBERG], the Senator from North Carolina [Mr. BAILEY], the Senator from Maryland [Mr. RADCLIFFE], the Senator from Louisiana [Mr. OVERTON], and the Senator from Oregon [Mr. MCNARY], who were members of the Commerce Committee, will recall that in January of 1938, Mr. Kennedy, then the Chairman of the Maritime Commission, requested the late Dr. Copeland, who at that time was chairman of the Senate Commerce Committee, to call a meeting of the committee to have a discussion with him about the progress of the program for the construction of the so-called C–2 ships under the new Maritime Commission Act. That meeting was held in the afternoon. Mr. Kennedy, Chairman of the Commission, Admiral Land, Vice Chairman of the Commission, and Mr. Geaslin, assistant general counsel of the Commission, attended on the part of the Maritime Commission. At that time, Mr. Kennedy told us that, on the bids for the C–2 ships, the Government was, as he put it, being hijacked by what seemed to be collusive bids among the big shipbuilding companies—the so-called standard shipbuilding companies. He told us that in some cases the bids were as much as 100 percent above what the Commission had estimated to be a fair cost for the ships. He said there were three remedies which might be employed by the Government to cure the situation.

One of them was to undertake to build the ships in navy yards. However, he said that the navy yards were not suited for the building of commercial ships of that type, and that, moreover, their facilities were filled to overflowing with the construction of naval vessels under the new naval building program. Another remedy was to authorize the Commission itself to build shipyards and undertake to construct the ships for the building program. The third remedy, and the one he recommended, was that contracts be let to several small companies which were much the lowest bidders in the bids which up to that time had been received, and which Mr. Kennedy told us frankly were companies of such small stature and such inexperience that he doubted the ability of the companies to perform their contracts; but he said he believed it would be a very healthy thing to let some awards to those companies and to use that fact as a club to hammer down the bids from the so-called standard companies, that is to say, the larger companies. That afternoon—I am not certain of the exact date; but from the date of the letter he wrote to the President a few weeks later, the letter dated February 17, 1938; I believe it was in the latter part of January or in the first days of February—Mr. Kennedy told the committee that unless some legislation was enacted to prevent such action, it was his intention to let contracts for some of those ships to some of the smaller companies, whether the companies were able to carry out the contracts or not, with the idea that he could use that as a club to hammer down the exorbitant bids submitted by the big companies in what he described as collusive bidding.

So far as the Senate Committee on Commerce was concerned, Mr. Kennedy's proposal not only met with unanimous response, but on the part of some of us with enthusiastic approval. It was probably by reason of the fact that I happened to be more or less familiar with the subject because of my experience with similar matters on the Munitions Committee that Mr. Kennedy called me, as I remember, a day or two before he resigned the office of Chairman of the Maritime Commission, and told me that he was sending me a copy of a letter which he had addressed to the President of the United States on this very subject.

The Senator from Vermont [Mr. AIKEN] stated awhile ago that that letter had never been made public. I do not know whether it was ever made public or not, because I received it direct from

Mr. Kennedy, and I did not take the trouble to give it out myself; but marked at the top of the letter, which I found in my files when the matter was recalled to my attention by these charges against Admiral Land, in capital letters, and underscored, are the words, "For immediate release." So I assume that inasmuch as Mr. Kennedy sent me the letter marked "For immediate release," it had already been released by the Maritime Commission when it was sent.

Because this is really the gravamen of the charge against Admiral Land, I think it is worthwhile to read most of this letter. The letter was addressed to the President and was signed by Mr. Kennedy, as chairman of the Maritime Commission just before he retired. It states the situation admirably, and exactly as the situation was presented to the Commerce Committee of the Senate. I read:

MY DEAR MR. PRESIDENT: The Maritime Commission is greatly concerned over the trend of shipbuilding prices in the United States. I believe that I should tell you that prices now being quoted on Government work threaten to balk our program for the rehabilitation of the American merchant marine.

The Commission recently solicited bids for the construction of 12 cargo vessels of the so-called C–2 design. The bids were opened on February 1. They range, for a single steam-propelled vessel, on a fixed-price basis, from $1,856,675 to $3,400,000. The range for Diesel propulsion was from $1,902,675 to $3,593,000.

I should like to have the Senate pay particular attention to this sentence, because it is precisely the same thing that Mr. Kennedy told the Commerce Committee. It shows that the President of the United States was put on notice as to the policy being pursued at that time by the Maritime Commission.

The two lowest bids were submitted by small yards about whose responsibility there is grave doubt. The lowest bid received from any of the so-called standard yards was $2,447,589 for a steam vessel and $3,593,000 for a Diesel-type vessel.

This is a serious situation. It is obvious that unless shipbuilding costs can be brought down far below those quoted by the larger yards there will be no American merchant marine worthy of the name. Private industry simply cannot afford to build at these prices, even with Government assistance; few of the lines, moreover, could afford to operate such expensive tonnage.

The Commission's technical data indicate that the C–2 ships should not cost more than $1,800,000 to $2,000,000. For that reason—

This was the inception of the policy with regard to the Tampa Shipbuilding Co. about which such a hullabaloo has been raised—

For that reason all bids except those received by the two small yards are believed to be excessive. Reasons for this belief follow:

1. There is an extremely wide variation in bids. There is a tremendous spread between prices quoted by the two low bidders and those submitted by the other six yards. There are also puzzling discrepancies between bids of the standard yards.

Which, as Mr. Kennedy told the Commerce Committee, led him to believe that these bids were the result of collusion between the big companies.

The high bid on a steam-propelled vessel, for all yards, is nearly twice that of the lowest bid. The high Diesel bid is 68 percent greater than the low bid.

2. The bids show many peculiarities. Bids were asked for a minimum of one vessel and a maximum of four, on both a fixed- and an adjusted-price basis. Two of the yards bid on one and two vessels; two did not submit adjusted-price bids; one yard submitted lower fixed- than adjusted-price bids—a reversal of the method employed by the other yards.

Only one of the larger yards bid on the Diesel-type vessels. This yard does not make Diesel engines. Another yard, meanwhile, which manufactures and specializes in Diesels, did not bid on this type of installation.

A further peculiarity of the situation with regard to the C–2 vessels is the fact that two large American yards did not submit bids at all. These yards are understood to have prepared estimates and were confidently expected to participate in the bidding.

3. The C–2 bids represent drastic increases over prices recently quoted on other construction. Bids were opened in December on 12 oil tankers to be constructed for a private company, with the Government paying for national defense features. Bids were requested for a 12½-knot and a 16½-knot vessel. Bids submitted by the larger yards on the C–2 ships, on a built-ton basis, are far above those quoted for the slow tanker and somewhat higher than those quoted on the fast tanker. C–2 costs, it is believed, should not greatly exceed those of the slow tanker. They should certainly be less than those of the fast tanker.

A comparison of C–2 bids with the tanker bids follows. These comparisons are based on cost per built ton—that is, the cost for each ton built into the ship. For vessels of dissimilar design this is considered to be one of the best methods of making cost comparisons.

Shipyard	Cost per built ton			
	12½-knot tanker	16½-knot tanker	C–2 turbine	C–2 Diesel
Sun	$407	$444	$509	-------
Bethlehem-Fore River	450	483	584	$655
Bethlehem-Union	-------	-------	621	694
Newport News	422	477	493	-------
Federal	419	460	-------	-------
New York Ship	471	540	-------	-------
Hess	-------	-------	-------	403
Tampa	-------	-------	-------	394
General Engineering	-------	-------	-------	608

I merely call attention to these facts: The bid of the Tampa Co. on the C–2 type turbine vessel was $380 a ton, and on the C–2 type Diesel vessel $394 a ton, as compared with the bid of the General Engineering Co. of $580 per built ton on the turbine type and $608 on the Diesel type, and as compared with the bid of the Bethlehem-Union Shipbuilding Co. of $621 on the C–2 turbine type and $694 on the C–2 Diesel type.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield.

Mr. SHIPSTEAD. That deals with merchant ships, does it not?

Mr. CLARK of Missouri. The reference is to the so-called C–2 type ship, which was the fast merchant ship being built at that time under the subsidy program.

Mr. SHIPSTEAD. These shipyards also build battleships, do they not?

Mr. CLARK of Missouri. That is correct. I do not know that all of them do, but a great many of them do. Without exception, those who had submitted bids have bid on naval ships.

Mr. SHIPSTEAD. If the Senator will permit me, I should like to interpose here that some years ago there was a hearing on the cost of naval vessels before a committee of which I was a member, and we learned that it cost very much more to build naval vessels in private yards than in Government yards. I asked the Admiral in charge of construction why that should be, and he said it was because of the higher cost of labor in private yards. I pointed out to him that the Government navy yards were paying union wages. I asked him, "Do you mean to tell me that private corporations pay more than union wages?" He said he thought that was it, but it had always been a mystery. I asked him if he ever tried to find out why. I think his remarks were to the effect that that was not his business. His business was to get construction.

Mr. CLARK of Missouri. Mr. President, I will say to the Senator from Minnesota that, so far as I am concerned, I have always been in favor of building all naval vessels which could possibly be constructed in Government navy yards, but it is only fair to say that in the navy yards' estimates of costs there is no inclusion whatever—and I think this is incontrovertible—of overhead costs, insurance, preparation of plans, and various other items which a private contractor necessarily has to take into consideration. I do not believe there is any question about that.

Mr. SHIPSTEAD. That is important if it is true.

Mr. CLARK of Missouri. I never heard that statement controverted, and from time to time I have been on several committees which investigated the question. I do not believe there is any question that in the navy-yard estimates, such matters as overhead and insurance are not taken into consideration. I ask the Senator from Maine [Mr. WHITE] if that is not true. He is much more familiar with the subject than I am.

Mr. WHITE. Mr. President, I cannot recall at the moment when the testimony was given, but I am positive in my recollection that before the Merchant Marine and Fisheries Committee of the House of Representatives, while I was a member of that committee, there was ample testimony substantiating what the Senator from Missouri has said.

Mr. CLARK of Missouri. I will say to the Senator from Minnesota and to the Senator from Maine that, so far as I am concerned, I have always been an advocate of the theory of constructing Government vessels in navy yards whenever it could be done. When I make the statement which I have just made, it is in the nature of an admission against interest, because I have always believed in construction of Government vessels in navy yards.

Mr. BONE. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HATCH in the chair). Does the Senator from Missouri yield to the Senator from Washington?

Mr. CLARK of Missouri. I yield.

Mr. BONE. The able Senator from Missouri will surely recall the testimony before the Senate munitions committee

a few years ago which leaves no doubt in anyone's mind that the operating overheads to which the Senator has referred were all added to the cost of the vessel. The owner of the yard did not pay them. There can be no virtue in any argument which implies that he is "out" anything.

Mr. CLARK of Missouri. Mr. President, I never suggested that the Government did not ultimately have to pay all such costs, and, on a cost-plus contract, 10 percent in addition. All I say is that when it comes to the question of competitive bids the Government navy yards do not have to submit bids on the same basis as do private contractors.

Mr. BONE. The Senator from Missouri will recall that we made an effort in the Senate munitions committee to obtain a break-down of labor costs in private yards, and were unable to get it. They agreed to supply it for the record, but did not supply it. I think the record is without any reference to a break-down of labor costs. It was explained to us that they were so highly complicated with various items such as bonus deductions and other things that it was well-nigh impossible to supply a break-down of the figures on labor costs in private yards, whereas in Government yards the labor is on a straight hourly or monthly basis.

Mr. CLARK of Missouri. Mr. President, I continue reading from Mr. Kennedy's letter to the President:

4. The C–2 bids are higher, on both a deadweight and built-ton basis, than the cost of class A vessels built during the World War period. Prices quoted on the present vessels range from $380 to $630 per built ton for steam vessels and from $394 to $694 per built ton for Diesel ships. The average price of the type A vessels built at Hog Island was $445 per built ton. It is recognized that the C–2 contains many improvements not found in the Hog Island vessels. Nevertheless, a comparison of the two types, especially when made on a built-ton basis, clearly indicates that the C–2 prices are out of line in relation to those prevailing during the war program.

It is extremely difficult to explain this situation. All available indices seem to show that the cost of materials entering into ship construction are much lower today than they were during the period when the Hog Island vessels were built and that labor costs, even though higher on an hourly basis, are probably no more if overtime and other factors are taken into consideration. Even if wages today were double those of the war era, they still would not account for present prices, as only 30 to 40 percent of the cost of a ship is spent in the yard.

5. Current prices seem to be out of line with foreign costs.

I may say further, Mr. President, that in response to the recommendations of Chairman Kennedy and Chairman Land, the Congress passed a law authorizing the Maritime Commission, when bids in this country exceed bids from foreign ship constructors by more than 100 percent, to have the ships built abroad, merely as another check on the system of extortion which is being practiced on the Maritime Commission.

Continuing to read from Mr. Kennedy's letter to the President:

Bids received on the C–2 vessel (steam propulsion) average $2,736,717. The Commission has just been informed by its London office that three vessels of approximately the same characteristics are being constructed in Belfast at a cost of around $900,000 each. These ships were started some time ago and would probably run around $1,100,000 if contracted for today. This is about one-third of the average of bids submitted by the large yards on the C–2—a differential much higher than that which has hitherto prevailed and one which American shipping cannot possibly meet.

A comparison between the trend of shipbuilding prices in Great Britain since the war and in the United States is of interest in view of the present differential. The cost of cargo vessels in Britain today is about two and a third times the pre-war figure. Bids submitted by the larger yards on the C–2 ships are approximately four times those prevailing in the United States in 1913.

The Government has several courses in the present dilemma.

One is to pay the prices asked by the larger yards. That, I believe, would be a mistake. A merchant marine built at such prices as those quoted on the C–2 vessels would collapse of its own weight.

Another course would be to build in the navy yards. This probably will not prove to be practicable. The navy yards are organized for naval work and would find it uneconomical to work on merchant vessels, especially the smaller types. These yards, moreover, are needed for naval work.

A third course open to the Government would be the rehabilitation of private facilities. It might even be necessary to establish new yards, although this would involve the danger of overexpansion.

A fourth course would be to permit American operators to build abroad. The Commission has already proposed that certain subsidized construction be given to foreign yards whenever American prices are more than twice those available abroad.

Mr. President, I do not desire to occupy any more of the time of the Senate. I have certain data on the Waterman contract which, at the proper time, I shall be glad to discuss, because I believe the statement of the Senator from Vermont as to the Waterman contracts is entirely erroneous. But, at this time, in view of the limitation on debate, I merely desire to take the Tampa case as an example and point out one fact, which I believe to be incontrovertible.

The course pursued by the Maritime Commission with regard to letting the contracts to the Tampa company was originated under the chairmanship of Mr. Kennedy before Admiral Land became Chairman of the Commission. That policy had the explicit and unanimous approval of the members of the Commerce Committee of the Senate, without regard to politics. It was submitted to the President of the United States and approved by him.

What was the net result of that policy, Mr. President? It is true that Mr. Kennedy hammered down the bid of the Tampa company to the point where, having no original resources, as Mr. Kennedy anticipated, the Tampa company was not able to perform the contract. The company had taken the contract at a price so low that it failed. In order to get the ships the Government had to bail out the Tampa company at an expense of about $400,000. In the meantime all bids other than that of the Tampa company had been rejected. Promptly there was a new submission for bids on 12 C–2 ships. Using the award to the Tampa company as a club, the Maritime Commission was able to hammer down the bids of the so-called standard companies, the "Big Cinch," to a point where, on the over-all operation of the award to the Tampa company, the Government saved $50,000,000 or $60,000,000. I think it was one of the best trades ever made by the Government.

Mr. BONE. Mr. President——

Mr. CLARK of Missouri. The Senator from Maryland was on his feet.

Mr. BONE. It will only take a moment to answer the question I have in mind.

Mr. CLARK of Missouri. Very well.

Mr. BONE. The figure of $50,000,000 or $60,000,000 would be more interesting to the Senate if we knew how many vessels were involved. If a large number of boats were built, the saving on one boat might be inconsequential, but if the $50,000,000 saving reflected a little handful of boats, that would be significant. I hope we may have those figures.

Mr. CLARK of Missouri. I do not have the detailed figures. I based the figure I gave from conversation with responsible officials of the Maritime Commission and on the fact that the operation by which this contract was awarded to a new company which had never had a chance to become a member of the "Big Cinch" and never had a chance to be in collusion with them was such a shock to them that it brought down the prices on the whole construction program.

Mr. BONE. The Senator, I am sure, will understand what I had in mind. A saving of $50,000,000 in extensive operations involving many ships might not mean more than a few thousand dollars on one ship, but, if reflected in the building of a few ships, it would have more significance.

Mr. CLARK of Missouri. I do not have the detailed figures before me, but I understand that from the immediate program there was a saving of $40,000,000.

Mr. BONE. I do not know what the "immediate program" is.

Mr. CLARK of Missouri. I will say to the Senator I am unable to inform him as to the number of ships involved, but I am informed, on what I consider very good authority, that there was a saving of some $50,000,000 or $60,000,000 as the result of bringing in this new agency by hammering down the price.

Mr. BONE. Over what period of time?

Mr. CLARK of Missouri. I cannot tell the Senator. The Senator can find out for himself very easily by calling up the Maritime Commission and obtaining the figures.

Mr. President, I had desired to discuss the matter of the Waterman contract, but I will not detain the Senate at this time. I merely desire to repeat that I have disagreed with Admiral Land and with the Maritime Commission as to its construction of the law and as to its policies possibly as often as has any other Member of this body. I think it is only fair to say, however, that the record of Admiral Land and of the Maritime Commission under very difficult conditions in the construction program has been remarkable, and I think it would

be outrageous and unfair for the Senate of the United States to reward those efforts by the rejection of Admiral Land's nomination and reappointment as Chairman of the Maritime Commission, which would necessarily involve a reflection on his character.

Mr. BAILEY. Mr. President, I should like to know how much time there is remaining to the proponents of the nomination?

The ACTING PRESIDENT pro tempore. Thirty minutes are left.

Mr. BAILEY. We have 30 minutes left; I know of at least 4 Senators who desire to be heard; so I must beg those who speak to be as brief as possible.

Mr. RADCLIFFE. Mr. President, after the very masterly statements by the very able chairman of the Committee on Commerce [Mr. BAILEY] and by the distinguished Senator from Missouri [Mr. CLARK], certainly no reiteration or further statement is necessary, yet I should like to add a few words.

I have had the good fortune to be a member of the Commerce Committee for a number of years. During a portion of that time I have been chairman of the Merchant Marine Committee, a subcommittee of the Commerce Committee. I have, therefore, been given an excellent opportunity to come in close contact, in many ways, with what has been done by Admiral Land and his associates in the Maritime Commission. Certainly I have formed the impression most definitely that Admiral Land, as Chairman of the Maritime Commission and War Shipping Administrator, has done a highly efficient job to which he had always devoted his efforts with unflagging zeal and energy.

If the Senator from Vermont will permit me to make a comment in regard to the technique involved in some of the charges he has made, I should like to say that it seems to me that he has been attempting to consider many of the instances in question as though they were isolated and standing apart and not as being a part and parcel of general policies and programs.

I think what has been said in regard to the Tampa Shipbuilding Co. illustrates that situation very well. As a member of the Commerce Committee I recall very well the conversations which were held in that committee regarding the Tampa case, and the policy which was finally settled upon in regard to it. For instance, it was not only a fact that the bids were very high in that particular instance, but also that there was not a sufficient number of shipyards in this country to do the jobs which were obviously essential if we were to construct a merchant marine of the vast dimensions and proportions which seemed to be necessary.

The result was that a general policy was determined as to shipyards. It is not satisfactory, it is not, in any way, conclusive merely to take final figures in regard to the operations of the Tampa Shipbuilding Co., disregarding the background and all the other circumstances and to say the figures show certain results. Consideration has to take a much wider range. There is no doubt of the fact that our policy in regard to the Tampa Shipbuilding Co. was exceedingly valuable not only in bringing down costs of ship construction and in saving thereby substantial sums of money but also helpful in furtherance of the policy of securing new shipyards throughout the country. Today in 24 States shipyards are constructing ships.

What may be said concerning the Tampa Shipbuilding Co. case may also, to a certain extent, apply to the Waterman Shipbuilding case. That matter affords another illustration of the fact that a situation of this kind cannot satisfactorily be considered unless there are borne in mind all the varying circumstances and all the material reasons which are impelling in the determination of the policy adopted as to ship construction by us.

The Senator from Vermont says he is entirely ready to absolve Admiral Land from any intentional wrongdoing. So there remains only the question of the policy involved. Have the policies of Admiral Land and of the Maritime Commission been correct? If one considers what has been done in the several cases, bearing in mind not merely what the figures themselves indicate, but also the varying circumstances, I think the conclusion is irresistible that what was done in each specific instance seemed to be the best at that particular time. Now we have also the advantage of hindsight. As we saw the matter at the particular time and looking back upon it, I do not think that any members of the Commerce Committee, so far as I am advised, believe that the general conclusions which were reached at that time were erroneous, as we view the situation today. It becomes, therefore, entirely a matter of difference of opinion as to policies and not as to the alleged existence of any improper intent on the part of Admiral Land or of any associates.

Now we come to a question, I think, which is an exceedingly important one, and that is as to the consideration of the theories of averages, the theory of sound proportions, and of relative values.

Bear in mind the fact that in 1936 we had practically no oceangoing ships. It was quite obvious then that we needed them. We were forehanded in that respect in making our plans by both legislation and administration. We launched upon a program the vast extent of which at that time could not be foreseen, but it was very obvious even then that we needed many new ships and that we needed them very quickly.

The result is that today our ship-construction program is steadily and rapidly expanding, and we are building ships faster than we have ever built them before in our history. We are also building them more cheaply than ever before during wartime. We are building more ships today than were ever built, not only by this country at any time in its history, but by any other nation at any time in history.

Mr. President, how did that happen? Was it by accident? Of course not. Many factors have contributed, many individuals, many agencies of the Government have participated, but the fact remains that the dominant factor throughout it all has been the personality and genius of Admiral Land. He has been steadily on the job, most efficiently so. Consequently we have striking and unprecedented results which have been so highly valuable and so essential to the conduct of our war operations.

We all know very well that the need for ships has been the greatest ever in our history. We had to have ships. We had to have them for ourselves. We had to have them for our allies. We had to have them quickly. There was always the danger to our ships from mines, from airplanes, danger from the ever-increasing menace of the submarine. That menace continues today to be one exceedingly grave.

If we analyze the situation as to the Maritime Commission, we will realize, I am sure, that there were differences of opinion only in regard to matters relatively few in number, and we again get to this question of percentages and of relative values and just proportions. These are all in favor of Admiral Land. Suppose it is true that in a few respects mistakes have been made; in the large majority of respects brilliant success has been obtained. We never could have obtained the results we have won unless a highly efficient program had been planned wisely and carried on most efficiently. Unless that program had been highly successful, our plight today in this world would be a very serious one, and the hideous danger from the Axis would be much greater than it is. Even so, we are still in grave jeopardy.

If we look at the matter from the standpoint of true relative proportions, then we must come to the conclusion that what has been done by the Maritime Commission has been highly effective and successful, and that, therefore, Admiral Land, as the Chairman of the Commission, as the highly efficient head of it, has done a big job. Certainly in all respects he deserves confirmation. His rejection today would be a serious blow to us and would lend aid and comfort to the Axis Powers. His record for effective work has never been excelled in the history of maritime matters in this country, if in any. He will continue to be conscientious; he will continue to be industrious; he will continue to be efficient. In the performance of his duties, certain it is that his heart will always be eager and his hands ready for the work.

Mr. President, I wish to have inserted at the end of my remarks three documents.

The ACTING PRESIDENT pro tempore. Is there objection?

There being no objection, the documents were ordered to be printed in the RECORD, as follows:

UNITED STATES MARITIME COMMISSION,
Washington, July 30, 1941.

Below is a scale of maximum time charter rates for United States and foreign-flag vessels in which the Commission will concur for charters in which their concurrence is indicated on and after August 1, 1941: 10,000 dead-weight tons and up, $4.50; 9,000 to 9,999, $4.60; 8,000 to 8,999, $4.70; 7,000 to 7,999, $4.80; 6,000 to 6,999, $4.95; 5,000 to 5,999, $5.10; 4,500 to 4,999, 5.25; 4,000 to 4,499, $5.45; 3,500 to 3,999, $5.65; 3,000 to 3,499, $5.85;

2,500 to 2,999, $6.05, per dead-weight ton per month on summer freeboard up to 12 knots.

No vessel to receive more charter hire than a vessel of the lowest tonnage in the next higher class can earn at the rate shown for that class.

Motorships: $0.55 per dead-weight ton per month additional.

Motorships: $0.10 per dead-weight ton per month for each one-half knot in excess of 12 knots.

Steamships: $0.10 per dead-weight ton per month for each one-half knot in excess of 12 knots.

Extra rates based on speed will apply on actual proved performance under load conditions. (Maritime Commission formula.)

Rates include Marine and P. & I. for vessel and crew—account owner.

Crew bonus contingent upon voyage ports of call—account charterer.

War-risk insurance account charterer: Unless otherwise approved by the Commission, the basis of war-risk valuation will not exceed $100 per dead-weight ton.

The above rates and conditions do not apply to passenger liners, car ferries, sea trains, refrigerators, tankers, or vessels under 2,500 dead-weight tons. Rates and conditions for vessels in these latter categories will be considered individually on the respective merits of each case.

The Commission requests berth rates, lumpsum charters, or other freighting arrangements to be so made that the yield to owners and/or operators will not exceed the above charter rates for the type of vessel normally employed in the trade plus reasonable additional allowances for management overhead, profit, and loss risk, etc. Conferences are requested to submit complete new tariffs in accordance with the above not later than August 15 with rates, when concurred in by Commission, to be effective September 1, 1941. Rates which are now shown as "open" should be "closed," and specific rates indicated for commodities now rated "open." Operators in trades where there is no conference and nonconference operators are requested likewise to submit complete rate schedules in tariff form not later than August 15 with rates, when concurred in by the Commission, to be effective September 1, 1941. This rate-filing request is not made with respect to transportation which is subpect to statutory regulation by other governmental bodies.

Between August 1 and the date when new berth and other rates are adjusted to conform to the above charter hires, owners and operators are requested to make arrangements between themselevs for owners' vessels placed in trades other than those in which the owner himself operates, on a consignment or agency basis mutually satisfactory to the owner and the operator. The maximum agency or consignment fee for general cargo services which the owner should be required to pay to the operator in such cases should not exceed 1 cent per cubic foot (vessel's bale cubic) per month subject to a minimum of $2,000 per month. For bulk cargoes the fee should not exceed one-half cent per month, minimum $1,000. All arrangements made in accordance with this paragraph should be submitted to the Commission for their concurrence.

UNITED STATES MARITIME COMMISSION,
Washington, January 5, 1942.

In accordance with its policy of maintaining steamship charter and cargo rates at as reasonable a level as possible, the Maritime Commission today announced a new scale of maximum time charter rates for United States and foreign flag cargo and tanker vessels, effective January 20.

The new scale, which cancels those announced by the Commission on July 30, 1941, for dry-cargo vessels and on August 22, 1941, for tankers, materially reduces existing rates.

At the same time the Commission announced that in order to have freight rates conform approximately with time charter rates, all ocean freight rates, with the exception of those specifically approved by the Commission within the past few months and those under the jurisdiction of the Interstate Commerce Commission, should be adjusted to the level of rates as of September 1, 1940, to which may be added an approved surcharge to cover increases in operating expenses which have occurred since that date.

The present maximum time charter rates are based on $4.50 per dead-weight ton for a 12-knot dry-cargo vessel of 10,000 deadweight tons or more and $4.50 for a tanker of 10 knots and 10,000 dead-weight tons or more. The new scale for all types of vessels is based on $3.25 per dead-weight ton per month on 10-knot vessels of 10,000 dead-weight tons or more. This ranges up to $6.05 per dead-weight ton per month on vessels of 1,000 to 1,499 dead-weight tons.

In arriving at the new rates efforts were made to permit the vessel owners a fair return after allowing for cost of operation, overhead, depreciation, and allowance for survey.

When steamship lines establish to the satisfaction of the Commission the necessity and amount of surcharge required, the Commission will authorize the application of surcharge to include additional expenses due to increased cost of war-risk insurance (valuation for war-risk insurance is subject to Commission approval), crew insurance, crew bonus, internment insurance, and increased length of voyage. The Commission stated that no request for a surcharge will be entertained, the result of which would produce a return higher than the equivalent of the time charter rate.

The new scale of time charters provides for adjustments based on speed. An additional charge of 10 cents per dead-weight ton per month is permitted for each knot in excess of 10 knots, up to 14 knots. Thereafter 5 cents per dead-weight ton per month for each half knot over 14 knots. For vessels whose speeds are less than 10 knots, there are correspondingly lower maxima. Under the present scales there are no reductions for speed below the basic speed.

The new rates will be incorporated into the ship warrants system and will be a condition for the continued holding of warrants and the issuance of new warrants.

Below is the maximum time charter rates for United States and foreign flag vessels in which the Commission will concur for charters in which their concurrence is indicated on and after January 20, 1942: 10,000 dead-weight tons and up, $3.25; 9,000 to 9,999, $3.35; 8,000 to 8,999, $3.45; 7,000 to 7,999, $3.55; 6,000 to 6,999, $3.70; 5,000 to 5,999, $4; 4,500 to 4,999, $4.20; 4,000 to 4,499, $4.40; 3,500 to 3,999, $4.60; 3,000 to 3,499, $4.90; 2,500 to 2,999, $5.20; 2,000 to 2,499, $5.50; 1,500 to 1,999, $5.75; 1,000 to 1,499, $6.05, per dead-weight ton per month on summer freeboard on 10 knots.

No vessel to receive more charter hire than a vessel of the lowest tonnage in the next higher class can earn at the rate shown for that class.

Motorships: $0.32 per dead-weight ton per month additional.

Adjustments based on speed: $0.10 per dead-weight ton per month in addition to above tabulated rates for each knot in excess of 10 knots up to 14 knots. Thereafter 5 cents per dead-weight ton per month in addition to above tabulated rates for each one-half knot over 14 knots.

Ships under 10 knots and down to 9 knots, 8 cents per dead-weight ton per month less than the above tabulated rates. Under 9 knots and down to 8 knots, 16 cents per dead-weight ton per month less than the above tabulated rates. Under 8 knots, 24 cents per dead-weight ton per month less than the above tabulated rates.

Adjustments based on speed will apply on actual proved performance under load conditions. (Maritime Commission formula.)

Rates include marine and P & I for vessel and crew—account owner.

Crew bonus to be for account of charterers.

War-risk insurance on vessel to be for account of charterer.

Extra marine insurance occasioned by trading beyond institute warranties limits and war-risk insurance account charterer. Valuation for war-risk insurance is subject to Commission approval.

The above rates and conditions do not apply to passenger liners, car ferries, sea-trains, refrigerators, or vessels under 1,000 dead-weight tons. Rates and conditions for vessels in these latter categories will be considered individually on the respective merits of each case.

The above rates will be incorporated into the warrant system and will be a condition for the continued holding of warrants now outstanding and will be a condition precedent to the issuance of new warrants.

RED SEA SPACE CHARTERS

I have asked you gentlemen to meet with me today to discuss the so-called Red Sea space charters which were entered into by various steamship owners with the British Ministry of War Transport during 1941 for the purpose of carrying land-lease goods to the Red Sea and Persian Gulf. As you gentlemen know, the rates prescribed in these space charters were approved by the Commission, as was also the form of space charter.

At the beginning, that is, from May 1941 through September 14, 1941, the rates were 75 cents per bale cubic foot of the entire under-deck space and 60 cents per bale cubic foot for all cargo carried on deck. This was later changed and, commencing with all voyages beginning on and after September 15 through December 1, 1941 (when this form of charter party was discontinued), the rate was reduced to 60 cents per bale cubic foot for the entire under-deck space and with no allowance for the on-deck cargo.

Various members of the staff of the Maritime Commission, and, I might say, some of the Commissioners have always felt that these rates were too high, and for that reason we have been continuously reviewing the results. Just recently the Comptroller General of the United States has started a thorough investigation of these Red Sea voyages. From our investigation we now are convinced that the rates were too high, and exceedingly so, and it is my feeling that the various steamship owners should voluntarily make a refund, thereby remedying the situation. If this is not done, no doubt the Comptroller General will report the results to the Congress and you may be assured that we will be confronted with an investigation by some committee, with results which, in my opinion, will be injurious to the American merchant marine.

We have been unable to obtain from the various owners all of the voyage results of the 106 voyages which participated in these Red Sea charters. However, we have received the information from the owners for 76 voyages. Charter hire paid on these 76 voyages amounted to in excess of $26,000,000 and revenue obtained from other sources amounted to approximately $16,000,000. The direct voyage profit to the owners on these 76 voyages

amounted to in excess of $22,000,000. Based on the dead-weight tonnage represented by these 76 voyages, and assuming an average turn-around of 183 days, this produces a return of over 89 percent per annum on an assumed value of $75 per ton. This assumption, on our part, of a $75 valuation per dead-weight ton would hardly be recognized by the Comptroller General of the United States, who, no doubt, would point out that a calculation based on the book value of the various vessels would show an unconscionable rate of return.

It would be a very wise step, I believe, for the steamship owners to agree voluntarily to a revision of the rate, and in that connection we have the following three suggestions:

1. In lieu of the space charter hire rate hereinbefore mentioned, substitute the rate of hire published by the United States Maritime Commission in press release 970, on a time form basis, and add thereto 30 percent to cover charterer's expenses to be assumed by the owner. As a matter of information, this rate, on a vessel of between nine and ten thousand dead-weight tons, would amount to approximately $6 per dead-weight ton per month.

2. As is pointed out above, the space charter rate was reduced from 75 to 60 cents per bale cubic foot, which seems to substantiate the fact that the 75-cent rate originally established was too high. I have formed the opinion, after talking to the various steamship owners, that when a vessel is fully loaded broken stowage usually amounts to about 20 percent. Results of the Red Sea operations indicate broken stowage on these vessels ranging from 20 percent to 49 percent. It is suggested that the rate be reduced from 75 and 60 cents per bale cubic foot of the under-deck cubic capacity of the vessels to 60 cents per bale cubic foot for 80 percent of the entire under-deck cubic capacity of the vessels with no allowance for on-deck cargo.

3. In lieu of the space charter hire rate hereinbefore mentioned, substitute the rate of hire published by the United States Maritime Commission in Press Release 970 and add thereto $2.70 per deadweight ton per month, representing charterer's expenses absorbed by owners under the provisions of the space charter agreement. As a matter of information, on a vessel of between 9,000 and 10,000 deadweight tons, this would produce a time charter rate of $7.30 per deadweight ton per month.

Mr. BAILEY. Mr. President, I think about 15 minutes are left on the affirmative side, are there not?

The ACTING PRESIDENT pro tempore. The Senator has 21 minutes left.

Mr. BAILEY. There are three on our side who wish to speak, the Senator from Maine [Mr. WHITE], the Senator from Michigan [Mr. VANDENBERG], and the Senator from Kentucky [Mr. BARKLEY].

Mr. VANDENBERG. Do not worry about me.

Mr. BAILEY. I wish to hear from the Senator, and I am sure the Senate does. I suggest that the affirmative rest now, and that the other side, which has 57 minutes remaining, I believe, proceed. We will try to divide the 21 minutes we have, among the 3 speakers named, at the end of the debate.

Mr. AIKEN. Mr. President, I believe the Senator from Oregon [Mr. HOLMAN], and the Senator from New Hampshire [Mr. TOBEY] will each require but a few minutes. I do not know whether the Senator from New Hampshire is ready to proceed now. The Senator from Oregon is temporarily absent from the Chamber, in attendance on a meeting of the Committee on Appropriations. I shall send for him. However, I do not believe we will require the entire 57 minutes left for our side.

The ACTING PRESIDENT pro tempore. Does the Senator from Vermont yield to the Senator from New Hampshire?

Mr. AIKEN. I yield if the Senator from New Hampshire is ready to proceed at this time.

The ACTING PRESIDENT pro tempore. How many minutes does the Senator yield?

Mr. AIKEN. Whatever time the Senator from New Hampshire needs, so long as it is not over 50 minutes.

Mr. TOBEY. Mr. President, I shall try to live up to the opinion vouchsafed to the Senate last Friday by the distinguished leader of the majority, the Senator from Kentucky [Mr. BARKLEY] when, in anticipating my speaking today, and estimating the time necessary for the day's deliberations, he said that the Senator from New Hampshire did not generally speak at great length, albeit he spoke vigorously.

Mr. President, I, too, share the feeling expressed by the distinguished Senator from North Carolina [Mr. BAILEY] as to the delightful personality and good fellowship which Admiral Land radiates to all of whom he comes in contact; but that is not evidence in the case before us today. It would be far easier to sit silent and not lift up my voice this afternoon to the distinguished few in the Senate Chamber. I know nothing I say will contribute one iota toward changing the vote on confirmation, or in the matter of recommittal, if such a motion shall be made, but I hope the day will never come, so long as I am a public servant and a Member of this body, when my tongue shall be stilled when there is a moral issue before the American people, and when the people's money has been finagled with, and extravagant expenditures made, and when dishonesty is rampant in the administration of a great Government department, albeit in wartime. With that preamble, I now address the Senate.

I am opposed to the confirmation of the appointment of the Chairman of the Maritime Commission at this time for the following reasons:

The public records disclose serious charges made by the Comptroller General of waste, extravagance, and misuse of Government funds on the part of the Maritime Commission, of which the appointee is Chairman.

The reports of the House Merchant Marine and Fisheries Committee show a lack of proper consideration for the safety of the public moneys on the part of the Commission of which the appointee is Chairman with regard to the Tampa Shipbuilding Co., the Waterman Shipping Co., the South Portland Shipbuilding Co., and possibly other cases which I have not had the opportunity of studying.

The virtual indictment of the appointee by the unanimous vote of the House Merchant Marine and Fisheries Committee, charging the waste of Government funds in the South Portland, Maine, Shipbuilding situation, is one which merits the consideration of every Member of the Senate at this particular time. I might say it merits the righteous indignation, if not something more than that, of every man in public life.

The practice of the Commission in unwarrantedly diverting one hundred or more millions of dollars appropriated for the use of the Navy and the Army to the Maritime Commission by an overcharge to the Navy and War Departments for ships acquired, especially as these charges are made by the Comptroller General, are worthy of consideration.

The recent revelations in regard to the payment of excess charter hire in the chartering of ships to the Red Sea, wherein lease-lend funds were exploited in order to enrich a few shipping company operators, are still unexplained.

Despite these conditions, all of which are matters of the deepest concern to the Senate, if we are to really insist that the taxpayers' money be properly expended, it is my understanding that no hearing was held before the Commerce Committee as to the accuracy or falsity of these charges.

Personally, I hesitate to criticize any person in the absence of that person. I believe that any person, especially one entrusted with the handling or supervision of some $19,000,000,000 of the public moneys, should be privileged to reply in person to charges which the public records contain, only a few of which I have enumerated.

The fact that the appointee has not demanded a hearing, realizing, as he should, that some Members of the Senate would be interested in ascertaining the accuracy or falsity of these charges, ignores those in the Senate who simply ask that public officials should be held responsible for the trust reposed in them.

The fact that the appointee did not demand a hearing in itself, in my opinion, is sufficient to warrant a postponement of confirmation by the Senate of his appointment until a hearing and report of the Commerce Commitee is laid before the Senate.

We are engaged in a devastating war. We are enacting legislation, we have enacted legislation, which will place many millions of the flower of American manhood and womanhood under fire. We are told that we are in this war to perpetuate democracy and the right of a free people to maintain their liberties. One of the greatest dangers to our success in the war is the possible loss of the confidence of our people in the integrity of their public officials. Surely, revelations which have been brought forth by Senate and House committees with regard to the disbursement of public funds have sorely tried the confidence of the American people.

I read from a clipping from the Washington News of March 26. The article is by Raymond Clapper, the distinguished columnist. Clapper is noted as an administration champion, therefore his utterance on this very matter should have some weight with those Members of the

Senate who support the administration. I read as follows:

A long war means that we can less afford to tolerate the kind of thing that has been disclosed this week. The production of defective steel, covered up under fake records, is the kind of thing that needs to be cracked down on so hard that it will discourage others from taking any chances of that kind. The fantastic profits of ship operators, charging all that the traffic will bear, are certainly not to be condoned at a time when we are trying to induce the coal miners and the farmers to refrain from charging all the traffic will bear. The cocky attitude of the shipowners down here, who haughtily spurn suggestions that they disgorge some of their fat profits on the ground that they are within their legal rights, is not going to help in winning the battle against inflation.

Recent hearings before the Merchant Marine and Fisheries Committee disclose that the Maritime Commission approved rates for the chartering of vessels to the Red Sea, which rates resulted in the Treasury paying out some $31,000,000 for the use of ships which were valued at some $5,000,000. It is my understanding that these same ships secured an additional $20,000,000 for freight brought from Egypt and other countries on their return trip to the United States.

Further, as I understand the law, the Congress, in enacting merchant marine legislation, foresaw the possibilities of just such a condition, and the law provides that in case of "any national emergency" such ships could be taken over and the situation such as I have described prevented.

Mr. President, I hold in my hand a compilation which appeared in the Washington, D. C., Post of March 24, 1943. It contains 19 names of shipping companies, and opposite the name of each company appears the number of vessels owned by it, the number of voyages made by each ship, the depreciated value of the vessels which made the trips, and the net profit made by the company. In the words of Robert Ripley, "Believe it or not," these vessels, with a depreciated value of $8,256,000, made a net profit for the companies of $26,878,000. Think that over, Mr. Farmer, out in the plains of Kansas. Think that over, factory operators and workers. Think that over, Mr. Common Man who wonders where you come in in this thing, and what stake you have in democracy, and then give them the answer.

Mr. President, I ask that the table to which I have just referred be placed in the RECORD at this point as a part of my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Red Sea Charter profits

Name of owner	Number of vessels	Number of voyages	Depreciated value of vessels	Net profit
American Export Lines [1]	6	6	$232,000	$1,572,000
American Foreign Steamship Corporation	2	2	896,000	481,000
American-Hawaiian Steamship Co	10	10	479,000	3,097,000
American Presidents' Line [1 2]	2	3	307,000	814,000
Atlas Trading Corporation	1	1	[3]	57,000
Boyd, Weir & Sewell, Inc	1	1	[3]	385,000
Calmar Steamship Corporation	7	8	695,000	2,640,000
Isthmian Steamship Co	6	7	1,590,000	2,529,000
Luckenbach Steamship Co., Inc	10	12	1,427,000	3,890,000
Lykes Bros. Steamship Co., Inc.[1]	4	4	187,000	1,318,000
Matson Navigation Co.[1]	4	4	238,000	995,000
McCormick Steamship Co.[1]	2	3	146,000	743,000
R. A. Nicol, Agent	6	6	[3]	1,662,000
Norwegian Shipping & Trading Mission	1	1	[3]	367,000
Shepherd Steamship Co	1	2	167,000	498,000
Sudden & Christian	1	1	[3]	270,000
Union Sulphur Co	1	2	[3]	364,000
Waterman Steamship Co.[4]	12	12	855,000	3,733,000
Weyerhauser Steamship Co	4	5	1,037,000	1,463,000
Total	81	90	8,256,000	26,878,000

[1] These companies or their affiliated companies were subsidized under the 1936 act.
[2] The Maritime Commission owns 90 percent of stock of this company.
[3] Not known.
[4] This company was subsidized under the 1928 Shipping Act.

NOTE.—Some, if not all, of the other companies listed above have received aid in some form under the 1928 or the 1936 acts in the way of tax exempt profits, long term credit at low rates of interest, purchased Government tonnage at small percentage of its construction cost to Government, etc.

Mr. TOBEY. Mr. President, the Comptroller General of the United States who now holds the position is a most estimable gentleman. He was my colleague in the House of Representatives for 6 years. I have great respect for him. He is an honest man if I know one when I see one and hear one. In the carrying out of his duties he has made reports, as he is obliged to do, to Congress which created the General Accounting Office, and he made three specific charges of irregularities and breaching of the law. What are we doing about it? Are we going to demand an investigation? Apparently we are not.

Mr. President, the Office of Comptroller General was created by the Congress after the last World War, the First World War, to speak more particularly, to stop irregularities and dishonesty in the spending of Government funds, which in the last analysis—and, Senators, do not forget that, although we have been forgetting it—are the people's money. Have we become inured to such things in America and in the Congress? Are we near the border line of a feeling that dishonesty, irregularities, and gross extravagances are necessary concomitants of great amounts of Government spending?

If that be true what hope can the people have for the continuance of representative government, I ask the Senate?

A shameful record of dishonesty has been revealed to every Senator in recent weeks, and I am referring now specifically to the indictment made before the Truman committee of the great Carnegie-Illinois Steel Co., the tops in steel manufacture in this country, where, according to the records of the Truman committee, they faked the reports and the specifications, and they carried on their ledger and daybook the letter "F," meaning "fake" if you please, and the specifications required by the war effort are gone with the wind.

They put something over on the commonest, most humble citizen of this country, and our boys in the maritime and armed services of the country.

What is the second indictment I bring before you? It has to do with the Anaconda Cable & Wire Co. A few weeks ago this company was found, under examination by Government experts to have put out wire for use in war purposes, particularly for signaling to your boy and mine on the danger line. The product put out was manifestly inferior and perhaps shoddy all the way through, and would not "deliver the goods." That company was thus trafficking with the lives and the safety of our boys and the soldiers of our allies. That is the second count.

What is the third count? It is to be found in connection with a shipyard in New England, where I was born, raised, and now live, and in the State where my father and grandfather were born. It occurred in the South Portland Shipyard, and be it said to the everlasting shame of some of us, these things were allowed to continue and to go on. I have been wanting to bring to the Senate what has been happening in the South Portland yard.

Mr. President, a word about this South Portland company for the official record. I am reading from an investigation of that shipyard corporation in South Portland, Maine, made by the House Committee on the Merchant Marine and Fisheries. The chairman is Mr. BLAND, a distinguished Member of the lower House. I read from the report:

The record of South Portland Ship is the worst of any company engaged in the construction of Liberty ships. Your committee is unable to subscribe to the principle that South Portland Ship should be paid $5,000,000 for its incompetence, inefficiency, and obvious inability to perform its contract duties solely because other yards furnish examples of bad management. There is no room for incompetence, inefficiency, and incapacity, the only effect of which is a hampering of our war effort.

In the opinion of your committee, the proposition that the contracts enjoyed by South Portland Ship should be terminated immediately is so clear that it admits of no debate. The other yards which, it is said, furnish examples of bad management will be very carefully examined, if your committee is authorized to continue its investigation.

* * * * *

The question presented is whether or not the performance by South Portland Ship has

been such as to warrant the payment of fees of not less than $5,040,000. To summarize the relevant facts in the light of which an answer to this question must be framed, South Portland Ship contributed substantially nothing to the performance of the facilities contracts other than the lay-out of the yard and the lay-out is bad.

* * * * *

The inevitable conclusion is that South Portland Ship is receiving a fee for the trouble of incorporating a company, choosing a name for that company, holding an occasional directors' meeting, and delegating the performance of its contract duties.

* * * * *

An examination of the contracts, both for facilities and for ships, indicates an attitude of extreme generosity on the part of the Maritime Commission. In the facilities contracts there is no obligation—

Note this, Mr. President—

on the part of the contractor to complete construction of the facilities by any given date and there is virtually no limitation upon their cost. The contracts provide—

I quote now from the report—

that the contractor shall not be deemed to have guaranteed that this contract can be performed—

They make a contract, and in the last analysis they say it shall not be deemed performed—

for the amount stated and—

I continue to read—

shall in no event be obligated to continue its performance of this contract beyond a point to which its obligations * * * equal the unexpended portion of the amount payable by the owner hereunder.

The ship contracts are equally generous and, among other provisions state that—

I ask that my colleagues please note this—

the contractor shall be reimbursed for all costs of remedying defective work * * * whether the * * * work shall have been furnished or supplied by the Commission or the contractor

What an incentive to be lax in detecting defective work and to cash in on it as if it were skillfully done work! Only today I was told by a man who knows—and I stake my reputation that he does know, for his informant was one of the auditors in that yard—that after going over the books and papers, he remarked, "It is a wonder to me that they can keep out of jail." That is expert testimony, Mr. President. When Senators go home tonight and offer a prayer for the safety of the boys of this country in our armed services may the outrage of the things brought to light on the Senate floor today come home to them.

Mr. President, I am almost through. To me, the apathy and indifference which seem to be evident in this matter and the regrettable evidence under consideration constitute a grave danger to democracy, and in their far-reaching import may actually be enemies within our gates in considerable degree as dangerous as some enemies which our armed forces have to meet on foreign soil.

Mr. President, someone has asked me, "What has this to do with the appointment?" Let me say that it has everything to do with it. Guilt is still punishable in this country. When a man is placed in a high public position, a responsibility goes along with it; and as to that responsibility, I claim today that in the light of all the evidence produced in the Senate this afternoon and to be found in the RECORD made the other day, the job for the Senate to do is to send the appointment back to the committee, have it hold hearings on it, let in the light and the truth, and report the facts. What will a delay of a few weeks amount to, after all?

By sending the nomination back to the committee, and asking that it hold hearings on it, we shall serve notice upon all the agencies of our Government that they cannot get away with indifference or lack of responsibility to the public trust reposed in them, the performance of which is the responsibility and duty of every public officeholder.

Mr. President, out in the hinterlands are 130,000,000 of our people, many of them are the common people whom Abraham Lincoln loved and of whom it has been said that God must have loved them because he made so many of them. Mr. President, is there not danger that they will conclude that the only interest some Members of Congress have about them is in getting their votes at election time?

However, Mr. President, do you not suppose that when Goebbels, in Germany, heard of the things which have been mentioned in connection with these matters he broadcast them over the radio to the people of Germany to incite and buttress their hatred and contempt of our country? Do you not suppose that all over the world we are being held in ridicule for the things which are happening in this land of the free and home of the brave—for the crookedness which is found in high places, and for the evidence of many persons getting away with graft? I believe that is happening, and so do other Members of the Senate. Our job is to strengthen the foundations of the Republic—to bring this Nation back to being a constitutional Republic. One of the best ways to strengthen our Nation's foundations is for those of us who are privileged to be here a little while to fight, fight, fight for decency and honesty in the spending of the people's money.

I submit that a case has been made out beyond peradventure that dishonesty, extravagance, and profligate spending have been attributes of the agency referred to and of other agencies of Government in our United States.

Not only God Bless America should we sing but, in view of all these things, we should paraphrase that, and pray—day after day and night after night—"God save America."

Mr. AIKEN. Mr. President, I now yield to the junior Senator from Oregon.

Mr. HOLMAN. Mr. President, I address my remarks to the consideration of a report of deplorable conditions existing under the control of the War Shipping Administration, rather than to challenge the ability or character of Admiral Land himself. My purpose in calling attention to certain conditions is to effect a remedy, regardless of whether Admiral Land's nomination be confirmed. By letting light into some dark places of the War Shipping Administration, it may be that both the Chairman of the War Shipping Administration and every other member of it will become more zealous than apparently he and they have been in the past in promoting economy in Federal expenditures and in the use of vital manpower resources, as well as be encouraged in causing efficient production through cooperation in a harmonious and unified national over-all war effort. That no man can serve two masters is a fundamental truth of common honesty and a sound rule of good public administration. While some confusion and some irregularities in minor degree may have been inescapable in the rapidity and magnitude of transforming our country from a people at peace to a Nation at war, yet confusion and irregularities never should be complacently accepted and condoned or continued, but always should be discovered and corrected as soon as discovered.

We have been preparing for war for the past 3 years. The initial stages of organization are past. Many plants are fully organized with facilities in place and in use. Normal wartime operation should now be standardized; and extravagance and wastage of manpower, materials, and public funds should be reduced to a minimum or should cease altogether.

Let there be instituted at once a searching investigation into the work being carried on under the War Shipping Administration, and let needed reforms be promptly effected.

I direct attention first to the fact that the vice president of the American Mail Lines is also the Pacific coast director of the War Shipping Administration, and that in his official capacity he favors the private interest of the company of which he is vice president.

Secondly, I direct attention to the fact that pay-roll padding is a common practice in some shipbuilding yards and their subcontracting corporations which operate under contracts and orders issued by the War Shipping Administration.

To conduct before the Senate an open hearing upon the charges referred to would involve endless time and occasion in the consideration of vital legislation delay which would paralyze the orderly functioning of the Senate, the House of Representatives, and the Government generally.

Immediately upon my return to Washington from the west coast I called to the attention of the Truman committee a number of important observations made by me while on the Pacific coast last November and December. It is my information that an investigator or agent of the Truman committee is now on his way to Washington from that coastal area to report, in compliance with my request, his findings made in that area. It seems to me that the nomination now before the Senate should be sent back to the Committee on Commerce, which has held no hearings on it; and that then the committee should

report to us its recommendations, after—not before—it has heard from the Truman committee or has thoroughly examined into the irregularities brought to light in the Senate today.

Mr. AIKEN. Mr. President, I desire to ask if there are any other Members of the Senate who desire to speak on this side of the question. Some time is left, I understand.

The ACTING PRESIDENT pro tempore. The Senator has 28 minutes remaining.

Mr. AIKEN. If no other Members of the Senate desire to speak on the side of the question on which I have spoken, I shall conclude by saying, first, that I thank those Members of the Senate who have so ably spoken this afternoon in the cause which I believe to be so absolutely just and right. I credit the Senators who have spoken on the other side of the question with being sincere in their arguments, but I do believe their arguments have been colored by their devotion to the man who is nominated for another 6-year term as Chairman of the Maritime Commission.

However, for much of the time their arguments have not been devoted to the issue which is before us, or to what I consider to be the issue. They have drawn many red herrings across the trail. The principal issue, as I see it, is this: The Comptroller General has charged the Maritime Commission with not having conducted its functions properly. If we confirm this nomination without any hearing being given to the Comptroller General on these charges, we are indicting the Comptroller General's Office. We are serving notice on the Comptroller General that when he finds what he considers to be dishonesty in public office in our departments, we will not back him up. For that reason, Mr. President, I do not believe that we should confirm the nomination of the Chairman of the Maritime Commission until a full, impartial investigation of the charges made by the Comptroller General's Office has been made. If, when such an investigation has been made, it should be found that the Chairman of the Commission is simply engulfed in a terrible situation which he is powerless to prevent, I should be one of the first to help him correct such a condition.

I am under no illusions as to the outcome of this controversy which has been going on here today. I realize that the strength of those of us who have been arguing against this confirmation in accordance with our sincere views on the subject will probably be ineffective against the powerful forces on the other side. However, we have done what we could to present to the Senate and to the people of the country the deplorable facts in regard to one of the most important departments of our Government.

If we are defeated here today we shall be back; we shall continue this fight on the floor of the Senate, and in committee, and we shall go to the people of the country with it at every opportunity, in the hope that some day we shall be able to restore ability, integrity, and plain honesty to the departments of our Government.

Mr. President, I believe that the other day when it was agreed to vote today, it was understood that a vote to recommit the nomination would be in order. I particularly listened to the majority leader to make sure that he did not say we would vote on confirmation. If he had, I should have objected, because I believe that this nomination should go back to the committee, which I understand did not have any hearings on the nomination. I further understand that it did not have even a meeting, but that the committee was polled. I doubt if at that time the members of the committee themselves knew of these indictments and the situation which existed.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. SHIPSTEAD. I am amazed to hear that the committee did not hold a hearing or conduct an investigation. Did I correctly understand the Senator to say that the Comptroller General had not been asked to come before the committee and explain the charges?

Mr. AIKEN. I ask any member of the committee who is present if the committee has invited the Comptroller General to come before the committee to explain the charges made against the Maritime Commission. I hear no answer.

Mr. BAILEY rose.

Mr. AIKEN. The Senator from North Carolina is on his feet. Perhaps he will tell us whether the committee has invited Hon. Lindsay C. Warren to come before the committee and explain his charges.

Mr. BAILEY. Mr. President, Hon. Lindsay C. Warren came to see me, and we had quite a conference; but he has not been before the committee, and he has not asked for an opportunity to appear before the committee.

Mr. AIKEN. Did Hon. Lindsay C. Warren come to see the Senator from California [Mr. JOHNSON] about the matter? I suppose I should not expect the other members of the committee to answer. I seriously doubt it.

Mr. RADCLIFFE. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. RADCLIFFE. In response to the Senator's question, let me state that I was present when Mr. Warren was in the office of the Senator from North Caroline, and I believe other Senators were also present. They are entirely familiar with what took place there.

Mr. AIKEN. It is very apparent that the Comptroller General has been given no opportunity to appear before the committee; and yet we are asked to condemn his charges as being false, without giving him an opportunity to be heard. If that is fair play and justice, I do not know what wrong is.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. CLARK of Missouri. I think it is only fair to say that I have talked with the Comptroller General three or four times over the telephone. So far as the difference between the Maritime Commission and the Comptroller General as to the construction of the law is concerned, as I have previously indicated, I entirely adhere to the Comptroller General's side; but it is only fair to say that the Comptroller General has never suggested to me that he had any desire whatever to appear before the Commerce Committee, or any other committee of the Senate, on the question of the nomination of Admiral Land. I think probably the Comptroller General takes the same position I take, that while he may disagree with the Chairman of the Maritime Commission on the construction of the law, on a definite state of facts, he does not believe that that difference is any justification for an attack on the nomination of Admiral Land. I say that because of the fact that in the many conversations I have had with the Comptroller General, who is an old intimate friend of mine, he has never made any suggestion that he would like to appear before the committee in opposition to the nomination of Admiral Land.

Mr. AIKEN. I have also talked with the Comptroller General. Virtually all the substantiating material which I used this afternoon has been furnished me by the Comptroller General. I sat in the meeting of the Committee on Expenditures in the Executive Departments and heard the Comptroller General give a terrific indictment of the Maritime Commission. I am surprised that the Committee on Expenditures in the Executive Departments has not been permitted to function. It may be that those who heard him heard too much.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. BARKLEY. I sat in the same meeting of the Committee on Expenditures in the Executive Departments in which the Senator sat. As I recall, the statements of the Comptroller General and of the Maritime Commission—not particularly Admiral Land—disagree with respect to the law. I do not know how the question of law can be settled except in the courts. The question has not reached the courts. Whether it will ever reach the courts I do not know. The Comptroller General stated that the whole Commission, including the Chairman, had fully cooperated with him and his office, that the Commission was undergoing a minute audit of its accounts, and that the members of the Commission had not only not thrown a stray in the way but had affirmatively cooperated with the Comptroller General in the investigation of all the accounts of the Maritime Commission.

Originally there was some question as to whether the Comptroller General had jurisdiction over the Maritime Commission; but that matter was settled, and the Commission, like all other Government departments, is now undergoing an audit of its accounts. I do not agree with the Senator that the Comptroller General indulged in a terrific castigation or condemnation of the Commission, or of Admiral Land himself.

Mr. AIKEN. I did not say "Admiral Land" If I correctly remember the words of the Comptroller General, they were "the Maritime Commission is violating the law."

Mr. BARKLEY. It is the position of the Comptroller General that they were exceeding the law. That is a question over which honest men can differ. If it were not for honest disagreements about the law, we could abolish all our courts.

Mr. AIKEN. I maintain that if we vote to confirm this nomination without any investigation at all having been made of the charges by the Comptroller General, we will in effect indict the Comptroller General's office. I wish to say in the presence of the majority leader, who was not in the Chamber a few minutes ago, that when we agreed on Friday last to vote at not later than 5:30 today, I was of the opinion that a motion to recommit the nomination so that an investigation could be held, or at least a hearing held by the committee, would be in order. I have been advised by some of my colleagues that such a motion is not in order. I should like to ask if the majority leader would agree, in view of my youth, innocence, and inexperience, to my making such a motion at this time.

Mr. BARKLEY. I am willing to admit the Senator's youth, but I doubt his inexperience.

I am not in charge of the matter, but I would not feel disposed to agree that the Senator could take advantage of a parliamentary right which does not exist. So that no further delay can be caused I think that the nomination should be disposed of today.

Mr. BAILEY. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. BAILEY. We had one agreement which passed out, I think, by accident. Then we made another. The Senator from Vermont [Mr. AIKEN] is a party to that agreement. Practically the whole Senate is a party to it. The agreement is that we shall take a vote on the question of advising and consenting to the pending nomination. I make the point that at 5:30, or not later than then, voting on the pending nomination will be the order of business. An agreement to do that has been entered into.

Mr. AIKEN. Mr. President, I thought there was a difference between voting on a confirmation and voting on a nomination.

Mr. BAILEY. I am sorry that was the Senator's understanding. He has been under false impressions all day.

Mr. AIKEN. I am merely asking if Senators will permit such a motion to be made.

Mr. BAILEY. I shall object. I want to get this matter disposed of. We have an agreement. Why should we break it?

The ACTING PRESIDENT pro tempore. Objection is heard.

Mr. AIKEN. Does the Chair rule that such a motion is not in order?

The ACTING PRESIDENT pro tempore. At the present time there is nothing before the Chair to rule on.

Mr. AIKEN. If we are not permitted to vote, Mr. President——

The ACTING PRESIDENT pro tempore. There is nothing before the Chair at the present time.

Mr. AIKEN. I ask the Chair if the following motion would be in order: I move that the nomination of Admiral Land to be Chairman of the Maritime Commission be recommitted to the Committee on Commerce? I ask the question in the form of a parliamentary inquiry.

Mr. CLARK of Missouri. The Senator could make such a motion at this time, and it could be acted upon.

Mr. McNARY. Of course, the motion made is not in order because the time for completion of the debate has not arrived. There are three other Senators to speak. The question cannot be raised in the way the Senator from Vermont has raised it, but it can be raised by a parliamentary inquiry. I think I must frankly say that I advised the distinguished Senator from Vermont that, in my judgment, under the unanimous consent agreement, a motion to recommit would not lie. The question comes directly on the confirmation of the nomination. I make a parliamentary inquiry whether my understanding is correct.

The ACTING PRESIDENT pro tempore. The Senator will state his parliamentary inquiry.

Mr. McNARY. The question is, If at 5:30 o'clock, or before that time, the debate should end, would it be proper for a Senator to make a motion to recommit the nomination of Admiral Land to the committee?

The ACTING PRESIDENT pro tempore. The Chair has read the language agreed upon on page 2535 of the CONGRESSIONAL RECORD of Friday last. The language is as follows:

> I, therefore, ask unanimous consent that at an hour not later than 5:30 p. m. on Tuesday next, the Senate shall proceed to vote on the nomination of Rear Admiral Land, and that the time shall be equally divided between the Senator from Vermont [Mr. AIKEN] and the Senator from North Carolina [Mr. BAILEY], to be disposed of as they see fit.

That language is clear, certain, and plain. In the opinion of the Chair a motion to recommit is not in order.

Mr. SHIPSTEAD. Mr. President, I regret very much to have to make the statement which I am about to make.

I have known Admiral Land for a great many years and I have a high regard for him. I understand that the present controversy has to do with charges made against the Maritime Commission by the Comptroller General, and that hearings on the charges have not been held. I further understand that the charges have been made against the Maritime Commission, and not against Admiral Land personally.

I came to the Senate today without knowing what had been said in the Senate regarding the nomination. I came here with the hope of voting to confirm the nomination of Admiral Land. In view of what has been stated, and not refuted, that these charges have been made and that no hearings have been held by the committee on the charges, and in view of the fact that the Comptroller General has not been called before the committee to make good his charges, or to be cross-examined, which I think should have been done, if there be no opportunity to vote to recommit the nomination to the committee, to my great regret I shall have to vote against the confirmation of my friend. I shall do so as a matter of protest.

Mr. WHITE rose.

Mr. BAILEY. Mr. President, I will yield to the Senator from Maine if he cares to make a statement.

Mr. WHITE. May I inquire how much time I may have?

Mr. BAILEY. There are 31 minutes remaining, and several Senators would like to be heard.

Mr. WHITE. How many?

Mr. BAILEY. There is the Senator from Michigan [Mr. VANDENBERG] and several others.

Mr. VANDENBERG. I am willing to yield my time.

Mr. BAILEY. The Senator from Wyoming [Mr. O'MAHONEY] desires to make a statement.

Mr. WHITE. That leaves me about 3 minutes.

Mr. BAILEY. The Senator is correct.

Mr. WHITE. Mr. President, I came here today expecting to say something in behalf of the confirmation of Admiral Land. I have known something about shipping organizations in this country, something about the men who have served on the various shipping boards, the Emergency Fleet Corporation, and the Maritime Commission, ever since the act of 1916. In my opinion Admiral Land is the outstanding figure who has served on the Maritime Commission during the past interval of 27 years. He has brought to his task intelligence and industry. He has brought ability, he has brought character, and he has brought courage.

Mr. President, it seems to me that in these hours, to think of refusing his confirmation, to think of removing him from the office which he occupies, is just beyond understanding.

Mr. President, we are in the midst of the greatest shipbuilding program the world has ever seen. At the present time we are carrying on shipping operations at a scale never before witnessed in this world, and Admiral Land is the central figure in the shipping operations of this Nation. He is the central figure in the shipbuilding program of the Nation. To remove him from that place of responsibility, that opportunity for service, that obligation to serve, would be as harmful as to remove General Marshall from the head of the Army, or Admiral King from the head of our Naval Establishment. On Admiral Land, more than any other man, rests the success of our great merchant marine undertaking in which we are engaged.

If I had time, I would say more. I expected to discuss somewhat fully this nomination of Admiral Land, but to my surprise and mortification the Senators from New Hampshire and Vermont have poured out their venom and vehemence against the citizenship of my State, against the character, integrity, and ability of the ship workers and the shipbuilders of Maine.

Mr. President, not in words of apology, but in words of justification and of congratulation, I say that the story of the South Portland Shipbuilding enterprise is one in which I take pride. I recognize that there has been a report from the House Committee on the Merchant Marine and Fisheries critical in the extreme. I do not challenge the good faith of the chairman of that committee, with whom I served for 14 long years, but I do say that he and his committee have gone far astray in their report. The alleged facts and the conclusions are not accepted by the Senators from Maine, they are not accepted by the Maritime Commission and they were not accepted by the Truman committee of the Senate, which traversed much the same ground, and reached radically different conclusions from those of the committee of the House.

Mr. President, in January 1940, there was nothing but a barren shore in Portland. Since then there have been built 2 plants, now employing more than 30,000 employees. There have been turned out from those plants for the Government of Great Britain 30 great ships, and, if my information is not incorrect, there have been turned out for our merchant marine in those 2 plants something like 60 other ships.

They turned out those ships with a record in man-hours which compares favorably with that of any of the shipyards in the country. They have turned them out in time computed in days, from the laying of the keels to the launching of the vessels, which compares most favorably with other yards.

Mr. President, these two plants were brought into being under the leadership of William Newell, president of the Bath Iron Works, the greatest industrialist of my State of Maine. No one in Maine will challenge his integrity, his ability, or his character. He is held in universal respect, and I share that respect for him. The Truman committee recommended some minor changes in the organization of these Portland plants, and those changes were put into effect. Since then, during a 60-day trial, the newly reorganized plant has met every specification laid down by the Maritime Commission.

They put into the water in 60 days time 14 ships. They met the requirements of the Maritime Commission in respect to the fabrication of materials for the building of ships. They are doing in Portland, Maine, today, notwithstanding what is stated in this report of the House committee, a work in which the people of the State of Maine take pride, and in which the people of New Hampshire and of Vermont ought to take pride.

Mr. President, I close as I began, by giving my unqualified endorsement to Admiral Land, and I express the hope that his nomination will be overwhelmingly approved by the Senate.

Mr. BAILEY. Mr. President, I yield time to the Senator from Michigan [Mr. VANDENBERG].

Mr. VANDENBERG. Mr. President, in just a word let me say that it seems to me the most significant thing that happened this afternoon occurred very quietly in the back row of the Senate, when the able junior Senator from Missouri [Mr. TRUMAN], chairman of a Senate investigating committee which has earned the total confidence of the American people, in whom the Republic totally believes, rose and said that, after all his contacts and his committee's contacts, with all the shipbuilding problems of the war, he wished to say that there was not one single semblance of a cloud upon the record of Admiral Land, and that so far as he was concerned he considered Admiral Land to be chiefly responsible for the miracles which have been performed in shipbuilding, and that Admiral Land's confirmation would have his vote. Mr. President, it is not possible to get that kind of testimony from the chairman of the Truman committee for any man who is not qualified and competent.

I honor the able Senator from Vermont [Mr. AIKEN] for having industriously assembled a case against procedures in the Maritime Commission which should be thoroughly ventilated. I will join him in helping to ventilate them. But they have nothing whatsoever to do with Admiral Land's eligibility to continue in the responsiblity which he now holds, a responsibility which, in my judgment, is being more effectively and successfully met than that of any other civilian administrator in the war effort. It is my opinion that Admiral Land is the man above all others whom America must thank for the couriers upon the seven seas which are making it possible for American armies to survive around the world.

Admiral Land is as honest as the day is long, if I know anything about men. If it were my money, I would trust him with every cent in the Treasury of the United States without a bond. I think his nomination should be confirmed.

Mr. BAILEY. How much time have we left, Mr. President?

The ACTING PRESIDENT pro tempore. The Senator from North Carolina has 12 minutes remaining.

Mr. BAILEY. I yield to the Senator from Ohio [Mr. BURTON].

Mr. BURTON. Mr. President, it has been my privilege to serve 2 years on the Committee on Commerce, and 1 year on the Truman committee, and during that time I have frequently heard Admiral Land testify as a witness.

I wish to state, in my opinion, that Admiral Land is the most strikingly direct witness I have heard before any committee, either in open or closed hearings. His testimony always has been not only the truth, but also to a refreshing and unusual degree the whole truth and nothing but the truth. Although serving as a civilian, his devotion to duty is on the high standard of that of a naval officer on active duty. His devotion to duty has carried with it a courage and a willingness to disregard private considerations which are greatly to be desired and rarely found. His integrity is so clear that it is not questioned. His diligence, his courage, and his technical knowledge, are not questioned.

With these assets, I think Admiral Land can be relied upon to carry out completely and fearlessly the policies laid down by the Congress. I am convinced that he can be counted on to resist any and all private pressures, however great, because his devotion to his public duty is many times greater.

No differences of opinion as to interpretation of acts of Congress which have been presented justify us in depriving the Nation of the value of the services of Admiral Land as a member of the Maritime Commission.

Mr. BAILEY. I yield now to the Senator from Wyoming [Mr. O'MAHONEY], and I remind him that whatever time he leaves will go to the leader, the Senator from Kentucky [Mr. BARKLEY].

Mr. O'MAHONEY. Mr. President, I shall observe the injunction given by the distinguished Senator from North Carolina. My purpose is to take only a few moments, to express my great satisfaction that, as a citizen of the State of Wyoming, I shall have the opportunity today to cast a vote of confidence in Admiral Land. I say as a citizen of the State of Wyoming, because Admiral Land entered the Navy from the State of Wyoming.

It may be appropriate to say to Members of the Senate that as a boy under age in 1898, when the United States was entering the war against Spain, Emory Land ran away from home to enlist in the United States Army. He sought to find a place in Colonel Torrey's Rough Riders in Wyoming. His plan was discovered before he had complete opportunity to carry it out, and a distinguished former Member of this body, the Honorable Francis E. Warren, Republican United States Senator from Wyoming for many years, was instrumental in going to the military camp, which is now known as Fort Warren, to prevent the induction of this young boy, who was so anxious to serve his country before he was of age that he ran away from home to enter the Army.

Then, under the advice of Senator Warren, he became a candidate for appointment to Annapolis. Hon. John E. Osborne, at that time a Representative in Congress from Wyoming, held a competitive examination, and young Emory Land won the appointment. By reason of winning that award he became a midshipman at the Naval Academy at Annapolis, and graduated with honors.

He has served the Nation with distinction in the Navy, and as Senators have already said this afternoon, his achievements as head of the Maritime Commission have been one of the industrial marvels of our war output since we became involved in this great conflict.

Mr. President, Emory S. Land's record from the time he passed that competitive examination down to this hour has been characterized by efficiency, by patriotism, by integrity. A disagreement between the lawyers of the Comptroller General's office and the lawyers of the Maritime Commission over the directions contained in the law of Congress does not constitute the slightest basis for casting any reflection upon the great name of this able man.

I shall be happy indeed to vote for his confirmation.

The ACTING PRESIDENT pro tempore. The Senator from North Carolina [Mr. BAILEY] still has the floor.

Mr. BAILEY. I yield to the Senator from Kentucky [Mr. BARKLEY].

The ACTING PRESIDENT pro tempore. The Senator from Kentucky is recognized.

Mr. BARKLEY. How much time is left, Mr. President?

The ACTING PRESIDENT pro tempore. Seven minutes.

Mr. BARKLEY. Mr. President, I appreciate the courtesy of the Senator from North Carolina, though I would myself be perfectly willing to yield the time to some other Senator if he should desire to occupy it.

Mr. President, of course in the time at my disposal I cannot go and I have no desire to go into the details, or to attempt to mention any of the details in regard to the facts surrounding this nomination and this controversy. I have known Admiral Land since he became a member of the Maritime Commission, and I have had reason to know him rather closely and to know of his work and that of the Commission. I think no one will deny the courage of Admiral Land. Sometimes some of his friends think he is too candid; that sometimes he gives expression to his honest views when probably a more politically minded person might restrain himself in the expression of his honest convictions. But he is a man of intense convictions, intense integrity, and intense honesty, and when he believes a thing he believes it and he is not afraid to express his belief in it.

Mr. President, I have known longer and more intimately, Mr. Lindsay Warren, the able and efficient and courageous and honest Comptroller General. I served in the House with him, and I have kept in touch with him ever since. He is a most admirable Comptroller General. He likewise has courage and conviction. The difference between the Comptroller General and the Commission—not Admiral Land simply as an individual or as the Chairman of the Commission—but the difference between Mr. Warren, the Comptroller General, and the Maritime Commission is a difference with respect to the interpretation of the law.

I should not want to get rid of a Senator, to kick him out of this body, simply because I disagreed with him on the law that applied to a particular situation, and nowhere has Mr. Lindsay Warren, either in any public statement he has made or in any confidential statement made before a committee which I have heard or learned anything about, advocated that Admiral Land was not qualified to continue in this position, or that he was not entitled to continue in it, or that for a moment he doubted his integrity.

When Mr. Warren came before the Committee on Expenditures in the Executive Departments on the occasion referred to by the Senator from Vermont [Mr. AIKEN] he was particular to state that while he believed that the Maritime Commission was not following the law as he, as Comptroller General, interpreted it, yet that Admiral Land and the entire Commission were cooperating with the Comptroller's office completely and fully in the auditing of all their books, their contracts and their entire financial and official set-up, and that it was merely a difference of opinion as to the law, by reason of which the Comptroller General held up the funds otherwise available for the Maritime Commission on the question of the sale or purchase of ships and on the question of insurance.

Mr. President, I think I betray no secret when I say that at this very hour one of our most important problems, if not problem No. 1, is that of shipping. The great menace to our success in this war is the U-boat, and that menace must be overcome. Whether by some device to destroy the U-boat itself, or to protect our ships from the ravages of the U-boat, the menace must be overcome. In the absence of any successful device so far absolutely to control or destroy the submarine, the only alternative is to provide ships enough so that the ravages of the submarines will not be effective.

When we consider that the Maritime Commission, of which Admiral Land was not originally the Chairman, but the Maritime Commission under Mr. Kennedy and under Admiral Land, starting almost from scratch, has transformed this Nation's shipyards into the greatest maritime building program ever conceived on the face of the earth, it seems almost tragic that his qualifications to continue in that office are to be questioned over a legal dispute as to the interpretation of the law.

Mr. President, if I may say so, I think that nothing could be done which would so discourage our own country and encourage our enemies as to remove Admiral Land from the position he now occupies. If the Senator from Vermont should have his way, and if Admiral Land should be rejected, does anyone know of a man who would be qualified in the same degree to take his place?

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. BARKLEY. I have only 1 minute left.

Mr. AIKEN. I shall yield the time necessary to the Senator from my own time.

Mr. BARKLEY. How much time does the Senator yield to me? [Laughter.]

Mr. AIKEN. Mr. President, if I had my way the admiral would first be cleared of the charges against him before his nomination would be approved. He would not be left with these charges of the Comptroller General's office against him, and when I say "against him" I mean——

Mr. BARKLEY. They are not charges by the Comptroller General's office.

Mr. AIKEN. This is still on my time, Mr. President. What I refer to is the report made to the Congress, which indicates that the Maritime Commission has violated the law, and when I say "the Commission" I mean also the Chairman, because I do not know who to hold responsible unless it is the Chairman.

Mr. BARKLEY. Of course the Chairman has one vote out of five, I believe, on the Commission, and, of course, the chairman of any commission is supposed to have more influence and more power than any other member. But I submit to the Senate that the Comptroller General has made no charges. The statement he has submitted and the reports he has made do not constitute charges. They merely constitute a recital of a difference of opinion as to the interpretation of the law, and according to the Comptroller General's opinion—and he himself said he did not consider himself bound by the opinions of the Attorney General of the United States, and therefore did not ask for them—according to the Comptroller General's view of the law, the Maritime Commission has exceeded the authority which the law confers upon it.

That, Mr. President, does not involve the integrity or the ability of Admiral Land. In the midst of a war, in the midst of the great confusion which the Commission inherited, in the midst of a hectic effort to fight our enemy with every weapon at our disposal, it would be a human miracle if some members in all the various boards and commissions and agencies did not disagree as to what their authority really is in their effort to do a job and do it effectively and rapidly, and do it in a way that will meet the commendation of the people of the country.

So, Mr. President, while I freely concede that the Senator from Vermont and other Senators had a right to raise this controversy, and I do not in any way impugn their motives, yet in view of the great work done by the Commission presided over by Admiral Land, it is unfortunate that the controversy has arisen. However, inasmuch as it has arisen, I hope the vote in favor of confirmation of the nomination will be overwhelming.

The ACTING PRESIDENT pro tempore. The time of the Senator from Kentucky has expired. All time for the Senator from North Carolina has expired. Ten minutes' time is remaining for the Senator from Vermont.

Mr. BAILEY. Mr. President——

The ACTING PRESIDENT pro tempore. Does the Senator from Vermont yield to the Senator from North Carolina?

Mr. AIKEN. Does the Senator from North Carolina wish to say a word?

Mr. BAILEY. I desire to suggest the absence of a quorum.

Mr. AIKEN. I do not yield for that purpose.

The ACTING PRESIDENT pro tempore. The Senator from North Carolina cannot suggest the absence of a quorum at this time. The Senator from Vermont has 10 minutes' time remaining.

Mr. BAILEY. I thought that all the time had expired.

The ACTING PRESIDENT pro tempore. All the time for the Senator from North Carolina has expired.

Mr. AIKEN. Mr. President, I do not want to fill the RECORD unduly, because it appears that we shall have a voluminous one tomorrow anyway. However, in view of the concern of the Senator from Maine over the South Portland situation, I think it only fair to the people who read the CONGRESSIONAL RECORD that they should have the whole report on the South Portland situation. Therefore, I ask unanimous consent that the report of the House Committee on Merchant Marine and Fisheries be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

INTERIM REPORT (No. 2563)

[Pursuant to H. Res. 281, 77th Cong., 1st sess.]

FOREWORD

By the terms of House Resolution 281 your committee was authorized and directed to conduct an investigation into the merchant marine shipbuilding program. House Resolution 281 is as follows:

[H. Res. 281, 77th Cong., 1st sess.]

[Adopted August 14, 1941]

"RESOLUTION

"*Resolved*, That the Committee on the Merchant Marine and Fisheries, acting as a whole or by subcommittee or subcommittees appointed by the chairman of said committee, is authorized and directed (a) to conduct thorough studies and investigation of the progress of the national defense program, insofar as it relates to matters coming within the jurisdiction of said committee, or administered by the United States Maritime Commission, or any other agency under the jurisdiction of said committee, with a view to determining whether such program is being carried forward efficiently, expeditiously, and economically; (b) to make such inquiry as said Committee on the Merchant Marine and Fisheries may consider important or pertinent to the merchant marine or fisheries of the United States or any of the Territories thereof, or to any matter coming within the jurisdiction of said committee.

"For the purposes of this resolution, the said committee or any subcommittee thereof is hereby authorized to sit and act during the present Congress at such times and places within the United States, whether the House is in session, has recessed, or has adjourned, to hold such hearings, to require the attendance of such witnesses, and the production of such books or papers or documents or vouchers by subpena or otherwise, and to take such testimony and records as it deems necessary. Subpenas may be issued over the signature of the chairman of the committee or subcommittee, or by any person designated by him, and shall be served by such person or persons as the chairman of the committee may designate. The chairman of the committee or subcommittee, or any member thereof may administer oaths to witnesses.

"That the said committee shall report to the House of Representatives during the present Congress the results of their studies, inquiries, and investigations with such recommendations for legislation or otherwise as the committee deems desirable."

At the very beginning it appeared obvious that the best procedure was for your committee to devote its attention to the most pressing matters and that policy has been consistently followed.

In the early stages of its work the committee employed various investigators. In July 1942 it employed a general counsel and other counsel within the limits of the committee's appropriation. Your committee decided upon an immediate detailed investigation of the affairs of South Portland Shipbuilding Corporation, hereinafter referred to as South Portland Ship. This decision was prompted by various considerations including the fact that South Portland Ship had the poorest performance record of any company engaged in the construction of Liberty ships.

Members of the investigating staff were in Portland from shortly after August 1 until November 1. During that time they made a thorough examination of all phases of the activities of South Portland Ship in the performance of its facilities and ship-construction contracts. They investigated certain vendors who dealt with the shipyard. They investigated the files of the Maritime Commission at the yard, at the regional office in Philadelphia and in Washington. Extensive hearings have been held and the testimony of many witnesses taken both in Portland and in Washington.

Your committee sought among other things to discover the underlying reasons for the poor performance of South Portland Ship. The sole purpose of the accelerated merchant shipbuilding program is to produce ships at an ever-increasing pace. The demands of a global war cannot be met except by superlative performance. Your committee had no preconceived ideas as to the cause of the delays at South Portland Ship. Its findings have been dictated by undisputed evidence.

THE CONTRACTS BETWEEN THE MARITIME COMMISSION AND SOUTH PORTLAND SHIP

There are two shipyards located at South Portland, Maine, with a total building capacity of 13 ships. The older of the yards was built early in 1941, pursuant to a contract between the British Government and the Todd-Bath Iron Shipbuilding Corporation, hereinafter referred to as Todd-Bath. This contract provided for the construction of the necessary facilities and of 30 merchant ships. The yard has 3 basins with a capacity of 7 ships. The British contract has been virtually completed and the Maritime Commisson has acquired the yard for consolidation with the adjoining South Portland Ship yard. Construction of the South Portland Ship yard was commenced in the spring of 1941, pursuant to a contract between the Maritime Commission and South Portland Ship dated April 28, 1941. Both South Portland Ship and Todd-Bath are controlled by the same interests, to wit, 50 percent by Bath Iron Works and 50 percent by Todd Shipyards Corporation.

At the time of the making of the facilities contract the Maritime Commission and South Portland Ship entered into a separate contract for the construction of 16 Liberty ships. Since the original contracts were made, the Maritime Commission has entered into further contracts with South Portland Ship for additional facilities and for 68 more Liberty ships. Thirty-three of these Liberty ships are to be built in the Todd-Bath yard and construction has begun there. The contracts with South Portland Ship for facilities were straight-cost contracts with no provision for any fee. The contracts for ship construction are cost-plus-fixed-fee contracts. The fixed fee is $110,000 per ship plus bonuses for godd performance, minus penalties for poor performance. Fee-plus bonuses are limited to $140,000 per ship. The imposition of penalties cannot reduce the fee below $60,000 per ship.

The original plan was that South Portland Ship would be a four-way yard with very limited facilities for fabrication. The intention was that most of the fabrication would be handled at the Todd-Bath yard adjoining or at the Harding plant of the Bath Iron Works, which is located some 35 miles from South Portland. Subsequently, it was decided to add two additional ways. Since fabricating facilities were not available for the additional ways, it was necessary to make provision for such facilities.

An examination of the contracts, both for facilities and for ships, indicates an attitude of extreme generosity on the part of the Maritime Commission. In the facilities contracts there is no obligation on the part of the contractor to complete construction of the facilities by any given date and there is virtually no limitation upon their cost. The contracts provide—

"that the contractor shall not be deemed to have guaranteed that this contract can be performed"—

for the amount stated and—

"shall in no event be obligated to continue its performance of this contract beyond a point to which its obligations * * * equal the unexpended portion of the amount payable by the owner hereunder."

The ship contracts are equally generous and, among other provisions state that—

"the contractor shall be reimbursed for all costs of remedying defective work * * * whether the * * * work shall have been furnished or supplied by the Commission or the contractor."

INADEQUATE MANAGEMENT

The fundamental trouble with South Portland Ship is that it lacked sufficient managerial personnel and skill to accomplish the vast task of organizing and operating a yard capable of performing its contracts. That lack still exists. While Bath Iron Works and Todd Shipyards Corporation are equal owners, Todd Shipyards Corporation has contributed virtually nothing in the way of personnel or management. The management load was carried originally by Bath Iron Works.

The vast majority of the managerial personnel at both Todd-Bath and South Portland Ship came from Bath Iron Works. While Bath Iron Works enjoyed an excellent reputation for shipbuilding for many years, it was a small concern. When the Todd-Bath yard was organized, its staffing necessitated a big drain on this small, though well-trained, personnel. The Todd-Bath yard was bigger than Bath Iron Works had ever been. The available managerial material was, therefore, already spread thin, possibly too thin, even before the South Portland Ship contracts were awarded. The result was inevitable. Men, likely good mechanics—on that score we venture no opinion—who had always been subordinates, were suddenly vaulted into executive and subexecutive posts.

This can readily be illustrated. On the pay roll there are approximately 100 superintendents, foremen, and assistant foremen. Of these, 75 had no prior experience in the direction of men. These 75 were originally employed by the yard in various capacities ranging from common laborers to skilled mechanics of one kind or another. Their average beginning salary at time of employment was $1.15 per hour, and their average salary at the present time is approximately $5,500 per year. The average length of time it took these men to reach their present salary levels from the date when they were first employed is 5 months.

The failure of the management at South Portland Ship could be evidenced by innumerable instances. A few examples must suffice.

THE CONSTRUCTION OF THE FACILITIES

Shortly after the execution of the facilities contract in April 1941, South Portland Ship, with the approval of the Maritime Commission, entered into contracts with Alonzo N.

Harriman for all architectural, engineering, and supervisory service required for the construction of the yard, and with Ellis C. Snodgrass as general contractor for the entire construction thereof. Pursuant to these contracts, plans were drawn and construction got under way. Until after October 1, 1941, South Portland Ship had virtually no organization on the site and the entire construction program was left in the hands of the Harriman and Snodgrass organizations. Thus, by reason of the fact that South Portland Ship had no purchasing department, all of the purchases of materials for facilities construction were made by the Harriman organization, although this is wholly outside the sphere of the usual activities of an architect and engineer. At the same time supervision of the work by South Portland Ship was virtually nonexistent.

During the early period of construction of facilities the only supervision exercised by South Portland Ship over the performance of their contracts by the architect and the general contractor was by two representatives of the company, Mr. T. R. Allen and Mr. Robert Crean. Mr. Allen was an experienced shipbuilder and had for many years been connected with Bath Iron Works. He had, however, no experience in building construction. When asked for an explanation as to what construction experience Mr. Allen had which would fit him for the task of supervising the construction of the yard, Mr. William S. Newell, president of South Portland Ship, testified before the committee:

"Mr. HAYES. Was Mr. Allen ever in the building construction business?

"Mr. NEWELL. I do not know, Mr. Hayes. I believe his father was a contractor, but I am not sure of that. I do think, however, that I recall hearing Mr. Allen say that Mr. Allen was with his father, who was a contractor in Philadelphia.

* * * * *

"Mr. HAYES. So far as you know Mr. Allen had never engaged in building construction before? He was a shipbuilder, as I understand your testimony.

"Mr. NEWELL. Yes; but as I told you his father was a contractor, and I believe as a young man he had done some work with his father."

Mr. Crean likewise had no building construction experience and had even less shipbuilding experience than did Mr. Allen. Mr. Crean was only 27 years old and had previously been employed as a ship fitter at Bath Iron Works. It was not until the construction of the original facilities had been largely completed in the early part of October 1941 that a competent representative was appointed by South Portland Ship to oversee the conduct of the balance of the work.

About the only contribution made by the top management of South Portland Ship or either of its stockholders, the Bath Iron Works and Todd Shipyards Corporation, to the construction of the facilities, was the lay-out of the yard itself. The yard was laid out by the architect, Mr. Harriman, with the advice of Mr. Newell and Mr. Allen. The lay-out is bad for a yard which was intended to exploit to the full the use of prefabrication and preassembly in the construction of ships. The assembly building is much too close to the head of the ways, and a portion of the distance between is taken up with a roadway for the passage of trucks and with a railroad track. The remaining space is too small to take care of the preassembled units in sufficient number.

The placing of the assembly building in a position so close to the head of the ways was described by a witness before the committee, an experienced engineer, as a $5,000,000 blunder. The explanation for the blunder lies likely in the fact that Bath Iron Works and its president, Mr. Newell, have engaged principally in custom-tailored ship construction and were not acquainted with the methods of mass construction used and intended to be used in the building of Liberty ships. Thus, the only participation by South Portland Ship in the performance of the facilities contract was the furnishing of a bad lay-out and the appointment of two inexperienced men to supervise construction.

FAULTY RECORD KEEPING

The failure to establish proper and accurate checking systems on material deliveries and to keep adequate records has caused much confusion with a consequent loss of precious time that should have been devoted to construction. We instance the handling of timber, equipment, and appropriations as examples of this failure.

Timber

In connection with the construction of the facilities it became apparent that large quantities of timber would be required and delays in deliveries had previously been experienced. To meet this situation the architect prepared tentative estimates of the sizes and quantities of timber that he expected to use. The amount required was calculated at about 2,500,000 board feet and, after bids were obtained, the contract for its delivery was awarded. As detailed plans were prepared, the actual timber requirements were calculated and sent to the vendor who, in turn, delivered the required amount to the yard. Several months after the execution of the contract the vendor sought payment, South Portland Ship at that time owing him some $145,000. Thereupon, an attempt was made by the Harriman organization to check the records of South Portland Ship to determine the amounts actually delivered. It was found that it was impossible to do so as the necessary records had not been kept and recourse had to be had to the vendor's own records. Thus it was discovered that approximately 1,200,000 feet, or some 75 carloads, over and above the amount originally ordered had been delivered, and that no record of this overage had been kept.

Equipment

In the course of the construction, a considerable quantity of equipment, cranes, compressors, pumps, etc., had to be rented for the use of the general contractor. The facilities contracts provide that rentals upon such equipment shall not exceed the cost of such equipment and that whenever the rental paid equals the replacement value at the beginning of the rental period, such equipment shall become the property of the Maritime Commission. In order to effectuate this provision of the contract it would be necessary to determine the value of the equipment at the time it was first used in the yard. At the present time this is done by a clause in the rental agreement between the equipment vendor and South Portland Ship. In the beginning, however, and until about February 1942, equipment was brought into the yard without any effort to fix either its value or the amount of rental to be paid and, at times, it was worked for several months before any purchase order was prepared.

The customary basis of renting equipment is to rent for use during a period of 8 hours per day. In the event that it is used for any part of an additional 8 hours per day, one-half of the rental for the first period is paid and a similar amount is paid for use during the third 8-hour period. In view of the fact that the rental on various pieces of equipment ran to as much as $1,500 per month for 8 hours' use per day, it was important to determine the number of actual hours' use. No record of the time was kept by South Portland Ship until about February 1942, and payments were made upon the basis of bills submitted by the vendors without any check thereof being possible through the records of South Portland Ship. Disputes going back to this early period are still in process of settlement.

Appropriations

The appropriations made by the Maritime Commission for the construction of the facilities were divided into separate amounts for the construction of particular items, i. e., crane ways, assembly building, etc. The plan was that as each commitment was made by South Portland Ship for services or materials upon a particular structure, such commitment would be charged against the appropriation and thus a record would be available to determine the degree of exhaustion of the particular appropriation. There was, however, a progressive failure to record commitments when made with the result that by March 1942 actual commitments exceeded recorded commitments by approximately $600,000. In order to bring the records up to date, it became necessary at that time to cease purchases and to instruct vendors to make no further deliveries for a period of about 2 weeks.

The important point in connection with the failure to keep adequate records is the time loss that resulted. It is impossible now to determine how many man-hours, not merely of subordinates but of men in executive posts, were wasted in their endeavors to settle the controversies that resulted from this failure.

THOMPSON'S POINT

When the yard was expanded from a four-way to a six-way yard South Portland Ship decided to use as a fabrication and storage site a property known as Thompson's Point. This property consists of abandoned railroad engine and car repair shops located some 7 miles from the yard across the city of Portland. For the past several years the property has been used for the storage of sulfur, automobiles, and wood pulp. The Maritime Commission quite properly vetoed the use of Thompson's Point for prefabrication and has since acquired a site adjacent to the yard for the erection of a fabrication plant which is now virtually complete. However, in January 1942, South Portland Ship leased the Thompson's Point property and has since used it for storage of materials. The lessor of the property is the Portland Terminal Co., a subsidiary of the Maine Central Railroad, of which William S. Newell is a director. Mr. Wadleigh Drummond, counsel to South Portland Ship, is a director of one of the underlying railroad corporations involved. The maximum revenue of Thompson's Point for any year during the 5-year period immediately preceding the making of the lease was less than $15,000. The assessed valuation of the property was under $120,000 and the book value of the buildings thereon was $103,000.

The lease provided for $36,000 per year rent for a minimum term of 2 years and for a maximum term, including renewals, of 6 years. In addition, the lessee agreed to pay all taxes in excess of $5,541.12 per year and was permitted to make improvements which would become the property of the lessor upon the termination of the lease. The Maritime Commission's estimate of the cost of these improvements is $520,000. The lessee was given an option to purchase the property at any time during the term of the lease for $555,000.

The property consists of a point of land extending into a body of water known as Fore River, which is a part of Portland Harbor. The main line of the Boston & Maine Railroad, which operates the Maine Central Railroad, crosses Fore River on a trestle located between Thompsons Point and Portland Harbor at a distance of approximately three-quarters of a mile from the former. The lease contains a covenant to the effect that the lessee will in no way, directly or

indirectly, attempt to promote the use of Fore River as a navigable waterway, and that if, at any time within 20 years, the railroad is compelled to build a bridge to permit navigation there, South Portland Ship will defray the entire cost of such structure and its maintenance until January 1, 1962.

It is difficult to understand why South Portland Ship should ever have entered into such a lease. It is impossible to justify it. Testifying before your committee, Mr. Newell explained the rent by stating that an officer of the Portland Terminal Co. had informed him that the property was worth $600,000, 6-percent return on which would amount to $36,000, but that he had made no investigation of his own to verify the value. He could offer no explanation for the inclusion in the lease of the strange and unusual provisions relating to the construction of the bridge. In response to questions concerning that provision, his testimony was that he didn't remember the lease contained such provision. He finally admitted that either the railroad company of which he is a director had driven a "sharp bargain" or "somebody was asleep" in his organization.

No prudent businessman, dealing with his own money, would ever have entered into such a lease. Its improvidence and imprudence can be explained only by keeping in mind that all costs incurred are reimbursable by the Maritime Commission.

Quite properly the Maritime Commission refused to approve the lease, primarily on the ground that the rent was excessive. Its action in doing so is to be commended. Instead, on March 12, 1942, the Maritime Commission authorized the condemnation of the property. No petition in condemnation was filed in the United States District Court for the District of Main until June 23, 1942, and up to the present no declaration of taking has been filed. In the meantime, South Portland Ship has been using the Thompsons Point property as a storage yard, and the Maritime Commission has been expending money for the erection of facilities there. No rent has yet been paid to the lessor for the use of the pr_perty.

In a hearing before your committee in October of this year, representatives of the Maritime Commission testified that the Commission had taken title to the property. This testimony was erroneous. It is our understanding that the Commission, acting through the Lands Division of the Department of Justice, is presently arranging for the filing of a declaration of taking so that title will vest in the Commission. Because of the improvident nature of the lease, your committee called the whole transaction to the attention of the War Frauds Unit of the Department of Justice.

TRUCKING

The intrayard transportation problem is chiefly one of transporting steel from the storage racks to the ways. Originally this was handled by the use of 3 tractor-and-trailer combinations for which South Portland Ship paid Materials Handling Corporation, hereinafter referred to as Materials Handling, $4.75 per hour each for 24 hours per day. In addition, a flatcar rented from the Maine Central Railroad at 50 cents per day performed the same service. In the course of time 2 other flatcars were added and a small gasoline locomotive was obtained. These 4 pieces of equipment require the services of 11 men over the 24-hour period. The distance traveled is about 200 yards, and the locomotive makes approximately 5 trips over that distance in a 24-hour period. The functions performed by the tractor-trailers and the railroad equipment are essentially the same, and either means of transportation alone is sufficient to perform the work. By the use of additional flatcars, and the installation of a small amount of trackage, the entire work could be performed by rail without any increase in expense, other than rental of flatcars at 50 cents per day each. There appears to be no reason for the continuance of both means of transportation, and the elimination of the truck transportation would decrease the expense of this phase of the operation approximately 75 percent.

Up to the present, the yard has spent about $325,000 on trucking, almost all of which went to Materials Handling. At the present time the bills of Materials Handling average in excess of $1,000 a day.

The majority ownership of Materials Handling is in Mr. Kenneth T. Burr, general manager of Bancroft & Martin, a local steel concern, his wife, and his daughter. Small minority interests are held by various employees of Bancroft & Martin. Prior to 1941, neither Bancroft & Martin nor any of the individuals connected with Materials Handling had ever been in the trucking business. Materials Handling was incorporated in January 1941 to perform trucking services for the Todd-Bath yard. The total investment was $3,000, of which $2,000 was paid by Kenneth T. Burr, and $1,000 by Mortier D. Harris, a director both of the Todd-Bath yard and of the South Portland Ship yard, and an old friend of Mr. Burr. Mr. Harris withdrew from the company shortly after its organization and, according to both Mr. Burr and Mr. Harris, was repaid his investment, although no record of the repayment could be found on the books of the parties involved. The company purchased its original equipment by borrowing the money therefor from a local bank, giving to the bank as security mortgages on the equipment acquired.

Materials Handling has never had sufficient equipment to supply all the needs of the yard. Accordingly, it has rented equipment from others, and in turn rerented it to the yard at a higher rental than that which it paid. An example of the operation of this method is the following: A firm known as Truck Leasing Corporation rented a truck, supplying gasoline and oil, but without a driver, at $6.50 per day to Hunnewell Trucking Co., hereinafter referred to as Hunnewell. Hunnewell placed a driver on the truck, and rented it to Materials Handling at $2.75 per hour. Materials Handling in turn rented the same truck with the Hunnewell driver to the yard at $3.50 per hour.

Most of the equipment supplied by others to Materials Handling for rental by it to the yard was obtained from either Hunnewell or William H. Gilbert Partnership, hereinafter referred to as the Gilbert Partnership. Hunnewell is an old, established concern. The Gilbert Partnership, on the other hand, is, like Materials Handling, a byproduct of the shipbuilding boom in Portland. The members of the partnership are Bernard, Elery, and Omah Harris, all brothers of the aforementioned Mortier D. Harris. Originally one William H. Gilbert had a one-third interest in the partnership, but his interest was retired in April of this year.

The rental of trucks to the yard is a most profitable business. During the period from its incorporation in January 1941 to September 30, 1942, Materials Handling Corporation showed a profit of $87,394.30, after deducting officers' salaries totaling $38,000, and after writing off depreciation based on an 18-month life for equipment—a rate of depreciation wholly unjustified by any standard. If a 3-year life for the equipment were taken as a base—the equipment was all purchased new—the profit would be over $107,000, after deducting the aforementioned salaries. Of the total of $38,000 salaries, $10,000 was paid to Kenneth T. Burr and $9,875 was paid to Miss Barbara Burr, a daughter of Kenneth T. Burr. Miss Burr is 22 years of age, and is employed as a stenographer by Bancroft & Martin at a salary of $25 per week.

While these salaries were being paid the individuals so recompensed were all receiving very substantial salaries from Bancroft & Martin, for which firm they were chiefly working. The total profits received by Materials Handling, plus the total salaries paid, amount to $145,000. To repeat, the total investment was $3,000.

The experience of Hunnewell is equally interesting. It was not until the last part of 1941 that Materials Handling began to rent trucks from Hunnewell in any appreciable number. During the years 1936 to 1940, inclusive, Hunnewell's average profit was approximately $2,000 per year, after deduction of officers' salaries, which never exceeded $12,000 in any one year. It first began to receive business from Materials Handling in 1941 and in that year showed a profit of over $5,000, after deduction of officers' salaries totaling $24,000. For the 9-month period ended September 30, 1942, the profit of Hunnewell was $71,000, after deduction of officers' salaries at the rate of $36,000 per year.

The Gilbert partnership has had an equally profitable existence. This partnership, like Materials Handling, has never rented a truck to anyone other than the two shipyards or contractors engaged in work at either of the two shipyards. However, all of the trucks of the Gilbert partnership used at the South Portland Ship yard are rented to the yard through Materials Handling and not directly. The Gilbert partnership had no investment, acquiring its equipment, mostly second-hand, on the installment plan, and paying the installment notes out of the proceeds of its trucking rentals. During the period from its creation in January 1941 to October 31, 1942, the Gilbert partnership showed a profit of $74,000.

The profits and salaries mentioned above exceed $300,000. While the business which produced such profits was in part supplied by the Todd-Bath yard, the bulk of the business came from the South Portland Ship yard.

In addition to its enjoyment of a virtual monopoly on trucking at the South Portland Ship yard, Materials Handling has been accorded some unusually favorable treatment. The best example of this has to do with the failure to apply the usual recapture provisions to the equipment rented by it to the yard. There is no recapture of any equipment rented by or through Materials Handling. This is not the case, however, with other trucks rented to the yard. There is a local truckman who owns two trucks. Both are used at the yard. He supplies the fuel, maintenance, and the driver in both instances. In the one case he rents the truck directly to the yard and in the other case he rents the truck through Materials Handling. In the case of the truck which he rents directly the recapture provisions are being applied, but in the case of the truck which he rents through Materials Handling recapture is not applied. Further, he receives more rental on the truck he rents through Materials Handling than on the truck he rents directly to the yard.

One would suppose that the owners of Materials Handling would be quite satisfied with the profits they were making, but such appears not to be the case. Examination has disclosed that they have been engaged in a systematic course of double billing the yard on certain hauling on which they are supposed to be paid on a pure tonnage basis. They have been billing for such hauling on both a tonnage and a time basis, and because of the method of record keeping at the yard, a method which was installed by the Materials Handling representatives themselves with the knowledge and approval of Mr. John W. Osborn, then general manager of Thompson's Point for South Portland Ship, this practice was not discovered until we made our examination. We have advised the

War Frauds Unit of the Department of Justice of the condition which we discovered. Since our investigation brought the double billing to light, Materials Handling has issued a credit to South Portland Ship of $6,079.50. We are convinced that the double billing amounted to a much larger sum.

Our endeavors to get some explanation from the executives of South Portland Ship as to why the yard did not do its own trucking or why it did not seek competitive bids—no such bids were ever asked—or why favored treatment was accorded Materials Handling were totally fruitless. The invariable answer was (a) that the particular executive was not very well acquainted with the arrangement, and (b) that anyhow he was interested in getting ships built and couldn't be bothered with such details. This answer might carry some conviction if, in fact, ships were being built.

The lack of experienced supervision during the original construction of facilities, the bad yard lay-out, the time lost in wrangling and fruitless search for verification of vendors' bills, due to the lack of adequate records, the profligate Thompsons Point lease, the use of expensive tractor-trailer combinations instead of cheap flatcars within the yard, the granting of a trucking monopoly to Materials Handling and the delegation to Materials Handling of the task of instituting a record-keeping system to check its own transactions, all spell, to be charitable, the laxest kind of management. Yet, if possible, a worse story is told by the performance of South Portland Ship in ship construction itself.

SHIP CONSTRUCTION

From the beginning it was apparent that the progress made by South Portland Ship in the construction of ships was unsatisfactory. Numerous reports of conditions in the yard were made to the Maritime Commission and the urgent necessity for changes was pointed out. These reports came not only from Maritime Commission representatives within the yard but also from its traveling inspectors. So ineffective was the management that at the time of the delivery of the first ship it was necessary for representatives of the Maritime Commission, Mr. Bonner, Chief Inspector of Machinery, and Mr. Blakeman, Chief, Ship Construction Section, to take control of the trial trip.

The lack of managerial skill is further illustrated by the failure of South Portland Ship to use prefabrication to the extent to which it could and should be used in this type of shipbuilding. As has been stated, the management of the yard was secured chiefly from Bath Iron Works. That organization, while possibly efficient in the construction of single ships, was wholly inexperienced in the use of mass-production methods, and very shortly after the contract was awarded, at the Maritime Commission's suggestion, the president, Mr. William S. Newell, and the vice president in charge of production, Mr. T. R. Allen, visited shipyards on the west coast to learn modern shipbuilding technique. This, of course, involves the use of prefabrication by which large units of the hull are preassembled and then fitted into place on the ways. The use of this method permits the employment of a far greater number of men per hull and vastly increases speed of construction. But whatever they may have learned with respect to the far speedier methods of ship construction in use there, they applied none of it to the South Portland yard, and continued to build ships piece by piece.

In March of this year one of the members of the Maritime Commission and a representative of the War Production Board visited the yard. At that time, and after that, the Commission took the position that a new manager would have to be placed in the yard, and as a result, Mr. Carl Klitgaard was appointed deputy to the president. Mr. Klitgaard's specific task was to build a shipbuilding organization, and one of his first acts was to send the general manager, Mr. Thatcher B. Pinkham, on a visit to other shipyards. That as late as May of this year, just 1 year after the original facilities and ship construction contracts had been made, a new manager should have to be brought into the yard is the most eloquent testimony obtainable of the failure of South Portland Ship to supply what was expected of it, to wit, an organization capable of building ships.

Mr. Klitgaard's first task in this direction was the elimination of incompetents, all of whom had come from Bath Iron Works, who had been placed in important posts in the yard by the South Portland management. For example, he removed Mr. Thomas R. Allen, who had been vice president in charge of production, the gentleman who, with Mr. Newell, made a tour of the west-coast yards so that he could learn mass-construction methods and then objected to the use of automatic welding machines. In the original master plans prepared for the construction of Liberty ships, the use of automatic welding was contemplated. By reason of the opposition of the corporation, voiced by Mr. Allen particularly, the substitution of hand welding was permitted and was utilized until it became evident that such outmoded methods could not produce the desired results. Nevertheless, it was only through the continued insistence of the Commission that the more modern and speedy automatic welding procedure was instituted in the spring of this year.

Mr. Klitgaard also removed Mr. John W. Osborn, who had been the general manager at Thompsons Point and who had formerly held other key posts in the yard. It was Mr. Osborn who failed to establish a proper method of checking on trucking which made it possible for the double billing by Materials Handling. Mr. Klitgaard also removed Mr. Crean, the 27-year-old ship fitter, who had been placed in the important position of hull superintendent, after serving as general manager during the early construction of facilities. Most of the people removed were relatives or favorites of officers or stockholders of Bath Iron Works. Thanks to Mr. Klitgaard's efforts, nepotism has largely been removed from the yard.

LABOR

Perhaps the worst example of the management's bungling has been its handling of labor relations. The result is that there is a complete lack of morale in the yard. The chief reason for this lack of morale is the failure of South Portland Ship to act on an agreement it made on July 2, 1942, with the metal-trades department of the American Federation of Labor covering wages and working conditions in the yard. In general, the wages agreed to by the parties were higher than the prevailing rates in the yard. Although the agreement was executed on July 2, 1942, and was stated to be retroactive to May 4, 1942, the management did not pay any part of the agreed increases until the latter part of October, when a few of the men were increased "as evidence of good faith."

Within the past 2 weeks a tentative agreement was arrived at in the course of a meeting in Washington of a subcommittee of the Shipbuilding Stabilization Committee of the War Production Board, which meeting was attended by the chairman of your committee. It appears that now, at long last, the wage disputes at the yard will be settled by paying the men the moneys owing to them.

Although the labor conditions at the yard have been notoriously bad for many months, and although there has been a complete lack of morale, it was not until about 1 month ago that South Portland Ship took any positive step toward meeting the situation by appointment of a labor-relations counselor. There is a crying need to establish a spirit of cooperation and mutual understanding between labor and management at the yard.

IMPROVEMENT DUE TO MARITIME COMMISSION

While Mr. Klitgaard is technically an employee of South Portland Ship, his presence in the yard is due entirely to the intervention of the Maritime Commission. The members of the Maritime Commission secured his release from a retainer to another company so that he could accept employment at the yard. Under the terms of his employment he is free to act independently of the officers and directors of South Portland Ship, to whom he is in no way beholden. He has, in fact, acted independently of the officers and directors of South Portland Ship, which, as a corporation, today has nothing to do with the management of the employees insofar as ship construction is concerned.

As a result, any improvement which has taken place in the production of the yard since Mr. Klitgaard's arrival, and there has been an improvement, is due not to South Portland Ship, but to the Maritime Commission. Were it not for the insistence of the Commission, the yard would still be under the control of Mr. Newell's appointees, such as Messrs. Allen and Osborn, who have now been eliminated.

Since Mr. Klitgaard's arrival he has devoted most of his time and attention to affairs at South Portland Ship. He has left the existing set-up at the Todd-Bath yard quite alone. The result is that since March of 1942 the Todd-Bath yard has been conducted almost entirely by the superintendents with almost no supervision of any kind by management. There are at Todd-Bath some very capable men in the superintendents' posts, and there exists virtually no contact between them and the management.

FORBEARANCE OF MARITIME COMMISSION

These conditions have been well known to the Maritime Commission during the whole period of the yard's history. The members of the Maritime Commission have seen fit to devote very little of their personal attention to it. The Maritime Commission did insist upon and obtain a change of management in the appointment of Mr. Klitgaard. Aside from that single contribution, however, it has done nothing to improve conditions at the yard other than to plead with South Portland Ship for better performance.

COMPARISON WITH OTHER YARDS

As the test of the pudding is in the eating, the test of a shipyard's efficiency is in the results obtained. During the months of March, April, and May 1941, contracts for construction of Liberty ships were made with 9 different shipyards in different parts of the United States, including South Portland Ship. As of November 1, 1942, South Portland had delivered 8 ships. Next lowest is a yard which delivered 13 ships, and the next lowest yard delivered 17 ships. The 2 best yards delivered 80 and 86 ships. One yard received a contract for construction of ships in March of this year and has already, less than 8 months later, delivered 1. South Portland Ship did not deliver its first ship until more than a year after it received its contract. A more significant comparison exists between the Todd-Bath yard, which is now being devoted exclusively to the construction of Liberty ships, and the Richmond No. 1 yard, located in California. Both these yards on the same day received contracts for the construction of facilities and of 30 identical merchant ships from the British. That was in December 1940. In addition, both yards, in January 1942, received contracts for the construction of 33 Liberty ships. At November 1, 1942, the Richmond No. 1 yard had delivered all of the 30 British ships and 15 Liberty ships. At the same date the Todd-Bath yard had not yet completed its British contract, 3 ships remaining to be delivered, and had delivered no Liberty ships.

REQUEST FOR ADDITIONAL FACILITIES

Recently South Portland Ship requested the Maritime Commission to appropriate $9,769,000 for the construction of additional facilities. Upon examination of the request, the regional office of the Commission approved additional facilities in the sum of approximately $5,000,000, and communicated its approval to the Commission. Some time ago the Commission decided, as a matter of policy, that, under certain circumstances, if any additional facilities beyond those originally provided for a shipyard were to be furnished, it would not appropriate the necessary funds unless the yard would agree to reduce the fees payable to it for all ships remaining to be built. The reason for this policy is that the additional facilities would make it easier for the yard to complete its contract and thus earn large bonuses, and its fee on each ship should therefore be reduced. We commend this policy.

When the Maritime Commission received from its regional office approval of $5,000,000 additional facilities, it wrote to South Portland Ship suggesting that the fees be reduced from $60,000, $110,000, and $140,000, to $35,000, $75,000, and $100,000, respectively. Several weeks later South Portland Ship wrote to the Commission over the signature of Mr. Newell, stating that it could not agree to a reduction of its fees. When he appeared as a witness before your committee, Mr. Newell stated that he considered a reduction of fees "not fair," and that, so far as he knew, none of his associates in South Portland Ship "feel that it is fair." As a result of this attitude on the part of South Portland Ship, the construction of the additional facilities is being held up.

SOUTH PORTLAND SHIP'S POSSIBLE PROFIT

The fees paid to South Portland Ship as of October 31, 1942, amounted to $450,000. These fees are, for all practical purposes, net earnings of South Portland Ship. Its total investment is $250,000. All costs and expenses incurred by it, including salaries of officers, even $6,575 of the $10,000 salary paid to Mr. Newell, are being reimbursed to it by the Maritime Commission. It has already received a return on its investment of almost 200 percent. Under its contracts with the Commission it is to build 84 ships. Judging by its performance to date, its fees will not exceed $60,000 per ship, as on the ships built so far the penalties imposed for bad performance keep the fees at the minimum figure. Even at the minimum figure, however, its total fees will amount to $5,040,000, or a return of 2,000 percent on investment. This high return on investment must be considered in the light of the fact that South Portland Ship incurs no risk. Up to the present time it has financed its operations by short-term bank loans, a simple matter when one is enabled to borrow on the security of a Government contract. Incidentally, even the interest expense incurred on such loans is reimbursable.

CONCLUSION AND RECOMMENDATION

The question presented is whether or not the performance by South Portland Ship has been such as to warrant the payment of fees of not less than $5,040,000. To summarize the relevant facts in the light of which an answer to this question must be framed, South Portland Ship contributed substantially nothing to the performance of the facilities contracts other than the lay-out of the yard and the lay-out is bad. It delegated the performance of the facilities contracts to the architect and the general contractors. Until the original facilities were nearly complete, it supplied no experienced or able supervision over the work of either the architect or the general contractors. The original management was removed at the insistence of the Maritime Commission. Were it not for the Maritime Commission's insistence at that time, to wit, the spring of this year, there is no indication but that the then existing management would have been continued and the yard would be in even worse shape than it is today. Since the appointment of Mr. Klitgaard in May 1942, and the granting to him of complete authority without any control by either the officers or directors of South Portland Ship, it has delegated to him the performance of the ship-construction contracts. For long periods of time and until very recently it followed a policy of not paying any bills rendered to it until those bills were first approved by the Maritime Commission auditors in the yard, thus assuring it that the items paid would be reimbursed. Its investment of $250,000 is insignificant when compared with the moneys necessary even to meet the pay rolls in a yard employing some 13,000 men, and now with the addition of the Todd-Bath facilities, some 25,000 men. It has delegated to banks the task of supplying the necessary funds for the financing of its work without cost to it since the interest expense incurred is paid by the Maritime Commission.

The inevitable conclusion is that South Portland Ship is receiving a fee for the trouble of incorporating a company, choosing a name for that company, holding an occasional directors meeting and delegating the performance of its contract duties.

Your committee conceives that it would not be doing its full duty if it merely reported the above facts and did not suggest a remedy. It is clear to your committee that to continue in force the existing contract with South Portland Ship would be to throw away millions of dollars needlessly. As indicated above, South Portland Ship has already received fees representing almost 200 percent of its invested capital. The contracts may be summarily canceled upon payment of fees earned to the date of cancelation. In the alternative the contracts may be terminated at any time without payment of fees when the contractor has failed to exercise due diligence. South Portland Ship has already received more than enough. There is ample cause, as recited above, for the termination of its contracts.

In a hearing held about a month ago, your committee suggested to the representatives of the Maritime Commission, including two of the members of the Commission, that the contracts be terminated immediately because of the failure of South Portland Ship to exercise due diligence in their performance. While the Commission members conceded freely that they were not satisfied with conditions at the yard, they demurred to the suggestion that the contracts be terminated giving as an excuse that there is bad management in other yards also.

The record of South Portland Ship is the worst of any company engaged in the construction of Liberty ships. Your committee is unable to subscribe to the principle that South Portland Ship should be paid $5,000,000 for its incompetence, inefficiency, and obvious inability to perform its contract duties solely because other yards furnish examples of bad management. There is no room for incompetence, inefficiency, and incapacity, the only effect of which is a hampering of our war effort. In the opinion of your committee, the proposition that the contracts enjoyed by South Portland Ship should be terminated immediately is so clear that it admits of no debate. The other yards which, it is said, furnish examples of bad management will be very carefully examined, if your committee is authorized to continue its investigation.

One other reason was suggested by the members of the Maritime Commission for their reluctance to terminate the contract of South Portland Ship, to wit, that there is a dearth of available managerial skill. Your committee believes to the contrary. In this connection it must be stressed that the job at South Portland is not a technical shipbuilding job but a construction job. Experience in other yards has demonstrated that the chief expecutive need not possess shipbuilding experience.

The specific suggestion of your committee is that the contracts with South Portland Ship should be terminated immediately and that the existing top management should be replaced by a single qualified executive who, with the existing staff of superintendents and foremen, can carry out the task of constructing the remaining ships. Under such an arrangement millions of dollars would be saved and there is every reason to believe that ships would be coming off the ways and out of the basins with ever-increasing speed.

MINORITY VIEWS

I concur in the recommendation contained in the report to terminate the contract of the South Portland Shipbuilding Corporation with the Maritime Commission, but believe it should go further for the following reasons:

1. The report indicates that the Maritime Commission has been fully aware of the condition existing at the South Portland Shipbuilding Corporation yard from its inception and it has been the responsibility of the Maritime Commission to eliminate the conditions existing without congressional investigation or action. The Maritime Commission has been derelict in its duty in not terminating this contract many months ago.

2. Members of the Maritime Commission have testified to the Commission's incompetency as set forth in the following language on page 38 of the typewritten report:

"In a hearing held about a month ago, your committee suggested to the representatives of the Maritime Commission, including two of the members of the Commission, that the contracts be terminated immediately because of the failure of South Portland Ship to exercise due diligence in their performance. While the Commission members conceded freely that they were not satisfied with conditions at the yard, they demurred to the sugestion that the contracts be terminated, giving as an excuse that there is bad management in other yards also."

RICHARD J. WELCH,
Member of Congress.

Mr. AIKEN. Mr. President, I also ask unanimous consent to have printed in the RECORD a communication, under date of November 23, 1942, from Commissioner Carmody to the United States Martime Commission, concerning overcharges for electricity used by the South Portland Ship yard.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NOVEMBER 23, 1942.

To: United States Maritime Commission.
From: Commissioner Carmody.
Subject: Power contracts and power rates for United States maritime shipyard operations.

The power engineers, Wingfield and Henkel, recently appointed by the Commission to study and report on these subjects have submitted reports covering following shipyards—

Bethelehem-Sparrows Point Shipyard, Inc.
Bethlehem-Fairfield Shipyard, Inc.
South Portland Shipbuilding Corporation, and
Todd-Bath Shipyard.

They have sent 15 copies of these reports to Regional Construction Director McInnis for

distribution to members of the Commission and other interested officials of the Commission.

I bring the subject to the attention of the Commission now because they have made suggestions with respect to overcharges that ought to result in immediate recovery apart from additional recoveries that will undoubtedly result from joint reexamination and revised contracts.

For instance, in the case of South Portland Shipbuilding Corporation, the power company erroneously overbilled the corporation for power in March 1942 approximately $6,400. This grows out of the fact that the rate changes when the demand crosses the 1,000 kilowatt point. To discover this one must, of course, go behind the voucher and make an engineering check.

Wingfield and Henkel after a careful study of all industrial rates of the company supplying power as well as a search of the files of the Public Service Commission of Maine, whose cooperation they got after some preliminary skirmishing, indicate that a corrected rate structure, which they think can be gotten, should save at least $150,000 per year in these yards. With a present average rate of 15 mills, I think their estimate of possible annual savings is conservative.

In the case of Bethlehem-Fairfield, they state:

"We therefore recommend that at the time the Bethlehem-Fairfield Shipyard, Inc., renegotiates its present contracts for proper fuel rate adjustment and power factor correction compensation, it should endeavor to obtain a special contract with an over-all rate somewhere between the Pennsylvania Railroad Co.'s rate and the existing "IT" rate schedule. In our opinion such negotiation should result in an estimated annual saving in ultimate power costs of about $150,000."

Here again the shipyard, although a large user of energy with a much better power factor, has not been given the lowest available rate. In this particular case the rate is lower than originally contemplated but not as low as the operation and character of demand warrant.

A special situation is revealed here. Fairfield buys some of its power from Sparrows Point. The report, based on a careful examination of costs and burden allocations made by these engineers at the headquarters office of Bethlehem Steel Co. in Bethlehem, Pa., indicate overhead is charged into the power costs twice. That is something that can be worked out only through renegotiation.

Another point is interesting and needs immediate attention. The Consolidated Gas, Electric Light & Power Co.'s contract with Fairfield contains a fuel adjustment clause with which all of you are familiar. It is intended to protect both parties to the contract in event of changes in fuel costs over or under base rates at time contract was signed. It is intended to apply only to power generated from such fuel. It never was intended to apply to hydro energy.

The engineers' report indicates that in spite of the fact that a large percentage (varies from month to month and year to year) of this particular energy has been hydro generated, the adjusted fuel clause has been applied to all energy for which the shipyard has been billed. The adjustment, of course, was upward. There ought to be no trouble about recovery for the Commission—we pay the bills—because even a friendly State public service commission cannot defend this practice. Public knowledge of it would undoubtedly lead to suits for recovery by many private users who are unaware of it.

These reports, if they are to yield appropriate returns for their cost, ought to be followed up promptly and vigorously first, to recover overcharges that can be got pretty much for the asking and second, to initiate and pursue negotiations looking to proper rate and contract term adjustments.

These negotiations, I take it, will touch our regional directors and our finance and legal divisions at headquarters and in the regional and shipyard offices. The renegotiation committee will be interested, too. The business will grow as Wingfield and Henkel visit more and more yards. The total annual savings may well exceed $1,000,000 on power costs alone.

RECOMMENDATION

If it is agreeable to the Commission, in line with the Chairman's letter to the Federal Power Commission naming me power procurement officer for the Commission, I would like to have my assistant, Mr. Freeman, who has had a good general experience in this field, undertake, under my general direction, the coordination of these studies and negotiations with Wingfield and Henkel, our regional people, our finance and legal people and the renegotiation committee.

Incidentally, the Federal Power Commission, by direction of the President, is looking into all of these contracts but they are not prepared to make the detailed studies nor carry through the renegotiations we must undertake.

Incidentally, too, I think Wingfield and Henkel are doing a good job. It is not easy because they must dig into old records and frequently this sort of inquiry is looked upon as a nuisance but it will pay worth-while dividends to the Commission.

JOHN M. CARMODY,
Commissioner.

Mr. AIKEN. Mr. President, that is all I have.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. SHIPSTEAD. In a statement I previously made I intended to make it very plain that I did not intend to cast any reflection on Admiral Land. I took the position—and I still take it—that, with this controversy, I did not like to see the nomination of Admiral Land acted on without a hearing on the charges which have been made by the Comptroller General. I have known Admiral Land for many years. I have a high regard for his ability and for his character. I thought I made it plain that I did not impugn his motives or his character. My protest is that the nomination comes before the Senate without first clearing the charges against the commission of which he is chairman. I hope that in the future—in the very near future—the matter will be cleared up by the committee which has charge of it.

The ACTING PRESIDENT pro tempore. The question is, Will the Senate advise and consent to this nomination?

Mr. BARKLEY. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The Clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Burton	Ferguson
Austin	Byrd	George
Bailey	Capper	Gerry
Ball	Chavez	Green
Bankhead	Clark, Mo.	Guffey
Barkley	Connally	Gurney
Bone	Danaher	Hatch
Brewster	Davis	Hawkes
Bridges	Downey	Holman
Brooks	Ellender	Johnson, Calif.
Johnson, Colo.	Murdock	Taft
Kilgore	Murray	Thomas, Okla.
Langer	Nye	Thomas, Utah
Lodge	O'Mahoney	Tobey
Lucas	Overton	Truman
McCarran	Pepper	Tunnell
McClellan	Radcliffe	Tydings
McFarland	Revercomb	Vandenberg
McKellar	Reynolds	Van Nuys
McNary	Robertson	Wallgren
Maloney	Russell	Walsh
Maybank	Scrugham	Wherry
Mead	Shipstead	White
Millikin	Smith	Willis
Moore	Stewart	Wilson

The ACTING PRESIDENT pro tempore. Seventy-five Senators having answered to their names, a quorum is present.

The question is, Will the Senate advise and consent to this nomination?

Mr. BARKLEY and Mr. CLARK of Missouri asked for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. BARKLEY (when Mr. CHANDLER'S name was called). I announce that my colleague is absent on official business. If he were present he would vote "yea."

Mr. DAVIS (when his name was called). I have a general pair with the junior Senator from Kentucky [Mr. CHANDLER]. I understand that if he were present he would vote as I am about to vote. Therefore I am at liberty to vote. I vote "yea."

The roll call was concluded.

Mr. PEPPER. My colleague [Mr. ANDREWS] is unable to be present because of illness. If he were present he would vote "yea."

Mr. BANKHEAD. My colleague [Mr. HILL] is absent on public business. If he were present he would vote "yea."

Mr. BARKLEY. I announce that the Senator from Mississippi [Mr. BILBO] and the Senator from Virginia [Mr. GLASS] are absent from the Senate because of illness.

The Senator from Arkansas [Mrs. CARAWAY] is necessarily absent.

The Senator from Mississippi [Mr. EASTLAND], the Senator from Arizona [Mr. HAYDEN], and the Senator from New York [Mr. WAGNER] are detained on important public business.

I am advised that if present and voting, the Senators whose absences I have announced would vote "yea."

The Senator from Idaho [Mr. CLARK], the Senator from Iowa [Mr. GILLETTE], the Senator from Texas [Mr. O'DANIEL], and the Senator from Montana [Mr. WHEELER] are detained on important public business.

The Senator from Iowa [Mr. GILLETTE] is paired with the Senator from Wisconsin [Mr. LA FOLLETTE]. I am not advised how either Senator would vote if present.

Mr. MCNARY. The Senator from New Jersey [Mr. BARBOUR] is absent because of illness. If present he would vote "yea."

The Senator from Wisconsin [Mr. WILEY] is absent on official business.

The result was announced—yeas 70, nays 5, as follows:

YEAS—70

Austin	Barkley	Brooks
Bailey	Bone	Burton
Ball	Brewster	Byrd
Bankhead	Bridges	Capper

Chavez	McCarran	Russell
Clark, Mo.	McClellan	Scrugham
Connally	McFarland	Smith
Danaher	McKellar	Stewart
Davis	McNary	Taft
Downey	Maloney	Thomas, Okla.
Ellender	Maybank	Thomas, Utah
Ferguson	Mead	Truman
George	Millikin	Tunnell
Gerry	Moore	Tydings
Green	Murdock	Vandenberg
Guffey	Murray	Van Nuys
Gurney	Nye	Wallgren
Hatch	O'Mahoney	Walsh
Hawkes	Overton	Wherry
Johnson, Calif.	Pepper	White
Johnson, Colo.	Radcliffe	Willis
Kilgore	Revercomb	Wilson
Lodge	Reynolds	
Lucas	Robertson	

NAYS—5

Aiken	Langer	Tobey
Holman	Shipstead	

NOT VOTING—21

Andrews	Chandler	La Follette
Barbour	Clark, Idaho	O'Daniel
Bilbo	Eastland	Reed
Buck	Gillette	Thomas, Idaho
Bushfield	Glass	Wagner
Butler	Hayden	Wheeler
Caraway	Hill	Wiley

So the nomination of Rear Admiral Emory S. Land to be a member of the Maritime Commission was confirmed.

Mr. BARKLEY. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of Admiral Land's nomination.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

EXECUTIVE MESSAGES REFERRED

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

LEGISLATIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of legislative business.

The motion was agreed to; and the Senate proceeded to the consideration of legislative business.

REPORT OF NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

The ACTING PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Commerce:

To the Congress of the United States:

In compliance with the provisions of the act of March 3, 1915, establishing the National Advisory Committee for Aeronautics, I transmit herewith the Twenty-eighth Annual Report of the Committee covering the fiscal year 1942.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *March 30, 1943.*

RETURN FROM THE PRESIDENT OF SENATE BILL INCREASING PAY OF DISTRICT POLICEMEN AND FIREMEN

The ACTING PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying enrolled bill, ordered to lie on the table:

To the Senate:

In compliance with the request contained in the resolution of the Senate (the House of Representatives concurring therein), I return herewith Senate bill No. 17, entitled "An act to provide for a temporary increase in compensation for certain employees of the District of Columbia Government and the White House Police Force.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *March 30, 1943.*

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

INDIANS OF THE TAOS PUEBLO, N. MEX.

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to amend section 4 of the act of May 31, 1933, to promote the welfare of Indians of the Taos Pueblo, N. Mex., and to protect their interests in certain lands within the Carson National Forest (with an accompanying paper); to the Committee on Indian Affairs.

TRAINING OF STUDENT RESERVE NURSES

A letter from the Administrator of the Federal Security Agency, transmitting a draft of proposed legislation to provide for the training of nurses for the armed forces, governmental and civilian hospitals, health agencies, and war industries, through grants to institutions providing such training, and for other purposes (with accompanying papers); to the Committee on Commerce.

CLAIM OF MEADOW BROOK CLUB

A letter from the Comptroller General of the United States, transmitting, pursuant to law, his report and recommendation concerning the claim of the Meadow Brook Club against the United States (with an accompanying report); to the Committee on Claims.

REPORT OF THE MARITIME COMMISSION

A letter from the Chairman of the United States Maritime Commission, transmitting, pursuant to law, a report of the Commission for the year ended June 30, 1942 (with an accompanying report); to the Committee on Commerce.

REPORT ON STUDY OF INTERTERRITORIAL FREIGHT RATES

A letter from the Chairman and members of the Board of Investigation and Research, created by the Transportation Act of 1940, transmitting a report on transportation problems relating to a study of interterritorial freight rates, which was referred to the Committee on Interstate Commerce.

TRANSPORTATION FOR EMPLOYEES OF THE VETERANS' ADMINISTRATION

A letter from the Administrator of Veterans' Affairs, transmitting a draft of proposed legislation to provide for furnishing transportation in Government-owned automotive vehicles for employees of the Veterans' Administration at field stations in the absence of adequate public or private transportation (with an accompanying paper); to the Committee on Finance.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of the Departments of the Navy (2) and Agriculture which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The ACTING PRESIDENT pro tempore appointed Mr. BARKLEY and Mr. BREWSTER members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A concurrent resolution of the Legislature of the State of Michigan; to the Committee on Finance:

"House Concurrent Resolution 9

"Concurrent resolution commending the stand of Senator BYRD and his colleagues in Congress demanding the elimination of useless expenditure of public moneys

"Whereas the stand of Senator BYRD and his colleagues in Congress in demanding the elimination of useless expenditure of public moneys carries out the mandate of the electors at the November election; and

"Whereas the United States of America is now engaged in a gigantic struggle calling on all the resources of its peoples, with ever increasing burdens of taxation; and

"Whereas the United States of America, and its leaders in Washington, must retrench in family expenditures and public disbursements for nonessential luxuries and useless bureaus and adjuncts: Now therefore be it

"*Resolved by the House of Representatives (the Senate concurring)*, That the members of the Michigan Legislature commend Senator BYRD and his colleagues in Congress for their stand demanding the elimination of useless expenditures of public moneys, and insisting that the trust to the people be kept; and be it further

"*Resolved*, That a copy of this resolution be transmitted to the President of the United States, Speaker of the House of Representatives and President of the Senate of Congress, and to Senator BYRD."

A joint resolution of the Legislature of the State of California; to the Committee on Agriculture and Forestry:

"Assembly Joint Resolution 28

"Joint resolution relating to destruction of crops by ducks

"Whereas the damage caused to crops of rice and other grains in the State of California by wild ducks, amounted to a half million dollars in 1941, and caused the destruction and loss of entire rice and other grain crops of some farmers; and

"Whereas wild ducks are increasing in numbers at an alarming rate; and

"Whereas because there are now fewer hunters of wild ducks, due to hunters being drafted into the armed services of the United States, work in defense and war manufacturing plants, and shortage of transportation facilities due to rationing of gasoline; and

"Whereas funds are provided for the propagation and protection of wild fowl and none for reimbursement of losses suffered by farmers through the destruction of these crops by wild fowl: Now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California, jointly*, That the Legislature of the State of California hereby memorializes the President and the Congress of the United States and the Secretary of Agriculture to create a fund to be used to reimburse rice and other grain farmers in the State of California for damage to their crops caused by wild fowl; and that the said fund may be provided by an increase in the price of Federal stamps for hunting wild

fowl; and that provision may be made to administer the said fund through local county conservation officials; and be it further

"Resolved, That copies of this resolution be sent to the President and Vice President of the United States, and to the Secretary of Agriculture and to Members of the Senate and House of Representatives from California."

A resolution of the Assembly of the State of California; to the Committee on Banking and Currency:

"House Resolution 139

"Whereas in normal times the poultry industry in this State is of paramount importance to the people of California; and

"Whereas this importance has been tremendously magnified by reason of the existing shortages of meat and other forms of protein; and

"Whereas, there annually exists at this time of year a normal surplus of cockerels which in the past have been destroyed because of a lack of available market; and

"Whereas this surplus of cockerels could be raised and marketed as broilers within a relatively short time if the ceiling price for broilers would permit the raising and marketing of broilers by poultrymen without incurring a substantial loss; and

"Whereas it would appear that the Office of Price Administration and other Federal agencies should do all in their power to encourage and stimulate the raising of broilers for use in California in order to relieve the present meat and protein shortage; and

"Whereas despite the efforts of the poultrymen of the State of California to persuade the Office of Price Administration to realize the uniqueness of the California situation, the Office of Price Administration insists on fixing ceiling prices for California on production costs of other States where labor and feeding costs are much lower; and

"Whereas the persistence of the Office of Price Administration in its present conduct will result in the loss of many million pounds of poultry meat for use in California; and

"Whereas local Office of Price Administration officials have refused to take appropriate steps to alleviate present conditions even when they have had power so to do: Now, therefore, be it

"Resolved by the Assembly of the State of California, That the Honorable Prentiss Brown, Administrator of the Office of Price Administration, and the Honorable Claude Wickard, Secretary of Agriculture, be and they are hereby memorialized to direct their regional representatives for California to establish ceiling prices for poultry in California that will permit making available to the citizens of this State this essential supplement to the meat and protein supply; and be it further

"Resolved, That the chief clerk of the assembly shall transmit by telegram copies of this resolution to the President, the Vice President, to the Senators and Congressmen from California, and to the Honorable Prentiss Brown, Administrator of the Office of Price Administration, and the Honorable Claude Wickard, Secretary of Agriculture."

A joint resolution of the Legislature of the State of California; ordered to lie on the table:

"Assembly Joint Resolution 34

"Joint resolution relative to memorializing the President and Congress to enact legislation to secure to all employees of the Post Office Department an increase in wages commensurate with the increased cost of living and other benefits

"Whereas the great army of postal employees represents a highly loyal and efficient group of public servants; and

"Whereas the employees of the Post Office Department have had no increase in wages since 1925 except a temporary measure which expires on April 30, 1943; and

"Whereas the cost of living has risen in excess of 20 percent during the past 2 years; and

"Whereas the continued faithful, experienced, and efficient operation of this Department of the National Government is important to the successful conduct of the war and to the maintenance of the morale of the Nation: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of the State of California respectfully memorialize the President and the Congress of the United States to enact such Federal legislation at the present session as will provide an equitable increase in the wages of employees in the Post Office Department; and be it further

"Resolved, That the chief clerk of the Assembly of the State of California be hereby requested to transmit copies of this resolution to the President and Vice President of the United States, the Speaker of the House of Representatives, and to each Senator and Member of the House of Representatives from California in the Congress of the United States, and that such Senators and Members from California be respectfully urged to support such legislation."

A joint memorial of the Legislature of the State of Montana; to the Committee on Public Lands and Surveys:

"Senate Joint Memorial 14

"Joint memorial of the Senate and House of Representatives of the State of Montana, to the Congress of the United States, United States Senators BURTON K. WHEELER, JAMES E. MURRAY, and CHARLES L. MCNARY, Representatives JAMES F. O'CONNOR and MIKE MANSFIELD, all of Washington, D. C., requesting the enactment of legislation directing the annual payment of grants by the Secretary of the Treasury of the United States to the State of Montana for the use and benefit of the several counties of Montana in lieu of taxes on lands owned by the United States Government in the State of Montana

"Whereas in Montana there is between 38 and 50 percent of our landed area which is held by the Government in proprietory or trustee capacity for Indian reservations, forest reserves, wildlife refuge, grazing lands, military reservations, and other governmental purposes and objects, none of which lands contribute very much in the form of taxation to the school districts, counties, and State government, which furnish services to such lands and their occupants; and

"Whereas such areas are increasing and the taxation burdens upon sparsely settled communities of our State are becoming more serious; and

"Whereas these areas should bear some part of the tax burden comparable to that imposed on lands of our own taxpayers; and

"Whereas there was introduced by Senator CHARLES L. MCNARY in the Seventy-seventh Congress of the United States an act known as Senate bill No. 1201, under which the Government of the United States would pay to the States for the benefit of counties wherein Government-held lands are located, grants in lieu of taxes upon these lands: Now, therefore, be it

"Resolved by the Twenty-eighth Legislative Session of the State of Montana (Senate and House of Representatives concurring), That we respectfully urge the reintroduction of Senate bill No. 1201 of the Seventy-seventh Congress and do respectfully request of the Congress of the United States the enactment of this legislation and further legislation to include military reservations acquired, owned, and held by the Government of the United States and the approval thereof by the President of the United States; and be it further

"Resolved, That copies of this memorial be submitted by the secretary of state to the Senate and House of Representatives of the United States Congress and to the Senators and Representatives named in the first paragraph hereof."

A joint memorial of the Legislature of the State of Montana; to the Committee on Agriculture and Forestry:

"Senate Joint Memorial 17

"Joint memorial to the Congress of the United States, to the President of the United States, to the Montana congressional delegation, to the Secretary of Agriculture, and to the Agricultural Adjustment Agency administration for the State of Montana, requesting legislation and administrative regulation fixing the allotment of acreage for sugar beets on the basis of 1942, and years previous, as a minimum, removing any and all penalties for seeding or planting less than 90 percent of the war crops

"Whereas the growers of sugar beets in the State of Montana are now seriously restricted and curtailed in the area, extent, and spread of acreage which they may seed and plant to sugar beets due to (1) the absence from Montana farms of Montana's sons in the military service throughout the globe; (2) existing and increasing farm labor shortage; (3) grave shortages in the supply of new machinery and tools for planting, culture, and harvesting of beets; and (4) the absence of repair parts and service for such machinery and equipment, all with the inevitable result that Montana's sugar-beet acreage will shrink and contract very materially under war conditions; and

"Sugar-beet growers are advised that controls applicable to sugar-beet acreage in the post-war period will be established on the basis of war acreage which in Montana means acreage far under the acreage in sugar beets for 1942 and years previous; and

"Such action will operate to the distinct advantage of sugar-beet areas in other States with a more favorable source of labor and to the great prejudice and disadvantage of Montana's beet growers without their fault and continue to depress their efforts, the utility of their farms, and severely limit the production hereafter of sugar beets; and

"Whereas extraordinary efforts are now being made to sign up farmers to the so-called 1943 farm plan whereby farmers are given a definite acreage allotment for general crops and estimate their acreage for the war crops of flax, beans, and potatoes; and

"Whereas the underseeding of the war crops to the extent of over 10 percent results in an unreasonable penalty of $15 per acre for each acre underseeded; and

"It is now plainly evidence that due to (a) the existing and increasing farm labor shortages aforesaid; (b) rationing now sharply restricting the production of new agricultural and farm machinery and tools, and the repair and rehabilitation thereof, and despite every effort the Montana farmer can make in the utmost good faith to produce such war crops, for such is his greatest desire, the factors aforesaid are now operating, and will continue to operate, to defeat his best efforts and contract the acreage he can plant in war crops; and the use and infliction of a penalty or penalty device is a gratuitous and undeserved reflection on the American farmer: Now, therefore, be it

"Resolved by the Senate of the Twenty-eighth Legislative Assembly of the State of Montana (the House of Representatives concurring), That the Congress of the United States, the President of the United States, the Montana congressional delegation, the Secretary of Agriculture, and the Agricultural Adjustment Agency administration for the State of Montana, each active within their respective fields, be urgently requested, by

appropriate legislation and by proper regulatory action based thereon, or by either action as may be proper, and as soon as possible—

"I. To fix and prescribe, as the basis of any sugar-beet acreage controls which may be currently, or hereafter, promulgated, not less than the actual acreage actually seeded and cultivated by each individual farmer—natural, firm, or corporate—in the year 1942, and for the years previous thereto; also to secure to the State of Montana and each sugar-beet district therein not only the full acreage so seeded and cultivated in 1942, and the years previous, but such further and additional acreage rights as will permit of the maximum expansion and development of sugar-beet production in the State.

"II. Forthwith to annul, or alleviate, the penalty applicable to the war crop acreage of flax, beans, and potatoes, and rely upon the deep moral resolve of the American and Montana farmers to win the war by the maximum production of such food crops, as well as by every other effort; be it further

"Resolved, That copies of this memorial be transmitted by the Secretary of State of the State of Montana to the hereinbefore named officials."

Two joint resolutions of the Legislature of the State of Montana; to the Committee on Agriculture and Forestry:

"Senate Joint Resolution No. 3

"Resolution of the Senate and House of Representatives of the State of Montana recommending that the Congress of the United States pass and enact into law such measure or measures as may be necessary to return to the farmer such prices for all agricultural products as will assure to him a reasonable profit over his cost of production, including all cost of labor

"Be it resolved by the Senate of the State of Montana (the House of Representatives concurring therein):

"Whereas the farmers in this country are called upon to contribute to the war effort by an increase in production of farm products; and

"Whereas the expense for farm labor, machinery, repairs and all other items entering into the over-all cost of the production of agricultural products has greatly increased; and

"Whereas war industries are permitted to include the cost of labor as well as all other costs plus profit in determining the total cost of materials and equipment for the purposes of war; and

"Whereas food is one of the main essentials and is absolutely necessary for the winning of the war, and the farmers of this country are engaged in an all-out effort to win this war; and

"Whereas the farmers of this country cannot successfully carry on unless they receive a reasonable profit for their agricultural products; and

"Whereas they are now being discriminated against to the advantage of labor and industry; and

"Whereas there is now before the Congress of the United States a bill for the establishment of prices for agricultural products which will include the cost of labor and other costs, and will give to the farmer a return upon the basis of parity: Now, therefore, be it

"Resolved by the Senate of the State of Montana (the House concurring), That we earnestly recommend that the Congress of the United States, as quickly as is possible, pass and enact into law such measure or measures as may be necessary to return to the farmer such prices for all agricultural products as will assure to him a reasonable profit over his cost of production, including all costs of labor; be it further

"Resolved, That a copy of this resolution be transmitted by the secretary of state to each Member of Congress from Montana, Vice President of the United States, Speaker of the House of Representatives, Secretary of the United States Department of Agriculture, chairmen of the Committees on Agriculture in the Senate and House of Representatives of the United States.

"Approved March 5, 1943.

"SAM C. FORD,
"Governor."

"House Joint Resolution 4

"Joint resolution memorializing the Congress of the United States to enact House Resolution 38, authorizing the Committee on Agriculture to make a study and investigation of marketing, transportation, and distribution of farm products

"Whereas, with the increasing demands on the farmers of the United States to meet the food requirements of our fighting men and lend-lease commitments, at the same time assuring the people of the United States of the proper amount of foodstuffs, it is essential for the war effort and the well-being of our people that a study be made of the complicated problems of marketing, transportation, and distribution of farm products; and

"Whereas, farm products should be properly graded, and distributed when and where needed, at fair prices both to the producer and the consumer, and immediate steps should be taken for a coordination of efforts and the adopting of a comprehensive and workable plan in betterment of the interest of the producing farmer and the consumer; and

"Whereas House Resolution No. 38 has been introduced into Congress providing for the Committee on Agriculture to make a study and investigation of marketing, transportation, and distribution of farm products, which study and investigation are imperative at this time: Now, therefore, be it

"Resolved by the House of Representatives (the Senate concurring), That the Montana Legislature urges the Congress of the United States to enact House Resolution No. 38; and be it further

"Resolved, That copies of this resolution be transmitted by the secretary of state to the President of the United States, to the President of the Senate, and Speaker of the House of Representatives of Congress, and to the Montana Members in the Senate and House of Representatives of Congress.

"Approved February 24, 1943.

"SAM C. FORD, *Governor."*

A resolution of the Legislature of Puerto Rico; to the Committee on Territories and Insular Affairs:

"Resolution to request the Congress of the United States of America to execute a deed of ownership or certificate of possession to laborers now occupying agricultural farms in usufruct, by grant of the Puerto Rico Reconstruction Administration (P. R. R. A.), and for other purposes.

"Whereas by virtue of an Executive order of the President of the United States of America, Franklin Delano Roosevelt, there was constituted in our country on May 19, 1935, an agency of the Federal Government named 'Puerto Rico Reconstruction Administration,' charged with undertaking the activities necessary for carrying out the purposes indicated by its own name, and the President of the United States took that action, exercising his faculties and powers with a lofty sense of humanity and justice, as a consequence of the deplorable situation that confronted our island, its agriculture ruined, lacking vital industries, its commerce impoverished, and legions of men unemployed, on account of the devastating hurricanes that scourged our cities, our towns, and our fields, when they had not yet recovered from the serious economic crisis caused by the last World War;

"Whereas among the different rehabilitation programs wisely adopted by the said Federal agency are the organization and awarding in usufruct, in the rural districts, of the following colonies of agricultural farms for laborers who rendered services on the properties needing rehabilitation, such awards being on the basis of the payment of a certain monthly rent:

"Farms with houses	*Units*
"American Suppliers	460
Squatters-American Suppliers	211
Coffee, Tobacco, and Fruits	3,120
Saint Just, Trujillo Alto	347
Sucesión Castañer	200
Zalduondo, Luquillo	255
Zalduondo, Squatters	1
Barracón, Vieques	199
Lafayette	506
Batey Houses, Lafayette	298
Marini, Mayaguez	113
Juan Domingo, Rio Piedras	22
Dominguito, Arecibo	61
Clara E. Livingston	20
American Suppliers	6
Zalduondo Luquillo	8
Coffee, Tobacco, and Fruits	5,294

"and

"Whereas it is well known that the occupants of the said farms absolutely lack resources, and, on account of the abnormal condition from which Puerto Rico is now suffering on account of the war emergency which is fatally prolonged, have no financial income nor work from which they might gain it, with the aggravating condition that the cost of living has become enormously high for them;

"Whereas the circumstances pointed out in the preceding paragraph determine, as an unquestionable fact, that the said occupants cannot hereafter pay the rent they are bound to pay, and it is to be considered that an expression of altruism on the part of Congress toward Puerto Rico, where the United States has only enthusiastic and decided cooperation in its democratic undertakings, would bring to the now-disturbed homes of those agricultural laborers tranquillity of spirit and individual independence arising from the possession of a piece of land of their own which makes them free of all possible attempts at exploitation and oppression in labor: Now, therefore, be it

"Resolved by the Legislature of Puerto Rico:

"SECTION 1. That a feeling appeal be made, as it is made through this resolution, to the Congress of the United States of America that it resolve to direct, and do direct, the proper organization or authority to execute in favor of each and all of the occupants of the agricultural farms specified above in the second whereas, a deed of ownership for such sum as they may have paid, as rent, up to the present.

"SEC. 2. That a literal and authentic copy of this resolution be transmitted to the President, Franklin Delano Roosevelt; to the two Houses that compose the Congress of the United States; to the chairmen of the Committee on Territories and possessions of the Federal Senate and of the Committee on Insular Affairs of the House of Representatives of the United States; to the Honorable Harold L. Ickes; to the Honorable Claude E. Wickard, Secretary of Agriculture, and to the Honorable BOLÍVAR PAGÁN, Commissioner for Puerto Rico in Washington, D. C., requesting the latter to render his full cooperation to the said purposes."

By Mr. CAPPER:

A petition, numerously signed, of sundry citizens of Aulne, Kans., praying for the enactment of legislation to prohibit liquor sales and to suppress vice around military camps and naval establishments; ordered to lie on the table.

By Mr. McCARRAN:

A resolution adopted by the Public Service Commission of the State of Nevada, protesting against any attempt by Congress to deprive the State of Nevada of its power to regulate intrastate commerce by aircraft, or otherwise; to the Committee on Commerce.

A joint resolution of the Legislature of the State of Nevada; to the Committee on Banking and Currency:

"Assembly Joint Resolution 6

"Whereas the Office of Price Administration, a Federal agency, has been organized to control inflationary forces by establishing ceiling prices upon many of the ordinary necessaries of life; and

"Whereas the administration of such agency is centralized in the Capital of the United States, where all the regulations are promulgated; and

"Whereas many of these regulations are of such rigidity as to work an unnecessary hardship in certain Western States, including the State of Nevada; and

"Whereas modifications of such regulations could be properly entrusted to the representatives of the Office of Price Administration in the State of Nevada: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of Nevada, That the Congress of the United States be petitioned to pass suitable legislation reorganizing the Office of Price Administration so as to decentralize the administration and enforcement of the regulations, and to authorize State administrators to promulgate modifications of basic standards established by the National Administrator, when local conditions justify such changes, without the necessity of appearing before administrators or their advisers located 3,000 miles away and who have no first-hand information on the local condition; and be it further

"Resolved, That duly certified copies of these resolutions be forwarded to the President of the United States, to our Senators and Congressman at Washington, D. C., and that copies of this resolution certified by the proper officers of the Senate and Assembly of the State of Nevada, be transmitted to the several Western States."

Two joint resolutions of the Legislature of the State of Nevada; to the Committee on Military Affairs:

"Assembly Joint Resolution 10

"Whereas this Nation is still engaged in a war, and while in the Pacific it is giving an excellent account of itself with the most ruthless enemy it has ever had to deal with, and there is still danger that this enemy will attempt to bomb Pacific coast points, if for no other reason than to destroy morale and retaliate for the Tokyo raid; and

"Whereas if such a raid is carried out it may take either the form of incendiary or gas bombs and result in a mass evacuation of coastal areas, with people flocking by any means possible to the inland areas of the country: Now, therefore, be it

"Resolved by the Assembly and the Senate of the State of Nevada, jointly, That the Congress of the United States be, and it hereby is, memorialized to issue such orders as are necessary to such of the Army officials and other governmental agencies having responsibility to provide funds to immediately open and keep open all passes on the main highways leading from California points over the high Sierras to the inland areas of Nevada in order that in case of emergency which may develop, these routes will be available for the evacuation of the peoples of California in accordance with the plans developed by the Army and Office of Civilian Defense for use if and when an emergency arises; and be it further

"Resolved, That certified copies of this resolution be transmitted to each of our Senators, our Representative in Congress, the Secretaries of War and Navy, Director of Civilian Defense, J. L. DeWitt, lieutenant general, United States Army, commanding western defense command and Fourth Army, and to the honorable Senate and Assembly of the State of California."

"Assembly Joint Resolution 13

"Assembly joint resolution memorializing Congress relative to enacting senate bill 450 regarding compensation to civilians

"Whereas the United States is engaged in a total war and many civilians are patriotically contributing their services in such necessary activities as civilian defense work; and

"Whereas many of these civilians, including the civilian defense workers, may be injured and become burdens on their families or society unless provision is made to protect them from financial loss caused by such injuries; and

"Whereas the members of the Legislature of the State of Nevada believe that the Federal Government should make provision to protect these citizens rendering invaluable service to our country: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of Nevada, jointly, That the Congress of the United States be memorialized to enact Senate bill 450 introduced by Senator PEPPER which provides for compensation to civilians, including civilian defense workers; and be it further

"Resolved, That the chief clerk of the assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives of the Congress of the United States, and to the Senators and the Representative from Nevada."

(The ACTING PRESIDENT pro tempore laid before the Senate a joint resolution identical with the foregoing, which was referred to the Committee on Military Affairs.)

By Mr. GREEN:

A joint resolution of the General Assembly of the State of Rhode Island; to the Committee on Finance:

"Senate Joint Resolution 158

"Joint resolution requesting the Senators and Representatives from Rhode Island in the Congress of the United States to work for the passage of two important measures now pending in Congress, namely H. R. 886 and H. R. 1180, both relating to veterans, their wives and/or widows and orphans

"Whereas, there are at the present time pending in the Congress of the United States two extremely important pieces of legislation, namely, H. R. 886, a bill granting preference to veterans, their wives and widows, in defense industries working on war contracts and H. R. 1180, a bill to increase pensions payable to widows and orphans of deceased World War veterans who had service-connected disabilities, and to establish pensions for widows and orphans of deceased World War veterans, regardless of whether said veterans had service-connected disabilities: Now, therefore, be it

"Resolved, That the Senators and Representatives from Rhode Island in the Congress of the United States be and they hereby are requested to give sincere consideration to these two outstanding measures in the interest of veterans and their kin, and to make every effort to have this proposed legislation enacted into statute; and be it further

"Resolved, That duly certified copies of this resolution be transmitted by the secretary of state to the Senators and Representatives from Rhode Island in the Congress of the United States."

By Mr. WHEELER:

A joint memorial of the Legislature of the State of Montana; to the Committee on Indian Affairs:

"Senate Joint Memorial 18

"Joint memorial of the Senate of the State of Montana to the President and Congress of the United States, requesting a further extension of time to negotiate and approve an interstate compact under an act granting the consent of Congress to the States of Montana, North Dakota, and Wyoming to negotiate or enter into a compact, or agreement, for the division of the waters of the Yellowstone River

"Whereas the Congress of the United States has enacted an act, approved June 15, 1940 (Public, No. 632, 76th Cong., ch. 372, 3d sess., S. 1759), which act is in words as follows, to wit: 'An act granting the consent of Congress to the States of Montana, North Dakota, and Wyoming to negotiate and enter into a compact or agreement for division of the waters of the Yellowstone River,'

" 'Be it enacted, etc., That the act of Congress, approved August 2, 1937 (50 Stat. 551), granting the consent of Congress to the States of Montana and Wyoming to negotiate and enter into a compact or agreement for division of the waters of the Yellowstone River be, and it is hereby, amended to provide that the consent of Congress is given to the State of North Dakota to negotiate and to enter into the compact or agreement therein authorized providing for an equitable division and an apportionment between the States of the water supply of the Yellowstone River and of the streams tributary thereto, upon condition that the representative appointed by the President of the United States under the act of August 2, 1937, to participate in said negotiations as the representative of the United States and to report to Congress of proceedings and of any compact or agreement entered into, shall continue to represent the United States and to report under this act: *Provided,* That such act of August 2, 1937, is amended by striking out "June 1, 1939", and inserting in lieu thereof "June 1, 1943": *Provided,* That such compact or agreement shall not be binding or obligatory upon any of the parties thereto unless and until the same shall have been approved by the legislatures of each of the said States and by the Congress of the United States: *And provided, further,* That nothing in this act shall apply to any waters within or tributary to the Yellowstone National Park or shall establish any right or interest in or to any lands within the boundaries thereof' "; and

"Whereas acting under the provisions of said act, representatives of the States of Montana, North Dakota, Wyoming, and the United States have proceeded in an endeavor to complete said compact and secure the approval of the legislatures of the States interested in same, and have made substantial progress in the negotiation of said compact; and

"Whereas the said States were not able to agree upon all terms of said compact and secure the approval thereof by the legislatures of all the States; and

"Whereas it appears that if the authority contained in said act of Congress were extended for a period of 2 additional years, a compact between said States might be agreed upon and approved by the legislature of each of said States: Now, therefore, be it

"Resolved, That the Senate of the State of Montana does hereby respectfully petition and request that the Congress of the United States amend the foregoing act to permit and authorize the continuance of the authority contained in said act until June 1, 1945, to negotiate and approve such interstate compact by such legislation as may be deemed

necessary and appropriate, by the Congress of the United States; and be it further

"Resolved, That copies of this memorial be transmitted, by the secretary of the State of Montana, to the President of the United States, the Senate and House of Representatives of the Congress of the United States, and to United States Senators BURTON K. WHEELER and JAMES E. MURRAY and Congressmen JAMES F. O'CONNOR and MIKE MANSFIELD.

"Approved March 5, 1943.

"SAM C. FORD, *Governor.*"

(The ACTING PRESIDENT pro tempore laid before the Senate a joint memorial identical with the foregoing, which was referred to the Committee on Indian Affairs.)

By Mr. LANGER:

A joint resolution of the Legislature of the State of Montana; to the Committee on Commerce:

"Senate Joint Resolution 2

"Joint resolution to the Congress of the United States to enact legislation to transfer the Fort Peck project to the Bureau of Reclamation of the Department of the Interior for operation and maintenance; and that adequate appropriations be made available to the Bureau of Reclamation enabling completion of plans and estimates to completely utilize the irrigation and power possibilities of the Fort Peck project

"Be it resolved by the Senate of the twenty-eighth Legislative Assembly of the State of Montana (the House concurring):

"Whereas Fort Peck Dam and Reservoir on the Missouri River in Montana was authorized for construction by Executive order in the public works program under the National Industrial Recovery Act of 1933, and funds were allotted for such construction by order of the Public Works Administration Administrator under date of October 24, 1933, for water conservation and control of flow for navigation; and

"Whereas an act of Congress (Public, No. 529, 75th Cong., S. 2650) approved May 18, 1938, authorized completion, maintenance, and operation of the Fort Peck project for navigation and other purposes, including a power plant for the production of hydroelectric power and assigned the distribution and sale of all power to the Bureau of Reclamation; and

"Whereas section 6 of the act of May 18, 1938, requires rate schedules for Fort Peck power to be drawn having regard to the recovery of the cost of producing and transmitting such electric energy, including the amortization of the capital investment; and

"Whereas the northeastern portions of Montana have been distressed areas for the past 10 years because of drought and an unstable agricultural economy, which has caused an emigration from the State of 40,000 persons in search of better living conditions; and

"Whereas this distressed condition is continuing throughout the war period due to absence of defense industries or projects within the area, and the emigration of population is continuing at an accelerated rate; and

"Whereas during the past 2 years the Bureau of Reclamation has made public a preliminary report on an irrigation project to permit diversified irrigation farming on an area of over 300,000 acres in northeastern Montana; and

"Whereas the plan proposed requires the use of Fort Peck Dam and Reservoir primarily for irrigation and power purposes and the development of such an area appears to be the only plan by which the power output of Fort Peck can be sold at rates to comply with the conditions imposed by act of Congress; and

"Whereas current investigations of the Bureau of Reclamation disclose alternative plans for navigation purposes on the lower Missouri River which can be effectively substituted for the Fort Peck project; and

"Whereas the benefits to Montana and the Nation as a whole by the use of the Fort Peck project primarily for irrigation and power probably outweigh by a large margin the benefits resulting from its use primarily for navigation; and

"Whereas the proposed project will stabilize the economy of a large portion of the State of Montana and furnish opportunities after the war for returning servicemen and defense workers: Now, therefore, be it

"Resolved by the Senate and House of the State of Montana, jointly, That the Congress of the United States be urged to enact legislation to transfer the Fort Peck project to the Bureau of Reclamation of the Department of the Interior for operation and maintenance primarily in the interest of irrigation and power development and for other purposes; and that adequate appropriations be made available to the Bureau of Reclamation to enable completion of preliminary plans and estimates to fully utilize the irrigation and power possibilities of the Fort Peck project as outlined in its preliminary report on the Missouri-Souris project in Montana and North Dakota, so that a plan may be developed ready for immediate execution when post-war conditions justify an extensive public-works program; and be it further

"Resolved, That copies of this resolution be forwarded by the secretary of state to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Member of the House of Representatives in the Congress of the United States from Montana and North Dakota."

(The ACTING PRESIDENT pro tempore laid before the Senate a joint resolution identical with the foregoing, which was referred to the Committee on Commerce.)

By Mr. McNARY:

A joint memorial of the Legislative Assembly of the State of Oregon; to the Committee on Agriculture and Forestry:

"Senate Joint Memorial 14

"Whereas the United States in acquiring a site for Camp Adair in the State of Oregon purchased and obtained many acres of valuable farm land; and

"Whereas the practices followed by representatives of the United States have resulted in many inequities and injustices to the owners some of which are:

"1. Appraisal of property at less than its value, taking into account increasing farm prices and current economic cycles; and a failure to make allowance for cost and loss involved in finding and moving to new farm;

"2. Use of the lowest of several appraisals rather than the average;

"3. Failure to give adequate notice so as to enable owners to locate on new farms in time to plant crops for the following season or a reasonable amount of time to vacate;

"4. Refusal for extended periods to make available the consideration stated in the options to purchase so as to enable the optionors to plan purchase of other farm property;

"5. Delay in making payment for land which forced paying interest on money borrowed to acquire new farms;

"6. Requiring the sellers to pay property taxes which had accrued but were not yet payable at the time possession was taken; and

"Whereas it is desirable that these injustices be corrected and the abuses be prevented in future property purchases by the Federal Government: Now therefore be it

"Resolved by the Senate of the State of Oregon (the House of Representatives jointly concurring therein):

"That the Legislative Assembly of the State of Oregon does hereby make the following request and recommendations to the Federal Government:

"1. That it cause a reexamination to be made of land purchased for Camp Adair and that necessary steps be taken to readjust any injustices discovered;

"2. That any errors in procedure found which have caused injustice to be done be carefully listed and corrected in future land purchases; be it further

"Resolved, That the secretary of state of the State of Oregon hereby is directed to send a copy of this memorial to the President of the United States, the Vice President of the United States, the Secretary of Agriculture of the United States, the Speaker of the House of Representatives, and to each of the Senators and Representatives in Congress from the State of Oregon."

A joint memorial of the Legislature of the State of Oregon; to the Committee on Military Affairs:

"Senate Joint Memorial 12

"Whereas during the present war emergency the United States has acquired vast areas of land within the State of Oregon and within other States for military purposes, particularly for cantonments, artillery and bombing ranges, and for similar purposes; and

"Whereas the influx of population resulting from the activities incident to the war program has resulted in greatly increased costs of local government, in the field of police protection, traffic control, road construction and maintenance, and school facilities; and

"Whereas in certain counties and other taxing subdivisions the tax base has been severely reduced by these Federal land acquisitions, while the costs of government have been increased as aforesaid, so as to gravely threaten the proper functioning of such governmental agencies; and

"Whereas the Honorable CHARLES L. MCNARY has introduced in the Senate of the United States S. 249, which provides generally that all property acquired by the United States for military purposes during the present emergency shall remain subject to local taxation to the same extent as privately owned property; and

"Whereas the enactment of S. 249 will permit in great measure local government in the several States to continue to function under the heavy handicap arising as a result of the Federal acquisitions and the increase of local governmental costs aforesaid: Now, therefore be it

"Resolved by the Senate of the State of Oregon (the House of Representatives jointly concurring therein), That the Congress of the United States be and it hereby is memorialized to enact S. 249 to the end that local government may continue to function unimpaired and the total costs of the war efforts may be evenly distributed; and be it further

"Resolved, That a copy of this memorial be transmitted to United States Senators CHARLES L. MCNARY and RUFUS B. HOLMAN, and that the secretary of state of the State of Oregon be and he hereby is instructed to forward a certified copy of this memorial to the President of the United States and the President and the Chief Clerk of the United States Senate."

(The ACTING PRESIDENT pro tempore laid before the Senate a joint memorial identical with the foregoing, which was referred to the Committee on Military Affairs.)

By Mr. GILLETTE:

A concurrent resolution of the Legislature of the State of Iowa; to the Committee on Agriculture and Forestry:

"House Concurrent Resolution 18

"Whereas apparently there has been no determination made by responsible officers of

the Government of the total required production of essential food and fiber for the duration of the war and for the reconstruction period following the war; and

"Whereas food and fiber goals have thus far been established only on a short-time basis; and

"Whereas the War Manpower Commission was created for the purpose of analyzing and giving proper weight to the minimum manpower requirements of all war industries, including agriculture, the armed forces, and the necessary civilian economy; and

"Whereas although several months have elapsed since the creation of said Manpower Commission, the drain of agriculture's trained manpower into industry and the armed forces through the Selective Service System continues at substantially the previous rate, notwithstanding the fact that thousands of auction sales have been held and that breeding herds of sheep, hogs, and both beef and dairy cattle continue to be reduced through shipment to market as a result of the manpower shortage already existing throughout this area; and

"Whereas notwithstanding the fact that agriculture in the Great Plains area normally renews completely its mechanized equipment every 10 years, and the further fact that the whole Middle West has just come through a 10-year period of depressed times which made normal replacement difficult, thus multiplying the minimum requirements for both new machinery and repair parts; and

"Whereas, notwithstanding the recent increase over previous allocations of iron and steel for farm equipment granted by the War Production Board, there may reasonably be reduced acreage as compared to 1942 for the combined reasons of manpower shortage and inadequate machinery and repair parts; and

"Whereas Iowa now has thousands of its young men serving in the armed forces and being almost wholly an agricultural State it is self-evident that a very large percentage of any subsequent drains on our manpower have and must come from our farms; and

"Whereas, if Iowa is to contribute her best in this prosecution of this total war, it can only be done through maximum utilization of its one great resource, namely, agriculture; and

"Whereas this can be done only if immediate and realistic consideration, followed by positive action, be given to minimum requirements of our farmers in the fields. Manpower, machinery, repair parts, tires, gasoline credit availability, credit cost, nonrecourse production, loans, equitable relationship between price floors and ceiling to production costs to the added risks incident to the efforts to meet expanding production goals under wartime conditions, the apparent necessity for lifting all acreage restrictions on wheat and other commodities as has been done for corn: Now, therefore, be it

"Resolved by the house of representatives (the senate concurring), That we earnestly recommend and ask that the Senate Committee on Agriculture and Forestry make an immediate and thorough investigation of all the agricultural "musts" to the end that the requirements of sufficient manpower, sufficient current credit, proper price relationship between production costs, ceilings and floors, sufficient farm machinery and repair parts, gasoline, rubber, fertilizer, and other necessary supplies be definitely determined on a long-time basis, not only for the war years, but for the reconstruction period following the war, and allotted to agriculture so that sufficient food and fiber may be forthcoming to meet increasingly expanding goals and to supply the requirement of our armerd forces, the civilan population, the lend-lease commitments to the Allied Nations and food for occupied countries and that such investigation include the careful weighing and consideration of the interrelationship and division of authority and responsibility among the following agencies in connection with such determination: United States Department of Agriculture, Office of Price Administration, War Production Board, War Manpower Commission, Office of Petroleum Coordinator; be it further

"Resolved, That a copy of this resolution be transmitted to each Member of Congress from Iowa, presiding officer of the Senate, Speaker of the House of Representatives, Secretary of the United States Deparament of Agriculture, Office of Price Administration chairman of the Senate Committee on Agriculture and Forestry."

A concurrent resolution of the Legislature of the State of Iowa; to the Committee on the Judiciary:

"House Concurrent Resolution 26

"Be it resolved by the House (the Senate concurring), That the Congress of the United States call a convention, in pursuance of the provisions of article V of the Constitution of the United States, for the purpose of proposing an amendment to the said Constitution, prohibiting the President of the United States from serving more than two terms of 4 years each; unless, in lieu thereof, the Congress, in its wisdom, shall elect to submit to the several States a proposed amendment to the said Constitution, providing for the said limiting of the tenure of office of any President of the United States to two terms of 4 years each, subject to ratification by three-fourths of the States in manner provided; be it further

"Resolved, That copies of this resolution be transmitted to the President of the United States, to the President of the Senate and the Speaker of the House of Representatives of Congress, and to the Iowa Members in the Senate and House of Representatives of Congress."

A concurrent resolution of the Legislature of the State of Iowa; to the Committee on Military Affairs:

"House Concurrent Resolution 25

"Concurrent resolution memorializing the Congress of the United States to lift the priorities and restrictions on dry-cell batteries

"Whereas telephones and radios in rural and farm communities are of great convenience and of practical necessity in securing information relative to farm work, livestock marketing, and community affairs necessary in the war effort and conserving rubber; and

"Whereas the restrictions and priorities placed on these commodities by the Federal Government have resulted in great inconveniences to farmers and residents of rural communities, thereby retarding the war effort: Now, therefore, be it

"Resolved by the House of Representatives of the State of Iowa (the Senate concurring), That we respectfully urge and memorialize Congress to lift the priorities and restrictions on batteries used for rural telephones, radios, and electric fences, to the end that a sufficient supply of such commodities may be made available to rural communities.

"That copies of this resolution be transmitted to the President of the Senate and the Speaker of the House of Representatives, the War Production Board, and to the Iowa Members of the Senate and the House of Representatives in Congress."

By Mr. BONE:

A joint memorial of the Legislature of the State of Washington; to the Committee on Agriculture and Forestry:

"House Joint Memorial 15

"To the Honorable Franklin D. Roosevelt, President of the United States, and to the Senate and the House of Representatives of the United States in Congress assembled:

"We, your memorialists, the Senate and the House of Representatives of the State of Washington, in legislative session assembled, most respectfully represent and petition Your Excellency and honorable bodies as follows:

"Whereas the production of an adequate supply of synthetic rubber to meet military and civilian needs is vital to the successful prosecution of the war and to the people of the United States and of the State of Washington; and

"Whereas the production of synthetic rubber has been greatly delayed by concentration on petroleum-base methods of production, which concentration has been fostered by agents of the oil industry who are desirous of establishing a monopoly in the synthetic-rubber industry in post-war years: Now, therefore, be it

"Resolved, That we, the Senate and the House of Representatives of the State of Washington, do hereby respectfully memorialize and petition the President of the United States and the Congress of the United States to do all in their power to facilitate the immediate construction of plans designed to produce butadiene from farm and forest products; and be it further

"Resolved, That we express our approbation of the efforts of Rubber Coordinator William M. Jeffers to break the bottlenecks in our synthetic-rubber program and urge that all Government agencies extend to him their full support; and be it further

"Resolved, That copies of this memorial be immediately transmitted to the President of the United States and to the Senate and the House of Representatives of the United States and to each Senator and Representative in Congress from the State of Washington."

(The ACTING PRESIDENT pro tempore laid before the Senate a joint memorial identical with the foregoing, which was referred to the Committee on Agriculture and Forestry.)

A joint resolution of the Legislature of the State of Washington; to the Committee on Commerce:

"House Joint Resolution 11

"Be it resolved by the House of Representatives and Senate of the State of Washington, in legislative session assembled:

"Whereas it is the established policy of the State of Washington, since statehood, supported by law and custom, that the waters within the State belong to the public under the control and jurisdiction of the State; and

"Whereas in the State of Washington rights to the use of water of immense importance have been acquired under this policy and in accordance with State laws; and

"Whereas differences of opinion recently have arisen regarding the respective rights and powers of the Federal and State Governments to control and administer the use of waters within the several States, with the result that doubt is cast upon the authority of his State to exercise control over such use, and the stability of existing property rights and the future development of the water resources of this State are threatened; and

"Whereas in order to remove all causes, present and future, which might lead to litigation, the welfare of this State requires full cooperation among the States in the use of water, and the promotion of joint action by the States and the United States in the efficient use of water and the control of flood waters to the end that litigation be avoided and the use and control of water be continued in the manner and under the laws as heretofore exercised: Now, therefore, be it

"Resolved by the senate and house of representatives in session assembled, That it is the policy of the State of Washington to maintain its jurisdiction and control over the rights to the use of the waters in this State, and to protect such rights as have been established under the laws thereof, and that constituted authorities of this State take such

action as may be necessary to resist attempts to invade the rights of this State in the control of the waters of the State; be it further

"Resolved, That copies of this resolution be immediately transmitted to all Members of the Senate and House of Representatives of the United States from the State of Washington."

A joint memorial of the Legislature of the State of Washington; to the Committee on Finance:

"House Joint Memorial 11

"To the Honorable Senate and the House of Representatives of the United States in Congress assembled:

"We, your memorialists, the Senate and the House of Representatives of the State of Washington, in legislative session assembled, respectfully represent and petition your Honorable Bodies as follows:

"Whereas the national emergency has brought about the necessity for new and additional tax levies; and

"Whereas the formation of new Federal tax policies is in many instances threatening the very existence of local governmental units whose continued functioning is essential in this national emergency and in the return to normal economic conditions thereafter; and

"Whereas no real satisfactory tax reform can be achieved without readjusting the Federal, State, and local fiscal relationships; and

"Whereas an agency created by Congress would be best fitted to study tax structures and make recommendations; and

"Whereas in the Seventy-eighth Congress, the Honorable JOHN M. COFFEE, Congressman from the Sixth Washington Congressional District, introduced House Joint Resolution 56, by the terms of which there is proposed a Federal Commission on Tax Integration, for the purpose hereinbefore set forth: Now, therefore, be it

"Resolved, That we the Senate and the House of Representatives of the State of Washington do hereby respectfully memorialize and petition the Congress of the United States to cause to be enacted proper legislation, creating a Federal agency to study tax structures to the end that inequitable burdens be avoided and the financial stability of the various local governmental units assured; be it further

"Resolved, That copies of this memorial be immediately transmitted to the Senate and the House of Representatives of the United States and to each Senator and Representative in Congress from the State of Washington."

(The ACTING PRESIDENT pro tempore laid before the Senate a joint memorial identical with the foregoing, which was referred to the Committee on Finance.)

A joint memorial of the Legislature of the State of Washington; to the Committee on Military Affairs:

"House Joint Memorial 16

"To the Honorable Franklin D. Roosevelt, President of the United States, and the Honorable Senate and the House of Representatives of the United States in Congress assembled:

"We, your memorialists, the House of Representatives and the Senate of the State of Washington, in legislative session assembled, most respectfully represent and petition your excellency and honorable bodies as follows:

"Whereas the War Production Board is a body of far-reaching importance; and

"Whereas there are located in the industrial centers of the Pacific Northwest many war activities employing thousands of workers engaged in such war activity; and

"Whereas there is great need that the War Production Board establish a regional board in the Pacific Northwest, for the transaction of such business as might arise in said territory; and

"Whereas the city of Seattle is the metropolis of the State of Washington and is the center of large war activities totaling more than $2,000,000,000 of contracts and is the logical place at which a regional office of the War Production Board should be established: Now, therefore, be it

"Resolved, That we, the House of Representatives and the Senate of the State of Washington do hereby respectfully memorialize and petition the President of the United States and the Congress of the United States to cause to be established a regional office of the War Production Board in the city of Seattle, Wash., as speedily as possible; and be it further

"Resolved, That copies of this memorial be immediately transmitted to the President of the United States and to the Senate and the House of Representatives of the United States and to each Senator and Representative in Congress from the State of Washington."

(The ACTING PRESIDENT pro tempore laid before the Senate a joint memorial identical with the foregoing, which was referred to the Committee on Military Affairs.)

A joint resolution of the Legislature of the State of Washington; ordered to lie on the table:

"House Joint Resolution 25

"Be it resolved by the Senate and the House of Representatives of the State of Washington in legislative session assembled:

"Whereas the State of Washington from the year 1933 to date has received the benefits from the expenditure of large amounts of Federal funds through the Works Progress Administration, Civilian Conservation Corps, National Youth Administration and the development of the Coulee and Bonneville Dams and many other Federal programs; and

"Whereas all of these programs have contributed immensely to the welfare, happiness and well-being of the citizens of this State; and

"Whereas, these programs have done much to add to the peace and security of the State during this period of war by providing forest protection, airports, improvements to schools, Army and Navy improvements, and many other worth-while and beneficial programs: Now, therefore, be it

"Resolved, That the citizens of this Commonwealth do hereby commend the efforts of our President and Members of Congress for their foresight in sponsoring these programs; and be it further

"Resolved, That we take this means of acknowledging and thanking the President of the United States and the Members of Congress for the fair and liberal consideration given the State of Washington from the year 1933 to date; and be it further

"Resolved, That a copy of this resolution be immediately sent to the Honorable Franklin D. Roosevelt, President of the United States, the Secretary of the Senate of the United States, and the Clerk of the House of Representatives of the United States, and to all Members of the Senate and the House of Representatives of the United States from the State of Washington."

(The ACTING PRESIDENT pro tempore laid before the Senate a joint resolution identical with the foregoing, which was ordered to lie on the table.)

RESOLUTION OF KANSAS LEGISLATURE—LOCATION OF ALCOHOL PLANTS AND PRODUCTION OF SYNTHETIC RUBBER

Mr. REED. Mr. President, I ask unanimous consent to present and have printed in the RECORD and appropriately referred, House Concurrent Resolution No. 11, State of Kansas, memorializing Congress and the United States War Production Board to change their policy in regard to the location of alcohol manufacturing plants.

There being no objection, the concurrent resolution was received, referred to the Committee on Agriculture and Forestry, and, under the rule, ordered to be printed in the RECORD, as follows:

House Concurrent Resolution 11

Concurrent Resolution memorializing Congress and the United States War Production Board to change their policy in regard to the location of alcohol manufacturing plants

Whereas this Nation's economy and its successful war program are so fundamentally based on rubber that any break-down which may occur might seriously endanger or postpone victory for the United Nations; and

Whereas it is generally agreed that the only solution to the Nation's rubber problem is in volume production of synthetic rubber, and from the reports of the press, this volume must be between 200,000 and 300,000 tons during 1943 to produce the over-all tonnage from all sources, including natural rubber and synthetics, of more than 775,000 tons; and

Whereas this total requirement includes the working stock and natural rubber backlog which rubber companies must maintain, and the present Government program for synthetic rubber, again relying on the reports of the Nation's press, is overwhelmingly dependent on the production of butadiene, which is produced from either petroleum or alcohol; and

Whereas the recommendations of the Baruch report are for 40 percent of the butadiene to be made from alcohol processes, and present War Production Board tabulations show that this process is now used in about 30 percent of the production, and to the end of January 1943, only 5 percent of the butadiene program was in production; and

Whereas the Baruch report points out, needs for aviation gasoline, fuel for merchant vessels and ships of the Navy conflict with the needs of butadiene for synthetic rubber; and

Whereas agricultural alcohol has been proved superior both in terms of speed of production and in availability of raw materials, and the Gillette committee findings of last year established the fact that plants for making rubber out of agricultural products can be built with one-third of the amount of critical materials required by the petroleum plants and one-third of the cost in about one-half of the time; and

Whereas the United States War Production Board has recently designated certain locations for alcohol plants, three in Iowa, one in Nebraska, one in Missouri, two in Illinois, one in Wisconsin and none in the State of Kansas; and

Whereas the State of Kansas, being one of the greatest grain-producing States of the Nation, has, and will have, an adequate supply of grain and other raw materials necessary in the manufacture of alcohol; and

Whereas the War Production Board has adopted the policy contained in the so-called Baruch committee report of locating alcohol plants on navigable streams and as a result has precluded the placing of such a plant in the State of Kansas; and

Whereas the State of Kansas has the largest gas field in the world, the gas from which could be utilized in the manufacture of alcohol: Now, therefore, be it

Resolved by the House of Representatives of the State of Kansas (the Senate concurring therein), That we respectfully urge and request Congress and the United States War Production Board to consider the factors

mentioned in the preamble of this resolution, namely, the abundance of grain, the abundance of gas, and the abundance of water as offsetting the advantage of a navigable stream and change their policy so that the State of Kansas would be eligible to be designated as a place where an alcohol plant, or any of the related plants required in the production of synthetic rubber should be located; and be it further

Resolved, That a copy of this resolution be transmitted to each Member of Congress from Kansas, including both Senators and Representatives; the President of the Senate; the Speaker of the House; the President of the United States; the Vice President of the United States; the Chairman of the War Production Board; Mr. William M. Jeffers, Rubber Director; Mr. James F. Byrnes, Economic Stabilizer; and Mr. Bernard Baruch.

(The ACTING PRESIDENT pro tempore laid before the Senate a concurrent resolution identical with the foregoing, which was referred to the Committee on Agriculture and Forestry.)

RELEASE OF RADIO SUPPLIES—RESOLUTION OF NEBRASKA LEGISLATURE

Mr. WHERRY. Mr. President, during the past few months my office has been deluged with requests from farmers in my State advising that they have been unable to purchase B-batteries for their radio receiving sets. I have also received information from WOW radio station, at Omaha, Nebr., to the effect that there is an acute situation existing in the radio field because of a shortage of B-batteries for farm radio receiving sets. While I have been advised by the War Production Board that they have been cognizant of the shortage of farm radio batteries for several months and that at this time there is a considerable decrease in military requirements and that the Board is working closely with the Zinc Division to determine if a substantially greater number of farm radio batteries can be produced, nevertheless I feel that the seriousness of this shortage is such as to warrant having the attention of the Senate called to this particular problem.

As we enter the agricultural production season, it seems to me to be vitally necessary that our farmers and ranchers keep informed on markets, weather conditions, and agricultural instructions and suggestions as carried on various radio programs, and inasmuch as it is also highly important that all citizens be advised, I feel this shortage warrants more than merely the continued consideration of the War Production Board as their letter to me indicates. This problem needs adjustment now; in fact, the Legislature of the State of Nebraska in its fifty-sixth session, considered this problem sufficiently serious to warrant their consideration, and on March 16, 1943, Mr. H. G. Greenamyre, of Madison, Nebr., introduced Legislative Resolution No. 12 on the subject of release of radio supplies, which resolution was adopted on March 24, 1943.

In behalf of my colleague, the senior Senator from Nebraska [Mr. BUTLER], and myself, I ask unanimous consent to present the resolution for appropriate reference and to read it into the body of the RECORD at this point as a part of my remarks on this subject.

The resolution is as follows:

Legislative Resolution 12

Resolution relating to release of radio supplies

Whereas it is vitally necessary in the rural areas of this State that farmers and ranchers be informed of weather conditions for the protection of crops and livestock; and

Whereas the rural residents of the State of Nebraska are at the present time suffering a serious shortage of B batteries for radio-receiving sets, and nearly all of the radio-receiving sets on the farms and ranches of Nebraska are dependent upon B batteries; and

Whereas the United States Government is urging farmers and ranchers to increase production of food, and relies heavily upon radio to disseminate news and programs with reference to measures and steps to be taken to aid in carrying on the present World War: Now, therefore, be it

Resolved by the Legislature of Nebraska: 1. That we earnestly commend to the War Production Board of the United States that it release a sufficient supply of B batteries and other farm-radio-receiving-set supplies to permit farmers and ranchers in this State to maintain existing radio-receiving sets.

2. That a copy of this resolution, suitably engrossed, be transmitted to the War Production Board of the United States, and to each Senator and Representative from Nebraska in the Congress of the United States.

The ACTING PRESIDENT pro tempore. Without objection, the resolution presented by the junior Senator from Nebraska (for himself and Mr. BUTLER) will be received and referred to the Committee on Military Affairs.

SERVICE OF TWO HUNDREDTH AND FIVE HUNDRED AND FIFTEENTH REGIMENTS OF COAST ARTILLERY IN DEFENSE OF BATAAN AND CORREGIDOR

Mr. CHAVEZ. Mr. President, I ask consent to present and to have printed in the RECORD as part of my remarks a resolution adopted by the Bataan Relief Organization, of Albuquerque, N. Mex., regarding the services of the heroes of the Two Hundredth and Five Hundred and Fifteenth Regiments of Coast Artillery.

There being no objection, the resolution was received and ordered to be printed in the RECORD, as follows:

Be it resolved and demanded, That the Two Hundredth and Five Hundred and Fifteenth Regiments remain at all times, separate and apart, in deference to the defense and noble example of self-denial and effacement of these heroes who wrote history with their own blood, meeting all emergencies with dauntless courage and supreme sacrifices; that the entire world bow its head in homage and reverance to these men whose tenacity has rendered them immortal.

Let the memory of our defenders of Bataan and Corregidor live unsullied and unique, that memory to be held in reverence, sacred, and honored forever and forever.

M. LOIS BRADLEY.
J. ALPHA BERGQUIST.
P. W. MCCAHON.
HAROLD HUBBELL.
HELEN S. REARDON.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. STEWART, from the Committee on Claims:

H. R. 1468. A bill for the relief of Mr. and Mrs. Samuel Azer; with an amendment (Rept. No. 144).

By Mr. REYNOLDS, from the Committee on Military Affairs:

S. 899. A bill to amend the act approved January 2, 1942, entitled "An act to provide for the prompt settlement of claims for damages occasioned by Army, Navy, and Marine Corps forces in foreign countries"; with amendments (Rept. No. 145).

By Mr. WALSH, from the Committee on Naval Affairs:

S. 879. A bill to amend the act entitled "An act authorizing a reduction in the course of instruction at the Naval Academy," approved June 3, 1941 (55 Stat. 238); without amendment (Rept. No. 146).

Mr. CONNALLY. Mr. President, as in legislative session, I report back from the Committee on the Judiciary, favorably, without amendment, Senate bill 796, a bill introduced by me relating to strikes.

The ACTING PRESIDENT pro tempore. As in legislative session, without objection, the report submitted by the Senator from Texas will be received and placed on the calendar.

By Mr. CONNALLY, from the Committee on the Judiciary:

S. 796. A bill relating to the use and operation by the United States of certain plants in the interests of the national defense; without amendment (Rept. No. 147).

By Mr. MCCARRAN, from the Committee on the District of Columbia:

S. 832. A bill relating to the sale of horse meat or food products thereof in the District of Columbia; without amendment (Rept. No. 148).

By Mr. HATCH, from the Committee on the Judiciary:

S. 716. A bill to provide for the appointment of an additional circuit judge for the seventh judicial circuit; with an amendment (Rept. No. 149).

By Mr. VAN NUYS, from the Committee on the Judiciary:

S. 734. A bill to provide for the transfer of Granville County to the middle judicial district of North Carolina; without amendment.

REPORT ON THE DISPOSITION OF EXECUTIVE PAPERS

Mr. BARKLEY, from the Joint Select Committee on the Disposition of Executive Papers, to which was referred for examination and recommendation a list of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted a report thereon pursuant to law.

REPORT OF SPECIAL COMMITTEE TO INVESTIGATE THE NATIONAL DEFENSE PROGRAM—RENEGOTIATION OF WAR CONTRACTS (PT. 5 OF REPT. NO. 10)

Mr. HATCH. Mr. President, from the Special Committee to Investigate the National Defense Program, commonly referred to as the Truman committee, pursuant to Senate Resolution 71, Seventy-seventh Congress, I submit an additional report on the renegotiation of war contracts which I shall not discuss at this time because of the lateness of the hour. However, I should like to discuss it later. For the present, I ask that the report be printed.

The ACTING PRESIDENT pro tempore. Without objection, the report submitted by the Senator from New Mexico will be received and printed.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. O'MAHONEY:

S. 929. A bill for the relief of Dr. Douglas E. Lawson; to the Committee on Claims.

By Mr. WALLGREN:

S. 930. A bill to assure conservation of and to permit the fullest utilization of the fisheries of Alaska, and for other purposes; to the Committee on Commerce.

By Mr. STEWART:

S. 931. A bill to amend section 20 of the Interstate Commerce Act, as amended; to the Committee on Interstate Commerce.

By Mr. GUFFEY:

S. 932. A bill to provide for the appointment of an additional district judge for the eastern district of Pennsylvania; to the Committee on the Judiciary.

By Mr. RUSSELL:

S. 933. A bill for the relief of Lee S. Bradshaw; to the Committee on Claims.

By Mr. WHEELER:

S. 934. A bill granting the consent of Congress to the States of Montana, North Dakota, and Wyoming to negotiate and enter into a compact or agreement for division of the waters of the Yellowstone River; to the Committee on Indian Affairs.

By Mr. LANGER:

S. 935. A bill to establish service records for persons who served in the Students' Army Training Corps during the World War; to the Committee on Military Affairs.

By Mr. McCARRAN:

S. 936. A bill to provide that laws applicable with respect to the District of Columbia shall also be applicable with respect to certain additional territory over which the United States has jurisdiction; and

S. 397. A bill to end trafficking in taxicab licenses in the District of Columbia by providing that such licenses shall be nontransferable; to the Committee on the District of Columbia.

By Mr. HATCH:

S. 938 (by request). A bill to provide for the acquisition of lands for grazing purposes; to the Committee on Public Lands and Surveys.

By Mr. PEPPER:

S. 939. A bill to provide for the education of all types of physically handicapped children, to make an appropriation of money therefor, and to regulate its expenditure; to the Committee on Education and Labor.

S. 940. A bill for the relief of W. P. Richardson, as successor and assignee of W. P. Richardson & Co., of Tampa, Fla., a partnership composed of W. P. Richardson, George W. Hessler, and L. C. Park, by reason of certain claims arising within the World War period; to the Committee on Claims.

By Mr. STEWART:

S. J. Res. 46. Joint resolution to provide a simple, effective, and uniform method of evaluating the charges for freight transportation on Government bids by small business enterprises; to the Committee on Interstate Commerce.

HOUSE BILL REFERRED

The bill (H. R. 1896) to amend sections 1 and 2 of the act approved June 11, 1940 (54 Stat. 262), relating to the establishment of the Cumberland Gap National Historical Park in Tennessee, Kentucky, and Virginia, and to grant the consent of Congress to such States to enter into a compact providing for the acquisition of property for such park, was read twice by its title and referred to the Committee on Public Lands and Surveys.

EFFECT OF LIMITED MANUFACTURE OF TRUCKS AND TRAILERS UPON TRANSPORTATION ECONOMY AND WAR EFFORT

Mr. GILLETTE submitted the following resolution (S. Res. 121), which was referred to the Committee on Interstate Commerce:

Resolved, That the Committee on Interstate Commerce, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete study and investigation as to what extent the civilian economy and the war effort of the Nation are affected by the limitation placed upon the manufacture of trucks and trailers for the transportation of products over the public highways of the United States, including the activities of the various regular and special agencies of the Federal Government to determine whether the maximum use is being made of the public highways of the Nation for the transportation of such products.

The committee shall report to the Senate, as soon as practicable, the results of its study and investigation, together with its recommendations.

For the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Seventy-eighth Congress, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to make such investigations, to administer such oaths, to take such testimony, and to incur such expenditures as it deems advisable. The committee is authorized to utilize the services, information, facilities, and personnel of the departments and agencies of the Government. The expenses of the committee, which shall not exceed $2,500, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

PRINTING OF MONOGRAPHS OF SPECIAL COMMITTEE TO STUDY AND SURVEY PROBLEMS OF AMERICAN SMALL BUSINESS ENTERPRISES

Mr. MURRAY submitted the following resolution (S. Res. 122), which was referred to the Committee on Printing:

Resolved, That, in accordance with paragraph 3, of section 2, of the Printing Act approved March 1, 1907, the special committee who are directed by Senate Resolution 298 (agreed to October 8, 1940, and continued by Senate Resolution 66, Seventy-eighth Congress) to study and survey by means of research all of the problems of American small business enterprises and to obtain all facts possible in relation thereto which would not only be of public interest but which would aid the Congress in enacting remedial legislation be, and is hereby, empowered to procure the printing of not to exceed 10,000 additional copies of each monograph published by said committee.

CONSTRUCTION OF PIPE LINE FROM TINSLEY OIL FIELD, MISSISSIPPI, TO CHARLESTON, S. C., AND SAVANNAH, GA.—SHORTAGES OF GASOLINE AND FUEL OIL

Mr. MAYBANK. Mr. President, I ask unanimous consent to submit a resolution, and request that it be referred to the committee in charge of the investigation with respect to shortages of gasoline and fuel oil. I may say that today I spoke to the chairman of that committee regarding the resolution, which refers to a pipe line. I should like to have it distinctly understood that it has no connection whatsoever with the proposed pipe line in opposition to the Florida Canal, which I hope will be built as soon as possible.

The ACTING PRESIDENT pro tempore. The Chair is advised by the Parliamentarian that the special committee would have no right or authority to act upon the resolution. It should be referred to some standing committee.

Mr. MAYBANK. Under those circumstances, I ask that it be referred to the Committee on Commerce.

The resolution (S. Res. 123) was referred to the Committee on Commerce, as follows:

Resolved, That the committee appointed pursuant to Senate Resolution 156, Seventy-seventh Congress, as extended and supplemented (providing for an investigation with respect to shortages of gasoline, fuel oil, and other petroleum products and solid fuels), is hereby authorized and directed to make a full and complete study and investigation with respect to the practicability and desirability of constructing the crude-oil pipe line from the Tinsley Oil Field in the vicinity of Yazoo, Miss., to Charleston, S. C., and/or Savannah, Ga., which was authorized by Public Law 675, Seventy-seventh Congress, approved July 23, 1942, and with respect to the reasons why such pipe line has not heretofore been constructed. The provisions of this resolution shall not be deemed to increase the limit of expenditures heretofore authorized for such committee.

REPORT ON STUDY OF INTERTERRITORIAL FREIGHT RATES (H. DOC. NO. 145)

Mr. OVERTON. Mr. President, the Board of Investigation and Research which was created by the Transportation Act of 1940 to study and report on transportation problems has submitted today to the Senate a report on a study of interterritorial freight rates. I understand the report is to be printed as a House document and will be available to Senators.

PURCHASES OF ALUMINUM FROM CANADA

Mr. TRUMAN. Mr. President, I ask unanimous consent to have inserted in the body of the RECORD a letter from Mr. Jesse H. Jones, Secretary of Commerce, in reply to an inquiry which I made to him about purchases of aluminum from Canada by the Metals Reserve Company.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF COMMERCE,
Washington, March 24, 1943.

DEAR SENATOR TRUMAN: In reply to your inquiry about Metals Reserve Company's purchases of aluminum from Canada, beg to advise that May 2, 1941, at the request of Office of Production Management, Metals Reserve Company contracted with the Aluminum Co. of Canada for the purchase of 170,000 metric tons (374,680,000 pounds) of aluminum at 17 cents per pound, the then prevailing price of aluminum in this country.

This contract and all subsequent contracts in this program were approved by the President.

In connection with the purchase, the Aluminum Co. required an advance of $25,000,000,

which we agreed to make at 2 percent interest. Such advances are authorized in connection with the purchase of critical and strategic materials under section 5d of the Reconstruction Finance Corporation Act, as amended, and do not require interest. The interest was computed to equal 0.295 cent per pound of aluminum, and in drawing the contract this was deducted from the price of 17 cents. The advance was to be amortized at the rate of 6⅔ cents per pound of aluminum delivered.

Substantial advances on purchase contracts of critical and strategic materials have been made to China and Russia, and in connection with purchases in some Latin-American countries.

May 13, 1941, Office of Production Management requested that the initial contract be doubled. This was concluded at the same price. The company asked for an advance of $25,000,000 against this contract, and a loan for this amount was made to it by the Export-Import Bank at 3 percent interest.

In negotiating contracts with the Aluminum Co. of America to build and operate aluminum plants in the United States for our account, we secured a reduction from Alcoa in the price of aluminum in the United States from 17 cents to 15 cents per pound, thereby saving the Government a great many millions of dollars.

After getting the reduced price from Alcoa, we asked the Aluminum Co. of Canada to reduce their price from 17 cents to 15 cents, notwithstanding we had contracted to pay 17 cents. The company was reluctant to reduce the price since they were getting 17 cents from the British and Canadian Governments. However, we finally prevailed upon them to reduce the price to 15 cents on 80 percent of the shipments. To get this reduction in price we waived the interest on the advances and made a reduction in the amortization requirements. The reduction from 17 to 15 cents saved Metals Reserve Co. $16,000,000, while only $2,500,000 was waived in interest. This revision of the previous contracts provided for an increase in our purchases of aluminum from Canada to 1,000,000,000 pounds.

February 23, 1942, we were requested by War Production Board to increase the purchase of Canadian aluminum by an additional 370,000,000 pounds. These purchases were made at the reduced price schedule. The latter contracts also provided for advances against deliveries.

Total loans and advances to date in connection with all purchase contracts aggregate $69,500,000, and repayments have been $15,919,477. Total amount of aluminum contracted for is 1,370,000,000 pounds, and deliveries to date have been 368,000,000 pounds.

The contracts made provision for a fixed basis of cancelation on any part of the aluminum that we might determine not to buy.

Metals Reserve Co. has had no control over the expenditure of the loans and advances, that is, whether they were to be used for working capital, plant expansion, or otherwise.

Sincerely yours,

JESSE H. JONES,
Secretary of Commerce.

Hon. HARRY S. TRUMAN,
United States Senate,
Washington, D. C.

NEW CROP OF WAR MILLIONAIRES UNLIKELY UNDER FEDERAL CURBS—ARTICLE BY CHARLES G. ROSS

Mr. McKELLAR. Mr. President, in the Sunday Star of date March 28 there is an article entitled "New Crop of War Millionaires Unlikely Under Federal Curbs." The article, which is written by Charles G. Ross, undertakes to show, and does show, that due to taxation and to the law known as the renegotiation-of-contracts law, approved April 28, 1942, which law was an amendment attached to an appropriations bill on my motion and actively advocated by me, there will be no such number become millionaires as was the case during the last World War.

It is certainly very gratifying for me to know that the renegotiation-of-contracts law has resulted so well. It was the first law putting a limitation upon war contracts and safeguarding against excessive war contracts ever passed by the Congress, I am informed, and believe, in all our history. It has been estimated that during the last World War 23,000 new millionaires were created by reason of excessive profits derived from war contracts, and that none shall be created this time is highly desirable. I am very proud of this renegotiation-of-contracts law.

I ask unanimous consent that the entire article by Mr. Ross may be published in the RECORD, as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NEW CROP OF WAR MILLIONAIRES UNLIKELY UNDER FEDERAL CURBS—CONTRACT RENEGOTIATION AND EXCESS-PROFITS TAX SERVE TO HOLD DOWN EARNINGS DESPITE HUGE CONSTRUCTION PROGRAM

(By Charles G. Ross)

There was a new crop of American millionaires after the last war. Will there be another crop after this war?

The answer is "No," and for two reasons: First, the high income and excess-profits taxes; second, the new contract renegotiation law.

Fabulous profits were made out of the last war. J. P. Morgan & Co., who floated loans for the Allies and acted as the purchasing agent for Great Britain and France in the United States, made $30,000,000 in the latter capacity alone. There is no remotely comparable opportunity for profits open to the international bankers of today.

The du Pont Co. paid a dividend of 100 percent on its common stock in 1916; its average earnings for the 4 war years were over $58,000,000, as compared with $6,000,000 for the 4 preceding years. Bethlehem Steel paid a stock dividend of 200 percent in 1917. The United States Steel Corporation reported earnings for 1916 greater by $70,000,000 than the combined earnings of 1911, 1912, and 1913. General Motors averaged $21,700,000 for the 4 war years, as compared with $7,000,000 for the 4 previous years. The example of colossal earnings could be multiplied.

What is the case today?

PROFITS FAIL TO RISE

The latest report on profits from the United States Department of Commerce is significant. From the data now available, the Department says, it appears that corporate profits after taxes were about the same in 1942 as in 1941, when the total was $7,668,000,000. Profits, that is to say, have remained stationary despite the enormous increase in production.

The renegotiation law is the Government's new antiprofiteering club behind the door—and it's not being kept behind the door. Passed in April 1942, the law requires renegotiation provisions to be written in all war contracts exceeding $100,000. That means that whenever the heads of the respective agencies covered by the law—War, Navy, and Treasury Departments and the Maritime Commission—believe that excessive profits are being or are likely to be realized, they can require the contractor to scale down his price or make a cash refund.

The law is being firmly administered, and with spectacular results.

The War Department's Adjustment Board has reexamined contracts in the amount of $8,600,000,000. About 23 percent of this amount has been given clearance with no refund or other adjustment. The balance has been whittled down, either through price changes or cash refunds, by $1,045,000,000, or, roughly, 12 percent of the total examined.

Here are some of the concrete results of renegotiation from the Adjustment Board's files:

Company A under its original contract stood to make $1,183,000, after taxes, on its 1942 business. After renegotiation it made $496,000.

Company B would have cleared $5,964,000. The amount was cut to $1,500,000.

Company C would have made $1,454,000. It was permitted to make $839,000.

Among the cash refunds to the Government on 1942 contracts was one for $76,000,000. There have been refunds of such amounts as $24,300,000, $13,500,000, $12,200,000, $9,150,000, $8,700,000, $6,500,000.

BIG SAVINGS TO GOVERNMENT

Adjustments are of two kinds. Cash refunds, of which the foregoing amounts are samples, and price changes. When a manufacturer starts making a new and unfamiliar item, he is likely to have only a rought idea of his costs. He protects himself in his contract. As he gains experience, he finds—in many instances—that he can cut his costs below his estimates. His profits soar, and renegotiation steps in and readjusts the price to the Government on the basis of the lowered unit costs.

General Motors is relating pridefully that through price reductions in 1942, the result of its manufacturing skill, it saved the Government $169,178,141, or the equivalent of 450 interceptor planes, 1,000 medium tanks, 200 torpedo boats and 2,000 37-millimeter antiaircraft cannon.

The experience of the Western Cartridge Co. of East Alton, Ill., is typical. It received the first contract for the manufacture of the Garand rifle in a commercial plant. As the company got the knack of making this type of rifle, it found that its unit costs sank materially under estimates. Accordingly, it offered to return to the Government $1,500,000 of the profits earned on the manufacture of the Garand in 1941.

Comparable to the Army's saving of over a billion dollars on its contracts is the Navy's saving, up to February 28, of $785,000,000, about a third of this being due to cash refunds and the balance to price changes. Both the services expect further large savings on 1943 business, and the Army estimating that on its contracts alone there will be a reduction, through refunds and price changes, approximating $4,000,000,000.

Maritime Commission savings through renegotiation are estimated to run $158,000,000 for this and the next fiscal year.

COST-PLUS ON WAY OUT

Eighty-five percent of the renegotiated contracts have been handled by the Army, 13 percent by the Navy, 2 percent by the Maritime Commission. These figures leave out the Treasury, which has been covered by the renegotiation act only since October; the Treasury's interest is in contracts under lease-lend.

Incidentally, all cost-plus-fixed-fee war contracts are being changed over as fast as possible to a straight fixed-fee basis. No new cost-plus-fixed-fee contracts are being made except on new jobs where it is impossible to arrive at an accurate estimate of costs.

Col. Albert J. Browning, who was at one time director of heavy purchasing for Montgomery Ward & Co. and later the president of the United Wall Paper Co., heads the War Department's Purchases Division, under which contract renegotiation is handled. Men who have dealt with him call him a "tough cookie." Immediately in charge of renegotiation, as head of the Department's price-adjustment board, is a civilian, Maurice Karker, formerly president of the Jewel Tea Co. On Karker's staff are 25 officers, all drawn from civilian life.

The members of this adjustment board—and equally their conferees in the Navy and the other interested departments—are on constant watch for signs of excessive profits on war contracts. They are businessmen themselves, and they know the ropes. Say they have reason to believe a manufacturer of gun mounts is getting more than a reasonable profit. They ask him for a breakdown of his contract—how much of his work is for the Navy, how much is for the Army. If the Army proportion is the larger, the Army takes over and tells him to put his cards on the table. This may be done at the home office of the company, or Colonel Browning may telephone the president and other officers and ask them to call on him at a given hour on a given day at his office on the fifth floor of the Pentagon Building for a check-up of their profits. They may protest, they may even write angry letters to their Congressmen, but they show up, and if Browning thinks they are making an excessive profit, the contract is rewritten.

POTENT ARGUMENTS AVAILABLE

Two or three arguments are used by the adjustment boards in talking to a contractor whose profits appear excessive. One is the argument of his self-interest. It is suggested to him that he may want other contracts in the future. Again, he is made to understand that nothing could be better calculated to wreck the whole private-enterprise system than a belief on the part of the public that a few favored individuals were getting rich out of the war. There is, finally, the appeal to patriotism.

In 97 percent of the cases dealt with, say members of the adjustment boards, the contractors have proved reasonable. And the troublemakers have been or will be brought around in the end, for the contract-adjustment law has plenty of teeth. If any profiteers escape the ministrations of the boards, it will be because of the successful concealment of fraud.

Mr. Karker made it clear at the outset that he would be guided by the determination of Congress, with which he was in complete sympathy, "that no one shall be allowed to make an excessive or exorbitant profit out of this war."

"One of the worst things that could happen to American industry, from the industry standpoint," said Karker, "would be to have the word 'profiteer' come into the language of this country as it did after the last war.

"The private-enterprise system could very well be seriously jeopardized by even an apparent willingness to make what the general public would regard as excessive profits out of their war activity. The reduction of that jeopardy is one of the services that can be performed by this board."

REPORTS SHOW EFFECTS

Karker's opposite number on the Navy's adjustment board is K. H. Rockey, a New York businessman. For the Navy the top man in charge of renegotiation, doing the work that Colonel Browning does for the Army, is Frank Folsom, who, like Browning, came from Montgomery Ward. Donald M. Nelson, who was with Sears, Roebuck, brought both Browning and Folsom to Washington. "We used to cut each other's throats in Chicago," said Colonel Browning of the War Production Board chief.

The annual report of corporations for 1942, now coming out, show the effect of the new tax rates. Under the Revenue Act of 1942 corporations pay a combined normal and surtax rate of 40 percent; this compares with 6 percent for 1917 and 12 percent for 1918. In the last war the excess-profits tax was graduated up to 60 percent for 1917 and 80 percent for 1918, as compared with the flat 90 percent imposed by the act of 1942. Against the 90 percent there is a 10 percent post-war rebate, making the net excess-profits tax 81 percent.

Corporations generally, despite a tremendous expansion of production, made no more in 1942 than in 1941. They may have made less. Seven hundred and ten leading corporations, with aggregate capital and surplus of $12,585,000,000 at the beginning of 1942, had a combined net income in 1942 of $1,210,000,000 after taxes, as compared with $1,397,000,000 in 1941. There was thus a decrease in their earnings, after taxes, of 13.4 percent from 1941 to 1942. Taxes took 48.5 percent of net income in 1941, 66.4 percent in 1942. (Excess-profits taxes are figured here with the post-war credits deducted.)

Taxes were one great factor in holding down net income; another was increased labor costs. Manufacturing industries as a whole reached new heights last year both in employment and pay rolls the respective increases over 1941 being 13 percent and 42 percent.

LABOR FEELS BETTER

Labor was better off than ever before, and it felt, according to a Fortune Magazine survey in January and February of this year, a sense of recent personal betterment. Fortune's statistics showed 51.8 percent of factory workers voting that they felt better off than last year at the same time, and 35.1 percent that they felt about the same.

Redistribution of the national income is being accomplished at what the Department of Commerce calls, conservatively, a striking rate. A huge increase in the national income between 1941 and 1942 brought it to $119,300,000,000. The largest percentage increase went to farm owners, whose gain was 55.5 percent over their net income of 1941 and more than 100 percent over that of 1939. Salary and wage payments, including the pay of the armed forces, increased 32 percent over 1941 and 80 percent over 1939. The increase in payments by private enterprises alone was 27 percent between 1941 and 1942. At the same time, the Department says, total corporate profits after taxes remained about the same.

There are doubtless wage inequities that remain to be cured, as there always are; there are doubtless industries here and there that made more money after taxes in 1942 than in 1941; there are doubtless instances where corporate accounting practices have been used to reduce profit showings; but the over-all picture can leave no doubt that this is neither a bankers' war nor an industrial profiteers' war. No semblance of justification exists for such charges as that by John L. Lewis, in seeking a wage increase for his coal miners, that the Government is permitting "cost-plus millionaires to continue to loot the public purse."

EXAMPLES SHOW TREND

A few examples will show the trend:

Though the sales of the Douglas Aircraft Co. rose in 1942 to $501,781,985 from $180,940,110 in 1941, its net earnings were down 39.7 percent. Net profit for 1942, after taxes and a $3,500,000 deduction for contingencies, was equal to $18.32 a share, as compared with $30.29 the previous year.

Earnings of the Monsanto Chemical Co. per share were $3.75 in 1942 as compared with $4.90 in 1941. Out of a net income of $16,588,738 Monsanto paid income taxes of $11,001,000; these taxes were the equivalent of $8.75 a common share as compared with $7.71 in 1941.

The report of the United States Steel Corporation, issued Thursday, shows that it received $1,865,951,692 from the sales of its products and services in 1942. Of this sum, employment costs were $782,661,701, or 25 percent higher than the previous year, and taxes were $203,755,157, or 21 percent higher. Dividends to stockholders remained the same.

The Southwestern Bell Telephone Co. reports that its 1942 earnings were lower, compared with the amount of money invested in telephone plants, than in the worst years of the depression. The rate of return on the company's plant was 4.4 percent in 1942, compared with 4.96 percent in 1941 and 5.58 percent in 1940. Federal taxes increased 40 percent from 1941 to 1942. Net income fell $1,143,012 short of covering the dividend paid.

The du Pont Co. had an over-all 4-percent increase in sales and other operating revenues in 1942, as compared with 1941, and a 29-percent decrease in profits. The company reports that its net profit on products manufactured for the Government at Government-owned plants has netted it 1 percent of the cost of these products. For erecting plants for the Government it has received fees netting it 15 one-hundredths of 1 percent of the cost of the construction. It's an interesting point that between the two World Wars the du Pont Co. cut down its military production to a figure that represented less than 2 percent of its total sales.

RAILS IN SPECIAL CLASS

The railroads, with mounting profits, are in a special category. Their operating revenues (revenues before payment of fixed charges) rose from $683,000,000 in 1940 to $1,481,000,000 in 1942—an all-time high record. But only a third of the 136 class I roads paid dividends on preferred or common stock in 1941, and the number of dividend payers in 1942 was still less than half.

In preparation for the lean days after the war the railroads are using their present profits, in large measure, to buy up their bonds and provide funds for new equipment. About one-fourth of the class I roads, representing 27 percent of all railroad mileage, are still in receivership or trusteeship.

To repeat: There won't be a new crop of millionaires after this war. The country has gone a long, long way toward taking the profit out of war—a goal which, as the President has pointed out, is in accord with the "solemn pledges" of both the Republican Party and the Democratic Party in their platforms. The conclusion with respect to profits applies to industry generally, and not alone to that part of it which is doing war work.

Primarily, the job is being done through taxes. The corporation rates tell their own story. And apart from the corporation taxes there are the 1942 rates on individual incomes, the highest in history, ranging up to 88 percent (82 percent surtax plus 6 percent normal) when income hits the level of $200,000. In addition 32 of the States impose income taxes.

Can any individual get rich out of war profits? The writer put the question to private tax experts, congressional and Treasury tax experts. The answers ranged from "most unlikely" to "impossible, except through fraud." And the contract adjustment boards and the regular agencies of the Government charged with fraud prevention—to say nothing of such useful watchdogs as the Truman committee—are keeping a sharp eye out for shady practices. It would be a miracle if none were attempted in connection with a production program which, at $240,000,000,000, is more than 10 times that of the last year.

There are some who think that it would have been better to rely on high taxes alone to prevent exorbitant profits on war contracts. Congress as a whole disagreed, and passed the Renegotiation Act, making it applicable not only to new contracts but to existing contracts on which the final payment had not been made.

This act is valuable, says Chairman Karker, quite apart from the direct saving it has enabled the Government to make on war contracts. It is, he says, "helping industry to keep itself lean and efficient and low-cost in its production," and thus helping industry to get itself into fighting trim for the competitive struggle after the war. Further, the act tends to safeguard contracting companies aainst criticism by Congress and retaliation by the people after the war.

"There will be much less 'meat' for a congressional investigation," Karker says, "if excessive profits haven't been realized than would be the case had they been realized, even though they were completely taken by taxation."

PLANNING FOR THE POST-WAR WORLD—ADDRESS BY SENATOR GUFFEY

[Mr. HATCH asked and obtained leave to have printed in the RECORD a radio address entitled "Planning for the Post-War World" delivered by Senator GUFFEY on March 27, 1943, which appears in the Appendix.]

OUR WAR AIMS—ADDRESS BY SENATOR TAFT

[Mr. TAFT asked and obtained leave to have printed in the RECORD an address entitled "What Are Our War Aims?" delivered by him before the Commonwealth Club of Cincinnati, Ohio, March 26, 1943, which appears in the Appendix.]

ADDRESS BY SENATOR WILEY BEFORE WISCONSIN SOCIETY OF CHICAGO

[Mr. McNARY (for Mr. WILEY) asked and obtained leave to have printed in the RECORD an address entitled "A Three Point Blueprint for Congress" delivered by Senator WILEY before the Wisconsin Society of Chicago on March 26, 1943, which appears in the Appendix.]

AMERICA AND LASTING PEACE—STATEMENT BY SENATOR BURTON

[Mr. BURTON asked and obtained leave to have printed in the RECORD a statement on the subject of America and lasting peace, made by him at the Pan-European Conference held in New York City March 27, 1943, which appears in the Appendix.]

ABSENTEEISM—EDITORIAL BY FLOYD E. MATTESON

[Mr. CAPPER asked and obtained leave to have printed in the RECORD an editorial entitled "Absenteeism—Smoke Screen!" from the Potwin (Kans.) Ledger, written by Floyd E. Matteson, which appears in the Appendix.]

OUR RIVER OF POWER FLOWING TO WAR—ARTICLE BY R. L. DUFFUS

[Mr. LA FOLLETTE asked and obtained leave to have printed in the RECORD an article entitled "Our River of Power Flowing to War," written by R. L. Duffus and published in the New York Times magazine of March 28, 1943, which appears in the Appendix.]

ELIMINATION OF WAR PROFITEERS—EDITORIAL FROM THE SATURDAY EVENING POST

[Mr. WALSH asked and obtained leave to have printed in the RECORD an editorial entitled "How We Take the Profiteer Out of War," published in the Saturday Evening Post for March 27, 1943, which appears in the Appendix.]

LOSS OF MAIL ADDRESSED TO MEMBERS OF THE MILITARY FORCES

[Mr. HATCH asked and obtained leave to have printed in the RECORD a copy of a War Department release dated March 26, 1943, entitled "Two Thousand Sacks of Army Mail Lost Through Enemy Action at Sea," which appears in the Appendix.]

THE SMALL-PLANT PROBLEM—ARTICLE FROM THE NEW YORK TIMES

[Mr. MURRAY asked and obtained leave to have printed in the RECORD an article concerning a solution of the small-plant problem, published in the New York Times of March 25, 1943, which appears in the Appendix.]

FILIPINO DEFENDERS OF BATAAN—ARTICLE FROM FILIPINO REPORTER

[Mr. CHAVEZ asked and obtained leave to have printed in the Appendix of the RECORD an article entitled "We're Going Back to Bataan," published in the September 1942 issue of the Filipino Reporter, of Chicago, Ill., which appears in the Appendix.]

NEW MEXICO NATIONAL GUARD—MESSAGE FROM GENERAL MAC ARTHUR

[Mr CHAVEZ asked and obtained leave to have printed in the RECORD an article entitled "MacArthur Says He'll Free Members of New Mexico Guard," under the date line of Albuquerque, N. Mex., March 4, 1943, which appears in the Appendix.]

PAYMENT OF 1942 AND 1943 TAXES—EDITORIAL FROM TAMPA SUNDAY TRIBUNE

[Mr. PEPPER asked and obtained leave to have printed in the RECORD an editorial entitled "Forget 'Forgive'," published in the Tampa Sunday Tribune for March 21, 1943, which appears in the Appendix.]

ORGANIZATION AND COLLABORATION OF UNITED NATIONS—NEWSPAPER COMMENT

[Mr. BURTON asked and obtained leave to have printed in the RECORD an article by Ernest Lindley entitled "Post-War Influence—What Will Our Role Be?" published in the Washington Post of March 17, 1943, and an editorial entitled "The Four Senators' Plan," published in the Cleveland Press of March 16, 1943, which appear in the Appendix.]

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Swanson, one of its clerks, announced that the Speaker had affixed his signature to the enrolled bill (S. 17) to provide for a temporary increase in compensation for certain employees of the District of Columbia Government and the White House Police Force, and it was signed by the Acting President pro tempore.

ELIMINATION OF LIQUOR AND VICE FROM ARMY CAMPS

Mr. REYNOLDS. Mr. President, I ask to have printed in the body of the RECORD a letter addressed to me by R. B. Chapman, Jr., and W. C. McGarity, of Bushnell, Fla., under date of March 22, 1943, regarding the protection of military camps from liquor and vice.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

BUSHNELL, FLA., *March 22, 1943.*

Hon. ROBERT R. REYNOLDS,
Washington, D. C.

SIR: We are writing to you not personally, but officially as the Chairman of United States Military Affairs Committee. At a Union service held at Bushnell, Fla., March 10, 1943, the congregation assembled requested the pastors present to write you stating that the congregation strongly urges the Congress of the United States to pass protective legislation for our armed forces from liquor and vice traffics, similar to that of 1917 which Secretary of War Baker and Secretary of the Navy Daniels declared to be effective.

The congregation also requested that you read this action on the floor of the Senate that it may be incorporated in the CONGRESSIONAL RECORD.

Respectfully yours,

R. B. CHAPMAN, Jr.
W. C. McGARITY.

INVITATION TO VISIT ABERDEEN PROVING GROUNDS

Mr. REYNOLDS. Mr. President, yesterday most of the members of the Committee on Military Affairs of the Senate, and some members of the Committee on Military Affairs of the House of Representatives, together with a number of members of the Truman committee, and various other Senators and Representatives, were the guests of the Ordnance Department, which is under the able direction of Maj. Gen. L. H. Campbell, Jr. We had the opportunity of viewing some of the latest models and manufactured implements of war.

I wish to state in this connection that tomorrow the Committee on Military Affairs of the Senate, and, according to my understanding, the Military Affairs Committee of the House, and members of the Truman committee, will make a trip to the Aberdeen Proving Grounds for the purpose of watching in operation some of the implements of war which have been developed and which are now being distributed by the Ordnance Division of the War Department. I am authorized to say that General Campbell, the very able Chief of Ordnance of the Army, has stated that if there are other Members of the Senate, not members of the Committee on Military Affairs, or of the House of Representatives, or of the Truman committee, who desire to do so, they are cordially invited to take advantage of the opportunity of viewing some of these instruments in operation.

Mr. TYDINGS. As I understand, there will be an exhibition of the bazooka tomorrow.

Mr. REYNOLDS. The bazooka will be there, too. We will have the pleasure of seeing it, and we hope that it will actually be operated as the reports state it has been operated in many engagements in the north African area.

At the time of the visit to the Ordnance Department, upon invitation of Maj. Gen. L. H. Campbell, Jr., we listened with interest to many of his experiences. One of those who spoke to us was Mr. Lewis H. Brown, president of the Johns-Manville Corporation, and consultant to Major General Campbell. He made some extemporaneous remarks, notes of which I made, and I ask permission that the notes

be printed in the RECORD at this point as a part of my remarks.

There being no objection, the notes were ordered to be printed in the RECORD, as follows:

NOTES ON EXTEMPORANEOUS REMARKS MADE BY LEWIS H. BROWN, PRESIDENT, JOHNS-MANVILLE CORPORATION AND CONSULTANT TO MAJ. GEN. L. H. CAMPBELL, JR., CHIEF OF ORDNANCE AT PRESENTATION OF THE ORDNANCE DEPARTMENT PROGRAM BEFORE THE MEMBERS OF THE SENATE COMMITTEE ON MILITARY AFFAIRS, SPECIAL COMMITTEE TO INVESTIGATE THE NATIONAL DEFENSE PROGRAM, AND SUBCOMMITTEE ON APPROPRIATIONS, HELD AT THE PENTAGON, WASHINGTON, D. C., MARCH 29, 1943

General Campbell, Members of the United States Senate, and gentlemen: When I came to this meeting this morning I had no idea that General Campbell would ask me to speak to you. During this very impressive presentation of the great job that is being done by the ordnance-industry team, he sent a note down the table asking me if I would not comment upon the work of the Ordnance Department from the viewpoint of an outside businessman. I am sure that it will be difficult for me to present extemporaneously as able a summary as have these generals who have told you with such simplicity the fundamentals of the job they are doing in helping to win this war.

In order to understand my position here today, I think it necessary that I clarify two points:

First, let me explain my status in relation to the Ordnance Department. When General Campbell was made Chief of Ordnance on June 1, 1942, he asked me to serve as one of a committee of four industrialists, to act in a consulting capacity as his advisers. After careful consideration I told him that I would, upon certain conditions. First, I was not to be a dollar-a-year man; second, I did not want to receive any expense money of any kind; third, I did not want a title or an office; fourth, I did not want any responsibility. General Campbell met those conditions and specified them in the letter appointing me. My purpose in stipulating such conditions was that I wanted to be able to be in a completely independent position; to be able to say to General Campbell at any time whatever I thought needed to be said in the interest of doing a good job and of helping to win this war. Having served as an officer for over 2 years in the last war, both here and in France, I know that when you are "in the Army" you have to "be a good soldier." I could not be a good soldier and a good adviser, in this position, at one and the same time.

Second, because of my independent status I am able to look at this whole problem from the outside. Moreover, I may well say things about it that these generals and other officers here could not say and still continue to "be good soldiers." By that I mean that when they make recommendations to higher authority and decisions are made on those recommendations, they must proceed to carry out those decisions, no matter whether they think them right or wrong. They must try to carry them out to the best of their ability even if they die trying. However, I am in a different position and so are the other advisers to General Campbell. We can and do tell him the truth as we see it. He is under no obligation to take our advice.

To General Campbell and his very able staff of officers goes the credit for the accomplishment of this great organization.

With that brief preliminary I would like to summarize in the simplest way and in the briefest time a few of the high spots of this program as I have watched it develop.

We, in America, can be proud of the job being done by the industry-ordnance team for victory.

Long before Pearl Harbor the Ordnance Department had laid out a comprehensive plan of action, giving us an over-all plan of procurement and supply even before we were in the war.

For the first 5 months following Pearl Harbor the Ordnance Department operated on very broad general directives from the General Staff to build plants and procure supplies, but without any specific coordination between this program and a specific table of organization for an Army, Navy, and Air Force planned to do numerous specific jobs.

By the spring of 1942 the General Staff was reorganized. A plan of war was developed, and the first tables of organization, which are essential to any balanced program of procurement, began to be available.

The new Chief of Ordnance was installed June 1, 1942, and upon the day of his induction, announced a complete plan and program of action. The keynote of these plans and policies was the completing of an industry-ordnance team for victory.

With the first meeting of the new organization two important policies were put into effect.

(a) Review of the whole ordnance plant building program to head off overbuilding, and

(b) Production scheduling started to bring about control and balance within the $54,000,000,000 program.

As a result, months before other departments were conscious of the need, the Ordnance Department had borrowed experts from the automobile industry and had installed a complete production scheduling program.

Months before the controlled materials plan of the War Production Board was adopted the Ordnance Department was begging for an allocation of critical materials instead of confused priorities.

Today, whatever mistakes were made in procurement in the first months of the war are being worked out against a balancing point in the fall of 1942 and another in the spring of 1943.

In the first part of June the Ordnance Department protested against the unnecessary red tape involved in Government accounting, auditing, and inspection. By the middle of August the authorities higher up issued regulations permitting changes for greater efficiency. The Ordnance Department again took the lead in simplifying this type of red tape by eliminating large numbers of auditors and inspectors, while at the same time securing higher efficiency and maintaining quality.

By July it became apparent that there would be a shortage of manpower. The Chief of Ordnance started a program to reduce unnecessary overhead and officer personnel. By October this program was moving rapidly, and in November and December, when the manpower shortage was fully recognized as a critical problem, the Chief of Ordnance received commendations from those high officials interested in manpower reduction.

The new Chief of Ordnance, knowing that quantity of production and quality of matériel was not only essential but also that we must get lower costs, put a program into effect of having committees of manufacturers making the same item come together for comparative study of efficiency and cost. With every month these committees have made remarkable progress, because it is done not by bureaucrats in Washington but by experts who know every detail of the job, and who come together at the nearest common point where the actual production is taking place.

Recognizing the possibility of getting increased efficiency outside of Washington, the Chief of Ordnance early decided to decentralize. The entire organization handling tanks and motorized equipment was moved to Detroit, the center of the industry. The organization for handling all the explosives plants, and the bomb and shell-loading plants, was centered in St. Louis. Similar decentralizations were made where the industry-ordnance team could work close to the job at hand.

The vast problem of warehousing and storage, and the issuance of supplies, was put on an efficient basis comparable to that found in the most up-to-date industrial plants. A model warehouse at St. Louis was used as a training school for officers in this activity. This whole warehouse system, with modern cyclic inventories and plant storage and order filling, could well serve as a model.

The big problem of training men from civil life to be trained specialists in problems of supply and maintenance is something that the Senators will learn about at Aberdeen, where, too, they will hear the story of design of new fighting tools to keep our troops equipped with fighting apparatus equal to or better than anything the enemy has.

While the procurement of supplies was under way the Chief of Ordnance was also strengthening the Field Service Division, whose job it is to get the finished matériel to the soldiers in the front lines, keep it in repair, and keep the supplies flowing to the front. This is one of the most difficult jobs imaginable, but it is being done in a way to meet every requirement to date.

While the Chief of Ordnance's direct authority ends at the port where the matériel is shipped to the troops overseas, and while the ordnance troops are under direct command of the overseas commanding general, the Chief of Ordnance has nevertheless set up liaison contact with the front line whereby he can be informed immediately of any deficiencies in quantity, quality, or service of ordnance supply.

Starting with a handful of officers and enlisted personnel, the Ordnance Department in less than 2 years has built an organization twice the size of the entire Army of the United States prior to the outbreak of the war in Europe.

The essence of achievement in this vast operation, successfully conducted has, in my opinion, been due to the policy of securing cooperation from industry. It has followed in principle the program that grew out of the experiences of World War No. 1. It has brought up to date and streamlined a machine to meet the requirements of World War No. 2.

During this whole period since Pearl Harbor, and even before, we have heard a great deal about the War Production Board. In my humble opinion that organization has a very important job to do in any war in which we are engaged. But it is also my opinion that the War Production Board, from its inception, was never given a clear-cut assignment as to what its job really was to be. Out of that failure to make a proper assignment of responsibility has grown much confusion and many heartaches.

The job which should have been assigned to the War Production Board was to reconcile the demands of the war machine with the supplies of materials, men, and machines available. Its history might have been different if it had been called Reconciliation, Allocation, and Priorities Board."

Its task would have been easier if our basic organization for war was one Secretary for War under whom there was an Assistant Secretary for the Navy, an Assistant Secretary for the Army, and an Assistant Secretary for Air, and one General Staff. Its job should have been the reconciliation of the fundamental demands of the Army, Navy, Air Force, Maritime Commission, lease-lend,

and civilian requirements. If the sum total of all of these came to more than there was available of raw materials or machines or of manpower, then they should force a revision of the program until a balance could be reached between demand and supply. Once reached, their next function should have been to allocate to each of the above-named groups their portion of the supplies of critical materials, machines, and manpower available, and then within such allocation issue where necessary whatever priorities were required.

Had such a basic fundamental program been followed, which in its essentials (with the exception of manpower) is what the War Industries Board did in the last war, and which was augmented as a result of 20 years of study, much of our confusion and at least some of our inefficiencies would have been obviated.

The simple, fundamental fact is that Congress does make the appropriations available to the procurement sections of the armed forces and not to the War Production Board. In this Congress is on sound ground. Buying of supplies can only properly be done by men who know intimately the specifications and requirements that those supplies must meet in actual field test.

Nor would it be possible to separate the appropriation, the procurement, and the production scheduling from the responsibility of those who design the instruments of war, write the specifications for them, distribute them, and keep them repaired clear up to the front lines.

Now, I have tried to clarify these simple elemental things, not with the object of criticizing our friends who are trying to do their very best under a very difficult assignment but with the idea of registering with you one important fact that should be given consideration in attempting to improve our whole record of procurement and supply for the duration of the war.

The Ordnance Department has back of it 131 years of experience and know-how. Its principles, learned in our previous wars, have been streamlined to meet the requirements of this global war. If there are other branches of the armed service forces that are having difficulties, then here is a pattern that they might well study.

The Ordnance Department has not hesitated to study the procurement methods of Great Britain, but I can assure you that right here is the pattern of the most efficient wartime military procurement organization in the world today.

In spite of all arguments, investigations, and contentions, the simple fact remains that the ordnance-industry team has delivered the goods. Nowhere since Pearl Harbor have our front-line troops supplied by this organization failed to have the tools of war of the highest quality delivered in sufficient quantity on time.

Moreover, the entire ordnance program is today ahead of schedule. Barring what the subs may do to it in transit, the pipe line from the multitudinous fronts in every section of the world back to our ports, back to the depots and warehouses and to the factories are adequately filled with a stream of supplies that are flowing to the front. Our reserve warehouses are filling up. The simple fact is that the Ordnance Department today is holding back production, shutting down production lines and contemplating closing some plants because we cannot utilize at the front as rapidly as we can produce at home.

The Ordnance Department and industry have built a team based on cooperation, and have turned out successfully one of the most stupendous jobs ever undertaken by any country at any time in all history. The record speaks for itself.

But the Ordnance Department is not complacent. They are not satisfied. General Campbell's policy for his organization is "Eternal dissatisfaction with things as they are—No matter how good they are." This organization is determined to keep ahead of our enemies in the production of quality weapons; to produce any quantity of matériel that may be demanded, and to produce all this and more at lower cost.

I can assure you that American industry is pleased with the relationship that it has with the Ordnance Department, and the Ordnance Department program is over 80 percent of the entire program of the Army service forces. They are not perfect, but they are marching steadily toward their goal.

The War Department is awarding Army-Navy E pennants to industrial plants throughout the country, mainly with the objective of stimulating the rank and file of the workers in industry to do a still better job. If it were within our power I am sure industry would award a very large and exceptional pennant for "excellence" to General Campbell and the Ordnance Department, for the outstanding job they have done. The highest officials of our war organization and Congress might well consider some such action as an indication of the great contribution they have made toward the ultimate winning of this global war.

Mr. REYNOLDS. Mr. President, I extend congratulations to General Campbell for the very excellent and progressive work he is doing. I agree with many Members of Congress who have expressed the opinion that he is doing as fine a job as is being done anywhere in the Government service.

INDICTMENTS IN CERTAIN CONSPIRACY CASES IN THE DISTRICT OF COLUMBIA

Mr. NYE. Mr. President, I hesitate at this late hour to require even so little time as the 10 minutes I shall want to give expression to a thought which I feel is deserving of consideration at this time.

The desire to win the war, shared by all of us, ought to be accompanied by an equally strong desire for unity on our American front and for confidence in our governmental, including judicial, proceedings.

There has been discussion in the Senate and in the other House with respect to certain court proceedings in the District of Columbia, proceedings which had their inception prior to our entry in the war, which allege conspiracy and involve more than 30 individual Americans. The manner in which the cases were investigated, the manner in which the cases were presented to grand juries, the manner in which certain of the cases were tried, and the action of appeal courts and of the Supreme Court in one of the cases, are all matters of public knowledge.

In a discussion in the Senate on January 14 of this year, I submitted that—

> I would not deny for one moment that I entertain grave doubts concerning the merit of the charges which have resulted in the indictment of some 30 Americans by a District of Columbia grand jury. To me, as to others in the Senate, there has been representation of alleged practices before the grand jury when left one wondering concerning the issue of personal liberty. I would hold no brief in any quarter for anyone guilty of contributing to the undermining of our defense, or undermining the morale of our armed forces, but I submit that with respect to the indictments returned against most of those involved in this alleged conspiracy they are no more guilty of conspiracy than I am, and have seemingly done nothing more than I, and others of us here, have done time and time again. Thus I am brought to the conclusion that possibly many of those who are facing trial under these indictments are no more guilty than are millions of other Americans, who, prior to Pearl Harbor, were giving voice to their feelings respecting possible involvement in this war. I am driven at moments to feel that the indictment about which we have been reading through these many months is not an indictment of 20 or 30 individuals, but is an indictment of 75, 80, or 90 percent of the people of the United States.

This language of mine has been distorted by certain writers who love to continue the smearing processes they started long before Pearl Harbor, writers such as Albert E. Kahn, who, in the March issue of New Currents, a new Jewish monthly, attacks the Senator from Ohio [Mr. TAFT] the Senator from Montana [Mr. WHEELER], the Senator from North Carolina [Mr. REYNOLDS], and myself and others as aiding "pro-Axis propagandists," and inviting "a wave of anti-Semitism in the United States." This sort of attack I can afford to ignore in the interest of avoiding the very thing the writer alleged to be my purpose. But I cannot ignore this writer's will to ignore completely the true text of what I said here in my place on January 14. He writes in this magazine that of those indicted I had solemnly observed that "they are no more guilty of conspiracy than I am." By refusing to quote a complete sentence of mine, and quoting it only in part, Author Kahn succeeds in giving his readers a rather completely false report of what I did say.

But, coming back to the indictments to which I have referred, I feel it necessary to call attention to certain developments in the case. A Federal court in the District of Columbia has recently tossed out one of the two counts returned in a grand jury indictment of the 30 or more defendants. Now the Government prosecutors are returning to the grand jury to procure new indictments. About this continuing proceeding something should be said to the end that there may be assurance of fair play and the building of confidence in judicial procedure, a confidence sorely tried by practices which have recently been condemned.

A grand jury is a most ancient and unusual body. Supposedly it is constituted for the purpose of examining into evidence relating to asserted violations of law, and one of its particular duties is to protect citizens against unwarrantable prosecutions. The Federal Constitution requires an indictment from a grand jury in order to prosecute a citizen for a felony, but in many of the States such prosecution may proceed under information filed by the prosecuting officers, without the necessity of a grand jury proceeding. Under the modern practice in the Federal courts, prosecutors properly authorized by law are entitled to appear before grand juries, present witnesses, and offer testimony concerning alleged violations of law. Under statutes recently enacted, stenographers may be present to take a transcript of the testimony. The prosecuting officers are not permitted by law to make an argument to the grand jury, to attempt to urge or influence the grand

jury to take or not to take any particular action. Any such attempt by a prosecuting officer may, if established, vitiate the indictment returned.

The courts have, however, strictly protected the inviolability of evidence or proceedings had before a grand jury. Grand jurors are forbidden in the District of Columbia to disclose at any time what has transpired in the grand jury room, and the Government has consistently refused to permit any inspection of the stenographer's transcript, possession of which is retained by the Government, although frequent use is made of the transcript by the Government in connection with the interrogation of witnesses upon the actual trial, after an indictment has been secured. Grand jurors are not permitted to make affidavits as to what has occurred before them, and consequently there is no way by which a defendant against whom an indictment has been returned may disclose in court what actually transpired before the grand jury in connection with the return of the indictment. The result is that the only protection the citizen has against unfair or illegal procedure before the grand jury is, either through the informed wisdom and independence of the grand jury, or the fairness and scrupulousness of the prosecuting attorney, or the full exercise by the presiding judge of his right and duty to instruct the grand jury as to its rights and duties.

Obviously the grand jury itself offers but little protection because it has become a common saying that a prosecutor, by reason of the secrecy of the proceedings, can secure practically any indictment from a grand jury which he wants, since most grand jurors are inexperienced and not fully informed as to the legal proprieties in grand jury procedure. The second protection in the scrupulousness of the prosecuting attorney likewise becomes a slender reed of defense, since the zeal of the prosecutor is almost certain to overcome his desire to be fair to a prospective defendant.

It does not require a great stretch of the imagination to contemplate the scrupulousness of the prosecutor before the grand jury which returned the pending indictments in the conspiracy trial now under consideration before Judge Adkins, in view of what the same prosecutor did in open court upon the trial, which was made the subject of the denunciation presented by Chief Justice Stone in the recent decision in the Viereck case. Consequently the only remaining protection of the citizen lies in the fullest of discussions and instructions on the part of the district court of the grand jury with respect to what the prosecuting officers may and may not do before the grand jury.

It is commonly asserted that in practically all cases presented to a grand jury in the District during recent years, where the Department of Justice is anxious to secure indictments, particularly in controversial situations, the practice has been to have the prosecuting attorney not only present the evidence of witnesses and to abuse, threaten, and intimidate such witnesses in the giving of their testimony, but to argue with and harangue the grand jury throughout the presentation of testimony, as well as after the introduction of testimony has ceased, to urge, coerce, and persuade the grand jury to return the desired indictment. Appeals to passion, prejudice, the interest of the jurors and other similar intimidations are reported to be the common practice before grand juries in the District of Columbia, and since, as has been pointed out, there is no practical way of making proof of this condition, the citizen is left without any decent protection and the Department of Justice is permitted to run riot in conducting what has been frequently characterized as a series of "witch hunts."

In the present conspiracy case now pending in the district court the trial court has seen fit to nullify the first count of the indictment and to limit severely the introduction of evidence under the second count. The result is that the indictment remaining seems unsatisfactory to the Department of Justice, and its representative in court as special prosecutor has asserted that the Government intends to secure a new indictment, amended to cure the defects which seemingly exist in the present indictment. Supposedly, this new indictment is to be secured from the same grand jury which returned the present indictment. The present indictment was obtained from this grand jury by the prosecutor whose acts have been condemned by the Supreme Court and the proceedings before the grand jury are asserted to have been conducted in the improper, unfair, and prejudicial and illegal manner. Consequently, a more prejudicial and tainted grand jury can hardly be conceived, and yet it seems this is the grand jury from which the Department of Justice proposes to seek the new indictment.

There is on call in the district court, today, or any other day, a panel of jurymen from which a grand jury may be at any time impaneled under order of the court so that the securing of a new grand jury, made up of persons who have not been biased and prejudiced by the unwarrantable and illegal acts of the prosecutors representing the Department of Justice, awaits simply the order of the proper judge without the incurring of any additional expense or the waste of any additional time. The new grand jury could be impaneled and could proceed in its duties just as conveniently and expeditiously as could the old grand jury.

Obviously under the ruling of Judge Adkins the great bulk of the proof offered before the old grand jury would be legally inadmissible since the court has so held under the present indictment. Nevertheless, all this inadmissible and highly prejudicial testimony has been received, heard, and considered by the old grand jury, and it is simply ridiculous to suppose that such a body of jurors could proceed to the consideration of evidence upon which a new indictment is to be returned, free from the bias and prejudice resulting from their connection with the present indictment. The fact is that it is precisely this prejudice and bias of the old grand jury, created by the improper and illegal practices of the prosecutors, which the Department of Justice apparently desires to retain and use in getting the new indictment.

Mr. President, if this is to be the proceeding, then the result will be that a further scandalous chapter in the local witch hunt is about to be accomplished and the only apparent escape therefrom would seem to lie in the prompt, impartial exercise by the presiding judge of the duty of the court, first to call a new grand jury instead of submitting the matter to the old grand jury; and second, so to advise and instruct the new grand jury that the grand jury will not and must not permit the prosecutors to exceed their rights and violate the law in connection with the presentation of testimony to the grand jury. The court should and must instruct the grand jury that the prosecutors must confine themselves to the presentation of testimony, stop badgering, threatening, coercing, and intimidating witnesses, and that they must stop attempting to influence, prejudice, and persuade the grand jurors as to whether they should or should not return an indictment. If the trial court so instructs the grand jury, there is a fair presumption that the final action of the grand jury will be in accordance with law and the proprieties. If this is not done, the existing persecuting debauch now being carried on in the district court will probably proceed to unfold another unsavory chapter.

ADDRESS BY ANTHONY EDEN BEFORE MARYLAND GENERAL ASSEMBLY

Mr. GEORGE. Mr. President, I realize that the hour is late, but I desire to obtain unanimous consent to have printed in the RECORD the address delivered on March 26 by Hon. Anthony Eden, British Secretary of State for Foreign Affairs, before the General Assembly of the State of Maryland. If I may do so, I desire to call attention to two or three of the statements made in Mr. Eden's very noteworthy address.

I quote from the address the following:

> It was in this same spirit that, on behalf of our Chinese allies, we reopened the Burma Road in 1941. Let China not misdoubt us. We shall not forget how for years she resisted aggression single-handed. The Japanese brought her all the terrors of mechanized warfare, and she had little with which to oppose them. They burnt her cities. They tore from her large tracts of territory. They forced her armies inch by inch into the interior. But never for a moment did her resolution falter. Never has there been a thought of parley, and China no longer stands alone. The day will come when the Burma Road will once again be open. It will carry to China an ever-increasing volume of supply, which the efforts of your country and mine are turning out daily from the assembly lines.

Again, Mr. President, Mr. Eden said:

> We shall never find security or progress within heavily defended national fortresses. We shall only find them by the greatest possible measure of cooperation. The United

Nations, and in particular the United States, the British Commonwealth, China, and the Soviet Union, must act together in war and in peace.

Mr. President, since I shall ask to have the whole address printed in the RECORD, I shall not read further from it.

I think the reference by Mr. Eden to China was most timely and most reassuring. So far as the United States is concerned, I think it would be difficult for any responsible leader in this country to visualize the termination of this war except in complete and final victory for China as well as for all the other Allied Nations; and it would be difficult, if not impossible, for any responsible leader in America to visualize whatever efforts may be made to preserve the peace and security of the world without complete recognition of the large contribution made by China, her magnificent leaders, and her brave, courageous people. Indeed, Mr. President, if there is set up any edifice to which mankind may be able to repair against future world wars and the insecurity which the outrages of the present time are causing, China must be one of the great pillars upon which that edifice shall rest, along with the United States, the British Commonwealth of Nations, and Russia.

So, Mr. President, I take pleasure in offering for printing in the RECORD the altogether worthy address of the British Secretary of State for Foreign Affairs.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

First let me say that I feel at home here. From my earliest years I have been steeped in the atmosphere of Maryland. It is a keen personal pleasure to stand in Annapolis, on the spot where Robert Eden once stood.

A few miles away, in the city hall at Baltimore, now hang the pictures of the Calvert family from whom I am proud to be descended. They are friendly faces, which I recognize from my childhood days, when they looked down on me from the walls of my father's house. I am even prouder of the fact that one of the Calverts, the third Lord Baltimore, was the prime mover in the Great Act of 1649, by which the early settlers were assured of full freedom to worship God according to their conscience. That was nearly 300 years ago, but our times have given new significance to that event.

Four and a half years have passed since I last stood on American soil. They are years that have changed the face of the world, and brought much suffering to the human race. Some of us in Europe thought we saw the catastrophe approaching and felt the chill of the coming storm, while many, both of my countrymen and yours, were still clinging to the precarious hope of peace. This was, no doubt, excusable enough. There is always a strong temptation for countries to try to preserve their own peace of mind by turning a deaf ear to the first warnings of danger from abroad.

END OF VAIN HOPES

We know now how vain were these hopes and efforts. So far as we were concerned, Hitler finally destroyed any possibility of illusion by his repeated violation of treaties, by his open repudiation of any rule but that of force. It was plain beyond argument that not Poland, not Europe itself, would satisfy his mad ambitions. His purpose was the conquest and domination of the world.

Thus for the second time within a generation we are at war to redeem our pledged word. The decision to take up the challenge was a decision of a united people at home. It was endorsed at once by the Parliaments and peoples of the great overseas dominions—Canada, Australia, New Zealand, and South Africa, and by all parts of the British Empire. From that day in early September 1939 there has been no turning back, there will be no turning back until victory is won.

We are not yet at the climax of the struggle. And I must repeat the warning I uttered when I first arrived here a fortnight ago. We have yet far to travel before the final triumph over our enemies in the west and in the east. In the interval there will be strains and stresses, set-backs and disappointments.

But if we nerve ourselves to meet these; if we work to the utmost of our strength, the result is not in doubt. In a struggle of this nature it is clearly desirable that those upon whom the responsibility lies in each of the Allied belligerent states should meet in personal conference as often as they can. There is, in truth, no substitute for such meetings. Men who do not know each other well cannot exchange views by dispatch or cable to best advantage.

I was therefore happy to accept the invitation of your Government to pay this visit to the United States. Nothing could have exceeded the kindness and hospitality that has been shown to me by everyone—by the President, by Mr. Hull, by the Members of Congress, and by all with whom I have been privileged to work. We have done much together and we are both well pleased at the result. For myself I can only say this: In my life it has fallen to my lot on many occasions to visit foreign capitals, and I am sure that never in my experience has a journey been more worth while. You will not expect, I trust, sudden and sensational developments. For there will be none. But there has been a meeting of minds between us about the present and the future that will, we are sure, bear fruit.

During my brief visit it has been my good fortune to spend some days in visits to your Army and Navy. I can assure you in all sincerity that I have never known a more inspiring experience. It is at once evident that your methods and organization are thoroughly well planned, but there is much more to it than this. Wherever I went from the deep South to the neighborhood of Washington, I found the same virile spirit of dauntless determination. Your young men are truly splendid. You have every cause to be proud of them, and they to be proud of the country and the cause they serve.

Let me now for a moment look back to our experience in this war and see if we may gain from it guidance for the future. I have said that we declared war to defend the sanctity of treaties, and we have tried in the ebb and flow of battle to keep this high purpose clear and constant before our eyes. There have been some dark moments, the darkest probably being those of Dunkirk and the weeks that followed. Then for the first time in our remembered history we, as a people, faced national extinction. Every horror seemed possible. We walked through the fire. Yet that ordeal strengthened us and brought us a new spirit of fellowship and of endurance and of simple living, which I pray may remain with us long after the peril is passed. We gained then, I believe, a new sense of what our national life could be. Nor shall we ever forget your sympathy and your active help in the days when it needed an act of faith to believe even in our survival.

One incident in particular will be vivid in my recollection to my dying day. It had been my duty as Secretary of State for War at that time to call upon the nation to enroll in a new force the local defense volunteers, since renamed by the Prime Minister the home guard. The men responded in numbers far exceeding our calculation. They were eager to drill and to fight but we had no weapons for them. We had not equipment enough for the divisions of our Regular Army saved from Dunkirk. Our industry, though working as it had never worked before, could not meet this demand. It was then that you made your first great gesture. In a brief span you sent us more than a million rifles, guns, machine guns, and other weapons from your arsenals to arm our volunteers. I can recall today the anxiety with which we watched the voyage of those ships, and the relief with which we signaled each consignment safely brought to port by the gallant men of the Royal Navy and the merchant marine. Those weapons might well have meant the difference between life and death for us. Such acts of generosity and faith mean more in the history of two nations than all the speeches of statesmen or the labors of diplomacy.

In that year when we stood alone against Germany and Italy we had to take great risks. The collapse of France, with her overseas empire, had laid bare our strategic positions, not only in Europe, but over the whole of that area loosely called the Middle East, and in the Far East also. As a result, perilously weak as we were at home, we had to take armed divisions from our undermanned citadel of Britain and send them around the cape to reinforce our threatened defenses. Even so, we tried to keep faith with our friends.

PLEDGE TO GREECE

We had given our pledge to the people of Greece, and the world will not forget their epic resistance. We, for our part, did all in our power to help them. We failed, but that was not a failure of which we shall ever feel ashamed.

It was in this same spirit that, on behalf of our Chinese allies, we reopened the Burma Road in 1941. Let China not misdoubt us. We shall not forget how for years she resisted aggression single-handed. The Japanese brought her all the terrors of mechanized warfare, and she had little with which to oppose them. They burnt her cities. They tore from her large tracts of territory. They forced her armies inch by inch into the interior. But never for a moment did her resolution falter. Never has there been a thought of parley, and China no longer stands alone. The day will come when the Burma Road will once again be open. It will carry to China an ever-increasing volume of supply, which the efforts of your country and mine are turning out daily from the assembly lines.

As I have explained, with the fall of France we lost our reserves of material which had been transported there. If we were to rearm our trained divisions and to expand our forces and equip them, our own production could not suffice.

It was in such an hour that lend-lease was born, that great conception by which once again the mighty resources of the New World were called in "to redress the balance of the Old." In that hour we knew, finally and beyond a doubt, that we were not alone in the cause for which we stood.

Lend-lease began as a one-way traffic. It brought American tanks and guns and aircraft to the battlefields of north Africa and for the defense of Britain. It brought American ships to strengthen the Atlantic lifeline. It brought American supplies of every kind, wherever they could be carried and the need was greatest.

Today the picture is changing. Lend-lease has become the machinery for pooling the war effort of the United Nations, the material equivalent of the combined strategic planning of our armies and navies. It is no longer a one-way traffic. Each nation gives to the others what it can send and what they need. The United States will remain the greatest

arsenal of democracy, but Britain in her turn is sending supplies to Russia, to her other allies, to the American forces abroad and even to the United States itself. But if we are glad to take our part in this common effort, we are nonetheless grateful for what we have received.

LIFE HARD IN BRITAIN

Life is hard for many people in Britain today. Shortages, discomforts, privations even, have been accepted by our people in a spirit of which they have a right to be proud. Yet we have still to insure that they have a minimum of rations required for total war. We have to supply our fighting men with weapons to wage war to best advantage. We could not do these things without the food produced by your farms and industries and exported to us by your ships.

You have been generous to our people who have come among you. Today we in our turn are happy to welcome your sons, brothers, husbands, and your daughters, too, in our cities and in our homes. We are learning from them how alike are our peoples on both sides of the ocean in the things that matter most. London, scarred and seared and blacked out though it is, yet presents an inspiring sight today. The youth of the world is there, united in the common garb of war. Your young men and ours rub shoulders with each other and with the young men of the nations united against a common enemy. There they achieve in a short span that national sympathy and understanding which years of diplomatic exchanges could never give. On five continents and seven seas, soldiers and sailors of the United Nations are living and fighting side by side. May they cherish in peace the friendship that they learnt in war. May our young airmen who have renewed an old comradeship of the air, carry that spirit with them on errands of peace. Upon them and their like, upon their friendship with one another, rests both the burden and the hope of mankind. Where our generation failed, I pray that theirs may succeed. It may be our last chance. It may be in very truth "the last best hope of earth."

In the period between the two wars, the intentions of the peace-loving nations were excellent, but their practice was weak.

If there is one lesson we should have learned from the distresses of those years, it is surely this, that we cannot shut our windows and draw our curtains, and be careless of what is happening next door or on the other side of the street. No nation can close its frontiers and hope to live secure. We cannot have prosperity in one country and misery in its neighbor, peace in one hemisphere and war in the other. And if we try to have these things, we shall be back on the old road to world war. We shall never find security or progress within heavily defended national fortresses. We shall only find them by the greatest possible measure of cooperation. The United Nations, and in particular the United States, the British Commonwealth, China, and the Soviet Union, must act together in war and in peace.

GREATEST PEACE AIM

The greatest of all peace aims is to insure that never again shall unscrupulous leaders be able to carry their peoples into war and bring tragedy on the world. We shall accordingly take steps for the physical prevention of this danger by the enforced disarmament of these gangster nations. We must insure that this protection of peace-loving peoples is maintained in full effectiveness for whatever period may be necessary. We must therefore be ready to protect and maintain whatever settlement we devise. And one thing, I am sure, is, above all, essential. Never again must the civilized world be ready to tolerate unilateral infraction of treaties. For that would be to sap the whole foundation of the secure international life which it is our principal purpose to restore.

We must prosecute the war to a final victory. We must determine together to take steps to insure that neither Germany nor Italy nor Japan can commit a like aggression again. We can do this if we will. If we do, we will fulfill the first condition of peace.

And I take this opportunity once again to make plain that we have no secret engagements with any country, nor do we seek as a result of this conflict to extend our boundaries or increase our possessions.

We in the British Commonwealth have grown up in the thought of cooperation. Some parts of the Commonwealth—the self-governing dominions—enjoy complete independence, while others are moving toward this goal. Our enemies have looked to this war, as they looked to the last great war, to sound the death knell of this great association. Nothing in the world is more unlikely. The Commonwealth is a voluntary union. Its bonds are the will of peoples and races with a common purpose to travel the same way. Theirs is no static society, shrinking from change or fearful of the future. On the contrary, the British Commonwealth is capable of continuing development. We have sought to learn by our mistakes. The British Empire is the first in history to evolve the idea of self-governing dominions. That is an entirely new conception in the world. We believe that it can help us to reach our common aim, man's freedom and self-government under the rule of law. It is in this spirit that we shall administer our trust for the peoples in our Empire, whom it is our duty and our pledge to lead to full membership of our community of nations.

I maintain that these principles of our Commonwealth are not of limited application. They are inseparable from the kind of world for which we are fighting, the kind of world we hope to see. That hope is today gathering strength, in north Africa, the Pacific, China, through enslaved Europe, and on the wide plains of Russia.

Today more than ever war is one and indivisible. The enemies of your country are our enemies. A danger to us is a threat to you, as it is a threat to China and to Russia. Let there be no mistake, we shall not rest upon our arms until every one of our enemies has unconditionally surrendered. We, no less than you, and our partner China, have a score to settle with the Japanese; nor shall we cease fighting until that evil growth in the Pacific has been cut back. We shall be with you in this to the end.

When the defense of one is the defense of all, security and peace have no frontiers. Our common safety demands that overwhelming force be brought to bear against the aggressor wherever he may be. And what applies to war applies even more, to the peace that is to come. I can say with confidence that today the men and women of Britain are alive to the fact that they live in one world with their neighbors. Only within an international system which is backed with sufficient force, can the enterprise and liberty of the individual find protection. After the last war the lack of power behind the international system led to the triumph of the dictators. This has more often been said than understood or heeded.

On one side we have the idea of a narrow and covetous nationalism which destroys the life of its own people first, and then the life of its neighbors. On the other we have the idea of a close-knit framework of free nations—free as we in Britain and you here understand the word. We believe that it is only within such a framework as this that the individual can rise to the full height of his powers and call his soul his own. And we believe that it has been the world's failure to create such a framework which has twice led to war in our time. This, at least, is certain: If we do not find the common ground on which to build this time, we shall not have deserved victory.

Any new international authority that we may agree to set up can succeed only if it is backed by sufficient strength. It will not be enough for one country, or even two, to display the qualities necessary to protect the peace. The work will take all that America and Britain, Russia, and China, and the United Nations can offer.

Your country is justly proud of the wide vision and the boldness and youthful vigor with which it thinks and acts. You will not find my countrymen bound by any narrower horizon. In the common performance of this task you will find the peoples of our commonwealth, for I am sure that in this I can speak for them all, full and worthy partners. You will find in them a toughness, a resolution, an unsuspected fund of energy, a vitality of spirit, such as have more than once surprised the world. Our joint task will be hard. But, for our part, we are proud of the company with which we march. No one flag, no one government, no one language unite the peoples of our great alliance. We have one passport, freedom; one objective, victory, total and unmistakable; and one purpose, a just and lasting peace.

ADJOURNMENT TO FRIDAY

Mr. BARKLEY. Mr. President, if there is no further business to be transacted, I move that the Senate adjourn until 12 o'clock noon on Friday next.

The motion was agreed to; and (at 6 o'clock and 5 minutes p. m.) the Senate adjourned until Friday, April 2, 1943, at 12 o'clock noon.

NOMINATIONS

Executive nominations received by the Senate March 30 (legislative day of March 23), 1943:

THE JUDICIARY

Edmund J. Brandon, of Massachusetts, to be United States attorney for the district of Massachusetts. (Mr. Brandon is now serving in that office under an appointment which expired March 4, 1943.)

Irving J. Higbee, of New York, to be United States attorney for the northern district of New York, vice Ralph L. Emmons, term expired.

DIRECTOR OF THE MINT

Nellie Tayloe Ross, of Wyoming, to be Director of the Mint (reappointment).

UNITED STATES PUBLIC HEALTH SERVICE

The following-named surgeon to be temporary medical director in the United States Public Health Service, to be effective from April 1, 1943:

Richard B. Holt

The following-named senior surgeons to be temporary medical directors in the United States Public Health Service, to be effective from April 1, 1943:

Calvin C. Applewhite
Lynne A. Fullerton
William Y. Hollingsworth
Frank V. Meriwether
Winfield K. Sharp, Jr.

The following-named surgeons to be temporary senior surgeons in the United States Public Health Service, to be effective from April 1, 1943:

Alfred J. Aselmeyer
George W. Bolin
Edwin H. Carnes
James A. Crabtree
Joseph O. Dean
Ralph Gregg
Franklin J. Halpin
Claude D. Head, Jr.
George G. Holdt
Ernest E. Huber
Gerald M. Kunkel
John R. Murdock

William W. Nesbit
Edgar W. Norris
Edward R. Pelikan
Adolph S. Rumreich
James B. Ryon
Mark P. Schultz
William H. Sebrell, Jr.
Homer L. Skinner
Fletcher C. Stewart
Joseph F. Van Ackeren
Gregory J. Van Beeck
Langdon R. White

The following-named passed assistant surgeons to be temporary senior surgeons in the United States Public Health Service, to be effective from April 1, 1943:

Warren P. Dearing
Alexander G. Gilliam
Victor H. Haas
Robert H. Onstott
Calvin B. Spencer

The following-named passed assistant surgeons to be temporary surgeons in the United States Public Health Service, to be effective from April 1, 1943:

James C. Archer
Richard C. Arnold
Llewellyn L. Ashburn
Theodore J. Bauer
Fred J. Black
Bert R. Boone
Frederick J. Brady
Ralph R. Braund
Lawrence W. Brown
Leroy E. Burney
Roy E. Butler
Don S. Cameron
John W. Cronin
Dorland J. Davis
Thomas R. Dawber
Austin V. Deibert
Anthony Donovan
Virgil J. Dorset
John E. Dunn
Harry Eagle
David C. Elliott
Robert H. Felix
Howard D. Fishburn
Robert H. Flinn
Havelock F. Fraser
Michael L. Furcolow
Edward B. Gall
Kenneth E. Gamm
Alfred B. Geyer
Eugene A. Gillis
William H. Gordon
James A. Grider, Jr.
Robert L. Griffith
Leland J. Hanchett
Floyd A. Hawk
Roger E. Heering
John R. Heller, Jr.
Clifton H. Himmelsbach
Henry A. Holle
John B. Holt
John W. Hornibrook
George H. Hunt
Benjamin F. Jones
Marion K. King
Harry C. Knight
Harold L. Lawrence
Benton O. Lewis
Albert G. Love, Jr.
Robert K. Maddock
Charles R. Mallary
Hollis U. Maness
Ralph W. McComas
John R. McGibony
Thorburn S. McGowan
Thomas B. McKneely
Charles T. Meachem, Jr.
Seward E. Miller
Ralph J. Mitchell
Edgar W. Moreland
Ward L. Mould
Marion B. Noyes
John W. Oliphant
Carroll E. Palmer
Donald W. Patrick
Jonathan B. Peebles, Jr.
Michael J. Pescor
Arthur B. Price
Thurman H. Rose
Leonard A. Scheele
Walter E. Sharpe, Jr.
Leslie McC. Smith
Wilson T. Sowder
Charles G. Spicknall
James G. Telfer
Thomas H. Tomlinson, Jr.
George G. Van Dyke
Seymour D. Vestermark
Victor H. Vogel
Paul E. Walker
James Watt
Waldemar J. A. Wickman
Oliver C. Williams
John L. Wilson
William G. Workman
John T. Wright
Francis T. Zinn
Jonathan Zoole

The following-named dental surgeons to be temporary senior dental surgeons in the United States Public Health Service, to be effective from April 1, 1943:

David Cooper
Frederick W. Harper
James S. Miller
Allen M. Perkins

The following-named passed assistant dental surgeons to be temporary dental surgeons in the United States Public Health Service, to be effective from April 1, 1943:

James O. Blythe, Jr.
Mark E. Bowers
William W. Calhoun, Jr.
Henry F. Canby
Edward J. Driscoll
Joseph J. Dunlay
Leonard R. Etzenhouser
Bruce D. Forsyth
John M. Francis
Donald J. Galagan
Charles B. Galt
George E. Jones
John W. Knutson
William P. Kroschel
Frank E. Law
Ralph S. Lloyd
Clovis E. Martin
Oscar Mikkelsen
Robert H. Moore
Walter J. Pelton
Robert A. Scroggie
Dwight K. Shellman
Leland E. Weyer

The following-named assistant surgeons to be temporary passed assistant surgeons in the United States Public Health Service, to be effective from April 1, 1943:

Frederick K. Albrecht
William S. Baum
Buell S. Bindschedler
William G. Budington
Wayne W. Carpenter
Nunzio J. Carrozzo
Michael J. Clarke
Bruce Cominole
John C. Cutler
Selwyn H. Drummond
Henry D. Ecker
George F. Ellinger
James A. Finger
Vernon W. Foster
Timothy J. Haley
Jesse D. Harris
William S. Hotchkiss
Dean B. Jackson
Linden E. Johnson
Arnold B. Kurlander
Stephen J. Lange
John L. Lincoln
Robert N. Lord
Paul W. Lucas
Joseph A. Moore
Douglas S. Nisbet
Raymond S. Roy
Albert N. Sarwold
David W. Scott, Jr.
Richard C. Siders
James A. Smith
Randall W. Snow
James L. Southworth
William H. Stimson
Evert A. Swenson
Ray H. Vanderhook
Verne C. Waite
Roy E. Wolfe

The following-named assistant dental surgeons to be temporary passed assistant dental surgeons in the United States Public Health Service, to be effective from April 1, 1943:

Vernon J. Forney
Francis J. Walters

The following-named passed assistant pharmacists to be temporary pharmacists in the United States Public Health Service, to be effective April 1, 1943:

Thomas C. Armstrong
Clarence H. Bierman
Raymond D. Kinsey

The following-named passed assistant sanitary engineers to be temporary sanitary engineers in the United States Public Health Service, to be effective from April 1, 1943:

Allen D. Brandt
Mark D. Hollis
Vincent B. Lamoureux
James H. LeVan

The following-named sanitary engineers to be temporary senior sanitary engineers in the United States Public Health Service, to be effective from April 1, 1943:

Henry A. Johnson
Charles T. Wright

IN THE NAVY

Capt. Francis S. Low to be a rear admiral in the Navy, for temporary service, to rank from the 27th day of July 1942.

Capt. Joseph R. Redman to be a rear admiral in the Navy, for temporary service, to rank from the 1st day of July 1942.

IN THE MARINE CORPS

The below-named citizens to be second lieutenants in the Marine Corps from the 15th day of May 1942:

Clyde A. Brooks, a citizen of North Carolina.
Maxie R. Williams, a citizen of Tennessee.
Harry O. Buzhardt, a citizen of South Carolina.
John C. Lundrigan, a citizen of Pennsylvania, to be a second lieutenant in the Marine Corps from the 15th day of July 1942.

The below-named citizens to be second lieutenants in the Marine Corps from the 6th day of August 1942:

Houston Stiff, a citizen of Texas.
John C. Sheffield, Jr., a citizen of Arkansas.
William P Oliver, a citizen of Missouri.
Staff Sgt. John Lovell, a meritorious noncommissioned officer, to be a second lieutenant in the Marine Corps from the 20th day of January 1943.

The below-named citizens to be second lieutenants in the Marine Corps from the 20th day of January 1943:

William M. Graham, Jr., a citizen of Maryland.
William P. Nesbit, a citizen of Pennsylvania.
Roland H. Makowski, a citizen of New York.
Edward H. Greason, a citizen of North Carolina.
Andrew Andeck, a citizen of Texas.
James P. Young, Jr., a citizen of Texas.
Albert F. Topham, a citizen of Massachusetts.
William H. Clark, a citizen of New York.
Harry L. Givens, Jr., a citizen of Texas.

Platoon Sgt. William E. Maiser, a meritorious noncommissioned officer, to be a second lieutenant in the Marine Corps from the 27th day of January 1943.

First Sgt. Horace C. Reifel, a meritorious noncommissioned officer, to be a second lieutenant in the Marine Corps from the 10th day of February 1943.

CONFIRMATION

Executive nominations confirmed by the Senate March 30 (legislative day of March 23), 1943:

UNITED STATES MARITIME COMMISSION

Rear Admiral Emory S. Land, United States Navy, retired, to be a member of the United States Maritime Commission for the term of 6 years from April 16, 1943.

HOUSE OF REPRESENTATIVES

TUESDAY, MARCH 30, 1943

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Lord, our Lord, who hast set Thy glory above the heavens, open our spiritual eyes that we may behold Thy continence. With patience and fortitude, wherever duty leads, may we go forward, making a record upon which our country will look with approval. Let there be something in our hearts which will echo back to these hours with justification and the ultimate peace of a good conscience void of offense.

We pray that in others we may see divine sonship with no feelings of indifference or scorn in our breasts. In humility may we come into accord with our fellows where Thou canst pour forth the strength and the splendor of brotherly relationship, like a sympathetic sun rejoicing in the summer it creates. Almighty God, give us to understand that in united effort there is a fortress, the walls of which no assaulting column can scale and whose garrison cannot be starved out—a nation's soul whose trust is in the Lord. Our future is of measureless concern and we beseech Thee that these history-making days shall be so concluded that we shall be worthy to stand with those who serve without fear and with personal abandonment. In our Saviour's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed a joint resolution and a bill of the House of the following titles:

On March 25, 1943:

H. J. Res. 83. Joint resolution to permit additional sales of wheat for feed.

On March 26, 1943:

H. R. 1692. An act to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes.

EXTENSION OF REMARKS

Mr. FELLOWS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a memorial of the State of Maine Legislature.

The SPEAKER. Is there objection?

There was no objection.

Mr. TALBOT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an article.

The SPEAKER. Is there objection?

There was no objection.

Mr. McWILLIAMS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in regard to the Ruml-Carlson plan of tax collection.

The SPEAKER. Is there objection?

There was no objection.

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an article by William Randolph Hearst on taxation, published February 21, 1933.

The SPEAKER. Is there objection?

There was no objection.

Mr. WOODRUFF of Michigan. Also, Mr. Speaker, I ask unanimous consent to extend my remarks and include therein an editorial from the Buffalo Evening News, and also an editorial from the Washington News.

The SPEAKER. Is there objection?

There was no objection.

THE LIBERMANS OF MANISTIQUE, MICH.

Mr. BRADLEY of Michigan. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and include in my address a newspaper article.

The SPEAKER. Is there objection?

There was no objection.

Mr. BRADLEY of Michigan. Mr. Speaker, I am very proud to state that I represent Manistique, Mich. The following is a quotation from the Jewish Veterans' magazine of January 1943. It reads as follows:

100-PERCENT SERVICE

The Jewish patriotic record in Manistique, Mich., is 100 percent and then some.

There's just one Jewish family there, the Libermans, and this is their record:

Members in the service:

Capt. Louis E. Liberman, with the Air Force in England.

Pilot Lt. James Liberman.

Lt. Ben Liberman, Coast Artillery.

Pvt. (1st cl.) Peter Liberman, Army.

Corp. Sam Liberman, Army.

Pvt. Herman Liberman, Army.

Morris Liberman, who has just enlisted in the Army.

Their sister holds a position connected with the war effort, and her husband, Dr. David E. Schlonsky, is attached to the Chemical Warfare Division.

Mr. and Mrs. Liberman came here from Vilna, Lithuania, 35 years ago, and have 10 children.

Mrs. Liberman has been compared to Hannah of old, that great Jewish mother who let her 7 sons die rather than render divine homage to the tyrant Antiochus. She said, "I sent them forth with a feeling of sorrow, yes, but also pride. At least I know my boys have a chance for their lives. I pray to God that they return victorious."

EXTENSION OF REMARKS

Mr. TOLAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an article from the Chiropractic Journal.

The SPEAKER. Is there objection?

There was no objection.

THE PACE BILL INVOLVES ADDITIONAL APPROPRIATION

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and extend and revise my remarks.

The SPEAKER. Is there objection?

There was no objection.

[Mr. DICKSTEIN addressed the House. His remarks appear in the Appendix.]

LEAVE TO ADDRESS THE HOUSE

Mr. BURDICK. Mr. Speaker, I ask unanimous consent that on Monday next, at the conclusion of other business and any other special orders, I be permitted to address the House for 30 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. BRADLEY of Michigan. Mr. Speaker, I ask unanimous consent that on Thursday next, at the conclusion of all regular business and any other special orders, I be permitted to address the House for 1 hour.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. ROBSION of Kentucky. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD and include short editorials from the Middleburg Daily News, the Harlan Enterprise, and an editorial in today's Washington News on the tax question.

The SPEAKER. Is there objection?

There was no objection.

PAY-AS-YOU-GO SYSTEM OF TAXATION

Mr. McGREGOR. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

[Mr. McGREGOR addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. RICHARDS. Mr. Speaker, I ask unanimous consent to extend my remarks and include a letter from a constituent.

The SPEAKER. Is there objection?

There was no objection.

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend my remarks made in the Committee of the Whole and include some tables.

The SPEAKER. Is there objection?

There was no objection.

Mr. CASE. Mr. Speaker, I have three unanimous-consent requests. First, I ask unanimous consent to place in the RECORD the remarks made by Mr. Milton S. Eisenhower, Associate Director of the Office of War Information, and myself on the two hundredth anniversary of the planting of the Verendrye Plate in South Dakota.

The SPEAKER. Is there objection?

There was no objection.

Mr. CASE. Mr. Speaker, I ask unanimous consent to extend my remarks and include a letter from the Baltimore Sun and my reply.

The SPEAKER. Is there objection?

There was no objection.

Mr. CASE. Mr. Speaker, I ask unanimous consent to extend my remarks by including an address given by Tom Eastman, of Custer, S. Dak., before the American Legion and Auxiliary.

The SPEAKER. Is there objection?

There was no objection.

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein a recent radio address.

The SPEAKER. Is there objection?

There was no objection.

THE RUML PLAN

Mr. GEARHART. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. GEARHART. Mr. Speaker, on several occasions during the course of the general debate on the Ruml gyp-a-year-of-taxes plan, the genial, ever-courteous, and frequently brilliant gentleman from Minnesota [Mr. KNUTSON] has arisen to explain in his inimitable and most persuasive manner that all of that which Banker Ruml proposes is just as simple as daylight savings—just turn the clock forward.

What the gentleman from Minnesota wanted to impress upon us was that the turning of the time clock forward gave us, by that simple process, daylight savings.

What the gentleman from Minnesota did not want to call our attention to was that turning the tax clock forward will give us tax savings.

Ah, Mr. Speaker, there is the rub. It is in that wood pile that we find the Ethiopian. It is in that simple bookkeeping manipulation that the Treasury is mulcted of more than $10,000,000,000 of already matured and already due 1942 taxes.

That is why the Rumlites must not and shall not pass.

The SPEAKER. The time of the gentleman has expired.

EXTENSION OF REMARKS

Mr. SPARKMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix on two subjects; in the first to include a newspaper article from the Nashville Tennesseean, and in the second a newspaper article from the Decatur Daily.

The SPEAKER. Is there objection?

There was no objection.

Mr. STEWART. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD and include therein House Concurrent Resolution No. 14 of the Oklahoma Legislature dealing with agricultural relief restrictions on planting cotton in Oklahoma for the year 1943.

The SPEAKER. Is there objection?

There was no objection.

THE FARM PROBLEM—EQUIPMENT—MANPOWER—TRANSPORTATION

Mr. ANTON J. JOHNSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

[Mr. ANTON J. JOHNSON addressed the House. His remarks appear in the Appendix.]

USELESS PAPER WORK

Mr. VORYS of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. VORYS of Ohio. Mr. Speaker, I have a letter from the president of a company out home telling of two requests from the Government for financial statements complete, one from the Air Corps and one from the OPA, duplicating statements which he put in a few days before. Of course they can have access to his internal revenue figures and the air corps have had auditors in the plant. This bedeviled businessman wonders why this information cannot be cleared through one central source instead of requiring so many reports. He then writes:

All of this reminds me about the yarn about the shipbuilder who was hailed into the War Production Board in Washington where he was criticized for cutting red tape. They asked him what kind of a report he made out daily regarding the progress and completion of ships and he replied: "We weigh each ship every day and weigh the paper work connected with each ship every day. When the ship weighs more than the paper work for that ship, we call the ship finished."

The SPEAKER. The time of the gentleman from Ohio has expired.

EXTENSION OF REMARKS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks and to include an editorial.

The SPEAKER. Is there objection?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein a speech recently made by Hon. Francis Biddle, Attorney General of the United States.

The SPEAKER. Is there objection?

There was no objection.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the death of Charles O. Falkenwald, of the Rural Electrification Administration.

The SPEAKER. Is there objection?

There was no objection.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my remarks on the care of disabled veterans and to include an article written by a disabled soldier who passed away a short time ago, with reference to the care given to him and to our veterans generally in veterans' hospitals.

The SPEAKER. Is there objection?

There was no objection.

CALL OF THE HOUSE

Mr. RANKIN. Mr. Speaker, I make the point of order that there is not a quorum present.

The SPEAKER. Evidently there is no quorum present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 33]

Dawson	Kirwan	Slaughter
Gibson	Kleberg	Smith, Va.
Grant, Ala.	Larcade	Steagall
Griffiths	Lewis, Colo.	Stevenson
Guyer	Luce	Tibbott
Hobbs	Nichols	Treadway
Jarman	O'Leary	Weaver
Kennedy	Satterfield	Winter

The SPEAKER. On this roll call 401 Members have answered to their names, a quorum.

By unanimous consent, further proceedings, under the call, were dispensed with.

EXTENSION OF REMARKS

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein certain quotations and letters.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

INDIVIDUAL INCOME-TAX COLLECTION BILL OF 1943

Mr. DOUGHTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 2218) to provide a method for the payment currently of individual income taxes, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill, H. R. 2218, with Mr. BULWINKLE in the chair.

The Clerk read the title of the bill.

The Clerk read as follows:

Be it enacted, etc., That (a) this act may be cited as the "Individual Income Tax Collection Act of 1943."

(b) Meaning of terms used: Except as otherwise expressly provided, terms used in this act shall have the same meaning as when used in the Internal Revenue Code.

Mr. CARLSON of Kansas. Mr. Chairman, I offer an amendment in the nature of a substitute for the pending bill.

The Clerk read as follows:

Amendment offered as a substitute by Mr. CARLSON of Kansas: Strike out all after the enacting clause and insert the following——

Mr. RANKIN (interrupting the reading of the amendment). A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. RANKIN. As I understand the parliamentary situation now we take up the Carlson amendment as offered for amendment first; is that correct?

The CHAIRMAN. That is correct.

Mr. RANKIN. And amendments offered should be offered to the Carlson amendment until that amendment is voted on.

The CHAIRMAN. That is correct.

Mr. RANKIN. Then if the Carlson amendment is voted down amendments should be offered to the pending bill.

The CHAIRMAN. That is correct.

Mr. COOPER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. COOPER. I should like to ask the gentleman from Kansas if he is now offering his bill H. R. 2245 as a substitute amendment for the committee bill?

Mr. CARLSON of Kansas. That is correct.

Mr. COOPER. I do not know of any special purpose to be served by reading it; does the gentleman think so?

Mr. CARLSON of Kansas. I may say to the gentleman from Tennessee that there are three or four short changes: Five words have been changed and four numerals. I shall be pleased to point them out at this time or we can let the Clerk read down to section 3 when he will have read that part of the bill which includes all the changes.

Mr. COOPER. That means the gentleman is coming forward now with a new version of the Ruml plan, a fourth one?

Mr. CARLSON of Kansas. No; if the gentleman cares to suggest that the changes be explained rather than have the bill read I shall be pleased to explain them. I will call the gentleman's attention, if he will yield, to the fact that the first change is on page 2.

Mr. RANKIN. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. RANKIN. Unless this Carlson amendment is printed so that all Members can have copies I think we ought to proceed to read it under the 5-minute rule. Unless it is printed so we can all have a copy I will not be willing to have it just inserted in the RECORD at this point.

The CHAIRMAN. The Chair wishes to state to the gentleman from Mississippi that the amendment will have to be read in its entirety unless its reading is dispensed with by unanimous consent.

Mr. RANKIN. Then there is no use talking about inserting it in the RECORD; we might just as well proceed to have it read.

Mr. FORAND. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. FORAND. Do I understand the parliamentary situation to be that the Carlson amendment is now offered for amendment, that the vote comes first on the amendments to the substitute and then on the substitute? When the substitute is out of the way I propose to offer a substitute myself, but I must wait until the Carlson substitute is out of the way; is that correct?

The CHAIRMAN. The gentleman may wait if he so pleases.

Mr. FORAND. If I wait until the Carlson amendment is out of the way, would my amendment still be in order?

The CHAIRMAN. Yes.

Mr. KNUTSON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. KNUTSON. Is it the purpose to read the entire bill?

The CHAIRMAN. Unless its reading is dispensed with by unanimous consent; yes.

Mr. KNUTSON. I was wondering if the gentleman from Mississippi be agreeable to having the amendments explained rather than to require the reading of the entire amendment; it will take hours.

Mr. RANKIN. No; Mr. Chairman, with no printed copies available, unless the bill is read, we will not know what the changes are.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Amendment in the nature of a substitute for the committee bill offered by Mr. CARLSON of Kansas: Strike out all after the enacting clause and insert the following:

"That (a) this act may be cited as the 'Current Payment of Individual Income Tax Act, 1943.'

"(b) Meaning of terms used: Except as otherwise expressly provided, terms used in this act shall have the same meaning as when used in the Internal Revenue Code.

"SEC. 2. Relief from double payments in 1943.

"(a) General rule: Except as provided in subsection (b), the liability of any individual (other than an estate, trust, or nonresident alien) for the tax imposed by chapter 1 of the Internal Revenue Code upon such individual for the taxable year beginning in 1942 is (except in case of fraud) discharged, except that any payment made on or prior to June 15, 1943, on account of such liability shall be treated as a payment on account of the tentative tax for the taxable year beginning in 1943.

"(b) Special rule where 1942 net income $20,000 or more: In case the net income shown on the return of an individual (other than an estate, trust, or nonresident alien) for the taxable year beginning in 1942 (adjusted for any mathematical errors appearing on the face of the return), minus the personal exemption and credit for dependents claimed on the return, is $20,000 or more, subsection (a) shall not apply. In such case if the tax under chapter 1 of the Internal Revenue Code shown on the return of such individual for taxable years beginning in 1942 (adjusted for any mathematical errors appearing on the face of the return) is greater than that shown on his return for the taxable year beginning in 1943 (similarly adjusted), the liability for the tax imposed by chapter 1 of the Internal Revenue Code upon such individual for the taxable year beginning in 1942 is discharged to the extent of not more than $7,100, and for the taxable year beginning in 1943 is discharged to the extent of the excess of the tax imposed by chapter 1 for such taxable year over $7,100. If the tax under such chapter shown on the return of such individual for the taxable year beginning in 1942 (so adjusted) is not greater than that shown on his return for the taxable years beginning in 1943 (similarly adjusted) the liability for the tax imposed by chapter 1 of the Internal Revenue Code upon such individual for the taxable year beginning in 1942 is discharged, except that any payment made on account of such liability shall be treated as a payment on account of the tentative tax for the taxable year beginning in 1943.

"(c) Special rule where both 1942 and 1943 income is substantially greater than 1942 income: In case the net taxable income both for the taxable year 1942 and for the taxable year 1943 exceeds by more than $20,000 that for the taxable year 1941, then subsection (a) shall not apply, and in order to avoid windfalls—

"(1) If the net taxable income for the taxable year 1942 is not greater than that for the taxable year 1943, the tax imposed by chapter 1 of the Internal Revenue Code for the taxable year 1942 shall, in lieu of the tax otherwise imposed by such chapter for such year be (A) 25 percent of the excess of the net taxable income for such taxable year over $20,000 or over the net taxable income for the taxable year 1941, whichever is the greater plus (B) 25 percent in addition of so much of such excess as exceeds $500,000; and

"(2) If the net taxable income for the taxable year 1942 is greater than that for the taxable year 1943, the portion of the tax imposed by chapter 1 of the Internal Revenue Code for the taxable year 1943 which is not abated by subsection (b) shall be increased by an amount equal to (A) 25 percent of the excess of the net taxable income for such taxable year over $20,000 or over the next taxable income for the taxable year 1941, whichever is the greater, plus (B) 25 percent in addition of so much of such excess as exceeds $500,000.

"At the request of the taxpayer, the Commissioner under such regulations as he shall prescribe with the approval of the Secretary, shall, upon the furnishing by the taxpayer of adequate security, extend the time for the payment of the 25 percent amount provided for in paragraph (1) or paragraph (2) for a period not exceeding 18 months commencing January 1, 1944, and in exceptional cases for a further period not exceeding 12 months, which periods are similar to those allowed under existing law for extension of time in the case of deficiencies in income tax. Interest at the rate of 3 per cent per annum shall be collected for the period from the time fixed by the terms of the extension for the payment of such amount, until it is paid, and no other interest shall be collected upon such unpaid amount for such period. For the purposes of this subsection the term 'net taxable income' means the net income minus the personal exemption and credit for dependents, and the terms 'taxable year 1941,' 'taxable year 1942,' and 'taxable year 1943,' mean, respectively, the taxable year beginning in 1941, 1942, and 1943, respectively.

"(d) Use of term 'Taxable Year': For the purposes of this section 'taxable year' shall not include any period of less than 12 months.

"SEC. 3. Tentative tax.

"(a) Tentative tax and payment thereof: Section 56 of the Internal Revenue Code (relating to payment of tax) is amended by inserting at the end thereof the following:

"'(i) Tentative tax:

"'(1) Definition: For the purposes of this section, the tentative tax of an individual (other than an estate, trust, or nonresident alien) for any taxable year shall be considered an advance payment of the tax for such taxable year and be whichever of the following amounts is applicable:

"'(A) Tentative tax computed on basis of return for preceding year: Except as provided in subparagraph (C), in case a tentative return has not been made under section 51 (e), an amount equal to the tax shown on the return for the preceding taxable year (adjusted for any mathematical errors appearing on the face of the return), minus the credit allowed by section 31 (relating to taxes imposed by foreign countries and by possessions of the United States) for such preceding taxable year; or

"'(B) Tentative tax computed on basis of tentative return: In case a tentative return has been made under section 51 (e), an amount equal to the tax which would have been imposed under this chapter for the preceding taxable year on the basis of the net income and credits against net income included in such tentative return, minus the credit that would have been allowed under section 31 (relating to taxes imposed by foreign countries and by possessions of the United States); or

"'(C) Tentative tax computed on basis of tax withheld at source: If no installment of the tentative tax computed under subparagraph (A) has been paid and no tentative return has been made under section 51 (e), the amount of the tax withheld at source under section 466;

"except that if such taxable year begins in 1943 and the second sentence of section 2 (b) of the Current Payment of Individual Income Tax Act, 1943, is applicable, the tentative tax for such taxable year shall be $7,100.

"'(2) Time and manner of payment: The tentative tax for any taxable year computed under paragraph (1) (A) or (B) shall be payable in four installments, the first of which shall be paid on the 15th day of the 3d month following the beginning of the taxable year. Of the remaining installments one shall be paid on the 15th day of the 6th month, one on the 15th day of the 9th month, and one on the last day of the 12th month, following the beginning of the taxable year, except that any installment of the tentative tax may be paid, at the election of the taxpayer, prior to the date prescribed for its payment The amount of any installment shall be the excess, divided by the number of remaining installments (including the installment in question), of the tentative tax over the amount of the previous installments thereof paid under this paragraph.

"'(3) Tentative tax not applicable in respect of certain short taxable years: A tentative tax shall not be payable for any taxable year the taxable year next preceding which does not begin in the preceding calendar year.

"'(j) Refund of excessive tentative tax: If the tentative tax paid for any taxable year exceeds the tax imposed by this chapter for such taxable year, the excess shall be credited or refunded in the same manner as an overpayment made on the date prescribed for the payment of the tax for such taxable year. For the purposes of this subsection, if the tax withheld at source under section 466 is credited against any installment of the tentative tax, the tax so withheld shall be considered to have been paid as tentative tax.'

"(b) Credit of tentative tax against tax imposed: Chapter 1 is amended by inserting after section 35 the following new section:

"'SEC. 36. Credit for tentative tax paid.

"'The amount of the tentative tax (provided for in section 56) paid for any taxable year shall be allowed as a credit against the tax imposed by this chapter for such taxable year.'

"(c) Willful failure to pay tentative tax: Section 145 (a) is amended by inserting before 'tax' wherever appearing therein 'tentative tax provided for in section 56.'

"(d) Making of tentative return permitted: Section 51 (relating to individual returns) is amended by striking out subsection (e) (cross-reference) and inserting in lieu thereof the following:

"'(e) Tentative returns: Any individual (other than an estate, trust, or nonresident alien) on or before the 15th day of the third, sixth, ninth, or twelfth month following the beginning of the taxable year, or on or before any two or more of such dates, may make a tentative return for the taxable year, which shall contain or be verified by a written declaration that it is made under the penalties of perjury, stating specifically the items which he estimates as the items of his gross income, deductions, and credits against net income for such taxable year, and such other information for the purpose of carrying out the provisions of this chapter as the Commissioner with the approval of the Secretary may by regulations prescribe. Except for the purposes of section 145 (c) (relating to penalties for making false return) and section 55

(f) (1) (relating to penalties for disclosing information contained in return) such tentative return shall not be deemed a return for the purposes of this chapter.

"'(f) Fiduciaries: For returns to be made by fiduciaries, see section 142.'

"'(e) Substantial underpayment of tentative tax: Section 294 (a) of the Internal Revenue Code (relating to additions to tax) is amended by inserting at the end thereof the following:

"'(3) Substantial underpayment of tentative tax: If the amount of the tax imposed by this chapter for any taxable year upon an individual (other than an estate, trust, or nonresident alien), minus the credit allowed by section 31 (relating to taxes of foreign countries and of possessions of the United States), exceeds 120 percent of the tentative tax for such taxable year paid during such taxable year, there shall be collected as part of the tax an amount equal to 6 percent of such excess.'

"(g) The amendments made by this section shall apply only with respect to taxable years beginning after December 31, 1942.

"SEC. 4. Collection of tax at source on wages.

"(a) In general: Part II of subchapter D of chapter 1 of the Internal Revenue Code (relating to collection of tax at source on wages) as amended to read as follows:

"'PART II—COLLECTION OF TAX AT SOURCE ON WAGES

"'SEC. 465. Definitions.

"'As used in this part—

"'(a) Wages: The term "wages" means all remuneration (other than fees paid to a public official) for services performed by an employee for his employer, including the cash value of all remuneration paid in any medium other than cash; except that such term shall not include remuneration paid—

"'(1) for services performed as a member of the military or naval forces of the United States, other than pensions and retired pay included in gross income, or

"'(2) for agricultural labor (as defined in sec. 1426 (h)), or

"'(3) for domestic service in a private home, local college club, or local chapter of a college fraternity or sorority, or

"'(4) for casual labor not in the course of the employer's trade or business, or

"'(5) for services by a citizen or resident of the United States for a foreign government or for the government of the Commonwealth of the Philippines, or

"'(6) for services performed by a nonresident alien individual, other than a resident of a contiguous country who enters and leaves the United States at frequent intervals, or

"'(7) for such services, performed by a nonresident alien individual who is a resident of a contiguous country and who enters and leaves the United States at frequent intervals, as may be designated by regulations prescribed by the Commissioner with the approval of the Secretary, or

"'(8) for services for an employer performed by a citizen or resident of the United States while outside the United States (as defined in sec. 3797 (a) (9) if the major part of the services for such employer during the calendar year is to be performed outside the United States, or

"'(9) for services performed as a minister of the gospel.

"'For the purpose of paragraph (8) services performed on or in connection with an American vessel (as defined in sec. 1426 (g)) under a contract of service which is entered into within the United States or during the performance of which the vessel touches at a port in the United States, or on or in connection with any vessel as an employee of the United States employed through the War Shipping Administration, shall not constitute services performed outside the United States.

"'(b) Pay-roll period: The term "pay-roll period" means a period for which a payment of wages is ordinarily made to the employee by his employer.

"'(c) Employee: The term "employee" includes an officer, employee, or elected official of the United States, a State, Territory, or any political subdivision thereof, or the District of Columbia, or any agency or instrumentality of any one or more of the foregoing. The term "employee" also includes an officer of a corporation.

"'(d) Employer: The term "employer" means any person for whom an individual performs or performed any service, of whatever nature, as the employee of such person, except that if the wages paid to an individual are paid by a person other than the person for whom the services are or were performed, the term "employer" (except for the purposes of subsection (a)) means the person paying such wages.

"'(e) Single person: The term "single person" means a person with respect to whom a withholding exemption certificate is in effect under section 466 (i) stating that such person is single, or is married and not living with husband or wife, and is not the head of a family.

"'(f) Married person: The term "married person" means a person with respect to whom a withholding exemption certificate is in effect under section 466 (i) stating that he is married and living with husband or wife.

"'(g) Married person claiming all of personal exemption for withholding: The term "married person claiming all of personal exemption for withholding" means a married person with respect to whom a withholding exemption certificate is in effect under section 466 (i) stating that for the purposes of this part such person claims all of the personal exemption and that for the purposes of this part his spouse is claiming none of the personal exemption.

"'(h) Married person claiming half of personal exemption for withholding: The term "married person claiming half of the personal exemption for withholding" means a married person with respect to whom a withholding exemption certificate is in effect under section 466 (i) stating that for the purposes of this part such person claims half of the personal exemption.

"'(i) Married person claiming none of personal exemption for withholding: The term "married person claiming none of the personal exemption for withholding" means a married person with respect to whom a withholding exemption certificate is in effect under section 466 (i) making no claim with respect to the personal exemption for the purposes of this part.

"'(j) Head of family: The term "head of a family" means a person with respect to whom a withholding exemption certificate is in effect under section 466 (i) stating that he is the head of a family.

"'(k) Dependent: The term "dependent" means a person included in a withholding exemption certificate in effect under section 466 (i) as a person dependent upon and receiving his chief support from the employee and either under 18 years of age or incapable of self support because mentally or physically defective.

"'SEC. 466. Tax Collected at Source.

"'(a) Requirement of withholding: Every employer making payment of wages to any individual shall withhold and collect upon such wages a tax as follows:

"'(1) 17 percent of the excess of each payment of such wages over the withholding exemption allowable under subsection (b) (1) (A), and

"'(2) 3 percent of the excess of each payment of such wages over the withholding exemption allowable under subsection (b) (1) (B).

"'(b) Withholding exemption:

"'(1) In computing the tax required to be withheld under subsection (a), there shall be allowed as an exemption with respect to the wages paid for each pay roll period—

"'(A) in computing the portion thereof required to be withheld under subsection (a) (1), an amount determined in accordance with the following schedule:

Pay-roll period	Single person	Married person claiming whole of personal exemption for withholding or head of family	Married person claiming half of personal exemption for withholding	Married person claiming none of personal exemption for withholding	Each dependent, other than the first dependent in the case of the head of a family
Weekly	$11	$26	$13	0	$8
Biweekly	22	52	26	0	16
Semimonthly	23	55	27.50	0	17
Monthly	46	110	55	0	34
Quarterly	138	330	165	0	102
Semiannual	276	660	330	0	204
Annual	552	1,320	660	0	408
Daily or miscellaneous (per day of such period)	1.50	3.60	1.80	0	1.10

"'(B)' in computing the portion thereof required to be withheld under subsection (a) (2), an amount determined in accordance with the following schedule:

"Pay roll period:	"'Withholding exemption'
Weekly	$12.00
Biweekly	24.00
Semimonthly	26.00
Monthly	52.00
Quarterly	156.00
Semiannual	312.00
Annual	624.00
Daily or miscellaneous (per day of such period)	1.70

"'(2) If wages are paid with respect to a period which is not a pay-roll period, the exemption allowable with respect to each payment of such wages shall be the exemption allowed for a miscellaneous pay-roll period containing a number of days equal to the number of days in the period with respect to which such wages are paid.

"'(3) In any case in which wages are paid by an employer without regard to any pay-roll period or other period, the exemption allowable with respect to each payment of such wages shall be the exemption allowed for a miscellaneous pay-roll period containing a number of days equal to the number of days (including Sundays and holidays) which have elapsed since the date of the last payment of such wages by such employer during the calendar year, or the date of commencement of employment with such employer during such year, or January 1 of such year, whichever is the later.

"'(4) In any case in which the period, or the time described in paragraph (3), in respect of any wages is less than 1 week, at the election of the employer the excess of the aggregate of the wages paid to the employee during the calendar week over the exemption allowed by this subsection for a weekly pay roll period may be used in computing the tax required to be withheld.

"'(c) Wage bracket withholding:

"'(1) At the election of the employer with respect to any employee, the employer shall deduct and withhold upon the wages paid to such employee a tax determined in accordance with the following tables, which shall be in lieu of the tax required to be withheld under subsection (a):

"If the pay-roll period with respect to an employee is weekly

And the wages are		And such person is a single person and has					
At least	But less than	No dependents	One dependent	Two dependents	Three dependents	Four dependents	Five dependents
		The amount to be withheld shall be					
$0	$10						
10	15	$0.30					
15	20	1.30	$0.20	$0.20	$0.20	$0.20	$0.20
20	25	2.30	.90	.30	30	.30	.30
25	30	3.30	1.90	.50	.50	.50	.50
30	40	4.80	3.40	2.00	.70	.70	.70
40	50	6.80	5.40	4.00	2.70	1.30	1.00
50	60	8.80	7.40	6.00	4.70	3.30	2.00
60	70	10.80	9.40	8.00	6.70	5.30	4.00
70	80	12.80	11.40	10.00	8.70	7.30	6.00
80	90	14.80	13.40	12.00	10.70	9.30	8.00
90	100	16.80	15.40	14.00	12.70	11.30	10.00
100	110	18.80	17.40	16.00	14.70	13.30	12.00
110	120	20.80	19.40	18.00	16.70	15.30	14.00
120	130	22.80	21.40	20.00	18.70	17.30	16.00
130	140	24.80	23.40	22.00	20.70	19.30	18.00
140	150	26.80	25.40	24.00	22.70	21.30	20.00
150	160	28.80	27.40	26.00	24.70	23.30	22.00
160	170	30.80	29.40	28.00	26.70	25.30	24.00
170	180	32.80	31.40	30.00	28.70	27.30	26.00
180	190	34.80	33.40	32.00	30.70	29.30	28.00
190	200	36.80	35.40	34.00	32.70	31.30	30.00
$200 or over		20% of the excess over $200 plus					
		$37.80	$36.40	$35.00	$33.70	$2.30	$31.00

"If the number of dependents is in excess of five, the amount of tax to be withheld shall be that applicable in the case of five dependents reduced by $1.35 for each dependent over five, except that in no event shall the amount to be withheld be less than 3 percent of the excess of the median wage in the bracket in which the wages paid fall (or if the wages paid are $200 or over, of the excess of the wages) over $12, computed, in case such amount is not a multiple of $0.10, to the nearest multiple of $0.10.

"If the pay-roll period with respect to an employee is weekly

And the wages are		And such person is a married person claiming all of personal exemption for withholding and has					
At least	But less than	No dependents	One dependent	Two dependents	Three dependents	Four dependents	Five dependents
		The amount to be withheld shall be					
$0	$10						
10	15						
15	20	$0.20	$0.20	$0.20	$0.20	$0.20	$0.20
20	25	.30	.30	.30	.30	.30	.30
25	30	.70	.50	.50	.50	.50	.50
30	40	2.20	.90	.70	.70	.70	.70
40	50	4.20	2.90	1.50	1.00	1.00	1.00
50	60	6.20	4.90	3.50	2.10	1.30	1.30
60	70	8.20	6.90	5.50	4.10	2.80	2.80
70	80	10.20	8.90	7.50	5.10	4.80	3.40
80	90	12.20	10.90	9.50	8.10	6.80	5.40
90	100	14.20	12.90	11.50	10.10	8.80	7.40
100	110	16.20	14.90	13.50	12.10	10.80	9.40
110	120	18.20	16.90	15.50	14.10	12.80	11.40
120	130	20.20	18.90	17.50	16.10	14.80	13.40
130	140	22.20	20.90	19.50	18.10	16.80	15.40
140	150	24.20	22.90	21.50	20.10	18.80	17.40
150	160	26.20	24.90	23.50	22.10	20.80	19.40
160	170	28.20	26.90	25.50	24.10	22.80	21.40
170	180	30.20	28.90	27.50	26.10	24.80	23.40
180	190	32.20	30.90	29.50	28.10	26.80	25.40
190	200	34.20	32.90	31.50	30.10	28.80	27.40
$200 or over		20% of the excess over $200 plus					
		$35.20	$33.90	$32.50	$31.10	$29.80	$28.40

"If the number of dependents is in excess of five, the amount of tax to be withheld shall be that applicable in the case of five dependents reduced by $1.35 for each dependent over five, except that in no event shall the amount to be withheld be less than 3 per centum of the excess of the median wage in the bracket in which the wages paid fall (or if the wages paid are $200 or over, of the excess of the wages) over $12, computed, in case such amount is not a multiple of $0.10, to the nearest multiple of $0.10.

"If the pay-roll period with respect to an employee is weekly

And the wages are		And such person is a married person claiming half of personal exemption for withholding and has					
At least	But less than	No dependents	One dependent	Two dependents	Three dependents	Four dependents	Five dependents
		The amount to be withheld shall be					
$0	$10						
10	15						
15	20	$0.90	$0.20	$0.20	$0.20	$0.20	$0.20
20	25	1.90	.60	.30	.30	.30	.30
25	30	2.90	1.60	.50	.50	.50	.50
30	40	4.40	3.10	1.70	.70	.70	.70
40	50	6.40	5.10	3.70	2.30	1.00	1.00
50	60	8.40	7.10	5.70	4.30	3.00	1.60
60	70	10.40	9.10	7.70	6.30	5.00	3.60
70	80	12.40	11.10	9.70	8.30	7.00	5.60
80	90	14.40	13.10	11.70	10.30	9.00	7.60
90	100	16.40	15.10	13.70	12.30	11.00	9.60
100	110	18.40	17.10	15.70	14.30	13.00	11.60
110	120	20.40	19.10	17.70	16.30	15.00	13.60
120	130	22.40	21.10	19.70	18.30	17.00	15.60
130	140	24.40	23.10	21.70	20.30	19.00	17.60
140	150	26.40	25.10	23.70	22.30	21.00	19.60
150	160	28.40	27.10	25.70	24.30	23.00	21.60
160	170	30.40	29.10	27.70	26.30	25.00	23.60
170	180	32.40	31.10	29.70	28.30	27.00	25.60
180	190	34.40	33.10	31.70	30.30	29.00	27.60
190	200	36.40	35.10	33.70	32.30	31.00	29.60
$200 or over		20% of the excess over $200 plus					
		$37.40	$36.10	$34.70	$33.30	$32.00	$30.60

"If the number of dependents is in excess of five, the amount of tax to be withheld shall be that applicable in the case of five dependents reduced by $1.35 for each dependent over five, except that in no event shall the amount to be withheld be less than 3 per centum of the excess of the median wage in the bracket in which the wages paid fall (or if the wages paid are $200 or over, of the excess of the wages) over $12, computed, in case such amount is not a multiple of $0.10, to the nearest multiple of $0.10.

"If the pay-roll period with respect to an employee is weekly

And the wages are		And such person is a married person claiming none of personal exemption for withholding and has					
At least	But less than	No dependents	One dependent	Two dependents	Three dependents	Four dependents	Five dependents
		The amount to be withheld shall be					
$0	$10	$0.80					
10	15	2.10	$0.80				
15	20	3.10	1.80	$0.40	$0.20	$0.20	$0.20
20	25	4.10	2.80	1.40	.30	.30	.30
25	30	5.10	3.80	2.40	1.10	.50	.50
30	40	6.60	5.30	3.90	2.60	1.20	.70
40	50	8.60	7.30	5.90	4.60	3.20	1.80
50	60	10.60	9.30	7.90	6.60	5.20	3.80
60	70	12.60	11.30	9.90	8.60	7.20	5.80
70	80	14.60	13.30	11.90	10.60	9.20	7.80
80	90	16.60	15.30	13.90	12.60	11.20	9.80
90	100	18.60	17.30	15.90	14.60	13.20	11.80
100	110	20.60	19.30	17.90	16.60	15.20	13.80
110	120	22.60	21.30	19.90	18.60	17.20	15.80
120	130	24.60	23.30	21.90	20.60	19.20	17.80
130	140	26.60	25.30	23.90	22.60	21.20	19.80
140	150	28.60	27.30	25.90	24.60	23.20	21.80
150	160	30.60	29.30	27.90	26.60	25.20	23.80
160	170	32.60	31.30	29.90	28.60	27.20	25.80
170	180	34.60	33.30	31.90	30.60	29.20	27.80
180	190	36.60	35.30	33.90	32.60	31.20	29.80
190	200	38.60	37.30	35.90	34.60	33.20	31.80
$200 or over		20% of the excess over $200 plus					
		$39.60	$38.30	$36.90	$35.60	$34.20	$32.80

"If the number of dependents is in excess of five, the amount of tax to be withheld shall be that applicable in the case of five dependents reduced by $1.35 for each dependent over five, except that in no event shall the amount to be withheld be less than 3 per centum of the excess of the median wage in the bracket in which the wages paid fall (or if the wages paid are $200 or over, of the excess of the wages) over $12, computed, in case such amount is not a multiple of $0.10, to the nearest multiple of $0.10.

"If the pay-roll period with respect to an employee is weekly

And the wages are		And such person is head of a family and has					
At least	But less than	No dependents	One dependent	Two dependents	Three dependents	Four dependents	Five dependents
		The amount to be withheld shall be					
$0	$10						
10	15						
15	20	$0.20	$0.20	$0.20	$0.20	$0.20	$0.20
20	25	.30	.30	.30	.30	.30	.30
25	30	.70	.70	.50	.50	.50	.50
30	40	2.20	2.20	.90	.70	.70	.70
40	50	4.20	4.20	2.90	1.50	1.00	1.00
50	60	6.20	6.20	4.90	3.50	2.10	1.30
60	70	8.20	8.20	6.90	5.50	4.10	2.80
70	80	10.20	10.20	8.90	7.50	6.10	4.80
80	90	12.20	12.20	10.90	9.50	8.10	6.80
90	100	14.20	14.20	12.90	11.50	10.10	8.80
100	110	16.20	16.20	14.90	13.50	12.10	10.80
110	120	18.20	18.20	16.90	15.50	14.10	12.80
120	130	20.20	20.20	18.90	17.50	16.10	14.80
130	140	22.20	22.20	20.90	19.50	18.10	16.80
140	150	24.20	24.20	22.90	21.50	20.10	18.80
150	160	26.20	26.20	24.90	23.50	22.10	20.80
160	170	28.20	28.20	26.90	25.50	24.10	22.80
170	180	30.20	30.20	28.90	27.50	26.10	24.80
180	190	32.20	32.20	30.90	29.50	28.10	26.80
190	200	34.20	34.20	32.90	31.50	30.10	28.80
$200 or over		20% of the excess over $200 plus					
		$35.20	$35.20	$33.90	$32.50	$31.10	$29.80

"If the number of dependents is in excess of five, the amount of tax to be withheld shall be that applicable in the case of five dependents reduced by $1.35 for each dependent over five, except that in no event shall the amount to be withheld be less than 3 per centum of the excess of the median wage in the bracket in which the wages paid fall (or if the wages paid are $200 or over, of the excess of the wages) over $12, computed, in case such amount is not a multiple of $0.10, to the nearest multiple of $0.10.

"If the pay-roll period with respect to an employee is biweekly

And the wages are		And such person is a single person and has					
At least	But less than	No dependents	One dependent	Two dependents	Three dependents	Four dependents	Five dependents
		The amount to be withheld shall be					
$0	$20						
20	30	$0.50					
30	40	2.50	$0.30	$0.30	$0.30	$0.30	$0.30
40	50	4.50	1.80	.60	.60	.60	.60
50	60	6.50	3.80	1.10	.90	.90	.90
60	80	9.50	6.80	4.10	1.40	1.40	1.40
80	100	13.50	10.80	8.10	5.40	2.70	2.00
100	120	17.50	14.80	12.10	9.40	6.70	3.90
120	140	21.50	18.80	16.10	13.40	10.70	7.90
140	160	25.50	22.80	20.10	17.40	14.70	11.90
160	180	29.50	26.80	24.10	21.40	18.70	15.90
180	200	33.50	30.80	28.10	25.40	22.70	19.90
200	220	37.50	34.80	32.10	29.40	26.70	23.90
220	240	41.50	38.80	36.10	33.40	30.70	27.90
240	260	45.50	42.80	40.10	37.40	34.70	31.90
260	280	49.50	46.80	44.10	41.40	38.70	35.90
280	300	53.50	50.80	48.10	45.40	42.70	39.90
300	320	57.50	54.80	52.10	49.40	46.70	43.90
320	340	61.50	58.80	56.10	53.40	50.70	47.90
340	360	65.50	62.80	60.10	57.40	54.70	51.90
360	380	69.50	66.80	64.10	61.40	58.70	55.90
380	400	73.50	70.80	68.10	65.40	62.70	59.90
$400 or over		20% of the excess over $400 plus					
		$75.50	$72.80	$70.10	$67.40	$64.70	$61.90

"If the number of dependents is in excess of five, the amount of tax to be withheld shall be that applicable in the case of five dependents reduced by $2.70 for each dependent over five, except that in no event shall the amount to be withheld be less than 3 per centum of the excess of the median wage in the bracket in which the wages paid fall (or if the wages paid are $400 or over, of the excess of the wages) over $24, computed, in case such amount is not a multiple of $0.10, to the nearest multiple of $0.10.

"If the pay-roll period with respect to an employee is biweekly

And the wages are		And such person is a married person claiming all of personal exemption for withholding and has					
At least	But less than	No dependents	One dependent	Two dependents	Three dependents	Four dependents	Five dependents
		The amount to be withheld shall be					
$0	$20	-------	-------	-------	-------	-------	-------
20	30	-------	-------	-------	-------	-------	-------
30	40	$0.30	$0.30	$0.30	$0.30	$0.30	$0.30
40	50	.60	.60	.60	.60	.60	.60
50	60	1.40	.90	.90	.90	.90	.90
60	80	4.40	1.70	1.40	1.40	1.40	1.40
80	100	8.40	5.70	3.00	2.00	2.00	2.00
100	120	12.40	9.70	7.00	4.30	2.60	2.60
120	140	16.40	13.70	11.00	8.30	5.60	3.20
140	160	20.40	17.70	15.00	12.30	9.60	6.80
160	180	24.40	21.70	19.00	16.30	13.60	10.80
180	200	28.40	25.70	23.00	20.30	17.60	14.80
200	220	32.40	29.70	27.00	24.30	21.60	18.80
220	240	36.40	33.70	31.00	28.30	25.60	22.80
240	260	40.40	37.70	35.00	32.30	29.60	26.80
260	280	44.40	41.70	39.00	36.30	33.60	30.80
280	300	48.40	45.70	43.00	40.30	37.60	34.80
300	320	52.40	49.70	47.00	44.30	41.60	38.80
320	340	56.40	53.70	51.00	48.30	45.60	42.80
340	360	60.40	57.70	55.00	52.30	49.60	46.80
360	380	64.40	61.70	59.00	56.30	53.60	50.80
380	400	68.40	65.70	63.00	60.30	57.60	54.80
$400 or over----		20% of the excess over $400 plus					
		$70.40	$67.70	$65.00	$62.30	$59.60	$56.80

"If the number of dependents is in excess of five, the amount of tax to be withheld shall be that applicable in the case of five dependents reduced by $2.70 for each dependent over five, except that in no event shall the amount to be withheld be less than 3 per centum of the excess of the median wage in the bracket in which the wages paid fall (or if the wages paid are $400 or over, of the excess of the wages) over $24, computed, in case such amount is not a multiple of $0.10, to the nearest multiple of $0.10.

"If the pay-roll period with respect to an employee is biweekly

And the wages are		And such person is a married person claiming half of personal exemption for withholding and has					
At least	But less than	No dependents	One dependent	Two dependents	Three dependents	Four dependents	Five dependents
		The amount to be withheld shall be					
$0	$20	-------	-------	-------	-------	-------	-------
20	30	-------	-------	-------	-------	-------	-------
30	40	$1.90	$0.30	$0.30	$0.30	$0.30	$0.30
40	50	3.90	1.10	.60	.60	.60	.60
50	60	5.90	3.10	.90	.90	.90	.90
60	80	8.90	6.10	3.40	1.40	1.40	1.40
80	100	12.90	10.10	7.40	4.70	2.00	2.00
100	120	16.90	14.10	11.40	8.70	6.00	3.30
120	140	20.90	18.10	15.40	12.70	10.00	7.30
140	160	24.90	22.10	19.40	16.70	14.00	11.30
160	180	28.90	26.10	23.40	20.70	18.00	15.30
180	200	32.90	30.10	27.40	24.70	22.00	19.30
200	220	36.90	33.10	31.40	28.70	26.00	23.30
220	240	40.90	38.10	35.40	32.70	30.00	27.30
240	260	44.90	42.10	39.40	36.70	34.00	31.30
260	280	48.90	46.10	43.40	40.70	38.00	35.30
280	300	52.90	50.10	47.40	44.70	42.00	39.30
300	320	56.90	54.10	51.40	48.70	46.00	43.30
320	340	60.90	58.10	55.40	52.70	50.00	47.30
340	360	64.90	62.10	59.40	56.70	54.00	51.30
360	380	68.90	66.10	63.40	60.70	58.00	55.30
380	400	72.90	70.10	67.40	64.70	62.00	59.30
$400 or over----		20% of the excess over $400 plus					
		$74.90	$72.10	$69.40	$66.70	$64.00	$61.30

"If the number of dependents is in excess of five, the amount of tax to be withheld shall be that applicable in the case of five dependents reduced by $2.70 for each dependent over five, except that in no event shall the amount to be withheld be less than 3 per centum of the excess of the median wage in the bracket in which the wages paid fall (or if the wages paid are $400 or over, of the excess of the wages) over $24, computed, in case such amount is not a multiple of $0.10, to the nearest multiple of $0.10.

"If the pay-roll period with respect to an employee is biweekly

And the wages are		And such person is a married person claiming none of personal exemption for withholding and has					
At least	But less than	No dependents	One dependent	Two dependents	Three dependents	Four dependents	Five dependents
		The amount to be withheld shall be					
$0	$20	$1.70	-------	-------	-------	-------	-------
20	30	4.30	$1.60	-------	-------	-------	-------
30	40	6.30	3.60	$0.80	$0.30	$0.30	$0.30
40	50	8.30	5.60	2.80	.60	.60	.60
50	60	10.30	7.60	4.80	2.10	.90	.90
60	80	13.30	10.60	7.80	5.10	2.40	1.40
80	100	17.30	14.60	11.80	9.10	6.40	3.70
100	120	21.30	18.60	15.80	13.10	10.40	7.70
120	140	25.30	22.60	19.80	17.10	14.40	11.70
140	160	29.30	26.60	23.80	21.10	18.40	15.70
160	180	33.30	30.60	27.80	25.10	22.40	19.70
180	200	37.30	34.60	31.80	29.10	26.40	23.70
200	220	41.30	38.60	35.80	33.10	30.40	27.70
220	240	45.30	42.60	39.80	37.10	34.40	31.70
240	260	49.30	46.60	43.80	41.10	38.40	35.70
260	280	53.30	50.60	47.80	45.10	42.40	39.70
280	300	57.30	54.60	51.80	49.10	46.40	43.70
300	320	61.30	58.60	55.80	53.10	50.40	47.70
320	340	65.30	62.60	59.80	57.10	54.40	51.70
340	360	69.30	66.60	63.80	61.10	58.40	55.70
360	380	73.30	70.60	67.80	65.10	62.40	59.70
380	400	77.30	74.60	71.80	69.10	66.40	63.70
$400 or over----		20% of the excess over $200 plus					
		$79.30	$76.60	$73.80	$71.10	$68.40	$65.70

"If the number of dependents is in excess of five, the amount of tax to be withheld shall be that applicable in the case of five dependents reduced by $2.70 for each dependent over five, except that in no event shall the amount to be withheld be less than 3 per centum of the excess of the median wage in the bracket in which the wages paid fall (or if the wages paid are $400 or over of the excess of the wages) over $24, computed, in case such amount is not a multiple of $0.10, to the nearest multiple of $0.10.

"If the pay-roll period with respect to an employee is biweekly

And the wages are		And such person is head of a family and has					
At least	But less than	No dependents	One dependent	Two dependents	Three dependents	Four dependents	Five dependents
		The amount to be withheld shall be					
$0	$20	-------	-------	-------	-------	-------	-------
20	30	-------	-------	-------	-------	-------	-------
30	40	$0.30	$0.30	$0.30	$0.30	$0.30	$0.30
40	50	.60	.60	.60	.60	.60	.60
50	60	1.40	1.40	.90	.90	.90	.90
60	80	4.40	4.40	1.70	1.40	1.40	1.40
80	100	8.40	8.40	5.70	3.00	2.00	2.00
100	120	12.40	12.40	9.70	7.00	4.30	2.60
120	140	16.40	16.40	13.70	11.00	8.30	5.60
140	160	20.40	20.40	17.70	15.00	12.30	9.60
160	180	24.40	24.40	21.70	19.00	16.30	13.60
180	200	28.40	28.40	25.70	23.00	20.30	17.60
200	220	32.40	32.40	29.70	27.00	24.30	21.60
220	240	36.40	36.40	33.70	31.00	28.30	25.60
240	260	40.40	40.40	37.70	35.00	32.30	29.60
260	280	44.40	44.40	41.70	39.00	36.30	33.60
280	300	48.40	48.40	45.70	43.00	40.30	37.60
300	320	52.40	52.40	49.70	47.00	44.30	41.60
320	340	56.40	56.40	53.70	51.00	48.30	45.60
340	360	60.40	60.40	57.70	55.00	52.30	49.60
360	380	64.40	64.40	61.70	59.00	56.30	53.60
380	400	68.40	68.40	65.70	63.00	60.30	57.60
$400 or over----		20% of the excess over $400 plus					
		$70.40	$70.40	$67.70	$65.00	$62.30	$59.60

"If the number of dependents is in excess of five, the amount of tax to be withheld shall be that applicable in the case of five dependents reduced by $2.70 for each dependent over five, except that in no event shall the amount to be withheld be less than 3 per centum of the excess of the median wage in the bracket in which the wages paid fall (or if the wages paid are $400 or over, of the excess of the wages) over $24, computed, in case such amount is not a multiple of $0.10, to the nearest multiple of $0.10.

"If the pay-roll period with respect to an employee is semimonthly

And the wages are		And such person is a single person and has					
At least	But less than	No dependents	One dependent	Two dependents	Three dependents	Four dependents	Five dependents
		The amount to be withheld shall be					
$0	$20	-------	-------	-------	-------	-------	-------
20	30	$0.30	-------	-------	-------	-------	-------
30	40	2.30	$0.30	$0.30	$0.30	$0.30	$0.30
40	50	4.30	1.40	.60	.60	.60	.60
50	60	6.30	3.40	.90	.90	.90	.90
60	80	9.30	6.40	3.50	1.30	1.30	1.30
80	100	13.30	10.40	7.50	4.60	1.90	1.90
100	120	17.30	14.40	11.50	8.60	5.70	2.90
120	140	21.30	18.40	15.50	12.60	9.70	6.90
140	160	25.30	22.40	19.50	16.60	13.70	10.90
160	180	29.30	26.40	23.50	20.60	17.70	14.90
180	200	33.30	30.40	27.50	24.60	21.70	18.90
200	220	37.30	34.40	31.50	28.60	25.70	22.90
220	240	41.30	38.40	35.50	32.60	29.70	26.90
240	260	45.30	42.40	39.50	36.60	33.70	30.90
260	280	49.30	46.40	43.50	40.60	37.70	34.90
280	300	53.30	50.40	47.50	44.60	41.70	38.90
300	320	57.30	54.40	51.50	48.60	45.70	42.90
320	340	61.30	58.40	55.50	52.60	49.70	46.90
340	360	65.30	62.40	59.50	56.60	53.70	50.90
360	380	69.30	66.40	63.50	60.60	57.70	54.90
380	400	73.30	70.40	67.50	64.60	61.70	58.90
$400 or over----		20% of the excess over $400 plus					
		$75.30	$72.40	$69.50	$66.60	$63.70	$60.90

"If the number of dependents is in excess of five, the amount of tax to be withheld shall be that applicable in the case of five dependents reduced by $2.90 for each dependent over five, except that in no event shall the amount to be withheld be less than 3 per centum of the excess of the median wage in the bracket in which the wages paid fall (or if the wages paid are $400 or over, of the excess of the wages) over $26, computed, in case such amount is not a multiple of $0.10, to the nearest multiple of $0.10.

"If the pay-roll period with respect to an employee is semimonthly

And the wages are		And such person is a married person claiming all of personal exemption for withholding and has					
At least	But less than	No dependents	One dependent	Two dependents	Three dependents	Four dependents	Five dependents
		The amount to be withheld shall be					
$0	$20	-------	-------	-------	-------	-------	-------
20	30	-------	-------	-------	-------	-------	-------
30	40	$0.30	$0.30	$0.30	$0.30	$0.30	$0.30
40	50	.60	.60	.60	.60	.60	.60
50	60	.90	.90	.90	.90	.90	.90
60	80	3.90	1.30	1.30	1.30	1.30	1.30
80	100	7.90	5.00	2.10	1.90	1.90	1.90
100	120	11.90	9.00	6.10	3.20	2.50	2.50
120	140	15.90	13.00	10.10	7.20	4.30	3.10
140	160	19.90	17.00	14.10	11.20	8.30	5.40
160	180	22.90	21.00	18.10	15.20	12.30	9.40
180	200	27.90	25.00	22.10	19.20	16.30	13.40
200	220	31.90	29.00	26.10	23.20	20.30	17.40
220	240	35.90	33.00	30.10	27.20	24.30	21.40
240	260	39.90	37.00	34.10	31.20	28.30	25.40
260	280	43.90	41.00	38.10	35.20	32.30	29.40
280	300	47.90	45.00	a2.10	39.20	36.30	33.40
300	320	51.90	49.00	46.10	43.20	40.30	37.40
320	340	55.90	53.00	50.10	47.20	44.30	41.40
340	360	59.90	57.00	54.10	51.20	48.30	45.40
360	380	63.90	61.00	58.10	55.20	52.30	49.40
380	400	67.90	65.00	62.10	59.20	56.30	53.40
$400 or over----		20% of the excess over $400 plus					
		$69.90	$67.00	$64.10	$61.20	$58.30	$55.40

"If the number of dependents is in excess of five, the amount of tax to be withheld shall be that applicable in the case of five dependents reduced by $2.90 for each dependent over five, except that in no event shall the amount to be withheld be less than 3 per centum of the excess of the median wage in the bracket in which the wages paid fall (or if the wages paid are $400 or over, of the excess of the wages) over $26, computed, in case such amount is not a multiple of $0.10, to the nearest multiple of $0.10.

"If the pay-roll period with respect to an employee is semimonthly

And the wages are		And such person is a married person claiming half of personal exemption for withholding and has					
At least	But less than	No dependents	One dependent	Two dependents	Three dependents	Four dependents	Five dependents
		The amount to be withheld shall be					
$0	$20	-------	-------	-------	-------	-------	-------
20	30	-------	-------	-------	-------	-------	-------
30	40	$1.50	$0.30	$0.30	$0.30	$0.30	$0.30
40	50	3.50	.60	.60	.60	.60	.60
50	60	5.50	2.60	.90	.90	.90	.90
60	80	8.50	5.60	2.80	1.30	1.30	1.30
80	100	12.50	9.60	6.80	3.90	1.90	1.90
100	120	16.50	13.60	10.80	7.90	5.00	2.50
120	140	20.50	17.60	14.80	11.90	9.00	6.10
140	160	24.50	21.60	18.80	15.90	13.00	10.10
160	180	28.50	25.60	22.80	19.90	17.00	14.10
180	200	32.50	29.60	26.80	23.90	21.00	18.10
200	220	36.50	33.60	30.80	27.90	25.00	22.10
220	240	40.50	37.60	34.80	31.90	29.00	26.10
240	260	44.50	41.60	38.80	35.90	33.00	30.10
260	280	48.50	45.60	42.80	39.90	37.00	34.10
280	300	52.50	49.60	46.80	43.90	41.00	38.10
300	320	56.50	53.60	50.80	47.90	45.00	42.10
320	340	60.50	57.60	54.80	51.90	49.00	46.10
340	360	64.50	61.60	58.80	55.90	53.00	50.10
360	380	68.50	65.60	62.80	59.90	57.00	54.10
380	400	72.50	69.60	66.80	63.90	61.00	58.10
$400	or over----	20% of the excess over $400 plus					
		$74.50	$71.60	$68.80	$65.90	$63.00	$60.10

"If the number of dependents is in excess of five, the amount of tax to be withheld shall be that applicable in the case of five dependents reduced by $2.90 for each dependent over five, except that in no event shall the amount to be withheld be less than 3 per centum of the excess of the median wage in the bracket in which the wages paid fall (or if the wages paid are $400 or over, of the excess of the wages) over $26, computed, in case such amount is not a multiple of $0.10, to the nearest multiple of $0.10.

"If the pay-roll period with respect to an employee is semimonthly

And the wages are		And such person is a married person claiming none of personal exemption for withholding and has					
At least	But less than	No dependents	One dependent	Two dependents	Three dependents	Four dependents	Five dependents
		The amount to be withheld shall be					
$0	$20	$1.70	-------	-------	-------	-------	-------
20	30	4.20	$1.40	-------	-------	-------	-------
30	40	6.20	3.30	$0.40	$0.30	$0.30	$0.30
40	50	8.20	5.30	2.40	.60	.60	.60
50	60	10.20	7.30	4.40	1.50	.90	.90
60	80	13.20	10.30	7.40	4.50	1.70	1.30
80	100	17.20	14.30	11.40	8.50	5.70	2.80
100	120	21.20	18.30	15.40	12.50	9.70	6.80
120	140	25.20	22.30	19.40	16.50	13.70	10.80
140	160	29.20	26.30	23.40	20.50	17.70	14.80
160	180	33.20	30.30	27.40	24.50	21.70	18.80
180	200	37.20	34.30	31.40	28.50	25.70	22.80
200	220	41.20	38.30	35.40	32.50	29.70	26.80
220	240	45.20	42.30	39.40	36.50	33.70	30.80
240	260	49.20	46.30	43.40	40.50	37.70	34.80
260	280	53.20	50.30	47.40	44.50	41.70	38.80
280	300	57.20	54.30	51.40	48.50	45.70	42.80
300	320	61.20	58.30	55.40	52.50	49.70	46.80
320	340	65.20	62.30	59.40	56.50	53.70	50.80
340	360	69.20	66.30	63.40	60.50	57.70	54.80
360	380	73.20	70.30	67.40	64.50	61.70	58.80
380	400	77.20	74.30	71.40	68.50	65.70	62.80
$400	or over----	20% of the excess over $400 plus					
		$79.20	$76.30	$73.40	$70.50	$67.70	$64.80

"If the number of dependents is in excess of five, the amount of tax to be withheld shall be that applicable in the case of five dependents reduced by $2.90 for each dependent over five, except that in no event shall the amount to be withheld be less than 3 per centum of the excess of the median wage in the bracket in which the wages paid fall (or if the wages paid are $400 or over, of the excess of the wages) over $26, computed, in case such amount is not a multiple of $0.10, to the nearest multiple of $0.10.

"If the pay-roll period with respect to an employee is semimonthly

And the wages are		And such person is head of a family and has					
At least	But less than	No dependents	One dependent	Two dependents	Three dependents	Four dependents	Five dependents
		The amount to be withheld shall be					
$0	$20	-------	-------	-------	-------	-------	-------
20	30	-------	-------	-------	-------	-------	-------
30	40	$0.30	$0.30	$0.30	$0.30	$0.30	$0.30
40	50	.60	.60	.60	.60	.60	.60
50	60	.90	.90	.90	.90	.90	.90
60	80	3.90	3.90	1.30	1.30	1.30	1.30
80	100	7.90	7.90	5.00	2.10	1.90	1.90
100	120	11.90	11.90	9.00	6.10	3.20	2.50
120	140	15.90	15.90	13.00	10.10	7.20	4.30
140	160	19.90	19.90	17.00	14.10	11.20	8.30
160	180	23.90	23.90	21.00	18.10	15.20	12.30
180	200	27.90	27.90	25.00	22.10	19.20	16.30
200	220	31.90	31.90	29.00	26.10	23.20	20.30
220	240	35.90	35.90	33.00	30.10	27.20	24.30
240	260	39.90	39.90	37.00	34.10	31.20	28.30
260	280	43.90	43.90	41.00	38.10	35.20	32.30
280	300	47.90	47.90	45.00	42.10	39.20	36.30
300	320	51.90	51.90	49.00	46.10	43.20	40.30
320	340	55.90	55.90	53.00	50.10	47.20	44.30
340	360	59.90	59.90	57.00	54.10	51.20	48.30
360	380	63.90	63.90	61.00	58.10	55.20	52.30
380	400	67.90	67.90	65.00	62.10	59.20	56.30
$400	or over----	20% of the excess over $400 plus					
		$69.90	$69.90	$67.00	$64.10	$61.20	$58.30

"If the number of dependents is in excess of five, the amount of tax to be withheld shall be that applicable in the case of five dependents reduced by $2.90 for each dependent over five, except that in no event shall the amount to be withheld be less than 3 per centum of the excess of the median wage in the bracket in which the wages paid fall (or if the wages paid are $400 or over, of the excess of the wages) over $26, computed, in case such amount is not a multiple of $0.10, to the nearest multiple of $0.10.

"If the pay-roll period with respect to an employee is monthly

And the wages are		And such person is a single person and has					
At least	But less than	No dependent	One dependent	Two dependents	Three dependents	Four dependents	Five dependents
		The amount to be withheld shall be					
$0	$40	-------	-------	-------	-------	-------	-------
40	50	-------	-------	-------	-------	-------	-------
50	60	$1.60	$0.10	$0.10	$0.10	$0.10	$0.10
60	70	3.60	.40	.40	.40	.40	.40
70	80	5.60	.70	.70	.70	.70	.70
80	100	8.60	2.80	1.10	1.10	1.10	1.10
100	120	12.60	6.80	1.70	1.70	1.70	1.70
120	140	16.60	10.80	5.10	2.30	2.30	2.30
140	160	20.60	14.80	9.10	3.30	2.90	2.90
160	200	26.60	20.80	15.10	9.30	3.80	3.80
200	240	34.60	28.80	23.10	17.30	11.50	5.70
240	280	42.60	36.80	31.10	25.30	19.50	13.70
280	320	50.60	44.80	39.10	33.30	27.50	21.70
320	360	58.60	52.80	47.10	41.30	35.50	29.70
360	400	66.60	60.80	55.10	49.30	43.50	37.70
400	440	74.60	68.80	63.10	57.30	51.50	45.70
440	480	82.60	76.80	71.10	65.30	59.50	53.70
480	520	90.60	84.80	79.10	73.30	67.50	61.70
520	560	98.60	92.80	87.10	81.30	75.50	69.70
560	600	106.60	100.80	95.10	89.30	83.50	77.70
600	640	114.60	108.80	103.10	97.30	91.50	85.70
640	680	122.60	116.80	111.10	105.30	99.50	93.70
680	720	130.60	124.80	119.10	113.30	107.50	101.70
720	760	138.60	132.80	127.10	121.30	115.50	109.70
760	800	146.60	140.80	135.10	129.30	123.50	117.70
$800	or over----	20% of the excess over $800 plus					
		$150.60	$144.80	$139.10	$133.30	$127.50	$121.70

"If the number of dependents is in excess of five, the amount of tax to be withheld shall be that applicable in the case of five dependents reduced by $5.80 for each dependent over five, except that in no event shall the amount to be withheld be less than 3 per centum of the excess of the median wage in the bracket in which the wages paid fall (or if the wages paid are $800 or over, of the excess of the wages) over $52, computed, in case such amount is not a multiple of $0.10, to the nearest multiple of $0.10.

"If the pay-roll period with respect to an employee is monthly

And the wages are		And such person is a married person claiming all of personal exemption for withholding and has					
At least	But less than	No dependents	One dependent	Two dependents	Three dependents	Four dependents	Five dependents
		The amount to be withheld shall be					
$0	$40	-------	-------	-------	-------	-------	-------
40	50	-------	-------	-------	-------	-------	-------
50	60	$0.10	$0.10	$0.10	$0.10	$0.10	$0.10
60	70	.40	.40	.40	.40	.40	.40
70	80	.70	.70	.70	.70	.70	.70
80	100	1.10	1.10	1.10	1.10	1.10	1.10
100	120	1.70	1.70	1.70	1.70	1.70	1.70
120	140	5.70	2.30	2.30	2.30	2.30	2.30
140	160	9.70	4.00	2.90	2.90	2.90	2.90
160	200	15.70	10.00	4.20	3.80	3.80	3.80
200	240	23.70	18.00	12.20	6.40	5.00	5.00
240	280	31.70	26.00	20.20	14.40	8.60	6.20
280	320	39.70	34.00	28.20	22.40	16.60	10.80
320	360	47.70	42.00	36.20	30.40	24.60	18.80
360	400	55.70	50.00	44.20	38.40	32.60	26.80
400	440	63.70	58.00	52.20	46.40	40.60	34.80
440	480	71.70	66.00	60.20	54.40	48.60	42.80
480	520	79.70	74.00	68.20	62.40	56.60	50.80
520	560	87.70	82.00	76.20	70.40	64.60	58.80
560	600	95.70	90.00	84.20	78.40	72.60	66.80
600	640	103.70	98.00	92.20	86.40	80.60	74.80
640	680	111.70	106.00	100.20	94.40	88.60	82.80
680	720	119.70	114.00	108.20	102.40	96.60	90.80
720	760	127.70	122.00	116.20	110.40	104.60	98.80
760	800	135.70	130.00	124.20	118.40	112.60	106.80
$800	or over----	20% of the excess over $800 plus					
		$139.70	$134.00	$128.20	$122.40	$116.60	$110.80

"If the number of dependents is in excess of five, the amount of tax to be withheld shall be that applicable in the case of five dependents reduced by $5.80 for each dependent over five, except that in no event shall the amount to be withheld be less than 3 per centum of the excess of the median wage in the bracket in which the wages paid fall (or if the wages paid are $800 or over, of the excess of the wages) over $52, computed, in case such amount is not a multiple of $0.10, to the nearest multiple of $0.10.

"If the pay-roll period with respect to an employee is monthly

And the wages are		And such person is a married person claiming half of personal exemption for withholding and has					
At least	But less than	No dependents	One dependent	Two dependents	Three dependents	Four dependents	Five dependents
		The amount to be withheld shall be					
$0	$40	-------	-------	-------	-------	-------	-------
40	50	-------	-------	-------	-------	-------	-------
50	60	$0.10	$0.10	$0.10	$0.10	$0.10	$0.10
60	70	2.10	.40	.40	.40	.40	.40
70	80	4.10	.70	.70	.70	.70	.70
80	100	7.10	1.30	1.10	1.10	1.10	1.10
100	120	11.10	5.30	1.70	1.70	1.70	1.70
120	140	15.10	9.30	3.50	2.30	2.30	2.30
140	160	19.10	13.30	7.50	2.90	2.90	2.90
160	200	25.10	19.30	13.50	7.70	3.80	3.80
200	240	33.10	27.30	21.50	15.70	10.00	5.00
240	280	41.10	35.30	29.50	23.70	18.00	12.20
280	320	49.10	43.30	37.50	31.70	26.00	20.20
320	360	57.10	51.30	45.50	39.70	34.00	28.20
360	400	65.10	59.30	53.50	47.70	42.00	36.20
400	440	73.10	67.30	61.50	55.70	50.00	44.20
440	480	81.10	75.30	69.50	63.70	58.00	52.20
480	520	89.10	83.30	77.50	71.70	66.00	60.20
520	560	97.10	91.30	85.50	79.70	74.00	68.20
560	600	105.10	99.30	93.50	87.70	82.00	76.20
600	640	113.10	107.30	101.50	95.70	90.00	84.20
640	680	121.10	115.30	109.50	103.70	98.00	92.20
680	720	129.10	123.30	117.50	111.70	106.00	100.20
720	760	137.10	131.30	125.50	119.70	114.00	108.20
760	800	145.10	139.30	133.50	127.70	122.00	116.20
$800	or over----	20% of the excess over $800 plus					
		$149.10	$143.30	$137.50	$131.70	$126.00	$120.20

"If the number of dependents is in excess of five, the amount of tax to be withheld shall be that applicable in the case of five dependents reduced by $5.80 for each dependent over five, except that in no event shall the amount to be withheld be less than 3 per centum of the excess of the median wage in the bracket in which the wages paid fall (or if the wages paid are $800 or over, of the excess of the wages) over $52, computed, in case such amount is not a multiple of $0.10, to the nearest multiple of $0.10.

"If the pay-roll period with respect to an employee is monthly

And the wages are		And such person is a married person claiming none of personal exemption for withholding and has					
At least	But less than	No dependents	One dependent	Two dependents	Three dependents	Four dependents	Five dependents
		The amount to be withheld shall be					
$0	$40	$3.40	-------	-------	-------	-------	-------
40	50	7.60	$1.90	-------	-------	-------	-------
50	60	9.40	3.70	$0.10	$0.10	$0.10	$0.10
60	70	11.40	5.70	.40	.40	.40	.40
70	80	13.40	7.70	1.90	.70	.70	.70
80	100	16.40	10.70	4.90	1.10	1.10	1.10
100	120	20.40	14.70	8.90	3.10	1.70	1.70
120	140	24.40	18.70	12.90	7.10	2.30	2.30
140	160	28.40	22.70	16.90	11.10	5.30	2.90
160	200	34.40	28.70	22.90	17.10	11.30	5.50
200	240	42.40	36.70	30.90	25.10	19.30	13.50
240	280	50.40	44.70	38.90	33.10	27.30	21.50
280	320	58.40	52.70	46.90	41.10	35.30	29.50
320	360	66.40	60.70	54.90	49.10	43.30	37.50
360	400	74.40	68.70	62.90	57.10	51.30	45.50
400	440	82.40	76.70	70.90	65.10	59.30	53.50
440	480	90.40	84.70	78.90	73.10	67.30	61.50
480	520	98.40	92.70	86.90	81.10	75.30	69.50
520	560	106.40	100.70	94.90	89.10	83.30	77.50
560	600	114.40	108.70	102.90	97.10	91.30	85.50
600	640	122.40	116.70	110.90	105.10	99.30	93.50
640	680	130.40	124.70	118.90	113.10	107.30	101.50
680	720	138.40	132.70	126.90	121.10	115.30	109.50
720	760	146.40	140.70	134.90	129.10	123.30	117.50
760	800	154.40	148.70	142.90	137.10	131.30	125.50
$800	or over----	20% of the excess over $800 plus					
		$158.40	$152.70	$146.90	$141.10	$135.30	$129.50

"If the number of dependents is in excess of five, the amount of tax to be withheld shall be that applicable in the case of five dependents reduced by $5.80 for each dependent over five, except that in no event shall the amount to be withheld be less than 3 per centum of the excess of the median wage in the bracket in which the wages paid fall (or if the wages paid are $800 or over, of the excess of the wages) over $52, computed, in case such amount is not a multiple of $0.10, to the nearest multiple of $0.10.

"If the pay-roll period with respect to an employee is monthly

And the wages are		And such person is the head of a family and has					
At least	But less than	No dependents	One dependent	Two dependents	Three dependents	Four dependents	Five dependents
		The amount to be withheld shall be					
$0	$40	-------	-------	-------	-------	-------	-------
40	50	-------	-------	-------	-------	-------	-------
50	60	$0.10	$0.10	$0.10	$0.10	$0.10	$0.10
60	70	.40	.40	.40	.40	.40	.40
70	80	.70	.70	.70	.70	.70	.70
80	100	1.10	1.10	1.10	1.10	1.10	1.10
100	120	1.70	1.70	1.70	1.70	1.70	1.70
120	140	5.70	5.70	2.30	2.30	2.30	2.30
140	160	9.70	9.70	4.00	2.90	2.90	2.90
160	200	15.70	15.70	10.00	4.20	3.80	3.80
200	240	23.70	23.70	18.00	12.20	6.40	5.00
240	280	31.70	31.70	26.00	20.20	14.40	8.60
280	320	39.70	39.70	34.00	28.20	22.40	16.60
320	360	47.70	47.70	42.00	36.20	30.40	24.60
360	400	55.70	55.70	50.00	44.20	38.40	32.60
400	440	63.70	63.70	58.00	52.20	46.40	40.60
440	480	71.70	71.70	66.00	60.20	54.40	48.60
480	520	79.70	79.70	74.00	68.20	62.40	56.60
520	560	87.70	87.70	82.00	76.20	70.40	64.60
560	600	95.70	95.70	90.00	84.20	78.40	72.60
600	640	103.70	103.70	98.00	92.20	86.40	80.60
640	680	111.70	111.70	106.00	100.20	94.40	88.60
680	720	119.70	119.70	114.00	108.20	102.40	96.60
720	760	127.70	127.70	122.00	116.20	110.40	104.60
760	800	135.70	135.70	130.00	124.20	118.40	112.60
$800	or over----	20% of the excess over $800 plus					
		$139.70	$139.70	$134.00	$128.20	$122.40	$116.60

"If the number of dependents is in excess of five, the amount of tax to be withheld shall be that applicable in the case of five dependents reduced by $5.80 for each dependent over five, except that in no event shall the amount to be withheld be less than 3 per centum of the excess of the median wage in the bracket in which the wages paid fall (or if the wages paid are $800 or over, of the excess of the wages) over $52, computed, in case such amount is not a multiple of $0.10, to the nearest multiple of $0.10.

"If the pay-roll period with respect to an employee is a daily pay-roll period or a miscellaneous pay-roll period

And the wages divided by the number of days in such period are		And such person is a single person and has					
At least	But less than	No dependents	One dependent	Two dependents	Three dependents	Four dependents	Five dependents
		The amount to be withheld shall be the following amount multiplied by the number of days in such period					
$0	$1	-------	-------	-------	-------	-------	-------
1	2	-------	-------	-------	-------	-------	-------
2	3	$0.20	-------	-------	-------	-------	-------
3	4	.40	$0.20	$0.05	$0.05	$0.05	$0.05
4	5	.60	.40	.20	.10	.10	.10
5	6	.80	.60	.40	.25	.10	.10
6	7	1.00	.80	.60	.45	.25	.15
7	8	1.20	1.00	.80	.65	.45	.25
8	9	1.40	1.20	1.00	.85	.65	.45
9	10	1.60	1.40	1.20	1.05	.85	.65
10	12	1.90	1.70	1.50	1.35	1.15	.95
12	14	2.30	2.10	1.90	1.75	1.55	1.35
14	16	2.70	2.50	2.30	2.15	1.95	1.75
16	18	3.10	2.90	2.70	2.55	2.35	2.15
18	20	3.50	3.30	3.10	2.95	2.75	2.55
20	22	3.90	3.70	3.50	3.35	3.15	2.95
22	24	4.30	4.10	3.90	3.75	3.55	3.35
24	26	4.70	4.50	4.30	4.15	3.95	3.75
26	28	5.10	4.90	4.70	4.55	4.35	4.15
28	30	5.50	5.30	5.10	4.95	4.75	4.55
$30	and over----	20% of excess over $30 plus					
		$5.70	$5.50	$5.30	$5.15	$4.95	$4.75

"If the number of dependents is in excess of five, the amount of tax to be withheld shall be that applicable in the case of five dependents reduced by $0.20 for each dependent over five, except that in no event shall the amount to be withheld be less than 3 per centum of the excess of the product of the median wage in the bracket in which the wages fall and the number of days in the period (or if the wages paid are $30 or over, of the excess of the wages) over the product of $1.70 and the number of days in the period, computed, in case such amount is not a multiple of $0.05, to the nearest multiple of $0.05.

"If the pay-roll period with respect to an employee is a daily pay-roll period or a miscellaneous pay-roll period

And the wages divided by the number of days in such period are		And such person is a married person claiming all of persons' exemption for withholding and has					
At least	But less than	No dependents	One dependent	Two dependents	Three dependents	Four dependents	Five dependents
		The amount to be withheld shall be the following amount multiplied by the number of days in such period					
$0	$1	-------	-------	-------	-------	-------	-------
1	2	-------	-------	-------	-------	-------	-------
2	3	-------	-------	-------	-------	-------	-------
3	4	$0.05	$0.05	$0.05	$0.05	$0.05	$0.05
4	5	.25	.10	.10	.10	.10	.10
5	6	.45	.25	.10	.10	.10	.10
6	7	.65	.45	.25	.15	.15	.15
7	8	.85	.65	.45	.30	.15	.15
8	9	1.05	.85	.65	.50	.30	.20
9	10	1.25	1.05	.85	.70	.50	.30
10	12	1.55	1.35	1.15	1.00	.80	.60
12	14	1.95	1.75	1.55	1.40	1.20	1.00
14	16	2.35	2.15	1.95	1.80	1.60	1.40
16	18	2.75	2.55	2.35	2.20	2.00	1.80
18	20	3.15	2.95	2.75	2.60	2.40	2.20
20	22	3.55	3.35	3.15	3.00	2.80	2.60
22	24	3.95	3.75	3.55	3.40	3.20	3.00
24	26	4.35	4.15	3.95	3.80	3.60	3.40
26	28	4.75	4.55	4.35	4.20	4.00	3.80
28	30	5.15	4.95	4.75	4.60	4.40	4.20
$30	and over----	20% of excess over $30 plus					
		$5.35	$5.15	$4.95	$4.80	$4.60	$4.40

"If the number of dependents is in excess of five, the amount of tax to be withheld shall be that applicable in the case of five dependents reduced by $0.20 for each dependent over five, except that in no event shall the amount to be withheld be less than 3 per centum of the excess of the product of the median wage in the bracket in which the wages fall and the number of days in the period (or if the wages paid are $30 or over, of the excess of the wages) over the product of $1.70 and the number of days in the period, computed, in case such amount is not a multiple of $0.05, to the nearest multiple of $0.05.

"If the pay-roll period with respect to an employee is a daily pay-roll period or a miscellaneous pay-roll period

And the wages divided by the number of days in such period are		And such person is a married person claiming half of personal exemption for withholding and has					
At least	But less than	No dependents	One dependent	Two dependents	Three dependents	Four dependents	Five dependents
		The amount to be withheld shall be the following amount multiplied by the number of days in such period					
$0	$1	-------	-------	-------	-------	-------	-------
1	2	-------	-------	-------	-------	-------	-------
2	3	$0.15	-------	-------	-------	-------	-------
3	4	.35	$0.15	$0.05	$0.05	$0.05	$0.05
4	5	.55	.35	.15	.10	.10	.10
5	6	.75	.55	.35	.20	.10	.10
6	7	.95	.75	.55	.40	.20	.15
7	8	1.15	.95	.75	.60	.40	.20
8	9	1.35	1.15	.95	.80	.60	.40
9	10	1.55	1.35	1.15	1.00	.80	.60
10	12	1.85	1.65	1.45	1.30	1.10	.90
12	14	2.25	2.05	1.85	1.70	1.50	1.30
14	16	2.65	2.45	2.25	2.10	1.90	1.70
16	18	3.05	2.85	2.65	2.50	2.30	2.10
18	20	3.45	3.25	3.05	2.90	2.70	2.50
20	22	3.85	3.65	3.45	3.30	3.10	2.90
22	24	4.25	4.05	3.85	3.70	3.50	3.30
24	26	4.65	4.45	4.25	4.10	3.90	3.70
26	28	5.05	4.85	4.65	4.50	4.30	4.10
28	30	5.45	5.25	5.05	4.90	4.70	4.50
$30	and over----	20% of excess over $30 plus					
		$5.65	$5.45	$5.25	$5.10	$4.90	$4.70

"If the number of dependents is in excess of five, the amount of tax to be withheld shall be that applicable in the case of five dependents reduced by $0.20 for each dependent over five, except that in no event shall the amount to be withheld be less than 3 per centum of the excess of the product of the median wage in the bracket in which the wages fall and the number of days in the period (or if the wages paid are $30 or over, of the excess of the wages) over the product of $1.70 and the number of days in the period, computed, in case such amount is not a multiple of $0.05, to the nearest multiple of $0.05.

"If the pay-roll period with respect to an employee is a daily pay-roll period or a miscellaneous pay-roll period

And the wages divided by the number of days in such period are		And such person is a married person claiming none of personal exemption for withholding and has					
At least	But less than	No dependents	One dependent	Two dependents	Three dependents	Four dependents	Five dependents
		The amount to be withheld shall be the following amount multiplied by the number of days in such period					
$0	$1	$0.10	-------	-------	-------	-------	-------
1	2	.25	$0.05	-------	-------	-------	-------
2	3	.45	.25	$0.05	-------	-------	-------
3	4	.65	.45	.25	$0.05	$0.05	$0.05
4	5	.85	.65	.45	.30	.10	.10
5	6	1.05	.85	.65	.50	.30	.10
6	7	1.25	1.05	.55	.70	.50	.30
7	8	1.45	1.25	1.05	.90	.70	.50
8	9	1.65	1.45	1.25	1.10	.90	.70
9	10	1.85	1.65	1.45	1.30	1.10	.90
10	12	2.15	1.95	1.75	1.60	1.40	1.20
12	14	2.55	2.35	2.15	2.00	1.80	1.60
14	16	2.95	2.75	2.55	2.40	2.20	2.00
16	18	3.35	3.15	2.95	2.80	2.60	2.40
18	20	3.75	3.55	3.35	3.20	3.00	2.80
20	22	4.15	3.95	3.75	3.60	3.40	3.20
22	24	4.55	4.35	4.15	4.00	3.80	3.60
24	26	4.95	4.75	4.55	4.40	4.20	4.00
26	28	5.35	5.15	4.95	4.80	4.60	4.40
28	30	5.75	5.55	5.35	5.20	5.00	4.80
$30	and over----	20% of excess over $30 plus					
		$5.95	$5.75	$5.55	$5.40	$5.20	$5.00

"If the number of dependents is in excess of five, the amount of tax to be withheld shall be that applicable in the case of five dependents reduced by $0.20 for each dependent over five, except that in no event shall the amount to be withheld be less than 3 per centum of the excess of the product of the median wage in the bracket in which the wages fall and the number of days in the period (or if the wages paid are $30 or over, of the excess of the wages) over the product of $1.70 and the number of days in the period, computed, in case such amount is not a multiple of $0.05, to the nearest multiple of $0.05.

"If the pay-roll period with respect to an employee is a daily pay-roll period or a miscellaneous pay-roll period

And the wages divided by the number of days in such period are		And such person is head of a family and has					
		No dependents	One dependent	Two dependents	Three dependents	Four dependents	Five dependents
At least	But less than	The amount to be withheld shall be the following amount multiplied by the number of days in such period					
$0	$1	-------	-------	-------	-------	-------	-------
1	2	-------	-------	-------	-------	-------	-------
2	3	-------	-------	-------	-------	-------	-------
3	4	$0.05	$0.05	$0.05	$0.05	$0.05	$0.05
4	5	.25	.25	.10	.10	.10	.10
5	6	.45	.45	.25	.10	.10	.10
6	7	.65	.65	.45	.25	.15	.15
7	8	.85	.85	.65	.45	.30	.15
8	9	1.05	1.05	.85	.65	.50	.30
9	10	1.25	1.25	1.05	.85	.70	.50
10	12	1.55	1.55	1.35	1.15	1.00	.80
12	14	1.95	1.95	1.75	1.55	1.40	1.20
14	16	2.35	2.35	2.15	1.95	1.80	1.60
16	18	2.75	2.75	2.55	2.35	2.20	2.00
18	20	3.15	3.15	2.95	2.75	2.60	2.40
20	22	3.55	3.55	3.35	3.15	3.00	2.80
22	24	3.95	3.95	3.75	3.55	3.40	3.20
24	26	4.35	4.35	4.15	3.95	3.80	3.60
26	28	4.75	4.75	4.55	4.35	4.20	4.00
28	30	5.15	5.15	4.95	4.75	4.60	4.40
$30 and over----		20% of excess over $30 plus					
		$5.35	$5.35	$5.15	$4.95	$4.80	$4.60

"If the number of dependents is in excess of five, the amount of tax to be withheld shall be that applicable in the case of five dependents reduced by $0.20 for each dependent over five, except that in no event shall the amount to be withheld be less than 3 per centum of the excess of the product of the median wage in the bracket in which the wages fall and the number of days in the period (or if the wages paid are $30 or over, of the excess of the wages) over the product of $1.70 and the number o days in the period, computed, in case such amount is no a multiple of $0.05 to the nearest multiple of $0.05.

"'(2) If wages are paid with respect to a period which is not a pay-roll period, the amount to be withheld shall be that applicable in the case of a miscellaneous pay-roll period containing a number of days equal to the number of days in the period with respect to which such wages are paid.

"'(3) In any case in which wages are paid by an employer without regard to any pay-roll period or other period, the amount to be withheld shall be that applicable in the case of a miscellaneous pay-roll period containing a number of days equal to the number of days (including Sundays and holidays) which have elapsed since the date of the last payment of such wages by such employer during the calendar year, or the date of commencement of employment with such employer during such year, or January 1 of such year, whichever is the later.

"'(4) In any case in which the period, or the time described in paragraph (3), in respect of any wages is less than 1 week, at the election of the employer the amount to be withheld shall be determined under the tables applicable in the case of a weekly pay-roll period, and for such purpose the aggregate of the wages paid to the employee during the calendar week shall be considered the weekly wages.

"'(d) Tax paid by recipient: If all of the taxes against which the tax required to be withheld and collected under this part may be credited have been paid, the tax so required to be withheld, collected, and paid by the employer shall not be collected from the employer; but payment of such taxes shall in no case relieve the employer from liability for additions to the tax otherwise applicable in respect of the tax imposed by this chapter.

"'(e) Credit for tax withheld at source: The tax withheld and deducted under this part shall not be allowed as a deduction either to the employer or to the recipient of the income in computing net income; but the amount withheld and deducted as tax under this part during any calendar year upon the wages of any individual shall be allowed as a credit to the recipient of the income—

"'(1) Credit against installment of tentative tax: As a credit against any installment of the tentative tax payable under section 56 (1) (2).

"'(2) Credit against tax under sections 11, 12, and 450: As a credit against the tax imposed by sections 11, 12, or 400, as the case may be, and by section 450, for the taxable year beginning in such calendar year but only to the extent of the excess of the tax so withheld and collected over the portion thereof allowed as a credit under paragraph (1).

"'(3) Special rule where 1942 net income $20,000 or more: In case such calendar year is the year 1943 and the second sentence of section 2 (b) of the Current Payment of Individual Income Tax Act, 1943, is applicable, as a credit against the portion of the tax imposed by this chapter for the taxable year beginning in 1942 the liability for which is not discharged under such section 2 (b).

"'(f) Manner in which credit against installment of tentative tax claimed: The credit for amounts withheld and collected under this part during any calendar year upon the wages of any individual against the tentative tax, and against the portion of the tax imposed by this chapter for the taxable year beginning in 1942 the liability for which is not discharged shall be allowed to the recipient of the income as follows: Such recipient may credit against such tax, or any installment thereof, the amount which he estimates as the amount withheld and collected under this part for the quarter of such calendar year during which such tax or installment is paid, and for preceding quarters of such calendar year to the extent not previously credited against such tax or any preceding installment. This subsection shall not apply in respect of amounts withheld and collected, or installments payable, prior to July 1, 1943. If the aggregate of the amounts so estimated by such recipient as withheld and collected during such calendar year and allowed as a credit under this subsection against the portion of the tax for the taxable year beginning in 1942 the liability for which is not discharged exceeds the amount actually withheld and collected under this part during such calendar year, such excess shall, in lieu of the time prescribed in section 56, be paid on or before March 15, 1944.

"'(g) Refunds: Where there has been an overpayment of tax under this part, any refund or credit made under section 322 shall be made to the employer to the extent that the amount of such overpayment was not withheld and collected under this part by the employer.

"'(h) Included and excluded wages: If the remuneration paid by an employer to an employee for services performed during one-half or more of any pay-roll period of not more than 31 consecutive days constitutes wages, all the remuneration paid by such employer to such employee for such period shall be deemed to be wages; but if the remuneration paid by an employer to an employee for services performed during more than one-half of any such pay-roll period does not constitute wages, then none of the remuneration paid by such employer to such employee for such period shall be deemed to be wages.

"'(i) Withholding exemption certificates: Every employee receiving wages (as defined in section 465) shall furnish his employer a signed withholding exemption certificate relating to his status for the purpose of computing the withholding exemption, or if the employer exercises his election under section 466 (b) (relating to wage bracket withholding), for the purpose of computing the amount to be withheld under such subsection. In case such a certificate is required because of a change of status, it shall be furnished not later than 10 days after such change occurs. The certificate shall be in such form and contain such information as the Commissioner may, with the approval of the Secretary, by regulations prescribe. Such certificate—

"'(1) If furnished after the date of commencement of employment with the employer, shall take effect as of the beginning of the last pay-roll period beginning prior to, or with respect to the first payment of wages without regard to a pay-roll period made after, the expiration of 30 days after the date on which such certificate is furnished to the employer, except that at the election of the employer such certificate may be made effective as of the beginning of any previous pay-roll period ending, or with respect to any previous payment of wages without regard to a pay-roll period made, on or after the date of the furnishing of such certificate.

"'(2) If furnished on the date of commencement of employment shall take effect as of the beginning of the first pay-roll period ending, or the first payment of wages made without regard to a pay-roll period, on or after the date on which such certificate is furnished to the employer.

"'A certificate which takes effect under this subsection shall continue in effect with respect to the employer until another such certificate furnished by the employee takes effect under this subsection. If no certificate is in effect under this subsection with respect to an employee, such employee shall be treated, for the purposes of the withholding exemption, or in case the employer exercises his election under section 466 (c) (relating to wage bracket withholding), for the purpose of computing the amount to be withheld under such subsection, as a married person claiming none of the personal exemption for withholding.

"'(j) Overlapping pay periods, and so forth: If a payment of wages is made to an employee by an employer—

"'(1) with respect to a pay-roll period or other period, any part of which is included in a pay-roll period or other period with respect to which wages are also paid to such employee by such employer, or

"'(2) without regard to any pay-roll period or other period, but on or prior to the expiration of a pay-roll period or other period with respect to which wages are also paid to such employee by such employer, or

"'(3) with respect to a period beginning in one and ending in another calendar year, the manner of withholding and the amount to be withheld under this subchapter shall be determined under regulations prescribed by the Commissioner with the approval of the Secretary.

"'SEC. 467. Liability for tax, and adjustments.

"'(a) Employer liable for tax: The employer shall be liable for the payment of the tax required to be withheld and collected under this part, and shall not be liable to any person for the amount of any such payment.

"'(b) Adjustments: If more or less than the correct amount of tax is withheld or paid for any quarter in any calendar year, proper adjustments, with respect both to the tax withheld or the tax paid, may be made in any subsequent quarter of such calendar year, without interest, in such manner and at such times as may be prescribed by regulations made by the Commissioner, with the approval of the Secretary.

"'SEC. 468. Return and payment by employer.

"'In lieu of the time prescribed in sections 53 and 56 for the return and payment of the tax imposed by this chapter, every employer shall make a return and pay the tax required to be withheld and collected under this part on or before the last day of the month following the close of each quarter of each calendar year. Such return shall contain or be verified by a written declaration that it is

made under the penalties of perjury. The employer shall include with the final return for the calendar year a duplicate copy of each receipt required to be furnished under section 469. The employer shall also keep such records and render under oath such statements with respect to the tax so withheld and collected as may be required under regulations prescribed by the Commissioner, with the approval of the Secretary. If the employer is the United States, or a State, Territory, or political subdivision thereof, or the District of Columbia, or any agency or instrumentality of any one or more of the foregoing, the return required in respect of the amount withheld and collected upon any wages may be made by any officer or employee of the United States, or of such State, Territory, or political subdivision, or of the District of Columbia, or of such agency or instrumentality, as the case may be, having control of the payment of such wages, or appropriately designated for that purpose. A deficiency may be determined on the basis of the amounts required to be withheld and collected during a calendar year, and in such case the amount of the tax shown on the return shall be held and considered to be the aggregate of the amounts of tax shown on the quarterly returns, the tax imposed under this part shall be held and considered to be the aggregate of the taxes imposed for each quarter of the calendar year, the date prescribed for the payment of the tax shall be held and considered to be the date prescribed for the making of the last quarterly return, and for the purpose of ascertaining the return on the basis of which such deficiency is determined, the quarterly returns shall be held and considered to be one return required to be made on the date prescribed for the making of the last quarterly return.

"'SEC. 469. Receipts.

"'(a) Wages: Every employer required to withhold and collect a tax in respect of the wages of an employee shall furnish to each such employee in respect of his employment during the calendar year, on or before January 31 of the succeeding year, or, if his employment is terminated before the close of such calendar year, on the day on which the last payment of wages is made, a written statement showing the wages paid by the employer to such employee during such calendar year, and the amount of the tax withheld and collected under this part in respect of such wages.

"'(b) Statements to constitute information returns: The statements required to be furnished by this section in respect of any wages shall be in lieu of the return required to be furnished by the employer in respect of such wages under section 147 and shall be furnished at such other times, shall contain such other information, and shall be in such form as the Commissioner, with the approval of the Secretary, may by regulations prescribe.

"'(c) Extension of time: The Commissioner, under such regulations as he may prescribe with the approval of the Secretary, may grant to any employer a reasonable extension of time (not in excess of 30 days) with respect to the statements required to be furnished to employees on the day on which the last payment of wages is made.

"'SEC. 470. Penalties.

"'(a) Penalties for fraudulent receipt or failure to furnish receipt: In lieu of any other penalty provided by law (except the penalty provided by subsection (b) of this section), any person required under the provisions of section 469 to furnish a receipt in respect of tax withheld pursuant to this part who willfully furnishes a false or fraudulent receipt, or who willfully fails to furnish a receipt in the manner, at the time, and showing the information required under section 469, or regulations prescribed thereunder, shall for each such failure, upon conviction thereof, be fined not more than $1,000, or imprisonment for not more than 1 year, or both.

"'(b) Additional penalty: In addition to the penalty provided by subsection (a) of this section, any person required under the provisions of section 469 to furnish a receipt in respect of tax withheld pursuant to this part who willfully furnishes a false or fraudulent receipt, or who willfully fails to furnish a receipt in the manner, at the time, and showing the information required under section 469, or regulations prescribed thereunder, shall for each such failure be subject to a civil penalty of not more than $50.

"'(c) Failure of employer to file return or pay tax: In case of any failure to make and file return or pay the tax required by this part, within the time prescribed by law or prescribed by the Commissioner in pursuance of law, unless it is shown that such failure is due to reasonable cause and not due to willful neglect, the addition to the tax provided for in section 291 shall not be less than $10.

"'(d) Penalties in respect of withholding exemption certificates: Any individual required to supply information to his employer under section 466 (i) who willfully supplies false or fraudulent information, or who willfully fails to supply information thereunder which would decrease the withholding exemption, shall, in lieu of the penalty provided in section 145 (a), upon conviction thereof, be fined not more than $500, or imprisoned for not more than 1 year, or both.'

"(b) Technical amendment: The heading of subchapter D of chapter 1 of the Internal Revenue Code is amended by inserting at the end thereof the following: 'And collection of tax at source on wages.'

"(c) Expiration date for withholding at source on wages repealed: Section 476 of the Internal Revenue Code (prescribing the expiration date for the taxes imposed by subchapter D) is amended by inserting before 'this subchapter' the following: 'Part I of.'

"(d) Effective date: The amendments made by subsections (a), (b), and (c) shall take effect July 1, 1943, and shall be applicable to all wages paid on or after such date.

"SEC. 5. Refunds.

"(a) Excessive withholding: Section 322 (a) (2) of the Internal Revenue Code (relating to excessive withholding) is amended to read as follows:

"'(2) Excessive withholding: Where the amount of the tax withheld at the source under part II of subchapter D exceeds the taxes imposed by this chapter (after allowance of the credits provided by sections 31, 32, and 453) against which the tax so withheld may be credited under section 466 (e), the amount of such excess shall be credited against any income tax or installment thereof then due from the taxpayer, and any balance thereof shall be refunded immediately to the taxpayer.'

"(b) Review of allowance of interest: Section 3790 of the Internal Revenue Code (prohibiting administrative review of Commissioner's decisions) is amended by inserting at the end thereof the following: 'In the absence of fraud or mistake in mathematical calculation, the allowance or nonallowance by the Commissioner, of interest on any credit or refund of amounts withheld under part II of subchapter D of chapter 1, or of amounts paid thereunder, or of payments made under section 56 (i), shall not, except as provided in chapter 5, be subject to review by any other administrative or accounting officer, employee, or agent of the United States.'

"SEC. 6. Additional allowance for members of armed forces.

"(a) In general: Section 22 (b) (13) of the Internal Revenue Code (relating to additional allowance for military and naval personnel in computing net income) is amended to read as follows:

"'(13) Additional allowance for military and naval personnel: In the case of compensation received during any taxable year and before the termination of the present war as proclaimed by the President, by a member of the military or naval forces of the United States for active service in such forces during such war, so much of such compensation as does not exceed the excess of $3,500 over the personal exemption claimed under section 25 (b) by such member for such taxable year (and by his spouse, if such member is married and living with his spouse on the last day of the taxable year and such spouse is not entitled to the benefits of this paragraph.)'

"(b) Effective date: The amendment made by subsection (a) shall apply with respect to all compensation received after December 31, 1941, by a member of the military or naval forces of the United States for active service in such forces.

"SEC. 7. Abatement of tax for members of armed forces in year of death.

"(a) In general: Chapter 1 of the Internal Revenue Code is amended by inserting after section 404 the following new supplement:

"'SUPPLEMENT U.—ABATEMENT OF TAX FOR MEMBERS OF ARMED FORCES IN YEAR OF DEATH

"'SEC. 421. Abatement of tax for members of armed forces in year of death.

"'In the case of any individual who dies while in active service as a member of the military or naval forces of the United States and prior to the termination of the present war as proclaimed by the President, the tax imposed by this chapter shall not apply with respect to the taxable year in which falls the date of his death, and the tax under this chapter and under the corresponding title of each prior revenue law for preceding taxable years which is unpaid at the date of his death (including interest, additions to the tax, and additional amounts) shall not be assessed, and if assessed the assessment shall be abated, and if collected shall be credited or refunded as an overpayment.'

"(b) The amendment made by subsection (a) shall be effective on and after December 7, 1941."

Mr. ROBERTSON (interrupting reading of amendment). Mr. Chairman, the Clerk has read all portions of the bill which contains any new matter. The remainder of the bill is as printed.

Mr. COOPER. Mr. Chairman, may I ask the gentleman from Kansas [Mr. CARLSON], Is that correct?

Mr. CARLSON of Kansas. That is absolutely correct.

Mr. ROBERTSON. Mr. Chairman, under those circumstances I ask unanimous consent that we dispense with further reading of the bill and that it be printed in full in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia [Mr. ROBERTSON]?

Mr. MICHENER. Mr. Chairman, reserving the right to object, as a matter of fact, the bill H. R. 2245 is this amendment with changes. The amendment is at the desk so that the Members of the House may have the unusual privilege of having in their individual hands the entire amendment as printed, whereas, if the entire bill is read all of these technical charts and figures will have to be read and it will probably take the better part of the day and no good can come from it.

Mr. ROBERTSON. The gentleman from Michigan is absolutely correct.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia [Mr. ROBERTSON]?

There was no objection.

Mr. CARLSON of Kansas. Mr. Chairman, the House is about to vote on the issue which is before it, and that issue is whether or not we, as the House of Representatives, favor getting our taxpayers on a current basis. On the opening day of this session of Congress I introduced a bill which provided for making taxpayers current. I started out on that basis and I have never swerved from the objective.

You have heard a lot about Carlson bill No. 1, Carlson bill No. 2, Carlson bill No. 3, and you will probably hear about Carlson bill No. 4, but I challenge anyone to show that I have ever deviated from the principle I started in on. I have made some minor changes, but only to perfect the bill.

There are only two ways to get the taxpayers of this Nation current. Either we require taxpayers to pay 2 years' taxes in one or we follow the proposal in my bill. I am definitely convinced that taxpayers cannot pay 2 years' taxes in 1 year. Therefore, Congress has no alternative but to pass my bill if it wishes to put taxpayers on a current basis. It would be a serious mistake to continue the present year-behind collection system in view of the greatly increased number of taxpayers in this Nation—3,900,000 in 1940 and today 44,000,000. It is necessary for the Treasury, it is necessary for the taxpayers.

You have heard a lot of talk on the floor of the House about forgiveness. I have seen men come down into the Well of the House and talk long and loud about how wrong it is to forgive. But what are the facts? Every member of the committee at one time or another voted for forgiveness. Do not be carried away by such arguments, and, more than that, I ask anyone, despite all this talk that you have heard how much better off you will be, how much better you will be if my bill passes? Not one dollar until your income ceases or until you die. That is a matter of fact.

What about the Treasury? The Treasury, under existing law, will get $10,000,000,000 in 1943. Under my bill, it will get $13,000,000,000 in 1943.

Yet you have heard a lot of talk about how inflationary my bill is. You have heard a lot of talk about how you will not get munitions to the boys in the service. The facts are in the RECORD regarding my bill, and they are simply and plainly stated.

To these folks who have been talking about extraneous issues, about forgiveness, bringing into the debate one item or the other, I just want to make this short observation: An old sage once said, "Your actions speak so loud I cannot hear what you say." That is true when it comes to talking about forgiveness because every one of them voted for it.

What about the benefit to the people of our country? I will tell you who it will help. It will help, first, the workers of this Nation, these men and women who are working in the factories today at the highest wages they have ever received. They are going to be out of a job when this war ends. No one in this group here believes this morning that their wages are going to continue indefinitely. When their wages stop, they owe the income tax for the previous year under the present collection system. How are they going to pay it? Out of unemployment compensation checks? Do you think they are going to do that? How can they do it?

Here we have an opportunity to correct that situation and it ought to be done and this House should do it today. It will help the farmers. Droughts, floods, fluctuating farm prices, make the farmer's income most uncertain. They now have to pay a fat year's tax out of a lean year's income. The men in the service, all these groups, are burdened by existing law; even dead men pay an income tax. This bill of mine makes taxes as current as anything can be in that regard. Is it not about time that we correct the situation? The committee has brought in a bill here that requires the payment of 2 years' taxes for every present-day taxpayer in order to get current.

I just want to discuss this very briefly, because the Chairman of the Committee on Ways and Means and I have an agreement to use only 5 minutes each. We are not going to take much time. This is on the parliamentary situation. The first vote is to come on my substitute.

Some folks are saying, "Well, let us vote it down, and we will vote for some other substitute." Remember this, the issue is between my bill and the committee bill, whether you want to get the taxpayers current under my plan or vote for 2 years' taxes in 1 year. That is the situation. I believe it is generally agreed that all these other substitutes that are being talked about around here will not carry. Therefore, I sincerely hope that you keep it in mind when you cast this vote that this is your opportunity to vote for the Treasury, for the American people, and for the taxpayers of this Nation.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. DOUGHTON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, my distinguished friend and colleague the gentleman from Kansas, says the issue is whether or not the taxpayers shall be made current in the payment of their taxes. I deny that statement, because there is no such thing, as he practically admitted in his closing statement, as making taxpayers current. You can make them partially tax current but, as has been demonstrated here over and over again, you can hardly make one single taxpayer current, much less the 44,000,000 taxpayers who are required to pay taxes under this law.

The issue, clear cut, is not whether we shall do something that is impossible to do but whether we shall forgive or forget or cancel a year's taxes in order to try to do something we cannot do. That is the issue, clear and simple. whether or not we shall forgive $10,000,000,000 of taxes already due on income already earned and part of which has already been collected.

That $10,000,000,000 is $2,000,000,000 more than the entire revenue we raised under the 1942 tax law. All the tax increase we made under the 1942 tax law, including taxes on individuals and corporations, excise taxes, and increased taxes on transportation, would amount to $2,000,000,000 less than the amount it is now proposed that we forgive, and we are asked to forgive that amount of taxes on income already earned and received, and a part of which has already been paid, in order to do something that is impossible and that everyone knows is impossible.

Suppose we do that and forgive the 60 millionaires, the 60 taxpayers who have a net income of $1,000,000 a year; suppose you Members of Congress forgive yourselves $2,000 of taxes—and you vote yourselves that bonus if you vote for this bill—and then invest that money in United States bonds, instead of paying your taxes that are due and owing to the Government on income already received; suppose we invest that $2,000 and the millionaire invests his $854,000 in United States bonds, then the Government will owe us on this bonus we vote ourselves, and the Government will be paying us interest on what we forgive ourselves, and finally it will have to pay us the principal.

That is the issue pure and simple. It is not a question of whether or not you are going to make the taxpayers current, because that is an absolute impossibility. You know you cannot make the farmer current, you know you cannot make the small business man current, you know you cannot make a man who does business on a credit system current until he knows what his profits are.

This whole thing has been beclouded and misrepresented and to a large extent misunderstood, because I know the people of this country want to pay their taxes. This whole thing is an effort to get out of paying $10,000,000,000 and vote ourselves a bonus of $2,000, which we can invest and have the Government owing us on money we have run out of paying on taxes, money we owe the Government but on which we have dodged payment. Everyone knows, Mr. Chairman, that that is the issue, clear and simple.

If we are going to do that, let the public know it. I am going to offer an amendment to this amendment providing that the Commissioner of Internal Revenue shall make public the name of each taxpayer and the amount that is forgiven or canceled or credited on account of 1942 taxes. You will have an opportunity to vote that amendment up or down. If you vote for it, it will be a matter of public record how much you voted to give yourselves, how large a bonus you voted yourselves at a time when the United States Treasury has never been in such desperate need of revenue, and at a time when the taxpayers have never been so able to pay.

Mr. Chairman, what confidence can you have in a leader—and he is a very fine gentlemen—who will change this bill four times? This is the fourth edition. We have debated this subject here for 4 long days, and he has now come out here and repudiated and amended what he has stood for all during that period

and which he has argued for on this floor. No one knows what his amendment means. He does not know himself, or if he does the House cannot understand it. We have been consistent; we have not changed our bill. We brought out something on which we can stand and fight for. We know it is honest and right.

Mr. Chairman, I ask that the Carlson amendment be overwhelmingly voted down, this most iniquitous abomination of all abominations.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. GEARHART. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GEARHART: On page 1, line 8, strike out all of section 2 and insert the following:

"SEC. 2. Relief from double payments in 1943.

"(a) General rule: The liability of any individual (other than an estate, trust, or nonresident alien) for the tax imposed by chapter 1 of the Internal Revenue Code upon such individual for the taxable year beginning in 1942 is discharged to the extent of not more than $8,500, except that any payments, not exceeding $8,500, in the aggregate, made on or prior to June 15, 1943, on account of such liability shall be treated as payments on account of the tentative tax for the taxable year beginning in 1943.

"(b) Deferment of payment of undischarged portion of 1942 liability: If the liability of an individual for the tax imposed by chapter 1 of the Internal Revenue Code exceeds $8,500, upon application of such individual the Commissioner shall, under regulations prescribed by the Commissioner with the approval of the Secretary, extend the time for the payment of such excess for a period of 5 years, and provide for its payment in 20 equal quarterly installments during such period. If the aggregate of the installments payable in any calendar year under this subsection plus the tax imposed by chapter 1 of the Internal Revenue Code for the taxable year beginning in the preceding calendar year is greater than either 90 percent of the individual's net income for such taxable year, or 120 percent of such tax, upon application by such individual the Commissioner shall, under such regulations, extend the time for the payment of the unpaid portion of such excess for an additional period, and provide for its payment in equal quarterly installments during such additional period. The length of any such additional period shall be prescribed by the Commissioner so that the aggregate of the installments payable under this subsection in any calendar year plus the tax imposed by chapter 1 of the Internal Revenue Code which became payable in the calendar year in which the length of such additional period is so prescribed will not exceed 120 percent of such tax or 90 percent of the net income in respect of which such tax is imposed, whichever is the lesser. Interest on the installments provided for in this subsection shall be collected at the rate of 6 percent per annum for the period beginning with the date as of which the original extension of time under this subsection becomes effective until such installment is paid and no other interest shall be collected on such installment for such period. The taxpayer may pay any installment provided for under this subsection prior to the date prescribed for its payment. Regulations prescribed under this subsection may include provisions conditioning any extension under this subsection on the furnishing by the taxpayer of adequate security for the payment of the amounts with respect to which the extension is requested."

Mr. GEARHART. Mr. Chairman, the gentlewoman from Connecticut [Mrs. LUCE] has been unexpectedly called away by reason of the death of a very dear friend, a sad circumstance which renders it impossible for her to be present today to personally present the amendment which has just been read, the amendment which she discussed in detail on yesterday.

Though I personally abhor the idea of "forgiveness" in any form it may be suggested, the forgiveness which the Luce amendment would grant is so inconsequential as compared to the Treasury raid which the Ruml-Carlson plan would perpetrate upon the country that I feel it is my duty to support her in her efforts in this instance to improve the unholy proposal that is now before us.

For this reason, and this reason alone, let me simply point out, as the gentlewoman from Connecticut [Mrs. LUCE] made it so clear in her remarks yesterday, that her amendment would, if adopted, simply strike out all of the abatement and antiwindfall provisions of the Carlson bill, and insert in their place a provision which would, first, abate all of the 1942 tax on taxable incomes up to $8,500; second, on taxable incomes over $8,500, abate the portion of the 1942 tax which is attributable to the first $8,500 of taxable income; third, permit the taxpayer whose taxable income for 1942 was over $8,500 to spread the payment of the unabated portion over a period of 5 years, and in hardship cases—which are clearly defined in the amendment—over an even longer period; fourth, charge interest at the rate of 6 percent per annum on the unabated portion until it is paid; and, fifth, authorize the Commissioner to condition any extension of time for the payment of the unabated portion on the furnishing by the taxpayer of adequate security.

Mr. Chairman, there is nothing further that I can add to this brief outline to make its intendments clearer, other than to point out to you, my colleagues, you who are against the forgiveness which the Carlson bill would grant, that the adoption of this simple method and formula which is the essence of the Luce amendment would do much to reduce windfalls to the rich, confine them to those who have an income of less than $8,500. Since $8,500 is less in amount than the $10,000 a year that you are paid, a vote for the Luce amendment might somehow soften the blow if someone should charge you with having voted yourself a tax-free bonus of $2,200.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. GEARHART. Yes.

Mr. COOPER. This amendment would, as the gentleman from California has already said, forgive the bonus liability up to $25,000. Is that correct?

Mr. GEARHART. Not $25,000 taxable income—$8,500. The gentlewoman from Connecticut [Mrs. LUCE] has reduced the amount since she first discussed it on the floor.

Mr. COOPER. I agree with the gentleman. I think even that is too much forgiveness, but at the same time I think the gentleman is correct in that it is vastly better than the Ruml plan, which forgives 100 percent all the way up and down.

Mr. GEARHART. And it will relieve the Members of Congress of much of the criticism that will be levied at them.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. GEARHART. I yield to the gentleman from Michigan.

Mr. HOFFMAN. If the gentleman feels so badly about that provision giving the Congressmen something, why not offer an amendment providing that they shall not have any benefit under the bill at all?

Mr. GEARHART. Why offer another amendment when this will cover the situation?

Mr. HOFFMAN. Why not relieve the Congressmen from all benefit under the bill?

Mr. GEARHART. The Congressman has a great idea. I suggest that the gentleman himself offer such an amendment for the consideration of the committee.

Mr. HOFFMAN. But I do not feel so badly about it as the gentleman from California does.

Mr. GEARHART. Thanks for the suggestion, anyway.

Mr. DEWEY. Mr. Chairman, I rise in opposition to the amendment. It is interesting that my distinguished colleague the gentleman from California [Mr. GEARHART], who spoke of the unholiness of the Carlson bill, and the sin that might be committed by having anything to do with it, apparently, as somebody said yesterday, is willing to commit his sins in homeopathic doses. He apparently believes that a little sin is not as bad as a big sin.

This amendment offered by the distinguished gentlewoman from Connecticut [Mrs. LUCE] is class legislation, and is discriminatory. It exempts from taxation sums far in excess of usual family exemptions. Further, the amendment is a departure from the tax procedure that we have followed in the past. It has nothing to do with our progressive surtax practice, wherein surtax rates have been increased progressively according to ability to pay. Should taxes be decreased they should be decreased by the same progressive principle. There is no logic in this amendment whatsoever, and I repeat, it is purely class legislation. It would be difficult of operation. Further, it has never been offered for the consideration by members of the committee, nor, as far as I know, very few Members of the House.

Mr. ROBERTSON. Mr. Chairman, I move to strike out the last word. We have here an illustration of the confusion that exists. We have a distinguished member of the Committee on Ways and Means who, without previous study of an amendment, presents it in good faith, explains it in good faith, and explains it 100 percent wrong. He read this amendment as being limited to a waiver of the tax on a salary of $8,500, but the amendment relates to a tax of $8,500 and not a salary of that amount. It provides tax forgiveness up to $25,000.

Mr. GEARHART. Oh, that was a mere slip of the tongue.

Mr. ROBERTSON. It is true that only one-tenth of 1 percent of the taxpayers have an income of more than $25,000 a year. I hope I will never be ashamed to stand on this floor and advocate a measure that I think is for the public welfare, regardless of how many labor unions endorse it, and I hope I will not be ashamed to stand on this floor and oppose legislation that is unfair even to one-tenth of 1 percent of the taxpayers. As the gentleman from Illinois [Mr. DEWEY] has pointed out this is unfair to those with an income above the $25,000. What about a man with an income of $1,000,000. If you spread it over 5 years, deduct $8,500 from $854,000 and divide it by five, and add it to $854,000, it will be seen that his annual tax is $1,023,100—$23,100 more than he earned each year, and that is proposed as an amendment to a tax bill alleged to be far better than the committee bill, far better than the Carlson bill, far better than the Robertson proposal. It shows what you will get into when those not versed in tax measures attempt to write a tax bill on the floor of the House.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California.

The question was taken, and the amendment was rejected.

Mr. VINSON of Georgia. Mr. Chairman, I offer the following amendment which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment proposed by Mr. VINSON of Georgia to the Carlson amendment: Page 56, before the period in line 9, insert: ", but only if for some period during the taxable year such member was entitled to the increase in base pay provided for under section 2 of the Pay Readjustment Act of 1942 (relating to sea duty and to services beyond the continental limits of the United States or in Alaska)."

Mr. VINSON of Georgia. Mr. Chairman, I respectfully request the attention of the committee because I do not think you clearly understand this provision. The effect of it is to grant to the members of the armed service who serve outside of the United States or who serve at sea, the additional benefit of the exemption of $3,500. Both the committee bill and the Carlson substitute have gone to the extent of giving $3,500 exemption to any man or to any woman who wears the uniform, irrespective of where they serve. My amendment is to limit that benefit of $3,500 exemption to those who fall within the readjustment pay act and who serve outside of the United States or who serve at sea. Under the law today a civilian gets the benefit of $1,200 if he is married. A civilian has the benefit of $500 if he is single. Under the committee bill and under the so-called Carlson substitute, that is extended to $3,500 when the man or woman puts on the uniform.

I find no fault in giving benefits to the people who serve in the armed forces of the United States outside of the United States, but I cannot see why it is necessary to give a benefit greater than a civilian will enjoy to the thousands upon tens of thousands of soldiers and sailors whose military assignment is such that they can never leave the United States. Under this provision no WAVE or no WAAC, no major or no lieutenant commander will pay a dollar's worth of taxes to your Government if this Carlson substitute or the committee bill is passed. The base pay of anyone with the rank of major is not enough to justify paying a dollar's worth of taxes, because his base pay does not exceed $3,500.

Mr. HOFFMAN. How about Winchell?

Mr. VINSON of Georgia. Yes. If he is called to active duty he would have $3,500 exemption.

In my office there is a brilliant young woman with the rank of ensign. She has a base pay of $1,800 or $2,100. Sitting beside her is a civilian that has a base pay of $2,100. Now, that civilian will have to pay taxes and the WAVE will not have to pay taxes. That goes all through the Government, thousands upon tens of thousands. I checked up the other day, and down in the censorship office there are some 1,600 officers and enlisted men. It is necessary to keep them here. They cannot leave the United States. But why should they have an exemption over and above that of you and me, or any other man who is working in the industrial plants of this country, who has to stay here in order to carry on this war?

Mr. WADSWORTH. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. WADSWORTH. Will the gentleman explain to us how the exemption which he proposes would be estimated if the soldier or sailor spends a part of the taxable year in the United States and a part of it in North Africa, for instance?

Mr. VINSON of Georgia. I give him the whole benefit. To be more equitable it should be broken down, but that would be very complicated. I said if an officer or enlisted man gets an order to go to sea, he is entitled to all of the benefits under my amendment. If he gets an order to go abroad in the Army, he is entitled to all the benefits, even though he may serve only a month or a week. I am frank to admit, to be more fair and equitable, it should be apportioned in accordance with the time he has served abroad, but that is complicated, and in discussing the matter with the drafting service and with the Treasury Department I propose that the day he gets an order to go to sea that benefit shall accrue.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. RANKIN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I am not satisfied with the amendment offered by the gentleman from Georgia [Mr. VINSON]. It provides a penalty, so to speak, on the man in the armed service in the continental United States. How do we know when this war will be brought to our shores? When it is brought to us those men who are on the firing line along the hostile coast, or in the danger zone will be entitled to the same consideration as if they were fighting on foreign soil.

Mr. BATES of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. BATES of Massachusetts. Is that not altogether true up to date? Is not our antisubmarine warfare being carried on both in the air and from the shore now?

Mr. RANKIN. Why, certainly. Our submarines are operating from the continental United States. Our long-range bombers are operating from the continental United States, and those men are being killed and injured every day.

Mr. VINSON of Georgia. Will the gentleman yield?

Mr. RANKIN. I yield.

Mr. VINSON of Georgia. Does not the gentleman know that under the pay act, which he was very effective in making fair and equitable, the day a man goes to sea means when he is ordered to a ship that is on the sea? The day he flies in the air, even though he is based in the United States, it is sea duty.

Mr. RANKIN. Oh, I do not think the gentleman is correct about that.

Mr. VAN ZANDT. Will the gentleman yield?

Mr. RANKIN. I yield.

Mr. VAN ZANDT. The gentleman knows that when a man leaves the continental limits of the United States, if he is a commissioned man he receives a 10-percent increase, and if he leaves the continental limits of the United States as an enlisted man he receives a 20-percent increase?

Mr. RANKIN. Yes.

Mr. COLMER. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield to my colleague.

Mr. COLMER. Is it not true also that when a man dons a uniform he is subject to the orders of his superiors and he is not responsible for whether he goes abroad or stays here?

Mr. RANKIN. Absolutely; you cannot compare the man in uniform, who is subject to military orders, to someone on the Federal pay roll who has been promoted by the influence of his friends all out of proportion to his earning capacity.

We are losing men in Alaska; we have the enemy on our shores in Alaska. We do not know what day that enemy will move down to Haines or up to Nome or some other place in Alaska. We know not what day they may bring that war to our shores. These men under arms in the United States are not only subject to answer the call at any time, day or night, but they are subject to be sent anywhere on earth, and, as the gentleman from Pennsylvania pointed out, their pay is increased when they are sent abroad. This penalty ought not, therefore, to be imposed upon them if they are legitimately in the fighting forces of our country.

Mr. VINSON of Georgia. Does not the gentleman know that when a man serves

in the Army in Alaska he is outside the continental limits of the United States?

Mr. RANKIN. How do we know this war is going to stop in Alaska? I can tell you now that the military authorities think we are in for a long and hard war. We are up against two of the most powerful enemies the world ever saw. It is going to challenge all our strength and all our resources.

Personally, I am not for forgiving these millionaires. We made too many multimillionaires in the last war; but I am not for saying the man who is directed to go out and stand guard, to fight an enemy on our shores, that we are going to cut down his pay or impose a greater income tax on him unless he is sent to some foreign port.

Mr. BATES of Massachusetts. What about the hundreds of thousands of boys who are training in the air corps? We are losing hundreds of them every month.

Mr. RANKIN. Yes; take these boys in the air corps. They are dying every day. They are just as great heroes as if they were blown to bits in the blinding flash of our enemy's guns.

There is something of pride in the perilous hour,
Whatever be the form in which death may lower,
For fame is there to tell who bleeds,
And honor's eye on daring deeds.

Those boys are risking their lives in their training just as much as if they were facing a firing line under the influence and inspiration of a military formation; and they are entitled to the same consideration.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. VAN ZANDT. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Georgia.

Mr. Chairman, the provision to exempt servicemen up to $3,500 of their compensation received as members of the armed forces is in the committee bill as well as the Carlson bill. When I read the report of the minority and of the majority I noticed that the committee simply followed the language contained in the World War Revenue Act of 1918; in other words, the language of the committee bill and the Carlson bill, with very few exceptions, are identical with the language that is contained in the World War Revenue Act of 1918, and that is that the men who served in the Army, Navy, Marine Corps, and Coast Guard during World War No. 1 were exempt from the payment of income tax up to $3,500 where the source of the $3,500 was confined to compensation from the United States for services rendered in a military capacity. So what we are doing when we pass either the committee or the Carlson bill is simply granting to the servicemen of World War No. 2 the same exemption that was granted to the members of our armed forces during World War No. 1.

Mr. COOPER. Mr. Chairman, will the gentleman yield,

Mr. VAN ZANDT. I yield.

Mr. COOPER. I know the gentleman wants to be accurate, and his statement is accurate, in that this same exemption of $3,500 was granted during the World War, but there is this difference: At that time commutation of quarters and all allowances were considered as income; now they are not.

Mr. VAN ZANDT. That is correct.

Mr. VINSON of Georgia. Mr. Chairman, will the gentleman yield at that point?

Mr. VAN ZANDT. I yield.

Mr. VINSON of Georgia. It should be understood that commutation of quarters is not taxed; the tax runs against only the base pay. An admiral gets a base pay of $8,000, rental allowance of $1,951, and personal allowances of $2,000. In addition to that you propose to give him, if he is forced to stay in Washington City $3,500 more exemption.

Mr. VAN ZANDT. In reply to the gentleman let us not forget that if a man serves his country in the Army, the Navy, the Marine Corps, or the Coast Guard in Washington, he does so by the direction of his commanding officer.

Mr. VINSON of Georgia. Mr. Chairman, will the gentleman yield further?

Mr. VAN ZANDT. I yield.

Mr. VINSON of Georgia. Does he render any higher degree of service or patriotism to the man who is forced to stay here to carry on a war industry?

Mr. VAN ZANDT. In reply to the gentleman may I say that we have in Washington at the present time men who have served aboard some of the battleships in our Navy that have taken part in engagements in Guadalcanal, and other places, and they are here for the purpose of rendering advice to their superior officers based on their experiences.

Mr. VINSON of Georgia. But the man out here at the Bethlehem Steel Co. who is making the steel is serving his country just as faithfully in his capacity and he is supposed to stay here. The admiral or the major or the general is supposed to stay here. Why should not each one be required to pay the same kind of a tax?

Mr. VAN ZANDT. May I say to the gentleman that the person who is employed by the Bethlehem Steel receives two or three times as much as the man in the service, and the man who works for the Bethlehem Steel can go to work when he wants to, he can leave his job, he can go to a motion-picture show when he desires, he can eat a meal when he chooses, but the man in the service is denied such privileges of personal liberty.

Mr. RANKIN. The gentleman from Georgia fails also to make another distinction. Some of these men in the foreign service are in the Quartermaster Corps in comparatively safe places, whereas untold thousands of these boys go up in the air every day and risk their lives. Every day we read where they crash and are killed by the dozens.

Mr. HINSHAW. Will the gentleman yield?

Mr. VAN ZANDT. I yield to the gentleman from California.

Mr. HINSHAW. Is it not true that a great many of these high-ranking officers in the Army or Navy who come under this provision may have gone out of the United States for only a few days and returned?

Mr. VINSON of Georgia. They get the benefit of it then.

Mr. HINSHAW. That would include General Marshall.

Mr. VINSON of Georgia. Does not the gentleman recognize that there is a large group in the Army and Navy in the specialist service who cannot go outside the United States, who have got to stay here in the country to help carry on the war, and this group will be put upon the same footing as the man who makes the guns?

Mr. VAN ZANDT. We are not concerned with isolated cases; we must legislate for all the members of our armed forces without quibbling.

As I pointed out in my remarks to the House on March 18, after the close of the Civil War a special exemption of honorably discharged soldiers from income tax was provided by joint resolution of July 28, 1866—Fourteenth Statutes, page 371—as follows:

Whereas by the joint resolution (No. 77) of Congress, approved July 4, 1864, a special income tax of 5 percent on all incomes exceeding $600 was directed to be assessed and collected and was enforced generally upon all citizens accessible to the revenue officers, but was not enforced against all our soldiers then in the field in the active service of the country; and

Whereas since the surrender of the insurrectionary armies, and the disbanding and return of the Federal soldiers to their homes, said tax is being with manifest hardship assessed and collected of them in many parts of the country: Therefore be it

Resolved, etc., That said special tax, so imposed, shall not be further enforced against officers or soldiers lately in the service of the United States, and who have been honorably discharged therefrom, and that the Secretary of the Treasury direct the proper observance of this resolution by all revenue officers.

Approved, July 28, 1866.

Following the First World War, provision was made for adjusted compensation to honorably discharged veterans—see 43 Statutes 121. Payments of such adjusted compensation were protected from attachment or levy, and also from National or State taxation—see 43 Statutes 123, section 308, amended by 44 Statutes 827, section 3—thus constituting at least a partial exemption from income tax.

Under existing law an additional exemption of $250 for single persons and $300 for married persons is provided for those in the armed forces. In other words, the first $250 or $300 of compensation received as a member of the armed forces is not included in gross income.

It is realized that these exemptions are not sufficient to assist a member of the military forces to enable him to meet the problem of taxation arising from his transition from a civilian to a military status.

We all recognize that our servicemen are making the real sacrifice in this war. To provide suitable exemptions is not only a recognition of these sacrifices but is a powerful morale builder among the members of our armed forces.

The proposed $3,500 exemption contained in both bills under discusison is limited to income derived entirely from his service as a member of the military or naval forces. If the serviceman has an income in addition to his military or

naval pay it is subject to income tax on the same basis as if he were a civilian.

With regard to individuals who die while in the military or naval service of the United States, it is proposed to abate all Federal income tax which is outstanding at the time of death. This is a very important provision and will benefit the widow and children of a veteran by protecting his estate from the payment of income taxes after his death.

From time to time the American Legion and the Veterans of Foreign Wars of the United States have expressed the desire that suitable income-tax exemption be given members of the military and naval forces on the amount of compensation earned in the service of their country.

The following excerpt from a letter dated March 23, received from Mr. Francis M. Sullivan, executive director, national legislative committee, the American Legion, is evidence of the organization's attitude toward income-tax exemption:

> This is a subject which you have discussed with me on several occasions previously, and naturally we of the Legion are pleased that the Committee on Ways and Means has seen fit to grant additional allowances to those in the armed forces and their dependents.
>
> The subject of exemption from payment of income tax was discussed at our last national convention held at Kansas City, with the result a resolution was adopted and referred to the standing legislative committee for further action.

At this point I wish to call attention to a statement made by Mr. Omar B. Ketchum, national legislative representative, Veterans of Foreign Wars of the United States, in a letter to me dated March 22. Mr. Ketchum says in part:

> The Veterans of Foreign Wars of the United States are wholeheartedly in favor of the provision to exempt from tax liability the pay to members of the armed forces.

Like other Members of Congress, I have received many letters from members of our armed forces expressing gratitude that consideration is being given to the proposal to exempt from income-tax payment the compensation received in the military and naval service.

I repeat my assertion that such action is contributing greatly to the morale of our servicemen, and I am confident that the proposal to exempt $3,500 as military or naval pay from income-tax payment will have the unanimous approval of Congress.

Mr. CELLER. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I believe we should adopt the Vinson amendment to the Carlson amendment. I believe we should do all in our power to give some modicum of advantage to those who are willing to go through the shadow of death in combat zones and in battle. In the fox holes of Guadalcanal and Algeria are men who are subjected to carnage from above and to tank fire on the ground; while these men face death daily for us, let us give them some tax advantage.

I am in favor of this amendment, and I am in favor, I say this advisedly as a Member of the New York delegation, of the Carlson amendment to the current bill. May I state that the Treasury Department should have been more vigilant in bringing forward a bill embodying in straightforward manner pay-as-you-go language long since, but unfortunately the Treasury Department reminds me of a story that they tell about President Grant. President Grant was informed one day that Senator Charles Sumner did not believe in the Bible. The President expressed some surprise and after a moment's reflection said, "Oh, yes, I suppose he does not believe in the Bible because he did not write it."

So the Treasury Department does not believe in the pay-as-you-earn or the pay-as-you-go plan, like a Ruml or Carlson plan, because the Treasury Department did not write it or did not think of it. The Treasury Department reminds me also of a man who rides in a train backwards. He only sees things after they have passed by. Thus the Treasury Department only sees things after they have passed by. If you want to get the Treasury Department to adopt any idea that is of value, go 2 years in advance to the Treasury Department, and by the time the 2 years will have come around they will embrace it as their own as though they thought of it first, but will have forgotten where the idea came from.

With reference to the pay-as-you-earn Carlson plan, 44,000,000 taxpayers will be benefited. The Gallup poll told us that the rank and file of taxpayers, the rank and file of the Nation want a pay-as-you-earn plan. Why should this House hesitate in that regard? All that the pay-as-you-go plan does is to turn the tax clock ahead 1 year. There was no cry that we were benefiting the rich at the time we adopted the daylight saving. The increased number of sunlight hours was for the sharecropper and the slum dweller as well as for the rich man, and turning the tax clock ahead will likewise benefit everybody and will not be deleterious to anyone and will not hurt the Nation. It would benefit the Nation. Remember when you get to a position where you will be in an industrial slump, where there will be an economic letdown, as will happen when peace has been declared, say in 1945 or 1946, where are you going to get the money wherewith to pay the taxes in a year subsequent to which they have been incurred? Millions will be severed from gainful employment directly after peace, but the previous year's debt for income taxes will stare them in the face. Where will the money come from to pay the tax in the first and second years directly after the war? A pay-as-you-earn plan would place all on a current basis and with it there would be no such difficulty confronting workmen after the war as I pointed out.

In 1945 or 1946 there will be no money in the pockets of the ordinary wage earner; their jobs will have, in the main, evaporated. So when you talk about loss or when you talk about gain keep your eye on those years when you will have a vast number of delinquencies because the ordinary taxpayer on account of the industrial let-down which will come after peace will have no money with which to pay their taxes in a subsequent year or years.

The pay-as-you-earn proposal does not skip any year's tax. It simply means that the measuring rod for a man's income tax in any year would be the income of the same year instead of the income of the year before. It would substitute for one tax measure another tax measure—to produce exactly the same revenue. I believe the Carlson measure will produce more revenue, because it would take the money from a taxpayer while he still has money and before he has a chance to spend it.

The Government can at any time make income taxes as thumping big as the necessities of war require. Thus, if any plan does not raise enough money, taxes can at any time be increased. The Government always has a moral if not actual lien on all our income.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the amendment offered by the gentleman from Georgia [Mr. VINSON] to the substitute offered by the gentleman from Kansas [Mr. CARLSON].

The amendment to the substitute was rejected.

Mr. McGRANERY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. McGRANERY to the Carlson amendment: On page 55, strike out lines 15 to 20 and insert in lieu thereof the following:
>
> "SEC. 6. Additional allowance for members of armed forces and members of merchant marine.
>
> "(a) In general: Section 22 (b) of the Internal Revenue Code is amended by striking out paragraph (13) (relating to additional allowance for military and naval personnel in computing net income) and inserting in lieu thereof the following."
>
> And on page 56, after line 9, insert:
>
> "(14) Additional allowance for members of merchant marine: In the case of compensation received during the taxable year and before the termination of the present war as proclaimed by the President, by a seaman (including an officer, a member of the crew, or an employee of any concessionaire) for services performed on or in connection with any vessel, so much of such compensation as does not exceed the excess of $3,500 over the personal exemption claimed under section 25 (b) (1) by such seaman for such taxable year (and by his spouse, if such seaman is married and living with his spouse on the last day of the taxable year and such spouse is not entitled to the benefits of this paragraph or of paragraph (13)), but only if for some period during the taxable year such seaman was entitled to extra compensation for hazardous sailings, such extra compensation being of the type approved by the Maritime War Emergency Board."
>
> And on page 56, strike out lines 10 to 14 and insert:
>
> "(b) Effective date: The amendments made by subsection (a) shall apply to all compensation with respect to which such amendments are applicable received after December 31, 1941."

Mr. McGRANERY. Mr. Chairman, the amendment you have just heard read by the Clerk is one that, in my opinion, will put on a par, at least with the members of the armed forces of the United States, those whom I call the unsung heroes of this war, the men engaged in the merchant marine. This amendment has been drafted by the drafting service. It has the approval of

the Committee on Ways and Means. It will give to the members of the merchant marine, those who in any taxable year have earned what they call a bonus in the merchant marine—and you know what that means—an additional allowance in computing their income taxes for that taxable year.

I have here a letter from the ex-chief mate of a vessel on which a boy whom I appointed to the maritime school went down. It is dated December 10, 1942, and reads, as follows:

DEAR MR. AND MRS. SCHUSTER: I have the sad duty to send the following sad report about your son.

In the early morning of October 9 we were torpedoed. It was still pitch dark. Your son followed the captain on the bridge, where, in an emergency like this, his duty was to assist the captain and act as the captain's messenger.

Our vessel sank very rapidly. Your son and the captain were trapped by inrushing water in the wheel house and they were never seen again by the survivors, who remained at scene until long after daylight, rowing around and looking for other survivors.

Your son is remembered by me and his other surviving shipmates as a brave, earnest, and conscientious seaman, who stuck to his post to the last.

Yours truly,

CHARLES VILLARD,
Ex-chief mate of the above vessel.

While the body of this brave young man is now at rest at sea, and while it is true his parents have consolation in the knowledge that he gave his life in the greatest cause in the history of our civilization, and there is no honor that could be conferred upon him, no matter how high, that was not richly deserved for his devotion to his duties, and I sincerely hope that our Government will show its gratitude to his family in some concrete form, and this amendment of mine if passed by this House will be a monument to him and to all the other heroes of the merchant-marine service.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. McGRANERY. I yield to the gentleman from Mississippi.

Mr. RANKIN. Is it not also a fact that today we are having more trouble getting skilled men for the merchant marine than for any other branch of the service, because they cannot be drafted inasmuch as the merchant marine is not a part of the armed services? Therefore, we are in greater need today of skilled men in the merchant marine than in any other branch of the service, and this little encouragement certainly ought to be held out to them, if we cannot do any more.

Mr. McGRANERY. I appreciate the gentleman's contribution.

Mr. Chairman, the very least we can do for the men who are risking their lives on the sea getting the guns, the ammunition, the tanks, the food, the clothing, and other equipment to our soldiers overseas is to accord them the same privileges we accord the members of the armed forces. I have no quarrel with those members of the armed forces serving in Washington or wherever they serve, but I say that these young seamen should be taken care of in the same way and in the same form and given the same rights and immunities and privileges that members of the armed forces receive.

I hope you will support my amendment.

Mr. CAPPOZZOLI. Mr. Chairman, will the gentleman yield?

Mr. McGRANERY. I yield to the gentleman from New York.

Mr. CAPOZZOLI. Does this amendment apply to members of the merchant marine who serve in domestic waters?

Mr. McGRANERY. This amendment applies only to members of the merchant marine who have during the taxable year received what they call a bonus or extra compensation. This means that these men have been engaged in some hazardous duty.

Mr. CAPOZZOLI. A hazardous duty such as sailing in dangerous water, I take it?

Mr. McGRANERY. Yes.

Mr. RANKIN. All waters are dangerous now for the merchant marine.

Mr. McGRANERY. That is right. This applies to members of the merchant marine engaged in duties any place where they get a bonus.

Mr. WASIELEWSKI. Mr. Chairman, will the gentleman yield?

Mr. McGRANERY. I yield to the gentleman from Wisconsin.

Mr. WASIELEWSKI. This does not include the seamen on the Great Lakes or on the Mississippi River?

Mr. McGRANERY. The waters on which they work are not circumscribed in this amendment. It is wide open. The question is whether or not they are performing a hazardous task.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. VAN ZANDT. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Pennsylvania [Mr. McGRANERY].

The amendment offered by the gentleman from Pennsylvania deals with a subject now being considered by the House Committee on the Merchant Marine and Fisheries.

Mr. McGRANERY. Mr. Chairman, will the gentleman yield?

Mr. VAN ZANDT. I yield to the gentleman from Pennsylvania.

Mr. McGRANERY. I am not concerned about whether or not this matter is now being considered by any committee. I assure the House that this amendment was approved by the drafting service after consultation with members of the Committee on the Merchant Marine and Fisheries. It asks only for the same benefits for the members of the merchant marine that now accrue to members of the armed forces. I am not concerned about whether or not the Committee on the Merchant Marine and Fisheries is working on this problem.

Mr. VAN ZANDT. I appreciate the gentleman's position, yet I feel the subject of his amendment should be considered by the Committee on the Merchant Marine and Fisheries.

For the benefit of the House, may I say that during World War No. 1 thousands of men served in the merchant marine of this country. During this war thousands of men also are serving in the same capacity. Believe me when I tell you that if this amendment is adopted, you will open up a field that will eventually include the payment of compensation and pensions, and the granting of free hospitalization and other benefits to civilians who are members of the merchant marine. Thus these civilians will enjoy benefits now available to the members of our armed forces who heretofore have been recognized as the only group having a veteran status.

Let us consider for a moment a man who serves in the merchant marine today. It is true that he takes an oath, but he does not take the same oath that the man does who serves in the Army, the Navy, Coast Guard, or the Marine Corps of the United States. He simply swears that he will serve as a member of the merchant marine of the United States.

When he becomes a part of the merchant marine, he is immediately granted free of charge a life-insurance policy, the premium of which is paid by the company owning and operating the vessel on which he is employed, whereas the man who serves in Uncle Sam's Army, Navy, Coast Guard, or Marine Corps today pays for the war-risk insurance policy he takes out by regular deductions from his base pay.

The civilian who serves as a member of the merchant marine not only receives twice as much as a member of our armed forces, but the fact he serves on a ship during the period of war entitles him to a further increase. If he serves on a vessel that enters a port that is in the active war zone he receives an additional bonus every time the vessel enters such a harbor. When he returns to the United States he can sign off that ship any time he wishes and go on another ship of his choice, but the man in the armed forces, and especially if he serves in the Navy, is assigned to a battleship, a carrier, a tugboat, or a hospital or some other station billet, and must remain at his post until he receives orders from his commanding officer to change his assignment. Let us not forget, gentlemen, that the civilian employed by the merchant marine of our country has the benefit of belonging to a labor union and can negotiate for better working or living conditions and increase of pay. If his demands are not satisfied he has the right to strike. The man in our armed forces, by the nature of his oath, is precluded from taking any such action. If he strikes he is guilty of mutiny, which in extreme cases is punishable by death. This subject is too broad to be properly considered in the form of an amendment, and I submit, in all fairness to the men of our armed forces, this amendment should be defeated.

Mr. RANKIN. Mr. Chairman, I rise in support of the amendment. I do not agree with my distinguished friend from Pennsylvania——

A MEMBER. Which gentleman from Pennsylvania?

Mr. RANKIN. The gentleman from Pennsylvania, Mr. VAN ZANDT, a member of the Committee on World War Veterans' Legislation, of which I am chairman.

I do not think that this means that we will supply these men with hospitalization or give them pensions after the war is over. I know that in a great many instances they draw higher pay than many people do in other civilian activities, but I remind you that our battle front is on the Atlantic and Pacific Oceans. There is no more dangerous branch of the service anywhere than the merchant marine. Those men are practically helpless when attacked by a submarine, or showered by a bombing plane. Many hundreds, if not thousands, of them have gone down into flaming seas of oil, and they are entitled in my opinion to this slight preference with reference to exemption on their income taxes.

I am very much disturbed over the question of securing trained men for our merchant marine. We are having a great deal of trouble in that respect. Just the other day we passed a bill here, the debate on which brought out the scarcity of trained men in our merchant marine, where they are so badly needed at this time.

Mr. VAN ZANDT. If we grant exemption to civilians who serve in the merchant marine today, why not grant exemption of income taxes to civilians who built the naval installments on Midway, Guam, Johnson Island, and other places.

Mr. RANKIN. That is a different proposition. When they went there they were not expecting to face an enemy. Every man who goes on a merchant-marine vessel today knows that he is taking his life in his hands.

Mr. ALLEN of Illinois. And what about the American Red Cross and the field workers over the battle front, the civilian suppliers, civilian boat hands, in fact, everyone connected with the winning of the war.

Mr. RANKIN. Of course, I am for giving them this advantage.

Mr. ALLEN of Illinois. You are going to make a pork barrel out of this tax collection bill by exempting from taxation two-thirds of our people.

Mr. RANKIN. Does the gentleman think it is a pork barrel to give this exemption to the Red Cross workers? I wonder if the gentleman ever witnessed a real disaster where the Red Cross was called in? Of course, I would give this advantage to the members of the Red Cross, to those people who are on the firing line, or anywhere in a dangerous zone.

There is just a little too much sympathy for the man who is making a million dollars a year in proportion to the sympathy for the poor individual who is risking his life on a merchant-marine ship, or one who is a member of the Red Cross, who is offering his or her life every day of the world, when in the war zone.

Yes; I would give them this advantage, and everyone else who helps to carry on this great war we are now fighting for the survival of our civilization.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. McGRANERY].

The question was taken; and on a division (demanded by Mr. McGRANERY) there were—ayes 63, noes 131.

So the amendment was rejected.

Mr. CUNNINGHAM. Mr. Chairman, I move to strike out the last word and rise in support of the Carlson amendment.

During the 4 days of general debate on this bill many points of error and misunderstanding have crept—wittingly or unwittingly—into the discussions.

On none has there been more misleading talk than the wholly unfounded charge that the Carlson bill proposes to vote to every Member of Congress a bonus, a Christmas present, a magnificent gift of $2,152.

The implication has been made that supporters of the Carlson bill thus seek to enrich themselves to the extent of 1 full year of "forgiven" taxes.

The implication is as unfair as it is untrue.

What happens under the Carlson bill is quite simple. Those of us who were in Congress in 1942 paid taxes on our 1941 salary.

This year we will pay taxes—unless we change the collection method—on our 1942 salary. Next year we would pay taxes on this year's salary.

We propose in the Carlson bill to skip over 1942, and make the taxes we are paying this year taxes for our salary this year. Under the old plan we would not have paid taxes on this year's salary until next year. We bring forward the taxes normally payable next year in 1944 and pay them this year. This will be in lieu of last year's taxes payable this year. But when the end of the year comes this year we would be even with the tax collector.

Next year, 1944, we would pay taxes as we earn on 1944 income. At the end of 1944 we would be square with the tax collector—because we will have paid the tax on 1944 income 1 year earlier than under the old system. In short, we set the tax clock ahead 1 year.

To sum up—in 1942 we paid on 1941; in 1943 we pay on 1943; in 1944 we pay on 1944.

To be sure we have no receipt for taxes on 1942. But we will have a tax receipt for each year—and what is equally important the Collector of Internal Revenue will have our full taxes for 3 years.

But you who oppose us say, ah, yes! But under the old system you would have four receipts.

But would you have four receipts at the close of 1944? You would not. You would only have four receipts under the old system—now in effect—at the close of 1945. That presupposes that we would have the money in 1945 to pay.

That precisely is the point at issue in this whole controversy. That is the very gist of the issue.

If I retire from Congress at the close of 1944 under the existing system I will still owe in 1945 a tax on a full year of 1944 earnings.

What if I have no job in 1945? Or am ill in 1945? Or injured and cannot work? Under the existing system I will still have to pay the $2,152 of taxes, or whatever higher tax we decide on in the next tax bill. Under the Carlson bill I will be square.

You and I—even in our adversity—would doubtless find a way to pay. We would pay. But how about the millions of taxpayers now working at good war jobs who may be thrown out of jobs in the transition period when the peace comes? Will they be able to pay in a year when they have no income, or very low income, a tax on a preceding year when they had high war swollen incomes?

The workingman understands this. He knows that if he is not made current now he will likely find himself at the end of the war prosperity with an indeterminate period of low income and a high tax bill from the preceding year on his hands. It is to prepare that man against the day of possible adversity—to prepare millions of fine, hard-working Americans for that day—that the Carlson bill has been proposed.

The working people of America know that. They understand what pay as you go means, and they do not intend to be misled by any bugaboo cry that all the Ruml plan is for is to make a lot of "blood millionaires." The workingman can see through such demagoguery.

What the toiling masses of America want now is to pay now while they are earning. They want to pay. They will pay. But they do not want a "millstone of tax debt" hanging about their necks when this thing is over and they, perhaps, are out of jobs.

But you say to us: What assurance have you that there will be any post-war let down, any depression, any period of lowered incomes? May we not just as easily swing into an era of very high prosperity, very high national income? Then what?

Then Members of Congress, and the men who toil in shops and factories—all Americans alike—will go on paying, year by year, decade after decade, as long as each lives and has a job.

As death overtakes us, one by one, in the years ahead, then we will have squared accounts with the tax collector—and our widows, our children, our estates will have no overhanging unpaid tax bill for the income we earned in the last year of life.

If we go on, year after year, earning and paying, and dying—the losses for 1942 will be scattered over the lifetime of a generation.

To try to make anyone believe that the loss would pile up in the midst of this great war is a shameless perversion of the truth.

Mr. COOPER. Mr. Chairman, I rise in opposition to the pro forma amendment and ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. COOPER. Mr. Chairman, the argument advanced by the gentleman from Iowa [Mr. CUNNINGHAM] has been so thoroughly and completely answered time after time that I do not want to take more than the time to say a word in reply to it. The fact remains that every Member of Congress who served here last year received $10,000 in salary for that service, and if you forgive the payment of the tax for 1942 he has $2,152 in his jeans, in his pocket, that he is not paying to his Government as a tax on the salary that he drew.

The claim has been made here that the Carlson bill will bring in $3,000,000,000 more revenue than the committee

bill. That is absolutely wrong. There is not any basis for it at all. The Carlson bill does not raise a single income-tax rate, and neither does the committee bill. Under the committee bill and under the Carlson bill we will receive $3,000,000,000 more revenue in 1943 than in 1942 simply because the national income for 1943 will be $140,000,000,000 as against $119,000,000,000 for 1942. There is not any basis for any such argument as has been advanced here about the Carlson bill yielding any additional revenue. The fact is the committee bill will bring into the Treasury more money than the Carlson bill, for the reason that the number of people who do take advantage of the discount provided will cause more revenue to come into the Treasury.

There has been something said about the 6-percent discount provided in the committee bill. That applies only to the year 1943. It is not for all years of the future, as has been contended.

Something has been said about loan sharks. The fact is that today we have $29,000,000,000 on savings accounts in the hands of the people, three times the amount of the entire 1942 tax liability of $10,000,000,000.

Another thing I want to invite to your attention is that there has been sold by the Treasury a total of $10,053,775,000 in tax anticipation warrants or notes to March 27, 1943. Suppose a man bought enough for the payment of his 1942 tax. He has also bought these notes to pay his 1943 tax. That means that he can go to the Treasury and cash in those 1942 tax anticipation notes with interest on them. In addition to that, there has being redeemed $3,817,672,000 of tax anticipation notes, most all for the payment of taxes, and we now have outstanding $6,236,103,000 of tax anticipation notes that the taxpayers can use for the payment of this 1942 tax liability. Over $6,000,000,000 already in the Treasury that can be used for this purpose. If this forgiveness plan is adopted that will be returned to the taxpayers at interest by the Government. There can be no doubt the time has come now for us to make a decision between the Carlson plan, which forgives $10,000,000,000 of tax liability, which forgives $854,000 on a $1,000,000 income, which forgives $64,000 on a $100,000 income, which forgives $2,152 on a $10,000 income, and the committee bill. Now is the time to not let Uncle Sam down. He needs the money. We have got to win the war.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. KNUTSON. Mr. Chairman, I move to strike out the last five words.

Mr. Chairman, this is the fifth day of the debate, yet it is the first time that anyone on the majority side has admitted that if the Ruml plan is adopted we will pay taxes this year just the same as we have been paying them in the past. The gentleman from Tennessee does not see where the Carlson plan will bring in $3,000,000,000 more than the committee bill. I will tell the gentleman how it will do it. It will do it by making us pay the 1943 tax on the higher income in 1943, rather than to have us wait until 1944. That is where we will make our gain.

Heretofore in this debate the other side has been depending altogether upon the political aspects of this question. As a matter of fact, in listening to the debate yesterday, those in the gallery who had not followed the previous debate must have gone home under the impression that this tax bill hinged purely upon politics. It is the first time I have ever seen a tax bill brought to the floor and justified on the ground of politics.

I call the attention of those of you who did not read the Gallup poll—and I am not a disciple of the Gallup poll—but once more I want to call the attention of the House to the fact that 86 percent of the people in the lower brackets went on record in favor of the Ruml-Carlson plan; 83 percent of those in the higher brackets were in favor of that plan. Even though Gallup is 20 percent too high, we yet have a preponderance in favor of the Carlson measure.

You who vote against the Ruml-Carlson plan will have something to explain when you go home, because the people back there want it, as letters from all over the country attest.

The majority has shown great concern over the political aspects of this matter and how it will affect those of us who are in favor of following the wishes of our constituents. On yesterday the distinguished gentleman from Oklahoma very persuasively, but not convincingly, sought to paint a picture of political desolation for those of us who are going along with the Carlson-Ruml plan. Others who have spoken eloquently upon the subject were the distinguished chairman of the Ways and Means Committee, the gentleman from North Carolina [Mr. DOUGHTON], the distinguished gentleman from Tennessee [Mr. COOPER], and others.

It is significant they all come from States that are solidly Democratic and have been ever since the War between the States. Why should they be concerned about us? Answer me why? Why should they fear that we may fail to carry the House next time?

Mr. COOPER. Will the gentleman yield?

Mr. KNUTSON. I will give the gentleman the same time he gave me, which is nothing. I refuse to yield.

Mr. REED of New York. Will the gentleman yield to me?

Mr. KNUTSON. I yield to the gentleman briefly.

Mr. REED of New York. The gentleman from Tennessee [Mr. COOPER] was referring to the vast amount of savings, but out of the $25,000,000,000 of savings, $24,700,000,000 is in the hands of individuals above the $2,000 income level.

Mr. KNUTSON. Well, talking about savings, the gentleman speaks of $29,000,000,000 in savings accounts. How about the 500,000 families that had to go to the loan offices the first of the month to get money to pay their first installment of the 1942 tax debt? They had to borrow $100,000,000, according to the record, and they are still borrowing to pay the first quarter due this year on last year's earnings. It is estimated that the number of borrowers to meet the remaining installments may reach 5,000,000, involving loans of $1,000,000,000. That is what we want to do away with. That is the relief we are trying to give to the American people by keeping faith with them and giving them the Ruml-Carlson plan. The Treasury will not lose any money if we move the tax clock ahead 1 year, neither did we lose a moment of sunshine when the President moved the clock ahead.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. DEWEY. Mr. Chairman, I rise in opposition to the pro forma amendment to discuss certain provisions of the Carlson bill as found on page 3, line 9, section C:

> Special rules, where both 1942 and 1943 income is substantially greater than 1941 income.

This was placed in the bill in order to avoid so-called windfalls. I feel certain all of you are aware that other provisions of the bill require the tax liability for 1943, on incomes above $20,000, shall be assessed against the income of 1942 or 1943, whichever is the higher. Let us suppose, however, that the income for both years is exactly the same or that the income for 1943 is somewhat higher than 1942 and therefore will furnish the tax basis for 1943, but that both, however, are higher than the income of the taxable year 1941 which is considered as a normal prewar income. The excess income in 1942 over the normal income of 1941 will be considered a war profit and be taxed by subsection (c) on page 3 of the Carlson bill.

To ascertain the war profit it is provided that a base will be taken of either $20,000 or the normal income received in the year 1941, whichever is greater; that is to say, anything that is gained in the year that is not taxed, either 1942 or 1943, that is greater than $20,000 or the income of the taxpayer in the taxable year 1941 will be taxed. The $20,000 or the 1941 income will be the basis or norm; any income above that will be taxed at the usual rates employed under the code for capital gains; that is to say, 25 percent.

Thus 25 percent is the same rate that would apply if a person should make a venture in the purchase of a share of stock and the share of stock should increase in value and be sold. The profit would be taxed under the capital gains rate of 25 percent. Any war profit, or increase of net worth, will be taxed under those same rates.

There may, however, be some exorbitant profits gained from war activities. The Carlson bill takes care of that by increasing the rate for profits over and above $500,000 to a 50-percent tax. We feel that in this way there will be a recapture of these so-called war profits. It is not a fact that they are left untaxed; they are caught by this capital-gains tax.

And may I state also in answer to the accusation that the Carlson bill will not raise more revenue in 1943, it is perfectly obvious it will, because for the 1943 tax base it taxes the highest income year, either 1942 or 1943, and also picks up the war profits.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. STEWART. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STEWART: On page 12 strike out lines 9 and 10 and insert:

"(9) For services performed for any organization organized and operated exclusively for religious purposes, no part of the net earnings of which inures to the benefit of any private shareholder or individual, and no substantial part of the activities of which is carrying on propaganda, or otherwise attempting, to influence legislation, but only if such services are exclusively religious in character or are ordinarily and necessarily incident to the religious activities of such organization."

Mr. STEWART. Mr. Chairman, the purpose of this amendment is to broaden the Carlson amendment. In the event the Carlson amendment does not prevail I shall reoffer this amendment to the committee bill.

Mr. Chairman, this amendment is based upon the fundamental proposition of justice to religious organizations. In this bill we have exempted ministers of the gospel, but we still make them the fiscal agents of the Government insofar as withholding and reporting taxes are concerned. This amendment does not go to their printing plants, their hotels, and big properties; it reaches only that part that has to do with church services, religious in character.

The churches today, from my observation, are suffering more than I have ever known in my whole life's experience. Many of their members are in the armed forces; preachers' salaries are dwindling; church employees are working for considerably less than formerly. They do not object to the payment of taxes; I have not run into any churchman who conscientiously objected to paying taxes, not a minister; but they do resent and ask to be relieved from being made the fiscal agents of the Government for the purpose of withholding taxes. Many churches, denominational organizations, and other religious bodies are entering pleas to be relieved of the embarrassment imposed by withholding of the Victory tax, although all of the groups express their approval of the tax as a war measure.

I am convinced that these petitioners are all loyal to our Government and that not one of their employees seek to evade the payment of the Victory tax. All loyally and gladly support Congress in its efforts to meet the financial exigencies of our war. But these churches and their employees cannot willingly assent to the churches of our land being made fiscal agents of the United States' Government.

All of the many letters and telegrams I have received, and I have received many, show that these churches only seek exemption from being made fiscal agents of our Government. They seek this exemption because both their faith and their consciences revolt at assenting to a violation of the doctrine of complete separation of church and state. These fear that the Victory tax's invasion of their freedom might lead to a complete break-down of this Bible doctrine and American tradition. They conscientiously resist any subordination of churches to the state.

And now, do not facts verify grounds for their fears? Does not history show that honest worshipers have often been hounded from pillar to post by ruthless autocrats or dictators? Yes, the chronicles of historians show that worship has often been ruthlessly invaded by the state, and that religious worship has often been grievously convulsed by the same.

Who can blame these churches for their fears? What a specter of sorrows and afflictions rise up before them day by day. They see European concentration camps filled with their ranks. They see Christian churches in Europe closed and their leaders shot as hostages. They see the followers of Christ afflicted by every ingenious device, born of reprobate minds. Looking backward to the dark ages, they see the churches of God subjected to manifold fetters by the state. They see afflictions heaped upon humble followers of Christ Jesus by designing power-mad dictators. They now see adverse tides engulfing the races of men, sweeping as they go many churches into oblivion. Knowing that true churches constitute the mightiest bulwarks of a threatened democracy, they resist the encroachment of the Victory tax.

Christian groups, believing in religious and civil freedom, have often resisted, even unto death, the invasion of the state into the realm of their worship. To illustrate, the Waldenses of medieval times resisted the oppression of many dictators, and, as a consequence, multitudes of them came to martyrdom. The sturdy Huguenots of France surrendered their lives to death before they would yield to the decrees of a French autocrat. St. Bartholomew's Massacre stands forth both as a symbol of oppression by a wicked sovereign, and as a symbol of loyalty to the doctrine of complete separation of church and state by humble Christian Huguenots. History shows that the Plymouth fathers fled European persecution to find freedom of worship in America and established at Plymouth in 1620 the first American colony providing religious freedom for all. History also shows that Catholics of Europe, resisting the oppression of a tyrannical state, also fled to America and found haven in Maryland, whereupon they proclaimed liberty for all settlers therein. No, gentlemen, these church petitioners cannot overlook these infringements upon freedom of worship, especially since this day discloses so many threats at religious freedom.

And furthermore, can we with wisdom overlook the significance of Thomas Jefferson leading the Virginia House of Burgesses to grant complete freedom of worship to all worshipers in that great State? That deed he did because he witnessed religious freedom violated in his own State and in his own land. Can we with wisdom forget Patrick Henry's noble defense of three Baptist preachers charged with preaching the glorious gospel of the Son of God, before a Virginia court? And furthermore, can we wisely overlook the action of the founder and Father of our Country, the immortal George Washington, who led the First Congress under our constitutional government, 1789, to adopt our Bill of Rights and then secured the necessary approbation of the Colonies in order to incorporate the new document into our Constitution? I, personally, believe that we should guard diligently the spiritual heritage we have received from these worthy forebears of ours.

And now, do we not owe an undying debt of gratitude to early American churches for their activities in bringing our founding fathers to embrace the doctrine of complete separation of church and state? To preserve this doctrine, the framers of our national laws incorporated it in the first amendment to our Constitution. This amendment says:

Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof.

Now it requires but little thought effort to see that the Victory tax, by virtue of its failure to exempt our churches from becoming fiscal agents of our Government, encroaches upon the free exercise of worship. In the light of this, can we escape seeing that the request of our churches to be exempted from becoming fiscal agents of the Federal Government squares with the noninterference clause for worship set in the Bill of Rights? And moreover, can we escape seeing that this constitutional provision squares with the teaching of the Founder of the Christian religion? Its Founder published this doctrine of complete separation of church and state when He said:

Render therefore unto Caesar the things which are Caesar's; and unto God the things that are God's.

And gentlemen, this declaration was made by the Founder of Christianity in response to a tax issue forced upon Him by an autocratic Roman government.

The Master personally paid His taxes, but He kept His church out from under state control.

Now, gentlemen, from the above facts we see that both our Constitution and the Holy Scriptures call for the maintenance of complete separation of church and state. Since this is so, communicants of our churches over our land have grounds for grievance against any legislation which looks toward subordinating our churches to the state, or which requires them to become fiscal agents of our Government. Since our land has come to its plentitude of political, religious, and economic power under the Biblical doctrine and political tradition of complete separation of church and state, can we do other than to conclude that the Supreme Being has smiled upon our people for the same? Surely, it would be an ill day for our country to invoke His frowns by permitting the state to invade the rights and liberties of His churches.

According to information I have gathered from over the land, there are multitudes of worshippers much exercised over the failure of the Victory tax law to exempt them from becoming fiscal agents of our Government. The petitions I have received show that many local churches, many denominational groups,

and many religious bodies are greatly disturbed over this matter. While all affirm their desire to cooperate with the Government in its tax measures to finance the war, all of my reports show that they fear the invasion of bureaucracy in our worship life. They seek not exemption from paying taxes, but exemption from the threat of bureacratic control.

Now again, according to the information I have received, many church employees will go to jail before they will become a party to letting their churches become fiscal agents of our Government. These employees do not feel that the failure of the framers of the Victory tax law to make our churches exempt from such a role is due to any malice aforethought, but due simply to an oversight occasioned by the pressing problems the war suddenly thrust upon Congress. While they thus feel about the framers of the law, they find themselves greatly embarrassed by the law making our churches withholders and transmitters of the Victory tax to the state. Their consciences will make them violate this law, and should they be apprehended for disobeying it, they, admittedly among the best citizens of our land, would stand as criminals before courts of justice, and that through no fault of their own.

I feel that a tremendous matter has been overlooked in the Victory tax law. Our churches should have been exempted. They should not be forced into any role without their will or consent. Our churches, as such, have no representation in Congress. Hence to hold them criminally responsible for something they are not a party to is near tyranny. We dare not let the matter stand.

Finally, gentlemen, can we with full wisdom let this oversight continue to embarrass our churches and to convulse their worship? Our churches have been and are our spiritual bulwarks and our sources of moral strength. Among their ranks, we find many of the noblest men of our country. To embroil these unselfish followers of Christ in a clash with the Congress of the United States, a body for which they pray daily, would be an act, I believe, of supreme unwisdom. To exempt them from the role of fiscal agents would not lessen one iota the revenue our Government will receive, but it would free them from worries and fears and release larger labors for the well-being of our land. To exempt our churches would most surely operate as a solidifying act. These bodies strive day in and day out to maintain strong home fronts for the sake of our people who remain at home and for the sake of our boys when they shall return from the fields of our far-flung battle lines. Let us help our churches to keep the home fires burning, and let us encourage them in their unselfish labors to maintain character-building agencies and hope-inspiring institutions. Gentlemen, dare we let this measure stand unamended when it so disturbs and hurts these serving institutions—institutions which serve without cost to our country?

Today, I petition you, in the name of all the churches of our land, that you exempt all churches from being made fiscal agents of our Government in your new tax bill, and that you provide a way therein for church employees to legally send their tax money to the Federal tax bureaus of their States, and thus absolve our churches from any responsibility in this tax matter. Frankly, I do not see how we could do a wiser thing than to grant these petitioners their desires.

Mr. McLEAN. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Oklahoma [Mr. STEWART].

Mr. Chairman, we are attempting here to do something for the protection of the revenue. It is something that everybody agrees should be done, namely, make it possible for income taxes to be paid out of income when the taxpayer has the ability to pay. To do that the payment of 1 year's taxes must be advanced.

We are dealing with a principle which does not lend itself to compromise. This is not the first time that a legislative body has been faced with this problem. It was said the other day that the State of Wisconsin tried the Ruml plan and threw it out. The information furnished the committee shows that the State of Wisconsin attempted to bring its taxpayers closer to the year of earning and in doing so they forgave the tax on one year's income.

Again, I have information that the State of Washington confronted by a similar situation changed its tax on personal and real estate so that the tax of 1939 was payable as the tax of 1940. In other words, the exact principle which we now propose for putting the taxpayers of America on a current basis was used and has operated successfully in the States of Washington and Wisconsin.

What happens when we make this change? You gentlemen still have time to read the hearings and there you will find exactly what happens. You can find an excerpt on page 2549 of the CONGRESSIONAL RECORD where I quote Mr. Randolph Paul. Mr. Paul is one of the best informed and most capable tax attorneys in this country and the Government has been most fortunate in being able to bring him into its service during these trying times. This is what Mr. Paul said:

> Each individual subject to taxation in 1942 has 1 year's liability canceled, but he is at the same time required to pay another year's liability sooner than he otherwise would. Individuals who were not taxpayers in 1942, but who become taxpayers subsequently, will be obliged to pay their liabilities 1 year sooner than under existing law. Individuals who die, or who cease receiving an income, pay the Government 1 year's less taxes, but by and large the money loss on their account is offset by the gain from new taxpayers who begin paying their taxes a year earlier.

What we are interested in is flow of revenue to the Treasury. If I thought there would be one dollar lost from the flow of revenue to the Treasury, I would not be supporting this program at the present time; but the payments to the Treasury will be no less than provided by the act of 1942. The amount will be increased, as has been explained, because the national income has been increasing and the existing rates will bring more money into the Treasury this year.

We should be more interested in the condition of the Treasury in considering this bill than in the economic effect on individuals.

I was not surprised to hear brought forth the charge that Congressmen were voting themselves a bonus. The idea being to scare votes away from the Carlson bill. That strategy was decided upon some time ago. Mention of it was made in the newspapers as long ago as March 16. It is an old device.

The first indication of it came from the White House when it was announced that tables had been furnished the President showing how much money was going to be lost and those tables began with the salary of a Congressman and it was so announced. It was brought out early in the debate and frequently referred to. Do not let this strategy give you any concern. You need only to be reminded of the fairness of the American people. They will not condemn a man who is conscientiously trying to discharge his duty. Those of you who are supporting the committee and criticizing the supporters of the Carlson bill had better give some thought to your own situation lest you be charged with voting yourselves an opportunity for a bonus by paying your taxes in advance.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

Mr. WASIELEWSKI. Mr. Chairman, I move to strike out the last four words.

Mr. Chairman, the gentleman from New Jersey mentioned that the State of Wisconsin skipped a year's taxes and I want to straighten out the RECORD and explain just what happened. When the income-tax law was inaugurated in the State of Wisconsin, it provided for the payment of the tax 2 years after the year on which it was levied. The tax went into effect in 1911, the tax was levied against the income earned in 1911, but payment was not made until 1913. The taxpayer made a return on his income and sent it to the tax assessor, the tax assessor after assessing the tax sent the taxpayer his tax bill. As a result, there was a 2-year lag in the payment of taxes.

This 2-year lag continued until the depression early in the 1930's. Apparently in 1933 the State found that the incomes of the citizens were falling off and that it would be a good time to catch up. The 1933 act provided that a taxpayer pay an income tax either on the 1932 income or on one-third of the 1930 plus two-thirds of the 1931 income, whichever was the greater. It is important to point out that this change still leaves the income-tax payer of the State of Wisconsin in the same position as the Federal taxpayer. He is still 1 year behind. He is not on a current basis.

Another important factor is that the change in basic tax year was made for the benefit of the State treasury because the taxpayer had to pay the income tax in the period in which he had the greater income. Further, this change was made in the depth of a depression at a time when the incomes of the taxpayers were fast falling and the State was looking for means of raising additional revenue. There was no intent or endeavor on the part of the State to for-

give any tax. It was merely a means of getting more money to meet the expenditures of the State.

There can be no comparison made between the change in the basic tax year by the State of Wisconsin and the proposal to forgive a year made in the Ruml-Carlson bill. The State of Wisconsin made the change with no view of forgiveness. The Wisconsin change was made at the depth of the economic depression while the bill now before the House proposes to forgive a year's taxes while we are at war, while our national debt is mounting, and our national income has attained unprecedented heights. I believe the attempted comparison is fallacious.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. VOORHIS of California. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I am opposed to the Carlson amendment. I may approach the matter from perhaps a little different standpoint than that of most of the other speakers. I want to say at the outset that, in my judgment, the gentleman from Kansas is as fine a Member of the House as there is, unless it be the chairman of the Committee on Ways and Means himself, but I am against the Carlson bill, because whatever merit there may be—and I think there is considerable—in attempting to get taxpayers on a current basis, I am convinced that the Ruml plan is just about as inequitable a method of attempting to accomplish that purpose as could be conceived.

The proponents of the Carlson bill make a terrific blunder when they try to tell us that there will not be loss to the Treasury. The argument of the gentleman from Iowa, who said that Members of Congress would pay just the same taxes under the Carlson plan as they otherwise would, presupposes that all Members of Congress are both immortal and unbeatable, for if when they are defeated for Congress their income falls, we will say, to $4,000, the Treasury will lose the difference between the tax on $10,000 for 1942 and the tax on $4,000 for 1945 or some future year; or if they die, the Treasury will lose the difference between the tax on their income of $10,000 and the estate tax rates on a like amount, which are very much less, and in which case the exemption is not $1,200 but $60,000.

There will be some loss. What the House has to decide is how much it is worth to attempt to get how many taxpayers on a current basis. That question will be presented to us later in the debate when some other proposals are offered. At the moment, however, I want to show the House very briefly some of the unanswerable arguments against this Carlson proposal.

This proposal has only one virtue, if any, and that is simplicity, but we cannot solve this tax problem by simplicity. If we could, we would levy a flat rate of tax of 10 or 20 percent or some other percent on everybody in the country—the little fellow with the $500 income and the millionaire. That would be simple. It would also be grossly and utterly unfair. Neither is the Carlson proposal equitable. It proposes a direct and complete violation of the whole principle of ability to pay taxation.

As was pointed out by the gentleman from Arkansas the other day, the Carlson proposal forgives the $2,000-a-year man 1 month of his income after taxes; it forgives the $100,000-a-year man 2 years of his income after taxes, and it forgives the millionaire 6 whole years of income after taxes. It treats the man with a $1,000,000 income exactly 72 times as generously as it does the man with a $2,000 income.

It seems to me perfectly obvious that if any plan of tax collection is adopted in this bill or if no plan is adopted—either way—we are going to have to raise more revenue before this Congress is through. That is a national necessity. If that be true, I know that the bulk of that additional revenue is going to come, not from those with large incomes, for there is not enough revenue to be derived by increasing the rates on them, but from the people in the middle and lower income-tax brackets, who are the very people who derive the minimum of benefit from the Carlson proposal, and who will have to be paying additional taxes to make up for the magnificent forgiveness of tax liability to the people in the upper income-tax brackets.

I do not believe that is an equitable situation, so I appeal to the Members of the House, however earnest we may be about getting as many taxpayers in this country on a current basis as we can, not to adopt the Carlson method of so doing.

May I point out one other thing about the committee bill? There is one thing wrong with the committee bill. It does not put the majority of taxpayers on a current-payment basis, as I am convinced should and can be done in a fair manner. But when it is charged that the committee bill does not make any taxpayers current, that simply is not true. Under the committee bill, all new income taxpayers are made current. Under the committee bill it is also true that the people who had very small incomes in 1942, even though taxable, will have comparatively very little difficulty in becoming current. It will cost many of them only a very few dollars to do so. It is not true, either, that the committee bill requires the doubling up of tax payment, as has been stated. It leaves it entirely to the option of the taxpayer.

Mr. Chairman, before the consideration of the bill is completed I shall have some other things to say in support of other proposals not yet before us. At the moment all I am trying to say is that, assuming that Members desire to try to make as much progress as we can toward putting taxpayers on a current basis, the Carlson bill, particularly in view of the needed additional revenue in the future and the place that burden will fall, is the most inequitable method of attempting to accomplish that result.

The CHAIRMAN. The time of the gentleman from California has expired.

The question is on the amendment offered by the gentleman from Oklahoma.

The question was taken, and the amendment was rejected.

Mr. COOPER. Mr. Chairman, I ask unanimous consent that all debate upon the Carlson amendment and all amendments thereto close in not to exceed 1 hour and 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. DOUGHTON. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Mr. DOUGHTON moves to amend section 2 by adding a new subsection, to read as follows:

"(e) Publicity of forgiven taxes: Section 55 (e) of the Internal Revenue Code is amended by adding at the end thereof the following:

" 'The Commissioner shall also as soon as practicable in each year cause to be prepared and made available to public inspection in such manner as he may determine, in the office of the collector in each internal revenue district and in such other places as he may determine, lists containing the name and the post-office address of each person to whom any amount of income tax is abated, credited, or refunded under section 2 of the "Current Payment of Individual Income Tax Act, 1943," together with the amount so abated, credited, or refunded to such person.' "

Mr. DOUGHTON. Mr. Chairman, my amendment is easily understood. There is nothing complicated about it. Existing law requires the Commissioner to prepare and make available for inspection the names of all persons filing income-tax returns. My amendment provides that the Commissioner shall prepare and make available lists containing the names of persons whose incomes would be abated under the conditions of the Ruml-Carlson bill, together with the amount so abated. If we are going to vote ourselves, that is, the taxpayers, a bonus of $10,000,000,000, if you are going to do that, then you should not object to having your names listed. I would not object to having my name and the amount of the tax that is abated made public. I think the public is entitled to know who are the beneficiaries of this vote, and who favors it, if we are going to make a raid on the Treasury.

Mr. KNUTSON. Would the list that the gentleman proposes to have made be open to public inspection?

Mr. DOUGHTON. Open to public inspection.

Mr. KNUTSON. The gentleman has always fought that principle before.

Mr. DOUGHTON. Oh, no. Do not say what the gentleman has always done. I do not yield any further. Is the gentleman going to fight this?

Mr. KNUTSON. The gentleman knows that he always did fight that principle.

Mr. DOUGHTON. I did not.

Mr. KNUTSON. Yes; the gentleman did.

Mr. DOUGHTON. Oh, no; I did not. Let the gentleman fight this if he dares to. That is the issue now.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina.

The question was taken; and the Chair announced that he was in doubt.

The Committee divided; and there were—ayes 95, noes 120.

Mr. DOUGHTON and Mr. WHITE demanded tellers.

Tellers were ordered, and the Chairman appointed Mr. DOUGHTON and Mr. KNUTSON to act as tellers.

The Committee again divided; and the tellers reported—ayes 121, noes 153.

So the amendment was rejected.

Mr. J. LEROY JOHNSON. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment proposed by Mr. J. LEROY JOHNSON to the Carlson amendment: Strike out section 2 of the Carlson amendment and insert:

"SEC. 2. Relief from double payments in 1943.

"(a) In general: The liability of any individual (other than an estate, trust, or nonresident alien) for the tax imposed by chapter 1 of the Internal Revenue Code upon such individual for the taxable year beginning in 1942 is discharged to the extent of not more than $1,050, except that any payment made on or prior to June 15, 1942, on account of such liability shall be treated as a payment on account of the tentative tax for the taxable year beginning in 1943.

"(b) Deferment of payment of unabated portion of 1942 tax: In case the liability of any individual (other than an estate, trust, or nonresident alien) for the tax imposed by chapter 1 of the Internal Revenue Code upon such individual for the taxable year beginning in 1942 exceeds $1,050, in lieu of the time prescribed in section 56 of such chapter for the payment of such liability, such excess shall, at the election of such individual, be paid in five equal annual installments, one of which shall be paid on or prior to March 15, 1944, one on or prior to March 15, 1945, one on or prior to March 15, 1946, one on or prior to March 15, 1947, and one on or prior to March 15, 1948."

Mr. J. LEROY JOHNSON. Mr. Chairman, briefly this is my amendment to the Carlson bill: It abates the tax on every 1942 income up to $5,000, and on the part of any income above that the tax will have to be paid in five equal annual installments.

As I see it, this discussion has gotten off on a tangent or raising revenue. We may as well admit right now that under the Carlson plan, according to the experts, there will be as much or more revenue raised in 1943 as there would be under the other plan. However, there is the matter of forgiveness of 1942 income taxes, and the reason I offer this amendment is that I have been thinking about this sort of thing for over 20 years. Frankly, I cannot understand how men, who have had the experience of the men who drew this tax law, can fail to see that they propose the giving to the taxpayers billions of dollars which they legally and morally owe the Federal Government in income taxes for the year 1942.

It is recognized by the tax experts and by the men who are best informed on this bill that there is some advantage in getting the taxes current by some pay-as-you-go basis. Of course, that could be done by the simple expedient of an installment plan.

Naturally, in any tax bill we are vitally interested in the effect on the individual taxpayer. Will there be discrimination or favoritism? It is because I think the Carlson bill contains provisions that will result in rank favoritism and grave injustice that I am offering my amendment.

Conceding the advantage of paying as you go—during the war, at least—the question then resolves itself into the problem what shall we pay for this advantage?

Curious as it may seem, we have a situation—so the experts tell us—where we can by a pay-as-you-go plan, collect more taxes in 1943 than by the old method, and yet thousands of taxpayers will make vast sums of money by having their 1942 tax bill abated.

It shocks me to think that in the greatest war in which we ever participated, at a time of the highest prosperity known to the United States of America, it is proposed to pay a price of billions of dollars, in canceled taxes, to get a little more revenue this year. My purpose is to reduce that price and make it as low as we possibly can.

I came out of the last war, and I think I am typical of hundreds of thousands of others who were disillusioned after the war, to find that while we were away fighting the battles of the country trying to make the world safe for democracy, there were people at home who were making money out of that war. I vowed I would try to prevent that in any future war.

In a nutshell, all you are doing by this bill is taking the tax for 1942, which all of us owe, and saddling it on future generations. Who will that be? We are all mostly past middle age. Our men in the service today and their families are the ones who will carry that burden, because the taxes you are raising today are the taxes to pay the debt created by this war and the debt will continue many, many years after we are gone.

So I say let us put the abatement down, if we have to pay a price like this—and I will have to take the opinion of the experts—let us put it as low as we can. If we forgive each taxpayer up to the amount due on an income of $5,000, then nobody will make an inordinate profit out of this particular forgiveness. The most anyone can gain is $1,020. Then there can be no charge that we are making anyone rich by forgiving taxes.

Right here let me point out that the reason for all the prosperity and the great volume of income taxes in 1942 is the war. In other words, the profits and wages of our country today are largely the result of the war. Consequently, the reason people have high income taxes to pay is because they have made increased money from the war activity. This not only applies to those directly engaged in war activities, but the millions who serve the war workers—stores, professional men, amusement places, and so forth. Long ago I made up my mind that I would do all I could to curb war profits and I think most people hold the same view. When our dear ones are giving up their lives and are sacrificing their future to save and protect us and our country we should in all decency not do anything that would help people make themselves richer.

Consequently, if to increase our tax income we must go on a pay-as-you-go basis—as the tax experts advise us—then let us not do it by a means that will permit some people to reap great benefits. For a large benefit thus reaped is an unconscionable war profit. The present tax proposal by Mr. CARLSON would do just that. He has been frank enough to admit it from the first, and he has tried to avoid it by four times reducing the amount which would be "forgiven" or "abated"—that by the release or wiping out of a tax obligation we owe morally and legally.

Let us take a concrete instance and see just what this means. Under the Carlson plan a man who last year had an income of $20,000 would owe in income taxes $7,120. Under the Carlson plan this would be forgiven. In our country last year there were 943,000 taxpayers who had incomes from $5,000 to $10,000. If the Carlson plan went into effect, this group would not be required to pay their 1942 income taxes. This would mean that $1,035,000,000 would be wiped off the books. Is it not obvious that the Carlson plan would be a great and substantial benefit to that group of taxpayers? In the income bracket of $10,000 to $25,000 there were 299,000 taxpayers in 1942. This group would benefit to the tune of $3,989,970,000.

Remember that practically all these incomes and profits were made from the war effort—they were war profits. To me it is absolutely fair and just that these taxes should be paid. I believe in the private enterprise system and in the payment of high wages and salaries as a reward for ingenuity and extraordinary service. But in wartimes we should not have to pay such big prices in salaries and profits because men are not serving primarily to make money. They are serving to help save the country, their business, their lives. This is perfectly obvious from the many men who have voluntarily gone into some kind of public work to help the country at salaries greatly below their salary in private enterprise. In one agency there are over 250 men working for salaries from $3,600 to $6,500 per year who formerly made from $15,000 to $100,000 per year.

Therefore, I have given you an amendment that would treat all taxpayers alike and not allow any one taxpayer to gain more than $1,020. A man with an income of $5,000 would gain that amount. A man with an income of $10,000 would pay on all over $5,000. He would normally pay $2,152, but under my plan he would be exempt on the first $5,000 of his income, and consequently we would deduct from his tax $2,152 the sum of $1,050 and his tax for 1942 would be $1,102. This we would allow him to pay in five equal installments, without interest. A man with any income below $5,000 would have his

whole 1942 income tax abated and wiped out.

Do you not see how fair that is? It would permit us to get on a pay-as-you-go basis, but would not allow anyone to make a lot out of the scheme.

Even under my amendment we are wiping out a lot of taxes. But I am willing to take the advice of the tax experts who say the pay-as-you-go basis would bring us more revenue and for that benefit I would be willing to make the sacrifice.

This also would be good tax practice; that is, to give a "break" to those whose income is close to the minimum to maintain a proper standard of living. All will benefit a little, the Government will benefit by getting on a pay-as-you-go basis.

These are, briefly, my reasons for urging the passage of my amendment.

The CHAIRMAN. The time of the gentleman from California has expired.

The question is on the amendment offered by the gentleman from California.

The amendment was rejected.

The CHAIRMAN. The gentleman from Michigan [Mr. HOFFMAN] is recognized for 4 minutes.

Mr. HOFFMAN. Mr. Chairman, I certainly hope that neither Hitler nor the folks back home place full face value on the words which have been uttered in this debate. Just a few days ago the chairman in charge of this bill endorsed this sentiment:

> Nothing Hitler or his crafty, deceptive generals could do would so effectively destroy American patriotism and democracy. * * * Surely the courage of our forefathers will rise up in you and you will defeat this diabolical scheme of betrayal and destruction of American patriotism.

I do not believe the chairman of the Ways and Means Committee intended to charge that all those who support the Carlson amendment lack patriotism. I cannot believe that.

Mr. DOUGHTON. I never have charged that. It is just lack of judgment.

Mr. HOFFMAN. All right. I am glad the gentleman made the statement he just did make. However, the other day in the debate, which you will find on page 2494 of the RECORD, the gentleman read from a letter written by a woman named Mrs. Cheek. To me her name typifies her method, or, rather, her lack of method, of reasoning.

From that letter the chairman of the Ways and Means Committee, the gentleman from North Carolina [Mr. DOUGHTON] read, among other things, the following:

> Nothing Hitler or his crafty deceptive generals could do would so effectively destroy American patriotism and democracy. * * * Is it possible that our American Congress would sell us out to the war profiteers and tax dodgers? We cannot believe that you in Congress, the symbol of democracy and of our defense on the home front, would so betray us and our fighting men. Surely the courage of our forefathers will rise up in you and you will defeat this diabolical scheme of betrayal and destruction of American patriotism.

The gentleman from Kentucky [Mr. ROBSION] then said:

> The gentleman has read that letter to the House. Does the chairman of the great Ways and Means Committee endorse what that woman says in that letter?

The chairman of the committee replied:

> I endorse every word of it.

That is the statement of the chairman. I heard him make it. But I was satisfied when I heard him that he did not mean it; that he had no intention of charging the supporters of the Carlson plan with a lack of patriotism. Nevertheless, that statement and similar statements which have been made throughout the debate will be used to condemn all those who honestly and sincerely believe that the Carlson amendment is better than the original committee bill.

Then we had a sermon from the gentleman from Texas [Mr. DIES], who told us that we were guilty of all degrees of sin if we adopted any bill which contained what he called a forgiveness plan. After preaching for 15 minutes against the sin of what he was pleased to call forgiveness he went along and advocated a compromise and suggested that we adopt partial forgiveness, that we sin a little but not too much. When his attention was called to that situation by the gentleman from Massachusetts, when the gentleman from Massachusetts [Mr. MARTIN] asked the gentleman from Texas whether he stood for that principle or not, the principle of not sinning by forgiveness, the gentleman from Texas [Mr. DIES] asked, "What principle?" You know it made me think of those words of that great Democrat, Mr. Willkie, who ran on the Republican ticket, who after the campaign was over, referring to his campaign statement said, "It was just campaign oratory."

I was not a little amazed, I was somewhat shocked, to hear the gentleman from Texas [Mr. DIES], whose committee has done so much to expose subversive activities, advocate sinning even a little.

The gentleman further said—RECORD, 2596:

> Whether you like it or not, all over this country it will be charged that we are making blood millionaires, that we are violating our pledge to the American people that in this war we will not permit war profiteers and millionaires to be created.

If we are making blood millionaires or any other kind of millionaires, it is the fault of the majority party; of those who, by his leader, have been placed in charge of war production.

Unless I mistake the temper of the House, the would-be profiteers and millionaires will be deflated by renegotiation of contracts or by tax legislation.

Then the gentleman from Texas [Mr. DIES] made another statement. He said—RECORD, 2596:

> In my district we have a number of shipyards. There are men in those shipyards who are making more money than they ever made before, literally thousands of them and there are some forty or fifty thousand men working in war industries in my district. * * * able-bodied men who are making $400, or $350, or $250 a month, working 8 hours a day.

Now, as the gentleman well knows, men making high wages spend more freely than do others, and just as surely as day follows night, many of those making $350 or $400 a month, as he stated, will spend as they receive the money, and, when the end of the year comes, they will not be able—no matter how much they desire—to pay the tax due the Government.

If this Government is to receive its just share of tax money, it must collect as that money is earned, and at the source.

I see the gentleman from Oklahoma [Mr. DISNEY] is rising. I am sorry I was not here yesterday to witness the vaudeville the gentleman put on here. I say I am sorry I was not here. But I say to you, sir, that those Members of Congress who have brothers and sons in the service, who realize this tax money is needed to supply them with the tools of war, do not appreciate that comedy that you had for us yesterday. We are interested in something more than that.

Mr. McMURRAY. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. No. When the gentleman talks about forgiveness, from my earliest boyhood days I was told that two things were certain—death and taxes. It matters not at all whether we pay a particular tax this year or next year. Every Member of this House, every citizen of this country who reads, knows that from this day on every taxpayer is going to pay a tax, and if we pay less this year we are going to pay more next year. The rate of taxation is going up, not down; we are going to pay the limit regardless of the bill passed today or any other day.

Another argument made by the opponents of the Carlson amendment was that if we voted to postpone the payment of any tax, Congressmen would be voting themselves a bonus of twenty-odd-hundred dollars. If that statement were true, does it follow that because 435 Congressmen will be treated as are other citizens, relief should be denied to 40,000,000 taxpayers?

Are Congressmen outlaws? Is there any reason why they should not be treated in the same manner, subject to the same rules, the same regulations, receive the same benefits as other citizens?

If there is some good reason why they should be deprived of benefits given to every other citizen in the land, then let those who so contend have the courage of their convictions and exempt Congressmen from the so-called forgiveness plan contained in this amendment—take away from them all exemptions given them by the tax laws.

So let us have done with these charges of lack of patriotism. Let us write legislation based on judgment, reason, and common sense.

Mr. McMURRAY. Will the gentleman yield?

Mr. HOFFMAN. It is not worth while.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

The gentleman from California [Mr. HINSHAW] is recognized.

Mr. HINSHAW. Mr. Chairman, for purposes of clarification and for purposes of the record, I would like to ask an identical question of the gentleman from Kansas [Mr. CARLSON], and of the

gentleman from North Carolina [Mr. DOUGHTON], or the gentleman from Tennessee [Mr. COOPER]. I would like first to make a statement and then ask whether or not that statement is correct. The statement is as follows:

Neither the Carlson bill nor the committee bill makes any change whatever in the Internal Revenue Code or makes any change in the definitions of the Internal Revenue Code, except those that are specifically set forth in the respective bills. May I ask the gentleman from Kansas [Mr. CARLSON] if that is correct?

Mr. CARLSON of Kansas. I am glad to inform the gentleman from California that that is correct as far as the Carlson amendment is concerned.

Mr. HINSHAW. Then may I ask the gentleman from North Carolina or the gentleman from Tennessee if that is correct as far as the committee bill is concerned?

Mr. COOPER. Yes; the gentleman is correct. I thought the gentleman might possibly be interested in the matter of community property.

Mr. HINSHAW. I am interested in knowing whether the committee bill makes any change in any definition or provision of the Internal Revenue Code.

Mr. COOPER. I call the gentleman's attention to page 9 of the report on the committee bill, to this sentence:

> The bill does not make any change in existing law with respect to community property.

Does that answer the gentleman's question?

Mr. HINSHAW. I thank the gentleman; that is the answer I had hoped to receive.

Mr. Chairman, I intend to vote for the Carlson amendment with such proper amendments to it as may make a fair recapture of excessive amounts that may be forgiven by the terms of the Carlson amendment.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The gentleman from Oklahoma [Mr. DISNEY] is recognized for 4 minutes.

Mr. DISNEY. Mr. Chairman, I did not rise a while ago to be scolded by the self-appointed censor of the House, the gentleman from Michigan [Mr. HOFFMAN]; and I am sorry he was not here yesterday also; I am twice as sorry as he is. What I rose to inquire of him was whether he had seen in the press today that that gentleman whom he so ardently admires, Mr. Willkie, has come out definitely for the Ruml-Carlson plan? Has the gentleman read the newspapers? That is the only reason I rose to ask. Yesterday is yesterday, and it is gone.

I do not want to be personal about these things; I am just against the wrong. I am not against you perpetrators of the wrong, for I like you, but this is the opening wedge to debt repudiation. Let us be serious. John James Ingalls, when he was in the Senate, describing Jim Lane, said that he never paid a debt except upon compulsion, that he never had a friend he would not betray, and never made a promise he ever kept. This is the entering wedge to that type of thinking. Think of the man with the red mane and tail who, using this as a precedent some of these days, can come along and suggest a repudiation of our national debt. This is the germ of repudiation of the national debt.

Am I overly exercised about that? If I am, I am not thinking correctly. This seems to be an ism, a thing that drifted through. If it is killed, when will it rise again? When? It cannot be sound enough to demand our serious attention. What worries me is that otherwise sensible Members of this House apparently are seriously for this thing. How far is it going? Where will it lead to? I cannot understand the length it may go to, this proposition to repudiate the tax we levied here last year. I am however, deeply concerned as a citizen of the Nation, as a taxpayer of the Nation. I do not know where we are going if we accept this. In turn in the past we have beaten down these various notions that have been so outstanding. Some of them have gotten past us, but one by one we have gotten rid of them, and here comes this thing, a repudiation of last year's taxes.

Oh, Mr. Chairman, the supporters of the Ruml plan are on the easy side of this thing. It does not take any intelligence to appeal to a man's selfishness; it does not take any reasoning to say, "Do you want your last year's taxes forgiven?" But it does take some tough-mindedness, it does take some intelligence to stand on the other side and appeal to his patriotism and his unselfishness, and to insist that he pay his taxes. Suppose he has saved enough money to pay last year's taxes and it is now forgiven; what can he do with it, what can he buy with it in these days of reduced consumer goods? Oh, somebody says, "Buy bonds with it." Yes; and get 3 percent on the very money that we ought to be putting into the Treasury and not charging the Government a nickel for.

Mr. BALDWIN of New York. Mr. Chairman, will the gentleman yield?

Mr. DISNEY. Yes; I will yield.

Mr. BALDWIN of New York. Was the gentleman as concerned over the repudiation of the gold clause in certain Government bonds?

Mr. DISNEY. Now, listen. That does not appeal to anybody's intelligence to bring that up. The gentleman knows better than to ask that kind of question; it does not do him justice.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

The gentleman from Massachusetts [Mr. GIFFORD] is recognized for 4 minutes.

Mr. GIFFORD. Mr. Chairman, I have worked rather hard on this bill. I might well say "Why waste our elocution on an impossible solution?" If I do not understand this proposed legislation I must assume most others do not. However, I do fully understand that you Democrats have now fully informed my people that they are to be forgiven taxes for 1 year, and necessarily I will have to tell them what particular year. I cannot do so, and certainly you who have proclaimed this cannot do so. If I attempt to tell my farmer who asks me what year he has been forgiven, he may "spit" at me in the manner described by "WES" DISNEY, but for a different reason.

Mr. DISNEY. Will the gentleman yield?

Mr. GIFFORD. No; I am sorry.

Mr. DISNEY. The gentleman mentioned my name.

Mr. GIFFORD. No. I cannot yield. Your vaudeville show of yesterday was very clever and we ought to have bought our tickets. The show delighted the audience, but it was no substitute for wisdom now so badly needed. I will recite a paragraph. "The most important thing here now is, Does the gentleman wear a dress suit when he makes out his tax return?" It was so clever, even if it was "damphoolishness"—a word the gentleman himself used in his remarks. The gentleman is too brilliant to try to argue from that standpoint. Again they pretend "to love the sinner but hate the sin." I am doubtful of such protestations. When a man calls me sinful, I can hardly appreciate his affection for me.

The gentleman from Texas [Mr. DIES] spoke from the book the other day, according to many newspaper reports. In heaven's name, when did he get so confidential with the President? Why, for some time, because I thought he was in the dog house, I have been sort of backing him up. He is apparently leaving me out on a limb and I do not like it.

I cannot look forward happily to this proclaimed forgiveness. You see it is not really true over a period of years. Some may have had some money in their jeans last year to pay this year's taxes. The gentleman from Tennessee said you had it in your jeans. Well, after this year, if either of those bills passes, none of us will have any in our jeans; it will be taken away from us before it reaches our jeans. This Ruml bill is a most peculiar type of forgiveness. We would soon learn that the Democratic promises or suggestions about forgiveness will bring us little of tax relief.

The CHAIRMAN. The time of the gentleman has expired. The Chair recognizes the gentleman from Maryland [Mr. ELLISON].

Mr. ELLISON of Maryland. Mr. Chairman, I offer an amendment which I send to the Clerk's desk.

Amendment offered by Mr. ELLISON of Maryland to the Carlson amendment: Strike out section 2 of the Carlson amendment and insert:

"SEC. 2. Relief from double payments in 1943.

"(a) General rule: The liability of any individual (other than an estate, trust, or nonresident alien) for the tax imposed by chapter 1 of the Internal Revenue Code upon such individual for the taxable year beginning in 1942 is discharged to the extent of not more than $7,100, except that any payments, not exceeding $7,100, in the aggregate, made on or prior to June 15, 1943, on account of such liability shall be treated as payments on account of the tentative tax for the taxable year beginning in 1943.

"(b) Deferment of payment of undischarged portion of 1942 liability: If the liability of an individual for the tax imposed by chapter 1 of the Internal Revenue Code for the taxable year beginning in 1942 exceeds $7,100, in lieu of the time prescribed in section 56 of such chapter for the payment of such liability, such excess shall be payable in four equal annual installments, one of which shall be paid on or before

June 15, 1943, one on or before June 15, 1944, one on or before June 15, 1945, and one on or before June 15, 1946. If any of the last three installments is paid on or before June 15, 1943, such installment shall be discounted by 6 percent thereof. If any of the last two installments is paid after June 15, 1943, and on or before June 15, 1944, such installment shall be discounted by 4 percent thereof. If the last installment is paid after June 15, 1944, and on or before June 15, 1945, such installment shall be discounted by 2 percent thereof."

Mr. COOPER. Will the gentleman yield for a question?

Mr. ELLISON of Maryland. I yield to the gentleman.

Mr. COOPER. Of course, I have not had the opportunity to examine the amendment. I just heard the reading of it. That is all the information I have. Am I correct in the impression I gained from having it read that it is substantially the same as the amendment offered by the gentlewoman from Connecticut, [Mrs. LUCE], except the gentleman has $20,000 where she had $25,000?

Mr. ELLISON of Maryland. In principle, yes, and the same as the one offered by the gentleman from California [Mr. JOHNSON]. He had $5,000 instead of $20,000.

Mr. COOPER. I thank the gentleman.

Mr. ELLISON of Maryland. It is based exactly on the same theory.

Mr. Chairman, as you know, this amendment is based on the same theory as that of the gentlewoman from Connecticut [Mrs. LUCE] and the gentleman from California [Mr. JOHNSON]. Most of us I am sure feel it is very desirable to place all taxpayers on a pay-as-you-go or current basis. This is not possible of achievement unless we have double collection of taxes or some form of forgiveness. The rock on which this whole matter splits is on the idea of forgiveness.

Some dislike the idea of forgiving taxes. Yet, if you examine each one of the three bills before us, the committee bill, the Carlson bill, and the Forand bill, you will find that there is an element of forgiveness in each one of them. It is only a question of degree. Mr. CARLSON'S bill may have too much forgiveness, the committee bill may have too little forgiveness and the Forand bill follows a somewhat middle course. The difficulty with the Forand bill, from my point of view, is that it does not put all taxpayers on a current basis. It places only some on a current basis. Others are on a partly current basis and partly deferred basis. Thereby several classes of taxpayers are created.

There certainly should be some middle course on which we should be able to agree. I think it is worth paying some price to put the taxpayers on a pay-as-you-go basis. The price is the abatement of some taxes. The question is how much? There was an amendment offered here by the gentlewoman from Connecticut [Mrs. LUCE] in which she proposed to abate all taxes on incomes up to $25,000. I propose to abate the taxes on incomes up to $20,000, with the provision that the taxes on incomes in excess of $20,000 for the year 1942 be payable in 4 yearly installments without interest, and a discount given for prepayment.

We should give serious consideration to achieving what is so desirable and agree upon some amount that should be forgiven. I fix that amount at $20,000 because the saving of taxes on $20,000 cannot be considered a windfall. The highest amount that would be saved is $7,100, and certainly that is not an amount that could enrich anyone. However, it would not wholly relieve the large taxpayers. Thus all taxpayers would be placed on a pay-as-you-earn basis, without creating so-called windfalls.

The CHAIRMAN. The time of the gentleman has expired. The question is on the amendment offered by the gentleman from Maryland [Mr. ELLISON].

The amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. HOLIFIELD].

Mr. HOLIFIELD. Mr. Chairman and my respected and statesmanlike friends on both sides of the aisle. For the past 4 days we have listened to the "Rumling" Republican relief wagon as its axles creaked to high heaven with the $10,000,000,000 load of unpaid 1942 taxes; taxes which are needed in the war effort and include the greatest war profits ever known in our history.

The ghosts of all those economy speeches of my Republican colleagues, when they lifted their hands in holy horror at the supplemental appropriation of eight hundred and fifty million for the W. P. A. are hovering near. Not $10,000,000,000 but only $850,000,000—not $10,000,000,000 from the surplus earnings of the American people, but $850,000,000 to feed unfortunate American citizens unable to feed themselves.

And yet the same men who were horrified at that time, come forward now, dressed in the costume rags of poverty, beseeching their colleagues to charitably give them a $10,000,000,000 boondoggling fund for the newly discovered poor-rich.

Boondoggling! How often have we on the majority side had that verbal hand grenade thrown in our midst and now my "Rumling" friends, I pull the pin and cast it back.

I label the Ruml-Carlson bill a $10,000,000,000 boondoggling relief bill for the newly discovered poor-rich.

Yes, gentlemen, the wheels of the Republican Ruml relief wagon are screaking.

They need some axle grease. Maybe we can grease those screaking wheels of the Republican Ruml relief wagon with $10,000,000,000 worth of stolen Treasury axle grease. Maybe we can make those wheels run so smoothly and silently on this stolen grease that they can trade the old wagon in on a new 1944 Republican campaign model.

But enough of partisan politics. The issue involved in the Ruml-Carlson bill far transcends political lines. This bill has already affected the taxpaying habits of our citizens. Due to the extensive propaganda in its behalf, and the smoke screen of misrepresentation beclouding the vision of our people, we face a slow-up of March 15 tax payments. It is but natural that once the insidious song of forgiveness enters the ears of the taxpayer, he awaits the clarification of his tax liability status. That clarification will soon be here. The fog of propaganda is clearing. The inflationary balloon of forgiveness has been punctured by the sharp-pointed, factual principles of sound fiscal policy.

The committee bill, H. R. 2218, follows the course of proven fiscal policy. We know that it will work, because it has worked. It is no new experiment.

First, it improves the collectibility of taxes by instituting pay-as-you-earn, collection-at-source provisions. As a businessman, I realize the importance of this feature.

Second, it provides a voluntary method of becoming current without the corresponding penalty of 100 percent loss of 1942 taxes. In my opinion currency of tax payment is not worth the penalty imposed by the Ruml-Carlson 100 percent forgiveness plan.

Third, the committee bill is honest, sound; based on the ability to pay; based on the greatest year's income in American history.

Fourth, and lastly, it provides the American civilian population a tangible, important part in the war effort. Let he who will doubt the patriotism of the American people; let he who will cry poverty and inability to pay in the greatest income year of our history; let those who believe that the blood of American soldiers is less precious to the heart of our people than the payment of justly due debts vote for forgiveness of 1942 taxes. As for me, I request the privilege of tax payment. I demand the right of participation to the fullest extent of my ability in my Government's need during the war period.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. VORYS].

Mr. VORYS of Ohio. This bill has nothing to do with how much taxes we pay. It only deals with when they are to be paid. The rates of tax are already fixed in the law; they will certainly be raised again this very year, but not in this bill. Congress has the unwelcome but imperative duty of keeping taxes as high as possible in wartime to help pay for the war, and prevent inflation, but that particular duty is not involved at all in this bill.

We ought to be on a pay-as-you-go basis. Our taxes for each war year ought to be as heavy as the traffic will bear. We cannot collect two yearly taxes of that kind in 1 year. Therefore, under the Carlson plan we change the label on the tax we pay this year and call it a current tax.

Is this forgiving anything? I don't think forgiveness is a sin, even when applied to taxpayers, but I don't think there is any real forgiving involved here. Every taxpayer pays a stiff tax every year, if the rates are high, and the rates are not involved here. Taxes are not like rent or mortgage payments or other agreed obligations. Taxes are fixed not voluntarily by the taxpayers but by the

Government, and the amount is determined not by what the taxpayer wants to pay but by what the Government needs. If taxes are not doubled the year the Government's needs double, taxes will be continued over twice as many years. The taxpayer's continuing obligation is just spread out, not forgiven.

Mr. Chairman, on this matter of forgiveness, as to whom is forgiving whom and when, let me illustrate.

A police-court judge had a man up before him for speeding and fined him $10. The man came back the next day and made such a plea that the judge said, "I am going to forgive you that $10 for speeding." The man said, "Thank you, Judge." But the judge said, "Just a minute. As I came down here to court this morning you were driving ahead of me and I saw you speeding, so I am going to forgive you the $10 fine for the first offense, but I am going to fine you $13 for this one."

If that judge wants to go out and appeal to that man and say to him, "I forgive you that $10, and no matter how long you live you will always have been forgiven that $10," I do not believe he will make much impression on the man who had just gotten soaked $13 right after his forgiveness.

I do not think Congress will make much impression on the United States claiming that it forgave $10,000,000,000 of taxes in 1 year if it then puts on a new liability that year and takes in $13,000,000,000 of taxes. That is what is proposed in the Carlson amendment. I am for it, but it is a funny kind of forgiveness.

However, this forgiveness, or whatever it is, catches up with us when we die. Only two things are sure, death and taxes. The only sure way of getting any forgiveness out of the Carlson bill—and I am strongly for it—is by dying.

Let us see what happens. Unless our whole economy changes and there is a depression, the Government will not lose anything. If one of us dies, he will be replaced by another taxpaying Congressman. If a man getting a salary or wages in industry dies, his place will be filled by another man who will pay taxes on his wages or salary. If a man with an income from investments dies, someone will receive that income the next year and will be paying an income tax on it. As far as the Government is concerned, the Government does not lose by the forgiveness in the year of the man's death.

How about the individual? If a man is poor and has nothing saved up, I am perfectly willing to vote to forgive him and his estate the year after he is dead. If he is a rich man, then his income, which did not get caught by the income tax, lies right on top of the pile in his estate, to be reached by the Federal estate tax at the highest rate, so he gets forgiven like the man who was forgiven by the police-court judge. He gets forgiven with the income-tax hand, but the Government clutches the money with the Federal estate-tax hand.

The only man who gets forgiven anything is the man who dies without resources, because he has lived up his income and the money is not there to tax. That income, when it is paid to somebody else, will be taxed.

If it be treason to say that you are voting for having the tax collector lay off the widows and orphans of poor people the year after they die, I say I am for it, and make the most of it.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. PRICE. Mr. Chairman, I offer an amendment to the Carlson amendment.

The Clerk read as follows:

Amendment offered by Mr. PRICE to the Carlson amendment: On page 7, line 19, after the word "paragraph" change the period to a comma and add the following: "Regardless of the provisions of this act or any other law to the contrary, every person who worked or was engaged in business or who had an occupation for the entire year of 1941 and filed an income tax return for the year 1941, or who can show by affidavit that they were so engaged for the entire year of 1941 but that their gross income was not sufficient to require them to make an income tax return under the law, shall be totally exempt from all income taxes for each year, beginning with the year 1942 until the end of the calendar year in which this war shall end, in which both of the following conditions did or shall occur:

"A. His gross income from all sources did not or shall not exceed $1,800.

"B. His gross income did not or shall not exceed his gross income as shown by his 1941 income tax return or by his affidavit showing the gross amount of 1941 income plus 20 percent."

Mr. PRICE. Mr. Chairman, I hope every Member in the House paid close attention to the reading of that amendment. As a new Member of this body I naturally hesitate to take the floor for any purpose. However, I represent over 400,000 people, and I say this humbly, but nevertheless I am convinced that I am entitled to be heard.

If I had a platform during my campaign, the main plank in it was this: that the average citizen is entitled to representation in Congress and the best way for the average citizen, or the man in the street, to get representation was to elect a Representative from among them. I told them that I had gone down the same road they were traveling. I claimed that I had faced the same problems they were facing and I told them that I would at least understand their needs and their desires. Therefore, today I am about to lift my voice in their behalf.

I was not elected by capital or labor but by the great middle class, or the average citizen, many of whom, naturally, are members of labor and some of management.

So today I stand here as a Representative of not only the 400,000 in my district, but of the millions of average citizens scattered all over these United States. I am crying out for that great mass of American citizens who are not organized, who have no mouthpiece, that great multitude of clerks, salesmen and women, office workers, and shopkeepers who have received no pay increase to speak of, while everything they buy has increased from 25 to 50 percent; therefore, I claim they are the real victims of this war. These men and women have no powerful lobbyists to fight their battles; they are forced to look to you and to me for support for their righteous cause; these men and women who have in reality suffered a 25- to 50-percent reduction in their income; these men and women who have remained loyal to their employers and their jobs when so many inducements were being offered them to go elsewhere.

I honestly believe many Members of this House have been aware of the predicament these people are in, but until now had no feasible way to render them real assistance. Therefore, I plead with you to step out on their side here and now, show them that you desire to help them, not for political reasons, but simply because their cause is just and worthy.

This House passed a bill a short time ago allowing salaries to be raised from $1,200 or less up to $67,200 without any control or regulation. Now I am asking you to help only those who received less than a 20-percent increase during 1942, and you know there are thousands who did not get that much of an increase. Then this amendment affects all members of the armed forces who received less than $1,801 for the year 1942. If there ever was a group that needs to be represented here in Congress, it is those boys who are giving their life blood on the battle fronts of the world today for you and for me. Think this matter over seriously before you vote.

Let us remember these people here today who have no way of helping themselves, many who are going to be unable to buy the bare necessities of life and, naturally, who are not going to be able to pay any income tax. Think what it will mean to withhold even the smallest percent of their meager earnings.

This bill will upset the tax program to some extent and will, eventually, result in those in the higher brackets paying more taxes, but I claim those who are making a profit on this war should pay the most of the expense in connection with the prosecution of it.

This will also help the small business man who is barely able to remain in business. It will, in reality, give a $10 to $25 per month raise to his employees and perhaps allow him to keep part of his organization together for the duration.

Mr. JENSEN. Mr. Chairman, I like the way the gentleman talked, and I ask unanimous consent that his amendment be again read.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The Clerk again read the Price amendment to the Carlson amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida.

The amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. FORD].

Mr. FORD. Mr. Chairman, I rise in opposition to the Carlson substitute for the committee bill.

I am opposed to this so-called Carlson-Ruml plan for various reasons, the chief one being that I am unalterably opposed to the forgiving or remitting or canceling of any taxes due the Federal Treasury at this time.

In the first place it is class legislation of the most vicious kind. It discriminates in favor of the persons receiving large incomes. It is all very well to say it treats all individual incomes alike, but, I can see no equity in remitting $25 for John Jones and $854,000 for John Smith.

In fact, it is just as vicious as the railroad rate discrimination that exists—and that Congress continues to permit to exist—against the southern and other groups of States for the benefit of the Eastern States.

The peculiar feature of the Ruml plan is that its chief beneficiaries are the same group that benefit as a result of rail-rate discrimination against the South.

If, by any chance, and God forbid, this iniquitous Carlson-Ruml plan should prevail, the South would be one of the principal losers.

The ten billion of taxes forgiven would have to be raised somehow. The prevailing rates in the so-called upper brackets are about as high as they can go.

It follows, therefore, that the great bulk of taxpayers in the lower and medium brackets would have their taxes upped to meet the ten billion deficiency.

Without in the least intending any disparagement, the comparatively weak economic situation existing in the South, in the final analysis, means that the brackets it is placed in would have to bear the increased tax burden.

This is also true of small business, professional men, mechanics, and white-collar groups.

The Ruml plan is a fraud, a delusion, and a snare. It should be hooted off the floor. It is in fact the first step in a program of inflation which will inevitably lead to repudiation.

That such a program should be originated by the Republican leadership, including Mr. Willkie, is just an earnest of what we may expect if this party should come into power.

Why, may I ask, should we forgive taxes now when the fate of the Nation depends on our being able to pay for more guns, more ships, more planes, and taxes are needed so badly to pay for these essential war munitions? It is monstrous, gentlemen. It should be defeated.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Chairman, last week the Office of War Information released a current figure to show that the authorizations for war expenditures to date are $283,000,000,000. Is there anyone in this Chamber so naive, is there anyone who is such an incorrigible optimist, as to believe that notwithstanding any postponement or cancelation action that we take any of the large income taxpayers over whom we frankly express so much concern are going to fail to pay their share of that commitment? We will catch up with them sooner or later, so you do not have to worry about it particularly.

Last week we authorized a public debt of $210,000,000,000. It is very felicitously termed the public debt. Every man, woman, and child will be permitted to participate in the payment of that debt, and the larger the forgiveness the larger the share of the rich taxpayers in the $210,000,000,000. Make no mistake about it, there will be no escape, either now or in the years to come.

What I have seen here on the floor is nothing but an undercurrent of political fear, the fear that in the next campaign when we go home someone with a demagogic appeal, beating his breast and tearing his hair, will go before the people and say to them that you voted forgiveness for a large taxpayer. But we lived with that fear in the days of the Townsend plan. We lived with it on other issues. Do not be misled or dismayed about it. It will bob up time and time again. Dispel that fear and vote for that proposal which best serves the time, the purpose, and the Nation.

The position the minority takes can be defended today. How concerned we are about doing something for our own people. There are $11,000,000,000 of cold notes in the Treasury today as a relic of the last World War. The maturities are 62 years. That money was raised by the American people. When you compound the interest, it is infinitely more than is involved here today.

Yet there is no concern about the money that went to the people of some other country, although there is great concern over a temporary cancelation for our own people. Three weeks ago a bill went across the floor of this House for an extension of lend-lease. We have authorized now thirty-eight thousand million for lend-lease. Is there anybody who lives in a rosy, optimistic atmosphere who believes that any of it will ever come back? We have been advised that under the reciprocal provisions of lend-lease, if we should cast a balance, we would be owing some other countries instead of their owing us. And so here, under the last war and the present war, there is a sum of almost fifty thousand millions that we have used in our largess for other people, and then we should be concerned about doing a little something for the people of our own country. As for the man who gets a smaller remission of taxes or the man who gets a remission of a larger amount, that does not bother me. If I would paraphrase the Scripture, as has so often been done here today, I would say, O ye of little faith, that ye have so little faith in the sportsmanship, the sense of fairness, and the spirit of reasonableness of the American people.

What singular characterizations have been made of the proposal before us. It has been described as immoral, unmoral, sinful, unholy, unsocial, inequitable, inflationary, unworkable, disruptive of morale, and will be attended by a loss in revenue.

It has been said that the Treasury loses a $10,000,000,000 asset. That requires qualification. It is no asset until collected. What difference that there is a vast amount of liquid wealth in the land if it is so distributed that hundreds of thousands of taxpayers cannot meet their income-tax needs. The fear has been expressed that this may be the entering wedge to repudiation at some future date. There is a larger danger than that. It is the danger of wholesale default through no lack of national devotion on the part of our people but only because of incapacity to pay.

The proposal has been described as a destroyer of morale in time of war. On the contrary, I deem it a morale builder. When you speak of the soldier, forget not that this is in aid of the fathers, the families, the kinfolk of soldiers who maintain the vigil back home. It is about time that our own people enjoy at least equal grace at the hands of Congress with those of all other lands to the ends of the earth.

The alleged inequality on the ground that one taxpayer receives more benefit and another less benefit is more fancied than real. The daily outlay for war has now reached $241,000,000. It will increase in amount and continue on and on until the day of victory. How shall the cost be met? How shall the debt service charges be met? Manifestly from the Nation's wealth. All that this proposal does, is afford a temporary respite to all taxpayers, large and small. Eventually there will be higher taxes to meet the debt burden and it is idle to even suggest that the large taxpayer will escape.

Recently this Congress voted a $300 increase to all postal workers to meet increased living costs. In the main and with due allowance for the larger taxpayers, this temporary respite of 1942 taxes is in the nature of an offset to increased living costs which developed in the calendar year 1942.

Where unconscionable incomes are involved as a result of war contracts, why not invoke the negotiation powers which Congress voted 2 years ago? It will be the responsibility and the fault of those agencies to whom this power was granted if there should be a crop of war millionaires. Earned income derives from industrial profits. When the profits of an enterprise handling war contracts are so large that unduly large salaries ensue, let those charged with the

power of renegotiation carefully explore such profits and apply a reasonable remedy. That is the real answer to the rawkish sentiment which has been here expressed about war millionaires and incidentally, this is a direct responsibility of the administration in power.

Let me add one other thought. Forgiveness, if you wish to call it that, although it is after all but a temporary respite, can become a real incentive for Congress. It has been loudly proclaimed not once but a score of times that the Treasury loses an asset. Why not offset it with drastic economies in nondefense spending and equally drastic economies in war spending through vigilance and close supervision of every war contract. Those sums which are not spent will not be needed by the Treasury. Here is an opportunity to do double service for taxpayers. Place them on a current basis, give them temporary respite from double taxes, and attend it with such economies as will offset the alleged Treasury asset.

In any event, let there be less demogogery and a little more faith in the sense of fairness and sportsmanship of the people.

Mr. BELL. Mr. Chairman, yesterday afternoon when I addressed the House, I made the statement that if the committee bill should become a law, when the period of our war has passed by, when we have won this war, and when the 30,000,000 people who today are working in our war industries shall have gone into private industry at greatly reduced incomes, the people of this country would be faced with from ten to twenty million liens against the little homes of the people of America. I also made the statement that although almost every State in the Union through its humane homestead exemption laws protects the home owner against the exactions of private creditors, there is no homestead law, no exemption law, which protects the little home against the exactions of the Federal tax collector. When I had finished my remarks, my good friend, the gentleman from Oklahoma [Mr. DISNEY], whom I admire very much, followed me, tacitly admitting that if my construction of the law were true, that the home owners of America would indeed be in dire straits. He then intimated that unfortunately I apparently did not know what the law is. I had assumed that every lawyer of the floor of this House was thoroughly familiar with the fact that there is not a State in the Union from the time of George Washington down to this moment that has ever passed a homestead law protecting homes of this country against the exactions a Federal tax bill. I was so sure that the question would not be raised or challenged, that I did not fortify myself with any opinion from a solicitor general, or a decision of a court, or from any other source of law. However, I find further that the gentleman said that if I knew the law I would not have made such a speech. I find that a distinguished solicitor of internal revenue, Mr. Nelson T. Hartson, is as bad a lawyer as I am, because he agrees with me on this matter, and in an opinion he referred to the question of whether or not the homestead laws of the various States will protect citizens of our country against the exactions of a Federal tax bill. That opinion is as follows:

ARTICLE 1203: COLLECTION OF TAX BY DISTRAINT

(IV-3-1971—S. M. 2836)

REVENUE ACT OF 1924

Reference to the exemptions enumerated in section 3187, Revised Statutes, shows that the homestead rights given by some of the States to citizens thereof are not included among the classes of property exempt from seizure and sale under a collector's warrant for distraint. Consequently, the right of a delinquent taxpayer in a homestead, established in accordance with a State law, is subject to a process of distraint. The value of such a right or interest is, of course, a matter entirely distinct from the right or interest itself.

NELSON T. HARTSON,
Solicitor of Internal Revenue.

It is true that they do have a Federal statute which exempts a few petty items of personal property, and those are the things that the Solicitor of Internal Revenue is referring to when he said the exemption laws of a State did not protect the homestead from distraint and sale to satisfy a Federal tax bill. I have before me also the printed form they use now when they go out to take people's property for taxes. I shall not take the time to read but I am incorporating it as a part of my remarks.

Form 69
TREASURY DEPARTMENT
Internal Revenue Service
Revised March 1933

WARRANT FOR DISTRAINT

No. .....

Balance forward	Date	Charge	Last credit	Unpaid balance	Account number and remarks

Date of First Notice: .....

Date of Second Notice: .....

To ....., Deputy Collector.

WHEREAS, in pursuance of the provisions of the Acts of Congress relating to internal revenue the above-named person or persons is or are liable to pay the tax or taxes assessed against him, or them, in the amount or amounts named hereinbelow, together with penalties and interest prescribed by law for failure to pay said tax or taxes when the same became due; AND WHEREAS, ten days have elapsed since notice was served and demand made upon said person or persons for payment of said tax or taxes; AND WHEREAS, said person or persons still neglect or refuse to pay the same. You are hereby commanded to levy upon, by distraint, and to sell so much of the goods, chattels, effects, or other property or rights to property, including stocks, securities, and evidences of debt, of the person or persons liable as aforesaid, or on which a lien exists for the tax or taxes, as may be necessary to satisfy the tax or taxes, with such additional amounts, including interest, as are shown in the statement below, and also such further sum as shall be sufficient for the fees, costs, and expenses, of the levy; but if sufficient goods, chattels, or effects are not found, then you are hereby commanded to seize and sell in the manner prescribed by law so much of the real estate of said person or persons, or on which a lien exists for the tax or taxes, as may be necessary for the purposes aforesaid. You will do all things necessary to be done in the premises and strictly comply with all requirements of law, and for so doing this shall be your warrant, of which make due return to me at this office on or before the sixtieth day after the execution hereof.

Unpaid balance ..... $.....
Penalty of 5 percent .....
Delinquency interest computed from ..... to .....
Total tax, penalty, and interest due on date of second notice .....
Amount of additional interest due from date of second notice .....
Witness my hand and official seal at ..... this ..... day of ....., 193

.....
(Collector of Internal Revenue.)

Internal Revenue Collection District of .....

RETURN OF DEPUTY COLLECTOR

* I hereby certify that, pursuant to the herein warrant of distraint, I proceeded to levy upon and sell the property herein described in order to satisfy the taxes, penalties, and interest herein stated and required by law, and that all the provisions of law were strictly complied with; that the property was sold at public auction, after due notice, to the highest bidder at the prices herein stated:

1. Date of receipt of warrant .....
2. Date of notice of sale .....
3. Description of property levied upon .....
.....
4. Notice of sale:
By publication in newspaper at .....
By posting notice at following places .....
.....
5. Name of purchaser .....
6. Amount received from sale ..... $.....
7. Cost of levy and sale .....
8. Net proceeds .....

The gross proceeds, amounting to $....., are herewith enclosed.

* I have not executed the within warrant for the following reasons: .....
.....
.....

Dated at ....., 193

.....
Deputy Collector.

* Strike out lines inapplicable

INSTRUCTIONS

1. The collector will maintain a file consisting of copies of all warrants of distraint issued. Each warrant should be numbered and the number and name of the deputy to whom issued entered on Form 824. This will enable the collector to readily trace every warrant issued and insure its prompt return. Upon the return of the warrant by the deputy the entries on Form 824 should be completed, so that it will give a complete history of all proceedings on said warrant, and in case of the sale of real estate, proper entries should also be made in Record 21. Upon the execution of the warrant it should be promptly returned to the collector, with a report showing, in full, what action was taken in each case. A warrant cannot be considered closed until all interest due is collected or an offer in compromise is tendered in lieu of such interest. A report on Form 210 should be made to the Commissioner of Internal Revenue in all cases where personal property is sold under a warrant for distraint.

2. Sixty days are deemed ample time for the execution and return of a warrant for distraint by a deputy collector. When report is delayed beyond that time the delinquent deputy should be called on for an explanation of the cause of such delay, and if not satisfactory the collector will require the deputy to execute and return the warrant at once.

3. When a warrant for distraint is returned with the report of no property found liable to distraint, the deputy so reporting must accompany the return warrant with his affidavit on Form 53. This form should not be executed in any estate tax case until after the most searching inquiry has been made as to the property comprising the gross estate which is subject to distraint proceedings.

4. Attention of distraining officers is called to the following provisions of law: "*Provided*, That there shall be exempt from distraint and sale, if belonging to the head of a family, the schoolbooks and wearing apparel necessary for such family; also arms for personal use, one cow, two hogs, five sheep and the wool thereof, provided that the aggregate market value of said sheep shall not exceed $50; the necessary food for such cow, hogs, and sheep, for a period not exceeding 30 days; fuel to an amount not greater in value than $25; provisions to an amount not greater than $50; household furniture kept for use to an amount not greater than $300; and the books, tools, or implements, of a trade or profession, to an amount not greater than $100, shall also be exempt; and the officer making the distraint shall summon three disinterested householders of the vicinity, who shall appraise and set apart to the owner the amount of property herein declared to be exempt."

5. Care must be exercised in estate-tax cases to ascertain that the property seized to enforce the collection of the outstanding assessment clearly is subject to distraint.

That provides that upon 10 days' notice, if you are behind in your taxes they can go out and distrain your property and sell it. It is not one of these long-drawn-out processes of foreclosure that we know under the Anglo-Saxon law, but they just go out and sell your real estate, in case your personal property be not sufficient to pay the bill.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. RANKIN. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. RANKIN. Mr. Chairman, I regret more than I can tell you that this measure was ever brought up at this time. I think it is one of the most unfortunate things that has occurred for many days.

I saw a soldier yesterday from Guadalcanal and he said the thing that the soldiers were thinking the least about there was passing such a bill as the Ruml plan, or forgiving anybody's income taxes. I have a letter in my pocket now from a friend who was in the last war, and who is now preparing to go overseas. He has been in the Army for many months. He says by all means this is the wrong time to bring up a thing of this kind. He asked us to remember that they made 22,000 millionaires in the last war and that we should not repeat that mistake this time.

You are not helping the farmers of this country by passing the Ruml plan. The men who make these large incomes are not going to pass them back to the ultimate consumers.

The great danger is that if this measure passes with this amendment to give back $9,000,000,000 or $10,000,000,000, three or four times as much as the soldiers' adjusted compensation amounted to for the last war and which it took us 17 years to get paid.

If this measure is passed with the Ruml plan included, the chances are that your successors who will be nominated next year and elected that fall will out-Herod Herod, out-Willkie Willkie, out-Ruml Ruml, and promise the people to give them back $20,000,000,000. You may be driving the opening wedge for the ultimate repudiation of the national debt, the one thing on which the integrity of our bonds that we are now asking everybody to buy is based.

I am telling you this from the standpoint of experience. Let me tell you what happened in my own State once, more than a hundred years ago. They floated some bonds. A controversy arose about those bonds. Some men demanded that they not be paid. A man ran for Governor who said, "If I am elected Governor I will never sign a tax bill to raise the revenue or an appropriation bill to pay a dime of it. I will repudiate those bonds." He was elected. Those bonds were never paid and the chances are they never will be paid. Jefferson Davis, the greatest of all Mississippians, tried to get them paid long after the Civil War.

You propose now to give back $10,000,000,000 of last year's taxes. That is what it means. Do not deceive yourselves. The next crowd, wanting something to run on, will perhaps offer to give them $20,000,000,000 or give them back their taxes for the next year, and the first thing you know some long-haired agitator will arise out there in the South or the Middle West or the Northeast or the far West and run for President on a platform of repudiating the entire national debt. He will say to the soldiers, "Look what these old fossils did to you while you were in the service. They gave themselves this bonus and gave it back to those who put up their campaign funds. Elect me President and elect my crowd to Congress and we will wipe out the whole debt."

It is the most dangerous proposition from that standpoint that has ever been proposed in the Congress of the United States. I hope you will vote it down.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. GEARHART. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GEARHART to the Carlson amendment: Page 1, line 8, strike out all of section 2 and insert the following:

"SEC. 2. Partial relief from double payments in 1943.

"(a) Deferment of payment of one-half of 1942 tax and one-half of 1943 tax: One-half of the tax imposed by chapter 1 of the Internal Revenue Code upon any individual (other than an estate, trust, or nonresident alien) for the taxable year beginning in 1942 and one-half of the tax imposed by such chapter upon such individual for the

taxable year beginning in 1943, shall not be payable at the time prescribed in section 56 of such chapter, but may be paid at any time by such individual.

"(b) Discount for payment: In addition to the credits allowed by chapter 1 of the Internal Revenue Code against the tax imposed by such chapter upon any individual (other than an estate, trust, or nonresident alien) for the taxable year beginning in 1942 and for the taxable year beginning in 1943, there shall be allowed as a credit against such tax when paid an amount equal to 2 percent of the portion thereof the time for the payment of which is extended by subsection (a), plus—

"(1) Eight percent in addition of so much thereof as is paid on or prior to the 15th day of the sixth month following the close of such taxable year;

"(2) Six percent in addition of so much thereof as is paid after the time described in paragraph (1) and prior to the expiration of 3 years from the time described in such paragraph;

"(3) Five percent in addition of so much thereof as is paid after the time described in paragraph (2) and prior to the expiration of 2 years from the time described in paragraph (1);

"(4) Four percent in addition of so much thereof as is paid after the time described in paragraph (3) and prior to the expiration of 3 years from the times described in paragraph (1);

"(5) Three percent in addition of so much thereof as is paid after the time described in paragraph (4) and within 4 years from the time described in paragraph (1);

"(6) Two percent in addition of so much thereof as is paid after the time described in paragraph (5) and within 5 years from the time described in paragraph (1); and

"(7) One percent in addition of so much thereof as is paid after the time described in paragraph (6) and within 6 years from the time described in paragraph (1)."

Mr. GEARHART. Mr. Chairman, this amendment will take out of the Carlson-Ruml bill all forgiveness and substitute in its place provisions which will require the payment of the taxes which the Carlson-Ruml plan would have passed over, taxes which would be paid over a period of years or in a single year, in the option of the people. If paid in a single year, 10-percent discount for cash will be allowed. If paid in the next year, 1 year late, 8 percent is allowed, and then so on down as the years increase, the percentage being decreased from 8 to 6 and 5 and 4 and 3, and then 2 percent, where it will remain until all of that part of the taxes passed over are paid.

Now, Mr. Chairman, I am under no illusions. I am not going to get any votes on either side of this aisle for this amendment, perhaps not any more than were cast for the amendment which the gentlewoman from Connecticut [Mrs. LUCE] proposed and I introduced for her earlier in the day. Certainly the people who are sponsoring the committee bill are not going to vote for it. Certainly those of you who believe in forgiveness are not going to vote for it. So I am just going to take this time to talk a little bit on the general issue of whether the people can afford to pay their taxes. Many have arisen to assert that they cannot.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. GEARHART. I do not yield. I want to call to your attention some amazing figures which have just been recently released by the Securities and Exchange Commission, a governmental agency which has been studying this subject of liquid assets in the hands of individuals for the last 3 years.

First, I want to call your attention to the currency and bank deposits which are in the hands of the people. I want you to know when you consider these tearful assertions of just how broke the people are that have been so often repeated during the course of this debate, just how much the people have under their control in the form of liquid assets as of December 31, 1942. Currency in their pockets, in the old sock, or in safety-deposit boxes, $13,000,000,000; demand deposits in the banks, $27,400,000,000; time deposits in the banks, $26,600,000,000; all of which totals $67,000,000,000, a tidy sum, I would say.

Now, let us go a little further. What have they bought in 1942 in the way of United States Government securities? United States Savings bonds, as of December 31, 1942, $13,800,000,000. Tax anticipation notes, $700,000,000. Marketable securities, $9,000,000,000; making a total in this classification of $23,500,000,000. Adding the cash deposits, the value of readily convertible United States securities, we find that we the people have in hand and under our control the unprecedented sum of $90,500,000,000 in liquid assets.

In the face of a report like that how can anyone seriously pretend that the people are broke? Do not let anyone tell you that they cannot pay their taxes.

The CHAIRMAN. The time of the gentleman from California has expired.

The question is on the amendment offered by the gentleman from California [Mr. GEARHART].

The amendment was rejected.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. AUGUST H. ANDRESEN to the Carlson amendment: On page 1, line 9, strike out all of subsection (a) on pages 1 and 2, and substitute in lieu thereof the following:

"(a) General rule: The liability of any individual (other than an estate, trust, or nonresident alien) for the tax imposed by chapter 1 of the Internal Revenue Code upon such individual for the taxable year beginning in 1942 is discharged to the extent of what such tax would be on the first $5,000 of net taxable income of such individual, except that any payment made on or prior to June 15, 1943, on account of such liability shall be treated as a payment on account of the tentative tax for the taxable year beginning in 1943: *Provided* That upon the recalculation of the tax liability of such individual for the taxable year beginning in 1942 (after deducting the amount discharged from tax liability in this subsection), the tax for which such individual shall be liable, may be paid in 20 annual installments of 5 percent of the total tax each year, without interest."

Mr. AUGUST H. ANDRESEN. Mr. Chairman, many Members of the House have argued themselves into the idea, that a withdrawal-at-the-source method of collecting Federal income taxes will have a popular appeal with the rank and file of taxpayers. This method of collecting taxes may be desirable in order to secure tax money for the Treasury, but when you come to deducting 20 percent from the wages and salaries of millions of new income taxpayers, a terrific protest will be heard against this type of a check-off system. I predict that within 6 months after the adoption of such a system of tax collection, a general demand will occur for a 20-percent wage increase, to make up for the tax deduction, and your vicious spiral of inflation will be on its way.

The people to be the hardest hit by this tax bill are the millions of individuals who are not receiving any profits or increased incomes from war expenditures. Many of these patriotic Americans are being put out of business by Government policies. I believe that I am safe in saying that between forty and fifty million Americans are gradually being liquidated—forced out of business and compelled to live on a reduced income at a time when the cost of living is increasing by leaps and bounds. All are willing to make every sacrifice to win the war, but they have a right to rebel against and protest the activities of many bureaucrats in Washington, who are deliberately destroying their opportunity to live, by forcing policies on us that have nothing to do with winning the war. These millions are not "expendables." If they are, God pity America when the war is over.

I am not a tax expert. However, it seems to me that the Ways and Means Committee should find a method of taxation which would place the biggest burden on those who are enjoying increased wages, salaries, and profits from war expenditures. This war should not be fought for the profit of anyone.

I do not favor the committee bill, which provides for double taxation. If we are to go on a pay-as-you-earn basis for the collection of taxes, the plan offered by my colleague, Mr. CARLSON, will accomplish that result. I will support the Carlson plan if an amendment is adopted to eliminate windfalls for those who have enjoyed tremendous war profits and are best able to pay. Whatever forgiveness is undertaken should be on a uniform basis. In harmony with this idea, I offer this amendment to the Carlson substitute. It provides for a discharge of individual tax liability on the first $5,000 of net taxable income for the year 1942. My amendment will give the taxpayer 20 years in which to pay the 1942 tax at a rate of 5 percent of the tax each year without interest. All individual taxpayers are given the same deduction from net income before payment of the tax, which removes every discrimination against all taxpayers.

Under my amendment, corporations would not be relieved from any tax liability. The adoption of this proposal will treat every individual taxpayer the same, and will definitely remove the criticism that certain war-profit taxpayers in the higher brackets will receive windfalls or tax forgiveness. I submit the amendment for your consideration, and ask for a vote on the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota.

The question was taken; and on a division (demanded by Mr. AUGUST H. ANDRESEN) there were—ayes 20, noes 80.

Mr. DOUGHTON. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. DOUGHTON and Mr. KNUTSON.

The Committee again divided; and the tellers reported that there were—ayes 18, noes 97.

So the amendment was rejected.

The CHAIRMAN. The gentleman from Rhode Island [Mr. FORAND] is recognized for 4 minutes.

Mr. FORAND. Mr. Chairman, the Ruml-Carlson bill has been debated pro and con and it is about ready to be voted upon. There are several reasons why, although I believe we should go on a pay-as-you-go plan, I must oppose that bill. The outstanding reason is the fact that when you forgive a year's taxes you still leave the brackets exactly where they are. You know and I know that within a very, very short time we are going to have to raise some more money. When this time comes, although you will have forgiven the wealthy taxpayers, as you have been told, the million-dollar man $854,000, you will not be able to recapture one single penny of that amount forgiven him because his brackets today are up around 88 or 90 percent. What are you going to do? You are going to have to place it on the middle-income-tax payer and on the little fellow. I cannot subscribe to that. This is the reason why as soon as this bill is voted down, as I hope it will be, I shall offer another substitute. That substitute will contain all the provisions of the committee bill plus the forgiveness of the first 19 units. If we forgive 19 units to everybody it is fair. You are giving that million-dollar taxpayer $190,000 and you are wiping clean the little fellow at the bottom and many in the middle income tax bracket; so when the time comes to reimpose taxes you can reimpose on everybody rather than on one special class, those in the lower bracket.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas.

Mr. MARTIN of Massachusetts. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. DOUGHTON and Mr. KNUTSON.

The Committee divided; and there were—ayes 199, noes 188.

So the amendment was agreed to.

Mr. DOUGHTON. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BULWINKLE, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideraion the bill (H. R. 2218) to provide a method for the payment currently of individual income taxes, directed him to report the same back to the House with an amendment with the recommendation that the amendment be agreed to and that the bill, as amended, do pass.

Mr. COOPER. Mr. Speaker, I move the previous question on the bill and amendment to final passage.

The previous question was ordered.

The SPEAKER. The question is on the amendment.

Mr. COOPER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The Clerk called the roll; and there were—yeas 198, nays 215, answered "present" 2, not voting 19, as follows:

[Roll No. 34]

YEAS—198

Allen, Ill.	Gillie	Miller, Pa.
Anderson, Calif.	Goodwin	Monkiewicz
Andrews	Graham	Mott
Angell	Grant, Ind.	Mruk
Arends	Griffiths	Murray, Wis.
Arnold	Gross	Norman
Auchincloss	Guyer	O'Brien, N. Y.
Baldwin, N. Y.	Gwynne	O'Hara
Barrett	Hagen	Philbin
Barry	Hale	Phillips
Bates, Ky.	Hall,	Ploeser
Bates, Mass.	Edwin Arthur	Plumley
Beall	Hall,	Powers
Bell	Leonard W.	Pracht
Bender	Halleck	Ramey
Bennett, Mich.	Hancock	Randolph
Bennett, Mo.	Harness, Ind.	Reece, Tenn.
Bishop	Hartley	Reed, Ill.
Blackney	Hébert	Reed, N. Y.
Bolton	Heidinger	Rees, Kans.
Boykin	Herter	Robsion, Ky.
Bradley, Mich.	Hess	Rockwell
Brehm	Hill	Rodgers, Pa.
Brown, Ohio	Hinshaw	Rogers, Mass.
Buffett	Hoeven	Rohrbough
Busbey	Hoffman	Rolph
Butler	Holmes, Mass.	Rowe
Canfield	Holmes, Wash.	Schiffler
Carlson, Kans.	Hope	Schwabe
Carson, Ohio	Howell	Scott
Carter	Jeffrey	Shafer
Celler	Jenkins	Sheridan
Chenoweth	Jennings	Short
Chiperfield	Jensen	Simpson, Ill.
Church	Johnson,	Simpson, Pa.
Clason	Anton J.	Smith, Maine
Clevenger	Johnson,	Smith, Ohio
Cole, Mo.	Calvin D.	Smith, Wis.
Cole, N. Y.	Johnson, Ind.	Smith, W. Va.
Compton	Johnson, Ward	Springer
Cravens	Jones	Stanley
Cunningham	Jonkman	Stearns, N. H.
Curtis	Judd	Stockman
Day	Kean	Sundstrom
Dewey	Kearney	Taber
Dirksen	Keefe	Talbot
Ditter	Kilburn	Taylor
Dondero	Kinzer	Thomas, N. J.
Douglas	Kleberg	Tibbott
Eaton	Knutson	Towe
Ellis	Lambertson	Treadway
Ellison, Md.	Landis	Troutman
Ellsworth	LeCompte	Van Zandt
Elmer	LeFevre	Vorys, Ohio
Elston, Ohio	Lewis, Ohio	Vursell
Engel	McCowen	Wadsworth
Englebright	McGregor	Welchel, Ohio
Fellows	McKenzie	Wheat
Fenton	McLean	Whelchel, Ga.
Fish	McWilliams	Wigglesworth
Gale	Maas	Willey
Gallagher	Magnuson	Wilson
Gamble	Martin, Mass.	Wolcott
Gavin	Mason	Wolfenden, Pa.
Gerlach	Merrow	Wolverton, N. J.
Gifford	Michener	Woodruff, Mich.
Gilchrist	Miller, Conn.	
Gillette	Miller, Mo.	

NAYS—215

Abernethy	Bland	Burchill, N. Y.
Allen, La.	Bloom	Burdick
Andersen,	Bonner	Burgin
H. Carl	Boren	Byrne
Anderson,	Bradley, Pa.	Camp
N. Mex.	Brooks	Cannon, Mo.
Andresen,	Brown, Ga.	Capozzoli
August H.	Bryson	Case
Baldwin, Md.	Buckley	Chapman
Barden	Bulwinkle	Clark
Beckworth	Burch, Va.	Cochran
Coffee	Hull	Pace
Colmer	Izac	Patman
Cooley	Jackson	Patton
Cooper	Johnson,	Peterson, Fla.
Costello	J. Leroy	Peterson, Ga.
Courtney	Johnson,	Pfeifer
Cox	Luther A.	Pittenger
Crawford	Johnson,	Poage
Creal	Lyndon B.	Price
Crosser	Johnson, Okla.	Priest
Culkin	Kefauver	Rabaut
Cullen	Kelley	Ramspeck
Curley	Keogh	Rankin
D'Alesandro	Kerr	Richards
Davis	Kilday	Rivers
Delaney	King	Rizley
Dickstein	Kirwan	Robertson
Dies	Klein	Robinson, Utah
Dilweg	Kunkel	Rogers, Calif.
Dingell	LaFollette	Rowan
Disney	Lane	Russell
Domengeaux	Lanham	Sabath
Doughton	Lemke	Sadowski
Drewry	Lesinski	Sasscer
Durham	Ludlow	Satterfield
Eberharter	Lynch	Sauthoff
Elliott	McCord	Scanlon
Fay	McCormack	Schuetz
Feighan	McGehee	Sikes
Fernandez	McGranery	Snyder
Fisher	McMillan	Somers, N. Y.
Fitzpatrick	McMurray	Sparkman
Flannagan	Madden	Spence
Fogarty	Mahon	Starnes, Ala.
Folger	Maloney	Stefan
Forand	Manasco	Stevenson
Ford	Mansfield,	Stewart
Fulbright	Mont.	Sullivan
Fulmer	Mansfield, Tex.	Sumner, Ill.
Furlong	Marcantonio	Sumners, Tex.
Gathings	Martin, Iowa	Talle
Gavagan	May	Tarver
Gearhart	Merritt	Thomas, Tex.
Gordon	Miller, Nebr.	Thomason
Gore	Mills	Tolan
Gorski	Monroney	Vincent, Ky.
Gossett	Morrison, La.	Vinson, Ga.
Granger	Morrison, N. C.	Voorhis, Calif.
Grant, Ala.	Mundt	Ward
Green	Murdock	Wasielewski
Gregory	Murphy	Weiss
Hare	Myers	Welch
Harless, Ariz.	Newsome	Wene
Harris, Ark.	Nichols	West
Harris, Va.	Norrell	White
Hart	Norton	Whitten
Hays	O'Brien, Ill.	Whittington
Heffernan	O'Brien, Mich.	Wickersham
Hendricks	O'Connor	Winstead
Hobbs	O'Konski	Woodrum, Va.
Hoch	O'Neal	Worley
Holifield	O'Toole	Wright
Horan	Outland	Zimmerman

ANSWERED "PRESENT"—2

Dworshak	Poulson

NOT VOTING—19

Cannon, Fla.	Lea	Smith, Va.
Dawson	Lewis, Colo.	Steagall
Gibson	Luce	Walter
Jarman	Murray, Tenn.	Weaver
Kee	O'Leary	Winter
Kennedy	Sheppard	
Larcade	Slaughter	

So the amendment was rejected.

The Clerk announced the following pairs:

Mr. Winter for, with Mr. Poulson against.
Mrs. Luce for, with Mr. Dworshak against.
Mr. Larcade for, with Mr. Steagall against.
Mr. Slaughter for, with Mr. Weaver against.

Mr. POULSON. Mr. Speaker, I am paired with the gentleman from Kansas [Mr. WINTER]. He would have voted "yea." I voted "nay." I withdraw my vote of "nay" and vote "present."

Mr. DWORSHAK. Mr. Speaker, I have a pair with the gentlewoman from Connecticut [Mrs. LUCE] who would have voted "yea." I withdraw my vote and vote "present."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. CARLSON of Kansas. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman from Kansas [Mr. CARLSON] opposed to the bill?

Mr. CARLSON of Kansas. I am, Mr. Speaker; yes.

The SPEAKER. The Clerk will report the motion.

The Clerk read as follows:

Motion to recommit offered by Mr. CARLSON of Kansas:

Mr. CARLSON of Kansas moves to recommit the bill, H. R. 2218, to the Committee on Ways and Means.

Mr. COOPER. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit offered by the gentleman from Kansas [Mr. CARLSON]

Mr. KNUTSON. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas, 248, nays 168, not voting 18, as follows:

[Roll No. 35]

YEAS—248

Allen, Ill.	Ellsworth	Johnson, Okla.
Allen, La.	Elmer	Johnson, Ward
Andersen, H. Carl	Elston, Ohio	Jones
Anderson, Calif.	Englebright	Judd
Andresen, August H.	Fellows	Kean
Andrews	Fenton	Kearney
Angell	Fish	Keefe
Arends	Gale	Keogh
Arnold	Gallagher	Kilburn
Auchincloss	Gamble	Kilday
Baldwin, N. Y.	Gathings	Kinzer
Barrett	Gavin	Kleberg
Barry	Gerlach	Knutson
Bates, Ky.	Gifford	Kunkel
Bates, Mass.	Gilchrist	LaFollette
Beall	Gillette	Lambertson
Bell	Gillie	Landis
Bender	Goodwin	LeCompte
Bennett, Mich.	Gossett	LeFevre
Bennett, Mo.	Graham	Lemke
Bishop	Grant, Ind.	Lewis, Ohio
Blackney	Griffiths	Ludlow
Bolton	Gross	McCord
Bradley, Mich.	Guyer	McCowen
Brehm	Gwynne	McGehee
Brooks	Hagen	McGregor
Brown, Ohio	Hale	McKenzie
Buffett	Hall, Edwin Arthur	McLean
Burdick	Hall, Leonard W.	McWilliams
Busbey	Halleck	Maas
Butler	Hancock	Madden
Canfield	Harness, Ind.	Magnuson
Carlson, Kans.	Hart	Manasco
Carson, Ohio	Hartley	Mansfield, Mont.
Carter	Hébert	Martin, Iowa
Case	Heidinger	Martin, Mass.
Chenoweth	Herter	Mason
Chiperfield	Hess	Merrow
Church	Hill	Michener
Clason	Hinshaw	Miller, Conn.
Clevenger	Hoeven	Miller, Mo.
Cole, Mo.	Hoffman	Miller, Nebr.
Cole, N. Y.	Holmes, Mass.	Miller, Pa.
Compton	Holmes, Wash.	Monkiewicz
Cravens	Hope	Morrison, La.
Culkin	Horan	Mott
Cunningham	Howell	Mruk
Curtis	Jeffrey	Mundt
Day	Jenkins	Murray, Wis.
Dewey	Jennings	Newsome
Dirksen	Jensen	Nichols
Ditter	Johnson, Anton J.	Norman
Domengeaux	Johnson, Calvin D.	O'Brien, Ill.
Dondero	Johnson, Ind.	O'Brien, Mich.
Douglas	Johnson, J. Leroy	O'Brien, N. Y.
Dworshak	Johnson, Lyndon B.	O'Connor
Eaton	Johnson, Luther A.	O'Hara
Ellis	Johnson, Okla.	O'Konski
Ellison, Md.	Johnson, Ward	O'Neal
Pace	Satterfield	Taylor
Peterson, Ga.	Schiffler	Thomas, N. J.
Philbin	Schuetz	Tibbott
Phillips	Schwabe	Tolan
Pittenger	Scott	Towe
Ploeser	Shafer	Treadway
Plumley	Sheridan	Troutman
Poulson	Short	Van Zandt
Powers	Simpson, Ill.	Vorys, Ohio
Pracht	Simpson, Pa.	Vursell
Rabaut	Smith, Maine	Wadsworth
Ramey	Smith, Ohio	Weichel, Ohio
Randolph	Smith, Wis.	Weiss
Reece, Tenn.	Smith, W. Va.	Welch
Reed, Ill.	Sparkman	Wheat
Reed, N. Y.	Springer	Whelchel, Ga.
Rees, Kans.	Stanley	Wigglesworth
Rizley	Stearns, N. H.	Willey
Robsion, Ky.	Stefan	Wilson
Rockwell	Stevenson	Wolcott
Rodgers, Pa.	Stockman	Wolfenden, Pa.
Rogers, Mass.	Sundstrom	Wolverton, N. J.
Rohrbough	Taber	Woodruff, Mich.
Rolph	Talbot	
Rowe	Talle	

NAYS—168

Abernethy	Flannagan	Morrison, N. C.
Anderson, N. Mex.	Fogarty	Murdock
Baldwin, Md.	Folger	Murphy
Barden	Forand	Myers
Beckworth	Ford	Norrell
Bland	Fulbright	Norton
Bloom	Fulmer	O'Toole
Bonner	Furlong	Outland
Boren	Gavagan	Patman
Boykin	Gearhart	Patton
Bradley, Pa.	Gordon	Peterson, Fla.
Brown, Ga.	Gore	Pfeifer
Bryson	Gorski	Poage
Buckley	Granger	Price
Bulwinkle	Grant, Ala.	Priest
Burch, Va.	Green	Ramspeck
Burchill, N. Y.	Gregory	Rankin
Burgin	Hare	Richards
Byrne	Harless, Ariz.	Rivers
Camp	Harris, Ark.	Robertson
Cannon, Mo.	Harris, Va.	Robinson, Utah
Capozzoli	Hays	Rogers, Calif.
Celler	Heffernan	Rowan
Chapman	Hendricks	Russell
Clark	Hobbs	Sabath
Cochran	Hoch	Sadowski
Coffee	Holifield	Sasscer
Colmer	Hull	Sauthoff
Cooley	Izac	Scanlon
Cooper	Jackson	Sikes
Costello	Johnson, Lyndon B.	Snyder
Courtney	Johnson, Luther A.	Somers, N. Y.
Cox	Kefauver	Spence
Crawford	Kelley	Starnes, Ala.
Creal	Kerr	Stewart
Crosser	King	Sullivan
Cullen	Kirwan	Sumner, Ill.
Curley	Klein	Sumners, Tex.
D'Alesandro	Lane	Tarver
Davis	Lanham	Thomas, Tex.
Delaney	Lea	Thomason
Dickstein	Lesinski	Vincent, Ky.
Dies	Lynch	Vinson, Ga.
Dilweg	McCormack	Voorhis, Calif.
Dingell	McGranery	Ward
Disney	McMillan	Wasielewski
Doughton	McMurray	Wene
Drewry	Mahon	West
Durham	Maloney	White
Eberharter	Mansfield, Tex.	Whitten
Elliott	Marcantonio	Whittington
Fay	May	Wickersham
Feighan	Merritt	Winstead
Fernandez	Mills	Woodrum, Va.
Fisher	Monroney	Worley
Fitzpatrick	Murdock	Wright
	Murphy	Zimmerman

NOT VOTING—18

Cannon, Fla.	Larcade	Slaughter
Dawson	Lewis, Colo.	Smith, Va.
Gibson	Luce	Steagall
Jarman	Murray, Tenn.	Walter
Kee	O'Leary	Weaver
Kennedy	Sheppard	Winter

So the motion to recommit was agreed to.

The Clerk announced the following pairs:

Mr. Slaughter for, with Mr. Weaver against.
Mr. Larcade for, with Mr. Steagall against.

General pairs:

Mr. O'Leary with Mr. Winter.
Mr. Sheppard with Mrs. Luce.

The result of the vote was announced as above recorded.

Mr. KNUTSON. Mr. Speaker, I move to reconsider the vote by which the motion to recommit was agreed to and lay that motion on the table.

The motion was agreed to.

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their own remarks in the RECORD on the bill which has just been considered.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

COMMITTEE ON MILITARY AFFAIRS

Mr. MAY. Mr. Speaker, I ask unanimous consent that the House Committee on Military Affairs may sit during the sessions of the House for the remainder of the week when no bill is being considered under the 5-minute rule.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

ORDER OF BUSINESS

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I take this minute to inquire of the majority leader if he can tell us the program for the remainder of the week.

Mr. McCORMACK. Tomorrow the war security bill, which is unfinished business, will be considered. I should like to have that bill disposed of tomorrow. I rather hope the members of the Committee on the Judiciary have given it a lot of thought. There are two or three sound amendments they might well adopt.

Mr. MARTIN of Massachusetts. Only two or three?

Mr. McCORMACK. Do not make me go too far. The bill has a very good objective, but there are a few things in it that I think might well be corrected.

Mr. MARTIN of Massachusetts. Hell is paved with good intentions.

Mr. McCORMACK. Anyway, that bill is scheduled for consideration tomorrow.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from Michigan.

Mr. MICHENER. The distinguished leader has suggested some helpful amendments. Inasmuch as this is a Department of Justice bill and the gentleman is very close to the Department, and inasmuch as the Department insists that this bill is vital to the war effort and should be passed now, may I hope that the gentleman from Massachusetts will come in tomorrow with word from the Department of Justice suggesting these sound amendments which should be adopted.

Mr. McCORMACK. I am putting the bill on the program for tomorrow to try to dispose of it. What I have expressed

are my own personal views. I think the language in the bill with regard to a person who probably knows of someone else's committing a crime is pretty far-reaching.

Mr. SHAFER. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from Michigan.

Mr. SHAFER. We do hope the majority leader will give the bill a lot more thought than apparently was given it by the Committee on the Judiciary before they brought it in here.

Mr. SUMNERS of Texas. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from Texas.

Mr. SUMNERS of Texas. I suggest on behalf of the Committee on the Judiciary that we feel we know just as much about what ought to be in that bill as the majority leader or the minority leader or anybody else. We are going to submit it on its merits and get it voted up or down, whatever you want to do about it.

Mr. MARTIN of Massachusetts. I am sure the House will be glad to vote on it.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from Mississippi.

Mr. RANKIN. May I ask the gentleman from Texas if that means he is going to oppose all amendments?

Mr. SUMNERS of Texas. It depends on what sort of amendments they are, but I do not think there is any reason why we ought not to oppose any amendment and let the House pass on it.

Mr. RANKIN. The gentleman from Michigan [Mr. MICHENER] a while ago, if I understood him correctly, talked about accepting reasonable amendments. Of course, I am not for the bill as it is now written.

Mr. MICHENER. What I said was that this was a Department of Justice bill, that the Committee on the Judiciary gave it every attention in the light of the reasons given by the Department, and that if the Department and the leadership of the House want any changes I think they ought to advise the committee.

Mr. MARTIN of Massachusetts. Will the gentleman from Massachusetts tell us the program for the rest of the week?

Mr. SHAFER. Mr. Speaker, will the gentleman yield so that I may interrogate the majority leader?

The SPEAKER. The time of the gentleman from Massachusetts has expired, but if he desires to interrogate the majority leader about the program for the rest of the week his time may be extended.

Without objection, the gentleman from Massachusetts may proceed for 1 additional minute.

There was no objection.

Mr. McCORMACK. Does the gentleman from Michigan wish to interrogate me or make an observation and ask for my reaction?

Mr. SHAFER. I should like to interrogate the majority leader. Will we have more Members on the floor tomorrow than we had the last time that bill was under consideration?

Mr. McCORMACK. Is that a parliamentary inquiry?

Mr. SHAFER. I am asking the majority leader whether he has consulted the whip.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman from Massachusetts tell us something about the rest of the week?

Mr. McCORMACK. Yes. On Thursday we will take up the civil functions appropriation bill. There is a lot of legislation that needs to be passed in the next 2 or 3 weeks. The leadership is aware of the fact that Members have been working hard and we are aware of the fact that Easter comes very soon. If we are able to dispose of certain legislation, I think we can take the House into our confidence by saying that while we make no promises, the leadership on both sides of the aisle, the gentleman from Massachusetts, the Speaker and myself will try to give the Members a 10-day or 2 weeks recess; but in order to do that we must first dispose of certain legislation. That is the reason I make the observation that I hope the bill will be taken up tomorrow and disposed of.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. Yes.

Mr. MAY. For the purpose of interrogating the leaders on the majority side: Was any arrangement made about general debate on that bill?

Mr. McCORMACK. The bill was taken up under the 5-minute rule, under a unanimous-consent agreement that it be considered in the House as in Committee of the Whole.

EXTENSION OF REMARKS

Mr. BLOOM. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. BLOOM. Under leave to extend my remarks in the RECORD, I include therein a message of greeting to the House of Representatives from the Permanent Commission of the United Mexican States. This expression of fraternal esteem was presented to me this afternoon for transmission to the House of Representatives by the Honorable Antonio Betancourt Peréz and the Honorable Aurelio Pamanes Escobedo, both members of the Permanent Commission of the Congress of the United Mexican States. I know that the cordial good wishes of the Permanent Commission of the Congress of the United Mexican States for an everlasting continuance of the close relations now existing between our two countries is most heartily reciprocated, not only by the Members of this House, but by all Americans, and it is indeed a pleasure for me to place this message in the RECORD:

Honorable Representative SOL BLOOM,
Chairman, House Committee on Foreign Affairs, Washington, D. C.:

The Permanent Commission of the Congress of the United Mexican States, interpreting the popular sentiments of Mexico, conferred upon us the honor of transmitting their cordial greeting to the House of Representatives of the United States of America, through your good self, as an expression of fraternal esteem.

In the present painful crisis of the world, the people of Mexico unanimously support the international policy of the President of the Republic, General of Division Manuel Avila Camacho.

We can assure you that Mexico, just the same as the other United Nations, will use all the resources at her disposal to secure the triumph of democratic ideals which, for a long time have constituted Mexico's supreme aspiration.

On fulfilling the pleasant duty entrusted to us, we wish to extend our warm greetings to the great people of the United States of America, through this honorable national representation, and also express our complete faith in the victory of liberty and justice that will mark the beginning of an era of peace and human concord.

We desire to express at the same time, the fervent wish of the people of Mexico that the cordial and close relations now existing with their neighbor to the north, be everlasting.

AURELIO PAMANES ESCOBEDO,
Representative.
ANTONIO BETANCOURT PERÉZ,
Representative.

WASHINGTON, D. C., *March 30, 1943.*

Mr. KELLEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an address delivered by Mr. Philip M. Klutznick, president of the Supreme Advisory Council of the A. Z. A. Junior Order of the B'nai B'rith.

The SPEAKER. Is there objection?

There was no objection.

REREFERENCE OF BILLS

Mr. BUCKLEY. Mr. Speaker, I ask unanimous consent that the bills, H. R. 1358 and H. R. 1512, be rereferred from the Committee on Pensions to the Committee on Invalid Pensions, which committee has jurisdiction of these bills.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. BUCKLEY]?

There was no objection.

EXTENSION OF REMARKS

Mr. BECKWORTH. Mr. Speaker, I ask unanimous consent to extend my remarks and include a letter.

The SPEAKER. Is there objection?

There was no objection.

Mr. O'KONSKI. Mr. Speaker, I ask unanimous consent to extend my remarks on the Ruml plan.

The SPEAKER. Is there objection?

There was no objection.

Mr. TIBBOTT. Mr. Speaker, I ask unanimous consent to extend my remarks and include an editorial.

The SPEAKER. Is there objection?

There was no objection.

Mr. GAVIN. Mr. Speaker, I ask unanimous consent to extend my own remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. JENSEN. Mr. Speaker, I ask unanimous consent to extend my remarks and include House Concurrent Resolution 18 from the Iowa Legislature.

The SPEAKER. Is there objection?

There was no objection.

Mr. TALLE. Mr. Speaker, I ask unanimous consent to extend my remarks and include House Concurrent Resolution 25, passed by the General Assembly of Iowa.

The SPEAKER. Is there objection?

There was no objection.

NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS (H. DOC. NO. 146)

The SPEAKER laid before the House the following message from the President of the United States, which was read and, with the accompanying papers, referred to the Committee on Military Affairs and the Committee on Naval Affairs and ordered to be printed with illustrations, also to the Committee on Interstate and Foreign Commerce:

To the Congress of the United States:

In compliance with the provisions of the act of March 3, 1915, establishing the National Advisory Committee for Aeronautics, I transmit herewith the twenty-eighth annual report of the committee covering the fiscal year 1942.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *March 30, 1943.*

EXTENSION OF REMARKS

Mr. NICHOLS. Mr. Speaker, I ask unanimous consent to extend my remarks and insert a speech I delivered to the Oklahoma Legislature a week ago last Monday.

The SPEAKER. Is there objection?

There was no objection.

Mr. GATHINGS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a resolution adopted by the County Farm Bureau of Craighead County, Ark.

The SPEAKER. Is there objection?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. DINGELL, indefinitely, on account of illness.

To Mr. SHEPPARD, for 10 days, on account of important business.

To Mr. SMITH of Virginia, indefinitely, on account of illness.

EXTENSION OF REMARKS

Mr. HORAN. Mr. Speaker, I have here a letter from the Spokane Athletic Roundtable, the group who sent Congress the "worry birds" a year ago. It is a most interesting letter showing the results, so far, of a poll taken among over 140,000 servicemen, showing their attitude toward wartime baseball. I ask unanimous consent that it be placed in the Appendix of the RECORD.

The SPEAKER. Is there objection?

There was no objection.

ENROLLED BILLS SIGNED

Mr. KLEIN, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 1366. An act to provide temporary additional compensation for employees in the Postal Service.

The Speaker announced his signature to enrolled bills of the Senate of the following titles:

S. 17. An act to provide for a temporary increase in compensation for certain employees of the District of Columbia government and the White House Police force, and

S. 660. An act to prevent certain deductions in determining parity or comparable prices of agricultural commodities, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. KLEIN, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 1366. An act to provide temporary additional compensation for employees in the Postal Service;

H. R. 1780. An act to increase the debt limit of the United States, and for other purposes; and

H. R. 2068. An act making additional appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1943, and for other purposes.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 44 minutes p. m.) the House adjourned until tomorrow, March 31, 1943, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Subcommittee on Fisheries of the Committee on the Merchant Marine and Fisheries will meet in executive hearing at 10:30 a. m. on Wednesday, March 31, 1943, to consider the matter of price ceilings on fishery products.

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Thursday, April 1, 1943, at 10 a. m., on S. 163 (H. R. 498), to amend section 511 of the Merchant Marine Act, 1936, as amended, relating to ship construction reserve funds, and for other purposes.

As advised in notice of March 10, 1943, Congressman BATES of Massachusetts, patron of the bill H. R. 1766, upon which hearings were scheduled on April 8, 1943, is a member of the Committee on Naval Affairs and of a subcommittee of that committee which has arranged a schedule of hearings throughout the country which will compel Congressman BATES of Massachusetts to be absent from Washington on April 8 and also April 15.

The chairman of the committee and the Commissioner of Fisheries will be out of town on intervening dates, which will necessitate a further postponement of the hearing until May 13, 1943. You are hereby notified that the hearings scheduled for April 8 and postponed until April 15 have been postponed to Thursday, May 13, 1943, at 10 a. m., at which time the hearings will follow.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

290. A letter from the Secretary of the Interior, transmitting a draft of a proposed bill to amend section 4 of the act of May 31, 1933 (48 Stat. 108), enacted for the purpose of promoting the welfare of Indians of the Taos pueblo, New Mexico, and of protecting their interests in certain lands within the Carson National Forest; to the Committee on Indian Affairs.

291. A letter from the Attorney General, transmitting a report stating all of the facts and pertinent provisions of law in the cases of 70 aliens whose deportation has been suspended for more than 6 months (H. Doc. No. 144); to the Committee on Immigration and Naturalization and ordered to be printed.

292. A letter from the Chairman, Board of Investigation and Research, transmitting a summary report on its study of interterritorial freight rates (H. Doc. No. 145); to the Committee on Interstate and Foreign Commerce and ordered to be printed with illustrations.

293. A communication from the President of the United States, transmitting an estimate of appropriation for the Office of Censorship for the fiscal year 1944, amounting to $29,998,400 (H. Doc. No. 147); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 319. Report on the disposition of records by sundry departments of the United States Government. Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PITTENGER: Committee on Claims. H. R. 159. A bill for the relief of Mr. and Mrs. Juan Ramirez; with amendment (Rept. No. 320). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on Claims. H. R. 576. A bill for the relief of Mary Lynn Morrow, Mrs. W. A. Jones, and the estates of Maurice Jones and Mrs. Avis McDonald; with amendment (Rept. No. 321). Referred to the Committee of the Whole House.

Mr. MANASCO: Committee on Claims. H. R. 1041. A bill for the relief of E. F. Hathorn and E. D. Hathorn; with amendment (Rept. No. 322). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 1321. A bill for the relief of the First National Bank, of Huntsville, Tex.; without amendment (Rept. No. 323). Referred to the Committee of the Whole House.

Mr. PATTON: Committee on Claims. H. R. 1583. A bill for the relief of Reuben T. Little; without amendment (Rept. No. 324). Referred to the Committee of the Whole House.

Mr. CARSON of Ohio: Committee on Claims. H. R. 1627. A bill for the relief of Vida B. Rogers; with amendment (Rept. No. 325). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 1712. A bill for the relief of Sarah Ann Elizabeth Holliday Foxworth and Ethel Allene Brown Haberfeld; with amendment (Rept. No. 326). Referred to the Committee of the Whole House.

Mr. MURPHY: Committee on Claims. H. R. 1784. A bill for the relief of the legal guardian of Leonard Lewis Gay; with amendment (Rept. No. 327). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 2129. A bill authorizing the Comptroller General of the United States to consider the claim of Lew O. Calhoun; without amendment (Rept. No. 328). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 2130. A bill for the relief of Christine Lund; without amendment (Rept. No. 329). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 2312. A bill for the relief of Everett A. Alden; Robert Bruce; Edgar C. Faris, Jr.; Kathryn W. Ross; Charles L. Rust; and Frederick C. Wright; without amendment (Rept. No. 330). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANGELL:

H. R. 2338. A bill providing for taxation by the States and their political subdivisions of certain real property acquired for military purposes; to the Committee on the Public Lands.

By Mr. GATHINGS:

H. R. 2339. A bill to provide for the orderly liquidation and dissolution of the regional agricultural credit corporations; to repeal the laws authorizing their creation by the Reconstruction Finance Corporation and their operation; and to restore to the United States Treasury the funds subscribed by the United States or by the Reconstruction Finance Corporation to the capital of such corporations, thereby strengthening the credit of the Government, reducing its nonessential expenditures, contributing to the present manpower problem through a reduction in the number of Government employees, resulting in a substantial contribution to the war effort, and for other purposes; to the Committee on Agriculture.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Montana, memorializing the President and the Congress of the United States to transfer the Fort Peck project to the Bureau of Reclamation of the Department of the Interior for operation and maintenance; to the Committee on Appropriations.

Also, memorial of the Legislature of the State of Oregon, memorializing the President and the Congress of the United States to enact House bill 1288; to the Committee on the Public Lands.

Also, memorial of the Legislature of the State of Oregon, memorializing the President and the Congress of the United States to re-examine the land purchased for Camp Adair; to the Committee on Military Affairs.

Also, memorial of the Legislature of the State of Texas, memorializing the President and the Congress of the United States to pass legislation relative to deferment of farm labor; to the Committee on Agriculture.

Also, memorial of the Legislature of the State of Washington, memorializing the President and the Congress of the United States to pass legislation creating a Federal agency to study tax structures to the end that inequitable burdens be avoided and the financial stability of the various local governmental units assured; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Washington, memorializing the President and the Congress of the United States to do all in their power to facilitate the immediate construction of plants designed to produce butadiene from farm and forest products; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. KEOGH:

H. R. 2340. A bill for the relief of the Postal Telegraph Cable Co.; to the Committee on Claims.

By Mr. McCORMACK:

H. R. 2341. A bill for the relief of Byron F. Gross; to the Committee on Naval Affairs.

By Mr. MILLER of Connecticut:

H. R. 2342. A bill granting a pension to Lydia M. Richards; to the Committee on Pensions.

By Mr. O'TOOLE:

H. R. 2343. A bill for the relief of Angelina Calamia; to the Committee on Claims.

By Mr. SABATH:

H. R. 2344. A bill for the relief of Hazel L. Fauber, administratrix; to the Committee on Claims.

By Mr. WENE:

H. R. 2345. A bill for the relief of Mrs. May Holland; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

377. By Mr. LECOMPTE: Petition of sundry citizens and voters of the community of Mingo, Iowa, urging the enforcement of present laws and the enactment of new laws to suppress and eliminate the alcohol traffic in and near training camps in all branches of the military services, and also urging the active support of national local option legislation; to the Committee on Military Affairs.

378. By the SPEAKER: Petition of sundry citizens of Newton Center, Mass., petitioning consideration of their resolution with reference to post-war planning; to the Committee on Foreign Affairs.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MARCH 31, 1943

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, our Heavenly Father, grant Thy ministrations to continue with our people, that with patriotic fervor and confidence they may press forward to those high altitudes of representative government. We pray that the full fruition of its genius and confidences may be asserted and bring to naught the unseasoned language of criticism. In Thee is our sufficiency and we will lift up our hearts evermore in humble gratitude.

Do Thou harken unto the prayers which are resounding in the breasts of fathers and mothers, young men and maidens, and make their hearts strong and hopes high. Graciously be with all who bear rule, hold to their lips the Holy Grail, and from that blessed cup may they drink freely of the water of life. O Father of forgiveness, enable us to free our hearts of resentments, banish all unjust thoughts and the memories of failure which have vexed us, then will we move forward in wholesome concord. We pray Thee that when labors are heavy and irksome, when in that hour we survey our toil, then may we have the realization that ambition did not retard our progress or our peace of mind; and Thine shall be the praise. In the name of our Saviour. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Duke, one of its clerks, announced that the Acting President pro tempore had appointed Mr. BARKLEY and Mr. BREWSTER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers in the following departments:

1. Department of Agriculture.
2. Department of the Navy.

THE RUML PLAN

Mr. SCOTT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SCOTT. Mr. Speaker, it was a glorious victory. Or was it?

The advocates of taxation on a current basis defeated the committee bill. The advocates of the committee bill and other plans defeated the Ruml-Carlson amendment. Everybody won and everybody lost. Indeed, it is true that the taxpayer was the real loser.

The taxpayers' representatives in Congress failed to tell the taxpayer how much his tax is going to be. Every day this uncertainty continues will operate to the disadvantage of the public and of the Treasury. The Congress laid an egg—and never got around to hatching it.

I sincerely trust that the Ways and Means Committee will bring forth another bill very shortly, and since the majority has rejected the Ruml plan in the face of an outraged public opinion, let us hope that we will at least get a realistic bill which will provide some fair method for putting the taxpayer on a current basis. And let us consider it the next time strictly on the merits without the hillbilly antics and vote-dredging pyrotechnics which furnished such dubious adornment to past deliberations.

Personally, if I were on the committee, I would still vote to move the tax clock ahead 1 year, and I would not compromise that principle.

EXTENSION OF REMARKS

Mr. SABATH. Mr. Speaker, I ask unanimous consent to extend my own

remarks in the RECORD and insert therein a letter I received from the Baltimore Sun and my answer thereto.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

THE GOLDEN STATE CO. OF TULARE, CALIF.

Mr. ELLIOTT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. ELLIOTT. Mr. Speaker, the Golden State Co., of Tulare, Calif., in my congressional district, is known as the world's largest powder milk plant. The exact figures as to its production are a military secret and cannot be revealed, but I am pleased to announce that a citation for an Army-Navy production award for outstanding performance in war work has been presented to this company by the War and Navy Departments.

This award is a tribute to the management and employees of this creamery and to the farmers whose milk-production records have made such an achievement possible. I ask to include as part of my remarks a copy of a telegram from Lieutenant General Somervell to Manager Jack Hutsell.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The matter referred to follows:

TULARE PRODUCTION WINS ARMY-NAVY AWARD

WASHINGTON March 22.—Citation of the Golden State Co., of Tulare, Calif., for an Army-Navy production award for outstanding performance in war work has been announced by the War and Navy Departments.

The Tulare milk factory, specializing in powder milk production for armed services and lend-lease, is known as the largest powder milk plant in the world. Exact figures are a military secret.

Manager Jack Hutsell of the Tulare Golden State plant received a copy of the following wire sent to Golden State Co., Ltd., by Brehon Somervell, lieutenant general commanding the services of supply:

"The suitability and performance of equipment produced by American industry which I have just seen on a 34,000-mile inspection trip through the Caribbean, South America, North and Central America, Africa, Palestine, Iran, India, and Burma, is a tribute to the genius of American engineers and to the skill of the workmen who made it. Its adequacy everywhere was a source of great satisfaction to me. You and everyone in your organization should be proud of your contribution and the important part you are playing in helping us to victory.

"BREHON SOMERVELL,
"Lieutenant General,
"Commanding Service of Supply."

EXTENSION OF REMARKS

(Mr. WEISS asked and was given permission to extend his own remarks in the RECORD.)

Mrs. BOLTON. Mr. Speaker, I ask unanimous consent to extend my remarks in two particulars: One, by inserting a very beautiful tribute to Mme. Chiang Kai-shek; and the other to insert in the Appendix of the RECORD a bill I have introduced.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

THE NURSE TRAINING PROGRAM

Mrs. BOLTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mrs. BOLTON. Mr. Speaker, for the past many months I have been working closely with the various groups having responsibility for the nursing care of our fighting forces and of the civilian population which is ever increasingly a vital part of all-out war effort. These groups include the Subcommittee on Nursing of the Health and Medical Committee of the Office of Defense Health and Welfare. Representatives of the Army and Navy, and of the War Manpower Commission also have sat in upon our deliberations. You will perhaps recall that the Congress appropriated funds in 1941 and again in 1942 for assistance to students and for refresher and special courses for graduate nurses.

The administration of this program has been in the able hands of the Public Health Service. The moment has now come when a more adequate program, based upon the work already done, must be made possible if our armed services and the important civilian forces are to have care.

To this end and at the request of the nurses of the country I have brought in a bill which is the outcome of many months of the most arduous and conscientious work on the part of all these groups. May I say that it has been studied by the Budget and not disapproved. I have asked unanimous consent that it be printed in the Appendix of the RECORD, with the hope that you will want to familiarize yourselves with its content.

EXTENSION OF REMARKS

Mr. SMITH of Ohio. Mr. Speaker, I have two unanimous-consent requests, one to insert my own remarks in the RECORD and to include a brief item from the Chicago Tribune, and the other to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. SMITH]?

There was no objection.

CRITICISM OF PRESENT POINT RATIONING

Mr. SMITH of Ohio. Mr. Speaker, I am inserting in the RECORD a brief news item from the March 29 Chicago Tribune, in which Prof. Anton J. Carlson, formerly with the University of Chicago, one of the world's greatest authorities on physiology, wherein he has stated that increasing the point values on food items, which has been done, is harmful to the bodily economy.

Among other things, Professor Carlson is quoted as saying:

The Government has promulgated a very foolish nutrition program in the last 2 years by telling the people that 75 percent of them have been on bad diets. How can the Government turn around now and say they can work harder in war on less food than they had in peace?

Coming from so high an authority on physiology and nutrition, this statement should be heeded by the Congress and country as a grave warning of the dangers that threaten the health of our people because of the growing food shortage and the frustrating methods with which this situation is being handled by those in control of our Government.

EXTENSION OF REMARKS

Mr. VORYS of Ohio. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an article by George Rothwell Brown on Thomas Jefferson, the Republican, and I also ask unanimous consent to proceed for 1 minute and to revise and extend my own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. VORYS]?

There was no objection.

THOMAS JEFFERSON, THE REPUBLICAN

Mr. VORYS of Ohio. Mr. Speaker, within less than 2 weeks, on April 13, we are going to celebrate the two hundredth anniversary of Thomas Jefferson, a great Republican President of the United States; yet we hear so little about it that apparently it is a military secret. I merely want to suggest that if my brethren on the right, who call themselves Jeffersonian Democrats, would call themselves what Thomas Jefferson called himself, they would refer to themselves as Jeffersonian Republicans. Thomas Jefferson called himself a Republican, and called his party the Republican Party, not the Democratic Party. I urge them to come back to the fold and to join with the modern-day Republicans in preserving the great principles for which Thomas Jefferson lived, in a Republic where there is no longer any other party which can claim their allegiance as Jeffersonians. I am inserting in the Appendix today a thoughtful column on this subject by George Rothwell Brown, noted news commentator.

There was no objection.

The SPEAKER. The time of the gentleman has expired.

CIVIL FUNCTIONS APPROPRIATION BILL—1944

Mr. SNYDER, from the Committee on Appropriations, reported the bill (H. R. 2346) making appropriations for the fiscal year ending June 30, 1944, for civil functions administered by the War Department, and for other purposes (Rept. No. 331), which was read a first and second time, and, with the accompanying report, referred to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mr. POWERS reserved all points of order on the bill.

Mr. POWERS. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey [Mr. POWERS]?

There was no objection.

Mr. POWERS. Mr. Speaker, I would like to ask the gentleman from Pennsylvania when this bill will come before the House, and I would also like to get his idea as to the time and the division of the time?

Mr. SNYDER. The majority leader told me yesterday it would come up the first thing on Thursday after disposition of matters on the Speaker's desk.

Mr. POWERS. If the bill is completed that we will consider today, will we start debate on the Civil Functions bill today?

Mr. SNYDER. No.

Mr. POWERS. What is the gentleman's idea as to time?

Mr. SNYDER. I have no idea. I have been asked for no time, but I do not see any reason why we should cut the time short.

Mr. POWERS. There is considerable controversy on a certain item which is not in the bill and which I believe will be offered in the form of an amendment. For this reason may I suggest 7 hours of general debate, to be equally divided between the gentleman from Pennsylvania and myself?

Mr. SNYDER. That will be satisfactory to me.

Mr. POWERS. That is satisfactory to me.

Mr. McCORMACK. Mr. Speaker, I made some observations yesterday as to what I hope will happen at Easter time. This means, may I say, that we have to pass three or four appropriation bills and there are quite a few other bills that should be considered. I cannot make a definite promise unless certain legislation is disposed of. I simply make this observation for the benefit of the House so the Members will know that in order to have this recess, which I think we ought to have, there are quite a few bills to be disposed of between now and then, and if debate on these bills is too long I am fearful that the recess might be reduced.

Mr. POWERS. I am in perfect agreement with the gentleman and what he says, but, to be frank, the item of the Florida barge canal was stricken from the bill in committee this morning. The item certainly will be offered as an amendment. There is considerable controversy on the canal. There are innumerable requests on this side for time. If the gentleman could agree to 7 hours, and if it is not used that is perfectly all right.

Mr. McCORMACK. My observation was not addressed to this particular bill, but only in general.

Mr. POWERS. I agree with the gentleman. Suppose we start out with 7 hours and if it is not used we will read the bill.

Mr. SNYDER. That is satisfactory to me.

The SPEAKER. The Chair would suggest that the time be fixed when the bill is called up for consideration.

Mr. POWERS. That is agreeable to me.

JEFFERSONIAN DEMOCRATS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. RANKIN]?

There was no objection.

Mr. RANKIN. Mr. Speaker, it was most interesting to hear the gentleman from Ohio [Mr. VORYS] invite the Democrats to join the Republican Party on the theory that Jefferson called himself a Republican.

In the light of what has happened in the last few weeks I must say it is not encouraging to any of us Jeffersonian Democrats to move over to the Republican side of the House, and especially in view of what occurred yesterday and what occurred here something like 2 weeks ago.

Let me say to the gentleman from Ohio that if he wants to become a real Jeffersonian, and I rather think he does, he should come over and join the Jeffersonian Democrats, but do not invite us to join the party that kicked over the traces and reversed itself 2 weeks ago on the question of striking Communists from the pay roll, and that attempted to give a bonus of $10,000,000,000 to the big income taxpayers on yesterday.

It reminds me of an inscription on a tombstone down in one of the Southern States. An old fellow did not live according to all the Ten Commandments, and when he died this inscription was placed on his tombstone:

> Hark, ye strangers passing by
> As ye are now so once was I,
> As I am now so you must be,
> Prepare for death and follow me.

One of his neighbors wrote under the inscription:

> To follow you I would not consent,
> Because I know which way you went.

The SPEAKER. The time of the gentleman has expired.

DELIVERY OF FAULTY STEEL FOR USE BY OUR ARMED FORCES

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, the thanks of the American people will go to a committee of Congress, the Senate committee headed by Senator HARRY S. TRUMAN, for having brought forth evidence of the delivery by the Carnegie-Illinois Steel Co. of faulty steel, to go into equipment to be used by our American armed forces. The lives of American fighting men have been criminally endangered. Upon the Department of Justice there rests at the present time the paramount duty, which I am certain will be discharged, of prosecuting to the fullest extent of the law any and every body responsible for this faulty steel, as well as those responsible for delivery of worse than useless copper wire by Anaconda Copper Co. I can remember nothing that has disturbed me as deeply as this since this war began.

The SPEAKER. The time of the gentleman has expired.

ARGENTINE BEEF

Mr. CELLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

[Mr. CELLER addressed the House. His remarks appear in the Appendix.]

PERMISSION TO ADDRESS THE HOUSE

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. EDWIN ARTHUR HALL. Mr. Speaker, we all get a few letters now and then and occasionally are impressed by some of them. May I read a few sentences from a letter I received from a poor, discouraged, average American citizen back home?

> In God's name, why do you Congressmen allow your helpers down there to do so much bossing and letting us suffer?

By "helpers" I assume she refers to some of the bureaucratic gentlemen.

> Why punish the poor American people this way? Please see if Mr. Brown can't do something for us.

Then she concludes with the following sentence:

> I buried my husband a year ago, and I thank God he is not here to see the way things are going on.

MEAT PRODUCTION

Mr. MURRAY of Wisconsin. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. MURRAY of Wisconsin. Mr. Speaker, may I address myself to my good friend from New York City and say that first of all the farmers I have heard from are not complaining about the price, what they complain about is that they cannot get the parts and machinery to produce the food. I doubt that at this time or any other time it is necessary to let the bars down as far as the "sanitary pact" is concerned in order to get beef. The danger is too great. Let me suggest to the gentleman from New York as a member of the majority party how to remedy the situation. I call his attention to the fact that on May 29, 1941, we imposed what is known as an embargo on wheat, preventing it from coming into this country. We have plenty of cattle in this country, if we can just get them big enough and grow them large enough. We can do the same thing with pork. We can furnish all the meat the people of this country need and all that is needed for Lend-Lease or for other foreign commitments if the proper attention is now given to this problem.

TAX FORGIVENESS IN WISCONSIN

Mr. McLEAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

[Mr. McLEAN addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent to extend my own remarks and include therein an editorial from my home paper.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

(Mr. LAMBERTSON asked and was given permission to extend his own remarks in the RECORD.)

Mr. BENNETT of Michigan. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a resolution from the Michigan Legislature.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. KEEFE. Mr. Speaker, I am in receipt of a letter from the Committee on Military Affairs of the Wisconsin State Senate. I ask unanimous consent to extend my own remarks in the RECORD and include therein this letter.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

ELIMINATION OF DISCRIMINATORY FREIGHT RATES

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTEN. Mr. Speaker, the Interstate Commerce Commission has just about completed its hearings wherein the Southern States have petitioned for rate changes to eliminate the present discrimination in favor of the Northeast.

Apparently there is an excellent chance, Mr. Speaker, for considerable relief to be granted by the Commission to the South and other sections of the country. However, even in this hearing we find that one Northeastern State "regrets that the subject of freight rates has become the subject of sectional political debate." Why, if the present rate structure was not sectional in its discrimination and did not discriminate in favor of one section, wherein the State of New York lies, fixing a charge of from 39 to 75 percent more on freight going out of all other sections than on that going out of the Northeast, there would be no occasion for sectionalism. If we had one freight rate for the entire Nation, as we have one Federal law to govern interstate commerce in all other regards, there would be no cause for complaint.

The fact that there is a good chance for relief by the Interstate Commerce Commission being granted, after all these years, and the expression for the State of New York, brings forcibly to our attention that if we are successful in securing a reduction by the Interstate Commerce Commission we will have a continuous fight to return to the old discriminatory structure, led by the Northeastern States, and with the membership of the Commission being changed from time to time, there is real danger that we will be forced back under the present discriminatory rates.

Mr. Speaker, this Congress should pass the bill now pending providing for uniform freight rates for the entire Nation and settle the matter by statute. Before we start looking after the world and placing a bottle of milk on every doorstep, we should look to the correction of discrimination at home, provide for a fair economic and industrial development of our entire Nation; only thus can we provide adequate employment to our returning soldiers.

DECORUM IN THE HOUSE OF REPRESENTATIVES

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DONDERO. Mr. Speaker, some years ago I delivered an address in this House on decorum in this body. Since that time many new Members have come to the House of Representatives. Knowingly or unknowingly, those Members and many of the older Members, violate the rules. Every day in this Well and on this floor the rules of the House are violated. What I shall say in this speech I think will be of special interest to the new Members of the House, and of general interest to all of us. It will not be intended to scold anybody but to inform the Members of the House of the rules. We all vi late them. We violate them unconsciously and without knowing what the rules are. This has brought upon this body a great deal of unfavorable comment throughout the country, criticism directed to our conduct on this floor, and we can very well correct the condition.

I trust that the opportunity will come some time this afternoon when I may be given 15 minutes to discuss some of the rules of the House under the subject of decorum, in the hope that Members will no longer violate the common and long-established rules of this Chamber.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. DONDERO. I yield to the gentleman from Michigan.

Mr. HOFFMAN. Has the gentleman noticed, as I think I have, that it is the older Members who most frequently violate those rules?

Mr. DONDERO. I shall not lay the blame at the door of anyone. We all sometimes unconsciously violate the rules.

Mr. Speaker, I ask unanimous consent that today, at the conclusion of the legislative program and following any special orders heretofore entered, I may be permitted to address the House for 15 minutes on the subject indicated.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

FARMERS AND THE RUML PLAN

Mr. GROSS. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and revise and extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. GROSS. Mr. Speaker, during the debate of the last few days on the tax bill, it appears that some Members were greatly exercised for fear they would forgive the taxpayers of the country some taxes. It was those taxpayers, if I know my story right, who made it possible to keep things going all these years, even the W. P. A., the Writers Project, and God knows what else. I do not see any particular harm in giving the taxpayers a break for once; but that is not what I came down to the Well of the House to talk about, other than to say that the country suffered a let-down yesterday, and somebody eventually will be called upon to answer for it. I am not going to have to answer, because I voted for the Ruml plan. So far as my farmer friend from New York, the owner of the Brooklyn ranch, Mr. CELLER, is concerned, he wants to bring in Argentine beef. By this means, some years ago, we brought foot-and-mouth disease into this country, and what a mess. My memory goes back to the last time when we had foot-and-mouth disease in this country among the cattle. There were farmers in my community who dug great trenches below the barns, and drove as many as 50 and in one case 70 head of cattle and shot them in the trenches, covered them with quicklime, and buried them there. That cost us a great deal of beef, and many herds, that took years to build up. If we will conserve our food, "lick our platters clean," we will have plenty without taking such chances.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

LEAVE TO ADDRESS THE HOUSE

Mr. BENDER. Mr. Speaker, at the conclusion of the remarks of the gentleman from Michigan [Mr. DONDERO] this afternoon, I ask unanimous consent to proceed for 15 minutes.

The SPEAKER. Is there objection?

There was no objection.

DISCRIMINATION IN FREIGHT RATES

Mr. FORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. FORD. Mr. Speaker, I note by the morning papers that the committee appointed to study the problem of discriminatory railroad rates has recommended that the discriminatory system now in vogue be abolished.

It is my earnest hope that if the Interstate Commerce Commission does not

act promptly to carry out the committee's recommendation that Congress will at once take affirmative action.

This discriminatory system of railroad rates is one of the blackest blots on the escutcheon of our democratic system. It ought to be abolished now.

It is true that this discriminatory system has adversely affected other regions than the South. But, while my own section has felt the rough thumb of this undemocratic procedure, and while I am interested in its abolishment, I do feel that the South has been the principal victim of the system.

I hate discrimination. Hating it as I do, I hope that this Congress, this Seventy-eighth Congress, will redeem itself to the extent that this abominable, undefendable situation is abolished, and abolished promptly.

The fundamental basis of free enterprise, which is so often invoked on this floor, is free competition, free markets.

How, may I ask, can we have free competition, free markets, while transportation rates are such that the eastern market is foreclosed to the most prolific sections of the Nation?

You might as well have tariff barriers between the States, a condition forbidden by the Constitution, but by rearing transportation rate barriers, you permit the circumvention of the Constitution.

Is that democracy? No. It is Republican reactionaryism. Are you going to permit that situation to exist?

You Democrats, who seem to think that you are displaying independence by voting with the Republicans may think so, but a bit of analysis, economic analysis, if you will, is not conducive to that conclusion.

Let all good Democrats get together and abolish discriminatory railroad rates. That will be a first step toward real economic independence, which I contend is as important, if not more so, than political independence.

Just think this over. That is all I ask.

THE RUML PLAN

Mr. SABATH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

[Mr. SABATH addressed the House. His remarks appear in the Appendix.]

ABUSES IN CIVIL SERVICE EMPLOYMENT SYSTEM

Mr. MONRONEY. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. MONRONEY. Mr. Speaker, I take this minute to compliment the House investigating committee under the gentleman from Georgia [Mr. RAMSPECK] for the searching investigation they are making of flagrant abuses in our civil service employment system. We all have protested for a long time the loss of vital manpower because of the waste and idleness that has gone on in these various departments under the civil service.

It is a salutary thing that the greatest friend that the civil service has in the House is making this investigation.

They have found many flagrant abuses in the managerial policy in that the men who are charged with being administrators or supervisors, in turn did not administer or supervise the employees under them. These administrators and supervisors are guilty of overstaffing, of paying no attention to the absenteeism in their own bureaus and departments, so much so that they cannot give figures accurate enough to demonstrate how many absences are occurring. These men are guilty of inefficiency and incompetency. They should be either graded down in their status or discharged for incompetence and inefficiency the same as any other employee who cannot or does not perform his duties.

COL. HARVEY WEIR COOK

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. LUDLOW. Mr. Speaker, it is with a great deal of sadness that I announce to the House of Representatives the death of Col. Harvey Weir Cook, of Indianapolis, Ind.

Colonel Cook was killed in an airplane accident in the South Pacific war area. Details of the manner of his death are lacking. His passing removes one of the distinguished aces of the World War, who made an outstanding record in the military history of our country. For his services in various theaters he was awarded the Distinguished Service Cross with oak leaves, a medal of the Aero Club of America, and other decorations. After World War No. 1 he became one of the first air-mail pilots in the United States. One of the earliest advocates of commercial airplane transportation, he startled the country in 1928 when he prophesied the establishment of transcontinental air lines "with sleeper ships operating through the skies at night." He was the first aviator in the United States to fly serum from one section of the country to another stricken with disaster. In 1926, following the devastating hurricane in Florida, he flew serum from the laboratories of Eli Lilly & Co. of Indianapolis to Miami, Fla.

Colonel Cook numbered his friends by legions. He was a splendid officer and a splendid man.

Col. Roscoe Turner, another Indianapolis aviator of great distinction and a close friend of Colonel Cook, expressed the sentiment of our community when he said:

> We have lost an outstanding citizen, a pioneer in aviation, and a fine gentleman. Once again he was doing an excellent job in another war, disproving the theory that oldtimers cannot perform a great service in this war.

Colonel Cook drew people to him with hoops of steel because of his magnificent qualities of mind and heart. He will be widely missed and mourned.

EXTENSION OF REMARKS

Mr. CELLER. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made this morning and to append thereto a letter which I have addressed to Prentiss M. Brown and Chester Davis.

The SPEAKER. Is there objection?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein an editorial.

The SPEAKER. Is there objection?

There was no objection.

THE DEMOCRATIC PARTY

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, the gentleman from Mississippi [Mr. RANKIN], day before yesterday celebrated his sixty-first birthday. That may account for his charitableness this morning. As he nears the Pearly Gates he is more concerned over the fate of the Republican Party than that of the Democratic Party. That may mean that he does not realize that the Democratic Party is not going anywhere. With a clear majority in the Ways and Means Committee and a clear majority in the House, the members of the Democratic Party spent 5 days discussing a tax bill and finally sent it back from whence it came.

The SPEAKER. The time of the gentleman has expired.

MEAT AND MEAT PRODUCTS FROM SOUTH AMERICA

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. CRAWFORD. Mr. Speaker, I was very much interested in the remarks of the gentleman from New York [Mr. CELLER], with reference to bringing in beef and meat products from South America. It seems to me that two problems would have to be considered in connection with that. One is the question of shipping, the question of bottoms in which to move the beef. Second, it was my privilege to spend Sunday and Monday last visiting with the fine farmers and cattle raisers and wool and mohair men who were gathered in the city of Dallas. We spent 2 full days in discussion there, and I backed up and renewed some of my views with reference to the livestock industry. In comparing those views with those of feeders up in my section of the country, as well as the views of feeders in the central western area, I am convinced that we can produce in this country and place on our markets, in our retail stores, and consumers' homes the necessary meat that we require, provided official Washington, including the Congress, does what it should do about the matter. I see no need for wrecking the livestock industry of this country and crippling the war effort through shifting ships to carry beef from South America when we can produce the meat here.

The SPEAKER. The time of the gentleman from Michigan has expired.

EXTENSION OF REMARKS

Mr. DAY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an editorial.

The SPEAKER. Is there objection?

There was no objection.

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and include an article from the Commercial Financial Chronicle.

The SPEAKER. Is there objection?

There was no objection.

WAR SECURITY ACT

The SPEAKER. The unfinished business before the House is the further consideration of the bill H. R. 2087, which the Clerk will report.

The Clerk read the title of the bill.

The SPEAKER. The Clerk will report the pending amendment.

The Clerk read as follows:

Amendment offered by Mr. RANKIN: On page 1, line 5, after the word "war", insert the word "willfully."

CALL OF THE HOUSE

Mr. RANKIN. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The Chair will count. [After counting.] Evidently no quorum is present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 36]

Bates, Mass.	Gale	Magnuson
Bland	Gibson	Miller, Mo.
Boren	Guyer	Murray, Tenn.
Buckley	Hagen	Norton
Carter	Harness, Ind.	Pfeifer
Celler	Howell	Robertson
Clason	Izac	Rowe
Culkin	Jarman	Sheppard
Cullen	Kee	Slaughter
D'Alesandro	Kelley	Smith, Va.
Davis	King	Steagall
Dawson	Kleberg	Treadway
Dickstein	Larcade	Wheat
Dingell	Lesinski	Wigglesworth
Ditter	Lewis, Colo.	Winter
Eberharter	McGehee	
Englebright	McGranery	

The SPEAKER. On this roll call 385 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

WAR SECURITY ACT

The SPEAKER. When the House adjourned on the 23d of March there was under consideration the bill (H. R. 2087) to provide for the punishment of certain hostile acts against the United States, and for other purposes. This is now the unfinished business before the House. Time had been fixed on the Rankin amendment at 25 minutes, 15 of which had been consumed, and the gentleman from Tennessee [Mr. JENNINGS], and the gentleman from Michigan [Mr. MICHENER] each had claimed 5 minutes. Either of these gentlemen who wish to claim their time may be recognized.

Mr. RANKIN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. RANKIN. As I understand it the committee has agreed to accept the amendment. I wonder if that would dispense with further debate.

Mr. MICHENER. Mr. Speaker, I will claim my time.

Mr. SHAFER. Mr. Speaker, will the gentleman yield for a parliamentary inquiry?

Mr. MICHENER. I yield.

Mr. SHAFER. Am I not on the list for 5 minutes?

The SPEAKER. No.

Mr. SHAFER. I was on my feet and asked for 5 minutes.

The SPEAKER. The Chair was not here that day. The situation was this: The gentleman from Texas asked unanimous consent that debate close in 25 minutes. The gentleman from Wisconsin [Mr. SAUTHOFF], the gentleman from Kentucky [Mr. CREAL], and the gentleman from Minnesota [Mr. O'HARA] each used 5 minutes, and the notation is that the gentleman from Tennessee [Mr. JENNINGS] is claiming 5 minutes, and the gentleman from Michigan [Mr. MICHENER] is claiming 5 minutes, making up the 25.

The gentleman from Michigan [Mr. MICHENER] is recognized for 5 minutes.

Mr. MICHENER. Mr. Speaker, the Rankin amendment, including the word "willful" is perfectly innocuous. Everyone who has studied it, who knows anything about it, agrees to that, I believe. It is perfectly harmless; it is superfluous; it is surplusage, but if the gentleman from Mississippi desires the amendment, nothing but bad draftsmanship would be involved.

The committee gave consideration to the Rankin amendment this morning, and I think the committee will accept this harmless amendment.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. I yield.

Mr. RANKIN. If the gentleman reflects the views of the Judiciary Committee then we ought to scan every provision of the bill very carefully.

Mr. MICHENER. Yes; we should. This is the type of bill that we should scan, and I want to say at this time that this bill has been carefully scanned, carefully considered. Hearings were held. Let me state the genesis of the bill. First the Department of Justice came before the committee by the Attorney General in person. Later a staff of assistants appeared before the committee and cooperated with the committee for several days in drafting the bill. Every word in the bill was analyzed carefully by the committee and explained by the Department. Finally the bill was reported to the full committee by the subcommittee. The full committee then gave further and careful consideration to the bill. After that complete consideration by the full committee, lasting several days, the bill was reported to the House in the form of a new bill written by the committee. There were some suggestions made in the full committee and some amendments offered to the subcommittee draft.

Mr. CRAVENS. Will the gentleman yield?

Mr. MICHENER. I yield to the gentleman from Arkansas, a member of the committee.

Mr. CRAVENS. Is it not also true that the committee in a great many respects disagreed with representatives of the Department of Justice and drastically changed this bill and threw every possible safeguard around it that could be thrown around it in order to protect the citizens of this country against unwarranted prosecution under the bill?

Mr. MICHENER. Yes. You must not lose sight of the fact, first, that this is a wartime measure only. It is for wartime and peacetime. The prosecutions, such as are being carried on now for espionage or any of those crimes, can be indulged in just the same as now, with or without this bill.

When the eight saboteurs recently landed in this country there were two kinds of courts, in one of which it was presumed they might be tried for any offense committed against the United States.

First, the courts of the land, where a civil judge and a jury of the accused's peers are factors and, second, the military court, or courts martial.

However, the Department of Justice advised the Judiciary Committee that there was no adequate law on the statute books under which these eight saboteurs might be convicted and punished in a civil court. The Department also advised that these saboteurs had committed no offense over which military courts had jurisdiction. In this dilemma the Department of Justice instituted a search to find a forum in which these saboteurs might be prosecuted, tried, and adequately punished if convicted. The world precedents of the past, the law of war, the textbooks dealing with such matters were all invoked and, as a result, a military commission was set up by Executive order for the explicit purpose of trying these eight saboteurs. This was recognized as a "textbook" court. The philosophy leading up to the creation, along with the law of war, went back as far as Richard the Lion Hearted. Of course, it is just and reasonable that despicable enemies like these saboteurs should find a place in our country where they could be appropriately dealt with and with expedition. This innovation called a military commission and its procedure in the saboteur case has been approved by the Supreme Court of the United States. Therefore, these saboteurs were legally convicted and executed.

The prime purpose of this bill which we are now considering is to make it possible in the future to deal with cases like the saboteur case in the legal, established courts of the land. The bill goes further and expedites the trial in this type of important case.

Mr. Speaker, the American people take great pride in their system of justice and in their courts. We do not use the Hitler method of shooting whomsoever

offendeth. We boast of our jury trials and, for one, I want to make it possible to continue along that line.

This new military commission was a necessary innovation or expedient. It was a departure from our traditional procedure. It should not, however, become a functionary in our judicial system. To those who are objecting to giving power to the Department of Justice, as provided in this bill, let me call their attention to the fact that under this military commission, which some of them say will be adequate for the future, the President selects his own judges and jurors who write the rules of the trial. The President selects the place where the trial is to be conducted and the President fixes the penalty to be invoked. It is truly a Presidential Executive order court and only extreme necessity, as in the saboteur case, can justify a thing of that kind in our land. It must not happen again. If it does happen, it will be because the Congress fails to pass legislation along the line provided in this bill.

Every word in this bill has a meaning and the Judiciary Committee has given consideration to the legal meaning, the interpretation, and the effect of each sentence in the bill. We may be in error. However, it is our unanimous conviction that this is a just, fair, and safe proposal and should be enacted into law. While the Department of Justice wrote the original bill, the one which we are now considering was written by the Senate and House Judiciary Committees. We have no pride of authorship. If improvements can be made, we welcome them. Let us approach this important task with open, fair, and unprejudiced minds and, out of the wisdom of debate, consideration, knowledge and toleration, write a law that will do this job in the American way.

The principal objection to date has been a profession of lack of confidence in the Department of Justice. It is feared that a partisan and persecuting department may use the power herein granted other than in the interest of justice. I honestly believe that if the Department had the confidence of the Congress which it should have there would be very little opposition to this bill. Be that as it may, we are writing the law and someone must administer it. The Department of Justice has this job. We are at war and, for one, I am ready to give the Department such legislation as I feel is essential in the war effort.

I shall, therefore, support this legislation, and hope that this will be the ultimate view of the considered judgment of the House.

The Speaker says my time has expired. I shall, therefore, discuss the various provisions of the bill later in the debate.

The SPEAKER pro tempore. The time of the gentleman has expired.

The Chair recognizes the gentleman from Tennessee [Mr. JENNINGS].

Mr. SHAFER of Michigan rose.

The SPEAKER pro tempore. In the absence of the gentleman from Tennessee [Mr. JENNINGS] the Chair recognizes the gentleman from Michigan [Mr. SHAFER].

Mr. SUMNERS of Texas. Will the gentleman yield?

Mr. SHAFER. I have only 5 minutes.

Mr. SUMNERS of Texas. Mr. Speaker, I ask that there may be read for the information of the committee the four amendments which the committee will agree to.

Mr. RANKIN. Mr. Speaker, reserving the right to object, I would like to have my three amendments read that were pending when we adjourned the other day.

Mr. SHAFER. Mr. Speaker, I refuse to yield further.

Mr. RANKIN. It will not be taken out of the gentleman's time.

Mr. SHAFER. Mr. Speaker, I must insist on utilizing my time now. This is dangerous legislation and it appears to me there has been a desperate effort made to rush it through this House without proper consideration. The fact that the distinguished chairman of the Judiciary Committee is now offering numerous amendments indicates clearly that it has not had proper consideration. It should be recommitted and rewritten.

Now I do not mean to imply that I do not agree with the objective of this legislation. But this is not merely a question of legislating to revise our wartime laws. There is an older and much broader issue involved, the issue of bowing to the demands of the executive branch and conferring sweeping authority to the Department of Justice on the pretext that it is a war necessity.

Only last week, for the second time in 2 weeks, we resolved this issue in the matter of defining farm parity prices. Before that there was the question of fixing salary limitations by Executive decree. Both matters involved the interpretation of legislation overwhelmingly approved by this House. In the debate on the farm parity issue the gentleman from Illinois [Mr. DIRKSEN] observed that the only conclusion to be drawn from these controversies was "that the Congress must have scrupulous regard for the language it employs in the writing of bills. It must spell out carefully every limitation."

This legislation as written, Mr. Speaker, does not do that. And I do not believe that it should be attempted here today. It should be returned to the committee. It touches upon basic constitutional guaranties and should be subjected to the closest scrutiny.

As this bill is now written, Mr. Speaker, I am reminded of its parallel, which was the proclamation issued by that tyrant king, George III, which was answered by our Declaration of Independence. Let me read you a portion of his decree:

That all the subjects of this realm and the dominions thereunto belonging are bound by law to disclose and make known all traitorous conspiracies and attempts against us, our crown and dignity; and we do accordingly strictly charge and command our obedient and loyal subjects to make known all treasons and traitorous conspiracies which they shall know to be against us, our crown and dignity; and for that reason that they transmit to one of our principal secretaries of state or other proper officer due and full information in order to bring to condign punishment the authors, perpetrators, and abettors of such traitorous designs.

Mr. WALTER. Will the gentleman yield.

Mr. SHAFER. I decline to yield at this time.

Mr. WALTER. The gentleman has made a misstatement.

Mr. SHAFER. I do not yield. Mr. Speaker, this bill contains provisions identical with those decreed by King George. That is why I believe it should be given the closest scrutiny.

Now, the gentleman from Michigan [Mr. MICHENER] has stated that we do not have laws to punish persons plotting against our Government or persons aiding the enemy. I wonder if the three men now under death sentence in Chicago would agree with that argument? I wonder if the ghosts of the six saboteurs who were electrocuted here in Washington would believe that? And I wonder if he could convince Max Stephen, now awaiting the hangman's noose in the Federal prison at Milan, Mich., in the gentleman's own district, that we do not now have laws to punish those who aid the enemy?

I am surprised my esteemed friend would make such a statement. Certainly we have laws that will punish those guilty of treason. Many have been punished since we entered this war. Statement after statement to that effect has been issued by J. Edgar Hoover, whose department, the Federal Bureau of Investigation, has done a magnificent job in apprehending traitors. No man in this House can point to one instance where the prosecution of those who have plotted against the United States has failed.

There should be further hearings on this bill, Mr. Speaker. The Attorney General should be brought before the committee and placed on record as to what he will do with such a dangerous weapon. He is the man who for several months has devoted much valuable time and energy in the midst of this war to prosecute the Associated Press. Under this bill he would have probably succeeded in his efforts to indict the Chicago Tribune.

No, Mr. Speaker; this bill should not pass in its present form. And it should be rewritten in committee, not on the floor of this House.

The SPEAKER pro tempore. The time of the gentleman from Michigan has expired.

Mr. RANKIN. Mr. Speaker, I renew my unanimous-consent request that we read first the three amendments I have pending and then read the amendments offered by the gentleman from Texas.

The SPEAKER pro tempore. Without objection, the Clerk will read the pending amendment.

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. RANKIN: On page 1, line 5, after the word "war" insert the word "willfully."

The SPEAKER pro tempore. Does the gentleman from Mississippi offer two other amendments?

Mr. RANKIN. The gentleman from Texas asked that we read these other amendments. I am satisfied to have a vote on that amendment first.

Mr. SUMNERS of Texas. May I say to the House that the Committee on the Judiciary accepts that amendment.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Mississippi.

The amendment was agreed to.

Mr. SUMNERS of Texas. Mr. Speaker, I am authorized by the Committee on the Judiciary to offer the amendment which I now send to the desk.

The Clerk read as follows:

Amendment offered by Mr. SUMNERS of Texas: On page 1, line 9, after "war" insert "willfully."

Mr. RANKIN. Mr. Speaker, I move to strike out the last word.

I really rise, Mr. Speaker, in support of the amendment, but I certainly want to answer the speech made awhile ago by the distinguished gentleman from Michigan [Mr. MICHENER]. I was utterly surprised that a member of the Committee on the Judiciary would make the statement he did, which, in my opinion, tended to leave the impression that those of us who are trying to protect patriotic Americans in this country from unjust persecution are interfering with the war effort.

The gentleman from Michigan raised the question about these saboteurs. If there is any defect in the law, one small amendment would cure it. But the gentleman from Michigan overlooks the fact that those men came here wearing German uniforms. They were subject to be prosecuted under military law.

Let me read from the opinion of the Supreme Court of the United States, delivered by Chief Justice Stone, who, as I said only a few days ago, I regard as one of the ablest men I have ever known. He said:

The four were landed from the submarine in the hours of darkness on or about June 13, 1942, carrying with them a supply of explosives, fuzes, and incendiary and timing devices. While landing they wore German Marine Infantry uniforms or parts of uniforms. Immediately after landing they buried their uniforms and the other articles mentioned and proceeded in civilian dress to the city of New York.

Mr. KEFAUVER. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Tennessee.

Mr. KEFAUVER. The statement of the gentleman points out the necessity of this legislation. If they had not worn their uniforms when they landed, they would not have been amenable under the treason statute because they were aliens, the chances are, so that points out the necessity of this legislation.

Mr. RANKIN. Let me say to the gentleman from Tennessee what I have said from the beginning, that some amendment to the law is necessary, but if the Department of Justice is going to develop into a gestapo I am for checking it now before it finishes destroying the confidence of the people of the United States in that Department.

Mr. KEFAUVER. I may say further to the gentleman that this is not the bill the Department of Justice wanted.

Mr. RANKIN. Let me say to the gentleman from Tennessee, they have gone down into my State in violation of law and done something that has never been done since the darkest days of reconstruction.

This outfit has gone into Mississippi and dragged men 100 miles from their homes and indicted them in the Federal court for violating a State law. You gentlemen from other States may smile, but suppose they decided that they would take charge of all of the States, and some of these "pink" bureaucrats want to take charge of every State in the Union. As far as I am concerned, I propose to do all I can to hold them to their duties. If they cannot perform them, let us impeach some of them and get somebody who can.

Mr. GWYNNE. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Iowa.

Mr. GWYNNE. In order to try these saboteurs, was it not necessary for the President to go back to the ancient doctrine of the law of war and appoint a military commission? Was not that the way they were tried?

Mr. RANKIN. I am not discussing that, and I am not complaining. I think those traitors got just what was coming to them. I am in favor of punishing all other traitors in the same way. But I am not willing to turn over to a bunch of irresponsible bureaucrats the power to persecute any people in the United States, to use their powers to stir race hatred, as they are doing today, and to use their power to try to insult, intimidate, and browbeat the people of Mississippi or of Texas or any other State in the Union.

The SPEAKER pro tempore. The time of the gentleman from Mississippi has expired.

Mr. WALTER. Mr. Speaker, I move to strike out the last word. A moment ago the gentleman from Michigan [Mr. SHAFER] criticized the committee and the House for hurriedly passing this legislation, important as it is, and it is important. In that connection let me tell the gentleman that this bill was first introduced last year. It was reintroduced at the beginning of this session, and the bill that we now have under consideration is what is known as a fresh copy. In other words, after the corrections and amendments were agreed upon, the chairman of the committee introduced a fresh bill. So that this bill was not hurriedly considered. At a matter of fact the Committee on the Judiciary rewrote this entire legislation. Frankly, some of us have been greatly concerned over the possibility of bringing charges without foundation against our citizens, knowing full well that the mere institution of criminal proceedings might be as detrimental to one of our citizens as a conviction of a crime.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. WALTER. Yes.

Mr. McCORMACK. I think, in justice to the House, it should be said that my friend the gentleman from Michigan [Mr. SHAFER] probably used language he did not intend. As I recollect, he used the language, "being rushed through" or "rushing legislation through." Of course, the gentleman remembers that I gave notice that the bill would be on the program, prior to the time it came up, and, as I remember, it was under consideration last Tuesday, and then its consideration was suspended and it went over until today, so that certainly the bill is not being rushed through, and I am sure the gentleman from Michigan unconsciously used language that he did not intend to use.

Mr. SHAFER. Mr. Speaker, will the gentleman yield?

Mr. WALTER. Yes.

Mr. SHAFER. Is it not true that the majority leader confessed that we had a certain time set for debate on this legislation and that the time was cut on the very first day it was before the House?

Mr. WALTER. Mr. Speaker, I decline to yield further. The inclusion in section 101 of the word "willfully" after the word "war" in line 5, I feel, is surplusage, as do all of the members of the committee. However, it will serve this purpose if no other, namely, it will make the Government pause and hesitate before they decide to bring a prosecution, realizing full well that it is the intention of the Congress to insist that the strongest possible case exists before a prosecution is instituted. In section 102 on line 11, at a recent meeting of the Judiciary Committee, the language "or having probable cause to believe" was stricken from the bill. That was done for the reason that under the bill, as originally introduced, it was intended that the measure of proof required in a civil action be all that would be necessary in actions instituted under this bill. By striking out "or having probable cause to believe" it is necessary that there be actual knowledge, which constitutes that an element of guilt, and not mere negligence in failing to know. The courts of the land have frequently passed on that measure of proof, and I see no difficulty there. Then we will go on to each one of these specific offenses that constitute a hostile act. In every single one of those sections is this language—"with intent to aid a country with which the United States is at war," and this, being a criminal prosecution, the burden of showing that intent is on the United States, because the presumption of innocence as to every element of the crime exists even with respect to that section.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. WALTER. In a moment. It seems to me that the one section that causes the greatest concern is section 8, and on line 4 is this language, "calculated to inform the enemy."

Mr. DIES. Mr. Speaker, will the gentleman yield?

Mr. WALTER. I yield.

Mr. DIES. On page 3, subsection (b) the following language seems to me to be entirely too general:

> Acquiring, compiling, obtaining access to, or transmitting any data calculated to inform the enemy with respect to the war effort of the United States.

It seems to me that that language would cover everything, and while I know you have to show intent, it is a fact, is it not, that a jury reaches a decision with reference to intent from the facts, so that one jury might find certain facts to show intent, while another jury would disagree.

Mr. WALTER. My approach to this question was that of the gentleman from Texas, until I examined the authorities, and I found in the case of the United States against Steen, reported in 263 Federal, page 140, the court held that "calculated," was synonymous with intended, and the courts have uniformly followed that decision, so that I am firmly convinced that instead of there being one safeguard thrown around a defendant, namely, the necessity to prove the intent to aid a country at war with the United States, there must be this intent affirmatively proved, to inform the enemy, so that you must intend to inform the enemy of these various things, with intent to aid a country at war with the United States. So it seems to me that we need have no fear with respect to that language.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania has expired.

Mr. DIES. Mr. Speaker, I ask unanimous consent that the gentleman's time be extended 5 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. WALTER. I decline to yield further. It seems to me that in the consideration of this legislation it is a case of the guilty fleeth when pursued not. I am sure that much of the opposition comes from newspapers that are daily deliberately distorting the facts concerning the war effort for political purposes.

If this does not stop, when these young men who are so loyally serving their country today return, and some day they are going to return, we are going to witness some things in this country that will not be pleasant.

Mr. RANKIN. Will the gentleman yield?

Mr. WALTER. I yield.

Mr. RANKIN. Let me say, before I make the suggestion, that if the distinguished gentleman from Pennsylvania were Attorney General, I would not be so apprehensive.

Mr WALTER. I decline to yield further, Mr. Speaker. In that connection, I want to say to my friend from Mississippi that the Attorney General of the United States is the kind of man that the person had in mind who coined the expression "a Philadelphia lawyer." The Attorney General of the United States is learned in the law. He is conscientious. He is honest. I might point out to you that, unlike a predecessor in another war, he is not rushing off to indict everyone. He is trying to and has succeeded in retaining the confidence of the people, particularly those whose privilege it has been to practice law with him and before him when he was a circuit court judge.

Mr. RANKIN. Will the gentleman yield right there?

Mr. WALTER. I yield.

Mr. RANKIN. I will say to the gentleman from Pennsylvania, as I pointed out a moment ago, he rushed off to Mississippi, in violation of the law, to indict people for a violation of a State law that had nothing whatever to do with the law.

Mr. WALTER. That prosecution, brought in the name of the United States, is being brought by a firm of Mississippi lawyers.

Mr. RANKIN. Oh, it is being brought under the present Attorney General by those hired lawyers.

Mr. WALTER. I decline to yield further.

Mr. O'HARA. Mr. Speaker, will the gentleman yield?

Mr. WALTER. I yield.

Mr. O'HARA. In section (b) on page 3 there is a combination of "acquiring, compiling, obtaining, or transmitting." I assume that that language is intended that the prosecution could be brought under any one of those items. Will the gentleman tell me whether that is correct?

Mr. WALTER. Yes. It is in the alternative.

Mr. O'HARA. Let me call attention to the fact that I assume even the writing of a letter, which might perhaps innocently——

Mr. WALTER. No. That could not possibly be. The writing of a letter would have to be intended to inform the enemy, and also intended to aid a country with which we are at war.

Mr. O'HARA. The intent might be inferred.

Mr. WALTER. No. Intent cannot be inferred. After all, we are discussing a criminal prosecution, and the burden of proof would be on the United States just as it is in every prosecution brought under any Federal criminal statute.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. WALTER. I yield.

Mr. MICHENER. As an illustration that was given to the committee, let us take Puerto Rico, where letters were sent which on their face were all right and which passed the censor, but when chemicals were applied——

Mr. WALTER. They used invisible ink.

Mr. MICHENER. They used invisible ink and they were giving the direction of American transports going into that country. Now, when you know some of those things there is reason for every bit of this legislation.

Mr. WALTER. That was one of the reasons given by representatives of the Navy Department, one of many reasons, I might say, and typical of many that they have examined.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. WALTER. I yield.

Mr. HOFFMAN. Did the gentleman recall, when he was praising the Attorney General, the words of the Supreme Court condemning William Power Maloney?

Mr. WALTER. My own criticism of those words is that they were not strong enough.

Mr. HOFFMAN. What is that?

Mr. WALTER. The language of the Supreme Court criticizing Maloney was not strong enough.

Mr. HOFFMAN. The Attorney General promoted him after the trial of those cases and after that condemnation.

Mr. WALTER. No.

Mr. HOFFMAN. That may be but the Attorney General has not removed him since then. Moreover, the condemned conduct occurred before the promotion. Maybe he is due for another promotion.

Mr. THOMAS of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. WALTER. I yield.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania has again expired.

Mr. THOMAS of New Jersey. Mr. Speaker, I ask unanimous consent that the gentleman may have 2 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. WALTER. I yield to the gentleman from New Jersey.

Mr. THOMAS of New Jersey. In the gentleman's concluding remark concerning newspapers, I would like to say that is the very thing that makes me fearful of this legislation. We have newspapers that may not agree with you or me, or with the War Department.

Mr. WALTER. Mr. Speaker, I decline to yield further.

Mr. THOMAS of New Jersey. Are we going to convict those newspapers because they do not agree? I want to ask the gentleman this question——

Mr. WALTER. I decline to yield, Mr. Speaker, because I know what the gentleman is talking about. What I said was this: That the opposition comes from people who are under the misapprehension, because of what they have been doing, that this legislation will be used as a weapon against them. I say that that is utterly impossible. I cannot imagine a newspaper intending to aid a country with which the United States is at war, and publishing information that was intended to inform the enemy. Those two essential elements must exist before there can be any prosecution.

Mr. THOMAS of New Jersey. But under this bill you do not have to have intention.

Mr. WALTER. Of course you must.

Mr. THOMAS of New Jersey. All you have to do is to prove that a newspaper took the stand that it did, and that it was contrary to the best interests of the country, and you could convict them.

Mr. WALTER. Oh, no. That is not the fact.

Mr. SPENCE. Mr. Speaker, will the gentleman yield?

Mr. WALTER. I yield to the distinguished gentleman from Kentucky.

Mr. SPENCE. Does the gentleman think section 203 would violate the sixth amendment to the Constitution, providing for a public trial? I think that is the material thing in this bill.

Mr. WALTER. We considered that very carefully. I am entirely satisfied that this section is constitutional.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania has expired.

Mr. KEFAUVER. Mr. Speaker, I move to strike out the last two words.

Mr. Speaker, two problems confront us. First, we all recognize that there is grave necessity during time of war for legislation of this kind, the second problem is to prepare a bill, to get an act passed that will meet the situation, that will prevent our war effort from being sabotaged, but which at the same time will give as much protection to the rights and liberties of the individual citizen as possible.

Mr. ELSTON of Ohio. Mr. Speaker, will the gentleman yield?

Mr. KEFAUVER. In just a minute.

Mr. Speaker, it is impossible in any statute to guarantee that some overzealous or some unreasonable prosecutor may not try to secure an indictment in a case where one should not be returned. There is no way of passing a law to require that every official shall make no mistakes or shall follow a certain course of action. The best we can do, having primarily in mind the protection of our country in time of war, is to first protect our country and at the same time throw as much protection around the liberties of the individual citizen as we can.

We do not always do things as the British do them, but I think an analogy may be of some value to the Members of the House. Shortly after England went to war they passed a war security act which contained about two sentences and which in effect said that any person who commits any act hostile to the British Empire with intent to aid the enemy shall be guilty and shall be punished by death. We do not do things that way, although that would be the easiest way to get at it, and the British have had very good success in following that course. I understand there have been very few miscarriages of justice in England under their statute. We try to go into some detail to throw protections around the rights of individuals.

There has been no effort to rush this legislation through; as a matter of fact it should have been passed during the last session. The Attorney General on October 17 last year wrote to the Speaker of the House a letter which was referred to our committee, pointing out the necessity for legislation of this kind. If we do not have such legislation here is what we may be confronted with: If Germany or Japan land men on the shores of our country today and those men are not in uniform they cannot be tried by the military courts. For instance, if the eight saboteurs who were tried last year had left their uniforms on board the submarine they could have had thousands of pounds of explosives, they could have had all the money they could carry, they could have had everything right there ready to commit the most dastardly acts of sabotage to blow up our bridges and factories, and the only thing you could convict them of would be possessing weapons or possessing dangerous instruments. In the letter from the Attorney General to the Speaker of the House which is on page 20 of the hearings, the following statement is made:

> The inadequacy of existing criminal statutes in time of war is illustrated by the absence of any provision under which persons who are preparing to commit acts of sabotage or espionage may be properly prosecuted. If an enemy agent, for instance, plans a campaign of sabotage and collects for the purpose large quantities of explosives and incendiary materials, he is not guilty of any serious crime unless he comes close enough to the actual dynamiting or burning of a factory or a bridge so that he can be charged with an "attempt." A person who is engaged in carefully calculated preparation to dynamite a vital synthetic-rubber plant obviously should be punished for something more than the illegal possession of explosives.

In the bill that was reported out of the Senate committee, I believe, and in the bill originally recommended by the Attorney General, as the hearings will show, there was omitted several safeguards that are in this bill.

The SPEAKER pro tempore. The time of the gentleman from Tennessee has expired.

Mr. HOFFMAN. Mr. Speaker, I rise in opposition to the pro forma amendment and ask unanimous consent to revise and extend my own remarks.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. HOFFMAN. Mr. Speaker, on the 1st of March this year the Supreme Court of the United States called attention to the danger from persecution which exists in time of war. They criticized, as the gentleman from Pennsylvania said, none too severely, the conduct of one of the assistant United States district attorneys.

It is the Department of Justice down here which some of us fear not because of any guilt on the part of anyone but because of the arbitrary unjustifiable use of power which they wield. We all know that more than a year ago several individuals charged with sedition were dragged clear across the continent and have been in jail. As to whether they are guilty or whether they are innocent, I express no opinion but the fact remains that after those men had been in jail for more than a year along came the Department of Justice, presented its indictment to the Court and the Court struck out the first count in each indictment.

Now, the Department of Justice announces it is going to bring a third indictment. That is persecution, and it is persecution because we are at war and because feeling runs high; it is not prosecution.

Mr. Speaker, we have no need for this legislation at the present time. I make that statement regretfully because of the statement made by the chairman of the Committee on the Judiciary and of some of the members of that committee. I call your attention to this statute:

> Whoever, owing allegiance to the United States, levies war against them or adheres to their enemies, giving them aid and comfort within the United States, shall be punishable by death.

Now, that covers everything that a citizen might do; does it not? There is no dispute about that.

Mr. MICHENER. A citizen; yes.

Mr. HOFFMAN. Yes; a citizen. Now, let us go over to the sedition law and what do we have? Here is section 31. Note the caption. It is:

> Whoever unlawfully obtained or permitted to be obtained information affecting national defense.

The next section:

> Unlawfully discloses information affecting national defense.
>
> Seditious or disloyal acts or words in time of war.

That section and the preceding sections apply to everyone because it says "whoever." That includes aliens. And the punishment is 20 years.

What more do you want? What more should we have? Can we not carry on the war, and can we not engage in this war without persecuting our own citizens? If we cannot, then what is the advantage of constitutional government? Why carry the "four freedoms," including freedom from fear, to the rest of the world if we cannot have it here? The gentleman from California [Mr. ROGERS] shakes his head. You say we cannot have that, we cannot carry on the war, we cannot carry on war under those circumstances—that is, with constitutional protection for our citizens? Again he shakes his head and he says we cannot carry on the war under the Constitution without violating constitutional provisions. I say we do not need any war, that war is fruitless, if that is the way it must be carried on because we lose the very thing we are fighting for. However, I am not surprised at the gentleman from California [Mr. ROGERS] stating that view after his expression here when the Dies committee continuation matter was up and he attacked the chairman of that committee and the committee itself. No, I repeat, I am not surprised. But after all, our people charge us with the duty of upholding the Constitution and keeping freedom and liberty here at home.

I say, why put on the statute another law when we have ample protection for our Government now in the treason statute and in the statute against sedition? And the law, the application of which resulted in the conviction and execution of the eight saboteurs—why give further aid to these persecutors down here to destroy the liberty for which our men are fighting across the seas?

Mr. RANKIN. Will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman from Mississippi.

Mr. RANKIN. The gentleman from Michigan, I think, made the statement some time ago that while that grand-

jury investigation was going on, this William Powers Maloney was giving out information to PM and certain other newspapers as to what happened in the grand jury.

Mr. HOFFMAN. I did not mention the PM, but if they will let me bring the record up here I will prove by the minutes of the grand jury that William Powers Maloney lied to his own grand jury, and I will prove it by his own grand-jury record.

We have the law which punishes treason on the part of citizens. We have the law against sedition which punishes all who are guilty of disloyal acts. We have the military law under which the eight were tried, convicted, and executed. We need no more law on this subject. All the committee answers to that statement is that one-third of the law is labeled "Military" rather than "Civil" law.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. GWYNNE. Mr. Speaker, I move to strike out the last seven words.

Mr. Speaker, the gentleman from Michigan raises a very important question and one that I want for my own conscience at least settled. Is this law necessary?

It was my understanding that at the time we captured the saboteurs, the Government discovered that it did not have an adequate law to try the prisoners. In the first place, the law was inadequate in the matter of punishment. The country felt that these people should receive the death penalty and I do not believe any law will be found which provides for trial of these saboteurs in the civil courts and which would have punished them by inflicting the death penalty. Neither could they be tried under ordinary military law. In the first place, they were not members of our own armed forces, and, in the second place, they were not taken prisoner in an area which was under martial law, therefore that law did not apply.

In order to get adequate punishment for those prisoners, the President was required to go back to the ancient doctrine of the law of war, which goes back to the days of Richard the Lion Hearted. He set up a commission, an unusual procedure, and those saboteurs were tried under the ancient doctrine of the law of war.

Mr. Speaker, as this war goes on, other saboteurs will be taken and surely we do not intend that they shall go unpunished. They will not go unpunished. Maybe you think this law is a bit drastic, but if we do not pass it and prisoners are taken, and maybe this will be made to apply to citizens—that is the sad part of it—but if people are taken under circumstances such as surrounded the apprehension of the saboteurs last year, they will be again tried under that doctrine of the law of war, unless we pass this bill. I submit, therefore, it would be better to adopt a safe and sane law whereby people under those circumstances may be tried in the civil courts and with the safeguards that are put around them by this act. It is true that this law provides for the death penalty. It states that certain acts shall bring upon the perpetrators thereof drastic punishment. It should. But remember that there is one saving clause in this entire law that no person, no matter who he may be, or what he may do, can ever be punished under this law unless the Government first proves that in what he did he intended to aid the enemy. If that should be proven, why should he not be punished?

Mr. RAMEY. On page 2, section 102, you say you have safeguards. The language is:

> Whoever, when the United States is at war, knowing or having probable cause to believe that another has committed.

Mr. GWYNNE. That has been stricken.

Mr. RAMEY. That is out.

Mr. GWYNNE. Yes. I agree with the gentleman on that.

Mr. ELSTON of Ohio. Mr. Speaker, will the gentleman yield?

Mr. GWYNNE. I yield.

Mr. ELSTON of Ohio. Aside from the case of the saboteurs, was there any evidence before the Judiciary Committee that our treason statutes, the sedition statutes, or any other Federal acts are inadequate to deal with offenses committed in this war?

Mr. GWYNNE. Yes. Here is the trouble with treason. Treason is a crime defined in the Constitution. It applies only to citizens, as I understand, and there must be two witnesses. It is difficult to get a conviction under the treason provision of the Constitution, and as I said before, the sedition statutes do not provide adequate punishment in many cases.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. GWYNNE. I yield.

Mr. HOFFMAN. The gentleman referred to the saboteurs, and there being no law. The gentleman does not mean, that the gentleman from Michigan, a member of the Judiciary Committee, did not mean they were illegally executed?

Mr. GWYNNE. Oh, no.

Mr. HOFFMAN. They are dead, are they not?

Mr. GWYNNE. What I said was this, and I hope nobody misunderstood me, There was no law providing for their trial in the civil courts.

Mr. HOFFMAN. What difference does it make, once they are executed?

Mr. GWYNNE. If you want to continue to try all people under like circumstances before a military commission, then of course vote down this bill.

Mr. HOFFMAN. The gentleman means try them for treason in the courts, or try them for sedition in the courts? If they are aliens, you can try them before a military court. Is not the military court fair?

Mr. GWYNNE. We do not know, at least I do not know, and I doubt if the gentleman knows, how far the doctrine of the law of war might extend.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the gentleman from Iowa be allowed to proceed for 5 additional minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. GWYNNE. Yes.

Mr. RANKIN. I agree with what the gentleman from Iowa says. I think we should have ample law to prosecute all violators of the law, and in my opinion this bill, section 101, which goes down to and includes line 21, on page 2, with the amendment pending and the one that was adopted, and one or two more that will be adopted, will be ample to cover the situation. Does the gentleman agree with that?

Mr. GWYNNE. Yes; I do. Let me answer the question of the gentleman from Michigan as to why we need this law. It is true the saboteurs were convicted and executed, and properly so, but the difficulty is this, I may say to the gentleman from Michigan [Mr. HOFFMAN]. There is a question in the minds of many people as to how far the doctrine of the law of war might be extended to our own citizens.

Mr. HOFFMAN. Does the gentleman mean he thinks there is danger that it might be extended too far?

Mr. GWYNNE. I certainly do. I think that in time of war the President is charged with the responsibility of carrying on the war; he might enforce the doctrine of the laws of war against aliens and against citizens. That is why I am for this bill.

Mr. HOFFMAN. Will the gentleman yield for another question?

Mr. GWYNNE. Yes.

Mr. HOFFMAN. Is it not true that under the statutes against sedition, an alien or a citizen can be punished with 20 years in the penitentiary?

Mr. GWYNNE. That is correct.

Mr. HOFFMAN. And a citizen, if guilty of treason, can be put to death, and as the law stands today, if the person is an alien he can be executed as the saboteurs were. It that right?

Mr. GWYNNE. Of course, there is no doubt of that under the recent ruling of the Supreme Court.

Mr. HOFFMAN. Then you cover everyone?

Mr. GWYNNE. The whole situation is this. What is the objection to getting a proper law providing for the proper and usual method of trial of cases of this character in the civil courts?

Miss SUMNER of Illinois. Mr. Speaker, will the gentleman yield?

Mr. GWYNNE. I yield to the gentlewoman from Illinois.

Miss SUMNER of Illinois. It occurs to me that you go at this thing wrong, in this way, that you give a lot of details here, and innocent people may do these things and then you say, "Well, if they do these things and they result in aiding the enemy, the intent is implied." But the way this original treason statute was written, the one read by the gentleman from Michigan [Mr. HOFFMAN], you take general crimes and then let the details

be proved in court. I think that is the way to handle that kind of a law, because under this bill there are all sorts of things you can do, and for doing them you would be guilty and could suffer the death penalty providing somebody could infer an intent from the relatively innocent acts you have committed. I believe the whole approach is wrong.

Mr. GWYNNE. The gentlewoman has heard many criminal cases tried. The most difficult criminal case to try and get a conviction in is that case in which the State or the Government must prove a specific intent. Before you could get a conviction here—and the court would so instruct the jury—the jury would have to find that the defendant had in mind a specific intent to aid the enemy. It is true that in arriving at that conclusion they would examine and be guided by all the circumstances as they appeared before them. How else can you write a law? Every day in the criminal courts juries determine what the intent of defendant was.

Mr. VORYS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. GWYNNE. I yield to the gentleman from Ohio.

Mr. VORYS of Ohio. In the Constitution there is a definition of treason which includes giving aid and comfort to the enemy.

Mr. GWYNNE. That applies to citizens, of course.

Mr. VORYS of Ohio. Certainly, I am not concerned about foreign saboteurs. We are all concerned about protecting fully the rights of citizens against prosecution under a broad statute. Certainly this bill before us is an attempt to codify the law of treason, is it not?

Mr. GWYNNE. No, I would not say it was.

Mr. VORYS of Ohio. In each case you require the intent to aid the enemy to be shown. That is part of the constitutional definition of treason. Does the gentleman feel that the constitutional requirement as to the testimony of two witnesses is not required under this bill?

Mr. GWYNNE. I do not think it is, no. The courts have so held.

The SPEAKER pro tempore. The time of the gentleman from Iowa has expired.

Mr. HANCOCK. Mr. Speaker, I move to strike out the last eight words.

Mr. Speaker, before we proceed any further in this debate, the Members must be satisfied that this legislation is necessary. The committee did not rush this bill through, as has been intimated. It was considered at great length in the last Congress and in this Congress, and by the Judiciary Committees of both the Senate and the House. The bill has been revised in both bodies and greatly improved. We come to you with a bill all of us on the Judiciary Committee are prepared to support.

Remember, we are in war and that this is a war measure. We have an enemy to fight abroad and at home. This bill was introduced at the urgent request of the Attorney General to enable him to apprehend dangerous enemies within our gates and to punish them adequately. I cannot do any better than read a paragraph or two from his letter to the committee, in which he urges most strongly that this legislation be given him so that he can discharge his heavy responsibilities on the home front. He states:

> Many acts which endanger our wartime security are not punishable in any way under existing statutes; many other such acts, although covered by existing law, are not punishable by a sentence in any way commensurate with the gravity of the offense. There is no statutory provision, moreover, by which cases of this type may be tried with the dispatch appropriate to their importance, and no statutory provision by which a court is empowered to take the steps necessary to prevent the disclosure of facts of value to the enemy which might be revealed during the course of the trial.

Those last two provisions have not been mentioned before, but they are regarded as very important features of this bill, the provision that the proceedings may be kept secret and that the defendant may be tried with dispatch. The bill provides that cases of this kind shall have priority over all other classes of cases. This will answer questions of some of the gentlemen who have heretofore spoken on the bill.

The Attorney General goes on to say:

> The inadequacy of existing criminal statutes in time of war is illustrated by the absence of any provision under which persons who are preparing to commit acts of sabotage or espionage may be properly prosecuted.

"Preparing to commit"; bear that in mind. The statutes which other Members are quoting here today apply only to acts that have been committed or attempted. This is a preventive statute; at least, that is what it is hoped will be the effect of it.

> If an enemy agent, for instance, plans a campaign of sabotage and collects for that purpose large quantities of explosives and incendiary materials, he is not guilty of any serious crime unless he comes close enough to the actual dynamiting or burning of a factory or a bridge so that he can be charged with an "attempt." A person who is engaged in carefully calculated preparations to dynamite a vital synthetic rubber plant obviously should be punished for something more than the illegal possession of explosives.

Mr. ELSTON of Ohio. Would not the gathering together of explosives for the purpose of dynamiting a plant make them guilty of conspiracy?

Mr. HANCOCK. It takes two to conspire and conspiracy is often difficult or impossible to prove.

Then the letter goes on:

> Similarly, a man who builds a powerful short wave transmitter so that he can send vital war information to the enemy may not be guilty under present laws of any serious crime. Yet it is obvious that in time of national peril, we must be able to apprehend and punish a man who with intent to damage seriously our war effort, is caught before the damage is done.

Let me say again that this is intended to be preventive legislation. We do not want to wait until saboteurs have blown up the Brooklyn Navy Yard, or the Martin plant, or the Capitol. We want to give the law enforcement authorities the power to nab and lock up these dangerous enemies within this country before they can perform their acts of destruction and murder. If there should be a serious disaster, and through lack of proper legal weapons the F. B. I. is unable to prevent it, then you chaps sitting around here today opposing this bill will deeply regret your attitude.

Mr. SHAFER. Does the F. B. I. approve this legislation?

Mr. HANCOCK. Yes, strongly. Let me say this to the gentleman. I am not a member of the subcommittee that heard the evidence, but here is a copy of the hearings, which I have read. The witnesses who appeared are Herbert Wechsler, executive assistant to the assistant to the Attorney General, Douglas Maggs, appearing in connection with the statement of Mr. Wechsler, the Attorney General himself, Hon. Francis Biddle, and Hon. Oscar Cox, the Assistant Solicitor General. Also, there was a statement submitted by the Department of Justice representatives explaining the provisions of the bill. These men, of course, are superiors of the F. B. I., and undoubtedly got much of their information from those officials.

Some of the speakers today are seeing ghosts, they are afraid that this law will be used to persecute some innocent person. There never has been a criminal statute on the books that could not be misused in that way. We have to rely on having capable courts and district attorneys and honest juries. There is no other way we can administer justice in this country, and we think it is the best system the human mind ever devised. You could make that same argument against any criminal statute on the books. Any criminal law can be used to persecute individuals if your judge is incompetent, your district attorney overzealous, and your jury biased. You would not wipe criminal statutes off the books for that reason.

Mr. O'HARA. Mr. Speaker, will the gentleman yield?

Mr. HANCOCK. Yes.

Mr. O'HARA. The letter of the Attorney General apparently implies the need of this law for alien saboteurs?

Mr. HANCOCK. He said so definitely.

Mr. O'HARA. However, the law as written applies to our citizens and may be used against them. I join with the gentleman in his desire to get these saboteurs, but let me ask the gentleman this question: Where in the Attorney General's letter is there any attention called to any need for subsection (b) of section 103?

Mr. HANCOCK. I think the gentleman will find it in the hearings. I have not the information now, but I can look it up and give it to the gentleman.

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

Mr. DIES. Mr. Speaker, I move to strike out the last line and ask unanimous consent to proceed for an additional 10 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. DIES. Mr. Speaker, when this bill was before the Committee on Rules I questioned the representatives of the

Department of Justice at some length about certain provisions in the bill. I was disturbed then and I am still disturbed about the following language in subsection (b) on page 3:

Acquiring, compiling, obtaining access to, or transmitting any data calculated to inform the enemy with respect to the war effort of the United States.

Of course, I recognize that in criminal actions intent must be shown and established.

Mr. O'HARA. No; it should be inferred.

Mr. DIES. Technically intent would not be inferred under this bill but, in effect, it is inferred because you prove facts and circumstances, and then it is a matter for the jury to determine under the instructions of the court whether or not there was intent.

Mr. O'HARA. Mr. Speaker, will the gentleman yield?

Mr. DIES. Yes.

Mr. O'HARA. I think the gentleman is wrong in his view of the law, because intent in a criminal prosecution may be inferred.

Mr. DIES. Of course. I said from the facts and circumstances adduced before the jury. In other words, the ultimate decision is for the jury and one jury may find that one had a criminal intent and another jury might find that one did not have criminal intent. But that is not the point.

Mr. WRIGHT. Mr. Speaker, will the gentleman yield?

Mr. DIES. Yes.

Mr. WRIGHT. Is it not true that to infer intent, the facts must be such as to negative an innocent collecting of this information? In other words, the jury cannot infer anything without facts to support it, and that is within the control of the court.

Mr. DIES. Of course, the trial court delivers his charge, and then the jury is instructed what it can or cannot do, but all of us who have had actual experience in the courts know that it is still largely a matter in the discretion of the juries, subject to review by the appellate court.

Mr. MURPHY. Whether you call it "infer" or what not, you have to prove intent.

Mr. DIES. Let me show you how general this language is, and unless it is corrected, I cannot support the measure. When they say "any data" what do they mean? What kind of data? Is it military data or industrial information? The word "data" used without descriptive language would refer to anything on earth.

What is meant by "the war effort"? That would comprise agriculture—practically everything that the people of the United States are now engaged in. So that it depends upon the men who administer the law. There are some officials in the Department of Justice that I am convinced are sincere, competent individuals. There are others in the Department of Justice concerning whom I am in doubt.

Let me give you a concrete case of what some officials regard as aiding the enemy. Nearly a year ago I sent a letter to the Vice President of the United States respectfully and politely calling his attention to the fact that there were certain individuals in the Board of Economic Warfare who had subversive records. I was merely performing a duty as a Member of Congress and as chairman of a committee. The Vice President of the United States construed my letter as information that would aid the enemy and went so far as to say publicly in the press that if I had been on Hitler's pay roll I could not aid the Axis cause more effectively. As a part of that propaganda and campaign, PM came out with a story to the effect that the Federal Communications Commission had discovered that I was the most widely quoted American in the Axis countries. Members of Congress took that statement. There was not any foundation for it. Fly did not repudiate it, but I wrote him a letter, and in his letter he did deny that any such statement was ever made or authorized by him or the Commission.

There are men in the Department of Justice and in this Government who disagree with me and disagree with the findings of our committee. We have found for four and a half years that it is an act of sabotage for Communists, or revolutionary Socialists, to occupy important positions in government and use their positions to further their own ideology. We found unanimously that in some of the C. I. O. labor unions there were well-known Communists who were sabotaging the war defense efforts of this Government. There is, therefore, a great difference of opinion with respect to many of these matters.

Mr. McMURRAY. Mr. Speaker, will the gentleman yield?

Mr. DIES. I yield to the gentleman from Wisconsin.

Mr. McMURRAY. Did the gentleman's committee also find paid agents of Hitler on the congressional pay roll?

Mr. DIES. If the gentleman will now state any paid agent of Hitler who is on the congressional pay roll, I would like to have that information. Give us the name of the man you have in mind.

Mr. RANKIN. Mr. Speaker, I think the gentleman owes it to the House to make that statement. If he knows anybody on the congressional pay roll who is on Hitler's pay roll, I think it is his duty to say it now and tell who he is,

Mr. THOMAS of New Jersey. Mr. Speaker, I make the point of order that the gentleman is out of order unless he can prove his statement.

Mr. RANKIN. Well, if he knows anybody who is on Hitler's pay roll, let us get his name now and get rid of him.

Mr. THOMAS of New Jersey. I make the point of order that the gentleman is out of order.

Mr. DIES. I do not want this all taken out of my time.

The SPEAKER pro tempore (Mr. WHITTINGTON). The gentleman from New Jersey [Mr. THOMAS] makes a point of order. The gentleman from Wisconsin addressed the Chair and asked the gentleman from Texas to yield, and the gentleman from Texas yielded to the gentleman from Wisconsin. The gentleman from Wisconsin is not out of order. The gentleman from Texas is recognized.

Mr. DIES. Mr. Speaker, I will ask for some more time, to give the gentleman an opportunity to answer that statement. Does the gentleman now want to answer that?

Mr. MILLER of Connecticut. I ask that the words be taken down.

Mr. DIES. The gentleman does not care to answer that?

Mr. McMURRAY. Yes; I will answer it.

Mr. MILLER of Connecticut. I ask that the words be taken down, Mr. Speaker; the words stated by the gentleman from Wisconsin.

Mr. RANKIN. Let him make his statement.

The SPEAKER pro tempore. The gentleman from Texas will suspend.

Will the gentleman from Connecticut indicate the words he wishes taken down?

Mr. MILLER of Connecticut. The words stated by the gentleman from Wisconsin. I want the words taken down now every word spoken by the gentleman from Wisconsin.

Mr. McMURRAY. The gentleman will notice they were in the past tense.

Mr. KEEFE. Mr. Speaker, a point of order.

Mr. MILLER of Connecticut. Mr. Speaker, I make the point of order that the words were out of order.

The SPEAKER pro tempore. The gentleman from Wisconsin and the gentleman from Texas will suspend.

The gentleman from Connecticut asks that the words be taken down. The Clerk will report the words requested to be taken down.

Mr. McCORMACK. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. McCORMACK. As I understand the rules of the House, when the request is made that words be taken down the only words that can be taken down are the last words that took place in the colloquy; they have got to be taken down at the time they are uttered, that if anything else intervenes the request comes too late. I want the rules of the House observed.

The SPEAKER pro tempore. The gentleman from Massachusetts makes a point of order that under the rules of the House words can only be taken down when the request that they be taken down follows immediatly upon their utterance. The point of order is sustained.

Mr. MILLER of Connecticut. Mr. Speaker, I should like to be heard on the point of order.

Mr. McCORMACK. That the Clerk can only take down words last uttered.

Mr. RANKIN. Mr. Speaker, I rise in opposition to the point of order; I want to be heard on the point of order.

The SPEAKER pro tempore. The gentleman from Mississippi will suspend. The gentleman wants to be heard on what point of order?

Mr. RANKIN. On the point of order raised by the gentleman from Massachusetts [Mr. McCORMACK].

The SPEAKER pro tempore. The Chair has sustained the point of order made by the gentleman from Massachusetts.

Mr. RANKIN. I rose and asked to be heard on the point of order before the Chair sustained it.

Mr. MILLER of Connecticut. I also seek recognition for the same purpose.

Mr. RANKIN. If that decision is sustained you never can have words taken down unless you happen to be on your feet at the time they are uttered.

The SPEAKER pro tempore. The gentleman will suspend.

The gentleman from Massachusetts made the point of order that the only words that could be taken down were the last words uttered. This point of order is sustained.

The Clerk will report the last words uttered.

The Clerk read as follows:

Mr. McMURRAY. Did the gentleman's committee also find paid agents of Hitler on the congressional pay roll?

Mr. RANKIN. Mr. Speaker, I respectfully appeal from the ruling of the Chair.

The SPEAKER pro tempore. The House will be in order.

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent that the words be reread. Some of us could not hear them.

The SPEAKER pro tempore. The request is entirely proper. Without objection, the Clerk will again report the words objected to.

Mr. WOODRUFF of Michigan. The reading was interrupted.

The SPEAKER pro tempore. The Clerk has been directed to read them again.

The Clerk read as follows:

Mr. McMURRAY. Did the gentleman's committee also find paid agents of Hitler on the congressional pay roll?

The SPEAKER pro tempore. The gentleman from Wisconsin asked a question. The mere asking of the question propounded by the gentleman from Wisconsin is not in violation of any rule of the House so far as the Chair has been advised.

The gentleman from Texas will proceed.

Mr. DIES. I may say, Mr. Speaker, in direct answer to the gentleman's question that no paid agent of Hitler on the congressional pay roll was found by our committee. As I said before, if the gentleman has any information that there was any paid agent of Hitler, I now give him time to state to the House who that agent was.

Mr. McMURRAY. Mr. Speaker, will the gentleman yield?

Mr. DIES. I yield.

Mr. McMURRAY. I was not a Member of the last Congress. My information came only from newspaper reports of the committee investigation and court action. I understood from those newspaper accounts and from court convictions that such was the case; that an agent of a foreign government was drawing pay from the Congress of the United States, was not discovered by the gentleman from Texas and his committee, and I merely wanted the information as to whether they had discovered him.

Mr. DIES. I gave the gentleman the information when I said that our committee had not discovered anyone who was on the pay roll of Hitler; and still the gentleman has not said who such person was.

Mr. McMURRAY. The gentleman's name is Hill—H-i-l-l.

Mr. DIES. Are you referring to Mr. Hill, who was secretary to Congressman FISH, of New York?

Mr. McMURRAY. Yes.

Mr. FISH. Will the gentleman yield?

Mr. DIES. I yield to the gentleman from New York.

Mr. FISH. In the first place, I told this House many times that Mr. Hill was not my secretary at any time. He was a clerk in my office, a disabled veteran of the World War. He was charged with perjury in reference to some bags of mail that were either taken away from my office or put somewhere else. I never saw them myself. I was in St. Louis at the time. The charge was perjury, that he knew or did not know a certain man or had something to do with the disposal of bags of mail containing speeches of Members of Congress. It had nothing to do with his patriotism, his loyalty or Americanism, and no such charge was ever made against him. Both of his parents were born in England and he fought in a combat division overseas in the last war and was disabled. He has served his sentence and now is employed by the Government.

Mr. DIES. May I resume my speech?

Mr. JENKINS. Will the gentleman yield?

Mr. DIES. Let me finish.

Mr. JENKINS. I want to ask a question apropos of this incident.

Mr. DIES. Let me finish my speech because I think this bill is of great importance to Congress.

As I said, Mr. Speaker, it depends upon the men who have the responsibility of administering this law. What I am fearful of, and I have stated this to representatives of the Justice Department quite frankly, is that because someone criticizes something that the administration has done or some condition that exists in the Government, it might be construed that that person is aiding our enemies. If you want any justification for my fears, read the indictment of the 33 people in the District of Columbia courts. Some of the charges made against them were that they or some of them had said that there were Communists who held positions in this administration. In other words, the implication was that if someone said there were Communists in the Government, that was sedition or aiding the enemy.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the gentleman may have 5 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi [Mr. RANKIN]?

There was no objection.

Mr. DIES. Mr. Speaker, I want to point out that if we adopt such general and loose language, it could be used by people in the administration who dislike me or dislike some other Member of Congress for the purpose of intimidating the Member of Congress in the discharge of his duty. Just think for a moment of that little statement by PM, given out with the connivance of Fly, which was used so extensively and repeatedly against a Member of Congress. That false statement has been used against me only a few days ago. A Member of Congress made a radio speech, and I have a copy of his radio speech, in which he repeated the statement.

Mr. ROGERS of California. Will the gentleman yield?

Mr. DIES. I yield to the gentleman.

Mr. ROGERS of California. I would like to get this matter cleared up. I am a newspaper reader, and I read that little squib in the newspaper. I would like to know whether or not it is true. So I called up the Federal Communications Commission, and I spoke with certain people at that time, I do not remember exactly who, but I have a record up in my office, and I said, "Can I make a statement like this, because I do not want to make it if it is not true." They said, "Well, we cannot give out any information. We absolutely will not give you any information at all; however, if you want to make such a statement and you are later sued for so making the statement, then in that suit these records can be subpenaed and can be shown." So, I said, "Then I am safe in going ahead in making such statement?" They said, "Yes." Then, however, I talked a little further on with him. Remember at that time when this report about being the most quoted on the German radio was made, the situation has changed since then, and the statement which they made at that time, the Federal Communications Commission, is not now true. Of course, it is not now true. Therefore, I feel that although the actual validity of that particular statement at that time was true, a suit by the gentleman from Texas would bring it out, although I hope it is not done because it gives a bad impression on the gentleman from Texas, although it was true at that time.

Mr. DIES. It never was true, and if the gentleman wants to try to prove it, I give him the authority here and now to go to the Commission and get any evidence to show it to be true. I will tell the gentleman what the facts are.

Mr. ROGERS of California. Let us all be honest and frank about this.

Mr. DIES. The gentleman has made his statement. I told the gentleman on the floor of the House that that statement was absolutely false, but notwithstanding my statement which the gentleman heard, he made a speech over the radio a few nights ago to the people of California in which he repeated the statement, and I have numerous copies of letters he has sent out all over the United States in which he is making the unqualified charge that MARTIN DIES is the most widely quoted man in the Axis Powers.

The truth is this: We were investigating Goodwin Watson and Fred Shuman, who work for the F. C. C. Incidentally, Fred Shuman was before our committee yesterday. A subcommittee headed by my distinguished and able colleague from Alabama [Mr. STARNES] will make a report, and all of you gentlemen in the near future will have before you the testimony of all of these Government employees, together with all of the facts in the form of a report. You will then be able to pass upon the fact whether or not the charges that have been made are true. I venture to say that when the House of Representatives reads the testimony that is now being adduced before the gentleman from Alabama, and you read the documentary evidence which supports the charges, the overwhelming majority of the Members of this House will agree that the charges are well supported. Dr. Watson and Fred Schuman in the F. C. C. were under investigation, and the F. C. C., not daring to make this false charge, permitted someone in the organization to give the false information to PM, and on the basis of this unsupported and unverified rumor, the gentleman from California and other gentlemen used it extensively.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the gentleman from Texas be permitted to proceed for 5 additional minutes.

Mr. CELLER. Reserving the right to object, Mr. Speaker, if the gentleman does not talk on the bill I shall object.

Mr. COX. Mr. Speaker, I hope the gentleman will not accept any such condition as laid down by the gentleman from New York.

Mr. RANKIN. The gentleman is entitled to take the floor on the question of personal privilege. Take it and take an hour.

Mr. DIES. No; I do not want to do that.

Mr. SUMNERS of Texas. Reserving the right to object, Mr. Speaker, I can quite appreciate how this debate has drifted into the course in which it is going, but I know my distinguished friend will try to steer it back to the bill.

Mr. DIES. The reason I brought that out——

Mr. SUMNERS of Texas. I understand that.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. DIES. My colleague from Texas is one of the ablest men in the United States Congress, and he is fairminded. I think he will agree with me that if people like Fred Schuman or Dr. Watson or people in the various departments who share their ideological views are permitted to administer an act in which such general and loose language is used, it is conceivable that they might attempt to prosecute Members of Congress and honest critics of some things that are going on in the administration.

It is because of this that I believe this language should be stricken from the bill or the word "data" should be clearly defined so that it would apply to military or industrial matters. Furthermore, the word "calculated", as the distinguished gentleman has said, may include the element of intent, but that is only one court's decision, and we have seen a great many changes in the viewpoints of the courts in recent years.

I am inclined to believe it would be far better to use the language "for the purpose of" rather than "calculated". I believe those changes should be made so that people who are exercising their constitutional rights may do so without fear of intimidation.

I may say in this connection that during the time these indictments were being considered, rumors were spread throughout the country that because some Members of Congress had made charges about Communists similar to those made by some of these indicted people, they were being investigated by the grand jury, and that the indictments would include them. That statement was made in the newspapers of the country.

I mention this because I happen to have a responsibility today, a responsibility that gentlemen of the House who recall the beginning of the committee know was thrust upon me. I did not introduce the original resolution. Many of you may have a similar responsibility tomorrow.

During times of hysteria when people are excited and when some people look upon certain acts as sabotage and other people look on other acts as sabotage, when some people are inclined to sympathize with this ideology or that ideology, it is extremely dangerous to use language such as this. I trust that the Members on both sides of the aisle in the consideration of this bill will insist that language be used that will protect all of our people in the exercise of their God-given rights to honestly criticize what is wrong and to do their duty without fear of intimidation.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. DIES. I yield to the gentleman from Illinois.

Mr. MASON May I ask the gentleman if in his opinion the best way to do that would not be to send this bill back to the committee for further consideration and clarification?

Mr. DIES. May I say to the gentleman that I think the committee can correct many of the defects in this bill. I am inclined to think I shall vote to recommit the bill unless the proper language is used, but I have great confidence in this committee and in its chairman and I feel that the chairman can now agree upon language that will remove the fear on the part of Members who do not want this to occur.

Mr. SUMNERS of Texas. Mr. Speaker, will the gentleman yield?

Mr. DIES. I yield to the gentleman from Texas.

Mr. SUMNERS of Texas. I have not consulted my colleagues, but would the gentleman consider this: That instead of "calculated to" the language be "for the purpose of informing the enemy"?

Mr. DIES. I think that would improve it, but the world "data" is general and indefinite. As a matter of fact, we are engaged in compiling data. I think the word "data" is too general. I should like to hear the gentleman explain it.

The SPEAKER pro tempore. The time of the gentleman from Texas has again expired.

Mr. CELLER. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I do not think anyone need have any qualms about this bill. It does not impinge upon the right of free speech or the right of free press. The statute is not a general statute. We carefully spelled out each specific act aimed at. Every patriotic person can know exactly the evils aimed at. Every traitor, alien or citizen, can also know exactly what to expect if he does anything with intent to aid the enemy, and thus injure or impair or lessen our war effort. I repeat that the committee very carefully, painstakingly sifted out all the so-called bugs that may have resided in the bill, and we very carefully and painstakingly and specifically, beyond peradventure of a doubt, itemized each hostile act that should come under the purview of the statute. The English statute, for example, has no specific enumeration. In England, they simply have the bald, general statute, that says anyone committing any hostile act with intent to aid the enemy shall be guilty and suffer death.

Mr. SHAFER. And is not that all that is necessary here, instead of writing all this language?

Mr. CELLER. If we did that, then, who would know as to what would be meant by a hostile act? So, instead of that, we enumerated these so-called hostile acts, calculated to inform the enemy, calculated, deliberately and willfully to give aid and comfort to the enemy.

Mr. SHAFER. And at the same time confuse everyone.

Mr. CELLER. I doubt that very much. If the gentleman would carefully read the bill in light of the court decisions, in the light of the present espionage, treachery and sabotage statutes, the gentleman would see that there is no confusion. All is crystal clear what we primarily do is to fill in the gaps and deficiencies of the present statutes on sabotage and espionage.

We must be in a position to meet with speedy prosecution and punishment the acts of sabotage and espionage which the Axis will devise to circumvent our war effort. The ingenuity, the intrigue, the cleverness and resourcefulness of our enemies are very great. We must anticipate their hostile acts; we must anticipate their inducing our nationals and resident aliens to do their bidding. We cannot wait until the damage is done and then pass the statute.

Let us assume a gigantic conspiracy to wreck the TVA. The Axis spies and agents are plentifully supplied with money. They have stock piles of dynamite. They have maps and blueprints of the entire dam and of the entire Tennessee Valley It may be that under the present statute we could do nothing. We would be powerless unless there were

some overt act in furtherance of the conspiracy. Why must we wait until we have an overt act before we can apprehend the culprits? If their plans are laid with a view to aiding the enemy, with a view deliberately calculated to reduce and hinder our war effort and to give comfort to the foe, why must we wait until the dirty work is done, until the dam is in whole or in part destroyed? This bill would allow us to pounce on them immediately.

Under existing statutes, for instance, the saboteurs who came off the sub on Long Island armed with explosives, incendiaries and money, together with plans and blueprints of war plants, may not have been guilty of any small crime under nonmilitary law. Why? Because they did not come close enough to the actual dynamiting or burning of a factory or destruction of a bridge to be guilty of an attempt. In other words, we could not have prosecuted them civilly. Shall we allow such a ridiculous situation to repeat itself?

A Nazi or Nazi-inspired alien may build a powerful short-wave transmitter. The object is to give information of our ship and troop movements to the enemy. He would not be guilty under our present laws because the mere building of the station would be no violation despite his intent to wreck our country. The bill before you would make the building of the station, if with intent to aid the enemy, a crime. Why must we wait until the messages are sent before we apprehend such a jackal?

Under the present law we would be powerless unless a message were sent—powerless, therefore, unless evidence were given that the message had been sent to Admiral Dimitz in Germany which he, in turn, relayed to a U-boat commander who, in turn, destroyed one of our ships with consequent loss of life.

We would never forgive ourselves if some tremendous catastrophe would result from the failure of our taking proper action on this bill.

Mr. CASE. Mr. Speaker, will the gentleman yield?

Mr. CELLER. In a moment. Here is what would happen if we do not pass a statute of this character: You then would be faced with the choice of either having these types of criminals sought to be gotten after by this bill tried before military tribunals without a jury trial, or have them under this act tried on the civil side with jury trials. Some of those objecting lose sight of the fact that military trials rather than civil trials would be the order of the day.

We have placed every proper safeguard for the innocent and for the accused in this bill. Remember that there are inherent safeguards over and beyond the safeguards that we have placed in this act.

First. There is a jury trial.

Second. We must be at war.

Third. There must be accorded to the defendant the benefit of reasonable doubt, and the defendant's counsel has a perfect right to ask the judge to charge the jury in a way that will give the defendant the reasonable doubt.

Fourth. The act must be willful.

Fifth. It must be calculated to inform the enemy if it is a question of speech or a question of writing.

Sixth. It must be intended to aid the enemy.

Seventh. Intent must be well defined. It must be deliberate; it must be clear-cut.

I say to the gentleman from Texas [Mr. DIES], for example, that intent may be spelled out of all the acts and circumstances and observations and statements of the accused, and with those safeguards what is there to be feared?

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. CASE. Yes.

Mr. ROBSION of Kentucky. As a matter of fact, everything set out and denounced in this bill, if it was committed by a citizen, would be treason, would it not?

Mr. CELLER. That is correct.

Mr. ROBSION of Kentucky. This bill is drawn to cover citizens and aliens, and therefore we use the word "whoever," but in order to convict anybody they have to commit an act which means treason. That is what the bill covers.

Mr. CELLER. I thank the gentleman for his contribution.

Mr. CASE. Mr. Speaker, will the gentleman yield?

Mr. CELLER. Yes.

Mr. CASE. I wonder if the gentleman meant to say just exactly that. Might it not be that one might be guilty of what would be proven to be sabotage, and yet not be guilty of treason under the constitutional definition?

Mr. CELLER. That is possible.

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

Mr. CELLER. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. ROBSION of Kentucky. The Constitution defines treason.

Mr. CELLER. Mr. Speaker, I say to the gentleman from South Dakota that this bill covers citizens and aliens alike. Treason may be very difficult to prove. The Constitution provides that you must have two witnesses, and treasonable facts and circumstances would be insufficient, unless you have the two witnesses. Under this statute you need not have two witnesses. The facts may cry so loud as to indicate that there was an intent, a deliberation, a willfulness, to do the acts proscribed by the statute.

Mr. CASE. Did the committee consider the possibility of providing the death penalty, as a possible punishment under existing statutes relating to sabotage?

Mr. CELLER. We did do that, but we found that the present espionage and sabotage statutes were inadequate. For example, they mention "war industries," and mention "war materials," and by interpretation placed on those words by the courts we found that numerous court decisions were very narrow, and thus making the present statutes inadequate. We must broaden them.

A saboteur might conceal an essential part of a war machine, to render it useless. Under present statutes he may not be guilty, even if he does the concealing with intent to aid the foe by slowing down production. Existing law requires injuries to "war materials," "war premises," or "war utilities." It may be doubtful whether any of these words include rendering a machine useless by concealment of a vital part.

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. CELLER. Yes.

Mr. ROBSION of Kentucky. As I understand the definition of treason, it is giving aid and comfort to the enemy and in each one of these sections you must intend to give aid and comfort to the enemy. Is not that so?

Mr. CELLER. That is correct.

Mr. ROBSION of Kentucky. Before you can be convicted.

Mr. CELLER. That is correct.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. CELLER. Yes.

Mr. O'CONNOR. I call the gentleman's attention to subdivision (d) of section 103, and particularly to the following language:

> Killing, injuring, confining, obstructing, or otherwise by any act in violation of law interfering with another.

What is the gentleman's idea of what the word "obstructing" means?

Mr. CELLER. I will read from the report, which I think answers the gentleman:

> Under existing law, enemy agents may assassinate, injure, kidnap, or otherwise incapacitate persons engaged in national-security investigations—

Like the F. B. I.—

> persons who plan to reveal the identity or activities of enemy agents, or persons whose skills or knowledge are vital to the war effort, without violating any Federal law. Such acts, when committed in time of war, with intent to aid the enemy, are more than simple acts of murder, mayhem, or kidnaping. They are important elements of secret warfare, and as such may well be punishable in the Federal courts.

That is the answer. Because it is not merely murder, which might come under any State statute. It is not mere kidnaping. It is part of a scheme, part of the intriguing, of the Nazis or Fascists to weaken our war effort; to try to indicate to our soldiers that they are fighting for a lost cause; to try to make them lay down their arms; to cripple our war plants, to torpedo our ships. For that reason we must give due importance to that type of important crime, make it a Federal crime and not merely a crime under the laws of any of the 48 States.

Mr. O'CONNOR. But the word "obstructing"—I do not believe the gentleman has placed an interpretation upon that word. That is the word I am concerned about, because I think that might have many ramifications.

Mr. CELLER. The gentleman must remember always it must be a type of obstructing or a type of action that would aid the enemy. It must be done deliberately and willfully to aid the enemy. Surely, if I obstruct the activities of, say,

an Army or Navy Intelligence man and preclude him from conducting his investigation with a view to aid the enemy, I should be guilty.

Mr. O'CONNOR. But the word——

Mr. CELLER. You are asking for it and you have got to take it. Thus let me answer. Anything that will aid the enemy, if it is obstructing or acquiring data or the putting up of some kind of apparatus, or tearing it down, concealment, or tampering with machinery, no matter what it may be, if it aids the enemy and is done with intent to aid the enemy, it should come within the statute.

Mr. O'CONNOR. Some people might contend that a strike aids the enemy.

Mr. CELLER. No. A man may strike, he may do something with the motive of money, he may hate his boss, he may examplify bitterness against his foreman. For that reason he may stop work. He may join a strike. But unless the prosecution proves beyond doubt that the activity of the individual, no matter what it may be, is done deliberately and willfully to aid the enemy, there can be no successful prosecution. A mere strike, a mere money-making plan or scheme is not such as would come under the act.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. CELLER. Mr. Speaker, I ask unanimous consent to proceed for 2 additional minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. SHAFER. Will the gentleman yield?

Mr. CELLER. I yield.

Mr. SHAFER. The gentleman has given the House the information that this bill has been very carefully considered in the Committee on the Judiciary. He has used the word "willfully" several times; that a man must willfully be guilty of a crime. Is it not true that the word "willfully" never entered into this legislation until today on this floor?

Mr. CELLER. I will say to the gentleman that the word "willfully" does not add one iota to the bill. When you have the wording "with intent," you cannot have any intent unless the intent is "willful." That is my opinion. I stand by that opinion, and I can give you hundreds of cases to substantiate that point.

Mr. CRAVENS. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield.

Mr. CRAVENS. Referring to the inquiry of the gentleman from Montana [Mr. O'CONNOR], with reference to what the word "obstructing" is aimed at, consider a concrete case of where a person with valuable war information in his possession is taking that for the purpose of transmitting it; if anybody obstructs him in any way, that obstructing would interfere with the war and would be covered by this bill, and he could be prosecuted.

Mr. CELLER. I thank the gentleman for that statement. Also we must remember that we cannot legislate against unscrupulous and unfair prosecutors. We cannot legislate against unfair judges. Some of those who have voiced objections to parts of this bill want us to do that. If we could do that we might as well repeal all of our criminal statutes, because some unscrupulous judge or some unscrupulous prosecutor might improperly interpret a statute or prosecute unfairly.

The SPEAKER. The time of the gentleman has again expired.

Mr. RUSSELL. Mr. Speaker, I move to strike out the last four words.

As has been said heretofore, the committee spent many painstaking hours trying to work out a bill that would do justice and still be acceptable to all. When the committee brought out this bill we felt there would be no objections to it, and that it would pass in a short time. But to our great surprise, some folks seem to be apprehensive about the results of the bill.

As has been said to you, the bill is for the purpose of taking care of enemies of the United States during wartime. I take it that all Members of this body, as well as all citizens of our country, are intensely interested in taking care of our enemies at this time. That is what this bill seeks to do. That is the purpose of it, and we have tried to bring out the best bill we could, having made many changes in it, which I thought were immaterial, in order to take out any objections to it.

Today the committee has agreed to an amendment which starts in title I, section 101 A, by including the word "willfully." By the inclusion of that, as the gentleman who just preceded me stated, it does not make the bill much better, because the words "with intent" carry the implication of willfulness always. But in any event it is in the bill now. All down through the bill that term "willfully" is carried.

The section which my colleague the gentleman from Texas [Mr. DIES] seemed not to be altogether satisfied with should be considered as a trial court would have to charge a jury in a particular case, and reads as follows:

> Whoever, when the United States is at war, willfully commits any hostile act, willfully acquires, willfully compiles, willfully obtains access to or willfully transmits data.

Now, the gentleman from Texas was somewhat worried over that word "data." As I understand the word "data" has, in a legal sense, perhaps two or three meanings. Meaning No. 1 is the preparation of pictures, maps, and plats to show vital industries or the defenses of our country. It can mean information as well but in the main it has reference to those others.

Mr. CURTIS. Mr. Speaker, will the gentleman yield?

Mr. RUSSELL. I yield.

Mr. CURTIS. Referring to section (b) page 3, suppose a police officer compiles data prepared by another and that person calculated to use them to inform the enemy; is the police officer guilty under this bill?

Mr. RUSSELL. Not without he disseminated or transmitted that data with the intent to aid the enemy of his country thereby showing an intent to injure his own country.

Mr. CURTIS. He willfully acquires and compiles data that somebody else prepared, calculated to inform the enemy. I think this bill would make him a criminal.

Mr. RUSSELL. No; not at all.

Mr. CURTIS. I do not think it is intended to, but I believe it does.

Mr. RUSSELL. Under this bill the trial court would have to charge the jury in substantially these words:

> If therefore you find from the evidence that the defendant did willfully compile this data and you further find that in compiling it he transmitted such data with the intent then and there to aid the enemy or a country with which we are now at war.

The trial court would have to make the charge in substantially that language or commit error and the man would not be guilty if he ignorantly compiled data, would not be guilty unless he did it with intent to aid the enemy.

Mr CURTIS. But part of the offense is compiling the data.

The SPEAKER pro tempore. The time of the gentleman from Texas has expired.

Mr. RUSSELL. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. WRIGHT. Mr. Speaker, will the gentleman yield?

Mr. RUSSELL. I yield.

Mr. WRIGHT. How about venue? I should like to have someone, the gentleman or some member of the committee, discuss the question of venue. Where will these cases be tried?

Mr. RUSSELL. That question came up and undoubtedly was brought to the front noticeably by the recent indictments which have been discussed heretofore. The Constitution provides that the accused must be tried in the district in which the offense was committed or in the district in which he lives. Of course the district in which the offense is committed would take precedence, but it has been decided so often that the venue lay in one of those two places that the committee thought that inasmuch as it was already a constitutional as well as a statutory provision that it was unnecessary to say anything about it, believing that the constitutional and statutory provisions would be accepted.

Mr. CRAVENS. Mr. Speaker, if the gentleman will yield I can give him the citation.

Mr. RUSSELL. Yes; I shall be pleased to yield.

Mr. CRAVENS. Article III, section 2 of the Constitution requires that the trial must take place in the State and district where the offense was committed.

Mr. RUSSELL. I thank the gentleman for his contribution. Does that answer the question of the gentleman from Pennsylvania?

Mr. WRIGHT. Yes; it does; and I thank the gentleman for his answer.

Mr. RUSSELL. The gentleman from Texas, as I started to say, seems to be suspicious about the kind of judge or kind of district attorney or kind of jury that will try such cases. Mr. Speaker, we cannot legislate as to the character or make the character of the prosecuting attorney or the judge on the bench,

or of the jury that is going to try the case, but I am ready to say as an American citizen that I believe, and it is a presumption of law, that all men are honest. That includes district attorneys and includes district judges and jurors—all men are honest until the contrary appears; but you cannot legislate honesty. If one man makes a mistake, why penalize your country? Why put your country in jeopardy for fear some district attorney may be unscrupulous, for fear some district judge is perhaps unscrupulous? I ask these questions advisedly because I spent 10 years as a prosecuting attorney. I never asked a jury to do anything in my life that I would not do myself, and I take it that 99.99 percent of the prosecuting attorneys of this country are equally honest. Now, we must have that presumption, which is a natural, logical, and an American presumption——

Mr. SPENCE. Mr. Speaker, will the gentleman yield?

Mr. RUSSELL. I yield to the gentleman from Kentucky.

Mr. SPENCE. Does the gentleman believe that provision of the bill regarding a secret trial complies with the sixth amendment to the Constitution guaranteeing to every man a public trial?

Mr. RUSSELL. That is true. It does not violate the rule that the holdings of the Supreme Court are wrong. It is not a secret trial, but certain ones are kept out as they are in immoral cases, for the benefit of the United States and for the preservation and for the safety of our country and armed forces.

Mr. Speaker, this is a war measure. This is not general legislation that will stay on the statute books, because it only lasts during the war and is made not only for the protection of your country but for the protection of your property, your lives, and the lives of our men in uniform. I take it that men will be selected to prosecute these cases who are above reproach.

Mr. CREAL. Will the gentleman yield?

Mr. RUSSELL. If it is a good law in war, why would it not be all right in peacetime?

As far as I am concerned, I am for it in peacetimes because I think it is high time that we begin to legislate some for law and order instead of for the criminal. That is the only way we are going to preserve this democracy and the freedom that was guaranteed to us under the most liberal Government that was ever established in the civilized world.

Mr. CREAL. I am not opposed to this law or to its intent under certain constructions which the committee has already agreed to remove since we discussed this bill last time. I asked the question because in my judgment the gentleman gave a poor excuse. He said this is wartime and would only last during wartime. People are full of hysteria today, and we should be careful what kind of implements we put into their hands. Because this is wartime is not a good reason on account of the fact the country is full of hysteria. This is witchcraft time.

Mr. RUSSELL. There is only a law that can handle the enemies of our country, and this law by its terms ends when the war is over.

The SPEAKER. The time of the gentleman has expired.

Mr. COX. Mr. Speaker, I move to strike out the paragraph.

Mr. Speaker, I did not witness the delicate operation that the gentleman from Texas performed on the gentleman from California, but I am sure that the gentleman from Texas manifested that usual skill which is his. I could give the gentleman from California some advice, but I will not attempt that. I will make the observation, though, that, if he stays in Congress long enough, he will learn to use some discretion in choosing the bull that he takes by the tail.

The gentleman from Mississippi [Mr. RANKIN] made some reference to a statement made by the gentleman from Michigan on this bill.

Mr. DIES. Will the gentleman yield?

Mr. COX. I yield to the gentleman from Texas.

Mr. DIES. May I say to the gentleman that I am absolutely convinced the gentleman from California is perfectly sincere and wants to be absolutely fair. I am satisfied he is willing to make a statement to the House and give it the facts of the matter.

Mr. COX. My statement holds just the same.

I did not hear the statement of the gentleman from Michigan, but I am prepared to wager that whatever he may have said in construing this bill was not far from right. There has been a disposition if not to criticize at least to accuse the Department of Justice and the Judiciary Committee of the House for the manner in which this bill has up to this point been handled. I hold no brief for the Department of Justice and I am no special pleader for the Committee on the Judiciary and I do not mean by what I say to suggest that there is the slightest doubt in my mind as to the fine understanding, the high purposes, and the patriotism of either. There has been no combination or conspiracy entered into as between the Department of Justice and the Judiciary Committee to set up a condition whereby somebody with wicked intent can abuse and persecute the American citizen.

There is nothing sinister in the purposes behind this bill. The Government can already do practically everything provided in the bill through the exercise of a war power. The main purpose of the bill is to vest in the courts power to handle the type of case which at the present time can only be handled by the military or by a military court. Of course, there is a change in the law to adjust the punishment to the gravity of the offense. Under existing law the punishment provided is not adequate in many cases.

The bill as originally reported by the Committee on the Judiciary is perfectly sound, not a thing in the world the matter with it. However, I can appreciate the apprehension of many, and I am not quarreling or blaming anyone for having raised objections. It is all right to write into the law the amendments which have been proposed, which after all make little change in the bill as originally reported. Nevertheless, I want to say to you that this is a war measure and there is a public necessity for its being enacted into law. I do not want to be one to stand in the way of doing that which will afford protection in this time of our country's trial. I repeat, it is reasonable and it is fair. Where one has apprehension or fear of a law, and that it will be misused, he is perfectly within his right to make that known and to make a situation of that kind impossible as far as possible.

Mr. Speaker, I hope there will be no opposition to the bill after these amendments have been agreed to.

The SPEAKER. The time of the gentleman has expired.

Mr. SUMNERS of Texas. Mr. Speaker, I rise in opposition to the pro forma amendment.

Mr. Speaker, this is rather a remarkable procedure in the course of enacting legislation. When you come to consider it, I doubt if you will find a parallel in legislative experience, and I do not say this in criticism. Not much has been said against the provisions of the bill, except as Members indicate their apprehension as to what might be done in the administration of the law. It is a very interesting situation.

I do not suppose there is a man or woman in this House now who would oppose the prosecution of persons doing these things for the purpose of aiding the enemy against whom your boys and your country are fighting. I do not suppose there is anybody on the floor of this House who would favor anybody's doing anything calculated to aid the enemy against whom our boys are fighting.

I did not personally have much to do with framing this legislation, but I do not believe there is a more conscientious group of persons in this House than those who constitute the Judiciary Committee of the House, and when I say that I do not include myself. There is one thing that has been pretty fine about this committee in this debate. You will observe that probably more members of the committee on the Republican side have spoken in support of this bill than Democratic members of the committee. There is absolutely no partisanship with reference to this bill as far as our committee is concerned, and mighty little in that committee generally.

As was stated to you, this bill was introduced last year. The members of our committee have pretty fair, average sense. The Department of Justice came to our committee last year and convinced the committee that the situation which obtained, under which we had to try the prospective saboteurs by this commission, referred to was not a very good way, even in that case, to proceed. So the committee undertook to formulate legislation under which people charged with the crimes of aiding any country with which the United States is at war could be tried in a court of justice, with

a right of appeal, and so forth. That is all the committee tried to do.

The committee wants to meet the apprehensions of Members of the House as far as possible. We had a meeting this morning, a sort of a voluntary recommitment of this bill. The committee went over this bill carefully, having in mind the apprehension which honest, patriotic people have. The committee sought to agree to such amendments as would relieve the apprehensions that honest people have. I called up some of my friends who have objections to some provisions of this bill and we discussed the matter.

The committee agreed to the incorporation of 4 amendments that have been sent up to the desk, inserting the word "willfully" where Members believe that word ought to be in the bill.

Then, as you all recall, there was a good deal of objection to the language in section 102 of the bill, "or having probable cause to believe". I did not agree with that apprehension, to be entirely candid with you. I did not believe that as a matter of sound policy that language ought to come out. But we agreed in deference to the sincere opinion and apprehension of Members to strike out that language.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. SUMNERS of Texas. We agreed, too, that on page 3, line 19, the words "or belief" should be stricken out.

Mr. Speaker, this House is dealing with a very important question. I do not believe this House can be in the position before the country of showing too tender a consideration for people who are doing things calculated to give aid to the enemy whom our boys on the far-flung battlefields of the world are fighting to defeat. I do not want this House to get itself into that situation, and I do not think we are going to do it. We are dealing with a mighty serious business. It is not something we can just "go to town" on and have a big time, and I do not say that in any spirit of criticism.

In addition, a former member of our committee is apprehensive with reference to the language on page 3 in subsection (b). That language is:

> Acquiring, compiling, obtaining access to, or transmitting any data calculated to inform.

I think all of you who are concerned about that language will be interested in knowing that the gentleman would like to have added these words:

> "And for the purpose of informing" the enemy.

We will agree to that.

This relates to a person who acquires the information, compiles the information, obtains access to the information, or transmits the information or any data calculated to inform, and in addition, when this amendment shall have been adopted, it must be for the purpose of informing the enemy. But we do not stop there, we have to aid a country with which the United States is at war.

So, in order to convict, the Government would be required to first prove the act prohibited with regard to data; second, that it is calculated to inform the enemy with respect to our war effort; third, the purpose of informing the enemy; and fourth, the intent to aid a country with which the United States is at war.

How can any patriotic citizen, if you can get away from your concern about how this law may be administered, object to a provision which would make it against the law for a person to acquire information, compile information, obtain information, or transmit any data calculated to inform the enemy, then, in addition, for the purpose of informing the enemy, and further, with intent to aid a country with which the United States is at war? How can any patriotic citizen object to making it against the law of this country for a man to get information, compile information, or transmit information calculated to inform the enemy, with purpose to inform the enemy and give aid to the enemy with regard to our troop movements, plans of battle, or things of that sort which might cost the lives of thousands of our boys or the loss of a decisive battle. I do not think anybody can stand up before the people of this country, the fathers and mothers, and say that he is in favor of a man's going scot free or receiving a relatively light punishment, who gets information, compiles information, or transmits information calculated to aid the enemy and for the purpose of aiding the enemy against whom the boys of this country are fighting. The Committee on the Judiciary has done the best it could as the agent of this House and of the country to report this needed bill. It gave careful consideration to it. This bill as was stated was introduced last year. As stated, the committee, desirous of meeting expressed objection to the bill as far as could be done consistent with our legislative requirements for legislation of this sort, met this morning and finds that it can make certain concessions which have been embodied in our proposed amendments. We cannot pass this bill. Its fate is for the House to determine.

I am glad to see Members of Congress cautious about protecting the citizens of this country, as far as we can protect them against abuses in the exercise of governmental power, but we have to be sensible. There is no way to write into any criminal statute any words that will prevent a public official from abusing his power. It just cannot be done. I think we have gone just as far as we can go with safety. If the House goes further it must do it upon its own responsibility and in the face of the warning which members of the committee who have examined the matter feel it to be their duty to give.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. SUMNERS of Texas. If anyone wants to ask me any questions, I should be very glad to ask unanimous consent to proceed for 2 minutes, and I do.

The SPEAKER. Is there objection?

There was no objection.

Mr. CURTIS. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. CURTIS. In reference to section 203, in the middle of page 5, it is provided that on the motion of the United States, made at the direction of the Attorney General, the court may take such precaution as may be necessary to prevent the disclosure, and so forth, of certain testimony. I wonder why it would not be better instead of having that upon the direction of the Attorney General, to have it upon the request of the Secretary of War or the Secretary of the Navy. How is the Attorney General to judge of what is damaging information from a military standpoint?

Mr. SUMNERS of Texas. It might be better.

Mr. CURTIS. And after all, he is the prosecutor.

Mr. SUMNERS of Texas. After all, it might be. I do not know about that, but I imagine this has reference to testimony developing quickly. The representative of the Department of Justice would probably first know about it. Besides I see no good reason why the prosecuting officer would not be fully competent.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. HOFFMAN. The gentleman concedes that we have a statute against treason, which punishes every citizen who gives comfort to the enemy, and we have the Sedition Act, which punishes every citizen and alien and inflicts a punishment of 20 years, and then we have the military law which punishes by death all those not reached by the other statutes, and all you are trying to do is to put a different label on the military law, without repealing it. Is not that correct?

Mr. SUMNERS of Texas. No; I do not think so.

Mr. HOFFMAN. Why is it not?

Mr. SUMNERS of Texas. I do not think I can go into that.

Mr. HOFFMAN. Then why not?

Mr. SUMNERS of Texas. I am not afraid to go into it.

Mr. HOFFMAN. I know the gentleman is not afraid of anything, but you have the knowledge, why not give it to us?

Mr. SUMNERS of Texas. I will make this statement in a sentence. This language in this proposed legislation is deemed by the Department of Justice and by the Judiciary Committee as necessary language and a necessary provision to give to the Federal Government opportunity to prevent these things and to punish through the ordinary processes of trials with penalties, in keeping with the offense committed.

Mr. CASE. Is it not necessary to pass legislation to punish by the death penalty acts of sabotage which cannot be proven under the constitutional definition of treason?

Mr. SUMNERS of Texas. If my friend is arguing that this legislation is not necessary——

Mr. CASE. Oh, I am arguing that the legislation is necessary.

Mr. SUMNERS of Texas. I am sorry I misunderstood the gentleman. The answer as I understand the question should be "yes."

The SPEAKER. The Chair thinks at this time that he should recognize the gentleman from California [Mr. ROGERS].

Mr. ROGERS of California. Mr. Speaker, I move to strike out the last 12 words, and ask unanimous consent to proceed for 5 minutes out of order.

The SPEAKER. Is there objection?

There was no objection.

PERSONAL EXPLANATION

Mr. ROGERS of California. Mr. Speaker, I would like first to read a statement, and then I am going to make one. The first statement I would like to read is in the letter written by James Lawrence Fly, chairman of the Federal Communications Commission, on February 11, 1942, addressed to Congressman DIES. The letter is rather lengthy, and I will read the pertinent parts:

> Representative DIES, ardent supporter of Americanism and opponent of subversive propaganda, received as many favorable references in Axis propaganda in this country as any living American public figure.

The rest of it I shall not read, but I will place it in the RECORD.

I would like to make my statement. The impression which can be given from the publication of this, I do not feel should be given now, with this country at war.

Mr. DIES and I disagree. We have disagreed in the past. We may disagree in the future, but when it is all over we can go up and shake hands, and we can still stay in the same House together. I recently had a disagreement with the gentleman from New York, but it was settled rather amiably, and we can still live in this same House together, without taking out guns and shooting.

I want to place this statement in the RECORD to show that what I said was true.

Mr. HOFFMAN. Mr. Speaker, I object to the gentleman extending that letter in the RECORD. The gentleman admits it is not true, and why put it in?

The SPEAKER. The gentleman from Michigan objects to the insertion of the letter in the RECORD.

WAR SECURITY BILL

Mr. SUMNERS of Texas. Mr. Speaker, I wonder if we may not be able to agree on time for debate upon this section?

Mr. MICHENER. On the section or the bill?

Mr. SUMNERS of Texas. On section 101. It is not my purpose to come to an agreement for debate upon the whole bill. I do not know what the parliamentary status is, but I am directing my inquiry to debate on section 101.

The SPEAKER. The gentleman can make his unanimous-consent request and he can close debate if he can get consent. The Chair will state that there are 3 amendments pending to section 101, and 12 other amendments pending to other sections of the bill.

Mr. SUMNERS of Texas. There are three committee amendments pending, and then we desire to offer another committee amendment. I do not believe there will be any desire on the part of the committee to debate either of these amendments.

Mr. RANKIN. I have another amendment to section 101 that has been on the desk ever since the bill was under consideration.

Mr. SUMNERS of Texas. My inquiry is to try to find if we can agree on time for debate on this section and all amendments to the section.

Mr. MICHENER. I suggest to the gentleman from Texas that those who desire to speak on 101 arise.

Mr. RANKIN. The gentleman means section 101?

Mr. SUMNERS of Texas. That is right.

Mr. RANKIN. And not title I?

Mr. SUMNERS of Texas. That is right.

The SPEAKER. Seven Members have arisen.

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent that all debate on this section 101 and all amendments thereto close in 30 minutes.

Mr. JONKMAN. Mr. Speaker, reserving the right to object, I have two amendments and I would like more than 5 minutes. There has been a lot of time consumed here. I would like at least 8 minutes.

Mr. SUMNERS of Texas. Would 35 minutes be sufficient?

Mr. JONKMAN. I withdraw my reservation of objection.

Mr. SUMNERS of Texas. I ask unanimous consent that all debate close in 35 minutes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The SPEAKER. Debate is limited to 35 minutes on section 101 and all amendments thereto. The Chair is ready to recognize any of the seven Members who desire recognition on section 101.

Mr. SMITH of Ohio. Mr. Speaker, if I were sure of this measure having no other objective, or that it would not be used for any other purpose than that alleged by the Justice Department I should willingly support it.

Of course, we should give the Department of Justice all the authority that may be required to bring to strict account every attempt or overt act to sabotage or interfere in any way with our war effort. I recognize fully the need and desirability of doing this. But the request of the Justice Department for this authority at the present time places the Congress in a most difficult position.

There is deep suspicion in the minds of many of us that the power sought in this bill, if granted, would be used for other purposes than the ostensible ones claimed for it by its sponsors. This mistrust is not caused so much by the provisions of the bill itself, but rather by the great fear of the rapidly developing tyranny of the New Deal. Belated though it be, our people are at last awakening to a realization of the true nature of the New Deal and are beginning to see it for what it really is, simply a beastly Old World despotism.

When we see in this war crisis the same technique being used by the devotees of the New Deal in grabbing social power and regimenting our people, as has been used by this un-American regime from its inception, to shear our people of their liberties and place them under the heel of an all-powerful bureaucracy, why should we not be deeply suspicious of a measure such as the one now before us?

Except for the unholy debauch of our money, credit, finances, and our entire social organism by the New Deal, rationing, price-control, and all the other bureaucratic regulations and restrictions would now not be one-tenth as severe as they are.

By far most of the bureaucratic domination over our people by means of rationing, price control, and so forth, that is now grinding them into a state of abject slavery, though intensified somewhat by the exigencies of the war, is nevertheless nothing more than a continuation at an accelerated tempo of what the New Deal set out to do at its very inception, that of making over our economy and way of life in accordance with the Marxian doctrine.

Unless the people rise in their might and defeat this tyrannical regime, we shall not only be reduced to a state of slavery and lose the peace as well, but we run a risk of losing the war against the Axis forces also.

The Justice Department has been one of the outstanding forces on the side of New Deal despotism. This is evident in many places. It manifested itself especially in the smear against those men and women in Congress who have had the courage to stand out against the machinations of this evil power.

It is because of the danger of the Justice Department using the power this bill would give it, not only to prosecute saboteurs, but also to set up the devices of totalitarianism, persecution, venal informers, the gestapo, and the concentration camp, that should cause this body to be mighty careful in what we do here now.

The SPEAKER. The time of the gentleman has expired.

Mr. JONKMAN. Mr. Speaker, I rise in support of my amendments. I ask unanimous consent to revise and extend my remarks.

The SPEAKER pro tempore [Mr. MILLS]. Without objection, it is so ordered.

There was no objection.

Mr. JONKMAN. Mr. Speaker, if any American citizen——

Mr. HANCOCK. Mr. Speaker, may we have the amendment read?

Mr. JONKMAN. The amendment is, after the word "whoever" in subsection (a) and also after the word "whoever" in subsection (b), insert the words "other than citizens of the United States."

Mr. Speaker, if any citizen of the United States who is enjoying the bene-

fits and blessings of this, which is still the greatest country on earth, commits treason, I think every one of our 130,000,000 citizens feels that he should be put to death without compunction, compassion, commiseration or any other consideration except pity perhaps. On the other hand, it is equally true that if any citizen of the United States, any of our 130,000,000 people, whether high or low, no matter how humble, is not guilty of treason, they should not suffer the penalties of the law. If they are to be tried they should be tried under the law of the land.

I was very much disturbed when the distinguished gentleman from Georgia suggested that this bill should pass under unanimous consent, and further when the distinguished chairman of the Committee on the Judiciary under the rule moved to eliminate the 2 hours of debate after it had been agreed to, because I have for them and their sound judgment the highest regard. It makes me diffident about advancing the thought that I am about to set forth. It is my opinion that by this bill the Attorney General is seeking to emasculate, nullify, and repeal a part of the Federal Constitution.

After all, it is true that treason is defined under the Constitution, in section 3, article III, which reads:

> Treason against the United States shall consist only in levying war against them, or in adhering to their enemies, giving them aid and comfort. No person shall be convicted of treason unless on the testimony of two witnesses to the same overt act, or on confession in open court.

Why did the framers of the Constitution put that into section 3 of article III? I do not have to call attention to the fact that the greatest trial and tragedy in history was a treason trial in which the Christ was the victim of a conspiracy in which the prosecutors falsely accused Him. It was nothing other than a political persecution. The gentleman from Michigan [Mr. SHAFER], called your attention to the fact that at the time the Constitution was framed, King George III had sent out his snoopers and taken people across the Atlantic on all manner of excuses under the charge of treason. The framers of our Constitution wrote in section 3, what has never been accorded an Englishman, as the gentleman from New York [Mr. CELLER], told you this afternoon. The framers of our Constitution did this because they wanted to put that protection around every American when he was accused of treason. They did not want any Attorney General or the Department of Justice or any Congress, for that matter, to tamper with this definition, and this requirement for conviction of treason. Yet, Mr. Speaker, that is the very thing that is being sought to be done under this particular act, without constitutional amendment, namely to emasculate and nullify section 3 of article III.

Mr. FISH. Will the gentleman yield?

Mr. JONKMAN. I yield.

Mr. FISH. I am very glad the gentleman brought this out.

Mr. JONKMAN. I can only yield for a question. My time is limited.

Mr. FISH. The monarchs of England sent their enemies to jail. That is the reason we put it in, so that our people can be protected.

Mr. JONKMAN. I thank the gentleman for his contribution.

I call attention to what has already been said on the floor, that every one of these sections defining the crime ends up with the definition which makes it constitute treason. In other words, under this section you are talking about nothing other than treason.

Now I ask you the question, Is it true that the Attorney General is trying to repeal the Constitution? If he is doing that, you had better think twice before you do it. I want to read from his letter:

> The proposed War Security Act, a copy of which I enclose for your consideration, has been prepared under my direction to remedy these defects in existing law.

Further, he says——

The SPEAKER pro tempore. The time of the gentleman from Michigan has expired.

Mr. JONKMAN. I ask for 1 additional minute, Mr. Speaker.

Mr. SHAFER. I will be glad to yield the gentleman the 5 minutes that have been allotted to me.

Mr. JONKMAN. I thank the gentleman from Michigan with all sincerity for his kindness..

The SPEAKER pro tempore. The gentleman is recognized for 5 additional minutes.

Mr. JONKMAN. He says further:

> Although in some cases acts punishable under the proposed bill may also be punishable as treason, they would not be punished under this statute as treason, but as acts which a nation, whatever the allegiance of the person committing them, cannot tolerate in time of war.

In other words, we cannot get away from it, Mr. Speaker, that they repeal section 3, article III, of the Constitution, and all prosecutions for treason will be under this act, but not as treason or under the rules of a treason prosecution.

Mr. JENNINGS. Mr. Speaker, will the gentleman yield?

Mr. JONKMAN. I yield.

Mr. JENNINGS. If I understand the effect of your amendment, it excludes from the provisions of section 1 of the act a citizen of the United States from indictment or punishment in the event such citizen should violate any of these provisions as set out in section 103?

Mr. JONKMAN. Yes.

Mr. ROBSION of Kentucky. Would not that have the effect of withdrawing the protection of the law from around our armed forces and absolutely rendering immune a disloyal and treasonable citizen who would commit these acts calculated to sabotage our war effort and give aid and comfort to our enemy?

Mr. JONKMAN. Not in the slightest, because everyone of these acts is defined as treason and all American citizens could be tried for treason, while non-Americans could, without impairment, be tried under this act.

Mr. HANCOCK. Will not the gentleman concede that this bill refers to many acts that are not treasonable? Like making plans to blow up a bridge without getting to the point of blowing up the bridge? He may have collected the dynamite, may be all ready to go ahead, but at that stage is it treason?

Mr. JONKMAN. If it is done with intent to aid the enemy.

Mr. VORYS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. JONKMAN. I yield.

Mr. VORYS of Ohio. Does not the Constitution expect Congress to define treason? The Constitution makes a statement, but does not the Constitution leave it to Congress to interpret what the Constitution means by treason? And is not that what we are doing in this bill?

Mr. JONKMAN. Not necessarily. That is a question of fact for the jury. We may be doing it by this act, but we are not doing it in furtherance of the Constitution. Thus the Constitution speaks of adhering to the enemy or giving them aid and comfort—and you can read section after section of the defining paragraph and each one ends up "with intent to use the same to aid any country with which the United States is at war." "With intent to do that which he knows is of aid and comfort to the enemy." I say to you that the 130,000,000 citizens of this country are entitled to the protection of the Constitution.

Mr. GWYNNE. Mr. Speaker, will the gentleman yield?

Mr. JONKMAN. I yield.

Mr. GWYNNE. Would a conspiracy to destroy a battleship amount to treason?

Mr. JONKMAN. I think that question answers itself.

Mr. GWYNNE. What is the answer?

Mr. JONKMAN. Because it aids the enemy.

Mr. GWYNNE. Is it treason under the Constitution?

Mr. JONKMAN. Why, it certainly is.

Mr. Speaker, I want to go a little further and call attention to the colloquy between the gentleman from Georgia [Mr. Cox] and the gentleman from New York [Mr. FISH]:

> Mr. Cox. Does not the gentleman think that the precaution taken by the gentleman and his colleagues on the Rules Committee has made pretty certain that the abuses to which the measure might be put will be avoided? In other words, the intent of the Congress is set forth with such emphasis that there is no probability of the disregarding of it?
>
> Mr. FISH. That is the reason the gentleman from Georgia spoke today and the reason I am speaking now, to make it as emphatic as possible what the intent of the Congress is.
>
> The gentleman has put in his speech the letter from Attorney General Biddle and the Assistant Attorney General Cox, and I think that all the speeches which will be made today will also very clearly point out what the intent of Congress is.

In other words, we will just tell the Attorney General that all things that are

partly black will fall into a certain category, and then we will expect him to say when he classifies those things: "No; anything that has just a speck of black on it or that is partly black is not in that category; it must be all black."

You cannot legislate that way. You cannot change the meaning of specific words and terms by saying in debate that the Attorney General has assured you that they would be given a different interpretation than their specific ordinary meaning. We have no right to entrust the liberties of 130,000,000 people to such loose protection. The framers of our Constitution did not take that chance, and certainly we cannot afford to.

The SPEAKER pro tempore. The time of the gentleman from Michigan has expired.

The gentleman from South Dakota [Mr. CASE] is recognized for 5 minutes.

Mr. CASE. Mr. Speaker, in this foray of lawyers a mere layman hesitates to intrude except with considerable fear and trembling. I do not pose as any authority on treason, sabotage, or law, but my attention was directed to this problem by correspondence with an outstanding attorney in my district last year. He called attention to the fact that there was no provision for the death penalty for acts of sabotage under existing statutes. He further called my attention to the fact that we were further having a large number of airplane crashes in which he suspected at least acts of sabotage might be responsible.

Growing out of that correspondence I asked the Legislative Reference Service of the Congressional Library for a report on the point. They listed for me all the acts in effect as of January 3, 1941, dealing with sabotage and giving the penalties therefor. None of them included the death penalty. Thinking the list may be of value to other Members as a matter of reference I ask unanimous consent to incorporate them in my remarks at this time.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

The matter referred to follows:

ACTS OF CONGRESS RELATING TO SABOTAGE

Act of June 6, 1900 (31 Stat. 656, ch. 793; U. S. C. 18: 652). Provisions for extradition to foreign territory occupied by the United States of persons committing in such territory "malicious destruction of or attempt to destroy railways, trams, vessels, bridges, dwellings, public edifices, or other buildings, when the act endangers human life."

Criminal Code of March 4, 1909 (35 Stat. 1097, sec. 44; U. S. C. 18: 96): "Whoever shall willfully trespass upon, injure, or destroy any of the works or property or material of any submarine mine or torpedo, or fortification or harbor-defense system owned or constructed or in process of construction by the United States, or shall willfully interfere with the operation or use of any such submarine mine, torpedo, fortification or harbor-defense system, shall be fined not more than $5,000, or imprisoned for not more than 5 years, or both." (Amended by 39 Stat. 1194 and 40 Stat. 89, sec. 19, by extending the scope of the provision to defensive sea areas and to the Canal Zone.)

Act of February 5, 1917 (39 Stat. 875, sec. 3; U. S. C. 8: 136): "The following classes of aliens shall be excluded from admission into the United States: * * * persons * * * who advocate or teach the unlawful destruction of property."

Same (p. 889, sec. 19; U. S. C. 8: 155): "At any time within 5 years after entry, any alien who at the time of entry was a member of one or more of the classes excluded by law; any alien who * * * at any time after entry shall be found advocating or teaching the unlawful destruction of property * * * shall * * * be taken into custody and deported."

Same (p. 894, sec. 28; U. S. C. 8: 163): "Any person who knowingly aids or assists any alien who advocates or teaches the unlawful destruction of property to enter the United States shall be deemed guilty of a misdemeanor and on conviction thereof shall be punished by a fine of not more than $1,000, or by imprisonment for not more than 6 months, or by both such fine and imprisonment."

Act of June 15, 1917 (40 Stat. 221, title IV; U. S. Code 18:381): "Whoever, with intent to prevent, interfere with or obstruct or attempt to prevent, interfere with, or obstruct the exportation to foreign countries of articles from the United States shall injure or destroy, by fire or explosives, such articles or the places where they may be while in such foreign commerce, shall be fined not more than $10,000, or imprisoned not more than 10 years, or both." (Penalty increased to 20 years imprisonment by act of March 28, 1940 (54 Stat. 79, sec. 4; Pub. No. 443).)

Act of April 20, 1918 (40 Stat. 533–534; U. S. Code 50:101–103): Penalty prescribed for injury, destruction or interference with production of war material, etc., for the United States or any nation associated with the United States in war, or willfully making such material in a defective way. (Amended by act of November 30, 1940, below.)

Act of May 16, 1918 (40 Stat. 553): "Whoever, when the United States is at war, shall * * * willfully by utterance, writing, printing, publication, or language spoken, urge, incite, or advocate any curtailment of production in this country of any thing or things, product or products, necessary or essential to the prosecution of the war in which the United States may be engaged, with intent by such curtailment to cripple or hinder the United States in the prosecution of the war * * * shall be punished by a fine of not more than $10,000 or imprisonment for not more than 20 years, or both." (Repealed by 41 Stat. 1360.)

Act of October 16, 1918 (40 Stat. 1012 c. 186; U. S. Code 8:137) "Aliens who * * * advocate or teach the unlawful destruction of property * * * shall be excluded from admission into the United States." Such aliens, if found in the United States, are subject to deportation; if they try to return after deportation, they are subject to imprisonment for not over 5 years. (Amended by act of June 5, 1920, below.)

Act of June 5, 1920 (41 Stat. 1009 c. 251; U. S. Code 8:137): "The following aliens shall be excluded from admission into the United States. * * *

"(c) Aliens who believe in, advise, advocate, or teach, or who are members of or affiliated with any organization, association, society, or group, that believes in, advises, advocates, or teaches * * * (3) the unlawful damage, injury or destruction of property, or (4) sabotage;

"(d) Aliens who write, publish, or cause to be written or published, or who knowingly circulate, distribute, print, or display, or knowingly cause to be circulated, distributed, printed, published, or displayed, or who knowingly have in their possession for the purpose of circulation, distribution, publication, or display any written or printed matter, advising, advocating, or teaching * * * (3) the unlawful damage, injury, or destruction of property, or (4) sabotage;

"(e) Aliens who are members of or affiliated with any organization, association, society, or group, that writes, circulates, distributes, prints, publishes, or displays, or causes to be written, circulated, distributed, printed, published, or displayed, or that has in its possession for the purpose of circulation, distribution, publication, issue, or display, any written or printed matter of the character described in subdivision (d)." (Amended by act of June 28, 1940 (Pub. No. 670; 54 Stat. 673, sec. 23, by changing the introductory clause to read: "Any alien who, at any time, shall be or shall have been a member of any one of the following classes shall be excluded from admission into the United States.")

Act of June 10, 1930 (46 Stat. 532, sec. 2; U. S. Code 7:499b): "It shall be unlawful in or in connection with any transaction in interstate or foreign commerce—

"(3) For any commission merchant to discard, dump, or destroy without reasonable cause any perishable agricultural commodity received by such commission merchant in interstate or foreign commerce."

Act of May 18, 1933 (48 Stat. 69, sec. 21 (c); U. S. Code 16:831t): "Any person who shall receive any compensation, rebate, or reward, or shall enter into any conspirary, collusion, or agreement, express or implied, with intent * * * to defeat" the "purposes" of the Tennessee Valley Authority, "shall, on conviction thereof, be fined not more than $5,000 or imprisoned not more than 5 years, or both."

Nationality Act of October 14, 1940 (54 Stat. 1141; Pub. No. 853, sec. 305): "No person shall hereafter be naturalized as a citizen of the United States * * *

"(b) Who believes in, advises, advocates, or teaches, or who is a member of or affiliated with any organization, association, society, or group that believes in, advises, advocates, or teaches * * * (3) the unlawful damage, injury, or destruction of property or (4) sabotage.

"(c) Who writes, publishes, or causes to be written or published, or who knowingly circulates, distributes, prints, or displays, or knowingly causes to be circulated, distributed, printed, published, or displayed, or who knowingly has in his possession for the purpose of circulation, distribution, publication, or display any written or printed matter advising, advocating * * * or teaching—

"(3) The unlawful damage, injury, or destruction of property; or

"(4) Sabotage.

"(d) Who is a member of or affiliated with any organization, association, society, or group that writes circulates, distributes, prints, publishes, or displays, or causes to be written, circulated, distributed, printed, published, or displayed, or that has in its possession for the purpose of circulation, distribution, publication, issue, or display, any written or printed matter of the character described in subdivision (c)."

Act of November 30, 1940 (54 Stat. 1220–21; Pub. No. 886): Penalty may be a fine of not more than $10,000 or imprisonment of not more than 10 years prescribed for injury, destruction, or interference with the production of national defense material, premises or utilities, or willfully making such material in a defective manner.

Mr. CASE. As will be seen by the list, through the years Congress has passed at least 12 acts dealing with some phase of sabotage, but none of them made a death penalty available, even for alien saboteurs of the kind taken last fall. So it has seemed to me there were really two basic situations this legislation sought to reach.

The first was the alien saboteur. No one here had contended that the alien could be reached except by military law such as was invoked in the case of the

8 saboteurs last year. In the nature of things, the alien cannot be tried for treason. This is not his country. This means, as I understand it, the death penalty is not available to civil courts under existing law, even though the alien's sabotage may result in the death of innocent citizens, hard-working defense factory employees, or members of the armed forces. The victim might be your boy flying in a training plane. Surely those who deliberately endanger, or cause the deaths of boys in training planes in time of war merit the death penalty. At least, that penalty should be available to the courts.

The other situation this legislation seeks to reach, it seems to me, are the cases of wartime sabotage by nationals, for which existing laws do not provide an adequate penalty. If you will run through the list of them, you will note some deeds which can produce death and which should be punishable by death, even though they may not be susceptible of proof within the constitutional requirements for treason.

Acting upon that belief, on the 25th of May last year I introduced H. R. 7138 in the Seventy-seventh Congress which specifically confined itself to the establishment of the death penalty for violation of the act of April 20, 1918, as amended, which would punish "the willful injury or destruction of war material or of war premises or utilities used in connection with war materials."

Confined to that act, I saw no objection to the imposition of the death penalty or at least the making of it available within the discretion of the court, because the existing statutes are limited to a penalty involving imprisonment for not less than 5 years or a fine of not less than $5,000. In time of war men who strike at the safety and security of our boys by the willful injury or destruction of war material, such as those who cause crashes of airplanes in training, are entitled to receive the death penalty, and it was for that purpose I introduced the legislation.

Presumably such acts are treasonable, but if they could be proven as treason we would not need the act on sabotage already on the statute books with the lesser penalty. If you argue that we have the lesser penalty because the proof may be scanty, I would point out that the jury cannot convict unless there is proof beyond a reasonable doubt and that the court has discretion in invoking penalties. The death penalty is not mandatory, but if it is available, we hope it will help to prevent sabotage.

Now, then, I too care about civil liberties and freedom of the press, and it was because of a fear that perhaps the acts described were too all-inclusive in the bill before us that I address the inquiry I did to the gentleman from New York [Mr. CELLER] a while ago. I wondered why the committee did not specifically direct its legislation to covering aliens and to the making available of the death penalty for clear-cut acts of sabotage by citizens in cases where treason could not be proven.

I know that the suggestion has been offered here this afternoon that these crimes can be classed as treason, but there is the constitutional requirement that no person shall be convicted of treason unless it be on the testimony of two witnesses to the same overt act or on confession in open court. It is entirely conceivable that warships, planes, and tanks might be critically damaged and war material destroyed and it could be proven by good evidence and yet not be possible to have it proven within the constitutional requirement for treason. But if that sabotage endangers the lives of some innocent, trusting American boys who are under orders to fly those planes, or man those tanks, the ones guilty should face the death penalty.

That is all I care to say on the subject. I hope, though, that in the debate it will develop that the bill can be cleaned up so that crimes by aliens can be reached and sabotage by citizens can be reached by the death penalty if the circumstances warrant.

The SPEAKER pro tempore. The time of the gentleman has expired.

The Chair recognizes the gentleman from North Carolina [Mr. FOLGER] for 5 minutes.

Mr. FOLGER. Mr. Speaker, I have listened to the debate on this bill today and I listened to it more than a week ago when it was being considered at that time. I became impatient about it, but the chairman of the Committee on the Judiciary has counseled Members such as I not to be impatient.

At that time I called to the attention of the gentleman from Texas, chairman of the Committee on the Judiciary, the fact that section 102 seemed to me to be rather broad. That was the only part of the bill I had any sort of misgivings or doubt about. I understand it is the purpose of the committee to make some reformation of that or to eliminate it entirely from the bill.

The rest of it, Mr. Speaker, ties itself to this statement:

> Whoever, when the United States is at war.

Now, we must not forget that that is the occasion for the immediate passage of this bill which is so badly needed. The impatience that was engendered in me arose from the fact that I could not understand how anybody could stop a minute and be critical of a provision that related to our protection and to the protection of our men in time of war. It all relates to things done to aid the enemy, but I am acceding to what the gentleman from Texas suggests. I know it is natural for us to be somewhat particular in the construction of statutes. I am not unmindful of the wisdom of the observation made by the gentleman from Illinois when he said that we ought to say what we mean. In every section of the bill and in every subparagraph there are these words:

> With intent to aid the enemy or any country with which the United States is at war.

How much more protection do I want against a charge that I have done something that might be calculated to have a result that your law requires and at the same time that I must be guilty of an intent to aid a country that is at war with the United States of America? We need not become so concerned about some one being charged or tried who might be guilty. There seems to be a disposition to be afraid that a district attorney would do wrong, that a judge would do wrong, that a jury would do wrong. If you are going to hesitate upon that ground, why have we ever had a criminal statute of any sort since this country has been a commonwealth or a republic? You try men for larceny of money, embezzlement, or conspiracy to commit a crime. A particular man may not be guilty, but because there is a possibility that he might not be guilty, are we going to throw around the enactment certain provisions that would make it impossible to convict a guilty man? When we hesitate on that ground, we attack the Attorney General of the United States, we attack every district attorney in the United States, we attack every judge without regard to politics in the United States, we attack the jury system, and we manifest a disposition to distrust our whole judicial machinery from the top to the bottom.

I agree with the gentleman from Georgia [Mr Cox] that this bill is all right as written.

The SPEAKER pro tempore. The time of the gentleman from North Carolina [Mr. FOLGER] has expired.

The Chair recognizes the gentlewoman from Illinois [Miss SUMNER] for 5 minutes.

Miss SUMNER of Illinois. Mr. Speaker, I thought I would give a few remarks on my amendment which I offered the other day, exempting newspapers from subsection (b). Now, I understand several other Members have amendments to offer, and I will be glad to withdraw my amendment provided some of the other amendments are changed to conform with my views. Others seem to agree with my views.

For that reason I would like to make a few remarks at this time. I may say that whenever I rise to defend the press against the administration, it reminds me of a mouse trying to protect the cat from the dog. I do not see how the most innocent newspaper of general circulation could avoid being guilty under paragraph (b), section 103, of this bill as it stands without some amendment exempting newspapers. An amendment was suggested by the gentleman from Texas [Mr. SUMNERS] and I think he gave two versions of it in the same speech. I am not quite clear whether or not this would take care of the situation. The reason I put the word "general" in my amendment is that it is important in the State from which I come and probably most States.

A newspaper of general circulation is defined by the Illinois Supreme Court—*Eisenberg* v. *Wabash* (355–495)—as "one which circulates among all classes and is not confined to any particular class or calling in the community."

Members of the committee have assured me that there was no complaint that any American newspaper is seditious and, presumably, this paragraph, although it specifically describes the activities of newspapers, was not intended to apply to newspapers so it should do no harm to say so.

Even the most patriotic newspapers, however, like other persons are presumed under the law to intend the obvious consequences of their acts. If there are any enemy agents in the community in which the newspaper circulates it has no means of preventing its issues being read and used by enemy agents. It is the Government's business, not the newspapers', to clean enemy agents out of communities. We do not want to stop the publication of all our newspapers in the community in order to prevent their being read by enemy agents. Every newspaper today contains a wealth of news with respect to our war effort, much of it handed to the newspapers by the Government and passed by the censorship. Of course, if an enemy agent reads it and passes on the information to his home government, it will aid our enemies somewhat, often materially. The theory, I think, is that even though such information helps the enemy, it helps America a great deal more than it helps the enemy for our citizens to have the information. We are fighting this war as we have always successfully fought wars on the theory that an informed nation is a more powerful nation. We are contemptuous of the Nazi theory that it is efficient to lead a nation blindfolded the way you lead horses out of a burning barn.

I do not like to think that any Government official would deliberately try to intimidate newspapers. I only know that many patriotic editors at home sincerely feel frightened of the administration. I feel that they would have cause to be still more frightened if such a law as this were on the books, especially since it provides secret trials and death penalties.

Whatever we might think of individual newspapers or editors, each and everyone of us appreciates that without the press in this large and populous country some of our most valuable constitutional and legal rights, including the right to vote, would not be worth much more than the paper upon which they are written. I think we wish to do all we can to keep the press free from public or private corruption or intimidation and this amendment, I believe, will help to do that.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the Clerk report the amendment I have offered in line 9 on page 2.

The SPEAKER pro tempore. Without objection, the amendment will be read for information.

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. RANKIN: On page 2, line 9, after the word "than" strike out "$500,000" and insert "$5,000,000."

Mr. RANKIN. Mr. Speaker, the punishment provided for an individual under this bill is all out of proportion to the punishment provided for a corporation that aids the enemy in time of war. I have in mind particularly those great corporations that are involved in international cartels. Suppose one of those corporations should conspire through one of those cartels with a German or a Japanese concern to hold down the production of synthetic rubber in this country, and that could be proved. I submit, then, that a small fine of $500,000 on a $1,000,000,000 corporation would not be sufficient even to make them sit up and take notice. Suppose that through a cartel regarding the formula for a process for manufacturing aluminum a large aluminum company should agree to hold down the production of aluminum in this country, aluminum out of which we are making our airplanes.

Mr. CASE. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from South Dakota.

Mr. CASE. Would not the actual deterrent to such acts be that the individuals concerned would be responsible as well as the corporation, and would be subject to other provisions of the act?

Mr. RANKIN. I understand; you would catch the individual, the man on the ship, and hang him, but you would not reach the corporation with sufficient punishment to guarantee protection against a repetition.

Suppose a large oil company should be found supplying German or Japanese submarines with oil, and somebody has been supplying them in American waters, in my opinion. Suppose it were found that a large oil company was supplying oil and gasoline to these submarines in the Atlantic Ocean or in the Caribbean Sea or the Gulf of Mexico. If you caught the man doing it, of course, as the gentleman from South Dakota [Mr. CASE] said, he would be punished, but I submit that the fine that is imposed on the corporation here of $500,000 is not in proportion to the offense committed, and if such a corporation is committing such an offense, this proposed fine is not sufficient to deter it.

Mr. HOLIFIELD. Then how about the steel report of the Carnegie Steel Corporation that has just been exposed?

Mr. RANKIN. If through some international agreement a great steel corporation or any other great fabrication or construction corporation should enter into a conspiracy to place defective material in a ship, or in any way hamper our war effort, I submit they would subject themselves to serious punishment, the same as we might mete out to the little individual used as a cat's-paw.

Mr. MILLER of Connecticut. But would not the officers of the corporation that committed a crime be guilty?

Mr. RANKIN. That would be questionable, whether he could get the officers or not, but you certainly can punish the corporation with a fine sufficient to make it unprofitable.

Mr. CASE. Would not the individual stockholder suffer under that?

Mr. RANKIN. It is his duty through the board of directors to see that the corporation does not engage in that kind of practice.

Mr. CASE. How would you prove guilt on the part of a corporation, without showing the act of the individual officer or agent?

Mr. RANKIN. You cannot do it, but suppose you catch a couple of men on a ship, and they say, "Yes, you are going to hang us, but here is this corporation that we took our orders from, and we have been doing this for a year," and as the result of that, large numbers of American seamen, sailors, and soldiers have gone down to their death in seas of flaming oil.

It is true you can punish them, but suppose you find on them evidence of the fact that their acts are ordered by the corporation owning the ship? If you are interested and sincere in trying to protect the people of this country under these conditions, I submit that that proposed fine of $500,000 should be raised to $5,000,000, and for that reason I have offered this amendment.

Mr. JONKMAN. Mr. Speaker, under that punishment the innocent stockholder would be punished. Is not the gentleman punishing the innocent stockholder who knows nothing about it?

Mr. RANKIN. It is the duty of the stockholder of a corporation through the board of directors to see that the corporation does not commit treason against the United States, or injure our war effort in any way.

The SPEAKER pro tempore. The time of the gentleman has expired. All time on this section has expired. The question is on the amendment offered by the gentleman from Texas.

The amendment was agreed to.

Mr. SUMNERS of Texas. Mr. Speaker, there are four amendments, and I suppose they may be called committee amendments, that are pending, offered by myself.

The SPEAKER pro tempore. The Chair calls attention to the fact that they were suggested, but the amendments have not yet been offered.

Mr. SUMNERS of Texas. Then I offer them, if they have not already been offered.

The SPEAKER pro tempore. The gentleman may offer them at this time.

RULES OF CONDUCT

Mr. DONDERO. Mr. Speaker, before the amendments are offered, I ask unanimous consent to proceed for 30 seconds.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. DONDERO. Mr. Speaker, I have obtained time to address the House this afternoon on the rules that guide our conduct on this floor. Because of the lateness of the hour and the time this bill is expected to take, I ask unanimous consent that that be canceled, and that I be given similar time tomorrow to address the House early in the afternoon, and I trust that those who expect to listen to these rules will not be inconvenienced because of the cancelation.

The SPEAKER pro tempore. Is there objection?

There was no objection.

WAR SECURITY BILL

The SPEAKER pro tempore. The Clerk will report the next amendment offered by the gentleman from Texas.

Mr. SHAFER. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER pro tempore. The gentleman from Michigan makes the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred and nine Members present, not a quorum.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 17 minutes p. m.) the House adjourned until tomorrow, Thursday, April 1, 1943, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE OF THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Thusday, April 1, 1943, at 10 a. m., on S. 163 (H. R. 498), to amend section 511 of the Merchant Marine Act, 1936, as amended, relating to ship construction reserve funds, and for other purposes.

The meeting of the Subcommittee on Fisheries of the Committee on the Merchant Marine and Fisheries which was scheduled for Wednesday, March 31, 1943, at 10: 30 a. m., to consider the matter of price ceilings on fishery products, has been postponed until Tuesday, April 6, 1943, at 10 a. m.

As advised in notice of March 10, 1943, Congressman BATES of Massachusetts, patron of the bill H. R. 1766, upon which hearings were scheduled on April 8, 1943, is a member of the Committee on Naval Affairs and of a subcommittee of that committee which has arranged a schedule of hearings throughout the country which will compel Congressman BATES of Massachusetts to be absent from Washington on April 8 and also April 15.

The chairman of the committee and the Commissioner of Fisheries will be out of town on intervening dates, which will necessitate a further postponement of the hearing until May 13, 1943. You are hereby notified that the hearings scheduled for April 8 and postponed until April 15 have been postponed to Thursday, May 13, 1943, at 10 a. m., at which time the hearings will follow.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

294. A letter from the Secretary of the Interior, transmitting a draft of a proposed bill to reserve certain land on the public domain in Utah for addition to the Kanosh Indian Reservation; to the Committee on Indian Affairs.

295. A letter from the United States Department of the Interior, Geological Survey—representative of the United States, Republican River compact negotiations, transmitting a copy of the proposed Republican River compact; to the Committee on Irrigation and Reclamation.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SNYDER: Committee on Appropriations. H. R. 2346. A bill making appropriations for the fiscal year ending June 30, 1944, for civil functions administered by the War Department, and for other purposes; without amendment (Rept. No. 331). Referred to the Committee of the Whole House on the state of the Union.

Mr. MAY: Committee on Military Affairs. S. 886. An act relating to the selective-service deferment, on occupational grounds, of persons employed by the Federal Government; without amendment (Rept. No. 333). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLOOM: Committee on Foreign Affairs. H. R. 2292. A bill to amend an act entitled "An act to provide for the use of the American National Red Cross in aid of the land and naval forces in time of actual or threatened war"; without amendment (Rept. No. 334). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PITTENGER: Committee on Claims. H. R. 1870. A bill for the relief of Jane Thayer; without amendment (Rept. No. 332). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BECKWORTH:

H. R. 2347. A bill granting pensions to veterans, and the widows and dependent children of veterans, of the World War equivalent to pensions granted to veterans, and the widows and dependent children of veterans of the War with Spain; to the Committee on World War Veterans' Legislation.

H. R. 2348. A bill to provide a minimum allotment for farm marketing quota purposes of five bales of lint cotton; to the Committee on Agriculture.

H. R. 2349. A bill to adjust the pay status of warrant officers temporarily commissioned in the Army of the United States; to the Committee on Military Affairs.

By Mr BUCKLEY:

H. R. 2350. A bill to liberalize the service pension laws relating to veterans of the War with Spain, the Philippine Insurrection, and the China Relief Expedition, and their dependents; to the Committee on Pensions.

By Mr. FISH:

H. R. 2351. A bill to amend title 1, section 1, of the Alien Registration Act, 1940 (sec. 9, title 18, U. S. C.); to the Committee on Immigration and Naturalization.

H. R. 2352. A bill to amend title 1, sections 1, 3, and 5 of the Alien Registration Act, 1940 (secs. 9 and 11, title 18, U. S. C.); to the Committee on Immigration and Naturalization.

By Mr. RANKIN:

H. R. 2353. A bill to provide for furnishing transportation in Government-owned automotive vehicles for employees of the Veterans' Administration at field stations in the absence of adequate public or private transportation; to the Committee on World War Veterans' Legislation.

By Mr. LEA:

H. J. Res. 108. Joint resolution commemorating May 15, 1943, as the anniversary of the inauguration of Air Mail Service; to the Committee on Interstate and Foreign Commerce.

By Mr. O'BRIEN of Michigan:

H. J. Res. 109. Joint resolution to provide for the recognition by the United States Government of the provisional government of the Republic of Korea; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Washington, memorializing the President and the Congress of the United States expressing their gratitude for the benefits they have received from the Federal Government; to the Committee on Appropriations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AUCHINCLOSS:

H. R. 2354. A bill for the relief of Mrs. Phoebe Sherman; to the Committee on Claims.

H. R. 2355. A bill for the relief of Mrs. Harriett W. Vanderhoef; to the Committee on Claims.

H. R. 2356. A bill for the relief of Allan Vanderhoef; to the Committee on Claims.

By Mr. BATES of Massachusetts:

H. R. 2357. A bill for the relief of Caroline S. (Bauer) Ramber; to the Committee on Claims.

By Mr. HULL:

H. R. 2358. A bill for the relief of Alexander W. Grinsel; to the Committee on Claims.

H. R. 2359. A bill for the relief of E. J. Ede; to the Committee on Claims.

By Mr. LECOMPTE:

H. R. 2360. A bill for the relief of J. P. Harris; to the Committee on Claims.

By Mr. McGEHEE:

H. R. 2361. A bill for the relief of the Meadow Brook Club; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

379. By Mr. ROLPH: Resolution of the Builders' Exchange of San Francisco, Calif., relative to amending the National Social Security Act to cover self-employed persons of the contracting industry; to the Committee on Ways and Means.

380. Also, resolution of the local Pattern Makers Association of San Francisco, Calif., relative to amending the National Social Security Act, so as to include all cemetery employees within the benefits and provisions of this act; to the Committee on Ways and Means.

381. By Mr. MOTT: Senate Joint Memorial No. 11 of the Senate of the State of Oregon,

the House of Representatives jointly concurring therein, memorializing the Congress of the United States to enact the Mott bill, H. R. 1288, to the end that local government may continue to function unimpaired and the total costs of the war efforts may be evenly distributed; to the Committee on the Public Lands.

382. Also, Senate Joint Memorial No. 13 of the Forty-second Legislative Assembly of the State of Oregon, memorializing the President of the United States, the Secretary of War, and the Director of the Budget to appropriate immediately the necessary money to purchase the 195 acres of additional land now available and adjacent to the Lincoln Memorial Cemetery in Portland, Oreg., and that said property, together with the 5 acres located in the Soldiers, Sailors, and Marine Cemetery and the adjacent 15 acres purchased by the State of Oregon for a veterans' cemetery, be established and maintained as a national cemetery; to the Committee on Appropriations.

383. By Mr. BURDICK: Petition of the Twenty-eighth Legislative Assembly of the State of North Dakota; to the Committee on Indian Affairs.

384. By Mr. GRAHAM: Petition of 29 citizens of Lawrence County, Pa., urging enactment of liquor advertising bill, S. 569, making it unlawful for any newspaper, periodical, newsreel, photographic film, or record advertising beverages, to be carried in the mails, by railroad, or by any common or private carrier from one State to another; to the Committee on Interstate and Foreign Commerce.

385. By Mr. HULL: Petition of 24 citizens of Elmwood, Pierce County, Wis., supporting House bill 997 and Senate bill 216; bills proposing the establishment of a Pharmacy Corps in the United States Army; to the Committee on Military Affairs.

386. By Mr. THOMASON: Petition of the Trans-Pecos Teachers Association, El Paso, Tex., urging enactment of Senate bill 637, providing Federal aid for public schools; to the Committee on Education.

387. By Mr. GRAHAM: Petition of 30 citizens of Lawrence County, Pa., urging enactment of military camps liquor abolishment bill, S. 860, which is again introduced by Senator W. LEE O'DANIEL; to the Committee on Military Affairs.

388. Also, petition of 28 citizens of Lawrence County, Pa., urging the enactment of House bill 1548, introduced by Representative SAM M. RUSSELL, providing for common defense, and protection of health and morals of persons in military or naval forces of the United States; to the Committee on Military Affairs.

389. By Mr. HULL: Petition of 22 citizens of Galesville, Trempealeau County, Wis., supporting House bill 997 and Senate bill 216, bills proposing the establishment of a Pharmacy Corps in the United States Army; to the Committee on Military Affairs.

HOUSE OF REPRESENTATIVES

THURSDAY, APRIL 1, 1943

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, the Lord and giver of life and boundless in mercy, to Thee we open our hearts. We rejoice that Thy words, "Come unto Me all ye that labor and are heavy laden," are worth more than all the renown that this world can bestow. Inspire us to carry in our hearts quiet and rest so humble that they shall be in us a well of water springing up into everlasting life. Dear Lord, with so many, the way across the desert is long and wearisome; though the journey so often begins with a cross, we pray that it may end with a crown.

In these Lenten days lead us to retire into the hushed depths of our own beings and there, through communion with Thee, be clothed with a new spiritual vision and with a greater sense of the oneness of the family of God. O be with those who journey the hard way; temper the wind and the wave to their belief. Give happy laughter to little children and stout hearts to all who are in the power and pride of life. With heroic vows may they drive all pagan vandals from the fields where the Rachels are weeping for their loved ones. To all who have fought the good fight and are soon to put off the armor of conflict, loving Father, abide with them until they strike their tents. Through Christ, our mediator and redeemer. Amen.

The Journal of the proceedings of yesterday was read and approved.

FARM LABOR

Mr. STEWART. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks, and include therein an article by Tom Rucker in the Daily Oklahoman of March 29, 1943.

The SPEAKER. Is there objection?

There was no objection.

[Mr. STEWART addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. DIES. Mr. Speaker, I ask unanimous consent to place in the RECORD a statement of Civil Service Commissioner Arthur S. Flemming concerning the discharge of 654 Federal workers suspected of disloyalty, and with reference to cooperation between his department and our committee.

The SPEAKER. Is there objection?

There was no objection.

TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATION BILL, 1944

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 1648) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1944, and for other purposes, with Senate amendments, disagree to the Senate amendments and agree tc the conference asked.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Indiana [Mr. LUDLOW]? [After a pause.] The Chair hears none, and appoints the following conferees: Mr. LUDLOW, Mr. O'NEAL, Mr. MAHON, Mr. CURLEY, Mr. TABER, Mr. KEEFE, and Mr. DWORSHAK.

ADDITIONAL COPIES OF THE FINAL REPORT OF THE SPECIAL COMMITTEE ON SMALL BUSINESS OF THE HOUSE

Mr. JARMAN. Mr. Speaker, from the Committee on Printing, I report (Rept. No. 335) back favorably without amendment a privileged resolution (H. Res. 144) authorizing the printing of additional copies of House Report No. 126, current session, entitled "Final Report of the Special Committee on Small Business of the House of Representatives on the Wartime Problems of Southern Industry," and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That 5,000 additional copies of the final report of the Special Committee on Small Business of the House of Representatives on the Wartime Problems of Southern Industry be printed for the use of the select committee.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ADDITIONAL COPIES OF HEARINGS RELATIVE TO INDIVIDUAL INCOME TAX

Mr. JARMAN. Mr. Speaker, from the Committee on Printing, I report (Rept. No. 336) back favorably without amendment a privileged resolution (H. Con. Res. 17) authorizing the Committee on Ways and Means of the House of Representatives to have printed for its use additional copies of the hearings held before said committee during the current session relative to individual income tax, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That, in accordance with paragraph 3 of section 2, of the Printing Act approved March 1, 1907, the Committee on Ways and Means of the House of Representatives be, and is hereby, authorized and empowered to have printed for its use 2,000 additional copies of the hearings held before said committee during the current session, relative to individual income tax.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PRIVATE SUITS AGAINST THE UNITED STATES

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk for immediate consideration the bill (H. R. 1203) to eliminate private suits for penalties and damages arising out of fraud against the United States.

Mr. GWYNNE. Mr. Speaker, reserving the right to object, this bill was reported unanimously by the Judiciary Committee. I should like to have the gentleman from Pennsylvania, however, make a brief explanation of it.

Mr. WALTER. Under the statute which is sought to be repealed, which statute was enacted during the Civil War, suits have been instituted all over the United States by private citizens against people who have had business dealings with the United States and have been charged with wrongdoing in connection therewith. It has become a racket and it seems to me that the quicker we eliminate the possibility of harassing people by those who have not contributed one iota to the disclosures, the better off the Nation will be.

Recently a citizen in my own State brought suit for a very large sum of

money against the United States Steel Corporation basing his suit upon information adduced before the Truman committee. This citizen did not have the faintest idea of the matters disclosed before that committee. He took full advantage of the fact there had been alleged wrongdoing and used that as a basis to bring a large suit. That suit is typical of many that have already been brought. I am certain that with the Army, the Navy, and the Truman committee making investigations constantly we are going to have a veritable flood of similar actions all over the Nation. As I said before, it has become nothing but a racket.

Mr. KEFAUVER. Mr. Speaker, will the gentleman yield?

Mr. GWYNNE. I yield.

Mr. KEFAUVER. I think the gentleman should also call the attention of the House to the suit of the United States versus Marcus Hess, where a judgment was recovered in the district court and in the circuit court of appeals for $315,000, where the plaintiff got all of his information out of an indictment and he had no information. He was just snooping around trying to bring up a claim for his own personal reward.

Mr. WALTER. Yes; and in that case the Circuit Court of Appeals for the Third Circuit set aside the judgment and in its opinion said that this was nothing but a racket. The Supreme Court of the United States unfortunately reversed the judgment because the Supreme Court held that while the statute was still in existence this suit could properly lie.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. GWYNNE. I yield.

Mr. RANKIN. The gentleman from Tennessee said this individual got his information from an indictment. Does he refer to that Mother Hubbard indictment I inserted in the RECORD last Monday, in which they attempted to indict all these publications and all these various organizations from the Daughters of the American Revolution to the American Legion? I wonder if that is the indictment he used.

Mr. WALTER. No; the indictment our distinguished colleague from Tennessee was referring to was one that was brought against the people who were performing services for the P. W. A.

Mr. BISHOP. Mr. Speaker, will the gentleman yield?

Mr. GWYNNE. I yield.

Mr. BISHOP. Will this have anything to do with keeping farmers who have had their lands taken away from them, from bringing suit against those agencies that are supposed to be representatives of the Department of Agriculture but which are taking their land?

Mr. WALTER. Oh, no; there is no chance that it would affect cases of that sort.

Mr. GWYNNE. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 3491 of the Revised Statutes (U. S. C., title 31, sec. 323) be, and it hereby is, amended to read as follows:

"SEC. 3491. The several district courts of the United States, the District Court of the United States for the District of Columbia, the several district courts of the Territories of the United States, within whose jurisdictional limits the person doing or committing such act shall be found, shall, wheresoever such act may have been done or committed, have full power and jurisdiction to hear, try, and determine such suit."

SEC. 2. Sections 3493 and 3494 of the Revised Statutes (U. S. C., title 31, secs. 234 and 235) are hereby repealed.

With the following committee amendment:

Page 1, line 4, strike out "323" and insert "232."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SOUTH AMERICAN BEEF

Mr. HORAN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Washington [Mr. HORAN]?

There was no objection.

Mr. HORAN. Mr. Speaker, I was immensely interested in the suggestion of the gentleman from New York yesterday that we could get beef from South America, to feed our people, particularly defense workers in heavy tasks.

I, too, have been doing a little investigating and have come upon two bits of current information worthy of the attention of the House. The first is that it is planned to feed the hungry of occupied Europe with Argentine beef and wheat. Swedish ships, now unused, are to carry this food from South America to Europe.

The second bit of information is this: Argentina and southern South America are just now emerging from the greatest drought in 50 years. Their corn is gone. Their wheat surplus is dwindling and may be exhausted within the 8 months of winter now approaching in the Southern Hemisphere, and—get this—all beef slaughtered or finished for slaughter, has been contracted for by one of our allies.

This information leads to the inevitable conclusion that our salvation rests with the farmers of our own United States. The well-being of our people and the hungry victims of aggression elsewhere will increasingly be our responsibility. Our salvation depends upon continuing our struggle to get them farm machinery, repairs, and skilled labor back on the farm.

EXTENSION OF REMARKS

Mr. ROLPH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an article concerning our distinguished minority leader, the Honorable JOSEPH W. MARTIN, which appeared in the San Francisco Examiner of March 27.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. ROLPH]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. LUTHER A. JOHNSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. LUTHER A. JOHNSON]?

There was no objection.

[Mr. LUTHER A. JOHNSON addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

(Mr. WICKERSHAM asked and was given permission to extend his own remarks in the RECORD.)

THE AMERICAN'S CREED

Mr. KEOGH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. KEOGH]?

There was no objection.

Mr. KEOGH. Mr. Speaker, this Saturday, April 3, 1943, will mark the twenty-fifth aniversary of the publication of the American's Creed, composed by our late beloved friend, that truly great American, William Tyler Page.

We are all familiar to some extent with the circumstances under which that document was written. Our Nation was in the midst of the First World War and in order to supply a need which had existed from the founding of our country a contest was held for the purpose of formulating a creed which would embody in it the essence of our democratic ideals. That out of several thousand such creeds which were submitted to the committee, the one which so clearly and concisely expressed our belief should have been composed by William Tyler Page was not surprising to those who were acquainted with him. Coming from a long line of American patriots he devoted his entire life—more than 60 years of which were spent at the Capitol—in furthering and propagating the spirit of Americanism.

The American's Creed should be taught to all the school children throughout our Nation and should be committed to memory by all who would have these principles in their hearts.

We should pause, especially today, to contemplate upon its inspirational message.

EXTENSION OF REMARKS

Mr. GATHINGS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and to include a letter.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas [Mr. GATHINGS]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. PITTENGER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute, to revise and extend my own remarks in the RECORD and include therein an article appearing in the Minneapolis Star-Journal and Tribune which was also carried in the Washington papers recently on the subject Clean Your Platter Clean.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota [Mr. PITTENGER]?

There was no objection.

[Mr. PITTENGER addressed the House. His remarks appear in the Appendix.]

FARM LABOR SHORTAGE

Mr. HILL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and to include an article from Time magazine.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

[Mr. HILL addressed the House. His remarks appear in the Appendix.]

DISTRIBUTION OF GOVERNMENT ORDERS FOR WAR MATERIAL

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, yesterday I took 1 minute to point out the desperate importance of the Justice Department prosecuting promptly and fully whoever may be responsible for the delivery of steel that buckles and wire that melts to the armed forces of our country by such large corporations as the Steel Trust and Anaconda Copper Co.

Today I want to state that, in my opinion, one basic reason these things have happened is the tremendous concentration of orders for war materials in the hands of a few giant corporations. The battle of this House to secure a distribution of this work among some of the smaller companies has been 100-percent right. Had it been successful we would not still be facing the danger of huge corporations with huge backlogs of orders tempted to cut corners in order to prevent smaller competitors from getting a share of this war production.

As matters stand, big business has more orders than it can fill, and when all the facts are out I predict it will be found that one motive behind the delivery of this faulty material was the drive to make a showing on these orders and forestall a fairer and more sensible distribution of Government orders.

It is therefore encouraging to note in the press that the Smaller War Plants Corporation has been divorced from control by the War Production Board and placed by Mr. Nelson in a position to go ahead independently. Maybe this will help.

ELIMINATION OF FREIGHT-RATE DISCRIMINATIONS

Mr. BRYSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. BRYSON. Mr. Speaker, it is very gratifying to those of us from the South to know that agencies with authority to act have become conscious of the unjust discrimination that has rested on southern industry and agriculture since the days of the War between the States.

Some years ago I became interested in why southern industry and agriculture were so penalized, and I was told that when our mills shipped their cloth to the eastern market it cost approximately $50 a car more than to ship the same carload of cloth from the eastern market to the South. The answer given me was that the haul was uphill from the South and more fuel was required to be burned in the locomotive engines.

We sincerely trust, now that the program is well under way, this unjust discrimination will be forever banished.

EXTENSION OF REMARKS

Mr. BRYSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a newspaper clipping.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. GORDON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an article which appeared in K. A. P., a weekly publication of London, on March 20, and which pays tribute to the late Archbishop of Westminster.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. COFFEE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on three topics—in one to include an editorial, in one to include an article by a Seattle lawyer, and in another to include a resolution adopted by the Washington State Legislature endorsing a resolution I have introduced in this body.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. WILSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. WILSON. Mr. Speaker, I take this time to remind the Members of the House that the distinguished gentleman from Michigan, the author of the Trojan horse speech of May 13, 1940, which many of you heard or have read, is going to speak for 1 hour this evening under a special order. He is going to speak regardless of the lateness of the hour, and expose some things that are going on in Washington under the camouflage of the war effort or national defense, things which every Member of this House should know. Every Member should be here to hear the speech of the distinguished gentleman from Michigan [Mr. BRADLEY].

EXTENSION OF REMARKS

Mr. CARLSON of Kansas. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial from the New York Herald Tribune.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from South Dakota [Mr. MUNDT] be permitted to address the House for 50 minutes on Tuesday next, at the conclusion of the legislative program of the day and following any special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

Mr. O'HARA. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a joint resolution of the State Legislature of the State of Minnesota.

The SPEAKER. Is there objection?

There was no objection.

BEEF PRODUCTION

Mr. BARRETT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. BARRETT. Mr. Speaker, I am wholly opposed to the suggestion of the gentleman from New York, Congressman CELLER, that we revise the tariff for the duration of the war to permit the importation of large quantities of beef from Argentina, South America.

We have more cattle in this country now than ever before in its history and the stockmen of this Nation have been repeatedly urged to increase their herds to aid the general war effort. This proposal to purchase South American beef will have a tendency to discourage increased production, rather than to encourage it.

At this critical time, the stockmen of the Nation should be encouraged in their efforts to increase meat production. What they need is more stability and security in their operations and more definite assurance of substantial home markets.

This South American beef may be made available to our allies and used for the relief of the distressed peoples of Europe.

The suggestion of the gentleman from New York, if followed, will expose the herds of America to the hoof-and-mouth disease.

On the whole, I believe it would be a serious blow to the American cattlemen and would definitely operate against the general war effort, and the results obtained would be more detrimental than beneficial.

WASTE IN FOOD

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. GROSS. Mr. Speaker, I take this occasion to express my appreciation to the whole country for the way that they are responding and upholding me in my war on waste. Startling things have been brought to my attention in the last few days, and I intend, one of these days, to present some startling facts to the country. For instance, in an Army camp recently, 60 gallons of creamed chipped beef was thrown into a garbage can after dinner. Another garbage wagon leaving the camp stopped on the highway and gave away to people whole cartons of unopened cereal. The plea for a clean plate has been taken up by many people in the country. The Gordon Baking Co. has taken it up and stress it in all their advertising on the Atlantic coast, and now the Minneapolis Star-Journal and Tribune has joined in and is carrying on in the West, as well as people from Texas and everywhere in the country. People are sitting up and taking notice. It convinces me that good leadership in the Government, giving the people the facts and pointing the way will be far more effective than rationing, and regimenting. Saving food "Licking the platter clean" is a patriotic duty.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

THE TAX COLLECTION BILL

Mr. BUFFETT. Mr. Speaker, I ask unanimous consent to speak for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. BUFFETT. Mr. Speaker, no one has any right to do a "Singapore" with the savings of the American people. The tax bill is needed just as much today as it was a week ago. There are no sore heads on the battle fronts in North Africa, and there should be none in Congress. Eleven billion six hundred and sixty-four million dollars was appropriated by this Congress up to March 15. We should now have the courage to pass the tax bill that the American people are asking for. As the Ways and Means Committee bill was considered unsatisfactory now it should be relatively easy for them to bring in a bill that the people will accept. The people demand action of this Congress and unless there is to be a disastrous display of impotency, we will bring in and pass a bill that will meet the problem squarely.

The SPEAKER. The time of the gentleman from Nebraska has expired.

EXTENSION OF REMARKS

Mr. RODGERS of Pennsylvania. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a brief editorial from the New York Times.

The SPEAKER. Is there objection?

There was no objection.

TARIFF ON MEAT IMPORTATIONS

Mr. ROCKWELL. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. ROCKWELL. Mr. Speaker, yesterday the gentleman from New York, Congressman CELLER, made the statement that there was plenty of meat in South America to relieve the meat shortage in the United States. He also had printed in the Appendix of the RECORD his letter to Hon. Chester C. Davis and Hon. Prentiss Brown stating that with their permission he would introduce bills into Congress doing away with the tariff on meat importations from South America.

Such action as suggested by the gentleman from New York, Congressman CELLER, would be a direct blow to the livestock producers of the United States and their present effort to continue the high rate of production of livestock.

In the first place, all Argentine surplus of meat animals goes to our ally, Great Britain. The meat shortage is not confined to this Nation, but is world-wide. Nothing could be accomplished by buying away from one of our allies the meat which she so badly needs. In fact, much of the meat now produced in the United States is being sent to these same allies under lend-lease.

In the second place, we have in this country the greatest number of livestock ever recorded, and converting this livestock into meat can be expedited and the tonnage substantially increased if we can have more cooperation and less unwise Government interference. We have the livestock, we have the feed, and we have the facilities to produce the greatest amount of meat ever produced in this or any other country.

In the third place, the most stupid thing we could do in this emergency would be to run the risk of importing the foot-and-mouth disease into the United States. The repeated outbreaks in Great Britain attests the real menace that importation of meats from infected countries constitutes. The serious shortages of manpower and transportation would mean that the outbreak of foot-and-mouth disease at this period with our great numbers of livestock might prove impossible to control.

The solution of the meat problem is right here at home among our own producers and it is unfortunate that false hopes should be raised by those uninformed of the true situation.

Mr. RANKIN. How does the gentleman from New York expect to get meat from South America when they cannot bring up coffee?

The SPEAKER. The time of the gentleman from Colorado has expired.

EXTENSION OF REMARKS

Mr. BATES of Kentucky. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. KILBURN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an article from the New York Herald Tribune of Wednesday, March 31, 1943, by John Watson, covering a situation which is typical of the dairy industry in New York State.

The SPEAKER. Is there objection?

There was no objection.

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix.

The SPEAKER. Is there objection?

There was no objection.

Mr. TROUTMAN. Mr. Speaker, I ask unanimous consent to extend my remarks and include a news article.

The SPEAKER. Is there objection?

There was no objection.

Mr. HERTER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an article from the Christian Science Monitor.

The SPEAKER. Is there objection?

There was no objection.

LEAVE OF ABSENCE

Mr. SMITH of Wisconsin. Mr. Speaker, I ask unanimous consent that my colleague [Mr. STEVENSON] may be granted indefinite leave of absence on account of serious illness in his family.

The SPEAKER. Is there objection?

There was no objection.

DISCRIMINATORY FREIGHT RATES

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. RANKIN. Mr. Speaker, I agree with what the gentleman from Oklahoma [Mr. STEWART] said a while ago about attempting to take farm laborers away from the southern States.

I also agree with the complaint against discriminatory freight rates. That not only applies to the South, but it applies to all the Middle West. A man in my town deals with a concern in New Hampshire. By mistake a shipment of goods was sent to him. He had to ship it back without even opening it. It cost almost twice as much to ship those goods back as it did to ship them down there.

When I was in Nebraska a few years ago I was told you could ship goods from the Atlantic seaboard all the way to the Pacific coast, through Nebraska, cheaper than you could get them delivered in Iowa or Nebraska. If you want to deal honestly with the American people, it is time the Congress took some action and put a stop to these discriminatory freight rates and give everybody in the United

States a square deal. If we cannot get it done otherwise, I am going to appeal to the Senators from the agricultural States of the South and Middle West to put a rider on the next bill that comes over there to outlaw those discriminations.

The SPEAKER. The time of the gentleman from Mississippi has expired.

WAR DEPARTMENT CIVIL FUNCTIONS APPROPRIATION BILL, FISCAL YEAR 1944

Mr. SNYDER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 2346), making appropriations for the fiscal year ending June 30, 1944, for civil functions administered by the War Department, and for other purposes. Pending that, I would like to confer with the gentleman from New Jersey [Mr. POWERS] as to the time for general debate.

Mr. POWERS. May I suggest to the gentleman that the time for general debate continue for 4 hours, the time to be equally divided between the gentleman from Pennsylvania and myself, with the understanding that if there are no Members who desire to speak during that 4-hour period, we may proceed to the reading of the bill.

Mr. SNYDER. Did I understand the gentleman to say not to exceed 4 hours?

Mr. POWERS. Not to exceed 4 hours.

Mr. SNYDER. That is satisfactory. Mr. Speaker, I ask unanimous consent, pending the motion, that general debate may continue not to exceed 4 hours, the time to be equally divided between the gentleman from New Jersey [Mr. POWERS] and myself.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from Pennsylvania.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 2346, the civil functions bill, with Mr. THOMASON, of Texas, in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. SNYDER. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, this is a substantially smaller bill, in a money sense, than we are accustomed to consider for the support of civil functions administered by the War Department. That is so because of the war.

The Budget estimates that came to us were practically devoid of funds for uses which would occasion interference with the prosecution of programs essential to the defense establishments.

In its phases respecting rivers and harbors and general flood control the Budget confines funds for work in the nature of improvement to a very limited number of projects associated with the war program. Maintenance funds are reduced to cover bare necessities.

All of this is as it should be. War demands must have first priority. It is regrettable, however, that there must be deferment of many highly important flood-control projects, the nonaccomplishment of which leaves a continual threat to property and lives in the areas the projects were authorized to protect. Of course, there is this angle to the matter: These suspended or deferred projects appreciably contribute to a reservoir of useful work that may be resumed or launched upon with the advent of peace. River and harbor and flood-control projects involving an expenditure of approximately $285,000,000 will be in readiness to begin, and that amount will be considerably added to in consequence of proposals contained in the measure under consideration.

Mr. Chairman, the Budget estimates upon which this bill is based call for appropriations totaling $63,060,940. That amount is $280,877,886 less than the sum of current fiscal year appropriations.

In addition to the $63,000,000 plus, however, the Budget submission contemplates the use of $37,375,072 of prior appropriations, the bulk of which will be available by reason of suspended work on river and harbor and flood-control projects because of their impingement upon the war program. The Budget, therefore, contemplates obligational authority of $100,436,012.

The bill before us adheres very closely to the Budget proposals. The committee has made a net reduction, with that exception, of $28,257. We have added, however, by way of reappropriation of funds held in budgetary reserve, $4,900,000 for these objects:

1. For making detailed plans and specifications of river and harbor projects	$2,000,000
2. For the same purposes with respect to flood control	2,000,000
3. For emergencies in connection with flood-control projects growing out of floods or because of threatened floods	400,000
4. For reimbursing the State of California for funds advanced pending the appropriation of Federal funds	$500,000

The Budget submission contemplates the expenditure of $2,000,000 for the preparation of detailed plans and specifications in connection with authorized flood-control projects. The action we propose would make available for such advance work a total of $6,000,000, both for river and harbor and flood-control projects.

Such expenditures have a twofold purpose: They build up a backlog of worthwhile projects for providing jobs when the war is over, and they will make it possible to accomplish more quickly deferred flood-control projects.

I should like to say in connection with this advance planning that, if my memory serves me right, the subcommittee in charge of this bill pioneered in that extremely essential work. In our bill of a year ago we included $2,000,000 for such preliminary measures. I think what I said at that time will bear repetition:

Outside of contributing in every way at our command to winning the war, I submit our next responsibility is to be ready when that job is done with jobs—jobs on useful work for men moving out of the defense industries, and for the demobilized soldiers and sailors. There should be no delay then in looking for ways and means to effect the enormous readjustment that must occur. It is imperative, in my judgment, that we build up a backlog of worth-while projects to cushion the readjustment from war to peace.

Mr. Chairman, that becomes increasingly important with each passing day of war.

Mr. CASE. Mr. Chairman, will the gentleman yield?

Mr. SNYDER. I yield.

Mr. CASE. Would not the chairman say it seemed to be the unanimous opinion of members of the subcommittee that projects of the type that are prescribed by the Corps of Engineers offer the very best kind of post-war projects?

Mr. SNYDER. Yes. The subcommittee as a whole subscribed to that, and I am glad to have that contribution.

The report we have submitted on the bill explains its salient features, and it either gives details or cites the pages of the hearings where details may be found. I see no reason for repeating or adding to what is said there, except this: Neither the Budget nor the bill makes any provision for headstones. My understanding is that the Budget Bureau concluded that the production, transportation, and placement of stones would occasion an unnecessary demand upon labor and presently overtaxed transportation facilities, and, for that reason, the provision of headstones should await the conclusion of the war. I suppose we should not let sentiment influence us under the circumstances, but, nevertheless, it is our intention to look into the matter further when we later take up the regular military budget for 1944. We presently are charging burial expenses to military appropriations and I see no reason why headstones should not be similarly charged. I feel that I may give assurances that a proper and satisfactory solution will be worked out.

Before concluding, I should like to speak for a moment of a project, not in the bill, but which the committee very carefully considered. I refer to the Florida barge canal.

There was no Budget estimate for the project, nor was the project recommended to the Committee by any official identified with the executive branch of the Government. Consideration was based upon a bill (H. R. 1353) introduced by the gentleman from Florida [Mr. HENDRICKS] on January 20, 1943, which was referred to the Committee on Appropriations.

The committee heard a number of Members of Congress, some for and some against the project, and it heard representatives of the Florida Ship Canal Authority, a State agency created by the laws of Florida, and it had before it a number of able representatives of various Federal agencies, including the Petroleum Administration for War, Office of Defense Transportation, the War Production Board, and the Army and Navy Munitions Board.

The testimony does not indicate that this canal is necessary to relieve the shortage of petroleum and petroleum

products in the eastern seaboard area of the United States. Other facilities, presently in existence or in course of provision, were represented to be adequate to take care of all foreseeable needs, save gasoline for pleasure driving, before the end of the present calendar year.

The barge canal probably could not be completed much earlier than 24 months from time of starting, according to the considered judgment of the Chief of Engineers. Its chief value, therefore, would be a contingent one resting upon an unpredictable larger demand.

It was quite manifest from the committee's inquiry that those agencies of the Government whose responsibility it is to provide for the needs of the defense establishments, and for civil needs, as well, to the extent that civil needs may be affected by war needs, prefer other means of supply or conveyancing, which unquestionably can be provided with greater dispatch. It seemed more or less futile, therefore, to make any provision for the prosecution of construction of the Florida barge canal.

That is about all I wish to say at this time, Mr. Chairman. Later, when the bill is considered under the 5-minute rule, I shall be glad to supply any detailed information that may be at my command.

Mr. WHITTINGTON. Will the gentleman yield?

Mr. SNYDER. I yield.

Mr. WHITTINGTON. As I understand, under the bill there will be available for flood-control construction generally in the country, as provided in the bill, and the releasing of funds previously impounded about $26,000,000?

Mr. SNYDER. $21,096,600.

Mr. WHITTINGTON. On the lower Mississippi River works program, $4,000,000 may be done, and yet about $10,000,000 is required for maintenance, according to the terms of the bill.

Mr. SNYDER. That is right.

Mr. WHITTINGTON. Now, I have this further question. I was interested in the colloquy between the gentleman from South Dakota [Mr. CASE] and the Chief of Engineers with respect to the comparative amount of inland waterway transportation that now occurs and the amount that was transported over the inland waterways of the United States in 1918, during the First World War. I would like to say in this connection, with the gentleman's permission, that, as I understand, in 1918 water-borne commerce over the rivers and connecting channels amounted to 128,000,000 tons as compared with 427,000,000 tons in 1942. Among others, there has been an increase on the Monongahela River from 16,000,000 tons in 1918 to 31,000,000 tons in 1942. On the Mississippi River an increase from 5,000,000, approximately, in 1918 to 22,000,000 tons in 1942. I believe those figures will warrant the appropriations made under the supervision and authorization of the committee of which the gentleman is chairman, for the improvement of the rivers and harbors of our country.

Mr. SNYDER. I am glad to have the gentleman from Mississippi call attention to this very, very vital factor in transportation, the water facilities.

Mr. CASE. Will the gentleman yield?

Mr. SNYDER. I yield.

Mr. CASE. I might add that it is the feeling of some of us that the importance of the water-borne transportation should be measured not merely by the amount of the increase over what was carried during World War No. 1, but by its relationship to the traffic problem of the country today. If that increased traffic which is being carried by the waterways today were to be added to the great load that the railroads are carrying today, undoubtedly there would be a breakdown in equipment and a shortage of adequate rolling stock.

Mr. WHITTINGTON. Will the gentleman yield?

Mr. SNYDER. I yield.

Mr. WHITTINGTON. In that connection, if it were not for this inland waterway transportation, with the operations of the submarines along our coast, much of the fuel and oil that is being transported to the East along the Mississippi and Ohio Rivers would be impossible.

Mr. CASE. Yes; and it would certainly create a very critical situation if we did not have this water-borne traffic to rely upon at this time.

Mr. SNYDER. I think it is very appropriate to say that we owe great credit to the Committee on Flood Control, of which the gentleman from Mississippi is chairman, for setting up a series of plans for the control of floods, and for authorizing projects to make them effective. After this war is over those projects not accomplished will be ready to be gone ahead with and they will provide employment for hundreds of thousands who will then need work.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. POWERS. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, our distinguished chairman of the War Department subcommittee, the gentleman from Pennsylvania, has just given a rather complete and full explanation of this War Department nonmilitary, so-called civil functions bill. I shall therefore be very brief, because there are other Members who want to speak on a variety of subjects. I merely want to say to the Committee as a matter of record that this bill contains the normal and essential expenses needed to carry on these functions, for instance, Alaska communication system, rivers and harbors, flood control, hydroelectric power, the United States Soldiers' Home, and the Panama Canal.

As far as I know there is no controversy on any item in the bill. There was considerable controversy over one item which was eliminated by the full Committee on Appropriations yesterday.

The Committee will note we have included no provision for the purchase of headstones. Inasmuch as the military branch of the War Department takes care of burial expenses it was our idea that we should include the money for headstones for deceased soldiers in the regular military bill, which should be along within a month or 6 weeks.

Mr. Chairman, I reserve the balance of my time.

Mr. SNYDER. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. FURLONG].

Mr. FURLONG. Mr. Chairman, on this day, April 1, in all parts of the United States, the United Mine Workers of America for the past 35 years have celebrated this day as Labor Day; and on this day, every 2 years, they enter into a new wage agreement with the mine operators, both North and South.

Bituminous coal miners' work is the most laborious and arduous of all types of labor, working in water and dangerous gases at all times, beneath stone and slate that falls without warning, killing or maiming them for life; explosions occur from sparks igniting the explosive gases, killing or burning those who are in the nearby workings to unrecognized masses of humanity.

They work in mines 1 to 10 miles in length beneath the hills, 500 to 2,000 feet below the earth's surface—on their knees, elbows, and backs—seeing very little of the day's light.

This work now being paid for at a basic wage scale of $7 per day does not mean that the miner receives $7 per day.

The miner, not the owner or operator, pays for his picks, shovels, drills, sledge hammers, and all other tools, pays for sharpening his tools; for his heavy gum boots, and the steel helmet he must wear, and the light on his cap, for the dynamite to blast his coal, and the pro rata for firing the shots.

When this is taken out daily, and a single man pays for doctor 75 cents, and a married man $1.25 out of each 2-week pay, then he pays the company store bill these high prices for food; the following prices are as of last Saturday, March 27, in Washington, Green, and Allegheny Counties, Pa.:

Cabbage, at 15 cents a pound, a 4-pound head, 60 cents.

Peas in the pod, 29 to 35 cents per pound.

Spinach, 18 cents per pound, 2 pounds for 35 cents.

Broccoli, 2 pounds for 35 cents.

Endive, 2 pounds for 35 cents.

Tomatoes, 1 pound for 30 cents.

Lettuce, 1 head for 28 cents.

Peanut butter, 1 pound for 37 cents.

Onions, 10 pounds for 63 cents.

Squash, 2 small ones, size of fist, 39 cents.

Kale, 2 pounds 35 cents.

Ham, at one-half ham piece, 49 cents per pound.

Ham at slice, per pound, 70 cents.

Steak, cheapest, 50 to 55 cents per pound.

Potatoes, 1 peck at 95 cents.

He then has only enough left to pay 10 percent of his wages in Victory bonds, for every miner—without exception—buys Victory bonds at the rate of 10 percent and over out of each pay; if one did not he would be considered a slacker and in disgrace, by his fellow miners.

There is no man in the United States more patriotic than the coal miner; he

gives his sons and daughters for the battlefront, the first lines of offense and defense, while he in his daily toil, the soldier of production, is the second line of offense and defense.

Never once has any organized or union miner asked for deferment, or allowed the companies or operators to have anyone deferred.

Bituminous coal mining is the basic industry on which all war industry is based; it is the most dangerous, requires the most care and effort, and takes more flesh and blood from a man than any other war work.

It is the poorest paid of all industry, the miner receiving one-half to one-third as much in wages as men in other industries and trades.

Why hold the miners to such low wages that they cannot get enough money to buy the proper food required to give them the requisite strength with which to mine the coal?

They are willing and anxious to mine all coal needed to win this war, if given the food to work on. They cannot produce on corn flakes; they need food that sticks to their ribs and muscles, and as over 60 percent of their wages goes to purchase food, I believe there should be an upward revision of the wages of the coal miners in America, commensurate with the cost of living. At least a 25 percent increase is needed to enable the miner to buy the necessaries of life for himself, wife, and children.

The United Mine Workers of America, through the representative of their union, went on record December 7, 1941, shortly after Pearl Harbor, stating that free labor would win the war and would win the peace in contrast to slave labor, as established in Germany, Italy, and Japan, where organized or union labor was abolished.

We are fighting this war to destroy the vicious policies and practices of the decadent nations of Japan, Italy, and Germany, and to maintain the progressive policies of progressive and free America.

I believe that in a free country free enterprise should exist and no agency of government should interfere with the free and fair dealings of those now negotiating for a living wage.

Mr. SNYDER. Mr. Chairman, I yield 5 minutes to the gentleman from Utah [Mr. GRANGER].

Mr. GRANGER. Mr. Chairman, I have asked for this time to make an observation on the statement that was made yesterday by the distinguished gentleman from New York [Mr. CELLER]. I see the gentleman is here and I should like to direct my remarks particularly to him. He had reference of course to the food situation and stated that should he receive a green light from certain persons with whom he had communicated he would introduce a resolution to, I suppose, tear down what he termed tariff barriers and to mutilate the sanitary laws we have enacted to protect the people and the livestock interest of this country. I am glad the gentleman this time gave us some warning. I remember a short time ago the same gentleman from New York offered an amendment to an appropriation bill that caught all of the interested Members flatfooted and they did not have an opportunity to present the issue to the House or to the people of the country. Thereby a very serious amendment was adopted that might well have destroyed the mining industry of this country and might yet have the effect of slowing down the production of strategic materials needed in the successful prosecution of the war.

I am glad that the gentleman has given us this time to consider his resolution because I assure him and those to whom he has sent his inquiry, or any one else who would attempt, at this time, to tear down barriers, especially those barriers that have to do with the sanitary laws of the country, that he will meet with the most vigorous opposition that we can muster to defeat any such proposal. It seems a serious thing to me, a regretable thing, that in time of stress and in time of war that the poor little buck private should be used as a whipping post to do these things that we say are in the interest of the war effort. The people in the western country, I may assure the gentleman from New York, will do their utmost to produce raw materials for the prosecution of the war and to furnish all the manpower that they are called upon to give in this great conflict. There is not, at the present time, a shortage of beef, pork, mutton, or poultry. With proper allocation, there is sufficient for our military forces, our civilian population, and considerable for lend-lease.

I hate to discuss this problem because of the fact that it may have international repercussions, but I think of all times the gentleman from New York should be willing to forego it, it is the present time. It has been a question of political debate for over 50 years, the same as the silver issue, but that seemed to make no difference to the gentleman from New York. He fails to realize that the whole war effort is a united effort and that every part of this country should be considered, its economic life as well as its great desire to participate in and to win this great conflict. I see no hope at this particular time that issues of this kind and similar issues can be disposed of.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SNYDER. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. GRANGER. Mr. Chairman, we should refrain at this time from discussions of such questions, as greatly as we all desire the fullest and most complete debate on national issues, but, as I said, those issues that are not necessary or essential in the conduct of the war should be postponed until such time as they can be fully debated without causing any international complications.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SNYDER. Mr. Chairman, I yield the gentleman from New York [Mr. CELLER] 6 minutes.

Mr. CELLER. Mr. Chairman, I do not want to topple over the tariff structure as far as Argentine beef is concerned in a permanent way. I want to relieve the dreadful shortage that exists in industrial areas with reference to meat and my proposal is for a temporary suspension of the tariff provisions against the importation of Argentine beef. The remedy is suggested merely for the duration of the war.

We have had meat riots in New York and in other large industrial areas. The war workers need the vitamins and the proteins which meat affords and they must now do without. Now, I am aware of the necessity of providing stringent sanitary restrictions against the importation of diseased cattle. We must protect our own cattle industry against the hoof-and-mouth disease, but be advised that in the Province of Patagonia in Argentina cattle are being raised absolutely free of the so-called hoof-and-mouth disease.

If we want further proof, I direct your attention to the fact that in 1935 we signed a treaty with Argentina—it was called a sanitary convention—whereby Patagonian beef could come into this country. Unfortunately, and for want of a better term, I will say that the "cattle" Senators from the cattle areas refused to allow that treaty to be ratified. Our Government is on record, therefore, to the effect that certain cattle raised in the Argentine, more particularly in Patagonia, are not afflicted with the hoof-and-mouth disease.

But I will go beyond that, if that is the only fear of the gentleman from Utah, for whom I have great respect, and suggest that all the meat that comes from Argentina be boned. The disease, if any, exists in the bone and not in the flesh. So canned beef or chilled, frozen, or salted beef, if properly boned, could pass all sanitary requirements.

I do not want to let down the sanitary bars one iota. I want sanitary beef to come in. But why should we starve in the midst of plenty?

Unfortunately, we have given monopolistic rights of purchase to the British Purchasing Commission concerning all Argentine food. There should be an exception made and we should have the privilege right now to go down into Argentina and purchase some of this meat for delivery by way, say, of New Orleans, and, furthermore, may I say to the gentleman from Utah that I did not say I would offer a bill forthwith.

I said I would only offer the bill on the condition that Mr. Chester Davis or Mr. Prentiss Brown, to whom I had written—see the Appendix of the RECORD, page A1547—gave me their advice thereon. If they give me the green light I shall then offer the bill, but I am not going to do this willy-nilly. I am going to do this most carefully, having in mind the interest of all concerned, the people in your State and the people in many other States. They can well advise me. They—Brown and Davis—are the experts on the question of food. I want to confer with the experts and if Mr. Brown and Mr. Davis say we need this food, we need this meat, and we cannot get it unless we import it, then I am going to offer the bill.

Mr. ROWE. Will the gentleman yield.

Mr. CELLER. I yield to the gentleman from Ohio.

Mr. ROWE. As a matter of curiosity, is there available beef in Argentina for importation?

Mr. CELLER. I am informed by a gentleman who was sent to the Argentine by the Board of Economic Welfare that if the British Purchasing Commission will give us permission, we can buy surplus beef, beef that the British Purchasing Commission do not use and cannot get sufficient ships in which to ship. The supply is there. If it is sanitary, why in thunder do we not bring it in to meet the meat shortage?

Mr. Chairman, I am not going off half-cocked, I assure you members of the committee. I recognize the danger of cattle disease. Such must be avoided. It can be avoided and meat, nevertheless, can be brought in.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SNYDER. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. CELLER. I inquired whether or not there would be cargo space on refrigerated ships to bring this Argentine boned meat into the country, and I am informed that there are three ships the Argentine wants to put into service for the cartage of the meat from Buenos Aires to New Orleans. They will do it in 30 days. The ships are now used for the carrying of fruit. In 30 days there will be no need to carry the fruit from the Argentine because of seasonal conditions. Those ships are available and the meat is available. Goodness knows we need that meat. Bring it in, subject to the conditions the gentleman from Utah wants to lay down concerning sanitary restrictions.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. POWERS. Mr. Chairman, I yield 15 minutes to the gentleman from Michigan [Mr. DONDERO].

Mr. MASON. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. MASON. In view of the fact that the scholarly gentleman from Michigan [Mr. DONDERO] has prepared a speech on the decorum, the order, and the rules of the House, I feel it rather important that all the new Members, at least, should be here to profit by that speech. Perhaps the old Members could very well profit by it, too, judging from the lack of decorum that has been evident on the floor of the House. Therefore, Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Ninety-seven Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 37]

Anderson, Calif.	Dawson	Hébert
Baldwin, Md.	Englebright	Holmes, Mass.
Bates, Mass.	Fish	Kee
Burgin	Ford	Lambertson
Chenoweth	Gale	Larcade
Cochran	Gamble	Lewis, Colo.
Cullen	Gifford	Maas
Cunningham	Goodwin	Morrison, La.
Davis	Gorski	Norman
Pace	Smith, Va.	Treadway
Reece, Tenn.	Sparkman	Weaver
Robertson	Steagall	Whelchel, Ga.
Rowan	Stearns, N. H.	White
Slaughter	Stevenson	
	Talbot	

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. THOMASON, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 2346, and finding itself without a quorum, he had directed the roll to be called, when 392 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The SPEAKER. The Committee will resume its sitting.

The CHAIRMAN (Mr. THOMASON). The gentleman from Michigan [Mr. DONDERO] is recognized for 15 minutes.

Mr. DONDERO. Mr. Chairman, I gave notice yesterday that I intended to address this body on the subject of decorum in the House.

In that Book of all Books, the Bible, this passage is found:

For we hear that there are some which walk among you disorderly. (II Thessalonians 3: 11.)

Mr. Chairman, the Capitol of our country, located here in Washington, is distinguished for its commanding presence, its majestic proportions and its dignity of design without and within. We are all reminded as we observe its architectural symmetry of its marvelous symbolism.

The Congressional Library is symbolic of the intellectual and scholastic expressions of our republic.

The impressive structure known as the Folger Gallery is symbolic of our love for dramatic art.

The Supreme Court Building is symbolic of those great legal principles on which our Republic must stand for its glory and perpetuity. It speaks to those who pass by that building, that we are people who believe and have faith and confidence in legal procedure and before whose bar every person who lives under the Stars and Stripes has the right to a just and unbiased hearing.

The House of Representatives in which we serve is symbolic of the legislative branch of the Government. Here the people speak and here their voice is heard. Our forefathers established this mighty arm of the people. From them come the high and distinct character of American institutions. The walls of this historic Chamber echo and resound with the many voices of our great past. They still live in the genius of our Government, in the soul of our national life, and in the high standards of law enforcement and authority. The men who moved through these Halls in the years that have gone were the torch bearers of humanity's progress and self-government. God help us to preserve their influence and labors by reverence for this notable and historic place and forbid that we should ever be irreverent toward the place and memory of those who made our day possible.

When our countrymen occupy these balconies, may they observe our example of genuine respect by word and conduct and thus leave with greater love for our republic. National character without reverence for place, law and authority is like a fireside without proper consideration for others.

If proper decorum is disregarded we deface and impoverish our station in the eyes of those who pass this way. The very stability of our legislative acts may be thus threatened.

For we hear that there are some which walk among you disorderly. (II Thessalonians, 3: 11.)

Whether in the game of life or a game of football, infraction of the rules brings punishment and penalty. This House of Representatives is also governed by rules, some as old as the Government itself. They were designed and intended to govern the conduct of Members on this floor and the orderly procedure of our legislative work.

For the benefit of many new Members and to refresh the memory of older Members, including myself, these observations are confined solely to the rules governing our conduct on this floor. What I shall say is wholly impersonal, is not intended as a scolding of any Member individually or of the House collectively.

Not one of us here is entirely blameless of breaking the rules of the House. In an unguarded and thoughtless moment we all have broken the written and long-established code of conduct for this floor. Many of the older Members, knowingly, and many of the newer Members unknowingly, because of their unfamiliarity with the rules have allowed certain habits to violate the proprieties of this body. The penalty we pay individually and collectively is the loss of respect, the loss of prestige, loss of faith and confidence, unfavorable impressions, adverse criticism, and a gradual breaking down of self-government by a free people.

I now come to the rules violated daily in this forum. How should a Member address our Presiding Officer? At public gatherings throughout the country it is customary and in good taste to say, "Mr. Chairman, distinguished guests, ladies, and gentlemen," and so forth. In this Hall such a salutation is improper and a distinct breach of the rule. The rule requires a Member to address himself to "Mr. Speaker" or if the House is in the Committee of the Whole House on the state of the Union, then to "Mr. Chairman." To add more is a slight upon the Speaker who represents the House in its organization. When we address the Chairman, we address the entire membership of the House. It is a violation of precedent, and bad form, to conclude an address by adding the words, "I thank you." There is no necessity for any Member to thank anyone. We speak as a matter of right. Rule XIV, clause 1, reads:

When any Member desires to speak or deliver any matter to the House, he shall rise and respectfully address himself to Mr.

Speaker, and, on being recognized, may address the House from any place on the floor, or from the Clerk's desk.

Committees of the House should not be designated as: The Rules Committee, the Appropriations Committee, and so forth. The proper way to designate any committee of the House is to say, "the Committee on Rules," "the Committee on Appropriations," and so forth.

Another rule violated daily is rule XIV, clause 7, which provides:

> While the Speaker is putting a question or addressing the House, no Member shall walk out of or across the hall; nor when a Member is speaking, pass between him and the Chairman.

It has become a custom for Members to walk in front of a Member while he is addressing the House from the lecterns here in the Well of the House.

Such practices are a violation of a long-established rule of this body and are a contributing cause to the confusion and distraction evidenced on this floor from day to day. To walk in front of a Member who is speaking is objectionable.

Another part of clause 7, rule XIV, grossly violated by many Members, reads as follows:

> No Member shall smoke upon the floor of the House and the Sergeant-at-Arms and Doorkeeper are charged with the strict enforcement of this clause. Neither shall any person be allowed to smoke upon the floor of the House at any time.

What constitutes the floor of the House? The space behind the rail is the floor of the House as much as the space in front of the Speaker's rostrum. Smoking behind the rail is smoking on the floor of the House and equally an infraction of the rule. Walking into the Chamber of the House with a cigar or pipe held in the mouth, whether lighted or not, is an invitation for caustic criticism and disparaging remarks on the part of the public who come to visit our sessions.

I have been informed that hardly a week passes without officials of the House receiving complaints about the lack of dignity and decorum in this historic Chamber.

A practice as defenseless as it is objectionable is the habit of placing one's feet against or on top of the seat in front of him. This habit, a clear and distinct breach of the rules of decorum of this House, is with other infractions of the rules, most noticeable from the gallery and draws the sharpest criticism and adverse comment from those who come to visit this legislative body in action. Last Friday afternoon, during the debate on the debt and salary limitation bill, 11 Members at one and the same time were reading newspapers in their seats on this floor.

Risking the danger of repetition from a previous address I quote the immortal words of Robert Burns:

> O wad some Power the giftie gie us
> To see oursels as ithers see us!

A practice that has grown to be a habit is that of referring to a Member in the second person as "you" or "your." Recently some very distinguished Members with long service here were designating their colleagues by their given names, such as John and Jim. We all know better. These are plain violations of ordinary parliamentary procedure. Each one of us can make his contribution in preserving dignity and orderly conduct during our sessions by observing and obeying the rules of the House. The proper way to address a Member is "the gentleman or gentlewoman from Maine," or whichever State the Member is from.

Dignity and decorum commensurate with the greatness of this body, and the power we possess should prevail at all times ir the discharge of our duty to the Nation. These matters may seem small, unimportant and of no serious consequence in themselves, but upon the whole they are destructive of the respect and confidence of the people. Let every Member constitute himself a committee of one to see to it that the rules are respected and obeyed.

By reason of our membership here, each Member is clothed with tremendous power over the lives and destiny of a mighty people. With that power goes a corresponding responsibility to discharge the trust reposed in us by the people. The whole world is looking toward this Capital for light in a day made dark by war. Every word we speak, every decision we render is weighed with the position we hold. The confidence and faith of the people in the legislative branch of their Government must be preserved if the Republic of the United States is to survive. May we be worthy of the high honor conferred upon us as Members of Congress by discharging our responsibility to the Nation with that dignity and decorum which the people have a right to expect from us.

THREE SETS OF TEN COMMANDMENTS

Mr. STARNES of Alabama. Mr. Chairman, I yield 10 minutes to the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Mr. Chairman, we have all enjoyed the address of the distinguished gentleman from Michigan [Mr. DONDERO].

A very able member of the British House of Commons once said that the way to learn the rules of the House is to violate them. I think I have had considerable schooling in that field of endeavor.

I would advise every Member of the House to read Jefferson's Manual and to read the rules of the House as often as possible.

There are three outstanding sets of Ten Commandments in this world. The first, the one for the government of our morals and our spiritual conduct, was handed down to us through Moses on Sinai. I shall not attempt to quote them here.

Another set of 10 commandments was given us by Thomas Jefferson, the greatest political philosopher of all time. They are embodied in the first 10 amendments to the Constitution of the United States, the very first one of which provides for freedom of religion, freedom of speech, and freedom of the press.

The second amendment is with reference to the right to bear arms.

The third is with reference to quartering soldiers in private homes in times of peace. The fourth relates to security from unreasonable searches and seizures. The fifth relates to security as to accusations, trials, and property. The sixth is with reference to the right to trial by a jury and to be confronted with witnesses, and to secure testimony. The seventh is with regard to jury trial as in suits at common law. The eighth provides that excessive bail shall not be required nor excessive fines imposed nor cruel and unusual punishments inflicted. The ninth is with reference to the rights reserved to the people. The tenth, in order to make assurance doubly sure, provides that the powers not delegated to the United States by the Constitution or prohibited by it to the States are reserved to the States respectively or to the people.

That is not only the 10 commandments politically but it is the golden rule for the protection of human rights and human liberties in this free Republic of ours.

It is known as the Bill of Rights.

Just a word with reference to our conduct toward each other. Probably I cannot express my views better than to give you a résumé of the literary 10 commandments given us by Shakespeare. Since we are all just grown-up boys, I will repeat to you as best I can what Polonius said to his son when he was sending him into a far country. He said:

> These few precepts in thy memory.
> See thou character.

I know of no sentence of three words in the English language that contains more than that expression, "See thou character." Look for character, not, as Goldsmith said, "for a fine glossy surface."

Next he says:

> Give thy thoughts no tongue, nor any unproportion'd thought his act.

That would be a mighty good policy for Members of Congress to follow, not only not to talk too much but always to think before you speak.

The next one was:

> Be thou familiar, but by no means vulgar.

I think that would cover a majority of the things to which the gentleman from Michigan referred.

> Those friends thou hast, and their adoption tried,
> Grapple them to thy soul with hoops of steel,
> But do not dull thy palm with entertainment
> Of each new-hatch'd unfledged comrade.

If you new Members have not already learned that lesson back at home, you will certainly learn that it is a wise one to follow in Washington.

> Beware of entrance to a quarrel; but being in,
> Bear't, that the opposed may beware of thee.

Congress is a battleground; it is not a petting party, as Mr. Garner once said. We are bound to get into conflicts with each other, but when you get into a battle

here, take care of yourself "that the opposed may beware of thee." Give a good account of yourself.

Give every man thy ear, but few thy voice.

In other words, listen to the older men. They may not be handsome; many of us are not. Plato once compared Socrates to the galley pots in the Athenian apothecaries, on the outside of which were carved grotesque images of apes and owls, but which contained within them precious balsams. These older men can tell the younger Members many things they need to know. Another one is:

Take each man's censure, but reserve thy judgment.

Listen to the argument of your colleagues on both sides of the aisle, but reserve your judgment. One of the worst mistakes a Congressman can make, and I say this for the benefit of the new Members, who have not asked me for any lecture, is to be promising everybody who writes or speaks to them about legislation, before they have ever seen the bill.

The next one is:

Costly thy habit as thy purse can buy, but not express'd in fancy; rich, not gaudy; for the apparel oft proclaims the man.

One does not see many richly dressed men in Congress, but I have noticed that the ones most richly dressed usually make about the poorest impression in the Well of the House.

Neither a borrower nor a lender be; for a loan oft loses both itself and friend, and borrowing dulls the edge of husbandry.

That is one bit of advice gentlemen better heed in Washington. They will be tempted and tried many times. But the greatest of all is this admonition, his tenth commandment:

This above all: To thine own self be true,
And it must follow, as the night the day,
Thou cans't not then be false to any man.

Mr. ENGEL. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. VORYS].

OFFICE OFFICERS

Mr. VORYS of Ohio. Mr. Chairman, there are a lot of civil functions of the War Department that need congressional attention in addition to those technically in this bill. Our Army, our fighting men, in order to do their fighting, need many things besides weapons and ammunition. They must be fed, clothed, and housed, just as people outside the Army must be fed, clothed, and housed. Congress, however, has appropriated without stint, and almost without question, for everything the Army needs. We feel we are representing the people back home when we say, "Nothing is too good for our fighting men." In order to be sure they get whatever they want, we give the Army power to seize from civilians whatever they need—factories, machinery, land, or buildings. In the main, the Army has used this power wisely and fairly, attempting to distinguish between necessary military functions of the Army where they should come first and civilian functions where they are no better than other civilians and should have no better treatment.

There are a lot of office officers, however, who have let this power go to their heads. They think that when Congress and the people say, "Nothing is too good for our fighting men," we mean them. They use the power to seize civilian property for their own civilian comfort and convenience with apparently little regard for military necessity or civilian necessity. We all appreciate that businesses, as well as individuals, may become war casualties and should be willing to make any necessary sacrifices. On the other hand, needless casualties and unnecessary sacrifices on the business front are as unjustifiable as on the battle front. Here are some things that have happened in Columbus, Ohio, in my district.

Last summer, the Army took over all the best floors of the Huntington National Bank, the finest office building in our city, without any warning. They took it over simply for Army offices. There were other quarters available in the city. This bank building is in the heart of the business district, convenient for business purposes, but obviously inconvenient for Army officers unless they were to be office officers pure and simple. It is the most expensive space in the city, and, therefore, the Army's taking it meant an unnecessary expense if the fair price was paid or a hardship to the bank if an unfair price was paid. Nevertheless, these office officers said, "Nothing is too good for the Army," and in spite of protests, took over the bank building. They said they needed it because it was all ready to be operated as an office building and they could not delay to prepare other quarters for their use. About 4 months after they took it, they were still renovating, getting it ready, fixing this finest building in the city, so it would be fine enough for office officers.

A few weeks ago the Army notified a wholesale hardware house in Columbus that their warehouse was going to be taken over. Eighty-three percent of the business of this warehouse consisted of supplying defense plants with industrial war materials, but the Army was going to take it over to store paper forms for Army office work. Luckily, this seizure was headed off at the last moment.

Last August a shoe factory in Columbus was inspected by the Army for seizure. The factory, when told that the premises were needed, agreed to lease the property and then asked for definite confirmation. They were given various verbal assurances and reasons for delay, and the seizure was so imminent that they decided not to make samples for the spring trade. These various inspections were seen by the employees and they started asking the company questions about the future of the plant, to which no satisfactory answers could be given. The result was that this company, which had 528 shoemakers at work in August 1942, had 121 left in March 1943, but the plant has not yet been taken over. Here is a case where a business has been wrecked almost as thoroughly as if it had been bombed—by Army delay, red tape, and indecision, without being taken over at all. There appears now to be a very good chance that this plant, the business of which has been destroyed, will be taken over for necessary Army uses. I hope this will happen, instead of having the Army take over some other civilian concern which is still going, or ruining other plants by inspections, orders, and directives which are never carried out.

All of the officers to whom I have talked concerning these situations seem reasonable and courteous and anxious to do the right thing. Each branch of the Army tells us they cannot be responsible for what other branches do. The officers in the service command refer to Washington, and the Washington officers point out that the responsibility is primarily in the service command. All of them assure me that there is no deliberate intention on the part of the Army to inflict unnecessary injury on our civilian economy. The net result, however, is as devastating to our civilian economy as if it had been intended. The general impression created is that there is abroad a militaristic spirit of callousness and carelessness for the civilian economy we are fighting to protect, which no single officer seems able to combat. I do not believe that Congress can or should pass a law to tie the hands of the Army in securing military necessities by attempting to frame a definition of what these necessities are as opposed to civilian necessities.

There must be some way, however, that Congress and the people can let the Army know that, while nothing is too good for our fighting men, and civilians and private business are ready to make any necessary sacrifices for their safety, comfort, and convenience, we are not willing to sacrifice for the civilian comfort and convenience of office officers, whose work is at home here just like the rest of us, even though they wear uniforms. Even though they wish they were fighting, they are not. We cannot afford to furnish them extravagant places to work or rest. We are glad to see them rough it a little. We do not want them to be pushing us around for their own benefit, or because of their carelessness. In short, we will not stand for the kind of militarism at home we are fighting to drive from the face of the earth.

Mr. ENGEL. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. GILLIE].

Mr. GILLIE. Mr. Chairman, the gentleman from New York [Mr. CELLER] informed the House on yesterday that he plans to introduce legislation to remove for the duration all barriers against the importation of fresh beef from the Argentine.

In this connection, I should like to call the gentleman's attention to the fact that we have spent large sums of money to eradicate and control animal disease in this country and now have the cleanest livestock in the world. The United States is the only country, I might add, which is entirely free from the dreaded scourge of foot-and-mouth disease. We are literally holding in trust for the rest of the world the best blood lines now existent for the reestablishment of disease-free herds and flocks in other countries when the war is over.

If the gentleman from New York introduces legislation to jeopardize American livestock by permitting the uncontrolled importation of fresh Argentine beef, I shall vigorously oppose it. The risk is too great. One shipload of this beef could contain enough foot-and-mouth virus to start an epidemic across this continent of staggering proportions, which would cost millions of dollars to bring under control.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. GILLIE. Yes.

Mr. CELLER. The gentleman made the statement in respect to what I said yesterday I would appreciate it if he would yield to me at this point.

Mr. GILLIE. In a moment I will yield.

Mr. Chairman, there have been four serious outbreaks of foot-and-mouth disease in this country since the turn of the century.

The outbreak of 1902 involved 4,461 animals, with an appraised value of $184,155, and cost the Federal Government $300,000. Four States were affected.

The outbreak of 1908 involved 3,656 animals, valued at $90,000, and cost the Government another $300,000. This epidemic likewise covered 4 States.

Twenty-two livestock States were involved in the disastrous outbreak of 1914, affecting 172,000 animals. The appraised value of these herds was $5,860,000, and the cost to the Government was $9,000,000.

Only one State, California, was involved in the epidemic of 1924, affecting 109,766 animals, valued at $4,286,291, and costing the Government $10,000,000.

Mr. Chairman, I now yield to my colleague from New York [Mr. CELLER].

Mr. CELLER. Mr. Chairman, it is not my purpose or plan to offer any legislation until we get the green light from Chester Davis and Mr. Prentiss Brown, who will examine into that situation. I would under no circumstances let down the sanitary bars. I am aware of the danger of the foot-and-mouth disease. I said I would hope, and I think we should all hope, to follow the convention that was made between Argentina and the United States a few years ago, whereby we were to import into this country a small quantity of Patagonian beef, Patagonia being a state in the Argentine that is free of foot-and-mouth disease, and then if there should be that disease in Patagonian cattle, I would not want those cattle to enter into this country. I would want every vigilance taken to see to it that we get no diseased cattle. England has been using thousands and thousands of tons of Argentine beef and has not suffered from foot-and-mouth disease.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. ENGEL. Mr. Chairman, I yield the gentleman 5 minutes more.

Mr. GILLIE. That is perfectly right, that Britain should let this beef come in, because we are giving it to them under lend-lease purposes.

Mr. CELLER. And our soldiers are eating it in Northern Ireland.

Mr. GILLIE. That is all prepared and processed beef. I have no objection to that, but I do object to shipping into this country fresh beef from the Argentine.

Mr. CELLER. Would not the gentleman be willing to get beef where we could get it, free of disease, in view of the beef shortage, when war workers are compelled to do without any, when they need the strength that goes with meat for sustenance?

Mr. GILLIE. There is no scarcity of beef in this country. We have plenty of beef. If the Government will just turn loose some of this feed, we will have plenty of beef for our needs.

Mr. MURRAY of Wisconsin. Will the gentleman yield?

Mr. GILLIE. I yield to the distinguished gentleman from Wisconsin.

Mr. MURRAY of Wisconsin. I would like to call attention to the fact that as far as England is concerned it does not make any difference whether they get some more foot-and-mouth disease, because it has been there for many years, and they do not have the fear of it that we do in this country. That is the reason England has always bought it without any regard to the sanitary pact.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. GILLIE. I yield to my distinguished colleague from Indiana.

Mr. SPRINGER. I appreciate the statement which my distinguished colleague has been making. I want to ask this question: Throughout Argentina at this particular time is not this foot-and-mouth disease generally prevalent?

Mr. GILLIE. They have it in some form or other all over the world, with the exception of the United States and Canada. I think that is true in Australia also. The rest of the countries have it in some form or other, in more or less virulent form.

Mr. SPRINGER. And in shipping meat from Argentina to this country is it not possible to carry the virus of this dreaded disease?

Mr. GILLIE. Oh, I just hate to speak of that disease, because I could carry enough virus under my fingernail to set the whole United States afire with this dreadful disease.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. GILLIE. I yield to my distinguished friend from Nebraska.

Mr. STEFAN. The gentleman who is addressing the Committee now is an eminent veterinarian. He has worked many, many years among the farmers and on the farms where he has seen many herds wiped out with cholera and other diseases. May I ask the distinguished gentleman this question: In his opinion, is frozen meat from the localities where the foot-and-mouth disease is prevalent coming in here free of disease? In other words, will freezing the meat rid it of this disease?

Mr. GILLIE. Oh, freezing will not destroy that virus. Absolutely not.

Mr. STEFAN. It will not?

Mr. GILLIE. Absolutely not.

Mr. STEFAN. The gentleman from New York [Mr. CELLER] indicated that we have a shortage of meat in the United States. The gentleman from Indiana says that we have plenty of beef. I call the gentleman's attention to a story appearing in today's Washington Daily News, indicating that the butchers in Washington are about to scrap the points because they want to prevent the spoilage of meat. Housewives are objecting to giving practically all their points for just one choice cut of meat, and the meat is spoiling in the butcher shops. Better distribution would be a solution.

Mr. GILLIE. I will say to the gentleman from Nebraska I have been through two of these foot-and-mouth epidemics, and I do not want to see any more of them. They are terrible.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. GILLIE. I yield.

Mr. CELLER. There undoubtedly is a shortage of meat. We cannot get a pound of meat anywhere in New York, and that situation prevails in many industrial centers. As to the disease, I want to read briefly from a gentleman who has just returned as the representative of the Board of Economic Warfare:

> The Argentine Government during my last visit offered to place any American inspectors in their production districts, as well as in their slaughter houses and in the refrigerators where their beef is stored prior to shipment, so that there could be no question of any diseased beef reaching the United States, and in fact they would agree not to ship any beef from any district that had ever had foot-and-mouth disease existent in the district.

Mr. GILLIE. I have every reason to believe that your problem is a transportation problem in connection with your shortage of meat, similar to the oil problem, because we have got the cattle and we have got the beef in the country. All we need to do is to have the Government release the corn and wheat and oats from storage, thereby giving the livestock growers a chance to increase the weight of their animals 50 to 250 pounds.

Mr. CLEVENGER. Mr. Chairman, will the gentleman yield?

Mr. GILLIE. I yield.

Mr. CLEVENGER. I remember when we had under consideration the reciprocal trade agreement with Argentina, the gentleman who preceded me in testifying before the committee was the representative of the New York Argentine Chamber of Commerce. The same argument that the gentleman from New York [Mr. CELLER] is making today was made then. That was in 1939, when we had more meat than we could use. In fact, we were paying for less production of meat in this country, and the same argument was made by that witness who preceded me on the stand, arguing for the admission of this same Argentine beef at that time, because the price was low. Yet this Government was spending millions to cut down the production of meat that year.

Mr. GILLIE. I thank the gentleman for his contribution. I would like to say to the gentleman from New York that we cannot afford to take a chance on another of these disastrous outbreaks at a time like this when the American livestock industry is facing the most serious

challenge in its history. In the interests of preserving the cleanest and purest livestock in the world and of assuring our Army and our people an adequate supply of meat during this critical time, I assert it would be folly for us to remove the present safeguards against the importation of diseased cattle into this country.

Mr. CELLER. Will the gentleman yield for one more question?

Mr. GILLIE. I yield.

Mr. CELLER. If we could be assured that there would be no diseased cattle or diseased meat, would the gentleman be willing to let Argentine beef come in?

Mr. GILLIE. Oh, I certainly would; but, of course, we have made the investigations and we know that in a great many of the Provinces down there the foot-and-mouth disease does exist. Probably it is not in such virulent form in some sections as in others, but, nevertheless, it exists in many important livestock centers.

Consent was granted to insert a clipping from the Washington News of April 1, which my colleague from Nebraska discussed a few minutes ago:

OFFICE OF PRICE ADMINISTRATION SALES VALUE IS FLEXIBLE—BUTCHERS THREATEN TO SCRAP "POINTS" TO PREVENT SPOILAGE

As customers doled out coupons for hamburger and liver, butchers today found choicer heavy beef and lamb stocks in danger of spoiling because their high point allowances keep them on the counter.

George Castell, dealer at Eastern Market, said it was impossible to keep his heavy stock of choice beef longer than 10 days and that rather than let it spoil he would sell it without coupons. Other irate butchers agreed with him.

Office of Price Administration pointed out, in answer, that dealers faced with the possibility of having meat spoil may appeal to their ration boards for authority to lower coupon value on perishable stocks.

All butchers questioned said they are experiencing abnormally light sales. They attributed this to high point values and to last week end's preration buying spree.

BUYING CURED MEATS

Packing house officials said many retailers are stocking heavily in cured and smoked meats which are not perishable.

Restaurant men had their say on coupon values, too.

Under Office of Price Administration's meat ration system for restaurants the "snack public," which grabs a drug-store hamburger, gets the benefit of a much higher point allowance than the man who eats a full course dinner, spokesmen for the town's elite restaurants complained.

Office of Price Administration errs, they claim, in using number of customers as a base for rationing to restaurants. Under meals, drug stores and hamburger stands list toast and a milk shake, hamburger and coffee, they said, whereas a full-course dinner, classified also as a meal includes several courses of food.

MEATLESS DAYS OPPOSED

The Washington Restaurant Association, which says it represents 70 percent of the restaurant men in town, told the District Commissioners yesterday that it is strongly opposed to the meatless days program suggested by the Washington Hotel Association.

They would prefer, restaurant men told the Commissioners, to do their own stretching of meat allowances, which have been cut in some cases as much as 75 percent. Restaurant men pointed out that two meatless days a week would complicate already overtaxed delivery schedules and take left-overs, hash, and croquettes off the menu.

Arthur Harnett, hotel association secretary, said hotels might try a meatless day schedule of their own.

RELIEF IN SIGHT

For hospitals, hard hit by the point rationing system of processed foods, relief appeared to be in sight today as Office of Price Administration worked on amendments to Ration Order No. 5, which affects the distribution of canned and processed foods.

"It is hoped the amendments will at least have the effect of enabling local ration boards to make additional points available to hospitals," one hospital official said.

Hospital dietitians agreed that unless quick measures are taken they will not be able to supply patients with prescribed diets.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. ENGEL. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. MURRAY].

Mr. MURRAY of Wisconsin. Mr. Chairman, in further discussion of this food problem, which is beyond doubt a very serious one and partly due to maldistribution, I think everyone should be fair with each other. I think as far as the food interest of the gentleman from New York [Mr. CELLER] is concerned he should be commended for his interest. If any of us were a Representative from his city I am sure we would be as solicitous as he is about seeing that our people had something to eat and about getting it to them on a fair basis. So I think we must approach it in that way. But if I were able to do so I would like to emphasize what our good friend, the gentleman from Indiana [Mr. GILLIE], says, and that it is not a matter of tariff or tariff rates. You saw that last year. I would say to my colleague from New York that we removed all tariffs on fats and oils here one day by unanimous consent, right here in this House. So if there is any complaining against taking off tariffs, it would have been evidenced at that time. The question today is whether we are going to take the risk of bringing the foot-and-mouth disease into this country with all the dangers, all the ravages it will cause in years and years to come. I want to make a constructive suggestion to my good friend and tell him how we can get that meat.

Mr. CELLER. I should like to have it.

Mr. MURRAY of Wisconsin. In the first place, we have been on a beef-importing basis for 30 years. People do not realize that we have been on a beef-importing basis for 30 years. We imported in 1940 around 2½ to 3 pounds per capita, between 350,000,000 and 400,000,000 pounds converted to poundage basis from the live animals, and this is just a small percentage of the amount of beef produced in the United States. But when the war comes along and imports stop, the impact is pretty severe on the cities, especially those along the seacoast.

We consume about 55 pounds of beef per capita year after year. Maybe 2 or 3 pounds per capita consumption of imported beef does not amount to much in comparison to the 55, but there is a large part of our country, a large segment of our population, that never had access to any of the imported beef. The chances are that in the cities, probably in New York City, the per capita consumption of imported beef was much greater than 2½ or 3 pounds. So I can see one more reason why the beef situation should be aggravated in the city of New York.

As has been pointed out before we have in this country today the largest number of beef cattle we have ever had; we have the largest number of hogs we have ever had; we have the largest number of chickens and poultry. We can get along all right if we will just do two things. First of all we have got to get our line of thinking off of the basis that we are still called upon to control something. In other words we cannot run a control program and a production program at the same time and get maximum food produced. The next is food for livestock. We have a tremendous carry-over of wheat. There are 700,000,000 bushels of wheat today in this country and there are 675,000,000 bushels of it up in Canada. The effort should be to convert that wheat into meat. For example, there is no fear whatever in the minds of the people over the bread situation for they know they have all this wheat waiting to be used. The same situation could be obtained in regard to livestock and livestock products.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield.

Mr. CELLER. I should be happy to cooperate with the gentleman or anyone else like-minded to get some of that surplus wheat from Canada so we can increase the amount of fodder for cattle. I am anxious to get greater supplies of meat. That is my objective. I do not care where we get it so long as we can get it with safety and without danger of introducing the foot-and-mouth disease, whether we get it by increasing our meat imports; whether we get it by increasing the number and size and weight of our own cattle, fattening them on Canadian wheat, is immaterial. We must have more meat, now. We must have more meat, I repeat. There are food riots at this very moment in New York today.

Mr. MURRAY of Wisconsin. They should have been avoided.

Mr. CELLER. What are we going to do about it? I am trying to find a practical solution to a very pressing problem.

Mr. MURRAY of Wisconsin. I have been here 5 years serving with the gentleman. I know he is sincere and fair in his approach to all legislation. I am willing to cooperate with him in this constructive suggestion. I understand they have already made a start toward solving this problem, but I have not the time to go into it in detail. As to the tariff and duty, I am not going to insist on any duty if the need for food by our people is so urgent.

Up in Canada they have 675,000,000 bushels of wheat—the carry-over of 2 years. The price of their very best wheat is 81 cents a bushel in our money and their lower grades are down around 60 cents, or a cent a pound. There is not much of any duty on it, anyway, when

it comes in in the form of ground wheat. They could bring that in here and sell it as feed for livestock. I would not say that we should get our domestic stock pile down too much in this country because we cannot afford to have the people worry over their loaf of bread. We have ample feed, both in the United State and Canada; we are short of livestock and livestock production; and all that is involved is a matter of furnishing feed for fattening, growing, and adding weight to livestock. There are now 25,000,000 cows in this country. They only average 4,600 pounds of milk. Everybody knows who knows anything about the dairy business that by feeding them properly you can make them produce another thousand pounds of milk each a year. That would mean 25,000,000,000 pounds of milk—more than lend-lease and all these other agencies have asked for together. It is a matter of food.

Mr. CELLER. How are we going to do that? I want to get more meat to New York and elsewhere, where the shortage is greatest. I would like to follow the gentleman's lead in that regard.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ENGEL. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. MURRAY of Wisconsin. Mr. Chairman, I may say to the gentleman that our present meat shortage is largely the result of bad distribution rather than a matter of production. They will tell you all these stories, but remember we are producing more butter, which is a pretty good indication of what is happening in this country. We are producing from 2 to 7 percent more butter than we did a year ago. There is no reason why we cannot increase all food production if our forces are utilized.

Mr. CURTIS. I may say to the gentleman from New York that if you could get the O. P. A. to quit using injunctions against meat processors for minor violations of rulings and if they would use some other court action, if they think they have a violation of the act, they would get along better. When their rulings are violated or they think they are violated, they go in with an injunction and close up a packing plant, a slaughterhouse, a locker system, individual markets, small packers, and others and that has stopped the supply of meat.

Mr. MURRAY of Wisconsin. May I say once more that we are trying to run a control and a production program at the same time and you cannot run both of them at once.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ENGEL. Mr. Chairman, I yield 15 minutes to the gentleman from Oregon [Mr. ANGELL].

Mr. ANGELL. Mr. Chairman, I want to call the attention of the House to one item in H. R. 2346, now under consideration, a bill making appropriations for the fiscal year ending June 30, 1944, for civil functions administered by the War Department. The item to which I refer appears on page 9 of the bill and has to do with the Bonneville project in my district: For completing the construction of the hydroelectric power plant at Bonneville Dam, Columbia River, Oreg., as authorized by the acts approved August 30, 1935, and August 20, 1937, in the amount of $500,000.

Mr. Chairman, as is well known, the Bonneville Dam and two powerhouse foundations were originally started as Public Works Administration project No. 28 on September 30, 1933, under the direction and supervision of the Corps of United States Army engineers. In 1935 the Supreme Court rendered a decision in the so-called Parker Dam case, which held that proceedings for the construction of dam projects on navigable waters were not constitutional unless initiated by Congress. The start on Bonneville was made under an Executive allotment, and since the Parker Dam decision, Congress has controlled this project. Full and complete reports on the progress of the project have been reported to the Congress from time to time and it has been under continuous study since the passage of the River and Harbor Act of 1925—Public, 585, of the Sixty-eighth Congress. The soundness of the project has been established by the outstanding reports Nos. 308 and 103 made to the Congress by the Corps of Engineers and submitted to the Sixty-ninth and Seventy-third Congresses, respectively.

Actual operations have confirmed this initial judgment. The Executive allotment of 1933 embraced only two small units of 43,200 kilowatts each, or a total of 86,400 kilowatts, which is a relatively small amount of power when measured in terms of the light metal requirements of modern warfare. Congress has added 432,000 kilowatts of normal rated capacity, and the work has been so well done that the six machines now in operation have been running continuously—24 hours per day, 365 days per year—at an output capacity 16 percent above manufacturers' guaranties. This means that the last four machines which will be brought into production this year, together with other temporary adjustments, will make the output capacity of the plant over 600,000 kilowatts instead of the rated capacity of 518,000 kilowatts.

Those of us who urged the early completion of this project are gratified at the results achieved. Hydro plants cannot be built overnight. Japan as early as 1922 started preparation for this war when that Government surveyed potential hydro sites in the Japanese islands, Korea, and Manchukuo even before that territory was seized. Let us now see what these added cheap hydro kilowatts have and will do for the war effort.

Modern warfare has brought about a revision of thought applying to metal production. I covered this development in a speech on the floor in May 1940, in which I urged that the Government proceed immediately to expand such production. Unfortunately, the war agencies did not realize the importance of immediate action until valuable time had been lost. Congress was way in advance of the agencies in this particular when they passed the Thomas Mineral Act and the Congress early provided for additional hydro capacity. The blast-furnace, coal-powered metal period has been superseded by a new era of light metals, which are nothing more than frozen low-cost hydro power.

At the time the Congress first acted upon units Nos. 3 and 4 Bonneville generators, the light-metal production in the United States totaled slightly less than 350,000,000 pounds annually. Each kilowatt, running continuously for a year, will produce, in round numbers, 1,000 pounds of aluminum or magnesium. Light-metal capacity in this installation nearly doubled what existed in the United States when I addressed the House in May 1940. It also represents about one-third of the total light metals required for the presently projected war program. This light-metal-production capacity is well scattered so as to be free from any concentrated air attack. Where would our air program be today without the Columbia River power? I would like to go into this phase of the picture in more detail and cover actual developments, as I have given a great deal of study to the power-light-metal situation, but the military authorities desire to keep off the record at this time exact statistics as to actual production, plant capacity, and future needs.

The Bonneville plant is tied in electrically with the Grand Coulee plant, and they operate jointly in sending power to many industrial outlets. Grand Coulee has had three 120,000-kilowatt machines in operation; an additional 85,000-kilowatt generator has just started to operate; another of like size will go on the line next month and three 120,000 units will go into production by the end of the year. Congress has authorized three more large Grand Coulee machines, which have been temporarily halted by the W. P. B. Exclusive of these halted machines, the two Columbia plants will be turning out about 1,500,000 kilowatts by the end of the year. This is the largest pool of low-cost power on the American Continent. Nearly 100 percent of this energy is going into the war effort and will continue to be so used when the new machines come into production.

The equivalent of one of the Bonneville machines is going into shipbuilding. Nearly the output of another is going into chemical production in my own district. About 125,000 war workers in my district are engaged in plants where the power directly or indirectly comes from the Columbia River Federal pool. The equivalent of another unit is going into magnesium production, and still another equivalent unit is rolling aluminum sheets for the west-coast airplane factories. Military establishments, such as camps, airfields, air depots, and navy yards, are taking the equivalent output of another unit. In short, the major part of the war-power requirements of the Pacific Northwest are coming from the Federal plants. In addition to supplying numerous large industries directly from the Federal lines, the Bonneville administration is supplying deficiencies in both public and private systems feeding war plants on their lines.

I understand that still further requirements must be supplied from the Columbia River power plants. This will become more apparent as military oper-

ations open up more extensively in the Pacific. From what I know, it is apparent that the Pacific Northwest needs all the power that the Federal power plants can turn out, especially if the non-Columbia River hydro plants run into a dry year. The Columbia River plants are substantially prime producers in the driest years when they draw on Grand Coulee storage. I think that future events will show that the War Production Board has been short-sighted in deferring the last three Grand Coulee units.

Mr. Chairman, the $500,000 in this bill covers the completion of the last four units in the Bonneville plant and provides for preliminary and temporary measures to add to existing output. It will all be used now in war work, and when peace comes can add materially to the region's assets for solving the post-war problems.

I am sure this Committee appreciates the necessity of providing hydroelectric power and keeping the war industries in the Columbia River Basin in the vicinity of the Bonneville and Grand Coulee projects turning without stoppage. The importance of light metals for airplane production is so well known that it does not need emphasis. I trust that this appropriation of $500,000 to complete the Bonneville power plant will receive the approval of this Committee and of the Congress.

Mr. ENGEL. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, I feel obliged at this time to call attention to some of the efforts that the Bureau of Agricultural Economics of the O. P. A. are making to reduce the supply of needed agricultural production in this emergency. It seems that these "long hairs" have issued an order that seed potatoes may be sold only in packages of 50 pounds or more.

These people who have home gardens in small towns and small cities and out in the country, where they do not raise potatoes commercially, have been accustomed to buying 15 pounds of seed potatoes to plant what potatoes they may need for their own household use. The very thing that is the key and the root of the victory garden program is knocked in the head by these "long hairs" and their regulations.

The only thing for us to do is to see that the people back home realize that these people are to blame for the difficulties that our people are going to have in providing the necessary food for the country.

I may say that the "long hairs" who were primarily responsible for this item are a man named Merker in the Bureau of Agricultural Economics, Department of Agriculture; another man named Merritt Clark, of the O. P. A.; and another man by the name of Loen Holdt, in the O. P. A. They have taken an arbitrary attitude, and it is perfectly evident that they either do not understand what they are doing or they are totally incompetent to fill the positions that they have undertaken. The sooner the House of Representatives cuts the appropriation for that type of activity in the Government, which is interfering with everything we need for the war, the better off the country will be.

Mr. ENGEL. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. BENDER].

Mr. BENDER. Mr. Chairman, it is a great tribute to Gov. John W. Bricker, of Ohio, that his opponents have begun a campaign of vilification against him more than a year before the Republican National Convention must convene to consider its nominee for the Presidency. Such an effort demonstrates to the entire Nation that the Governor of Ohio is the outstanding man in the field.

Nothing can be more amusing to Governor Bricker's friends than the attempt to classify him as the relic of a bygone political generation. The plain fact is that no man could be elected Governor of Ohio for three consecutive terms without a solid demonstration of his abilities.

The State of Ohio is a splendid miniature of the entire country. It has huge industries and thousands of farms. There is no overwhelming preponderance of either, and the problems of agriculture, the problems of large industry, the problems of small business, and the problems of labor are the problems of Ohio.

Governor Bricker has proven himself a skillful, progressive, intelligent administrator. Ohio under Bricker has one of the most liberal unemployment compensation statutes in the Nation. It has a treasury balance achieved by honest supervision of public spending. It has achieved a position of fiscal strength unparalleled in recent Ohio records without levying a penny of new taxes since Bricker came to the governorship.

Governor Bricker will not be denied by Republicans searching with millions of Democrats for a way out of the wilderness of bureaucracy and buncombe. He will not be denied by those who look forward to the day when government surrenders once more to the people the powers it has seized.

An editorial in a recent issue of my home town paper, the Cleveland News, very properly and effectively made reply to our Kansas friend. I will read the article:

NOT JUST "ANOTHER HARDING"

The in-fighting over the Republican Presidential prospects for 1944 has resulted in circulation of a crack imputed to Alice Longworth that Governor Bricker strikes her as something of "an honest Harding."

This stands unverified by Mrs. Longworth, who probably is too decent a person to toss such an unqualified aspersion in the direction of a personally honest and certainly well-intentioned President, now dead, whose only fault, according to history, was that he was not rough enough with certain fraudulent friends. But you can expect a good many such jabs from parties who do not wish to see Governor Bricker nominated in 1944. It is open season from here on.

Like Warren Harding, John Bricker is unostentatious, worked his own way up, is fond of plain people, and sentimental about his home State. Like Harding, the Governor has a hatred of bureaucracy gone wild, and on perfectly just grounds.

There the resemblance about ends. Warren Harding, in his pre-Presidential years, never came close to the authoritative record that Governor Bricker can present to the American people. Harding dabbled in State politics and retired, disgusted, to the pleasant editorship of a good newspaper. He was twice cajoled into giving up the life he liked best: First in 1914, when he captured the first direct primary this State had for United States Senator, and almost by default. Friends later revealed he took it on because of an appeal to help out a badly riddled party.

He had one term in the Senate which he made inconspicuous by personal choice. He made friends of everyone in the Senate by being noncommittal and unobtrusive about himself and his principles. He voted straight on party measures, took a very long time making up his mind about the 1919 League of Nations issue, and never ballyhooed his stand on it; his best service was helping waterways legislation which helped the commerce of the Great Lakes.

He patently did not want to be President; he was nominated by a cabal of Senate friends because they liked him and were certain he would never grow to feel bigger than they. Up to that moment, he had made a most humble run for the party nomination. He had wanted merely the endorsement of his own State and a rival insisted on butting into it. He could not very easily avoid fighting thereafter.

That is the Harding record, barring early service in the Ohio Legislature. Place against that the multitude of good jobs done for Ohio by John Bricker, from the day he became a member of the State Utilities Board and first voiced the legitimate aspirations of the people in utilities cases.

As attorney general, Bricker gave the State the first sensible administration of utility laws and procedures and he set a mark for the legal standards of the principal law office of the State.

As Governor he pulled the State government out of a fearful deficit and gave Ohio a standard of public office performance that encouraged and shamed our city governments into better practices. He quietly purged the State pay rolls of tax-wasting incompetents by the hundreds; look about you for another large State where as good a job has been done for sensible and orderly administration at the lowest cost. He took liquor out of politics by the cleanest State store operation in the United States, under a nonpolitical manager. He has brought common sense and common honesty back into State government.

Warren Harding did none of these things. To liken him to Bricker is not hard on either man, but it leaves unaccounted for a big collection of the Bricker facts, on which his claims to further leadership and responsibilities will importantly rest.

Mr. CURTIS. Will the gentleman yield?

Mr. BENDER. I yield to the gentleman from Nebraska.

Mr. CURTIS. When Governor Bricker came out to Nebraska to address us on Founders' Day the people out there were very well pleased with him as a potential President and it was unanimously decided that should he come to Nebraska and select a Vice Presidential candidate everything would be all right.

Mr. BENDER. I thank the gentleman.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SNYDER. Mr. Chairman, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. BRADLEY].

Mr. BRADLEY of Pennsylvania. Mr. Chairman, all too frequently there are those who use every opportunity, more often than not without justification, to attack labor and who magnify every little incident which might occur in an effort to smear labor and who are loath to give any acknowledgment to organized labor for the truly great results which have been achieved in American industrial production. Likewise, too often, they deliberately ignore the part which organized labor plays in civic and patriotic endeavors. For this reason I think it is highly proper for me to direct the attention of the House to a recent magnificent accomplishment of organized labor in my home city of Philadelphia. All units of organized labor united in a joint committee to conduct a drive solely among their own members for contributions to the united war chest. Under the chairmanship of Mr. James L. McDevitt, president of the Pennsylvania State Federation of Labor, assisted by Mr. John Phillips, president of the C. I. O. in Pennsylvania, and Mr. James Casey, representing the railroad brotherhoods, the united labor committee raised in the city of Philadelphia the sum of $1,004,205 as a contribution to the various organizations supervising welfare work for members of our armed forces. Of this amount the members of the American Federation af Labor gave $514,705; the C. I. O. units, $475,958; and the brotherhoods, $13,542.

Following is an itemization of the amounts from the various units:

American Federation of Labor—Allied Printing Trades, $8,349.

Bakery Joint Council, $17,591.

Building Trades' Council, $77,699.

Cap, Hat, and Millinery Workers, $12,873.

Federal labor unions, $85,493.

Government employees' units, $76,249.

International Ladies' Garment Workers, $41,085.

Machinists' District Council, $3,756.

Paper Workers' Council, $6,021.

Teamsters' Joint Council, $121,109.

United Garment Workers' locals, $8,170.

Other A. F. of L. locals, $57,955.

C. I. O. Councils' contributions were as follows:

Amalgamated Clothing Workers, $50,900.

Furniture workers, $4,001.

Full-fashioned hosiery workers, $14,802.

Industrial Union Marine and Shipbuilding Workers, $21,300.

Retail, Wholesale, and Dental Service Employees, $6,037.

United Steel Workers, $75,865.

United Electrical Radio and Machine Workers, $188,466.

United Federal Workers, $44,687.

United Auto Workers, $33,068.

United Bag Workers, $10,629.

United Distillery Workers, $3,318.

Other C. I. O. locals, $20,402.

I think the House will agree with me that these leaders of organized labor in Philadelphia, together with their associate executives in the various locals, have rendered a fine and patriotic service to our community and to the Nation, and that they and the members of their organizations merit the appreciation and the gratitude of our citizens. We in Pennsylvania have always been proud of the fine type of leaders that organized labor has had in our State and of the many unselfish things which have been inspired by that leadership, and such accomplishments as this justify the pride we have in them and the confidence we have in the patriotism of the rank and file of organized labor's members, whose sons form no small part of the military forces of our country.

Mr. ENGEL. Mr. Chairman, I yield 15 minutes to the gentleman from Michigan [Mr. SHAFER].

Mr. SHAFER. Mr. Chairman, many of us have been concerned for some time over the fact that ineptness, shortsightedness, and faulty administration have led to a disruption of the supply of foodstuffs to our civilian population.

We are even more dismayed now to find that perpetuation of the evils which have brought about shortages among our citizens threaten, in the not too distant future, to confront our armed forces with the same condition.

We may as well face the fact with realism that when production of food and its distribution become so maladjusted that the greatest food-producing nation in the world cannot properly feed its people then the time is not far off when our far-flung servicemen will suffer from the same failure of production and distribution.

I realize, Mr. Chairman, that anyone who suggests that the faults which have brought us to our present pass might have been avoided or overcome is branded either as being "complacent" or unwilling to make "sacrifices." All efforts to discuss the conditions as they really exist and to strip them of the fantasy with which some like to surround them bring down personal attacks and personal diatribes.

Nevertheless, though some of us might be reluctant to insist that there is no earthly reason why this Nation cannot feed itself, I take it there is no reluctance on the part of any of us to insist upon a reformation when we consider that we may be unable to keep our armed forces properly supplied with food.

Within the last few days the Chief Executive has appointed a food distribution and production administrator. Presumably this Administrator is to solve the ills to which we are now subjected. But it should be noted that he remains officially subordinated to the Secretary of Agriculture who cannot be entirely blameless for the situation as it exists.

And it should be further noted that the first remark of the new Administrator upon his appointment was that it would have been a good thing if an Administrator had been appointed 2 years ago.

I do not know whether or not Mr. Davis is a miracle worker. It will take at least that caliber of man to wipe out the disastrous confusion into which we have been led. It will take at least that caliber of man to avoid visiting upon the armed services the privations into which the civil population has been unnecessarily plunged.

It will take at least a miracle worker to save the farms, farmers, distributors, and merchants who are paying with abandoned fields and closed shops for the field day which the fairy-tale tellers and theorists of Washington have been having.

Mr. Chairman, when the price-control bill was brought upon this floor before we entered the war some of us voted against it. We held the view that the measure gave too much leeway for log-rolling, left open too much space through which pressure groups could drive the wagon loaded with the explosives which would blow the anti-inflation program to bits.

Mr. Chairman, out of that legislation has come an unworking and unworkable monstrosity which is stifling production, particularly of food, maiming distribution, and causing widespread chaos and disruption to our economic processes.

By inequitable and clashing and only partially working price controls we have created inequitable and clashing shortages in almost every item of civil and military supply. And then we have proceeded to spread those shortages by inequitable and clashing rationing schemes.

Then, in a vain effort to make the half-baked rationing schemes have some appearance of equity, we are going back and imposing more inequitable and unworkable price controls.

Almost every order on either price controls or rationing has had to be modified, changed, or repealed within a few days after it has become operative. And this because whoever imposed the scheme in the first place failed to think through on the intricate operation which he was undertaking. Our theorists going blithely along on their spread-the-scarcity schemes have thought that they could, by flat repeal all of nature's laws and by decree, reverse all natural business processes.

Their chickens are coming home to roost. They are one of the few things still unrationed.

But Army supply officers in various parts of the country are reporting that they cannot buy supplies of meat for their camps, any more than the housewife can buy supplies of meat for her home. Farmers in some sections of our country are delaying or abandoning planting crops which ordinarily go into canning, because they do not see a chance of getting a price that will pay for the harvest. They doubt, too, that with the present rationing system on canned goods they will find a market, buying being curtailed below a reasonable level.

Mr. Chairman, I realize well the difficulties which Government officials face in carrying out the complicated efforts which are being made to make every move of every citizen fit a pattern prescribed by a central government. The scheme was rapidly proving unworkable in peacetime. It is demonstrably so in wartime.

The appointment of a food administrator is not enough. The only way that it could be made enough would be to eliminate completely the complex maze of regulations, orders, edicts, and decrees under which our economy is bogging down.

If these were eliminated and new and thoroughly experienced and qualified administrators were put in charge, with proper authority, we might be able to untangle the mess in which we find ourselves. But merely to appoint an administrator, to hamper him with an untenably subordinate position, and to base his authority only upon a vague Executive order, will not reduce to order the chaos which already exists.

If you doubt that the present scheme is chaotic, ponder on the fact that people are throwing in the alleys and gutters of Washington food which is given them by the Government as surplus while other citizens look vainly for the same foods on the shelves of our stores.

And in the face of that we have officials admitting that the purpose of giving away the food was not to feed the jobless, but simply to get the food off the market.

Was ever such a spectacle of lack of coordination presented by a government?

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. SHAFER. I yield to the gentleman from Pennsylvania.

Mr. GROSS. Does the gentleman know that the headlines in the papers today state that meats are spoiling on the markets all over the country?

Mr. SHAFER. That is true. I am going to touch on that point. Not only that, I understand that the food-distribution administration is about to release to the people of this country more than 14,000,000 cases of canned foods. If we have that surplus of canned foods, how many tons of surplus meat do we have?

Mr. GROSS. Exactly; if the Government would give us information as to the supply on hand, maybe the food situation would not appear so serious, and we could know where we are. What we need is common honesty in government to establish confidence.

Mr. SHAFER. And a little common sense.

Mr. GROSS. Right.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. SHAFER. I yield to the gentleman from Nebraska.

Mr. STEFAN. I understood the gentleman to say that 14,000,000 cases of canned foods are being released by the Surplus Commodities Corporation.

Mr. SHAFER. I understand they will soon be released.

Mr. STEFAN. Is not that really condensed milk rather than food?

Mr. SHAFER. No doubt there is condensed milk in it, but I am told there is also considerable canned food. Most of it is canned food, in fact. My information was obtained from a reliable source.

Mr. STEFAN. It is my understanding that most of it is condensed milk, for the reason that the Lend-Lease Administration is asking for powdered milk, and is releasing the condensed milk it acquired before.

Mr. SHAFER. Try to buy any canned milk in the stores today. You will need plenty of coupons.

Mr. STEFAN. There is food in that, is there?

Mr. SHAFER. Certainly; there is plenty of food in that.

Mr. STEFAN. Will the gentleman tell us whether this includes meats or beans or other kinds of food? Is there meat in it?

Mr. SHAFER. I said canned food; I do not know. But the point is, if we have that amount that can be released, certainly we should find out how much meat we have on hand and how much of this rationing program is necessary.

Mr. STEFAN. Certainly, the gentleman is right; we ought to know that. The trouble is, there is a lack of distribution.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. SHAFER. I refuse to yield further, Mr. Chairman.

It is time, Mr. Chairman, that the people of this country understood the reasons for the shortages in meats and farm products.

These food products are not scarce because of shipments abroad to help our allies or to feed our armed forces overseas. They are short, and some of them even unavailable in our markets, because of an absurd tampering with the chain of production and distribution. They are short because we have failed to put into effect the only kind of price control which could, at the same time, prevent inflation and preserve our productive capacity.

Such a proposal for control was offered the Nation in the form of the Gore amendment, which I voted for, but which was defeated by the administration. And when the existing one was put into effect, it stopped just short of being capable of meeting the situation.

The Office of War Information issued a statement the other day revealing with great show of concern that the Nazi Government was preparing to wipe out the middle-class businessman and merchant of Germany. The O. W. I. might well have looked into what we are doing right here at home along that line.

We are wiping out business enterprise and we are wiping out farm enterprise, particularly in the middle class and smaller brackets.

Let me cite you a few instances that have come to me in my mail in the last few days. These instances could be multiplied by scores from my own mail and, I dare say, by thousands from the mail of my colleagues.

Here is a letter from the Kalamazoo Paraffine Co. which, during 1942, supplied 1,500,000 pounds of refined paraffin waxes to the armed services. I quote from the letter:

> In the year 1941 we operated under the open market and our financial report shows a profit of $56,823.23 whereas, in the year 1942 we operated under the Office of Price Administration ceiling prices and our report shows a loss of $13,421.82. However, the volume in pounds put through and the dollars are practically the same. * * *
>
> Kindly see what can be done for us. We are still financially strong and operating full capacity and hope to continue for the duration. But, under present conditions, there will come a time when we will have to discontinue operations if the war continues for another 3 or 4 years.

These folks are not complaining about being forced to operate at a loss. But they are wondering how long they can keep it up. And I wonder too.

Then I have here a letter from the Peter Pan Bakeries, Inc., of Kalamazoo, in which Mr. E. L. Schafer discusses generally the situation of the smaller baker. Let me quote from the letter written by Mr. Schafer to the O. P. A.:

> The small and average baker is in a tough spot due to the stand taken by Office of Price Administration on price ceilings with no consideration for our cost factors.
>
> As I previously stated, bread prices are exactly the same as they were 3 years ago, while ingredient costs as shown by the recent Office of Price Administration report now in your files prove that we have had all the way from 10 percent to 100 percent increase in cost, and from 25 percent to 50 percent increase in labor costs. * * *
>
> Mr. Galbreath and Mr. Hoffman, professors both, have expressed themselves to the effect that they are not concerned by keeping small business, or keeping the small operator in business. That if the mortality rate was high that economically the country would be better off. A sentiment with which we all heartily disagree.
>
> They also stated that due to bakery order No. 1 that went into effect January 18, which included no stale returns and no slicing, that the savings would make it unnecessary for us to raise prices and now because of their muddling, slicing of bread is again in effect, with the added cost of slicing and other handicaps that go with it.

I have an outline of how the squeeze is being put on the baker. It is roughly approximate to the method of squeezing countless other businesses, differing only in particular business details, and I think it should be placed here that all may study it.

First. The baker's prices were frozen as of March 1942, but most of his costs were left completely uncontrolled.

Second. The then Administrator said of O. M. P. R.:

> Every producer whose prices are stabilized is assured that his costs, which are based upon the stabilized prices of others, will not rise.

This was not true as to the baker—almost all of his costs being wages and agricultural products.

Third. The baker's costs were allowed to rise until October 1942, and no price relief whatever was given. As to white bread, for example, Mr. Byrnes estimated the increase at one-half cent per pound.

Fourth. In October 1942, ceilings were placed on wages, flour, and other bakery ingredients at existing levels, and still the baker was given no price relief.

Fifth. There were 6 percent fewer bakeries at the end of 1942 than at the beginning, and the mortality rate was increasing rapidly, particularly among the smaller bakers.

Sixth. In January 1943 ceiling prices for flour were increased by an average of 10 percent, and still no price relief for the baker.

Seventh. In raising flour prices O. P. A. said no increase in bread prices should be necessary, because it was estimated that savings under food distribution order 1—covering bread and rolls—would completely offset the flour increases. The American Bakers Association pointed out that this was an unwarranted assumption for many reasons shown; further, that price relief was badly needed even before this.

Eighth. The 20,000 neighborhood retail bakers got little saving from food distribution order 1 on bread because they do not sell on consignment, wrap in waxed paper, use inserts, and so forth.

Ninth. Most wholesale bakers got little saving because one principal saving expected was light waxed paper to be used with unsliced bread, and the expected paper order never was issued. As to cost savings, order 1 therefore was largely a delusion.

Tenth. The principal saving that did develop came from a debasement of the staff of life, because, as a last desperate resort to forestall a price increase, the drafters of order 1 required bakers to reduce the milk, shortening, and sugar in white bread, seriously impairing its nutrition and acceptability.

Eleventh. In February 1943 maximum price regulation 319 allowed bakers to reflect increased ingredient and packaging material costs—but not increased wage rates and other costs—on pie, cake, doughnuts, and sweet goods but not on bread, rolls, and other products.

Twelfth. The press release on regulation 319 said it would especially help the retail baker because only 20 percent of his business was bread, but the Associated Retail Bakers of America challenged this figure and asked why they should be expected to sell bread at a loss because of incomplete relief on some other products.

Thirteenth. Today bakers are paying March 1943 bread costs and selling bread at March 1942 prices.

Fourteenth. The previous failure to control costs should now be corrected by allowing every baker to adjust maximum prices by the difference between costs now and in March 1942, when his prices were frozen—total increases of less than 1 cent per unit of product to be adjusted by weight increase to make the even 1 cent—and henceforth both prices and costs should be held firm for the duration.

Fifteenth. The favorable showing of a few large companies for 1942 as against 1941, due to their size, forward buying, and higher prices they receive in some markets for their bread, and so forth, should not becloud the issue. Their earnings still were only fair or low, and they are not the industry. The industry is 30,000 small businesses, and their situation is the problem. Even if earnings of the few large companies became large because of general price relief, taxes, not price control, are the answer, as Administrator Brown has indicated.

Sixteenth. With bread production in peril, and bread quality impaired, it is a sad commentary that O. P. A. is devoting its attention instead to a price adjustment for bread crumbs.

Let me cite now a typical example of how the operations of the "office of price muddling" has directly affected two pure farm products—onions and potatoes—and I quote from a letter to O. P. A. from Howard P. Dunlap, president of the United Statistical Onion Association:

> Today we have a shortage of onions and potatoes as well as other vegetables. This is accountable to rationing of canned foods which automatically increased the demand for fresh vegetables. Dehydration and lease-lend purchases depleted the supply that normally would have gone for civilian consumption. Ceiling price regulations prevented the normal rise of prices that occur under the usual supply and demand set-up; which curtails consumptions and prolongs the supplies of commodities where reports of country holdings indicate a shortage developing. The growers and shippers who have acquiesced to Office of Price Administration rulings are plenty sore at the muddle we are in. A black market has developed and "bootlegging" of onions and potatoes is prevalent all over the country. * * * The legitimate operators are being put out of business by the bootleggers and growers with no price ceiling are eager to take advantage of the extra profit.

Out in my district, Mr. Chairman, we have, every day, advertisement after advertisement of farms up for auction. That is evidence that we are going bad at the grass roots. It is clear indication to me that we are going to have to straighten out this muddle and straighten it in a hurry.

The farmers in my area write me that they are not interested in "inducements" from the Government, which they call charity. What they want is a reasonable price for the products of their labor and their soil.

Let me quote from a letter from Ora Frantz, a real dirt farmer of Sunfield, Mich., telling of "sales so fast the auctioneers can't keep up:"

> They are stripped of help, tools, all that. And one of the sorest spots is that Michigan is asked to raise beans as a No. 1 war food—our county, just for an instance, should increase the acreage from 23,000 acres last year to 24,000 acres this—but the ceiling is so low they won't take the risk—don't want incentive payments. They are mad and disgusted. Wonder why they can't have a war price for a strictly war food, as the manufacturer has a war price for a plane, tank, and so forth, and by the way, the war worker gets plenty, too, with hours one-half less than the farmer.

Mr. Chairman, these things mean to me that we must have a complete overhauling—of our administrators, of our regulations and of our intent. Let us have it now and get on with this war in the American way.

Mr. BREHM. Mr. Chairman, will the gentleman yield?

Mr. SHAFER. I yield to the gentleman from Ohio.

Mr. BREHM. I enjoyed the gentleman's talk immensely. The gentleman said in the beginning that some of this confusion was caused by their not having thought their program through.

Mr. SHAFER. That is correct.

Mr. BREHM. I disagree with that statement. I think they have deliberately thought it through. It is a planned program to get us into the very confusion in which we now are.

Mr. SHAFER. The gentleman is speaking of an entirely different program than I. I agree with him 100 percent. I have stated so many times on the floor of this House. There is a planned program to socialize America under the war effort. No question about it, and the new dealers never neglect an opportunity to further that program.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. STARNES of Alabama. Mr. Chairman, we have no other requests for time on this side.

Mr. ENGEL. Nor have we on this side.

The CHAIRMAN. There being no further general debate, the Clerk will read.

The Clerk read as follows:

> Flood control, Sacramento River, Calif.: For prosecuting work of flood control, Sacramento River, Calif., in accordance with the provisions of acts approved March 1, 1917, May 15, 1928, and August 26, 1937, as modified by the act of August 18, 1941 (33 U. S. C. 703, 704; 50 Stat. 849; 55 Stat. 638–651), $2,300,000, and, in addition, $500,000 is hereby reappropriated of the unobligated balance on June 30, 1943, of the appropriation "Maintenance and improvement of existing river and harbor works."

Mr. STEWART. Mr. Chairman, I offer the following amendment which I send to the desk and ask to have read.

The Clerk read as follows:

> Amendment by Mr. STEWART: On page 9, line 20, insert:
>
> "It is declared the purpose of the United States to reimburse annually each unit of government within the inundated area of the Denison, Tex., Reservoir, authorized by the act approved June 28, 1938 (52 Stat. 1215), to the extent of paying a just proportion of the bonded indebtedness of such units of government, to be determined by the proportion of land and other property taken for such reservoir and the land and other property of such units not taken: *Provided further*, That there is hereby allocated and directed to be paid to the States of Oklahoma and Texas, 25 percent of the net amount of all funds received from the sale of electric energy from any hydroelectric power features of said project, the term 'net amount' shall mean the difference between the gross amount received and the actual annual expense of operating the hydroelectric power features of said project. The funds so allocated and directed to be paid to the States of Texas and Oklahoma, shall as between such States be divided in the proportion of the acreage of land actually taken in each State and be used by such States to reimburse the units of government in each of said States for the loss of tax revenue from property taken for such reservoir."

Mr. STARNES of Alabama. Mr. Chairman, I make the point of order that this amendment is legislation on an appropriation bill and is subject to a point of order. I should be very glad to reserve the point of order if the gentleman from Oklahoma desires to be heard. Mr. Chairman, I reserve the point of order.

Mr. STEWART. Mr. Chairman, this amendment is offered to place a limitation upon the revenues from the Denison Dam project, a project on the Red River, between Oklahoma and Texas. A large percentage of the area of this proj-

ect is on Oklahoma land. These lands are very fertile, and aside from that, they have on them some 80 oil wells. They have been carrying on government since 1907. Subdivisions of Government are heavily bonded, and many complete subdivisions, such as school districts, will be inundated in the middle of a Government project. Surely the Government of the United States does not want to repudiate the bonded indebtedness of the State of Oklahoma, and surely the State of Texas does not feel that it is right to enjoy all of the privileges of this great project, when the water is upon Oklahoma land. Under the holdings of the Supreme Court the boundary between Oklahoma and Texas is the south bank of the Red River. We finally had to go to the Supreme Court to find just where the lines were. Further, this land has been purchased and bargained very cheaply. Under the theory of acquisition as practiced by our Government in this case appraisers were appointed, and home owners were induced to sell their properties at less than the appraised value and far below the actual value upon the promise that they would be paid in 6 months, or some short time, when in fact, the abstract of title would not have been ordered for a period of 6 months in some cases. Then, because some little irregularity in the chain of title that an affidavit would cure would compel a delay of 2 years in the land owner receiving the purchase price of his home. The attorneys representing the Government, the War Department, or the Department of Justice, would go into the Federal courts and bring a suit to quiet title, and not giving the landowner notice or a chance to make the simple perfection of an affidavit, many of these people will be ejected from the premises and they have nothing else to look to other than what they have or might receive from this land, the savings of a lifetime, with which to buy a home, and they will be without a home for a year and perhaps longer.

It was never the intention of the lawmakers in Congress or of the lawmakers of Oklahoma or Texas or any other State in the Union to burden its citizenship in this respect, and I appeal to you to do justice to a group of people who have no other branch of government to go to who has any jurisdiction over this wrong.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. STEWART. Yes.

Mr. MAY. There is an outstanding, glaring, permanent example in the action of Congress in the case of the Tennessee Valley Authority, where nearly all of the counties in Tennessee have been practically exterminated, school districts destroyed, local governments completely suspended in some cases, and then Congress, or a previous session of the Congress, had to pass legislation under pressure, to which a lot of us agreed, notwithstanding we were against it, in order to maintain civil and social government all over the State of Tennessee. That is what happens wherever you establish one of these Utopian enterprises and take over land for one of these reservoirs, in a hydroelectric enterprise.

Mr. STEWART. That is the very thing that is happening in Marshall County, Okla., and many school districts in Bryan, Marshall, and Love Counties.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. STEWART. Mr. Chairman, I ask unanimous consent to proceed for 5 minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MAY. That was true as to nearly all of the counties in the State of Tennessee, more than 60 out of a little over 100.

Mr. STEWART. I thank the gentleman for his contribution. The statement of the gentleman from Kentucky in respect to what happened in Tennessee helps to explain the situation in my district in Oklahoma. This Government cannot afford and Congress cannot sanction taking property away from the people of a State and be responsible for a county or school district in repudiating their otherwise gilt-edge bonds. Let me give you a concrete case. I believe the name of this particular man is Bob Thompson, a half-blood Choctaw Indian, who has been very industrious, a cattleman who owns his own allotment of 320 acres of land in the fertile Washita Valley. The Government went down and appraised it at a low figure. However, he is a restricted Choctaw Indian, and Mr. Ickes, or Mr. John Collier, had to approve of the transaction. The United States Government acquired title to this land for the purpose of inundating it, and Mr. Thompson cannot go out and buy himself another tract of land of his own choosing without the approval of the Bureau of Indian Affairs, who will have the final word as to the investment of the proceeds from the sale of his home, notwithstanding the fact that he owns about 300 head of cattle and is able in his own right, from personal property and money he acquired by his own industry, to buy another farm. I appreciate that one of these days this Congress is going to correct these matters and it would be good to set a precedent now, regardless of whether this amendment may be subject to the point of order raised against it.

I want to make a statement now that when any kind of a bill is presented to this Congress affecting this dam or the creation of the authority, I am going to do my level best to see that Oklahoma homeowners and subdivisions of government and the credit of the fair State of Oklahoma are protected. Oklahoma is a State of oil, a State of coal, a State of grain. Oklahoma is one of the large taxpayers of the 48 States that helps provide the fabulous sums of money that we expend here. It is seldom you ever read any glaring headlines from Oklahoma, but Oklahoma's taxes are paid into the national till to take care of this Government; and a great many other States do not pay as much taxes. We have oil and grain and coal. The Baruch committee was appointed. They drew up a synthetic-rubber program. The vital things were coal, oil, and grain. Oklahoma has all these materials in abundance, but Texas got 11; I do not know how many Louisiana got, but out of 17 Oklahoma did not get a single plant. They are building a pipe line of 20 or 24 inches from Texas, running through Arkansas, yet missing the largest producing State outside of Texas in the Southwest in oil production to take care of the east part of the United States oil and gas needs.

Mr. STARNES of Alabama. Mr. Chairman, the committee is appreciative of the deep interest of the gentleman in the welfare of his State and his people, but his remedy lies in an appeal to a legislative committee. So the committee must insist upon the point of order.

The CHAIRMAN (Mr. THOMASON). The Chair believes the amendment is legislation on an appropriation and, therefore, sustains the point of order.

The Clerk concluded the reading of the bill.

Mr. STARNES of Alabama. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. THOMASON, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration the bill H. R. 2346, and directed him to report the same back to the House with the recommendation that the bill do pass.

Mr. STARNES of Alabama. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. SHORT. Mr. Speaker, I ask unanimous consent to extend my remarks, first, to insert in the RECORD a poem, I Am Music, by Milton Bacon; and, second, that I may extend my remarks and include the citation awarding the Distinguished Flying Cross to Lt. William I. Martin.

The SPEAKER. Is there objection?

There was no objection.

SELECTIVE-SERVICE DEFERMENT ON OCCUPATIONAL GROUNDS OF FEDERAL EMPLOYEES

Mr. MAY. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 886) relating to the selective-service deferment, on occupational grounds, of persons employed by the Federal Government.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. ANDREWS. Mr. Speaker, reserving the right to object, will the gentleman make a brief statement with reference to this bill?

Mr. MAY. Mr. Speaker, this bill is enacted pursuant to and in order to comply with a section of the Selective Service and Training Act which provides for the deferment of men from the armed forces in groups or classes.

The President on March 6, 1943, entered an Executive order with reference to the executive departments of the Government. This bill merely carries the provisions of that Executive order over to the legislative and judicial departments of the Government by authorizing the appointment by the Vice President as Presiding Officer of the United States Senate, three Members of the Senate, and by authorizing the Speaker of the House of Representatives to appoint three Members of the House to act in each body on behalf of the employees of the respective Houses of Congress in all matters pertaining to deferment from military service or any other matters arising in connection with their rights under the Selective Service System. It also applies to the judicial department and authorizes the Chief Justice of the Supreme Court to make a like appointment for the same purpose.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That (a) in the classification, reclassification, or deferment, under section 5 (c) (2) or section 5 (e) of the Selective Training and Service Act of 1940, as amended, of persons employed in or under the Federal Government, no consideration shall be given to the fact that any such person is so employed, unless a request for the deferment of such person shall have been made (1) in accordance with the provisions of Executive order No. 9309, dated March 6, 1943, in the case of persons employed in the executive branch of the Government, or (2) in accordance with the provisions of subsection (b) of this section in the case of persons employed in the judicial or legislative branches of the Government.

(b) There is hereby established (1) a committee in the judicial branch of the Government to consist of such persons in the judicial branch of the Government as may be appointed to such committee by the Chief Justice of the United States, and (2) a committee in the legislative branch of the Government to consist of three Members of the Senate, to be appointed by the President of the Senate, and three Members of the House of Representatives to be appointed by the Speaker of the House. The committees established under this subsection shall have powers and duties with respect to officers and employees in their respective branches of the Government corresponding to the powers and duties of the committees established pursuant to Executive order No. 9309, and shall make all requests for selective-service occupational deferment of officers or employees in their respective branches of the Government; and no request for the occupational deferment of any such officer or employee shall be considered by any local board unless it has been made by one of such committees. In exercising their functions under this section such committees shall, as far as practicable, follow the procedures and standards set forth in such Executive order No. 9309; and the provisions of such Executive order, insofar as they are not inconsistent with this subsection, shall be deemed to apply with respect to persons employed in the judicial and legislative branches of the Government, except that this section shall not be deemed to confer upon the Chairman of the War Manpower Commission or the Review Committee on Deferment of Government Employees any jurisdiction with respect to such persons.

(c) Beginning 60 days after the date of enactment of this act, the Director of Selective Service shall make monthly reports to the Congress showing, as nearly currently as is practicable, the names and positions of the persons who have been deferred or placed in any class or subdivision of a class under such sections 5 (c) (2) or 5 (e) because of their employment in or under the Federal Government, and showing whether or not requests for the deferment of such persons have been made in accordance with such Executive order or subsection (b) of this section; and such Director shall obtain from the selective-service local boards, and from the several departments and agencies of the Federal Government, such information as may be necessary for this purpose.

(d) For the purposes of this section and Executive order No. 9309, the Government Printing Office and the Library of Congress shall each be deemed to be an agency in the executive branch of the Government.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. WICKERSHAM. Mr. Speaker, I ask unanimous consent that the gentleman from Rhode Island [Mr. FOGARTY] may have permission to extend his own remarks in the RECORD and to include therein several letters written by the local Dairymen's Association of Rhode Island to the State's milk consumers and also an item of news published in the Providence Evening Bulletin of March 24 on the same subject; and also that he may extend his remarks in the RECORD and include an article appearing in the Providence Visitor of March 11, 1943.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma [Mr. WICKERSHAM]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. VORYS of Ohio. Mr. Speaker, I ask unanimous consent that on Tuesday next, after disposition of matters on the Speaker's desk and at the conclusion of any special orders heretofore entered, I may be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. VORYS]?

There was no objection.

EXTENSION OF REMARKS

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a speech I delivered at Worcester, Mass., on March 28, 1943, before the Mu Lambda Pi Society, and entitled "The Glorious Greeks."

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. PHILBIN]?

There was no objection.

Mr. GILLIE. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include a short newspaper article in connection with the statement I made this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Indiana [Mr. GILLIE]?

There was no objection.

SPECIAL ORDER

The SPEAKER. Under previous order of the House, the gentleman from Michigan [Mr. BRADLEY] is recognized for 1 hour.

Mr. BRADLEY of Michigan. Mr. Speaker, last Wednesday I promised to take the floor and expose the nefarious activities of David K. Niles in setting up potentially the greatest, most dangerous and unscrupulous political machine known in all time, in any nation.

Mr. David K. Niles is clever. He is a shrewd, wily, dangerous practical politician. But this time even a dumb Congressman like myself can see through his schemes.

Mr. David K. Niles is the plump, bespectacled little one-time Boston radical into whose very competent hands the White House has entrusted the behind-the-scenes management of the fourth-term campaign. Chairman Frank Walker of the Democratic National Committee will be the front man. But it is David K. Niles and his pal Harry Hopkins who are doing the inside work—the men who are making the plans and issuing the orders.

By the way, Mr. Speaker, almost 3 years ago when I prepared and delivered a speech on this floor, I had been informed by sources which I then considered reliable that Mr. Niles was related to Mr. Hopkins by marriage. Last week, Wednesday, when I made a brief speech on this floor, I referred to that previous statement—which had gone unchallenged during this 3-year period. I am frank to say that I am as equally convinced now from representations which have come to me from a number of sources, and especially from at least three Members of this House, for whose judgment and veracity I have the most profound regard, that they are not so related and, therefore, Mr. Speaker, I am more than pleased to retract that statement, and sincerely apologize to both Messrs. Niles and Hopkins.

However, for the purposes of the present speech which I am making, I do not see that that makes any difference whatsoever, for the simple reason that both Mr. Hopkins and Mr. Niles have been so closely affiliated over the years that they might at least be said to be political brothers under the skin.

As far as David Niles is concerned, I have been informed recently—and I think rather accurately—by close neighbors of his in the Roxbury district of Boston, Mass., about some of his personal background. They tell me that his real name was originally David K. Neyhus. His father's name was Asher S. Neyhus, a tailor by trade, while his mother's name is Sophia Neyhus, and she was born in Russia. As a matter of fact, according to local voting records, he records himself

as living with his mother, Sophia Neyhus, at 134 Homstead Street, Roxbury district, and with no political party affiliations. He has always listed himself as a director of the Ford Hall Forum, in the Boston directories, never as holding any Washington or Government position. One correspondent writes me as follows:

Ford Hall Forum is recognized here as being the sounding platform for speakers and lecturers mostly of the Communist viewpoint. Many of the quick-type titled "professors" and so-called lecturers are circuit speakers of the Frankfurter circle. Many people here (that is, in Roxbury) have for years sought the answer of why the Neyhus brothers changed their name to Niles. One of David's brothers, Max Neyhus, still uses his family name. He is recorded as being married and residing at 25 Temple Street, Boston. Another brother, Elliott A., uses the Niles name.

I have understood from other sources that brother Elliott was originally deferred from the draft by reason of a "nervous stomach," but is now reported as holding an Army commission, being Capt. Elliott A. Niles, attached to the Ordnance Department at 150 Causeway Street, Boston, and having something to do with the export of lend-lease supplies. It is my understanding that brother Elliott operates a profitable paper company in Boston, doing much business with the Government on wholesale orders and by reason of his present proximity to his business, it is reasonable to assume that he can, at least, exercise a supervisory function in his own organization during his spare time. A third brother, William, who has adopted the Niles name, is reported to be in the Navy, but just how far he has as yet strayed from home I do not know. I have been told further that careful search has revealed that there is no official record in the archives of the State of Massachusetts, or in Boston, of the name Neyhus having been changed to Niles, so I do not know just how, when, or where the change was brought about.

Mr. David K. Neyhus—or Niles if you prefer—happens to be among that class of select men whom the President at one time said he liked to have close to him—men with a passion for anonymity. But before much time has passed we will make him one of the best-known and most notorious figures in the country.

Mr. Niles' passion for anonymity is due to be frustrated. He is going to bask, however unhappily, in the white spotlight of publicity.

In attempting to foist a fourth term on this unwilling country, Mr. Niles will stop at nothing. He will prey—he is preying—upon the patriotism of decent, loyal Americans. He is preying upon the loves and fears of the mothers and fathers of this country, whose sons and daughters are in the service.

He is building his stupendous political machine within the Office of Civilian Defense, the Office of War Information, and other Government bureaus. And a fourth term is not his only goal. Beyond the fourth term he is plotting the imposition upon free America of a system of socialistic controls which would enslave America and crush all freedom and individual initiative.

His chief political weapon is the Office of Civilian Defense.

Even a short-haired Congressman can see that. Let us look at the proof.

The head of the Office of Civilian Defense is James M. Landis. Who is James M. Landis? He is the man who sat as a special referee to hear the evidence against Harry Bridges, the Communist west coast labor leader, in the first hearing for the deportation of Bridges.

James M. Landis is the man who wrote the report whitewashing the Communist Bridges with the weasel-worded finding that Bridges did not hold a card in the Communist Party at the time the deportation proceedings against him were begun.

This James M. Landis needs some looking into. We find that he was dean of the Harvard University Law School when he was called to Washington to head the Office of Civilian Defense. He is one of the Felix Frankfurter radical "brain trusters."

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield at that point?

Mr. BRADLEY of Michigan. I yield to the gentleman from New York.

Mr. MARCANTONIO. In all fairness, and I know the gentleman wants to be fair——

Mr. BRADLEY of Michigan. I try to be.

Mr. MARCANTONIO. Mr. Landis did not find in favor of Mr. Bridges just for the reason the gentleman has stated; Mr. Landis also said that many of the witnesses who testified against Mr. Bridges had been completely discredited and he did not accept their testimony.

Mr. BRADLEY of Michigan. I am glad to have the gentleman's contribution; and in revising my remarks I want to draw the gentleman's attention to page 194 of the hearings before the subcommittee of the Committee on Appropriations, during the first session of the Seventy-seventh Congress, on the Department of Justice appropriation bill for 1942, and I quote:

CASE OF HARRY BRIDGES

Mr. RABAUT (questioning J. Edgar Hoover, Director of the F. B. I.). Now, this question deals with something of great interest to the public and considerable interest to the Members of Congress. In the course of your investigation of the Bridges case did you take testimony from individuals who had testified in the previous hearing before Mr. Landis.

Mr. HOOVER. We did.

Mr. RABAUT. Did you find any difference in the testimony given by these individuals before the Landis hearings and the testimony given to your agents?

Mr. HOOVER. We found that during the course of that investigation, and incidentally the investigation took about 4 months (it was initiated in August and it was completed in the latter part of November), certain witnesses who had appeared in the first case of the deportation of Harry Bridges had apparently committed perjury.

Mr. RABAUT. What has been done looking to the prosecution of those individuals, if they are guilty of perjury?

Mr. HOOVER. I recommended to the Attorney General that steps be taken to prosecute for perjury. It was found upon inquiry that Mr. Landis did not have the necessary authority to administer oaths, although they were administered during the course of the hearing. So that any person who testified in the first Bridges case did so under an oath that was administered without authority.

I am advised that Dean Landis was appointed a contract labor examiner and not an immigrant inspector. The United States Code, title 8, section 153, empowers an immigrant inspector to administer oaths. There is no statutory provision, however, conferring on a contract labor examiner such authority. And obviously, any oath that he administered was without due authority of law.

Mr. HARE. Who is responsible for that oversight?

Mr. HOOVER. I do not know who is responsible, Mr. Congressman. At that time the Immigration Service was in the Department of Labor.

Mr. HARE. That seems to be an elementary proposition and looks like a willful oversight on the part of someone.

Mr. HOOVER. It means that practically the whole first proceeding was not conducted in accordance with law, because none of the witnesses were really testifying under a legally administered oath.

Is it not a coincidence the way these Harvard Law School boys seem to flock into the key posts down here?

Now, looking deeper into Mr. Landis' record, we find that he was law clerk to Justice Brandeis in 1925. That seems to tie into the general picture. He was assistant professor of law at Harvard from 1926 to 1928. Then he got a raise. They made him professor of legislation—and he held that job until 1934.

When the "brain trusters" came to Washington in 1933 they did not forget Mr. Landis. They made him a member of the Federal Trade Commission that year, and in 1934 he was named to the Securities and Exchange Commission. He became chairman of the Commission in 1935 and held that job until 1937. In the latter year Harvard needed him back—and he took the post of dean of the Harvard Law School, which, as I have said, he held until David K. Niles, looking forward to the perpetuation of Mr. Roosevelt as a permanent resident of the White House, and casting about for a good, safe man to head the political heart of the fourth term, the Office of Civilian Defense, brought him back into the "big leagues."

It was undoubtedly Dave Niles who conceived the future political possibilities of the great old Office of Civilian Defense organization; who, perhaps, realized that possibly the brave "little flower," Fiorello LaGuardia, might conceivably be using that vast organization for his own future political schemes, and who, therefore, brought about the dismissal of the "little flower" and his more or less incapable assistant, who, perhaps, might have been assigned originally to checkmate Fiorello's personal political activities. And so it was but natural that Dave should delve into the past and show up again with one of his close associates of former years, and instead of seeking some outstanding unquestionably patriotic military mind to head a patriotic and semimilitary organization, such as perhaps Gen. John J. Pershing, or some other outstanding retired military man, he sought instead a college professor to head up this organization, and this over the loud protests of myself and many other Members of this body.

Who were Mr. Landis' associates at Harvard?

Well, Mr. Justice Felix Frankfurter was one of them—and a pretty close associate, too. So close were they that they clubbed up together on a book, The Business of the Supreme Court, which was published in 1928.

And Mr. David K. Niles was another. It could not have been otherwise, for Mr. David K. Niles and Felix Frankfurter were the closest of friends, battling side by side in the losing fight to overturn the Sacco-Vanzetti death verdict.

Another of David K. Niles' close associates in the early days in Boston was another Harvard man, Harold Laski, then a member of the Harvard faculty, now spokesman for the radical wing of Britain's Labor Party. And it is a lead-pipe, guilt-edged bet that James M. Landis and Harold Laski were not strangers.

Mr. Laski is in England now; but the Frankfurters, the Niles, and the Landises are the pipe lines through which the schemes of foreign radical internationalists flow into Washington.

The ramifications of this Harvard Frankfurter-Laski-Niles radical clique penetrate into every department and bureau of the Government. The very esteemed gentleman from Indiana, the Honorable Earl Wilson, has made an important contribution to the job of unraveling it. He called Mr. Frederick A. Delano, the President's uncle, the "front man" in the National Resources Planning Board. And he declared that the "powerhouse" in the National Resources Planning Board is one Dr. Eveline M. Burns, Director of Research. Dr. Burns, as the gentleman from Indiana points out, is an interesting figure herself. Until very recently she was a British subject. She was a student at the London School of Economics. And the London School of Economics is the headquarters of Mr. Harold Laski.

Dr. Burns in 1932 was the author of a pamphlet entitled "Socialist Planning and a Socialist Program"—and so we see that the National Resources Planning Board's recent "cradle to the grave" or shall we call it the "ladle to the gravy pan" for the socializing of America—the "Blueprint for Heaven" was not her first effort at planning other people's lives.

In her 1932 plan, Mrs. Burns—the associate of Dr. Laski, who was a close friend of Mr. David K. Niles, who is the close friend of Mr. James M. Landis—had this to say:

> The socialist state will have to devise some means of coercing labor where necessary to make labor do what the socialist state wants.

Mark my words, gentlemen, that it is the purpose of the Frankfurter-Niles-Laski-Landis group to regiment every man, woman, and child in this country in one huge state—socialistic, communistic, or collectivist, or Fascist state, as you will—and it is strongly hinted that we are destined to become but one unit in an international world of the same general collectivist scheme.

Perhaps I may seem to have strayed a little far afield from Mr. David K. Niles and his fourth-term political machine. But Mr. Niles is not only managing the fourth term, Mr. Niles constitutes a deadly menace to this country because of his associates. He and his political machine constitute the gravest danger that this country has faced since it was born—and I do not exclude the Civil War.

The plan for the socialization of America has been drafted. Dr. Burns and her ilk have seen to that.

The men who would put that program into force are present—such men as Dr. Joseph L. Weiner, another of the Frankfurter school, now head of the Office of Civilian Supply; and Dr. Burns' husband, Dr. Arthur R. Burns, another London School of Economics boy, another Laski-ite, now serving as chief labor adviser for the War Production Board.

All that is needed now is a fourth term, a chance to get the program working. And David K. Niles has been assigned to that job.

David K. Niles needed a man to help him build his political machine; and James M. Landis, of the Harvard Law School, the man who whitewashed Harry Bridges, was put at the head of the Office of Civilian Defense.

The fourth term needed a publicity organization as well; yet, strangely enough, the Democratic National Committee folded up its publicity battery, with boss propagandist Charlie Michelson taking a well-earned rest. Why should the Democratic National Committee spend its own money when the Office of War Information was at hand to do the publicity job for the fourth term on the public's money?

Now, we all know who is at the head of the Office of War Information—Mr. Elmer Davis, eminent member of the American Labor Party. And who is the head of the O. W. I.'s campaign division? None other than Drew Dudley, brother-in-law of former Representative Joseph E. Casey. Joe Casey is the liaison man between the White House and Congressmen east of the Alleghenies, working directly under David K. Niles. And Drew Dudley is at least one of the direct contacts between Mr. Niles and the Office of War Information.

The Office of War Information, I might mention incidentally, is well staffed to carry out the peculiar editorial job of carrying the torch for the Frankfurter-Niles-Laski fourth-term campaign. No less than 24 of its bright young boys are "liberals," transferred bodily from Marshall Field's journalistic monstrosity, PM, most properly characterized as the "Uptown Daily Worker."

Elmer Davis gets his instructions from the feed box, or directly from Mr. Niles. And the bright young boys from PM dish them out.

But even that was not enough for Mr. David K. Niles and his clique. They might have the O. W. I. shoveling out propaganda by the ton, but there was still the free press of America, standing by as the watchdog of the people's freedom, ever alert and vigorous to tell Americans the truth. And the truth is a thing that this foul growth, this cancerous body, attempting to fasten socialistic slavery on America, cannot stand. The truth must be destroyed. The people must be told only what the "brain trusters," the long-haired boys, want them told. Remember that throughout all history, once a collectivist state was determined to be established in any country on the globe, the first thing necessary to bring about that change has been the suppression of freedom of speech and the control of all avenues of communication. Free speech must be strangled.

What are the avenues of free speech in America? They are the radio, the movies, the press, and other publications.

The radio was peculiarly vulnerable. For 9 years radio has lived at the mercy of the Federal Communications Commission—now headed by James Lawrence Fly. Under Mr. Fly the radio has become what the gentleman from Georgia [Mr. Cox] has called the "greatest hotbed of communism in the country." No consistent critic of the administration has ever long survived on the radio.

A suggestion, a request, even a hint from anyone in the administration has the effect of a command on the radio broadcasters. Any time the administration wants anything, the radio bends over backward to give it. The radio has to. Mr. David K. Niles, as well as Mr. Elmer Davis, knows that. And Mr. James Lawrence Fly is ready at any time to crack the whip. No; radio was not too great a problem for Mr. Niles.

The movies have long been under a rigid censorship control and most of those who make up the great movie industry in this country seem to be perfectly willing to play hand in glove with this program, while at the present time the Office of War Information and the Office of Civilian Defense are grinding out millions upon millions of dollars' worth of propaganda film produced by the movie industry—rather than by the Government—at the taxpayers' expense. Here is just a short list of some of them, right here in this booklet entitled "List of Films Available to Civilian Defense Councils." On page 7 of this document you will find listed some 27 names and addresses of the main distributors.

But the press was a different matter.

The New Deal has sought to control the press ever since N. R. A. days—and the press had successfully fought its battle for freedom. But a new weapon was at hand—rationing.

Through Joseph L. Weiner—about to leave the Office of Civilian Supply—and some of his closely affiliated associates in the Office of Price Administration—Mr. J. K. Galbraith, Deputy Administrator in charge of price department, and Mr. James A. Perkins, price executive of the Paper and Pulp Products Branch, who formerly was an assistant professor at Princeton; incidentally, this man, Professor Perkins, is the man who is reported to have said that no one in the country should be permitted to make over $4,000 per year until he got his present job at $8,000, and now he thinks that should be the limit of individual earnings in this country—an effort was made to curtail drastically the amount of newsprint available to the free press. Mr. Weiner wanted to cut newsprint 50 percent, which would have seriously crippled

the free press; would have made it dependent upon Government subsidies for its very existence.

The alert, vigorous action by a large group of Congressmen—among whom I am proud to say I played a leading role—forestalled that cut. But the danger is not past, for in his bedrock tables for civilian consumption, Mr. Weiner has proposed that newsprint be cut, not 50 percent, if you please, but 80 percent.

The attempt to muzzle the free press failed for the time, at least.

But David K. Niles had another ace up his sleeve—the most audacious, the most unforgivable program that any politician has ever conceived.

And this—this was the heart of his diabolical program: To play upon the honest patriotism, the natural fears and loves and loyalties of Americans in wartime, through the Office of Civilian Defense and Mr. Landis.

Mr. Niles and Mr. Landis went back to a third, and older, avenue of free speech—the public platform.

Speeches are as much a part of American life as apple pie. The public meeting reaches deep into the roots of the Nation. It was in the town meeting of old that people gathered to learn the news, to form their opinions on every matter touching their local and national lives. The town meeting is older than the press itself in the history of our race—and its authority as it touches something deeply rooted in our national memory is great.

But speeches need audiences. The radical New Deal propaganda put out by David K. Niles and Elmer Davis had to be carried into every city, every community, every block, every home in the Nation. And the Office of Civilian Defense was the answer.

Mr. JACKSON. Mr. Speaker, will the gentleman yield?

Mr. BRADLEY of Michigan. I yield.

Mr. JACKSON. From what I understand from the gentleman's speech so far it is his position that the Office of War Information is being used as a vehicle for fourth-term propaganda.

Mr. BRADLEY of Michigan. I intend to bring that out. I do not say that it is entirely, but primarily; yes.

Mr. JACKSON. I wonder if the gentleman knows that the Deputy Administrator in charge of domestic operations is a gentleman by the name of Mr. Gardner Cowles and that he was in charge of the publicity program for Wendell Willkie in the last campaign?

Mr. BRADLEY of Michigan. I do not know as to that.

Mr. TABER. If the gentleman will yield right there, does he know that Mr. Cowles is on the way out?

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. BRADLEY of Michigan. Let me make this observation. I will say to the gentleman that right at the present time a radio station in my district from which I broadcast every Sunday, is now seeking to gain permission to broadcast at night, but is being kept from getting this permit by the protest from a station owned by Mr. Gardner Cowles over in Yankton, S. Dak., about a thousand miles away. His 5-kilowatt station is keeping a little 100-watt station from broadcasting at night.

Mr. JACKSON. Does not the gentleman feel that it is rather strange that a man, if he was so active opposing the third term 2 years ago, should now have anything to say about it? He is now in charge of domestic operations of the O. W. I.

Mr. BRADLEY of Michigan. There are many people in the Republican Party who have become more or less firmly convinced that Mr. Willkie, to say the least, was not a genuine candidate in opposition to the third term.

I now yield to the gentleman from Missouri.

Mr. SHORT. The fact that Gardner Cowles was publicity director is proof positive that he was favoring the administration. Mr. Willkie was simply used as a Republican tool.

Mr. BUSBEY. Mr. Speaker, will the gentleman yield?

Mr. BRADLEY of Michigan. Gladly.

Mr. BUSBEY. Granting that what the gentleman said about Gardner Cowles is true, is that the first time somebody wiggled his way into the Republican Party that had no business being there?

Mr. BRADLEY of Michigan. I quite agree with the gentleman, and I may say that it is not the first time by a long shot. This crowd will pin "stool pigeons" on us every time they get a chance.

Now, let us get along.

Here, gentlemen, is the proof.

Here are the pamphlets which tell the tale. Here is the record of the Office of Civilian Defense—and what it is—actually and politically today.

And the heart of the O. C. D. is the Block Plan for Civilian War Services. It is published by the United States Office of Civilian Defense, printed by the United States Government Printing Office, and—the supreme effrontery—it is marked "For sale by the Superintendent of Documents, Washington, D. C., price 5 cents."

What is the block plan? I quote from the pamphlet:

> The block plan is a plan of organization established to assure total coverage of all households for civilian war services.

Total coverage of all households. That is the purpose of the Frankfurter-Laski radical boss, David K. Niles, who basks in anonymity as the President's administrative assistant at $10,000 a year.

That is the program that the Frankfurter-Laski henchman, Dean Landis, was brought to Washington to carry out.

The pamphlet defines the block plan further:

> As the name suggests, the block plan is set up on a geographic basis, and in some cities the actual block is the unit of organization. In other cities—

Mark this—

> In other cities election precincts, census enumeration districts, or natural neighborhood areas have been used.

Do you think that this block plan is the same old Civilian Defense Organization that you have been heretofore told about? No, my friends; it is not.

This has nothing to do with air-raid protection. It has nothing to do with civilian defense. For, mark these words from this same pamphlet:

> In communities which have a well-organized air-raid warden service, the block plan follows the same area patterns, to avoid confusion.

To avoid confusion! This is not the old civilian defense set-up. The possibilities of that were bad enough—and no one call tell me that my home town of Rogers City, Mich., is going to be bombed. But at least there was some ostensible reason for the air-raid warden service.

And in my criticism of the present Office of Civilian Defense set-up, let me make this perfectly clear. I am not denying the need for proper semimilitary anti-air raid or other war organizations in definite target areas, such as, for instance, our Nation's Capital here and in war-production areas as Detroit, Pittsburgh, Los Angeles, and so forth. Secondly, I am not critical in any sense of the word of the intense patriotic desire of millions of American citizens who have volunteered their services in seeking to bring about a perfect organization—all honor to them. What I am critical of is that now a potential political machine is definitely in the making, and I am warning in advance those millions of patriotic Americans to be wary that they differentiate between purely patriotic motives and activities in truth aimed at civilian defense as distinguished from sinister political activities. And in saying this, I am mindful of many complaints which I received long, long ago from patriotic people in my State, who said they had become thoroughly disgusted with local and regional, and even State-wide, civilian-defense meetings because of the fact that 10 percent of their time in meetings was spent in intelligent discussion of defense matters and the balance turned over to a superglorification of the attainments of the New Deal. This has been going on for a long time to such a nauseating extent that many of these loyal, patriotic citizens felt their efforts were going for naught and who, therefore, resigned outright or failed to attend future meetings.

Listen, my colleagues, this House ought to pass a bill that will absolutely prohibit any use whatsoever of the Office of Civilian Defense for any political purposes whatsoever. Instead of this "Gestapo" bill we debated so long yesterday, we ought to pass an act making it punishable by a fine, or imprisonment, or both, for anyone to utilize the facilities of the Office of Civilian Defense in any way for any political purposes. No mere statement by Dean Landis is going to satisfy the American people. It is up to Congress to act on this matter and clearly legislate the O. C. D. and the O. W. I. out of all political activities.

There is no new reason now for the block plan—other than David K. Niles' fourth-term political machine.

The pamphlet suggests that various titles be used in cities to designate block-plan workers, "Block captains, victory aides, and victory belles." And all block or neighborhood leaders are eligible for

membership in the United States Citizens Service Corps. Those very titles sound like Hitler to me.

The pamphlet says:

Many of the programs and activities developed by the Civilian War Services branch of the local defense council depend for success upon the direct cooperation of all households in the community.

That sounds good. And it continues:

The best way to secure community understanding and support is through direct personal contact with each householder or family head. Direct contact provides the opportunity for discussion of the reasons for a particular campaign, its relation to the war, and the part which individuals or families can play. After good general publicity has launched a particular campaign, personal contact is essential for complete coverage, and for translating the purpose of the campaign into terms of the individual home or person.

And that all sounds logical.

Ostensibly, the block plan is a vehicle for the various war activities, such as salvage campaigns. But that, as we shall see, is not its basic purpose. It was planned by David K. Niles, it bears Drew Dudley's stamp of approval, and it is being carried out by James M. Landis for one purpose, and one alone—the fourth term.

In the light of that knowledge read these statements:

The block leader can help in educating the people in the meaning of our war effort. In the course of his conversation with the family many questions will be asked which the block leader may not be equipped to answer. He can relay these questions to the proper authorities, however, and then bring back to the family the best available information.

Information, if you please, which is "canned" in Washington by Elmer Davis' PM boys and approved by Dave Niles—information which is piped out to the people by James M. Landis.

Let me quote further:

The block plan has one other major objective—the encouragement of a clearer understanding by all the people of the reasons behind our civilian war efforts and the development of a neighborly spirit of cooperation for war service. The block plan not only offers a method to reach all families in the community but also provides a means for bringing neighbors together for the purpose of discussion and common understanding of our common duties as civilians in this war.

That sounds just lovely. In other words, we will bring the folks together at a house meeting, talk about salvage, talk about blood donors, air raids, rationing, talk about women volunteers. Oh, yes; we will spend about 10 minutes on this subject and then we will branch into the subject of unity and tell them to vote for Roosevelt for the fourth term or for HENRY WALLACE, or whoever it is.

The block plan is to be kept very tightly under the control of Mr. Landis and his hand-picked representatives. For the pamphlet says:

It should be made clear that the block leaders will work directly under the Civilian War Services Branch.

The organization of the block system comprises zone leaders, with sector leaders under them, and block leaders under the sector leaders—each block leader being responsible for about 10 families.

The pamphlet mentions the possibility of having the sector leader elected by the residents of the area. But it says:

The elective system is not the only one in use. In some communities, the sector leader has been appointed directly by the zone leader.

No, Mr. Niles and Mr. Landis have no intention of having this wonderful organization slip out of their control through any such crude process as a democratic election.

But, perhaps, some stiff-necked Americans might be found who would insist upon an election. What then? Mr. Neyhus is ready for that—and the program for the block system provides:

There will be weak spots that will have to be bolstered up with special help. Some of the leaders selected will have to be replaced.

No, there will be no antiquated democracy interfering with this political machine. And, if that point is not made clear enough already, this neat little pamphlet—which sells for 5 cents—adds:

Close contact and constant readiness on the part of the zone and sector leaders to step in and straighten things out will build an effective organization and keep it in working order.

And just to clinch Mr. Niles' control of his brain-child, he provides that "the whole organization should be kept flexible," with the names, addresses, and telephone numbers of all members kept readily available.

Mr. JACKSON. Mr. Speaker, will the gentleman yield?

Mr. BRADLEY of Michigan. I yield.

Mr. JACKSON. Is it not true that O. C. D. has been decentralized and that for the most part the great organization of the O. C. D. is in the hands of the Governors of the various States?

Mr. BRADLEY of Michigan. I will come to that in a few minutes and elucidate on that.

Mr. JACKSON. Is not that true?

Mr. BRADLEY of Michigan. To a certain extent, but let me develop it.

Mr. JACKSON. I believe in the gentleman's State they have a Republican Governor and that he is in full charge.

Mr. BRADLEY of Michigan. Yes; I am coming to that point; I will answer it directly when I come to it.

Mr. BUSBEY. Mr. Speaker, will the gentleman yield for an observation?

Mr. BRADLEY of Michigan. I yield to the gentleman from Illinois.

Mr. BUSBEY. As a matter of record, may I state that I come from the city of Chicago. Mr. Edward Kelly, the mayor of the city of Chicago, and at that time chief coordinator of the metropolitan area and the leader of the Kelly-Nash machine, when the civilian-defense program was set up, had each Democratic precinct captain send in a recommendation for the block organizer.

Mr. BRADLEY of Michigan. I will go further than that and say to the gentleman that my opponent in the last campaign was the chief O. C. D. man in his own home town of Sault Ste. Marie, and he still holds that same job, under a Republican Governor. He is doing a very good job, I will say that much. And before the election—and since—he has cooperated with me 100 percent when it was for the best interests of the country, the State, and his home town.

So the block leaders, those "patriotic" men and women who are to mold the opinion of all America, are placed tightly under the thumb of Mr. David K. Niles. What next? The pamphlet has the answer:

The training of the block leaders is the most crucial part in the whole plan.

The block leaders should be taught the meaning of total war. And, in addition:

Instructions should be given—

The pamphlet says—

as to the techniques of democratic leadership and participation, the general duties and responsibilities of block leaders, and the organizational plan of the block system.

Nor is that all. When that is completed, the refinement of indoctrination in propaganda comes to those chosen, reliable leaders who have passed their basic instruction. For we learn:

After this basic training is completed, the block leaders will need to receive detailed and precise instruction concerning each individual project as it comes along, and the contribution each family and person is making to the war effort by supporting it.

The plan of attack is to be outlined at zone or sector meetings by a staff officer who will first make clear the fundamental issues involved. He will explain the program in detail, and explain precisely what the sector and block leaders are expected to do.

The attack will be made under cover of one of the many New Deal programs—price control, rationing, and the like. The block leaders will be thoroughly indoctrinated before they are sent out. They will be told that paradise is to be attained by following in detail every step in the New Deal's state-socialistic program.

They will be convinced that complete disaster would result if a single point in the Frankfurter-Niles-Laski-Burns plan for the state socialization of America is omitted. If you do not believe that read this closing paragraph from Battle Stations for All out of O. W. I. this week:

We win or lose—there can be no compromise. We win or lose not only the war but the peace afterward. In the President's program lies the blueprint for victory on the home front, in the war and the peace. It lies in our own hands now to decide our futures. Free men never asked for more than that. (P. 123, Battle Stations for All, Office of War Information.)

Thus they will thunder the patriotic necessity of following the New Deal blindly in all of its visionary steps toward Utopia. The National Resources Planning Board's Blueprint for Heaven will play a prominent part in the block leader's haranguing instruction of the individual families under his command.

Mr. JACKSON. Mr. Speaker, will the gentleman yield?

Mr. BRADLEY of Michigan. I yield to the gentleman from Washington.

Mr. JACKSON. What is wrong with the statement just quoted?

Mr. BRADLEY of Michigan. What is wrong with it? Is the President the only man who can lay out a peace plan for this country that we can live under in the future?

Mr. JACKSON. In time of war the President is the Commander in Chief, and the people are united behind his program. Is that heresy? Is that propaganda?

Mr. BRADLEY of Michigan. There are other people who may have a program that is satisfactory.

Mr. JACKSON. That may be true.

Mr. BRADLEY of Michigan. But this one says that we win or lose solely on the President's program, this Utopian scheme, this "ladle to the gravy pan" plan that we are coming to.

Mr. JACKSON. I do not think that follows at all.

Mr. BRADLEY of Michigan. The gentleman can put his own interpretation on it. I have placed mine. And I do not feel I, myself, or the American people have to be led around by the nose, and subscribe to any post-war plan inspired by the President, or anyone else. And if we do not so subscribe, our patriotism need not be challenged. We still have freedom of thought and freedom of speech in our country.

The block leaders will become fanatic followers of the New Deal—or they will lose their jobs. They will be skillfully schooled in arousing and maintaining public enthusiasm, in gulling the public into listening to and accepting the New Deal's socialism. And they will speak—this is the tragic, dangerous part—with the authority of the Government. They will speak in the name of the war effort. They will play with a cynical skill on the fears of mothers, fathers, sisters, wives, and sweethearts of boys in the armed services.

Do you think that this is an exaggeration?

Listen to this statement from the Block Leader pamphlet:

> The campaign is launched through radio and press.

And what is the nature of that radio and press campaign? Here is a sample:

It is an advertisement, one of a series furnished by the Office of Civilian Defense, which appears in 400 magazines every month of the year. It shows the picture of an American soldier, killed in action somewhere on one of the 75 world-wide battle fronts. It carries the words:

> What did you do today for freedom?
>
> Today, at the front, he died. Today, what did you do? Next time you see a list of dead and wounded, ask yourself:
>
> "What have I done today for freedom? What can I do tomorrow that will save the lives of men like this and help them win the war?"

I am not criticizing this ad. All of us every day as long as this war lasts must keep asking ourselves these questions. We all want to do what we can to serve this country in the winning of this war at the earliest possible date, but while winning this war we must be sure that we will retain our freedom back home. What I am concerned about is the not only possible but the probable sinister political motives back of this whole set-up which could easily pervert the true patriotic response inspired by this ad.

Oh, yes, gentlemen, the block system's campaign will be launched through press and radio—is being launched through those avenues. And the pamphlet continues:

> Feature articles and radio skits dramatize the importance of the program. Then, when block leaders visit every home, this job of making further explanations, answering questions, and enlisting the total cooperation of the community in this campaign on the home front is greatly simplified.

Gentlemen, when, in the name of all that is good and holy, did Americans need radio skits to tell them the meaning of war? When the blue stars, proudly hanging in the windows of American homes begin changing to gold by the thousands every month, it is not going to require David Niles' propaganda machine to make the people of this country 100-percent war conscious. And, by the way, let me pass on this little suggestion to the war manufacturers of this country—if you would curb absenteeism, strikes, and slow-downism in your plants—move your honor roll lists, which many of you now proudly display at your front doors, inside each of your departments. It is with a great spirit of pride, I know, that you like to post that service record or inscribe it on a bronze tablet in the lobby of your front office, for all of your customers and visitors to see, but I suggest you go further and put up a large honor roll inside your plant—in each department—so that the buddies who stayed behind to furnish the ammunition for the boys at the front will have a constant reminder before them that their buddies are at the front, and when those blue stars start turning to gold, you watch your production grow by leaps and bounds.

When did Americans need a Frankfurter-Niles "brain truster" to explain to them how to fight?

Americans do not need a David K. Niles to sell rationing to them. The newspapers—the free, American press, which the brain trusters would like to strangle—have done that. And Americans have accepted, gladly and proudly, every necessary sacrifice that will contribute directly to the war effort.

But Americans need far more selling than David K. Niles and all his block leaders can do to persuade them to follow the New Deal's socialistic blueprint for economic slavery. And because of the fact that it is the President's own uncle who, to say the least, fronted as chairman of the National Resources Planning Board, which organization was soundly and completely repudiated by the action of this House several weeks ago—can it not be said that because of that very family tie-up, we may well reason that the cradle-to-grave program is in effect the projected fourth-term campaign platform. Take it or leave it! Or shall we say, Come and get it.

I do not blame David K. Niles for his jitters. He knows the impossible task he faces. And he is going shrewdly about the job of trying to put it over.

Written material is to be placed in the hands of the block leader for his study after all the oral schooling is completed. But even then they do not trust the block leader to carry on. And the rules of the block system provide:

> In order to know the effectiveness with which the block organization is functioning, it is essential that the head of the organization and the defense council have definitive reports on work actually accomplished * * *.
>
> These reports should indicate precisely how many of the families within the area were visited and the results obtained * * * if the project is of such a character that reports may be obtained on this latter point. Specific deadlines for the filing of reports should be established and strictly adhered to. A space for comments about the effectiveness of the project and its reception by the families visited should usually be included.

And, oh, think of the vast organization here in Washington and elsewhere that is going to be required to check these reports and catalog them or perhaps card index every family in the United States. What a wonderful windfall for the patronage set-up that David Niles now has to put his henchmen on the pay roll, to say nothing of these misled patriotic volunteer workers in each block. We Americans are not easily misled, but there are times when our patriotism is appealed to sufficiently that our minds become clouded to the issue in the background. We are a free-thinking people, but when our patriotism is challenged we will occasionally drop the bars of cold reasoning and permit our minds to become so clouded that we subscribe readily to movements which we later have reason to regret and to fear. Thus do we see that we are permitting to be set up under our very noses a system fully capable of going side by side down the line—in principle and in effect, and with the results obtained by—the Gestapo of Heinrich Himmler. In other words if the present Gestapo bill, now before us in the Congress should finally be passed with this fiendish set-up, we would have permitted to be put into effect in America exactly the same program, the same technique which Hitler has found so effective in Germany and Mussolini in Italy; neighbor will be spying on neighbor, husbands will be spying on wives and reporting them or subjecting themselves to the drastic penalties prescribed under the Gestapo bill, generally known as H. R. 2087. Every man in the country who had a grudge would find himself confronted with an opportunity to persecute his personal enemy to the very limit and the block leader could well be set up as the little Gestapo agent.

And the last words of the pamphlet are:

> Inspirational rallies or mass meetings of the entire personnel with speakers, entertainment, and war films are sure to be stimulating.

War films—stimulating?

And I presume some of these war films will be such as those recently shown us over in the Senate caucus room, which are the official indoctrination films produced by the Office of War Information and shown to all of our draftees while

they are going through their initial training. It was to be noted, while viewing these films which, incidentally, were beautifully done from an artistic standpoint by motion picture industry of Hollywood, that little reference was made to the old American traditions of live and let live, free initiative, and free enterprise; rather were those films filled with the glories of American achievement under the New Deal, which means a free hand-out at the Government's expense and by reason of which from a national debt of twenty billions in 1932, we had gone well over the fifty-five billions before this war caught up with us. And recently we approved of two hundred and twenty-five billions. We never have been able to get something for nothing, and we never will. But that seems to be the theme song of the New Deal as glorified by these propaganda films and I might say in passing that the film I saw in the Senate room glorified the words of Al Jolson, "Brother, yo' ain't seen nothin' yet."

No, this O. C. D. organization, as set up by Mr. Niles and Mr. Landis is not fundamentally to protect American homes against any enemy blitzkrieg from the air. It is a diabolical scheme to soften them for the fourth-term blitz in 1944.

So there is the organization, there is the audience—an audience as large as all America; an audience of 130,000,000 men, women, and children carefully shepherded and conditioned for New Deal propaganda.

And what of the speakers?

David K. Niles' answer lies in an army of victory speakers. This "army" is outlined in another pamphlet, Wanted, 100,000 Speakers, published by the Office of Civilian Defense, with an introduction by Elmer Davis. And this pamphlet, too, is for sale—for 5 cents. Of course, all of them can be given away to the faithful.

In his introduction, Mr. Davis says, disarmingly:

> It is not enough that ideas should merely be radiating from Washington. In a democracy, ideas, principles, and convictions should arise from the citizen body. People should know why they are fighting.

As if we did not have some faint idea.

> Therefore, in addition to all the media of communication which are now serving the Nation, I welcome and intend to cooperate fully with the movement to establish an army of victory speakers in defense councils all over the country.

You can bet your bottom dollar that Elmer welcomes it. But there is going to be precious little arising of ideas from the people in this army. Elmer and David Niles and James Landis will see to that. In fact, Elmer says:

> The resources of the Office of War Information will be used to provide speakers with full facts on the whole war effort.

And will Elmer provide them? Elmer will—and woe betide any speaker who departs from Elmer's "facts"—facts carefully edited by Elmer and Niles and Landis. Look again to Battle Stations for All. There you have it. Facts?

A victory speakers' bureau, the plan announces, will be the community's clearing house for public speaking activities devoted to the war effort.

There will be a local speakers' bureau, coordinated and controlled by the State speakers' bureau. The director of the local speakers' bureau is appointed by the local defense council. And:

> In organizing and stimulating speakers' bureaus, the Office of Civilian Defense keeps in touch with the States through its nine regional offices.

Let us see how that works.

You have, for example, the Ninth Corps Area, headed by James C. Shepherd. Mr. Shepherd is a former roommate of James M. Landis. This roommate of "Brain Truster" James Landis controls eight States, five of them Republican States. He controls the dissemination of information in those States. Shepherd is the boss. Shepherd can easily work with Landis.

He has a staff of 100 people working in his regional office. His region is divided into four sectors, each with a complete staff. Each sector covers two States and each State has a complete set-up. So has each county and each city. The regional and sector staffs are made up of paid workers. Many of the city offices of the Office of Civilian Defense are enormous. In San Francisco, for instance, the O. C. D. has taken over three floors of the huge Furniture Mart.

Nominally, the States can control their local O. C. D. set-ups, but Elmer Davis and David K. Niles have taken care of that. For they control the propaganda that the speakers' bureaus may use.

The instructions to the members of the speakers' bureaus are shrewd:

> We are not in this work merely because audiences enjoy the thrill of hearing about war activities. We are in the work because America's participation in the war will be more effective if speakers help to keep the public well informed and in a fighting mood.

In a fighting mood. Again, I say, Americans do not need the canned propaganda of the "brain trusters" to keep them in a fighting mood, when there is a war to be fought and won. The casualty lists will take care of that.

But I wonder if these people are actually thinking of winning a war. Among the duties of the State speakers' bureaus is to—

> Secure speech materials through the regional office from Washington, D. C., and to send them promptly to each local director.

Speakers are to be chosen of widely varying types, with an emphasis on labor, high school, and college students, immigrants, a mother whose son is in the Army, Boy Scouts, and Girl Scouts. The instructions warn—get this fact:

> Don't use too great a proportion of business and professional men.

Do not use, in other words, the best trained men in your community. Those who might write their own speeches. Use those on whom you can play emotionally; use those whose patriotism can be best used as a shield for your fourth-term propaganda. Avoid the men whose experience and knowledge of life is most likely to upset your carefully laid schemes.

That instruction is the most carefully cynical proposal I have ever seen. And the Office of Civilian Defense underlines it by saying:

> Many inexperienced people, if sincere and emotionally aroused, may move audiences much more effectively than will better-known speakers.

Mr. BUFFETT. Mr. Speaker, will the gentleman yield?

Mr. BRADLEY of Michigan. I yield to the gentleman from Nebraska.

Mr. BUFFETT. Does the gentleman mean that it states right in there that they should not have people who can write their own speeches?

Mr. BRADLEY of Michigan. No, no. This pamphlet does not say that. Those are my own words.

Mr. BUFFETT. That is the gentleman's interpretation. I just wondered if they went that far.

Mr. BRADLEY of Michigan. The director of the speakers' bureau is to contact all organizations which hold regular meetings. He is to know them, and to assign speakers to them as often as seems desirable. And, usually, he will provide the speech.

They are given suggestions of the type of organizations to contact. Business groups, luncheon clubs, religious organizations, social and philanthropic groups, societies and clubs—but above all, women's groups.

The speakers are given canned information by Elmer Davis, disseminated through the State speakers' bureau.

But does Elmer—does David K. Niles—trust the speakers to deliver the propaganga as furnished them? Oh, my, no. On the day after the speech is made, a member of the staff telephones the group whom the speaker addressed. The staff member asks a representative of the group these questions, among others:

> Did the speaker talk on the desired subject?

Doubtless it was requested in advance.

> Did he adhere to that subject strictly?

In other words, David K. Niles' Gestapo checks up on his own agents. There shall be no ad libbing, no straying from the strict "brain truster" line. The speakers are told, in effect, "Do as I say or you don't speak again." And speakers are warned, "Avoid the appearance of being the special agent of any small group."

David K. Niles' foot slipped on that one. If the speakers were acting only out of loyalty, were attempting only to serve the whole Nation and the total war effort, why should there be any danger that they might appear to be the agent of any small group? I fear that Mr. Niles was too conscious of his own plot when he or his followers wrote that.

I have here in my hand a small sampling of the barrage of propaganda that is being shot out at the block leaders and at the people, including the cheap, gaudy pamphlet, You and the War. I will not attempt even to read the titles.

But the time is growing very short if this deadly peril to America is to be defeated. The Congress and the people must be made aware of the true purpose of this stupendous, insidious political

machine set up by the fourth-term undercover director, David K. Niles.

It can be defeated if we act promptly. But we have a shrewd, capable antagonist. The state socialistic plan is drafted. The organization to put it into effect is here. The fourth-term campaign is under way in every community, in every block, in every home in America. Wake up, America!

Mr. JACKSON. Mr. Speaker, will the gentleman yield?

Mr. BRADLEY of Michigan. I yield.

Mr. JACKSON. Is it not true that the personnel of the organization to which the gentleman has just been referring is selected through the State defense council, and the State defense council is selected by the Governor?

Mr. BRADLEY of Michigan. Yes, and everyone of them is subject to dismissal or removal by those on the top side down here in Washington.

Mr. JACKSON. Have they removed any such men in the gentleman's State? Does the gentleman know of any State where they have removed Republican members of State defense councils, appointed by Republican Governors?

Mr. BRADLEY of Michigan. I do not know as to that, but they are subject to removal.

Mr. JACKSON. The gentleman is talking about the whole organization?

Mr. BRADLEY of Michigan. It is not time to remove them yet. Wait until we get this campaign ball rolling, until we get the snowball rolling.

Mr. JACKSON. The gentleman will admit the organization is still in the hands of the State?

Mr. BRADLEY of Michigan. No, I will not. I have just gotten through talking for 1 hour saying that the organization is controlled body and soul in Washington.

Mr. JACKSON. That is rather strange, if they are appointed by the Governor.

Mr. BRADLEY of Michigan. Well, now if the gentleman had been listening carefully, and I think he was most of the time, he would have learned to realize regardless of the action of the Governors in the several States; the fact still remains that David Niles and Jim Landis sit on top of the heap and they have the final power of removal of anybody in the whole organization from top to bottom, be it State director or block leader. Let me repeat an earlier statement:

> There will be weak spots that will have to be bolstered up with special help. Some of the leaders selected will have to be replaced.

Again I repeat: Wake up, America!

The SPEAKER. The time of the gentleman from Michigan has expired.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. RANDOLPH, for 1 week, beginning April 1, on account of public business.

To Mrs. SMITH of Maine, indefinitely, on account of official business.

To Mr. PLUMLEY, for 10 days, April 2 to April 12, on account of official business.

To Mr. ELLIOTT, indefinitely, on account of official business.

To Mr. BATES of Kentucky, for 10 days, on account of important business.

To Mr. BELL, on account of official business.

LEAVE TO ADDRESS THE HOUSE

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent that tomorrow, after the disposition of business on the Speaker's table and other special orders, I be permitted to address the House for 10 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. PRIEST. Mr. Speaker, on Monday next, after the conclusion of other special orders and the business of the House, I ask unanimous consent to address the House for 20 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. HAGEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a statement on food saving, and also an advertisement in the Washington Post of today.

The SPEAKER pro tempore. Is there objection?

There was no objection.

ORDER OF BUSINESS

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I do this to inquire of the acting majority leader what is the program for the next week.

Mr. RAMSPECK. Mr. Speaker, it is intended tomorrow to take up again the War Security bill.

Mr. MARTIN of Massachusetts. And that will be the only legislation taken up tomorrow?

Mr. RAMSPECK. That is all for tomorrow. Next Monday the Consent Calendar will be called, and there is one suspension, on H. R. 1860, which is the pay bill for employees other than those in the Postal Service. This I discussed with the gentleman from Massachusetts this morning, also the gentleman from Kansas [Mr. REES] ranking member of the Civil Service Committee, who has agreed to that procedure. Following that the appropriation bill providing for the State, Commerce, and Justice Departments will be taken up. On Tuesday the Private Calendar will be called, and if the State, Commerce and Justice Departments appropriation bill is not concluded, that bill will be taken up. Next will be taken up the Legislative appropriation bill, which is to be followed on Wednesday and Thursday by the Hobbs bill. On Friday House Resolution 98, the Halleck resolution in respect to labeling, from the Interstate and Foreign Commerce. Following that will be House Resolution 159, from the Insular Affairs Committee, in respect to Puerto Rico, and after that H. R. 2207, a bill to amend the Nationality Act of 1940.

Mrs. ROGERS of Massachusetts. I understand there is no opposition to the increase in the pay of the postal employees.

Mr. RAMSPECK. It is not the postal employees pay bill, but the pay bill for others than the postal employees. The postal employees have been provided for in other legislation. This bill continues practically the present situation.

Mrs. ROGERS of Massachusetts. And there is no objection to that either?

Mr. RAMSPECK. I do not know of any.

Mr. MARTIN of Massachusetts. Has not the postal employees salary bill been approved by the President?

Mr. RAMSPECK. I do not know whether it has or not.

Mr. MARTIN of Massachusetts. I thought it had.

ADJOURNMENT

Mr. RAMSPECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 44 minutes p. m.) the House adjourned until tomorrow, Friday, April 2, 1943, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The meeting of the Subcommittee on Fisheries of the Committee on the Merchant Marine and Fisheries, which was scheduled for Wednesday, March 31, 1943, at 10:30 a. m., to consider the matter of price ceilings on fishery products, has been postponed until Tuesday, April 6, 1943, at 10 a. m.

As advised in notice of March 10, 1943, Congressman BATES of Massachusetts, patron of the bill H. R. 1766, upon which hearings were scheduled on April 8, 1943, is a member of the Committee on Naval Affairs and of a subcommittee of that committee which has arranged a schedule of hearings throughout the country which will compel Congressman BATES of Massachusetts to be absent from Washington on April 8 and also April 15.

The chairman of the committee and the Commissioner of Fisheries will be out of town on intervening dates, which will necessitate a further postponement of the hearing until May 13, 1943. You are hereby notified that the hearings scheduled for April 8 and postponed until April 15 have been postponed to May 13, 1943, at 10 a. m., at which time the hearings will follow.

EXECUTIVE COMMUNICATIONS, ETC.

296. Under clause 2 of rule XXIV a communication from the President of the United States, transmitting an estimate of appropriation for the Office of the Coordinator of Inter-American Affairs of the Office for Emergency Management for the fiscal year 1944, amounting to $33,860,000 and contract authorization for fiscal years 1944 and 1945 amounting to $18,000,000 (H. Doc. No. 148) was taken from the Speaker's table, referred to the Committee on Appropriations, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. JARMAN: Committee on Printing. House Resolution 144. Resolution authorizing the printing of 5,000 additional copies of the final report of the Special Committee on Small Business of the House of Representatives on the Wartime Problems of Southern Industry for the use of the committee; without amendment (Rept. No. 335). Referred to the House Calendar.

Mr. JARMAN: Committee on Printing. House Concurrent Resolution 17. Concurrent resolution authorizing the Committee on Ways and Means of the House of Representatives to have printed for its use additional copies of the hearings held before said committee during the current session relative to individual income tax; without amendment (Rept. No. 336). Referred to the House Calendar.

Mr. PETERSON of Florida: Committee on the Public Lands. H. R. 647. A bill to provide for the establishment of the George Washington Carver National Monument; with amendment (Rept. No. 337). Referred to the Committee of the Whole House on the state of the Union.

Mr. PETERSON of Florida: Committee on the Public Lands. H. R. 2197. A bill to provide for the acquisition of lands for grazing purposes; with amendment (Rept. No. 338). Referred to the Committee of the Whole House on the state of the Union.

Mr. RANDOLPH: Committee on the Civil Service. H. R. 1860. A bill to provide for the payment of overtime compensation to Government employees, and for other purposes; with amendment (Rept. No. 339). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BELL:

H. R. 2362. A bill to restrict the establishment of branch offices by financial institutions chartered or insured under the laws of the United States; to the Committee on Banking and Currency.

By Mr. CHAPMAN:

H. R. 2363. A bill to amend the act known as the Insecticide Act of 1910 (36 Stat. 331), approved April 26, 1910; to the Committee on Interstate and Foreign Commerce.

By Mr. DIES:

H. R. 2364. A bill to provide retirement annuities for certain former rural letter carriers; to the Committee on the Civil Service.

By Mr. KEOGH:

H. R. 2365. A bill to provide an additional allowance for military and naval personnel in computing net income; to the Committee on Ways and Means.

H. R. 2366. A bill to provide for the collection of individual income taxes at source; to the Committee on Ways and Means.

By Mr. MAAS:

H. R. 2367. A bill to authorize the Joint Chiefs of Staff to determine the military and naval requirements for the prosecution of the war, and to coordinate and direct military and naval operations, and for other purposes; to the Committee on Military Affairs.

By Mr. WOODRUM of Virginia:

H. R. 2368. A bill to provide for the orderly liquidation and dissolution of the regional agricultural credit corporations; to repeal the laws authorizing their creation by the Reconstruction Finance Corporation and their operation; and to restore to the United States Treasury the funds subscribed by the United States or by the Reconstruction Finance Corporation to the capital of such corporations, thereby strengthening the credit of the Government, reducing its nonessential expenditures, contributing to the present manpower problem through a reduction in the number of Government employees, resulting in a substantial contribution to the war effort, and for other purposes; to the Committee on Agriculture.

By Mr. MORRISON of Louisiana:

H. R. 2369. A bill providing for the creation of a Supreme War Council to consist of four members, two to be elected and appointed by the Senate and two to be elected and appointed by the House of Representatives to approve the actions of the President and assist him in the conduct of the war; to the Committee on Military Affairs.

By Mr. MURDOCK:

H. R. 2370. A bill providing for the suspension of annual assessment work on mining claims held by location in the United States, including the Territory of Alaska; to the Committee on Mines and Mining.

By Mr. WEISS:

H. J. Res. 110. Joint resolution to provide for the continuance of spectator sports; to the Committee on Interstate and Foreign Commerce.

By Mr. CUNNINGHAM:

H. Res. 196. Resolution amending the rules of the House to require a yea-and-nay vote on the question of the passage of bills and joint resolutions and on the question of agreeing to reports of committees of conference; to the Committee on Rules.

By Mr. HAGEN:

H. Res. 197. Resolution creating a select committee to attend the United Nations Post-War Food Conference; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CLASON:

H. R. 2371. A bill for the relief of Walter C. Blake; to the Committee on Claims.

By Mr. MILLER of Connecticut:

H. R. 2372. A bill to correct the record of the late Robert James Elliott; to the Committee on War Claims.

By Mr. PHILBIN:

H. R. 2373. A bill for the relief of Pearl Salevitz; to the Committee on Claims.

H. R. 2374. A bill for the relief of Morris Levin; to the Committee on Claims.

H. R. 2375. A bill for the relief of Ruth Levin; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XII, petitions and papers were laid on the Clerk's desk and referred as follows:

390. By Mr. GRIFFITHS: Petition of the Caldwell Woman's Christian Temperance Union, Caldwell, Ohio, urging that legislation be enacted to eliminate all alcoholic beverages from all Army camps in the United States of America, and wherever our Army camps may be located; to the Committee on Military Affairs.

391. By Mr. HART: Petition of the Legislature of the State of New Jersey, protesting against the brutalities practiced against all the conquered peoples of Nazi-occupied Europe, and the barbaric, cruel, and premeditated plan of the German leaders, to liquidate the Jewish population now enmeshed in Nazi toils, as being against the laws of God and man; to the Committee on Foreign Affairs.

392. By Mr. HEIDINGER: Petition of the Woman's Christian Temperance Union of Harrisburg, Ill., signed by Esther B. Gall, president; Laura E. Rice, vice president; Chloe Lentz, secretary; and Mary B. McGrath, treasurer, urging the immediate passage of House bill 2082; to the Committee on Military Affairs.

393. By Mr. SMITH of Wisconsin: Petition of sundry citizens of Burlington, Wis.; to the Committee on Military Affairs.

394. By Mr. SPRINGER: Petition of Midwest Humane Conference, recently held at Chicago, Ill.; to the Committee on Interstate and Foreign Commerce.

395. By Mr. WOODRUFF of Michigan: Petition of sundry residents and voters of the Tenth Congressional District of Michigan and others, respectfully urging the establishment of a Chiropractic Corps in the armed forces; to the Committee on Military Affairs.

SENATE

FRIDAY, APRIL 2, 1943

Bishop Adna Wright Leonard, Resident Bishop, the Methodist Church, Washington, D. C., offered the following prayer:

Almighty God, our Heavenly Father, Father of our Lord and Saviour Jesus Christ, take not the veil from the future. If only Thou be with us in the day that is coming, full of the unknown, it is well. Uphold us in whatsoever sorrows it may bring with it; pity us in the trials that await us; consecrate our gladness and our griefs together; and hold our hands when we are compelled to walk through the darkness.

Thou hast given to us the world and its beauty, the friendships and the loves of life, the successes and the joys that we have known. Help us to find again the way we have lost, to see the light from which we have turned, and to acknowledge the mastery of Thy holy will.

Give wisdom to the President. Guide all who are in authority over us. Bless our country. Give Thy favor to the cause of the Allies. Regard in mercy the chaplains of the armed forces who are giving their lives also to the great cause. Bless the world—the war-torn world—and give us peace. Through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, March 30, 1943, was dispensed with, and the Journal was approved.

ENROLLED BILLS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on March 31, 1943, that committee presented to the President of the United States the following enrolled bills:

S. 17. An act to provide for a temporary increase in compensation for certain employees of the District of Columbia Government and the White House Police force; and

S. 660. An act to prevent certain deductions in determining parity or comparable prices of agricultural commodities, and for other purposes.

MESSAGES FROM THE PRESIDENT—APPROVAL OF A BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, who also announced that on

April 1, 1943, the President had approved and signed the act (S. 17) to provide for a temporary increase in compensation for certain employees of the District of Columbia government and the White House Police force.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its clerks, announced that the House had passed without amendment the bill (S. 886) relating to the selective-service deferment on occupational grounds of persons employed by the Federal Government.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 1648) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1944, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. LUDLOW, Mr. O'NEAL, Mr. MAHON, Mr. CURLEY, Mr. TABER, Mr. KEEFE, and Mr. DWORSHAK were appointed managers on the part of the House at the conference.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 1203. An act to eliminate private suits for penalties and damages arising out of frauds against the United States;

H. R. 1225. An act for the relief of Joseph Nathaniel Gownder; and

H. R. 2346. An act making appropriations for the fiscal year ending June 30, 1944, for civil functions administered by the War Department, and for other purposes.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 17) authorizing the Committee on Ways and Means of the House of Representatives to have printed for its use additional copies of the hearings held before said committee during the current session relative to individual income tax, in which it requested the concurrence of the Senate.

FOOD ADMINISTRATOR DAVIS AND THE SUGAR SHORTAGE

Mr. VANDENBERG. Mr. President, I wish to take this opportunity to commend the new Food Administrator, Mr. Chester C. Davis, for his prompt and helpful action in respect to the sugar shortage in continental United States. With a refreshing and novel expedition, compared with some of the recent long and discouraging hagglings of some other sugar authorities in the Government, Mr. Davis has, within 48 hours of assuming his new duties, cut across all the little dictators, recognized the existence of a critical problem, and started to do something about it in behalf of the ultimate consumer. He has sent out an S O S telegram urging every cooperation in stepping up domestic sugar production to the maximum. I ask that his telegram be inserted in the RECORD at this point.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

The marked reduction in farmers' intentions to plant sugar beets, if carried out, would result in less sugar than we need to produce in this country, in view of the difficulty of diverting boats needed for essential war uses to sugar. It is important that you give all possible assistance to growers in meeting sugar-beet goals. Notify sugar-beet counties and see that adequate publicity is given to this need. Department is giving labor and marketing problems of the industry urgent attention.

CHESTER DAVIS.

Mr. VANDENBERG. Mr. President, it is too late to prevent what will be a relatively needless "sugar squeeze" on the ultimate consumer this summer, particularly when the home canning season arrives. But it is not too late to overtake some of the mistakes which have been made and to ameliorate the situation. That is what Administrator Davis has done. I ask to have printed in the RECORD at this point a letter which I have just written him upon this subject.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

APRIL 1, 1943.

Mr. CHESTER C. DAVIS,
Food Administrator, Washington, D. C.

MY DEAR MR. DAVIS: I hasten to commend your prompt action in wiring all State war boards that the national necessity requires that all possible emphasis be put upon sugar-beet plantings in order that the national sugar supply for 1943 shall not be dangerously curtailed. This refreshing speed in answering the obvious requirements of an impending sugar crisis is not only a novelty but it is a source of real stimulation and encouragement to the entire beet-sugar industry.

I come from one of the States upon which the homes of America must rely for beet sugar this year and for the duration. According to all information available to me, the Michigan sugar-beet crop will be seriously short unless prompt efforts adequately stimulate it. The last report of the Crop Reporting Board estimates that the total United States sugar-beet acreage in 1943 will be nearly 30 percent below 1942. Michigan's estimate, for example, is only 60 percent of normal.

This can precipitate a needlessly serious consumer problem. Our present sugar ration (5 pounds in 11 weeks) is already less than the sugar ration in England (8 ounces per week). This situation will become critical with the arrival of the home-canning season. Fruit-jar sales this year are reaching astronomical figures, and fruit-jar manufacturers cannot supply the total demand. Our people are being urged to plant victory gardens and to can everything in sight. Canning is impossible without sugar. Our people will "can" unless lack of sugar means they "can't."

The problem obviously is one requiring enhanced domestic sugar production. Distasteful as this may be to some of our governmental sugar overlords (who have consistently favored the import of foreign sugars), we now confront a condition and not a theory. The import of foreign sugar requires ships, which are not available. The encouragement—for a change—of domestic sugar requires only the adequate use of home land facilities at hand. That is the ultimate consumer's only chance in 1943 in America.

It is too late entirely to remedy the situation. Due to obstinate delays on the part of the Government in determining sugar-beet policy for 1943, contracting for the 1943 crop between growers and processors was seriously delayed. Meanwhile, sugar beets have not been declared a war crop. As a result, local county agricultural war boards are not urging farmers to plant sugar beets. Although processors had one letter from the Commodity Credit Corporation urging new sugar goals, the United States Beet Sugar Association is authority for the statement that "in the long weeks during which the production program was under discussion, and in the period which has followed its completion, not one word has been said by the thousands of field representatives of the Department of Agriculture concerning the needs for continental production of sugar." The United States Beet Sugar Association then says: "Many interpret this strange silence as proof that the Department has no intention of encouraging farmers to plant beets, and that it has no interest in the continental production of sugar, even though a lack of sugar is bound to have a tragic effect on the food program generally."

As a result of all these conditions, the ultimate consumer in America may have 500,000 and 1,000,000 tons less sugar in 1943 than in 1942. Admittedly, it is late to overtake these errors. But it is not too late to ameliorate the situation.

Sugar beets should immediately and positively be included among identified war-emergency crops. Your prompt response to this week's request for your cooperation will go a long way toward catching up with this situation insofar as it may yet be done. Your further assurance that your Department "is giving labor and marketing problems of the industry urgent attention" is a further source of encouragement. Whatever you may do in all of these directions will be progressively welcome to the ultimate consumers of the country when the domestic sugar pinch comes later in the year. I want to express my own personal appreciation of your helpful and cooperative attitude. This is one point in our domestic economy where we can take care of ourselves—unless our actions are too little and too late. This is no time to continue to discourage domestic sugar in favor of foreign sugar at the expense of the American consumer.

Cordially and faithfully,

A. H. VANDENBERG.

Mr. VANDENBERG. I simply want to express a concluding hope, Mr. President, that this encouraging experience with Administrator Davis means that he intends to take over full food controls with sufficient power to act as the emergency requires. I respectfully express the hope that he has brought "the spirit of St. Louis" with him to the foxholes of bureaucratic Washington.

EXHIBITION OF JAPANESE SUICIDE SUBMARINE

Mr. BARKLEY. Mr. President, for the information of the Senate, I send to the desk a copy of a letter I have received from Mr. H. L. Rust, Jr., Chairman of the War Finance Committee, of Washington, D. C., and ask that it be read.

The ACTING PRESIDENT pro tempore. The clerk will read as requested.

The legislative clerk read as follows:

WAR FINANCE COMMITTEE,
Washington, D. C., March 30, 1943.

The Honorable ALBEN W. BARKLEY,
United States Senate,
Washington, D. C.

DEAR SENATOR BARKLEY: The Treasury Department is making available to the principal cities and towns of the Nation the two-man Japanese suicide submarine captured at Oahu. The submarine will be on exhibition at the Capitol Plaza Saturday, April 3, at 9 o'clock, and will be available for inspection until 10 that evening.

May I express the hope that the Members of the Senate will visit the submarine, which is being shown to promote the sale of War bonds and War stamps and to stimulate

patriotism. A War bond or stamp purchased at the submarine will be the requirement of admission.

Arrangements are being made to have one of the service bands play from 11:30 to 12 o'clock and we would welcome the Members of Congress, particularly at this time, as pictures and newsreel photographs will be taken. I am sure the sidelight the submarine throws on the homicidal philosophy of the Japanese, and the crudeness of its conception will be of great interest.

Respectfully yours,

H. L. RUST, Jr., *Chairman.*

CALL OF THE ROLL

Mr. HILL. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hawkes	Revercomb
Austin	Hayden	Reynolds
Bailey	Hill	Robertson
Ball	Holman	Russell
Bankhead	Johnson, Calif.	Shipstead
Barkley	Johnson, Colo.	Smith
Bone	Kilgore	Stewart
Brewster	La Follette	Taft
Buck	Langer	Thomas, Idaho
Bushfield	Lodge	Thomas, Okla.
Butler	Lucas	Thomas, Utah
Capper	McCarran	Tobey
Caraway	McClellan	Truman
Chandler	McFarland	Tunnell
Chavez	McKellar	Tydings
Clark, Idaho	McNary	Vandenberg
Clark, Mo.	Maloney	Van Nuys
Connally	Maybank	Wallgren
Danaher	Mead	Walsh
Downey	Moore	Wheeler
Eastland	Murdock	Wherry
Ellender	Murray	White
George	O'Mahoney	Wiley
Gerry	Overton	Willis
Gillette	Pepper	Wilson
Gurney	Radcliffe	
Hatch	Reed	

Mr. HILL. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from Mississippi [Mr. BILBO], and the Senator from Virginia [Mr. GLASS] are absent from the Senate because of illness.

The Senator from Nevada [Mr. SCRUGHAM] is absent, holding hearings in the West on behalf of the Special Committee to Investigate Small Business Enterprises.

The Senator from Virginia [Mr. BYRD], the Senator from Rhode Island [Mr. GREEN], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Texas [Mr. O'DANIEL], and the Senator from New York [Mr. WAGNER] are detained on important public business.

The Senator from Arkansas [Mrs. CARAWAY] and the Senator from Idaho [Mr. CLARK] are necessarily absent.

The Senator from West Virginia [Mr. KILGORE] is out of the city on official business for the Special Committee to Investigate National Defense.

Mr. VANDENBERG. I announce that my colleague the junior Senator from Michigan [Mr. FERGUSON] is absent in Cincinnati in connection with the work of the Truman committee. I wish to have that announcement stand for the day.

Mr. MCNARY. The Senator from New Jersey [Mr. BARBOUR] is absent because of illness.

The Senator from New Hampshire [Mr. BRIDGES], the Senator from Illinois [Mr. BROOKS], the Senator from Ohio [Mr. BURTON], the Senator from Pennsylvania [Mr. DAVIS], the Senator from Colorado [Mr. MILLIKIN], and the Senator from North Dakota [Mr. NYE] are necessarily absent.

THE ACTING PRESIDENT pro tempore. Seventy-nine Senators having answered to their names, a quorum is present.

PREVENTION OF DEDUCTIONS IN DETERMINING PARITY OR COMPARABLE PRICES OF AGRICULTURAL COMMODITIES—VETO MESSAGE (S. DOC. NO. 23)

The ACTING PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read:

To the Senate:

I am returning S. 660, generally known as the Bankhead bill, unsigned. It is a bill to exclude in the determination of parity price any deduction for any subsidy payment, parity payment, incentive payment, or other payments made with respect to any agricultural commodity.

I am compelled to this action by the deep conviction that this measure is inflationary in character. It breaks down the barriers we have erected and which we must maintain in order to avoid all the disasters of inflation. It is wholly inconsistent with our stabilization program and, therefore, dangerous alike to our constructive farm policy and to our whole war effort.

In my message of September 7, 1942, I advised the Congress that "our entire effort to hold the cost of living at its present level is now being sapped and undermined by further increases in farm prices and in wages, and by an ever-continuing pressure on prices resulting from the rising purchasing power of our people." I requested the Congress "to pass legislation under which the President would be specifically authorized to stabilize the cost of living, including the price of all farm commodities."

I further stated:

> The purpose should be to hold farm prices at parity, or at levels of a recent date, whichever is higher. * * * And in determining whether a commodity has reached parity, we should include all the benefits received by the farmer from his Government under the Agricultural Adjustment Administration program, allocable to the particular commodity. For it is unfair to give the farmer a parity price and in addition give him far more than parity.

To this view I still hold.

My suggestion regarding the calculation of parity was not novel. It had received the previous approval of the Congress. Under an amendment to the Agricultural Adjustment Act of 1938—Public Law No. 74, Seventy-seventh Congress—the Commodity Credit Corporation was directed to make loans on certain 1941 crops at the rate of 85 percent of the parity price for the commodity as of the beginning of the marketing year. In approving that act on May 26, 1941, I stated:

> I have taken up the construction of the law with certain legislative leaders chiefly responsible for it and have received from them letters stating that for the 1941 crop the broad intention is that parity payments should, if necessary, be so curtailed as to avoid a price above parity if added to the loan and the soil-conservation payments. I am, therefore, confident that in the pending appropriation bill this clear interpretation and intent will be carried out.

That interpretation and intent were expressly embodied in the then pending agricultural appropriation act—87 CONGRESSIONAL RECORD, page 5785.

When the Congress had under consideration the bill making appropriations for the Department of Agriculture for this fiscal year, the Senate approved an amendment providing that in computing parity payments, deductions should be made for the payments made to producers by the Government during this fiscal year under the Soil Conservation and Domestic Allotment Act. There was considerable disagreement between the House and Senate with respect to the amendment, but the Senate amendment was finally incorporated in the appropriation bill—Public Law 74, Seventy-seventh Congress. Therefore, under the law enacted by the Congress last July in computing parity, benefits must be included.

Under the original Emergency Price Control Act the Administrator was forbidden to establish maximum prices which would reflect less than 110 percent of parity to producers. Under the Stabilization Act of October 2, 1942, the Congress authorized the Administrator to establish prices which will reflect to producers of agricultural commodities the parity price for such commodity or the highest price received by such producers for such commodity between January 1 and September 15, 1942, whichever is the higher. "Parity," one would assume, bears the same meaning in both acts.

The meaning of "parity" under the original Emergency Price Control Act had been established by administrative interpretation. Furthermore, the Price Administrator's construction had been upheld by the Attorney General prior to the introduction of the act of October 2, 1942. This administrative ruling authorized the Price Administrator to include parity, allotment, and soil conservation payments received by the producers of agricultural products in determining whether prices reflected 110 percent of parity to the producers. The Congress was advised of this interpretation before it passed the act of October 2, 1942—see page 37, hearings before Senate Banking and Currency Committee, Senate Joint Resolution 161, Seventy-seventh Congress, second session.

When the act of October 2, 1942, was under consideration in the House of Representatives, an amendment was offered similar to the bill which is now submitted to me which would have excluded any deduction for parity or soil conservation payments in computing parity. This amendment was rejected—88 CONGRESSIONAL RECORD, page 7385.

It cannot, therefore, be fairly said that I ignored either the law or the legislative intent of the Congress when I directed, in my Executive Order No. 9250 of October 3, 1942, that appropriate deductions for Government payments should be made in computing parity prices.

I have referred to the legislative history only because of some of the criticisms of my action. I know that some

Members of the Congress differ with my interpretation of the law. I credit them with sincerity. I ask that they credit me with equal sincerity.

Let us consider the merits of the proposal.

The act of October 2, 1942, directs the President to issue a general order stabilizing prices, wages, and salaries, which affect the cost of living; and, except as otherwise provided in this act, this stabilization shall be on the basis of the levels which existed on September 15, 1942. It is impossible to control the cost of living unless all of its vital elements are stabilized.

The time has come when all of us—farmers, workers, managers, and investors—must realize that we cannot improve our living standards in a period of total war. On the contrary, we must all cut our standards of living for the duration. We must adopt simple wartime standards. If we do, none of us need want for the real necessities of life. We can all have enough if we do not try to get too much. We can only make sure that the present balance does not change materially for the worse; and that those on the lower rungs of the economic ladder are not ground down below the margin of existence. Further we cannot go during the war. After the war our objective will be not only to restore but to raise our standards of living.

In the past no one has fought harder than I to help the farmers get parity prices for their crops. With pride I recall that the parity idea was first put into law during my administration. And by the act of October 2, 1942, the farmers were guaranteed 90 percent of parity prices for all basic crops, not only during the war but for at least 2 years from the 1st day of January following the declaration of the termination of the war.

But it must be recognized that parity prices are only means to get parity income for the farmers. That income goal has been attained for the cooperating producers of all basic crops. This bill would go beyond the goal of parity income and give to these producers an unwarranted bonus at the expense of the consumer.

A few crops have not reached parity price in the open market, but farm prices generally are above parity. Between August 1939 and January 1943 the prices that farmers received for the crops they sold rose nearly 107 percent, while the prices that farmers paid for the things they bought increased only 26 percent.

Farm prices which were 30 percent below parity at the beginning of the war in August 1939 rose to 15 percent above parity in January 1943. Farm prices, which at the beginning of World War No. 1 were only 1 percent below parity, soared 111 percent between 1914 and 1919, but the prices the farmers paid also soared 96 percent, so that the farmers never got more than 107 percent of parity for their crops during the last war contrasted with the 115 percent of parity they are now receiving.

Thus the farmer, far from being worse off than he was in the last war, is substantially better off. But he will not remain better off if we set loose an inflationary tornado.

The American farmer, I am convinced, does not want inflation. He knows that deflation inevitably follows inflation. The farmer wants neither; he prefers stabilization. He recalls all too bitterly the deflation in the value of his land, the debts, the anxieties, the foreclosures, the evictions, and the heartaches which followed in the wake of the inflation after the last World War.

Parity price is only part of the picture. Other factors have contributed to bring about a striking increase in farm income. Between 1939 and 1942 farm production increased 20 percent, and during this period unit costs rose only one-fourth as much as unit prices. As a result farm income in terms of purchasing power is higher than in 1919, higher than 1929, higher than it has ever been in our history. Stabilization will protect that purchasing power. Inflation will destroy it.

Farm income has risen faster than nonfarm income, though both have risen substantially. Since 1939 the average income of the farmer has risen approximately 45 percent more than the average income of the nonfarm population. This is particularly significant in view of the very substantial increases which have occurred in the income and purchasing power of the nonfarm groups during the same period. The dollar income, the purchasing power, and the parity income of the farmer, are all far higher than they were at their peak during the last war. Let us protect the farmer's present favorable position rather than to commence tampering with it.

I realize, of course, that during much of the last 2 decades farm prices and farm incomes were inequitably low. No one should begrudge the farmer the progress which the figures I have cited reveal. Nor do these figures prove that every farm and every acre is free of price problems. But, as in the case of substandard industrial wages, or industrial production involving abnormally high costs, we must deal with these situations specially on their merits and not imperil our stabilization program by general price or wage increases. The figures I have cited do reflect a favorable situation extending to every farm region and virtually every crop.

It is true that farmers generally are encountering increasing difficulty in securing necessary farm labor, farm equipment, and fertilizer. Higher prices cannot, when steel is scarce, create new machinery; higher prices cannot, when manpower is short, create additional workers. In fact, higher prices for crops like wheat and corn might actually divert labor and machinery away from the production of other essential crops, such as soybeans, flax, grain sorghum, beans, and potatoes.

Furthermore, the present prices for wheat and corn are satisfactory from a production standpoint. Our farmers have already indicated their patriotic intention to plant a substantially increased acreage to these crops. The Government is determined to do everything within its power to see that the farmers have the labor and machinery necessary to harvest those crops.

The present relative favorable position of the farmers can be held only if our general stabilization program succeeds. The general stabilization program can succeed only if all groups except those on the very margin of subsistence are willing to recognize that for the duration they not only cannot expect to improve their living standards, but must, indeed, be willing to bear their fair share of the cost of stabilization.

There has been an increase in the cost of living since May 1942. This increase is due mainly to our failure to bring food costs under control. But the War Labor Board is resolutely adhering to the Little Steel formula which compensates labor, in its wage rates, for the increase in the cost of living which occurred between January 1, 1941, and May 1, 1942.

The Board believes that if the formula is broken now it will start an inevitable inflationary spiral that would ultimately cancel out whatever gains labor has made, and place an intolerable burden on widows and old folks with fixed incomes, and on teachers and unorganized workers in low-paid occupations.

It will become impossible to hold this line if the cost of living is still further increased—not from imperative war needs but by the action of the Congress in departing from its declared policy to stabilize all prices and wages.

The Bankhead bill departs from the declared policy of the act of October 2, 1942. It departs from the only practical basis on which any sound stabilization program can proceed. That basis is faithful adherence to the present balanced relationships between wages and prices. To change the present delicately balanced price relationships would not merely change but would jeopardize the entire stabilization program.

It is difficult to forecast the actual price increase which would result under the Bankhead bill, and the estimates I have received differ widely. They all agree, however, that they will be substantial, although there is some difference of opinion as to the time when they will occur. It cannot be denied, however, that the Bankhead bill takes from the Government the power to prevent very substantial increases in food prices. That is its only purpose.

Under the Bankhead bill the price of sugar could rise a cent and a half a pound, the price of bread might go up a cent a loaf, and the price of flour proportionately. The price of corn could rise almost 10 percent, which might not necessitate but would certainly call forth a demand for higher prices for hogs, and livestock, poultry, eggs, milk, and other dairy products. That demand would be particularly insistent in the case of poultry, eggs, milk, and other dairy products where customary feed-cost ratios would be substantially reduced.

The Bankhead bill would certainly deprive the Government of the power to prevent these price increases—increases which might swell the cost of living more than 5 percent, add more than a billion dollars to the consumers' food budget, and several hundred million dollars to

the cost of feeding the armed forces and of supplying our allies.

If by this bill you force an increase in the cost of the basic foodstuffs, and as a result the National War Labor Board increases wages, no one can tell where increases will start or what those increased wages will ultimately cost the farmers and all people of the Nation. If the price of food goes up, if wages rise, it will necessarily result in increasing the cost of our armaments, ships, and planes. We should have to borrow even greater sums to meet the increased cost of the war, and after the war an excessive burden of debt would have to be borne by all the people, including those now in uniform.

We are only beginning to feel the cruel effects of total war. Men happy with their families must give up good and well-paid jobs to become soldiers for $600 a year with only modest allowances for their dependent wives and their children. We who remain in civilian life to produce the food and supplies for them, and an irreducible minimum for ourselves, must not quarrel among ourselves in a vain effort to better or even hold our position at the expense of the other fellow. We must adhere loyally to our stabilization program and sanction no exceptions save in the case of genuine hardship and distress.

I appeal to the considered judgment of the Congress to reject the Bankhead bill which I am returning unsigned. It will not help the farmer with his immediate war difficulties. It will make it infinitely harder for the farmer to protect himself from wartime inflation and post-war chaos. It will add to the burdens of those most heavily burdened. It will make the winning of the war more difficult and gravely imperil our chances of winning the peace.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *April 2, 1943.*

Mr. BARKLEY. Mr. President, I ask unanimous consent that the President's message lie on the table, with the understanding that it will be taken up for consideration immediately following the completion of the morning hour's business on next Tuesday.

Mr. MCNARY. Mr. President, I have conferred with the distinguished senior Senator from Alabama [Mr. BANKHEAD] whose name the bill bears, and I know the suggestion of the Senator from Kentucky is satisfactory to him. It is satisfactory to me, and I think that I may speak generally for the Republican Members of the Senate in saying that it will be satisfactory that the Senate proceed to the consideration of the veto message on Tuesday.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Kentucky? The Chair hears none, and it is so ordered.

The message and the bill will also be printed as a document.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

SUSPENSION OF DEPORTATION OF ALIENS

A letter from the Attorney General, transmitting, pursuant to law, a report stating the facts and pertinent provisions of law in the cases of 70 aliens whose deportation has been suspended for more than 6 months under authority vested in him together with a statement of the reason for such suspension (with accompanying papers); to the Committee on Immigration.

RESERVATION OF LAND FOR INDIANS ON PUBLIC DOMAIN IN UTAH

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to reserve certain land on the public domain in Utah for addition to the Kanosh Indian Reservation (with an accompanying paper); to the Committee on Indian Affairs.

REPUBLICAN RIVER COMPACT AND REPORT

A letter from G. L. Parker, representative of the United States, Republican River Compact Negotiations, transmitting, pursuant to law, copy of the proposed Republican River Basin Compact and copy of the report thereon (with accompanying papers); to the Committee on Irrigation and Reclamation.

REPORT OF FARM CREDIT ADMINISTRATION

A letter from the Under Secretary of Agriculture, transmitting, pursuant to law, the tenth annual report of the Farm Credit Administration for the calendar year 1942 (with an accompanying report and appendix); to the Committee on Agriculture and Forestry.

REPORT OF BOY SCOUTS OF AMERICA

A letter from the Chief Scout Executive of the Boy Scouts of America, transmitting, pursuant to law, the thirty-third annual report of the Boy Scouts of America for the year 1942 (with an accompanying report); to the Committee on Education and Labor.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A letter from Lisle H. Alexander, department adjutant, American Legion, of Detroit, Mich., embodying a resolution adopted by the department executive committee, American Legion, at Detroit, Mich., protesting against the entry of Japanese laborers into the State of Michigan; to the Committee on Education and Labor.

A resolution adopted by the Pennsylvania Chiropody Society, Central Division, Johnstown, Pa., favoring the enactment of Senate bill 216, to create a pharmacy corps in the United States Army; to the Committee on Military Affairs.

A resolution of Glendale Parlor, No. 264, Native Sons of the Golden West, of Glendale, Calif., protesting against the formation of a Japanese unit of the United States Army; to the Committee on Military Affairs.

Resolutions of Division No. 8, Ancient Order of Hibernians; Ice and Cold Storage Employees (at Carpenters' Hall); Local No. 1160, the Sign and Pictorial Painters T. V. No. 479, both of the United Brotherhood of Carpenters and Joiners of America, all of Pittsburgh, Pa., favoring the enactment of the bill (S. 360) to provide temporary additional compensation for employees in the Postal Service; ordered to lie on the table.

A joint memorial of the Legislature of the State of New Mexico; to the Committee on Military Affairs:

"Senate Joint Memorial 8

"Joint memorial memorializing the President of the United States and the War Department of the United States to designate that certain airfield now known as the Alamogordo Air Base as the Jack Lee Field

"Whereas on the morning of November 18, 1942, First Lt. Jack Lee, copilot, squadron commander, Twenty-sixth Squadron, Eleventh Bombardment Group of the Seventh Air Force, as copilot and member of the striking force of 11 heavy bombardment airplanes, proceeded on a mission to bomb Japanese shipping at Buin-Tonolei, near Kahlili Airfield in the Solomons Islands, and reaching the target area bombing runs were made through extremely heavy antiaircraft fire and fighter opposition which resulted in the destruction of one enemy transport and damage to other ships; and

"Whereas immediately following this action Lieutenant Lee was mortally wounded in a frontal attack on his airplane by an enemy fighter pilot, but carried on with his duties for some time; and

"Whereas the plane was forced to make a water landing and while rowing to shore Lieutenant Lee lost his life; and

"Whereas Lieutenant Lee received his wings at Luke Field, Ariz., going to Hawaii in January 1942; and

"Whereas he participated in the battle of Midway and also in the battle at Guadalcanal August 4, 1942, and was stationed in the Solomon Islands area from that time until his death on November 18, 1942; and

"Whereas Lieutenant Lee was posthumously awarded the Silver Star decoration for gallantry in action against the enemy on November 18, 1942, the day he met his death; and

"Whereas Lieutenant Lee was also awarded the Air Medal for meritorious achievement while participating in an air combat mission against enemy objectives on October 12, 1942, and was also awarded the Purple Heart decoration posthumously; and

"Whereas Lt. Jack Lee, the son of Oliver M. Lee, deceased, and Winnie P. Lee, was born in Otero County, a native son of New Mexico; and

"Whereas Lt. Jack Lee, by his life and his heroic death, has set a noble example to the young men of the State of New Mexico; and

"Whereas it seems fitting and proper that a perpetual monument to his memory be established in the county of his birth: Now, therefore, be it

"Resolved by the Legislature of the State of New Mexico, That the senators and members of the House of Representatives of the Sixteenth Legislature of the State of New Mexico do hereby petition the President of the United States and the War Department of the United States to establish such a perpetual monument to his memory by designating that certain air base located in Otero County, State of New Mexico, now known as the Alamogordo Air Base, as the Jack Lee Field; and be it further

"Resolved, That engrossed copies of this joint memorial be sent to the President of the United States, the Secretary of War, the President of the United States Senate, the Speaker of the House of Representatives, and the Senators and Representatives of New Mexico in Congress."

A joint resolution of the Legislature of the State of New Mexico; to the Committee on Military Affairs:

"Senate Joint Resolution 16

"Joint resolution by the Legislature of the State of New Mexico protesting to the President of the United States as Commander in Chief of the United States Army, the Secretary of War, and the Members of Congress against the use of the designation 'Two Hundredth Coast Artillery Antiaircraft' by any unit, regiment, battalion, or brigade of the United States Army, other than New Mexico's own historic Two Hundredth Coast Artillery Antiaircraft Regiment, which so gallantly distinguished themselves at Bataan Peninsula and Corregidor in the Philippine Islands

"Be it resolved by the Legislature of the State of New Mexico:

"Whereas the Two Hundredth Coast Artillery Antiaircraft Regiment, composed entirely

of New Mexico boys, was one of the first to endure the hardships of battle in this war and its members forever distinguished themselves by their undying devotion to duty and superb gallantry displayed in the Philippine Islands fighting, and earned for themselves the perpetual gratitude of the American people by their historic stand on Bataan Peninsula and Corregidor where almost as a unit they were taken prisoners or made the supreme sacrifice; and

"Whereas the name 'Two Hundredth Coast Artillery Antiaircraft' has come to have a symbolic and reverent meaning to the citizens of New Mexico and particularly to the mothers and fathers, wives and sweethearts of the boys who composed its membership, and who to this day have received little or no information of the ultimate welfare of their sons and sweethearts; and

"Whereas it is rumored that the name or designation 'Two Hundredth Coast Artillery Antiaircraft' has been or is about to be assigned to other Army groups or units: Be it therefore

"Resolved, That the sixteenth legislature does hereby urgently protest to the President of the United States as Commander in Chief of the United States Army, and to the Secretary of War, and to the Members of Congress against the use of the name or designation, 'Two Hundredth Coast Artillery Antiaircraft,' by any unit, regiment, battalion, or brigade of the United States Army other than New Mexico's own historic Two Hundredth Coast Artillery Antiaircraft Regiment, which so gallantly distinguished themselves at Bataan Peninsula and Corregidor in the Philippine Islands, and do humbly request that such name and designation be forever preserved for the exclusive use of, and as a mark of reverent respect, honor, and gratitude of the American people to those boys who so gallantly bled and died on Bataan and Corregidor that freedom might not perish from this earth.

"SEC. 2. Be it further resolved that copies of this resolution be sent to the President of the United States, the President of the United States Senate, the Speaker of the House of Representatives, the Secretary of War, and the Senators and Representatives of New Mexico in Congress."

Two concurrent resolutions of the Legislature of the State of North Dakota; to the Committee on Agriculture and Forestry:

"HOUSE CONCURRENT RESOLUTION 1–B

"Concurrent resolution memorializing the Congress of the United States, His Excellency the President of the United States, the Honorable the Secretary of Agriculture, the Vice President of the United States, of the United States, and the Honorable John R. Mohler, Chief of the Bureau of Animal Industry, that the Federal Bureau of Animal Industry be restored to its former status of duty and authority, with respect to the safeguarding of the livestock sanitary welfare and the livestock industry of the Nation.

"Be it resolved by the House of Representatives of the State of North Dakota (the Senate concurring therein):

"Whereas there have recently been transferred from the Federal Bureau of Animal Industry of the United States Department of Agriculture certain powers, authorities, and responsibilities; and

"Whereas the Federal Bureau of Animal Industry has for years past thoroughly, efficiently, and fearlessly safeguarded the livestock sanitary welfare of the livestock industry of the Nation; and

"Whereas transfer of authority and duty and the consequent reduction of personnel will surely hamper the field research and other activities of the Bureau of Animal Industry and constitute a definite menace of the sanitary welfare of the livestock industry of the country, which industry is now so essential in the war effort: Now, therefore, be it

"Resolved, That the Legislature of the State of North Dakota urgently request the Congress of the United States and all Federal authorities involved to restore to the Federal Bureau of Animal Industry its former status of duty and authority formerly vested in the aforementioned Bureau; be it further

"Resolved, That copies of this resolution be forwarded to the Members of Congress and the United States Senate from North Dakota, to the President and Vice President of the United States, and to Claude E. Wickard, Secretary of Agriculture of the United States, and to John R. Mohler, Chief of the Bureau of Animal Industry."

"House Concurrent Resolution 1–J

"Whereas it is necessary to the successful prosecution of the present war that the production of our farms be increased as much as possible; and

"Whereas one of the most effective means of assuring increased production is the program of incentive payments for the increase of production; and

"Whereas the Appropriations Subcommittee of the House of Representatives of the Congress of the United States within the past few days rejected the program calling for $100,000,000 for incentive payments to farmers who increased their production in 1943 of peanuts, soybeans, flax, potatoes, dried beans, dried peas, truck crops, grain sorghums, and sweet potatoes; and

"Whereas that flax and potatoes are two important crops produced by the farmers of North Dakota: Now, therefore, be it

"Resolved by the House of Representatives of the State of North Dakota (the Senate concurring), That the Congress of the United States is hereby memorialized to provide for and continue the program of incentive payments to farmers who increase their production in 1943 of the crops above mentioned to the end that nothing will be left undone to insure the production of the food essential to victory; be it further

"Resolved, That a copy of this resolution be transmitted to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States, to the Honorable Claude R. Wickard, Secretary of Agriculture, and to each of the Senators and Members of Congress from the State of North Dakota, and to the chairmen of the Appropriations Committee and the Subcommittee on Agriculture of the Appropriations Committee of the House of Representatives."

By Mr. RADCLIFFE:

A petition of sundry citizens of the State of Maryland, praying for the enactment of Senate bill 860, relating to the sale of alcoholic liquors to the members of the land and naval forces of the United States; to the Committee on Military Affairs.

By Mr. CAPPER:

A petition of members of the Teachers Club of Newton, Kans., favoring the enactment of the bill (S. 637) to authorize the appropriation of funds to assist the States and Territories in more adequately financing their systems of public education during emergency, and in reducing the inequalities of educational opportunities through public elementary and secondary schools; to the Committee on Education and Labor.

A petition, numerously signed, of sundry citizens of Winfield, Kans., praying for the enactment of Senate bill 569, to prohibit the transportation in interstate commerce of advertisements of alcoholic beverages, etc.; to the Committee on Interstate Commerce.

A petition of sundry citizens of Rush County, Kans., praying for the enactment of Senate bill 860, relating to the sale of alcoholic liquors to the members of the land and naval forces of the United States; to the Committee on Military Affairs.

By Mr. VANDENBERG:

A resolution adopted by the Michigan Public Service Commission, Lansing, Mich., protesting against the trend toward Federal invasion of State regulatory rights, and also against the enactment of House bill 1012, relating to the regulation of air commerce; to the Committee on Commerce.

A resolution adopted by the Department Executive Committee, American Legion Department of Michigan, Detroit, Mich., favoring the enactment of legislation to prevent the entry of Japanese labor into the State of Michigan; to the Committee on Education and Labor.

A petition of sundry citizens of the State of Michigan, praying for the enactment of legislation to establish a chiropractic corps in the armed forces; to the Committee on Military Affairs.

A resolution adopted by the Department Executive Committee, American Legion, Department of Michigan, Detroit, Mich., favoring the enactment of legislation to provide for establishing the WAAC's as a component part of the Army; to the Committee on Military Affairs.

By Mr. WHEELER:

A joint resolution of the Legislature of the State of Montana; to the Committee on Agriculture and Forestry:

"Senate Joint Resolution 3

"Resolution of the Senate and House of Representatives of the State of Montana recommending that the Congress of the United States pass and enact into law such measure or measures as may be necessary to return to the farmer such prices for all agricultural products as will assure to him a reasonable profit over his cost of production, including all costs of labor

"Be it resolved by the Senate of the State of Montana (the House of Representatives concurring therein):

"Whereas the farmers in this country are called upon to contribute to the war effort by an increase in production of farm products; and

"Whereas the expense for farm labor, machinery, repairs, and all other items entering into the over-all cost of the production of agricultural products has greatly increased; and

"Whereas war industries are permitted to include the cost of labor as well as all other costs plus profit in determining the total cost of materials and equipment for the purposes of war; and

"Whereas food is one of the main essentials and is absolutely necessary for the winning of the war, and the farmers of this country are engaged in an all-out effort to win this war; and

"Whereas the farmers of this country cannot successfully carry on unless they receive a reasonable profit for their agricultural products; and

"Whereas they are now being discriminated against to the advantage of labor and industry; and

"Whereas there is now before the Congress of the United States a bill for the establishment of prices for agricultural products which will include the cost of labor and other costs, and will give to the farmer a return upon the basis of parity: Now, therefore, be it

"Resolved by the Senate of the State of Montana (the House concurring), That we earnestly recommend that the Congress of the United States, as quickly as is possible, pass and enact into law such measure or measures as may be necessary to return to the farmer such prices for all agricultural products as will assure to him a reasonable profit over his cost of production, including all costs of labor; be it further

"Resolved, That a copy of this resolution be transmitted by the secretary of state to each Member of Congress from Montana, Vice

President of the United States, Speaker of the House of Representatives, Secretary of the United States Department of Agriculture, chairmen of the Committees on Agriculture in the Senate and House of Representatives of the United States."

RESOLUTION BY LEGISLATIVE COMMITTEE OF CONNECTICUT VALLEY POMONA GRANGE, VERMONT

Mr. AUSTIN. Mr. President, I ask unanimous consent to present and have appropriately referred a memorial of the legislative committee of the Connecticut Valley Pomona Grange of Vermont, opposing certain Federal legislation relating to education.

There being no objection, the resolution was referred to the Committee on Education and Labor and ordered to be printed in the RECORD, as follows:

Whereas the American people are perfectly capable of discharging their duties regarding the education of their children; and

Whereas it is a reflection on their capabilities to do so if the Government takes over the public schools; and

Whereas each State is financially able to provide adequate facilities for such education; and

Whereas the public schools were among the first institutions provided by our forefathers and that they have always been the bulwark of our form of government; and

Whereas the public schools, under the supervision of the parents, exert a more impressive and direct influence on the minds of all youth than if under the control of the Federal Government; and

Whereas the act of surrendering the control of the public schools endangers our freedom: Therefore be it

Resolved, That Connecticut Valley Pomona Grange go on record as opposed to this bill; and be it further

Resolved, That a copy of this resolution be sent to our Representatives in Congress.

ELSIE C. HAMMOND,
Chairman,
MAURICE J. MOXLEY,
W. H. SEAVER,
HAROLD STILLWELL,
Legislative Committee.

LETTER FROM CHARLES W. HOLMAN, NATIONAL COOPERATIVE MILK PRODUCERS' FEDERATION

Mr. CAPPER. Mr. President, I present and ask unanimous consent to have printed in the RECORD and appropriately referred a letter addressed to me by Charles W. Holman, secretary of the National Cooperative Milk Producers' Federation, in support of the so-called Pace bill, the purpose of which is to have the increase in farm-labor costs since the base period included in computing parity prices for all agricultural commodities.

There being no objection, the letter was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

THE NATIONAL COOPERATIVE
MILK PRODUCERS' FEDERATION,
Washington, D. C., March 24, 1943.

HON. ARTHUR CAPPER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR CAPPER: I am advised that the Senate is about to consider the Pace bill (H. R. 1408), which passed the House on March 19 by a tremendous majority. This letter is to advise that our organization considers this legislation to be in the public interest and we earnestly hope that you will give it your support.

You may recall that last September the Congress enacted into law an amendment proposed by Senator AIKEN which was somewhat similar to this bill, except that the Aiken amendment was limited to the computation of parity with regard to the fixing of minimum price ceilings on agricultural products. We have been advised that no attention has been given this amendment in official computations. In consequence, it has become necessary to ask the Congress to so imbed all elements of farm labor costs into calculations of the national farm price index by the Secretary of Agriculture that these calculations will be reflected in the administration of the Agricultural Adjustment Acts, the Agricultural Marketing Agreement Act, and the Emergency Price Control Act, as amended. This the Pace bill is designed to do.

Because of present price levels for a number of farm products, the immediate effect of the Pace bill will be slight, both as to increases in farm prices and the reflection of these increases in the cost of living. Calculations attempting to project the operation of the bill over the next 21 months indicate that the Pace bill will assist all important groups of agriculture, even the producers of beef and hogs, without adding materially to the cost of living.

Below is a summary of studies made by us as to the general economic effect of the proposed legislation which we commend to your attention:

"Writing the Pace bill into law would have the effect of raising the index of prices received by farmers approximately 5 percent in 1943, and possibly 11 percent in 1944, over the index that would exist without the bill. (The greater effect in 1944 would be partly due to wage rates rising faster than other costs.) For most products, except meats, the bill would have the effect of raising the price at which minimum ceilings might be set by about 16 percent in both 1943 and 1944. Meats would probably not be affected in 1943 due to their present high levels, but in 1944 their minimum price ceilings would probably be raised up to 8 percent.

"The national actual price for butterfat at the farm would move ahead about 1 cent more per pound in 1943, and about 5 cents more in 1944 with the Pace bill than without it. The actual national farm price for milk in 1943 would probably be little, if any, higher with the Pace bill than without it. In 1944, however, the average milk price would probably advance materially (up to 50 cents). Even in 1943 in some fluid milk markets the parity price would be raised appreciably.

"For agriculture as a whole the effect of the bill would be to increase the value of farm marketings by about one-half billion dollars in 1943 according to estimates of the National Cooperative Milk Producers' Federation. This estimate is based upon data representing over 90 percent of agricultural products. For the same period the Bureau of Agricultural Economics estimates that the increase in value of farm marketings due to the Pace bill would be about seven-tenths of a billion dollars.

"The Bureau of Agricultural Economics estimates that the Pace bill would have the effect of increasing retail expenditures for food by eight-tenths of a billion dollars during the year 1943. In view of governmental control over handlers' margins, we doubt whether the Bureau's estimate is as conservative as it should be. This would represent a 3-percent increase for food expenditures but only about a 1-percent increase in the total cost of living, since food expenditures constitute only about one-third of total living costs. However, if livestock producers absorb the increase in price of feed grains, the federation estimates that the total increase in retail expenditures for food would amount to only about three-tenths of a billion dollars or an increase of only 1.1 percent during 1943. This would mean an increase in total cost of living of less than four-tenths of 1 percent, an infinitesimal amount.

"For 1944 the Bureau of Agricultural Economics estimates that under the Pace bill the retail expenditures for food would be increased from twenty-six and four-tenths billions to twenty-eight and nine-tenths billions. This would represent an increase of 9½ percent for food expenditures or an increase of slightly more than 3 percent in the total cost of living."

Some exponents opposing the Pace bill have sought to befuddle the issue by making unwarranted assertions that this proposed legislation will help principally producers of cotton and feed crops and that dairy farmers' feed bills will be increased more than they would receive in increases of milk and its products. Such assertions are wild and unfounded. To illustate, I quote from a calculation made by the Maryland and Virginia Milk Producers Association, one of our member units which supplies practically all of the milk consumed in greater Washington.

"As the Pace bill proposes to include farm labor in the computation of parity, it would raise the parity price for all farm products, including milk and feed, by the same percentage. To the dairy farmers in this section, including those in the State of Virginia, the amount of purchased feeds represents about 20 percent of the total cost of producing milk. It is quite obvious, therefore, that a percentage rise in the price of milk and feed would be of definite advantage to dairy farmers because the increase in feed would constitute only about 20 percent of their total cost. Thus, on the face of it, it is a fallacy to contend that the Pace bill will not help dairy farmers.

"We have reduced the probably economic effect of the Pace bill to actual figures for the Washington milkshed. For example, in 1943 we estimate that the Pace bill would raise the parity price for milk in Washington by 35 cents per hundredweight. The increase in feed costs that the Pace bill would create would amount to about 9 cents per hundredweight of milk. Thus, the net advantage to local dairy farmers would be 24 cents per hundredweight. To Virginia dairy farmers alone, shipping milk to Washington, this would mean an annual increase of $432,000. In 1944, it is estimated that the Pace bill would increase the parity price of milk in Washington by 42 cents per hundredweight, and the increase in feed costs would amount to 10 cents per hundredweight of milk. Thus, the net advantage to dairymen would be 32 cents per hundredweight, which would give Virginia farmers shipping to Washington an increase of $576,000. We consider it of paramount importance that the Pace bill be enacted."

May I repeat that we earnestly hope you will vote for this bill.

Sincerely yours,

CHAS. W. HOLMAN,
Secretary, National Cooperative Milk Producers' Federation.

RESOLUTION OF MINERS UNION LOCAL NO. 2412, IRONWOOD, MICH.—RATIONING OF MEATS TO MINERS

Mr. VANDENBERG presented a resolution adopted by Miners Union Local No. 2412, of Ironwood, Mich., which was referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

Whereas the Office of Price Administrator has issued an order and decree rationing meat for the public, effective as of April 1, 1943, and the amount of meat so rationed for each individual employee is inadequate as affecting said mining employees; and

Whereas on the iron ranges in Michigan, Minnesota, and Wisconsin are located the

iron-ore mines from which practically all of the iron ore in the United States is mined; and

Whereas the mining of said iron ore is a strenuous, hard type of work and requires great effort and energy; and

Whereas the mining of iron ore is a very essential war industry and it is important that production be not curtailed; Now, therefore, be it

Resolved by the Miners Union Local No. 2412, of Ironwood, Mich., U. S. A., Congress of Industrial Organizations, That this situation be called to the attention of the President of the United States and the Office of Price Administrator for the purpose of asking them to investigate this situation and determine the amounts of meats that should be rationed to these miners who work in the extracting of the iron ore vital to the war effort; be it further

Resolved, That copies of this resolution be sent to the President of the United States, Franklin Roosevelt; Office of Price Administrator, Prentiss Brown; United States Senators Vandenberg and Ferguson; Congressman Bennett; and to the Ironwood Daily Globe.

PUERTO RICAN INDEPENDENCE

Mr. TYDINGS. Mr. President, I introduce a bill to provide for the complete, unconditional, and absolute independence of Puerto Rico.

There being no objection, the bill (S. 952) to provide for the withdrawal of the sovereignty of the United States over the island of Puerto Rico and for the recognition of its independence; to provide for notification thereof to foreign governments; to provide for the assumption by the government of Puerto Rico of obligations under the treaty with Spain of December 10, 1898; to define trade and other relations between the United States and Puerto Rico; to provide for the calling of a convention to frame a constitution for the government of the island of Puerto Rico; to provide for certain mandatory provisions of the proposed constitution; to provide for the submission of the constitution to the people of Puerto Rico and its submission to the President of the United States for his approval; to provide for the adjustment of property rights between the United States and Puerto Rico; to provide for the maintenance of military, coaling, and naval stations by the United States on the island of Puerto Rico; to continue in force certain statutes until independence has been granted; and for other purposes, was received, read twice by its title, and referred to the Committee on Territories and Insular Affairs.

Mr. TYDINGS. Mr. President, it will be recalled that after the Spanish-American War we provided for the independence of Cuba. About 8 years ago we provided for the independence of the Philippine Islands. Puerto Rico is the one large, thickly populated island which we obtained by conquest in the War with Spain which still remains under our sovereignty. As a part of the good-neighbor policy this little country should also have the opportunity to become independent.

The bill provides for the retention by the United States of air, naval, and military bases on the island. It further provides for the adoption of a constitution for the people of Puerto Rico which contains substantially our own Bill of Rights.

It also provides for the safeguarding of American interests in the island both during the transition period and after Puerto Rico shall become completely independent.

Generally the bill follows the lines of the Filipino Independence Act, with one exception. The Filipino Independence Act provided for a transitory government which would become a final government 10 years after the machinery for Filipino independence was put into effect. The bill now introduced by me provides for immediate independence for Puerto Rico whenever a constitution satisfactory to the people there and to the President of the United States, and in accordance with the restrictions in the bill, shall have been adopted.

The bill provides that in its export trade to the United States Puerto Rico shall pay no tariff the first year, 5 percent of the normal tariff the second year, 10 percent the third, and so forth, until 100 percent of the normal tariff is levied on Puerto Rican goods, at the end of a 20-year period, whereas in the case of the Philippines the tariff applied during the transition period. This would be a subsequent right which Puerto Rico would have, to give her an opportunity to readjust her economy after independence had been granted, the idea being to give Puerto Rico her independence at the earliest possible moment consistent with considered and well-rounded policies for the interests of both countries.

A number of years ago the Civil Liberties Union submitted a bill to me and asked me to introduce it. Because of the imminence of World War No. 2—I think it had already broken out in Poland—it was concluded that it would not be advisable to introduce the bill at that time. However, the bill which I introduce today is not the bill which the Civil Liberties Union sent to me. I have taken that bill more or less as a basis, and have used the Filipino Independence Act as a guide, having in mind the particular situation in Puerto Rico. I have tried to put all these things into my bill.

Lest I be misunderstood, let me say that I am introducing this bill in the utmost sincerity. I believe in it. I believe it is an absolutely fair bill to Puerto Rico. I believe that Puerto Rico would be better off under the terms of this bill than she is at present. One thing we have demonstrated in the case of Puerto Rico is our inability, at long range, to solve the Puerto Rican problem. Puerto Rico should desire her independence. The bill, if enacted into law, would demonstrate that we are willing to give people the right of self-determination whenever circumstances warrant such consideration.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. CHAVEZ. I was not present when the Senator from Maryland began his comments on the bill. Does the Senator feel that now is the proper time to introduce such a bill?

Mr. TYDINGS. I believe it is the proper time. It is a better time than any other I have ever known.

First of all, we have spent more than $300,000,000 in Puerto Rico in the past 10 years, and, to my certain knowledge, after a very lengthy inspection of the island not many years ago, the results have not justified the expenditure.

I believe that if we are going to do for Puerto Rico what we have already done for Cuba and the Philippines, we ought to get at the job at the earliest possible time. The "four freedoms," the Bill of Rights of our own Constitution, and our good-neighbor policy all point toward giving the Puerto Ricans an opportunity to have their own government. I believe that under the humane economic provisions incorporated in the bill they could make the transition, and in the long run be better off than they would be under our stepchild policy, which solves nothing. It works only as a palliative to deal with situations as they arise. We do not solve anything.

Mr. CHAVEZ. Mr. President, will the Senator further yield?

Mr. TYDINGS. I yield.

Mr. CHAVEZ. I was hoping that the Senator from Maryland, who appointed a subcommittee of the Committee on Territories and Insular Affairs to investigate social and economic conditions in Puerto Rico, would at least afford the subcommittee an opportunity to make its recommendations on certain questions under the present system.

Mr. TYDINGS. If the Senator will permit me to interrupt him, let me say that I do not consider the bill to be perfect. However, I believe that it is a humane and well-devised scheme for the immediate independence of Puerto Rico, and for cushioning its economic difficulties until it gets on its feet. We shall have to hold hearings on the bill. No doubt we shall have to modify it in certain respects. However, it affords a basis for study. I shall certainly want the contributions of the Senator's able subcommittee, and the facts which they have adduced. The question will be before the Committee on Territories and Insular Affairs, of which the Senator is a member, and we can work out the problem together in the light of the facts which the Senator's subcommittee has adduced.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. TAFT. I think it ought to be made clear that this bill is not the result of the trip taken by the subcommittee to Puerto Rico, but that it is proposed individually by the Senator from Maryland, who happens to be chairman of the Committee on Territories and Insular Affairs. I hope that before we are through the subcommittee will present an alternative plan, which might perhaps more effectively deal with the Puerto Rican problem than it has been dealt with. The people of Puerto Rico should not get the impression that the bill of the Senator from Maryland is in any sense the outcome of the studies so far made by the subcommittee of the Committee on Territories and Insular Affairs.

Mr. TYDINGS. The Senator is correct. No one except the senior Senator from Maryland is identified with the authorship of the bill. I am proud of the effort I am making. I believe intensely in it, not only for the good of Puerto Rico, but for our own good. I shall do my utmost to have the bill considered at an early date—I hope with the promise of success. I am convinced that there is only one solution to the Puerto Rican problem, and that is to give the Puerto Ricans the right, under humane and far-reaching economic policies, to work out their own destiny.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. CONNALLY. Does the Senator contemplate any provision with respect to retention of naval or air bases?

Mr. TYDINGS. Naval, air, and military bases are all reserved in the bill, because, obviously, Puerto Rico is not strong enough to defend herself in a world war. There are reserved not only the bases we already have but those which the President may designate to round out the program. That was our policy in connection with the Philippine Independence Act.

I hope Senators will read the bill. I have made an effort to help the Puerto Ricans to help themselves.

Mr. McNARY. Mr. President, without desiring to be finicky or fussy, I wish to observe the routine morning hour. I ask for the regular order.

The ACTING PRESIDENT pro tempore. The regular order is demanded. Reports of committees are in order.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ELLENDER, from the Committee on Claims:

S. 776. A bill to confer jurisdiction on the Court of Claims to hear, determine, and render judgment on the claim of Louis H. Pink, superintendent of insurance of the State of New York, as statutory liquidator of New York Indemnity Co., against the United States; with amendments (Rept. No. 154); and

H. R. 1893. A bill for the relief of George H. Crow; without amendment (Rept. No. 150).

By Mr. ROBERTSON, from the Committee on Claims:

H. R. 205. A bill conferring jurisdiction upon the District Court of the United States for the Southern District of Florida to hear, determine, and render judgment upon the claims of all persons who have claims for damages or losses allegedly resulting from the construction, further development, and improvement of the Intracoastal Waterway, Miami to Jacksonville, Fla., and for other purposes; without amendment (Rept. No. 151).

By Mr. WHERRY, from the Committee on Claims:

S. 628. A bill for the relief of Lawrence Anthony, R. E. Murphy, Mary E. Armstrong, and R. E. Murphy as administrator of the estate of Ella Murphy; with amendments (Rept. No. 153)

By Mr. BUTLER, from the Committee on Irrigation and Reclamation:

S. 649. A bill to promote flood control in the basin of the Republican River, and for other purposes; with amendments (Rept. No. 152).

INVESTIGATION RELATING TO FOOD PRODUCTION AND CONSUMPTION—REPORT OF COMMITTEE ON AGRICULTURE AND FORESTRY

Mr. SMITH, from the Committee on Agriculture and Forestry, reported an original resolution (S. Res. 124), which, under the rule, was referred to the Committee to Audit and Control the Contingent Expenses of the Senate, as follows:

Resolved, That the Committee on Agriculture and Forestry, or any duly authorized subcommittee thereof, is authorized (a) to make a full and complete study and investigation with respect to any matters relating to the production, transportation, distribution, exportation, utilization, and consumption of food and allied products produced within or imported into the United States and its Territories and possessions, and of all products, commodities, and factors involved therein, including farm prices and shortages of farm labor, machinery, fertilizer, and feed or other commodities necessary to crop and livestock production, and (b) to make inquiries into any policies and practices of the Government which appear to imperil the production and distribution of adequate supplies of food for our armed forces, our civilian population, or our allies. The committee or subcommittee shall report to the Senate at the earliest practicable date the result of its investigation, together with its recommendations, if any, for necessary legislation.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Senate in the remainder of the Seventy-eighth Congress, to employ such clerical and other assistants, to utilize the services, information, facilities, and personnel of the departments and agencies of the Government, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, and to take such testimony as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $5,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

ADDITIONAL COPIES OF SENATE REPORT NO. 10, CURRENT SESSION, OF SPECIAL COMMITTEE TO INVESTIGATE THE NATIONAL DEFENSE PROGRAM

Mr. HAYDEN, from the Committee on Printing, reported an original resolution (S. Res. 127), which was considered by unanimous consent and agreed to, as follows:

Resolved, That 4,000 additional copies of Senate Report No. 10, current session, as submitted to the Senate by the special committee authorized and directed to investigate the national defense program, be printed for the use of said committee.

CONTINUATION OF SPECIAL COMMITTEE ON CONSERVATION OF WILDLIFE RESOURCES

Mr. LUCAS. Mr. President, from the Committee to Audit and Control the Contingent Expenses of the Senate, I report favorably without amendment Senate Resolution 105, and ask unanimous consent for its present consideration.

The PRESIDING OFFICER (Mr. HAYDEN in the chair). Is there objection?

There being no objection, the resolution (S. Res. 105) submitted by Mr. CLARK of Missouri on February 18, 1943, was read, considered, and agreed to, as follows:

Resolved, That the authority contained in Senate Resolution 246, agreed to April 17, 1930, authorizing a special committee to investigate the conservation of wild animal life, hereby is continued from February 1, 1943, to the end of the Seventy-eighth Congress; and the said committee hereby is authorized to expend from the contingent fund of the Senate $6,000 in addition to the amounts heretofore authorized for such purpose.

CONTINUATION OF AUTHORITY FOR INSPECTION OF MILITARY ESTABLISHMENTS IN THE WESTERN HEMISPHERE

Mr. LUCAS. From the Committee to Audit and Control the Contingent Expenses of the Senate, I report favorably Senate Resolution 104, and ask unanimous consent for its present consideration.

The PRESIDING OFFICER. The resolution will be read.

The Chief Clerk read the resolution (S. Res. 104) submitted by Mr. REYNOLDS on February 18, 1943, as follows:

Resolved, That the authority contained in Senate Resolution 298, agreed to October 9, 1942, authorizing the Committee on Military Affairs, or any duly appointed subcommittee thereof, to visit, for purposes of inspection, during the second session of the Seventy-seventh Congress, any part of the Military Establishment in the Western Hemisphere, hereby is extended from the end of the said session to and including January 6, 1943.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

Mr. McNARY. Mr. President, the resolution was read so hurriedly that in the absence of an explanation, it is difficult to know what it is. Will the Senator explain it?

Mr. LUCAS. I suggest that the clerk re-read the resolution so that the Senator may understand it.

The resolution was again read.

Mr. McNARY. As I understand, the resolution merely takes care of a 2-week period of time.

Mr. LUCAS. The Senator is precisely correct.

Mr. McNARY. I have no objection.

There being no objection, the resolution, which had previously been reported by Mr. REYNOLDS from the Committee on Military Affairs, was considered, and agreed to.

TEMPORARY CLERK, COMMITTEE ON EDUCATION AND LABOR

Mr. LUCAS. From the Committee to Audit and Control the Contingent Expenses of the Senate, I report favorably Senate resolution 116 and ask unanimous consent for its present consideration.

The PRESIDING OFFICER. The resolution will be read.

The Chief Clerk read the resolution (S. Res. 116) submitted by Mr. THOMAS of Utah on March 19, 1943, as follows:

Resolved, That Resolution No. 251, agreed to June 4, 1942, authorizing the Committee on Education and Labor to employ an additional clerk during the fiscal year beginning July 1, 1942, to be paid from the contingent

fund of the Senate at the rate of $1,800 per annum, hereby is continued in full force and effect from July 1, 1943, until the end of the Seventy-eighth Congress.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

Mr. McNARY. Mr. President, why does the Committee on Education and Labor have to have an additional clerk for a short time?

Mr. LUCAS. As I understand, the committee now has such a clerk and it has merely requested that the clerk be continued on the roll for another year.

Mr. McNARY. Has not the committee the number of clerks that other committees have?

Mr. LUCAS. The Senator from Utah [Mr. THOMAS], who is chairman of the committee, is in position to answer the question.

Mr. THOMAS of Utah. The resolution would not provide a new clerk. It merely provides for a continuation of the resolution agreed to on June 4, 1942, authorizing the employment of an additional clerk up to July 1, 1943. Under the pending resolution that period would be extended to the end of the Seventy-eighth Congress so it will be consistent with other resolutions heretofore agreed to providing for the employment of additional clerks.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered, and agreed to.

ADDITIONAL CLERICAL ASSISTANCE, COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

Mr. LUCAS. Mr. President, from the Committee to Audit and Control the Contingent Expenses of the Senate, I report favorably, with an amendment, Senate Resolution 97, and ask unanimous consent for its present consideration.

The PRESIDING OFFICER. The resolution will be read.

The Chief Clerk read the resolution (S. Res. 97), submitted by Mr. HILL on February 11, 1943, as follows:

Resolved, That the Committee on Expenditures in the Executive Departments be, and it is hereby, authorized to employ during the Seventy-eighth Congress an assistant clerk and an additional clerk, to be paid from the contingent fund of the Senate at the rate, respectively, of $3,600 and $1,800 per annum.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

Mr. McNARY. Mr. President, I should like to ask how many clerks the Committee on Expenditures in the Executive Departments now employs.

Mr. LUCAS. Mr. President, I yield to the Senator from Alabama [Mr. HILL], chairman of the committee, to answer the question.

Mr. HILL. I will say to the Senator from Oregon that at the present time the committee does not have a clerk. The committee is allowed only $15 a month for the employment of additional clerical help. In other words, at the present time there is no regular clerk for this committee. An allowance of $15 a month was granted for one employee in my office. He is my personal employee, and is assigned to work pertaining to the business of the committee. I am sure the distinguished Senator from Oregon realizes that when a clerk is allowed to devote only $15 worth of time to committee work during the month, such work cannot be very helpful to the committee.

Mr. McNARY. Does the committee desire two clerks?

Mr. HILL. Yes. The chairman of the committee was directed to submit the resolution as the result of the unanimous vote of the committee. I know that every member of the committee present voted to instruct the chairman to submit the resolution.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The amendment of the Committee to Audit and Control the Contingent Expenses of the Senate was in line 3, after the word "during" to insert "the remainder of", so as to read:

Resolved, That the Committee on Expenditures in the Executive Departments be, and it is hereby, authorized to employ during the remainder of the Seventy-eighth Congress an assistant clerk and an additional clerk, to be paid from the contingent fund of the Senate at the rate, respectively, of $3,600 and $1,800 per annum.

The amendment was agreed to.

The resolution as amended was agreed to.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WHEELER:

S. 941. A bill for the relief of Charles Perkins MacKenzie; to the Committee on Finance.

S. 942. A bill to amend the Interstate Commerce Act, to provide for agreements between common carriers by railroads, between common carriers by pipe line, between common carriers by motor vehicle, between common carriers by water, and between freight forwarders, for the making and filing of rates, fares, charges, or classifications for transportation of passengers and property, and for other purposes; to the Committee on Interstate Commerce.

S. 943. A bill to provide for conveying to the State of Montana, for public-park purposes, certain lands near the city of Havre, Mont., known as the Beaver Creek Park; to the Committee on Public Lands and Surveys.

By Mr. HILL:

S. 944. A bill to place John P. Shaffer on the emergency officers' retired list, and for other purposes; to the Committee on Military Affairs.

By Mr. DOWNEY:

S. 945. A bill to amend section 1753 of the Revised Statutes to create a board of legal examiners in the Civil Service Commission, and for other purposes; to the Committee on Civil Service.

By Mr. CLARK of Missouri:

S. 946. A bill for the relief of Mary Clare Cleland; to the Committee on Immigration.

Mr. OVERTON. Mr. President, on behalf of myself and the junior Senator from Arkansas [Mr. MCCLELLAN] I introduce a bill entitled "A bill to provide for the establishment of uniform freight rates, and for other purposes." The object of the bill is to establish a uniform classification of freight and a uniform scale of class rates for application throughout the continental United States in the transportation of freight by rail in interstate commerce. I ask that the bill be appropriately referred.

The ACTING PRESIDENT pro tempore. The bill will be received and will be referred to the Committee on Interstate Commerce.

By Mr. OVERTON (for himself and Mr. MCCLELLAN):

S. 947. A bill to provide for the establishment of uniform freight rates, and for other purposes; to the Committee on Interstate Commerce.

By Mr. WHERRY:

S. 948. A bill for the relief of the Farmers Union Co-Operative Association, of Dawson, Nebr.; to the Committee on Claims.

By Mr. WHERRY (for himself and Mr. CAPPER):

S. 949. A bill for the relief of Mrs. Anna Runnebaum; to the Committee on Claims.

By Mr. TUNNELL:

S. 950. A bill for the relief of the Milford Trust Co. and Blanche R. Bennett, as administrators of the estate of Charles E. Reed, deceased (with accompanying papers); to the Committee on Claims.

Mr. LANGER. Mr. President, on behalf of the senior Senator from Nevada [Mr. MCCARRAN] and myself, I introduce and send to the desk a bill providing for the admission of Alaska as a State in the Union, and ask that the bill be appropriately referred.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

By Mr. LANGER (for himself and Mr. MCCARRAN):

S. 951. A bill to provide for the admission of Alaska into the Union; to the Committee on Territories and Insular Affairs.

(Mr. TYDINGS introduced Senate bill 952, which was referred to the Committee on Territories and Insular Affairs, and appears under a separate heading.)

(Mr. THOMAS of Utah introduced Senate bill 953, which was referred to the Special Committee on Post-War Economic Policy and Planning, and appears under a separate heading.)

By Mr. WALSH:

S. 954. A bill for the reimbursement of certain enlisted men of the Navy for personal property lost in the loss of the *Hugh L. Scott*; and

S. 955. A bill to provide a penalty for violation of restrictions or orders with respect to entering, remaining in, leaving, or committing any act in Naval, Marine Corps, or Coast Guard bases or stations, and for other purposes; to the Committee on Naval Affairs.

By Mr. ELLENDER:

S. 956. A bill for the relief of Everett A. Alden, Robert Bruce, Edgar C. Faris, Jr., Kathryn W. Ross, Charles L. Rust, and Frederick C. Wright; to the Committee on Claims.

By Mr. PEPPER:

S. 957. A bill to amend section 3 (a) of the Internal Revenue Code, Employment Taxes, Subchapter B, Employment by Carriers, as amended; to the Committee on Finance.

S. 958. A bill to amend section 1 (a) of the Carriers Taxing Act of 1937, as amended;

S. 959. A bill to amend section 1 (a) of the Railroad Retirement Act of 1937, as amended; and

S. 960. A bill to amend section 1 of the Railroad Unemployment Insurance Act; to the Committee on Interstate Commerce.

REDEVELOPMENT AGENCY—ASSISTANCE TO MUNICIPALITIES AND URBAN AREAS

Mr. THOMAS of Utah. Mr. President, I introduce a bill and ask that a statement concerning it may be printed in the RECORD as a part of my remarks.

There being no objection, the statement referred to was ordered to be printed in the RECORD, as follows:

FEDERAL BILL FOR URBAN REDEVELOPMENT—INTRODUCTORY STATEMENT

It is of the highest importance that, in the reconversion from a wartime to a peacetime economy and the absorption of labor and resources which will be released by the termination of the war, the public expenditures which will be made shall be placed in projects which are both socially useful and economically sound.

The replanning and gradual redevelopment of the blighted portions of American municipalities meet these requirements. The movement of both population and industry from the older parts of the cities has left these parts in a condition which constitutes a serious social and financial liability; and for the cure of this condition and the reinvigoration of these obsolescent and declining areas, public action, both Federal and local, is a necessity. This is the objective of the bill which I have introduced.

One of the causes of the obsolescence of these blighted and slum districts and one of the reasons why they do not rebuild themselves is the obsolete lot and building lay-out with its multiplicity of ownerships. Consequently, for curing the situation, there must be at least the temporary assembly and unification of control of the land of an area which is to be redeveloped, so that it may be replanned and arrangements made for carrying out the redevelopment in accordance with the plan. The acquisition and assembly of the land and the making of a master, comprehensive plan should be undertaken by the municipalities themselves.

They need, however, Federal help for planning and for financing of this land assembly. Municipal debt limitations and other causes create this necessity. And there are ample and convincing reasons for the use of Federal funds in addition to the fact that, under our present tax system, it is the Federal Government which alone can raise the needed funds. Urban redevelopment will enhance the revenue-producing capacity of the blighted districts, and the Federal Treasury will gain from this as well as the local town and city treasuries. Moreover, urban redevelopment will increase employment, raise the national income, and thereby increase national prosperity and well-being. Finally, urban redevelopment will reinvigorate the building-construction industry.

While habitation—that is, dwellings—constitute the predominant land use in almost all parts of every city, urban redevelopment is not limited either to private housing nor to low-cost or subsidized housing. Indeed the determination of the uses to which the land in the blighted districts should be put can be determined only by the comprehensive planning of the whole municipality. All students of the subject agree that no sound plans can be made for the redevelopment and rehabilitation of any area without a comprehensive plan of the whole urban community. The redevelopment plan of any area must fit into the master or comprehensive plan of the whole city or metropolitan region. This comprehensive planning has to be more thorough than in the past, and, as it will take some time, it should begin at once so as to be well along when the post-war construction period arrives.

All those parts of the redevelopment project area which are not to be devoted to public uses such as streets, schools, playgrounds, or to public housing, that is all of the area which is to be devoted to private housing or private enterprises, would be leased to private development corporations. The rentals which the municipality receives from the loans would be used to repay the Federal Government. While the first and early redevelopment projects might not pay out in full, the hope is that, as a city proceeds with the reinvigoration of its blighted districts and thereby renders them increasingly productive, in the course of time it will be able to repay the Federal Government in full, in addition to the more indirect benefits to the national economy and welfare. No subsidy or tax exemption is contemplated.

The bill, therefore, establishes an urban redevelopment agency headed by an administrator, and as a basis for Federal advances requires that a master plan shall be made and adopted by the planning agency of the urban area to include at least the following: (a) The general location and extent of existing and proposed major public services and utilities, including the street and transportation network; (b) a land-use plan which designates proposed general distribution and general location of the classes of public and private land uses; (c) a statement of the standards of population density and building intensity; (d) estimates of population growth and a general description of the amount and kind of industrial, business, and other economic activities for which the planning agency deems that space should be supplied within the territory covered by the plan. In short, the planning is made a matter of local responsibility. The bill requires, moreover, that in the case of each project area—that is, a portion of the blighted district which is to be redeveloped as a separate project—a more detailed development plan must be prepared showing the proposed new layout and the uses to which it is to be devoted.

If the Administrator is satisfied with these plans, he is authorized to advance moneys to the municipality with which to acquire and assemble the land in the project area. The municipality obligates itself to carry out the submitted redevelopment plan by devoting to the public uses shown on the plan (streets, recreation grounds, and so on) those portions of the area which the plan calls for, and leasing all the remainder of the area to a private redevelopment corporation (or to a public housing authority if the plan specifies such housing), which will be under obligation to carry out the plan. The obligation of the municipality to repay the advances will be evidenced by income debentures payable out of the rentals or income from the leased land. The municipality is not required to pledge its general credit.

As some of the redevelopment areas will have to be leased upon rentals which will pay off the debentures slowly and others more quickly, the bill requires all the rentals from all the leases to be pooled and all the leased areas in any municipality will remain in the pool until all the advances to that municipality, with interest at 2 percent, are repaid.

The bill also authorizes advances to municipalities and metropolitan areas to help them in making plans. These are not grants; for if an advance is later made for the acquisition of land for redevelopment, these advances for planning are to be included in the repayments.

There may be areas in cities which are in need of rehabilitation but which are still in sufficiently vigorous condition as not to require clearance and rebuilding but need some reconditioning, such as more open spaces, some renovation of the street lay-out and other minor changes. The bill authorizes advances for land acquisition for reconditioning of this nature based upon area reconditioning plans.

The above is the gist of the measure. Early enactment by the Congress is highly desirable. For to enable cities to avail themselves of the benefits of this proposal, State statutes will be necessary, and it is highly important that the provisions of the Federal and State enabling legislation be geared into each other. And it is of the utmost importance that the planning, both comprehensive and detailed, proceed without delay. For this planning, if it is to be fundamental and competent, takes time, and if it be not ready when the post-war construction period arrives, such development as is undertaken will be unsoundly done and will cause further waste and inefficiency.

Mr. THOMAS of Utah. There is one further matter which I should like to present in regard to the bill. The bill is a housing measure, and ordinarily it would go to the Committe on Education and Labor. However, it relates to post-war planning and, therefore, I ask that it be referred to the special committee set up by the Senate under the chairmanship of the senior Senator from Georgia [Mr. GEORGE] to consider post-war projects.

The ACTING PRESIDENT pro tempore. Is there objection to the request made by the Senator from Utah? The Chair hears none, and it is so ordered.

The bill (S. 953) to establish the Urban Redevelopment Agency and to provide financial assistance to the municipalities and urban areas of the United States for their development in accordance with plans therefor, and for other purposes, was read twice by its title and referred to the Special Committee on Post-War Economic Policy and Planning.

REGULATION OF RATE BUREAUS

Mr. WHEELER subsequently said: Mr. President, during the past year the Department of Justice inaugurated proceedings against some of the rate bureaus organized by railroads, and bus and truck operators, to indict them for violation of the Sherman antitrust law. The proceedings were started at the request of the War and Navy Departments, and suggestions were made by the Interstate Commerce Commission that rate bureaus should be regulated.

I have today introduced a bill—see list of bills introduced—for the purpose of regulating the various rate bureaus, and I have prepared a brief statement concerning the purposes of the bill and what it is intended to accomplish. I ask unanimous consent to have the statement inserted in the RECORD at this point as a part of my remarks.

There being no objection, the statement presented by the Senator from Montana [Mr. WHEELER] was ordered to be printed in the RECORD, as follows:

The bill which I have introduced today as an amendment to section 6 of the Interstate Commerce Act is designed to place rate bureaus and rate conferences of common carriers in all fields of transportation, except air, under the control and supervision of the Interstate Commerce Commission. These bureaus and conferences have been established by groups of carriers for the purpose of agreeing upon rates to be filed with the Commission, although the Interstate Commerce Act provides only that rates shall be initiated by individual carriers. Thus in practice the industry has moved far from the making of rates by individual carriers to a point where almost all rates are made by the industry collectively and when filed with the Commission these become the lawful rates. Yet these bureaus and conferences have never

been subject to any governmental supervision. The Interstate Commerce Commission has recently urged the advisability of legislation which would recognize the position of bureaus and conferences in rate making for transportation services.

Group rate making which has been prevalent in the railroad industry for many years has in more recent years been adopted in the motor- and water-carrier fields. No other industry in this country has established such elaborate machinery for the collective determination of the prices at which their services shall be available to the public. Over the years practices have developed which have resulted in abuses detrimental to the public interest. Two courses are now open to the Congress. Either these bureaus and conferences must be dissolved or their organization and operation must be surrounded with appropriate safeguards. The former course of action would require that the Commission establish rate-making machinery that would approximate that which has been created by the industry. Before such a course is pursued it seems advisable to give the bureaus and conferences created by the industry an opportunity to make their organization and procedure conform with the public interest. The fact that under the Interstate Commerce Act all rates are subject to review by public authority and that all carriers are permitted to protest each others' rates before the Commission places these rate bureaus in a different position from that of other combinations to fix prices. Nevertheless Commission control, by reason of the very complexity of its task, can never be a complete substitute for competition in safeguarding the public interest. Hence it is important to assist the Commission in discharging its public responsibilities by preserving the maximum possible scope for independent action by individual carriers.

The proposed amendment will for the first time give legal recognition to the existence and activities of bureaus and conferences composed of carriers performing the same type of transportation service. It will also permit rate-bureau action embracing competing modes of transportation for the sole purpose of establishing through routes and joint rates. However, it is necessary to prevent one type of transportation from vetoing the rates of another type of transportation.

The legislation seeks to assure that such conferences will be democratically constituted and conducted, that all carriers will have access to membership therein, and that there shall be no discrimination by any bureau or conference against individual carriers. The bill seeks to preserve to the individual carrier the right of independent action in establishing its own transportation rates, a right guaranteed to the carrier by the Interstate Commerce Act but denied in practice by the procedures and activities of some bureaus. Also in the interest of preserving the right of independent action, the bill provides that proposed rate changes docketed with the bureau by a carrier or shipper shall be acted upon promptly, and that no bureau or conference shall have the right to use the combined contributions of its members to intervene before the Commission to protest independent action by a carrier. The amendment preserves, of course, the right of any carrier member of a bureau or of any interested party to protest in its individual capacity against any rate filed by another carrier.

Inasmuch as this amendment places great additional responsibilities on the Commission, provision has been made that a member of the Commission's staff shall preside at all meetings of rate bureaus and conferences and their committees, thereby permitting the Commission to be informed immediately of all of the activities of rate bureaus and the reasons for all actions taken. Without this active participation in rate-bureau activities the Commission would have grave responsibilities without adequate knowledge and would be in no position to safeguard the public interest.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated:

H. R. 1203. An act to eliminate private suits for penalties and damages arising out of frauds against the United States; to the Committee on the Judiciary.

H. R. 1225. An act for the relief of Joseph Nathaniel Gownder; to the Committee on Immigration.

H. R. 2346. An act making appropriations for the fiscal year ending June 30, 1944, for civil functions administered by the War Department, and for other purposes; to the Committee on Appropriations.

AMENDMENT OF CIVILIAN PILOT TRAINING ACT OF 1939—AMENDMENT

Mr. WILEY. Mr. President, at the request of Bradley R. Taylor, of Rhinelander, Wis., I send to the desk an amendment intended to be proposed to House bill 1670, a bill to amend section 2 of the Civilian Pilot Training Act of 1939, as amended.

Let me add that the Senator from Michigan [Mr. VANDENBERG], who is a member of the Senate Commerce Subcommittee, of which the Senator from Missouri [Mr. CLARK] is chairman, has also suggested that I submit the amendment so that the subcommittee may have before it all the suggestions relating to civilian pilot training legislation.

The ACTING PRESIDENT pro tempore. The amendment will be received, referred to the Committee on Commerce, and printed.

OVERTIME COMPENSATION TO GOVERNMENT EMPLOYEES—AMENDMENTS

Mr. OVERTON submitted an amendment and Mr. THOMAS of Utah submitted two amendments, intended to be proposed by them, respectively, to the bill (S. 635) to provide for the payment of overtime compensation to Government employees, and for other purposes, which were severally ordered to lie on the table and to be printed.

ADMINISTRATION AND EFFECT OF SILVER PURCHASE ACT—LIMIT OF EXPENDITURES

Mr. THOMAS of Oklahoma submitted the following resolution (S. Res. 126), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the special committee authorized by Resolution 187, Seventy-fourth Congress, agreed to August 16, 1935, and Resolution 261, Seventy-seventh Congress, agreed to June 26, 1942, to investigate the administration and effect of the Silver Purchase Act of 1934, and the mining of gold and silver in the United States and its Territories, hereby is authorized to expend from the contingent fund of the Senate, in pursuance of said investigations, $10,000 in addition to the amount heretofore authorized for such purpose.

TWENTY-FIFTH ANNIVERSARY OF AIR-MAIL SERVICE

Mr. BAILEY. Mr. President, we are this year celebrating the twenty-fifth anniversary of the inauguration of air mail in the United States. The Service was instituted at the instance of the Congress. In connection with the beginning of the Service a most interesting and helpful debate took place in the Senate, and the chief participant on behalf of the institution of the air mail was the distinguished senior Senator from Tennessee [Mr. MCKELLAR]. In conversation with me he told me of that debate. In view of the anniversary to which I have referred, I asked him to prepare for me the data concerning that notable debate. I ask unanimous consent to have it printed at this point in the RECORD as a part of my remarks in regular RECORD type, especially in view of the significance of the twenty-fifth anniversary of the establishment of the Air Mail Service in the United States.

Mr. LA FOLLETTE. Mr. President, I am sorry, but if the Senator wishes to have the data printed as though delivered by him on the floor, I shall have to object. I have no objection to it being printed in small type as a part of his remarks, but I have previously given notice that I shall object to the fast-growing practice in the Senate of printing remarks in the body of the RECORD in type which indicates they were actually delivered on the floor.

Mr. BAILEY. Mr. President, I have not yielded the floor, but in deference to the judgment of the Senator from Wisconsin I will withdraw the request and ask that the statement be printed in the Appendix of the RECORD.

In connection with the statement which I have just asked to have printed in the Appendix of the RECORD, I wish to say further that I am bringing this subject forward not only because of the significance of the occasion but because it well justifies the prophetic mind and action of the senior Senator from Tennessee.

CORRECTIONS IN STATISTICS RELATING TO MERCHANT MARINE—LETTER FROM GRACE LINE, INC.

Mr. BAILEY. Mr. President, I ask unanimous consent to have printed in the RECORD a letter from the Grace Line, Inc., in which it is stated that there have been some misrepresentations of fact and misunderstandings in connection with statistical tables which were inserted in the CONGRESSIONAL RECORD on March 19, 1943. In justice to them I ask that their statement of their side of the matter be printed in the RECORD at this point as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

GRACE LINE INC.,
New York, N. Y., March 30, 1943.

Hon. JOSIAH W. BAILEY,
Chairman, Committee on Commerce,
United States Senate,
Washington, D. C.

MY DEAR SENATOR BAILEY: Our attention has been called to certain figures relating to the results of operations of subsidized steamship companies for the years 1938–41, which were inserted in the CONGRESSIONAL RECORD of March 19, pages 2218–2222. Insofar as those figures relate to this company, we have copied them from the CONGRESSIONAL RECORD and enclose them for your ready reference.

We have no knowledge as to the figures relating to other companies but in respect to our own figures, we respectfully submit that in the form in which presented in the RECORD, they are inaccurate and misleading. Knowing of your interest in the merchant marine,

we take the liberty of pointing out wherein these inaccuracies and misleading statements appear.

The figures appearing under the heading "Capital Employed" in 1938 and 1941 are substantially correct as relating to our subsidized operations. However, as we carry on substantial unsubsidized operations which are not subject to the benefits nor to the obligations of the Merchant Marine Act, 1936, and as the figures given in the record for dividends paid during the 4-year period include dividends from unsubsidized operations as well as from subsidized operations, it is clearly misleading to list only the capital employed in the subsidized operations, while at the same time showing all dividends paid from both subsidized and unsubsidized operations. It would have been accurate and not misleading to have listed the following correct figures of capital employed for both subsidized and unsubsidized operations.

1938	$16,624,837.93
1939	17,434,866.45
1940	19,404,340.54
1941	21,216,624.86

The figures in the RECORD show, under the heading of "Earnings and profits deposited in reserve funds free of all Federal taxes," the sum of $18,136,133. The fact of the matter is that a very substantial part of these deposits in the reserve funds were neither earnings nor profits but normal depreciation, return of original capital through the sale or loss of vessels, and amounts required by the law to be deposited and held for payment to the Government as recapture of profits upon expiration of the contract. None of these amounts would be subject to taxation in any case, and no exemption of taxes has been or will be secured in respect to these amounts as a result of their being deposited in the reserve funds or for any other reason. Additionally, another substantial part of the total figure listed consists of funds which may be withdrawn from the reserve and thus secure tax exemption only with the approval of the Maritime Commission and for the specific purpose of paying for new construction. If not so withdrawn, such amounts will be subject to taxation upon the expiration of the contract as if earned in the year withdrawn. The actual nature of the funds comprising the figure of $18,136,133 listed in the RECORD is clearly shown by the following:

Origin of deposits in reserve funds, 1938–41

Normal depreciation	$3,269,724.15
Return of original capital from sale or loss of ships	4,220,084.43
Earnings subject to recapture	2,890,094.45
Earnings conditionally tax exempt	2,890,094.44
Profits and capital gains free of all taxes	4,865,903.40
Total	18,135,900.87

In a similar fashion, the figure of $10,027,103 listed in the RECORD under the heading "Balance of earnings and profits in reserve funds free of all Federal taxes, January 1, 1942," consists in a large part of amounts which are neither earnings nor profits and on which no tax exemption has been or will be possible. It is not possible to segregate the origin of the amounts remaining in the reserves on January 1, 1942, because, as shown above, the deposits in these funds come from various sources, and when the disbursements are made from the funds to make down payments on new construction or mortgages it cannot be said whether the particular amounts so paid out came originally from depreciation reserves, return of original capital, or from current earnings. However, it is pertinent to note that on December 31, 1942, the balance in our capital reserve fund was $995,474.69, which, except for $25,118.88, consisted entirely of normal depreciation for the year 1942 which was deposited on that date. On the same date the balance in our special reserve fund was $5,780,188.89. Approximately half of this balance represents the amount subject to recapture by the Maritime Commission. The other half can only be withdrawn during the remaining life of the contract with the specific approval of the Maritime Commission for the sole purpose of paying for new construction, and if not so withdrawn will, upon the expiration of the contract, be subject to income taxes in the year when the contract terminates.

Consideration of the facts above cited will, we are sure, lead to your agreement that the figures as presented in the RECORD in our case are misleading and inaccurate. We are sure you appreciate that among a large number of different companies there will be found great variations in policies and in management. Whatever may be the case with other companies, we assert that in our case the provisions of the Merchant Marine Act, 1936, have been applied honestly and conservatively and in full accordance with the intentions of the framers of the act. There have been no excessive profits, and the earnings for the most part have been utilized to modernize our fleet. During the period of the contract we have purchased from the Maritime Commission 10 fast modern freighters at a total cost of $14,128,911.52 and have taken commitment for an additional 4 vessels estimated to cost $6,500,000.

Such exemption from taxation as we have received under the provisions of the act has gone entirely to the building of new ships with which during the next 20 years we must take our chances as to the financial results of operations.

In light of the foregoing, it occurs to us that you may be willing to make an opportunity to correct the injustice to this company which results from the publication in the CONGRESSIONAL RECORD of the figures above referred to.

We hope you may also be interested in the enclosed copy of a letter which we have addressed to the chairman of the House Committee on the Merchant Marine and Fisheries in reference to H. R. 134.

We would be pleased to give you any additional information in respect to our operations and to discuss with you the many problems with which the shipping industry is faced today.

Respectfully yours,

GRACE LINE, INC.,
R. R. ADAMS,
Executive Vice President.

OPPORTUNITIES FOR DISABLED AND INCAPACITATED EX-SERVICE MEN

Mr. DANAHER. Mr. President, in Hartford, Conn., is located the Gray Manufacturing Co., which produces coin telephones. I presume everyone is thoroughly familiar with the product of that great company; but, as one of the most singular contributions of a forward-looking management, its vocational rehabilitation program, as I might term it, is worthy of more than passing notice. Through a series of advertisements which are being reproduced in various newspapers in my State we find this message from the Gray Manufacturing Co.:

[From the Hartford Courant]

A SINCERE MESSAGE TO DISABLED AND INCAPACITATED EX-SERVICE MEN

We would like to help you fit yourself back into a happy productive life, and we feel that perhaps we can help.

There are jobs open in our plant from time to time which you may be able to fill. Some of these jobs involve little activity, are only moderately manual, and are important.

Our desire to help you get "into production" is not based on sympathy or on a sense of obligation (as grateful as we are to you for what you have given our country), but on the cold, hard fact that we know you want to continue to work for victory. We and the country need your continued help.

We know, too, that your presence here will be an inspiration and incentive to us to give our best to war production.

Our personnel office is open from 8 to 12 a. m. and 1 to 5 p. m. Monday through Friday and on Saturday mornings. We shall be glad to have you or any member of your family come in and see Mr. Tribble, our personnel director.

Mr. President, in behalf of the company, Mr. W. E. Ditmars, its president, has invited the attention of other industrial-plant owners to the service which it is possible to render to the incapacitated ex-servicemen through a little care and foresight. It is a stimulating thing in these times, it seems to me, to find the management of such an important industry taking so long a view of the problem confronting us. I hope that the program of the Gray Manufacturing Co. may find emulation in other quarters.

ADDITIONAL COPIES OF HEARINGS BEFORE COMMITTEE ON WAYS AND MEANS—INDIVIDUAL INCOME TAX

The ACTING PRESIDENT pro tempore laid before the Senate House Concurrent Resolution 17, which was read, as follows:

Resolved by the House of Representatives (the Senate concurring), That, in accordance with paragraph 3 of section 2 of the Printing Act approved March 1, 1907, the Committee on Ways and Means of the House of Representatives be, and is hereby, authorized and empowered to have printed for its use 2,000 additional copies of the hearings held before said committee during the current session relative to individual income tax.

Mr. HAYDEN. I move that the Senate concur in the House resolution.

The motion was agreed to.

THE WAR AND BUSINESS—ADDRESS BY SENATOR MURRAY

[Mr. MURRAY asked and obtained leave to have printed in the RECORD an address entitled "The Global War and American Business," delivered by him in New York City, February 15, 1943, before the National Paper Trade Association, which appears in the Appendix.]

ORGANIZATION AND COLLABORATION OF UNITED NATIONS—RADIO DISCUSSION BETWEEN SENATOR HATCH AND SENATOR BALL

[Mr. HILL asked and obtained leave to have printed in the RECORD a discussion on the Washington Star National Radio Forum, March 31, 1943, between Senator HATCH and Senator BALL relative to Senate Resolution 114, having to do with the organization and collaboration of the United Nations, which appears in the Appendix.]

GOVERNMENT PROPAGANDA—SPEECH BY SENATOR WILLIS

[Mr. WILLIS asked and obtained leave to have printed in the RECORD a speech prepared by him for delivery in the Senate on March 30, 1943, and not delivered because of the lack of time, which appears in the Appendix.]

LANDMARKS OF WAR AND PEACE—ADDRESS BY SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the RECORD an address on the

subject Landmarks of War and Peace, delivered by him before a luncheon group at Beloit, Wis., on March 27, 1943, which appears in the Appendix.]

INFORMATION VERSUS INTUITION IN THE IMPOSITION OF SENTENCE—ARTICLE BY JUDGE LEWIS B. SCHWELLENBACH

[Mr. HATCH asked and obtained leave to have printed in the RECORD an article entitled "Information Versus Intuition in the Imposition of Sentence" written by former Senator Lewis B. Schwellenbach, judge of the United States District Court for the Eastern District of Washington, and published in Federal Probation for January-March, 1943, which appears in the Appendix.]

CECIL CALVERT, FOUNDER OF MARYLAND—LECTURE BY DR. BEVERLY W. BOND, JR.

[Mr. RADCLIFFE asked and obtained leave to have printed in the RECORD a lecture entitled "Cecil Calvert, Founder of Maryland," delivered by Dr. Beverly W. Bond, Jr., of the University of Cincinnati, before the Maryland Society of Colonial Dames of America, in Baltimore, Md., on February 23, 1943, which appears in the Appendix.]

SIX PILLARS OF PEACE—ADDRESS BY JOHN FOSTER DULLES

[Mr. BALL asked and obtained leave to have printed in the RECORD an address delivered by John Foster Dulles, chairman of the Commission to Study the Bases of a Just and Durable Peace, of the Federal Council of Churches of Christ in America, at a luncheon meeting in New York City, on March 19, 1943, which appears in the Appendix.]

MINDFUL OF WILSON SLIP—ARTICLE BY RAYMOND CLAPPER

[Mr. BALL asked and obtained leave to have printed in the RECORD an article entitled "Mindful of Wilson Slip," written by Raymond Clapper and published in the Washington Daily News of Thursday, April 1, 1943, which appears in the Appendix.]

EDUCATION IN UNIFORM—ARTICLE BY ARCHIBALD MACLEISH

[Mr. TRUMAN asked and obtained leave to have printed in the RECORD an article entitled "Education in Uniform—The Dilemma," written by Archibald MacLeish and published in the Atlantic Monthly for February 1943, which appears in the Appendix.]

PROPOSED VISIT TO FIGHTING FRONTS BY SUBCOMMITTEES OF TRUMAN COMMITTEE—EDITORIAL FROM THE CLEVELAND PLAIN DEALER

[Mr. WILLIS asked and obtained leave to have printed in the RECORD an editorial entitled "A Worth While Proposal," published in the Cleveland Plain Dealer of March 29, 1943, which appears in the Appendix.]

RESPECT FOR AND CONFIDENCE OF THE PEOPLE IN CONGRESS—EDITORIAL FROM WESTERN HILLS PRESS

[Mr. WILLIS asked and obtained leave to have printed in the RECORD an editorial entitled "Congress Begins Job of Regaining Public's Respect and Confidence," published in the Western Hills Press, of Cheviot, Ohio, of March 19, 1943, which appears in the Appendix.]

COMMUNICATION OF SENTIMENTS OF GOOD WILL FROM MEXICO

Mr. SHIPSTEAD obtained the floor.

Mr. CONNALLY. Mr. President——

Mr. SHIPSTEAD. I yield to the Senator from Texas.

Mr. CONNALLY. Mr. President, a few days ago two very distinguished members of the Congress of the Republic of Mexico were in the city of Washington and called on a group of members of the Foreign Relations Committee in the Foreign Relations Committee room and submitted a communication to the Senate expressive of the fine and friendly sentiments which exist between the two countries.

I have a communication from these gentlemen which, with the indulgence of Senators, I should like to have read to the Senate.

The ACTING PRESIDENT pro tempore. Does the Senator from Minnesota yield to the Senator from Texas?

Mr. SHIPSTEAD. The Senator from Texas may have the floor, so far as I am concerned. I do not wish to interfere with the routine morning business.

Mr. CONNALLY. I should like to have the letter read and have it printed in the body of the RECORD, rather than in the Appendix. These gentlemen are warm in their sentiments toward the Government and people of the United States, and express a desire to cooperate with us in the war effort, which I think was very significant in the relations between the two Republics. Therefore I ask that the communication be read and incorporated in the RECORD.

The ACTING PRESIDENT pro tempore. Without objection, the clerk will read as requested.

The Legislative Clerk read as follows:

WASHINGTON, D. C., *March 30, 1943.*

Hon. Senator TOM CONNALLY,
Chairman of the Senate Committee on Foreign Relations,
Washington, D. C.:

The Permanent Commission of the Congress of the United Mexican States, interpreting the popular sentiments of Mexico, conferred upon us the honor of transmitting their cordial greeting to the Senate of the United States of America, through your good self, as an expression of fraternal esteem.

In the present painful crisis of the world, the people of Mexico unanimously support the international policy of the President of the Republic, General of Division Manuel Avila Camacho. We can assure you that Mexico, just the same as the other United Nations, will use all the resources at her disposal, to secure the triumph of democratic ideals, which for a long time have constituted Mexico's supreme aspiration.

On fulfilling the pleasant duty entrusted to us, we wish to extend our warm greetings to the great people of the United States of America, through this honorable national representation, and express our complete faith in the victory of liberty and justice that will mark the beginning of an era of peace and human concord.

We desire to express at the same time the fervent wish of the people of Mexico that the cordial and close relations now existing with their neighbor to the north be everlasting.

ANTONIO BETANCOURT PEREZ.
AURELIO PAMANES ESCOBEDO.

TRANSPORTATION OF PETROLEUM BY PIPE LINE

The ACTING PRESIDENT pro tempore. The Chair lays before the Senate a resolution coming over from a previous day, which will be read.

The resolution (S. Res. 103) submitted by Mr. CLARK of Missouri on February 15, 1943, on behalf of himself and other Senators, was read, as follows:

Whereas the production of ships, the making of high-octane gasoline, and the construction of synthetic-rubber plants have been and are being delayed because of the shortage of necessary materials; and

Whereas it is now proposed to construct a steel pipe line from points in Texas northeast to a point in Indiana for the transportation principally of petroleum products; and

Whereas the construction of such pipe line will consume materials and labor in competition with the above-mentioned projects and will cost a vast sum of money; and

Whereas the diversion and use of vast quantities of critical materials and labor would be justified only if alternative means of transportation for petroleum products, such as barges and railroad tank cars, are not and cannot be made available, and then only if the projected pipe line is so located and of such character as to provide the maximum increase in the required transportation capacity for petroleum and petroleum products; and

Whereas it has been contended that recently announced plans of the War Production Board and the Petroleum Administrator for War for projected additional pipeline construction do not meet these requirements, and that consideration should be given to constructing other pipe lines in other locations and to alternative means of transporting petroleum products: Therefore be it

Resolved, That a full and complete study and investigation be made for the purpose of determining (1) the necessity and desirability of constructing any additional pipe line; (2) the extent to which any projected pipe line would unduly compete for scarce materials and labor with other programs necessary to the war effort; (3) the type, location, and use of any projected pipe line and the functions to be performed by it; (4) the availability of any alternative means of transportation for petroleum products, such as barges or railroad tank cars; and (5) the possibility of increasing the efficiency of present facilities for the transportation of petroleum by rerouting or otherwise.

Mr. BARKLEY. I ask unanimous consent that the resolution go to the table calendar.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The routine morning business is concluded, and the calendar, under rule VIII, is in order.

ORDER FOR CONSIDERATION OF THE CALENDAR

Mr. BARKLEY. I ask unanimous consent that the Senate proceed to the consideration of measures on the calendar to which there is no objection, beginning with Calendar No. 50, the point where we left off at the last call of the calendar.

Mr. SHIPSTEAD. A parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state his parliamentary inquiry.

Mr. SHIPSTEAD. Under the rule for the consideration of the calendar there is a limitation on debate, is there not?

The ACTING PRESIDENT pro tempore. There is a 5-minute limitation.

Mr. BARKLEY. I will consent that the Senator may have more time if he desires.

Mr. SHIPSTEAD. I should like to have about 15 minutes.

Mr. BARKLEY. I should like to have the order agreed to.

Mr. SHIPSTEAD. If I can have the floor immediately, I shall not object, with the understanding I have stated.

Mr. BARKLEY. I ask unanimous consent that the Senator from Minnesota may proceed as he has stated.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Kentucky? The Chair hears none, and it is so ordered.

Mr. BARKLEY. I ask unanimous consent that the Senator from Minnesota may have 15 minutes to address the Senate on another subject at his convenience.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. REYNOLDS. Mr. President——

The ACTING PRESIDENT pro tempore. Does the Senator from North Carolina object?

Mr. REYNOLDS. I wish to present a matter.

The ACTING PRESIDENT pro tempore. The Chair thought the Senator from North Carolina was objecting. Does the Senator from Minnesota yield to the Senator from North Carolina?

Mr. SHIPSTEAD. Not yet. For how long does the Senator desire to address the Senate?

Mr. REYNOLDS. Will not the Senator yield to me?

Mr. WALSH. Mr. President, reserving the right to object——

Mr. REYNOLDS. Will not the Senator from Minnesota yield to me for 5 minutes?

Mr. SHIPSTEAD. What I have to say will not take me very long, and I should prefer to continue for 15 minutes. If I can have about that length of time I can conclude.

Mr. REYNOLDS. As I understand, if the Senator yielded to me for 5 minutes it would not interfere with his 15 minutes. Is not that correct, Mr. President?

Mr. SHIPSTEAD. I do not know whether I can yield, under the unanimous-consent agreement.

The ACTING PRESIDENT pro tempore. The Senator from Minnesota cannot parcel out time. The Senator from Massachusetts reserved the right to object.

Mr. WALSH. Reserving the right to object, I should like to know how long the Senator from Minnesota intends to take.

Mr. SHIPSTEAD. If I am not interrupted I shall conclude in 15 minutes or less.

Mr. WALSH. Together with other Senators, I have been waiting all morning to have the calendar called, and it is rather inconvenient to have other business than the call of the calendar transacted. However, in view of the Senator's desire to take this time, I shall not object.

Mr. SHIPSTEAD. I thank the Senator.

The ACTING PRESIDENT pro tempore. The Senator from Minnesota is recognized.

INVESTIGATION OF ALLEGED DISCRIMINATORY FREIGHT RATES

Mr. SHIPSTEAD. Mr. President, I submit a resolution for appropriate reference and ask to have the clerk read it.

Mr. BARKLEY. Mr. President, let me ask, How long is the resolution?

Mr. SHIPSTEAD. It embraces one and a quarter pages of legal size paper.

Mr. BARKLEY. I have no objection.

The ACTING PRESIDENT pro tempore. The resolution submitted by the Senator from Minnesota will be read.

The resolution (S. Res. 125) was read and referred to the Committee on Interstate Commerce, as follows:

Resolved, That the Committee on Interstate Commerce, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete investigation with respect to (1) the methods by which transportation rates, fares, and charges are made, in violation of law, through agreement among competing common carriers by rail, highway, water, and air, (2) the extent to which such illegal rate making has brought about and perpetuated freight-rate discriminations against the Southern and Western States, and (3) the effort of the Chairman of the War Production Board to legalize, by administrative fiat under Public Law 603, Seventy-seventh Congress, such illegal rate-making practices and freight-rate discriminations. The committee or subcommittee shall report to the Senate at the earliest practicable date the result of its investigation, together with its recommendations, if any, for necessary legislation.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Senate in the remainder of the Seventy-eighth Congress, to employ such clerical and other assistants, to utilize the services, information, facilities, and personnel of the departments and agencies of the Government, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, and to take such testimony as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

Mr. SHIPSTEAD. Mr. President, during the last session of the Senate a few days ago the Senator from Tennessee [Mr. STEWART] discussed the question of discrimination in freight rates against the South and the Middle West. I wish to call to the attention of the Senate a very interesting document released on the 25th day of March. Transmitted to Congress by the President was a report by the Tennessee Valley Authority graphically showing freight rate discriminations against the South and the West, which have effectively prevented freedom of trade and equality of opportunity in those sections of the country. I believe that the man in the street would infer that the President wanted something done about it. But what does the record show?

On January 4, 1943, the Attorney General released a statement to the press which announced that the investigations of the Department of Justice, through its Antitrust Division, for the purpose of doing something about the illegal rate-making methods of railroads, would be suspended. A grand jury had been convened at Chicago, evidence of illegal practices, of combinations of railroads and motor carriers, had been presented to that grand jury, and indictments had been prepared. But at the request of Mr. Eastman, of the Office of Defense Transportation, the Interstate Commerce Commission, and the War and Navy Departments, and even the President, the indictments were stopped and the grand jury was discharged.

I submit for the RECORD the Attorney General's announcement to the press, and the letters of those who stopped the indictments.

I made inquiry and obtained from the Congressional Library a copy of a news release of the Department of Justice. I ask unanimous consent that at the end of my remarks there may be printed in the RECORD not only the letters from the Secretary of War and from Mr. Eastman, but also the letter of the Attorney General and his press release of January 4, 1943.

The PRESIDING OFFICER (Mr. TUNNELL in the chair). Is there objection? The Chair hears none and it is so ordered.

(See exhibit 1.)

Mr. SHIPSTEAD. Mr. President, those who would protect the railroads' exorbitant wartime earnings at all costs and perpetuate the unjust freight rate discriminations against the South and the West, did not stop there. Knowing full well that their rate-making practices were illegal and that some day enforcement of the antitrust laws would call them to account, the bureaucrats in government for the railroads got busy and proceeded to legislate by Executive order.

Mr. President, I have before me a copy of the Federal Register for March 27, 1943. If Senators will look on page 3804 they will find a certificate issued by Donald M. Nelson, Chairman, War Production Board, which is designed to legalize all the present illegal methods of rate making in all forms of public transportation—rail, motor, water, pipe line, and air carriers. This is done under section 12 of Public Law 603, passed by Congress.

Is there a Member of this body who believed or intended when passing that act that wholesale conspiracies under the Sherman Act were to be legalized? Look at the so-called rules and regulations set up by the Interstate Commerce Commission attached to the certificate of Nelson. They read like an act of Congress.

Is there a Member of the Senate who believes that that act, Public Law 603, could be used to repeal the antitrust law as it affects transportation? Is there a Senator who believes that the illegal practices which have been indulged in could under that law be legalized by an Executive order of the President, or by a certificate issued by the Chairman of the War Production Board?

With the order in question appears a resolution in the form of a regulation

providing for rate making. I assume it has been submitted to the War Production Board by the Interstate Commerce Commission. The fact that this resolution has been adopted by the War Production Board in connection with an Executive order is plain evidence that the practices which the Department of Justice intended to stop by bringing indictments and prosecutions were illegal, and so resort has been made to an Executive order to legalize the practices in connection with which the Department of Justice were going to bring indictments.

Is there any Member of this body who believed that a major piece of legislation could be thus produced by a few bureaucrats in Government operating in star-chamber session, behind closed doors? What of the farmer, the small businessman, industry, yes, even the taxpayer through Government itself, who foots the bill? Apparently no thought was given to them. The swollen wartime earnings of transportation companies must be protected even though it bankrupts the rest of the Nation.

Mr. President, I charge that the men responsible for this certificate of the War Production Board, which is designed to protect the greatest price-fixing conspiracy this or any other country has ever known, namely, the private rate-making bureaus and conference of the railroads and other forms of transportation, are themselves guilty of a gigantic conspiracy against the people of the United States. They should be called to account by this body, and dealt with as fearlessly as are other conspirators against the Nation's welfare.

The Department of Justice, having been estopped from prosecuting these conspiracies by a certificate issued by the Chairman of the War Production Board, at the solicitation of the Office of Defense Transportation, the Under Secretary of War, and Under Secretary of the Navy, under the guise of preventing injury to the war effort, Congress should immediately explore these policies to determine whether or not private companies operating public transportation services should be permitted to get together for the purpose of privately fixing rates. This is a matter of such vital importance to the Nation that Congress, and Congress alone, should deal with it. Conspiracies in violation of law are not necessary to the war effort.

Mr. President, do not be deluded by any statement that the Interstate Commerce Commission has jurisdiction over these matters anyway, so why do anything about it? Whoever makes such a statement does not know of what he speaks. These conspiracies have existed in violation of law since the passage of the Sherman Act, as repeatedly held by the Supreme Court. That opinion was first held by the Court in 1897 in *United States* v. *Trans-Missouri Freight Association* (166 U. S. 290); in *United States* v. *Joint Traffic Association* (171 U. S. 505); and the last decision in line with that, to the best of my knowledge, was Justice Douglas' decision in 1940 in the case of *United States* v. *Socony Vacuum Oil Co. et al.* (310 U. S. 150).

Senators from the South and from the West will note that it is control exercised through these rate-fixing conspiracies which perpetuates the unjust freight-rate discrimination against which we of the West, and others of the South, have so long and so fruitlessly complained.

So I say, Mr. President, we have the spectacle on the one hand of one part of the Executive branch of the Government seemingly aiding the Congress in attempting to enforce an act of Congress, while on the other hand we have another branch of the Government conspiring with those who were to be indicted, to legalize their practices in violation of the Sherman antitrust law, and to give them immunity.

This is an act by the bureaus to defeat the will of Congress by means of an Executive order. Can it be properly held that a conspiracy to violate an act of Congress can be legalized by another conspiracy on the part of bureaucrats? All efforts by such departments of the Government and agencies as the Agriculture Department and O. P. A. to alleviate the situation have been frustrated. The O. P. A. and the Department of Agriculture have taken the position that these companies were violating the antitrust laws, and have asked for remedies, but they have been circumvented by this Executive order. Agencies to which the people have a right to look for relief have ganged up to protect the swollen wartime earnings of the carriers.

One of the high officials involved said to me, "We must move the tonnage regardless of cost. We, in wartime, are simply not interested in cost." In other words, the railroads are to be permitted to get together to charge any rate they please so long as the tonnage is moved. I wonder if this high official would also say that those who build our airplanes, tanks, guns, ammunition, and other war supplies, should be permitted to get together to charge anything they please, so long as we get the planes, tanks, guns, ammunition, and other war supplies. If that is to be the order of the day, where is the sacrifice in time of national peril? Could not our boys, young, eager to serve their country, say, "We will not serve, we will not give up our lives for our country, unless you pay us the price that we collectively agree upon." What would this high official say to that?

I repeat, where in the vast public transportation system of this country, dominated by a few banking houses for personal gain, is there the slightest evidence of sacrifice for the Nation? I say there is none. But there is much evidence of exacting from the people and from their Government the last cent that rates made through conspiracies can yield.

There is one crumb of satisfaction to those from the South and those of us from the West. The action of these conspirators, and the super-conspirators in government, is a glaring admission that the freight rates, together with their rank discriminations against the South and West, are illegal and void.

If they were not illegal, why should these people go to the War Production Board and have the Board, under the guise of an Executive order under Public Law 603, adopt a resolution in the form of a regulation to legalize the practices against which the Department of Justice had brought criminal proceedings in order to enforce an act of Congress against the transportation companies which were violating the act of Congress? I do not believe that the War Production Board certificate changes that situation. I do not believe it can legalize these practices or repeal an act of Congress. A conspiracy in violation of an act of Congress cannot be legalized except through a new act of Congress. Therefore, the practices in question are of no force and effect. This is so because they were illegally established through conspiracy and thus could not become legal, even if the Commisison permitted them to be filed and found them reasonable and nondiscriminatory.

Even if the rates are reasonable and nondiscriminatory, they are still a violation of the antitrust law because the Supreme Court has said that, although the rates may be nondiscriminatory and reasonable, it is still unlawful for the interested parties to make their own rates. This was decided by the Supreme Court in an opinion by the late, great Justice Brandeis, in *Keogh* v. *C. & N. W. Railroad Co.*, 260 U. S. 156, decided November 13, 1922.

Mr. President, in order to save time, I ask to have printed in the RECORD at this point in my remarks a citation from the Keogh case.

There being no objection, the citation was ordered to be printed in the RECORD, as follows:

Keogh was a manufacturer of excelsior and flax tow at St. Paul, Minn. Defendants were railroads operating from St. Paul to the East, who had formed the Western Trunk Line Committee. By agreement, these railroads, through this committee, established noncompetitive rates which included increased rates on excelsior and flax tow. Keogh claimed he was damaged and instituted suit for triple damages under the Sherman Act. The Court, in the course of its opinion, said:

"All the rates fixed were reasonable and nondiscriminatory. That was settled by the proceedings before the Commission. But under the Antitrust Act, a combination of carriers to fix reasonable and nondiscriminatory rates may be illegal; and if so, the Government may have redress by criminal proceedings under section 3, by injunction under section 4, and by forfeiture under section 6. That was settled by *United States* v. *Trans-Missouri Freight Association*, 166 U. S. 290, and *United States* v. *Joint Traffic Association*, 171 U. S. 505. The fact that these rates had been approved by the Commission would not, it seems, bar proceedings by the Government."

Mr. SHIPSTEAD. Mr. President, I ask unanimous consent to continue for another 3 minutes.

The PRESIDING OFFICER. Without objection, the Senator may proceed.

Mr. SHIPSTEAD. Approximately 50 rate bureaus and rate conferences make all the rates for the railroads of the United States. One of these conferences—Transcontinental Freight Bureau—makes all the transcontinental rates.

Approximately 135 rate bureaus and rate conferences make virtually all the rates for the 30,000 motortruck operators of the United States. One conference in the motor passenger field makes virtually all the rates for the passenger business.

Though the Congress, in the 1940 Transportation Act, repealed the conference method of rate making, except as to foreign operations, rate conferences have also been established in the water carrier field.

These private rate-making groups have operated without any supervision or control by the Federal Government. The Interstate Commerce Commission has had jurisdiction over the product—that is, the rate—but not how the product is made. The carriers simply agree upon the rate then file it with the Commission, and automatically it becomes the lawful rate. Unless the Commission, on complaint or on its own motion, suspends the rate, the rate continues in effect as the lawful rate. There are about 400,000 tariffs on file with the Commission, and the record shows that not more than 350 rates are suspended within a year. Therefore, it must be clear that it is the industry that fixes the rates, and not the Commission. About 2,000 new rates are filed a week, so it is clear that, with the Commission giving attention to the rates at an average of one rate a day, the industry really runs the show.

Therefore, Mr. President, I say to you that this is the time for Congress, through its appropriate committee, to examine carefully into this subject. Before these illegal and discriminatory rates are legalized through executive order, or otherwise, the people, through their Congress, should be advised. I say that Congress should act to protect the people of the United States, as well as to protect its own rights in control over legislation.

Mr. President, I ask to have printed in the RECORD following my remarks the order of Donald Nelson of the War Production Board.

There being no objection, the order was ordered to be printed in the RECORD, as follows:

WAR PRODUCTION BOARD—CERTIFICATE 44

INTERSTATE COMMERCE COMMISSION RATE CONFERENCE REGULATIONS

THE ATTORNEY GENERAL. Pursuant to the provisions of section 12 of Public Law No. 603, Seventy-seventh Congress (56 Stat. 357), I hereby approve joint action by common carriers or freight forwarders, or their respective representatives, through rate bureaus, rate conferences, or other similar carrier or forwarder organizations, in the initiation and establishment of common carrier and freight forwarder rates, fares, and charges, and carrier and forwarder regulations and practices pertaining thereto: *Provided*, That such action is taken subject to and in compliance with certain regulations for rate conferences formulated by the Interstate Commerce Commission a copy of which is hereunto annexed and made a part hereof; and after consultation with you, I hereby find and so certify to you that the doing of any act or thing, or the omission to do any act or thing, by any person in compliance with my approval herein expressed, is requisite to the prosecution of the war.

DONALD M. NELSON,
Chairman.

MARCH 20, 1943.

REGULATIONS FOR RATE CONFERENCES

RULE 1. Definitions as used in these rules: (a) The term "rate conference" means any two or more common carriers or any two or more freight forwarders who consult together, either directly or by employees or representatives, for the purpose of considering or agreeing upon rates to be charged by them, or of providing for the publication of tariffs containing such rates.

(b) The term "publishing agent" means a person or corporation controlled directly or indirectly by a rate conference which publishes and files freight or passenger tariffs.

(c) The term "rates" includes fares, charges, and classifications, and all rules, regulations, and practices affecting the charges made for the transportation of freight or passengers and services incidental to such transportation.

(d) The term "carrier" means a common carrier or a freight forwarder.

RULE 2. Any carrier performing service of the type and within the territorial and organizational scope of a rate conference's rate activities shall be eligible for membership in such rate conference upon application and upon payment of charges applicable to other members of the same class. When a rate conference consists of two or more rate conferences or their representatives, eligibility for membership in any of the rate conferences shall be considered compliance with this rule.

RULE 3. On or before April 15, 1943, each rate conference shall register with the Interstate Commerce Commission and shall file with the Commission a copy of its bylaws, the names and addresses of its officers and of the members of rate and other committees (except special or subcommittees created for temporary functioning), the rules of procedure followed by it, a copy of any agreement or other document which in any way provides for, governs, or affects such procedure, and schedules of its charges to members or, where expenses are divided among the members, statements showing how the expenses are divided; and, if a corporation, a copy of its articles of incorporation. A copy of each change in any of the above shall be filed within 30 days of the effective date of the change.

RULE 4. A publishing agent, upon request of any member of the rate conference for which the publishing agent publishes rates and upon payment of the charges, if any, applicable to carriers of that class, shall include the member as a participating carrier in its agency tariffs and publish rates therein for the individual or joint account of such member, except that this shall not require the publishing agent to publish joint rates for the account of carriers who indicate their nonconcurrence therein.

RULE 5. Each member of a rate conference may propose to such conference the initiation of or change in rates to be published in the tariffs of the publishing agent for application over the proponent's line or over the lines of other members of the conference performing the service for which the rates are proposed.

RULE 6. No rule or practice of a rate conference shall prohibit any member from publishing or having published for his account any rate or rule after 90 days from the date the rate was proposed by him, except that, in the case of a joint rate, the publishing agent shall not publish the rate for application over the line of any carrier who does not join in the request for its publication.

RULE 7. Membership in a rate conference shall not preclude a carrier, after rejection of the proposal or after 90 days from the date of the proposal, from filing individual tariffs or from participating in tariffs published by other carriers or other rate conferences. Upon the filing of such individual tariffs or upon participation in tariffs published by other carriers or other rate conferences, the rate conference or conferences in whose tariffs the earlier rates were published shall immediately provide for the removal of any conflicting or duplicating rates in its or their tariffs.

RULE 8. No boycott or other means of coercion or intimidation shall be employed by a rate conference, directly or indirectly, to restrain a carrier, either a member or a nonmember, from taking independent action, consistent with these rules, to establish rates other than those approved by a rate conference.

RULE 9. Each rate conference shall maintain accounts, records, and memoranda showing its assets, liabilities, income, and expenses; and shall maintain a file for each rate proposal which shall contain the rate proposal, all protests and memoranda submitted respecting the proposed rates, and minutes of any oral hearing which may be held. The accounts, records, memoranda, files, and all correspondence of a rate conference shall be open to inspection by duly authorized representatives of the Interstate Commerce Commission.

RULE 10. These rules are subject to modification, change, and addition as the need therefor may be shown.

[F. R. Doc. 43-4629; Filed, March 26, 1943; 11:48 a. m.]

EXHIBIT 1

DEPARTMENT OF JUSTICE,
January 4, 1943.

Attorney General Francis Biddle announced today that pursuant to the procedure outlined in the exchange of letters between the President, the Secretaries of War and Navy, and the Attorney General, dated March 20, 1942, under which antitrust proceedings may be suspended, he was acceding to the request of the Secretaries of War and Navy, and the Director of the Office of Defense Transportation, that indictments prepared pursuant to evidence presented to a grand jury in Chicago involving abusive and coercive practices in the private fixing of rates by motor and rail carriers be postponed. Copies of the letters from the War and Navy Departments and from the Office of Defense Transportation and the Attorney General's reply are attached hereto.

OFFICE FOR EMERGENCY MANAGEMENT,
December 11, 1942.

HON. FRANCIS BIDDLE,
United States Attorney General,
Department of Justice,
Washington, D. C.

DEAR MR. BIDDLE: Pursuant to our understanding of some weeks ago, Assistant Attorney General Arnold has furnished me with copies of drafts of three indictments which he stated would be presented to the grand jury in Chicago on December 14, 1942. In our telephone conversation of yesterday evening, you assured me that the December 14 date had no significance, and that the indictments would not be presented for return unless and until they had received my approval.

The first of the indictments would indict 11 motor carrier rate bureaus, 1 bureau committee, and 46 individuals who are officers or representatives of motor carriers. The second would indict 1 rail tariff association, 4 committees of the association, and 59 indi-

viduals who are officers or employees of 29 rail carriers listed in the indictment. The third would indict 1 motor and 1 rail tariff bureau and 10 individuals who are representatives of rail and motor carriers.

A study of the indictments reveals that they would go far beyond the purpose of punishing for flagrant abuses of the joint method of rate initiation, to which it was agreed that Department of Justice action was to be confined On the contrary, it is my opinion that the indictments would challenge the whole system of joint rate initiation, which system is of such great value to us during the war, and would have other serious repercussions upon our already overtaxed transportation systems and their personnel. It is my considered judgment that these indictments should not be returned. My principal reasons therefor are these:

First. Even if trials of the cases were postponed until after the war, the mere return of the indictments would doubtless result in refusal of carriers of all classes to meet jointly with representatives of governmental departments and agencies in respect of the many necessary rate adjustments which abnormal war conditions require. The publicity emanating from Chicago upon the 'nception of the grand jury investigation produced that result, and seriously impeded our efforts at rate negotiation, until carriers generally had gained the impression that no general attack upon their joint practices under the antitrust laws was to be made. A revival of their apprehension at this time would create a most serious and perhaps a lasting situation in the light of the war effort.

Second. Carriers and all of their personnel are straining every fiber to carry out the tremendous wartime transportation task. Many people think that indictment is tantamount to conviction in the public mind, and consequently are liable to worry about the mere bringing of the charge even though it be unfounded. Their minds and efforts should not now be taken from the vital work at hand. From this viewpoint, too, I think the return of the indictments would be a serious mistake.

As you know, the statute of limitations, in respect of offenses against the antitrust laws, has been extended for the period of the war, so that there would be slight, if any, prejudice to the Government's position if all of the matters treated in the indictments, with the exception hereinafter mentioned, were permitted to lie dormant until the war's end. Certainly, if there were any such prejudice, it would not compare in importance with the harm which present return of the indictments would cause.

As I have stated to you before, my long experience with rate matters has convinced me that joint consideration of proposed rate changes by carriers and ensuing joint action in rate initiation have many advantages, both to the Government and to the public generally. These advantages should not be lost in times like these, even though there may be some objectionable features in the existing procedures of some of the rate bureaus. These features should be cured by Interstate Commerce Commission regulation, or by new legislation, but not by criminal prosecution or other court action.

In paragraph 32 (g) on page 25 of the motor carrier indictment, it is alleged that a strike was fomented for the purpose of coercing a motor carrier to increase a rate. I would not hesitate to approve an indictment limited to this charge and to the persons who actually participated in the coercive conduct.

I have discussed these matters with the Under Secretary of War and the Under Secretary of the Navy. They authorize me to state that they concur in the views expressed in this letter.

For the reasons stated, I express to you my disapproval of these indictments, with the single exception above mentioned, and respectfully request that they be not presented to the grand jury for return. I very greatly appreciate your kindness in permitting me to see the proposed indictments and to express my views thereon. It is a wholesome and beneficial cooperative action.

Very sincerely yours,

JOSEPH B. EASTMAN,
Director.

WAR DEPARTMENT,
Washington, December 19, 1942.

Hon. FRANCIS BIDDLE,
The Attorney General, Department of Justice, Washington, D. C.

DEAR MR. ATTORNEY GENERAL: The Antitrust Division of the Department of Justice, in pursuance of arrangements made at a conference held in your office, has submitted to us drafts of three indictments which it proposes to submit to the grand jury now sitting in the United States District Court of Chicago.

The indictments relate to the railroad and motor carrier bureau method of joint rate initiation and would indict a number of bureaus and executives of the rail and motor carriers.

Following certain newspaper publicity relating to the grand-jury investigation at Chicago and prospective additional investigations in other districts, our representatives met with you and expressed the view that any indictments returned should be limited to flagrant abuses of the rate bureau method of rate initiation, such as coercive action in the nature of boycotts or the fomenting of strikes. You concurred in this view and made a public statement accordingly.

The rate bureaus, which have been long established in the railroad field and also, in more recent years, by motor carriers, afford machinery essential to the war effort. The carriers are heavily burdened in the transportation of troops and war supplies. Several hundred thousand separate rates are on file. Adjustments of these rates and the establishment of new rates are constantly required by the War and Navy Departments because of abnormal war conditions. It would be a practical impossibility to take up with each individual railroad or motor carrier the initiation of such changes and adjustments.

The indictments as drafted are not limited to charges against flagrant abuses of the system except in the case of one subparagraph in the first indictment, where it is asserted that a strike was fomented for the purpose of coercing a motor carrier to increase a rate. The remainder of the indictments allege in effect that the conference method of rate initiation is a violation of the antitrust laws. Therefore, they attack, in effect, the rate bureau system, as such.

We believe that the return of such indictments would cause such apprehension on the part of common carriers that it would be difficult, if not impossible, to continue the rate bureaus in existence to serve the Army and Navy during the war. It would also distract the carriers from devoting their attention to the severe load placed upon them by the war.

While the issuance of a certificate is being considered by the Chairman of the War Production Board, under section 12 of Public Law 603, enacted June 11, 1942, which would exempt certain future rate bureau action from the antitrust laws, such certificate, if it followed the return of the proposed indictments, would not be sufficient to continue the rate bureaus in efficient operation for all purposes.

The Director of Defense Transportation has written to you requesting that the indictments be not presented to the grand jury. We concur in the views expressed in his letter.

It appears preponderantly clear to us that the program of the war effort would be impeded by the return of the indictments at this time and that their return would seriously interfere with the prosecution of the war. Under the agreement which we entered into March 20 last, we therefore request that the indictments as drafted be not submitted to the grand jury for return at this time.

We except, however, from this request such indictment as you may wish to submit to us limited to the charge contained in paragraph 32 (g) of the first indictment above referred to and to the persons who actually participated in the fomenting of the strike therein mentioned.

Regulation of the rate bureaus and elimination of improper practices are important subjects which may require action by the Interstate Commerce Commission under present laws, or appropriate new legislation if the same is needed. As Congress has extended that statute of limitations, no harm will result from the postponement of the indictments at the present time pending further consideration of the subject.

Yours sincerely,

HENRY L. STIMSON,
Secretary of War.
FORRESTAL,
Acting Secretary of the Navy.

DECEMBER 30, 1942.

Hon. HENRY L. STIMSON,
Secretary of War,
Washington, D. C.

MY DEAR MR. SECRETARY: Your letter of December 19, 1942, in which the Acting Secretary of the Navy joins, with reference to the drafts of three indictments which this Department proposed to submit to the grand jury now sitting in Chicago, has been received. These indictments relate to activities of rate bureaus and rate-making conferences in the rail and motor-carrier fields.

While the Department believes that the indictments as drawn are directed solely at methods of coercion by which independent action by carriers in the making of rates has been prevented, I note your view that they are, in effect, an attack upon the conference method of rate-making and would seriously interfere with the prosecution of the war. Accordingly, you request that the indictments as drafted be not submitted to the grand jury at this time.

You suggest that you would have no objection to one of the indictments if it were limited to the fomenting of a strike. The basic conspiracy in this case is to prevent the publication of an independent rate. The strike was only one of the means of enforcing that conspiracy. It would not be possible to draw an indictment which contained only the means used and did not describe the basic plan.

I have, therefore, as contemplated in the procedure outlined in the exchange of letters with the President on March 20, 1942, directed that your letter and that of the Director of the Office of Defense Transportation, to which you refer, be presented to the court and to the grand jury.

Sincerely,

FRANCIS BIDDLE,
Attorney General.

REPORT OF SPECIAL COMMITTEE TO INVESTIGATE THE NATIONAL DEFENSE PROGRAM—LABOR (PT. 6, REPT. NO. 10)

Mr. DOWNEY. Mr. President——

The PRESIDING OFFICER. The Senator from California.

Mr. TRUMAN and Mr. REYNOLDS addressed the Chair.

Mr. DOWNEY. I yield first to the distinguished junior Senator from Missouri, and then I shall yield to the distinguished junior Senator from North Carolina.

Mr. TRUMAN. Mr. President, from the Special Committee to Investigate the National Defense Program, pursuant to Senate Resolution 71, Seventy-seventh Congress, I submit an additional report relating to labor. The report covers only three and one-half small pages, and I think it is of sufficient importance to justify having it printed in the body of the RECORD.

There being no objection, the report was ordered to be printed, and to be printed in the RECORD, as follows:

LABOR

Without labor there can be no production, and without production the war will be lost. Fortunately, all labor leaders who have testified before the committee have stated that they want to do everything possible to avoid a work stoppage.

This Nation is fighting for its very existence and for the preservation of all our rights, including the right of labor to seek by proper means a fair and just share of the goods produced. In such a struggle our Government has the right to expect that labor and those who represent it, and management and its representatives shall not permit stoppage of work in essential industry.

At the same time Government must recognize that when it tells labor not to exercise during wartime its right to strike, it is depriving labor of its chief weapon with which to force management to be fair to labor. Government must, therefore, assume a duty to labor to see that it gets fair and square treatment.

War and the necessities of the Nation must not be used by any group or groups to injure or to advance the cause of either organized or unorganized labor. This also applies to both industry and agriculture.

Labor leaders have a right and a duty vigorously to call attention to any failure of Government to carry out its obligation to protect labor, and Government should examine and reexamine its actions to make sure that it is being fair to labor. There must be no favoritism between labor organizations.

In these difficult times it is most unfortunate that labor is split into several bitterly antagonistic camps, the leaders of which, for the preservation of their own positions and prestige, must compete with each other in an attempt to convince the rank and file of labor, both organized and unorganized, that they, and they alone, are the true champions of labor's rights.

The situation is also made much more difficult by the creation and continuation of a number of separate governmental agencies, each attempting to administer a segment of the labor problem, and some in competition with each other, with the result that none has the prestige and authority to cleave straight to the issue and announce a settlement which will obtain general acceptance. These various agencies and policies should be coordinated and stabilized under one competent, experienced, and responsible head in order that the policies may be uniform throughout the United States.

John L. Lewis, president of the United Mine Workers, has protested the so-called Little Steel formula as a violation of the agreement made with the President to outlaw strikes for the duration of the war. He now assumes for himself and those he represents the right to determine whether the coal miners are being accorded treatment that he considers equitable.

William Green, president of the American Federation of Labor, and Philip Murray, president of the Congress of Industrial Organizations, have objected to the so-called Little Steel formula because of its inflexibility. They argue that, by reason of the many loopholes in the price-fixing structure, prices, particularly food prices, are being permitted to rise by more than the wage increases permissible under the Little Steel formula.

The committee does not consider that the Little Steel formula is sacred or closed to discussion, but it does seriously and earnestly call labor's attention to the fact that any and every increase in wages is apt to have serious effect upon prices and that history has demonstrated conclusively that labor suffers more than anyone else in a wage-price spiral of inflationary increases. This was admitted by the labor leaders themselves in their testimony before the committee.

Farm prices and labor wages are so interdependent that disturbance of one automatically affects the other and upsets any system for the prevention of inflation. Every person knows that any increase in wages paid to labor results in pressure to increase prices.

Attention is also called to the fact that unless prices are equitably controlled, changes in the price structure will cause a breach of the formula just as much as will the demands of labor.

The danger of inflation is real, and everyone in government and labor alike should approach the question of wage increases in a judicial and realistic manner. It is not a fit subject for the oratory of an impassioned advocate. Some leaders have not realized this. In his appearance before the committee, Mr. John L. Lewis sought to create the impression that widespread hunger was forcing the miners to fight for higher wages. The evidence shows coal miners now working 6 days a week at increased wages and with overtime for the sixth day are earning 50 percent more in dollars than they were earning 2 years ago when they worked only 5 days a week.

The statistics collected by the Labor Department indicate that between January 15, 1941, and January 15, 1943, the cost of living generally rose from an index figure of 100.8 to 120.6 and the cost of food rose from an index figure of 97.8 to 133.0. Expressed in percentages the cost of living rose 19.6 percent and the cost of food, taken separately, rose 36 percent during the last 2 years.

To protect the miner and all other workers in their real wages, every device of government created to prevent inflation must be safeguarded by those in authority and supported by the country at large.

It is very important that all coal miners should be afforded an opportunity to work a full 6 days per week and thereby to obtain through time-and-a-half pay for the sixth day the additional dollars which they need. In order to encourage mine owners to operate on a 6-day basis the price of coal was increased to offset the additional cost involved in paying time and a half for the sixth day. We need the coal, and the miners need the money, so that every mine should operate on a 6-day basis.

According to the Office of the Coordinator of Solid Fuels, the average production per day of bituminous coal for the first 5 days of the 2 weeks ending March 20 was 2,136,000 tons as compared with 1,750,000 tons for Saturday of those weeks. Production on the sixth day was therefore approximately 80 percent of weekday production, and not 50 percent as indicated by Lewis.

The practice of citing increases in prices without giving any effect to the increases in wages by reason of the longer workweek and the payment of time and a half therefore, is general among labor leaders. The committee believes that in determining wages, some consideration should be given to the total wages received, for they are the true measure of labor's purchasing power.

The whole question of the extent, if any, to which wages must be raised and the particular wages which must be raised should be examined carefully and at length. Most of the facts are capable of mathematical ascertainment, and the committee hopes that such questions can be determined in such a manner and with such clear reasoning that fair increases can be permitted where and if they are necessary without setting off a clamor for other wage and price increases which are not justified.

In the last analysis the leaders of labor must now demonstrate that they are statesmen and patriots as well as paid advocates for worthy causes. Labor has come of age, and the country expects these leaders to recognize that labor has duties as well as rights. Labor must not repeat the mistake of arrogant capitalism, which forged the shackles that now restrict its every act.

For these reasons the committee condemns Lewis' attitude in repeatedly asserting that he did not regard his promise to the President not to strike as "necessarily binding." The obligation which rests upon Lewis is not an obligation arising by contract with the President. It is an obligation to the United States arising out of the war emergency. It is based upon his d ty as a citizen to a country which enabled him to exchange the sweat and physical toil of a miner for the comforts and privileges of a labor executive.

Lewis has hinted but not quite said that he reserves the right to determine whether Government has performed its full duty to labor and that in the event he should determine that it has not, he is free to lead the coal miners to a strike which would cost the Nation between two and three million tons of essential coal per day. No citizen has the right to jeopardize the Nation's existence in wartime. The national need must be recognized as paramount.

The committee urges labor leaders to make every effort to end strikes, jurisdictional disputes, and improper action of every kind. They would thereby present the most convincing answer to the enemies of labor who insist that labor is irresponsible and must be subjected to stringent legislation. Many labor leaders have recognized this and have sought to effect it even at the danger of impairing their prestige and position with their own organizations. Such leaders are to be commended. Their example should be followed.

THE CALENDAR

Mr. REYNOLDS. Mr. President——

The PRESIDING OFFICER. The Chair will state that, under the order, the calendar must now be called, and the clerk will state the first order of business.

INVESTIGATION OF PRICES FIXED FOR PORK, BEEF, BREAD, AND BAKERY PRODUCTS

The resolution (S. Res. 94) authorizing an investigation of the policy of the Office of Price Administration and other governmental agencies in fixing maximum prices on pork and beef products and bread and bakery products, was announced as first in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

Mr. MCNARY. Mr. President, what is the resolution?

The PRESIDING OFFICER. It is the so-called Reed resolution.

Mr. MCNARY. Yes; I recall it.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution submitted by Mr. REED on February 8, 1943, was considered and agreed to, as follows:

Resolved, That the Committee on Agriculture and Forestry, or through a subcommittee to be appointed by the chairman, is hereby authorized and directed—

(1) to investigate and study the policies and actions of the Office of Price Administration, the Office of Economic Stabilization, and any other governmental agency, their officials, employees, agents, and representatives, in respect to the establishment and maintenance of maximum prices for pork and beef products and for bread and other bakery products; and

(2) to report its findings and to recommend further legislation or action by the Congress or the Senate, if any, needed to insure compliance by any or all such agencies, officials, employees, agents, and representatives with the provisions of the aforementioned act approved January 30, 1942, as amended, and the act approved October 2, 1942.

For the purpose of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Seventy-eighth Congress, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, as it deems advisable.

The preamble was agreed to.

Mr. BARKLEY subsequently said: Mr. President, I understand that Calendar No. 50, Senate Resolution 94, was called, and that the resolution was agreed to. A few moments ago I conferred with the author of the resolution, the Senator from Kansas [Mr. REED], and it is agreeable to him that that resolution be indefinitely postponed. As a matter of fact, the Senator from Kansas advised me several weeks ago that that is what he intended should ultimately happen to it. I therefore ask unanimous consent that the vote, by which the resolution was agreed to, be reconsidered, and that the resolution be indefinitely postponed.

Mr. McNARY. Mr. President, the able Senator is correct in his statement that the resolution was agreed to. I am willing to accept his statement that it is agreeable to the distinguished Senator from Kansas to have the resolution indefinitely postponed.

Mr. BARKLEY. I conferred with the Senator from Kansas this morning.

Mr. McNARY. Very well. Of course, the order should be made.

The PRESIDING OFFICER. Without objection, the vote by which Senate Resolution No. 94 was agreed to is reconsidered, and the resolution is indefinitely postponed.

CALL OF THE ROLL

Mr. TAFT. Mr. President, I suggest the absence of a quorum.

Mr. DOWNEY. Mr. President, I hope the distinguished senior Senator from Ohio will withhold for a moment his suggestion of the absence of a quorum.

Mr. TAFT. I told several other Members of the Senate that before we proceeded with the consideration of the measures on the calendar I would suggest the absence of a quorum.

Mr. WALSH. Mr. President, I ask for the regular order. A call of the calendar has been ordered. We have been waiting for an hour and a half. Today has been announced as calendar day, and a large number of measures are on the calendar, with Senators here ready to explain them, if necessary. It would be a considerable convenience to Members of the Senate if the call of the calendar were proceeded with.

Mr. TAFT. Mr. President, does the Senator intend to insist on the regular order?

Mr. WALSH. I do, unless the Senator from California desires to have 5 minutes.

Mr. DOWNEY. No, Mr. President; I have no objection to proceeding with the consideration of measures on the calendar.

Mr. WALSH. Mr. President, I ask for the regular order.

Mr. TAFT. Mr. President, I, too, ask for the regular order.

The PRESIDING OFFICER. The regular order has been demanded, and the absence of a quorum has been suggested. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hawkes	Revercomb
Austin	Hayden	Reynolds
Bailey	Hill	Robertson
Ball	Holman	Russell
Bankhead	Johnson, Calif.	Shipstead
Barkley	Johnson, Colo.	Smith
Bone	Kilgore	Stewart
Brewster	La Follette	Taft
Buck	Langer	Thomas, Idaho
Bushfield	Lodge	Thomas, Okla.
Butler	Lucas	Thomas, Utah
Capper	McCarran	Tobey
Caraway	McClellan	Truman
Chandler	McFarland	Tunnell
Chavez	McKellar	Tydings
Clark, Idaho	McNary	Vandenberg
Clark, Mo.	Maloney	Van Nuys
Connally	Maybank	Wallgren
Danaher	Mead	Walsh
Downey	Moore	Wheeler
Eastland	Murdock	Wherry
Ellender	Murray	White
George	O'Mahoney	Wiley
Gerry	Overton	Willis
Gillette	Pepper	Wilson
Gurney	Radcliffe	
Hatch	Reed	

The PRESIDING OFFICER. Seventy-nine Senators have answer to their names. A quorum is present. The clerk will state the next order of business on the calendar.

BILL PASSED OVER

The bill (H. R. 1787) for the relief of R. S. Howard Co. was announced as next in order.

Mr. BARKLEY. Mr. President, the Senator from Tennessee [Mr. MCKELLAR] asked that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

CONVEYANCE OF CERTAIN PUBLIC LANDS TO THE STATE OF MINNESOTA

The bill (S. 629) to authorize the conveyance of certain public lands in the State of Minnesota to such State for use for park, recreational, or wildlife-refuge purposes was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed, upon payment of a reasonable price set by him, through appraisal or otherwise, to convey to the State of Minnesota the following-described lands located in Morrison County, Minn.: Lot 6, section 10; lots 1, 14, 15, and 16, section 14; lots 9, 10, 11, and 12, section 15; lot 1, section 22; lot 9, section 23; and lots 1 and 5, section 25, township 42 north, range 32 west, fourth principal meridian; lot 4, section 4; and lot 3, section 9, township 130 north, range 29 west, fifth principal meridian; lot 5, section 18; and lots 4, 5, 6, and 7, section 32, township 131 north, range 29 west, fifth principal meridian.

SEC. 2. The lands authorized to be conveyed by the first section of this act shall be conveyed to the grantee for use for park, recreational, or wildlife-refuge purposes. The patent conveying such lands shall provide (1) that such lands or any part thereof may, with the approval of the Commissioner of Conservation of the State of Minnesota, be used by the United States for such military purposes as do not conflict with or are not incompatible with the use thereof for park, recreational, or wildlife-refuge purposes; (2) that the United States and its permittees or licensees shall have the right to occupy, use, or flood any or all of the lands for power development, transmission-line purposes, navigation, flood control or other allied purposes, under any law applicable to the use of the public lands for such purposes and that no claim or right to compensation shall accrue from such occupation or use; (3) that all minerals, including oil and gas, shall be reserved to the United States together with the right to prospect for, mine, and remove the same, under regulations to be prescribed by the Secretary of the Interior; (4) that the title to the lands shall revert to the United States if the State shall cease to use the lands for park, recreational, or wildlife-refuge purposes, or if the State shall alienate or attempt to alienate the lands.

HEIRS OF JOHN J. SHIELDS

The bill (S. 134) for the relief of the heirs of John J. Shields, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the heirs of John J. Shields, formerly of Philadelphia, Pa., the sum of $537, the amount of the funeral expenses incurred for the burial of said John J. Shields; and the payment of such sum shall be in full satisfaction of all claims of such heirs against the United States arising out of the death of said John J. Shields as a result of a collision on October 19, 1940, near Fort Dix, N. J., of the automobile in which the said John J. Shields was riding and an Army station wagon: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

LEW O. CALHOUN

The bill (S. 258) authorizing the Comptroller General of the United States to

consider the claim of Lew O. Calhoun was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That notwithstanding the provisions of any other law, the Comptroller General of the United States is authorized and directed (1) to consider the claim against the United States of Lew O. Calhoun, of Marshfield, Oreg., arising out of an allotment of his pay to the National Bank of Tacoma, Tacoma, Wash., while the said Lew O. Calhoun was an enlisted man in the United States Army during the World War, and (2) to certify to the Congress any amount found to be due the said Lew O. Calhoun as a result of the making of such allotment.

C. Y. WEBB

The bill (S. 376) for the relief of C. Y. Webb, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to C. Y. Webb the sum of $1,500, in full satisfaction of his claim against the United States arising out of the death of his daughter, Naomi Webb, resulting from a collision between two trucks, the property of the United States, on December 31, 1933: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

LT. M. V. DAVEN

The bill (S. 684) for the relief of Lt. M. V. Daven was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That M. V. Daven, first lieutenant, Quartermaster Corps, United States Army, is hereby relieved of any liability to the United States for repayment of sums amounting in the aggregate to $474.16 heretofore paid to him as compensation for services rendered by him during the summers of 1932, 1933, 1934, and 1936, as chief baker for the Texas National Guard at Camp Hulen, Palacios, Tex.; and the Comptroller General is authorized and directed to allow credit in the accounts of Taylor Nichols and Lawrence E. McGee, formerly United States property and disbursing officers for the State of Texas, for so much of such sum as has been suspended against the accounts of each of said former officers.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said M. V. Daven, the sum of $161.50, in full satisfaction of his claim against the United States for reimbursement of the sum which he paid to H. J. Weiler, United States property and disbursing officer for the State of Texas, to compensate said H. J. Weiler for a suspension in his accounts entered by the Comptroller General because of his having paid the said M. V. Daven the sum of $161.50 for services rendered as chief baker for the Texas National Guard at Camp Hulen, Palacios, Tex., during the summer of 1937.

CINDA J. SHORT

The Senate proceeded to consider the bill (S. 717) for the relief of Cinda J. Short, which was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Cinda J. Short, of Wise County, Va., the sum of $5,000, in full satisfaction of her claims against the United States for compensation for the deaths of her sons, Kermit Short and Victor Short, who were killed on June 9, 1939, as the result of being struck by a bolt of lightning which was carried to the house of Monroe Short, a local fire warden, deceased husband of the said Cinda J. Short, by unconnected telephone wires installed by enrollees of the Civilian Conservation Corps, such wires not having been grounded, payment of such claim to the said Monroe Short having been authorized by Private Law No. 502, Seventy-seventh Congress, approved October 13, 1942, but not having been made prior to the death of the said Monroe Short: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. BARKLEY. Mr. President, may we have an explanation of the bill? To what does it relate?

Mr. ELLENDER. Mr. President, the bill would authorize Cinda Short to recover the amount of damages previously awarded by the Congress, to her husband, the late Monroe Short. The Seventy-seventh Congress passed a bill awarding $5,000 to Monroe Short in satisfaction of his claims against the United States for compensation for the death of his sons, Kermit Short and Victor Short, who were killed on June 9, 1939.

Mr. BARKLEY. Is it established that they were killed without any fault of their own, and through the fault of a Government agent?

Mr. ELLENDER. Yes.

Mr. BARKLEY. I have no objection.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PAYMENT OF TRANSPORTATION COSTS OF CERTAIN CIVILIAN EMPLOYEES OF THE NAVY DEPARTMENT

The bill (S. 643) to authorize the Secretary of the Navy to pay the costs of transportation of certain civilian employees, and for other purposes, was announced as next in order.

Mr. WALSH. Mr. President, this bill is identical with Calendar No. 71, House bill 1691. I ask unanimous consent that the House bill be substituted for the Senate bill and be now considered.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Massachusetts?

There being no objection, the bill (H. R. 1691) to authorize the Secretary of the Navy to pay the costs of transportation of certain civilian employees, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 643 will be indefinitely postponed.

ALMOS W. GLASGOW

The Senate proceeded to consider the bill (S. 555) for the relief of Almos W. Glasgow, which had been reported from the Committee on Claims with an amendment, on page 1, line 6, after the words "sum of", to strike out "$5,000" and insert "$2,800", so as to make the bill read:

That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Almos W. Glasgow, of Boise, Idaho, the sum of $2,800, in full satisfaction of his claims against the United States for compensation for personal injuries sustained by him when the car in which he was riding was struck by a United States Army truck in Boise, Idaho, on August 21, 1942: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PROPOSED BENEFITS TO CONSCIENTIOUS OBJECTORS

The bill (S. 675) to amend the Selective Training and Service Act of 1940, as amended, so as to extend the benefits of the Employees Compensation Act to conscientious objectors, was announced as next in order.

Mr. REVERCOMB. Mr. President, this bill, which has been reported from the Military Affairs Committee, deals with the application of the Federal Employees Compensation Act to conscientious objectors. I feel that the question should be discussed on the floor of the Senate, and I ask that the bill be passed over.

Mr. REYNOLDS. Mr. President, I hope the Senator from West Virginia will not ask that the bill go over, for the reason that an identical bill was passed by the Senate in the Seventy-sixth Congress. At the present time there are about 7,000 conscientious objectors in concentration camps throughout the country. Many of them have been assigned to work which is of a dangerous character. I understand that a number of them have been seriously injured, and perhaps one or two have been killed, as a result of pursuing the various occupations to which they have been assigned. I am of the opinion, as were other members of the Military Affairs Committee, that these persons, although they are conscientious objectors, should be provided for in hospitals and granted some sort of compensation, since many of them are poor, have no funds, and can secure no aid other than through legislation of this nature. I hope the able and delightful Senator will, in this particular instance, be more agreeable than ever he has been before, and permit the bill to be disposed of today, for the benefit of these unfortunate people, who do

not see the world controversy eye to eye as we see it.

Mr. REVERCOMB. Mr. President, it is never pleasant to disagree with the able chairman of the Military Affairs Committee, but I point out to the Senate that the whole effect of the pending bill would be to give the benefits of the Federal Workmen's Compensation Act to conscientious objectors.

I have no desire to be cruel in any sense, but if the bill should be enacted into law it would mean that conscientious objectors who were injured would receive compensation, that if they were killed or lost their lives while in the camps which are being maintained for them their dependents would receive compensation, paid out of the Treasury of the United States.

I wish to point out to the Senate that men who are serving today in the armed services of our country, in order to obtain insurance which would be payable to their dependents must apply for such insurance and pay premiums for it, and that during their time of service in the Army and in the Navy there is deducted from the pay which they receive each month $50 to go to their dependents. I am not willing that the men who have been called into the service of their country and who serve at the battle fronts shall receive less consideration than persons who conscientiously object to serving at the battle fronts.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. REVERCOMB. I yield.

Mr. JOHNSON of Colorado. In the first place, conscientious objectors receive no salary. They pay all their own expenses, and they pay for being maintained in the camps.

Mr. REVERCOMB. That is correct.

Mr. JOHNSON of Colorado. The bill is not designed for the protection of conscientious objectors, but for the protection of the United States Government. That is the purpose back of the bill.

Mr. REVERCOMB. But the result would be that if a conscientious objector should lose his life through an accident, his beneficiaries would be paid, whereas the dependents of a soldier receive nothing unless he carries insurance and pays for it.

Mr. JOHNSON of Colorado. The Workmen's Compensation Act is a two-edged sword. It protects industry as well as the workmen. That is why we have workmen's compensation laws, in the Federal Government and in the States. That is the objective back of the bill. The War Department wants the bill to be enacted into law for the protection of the Government, not primarily for the protection of the conscientious objector.

Mr. REVERCOMB. It is my feeling that some method should be worked out for the protection of the Federal Government, even to the extent of the enactment of a statute, if necessary, freeing the Government of liability.

The PRESIDING OFFICER. Does the Senator from West Virginia object?

Mr. REVERCOMB. I object.

The PRESIDING OFFICER. Objection is heard. The bill will be passed over.

FRANK AND PAULINA RUBLIEN AND MRS. ETHEL BOWERS

The bill (H. R. 1639) for the relief of Frank and Paulina Rublien and Mrs. Ethel Bowers was considered, ordered to a third reading, read the third time, and passed.

FAIRBANKS, MORSE & CO.

The bill (H. R. 1786) for the relief of Fairbanks, Morse & Co. was announced as next in order.

Mr. DANAHER. Mr. President, I wish to call to the attention of the Senator from Kentucky the fact that order of business No. 69, House bill 1786, is identical in effect and proceeds from the same principle as does order of business No. 54, House bill 1787.

Mr. BARKLEY. Mr. President, I believe the bill should go over. I should like to look into it further.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

INDIAN CLAIMS—JOINT RESOLUTION AND BILLS PASSED OVER

The Senate joint resolution (S. J. Res. 19) to amend the act of July 3, 1926, entitled "An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and render judgment in claims which the Crow Tribe of Indians may have against the United States, and for other purposes," was announced as next in order.

Mr. DANAHER. Mr. President, I should like to have an explanation of the joint resolution.

Mr. TAFT. Mr. President, there are a number of these so-called Indian bills, which I believe most of us do not understand.

Mr. BARKLEY. In view of the fact that the author of the bill, the Senator from Montana [Mr. WHEELER], who also reported it, is not in the Chamber at the present time, I ask that the joint resolution be passed over.

The PRESIDING OFFICER. Objection being heard, the joint resolution will be passed over.

The bill (S. 168) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and render judgment in any and all claims which the Confederated Salish and Kootenai Tribes of Indians of the Flathead Reservation in Montana, or any tribe or band thereof, may have against the United States, was announced as next in order.

Mr. DANAHER. Mr. President, I ask that the same order entered with reference to Senate Joint Resolution 19 be entered with reference to this bill and the one following on the calendar.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 409) authorizing the Arapahoe and Cheyenne Indians or any band thereof to submit their claims against the United States to the Court of Claims, and for other purposes, was announced as next in order.

The PRESIDING OFFICER. Under objection by the Senator from Connecticut, the bill will be passed over.

W. COOKE

The bill (S. 170) for the relief of W. Cooke was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to W. Cooke, of Shawnee, Okla., the sum of $5,810, in full settlement of his claim against the United States for liquidated damages assessed for delay in the completion of contract No. I-1-ind-6541 for the construction of a gymnasium at the Sequoyah Indian Orphan Training School near Tahlequah, Okla.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

PATENTS TO LANDS IN THE PYRAMID LAKE INDIAN RESERVATION, NEV.

The bill (S. 24) to authorize the Secretary of the Interior to issue patents for certain lands to certain settlers in the Pyramid Lake Indian Reservation, Nev., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to issue patents for certain lands entered pursuant to section 1 of the act of June 7, 1924, entitled "An act for the relief of settlers and town-site occupants of certain lands in the Pyramid Lake Indian Reservation, Nev.," upon the payment of unpaid balances based upon reappraisals made in 1934 as follows: J. A. Ceresola, $4,595.89; W. J. Ceresola, $4,376.11; Domenico Ceresola, $4,926.63; M. P. Depaoli, $4,878.56; and the Garaventa Land & Livestock Co., $2,951.51: *Provided*, That the foregoing amounts, together with interest at 3½ percent per annum from date of reappraisals made in 1934, shall be paid within 90 days from the date of the passage and approval of this act: *And provided further*, That in the case of the death of any of the entrymen, payments may be received from and patents be issued to the heirs or legal successors of the entrymen herein named.

PRAIRIE BAND OF POTTAWATOMIE INDIANS

The bill (S. 670) conferring jurisdiction upon the Court of Claims to hear and determine the claims of the Prairie Band or Tribe of Pottawatomie Indians of Kansas and Wisconsin against the United States was announced as next in order.

Mr. DANAHER. Mr. President, I should like to have an explanation of Calendar No. 80, Senate bill 670.

Mr. CAPPER. Mr. President, I will state to the Senator from Connecticut that a similar bill was passed by the Senate during the last session of Congress. Senate bill 670 would merely confer on the Court of Claims jurisdiction to consider the claims which these Indians believe they have growing out of the agreement of March 16, 1909. As I have said, a similar bill passed the Senate at the last session, but failed to reach the House in time for consideration before the adjournment of Congress.

Mr. DANAHER. Mr. President, I believe that Calendar Nos. 80, 81, and 82 should go over.

Mr. McCARRAN. Mr. President, will the Senator from Connecticut yield with respect to Calendar No. 82? Let me say to the Senator that Senate bill 23, Calendar No. 82, has twice passed the Senate, and has been held up in the other House. It involves merely agreements which were made many years ago between the Government of the United States and the Shoshone Indians. The bill merely provides that the Western Bands of the Shoshone Nation of Indians may sue in the United States Court of Claims. It is nothing more than a permissive measure, designed to enable the Indians to sue in the Court of Claims and have their claims considered by that tribunal.

Mr. DANAHER. Mr. President, I thank the Senator from Nevada for his explanation; but my problem—and I think I speak for others in the same position—is that most of us do not know a thing about the nature and background of these Indian bills. There are 8 or 10 of them on the calendar, each involving actions in the Court of Claims, and I think it might be a wise thing if we grouped them together and some day made them the order of business and go into them as a matter of explanation. The authors of the various bills should be present and explain what is involved in each bill, so that we could, with some reasonable degree of intelligent appraisal, act upon the bills at that time. It is with such thought that I ask that these measures go over.

Mr. THOMAS of Oklahoma. Mr. President, I have no objection to the request made by the Senator from Connecticut, but on behalf of the bill affecting the Osage Indians I should like to make a preliminary statement so that, in consideration of the bill later, the statement may be available.

Many years ago the Government proceeded to sell lands belonging to the Osage Indians, with the understanding that the proceeds from the sales would be used for the benefit of the Osages. After the money was accumulated in the Treasury, the Government proceeded to use the funds for the civilization—which is a general term—of other Indian tribes. The members of the Osage Tribe objected to that procedure; they objected to the use of their money derived from the sale of their lands for the benefit of other Indian tribes located at other points throughout the United States. So the Osage Indian Tribe has had bills introduced in the Congress for many sessions.

This particular bill has passed the Senate on three previous occasions and is now on the calendar for the fourth time. The bill merely authorizes an appropriation; it does not provide the appropriation. The bill is somewhat modified from the former bills, which were direct authorizing bills. This bill provides that the money, if appropriated, shall be paid in five installments; second, the Indians waive all interest on the claim; and, third, the Government waives its right to set up any counterclaim. I submit the statement for the RECORD so that when the bill comes up it may be considered on its merits.

Mr. DANAHER. I thank the Senator from Oklahoma.

The PRESIDING OFFICER. Senate bill 670, Calendar No. 80, will be passed over, and Calendar Nos. 81 and 82, being, respectively, Senate bill 670 and Senate bill 445, will also be passed over. The clerk will state the next bill on the calendar.

THELMA CANNON McGROARY

The bill (H. R. 598) for the relief of Thelma Cannon McGroary, was considered, ordered to a third reading, read the third time, and passed.

RAYMOND W. BALDWIN, MATTIE BALDWIN, AND CLEMENT B. BALDWIN

The bill (H. R. 1276) for the relief of Raymond W. Baldwin, Mattie Baldwin, and Clement B. Baldwin, was considered, ordered to a third reading, read the third time, and passed.

ALBERTINE NAST

The bill (H. R. 1459) for the relief of Albertine Nast was considered, ordered to a third reading, read the third time, and passed.

DESIGNATION OF AMERICAN INDIAN DAY

The bill (S. 169) designating the fourth Saturday in September of each year as American Indian Day was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the fourth Saturday in September of each year is hereby designated and shall hereafter be known as American Indian Day.

SEC. 2. The President is requested to issue a proclamation calling upon officials of the Government to display the flag of the United States on all governmental buildings on such day and inviting the people of the United States to observe such day with appropriate ceremonies, as a memorial to the aborigines of this Nation and their contributions to the establishment and maintenance of this Nation.

SEC. 3. The President is also requested to communicate this declaration, by proclamation or otherwise, to the Governors of the several States, and request them to take such action as they may deem advisable in order to bring about observance of such day.

MR. AND MRS. WALTER H. KINDON

The bill (S. 743) for the relief of Mr. and Mrs. Walter H. Kindon was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Walter H. Kindon, of Wadley, Ga., the sum of $135, and to Mrs. Walter H. Kindon, of Wadley, Ga., the sum of $185, in full satisfaction of their respective claims for compensation for personal injuries sustained by them and medical expenses incurred by them as the result of an accident which occurred when their automobile was struck by a United States Army motorcycle near Louisville, Ga., on August 9, 1941: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

JOSEPH A. LASSITER

The Senate proceeded to consider the bill (S. 652) for the relief of Joseph A. Lassiter, which had been reported from the Committee on Claims with an amendment on page 1, line 6, after the words "sum of", to strike out "$4,000" and insert "$1,541", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Joseph A. Lassiter, of Rockingham, N. C., the sum of $1,541, in full satisfaction of his claim against the United States for compensation for personal injuries sustained by him and for reimbursement of hospital and medical expenses incurred as a result of an accident which occurred when he was struck by a United States Army truck in Rockingham, N. C., on November 22, 1941: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EXEMPTION OF AMERICAN TREE ASSOCIATION FROM REAL PROPERTY TAX IN THE DISTRICT

The bill (S. 791) to effectuate the intent of the Congress as expressed in section 1, paragraph (K) of Public Law 846, Seventy-seventh Congress, approved December 24, 1942, was announced as next in order.

Mr. McCARRAN. House bill 2070, Calendar No. 128, is identical with the Senate bill. I ask unanimous consent that the House bill be substituted for the Senate bill and that it be now considered.

The PRESIDING OFFICER. Without objection, the House bill will be substituted for the Senate bill. Is there objection to the present consideration of the House bill?

There being no objection, the bill (H. R. 2070) to effectuate the intent of the Congress as expressed in section 1, paragraph (k) of Public Law 846, Seventy-seventh Congress, approved De-

cember 24, 1942, by adding to the list of institutions named in said paragraph the name of the American Tree Association, an institution similar to the institutions so named, was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 791 will be indefinitely postponed.

DISPOSITION OF PROFITS FROM SHIPS' STORES' SALES

The bill (S. 784) to amend that part of the act of June 24, 1910 (36 Stat. 619), relating to disposition of profits from sales of ships' stores, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act of June 24, 1910 (36 Stat. 619; 34 U. S. C., 542), under the heading "Bureau of Supplies and Accounts," subheading "Provisions, Navy," second proviso, is hereby amended by striking out the words "enlisted force" at the end of line 3 on page 620, and inserting in lieu thereof the words "personnel of the Navy", so that as amended said proviso will read as follows: "*Provided*, That hereafter a profit not to exceed 15 percent may be charged on sales from ships' stores, such profit to be expended in the discretion of the Secretary of the Navy, under such regulations as he may prescribe, for the amusement, comfort, and entertainment of the personnel of the Navy, and to be accounted for to the Bureau of Supplies and Accounts, Navy Department:".

NOTARIAL POWERS FOR OFFICERS OF NAVY, MARINE CORPS, AND COAST GUARD

The bill (S. 800) to authorize certain officers of the Navy, Marine Corps, and Coast Guard to act as notaries public during the existence of war or a national emergency and 6 months thereafter was announced as next in order.

Mr. DANAHER. Mr. President, will the Senator explain the need for the bill?

Mr. WALSH. Mr. President, under present law the power or right to act as notary is granted to certain Army officers. There is a provision of law which permits certain officers of the Navy and Marine Corps to act as notaries public when they are stationed outside the continental limits of the United States. That provision does not extend to the Coast Guard. One of the provisions of this bill is to give that power to the Coast Guard. This bill applies, therefore, to the Navy, Marine Corps, and Coast Guard officers and applies without regard to the location or station.

Under existing war conditions, servicemen in this country are often stationed where civilian notaries public are not available, and where their duties do not permit leave for the purpose of securing notarial service. All servicemen are subject to immediate sea and foreign duty orders at all times, so that when they require notarial service, it is desirable for them to obtain such service promptly.

Mr. DANAHER. Mr. President, will the Senator permit an interruption at that point?

Mr. WALSH. Certainly.

Mr. DANAHER. If the Senator has before him a copy of the bill, I should like to invite his attention to page 2, and ask him what it means when it says in line 1:

(2) To release all liens given to secure the payment of such penalties, and (3) to certify to the Secretary of the Treasury the amounts of penalties collected from each producer of wheat with respect to such marketing years.

It then goes on to discuss the authorization to the Secretary of the Treasury to pay sums of money out of the Treasury not otherwise appropriated to producers of wheat or to their heirs or legal representatives in amounts to be certified by the Secretary of Agriculture. Does the Senator have the bill before him?

Mr. WALSH. I have. May I see the copy of the bill the Senator has?

Mr. DANAHER. Yes. I will be glad to show it to the Senator.

Mr. WALSH. After examining the bill, I do not wonder the Senator should make the inquiry he has made. I am quite sure an error has been made in the printing of the bill, because the bill merely seeks to give notarial powers to certain officers of the Navy, the Marine Corps, and Coast Guard. I ask that the bill be passed over or recommitted to the committee.

Mr. DANAHER. Obviously the bill on the front page dealing with notarial powers has nothing to do with wheat and certification of amounts by the Secretary of Agriculture, as provided on the second page. I do not think any bill that is half notary and half wheat should be passed at this time. I should like to know the other provisions of the bill regarding notarial powers.

Mr. WALSH. Mr. President, it is quite apparent that page 2 is a misprint and has nothing to do with page 1, and, therefore, is a printer's mistake. I appreciate the Senator calling my attention to the error. Mr. President, I inquire if the original bill is in the files at the clerk's desk?

Mr. GURNEY. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. GURNEY. May I ask the chairman of the Committee on Naval Affairs, since he is considering notarial powers for the Navy, the Marine Corps and Coast Guard, will he please consider also when this bill goes back to the committee the advisability of including in it similar right and authority for officers of the Army of the United States and the United States Army?

Mr. WALSH. I understand the Army already has the authority.

Mr. GURNEY. If that is the case, of course, there is no necessity for doing what I had in mind.

Mr. WALSH. It is proposed to give the Navy the same authority as that now possessed by the Army. I should be glad to consider the suggestion, but I understand the Army already has the authority.

I appreciate the graciousness and thoughtfulness of the Senator from Connecticut in calling attention to what appears to be an unexplainable printer's error in the copy of the bill which is on our desks. I again ask the clerk at the desk to try to find the original bill, if possible, so that we may pass upon it and not upon the erroneously printed bill.

The PRESIDING OFFICER. The Chair is informed the original bill is not at the desk.

Mr. WALSH. I move that the bill be recommitted to the Committee on Naval Affairs.

The PRESIDING OFFICER. The question is on the motion of the Senator from Massachusetts.

The motion was agreed to.

Mr. WALSH subsequently said: Mr. President, a short time ago the Senate had under consideration Senate bill 800. The able Senator from Connecticut [Mr. DANAHER] discovered that the second page of the bill as printed, and as in the possession of the clerk, had no relationship whatever to the subject matter on page 1. I now have before me the bill as it was originally reported. I have shown it to the Senator from Connecticut, and it is in every way satisfactory, and no objection is made. Therefore, I move that the Senate reconsider the vote by which the bill was recommitted, and I ask that the bill which I send to the desk be considered and passed.

The ACTING PRESIDENT pro tempore. Without objection, the vote by which the bill was recommitted is reconsidered.

Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 800) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That during the existence of a war in which the United States is engaged or of a national emergency declared by the President, and for 6 months after the termination of such war or national emergency, such officers of the Navy, Marine Corps, and Coast Guard, as the Secretary of the Navy may designate, shall have the general powers of a notary public in the administration of oaths; the execution, acknowledgment, and attestation of instruments and papers; and the performance of all other notarial acts: *Provided*, That no fee of any character shall be paid to any officer for the performance of any notarial act herein authorized: *Provided further*, That whenever the Coast Guard shall be under the jurisdiction of the Secretary of the Treasury during a national emergency, the Secretary of the Treasury shall have and may exercise as to the Coast Guard the authority of the Secretary of the Navy under this Act: *And provided further*, That the signature without seal of any officer of the Navy, Marine Corps, or Coast Guard acting as such notary public shall be prima facie evidence of his authority.

SALE OF NAVAL STORES

The Senate proceeded to consider the bill (S. 853) to amend the act of March 3, 1909, as amended by the act of January 23, 1942, providing for the sale of naval stores, in order to authorize the Secretary of the Navy to permit the sale of naval stores in the continental United States during the war and 6 months thereafter to civilian officers and employees of the United States, and to other persons at stations where purchase from

private agencies is found to be impracticable, which was read, as follows:

Be it enacted, etc., That such part of the act approved March 3, 1909 (35 Stat. 753), as was amended by the act approved January 23, 1942, entitled "An act to amend the act entitled 'An act making appropriations for the naval service for the fiscal year ending June 30, 1910, and for other purposes', approved March 3, 1909, as amended, so as to extend commissary privileges to such other persons as may be specifically authorized by the Secretary of the Navy" (56 Stat. 13; 34 U. S. C. 533), is hereby amended to read as follows: "That such stores as the Secretary of the Navy may designate may be procured and sold to officers and enlisted men of the Navy, Marine Corps, and Coast Guard, and to the widows of such officers and enlisted men. Such designated stores may also be procured and sold to civilian officers and employees of the United States, and to such other persons as may be specifically authorized by the Secretary of the Navy—

"(1) At naval stations and post exchanges beyond the continental United States or in Alaska; and

"(2) At naval stations and post exchanges within the continental United States, in time of war and not exceeding 6 months thereafter, when the Secretary of the Navy finds that it is impracticable for the said civilian officers and employees and other persons to procure such stores from private agencies without impairing the efficient operation of the stations. The Secretary of the Navy may prescribe regulations governing sales under this act."

Mr. WHERRY. Mr. President, I should like to ask the Senator from Massachusetts a question about the bill. This bill was before the Small Businessmen's Committee, and much testimony was adduced indicating that the particular branch of the naval service involved had extended the statutory privileges already granted the Navy in their post exchanges, so as to distribute post exchange merchandise to those outside the naval service. Is the bill as now framed designed to extend further the right of the Navy and of the post exchanges to sell to civilians? I notice in line 11 the provision "and to such other persons as may be specifically authorized by the Secretary of the Navy."

Mr. WALSH. Mr. President, existing law permits the post exchange to sell merchandise to civilians in the post exchanges in existence beyond the limits of the United States. This bill seeks to give the same right to civilians to purchase at the post exchanges in those sections of the United States where there are not available stores. At Bainbridge, Md., which is 7 miles distant from the nearest store, civilians are employed by the Government, and they are desirous of being able to purchase their merchandise at the naval exchange, and the pending bill is for the purpose of permitting that to be done. It would apply in only few instances, where the circumstances are such that civilians employed at the naval post are unable to purchase the necessities of life.

Mr. WHERRY. I thank the Senator.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

HOSPITALIZATION OF DEPENDENTS OF NAVAL AND MARINE CORPS PERSONNEL

The bill (S. 735) to provide for the expansion of facilities for hospitalization of dependents of naval and Marine Corps personnel, and for other purposes, was announced as next in order.

Mr. WALSH. Mr. President, Calendar No. 111, House bill 1936, is identical with the Senate bill just reached on the calendar, and I move that the House bill be substituted for the Senate bill and be now considered.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 1936) to provide for the expansion of facilities for hospitalization of dependents of naval and Marine Corps personnel, and for other purposes.

Mr. WALSH. Mr. President, on behalf of the Committee on Naval Affairs, I offer the following amendment to correspond to that in the Senate bill, viz, on page 2, line 22, after the word "and" insert "in emergencies."

The amendment was agreed to.

Mr. DANAHER. Mr. President, I am willing that the House bill be substituted for the Senate bill and be perfected by amendment, but I should like to ask that the House bill so substituted be passed over temporarily, unless the Senator from Massachusetts is prepared now to tell us in what particulars this bill would change the existing practice with reference to naval care of dependents and other persons who are not even related to naval personnel.

Mr. WALSH. The bill does not change the existing practice. By reason of the expansion of the Navy it has become necessary to expand these facilities for dependents, and that is the only purpose of the bill.

Mr. DANAHER. What, then, is the need for redefining the term "dependents" as provided in lines 6 to 13 on page 2?

Mr. WALSH. It merely authorizes or legalizes existing practice.

Mr. DANAHER. I ask that the bill be temporarily passed over. I should like to look into it further.

The PRESIDING OFFICER. The bill will be passed over, on objection.

PROVISION FOR GRADE OF COMMODORE IN THE NAVY AND MARINE CORPS

The Senate proceeded to consider the bill (S. 829) to amend sections 6 and 11 of the act approved July 24, 1941, entitled "An act authorizing the temporary appointment or advancement of certain personnel of the Navy and Marine Corps, and for other purposes," as amended, to provide for the grade of commodore, and for other purposes, which had been reported from the Committee on Naval Affairs with an amendment, on page 2, after line 2, to strike out:

SEC. 6. Temporary appointments under the authority of this act shall, if they are to the grade of rear admiral in the Navy or general officer in the Marine Corps, be made by and with the advice and consent of the Senate; if to lower ranks or grades, or to the rank and grade of commodore, which rank and grade are hereby established for the purposes of this act, they shall be made by the President alone: *Provided*, That all officers appointed to the rank of commodore pursuant to the authority of this act, while serving in such rank, shall be entitled to the pay and allowances provided for an officer of the sixth pay period.

And to insert:

SEC. 6. The rank and grade of commodore are hereby established for the purposes of this act: *Provided*, That all officers appointed to the rank of commodore pursuant to the authority of this act, while serving in such rank, shall be entitled to the pay and allowances provided for an officer of the sixth pay period. Temporary appointments under the authority of this act shall, if they are to a grade above that of captain in the Navy or colonel in the Marine Corps, be made by and with the advice and consent of the Senate; if to other ranks or grades, they shall be made by the President alone.

So as to make the bill read:

Be it enacted, etc., That section 6 of the act approved July 24, 1941, entitled "An act authorizing the temporary appointment or advancement of certain personnel of the Navy and Marine Corps, and for other purposes" (55 Stat. 604), as amended by the act approved June 30, 1942 (56 Stat. 465; 34 U. S. C. 350), be, and it is hereby, amended to read as follows:

"SEC. 6. The rank and grade of commodore are hereby established for the purposes of this act: *Provided*, That all officers appointed to the rank of commodore pursuant to the authority of this act, while serving in such rank, shall be entitled to the pay and allowances provided for an officer of the sixth pay period. Temporary appointments under the authority of this act shall, if they are to a grade above that of captain in the Navy or colonel in the Marine Corps, be made by and with the advice and consent of the Senate; if to other ranks or grades, they shall be made by the President alone."

SEC. 2. Paragraph (b) of section 11 of the aforesaid act is hereby amended by striking out the proviso thereto, so that said paragraph shall read as follows:

"(b) Personnel of the Coast Guard in relationship to the Coast Guard in the same manner and to the same extent as they apply to personnel of the Navy in relationship to the Navy."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LEGAL GUARDIAN OF DONNA PITTEL

The Senate proceeded to consider the bill (H. R. 535) for the relief of the legal guardian of Donna Pittel, which had been reported from the Committee on Claims with an amendment, on page 1, line 8, after the word "sustained", to insert "and all medical expenses that now exist or that might be incurred in the future."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

TOURS APARTMENT HOTEL

The bill (H. R. 227) for the relief of the Tours Apartment Hotel was considered, ordered to a third reading, read the third time, and passed.

REIMBURSEMENT OF CIVILIAN PERSONNEL OF THE UNITED STATES ANTARCTIC SERVICE

The bill (S. 769) for the reimbursement of civilian personnel of the United States Antarctic Service for the value of property lost during the expedition to the Antarctic was announced as next in order.

The ACTING PRESIDENT pro tempore. Without objection, Calendar No. 123, House bill 1724, which is identical with the bill just reached on the calendar, will be substituted for the Senate bill and be now considered.

There being no objection the Senate proceeded to consider the bill (H. R. 1724) to provide for the reimbursement of certain civilian personnel for personal property lost incident to the emergency evacuation of the United States Antarctic Service Expedition's East Base, Antarctica, on March 21, 1941, and for other purposes, which was ordered to a third reading, read the third time, and passed.

The ACTING PRESIDENT pro tempore. Without objection, Senate bill 769 will be indefinitely postponed.

O. T. TRAVIS

The Senate proceeded to consider the bill (H. R. 170) to confer jurisdiction upon the United States District Court for the Eastern District of Virginia to hear, determine, and render judgment upon the claim of O. T. Travis, which had been reported from the Committee on Claims with an amendment to strike out all after the enacting clause, and to insert:

That the claim against the United States of America of O. T. Travis, of Newport News, Va., owner of the powerboat *Dorothy Frances*, for damage to said vessel, sunk on June 12, 1937, by striking what is alleged to have been an improperly and insufficiently marked wreck, in navigable water, on the west side of lower Chesapeake Bay, southeast of Black River (Va.) light, may be sued for by the said O. T. Travis in the United States District Court for the Eastern District of Virginia, sitting as a court of admiralty and acting under the rules governing such court, and such court shall have jurisdiction to hear and determine such suit, and to enter a judgment or decree for the amount of such damages, interest, and costs, if any shall be found to be due against the United States in favor of the said O. T. Travis, upon the same principles and measures of liability as in like cases in admiralty between private parties, and with the same rights of appeal: *Provided*, That such notice of the suit shall be given to the Attorney General of the United States as may be provided by the order of the said court, and it shall be the duty of the said Attorney General to cause the United States attorney in such district to appear and defend for the United States.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

CORDIE UNDERWOOD AND WILBUR KEA

The Senate proceeded to consider the bill (H. R. 1153) for the relief of Cordie Underwood and Wilbur Kea, which had been reported from the Committee on Claims with amendments, on page 1, line 6, after the words "the sum of", to strike out "$500" and insert "$400.50" and on line 7, after the words "the sum of", to strike out "$500" and insert "$394.50."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

SHUMATE INVESTMENT CO.

The bill (H. R. 605) for the relief of Shumate Investment Co. was considered, ordered to a third reading, read the third time, and passed.

THE NASHVILLE, CHATTANOOGA & ST. LOUIS RAILWAY

The bill (S. 516) for the relief of the Nashville, Chattanooga & St. Louis Railway was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $4,954.38 to the Nashville, Chattanooga & St. Louis Railway, a corporation existing under the laws of the State of Tennessee and having its principal place of business in Nashville in said State, in full settlement of all claims against the Government of the United States for damage to property sustained by the said the Nashville, Chattanooga & St. Louis Railway caused by fire resulting from the spilling of gasoline on the floor of a baggage car while in use as a kitchen car by troops of the Ninety-seventh Field Artillery Battalion, while said car was contained in a train being transported by the said railway on its tracks for the movement of the said Ninety-seventh Field Artillery Battalion en route to San Francisco, port of embarkation, March 8, 1942: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a disdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

FLORENCE B. HUTCHINSON

The bill (S. 251) for the relief of Florence B. Hutchinson was announced as next in order.

The ACTING PRESIDENT pro tempore. Calendar No. 122, House bill 1463, is identical with the bill just announced, and if there be no objection, it will be substituted for the Senate bill and be now considered.

There being no objection, the Senate proceeded to consider the bill (H. R. 1463) for the relief of Florence B. Hutchinson.

Mr. ELLENDER. Mr. President, in order to carry out the action of the Committee on Claims on the Senate bill, I offer the following aendment, viz, on page 1, line 5, after the words "the sum of", strike out "$1,000" and insert "$116."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The ACTING PRESIDENT pro tempore. Without objection, Senate bill 251 will be indefinitely postponed.

ETTA HOUSER FREEMAN

The Senate proceeded to consider the bill (S. 839) for the relief of Etta Houser Freeman, which had been reported from the Committee on Claims with an amendment, to strike out all after the enacting clause and to insert:

That jurisdiction is hereby conferred upon the United States District Court for the Middle District of North Carolina to hear, determine, and render judgment, as if the United States were suable in tort, upon the claim of Etta Houser Freeman, of Dobson, N. C., for the death of her husband, L. W. Freeman, who was killed January 29, 1938, near Dobson, N. C., when the automobile which he was driving was struck by a Civilian Conservation Corps truck operated by one Paul J. Flynn: *Provided*, That the judgment, if any, shall not exceed a total sum of $5,000.

SEC. 2. Suit upon such claim may be instituted at any time within 1 year after the enactment of this act, notwithstanding the lapse of time or any statute of limitations. Proceedings for the determination of such claim, appeals therefrom, and payment of any judgment thereon, shall be in the same manner as in the cases over which such court has jurisdiction under the provisions of paragraph 20 of section 24 of the Judicial Code, as amended.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill conferring jurisdiction upon the United States District Court for the Middle District of North Carolina to hear, determine, and render judgment upon the claim of Etta Houser Freeman."

CHRISTINE LUND

The Senate proceeded to consider the bill (S. 257) for the relief of Christine Lund, which had been reported from the Committee on Claims, with an amendment, on page 2, after line 7, to strike out:

SEC. 3. No part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with such claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with such claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

And to insert in lieu thereof the following:

SEC. 3. *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney

on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

So as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of an money in the Treasury not otherwise appropriated, to Christine Lund, of Lane County, Oreg., care of Slattery and Slattery, Eugene, Oreg., the sum of $2,646, in full satisfaction of her claim against the United States for personal injuries sustained by her when struck on December 16, 1937, at 1½ miles north of Florence, Oreg., by an automobile of the United States operated by H. T. Schinaman, an employee of the Lighthouse Service, then engaged in the performance of his duties as such employee.

SEC. 2. The payment authorized to be made by this act shall not be made until the said Christine Lund has released, in a manner satisfactory to the Secretary of the Treasury, any judgment or other claim arising out of such accident which she may have against the said H. T Schinaman.

SEC. 3. *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

FIRST NATIONAL BANK OF HUNTSVILLE, TEX.

The bill (S. 854) for the relief of the First National Bank of Huntsville, Tex., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the First National Bank, Huntsville, Tex., the sum of $105.61, in full settlement of the claim of the said bank on account of two checks numbered 4120725 and 5455048, dated November 1, 1940, in the amounts of $27.66 and $77.95, respectively, drawn on the Treasurer of the United States by the Division of Disbursement, Treasury Department, over symbol numbered 894-404, in favor of Jesse Cooper Hickman, and cashed by the said bank on the endorsement of Mrs. Jesse Cooper Hickman as temporary guardian, such checks thereafter being erroneously canceled by the Division of Disbursement, Treasury Department, and the amounts thereof included in a new check issued to Mrs. Jesse Cooper Hickman: *Provided*, That nothing herein contained shall be construed to relieve the said Mrs. Jesse Cooper Hickman from any liability to the United States on account of any amounts improperly received by her: *Provided further*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

LEE WATTS

The bill (H. R. 1279) for the relief of Lee Watts was considered, ordered to a third reading, read the third time, and passed.

RACHEL ACERRA

The Senate proceeded to consider the bill (S. 241) for the relief of Rachel Acerra, which had been reported from the Committee on Claims, with an amendment, on page 1, line 6, after the words "sum of", to strike out "$1,500" and insert "$500", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Rachel Acerra, of West Long Branch, N. J., the sum of $500, in full satisfaction of her claim against the United States for compensation for personal injuries sustained by her when the car which she was driving was struck by a United States Army truck in Oakhurst, N. J., on May 28, 1942: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

H. F. MATHIS

The bill (H. R. 218) for the relief of H. F. Mathis was considered, ordered to a third reading, read the third time, and passed.

FRANK T. BEEN

The bill (H. R. 402) for the relief of Frank T. Been was considered, ordered to a third reading, read the third time, and passed.

CLAIM OF GENERAL STATE AUTHORITY OF PENNSYLVANIA

The bill (S. 135) to confer jurisdiction upon the Court of Claims of the United States to hear, determine, and render judgment on the claim of the General State Authority of the Commonwealth of Pennsylvania, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the Court of Claims of the United States to hear, determine, and render judgment upon the claim of the General State Authority of the Commonwealth of Pennsylvania, said claim arising out of certain grants and commitments, agreements, and contracts to and with the United States of America, by and through the Public Works Administration and other agencies and administrations. Suit hereunder may be instituted at any time within 1 year from the date of the enactment of this act, and proceedings therein, appeals therefrom, and payment of judgment thereon, if any, shall be had in the same manner as in the case of claims over which said court had jurisdiction under the provisions of the Judicial Code.

BILL PASSED OVER

The bill (H. R. 1785) for the relief of the William Wrigley, Jr., Co., was announced as next in order.

Mr. McKELLAR and Mr. ELLENDER asked that the bill be passed over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

AWARDS OF HONOR FOR AGRICULTURAL PRODUCTION

The joint resolution (S. J. Res. 31) providing for awards of honor for agricultural production was announced as next in order.

Mr. McNARY. Mr. President, I should like to have an explanation of the joint resolution.

The ACTING PRESIDENT pro tempore. The joint resolution was reported from the Committee on Military Affairs by the Senator from Alabama [Mr. HILL] who is not present on the floor at the moment.

Mr. McNARY. I ask that the joint resolution be passed over.

The ACTING PRESIDENT pro tempore. The joint resolution will be passed over.

Mr. HILL subsequently said: Mr. President, when Senate Joint Resolution 31, Calendar No. 130, was reached on the Calendar I had been called from the Chamber temporarily. The Senator from Oregon [Mr. McNARY] wanted to make an inquiry about the joint resolution. So, in my absence, it went over. Since my return to the floor I have talked with the Senator from Oregon and have answered his question, and he now has no objection to the joint resolution. I ask unanimous consent for its present consideration.

The ACTING PRESIDENT pro tempore. The joint resolution will be read by title for the information of the Senate.

The LEGISLATIVE CLERK. A joint resolution (S. J. Res. 31) providing for awards of honor for agricultural production.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That the Secretary of War is hereby authorized to make awards of honor, with suitable insignia, to persons who are engaged in the production of any food or fiber essential to the war effort. Such awards shall be made to all such persons who are certified to the Secretary of War by the Secretary of Agriculture as having made outstanding contributions to the war effort.

SEC. 2. The Secretary of War and the Secretary of Agriculture are each authorized to make such regulations as may be necessary to carry out the purposes of this joint resolution.

SEC. 3. There are hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out this joint resolution.

APPOINTMENT OF FRANK T. HINES A BRIGADIER GENERAL, ARMY OF THE UNITED STATES

The bill (S. 872) to authorize the President to appoint Frank T. Hines a brigadier general in the Army of the United

States was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the President is hereby authorized to appoint Frank T. Hines a brigadier general in the Army of the United States, and immediately thereafter place him on the retired list of the Army with the rank, pay, and allowances of that grade: *Provided*, That during the period that he is occupying civil office under the Federal Government as Administrator of Veterans' Affairs, or otherwise, he shall not be entitled to other pay or compensation than the salary attached to such civil office.

REORGANIZATION AND FUNCTIONS OF THE PUBLIC HEALTH SERVICE

The bill (S. 400) for the organization and functions of the Public Health Service was announced as next in order.

Mr. McKELLAR. Mr. President, may we have an explanation of the bill?

Mr. THOMAS of Utah. The bill is, of course, very important. Its immediate passage is urged because it will be of help in our war effort. The bill merely reorganizes the Public Health Service in such a way that it can function properly in performing the tasks which are imposed upon it by the war. The bill provides for several changes which will be of interest to the Senate in case it wishes to pass upon the bill today, and I trust it will do so, because the Committee on Education and Labor has considered the bill for a long time, worked out all the disagreements, and reached agreement, so the bill was reported unanimously.

The Public Health Service has developed since the beginning of our country, and at various times additional work has been placed upon it, until today it is a complex service, and as a unit of organization is not working as well as it should. Passage of this measure will properly reorganize the Public Health Service, bring it into a position where it can function efficiently, and will take care of the reserve officers who are called into the Public Health Service, giving them the proper status, and will provide the benefits and the allowances which the men necessarily must have because of the great risks they are taking. I think in general, Mr. President, that covers the idea of the bill.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. THOMAS of Utah. I yield.

Mr. McKELLAR. I notice on page 5, section 8, new language inserted by the Senate committee. Did the committee have any estimate of the cost represented by that section?

Mr. THOMAS of Utah. This provision was put in the bill by the Committee on Education and Labor, which considered the bill. We find that the Public Health Service is at a great disadvantage because it cannot offer to its officers, who are risking their lives, the same sort of benefits which are offered to the officers in the Army, the Navy, and the Coast Guard. The bill merely gives to the officers in the Public Health Service, who are serving side by side with the Army and Navy officers, the same sort of protection given to the Army and Navy officers. It should be remembered that the United States Public Health Service is built around the same type of organization as the Army and the Navy, with the same classifications, and its officers hold the same ranks. While they are not called upon to fight, officers of the Public Health Service are called upon to go into all the fighting areas, and they are constantly subject to risk and injuries.

Mr. REVERCOMB. Mr. President, will the Senator yield?

Mr. THOMAS of Utah. I yield.

Mr. REVERCOMB. I wish to make an inquiry. Am I correct in understanding that the sole object of the bill and the sole end sought to be attained by it is to equalize the rights of those in the Public Health Service with the rights of those serving in the armed services?

Mr. THOMAS of Utah. The bill will equalize their rights insofar as certain benefits are concerned. Of course, it will not make them equal in some respects to those in the armed services. The officers in the Public Health Service cannot command troops. But the lowest grade of officer in the Public Health Service is equivalent to first lieutenant in the Army or lieutenant, junior grade, in the Navy.

Mr. REVERCOMB. Does the bill do anything else? Does it go beyond that feature?

Mr. THOMAS of Utah. It reorganizes the Public Health Service, and provides for the coordination and regulation of the various services which have been attached to the Public Health Service, so there will be good discipline and proper control from start to finish.

Mr. REVERCOMB. Who is at the head of this organization?

Mr. THOMAS of Utah. The head of the United States Public Health Service is the Surgeon General of the United States, Dr. Thomas Parran.

Mr. REVERCOMB. He is over it all?

Mr. THOMAS of Utah. Yes.

Mr. McKELLAR. Mr. President, will the Senator again yield?

Mr. THOMAS of Utah. I yield.

Mr. McKELLAR. How high do the ranks of officers go in the Public Health Service? For instance, how many high-ranking officers are there? Does their rank go as high as major general?

Mr. THOMAS of Utah. The rank will be the equivalent of a major general. At the present time the United States Public Health Service has one officer with the rank of rear admiral. The heads of two divisions will, in addition, have the rank of rear admiral. The Dental Division will be presided over by an officer who will have the rank of Assistant Surgeon General.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. THOMAS of Utah. I yield.

Mr. DANAHER. I should like to ask the Senator from Utah, What are the bureaus referred to in lines 5 to 7 on page 1 of the bill? It says there are to be two bureaus, "to be known as the Bureau of Medical Services and the Bureau of State Services."

Mr. THOMAS of Utah. Mr. President, those are bureaus which will coordinate the work being done by the various divisions of the Public Health Service at the present time. It must be remembered that the Public Health Service began back in 1798, and has grown considerably since that time. Additional activities have been assigned to it. Control of venereal disease is one of its activities; also the production of vaccines. It makes various inspections. For example, it makes inspections incident to the sanitary arrangements in the Army and the Navy. It makes immigration inspections. The Public Health Service has direct control over some of the public institutions of America. The reorganization will bring these various branches of the Public Health Service under the coordinated heads. There is also, of course, the work of cooperation done by the Public Health Service between the States and the Nation. That work is brought under the National Institute of Health, which deals with the State organizations on a mutual basis.

Mr. DANAHER. Are all the functions of these respective bureaus provided for in existing law?

Mr. THOMAS of Utah. Yes; and they are all operating. No additional power will be granted by the bill at all. It would establish merely a relationship so that the Surgeon General of the United States would be the proper head, so as to bring about a proper coordination of the service.

Mr. DANAHER. Are the duties leading to such coordination specified somewhere in existing law?

Mr. THOMAS of Utah. No; only insofar as special laws come into existence. For instance, the cancer investigations were conducted under a special act which fits that activity formally into the organization.

The pending measure will bring the work formally into the organization, and will allow it sanction and place.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. THOMAS of Utah. I yield.

Mr. TAFT. So far as the reorganization is concerned, I do not think the bill would grant any power in addition to that already had by the Public Health Service. Most of the powers of the Public Health Service are given to it under existing law. The organization of that Service has been established and developed without any legislation, so far as I know; so that, in my opinion, under the bill nothing would really be done that the President could not do under the present Overman Act. But the Government wanted the matter made more official and permanent than that. It seems to me that is a correct position to take.

The last question, relating to military benefits, is one about which I do not know very much; I did not happen to be on the committee having to do with it.

But so far as the question of reorganization is concerned, it seems to me that the measure is a very wise one.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. THOMAS of Utah. I am glad to yield.

Mr. McKELLAR. I am a strong believer in the Public Health Service, and

I am frank in saying that I think it is doing a wonderful work. On the other hand, it seems to me that the bill would tremendously increase the expense. I wish the Senator would give us some idea of what would be the increased expense for the Public Health Service. Of course, that matter will soon come up before the Appropriations Committee. The question of expense is of very great importance. Can the Senator give us any idea at all about the increased expense under the bill?

Mr. THOMAS of Utah. Only in the same way that one can give any idea about increased expense when the country goes into war. For example, there are benefits for men in the Regular Army who are injured, who retire, or who die; but when we have an Army of 7,000,000 or 8,000,000 men, and when those men face bullets, it is certain that the expenses for benefits will be very much greater.

The Public Health Service has been expanded by 1,100 persons; that is, Reserve officers to the number of 1,100 have been brought into the Service.

Under the one amendment dealing with pensions and allowances there would be no extra——

Mr. McKELLAR. I refer to the whole bill. Let me ask what would be the increased expense under the whole bill.

Mr. THOMAS of Utah. There is simply no way at all to estimate the increased expense, any more than one would be able to estimate the increased cost to the Federal Government through loss of life in connection with operations under any Army bill or Navy bill.

We hope that ordinarily the cost will not be great; but we know, as everyone else knows, that if a United States Public Health Service officer were sent on duty to a certain place and there contracted a disease, as the result of which he died, some sort of claim would be presented, and, in the long run, his dependents would be taken care of. The situation is similar to that existing under all pension acts and all compensation acts.

The bill would result in benefits to the Government; because the men who would go into the service would understand their rights, and the Government in accepting them would understand its rights and obligations.

However, as to being able to tell the cost, that is simply impossible.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. THOMAS of Utah. I yield.

Mr. LA FOLLETTE. I merely wish to state very briefly that the measure received most careful consideration by the committee. It is an effort to provide a more efficient organization for the existing activities of the Public Health Service, which are administered by the Surgeon General, Thomas G. Parran, whom I regard as one of the ablest men in the public service of the United States. Naturally, as a result of the war, the activities of the Public Health Service have had to be greatly expanded. Many of the activities have brought the officers who are in the Public Health Service into types of service in which they are called upon to share the hazards and the dangers and the illnesses and the casualties that are experienced by men in the medical services of the Army and the Navy. To have Public Health Service officers work side by side with medical men in the uniform of the Army or in the uniform of the Navy, and to deny such officers and their families the same protection and benefits that go with service in the armed forces, must have a very serious effect upon the morale of the Public Health Service.

I can assure the Senate that the bill contains nothing which would further extend the activities or further enlarge the powers of the Public Health Service. The bill merely would provide a better organization for the present already-authorized activities of the Public Health Service, and, so far as I know, there has been and there is no criticism of the activities and the work being done by it.

So, Mr. President, in view of the importance of the measure and the number of men who are engaged in this vitally important phase of the war effort, I hope that Senators will permit the measure to pass.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 400) for the organization and functions of the Public Health Service, which had been reported from the Committee on Education and Labor, with amendments.

The amendments were, in section 2, on page 2, line 12, after the word "act" and the comma, to insert "and the officer assigned as Chief Medical Officer of the United States Coast Guard"; at the beginning of section 3, on page 2, line 19, to strike out the word "Medical," and insert "When commissioned"; in line 20, after the word "director," to strike out "may be", and insert "are"; at the beginning of line 22, to strike out the word "and"; in line 24, after the words "medical director" and the semicolon, to insert "and there is authorized to be established in the Office of the Surgeon General a Dental Division and a Sanitary Engineering Division; the chief of each such Dental and Sanitary Engineering Division shall be a commissioned dental officer and a commissioned sanitary engineer officer, respectively, of the regular corps detailed by the Surgeon General, and while each such dental and sanitary engineer officer is so detailed, he shall have the grade, pay, and allowances of an Assistant Surgeon General as provided by section 2 of this Act"; in section 4, on page 3, in line 14, after the word "appointment," to insert "and any officer so promoted to a higher grade at any time after December 7, 1941, shall be deemed for all purposes to have accepted his promotion to higher grade upon the date of approval, unless he shall expressly decline such promotion, and shall receive the pay and allowances of the higher grade from such date unless he is entitled under some other provision of law to receive the pay and allowances of the higher grade from an earlier date. No such officer who shall have subscribed to the oath of office required by section 1757, Revised Statutes, shall be required to renew such oath or to take a new oath upon his promotion to a higher grade, if his service after the taking of such an oath shall have been continuous"; on page 4, at the beginning of line 1, to strike out the words "and hereafter", and insert "Hereafter"; in line 5, after the word "Service" and the period, to insert, "For the duration of the present war and for 6 months thereafter graduates of reputable osteopathic colleges shall be eligible for appointment as reserve officers in the Public Health Service"; in line 20, at the end of section 6, to insert:

SEC. 7. Section 9 of the act of April 9, 1930 (U. S. C. 42, sec. 37; 46 Stat. 151), is hereby amended by the addition of the following language at the end of said section.

In line 24, before the word "Original", to insert "(d)"; in line 25, after the word "Service", to insert a comma and the words "regular and reserve", and a comma; on page 5, line 5, after the words "less than", to insert "one nor more than"; in line 6, after the word "appointee", to insert "in the regular corps"; and after line 10, to insert a new section 8, as follows:

SEC. 8. Commissioned officers of the Public Health Service, regular and reserve, shall be entitled to the same pay, allowances, and all other rights, benefits, and privileges, now or hereafter authorized or provided for officers of corresponding grade (and their surviving dependents) of the Medical Corps of the Army, regular and reserve, respectively, including but not limited to burial payments, death benefits, pensions, retirement, insurance, disability and survivors' benefits, civil reemployment rights, civil liability, travel and other allowances, including allowances of military attachés of corresponding grades while serving as public health attachés with the State Department at foreign posts; and all commissioned officers of the Public Health Service detailed for duty with the Army or Navy under provisions of law shall be held and considered to be in the active military service of the United States, and such officers while so detailed shall be subject to all of the laws and regulations now or hereafter operative for the Government of the respective services to which they are detailed: *Provided*, That this section shall apply in like manner to commissioned officers of the Public Health Service, regular and reserve, and to their surviving dependents, if any, who were serving outside of the continental limits of the United States on December 7, 1941, or who since December 7, 1941, have been made prisoners of war or who have been disabled or who have lost their lives while on active duty, and: *Provided further*, That all commissioned officers of the Public Health Service not detailed for duty with the Army or Navy as above provided shall continue to serve under the direction and control of the Surgeon General of the Public Health Service unless specifically detailed for duty with another executive department or independent establishment in accordance with provisions of law.

So as to make the bill read:

Be it enacted, etc., That hereafter the Public Health Service in the Federal Security Agency shall consist of the Office of the Surgeon General, the National Institute of Health, and two bureaus, to be known as the Bureau of Medical Services and the Bureau of State Services. The Surgeon General of

the Public Health Service, under the supervision and direction of the Federal Security Administrator, is hereby authorized and directed to assign to the Office of the Surgeon General, to the National Institute of Health, and to the two bureaus, respectively, the several functions of the Public Health Service, and to establish within the Office of the Surgeon General, the National Institute of Health, and the two bureaus, respectively, such divisions, sections, and other units as may be required to perform their functions; and, under such supervision and direction, he may abolish existing divisions, sections, and other units, and, hereafter, may establish, transfer, and consolidate divisions, sections, and other units and reassign their functions for the efficiency of the Service.

SEC. 2. The Director of the National Institute of Health and the chiefs of each of the bureaus, established by section 1 of this act, and the officer assigned as chief medical officer of the United States Coast Guard, shall be commissioned medical officers detailed by the Surgeon General from the regular corps, and while so detailed shall be Assistant Surgeons General and shall have the same grade and shall receive the same pay and allowances as the assistant to the Surgeon General.

SEC. 3. When commissioned officers below the grade of medical director are detailed by the Surgeon General from the regular corps to serve as chiefs of divisions, not more than six of such officers at one time while so detailed shall have the temporary grade and receive temporarily the pay and allowances of a medical director; and there is authorized to be established in the office of the Surgeon General a Dental Division and a Sanitary Engineering Division; the chief of each such Dental and Sanitary Engineering Division shall be a commissioned dental officer and a commissioned sanitary engineer officer, respectively, of the regular corps detailed by the Surgeon General, and while each such dental and sanitary engineer officer is so detailed, he shall have the grade, pay, and allowances of an Assistant Surgeon General as provided by section 2 of this act.

SEC. 4. In time of war or national emergency determined by the President, any commissioned officer of the regular corps of the Public Health Service may be appointed to higher temporary grade with the pay and allowances thereof without vacating his permanent appointment, and any officer so promoted to a higher grade at any time after December 7, 1941, shall be deemed for all purposes to have accepted his promotion to higher grade upon the date of approval, unless he shall expressly decline such promotion, and shall receive the pay and allowances of the higher grade from such date unless he is entitled under some other provision of law to receive the pay and allowances of the higher grade from an earlier date. No such officer who shall have subscribed to the oath of office required by section 1757, Revised Statutes, shall be required to renew such oath or to take a new oath upon his promotion to a higher grade, if his service after the taking of such an oath shall have been continuous. Hereafter reserve officers of the Public Health Service may be distributed in the several grades without regard to the proportion which at any time obtains or has obtained among the commissioned medical officers of such Service. For the duration of the present war and for 6 months thereafter graduates of reputable osteopathic colleges shall be eligible for appointment as reserve officers in the Public Health Service.

SEC. 5. The record of each commissioned officer of the regular corps initially appointed above the grade of Assistant Surgeon, after the first 3 years of service in such grade, shall be reviewed under regulations approved by the President, and any such officer who is found to be unqualified for further service shall be separated from the Service and paid 6 months' pay and allowances.

SEC. 6. In case of the absence or disability of the Surgeon General and the Assistant to the Surgeon General, or in the event of a vacancy in the office of both, the Assistant Surgeons General shall act as Surgeon General in the order of their designation for such purpose by the Surgeon General.

SEC. 7. Section 9 of the act of April 9, 1930 (U. S. C. 42, sec. 37; 46 Stat. 151), is hereby amended by the addition of the following language at the end of said section:

"(d) Original appointments in the commissioned corps of the Public Health Service, regular and reserve, may be made to a junior grade which shall correspond to that held by a second lieutenant in the Medical Department of the Army and persons so appointed shall be entitled to the same pay and allowances as a second lieutenant in the Medical Department of the Army. After not less than one nor more than 2 years of service each such appointee in the regular corps may be examined under regulations prescribed by the President and upon such examination shall either be promoted to the grade of Assistant Surgeon or be separated from the Service."

SEC. 8. Commissioned officers of the Public Health Service, Regular and Reserve, shall be entitled to the same pay, allowances, and all other rights, benefits, and privileges, now or hereafter authorized or provided for officers of corresponding grade (and their surviving dependents) of the Medical Corps of the Army, Regular and Reserve, respectively, including but not limited to burial payments, death benefits, pensions, retirement, insurance, disability and survivors' benefits, civil reemployment rights, civil liability, travel, and others allowances, including allowances of military attachés of corresponding grades while serving as public-health attachés with the State Department at foreign posts; and all commissioned officers of the Public Health Service detailed for duty with the Army or Navy under provisions of law shall be held and considered to be in the active military service of the United States, and such officers while so detailed shall be subject to all of the laws and regulations now or hereafter operative for the government of the respective services to which they are detailed: *Provided*, That this section shall apply in like manner to commissioned officers of the Public Health Service, Regular and Reserve, and to their surviving dependents, if any, who were serving outside of the continental limits of the United States on December 7, 1941, or who since December 7, 1941, have been made prisoners of war or who have been disabled or who have lost their lives while on active duty: *And provided further*, That all commissioned officers of the Public Health Service not detailed for duty with the Army or Navy as above provided shall continue to serve under the direction and control of the Surgeon General of the Public Health Service unless specifically detailed for duty with another executive department or independent establishment in accordance with provisions of law.

SEC. 9. This act may be cited as the "Public Health Service Act of 1943." For the purpose of any reorganization under section 1 of this act the Federal Security Administrator, with the approval of the Director of the Bureau of the Budget, is hereby authorized to make such transfer of funds between appropriations as may be necessary for the continuance of transferred functions.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. THOMAS of Utah. Mr. President, I ask unanimous consent that the clerks be directed to do the necessary renumbering of sections, and so forth.

The ACTING PRESIDENT pro tempore. Without objection it is so ordered.

REDUCTION IN COURSE OF INSTRUCTION AT NAVAL ACADEMY

Mr. WALSH. Mr. President, I ask unanimous consent that at this time the Senate proceed to the consideration of Senate bill 879, Calendar No. 146, a bill relating to reduction in the course of instruction at the Naval Academy. I make the request because I have an engagement with some naval officers and should like to have the Senate proceed at once with consideration of the bill. The bill is a very small one, and its consideration will not take long.

Mr. President, some time ago a law was passed giving the President permission to reduce the course of instruction at the Naval Academy from 4 years to 3 years. The law was construed to apply only to the class which entered the academy in 1941. The bill is for the purpose of changing that construction, and to apply the reduction from 4 years to 3 years in the course of instruction to all classes entering the Naval Academy until the expiration of the war and 6 months thereafter.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 879) to amend the act entitled "An act authorizing a reduction in the course of instruction at the Naval Academy," approved June 3, 1941 (55 Stat. 238), was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act entitled "An act authorizing a reduction in the course of instruction at the Naval Academy" approved June 3, 1941 (55 Stat. 238), is hereby amended to read as follows: "That until the termination of the present war, and until 6 months thereafter, or until such earlier time as the President by proclamation or the Congress by concurrent resolution may designate, the President is hereby authorized, in his discretion, to reduce the course of instruction at the United States Naval Academy from 4 to 3 years and thereafter to graduate classes which have completed such reduced course of instruction."

CHARLES FAVORS

The Senate proceeded to consider the bill (S. 373) for the relief of Charles Favors, which had been reported from the Committee on Claims, with an amendment, on page 1, line 6, after the words "sum of", to strike out "$5,000", and insert "$2,000", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Charles Favors, of Phoenix, Ariz., the sum of $2,000, in full satisfaction of his claim against the United States for compensation for damages sustained and funeral expenses incurred by him as the result of the death of his son, Richard Eugene Favors, a minor, who died from injuries sustained in an accident involving a

United States Army truck in which he was riding in Phoenix, Ariz., on February 10, 1942: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ESTATE OF OLA FOWLER

The bill (H. R. 1131) for the relief of the estate of Ola Fowler was considered, ordered to a third reading, read the third time, and passed.

HOWARD E. DICKISON

The Senate proceeded to consider the bill (H. R. 940) for the relief of Howard E. Dickison, which had been reported from the Committee on Claims, with an amendment, on page 1, line 6, after the words "sum of", to strike out "$2,500", and insert "$1,000."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

BERNICE JAMES

The bill (H. R. 1128) for the relief of Bernice James, was considered, ordered to a third reading, read the third time, and passed.

CHARLES FRANCIS FESSENDEN

The bill (S. 671) for the relief of Charles Francis Fessenden, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That sections 15 to 20, inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended (U. S. C., 1934 edition, title 5, secs. 767 and 770), are hereby waived in favor of Charles Francis Fessenden, of Waverley, Pa., who allegedly was injured and became permanently disabled while engaged in the performance of his duty in October 1916 as an employee at the navy yard, Charleston, S. C., and as a result of such duty, and his claim for compensation is authorized to be considered and acted upon under the remaining provisions of such act, as amended, if he files such claim with the United States Employees' Compensation Commission not later than 6 months after the date of enactment of this act: *Provided*, That no benefits hereunder shall accrue prior to the approval of this act.

JOSEPH F. BOLGER

The Senate proceeded to consider the bill (S. 695) for the relief of Joseph F. Bolger, which had been reported from the Committee on Claims with an amendment, at the end of the bill, to add a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Joseph F. Bolger, lieutenant, United States Navy, the sum of $143.75, such sum representing a per diem allowance for subsistence while he was performing temporary additional duty at Norfolk, Va., during October and November 1932, which was allowed him by the official orders designating him for such duty but was subsequently disallowed by the Comptroller General: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PHILIP KLEINMAN

The bill (S. 252) for the relief of Philip Kleinman, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Philip Kleinman, of Salem, Oreg., the sum of $495, in full satisfaction of his claim against the United States, for payment of medical and hospital expenses incurred by him in securing medical and hospital treatment of his physical disabilities attributable to injuries sustained by him, in the course of duty, while he was a member of Company G, Twenty-sixth Infantry, United States Army: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

INEZ SMITH

The Senate proceeded to consider the bill (S. 510) for the relief of Inez Smith, which had been reported from the Committee on Claims with an amendment, at the end of the bill, to add a proviso so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Inez Smith, postmaster at Bluff City, Tenn., the sum of $235.76 in full satisfaction of her claim against the United States for reimbursement of the amount paid by her to the United States on account of official funds and stamp stock stolen from the Bluff City post office on August 25, 1939: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 635) to provide for the payment of overtime compensation to Government employees, and for other purposes, was announced as next in order.

Mr. BARKLEY. Mr. President, at the request of the author of the bill, I ask that it go over.

The PRESIDING OFFICER. The bill will be passed over.

AMENDMENT OF NATIONAL SERVICE LIFE INSURANCE ACT

The Senate proceeded to consider the bill (S. 903) to amend section 602 (d) (1) of the National Service Life Insurance Act of 1940, as amended, which had been reported from the Committee on Finance with amendments.

The first amendment was, on page 1, line 10, after the word "made" to insert "heretofore or", so as to read:

That section 602 (d) (1) of the National Service Life Insurance Act of 1940, as amended by section 10 of Public Law 360, Seventy-seventh Congress, December 20, 1941, is amended to read as follows:

"(d) (1) Any person in the active service and while in such service shall be granted such insurance without medical examination and without medical-history statement upon application therefor in writing (made heretofore or within 120 days after the date of enactment of this amendatory act)."

Mr. CLARK of Missouri. Mr. President, I ask that the committee amendment be rejected. The effect of rejecting the committee amendment would be to reduce the amount of coverage provided by this measure. In actual practice, it develops that it is more than the subcommittee intended in the first place.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 1, line 10.

The amendment was rejected.

The next amendment was, on page 2, line 2, after the word "act" and the parentheses to strike out "and certificate signed by his immediate commanding officer stating that the applicant is mentally and physically fit to perform military or naval duty and."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 602 (d) (1) of the National Service Life Insurance Act of 1940, as amended by section 10 of Public Law 360, Seventy-seventh Congress, December 20, 1941, is amended to read as follows:

"(d) (1) Any person in the active service and while in such service shall be granted such insurance without medical examination and without medical-history statement upon application therefor in writing (made within 120 days after the date of enactment of this amendatory act) upon payment of the premiums: *Provided*, That after the expiration of such 120-day period any such person may be granted national service life insurance at any time upon application, payment of premiums,

and evidence satisfactory to the Administrator showing him to be in good health."

MR. AND. MRS. SAMUEL AZER

The Senate proceeded to consider the bill (H. R. 1468) for the relief of Mr. and Mrs. Samuel Azer, which had been reported from the Committee on Claims, with an amendment, on page 1, line 7, after the words "sum of", to strike out "$750" and insert "$500."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

SETTLEMENT OF CLAIMS FOR DAMAGES OCCASIONED BY MILITARY FORCES IN FOREIGN COUNTRIES

The Senate proceeded to consider the bill (S. 899) to amend the act approved January 2, 1942, entitled "An act to provide for the prompt settlement of claims for damages occasioned by Army, Navy, and Marine Corps forces in foreign countries," which had been reported from the Committee on Military Affairs, with amendments.

The first amendment was, on page 2, line 19, after the word "otherwise," to insert "when such damage, loss, destruction, or injury is caused by Army, Navy, or Marine Corps forces, or individual members thereof, including military personnel and civilian employees thereof, or otherwise incident to noncombat activities of such forces."

The amendment was agreed to.

The next amendment was, on page 3, line 4, after the words "prior to," to strike out "January 1, 1944," and insert in lieu thereof "May 1, 1943."

The amendment was agreed to.

The next amendment was, on page 3, line 5, after the word "presented," to strike out "within 1 year after the occurrence of such accident or incident" and insert "at any time prior to May 1, 1944."

Mr. REVERCOMB. Mr. President, I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

TRANSFER OF GRANVILLE COUNTY, N. C., TO THE MIDDLE JUDICIAL DISTRICT OF NORTH CAROLINA

The Senate proceeded to consider the bill (S. 734) to provide for the transfer of Granville County to the middle judicial district of North Carolina, which was read, as follows:

Be it enacted, etc., That section 98 of the Judicial Code, as amended (U. S. C., title 28, sec. 179), is amended (1) by striking out "Granville," in the second paragraph thereof, and (2) by inserting a comma and the word "Granville" immediately after the word "Forsyth" in the fourth paragraph of such section.

Mr. BAILEY. Mr. President, I offer an amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from North Carolina will be stated.

The CHIEF CLERK. At the end of the bill it is proposed to add the following new section:

SEC. 2. All actions arising in said county of Granville and now pending in the District Court of the United States for the Eastern District of North Carolina are hereby transferred from said district court to the District Court of the United States for the Middle District of North Carolina, and the said court is hereby vested with jurisdiction to hear and determine and render judgment upon said actions as fully and finally as if said county of Granville had been in the jurisdiction of said district court for the middle district at the time of the institution of said actions.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from North Carolina [Mr. BAILEY].

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (S. 796) relating to the use and operation by the United States of certain plants in the interest of the national defense was announced as next in order.

Mr. BARKLEY. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S 832) relating to the sale of horse meat or food products thereof in the District of Columbia was announced as next in order.

Mr. BARKLEY. Mr. President, I should like to have an explanation of the bill.

The PRESIDING OFFICER. The author of the bill, the Senator from New Hampshire [Mr. BRIDGES] is not present.

Mr. BARKLEY. I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

ADDITIONAL CIRCUIT JUDGE FOR THE SEVENTH JUDICIAL CIRCUIT

The Senate proceeded to consider the bill (S. 716) to provide for the appointment of an additional circuit judge for the seventh judicial circuit, which had been reported from the Committee on the Judiciary with an amendment, at the end of the bill, to change the period to a comma, and insert "but the authority conferred by this act shall terminate unless the President, within 6 months after the date of the enactment of this act, nominates a person to fill the office of additional circuit judge provided for in this act." so as to make the bill read:

Be it enacted, etc, That the President is authorized to appoint, by and with the advice and consent of the Senate, an additional circuit judge for the seventh judicial circuit, but the authority conferred by this act shall terminate unless the President, within 6 months after the date of the enactment of this act, nominates a person to fill the office of additional circuit judge provided for in this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The PRESIDING OFFICER. That completes the calendar.

OWNERSHIP OF WRANGELL ISLAND

Mr. REYNOLDS. Mr. President, during two distinct sessions of Congress within the past several years I have introduced in the Senate a bill which called upon the State Department to ascertain the rightful owner of Wrangell Island in the Arctic Ocean, north of Siberia, for the purpose of learning whether this island, which is about the size of Bermuda, is the property of Russia or of the United States. Unfortunately, no action was ever taken upon the bill. However, during the present session, I propose to reintroduce the measure.

In the March 6, 1943, issue of the Pathfinder, edited and published by Hon. Emil Hurja, there appeared a brief editorial in reference to this subject, a copy of which was sent to me by one of the Pathfinder subscribers, Rev. D. W. Cram, of 4602 Woodlawn Avenue, Seattle, Wash.

At the same time the Reverend Cram wrote me a very interesting letter in reference to Wrangell Island, in which occurs the following paragraph:

If you can do anything to bring about settling the claims of the United States to Wrangell Island against Russia, you will have my grateful appreciation.

I ask unanimous consent, Mr. President, to have the editorial from the Pathfinder magazine, published at Washington, D. C., and the full text of the letter from Reverend Cram, of Seattle, Wash., printed in the CONGRESSIONAL RECORD at this point and made a part of my remarks.

There being no objection, the editorial and letter were ordered to be printed in the RECORD, as follows:

The indefatigible, courageous Senator from North Carolina, our friend BOB REYNOLDS, often brings up interesting and thought-provocative subjects in the Senate. His latest concerns the ownership of Wrangell Island, north of Siberia. Is it Russia's or is it ours?

The island is northwest of Bering Strait, in the Arctic Ocean, at about the latitude of Point Barrow, Alaska. The maps show it as a part of Russian territory, and it is named for a Russian general. But Senator REYNOLDS says it was discovered by an American, who planted his country's flag there about 1850. He disappeared, and later some Russians were sent to the island, and a few are said to be there now.

But the United States has a claim to this Arctic territory by right of discovery, and Senator REYNOLDS has asked the State Department to say whether or not that claim is valid. Ice-bound islands which used to be considered worthless are now potentially useful airport sites, for the shortest routes between Europe and Asia on the one side and America on the other go right across the Polar regions—the top of the world.

SEATTLE, WASH.

Senator ROBERT REYNOLDS,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR REYNOLDS: The enclosed clipping from a late copy of the Pathfinder came to hand a few days ago.

I am glad to know that someone in Congress is interested in Wrangell Island.

For many years I have felt that the Government of the United States has shamefully neglected its claim to the title for this island against Russia.

Wrangell Island may seem to be of little importance on account of its isolated location. However, when one studies its position

with relation to northern Alaska and Siberia, one cannot but be impressed with the strategic position it occupies.

I have often felt that there should be a "top-of-the-world route" for air service from London to Siberia via Point Barrow and Wrangell Island. Places touched after leaving London, would be the southern tip of Greenland, the north shores of Hudson's Bay, some point near Amundsen Gulf, the mounted police station at the mouth of the McKenzie River, Point Barrow, Wrangell Island, Siberia.

If this "top-of-the-world route" were going now, and if Russia would do her part to make connections with her armed forces to our landing place on Siberia, we would have a route which would be less liable to interception by the enemy than that of any other route I know of.

For 12 years Mrs. Cram and I were United States Government teachers and missionaries at Point Barrow. It was while there I first became interested in Wrangell Island. The Canadian Arctic expedition's ship, the steamship *Karluk*, was driven in the ice, and on the shores of Wrangell Island. Captain Bartlett, a Canadian, was master of the ship. The crew got ashore, built shelters, using the wreckage and snow. Then Captain Bartlett, with one of our former Point Barrow school boys, Eskimo, made his way to the Siberian coast and on down to Anadyr, where he reached a wireless station.

I have been told that Captain Bartlett wrote a book giving an account of the ill-fated expedition.

The Canadian Arctic expedition was headed by the Arctic explorer Vijhjalmur Steffanson. The last I knew Dr. Steffanson made his headquarters in New York.

This expedition came to Point Barrow in 1913. The *Karluk* rounded the corner of the North American continent in August of that year. It only got a few miles farther north. Reports were that the captain of the ship tied alongside the wrong piece of ice. The boat held fast in the ice, drifted westward to the shore of Wrangell Island where it became a complete wreck.

In 1922 Mrs. Cram and I went to Kotzebue, Alaska, under the Bureau of Indian Affairs. Our service extended through the summer of 1925—3 years.

Dr. Steffanson, while we were still at Point Barrow, told Mrs. Cram and myself that he wanted to see a colony of Eskimos established on Wrangell Island. We gave it little thought.

At that time Mrs. Cram's brother, Charles Wells, was in Nome, Alaska. While we were at Kotzebue, one summer morning we were surprised to have Charlie walk in on us for breakfast. That was in 1923.

Charlie informed us that he was bound for Wrangell Island with a number of Eskimo families, for the purpose of colonizing it. That was the last time we ever saw him.

Mr. Wells was carrying out Dr. Steffanson's plan, and was outfitted by him, through a Captain Noyes of whom Dr. Steffanson had chartered a small powerboat for that purpose. Dr. Steffanson did not accompany this expedition.

Confidentially, Charlie confided to us that he hoped that by the planting of this colony by Americans, it would forever establish the rights of the United States to its claim to Wrangell Island.

Mr. Wells' party was successfully landed. They lived there until the next summer. They had 2 years' supplies. But in the summer of 1924 they were taken from Wrangell Island by a Russian ice breaker.

The entire colony was taken forcefully to Vladivostok. They were incarcerated in an old Russian barracks, and from what we learned it was not too comfortable. The entire party caught bad colds. The Eskimos had the strength to recover. Mr. Wells did not. Pneumonia settled in. Doubtless he would have died without our knowing what happened to him, had it not been for the fact that Mr. Olaf Swenson, of the firm of Hibbard & Swenson, of Seattle, happened to be in Vladivostok at that time.

Mr. Swenson was a warm personal friend of ours. He had been of very great help to us when Mrs. Cram and I were at Point Barrow. He knew Mr. Wells. He spoke the Russian language fluently. He visted Mr. Wells in the old Russian barracks. He learned how Mr. Wells and his party were taken by the Russians off from Wrangell Island. He also talked with the Eskimos of Mr. Wells' party.

Then things happened. Mr. Swenson cabled his firm in Seattle. The Seattle Times and other northwestern newspapers got the story. The State Department got busy. They cabled us at Kotzebue. When Mr. Wells left Wrangell Island, the party had a large number of valuable white fox furs—the catch of the previous winter. The Russians took these. We cabled funds. The State Department at Washington transacted all the business.

Mr. Wells found the American consul at Vladivostok to be very helpful. The Eskimos of his party were sent to Seattle. He was not able to go. The consular office put him in a hotel in Vladivostok. They secured medical aid. It was too late. He died in a few weeks. The funeral was conducted by an English Luthern minister. A cross marks his grave.

All of this is of record in the State Department.

When Mr. Swenson died a few years ago in Seattle we felt that one of our dearest friends of the Far North had left us.

Mrs. Cram died three years ago the first of this month.

Several years ago the State Department wrote us stating that we should enter claim for Mr. Wells. We drew up the papers and they are on file with the State Department in the Russian Claims Division. The Department wrote us that nothing could be done now. We have never pressed the claim.

If you can do anything to bring about settling the claims of the United States to Wrangell Island against Russia, you will have my grateful appreciation.

Sincerely yours,

D. W. CRAM.

P. S.—Our friend Mr. Olaf Swenson rescued the crew from the wrecked *Karluk* off Wrangell Island. In returning to Nome, Alaska, with this crew he met the Coast Guard Cutter *Bear*. Mr. Swenson's boat was the powered boat *King and Wing* of Seattle. The Coast Guard office in Washington, I am sure, has the record of this rescue. When the *King and Wing* met the *Bear*, the crew of the *Karluk* was transferred to it.

D. W. C.

WAR VICTORY THROUGH SELF-CONTROL

Mr. REYNOLDS. Mr. President, I hold in my hand at this time a small pamphlet entitled "War Victory Through Self-Control," the subject of which is self-control in the consumption of alcoholic beverages. In looking through this pamphlet I have been impressed with many of the paragraph captions, among which are:

Drink less or drink none, at least until the war is won.

The morale that comes from the bottle is not the morale to put into battle.

Curtail drinks, save money and health, that guns and strength may be our wealth.

Give blood to wounded soldiers' sons, pour alcohol into more powerful guns.

We are engaged in a life-and-death struggle with the Axis Powers—a war which will cost the lives of hundreds of thousands of American sons, and result in the wounding, maiming, and destruction of mind and body of millions of our beloved boys. History over the centuries reveals that liquor has taken more lives, destroyed more bodies, wrecked more homes, broken more hearts, and brought grief to more firesides than all the wars during the same centuries.

Recognizing as we do the terrific struggle in which we are engaged, during the course of which we must conserve the health of the Nation we, of course, realize that the practice of temperance in the consumption and use of alcoholic beverages would be of immense value to America's war efforts and its contribution to victory and peace.

War brings with it not only the sadness growing out of the departure of our marching boys, death upon the battlefield, mourning wreaths above the threshholds, but, likewise, according to statistics, brings about an increase of immorality, intemperance, and crime. According to the Federal Bureau of Investigation, under the able and efficient direction of the Honorable J. Edgar Hoover, crime in past years has cost American annually more than $17,000,000,000.

Therefore, in these dark and intense days when we are seeking the utilization of every hour of man and woman power and fighting against absenteeism, we should give favorable thought to temperance in all things, and particularly to temperance and self-control in the consumption of alcoholic beverages.

The little booklet to which I have just referred, entitled "War Victory Through Self-Control," is the product of a trend of thought of patriotic American women interested in the welfare of the American people. This trend of thought was started by Mrs. Thomas A. Wadden, of 2101 Calvert Street NW., Washington D. C., and is widely endorsed.

The idea championed by Mrs. Wadden and her associates was, during the latter part of 1942, launched at the home town of Mrs. Wadden, Smithfield, N. C., and to her and her associates now I extend sincere congratulations upon the inauguration of this movement and wish for them unlimited success in their worthy endeavors.

I may say in passing that Mrs. Wadden—nee Annie Ihrie Pou—is the daughter of the late Representative Hon. Edward William Pou, of North Carolina, who served ably in the Congress of the United States for many years.

I have before me copy of a letter which Mrs. Wadden directed to the President on November 9, 1942, which I ask to have inserted in the RECORD at this juncture and made a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *November 9, 1942.*

HON. FRANKLIN D. ROOSEVELT:
President of the United States,
The White House,
Washington, D. C.

MY DEAR MR. PRESIDENT: As an approach to the solution of the beverage-alcohol problem would you consider appealing, possibly through one of your stirring radio fireside chats, to civilians and armed forces alike for

voluntary alcohol control? This untried method of achieving alcohol control might prove to be a power. This appeal to the best in man, when that best is so obviously imperative, might work a miracle. Such an idea might progress through the creating of a trend which could develop by mass pledge taking and by a drive to sell the idea to the public.

Pledge taking can be initiated without expense, without undue complication of signing blanks by presenting for consideration to civic and religious organizations, to professional and industrial orders and to all branches of our armed forces such pledges, for instance, as these rough examples:

Civilian: To bring my war effort to maximum efficiency I shall reduce to a minimum my serving and drinking of alcohol for the purpose of promoting victory in this world war.

Army and Navy: To bring my training to maximum efficiency I shall reduce to a minimum my drinking of alcohol while off duty and completely renounce the use of it while on duty. I propose that promotions and the holding of commissions be based in part upon sobriety.

The pledge is intended to appeal to man's better self, to respect his judgment, rather than to dictate the extent of his restraint.

To thousands of citizens, wet and dry, eager to discover some feasible way of wisely agitating alcohol control for the duration, this volunteer movement would offer a chance—would crystalize wishful thinking into a force. By this method public sentiment could be measured.

The idea was launched in my home town, Smithfield, N. C., by the head of each organization presenting the pledge to its members en masse with the request, in some instances, that those taking the pledge rise. I enclose clippings from the Smithfield Herald which portray the inauguration of this volunteer idea of the citizens.

Lincoln, who never drank, said: "Liquor might have defenders but no defense." It is those defenders that need your magnificent counsel now. It is our defenseless soldiers drafted into situations of temptation that need your protection with decisive wisdom of action for getting beverage alcohol under control.

In December 1869, Gen. Robert E. Lee, in speaking to students of Washington College, said: "My experience through life has convinced me that while moderation and temperance in all things are commendable and beneficial, abstinence from spirituous liquors is the best safeguard to morals and health."

My father, Edward W. Pou, died dean of Congress, in 1934, believing you to be the one man who could bring order out of the then existing economic chaos. With that same boundless faith I now implore you to rescue our Nation during these perilous war days through appeal or through order from the moral and physical death trap of beverage alcohol.

Since you have discussed with the Nation the rationing of sugar, rubber, oil, and gasoline—indispensable to normal living and nonvice forming commodities—now needed for the prosecution of the war, it is only logical for us as a Nation to expect from you momentarily a similar discussion of alcohol—a commodity essential to the prosecution of the war, but nonessential to normal living and a definitely vice forming commodity, if used as a beverage. It is not to be assumed that you are disinclined to discuss alcohol control but rather you are wisely feeling your way for the best method of approach. May the emergency of the hour stimulate for you a quick decision now.

The wets or "defenders" may pussyfoot with arguments for tempering the vicious results of habitual beverage alcohol drinking or they may fare forth boldly with threats that the underworld will saddle prohibition, but neither method of hapless defense absolves upstanding citizens from the responsibility of overcoming any great hazard to alcohol control nor rubs out one-half line of our world's history of alcohol in emphasizing it as one of the greatest of evils. You and I have known this from the dawn of judgment and it will be known until the end of time.

Therefore, we mothers naturally rely upon you, our great and beloved protector, to take the lead in eliminating according to the dictates of your wisdom this evil, which could prove one of the greatest deterrents to our victory in this war. Which is to be the mastermind, whisky interests or the people's interests? Burned into the minds of your people is the evidence of your desire for a better way of life for all men.

Loss of revenue to the Government through curtailed sale of whisky can be more than offset by the subsequent increased efficiency of soldier and civilian.

Do you know that some Alcohol Beverage Control stores have been offering beverage alcohol at a reduced price to soldiers because they are soldiers, and do you realize that the business of many of these stores near camps has tripled in a few months?

I am told that the first gesture for curtailment of beverage alcohol drinking should point to the immediate reduction of drinking socially or otherwise among officers. Would that hosts and hostesses could be made to feel that patriotism was enhanced where beverage alcohol was diminished.

I trust that the reply to this letter, voicing the plea of millions of mothers today, may embody your direct reaction to my appeal. And my appeal, in brief, is that you take immediate action for some sort of alcohol control for the duration of the war; that the voluntary movement could be inaugurated as a preliminary to your final method of procedure. May I add that I am not a member of any temperance organizations; although I consider them laudable and of front-rank soldiering during cur national crisis, and although I favor that form of alcohol control most effective.

Within one hour of the declaration of war by the United States upon the Axis Powers I had volunteered my services to my country at home or abroad through a telegram to you.

It is interesting to me to recall that I was married in the Washington Cabinet home of the courageous Secretary of the Navy and Mrs. Josephus Daniels, when you, Mr. President, were Assistant Secretary of the Navy.

With the heartiest congratulations upon the consistently encouraging turn of the war, with faith in your fine judgment, and sympathy in your multifarious problems, I remain,

Respectfully yours,

Mrs. THOMAS A. WADDEN.

Mr. REYNOLDS. Mr. President, I have before me a copy of excerpts from a letter by Mrs. Wadden to the Honorable Marvin McIntyre, one of the President's secretaries, dated November 16, 1942, which I ask to have inserted in the RECORD at this point and made a part of my remarks.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

MY DEAR MR. MCINTYRE: To clear an inconsistency of war-preparedness policy: If the free use of alcohol as a beverage is an asset, may I ask how? If it is "no", may I ask why the hesitation over saying so and over the subsequent rationing of it? From the administration comes request for discipline in all corners of life: "Turn back your clock." "Cut down your heat." "East less meat." But never a word of admonition to "Drink less alcohol."

Mr. Jeffers, our rubber czar, rightly speaks of making an example of people who violate the gasoline-tire mileage rules, but no one says anything about making an example of people connected with the war effort who violate the rules of sobriety.

Mr. Lowell Mellett, Chief of the Office of War Information's Bureau of Motion Pictures, urges abolition of double-feature movies because "the habit of sitting 3 hours or 4 or even more with one's mind afloat in a fictional world hardly equips the American population for the serious job of dealing with real life," but what about one's mind afloat in an inebriate world? Doesn't this estate, more than the fictional world, disqualify one for the serious job of dealing with our real war life?

If I may paraphrase? The present theory of "praise the Government with increased taxes but pass the alcohol" forms a dangerous slogan. So far the wets can talk only of the control of bootleggers for they make no pretense of controlling the drinking liquor during these war days by curtailing consumption or sales. Are we to bow to the greater evil—uncontrolled liquor traffic—simply because we are afraid to tackle the lesser evil—bootlegging? Are we, a virile nation, to supinely succumb to a force because we think we are not stronger and more ingenious than bootleggers?

Whether alcohol control shall come through abolition or restraint, through legislation or appeal, is a matter for the President to decide, but in the light of present conditions alcohol control should be to save consistency of war preparedness methods, to save what peace of mind we have left, to save our sons, to save our America. I beg that an appeal for voluntary alcohol control through the creating of a trend may come. This suggestion has been ignored by each official to whom I have submitted it. This fact explains why I feel the necessity of enrolling your interest in the President's giving my proposal consideration.

Mr. REYNOLDS. Mr. President, I also have in typewritten form some notations made by Mrs. Wadden under date of January 26, 1943, entitled "An Appeal to Organizations for Support of Voluntary Alcohol Control," which I ask to have inserted in the RECORD at this point and made a part of my remarks.

There being no objection, the notations were ordered to be printed in the RECORD, as follows:

AN APPEAL TO ORGANIZATIONS FOR SUPPORT OF VOLUNTARY ALCOHOL CONTROL

The justification of this appeal for your support of voluntary alcohol control rests upon the natural assumption that it voices the sentiment of thousands of United States citizens. Further, the appeal is made to you because of your far-reaching influence with the hope that you will feel the actual necessity of projecting some such issue, if not exactly the one suggested, as a war-winning and post-war reconstruction issue.

To immediately concentrate upon the damage to the imbiber of liquor, I quote from a sermon of Dr. Ira M. Hargett, Louisville, Ky.: "Dr. Arthur Hunter, actuary of the New York Life Insurance Co., after studying records of 60 large companies, involving over 2,000,000 persons, finds that even moderate drinkers of alcoholic liquors reduce life's expectancy from 4 to 6 years. Dr. Hunter figures that every drink costs the moderate drinker not only the price of the drink on the counter but 20 minutes of life."

I also refer to the counsel against the use of beverage alcohol from some of the greatest Presidents and generals in our history,

namely, Abraham Lincoln, who was, I believe, a teetotaler, George Washington, Robert E. Lee, and Grant. Liquor is the greatest cause of lost man-working hours. Liquor can well be injurious, if not dangerous, to health and to morals. The manufacture of liquor, nonessential to the promotion of defense, consumes food supplies which are essential to the prosecution of the war. With these facts under consideration it would seem imperative that the use of beverage alcohol be curtailed, if we are to make our best effort for victory.

If the mandatory method of securing alcohol control is not acceptable to the administration and the public, then voluntary alcohol control might prove to be the banner under which all peoples, regardless of race or creed, could cooperate in reducing the use of liquor. The power of the wets is wealth, while that of the drys is right. Is the voice of wealth to be mightier than the might of right? And does not much of that might rest in unity? In many cases the indifferent wets and the inactive drys are working side by side in this drive for voluntary alcohol control. Let us go after this new and untapped source for support of beverage alcohol curtailment by making a Nation-wide drive to unify the indifferent wets and the inactive drys under the banner of voluntary control of liquor.

This idea for curtailed use of spiritous liquor might be as important to the promotion of victory as the sale of War bonds. Why not put on an intensive drive to sell voluntary alcohol control to the public, just as War bonds, War stamps, and aid to infantile paralysis victims are sold to the public. Corners, store windows, public places, and public conveyances could bear colorful placards advertising voluntary alcohol control to the public. Some rough-hewn slogans: "Save America by first saving her youth from alcohol (or from intemperance)"; "Less liquor, win quicker"; "Less liquor and beer, quicker victory here," etc.

The drive could quickly move into action through the cooperation of civic and religious organizations. Have the different great civic organizations and labor unions ever thought of inaugurating a drive for efficiency through voluntary alcohol control? Has any organization advertised the idea that any form of inebriacy is detrimental to progress and to promotion? Has society, custom, the church frowned upon the free peacetime use of liquor as being unpatriotic in war? Let endless discussion of these answers to these questions make the trend for voluntary alcohol control hum.

The administration has opposed legislation for the curtailment of beverage alcohol. Therefore, this trend for voluntary control, as a substitute, might meet with the approval if not with the support of the administration. It is the desire of the supporters of this movement to work in perfect cooperation with the administration's war effort.

I have appealed to our great President for support, through one of his fireside radio addresses, of this voluntary alcohol control movement. His secretary, Mr. McIntyre, responded 2 months ago, that the ideas and suggestions of my letter would be given consideration. Will you telegraph or write the President your endorsement of my letter? If you value the idea, will you immediately promote it?

The trend might best be created through mass pledge-taking according to these rough examples:

Civilian: To increase my war effort to maximum efficiency, I shall reduce to a minimum my serving and drinking of beverage alcohol, for the purpose of promoting victory in this World War.

Servicemen: To bring my training to maximum efficiency, I shall reduce to a minimum my drinking of alcohol while off duty and completely renounce the use of it while on duty. I propose that promotions and the holding of commissions be based, in part, upon sobriety.

Will you please suggest some substitute pledges and snappy slogans for voluntary alcohol control? Something with a swing and a ring similar to Praise the Lawd and pass the ammunition.

May I add that in my home town of Smithfield, N. C., where this movement started last September, the trend for voluntary alcohol control was started by civic organizations, among them the Kiwanis Club, with Mr. Edmund Aycock, president; the Women's Club, Mrs. Elmer Wellons, president; the Business and Professional Women's Club, Mrs. Edmund Ward, president. Our prize-winning town paper, the Smithfield Herald, has faithfully given the movement able support since its beginning.

Please return all enclosures, especially the clippings, which cannot be duplicated, when all have served their purpose.

ANNIE IHRIE POU WADDEN.
(Mrs. Thomas Antony Wadden.)
January 26, 1943.

Mr. REYNOLDS. I also have typewritten statements setting forth the purposes of the voluntary alcoholic control movement. The statements were prepared by Mrs. Wadden, and I ask that they be inserted in the RECORD at this point and made a part of my remarks.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

VOLUNTARY ALCOHOL CONTROL—SELF CONTROL, ENEMY CONTROL

1. THE VOLUNTARY APPROACH

Our people do not like any form of regimentation. One of the criticisms directed at prohibition was its mandatory character. Voluntary Alcohol Control removes this objection by making each individual responsible to himself for determining his patriotic duty in the matter.

2. THE PURPOSE

Those who cannot be classified as drys, and who do not like prohibition nevertheless feel that it is desirable to curtail the use of beverage alcohol, at least for the duration. This feeling rests on the apparently valid promise that our manpower can be most efficiently mobilized and our national waste avoided if the drinking of alcoholic beverages is reduced to a minimum.

3. MATHEMATICAL PROOF

(a) Individually we are spending daily almost one-tenth as much on liquor as on the war. Yearly we spend $4,700,000,000 on liquor; $52,000,000,000 on the war. Per day we spend $2,287,000 on liquor; $142,465,000 on the war. Per capita per day is $0.10 for liquor; $1.06 for war. (United States Department of Commerce, February 26, 1943.)

(b) Arrests for drunkenness of girls under 21 increased last year over 1941 to the extent of 39.9 percent. Arrests for drunkenness of boys under 21 increased last year over 1941 to the extent of 30.3 percent. (J. Edgar Hoover, Evening Star, Washington, D. C., February 19, 1943.)

(c) Our Capital and seat of war planning, Washington, is wetter than the wettest State in the Union. "District of Columbia drinks four times as much per person as the Nation as a whole." (Dr. George B. Cutten.) Latest estimate: 4¼ gallons to 5.02 gallons per capita.

(d) Consumption for year ending July 1942, including 7 months of war, increased 16,591,950 gallons over previous year of domestic distilled spirits. (Internal Revenue Bureau.)

(e) There are 1,935 able-bodied men assigned exclusively to policing troops on trains at a cost of approximately $6,000,000 a year of our heavily burdened taxpayers' money, although the report says "drinking does not constitute a serious problem."

(f) The estimated billion dollars that the liquor traffic pays annually to the Federal, State, and local government out of customers' pockets is but a drop in the hogshead as compared with what, because of liquor, is being doled out in relief for funds, employment insurance, accident and sick benefits, hospitalization, care of mental and physical wrecks—women as well as men—and liquor-caused crime." (Prof. James Todd, sociology, Northwestern University; Senator W. LEE O'DANIEL, Senate floor, 1943.)

(g) Dr. Dayton, Rockefeller Foundation: "20 percent of mental patients in United States are alcoholics."

(h) Dr. George B. Cutten: "Some physicians say that as many as 90 percent of venereal infections are contracted when under the influence of alcohol."

(i) "Alcohol causes more deaths than any 1 of 31 infectious diseases, some of which were formerly veritable scourges." (Dr. Lawrence Kolb, United States Public Health Service.)

(j) "A million or more persons who, because of excessive indulgence and special susceptibility, are in danger of becoming alcoholics." (Dr. Lawrence Kolb.)

(k) "The economic loss to the Nation of those who have indulged in alcohol sufficiently to be arrested is over $5,000,000,000 annually." (Dr. H. M. Pollock, New York State Health Department.)

(l) "The amount spent directly for liquor yearly is about twice as much as we spend for education of all kinds for all kinds of people in the United States, including Alaska." (Dr. George Barr Cutten, president, Colgate University.)

4. NONMATHEMATICAL PROOF

Our Government is deeply concerned over so-called absenteeism in industry, which is worst on Mondays. It is felt that this is due in large part to week-end celebrations in which liquor plays a part. We cannot afford to lose or waste time in our war effort because of liquor. For this reason Canada has inaugurated a temperance program and under the leadership of its Prime Minister, Hon. W. L. Mackenzie King, has appealed to the people of Canada for cooperation in the Government's temperance program which includes a prohibition on advertising of liquor for the duration.

Dr. Charles E. Maddry, a witness to the treacherous attack on Pearl Harbor, says: "There were 4,000 saloons, more than half of which were operated by Japs. Free liquor was served American sailors and soldiers the night before the treacherous assault." Following this, 77 days of prohibition followed. Dr. George B. Cutten says: "When prohibition was discontinued by military order, during the next 30 days the average number of arrests were more than six times the average during the 77 days of prohibition."

"Hitler's youth is forbidden to drink. Japan some time ago decreased the manufacture of alcoholic beverage 50 percent. Russia also greatly decreased manufacture and distribution of alcoholic beverages. On the other hand, Germany is making alcohol available to captive nations it wishes to destroy." Of Germany: "There is no absolute prohibition but chronic alcoholics may be sterilized under the law for the prevention of morbid heredity." (Dr. Lawrence Kolb, Assistant United States Surgeon General.) Verdict of the French Government: "Alcohol was the chief cause of the French armies' collapse, and the worst of France's four greatest problems. Our soldiers were drunk and could not fight. At that time France was consuming on an average of 2½ quarts of alcoholic beverage a week per person, largest amount of any nation in the world." (Dr. George B. Cutten.)

5. A UNITED PROGRAM FOR THE WETS AND DRYS

It is incredible to think of wets and drys getting together on any liquor issue, but voluntary alcohol control offers a wartime program on which intelligent wets and intelligent drys can patriotically stand together. They come to agreement on the proposition that it is desirable and urgent during the period of the emergency to reduce the consumption of alcoholic liquors to an absolute minimum through voluntary individual curtailment.

6. AVOIDANCE OF WASTE

We have got to make our dollars fight for freedom. Every dollar wasted is a dollar that might have been spent toward the building of a bomber or of a battleship. One object of voluntary alcohol control is to channel into the military program the literally millions of dollars that are now being spent in excessive consumption of liquor.

7. A CREED—NO PLEDGES

Voluntary alcohol control does not ask for the signing of pledges but asks every patriotic citizen and soldier alike to enlist his conscience, his judgment, and all his resources in the defense of his country.

Creed: To bring my war effort to maximum efficiency, I propose through example and suggestion to reduce the use of beverage alcohol for the purpose of winning victory in this war I propose that promotions and the retaining of responsible commissions throughout the war effort, military and civilian, be based in part upon reputation for sobriety, whether on or off duty.

8. ARGUMENT

In the delirium of the war's excessive strain, our soldier cannot be condemned for not consistently renouncing the lure of liquor so long as it is made alluring to him. It is our home-front duty to make it unalluring through factual proof of its detrimental effect upon victory. Common sense and patriotism must completely replace suggestion for drinking with other forms of relaxation and amusement. We must stop cringing under pressure of custom and convention to stand up boldly for a new war-time order of alcohol reduction.

If our boys must conquer the horrors of the battlefield, certainly we must conquer the danger of liquor drinking on our home front. If our boys sacrifice their lives for our Nation, no one should doubt that the whisky interests will be willing to sacrifice volume of trade for victory. Victory means the same protection to the wet and the dry. Therefore, they should unite in trying to remove all hazards to victory.

9. THE PLAN FOR CREATING THE VOLUNTARY ALCOHOL-CONTROL TREND

To submit for endorsement to the religious, civic, industrial, and social organizations of all towns and cities, the idea of creating a trend for alcohol control through voluntary individual curtailment of liquor drinking. One individual passes the idea to another or to a group through example or suggestion. Each organization spreads the idea through the usual channels of appeal and of advertising. More than money, ingenuity, perseverance, and faith are required to create this trend for alcohol control. It is proposed that each organization bear its own expense of the methods used for projecting voluntary alcohol control.

"The morale that comes out of bottle is not the morale to put in battle."

If you feel that the foregoing principles are sound, it will be helpful for you to make any suggestions regarding it by signing the attached slip.

For further information: Mrs. Thomas A. Wadden (nee Annie Ihrie Pou), Washington, D. C.

Mr. REYNOLDS. Finally, Mr. President, I have some notations in regard to the movement to which reference has been made, which were prepared by Mrs. Wadden. I ask that they be inserted in the RECORD at this point and made a part of my remarks.

There being no objection, the notations were ordered to be printed in the RECORD, as follows:

The heading in a column of a recent newspaper read: "Study shows drinking not excessive in best-behaved Army; Office of War Information says sale of beer in camps aids in checking drunkenness."

The expression "not excessive" indicates that there is drinking of liquor by soldiers but that this drinking is curtailed by their access to beer. If this is an admission that part curtailment of liquor drinking is responsible for a best-behaved Army, then according to this theory a far greater curtailment induced by voluntary restraint ought to develop a superbly behaved Army. Never in the history of our Nation has emergency demanded so desperately the superlative in the qualifications of its soldiers and defense workers, as in this global death grapple. Will the Army, Navy, and Office of War Information take the stand for additional curtailment of drink by making this necessary appeal for voluntary alcohol control?

So far the three methods of alcohol control among soldiers, approved by the military and the Office of War Information, are as follows: The decoy of beer, the diversion of entertainment, and the discipline of force. May I beg that to this list be added a bold and unmistakable denunciation of the use of spiritous liquors in such an argument as would teach that the customary social use of alcohol could be a snare rather than a grace during this devastating World War. And may I further beg that this same denunciation of and argument against beverage alcohol be directed in like emphasis at the civilian in an appeal that man in his judgment cease drinking.

This appeal to the best in man should be given equal emphasis, at least, with that of the decoy of beer drinking as a method of curtailing drinking. Of the methods of curtailment of drinking by access to beer or by denunciation of beverage alcohol, the former is amazing, while the latter is perfectly sane and far more convincing. Why not use this sane as well as the amazing method?

Our faithful President, the War and Navy Departments, and the Office of War Information must know that spiritous liquors are either an asset or a liability to victory. Is it not now time for them to say which and to say it emphatically?

Certainly the Nation should bow to those ideas within reason for winning the war, of the War and Navy Departments. On the other hand, those Departments should certainly bow to those civilian ideas, infallible as is this one of more complete beverage alcohol control for winning this war.

Since the Office of War Information has sent agents, foreigners in many instances, to localities visited, to report conditions of camps and environs all over the Nation, may I respectfully suggest that other agents report the general tenor of the thousands of letters pouring into the administration's offices from civilians discussing conditions regarding liquor and the defense effort in their home locality with whose civic and military conditions the writers are far more familiar with than one of those possibly able but itinerant Office of War Information reporters.

The Office of War Information and War Department admit the wisdom of curtailing drinking among soldiers by access to beer. Why, then, do they omit the necessity of appealing to reason and patriotism for a greater curtailment through voluntary control in the use of beverage alcohol—one of the greatest saboteurs of war or of peace?

ANNIE IHRIE POU WADDEN.

Mr. REYNOLDS. Mr. President, I may add before proceeding further that I have had the honor and very great pleasure of talking with Mrs. Wadden about this most worthy movement, and she told me that she and her associates were not seeking to drive us back or persuade us to go back to the days of prohibition; that they were merely seeking the opportunity of prevailing upon the American people to be temperate in all things, and particularly to be temperate in their consumption of alcoholic beverages.

Mr. President, in the Evening Star of Washington, D. C., January 14, 1943, there was published an article entitled "Hostesses Asked to Frown on Alcoholic Use—Mrs. Wadden Urges Voluntary Restraint to Aid War Effort," which I ask to have printed in the RECORD at this point and made a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOSTESSES ASKED TO FROWN ON ALCOHOL USE—MRS. WADDEN URGES VOLUNTARY RESTRAINT TO AID WAR EFFORT

(By Frances Lide)

A little surprised to find herself a "woman with a cause," Mrs. Thomas Antony Wadden, daughter of the late Representative Edward William Pou of North Carolina, is the author of a proposal which she hopes will have the effect of increasing the efficiency of the Nation's war effort.

Her cause: Wide circulation of a pledge both among civilians and the military for a voluntary reduction in the use of alcohol "for the duration."

It is strictly a war-winning measure, she said as she emphasized that the key of the campaign is to increase the efficiency of both the armed forces and the home front during our prosecution of the war.

"This is not a move for prohibition," she stated. "The pledge is intended to appeal to man's better self, and to respect his judgment rather than to dictate the extent of his restraint."

ADOPTED BY FEDERATION

Her pledge for civilians, which was recently adopted by the District Federation of Women's Clubs, calls for a reduction "to the minimum" of both the serving and drinking of alcohol "to bring my war effort to maximum efficiency and for the purpose of promoting victory in this World War."

She believes that if enough people take the pledge, the serving of alcohol will become less popular with hostesses. "The idea," she says frankly, "is to create a trend frowning on the use of alcohol."

Her pledge for men of the Army and Navy proposes that the individual serviceman "shall reduce to a minimum" his drinking of alcohol while off duty and that he completely renounce the use of alcohol while on duty. It further proposes that "promotions and the holding of commissions be based, in part, upon sobriety."

ASKS CHURCH STUDY

Mrs. Wadden has presented the subject of voluntary control of alcohol before the Committee on Civic Affairs of the Washington Federation of Churches and the committee, while not committing itself to any particular form of pledge, considers the subject of voluntary control of sufficient value to receive special study.

Wilbur La Roe, Jr., the chairman, said the committee feels that the voluntary approach is far better than the mandatory approach. "The women of America," he added, "could help tremendously in this obviously sane and sensible solution of a difficult problem."

In Smithfield, N. C., which is "home" for Mrs. Wadden, civic and patriotic groups have adopted the pledge en masse. The Kiwanis Club there has been especially active in its circulation.

"NEVER A REFORMER"

Mrs. Wadden conceived the idea for the pledge last summer in North Carolina when she spoke with numerous citizens who were disturbed at the sale of alcohol to the servicemen in training.

"I have never been a reformer," she declared. "I'm the most tolerant person imaginable, although I am personally a teetotaler and have never served alcohol in my own home."

Her father, who was dean of Congress when he died in 1934, was opposed to prohibition in the last war because he felt that the Nation was not then ready for it, she recalled.

"Even though I was with him at the time," she said, "I yet saw the need of some substitute liquor control. Since then the custom of drinking has grown to such magnitude, affecting all phases of life, that some form of restraint in the use of beverage alcohol is now imperative."

Mr. REYNOLDS. Mr. President, I have a news article from the Washington Evening Star of Friday, February 26, 1943, entitled "Church Grop Endorses Alcohol Control Program," which I ask to have printed in the RECORD at this point and made a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD as follows:

CHURCH GROUP ENDORSES ALCOHOL-CONTROL PROGRAM

The Board of Directors of the Washington Federation of Churches yesterday unanimously endorsed a program aimed at reducing absenteeism through voluntary reduction of consumption of alcoholic beverages. The board also voted to appeal to the people to reduce drinking to a minimum for the sake of patriotism.

The voluntary alcohol-control movement was started last summer by Mrs. Thomas Antony Wadden, 2401 Calvert Street NW., in her home town of Smithfield, N. C. She is the daughter of the late Edward William Pou, former Representative from North Carolina.

Mr. REYNOLDS. I am advised that the Federation of Women's Clubs of Washington, D. C., has also endorsed the movement.

In conclusion, Mr. President, I wish to ask that at this point there be published in the body of the RECORD and made a part of my remarks, the contents of the little pamphlet to which I have referred, War Victory Through Self-Control.

There being no objection, the pamphlet was ordered to be printed in the RECORD, as follows:

DRINK LESS OR DRINK NONE, AT LEAST UNTIL THE WAR IS WON

A challenge to you, Mr. and Mrs. American Citizen—you with sons, daughters, brothers, sisters, sweethearts on the world's fighting fronts—you can further aid the war effort on the home front by supporting the Voluntary Alcohol Control Movement.

What is the V. A. C.?

Briefly, the Voluntary Alcohol Control Movement aims toward:

1. Removing objectionable "dry" regimentation by inducing individuals to be self-responsible for determining their patriotic duty, regardless of race, creed, color, political belief.

2. Getting you to indicate your disapproval of the "abuse of the use" by promoting the drinking of nonintoxicating substitutes and outmoding the unrestricted peacetime use of liquor.

3. Crystallizing public opinion—of both wets and drys—into a feasible plan for wisely agitating voluntary alcohol control "for the duration."

4. Urging all citizens to gear their war efforts to maximum efficiency, and, through self-example, to influence public opinion so that promotions and retention of responsible positions—civilian and military—will be based in part upon reputation for sobriety, on or off duty.

"The morale that comes from a bottle is not the morale to put into battle."—Dr. George Barton Cutten.

Is liquor consumption curtailing our war effort?

/ith a salvo as deafening as the Allies' biggest guns, these facts boom our yes. Thirteen million man-hours lost. Five billion dollars spent on liquor, 1942. Your drunkenness mounts. Washington—wetter than the wettest.

A million or more persons in danger of being incapacitated for military service. ("A million or more persons who, because of excessive indulgence and special susceptibility, are in danger of becoming alcoholics."—Dr. Lawrence Kolb, Assistant United States Surgeon General.)

National increase in beverage alcohol consumption for 1942, including 7 months of war, 16,591,950 gallons. (U. S. Internal Revenue Bureau.)

Arrests for drunkenness of girls under 21 increased last year over 1941 to the extent of 39.9 percent. Arrests for drunkenness of boys under 21 increased last year over 1941 to the extent of 30.3 percent." (J. Edgar Hoover, Washington Evening Star, February 19, 1943.)

Production for January and February 1943, was 8 to 10 percent below that for December 1942. (Columbia Broadcasting System commentator, Leigh White, quoting War Production Board, March 21, 1943.)

HOW MUCH HAS LIQUOR CONTRIBUTED TO THIS 8-PERCENT REDUCTION?

Alcohol causes more deaths than any one of 31 infectious diseases, some of which were veritable scourges formerly. (Dr. Lawrence Kolb, Assistant U. S. Surgeon General, U. S. Health Dept.)

"Speaking only of those shipyards which are engaged in work for the Navy during the single month of last December, there was a total of nearly 13,000,000 man-hours lost through workers failing to report on the job—more than sufficient (time) to have completed from keel up two cruisers." (Admiral Edward L. Cochrane, Chief of Bureau of Ships, Navy Dept.) (Sunday Washington Star, March 17, 1943.)

"The problem is one which can be solved only between the workman and his conscience." (Admiral Edward L. Cochrane.)

"In 1942 we individually spent daily almost one-tenth as much on liquor as on war. Yearly we spend $4,700,000,000 on liquor, $52,000,000,000 on war. Daily we spend $12,876,000 on liquor and $142,465,000 on the war. Per capita daily was $0.10 for liquor and $1.06 for war." (U. S. Commerce Dept., February 26, 1943.)

"Drink less, achieve more; save more money. buy Victory bonds."

"Our capital (and seat of war planning), Washington, is wetter than the wettest State in the Union. District of Columbia drinks four times as much per person as the Nation as a whole." (Dr. George Barton Cutten.) Latest estimate is 4.25 gallons to 5.02 gallons per capita.

Supporters of voluntary alcohol control believe:

That efficiency of manpower is impaired by the drinking of liquor throughout our Nation—that the consumption of beverage alcohol should be effectively curtailed.

That this is no new idea—that it has been running rampant over the country since war was declared—that voluntary alcohol control mobilizes this unorganized mass conviction into a powerful force bent on getting every person to do his utmost for victory.

That this voluntary alcohol control movement should be in accord with the policy of this war administration to reduce absenteeism and to increase civilian and military efficiency.

That sincere antiprohibitionists as well as bone-drys would cease, at least for the duration, their counterattacks and concede merit to a program for unity of effort for temperance and greater war production.

That it is unfair and unconstructive for prohibition opponents to persistently brand every honest temperance program as being un-American, officious, meddling—that time and war progress should not be burdened longer with the hackneyed, unjustifiable, and antiprohibition alibis—that time, money, and thought expended on a mere mirage of prohibition could be better directed to checking the real flood of intemperance.

That continued emphasis be directed at the conservation of food and war materials through wartime ban of distilled liquor manufacture, when the present reserve supply of liquor is exhausted. That consideration must be constantly given to the feeding of our people as well as the anticipated five hundred to four hundred millions starving peoples of occupied Europe and China.

That while it is incredible to think of wets and drys getting together on any liquor issue, voluntary alcohol control offers an untried wartime program on which intelligent wets and intelligent drys can stand patriotically together.

That if the wets in peacetime thought it smart to trade on the control of bootlegging through prohibition repeal, they will be still smarter in wartime to assert the curtailment of drinking through voluntary alcohol control.

"That estimated $1,000,000,000 that the liquor traffic pays annually to the Federal, State, and local Governments out of customers' pockets is but a drop in the hogshead as compared with what, because of liquor, is being doled out in relief for funds, employment insurance, accident and sick benefits, hospitalization, care of mental and physical wrecks—women as well as men—and liquor-caused crime." (Prof. J. Todd, sociologist, Northwestern University. Senator W. L. O'DANIEL, Senate floor, 1943.)

"Curtail drinks, save money and health, that guns and strength may be our wealth."

That we must make our dollars, minds, and bodies fight for freedom. That the wasting of dollars and moments is costing us bombers and battleships.

The Liquor Industry of Washington, D. C., printed by the Beverage Bulletin in October 1942, says of liquor: "It must find a seat in the back of the hall and sit in it and keep quiet." It would mean the end of all advertising, retail, wholesale, and distiller.

The public that doesn't want liquor and, in fact, doesn't want anything that isn't directly helpful to the war effort, wouldn't have liquor flaunted in its face every time it listened to the radio, read a newspaper, or walked down the street.

Voluntary alcohol control plan calls for:

"Submitting for endorsement to religious, civic, industrial, and social organizations

everywhere the idea of creating a trend for individual alcohol control. One individual passes the idea to another or to a group through example or suggestion. Each organization spreads the idea through its usual channels of appeal and of advertising. More than money—ingenuity, perseverance, and faith are required to create this trend for beverage alcohol control. It is proposed that each organization bear its own expense of its characteristic methods of projecting voluntary alcohol control.

Creed: To gear my war effort to maximum efficiency, I intend through example and suggestion to reduce to a minimum the use of beverage alcohol for the purpose of winning victory in this war. I believe that promotions and the retaining of responsible positions throughout the war effort, military and civilian, should be based in part upon reputation for sobriety, whether on or off duty.

Back the V. A. C. Give blood to wounded soldier sons: Pour alcohol into more powerful guns.

It is only fitting that this movement which has vast patriotic possibilities for good in the war effort should radiate from our National Capital to the whole Nation.

If you feel the foregoing principles are sound and wish any further information regarding V. A. C., clip the slip below and mail to Mrs. Thomas A. Wadden, 2401 Calvert Street NW., Washington, D. C. Suggestions will be gratefully received.

I believe in the principles underlying voluntary control and am glad to endorse this method of facilitating the war effort that will help to insure the freedom of the world.

Mr. REYNOLDS. Mr. President, I also ask unanimous consent that there be printed in the RECORD at this point a copy of the pledge circulated for the signatures of the civilians and those of our armed forces in uniform. The pledges are being issued and distributed by the committee to which I have already referred, which is sponsoring the voluntary alcohol control movement.

There being no objection, the pledges were ordered to be printed in the RECORD, as follows:

CIVILIAN

To bring my war effort to maximum efficiency, I shall reduce to a minimum my serving or drinking of alcohol for the purpose of promoting victory in this world war.

ARMY AND NAVY

To bring my training to maximum efficiency, I shall reduce to a minimum my drinking of alcohol while off duty and completely renounce the use of it while on duty. I propose that promotions and the holding of commissions be based in part upon sobriety.

VISIT BY MEMBERS OF CONGRESS TO WAR DEPARTMENT AND ABERDEEN PROVING GROUND

Mr. REYNOLDS. Mr. President, I desire to take advantage of this opportunity to say that on last Monday the members of the Military Affairs Committee, together with members of the Truman committee of the Senate of the United States, and Senators who are not members of those respective committees, as well as some Members of the other House, were invited to the War Department as guests of Major General Campbell, the Chief of Ordnance, to view some of the latest, most modernized, and finely completed implements of war and death which are being manufactured by our Government and distributed by it under direction of General Campbell. Everyone was thoroughly impressed by these marvelous instruments of death, and with the progress we have made in the manufacture of small arms, particularly, and of equipment to be used by our soldiers on the various fighting fronts of the world. At that time those who were present were extended an invitation to visit the proving ground at Aberdeen, Md., and everyone accepted the invitation in view of the information which had been provided on that day by General Campbell and his aides, a number of whom were civilians, and one of whom is not serving as a dollar-a-year man, but merely serving without uniform.

So, on Wednesday, a number of the members of the Military Affairs Committee, and a number of the members of the Truman committee, headed by the Senator from Missouri [Mr. TRUMAN], who is present in the Chamber, and Senators who are not members of either one of the committees referred to, and also Members of the House, appeared at the proving ground at Aberdeen.

Mr. President, I do not believe I have ever had the opportunity of spending a day more beneficial to myself.

We not only had an opportunity of handling the small arms which are being used by our armed forces, but we had the opportunity of actually firing—I believe the Senator from Illinois [Mr. BROOKS] and the Senator from Missouri [Mr. TRUMAN] actually did fire—some of the larger field pieces, up to 8-inch guns, which throw projectiles 20 or 25 miles. It was a most unusual experience. We saw in actual operation that little instrument weighing 5 or 6 pounds known as the "bazooka." It is actually a "bazooka."

I make these remarks, Mr. President, for the reason that I hope at some time during the spring every Member of the Congress, those of the other House and those in this Chamber, may find an opportunity to visit the proving ground at Aberdeen and see for themselves at first hand exactly what we have, exactly what we are manufacturing, and what General Campbell is distributing in conjunction with his organization to our forces in all parts of the world. I am thoroughly convinced that the munitions and implements of war which are now being manufactured and distributed to the fighting front for use in the hands of our uniformed men are unquestionably superior to those being utilized by the armed forces of any other nation upon the face of the earth. I know I was greatly inspired and greatly encouraged, to the extent that I feel that we will win the war earlier perhaps than some have anticipated. I, therefore, take this opportunity to urge the Members of Congress to go to Aberdeen to see what we have and what that great leader, General Campbell, is doing for the country and for the armed forces by this work, and I wish likewise to extend hearty congratulations to the people of the United States and to the Army of the United States for having as its Chief of Ordnance a live wire and a ball of fire, as we found General Campbell to be. I believe these remarks will be concurred in by the able chairman of the Truman committee who was there, and fired the small arms and also the big guns, and who is now present in the Senate Chamber.

OVERSEAS SHIPMENT OF WAR SUPPLIES

Mr. DOWNEY. Mr. President, today I received from Philip Murray, president of the Congress of Industrial Organizations, a communication enclosing certain data dealing with alleged inefficiency in some of our shipping operations. The issues raised are of such transcendent importance that I desire to read the letter, which is brief, and, then, to include in the RECORD, as a part of my remarks, the enclosed data; and I will ask unanimous consent to do that. The letter from Mr. Murray is as follows:

CONGRESS OF INDUSTRIAL ORGANIZATIONS,
Washington, D. C., April 2, 1943.

The Honorable SHERIDAN DOWNEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR DOWNEY: The attached statement on overseas shipment of war supplies was presented to me today by accredited representatives of our Congress of Industrial Organizations national maritime unions and shows that a serious bottleneck exists that must be corrected as rapidly as possible in the interests of victory for the United Nations.

It shows, by numerous examples drawn from practical experience, that waste, confusion, and lack of planning are holding down the efficient use of our available shipping resources to an alarming degree.

The statement was drawn up after long study of conditions at first hand by the maritime unions affiliated to the Congress of Industrial Organizations. There can be no doubt of the reality of the conditions they cite and no doubt of the pressing need for correction.

The maritime unions of the Congress of Industrial Organizations and the national Congress of Industrial Organizations are prepared to produce additional facts for investigation and substantiation of these charges. We realize the seriousness of the points raised in the statement and are determined to press with all our vigor for their correction.

In this way we know that we will be doing a service to the cause of our Nation's victory in the war against Axis enslavement.

Very truly yours,

PHILIP MURRAY.

Mr. President, before I proceed further—and I shall conclude shortly—I ask unanimous consent that the data enclosed in Mr. Murray's letter be printed in the RECORD at this point as a part of my remarks.

There being no objection, the data were ordered to be printed in the RECORD, as follows:

The present situation with regard to shipment of war supplies to overseas ports is alarming and needs immediate investigation and correction. In bringing the matter to your attention, we are hopeful that corrective steps will be taken through your help and through appropriate Government agencies.

Right at this moment a substantial amount of our war effort is being lost because of unnecessary delays, waste of manpower, cost-plus contracts, and inefficient peacetime methods used in the distribution and shipping of war materials.

Lives of American and allied fighting men are being endangered and lost because of insufficient supplies, or delays in supplies reaching the fighting forces. These delays can be overcome, methods of operations

changed, and waste of energy, manpower, ships, and shipping space that lies at the root of the whole, can be eliminated.

Practical plans and ideas have been continuously advanced by organizations and individuals thoroughly conversant with the nature of the problems involved. Such plans must be examined in the light of winning the war first, with special interests or the profits of any group being secondary considerations.

A great deal has been said and much publicity given to the United States ship construction program. Merely building and outfitting ships will neither supply the fighting fronts nor do the job of distributing the manufactured and raw materials necessary for victory.

We are concerned with that phase of the war effort covering the shipping of war weapons and supplies to the armed forces of the United States and the United Nations, and we are firmly convinced that the ship construction program alone will never provide enough ships and space to transport weapons and materials to supply and support the fighting fronts.

Cargoes of supplies for shipment overseas must be transported to the point of embarkation or port for loading, properly assembled, and sometimes stored before being placed aboard ships. Cargoes must be swiftly and safely loaded and discharged with sufficient trained manpower available to perform this task. The ships must be efficiently manned and operated, and kept in repair, in order to fulfill their job in the distribution program.

Yet none of these operations is being efficiently performed at present, and the numerous Government agencies with overlapping and conflicting jurisdiction oppose changes that will correct the situation.

Added to this, private shipping operators, through cost-plus contracts, prefer slow and inefficient methods of cargo handling and ship operation inasmuch as greater profit accrues to them under the terms of such contracts.

In a nutshell, distribution and shipping of war goods today in wartime is slower, less efficient, and more wasteful than in peacetime. The incentive of peacetime competition that existed between private shipping companies has been eliminated through cost-plus contracts with profits guaranteed under any and all circumstances.

By way of illustration, we cite you a few examples. We can produce hundreds more.

Skilled gangs of longshoremen are ordered to work and kept standing idle at regular pay rates for full days, while ships in the same port lack numbers of skilled men. Ship loading is contracted to stevedoring contractors who get paid for supplying labor, and reimbursed for all time lost by their mismanagement under cost-plus contracts with the War Shipping Administration and the Army and Navy. Stevedore contractors, although paid for it, do not supply the labor. Only the unions are able to do this.

At Southwest Pacific ports ships unloading dump tons of trucks, guns, ammunition, and supplies into the sea. The fighting men in the forces ashore make jokes about swimming out and diving down to get these supplies, etc.

War cargoes shipped to Middle East ports arrive consigned to the United States forces. No advance notice of ships' arrival or nature of cargo and who is to receive it is forwarded. Discharging of this cargo is held up because no one knows what is in the ship and therefore what labor force and equipment are needed to unload and disperse the cargo.

Very recently, in a west coast port area, 250,000 tons of lend-lease cargo awaited shipment on docks. For 2 full days, in that particular week, not one of the hundreds of skilled longshoremen in the port worked a single hour.

A ship lay 100 days in the South Pacific, during which time crew members were not permitted to help unload the ship by order of the shipping operators. A crew delegation went ashore and told the United States Army major in charge of the port that they had volunteered their work in unloading, without extra compensation, and that their offer was rejected. The major welcomed their offer, but they were still not allowed to work.

Ships carry wine and champagne cargoes in the Pacific. Others carry cargoes of bananas, artificial flowers, birdseed, caviar, toothpicks, and toys.

A ship sailed from New York to north Africa carrying 3,000 tons of sand as ballast. It returned to New York in ballast.

A ship completed its out-bound voyage, docking at a port in Africa. The docks were stacked with crude rubber waiting shipment to the United States. Despite this, the ship returned to the United States in ballast, leaving the rubber.

A ship made a trip from New York to Brazil and west Africa without loading or unloading cargo.

A ship waited 10 days at Bombay, India, for cargo. No cargo was available. She stopped at three more ports; no cargo there. The ship was finally ordered to Argentina, carrying 800 tons of water ballast. This ship spent 2 months, all told, seeking cargo before getting a load.

A ship sailed in convoy from New York with a heavy deckload, including a locomotive and tender weighing 110 tons, on the foredeck. The ship lost its convoy due to reduced speed and shifting of deck cargo. Several tanks and tractors were lost overboard. A 10-ton machine broke loose in the hold, slapping against the sides. A total of 17 days' time was lost, in addition to the cargo swept overboard.

A ship began discharging cargo in New York on October 24, was still reloading November 28, more than a month later. During that time the ship was shifted between the Jersey side and the Bush Terminal in Brooklyn three times.

A ship took 1 month to turn around in a New Jersey port. Another took 24 days to turn around in Brooklyn, using two loading basins. Another took 10 days, of which only 73 hours were worked, 167 wasted. No night work was permitted.

During a recent 2-week period six ships left the United States Atlantic coast loaded to 70 percent of capacity only, wasting 30 percent. On a recent voyage of 185 days a ship wasted 45 days in waiting to be discharged and loaded again in foreign ports. Another wasted 33 days, a third 29 days.

At the height of the winter offensive of the Russian Army, hundreds of thousands of tons of cargo for the Soviet Union lay on docks at a west coast port. It was moving at the rate of 50,000 tons a month. Port facilities could have handled 200,000 tons a month. At the same time, as many as 10 old ships were awaiting repairs in the same port. These were formerly owned by United States shipping companies and turned over to the Russians, and new ships given to the shipping companies. Sums ranging from $500,000 to $1,250,000 were spent for repairs which, when concluded after weeks of delay, could not change the basic fact that the vessels could not carry heavy cargoes. New 10,000 ton Liberty ships cost around $1,600,000.

A ship was loaded with 20 flatcar bottoms at a west coast port. When the loading was completed, orders were received to unload 10 of the cars. Following this, another 10 car bottoms, identical with those unloaded, were loaded.

Marine radio communications are inadequate and shipping is unprotected due to lack of short-wave and ultra-short-wave apparatus.

The presence of only one radio officer makes it difficult for ships to hear submarine warnings or to relay them to other vessels. At present, distress signals are picked up by United States coastal stations and rebroadcast. This is not done by British coastal stations, since they assume that all ships have a 3-shift, 24-hour radio watch. As a result, United States ships off the British Isles frequently miss submarine warnings, distress signals, etc.

Failure to use idle ship-repair facilities causes extreme delays in repair of ships. For example, 7 tankers were tied up waiting repairs at the Bethlehem yards in Staten Island, N. Y., while the yards were building some 20 destroyers. At the same time, repair yards of the same company were empty in Hoboken, N. J., and Brooklyn, N. Y. Men were taken off submarine construction in a Philadelphia yard for repair work while in New York yards, men and equipment for repairs were lying idle.

Repair facilities are even more inadequate in foreign ports. A ship spent 4 months of a 7-month voyage in drydock in South Africa because certain minor repair parts were unavailable. Another vessel lay 14 months in an Indian port waiting for engine repairs.

The present methods of training merchant seamen have resulted in much wastage of manpower. Thus, though there are serious shortages among skilled seamen, the present schools are turning out huge numbers of unskilled seamen, no skilled workers. At one school students are taught the handling of lifeboats by a man who does not hold a lifeboat certificate. Due to the surplus of training of unskilled seamen, graduates of the schools wait for weeks and months before going to sea. They do not acquire experience on ship but merely receive shoreside training.

Survivors of torpedoed ships frequently have to wait from 30 to 60 days in foreign ports before they are repatriated. Frequently these survivors are kept under extremely bad conditions, without adequate clothing, food, shelter, or recreation facilities. Torpedoed seamen have been charged fees for medical attention. Others have been refused use of United Service Organizations and other facilities in ports where they have been landed.

Because the Congress of Industrial Organizations maritime unions have vigorously attempted to secure greater production and efficiency in the loading, manning, operation, and repair of the United States merchant fleet, there have been recent efforts made to conceal the true nature of the situation by accusing the maritime unions of being responsible for production lags. Witness the recent stories accusing the National Maritime Union of refusing to unload ships at Guadalcanal, and chages that west-coast longshoremen were engaging in an organized and deliberate slow-down.

We have repeatedly suggested to the war agencies charged with the duty of efficiently operating our merchant shipping methods of planning and operating that will eliminate most of the incidents we mention here. They promise to investigate. They turn away our suggestions and merely investigate their own agency, always giving themselves a clean bill of health. Such investigations are useless and unnecessary. The agencies are in possession of the facts and have the authority to make corrections. Whitewash has been the main result of our bringing matters to their attention.

Where union proposals to increase production, efficiency, and better utilization of manpower have been accepted and put into effect, marked improvement has resulted, and the United States Army and Navy has recognized this in official statements of approval.

We have endeavored to be helpful and cooperative and not merely critical and complaining. We have gathered, and can produce, hundreds more of such examples of waste, lack of planning, etc., as mentioned herein. We are ready to cooperate with any Government agency in order to help correct this

alarming situation by providing practical suggestions and personnel, who have had many years of experience in dealing with these problems.

We not only welcome, but urge a complete investigation into the whole question, and we hope that in this way the many offers made by the unions will receive consideration and steps be taken to overcome the obstacles that today prevent a sufficient and continuous flow of supplies to our fighting men.

Mr. DOWNEY. Mr. President, I will ask the Truman committee and the Commerce Committee to give careful consideration to the foregoing charges and statements for they come from men who are immediately in contact with our shipping problems everywhere in the world. There is no doubt that in our titanic shipbuilding program and in our transportation we have performed a task of unparalleled magnitude. I myself, however, believe, after reading the statement enclosed by Mr. Murray from the C. I. O. organization, that the Truman committee and the Commerce Committee should most carefully investigate the foregoing charges and I shall urge such an investigation.

I desire to say, Mr. President, that on the Pacific coast we are very greatly concerned about war shipments on the sea, by railroad and by truck. We believe, as I think is the almost universal belief of the people of the Nation, that it is of vital importance that we shall ship to Russia and to China the maximum amount of supplies we can possibly produce for them. We all realize that there is now a bottleneck in shipping, and certainly everyone must agree with Mr. Murray that nothing should be allowed to interfere with the highest degree of efficiency in our shipping operations.

It is my fervent hope that everything that can be done by our Government and our people to support the war efforts of Russia and China will be done, and I hope and pray that in the post-war period we may be able to cooperate harmoniously with those two great nations in bringing peace and prosperity to the world.

Mr. President, I ask to have inserted in the RECORD as a part of my remarks another letter, which I hold in my hand. A few days ago I received from Mr. Sherman Bainbridge, general manager of the Townsend organization, a letter to be forwarded to the President, reciting the misery of our pensioners because of the low amounts they are receiving and the increased cost of living. Mr. Bainbridge urges upon the President consideration of a plan under which O. P. A. might in some way work out a program to allocate to our pensioners coupons, redeemable in goods sufficient to maintain life at some subsistence level. This letter has been forwarded to the President and I hope it will have his consideration. Let me only add that I am fervently in accord with the contents of the letter, which I shall not read if I may have unanimous consent that it be printed as a part of my remarks.

The ACTING PRESIDENT pro tempore. Is there objection?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MARCH 26, 1943.

The PRESIDENT OF THE UNITED STATES,
White House, Washington, D. C.

MR. PRESIDENT: May I call your attention to the serious emergency now confronting those citizens who are recipients of payments under the insurance provision of the social-security law and the age-aid program. There are about 3,000,000 persons in this category who are unproductive; past age 65, and who must attempt—on a pitifully small set income—to buy food on a market with rapidly advancing prices. This income was insufficient to maintain health and decency even prior to the present food shortages. In the face of a cruel advance in prices, a situation of real hardship has developed.

Payments now received by the aged will average under $23 per month and there is little opportunity for them to increase their allotments except in those States which have permitted the earning of small additional sums.

Under the new rationing program, the high point values necessarily placed in tinned goods, meat, sugar, coffee, and other staples, force a great increase in demand for fresh vegetables. In the Chicago area, a rise in green goods prices of from one to three hundred percent has been reported by the Chicago Herald-American. The aged recipients of the various forms of aid cannot secure enough of the price-regulated canned goods to sustain life while the prices of fresh vegetables have gone far, far beyond their reach. In order to avoid needless hardships, it is suggested that nutritional standards be set up for these aged persons and that the surplus commodities food-stamp plan be reinstated for their benefit, or some other form of supplemental aid be extended to them immediately.

A program, I believe, should be devised that will permit the aged to secure in the open market a sufficient quantity of the food allotted to civilians to enable them to at least maintain health. It seems to me to be advisable to set up such a program as an immediate emergency measure, as it may be some time before pending legislation can be cleared and greatly needed improvements in our system of caring for the aged can receive proper consideration from the Congress.

The discontinuance of the food stamp plan on March 1, along with the Work Projects Administration program, had the effect which I believe was not intended, of depriving those on State assistance rolls and social security of their last chance for supplemental aid in the face of rising markets.

I enclose certain statistical data showing the number of persons affected and the average payments they now receive.

Yours respectfully,

SHERMAN J. BAINBRIDGE,
General Manager.

Average payments to beneficiaries under the insurance provisions of the social insurance law are as follows: Two hundred and fifty-two thousand individuals past 65 receive an average of $23 per month; 74,000 wives of pensioners, 65 years of age and over, receive an average of $12.25 per month; 25,000 widows over 65 receive $20.16 per month; 2,800 parents receive an average of $13; 55,000 widows under 65 receive $19.56 per month; 159,000 children under 18 receive an average of $12.21 per month; 2,414,486 persons receiving age aid under the State assistance program are paid an average of $23.59 each.

FREIGHT RATES

Mr. STEWART. Mr. President, Thomas E. Dewey, the Governor of New York, and once a Republican political aspirant for the high office of President of the United States, has recently transmitted to the Interstate Commerce Commission a very remarkable statement which received wide publicity. This publicized pronouncement begins with a remarkable assertion. "The government of New York," says its political mouthpiece, "regrets that the subject of freight rates has become the subject of sectional political debate."

Obviously, such captiousness destroys at the outset the sincerity of his expressions on the question of interterritorial freight rates. It is the barest of sophistry. And he continues throughout to add political and captious argument to this beginning.

However, it is the propriety of his pose, not the sincerity of his regret that the subject of freight rates should have become the subject of sectional political debate that I doubt. Yes, he and the railroads and more shortsighted manufacturers for whom he proposes to speak may well regret it. It has been by representing freight rates to be a private business matter between big monopolistic common carriers and little individual shippers, by seeking to confuse the social, economic, and political significance of freight rates, that they have been able to keep interterritorial discrimination in effect for almost three-quarters of a century.

We in the South are beginning to learn, at least, that there can be no real political freedom without economic opportunity—that economic and political interests cannot be divorced.

I believe Dewey a dubious spokesman for the best interest of his own State, when that State is considered as a whole, for the prosperity of New York is ultimately dependent on the prosperity of the whole country, and this Nation cannot prosper one-fifth imperial and four-firths colonial.

This young man, who admits that he wants existing unjust discriminatory freights kept in effect; this man, whose view is so narrow, so provincial, that he can recognize only the wishes of the exploitative interests of his own State; who would hold their ill-gotten advantage over four-fifths of the other States, is the same Mr. Dewey who wanted to run for President. Would not this special-interest spokesman, this New York provincial, have made a great and broad-minded President? I wonder what the Republican leadership in Kansas, in Nebraska, in Wisconsin, or Minnesota, who tried to foist him upon their party, think of him now. I wonder what Republican voters think of a party leadership which would attempt to place such a man in nomination as a candidate.

He believes "that the matter of freight rates is so complicated and has such far-reaching consequences that it should be left to the judgment of the Commission."

He is entirely correct about their being complicated. Making freight rates complicated has been the absorbing, the mysterious art—I might call it a sort of black magic—of railroad rate makers for a half century. They finally got them so complicated that they themselves did not know how they had gotten to the point they reached, and it appears that only now is the Interstate Commerce Commission able to unravel them in relation to complete and actual cost factors to prove their unsound discrimination.

Of their far-reaching consequences, we who constitute the Nation's No. 1 economic problem by reason of the Nation's No. 1 economic cause know far better than the young Governor, I suspect. We know it through denial, poverty, and hunger, if you please.

Continuing the same character of argument, Dewey next sets up a straw man to knock down. He says—

Wholly erroneous statements have been made which require correction. One such statement alleges a freight rate disadvantage to one section of 35 percent.

No responsible spokesman of any of the disadvantageous freight rate territories has made any such statement that I know anything about. I said on the floor of the Senate that the South suffered a 35 percent average disadvantage in shipping its finished products into official territory. I have that advice on the best of authority, and I stick to it. Upon inquiry, indeed, I am advised that it is nearer 39 percent than 35 percent.

Of course, Governor Dewey tries to draw over the trail the red herring of low rates on raw materials in the South and West. The issue does not revolve about raw-material rates. It is the inequitable rates on manufactured products which have prevented our developing manufactures and a balanced economy.

The fact that the South and West may have lower rates on raw materials than the North is the responsibility of the official territory, and part and parcel with its conspiracy to drain off our resources to more cheaply turn them into manufactured goods, and so increase the unequal competition against us.

He says:

It has been nowhere suggested that if the rates on manufactured articles are equalized there should be a similar equalization of the rates on raw materials.

The Governor cannot hide behind that dodge. Give us equality of freight rates on manufactured goods and we will soon make use of our own raw materials, and there will be little need to ship them above the Ohio River to be made into finished goods and sold back to us.

Governor Dewey argues:

If the financial conditions of the railroads—

Who ever heard of the railroads being in a bad financial condition now? They are making more money than they have ever before made. There has never been a period in this country when the earnings of the railroads have equaled those of this day and time.

If the financial condition of the railroads will not permit rate reductions to achieve the parity sought by the southern Governors—

The New Yorker speciously argues—

it follows that such parity would involve an increase in the rates within New York State and the rest of official territory. Obviously, this would mean an increase in the cost of producing and distributing goods manufactured in New York State—

He adds. And on the basis of that hypothetical "if," he proceeds to picture the complete downfall of the industry of his State.

He should be ashamed to attempt such fantasy; even a railroad lobbyist would not try to do that. The old chestnut about the necessity for high freight rates in the South and West because of greater transportation costs has been cracked open and found empty.

The findings of Dr. Ford K. Edwards, Yale graduate and recent adviser to the California Railroad Commission, now chief of the costfinding section of the Interstate Commerce Commission, has blown that sky high. Let me read what Mr. Frank L. Barton, principal economist of the Bureau of the Budget, has to say about these costs, in illustration of Dr. Edwards' findings. He states:

The cost to the railroad of moving a boxcar containing 25 tons of hand agricultural implements (which were chosen because no service is required that would raise the cost of transporting them above average cost) in southern territory for a distance of 400 miles is $96. The cost for a similar movement in official is approximately $106. The freight charge paid by the shipper for the 400-mile movement in southern territory is $310; while the official territory charge for a haul of similar length is $220. Thus, despite the $10 lower cost of rendering the service in southern territory, the southern shipper pays $90 more, which is in excess of 40 percent above that the official territory shipper pays.

In summary he says:

The findings in the cost study generally boil down to this: The cost of rail transportation is lower in southern territory than in any of the other rate territories of the United States; compared with official territory the costs of rendering rail transportation services in southwestern and western trunk-line territories are about the same or only slightly higher.

That is not all. The Governor must know, if he knows anything about the problem he undertakes to discuss, that on the basis of existing discriminatory rates between official territory and the handicapped territories, the railroads of the favored realm divide revenues from the unequal rates on a 40–60 basis, the outland carriers getting the greater proportion. That, at least, is true for the South, I know.

But if the unfair differential on manufactured goods is removed, this basis of division will also be equalized, and the railroads of official territory will get a larger share of the revenue, on a mile-for-mile division basis, and so should not lose anything in revenues.

It is deplorable—

The Governor goes on—

that this case should be made a matter of controversy between States in a time of national peril when harmony and unity are so essential for victory.

Yes; the harmony and unity of the rich man at his feasting board and the poor man gleaning the fallen crumbs from the table. I quote again:

It is regrettable, too, that this case should be tried at a time when business is so beset with the enormous problems arising from a wartime economy.

"Business beset with the enormous problems arising from a wartime economy." We here in the Senate know something of that, too, particularly those of us who are seeking to aid the small business enterprises of the Nation. We know that the war effort has been restricted, because they have not been drawn into it to a great degree. We know that these small businesses over the land have suffered greatly, so that the country faces the possibility of the extinction of small business and, hence, free enterprise if adequate aid is not given.

Many who have studied the problem are convinced that the unequal freight rates on manufactured goods provide one of the important obstacles to the participation of small enterprises in the war effort, and to the continued survival of small business.

The New York Governor says that unemployment is a serious problem in his State, "in spite of the war boom" and, by inference, in spite of the opinion that this unemployment may exist to a large degree as the indirect result of this very freight rate boon for which he is making such a questionable defense. There is evidence of unbalance in New York's economy, too.

I suggest that there are other solutions for New York's problems than by trying to maintain and expand, after the war—as the Governor argues is necessary—that State's unfair and unsound industrial advantage over the rest of the country lying outside of "officialdom." I may add that this Nation can have little interest in expanding, or even sustaining on our own bent backs an economic Gargantua.

With characteristic captiousness, the New York Governor says:

Some have urged a revision of the freight rates in their favor in order that they might be in a better position to attract new industries when the war is over.

We of the South—and of course the same thing may be said of the West, too—do not ask a revision of freight rates in our favor; we merely ask justice, fairness, and equality. We ask only what we are entitled to as integral and contributing States in this great Union of Commonwealths. I applaud the editorial of the Knoxville, Tenn., Journal of yesterday, which took the little Governor to task for his statement against the South and the West, and I read it in full:

Our good Republican Governor Thomas E. Dewey issued a statement day before yesterday, and it was read before the Interstate Commerce Commission, expressing regret that "threats of political action" had been made in connection with demands of the South for freight rate equalization with the eastern or "official" territory. The Commis-

sion's "independence of judgment should not be jeopardized," in Governor Dewey's view, by such threats, and it should make its decisions wholly on such evidence as is presented to it.

One must assume that the New York Governor is opposed to freight rate equalization, because the "evidence" of injustice to the South is apparent in every rate tariff printed since the "official" territory was established. We regret that Dewey made his statement, doubtless inspired by the New York State Chamber of Commerce, for two reasons. First, because he is an outstanding Republican and his taking this position is going to do no good for the Republican cause in the South. We are interested in seeing the party gain strength in our section, not primarily because of our regard for the Republican Party, but because a two-party system in the South would do it almost as much good as freight rate equalization.

In the second place, we are surprised at Governor Dewey's reproof of the method of using political threats in connection with the freight-rate issue. Nobody concerned with freight-rate equalization has employed threats against the Interstate Commerce Commission. Everyone grants that rail rates are not a matter for political determination but for mathematical research, and what southerners want is the same kind of mathematics used on their rates that is employed in determining rates for other sections of the country.

If the Interstate Commerce Commission declines to do this, however, as many other commissions have in the past, then what recourse is there but to political action? What recourse is there in any kind of governmental matter, when something is wrong that needs righting, except to take steps to throw the ins out and to put the outs in? The principle is as old as government itself, and it is somewhat surprising that Governor Dewey should be so scandalized because of the political threats made in this connection, especially as most of them have been made by Democrats interested in obtaining fair rates for the South.

If, as some of our friends north of the Mason and Dixon's line contend, existing rate differentials are fair and just, imagine, if you can, the howl that would be raised if some Interstate Commerce Commission of the future should reverse the present situation and give the South the same preference now enjoyed by the East. "That would be out of the question," our northern neighbors would cry, "because our section earns preference by volume of traffic." The South's contention is that the reverse is true—volume in "official" territory is the result of preferential rates. Whichever view is more accurate than the other, as in the problem of which comes first, the egg or the hen—the South wants the same break other sections of the country have, and if it takes political threats or political action to get it the South will be ready.

Mr. President, I predict that the words uttered by the little Governor, who is self-admitted Presidential timber, will live to haunt him in the years to come, especially if he continues to be ambitious. It is indeed unfortunate that the young man should not have a national viewpoint instead of the narrow and provincial one which gives strong intimation of sectional prejudice.

Mr. HILL. Mr. President, will the Senator yield?

Mr. STEWART. I yield.

Mr. HILL. I congratulate the Senator from Tennessee on his very excellent and most timely and able speech, and I wish to emphasize what he has so well stated—that the discriminations in the matter of freight rates operate disadvantageously not only against the South, but against all other sections except the favored official territory, which is the northeastern part of the country. The truth of the matter is, as the Senator has so well stated, that the farther west one goes, the greater become the discriminations. One finds the freight rates grewing higher and higher and the discriminations becoming greater and greater the farther westward one proceeds.

So the discriminations about which the Senator has spoken in such an impressive way work against not only the South but the Midwest, the far West, and the Southwest; they work against every section of the country, and amount practically to a tariff barrier within the United States against all the mighty area of the country lying south of the Potomac River and west of the Mississippi River.

Let me ask the Senator from Tennessee if what I have said is not correct?

Mr. STEWART. The Senator from Alabama has accurately portrayed the situation. I should like to point out, however, that the rates about which we in the South and in the West complain are the ones known as class freight rates on manufactured articles. The raw materials which are shipped from the South and the West—materials such as copper, coal, lumber made from timber, and other raw materials of those two sections of the country—enjoy lower freight rates than those imposed on such materials in the eastern territory where lower freight rates are charged on manufactured goods; but every time a tree is cut on soil in a Western or Southern State and is shipped from that territory, the wealth of that State has been depleted to that extent.

Mr. HILL. Furthermore, the low rates on raw materials from the South and West, to which the Senator has referred, operate in no way disadvantageously to the eastern territory, because the eastern territory, taking advantage of those lower rates, brings in the raw materials from the West and South and Midwest and proceeds to process and manufacture them into finished manufactured goods.

Mr. STEWART. That is a correct statement, and that situation affords an added reason why there should be a correction of both the rates on raw materials and those on manufactured products. So long as the West and South cannot enjoy lower freight rates on manufactured products, just that long will those two sections of the country be required to remain more or less as "colonial" sections, paying tribute to the section which enjoys low freight rates on manufactured products, because that section of the country—the northeastern section—will build itself up industrially. As I said in a speech which I delivered in the Senate a few days ago, under those circumstances, the northeastern section of the country will offer employment to the youth of the other sections, and will draw from the other sections which do not enjoy lower freight rates their youth who naturally will go to the northeastern section, seeking employment.

PROPOSED INCREASE IN POSTAL RATES ON NEWSPAPERS—GOVERNMENT PROPAGANDA

Mr. WHERRY. Mr. President, many of the leading trade papers have commented on the recent suggestion to the House Committee on the Post Office and Post Roads, by the Post Office Department, that there be an increase in second-class rates in all zones of one-half cent a pound on the newspaper content of publications and 2 cents a pound on the advertising content of such publications. If such a proposal is put into effect, the zone rates will be increased nearly 100 percent.

The matter is becoming a critical one for many of the daily newspapers of the country. Only this week I received from Mr. J. M. Harding, of the Omaha World Herald, a letter advising that the Post Office Department had been reported as tentatively suggesting the increase to which I have referred—an increase in second-class rates in all zones of one-half cent a pound on the newspaper content of publications and 2 cents a pound on the advertising content.

In his communication Mr. Harding objects to such proposed increase in rates, and sets forth some very reasonable arguments in opposition. He suggests in an admirable way a means of plugging some of the leaks in the Post Office Department, thereby eliminating the need for the proposed increase in rates.

I ask unanimous consent that at this point in the RECORD there be printed Mr. Harding's letter as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WORLD PUBLISHING CO.,
Omaha, Nebr., March 12, 1943.

Hon. KENNETH S. WHERRY,
Senator from Nebraska,
Washington, D. C.

MY DEAR SENATOR: An article in Editor and Publisher, the leading trade paper of the newspaper business, calls attention to the fact that the Post Office Department has tentatively suggested to the House Committee on the Post Office and Post Roads an increase in second-class rates of one-half cent a pound on the news content of publications and 2 cents a pound on the advertising content, in all zones. The article goes on to say, "Such an increase, it is pointed out, will bear most heavily, in proportion on the small dailies, representing as it does an increase of more than 100 percent in the first and second zones."

There has been a lot of confusion about the fact that publications haven't borne their share of Post Office Department cost. Actually sending newspapers by mail is the most expensive way to transport them. We can ship by baggage and truck for very much less than it costs to send by mail. The large part of our mail circulation, of course, is to farmers, as that is the only way we can get the paper to them. A rough calculation of our transportation costs last year shows that it cost us considerably more for those papers that went by mail then it did for those newspapers that went by truck or baggage.

The law, as it always has, provides that within the county of publication a newspaper can circulate by mail with no cost

whatsoever. To the World-Herald this means very little, as only about 2 percent of our mail circulation is in Douglas County. To the country weekly it is a very important thing, and we would be the last to complain about it, because we think the country weekly plays an extremely important part in the life of America. It brings the home-town news to the folks in the neighborhood as nothing else can. We had a chance to see last summer the influence of the country weekly in the scrap-metal campaign. The small weekly newspaper made a tremendous contribution to the success of that campaign.

We would like to call your attention to the fact that there is a hole in the post-office bucket that could be plugged to very great advantage. I refer to the millions of pounds of mail matter sent under Government frank by all the governmental bureaus. This has grown enormously in recent years, as you well know. If that were cut out the Post Office Department would not be worried about its deficit and looking around for somebody to collect from. Certainly the collection should not be made from newspapers of general circulation which are already paying a high cost for their transportation.

We paid the Government last year $88,000 postage. Their proposed bill would add 90 percent to that amount, according to our estimates. This could only mean one thing, a raise in circulation prices, and we don't feel that our readers should be charged more money in order to continue wasteful practices some place else.

Yours very sincerely,

J. M. HARDING.

Mr. WHERRY. Mr. President, Mr. Harding refers to the millions of pounds of mail matter sent under Government frank by all the Government bureaus, and advises that, of course, the practice has grown enormously in recent years.

I feel that Mr. Harding has not overstated the facts in this respect, for within the past several weeks I have been receiving communications from citizens in Nebraska who have become particularly aroused and incensed because the Office of Price Administration for Nebraska has sent out a mimeographed propaganda letter in an effort to convince the people that price control is not a new subject. In fact, the subject matter enclosed in the mimeographed manuscript is entitled "George Washington on Price Control," and includes such matter taken from the Writings of George Washington. The covering letter indicates that the mimeographed material was sent to each and every member of the Nebraska State Bar Association, and the writer felt that the material might be of interest and of use to a lawyer in the practice of law during these critical times. What use could a lawyer find for such material?

In order that the Senate may know how our Nebraska people felt upon receipt of such propaganda, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks on the subject, a typical communication which I received from Robert E. Powell, attorney, of Lincoln, Nebr.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

LINCOLN, NEBR., *March 16, 1943.*

Senator KENNETH S. WHERRY,
Washington, D. C.

DEAR KENNETH: You will find enclosed a bunch of propaganda that I recently received from the State office of the Office of Price Administration. Ken, stuff like this burns me up, as it certainly seems to me that in times like these, when every private citizen is being rationed on everything he owns or uses, and is being taxed to such a point he hardly has enough to live on as he would like in order to pay Government expenditures that a New Deal agency of this character should fritter away the time of its employees, and paper, mimeograph, stencils, and ink to put out such kind of propaganda.

My first thought on receipt of this material was to write to the officer issuing it and tell him just what I thought of it. However, at Sandy's suggestion I am sending it direct to you, with the thought that possibly you will be able to make better use of it back in Washington. We are all interested in George Washington and think a lot of him, but frankly I can't see how what George Washington said some 155 years ago is going to, in any way, help us solve our many and complex problems of today.

Yours very truly,

R. E. POWELL.

Mr. WHERRY. Mr. President, in order that the letter from Mr. Powell may be clearly understood, I ask unanimous consent that the letter sent out by the Nebraska O. P. A. office be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OFFICE OF PRICE ADMINISTRATION,
Lincoln, Nebr., March 3, 1943.

MEMBER OF THE NEBRASKA BAR ASSOCIATION,
STATE OF NEBRASKA.

DEAR SIR: The attached is a mimeographed copy entitled "George Washington on Price Control." It includes subject matter taken from "The Writings of George Washington from the Original Manuscript Sources, 1745–1799." It is my thought that some of this material may be of interest and of use to you in the practice of law during these critical times.

As acting State price officer, I promise you that the price Department will make every effort to supply you with materials necessary for keeping your clients informed on price matters.

Yours very truly,

L. A. CUSACK,
Acting State Price Officer.

OFFICE OF PRICE ADMINISTRATION

GEORGE WASHINGTON ON PRICE CONTROL

(The letters herein quoted are selected from "The Writings of George Washington from the Original Manuscript Sources, 1745–1799." United States George Washington Bicentennial Commission edition, United States Government Printing Office, Washington 1931, 26 vols.)

AN EARLY AMERICAN EMERGENCY PRICE-CONTROL STATUTE

"An act regulating the prices of the several articles herein mentioned for a limited time."

"I. Whereas certain persons in this state, instigated by the lust of avarice and devoid of every principle of public virtue and humanity, are assiduously endeavoring, by every means of oppression, sharping, and extortion, to accumulate enormous gains to themselves, to the great distress of private families in general and especially of the poorer and more dependent part of the community, as well as to the great injury of the public service:

"I. Be it enacted and it is hereby enacted, * * * that no person or persons within this commonwealth from and after the first day of June next, shall ask, demand, receive, or take any greater or higher prices for any or either of the articles herein enumerated and mentioned than the several prices herein set down and limited, to wit:

"For wheat, by the bushel, 12 shillings; merchantable flour, by the hundred, 33 shillings; rye, by the bushel, 10 shillings; Indian corn, by the bushel, 7 shillings and 6 pence; barley, by the bushel, 10 shillings; oats and spelts, by the bushel, 6 shillings; buckwheat, by the bushel, 6 shillings; whiskey, full prove, by the gallon, 9 shillings; good cider, by the barrel, 30 shillings; good strong beer, by the barrel, 45 shillings. * * *"

III (Any person asking or receiving higher price shall forfeit the goods to the party suing. Trial by justice of the peace if value is under £5, in court of common pleas if over.) (9 Stat. at Large of Pa. (1778) c. 795.)

"FORBID IT HEAVEN"

A Foreword

Price rises during the American Revolution gravely menaced the cause of liberty.

Throughout the long struggle from 1775 to 1781, prices of military supplies and civilian necessities pushed steadily upward. As a result, the job of equipping the Army became more and more difficult. The cost of the war became unbearable. Living conditions grew worse. Morale faltered.

Both the people and their leaders tried to remedy the situation.

The citizens of Philadelphia called town meetings and froze both rents and prices. "Sons of Boston" proclaimed a New England pamphleteer, "Rouse to catch the Philadelphia spirit. * * * Rid the community of those monopolizers and extortioners who, like canker worms, are knawing upon your vitals. * * * You, then, that have articles to sell, lower your prices. * * *" In Albany the names of profiteers were cried through the streets.

Governmental action went still further. The Continental Army set prices. The Continental Congress fixed the price of tea at six shillings a pound. The States passed laws fixing prices and licensing sellers. They sent delegates to regional conventions that set price ceilings and took action against hoarding.

As leader of the American people, Gen. George Washington was especially concerned with the price problem. Disgust with profiteering and fear of what continued price boosts might lead to resound through all his letters.

In the following letter to an Army purchasing agent, Washington's strong feelings on the subject burst into words that echo through history:

"* * * Is the paltry consideration of a little dirty pelf to individuals to be placed in competition with the essential rights and liberties of the present generation, and of millions yet unborn?

"Shall a few designing men for their own aggrandizement, and to gratify their own avarice, overset the goodly fabric we have been rearing at the expense of so much time, blood and treasure, and shall we at last become the victims of our own abominable lust for gain?

"Forbid it heaven! Forbid it all and every State in the Union! By enacting and enforcing efficacious laws for checking the growth of these monstrous evils, and restoring matters, in some degree, to the pristine state they were in at the commencement of the war.

"Our cause is noble, it is the cause of mankind; and the danger to it is to be apprehended from ourselves."

TO JAMES WARREN, MARCH 31, 1779

As a man of action, Washington took a leading part in seeing that the States were "enacting and enforcing efficacious laws" to control prices. He also campaigned for

heavy penalties against profiteers. Price ceilings by themselves, of course, were not enough to keep prices down. Many indirect methods of control were also necessary—just as the Government today is supplementing direct price control with measures aimed at relieving shortages. Hence, Washington advocated well-planned Government purchases, Government operation of idle mills, restrictions upon exports, "heavy taxes frequently collected" and other policies too numerous to discuss here or illustrate in the accompanying letters.

It is not easy to reach back across the centuries and measure the effects of price control in the American Revolution. Prices did rise severely, despite all attempts to stop them. At the root of this failure were such facts as the printing of currency by all the different States, the wide use of foreign money, and the virtual lack of any system of national taxation. Yet there is reason to suppose that without its crude and somewhat floundering efforts to control prices, the struggling young Republic might have suffered the ravages of a still more disastrous inflation. Without price control, the Continental Army, as Washington suggests in his letter of October 4, 1778, to Gouverneur Morris, might have been forced to surrender.

Today America faces the same problem that confronted Washington in 1775—the problem of stopping "that most infamous practice of raising prices." A runaway inflation would interfere with the planning of production, encourage hoarding, cut the value of wages and savings, and sap the Nation's morale.

America also faces the strongest combination of enemy power in the history of the world. The military situation is such that the margin between victory and defeat is microscopically narrow Failure to check inflation in America, the arsenal of the democracies, might bring the sound of the goose-step to the capitals of the Western Hemisphere.

At the same time today's Government is in a far better position to control prices than ever before in American history. Today's Government knows what is to be done and is equipped to do it. With the full support of all the people, it can keep prices down.

Somewhat desperately, the commander in chief of the Continental Army wrote, "Forbid it, Heaven."

"I am confident that by prompt action we control the price development now. * * * There need be no fiscal barriers to our war effort and to victory."

I. Prices rose

"The matter I allude to, is the exhorbitant price exacted by Merchants and Vendors of Goods, for every necessary they dispose of. I am sensible, the trouble and risk in importing, give the Adventurers a right to a generous price, and that such, from the motives of policy, should be paid; but yet, I cannot conceive that they, in direct violation of every principle of generosity, of reason and of justice, should be allowed, if it is possible to restrain 'em, to avail themselves of the difficulties of the times, and to amass fortunes upon the public ruin." Neshamini Camp, August 16, 1777, to the President of Congress.)

"The price of every thing, Men provision & ca. are raised to a height to which the Revenues of no Government, much less ours, would suffice."—(Headquarters, near Passaic Falls, October 18, 1780, circular to the States.)

"The depreciation of it (the currency) is got to so alarming a point that a wagon load of money will scarcely purchase a wagon load of provision." (Middlebrook, April 23, 1779, to John Jay.)

II. Prices hunt

"I cannot, with any degree of patience, behold the infamous practices of speculators, monopolizers, and all that class of gentry which are preying upon our very vitals, and, for the sake of a little dirty pelf, are putting the rights and liberties of the country into the most imminent danger, and continuing a war destructive to the lives and property of the valuable part of this community, which would have ceased last fall as certain as we now exist but for the encouragements the enemy derived from this source." (Headquarters, Middlebrook, May 29, 1779, to Lund Washington.)

"Our Enemy behold with exultation and joy how effectually we labour for their benefits; and from being in a state of absolute despair, and on the point of evacuating America, are now on tiptoe; nothing therefore, in my judgment can save us but a total reformation in our own conduct, or some decisive turn to affairs in Europe. The former alas! to our shame be it spoken! is less likely to happen than the latter, as it is now consistent with the views of the Speculators, various tribes of money makers, and stock jobbers of all denominations to continue the War for their own private emolument, without considering that their avarice, and thirst for gain must plunge everything (including themselves) in one common Ruin." (Camp at Middlebrook, March 27, 1779, to George Mason.)

"Unless that most infamous practice of raising prices of the necessaries of life can be stopped, it will be impossible for any funds to subsist the Army." (Headquarters, Fredericksburg, October 18, 1778, to the President of Congress.)

III. Correctives

"I cannot doubt the Interposition of your Honors to provide some Speedy and effectual Remedy.

"That which is usual and Customary in such Cases, is to fix the Prices to the Several Articles; bearing a Proportion to what is the ordinary rate, and if Persons will not comply with a reasonable Tariff, but still refuse to furnish such Necessary Articles the great Law of Self Preservation must authorize us to compel them. (August 29, 1775, to the Massachusetts Legislature.)

"I am pleased to find that your legislature have fixed a price circumscribing the avarice of your farmers, who like their neighbors are endeavoring to take every advantage of the necessities of the Army." (Headquarters, Valley Forge, January 20, 1778, to Gov. William Livingston.)

"I have received your letter of this day, inclosing copy of one from Col. Berry, representing the unwillingness of the inhabitants, to transport for the army at the regulated prices from an apprehension that the regulation will not be general." (Morristown, February 8, 1780, to Maj. Gen. Nathanael Greene.)

"It gives me very sincere pleasure to find that there is like to be a coalition of the Whigs in your State (a few only excepted) and that the assembly of it, are so well disposed to second your endeavors in bringing those murderers of our cause (the monopolizers, forestallers, and engrossers) to condign punishment. It is much to be lamented that each State long ere this has not Enemys we have to the happiness of America. I would to God that one of the most atrocious of each State was hung in Gibbets upon a gallows five times as high as the one prepared by Haman. No punishment in my opinion is too great for the Man who can build his greatness upon his Country's ruin." (Middlebrook, December 12, 1778, to President Joseph Reed.)

Mr. WHERRY. Mr. President, certainly the Office of Price Administration can find better use for its time than in preparing such propaganda for distribution over the country. Such activities are exactly the kind about which Mr. Harding, of the Omaha World Herald, was thinking when he wrote:

> There is a hole in the Post Office bucket that could be plugged to very great advantage. I refer to the millions of pounds of mail matter sent under Government frank by all the governmental bureaus.

I respectfully suggest, Mr. President, that all the matters I have submitted for the RECORD be referred to the Committee on Post Offices and Post Roads.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

FOOD PRODUCTION—THE SUGAR PROGRAM

Mr. THOMAS of Idaho. Mr. President, the New Deal has made a lot of blunders in its Food for War production program. If I were to select the New Deal's greatest blunder, I would name the way in which the sugar program has been handled.

Normally we secure 70 percent of our sugar supply from offshore. Knowing that with the loss of the Philippines we lost 15 percent of our sugar, and that sufficient ships simply could not be made available to transport an adequate supply from Cuba, Puerto Rico, and other offshore points, the natural decision would have been to adopt promptly a policy to encourage domestic sugar-beet and sugarcane growers to increase their production to the utmost limit. But, instead of doing the natural thing, suggestions were made that increased production of sugar should not be encouraged, and finally a maximum acreage goal was set for 1943 production at slightly less than the 1942 goal.

BEET GROWERS NOT RESPONSIBLE FOR FAILURE OF SUGAR PROGRAM

The beet growers and processors have done their part. Knowing that we were threatened with the greatest sugar shortage in history, they proceeded to hold conferences early last fall, and discussed plans for producing a record crop in 1943. Farmers representing the beet growers spent nearly 2 months in Washington last winter trying to get the plan worked out; but the net result was not satisfactory—their plan was rejected, and a plan of the Department of Agriculture itself was announced. The serious situation today was caused by the neglect of the Department of Agriculture to go ahead and make adequate plans.

The views of the domestic sugar-beet industry and the farmers were presented to the Department last December, but no action was taken until February 10, when the Department of Agriculture announced its beet-sugar program, which differed materially from that recommended by the industry. By taking this action, the New Deal assumed full responsibility for 1943 sugar production.

If the Department had presented a satisfactory program, it would have been entitled to great credit; but indications to date are that the program is a dismal failure, as the last report of the Crop Reporting Board indicates a loss of 30 percent in acreage planted, as compared with 1942 plantings. Expressed in terms of sugar production that will mean that the 1943 beet-sugar production will be over 1,000,000,000 pounds less than the

1942 crop—and that at a time when sugar will be needed more urgently than ever before.

1943 SUGAR-BEET PLANTINGS OFF 30 PERCENT

Prospective 1943 beet acreage in the various States, as compared with 1942 plantings, is estimated as follows:

Estimated percentage of 1942 acreage to be planted in 1943

	Percent
Ohio	80
Nebraska	67
Idaho	70
Colorado	78
California	60
Michigan	60
Montana	80
Wyoming	61
Utah	75
Other States	80

The losses which I have indicated can be attributed directly to New Deal policies:

First, through interminable delays in proposing and developing a production program.

Second, through failure to attack the farm labor problem early enough to give growers assurance before planting time that labor for cultivation and harvest of sugar beets would be available when needed.

NEW DEAL HAS NOT TRIED TO ATTAIN ACREAGE GOAL

Once a goal of 1,050,000 acres of sugar beets had been established by the Department, it might have been expected that the Department would use every effort to achieve it. On the contrary, spokesmen for the Department were primarily concerned in making certain that the goal would not be exceeded—an attitude born of the baseless fear that an over-reaching of the sugar-beet goal would seriously affect the acreage of other essential crops. That timid approach, accompanied by the Department's reluctance to recognize the extent of increased costs of production, was definitely unsettling.

California growers, whose planting season is months ahead of that of other States, tired of the delay and diverted their acreage from sugar beets to other crops for which production programs were known. By the middle of March, when the sugar-beet program was finally completed, a large part of the normal California acreage had been lost, and growers in other States had revised their crop plans with the intention of reducing their usual beet acreage. If the situation is permitted to continue drifting, there is every possibility that the acreage actually planted will be substantially less than that estimated by the Crop Reporting Board.

MEAT PRODUCTION WILL ALSO BE REDUCED

I believe that most persons who are familiar with sugar believe that a reduction in the current rate of rationing is likely, but the seriousness of a decrease in sugar-beet acreage cannot be measured in terms of sugar alone. The by-products of the beet—the leafy tops, the pulp which remains after the extraction of sugar, and the molasses—are used each year to fatten millions of sheep and cattle from the ranges of the West, and the absence of this feed cannot fail to have an effect on the critical meat problem.

Moreover, if sugar is not available in reasonably ample quantities for home canning, we face the loss of a large amount of fruits and vegetables which, in all sanity, should be preserved.

In view of the difficulties and delays that have been encountered, it is, of course, too late now to attain the full sugar-beet-production goal for 1943, regardless of action that may be taken.

ADMINISTRATOR CHESTER A. DAVIS TAKES FIRST STEP TO STIMULATE INCREASED BEET PLANTINGS

It is, nevertheless, refreshing to note that our new Food Production Administrator has given evidence that he understands the situation. As one of his first official actions, he sent the following telegram to all State war boards:

To All State War Boards:

The marked reduction in farmers' intentions to plant sugar beets, if carried out, would result in less sugar than we need to produce in this country, in view of the difficulty of diverting boats needed for essential war uses to sugar. It is important that you give all possible assistance to growers in meeting sugar-beet goals. Notify sugar-beet counties and see that adequate publicity is given this need. Department is giving labor and marketing problems of the industry urgent attention.

CHESTER A. DAVIS.

That is the first sympathetic view of sugar that the growers have had during this whole contest.

I congratulate Administrator Davis and express the hope that he will follow his telegram with other steps to assure the beet growers that their problems will be given intelligent and speedy consideration.

DRASTIC ACTION NEEDED TO AVERT FOOD TRAGEDY

If a sugar famine is to be averted, drastic steps to encourage beet growers must be taken at once.

The time to increase planting in California has passed. We are now planting in Idaho, Utah, and several other States. A few weeks only remain to secure any revision in prospective acreage in Montana, Ohio, Michigan, and other Eastern States.

Will the Government revise its program and take energetic action to increase sugar production before it is too late to secure any increase in sugar-beet plantings, or will it adhere to its announced program, even though a lack of sugar is bound to have a tragic effect on the entire food program?

The announcement of Administrator Davis is fine and a step in the right direction, but it alone will not do the job.

The first thing necessary is the inclusion of sugar as an essential food crop in the food production program.

Second, real assurances to the farmers that an ample labor supply will be provided.

Third, an increased price which will cover the costs of production and be comparable with prices paid for other essential agricultural food products.

Even with this campaign vigorously prosecuted, it is now so late that we are bound to face an acute shortage of this important food.

As I said in the beginning, I think this is the New Deal blunder No. 1 in the food-production program.

JEFFERSON MEMORABILIA

Mr. DANAHER. Mr. President, recently I was engaged in a very informal but most pleasant chat with our beloved colleague, the senior Senator from Maine [Mr. WHITE], who showed me in his office an item from the collection of papers which had belonged to his late distinguished grandfather, Hon. William P. Frye, who was United States Senator from Maine from 1881 until 1911, when he died. That item, which remained undiscovered all these years, was a communication from Thomas Jefferson, written under date of November 19, 1819, directed to Gen. William King, of Maine, who later became Maine's first Governor after the accession of that great State to the Union.

It seemed to me, as I considered what that distinguished statesman, Jefferson, had written, that there must have been some earlier link between Governor King and former President Jefferson which elicited the Jefferson comment, and that if we could locate it the correspondence might prove to be a contribution to the Jefferson commemoration which is shortly to be observed. I think I ought to read for the information of the Senate, this hitherto unpublished item, which I read with the permission of the Senator from Maine:

Th. Jefferson returns thanks to General King for his kind communication of the constitution of Maine, which he finds marked with wisdom in every point, except that of representation. Equal representation is so fundamental in principle in a true republic that no prejudices can justify its violation because the prejudices themselves cannot be justified. The claims of the corporate towns in this case, like those of the barons in England have forced the body of the nation to accept a government by capitulation, where the equal rights of the people at large are forced to yield to the privileges of a few. However, you will amend it by & by in the mean time I welcome the new state into our Union. I salute General King with the most friendly recollections & assurances of esteem & respect.

MONTICELLO, *November 19, 1819.*

Clearly the communication is in Jefferson's own hand, although it does not bear his signature. I took the matter up in furtherance of the common interest of the Senator from Maine and myself in the subject of constitution framing in those early days. Through the Congressional Library, I sought to run down this particular item among Jefferson's writings and also any earlier comment that there might have been, but entirely without result.

The Legislative Reference Service suggested that perhaps the Maine Historical Society might be able to make some contribution. Upon taking the matter up with the authorities there, I found that there was no reference other than that at San Marino, Calif. It was believed that the original letter from Governor King to Jefferson might be found in the manuscript collection of the Henry E. Huntington Library and Art Gallery. So I

communicated with the curator of the Huntington Library and Art Gallery, and only day before yesterday, Mr. President, I received from California a copy of the original King letter. It was dated at Bath, Maine, November 3, 1819, and was addressed, of course, to Thomas Jefferson. It reads as follows:

BATH, *November 3, 1819.*

DEAR SIR: The interest you are known to take in whatever relates to our institutions in every section of this country is my inducement for forwarding the enclosed constitution which we have presented to the people of Maine. The literary article we are indebted to you for, which receiv'd almost the unanimous support of the Convention. When at your hospitable mansion the last winter you may recolect naming an article of the kind to me as of the first importance, as calculated to perpetuate our Republican systems, I was convinced of the correctness of your opinions on that, as on every other occasion. I beg you to present my respectful Compliments to Mr. and Mrs. Randolph, and believe me with great respect and esteem your Humble Servant,

WILLIAM KING.

Mr. President, additional research discloses that delegates had met in a constitutional convention at Portland, Maine, on the 29th of October 1819, where they agreed upon a draft of a constitution which was to be submitted to the people for action at the town meetings to be held in the several towns throughout the new State of Maine on December 6, 1819.

Governor King, who was largely instrumental in the development and formation of the State of Maine, sent a copy of that constitution to Thomas Jefferson only 4 days later. It seems to me a singular tribute to the fidelity of purpose and integrity of thought of Thomas Jefferson that people in the far reaches of the country, as Governor King so generously said in his letter, would turn to Jefferson for his comment and criticism. It seems to me that the thinking of that great statesman is reflected today in the security of the State of Maine and in the constitution which took shape there, which found acceptance among the people of the State of Maine, who know something good when they see it, and who elect and reelect Senators such as our distinguished colleague, WALLACE WHITE.

So, Mr. President, as a result of our joint collaboration in this particular little venture I wish to pay my respects to the Senator from Maine for his generosity in cooperating with me as we jointly in this way make a slight contribution to the Jefferson commemoration.

Mr. BARKLEY. Mr. President, before moving that the Senate proceed to the consideration of executive business I wish to thank and congratulate the Senator from Connecticut for this valuable link in what we might call Jeffersoniana. It is rather strange that in a century and a quarter correspondence of that nature has never heretofore been dug up and included in the published letters and works of Thomas Jefferson.

Of course, we are all interested, from the standpoint of public institutions, in whatever Jefferson said and did. But there is a sort of romance about his correspondence which hardly attaches to that of any other great American public figure. As we all know, Jefferson made few speeches, but he was a prolific writer. His correspondence must have been in longhand, because in those days there was no such assistance as we now have. It seems incredible that a man otherwise so busy as he was could have made so many contributions to the discussion of public questions by writing letters, which have been published in many volumes.

I wish to express my appreciation of the contribution which the Senator from Connecticut has made in this connection.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. DANAHER. I appreciate the observations of the Senator from Kentucky. However, the whole thing stems from the interest of the senior Senator from Maine [Mr. WHITE]. The Senator from Maine still retains the original of the Jefferson correspondence, of which I have a photostatic copy. In view of the observations of the Senator from Kentucky, I know that he will be happy to examine the copy.

Let me add that I wish we were more nearly attuned to the definite governmental philosophy which Jefferson espoused than we seem to be. I have very great respect for the principles on which his thinking proceeded.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The Acting President pro tempore laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Several postmasters.

By Mr. WALSH, from the Committee on Finance:

Nellie Tayloe Ross, of Wyoming, to be Director of the Mint (reappointment);

Frank L. Yates, of West Virginia, to be Assistant Comptroller General of the United States for a term of 15 years; and

Sundry nominations of officers for temporary promotion in the Public Health Service.

From the Committee on Naval Affairs:

Capt. Francis S. Low to be a rear admiral in the Navy, for temporary service, to rank from the 27th day of July 1942;

Capt. Joseph R. Redman to be a rear admiral in the Navy, for temporary service, to rank from July 1, 1942; and

Sundry citizens and several meritorious noncommissioned officers to be second lieutenants in the Marine Corps.

The ACTING PRESIDENT pro tempore. If there be no further reports of committees, the clerk will proceed to state the nominations on the executive calendar.

COLLECTOR OF INTERNAL REVENUE

The legislative clerk read the nomination of Thomas A. Gallagher to be collector of internal revenue for the first district of Ohio.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

COLLECTOR OF CUSTOMS

The legislative clerk read the nomination of James R. Wade, to be collector of customs for customs collection district No. 45, with headquarters at St. Louis, Mo.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

WAR MANPOWER COMMISSION

The legislative clerk proceeded to read sundry nominations in the War Manpower Commission.

Mr. BARKLEY. I ask unanimous consent that the War Manpower Commission nominations be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations in the War Manpower Commission are confirmed en bloc.

UNITED STATES PUBLIC HEALTH SERVICE

The legislative clerk proceeded to read sundry nominations in the United States Public Health Service.

Mr. BARKLEY. I ask that the nominations in the Public Health Service be confirmed en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are confirmed en bloc.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. BARKLEY. I ask that the nominations of postmasters be confirmed en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations of postmasters are confirmed en bloc.

THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

Mr. BARKLEY. I ask that the nominations in the Army be confirmed en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations in the Army are confirmed en bloc.

THE NAVY

The legislative clerk proceeded to read sundry nominations in the Navy.

Mr. BARKLEY. I ask that the nominations in the Navy be confirmed en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations in the Navy are confirmed en bloc.

THE MARINE CORPS

The legislative clerk read the nomination of David L. S. Brewster to be brigadier general for temporary service, to rank from September 16, 1942.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Clifton B. Cates to be brigadier general for temporary service, to rank from September 16, 1942.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

That completes the calendar.

NELLIE TAYLOE ROSS

Mr. BARKLEY. Mr. President, earlier in the day there was favorably reported from the Committee on Finance the nomination of Nellie Tayloe Ross of Wyoming to be Director of the Mint. It is a reappointment. I ask unanimous consent for the present consideration of the nomination.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none. The nomination will be stated.

The legislative clerk read the nomination of Nellie Tayloe Ross to be Director of the Mint.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

FRANK L. YATES

Mr. BARKLEY. Mr. President, earlier in the day there was also favorably reported from the Committee on Finance the nomination of Frank L. Yates to be Assistant Comptroller General of the United States for a term of 15 years. I ask unanimous consent for the present consideration of the nomination.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none. The nomination will be stated.

The legislative clerk read the nomination of Frank L. Yates to be Assistant Comptroller General of the United States for a term of 15 years.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. BARKLEY. I ask that the President be immediately notified of all nominations confirmed today.

The ACTING PRESIDENT pro tempore. Without objection, the President will be immediately notified.

ADJOURNMENT TO TUESDAY

Mr. BARKLEY. As in legislative session, I move that the Senate adjourn until Tuesday next.

The motion was agreed to; and (at 3 o'clock and 59 minutes p. m.) the Senate adjourned until Tuesday, April 6, 1943, at 12 o'clock noon.

NOMINATIONS

Executive nominations received by the Senate April 2, 1943:

DIPLOMATIC AND FOREIGN SERVICE

Austin R. Preston, of New York, Foreign Service officer of class 4 and secretary in the Diplomatic Service, as consul general of the United States of America.

COMMISSIONER OF THE DISTRICT OF COLUMBIA

John Russell Young, of the District of Columbia, to be a Commissioner of the District of Columbia for a term of 3 years, and until his successor is appointed and qualified (reappointment).

COLLECTOR OF CUSTOMS

Fannie Dixon Welch, of Columbia, Conn., to be collector of customs for customs collection district No. 6, with headquarters at Bridgeport, Conn. (reappointment).

IN THE NAVY

Capt. Osborne B. Hardison to be a rear admiral in the Navy, for temporary service, to rank from the 29th day of November 1942.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 2, 1943:

ASSISTANT COMPTROLLER GENERAL

Frank L. Yates to be Assistant Comptroller General of the United States for a term of 15 years.

DIRECTOR OF THE MINT

Nellie Tayloe Ross to be Director of the Mint.

COLLECTOR OF INTERNAL REVENUE

Thomas A. Gallagher to be collector of internal revenue for the first district of Ohio.

COLLECTOR OF CUSTOMS

James R. Wade to be collector of customs for customs collection district No. 45, with headquarters at St. Louis, Mo.

WAR MANPOWER COMMISSION

APPOINTMENTS

Albert L. Nickerson to be director, Bureau of Placement, at $8,000 per annum, in the Washington office.

John D. Kingsley to be program control technician, at $5,600 per annum, in the Cleveland regional office.

Frederick Foote to be program control technician, at $4,600 per annum, in the Minneapolis regional office.

George A. Selke to be field supervisor, at $5,600 per annum, in the Minneapolis regional office.

Denton O. Rushing to be field supervisor, at $4,600 per annum, in the Kansas City regional office.

Joseph Earl Smith to be area director, at $4,600 per annum, in the Youngstown area office.

UNITED STATES PUBLIC HEALTH SERVICE

TO BE MEDICAL DIRECTORS

Roy P. Sandidge
Ralph C. Williams
Paul D. Mossman
Richey L. Waugh
Thomas Parran

TO BE SENIOR SURGEON

Lucius F. Badger

IN THE ARMY

TEMPORARY APPOINTMENTS IN THE ARMY OF THE UNITED STATES

To be major generals

Alan Walter Jones
John Bernard Brooks
John Taylor Lewis
Elbridge Gerry Chapman, Jr.
Clarence Ralph Huebner
Eugene Manuel Landrum
Stephen Garrett Henry
George Ralph Meyer
Gladeon Marcus Barnes
Lloyd Davidson Brown
Stonewall Jackson
Claire Lee Chennault
Clayton Lawrence Bissell
John Breitling Coulter
Thomas Dewees Finley
Ennis Clement Whitehead
Delmar Hall Dunton
Everett Strait Hughes
Horace Logan McBride
Harry Fouts Hazlett
Herman Frederick Kramer
Willard Stewart Paul
William Maynadier Miley

To be brigadier generals

Cornelius Martin Daly
Theodore Francis Wessels
Herbert Towle Perrin
Elliot Duncan Cooke
Samuel Tankersley Williams
Joseph Vincent de Paul Dillon
William George Walker
Henry Pratt Perrine
Clare Hibbs Armstrong
Pleas Blair Rogers
Clinton Frederick Robinson
James Thomas Duke
James Millikin Bevans
Loyal Moyer Haynes
John Stewart Bragdon
William Arthur Beiderlinden
Russel Burton Reynolds
Charles Richard Doran
Richard Cox Coupland
William Lloyd Richardson
Don Gilmore Shingler
Charles Franklin Born
Clarence Hagbart Danielson
William Earl Crist
Herbert Joseph Lawes
James George Christiansen
Thomas Leroy Holland
Edgar Harrison Underwood
Charles Henry Barth, Jr.
James Hess Walker
William Curtis Chase
Constant Louis Irwin
Alonzo Patrick Fox
Paul Wilkins Kendall
William Alexander McCulloch
James Gasper Devine
Leon Alexander Fox
Sylvester De Witt Downs, Jr.
Adam Richmond
Joseph Andrew Holly
Lee Saunders Gerow
Elwyn Dona'd Post
Paul Langdon Williams
Clarence Lionel Adcock
George Arthur Davis
Joseph Alfred Cranston
Gerald St. Claire Mickle
Foster Joseph Tate
Edwin Butcher
John Leonard Whitelaw
Joseph Vincil Phelps
Lauris Norstad
Leo James Ahern
Beverly Charles Dunn
Edward Elliott MacMorland
Norman Thomas Kirk
George Jacob Richards
Francis Augustus Woolfley
George Fairless Lull
Miles Andrew Cowles
Stewart Elvin Reimel
William Edward Bergin
Edmund Wilson Searby
Charles Kilbourne Nulsen
William Evens Hall
James Stevens Simmons
William Joseph Donovan
Edward Samuel Greenbaum
Ronald Cornelius Brock
Thomas Bayne Wilson
Alexander Newton Stark, Jr.

IN THE NAVY

TEMPORARY SERVICE

To be a rear admiral

Ingram C. Sowell to be a rear admiral in the Navy, for temporary service, to rank from September 13, 1942.

PROMOTIONS IN THE REGULAR SERVICE

The nominations of Felix B. Stump et al. for promotion in the Navy.

NOTE.—A full list of the names of the persons whose nominations for promotion in the Navy were confirmed today may be found

in the Senate proceedings of the CONGRESSIONAL RECORD for March 23, 1943, under the caption "Nominations," beginning on page 2374 with the name of Felix B. Stump and ending on page 2375 with the name of Joseph A. Roseman.

IN THE MARINE CORPS

TEMPORARY SERVICE

To be brigadier generals in the Marine Corps, for temporary service, to rank from September 16, 1942

David L. S. Brewster
Clifton B. Cates

POSTMASTERS

LOUISIANA

T. Lucien Ducrest, Broussard.
Flavia H. Wootton, Fisher.
Doris F. Williams, Good Pine.
George C. Berly, Marthaville.
Edgar O. Joynes, Newllano.

OKLAHOMA

Frank Ferguson, Camargo.
Verna Russell, Dill.

HOUSE OF REPRESENTATIVES

FRIDAY, APRIL 2, 1943

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Lord of life, beneath the dome of the universe, Thy home, we would believe in the message of the Christ which has come across the centuries that right is might and victory is on the way. That the world may become new, we pray that it may listen to the law of love and forget not its benefits. O teach us to wait in the spirit of a conquering faith which claims the future as its own and turns the wrath of man to praise and adoration.

O bless our country with complete deliverance from the thought that one may do that which he pleases with Thy bountiful gifts and forget the sacredness of human rights. We most earnestly beseech Thee to free men from that greatest of tyrannies, selfishness. Grant that they may be shaken loose from this yoke of spiritual bondage which is the agony of the world's crime. O Thou Son of St. Mary, to live and labor without Thy companionship would be arduous and limit our understanding. Do Thou have us realize the ministry of Thy spirit as we move among men, then shall we see heaven above the clouds and shadows of the present day. In the name of Christ, the Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS

Mr. COOPER. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix to include a recent address by Hon. Sumner Welles, Under Secretary of State. It may exceed the usual space allowed, and I ask unanimous consent that it may be included in any event.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

ADJOURNMENT OVER

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXHIBITION OF JAPANESE SUBMARINE

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent that the Clerk may read a letter addressed to the majority leader.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The Clerk read as follows:

MARCH 30, 1943.

The Honorable JOHN W. MCCORMACK,
House of Representatives,
Washington, D. C.

DEAR REPRESENTATIVE MCCORMACK: The Treasury Department is making available to the principal cities and towns of the Nation the two-man Japanese suicide submarine captured at Oahu. The submarine will be on exhibition at the Capitol Plaza Saturday, April 3, at 9 o'clock and will be available for inspection until 10 that evening.

May I express the hope that the Members of the House will visit the submarine, which is being shown to promote the sale of War bonds and War stamps and to stimulate patriotism. A War bond or stamp purchased at the submarine will be the requirement of admission.

Arrangements are being made to have one of the service bands play from 11:30 to 12 o'clock and we would welcome the Members of Congress, particularly at this time, as pictures and news-reel photographs will be taken. I am sure the side light the submarine throws on the homicidal philosophy of the Japanese, and the crudeness of its conception will be of great interest.

The submarine is being shown with the acquiescence of Senator LUCAS, acting President pro tempore of the Senate, and the Speaker of the House, with clearance from the Architect of the Capitol.

Respectfully yours,
H. L. RUST, JR., *Chairman.*

EXTENSION OF REMARKS

Mr. BLOOM. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein several speeches made by Mme. Chiang Kai-shek; and also an article by Mr. Arthur Hachten with reference to Hon. John N. Garner.

The SPEAKER. Is there objection?

There was no objection.

Mr. FORAND. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a short newspaper article.

The SPEAKER. Is there objection?

There was no objection.

Mr. FULBRIGHT. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix and include an article by James Morgan in the Boston Sunday Globe.

The SPEAKER. Is there objection?

There was no objection.

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent to extend my remarks and include an editorial appearing in yesterday's Philadelphia Record.

The SPEAKER. Is there objection?

There was no objection.

THE LATE MILES ROMNEY, SR.

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. O'CONNOR. Mr. Speaker, it is with extreme sadness that I announce to the House of Representatives the death of Miles Romney, Sr., of Hamilton, Mont. He was a brother of our beloved and able Sergeant at Arms, Kenneth Romney. The deceased, at the age of 69 suddenly passed away at his home.

Miles Romney's life was particularly marked by his devotion to the highest of the high of Democratic principles. He was for over 30 years one of Montana's leading Democrats, and it was largely through his instrumentality, with the aid of his brother, Kenneth Romney, before our Sergeant at Arms came to Washington, and other liberal Democrats, that many progressive pieces of legislation were placed upon the statute books of our great State, notably among them was the direct primary law, the corrupt practice act and many others. In the securing of the adoption of the primary law in Montana it was possible for the great Senator Thomas J. Walsh to be elected to the United States Senate, who, while a Member of that distinguished body, achieved not only a national but an international place in the history of good, clean, and honest government. Miles Romney was a lifelong friend and supporter of this great man. It can be truly said that Mr. Romney was one of the best-known men throughout Montana, having held many important positions of trust and was a formidable candidate at different times for high offices such as Governor, and so forth. He was the type of man whose friends were loyal and devoted to him. He was also the type of man whom political opponents admired and respected.

In the passing of Mr. Romney, Montana has suffered the loss of one of its most distinguished leading citizens. Personally, I lost a dear friend of over 30 years' standing. His brother, Kenneth Romney, our Sergeant at Arms, left Washington last night by plane to attend the services that will be held which no doubt will have a State-wide attendance.

The SPEAKER. The time of the gentleman from Montana has expired.

EXTENSION OF REMARKS

Mr. MURPHY. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix and include therein an editorial from the Scranton Times on the question of need for immediate tax relief.

The SPEAKER. Is there objection?

There was no objection.

Mr. LUTHER A. JOHNSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a brief editorial from the Dallas Times-Herald.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF OVERTIME PAY ACT

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. REES of Kansas. Mr. Speaker, the distinguished chairman of the Committee on the Civil Service, the gentleman from Georgia [Mr. RAMSPECK], and who is also the acting majority leader of the House, announced on yesterterday, as part of the program for next week, that on Monday he would ask for recognition for the consideration of H. R. 1860 under suspension of the rules of the House.

I have taken this minute to call the attention of the membership to this measure, so you may become familiar with its provisions and determine your action regarding it. I am informed copies of the committee report are available. The bill provides for an extension of the present Overtime Pay Act, except it contains certain amendments not included in the present law. So I suggest you secure a copy of the bill and report and examine them carefully. I believe you know that under suspension, there will be not more than 40 minutes of time for debate. I assume that, as ranking minority member of the Committee on the Civil Service, 20 minutes of this time will be allotted to me. If so, I shall be glad to divide this time as best I can to those who may wish to be heard on this bill. Members of the committee will, of course, be given first consideration.

It should also be added that the present temporary act on overtime pay will expire on April 30. It is important that some action be taken on this question before that time. I also call your attention to the fact that a bill similar in most respects is pending in the other body.

The SPEAKER. The time of the gentleman from Kansas has expired.

EXTENSION OF REMARKS

Mr. MASON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a short newspaper article.

The SPEAKER. Is there objection?

There was no objection.

Mr. JENSEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein House Concurrent Resolution No. 21, passed by the House of Representatives of the State of Iowa, the Senate concurring, memorializing the Congress relative to rent control.

The SPEAKER. Is there objection?

There was no objection.

WAR CONTRACT COMMISSION AGENTS

Mr. ROWE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. ROWE. Mr. Speaker, I am wondering just what effect some of the news originating here in Washington is having upon our people back home.

Today's papers tell of men who are compelled as a matter of conscience to refuse accepting tax money made available to them through sloppy methods in handling our war contracts.

It is further related that large amounts of the tax money are being used to purchase varied kinds of presents for purchasing agents who spend our people's money.

I am wondering if our people think we should be doing something about this matter. I am introducing a bill today that will control and prevent a major percentage of this Treasury raiding on the part of these pets of predatory privilege in and around our Nation's Capital.

I hope it will become a law through support of the Members of this House.

EXTENSION OF REMARKS

Mr. ELLISON of Maryland. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include therein a resolution adopted by the City Council of Baltimore, Md.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. THOMAS of New Jersey. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial from the Paterson Evening News, published in Paterson, N. J.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

WAGE AND PRICE STABILIZATION

Mr. DEWEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. DEWEY addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a letter and a program concerning the Willow Run plant received from Local 50 of the U. A. W.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an article from the April issue of the Nation's Business.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to extend my remarks in the Appendix of the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. MILLER of Nebraska addressed the House. His remarks appear in the Appendix.]

WHO IS TO BLAME FOR INACTION ON PAY-AS-YOU-GO TAXATION

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my own remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. REED of New York addressed the House. His remarks appear in the Appendix.]

Mr. FORAND. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. FORAND. Mr. Speaker, so that the record may be kept clean and clear I am going to take issue with the statement just made by the gentleman from New York that the sponsors of the Forand-Robertson plan purposely withheld presenting it. The truth of the matter is, as you know, that under the rules of the House only one substitute may be pending at a time. I therefore had to withhold my substitute or offer it as an amendment. Had I offered it during the consideration of the Carlson substitute it would have been a publicity stunt, pure and simple, because, as you all know, a majority of the Members of the House wanted a clear-cut vote on the Carlson-Ruml bill. There was nothing for me to do, therefore, but to withhold offering my bill as a substitute until such time as the Carlson bill was disposed of, and I announced that twice during the course of the afternoon.

My compromise is still a good one, and it would have been offered had the parliamentary situation permitted it, as I had hoped would be the case.

The SPEAKER. The time of the gentleman from Rhode Island has expired.

PERMISSION TO ADDRESS THE HOUSE

Mr. KILDAY. Mr. Speaker, I ask unanimous consent that on Monday next, after the disposition of the legislative business of the day and other special orders, I may address the House for 20 minutes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

TREATY OBLIGATIONS WITH PANAMA

Mr. CLARK, from the Committee on Rules, submitted the following report on House Resolution 14, authorizing the execution of certain obligations under the treaties of 1903 and 1936 with Panama and other commitments (Rept. 340), which was referred to the House Calendar and ordered printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the joint resolution (H. J. Res. 14) authorizing the execution of certain obligations under the treaties of 1903 and 1936 with Panama, and other commitments. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be read for amendment under the 5-

minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

EXTENSION OF REMARKS

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and to include therein a resolution adopted by the Michigan Legislature memorializing the Congress.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. WOODRUFF]?

Mr. SHAFER. Mr. Speaker, reserving the right to object, is that a resolution in regard to a fourth term for the President?

Mr. WOODRUFF of Michigan. I think the gentleman's reservation of objection comes a little late, but I will be glad to tell the gentleman that is exactly what it is.

Mr. SHAFER. I had one of similar import.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. WOODRUFF]?

There was no objection.

ADJOURNMENT OF POLITICS FOR THE DURATION

Mr. LAMBERTSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Kansas [Mr. LAMBERTSON]?

There was no objection.

Mr. LAMBERTSON. Mr. Speaker, the press last night announced that Mr. Walker, head of the Democratic National Committee and Postmaster General, is hopeful that we will hold the campaign in 1944 to a short one just before November 1 of that year. This morning the press announces that the same Mr. Walker, chairman of the National Democratic Committee, has reemployed Charles Michelson, famous for his smear of the Hoover administration, to begin work right now.

That is a little inconsistent if we are to adjourn politics for the duration of the war.

The SPEAKER. The time of the gentleman has expired.

EXTENSION OF REMARKS

Mr. MILLER of Pennsylvania. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and to include an editorial which appeared in the Philadelphia Inquirer of Wednesday, March 31, 1943, entitled "Don't Quit Fight: Push Ruml Plan."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. MILLER]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. SABATH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois [Mr. SABATH]?

There was no objection.

[Mr. SABATH addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. PITTENGER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD in connection with the Saguenay River and Shipshaw project in the Dominion of Canada.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota [Mr. PITTENGER]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. CASE. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota [Mr. CASE]?

There was no objection.

THE AMERICAN'S CREED

Mr. CASE. Mr. Speaker, tomorrow is the twenty-fifth anniversary of the official adoption of the American's Creed which was written by our late friend, the Honorable William Tyler Page, for over 60 years one of the most highly respected and trusted employees of the House of Representatives. As this is the session nearest the twenty-fifth anniversary it seems appropriate to read that creed at this time and to place at this point in the RECORD a brief story of its origin.

Mr. Speaker, I ask unanimous consent that notwithstanding the usual rule I may at the end of my remarks place the brief story of the American's Creed.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota [Mr. CASE]?

There was no objection.

THE AMERICAN'S CREED

I believe in the United States of America as a Government of the people, by the people, for the people; whose just powers are derived from the consent of the governed; a democracy in a republic; a sovereign Nation of many sovereign States; a perfect Union; one and inseparable; established upon those principles of freedom, equality, justice, and humanity for which American patriots sacrificed their lives and fortunes.

I therefore believe it is my duty to my country to love it; to support its Constitution; to obey its laws; to respect its flag; and to defend it against all enemies.

THE STORY OF THE AMERICAN'S CREED

The idea of laying special emphasis upon the duties and obligations of citizenship in the form of a national creed originated with Henry S. Chapin. In 1916–17 a contest, open to all Americans, was inaugurated in the press throughout the country to secure "the best summary of the political faith of America." The contest was informally approved by the President of the United States. Through Mayor James H. Preston, the city of Baltimore, as the birthplace of the Star-Spangled Banner, offered a prize of $1,000, which was accepted, and the following committees were appointed: A committee on manuscripts, consisting of Porter Emerson Browne and representatives from leading American magazines, with headquarters in New York City; a committee on award, consisting of Matthew P. Andrews, Irvin S. Cobb, Hamlin Garland, Ellen Glasgow, Julian Street, Booth Tarkington, and Charles Hanson Towne; and an advisory committee, consisting of Dr. P. P. Claxton, United States Commissioner of Education, Governors of States, United States Senators, and other National and State officials.

The winner of the contest and the author of the creed selected proved to be William Tyler Page, of Friendship Heights, Md., a descendant of President Tyler and also of Carter Braxton, one of the signers of the Declaration of Independence.

[From the CONGRESSIONAL RECORD]

The complete proceedings in regard to the official acceptance of the American's Creed may be found in the CONGRESSIONAL RECORD, No. 102, April 13, 1918, from which is taken the following explanation of the doctrinal origin of the creed:

"The United States of America." (Preamble, Constitution of the United States.)

"A government of the people, by the people, for the people." (Preamble, Constitution of the United States; Daniel Webster's speech in the Senate, January 26, 1830; Abraham Lincoln's Gettysburg speech.)

"Whose just powers are derived from the consent of the governed." (Thomas Jefferson, in Declaration of Independence.)

"A democracy in a republic." (James Madison, in The Federalist, No. 10; Article X of the amendments to Constitution.)

"A sovereign Nation of many sovereign States." ("E pluribus unum," great seal of the United States; Article IV of the Constitution.)

"A perfect Union." (Preamble to the Constitution.)

"One and inseparable." (Webster's speech in the Senate, January 26, 1830.)

"Established upon those principles of freedom, equality, justice, and humanity for which American patriots sacrificed their lives and fortunes." (Declaration of Independence.)

"I therefore believe it is my duty to my country to love it." (In substance from Edward Everett Hale's The Man Without a Country.)

"To support its Constitution." (Oath of allegiance, section 1757, Revised Statutes of the United States.)

"To obey its laws." (Washington's Farewell Address; Article VI, Constitution of the United States.)

"To respect its flag." (National anthem, The Star-Spangled Banner; Army and Navy Regulations; War Department circular on flag etiquette, April 14, 1917.)

"And to defend it against all enemies." (Oath of allegiance, section 1757, Revised Statutes of the United States.)

PERMISSION TO ADDRESS THE HOUSE

Mrs. ROGERS of Massachusets. Mr. Speaker, I ask unanimous consent to proceed for 1 minute, to revise and extend my own remarks in the RECORD, and to include therein a purported colloquy between the gentleman from New Jersey [Mr. POWERS], of the Appropriations Committee, and Mr. Wilson, of the P. A. W.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts [Mrs. ROGERS]?

There was no objection.

[Mrs. ROGERS of Massachusetts addressed the House. Her remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. SHAFER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a letter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a resolution adopted by the Blair County (Pa.) Pharmaceutical Association.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

SHORTAGE OF OIL

Mr. DISNEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. DISNEY. Mr. Speaker, the trend toward an oil shortage continues. The week before last the completion of oil wells in Oklahoma and Kansas were 57. Last week there were 33 completions. Last year we drew on and used 55,000,000 barrels of our oil stocks. We are using more oil than we have available. In December I made a speech here in the House calling your attention to the oil shortage that is facing us. In a few days I hope to go into more detail and give you as nearly as possible the exact details of this trend, still placing the responsibility for this trend upon the executive department.

LICK THE PLATTER CLEAN

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GROSS. Mr. Speaker, I have to report that my war on waste is getting along all right. The indications are that the Department of Agriculture is now going to take it up in a big way. I have that assurance. The Army is going along.

It is well established that 15 percent of the food produced in the United States is wasted. The Department of Agriculture admits that if we could cut that waste in half it would solve our food problem. It will not take an elaborate set-up and an expensive machine to put it into effect. We must just bring it to the people's attention, and make the people waste conscious. We must put glaring signs in all eating places urging people to save food by eliminating waste.

The patriotic people will go along, and the rest will be ashamed to throw out good food. So let us quit weeping about the food shortage. Everywhere in restaurants folks are talking about it, and the garbage cans are not containing near as much food as 10 days ago. In my program of "lick the platter clean" you will find the solution of the food problem.

EXTENSION OF REMARKS

Mr. HORAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD regarding the Shipshaw project in Quebec.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. STEFAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a radio address I delivered on the life of William Tyler Page on his last birthday.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

REDUCTION OF NUMBER OF FEDERAL EMPLOYEES

Mr. DWORSHAK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

There was no objection.

Mr. DWORSHAK. Mr. Speaker, I call the attention of the House to the recent report of the United States Civil Service Commisison, for the month ending January 31, 1943. It shows that on that date there was a total of 2,862,185 civilian employees in the executive branch of the Government. The total pay roll for January was in excess of $519,000,000, or more than half a billion dollars, which is double the total pay roll of $259,404,954 for January of 1942. These are amazing statistics showing the expanding bureaucracy in the Nation.

I call your attention to these facts and urge every Member to get a copy of this report, because today the Nation is confronted by a serious manpower situation. To me it seems futile to consider the solution of this problem when at the present time there are many thousands of Federal employees on the pay roll whose services could be dispensed with.

AMENDING THE NATIONALITY ACT OF 1940

Mr. DIES, by direction of the Committee on Rules, reported the following resolution (H. Res. 199, Rept. 341), which was read, and referred to the House Calendar and ordered printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 2207) to amend the Nationality Act of 1940. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Immigration and Naturalization the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

FORGIVENESS OF TAXES

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, during the debate upon the tax bill, a letter was printed in the RECORD in which it was charged that those who favored the so-called forgiveness of taxes were betraying the soldiers. Let me read a letter received this morning from a soldier's father. It is as follows:

ALLEGAN, MICH., *March 30, 1943.*

Hon. CLARE HOFFMAN.

DEAR SIR: Bill Keene—that's my boy in New Guinea—got a notice about a month ago that he hadn't paid his income tax for 1941. So I was good enough and paid the tax, which was $20. They said if it wasn't paid in a certain time, there'd be a penalty and interest. So the other day I got another notice that there was $6.15 for penalty and interest if it wasn't paid in 10 days, there'd be added 6 percent.

What's the matter with a country when they send the boys half way around the world to fight and then threaten them with a penalty?

He was drafted the first of 1942 and sent right overseas. Most likely some draft evader sent the notice. The Government offices are full of 'em.

Yours truly,

HERMAN KEENE.

I now read a part of Bill's letter:

P. S.—I got another letter from you today, Dad, before I got a chance to mail this one, so I'll add on a little. I'm glad you paid my income tax, Dad, for 1941, but it made me a little sore to think they said they would charge a penalty and interest if you didn't, because anyone in the services overseas does not have to pay until 6 months after he's out of the Army. That includes the tax for the year before also. But it's all right and I'm glad you did it, for I won't have to bother with it when I get home. If they say anything about taxes since I've been in the Army, give them my address and I'll answer for it. No more news, Dad, so will close for now and say, so long.

BILL.

Is it not the duty of Congress to pass tax legislation? Is it not our duty to protect the fighting men and members of their families from incidents like that disclosed in the letter from Bill's father?

The SPEAKER. The time of the gentleman from Michigan has expired.

PATRIOTIC MUSIC—EXHIBITION OF JAPANESE SUBMARINE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. RANKIN. Mr. Speaker, I was delighted to hear the statement made awhile ago that this captured Japanese submarine is going to be exhibited throughout the country, and that at every place there will be music galore.

I certainly hope that the music will not be dictated by this communistic outfit that is trying to stifle American music today. A few years ago I heard a man in a show playing on a piano. He did a most unusual thing. He played Yankee Doodle with one hand and Dixie with the other.

If we cannot provide musicians of that kind, if we have no hands that can

play Yankee Doodle and Dixie both at the same time, they can alternate and play these stirring airs, these two good American tunes that have no communistic tinge to them, and thus arouse the American people to drive the Japanese into the Pacific Ocean.

The SPEAKER. The time of the gentleman from Mississippi has expired.

WAR SECURITY BILL

The SPEAKER. The unfinished business is the further consideration of the bill (H. R. 2087) to provide for the punishment of certain hostile acts against the United States, and for other purposes.

Mr. RANKIN. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Mississippi makes the point of order that there is no quorum present. Evidently there is no quorum present.

Mr. COOPER. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 38]

Anderson, Calif.	Gavagan	Maas
Baldwin, Md.	Gerlach	Marcantonio
Baldwin, N. Y.	Gibson	Martin, Iowa
Barden	Goodwin	Merritt
Barrett	Gorski	Miller, Mo.
Bates, Ky.	Graham	Mott
Bates, Mass.	Green	Nichols
Bell	Guyer	Norrell
Bolton	Hall,	O'Brien, Ill.
Buckley	Leonard W.	O'Brien, N.Y.
Burchill, N. Y.	Halleck	O'Toole
Butler	Heffernan	Pfeifer
Byrne	Hoch	Plumley
Cannon, Fla.	Holmes, Mass.	Pracht
Capozzoli	Holmes, Wash.	Randolph
Cole, N. Y.	Izac	Robertson
Culkin	Johnson,	Rowan
Cullen	Lyndon B.	Schiffler
Davis	Judd	Sheppard
Dawson	Kee	Smith, Maine
Dewey	Kennedy	Smith, Va.
Dickstein	Keogh	Stevenson
Dingell	King	Tolan
Doughton	Kleberg	Treadway
Eberharter	Klein	Wadsworth
Elliott	Lane	Walter
Englebright	LeCompte	Weaver
Fay	Lewis, Colo.	White
Fogarty	Lynch	Winter
Ford	McCormack	Wolfenden, Pa.
Gallagher	McGranery	
Gamble	McKenzie	

The SPEAKER. On this call 344 Members have answered to their names, a quorum.

Mr. RAMSPECK. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

Mr. SUMNERS of Texas. Mr. Speaker, as I understand it, the debate had been concluded on section 101 and all amendments thereto.

The SPEAKER. That is correct.

Mr. SUMNERS of Texas. Two amendments have been offered to that section, and I am not sure whether they have been agreed to.

The SPEAKER. The Rankin amendment and the Sumners amendments have not been agreed to.

Mr. JONKMAN. Mr. Speaker, I have two amendments at the desk, both of which refer to the same subject, and I think they should be read and considered together.

The SPEAKER. The Clerk will report the amendments offered by the gentleman from Michigan.

The Clerk read as follows:

Amendment offered by Mr. JONKMAN: Page 1, line 4, after the word "whoever" insert "other than citizens of the United States."

The SPEAKER. The question is on agreeing to the amendment offered by the gentleman from Michigan.

The amendment was rejected.

The SPEAKER. The Clerk will report the next amendment offered by the gentleman from Michigan.

The Clerk read as follows:

Amendment offered by Mr. JONKMAN: Page 1, line 9, after the word "whoever", insert "other than citizens of the United States."

The SPEAKER. The question is on agreeing to the amendment offered by the gentleman from Michigan:

The amendment was rejected.

The SPEAKER. The Clerk will report the amendment offered by the gentleman from Mississippi [Mr. RANKIN].

The Clerk read as follows:

Amendment offered by Mr. RANKIN: Page 2, line 9, after the word "than", strike out the words and figures "$500,000" and insert the words and sign "$5,000,000."

The SPEAKER. The question is on agreeing to the amendment offered by the gentleman from Mississippi.

The amendment was agreed to.

The SPEAKER. Are there any other amendments to section 101?

Mr. FISH. Mr. Speaker, I move to strike out the last word. Is that in order?

The SPEAKER. It is not. Debate has been closed on section 101, and all amendments thereto.

Mr. SUMNERS of Texas. Mr. Speaker, I have two amendments at the desk.

The SPEAKER. The Clerk will report the amendments offered by the gentleman from Texas [Mr. SUMNERS].

The Clerk read as follows:

Amendment offered by Mr. SUMNERS of Texas: Page 2, line 11, strike out "or having probable cause to believe."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment offered by Mr. SUMNERS of Texas: Page 3, line 4, after the word "inform", insert "and for the purpose of informing."

The SPEAKER. The question is on agreeing to the amendment offered by the gentleman from Texas.

The amendment was agreed to.

The Clerk read as follows:

Amendment offered by Mr. SUMNERS of Texas: Page 3, line 19, strike out the words "or belief."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. RANKIN. Mr. Speaker, I move to strike out the last word of section 201 and ask unanimous consent to proceed for 10 additional minutes.

The SPEAKER. The gentleman from Mississippi asks unanimous consent to proceed for 10 additional minutes. Is there objection?

Mr. MICHENER. Mr. Speaker, I reserve the right to object. As I understand it, this will permit the gentleman to address the House for 15 minutes.

The SPEAKER. That is correct.

Mr. MICHENER. Mr. Speaker, of course the gentleman from Texas is in charge of the bill, and if he is going to permit everyone to talk 15 or 20 minutes it is his responsibility, but some of us would like to come to a vote. If this is a good bill, it ought to be voted up, and if it is a bad bill it ought to be voted down.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. SABATH. Mr. Speaker, I object. The gentleman from Mississippi has been conducting a filibuster against this bill. I believe this legislation deserves to be passed, and should be passed without any unnecessary delay. I object.

Mr. SHORT. Mr. Speaker, I make the point of order that there is no quorum present, and I insist upon the point of order.

CALL OF THE HOUSE

Mr. SHORT. Mr. Speaker, I make the point of order that there is no quorum present. I insist on the point of order.

Mr. RANKIN. So it seems the gentleman from Illinois is trying to filibuster.

The SPEAKER. Evidently no quorum is present.

Mr. RAMSPECK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 39]

Anderson, Calif.	Gamble	Maas
Baldwin, Md.	Gavagan	Merritt
Baldwin, N. Y.	Gerlach	Morrison, La.
Barden	Gibson	Mott
Barrett	Goodwin	Myers
Bates, Ky.	Gorski	Nichols
Bates, Mass.	Graham	O'Brien, Ill.
Beall	Green	O'Brien, N. Y.
Bell	Gross	O'Toole
Buckley	Guyer	Pfeifer
Burchill, N. Y.	Hall,	Plumley
Butler	Leonard W.	Pracht
Byrne	Halleck	Randolph
Cannon, Fla.	Heffernan	Robertson
Coffee	Hoch	Rowan
Cole, N. Y.	Holmes, Mass.	Sadowski
Culkin	Izac	Schiffler
Cullen	Johnson,	Sheppard
Davis	Lyndon B.	Smith, Maine
Dawson	Johnson, Okla.	Smith, Va.
Dickstein	Judd	Spence
Dingell	Kee	Stevenson
Disney	Kennedy	Thomas, N. J.
Doughton	Keogh	Treadway
Eberharter	Kerr	Wadsworth
Elliott	King	Walter
Englebright	Kleberg	Weaver
Fay	Klein	West
Fernandez	Lewis, Colo.	White
Flannagan	Lynch	Winter
Fogarty	McCormack	Wolfenden, Pa.
Ford	McKenzie	
Gallagher	McMurray	

The SPEAKER. On this roll call 337 Members have answered to their names. A quorum is present.

Mr. RAMSPECK. Mr. Speaker, I move that further proceedings, under the call, be dispensed with.

The motion was agreed to.

WAR SECURITY ACT

The SPEAKER. The gentleman from Mississippi is recognized.

Mr. RANKIN. Mr. Speaker, I renew my request that I may be permitted to proceed for 15 minutes out of order.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. SUMNERS of Texas. Mr. Speaker, reserving the right to object, I hope the gentleman will not make that request. I object.

The SPEAKER. Objection is heard.

Mr. RANKIN. Mr. Speaker, I will get my time as we go along, I will say to the gentleman.

I ask unanimous consent to extend my remarks and to include certain clippings from various newspapers and magazines which I have in my possession.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. RANKIN. Mr. Speaker, several days ago I inserted in the RECORD an indictment rendered by the grand jury in Washington, which will be found in the RECORD of March 29. Everyone ought to read that indictment before voting on the provisions of this bill.

I made the statement on the floor on March 26 that I regretted very much to use the word "Jew" on this floor, because of the fact that there is an element in this country that does not mind abusing us gentiles, but when you use the word "Jew," they not only howl to high heaven, but some of the Jewish gentlemen in this House do not even want you to speak at all, as was evidenced a while ago when the gentleman from Illinois [Mr. SABATH] accused me of filibustering.

If you will investigate you will find that this paper PM had access to information offered before the grand jury. They were using that grand-jury information as a basis for their smear campaign.

The other day the Jewish gentleman from New York [Mr. CELLER] made a speech on this floor relative to a great array of Gentile newspapers and publications to which he called attention. Under these circumstances I think I am justified in calling attention to some of the Jewish propaganda that is being used in this country to stir up trouble between us and Russia, one of our leading allies.

Whether you like Russia or not, Russia is on our side in this war, and any man who attempts to stir up trouble between the United States and Russia is driving a knife into the back of our boys on the various battle fronts.

A short time ago Russia arrested two Jewish agitators, named Erlich and Alter—here are their pictures in PM. Russia charged them with trying to stir up a revolution against the Stalin regime, at a time when the war was at its worst. They were released for a time. But they went right back to their old scheme of trying to stir up a revolution in Russia. They were arrested again, tried, convicted, and executed. The other day this paper PM came out with a denunciation of that execution and wound up with this statement—

> The case is going to haunt Soviet-United States relations for a long time to come.

Patriotic Americans will not quarrel with Russia in this matter. When PM comes out and says that this thing is going to haunt Soviet-United States relations for a long time to come, it does not reflect the views of the American people whose sons are on the firing line in this war.

They sent this propaganda all over the country. Here is one they call The Ghetto. I do not think that was on Mr. CELLER'S list the other day. I know it was not. Let us see what it does. It calls this a crime. It has a great headline:

> We shall never forget this bloody crime.

What kind of a crime? We caught a lot of these saboteurs here in this country, tried them by court martial, convicted and executed them, just as we are going to do every other traitor we catch in this country. Then why brand Russia's action as a crime?

But let us see about the facts of this case. At the time when Stalin's army is holding the northern front, when our boys are dying in the deserts of northern Africa, I submit is no time to be attacking Russia. Let us see what The Ghetto says. It publishes Stalin's letter. I am going to read it to you.

The SPEAKER. The time of the gentleman from Mississippi has expired.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

Mr. CELLER. I object, Mr. Speaker.

Mr. RANKIN. I do not blame the gentleman from New York, but I will get some time and read it later.

The SPEAKER. The Chair will recognize the gentleman from Wisconsin [Mr. SAUTHOFF].

Mr. CELLER. Mr. Speaker, may I be heard—a member of the committee?

The SPEAKER. The Chair has already recognized the gentleman from Wisconsin [Mr. SAUTHOFF]. The Chair will recognize the gentleman from New York later.

Mr. SAUTHOFF. Mr. Speaker, man is a creature of moods. During normal times he is reasonable; during abnormal times he loses all sense of reason, rationalism, and restraint. These are not normal times and we should proceed with the greatest of care in enacting any legislation which may take from the people the safeguards in regard to civil liberty which have been built up by the Anglo-Saxon people for over 800 years.

I said the other day, when this subject first came up, that I recalled very vividly our experience during the First World War and that two Congressmen from my home State of Wisconsin were tried and one of them convicted on the ground of violating the espionage law. What was their offense? Their only offense was that they were opposed to the entrance of this country into the then World War. One of the Congressmen who represented my district for 22 years was indicted—and I want the lawyers to listen to this—indicted for conspiring to evade a statute which had not yet been passed. Can you imagine anything worse than such an abuse of power? But it is a common fact that during these times of stress and strain little souls puffed up with a brief bit of authority go out of their way to persecute their fellow citizens. There is an old saying that many men come to Washington, some grow with their job, while others just swell.

I have introduced an amendment to strike out subsection (b) on page 3. I want to call attention to this particular amendment and my reasons for offering it. To begin with, let us take the first three lines:

> Acquiring, compiling, obtaining access to, or transmitting any data calculated to inform the enemy with respect to the war effort of the United States.

Just think what a threat that is to every newspaper, every reporter, every war correspondent, every broadcaster, and every broadcasting station in the United States. The club of persecution can be held over every one of these I have enumerated and the threat of having their business ruined can place them so seriously in jeopardy that they can be silenced.

Mr. SHAFER. Mr. Speaker, will the gentleman yield?

Mr. SAUTHOFF. Pardon me; my time is so limited I cannot.

Mr. SHAFER. What about Members of Congress?

Mr. SAUTHOFF. Mr. Speaker, let me remind you that it was not so long ago that a newspaper correspondent obtained a scoop over a battle in the south Pacific. He sent that in to his paper. I think he was a representative of the Chicago Tribune, which paper was quite a bitter opponent of the present administration. An effort was made at that time to put that newspaperman on trial for something or other so as to reach his paper. Give such officials this statute and they can convict such a newspaperman and then they can convict the paper that printed the story, and then the Postmaster General can step in and deny the use of the mails. What a terrible weapon to exert over freedom of speech and over freedom of the press.

The SPEAKER. The time of the gentleman from Wisconsin has expired.

Mr. SAUTHOFF. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

Mr. SUMNERS of Texas. Mr. Speaker, I regret to object very much but we are trying to get a vote on this bill tonight. Could the gentleman get by with a couple of minutes? I am going to have to cut down on requests.

Mr. SAUTHOFF. Let me say in response to the gentleman that I have sat here day after day waiting for an opportunity to get the floor.

Mr. SUMNERS of Texas. The gentleman is speaking to his own amendment?

Mr. SAUTHOFF. I am speaking to my own amendment.

Mr. SUMNERS of Texas. I will not object in that case.

Mr. RANKIN. I hope the gentleman from Texas will not object. We let him get by without general debate but I will tell him now that the Members of this House are disturbed over this legislation in the light of what is going on as they have not been disturbed over a bill in many, many years. I hope the gentleman from Texas will not object.

Mr. SUMNERS of Texas. I have every disposition to permit as thorough debate as can be had on amendments that are proposed. The gentleman is discussing his own amendment and I will not object in view of this fact.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin that he may proceed for 5 additional minutes?

There was no objection.

Mr. SAUTHOFF. The defense has frequently been raised, and the justification made for this statute that intent must be present. We have tried to show again and again that this does not mean anything as a protection for the defendant, because Wharton on Criminal Law defined intent in this way:

> Where intent is material it need not be proved by positive or direct evidence but may be inferred from conduct of the parties or circumstances disclosed by the evidence.

Is there any doubt in any one's mind that a defendant will be helpless under such an instruction from the jury? In vain would the defendant testify that he meant no wrong. He would be charged by the prosecution that his act or acts constituted such an intent. The court would back up that statement with specific instructions. The defendant, no matter how innocent, would never have a chance.

There is your answer to the intent business.

One more thing. As soon as the Federal Government passes one of these persecution statutes, the States promptly take up the hue and cry and follow suit. That was the experience during the First World War. Read Chaffey on Freedom of Speech. Chaffey, as you know, was a professor of law in Harvard University. He collected the cases on this matter and this book is full of these cases and the precedents. He charged that Attorney General Palmer went out of his way to persecute those who disagreed with the administration. He charged that the Postmaster General denied the mails to newspapers and publications whose editorials criticized the administration.

What is to prevent the same thing being done now? Not a thing on earth. Let me point out there is nothing permanent in political affairs. We are here today and gone tomorrow. Someone else may be President in a year or two. The majority party will then be in the minority. Do you want your newspapers put out of business; do you want your people denied freedom of speech? Of course not. It is always the minority that must be protected and people, since the Magna Carta, have gone out of their way and risked their lives to protect those rights. Ever since the time of John Wilkes, during the reign of George III, we have had these fights and they have always resulted in bringing the great mass of people to a realization of what was being done, and an overturn in political life, because the people resent unjust and unfair persecution. Do not forget the election of 1920.

I want to call the attention of the gentleman from New York [Mr. CELLER] to the fact that in his State alone there were 35 illegal and unjust raids perpetrated during the First World War after the administration had taken its stand. The New York Legislature tried to outdo the Federal Government. Just listen to this. I am reading from page 334 of Chaffey on Freedom of Speech:

> Suddenly the newly elected Speaker, without any previous warning, summoned five Socialistic members before him and addressed them as follows: "You are seeking seats in this body. You have been elected on a platform that is absolutely inimical to the best interests of the State of New York and the United States."
>
> Then declared the Socialist Party was not a political party but a subversive and unpatriotic organization.

There was a Rand School that taught labor leaders and that school was raided, their safe blown open, all their records taken, their library seized, in an effort to intimidate and deny to these people an opportunity to express their beliefs. Who can say that the same thing will not happen a year or two years from now? And, do not forget, you pass this statute and you hand a weapon to unscrupulous and overzealous men with which they can intimidate and persecute anybody whom they do not like.

Jesus of Nazareth could not stand on the street corner of Washington and plead His philosophy of the brotherhood of man without being convicted and put to death under this statute.

The SPEAKER. The time of the gentleman has expired.

Does the gentleman from Wisconsin desire to have his amendment read?

Mr. SAUTHOFF. I beg your pardon?

The SPEAKER. The amendment that the gentleman has been talking about has not been offered. Does the gentleman desire to offer it now?

Mr. SAUTHOFF. Yes. May I ask that it be read?

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

> Amendment offered by Mr. SAUTHOFF: Page 3, line 3, strike out all of subsection.

Mr. SUMNERS of Texas. Mr. Speaker, I rise in opposition to the amendment offered by the gentleman from Wisconsin [Mr. SAUTHOFF].

Mr. Speaker, I want to, the committee wants to, and the whole House would like to dispose of this bill today, and if I begin to try to expedite consideration, I hope you will give due thought to the fact that I am not trying to cut off debate but am only trying to effectuate the general purpose to finish this bill today. With regard to the amendment that has just been offered, and the general criticism of this bill, I believe the statement may be made that if this bill ought to be defeated for the reasons that have been offered for its defeat, then practically every criminal statute on the statute books ought to be repealed. I know of no way that you could write a law—and I will be very candid with the House—that would prevent the possibility of abuses in its enforcement.

Let us see about this amendment. This subsection (b), as it has been amended, reads:

> Whoever shall * * * acquire, compile, obtain access to, or transmit any data calculated to inform and for the purpose of informing the enemy * * * and with intent to aid the enemy * * * shall be subject to the punishment prescribed.

Now, I submit to you as man to man, do you want to excuse anybody from prosecution and punishment who would acquire, compile, and obtain access to information which might have to do with the safety of a great convoy bearing the boys of our country to Europe, or maybe the plan of a major battle? Are you in favor of excusing anybody who would do that for the purpose of informing an enemy, with intent to aid an enemy against which the country is fighting?

Now, we are going to try to get a showdown on this bill today. I want the House to have an opportunity to defeat it if you want to defeat it. It is up to you, but insofar as sending this bill back to the committee is concerned may I say to the House very candidly that the committee has reconsidered this bill with these amendments which we are glad to agree to. We will agree to other amendments that will not destroy the effectiveness of the bill. We are anxious to remove the apprehension of Members of the House, but we are not willing to have the bill emasculated by amendments, and it is my judgment that if the bill were recommitted the committee would not be able to report a bill substantially different from the bill as we have agreed to have it amended.

Mr. RANKIN. Will the gentleman yield?

Mr. SUMNERS of Texas. In just a minute. We owe a duty to you Members and to this country. We think we owe a duty to provide for the trial of persons by a method other than that offered by a commission such as tried the persons a few months ago, which proceeding has been mentioned in this debate.

Mr. RANKIN. Let me say to the gentleman from Texas that what I am trying to do is to amend the bill for the purpose of taking out all its vicious provisions. I would much prefer to have had the committee write a short bill to correct the deficiencies in the present law.

Mr. SUMNERS of Texas. I regret I cannot yield further.

The gentleman from Mississippi came in with two amendments which I did not believe necessary. He thought they were. We did not consider them hurtful and we agreed to them. We have tried to agree to other amendments. We have tried to be helpful to those who are apprehensive about this bill. But, Mr. Speaker, the Committee on the Judiciary cannot bring in here a bill at a

time like this that will permit men to escape the penalty of the law who try to do the things prohibited in this bill. If you want to beat this bill, beat it, but we are not going to bring in that sort of a bill.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from Michigan.

Mr. DONDERO. Has the committee considered any possibility of limiting this act to the duration of the war?

Mr. SUMNERS of Texas. Yes.

Mr. MICHENER. That is all there is to it. It operates only in time of war, right here.

Mr. DONDERO. I cannot find any limitation on it.

Mr. MICHENER. Start with the first section.

Mr. HOFFMAN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman cannot take the gentleman from Texas off his feet by a parliamentary inquiry.

Mr. HOFFMAN. A point of order then, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. HOFFMAN. Members were speaking who had not been recognized by the Speaker.

The SPEAKER. The gentleman from Texas will proceed.

Mr. SUMNERS of Texas. I want to make this further statement, and I hope the House will listen to me. We want to close this thing up. We are willing to write into this bill that it may be terminated by adoption of a concurrent resolution by the two Houses. We are willing to put that in. Then the gentleman from New York [Mr. FISH] has an amendment here that I do not think is necessary, but we agree to that. In other words, we want to go just as far as we can short of impairing the strength and enforceability of the act to remove apprehensions which may be felt.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. CELLER. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, it must be known that this bill is a war measure, only operative for the duration of the war.

A few days ago I brought into the Chamber a vast number of publications and newspapers indicating the poisonous, seditious, treasonable, Nazi, Nipponese, and Fascist propaganda that is being poured into this country with the connivance of citizens and aliens resident here. I did not wish to stir up any religious animosity. I did not do so. There was nothing religious, there was nothing racial about the exhibit I brought into the Well of the House. How the gentleman from Mississippi can misconstrue my efforts and my intentions and purposes is beyond comprehension. He deliberately seeks to promote religious strife. He glories in such strife. It tickles his vanity to create racial animosities.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. CELLER. No; I refuse to yield.

Why did the gentleman append to my name the word "Jewish"? He singles me out in a way that shows his distorted point of view, his intolerance, his malice. When he adds a religious term to a Member, he shows his contempt for the spirit and traditions of America. He brands himself as un-American. I am proud to be of the race of Abraham, Isaac, and Jacob. Since when is it wrong or a crime to be born of the faith in which Jesus Christ and His Apostles were born? Can that be a crime? Is there anything reprehensible about it? The gentleman from Mississippi would have it so.

The gentleman from Mississippi himself spoke of the Ten Commandments given by Moses on Sinai. He spoke of that yesterday. I am sure that if Moses himself would come into this Chamber he would meet the contemptible epithets the gentleman directs toward me and my kind. Why? Because Moses was of my faith.

The great Prophet Micah said many years ago that we should do justice, we should be merciful, we should walk humbly before our God. Even if Micah came into this Chamber the gentleman would cast at him mud and insults, only because he was a Jew.

I have always tried to be humble. I have always tried to do justice. I implore the gentleman from Mississippi to do likewise. I assure him that if he were humble, if he were just and fair and equitable, he would not bring forth those snide and mean remarks. His attitude would be different. I warn him that in the future he weigh his words more carefully.

This bill should not be used as a vehicle to stir up racial and religious animosities. There is nothing racial or religious about this bill. Be advised of the danger that lurks in our midst. For that reason we bring forth this bill.

Last night Rear Admiral Harold C. Train, Chief of Naval Intelligence, revealed that the Germans and Japanese have established a network of spies around vital war centers here, and that while a large number have been captured, many are still operating. He said:

> A network of spies has been spread around industrial centers, in the vicinity of our busy ports, in the Middle West, the East, and the West.

The pending bill seeks to meet the activities of these spies, seeks to anticipate, contrary to the short-sightedness of the gentleman from Mississippi, and prevent the carrying out of the nefarious designs of these Nazi and Axis conspirators.

This bill is preventive in its character. Shall we wait until, for example, the Tennessee Valley Authority, in the district of the gentleman from Mississippi, shall have been destroyed before we take action? Yet we know that nests of spies and saboteurs could be possessed of millions of dollars, could have blueprints of the vital sections of the T. V. A. dams, and could have tons of dynamite and TNT, and we could have absolute proof of what their intentions were, but under the present statutes we could not do a blessed thing about it unless and until they committed an overt act. Shall we wait until the T. V. A. dam is blown up and destroyed before we take action, or shall we pass this bill and nip in the bud the efforts of these arch-conspirators before they can have opportunity to carry out their miserable designs?

A man could have built a huge short-wave transmitter for transmitting information to the enemy about our troop movements, convoys, or about our transport movements. Although we might know what the purpose was of building the transmitter, although the man might have millions of dollars, although he might have compiled all manner and kinds of data, although he might have been armed with all manner and kinds of blueprints, we could not do anything to stop him until he committed an overt act, until the information was sent forth with resulting sinking of convoys or ships by Nazi subs. This bill will prevent that—will enable us to apprehend the culprit or culprits before they do damage.

As to his base remarks, the gentleman from Mississippi only bespatters himself. His cruel and menacing observations are all the more tragic in the light of what is happening to Jews in Axis-controlled countries, where they are being daily massacred, murdered, decimated, exterminated by starvation, lethal gases, suffocation, high-voltage electrocutions, and machine guns by the tens of thousands. Two million have already perished, 4,000,000 more await death or a slavery worse than death.

Never have I heard a word of pity or lament or protest from the gentleman from Mississippi. It is not in him to do so.

As to his derelictions, I repeat the words out of St. Luke:

> Father, forgive them, for they know not what they do.

And I also remind the gentleman: "The Jew has stood at the graveside of all his persecutors" and tormentors and baiters.

Mr. SUMNERS of Texas. Mr. Speaker, I ask the privilege of sending up an amendment to be read for information of the House. I believe it will be helpful to the House in the consideration of this question, and with the consent of the gentleman from New York [Mr. FISH] I would like to have that done.

The SPEAKER. Without objection, the amendment will be read for the information of the House.

There was no objection, and the Clerk read as follows:

> Amendment offered by Mr. SUMNERS of Texas: On page 7, after line 6, insert the following:
>
> "SEC. 208. This act shall remain in force during the continuance of the present war and for 6 months after the termination of the war, or until such earlier date as the Congress by concurrent resolution or the President may designate."
>
> And in line 7, strike out the figures "208" and insert "209."

Mr. SUMNERS of Texas. Mr. Speaker, I suggest that the gentleman from New York send up his amendment.

Mr. FISH. I have been trying to get recognition.

The SPEAKER. The Chair cannot recognize the gentleman to offer an amendment while another one is pending.

Mr. RUSSELL. Mr. Speaker, I rise in opposition to the amendment.

Mr. MICHENER. Mr. Speaker, will the gentleman yield for a parliamentary inquiry?

Mr. RUSSELL. I yield.

Mr. MICHENER. The gentleman from New York [Mr. FISH] has an amendment, and there has been some discussion about it. It does not come until a later place in the bill, but I ask unanimous consent that the amendment may be read for the information of the House.

The SPEAKER. Without objection, the Clerk will read the amendment for the information of the House.

There was no objection, and the Clerk read as follows:

Amendment offered by Mr. FISH: Insert after section 207 the following:

"SEC. 208. Nothing in this act or any rule or regulation made pursuant thereto shall be construed to prevent any citizen or citizens or any newspaper or other publications at any time from freely discussing or openly criticizing the domestic or foreign policies of the administration, or the Federal Government, or of any public official, or from discussing or criticizing any existing or proposed law, regulation, directive, or Executive order, where such discussion or criticism is not made with intent to aid a country with which the United States is at war."

Section 208 in the present bill shall be section 209.

The SPEAKER. The Chair recognizes the gentleman from Texas [Mr. RUSSELL] for 5 minutes.

Mr. RUSSELL. Mr. Speaker, if I thought for a moment that this bill would have the effect that some of the Members of this body seem to think it would, I would be one of the first to condemn it, but I know that it will not, and I know a large part of the fears expressed are ill-founded. I say to the gentleman from Mississippi [Mr. RANKIN] upon the point he made on the floor of the House a short time ago in discussing the two traitors to Russia, he at least by innuendo from his talk led me to believe that he thought that Russia was right; and I say to the gentleman from Mississippi that this bill is for the purpose of enacting a law whereby such traitors can be handled in our country and that without this bill they cannot be properly handled.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. RUSSELL. Yes, I yield to the gentleman from Mississippi.

Mr. RANKIN. I want to make my position on Russia's action perfectly clear, and I am going to read Mr. Molotov's letter later—my position is that if those men were doing what Russia says they were doing, trying to stir up a revolution in Russia at this critical hour of the war, then Russia did right to execute them.

Mr. RUSSELL. And that is all this bill seeks to do. It is a protective law for the American people, whereby we could handle such cases if they occur. That is what we are trying to do—pass a law so that if people are guilty of the offense that these two men were executed for in Russia, we will have a law with which to punish them. A great cry has been made for the freedom of the press. It has been thrown into this debate, and no one appreciates the freedom of the press, or the freedom of speech, or the freedom of religion any more than I do. But this will not have anything to do with putting a damper on freedom of the press, freedom of speech, or freedom of religion, unless it is the freedom given to traitors who are injurious to our country, and aid the enemy. Archbishop Francis Spellman, in his book that was laid on your desks a few days ago—and I hope that everyone read it—said:

A right to freedom of religion or freedom of speech was only granted for the individual to speak or do that which was right.

And when he goes beyond those bounds, when individual liberty brings about personal injury, then it is time under our system of government, that such liberty as that should be controlled.

In this section, which the gentleman from Wisconsin [Mr. SAUTHOFF] seeks to strike out, and which would destroy the object of the bill, there is an affirmative defense with intent to aid the enemy. Of course, we all know that to prove intent, it may be inferred by acts committed or words spoken, but in this case it is an affirmative defense to the defendant, and, as I said the other day, it must be charged as an affirmative defense by the trial court trying the case. It would be a reversible error for him not to do it.

Mr. SAUTHOFF. Mr. Speaker, will the gentleman yield?

Mr. RUSSELL. Yes.

Mr. SAUTHOFF. I want to make this point. In the trial of Peter Sanger, on the freedom of the press, the defense was put out that truth was a proper defense to libel. This section takes that defense away.

Mr. RUSSELL. I do not think so; I think the gentleman is in error about that. I cannot see where it does, and I have been a long time studying law and jurisprudence, and I say that I do not believe it will. If a man willfully commits one of these crimes and does it with intent to aid the enemy, then who is it that would say during wartime that such should not be punished as an offense against our country?

Mr. Speaker, this act, known as the War Emergency Act, is introduced for the purpose, and, if passed by this House, will be for the sole purpose, of protecting our country and its citizens from the acts of enemies within its borders, and the act only makes such persons guilty of a violation of the same who are literally guilty of treason, or who are attempting to commit the offense of treason. The fears of the opposition are not based on substantial grounds, but each and every speaker who has spoken anytihng against the provisions of this measure has done so by reason of some isolated act, or at least an isolated abuse of some substantive law, and the attack made on this measure could be made on any law that is on the statute books of our country. It is an attack on the honesty of the whole judicial system, including the members of the judiciary and the attorneys representing the Government, and on the Anglo-Saxon jury system, which has been near and dear so every English-speaking person throughout the world.

If a person enjoys the liberties guaranteed to him under our system of Government, where he has been permitted to live a more free life than he would under any government in the world, and has been permitted under our free system to accumulate more wealth and receive more compensation for his labors than any other country in the world could guarantee to him; if he is so little as to be guilty of treasonable acts against such a country and such a government in time of war and distress as we are going through now, I do not feel that he needs any protection, but rather he should have the terms of this measure applied to him in its strictest sense.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. RUSSELL. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. SUMNERS of Texas. Mr. Speaker, I would like to see if we cannot agree on time for debate on this amendment. I ask unanimous consent that all debate on this amendment close in 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER. The Chair recognizes the gentleman from Georgia [Mr. COX].

Mr. COX. Mr. Speaker, if I have ever been absolutely certain about any one thing in my life it is that racial discussion in this body should not take place; certainly such as we have had should be terminated at this point. That we have racial troubles ahead of us I think it just as certain as that the sun shines upon this Capitol today, but for God's sake let us stave off that day until at least after the war is ended.

This debate is building up opposition to the pending bill, which in my opinion is not justified by the record. I want to address myself particularly to the membership in this body who think as I do and say to you that the fears and apprehensions about the bill, which have thus far been advanced in the debate, are not in my opinion well founded. The debate demonstrates two things. One is that we have not yet fully realized that we are in a life and death struggle and that national self-preservation demands that we take every reasonable step to defend ourselves against the enemy within, as well as the enemy without.

The other thing that the debate has demonstrated to my mind is that there is

public lack of confidence in the Department of Justice. Let me put it this way, in the purpose for which this law is wanted.

Mr. RANKIN. Will the gentleman yield?

Mr. COX. My time is very limited.

Mr. RANKIN. Had not the gentleman better say certain individuals in the Department of Justice and not the Department of Justice itself?

Mr. COX. Let me say this: I think if the membership of this body had an opportunity to hear the representative of the Department of Justice in his appearance on the Hill before committees, or if they had the time and opportunity to examine the report of the committee, and particularly the letter of the Attorney General, such fears as they might have entertained would be completely and absolutely dissipated.

I stated on the floor a few days ago that I hold no brief for the Attorney General, and I do not. But to entertain the idea that this law, with his consent, could be used to suppress free speech, free press, and free religion throughout this country is unthinkable. If you know anything of the attitude of the Attorney General, you know that free speech has not a better friend in the whole of America, and if you want verification of that statement, then read his public utterances since he was a boy.

As has been stated to you time and again, this is a war measure. It is proposed that the law shall end with the expiration of the war. It is strictly a war measure. We cannot afford to take the position that we will not do that which the main law agents of the Government say is necessary to afford us needed protection. As has been stated, there is power in the Government to do by military courts what you might do by the civil authorities under this bill. They simply believe that the handling of the cases which have been discussed in the debate, in the civil courts, is the more orderly and the fairer procedure than the Government is compelled to take under existing conditions.

Let me counsel with you seriously, my colleagues. Let us not initiate any sort of filibuster. If a filibuster is initiated, let us not encourage it. Let us express our will upon the legislation in such manner as satisfies our own sense of responsibility to the country that we love and that we want to preserve.

The SPEAKER. The time of the gentleman from Georgia has expired.

Mr. HOFFMAN. Mr. Speaker, I rise in support of the amendment offered by the gentleman from Wisconsin and I ask unanimous consent to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HOFFMAN. Mr. Speaker, the gentleman from Georgia [Mr. Cox] is a wise counselor. Ordinarily I would go along with him. Fortunately he is like the rest of us. Sometimes he is not quite right in his conclusions. As an illustration of that, let me call to your attention a remark he made the other day during the debate on the tax bill. After saying that he was not indulging in personalities—and he was not—he in substance made the statement that the Carlson amendment or Ruml plan was a steal. Now, think of that.

Mr. COX. Will the gentleman yield in the interest of accuracy?

Mr. HOFFMAN. Yes; I yield.

Mr. COX. I said the adoption of the Ruml plan was accepted by the public as the most gigantic steal in all history.

Mr. HOFFMAN. All right. But what the gentleman actually said was this—RECORD, 2619:

> There is nothing personal in what is said in this debate. No one means to give offense to any other. With that understanding I want to say that the adoption of the Ruml tax plan, in my opinion, would constitute the most gigantic steal in all our history. It violates every concept of equity, justice, duty, decency, and right. It proposes that the Members of this Congress double-cross and betray our sons, our brothers, and the sons and brothers of those we represent, who are now fighting, bleeding, and dying on every battlefield of the world in order that our country may survive. It is an invitation to convict ourselves of being an aggregation of either scoundrels or fools.

Those who voted for that plan, in other words, voted for a steal, and the man who favors stealing is a thief. Now the gentleman did not mean that we are all thieves, nor did he mean the harsh words he uttered. He had no such idea at all. He was just a little extravagant in his expression, that is all.

Yet, someone reading those words in the years to come and unaware of the circumstances under which they were uttered might conclude that the gentleman from Georgia intended—really intended—to charge all of us who voted for the Carlson amendment, embodying the principles of the Ruml plan, with being a scoundrel or a fool. Members of this House know that he had no such intent. He was just talking.

Yet, 5 or 10 years from today, if the gentleman was accused before a jury of charging that the Members of this House were either scoundrels or fools and his words were read to the jury, would he have much success in showing to that jury that he did not mean what he said, that he did not intend to so charge?

Do you see the danger in leaving the question of intent to be judged at a subsequent time by those unfamiliar with the circumstances?

Mr. Speaker, this bill, H. R. 2087, is unnecessary. It also opens the door to persecution, to a denial of constitutional rights.

On March 23 last, the gentleman from Wisconsin [Mr. SAUTHOFF] gave the House two concrete examples of how, during the last war, innocent men—one a Member of Congress—were persecuted, convicted, their reputations ruined by the use of just such a law as this. Both of these men so convicted were later exonerated, but that was small satisfaction for the irreparable injury done them.

Today, here in Washington we have before us the spectacle of some 28 individuals indicted almost a year ago for sedition, and yet not brought to trial. Twice for the same offense were these 28 individuals indicted through the activities of a special prosecuting attorney, whose conduct in another case was, by our Supreme Court, on March 1, described as highly prejudicial and offensive to the dignity and good order with which all proceedings in court should be conducted.

Each of those indictments contained two counts. Already the first count in each has, by the local court, been stricken. And we now learn from the press that a third indictment, covering the same set of facts, is to be returned.

The prosecuting officer, William Power Maloney, who procured those two indictments, has been rewarded by the Attorney General with promotion to the position of chief of the trial division. Whether that promotion was a reward for his unprofessional conduct while directing the actions of the grand jury or for the conduct in the trial of another case, scathingly condemned by the Supreme Court, is still a mystery. That promotion demonstrates, however, that no reliance whatever should be placed upon the promise to be good now made by the Department of Justice with reference to the administration of this bill.

Congress has a responsibility—to protect our citizens from persecution. On March 1, the Supreme Court said:

> At a time when passion and prejudice are heightened by emotions stirred by our participation in a great war, we do not doubt that these remarks addressed to the jury were highly prejudicial, and that they were offensive to the dignity and good order with which all proceedings in court should be conducted.

Referring to passion and prejudice in wartime is an admonition to the Congress, as well as to every prosecuting officer of this Republic, that in time of war we should be extremely careful and guard the rights of our citizens.

This bill is unnecessary for the reason that section 1 and subsequent sections of title 18 of the Criminal Code provide that the death penalty be inflicted upon all those who are guilty of treason.

Section 1 expressly provides that all those who would adhere to the enemies of this country, who give them aid and comfort, are guilty of treason. That broad, general definition covers every act set forth in this bill, for every single provision of this bill, as I read it, requires that, before conviction, it must be shown that the persons charged performed the act "with intent to aid the enemy." One who does an act with intent to aid the enemy certainly either adheres to the enemy or gives aid and comfort to him, and hence, if a citizen, is guilty of treason.

The gentleman from Michigan [Mr. MICHENER] had not a little to say about surplusage when the gentleman from Mississippi [Mr. RANKIN] offered an amendment to add the word "willfully" to the bill.

Why adopt another law containing 6 pages of words when we have title 18 of the United States Code in force? Giving aid and comfort to the enemy is

treason. That is a broad, general provision which undoubtedly covers every act of disloyalty which aids the enemy.

There are, in addition, sections of that chapter which punish: Section 3, misprision of treason; section 4, inciting rebellion or insurrection; section 5, criminal correspondence with foreign governments; section 6, seditious conspiracy; section 7, recruiting for service against the United States; section 9, subversive activities; undermining loyalty, discipline, or morale of armed forces; section 10, advocating the overthrow of the Government by force; section 11, attempting or conspiring to commit prohibited acts.

In addition to the act defining and punishing treason and the other acts which fall within the sections just referred to, we have chapter 4 of title 50 of the United States Code, entitled "Espionage."

That chapter, among other things, provides—section 31—that one who, "for the purpose of obtaining information respecting the national defense with intent or reason to believe that the information to be obtained is to be used to the injury of the United States," is guilty of a crime.

Another section, section 32, makes it unlawful to disclose information affecting the national defense.

Another section, section 33, punishes seditious or disloyal acts or words in time of war.

Section 34 makes it a criminal act for two or more persons to conspire to violate sections 32 or 33.

Still another section, section 35, provides a penalty for harboring or concealing violators of laws.

Those sections, 31, 32, 33, 34, and 35, of chapter 4 of title 50 of the code, read as follows:

SEC. 31. Whoever, for the purpose of obtaining information respecting the national defense with intent or reason to believe that the information to be obtained is to be used to the injury of the United States, or to the advantage of any foreign nation, goes upon, enters, flies over, or otherwise obtains information concerning any vessel, aircraft, work of defense, navy yard, naval station, submarine base, coaling station, fort, battery, torpedo station, dockyard, canal, railroad, arsenal, camp, factory, mine, telegraph, telephone, wireless, or signal station, building, office, or other place connected with the national defense, owned or constructed, or in progress of construction by the United States or under the control of the United States, or of any of its officers or agents, or within the exclusive jurisdiction of the United States, or any place in which any vessel, aircraft, arms, munitions, or other materials or instruments for use in time of war are being made, prepared, repaired, or stored, under any contract, or agreement with the United States, or with any person on behalf of the United States, or otherwise on behalf of the United States, or any prohibited place within the meaning of section 6 of this title; or (b) whoever for the purpose aforesaid, and with like intent or reason to believe, copies, takes, makes, or obtains, or attempts, or induces or aids another to copy, take, make, or obtain, any sketch, photograph, photographic negative, blueprint, plan, map, model, instrument, appliance, document, writing, or note of anything connected with the national defense; or (c) whoever, for the purpose aforesaid, receives or obtains or agrees or attempts or induces or aids another to receive or obtain from any person, or from any source whatever, any document, writing, code book, signal book, sketch, photograph, photographic negative, blueprint, plan, map, model, instrument, appliance, or note, of anything connected with the national defense, knowing or having reason to believe, at the time he receives or obtains, or agrees or attempts or induces or aids another to receive or obtain it, that it has been or will be obtained, taken, made, or disposed of by any person contrary to the provisions of this title; or (d) whoever, lawfully or unlawfully having possession of, access to, control over, or being intrusted with any document, writing, code book, signal book, sketch, photograph, photographic negative, blueprint, plan, map, model, instrument, appliance, or note relating to the national defense, willfully communicates or transmits or attempts to communicate or transmit the same to any person not entitled to receive it, or willfully retains the same and fails to deliver it on demand to the officer or employee of the United States entitled to receive it; or (e) whoever, being intrusted with or having lawful possession or control of any document, writing, code book, signal book, sketch, photograph, photographic negative, blueprint, plan, map, model, note, or information, relating to the national defense, through gross negligence permits the same to be removed from its proper place of custody or delivered to anyone in violation of his trust, or to be lost, stolen, abstracted, or destroyed, shall be punished by a fine of not more than $10,000 or by imprisonment for not more than 2 years, or both.

SEC. 32. Whoever, with intent or reason to believe that it is to be used to the injury of the United States or to the advantage of a foreign nation, communicates, delivers, or transmits, or attempts to, or aids or induces another to, communicate, deliver, or transmit, to any foreign government, or to any faction or party or military or naval force within a foreign country, whether recognized or unrecognized by the United States, or to any representative, officer, agent, employee, subject, or citizen thereof, either directly or indirectly, any document, writing, code book, signal book, sketch, photograph, photographic negative, blueprint, plan, map, model, note, instrument, appliance, or information relating to the national defense, shall be punished by imprisonment for not more than 20 years: *Provided*, That whoever shall violate the provisions of subsection (a) of this section in time of war shall be punished by death or by imprisonment for not more than 30 years; and (b) whoever, in time of war, with intent that the same shall be communicated to the enemy, shall collect, record, publish, or communicate, or attempt to elicit any information with respect to the movement, numbers, description, condition, or disposition of any of the armed forces, ships, aircraft, or war materials of the United States, or with respect to the plans or conduct, or supposed plans or conduct of any naval or military operations, or with respect to any works or measures undertaken for or connected with, or intended for the fortification or defense of any place, or any other information relating to the public defense, which might be useful to the enemy, shall be punished by death or by imprisonment for not more than 30 years.

SEC. 33. Whoever, when the United States is at war, shall willfully make or convey false reports or false statements with intent to interfere with the operation or success of the military or naval forces of the United States or to promote the success of its enemies and whoever, when the United States is at war, shall willfully cause or attempt to cause insubordination, disloyalty, mutiny, or refusal of duty, in the military or naval forces of the United States, or shall willfully obstruct the recruiting or enlistment service of the United States, to the injury of the service or of the United States, shall be punished by a fine of not more than $10,000 or imprisonment for not more than 20 years, or both.

SEC. 34. If two or more persons conspire to violate the provisions of sections 2 or 3 of this title, and one or more of such persons does any act to effect the object of the conspiracy, each of the parties to such conspiracy shall be punished as in said sections provided in the case of the doing of the act the accomplishment of which is the object of such conspiracy. Except as above provided, conspiracies to commit offenses under this title shall be punished as provided by section 37 of the act to codify, revise, and amend the penal laws of the United States, approved March 4, 1909.

SEC. 35. Whoever harbors or conceals any person who he knows, or has reasonable grounds to believe or suspect, has committed, or is about to commit, an offense under this title shall be punished by a fine of not more than $10,000 or by imprisonment for not more than 2 years, or both.

Mr. Speaker, in answer to the argument that this bill would afford an opportunity to overzealous prosecuting officials to persecute political opponents, the chairman of the Committee on the Judiciary, the gentleman from Texas [Mr. SUMNERS], replied that that charge might be made against every law punishing a crime.

The gentleman's statement is correct, and for that very reason every law punishing criminal acts should be hedged about with words and provisions which guarantee a fair trial, the equal protection of the laws to all and which will make effective the old maxim that it is better that 99 guilty men should escape than that 1 innocent man should be punished.

In time of war it is comparatively easy to convince large numbers of our people that a citizen or a group of citizens is disloyal. It is all too easy to hurl unfounded charges at the innocent.

An illustration of that was given in the debate just concluded on the tax bill. During the course of that debate a letter was read into the RECORD which, in effect, charged that everyone who supported the Ruml plan was guilty of disloyalty, was unpatriotic, was betraying our fighting men. A distinguished Member of this House, in the heat of debate, was so carried away by his enthusiasm that, on the floor, he said that he endorsed every word in that letter.

During the course of that same debate some opposing the Ruml plan, overlooking the fact that they themselves advocated a measure of so-called forgiveness, characterized as immoral, unholy, and reprehensible the provisions of the Carlson amendment.

Not one of the gentlemen hurling charges of that kind from the well of the House would, thinking the situation over, even hint that such was the truth of the charges. That debate but proves the truth of the charge that danger lies in an act as broad and general as this one now before us.

Events of the past few years have convinced, or should have convinced, an

overwhelming majority of our people, of this Congress, of the danger that lies in the granting of blank checks. This bill is a blank check grant of power to officials who have been criticized for unfairness by the Federal courts. Every man with a bank account would regard it as the height of folly to sign checks, blank as to payee and amount.

Yet recent Congresses covered the land with blank checks for billions of dollars, some issued to the President, others payable on the order of subordinates in this Government. This Congress knows that billions of dollars have been wasted.

Oh, it is said that no man can be convicted under this bill until it has been shown that he acted with intent to aid the enemy. That is true. But how is intent shown?

Only in a few instances can the intent be gathered from the statement of a defendant. In the overwhelming majority of cases a judge, charging the jury, instructs them that intent may be inferred from the acts shown.

It follows, then, that in every case where intent is an essential element of the offense charged the conviction or the acquittal of the defendant rests upon the standard used by the jury. A man uttering certain words or doing certain acts, charged with disloyalty, would have his intent determined, in the one instance, if the case were tried here before a jury of officeholders, by Federal or District pay-rollers, and, by their standard, he would be adjudged guilty. Tried in another jurisdiction, a rock-ribbed Republican State, judged by a jury with a different standard, the same acts, the same words, would result in a verdict of acquittal.

The provision in this bill which it is asserted will protect the innocent citizen is the provision requiring that it must be shown that the alleged criminal offense was committed with intent to aid an enemy. That provision is wholly inadequate for the reason that intent, being a state of mind, must be inferred from either the spoken word or some act, and the judge of whether or not a defendant had such an intent is the jury.

Ordinarily a jury is a safeguard, but where the offense is political, or perhaps more accurately speaking, depends upon the political viewpoint of the defendant, which may be different than that of the jury, and, as the majority of the cases will be tried while the country is at war and feeling runs high, the danger of the miscarriage of justice is far greater than in ordinary times or when any other crime is alleged to have been committed.

A jury at a subsequent date, with its own political theories and views influencing it, decides upon what the defendant's state of mind was on some prior occasion when surrounded by altogether different circumstances.

The tendency to place a wrong construction upon an act, to find an intent where there was none, has been illustrated recently by two actions.

Congress passed a so-called anti-inflation act, giving to the President certain powers to stabilize wages and salaries. Under that act the President, presumably acting in good faith and with the best of intentions, placed a limit upon salaries, even though the Congress had understood that no such authority was given in the act.

In a few short months after the President had exercised that power, relying upon what he thought was the intent of Congress, the Congress, by a vote of more than two-thirds of its membership, advised the President and the country that he was completely mistaken as to its state of mind, as to its intention when the act was passed.

A few months earlier the United States Supreme Court held that when this Congress in 1934 passed an antiracketeering statute, it intended to exempt from the operation of that statute racketeering by members of unions; that it intended to legislate only against racketeering of the Dillinger type.

Few, if any, will contend that that conclusion of the Supreme Court as to the intent of Congress was an accurate one. The people do not believe that Congress set the stamp of its approval upon racketeering by any group or any individual. Nevertheless, the decision was made. Congress has an opportunity to set the Supreme Court right and doubtless will by the passage of the Hobbs or some other bill.

In the one instance, that of a misinterpretation of the congressional intent by the President, the error was rectified. In the other case, it can be. But, should a jury make an erroneous decision as to the intent of a defendant and the defendant be executed, as he may be under this bill, there is no way of bringing back life, of correcting the error.

This bill is a blank check grant of power, not only to the fair, the honest, the capable prosecuting officials of the Federal Government, but it is likewise a blank check grant of power to the William Power Maloneys, to the overzealous persecutors holding office as prosecuting officials.

The citizen needs no protection in ordinary times against the first group of prosecuting officials. Against the latter, especially in time of war, every possible safeguard should be thrown around him.

For that reason, this bill should be recommitted to the Committee on the Judiciary.

If we need additional legislation, as that committee seems to think, in the judgment of some of us that legislation can be obtained by slight amendments to our present laws.

If the penalty of 20 years' imprisonment and a fine of $10,000 carried in the present law against sedition is not sufficient, then let that law be amended and let the punishment of death be added.

Under section 103 of this bill, a worker in a factory, who made or repaired in a defective manner any product of that factory, might be put to death, if a jury found that his intent was to aid a country with which the United States was at war.

To state the situation accurately, he might be put to death, not because of some intent that he had, but because a jury sitting at a subsequent date, under different circumstances, perhaps forgetting the circumstances which surrounded the worker at the time of the alleged offense, concluded he had an unlawful intent. They would view the facts surrounding his act—not as those facts appeared to him at the time, but as they, the jury, thought they should have appeared.

If it is said that the worker, because he did turn out a defective product or make a defective repair, must have intended to aid the enemy, there are several answers. He may have had any one of many motives other than the intent to aid the enemy. He may have been careless, but, at the same time, intended to do the very thing which he did do. It may truthfully be said that, because of his carelessness, he intended to turn out a defective part, but it cannot be truthfully said that, because he acted deliberately, he intended to aid the enemy.

He may have deliberately caused a defect in the part because he was angry at his foreman or someone connected with his employer. He may have thought that, by defective work, he could increase his own hours of employment.

He may have intentionally followed some idea of his own which he thought would result in improvement, but which, as a matter of fact, resulted in an inferior product. How many times in the history of any manufacturing business, of the automobile business, for example, have engineers, skilled workers, with the best of intent, acting deliberately, knowing just what they were doing, turned out products which proved to be defective?

The same would follow under subsection (d) of section 103, if a worker in the factory sat down on his job or went on strike, if a jury, viewing the circumstances as they appeared to them—not as they appeared to the worker—found as a matter of fact that, when he sat down or went on strike, he intended to aid a country with which the United States was at war.

No one is more bitterly opposed to work stoppages or to strikes than am I, but in correcting an evil, we should be certain that the innocent are not dealt with unjustly.

Assume that one who called a strike in a defense industry, which resulted in slowing up the production of arms for our fighting men, was, shortly after a disastrous battle, tried somewhere in a farming district where the farmers of that community had lost sons or brothers. Is it not probable that passion and prejudice would secure a conviction, because the jury believed that the striker's intent, judged from his acts, was to aid the enemy? Certainly, as a matter of fact, the strike did aid the enemy and the belief on the part of the striker that he was acting only to secure an increase in wages might quickly be disregarded by a jury, members of which had lost relatives because of a lack of munitions.

Under this bill and the policy of the present administration, those charged with an offense would be tried here in Washington before a jury of pay-rollers, before a jury of administration supporters. Such a trial would not be that fair and impartial trial guaranteed by the Constitution to every man accused of an offense.

To remedy that evil I shall offer an amendment requesting the trials of all accused under this act to be held in the district where they may have been at the time the offense was committed.

Section 102 of this bill should be amended, by striking out, after the word "soon," in line 14, page 2, the words, "as is reasonably possible to the Federal Bureau of Investigation of the United States Department of Justice," and also all of lines 18, 19, 20, and 21, and inserting in lieu thereof the words "as may be, disclose and make known such information to the President or to some judge of the United States, or to the Governor, or to some judge or justice or sheriff of a particular State."

The foregoing words are taken from section 3 of chapter 1 of title 18 of the code, which defines treason and misprision of treason.

Those words have been on the statute books, have been the law of the land, ever since 1790. They were placed there—they have been kept there—to protect individuals charged with misprision of treason.

This law will be misused, not only now but in the days to come, to persecute the political opponents of those in power. The bill should be recommitted with proper safeguards to protect all citizens.

The SPEAKER. The time of the gentleman from Michigan has expired.

Mr. RANKIN. Mr. Speaker, I move to strike out the last words and to revise and extend my own remarks.

The SPEAKER. Without objection it is so ordered.

There was no objection.

THE ATTACKS ON RUSSIA

Mr. RANKIN. Mr. Speaker, the gentleman from New York [Mr. CELLER] in his excitement accused me of abusive language when I merely called him "the Jewish gentleman" from New York a few moments ago. He then proceeded to tell the House that it is not any disgrace to be a Jew, and with that last statement I agree. One of the ablest men who ever lived in this country——

Mr. CELLER. Mr. Speaker, I make the point of order that the gentleman is out of order.

Mr. RANKIN. Mr. Speaker, I am going to reply to the gentleman from New York; he might just as well sit down. I want to say to the gentleman——

Mr. CELLER. Mr. Speaker, I make the point of order and insist on it that the gentleman is not in order.

Mr. RANKIN. Mr. Speaker, I am speaking on the bill and replying to the gentleman from New York.

Mr. CELLER. Mr. Speaker, I make the point of order that the gentleman is not in order.

The SPEAKER. Will the gentleman from New York allow the Chair to make a statement?

The gentleman from Mississippi will confine himself to a discussion of the amendment under consideration.

Mr. RANKIN. I want to say in this connection, Mr. Speaker, because of the racial issue raised here by the gentleman from New York that I have no prejudice against the law-abiding American Jews. One of the great men of the South was Judah P. Benjamin. The gentleman from New York does not any more compare with Judah P. Benjamin than a mannikin of Lilliput compared with a giant of Brobdignag.

Mr. CELLER. Mr. Speaker, I insist that the gentleman is not in order.

Mr. RANKIN. I want to say in reply to the gentleman from New York that he has been attacking the white people of the South ever since he has been in Congress. He is doing the Jews of this country immeasurable harm.

Mr. CELLER. Mr. Speaker——

The SPEAKER. The Chair trusts that the gentlemar from Mississippi will proceed in order.

Mr. RANKIN. I am, Mr. Speaker.

The SPEAKER. Let the Chair state to the gentleman from New York that this debate has taken a rather wide range and has been pretty liberal. The Chair trusts, however, that the gentleman from Mississippi will endeavor to confine himself to the amendment.

Mr. RANKIN. No Member has a right to get on the floor and attack another Member as the gentleman from New York did, and then whine when the other fellow answers him.

I want to say in addition that every bill that has been brought here to irritate the white people of the South since he has been in Congress has been supported by the gentleman from New York [Mr. CELLER] and his name is on the one now on the Clerk's desk for that purpose.

Let us get back to the purpose of this bill. Any man who does or says anything to disturb the peaceful relationship between us and our allies ought to be punished. But let me read the letter of Maxim Litvinov, Russian Ambassador to the United States, with reference to the two Jews, Erlich and Alter, who were executed in Russia. Here is a letter from the Russian Ambassador:

FEBRUARY 23, 1943.

DEAR SIR: I am informed by Mr. Molotov, People's Commissar of Foreign Affairs, of the receipt by him of a telegram signed by you concerning two Soviet citizens, Alter and Erlich. I am 'nstructed by Mr. Molotov to inform you of the following facts:

"For active subversive work against the Soviet Union and assistance to Polish Intelligence Organs in armed activities, Erlich and Alter were sentenced to capital punishment in August 1941.

"At the request of the Polish Government, Erlich and Alter were released in September 1941.

"However, after they were set free, at the time of the most desperate battles of the Soviet troops against the advancing Hitler Army, they resumed their hostile activities, including appeals to the Soviet troops to stop bloodshed and immediately to conclude peace with Germany.

"For this they were rearrested and, on December 1941, sentenced once more to capital punishment by the Military Collegeum of the Supreme Court.

"This sentence has been carried out in regard to both of them."

Yours sincerely,

Ambassador MAXIM LITVINOV.

Where would we have been if they had succeeded in driving Russia out of the war, leaving the United States and Great Britain with the entire burden to carry?

What I am complaining of is this one-sided propaganda, this attempt to smear patriotic Americans just because forsooth certain communistic elements cannot dominate them.

Let us see what another paper says here. Here is what these fellows did:

When the cause of the United Nations was in balance, Alter and Erlich distributed these letters which later found their way into the hands of the Red army soldiers. These leaflets urged the Red army to halt resistance against the Nazis, overthrow the Stalin government, and to seek a separate peace between Hitler Germany and the Union of Soviet Socialist Republics.

In other words, as Eddie Rickenbacker said the other day, communism has left Russia. Communism has come to the United States. The Russian Army consists now of the White Russians, the Ukrainians, and the Cossacks, while the flannel-mouthed agitators who tried to smear everybody in Europe are out. Stalin thanked the church the other day. They have reopened the churches in Russia. When this war is over, those Russian soldiers will go back and be permitted to own their own homes, own their own land, and to worship God according to the dictates of their own conscience.

While the gentleman from New York [Mr. CELLER] was parading those papers around here the other day, which I never saw, I submit he might have taken PM, he might have taken the Ghetto, he might have taken some other publications that are now trying to stir up trouble between the United States and Russia at a time when we need the help of Russia as we never needed it before.

The SPEAKER. The time of the gentleman has expired.

The Chair recognizes the gentleman from Michigan [Mr. SHAFER].

Mr. SHAFER. Mr. Speaker, I rise in support of the amendment offered by the gentleman from Wisconsin [Mr. SAUTHOFF]. I feel that such an amendment is necessary if we are to properly safeguard personal liberties and free speech in America. Certainly there are definite threats to free speech under this bill as it is now written.

Where did this bill originate? It came from the Department of Justice with an administration "must" order tied onto it. The Judiciary Committee reported it out, regardless of its loose language, and we are now asked to accept it.

Yes; this bill was written by the Department of Justice. Now, let me tell this House, and especially the new Members, the people of this Nation proved last November that they are weary of having Washington bureaucrats write their legislation. Many of the new Members are here today because their predecessors "rubber-stamped" all "must" legislation that was sent up here by the departments downtown.

I am sorry I cannot share the confidence of the members of the Judiciary Committee that the powers under this bill will not be abused by the Department of Justice, and especially while the

functions of that Department are being directed by the present Attorney General, Mr. Biddle. I have little faith in a Mr. Biddle, who, I recall, once told a group of left-wingers at the Cosmos Club that, in spite of the war, "the New Deal is more dynamic than fascism and more reactionary than communism, and must go on."

I have no confidence in a man who in the midst of a war uses his great office in an attempt to intimidate holders of Associated Press franchises that he might obtain one of those franchises for Marshall Field's Chicago Sun, Mr. RANKIN's friend.

Mr. RANKIN. Mr. Speaker, point of order.

Mr. SHAFER. Hold on, Mr. RANKIN, I apologize.

Mr. RANKIN. Mr. Speaker, I make the point of order that the gentleman is supposed to tell the truth about all this thing. He should not include PM and Marshall Field among my friends.

Mr. SHAFER. Of course, the gentleman knows I am fully aware of the great love and esteem held for him by both PM and Marshall Field.

But, let me proceed. I have no confidence in an Attorney General who uses his high office to prosecute, or attempt to prosecute, a great newspaper like the Chicago Tribune, because that newspaper does not agree with policies of the administration. Heaven only knows what he would do if this legislation passes. However, he probably knows. He sent it up here.

We are all in accord with the objective of this bill, as stated by members of the committee, but we should pause and think before we permit Mr. Biddle to have this club over the people of America. The amendment by the gentleman from Wisconsin [Mr. SAUTHOFF] should be adopted.

The SPEAKER. The time of the gentleman from Michigan has expired.

The question is on the amendment offered by the gentleman from Wisconsin [Mr. SAUTHOFF].

Mr. SAUTHOFF. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

Mr. COOLEY. Mr. Speaker, I ask unanimous consent that the amendment be again read.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. SAUTHOFF: On page 3, beginning at line 3, strike out all of subsection (b).

Mr. HOFFMAN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and nineteen Members are present, a quorum.

The question is on the amendment offered by the gentleman from Wisconsin.

The question was taken; and the Chair being in doubt, the House divided, and there were—ayes 62, noes 112.

Mr. SAUTHOFF. Mr. Speaker, I object to the vote on the ground that a quorum is not present.

The SPEAKER. The Chair has just counted, and a quorum was present. The Chair is not responsible if all Members in the House do not vote. The Chair must hold that a quorum is present.

So the amendment was rejected.

Mr. SUMNERS of Texas. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SUMNERS of Texas: On page 7, after line 6, insert the following:

"SECTION 208. This act shall remain in force during the continuance of the present war and for 6 months after the termination of the war, or until such earlier time as the Congress by concurrent resolution, or the President, may designate."

In line 7, strike out "208" and insert "209".

Mr. SUMNERS of Texas. Mr. Speaker, I ask for a vote on the amendment.

Mr. BRADLEY of Pennsylvania. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, the gentleman from Michigan [Mr. SHAFER], who preceded me on the floor when the other amendment was under consideration, is of great physical stature, but he added nothing to that stature by his attack on the floor of this House on an individual who did not have a forum in which to reply.

Mr. HOFFMAN. Mr. Speaker, I make the point of order that the gentleman is not speaking to the amendment.

The SPEAKER. Such a point of order will practically always lie in this House.

The gentleman from Pennsylvania will proceed.

Mr. BRADLEY of Pennsylvania. Thank you, Mr. Speaker. May I say that the gentleman from Michigan [Mr. HOFFMAN] a few moments ago himself departed from a discussion of the amendment under consideration to give the House the benefit of certain views of his.

I do not think there is anyone in the United States who could be better entrusted with jurisdiction in this matter or whose wisdom would be greater in the enforcement of this act than the present Attorney General of the United States, the Honorable Francis Biddle. He has leaned over backward in behalf of those who have been advocates of civil liberties. Indeed, the debate in this House today has taken a curious turn. I have seen Members who have always been most vociferous in saying that the Department of Justice has not been vigilant enough in the prosecution of those who have engaged in subversive activities take the floor today and express apprehension that the Attorney General may go too far in prosecuting those who are saboteurs, who may be proven to be enemy aliens, and who may be endangering the lives of our American boys who are fighting in this crisis in our country's affairs. The tougher he is on individuals of this type, the better will be the protection he gives to our fighting forces.

I have read this bill very carefully. Perhaps I had some apprehensions myself regarding it, because I am one of those who have been most solicitous about civil liberties in the United States. But I have confidence in this instance in the Committee on the Judiciary of this House. I know the chairman of that committee and its other illustrious members have themselves on occasion been very, very forceful on the floor of the House with respect to any danger that might come to American citizens through the operations of a bureaucracy in the administration of our laws.

When the members of the Committee on the Judiciary, after extensive hearings and after receiving advice from those who have investigated these activities, tell us that this bill is necessary, I am inclined to say that this House would be wise to follow their recommendation.

I hope the gentleman from Michigan [Mr. SHAFER] and the others who may discuss this bill will address themselves to the merits of the legislation and not offer a contribution that will in no way influence the judgment of anyone who is in this Chamber listening to the debate and endeavoring to reach a proper decision on the bill.

Mr. HANCOCK. Mr. Speaker, will the gentleman yield?

Mr. BRADLEY of Pennsylvania. Certainly.

Mr. HANCOCK. Has it occurred to the gentleman that the opposition to this bill is based not only on distrust of the Attorney General and his assistants, but on distrust of the courts of the United States, the jury system, and our entire system of administering justice?

Mr. BRADLEY of Pennsylvania. If that is their attitude, then they are attacking every fundamental we have always believed in, in America.

Mr. FISH. Mr. Speaker, I offer an amendment, and I would like to have it read.

The SPEAKER. There is one amendment already pending. Unless some other gentleman wishes to speak to the amendment now pending, the vote will be taken.

Mr. PACE. Mr. Speaker, I rise in opposition to the amendment.

Mr. GEARHART. Mr. Speaker, I rise in opposition to the amendment.

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent that debate upon this amendment and all amendments thereto close in 10 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. PACE. Mr. Speaker, I hope I may be pardoned for taking a moment of time, but this amendment brings up a question that has been in my mind for months. It will be observed that it says the act shall remain in force until 6 months after the termination of the war. The Congress has now passed numerous acts having that for a general purpose, but different terms have been used. Many of the acts say until the President has formally declared hostilities have ceased, and others until there has been a formal declaration of peace.

It may strike you as rather an insignificant thing, but it seems to me that

when we are legislating on the life and liberties of 130,000,000 people, there should be somewhere, and there is no better place than in the Judiciary Committee, some language set up so as to avoid what would otherwise exist when the war is over, namely, utter confusion as to when an act has terminated, and when it is continued in force. I am making some study of it, and I wish the Committee on the Judiciary would. There should be set, definite language when you want an act to terminate when the armistice is signed, and it should be stated in language to that effect, and when you want an act terminating 4 or 5 years following the war, after there has been the long negotiation of peace and the settlement of territorial lines, it should be done in proper language. And I say now, Mr. Speaker, to the Committee on the Judiciary, that today there is utter confusion in the enactments by Congress, all of which point to the setting up of an effective date upon which an act shall terminate, and I do not know of any attorney who could give a correct decision as to what a particular act means. I would like to see the Committee on the Judiciary bring in legislation accurately defining these things.

Mr. SUMNERS of Texas. Mr. Speaker, I think the gentleman makes a very fine suggestion, it is a good point.

The SPEAKER. The time of the gentleman from Georgia has expired.

Mr. GEARHART. Mr. Speaker, I am for this bill, and I intend to vote for it, but I am opposed to the amendment which has just been offered for many reasons, one of which arises out of the impression that it is offered merely for the purpose of inducing Members to vote for this bill who would not otherwise do it. I do not like the indirect attack idea under any circumstances.

First it trots out that old appeaser, the concurrent resolution. That "phony" has been used time and time again as a cushion to the conscience of the Members of this body, to induce and persuade them to vote for a bill of which they did not entirely approve. They have been assured so many times in the past, as they are today, that all they would have to do to get rid of the legislation under consideration would be to pass a concurrent resolution, some kind of a magical type of concurrent resolution which would act as a repealer without the President being accorded the privilege of vetoing or of signing it. That has been said so many times on this floor that I am inclined to believe that many of us, including the genial gentleman from Texas, are beginning to believe it is true that there really is some sort of a magical concurrent resolution which, when used, will bypass the White House. Well, there simply "ain't any such animal."

The concurrent resolution is but one of the methods by which legislation is enacted, and when that method is used and legislation is enacted, a concurrent resolution must go to the White House for the President's approval or veto just as does a joint resolution or a bill. By providing in a bill that it may be repealed or made inoperative by the passage of a simple concurrent resolution, we add nothing to the act for the reason that it would have to be approved by the President or passed over his veto. A bill repealing the statute could be passed just as quickly and accomplish the end of ridding us of the bill no less effectively. I am probably saying something that is surprising to people who have listened to previous debates. Perhaps I should read section 7 of article I of the Constitution, which says in so many words just what I have said to you:

> Every order, resolution or vote to which the concurrence of the Senate and House of Representatives may be necessary (except on a question of adjournment) shall be presented to the President of the United States; and before the same shall take effect, shall be approved by him, or being disapproved by him, shall be repassed by two-thirds of the Senate and House of Representatives, according to the rules and limitations prescribed in the case of a bill.

The only kind of concurrent resolutions which do not have to be sent to the White House are those concurrent resolutions which have to do with the government of either of the legislative bodies. But if the concurrent resolution carries any legislation at all or has any legislative effect, it must be sent to the White House just as would any other kind of a measure which has received the approval of both Houses.

The other reason why I say I am against this amendment is that it will continue this act in effect 6 months after the war has ceased. Perhaps I should point out that I am a prosecutor of more or less experience in prosecuting criminal cases. During the years I have followed my profession I believe I have prosecuted about every kind of a criminal case—about everything from disturbance of the peace to murder.

In the light of that experience in practice I am inclined to believe that nearly all the objections which have been made to this bill during the course of the debate are based upon those fears which all liberty-loving people entertain as a consequence of overzealousness in certain of our prosecutors. I have been overzealous myself. I have detected it in many, many others; while admitting the validity of such fears, we must realize that we cannot legislate wisdom into prosecutors' heads, inject gray matter under their skulls, unloose kindly pulsations in their hearts by merely passing a bill. Neither can you make wrong thinkers think right by refraining from enacting a law. You have simply got to take a chance on those boys and hope and pray that we can correct their errors in later proceedings before too much damage is done.

But if you do not enact this law you will have situations arise again as situations have arisen heretofore. As he has in the past, Uncle Sam will organize great convoys in the future upon some of the ships of which will be placed thousands of American boys. If you do not pass this statute you may feel a little regretful later on when you learn that men have gone scot free in the United States because there was no statute under which they could be prosecuted for supplying information to the enemies of our country about the rendezvous of that convoy, information which made it possible for the enemy to send those ships to the bottom of the seas, carrying with them thousands upon thousands of American boys. No, Mr. Speaker, we cannot afford not to enact this bill.

I tell you, Mr. Speaker, that we need this statute and we need it for the entire war period. We need it to protect our boys, on land, upon the seas, and in the air. We need it to clothe our prosecuting officers with authority to do the things that must be done if the greatest possible safety is to be thrown about these young men and these young women who are on the fighting fronts of this global war, for those who are in the services of supply, all that are serving in the great crusade.

The amendment is a phony and it does not make any difference whether it passes or not, but it is imperative that we pass this bill. The safety of our country demands it.

The SPEAKER. The time of the gentleman has expired. All time has expired. The question is on the amendment offered by the gentleman from Texas.

The amendment was agreed to.

Mr. SUMNERS of Texas. Mr. Speaker, I move to strike out the last word for the purpose of making a brief statement.

The SPEAKER. The gentleman is recognized.

Mr. SUMNERS of Texas. Mr. Speaker, the gentleman from California [Mr. GEARHART] has made a very important observation. I cannot say that the Committee on the Judiciary has thoroughly investigated the legal question which the gentleman has presented. I make this statement because it is of interest to the House generally. The Committee on the Judiciary has taken the general position that in the granting of extraordinary war powers by the Congress it is in line with sound policy to incorporate a provision in the acts which would terminate the powers upon the happening of the contingency of a concurrent resolution by the Congress indicating a desire that they be terminated. There are many acts that have been passed which provide in the act itself that upon the occurrence of something specified the act shall terminate. If the President should sign this bill, he would sign it with this condition in the bill. I will not take any more time.

The SPEAKER. The Chair recognizes the gentleman from Michigan [Mr. JONKMAN].

Mr. JONKMAN. Mr. Speaker, I rise in support of my amendment, which is at the desk.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

> Amendment offered by Mr. JONKMAN: On page 2, line 10, strike out all of section 102 and insert in lieu thereof the following:
>
> "SEC. 102. Whenever the United States is at war and any person shall have information that another person has committed,

is committing, or is about to commit any act in violation of section 101 of this title, and such person having such information willfully, knowingly, and feloniously fails to report his information thereof, as soon as is reasonably possible, to the Federal Bureau of Investigation of the United States Department of Justice, or to any other Federal, State, or local law enforcement officer, shall, upon conviction of such offense, be imprisoned for not more than 10 years or fined not more than $10,000, or both."

Mr. JONKMAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. JONKMAN. Mr. Speaker, by this amendment I am trying to accomplish three things, to attack the word "knowing," to modify the word "fail" and to strike out the "provided," or provision, although I shall not refer to them in that order.

Mr. Speaker, I want to quote from the RECORD, which is also a quotation from the hearings. Mr. DIES asked the question of Mr. Oscar Cox, in all probability the gentleman who drafted this bill:

We are all agreed that any effort to deal with sabotage should be made, but the question in this case is whether this proposal may be used by the Department of Justice, or anybody therein, in an attempt to punish or smear any citizen who criticizes the administration or any member of it.

Now, that is the fear that the Members have, if they have any fear at all. What is the answer of the gentleman, Oscar Cox? He says "It could not possibly be used for that purpose."

Every Member of this House knows that that answer and that statement is not true. The best act you could draw could be used for that purpose. It could be used to form the basis for a false treason charge; but this act is so artificially drawn that I make the assertion—and I am not sure that I will have time to discuss the real argument—that this act can be used only for persecution against American citizens and not to prosecute to a conviction.

But I shall address myself to the amendment. My amendment reads that having information of an offense and failure to report to the F. B. I. or to any other Federal, State, or local law-enforcement officer shall be a crime. Now I ask you in the name of all that is fair, is that not simple language? Failure to report to any one of those three is evidence of the crime. But what does the Attorney General put in here? How does he distort this language? He puts in here:

You report to the Federal Bureau of Investigation or you are guilty, provided that such failure to report shall not be a violation of this section if the accused shall show that he made it to the others.

That is a matter of defense. In other words, he can send an agent from Washington out to the State of Oregon to pick up a United States citizen there who has not reported to the F. B. I. But the man says, "I told my chief of police." The F. B. I. man says, "Show that to the judge. That is a defense. You cannot make a showing to a police officer." Now, if that is not the construction, then I ask you in the name of heaven why this distortion? The citizen is in durance vile until he proves his innocence.

But gentlemen say, "Under your amendment the Department of Justice could never obtain a conviction without bringing every Federal, State, and local law-enforcement officer to prove failure to report."

Let us analyze this. What is the gist of the offense which we are seeking to define here? Is it to be considered a crime to hear an idle rumor, to have vague information, questionable information, or even to a sound judgment, reliable information that another is about to commit, is committing, or has committed a crime? Certainly no sane American would answer this in the affirmative.

The gist of the crime we are creating is to guiltily, feloniously, and traitorously fail to impart such information to a law-enforcing officer. The Attorney General in effect says by this section, "give me the power to arrest American citizens for something which is no crime at all and then let me put them on the defensive, and let them prove their innocence of what is really the gist of the offense, which offense probably does not exist and of which I at all events have not a scintilla of proof."

That, Mr. Speaker, is the continental European concept of criminal law, but it has never been the English or American concept. The fact that this makes it difficult tc arrest and convict people is immaterial. The purpose of this law should not be to make wholesale arrests easy. Unless the Department upon investigation has at least a prima facie proof of the gist of the offense, the citizen should be immune from arrest. The fact that there will be fewer prosecutions is immaterial.

Why not put it in simply and say, "If he shall fail to report to the F. B. I. or any other Federal, State, or local law enforcement officer"? Simple, is it not?

Mr. O'HARA. Mr. Speaker, will the gentleman yield?

Mr. JONKMAN. I yield.

Mr. O'HARA. I believe the gentleman will agree that this is true that in little country towns the only one a citizen would report to would be his local policeman; there is no member of the F. B. I. there.

Mr. JONKMAN. Absolutely, but under the bill the citizen is dragged down to Washington and he can make his showing there. If that is not persecution I should like to know what it is.

Secondly, why is it that in every other section of this act intent is necessary; why is it that in the first two subsections of the act and the defining sections the intent to aid the enemy is required? Why is it that in every case there must be intent, but in this section intent is not necessary? A citizen's failure to report, although he may be trying to verify the facts, he may be doing the best he can with no criminal intent at all, but if he fails to make the report he is guilty regardless of whether an offense has been committed. So I think that in this section of all places we should precede the word "fail" with at least "feloniously"; there at least should be a guilty mind. But no; it is not necessary under this statute and under this section. The failure to report within a reasonable time, no matter for what reason, makes him guilty of a 10-year, $10,000 offense; and you know that this gives them a 10-year, $10,000 threat, which is something that has been used lately on the merchants.

Mr. DAY. Mr. Speaker, will the gentleman yield for an observation?

Mr. JONKMAN. I want to finish my remarks.

Mr. DAY. Just one sentence: That same attitude the gentleman is now attacking has been condemned by the American Bar Association within this week.

Mr. JONKMAN. I thank the gentleman for his observation.

Thirdly, this term "knowing" an offense is about to be committed, and so forth, is terrible. When does a person know that an offense is about to be or has been committed? Still, under this act he has no right or duty to impart the information unless he knows. He makes himself guilty of libel per se if he does impart and is mistaken, and if he fails to impart the Department of Justice and jury may say "you did know or should have known from the information you had. Why not provide simply that if the citizen has information he shall impart it for what it is worth.

And finally, failure to confine this act to aliens gives the American citizen a defense to every prosecution under this act. As I intimated before, the Attorney General in his letter accompanying the bill says that alleged acts of treason will also be tried under this act, but not as treason. Section 3, article III, of the Constitution not only defines treason but affords a certain protection to Americans accused of treason. Every offense under this act except those in section 102 must be done with intent to aid the enemy. This is treason. In every prosecution under this act, therefore, he is deprived of protection which the Constitution provides and of which he cannot be deprived as long as the courts continue to be the bulwark of American constitutional liberty. At some point in the courts, therefore, the prosecution must fail on the defense of section 3, article III, and therefore the prosecution will amount to a mere persecution.

The SPEAKER. The time of the gentleman from Michigan has expired.

Mr. SUMNERS of Texas. Mr. Speaker, I ask for recognition.

The SPEAKER. The gentleman from Texas is recognized for 5 minutes.

Mr. SUMNERS of Texas. Mr. Speaker, a very remarkable statement has just been made by my friend. Let us see what this thing is. I cannot myself understand some of this business, but maybe I am just a little dumb. This section reads: "Whoever, when the United States is at war, knowing that another has committed, is committing, or is about to commit" one of these prohibited acts, his business is to report it to the Federal Bureau of Investigation. Why? Now, why? As a matter of com-

mon sense, why? Because the Federal Bureau of Investigation is looking specifically after these things all over the United States and trying to prevent sabotage and things of that sort; that is their job. Now, then, what do we say further? We say that it is the business of the person who has this knowledge to report it to the governmental agency whose special business it is to protect the public safety against these consequences, and to bring the guilty to detention, and so forth. There is not any doubt but what it is the business of any American citizen who is a good citizen, who knows these acts have been committed or are about to be committed, to tell those who are best equipped to act effectively in the premises his information. This bill provides, however, that a failure to report to the F. B. I. shall not be a violation of the law if the accused shows that he did make the report to any other Federal, State, or local law enforcement officer. The proposed amendment, as I understand it, would withhold the penalties of this section if the accused reported to any Federal, State, or local law-enforcement officer. The indictment would have to charge that the accused did not report his knowledge to any of these officers, and, of course, the Government would have to prove that charge by competent evidence beyond a reasonable doubt with the presumption in the defendant's favor, barring conviction, unless the Government established that none of many thousands of officers in the States had received the report. In the name of common sense, can the Government, in prosecuting a case, bring into court every police officer, every sheriff, every State officer? To say that such is a proper burden for the Congress to cast upon the Government is absurd.

Mr. JONKMAN. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. JONKMAN. That is not necessary under my amendment. All the F. B. I. man does is to say: "Did you tell any other officer?" But under the language of this bill he has got to make a showing in court.

Mr. SUMNERS of Texas. Yes. This proviso in this bill is for the protection of the accused and goes just as far as one can possibly go in effective legislation. Suppose docks have been blown up and the accused knows that it was to be done, and he had not reported to the F. B. I. as he should have done. All he would have to do would be to bring his police officer, or his constable, or any other enforcement officer to whom he had told what he knew, tell the judge that he had told about it, and he goes scot free. Do you want any more than that? Does any good citizen want any more than that?

The SPEAKER. The question is on the amendment offered by the gentleman from Michigan.

The question was taken; and on a division (demanded by Mr. JONKMAN) there were—ayes 91, noes 95.

Mr. SHORT. Mr. Speaker, I object to the vote on the ground that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] One hundred and ninety-eight Members are present, not a quorum. The roll call is automatic. The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The Clerk called the roll, and there were—ayes 133, nays 196, not voting 105, as follows:

[Roll No. 40]

AYES—133

Allen, Ill.	Gilchrist	Mason
Andersen, H. Carl	Gillie	Merrow
	Grant, Ind.	Miller, Mo.
Andresen, August H.	Griffiths	Miller, Nebr.
	Gross	Murray, Wis.
Angell	Hall, Edwin Arthur	Norman
Arnold	Harness, Ind.	O'Hara
Auchincloss	Hartley	O'Konski
Bennett, Mich.	Heidinger	Philbin
Bennett, Mo.	Hill	Phillips
Bishop	Hoeven	Pittenger
Bradley, Mich.	Hoffman	Ploeser
Brehm	Holmes, Wash.	Poulson
Brown, Ohio	Hope	Ramey
Burdick	Horan	Rankin
Busbey	Howell	Reed, N. Y.
Canfield	Hull	Rees, Kans.
Carlson, Kans.	Jeffrey	Rizley
Carson, Ohio	Jenkins	Rockwell
Case	Jensen	Rodgers, Pa.
Chenoweth	Johnson, Anton, J.	Rogers, Mass.
Chiperfield		Rohrbough
Church	Johnson, Calvin D.	Rolph
Clason		Rowe
Clevenger	Johnson, Ind.	Sauthoff
Cole, Mo.	Johnson, J. Leroy	Schwabe
Compton		Scott
Culkin	Johnson, Ward	Shafer
Cunningham	Jones	Short
Day	Jonkman	Simpson, Ill.
Dewey	Kean	Smith, Ohio
Ditter	Kearney	Smith, Wis.
Dondero	Kunkel	Stanley
Douglas	LaFollette	Stefan
Dworshak	Lambertson	Stewart
Eaton	Landis	Stockman
Ellis	LeCompte	Talle
Ellsworth	LeFevre	Taylor
Elmer	Lemke	Tibbott
Elston, Ohio	Ludlow	Vursell
Englebright	McCowen	Wheat
Fenton	McGehee	Whitten
Fernandez	McGregor	Winstead
Fish	McLean	Wolcott
Gale	McWilliams	Woodruff, Mich.
Gavin	Martin, Iowa	
Gifford		

NAYS—196

Abernethy	Dilweg	Jackson
Allen, La.	Disney	Jarman
Andrews	Domengeaux	Jennings
Arends	Durham	Johnson, Luther A.
Barry	Ellison, Md.	
Beckworth	Engel	Johnson, Okla.
Bender	Feighan	Kefauver
Blackney	Fellows	Kelley
Bland	Fisher	Kilburn
Bloom	Fitzpatrick	Kilday
Bonner	Flannagan	King
Boren	Folger	Kinzer
Bradley, Pa.	Forand	Kirwan
Brooks	Fulbright	Kleberg
Brown, Ga.	Fulmer	Klein
Bryson	Furlong	Lanham
Bulwinkle	Gathings	Lea
Burgin	Gearhart	Lesinski
Camp	Gillette	Lewis, Ohio
Cannon, Mo.	Gordon	Luce
Celler	Gossett	McCord
Chapman	Granger	McGranery
Clark	Grant, Ala.	McMillan
Coffee	Gregory	McMurray
Colmer	Gwynne	Madden
Cooley	Hagen	Magnuson
Cooper	Hale	Mahon
Costello	Hancock	Maloney
Courtney	Harless, Ariz.	Manasco
Cox	Harris, Ark.	Mansfield, Mont.
Cravens	Harris, Va.	
Crawford	Hart	Marcantonio
Creal	Hays	Martin, Mass.
Crosser	Hébert	May
Curtis	Herter	Michener
D'Alesandro	Hess	Miller, Conn.
Davis	Hinshaw	Miller, Pa.
Delaney	Hobbs	Mills
Dies	Holifield	Monkiewicz
Monroney	Rivers	Tarver
Morrison, La.	Robertson	Thomas, Tex.
Mruk	Robinson, Utah	Thomason
Mundt	Robsion, Ky.	Tolan
Murdock	Rogers, Calif.	Towe
Murphy	Russell	Treadway
Murray, Tenn.	Sabath	Troutman
Myers	Sasscer	Van Zandt
Newsome	Satterfield	Vinson, Ga.
Nichols	Schuetz	Voorhis, Calif.
Norrell	Sheridan	Vorys, Ohio
Norton	Sikes	Wadsworth
O'Brien, Mich.	Simpson, Pa.	Ward
O'Connor	Slaughter	Wasielewski
Outland	Smith, W. Va.	Weichel, Ohio
Pace	Snyder	Weiss
Patman	Somers, N. Y.	Welch
Patton	Sparkman	West
Peterson, Fla.	Spence	Whelchel, Ga.
Peterson, Ga.	Springer	Whittington
Poage	Starnes, Ala.	Wickersham
Priest	Stearns, N. H.	Wigglesworth
Rabaut	Sullivan	Willey
Ramspeck	Sumner, Ill.	Wilson
Reece, Tenn.	Sumners, Tex.	Worley
Reed, Ill.	Taber	Wright
Richards	Talbot	Zimmerman

NOT VOTING—105

Anderson, Calif.	Ford	Maas
Anderson, N. Mex.	Gallagher	Mansfield, Tex.
	Gamble	Merritt
Baldwin, Md.	Gavagan	Morrison, N. C.
Baldwin, N. Y.	Gerlach	Mott
Barden	Gibson	O'Brien, Ill.
Barrett	Goodwin	O'Brien, N. Y.
Bates, Ky.	Gore	O'Leary
Bates, Mass.	Gorski	O'Neal
Beall	Graham	O'Toole
Bell	Green	Pfeifer
Bolton	Guyer	Plumley
Boykin	Hall, Leonard W.	Powers
Buckley		Pracht
Buffett	Halleck	Price
Burch, Va.	Hare	Randolph
Burchill, N. Y.	Heffernan	Rowan
Butler	Hendricks	Sadowski
Byrne	Hoch	Scanlon
Cannon, Fla.	Holmes, Mass.	Schiffler
Capozzoli	Izac	Sheppard
Carter	Johnson, Lyndon B.	Smith, Maine
Cochran		Smith, Va.
Cole, N. Y.	Judd	Steagall
Cullen	Kee	Stevenson
Curley	Keefe	Sundstrom
Dawson	Kennedy	Thomas, N. J.
Dickstein	Keogh	Vincent, Ky.
Dingell	Kerr	Walter
Dirksen	Knutson	Weaver
Doughton	Lane	Wene
Drewry	Larcade	White
Eberharter	Lewis, Colo.	Winter
Elliott	Lynch	Wolfenden, Pa.
Fay	McCormack	Wolverton, N. J.
Fogarty	McKenzie	Woodrum, Va.

So the amendment was rejected.

The Clerk announced the following pairs:

General pairs:

Mr. Doughton with Mr. Knutson.

Mr. Burch with Mr. Wolfenden of Pennsylvania.

Mr. McCormack with Mr. Dirksen.

Mr. O'Leary with Mr. Keefe.

Mr. Woodrum of Virginia with Mr. O'Brien of New York.

Mr. Keogh with Mr. Halleck.

Mr. Hoch with Mr. Wolverton of New Jersey.

Mr. Cullen with Mr. Graham.

Mr. O'Brien of Illinois with Mrs. Bolton.

Mr. Lynch with Mr. Cole of New York.

Mr. Gavagan with Mr. Powers.

Mr. Cannon of Florida with Mr. Smith of Maine.

Mr. Byrne with Mr. Thomas of New Jersey.

Mr. Kennedy with Mr. Judd.

Mr. Weaver with Mr. Winter.

Mr. Gorski with Mr. Holmes of Massachusetts.

Mr. Fay with Mr. Guyer.

Mr. Drewry with Mr. Pracht.

Mr. Pfeifer with Mr. Shiffler.

Mr. Cochran with Mr. Stevenson.

Mr. Steagall with Mr. Butler.

Mr. Merritt with Mr. Baldwin of New York.

Mr. Sheppard with Mr. Buffett.

Mr. O'Toole with Mr. Carter.

Mr. Buckley with Mr. Maas.

Mr. Mansfield of Texas with Mr. Barrett.
Mr. Bates of Kentucky with Mr. Plumley.
Mr. Rowan with Mr. Gallagher.
Mr. Morrison of North Carolina with Mr. Sundstrom.
Mr. Curley with Mr. Beall.
Mr. Dingell with Mr. Anderson of California.

Mr. TREADWAY. Mr. Speaker, I have a general pair with the gentleman from North Carolina, Mr. DOUGHTON. I understand, if present, the gentleman from North Carolina would vote "no," therefore, I withdraw my vote of "present" and vote "no."

The doors were opened.

The vote was announced as above recorded.

Mr. FISH. Mr. Speaker, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. FISH: Insert after section 207 the following:

"Section 208. Nothing in this act or in any rule or regulation made pursuant thereto, shall be construed to prevent any citizen or citizens, or any newspaper or other publications, at any time from freely discussing or openly criticizing the domestic or foreign policies of the administration or the Federal Government, or of any public official, or from discussing or criticizing any existing or proposed law, regulation, directive, or Executive order where such act or acts, discussion or criticism is not made with intent to aid a country with which the United States is at war."

"Section 208 in the present bill shall read 'Section 209.'"

Mr. FISH. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

The SPEAKER pro tempore (Mr. LANHAM). Is there objection to the request of the gentleman from New York [Mr. FISH]?

There was no objection.

Mr. FISH. Mr. Speaker, as Al Smith used to say, "Let us look at the record and see what the record discloses and what the facts are."

This bill came before the Committee on Rules and some members of that committee, including myself, thought it was too broad and loosely drawn and might jeopardize free speech and a free press and stated that, although we would vote to present the bill to the House, we were in favor of certain modifying amendments, particularly striking out the words "having probable cause to believe" in section 102. In its original form it would have set up a gestapo and created a horde of spies and informers swarming into the private life of American citizens and making all criticism and attack on the administration unsafe. When the bill came before the House the majority leader suggested to me that we dispense with the rule for the consideration of the bill and practically put the bill through by unanimous consent. I declined, because I believed that this is an important bill, perhaps very far-reaching in its implications and should be carefully scrutinized and considered by the House. We have already adopted five amendments.

The House not only has the right, but it has a duty to legislate, to modify, amend, or formulate legislation or send it back to the committee. We did dispense with the 2 hours' of general debate, and since then the House, in its wisdom and in its good judgment, has been considering the legislation for the purpose of protecting the civil rights and liberties of the American people to freedom of speech and to freedom of the press, and rightly so. We are all jealous of these traditional American rights, particularly freedom of speech and discussion. I do not think much of making war to carry freedom of speech throughout the world and lose it at home. Freedom of inquiry and discussion is as much an American right as breathing the air or walking on the earth. It is a fireside privilege that must be upheld in all places, in time of war, in time of peace, and in all times, if America is to remain free. We want to make sure that there is nothing in this bill that will prevent American citizens and the press, by inference or otherwise, from criticizing freely and openly acts of the administration, the conduct of the war, communism, and officeholders and public officials, including the President of the United States.

There are many Members of this House who are apprehensive and fearful, rightly or wrongly I do not know, that the legislation in the form it came before the House would permit the Department of Justice and other governmental agencies to intimidate and terrorize the American people and the press, and we are trying to take any possibility of using it as a weapon of coercion and terror out of the bill. There is no room in free America for gestapo methods or witchburners.

Mr. MARCANTONIO. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from New York.

Mr. MARCANTONIO. I have no quarrel with the purposes of the gentleman's amendment, but if the gentleman considers this bill in the light of the fact that the bill does not take within its purview speeches and statements but deals simply with acts, and these acts are specifically defined, then what the gentleman is doing is adding to the bill? He is bringing within the purview of this legislation speeches and publications and then includes a proviso that these speeches and publications will be proscribed if they are uttered with intent to aid the enemy. That, of course, will be a question for the jury. Then the jury will be passing an opinion on publications and speeches. So that what the gentleman is doing by his amendment is bringing within the purview of this statute that which he wants to exclude.

Mr. FISH. I call the gentleman's attention to page 3, subsection (b) of section 103:

Acquiring, compiling, obtaining access to, or transmitting any data calculated to inform the enemy.

Mr. MARCANTONIO. But that is not speeches.

Mr. FISH. It includes newspapers and speeches.

Mr. MARCANTONIO. Not newspaper articles and editorials.

Mr. FISH. Certainly it does.

Mr. MASON. Transmitting is speaking.

Mr. MARCANTONIO. The gentleman is accomplishing by his amendment just what we do not want to do.

Mr. FISH. The language is:

Acquiring, compiling, obtaining access to, or transmitting any data.

Transmitting certainly includes speaking. You can do it over the radio, you can do it by your voice or through the press. Let me read to the gentleman a statement made by one of the most distinguished Members of this House, the gentleman from Pennsylvania [Mr. WALTER], who is well qualified to serve as Attorney General of the United States. He said in the House when speaking on this bill:

I am sure that much of the opposition comes from the newspapers that are deliberately distorting the facts concerning the war effort for political purposes.

I believe he let the cat out of the bag. That is one of the reasons for my amendment, because he said he thought the opposition came from the newspapers. Probably the newspapers are justified in being apprehensive of this bill in its original form. I am not a mind reader, but I presume he meant the Chicago Tribune and the News of New York City, with a combined circulation of approximately 4,000,000, more than any 10 newspapers in the United States. These two great newspapers are openly anti-New Deal and fourth term and were antiwar before Pearl Harbor. I deny that either one of these great papers have distorted the facts concerning the war effort for political purposes. I have no objection to what the gentleman from New York is trying to point out. I would prefer my amendment to stop at the words "Executive order", as it is much stronger that way, instead of reading "where such act or acts or discussion or criticism is not made with intent to aid a country with which the United States is at war."

I put that in because some of the members of the Judiciary Committee more or less insisted on it. Personally, I would prefer to have it out. If the gentleman makes that motion, I would be very glad to support it.

Mr. MARCANTONIO. If the gentleman will yield further, may I say first of all that what the gentleman seeks to protect, what his purposes are, is carried out by the Constitution in Article I.

Mr. FISH. This is a declaration of policy, and I believe essential in view of certain provisions in this bill, particularly subsection B of section 103.

Mr. MARCANTONIO. It is much more than that.

Mr. FISH. Because a judge can read the intent into any law by merely saying, "You made this statement, therefore you intended to say it," I am offering my amendment as a declaration of policy on the part of the Congress.

Mr. MARCANTONIO. But does not the gentleman see what he is doing, then?

Mr. FISH. I know exactly what I am doing.

Mr. MARCANTONIO. The gentleman is then submitting to a district attorney

anywhere in the United States, any United States attorney, the right to pass upon speeches, a right that is not given in this bill. This bill specifically does not bring speeches within the purview of this statute.

Mr. FISH. I cannot yield any further. I do not know how many Members of the House know this or have thought it through, but we are in this bill deliberately amending the Constitution of the United States. That is the real purpose of the bill. By an act of Congress we are amending the definition of treason contained in the Constitution, which states that treason is giving aid and comfort to our enemies and that there must be two witnesses to the overt act. We are abolishing that by an act of Congress. That is the purpose of this bill. Therefore, I want to protect the rights and liberties of the American people to free discussion, free speech, and freedom of the press.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield to the gentleman from Missouri.

Mr. SHORT. Certainly the broad, loose word "data" in subsection (b) on page 3 includes speeches and newspaper articles.

Mr. FISH. There is no question about it, it includes everything.

Mr. SHORT. It is a Mother Hubbard; it covers everything and touches nothing.

Mr. COOLEY. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield to the gentleman from North Carolina.

Mr. COOLEY. I wonder if it would not be possible for us to ascertain at this time through the chairman of the committee whether or not it is the purpose of this bill to deal only with hostile acts and not with hostile words. The bill states that its purpose is to provide for the punishment of certain hostile acts against the United States, and for other purposes.

Mr. FISH. I may say to the gentleman I would support an amendment to my amendment to stop at the words "Executive order". That was my original intention and that was my original proposal, but to satisfy some members of the committee I put in these other words which I consider weaken the purpose of my amendment. If the gentleman wants to strike it out, I will vote with him.

Mr. COOLEY. Does the gentleman know that he has satisfied the members of the committee with the amendment in its present form?

Mr. FISH. I think the committee is somewhat divided on it.

Mr. COOLEY. Does not the last part of the amendment raise a doubt about freedom of speech and freedom of the press?

Mr. FISH. It does raise a doubt, but only in relation to the wording of the bill.

Mr. COOLEY. If you would strike out the latter part of it regarding the intent, then you would remove all doubt as to the freedom of speech and freedom of the press.

Mr. FISH. I think that is correct, and that would be my preference.

Mr. COOLEY. That is the purpose of the gentleman's amendment.

Mr. FISH. Yes; and that would be my preference, if the House would do it.

Mr. GWYNNE. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield to the gentleman from Iowa.

Mr. GWYNNE. Speaking for myself only, I would much prefer the amendment the gentleman suggests, striking out the remainder.

Mr. FISH. Would the gentleman offer that as an amendment? If the gentleman will offer such an amendment, I will accept it and support it.

Mr. GWYNNE. I would rather the gentleman would ask unanimous consent to modify his amendment.

Mr. FISH. Mr. Speaker, I ask unanimous consent to strike out of my amendment everything after the words "Executive order", and put a period there.

The SPEAKER pro tempore (Mr. LANHAM). Is there objection to the request of the gentleman from New York?

Mr. ROBSION of Kentucky. I object, Mr. Speaker.

Mr. WRIGHT. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield to the gentleman from Pennsylvania.

Mr. WRIGHT. What is the present status of the law? If the gentleman's amendment is adopted, that would apply to seditious speeches or utterances or writings in newspapers. There is some protection against such seditious utterances, is there not?

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

Mr. HOBBS. Mr. Speaker, I rise in opposition to the amendment.

Mr. Speaker, I wish to make an inquiry of the distinguished author of the amendment, an inquiry I could not get the opportunity to submit while he had the floor. In relation to the suggestion which has been made, with which I am in hearty accord, may I ask the gentleman if he has considered that his amendment in its present form would be at least an invitation to the Department of Justice to presume to write regulations and rules for the administration of this act?

Mr. FISH. I have considered it, of course.

Mr. HOBBS. In other words, this is a criminal statute in which no authority whatever is granted to the Department of Justice to make any rules and regulations whatever. Their solemn, sworn duty is to enforce the law as we write it. By this amendment the gentleman suggests that they might have under this act the power to write rules and regulations. I do not believe the gentleman means that. I am afraid it would go beyond his meaning and intent. Therefore, I ask the question if he does not wish to delete that also?

Mr. FISH. Mr. Speaker, will the gentleman repeat the exact words that he refers to?

Mr. HOBBS. Certainly, sir. The words are "or any rule or regulation pursuant thereto."

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. HOBBS. Yes, sir; I am always glad to yield to the distinguished gentleman from Michigan.

Mr. MICHENER. So that the amendment would read:

Nothing in this act shall be construed to prevent—

That is the way it will read, as amended. You would strike out "or in any rule or regulation made pursuant thereto."

That would be stricken out.

Mr. HOBBS. That is right.

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield?

Mr. HOBBS. Yes, sir; gladly.

Mr. MARCANTONIO. With the Fish amendment as it is now, is it not a fact that it would become the duty of every prosecutor to pass on every speech to determine whether or not it was uttered to aid the enemy, and then if, in his opinion or in the opinion of the grand jury, it was so uttered, and it is a matter of opinion—and we are dealing here with speeches and publications, and not with acts—if in his opinion and in the opinion of the grand jury it was uttered with intent to aid the enemy, then the person would be indicted. It seems to me that if the gentleman's amendment is adopted, we will be accomplishing exactly what the various Members have been protesting against.

Mr. HOBBS. I am inclined to agree with the gentleman, although I have had no opportunity to study the Fish amendment with such a criticism in mind. I know that the bill as reported by the Committee on the Judiciary is not susceptible to any reasonable construction of the kind you suggest. So I hope that part of the amendment will be deleted.

Mr. MARCANTONIO. And I say further that I also agree with the gentleman that there is nothing in this bill that in any way imperils free speech or press. I have been in favor of the bill from the start of the debate and will vote for it.

Mr. SUMNERS of Texas. And may I suggest to my distinguished friend from New York that in view of the attitude of the Members of the House, would it not be better to withdraw his amendment and have it considered in the Senate or somewhere where more time can be had to examine it?

Mr. HOBBS. Mr. Speaker, the pending measure is a good bill, carefully drawn, and highly desirable if we are to protect the lives of our civilians and fighting men, as well as the prosecution of the war, from fifth columnists, saboteurs, and traitors.

The opposition stems from the fear that the Department of Justice might abuse the power granted in this bill by prosecuting innocent persons. The Attorney General, himself, has been cited as one who could not be trusted to enforce this bill if it were to become law.

It has also been argued that even if convictions could not be had, arrests on charges under this measure, based as each must be upon an alleged hostile act done during wartime with intent to aid a country with which the United States is at war, would ruin the defendants almost as effectively as convictions. It is urged that the fact that the Department of Justice asked for the enactment of this legislation shows a grasping for more power, which should be rebuked.

Let us examine these contentions.

In the first place, the Department of Justice has always had, now has, and will continue to have just as much power to initiate prosecutions and have people arrested as they would have if this bill were law. There is nothing that this bill condemns which is not treasonous.

> Whoever, owing allegiance to the United States, levies war against them or adheres to their enemies, giving them aid and comfort within the United States or elsewhere, is guilty of treason (U. S. Code, sec. 1).

Any citizen may now be arrested and prosecuted at the instance of the Department of Justice on the charge of treason, misprision of treason, or on any other charge in the Criminal Code, whenever it may be so desired.

With reference to treason, this power has been lodged in the Department of Justice since 1787.

If arrest be almost as abhorrent as conviction, why has there never before been evidence of fear that the unlimited power to cause arrests would be abused?

Certainly there has never been an Attorney General more studiously zealous to maintain the rights of citizens to be free from unwarranted jeopardy than the present one. Born of a great, old, American family; intimate associate, friend, and admirer of Mr. Justice Holmes; an honored member of the Circuit Court of Appeals of the United States; possessor of an excellent record as Solicitor General; and without the semblance of any reproach for abuse of any such power as Attorney General; it is not only unbecoming, but it is absurd, to voice such a fear of maladministration from him.

In the last place, in view of the same power already possessed, it is preposterous to argue that the request of the Department of Justice for the enactment of this bill evidences the craving for more power. To the contrary, it manifests a desire to eliminate any possibility of injustice by obtaining a clearer and more specific expression of legislative will. Bureaucrats careless of the rights of citizens, or, worse, plotting to vent spleen upon the innocent, do not ask for law; they use the power they have, with or without justification.

If any Member really fears bureaucratic abuse of power, let him ponder well his contemplated action against denial of a request for clearer definition of a power already possessed.

If we love our country and its citizens—in uniform or not—as I am sure we do, let us pass this bill. It was unanimously recommended for passage by your Committee on the Judiciary, as well as by your Committee on Rules.

Mr. FISH. I asked unanimous consent to amend it to conform now with the apparent wish of the House, and a member of the Committee on the Judiciary is going to propose the amendment I have in mind as an amendment to mine, and I shall support it. In that form I think it should go through and be adopted. I amend it because some members of the committee, including the gentleman from Texas, wanted that amended in that way.

Mr. SUMNERS of Texas. I do not want to question the suggestion, because it is an important amendment and some Members seem to feel that it would subject the newspapers of the country to criticism and possibility of annoyance that would not be possible under the old bill. I do not know, and I do not believe that Members know. It is not certain with the amendment as I see it, but with all respect to my good friend, I hope that he will consent to withdraw the amendment and give us an opportunity for more deliberate consideration.

Mr. FISH. Mr. Speaker, I propose to support the amendment after striking out everything after "Executive order."

Mr. GWYNNE. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

> Amendment offered by Mr. GWYNNE to the amendment offered by Mr. FISH: After the word "order", strike out all the rest of the amendment.

Mr. GWYNNE. Mr. Speaker, the amendment that I have offered is the amendment that was suggested by the gentleman from New York [Mr. FISH]. It will be remembered that he asked unanimous consent to amend his amendment, in accordance with the apparent wish of the House. If my amendment is adopted, the amendment then to this bill pertaining to newspapers would read thus:

> SEC. 208. Nothing in this act or any rule or regulation made pursuant thereto shall be construed to prevent any citizen or citizens or any newspaper or other publications at any time from freely discussing or openly criticizing the domestic or foreign policies of the Administration, or the Federal Government, or of any public official, or from discussing or criticizing any existing or proposed law, regulation, directive, or Executive order.

My amendment would omit the words in the last line which provides that these things must be done with intent to aid a country with which the United States is at war.

Miss SUMNER of Illinois. Mr. Speaker, will the gentleman yield?

Mr. GWYNNE. Yes.

Miss SUMNER of Illinois. I think there is no fear that a newspaper is going to be arrested or indicted for criticizing. I think the fear, at least in my part of the country, is that they will use a bill like this to attack a newspaper that has been criticizing the administration, because repeatedly we have had public officials saying that this newspaper has intent to aid the enemy, as shown by the fact that it is criticizing.

Mr. GWYNNE. Will the gentlewoman kindly ask the question?

Miss SUMNER of Illinois. The gentleman's amendment was that of the gentleman from New York [Mr. FISH] does not prevent its being used to show intent. What protection now is there in this bill to prevent the Attorney General's force from going and indicting our people who have criticized and using that to show intent?

Mr. GWYNNE. I think this amendment as amended will make it abundantly clear that we have no purpose here to prevent honest honorable criticism of the acts of the Government. That will be the net result.

Mr. McGRANERY. Mr. Speaker, will the gentleman yield?

Mr. GWYNNE. I yield.

Mr. McGRANERY. Under the amendment proposed by the gentleman from New York [Mr. FISH] and further amended by the gentleman's amendment, how can this, if it were enacted into law, contravene our Constitution which now guarantees those very precious rights? How can we here enact any law in contravention of that guaranteed to us by the Constitution?

Mr. GWYNNE. Of course we are not.

Mr. McGRANERY. The Constitution has already said you have the guaranty of freedom of the press and freedom of speech.

Mr. GWYNNE. But the Court has also said that the right of free speech, for example, does not give the citizen a right to yell "fire" in a crowded theater. In other words, the right of free speech and freedom of the press is subject to some legitimate regulation.

Mr. McGRANERY. I am mindful of that. I think by passing this amendment you might give somebody the right to yell "fire" in a crowded theater.

Mr. GWYNNE. No. I think we are making it clear. If you adopt these amendments we will prohibit the gathering and putting out of data that is calculated to inform the enemy and with intent to aid the enemy, but we will also make it clear that we do not intend to include under that prohibition honest criticism of the Government.

Mr. McGRANERY. The gentleman is a distinguished member of the Committee on the Judiciary. The very point that he now makes is that you do not make it clear, but rather you confuse it more. I feel that if the committee gives the consideration to this that it should, as the distinguished chairman has requested, it might be withdrawn and let the matter go to the Senate and be taken care of there; but if every lawyer is going to place his own interpretation on it, how are the Members going to vote?

Mr. SHORT. Will the gentleman yield?

Mr. GWYNNE. I yield.

Mr. SHORT. Mr. Speaker, the tragic fact is that the Congress of the United States, and especially the House of Representatives, is the only branch of government left that defends the Constitution or lives by it.

The SPEAKER pro tempore. The time of the gentleman from Iowa has expired.

Mr. BOREN. Mr. Speaker, I ask unanimous consent that my colleague [Mr. LEA] may have permission to extend his own remarks in the RECORD.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. FLANNAGAN. Mr. Speaker, I rise in opposition to the amendment, and I ask unanimous consent to proceed for 5 minutes out of order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. FLANNAGAN. Mr. Speaker, the morning edition of the Washington Post carries on its front page an article headed "Attacks on Ginsburg branded 'unfair' in Roosevelt letter." I ask unanimous consent to revise and extend my remarks and to incorporate therein the article, including the letter from the President to Senator Prentiss M. Brown, dated March 25, 1943.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The article referred to is as follows:

ATTACKS ON GINSBURG BRANDED "UNFAIR" IN ROOSEVELT LETTER

President Roosevelt was revealed yesterday to have branded as "unfair attacks" congressional charges that David Ginsburg, recently resigned general counsel, was a draft dodger.

The President, in a letter to Office of Price Administration Administrator Prentiss M. Brown, warmly praised Ginsburg's record of public service in his Office of Price Administration job, stating that he is "a young man who was working day and night on our war effort long before some who now attack him realized the danger to which our country was exposed."

The letter, dated March 25, revealed for the first time that the War Department had turned down the attorney's request for a commission in the Army's overseas service on account of his age—31.

The President stated that Ginsburg had requested that no exception be made in his case and that he be allowed speedily to be inducted into the Army. The President said he acceded to the request to avoid "further calumny."

Ginsburg was attacked by the Costello committee of the House investigating Government deferments while an application for a commission was pending.

The text of the President's letter to Brown follows:

"DEAR PRENTISS: I am glad to note your letter of March 13 that you feel as I do about the unfair attacks that have been made against David Ginsburg.

"Here is a young man who was working day and night on our war effort long before some who now attack him realized the danger to which our country was exposed. I know as you know how diligently, ably, and painstakingly David has worked for over 2 years to help develop the necessary legislative and administrative price controls essential to maintain economic stability and to prevent ruinous inflation. Even before Pearl Harbor, Mr. Henderson (former Price Administrator Leon Henderson) told me that David was eager to get into the Army, but that he could not spare him.

"I know that David wanted to resign and go into the Army when Mr. Henderson resigned. You urged him to stay at least until you had a chance to familiarize yourself with the many pressing administrative problems of Office of Price Administration.

"When you finally agreed to release him, he applied for a commission in the Army for overseas service for which he was eminently and peculiarly qualified, and in which he would have at once been exposed to the dangers of war. The commission he applied for, he could have readily secured much earlier if Mr. Henderson had not urged him as a matter of patriotic duty to remain in his civilian post.

"I am sorry that the War Department has refused him a commission because of the present restrictions against granting a commission to anyone of his age. The Secretary of War assured me that the Department's decision was not influenced by the unfair attacks made against David.

"David has sent me word that he does not wish any exception to be made in his case and that it is his wish to be inducted into the Army in the usual manner as quickly as possible. I have reluctantly concluded that we must yield to his wishes in this matter. He has done too much for the war effort already for us to ask him to expose himself to further calumny even though you and I personally feel he could be more effective in the service of the country if he were immediately commissioned into the overseas service for which he applied.

"I am sure when the political storms blow over, David's patriotic, unselfish, and distinguished service to his country will be duly recognized.

"Sincerely yours,

"FRANKLIN D. ROOSEVELT."

Mr. FLANNAGAN. Mr. Speaker, while my name is mentioned neither in the text of the article nor in the President's letter, it is well known by everyone that I am the one who brought the matter out in the open.

In connection with the letter there are three or four statements I desire to make:

First. I made the statements about Mr. Ginsburg upon my own responsibility. While the text of the article attributes the attack to the Costello committee, which, in my opinion, is doing a great work, be it understood that I am not now, nor have I at any time, tried to sidestep by hiding behind the Costello committee or any other committee. I fight out in the open.

Second. My war record is well known to the membership of this House. I will put that record, either before or after Pearl Harbor, up against the record of a cowpen full of the Ginsburg type.

Third. I presented the record of Mr. Ginsburg on March 24, 1943, which will be found on pages A1390 to A1396 of the Appendix of the RECORD. I do not desire to further comment on that record except to say that it will take more than a letter from the President to breathe patriotism into that record. If the President wants to approve such a record, then that is his business. I still condemn it. And back of my condemnation stands, in my opinion, not only the Congress of the United States but the American people. All I ask you to do, my colleagues, is to compare that record with the President's letter.

Fourth. For the statements I have made with reference to Mr. Ginsburg I apologize to no man, not even my good friend the President of the United States.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. SUMNERS of Texas. Mr. Speaker, I rise to see if we cannot reach some agreement with reference to time for discussion on this amendment.

Mr. FISH. Mr. Speaker, I ask unanimous consent to strike out all after the word "act" in the first line of my amendment. In other words, to strike out "or any rule or regulation made pursuant thereto."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York to modify the amendment he has already offered?

Without objection, the Clerk will report the amendment as modified under the unanimous consent request of the gentleman from New York.

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. FISH: Insert after section 207 the following:

"SEC. 208. Nothing in this act shall be construed to prevent any citizen or citizens or any newspaper or other publications at any time from freely discussing or openly criticizing the domestic or foreign policies of the administration or the Federal Government or of any public official, or from discussing or criticizing any existing or proposed law, regulaton, directive, or Executive order."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. SUMNERS of Texas. Mr. Speaker, in view of the condition with reference to this amendment, speaking only as one member of the Judiciary Committee, I do not feel at liberty to agree to accept the amendment. I regret very much, but there is too much uncertainty.

The SPEAKER pro tempore. Does the gentleman object to the unanimous-consent request to modify the amendment?

Mr. SUMNERS of Texas. No, I do not object, Mr. Speaker.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York to modify the amendment?

There was no objection.

Mr. COOLEY. Mr. Speaker, I move to strike out the last word. I do this for the purpose of asking the chairman of the Committee on the Judiciary if in his opinion it is the purpose of the pending bill to deal with hostile words or only with hostile acts?

Mr. SUMNERS of Texas. As far as I recall the language and the purpose of the bill, it is to deal with hostile acts.

Mr. COOLEY. That is what the bill says. Now, one other question: Is it the gentleman's idea that by the provisions of this bill, any criticism of the Government which amounted only to words, however hostile they might be, if uttered in good faith, would be a violation of the law?

Mr. SUMNERS of Texas. Certainly, I do not have the notion that they would be in violation of the law, but the point I am trying to make is this, that the House is in very considerable confusion. The hour is late and we are going to try to vote on this bill tonight. I suggest to my distinguished friend in all deference, that this amendment might have

implications of very considerable importance.

I do not think we are in position either to consent to it or with proper information to vote on it. I hope my friend from New York will withdraw his amendment.

Mr. COOLEY. Mr. Speaker, I ask the gentleman one further question: Is it the purpose of this bill to penalize by making treason a statement made either written or orally?

Mr. SHERIDAN. There has to be an overt act to constitute treason.

Mr. SHORT. Because of this admitted state of confusion I move the House do now adjourn.

Mr. COOLEY. I do not yield for that purpose, Mr. Speaker.

The SPEAKER pro tempore. The gentleman from North Carolina has the floor.

Mr. COOLEY. I just want to clear up one matter. Does this act or any provision of it make hostile words a violation of the law? Now, there is a very simple question.

Mr. SUMNERS of Texas. Nowhere in the bill do I think that is the case.

Mr. HARRIS of Virginia and Mr. HOFFMAN rose.

Mr. COOLEY. I yield to the gentleman from Virginia [Mr. HARRIS].

Mr. HARRIS of Virginia. In view of the stress the gentleman from North Carolina places upon words as distinguished from acts, I would ask him if he would not regard the publication of words as an act?

Mr. COOLEY. That is a matter for the committee chairman to answer. I am trying to clear up the confusion.

Mr. RUSSELL. Mr. Speaker, will the gentleman from North Carolina yield?

Mr. COOLEY. I yield to the gentleman from Texas.

Mr. RUSSELL. I may state to the gentleman that this makes only such people or citizens guilty as are guilty of literally committing treason against our country or attempting to commit the offense of treason.

Mr. COOLEY I appreciate the gentleman's observation.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield that I may ask a question?

Mr. COOLEY. I yield.

Mr. HOFFMAN. If I understood the chairman of the committee correctly a moment ago, he said that he could not accept this amendment, and then he stated that in view of the state of confused ideas about the bill he did not think we could correctly vote on it.

Mr. SUMNERS of Texas. Yes.

Mr. HOFFMAN. If that is the situation, does not the gentleman from Texas think the bill should be recommitted so the Committee on the Judiciary could fix it up?

Mr. SUMNERS of Texas. No; I do not. If my distinguished friend from Michigan has any opinion that I think this bill ought not to be voted on right now, he is wrong.

Mr. Speaker, I ask for a vote on this amendment.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Iowa to the amendment offered by the gentleman from New York.

The amendment to the amendment was agreed to.

The SPEAKER pro tempore. The question recurs on the amendment offered by the gentleman from New York.

The question was taken; and on a division (demanded by Mr. SUMNERS of Texas) there were—ayes 129, noes 95.

So the amendment, as amended, was agreed to.

Mr. HOFFMAN. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOFFMAN: On page 2, line 14, after the word "soon," strike out the words "as is reasonably possible to the Federal Bureau of Investigation of the United States Department of Justice" and also all of lines 18, 19, 20, and 21; and insert in lieu thereof the words "as may be disclosed and make known such information to the President or to some judge of the United States or to the Governor or to some judge or justice or sheriff of a particular State."

Mr. HOFFMAN. Mr. Speaker, this amendment seeks to accomplish the same purpose as the amendment offered by the gentleman from Michigan [Mr. JONKMAN] and I think it meets every objection that was raised by the chairman of the committee. Am I correct in that statement?

Mr. SUMNERS of Texas. No.

Mr. HOFFMAN. What is the matter with it, if I may ask the chairman of the committee?

Then I ask this question of the membership of the House: Is the House interested in having a good bill, a bill which will protect our people, or is it more concerned with ending the debate, with the adoption of the bill brought out of the committee without the crossing of a "t" or the dotting of an "i"?

Mr. GWYNNE. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. I yield.

Mr. GWYNNE. Under the gentleman's amendment would it not be very difficult to get a conviction? The Government would be required to prove affirmatively that report had not been made to the people enumerated in the amendment. Is not that correct?

It might be more difficult to get a conviction, for the Government would be required to prove its case. That it must do in every criminal case, and wartime is no time to deprive citizens of the presumption of innocence and compel them to prove their innocence when accused of an offense.

Mr. HOFFMAN. Under the amendment I have offered, the presumption of innocence which has been in existence ever since the birth of the Republic would still be in effect, while under the committee bill the burden of proof would be thrown on the defendant.

Mr. GWYNNE. Will the gentleman yield again?

Mr. HOFFMAN. Let me ask again, I want to know whether this House is interested in getting a good bill or in putting over the committee bill regardless? Get your bill and note this: The amendment which I have offered strikes out lines 18, 19, 20, and 21 which is the proviso and inserts in lieu of the words "as is reasonably possible to the Federal Bureau of Investigation or the United States Department of Justice," the language which has been in this statute punishing misprision of treason since 1790. This amendment uses the exact words of the statute that has to do with treason and the reporting of acts of treason. It has been on the books since 1790. It has served every purpose and it has been construed by the Federal courts and the United States Supreme Court. Within the year a conviction has been secured in Michigan under it. What is wrong with the amendment? If the gentlemen on the other side can tell me, I would like to know.

Mr. GWYNNE. Mr. Speaker, I rise in opposition to the amendment offered by the gentleman from Michigan [Mr. HOFFMAN].

Mr. Speaker, it seems to me this would be a very unfortunate amendment. If adopted we might just as well take out section 102 of the bill presented by the committee. Under the committee bill in order to get a conviction the Government must prove that a person knew a crime was going to be committed or had been committed, and, second, that he failed to give notice to the F. B. I.

The defendant by way of defense could show he had given notice to some peace officer, State or local peace officer, that defense would be somewhat similar to an alibi. The jury would be instructed by the trial court that the burden would be upon the defendant to prove he had given this notice; however, he would tell the jury that the burden so far as the entire case is concerned would be on the Government.

If you adopt the amendment offered by the gentleman from Michigan you would have the situation of the Government being put to the necessity of proving a negative, an impossible negative. How are they going to prove it if they do not get a confession from the defendant? The Government would have to call all the people enumerated in the amendment all over the country, and prove affirmatively that the report had not been made. Is that not correct?

Mr. HOFFMAN. Will the gentleman yield?

Mr. GWYNNE. I yield to the gentleman from Michigan.

Mr. HOFFMAN. Has not that same provision as to proof with reference to treason been on the statute books since 1790?

Mr. GWYNNE. In answer to the gentleman, may I say that that is probably so, but provisions similar to this are to be found in the code of almost every State in the Union. In other words, you do not ordinarily write a law so that the Government or the State has to prove a negative.

Mr. HOFFMAN. They did write it in 1790, and it has been there ever since.

Mr. GWYNNE. Much water has gone over the dam since then.

Mr. HOFFMAN. It still stands when you want to prosecute a man for treason.

Mr. GWYNNE. Mr. Speaker, I hope the amendment will be voted down.

The SPEAKER. The question is on the amendment offered by the gentleman from Michigan [Mr. HOFFMAN].

The amendment was rejected.

Mr. SUMNERS of Texas. Mr. Speaker, I think this bill has been pretty well discussed. Members are getting a little restless. Can we not agree to close debate on the bill?

Mr. Speaker, in view of no loud protest, I move the previous question on the bill.

The previous question was ordered.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. SHORT. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. SHORT. I am, Mr. Speaker.

The SPEAKER. The clerk will report the motion to recommit.

The Clerk read as follows:

Mr. SHORT moves to recommit the bill H. R. 2087, to the Committee on the Judiciary.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and the Speaker being in doubt, the House divided, and there were—ayes 93, noes 133.

Mr. SHORT. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

So the motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The bill (H. R. 2087) was passed, and a motion to reconsider was laid on the table.

Mr. HOBBS. Mr. Speaker, I ask unanimous consent that all Members who spoke on the bill just passed may have 5 legislative days in which to extend their remarks in the RECORD.

The Speaker. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. CURTIS. Mr. Speaker, I had on the Clerk's desk an amendment to the bill just passed which had not been read when the previous question was ordered. I ask unanimous consent that it be printed in the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

The amendment referred to is as follows:

On page 5, strike out lines 16 to 20, inclusive, and insert "by the Attorney General when supported by the affidavit of an officer of the armed forces of the United States, the court may take such precautions as may be necessary to prevent the disclosure to persons other than those to whom disclosure is necessary for purposes of the trial of military information which may be valuable to any country with which the United States is at war: *Provided*, That an order preventing the public disclosure of the testimony, or part thereof, of a witness or witnesses containing military information shall not be grounds for denying a public hearing as to all other proceedings in the trial of any person tried under this act."

EXTENSION OF REMARKS

(Mr. BREHM, Mr. MORRISON of Louisiana, and Mr. BENDER asked and were given permission to extend their own remarks in the RECORD.)

Mr. GAVIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial from the Oil City Derrick of March 31.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein the text of a concurrent resolution of the General Assembly of the State of Indiana memorializing Congress to enact anti-poll-tax legislation.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on two subjects, and to include in one a newspaper article and in the other a poem.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER. Under a previous order of the House, the gentleman from Michigan [Mr. WOODRUFF] is recognized for 10 minutes.

POST-WAR COMMITMENTS

Mr. WOODRUFF of Michigan. Mr. Speaker, the morning papers of Wednesday, March 31, carried two stories which are of very great interest to the American people. One was an article carried in the Washington Post revealing that the State Department has invited 38 nations to attend a conference on post-war food and other agricultural problems. The announcement said the conference would be started April 27 "at some suitable place in the United States." Des Moines, Iowa, has been mentioned as a possible place for the conference to be held. The purpose of the conference is "to discuss methods of improving progressively in each country the levels of consumption within the framework of the opportunities and possibilities of an expansion of its general economic activities after the war, and to discuss the possibilities of coordinating and stimulating by international action national policies looking to the improvement of nutrition and the enhancement of consumption in general. The nations invited include the 30 so-called United Nations and 8 associated nations. These include Australia, United Kingdom, of course, Belgium, Brazil, Canada, China, Costa Rica, Cuba, Czechoslovakia, El Salvador, Ethiopia, Greece, Guatemala, Haiti, Honduras, India, Iraq, Luxembourg, Mexico, the Netherlands, New Zealand, Nicaragua, Norway, Panama, the Philippine Islands, Poland, South Africa, Russia, Yugoslavia, Bolivia, Colombia, Chile, Ecuador, Paraguay, Peru, Uruguay, and Venezuela."

The other story published in the Washington Times-Herald states that President Roosevelt on the day previous disclosed his hopes to hold conferences on post-war problems with the Russian Government, particularly Stalin, and other Allied Governments. Anthony Eden, British Foreign Minister, had just completed conversations here and departed for Ottawa. Mr. Eden had declared that Britain is the best nation to handle affairs throughout the world as the broker and agent of the United States and herself.

It becomes perfectly apparent that the Chief Executive and the executive branch are moving along a line which ignores the Congress of the United States as a coordinate, independent, and equal branch of the Government. It is also apparent that Mr. Roosevelt now intends to try to conduct these conversations and negotiations presumably without consultation with the Congress, without the American people knowing how they are being committed or to what they are being committed for the future.

There has been a studied resistance on the part of the executive department, from the White House down, to permitting the Congress to know anything about these post-war plans or allowing the legislative body to participate in them. It begins to appear that a number of conferences on post-war problems are to be held in this country. It is not possible for these conferences to be held, and for any commitments to be made, which do not vitally affect all of the people of the United States.

There are very grave possibilities that the President may make commitments at these conferences which will be very difficult for the American people to carry out and which may impose great hardships upon our people for many, many years after the war. There has been all too much of the technique in the administration of presenting the Congress with the fait accompli and in such a fashion as practically to compel the Congress either to accede to the administration's acts, or repudiate the President, which cannot well be done while the war is on.

There is too much of the appearance about these conferences of plans on the part of the administration to put the American people into obligations over their ears before the Congress or the people know what is being done.

The people ought to know what is contemplated in these conferences with other countries. The people ought to know what is contemplated in these post-war agreements. The people ought to know what burdens of taxation are being thrust upon them for long years through these activities. The people ought to have something to say about these post-war plans, about the extent of their participation in the rehabilitation of all the other countries of the world after this war is ended. The people can have this part only through their special

instrument of control over their Government and their governors—the Congress.

It is definitely the pressing duty of the Congress to move now to see that the legislative branch of the Government has an adequate and comprehensive part in any plans which are being made, in any commitments which are contemplated, in any promises which are to be passed at these international conferences which are being held to lay down post-war plans and to establish the extent of America's participation in them.

There was something exceedingly significant about Anthony Eden's parting sales talk to the American people, that Britain should be the "broker"—which means the commission agent—between America and the rest of the world in any post-war planning. The American people do not want Great Britain or any other nation to decide how we shall spend our money, where we shall spend our money, how much of our money we shall spend, how long our fighting forces shall remain abroad, what disposition shall be made of them, and how the post-war world shall be run. America is still competent to speak for herself to the other nations of the world.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. BARRETT, for today, on account of official business.

To Mr. BELL (at the request of Mr. LANHAM), for 10 days, on account of official business.

To Mr. GORDON, for 10 days, on account of official business.

PERMISSION TO ADDRESS THE HOUSE

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include an article.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOLIFIELD. Mr. Speaker, I am greatly concerned about the attitude of the Members of the Seventy-eighth Congress in regard to the organized campaign for the purpose of separating important groups of our people into antagonistic units. Through the medium of the press, radio, and speeches of national figures, an attempt is being made to influence legislation which I believe will be detrimental to the prosecution of this war. I, therefore, wish to speak at this time on the subject of wartime legislation for victory.

A democracy is comprised of many different groups of people with separate interests. In many instances the groups seem to be conflicting and the interests are inclined to appear antagonistic, one to the other. If these groups are clearly segregated on these interests entirely antagonistic, then it follows as an axiom of logic that they are irreconcilable, and there can be no harmony; neither can there be a unified effort. The obvious conclusion to be drawn then is, of its inherent weaknesses—democracy must fail.

This line of reasoning and the conclusion reached is, of course, fallacious, but it is the basis for a very clever program of Axis propaganda, expressed in three words: "Divide and conquer."

It is very important that intelligent Americans understand this propaganda line, and guard against aiding the enemy in their first step of division.

I deny the logic of the Axis psychologists, because no important group or interest in America can be isolated or segregated from another group. There is always present an overlapping, mingling, or duplication of common interests which prevent strict segregation.

Let us consider three so-called groups that the Axis propagandists are striving to divide, with the ultimate object of conquering:

A. The capital-management group.

B. The labor group.

C. The armed forces.

The majority of the persons in the capital-management group work or have worked. Therefore they know the problems of labor.

The majority of the labor group have accumulated capital assets or hope to do so. Therefore they realize the responsibility of capital.

The armed forces are comprised of boys drawn mainly from the ranks of farm or city labor, but also from professional and capital groups as well.

The welfare of our Nation as a democratic society depends on our intelligent opposition to the Axis effort to segregate these groups into antagonistic, destructive units.

Understanding is the foundation of wisdom. Let us consider the capital-management group. This group has made grievous mistakes. In the spring of 1940 the representatives of this group met in Washington at the invitation of the President to discuss the manufacture of the matériel of war. They refused the cost-plus-6-percent contracts proposed by the Government; they refused conversion to war production, because they were geared to peacetime production, business was good, and the war seemed far away. They refused to increase their steel and aluminum foundries, and the steel company's expert, Gano Dunn, made his famous report—that an expansion of production was not necessary. "Our facilities," said he, "are adequate for any war emergency." The great automobile companies continued their business-as-usual policy, and steel, labor, and vital materials were transformed into automobiles. One-half million of these automobiles are now frozen in the dealers' warehouses. They refused the conversion plan of Walter Reuther, a labor leader of vision.

Then there were the great firms that continued to ship scrap iron, aviation gas, and other vital war supplies to Japan, to Hitler, via Franco's Spain. There were the great international patent agreements between our aluminum and oil corporations and the Axis cartels.

Yes; the capital-management group made their mistakes—and then came December 7, Pearl Harbor, and the shock of murderous war transformed this group and they started the battle of production. Their capital, their factories, the brains of management, all their resources were offered in defense of our Nation. Yes; I realize that a small minority failed to meet the challenge of fascism, but they were few, and the Members of the Seventy-seventh Congress did not pass laws to penalize business management as a whole because of the traitorous, greedy few. The American people forgave them the sins of the past and the failings of the present and pitched in to help them in the war effort.

Where was the second great group, the labor group, during this time? What was their record? Well, they made their mistakes, too. The two great unions were waging a war of membership. The conflicting ideals and the human ambition for power brought on jurisdictional disputes—in some instances exorbitant dues, outlaw strikes, and unwise leadership. In some of the newer unions racketeers muscled in and seized control of the purse and policy of the locals. In some cases subversive, alien influence became predominant. But did this mean that the rank and file of 15,000,000 members of American unions were unworthy? Bloody, murderous war came to them, too, on December 7, and their relatives fell at Pearl Harbor as a sacrifice to our stupidity and lack of vision.

Immediately the leaders of the great unions met and formulated their wartime policy of cooperation with each other and with their employers—the capital-management group. They foreswore their competitive membership drives and outlawed jurisdictional disputes for the duration. They voluntarily gave their no-strike pledge to the Government, and no less an authority than Under Secretary of War Patterson recently said that man-hours lost during the last 3 months of 1942, due to strikes, were less than three-one-hundredths of 1 percent, an all-time low.

The workers of America proceeded to amaze the world with their increase of production—from a few hundred thousand tons of shipping to 8,000,000 tons in 1942, and an estimated 16,000,000 tons of shipping for 1943. From a few planes to 5,000 per month, 60,000 for 1942, and God alone knows how many planes will be built in 1943 to blast the Axis planes from the skies.

I could go on quoting figures of production of jeeps, tanks, guns, munitions, food, clothing, and so forth, until the mind reels from sheer fatigue. I could tell you of the bond purchases of labor, the blood donations of labor, the lives lost in industrial accidents, the rigors of insanitary boom-town living conditions surrounding the great defense plants, and I could tell you of the thousands of members of the maritime unions, torpedoed by U-boats, men who floated as long as 85 days on rubber rafts and then, when rescued and restored to health, signed up and went to sea again, to face the death which had already claimed thousands of their buddies.

The record is still being written. Labor, as a whole, has been doing a marvelous job. They have cooperated in the war effort with management. The

armed forces are composed of their brothers and sons, and labor knows how desperately they need the products of field and factory. Even as management has its traitors, so labor has its Benedict Arnolds—members who loaf on the job or fail to come to work. There are still some racketeers in positions of leadership, but any sane person knows that they are very few. Shall we allow the hysteria of war to make us forget the great contribution the workers have made, and cause us to smear all of labor, for the sins of a few? Shall we drive a wedge between the present teamwork of the two great groups of labor and management?

Our production depends, in the final analysis, on the all-out effort of both management and labor. It must be voluntary. It cannot be forced.

Free labor has proven that it can outproduce slave labor, and freemen are proving that they can outfight the slave soldiers of the Axis.

We have not forced capital-management to operate on an unreasonable basis, and the majority of this group are now giving their best in the battle of production. Those few who refuse to produce, or who demand exorbitant profits, can be dealt with as individual cases.

We have not forced slavery upon labor, and the voluntary cooperation of the workers of America has achieved the greatest miracle of production the world has ever known. I have already enumerated some of their accomplishments. I have shown that the armed forces of America have been drawn chiefly from the common, ordinary, patriotic, working people of our Nation—college boys whose families were sacrificing in order that their sons might secure a better education than their parents—boys from the farm families of the agricultural districts, where their families work today short-handed to produce the food so necessary for victory. Boys from the cities, towns, and factories, skilled industrial workers who have laid aside their union buttons for the button that carries the insignia of our country.

Six million of them have accepted the challenge of dictatorship. Six million of them have said, "This world cannot exist half slave and half free." Six million have confidence in the capital-management group, and in their sisters, mothers, and fathers who have taken their places in the production battle of farm and factory.

These boys are winning the war of democracy against fascism. Our soldiers and marines are winning in north Africa, China, Burma, and other foreign lands. Our sailors are winning on the Atlantic convoy routes, the Pacific waters and wherever fighting craft will float or submarines submerge. Our air force is outflying and outfighting the enemy in every sky where enemy craft can be found.

What has this to do with the Members of the Seventy-eighth Congress—the elected representatives of the people? We are not, strictly speaking, a member of either of these three great groups. We have been chosen by the people of our respective districts to act as advisors and protectors of all three. Our legislation must have dignity of judgment and proper perspective, freedom from narrow sectional jealousy, and the calmness of statesmanship.

Legislation will be introduced in this session of Congress to penalize and cripple the business-management group because of the sins of an un-American, profit-greedy few. Our duty will be to defeat this type of legislation and protect the majority that have demonstrated their patriotism.

Other legislation will be introduced to penalize and punish all of labor, because of the sins of a few power-mad labor leaders and ill-advised members of the labor group. Our duty, in my opinion, will be to defeat this type of legislation and protect the majority of the members of labor who have proven their devotion to our country.

Remember, the present voluntary cooperation of these two great groups has brought forth the miracle of production which is defeating our enemies, the Axis nations.

The members of the capital-management group, those who are in the labor group, and last but not least, the members of our armed forces, must not be divided by any injudicious act of ours. We as advisers, and protectors of the welfare of the Nation, must not unwittingly aid the clever "divide and conquer" plans of our enemies.

The heritage of liberty is in the hands of the Seventy-eighth Congress, and we cannot escape history. The sacrificial blood of American heroes will be on your hands and mine if we prove unworthy of our trust. As for me, I intend to keep the faith.

In closing, my friends, let us consider the immortal words of Abraham Lincoln, spoken to the Members of the Thirty-seventh Congress, December 1, 1862, words that are just as applicable and words that should be just as inspirational to the Members of the Seventy-eighth Congress today. I quote:

> We—even we here—hold the power and bear the responsibility. We shall nobly save or meanly lose the last, best hope of earth. The way is plain, peaceful, generous, just; a way which, if followed, the world will forever applaud and God must forever bless.

EXTENSION OF REMARKS

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. McCORMACK] be permitted to extend his own remarks in the RECORD and include therein an article by William H. O'Brien.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a letter and a resolution from the American Bar Association with reference to H. R. 1025.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

ADJOURNMENT

Mr. RAMSPECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 40 minutes p. m.), under its previous order, the House adjourned until Monday, April 5, 1943, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The meeting of the Subcommittee on Fisheries of the Committee on the Merchant Marine and Fisheries, which was scheduled for Wednesday, March 31, 1943, at 10:30 a. m., to consider the matter of price ceilings on fishery products, has been postponed until Tuesday, April 6, 1943, at 10 a. m.

As advised in notice of March 10, 1943, Congressman BATES, of Massachusetts, patron of the bill H. R. 1766, upon which hearings were scheduled on April 8, 1943, is a member of the Committee on Naval Affairs and of a subcommittee of that committee which has arranged a schedule of hearings throughout the country which will compel Congressman BATES, of Massachusetts, to be absent from Washington on April 8 and also April 15.

The chairman of the committee and the Commissioner of Fisheries will be out of town on intervening dates, which will necessitate a further postponement of the hearing until May 13, 1943. You are hereby notified that the hearings scheduled for April 8 and postponed until April 15 have been postponed to May 13, 1943, at 10 a. m., at which time the hearings will follow.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a hearing of the Committee on Immigration and Naturalization on Wednesday, April 7, 1943, at 10:30 a. m., for the consideration of H. R. 1607.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

297. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill for the reimbursement of certain enlisted men of the Navy for personal property lost in the loss of the *Hugh L. Scott;* to the Committee on Claims.

298. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill to provide a penalty for violation of restrictions or orders with respect to entering, remaining in, leaving, or committing any act in Naval, Marine Corps, or Coast Guard bases or stations, and for other purposes; to the Committee on Naval Affairs.

299. A letter from the Under Secretary, Department of Agriculture, transmitting the Tenth Annual Report of the Farm Credit Administration covering the operations for the year 1942 (H. Doc. No. 14); to the Committee on Agriculture and ordered to be printed, with illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CLARK: Committee on Rules. House Resolution 198. Resolution for the consideration of House Joint Resolution 14 authorizing the execution of certain obligations under the treaties of 1903 and 1936 with Panama, and other commitments; without amendment (Rept. No. 340). Referred to the House Calendar.

Mr. DIES: Committee on Rules. House Resolution 199. Resolution for the consideration of H. R. 2207, a bill to amend the Nationality Act of 1940; without amendment (Rept. No. 341). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HANCOCK:

H. R. 2376. A bill to amend the Internal Revenue Code with respect to the allowances and abatement of income taxes assessed against members of the armed forces; to the Committee on Ways and Means.

By Mrs. NORTON:

H. R. 2377. A bill providing for the option to repurchase by the seller of any lands or buildings, or both, or any right or interest therein, sold to the United States of America, together with any improvements made thereon, when not needed for public use; to the Committee on Public Buildings and Grounds.

By Mr. PRIEST:

H. R. 2378. A bill to amend the Interstate Commerce Act with a view to the establishment and maintenance of a uniform classification of freight and a uniform scale of class rates, to be applicable in the case of transportation of property by common carriers by railroad, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. RANKIN:

H. R. 2379. A bill providing for the promotion of certain substitute rural carriers; to the Committee on the Post Office and Post Roads.

By Mr. ROWE:

H. R. 2380. A bill to require registration of persons engaged in influencing legislation or Government contracts and activities; to the Committee on the Judiciary.

By Mr. SHAFER:

H. R. 2381. A bill to provide that in determining need of individuals claiming old-age assistance $240 per year of the income and resources of such individuals may be disregarded; to the Committee on Ways and Means.

By Mr. TAYLOR:

H. R. 2382. A bill to provide for the establishment of a national cemetery in the Saratoga National Historical Park; to the Committee on the Public Lands.

By Mr. CHAPMAN:

H. R. 2383. A bill to amend the act known as the Insecticide Act of 1910 (36 Stat. 331), approved April 26, 1910; to the Committee on Interstate and Foreign Commerce.

By Mr. DOUGHTON:

H. J. Res. 111. Joint resolution to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended; to the Committee on Ways and Means.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of North Dakota, memorializing the President and the Congress of the United States to continue and provide for the continuation of the program of incentive payments to farmers who increase their production in 1943; to the Committee on Appropriations.

Also, memorial of the Legislature of the State of Washington, memorializing the President and the Congress of the United States to take action relative to the purchase, maintenance, and operation of bridges across the Columbia River between Washington and Oregon by the United States; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANGELL:

H. R. 2384. A bill for the relief of Frank A. McMenamin; to the Committee on Claims.

By Mr. BUFFETT:

H. R. 2385. A bill for the relief of Nadine Gorman; to the Committee on Claims.

By Mr. COLE of New York:

H. R. 2386. A bill for the relief of Mary Hurley; to the Committee on Claims.

By Mr. FITZPATRICK:

H. R. 2387. A bill for the relief of John Salfi; to the Committee on Claims.

By Mr. KEFAUVER:

H. R. 2388. A bill for the relief of T. E. Epperson & Co., Inc.; to the Committee on Claims.

By Mr. LARCADE:

H. R. 2389. A bill for the relief of Desire J. Bouillion; to the Committee on Military Affairs.

By Mr. WENE:

H. R. 2390. A bill for the relief of Joseph Scarpella and Dorothy Scarpella; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

396 By Mr. THOMASON: Petition of the board of trustees of the independent school district of the city of El Paso, Tex., urging the enactment of Senate bill 637, providing Federal aid for public schools; to the Committee on Education.

397. By Mr. HOLMES of Washington: Resolution of the building and construction trades section of the Washington State Federation of Labor adopted at convention held in Yakima, Wash., March 13 and 14, 1943, requesting that the authority of local housing authorities be extended in order that the housing program may be expedited; to the Committee on Banking and Currency.

398. Also, resolution of building and construction trades section of the Washington State Federation of Labor adopted at convention held in Yakima, Wash., March 13 and 14, 1943, requesting that Seattle be removed from list of critical labor supply centers and place on the critical industry list; to the Committee on Military Affairs.

399. By Mr. ROLPH: House Resolution No. 148 of the State of California, relating to horse racing in California; to the Committee on Agriculture.

400. By the SPEAKER: Petition of the American Bar Association petitioning consideration of their resolution with reference to House bill 1025; to the Committee on the Civil Service.

HOUSE OF REPRESENTATIVES

MONDAY, APRIL 5, 1943

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Glory be to Thy name, O Lord Most High. We pray for deliverance from the clanging discords of men and for a high grasp of the compelling realities which make a people grand and enduring. In this day which maintains self and materialism, enable us to put conscience and character as our primary quests. With these virtues intellect and talent pass into honor and a splendid fruition.

Reaffirm our unswerving convictions to the everlasting verity that there is no name under Heaven by which we can be saved, but by the name of Jesus only. In the passionate struggle for religious and political freedom, we pray for a revival of godliness which proves itself in the Golden Rule. Teach us that whither flow the spiritual streams, they revitalize and remind us to build on the impregnable Rock of Ages. Keep our hearts pure and humble, accepting with tranquillity the yoke of sacrifice without murmur or complaint. Crown us with that spirit which ever avows and champions the determination that all pagan rebels shall be thrust from their thrones. Thus we shall share in the glorious privilege of the crusaders of truth that freedom shall survive and that the scepter of humanity shall be righteousness and peace to all the world. In the name of our Exemplar and Saviour. Amen.

The Journal of the proceedings of Friday, April 2, 1943, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment bills and a concurrent resolution of the House of the following titles:

H. R. 218. An act for the relief of H. F. Mathis;

H. R. 227. An act for the relief of the Tours Apartment Hotel;

H. R. 402. An act for the relief of Frank T. Been;

H. R. 598. An act for the relief of Thelma Cannon McGroary;

H. R. 605. An act for the relief of Shumate Investment Co.;

H. R. 1128. An act for the relief of Bernice James;

H. R. 1131. An act for the relief of the estate of Ola Fowler;

H. R. 1276. An act for the relief of Raymond W. Baldwin, Mattie Baldwin, and Clement B. Baldwin;

H. R. 1279. An act for the relief of Lee Watts;

H. R. 1459. An act for the relief of Albertine Nast;

H. R. 1639. An act for the relief of Frank and Paulina Rublein and Mrs. Ethel Bowers;

H. R. 1691. An act to authorize the Secretary of the Navy to pay the costs of transportation of certain civilian employees, and for other purposes;

H. R. 1724. An act to provide for the reimbursement of certain civilian personnel for personal property lost incident to the emergency evacuation of the United States Antarctic Service Expedition's East Base, Antarctica, on March 21, 1941, and for other purposes;

H. R. 2070. An act to effectuate the intent of the Congress as expressed in section 1, paragraph (k) of Public Law 846, Seventy-seventh Congress, approved December 24, 1942, by adding to the list of institutions named in said paragraph the name of the American Tree Association, an institution similar to the institutions so named; and

H. Con. Res. 17. Concurrent resolution authorizing the Committee on Ways and Means of the House of Representatives to have printed for its use additional copies of the hearings held before said committee during the current session relative to individual income tax.

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 24. An act to authorize the Secretary of the Interior to issue patents for certain lands to certain settlers in the Pyramid Lake Indian Reservation, Nev.;

S. 134 An act for the relief of the heirs of John J. Shields,

S. 135 An act to confer jurisdiction upon the Court of Claims of the United States to hear, determine, and render judgment on the claim of the General State Authority of the Commonwealth of Pennsylvania;

S. 169 An act designating the fourth Saturday in September of each year as American Indian Day;

S. 170 An act for the relief of W. Cooke;

S. 241 An act for the relief of Rachel Acerra;

S. 252. An act for the relief of Philip Kleinman;

S. 257. An act for the relief of Christine Lund;

S. 258 An act authorizing the Comptroller General of the United States to consider the claim of Lew O. Calhoun;

S. 373 An act for the relief of Charles Favors;

S. 376 An act for the relief of C. Y. Webb;

S. 400 An act for the organization and functions of the Public Health Service;

S. 510 An act for the relief of Inez Smith;

S. 516. An act for the relief of the Nashville, Chattanooga & St. Louis Railway;

S. 555 An act for the relief of Almos W. Glasgow;

S. 629 An act to authorize the conveyance of certain public lands in the State of Minnesota to such State for use for park, recreational, or wildlife-refuge purposes;

S. 652 An act for the relief of Joseph A. Lassiter;

S. 671 An act for the relief of Charles Francis Fessenden;

S. 684. An act for the relief of Lt. M. V. Daven;

S. 695 An act for the relief of Joseph F. Bolger;

S. 716. An act to provide for the appointment of an additional circuit judge for the seventh judicial circuit;

S. 717. An act for the relief of Cinda J. Short;

S. 734. An act to provide for the transfer of Granville County to tht middle judicial district of North Carolina;

S. 743. An act for the relief of Mr. and Mrs. Walter H. Kindon;

S. 784. An act to amend that part of the act of June 24, 1910 (36 Stat. 619) relating to disposition of profits from sales of ships' stores;

S. 800. An act to authorize certain officers of the Navy, Marine Corps, and Coast Guard to act as notaries public during the existence of war or a national emergency and 6 months thereafter;

S. 829. An act to amend sections 6 and 11 of the act approved July 24, 1941, entitled "An act authorizing the temporary appointment or advancement of certain personnel of the Navy and Marine Corps, and for other purposes," as amended, to provide for the grade of commodore, and for other purposes;

S. 839. An act conferring jurisdiction upon the United States District Court for the Middle District of North Carolina to hear, determine, and render judgment upon the claim of Etta Houser Freeman;

S. 853. An act to amend the act of March 3, 1909, as amended by the act of January 23, 1942, providing for the sale of naval stores, in order to authorize the Secretary of the Navy to permit the sale of naval stores in the continental United States during the war and 6 months thereafter to civilian officers and employees of the United States, and to other persons at stations where purchase from private agencies is found to be impracticable;

S. 854. An act for the relief of the First National Bank of Huntsville, Tex.;

S. 872. An act to authorize the President to appoint Frank T. Hines a brigadier general in the Army of the United States;

S. 879. An act to amend the act entitled "An act authorizing a reduction in the course of instruction at the Naval Academy," approved June 3, 1941 (55 Stat. 238);

S. 903. An act to amend section 602 (d) (1) of the National Service Life Insurance Act of 1940, as amended; and

S. J. Res. 31. Joint resolution providing for awards of honor for agricultural production.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 170. An act to confer jurisdiction upon the United States District Court for the Eastern District of Virginia to hear, determine, and render judgment upon the claim of O. T. Travis;

H. R. 535. An act for the relief of the legal guardian of Donna Pittel;

H. R. 940. An act for the relief of Howard E. Dickison;

H. R. 1153. An act for the relief of Cordie Underwood and Wilbur Kea;

H. R. 1463. An act for the relief of Florence B. Hutchinson; and

H. R. 1468. An act for the relief of Mr. and Mrs. Samuel Azer.

LEONARD G. PECK

Mr. COCHRAN. Mr. Speaker, by direction of the Committee on Accounts, I present a privileged resolution (H. Res. 195), which I send to the desk and ask to have read.

The Clerk read as follows:

Resolved, That there shall be paid out of the contingent funds of the House to Leonard G. Peck, father of Lyle G. Peck, late an employee of the House, an amount equal to 6 months' salary compensation and an additional amount not to exceed $250 to defray funeral expenses of the said Lyle G. Peck.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to, and a motion to reconsider laid on the table.

EXTENSION OF REMARKS

Mr. DELANEY. Mr. Speaker, I ask unanimous consent to extend my remarks and include a resolution passed by the Assembly of the State of New York.

The SPEAKER. Is there objection?

There was no objection.

Mr. ROBINSON of Utah. Mr. Speaker, I ask unanimous consent to extend my remarks and include a speech delivered by me yesterday at the dedicatory exercises held in Arlington for William Henry Jackson.

The SPEAKER. Is there objection?

There was no objection.

Mr. GATHINGS. Mr. Speaker, I ask unanimous consent to extend my remarks and include an article appearing in the Commercial Appeal, of Memphis, Tenn., on March 30, 1943.

The SPEAKER. Is there objection?

There was no objection.

Mr. GATHINGS. Also, Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an editorial appearing in today's Washington Post.

The SPEAKER. Is there objection?

There was no objection.

Mr. McMURRAY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an editorial appearing in the Chicago Sun, Friday, March 13, 1943.

The SPEAKER. Is there objection?

There was no objection.

Mr. McMURRAY. Also, Mr. Speaker, I ask unanimous consent to extend my remarks and include an editorial from the Milwaukee Journal of March 21, 1943.

The SPEAKER. Is there objection?

There was no objection.

Mr. McGREGOR. Mr. Speaker, I ask unanimous consent to extend my own remarks and include an address given by a professor of political science of the Ohio Wesleyan University. In checking with the Government Printing Office on this matter, it will cost in excess of the usual amount, $90. I ask unanimous consent that it be extended in the RECORD nevertheless.

The SPEAKER. Is there objection?

There was no objection.

V FOODS TO FIGHT U-BOATS

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. MUNDT. Mr. Speaker, for something over a year I have been making a study as time has permitted of the remarkable developments taking place in the fields of dehydrated and compressed foods especially from the standpoint of their utility in this era of global warfare. Tomorrow afternoon I have a special order at which time I shall discuss and

describe some of the immediate opportunities for saving shipping space which food compression provides but which thus far have not been utilized by those in authority.

With the cooperation of the Lend-Lease Administration, the War Production Board, the Department of Agriculture, the Food Distribution Administration, and the Quartermasters Corps of the Army I have collected a display of charts, pictures, and diagrams which I am setting up in the Speaker's lobby tomorrow morning, and which I hope Members will take time to examine. In my talk tomorrow afternoon I shall elaborate upon the lessons of this display. I also want to announce that following my remarks tomorrow afternoon I have arranged to provide some taste samples of compressed cranberry sauce, and all Members of the House and the press gallery are invited to apply the ancient test that "The proof of the pudding is the eating thereof" to these compressed foods. Compressed cranberry sauce will be reconstituted and prepared during an eat-as-you-watch demonstration in the Republican cloakroom under the watchful eyes of Ben Jones, and you are all invited to drop in and let your taste buds convince your judgment that the science of food compression has passed the experimental stage and is ready to do trojan duty in this war.

EXTENSION OF REMARKS

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent to extend my remarks and include a memorial from the Iowa State General Assembly on post roads program.

The SPEAKER. Is there objection?

There was no objection.

Mr. J. LEROY JOHNSON. Mr. Speaker, I ask unanimous consent to extend my remarks and include an article from the Washington Post of yesterday.

The SPEAKER. Is there objection?

There was no objection.

Mr. MASON. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein an article by David Lawrence covering the confession of faith by Mme. Chiang Kai-shek.

The SPEAKER. Is there objection?

There was no objection.

Mr. ROWE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an editorial from the Akron Beacon-Journal.

The SPEAKER. Is there objection?

There was no objection.

Mr. BUSBEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a bulletin issued March 13, 1943, by the Church League of America, edited by George Washington Robnett, entitled "Flashes From News and Views," and an open letter to the New York Times and other New York papers. I have had an estimate made of the approximate cost and it will be $101.25 more than is ordinarily allowed. I ask unanimous consent that this be printed in the Appendix.

The SPEAKER. Is there objection?

There was no objection.

POST-WAR SECURITY

Mr. LANDIS. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and revise and extend my remarks in the Appendix.

The SPEAKER. Is there objection?

There was no objection.

[Mr. LANDIS addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. RIZLEY. Mr. Speaker, I ask unanimous consent to extend my remarks and include two short editorials.

The SPEAKER. Is there objection?

There was no objection.

MAIL FOR SOLDIERS

Mr. BROOKS. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. BROOKS. Mr. Speaker, the Office of War Information is sending vast quantities of propaganda literature to alien people of the Old World with the thought and idea of building up their morale to resist the Nazis and the Fascists. This is requiring much place on many an American ship plying the seas and carrying food and supplies to our troops on the 10 major fighting fronts of the world. At the same time, I am told space for the mail for our soldiers is not available and our men serving at distant points all over the world often go months without hearing from home. The reverse is likewise true; and the fathers and mothers of these men go through weeks and months of agony, not knowing the fate of their sons serving on distant battlefields.

It is a fine thing to build up the morale of other peoples for the purpose of resisting Hitler and his herds; but it is more important to maintain the morale of our own soldiers and sailors as well as of their families back home. When we win this war, it is going to be won with our own people and our allies; and they are the ones who should have prior place when it comes to the mail.

Last week, two young men from the southwest Pacific told me the story of not having heard from their families for over 4 months when they were fighting in the Solomons and in Australia; and pleaded for better mail service to the troops. I make the same plea. Let us get the mail through and build up the morale and spirits of our own boys in Europe and Asia.

The SPEAKER. The time of the gentleman from Louisiana has expired.

LEST WE FORGET

Mr. BLAND. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

[Mr. BLAND addressed the House. His remarks appear in the Appendix.]

NATIONAL SERVICE LIFE INSURANCE ACT

Mr. COOPER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 903), to amend section 602 (d) (1) of the National Service Life Insurance Act of 1940, as amended.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

Mr. JENKINS. Reserving the right to object, will the gentleman make a short statement?

Mr. COOPER. Mr. Speaker, this bill was unanimously passed by the Senate at the request of the War Department. I have conferred with the gentleman from Ohio [Mr. JENKINS], the gentleman from Kansas [Mr. CARLSON], and the minority leader. All this bill does is to grant another120 days to issue national service life insurance to men in the armed forces. We have extended this time twice before, but they say they just have not had time to get all of those in the armed forces insured, and that now some men are losing their lives without this insurance because they have not had a chance to get to all of them. They assure us that with this extension of another 120 days they feel sure they will be able to get all of them insured.

Mr. JENKINS. Reserving the right to object, Mr. Speaker, I see the gentleman from Mississippi [Mr. RANKIN] is on his feet. I think the gentleman from Tennessee has stated the matter very clearly. We have considered it in our committee at different times and have had no opposition to it. It is unanimous in our committee.

With that I withdraw my reservation of objection.

Mr. RANKIN. Mr. Speaker, reserving the right to object, I want to say that ordinarily this legislation would have been referred to the Committee on World War Veterans' Legislation, and that committee is for this bill. It should have been passed sometime ago.

Mr. COOPER. The gentleman will recall other measures of this type have been referred to the Committee on Ways and Means. The time has been extended twice. They say they need another extension in order to get all these men insured.

Mr. RANKIN. Further reserving the right to object, Mr. Speaker, that came about in this way: The Committee on World War Veterans' Legislation originally had jurisdiction of this legislation, but a bill was reported from the Ways and Means Committee and went to the Senate. The Senate placed an insurance rider on that bill, and since that time all those bills have been amendments to that bill and have been automatically referred to the Committee on Ways and Means.

Mr. COOPER. That is true; and this bill is an amendment.

Mr. RANKIN. But I want to assure the gentleman that the Committee on World War Veterans' Legislation favors this legislation.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That section 602 (d) (1) of the National Service Life Insurance Act of

1940, as amended by section 10 of Public Law 360, Seventy-seventh Congress, December 20, 1941, is amended to read as follows:

"(d) (1) Any person in the active service and while in such service shall be granted such insurance without medical examination and without medical-history statement upon application therefor in writing (made within 120 days after the date of exactment of this amendatory act) and certificate signed by his immediate commanding officer stating that the applicant is mentally and physically fit to perform military or naval duty and upon payment of the premiums: *Provided*, That after the expiration of such 120-day period any such person may be granted national service life insurance at any time upon application, payment of premiums, and evidence satisfactory to the Administrator showing him to be in good health."

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. MICHENER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include an editorial.

The SPEAKER. Is there objection?

There was no objection.

NUTS FOR OFFICE OF PRICE ADMINISTRATION

Mr. KEEFE. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. KEEFE. Mr. Speaker, as evidence of the growing sentiment that is to be found throughout the country, may I read a telegram which I received today from a very substantial businessman in my district:

I am mailing you, our Representative, a 5-pound box of hickory nuts. This, we hope you, as our Representative, will feed these nuts to the heads of the Office of Price Administration. From my experience in the retail feed and wholesale grocery business, I have found that dumb animals are more complacent and can reason better after a good meal. Certainly those squirrels must be so small that the amount of nuts should be sufficient to acquire the desired results for your constituents who are trying to do their most for the war effort. Should the squirrels fall asleep after their feast, I am sure that any layman called from the streets which you may find to replace them, will help the farmers in Wisconsin produce more milk and produce and the retailers will see that food is more equitably distributed to the people at home who want to do their bit to help win the war.

I have the 5-pound box of nuts. I hope that someone will suggest how I may feed them to the proper individuals. It should be kept in mind that the sender of this telegram indicates that they are to be fed to squirrels and not "lame ducks"——

The SPEAKER. The time of the gentleman from Wisconsin has expired.

Mr. MAY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MAY. Mr. Speaker, I have just listened with interest to the remarks of the gentleman from Wisconsin [Mr. KEEFE] with regard to his 5 pounds of "nuts." I heard his reference to the heads of departments, bureaus, or sections of the Office of Price Administration. I do not know any of them except one, and that is the Honorable Prentiss Brown, a former honored and distinguished Member of this House, a member of the Banking and Currency Committee of this House for the years that he served here. Afterward he was an able and distinguished United States Senator. I am sure that the gentleman from Wisconsin had no reference to him in regard to providing "nuts" in an ironical way for the heads of these departments.

Prentiss Brown is doing well perhaps the most difficult job of any man in the Government. I am sure there was no reference to him by the gentleman from Wisconsin, or at least I hope so.

The SPEAKER. The time of the gentleman from Kentucky has expired.

DEFEATING THE AXIS ON THE HOME FRONT

Mr. ALLEN of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my own remarks and include an address by Mr. W. E. Mallalieu, general manager, National Board of Fire Underwriters.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. ALLEN of Illinois addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Michigan [Mr. HOFFMAN] may be permitted to extend his own remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent that I may extend my own remarks in the RECORD and include therein an article by Raymond Clapper and also an editorial from the Washington News.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

(Mr. VAN ZANDT asked and was given permission to extend his own remarks in the RECORD.)

Mr. WIGGLESWORTH. Mr. Speaker, I ask unanimous consent to extend by own remarks in the RECORD and include therein an editorial.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

LONDON PRESS SCOOPS AMERICAN NEWSPAPERS

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, London newspapers have scooped the American press on the Roosevelt administration's post-war monetary program. The President's plan has been cloaked with a great deal of secrecy as far as Members of Congress and the American people are concerned. The plan has been kept a secret. The first information in regard to the plan will be given to several committees of the Senate this morning in a secret session. Two committees of the House will be given information as to the plan on Tuesday morning of this week.

London newspapers carried the entire Roosevelt-Morgenthau plan this morning, and details were given to the world over an international broadcast at 8 o'clock. To my amazement, I learned from the London broadcast, that we are to set up a $5,000,000,000 international stabilization fund, presumably American gold, and create an international currency in $10 units—called "Unatas." The British financiers have proposed an international currency tied to the British pound called "Bancor," and I assume that from here on, the fight will be between "Unatas" and "Bancor," and the victor of the coming new international currency battle will take over control of America's gold hoard of $22,600,000,000.

I condemn the administration for not taking Congress and the American people into its confidence when it comes to dealing with money and gold belonging to the citizens of our country. It is to be regretted that the President and Morgenthau do not trust the American people and our press with this important information, and that we are compelled to secure the first news of it from the newspapers of London. The President's proposal should be given the most careful scrutiny by Congress and the country.

EXTENSION OF REMARKS

Mr. BENNETT of Missouri. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

DIFFICULTIES OF DAIRY FARMERS UNDER THE OFFICE OF PRICE ADMINISTRATION

Mr. CLASON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to extend my own remarks in the RECORD and to include therein a clipping from a newspaper and a letter from Hon. Prentiss Brown.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. CLASON addressed the House. His remarks appear in the Appendix.]

FRED C. GARTNER

Mr. PRACHT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. PRACHT. Mr. Speaker, I wish to draw your attention to an article printed in the Philadelphia Inquirer April 2, 1943, in reference to Fred C. Gartner. Member of the Seventy-sixth Congress, Fifth Pennsylvania District, who was accused of being sympathetic to the Nazi cause

and who in turn caused the arrest of his accusers for criminal libel:

GARTNER RECEIVES RETRACTION

During the congressional election of 1940 former Congressman Fred C. Gartner was a candidate to succeed himself in that office. On the day before the election, when it was too late for him to refute the charges, a circular entitled "It Can Happen Here" was distributed, in which circular it was charged that Mr. Gartner was sympathetic to the Nazi cause.

The former Congressman caused the arrest for criminal libel of Francis R. Smith, George I. Sullivan, William J. Green, Jr., Wilbur B. Dunlap, and George S. Dunlap, charging them with the preparation, printing, and distribution of the circular.

It appears that the patriotism and Americanism of Fred C. Gartner is beyond question; that he served in the American armed forces during the First World War, and has been an active and enthusiastic member of the American Legion and Veterans of Foreign Wars since the date of the last war to the present time.

We are convinced that this circular was an injustice to former Congressman Gartner, and we, therefore, regret its publication, which was done in the heat of a political campaign.

This statement is subscribed to and endorsed by Francis R. Smith, George I. Sullivan, William J. Green, Jr., Wilbur B. Dunlap, and George S. Dunlap.

EXTENSION OF REMARKS

Mr. SCHIFFLER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a letter.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia [Mr. SCHIFFLER]?

There was no objection.

Mr. BROWN of Ohio. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a communication that I have received from a constituent setting forth a plan to help solve the labor-shortage situation.

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. BROWN]?

There was no objection.

Mr. MRUK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. MRUK]?

There was no objection.

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include some excerpts.

The SPEAKER. Is there objection to the request of the gentleman from Illinois [Mr. DIRKSEN]?

There was no objection.

Mr. LAFOLLETTE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Indiana [Mr. LAFOLLETTE]?

There was no objection.

Mr. BRADLEY of Michigan. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include copy of my letter to Dean Landis.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. BRADLEY]?

There was no objection.

Mr. JACKSON. Mr. Speaker, I ask unanimous consent to include in the Appendix of the RECORD copy of a letter from James Landis, Director of Civilian Defense, addressed to the gentleman from Michigan [Mr. BRADLEY].

The SPEAKER. Is there objection to the request of the gentleman from Washington [Mr. JACKSON]?

Mr. SHAFER. Mr. Speaker, reserving the right to object, I did not hear the request.

Mr. JACKSON. Mr. Speaker, I may say to the gentleman that this is copy of a letter from James Landis to the gentleman from Michigan [Mr. BRADLEY]. I have already spoken to Mr. BRADLEY and it is satisfactory to him.

Mr. SHAFER. The gentleman has already taken it up with him?

Mr. JACKSON. That is right.

The SPEAKER. Is there objection to the request of the gentleman from Washington [Mr. JACKSON]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. GORE. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes today at the conclusion of all legislative business and after any special orders that have heretofore been entered, and also to revise and extend the remarks I shall make at that time.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee [Mr. GORE]?

There was no objection.

WAR PRODUCTION BOARD LIAISON OFFICE IN HOUSE OFFICE BUILDING

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. CRAWFORD]?

There was no objection.

Mr. CRAWFORD. Mr. Speaker, I have asked for this time to make inquiry of the House Office Building Commission whether it is true that the War Production Board liaison office will have to leave the Old House Office Building tomorrow because office space is no longer available.

I am sure many Members of the House receive requests for information about War Production Board cases in nearly every mail. It is the experience in my office that as much as half a day at a time is saved through this contact office being here and able to put us in touch with the right parties down at W. P. B. or assisting in clearing cases through down there.

It is true we do not always get an answer of approval, but we at least get some information, and that is more than our constituents can get when they attempt to deal directly with the bureaucrats.

Since handling these new troubles of our constituents has become an additional duty of our office, I hope the Commission will provide space for this contact office which has done a pretty good clearinghouse job in recent months.

The SPEAKER. The Chair may say as chairman of the House Office Building Commission that will probably happen on account of the fact there are numerous investigating committees that take up so many rooms in both House Office Buildings.

CERTAIN GOVERNMENT BUILDINGS SHOULD BE OPEN ON SUNDAY

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. RANKIN]?

There was no objection.

Mr. RANKIN. Mr. Speaker, I desire to call attention to a situation that should be corrected. Every Sunday the Capitol is closed, as are the other public buildings, such as the Supreme Court and the Library of Congress.

There are literally hundreds of servicemen, men in the Navy, the Army, the Air Forces, and the Marine Corps who come to Washington on Sunday and who probably never could come here at any other time. Some arrangement ought to be made to have guides to show those men through these public buildings.

With all the people we have on the pay roll in Washington, it looks to me as if we might at least give these servicemen an opportunity to see the inside of their Capitol when they come here and have probably the only chance they will ever have in this life to look it over.

I hope something will be done to correct this situation and to supply guides on Sundays not only for this Capitol Building and the Library of Congress but for the Supreme Court Building and other Government buildings in Washington. I have received this complaint time and time again from these men who come here on Sundays and ask permission to go through these various buildings, and especially this Capitol.

EXTENSION OF REMARKS

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a recent radio address.

The SPEAKER. Is there objection?

There was no objection.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first business on the Consent Calendar.

TRAINING OF NONFARM YOUTH FOR FARM LABOR

The Clerk called the first business on the Consent Calendar, House Joint Resolution 75, to provide for the training of nonfarm youth for farm labor, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

Mr. SMITH of Ohio. I object, Mr. Speaker.

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

PROVIDING GOVERNMENT PROTECTION TO WIDOWS AND CHILDREN OF DECEASED WORLD WAR VETERANS

The Clerk called the next bill on the Consent Calendar, H. R. 1744, to provide Government protection to widows and children of deceased World War veterans.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COLE of New York, Mr. KEAN, and Mr. PRIEST objected.

UINTAH AND OURAY RESERVATION IN UTAH

The Clerk called the next bill, H. R. 837, to restore and add certain public lands to the Uintah and Ouray Reservation in Utah, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there are hereby restored to the Ute Indian Tribe of the Uintah and Ouray Reservation, subject to any valid existing rights, 61,389.89 acres, more or less, of undisposed-of surplus, opened lands of said reservation exclusive of any such lands within a national forest, within the following townships.

Township 1 north, ranges 1, 2, 4, 8, and 9 west;

Township 1 north, ranges 1 and 2 east;

Township 2 north, range 1 west;

Township 2 north, ranges 1 and 2 east;

Township 1 south, ranges 1, 2, 3, 4, 5, 7, 8, and 9 west;

Township 1 south, ranges 1 and 2 east;

Township 2 south, ranges 1 to 10 west, inclusive;

Township 2 south, ranges 1 and 2 east;

Township 3 south, ranges 1, 2, 3, and 4 west, all north of Duchesne River;

Township 3 south, range 5 west, all north of Strawberry River;

Township 3 south, ranges 6 to 10 west, inclusive;

Township 3 south, range 1 east, all north of Duchesne River;

Township 3 south, range 2 east, sections 3 to 11, inclusive;

Township 4 south, ranges 2, 3, and 4 west, all north of Duchesne River;

Township 4 south, range 5 west, all north of Strawberry River and all north of Duchesne River;

Township 4 south, ranges 6, 7, and 8 west, all north of Strawberry River;

Township 4 south, ranges 9 and 10 west.

SEC. 2. Except as provided in section 1 hereof, no undisposed-of opened lands in Utah shall be added to any reservation under the provisions of section 3 of the act of June 18, 1934 (48 Stat. 984), and any such lands formerly belonging to any Indian reservation in said State, to the extent that they have not been disposed of by the United States, are hereby declared to be the absolute property of the United States free from any trust restrictions.

SEC. 3. The Secretary is hereby authorized and directed, subject to any valid existing rights, to establish an Indian grazing reserve within the boundaries of Utah Grazing District No. 8 by selecting and setting apart public lands adjacent to the base properties of the Indians of the Uintah and Ouray Reservation for the exclusive use and benefit in common of the said Indians. The establishment of such Indian grazing reserve shall not restrict prospecting, locating, developing, mining, entering, leasing, or patenting the mineral resources in such reserve under the mining and mineral leasing laws applicable to the public lands of the United States. The area of the public lands to be set aside shall be determined by the Secretary with due regard to the commensurability of said base properties, the amount of lands needed for the proper conduct of a livestock enterprise based upon such Indian properties, and such other range requirement standards as the Secretary may deem proper.

SEC. 4. The Secretary is hereby authorized in his discretion, under rules and regulations to be prescribed by him, to accept relinquishments and reconveyances to the United States of any tracts of school or other lands owned by the State of Utah, surveyed or unsurveyed, within the areas involved in sections 1 and 3 hereof, and the State shall have the right to make selections in lieu thereof of lands approximately equal in value to the lands relinquished from any vacant, unappropriated, public lands or grazing district lands in the State of Utah; such lieu selections shall be made within 5 years after approval of this act. No fee or commission shall be charged for any exchange of land made hereunder. The value of improvements owned by the State on lands relinquished by the State shall be taken into consideration and full credit in the form of lieu lands shall be allowed therefor.

SEC. 5. Either party to an exchange under this act may reserve easements with respect to, or minerals in, the lands conveyed and such reservations shall be duly considered in determining the values of the exchanged lands. If reservations are made with respect to lands conveyed to the United States, the right to enjoy such reservations shall be subject to such reasonable conditions respecting ingress and egress and the use of the surface of the lands as may be deemed necessary by the Secretary. The minerals reserved to the United States under such exchanges may be disposed of under the mineral leasing and general mining laws.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PRESERVING THE NATIONALITY OF A PERSON BORN IN PUERTO RICO WHO RESIDES FOR 5 YEARS IN A FOREIGN STATE

The Clerk called the next bill, H. R. 1037, preserving the nationality of a person born in Puerto Rico who resides for 5 years in a foreign state.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act approved October 14, 1940 (54 Stat. 1137–1174) is hereby amended by adding a new section to be known as section 406A, and to read as follows:

"Subsection (c) of section 404 shall have no application to a person born in Puerto Rico, except a person who has been a citizen of some foreign country and who thereafter acquired citizenship in the United States by naturalization."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT OF THE NATIONALITY ACT OF 1940

The Clerk called the next bill, H. R. 1291, to amend the Nationality Act of 1940.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., that subdivision (1) of subsection (b) of section 307 of the Nationality Act of 1940, approved October 14, 1940 (54 Stat. 1142), is hereby amended to read as follows:

"(1) Prior to the beginning of such period (whether such period begins before or after his departure from the United States) the alien has established to the satisfaction of the Attorney General that his absence from the United States for such period is to be on behalf of such Government, or for the purpose of carrying on scientific research on behalf of such institution, or to be engaged in the development of such foreign trade and commerce or whose absence abroad is necessary to the protection of the property rights in such countries of such firm or corporation."

SEC. 2. The Nationality Act of 1940, approved October 14, 1940 (54 Stat. 1137), is hereby amended by adding, immediately following section 304 thereof, a new section to be numbered 304A and reading as follows:

"SEC. 304A. An alien, if eligible to naturalization, 50 years of age or over, who has resided in the United States continuously since prior to July 1, 1924, and who, on or prior to the effective date of this section, has made a declaration of intention to become a citizen which is not more than 7 years old, or who, within 2 years from the effective date of this section, shall make a declaration of intention, may thereafter file petition for naturalization and be admitted to citizenship upon full and complete compliance with all requirements of the naturalization laws, except that he shall not be required to speak the English language, sign his declaration or petition in his own handwriting, or meet other educational requirements: *Provided*, That this section shall apply only to petitions for naturalization filed within 4 years after the date of the enactment of this act."

SEC. 3. Section 320 of the Nationality Act of 1940, approved October 14, 1940 (54 Stat. 1148), is hereby amended to read as follows:

"SEC. 320. A person not an alien enemy, who resided uninterruptedly within the United States during the period of 5 years next preceding July 1, 1925, and was on that date otherwise qualified to become a citizen of the United States, except that such person had not made a declaration of intention required by law, and who, during or prior to that time, because of misinformation regarding the citizenship status of such person, erroneously exercised the rights and performed the duties of a citizen of the United States in good faith, may file the petition for naturalization prescribed by law without making the preliminary declaration of intention, and upon satisfactory proof to the court that petitioner has so acted may be admitted as a citizen of the United States upon complying with the other requirements of the naturalization laws."

SEC. 4. Section 328 (c) of the Nationality Act of 1940, approved October 14, 1940 (54 Stat. 1152), is hereby amended to read as follows:

"(c) For the purposes of the immigration laws and naturalization laws an alien, in respect of whom a record of registry has been made as authorized by subsection (b) of this section, shall be deemed to have been lawfully admitted to the United States for permanent residence as of the date of such alien's entry."

SEC. 5. The first paragraph of section 332 (a) of the Nationality Act of 1940, approved October 14, 1940 (54 Stat. 1154), is hereby amended to read as follows:

"SEC. 332. (a) An applicant for naturalization shall, not less than 2 nor more than 7 years after such declaration of intention has been made, make and file in the office of the clerk of a naturalization court, in duplicate,

a sworn petition in writing, signed by the applicant in the applicant's own handwriting, if physically able to write, and duly verified by witnesses, which petition shall contain substantially the following averments by such applicant."

SEC. 6. Section 334 (c) of the Nationality Act of 1940, approved October 14, 1940 (54 Stat. 1156), is hereby amended to read as follows:

"(c) Except as otherwise specifically provided in this chapter, no final hearing shall be held on any petition for naturalization nor shall any person be naturalized nor shall any certificate of naturalization be issued by any court within 30 days after the filing of the petition for naturalization. This period may be waived by the commissioner in his discretion."

SEC. 7. Section 338 (b) of the Nationality Act of 1940, approved October 14, 1940 (54 Stat. 1158), is hereby amended by adding the following sentence at the end thereof: "When the United States is at war or during the existence of a national emergency proclaimed by the President, a naturalized person shall in any proceeding brought under subsection (a) of this section have 30 days' notice in which to make answer to the petition of the United States, if such notice is served upon him personally in the continental United States."

SEC. 8. Section 338 of the Nationality Act of 1940, approved October 14, 1940 (54 Stat. 1158–1159), is amended by relettering subsections (d), (e), (f), and (g) to read subsections (e), (f), (g), and (h), respectively, and by adding thereto a new subsection to be lettered "subsection (d)" and reading as follows:

"(d) An action may be maintained under the provisions of this section to secure a judgment canceling the certificate of naturalization of any person whose loss of nationality has occurred under the provisions of section 404 of this act."

SEC. 9. The first sentence of the second proviso of section 401 (a) of the Nationality Act of 1940, approved October 14, 1940 (54 Stat. 1168–1169), is hereby amended to read as follows: "(a) *Provided further*, That a person who has acquired foreign nationality through the naturalization of his parent or parents, and who at the same time is a citizen of the United States, shall, if he is abroad, and has not theretofore expatriated himself as an American citizen by his own voluntary act, be permitted within 2 years from the effective date of this act to return to the United States and take up permanent residence therein, and it shall be thereafter deemed that he has elected to be an American citizen."

SEC. 10. Section 403 (a) of the Nationality Act of 1940, approved October 14, 1940 (54 Stat. 1169–1170), is hereby amended to read as follows:

"SEC. 403. (a) Except as provided in subsections (g) and (h) of section 401, no national can expatriate himself, or be expatriated, under that section while he is within the United States or any of its outlying possessions, but expatriation shall result from the performance by him within the United States or any of its outlying possessions of any of the acts or the fulfillment of any of the conditions specified in that section if and when the national thereafter takes up a residence abroad."

SEC. 11. The Nationality Act of 1940 is hereby amended by inserting therein a new section immediately following section 316, to be known as section 316A:

"SEC. 316A. A person born of alien parents in a foreign country, who entered the United States as a minor prior to July 1, 1924, and who on or before the effective date of this act was a registered voter in any State and a bona fide resident in any State or of the District of Columbia and who claims citizenship through the naturalization of a parent, upon proof satisfactory to the Immigration and Naturalization Service, of the naturalization of such parent, shall be held to have been legally admitted into the United States for permanent residence."

SEC. 12. Section 339 of the Nationality Act of 1940, approved October 14, 1940 (54 Stat. 1160), is hereby amended to read as follows:

"SEC. 339. A person who claims to have derived United States citizenship through the naturalization of a parent or through the naturalization or citizenship of a spouse, or who is a citizen of the United States by virtue of the provisions of section 1993 of the United States Revised Statutes, or of section 1993 of the United States Revised Statutes, as amended by section 1 of the act of May 24, 1934 (48 Stat. 797), may apply to the Commissioner for a certificate of citizenship. Upon proof to the satisfaction of the Commissioner that the applicant is a citizen, and that the applicant's alleged citizenship was derived as claimed, or acquired, as the case may be, and upon taking and subscribing before a member of the Service within the United States to the oath of allegiance required by this act of a petitioner for naturalization, such individual shall be furnished by the Commissioner or a Deputy Commissioner with a certificate of citizenship, but only if such individual is at the time within the United States."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

STATUS OF CERTAIN NATIVES AND INHABITANTS OF THE VIRGIN ISLANDS

The Clerk called the next bill, H. R. 1573, relating to the status of certain natives and inhabitants of the Virgin Islands.

AMENDMENT OF THE NATIONALITY ACT OF 1940

Mr. HARNESS of Indiana. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HARNESS of Indiana. Have we passed No. 22 on the calendar?

The SPEAKER. That bill has been passed.

Mr. HARNESS of Indiana. Mr. Speaker, I ask unanimous consent that the proceedings by which the bill H. R. 1291 was passed be vacated.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

Mr. MASON. Reserving the right to object, Mr. Speaker, this bill has been before us several times. It has been discussed on this floor. It was passed by the House at one time. It is an omnibus bill changing certain statutes of the Nationality Code. I really feel that I must object to returning to that bill.

Mr. COLE of New York. If the gentleman will yield, I hope the gentleman from Illinois will not object, because the gentleman from Indiana spoke to me at the opening of the call of the calendar about it, and his attention was momentarily diverted as the calendar was being called.

Mr. MASON. On that basis I withdraw my objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HARNESS of Indiana. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

STATUS OF CERTAIN NATIVES AND INHABITANTS OF THE VIRGIN ISLANDS

The Clerk called the next bill, H. R. 1573, relating to the status of certain natives and inhabitants of the Virgin Islands.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

NATURALIZATION OF PERSONS NOT CITIZENS SERVING HONORABLY IN PRESENT WAR

The Clerk called the bill (H. R. 1284) relating to the naturalization of persons not citizens who serve honorably in the military or naval forces of the United States during the present war.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 701 of the Nationality Act of 1940, as amended, is amended—

(a) By striking out "who, having been lawfully admitted to the United States, including its Territories and possessions, shall have been at the time of his enlistment or induction a resident thereof" and inserting in lieu thereof the following: "who shall have enlisted or been inducted while in the United States, including its Territories and possessions."

(b) By inserting after the words "no declaration of intention" a comma and "no certificate of arrival."

SEC. 2. The proviso to section 702 of the Nationality Act of 1940, as amended, is amended to read as follows: "*Provided*, That the record of any proceedings hereunder, together with a copy of the certificate of citizenship shall be forwarded to and filed by the clerk of a naturalization court in the district designated by the petitioner and be made a part of the record of the court."

The bill was ordered to be engrossed and read a third time, was read a third time, and passed, and a motion to reconsider was laid on the table.

NATURALIZATION OF CITIZENS WHOSE SONS SERVED IN LAND AND NAVAL FORCES

The Clerk called the bill (H. R. 1941) permitting the naturalization of certain persons not citizens whose sons or daughters have served with the land or naval forces of the United States.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the bill go over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

REPATRIATION OF NATIVE-BORN WOMEN RESIDENTS

The Clerk called the bill (H. R. 1289) to repatriate native-born women residents of the United States who have heretofore lost their citizenship by marriage to an alien.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SHAFER. Mr. Speaker, I ask unanimous consent that the bill go over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

AMENDING NATIONALITY ACT OF 1940

The Clerk called the bill (H. R. 1295) to amend the Nationality Act of 1940 to preserve the residence for naturalization purposes of certain aliens who serve in the military or naval forces of one of the allied countries during the Second World War or otherwise assist in the allied war effort, and for other purposes.

The SPEAKER. Is there objection?

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

Mr. DICKSTEIN. Mr. Speaker, I object.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. JENKINS and Mr. PRIEST objected, and the bill was stricken from the calendar.

AMENDING NATIONALITY ACT OF 1940 TO FURNISH COPIES OF CERTAIN RECORDS

The Clerk called the bill (H. R. 1680) to amend the Nationality Act of 1940 to permit the Commissioner to furnish copies of any part of the records or information therefrom to agents or officials of a State without charge.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That section 342 (b) (9) of the Nationality Act of 1940 (54 Stat. 1161; U. S. C., title 8, sec. 742) is amended to read as follows:

"(9) Reasonable fees, with the approval of the Attorney General, in cases where such fees have not been established by law, to cover the cost of furnishing copies, whether certified or uncertified, of any part of the records, or information from the records, of the Service. Such fees shall not exceed a maximum of 25 cents per folio, with a maximum fee of 50 cents for any one such service, in addition to a fee of $1 for any official certification funished under seal. No such fee shall be required from officers or agencies of the United States or of any State of any subdivision thereof, for such copies or information furnished for official use in connection with the official duties of such officers or agencies."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BOARD OF LEGAL EXAMINERS IN CIVIL SERVICE COMMISSION

The Clerk called the bill (H. R. 1025) to amend section 1753 of the Revised Statutes to create a board of legal examiners in the Civil Service Commission, and for other purposes.

The SPEAKER. Is there objection?

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection?

Mr. RAMSPECK. Mr. Speaker, I reserve the right to object. I do this to call the attention of the House to the fact that this bill has been approved by the American Bar Association, and a resolution to that effect was put in the Appendix of the RECORD on Friday, at page A1574.

Mr. CASE. Mr. Speaker, I reserve the right to object, to ask the gentleman from Pennsylvania [Mr. VAN ZANDT] if he has had opportunity to study the hearings on the independent offices appropriation bill, in which considerable testimony was taken upon the operations of the Board of Legal Examiners.

Mr. VAN ZANDT. I have not; but, as I understand the intent of the bill, it will destroy the preference that has been granted to those men who served honorably in the World War.

Mr. CASE. That is not the purpose of the bill. The intent of the bill is to make it possible to have a board of legal examiners set up in the various States. it is operating this year, and the result has been to change the character of the attorneys going into the Federal service. Whereas before all of the attorneys going into the service were coming from very few institutions, the record for the past year showed that those entering the attorney service throughout the country are coming from a broader field and that opportunity was afforded to so-called country lawyers to serve the Federal Government in attorney capacity throughout the various States.

Mr. WOLCOTT. Mr. Speaker, will the gentleman yield?

Mr. CASE. Yes.

Mr. WOLCOTT. The question is, Does the bill authorize this Commission to temporarily set aside the provision in the Civil Service Act, which gives preference to veterans?

Mr. CASE. I yield to the gentleman from Georgia [Mr. RAMSPECK] to answer that question.

Mr. RAMSPECK. It does not. Before this Board was set up, the veterans did not get any preference in legal appointments, because they were all outside of the civil service and the veterans' preference did not operate. They are being benefited by this arrangement rather than being hurt. If the bill could be passed over without prejudice, I think that we could convince the gentleman from Pennsylvania of its virtue.

Mr. CASE. I do not object to the withdrawal of the bill, but I do hope that the gentlemen who are interested in the bill will take the opportunity of looking up those hearings and study them, because I think it would answer many of the doubts that have been expressed, though perhaps it may be a bill on which we should have general debate.

Mr. RANKIN. The veterans' organizations are somewhat disturbed about the measure. I think the gentleman's request should be granted.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. VAN ZANDT] that this bill be passed over without prejudice?

There was no objection.

EXPLORATION OF PROPOSED DAM SITES ON INDIAN LANDS IN NEW MEXICO

The Clerk called the next bill, H. R. 323, to authorize the exploration of proposed dam sites located on Indian lands within the State of New Mexico.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

PERMITTING PROSECUTIONS AFTER LAPSE OF A TEMPORARY STATUTE

The Clerk called the next bill, H. R. 1201, to permit prosecutions after the lapse of a temporary statute for offenses committed prior to its expiration.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SHAFER. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

AMENDING SECTION 36 OF THE CRIMINAL CODE

The Clerk called the next bill, H. R. 1202, to amend section 36 of the Criminal Code.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 36 of the Criminal Code (35 Stat. 1096; U. S. C., title 18, sec. 87) be, and it hereby is, amended to read as follows:

"SEC. 36. Whoever shall steal, embezzle, or knowingly apply to his own use, or unlawfully sell, convey, or dispose of any ordnance, arms, ammunition, clothing, subsistence, stores, money, or other property furnished or to be used for the military or naval service, shall be punished as prescribed in section 35 (C) of the Criminal Code (U. S. C., title 18, sec. 82)."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WAIVER OF RENTAL PAYMENTS UNDER NONMINERAL LEASES OF PUBLIC LANDS IN ALASKA

The Clerk called the next bill, H. R. 328, to authorize the Secretary of the Interior, because of military operations, to defer or waive payments under nonmineral leases of public lands in Alaska.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. PRIEST. Mr. Speaker, reserving the right to object, I do not believe there can be any serious objection to this bill, but I would like to have the gentleman from Florida [Mr. PETERSON] or the Delegate from Alaska [Mr. DIMOND] explain the bill briefly.

Mr. DIMOND. Mr. Speaker, in response to the gentleman from Tennessee, I am glad to give a brief explanation of the bill.

I think the purpose of the bill is adequately expressed in the title. It is a bill to authorize the Secretary of the Interior, because of military operations, to defer or waive payments under nonmineral leases of public lands in Alaska.

The bill was introduced to meet one particular situation and others that may have arisen or may arise in the future. This was the case of a company which, after the labor of years and at great expense, had established a valuable sheep

ranch on one of the Aleutian Islands, the island of Unmak. The men in charge and everybody connected with the operation were evacuated by order of the military authorities. As a result, the company has already sustained an enormous loss and will undoubtedly sustain additional losses in the future. The land is Government land and held under lease from the Government. Rentals are required. The Secretary of the Interior has no present authority to waive rentals or even to defer them temporarily. The bill seeks to give the Secretary of the Interior authority, under those conditions and under other similar circumstances, to defer or waive the rentals.

Where men are prevented by one arm of the Government, or by war operations, from using land leased to them, then it seems only fair and just that the Government should not compel them to pay rentals during the period in which they are prevented from the use of the land. I think there is no objection—there can be no serious objection—to the bill from any source. The bill runs only for the duration of the war or the national emergency.

Mr. PRIEST. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior, in his discretion, may defer or waive all or part of any payment, due or to become due to the United States, under any nonmineral lease of public lands in the Territory of Alaska for any period during the present national emergency upon a proper showing by the lessee that normal activities on the leasehold have not been or are not possible during such period and that he has sustained loss because of orders issued by the armed services of the United States or because the leased land is in or adjacent to a zone of military operations.

SEC. 2. Upon application by a lessee under such a lease who has made a payment prior to the date of the approval of this act, and upon a proper showing by him as required in section 1 of this act, the Secretary of the Interior, in his discretion, may refund all or part of such payment or allow it to be set off against future payments under the lease.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DEATH VALLEY NATIONAL MONUMENT

The Clerk called the next bill, H. R. 1397, to authorize the exchange of certain patented lands in the Death Valley National Monument for Government lands in the monument.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act to authorize the exchange of certain patented lands in the Death Valley National Monument for Government lands in the monument," approved October 17, 1940, is hereby amended to read as follows:

"That the owner of the east half of the northeast quarter, section 35, township 15 south, range 44 east, of the Mount Diablo meridian, Inyo County, Calif., within the Death Valley National Monument, is hereby permitted and authorized to convey the title thereto to the United States, and select in lieu thereof the west half of the southeast quarter, section 36, township 15 south, range 44 east, of the Mount Diablo meridian; and the Secretary of the Interior is hereby authorized and empowered to accept such conveyance for said land, subject to the reservations contained in the patent issued by the State of California, to H. W. Eichbaum, dated March 8, 1928, recorded December 12, 1934, in book 32, page 308, of Official Records of Inyo County, Calif., and subject to an easement for State highway, as granted to the State of California by deed dated December 21, 1934, and recorded January 16, 1935, in book 32, page 396, of Official Records, and by deed dated December 19, 1934, recorded December 20, 1934, in book 32, page 338, of Official Records of Inyo County, and thereafter cause a patent for the land so selected in lieu thereof to be issued to such owner, reserving to the United States, however, such rights-of-way as may be needed for the construction and maintenance of roads in the national monument: *Provided*, That the land so conveyed to the United States shall become and be a part of the said national monument, and also subject to all laws and regulations relating to other land therein: *And provided further*, That the owner of such privately owned land within said national monument shall, before any exchange is effective, furnish to the Secretary of the Interior evidence satisfactory to him of title to the patented land offered in exchange."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PERMANENT LOAN TO THE UNITED STATES BY BOARD OF TRUSTEES OF NATIONAL GALLERY OF ART

The Clerk called the next bill, S. 319, to authorize the acceptance of a permanent loan to the United States by the Board of Trustees of the National Gallery of Art, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. KEAN. Mr. Speaker, reserving the right to object, this bill calls for the payment of interest at 4 percent on a loan to the Government of $5,000,000. As the Government borrows money today at 2 percent, this really calls for an annual appropriation in perpetuity of $100,000. This may be justified, but I think the House ought to know about it before the bill is passed.

Mr. BLOOM. If the gentleman desires to ask any questions, I am familiar with the matter.

Mr. KEAN. I understand it does amount to an annual appropriation of $100,000 by the Government.

Mr. BLOOM. I will say to the gentleman that this legislation is similar to legislation already in existence with reference to the Library of Congress and also to the Smithsonian Institution. These bequests were made with this thought in mind. The Senate has already passed this legislation. The National Gallery of Art has received this $5,000,000 bequest. There are other bequests to be given to the Library. That money is to be deposited in the Treasury to be loaned to the Government. It is following the same legislation that has been in existence for a great many years with the other departments of the Government.

Mr. KEAN. What was the interest rate at the time the other loans were made? Was it not probably right along the commercial interest rate? Was it higher?

Mr. BLOOM. I may say to the gentleman that the interest rate to the Smithsonian is 6 percent.

Mr. KEAN. But at that time Government loans were selling at 6 percent, too, in all probability.

Mr. BLOOM. That I do not know; but I do know it has always been the rate of interest that we are asking for here in this legislation.

Mr. KEAN. I am not going to object, but I think the House should know what it is doing.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SHAFER and Mr. SMITH of Ohio objected.

COMMISSIONING OF FEMALE PHYSICIANS AND SURGEONS

The Clerk called the next bill, H. R. 1857, to provide for the appointment of female physicians and surgeons in the Medical Corps of the Army and Navy.

Mr. COLE of New York. Mr. Speaker, reserving the right to object, I should like to inquire of the chairman of the Military Affairs Committee if he has communicated with the Committee on Naval Affairs to ascertain its views in connection with this proposal to take female doctors into the commissioned services of the Army and the Navy?

Mr. MAY. I yield to the gentleman from Alabama [Mr. SPARKMAN], who is quite familiar with it.

Mr. SPARKMAN. I may say to the gentleman from New York that the House Military Affairs Committee phoned the Navy Department and they said over the telephone they had no objection to the bill.

Mr. COLE of New York. Mr. Speaker, I observe the chairman of the Committee on Naval Affairs is present. I am simply raising the question for the purpose of protecting his own committee, if he has any objection. I have none.

Mr. VINSON of Georgia. May I say to the gentleman from New York that it is not my committee, the gentleman is on the committee as well as I, and I think the committee should have the strong arm of the gentleman from New York protecting it as well as the arm of the gentleman from Georgia. I know nothing in the world about the bill.

Mr. COLE of New York. I am quite accustomed to yielding to the desires of my chairman.

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice until we can look into it.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

CONVEYANCE OF CERTAIN LAND TO PUERTO RICO

The Clerk called the next bill, S. 222, to authorize the Secretary of War to convey to the people of Puerto Rico certain real estate now under the jurisdiction of the United States.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby authorized, in his discretion, to convey to the people of Puerto Rico a strip of land containing 1.26 acres, more or less, located at Ward Puerta de Tierra of the municipality of San Juan, P. R., adjoining Salvador Brau Bouievard on the north, and comprising a portion of the San Juan Military Reservation, San Juan, P. R.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXCHANGE OF LANDS AT FORT SILL, OKLA.

The Clerk called the next bill, S. 223, to authorize the exchange of lands between the War Department and the Department of the Interior.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War is hereby authorized to transfer to the control and jurisdiction of the Secretary of the Interior that portion of the Fort Sill Military Reservation, Okla., now occupied by the Department of the Interior under revocable permit from the Secretary of War dated January 23, 1942, and in exchange therefor the Secretary of the Interior is hereby authorized to transfer to the control and jurisdiction of the Secretary of War that portion of the Wichita Mountains Wildlife Refuge, Okla., now occupied by the War Department under permit from the Secretary of the Interior dated October 2, 1941.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXCHANGE OF LANDS IN THE CITY OF PHILADELPHIA, PA.

The Clerk called the next bill, S. 224, to authorize the exchange of lands in the city of Philadelphia, Pa., between the War Department and the city of Philadelphia, trustee under the will of Stephen Girard, deceased.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War is hereby authorized to convey to the city of Philadelphia, trustee under the will of Stephen Girard, deceased, all right, title, and interest of the United States in and to a triangular parcel of land containing thirteen thousand seven hundred and fifteen and eighty-four one-hundredths square feet, more or less, situated at the northeast corner of and comprising a portion of the Philadelphia Quartermaster Depot, Pa., and fronting on Oregon Avenue east of Twenty-first Street in the city of Philadelphia, Pa., and to accept in exchange therefor the fee-simple title to a strip of land containing nine thousand eight hundred and nineteen and seventy-five one-hundredths square feet, more or less, and being the northern portion of what was formerly Johnston Street west of Twentieth Street in the city of Philadelphia, Pa., the exchange herein authorized to be made under such terms and conditions as the Secretary of War may prescribe.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADDITIONAL PAY FOR ARMY DIVERS

The Clerk called the next bill, S. 427, to provide additional pay for personnel of the Army of the United States assigned to diving duty.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection the Clerk read the bill, as follows:

Be it enacted, etc., That enlisted men of the Army of the United States assigned to the duty of diving shall receive additional pay, under such regulations as may be prescribed by the Secretary of War, at the rate of not less than $5 per month and not exceeding $30 per month: *Provided*, That officers and enlisted men employed as divers in actual salvage or repair operations in depths of over 90 feet, or in depths of less than 90 feet when the officer in charge of the salvage or repair operation shall find in accordance with instructions prescribed by the Secretary of War that extraordinary hazardous conditions exist, shall receive, in addition to the foregoing, the sum of $5 per hour for each hour or fraction thereof so employed.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONVEYANCE OF CERTAIN INTERESTS IN LAND TO THE COUNTY OF LOS ANGELES

The Clerk called the next bill, H. R. 905, to release all the right, title, and interest of the United States in certain land constituting a portion of the tract of land conditionally granted to the county of Los Angeles, State of California, under the act of March 24, 1933, as amended.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War is authorized and directed to convey, relinquish, and release to the county of Los Angeles, State of California, all the right, title, and interest of the United States in and to a certain portion of the tract of land conditionally granted to the county of Los Angeles, State of California, under the act entitled "An act to convey certain land in the county of Los Angeles, State of California," approved March 24, 1933, as amended, such portion being more particularly described as follows:

"All that certain lot 4 of tract No. 2409, as shown on the map recorded in Book 23 of Maps, at page 23, in the office of the recorder of the county of Los Angeles, State of California."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING CERTAIN OFFICERS OF THE NAVY, MARINE CORPS, AND COAST GUARD TO ACT AS NOTARIES

The Clerk called the next bill, H. R. 2018, to authorize certain officers of the Navy, Marine Corps and Coast Guard to act as notaries public during the existence of war or a national emergency and 6 months thereafter.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent that the bill (S. 800) to authorize certain officers of the Navy, Marine Corps, and Coast Guard to act as notaries public during the existence of war or a national emergency and 6 months thereafter be substituted in lieu of House bill 2018.

The Clerk read the title of the bill:

The SPEAKER. Is there objection to the request of the gentleman from Georgia [Mr. VINSON]?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That during the existence of a war in which the United States is engaged or of a national emergency declared by the President, and for 6 months after the termination of such war or national emergency such officers of the Navy, Marine Corps, and Coast Guard, as the Secretary of the Navy may designate, shall have the general powers of a notary public in the administration of oaths; the execution, acknowledgment, and attestation of instruments and papers; and the performance of all other notarial acts: *Provided*, That no fee of any character shall be paid to any officer for the performance of any notarial act herein authorized: *Provided further*. That whenever the Coast Guard shall be under the jurisdiction of the Secretary of the Treasury during a national emergency, the Secretary of the Treasury shall have and may exercise as to the Coast Guard the authority of the Secretary of the Navy under this act: *And provided further*, That the signature without seal of any officer of the Navy, Marine Corps, or Coast Guard acting as such notary public shall be prima facie evidence of his authority.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 2018) was laid on the table.

AMENDMENT TO SECTIONS 6 AND 11 OF ACT APPROVED JULY 24, 1941, AUTHORIZING TEMPORARY APPOINTMENT OR ADVANCEMENT OF CERTAIN PERSONNEL OF THE NAVY AND MARINE CORPS

The Clerk called the next bill, H. R. 2168, to amend sections 6 and 11 of the act approved July 24, 1941, entitled "An act authorizing the temporary appointment or advancement of certain personnel of the Navy and Marine Corps, and for other purposes," as amended, to provide for the grade of commodore, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent that the bill (S. 829) to amend sections 6 and 11 of the act approved July 24, 1941, entitled "An act authorizing the temporary appointment or advancement of certain personnel of the Navy and Marine Corps, and for other purposes," as amended, to provide for the grade of commodore, and for other purposes, be substituted for H. R. 2168.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia [Mr. VINSON]?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That section 6 of the act approved July 24, 1941, entitled "An act authorizing the temporary appointment or

advancement of certain personnel of the Navy and Marine Corps, and for other purposes" (55 Stat. 604), as amended by the act approved June 30, 1942 (56 Stat. 465; 34 U. S. C. 350), be, and it is hereby, amended to read as follows:

"SEC. 6. The rank and grade of commodore are hereby established for the purposes of this act: *Provided*, That all officers appointed to the rank of commodore pursuant to the authority of this act, while serving in such rank, shall be entitled to the pay and allowances provided for an officer of the sixth pay period. Temporary appointments under the authority of this act shall, if they are to a grade above that of captain in the Navy or colonel in the Marine Corps, be made by and with the advice and consent of the Senate; if to other ranks or grades, they shall be made by the President alone."

SEC. 2. Paragraph (b) of section 11 of the aforesaid act is hereby amended by striking out the proviso thereto, so that said paragraph shall read as follows:

"(b) Personnel of the Coast Guard in relationship to the Coast Guard in the same manner and to the same extent as they apply to personnel of the Navy in relationship to the Navy."

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 2168) was laid on the table.

AMENDMENT TO ACT AUTHORIZING SALE OF NAVAL STORES

The Clerk called the next bill, H. R. 2198, to amend the act of March 3, 1909, as amended by the act of January 23, 1942, providing for the sale of naval stores, in order to authorize the Secretary of the Navy to permit the sale of naval stores in the continental United States during the war and 6 months thereafter to civilian officers and employees of the United States, and to other persons at stations where purchase from private agencies is found to be impracticable.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CUNNINGHAM. Mr. Speaker, reserving the right to object, will the chairman of the Committee on Naval Affairs explain this bill?

Mr. RIVERS. Mr. Speaker, this bill, H. R. 2198, was introduced at the request of the Secretary of the Navy by letter to the Speaker, dated March 6. The reason for this legislation, if the gentleman will bear with me, is as follows: There are many naval establishments throughout the land, naval training stations, and the like, which are out of the way from the regular independent establishments which we had heretofore. For instance, at Farragut, Idaho, the nearest private shopping center is 28 miles. They have 300 low-cost housing units there. Let me read a part of the report of the Naval Affairs Committee:

The purpose of the bill is to authorize the procurement and sale of stores, at naval stations and post exchanges within the United States, to civilian officers and employees of the United States, and to such other persons as may be specifically authorized by the Secretary of the Navy. The bill permits such sales to be made in the continental United States only when the Secretary of the Navy shall find that it is impracticable for such civilian officers and employees and other persons to procure such stores from private agencies without inconvenience impairing the efficient operation of such stations or exchanges. The stores which may thus be sold are to be designated by the Secretary of the Navy. The bill authorizes sales to such civilians in the United States only in time of war and 6 months thereafter.

The bill amends the act of March 3, 1909, as amended January 23, 1942 (56 Stat. 13; 34 U. S. C. 533). That act, as amended, authorizes the sale of naval stores to officers and enlisted men of the Navy, Marine Corps, and Coast Guard, and to their widows, at all naval stations and post exchanges, and authorizes the sale thereof to civilian officers, employees, and others, only at naval stations and post exchanges, beyond the continental United States, and in Alaska. These provisions of existing law are not limited to time of war or national emergency. The bill does not change the existing law in these respects, its purpose being to add the further authority for sales to civilians in the United States in wartime and 6 months thereafter under the prescribed conditions.

The need for authority to sell naval stores to civilian officers and employees of the United States and others, at various naval stations and post exchanges in the United States is illustrated by the following cases:

The naval training station at Farragut, Idaho, is 28 miles from the nearest private housing and shopping facilities. At this station 300 units of low-cost housing have been provided for married occupancy by civilians and 250 units for single occupancy. The naval training station at Bainbridge, Md., is from 5 to 7 miles distant from villages and small towns in the vicinity, and the stores in these towns and villages are not in a position to afford adequate commissary service to the 1,500 civilians and their dependents to be located at that station. At the naval training station at Sampson, N. Y., a 550-unit low-cost housing project has been provided, consisting of 300 family units and 250 single-occupancy units. The nearest available mercantile establishments are about 15 miles away.

The general food situation in the area surrounding the Mare Island Navy Yard is so critical that many civilian employees cannot get adequate food at all times without having their meals at the Mare Island cafeteria. The population in the area, including the city of Vallejo, Calif., has more than trebled in 2 years, while food supplies have actually decreased in many instances. It will be impossible for the cafeteria to continue on a satisfactory basis to the navy yard without being able to secure certain essential food supplies from naval stores. Vegetable oils, processed fillings for sandwiches, milk, and canned fruits and vegetables are not available from other sources in sufficient quantity to afford an ample or balanced diet for many thousands of workers.

It is expected that conditions may develop at other naval stations or post exchanges in the United States, at which, on account of distance from private supply facilities, or the overload of the capacity of local facilities, taken together with present rubber and gasoline restrictions and limited public-transportation facilities, the sale of naval stores to civilian officers and employees of the United States, and others, will be necessary. As a prerequisite to sales at naval stations and post exchanges in the United States, the bill requires the Secretary of the Navy to make a finding that it is impracticable for such civilian officers and employees and other persons to procure such stores from private agencies without impairing the efficient operation of such stations.

The following letter from the Secretary of the Navy addressed to the Speaker of the House of Representatives and transmitted by him to the chairman of the Committee on Naval Affairs of the House of Representatives sets forth the views and recommendation of the Navy Department on this bill. This letter is hereby made a part of this report.

NAVY DEPARTMENT,
Washington, March 6, 1943.

HON. SAM RAYBURN,
Speaker of the House of Representatives.

MY DEAR MR. SPEAKER: There is transmitted herewith a draft of a proposed bill to amend the act of March 3, 1909, as amended by the act of January 23, 1942, providing for the sale of naval stores, in order to authorize the Secretary of the Navy to permit the sale of naval stores in the continental United States during the war and 6 months thereafter to civilian officers and employees of the United States, and to other persons, at stations where purchase from private agencies is found to be impracticable.

The purpose of the proposed legislation is to authorize the procurement and sale of stores, at naval stations and post exchanges within the continental United States designated by the Secretary of the Navy, to civilian officers and employees of the United States, and to such other persons as may be specifically authorized by the Secretary of the Navy, when the Secretary finds that such stations and post exchanges are so located that it is impracticable for such civilian officers and employees and other persons to procure such stores from private agencies, without inconvenience tending to impair the efficiency of such stations or exchanges. The stores which may thus be sold are to be designated by the Secretary of the Navy. Such sales are permitted only during the war and 6 months thereafter.

Under the act of March 3, 1909, as amended January 23, 1942 (56 Stat. 13; 34 U. S. C. 533), the only places at which the sale of stores to such civilian officers and employees and other persons is permitted, are places beyond the continental United States or in Alaska.

The Navy Department has established naval training stations at isolated points in the United States, distant from retail food and other mercantile establishments. The naval training station at Farragut, Idaho, is located 28 miles from the nearest private housing and shopping facilities. At this station 300 units of low-cost housing for married occupancy and 250 units for single occupancy have been provided. The naval training station at Bainbridge, Md., is from 5 to 7 miles distant from villages and small towns in the vicinity, and the stores therein are not in a position to extend their service to the 1,500 civilian employees and dependents to be located at that station. At the naval training station at Sampson, N. Y., a 550-unit low-cost housing project has been provided, consisting of 300 family units and 250 single-occupancy units. The nearest available mercantile establishments are about 15 miles distant.

The distances between these stations and shopping facilities, especially under present rubber and gasoline restrictions and limited public-transportation facilities, makes it urgently necessary that civilians living at the stations be enabled to purchase supplies at the stations where they are located. It is expected that similar conditions may develop at other naval stations or post exchanges.

The Navy Department is unable to make any worth-while estimate of the cost to the Government of the proposed legislation.

The Navy Department recommends that the proposed legislation be enacted into law.

The Navy Department has been advised by the Bureau of the Budget that there would be no objection to the submission of the proposed legislation to the Congress.

Sincerely yours,

FRANK KNOX.

In compliance with clause 2a, of rule XII of the Rules of the House of Representatives, there is herewith printed in parallel columns

the text of provisions of existing law which would be repealed or amended by the various provisions of the bill.

EXISTING LAW (56 Stat. 13; 34 U. S. C. 533)	THE BILL
* * * That hereafter such stores as the Secretary of the Navy may designate may be procured and sold to officers and enlisted men of the Navy, Marine Corps, and Coast Guard; to the widows of such officers and enlisted men; to civilian officers and employees of the United States, and to such other persons as may be specifically authorized by the Secretary of the Navy, at naval stations and post exchanges beyond the continental United States or in Alaska, under such regulations as the Secretary of the Navy may prescribe.	That such stores as the Secretary of the Navy may designate may be procured and sold to officers and enlisted men of the Navy, Marine Corps, and Coast Guard, and to the widows of such officers and enlisted men. Such designated stores may also be procured and sold to civilian officers and employees of the United States, and to such other persons as may be specifically authorized by the Secretary of the Navy— (1) At naval stations and post exchanges beyond the continental United States or in Alaska; and (2) At naval stations and post exchanges within the continental United States, in time of war and not exceeding 6 months thereafter, when the Secretary of the Navy finds that it is impracticable for the said civilian officers and employees and other persons to procure such stores from private agencies without impairing the efficient operation of the stations. The Secretary of the Navy may prescribe regulations governing sales under this act.

Mr. CUNNINGHAM. This bill would allow those civilian employees to buy food from the commissary as well as other household necessities?

Mr. RIVERS. That is right.

Mr. CUNNINGHAM. And to buy them at the same price as they are offered to members of the armed forces?

Mr. RIVERS. Yes.

Mr. VINSON of Georgia. And the law also makes it necessary that the Secretary designate who may be permitted in a civilian capacity on account of lack of accommodations in the vicinity to purchase at these stores.

Mr. RIVERS. That is absolutely right. The Secretary of the Navy has to find out that there is a real need to permit these people to patronize these establishments before anyone is permitted to do so. The law heretofore only granted that privilege beyond the continental limits of the United States.

Mr. CUNNINGHAM. Under this provision is the enlisted personnel given the right to purchase at these commissaries?

Mr. RIVERS. Yes.

Mr. WASIELEWSKI. Will the gentleman yield?

Mr. RIVERS. I yield to the gentleman from Wisconsin.

Mr. WASIELEWSKI. There has been considerable dissatisfaction, and I have had a number of complaints from stores in the vicinity of a lot of these Army and Navy posts to the effect that the Army posts particularly have been in competition with private business in the locality. I am glad to note in the bill at hand that this is to cover only such instances as are officially certified by the Secretary of the Navy.

Mr. RIVERS. May I say to the gentleman that I cannot speak for the Army, but I can say for the Navy that if any case like that exists of competition by the Navy personnel, the situation has not been brought to the attention of the officials. I do not know about the Army, and as I say, this is only where the Secretary of the Navy finds that there are not sufficient outside accommodations.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. RIVERS. Mr. Speaker, I ask unanimous consent that the bill (S. 853), to amend the act of March 3, 1909, as amended by the act of January 23, 1942, providing for the sale of naval stores, in order to authorize the Secretary of the Navy to permit the sale of naval stores in the continental United States during the war and 6 months thereafter to civilian officers and employees of the United States, and to other persons at stations where purchase from private agencies is found to be impracticable, be substituted for the House bill.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina [Mr. RIVERS]?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That such part of the act approved March 3, 1909 (35 Stat. 753), as was amended by the act approved January 23, 1942, entitled "An act to amend the act entitled 'An act making appropriations for the naval service for the fiscal year ending June 30, 1910, and for other purposes', approved March 3, 1909, as amended, so as to extend commissary privileges to such other persons as may be specifically authorized by the Secretary of the Navy" (56 Stat. 13; 34 U. S. C. 533), is hereby amended to read as follows: "That such stores as the Secretary of the Navy may designate may be procured and sold to officers and enlisted men of the Navy, Marine Corps, and Coast Guard, and to the widows of such officers and enlisted men. Such designated stores may also be procured and sold to civilian officers and employees of the United States, and to such other persons as may be specifically authorized by the Secretary of the Navy—

"(1) At naval stations and post exchanges beyond the continental United States or in Alaska; and

"(2) At naval stations and post exchanges within the continental United States, in time of war and not exceeding 6 months thereafter, when the Secretary of the Navy finds that it is impracticable for the said civilian officers and employees and other persons to procure such stores from private agencies without impairing the efficient operation of the stations. The Secretary of the Navy may prescribe regulations governing sales under this act."

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 2198) was laid on the table.

INTER-AMERICAN FINANCIAL AND ECONOMIC ADVISORY COMMITTEE

The Clerk called the joint resolution (H. J. Res. 15) authorizing the appropriation of such sums as may be necessary to pay the proportionate share of the United States in the annual expenses of the Inter-American Financial and Economic Advisory Committee.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

Mr. PRIEST. Reserving the right to object, Mr. Speaker, this is a joint resolution authorizing the appropriation of money. I should like to have the gentleman from New York give the House some estimate, if possible, of how much money would be involved.

Mr. BLOOM. Twenty-two thousand dollars for a year. It is prorated.

Mr. PRIEST. I withdraw my reservation of objection, Mr. Speaker.

Mr. COLE of New York. Reserving the right to object, Mr. Speaker, may I inquire of the gentleman from New York if he intends to offer an amendment to this bill limiting the appropriation to not to exceed $22,000? Otherwise it would be necessary for me to ask that the bill be passed over without prejudice, for the reason that I think it is a mistake for the Congress to approve any legislation authorizing an appropriation unless there is some limit in that authorization as to the amount, the quantity, and the time. This is a blanket authorization, which, I think, should not be passed.

Mr. BLOOM. I may say to the gentleman that I shall be glad to agree to such an amendment. The conference, however, has agreed upon the amount of money to be appropriated, based on 15 cents per thousand population.

Mr. COLE of New York. I suggest that this bill be passed over without prejudice, so that the gentleman may work out an amendment and offer it.

Mr. BLOOM. I will agree to an amendment limiting it to $22,000. This is very necessary. The State Department is very anxious to get this resolution through. If the gentleman wishes to have that limit set at $22,000, I will agree to such an amendment.

Mr. VORYS of Ohio. Reserving the right to object, Mr. Speaker, even $22,000 would not quite make the American quota. I believe the amount is $22,810. Also, the American quota might be changed.

Mr. COLE of New York. Mr. Speaker, I shall offer an amendment to line 5, that, after the words "sums as may be necessary", there be inserted a comma and the words "but not to exceed the sum of $23,000."

Mr. BLOOM. I agree to that amendment.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Clerk read the joint resolution as follows:

Resolved, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary for the payment by the United States of its proportionate share in the annual expenses of the Inter-American Financial and Economic Advisory Committee.

Mr. COLE of New York. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COLE of New York: On page 1, line 5, after "necessary", insert a comma and the words "but not to exceed $23,000."

Mr. COLE of New York. Mr. Speaker, I should like to discuss this amendment briefly in order to clear up a misunderstanding. May I inquire of the gentleman of New York, the chairman of the committee, if this is a single appropriation, or is it an annually recurring affair?

Mr. BLOOM. This is an annual appropriation.

Mr. COLE of New York. Is it intended to take care of the years in the future or is it just for this year?

Mr. BLOOM. It is just for this year.

Mr. COLE of New York. There is nothing in the bill to indicate whether the appropriation is for this year or whether it is an authorization for all years in the future.

Mr. BLOOM. If the committee is in existence after this year, we shall have to come back and get another appropriation. This is just for this year.

Mr. VORYS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. COLE of New York. I yield to the gentleman from Ohio.

Mr. VORYS of Ohio. I think this is meant to be an authorization for annual contributions of the prorated share of the United States to this most important committee. The amount in any year will be under the control of the Committee on Appropriations. It was desired, if possible, to allow some latitude in the annual authorization because changes in the size of the various populations might require changes in the amounts to be contributed. Just as in our lease-lend authorization from our committee there is no limitation, it was felt that in this matter, which is so small but so vastly important, there was no necessity for a legislative limitation on the authorization, but that it would be better to authorize annual contributions of our share and permit the determination of the amounts to be in the hands of the Committee on Appropriations. If any limitation is to be put in, it would be far better to make it clear that it is a limitation upon the annual authorization rather than a total limitation.

Mr. COLE of New York. Mr. Speaker, with that explanation, I ask unanimous consent that the words "per annum" be included in the amendment after the figure of "$23,000."

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The amendment was agreed to.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EMERGENCY ADVISORY COMMITTEE FOR POLITICAL DEFENSE

The Clerk called the joint resolution (H. J. Res. 16) providing for participation by the United States in the Emergency Advisory Committee for Political Defense, and authorizing an appropriation therefor.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

Mr. SHAFER. Reserving the right to object, Mr. Speaker, will the gentleman from New York [Mr. BLOOM] explain the joint resolution?

Mr. BLOOM. Mr. Speaker, the purpose of this advisory committee is explained in the letter to the President from the Secretary of State, dated December 1, 1942.

The committee consists of 7 members functioning on behalf of all of the 21 American republics.

The committee inaugurated its work at Montevideo on April 15, 1942, and is to continue functioning for the period of the war emergency, or so long as the American republics may deem the continuation of its activities to be essential to the welfare of this hemisphere. Because of the emergency conditions at the time, an allocation was made from the emergency fund for the President for the expenses of the United States representative and our contribution to the expenses of the general secretariat of the committee. These expenses will not exceed $105,560 per annum.

The committee was created to combat the acts of aggression of a nonmilitary character including systematic espionage, sabotage, and subversive propaganda, which are being attempted by the Axis Nations and their satellites against both belligerent and neutral states in this hemisphere. Such acts assume an importance comparable with military threats and, therefore, must be combatted with equal skill, thoroughness, and determination. The position of leadership which the United States holds in the military defense of the democracies of this hemisphere is equally apparent in the companion sphere of political defense. It is imperative, therefore, that steps be taken for the effective functioning of the committee which should become an increasingly valuable component of the inter-American defense structure.

Mr. SHAFER. The cost will not exceed $105,000?

Mr. BLOOM. That is right.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That in order to permit the United States to continue participation in the Emergency Advisory Committee for Political Defense, established pursuant to Resolution XVII adopted at the third meeting of the ministers of foreign affairs of the American republics, held at Rio de Janeiro in January 1942, there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be required for such participation by the United States in this Committee for the period of the war emergency or so long as the American republics may deem the continuation of its activities to be essential to the welfare of the hemisphere, but not exceeding the sum of $105,560 per annum, including all necessary expenses, personal services in the District of Columbia and elsewhere, without regard to the civil service and classification laws; travel expenses of the member from the United States and his staff, without regard to the Standardized Government Travel Regulations, as amended, and the Subsistence Expense Act of 1926, as amended, and under such rules and regulations as the Secretary of State may prescribe, travel expenses of their families and transportation of effects in going to and returning from their post of duty, without regard to section 901 of the Act of June 29, 1936 (49 Stat. 2015); allowances for the member from the United States and his staff for living quarters at the seat of the Committee outside the United States, including heat, fuel, and light, as authorized by the Act approved June 26, 1930 (5 U. S. C. 118a); communication services; stenographic reporting, translating, and other services, by contract, if deemed necessary without regard to section 3709 of the Revised Statutes (41 U. S. C. 5); local transportation; equipment; transportation of things; rent of offices; printing and binding; official entertainment; official cards; stationery; purchase of newspapers, periodicals, books, and documents; contribution of the United States to the expenses of the general secretariat; and such other expenses as may be authorized by the Secretary of State.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ISSUANCE OF A DEVICE TO MERCHANT SAILORS

The Clerk called the bill (H. R. 2281) to provide for the issuance of a device in recognition of the services of merchant sailors.

The SPEAKER. Is there objection?

Mr. KEAN. Mr. Speaker, I reserve the right to object. This bill is one of numerous bills we have had before us which try to provide by legislation proof that our participation in the war started in September 1939, rather than December 1941. As far as I am concerned I object to unanimous consent to the passage of any bill of this kind.

The SPEAKER. The gentleman from New Jersey objects.

USE OF RED CROSS IN AID OF LAND AND NAVAL SERVICES

The Clerk called the bill (H. R. 2292) to amend an act entitled "An act to provide for the use of the American National Red Cross in aid of land and naval forces in time of actual or threatened war."

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That effective from December 5, 1941, the act of April 24, 1912 (37 Stat. 90; 36 U. S. C. 10, 11), entitled "An

act to provide for the use of the American National Red Cross in aid of the land and naval forces in time of actual or threatened war", is amended to read as follows: "That whenever in time of war, or when war is imminent, the President shall find the cooperation and use of the American National Red Cross with the land and naval forces to be necessary, he is authorized to accept the assistance tendered by the said Red Cross and to employ the same under the land and naval forces in conformity with such rules and regulations as he may prescribe.

"SEC. 2. That when the said Red Cross cooperation and assistance with the land and naval forces in time of war or threatened hostilities shall have been accepted by the President, the personnel entering upon the duty specified in section 1 of this act shall, while proceeding to their place of duty, while serving thereat, and while returning therefrom, be transported and subsisted at the cost and charge of the United States as civilian employees employed with the said forces, and no passport fee shall be charged or collected for any passport issued to such personnel so serving or proceeding abroad to enter upon such service, and the Red Cross supplies that may be tendered as a gift and accepted for use by the land and naval forces shall be transported at the cost and charge of the United States."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. PRIEST. Mr. Speaker, this concludes the call of bills that have been on the calendar a sufficient time.

PERMITTING PROSECUTION AFTER LAPSE OF TEMPORARY STATUTE

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent to return to Calendar No. 41, H. R. 1201, to permit prosecutions after the lapse of a temporary statute for offenses committed prior to its expiration.

The SPEAKER. Is there objection?

There was no objection.

The Clerk reported the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 4 of the act of February 25, 1871 (16 Stat. 432, Rev. Stats., sec. 13, U. S. Code, title 1, sec. 29) be, and it hereby is, amended to read as follows:

"The repeal of any statute shall not have the effect to release or extinguish any penalty, forfeiture, or liability incurred under such statute, unless the repealing act shall so expressly provide, and such statute shall be treated as still remaining in force for the purpose of sustaining any proper action or prosecution for the enforcement of such penalty, forfeiture, or liability. The expiration of a temporary statute shall not have the effect to release or extinguish any penalty, forfeiture, or liability incurred under such statute, unless the temporary statute shall so expressly provide, and such statute shall be treated as still remaining in force for the purpose of sustaining any proper action or prosecution for the enforcement of such penalty, forfeiture, or liability."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

APPOINTMENT OF WOMEN PHYSICIANS AND SURGEONS, ARMY AND NAVY

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent to return to the bill (H. R. 1857) to provide for the appointment of female physicians and surgeons in the Medical Corps of the Army and Navy, to which I reserved the right to object. I withdraw my objection.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The SPEAKER. The Clerk will report the title of the bill.

The Clerk reported the title of the bill.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That hereafter during the present war and 6 months thereafter there shall be included in the Medical Departments of the Army and Navy such licensed female physicians and surgeons as the Secretary of War and the Secretary of the Navy may consider necessary, whose qualifications, duties, and assignments shall be in accordance with regulations to be prescribed by the Secretary and who shall be appointed and at his discretion removed by the Surgeon General of the Army or Navy, subject to the approval of the Secretary of War or the Secretary of the Navy. Those appointed shall be commissioned in the Army of the United States or the Naval Reserve, and shall receive the same pay and allowances and be entitled to the same rights, privileges, and benefits as members of the Officers' Reserve Corps of the Army and the Naval Reserve of the Navy with the same grade and length of service: *Provided*, That female physicians and surgeons appointed under this act shall only be assigned to duty in hospitals or other stations where female nurses are employed.

With the following committee amendment:

Page 2, line 8, strike out all after the word "service."

The committee amendment was agreed to.

The bill, as amended, was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WOMEN'S ARMY AUXILIARY CORPS

Mr. MAY. Mr. Speaker, I ask unanimous consent that when No. 67 on the calendar, S. 494, to establish a women's army auxiliary corps for service in the Army of the United States, is reached on the calendar, that it may be heard under an agreement for 2 hours of general debate, one-half time to be controlled by the chairman of the House Military Affairs Committee and one-half of the time by the ranking member of the Committee on Military Affairs.

The SPEAKER. Is there objection?

Mr. MICHENER. Mr. Speaker, I reserve the right to object. I do not know anything about the bill. I do know that the request of the gentleman seems to be for the purpose of short-circuiting the Rules Committee and establishing by unanimous consent a procedure for the consideration of the bill by the House.

The SPEAKER. That is the intention.

Mr. MAY. I would like, if possible, to get that sort of agreement.

Mr. MICHENER. Do the members of the gentleman's Military Affairs Committee know that he was going to make this unusual request?

Mr. MAY. I would not say that all members do, but as far as the committee is concerned there is no objection to it. I think of the gentleman will read the bill with the report by the House Military Affairs Committee he would not object. He would see that the committee has done a splendid job in fixing up the Senate bill and we would be very glad to have it debated for 2 hours in order to tell Members about it.

Mr. MICHENER. I am not objecting to the bill. I do not know anything about it. I may be in hearty accord with the purposes of the bill, but I doubt the wisdom of coming in at a time like this, without notice on anybody's part, and fixing terms for the consideration of a very important bill in the House.

The SPEAKER. The Chair will ask the gentleman from Kentucky to withdraw his request for the present.

Mr. MAY. Mr. Speaker, I withdraw the request.

PAYMENT OF OVERTIME COMPENSATION TO GOVERNMENT EMPLOYEES

Mr. RAMSPECK. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 1860) to provide for the payment of overtime compensation to Government employees, and for other purposes, which I send to the desk, with the amendments reported by the committee.

Mr. KEEFE. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Wisconsin makes the point of order that there is no quorum present. Evidently there is not a quorum present.

Mr. RAMSPECK. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 41]

Anderson, Calif.	Gillette	O'Brien, Ill.
Baldwin, N. Y.	Goodwin	O'Brien, N. Y.
Barden	Gordon	O'Leary
Bates, Ky.	Gorski	O'Toole
Bell	Green	Plumley
Bender	Gross	Powers
Bolton	Guyer	Randolph
Bonner	Hall,	Reece, Tenn.
Boykin	Edwin Arthur	Reed, N. Y.
Bradley, Mich.	Halleck	Robsion, Ky.
Bradley, Pa.	Hoffman	Rogers, Calif.
Buckley	Howell	Rowan
Burdick	Izac	Sabath
Cannon, Fla.	Judd	Sheppard
Chiperfield	Kee	Sheridan
Clark	Kelley	Sikes
Courtney	King	Smith, Maine
Cullen	Knutson	Smith, Va.
Curley	Lea	Snyder
D'Alesandro	Lewis, Colo.	Somers, N. Y.
Dawson	Luce	Steagall
Dingell	Lynch	Stevenson
Doughton	McCormack	Thomas, N. J.
Drewry	McGranery	Thomason
Eaton	McKenzie	Treadway
Eberharter	Maas	Weaver
Elliott	Merritt	Weiss
Elmer	Merrow	Wene
Flannagan	Miller, Mo.	Whelchel, Ga.
Fogarty	Miller, Pa.	White
Furlong	Monkiewicz	Winter
Gavagan	Morrison, La.	Woodrum, Va.
Gerlach	Mott	Wright
Gibson	Myers	

The SPEAKER pro tempore (Mr. COOPER). On this roll call 334 Members have answered to their names. A quorum is present.

On motion by Mr. RAMSPECK, and by unanimous consent, further proceedings under the call were dispensed with.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That this act shall apply to all civilian officers and employees in or under the United States Government, including Government-owned or controlled corporations, and to those employees of the District of Columbia municipal government who occupy positions subject to the Classification Act of 1923, as amended, except that this act shall not apply to (a) elected officials; (b) judges; (c) heads of departments, independent establishments, and agencies; (d) officers and employees in the field service of the Post Office Department; (e) employees whose wages are fixed on a daily or hourly basis and adjusted from time to time in accordance with prevailing rates by wage boards or similar administrative authority serving the same purpose; and (f) employees outside the continental limits of the United States, including Alaska, who are paid in accordance with local prevailing native wage rates for the area in which employed.

SEC. 2. Officers and employees to whom this act applies shall oe paid overtime compensation for work in excess of 40 hours in any administrative workweek at a rate of one and one-half times their basic rates of compensation: *Provided*, That no overtime compensation shall be paid on any portion of an officer's or employee's basic rate of compensation in excess of $2,900 per annum, and each such employee shall be paid only such overtime compensation or portion thereof as will not cause his aggregate compensation to exceed a rate of $5,000 per annum: *And provided further*, That in computing the overtime compensation of per annum officers and employees, the base pay for 1 day shall be considered to be one three-hundred-and-sixtieth of the respective per annum salaries, and the base pay for 1 hour shall be considered to be one-eighth of the base pay so computed for 1 day.

SEC. 3. Officers and employees to whom this act applies and whose compensation is based upon other than a time-period basis, or whose hours of duty are intermittent, irregular, or less than full time, and officers and employees in or under the legislative and judicial branches (except those in the Library of Congress, the Botanic Garden, and per annum employees in or under the Office of the Architect of the Capitol who are regularly required to work not less than 48 hours per week, who shall be paid pursuant to the terms of sec. 2 of this act) to whom this act applies, and officers and employees whose working conditions, on recommendation of the head of the department or agency and approved by the Civil Service Commission, are found to be such as to render an overtime work schedule impracticable, shall be paid additional compensation, in lieu of the overtime compensation authorized under section 2 of this act, amounting to 15 percent of so much of their earned basic compensation as is not in excess of a rate of $2,900 per annum, and each such employee shall be paid only such additional compensation or portion thereof as will not cause his aggregate compensation to exceed a rate of $5,000 per annum.

SEC. 4. The act approved February 10, 1942 (Public Law No. 450, 77th Cong.), and section 4 of the act approved May 2, 1941 (Public Law No. 46, 77th Cong.), as amended, are hereby repealed.

SEC. 5. The provisions of the Saturday half-holiday law of March 3, 1931 (46 Stat. 1482; U. S. C., title 5, sec. 26 (a)), are hereby suspended for the period during which this act is in effect.

SEC. 6. The provisions of this act shall not operate to prevent payment for overtime services in accordance with any of the following statutes: Act of February 13, 1911, as amended (U. S. C., title 19, secs. 261 and 267); Act of July 24, 1919 (41 Stat. 241; U. S. C., title 7, sec. 394); Act of June 17, 1930, as amended (U. S. C., title 19, secs. 1450, 1451, and 1452); act of March 2, 1931 (46 Stat. 1467; U. S. C., title 8, secs. 109a and 109b); act of May 27, 1936, as amended (52 Stat. 345; U. S. C., title 46, sec. 382b); act of March 23, 1941 (Public Law No. 20, 77th Cong.): *Provided*, That the overtime services covered by such payment shall not also form a basis for overtime compensation under this act.

SEC. 7. Whenever the Civil Service Commission shall find that within the same Government organization and at the same location gross inequities exist to such an extent as to interfere with the prosecution of the war, between basic per annum rates of pay fixed for any class of positions under the Classification Act of 1923, as amended, and the compensation of employees whose basic rates of pay are fixed by wage boards or similar administrative authorities serving the same purpose, the Commission is hereby empowered in order to correct or reduce such inequities to establish as the minimum rate of pay for such class of positions any rate within the range of pay fixed by the Classification Act of 1923, as amended, for the grade to which such class of positions is allocated under such act.

SEC. 8. The heads of departments and agencies in the executive branch, whose employees are affected by the provisions of this act, shall present to the Director of the Bureau of the Budget and to the Congress such information as the Director shall from time to time, but not less frequently than the first day of January and July of each year, require for the purpose of determining the number of employees required for the proper and efficient exercise of the functions of their respective departments and agencies. The Director shall from time to time, but not less frequently than the beginning of each 6 months, determine the number of employees so required, and any personnel of any such department or agency in excess thereof shall be released at such times as the Director shall order. Such determination shall be reported to the Congress January 1 and July 1 of each year. Sections 2 and 3 of this act shall cease to be applicable to the employees of such department or agency unless the head thereof shall certify within 30 days from the effective date so prescribed by the Director that the number of employees of his agency does not exceed the number determined by the Director to be required for the proper and efficient exercise of its functions. Any determinations and directions made by the Director under the authority of Public Law 821, Seventy-seventh Congress, are hereby continued in effect until modified by him. The Civil Service Commission is authorized to transfer to other departments and agencies any employees released pursuant to this section whose services are needed in and can be effectively utilized by such other departments or agencies, and the services of these employees are to be utilized by the departments and agencies before additional employees are recruited.

SEC. 9. The Civil Service Commission is authorized and directed to take such action and to promulgate such rules and regulations as may be necessary and proper for the purpose of coordinating and supervising the administration of the provisions of this act, and for the purpose of adjusting present methods of converting annual rates of pay into daily and hourly rates for all purposes so as to conform with the method prescribed by this act.

SEC. 10. Representatives, Delegates, the Resident Commissioner from Puerto Rico, and chairmen of standing committees may rearrange or change the schedule of salaries and the number of employees in their respective offices or committees: *Provided*, That such changes shall not increase the aggregate of the salaries provided for such offices or committees by law: *Provided further*, That no salary shall be fixed hereunder at a rate in excess of $4,500 per annum and no action shall be taken to reduce any salary which is specifically fixed by law at a rate higher than $4,500: *Provided further*, That Representatives, Delegates, the Resident Commissioner from Puerto Rico, and committee chairmen, on or before the tenth day of the month in which such changes are to become effective, shall certify in writing such changes or rearrangements to the disbursing office which shall thereafter pay such employees in accord with such changed schedule.

SEC. 11. This act shall take effect on May 1, 1943, and shall terminate on June 30, 1945, or such earlier date as the Congress by concurrent resolution may prescribe.

SEC. 12. This act may be cited as the "War Overtime Pay Act of 1943."

During the reading of the bill the following proceedings were had:

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent that the further reading of the bill be dispensed with.

The SPEAKER pro tempore. Is there objection?

Mr. KEEFE. I object.

The Clerk concluded the reading of the bill.

The SPEAKER pro tempore. Is a second demanded?

Mr. REES of Kansas. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentlemen from Georgia is recognized for 20 minutes.

Mr. STEWART. Mr. Speaker, I ask unanimous consent that we may have 30 additional minutes to discuss this measure.

The SPEAKER pro tempore. The gentleman from Oklahoma asks unanimous consent that the time for debate be extended 30 minutes, 15 minutes additional on each side. Is there objection?

Mr. RABAUT. Mr. Speaker, reserving the right to object, we have a heavy appropriation bill to bring on this afternoon.

Mr. STEWART. Will the gentleman yield?

Mr. RABAUT. I yield.

Mr. STEWART. Does the gentleman realize that this bill costs more every year to the Government than the entire expenses of the Government during any one of the first 100 years of its operation?

Mr. RABAUT. Well, I am not familiar with all the details of this matter.

Mr. STEWART. Did the gentleman know that it amends six general statutes and that it would take 3 days to examine and explain all those?

Mr. RABAUT. The gentlemen in charge of the bill have asked for as much time as they desire upon the bill, and I think they know about what the bill is, and I think in that respect they should be entrusted with the operation of this bill on the floor. So, Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard. The gentleman from Georgia [Mr. RAMSPECK] is recognized for 20 minutes.

Mr. RAMSPECK. Mr. Speaker, I urge the membership of the House to please give me their attention because we have very limited time and I want to use it to the best advantage, to give you information.

Something over 2 years ago the Military and Naval Affairs Committees of the House reported legislation and this House and the Senate passed it, putting certain employees in the War and Navy Departments on an overtime basis because they were working long hours. That situation was extended from time to time, and finally in December of last year we passed legislation putting all of the employees on an overtime basis, and the President issued an order requiring that they work at least 48 hours a week wherever it was possible for them to work on an hourly basis.

Senate Joint Resolution 170, which is now in effect and which was passed last December, provides that the employees who work on an hourly basis shall receive overtime pay based upon a 360-day year, which means that the employees work 48 hours, which is 20 percent more time than they normally worked—a little more than 20 percent, and get 21.6 percent more pay than they got before the workweek was extended and before Senate Joint Resolution 170 was passed.

You will find in the report that that legislation cost $563,000,000, as I remember the figures. We also provided in that legislation that those employees who could not work on an overtime basis should have an increase of 10 percent in their pay. That is the present situation and that act expires on April 30 of this year. The bill upon which you will be asked to vote today continues the same situation as to most of the employees. It does not give them any further increase in pay. It provides 21.6 percent increase above their basic salary, for which they work at least 20 percent more time. It does give a further increase to those who do not work on hourly basis, including the employees on Capitol Hill, of from 10 percent to 15 percent, in other words, an increase of 5 percent. That costs $4,000,000 per year.

We continue as in the present resolution to pay the increase, both the overtime and the percentage, on the first $2,900 only, of the salary of each employee.

Thus, they get no increase of any part of their salary that exceeds $2,900. We continue also the present legislation which gives no increase whatsoever to any employee making $5,000 per year or above.

Mr. WALTER. Mr. Speaker, will the gentleman yield at that point?

Mr. RAMSPECK. I yield.

Mr. WALTER. Has not the effect of that been that subordinates are in many instances receiving salaries in excess of that of their superiors?

Mr. RAMSPECK. Not in excess, but it is possible that they might equal it; for instance, a man making $4,800 a year would get enough increase to bring him up to $5,000 and put him on a parity with some superior employee or supervisor.

There is one other section in this bill I wish to explain. At the request of the gentleman from Missouri [Mr. COCHRAN] the committee included a provision relating to the employees in the offices of Members of the House and the Delegates and Commissioners. It does not change the amount of money now provided by law for clerk hire, which is $6,500 per year, but it does change the limitation upon the way you divide that money so as to make it possible for you to pay one employee as much as $4,500 per year, whereas the present limitation is $3,900. It does not, however, increase the amount of money available to any Member or to any committee of this House; it does not give one single dollar more but it simply makes it possible for you to divide the pay that you have available as you see fit within the limitations which I have described.

Mr. WICKERSHAM. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. WICKERSHAM. The gentleman from Georgia has ably explained this bill. I wonder, however, if two things are in this bill. If not, they should be. Does not the gentleman believe that at least those departments not directly related to the war effort should effect a reduction in personnel to the extent of the increase paid the other employees?

Mr. RAMSPECK. I may say to the gentleman from Oklahoma that the joint resolution passed last December directed all the departments to report to the Budget as to what reductions in force could be made as a result of increased hours. It is my understanding that the Budget Bureau has compiled its reports and has issued orders for reductions in force in many agencies. Just what the details are I cannot say; but I point out to the gentleman from Oklahoma that 64 percent of all the Federal employees are in the War and Navy Departments, and they were already working 48 hours or more a week before any of this legislation was passed. There has therefore been no particular extension of hours as to two-thirds of the employees. The reduction can come only in the other agencies which were working less than 48 hours a week and which were put on a 48-hour basis last December.

Mr. MURRAY of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. MURRAY of Wisconsin. I should like to have the gentleman from Georgia yield to the gentleman from Missouri [Mr. COCHRAN] for I am sure he has something of value and interest to add.

Mr. RAMSPECK. Mr. Speaker, I am glad to yield to the gentleman from Missouri.

Mr. COCHRAN. Mr. Speaker, I am solely responsible for the provision I asked the committee to put in this bill. If there is any criticism, it should be directed at me. It is identical with the provision that the Senate put in the legislative appropriation bill in the Seventy-seventh Congress, after Congress had increased the clerical hire of the Members of the Senate. As the gentleman from Georgia stated, there is not a dime of increase provided for in this amendment.

I can tell you, as chairman of the Committee on Accounts, that I know the situation that confronts a number of Members of this House. This amendment will assist them in running their offices in an efficient way. One month since the war started, just for 1 month alone, there were 175 turn-overs of personnel in the offices of Members of this body. Some of them went into the armed forces, but the greater majority of the employees left to go to other departments, where they get a great deal more money.

As I say, there is not one penny of increase in connection with this amendment.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. DONDERO. At the beginning of the year, secretaries to Members received an increase of 10 percent.

Mr. RAMSPECK. That is correct.

Mr. DONDERO. Do I understand that that is taken away or is that to be increased to 15 percent?

Mr. RAMSPECK. That will be increased to 15 percent, which is an additional 5 percent.

Mr. DONDERO. Will not that increase the total amount allowed to each Member of Congress to pay for secretaries and clerk hire in his office, beyond $6,500?

Mr. RAMSPECK. Yes, for the duration of the legislation only. I mean there is no change in the basic law which gives you $6,500.

Mr. MURRAY of Wisconsin. Will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from Wisconsin.

Mr. MURRAY of Wisconsin. I heard what our distinguished friend from Missouri said, but still I cannot figure out why it is necessary to make that change, especially in view of the fact there are not one-third of us now who are giving the $3,900. Why should we change it to $4,500?

Mr. RAMSPECK. You do not have to do it. That is left to your discretion.

Let me make one other statement. This House passed a couple of weeks ago a bill for the postal employees on a record vote and only four Members voted against it. I call your attention to the fact that under this legislation the other employees of the Government are getting about 14 percent less money than you have given to the postal employees by legislation which this House passed.

Mr. O'CONNOR. Will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from Montana.

Mr. O'CONNOR. Does the gentleman's bill have anything to do with the pay of the employees of the War Department? I notice in today's paper that the Bureau of the Budget has made a slash of 100,000 Federal employees here in Washington—that is, recommended that—and of the 100,000, 40,000 to 60,000 come out of the War Department alone.

Mr. RAMSPECK. I may say to the gentleman that is the result of legislation which we passed here in December.

Mr. O'CONNOR. I think it was a mighty wise thing and about time.

Mr. RAMSPECK. We are continuing that provision in this bill, requiring the Budget to make a report to the Congress each 6 months.

Mr. O'CONNOR. It is about time that the Bureau of the Budget took the action that it did to relieve the dead timber in the Government service.

Mr. PACE. Will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from Georgia.

Mr. PACE. The bill recites that time in excess of 40 hours shall be at the rate of one and one-half times the basic rate. How does the gentleman calculate that to amount to only 21.6 percent increase in pay for a 20-percent increase in work?

Mr. RAMSPECK. Because the bill provides that the work year shall be based on 360 days. The wage-and-hour law provided that the employers figure on a 2,080-hour year or a 260-day year. There are many people who wanted to change this to a 260-day year, which would have given the employees a 30-percent increase instead of 21.6, but the committee used the divisor of 360 which gives an increase of 21.6 percent over the basic pay.

Mr. WHITTINGTON. Will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. As I understand, this bill is intended to remain in effect only during the war?

Mr. RAMSPECK. It is limited to June 30, 1945, or any date earlier that Congress may designate by concurrent resolution.

Mr. WHITTINGTON. As I recall, during the First World War the Congress passed bonus legislation.

Mr. RAMSPECK. Yes.

Mr. WHITTINGTON. The purpose of this legislation is to take the place of bonus legislation to provide for additional compensation during the war?

Mr. RAMSPECK. That is correct.

Mr. MAHON. I note on page 2 of the bill this language:

> Officers and employees to whom this act applies shall be paid overtime compensation for work in excess of 40 hours in any administrative week at the rate of one and one-half times their basic rate of compensation.

I am one of those who feels that the 40-hour week and time and a half for over 40 hours has no place in wartime. Is there some way whereby we can raise the pay of Federal employees, and I think there are some instances where they should be raised, without putting our stamp of approval on time and a half for overtime over 40 hours a week? I do not approve a 40-hour week in wartime.

Mr. RAMSPECK. I do not think we are putting our stamp of approval on it, as the gentleman expresses it, because in the wage-and-hour law, to which the gentleman refers, or which the gentleman has in mind, the divisor is the 260-day year and that amounts to 30 percent. Here we used the 360 divisor, and the gentleman will find it in the same section. It does not figure time and a half. It figures only 1.6 percent over straight time. So that we are not using the same method that is used under the wage-hour law and we are not getting the same result.

Mr. MAHON. The gentleman is just using this as the mechanics or vehicle for raising the pay?

Mr. RAMSPECK. That is correct. We are not endorsing any 40-hour week. As a matter of fact, the gentleman knows, being on the Appropriations Committee, that prior to this war employees in Washington worked only 39 hours a week. So we have really raised the number of hours 9 hours per week and we have given them 21.6 percent more money, which is just straight time. That is all we are doing.

Mr. HOBBS. Will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from Alabama.

Mr. HOBBS. As I understand it, the single and sole purpose of this bill is to raise the compensation of Government employees; is that right?

Mr. RAMSPECK. That is correct.

Mr. HOBBS. The statement in here that has been referred to by the gentleman from Texas [Mr. MAHON] is exactly the same as the law now stands?

Mr. RAMSPECK. That is correct.

Mr. HOBBS. So that that is in here merely for the purpose of furnishing a predicate or a basis upon which the raise is to operate?

Mr. RAMSPECK. That is the only reason.

Mr. HOBBS. As the gentleman has stated, it is not in any sense of the word a reaffirming of the Congress in that principle?

Mr. RAMSPECK. That is correct. It has nothing to do with the principle of the 40-hour week. It is simply a method of arriving at the pay.

Mr. Speaker, I reserve the balance of my time

Mr. REES of Kansas. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. GALE].

Mr. GALE. Mr. Speaker, the chairman of the committee has very ably explained the provisions of this bill. It is not going to solve the total civil service problem. That problem is something that is going to take a long time, it is going to take a lot of work and it will take quite a broad, far-reaching bill to fix it up. This is more or less a temporary measure to satisfy extraordinary wartime demands.

The minority members of the committee agreed with the provisions that are in the bill. There are no great changes over and above the law which was enacted last fall. The only provision that really amounts to anything is the addition of a 5-percent bonus to individuals who are not subject to time and a half. The total cost over and above the bill which we passed last fall is not excessive. It will only be $4,000,000. In other words, the minority Members do not find anything objectionable in this bill and they supported it unanimously in committee.

Mr. SHORT. Will the gentleman yield?

Mr. GALE. I yield to the gentleman from Missouri.

Mr. SHORT. How much, though, will the passage of this bill cost the taxpayers of the Nation? Will it not run approximately $600,000,000, almost twice as much as the appropriation carried in the Mississippi Flood Control Act of 1928, which was the largest peacetime appropriation in the history of this country up to that time?

Mr. GALE. The total cost of the bill which we passed last fall was $563,780,000.

Mr. SHORT. But 100,000 more employees have been added since the calculation that you carried in the measure.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. REES of Kansas. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, this measure extends an act passed by Congress last summer and that was extended temporarily until April 30, 1943. That act was put into effect for two main reasons: Employees' hours of work were to be extended to 48 hours per week instead of 39 or 40, and were to be paid for the additional time, and the other reason was because of increased cost of living. It was also said that the Government could not get competent help in many places for the salaries paid, because of competition in private industry, especially in war industries. Another reason presented was that if present employees worked longer hours, there could be a reduction in employment, or at least a retardation in the number of people employed. The legislation was intended, in the first instance, to assist those in the lower bracket salaries.

The gentleman from Missouri has asked about the cost of the legislation passed last year. The cost as given to me is estimated as $563,730,000. Of course that included postal employees who worked overtime. With little opposition, you recently supported a blanket bonus increase of $300 each to postal employees. That bill was sponsored by the Committee on Post Offices and Post Roads. Now, Mr. Speaker, it might be well to observe right here that we now have approximately 2,800,000 on the civil pay roll in the executive departments of

the Government. A great share, as has been pointed out, are in the Departments of War and Navy. It should also be stated that the cost of civil employees' pay roll last year, without the increase in December, was $4,395,937,637. So, to be fair to all parties concerned—the overall increase would be about 12 percent, I believe.

Mr. Speaker, this particular measure before us today extends the present law until June 1945 with amendments that have been called to your attention and according to figures presented to the committee will increase the present cost approximately $4,000,000. There will, of course, be the additional cost accrued by reason of increased employment. One of the principal changes provided by this bill is that where increases were 10 percent in certain cases, they would be 15 percent under the terms of this bill.

So, in substance, this bill extends the present law already passed by Congress that provided for the increase in pay already discussed, adds the approximate $4,000,000. As I have said, it was expected and hoped the increased cost to each employee would be offset to quite an extent by the increased hours of work. It would, of course, be difficult to estimate the amount of employment that has thus been saved.

Mr. TARVER. Mr. Speaker, will the gentleman yield?

Mr. REES of Kansas. I yield to the distinguished gentleman from Georgia.

Mr. TARVER. If we do not pass this bill, the Government of the United States will be saved $567,000,000 next year; is not that true?

Mr. REES of Kansas. If you do not pass any bill extending the present temporary increase in the salaries of the employees of this Government, of course, you save the money if you are able to secure the same amount of service now being rendered by Government workers. If you do not put any bill through at all, you will pay them what they were getting before the temporary legislation was passed sometime last summer, and which was extended in December until April 30. You do just what you think is right and proper about this matter.

The original bill H. R. 1860 that came before us provides for a great deal more than the $4,000,000 I mentioned. That bill increased salaries and wages $219,310,000 above the $567,000,000, because that is the cost that was in the bill providing for practically time and a half overtime in place of time and one-eighth, as there is in this bill. This pays a little more than straight time for overtime.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. REES of Kansas. I yield to the distinguished gentleman from Missouri.

Mr. SHORT. Does this bill have the backing of the administration?

Mr. REES of Kansas. I do not know whether the administration supports it or not. I did not consult the administration whether or not it is supporting it.

I will say to the gentleman from Missouri, Mr. W. H. McReynolds, who appeared before our committee representing the administration, said he favored the Mead bill that provides for time and a half for overtime, and for some other increases not included here.

This measure is more or less of a compromise bill from the Committee on Civil Service.

Mr. SHORT. The reason I asked that question is that the President has just vetoed the Bankhead bill that would give the farmers something near parity prices, because he said it was dangerous and inflationary. I wondered if this bill could not also be branded as dangerous and inflationary.

Mr. REES of Kansas. I am not putting any brand on it, but I disagree with the President when he says the bill he vetoed is inflationary. I do not believe these items of legislation should be considered together. Each piece of legislation ought to be considered on its own merits. If you do not like this legislation, vote it down. There is nothing complicated about it at all. This is not a personal matter with me. I am just trying to explain it, as I understand it.

If there are further questions anyone wishes to ask briefly, I shall try to answer them.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. REES of Kansas. I shall be glad to yield to the gentleman from Wisconsin, a very able member of the Committee on Appropriations of the House.

Mr. KEEFE. Is there any reason why this legislation could not come before the House in the regular way, under a rule, when we would have sufficient time to discuss the merits of the legislation, rather than to come here under a suspension, where we are limited to only 40 minutes of debate on a bill that involves nearly $600,000,000?

Mr. REES of Kansas. I think it would have been much better for this bill to come before the House under a rule, so the whole problem could be discussed, but as a matter of fairness, the gentleman knows that you are passing upon the question of whether or not you want to continue the increases already granted. That is the main part of this bill. If you do not want to go on with the increases you have already allowed Government employees, then vote down this bill and go back to where you were and strike out legislation that was supported almost unanimously a few months ago; if that is what you want to do.

Of course, this bill does not satisfy everyone. As I have said, it is a compromise measure. I feel sure if the House does not sustain the motion before the House, the committee try to meet, as far as it can, with the will of this body. At least, that is my position.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Michigan.

Mr. CRAWFORD. What is the total amount allowed a Member of Congress for clerical help?

Mr. REES of Kansas. The total amount allowed for clerical help is $6,500, plus 15 percent under this measure.

Mr. CRAWFORD. Fifteen percent of $6,500?

Mr. REES of Kansas. The gentleman is correct.

Mr. CASE. Mr. Speaker, will the gentleman yield?

Mr. REES of Kansas. I yield to the distinguished gentleman from South Dakota.

Mr. CASE. If the bill had come in under a rule, it would have been possible for Members to offer amendments, would it not?

Mr. REES of Kansas. That is correct. There is a lot of merit to what the gentleman says. If you want to send it back to the committee and let the committee try again, well and good. It will be all right with me. If you do not want this legislation, vote it down. If you do send it back, the committee will try, I feel sure, to meet the will of the majority of this House.

Mr. JENNINGS. Mr. Speaker, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Tennessee.

Mr. JENNINGS. Does the provision with respect to the employees of a Member of Congress mean that he can employ as many as he sees fit to?

Mr. REES of Kansas. It means that the Member of Congress can employ just as many employees as he wants to, and he can pay one of them not more than $4,500 plus 15 percent if he wants to do it. He may if he wants to. If he does not want to, he does not have to.

Mr. JENNINGS. If we vote down this bill, we in effect reduce the pay of the Government employees from what they are now getting?

Mr. REES of Kansas. Yes, after April 30. Unless the Congress takes some action regarding the matter.

The SPEAKER. The time of the gentleman from Kansas has expired.

Mr. REES of Kansas. Mr. Speaker, I yield myself 1 additional minute.

Mr. WALTER. Mr. Speaker, will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. WALTER. Can the gentleman tell me what the additional cost would be if the $5,000 limitation were removed?

Mr. REES of Kansas. It would be $15,660,000, approximately, I believe.

Mr. WOODRUFF of Michigan. Mr. Speaker, will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. WOODRUFF of Michigan. Will the gentleman inform me what employees are included in this bill? Are any included outside of the city of Washington?

Mr. REES of Kansas. Yes; employees throughout the country are included; certainly.

Mr. WOODRUFF of Michigan. Through all the departments?

Mr. REES of Kansas. Certainly; all the Government employees except those in the Post Office Department.

Mr. WHITTINGTON. Mr. Speaker, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. Is it not true that the bill that was passed in December, estimated to cost $563,000,000, provided for an increase of 10 percent for the postal employees, including rural carriers and postmasters, and that that amount would have to be deducted, whatever it is, from this bill in arriving at the cost of the increase in this bill?

Mr. REES of Kansas. I believe the gentleman is correct in that; and I appreciate the gentleman's observation. That would make some reduction in the figure of $560,000,000. It would probably be offset by increased employment in Government since that figure was announced, but the gentleman from Mississippi is right in his statement.

Mr. Speaker, as I have said, this legislation may be regarded as sort of compromise legislation on the subject. I think it would have been better to have given it further discussion. I have divided the amount of time allotted to me as far as I could, and have tried to tell you what the measure contains.

Mr. Speaker, the whole problem of civil service in our Government has become a tremendous one. Think of it, we now have almost 3,000,000 civil employees in Government. That is 3 times as many as the peak in World War No. 1. The number is still on the increase. Of course, it is understood that large numbers of employees are necessary to do the work required in carrying on the war effort. But, Mr. Speaker, for a long time I have insisted that if we would really strip for action as it were, and cut out a lot of red tape, a lot of duplication of effort, and quit all activity not absolutely required for the prosecution of the war, and make sure no one is kept on the job except he is qualified and interested in getting the job done. We could, in my judgment, get along and do the work, with 25 or 30 percent less employees. I know the great percentage of our employees are loyal and are trying to do their part, but we still have some whose services could be dispensed with, without loss to the Government.

The SPEAKER. The time of the gentleman from Kansas has again expired.

Mr. REES of Kansas. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts [Mr. CLASON].

Mr. CLASON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include certain letters and telegrams that I have received from constituents.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. CLASON. Mr. Speaker, I propound a parliamentary inquiry in order to have it in the RECORD. As the situation now stands, this bill being brought in under suspension of the rules, no amendment can be made at any time.

The SPEAKER pro tempore. The gentleman is correct.

Mr. CLASON. Mr. Speaker, I feel this bill ought to be passed; and if I had my way, I would provide for a more generous treatment of some of the employees of the United States Government. In other words, this bill provides for the payment of overtime pay on the basis that every man is working 360 days in a year, whereas we know that the National Labor Relations Board, and I think every private employer, fixes overtime on the basis of a 5-day week, 52 weeks in the year, or 260 days. I would like to have seen the bill come in here as originally printed, providing that the base pay for 1 day should be considered one two-hundred-and-sixtieth instead of one three-hundred-and-sixtieth of the respective per annum salaries. Also, I would like to bring out some of the inequities which occur in a bill of this kind. I think that this committee has done well, and I cannot help feeling that they have given a lot of time and consideration to it. However, you take a big manufacturing plant of the United States Government, and you will find that the per diem employees are paid full time and a half.

Mr. RIVERS. Mr. Speaker, will the gentleman yield?

Mr. CLASON. No; I cannot yield. For instance, this paragraph in a letter which I have received will explain the situation:

> The undersigned has been employed in a clerical and administrative capacity for 27 years at the Springfield Armory, at present being the civilian chief over approximately 250 employees, of whom 100 are per annum. I personally feel that these 100 per annum employees are entitled to the same overtime pay rates as the other 150 per diem employees under my jurisdiction.

In other words, you find that of a group of 250 under this bill, 100 will only receive overtime on a basis that they are working 360 days a year, while the other 150 are being paid overtime on the basis of working 260 days a year. All 250 will be working side by side. This inequity creates discord.

I am glad to see that the committee has included section 7, which will permit the Civil Service Commission to correct many inequities which now exist between per annum salaries and per diem wages paid for similar types of work.

For instance, some of the skilled personnel with or without technical degrees, are not receiving as much money in the Government plants, as some of the men working under them, receiving orders from them, and actually doing work carrying out the engineers' orders. Such inequities ought to be corrected at this time. In private establishments, these men who are in administrative positions are receiving much greater pay than they are from the United States Government. I hope that this bill will be improved in conference in fairness to Government employees.

I believe you will be impressed by the statements contained in the following letters and telegrams which I have received. They read as follows:

> AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES,
> SPRINGFIELD ARMORY LODGE, No. 431,
> *Springfield, Mass., April 1, 1943.*
>
> Hon. CHARLES R. CLASON,
> *Member United States Congress,*
> *New House Office Building,*
> *Washington, D. C.*
>
> DEAR REPRESENTATIVE: We were very much concerned and disappointed by the action taken by the House Civil Service Committee in reporting out H. R. 1860, the overtime pay bill, in leaving the divisor at one three-hundred-and-sixtieth, instead of at one two-hundred-and-sixtieth as the basis for the payment for overtime.
>
> No doubt you are aware, from our conversations and our correspondence with you on this subject of the serious manner in which it will affect the many per annum employees here at the armory.
>
> May we ask that when this bill reaches the floor an amendment be offered for consideration by the House, "That employees in manufacturing establishments of the Army and Navy Departments of the field service be paid overtime on the one two-hundred-and-sixtieth basis"?
>
> In our many conversations with the commanding officer here in regard to securing more money for these employees to meet the cost of living, he readily agreed with us that this provision would help to a very great extent in correcting the wage situation of the employees affected.
>
> We await with interest the final action on this measure and we sincerely hope that action favorable to the employees here and throughout similar establishments in the field service will be the result.
>
> Very respectfully yours,
> JEROME F. DUNN, *Secretary.*

> SPRINGFIELD, MASS., *April 2, 1943.*
>
> Congressman CHARLES R. CLASON,
> *New House Office Building,*
> *Washington, D. C.*
>
> Subject: Overtime pay bill, H. R. 1860.
>
> MY DEAR MR. CLASON: In reference to overtime-pay bill, H. R. 1860, it is recommended that you submit and support an amendment to the effect that—
>
> "Employees in manufacturing establishments of War and Navy Departments of the field service be paid overtime on the so-called one two-hundred-sixtieth basis."
>
> It is desired that you support the 260 divisor instead of the 360 divisor, for overtime pay, as the 260 basis conforms to the uniform method of figuring overtime for per diem field employees of War and Navy Departments and for the majority of industrial establishments engaged on war-production work. All other field per annum employees in the War and Navy Departments should be placed on at least the same basis as the others mentioned.
>
> All field employees must bear the same increased cost of living, taxes, and other deductions as employees in private industry, and, therefore, their pay for overtime should be figured on the same basis as private industry, especially in view of the fact that the basic pay of the Government employees is also generally lower than private industry for similar work.
>
> The undersigned has been employed in a clerical and administrative capacity for 27 years at Springfield Armory, Springfield, Mass., at present being the civilian chief over approximately 250 employees, of which 100 are per annum, of clerical and storekeeping

grades. I personally feel that these 100 per annum employees are entitled to the same overtime pay rates as the other 150 per diem warehousing employees under my jurisdiction. It is believed especially that there should be no discrimination in overtime pay rate basis between per diem and per annum field employees of War and Navy Departments.

Yours very truly,

EARL L. BUDDINGTON,
Administrative Officer, CAF–11 (Civilian), Chief of Stores Division.

SPRINGFIELD, MASS., *April 2, 1943.*

Hon. CHARLES R. CLASON,
Member, United States Congress,
New House Office Building,
Washington, D. C.

DEAR REPRESENTATIVE: I understand that the overtime bill for civil service per annum employees, H. R. 1860, has not been passed and that the bill as it now reads is on the basis of one three-hundred-and-sixtieth instead of one two-hundred-and-sixtieth for overtime payment.

In view of the fact that the per-annum employees here at Springfield Armory, and in other manufacturing plants of the United States work the same number of hours, under the same conditions, and side by side with the per-diem employees and have the same rising costs of living, with higher taxes and bond deductions to meet, it seems only reasonable that they be paid overtime on the same basis for all work over 5 days and not, as at present on a 7-day-week basis.

May I ask that when this bill reaches the floor an amendment be proposed for consideration "that employees in manufacturing establishments of the Army and Navy Departments of the field service be paid overtime on the basis of one two-hundred-and-sixtieth"?

There is need of a final and just decision that would correct the inequalities apparent in the pay of this group of employees and lessen the uncertainties under which they work.

I am certain that this measure will result in fairness to all concerned.

Very respectfully yours,

ANNA KALLIN.

SPRINGFIELD, MASS., *April 2, 1943.*

Hon. CHARLES R. CLASON,
Member United States Congress,
New House Office Building,
Washington, D. C.

SIR: Over 40 years ago I fought in the Philippine Insurrection because I believed in the American ideals—everyone is created equal and is entitled to equal treatment. However, these ideals are sometimes overlooked and I do not believe anyone can truthfully say that everyone is now being treated equally.

This is forcibly brought to attention by a bill which is soon to come before the House, bill H. R. 1860. The original bill stated that overtime pay was to be granted per annum employees at the rate of one two hundred and sixtieth rather than one three hundred and sixtieth, which it is at the present time. This would have placed per annum employees on the same basis as per diem employees.

I believe you are cognizant with the situation which exists at present in Government establishments. Per annum employees work side by side with per diem employees. They do the same type of work, but they do not receive the same recognition or recompense for their services. The per diem employee receives overtime pay at the rate of one two hundred and sixtieth, whereas the per annum employee is paid at the rate of one three hundred and sixtieth. Surely, Mr. CLASON, you will agree with me that this is not an equitable situation.

It is my suggestion that an amendment be proposed whereby per diem and per annum employees can be placed on an equal footing and receive the same rate of overtime pay.

Very truly yours,

OWEN RUHE.

SPRINGFIELD, MASS., *April 2, 1943.*

DEAR REPRESENTATIVE CLASON: I have learned through my union representative at the Springfield Armory, where I work, that the bill providing overtime at the rate of 260 days a year, namely, bill H. R. 1860, has been rejected by the House Civil Service Committee.

In the armory there are per annum workers and per diem employees; and when one group gets a better weekly salary than the other for the same amount and the same efficiency of work, then there is apt to be some sort of friction. I am a per annum employee and receive $1,260 a year plus overtime. In all, my pay is around $28 per week, not counting the many deductions for bonds, Victory tax, and pension retirement.

I have a good attendance record and am a conscientious worker. Many employees are leaving, sad to say, because of the poor wages, in favor of jobs in private industries. I have often been tempted to follow their example, but then decide to remain working for the United States Government, the best in the world.

All that I ask is that the bill be considered more fully, because it is not entirely fair that private industries pay more than the Government for the same amount of work. Entering wages at the armory are more than moderate, but succeeding raises are very slow.

I have cut down my weekly luxury expenses because of the many warnings of the dangers of inflation, but prices of ordinary commodities continue to rise, and that leaves very little pin money. I'd like to keep my head above water and to put some aside for post-war expenses when jobs will not be so plentiful.

The ordinary American today is well off in comparison with the unfortunate people in other countries, but our standard of living has always been higher, even though it has been curtailed since Pearl Harbor. Also, our boys at the fronts today are paid less in salary, but they have not room and board, and their clothes are furnished them. If the morale of the folks at home is important to them, then it should be important to the Congress.

The workers at the armory know that you have done much for Springfield in the past.

I trust that you will consider the matter more fully and do what you possibly can when this wage bill comes up again before the House Civil Service Committee; also, the opponents of the bill might be won over if they could see our side of the situation.

My friends and family are plugging for you and for H. R. 1860 and hope it will be passed. The armory has an E award, and we all want to keep up production, but it is a chore if morale is low.

Yours truly,

(Miss) JANE P. SIMMONS.

NEWPORT, R. I., *April 4, 1943.*

CHARLES R. CLASON,
House Office Building,
Washington, D. C.:

Protest gross inequity as H. R. 1860 provides section 2 of bill provides overtime compensation for work in excess of 40 hours. Section 3 provides 15 percent increase in pay for employees not required to work over 40 hours. This is rank discrimination. Per annum technical employees are again penalized by having to prosecute necessary war work over 40 hours per week; i. e., 15 percent raise on $2,900 equals $435; overtime on $2,900 equals $628.16; result, the total gain for 52 days' work is only $193.16. What has become of the so-called overtime compensation? We protest having to work 52 8-hour days for a difference of less than $200 and the classing of extra pay for extra hours work as a raise. The bill already discriminates against per annum employees in regards computing daily and hourly rate of pay against wage-earning Government employees, and this section 2 versus section 3 is added discrimination and a gross inequity.

GEORGE LANGE,
Secretary, Local No. 5, International Federation of Technical Engineers', Architects', and Draftsmen's Unions.

Mr. REES of Kansas. Mr. Speaker, I yield 2 minutes to the gentleman from Nebraska [Mr. CURTIS].

Mr. CURTIS. Mr. Speaker, I decline to yield.

This measure, H. R. 1860, is a bill to raise the pay of practically every Government employee. It will cost the folks back home in the neighborhood of $600,000,000 a year. It is inflationary to the utmost. I do not believe that we will be doing an injustice to any Government employee if we refuse to suspend the rules and vote this bill down. It can still come up in the regular way under a rule. We will then have ample time to discuss it and it can be amended. This bill, in calling for an expenditure in excess of one-half billion dollars, calls for more money than was included in the annual budget of this Government for any single year prior to the twentieth century. It involves a raise in pay for the Government employees, which raise alone amounts to twice the amount that we usually appropriate a year for parity payments for farmers, which payments benefit over 30,000,000 people. Yet we are called upon to dispose of this bill in 40 minutes' debate.

I happened to be present on the floor of this House last December when we passed the temporary measure to raise the pay of Government employees until April 30. At that time, the House was told that, if we would not object to that bill, ample time would be given for the House of Representatives to work out a more permanent measure. When the committee today asks us to suspend the rules and vote for this gigantic expenditure without a chance to offer an amendment, that arrangement of last December is being violated. Why is it that the proponents of this bill do not want the provisions of this bill studied?

Let me call your attention to section 6 of this bill. It reads as follows:

SEC. 6. The provisions of this act shall not operate to prevent payment for overtime services in accordance with any of the following statutes: Act of February 13, 1911, as amended (U. S. C., title 19, secs. 261 and 267); act of July 24, 1919 (41 Stat. 241; U. S. C., title 7, sec. 394); act of June 17, 1930, as amended (U. S. C., title 19, secs 1450, 1451, and 1452); act of March 2, 1931 (46 Stat. 1467; U. S. C., title 8, secs. 109a and 109b); act of May 27, 1936, as amended (52 Stat. 345; U. S. C., title 46, sec. 382b); act of March 23, 1941 (Public Law No. 20, 77th Cong.): *Provided*, That the overtime services covered by such payment shall not also form a basis for overtime compensation under this act.

There is not a lawyer in the House, if given the full 40 minutes allowed for debate, who can explain section 6 in that amount of time, because it is too complicated. We in this House do not know the full implications of this bill before us.

I want to read you lines 9 to 12, inclusive, on page 2:

> Officers and employees to whom this act applies shall be paid overtime compensation for work in excess of 40 hours in any administrative workweek at a rate of one and one-half times their basic rates of compensation.

That sounds like we are allowing time and a half overtime for work in excess of 40 hours a week. The proponents of this bill say that it does not mean that at all. What does it mean? Why cannot we have this measure fully discussed and brought in here under a procedure whereby amendments might be offered? There are many people in the United States who do not feel that a 40-hour week has any place in a wartime economy. They believe the commandment found in Holy Writ, "Six days shalt thou labor."

This bill raises the pay of almost every Government employee. This raise in pay will have to be financed with borrowed money—money that must be paid back by the men in the armed services, their wives and children, the small businessmen, farmers, clerks, college professors, and others back home. By making Government service more attractive, we are making it ever harder for small businessmen, professional men, and farmers to hire sufficient help so they can stay in business.

I am not opposed to some increase in wages in some particular types of Government work where the situation justifies it. This bill takes them all in. I think it should be debated. There is a fundamental policy at stake. If we raise the pay of all civil-service employees in times of prosperity, should we then reduce their pay in times of depression and adversity? When farmers have depressed prices and businessmen go bankrupt and millions walk the streets jobless, the civil-service workers usually retain their jobs at a wage which at that time is very good. He receives certain benefits in the way of retirement and what we commonly speak of as security. To what extent he should be raised when other prices are high as they are now is a matter that demands more than 40 minutes' debate on the part of this Congress.

I shall vote against suspending the rules so that this bill may be brought up in the regular way and subject to amendment.

The SPEAKER pro tempore. The time of the gentleman from Nebraska has expired.

Mr. REES of Kansas. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. MURRAY].

Mr. MURRAY of Wisconsin. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. MURRAY of Wisconsin. I just want to express my appreciation to the committee for bringing out a bill that gives us ample time, 20 minutes on a side, which, divided up to each one of us, gives us 6 seconds each in order to tell our opinion of the bill that involves an expenditure of $567,000,000. I think the committee should be complimented, and I think this is a fine way to make the Seventy-eighth Congress go down in history as a great Congress, as many of you said it would do when you came here. I would like to know, first, whether this is an administrative measure; secondly, why we have to have such a bill come in here under a gag rule.

Third, I would like to know who is fooling who or whom, whichever is correct?

Mr. RAMSPECK. Will the gentleman yield to me?

Mr. MURRAY of Wisconsin. I do not have time. I only have 2 minutes. I or you or anybody else may have a man or girl in our office receiving $3,900, and we are going around and saying, "Now, we are going to give you a bonus check for $435 for the year. Even though it is our great grandchildren's money we are going to give it to you and then we are going to come in next week and say we cannot send a check to your old man though for $100 for soil conservation or parity." Fifty percent of them are living in houses without electric lights and only 1 out of 10 with modern conveniences, but we cannot send him a check because as soon as we do we are going to have some very vicious "inflation" all over the country. We will be doing a lot of harm by giving the $100 to your father, but we will give you $435. I say once more that we should have at least 1 day in which to discuss this legislation; $567,000,000 is a lot of money in anybody's language. I will not support any measure that gives $180 increase to a $1,200 employee and $435 increase to a $2,900 or $3,900 or a $5,000 employee.

Mr. Speaker, this amendment to the Civil Service Act merits an appraisal in regard to its effect upon inflation. First of all, I want to state that I am in favor of fair salary increases to the lower income groups. The postal employees had not received a raise in 18 years and were entitled to a salary raise in view of the increased cost of living due to the war. This bill today is altogether different as up to $435 yearly bonuses are being given to people receiving $3,000 to $5,000 a year. The postal bill has not been signed as yet.

In yesterday's New York Times, I read an article, the heading of which was "War on inflation reaches a crisis." I thought it was in reference to this bill we have under consideration. However, the subheading stated that what Congress does to farm prices is the deciding factor. Above the article is a short chart showing the cost of living in World War No. 1 in comparison to that in World War No. 2.

What puzzles me more every day is that the only time anyone seems to worry about inflation is when the farmer is involved. Here we are today, expected to give approval to a bill that will give $435 a year bonuses to people who are now receiving $3,000 to $5,000 a year. Yet we are told that we will be contributing toward "an inflationary tornado" if we give the farmer less than a $100 per capita subsidy. You may be interested in knowing that 78 percent of the farmers receive subsidies of less than $40 and that 94 percent of them receive subsidies of less than $100. We are asked to provide $567,000,000 in additional salaries for around two and one-half million people when the Bankhead bill would provide much less for over 6,000,000 people. I do not wish to defend or criticize the Bankhead bill here today. I would, however, like to be able to answer a few questions.

First. If this $567,000,000 appropriation with up to $435 extra for two and one-half million people will not cause inflation, why will a lesser amount cause inflation if it is decided to give it to 6,000,000 people?

Second. If it is desirable to distribute up to $435 per capita to thousands on the Government pay roll, who are obtaining $3,000 to $5,000 a year so they can meet the advanced cost of living, how do you expect people living on $15 to $20 per month total income, as a pension, to exist during these times. Since there is a shortage of manpower, we should surely take the shackles off from this group and allow them to work for the duration without jeopardizing their pension status.

Third. If it is necessary to give $435 a year bonus to people who are receiving from $3,000 to $5,000 a year in order that they can meet the increased cost of living, how do you think that 224,000 children in foster homes in this country are going to be provided for with this increased cost of living?

Fourth. If it is necessary, under the guise of increased cost of living, to give a bonus of up to $435 to people receiving from $3,000 to $5,000 a year, how do you expect that 27,000,000 white-collar workers to meet this increased cost of living. Many of this group have not had any increase in salary and they are called upon to face the increase in the cost of living the same as anyone else. And are not many of these white collar people receiving only from $800 to $1,200 per year?

In my opinion, it is wrong legislative procedure to bring in a bill which involves $567,000,000 and only have 20 minutes on each side for discussion. If equally divided this would be less than 6 seconds per Member while we are appriating $567,000,000 for future generations to pay.

The last tax bill which was passed reached down and taxed the nipple on the baby's bottle and put a $5 stamp on every old car in the country regardless of its value and use. It is proposed to present us with a $16,000,000,000 tax bill,

which may place added taxes on people less able to pay. We should go a little further and at least take time enough to find out all the facts in connection with the proposed legislation.

The people on the Federal pay roll who come into the lower brackets are entitled to a greater percentage of the money which is being provided, and the people who are in the higher income brackets should not be provided the larger increases.

There are many other angles in connection with this bill which should be considered more fully, among which is the provision that gives the chairman of a committee complete control of the funds provided for the committee employees.

The administration evidently seems to feel that 40 minutes is enough to discuss a $567,000,000 appropriation, and brings this bill in here under a gag rule. Time is not so limited around here, that proper discussion cannot be held on bills of such importance. This bill is not in keeping with the promises made in the last campaign nor in keeping with the wishes of the American people at this time.

This bill gives the employee receiving $1,200 per year an increase of $180 per year. It gives the people now getting $4,000 to $5,000 salary a $435-per-year increase, or bonus. This is not common sense, nor is it common justice and should not prevail. I shall not support such unfair legislation. It is submitted under the guise of increased cost of living, when one has the same increase in cost of living as does the other.

While the last civil-service bill gave a pension to the Members of Congress, this one shows improvement. This gives it to his staff. This shows progress.

It is regrettable that the new Members, direct from the people, had but 2 minutes of the 40 minutes time to discuss this bill that appropriates $567,000,000.

The SPEAKER pro tempore. The time of the gentleman from Wisconsin has expired.

Mr. REES of Kansas. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. KEEFE].

Mr. KEEFE. Mr. Speaker, I cannot support this legislation nor can I vote to suspend the rules. By making that statement I am not opposed to proper pay increases for Federal employees, but so long as I remain in Congress I do not intend to vote to suspend the rules and pass, with 40 minutes of debate, a bill that will cost the taxpayers of this Nation upward of $600,000,000.

This bill could be brought to the Committee on Rules of this House, and a rule could be granted, and they could have brought the bill upon the floor of this House before the end of this week.

Mr. RAMSPECK. Will the gentleman yield?

Mr. KEEFE. I do not yield. I only have 2 minutes. The gentleman has control of 20 minutes. I refuse to yield.

The House could then have an opportunity to go into this question.

We were told when this temporary measure was passed in the closing hours of the last Congress that it was merely a temporary measure and that we were going to have a real bill here before the 30th of April, after proper hearings were held. I have seen no hearings printed in connection with this bill. If they are printed, I have not had an opportunity to study them or even to read them. I think the thing to do is to say to this committee, "We are going to vote down your motion. You go to the Committee on Rules and ask for a rule and bring this bill out here so that we will have proper opportunity to debate it, and we will pass it and make it a law before the 30th of April."

Mr. COX. Will the gentleman yield?

Mr. KEEFE. Yes; I yield.

Mr. COX. I agree with the gentleman that the proposition of passing this bill under suspension of the rules is preposterous. Certainly it should be brought here under a rule where the Members will have an opportunity to amend it.

Mr. KEEFE. The suggestion has been made that if this bill were brought out under a rule it would cost more money, because it might be amended. Do not the Members of this House have the right to amend a piece of legislation if they so desire?

The SPEAKER pro tempore. The time of the gentleman from Wisconsin has expired.

Mr. REES of Kansas. Mr. Speaker, I yield 2 minutes to the gentleman from Oklahoma [Mr. STEWART].

Mr. STEWART. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

The SPEAKER pro tempore. The Chair cannot recognize the gentleman for that purpose. The time is fixed. The gentleman from Georgia [Mr. RAMSPECK] and the gentleman from Kansas [Mr. REES] have control of the time.

Mr. STEWART. I want to thank the gentleman from Michigan [Mr. RABAUT] when I asked unanimous consent for additional time, for his courteous treatment in refusing and may I say I will try to even the score with him sometime when it just takes one objection.

Mr. RABAUT. Will the gentleman yield?

Mr. STEWART. No; I do not yield. I want to thank the Republican side, especially the gentleman from Kansas [Mr. REES] who has control of the time of the minority, for giving me time to speak for 3 short minutes against this bill which appropriates an increase in salaries of $6,000,000 in round numbers, that has the stench and smell of the former Congressional Retirement Act, now repealed.

I cannot support this measure with our boys working for $22 a month net after allotment on a 24-hour shift. If you made the mistake of increasing salaries—to or 15 percent, in some cases 21.6 percent—twice during the Seventy-seventh Congress, now is the time to make amends; please do not make such a mistake over again now. Give the people back home a little consideration—store and bank employees and farm labor. They are being regulated; in many cases their jobs are being held as unessential and they will soon be in the armed forces or defense work. The farmers' wives have to take their butter to town and get little red rationing stamps for it, take the stamps to one of these O. P. A. officials, and get them canceled in order to sell another pound—that is a rule—a law; and here we stand, Representatives of the people, because we have some fantastic, good looking, or perhaps efficient employees—we are more interested in them than our own people. Some of them over in the departments call themselves doctors of philosophy, economists, experts, but they do not register any too well down in little Dixie, where they are sent to administer laws by orders and directives at a much greater salary than the president of the bank or the sheriff of the county draws. I want you to know that. All I am trying to do is to kill this bill. This increase in salary will pay the interest on $15,000,000,000 worth of bonds every year.

There are no people on earth entitled to more consideration than the people in Oklahoma, most all of whom started from scratch. Their pioneer fathers and mothers could take it, or they would not be citizens of Oklahoma today—only the true in heart survived, those soft and looking for a gravy train passed on to other lands. My position upon this bill, as well as many other bills that have been before Congress, may not be regular or appreciated, but this shall not be my last time to voice my opposition to acts of Congress that I am convinced are not for the best interest of our country.

This $6,000,000 annual salary increase should be put to our war effort. Forget 40 hours a week and time and a half for overtime, at least until we have won this war and the peace. The first agriculture set-ups in my district were political; now those self-same jobs are civil service drawing an increase of 21.6 percent in the Farm Security Administration; the county administrator at first draw $2,400 a year, now $2,980 a year; the assistant administrator, $1,740 a year, now $1,940; and that is not all the employees in the county F. S. A. offices, notwithstanding one person could do the work; yet an increase in pay to these employees while those holding private jobs are being dropped from their jobs daily, due to general liquidation of small businesses.

The SPEAKER pro tempore. The time of the gentleman from Oklahoma has expired.

Mr. RAMSPECK. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia [Mr. TARVER].

Mr. TARVER. Mr. Speaker, I agree with the gentleman from Wisconsin [Mr. KEEFE] that the procedure under which this bill of tremendous importance is being considered is very unwise in character. Five hundred and sixty-seven million dollars for each year until June 30, 1945, according to the statement of our colleague the gentleman from Georgia [Mr. RAMPSECK] himself, are involved here. Thus merrily we go along with

American boys on the battle fronts, scattered all over the world, dying at $50 a month, increasing the salary of everybody connected with the administration of the affairs of the Federal Government and safe at home. There may be 2,000,000 in number of them, or there may be more. It may be essential to somebody's political security to vote every few days an increase in somebody's salary, but if it is essential to mine, I shall let my political security fall by the wayside. It may be that in some cases increases are justified. This, however, is a wholesale increase without regard to the facts in all cases involved and without opportunity for adequate consideration.

Just a few days ago we voted inadvisedly, to my mind, what was an unjustified bonus to the postal employees of this country, without regard to the salaries they are now receiving; and, without discrimination between the underpaid and the overpaid, men drawing five or six thousand dollars a year will get that bonus. Surely they could have struggled along without it for this period of emergency. Is nobody going to have to sacrifice in this time of trial except the boys at the front? I was only one of four men who opposed it on the roll call, but I am proud of the fact that I was one of those four. Members talk as if the passage of this bill would increase governmental expenses only three or four million dollars. The fact is that if you defeat the bill you will save the Government $567,000,000 each year until June 30, 1945. What does that amount to now at a time when our national resources are being strained to the utmost in the effort to defend our country in its time of greatest peril? It is money we must borrow. Are we not going to consider this at least under a rule that will permit free discussion; that will permit us to understand the bill? More than that is involved. There is a great deal more in this eight-page bill than simply this question of time and a half for overtime for time above 40 hours; more than the $567,000,000 that the proponents of the bill admit it will cost. It should at least be considered in an orderly manner, with opportunity for debate and for amendment.

The SPEAKER. The time of the gentleman from Georgia has expired.

Mr. REES of Kansas. Mr. Speaker, may I inquire how much time I have remaining?

The SPEAKER. The gentleman from Kansas has 1 minute remaining.

Mr. REES of Kansas. Mr. Speaker, I yield such time as he may desire to the gentleman from Indiana [Mr. LANDIS].

Mr. LANDIS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD at this point.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

SECURITY FOR OUR OLD FOLKS

Mr. LANDIS. Mr. Speaker, when we are considering the increase in salaries due to the increase in the cost of living, we must keep in mind the need of our disabled veterans and our elders of America.

It is incumbent on governments to remove the fear of want for our disabled veterans, our elders, and all other people who are unable to work. Many of my comrades and many old folks are suffering during this emergency period. They are not able and too old to participate in the high wages being offered today. However, they are forced to face the high cost of living.

I want to remind you at this time the needs for our disabled veterans and the elders of America. Now is the time to give our elders of America $40 per month based on need. A direct Federal pension from Washington would be much better than the system we have today. We could eliminate the red tape and delay. We would not need thousands of investigators and supervisors who are now on the Federal welfare pay rolls.

I am certain that most of the Members of Congress would be willing to give our elders a reasonable amount based upon need. Let us eliminate the fear of want in old age by giving our needy elders of America some security when they reach the age of 60.

Mr. REES of Kansas. Mr. Speaker, I yield such time as he may desire to the gentleman from California [Mr. WELCH].

Mr. WELCH. Mr. Speaker, the chairman and the Committee on the Civil Service should be commended upon the facility with which they have reported this bill. I regret, however, that it was not possible for the committee to go far enough to furnish adequate salaries to the thousands and tens of thousands of loyal and faithful Federal employees particularly in the lower income salary brackets.

I have a table furnished to me by the Bureau of the Budget which classifies 1,381,518 Federal employees according to salary grades, both inside and outside of Washington, as of October 31, 1942. More than 41 percent of these employees receive salaries below $1,620 per annum; more than 55 percent are paid less than $1,800 per annum, and more than 64 percent are paid less than $2,000.

This bill provides an average increase, on the basis of overtime pay and not an additional grant, of some 21.6 percent on the base pay of these employees.

I wonder how many Members of the House of Representatives realize what deductions are made from the average Federal employees' salary before he has a net amount with which to meet the greatly increased cost of living he now faces. In the first place, on the basis of last year's income-tax law, 19 percent must be set aside from his net income under $2,000 to meet these payments; an additional 5 percent is now deducted for the Victory tax; 5 percent is deducted under the Retirement Act, and every Federal employee is further expected to permit the deduction of a further 10 percent for the purchase of Victory War bonds. Thus, by simple arithmetic it appears that 19 percent of every Federal employees' net income, and 20 percent of his gross income, is obligated before he has 1 penny with which to meet the growing demands upon his salary.

Thus, if real aid, adequate to meet the present situation that faces these fixed-salary employees of our Government is to be extended, this bill should provide for an even larger increase than that which it now contains.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., April 1, 1943.

Hon. RICHARD J. WELCH,
House of Representatives.

MY DEAR MR. WELCH: In response to your telephone request, I am enclosing a copy of the tabulation of Government employees according to salary grades. We do not have additional copies of table No. II, which gives the agency-by-agency figures that make up the first line in table No. III. However, if you have particular need for this information, it can be prepared for you.

None of this data has yet been made public, but we are glad to make it available to you.

Very truly yours,

F. J. LAWTON,
Administrative Assistant.

FEDERAL EMPLOYEES CLASSIFIED ACCORDING TO SALARIES AS OF OCTOBER 31, 1942

The attached tables have been developed from agency answers to question No. 3 of the Byrd committee questionnaire, which asked for the number of employees in each CAF, P, SP, CPC, C–M, and I and S grade and for the number of unclassified employees. Agencies that have not submitted this data are as follows: The Department of Agriculture, the National Youth Administration, the White House, the Federal Reserve System, the Panama Canal for employees located outside the country, and the field offices of the Employment Service, the Work Projects Administration, the Comptroller of the Currency, and the Loan Liquidation Division of the Federal Deposit Insurance Corporation. These omissions total 152,240.

As of October, 1,141,043 of the 2,523,995 Federal employees for whom data was available were not classified. This includes 6,058 dollar-a-year men; 89,059 industrial workers or other employees paid on an hourly basis in the Tennessee Valley Authority, the Bureau of Printing and Engraving, the Bureau of the Mint, the Government Printing Office, the Post Office Department (substitute carriers), the Bureau of Reclamation, and the Bonneville Power Administration; 982,453 employees in the War and Navy Departments, most of whom are workers in the navy yards, arsenals, ordnance plants, and the like; and 63,473 other unclassified employees distributed throughout the Government.

The tables include some part-time employees. The major portion of the 44,989 part-time employees reported to the Civil Service Commission in October 1942, however, were unclassified and therefore do not distort the results of this tabulation.

The figures on inside District of Columbia and outside District of Columbia, in table I, are not precisely accurate. A few agencies reported their employees on a field and departmental basis instead of on an inside and outside basis. For this reason, 15,513 field employees located in Washington are probably a part of the outside District of Columbia figures, and 7,323 departmental employees located outside Washington are probably included in the inside District of Columbia figures.

Some of the agency figures may include employees on military leave.

The term "executive branch," as used in tables I, II, and III, covers the agencies that report to the Civil Service Commission. This classification means that the General Accounting Office and the Government Printing Office are included in the total for the executive branch.

TABLE I.—*Federal employees classified according to salary grade inside and outside Washington, and total, Oct. 31, 1942* [1]

Salary group	Number			Percent			Cumulative total			Cumulative percent		
	Inside District of Columbia	Outside District of Columbia	Total	Inside District of Columbia	Outside District of Columbia	Total	Inside District of Columbia	Outside District of Columbia	Total	Inside District of Columbia	Outside District of Columbia	Total
$840 and under	29	30,763	30,792	0.01	2.63	2.23	29	30,763	30,792	0.01	2.63	2.23
$840 to $1,199	3	12,490	12,493	1.07	1.07	.90	32	43,253	43,285	.01	3.70	3.13
$1,220 to $1,439	22,162	188,760	210,922	10.36	16.17	15.27	22,194	232,013	254,207	10.38	19.72	18.40
$1,440 to $1,619	67,156	255,336	322,492	31.39	21.87	23.34	89,350	487,349	576,699	41.77	41.74	41.74
$1,620 to $1,799	42,117	148,271	190,388	19.69	12.70	13.78	131,467	635,620	767,087	61.46	54.44	55.52
$1,800 to $1,999	23,575	98,534	122,109	11.02	8.44	8.84	155,042	734,154	889,196	72.48	62.88	64.36
$2,000 to $2,599	19,638	286,008	305,646	9.18	24.50	22.12	174,680	1,020,162	1,194,842	81.66	87.37	86.48
$2,600 to $3,199	10,615	75,513	86,128	4.96	6.47	6.23	185,295	1,095,675	1,280,970	86.62	93.83	92.72
$3,200 to $3,799	8,775	39,063	47,838	4.10	3.35	3.46	194,070	1,134,738	1,328,808	90.73	97.18	96.18
$3,800 to $4,499	6,824	18,195	25,019	3.19	1.56	1.81	200,894	1,152,933	1,353,827	93.92	98.74	97.99
$4,500 to $5,599	6,316	9,867	16,183	2.95	.85	1.17	207,210	1,162,800	1,370,010	96.87	99.58	99.16
$5,600 to $6,499	3,893	3,208	7,101	1.82	.27	.51	211,103	1,166,008	1,377,111	98.69	99.86	99.68
$6,500 to $7,999	1,745	1,037	2,782	.82	.09	.20	212,848	1,167,045	1,379,893	99.50	99.95	99.88
$8,000 to $8,999	834	476	1,310	.39	.04	.09	213,682	1,167,521	1,381,203	99.89	99.99	99.97
$9,000 and over	225	90	315	.11	.01	.02	213,907	1,167,611	1,381,518	100.00	100.00	100.00
Total	213,907	1,167,611	1,381,518	99.90	100.02	99.97						

(1) Includes employees of executive branch of the Government only. Does not include Library of Congress and Administrative Office of the United States Courts.

TABLE III.—*Federal employees classified according to salary grades by agencies, Oct. 31, 1942*

SUMMARY TABLE

Agency	Under $1,200	$1,200 to $1,439	$1,440 to $1,619	$1,620 to $1,799	$1,800 to $1,999	$2,000 to $2,499	$2,500 to $2,999	$3,000 to $3,799	$3,800 to $4,499	$4,500 and over	Total
All agencies in the executive branch except War, Navy, and Post Office	3,297	72,050	83,867	57,308	41,683	57,533	30,241	26,086	16,274	23,147	411,486
War Department	453	105,270	99,084	103,823	53,096	61,523	32,891	14,380	5,541	3,385	579,446
Navy Department	1,484	19,296	31,112	23,589	10,476	18,099	10,696	5,644	2,329	856	124,181
Post Office Department	38,040	13,702	8,425	5,657	16,820	168,063	11,969	2,447	862	296	266,281
Total, executive branch	43,274	210,918	322,488	190,377	122,075	305,218	85,797	48,557	25,006	27,684	1,381,394
Library of Congress	8	325	342	202	147	158	103	49	15	27	1,376
Administrative Office of the United States Courts		6	23	14	23	15	2	9	2	4	98
Grand total	43,282	211,249	322,853	190,593	122,245	305,391	85,902	48,615	25,023	27,715	1,382,868

Mr. RAMSPECK. Mr. Speaker, may I inquire how much time I have remaining?

The SPEAKER. The gentleman from Georgia has 3 minutes remaining

Mr. RAMSPECK. Mr. Speaker, I yield 2 of these 3 minutes to the gentleman from New York [Mr. KLEIN].

Mr. KLEIN. Mr. Speaker I cannot understand all these objections to this bill. After all, these governmental employees, these civil-service employees, have been working for us, and working mighty hard. Mr. Speaker, I was a civil-service employee myself before I was elected to Congress, and I know that there is not a single group of workers today who work harder, and are more loyal, than the majority of our Government employees. I cannot understand why, with the increased cost of living, which we all admit, they cannot get a decent wage either in the form of overtime or pay increases.

I feel that the committee bill falls short in at least two respects of what I should like to see. I offered these amendments in committee, but they were voted down. Instead of figuring the overtime on a basis of 360 days we ought to make it 260 days. Then those employees would simply be getting time and a half, which is the same as the overtime workers in the defense factories. Instead, they are only getting slightly more than straight time under the committee bill. I also cannot understand, Mr. Speaker, why this increase should not be extended to all governmental employees, with the exception of those who head the different agencies, why we should limit it to those who are earning less than $5,000 a year. Do not those getting over that amount feel the increased cost of living as well as the others? It is not fair; it is discriminatory. Just because your civil-service employee may have worked his way up after years of hard work to a point where he gets more than $5 000 a year, no matter how much time he puts in, he is prohibited from receiving any additional compensation in the form of payment for overtime.

I should like to see this bill amended so that we could extend it to all of those employees, but unfortunately under the present rule, we cannot.

Mr. MAHON. Mr. Speaker, will the gentleman yield?

Mr. KLEIN. I yield.

Mr. MAHON. Is the gentleman aware of the fact that many hundreds, if not thousands, of civil-service employees have received increases in pay in recent months by reason of reallocations? If this bill passes they would be receiving two increases of pay, the one by reason of reallocation and the other by reason of this bill.

Mr. KLEIN. That may be, but I say to the gentleman from Texas that if they were increased by reallocation, it must have been because they were doing good work, the same as employees in private enterprise who receive increases. The present bill does no more than continue the rate of overtime being paid at the present time, with the exception of legislative employees. In all fairness to the large group of loyal governmental employees who are struggling along on low salaries and who, in some cases, find it almost impossible to meet the present high cost of living, it seems to me that there should be no argument against simply continuing the present law, and passing this bill without further ado.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. RAMSPECK. Mr. Speaker, I yield such time as he may desire to the gentleman from South Carolina [Mr. RIVERS].

Mr. RIVERS. Mr. Speaker, I ask unanimous consent to extend my own remarks at this point.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. RIVERS. Mr. Speaker, the bill under discussion is designed to give overtime to one of the most faithful groups of Federal employees. The computation of the benefits outlined in this legislation is based on one three hundred and sixtieth part of an annual salary. It is my opinion that the proposed benefit to employees in question should at least be based on one two hundred and sixtieth, which would be a much more equitable manner of adjusting the differential for services well done.

The present tremendous increase in the cost of living and having received no increase in salary for many, many years make it almost impossible for this group of employees to make ends meet in the terribly congested war activities centers of the Nation. I call to the attention of the House that these employees pay higher taxes, buy War bonds, and faithfully contribute to other community activities. They do not feel that the provisions of this bill treat them fairly in consideration of the services which they perform. While under legislative practice and procedure, this bill cannot be

amended, because of these reasons I can in no way vote against this legislation. It is with regret that I call the attention of the House to the great disparity in the manner in which the Congress has approached the provision of overtime pay.

Mr. RAMSPECK. Mr. Speaker, I yield myself the balance of the time on this side.

Mr. Speaker, in concluding this debate, I call the attention of the gentleman from Wisconsin [Mr. KEEFE], and the gentleman from Wisconsin [Mr. MURRAY], and others, except the gentleman from Georgia [Mr. TARVER], to the fact that the position they take here today in opposition to bringing this up under suspension of the rules, is contrary to the record vote they cast on the bill giving a 35-percent pay increase to postal employees and that their position today is contrary to their record vote of that time. This is only 1.6 percent more than straight time to these employees, it is justified and the bill ought to pass.

The SPEAKER. The time of the gentleman has expired.

Mr. RANKIN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. RANKIN. If the resolution is voted down, that does not strike the bill from the calendar, does it?

The SPEAKER. It does not.

The question is, Will the House suspend the rules and pass the bill as amended?

The question was taken; and there were—ayes 138, noes 92.

Mr. DICKSTEIN. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The Clerk called the roll; and there were—yeas 224, nays 107, answered "present" 1, not voting 102, as follows:

[Roll No. 42]

YEAS—224

Abernethy	Courtney	Hall,
Allen, La.	Cravens	Leonard W.
Andresen,	Crosser	Hancock
August H.	Culkin	Harless, Ariz.
Andrews	Cunningham	Harness, Ind.
Angell	Davis	Harris, Ark.
Auchincloss	Day	Harris, Va.
Barry	Delaney	Hart
Beall	Dewey	Hartley
Beckworth	Dickstein	Hays
Bennett, Mich.	Dilweg	Hébert
Bishop	Domengeaux	Heffernan
Blackney	Dondero	Hendricks
Bland	Douglas	Herter
Bloom	Durham	Hess
Bradley, Mich.	Eaton	Hinshaw
Brooks	Ellison, Md.	Hoch
Brown, Ohio	Ellsworth	Holifield
Bryson	Elston, Ohio	Holmes, Mass.
Bulwinkle	Engel	Holmes, Wash.
Burch, Va.	Englebright	Hope
Burchill, N. Y.	Feighan	Jackson
Burdick	Fenton	Jarman
Burgin	Fernandez	Jeffrey
Busbey	Fish	Jenkins
Butler	Fitzpatrick	Jennings
Byrne	Forand	Johnson,
Canfield	Ford	Anton J.
Cannon, Mo.	Fulbright	Johnson,
Capozzoli	Fulmer	Calvin D.
Carlson, Kans.	Gale	Johnson, Ind.
Carson, Ohio	Gallagher	Johnson,
Carter	Gavin	J. Leroy
Celler	Gifford	Johnson,
Church	Gilchrist	Luther A.
Clason	Gillie	Johnson,
Cochran	Graham	Lyndon B.
Coffee	Granger	Kearney
Cole, Mo.	Grant, Ala.	Kerr
Cole, N. Y.	Grant, Ind.	Kilburn
Cooley	Hagen	Kilday
Cooper	Hall,	King
Costello	Edwin Arthur	Kirwan
Klein	O'Connor	Simpson, Ill.
Landis	O'Hara	Slaughter
Larcade	O'Neal	Smith, W. Va.
Lea	Outland	Smith, Wis.
LeFevre	Pace	Sparkman
Lemke	Patman	Spence
Lesinski	Peterson, Fla.	Springer
Luce	Pfeifer	Stanley
Ludlow	Philbin	Starnes, Ala.
McCord	Pittenger	Steagall
McCowen	Poage	Stearns, N. H.
McGregor	Poulson	Stockman
McMillan	Pracht	Sullivan
McMurray	Price	Sumners, Tex.
McWilliams	Priest	Talbot
Madden	Rabaut	Taylor
Magnuson	Ramey	Thomas, Tex.
Maloney	Ramspeck	Tibbott
Manasco	Reece, Tenn.	Tolan
Mansfield,	Reed, Ill.	Troutman
Mont.	Rees, Kans.	Van Zandt
Marcantonio	Rivers	Voorhis, Calif.
Martin, Mass.	Robertson	Vursell
Michener	Robinson, Utah	Wadsworth
Miller, Conn.	Rodgers, Pa.	Walter
Morrison, La.	Rogers, Mass.	Ward
Morrison, N. C.	Rolph	Welch
Mruk	Sadowski	Wheat
Murdock	Sasscer	Whelchel, Ga.
Murphy	Satterfield	Wigglesworth
Murray, Tenn.	Sauthoff	Willey
Newsome	Scanlon	Wilson
Norman	Schiffler	Wolcott
Norton	Schuetz	Wolverton, N. J.
O'Brien, Mich.	Shafer	

NAYS—107

Allen, Ill.	Gossett	Nichols
Andersen,	Gregory	Norrell
H. Carl	Griffiths	O'Konski
Arends	Gwynne	Patton
Arnold	Hale	Peterson, Ga.
Baldwin, Md.	Hill	Phillips
Barrett	Hobbs	Ploeser
Bennett, Mo.	Hoeven	Rankin
Boren	Horan	Rizley
Brehm	Hull	Rockwell
Brown, Ga.	Jensen	Rohrbough
Buffett	Johnson, Okla.	Rowe
Camp	Johnson, Ward	Russell
Case	Jones	Schwabe
Chapman	Jonkman	Short
Chenoweth	Kean	Smith, Ohio
Chiperfield	Keefe	Stefan
Clevenger	Kinzer	Stewart
Colmer	Kleberg	Sumner, Ill.
Compton	Kunkel	Sundstrom
Cox	LaFollette	Taber
Crawford	Lambertson	Talle
Curtis	Lanham	Tarver
Dies	LeCompte	Towe
Dirksen	Lewis, Ohio	Vincent, Ky.
Disney	McGehee	Vorys, Ohio
Ditter	McLean	Wasielewski
Dworshak	Mahon	Weichel, Ohio
Ellis	Martin, Iowa	West
Elmer	Mason	Whitten
Fellows	May	Whittington
Fisher	Miller, Nebr.	Wickersham
Folger	Mills	Winstead
Gamble	Monroney	Woodruff, Mich.
Gathings	Mundt	Worley
Gore	Murray, Wis.	Zimmerman

ANSWERED "PRESENT"—1

Treadway

NOT VOTING—102

Anderson, Calif.	Fay	Keogh
Anderson,	Flannagan	Knutson
N. Mex.	Fogarty	Lane
Baldwin, N. Y.	Furlong	Lewis, Colo.
Barden	Gavagan	Lynch
Bates, Ky.	Gearhart	McCormack
Bates, Mass.	Gerlach	McGranery
Bell	Gibson	McKenzie
Bender	Gillette	Maas
Bolton	Goodwin	Mansfield, Tex.
Bonner	Gordon	Merritt
Boykin	Gorski	Merrow
Bradley, Pa.	Green	Miller, Mo.
Buckley	Gross	Miller, Pa.
Cannon, Fla.	Guyer	Monkiewicz
Clark	Halleck	Mott
Creal	Hare	Myers
Cullen	Heidinger	O'Brien, Ill.
Curley	Hoffman	O'Brien, N. Y.
D'Alesandro	Howell	O'Leary
Dawson	Izac	O'Toole
Dingell	Judd	Plumley
Doughton	Kee	Powers
Drewry	Kefauver	Randolph
Eberharter	Kelley	Reed, N. Y.
Elliott	Kennedy	Richards
Robsion, Ky.	Smith, Maine	Weiss
Rogers, Calif.	Smith, Va.	Wene
Rowan	Snyder	White
Sabath	Somers, N. Y.	Winter
Scott	Stevenson	Wolfenden, Pa.
Sheppard	Thomas, N. J.	Woodrum, Va.
Sheridan	Thomason	Wright
Sikes	Vinson, Ga.	
Simpson, Pa.	Weaver	

So (two-thirds having voted in favor thereof) the bill was passed.

The Clerk announced the following pairs:

Mr. Doughton with Mr. Treadway.
Mr. Woodrum of Virginia with Mr. Hoffman.
Mr. Cullen with Mrs. Smith of Maine.
Mr. Vinson of Georgia with Mr. Bender.
Mr. Kelley with Mr. Reed of New York.
Mr. Fay with Mrs. Bolton.
Mr. Clark with Mr. Powers.
Mr. Gordon with Mr. Halleck.
Mr. Gavagan with Mr. Howell.
Mr. O'Brien of Illinois with Mr. Monkiewicz.
Mr. Furlong with Mr. Judd.
Mr. O'Leary with Mr. Robsion of Kentucky.
Mr. Randolph with Mr. Thomas of New Jersey.
Mr. Gorski with Mr. Knutson.
Mr. Weiss with Mr. O'Brien of New York.
Mr. Somers of New York with Mr. Gillette.
Mr. Curley with Mr. Scott
Mr. McCormack with Mr. Plumley.
Mr. Buckley with Mr. Miller of Missouri.
Mr. Bates of Kentucky with Mr. Stevenson.
Mr. D'Alesandro with Mr. Wolfenden of Pennsylvania.
Mr. Kennedy with Mr. Baldwin of New York.
Mr. Fogarty with Mr. Heidinger.
Mr. O'Toole with Mr. Simpson of Pennsylvania.
Mr. Lynch with Mr. Winter.
Mr. Sheppard with Mr. Maas.
Mr. Keogh with Mr. Goodwin.
Mr. Rowan with Mr. Miller of Pennsylvania.
Mr. Merritt with Mr. Merrow.

Mr. TREADWAY. Mr. Speaker, I voted "yea" on this measure but I have a general pair with the gentleman from North Carolina, Mr. DOUGHTON. I therefore withdraw my vote and vote "present."

Mr. HOEVEN changed his vote from "yea" to "nay."

Mr. BURGIN changed his vote from "nay" to "yea."

Mr. FULMER changed his vote from "nay" to "yea."

Mr. WASIELEWSKI changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL PERMISSION TO EXTEND REMARKS

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their own remarks in the RECORD on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Georgia [Mr. RAMSPECK]?

There was no objection.

EXTENSION OF REMARKS

Mrs. NORTON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include an article which appeared in the Sunday Star by Mr. Kennedy, in which he pays tribute to the author of the Thomas Jef-

ferson Memorial resolution, our late beloved member, John J. Boylan.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey [Mrs. NORTON]?

There was no objection.

ISSUANCE OF A DEVICE IN RECOGNITION OF SERVICES OF MERCHANT SAILORS

Mr. BLAND. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 2281) to provide for the issuance of a device in recognition of the services of merchant sailors, with an amendment, which I send to the Clerk's desk.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia [Mr. BLAND]?

Mr. KEAN. Mr. Speaker, reserving the right to object, I believe this is the amendment which I suggested when the bill was on the Consent Calendar?

Mr. BLAND. It is, and it meets the objection of the gentleman from New Jersey.

The SPEAKER. Is there objection to the request of the gentleman from Virginia [Mr. BLAND]?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc, That the Administrator, War Shipping Administration, is hereby authorized to provide and issue (a) a seamen's service insignia of appropriate design to any person who, at any time during the period (hereinafter referred to as the war period) beginning September 3, 1939, and ending with the termination of the present war, serves on any vessel in the American merchant marine, and (b) a seamen's war zone insignia or device of appropriate design to any person who, at any time during the war period, serves on any vessel in the American merchant marine while sailing in any war or combat zone.

SEC. 2. The Administrator is authorized to provide and issue a seamen's honor bar to any person who, at any time during the war period, serves on any vessel in the American merchant marine which, at the time of such service, is attacked or damaged by an instrumentality of war. The Administrator is further authorized to provide and issue a star (to be attached to such bar) to any such person who is forced to abandon such vessel when so attacked or damaged, with an additional star for each such abandonment.

SEC. 3. The Administrator is authorized to provide and award a medal of appropriate design and a ribbon, together with a rosette or other device to be worn in lieu thereof, to any person who, while serving on any vessel in the American merchant marine during the war period, is wounded, suffers physical injury, or suffers through dangerous exposure as a result of an act of an enemy of the United States.

SEC. 4. The Administrator shall prescribe appropriate conditions of eligibilty for the issuance or award of insignia or medals under this act. Not more than one insignia or medal of each type provided herein shall be issued or awarded to any one person, but for each succeeding service of any person sufficient to justify the award of a medal under section 3 of this act, the Administrator may award a suitable bar, emblem, or insignia to be worn with the medal. In case any person who performs service sufficient to justify the award of a medal under section 3 dies before the award can be made to him, the award may be made and the medal presented to such representative of the deceased as the Administrator deems proper. No award of any insignia, medal, or device shall be made hereunder after 2 years after the termination of the present war.

SEC. 5. The Administrator is authorized to approve a design for a seamen's service flag which may be displayed, and a design for a service lapel button which may be worn, by members of the immediate family of a person serving in the American merchant marine during the war period. In approving any design under this section, the Administrator may approve the design approved by the Secretary of War under the provisions of the act of Congress approved October 17, 1942 (Public Law 750, 77th Cong.), but only if he shall approve for use in connection therewith a distinctive insignia or other device designating service in the American merchant marine. The Administrator, upon approval of the design for such service flag and service lapel button, shall cause notice of such approval and a description of the flag and button to be published in the Federal Register.

SEC. 6. (a) The Administrator is authorized to prescribe such rules and regulations as may be appropriate to carry out the provisions of this act.

(b) The Administrator is authorized to expend out of any funds available for expenditure by the War Shipping Administration such sums as may be necessary to carry out the provisions of this act.

With the following committee amendment:

Page 1, line 7, strike out "September 3, 1939" and insert in lieu thereof "December 7, 1941."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. MORRISON of Louisiana. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a letter I received from Mr. Joseph Leib, together with an article entitled "Air Corps Crashes."

The SPEAKER. Is there objection to the request of the gentleman from Louisiana [Mr. MORRISON]?

There was no objection.

Mr. LARCADE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an article that appeared in the Times-Herald of Saturday, April 3, 1943.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana [Mr. LARCADE]?

There was no objection.

Mr. BECKWORTH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an article.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. BECKWORTH]?

There was no objection.

Mr. SHAFER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. SHAFER]?

There was no objection.

Mr. STOCKMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a letter I received from my friend Arthur Geary, of Portland, regarding livestock rates.

The SPEAKER. Is there objection to the request of the gentleman from Oregon [Mr. STOCKMAN]?

There was no objection.

Mr. WELCH. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made on H. R. 1860, and to include therein a letter and table from the Bureau of the Budget.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. WELCH]?

There was no objection.

Mr. MILLER of Connecticut. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a letter from the Connecticut Teachers' Association.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut [Mr. MILLER]?

There was no objection.

Mr. SCHWABE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a telegram and a letter from a farmer in Missouri.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

(Mr. HORAN and Mr. SADOWSKI asked and were given permission to extend their own remarks in the RECORD.)

Mr. SMITH of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an excerpt.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

STATE, JUSTICE, AND COMMERCE APPROPRIATION BILL, FISCAL YEAR 1944

Mr. RABAUT, from the Committee on Appropriations, reported the bill (H. R. 2397) making appropriations for the Departments of State, Justice, and Commerce for the fiscal year ending June 30, 1944, and for other purposes (Rept. No. 343), which was read a first and second time, and, with the accompanying papers, referred to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mr. CARTER reserved all points of order on the bill.

Mr. RABAUT. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 2397; and, pending that motion, I ask unanimous consent that general debate on the bill continue until 5 p. m. today, the time to be equally divided between the gentleman from California and myself.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

Mr. CARTER. Reserving the right to object, Mr. Speaker, I have no objection to the debate running until 5 o'clock, but I do not want it understood that the general debate will close at that time. I would be willing at that time to endeavor to reach some sort of an agreement as to when the general debate should close.

Mr. RABAUT. The wording of my request was that general debate continue until 5 o'clock tonight, not that it end then. My thought was that then we would seek to make such arrangements as might seem desirable at that time.

Mr. TABER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. TABER. If the unanimous-consent request submitted by the gentleman from Michigan is granted, will debate close at 5 o'clock tonight?

The SPEAKER. General debate would not close then unless the Committee rose at that time or unless the reading of the bill for amendment was begun.

Mr. TABER. But there would be no debate after that?

The SPEAKER. The Chair would interpret the request of the gentleman from Michigan to mean that debate would close at 5 o'clock.

Mr. CARTER. I object to the request, Mr. Speaker.

Mr. RABAUT. Mr. Speaker, then I ask unanimous consent that general debate continue for the remainder of the day, the time to be equally divided between the ranking minority member, the gentleman from California, and myself.

Mr. CARTER. Reserving the right to object, Mr. Speaker, I have no objection to that if there is a distinct understanding that the general debate does not close with the day's adjournment. If that is the interpretation of the Speaker, then I object to the request.

The SPEAKER. The Chair understood the request of the gentleman from Michigan to be that general debate continue throughout the day, the time to be equally divided between himself and the gentleman from California. If the gentleman from Michigan would couple with his request the stipulation that upon the convening of the House tomorrow you would try to arrange the time, of course, the Chair would hold that general debate would not close when the Committee rose this afternoon.

Mr. RABAUT. In deference to the wish of the gentleman from California, I modify my request, Mr. Speaker, so that we may continue general debate tomorrow, and after we resume tomorrow we shall try to arrive at an agreement as to the time for termination of the general debate.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Michigan.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 2397, with Mr. LUTHER A. JOHNSON in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

Mr. RABAUT. Mr. Chairman, I yield myself 15 minutes. I would feel remiss in my duty today were I to fail to pay compliment to the members of the committee who worked long and diligently in the preparation of this bill. This subcommittee of the Committee on Appropriations deals particularly with the old-line agencies of the Government, the Department of Justice, the Department of State, and the Department of Commerce. All except one of the members of the committee has had a great deal of experience with this bill, not only this year, but in many previous years.

The committee is recommending an appropriation of $180,729,400 for the three agencies of our Government for which provision is made in the bill now before the House. This sum is $17,895,155 under the total appropriation for the current year, and represents a decrease in the Budget estimates of $6,188,100.

It should be pointed out that of the total amount of the bill, the amount of $9,432,218 is required for more or less uncontrollable items the cost of which is not reflected in the 1943 appropriations. These items are, automatic promotions under the Ramspeck Act, legislative increases under Public Law 694, reclassifications as approved by the Civil Service Commission, and additional cost of authorized positions filled during only a part of fiscal year 1943. Thus, when this factor is considered—and for a fair comparison of operations between the two fiscal years it should be considered—the amount of the pending bill is $27,327,373 under the appropriations for 1943. Also, for a more accurate comparison between 1943 and 1944 the amount of $272,417,450 appropriated in 1943 for civilian pilot training and development of landing areas under the Civil Aeronautics Authority has been omitted from the 1943 total. Appropriations for these two items for 1944 will be requested later in the year in a supplemental or deficiency Budget estimate.

While all of the departments for which funds are provided in this bill are old-line agencies of the Government, all three of these departments have geared their operations to our war economy and are now performing many functions essential to the prosecution of the war. As nearly as the committee can estimate, 75 percent of the functions are directly connected with the war, 20 percent are indirectly connected, and 5 percent would seem to have no relationship with the war effort. However, the committee feels that the functions encompassed in this last category are necessary to normal operations and cannot be discontinued. Furthermore, a number of peacetime projects which were begun before Pearl Harbor represent definite investments to the Government, which investments would be jeopardized if the projects were not continued to completion as originally contemplated.

STATE DEPARTMENT

We are carrying in the bill $33,358,100 for the Department of State. The amount represents a decrease in the Budget estimates of $2,345,000 and is $3,508,305 under the appropriation for 1943. Considering the Department's portion of the uncontrollable items heretofore mentioned, the amount recommended for this Department is $3,943,746 under the current year's appropriation. It should be borne in mind that the regular 1943 appropriations for this Department were enhanced by approximately $7,000,000 in supplemental bills because of the impact of the war, and the committee recognizes the possibility that if the present world conditions continue or are accentuated during fiscal year 1944 the amount carried in the bill for some of the essential war activities of this Department may prove insufficient.

The reduction in the Budget estimates effected by the committee were premised on two major factors. First, because of the present and prospective manpower and critical-material shortage it was felt that, in general, the Department would be precluded from carrying out some of the functions on the scale contemplated in the Budget estimates. Secondly, it was the belief of the committee that the program of cooperation with the South American republics, while important and highly desirable, could be curtailed to the extent of eliminating or deemphasizing those projects which could be deferred until after the war without seriously jeapordizing the general objectives of the cooperative program.

As the principal agency of the Government responsible under the President for the conduct of our foreign relations, the Department is responsible for the formulation and execution of our foreign policies and the coordination of the many varied and complex war activities, both at home and abroad, of other departments and agencies in the foreign relations field. The effective carrying out of this responsibility is, of course, vital to the success of the war effort. It also should be stated that the volume and direction of the Department's work are influenced to a very large extent by the development of the programs and activities, both war and nonwar, of other departments and agencies immediately responsible for the administration of laws, regulations, and other measures involving foreign relations.

In order that this increased departmental activity may be handled with the necessary efficiency and dispatch the Department has requested, and the committee has approved, within the limits of the appropriation recommended, the establishment of 95 additional positions in fiscal year 1944.

The advent of the war has not affected the foreign service personnel of this Department as greatly as might be expected. While the total number of missions and consulates has decreased from 306 in September 1939 to 255 in December 1942, the total personnel has increased 4,250 to 4,879 during the same period. However, of the total positions as of December 1942, 893 are temporary positions established under the Foreign

Service Auxiliary, which is to be liquidated immediately after the war. Nearly all of the auxiliary positions are in Central and South America in connection with the economic activities of the Department which are being conducted in conjunction with the Board of Economic Warfare and other agencies of the Government having interests in Central and South America. The Foreign Service Auxiliary was established for the sole purpose of recruiting essential temporary personnel to enable the regular permanent Foreign Service to discharge its greatly increased war responsibilities.

COOPERATION WITH SOUTH AMERICAN REPUBLICS

As the war progresses there is increasing need for safeguarding and promoting our relations with the other American republics, politically and economically, including the exploration and development of their natural resources and securing for the Western Hemisphere a more dependable supply of strategic materials necessary for war purposes. The largest single increase in the Department is for this item, having been increased from $1,685,000 in 1943 to $4,500,000, recommended by the committee for 1944, or an increase of $2,815,000. It should be pointed out that of the total increase over 1943 of $4,315,000 requested by the Department, $1,211,040 was requested for civilian pilot training for which no provision was made in 1943, and $1,294,260 was requested for the continuation during 1944 by the Division of Cultural Relations of the Department of certain projects now under the direction of the Coordinator of Inter-American Affairs.

It cannot be denied that, over and above the mutual economic and cultural advantages of cooperation, the defense of the United States is inextricably interwoven with the defense of all of the American countries and vice versa. This program seeks to develop mutual appreciation and support of that view on a sound basis throughout the hemisphere at a very small cost. The fact that 11 other American countries, including the great Republics of Brazil and Mexico, have declared war on our enemies and that 20 American republics have broken diplomatic relations with the Axis speaks eloquently of the cooperative program.

Available information indicates that prior to this war the German Government took direct action to encourage the development of various organizations in the American republics, such as choral societies, German clubs, German library societies, German schools, German sports groups, recreation homes, women's groups, and the Hitler youth movement. Tourist trips to Germany were provided free of charge. In Brazil the German Embassy maintained a cultural attaché, and educational institutions in that country were supplied with German professors paid by the Reich. Students and military cadets were given free trips to Germany. It is reliably estimated that the German Government spent $6,000,000 for schools alone between 1933 and the outbreak of war.

In Argentina a weekly summary was issued containing political, economic, and cultural propaganda of the Hitler movement. This propaganda work was facilitated through the assistance of numerous organizations, such as the Association of German Schools, the Teachers' Association, and the German Folk Club. Propaganda movies, lecturers, and travelogues were sent all over the country. According to the best available information, approximately $275,000 was spent in connection with a single agency in Argentina—the Transocean News Agency—during the period January 1937 to July 1941.

In Venezuela many German clubs and organizations were established; and in Chile the country was surfeited with lecturers, speakers, and German professors and teachers.

Fascist Italy and Japan were also active throughout the Americas before the war. In Brazil there were various Italian-language publications. Short-wave broadcasts were sent out daily from Rome, and Italian professors were sent to Brazil, with their salaries paid by the Italian Government. A number of Fascist-sponsored institutions served as centers for the promotion of cultural relations. Japanese pre-war activity in the American republics was widespread and effective. The Japanese Government maintained a cultural attaché at its embassy in Brazil. It sent lecturers to talk at universities, clubs, and elsewhere on Japanese culture, science, history, and philosophy. Special missions composed of heads of chambers of commerce and Cabinet officials were invited to Tokyo, and in most of the American capitals Japanese cultural societies were set up.

This is only a very brief description of the pre-war activities of the Axis Powers in South America.

Obviously, the reduction in the Budget estimates of $1,500,000 effected by the committee will not permit of initiating all of the new projects proposed or continuing the old projects to the extent planned. The committee does feel, however, that the principles of the program as set forth in the major projects of the Department should be continued during the war period and expanded after the war.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. Yes.

Mrs. ROGERS of Massachusetts. Is it not true also that there were German instructors in aviation as well as Italian instructors in aviation?

Mr. RABAUT. Yes. And I am happy to state that we are starting a similar course ourselves.

Mrs. ROGERS of Massachusetts. I am delighted. I think the gentleman's committee has done a very fine piece of work.

Mr. RABAUT. Thank you. I now turn to the Department of Justice.

JUSTICE DEPARTMENT

The amount carried in the bill for the Department is $102,657,300. This reflects a decrease in the Budget estimates of $3,050,000, and an increase over the 1943 appropriation of $1,062,700. However, included in the total amount recommended under this title of the bill is $5,786,542 for automatic promotions, legislative salary changes, reclassifications, and the additional cost of authorized positions filled for only a part of the current fiscal year. These are, as previously indicated, more or less uncontrollable items of increase necessary in connection with personnel already authorized. If the total of these items is considered, the amount allowed for this Department would be $4,723,842 under the current year's appropriation.

Approximately 40 percent of the total appropriation recommended for this Department is for the Federal Bureau of Investigation. Of the total of the increases allowed under individual items of the bill, 76 percent, or $3,932,000, is for the Federal Bureau of Investigation. The remaining percentage of increases allowed is directly attributable to the war. Decreases in other items under this title of the bill result in a net increase over 1943 of $1,062,700 for the entire Department.

As the law office of the Government, the work of this Department has increased considerably by the enactment of war statutes and the invoking during the war period of old statutes having a bearing on the national security. Although increased burdens imposed on this Department as a result of the war are scattered throughout the Department, by far the largest proportion is with the Federal Bureau of Investigation, and to a somewhat lesser degree with the Immigration and Naturalization Service and the Lands Division.

FEDERAL BUREAU OF INVESTIGATION

The work of the Federal Bureau of Investigation in connection with espionage and sabotage, especially, has been noteworthy. Since the declaration of the national emergency thousands of complaints of espionage have been received and each one of them has been given careful scrutiny by the F. B. I. agents. In connection with its espionage work the Bureau has apprehended over 12,000 enemy aliens during the period from the attack on Pearl Harbor up to December 31, 1942. In addition, over 21,000 searches of premises have been made during which great quantities of firearms, ammunition, dynamite, and other items of destruction were recovered.

Another notable but little considered accomplishment of the F. B. I. which was brought to the attention of the committee is that up to the present time there has been no foreign-directed sabotage in the United States. Much of the credit for this situation goes to this Bureau and to Mr. J. Edgar Hoover, whose foresight in recommending necessary protective measures for the proper protection of our war industries made the present desirable situation possible.

All violations of the criminal provisions of the Selective Training and Service Act are under the investigative jurisdiction of the F. B. I. While the number

of convictions for violation of this statute is not truly indicative of the amount of work involved, it should be pointed out that up to the present time there have been over 2,700 convictions under this act.

An idea of the increase in the work of the Bureau in Washington may be gained from the fact that during the first 6 months of fiscal year 1942 a total of approximately 4,000,000 sets of fingerprints was received, as compared with over 15,000,000 sets in the first 6 months of fiscal year 1943. It was testified that the Bureau is now receiving over 100,000 sets of fingerprints each day. The Bureau is cooperating very closely with other war agencies of the Government. Many special projects are being conducted for these agencies, and the files section alone is now receiving from these agencies approximately 39,000 names concerning which some type of information is needed each week.

IMMIGRATION AND NATURALIZATION SERVICE

The increase in activities of the Immigration and Naturalization Service is primarily in connection with alien enemy detention and parole. The Service has in custody at the present time approximately 6,000 alien enemies, including seamen and those who have been apprehended under Presidential warrants. Other war-created problems of this Service are, in part, determining the status of alien enemies under the immigration and naturalization laws, naturalizing aliens in the armed forces, returning alien seamen found to be illegally in this country, and enforcing additional and more rigid restrictions relating to entrance to and departure from the United States.

LANDS DIVISION

The Lands Division of the Department is a service organization for other agencies of the Government in all matters connected with the acquisition of public lands. The needs of the Army and Navy for camps, airfields, bombing ranges, shipyards and docks, hospitals, and other facilities have imposed a tremendous burden on this organization which, while admittedly temporary in nature, will continue to be a major activity during both this fiscal year and fiscal year 1944. The last comparison with fiscal year 1942, which was made at the time of the hearings, indicated a considerable increase in the number of cases received and disposed of. In addition, the Department was advised that the War Department proposes to acquire in the near future 1,151 additional sites, involving over 7,000,000 acres.

FEDERAL PRISON SYSTEM

The committee has always shown considerable interest in the industrial and farming operations of the Federal prison system, first, because of the good effect these operations have on the morale and well-being of the prisoners and, secondly, because of the savings to the Government. Information furnished the committee by Director Bennett shows that the prison shops and factories are now producing approximately $18,000,000 worth of war materials annually, mostly for the Army and Navy. This total is three times that of 1939 and 40 percent over 1942. Net profits of approximately $4,000,000 are deposited in the United States Treasury annually. The prisons are now producing about one-half of all the farm products required. Last year the prisons produced 7,278 pounds of fruits and vegetables; 20,000,000 pounds of hay, grains, and other stock feeds; 6,000,000 pounds of milk; 1,500,000 pounds of meat products; 60,166 dozens of eggs; and many more thousands of pounds of other miscellaneous farm products. This is indeed a commendable record when it is considered that the prison population has been on the decline during the past 2 or 3 years.

The committee's attention was again called to the unsatisfactory situation with respect to the National Training School for Boys. In its report on the appropriation bill for fiscal year 1942 the committee pointed out the tremendous expense entailed in the operation of this institution and recommended that this desirable site be transferred to some other agency of the Federal Government in order that its potentialities may be properly developed. The site consists of 325 acres, surrounded by residential property. The buildings presently on this site, some 30 in number, are old and expensive to maintain. The committee does not question the need for an institution such as the National Training School for Boys, but it does feel that such an institution could be located elsewhere to greater advantage for the institution and for the Government. Language necessary to facilitate a transfer of this property is included in this bill.

ANTITRUST DIVISION

The Antitrust Division has been very effective in its aid to small business concerns which were being forced out of business because of wartime restrictions, in addition to continuing its regular responsibilities under our antitrust laws. It has also been of considerable assistance to many war agencies of the Government as a result of the wealth of knowledge concerning the location and operation of Axis and Axis-dominated firms which it acquired in preceding years in connection with its antitrust work. With respect to small business, let me cite you several examples of what this Division is doing.

A small manufacturer of farm implements in the Middle West devised a combination implement which performed the functions of two entirely different types of farm equipment. This new device had proved in a year's operation the most potential competitor to one of the large implement manufacturer's volume items. The agency empowered to allot materials for the manufacture of the complainant's combination equipment classified it in such a manner as to deprive it of sufficient steel to enable it to continue in business. Through the work of this Division the allotment of steel was increased 350 percent, which enabled the small manufacturer to continue production on a reasonable scale.

A small haberdasher on the west coast complained to this Division that he was unable to obtain a certain type of men's clothing from a large manufacturer because of a sales policy of that manufacturer whereby, in adjusting their distribution to a reduced production, they had discontinued service to the small dealers and sold only to large outlets. Through the efforts of this Division the large manufacturer was persuaded to change this policy so that the haberdasher and other small dealers so affected could obtain their proportionate amount of merchandise manufactured by this large concern.

A small paint manufacturer in the Middle West manufactured a particular type of product necessary for the construction of aviation gasoline storage tanks in competition with a large concern, the only other manufacturer in the field. The particular governmental agency charged with the responsibility of allocating a critical material essential to the manufacturer of the product refused to allocate the amount of critical material necessary, at the same time granting to the large competitor this same critical material to be used for the same purpose. When this matter was taken up by this Division with the governmental agency, the particular agency immediately granted the necessary relief to the small paint concern.

Another interesting case is a small manufacturer whose product had been eliminated from all opportunity to bid on Government business by the specifications having been written around the individual product of one of the large concerns which happens to have been indicted for violation of the antitrust laws. Specifications described a patented article owned by this large concern so that, regardless of the efficiency or other qualifications of any competitive product, there could be no competition. The complainant came to Washington at considerable expense and came directly to the Antitrust Division. His case was analyzed. The procurement officer concerned was immediately called and appointment was made for the early afternoon at the procurement officer's office. The matter was fully considered by the officer and his staff, the specification was completely rewritten, and the complainant went home that evening with the personal thanks of the contracting officer for his contribution to the purchasing program.

A small business in the Middle West was manufacturing an important food product for lend-lease and Government consumption. He had in his plant two boilers, one of which was condemned and shut down by authorized inspectors. He applied for priorities upon a new boiler and continued to operate his plant by overtaxing the single boiler that remained. Priority on the new boiler was denied. An appeal was made to this Division. The whole problem was reviewed and through the prompt and efficient cooperation of the agencies involved priority was granted and the new boiler and equipment authorized.

A small Wisconsin manufacturer found himself caught in a squeeze between a high ceiling for his raw materials and a low ceiling for his finished product. Immediately upon this Division's presentation of the matter to the proper agency, the ceilings were reviewed and adjusted to enable the small manufacturer to live.

One complainant had a secret formula for the production of an important product used in the manufacture of high-speed tools and essential mechanical parts. In order to obtain his raw materials he was required to disclose his secret formula. The individual Government representative who made that requirement was employed by the company controlling 90 percent of the business in that particular field. The complainant declined to make the disclosure and appealed to this Division. Through study of the problem and appeal to a different authority he not only obtained his raw materials but was given a directive to increase his production 1,000 percent, by reason of his saving in highly critical materials.

The committee also wishes to reiterate its position with respect to investigations of small loan sharks. Testimony before the committee revealed that there is approximately $500,000,000 loaned at 30 to 36 percent annually, and approximately $100,000,000 loaned at interest rates ranging between 120 and 240 percent annually. There is little question but that these amounts will be increased because of the country's tax burden and the broadening of the tax base. It was represented to the committee that loan sharks have proved especially troublesome around the war plants.

When you get into those colossal figures in respect to money, you know that some place at the top somebody is managing or engineering the control. I think that through the Antitrust Division in the Department of Justice we could get to the bottom of this system and stop the racket.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. Yes.

Mrs. ROGERS of Massachusetts. Did the committee determine whether this is done on the part of a few loan sharks or by many? I think it would be interesting to have that pointed out.

Mr. RABAUT. That is what we want an investigation for.

Mrs. ROGERS of Massachusetts. And the gentleman thinks it has been the work of a few?

Mr. RABAUT. We think there is a controlled system in the business.

COMMERCE DEPARTMENT

The total amount carried in the bill for the Commerce Department is $53,714,000, a decrease in the Budget estimates of $793,000 and $15,449,500 less than the appropriation for 1943. The total amount of the more or less uncontrollable and automatic increases contained under this title of the bill is $3,120,235, which, when considered in connection with the proposed 1944 appropriation, reduces the amount recommended to $18,569,735 under the current year's appropriation.

The largest items of decrease, as compared with the 1943 appropriation, are under the Civil Aeronautics Administration. The item of establishment of air navigation facilities is $8,120,375 under the 1943 appropriation, and the item of maintenance and operation of these facilities is $2,385,900 under the 1943 appropriation. The total decrease for all items under the Civil Aeronautics Administration is $11,027,775 under the 1943 appropriation. Decreases in the Census Bureau and the Patent Office, in the main, account for the balance of the total decrease under this title of the bill.

FEDERAL LOAN AGENCIES

Pursuant to a recent Executive order, all functions, powers, and duties of the Federal Loan Agency, and of the Federal Loan Administrator which relate to the Electric Home and Farm Authority, the Export-Import Bank of Washington, and the Reconstruction Finance Corporation and its affiliates were transferred to the Department of Commerce, to be administered under the direction of the Secretary of Commerce. All administrative expenses of these agencies are derived from funds of the corporations and no appropriations from the Treasury general fund for them are contained in this bill. However, the Congress does control the amounts of such funds which may be used for administrative purposes, and the committee has authorized the amount of $10,041,600 for fiscal year 1944, which is slightly less than the authorization for 1943. The Electric Home and Farm Authority, as such, was liquidated in October 1942 and its assets, liabilities, funds, records, and so forth, transferred to the Reconstruction Finance Corporation.

CIVIL AERONAUTICS ADMINISTRATION

Of the total amount recommended for this Department, $27,210,000, of 50 percent, is for the Civil Aeronautics Administration, and of this amount, $19,650,000 is for the maintenance and operation of air navigation facilities. This maintenance work is under the immediate direction of four divisions of the Administration, namely, the Airways Engineering Division, the Signals Division, the Communications Division, and the Air Traffic Control Division.

This Administration is now supervising and controlling the operations on approximately 35,000 miles of airways. While it is estimated that approximately 80 percent of the present traffic is military, cost of the work is being continued from the long-range viewpoint of developing and improving all types of technical safety aids so that the certainty, frequency, and safety of flying in the United States may be generally increased. What reductions were made by the committee in this item were predicated on the present and prospective manpower shortage and on the scarcity of certain strategic supplies and materials.

CENSUS BUREAU

As a result of the sixteenth decennial census, the Bureau of the Census has in its files the greatest mass of detailed information ever assembled in this Bureau. Nearly the entire activity of this Bureau during 1944 will be in connection with classifying, analyzing, and placing this information in such form as to make it readily available in accordance with law and in accordance with the needs of war agencies in connection with surveys of manpower and specific studies in the broad economic fields of production, distribution, and consumption.

BUREAU OF FOREIGN AND DOMESTIC COMMERCE

Another fact-finding and statistical agency of the Government whose activity has proved especially useful during the war period is the Bureau of Foreign and Domestic Commerce. During the period of its existence it has gathered, and is now making available to other agencies of the Government, much data concerning both world and domestic economy which information is not available elsewhere and would have to have been developed by the war agencies themselves, and at perhaps greater cost.

With regard to the field offices of the Bureau of Foreign and Domestic Commerce, the mass of conflicting evidence made it impracticable for the committee to pass definitely on the Budget recommendation for their discontinuance. An investigation of the functions of these offices is now being conducted under House Resolution No. 69, and it is hoped that upon the receipt of a report on this investigation the committee will be in better position to determine the desirability of continuing these offices permanently or discontinuing them for the duration of the war period.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield.

Mrs. ROGERS of Massachusetts. I was very distressed that those appropriations have been left out of the bill, because they are the only offices that the small businessman has to which he can go. He cannot afford to send experts to Washington or all over the country to find out data for him as to foreign trade. The Board of Economic Warfare, or at least two members of it, told me that they would be sorry to see these offices abolished.

Mr. CARTER. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. Yes.

Mr. CARTER. I assure the gentlewoman from Massachusetts that the chairman of the committee, as well as the members, were very mindful of the benefits to small business, and others, accruing by reason of the operation of these offices. We went into that matter very thoroughly. We had a session with the Bureau of the Budget, a part of which was in executive session, and also with the Board of Economic Warfare. We are not unmindful of the great value of these offices. We are very sympathetic toward them and we feel that we are following the proper course when we

leave this matter to the investigating committee to further investigate and report on the matter.

Mrs. ROGERS of Massachusetts. Has the gentleman any idea when the report will be in?

Mr. RABAUT. I could not say that it will be in before this bill is considered in another body. We feel reasonably certain that it will be in before the end of the fiscal year, so that if any injustices are done, we will have plenty of time to bring in a deficiency item.

Mrs. ROGERS of Massachusetts. The gentleman means that the offices will continue until further action is taken?

Mr. RABAUT. The offices will continue to June 30, 1943, under the appropriation made for this purpose. The Budget eliminated the fund for them for the fiscal year 1944. As my colleague from California [Mr. CARTER] stated, we called in representatives of the different departments. The B. E. W. said they used the offices quite a bit, and so did some of the other agencies, but when we asked them how much they would contribute for the information they got, they would not allow another penny for it. The Board of Economic Warfare transferred $50,600 to these offices for services rendered or to be rendered during the current fiscal year.

Mrs. ROGERS of Massachusetts. Two members of the B. E. W. told me they would have to have other offices of their own if these are not continued. It seems to me that that would be an unnecessary expense in view of the fact that the present personnel is already trained to render this service.

Mr. RABAUT. I am particularly pleased that the gentlewoman has brought out that point, because there will be some objection from this committee if it is attempted to establish these offices in any of the so-called new activities of government, because we feel that, whenever possible, work should be done in the old-line agencies of the Government and new agencies should be created only in the event old-line agencies are not equipped to perform a required function.

Mrs. ROGERS of Massachusetts. I feel sure of that. This has been advanced to help small business, and then we take away one of the most useful things we have had.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. RABAUT. We have not taken them away. It has been suggested by the Budget that it be taken away. We are making an investigation to see whether it should be eliminated or not.

Mrs. ROGERS of Massachusetts. You are marking time, in other words?

Mr. RABAUT. Yes.

Mr. Chairman, I yield back the remainder of my time.

Mr. CARTER. Mr. Chairman, I yield myself 10 minutes.

The hour is late. There are a number of other speakers who desire to address the Committee this afternoon, so I will not detain you any great length of time.

This bill has been very carefully considered, and as is usual with my colleagues on the Appropriations Committee, I find myself in the position where I wanted to cut the bill down even more than it has been cut. This was done in but very few instances, although I found a more cooperative spirit when it came to cutting this year than we have in years past.

There are a number of places where in my opinion this bill could have been cut more without in any way endangering the war effort, and still permit the various departments and bureaus to carry on their work.

I call your attention to one or two instances where I believe this bill can be cut substantially. In the first place, permit me to say that the program of cooperation with the American republics has been carried on for a number of years. You know Mr. Nelson Rockefeller heads an activity that has been doing some very good work there. He has not been receiving his funds from this appropriation. He has been getting his appropriation from another source. In order to carry on this work they have turned over to the State Department a number of the activities formerly conducted by Mr. Nelson Rockefeller. While for the fiscal year 1943 the State Department received $1,685,000 for carrying on this work, the Bureau of the Budget approved the sum of $6,000,000 for the fiscal year 1944. The committee cut it down to $4,500,000, and that is the amount that stands in the bill at the present time.

My opinion is that a great deal of this work has absolutely no wartime value and we could cut a million and a half or two million dollars from the fund without doing the least bit of injury.

Another place where I feel a substantial sum might be cut out is in the Department of Justice appropriation. You will remember that a few years ago we put through an appropriation providing for the registration of all aliens. I was for that bill. In fact, I introduced one of the first alien-registration bills offered in this House. I voted for the alien-registration bill. At the time I voted for it I had no idea that a new organization would be set up in the Bureau of Immigration to follow through and to personally interview these foreigners to find out this, that, and the other thing about them. I do not believe that is a necessary war activity.

The chairman of the subcommittee, the gentleman from Michigan [Mr. RABAUT], has just concluded telling you about the fine work of the Federal Bureau of Investigation. I concur most heartily in his statement. I feel that J. Edgar Hoover and his force of able assistants are carrying on a very splendid work. If any of these registered foreigners or others attempt anything unlawful I am sure they will be picked up by the F. B. I. very soon and there is no necessity to carry on this special investigating work.

I might say in passing that the Federal Bureau of Investigation carries an appropriation of $42,768,000 in this bill. That is an increase of nearly $4,000,000 over last year, which, of course, is a very sizable increase, but considering the importance and the nature of that work, even though I voted grudgingly for most of these increases, I voted most heartily for this particular one.

Another matter relating to the Department of State is the Foreign Service Auxiliary. That was something new to me. I find that in addition to the regular force of the State Department we have now the Foreign Service Auxiliary, in which there have been placed hundreds of employees.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. CARTER. I yield.

Mrs. ROGERS of Massachusetts. Under civil service or under what guise are they put in? How were they taken into the auxiliary?

Mr. CARTER. I am not certain as to the method of appointment, but I understand that they are not under civil service.

Mrs. ROGERS of Massachusetts. There is no career service about it, then?

Mr. CARTER. No.

Mrs. ROGERS of Massachusetts. They were just appointed?

Mr. CARTER. It is designated "Foreign Service Auxiliary." It is held distinct from the regular State Department service on the theory that it may be terminated at any time.

Mrs. ROGERS of Massachusetts. It is an emergency service?

Mr. CARTER. Yes, but I happened to visit Rio de Janeiro not so long ago. I found a very efficient service there. Their quarters seemed to be quite crowded. Imagine my surprise when in looking over the personnel I found 100 Foreign Service Auxiliary employees had recently been assigned to the city of Rio de Janeiro. I cannot imagine that in accelerating their force at that rate, they are doing efficient work. Therefore I think the State Department should scrutinize the efforts of the Foreign Service Auxiliary very carefully.

The gentleman from Michigan, chairman of the subcommittee, has covered the general features of this bill very well, so that there are just one or two other items to which I desire to call your attention.

I believe that the Government of the United States renders a great deal of unnecessary and valueless free service. In the past we have all received many publications from the various bureaus and departments in which we had absolutely no interest. They went into the wastebasket. They served no useful purpose as far as we were personally concerned. They might have contained very valuable information, but it was not information of particular interest to us. As an example of that, I want to cite this instance: By writing to the Bureau of the Census you can obtain certain data as to where you lived at a certain time, and certain other vital statistics information. Formerly that was issued without any charge. I believe it was the

chairman of our subcommittee who suggested a year or so ago that it might be a good idea to make a slight charge for that information. So the Bureau of the Census will supply the information to anyone desiring to have them verify the fact that they were at a certain place when a certain census was taken, but now they charge a fee of $1 for that information, with this very startling and enlightening result.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. CARTER. Mr. Chairman, I yield myself 5 additional minutes.

One of the Census employees, in testifying before the subcommittee, said that a year ago 72,000 applications of this kind were received in January, 56,000 in February, 76,000 in March, 75,000 in April, 68,000 in May, 89,000 in June, and 75,000 in July. Then the $1 fee began to have its effect and the applications fell off to 22,000 in August, 19,000 in September, 20,000 in October, and by the December following it had fallen off further to 15,000. So within 1 year's time those applications for which this fee was charged fell off from 72,000 to 15,000. We have felt that there are many other bureaus and departments which might emulate this and thereby effectuate a great saving for the Federal Government.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. CARTER. I yield.

Mr. MURDOCK. Could not that have been due not so much to the fact that a fee of $1 was imposed as to a change in the War Department's orders with respect to employing civilians in war work?

Mr. CARTER. The War Department's order was not changed; it still stood and they had to have their certificates. I may, however, say to the gentleman from Arizona that for many years it has been running along at a very high degree and that it commenced to diminish soon after this fee was adopted. I should like to prophesy to him that regardless of the bureau or department a similar fee under similar circumstances would decrease the amount of work the Federal Government would have to do without doing anybody any substantial harm.

Mr. MURDOCK. I think the gentleman is right in that respect concerning many of the free services, but if the gentleman will permit, I should like to comment a bit further. A year ago from my large State I received hundreds of calls for birth certificates because these American citizens wanted to go to work in the war plants, and the War Department required birth certificates; so prior to July 1 of last year we got hundreds of requests. There are other reasons why citizens need their birth certificates. I think they should be obtainable. After July 1, when the dollar fee was charged, there were fewer requests, but I am wondering if some of that falling off was not due to action of the War Department itself in easing this requirement.

Mr. CARTER. We inquired as to that, and as far as we were able to ascertain, there was no injury done to any person.

In closing let me say that some amendments to reduce certain items in the appropriation will be offered. The responsibility is no more on me than it is on any Member of this House. This is not the Chairman's bill; it is not my bill; it is the bill of this Congress, and I trust that each and every Member of the House will give thorough consideration at the time these amendments are offered.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield for one question?

Mr. CARTER. I yield.

Mrs. ROGERS of Massachusetts. I am very much interested in the 100 men in Argentina in the Foreign Service Auxiliary. Do these men come from Mr. Nelson Rockefeller's office or from the State Department itself?

Mr. CARTER. They do not come from Mr. Rockefeller's office; they are regular employees of the State Department, and their salaries are covered in this appropriation bill.

Mrs. ROGERS of Massachusetts. I was interested that they are increasing the service so much, doing so much down there, yet in the field offices of the Foreign and Domestic Commerce Bureau there is an entire curtailment.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. CARTER. I yield.

Mr. STEFAN. To enlighten the gentlewoman from Massachusetts I may say there are 75 employees in the Argentine under the auxiliary service. Their total pay roll is $169,000.

Mr. CARTER. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The gentleman from Michigan has consumed 34 minutes; the gentleman from California, 15.

Mr. RABAUT. Mr. Chairman, I yield 15 minutes to the gentleman from North Carolina [Mr. KERR].

Mr. KERR. Mr. Chairman, my genial and very able chairman has allotted me this short time in order that I may discuss the appropriation involved in this bill relative to the Department of Justice.

THE DEPARTMENT OF JUSTICE—APPROPRIATION FOR THE FISCAL YEAR 1944

The Department of Justice was established by the act of June 22, 1870, with the Attorney General at its head; prior to 1870 the Attorney General was a member of the President's Cabinet, but not at the head of this Department. The office of the Attorney General was created under authority of the act of September 24, 1789. Not until May 31, 1918, were the legal offices of the various Government agencies consolidated in the Department of Justice.

The total estimate for the Department of Justice for the fiscal year 1944 was $105,707,400; the committee has cut this estimate, as you will observe, $3,050,100; the increase requested for 1944 over the fiscal year 1943 appropriation was $4,112,800. The increase allowed was $1,062,700.

About 65 percent of the recommended appropriation for the fiscal year 1944, as you will observe, is for the use of the Federal Bureau of Investigation and the Immigration and Naturalization Division. The two divisions, together with the Federal prison system, cover about 79 percent of the total amount of this bill. The Federal prison system requested an appropriation of $14,771,700; the committee reduced this amount $427,000, and approved $14,344,700. The population of the Prison Division now is more than 18,000; it is interesting to note that this population has been considerably reduced since the war began and since the increased demand for labor. It is also interesting to note that these prisons have produced more than $18,000,000 worth of material for the Government within the last year. Two of the institutions under this Division, one at Terminal Island, Calif., and one at Dallas, Tex., have been transferred to other Government activities.

Special inspection of Immigration and Naturalization Service involves investigating enemy aliens seeking citizenship to make as reasonably sure as possible that persons who are not worthy of citizenship do not receive it.

At the present time there are 200,000 enemy alien petitioners, of which 100,000 are Germans and Italians.

The regular examiner interviews and examines the alien enemy petitioner and witness only. The function of the special investigator is to interview others—to find out how the man is regarded in his neighborhood, in his place of employment, and so forth.

The Immigration and Naturalization Service feels that of the 100,000 Germans and Italians referred to above who are seeking citizenship, 30,000 to 40,000 should be subjected to special investigations.

The increase in personnel requested is, no doubt, due to the influx of petitions because of the desirability of citizenship at this time. Also, this group cannot be employed in defense work unless naturalized.

The amount requested by the F. B. I. for the fiscal year 1944 was $43,568,000. The committee reduced this item $800,000. This division received in 1943 the sum of $38,836,000, and you will note that this appropriation carries $3,932,000 more than the 1943 appropriation. The work of this division has steadily increased due to our war activities; there are now more than 14,000 employees engaged in its work throughout the Western Hemisphere. In the District of Columbia there are 7,218 employees, and yet the evidence discloses that this department's work is far from current. Its duties embrace the taking, examination, and recording of fingerprints; the apprehension of criminals charged with sabotage, treason, espionage, and every conceivable crime, alien enemies, selective-service violators, conscientious objectors, and so forth. Besides these matters, this division conducts a defense training school and a police academy, and so forth. The Bureau also does confidential work for the President, and so forth. Its mail matter is stupendous.

The Immigration and Naturalization Division received in 1943 the sum of $19,450,000; this was raised by supplemental amounts to $26,144,500. The request for 1944 is $25,321,000, which amount the committee reduced $1,000,000. The work of this Division has also greatly increased because of war activities—more inspectors, examiners, and clerical help are necessary; the research and educational branches have been enlarged and an adjudication branch established; alien registration; 12 alien camps to take care of, with 6,000 inmates. There are 1,746 employees on border control. And this Division is asking for a personnel increase of 1,326.

You will note that the appropriation for the Lands Division for 1943 was $3,750,000; the estimate for 1944 is $4,000,000. The committee recommends an appropriation of $3,750,000 for the fiscal year 1944. The increase requested was due to litigation involving the acquisition of a large amount of land for war purposes; 5,000,000 acres have been settled for and there is pending about 7,000,000 acres in controversy.

The Administrative Division requested an increase of $94,900 over the 1943 appropriation. In 1943 the amount received was $1,015,000. It now asks for $1,109,900. This Division had supplemental allowance in 1943. There has been a great turn-over in the Justice Department; 6,000 have left and 2,500 have joined the Army; only 65 have been deferred by draft boards. You will note that a large sum of this appropriation, as in all the divisions, is for promotions under the Rampeck law and salary range personnel increase. The turn-over referred to here obtains largely throughout all divisions of the Department. This Division has only 592 employees and is requesting 30 more; $1,100,000 allowed; reduced $9,900.

The Solicitor General's office requested for 1944, $99,600; $500 of this is for Ramspeck Act. We cut this $4,000. This office has the duties of preparing and arguing cases before the Supreme Court. It also makes recommendations to the Supreme Court in reference to appeals and writes the opinions of Attorney General, with his approval. This set-up has only 12 lawyers and 11 clerks. The amount requested was $99,600 and we recommend $95,600. There was turned back into the Treasury last year $6,000. This Division hoped to keep this turnback in case it needed several other employees.

The Assistant to the Attorney General's Office. This Division had an appropriation of $106,300 for 1943; it now requests the sum of $216,500. You will note from the record that in the reorganizing of the work of the Department of Justice and the readjustment of its work there are many duties assigned to this Division; page 36 of the hearings will give to you a full list of these various duties now assigned to this Division. We are recommending an appropriation of $176,500 for the conduct of this Division for fiscal year 1944.

The Division of the Assistant Solicitor General is a very important set-up; it had an appropriation of $89,100 for the fiscal year 1943; it received a transfer from the Office of the Assistant to the Attorney General of $18,280, making a total for 1943 of $107,380; its request for 1944 is $117,700. Your committee recommends for this Division for the fiscal year 1944 the sum of $117,700. This Division has charge of history of legislative work, advice in respect to pending legislation, and the need for such, and so forth, clearinghouse.

Tax Division; in 1943 this Division had an appropriation of $620,600 for 1943; it is now requesting the sum of $600,000, and the committee recommends the sum of $600,000. There is a large amount of litigation pending and great sums of money involved; there has been some decrease in its work, and we trust that it will soon become current. This Division seems well staffed with an able corps of lawyers and employees.

The work of the Criminal Division has been increased—doubled—since the war activities began, and it is requesting an increase of 24 new employees with a total cost of $93,000. The appropriation for 1943 was $587,800, and their estimate for fiscal year 1944 is $653,000. This Division has charge of every kind of crime against the Government, violation of selective-service laws, war fraud cases, matters arising through the F. B. I. disclosures, the May Act, and so forth. The committee recommends an appropriation in the amount of $653,000 for the fiscal year 1944.

The Claims Division has charge of those cases arising against the Government and where the Government is party plaintiff, such as patent cases, marine insurance, and the adjustment of international matters that should not be litigated. In 1943 this Division received an appropriation in the sum of $504,600; this year it is requesting the sum of $511,200, the increase being largely due to the Ramspeck Act and an amount necessary to carry certain personnel on a year's basis. The committee recommends an appropriation of $480,000 for the fiscal year 1944.

Special attorneys, Pardon Attorney Office, Immigration Appeal Board—appropriation, $143,000; reduction, $3,000, and so forth. The increased work throughout the whole Department has necessitated its employees to work on a 48-hour basis and the personnel to increase from 9,000 to about 33,000 since 1939.

Mr. CARTER. Mr. Chairman, I yield 20 minutes to the gentleman from Nebraska [Mr. STEFAN].

SYNTHETIC RUBBER IN DOUBT?

Mr. STEFAN. Mr. Chairman, we are confronted by a series of questions here that project themselves further into the future than any man can now see.

Are we going to invest billions of dollars of American taxpayers' money in any foreign country, only to have the industries built by those dollars turned over to some cartel probably controlled by foreigners?

Are we going to continue the synthetic-rubber and rubber-substitute facilities in this country as going industries to make us independent of foreign rubber supplies after this war is ended, or are we going to be blind enough to surrender these synthetic-rubber plants to selfish private interests interested in suffocating this new industry, or are we going to let them lapse into disuse, or is the Government going to attempt to continue their operation with all of the inefficiencies of bureaucratic control?

In short, are we going to repeat our mistake of this war and leave ourselves vulnerable as to our rubber supply by reestablishing the source of that supply across the sea in foreign countries instead of preparing to produce it here at home where we are certain that we are invulnerable in the event of another war?

Is there at work here some diplomatic necessity which requires that we tacitly agree with some foreign view that we must junk our synthetic-rubber industry after the war in order to continue a good-neighbor spirit, or is there deep down underneath this old question some actual plan in the minds of somebody to junk the synthetic-rubber plants established in this country during the war in order to favor other countries or the nationals of other countries?

These questions must be determined and the answers must be found by the Congress in the case of rubber, because the pattern of rubber may be the pattern of sugar; it may be the pattern of grain; it may be the pattern of beef.

In short, we have involved here in this rubber question the problem of a critical material vital to our national defense as far into the future as we now can foresee; also, the question of a broad general policy which either looks to necessary military self-sufficiency in the United States or to a deliberate and mistaken policy of so dispersing and scattering our supplies of essential materials as to leave us vulnerable.

It would seem incredible that intelligent, patriotic Americans in public office could for a moment lend themselves to such a blind scheme.

Recently I took the floor to inform this House that our Government has made no secret agreement with any country to scrap our synthetic-rubber plants after the war and make us again dependent for this vitally strategic material on the natural rubber-producing countries. I made that statement to the House after articles and editorials were widely printed that Dr. William Hale, former chief chemist of the Dow Chemical Co., of Michigan, was charging that such agreements had been entered into between our State Department and some of the governments south of the Rio Grande. I was authorized by the Department of State to say there is no secret union with any country to that effect. I was informed that no one in the Department of State who has authority to make agreements, either public or secret, knew of any such agreement, and that Dr. Hale, if he were correctly quoted, was in error. Thus the State Department unequivocally stated there was nobody in authority to make secret agreements who has made any such public or secret agreements with any country in the world.

Apparently the few minutes I was given in which to convey to this House the State Department's refutation of the charges alleged to have been made by Dr. Hale were not sufficient, and the explanation I made must not have been convincing enough, because, since I made those brief remarks I have been asked by many Members of this body and by many persons in private industry to discuss the matter more fully. I have received a large number of telegrams, letters, and telephone calls asking me to be more explicit concerning the State Department's denial that no secret agreement has been made regarding our rubber program. It is for that reason I take the floor at this time to give the House some information which may not have been available to all of you who are interested in our synthetic-rubber program.

First, let me say, I greatly fear future events will bring a bitter disappointment to the American farmers who in past years have been encouraged to believe the protective tariff has given them real protection, and who have believed the American agricultural market belongs first to them. I fear the blow which shattered this hope of American farmers in protection of their home market came in a statement of the Vice President of the United States, HENRY A. WALLACE. In that statement he indicated that a program of new uses for American farm products was not the policy of the American Government. Mr. WALLACE indicated that the substitute and synthetic materials program we are now undertaking would be eliminated at the end of the war, and the American market for those synthetic or substitute materials would be turned over to those countries where the natural materials are produced.

Now let me give you briefly some facts about our synthetic-rubber program that may interest you. I am not now quoting any officials of our Government. I am giving you my personal conclusions as I have reached them after many months of study and numerous conferences with officials who should know the facts. Let us first discuss the case of raw rubber. I believe we normally have used about 600,000 to 700,000 tons of raw rubber annually. We get different figures from different officials, but most of them seem to agree that we have used about that much raw rubber. We got most of that rubber from the Far East. The output was controlled by the British and Dutch rubber monopolies. They let us have this raw rubber only in quantities which would not glut the market, and in such a way as to keep the prices up. These two monopolies, in my opinion, did some profiteering in this rubber traffic with us, in that they insisted the rubber be shipped in bottoms controlled by the nationals of the countries of the two monopolies. This has always been British practice. They look after their own.

The quantity of rubber we need now since we are embarked upon a global war will amount, I am informed, to 1,200,000 tons. Experts differ on that question but none will deny that we will need a million or more tons of rubber for our own military and naval needs, our civilian quotas, and supplies for our allies. The Dutch and English rubber monopolies have lost control of their rubber supply. They are getting some but very little. So the United States is now called upon to produce the rubber. Immediately the question arises: Are we getting any raw rubber now and what are we doing about getting more of it?

The answer is that we are getting quite a large quantity of raw rubber. Some comes from South America, where we are launching a gigantic program at the American taxpayers' expense to enlarge the output. Some comes from outside the Western Hemisphere. But the amount of raw rubber we are getting, and the amount we can expect to get in the next 3 or 4 years, is utterly inadequate for our war needs.

This raw rubber picture is an ugly one. It would have been a more dismal picture, in my opinion, but for the foresight of Jesse Jones, Secretary of Commerce. Contrary to general reports, Secretary Jones began purchasing raw rubber many, many months before Pearl Harbor. Just how large a stock pile of precious raw rubber we acquired before Pearl Harbor I cannot officially say.

It is my guess, however, that our stockpile would have been considerably larger had it not been for the discouraging interference by those monopolies which controlled the rubber output at the time our Government was trying to buy it. That interference was largely expressed in the refusal of the British and Dutch monopolies to allow this raw rubber to be carried in our own ships, and their demands that it be brought to us in craft of their own countries. There were other reasons, too. But we were buying rubber many months before Pearl Harbor. We bought large quantities and did amass a large stock pile, but this stock pile of rubber dwindled as the war spread. We are now called upon not only to meet the needs of our own Army and Navy and civilian population, but we must ship rubber to our allies as well. That British-Dutch rubber restriction and shipping policy was very shortsighted and disastrous for all concerned. So we now must turn to synthetic rubber to supplement the meager amount of natural rubber we are able to buy from various sources.

In order for you to see this whole rubber picture more clearly, it is necessary for me to tell you something about raw-rubber costs. I cannot talk to you from a scientific or technical standpoint because I can have only a layman's view. What I am saying is said from that standpoint. I do know, however, that raw rubber is costing us a very high price at this time. I have it from good authority that the people from whom we buy raw rubber can make good profits now by producing that raw rubber at 10 cents a pound. We are now paying 20 cents a pound for it. It is to be expected that when the war is over and the British and Dutch monopolies get control of their properties again the price of raw rubber may be much lower. That assumes, of course, that the Japanese will not destroy the rubber trees in the Far East. This can be only the merest assumption, of course.

Nevertheless, we in the United States are not idle so far as raw rubber is concerned. Besides buying every pound we can wherever we can get it, we have launched upon what will amount to a general revolution in agriculture and industry in the Central and South American countries. We are interesting ourselves especially in the exploitation of raw rubber. The vast Amazon River, with its tributaries and long stretches of unexplored swamps, are being scouted as never before for the rubber tree. With the money of the American taxpayer we are sending armies of laborers, economists, scientists, and other experts into the Amazon country to get out every ounce of raw rubber that can be found. To do this we are fighting the tropical diseases of that area. We are fighting leaf and tree diseases in a gigantic movement calling for unlimited American funds in order that more and more raw rubber may be produced to supplement a gigantic synthetic-rubber program. You will get this story in full if you carefully read the hearings on this bill making appropriations for the State, Justice, and Commerce Departments. In this bill is included a cultural-relations program the like of which never has been imagined by American taxpayers.

We now come to the question of our American synthetic-rubber program and the cost thereof. The best information I can learn at this time is that synthetic rubber, as we are making it now, will cost us around 35 cents per pound. But we would pay even more for it to win the war.

We will be starting to make it in large quantities sometime in 1944. The delay in production has been due largely, I believe, to the fact that we have given the green light to the petroleum interests instead of giving adequate attention to the more rapid methods of making synthetic rubber from farm products. I can say from authoritative information that we are now producing a little synthetic rubber, but very little of it is coming from butadiene produced from grain alcohol. Most of the synthetic rubber we are now producing comes from petroleum products and coal tar. I believe by the middle of 1944 we may be producing about 600,000 tons of synthetic rubber, but if the grain alcohol process is used more liberally, I am convinced that we could be producing a very great deal more rubber by the end of 1944.

I feel that a mistake has been made in allocating to the petroleum industry practically all of the money for the manufacture of synthetic rubber. In my opinion—and I say this after listening to most of the hearings before the Gillette committee in the Senate on new uses for agricultural products—while it would cost a little more to produce synthetic rubber from grain alcohol, it would be much cheaper to construct butadiene

plants where the butadiene is manufactured from grain alcohol. These plants could be constructed more rapidly than plants in which petroleum products are used. I refer you to the hearings of the Gillette committee to substantiate this statement. All of this information is in voluminous printed hearings. So there is no point in detailing all of that information in this statement. What I wish to do is to bring the facts concerning the synthetic rubber program down to date. This Congress and the people should know these facts:

Your Government, with your money, is now constructing 30 or more factories for the manufacture of synthetic rubber.

When the construction program is completed for synthetic rubber, your Government will have invested six hundred or seven hundred million dollars or more in these synthetic-rubber plants.

All of these factories will belong to the Government. Private capital will not have a penny invested in these plants. They are now and will continue to be owned entirely by your Government.

Your Government merely employs private industry to operate these plants. The output of the plants belongs to your Government.

Your Government employs private industry to construct the plants.

There is no denial that these plants will be operated at a great loss.

What is true about synthetic-rubber plants is true about grain-alcohol plants which your Government is constructing at this time on the same plan as it is constructing synthetic-rubber plants.

After hostilities cease your Government will be in full possession of many millions of dollars' worth of synthetic-rubber plants and alcohol plants. It will require an act of Congress, after the war—unless something else is done in the meantime—to determine what is to become of this huge investment.

That is why it is so important right now that you should inquire into this whole project. The Honorable Jesse Jones, Secretary of Commerce, is the Director of the Government agency which is constructing these plants. His job is to construct not only these rubber and grain-alcohol plants but many, many other plants which various war agencies of the Government tell him are needed.

The Honorable William Jeffers, president of the great Union Pacific Railroad Co., is the Rubber Director, whose duty it is to get the synthetic-rubber program going. Not only the synthetic-rubber program but all kinds of rubber substitutes; so we will be self-sufficient as soon as possible as far as rubber is concerned.

Briefly, the story on supply is this: Our war directors and necessary civilian agencies tell the Rubber Administrator how much rubber they have to have. Mr. Jeffers goes out to get it from every possible source. There might be a dozen methods of synthetic-rubber supply. He will get rubber from wherever he possibly can. Petroleum just happens to have the edge on the synthetic program right now. There are several formulas. The Russian formula has not been discarded, in spite of assertions to the contrary. While Mr. Jeffers is at work on supply, Jesse Jones gets his construction and purchasing orders, and so far as I can learn there is quite a program of coordination between the interests involved.

All of this brings us to the pressing need of careful inquiry into the original charge that after the war is over this entire gigantic synthetic-rubber program, with all of our huge investments, will be scrapped. I am reliably informed that the synthetic-rubber factories we are constructing are being built in a very permanent form. The buildings are of the best material securable. The machinery is of the latest type. Improvements and changes are made from time to time. Everything is being constructed for permanency. True, the synthetic-rubber plants are being constructed solely for the manufacture of synthetic rubber. Whether they could be converted to some other purpose after the war, I do not know. Probably any such conversions would involve tremendous outlay of additional expenses.

I am reliably informed by experts who are now testing our first output of synthetic rubber that, with more experience, mass production, chemical research, especially if farm products are used, we will eventually be able to produce synthetic rubber at a cost close to that of natural raw rubber. I am sure from my investigations that these great synthetic-rubber plants will not be scrapped after the war. Science will bring to us more and more new uses for our farm products, our coal, and petroleum products. Our synthetic-rubber program will become one of the factors which will help us win the economic war which is sure to beset us in the post-war period.

Despite my optimism, however, I wish to suggest to the membership of this House that we must be on the alert against certain future potentialities. We must guard carefully against the scheming of special interests which, even at this moment, are said to be working to secure special overriding advantages in the synthetic program.

The farm chemurgic program, which we have worked for so many years to develop must not be cast aside. The dreams of some of our officials who would surrender to uncertain foreign interests a market which rightfully belongs to the people of the United States must not be allowed to defeat or retard these vitally necessary projects. We must guard against misguided, even though sincere, international scheming which would again put into the control of a few the products which are vitally necessary to so many. We must never again be left at the mercy of a foreign monopoly in the matter of so vital a material as rubber.

We have demonstrated that with the solution of distribution we have no problem so far as farm surpluses are concerned. Given the opportunity, I assure you, Mr. Chairman, that the American farmers can and will produce sufficient material to keep these plants which we are now building with the American taxpayers' money busy permanently.

American science and American genius can make that possible. There is no reason at this moment, when we are in the midst of a great war, to alarm the American people with stories that these great synthetic-rubber factories in which these people will have hundreds of millions of dollars invested are to be scrapped when hostilities cease.

We are well aware, Mr. Chairman, that while we are building great grain-alcohol plants on navigable streams, it is being whispered about that the special blackstrap molasses interests are laying plans to take over these plants after the war and that again the grain farmers of America will be forced to compete with the blackstrap molasses monopoly.

We are also aware, Mr. Chairman, that the special raw rubber monopolies who handicapped our raw rubber buying at our time of vital need are even now laying plans to again recapture their special control of rubber after the war.

The great expenditures we are making at this time, Mr. Chairman, must be made to work for the very purposes they are now inaugurated—to win this war against all of our enemies, and to bring peace and happiness to the world. These investments must be utilized in establishing our future economy.

I have been informed there is a world-wide monopoly in existence at this time which is planning the prevention of commercial development. If, as the United States News claims, we will soon have an investment of two billions in Central and South America for the development of agriculture and industry, is it not proper at this time to take some action to see that this investment is not eventually captured for the benefit of this alleged world-wide monopoly?

I have been informed by Thurman Arnold, former Director of the Antitrust Division in our Department of Justice, that practically all of the mechanized development of the future is now in the control of various cartels. He also tells me that the people who have established this industrial bureaucracy are scheming today to make it impossible for anyone to get into the business except the people who are selected by the cartel group. Mr. Arnold also informs me that this kind of an organization is active now in South America; that all of these cartel agreements are ready to be picked up after the war; that one big cartel organization is already active. He also tells me that if this cartel is not broken up that the two billions of American money to which I referred will revert to a few private groups—probably European—because it is a matter of public record that American companies have agreed to get out of South America after the war.

Mr. KERR. Will the gentleman yield?

Mr. STEFAN. I yield to the gentleman from North Carolina.

Mr. KERR. The gentleman made reference to our stock pile of rubber. May I ask him, Our stock pile of rubber dwindled a great deal because we had to furnish it to our allies?

Mr. STEFAN. There is no question about that. May I say to the gentleman, who has labored with me on this committee many, many days, that we cannot depend upon receiving all of the raw rubber we will need from the Western Hemisphere.

Mr. KERR. I concur heartily in what the gentleman said and I also concur heartily in what the gentleman said about Mr. Jones. If one will read the statement he made in reference to procuring rubber for this country, he will be impressed with what a magnificent job Mr. Jones is doing, and it will vouchsafe, in my opinion, his reputation as being an outstanding statesman and one of the ablest and most useful and conscientious officials of this Government.

Mr. STEFAN. The teamwork between Jesse Jones and William Jeffers, the Rubber Director, is good. They are both doing the country a great service.

Mr. CARTER. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr ROLPH].

Mr. ROLPH. Mr. Chairman, the Matson Navigation Co., of San Francisco, has been awarded the coveted Army-Navy E. While the construction and repair department of the company was specifically designated, still, in a larger sense, the mark of distinction is for a record of achievement dating back to 1867, for it was in the latter year that William Matson arrived in San Francisco. He was then a boy of 18.

Captain Matson ranks with his friends and contemporaries, John D. Spreckels and Robert Dollar, as the three pioneers who successfully launched American steam shipping on the Pacific. Many pessimists said they were facing financial ruin.

In competition with foreign lines these men risked their fortunes and business reputations in carrying the Stars and Stripes throughout the entire Pacific area. Their ships steamed into every port from San Francisco to Hong Kong—from Seattle to Sydney.

William Matson started as an humble employee of John D. Spreckels, later succeeding Mr. Spreckels in the trade to and from Hawaii.

But I am ahead of my story. Captain Matson was brought up in the days of the sailing vessels. Early he foresaw the coming of steam and just after the turn of the century commenced to dispose of his fleet of sailing vessels, substituting cargo steamers.

His foresight was uncanny. In a few years sailing vessels were unable to compete with steamers on the west coast. Matson's business grew and grew. The answer—better service to the shippers.

Captain Matson was perhaps the first to perceive the use of oil as a fuel for steamships. He not only backed up his judgment by converting his ships from coal to oil burners but also helped materially in developing oil wells in California.

Associated with Captain Matson in operating the steamship company was his able son-in-law, William P. Roth. Mr. Roth succeeded as president of the company when Captain Matson passed on in 1917.

Bill Roth has an even broader vision of daring than Captain Matson. Mr. Roth is determined to see the American flag first in foreign trade. He and his friends purchased the Oceanic Steamship Co. The Oceanic Line, previously owned by John D. and A. B. Spreckels, operated to New Zealand and Australia. Replacing three small 6,000-ton passenger ships with modern express luxury liners he has made an outstanding success. The line offers much faster and far better schedules than competitors. But most important, Mr. Roth was ready for the present emergency in the South Pacific. His ships, the palatial *Lurline, Monterey,* and *Mariposa,* are Navy auxiliary vessels and are performing signal service. Matson captains and crews are thoroughly familiar with every isle and coral reef.

The award of the Army-Navy E to the Matson Navigation Co. shows this great shipping concern to be carrying on in war as in peace. The United States feels grateful to every employee because the company was fully prepared. As the Member of Congress in which the Matson home office is located, I am proud of the company's accomplishments. Best wishes and congratulations to William P. Roth and all his associates for continued success. Matson Navigation Co. fully merits the Nation's confidence and good will.

Mr. STEFAN. Mr. Chairman, following the very eloquent address on the Matson Line by the gentleman from California, I ask unanimous consent to extend my remarks at this point on the Civil Aeronautics Administration war-training program and the aviation of tomorrow.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

CIVIL AERONAUTICS ADMINISTRATION AND THE WAR TRAINING SERVICE

Mr. STEFAN. Mr. Chairman, I have noted with satisfaction that in recent months there has been more and more discussion of aviation in both Houses of the Congress. Man's conquest of the air is not a simple matter to understand, and we need all the sound and authoritative information on it that we can get. We need it, if I may speak plainly, because we started so late—because too many Americans had a blind spot on aeronautics right up to the beginning of this war.

I have had a low-boiling point on the subject of this Nation's aviation needs for a number of years. Perhaps the main reason for this is that I was touring in Europe at the time Hitler was laying the groundwork for air war by training an army of kids on gliders, and the handwriting was pretty plain to me.

Then for 3 years, it has been my privilege to be a part of the appropriations hearings for the Civil Aeronautics Administration, and to hear those people explain their needs and plans and hopes, and I am proud to say that on more than one occasion I have voted, and urged this House to vote, to give them more money than was contained in the Executive Budget proposals.

In all my dealings with the Civil Aeronautics Administration I have been deeply impressed with how well its officials appeared to know their business and how farsighted they have been.

The appropriation for the C. A. A. now before you is, as has been said, incomplete. It is for a little less than $28,000,000—as contrasted with a total current budget of some $410,000,000—because the two largest items in the current budget have not yet been submitted, to wit, the program for training of airmen and the program for development of landing fields. It is explained that possible changes in war needs make it advisable to submit these items later.

Nevertheless, I cannot omit mention of the C. A. A. pilot training program—now renamed War Training Service—because it will come before you sooner or later; and in my humble opinion it is one of the first great steps toward present-day preparedness which this country took; preparedness not only for this war, but for the civilian air age which will follow.

This plan, launched in 1939, blazed many of the trails which the armed forces have followed since, and some other trails which will guide post-war flying. It seems incredible today, but many of you will recall that 4 years ago it was considered a very daring idea to give Federal aid to any college that wanted to start an aviation ground school, and "team up" with a nearby commercial flying school which could teach the actual flying.

Yet the leaders of the C. A. A. pleaded that it could be done, and asked for $10,000,000 that year. Congress gave them $4,000,000. But a year later their performance was so good, and the situation in Europe was so bad, that we gave them $36,000,000.

Yes; we gave them a 900-percent increase in 1940, and asked them to give 60,000 flight courses. This was more courses than had been given in the entire country in the previous 15 years, but they went to work and did it.

Mr. Chairman, the C. A. A. program performed miracles of mass pilot training as early as 1940 which compare well, under the circumstances, with the best war-production records of today. They began from scratch. They wrote their own textbooks and procedures. They retrained thousands of veteran flyers into top-notch instructors. They speeded up their courses to get in 3 per year. They spread out the work until it was going on at more than 900 locations across the broad face of this country. The mountain went to Mahomet. Aviation reached out to touch American youth at every crossroads airport.

What were the results? In 3 years the number of civilian pilots in this country

went up from 22,000 to more than 100,000. The number of civilian planes rose from 10,000 to 25,000.

This big backlog of civilian flyers began flowing into the armed forces, for military training, very early in the emergency. By mid-1941—5 months before Pearl Harbor—they were joining the air services at the rate of 1,000 per month.

It is a safe bet that by now the great majority of those C. A. A. flyers are flying for Uncle Sam. And testimony as to how well they came out, after war training, is contained in the news dispatches almost every day. I want to emphasize that the C. A. A. never has claimed it made them into finished military pilots, but only that it taught them to fly.

Capt. Joe Foss, the Marine Corps ace of Guadalcanal, first took the air in a "puddle jumper" as a C. A. A. student pilot. So did two-thirds of the R. A. F.'s late American Eagle squadron. So did one-third of the pilots in the Navy's Fighting Sqaudron Six, which felled 27 Japs in the Solomons. A few others are Lt. John Bell, who was decorated for flying so many evacuees ut of Burma; and Lt. Joe Shaffer, first American to down a Nazi plane over Europe; and Lt. Ray Holsey, decorated for his Flying Fortress raids on Rabaul; and Ensign Tootle and Lieutenant Moore, who displayed conspicuous bravery at Midway. Another is Lt. Tony Yenlavage, a bombardier with only 34 hours of C. A. A. flying who piloted a four-engine bomber back to England after both pilots were wounded over France.

These are only a handful of the nearly 100,000 fledgling pilots which the C. A. A. program has put on their first wings in the last 4 years, and which have provided such a splendid backlog from which the armed services could draw pilot material. Another interesting little item about them is that 17 of the 79 airmen who went along with Jimmy Doolittle on his famous Tokyo raid were former C. A. A. student flyers.

I imagine General Doolittle was quite pleased at that, because back in 1940 that same Jimmy Doolittle had arranged a national competition to determine the three best C. A. A.-trained pilots of the year, so that they could win scholarships for further aviation study.

I said the C. A. A. blazed trails for the war effort. One of these was the large-scale technical training in the colleges. That is now the accepted policy of the armed forces. Another was the delegation of flight training to commercial flying schools by contract. That was considered risky business when the C. A. A. started it, because many such schools had been somewhat haphazard, devil-may-care enterprises. But they made a splendid record with the C. A. A. and today the Army Air Force contracts with such civilian schools for all its primary-stage training. In fact, most of the schools now on the Army list got previous experience with the C. A. A. And a check last summer revealed that more than two-thirds of the thousands of flight instructors in those schools also came out of the C. A. A. program.

That sums up the highlights of a program which, I believe, is unparalleled in any free country; and we should remember that its main ramrod was Robert H. Hinckley, then Assistant Secretary of Commerce for Air. But supporting him were many of the best brains in aviation, for he knew the value of getting the interested parties around the planning table. Hinckley's advisory committee, headed by Frank Tichenor, included more than a score of real leaders, one of whom—"Eddie" Allen, the peerless test pilot—met a tragic death only the other day.

The C. A. A. training program is now greatly altered for the duration, to meet the needs and desires of the armed forces.

It is concentrated in fewer and larger centers, more rigidly controlled. Its trainees are in active service. It has gone to war, and those of us who have pleaded so long with military leaders to make full use of it should find no fault with this. But let us be sure when this fight is won that aviation training comes back to the small colleges and the cow-pasture airports where it had made such a magnificent start.

There are three other principal phases of C. A. A. work—airports, safety regulation, and the Federal airways. The current appropriation for development of landing fields is nearly $200,000,000. Next year's is not yet before us. Here again the governing factor at this time must be what the armed forces need. Fast, heavy warplanes require large fields with strong runways; so a large amount of money is going into a few hundred high-class fields. How good a post-war investment these prove to be will depend upon their practical usefulness to the air-transport system. Location is a vital factor. All locations today are specified by the Army or Navy, and I dare say some of them are not ideal from the viewpoint of post-war commerce; but perhaps that must be chalked up as another penalty of war. Conversely, a large number of the improvements are being made on regular municipal airports, thus preparing these communities for post-war transport traffic. And there are no frills in the C. A. A. work, which is limited to the landing fields only.

The inspector force which carries on the C. A. A.'s safety regulation work not only is helping the air lines to maintain their fine safety record under great pressure, but also is doing a vast amount of wartime technical work for the armed forces. Its engineers check designs and performance of many types of noncombat aircraft such as troop and cargo carriers, training ships, and gliders. They also supervise conversion of airplanes going to other countries under lend-lease, and keep the Nation's technical training schools up to standard.

Scientific people in the C. A. A. have made some very important contributions to aviation knowledge; and here again they follow the antibureaucratic policy which I like so well by farming out these studies and experiments to the laboratories of leading universities, under the supervision of the National Research Council. The things they have done which have the most immediate wartime value are to devise better methods of preselecting flying cadets, to cut down the "washouts"; and to improve and standardize the process of teaching boys to fly, thus providing better pilots. Both the Army and Navy have been quick to adapt these improvements to their own programs.

The Civil Aeronautics Authority is also the Nation's aerial traffic cop. Probably I should not put it that way, because what it does is to build and operate the 34,000-mile network of Federal airways over which airplanes can fly safely day or night, aided by radio beams and beacons and frequent weather reports and information about other planes in the air. They also are installing blind-landing systems on the major airports, to save fog-bound flyers. This skyway system is vital to the air forces, because nowadays 17 out of every 20 planes that fly it are military planes. And because the Civil Aeronautics Authority has so much experience with airways, it has built secret new airways for our armed forces, as well as a series of new type superpower radio stations which can signal our flyers anywhere on the globe.

I have touched upon the highlights of the work of the Civil Aeronautics Authority in order to raise a point of policy. Two years ago, and again last year, I expressed the hope that the armed forces might be able to make good use of the Civil Aeronautics Authority pilot-training program without doing major violence to the basic nature of it or to its way of operating. But they have felt that some very marked changes must be made in it. Now, I want to raise a general question about the Civil Aeronautics Authority in wartime. I believe sincerely that it is a service organization, and a good one. It is headed by a group of technical men, with Charley Stanton as their chief, who have done a pioneering job that is undeniably good. Literally thousands of their trained people have gone to war agencies and they have trained replacements and gone ahead. More than half of their regional managers recently were called into the Army. They have streamlined their work and are giving a maximum of efficient service to Army and Navy needs.

If we are now ready to begin getting concerned about post-war aviation, we had better be a little concerned about the C. A. A., for in that agency we have placed much of the Federal Government's responsibility to "foster and encourage the development of civil aviation and air commerce."

We might take a brief glance at the size of the problem those people are going to face. This year's production of our war-built aviation industry is expected to reach a value of about $20,000,000,000, which is roughly 150 times as big as it was in 1938. It is also over 5 times as big as the biggest year the automotive industry ever had. It involves not only billions of dollars of invested capital, both public and private, but the jobs of over a million trained workers.

The problem is to save as many of those plants and jobs after the war by finding and developing as great a civilian market as possible. There is no doubt that aviation is going ahead in great strides, but you cannot dismiss the problem as simply as that. Peacetime civil aviation is different from war flying. Nowadays we do not stop and count the cost, because no price is too great to pay if it saves our freedom. But no matter how much of an expansion we have after this war, it is not going to consume the amount of airplane production we have right now. Why, Mr. Chairman, the value of this production for 1943 is going to be somewhere around one-seventh of the national income.

The obvious warning to all of us, then, is that we must lay plans and policies to save as much of the present aviation industry as possible for civilian uses. And my point is that there is one Federal agency, the C. A. A., which has been accumulating experience for 16 years, under various titles, as to how best to "foster and encourage the development of civil aviation." That agency set up and developed the airways system, it has evolved and kept up to date a national airport plan, it has achieved mass air training in the colleges and made a good start in the high schools.

From my observation, the leadership of the C. A. A. is very alert to this tremendous post-war problem. At one extreme they have experimented with newer and safer types of small airplanes for the average man to fly. At the other, their engineers are conducting tests and making technical analyses of the largest and fastest new troop and cargo transports at the request of the armed forces.

So I suggest that no matter how great the stresses and strains of war, it will be wise to keep the C. A. A. a live and vital agency, ready for the great post-war task which certainly lies ahead of it. This is not a cry of alarm, but just a word of caution. The C. A. A. is busier than ever before, doing a bigger job than it ever did, and the bulk of its present work is war work being performed at the request of the war leaders. Most of it is technical work which is right down the alley of C. A. A. technicians who have spent many years at their craft. Each problem they can handle for the Army or Navy serves a dual purpose. First, it releases uniformed personnel for other types of service, including combat; and, second, it permits the Nation to hold together a minimum organization of workers trained in what is certain to be one of the most difficult of post-war adjustments.

There are many reasons why I have frequently addressed the House on the subject of aviation. I wish to conclude my remarks today by telling you something about the background of aviation in my own State of Nebraska.

We have pioneered in aviation in Nebraska, and one of the first aviation schools, perhaps the first one, is located in the capital city of Lincoln. It is known as the Lincoln Aeronautical Institute Airplane and Flying School. This school started teaching aviation early in the year 1920, and there is not within my knowledge another civilian school of aviation in the United States that dates that far back. There may have been pilots at that time who were teaching flying, but so far as I know there were no established flying schools or schools of aviation.

It is generally believed in aviation circles that this Nebraska school dates further back than any other civilian school now operating.

Some of the great pioneer pilots and many of our stand-out pilots of the present day learned to fly in this pioneer school. I am gratified to be able to tell the House that this same school which is now in operation, was operating as an aviation school long before there was any Federal agency controlling aviation instruction. When the Aeronautics Branch of the Department of Commerce was established and provision made for school approval, this was one of the first schools in the country to qualify as an approved school. It has carried all the ratings given by the Civil Aeronautics Administration for the teaching of aviation, both in training pilots and in training mechanics.

Mr. RABAUT. Mr. Chairman, I yield 5 minutes to the gentleman from North Carolina [Mr. COOLEY].

Mr. COOLEY. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. COOLEY. Mr. Chairman, I apologize for trespassing upon the patience of the House at this late hour, but I wish to call attention to a situation which I think warrants the attention of the Office of Price Administration. Personally I do not believe that the farmers of the Nation are contributing to the cause of inflation, nor do I fear that they will in the immediate future contribute to the disasters of inflation. I call attention to the fact that in the city of Washington in the retail grocery stores tomatoes are selling for $700 a ton. Does any Member of the House know what the farmers back in his district are receiving now for tomatoes? Cucumbers are selling in the retail stores here for $700 a ton and big green bell peppers are selling here for $900 a ton. Gentlemen know that the farmers are not receiving any such price as that, and the trouble with this cost-of-living proposition, as I believe every intelligent Member knows, is the spread in the difference between the price that the farmer receives and the price that the consumer pays. I cannot see how anyone can stand on the floor of this House and praise the O. P. A. for its fight against inflation, when apparently nothing has been done about this great spread between the price the farmer receives and the price the consumer pays.

Mr. ZIMMERMAN. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. Yes.

Mr. ZIMMERMAN. I think it developed in the committee the other day that the farmers are getting six-tenths of 1 cent a pound for cabbage, which is retailing here in Washington for 15 cents a pound.

Mr. COOLEY. That is correct.

Mr. ZIMMERMAN. And that the farmer was getting around the same price for his tomatoes and that they were selling for 30 cents a pound here in the city of Washington.

Mr. COOLEY. Thirty-five cents a pound.

Mr. ZIMMERMAN. Then I did not have it quite high enough.

Mr. COOLEY. That is correct. I might call attention to some other prices. String beans, 35 cents a pound or $700 a ton; sweetpotatoes are selling for $200 a ton; onions, $160 a ton; asparagus, $780 a ton; spinach, $300 a ton; artichokes, $500 a ton; sweetpotatoes, 10 cents a pound, or $200 a ton.

Mr. DURHAM. Will the gentleman tell us who purchases those articles and who can pay such prices for them now?

Mr. COOLEY. That is the very thing that is bothering us. You cannot blame the consumer for complaining about prices like that. I am wondering where is this price control.

Mr. MURRAY of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. Yes.

Mr. MURRAY of Wisconsin. If the gentleman would not be so modest, he might tell his colleagues that for a year and a half he has been trying before his committee to work out a plan, studying this spread between the price that the farmer gets and the consumer pays, and if his will had prevailed, there is a lot of information that we would have had today, more than the O. P. A. would ever be able to give us.

Mr. COOLEY. I thank the gentleman for his kindly observation.

Unfortunately, I was not able to convince even the House Committee on Agriculture that the distribution of farm produce and commodities presented a problem which needed attention. The truth is in the past 10 years, and for that matter for a much longer period of time, we have spent hundreds of millions of dollars in the field of production teaching farmers how to produce. At the same time we have spent hundreds of millions of dollars on control programs and in teaching the farmers how to control production, but during this same time we have paid little or no attention to the great problem of distribution and marketing. The marketing bill which I introduced last year was supported by the United States Department of Agriculture and approved by the Bureau of the Budget. It was likewise supported by the commissioners and secretaries of agriculture in the several States and by the Extension Service and by farm organizations. Agriculture's greatest problem today is the problem of distribution and the proper marketing of the commodities produced on the farms and ranches of the country. It seems silly and absurd to continue to neglect to solve the marketing problem for the farmers of this Nation. Too many people are

"farming the farmers" and the farmer is constantly being accused of causing inflation, of selfishness, and greed.

Apparently every time some people look for a cause for inflation they can neither find nor see anything else except farmers and they erroneously lead the public to believe that the farmers of America, and the farmers only, are causing, by an unjust demand for higher prices, an unholy and an unwarranted increase in the cost of living. You may propose on the floor of this House to increase the income of any other group in America, and all of these people who are afraid of inflation never lift their voices in opposition, but every time anything is proposed in the interest of the farmer and his income we are given grave warnings of great dangers. If we admit that the farmers are suffering from a disparity we are certainly not justified in folding our hands or in opposing every measure which seeks to establish equality for agriculture.

If our farmers were actually receiving $700 a ton for tomatoes, or $300 a ton for cabbage, or $780 a ton for asparagus, or $900 a ton for green peppers, then there might be some justification for all of this talk about the farmers causing inflation. This is far from the truth. The farmer gets 2 cents a pound for sweetpotatoes that sell on the market here in Washington for 10 cents a pound. Will anyone suggest that the sweetpotato farmer is causing inflation? Four little red beets in a bunch sell in Washington stores for 17 cents, and 4 little spring onions about the size of your thumb sell in a bunch for 25 cents. Of course, the cost of living has gone up, but what has the farmer had to do with it, and what is O. P. A. going to do about it? Apparently no one is getting excited over the great spread between the producers and the consumers and the poor farmer is now, as always, taking the brunt of the cussing.

[Here the gavel fell.]

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. CARTER. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin [Mr. MURRAY].

Mr. MURRAY of Wisconsin. Mr. Chairman, I ask for these 3 minutes in order to clarify the atmosphere. I wanted to ask our distinguished colleague from Tennessee [Mr. GORE] a question because of the high regard I have for him. I know the study he has made of the whole price-control situation. I would like to have him analyze a hypothetical case. Here today we voted for a bill that will give $567,000,000 to around two and one-half million people, many of whom will get a bonus or increase in salary of $500 to $600. If a Federal employee then is getting $2,900 to $5,000 a year he or she can get the bonus of $500 to $600 and no one mentions the word "inflation."

Since 81 to 94 percent of the farmers get less than $100 from the A. A. A. as subsidy checks, I would like to ask any Member of this House, including the gentleman from Tennessee, if he can tell me in the name of common sense how we can give a Federal employee a $500 or $600 bonus and have no fear of inflation and turn around and say we will cause inflation if we provide a farmer a subsidy check for less than $100?

I would like to have this analyzed for me. I do not say this with any personal reference, because I do not know anything about how the gentleman voted.

Mr. GORE. Will the gentleman yield?

Mr. MURRAY of Wisconsin. Yes, I will gladly yield.

Mr. GORE. May I preface my reply by expressing very deep admiration and high esteem for the learned and distinguished gentleman from Wisconsin. My answer is that I voted against the increase and furthermore I voted against all increases for every group, so that nobody would make a profit out of this war except the fellow who is doing the fighting.

Mr. MURRAY of Wisconsin. I thank the gentleman and I am surely pleased to know that that is his analysis of it. But why did not someone mention inflation when the salary boosts were provided in the civil-service bill?

Mr. COOLEY. Will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield.

Mr. COOLEY. I would like to ask the gentleman from Tennessee if both he and I did not vote against the price-control bill?

Mr. GORE. Will the gentleman yield?

Mr. MURRAY of Wisconsin. Yes; I yield.

Mr. GORE. I voted against the original Price Control Act, which I think was a mistake. I think we started out on an erroneous principle, but the Congress saw differently, and I voted for the second one.

Mr. COOLEY. The gentleman has changed his mind?

Mr. GORE. I have not.

Mr. MURRAY of Wisconsin. Just before my 3 minutes expire, I do not want to put any words in the gentleman's mouth, but I would infer that he thinks the measure we passed today is just as inflationary as the Bankhead bill. But I wonder why he did not speak on the civil-service bill and its effect on inflation. Yes; I repeat, if the Bankhead bill is such a threat to inflation, I cannot help from asking why the gentleman from Tennessee [Mr. GORE] did not call our attention to the threat of inflation from this civil-service bill that was passed today.

Why was not one word said about inflation when this bill appropriating $567,000,000 was passed today? Here was a bill giving $567,000,000 to 2,500,000 people, and not a Member said one word about inflation. The Bankhead bill would distribute about an equal amount to 6,000,000 farmers and then they contend that this would cause inflation.

The civil-service bill gives a raise in pay of $500 to $600 to the so-called bureaucrats that get above the $2,900 base, and yet many Members spend hour after hour criticizing these same bureaucrats. There are a few deductions that are self-evident.

First. It is, according to some people, possible to give $500 to $600 increase in salary to thousands of useless Federal employees that are a detriment to the war effort without causing inflation. Many must feel elated to give this bonus to the O. P. A.'ers that have worked such havoc in our food program.

Second. Inflation is only to be worried about and talked about when you mention the farmer—one-half of whom do not even have electric lights and 1 out of 10 of whom do not even have modern improvements in their homes.

Third. It is evident that it seems desirable for some Members to picture the horrors of inflation where the farmer is involved, but they offered no vocal objection to the civil-service bill that has the evident blessings of the administration.

Fourth. I am sure many Members—especially those who took the role of economy during their campaign—will want to take the roll call on the civil-service bill home and show their constituents their economy record and how they voted to reduce these expenditures while in Washington. Of course, some will have to show that they may curse the bureaucrats, though they were willing to give them a $500 to $600 bonus from their grandchildren's earnings to take the sting from their curses. Incidentally some should tell their constituents that though the Civil Service Committee brought in a pension-for-Congress provision in the Seventy-seventh Congress, the same committee today brought in a bonus for their office staff of up to 15 percent of $6,500, or $975 additional.

Mr. RABAUT. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. LUTHER A. JOHNSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 2397, had come to no resolution thereon.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted, as follows:

To Mr. SIKES (at the request of Mr. PETERSON of Florida), for 1 week, on account of serious illness of his mother.

To Mr. THOMASON (at the request of Mr. LUTHER A. JOHNSON), for this week, on account of official business with the War Department.

PERMANENT LOAN TO THE UNITED STATES BY THE BOARD OF TRUSTEES OF THE NATIONAL GALLERY OF ART

Mr. BLOOM. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 319) to authorize the acceptance of a permanent loan to the United States by the board of trustees of the National Gallery of Art, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CARTER. Mr. Speaker, reserving the right to object, I understand there is no obligation on the part of the Government whatsoever in regard to this matter. Would the gentleman make a very brief statement as to what the bill provides?

Mr. BLOOM. Mr. Speaker, this bill was on the Consent Calendar and there was objection made at the time. The objectors have withdrawn their objections. I have spoken to the minority leader and others and they have all consented to have this brought up and passed at this time. I also spoke to the gentleman from Massachusetts [Mr. TREADWAY], who is the minority member of the Committee on the Library. This bill comes from the Committee on the Library.

Mr. CARTER. And there is no objection on their part?

Mr. BLOOM. There is no objection on their part.

Mr. CARTER. I withdraw my reservation of objection.

Mr. BURDICK. Mr. Speaker, reserving the right to object, did not the gentleman from New Jersey [Mr. KEAN] object to this bill?

Mr. BLOOM. No; two other Members objected to the bill, and they have both agreed to withdraw their objections.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to receive into the Treasury from time to time as a permanent loan by the Board of Trustees of the National Gallery of Art to the United States sums in cash of not to exceed $5,000,000 in the aggregate, and to pay interest on the principal amount of such loan at the rate of 4 percent per annum, payable semiannually. Such interest is hereby permanently appropriated for payment to the Board of Trustees of the National Gallery of Art.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. STEFAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix.

The SPEAKER. Is there objection?

There was no objection.

Mr. MURRAY of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my remarks and include a table from the Department of Agriculture.

The SPEAKER. Is there objection?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

The SPEAKER. Under previous order of the House, the gentleman from North Dakota [Mr. BURDICK] is recognized for 30 minutes.

Mr. BURDICK. Mr. Speaker, owing to the lateness of the hour, I ask unanimous consent to withdraw that permission today; and I ask unanimous consent that I may have the same time on Wednesday.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. BURDICK. Mr. Speaker, I also ask permission to insert in the RECORD a speech and include an article on coal.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. Under previous order of the House, the gentleman from Tennessee [Mr. PRIEST] is recognized for 20 minutes.

TREATY MAKING BY THE UNITED STATES

Mr. PRIEST. Mr. Speaker, I have asked the indulgence of the House today for the purpose of discussing as fully as I may in the allotted time a few phases of the question of treaty making by the Government of the United States.

I realize that proposals to amend the Constitution seldom engender much enthusiasm, and, regardless of circumstances, frequently are met with some indifference. At the same time I feel very strongly that we can do no greater injustice to the men who framed that document than to refuse or neglect to make it serve adequately the needs of each generation.

On December 8, 1941, both the House and the Senate voted a declaration of war against Japan. A few days later both bodies of the Congress approved similar declarations of war against Germany and Italy.

When the wars thus declared and now being fought shall end, the House of Representatives, under the present constitutional treaty-making provisions, will have no actual voice in the approval or disapproval of any treaty or treaties that may follow.

Mr. Speaker, such a situation always has presented a paradoxical procedure wherein a majority of both Houses can begin a war, but in which only two-thirds of one body alone can officially end it, or in which one-third plus one of one body can actually prolong it.

If we can trust a majority to declare war, can we not with equal faith in the aggregate wisdom and judgment of the majority trust it to ratify a peace treaty?

For a moment let me direct your attention to the proceedings in the Senate on March 19, 1920. The clerk called the roll of that body on one of the most important questions ever before any parliamentary assembly. The question was on the ratification of the Versailles Treaty with the League of Nations Covenant and the 14 so-called Lodge reservations.

The result was announced as 49 votes for and 35 votes against ratification. Across the country and around the globe news wires flashed the information that the Senate had defeated the League. It was defeated, of course, not because a majority of the Senate had voted against it, for they had not, but because two-thirds of that body had not voted for it.

Here and there in our own Nation, but even more keenly in other countries, was felt a shock; but for the most part in this country we went plunging on our merry way into the delirious decade of the twenties, with its irresponsible, mad whirl of speculation, its unwarranted sense of security, and its blind and carefree refusal to look realities squarely in the face.

Mr. Speaker, I would not impose upon the intelligence of the House by reciting here the various tragic circumstances along the treacherous trail that led from that vote in the Senate through the next two decades—a trail that led through Manchuria and Ethiopia to Munich, Pearl Harbor, and north Africa. Too much concern over past mistakes may lead us into irresolution and inaction. I am far more interested in the present and the future.

Last November I introduced a House joint resolution proposing an amendment to the Constitution. It was reintroduced on the opening day of the Seventy-eighth Congress and has been referred to the great Committee on the Judiciary of the House.

This proposal simply would amend the second paragraph of section 2 of article II of the Constitution to empower the President to make treaties by and with the advice and consent of the Senate and the House of Representatives. This could be done, under the proposal, by a majority vote of both Houses, which is all that is necessary to declare war or to implement by appropriations any treaty that may be effected.

It is no new proposal, of course. But I think at this time it might be well if we look briefly into the background of the treaty-making provision as finally adopted in the Constitution.

As Professor Burdick, of Cornell University, pointed out a few years ago, the provision as finally adopted was more or less a historical accident. I quote briefly from his statement:

> The fact that the treaty-making power was created as it was, with the participation only of the President and the consent of the Senate by two-thirds vote, is rather a historical accident. It is also very clear from the Constitution that the Congress, acting through both its branches, is expressly authorized to deal with matters of international relations and particularly and expressly with matters of finance and appropriation. Now, undoubtedly the two functions of the treaty-making power and of the congressional power overlap and treaties have not infrequently dealt with matters with regard to which Congress might act, and also congressional action has dealt with matters which might have been dealt with by treaty.

In support of that position, Professor Burdick listed as examples the annexation of Texas and the annexation of Hawaii. I shall not at this point pursue that argument further, but direct your attention to the very beginning of this question.

As finally adopted in the Articles of Confederation the provisions for making treaties essentially were that Congress had the sole and exclusive right to make treaties, and States were expressly prohibited from entering, without the consent of Congress, into any conference, agreement, alliance, or treaty either with foreign states or with other States in the Confederation.

Now, in the Constitutional Convention of 1787, the clause requiring two-thirds of the Senators present to concur in the ratification of a treaty, was the

subject of prolonged debate. I have reread some of that debate recently and it is very interesting. Throughout the entire discussion ran one theme that, in the light of what happened during more than a year of debate on the Versailles Treaty, is rather amusing.

The substance of that argument, when boiled down, was that the matter of making treaties was a very delicate one, and might frequently require secrecy. In such cases it was argued that it might be more difficult to obtain that secrecy if the question were submitted to the House of Representatives, which at that time was not larger in membership than the Senate, but which was destined to be much larger.

The same arguments that are cogent today were made against requiring two-thirds of the Senate to ratify. James Wilson opposed the proposal vigorously on grounds that it could permit the will of a minority to defeat the will of a majority. Rufus King concurred in that viewpoint, and Madison proposed an amendment which at first was accepted and later rejected, to exempt from the requirement all treaties of peace. Wilson then proposed an amendment adding the House of Representatives. It was finally voted down with only the Pennsylvania delegation supporting it.

In many of the State conventions and legislative assemblies the provision requiring two-thirds of the Senators present to concur was strongly opposed at the very beginning. But in the end it was adopted, and it still is there, as a part of our Constitution.

I stated a few moments ago that we could do no greater injustice to the framers of the Constitution than to refuse to go one step farther in our day than they went, if that one step is deemed in the interest of the general welfare of this country.

Since introducing this resolution calling for an amendment, some gentlemen who agree that it should be done take the position that there is not sufficient time to do it now. I agree there is not—unless we get started on the job. We never reach any goal until we start toward it.

Mr. Speaker, on the eve of the anniversary of our entrance into the First World War, and while we are engaged in fighting the second, we are reminded perhaps more than at other times of the tragic and costly blunder we made in 1919–20, when we drifted into a policy which in effect simply said that America was not necessary to the peace of the world and that the peace of the world was not necessary to America.

May the God of all nations in His righteous wisdom guide us now in this generation to the end that there shall not at some future day be observed an anniversary of the beginning of a Third World War when we shall then look back with regret and deep and stinging remorse on some blunder of this generation.

Very few of us govern our thoughts and our actions today on the basis of what the historian of the future may think about us, and of how we will be appraised by the generations that follow. But this generation, which in every reality is keeping its rendezvous with destiny, will be measured in the future on the basis, first of how we met the greatest challenge in the history of the world to the very existence of free people, and second, of what we did to establish a world system of law and order and right and justice, to prevent a recurrence of the plague of war.

Does that challenge have anything to do with our treaty-making provisions?

My answer is "Yes."

The House of Representatives is composed of 435 members who represent that many congressional districts in which reside the 130,000,000 people of this country.

Members of this body must stand or fall every 2 years on the basis of their records here. They have voted recently to send millions of men from those congressional districts to battlefields of the world. They have voted billions of dollars in appropriations to carry out the pledge made in the declaration of war, also voted in this Chamber, that all the resources of the Nation are pledged to the successful prosecution of those wars. They have voted the heaviest tax burdens in the history of the world in order to be able to continue necessary war appropriations. In all of these acts, whether in declaring war or voting money or taxes in support of war, the House has concurrent power with the Senate, and all such measures are approved by a majority vote of both bodies.

But unless we amend the Constitution, when the time for ratifying a peace treaty comes around, as it surely will, we will be able to keep up with what is going on only by reading the newspapers, or by exercising the privilege of Members of the House to visit the other body.

Surely, Mr. Speaker, Members of the body of Congress closest to the people, should no longer be excluded from the treaty-making provisions of the Constitution. The so-called historical accident referred to previously in quoting Professor Burdick can be corrected by the adoption of the amendment proposed in the joint resolution I have introduced.

The SPEAKER. The time of the gentleman from Tennessee has expired.

SENATE BILLS REFERRED

Bills and a joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 24. An act to authorize the Secretary of the Interior to issue patents for certain lands to certain settlers in the Pyramid Lake Indian Reservation, Nev.; to the Committee on Indian Affairs.

S. 134. An act for the relief of the heirs of John J. Shields; to the Committee on Claims.

S. 135. An act to confer jurisdiction upon the Court of Claims of the United States to hear, determine, and render judgment on the claim of the General State Authority of the Commonwealth of Pennsylvania; to the Committee on Claims.

S. 169. An act designating the fourth Saturday in September of each year as American Indian Day; to the Committee on the Judiciary.

S. 170. An act for the relief of W. Cooke; to the Committee on Claims.

S. 241. An act for the relief of Rachel Acerra; to the Committee on Claims.

S. 252. An act for the relief of Philip Kleinman; to the Committee on Claims.

S. 373. An act for the relief of Charles Favors; to the Committee on Claims.

S. 376. An act for the relief of C. Y. Webb; to the Committee on Claims.

S. 400. An act for the organization and functions of the Public Health Service; to the Committee on Interstate and Foreign Commerce.

S. 510. An act for the relief of Inez Smith; to the Committee on Claims.

S. 516. An act for the relief of the Nashville, Chattanooga & St. Louis Railway; to the Committee on Claims.

S. 555. An act for the relief of Almos W. Glasgow; to the Committee on Claims.

S. 629. An act to authorize the conveyance of certain public lands in the State of Minnesota to such State for use for park, recreational, or wildlife-refuge purposes; to the Committee on the Public Lands.

S. 652. An act for the relief of Joseph A. Lassiter; to the Committee on Claims.

S. 671. An act for the relief of Charles Francis Fessenden; to the Committee on Claims.

S. 684. An act for the relief of Lt. M. V. Daven; to the Committee on Claims.

S. 695. An act for the relief of Joseph F. Bolger; to the Committee on Claims.

S. 716. An act to provide for the appointment of an additional circuit judge for the seventh judicial circuit; to the Committee on the Judiciary.

S. 717. An act for the relief of Cinda J. Short; to the Committee on Claims.

S. 734. An act to provide for the transfer of Granville County to the middle judicial district of North Carolina; to the Committee on the Judiciary.

S. 743. An act for the relief of Mr. and Mrs. Walter H. Kindon; to the Committee on Claims.

S. 784. An act to amend that part of the act of June 24, 1910 (36 Stat. 619), relating to disposition of profits from sales of ships' stores; to the Committee on Naval Affairs.

S. 839. An act conferring jurisdiction upon the United States District Court for the Middle District of North Carolina to hear, determine, and render judgment upon the claim of Etta Houser Freeman; to the Committee on Claims.

S. 872. An act to authorize the President to appoint Frank T. Hines a brigadier general in the Army of the United States; to the Committee on Military Affairs.

S. 879. An act to amend the act entitled "An act authorizing a reduction in the course of instruction at the Naval Academy," approved June 3, 1941 (55 Stat. 238); to the Committee on Naval Affairs.

S. J. Res. 31. Joint resolution providing for awards of honor for agricultural production; to the Committee on Agriculture.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 886. An act relating to the selective-service deferment on occupational grounds, of persons employed by the Federal Government.

ADJOURNMENT

Mr. RABAUT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 20 minutes p. m.) the House adjourned until tomorrow, Tuesday, April 6, 1943, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The meeting of the Subcommittee on Fisheries of the Committee on the Merchant Marine and Fisheries, which was scheduled for Wednesday, March 31, 1943, at 10:30 a. m., to consider the matter of price ceilings on fishery products, has been postponed until Tuesday, April 6, 1943, at 10 a. m.

As advised in notice of March 10, 1943, Congressman BATES, of Massachusetts, patron of the bill H. R. 1766, upon which hearings were scheduled on April 8, 1943, is a member of the Committee on Naval Affairs and of a subcommittee of that committee which has arranged a schedule of hearings throughout the country which will compel Congressman BATES, of Massachusetts, to be absent from Washington on April 8 and also April 15.

The chairman of the committee and the Commissioner of Fisheries will be out of town on intervening dates, which will necessitate a further postponement of the hearing until May 13, 1943. You are hereby notified that the hearings scheduled for April 8 and postponed until April 15 have been postponed to May 13, 1943, at 10 a. m., at which time the hearings will follow.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a hearing of the Committee on Immigration and Naturalization on Wednesday, April 7, 1943, at 10:30 a. m., for the consideration of H. R. 1607.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

300. A letter from the Chairman, Reconstruction Finance Corporation, transmitting report covering its operations for the period from the organization of the Corporation on February 2, 1932, to December 31, 1942; to the Committee on Banking and Currency.

301. A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of a proposed bill entitled "A bill to redefine the powers and duties of the Board of Public Welfare of the District of Columbia, to establish a Department of Public Welfare, and for other purposes"; to the Committee on the District of Columbia.

302. A letter from the Secretary, Navy Department, transmitting report showing the name of each person commissioned from civilian life in the Navy, Marine Corps, from January 29 to March 29, 1943, and in the Coast Guard from February 1 to April 1, 1943; to the Committee on Naval Affairs.

303. A communication from the President of the United States, transmitting the budget for the Navy Department and naval service for the fiscal year 1944, containing estimates of appropriations amounting to $24,551,070,000 and proposed provisions affecting said estimates (H. Doc. No. 149); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. COCHRAN: Committee on Accounts. House Resolution 195. Resolution granting a gratuity to Leonard G. Peck; without amendment (Rept. No. 342). Referred to the House Calendar.

Mr. RABAUT: Committee on Appropriations. H. R. 2397. A bill making appropriations for the Departments of State, Justice, and Commerce for the fiscal year ending June 30, 1944, and for other purposes; without amendment (Rept. No. 343). Referred to the Committee of the Whole House on the state of the Union.

Mr. WARD: Committee on the Post Office and Post Roads. H. R. 1004. A bill to relieve newspapers and periodical publications which have voluntarily suspended publication for the duration of the war from payment of second-class mailing fees upon resumption of publication; with amendment (Rept. No. 344). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BROOKS:

H. R. 2391. A bill to provide for the establishment of uniform freight rates, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. CULKIN:

H. R. 2392. A bill to prohibit and to prevent the trade practices known as compulsory block booking and blind selling in the leasing of motion-picture films in interstate and foreign commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. SHAFER:

H. R. 2393. A bill providing an alternative method for treating annuities for the purposes of the Federal income tax; to the Committee on Ways and Means.

H. R. 2394. A bill to authorize payments in lieu of taxes to counties and other political subdivisions in which property acquired for military purposes has been leased for other use; to the Committee on Military Affairs.

By Mr. WALTER:

H. R. 2395. A bill to provide for the appointment of an additional district judge for the eastern district of Pennsylvania; to the Committee on the Judiciary.

By Mr. WILLEY:

H. R. 2396. A bill to establish a national cemetery in the State of Delaware; to the Committee on Military Affairs.

By Mr. BELL:

H. R. 2398. A bill to increase the amount of the Government's contributions under the Servicemen's Dependents Allowance Act of 1942 in the case of children of servicemen; to the Committee on Military Affairs.

By Mr. LEA:

H. R. 2399. A bill to amend the Locomotive Inspection Act of February 17, 1911, as amended, to provide for the appointment of five additional inspectors, and to provide for adjustments in salaries; to the Committee on Interstate and Foreign Commerce.

By Mr. FULMER:

H. R. 2400. A bill to eliminate the provisions of the Internal Revenue Code relating to taxes on domestic margarine and relating to license taxes upon manufacturers, wholesalers, and retailers of margarine; to the Committee on Agriculture.

By Mr. FULBRIGHT:

H. Res. 200 Resolution declaring the sense of the House with respect to participation by the United States in the prevention of future aggression and the maintenance of peace; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Oregon, memorializing the President and the Congress of the United States to enact House bill 1288; to the Committee on the Public Lands.

Also, memorial of the Legislature of the State of Pennsylvania, memorializing the President and the Congress of the United States to pass legislation to utilize all able-bodied conscientious objectors on the farms; to the Committee on Military Affairs.

Also, memorial of the Legislature of the State of North Dakota, memorializing the President and the Congress of the United States to abandon any action for further acquisition of land and extension of game reserve in North Dakota; to the Committee on the Public Lands.

Also, memorial of the Legislature of the State of Michigan, memorializing the President and the Congress of the United States to propose an amendment to the Constitution to limit the term of office of the President to two terms; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of New Jersey, memorializing the President and the Congress of the United States against the construction of a proposed Bordentown-Sayreville ship canal; to the Committee on Rivers and Harbors.

Also, memorial of the Legislature of the State of Illinois, memorializing the President and the Congress of the United States to enact legislation to exempt or defer farm labor from the military service; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLOOM:

H. R. 2401. A bill granting an increase of pension to Mrs. Emma Hall; to the Committee on Invalid Pensions.

By Mr. BROOKS:

H. R. 2402. A bill for the relief of Lamar Calloway; to the Committee on Claims.

By Mr. LAFOLLETTE:

H. R. 2403. A bill granting a pension to Charles E. Curl; to the Committee on Invalid Pensions.

By Mr. MARTIN of Iowa:

H. R. 2404. A bill to restore Capt. Lara P. Good, retired, to the active list of the United States Army; to the Committee on Military Affairs.

By Mr. PLOESER:

H. R. 2405. A bill for the relief of Clarence P. Hale, Jr.; to the Committee on Claims.

By Mr. SUNDSTROM:

H. R. 2406. A bill for the relief of Theodore R. Flohl; to the Committee on Military Affairs.

By Mr. VINSON of Georgia:

H. R. 2407. A bill granting a pension to Marjorie Scott, widow of the late Rear Admiral Norman Scott, United States Navy; to the Committee on Pensions.

By Mr. WELCH:

H. R. 2408. A bill for the relief of Clarence E. Thompson and Mrs. Virginia Thompson; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

401. By Mr. ANDERSON of New Mexico: A joint memorial of the Sixteenth Legislature

of the State of New Mexico, memorializing the President of the United States and the War Department of the United States to designate that certain airfield now known as the Alamogordo Air Base as the Jack Lee Field; to the Committee on Military Affairs.

402. By Mr. CHIPERFIELD: Petitions urging passage of House bill 1996; to the Committee on Labor.

403. By Mr. LYNCH: Memorial of the Legislature of the State of New York, requesting the Congress to take appropriate action to eliminate any delay in the final attainment of citizenship on the applications of petitioners of Italian origin who have demonstrated themselves to be loyal and worthy, notwithstanding a state of war between the United States and Italy; to the Committee on Immigration and Naturalization.

404. By Mr. SMITH of Wisconsin: Petition of the Walworth County Bankers' Association, Elkhorn, Wis.; to the Committee on Agriculture.

405. By Mr. GRAHAM: Petition of sundry citizens of Lawrence County, Pa., urging enactment of liquor advertising bill, S. 569, introduced by Senator ARTHUR CAPPER, making it unlawful for any newspaper, periodical, newsreel, photographic film, or record advertising beverages, to be carried in mails, by railroad, or by any common or private carrier from one State to another; to the Committee on Interstate and Foreign Commerce.

406. By Mr. CUNNINGHAM: Resolution of the National Council of Chief State School Officers, concerning legislation to provide for civilian rehabilitation during the war emergency; to the Committee on Education.

407. By Mr. SUNDSTROM: Concurrent resolution of the Senate of the State of New Jersey, memorializing the Congress to take action necessary to effect the retirement of the Federal Government from the field of a tax on gasoline; to the Committee on Ways and Means.

408. By Mr. CULLEN: Petition of the New York State Legislature, urging Congress to take appropriate action to eliminate any delay in the final attainment of citizenship on the part of applicants of Italian origin who have demonstrated themselves to be loyal and worthy, notwithstanding the existence of a state of war between the United States and Italy; to the Committee on Immigration and Naturalization.

409. By Mr. SMITH of Wisconsin: Petition of sundry citizens of Burlington, Wis.; to the Committee on Military Affairs.

410. By Mr. SMITH of West Virginia: Resolution adopted by 15 women's organizations, with combined membership of 3,200, of Charleston, W. Va., protesting against the Nazi atrocities perpetrated against Jews in Europe; to the Committee on Immigration and Naturalization.

411. By Mr. HANCOCK: Petition of Mrs. W. R. Rickett and other residents of Cortland, N. Y., favoring the enactment of House bill 2082; to the Committee on the Judiciary.

412. By Mr. FITZPATRICK: Petition of the New York State Legislature, memorializing the Congress of the United States to take appropriate action to eliminate any delay in the final attainment of citizenship on the part of applicants of Italian origin who have demonstrated themselves to be loyal and worthy, notwithstanding the existence of a state of war between the United States and Italy; to the Committee on Immigration and Naturalization.

413. By Mr. KEARNEY: Memorial of New York State Legislature, that the Congress of the United States be, and hereby is, memorialized to take appropriate action to eliminate any delay in the final attainment of citizenship on the part of applicants of Italian origin who have demonstrated themselves to be loyal and worthy, notwithstanding the existence of a state of war between the United States and Italy; to the Committee on Immigration and Naturalization.

414. By Mr. GRAHAM: Petition of sundry citizens of Lawrence County, Pa., urging the enactment of military camps liquor abolishment bill, S. 860, introduced by Senator W. LEE O'DANIEL; to the Committee on Military Affairs.

415. By Mr. SHAFER: Memorial of the Legislature of the State of Michigan, adopting report of Governors' Conference at Des Moines, Iowa, March 15, 1943, relative to agricultural production; to the Committee on Agriculture.

416. By Mr. BENNETT of Missouri: Petition of the Missouri House of Representatives, relative to grade labeling of creamery butter; to the Committee on Agriculture.

417. By Mr. GRAHAM: Petition of sundry citizens of Lawrence County, Pa., urging enactment of soldiers' bill, H. R. 1548, introduced by Representative SAM M. RUSSELL, providing for common defense, and protection of health and morals of persons in military or naval forces of the United States; to the Committee on Military Affairs.

418. By Mr. CANFIELD: Resolution of the Legislature of the State of New Jersey, memorializing Congress to take action necessary to effect the retirement of the Federal Government from the field of a tax on gasoline; to the Committee on Ways and Means.

419. Also, resolution of the Legislature of the State of New Jersey, memorializing Congress against the construction of the proposed Bordentown-Sayreville ship canal; to the Committee on Rivers and Harbors.

420. By Mr. BENNETT of Missouri: Petition of the House of Representatives of the State of Missouri, relative to pay-as-you-go collection of income taxes; to the Committee on Ways and Means.

421. By Mr. ROLPH: Assembly Joint Resolution No. 36 of the State of California, relative to memorializing Congress to designate the limits beyond which the Congress and administrative agencies of the United States shall not go in exercise of the power given to Congress to regulate interstate commerce; to the Committee on Interstate and Foreign Commerce.

422. By Mr. RAMEY: Petition of the Toledo Central Labor Union, requesting that the Congress of the United States conduct an investigation to determine the corporations and/or individuals sponsoring attacks on labor by Captain Rickenbacker; to the Committee on Labor.

423. By the SPEAKER: Petition of sundry citizens of Newton Centre, Mass., petitioning consideration of their resolution with reference to post-war planning; to the Committee on Foreign Affairs.